

Conceptual Framework  
GST R 9 and 9C  
Financial Year 1819  
for [Consultease.com](https://www.consultease.com)

Presented by CA Nitin Bhuta

# Disclaimer

- All views stated are my personal views they are not binding on WIRC/ICAI. My personal views may be correct/incorrect as they are expressed based on my understanding of the subject.
- All members/listeners are requested to go through tax law provisions on their own and advise their clients accordingly as each situations is peculiar in itself.
- All Illustrations provided are imaginary and any resemblance to any situations is purely co-incidental and without any intentions to disclose private and confidential information.

H - Happy

Make  
Today  
Amazing

ECG

E- Enjoy

C-Celebration

G - Goodness







# Overview of Presentations





Sr No	Description	Slide Numbers
1	Basic Questions – GSTR 9 & GSTR 9C	6-9
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# Basic questions

# GSTR 9 & GSTR 9C – FY 1819





- Will I see the new GSTR 9 & 9C or do I need to use old forms only ? 
  - Will I see the amended new GSTR 9 & 9C ? 
  - Do we complete filing for FY 1819 ? 
  - Do I opt for Notification 56/2019 ? 
- No new form & we have to use old forms only
  - No amended form is anticipated
  - Yes , asap
  - IMO , No but if not possible yes

# GSTR 9 & GSTR 9C – FY 1819

- Can I file my GSTR 9 & GSTR 9C without filing my GSTR 3B & GSTR 1 ? 
- Can I amend GSTR 9 & 9C after it is filed ? 
- Is it possible to file GSTR 9C before GSTR 9 ? 
- Can I claim additional ITC through GSTR 9 ? 
- No , GSTR 9 & GSTR 9C can't be filed without filing 3B & R1.
- No amendment is possible after filing.
- No, GSTR 9 needs to be filed first and thereafter GSTR 9C can be filed.
- No additional ITC can be claimed through GSTR 9 as well as GSTR 9C. If not claimed it is lost forever.



# GSTR 9 & GSTR 9C – FY 1819

- How do I reflect the transactions of Outward Supply pertaining to FY 1718 into FY 1819 ? 
- How do I reflect the transactions of ITC pertaining to FY 1718 into FY 1819 ? 
- Can I report my OTL figures of FY 1718 into FY 1819? 
- Can GSTR 9 & 9C be filed manually ? 
- Covered in the subsequent slides as per my understanding
- Covered in the subsequent slides as per my understanding
- No, covered in my subsequent slides
- No, it has to be filed electronically only

# Basic Fundamentals

Industry

Laws Applicable

Books of Accounts

Financial Statements

Statutory Compliances

Scope

GSTR 9 & GSTR 9C – is anything new  
or is it old wine and new Bottle for FY 1819 ?

Whatever  
compilation and  
reconciliations we  
did for FY 1718



E Way Bills  
Reconciliations &  
TDS u/s 51 & 52

Reconciliation of Tax  
Payable

Reconciliation of  
Input Tax Credits

Effect of FY 1718  
transactions into FY  
1819 –Outward  
Supplies

Effect of FY 1718  
transactions into FY  
1819 – ITC

# Reconciliations

BOA

Financial  
Statements  
- Ind AS

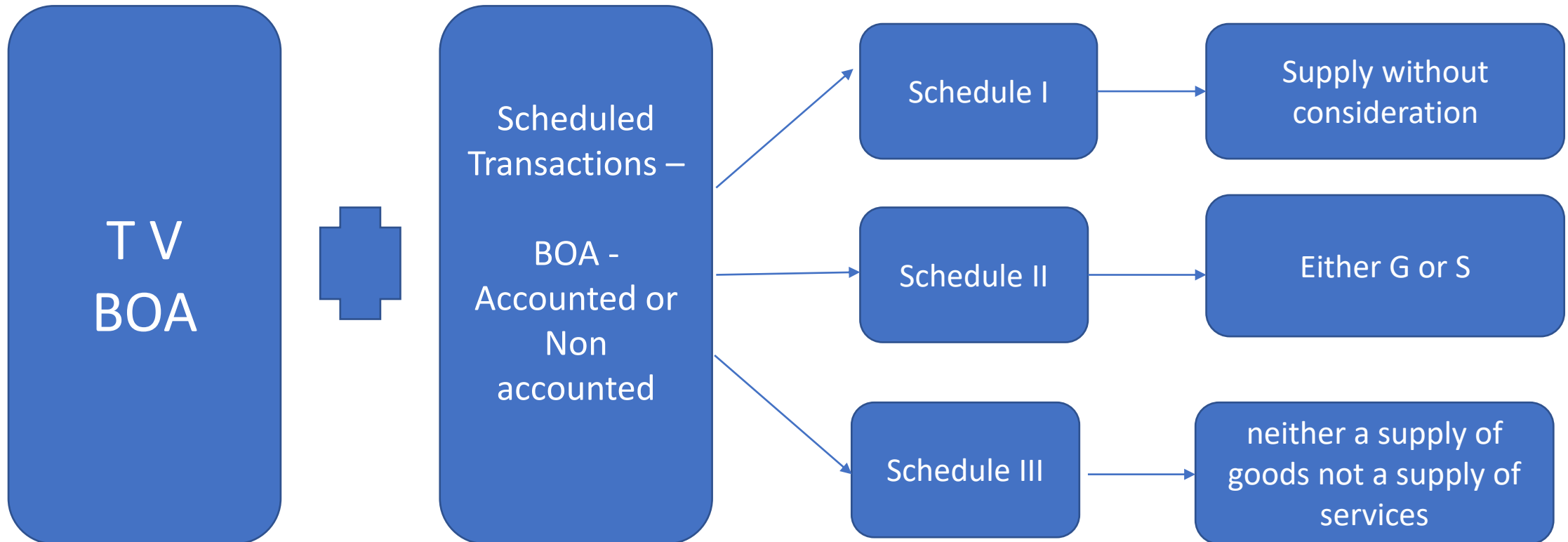
Income Tax  
Returns as well as  
Form 26AS

Cost Audit Reports

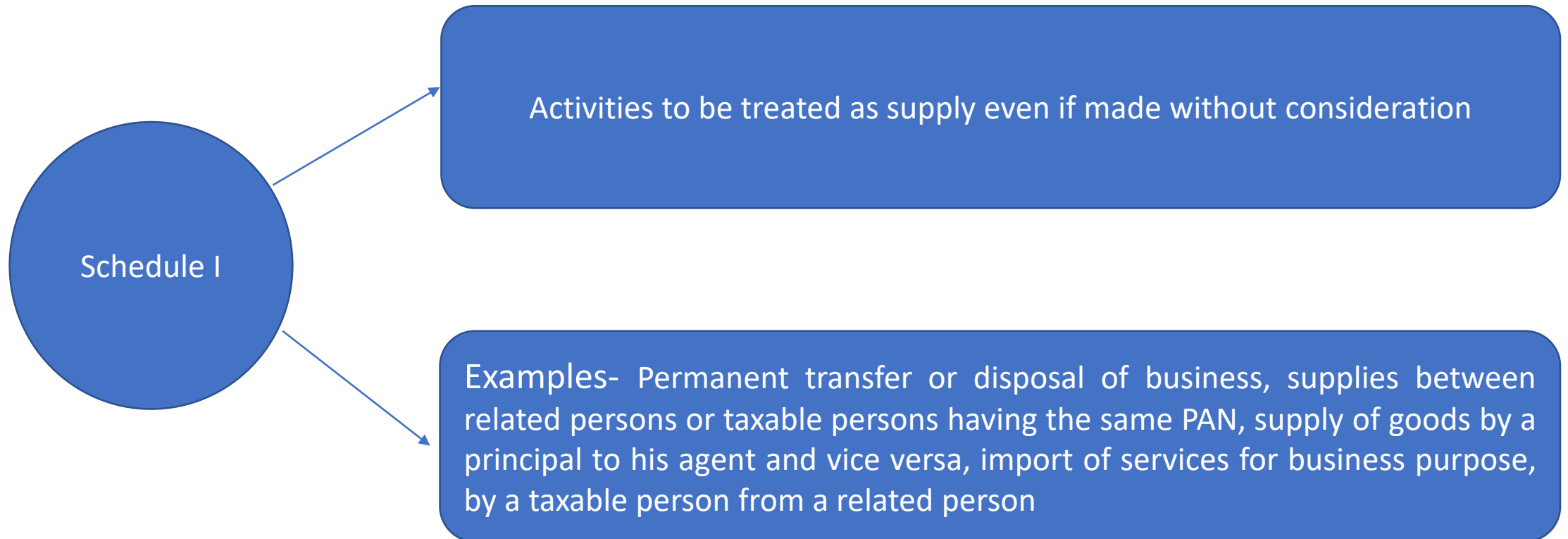
GST Records- BOA  
Vs.  
Auto Populated  
GSTR9  
Vs.  
HSN/SAC

Corporate Law  
Records

# GSTR 9 & GSTR 9C – value quantifications



## GSTR 9 & GSTR 9C

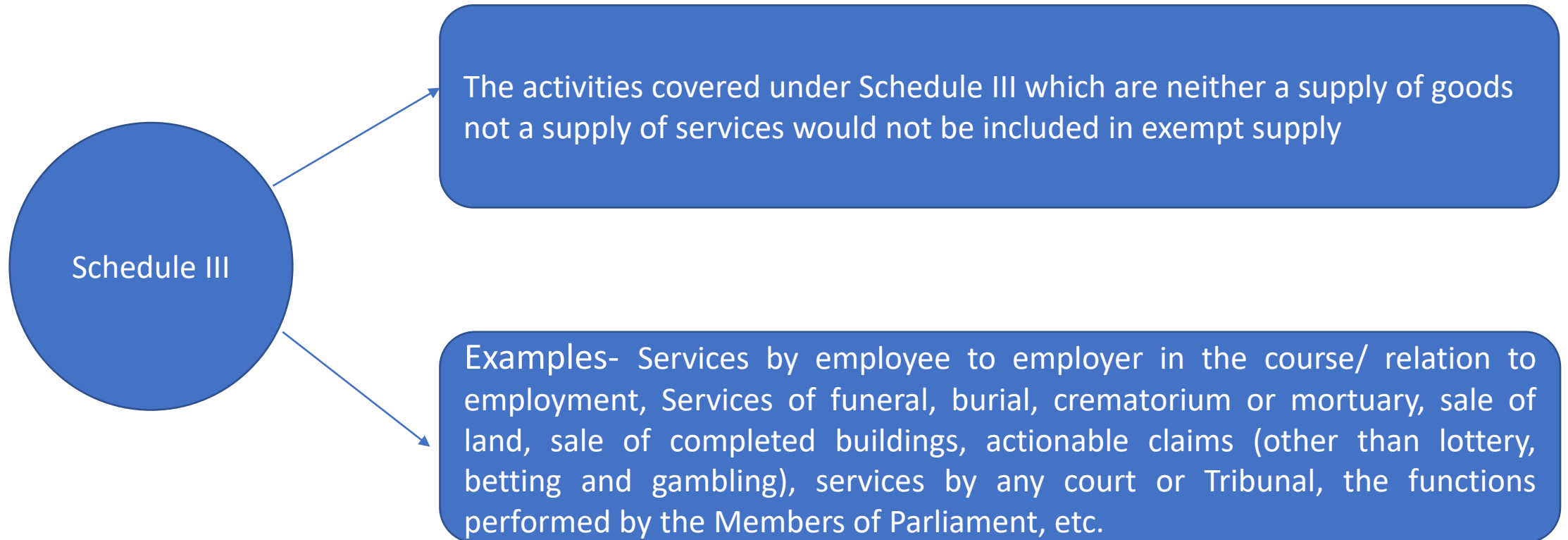


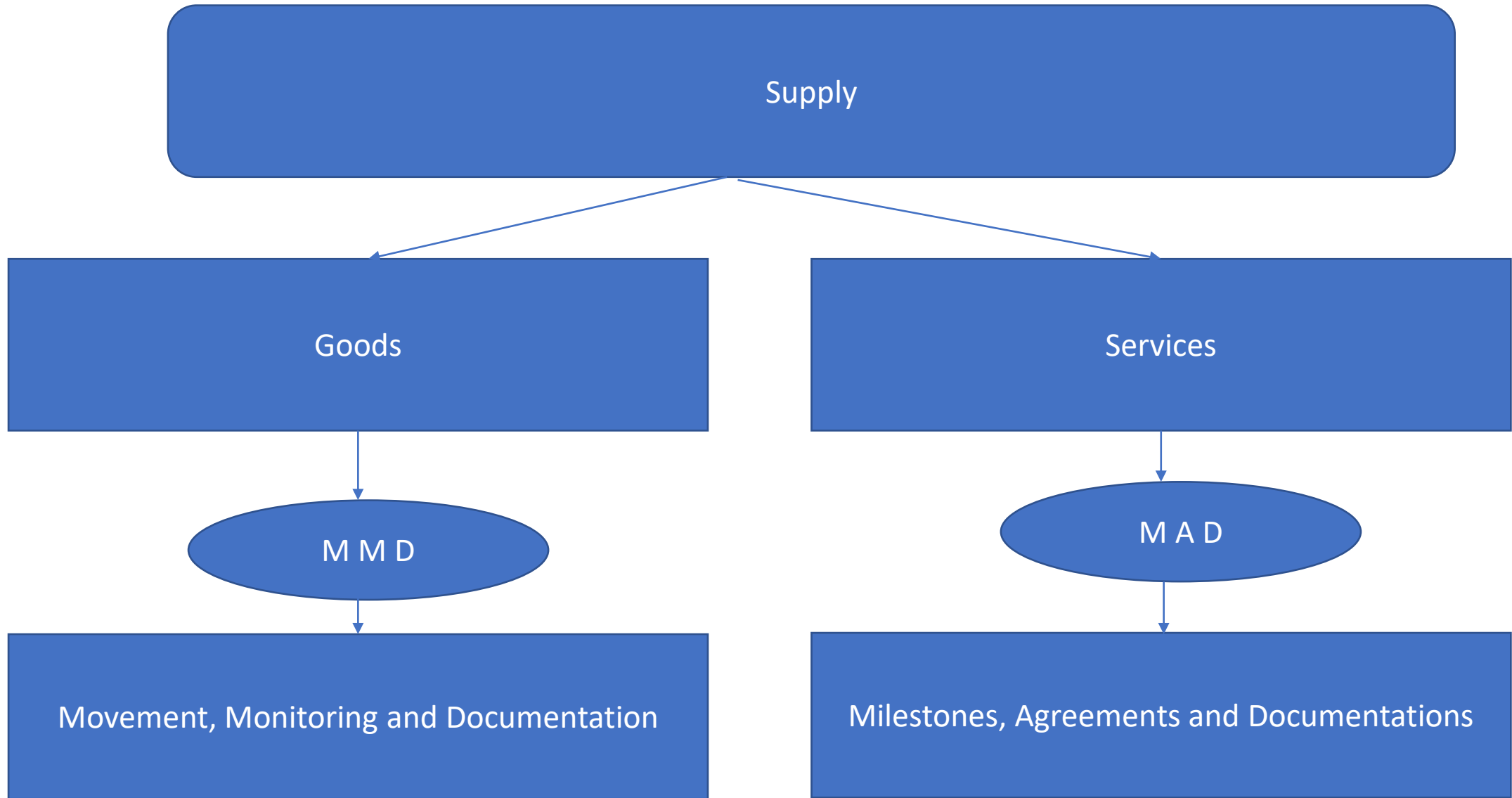
## GSTR 9 & GSTR 9C





## GSTR 9 & GSTR 9C





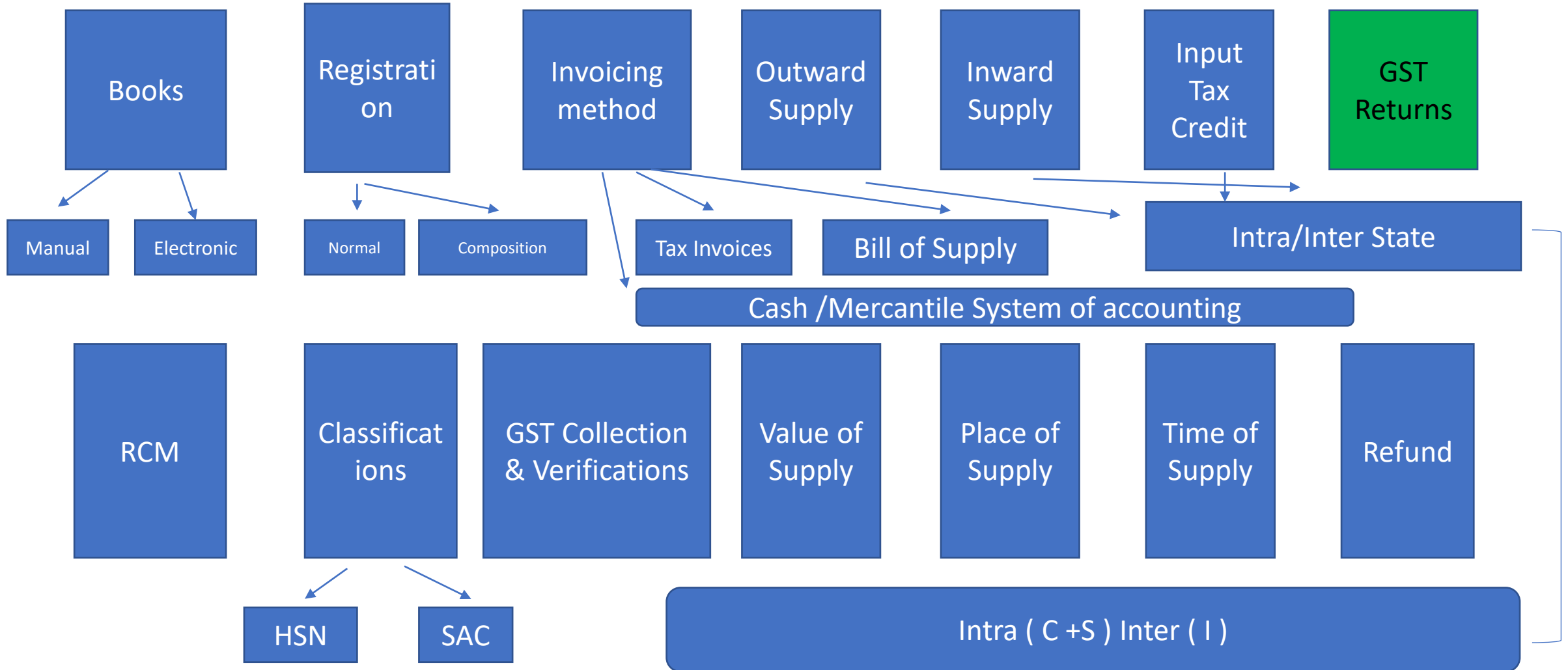
# Pillars of Annual Returns/Audit Reports

Outward Supply  
= Taxable + Zero  
rated + NIL Rated  
+ Exempt  
Supplies+  
Non Taxable +  
No Supply

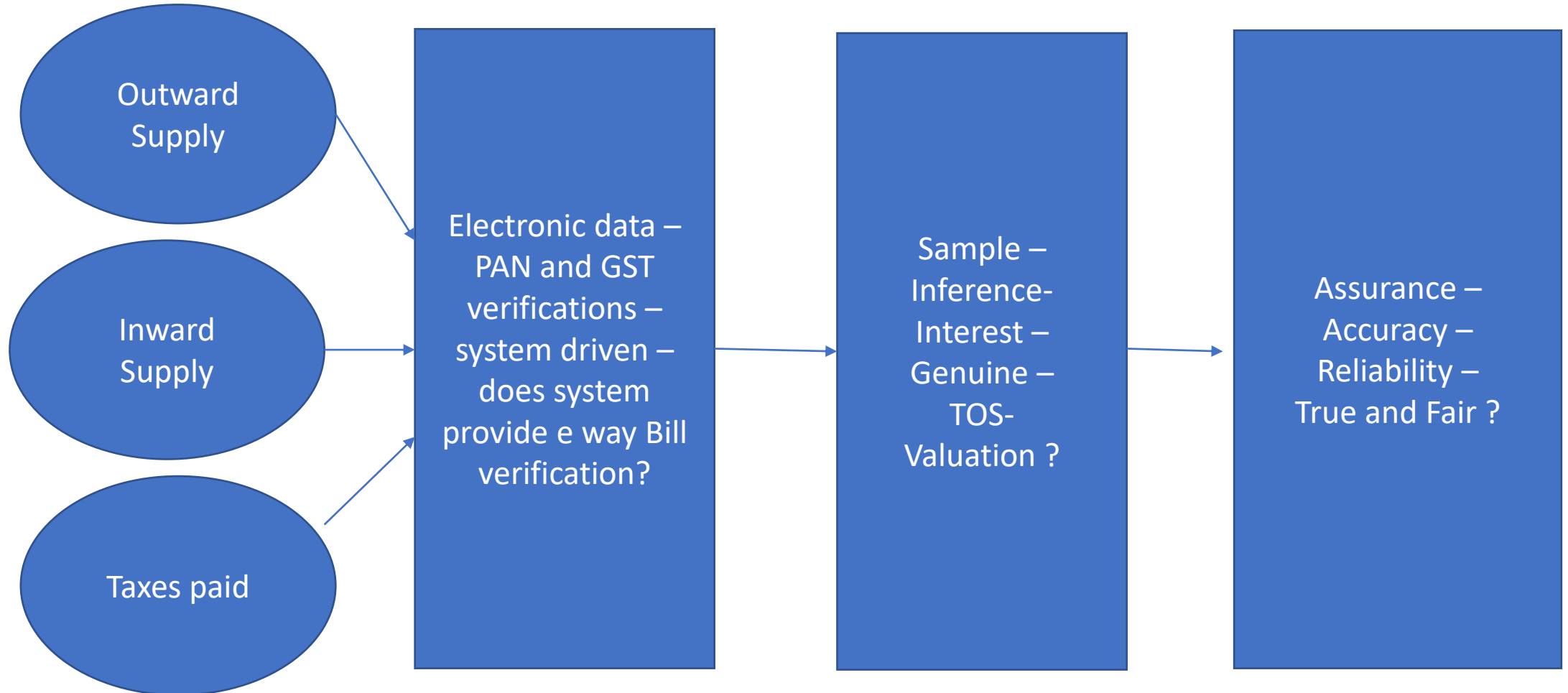
Inward Supplies =  
B2B + Imports of  
goods and/or  
services + RCM  
u/s 5(3)/5(4) or  
9(3)/9(4)

Tax Payouts =  
Gross levy ( IGST  
or CGST+SGST  
or CGST+UTGST  
) minus ITC  
credits

# Basic Fundamentals – GSTR 9 & GSTR 9C

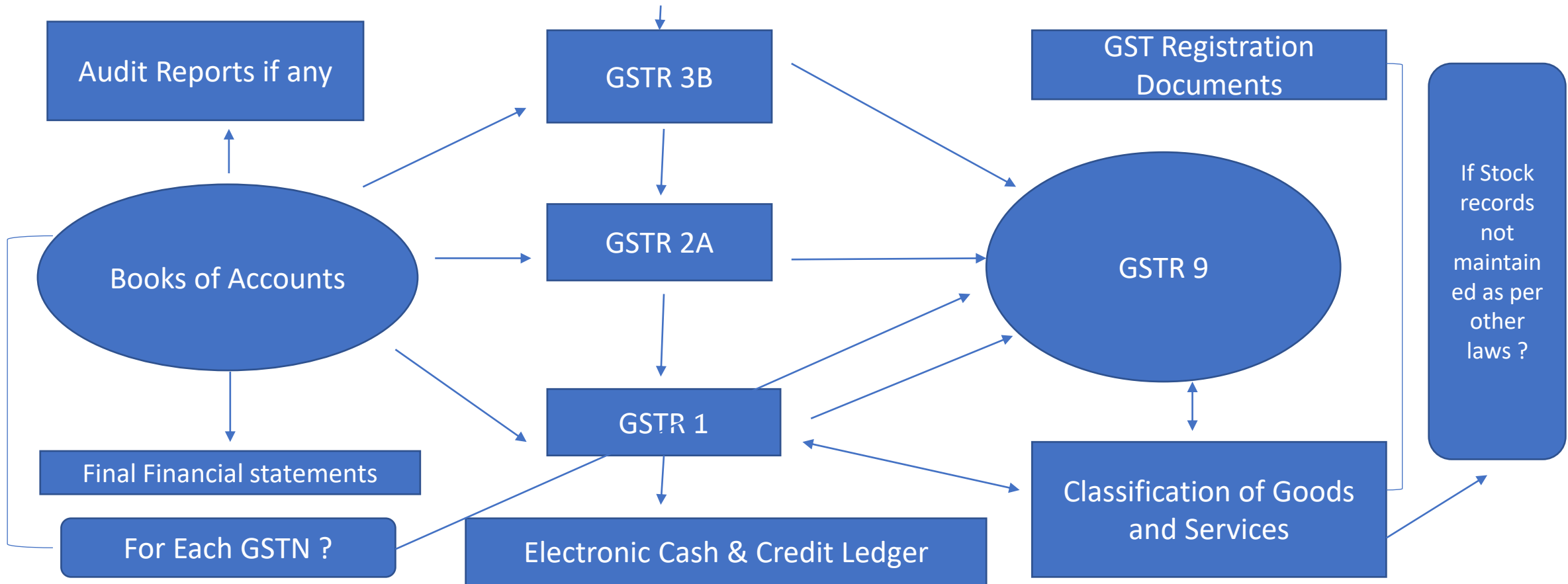


## GSTR 9 & GSTR 9C - Technology

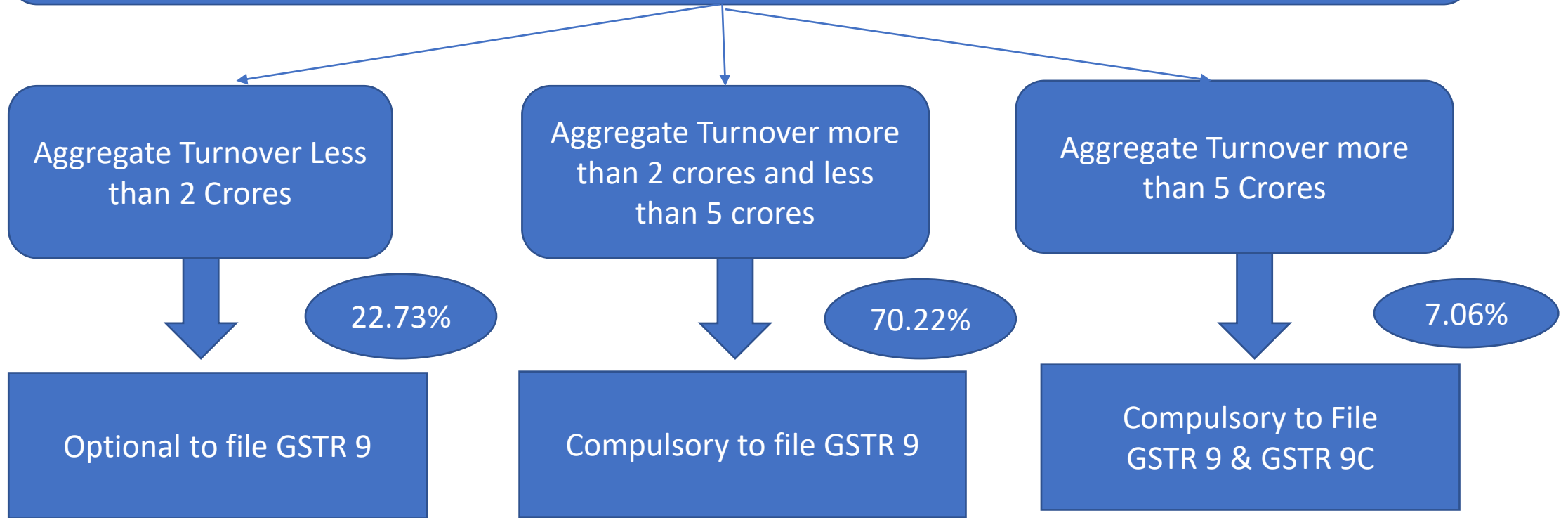


# Documents to be kept ready for the filing of GSTR 9

## Output and Inward Reconciliations

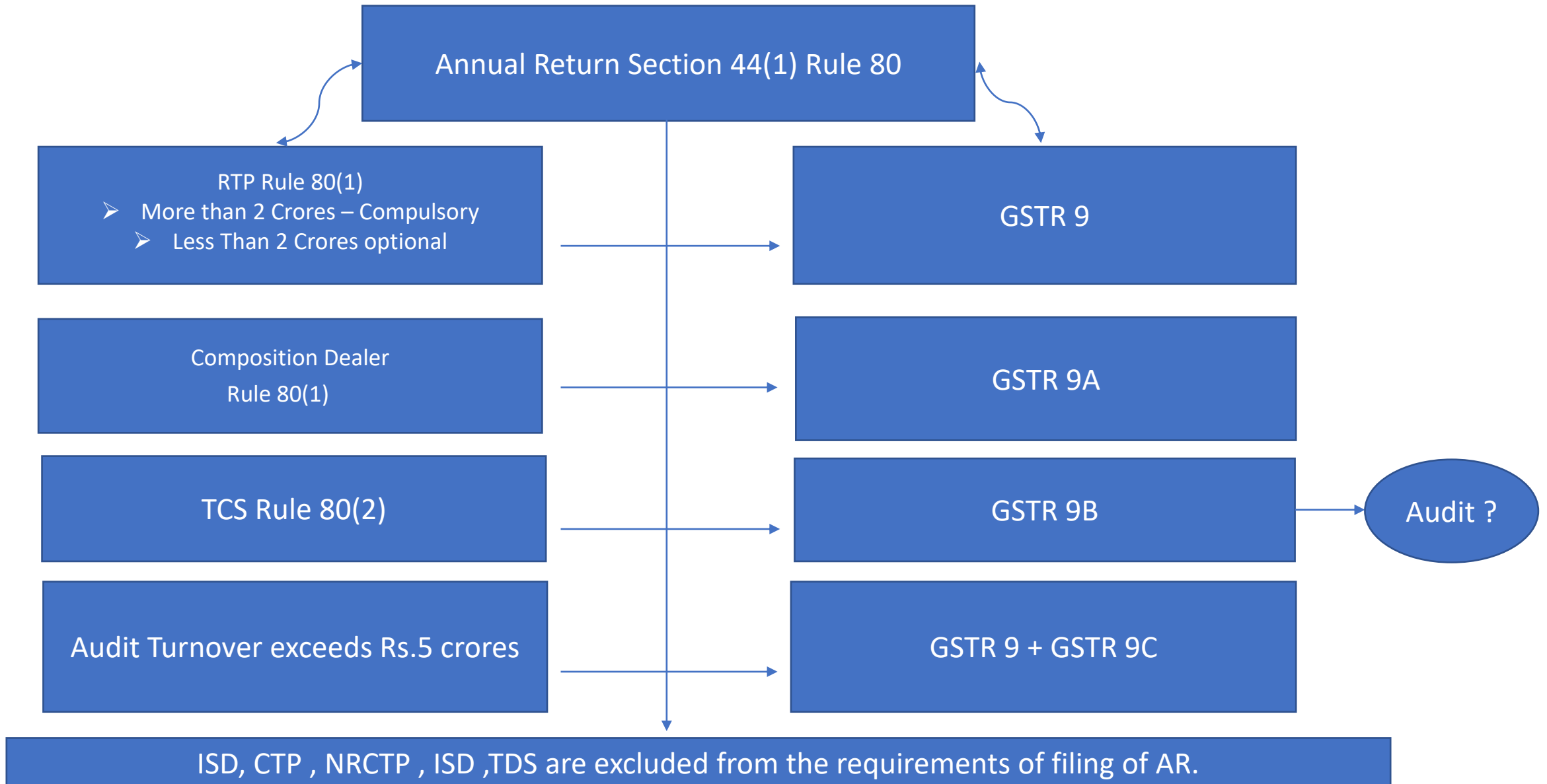


GSTR 9 & GSTR 9C applicability – Notification No 16/2020 – only for FY 1819 ?



For Each GSTIN Registration

Is it applicable to FY 1920 also ?





# Basics of GST Annual Return 9

- Section 2(6) defines ***“aggregate turnover”*** means the ***aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-State supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes central tax, State tax, Union territory tax, integrated tax and cess;***

The phrase “aggregate turnover” is widely used under the GST laws. Aggregate Turnover is an all-encompassing term covering all the supplies effected by a person having the same PAN.

# Aggregate Turnover

SR No	Particulars	Value ( Rs. )
1	Taxable Turnover as per Financial Statements ( excluding Taxes ) B2B, B2C, Exports, SEZ , Net effect of CN/DN etc.	xxxxxx.xx
2	Value of Exempt Supply , NIL Rated Supply , Non Taxable Supplies & No Supply too	xxxxxx.xx
3	Branch Transfers ( excluding Taxes ) – such transaction would be nullified in the annual Financial statements	xxxxxx.xx
4	Transactions between Related Parties ( excluding Taxes ) – Employer and Employee where value exceeds Rs.50000	xxxxxx.xx
5	Transactions between Principal and Agent ( excluding Taxes )	xxxxxx.xx
6	Value of Cross Charges between HO & Branch and so on -such transaction would be nullified in the annual Financial statements	xxxxxx.xx
7	Disposal Transaction Value of Fixed assets	xxxxxx.xx
8	Total Value of Aggregate Turnover ( Sum of 1 to 7 )	xxxxxx.xx

# E Way Bill Flow Chart

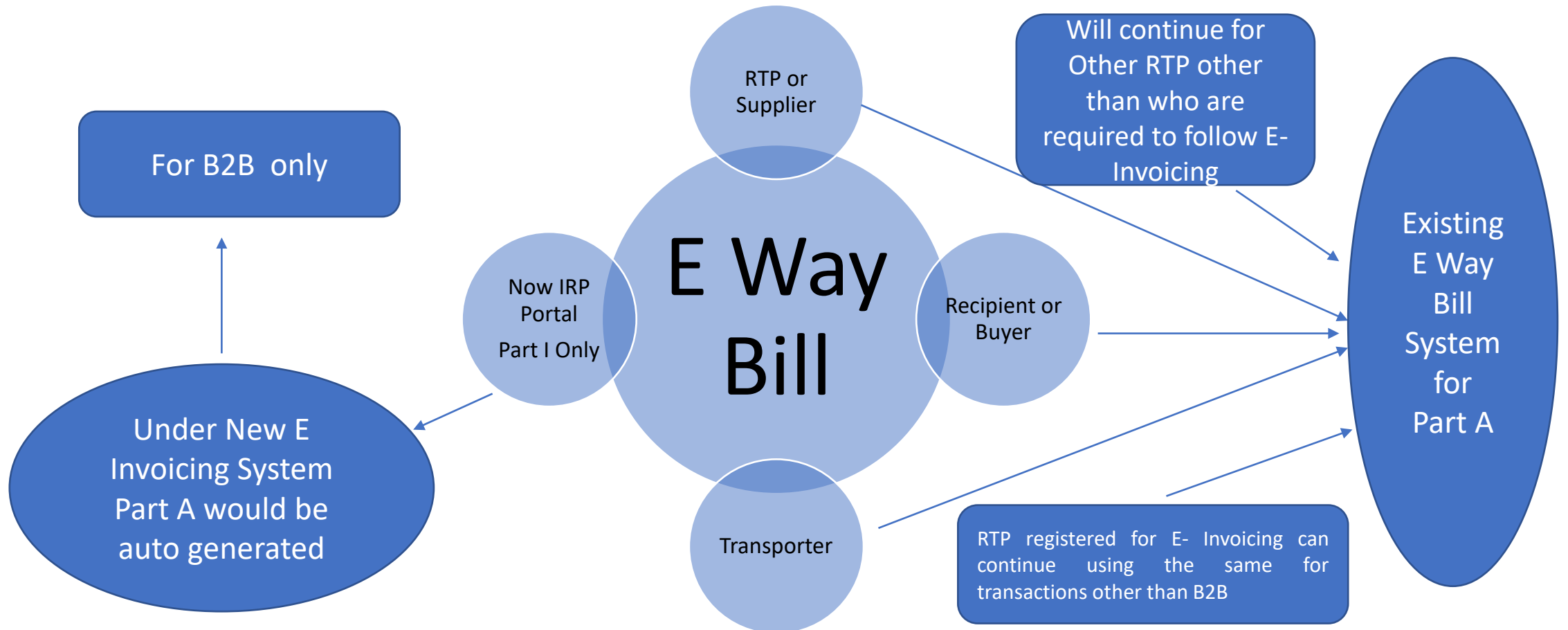
# HSN Classification – Current application in GST compliances

Tax Invoices  
Debit Notes  
Credit Notes  
Advance Vouchers  
Refund Vouchers  
Self Invoices – RCM Supplies  
GSTR 1- documents list  
E Way bill generations  
GSTR 9- Table 17 & Table 18 Reporting's  
E Invoicing using IRP Portal w.e.f  
1.10.2020  
New GST Returns w.e.f 1.10.2020  
Refund Applications

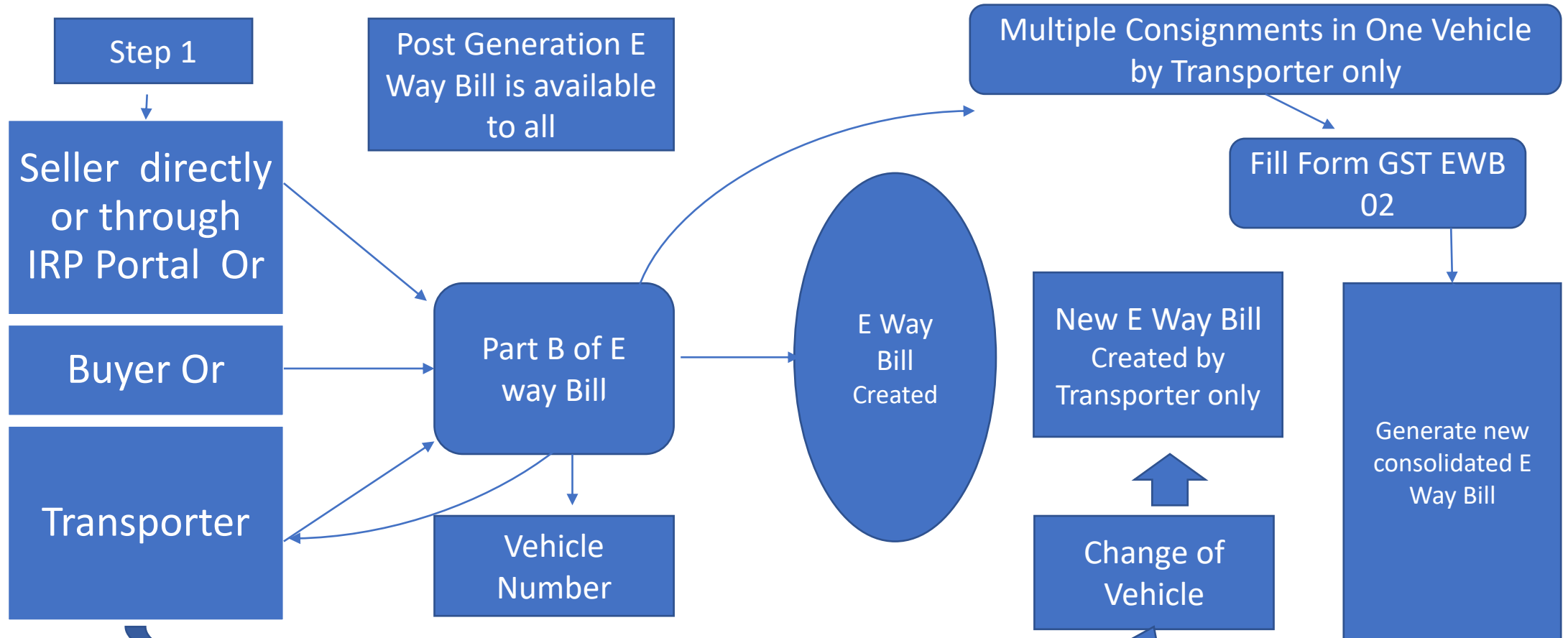


**Reconciliations ?**

# E Way Bill Generation (before the movement of supply) - Step 1



# E Way Bill Generation (before the movement of supply) - Step 2



## E Way Portal - Peculiarities

Distance determination due to Pin code Mapping – determines validity of E Way Bill

Restricting Supplies by Composition Dealers

One Invoice One E way Bill ( formulated on the basis of E Invoicing )

Validity of E way can be extended during transit

E way Bill Expiry reports

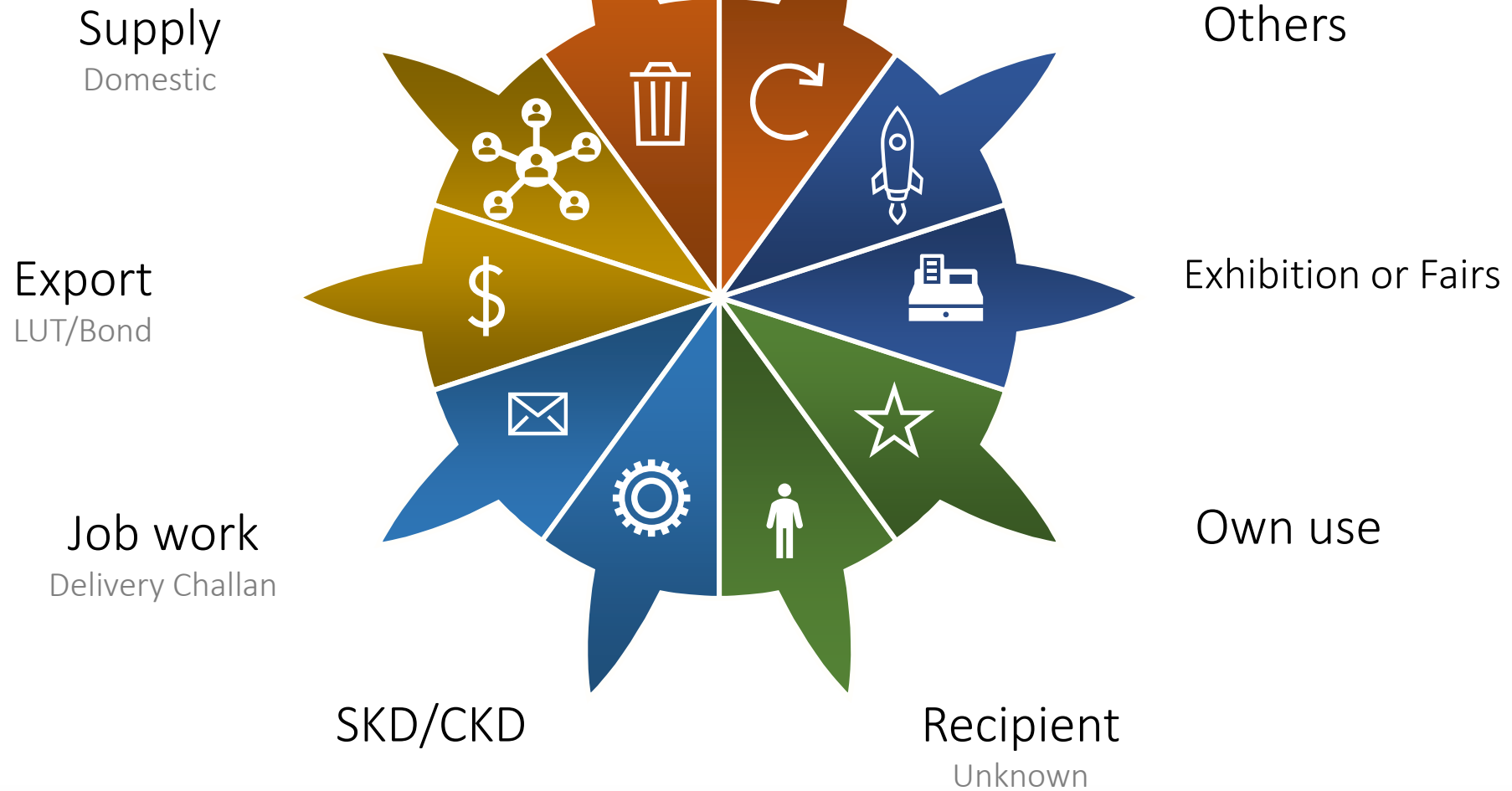
Blocking/  
Unblocking of  
E way Bills

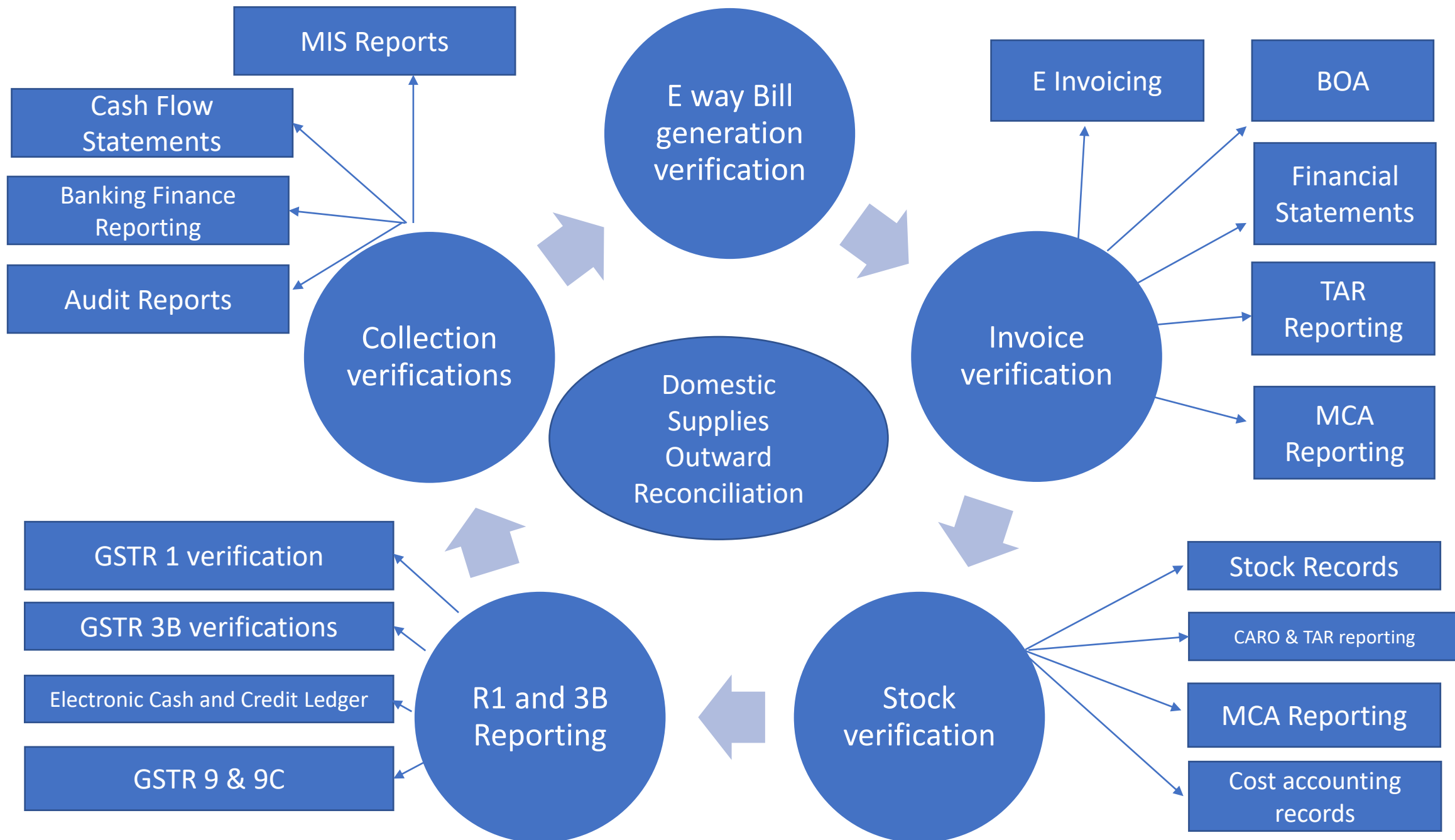
# E Way Bill Outward Reconciliations

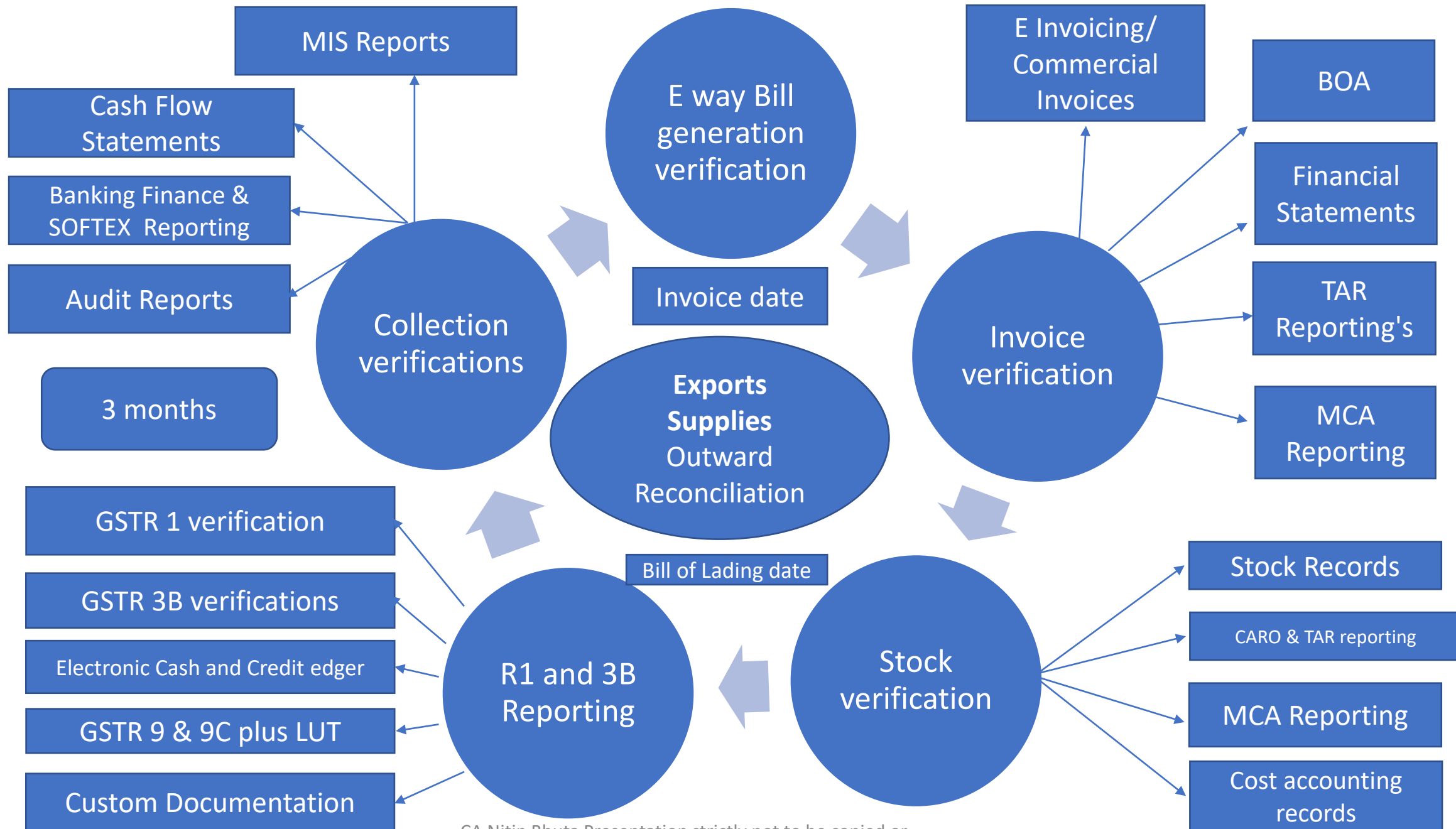


# Outward Supply

Line sales







# E Way Bill Inward Reconciliations

# Inward Supply

Supply  
Domestic

Import  
High Seas/Bond

Job work  
Returns



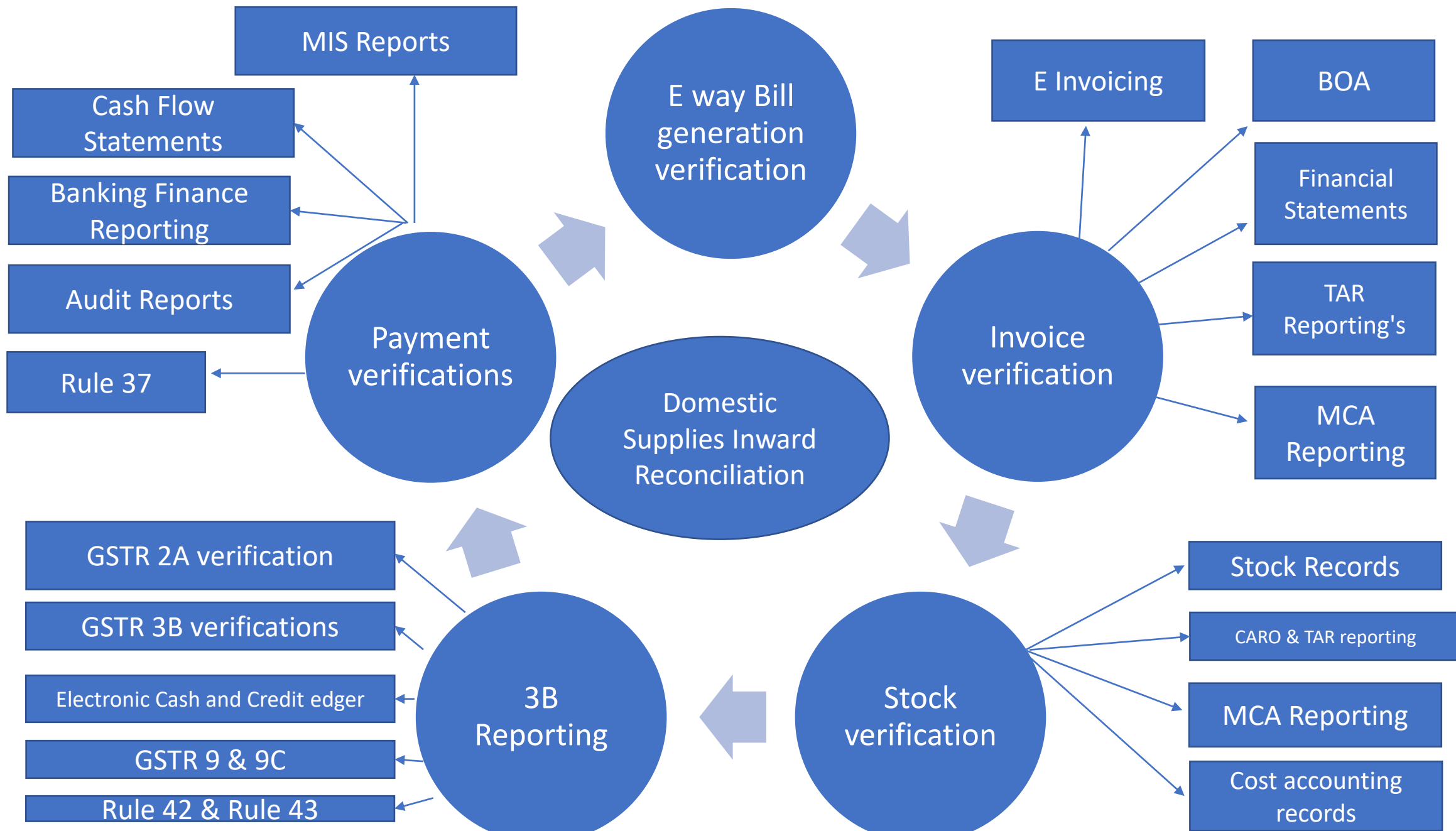
Others

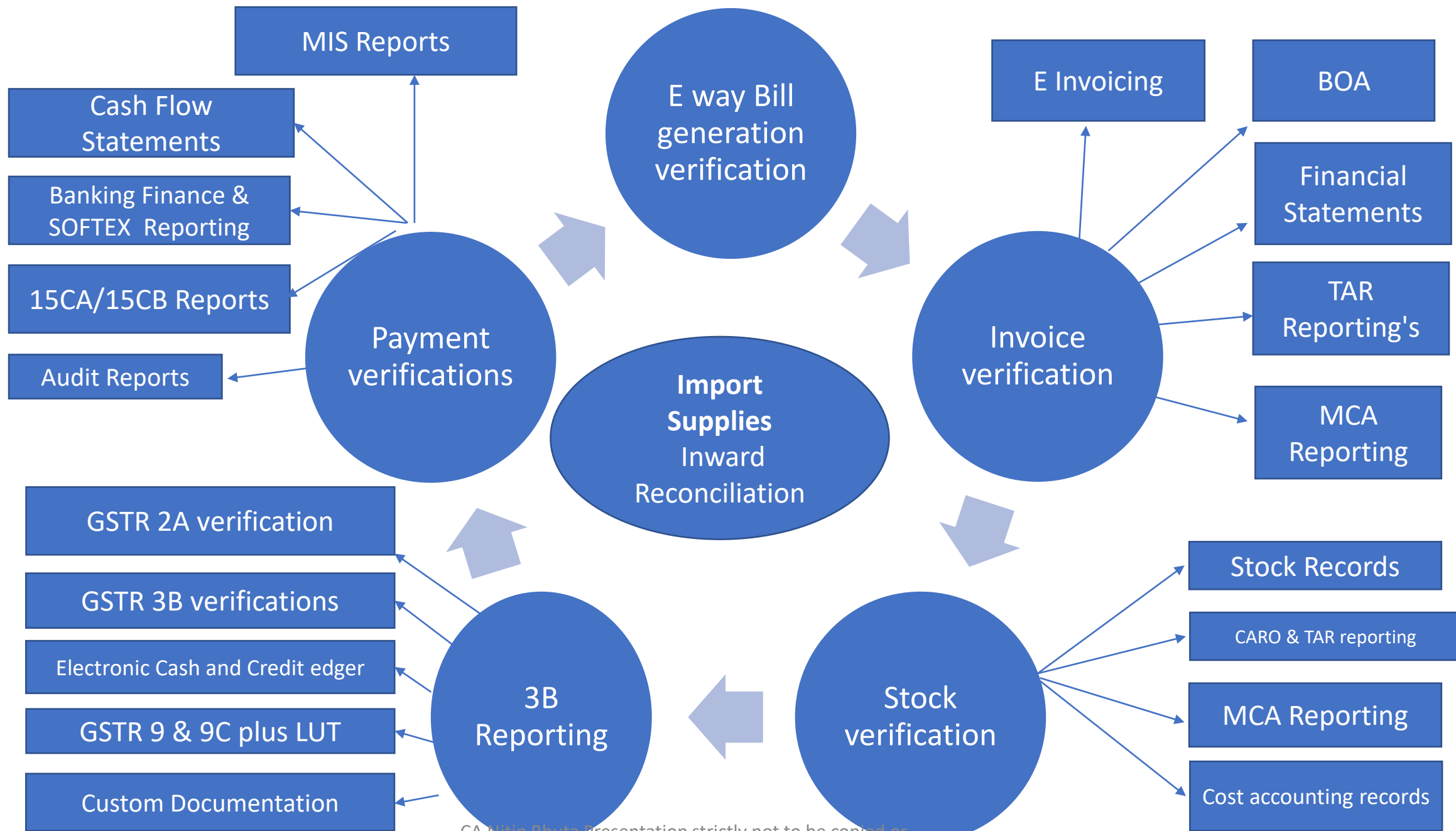
Exhibition or Fairs

Own use

SKD/CKD

Purchase Returns





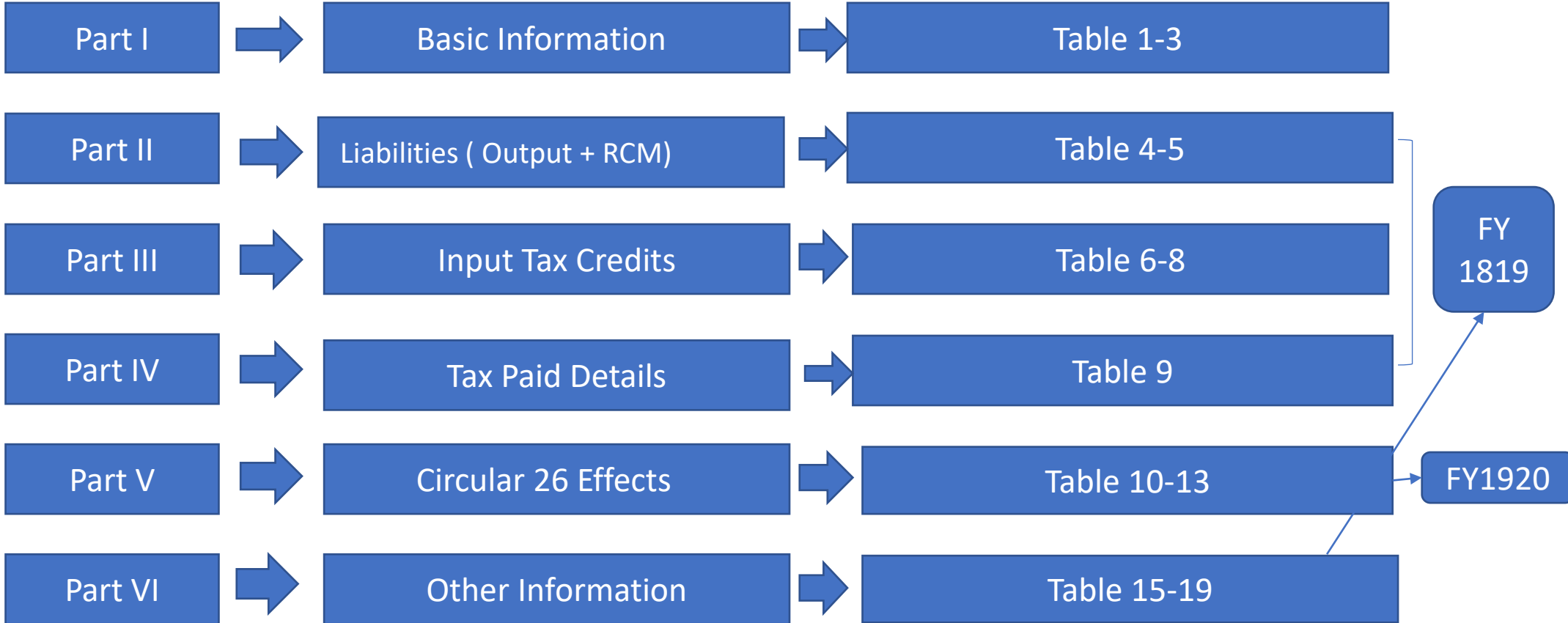
## E Way Bills - Issues to Ponder upon ?

- Supplies not supported by E Way Bills - Outward Supplies as well as Inward supplies - Returns filed ? Taxes paid ? Accounts settled or not settled ?
- Clients says supplies not made but E way bill was prepared by staff but not cancelled due to oversight
- E way Bills copies ( not available ) or Job work supplies shown as supply due to clerical errors.
- Recipient outside India , consideration received in Foreign exchange, treated as Export but supply has not crossed custom borders ?



# Annual Return GSTR 9

Annual Return 9  
( 6 Parts –19 Tables -460 Data fields)



## Changes Introduced in GSTR 9 vide Notification No 56/2019 dated 14.11.2019

### Part II -Table 4 Details of Outward and Inward Supplies declared during the financial year

#### 4 . Details of advances, inward and outward supplies on which tax is payable as declared in returns filed during the financial year

A	Supplies made to Unregistered persons (B2C)	Net of Debit Notes & Credit Notes , Amendments for Table 4B to 4E	Source BOA /GSTR 1 – Table 5,7,9 ,9A , 9B 9C & 10
B	Supplies made to Unregistered persons (B2B)		Table 4A , 4C , 9A & 9C
C	Zero rated Supply ( Export ) on payment of Tax ( except supplies to SEZs)		Table 6A 9A & 9C
D	Supply of SEZs on payment of Tax		Table 6B 9A & 9C
E	Deemed Exports		Table 6C 9A & 9C

## Changes Introduced in GSTR 9 vide Notification No 56/2019 dated 14.11.2019

### Part II -Table 4 Details of Outward and Inward Supplies declared during the financial year

#### 4 . Details of advances, inward and outward supplies on which tax is payable as declared in returns filed during the financial year ( contd )

F	Advances on which Tax has been paid but invoices has not been issued ( not covered under (A) to (E) above	Net of Debit Notes & Credit Notes , Amendments for Table 4B to 4E	Source BOA /GSTR 1 – Table 11A
G	Inward Supplies on which tax is to be paid on reverse charge basis		Source GSTR 3B – Table 3.1 (d)
H	Sub-total ( (A to G ) above		

## Changes Introduced in GSTR 9 vide Notification No 56/2019 dated 14.11.2019

### Part II -Table 4 Details of Outward and Inward Supplies declared during the financial year

#### 4 . Details of advances, inward and outward supplies on which tax is payable as declared in returns filed during the financial year ( Contd )

I	Credit Notes issued in respect of transactions specified in ( B ) to ( E ) above (-)	<b>Optional</b>	Table 9B - GSTR 1
J	Debit Notes issued in respect of transactions specified in ( B ) to ( E ) above (+)		Table 9B - GSTR 1
K	Supplies/Tax declared through Amendments (+)		Table 9A & 9C - GSTR 1
L	Supplies/Tax reduced through Amendments (-)		Table 9A & 9C - GSTR 1
M	Sub-total (I to L above )		

# Changes Introduced in GSTR 9 vide Notification No 56/2019 dated 14.11.2019

## Part II -Table 5

### 5 . Details of Outward Supplies on which tax is not payable as declared in returns filed during the financial year

A	Zero Rated Supply ( export) without payment of Tax	Net of Debit Notes & Credit Notes , Amendments for Table 5H to 5K	Source BOA /GSTR 1 – Table 6A 9A 9B & 9C
B	Supply to SEZs without payment of Tax		Table 6B 9B & 9C
C	Supplies on which tax is to be paid by the recipient on reverse charge basis		Table 4B

# Changes Introduced in GSTR 9 vide Notification No 56/2019 dated 14.11.2019

## Part II -Table 5

### 5. Details of Outward Supplies on which tax is not payable as declared in returns filed during the financial year

D	Exempted	<b>Fill Consolidated details</b>	Source BOA /GSTR 1 – Table 8
E	Nil rated		Table 8
F	Non GST Supply		Table 8
G	Sub total of (A to F above )		

# Changes Introduced in GSTR 9 vide Notification No 56/2019 dated 14.11.2019

## Part II -Table 5

### 5. Details of Outward Supplies on which tax is not payable as declared in returns filed during the financial year ( Contd )

H	Credit Notes issued in respect of transactions specified in ( A ) to ( F ) above (-)	<b>Optional</b>	Table 9B - GSTR 1
I	Debit Notes issued in respect of transactions specified in ( A ) to ( F ) above (+)		Table 9B - GSTR 1
J	Supplies/Tax declared through Amendments (+)		Table 9A & 9C - GSTR 1
K	Supplies/Tax reduced through Amendments (-)		Table 9A & 9C - GSTR 1
L	Sub-total (H to K above )		



# Changes Introduced in GSTR 9 vide Notification No 56/2019 dated 14.11.2019

## Part II -Table 5

### 5 . Details of Outward Supplies on which tax is not payable as declared in returns filed during the financial year

M	Turnover on which tax is not to be paid ( G + L above )		
N	Total Turnover ( including advances ) ( 4N +5M -4G above )		

## Changes Introduced in GSTR 9 vide Notification No 56/2019 dated 14.11.2019

### Part V – Circular 26 – Transaction reported in FY 1920

Particulars of the transactions for the previous FY declared in returns of April to September of current FY or up to date of filing of annual return of previous FY whichever is earlier

	Description	Taxable Value	Levies
10	Supplies / tax declared through Amendments (+) (net of debit notes)		
11	Supplies / tax reduced through Amendments (-) (net of credit notes)		

Table 14- Differential tax paid on account of declaration in table no. 10 & 11

Table 6 – Details of ITC availed or declared in returns filed during the financial year

A	Total amount of input tax credit availed through Form GSTR 3B ( sum total of Table 4A of Form GSTR 3B )	Auto Populated	Source GSTR 3B
B	Inward Supplies ( other than Imports and inward supplies liable to RCM but includes services received from SEZs)	Inputs	Consolidated ITC in Input Row only
		Capital Goods	
		Input Services	
C	Inward Supplies received from unregistered persons liable to RCM ( other than B above ) on which tax is paid and ITC availed	Inputs	Consolidated ITC in Input Row only
		Capital Goods	
		Input Services	
D	Inward Supplies received from registered persons liable to RCM ( other than B above ) on which tax is paid and ITC availed	Inputs	Consolidated ITC in Input Row only
		Capital Goods	
		Input Services	
E	Import of Goods ( including supplies from SEZs)	Inputs	Consolidated ITC in Input Row only
		Capital Goods	

Table 6 – Details of ITC availed or declared in returns filed during the financial year – source GSTR 3B

F	Import of Services ( excluding inward supplies from SEZs)		
G	Input Tax credit received from ISD		
H	Amount of ITC reclaimed (other than B above) under the provisions of the Act		
I	Sub-total ( B to H above )		
J	Difference ( I – A ) above		

Table 6 – Details of ITC availed or declared in returns filed during the financial year

K	Transitional credit through TRAN-1 ( including Revision if any )		
L	Transitional Credit through TRAN -II		
M	Any other ITC availed but not specified above		ITC 01 & ITR 02 ( Section 18(1)
N	Sub – total ( K to M above )		
O	Total ITC availed ( I + N above )		

Table 7 – Details of ITC reversed and ineligible ITC as declared in returns filed during the financial year-  
Source GSTR 3B

A	As per Rule 37	<b>Report total value in Table 7H only</b>	
B	As per Rule 39		
C	As per Rule 42		
D	As per Rule 43		
E	As per Rule 17(5)		

Table 7 – Details of ITC reversed and ineligible ITC as declared in returns filed during the financial year-  
Source GSTR 3B

F	Reversal of Tran 1 Credit		
G	Reversal of Tran –II Credit		
H	Other Reversals ( PI Specify )		ITC 03 Table 4(B) – Composition to Regular & registration cancelled
I	Total ITC reversed ( a to H above )		
J	Net ITC availed for Utilization ( 60-7I)		

## Table 8 – Other ITC related information – only Relevant changes covered here

A	ITC as per GSTR 2A ( Table 3 & 5 ) thereof	Auto populated till .....	Notification No 16/2020
B	ITC as per sum total of 6(B) & 6(H) above		
C	ITC on Inward supplies ( other than imports and ISD liable to RCM but includes services received from SEZ received during <b>2018-19</b> (2017-18) but availed during April to Sep <b>(March)</b> 2019.	Optional for Up to 5 crores	Exceeding 5 crore can file this in PDF Format along with GSTR 9C as a part of document upload.
D	Difference (A –(B+C) )		
E	ITC available but not availed ( out of D )		
F	ITC available but ineligible (out of D )		



## Table 8 – Other ITC related information – only Relevant changes covered here

A	ITC as per GSTR 2A ( Table 3 & 5 ) thereof	Auto populated till .....	
G	IGST paid on import of goods (including supplies from SEZ)		
H	IGST credit availed on import of goods (as per 6(E) above)		
I	Difference (G-H)		
J	ITC available but not availed on import of goods (Equal to I)		
K	Total ITC to be lapsed in current financial year (E + F + J)		

## Changes Introduced in GSTR 9 vide Notification No 56/2019 dated 14.11.2019

Part V – Circular 26 – Transaction reported in FY 1819/ FY 1920 –Optional to report

Particulars of the transactions for the previous FY declared in returns of April to September of current FY or up to date of filing of annual return of previous FY whichever is earlier

	Description	Levies
12	Reversal of ITC availed during previous financial year <b>( Reversal of FY 1718 reversed in FY 1819 )/ ( Reversal of FY 1819 reversed in FY 1920 –up to 30.09.2019 )</b>	
13	ITC availed for the previous financial year <b>( Table 8C of GSTR 9 of FY 1718 )/ ( Table 8C of GSTR 9 of FY 1819 )</b>	

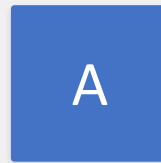
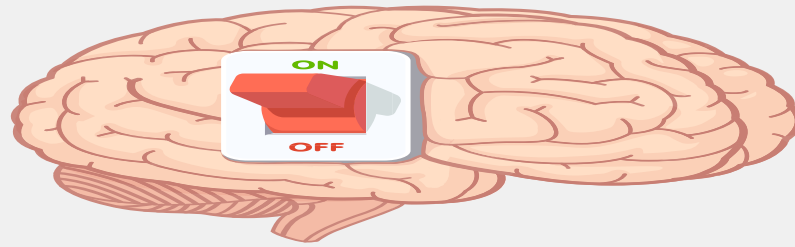
## Part VI - Other Information

<b>Other Changes in GSTR 9</b>	<b>Optional to be provided</b>
15 Particulars of Demands and Refunds	Optional
16 Information on Supplies received from composition tax payers deemed supply under section 143 and goods sent on approval	Optional
17 HSN wise summary of Outward supplies	Optional
18 HSN Wise summary of Inward Supplies	Optional

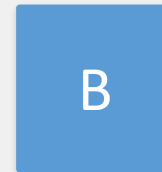
# GSTR 9C



# GST Audit



GST Law



Statutory Reports



Extended Business Laws



Nexus Theory



GST Audit Checklist Review



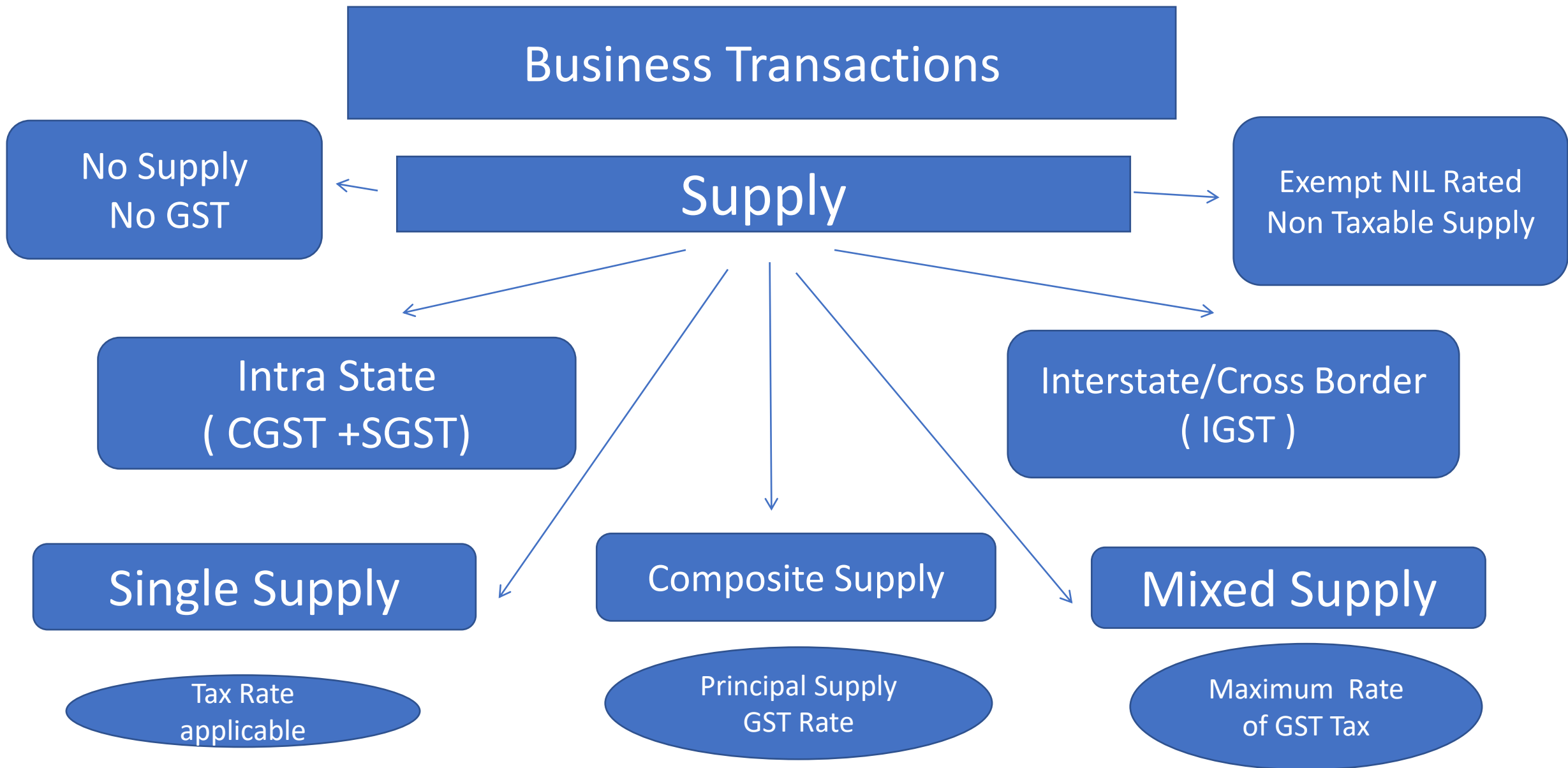
Circulars/Notification



AAR/ Old Regime precedents



Final Reporting's



# Composite Supply

*Section 2(30) defines “**Composite supply**” means a **supply made** by a taxable person to a recipient comprising **two or more supplies of goods or services, or both or any combination thereof**, which are **naturally bundled and supplied in conjunction** with each other in the ordinary course of business, one of which is a **principal supply**;*

*“**Principal supply**” means the supply of goods or services which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary and does not constitute, for the recipient an aim in itself, but a means for better enjoyment of the principal supply;*

Where goods are packed and transported with insurance , the supply of goods , packing materials , transport and insurance is a composite supply and supply of goods is a principle supply.

# Mixed Supply

*Section 2(74) “Mixed supply” means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply – Will attract the Highest Rate of Tax*

**Examples:** Supply of soap bars where soap boxes are given free of cost; supply of wheat for which a bottle of honey is given free of cost.

In the above example of honey being supplied with wheat, both wheat and honey will be taxed at the rate of tax applicable for honey (being commodity taxed at higher rate).



# Annual Returns –Audit Points to be considered

## Outward Supply

- Classification Issues –HSN & SAC
- POB Issues
- Incorrect Reporting
- Non Reporting
- Exempt, NIL Rated & Non Taxable Supplies
- Documents information in GSTR 1

## ITC

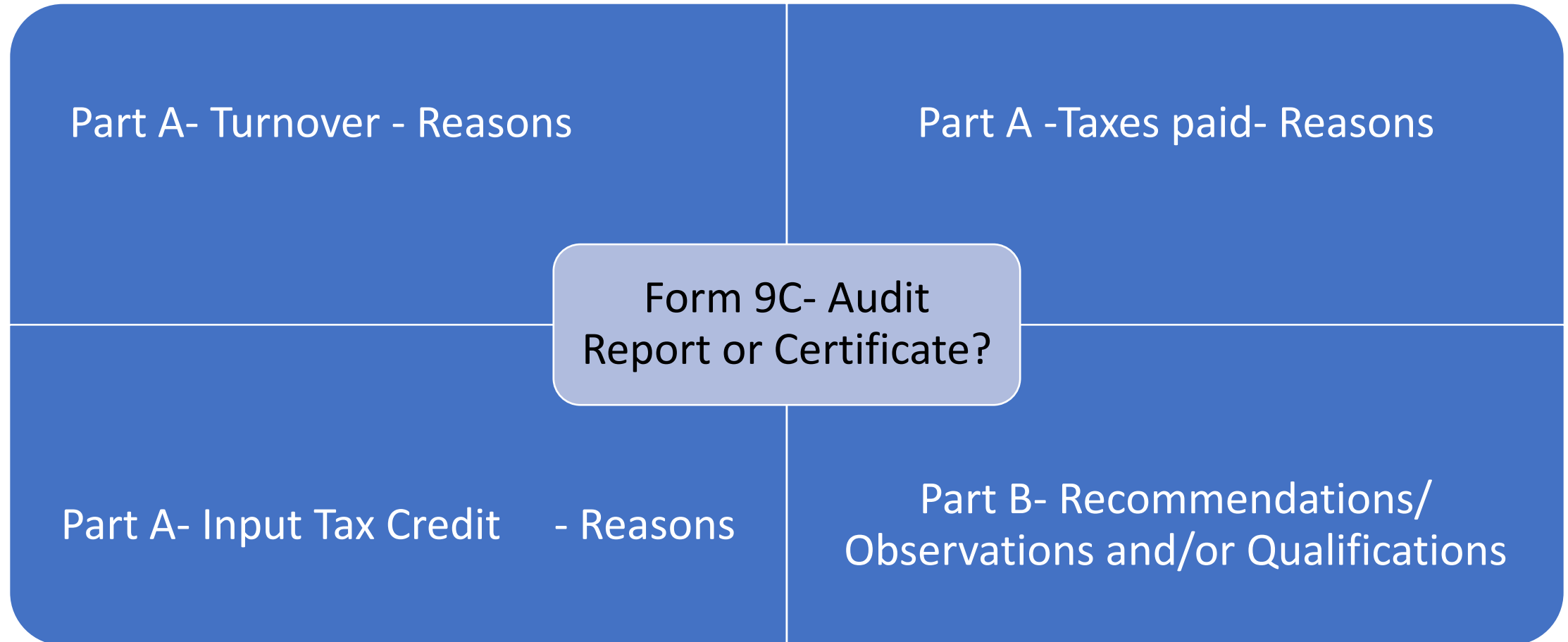
- Wrong claim of ITC
- Tax Invoices not auto populated in GSTR 2A
- Reversals under Rule 37,39 ,42 & 43 etc.
- Unclaimed ITC in GSTR 3B
- LUT Issues
- Nexus Theory – Table 17/18

## Tax Paid

- Wrong deposit of Tax u/s Section 77
- Wrong Deposit of Interest payable
- Non Deposit of GST , Interest, Late Fees etc.
- Payment of tax due to ITC issues

Illustrative Only

# Clause by clause analysis of form 9C –gst audit report



# RECONCILIATION OF TURNOVER DECLARED IN AUDITED FINANCIAL STATEMENTS WITH TURNOVER DECLARED IN ANNUAL RETURN (GSTR -9) – HOW TO CHECK AND ARRIVE?

## What do we check ?

- GSTR 1 V. Books
- GSTR 3B V. GSTR 1
- GSTR 3B V. GSTR 2A
- GSTR 2A V. Books
- E Way Reconciliations
- BOA Vs. Auto populated data
- Re-cast, Reclassify and reverify the data and re-reconcile again

## Why do we check?

- Shortlist the errors or deviations
- Prepare the reconciliations
- If exercise is done early then economic outflow on account of Interest can be mitigated

## How do we interpret such checks?

- Comparison of all Tables
- Conclude which figures/data are accurate
- Draw up the reconciliations.

## Additional Reconciliations of Tax Payable for FY 1819

Can RTP pay levies in advance for FY 1920 in FY 1819?

Total Tax paid = Cash Ledger plus Credit Ledger

Tax paid in respect of supply pertaining to FY 1718 in FY 1819 ( - ) **Reported in GSTR 9 FY 1718**

Tax paid on advances received in FY 1819 for which invoices raised in FY 1920 ( - ) Advances outstanding as on 31.03.2019

Tax paid on advances received in FY 1718 for which invoices raised in FY 1819 ( + ) Advances outstanding as on 31.03.2018

Tax paid on pertaining to FY 1819 in FY 1920 ( + ) **to be Reported in GSTR 9 FY 1819 – Table 10 & 11**

Tax paid through DRC 03 for FY 1819 **in respect of supply not reported in GSTR 1 as well as GSTR 3B**

# RECONCILIATION OF TURNOVER DECLARED IN AUDITED FINANCIAL STATEMENTS WITH TURNOVER DECLARED IN ANNUAL RETURN (GSTR -9) – ILLUSTRATIVE Mismatch REASONS / DEVIATIONS

## **Outward Supplies**

- Outward Invoices not recorded – OTL will go up
- Non recording of CN/DN
- Duplication of Invoices , DN & CN
- Non Reporting of Exempt, Nil Rated & Non GST Supplies
- Taxable supply considered as exempt supply and vice versa
- Export Turnover being Zero Rated having no impact on OTL not reported in the returns.

## **Inward Supplies**

- Inward Invoices not recorded – OTL will go down
- Non recording of CN/DN
- Duplication of Invoices , DN & CN
- Non Reporting of Exempt, Nil Rated & Non GST Supplies
- Taxable supply considered as exempt supply and vice versa
- Incorrect upload of Invoices by the Vendors ( including Non GST Invoices )

# RECONCILIATIONS OF TURNOVER DECLARED IN AUDITED FINANCIAL STATEMENTS WITH TURNOVER DECLARED IN ANNUAL RETURN (GSTR -9) – ILLUSTRATIVE Mismatch REASONS / DEVIATIONS

## **Outward Supplies**

- Incorrect reporting of Exempt supplies under Zero Rated supplies
- Non compliance – 5(3) 5(4) 9(3) & 9(4)
- Non Reporting of Non GST Outward Supplies
- Incorrect /wrong Reporting of Non GST Outward Supplies
- RCM accounting entries /closing entries not passed.
- Typo Errors while filing GSTR 3B
- Incorrect Discount treatments

## **Inward Supplies**

- Incorrect reporting of Exempt supplies under Zero Rated supplies
- Non compliance – 5(3) 5(4) 9(3) & 9(4)
- Non Reporting of Non GST Outward Supplies
- Incorrect /wrong Reporting of Non GST Outward Supplies
- RCM accounting entries /closing entries not passed.
- Typo Errors while filing GSTR 3B
- Incorrect Discount treatments
- Reversals under Rule 37 -16(2) Rule 42 & Rule 43 not done.
- Re availment of ITC under 16(2)

# Reconciliation OF TURNOVER DECLARED IN AUDITED FINANCIAL STATEMENTS WITH TURNOVER DECLARED IN ANNUAL RETURN (GSTR -9) – ILLUSTRATIVE Mismatch REASONS / DEVIATIONS

## **Outward Supplies**

- Typical errors in invoices
  - GSTIN Number
  - Invoice No
  - Invoice Date
  - Invoice value – Gross/Net
  - Rate
  - Taxable Value
  - IGST/CGST/SGST/UTGST/Cess
  - Place of Supply

## **Inward Supplies**

- Typical errors in invoices
  - GSTIN Number
  - Invoice No
  - Invoice Date
  - Invoice value – Gross/Net
  - Rate
  - Taxable Value
  - IGST/CGST/SGST/UTGST/Cess
  - Place of Supply

Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

Part II – Reconciliation of turnover declared in audited Financial Statements with Turnover declared in Annual Return  
( GSTR 9 )

5	Reconciliation of Gross Turnover		
A	Turnover ( including exports ) as per AFS for the state/UT ( for multi GSTIN units under same PAN the turnover shall be derived from Audited AFS )		
B	Unbilled revenue at the beginning of FY	(+)	Optional
C	Unadjusted advances at the end of FY	(+)	Optional
D	Deemed Supply under schedule I	(+)	Optional
E	CN issued after the end of FY but reflected in the R9	(+)	Optional
F	Trade Discounts accounted in the Audited AFS	(+)	Optional



Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

Part II – Reconciliation of turnover declared in audited Financial Statements with Turnover declared in Annual Return  
( GSTR 9)

5	Reconciliation of Gross Turnover		
G	Turnover from April 2017 to June 2017 – NA FY 1819	(-)	Optional
H	Unbilled revenue at the end of Financial Year	(-)	Optional
I	Unadjusted advances at the beginning of FY	(-)	Optional
J	Credit Notes accounted for in audited AFS but are not permissible under GST	(-)	Optional
K	Adjustments on account of supply of goods by SEZ units to DTA Units	(-)	Optional
L	Turnover for the period under Composition scheme	(-)	Optional

Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

Part II – Reconciliation of turnover declared in audited Financial Statements with Turnover declared in Annual Return ( GSTR 9)

5	Reconciliation of Gross Turnover		
M	Adjustments in turnover in Section 15 and Rules thereunder	(+/-)	Optional
N	Adjustment in Turnover due to foreign exchange fluctuations	(+/-)	Optional
O	Adjustments in Turnover due to reasons not listed above- Residuary entry	(+/-)	Total of 5B to 5N
P	Annual Turnover after adjustments as above		Auto
Q	Turnover as declared in Annual Returns GSTR 9		Optional
R	Unreconciled Turnover ( Q- P )		Optional

Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

Part II – Reconciliation of turnover declared in audited Financial Statements with Turnover declared in Annual Return  
( GSTR 9)

7	Reconciliation of Taxable Turnover		
A	Annual turnover after adjustments (from 5P above)*		
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)*		
F	Taxable turnover as per liability declared in Annual Return (GSTR9)*	(-)	
G	Unreconciled taxable turnover (F-E)*		

Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

Part III – Reconciliation of tax paid

9

**Reconciliation of rate wise liability and amount payable thereon**

	Description	Taxable Value	Levies
A to O			
P	Total amount to be paid as per tables above (A to O)*		
Q	Total amount paid as declared in Annual Return (GSTR 9)*	(-)	
R	Un-reconciled payment of amount (PT1)*		

Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

12	Reconciliation of Net Input Tax credit ( ITC )		
A	ITC availed as per audited AFS for the state /UT ( for Multi GSTIN units under same PAN Number this should be derived from BOA		
B	ITC Booked in earlier FY claimed in CFY	(+)	Optional
C	ITC booked in CFS to be claimed in subsequent FY	(-)	Optional
D	ITC availed as per Audited FS or BOA		Auto
E	ITC claimed in Annual Returns GSTR 9		
F	Unreconciled ITC ( D- E )		ITC 1

Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

14

## Reconciliation of ITC declared in Annual Return ( GSTR 9 ) with ITC availed on expenses as per Audited annual financial statements or books of accounts

A  
to  
Q

# Optional

R	Total Amount of Eligible ITC availed		Auto
S	ITC claimed in Annual Return ( GSTR 9 )		
T	Unreconciled ITC ( R- S )		ITC 2

Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

## Part B (I)– Certifications in cases where the reconciliation statement ( GSTR 9C ) is drawn up by the person who had conducted the audit

Clause 3 (b) .....

(A).....

(B).....

( c ) I/we certify that the balance sheet, the profit and loss /income and expenditure account and the cash flow statement ( if available ) are.....

Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

## Part B (I) – Certifications in cases where the reconciliation statement ( GSTR 9C ) is drawn up by the person who had conducted the audit

5 In My/our opinion and to the best of my/our information and according to explanations given to me/us, the particulars given in the said Form No GSTR 9C are **true and fair** subject to .....



Changes introduced in GSTR 9C – only relevant information - Notification No 56/2019 dated 14.11.2019

## Part B (II) – Certifications in cases where the reconciliation statement ( GSTR 9C ) is drawn up by a person other than who had conducted the audit of the accounts

1. I/we report.....

(a).....

(b).....

( c ) the cash flow statement ( if available ) for the period .....

2.....

3.....

4. In My/our opinion and to the best of my/our information and according to examinations of books of accounts including other relevant documents and explanations given to me/us, the particulars given in the said Form No GSTR 9C are true and fair subject to .....

# Advances towards supply of goods and services

Goods

Initially GST payable on all advances

Then changes made for the RTP having a turnover of less than Rs.1.5 crores for not paying GST. - Notification No. 40/2017 – C.T. dated 13.10.2017

Exempted from the payment of GST for all from Nov 2017. - Notification No. 66/2017 – C.T. dated 15.11.2017

GSTR 9-  
Table 4F

GSTR 9C

Table 5C  
(+)  
closing  
Table  
5I (-)  
Opening

Services

GST Payable on all advances received towards services

# Cross Border Transactions

## **FERA**

- Repealed as on 29/12/1999
- Intention is to regulate Foreign Exchange Transactions
- Period when there was extremely low Foreign Exchange
- Everything is assumed to be prohibited unless permitted
- Violations subject to criminal proceedings
- Interpretation of provisions – RBI is final

## **FEMA**

- New FEMA introduced after the repealment of FERA
- Intention is to facilitation of Trade and Investment
- Period when there is satisfactory level of Foreign Exchange
- Everything is assumed to be permitted unless prohibited
- Violations subject to Civil Offences
- Interpretation of provisions – RBI is not final

## Pausers – GSTR 9C?

- Difference of Opinion with Audit Team Members as well as with clients
- Difference of opinion due to notifications/circulars/AARs etc
- Drafting should be done meticulously to avoid any kind of litigation
- Can we reply on Management representation letters ?
- Can we say that it is not possible to verify some aspects of business transactions?

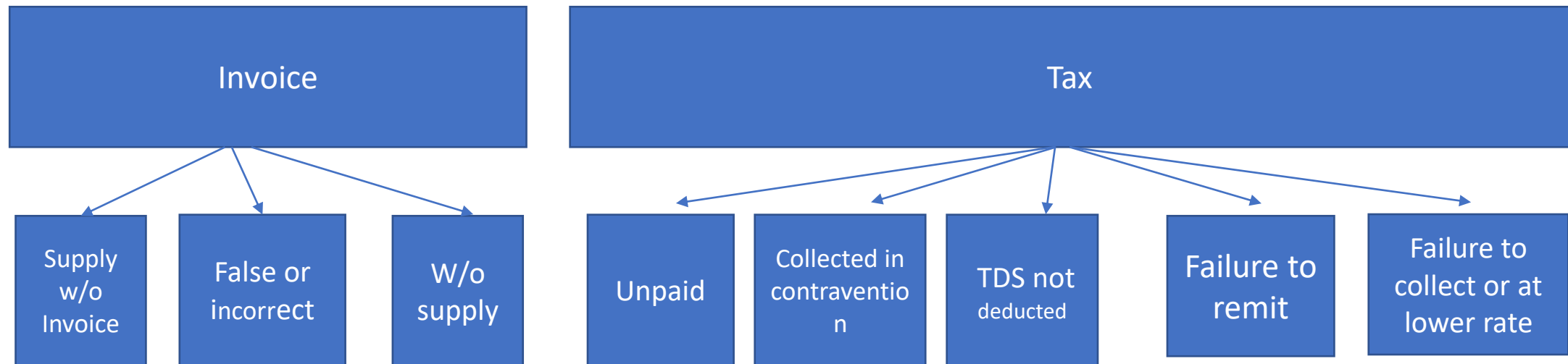
## Pausers – GSTR 9C?

- Can we say that in some business practices are followed but they are not aligned to GST law ? So whether business practice would prevail or GST law would prevail?
- Can we say that due to shortage of staff or last minute approach by the client, there is a mistake in the audit report? Will such stand would accepted as defence?
- Can we say certain books of accounts not maintained ?
- Can we ignore the verification of RC
- Can we apply the principles of Materiality while doing attestation function?

## Pausers – GSTR 9C?

- Can we ignore the classification of goods and services of the supplies?
- Can we apply the principles of Materiality while doing attestation function?
- Do we reconcile the transactions with subsidiaries /branches or not?
- Can we say stock records not maintained under Income Tax Law and thus quantitative details not reported under GST law?
- If Client has applied against Advance Ruling so how do we report such aspect in GST Returns ?

## Some illustrative situations under section 122(1) rws 73/74



### Penalty

1. minimum Rs.10000/- 2. Tax evaded 3. Tax not deducted 4. Tax which is short deducted /collected 5. Tax collected but not paid to the Govt 6. ITC wrongly availed 7. ITC wrongly distributed by ISD 8. Fraudulent claim of refunds

Any person who aids or abets any such offence shall be liable to a penalty which may extend to Rs.25000/-

## Some illustrative situations under section 122(1) rws section 73/74

### Other Offences

```
graph TD; A[Other Offences] --> B[Tampers/destroys any material evidence or documents]; A --> C[Disposing/tampering with goods detained seized or attached];
```

Tampers/destroys any material evidence or documents

Disposing/tampering with goods detained seized or attached

### Penalty

1. minimum Rs.10000/- 2. Tax evaded 3. Tax not deducted 4. Tax which is short deducted /collected 5. Tax collected but not paid to the Govt 6. ITC wrongly availed 7. ITC wrongly distributed by ISD 8. Fraudulent claim of refunds

Any person who aids or abets any such offence shall be liable to a penalty which may extend to Rs.25000/-



## Comparison between GSTR 9 & GSTR 9C

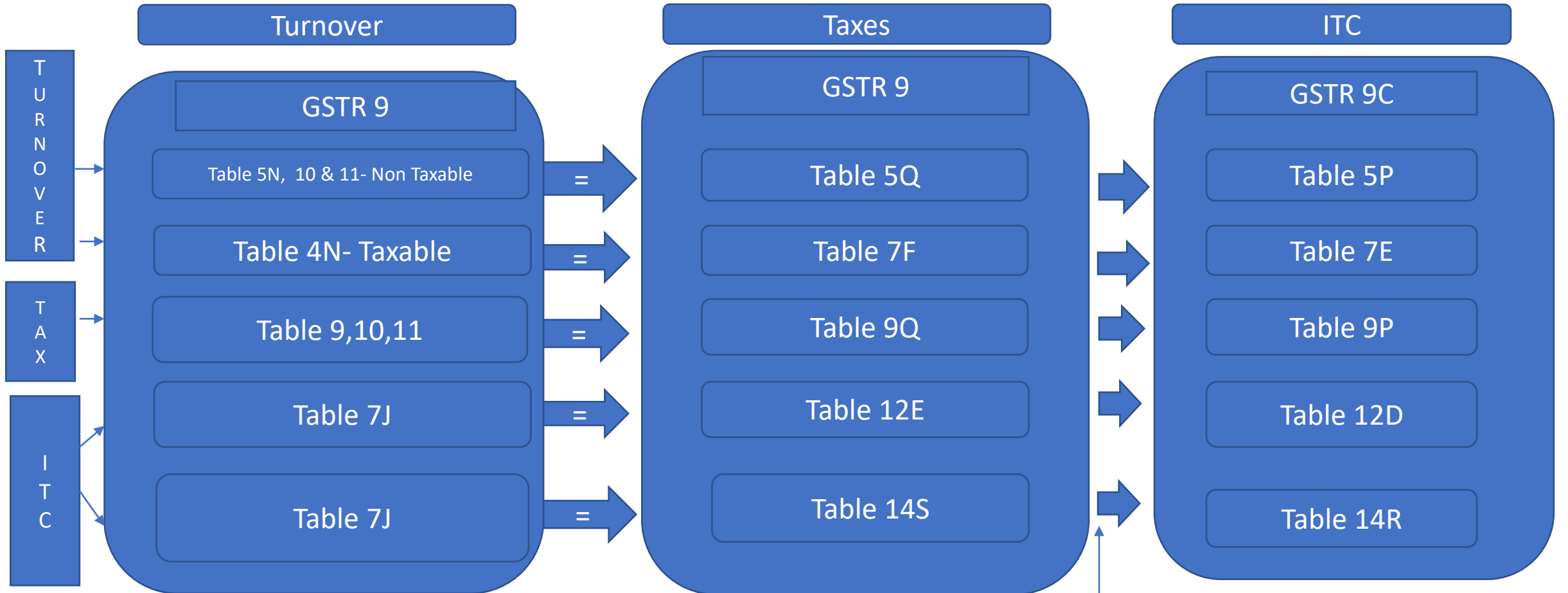
### GSTR 9

- 6 Tables – Turnover , Taxes & ITC
- Option to pay tax, interest , penalties etc. through DRC 03 in cash only
- Reporting of actual information for FY 1819 + Circular 26 effects reported in Apr – Sep 19
- To be filed by RTP only
- To be filed on or before 30.09.2020 ? 31.12.2020 ? or 31.03.2021 ?

### GSTR 9C

- 5 Tables – Turnover , Taxes , ITC & recommendations
- Recommendation to pay tax, interest , penalties etc. & Pay through DRC 03 in cash only
- Reporting of reconciliations & Comparisons and Reasons for deviations
- To be filed by CA or CMA and RTP only
- To be filed on or before 30.09.2020 ? 31.12.2020 ? or 31.03.2021 ?

# Convergence between GSTR 9 & GSTR 9C



Comparisons if Equal no problem and if not equal reasons to be given for such variations in three rows only in text

# Summary

## GSTR – 9C

Turnover-  
GSTR 1

Tax Paid-  
CASH AND  
CREDIT  
LEDGER

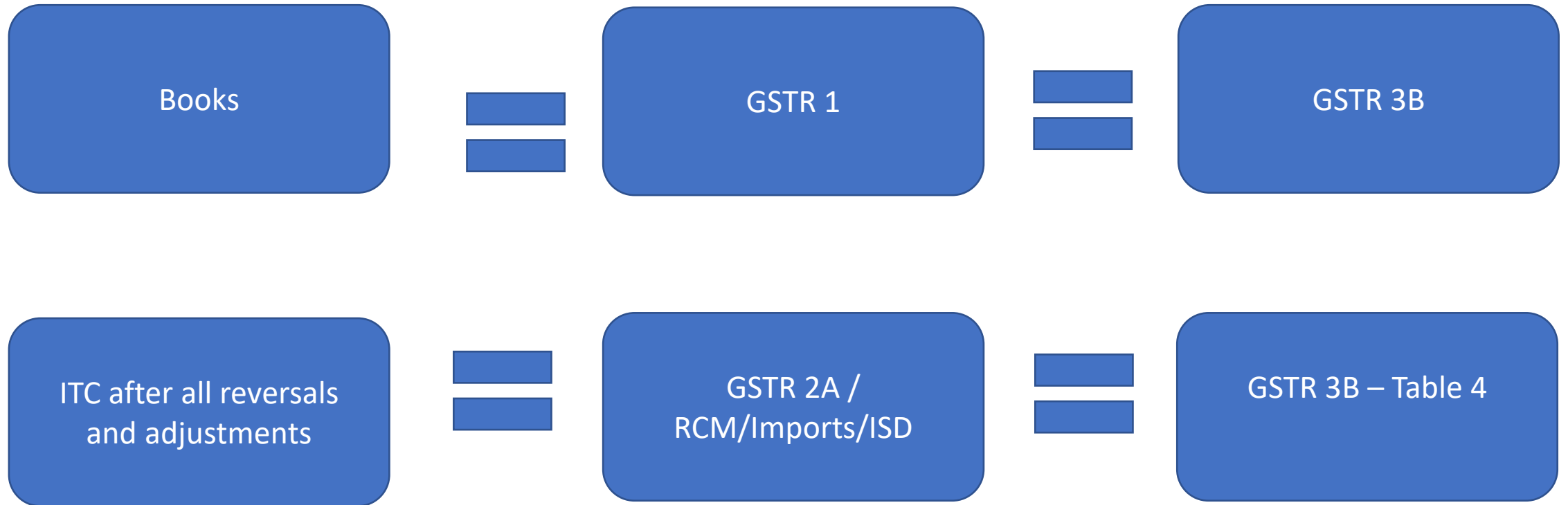
Input Tax  
Credit – GSTR  
3B /2A

# Illustrations

# Outward Supply

## Table 4 , 5 , 10 & 11

## GSTR 9 Dream and Ideal Situations



## Deemed Exports – Table 4

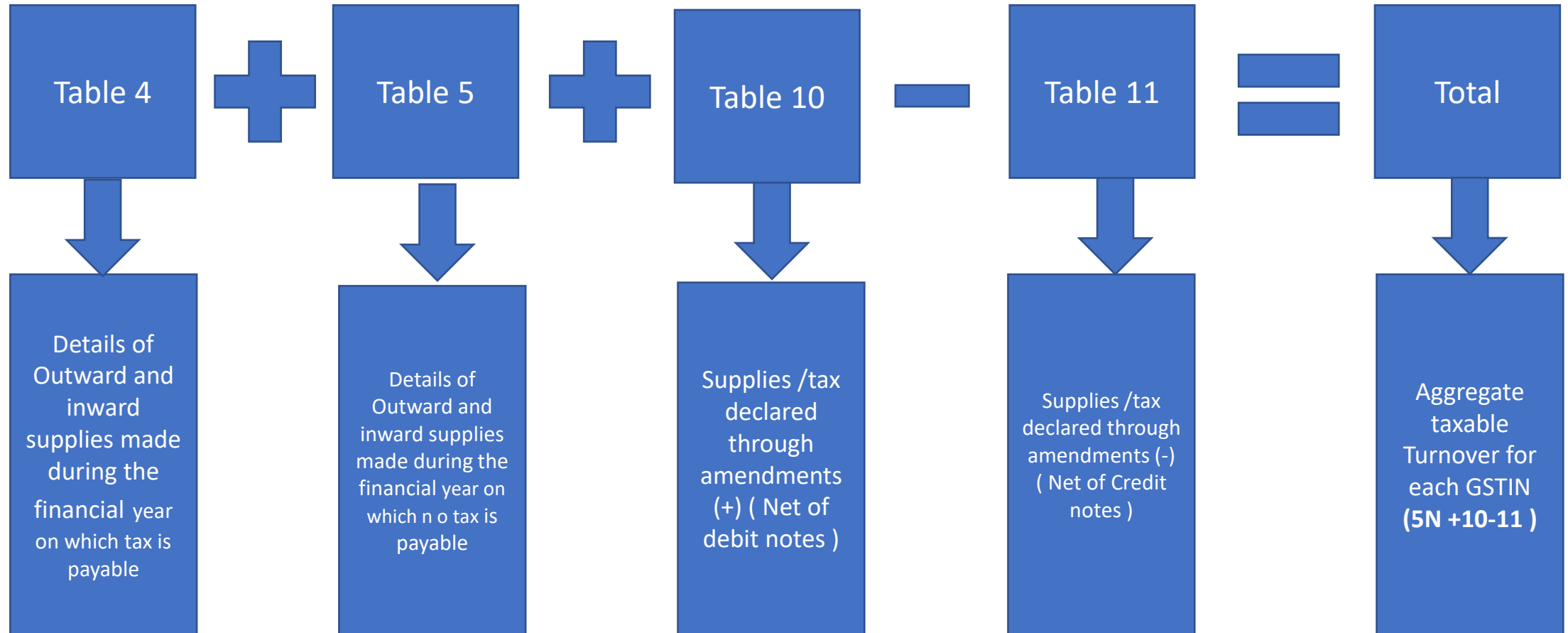
GST- N No 48/2017 dt 18.10.2017

- Supply of goods against advance authorization
- Supply of capital goods against EPCG authorization
- Supply of goods to EOU/STP/EHTP/BTP
- Supply of gold by bank/PSU specified in Notification No. 50/2017-Customs dated 30.06.2017.

Foreign Trade Policy

- Supplies to projects against international competitive bidding
- Supplies to projects with zero customs duty
- Supply of goods to mega power projects against International Competitive Bidding
- Supplies to UN Agencies
- Supply of goods to nuclear projects through competitive bidding

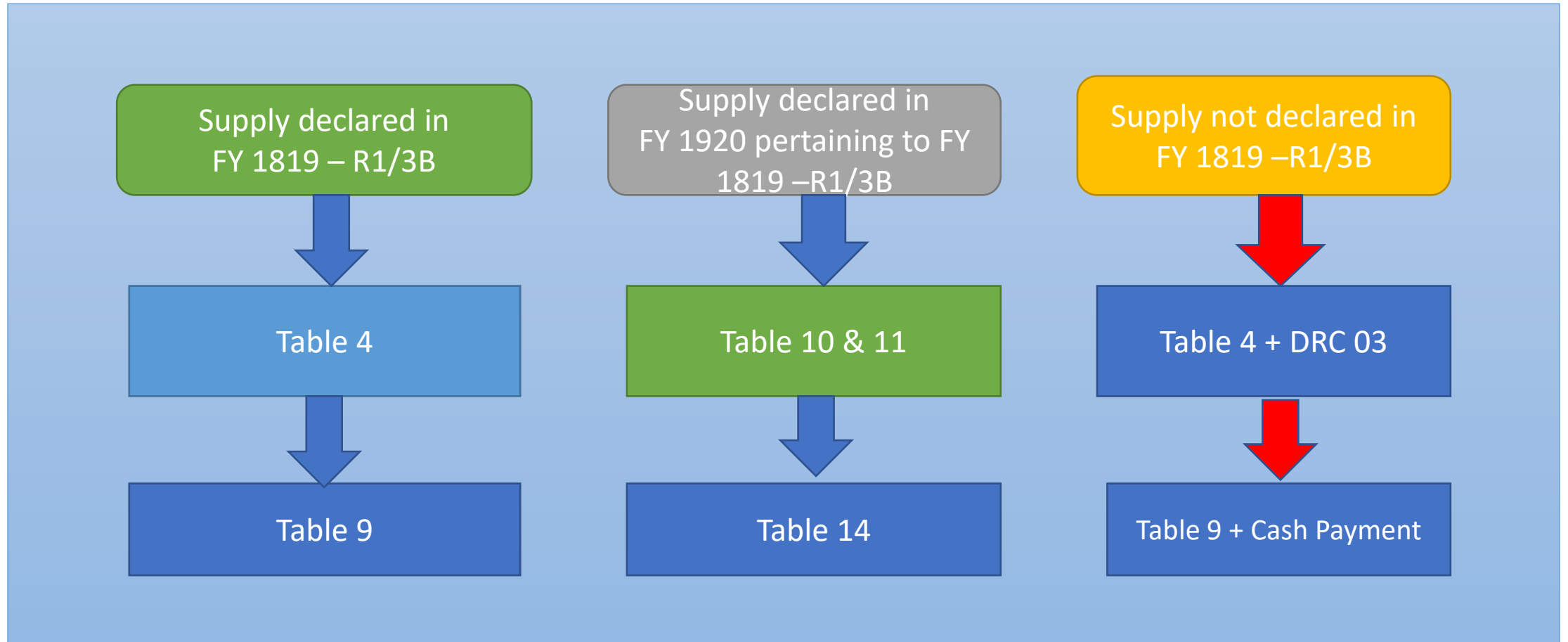
## Total Aggregate Turnover for each GSTIN





# OUWARD SUPPLY on Which Tax is payable

– GSTR 9 – FY 1819 – Table 4



Part II – Table 5 Outward Supplies on which Tax is not payable(Source –GSTR 1 )

Goods

Customs Act

- 1. High Sea Sales ?
- 2. Sales from Bonded Warehouse
- 3. Recovery of cost credited to Expenditure/ Asset/ Liability etc
- 4. CN not subjected GST would covered in clause 5F

Export  
SEZ  
Exempt  
Supplies  
NIL Rated  
Non GST  
Supplies  
Non  
Taxable  
Supplies

Services

Repatriations of Funds

Only three supplies – 1. Lease of land 2. agriculture, fishing etc 3.govt services by CG, SG & Government Authorities etc.

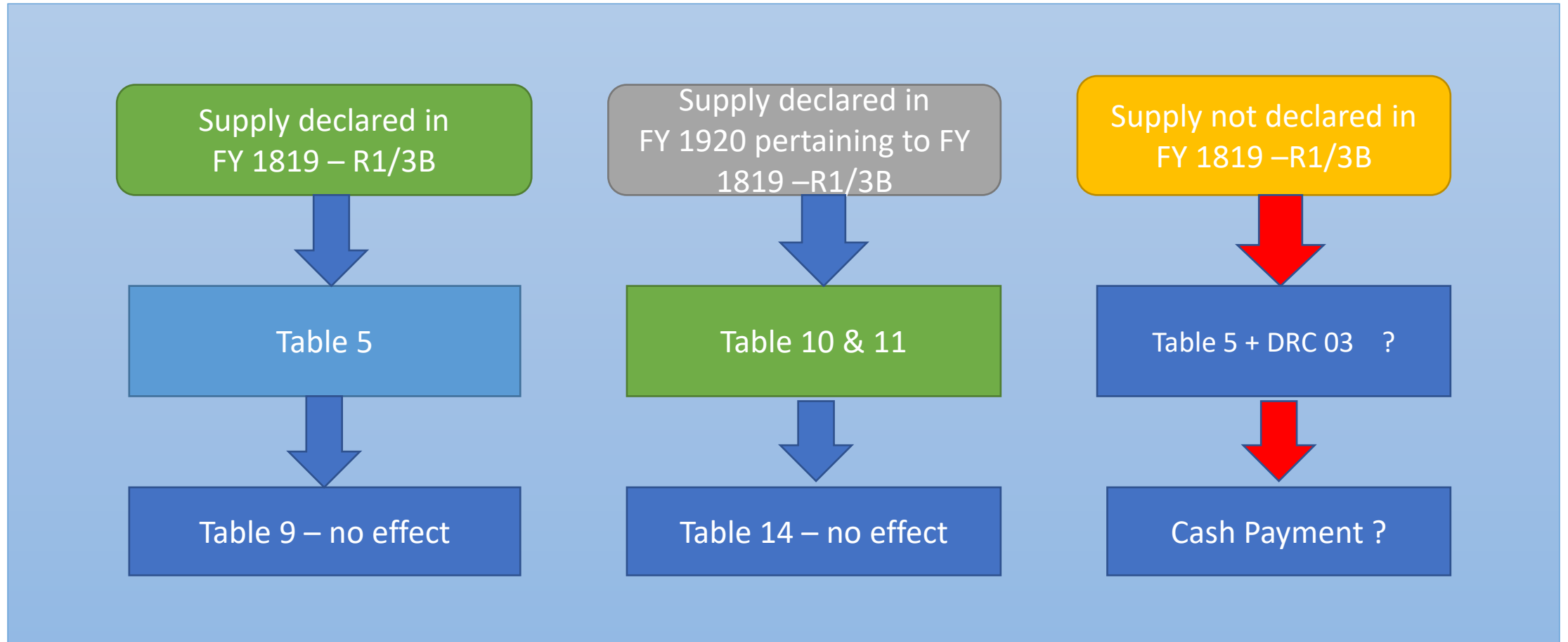
LUT conditions to be complied and needs to be checked while filing AR

Under  
LUT/Bond

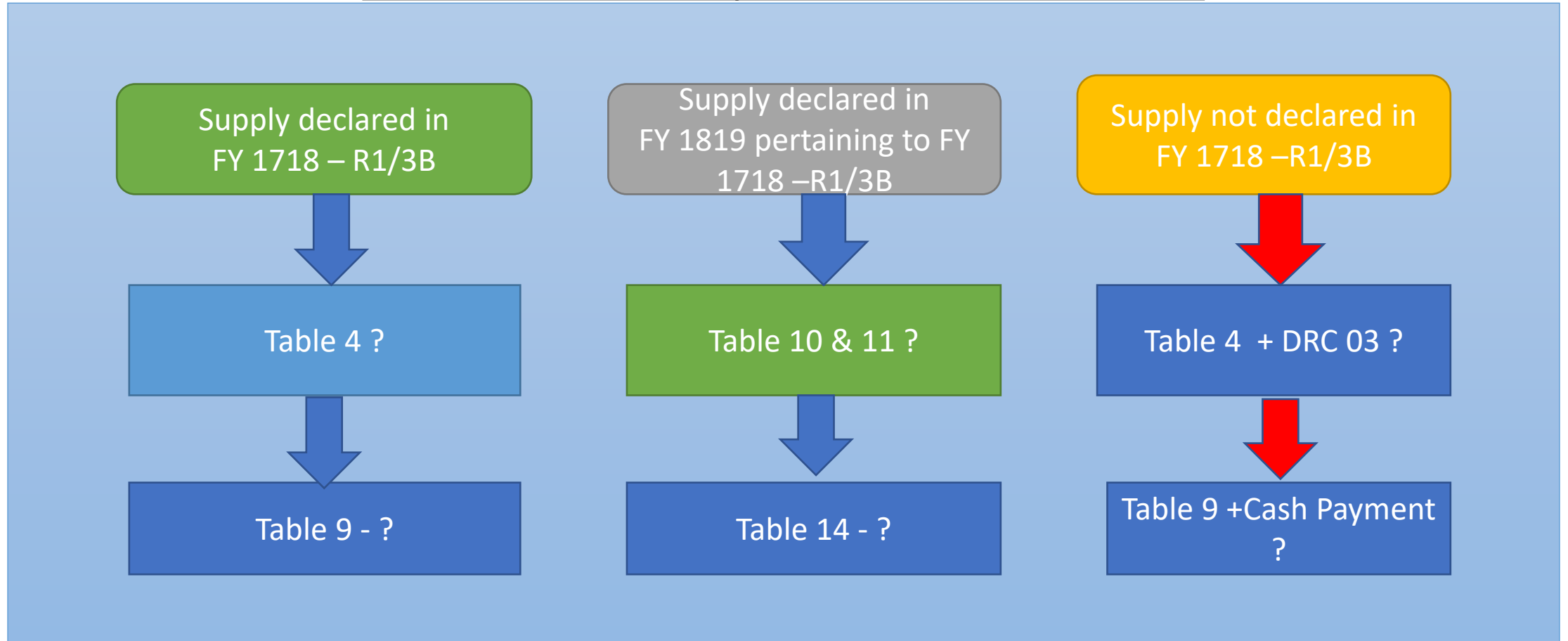
Without  
LUT/Bond

# OUWARD SUPPLY on which no Tax is payable

– GSTR 9 – FY 1819 – Table 5



# OUWARD SUPPLY on Which Tax is payable – GSTR 9 – pertaining to FY 1718 declared in FY 1819 up to 31.03.2019



## Financial Data

Turnover	Value of Supply (Net )	IGST	CGST	SGST	Total GST	Total
Books of accounts FY 1819	10,00,000	90,000	45,000	45,000	1,80,000	11,80,000
R1 and 3B in FY 1819 – Total ( A)	10,00,000	90,000	45,000	45,000	1,80,000	11,80,000
R1 and 3B of FY 1819 from Apr 19 to Sep 19 (B)	50,000	4,500	2,250	2,250	9,000	59,000
Turnover not Reported at all ( c )	50,000	4,500	2,250	2,250	9,000	59,000
FY 1718 reported in FY 1819 R1 & 3B (D)	1,00,000	9,000	4,500	4,500	18,000	1,18,000
FY 1718 not reported at all (E )	50,000	4,500	2,250	2,250	9,000	59,000

## Illustration FY 1819 Reporting – GSTR 9

Turnover	Value of Supply (Net )	IGST	CGST	SGST	Total GST	Total
Books of accounts FY 1819	10,00,000	90,000	45,000	45,000	1,80,000	11,80,000
R1 and 3B in FY 1819 – Total ( A)	10,00,000	90,000	45,000	45,000	1,80,000	11,80,000
Add : Turnover not Reported at all ( c )	50,000	4,500	2,250	2,250	9,000	59,000
Less : FY 1718 reported in FY 1819 R1 & 3B (D)	1,00,000	9,000	4,500	4,500	18,000	1,18,000
Value to be reported in Table 4 (A+C-D)	9,50,000	85,500	42,750	42,750	1,71,000	11,21,000
R1 and 3B of FY 1819 from Apr 19 to Sep 19 (B) – Part V – Row 10/11	50,000	4,500	2,250	2,250	9,000	59,000
Total Value declared in GSTR 9 = Table 4 +Part V – Row 10 – Row 11	10,00,000	90,000	45,000	45,000	1,80,000	11,80,000

## Illustration FY 1819 Reporting – GSTR 9

Turnover	Value of Supply (Net )	IGST	CGST	SGST	Total GST	Total
Books of accounts FY 1819	10,00,000	90,000	45,000	45,000	1,80,000	11,80,000
FY 1718 reported in FY 1819 R1 & 3B (D)	1,00,000	9,000	4,500	4,500	18,000	1,18,000
	?	?	?	?	?	?
FY 1718 not reported at all (E )	50,000	4,500	2,250	2,250	9,000	59,000
	?	?	?	?	?	?

# Input Tax Credit Table 6 , 7 & 8



## Input Tax Credit

Table 6



Table 7



Net ITC

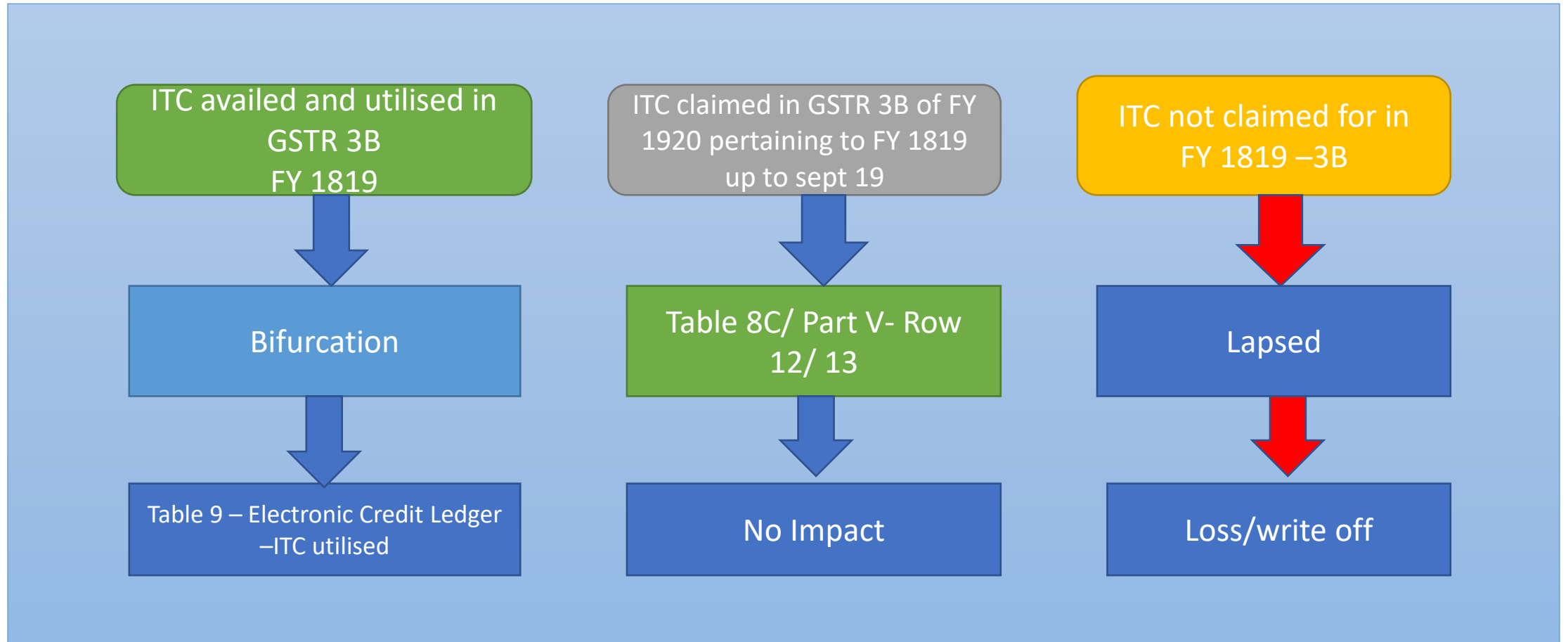
Details of ITC availed  
during the financial  
year  
- GSTR 3B

Details of ITC  
reversed and  
Ineligible ITC for the  
financial year  
- GSTR 3B

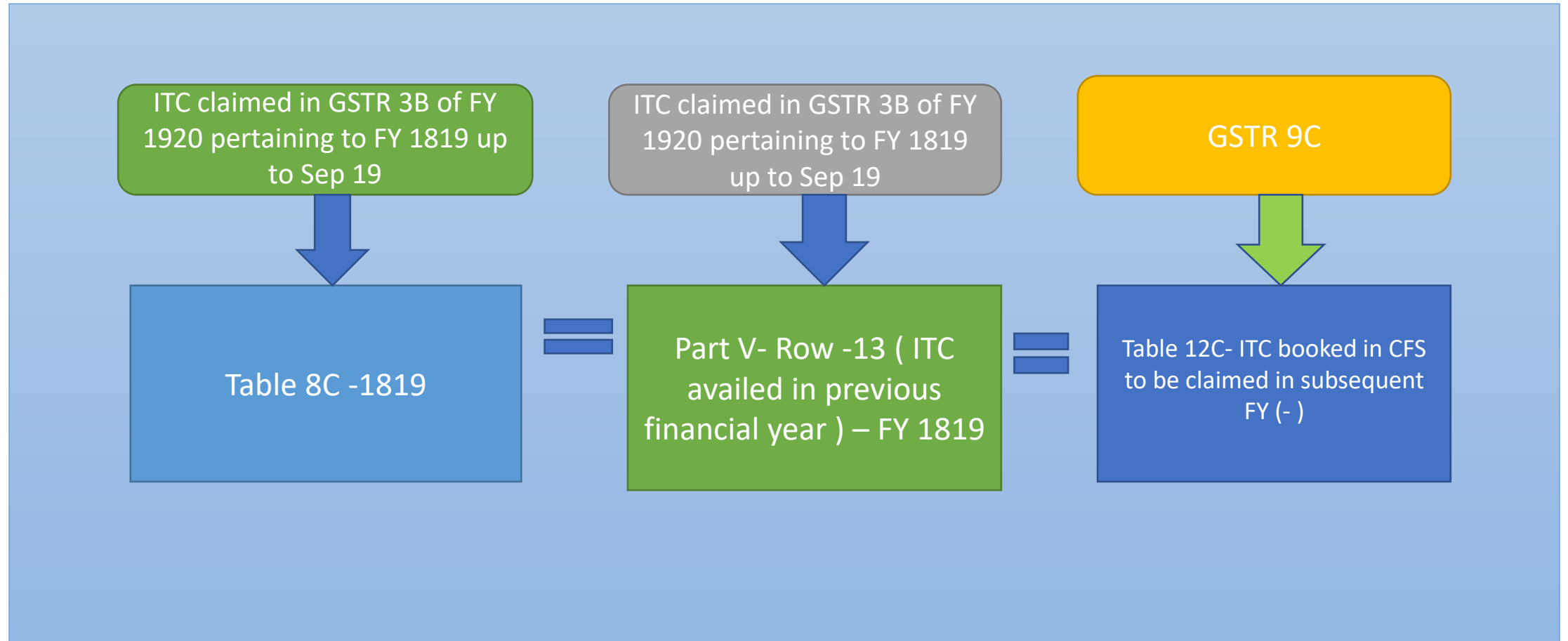
Net ITC Available for  
Utilization (60 - 7I) =  
7J

# ITC availed in the financial year

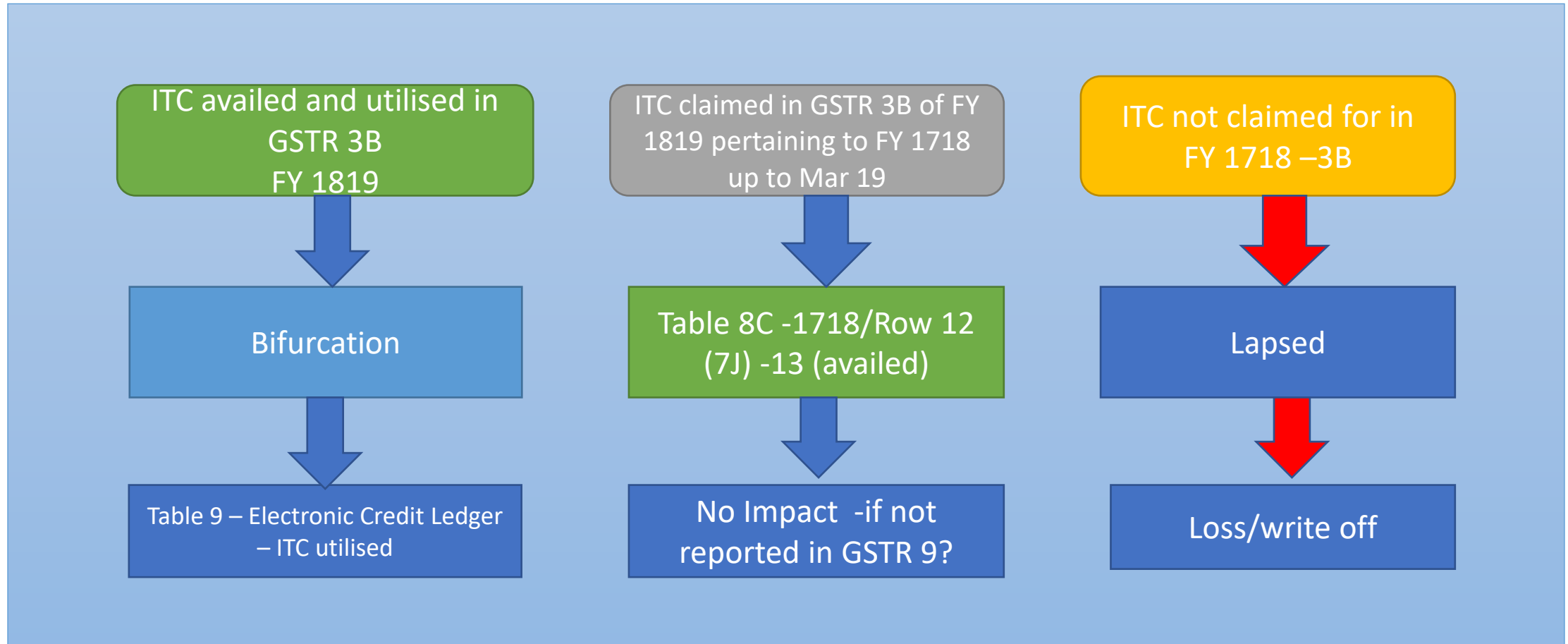
- GSTR 9 – FY 1819 – Table 6 /7/8 – Part V



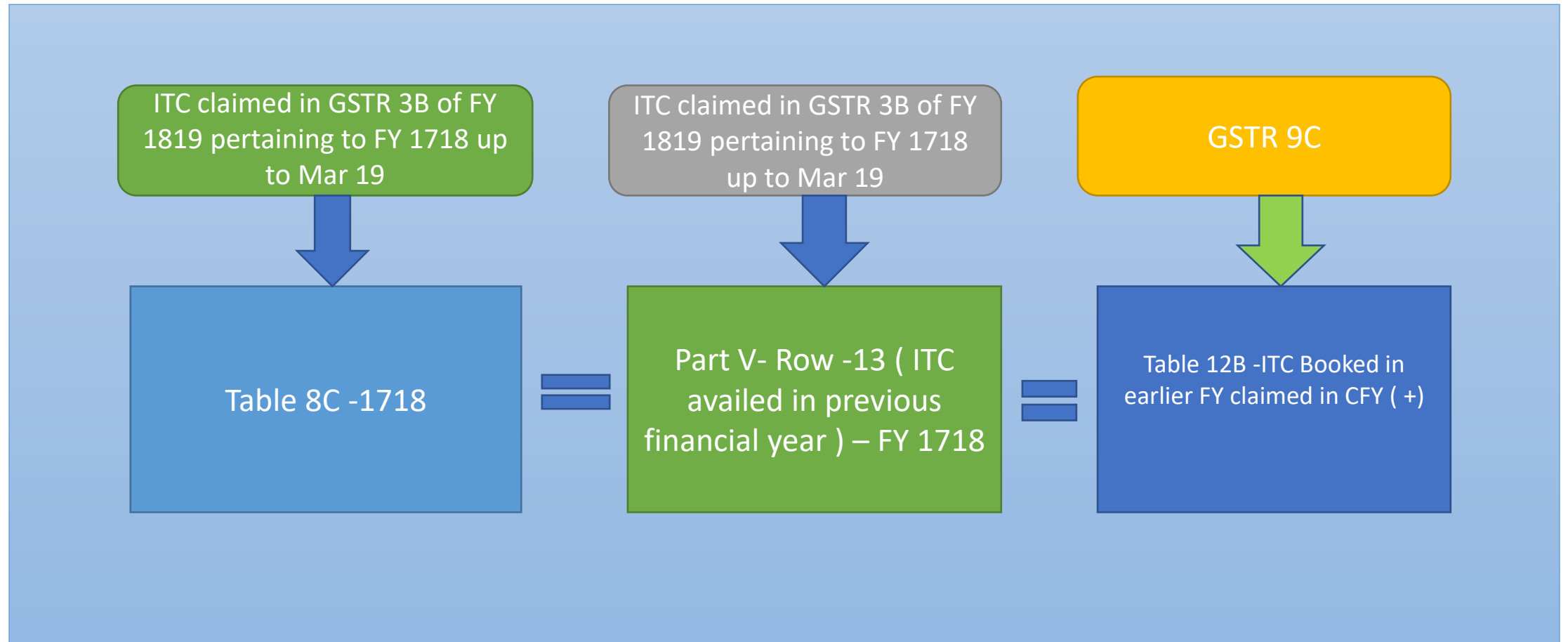
# ITC availed in the financial year – pertaining to previous claimed in subsequent financial year – Table 6 /7/8 & Part V – FY 1819 & GSTR 9C



# ITC availed in the financial year – pertaining to FY 1718- in FY 1819 up to 31.03.2019 – Table 6 /7/8 & Part V



# ITC availed in the financial year – pertaining to previous claimed in subsequent financial year – Table 6 / 7 / 8 & Part V – FY 1718 & GSTR 9C



## Financial Data as per Books of accounts as well as in TAR –FY 1819

Input Tax Credit	IGST	CGST	SGST	Total GST
Opening Balance (A)	30,000	15,000	15,000	60,000
Add: availed in BOA (B)	60,000	30,000	30,000	1,20,000
LESS: Utilised in BOA (C)	50,000	25,000	25,000	1,00,000
Closing Balance = D (A+B-C)	40,000	20,000	20,000	80,000
Opening Balance includes ITC of FY 1718 claimed in FY 1819 (E)	5,000	2,500	2,500	10,000
Closing Balance includes ITC of FY 1819 claimed in FY 1920 up to Sep 19 (F)	10,000	5,000	5,000	20,000

## Data as per Electronic Credit Ledger – FY 1819

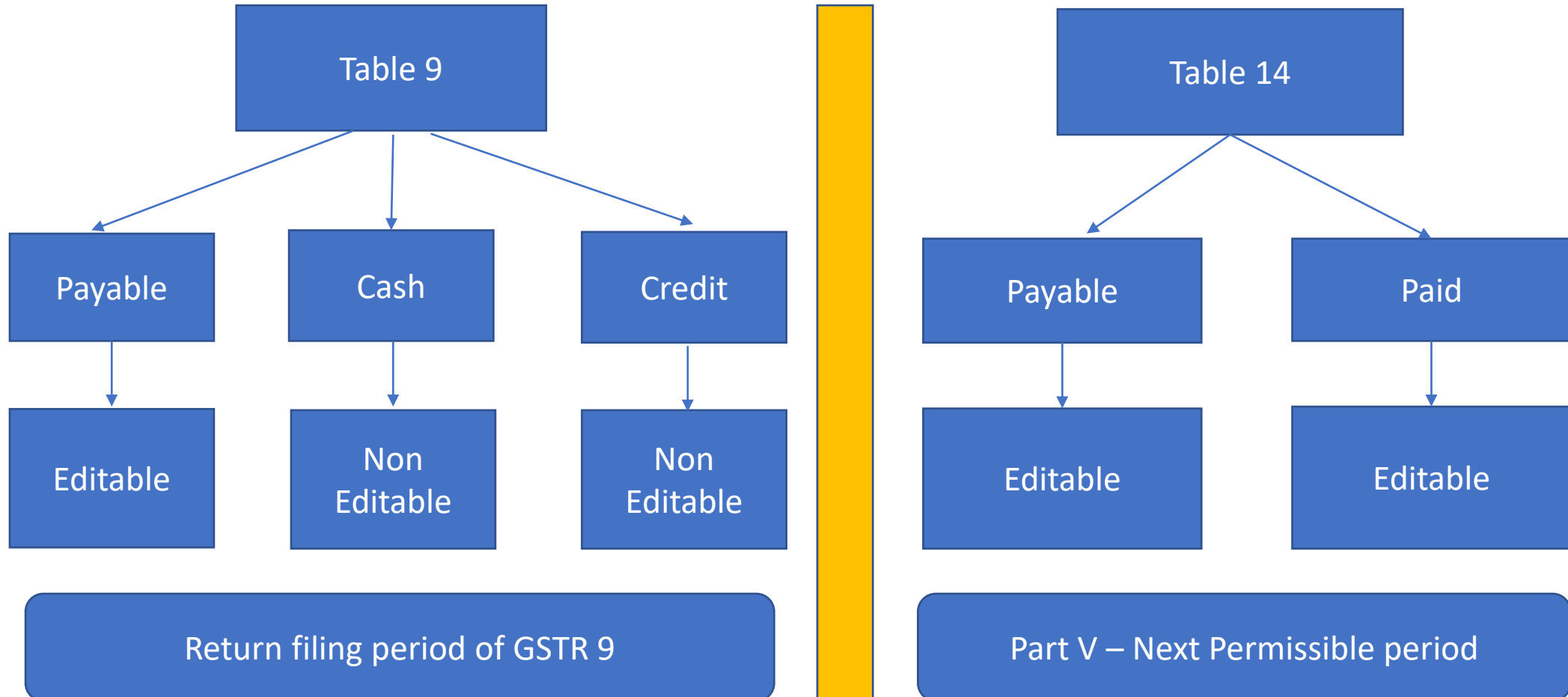
Input Tax Credit	IGST	CGST	SGST	Total GST
Opening Balance as per ECL (A)- (D)	25,000	12,500	12,500	50,000
Add: availed in GSTR 3B (B)+ (E) – (F)	55,000	27,500	27,500	1,10,000
LESS: Utilised in BOA (C) – Table 6	50,000	25,000	25,000	1,00,000
Closing Balance = D (A+B-C)	30,000	15,000	15,000	60,000
Opening Balance includes ITC of FY 1718 claimed in FY 1819 (E) – Row 13 of Part V	5,000	2,500	2,500	10,000
Closing Balance includes ITC of FY 1819 claimed in FY 1920 up to Sep 19 ( F ) – Table 8C	10,000	5,000	5,000	20,000
Total as per Books = D+F	40,000	20,000	20,000	80,000

# GST PAYOUTS

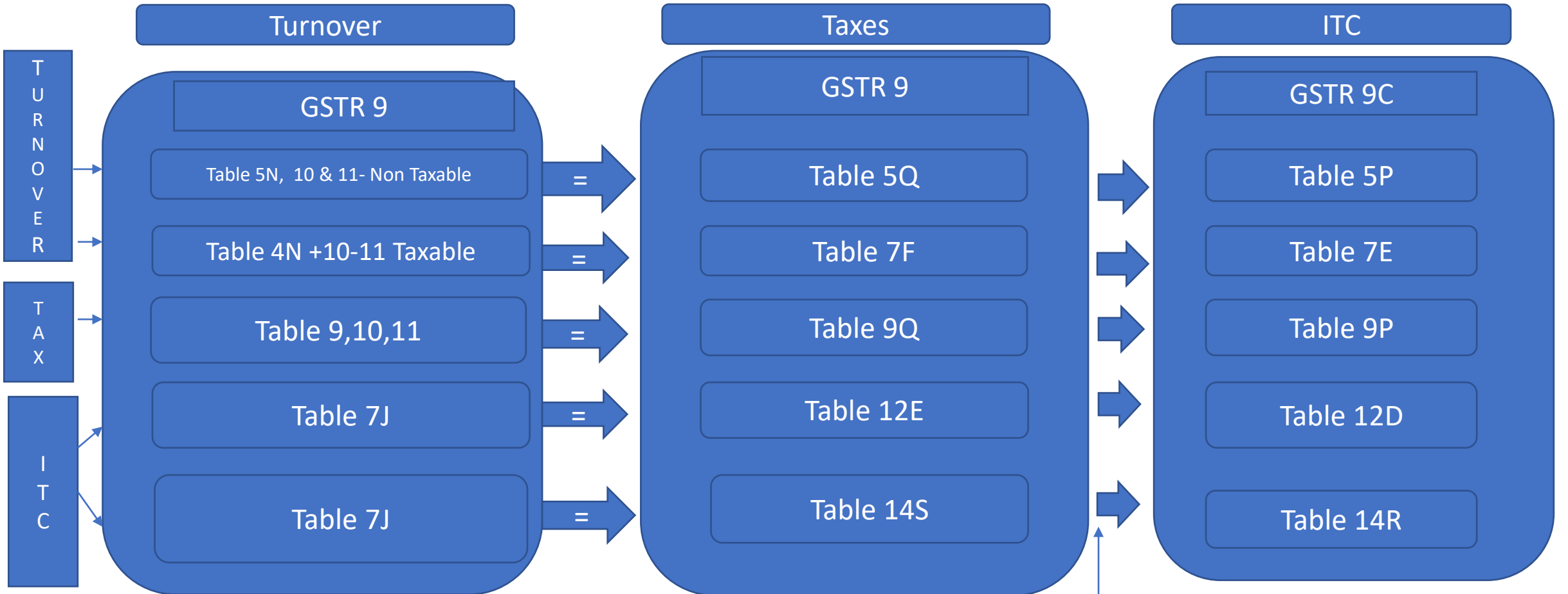
## Table 9 & 14



# GST Payouts



# Convergence between GSTR 9 & GSTR 9C



Comparisons if Equal no problem and if not equal reasons to be given for such variations in three rows only in text

# Convergence between GSTR 9 & GSTR 9C Turnover

## GSTR 9C

- Reconciliation of Gross Turnover = Annual Turnover after adjustments as above 5P

## GSTR 9

- Turnover as declared in Annual Returns GSTR 9 reported in 5Q = Table 5N, 10 & 11- Non Taxable

If not Equal and deviations needs to be reported.

# Convergence between GSTR 9 & GSTR 9C Tax Payable

## GSTR 9C

- Taxable turnover as per adjustments as per Table 7E

## GSTR 9

- Taxable turnover as per liability declared in Annual Return (GSTR9)=Table 7F = Table 4N+Table 10- Table 11

If not Equal and deviations needs to be reported.

# Convergence between GSTR 9 & GSTR 9C Tax paid

## **GSTR 9C**

- Total amount to be paid as per tables above (A to O)\* as per Table 9P

## **GSTR 9**

- Total amount paid as declared in Annual Return Table 9Q of GSTR 9C= Table 9+Table 10-Table 11 of GSTR 9

If not Equal and deviations needs to be reported.

# Convergence between GSTR 9 & GSTR 9C Input Tax Credit

## GSTR 9C

- ITC availed as per Audited FS or BOA as per Table 12D

## GSTR 9

- ITC claimed in Annual Returns GSTR 9 in Table 12E of GSTR 9C= 7J of GSTR 9

If not Equal and deviations needs to be reported.

# Convergence between GSTR 9 & GSTR 9C Input Tax Credit

## **GSTR 9C**

- ITC availed as per Audited FS or BOA as per Table 14R

## **GSTR 9**

- ITC claimed in Annual Return (GSTR 9) in Table 14S = Table 7J of GSTR 9

If not Equal and deviations needs to be reported.

## Document requirements

GSTR 9 and 9C FY  
1718

3B Vs R1

R1 Vs BOA

GSTR 2A FY 1819

3B ITC Vs. GSTR 2A

GSTR 2A Vs. BOA



## Document requirements

Electronic Cash  
Ledger  
(TDS Returns )

Electronic Credit  
Ledger

Outward Deviation  
Reconciliations  
with Reasons

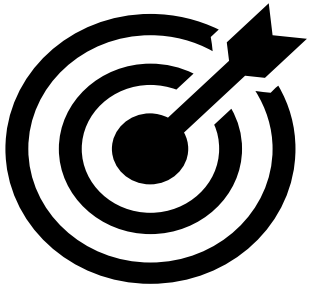
ITC Reconciliations  
with Reasons

Tax Paid  
Reconciliations  
with Reasons

Observations and  
Remarks

SURROUND YOURSELF WITH PEOPLE WHO TALK ABOUT VISION AND IDEAS NOT PEOPLE

Thank You for the Patient Hearing



CA Nitin Bhuta

