

# GSTR 9 – Certain important issues

STAR

APRIL 2019

# GSTR 9 and 9C Statutory Provisions

- ▶ **2.** (13) “audit” means the examination of records, returns and other documents maintained or furnished by the registered person under this Act or the rules made thereunder or under any other law for the time being in force to verify the correctness of turnover declared, taxes paid, refund claimed and input tax credit availed, and to assess his compliance with the provisions of this Act or the rules made thereunder;
- ▶ s. 35(5) Every registered person whose turnover during a financial year exceeds the prescribed limit shall get his accounts audited by a chartered accountant or a cost accountant and shall submit a copy of the audited annual accounts, the reconciliation statement under sub-section (2) of section 44 and such other documents in such form and manner as may be prescribed.

# GSTR 9 and 9C Statutory Provisions

- ▶ 44 (1) Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person, shall furnish an annual return for every financial year electronically in such form and manner as may be prescribed on or before the thirty-first day of December following the end of such financial year.
- ▶ (2) Every registered person who is required to get his accounts audited in accordance with the provisions of sub-section (5) of section 35 shall furnish, electronically, the annual return under sub-section (1) along with a copy of the audited annual accounts and a reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year with the audited annual financial statement, and such other particulars as may be prescribed.

# GSTR 9 and 9C Statutory Provisions

- ▶ **80. Annual return.**-(1) Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person, shall furnish an annual return as specified under sub-section (1) of section 44 electronically in FORM GSTR-9 through the common portal either directly or through a Facilitation Centre notified by the Commissioner:
- ▶ (3) Every registered person whose aggregate turnover during a financial year exceeds two crore rupees shall get his accounts audited as specified under sub-section (5) of section 35 and he shall furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in FORM GSTR-9C, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner.

# GSTR 9 and 9C Statutory Provisions

Case No.	Facts	Whether Audit required
1.	Mr A is having a shop in Delhi dealing in ready made garments. During FY July 2017- March 18 his turnover was Rs. 3 Crores.	Yes
2.	Mr X is having a shop in Delhi dealing in unbranded pulses (exempted turnover). During FY July 2017- March 18 his turnover was Rs. 3 Crores.	Yes, if he is registered
3.	Mr B is having a shop in Delhi dealing in ready made garments. During FY July 2017- March 18 his turnover was Rs. 1.98 Crores. He also sold his old office furniture for Rs. 5 Lakhs.	Yes, aggregate turnover is above 2 Crores
4.	Mr C is having a shop in Delhi dealing in ready made garments. During FY July 2017- March 18 his turnover was Rs. 1.98 Crores. His turnover during April 2017 to June 2017 was Rs. 80 Lakhs.	Yes, aggregate turnover means for entire year
5.	Mr D is having branches in Delhi, Mumbai and Patna dealing in ready made garments. During FY 2017- 18 his turnover was Rs. 1 Crores in Delhi, 3 Crores in Mumbai and 20 lakhs in Patna.	Yes, all branches shall be audited separately as all are different GSTIN. Limit of aggregate turnover of Rs. 2 Crores is satisfied for all branches.

# GSTR 9 and 9C Statutory Provisions

Case No.	Facts	Whether required	Audit
6.	Mr F is having branches in Delhi and London dealing in ready made garments. During FY 2017- 18 his turnover was Rs. 1 Crores in Delhi and 3 Crores in London.	No, as the turnover of London is not in India	
7.	Mr G is having branches in Delhi, Mumbai and Patna dealing in ready made garments and unbranded Pulses. During FY 2017- 18 his turnover was Rs. 1 Crores in Delhi, 3 Crores in Mumbai and 20 lakhs in Patna for Pulses and only 10 Lakhs turnover for ready made garments in Mumbai.	Yes	
8.	Mr I is having having a petrol pump in Pitampura, Delhi having tuover from sale of diesel and petrol of Rs 20 Crores During FY 2017- 18. He has also sold lubricant (taxable under GST) for Rs. 20 Lakhs	Yes	
9.	Mr J is having branches in Delhi and Patna. His turnover during FY 2017-18 was Rs 90 Lakhs in each branch. He has also made a stock transfer of Rs. 30 Lakhs from Delhi to Patna.	Yes, aggregate turnover includes stock transfer also.	
10.	Mr K is having turnover of Rs. 20 Lakhs during FY 2017-18. He also sold land (as appearing in his books of accounts) for Rs. 10 Crores	No	

# GSTR 9 and 9C Statutory Provisions

Case No.	Facts	Whether Audit required
11.	Mrs K is having turnover of Rs. 190 Lakhs during FY 2017-18. She also sold her personal jewellery for Rs. 10 Lakhs	No
12.	Mr K is having turnover of Rs. 110 Lakhs during FY 2017-18. He also sold his investment (as per books of accounts) in securities for Rs. 200 Lakhs	No

# Form 9

# GSTR 9

- ▶ Point I: Basic Details
- ▶ Point II: Detail of Outward and Inward Supplies declared
- ▶ Point III: Detail of ITC as declared in returns filed during the financial year
- ▶ Point IV: Details of tax paid as declared in returns filed during the financial year
- ▶ Point V: Particular of the transaction for the previous FY declared in returns of April to September of current FY or upto date of filing of annual return of previous year FY whichever is earlier
- ▶ Point VI: Other Information

Pt.	Basic Details	
1	Financial Year	This shall denote the financial year for which the form is being filed. For FY 2017-18, this shall denote the period from July 2017 to March 2018.
2	GSTIN	This denotes the GSTIN for which Annual return is filed. Annual return shall be filed separately for each GSTIN.
3A	Legal Name	This denotes the name under which PAN is applied by the person. Thus, this may also be different from the printed name on the PAN card. Legal name is the original name by which the identity of a person is established and not his nick name, trade name, abbreviated name etc.
3B	Trade Name (if any)	This is the name by which the business of a person is popular amongst the buyers /customers.

# GSTR 9

		Amount in ..... in all tables				
	Nature of Supplies	Taxable Value	Central Tax	State Tax/UT Tax	Integrated Tax	Cess
	1	2	3	4	5	6
<b>4</b>	Details of advances, inward and outward supplies on which tax is payable as declared in returns filed during the financial year					
<b>A</b>	Supplies made to un-registered persons (B2C)	In this row, the assessee needs to report the Aggregate value of supplies made to consumers and unregistered persons on which tax has been paid. These will include details of supplies made through E-commerce operators and are to declared as net of credit notes or debit notes issued in this regard. Table 5, Table 7 along with respective amendments in Table 9 and Table 10 of Form GSTR-1 may be used for filing up these details if they match the details of GSTR 3B on which tax has been paid.				

# GSTR 9

B	Supplies made to registered persons (B2B)	In this row, the assessee needs to report the Aggregate value of supplies made to registered persons (including supplies made to UINs) on which tax has been paid. These will include details of supplies made through E-commerce operators but shall not include supplies on which tax is to be paid by the recipient on reverse charge basis. Details of credit notes or debit notes are to be mentioned separately. Table 4A, and Table 4C of Form GSTR-1 may be used for filing up these details if they match the details of GSTR 3B on which tax has been paid.
C	Zero rated supply (Export) on payment of tax (except supplies to SEZ's)	In this row, the assessee needs to report the Aggregate value of exports (except supplies to SEZs) on which tax has been paid. Table 6A of Form GSTR-1 may be used of filing up these details. Table 6 of GSTR-1 contains information relating to Zero rated supplies and Deemed Exports if they match the details of GSTR 3B on which tax has been paid. Table 6 to capture information related to: (i) Exports out of India (ii) Supplies to SEZ unit/ and SEZ developer 228 (iii) Deemed Exports

# GSTR 9

<b>D</b>	Supply to SEZ's on payment of tax	In this row, the assessee needs to report the Aggregate value of supplies to SEZs on which tax has been paid. Table 6B of GSTR-1 may be used for filing up these details.
<b>E</b>	Deemed Exports	This row is to be used for In this row, the assessee needs to report the Aggregate value of supplies in the nature of deemed exports on which tax has been paid. Table 6C of Form GSTR-1 may be used for filing up these details. Details of Taxable Outward supply declared during the year.
<b>F</b>	Advances on which tax has been paid but invoice has not been issued (not covered under (A) to (E) above)	In this row, the assessee needs to report the details of all unadjusted advances i.e. advance has been received and tax has been paid but invoice has not been issued in the current year. Table 11A of Form GSTR-1 may be used for filing up these details.

# GSTR 9

G	Inward supplies on which tax is to be paid on reverse charge basis	In this row, the assessee needs to report the Aggregate value of all inward supplies (including advance and net of credit and debit notes) on which tax is to be paid by the recipient (i.e. by the person filing the annual return) on reverse charge basis. This shall include supplies received from registered persons, unregistered persons on which tax is levied on reverse charge basis. This shall also include aggregate value of all import of services. Table 3.1(d) of Form GSTR-3B may be used for filing up these details.
H	Sub-total (A to G above)	
I	Credit Notes issued in respect of transactions specified in (B) to (E) above (-)	In this row, the assessee needs to report the Aggregate value of credit notes issued in respect of B to B supplies (4B), exports (4C), supplies to SEZs (4D) and deemed exports (4E). Table 9B of Form GSTR-1 may be used for filing up these details. It may be noted that such information is to be filed only for the Credit notes issued under Section 34. Any credit note which does not have an impact on the GST value or tax need not be reported here. For eg., cash discounts, end of season sale discounts etc

# GSTR 9

J	Debit notes issued in respect of transactions specified in (B) to (E) above (+)	In this row, the assessee needs to report the Aggregate value of debit notes issued in respect of B to B supplies (4B), exports (4C), supplies to SEZs (4D) and deemed exports (4E). Table 9B of Form GSTR-1 may be used for filing up these details. Here debit notes shall increase the tax payable on a particular transaction.
K	Supplies/tax declared through Amendments (+)	In this row, the assessee needs to report details of amendments made to B to B supplies (4B), exports (4C), supplies to SEZs (4D) and deemed exports (4E), credit notes (4I), debit notes (4J) and refund vouchers.
L	Supplies/tax reduced through Amendments (-)	
M	Sub-total (I to L above)	
N	Supplies and advances on which tax is to be paid (H + M) above	This total is compared with the total of taxable supply in form GSTR 9C

# GSTR 9

Pt I Details of Outward and Inward supplies declared during the financial year						
		Amount in ..... in all tables				
Nature of Supplies		Taxable Value	Central Tax	State Tax/UT Tax	Integrated Tax	Cess
1		2	3	4	5	6
<b>5</b>	Details of Outward supplies on which tax is not payable as declared in returns filed during the financial year					
<b>A</b>	Zero rates supply (Export without payment of tax)	In this row, the assessee needs to report aggregate value of exports (except supplies to SEZs) on which tax has not been paid. Table 6A of Form GSTR-1 may be used for filing up these details.				
<b>B</b>	Supply to SEZs without payment of tax					
<b>C</b>	Supplies on which tax is to be paid by the recipient on reverse charge basis	In this row, the assessee needs to report aggregate value of supplies made to registered persons on which tax is payable by the recipient on reverse charge basis. Details of debit and credit notes are to be mentioned separately. Table 4B of the Form GSTR-1 may be used for filing up these details. Table 4B is the row to be filled for supplies attracting reverse charge, rate -wise, relating to B to B supplies.				

GSTR 9

<b>D</b>	Exempted	In these rows, the assessee needs to report aggregate value of exempted, Nil Rated and Non-GST supplies. Table 8 of FORM GSTR-1 may be used for filing up these details. The value of “no supply” shall also be declared here.
<b>E</b>	Nil Rated	
<b>F</b>	Non-GST supply	
<b>G</b>	Sub-total (A to F above)	
<b>H</b>	Credit Notes issued in respect of transactions specified in A to F above (-)	In these rows, the assessee needs to report aggregate value of credit / debit notes issued in respect of supplies declared in 5A, 5B, 5C,5D,5E and 5F. Table 9B of Form GSTR-1 may be used for filing up these details. Such information is required to be captured rate-wise in Table 9 of GSTR-1. While furnishing information the original debit note/credit note, the details of invoice shall be mentioned in the first three columns. While furnishing revision of a debit note/credit note, the details of original debit note/credit note shall be mentioned in the first three columns of this Table. Any debit/ credit note pertaining to invoices issued before the appointed day under the existing law also to be reported in this table.
<b>I</b>	Debit Notes issued in respect of transactions specified in A to F above (+)	

# GSTR 9

<b>J</b>	<b>Supplies declared through Amendments (+)</b>	<b>In these rows, the assessee needs to report the details of amendments made to exports (except supplies to SEZs) and supplies to SEZs on which tax has not been paid. Table 9A and Table 9C of Form GSTR-1 may be used for filing up these details.</b>
<b>K</b>	Supplies reduced through Amendments (-)	
<b>L</b>	Sub-Total (H to K above)	
<b>M</b>	Turnover on which tax is not to be paid (G + L above)	
<b>N</b>	Total Turnover (including advances) (4N + 5M - 4G above)	This row provides for total turnover which is the sum of all supplies (with additional supplies and amendments) on which tax is payable and tax is not payable. This shall also include amount of advances on which tax is paid but invoices have not been issued in the current year. However, this shall not include the aggregate value of inward supplies on which tax is paid by the recipient (i.e. by the person filing the annual return) on reverse charge basis.
<b>J</b>	Supplies declared through Amendments (+)	In these rows, the assessee needs to report the details of amendments made to exports (except supplies to SEZs) and supplies to SEZs on which tax has not been paid. Table 9A and Table 9C of Form GSTR-1 may be used for filing up these details.

# GSTR 9

Pt III Details of ITC as declared in returns filed during the financial year						
	Description	Type	Central Tax	State Tax/ Ut Tax	Integrated Tax	Cess
	1	2	3	4	5	6
<b>6</b>	Details of ITC availed as declared in returns filed during the financial year					
<b>A</b>	Total amount of input tax credit availed through Form GSTR-3B (sum total of Table 4A of Form GSTR-3B)	In this row, the assessee needs to report Total input tax credit in Table 4A of Form GSTR-3B for the taxpayer would be auto-populated here.				

# GSTR 9

B	Inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs)	Inputs	In this row, the assessee needs to report aggregate value of input tax credit availed on all inward supplies except those on which tax is payable on reverse charge basis but includes supply of services received from SEZs. It may be noted that the total ITC availed is to be classified as ITC on inputs, capital goods and input services. Table 4(A)(5) of Form GSTR-3B may be used for filing up these details. <u>This shall not include ITC which was availed, reversed and then reclaimed in the ITC ledger.</u> This is to be declared separately under 6(H) below.
C	Inward supplies received from unregistered person liable to reverse charge (other than B above) on which tax is paid & ITC availed	Inputs	In this row, the assessee needs to report aggregate value of input tax credit availed on all inward supplies received from unregistered person (other than import of services) on which tax is payable on reverse charge basis. It may be noted that the total ITC availed is to be classified as ITC on inputs, capital goods and input services. Table 4(A)(3) of Form GSTR-3B may be used for filing up these details.
		Capital Goods	
		Input services	

# GSTR 9

D	Inward supplies received from registered persons liable to reverse charge (other than B above) on which tax is paid and ITC availed	Inputs	In this row, the assessee needs to report aggregate value of input tax credit availed on all inward supplies received from registered person on which tax is payable on reverse charge basis. It may be noted that the total ITC availed is to be classified as ITC on inputs, capital goods and input services. Table 4(A)(3) of Form GSTR-3B may be used for filing up these details.
		Capital Goods	
		Input services	
E.	Import of goods (including supplies from SEZs)	Inputs / Capital Goods	In this row, the assessee needs to report details of input tax credit availed on imports of goods including supply of goods received from SEZs. It may be noted that the total ITC availed is to be classified as ITC on inputs and capital goods. Table 4(A)(1) of Form GSTR-3B may be used for filing up these details.

# GSTR 9

F	Imports of services (excluding inward supplies from SEZs)		In this row, the assessee needs to report details of input tax credit availed on imports of services (excluding inward supply from SEZs). Table 4(A)(2) of Form GSTR-3B may be used for filing up these details.
G	Input tax credit received from ISD		In this row, the assessee needs to report aggregate value of input tax credit received from input service distributor. Table 4(A)(4) of Form GSTR-3B may be used for filing up these details
H	Amount of ITC reclaimed (other than B above) under the provisions of the Act		In this row, the assessee needs to report aggregate value of input tax credit availed, reversed and reclaimed under the provisions of the Act. Thus, any ITC which was availed during the year, and then reversed and then reclaimed is to be reported here. Reclamation of ITC is precondition to report figure in this row.

# GSTR 9

F	Imports of services (excluding inward supplies from SEZs)		In this row, the assessee needs to report details of input tax credit availed on imports of services (excluding inward supply from SEZs). Table 4(A)(2) of Form GSTR-3B may be used for filing up these details.
G	Input tax credit received from ISD		In this row, the assessee needs to report aggregate value of input tax credit received from input service distributor. Table 4(A)(4) of Form GSTR-3B may be used for filing up these details
H	Amount of ITC reclaimed (other than B above) under the provisions of the Act		In this row, the assessee needs to report aggregate value of input tax credit availed, reversed and reclaimed under the provisions of the Act. Thus, any ITC which was availed during the year, and then reversed and then reclaimed is to be reported here. Reclamation of ITC is precondition to report figure in this row.

# GSTR 9

<b>I</b>	<b>Sub-total (B to H above)</b>		
<b>J</b>	Difference (I-A above)		In this row, the assessee needs to report the difference between the total amount of input credit availed through Form GSTR-3B and input tax credit declared in row B to H. Ideally this amount should be zero.
<b>K</b>	Transition credit through Trans-1 (including revisions if any)		In this row, the assessee needs to report details of transition credit received in the electronic credit ledger on filing of Form GST TRANS-1 including revision of TRAN-1 (whether upwards or downwards), if any. In row 6L, the assessee needs to report details of transition credit received in the electronic credit ledger after filing of Form GST TRAN-II.
<b>L</b>	Transition credit through Trans-2		

# GSTR 9

M	Any other ITC availed but not specified above		In this row, the assessee needs to report details of ITC availed but not covered in any of heads specified under 6B to 6L above. Details of ITC availed through Form ITC-01 and Form ITC-02 in the financial year shall be declared here.
N	Sub-total (K to M above)		
O	Total ITC availed (I + N above)		

# GSTR 9

7	<b>Details of ITC Reversed and Ineligible ITC as declared in returns filed during the financial year</b>	
<b>A</b>	As per Rule 37	In this row, the assessee needs to report details of input tax credit reversed due to ineligibility or reversals required under rule 37, 39,42 and 43 of the CGST Rules, 2017. This column should also contain details of any input tax credit reversed under section 17(5) of the CGST Act, 2017 and details of ineligible transition credit claimed under Form GST TRAN-I or Form GST TRAN-II and then subsequently reversed. Table 4(B) of Form GSTR-3B may be used for filling up these details. Any ITC reversed through Form ITC-03 shall be declared in 7H
<b>B</b>	As per Rule 39	
<b>C</b>	As per Rule 42	
<b>D</b>	As per Rule 43	
<b>E</b>	As per section 17(5)	
<b>F</b>	Reversal of TRAN-I credit	
<b>G</b>	Reversal of TRAN-II credit	
<b>H</b>	Other reversals (pl. Specify)	
<b>I</b>	Total ITC Reversed (A to H above)	
<b>J</b>	Net ITC Available for Utilization (60-70)	

GSTR 9

8	<b>Other ITC related information</b>	
<b>A</b>	ITC as per GSTR-2A (Table 3 & 5 thereof)	The details in this row shall be auto generated. The total credit available for inwards supplies (other than imports and inwards supplies liable to reverse charge but includes services received from SEZs) received during 2017-18 and reflected in Form GSTR-2A (table 3 & 5 only) shall be auto-populated in this table. This would be the aggregate of all the inputs tax credit that has been declared by the corresponding suppliers in their Form GSTR-I.
<b>B.</b>	ITC as per sum total of 6(B) and 6(H) above	ITC shall be auto populated
<b>C.</b>	ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services from SEZs) received during 2017-18 but availed during April to September, 2018	In this row, the assessee needs to report aggregate value of input tax credit availed on all inward supplies (except those on which tax is payable on reverse charge basis but includes supply of services received from SEZs) received during July 2017 to March 2018 but credit on which was availed between April to September 2018. Tabel 4(A)(5) of Form GSTR-3B may be used for filling up these details.

GSTR 9

<b>D</b>	<b>Difference [A-(B+C)]</b>	
<b>E</b>	ITC available but not availed (out of D)	In this row, the assessee needs to report aggregate value of the input tax credit which was available in Form GSTR-2A (table 3 & 5 only) but not availed in any of the Form GSTR-3B returns. The credit shall be classified as credit which was available and not availed or the credit was not availed as the same was ineligible. The sum total of both the rows should be equal to difference in 8D.
<b>F</b>	ITC available but ineligible (out of D)	
<b>G</b>	IGST paid on imports of goods (including supplies from SEZ)	In this row, the assessee needs to report aggregate value of IGST paid at the time of imports (including imports from SEZs) during the financial year. In row 8H, the assessee needs to report the inputs tax credit as declared in table 6E shall be auto-populated here
<b>H</b>	IGST credit availed on imports of goods (as per 6(E) above)	
<b>I</b>	Difference (G-H)	

# GSTR 9

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)	In this row, the assessee needs to report the total input tax credit which shall lapse for the current financial year shall be computed in this row.

### Part IV Point 9

	<b>Integrated Tax</b>		<b>The assessee needs to report in Part IV, the actual tax paid during the financial year. Payment of Tax under Table 6.1 of Form GSTR-3B may be used for filling up these details.</b>
	Central Tax		
	State/UT Tax		
	Cess		
	Interest		
	Late Fee		
	Penalty		
	Other		

# GSTR 9

10	Supplies / tax declared through Amendments (+) (net of debit notes)	In row 10 and 11, the assessee needs to report details of additions or amendments to any of the supplies already declared in the returns of the previous financial year by such amendments were furnished in Table 9A, Table 9B and Table 9C of Form GSTR-1 of April to September of the current financial year or date of filing of Annual Return for the previous financial year, whichever is earlier. It is important to note that only such details need to be filed where such details were amended in GSTR 3B. Merely an amendment in GSTR 1 where tax was rightly paid in GSTR 3B shall not be reported here.
11	Supplies / tax reduced through Amendments (-) (net of credit notes)	
12	Reversal of ITC availed during previous financial year	In row 12, the assessee needs to report aggregate value of reversal of ITC which was availed in the previous financial year but reversed in returns filed for the months of April to September of the current financial year or date of filing of Annual Return for previous financial year, whichever is earlier. Table 4(B) of Form GSTR-3B may be used for filing up these details

# GSTR 9

13	ITC availed for the previous financial year	In row 13, the assessee needs to report detail of ITC for goods or services in the previous FY but ITC for the same was availed in returns filed for the months of April to September of the current financial year or date of filing of Annual Return for the previous financial year whichever is earlier. Table 4(A) of Form GSTR-3B may be used for filling up these details.
----	---	---

14	<b>Differential tax paid on account of declaration in 10 &amp; 11 above</b>		
	Description	Payable	Paid
	1	2	3
	Integrated Tax		
	Central Tax		
	State/UT tax		
	Cess		
	Interest		

GSTR 9

15	Refunds	<p>In this 15A, 15B, 15C, 15D, the assessee needs to report aggregate value of refunds claimed, sanctioned, rejected and pending for processing. Refund claimed will be the aggregate value of all the refund claims filed in the financial year and will include refunds which have been sanctioned, rejected or are pending for processing. Refund sanctioned means the aggregate value of all refund sanction orders. Refund pending will be the aggregate amount in a refund application for which acknowledgement has been received and will exclude provisional refunds received. These will not include details of non-GST refund claims.</p>
	Demands	<p>In rows 15E, 15F, 15G, the assessee needs to report aggregate value of demands of taxes for which an order confirming the demand has been issued by the adjudicating authority.</p> <p>Aggregate value of taxes paid out of the total value of confirmed demand as declared in 15E.</p> <p>Aggregate value of demands pending recovery out of 15E above.</p>

# GSTR 9

<b>16 A</b>	<b>Supplies received from Composition Taxpayer</b>	<b>In this row, the assessee needs to report aggregate value of supplies received from composition taxpayers. Table 5 of Form GSTR-3B may be used for filling up these details.</b>
<b>B</b>	Deemed supply under section 143	In point B, the assessee needs to report aggregate value of all deemed supplies from the principal to the job-workers in terms of sub-section (3) and sub-section (4) of section 143 of CGST Act.
<b>C</b>	Goods sent on approval basis but not returned	In row C, the assessee needs to report aggregate value of all deemed supplies for goods which were sent on approval basis but were not returned to be principal supplier within one eighty days of such supply.

# GSTR 9

Part VI	Other Information	Part VI
17	HSN wise Summary of Outward supplies	In this row, the assessee needs to report summary of supplies effected and received against a particular HSN code. It will be optional for taxpayers having annual turnover upto Rs. 1.50 Cr. It will be mandatory to report HSN code at two digits level for taxpayers having annual turnover in the preceding year above Rs. 1.50 Cr but upto Rs. 5.00 Cr. UQC details to be furnished only for supply of goods. Quantity is to be reported net of returns. Table 12 of Form GSTR-1 may be used for filling up details in Table 17.
18	HSN wise Summary of Inward supplies	It may be noted that this summary details are required to be declared only for those inward supplies which in value independently account for 10 % or more of the total value of inward supplies. Thus, the point does not restrict itself to invoices where HSN was provided by the supplier but it only details for purchases where a single purchase constitute more than 10% of total inward supplies. Total inward supply shall include non taxable, nil and exempt supplies also. Also, the limit shall be seen from the perspective of a single HSN and not item wise, for eg., all purchases of shirts of different colours (accounting is done colour code wise) shall be considered as one item purchase for the purpose of limit of 10%.

Part VI	Other Information		
19	Late fee payable and paid		
	Description	Payable	Paid
	1	2	3
A	Central Tax	In this row, the assessee needs to report late fees will be payable if return is filed after the due date.	
B	State Tax		

# GSTR 9

# Form 9C

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

# GSTR 9C – Part I

# GSTR 9C – Part I

- ▶ To be done only of registered assessee
- ▶ Turnover as per audited financials – some income outside its purview – renting income
- ▶ Same information as Part I of Form GSTR 9
- ▶ Audit under other laws – important for GST auditor
- ▶ Audit by assesses having turnover more than 2 Cr.
  - ▶ Schools and NGOs
  - ▶ Persons having renting and business income
  - ▶ Interest (as part of business) income to be added to see this limit

Pt. II	Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)
5	<b>Reconciliation of Gross Turnover</b>
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 Statement but are not permissible under GST
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

# GSTR 9C – Part II

Pt. II	Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)	
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	
Q	Turnover as declared in Annual Return (GSTR9)	
R	Un-Reconciled turnover (Q - P)	
6	Reasons for unreconciled differences in annual gross turnover	
A	Reason 1	
B	Reason 2	
C	Reason 3	

# GSTR 9C – Part II

Pt. II	Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)
7	<b>Reconciliation of Taxable Turnover</b>
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)
8	<b>Reasons for Un - Reconciled difference in taxable turnover</b>
A	Reason 1
B	Reason 2
C	Reason 3

# GSTR 9C – Part III

# GSTR 9C – Part II

- ▶ Turnover as per audited financials – not from trial balance, difference on count of items which form part of reconciliation including Schedule I, valuation etc
- ▶ Turnover includes direct and indirect incomes - interest and other exempted items
- ▶ Multi GSTIN – revenue carving out a big challenge
- ▶ Following being added to arrive at Form 9 turnover:
  - ▶ Schedule I supplies – Director, group companies, cross charge
  - ▶ Unbilled revenue
  - ▶ Unadjusted advances
  - ▶ Financial credit notes
  - ▶ Valuation differences – Branch transfers, cross charges, Pure agents – 5M
  - ▶ Foreign exchange fluctuations – comparison between GST Valuation and books

# GSTR 9C – Part II

- ▶ After reconciliation of total turnover, reconciliation of taxable turnover
- ▶ Figure of actual exempted and zero rated supplies be given
- ▶ Reasons for differences:
  - ▶ Missed turnovers
  - ▶ Balances written back
  - ▶ Asset sale – profit/loss
  - ▶ Renting not reported in financials
  - ▶ Insurance claims received
  - ▶ Incentives received by traders

# GSTR 9C – Part III

- ▶ Reconciliation of taxes paid – payable vs paid
- ▶ Additional tax payable – because of difference in total / taxable turnover or tax payable

Pt.	Reconciliation of Input Tax Credit (ITC)
IV	
12	<b>Reconciliation of Net Input Tax Credit (ITC)</b>
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
E	ITC claimed in Annual Return (GSTR9)
F	Un-reconciled ITC
13	<b>Reasons for un-reconciled difference in ITC</b>
A	Reason 1
B	Reason 2
C	Reason 3

# GSTR 9C – Part IV

Pt.	Reconciliation of Input Tax Credit (ITC)
14	<b>Reconciliation of ITC declared in Annual Return (GSTR9) with ITC availed on expenses as per audited Annual Financial Statement or books of account</b>
	Description
	1
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.)

# GSTR 9C – Part IV

Pt.	Reconciliation of Input Tax Credit (ITC)	
K	Entertainment charges	
L	Stationery Expenses (including postage etc.)	
15	<b>Reasons for un - reconciled difference in ITC</b>	
A	Reason 1	
B	Reason 2	
C	Reason 3	
16	Tax payable on un-reconciled difference in ITC (due to reasons specified in 13 and 15 above)	
	Description	
	Central Tax	
	State/UT Tax	
	Integrated Tax	
	Cess	
	Interest	
	Penalty	

# GSTR 9C – Part IV

# GSTR 9C – Part IV

- ▶ Reason for unreconciled ITC:
  - ▶ ITC booked in current year but availed in returns of subsequent year
  - ▶ Booked in books but not availed
  - ▶ Debited in financials as expense

Pt  
·  
V

**Auditor's recommendation on additional Liability due to non-reconciliation**

Description	Value	To be paid through Cash			
		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					
Interest					
Late Fee					
Penalty					
Any other amount paid for supplies not included in Annual Return					

# GSTR 9C – Part V

# GSTR 9C – Part V

- ▶ Should be summarisation and quantification of tax arising out of
  - ▶ non-reconciliation of turnover or
  - ▶ non-reconciliation of input tax credit.
  - ▶ any other amount to be paid for supplies not included in the Annual Return
  - ▶ any refund which has been erroneously taken and shall be paid back to the Government
  - ▶ any other outstanding demands which is recommended to be settled by the auditor

► **Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up by the person who had conducted the audit:**

\* I/we have examined the—

(a) balance sheet as on .....

(b) the \*profit and loss account/income and expenditure account for the period beginning from .....to ending on ....., and

(c) the cash flow statement for the period beginning from .....to ending on ....., —attached herewith, of M/s ..... (Name), ..... (Address), .....(GSTIN).

2. Based on our audit I/we report that the said registered person—

\*has maintained the books of accounts, records and documents as required by the IGST/CGST/⟨⟨⟩⟩GST Act, 2017 and the rules/notifications made/issued thereunder

\*has not maintained the following accounts/records/documents as required by the IGST/CGST/⟨⟨⟩⟩GST Act, 2017 and the rules/notifications made/issued thereunder:

1.

2.

3.

3. (a) \*I/we report the following observations/ comments / discrepancies / inconsistencies; if any:

.....

.....

# PART – B- CERTIFIC ATION

► **Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up by the person who had conducted the audit:**

3. (b) \*I/we further report that, -

(A) \*I/we have obtained all the information and explanations which, to the best of \*my/our knowledge and belief, were necessary for the purpose of the audit/ information and explanations which, to the best of \*my/our knowledge and belief, were necessary for the purpose of the audit were not provided/partially provided to us.

(B) In \*my/our opinion, proper books of account \*have/have not been kept by the registered person so far as appears from \*my/ our examination of the books.

(C) I/we certify that the balance sheet, the \*profit and loss/income and expenditure account and the cash flow Statement are \*in agreement/not in agreement with the books of account maintained at the Principal place of business at .....and \*\* .....additional place of business within the State.

4. The documents required to be furnished under section 35 (5) of the CGST Act and Reconciliation Statement required to be furnished under section 44(2) of the CGST Act is annexed herewith in Form No. GSTR-9C.

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 correct subject to following observations/qualifications, if any:

# PART – B- CERTIFIC ATION

► **Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up by the person who had conducted the audit:**

(a).....

(b).....

(c) .....

\*\* (Signature and stamp/Seal of the Auditor)

Place: .....

Name of the signatory .....

Membership No.....

Date: .....

Full address .....

# PART – B- CERTIFIC ATION

# GSTR 9C – Part B

- ▶ Should be summarisation and quantification of tax arising out of
  - ▶ non-reconciliation of turnover or
  - ▶ non-reconciliation of input tax credit.
  - ▶ any other amount to be paid for supplies not included in the Annual Return
  - ▶ any refund which has been erroneously taken and shall be paid back to the Government
  - ▶ any other outstanding demands which is recommended to be settled by the auditor

- ▶ **Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up by a person other than the person who had conducted the audit of the accounts:**

\*I/we report that the audit of the books of accounts and the financial statements of M/s. .... (Name and address of the assessee with GSTIN) was conducted by M/s.

..... (full name and address of auditor along with status), bearing membership number in pursuance of the provisions of the .....Act, and \*I/we annex hereto a copy of their audit report dated ..... along with a copy of each of :-

(a) balance sheet as on .....

(b) the \*profit and loss account/income and expenditure account for the period beginning from .....to ending on .....,

(c) the cash flow statement for the period beginning from .....to ending on ....., and

(d) documents declared by the said Act to be part of, or annexed to, the \*profit and loss account/income and expenditure account and balance sheet.

# PART – B- CERTIFIC ATION

► **Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up by a person other than the person who had conducted the audit of the accounts:**

2. I/we report that the said registered person—

\*has maintained the books of accounts, records and documents as required by the IGST/CGST/⟨⟨⟩⟩GST Act, 2017 and the rules/notifications made/issued thereunder

\*has not maintained the following accounts/records/documents as required by the IGST/CGST/⟨⟨⟩⟩GST Act, 2017 and the rules/notifications made/issued thereunder:

- 1.
- 2.
- 3.

3. The documents required to be furnished under section 35 (5) of the CGST Act and Reconciliation Statement required to be furnished under section 44(2) of the CGST Act is annexed herewith in Form No.GSTR-9C.

# PART – B- CERTIFIC ATION

- **Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up by a person other than the person who had conducted the audit of the accounts:**

4. In \*my/our opinion and to the best of \*my/our information and according to examination of books of account including other relevant documents and explanations given to \*me/us, the particulars given in the said Form No.9C are true and correct subject to the following observations/qualifications, if any:

- (a) .....
- (b) .....
- (c) .....

.....

\*\* (Signature and stamp/Seal of the Auditor)

Place: .....

Name of the signatory .....

Membership No.....

Date: .....

Full address .....

# PART – B- CERTIFIC ATION

# Important queries

# GSTR 9C

- ▶ **From where can I download and use the GSTR-9C Offline Utility in my system?**
- ▶ To download and open the GSTR-9C Offline Utility in your system from the GST Portal, perform following steps:
  - ▶ Access the GST Portal: [www.gst.gov.in](http://www.gst.gov.in).
  - ▶ Go to Downloads > Offline Tools > GSTR-9C Offline Tool option and click on it.
  - ▶ Unzip the downloaded Zip file which contain GSTR\_9c\_Offline\_Utility.xls excel sheet.
  - ▶ Open the GSTR\_9c\_Offline\_Utility.xls excel sheet by double clicking on it.
  - ▶ Read the 'Read Me' instructions on excel sheet and then fill the worksheet accordingly.

# GSTR 9C

- ▶ **What are the pre-conditions for filing Form GSTR 9C?**
  - ▶ User should be registered and should have a valid GSTIN.
  - ▶ User should have valid login credentials (i.e., User ID and password)
  - ▶ User has filed GSTR-9 for the relevant financial year.
  - ▶ The aggregate turnover of such registered person during the financial year exceeds two crore rupees
  - ▶ He should have got his accounts audited as specified.

# GSTR 9C

- ▶ **Who would upload the Form GSTR 9C?**
  - ▶ Chartered Accountant/ Cost Accountant after verification and signing shall pass on the signed JSON file to taxpayer for upload of Form GSTR 9C. It is to be uploaded on GST portal by the taxpayer, after verification, along with a copy of the following documents: Balance Sheet, Income and Expenditure Account/ Profit and Loss Account and any other document.
- ▶ **Part V of the Form 9C specifies any additional liability that the auditor may recommend after reconciliation. However, what shall be course of action if the auditor discovers that excess tax has been paid by the registered person and or the person is entitled to refund?**
  - ▶ Auditor does not have any power to certify refund under Form 9C.

# GSTR 9C

- ▶ **Is there any limit on the size of documents required to be uploaded?**
- ▶ Limit of upload for following documents under each section shall be 2 files and each file size should not exceed 5 MB:
  - ▶ Balance Sheet
  - ▶ Profit and Loss Account/Income and Expenditure Account
  - ▶ Other document 1, if any
  - ▶ Other document 2, if any
- ▶ **Can Internal Auditor certify Form GSTR 9C?**
  - ▶ An internal Auditor cannot certify Form GSTR 9C.

# GSTR 9C

- ▶ **What can I do if Auditor has made recommendation on additional liability to be discharged by taxpayer?**
  - ▶ You are given an option to navigate to GST DRC 03 for making payment towards additional liability. After making payment through GST DRC 03, you will be navigated back to Form GSTR 9C.
- ▶ **Is there any registered person who is not required to file FORM 9C?**
  - ▶ An Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person is not liable to get their accounts audited under Section 44(1) of the Act or furnish Form 9C.

# Thank you

**CA (Dr.) Gaurav Gupta**

Partner

**MGS & Co.**

**Chartered Accountants**

**O : LD - 65, Pitampura, Delhi – 110034.**

**P : +91 11 4571 8819, +91 11 4709 8819**

**M: +91 98110 13940**

Disclaimer

This presentation has been prepared for internal use of MGS. The contents of this document are solely for informational purpose. It does not constitute professional advice or a formal recommendation. The presentation is made with utmost professional caution but in no manner guarantees the content for use by any person. It is suggested to go through original statute / notification / circular / pronouncements before relying on the matter given. The presentation is meant for general guidance and no responsibility for loss arising to any person acting or refraining from acting as a result of any material contained in this presentation will be accepted by us. Professional advice recommended to be sought before any action or refrainment.

