## Goods and Services Tax

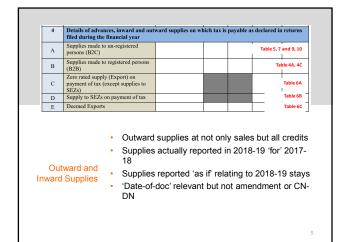
GST Audit Certification

IDTC-ICAI | SIRC-Kottayam Nov, 2018

Introduction to GSTR 9	<ul> <li>Not audit of financial statements under GST</li> <li>Scope of GST audit – financial year</li> <li>Nature of assurance by GST auditor</li> <li>Special documentation to support workings</li> <li>Authorship of 9 and 9C and role of 'experts': <ul> <li>Categorization of supplies</li> <li>Time-Place-Value-Rate of Tax of supplies</li> <li>Filing returns and providing information</li> </ul> </li> <li>All details separately for CGST-SGST-IGST-Cess!</li> </ul>

		"FORM GSTR-9 (See rule 80)
Pt. I		Annual Return Basic Details
1	Financial Year	Dasie Details
2	GSTIN	
3A	Legal Name	
3B	Trade Name (if any)	
	Basic · GST	v. Financial year for GST audit IN validation, duplication and correction al name v. Trade name v. Brand name

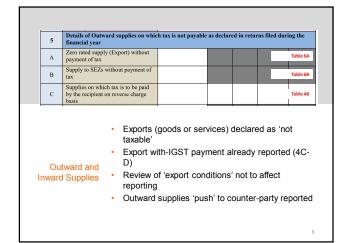
Pt. II	Deta	ils of Outward and	inward supplies decl		-	<i>.</i>	
			Taxable Value	( Central	Amount in State	₹ in all table	s) Cess
	Nature of	Supplies	Taxable value	Tax	Tax /	Integrated Tax	Cess
					UT Tax		
	1		2	3	4	5	6
	filed during the fi	nancial year					
_	utward and rd Supplies	<ul><li>Referent</li><li>Invoice</li></ul>	of data; error nce to tables value v. Taxa ed 'for' 2017-1	in GST ble va	R 1; G lue (at	IGO dat	ta t)

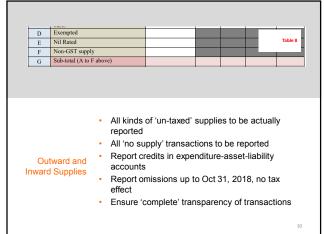


F P		ch tax has been as not been issued rr (A) to (E) above)					Table 11A
	nward supplies o aid on reverse ch	n which tax is to be arge basis			I	Table 4B / Ta	able 3.1(d)
H S	ub-total (A to G	above)					
	vard and Supplies	<ul><li>(RCM+7</li><li>Note on</li><li>Note on</li></ul>	upplies 'push (1)(b)) 9(4) and 5(4) treatment of vise details in	) pre / j 'reimbi	oost O urseme	ct 13, 20 ent supp	lies'

s issued in respect of specified in (B) to (E)				Table 9
issued in respect of specified in (B) to (E)				Table 9
'Date-of-	doc' relevant	and rela	ated to	0 4B to 4E

к	Supplies / tax de Amendments (+)		-			Table 9	A and 9C
L	Supplies / tax rec Amendments (-)					Table 9	A and 9C
М	Sub-total (I to L	above)					
N	Supplies and adv is to be paid (H +	rances on which tax + M) above					
	tward and I Supplies	<ul> <li>(4A)</li> <li>Omission (4BCDE-</li> <li>Omission 19</li> </ul>	n-commissio n-commissio -IJ) n-commissio CN-DN-Refui	n (B2B n 'for' 2	) now 1 2017-1	reported 8 but 'in	2018-





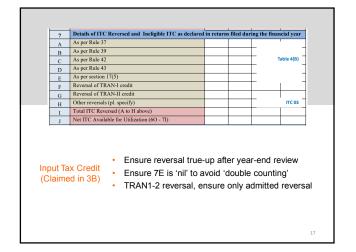
н	Credit Notes iss transactions spe in A to F above	cified					
I	Debit Notes issu transactions spe in A to F above	cified					Table 9E
J	Supplies declar Amendments (+		ough				
К	Supplies reduce Amendments (-)		ugh				
	tward and I Supplies	•	Supplies 5HIJK 'Date-of-o	ent or first-tir	IJKL a	nd 'with er s.34	allows or not

L	Sub-Total (H to	K above)					
	Turnover on wh paid (G + L abo	ich tax is not to be ove)					
	Total Turnover (4N + 5M - 4G	(including advances) above)				Table 5Q in	GSTR 9C
Outu	vard and	9C  Taxable F	over very imp PLUS non-tax in 5N may no	able tu	urnove	er 'for' 20 I turnove	)17-18

6 D	etails of ITC availed as	declared in returns	filed durin	ig the fina	ncial year				Inward supplies received from unregistered persons liable to reverse	Inputs	 <u> </u>
	t of input tax credit availe um total of Table 4A of F		<auto></auto>	<auto></auto>	Ta</td <td>Table 4A</td> <td></td> <td>С</td> <td>charge (other than B above) on which tax is paid &amp; ITC availed</td> <td>Capital Goods Input Services</td> <td> Та</td>	Table 4A		С	charge (other than B above) on which tax is paid & ITC availed	Capital Goods Input Services	 Та
and inward su		Inputs Capital Goods				ile 4A(5)		D	Inward supplies received from registered persons liable to reverse	Inputs Capital Goods	- "
from SEZs)	indes services received	Input Services						D	charge (other than B above) on which tax is paid and ITC availed	Input Services	
							-	Е	Import of goods (including supplies from SEZs)	Inputs	Та
									· · · · · · · · · · · · · · · · · · ·	Capital Goods	
								F	Import of services (excluding inward s SEZs)	supplies from	Tal
		vs from GST ' 2017-18 is		`		37		J	1		 

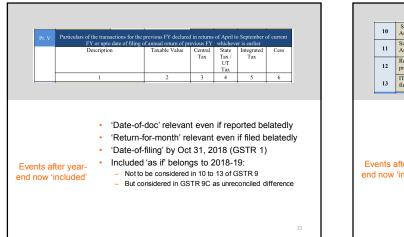
	dit received from ISD		Table 4A(4)
	C reclaimed (other than B above) under the	Rule 37 an	d refund-rejected-recredite
I provisions of t			
Difference (I -	/	+	
	<ul> <li>Again FWC credits re</li> </ul>	ported <sup>.</sup> 6H	also FWC cred
	•		
	<ul> <li>Difference cannot be – I)</li> </ul>	negative \	alue (I – A, not.
	<ul> <li>Difference is 'positive'</li> </ul>	indicates	excess' claim in
nput Tax Credit	<ul> <li>Difference is 'positive' 3B</li> </ul>	' indicates '	excess' claim in
	3B		excess' claim in
	<ul><li>3B</li><li>Difference must be 'ni</li></ul>	il' (ideally)	
	<ul><li>3B</li><li>Difference must be 'ni</li><li>Repeat above credit of</li></ul>	il' (ideally)	
nput Tax Credit (Claimed in 3B)	<ul><li>3B</li><li>Difference must be 'ni</li></ul>	il' (ideally)	

Any other ITC availed but not specified above     Rule 40 stock-on-hand and     N Sub-total (K to M above)     O Total ITC availed (I + N above)     SGST:     TRAN1-2 credit flow only to CGST or only     SGST:     TRAN1-2 credit flow into ECL after revision (up/down)     Stock-on-hand credit when newly taxable (Rule 40)     Transfer of credit the AN change (Rule 41)     Total credit claimed FWC-RCM on actuals in     GSTR 3B	K any)	Credit through TRAN-I (including revisions if	Actual balance as in Electronic Cred	
Special case of credit flow only to CGST or only SGST:     TRAN1-2 credit flow into ECL after revision (up/down)     Stock-on-hand credit when newly taxable (Rule 40)     Transfer of credit with PAN change (Rule 41)     Total credit claimed FWC-RCM on actuals in	-	5	Rule 40 stock-on-	hand and
Special case of credit flow only to CGST or only SGST:     TRAN1-2 credit flow into ECL after revision (up/down)     Stock-on-hand credit when newly taxable (Rule 40)     Transfer of credit with PAN change (Rule 41)     Total credit claimed FWC-RCM on actuals in		to M above)		
SGST: - TRAN1-2 credit flow into ECL after revision (up/down) - Stock-on-hand credit when newly taxable (Rule 40) - Transfer of credit with PAN change (Rule 41) Total credit claimed FWC-RCM on actuals in	O Total ITC a	vailed (I + N above)		
			w only to CGST	or onl



		Other ITC related i	<b>iformation</b>			
A ITC as per	STR-2/	(Table 3 & 5 thereof)	<auto></auto>	<auto></auto>	<auto></auto>	<auto></auto>
B ITC as per	um total	of 6(B) and 6(H) above	<auto></auto>			
Input Tax Crec (Matcher		Tax 'admitted' by cc Credit from invoices If there's mismatch, – 2A> 6B, see if all cr – 2A< 6B, expect inqu ready – 2A> 6B, credit avai	-on-han conside edits are a iry keep a	d clain er: availed ( alternativ	ned in 6 directly re re confirm	Beported)

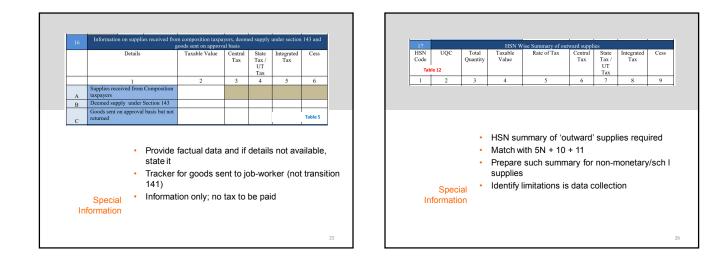
C received from	supplies (other than imports and inward to reverse charge but includes services SEZs) received during 2017-18 but availed September, 2018			Tab	le 4(A)(5)
D Difference [A-	(B+C)]				
D	out not availed (out of D)				
F ITC available I	out ineligible (out of D)				
G IGST paid on i SEZ)	mport of goods (including supplies from				
H IGST credit av above)	ailed on import of goods (as per 6(E)	<auto></auto>			
I Difference (G-	H)				
J to I)	out not availed on import of goods (Equal				
K (E + F + J)	e lapsed in current financial year	<auto></auto>	<auto></auto>	<auto></auto>	<auto></auto>
nput Tax Credit (Matched)	<ul> <li>Credit 'to be' lapsed i 'nil'</li> <li>8D can trigger inquiry information</li> <li>Bill of Entry filed by F</li> </ul>	/; main	tain de	etailed	e it is



10 11 12	Supplies / tax red Amendments (-) ( Reversal of ITC a previous financial	(net of debit notes) uced through (net of credit notes) availed during I year					9B and 9C -
13	ITC availed for th financial year	ne previous					Table 4(A)
		'amendr	nent' declare	d 'in' 2	018-19	(avoid	double-
	after year- 'included'	year): – Check – Comp		j' to bo .16(2)	th year	s (choic	ce of

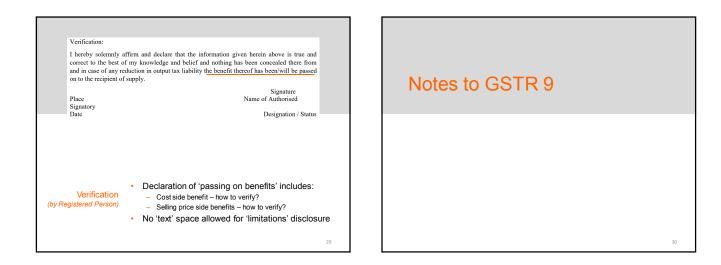
14		Differential tax paid on account of de	claration in 10 & 11 abo	ve
		Description	Payable	Paid
		1	2	3
	Integrated Tax			
	Central Tax			
	State/UT Tax			
	Cess			
	Interest			
	after year- 'included'	<ul> <li>Calculate 'admittee</li> <li>Report 'if tax-paid</li> <li>Ensure no double-payment</li> <li>Tax 'unpaid' can al</li> </ul>	within Apr-Sep counting of liab	ot pility and

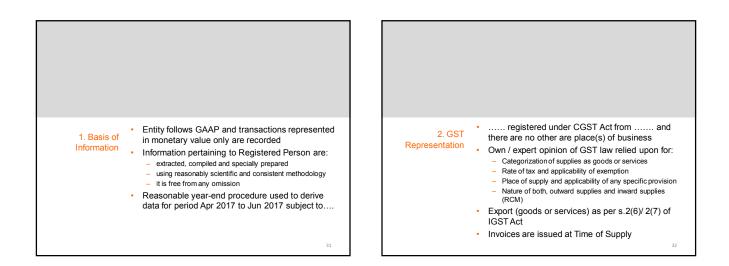
Deticular of Demands and Remains           Details         Cennal         Start (Integrated Tax         Interest         Penalty         Late Fee / Others           Trait         2         3         4         5         1         2         3           A         Refand chimed         2         3         4         5         5         1         5         1
Tax         UT Tax         / Others           1         2         3         4         5           A         Refined         5         5         5           B         Refined         5         5         5           C         Rejectod         5         5         5           Total         5         5         5         5
Total         Refined           classical         Classical           B         Refined           astroitened         Classical           Total         Refined           Total         Classical           E         General of Classical           Total         Classical
A     Refinal       B     Total       B     associoned       C     Refinal       Pording     Pording       Total of demail of portion     Portion       Total of demail of portion     Portion
B         Refund sarctioned           Total
C Refinal Rejected Total D Refind Proting Proting C Refinal C Refinal Proting Proting C Refinal Proting Proting C Refinal Proting Pr
D Refund Pending Total 6 demand of Total
E demand of taxes Total
F in respect of E above
G pending out of E above



18			Wise Summary of In				
HSN UQC Code	Total Quantity	Taxable Value	Rate of Tax	Central Tax	State Tax / UT Tax	Integrated Tax	Ces
1 2	3	4	5	6	7	8	9
	<u> </u>			1		I	
	•	Creditab	nmary of 'in le and non-o ralue and ta	credita	ble inv	vard su	oplie

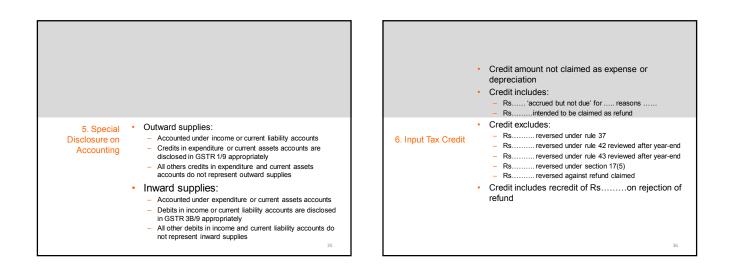
A Central Tax B State Tax	Late fee pay Description 1	able and paid Payable 2	Paid 3
Late Fee	2.5%+2.5%	late fee; Rs.100	

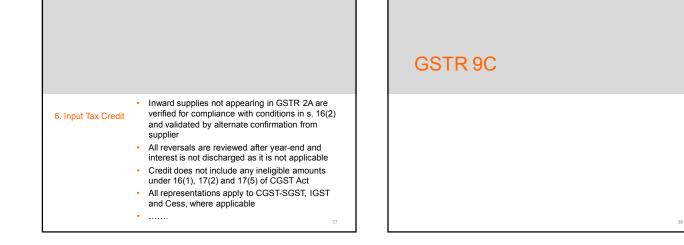


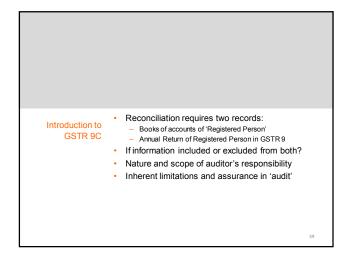


<ul> <li>3. Representation on Outward Supplies</li> <li>Rate of tax have / have changed since July 1, 2017</li> <li>Price is sole consideration net of permitted discount(s)</li> <li>Overlapping transactions reported in TRAN 1 are subject to or excluded from GST as per law</li> <li>Debit/credit notes are as permitted by section 34</li> </ul>		<ul> <li>Outward supplies applicable are as stated in:</li> <li>para of Sch I</li> <li>para of Sch III</li> <li>para 1, 5 and of Sch III applicable</li> <li>Other than pure agency, no other transactions excluded</li> </ul>
	on Outward	<ul> <li>2017</li> <li>Price is sole consideration net of permitted discount(s)</li> <li>Overlapping transactions reported in TRAN 1 are subject to or excluded from GST as per law</li> </ul>

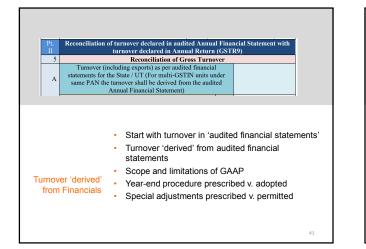
4. Representation on Inward Supplies	<ul> <li>Invoice issued by Supplier accepted as correct</li> <li>All invoices are received and in possession</li> <li>All goods or services are received fully</li> </ul>
	<ul> <li>No payments outstanding for &gt; 180 days</li> <li>No transactions attract reverse charge liability</li> </ul>
	<ul> <li>Tax is / is not paid under s. 9(4)/5(4) up to Oct 12, 2017</li> </ul>
	<ul> <li>Exception to above is reported suitable and is complete</li> </ul>
	34







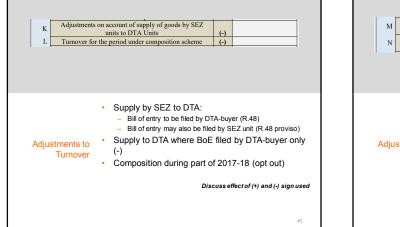
		"FORM GSTR-9C
		See rule 80(3)
		PART – A - Reconciliation Statement
Pt. I		Basic Details
	Financial	
1	Year	
2	GSTIN	
3A	Legal Name	< Auto>
	Trade Name	
3B	(if any)	<auto></auto>
4	Are	you liable to audit under any Act? << Please specify>>
Bas	ic Details	<ul> <li>Details already available in GSTR 9</li> <li>'Registered Person', liable to 'audit' under any Act?</li> <li>Only Entity liable to audit under any Act</li> </ul>

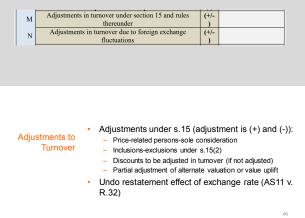


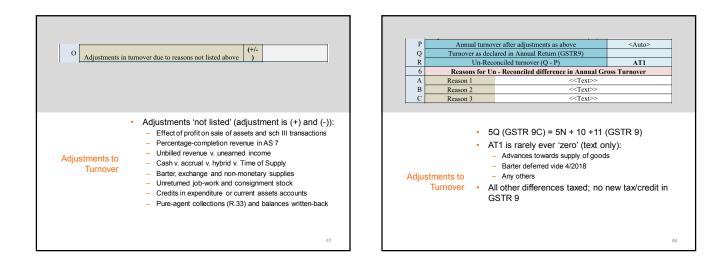
	nue at the beginning of Financial Year (+) vances at the end of the Financial Year (+)
Adjustments to Turnover	<ul> <li>Definition of 'financial year' for 2017-18</li> <li>Existence and treatment of 'unbilled' revenue</li> <li>Reference to 2016-17 financials and TRAN 1/2</li> <li>Advances as on <u>Mar 31, 2018</u> (goods and services)</li> <li>Include 'all' transactions without exception</li> </ul>
	Discuss effect of (+) and (-) sign used
	42

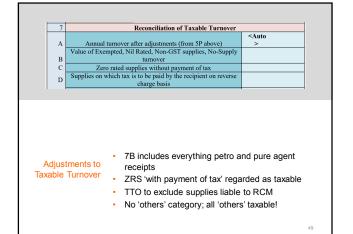
Credit Notes is	med Supply under Schedule I ssued after the end of the financial year reflected in the annual return	(+) (+)		
	nts accounted for in the audited Annual	(+)		
Financial States	ment but are not permissible under GST			
	<ul> <li>No accounting entry for 'c</li> <li>Deemed supplies adjustn</li> </ul>			
	Credit note after <u>Apr 1, 20</u> 9		., .	<i>'</i>
Adjustments to Turnover	<ul> <li>Credit note in 2017-18 for 2017</li> </ul>	supply	/ up to Ju	n 30,
	<ul> <li>Trade discount accounted GST</li> </ul>	i but 'n	ot' permis	sible in
	Die	cussoffe	ctof (+) and	(_) sign u

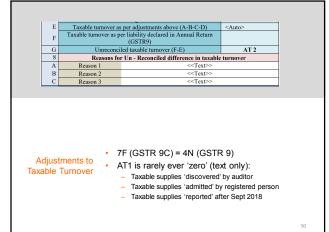
H Unbilled	ver from April 2017 to June 2017 revenue at the end of Financial Year	(-) (-)		
Credit note	dvances at the beginning of the Financial Year es accounted for in the audited Annual	(-)		
	ement but are not permissible under GST	(-)		
	Turnover mutatis mutandis	s for <i>i</i>	Apr to Ju	n 2017
Adjustments to Turnover	<ul> <li>Same exclusions-inclusion 5A</li> <li>Unbilled revenue on which</li> <li>Advances as on <u>Apr 1, 20</u></li> <li>Credit note accounted but</li> </ul>	n GS <sup>-</sup> 17 or	Apr to Ji Γ 'not' pa Jul 1, 20	un 2017 a yable <u>)17</u>





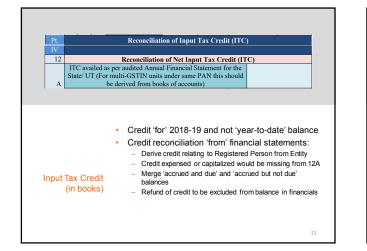


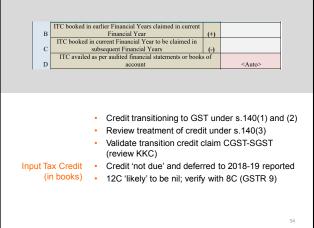




Pt. III	Reconciliation of tax paid						
9	Rec	Reconciliation of rate wise liability and amount payable thereon					
		Tax payable					
	Description	Taxable Value	Central tax	State tax / UT tax	Integrated Tax	Cess, if applicabl e	
	1	2	3	4	5	6	

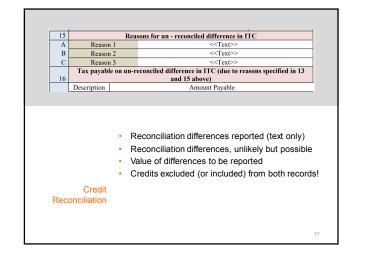
A       Reason 1       <<<	B C	Reasor			Reasons for un-reconciled payment of amount								
C       Reason 3       < <text>&gt;         11       Additional amount payable but not paid (due to reasons specified under Tables 6,8 and 10 above)       To be paid through Cash         Description       Taxable Value       Central tax       State tax       Cens, if applicable e         1       2       3       4       5       6         * All taxes owed identified and reported by auditor (text)</text>	c			Reason 1 <>									
Additional amount payable but not paid (due to reasons specified under Tables 6,8 and 10 above)       To be paid through Cash       To be paid through Cash       Description     Taxable Value     Central tax       1     2     3     4       To be paid through Cash     Cess, if and the paid (due to reasons specified under Tables)       Description     Taxable Value     Central tax       1     2     3     4       To be paid through Cash     Cess, if and the paid (due to reasons and the paid tax)       Payable     • All taxes owed identified and reported by auditor (text)	-	Resor	2	Reason 2 <									
Image: Control 10 above)       To be paid through Cash       Description       Taxable Value       1     2     3     4     5     6   Report of Tax Payable • All taxes owed identified and reported by auditor (text)	11		Reason 3 << <text>&gt;</text>										
Description     Taxable Value     Central tax     State tax     Integrated tax     Cess, if applicable       1     2     3     4     5     6		Additional :	amount payable b			ons specified und	er Tables						
Description     Taxable Value     Central tax     Future tax     Integrated tax     applicable       1     2     3     4     5     6					To be pai	id through Cash							
All taxes owed identified and reported by auditor (text)		Description	Taxable Value			Integrated tax	applicabl						
Report of Tax (text)		1	2	3	4	5	6						
	Re		(text)										

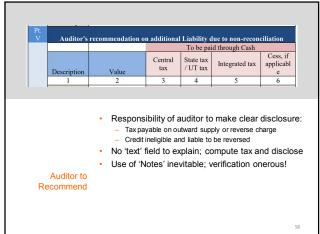




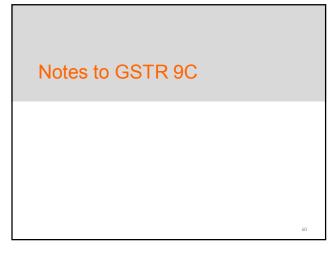
F     Un-reconciled ITC     ITC 1       13     Reasons for un-reconciled difference in ITC       A     Reason 1     < <text>&gt;       B     Reason 2     &lt;<text>&gt;       C     Reason 3     &lt;<text>&gt;       C     Reason 3     &lt;<text>&gt;</text></text></text></text>	E	I	FC claimed	l in Annual Return (GSTR9)	
A       Reason 1       < <text>&gt;         B       Reason 2       &lt;<text>&gt;         C       Reason 3       &lt;<text>&gt;         •       Books to align with GSTR 3B (12E to match wit 7J)       •         •       Unreconciled credits, unlikely but possible:       •         •       Deferred credits already excluded       •         •       Reversals discovered by auditor       •         •       Reversals admitted by registered person       •         •       Disclovere of dispute with registered person       •</text></text></text>			U	In-reconciled ITC	ITC 1
B       Reason 2       < <text>&gt;         C       Reason 3       &lt;<text>&gt;         •       Books to align with GSTR 3B (12E to match wit 7J)       •         •       Unreconciled credits, unlikely but possible:       •         •       Deferred credits already excluded       •         •       Reversals discovered by auditor       •         •       Reversals admitted by registered person       •         •       Disclosure of dissures with registered person       •         •       Disclosure of dissures with registered person       •</text></text>			Rea		
C Reason 3 < <text>&gt;  Books to align with GSTR 3B (12E to match wit 7J)  Unreconciled credits, unlikely but possible: Deferred credits already excluded Reversals discovered by auditor Reversals admitted by registered person Discharger of disputes with registered person Discharger of disputes with registered person Discharger of disputes with registered person</text>					
Books to align with GSTR 3B (12E to match wit 7.J)     Unreconciled credits, unlikely but possible: Deferred credits already excluded Reversals discovered by auditor Reversals admitted by registered person Discharger of disrutes with registered person					
<ul> <li>7J)</li> <li>Unreconciled credits, unlikely but possible:         <ul> <li>Deferred credits already excluded</li> <li>Reversals discovered by auditor</li> <li>Reversals admitted by registered person</li> <li>Discrete with registered person</li> </ul> </li> </ul>	C	Reaso	n 3	< <text>&gt;</text>	
				<b>2</b>	E to match wit

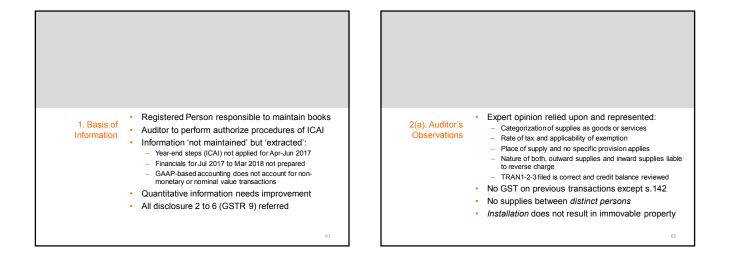
Description         Value         Amount of Total ITC         Amount of ITC availed           1         2         3         4           B         Freight/Carriage	14		TC declared in Annual r audited Annual Finan		
A       Purchases         B       Freight / Carriage         C       Power and Fuel         Imported goods       Imported goods         D       (Including received from SEZs)         •       Expandable list provided; list in any intelligible order         •       Match 'value' with 'books'; P&L + FAR – Deprr (+TRAN)         Credit       •         Data of 'Total ITC' unlikely to be available,		Description	Value		
B       Freight / Carriage         Power and Fuel		1	2	3	4
C       Power and Fuel         Imported goods       Imported goods         0       (Including received from SEZs)         •       Expandable list provided; list in any intelligible order         •       Match 'value' with 'books'; P&L + FAR – Deprr (+TRAN)         Credit       •         •       Data of 'Total ITC' unlikely to be available,		Purchases			
D       Imported goods (Including received from SEZs)         •       Expandable list provided; list in any intelligible order         •       Match 'value' with 'books'; P&L + FAR – Deprr (+TRAN)         Credit       •         •       Data of 'Total ITC' unlikely to be available,					
D       (Including received from SEZs)         •       Expandable list provided; list in any intelligible order         •       Match 'value' with 'books'; P&L + FAR – Deprr (+TRAN)         Credit       •         Otat of 'Total ITC' unlikely to be available,	C				
order • Match 'value' with 'books'; P&L + FAR – Deprr (+TRAN) Credit • Data of 'Total ITC' unlikely to be available,	D	(Including received	i		
Reconciliation disclose!					

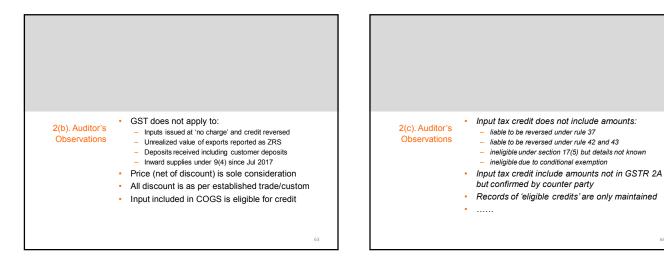




Verification:		
	firm and declare that the information given herein above is true and ny knowledge and belief and nothing has been concealed there from.	
**(Signature and star	p/Seal of the Auditor)	
Place:		
Name of the signatory	·	
Membership No		
Date:		
Full address		
Verification by Auditor	<ul> <li>Use of 'Notes' to GSTR 9C inevitable</li> <li>Reference to Notes to GSTR 9 may also be required</li> <li>Verification required is onerous!</li> </ul>	
		59











 1. Annexed financials (Entity)

 2. Report on books maintained and exceptions

 Type B. Auditor's Certificate (different auditor)

 3. GSTR 9C annexed

 4. From examination of books and documents\*, details in 9C 'true and correct' subject to.....

 \*Mustbelong to Registered Person

Thank You			68