

GST Annual Return & Audit Report - GSTR 9 & 9C

**Federation of Corrugated Box Manufacturers'
Kolkata**

17th June 2019

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Agenda Points



●
Annual Return & Audit Report Basics

●
Clause by clause analysis

●
Issues to be considered in Annual Return and GST Audit

●
Questions & Answers
●

Welcome!!

Annual Return – GSTR 9



Ingredients to prepare Annual Return & Audit Report



Annual Return

Brief Introduction to Annual Returns

Annual Return (Sec 44 of CGST Act) – GSTR 9

Every regular Tax payer has to file Annual Return in Form GSTR 9 by 31st December of the next Financial Year. The Annual Return to be filed in FORM GSTR – 9 and 9A has been notified vide Notification No 39 / 2019 (Central Tax) dated 4th September 2018. **Same is now extended to 30th June 2019**



Who Shall File?



Who need not
file?



Importance



Contents of
Annual Returns

Annual Return

Who Shall File Annual Return and Who shall not file the Return

Who shall file

Section 44 of the CGST Act 2017, all taxpayers registered under GST has to file Annual Return

Regular Taxable Person and Composition Dealer

Who need not file Annual Return

- TDS Deductor - Section 51
- TCS Deductor - Section 52
- Casual Taxable Person;
- Input Service Distributor; &
- Non-Resident Taxable Person

TDS, TCS, ISD, Casual Person and Non Resident

Late Fees

Rs 100 per day subject to max of 0.25 % of T/o of that State/UT

Penalty can be huge for delay in filing Annual

Parts of Annual Return

- Part I**
- Basic Information



- Part III**
- Details of Input Tax Credit as per Returns



- Part V**
- Transactions of Previous FY recorded in Current FY



Part II

- Details of Outward Supplier – FCM & RCM

Part IV

- Details of tax Paid as per Returns

Part VI

- Other particulars
- Demands & Refunds
- Inward Supplies from Composition, Deemed supply and Sale or approval
- HSN Summary – Outward & Inward
- Late Fees

Annual Return – Information required to be disclosed



Part I – Basic Details

Financial
Year

GSTIN

Legal Name

Trade Name
(If any)

“FORM GSTR-9
(See rule 80)
Annual Return

Pt. I Basic Details

1	Financial Year	
2	GSTIN	
3A	Legal Name	
3B	Trade Name (if any)	

Part II – Outward Supplies – Taxable and Non taxable – **As per Books**

Taxable Outward Supply – Table 4

- Supplies made to B2B and B2C
- Exports with payment of tax
- SEZ supplies with payment of Tax
- Deemed Exports
- Advance received on which tax is paid
- RCM – as Outward Supply - FCM

Non Taxable Outward Supply – Table 5

- Export without Payment of Tax
- Supply to SEZ without payment of tax
- RCM – as Outward Exempted Supply
- Exempted Supplies
- NIL Tax Supplies
- Non GST – Petroleum products and Alcohol

Details –Taxable
value and Tax
Shown

Debit Notes
Credit Notes
Amendments (+)
Amendments (-)
related to both

Outward Supplies – Some Scenarios and Precautions -

Scenario 1

Turnover – Rs 5 Crs
Declared in 17-18 – Rs 5 Crs

Show all in Table 4 and 5

Interest?

Scenario 2

Turnover – Rs 5 Crs
Declared in 17-18 – Rs 4.5 Cr
Declared in 18-19 – Rs 0.5 Cr

Show 4.5 in Table 4 & 5
Balance 0.5 in Table 10

Interest?

Scenario 3

Turnover – Rs 5 Crs
Declared in 17-18 – Rs 4 Crs
Declared in 18-19- Rs 0.5 Cr
Not Declared – 0.5 Crs

Show 4 in Table 4 & 5
Rs 0.5 Cr in Table 10
Add 0.5 in Table 4 & 5

Interest?

Part III. Input Tax Credit – Some Facts

Break up of ITC as declared
in GSTR 3B – July to Mar 18
and April 18 to Mar 19

Bifurcate the ITC into Inputs,
Input Services and Capital
Goods

ITC Bifurcation -
Import of Goods
Import of Services
RCM – registered
RCM – Unregistered
ITC from ISD
ITC – All other ITC
Transitional ITC

Eligible and Ineligible,
Reversed and re-availed

ITC into GL wise (for
Audit Report)

HSN wise ITC

IGST / CGST / SGST / CESS

6. Details of Input Tax Credit availed **as declared in returns** filed during the FY



6A

Total amount of ITC availed through **FORM GSTR-3B** (sum total of Table 4A of FORM GSTR-3B)



6B

Inward supplies (other than imports and inward supplies liable to RCM but includes services received from SEZs)



6C

Inward supplies recd from **URP** liable to RCM (other than 6B above) on which tax is paid & ITC availed



6D

Inward supplies recd from **RP** liable to RCM (other than 6B above) on which tax is paid & ITC availed

Segregate details in Input, capital Goods and Input Services (CGST, SGST and IGST)

6. Details of Input Tax Credit availed **as declared in returns** filed during the FY



6E

Import of goods (incl
supplies from SEZs)
– Inputs + Capital
Goods



6F

Import of services
(excluding inward
supplies from SEZs)



6G

Inputs Tax Credit
received from ISD



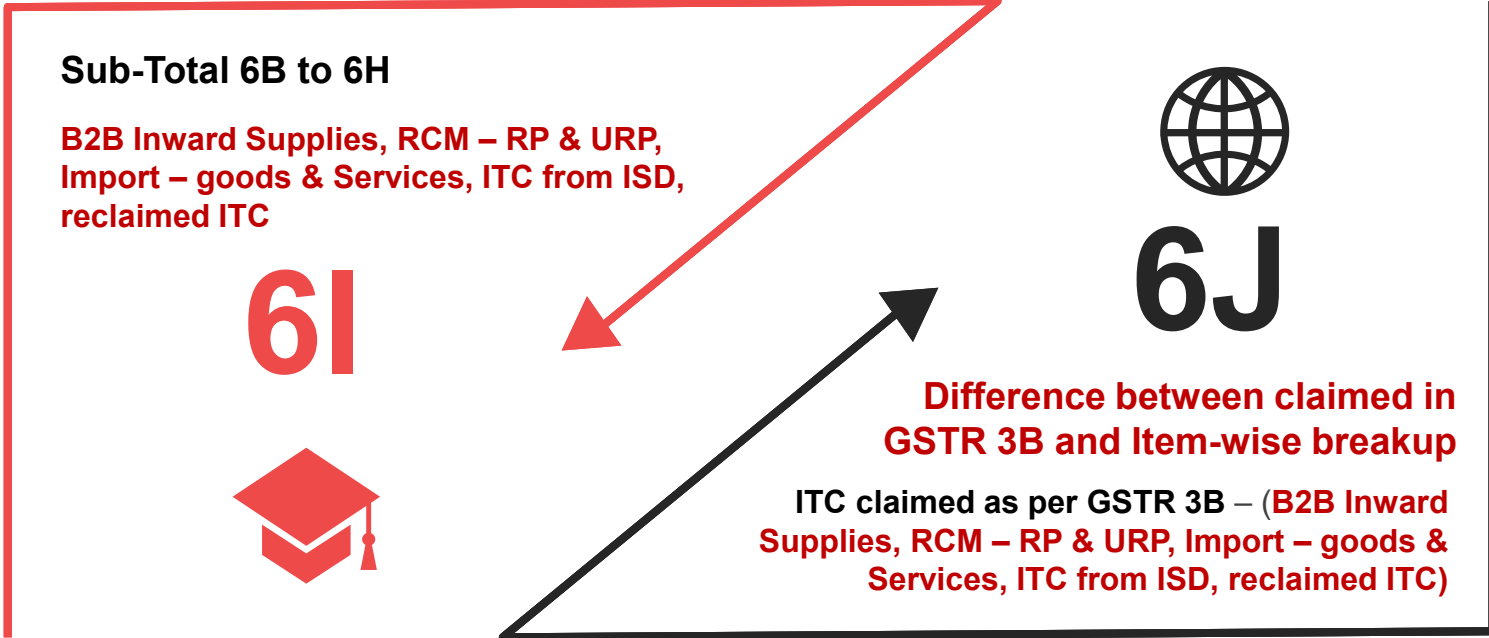
6H

Amount of ITC
reclaimed (other
than **6B** above)
under the
provisions of the Act

Segregate details in Input, capital Goods and Input Services (CGST, SGST and IGST)

Part III – Input Tax Credit

6. Details of Input Tax Credit availed **as declared in returns** filed during the FY



Part III – Input Tax Credit

6. Transitional and Other Credits Available

6K

TRAN 1
Credit (Incl
Revision)

6L

TRAN 2
Credit

6M

Any other ITC
availed but not
specified earlier

6N

Sub Total
(6K to 6M)

6O

Total ITC
Availed
(6I & 6N)



7. Details of ITC Reversed and Ineligible ITC **as declared in returns** filed during FY



7A

Rule 37 – unpaid
Invoices beyond
180 days from the
date of invoice



7B

Rule 39 – Reversal
for ineligible credits
for ISD



7C

Rule 42 – Reversal
for ineligible
Credits on Inputs




7D

Rule 43 – Reversal
for ineligible
Credits on Capital
Goods

Reversals during the FY as declared in returns shall appear here


Part III – Input Tax Credit

7. Details of ITC Reversed and Ineligible ITC **as declared in returns** filed during FY




7E

Sec 17(5) – Blocked
Input tax Credits




7F

Reversal of TRAN
1 Credits



7G

Reversal of TRAN
2 Credits



7H

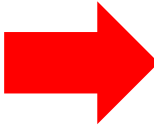
Other Reversals
(Pls specify)


7I – Net ITC Reversed (7A to 7H)


7J – Net ITC available for Utilization (6O – 7I)


Part III – Input Tax Credit


8. Other ITC related information




8A
ITC as per GSTR 2A
(Table 3 and 5) –
Auto Populated


8B
ITC as per normal
B2B Transactions
and ITC reclaimed
(6B and 6H)


8C
ITC for 2017-18
availed in 2018-19
(April to Sept 2018)


8D
[8A – (8B+8C)]


8C – ITC on inward supplies (other than Imports and RCM) for 2017-18 but availed in 2017-18 (ITC on Hold or Invoices located later)

8. Other ITC related information



8E

ITC available but not availed (out of 8D)



8F

ITC available but ineligible (out of 8D)




8G

IGST paid on Imports (Inc Supplies from SEZ)



8H

IGST credit on Imports (Inc Supplies from SEZ) – As per 6E (import of Goods)



8J

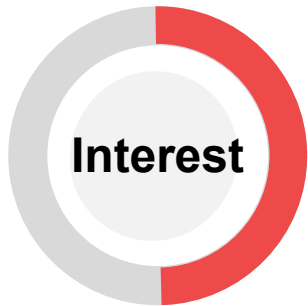
ITC available but not availed on Imports

8I – Difference (8G-8H)

8K – Total ITC lapsed in Current FY (8E+8F+8J)

Part IV – Details of tax Paid as declared in Returns

9. Tax liability discharged in Cash or ITC



Part V – Previous FY transactions declared in Current FY

10

Supplies / tax declared through Amendments (+) (net of debit notes)



11

Supplies / tax declared through Amendments (-) (net of Credit notes)



12

Reversal of ITC availed during previous financial year



13

ITC availed for previous financial year



14. Differential Tax Paid on Account Declaration of 10 & 11 (Amendments)

Part VI – Other Information - 15. Demands & Refunds

15A

15B

15C

15D

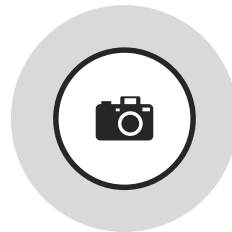
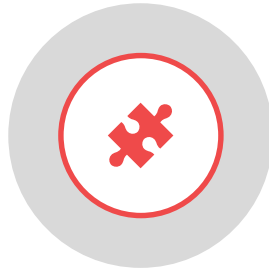
Refund

Total Refund Claimed

Total Refund Sanctioned

Total Refund Rejected

Total Refund Pending



15E

15F

15G

Total Demand of Taxes

Total Taxes paid for 15E

Total Demand Pending for 15E

Part VI – 16. supplies received from composition taxpayers, deemed supply and goods sent on approval basis

Composition Scheme

Supplies received from Composition Dealer

Deemed Supplies

Deemed Supplies Under Section 143

Goods Sent on Approval basis but not returned

Goods sent on approval to be received within 6 months else same is treated as supply

Part VI – HSN Summary and Late Fees

17 HSN Summary for Outward Sup

18 HSN Summary for Inward Supplies

19 Late Fees payable and paid



VI. HSN Summary – Outward and Inward Supplies (Table 17 & 18) -

HSN Summary – Outward Supplies

- Reconcile the Sales register
- Bifurcate the Sales - Rate wise
- Bifurcate into taxable and exempt
- HSN summary is to be reported net of Credit Notes

The preparation of HSN summary is time taking task

Reconcile the HSN summary with Sale Register and Table 4 & 5 of GSTR 9 (Outward HSN)

HSN Summary – Inward Supplies

- Prepare Purchase Register
- Consolidate the same into HSN-wise
- Identify taxable value > 10% of total inward supply value
- Show those items in Table 18

Welcome!!

GST Audit Report – GSTR 9C



Annual Audit – Legal Provisions

Annual Audit (Sec 35 & 44 of CGST Act) – GSTR 9C

- Every registered person whose turnover during a financial year exceeds the prescribed limit shall get his accounts audited (Sec 35) – Limit is Rs 2 Crores (Rule 80)
- Along with Annual return by every person who is required to get accounts audited shall submit (Sec 44):
 - a. Audited annual accounts
 - b. Reconciliation Statement – returns Vs. Annual Audited Accounts
 - c. Annual Financial Statement



Who Shall File?



Who need not file?



Who Shall Audit



Contents of Audit Report

Part I – Basic Details

Financial
Year

GSTIN

Legal Name
& Trade
Name

Audit under
any Act

PART – A Reconciliation Statement

Pt. I	Basic Details	
1	Financial Year	
2	GSTIN	
3A	Legal Name	< Auto >
3B	Trade Name (if any)	<Auto>
4	Are you liable to audit under any Act?	<<Please specify>>

Part II – Reco of Turnover b/w Annual return and FS

Pt. II	Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)		
5	Reconciliation of Gross Turnover		
A	Turnover (including exports) as per audited financial statements for the State / UT (For multi-GSTIN units under same PAN the turnover shall be derived from the audited Annual Financial Statement)		
B	Unbilled revenue at the beginning of Financial Year	(+)	
C	Unadjusted advances at the end of the Financial Year	(+)	
D	Deemed Supply under Schedule I	(+)	
E	Credit Notes issued after the end of the financial year but reflected in the annual return	(+)	
F	Trade Discounts accounted for in the audited Annual Financial Statements but not permissible under GST	(+)	

Part II – Reco of Turnover b/w Annual return and FS

G	Turnover from April 2017 to June 2017	(-)	
H	Unbilled revenue at the end of Financial Year	(-)	
I	Unadjusted Advances at the beginning of the Financial Year	(-)	
J	Credit notes accounted for in the audited Annual Financial Statement but are not permissible under GST	(-)	
K	Adjustments on account of supply of goods by SEZ units to DTA Units	(-)	
L	Turnover for the period under composition scheme	(-)	
M	Adjustments in turnover under section 15 and rules thereunder	(+/-)	
N	Adjustments in turnover due to foreign exchange fluctuations	(+/-)	
O	Adjustments in turnover due to reasons not listed above	(+/-)	
P	Annual turnover after adjustments as above		<Auto>
Q	Turnover as declared in Annual Return (GSTR9)		
R	Un-Reconciled turnover (Q - P)		AT1

Part II – Reco of Turnover b/w Annual return and FS

7	Reconciliation of Taxable Turnover	
A	Annual turnover after adjustments (from 5P above)	<Auto>
B	Value of Exempted, Nil Rated, Non-GST supplies, No-Supply turnover	
C	Zero rated supplies without payment of tax	
D	Supplies on which tax is to be paid by the recipient on reverse charge basis	
E	Taxable turnover as per adjustments above (A-B-C-D)	<Auto>
F	Taxable turnover as per liability declared in Annual Return (GSTR9)	
G	Unreconciled taxable turnover (F-E)	AT 2
8	Reasons for Un - Reconciled difference in taxable turnover	
A	Reason 1	<<Text>>
B	Reason 2	<<Text>>
C	Reason 3	<<Text>>

Part III – Reconciliation of Taxes Paid

Pt. III	Reconciliation of tax paid					
9	Reconciliation of rate wise liability and amount payable thereon					
			Tax payable			
	Description	Taxable Value	Central tax	State tax / UT tax	Integrated Tax	Cess, if applicable
	1	2	3	4	5	6
A	5%					
B	5% (RC)					
C	12%					
D	12% (RC)					
E	18%					
F	18% (RC)					
G	28%					
H	28% (RC)					
I	3%					
J	0.25%					
K	0.10%					
L	Interest					
M	Late Fee					
N	Penalty					
O	Others					
P	Total amount to be paid as per tables above		<Auto>	<Auto>	<Auto>	<Auto>
Q	Total amount paid as declared in Annual Return					
R	Un-reconciled payment of Amount				PT 1	

Part III – Reconciliation of Taxes Paid

11	Additional amount payable but not paid (due to reasons specified under Tables 6,8 and 10 above)					
			To be paid through Cash			
	Description	Taxable Value	Central tax	State tax / UT tax	Integrated tax	Cess, if applicable
	1	2	3	4	5	6
	5%					
	12%					
	18%					
	28%					
	3%					
	0.25%					
	0.10%					
	Interest					
	Late Fee					
	Penalty					
	Others (please specify)					

Part IV – Reconciliation of ITC

Pt.	Reconciliation of Input Tax Credit (ITC)		
IV			
12	Reconciliation of Net Input Tax Credit (ITC)		
A	ITC availed as per audited Annual Financial Statement for the State/ UT (For multi-GSTIN units under same PAN this should be derived from books of accounts)		
B	ITC booked in earlier Financial Years claimed in current Financial Year	(+)	
C	ITC booked in current Financial Year to be claimed in subsequent Financial Years	(-)	
D	ITC availed as per audited financial statements or books of account		<Auto>
E	ITC claimed in Annual Return (GSTR9)		
F	Un-reconciled ITC		ITC 1
13	Reasons for un-reconciled difference in ITC		
A	Reason 1	<<Text>>	
B	Reason 2	<<Text>>	
C	Reason 3	<<Text>>	

Part IV – Reconciliation of ITC

14 Reconciliation of ITC declared in Annual Return (GSTR9) with ITC availed on expenses as per audited Annual Financial Statement or books of account				
	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
	1	2	3	4
A	Purchases			
B	Freight / Carriage			
C	Power and Fuel			
D	Imported goods (Including received from SEZs)			
E	Rent and Insurance			
F	Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples			
G	Royalties			
H	Employees' Cost (Salaries, wages, Bonus etc.)			
I	Conveyance charges			
J	Bank Charges			
K	Entertainment charges			
L	Stationery Expenses (including postage etc.)			

Part IV – Reconciliation of ITC

14	Reconciliation of ITC declared in Annual Return (GSTR9) with ITC availed on expenses as per audited Annual Financial Statement or books of account			
	Description	Value	Amount of Total ITC	Amount of eligible ITC availed
	1	2	3	4
M	Repair and Maintenance			
N	Other Miscellaneous expenses			
O	Capital goods			
P	Any other expense 1			
Q	Any other expense 2			
R	Total amount of eligible ITC availed			<<Auto>>
S	ITC claimed in Annual Return (GSTR9)			
T	Un-reconciled ITC			ITC 2
15	Reasons for un - reconciled difference in ITC			
A	Reason 1	<<Text>>		
B	Reason 2	<<Text>>		
C	Reason 3	<<Text>>		

Part IV – Reconciliation of ITC

16	Tax payable on un-reconciled difference in ITC (due to reasons specified in 13 and 15 above)	
	Description	Amount Payable
	Central Tax	
	State/UT Tax	
	Integrated Tax	
	Cess	
	Interest	
	Penalty	

Part V – Auditors’ Recommendation on Liability

Pt. V	Auditor's recommendation on additional Liability due to non-reconciliation					
			To be paid through Cash			
	Description	Value	Central tax	State tax / UT tax	Integrated tax	Cess, if applicable
	1	2	3	4	5	6
	5%					
	12%					
	18%					
	28%					
	3%					
	0.25%					
	0.10%					
Input Tax Credit						

Part V – Auditors’ Recommendation on Liability

Auditor’s recommendation on additional Liability due to non-reconciliation					
		To be paid through Cash			
Description	Value	Central tax	State tax / UT tax	Integrated tax	Cess, if applicable
Interest					
Late Fee					
Penalty					
Any other amount paid for supplies not included in Annual Return (GSTR9)					
Erroneous refund to be paid back					
Outstanding demand to be settled					
Other (Pl. pecify)					

Thank you

Thanks for your Patience and Time

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Contact us for any query/clarification -



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We have the experience and expertise!

We have handled GST from its close quarters and catered to all industry segments and we understand GST better. We have right blend of experience of Industry, consulting and technology with professional expertise to cater to your diverse needs.

We have executed GST ITC Management Project for various industries major being Paper Industry, FMCG, Pharma, Auto Component, Auto Ancillary, IT & ITES, Banks, NBFC, Transportation, etc. sectors.

We have represented in various forums and Advance Ruling Authority

We have also conducted GST Health-check and have handled compliance and advisory for large industry players and hence we have wherewithal to handle complex tax positions

We understand technology and have techno functional expertise to develop processes and build SOPs around your existing accounting and tax functions

We are easily accessible and can deploy resources very fast.



Why TaxMarvel

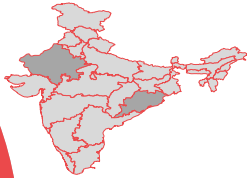
We are the best in Industry!

About us

Who we are, what we do and contact us!



Our Presence



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- ❖ TaxMarvel is founded by Chartered Accountants, Company Secretaries and Management Graduates who have extensive industry expertise.
- ❖ The founders have experience in Big4 consulting firm at a managerial level and has also headed a leading GST Suvidha Provider (GSP).