

Training programme on GST

**Topic : Return mechanism in GST(GSTR-1, 3B
2A) &**

**New Return mechanism(Salient features –
Sahaj, Sugam, Normal (RET-I, Annex I & II)
&**

Annual Return GSTR 9/9C

Date – 12th May 2021

NACIN, ZTI, New Delhi



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- Post-qualification experience of around 22 years in the field of direct & indirect tax particularly income tax, service tax and VAT ,sales tax and GST.
- Experience of handling the litigation matters and advisory matters of Direct taxes particularly income tax and indirect tax like GST, service tax, DVAT, CST, Central Excise and other related matters.
- Authored the book **DNA of GST Audit and Annual return, The DNA of TDS&TCS (including withholding tax, advance tax and equalisation levy)** ,Background material on GST for empowerment of girl students ICAI, New Delhi
- Guest faculty for certification course on GST & Certification course on appeal and representation ICAI , New Delhi
- Corporate trainer and guest Faculty with **Indian Institute of Management(IIM)**, NIFMS, Faridabad(Institute of Minister Finance),ICAI New Delhi and ICSI, New Delhi and other trade association.
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Return mechanism in GST

- Statement of outward supply – GSTR-1
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- Annual Return GSTR 9/9C

GSTR-1

- Legal requirement to file GSTR-1: section 37(1)
- Excluded to file GSTR-1 are ISD, Non resident taxable person, composition tax payer, tax deductor u/s 51, tax collector u/s 52, OIDAR service provider
- R- 59 is the Prescribed rule
- Due date 10th of **the succeeding month**
- **Contents of GSTR-1 as per rule 59(2)**

- Every registered person, other than an Input Service Distributor, a non- resident taxable person and a person paying tax under the provisions of section 10 or section 51 or section 52, shall furnish, electronically, in such form and manner as may be prescribed, the details of outward supplies of goods or services or both effected during a tax period on or before the **10th day of the month succeeding** the said tax period and such details shall be communicated to the recipient of the said supplies within such time and in such manner as may be prescribed.[S-37(1)]
- *Every registered person, other than a person referred to in section 14 of the IGST Act, required to furnish the details of outward supplies of goods or services or both under section 37, shall furnish such details in FORM GSTR-1 electronically through the common portal, either directly or through a Facilitation Centre notified by the Commissioner. [R-59(1)]*

Contents of GSTR-1 as per rule 59 made under section 37

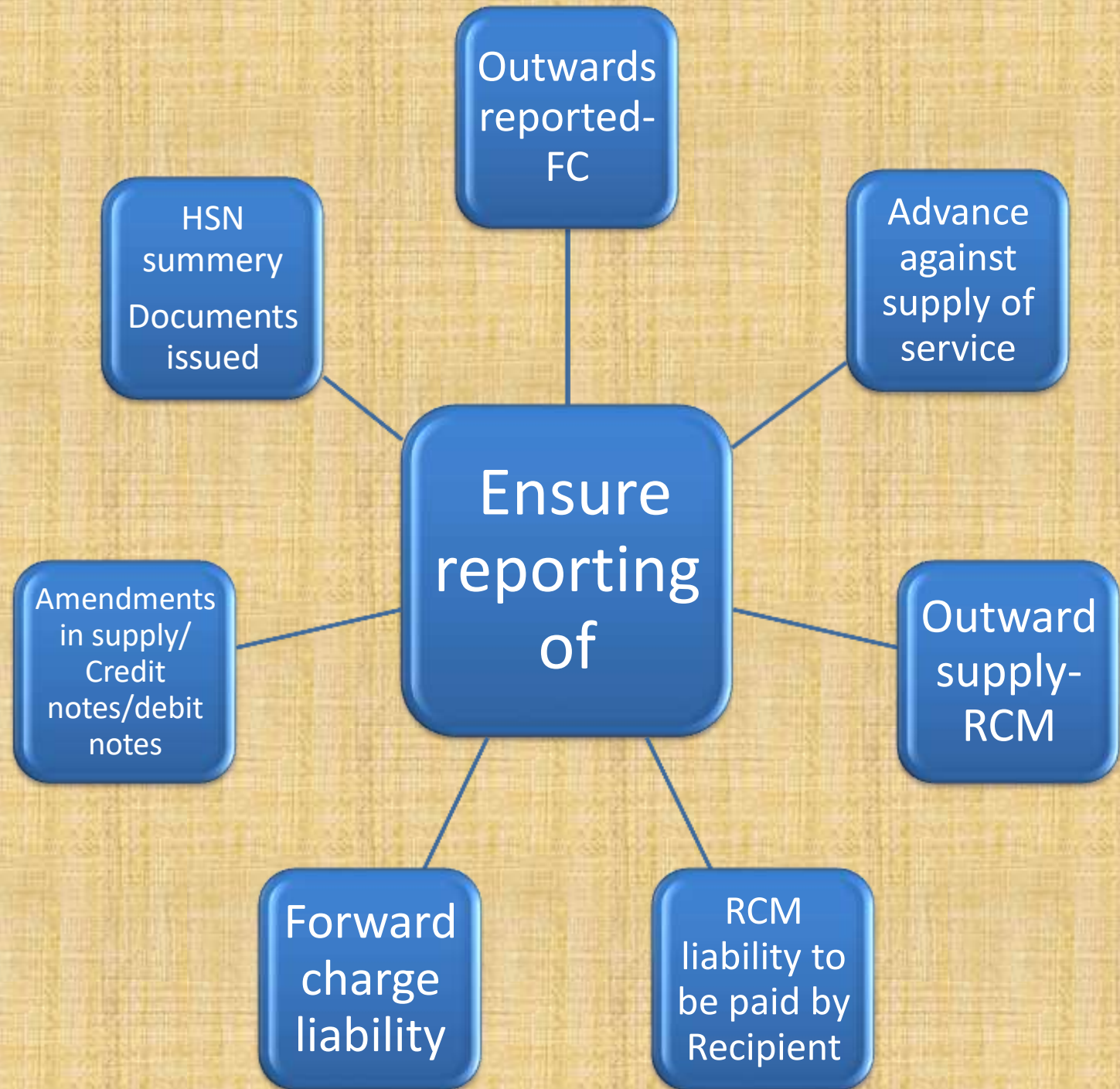
- invoice wise details of inter state supply - B2B
- invoice wise details of intra state supply - B2B
- invoice wise details of inter state supply to B2C exceeding ₹2.50 lakhs
- Consolidated details of B2C supply of all intra state supply
- Consolidated details of B2C supply of all inter state supply invoice value less than ₹2.50 lakhs
- All debit notes/ credit notes of invoice issued in previous months
- HSN wise summery of outward supply missing in the rule but in GSTR-1
- Documents issued during the tax period is to be reported in GSTR-1 but missing's in R-59(2)

R-59 (2) The details of outward supplies of goods or services or both furnished in FORM GSTR-1 shall include the—

- (a) **invoice wise details** of all—
 - i. all b2b supply both inter-State and intra-State supplies made to the registered persons; and
 - ii. b2c inter-State supplies with **invoice value** more than ₹ 2.50 lakh made to the unregistered persons;
- (b) **consolidated details** of all—
 - i. intra-State supplies made to unregistered persons for each rate of tax; and
 - ii. **State-wise consolidated b2c** inter-State supplies with invoice value upto ₹ 2.50 lakh made to unregistered persons for each rate of tax;
- (c) **debit and credit notes**, if any, issued during the month for invoices issued previously.

Accuracy meter of GSTR-1 Return

- Reporting of all outward supply – both where tax discharged by supplier as well as the case where tax to be discharged by recipient under RCM
- Tax liability on advance received against supply of service
- Reporting of all credit notes/debit notes other amendments in outward supply including those covered under RCM
- Timely filing of GSTR-1
- HSN summery
- Documents issued during



Reporting of outward supply

Verification

I hereby solemnly affirm and declare that the information given herein above is **true and correct** to the best of my knowledge and belief and nothing has been concealed there from and in case of any reduction in output tax liability the benefit thereof has been/will be passed on to the recipient of supply.

Reporting in GSTR-1

Financial data of outward supply/advance/amendments

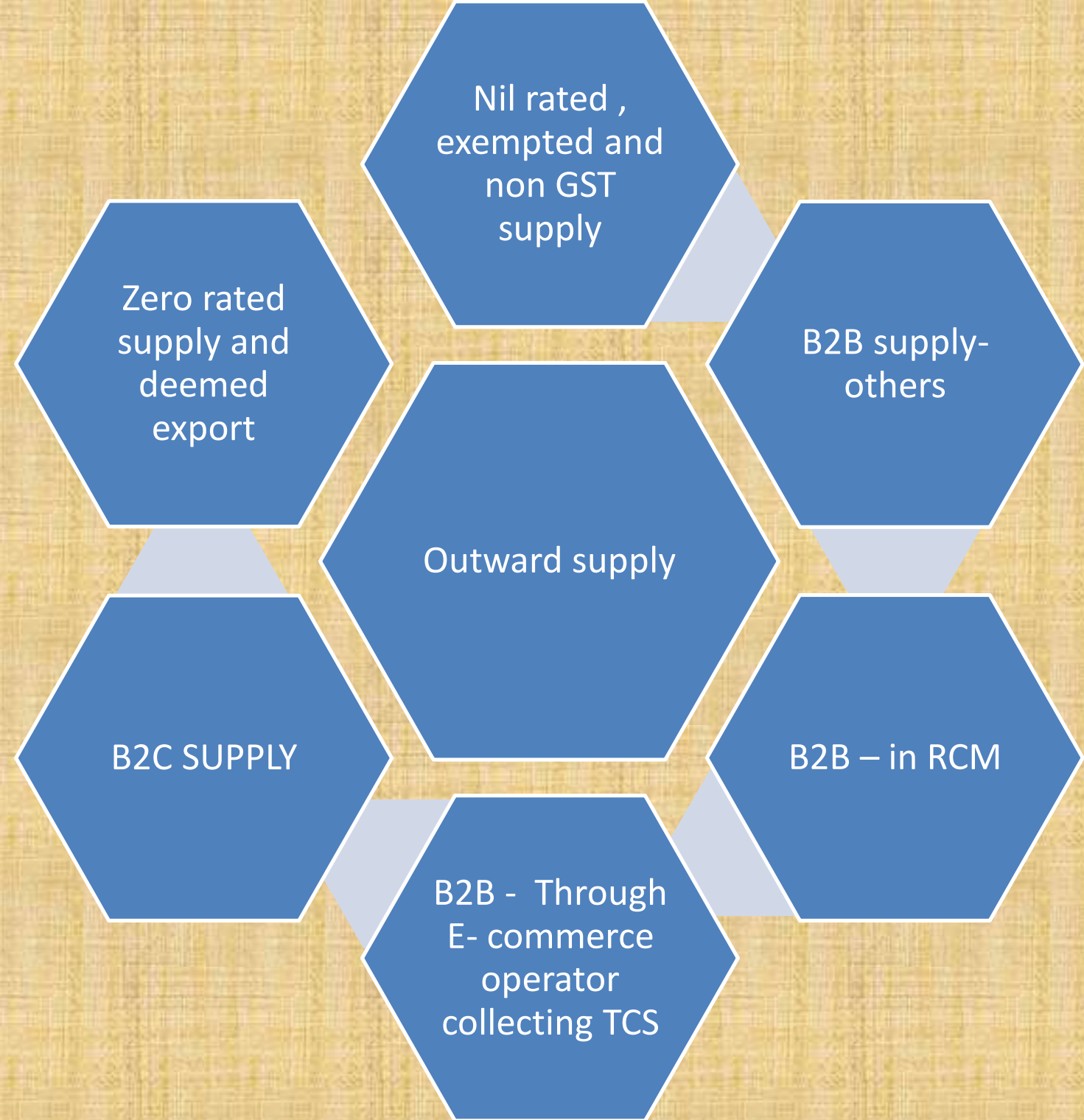
Inventory summary of outward supplies

Documents issued /cancelled

Outward supply reporting- financial figures

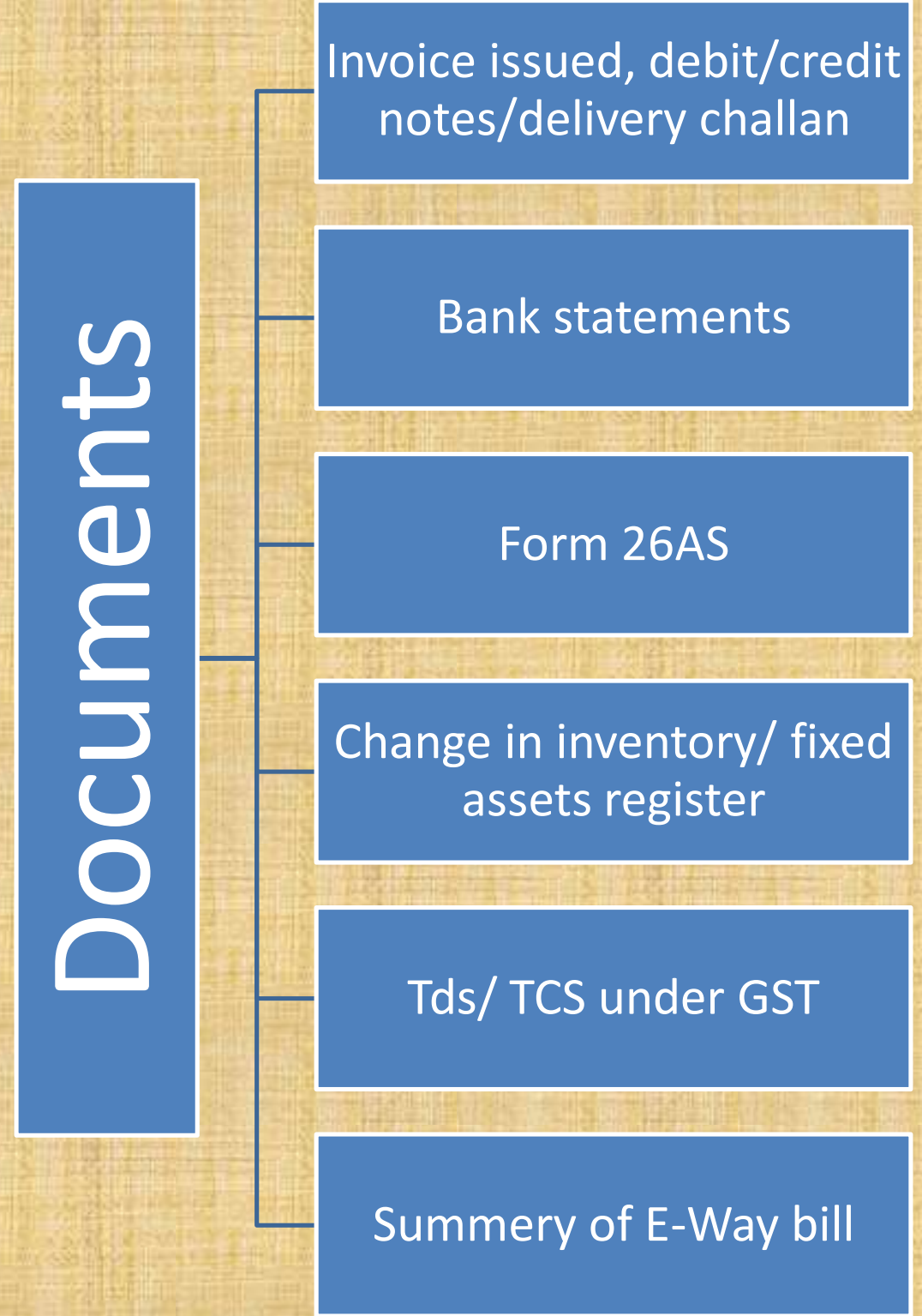
General mistake:

- Non issuance of tax invoice in time which may lead to tax liability from the date of supply and therefore non capturing of data in the accounts and consequently left out in GST return
- Misreporting of tax invoice against advance received earlier on which tax paid and reported in the table of advance against supply of service.
- misreporting of exempted supply or nil rated supply particularly interest income or miscellaneous receipts
- No reporting of sale of fixed assets
- Misreporting of credit note/debit notes or left to be reported
- Amendments in earlier tax period issued documents



Source for verification of correct details of outward supply:

- Communications with customers regarding return of goods or approval of goods earlier removed on delivery challan
- Invoice issued against earlier advance received and adjustment
- Reconciliations of documents issued, cancelled, reissued
- Scrutiny of documents issued but cancelled may be a case where tax liability even if tax invoice cancelled.
- Scrutiny of customer /party ledger
- Ensure timely issuance of invoice/debit note/credit notes
- Ensure issuance of invoice against earlier delivery challans if so required
- Reconciliation of TDS/TCS of GST with supply
- Reconciliation with 26AS, there may a case of deduction of value of supply or recipient is voluntary recording of service received.



Deadline for issuance of invoice

- Why to understand the time limit for issuance of invoice?
- Because liability to pay GST arise as per time of supply provisions u/s 12 or 13 and one of the factor is issuance of invoice to crystallise the GST liability .
- No certainty of supply –send goods on delivery challan and on confirmation of customer issue invoice.
- legally shifting of issuance of invoice may result into shifting of GST tax liability so saving interest cost

Time line for Invoice

Supply of goods

Section 31(1)

Supply of service

Section 31(2)

continuous supply
of goods

Section 31(4)

continuous supply
of service

Section 31(5)

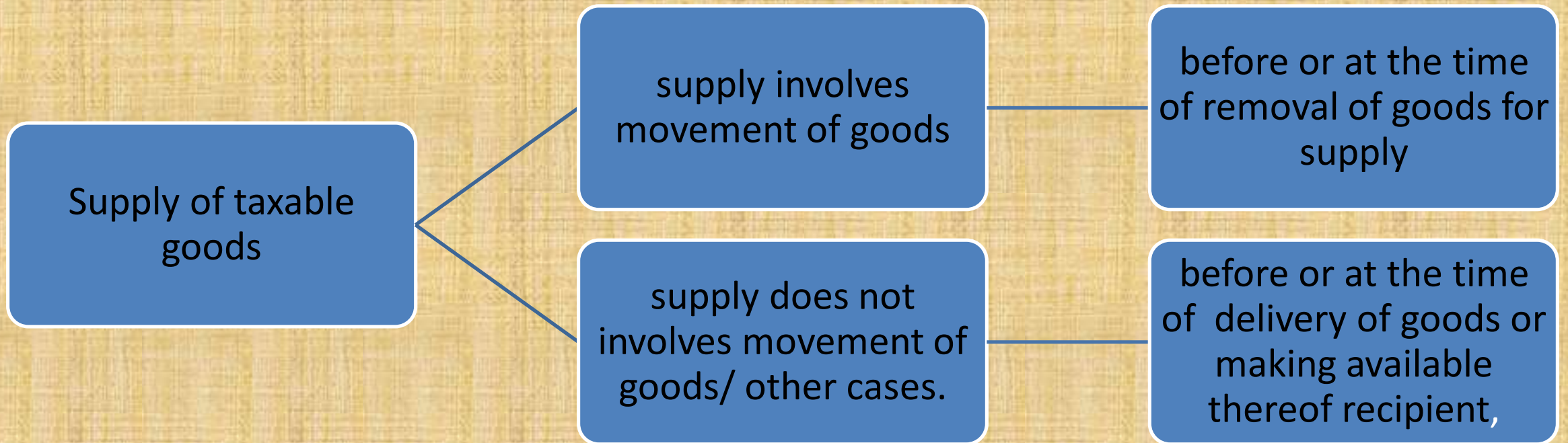
SUPPLY OF
SERVICE CEASES

Section 31(6)

GOODS SENT FOR
APPROVAL BASIS

Section 31(7)

Time limit for issuance of invoice- supply of goods [S-31(1)]



Provided that the Government may, on the recommendations of the Council, by notification, specify the categories of goods or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed. No such notification issued so far.

REMOVAL OF GOODS SEC 2(96)

Removal” in relation to goods, means—

- (a) **dispatch of the goods for delivery** by the supplier thereof or by any other person acting on behalf of such supplier; or
- (b) **collection of the goods by the recipient** thereof or by any other person acting on behalf of such recipient;

Note: it is immaterial whether transporter is of supplier or recipient.

Time limit for issuance of invoice- In case of services – [Sec-31(2)]

- A registered person supplying taxable services shall, **before or after the provision of service but within a prescribed period**, issue a tax invoice, showing the **description, value, the tax charged thereon and other particulars as may be prescribed**:
- As per rule 47, **In the case of the taxable supply of services, invoice** shall be issued within a period of **30 days** from the date of the supply of service:
- supplier of services is an **insurance company or a banking company or a financial institution, or a non-banking financial company**, the period within which the invoice or any document in lieu thereof is to be issued shall be **45days** from the date of the supply of service.
- Provided further that an **insurance or a banking company or a financial institution, including a non-banking financial company, or a telecom operator, or any other class of supplier of services as may be notified by the Government** on the recommendations of the Council, making taxable supplies of services between **distinct persons** as specified in section 25, **may issue the invoice** before or at the time such **supplier records the same in his books of account or before the expiry of the quarter** during which the supply was made.

INVOICING IN THE CASE OF CONTINUOUS SUPPLY OF GOODS[SECTION 31(4)]

In case of **continuous supply of goods** where successive statements of accounts or successive payments are involved, **invoice shall be issued before or at the time of each such statements issued / payment received.**

Meaning of continuous supply of goods: As per section 2(33) of the **CGST Act, 2017**, “continuous supply of goods” means a supply of goods which is provided, or agreed to be provided, continuously or on **recurrent basis**, under a contract, whether or not by means of a wire, cable, pipeline or other conduit, and for which the **supplier invoices the recipient on a regular or periodic basis** and includes supply of such goods as the Government may, subject to such conditions, as it may, by notification, specify.

Invoicing in the case of continuous supply of service –section 31(5)

In case of continuous supply of services

- **Due date ascertainable** – invoice to be issued **on or before due date of payment** (whether or not payment received)[Sec 31(5)(a)]
- **Due date not ascertainable** – invoice to be issued **on or before supplier receives payment** .[Sec 31(5)(b)]
- **Payment linked to completion of an event** – invoice to be issued **on or before the time of completion of that event**. [Sec 31(5)(c)]

“continuous supply of services” means a supply of services which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, for a period exceeding 3 months with **periodic payment obligations** and includes supply of such **services as the Government may, subject to such conditions, as it may, by notification, specify**:[sec 2(33)]

Remark: no such notification under GST . Earlier under service tax telecommunication and works contract was notified vide notification no 38/2012 dt 20-06-2012

SUPPLY OF SERVICE CEASES – SECTION 31(6)

In a case where the supply of services ceases under a contract before the completion of the supply, the invoice shall be issued at the time when the supply ceases and such invoice shall be issued to the extent of the supply made before such cessation.

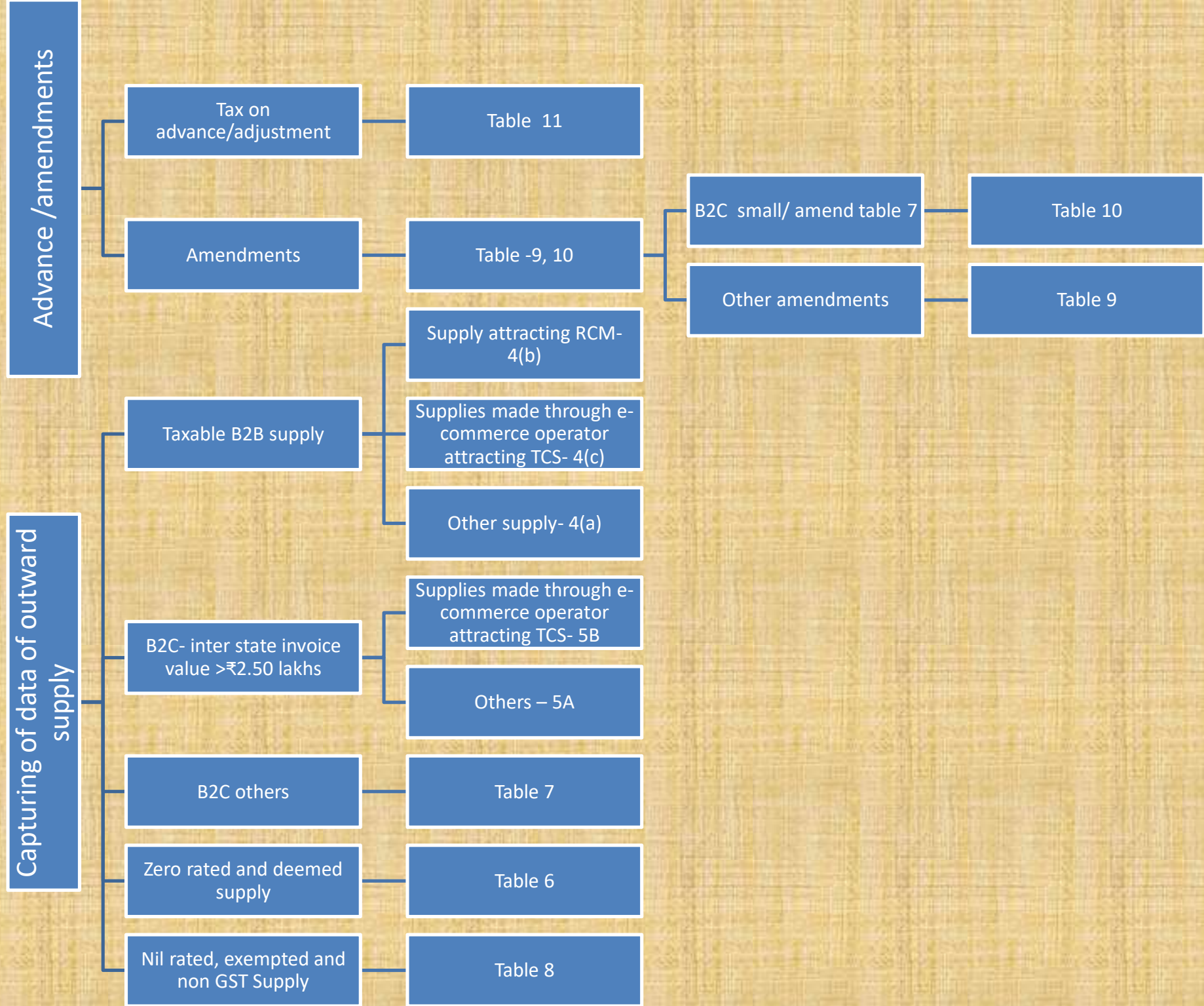
GOODS SENT FOR APPROVAL BASIS – SECTION 31(7)

- where the goods being sent or taken on approval for sale or return are removed before the supply takes place, notwithstanding anything contained in sub-section (1), the invoice shall be issued
 - ✓ before or at the **time of supply** or
 - ✓ 6 months from the **date of removal**,whichever is earlier.

Note: provision of section 31(7) has overriding effect to section 31(1) so no need to issue invoice at the time of removal of goods for supply.

Goods sent on approval or “on sale or return

- When goods are delivered to the buyer on approval or “on sale or return” of other similar terms, the property therein passes to the buyer
 - (a) when he **signifies his approval or acceptance** to the seller or does any other act adopting the transaction;
 - (b) if he does not signify his approval or acceptance to the seller but retains the goods without giving of rejection, then, if a **time has been fixed for the return of the goods**, on the expiration of such time, and, if no time has been fixed, on the **expiration of a reasonable time**.



GSTR-1 - Details of outward supplies of goods or services



• Indicates Mandatory Fields

GSTIN - 09APOPS5243L1Z4

Legal Name - PURUSHOTTAM PRASAD SINGH

Trade Name - P P SINGH AND ASSOCIATES

FY - 2020-21

Return Period - June

Status - Filed

Due Date - 31/07/2020

GSTR-1 - Invoice Details

Currently EWB data for B2B, B2CL and HSN will be available to import and download

** Important Notice: If the invoices are more than 500 . Please check [here](#)

[E-INVOICE ADVISORY](#)

[HELP](#)

[Help](#)

i The taxpayers for whom e-invoicing is not applicable may ignore the sections/options related to e-invoice download. The downloaded file would be blank in case taxpayer is not e-invoicing or when e-invoices reported to IRP are yet to be processed by GST system

4A, 4B, 4C, 6B, 6C - B2B Invoices **17**

Total Value	Total Taxable Value
₹ 1,10,035.00	₹ 93,250.00
Total Tax Liability	
₹ 16,785.00	

able by recipient on supplies attracting reverse

[IMPORT EWB DATA](#)



5A, 5B - B2C (Large) Invoices **0**

Total Value	Total Taxable Value
₹ 0.00	₹ 0.00
Total Tax Liability	
₹ 0.00	

[IMPORT EWB DATA](#)



9B - Credit / Debit Notes (Registered) **0**

Total Taxable Value	Total Tax Liability
₹ 0.00	₹ 0.00

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B2B Invoices - Receiver-Wise-Summary

HELP ?



Processed Invoices

Receiver Details	No. of Invoices	Total Taxable Value(₹)	Integrated Tax (₹)	Central tax (₹)	State/UT Tax (₹)	Cess (₹)
07AAFFH4919Q1ZT	1	1,500.00	270.00	0.00	0.00	0.00
07AAECK7280K1Z5	2	3,500.00	630.00	0.00	0.00	0.00
07AAKFR3537K1ZU	1	10,000.00	1,800.00	0.00	0.00	0.00
20AAATB2137K1Z9	1	4,000.00	720.00	0.00	0.00	0.00
09ACIPC9766H1Z6	1	5,500.00	0.00	495.00	495.00	0.00

« 1 2 3 »

BACK

ADD DETAILS



IMPORT EWB DATA i

9B - Credit / Debit Notes (Unregistered) 0

Total Taxable Value	Total Tax Liability
₹ 0.00	₹ 0.00

6A - Exports Invoices 0

Total Value	Total Taxable Value
₹ 0.00	₹ 0.00
Total Tax Liability	
₹ 0.00	

IMPORT EWB DATA i

9A - Amended B2B Invoices 0

Total Value	Total Taxable Value
₹ 0.00	₹ 0.00
Total Tax Liability	
₹ 0.00	

Amendments to details of Outward Supplies to a registered person of earlier tax periods

9A - Amended B2C (Large) Invoices 0

Total Value	Total Taxable Value
₹ 0.00	₹ 0.00
Total Tax Liability	
₹ 0.00	

9A - Amended Exports Invoices 0

Total Value	Total Taxable Value
₹ 0.00	₹ 0.00
Total Tax Liability	
₹ 0.00	

9C - Amended Credit/Debit Notes (Registered) 0

Total Taxable Value	Total Tax Liability
₹ 0.00	₹ 0.00

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9C - Amended Credit/Debit Notes 0 (Unregistered)

Total Taxable Value	Total Tax Liability
₹ 0.00	₹ 0.00

GSTR-1 - Other Details

7 - B2C (Others) 0

Total Taxable Value	Total Tax Liability
₹ 0.00	₹ 0.00

IMPORT EWB DATA
i

8A, 8B, 8C, 8D - Nil Rated Supplies 1

Total Nil Amt	Total Exempted Amt
₹ 0.00	₹ 0.00
Total Non-GST Amt	
₹ 0.00	

11A(1), 11A(2) - Tax Liability (Advances Received) 0

Gross Advance Received
₹ 0.00
Total Tax Liability
₹ 0.00

11B(1), 11B(2) - Adjustment 0

12 - HSN-wise summary of 0

13 - Documents Issued 1



11B(1), 11B(2) - Adjustment of Advances 0

Gross Advance Adjusted
₹ 0.00

Total Tax Liability
₹ 0.00

12 - HSN-wise summary of outward supplies 0

Total Value ₹ 0.00	Total Taxable Value ₹ 0.00
Total Tax Liability ₹ 0.00	

[IMPORT EWB DATA](#) ?

13 - Documents Issued 1

Total Docs 19	Cancelled Docs 0
Net Issued Docs 19	

11A - Amended Tax Liability (Advance Received) 0

Gross Advance Received
₹ 0.00

Total Tax Liability
₹ 0.00

11B - Amendment of Adjustment of Advances 0

Gross Advance Adjusted
₹ 0.00

Total Tax Liability
₹ 0.00

10 - Amended B2C(Others) 0

Total Taxable Value
₹ 0.00

Total Tax Liability
₹ 0.00

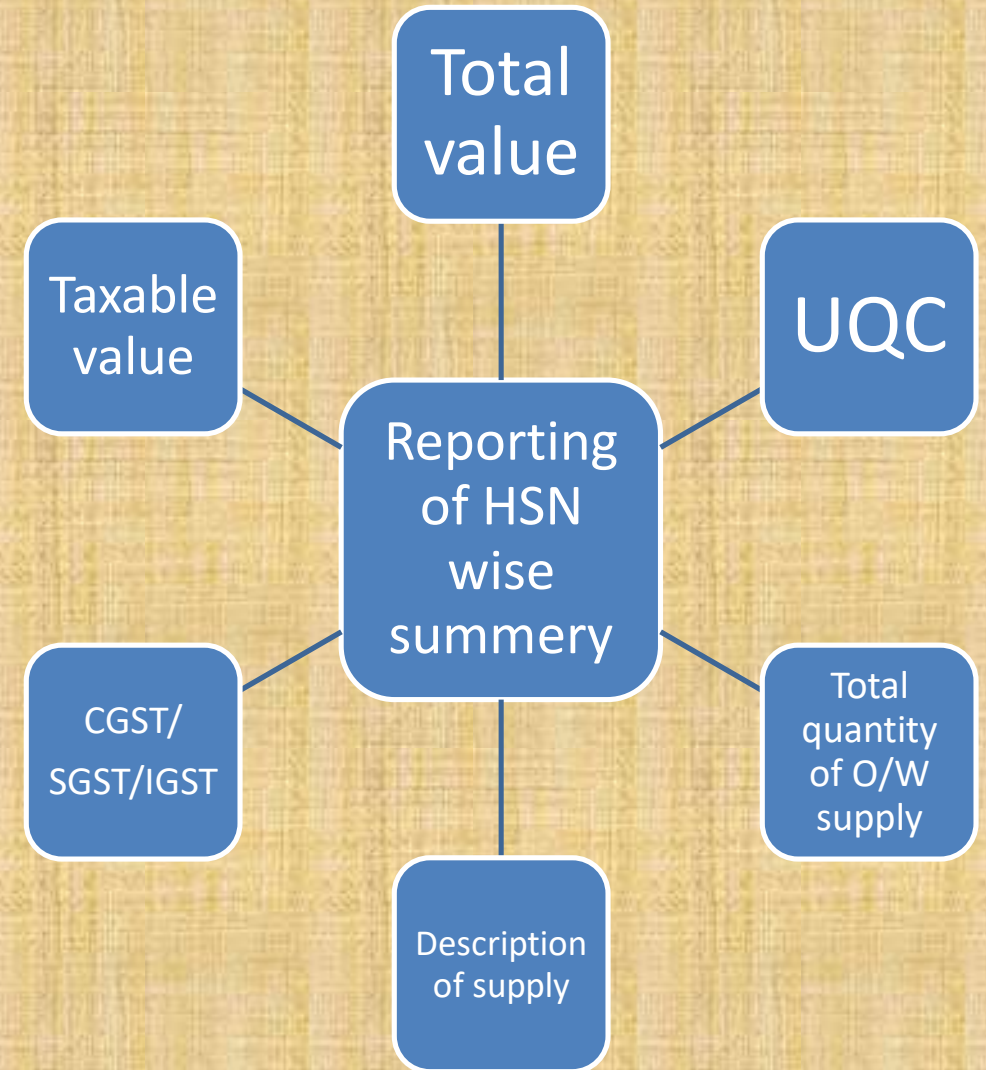
** Please click on '**Generate Summary**' button to update the tile summary after updating entries in any table completely. Avoid updating summary after making few ent

[GENERATE GSTR1 SUMMARY](#)

[Top](#)

Outward supply reporting – HSN-wise summary of outward supplies

- HSN wise summary of outward supply in sl. no 12 of GSTR-1
- Must mention the description of goods/service
- There may be situation where wrong HSN selected but tax rate is same and correct rate of tax
- Note the difference between total value(= value of supply before discount) and taxable value(= value on which tax charged)
- Same as reported for outward supply
- It will be **optional for taxpayers** having annual turnover upto Rs. 1.50 Cr **but they need to provide information about description of goods.** [instruction 16]
- 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 and at four digits level for taxpayers having annual turnover above Rs. 5.00 Cr.[instruction no 17]



HSN requirement on invoice /tax invoice notification no 12/2017 amended by notification 78/2020 dt 15-10-2020
w.e.f. **1-4-2021**

<i>Serial Number</i>	<i>Aggregate Turnover in the preceding Financial Year</i>	<i>Number of Digits of Harmonised System of Nomenclature Code (HSN Code)</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>
1.	<i>Up to ₹5 crores</i>	4
2.	<i>more than ₹5 crores</i>	6

Provided that a registered person having aggregate turnover up to ₹5 crores in the previous financial year may not mention the number of digits of HSN Code, as specified in the corresponding entry in column (3) of the said Table in a tax invoice issued by him under the said rules in respect of supplies made to unregistered persons:

Documents issued during the tax period- Table 13

Documents to be issue- refer section 31 &34 read with rule 46 to 54

Documents issued in GST period:

- (1)Tax invoice- outward supply (2)Tax invoice- inward supply – RCM
- (3)Invoice cum bill of supply (4)Bill of supply
- (5)Receipt voucher (6)Payment voucher
- (7)Refund voucher (8)Delivery challan

No exemption from reporting of these documents issued or cancelled. Mandatory for everyone because issuance is also mandatory.

Needs to report revised invoice series as well– refer rule 31(3)(a) read with rule 53.

Consequence of non reporting here - missing invoice may lead to issuance of invoice without supply leading to penalty u/s 122 if invoice for supply issued but not reported.

Delivery challans

For job work

For supply on approval

Liquid gas

Other case – where no supply

Exemption from issuance of invoice without serial no.

Refer rule 54:

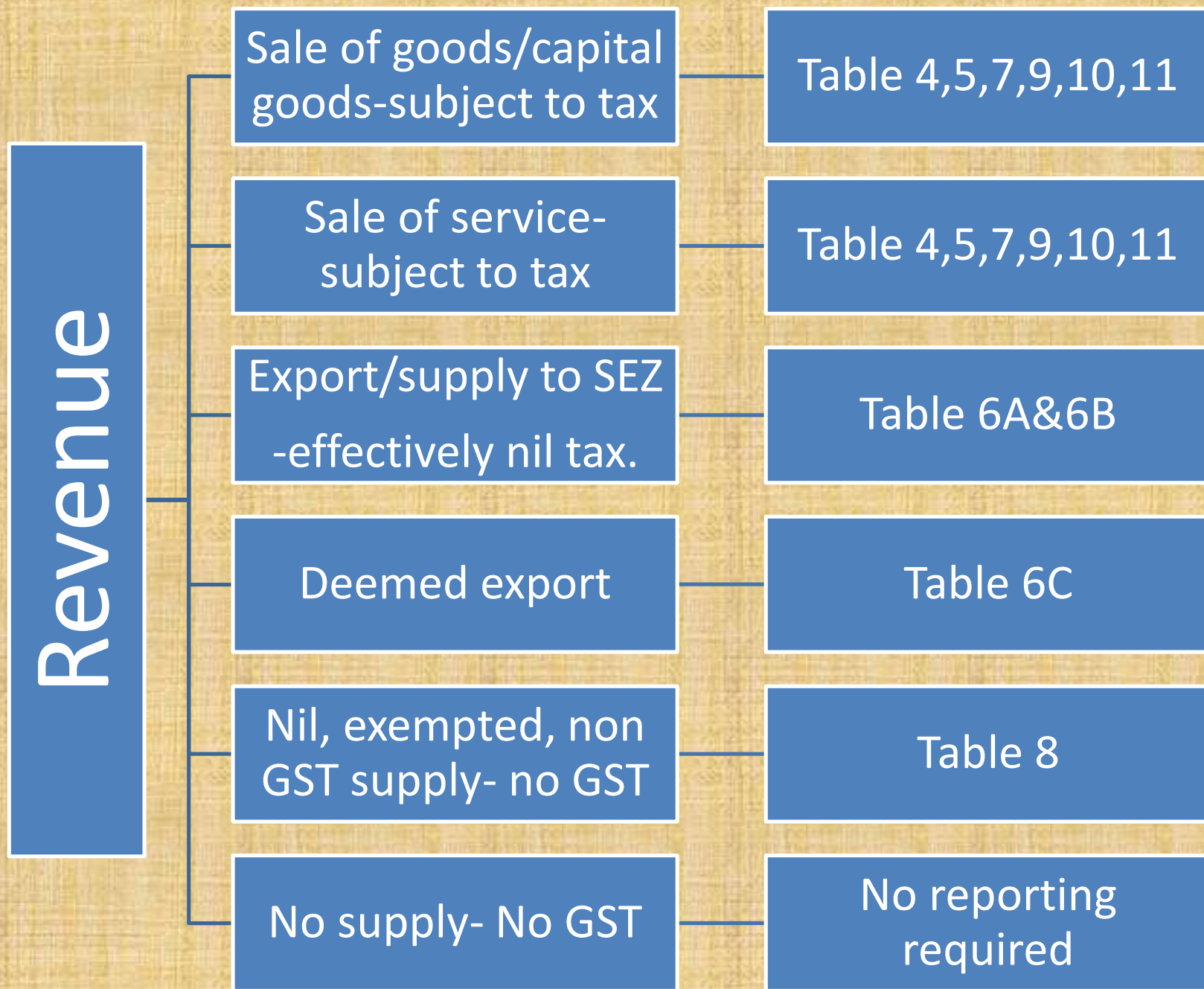
Where the supplier of taxable service is an insurer or a banking company or a financial institution, including a non-banking financial company, the said [*supplier may issue*] a [*consolidated tax invoice*] or any other document in lieu thereof, by whatever name called [*for the supply of services made during a month at the end of the month*], whether issued or made available, physically or electronically whether or not serially numbered, and whether or not containing the address of the recipient of taxable service but containing other information as mentioned under rule 46.[R-54(2)]

Where the supplier of taxable service is supplying passenger transportation service, a tax invoice shall include ticket in any form, by whatever name called, whether or not serially numbered, and whether or not containing the address of the recipient of service but containing other information as mentioned under rule 46 [R-54(4)]

- Insurer, Banking Company, Financial Institution and NBFC .
- passenger transporter service
- In such cases if invoice no is not available , no need to report this
- Instruction is silent on this issue because originally it was not thought for while drafting the GST law

TRANSLATION OF FINANCIAL INFORMATION INTO GSTR-1

- **Revenue from sale of goods**
- **Revenue from sale of service like leasing , renting of resource, job work**
- **Other operating revenue- incidental**
- **Income on investment like interest, dividend etc.**
- **Miscellaneous income**
- **Profit on sale of fixed assets**



Reconciling no supply and reporting in GSTR-9 and 9C

no supply : as per section 7(2) no supply means transaction or activity which is not a supply as listed in schedule –III

Or such activities or transactions undertaken by the Central Government, State Government or any local authority in which they are engaged as public authorities, as may be notified by the Government on the recommendations of the Council,

Note: if no supply is not reported in GSTR-1, no need of deduction while reconciling in GSTR-9.

Reconciliation of taxable turnover of GSTR-9C with financial statement :

Turnover as per financial statements

+/- adj. for items to determine turnover as per annual return

(-) adjustment for items on which no GST

(-) Adjustments for exempted, nil rated, non GST supply , **no supply** as per table 7B

= Taxable turnover

Reconciliation of taxable turnover of GSTR-9 with consolidated GSTR-1:

Outward supply during the FY

(-) Items not subject to tax like exempted etc

(-) non GST supply **including no supply** as per table 5F

=**Total turnover**

Generally Missing in GSTR-1

- Schedule-1 transactions
- cross charge invoicing and reporting
- Exempted, nil rated supply
- Documents issued may not have missing invoice etc. for schedule -1 transactions
- HSN wise Summary
- Invoice for other miscellaneous income and reporting in GSTR-1
- Sale of fixed assets

GSTR-3B

Legal aspect of GSTR-3B

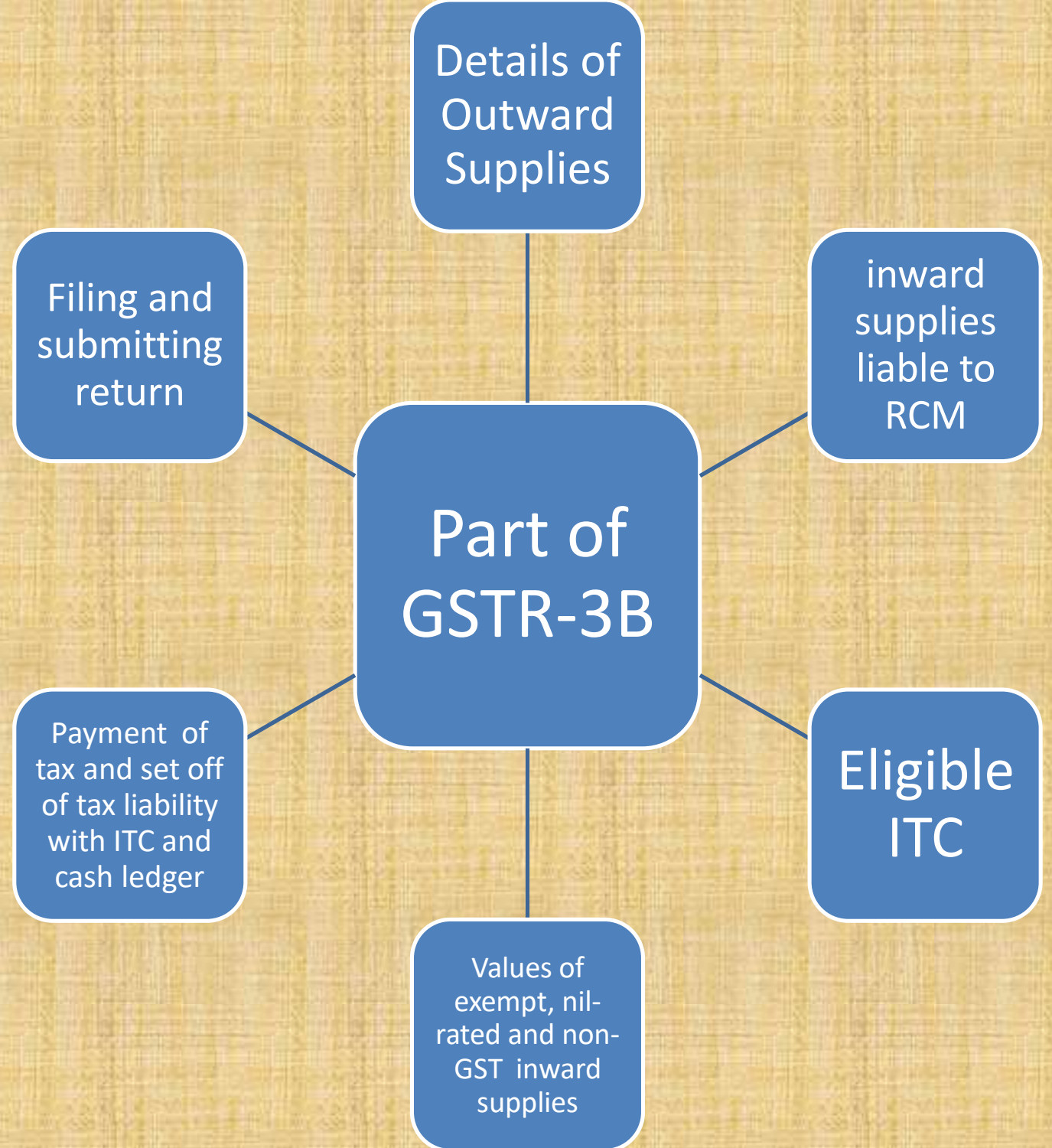
- Section 39 and prescribed rule is R- 61
- May be monthly or quarterly return
- Not required to file this return are ISD, Non resident taxable person, composition tax payer, tax deductor u/s 51, tax collector u/s 52, OIDAR service provider.
- At present only return is GSTR-3B , GSTR-3 is not in operation

- *Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52 shall, **for every calendar month** or part thereof, furnish, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and such other particulars, in such form(originally GSTR-3) and manner, and within such time, as may be prescribed. [S-39(1)]*
- ***Provided** that the Government may, on the recommendations of the Council, notify certain class of registered persons who shall furnish a **return for every quarter** or part thereof, subject to such conditions and restrictions as may be specified therein. [s-39(1)]*
- *Where the time limit for furnishing of details in **FORM GSTR-1** under section 37 or in **FORM GSTR-2** under section 38 has been extended, the return specified in sub-section (1) of section 39 shall, in such manner and subject to such conditions as the Commissioner may, by notification, specify, be furnished in **FORM GSTR-3B** electronically through the common portal, either directly or through a Facilitation Centre notified by the Commissioner.[R-61(5)]*
- ***Provided** that where a return in **FORM GSTR-3B** is required to be furnished by a person referred to in sub-rule (1) then such person shall not be required to furnish the return in **FORM GSTR-3.**] .[R-61(5)]*

Reporting of GSTR-3B

Verification (by Authorised signatory)

I hereby solemnly affirm and declare that the information given herein above is **true and correct** to the best of my knowledge and belief and nothing has been concealed there from.



Further classification of para

3.1

Details of outward supply

B2C supply inter state with POS

Inter state supply to composition taxpayer

Interstate Supplies made to UIN holders

Details of outward supply-3.1

Outward taxable supplies (other than zero rated, nil rated and exempted) 3.1(a)

Outward taxable supplies (zero rated) 3.1(b)

Other outward supplies (Nil rated, exempted) 3.1©

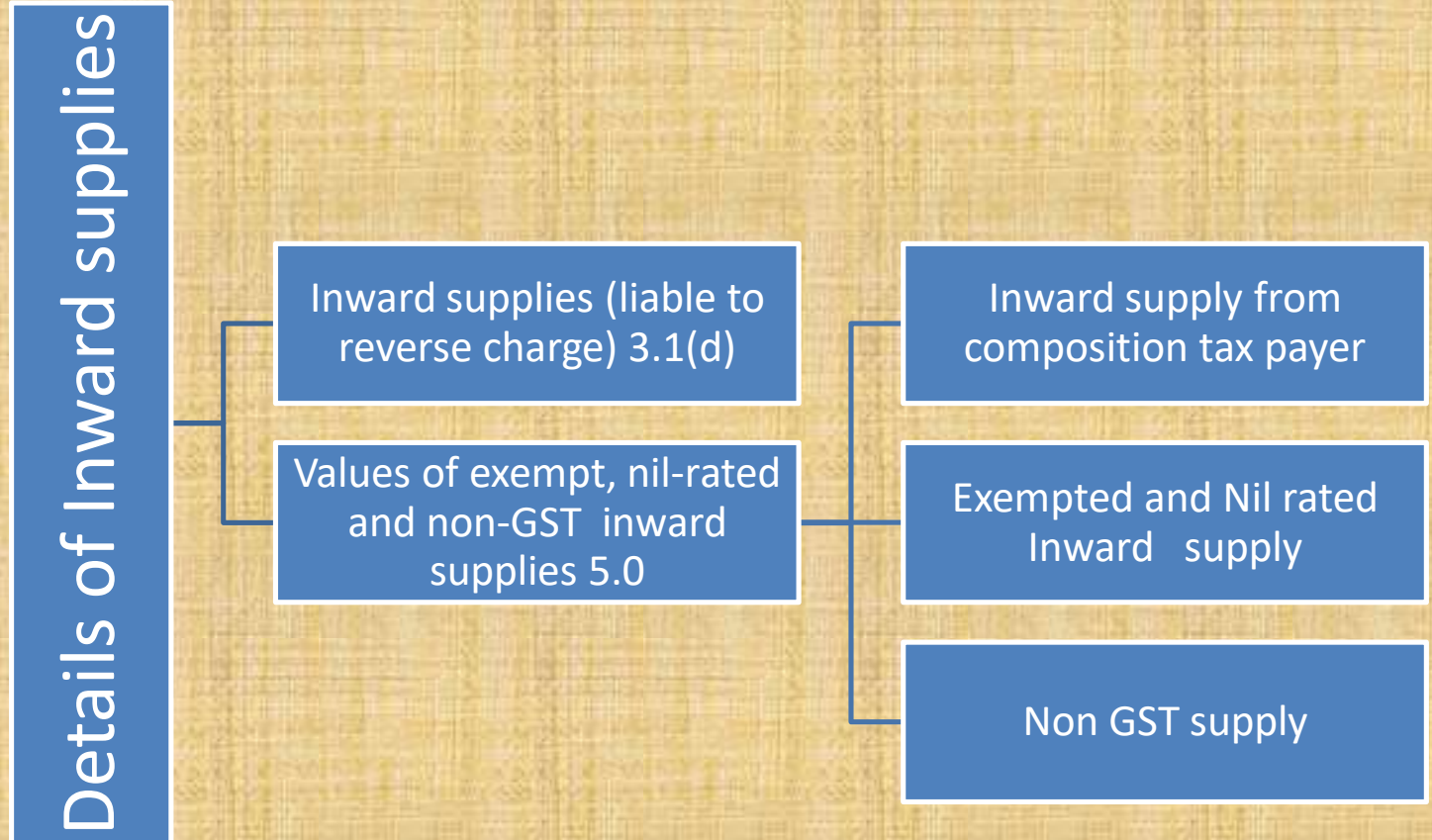
Non-GST outward supplies 3.1(e)

Details of Inward supplies

Classification of taxable inward supply subject to RCM: no further classification required to be reported in GSTR-3B but in fact inward supply subject to RCM may be inter state or intra state as well.

Classification of inward supply- nil rated, exempted, non GST supply:

- Inter state-
- Intra state-



Forward and reverse supplies

Central Tax

₹0.00

CESS

₹0.00

4. Eligible ITC

Integrated Tax

₹954.00

State/UT Tax

₹808.00

Central Tax

₹808.00

CESS

₹0.00

5.1 Interest and Late fee

Integrated Tax

₹0.00

State/UT Tax

₹400.00

Central Tax

₹400.00

CESS

₹0.00

tax

Paid through Cash

₹12,405.00

**Claim of ITC
&
provisional acceptance thereof.**

Claim of input tax credit and provisional acceptance thereof. SECTION 41

41. (1) Every registered person shall, subject to such **conditions and restrictions** as may be prescribed (Rule 69), be entitled to take the credit of **eligible** input tax, as **self-assessed**, in his return and such amount shall be credited on a **provisional basis** to his **electronic credit ledger**.

(2) The credit referred to in sub-section (1) shall be **utilised only for payment of self-assessed output tax** as per the return referred to in the said sub-section

Note: type of tax which can be paid by utilizing ITC –refer section 49,49A,49B & rule 85,86,88A.

Note :Every registered person shall **self assess** the taxes payable under this Act and furnish a return for each tax period as specified under section 39.(section 59)

Meaning of output tax: 2(82) “*output tax*” in relation to a taxable person, means the tax chargeable under this Act on taxable supply of goods or services or both made by him or by his agent **but excludes tax payable by him on reverse charge basis;**
in other words ITC can't be used for payment of tax under reverse charge.

Matching of ITC claimed with outward supply tax paid- R-69

*The claim of ITC in respect of invoices and debit notes in FORM GSTR-2 that were accepted by the recipient on the basis of FORM GSTR-2A without amendment shall be treated as **matched if the corresponding supplier has furnished a valid return;***

ITC claimed < output tax paid on tax invoice/debit note:

The claim of input tax credit shall be considered as matched where the amount of input tax credit claimed is equal to or less than the output tax paid on such tax invoice or debit note by the corresponding supplier.

Details	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS
Whether in full or part)				
	0.00			
	0.00			
able to reverse charge (other than 1 & 2	0.00	0.00	0.00	
m ISD	0.00	0.00	0.00	
	954.00	808.00	808.00	

C	954.00	808.00	808.00	
used				
42 & 43 of CGST/SGST rules	0.00	0.00	0.00	
	0.00	0.00	0.00	
available (A) - (B)	954.00	808.00	808.00	
ITC				
on 17(5)	0.00	0.00	0.00	
	0.00	0.00	0.00	

CANCEL

REPORTING OF ELIGIBLE ITC- 4.

Starting point of reporting is all available ITC - total ITC available
(note: Available ITC may be ITC of goods, service or capital goods)

Less: ITC reversed
= net available ITC

Less: ineligible ITC
=Balance is the eligible ITC.

Balance ITC to be credited to E-credit ledger as per section 41 read with Rules

Relevant sections:
16,17,18,19,20,21, 41,
Rules : 36 to 44

Details

(A) ITC Available (whether in full or part)

(1) Import of goods

(2) Import of services

(3) Inward supplies liable to reverse charge (other than 1 & 2 above)

(4) Inward supplies from ISD

(5) All other ITC

(B) ITC Reversed

(1) As per rules 42 & 43 of CGST Rules

(2) Others

(C) Net ITC Available (A) – (B)

(D) Ineligible ITC

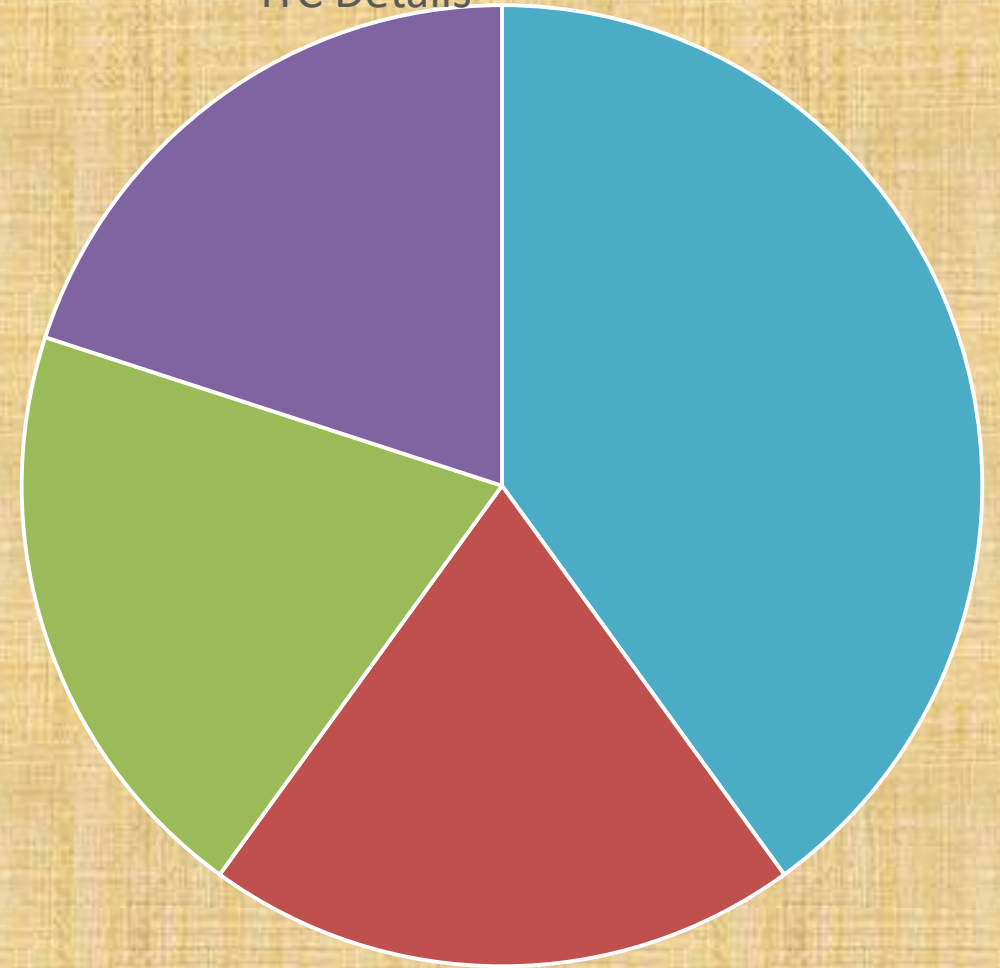
(1) As per section 17(5)

(2) Others

Claim of input tax credit

Claim of eligible ITC in the GSTR-3B but reporting of all ITC(including inward supply under Forward charge, import of goods, import of service , Inward supplies liable to reverse charge, Inward supplies from ISD , all other ITC, ITC reversal for any reason, block credit and then final figure of eligible ITC

ITC Details



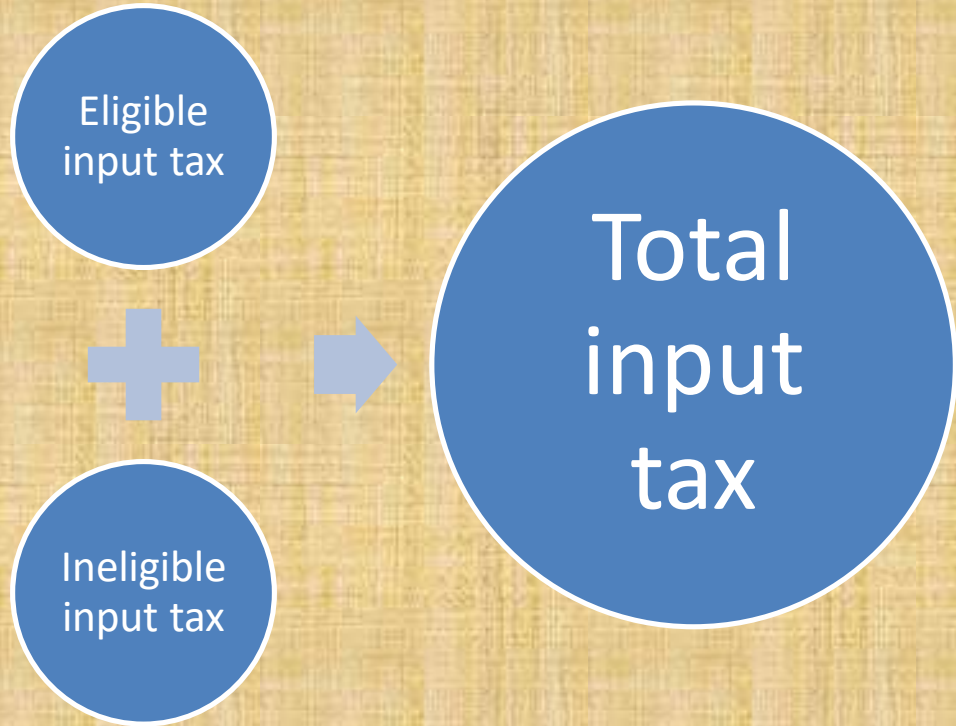
■ ALL ITC including details of including inward supply under Forward charge, import of goods, import of service, Inward supplies liable to reverse charge, Inward supplies from ISD, all other ITC

■ ITC Reversed

■ BLOCK ITC

■ Eligible ITC

Meaning of input tax S-2(62)



Meaning of input tax

IGST (including that on import of goods), CGST, SGST and UTGST

tax charged under reverse charge basis on inward supply

excludes the tax paid under section 10 (composition levy)

ITC ACCURACY METER

- All eligibility conditions of section 16 and prescribe rules for credit from 36 to 44
- tax paying documents like invoice/debit note/invoice-RCM etc. in possession
- Link of input, input service or capital goods with business
- Depreciation or other exp. disallowance on the ground of personal exp.- treatment of ITC in GST
- Goods or service received
- payment within 180 days- age analysis of creditors- refer account- balance sheet
- Goods received in instalments/lot- credit at receiving of first lot or last lot
- Receiving of goods from job worker within 1/3 years or extended period
- Tax payment by party (supplier and reporting GSTR-3B &GSTR-1, reflection in GSTR-2A)
- Ensure timely return 3B availing credit
- Availing credit with time limit specified in S-16(4)

ELIGIBILITY FOR TAKING ITC [SEC 16(1)]

- Every **registered person**
- subject to such **conditions and restrictions as may be prescribed(*by rules 36*)** and
- in the **manner specified in section 49,**
- shall, be entitled to take **credit of input tax charged on any supply** of goods or services or both **to him**
- if such goods or services are **used or intended to be used(Closing stock)**
- in the **course or furtherance of his business** and
- the said **amount (of input tax)** shall be **credited to**
- the **electronic credit ledger** of such registered person.

CONDITIONS FOR TAKING INPUT TAX CREDIT [SEC.16(2)]

Notwithstanding anything contained in this section, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him **unless,**

- ✓ *he is in possession of*
 - tax invoice issued by a supplier registered under this Act or*
 - debit note issued by a supplier registered under this Act, or*
 - other prescribed* tax paying documents ;*
- ✓ he has **received the goods or services** or both.
- ✓ subject to the **provisions of section 41 or section 43A** (claim of ITC as self assessed , in the return on provisional basis)
- ✓ the **tax charged** in respect of such supply has been **actually paid to the Government,**
 - either in cash or
 - through utilisation of input tax credit admissible in respect of the said supply;
- ✓ he has furnished the return under section 39(First return u/s 40, annual return u/s 44, final return 45)

* Prescribed rule 36 for **Documentary requirements and conditions for claiming ITC**

**Duty/tax paying documents
For availing ITC**

Documentary requirements for ITC

No input tax credit shall be availed by a registered person in respect of any tax that has been paid in pursuance of any order where any demand has been confirmed on account of any fraud, wilful misstatement or suppression of facts. [R-36(3)]

Documentary requirements for claiming ITC[R-36(1)]

invoice issued by the supplier in accordance with the provisions of s- 31

Invoice issued for reverse charge u/s 31(3)(f) subject to the payment of tax

debit note

bill of entry

Input Service Distributor invoice or credit note

Additional condition under R-36 for credit of ITC

Input tax credit shall be availed by a registered person only if all the applicable particulars as specified in the provisions of Chapter VI (related to issue of Tax invoice, credit and debit notes) are contained in the said document, and the relevant information, as contained in the said document, is furnished in FORM GSTR-2 by such person.[R-36(2)]

[Provided** that if the said document does not contain all the specified particulars but contains the details of the amount of **tax charged, description of goods or services, total value of supply of goods or services or both, GSTIN of the supplier and recipient and place of supply in case of inter-State supply, input tax credit may be availed by such registered person.]***

** amendment in CGST rules w.e.f. **4-9-2018.***

Proviso to rule 36(2)

- Only prospective amendment
- May be taken the benefit retrospectively if litigations

Provided that input tax credit may be availed by such registered person even if the said document does not contain *all the specified particulars but contains the following details*

- ✓ *amount of tax charged,*
- ✓ *description of goods or services,*
- ✓ *total value of supply of goods or services or both,*
- ✓ *GSTIN of the supplier and recipient and*
- ✓ *place of supply in case of inter-State supply,*

1. Proviso inserted by the Central Goods and Services Tax (Eight Amendment) Rules, 2018, w.e.f. **4-9-2018.**

**Goods or services must
have been received for availing ITC**

receiving of goods or services before claiming credit of ITC

Note:

- treatment of stock in transit particularly at year end reported in balance sheet date
- Delivery of goods as per E way bill
- Goods received by job worker or other agent of recipient of supply
- Receiving of goods/ capital goods within 1/3 years if sent to job worker – section 19 & 143
- Deemed receiving in the case of bill to ship to model - **Explanation below 16(2)(b) of CGST**

Actual receiving of goods

Notional receiving of goods

Deemed receiving of goods:

Goods sent directly to job worker for further processing
goods against an invoice may be received in lots or installments,

Note: need to read with place of supply provisions. There may be situation where supply does not involve movement of goods. Further, this term receipt of goods also mentioned in the time of supply

DEEMED RECEIVING OF GOODS

For the purposes of this clause, it shall be **deemed that the registered person has received the goods**

(I) where the **goods** are delivered by the supplier to a recipient or any other person on the direction of such registered person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to goods or otherwise;

(II) where the **services** are provided by the supplier to any person on the direction of and on account of such registered person.

[Explanation below 16(2)(b) of CGST]

Bill to ship to model:

where the goods are delivered by the supplier to a recipient or any other person on the **direction of a third person**, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to the goods or otherwise, it shall be **deemed that the said third person has received the goods** and the place of supply of such goods shall be the principal place of business of such person;

[sec 10(1)(b) of IGST]

**S-16(2)(b) he has received the goods or services or both.
(Amendment by CGST(Amendment) Act, 2018)**

New explanation in place of old one below sec 16(2)(b)

*For the purposes of this clause, it shall be deemed that the registered person has received the goods or, as the case may be, **services**—*

- i. where the goods are delivered by the supplier to a recipient or any other person on the direction of such registered person, whether acting as an agent or otherwise, before or during movement of goods, **either by way of transfer of documents of title to goods or otherwise;***
- ii. where the services are provided by the supplier to any person on the direction of and on account of such registered person.*

GOODS AGAINST AN INVOICE MAY BE RECEIVED IN LOTS OR INSTALLMENTS[S-16(2) 1st proviso]

- ❑ where the goods against an invoice are received in lots or installments, the registered person shall be entitled to take credit **upon receipt of the last lot or installment**. In other words law deemed receipt of goods on receipt of last lot or installments.
- ❑ In other words ITC shall be available on receiving of last lot even though earlier lot received may have been used or finished goods manufactured from such inputs already supplied. In such cases there may be output tax liability but no corresponding ITC's available to the supplier which is hardship. In our view that it should be available on pro rata basis if possible.

TAX PAID TO THE GOVERNMENT FOR AVAILING ITC

Tax charged in respect of supply has been actually paid to the Government

- ❑ How to ensure tax payment by the supplier of goods or service?
- ❑ GSTR-2A, GSTR-1, GSTR-3B – safely claim the credit.
- ❑ In other cases risk of credit of ITC.
- ❑ Contract term must have provisions.
- ❑ *Arise India Limited and others Vs. Commissioner of Trade & Taxes, Delhi and others [TS-314-HC-2017(Del)-VAT]*

- Tax may be paid either in cash
- Tax may be paid from ITC also but in such case it must be paid from admissible ITC in respect of the said supply;
- Difficult for the recipient of supply to ensure payment of tax from admissible ITC
- Recipient can ensure filing of GST return only and filing of GSTR-1
- If invoice or debit note reported in GSTR-1 by the supplier it will be reflected in GSTR-2A
- Can't ensure payment tax for invoice issued to the recipient.
- There may be situation where supplier has filed GSTR-1 but not the GSTR-3B, in such case it can be safely presumed by tax officer that tax not paid by supplier.
- There may be situation where tax has been paid, GSTR 3B has been filed but GSTR-1 not filed or mistake in filing of GSTR-1

Restricting credit based on reporting in GSTR2A[R-36(4)

*Input tax credit to be availed by a registered person in respect of invoices or debit notes, the details of which have not been uploaded by the suppliers under sub-section (1) of section 37, shall not exceed [20% (earlier)/ now 10 % /5%] of the **eligible credit** available in respect of invoices or debit notes the details of which have been uploaded by the suppliers under sub-section (1) of section 37.]*

“Provided that the said condition shall apply cumulatively for the period February, March, April, May, June, July and August, 2020 and the return in FORM GSTR-3B for the tax period September, 2020 shall be furnished with the cumulative adjustment of input tax credit for the said months in accordance with the condition above.”.

Note: new sub-rule inserted w.e.f. **9-10-2019**. in place of **20%** , **10% substituted** w.e.f. **1-1-2020**.

Note: First we have bifurcate the eligible credit and ineligible credit from GSTR-2A and then our credit availment shall be maximum 120%/110% of eligible credit appearing in form GSTR-2A.

Note: Relaxation by notification no 30/2020 dated 03-04-2020 by way of adding proviso to rule 36(4) –cumulative adjustment for the period from Feb. 2020 to Aug 2020 can be made in Sept 2020 3B return .[R-36(4)]

Note: w .e. f 01-01-2020 5% earlier 10% .

Note: writ petition against rule 36(4) before Calcutta HC.

LGW Industries Limited has filed a petition before the Hon'ble Calcutta High Court challenging the constitutional validity and vires of Rule 36(4) of the CGST Rules/WBGST Rules and Section 43A(4) of the CGST Act/WBGST Act.

Rule 36(4) of the CGST Rules/WBGST Rules drawing its power from Section 43A(4) of the CGST Act/WBGST Act, which is yet to be notified, restricts ITC available to a buyer of goods or services to a maximum of 10% on the basis of the details of outward supplies furnished by the supplier of goods or services on the common portal i.e. filing of GSTR 1 return by the supplier.

Section 43A(4) and Rule 36(4) puts an onerous and impossible burden on the buyer of goods and services to somehow ensure that the supplier of goods or services does in fact uploads the details of outward supplies on the common portal and if the supplier fails to do so, it undergoes the risk of being denied the benefit of ITC. This is violative of Article 14 of the Constitution inasmuch as it treats both the innocent purchasers and the guilty purchasers alike. Restricting the benefit of ITC to a bona fide purchaser, only because of the default of the supplier or services to upload the details of outward supplies on the common portal, over which it has no control whatsoever, is arbitrary and irrational.[section 43A yet to be notified]

Amendment by F A 2021

In section 16 of the Central Goods and Services Tax Act, in subsection (2), after clause (a), the following clause shall be inserted, namely:—

“(aa) the details of the invoice or debit note referred to in clause (a) has been furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37;”.

Direct demand of tax from recipients of supply

Madras HC on direct recovery of tax from recipient of supply:

A recent Madras High Court ruling has come as a significant relief for genuine buyers under the Goods and Services Tax regime. The decision will help buyers who've paid tax on the goods or services availed but the sellers haven't deposited it in the government's kitty. The GST department argued that the traders had availed input credit on the premise that tax had already been remitted to the government by their sellers. When it turned out that the sellers have not paid any tax and the traders could not furnish any proof for the same, the department was entirely justified in proceeding to recover the tax from them. And so the department cannot be faulted for having reversed input credit already availed by the traders.

High court dismissed the tax department's contentions. It pointed out a fundamental flaw in the revenue department's approach i.e. no inquiry against the defaulting sellers and non-initiation of recovery action against them. Once the department realised that the sellers have collected tax from the traders and not deposited it, strict action should've been taken against the former. Even more so, since the department believes there was no movement of goods, the high court said. **D.Y. Beathel Enterprises Vs State Tax Officer (Data Cell) (Madras High Court)**

12. Therefore, if the tax had not reached the kitty of the Government, then the liability may have to be eventually borne by one party, either the seller or the buyer. In the case on hand, the respondent(GST dept.) does not appear to have taken any recovery action against the seller / Charles and his wife Shanthi, on the present transactions where as buyer has already received the consideration along with tax.

Thus, the impugned orders suffers from certain fundamental flaws. It has to be quashed for more reasons than one.

- a) Non-examination of Charles(seller of goods) in the enquiry
- b) Non-initiation of recovery action against Charles(seller of goods) in the first place

Therefore, the impugned orders are quashed and the matters are remitted back to the file of the respondent.

Position in previous law : by Madras HC

Madras High Court made in **Sri Vinayaga Agencies Vs. The Assistant Commissioner, CT Vadapalani**, reported in **2013 60 VST page 283**. It was held therein that the authority does not have the jurisdiction to reverse the input tax credit already availed by the assesses on the ground that the selling dealer has not paid the tax.

PIB PRESS RELEASE, DATED 4-5-2018

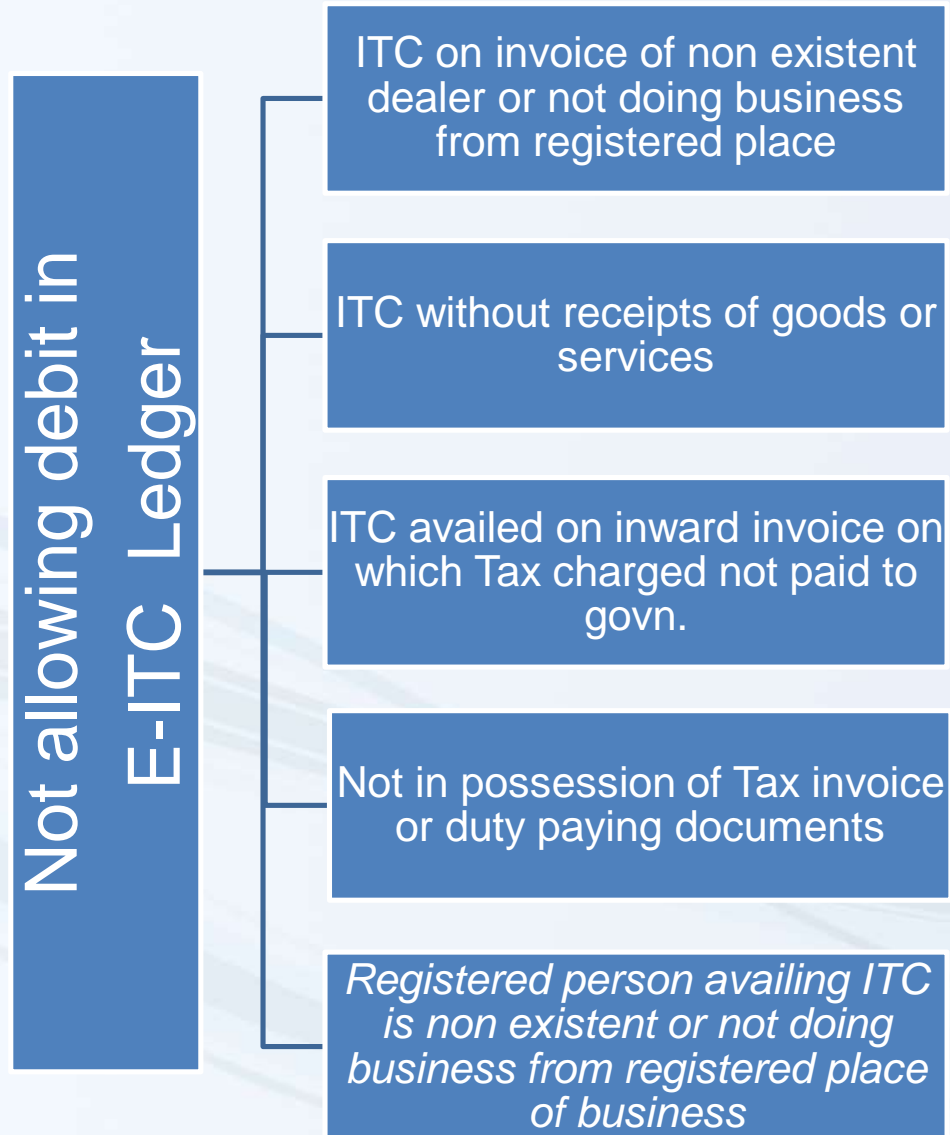
(iv) **No automatic reversal of credit:** There shall not be any automatic reversal of input tax credit from buyer on non-payment of tax by the seller. In case of default in payment of tax by the seller, recovery shall be made from the seller however reversal of credit from buyer shall also be an option available with the revenue authorities to address exceptional situations like missing dealer, closure of business by supplier or supplier not having adequate assets etc.

(v) **Due process for recovery and reversal:** Recovery of tax or reversal of input tax credit shall be through a due process of issuing notice and order. The process would be online and automated to reduce the human interface.

[26th GST council]

Restriction on debit entry in E- ITC Ledger Rule 86A

- ❑ The commissioner or officer authorised not below assistant commissioner **has reason to believe** that any of the any of the condition exist, then
- ❑ restriction on debit entry in E-ITC ledger on reasons to be recorded in writing, not allow debit of an amount equivalent to such credit in electronic credit ledger for discharge of any liability under section 49 or for claim of any refund of any unutilized amount.
- ❑ Restriction may be removed if such condition no longer exist
- ❑ Validity – 1year.



Not allowing debit in E- ITC Ledger in certain cases:

86A. (1) The Commissioner or an officer authorised **not below the rank of an Assistant Commissioner**, having **reasons to believe** that credit of input tax available in the electronic credit ledger has been **fraudulently availed** or is **ineligible** in as much as—

(a) the credit of input tax has been availed on the strength of tax invoices or debit notes or any other document prescribed under rule 36—

(i) issued by a registered person who has been found non-existent or not to be conducting any business from any place for which registration has been obtained; or

(ii) without receipt of goods or services or both; or

(b) the credit of input tax has been availed on the strength of tax invoices or debit notes or any other document prescribed under rule 36 in respect of any supply, the tax charged in respect of which has not been paid to the Government; or

(c) the registered person availing the credit of input tax has been found non-existent or not to be conducting any business from any place for which registration has been obtained; or

(d) the registered person availing any credit of input tax is not in possession of a tax invoice or debit note or any other document prescribed under rule 36,

may, for reasons to be recorded in writing, not allow debit of an amount equivalent to such credit in electronic credit ledger for discharge of any liability under section 49 or for claim of any refund of any unutilized amount.

(2) The Commissioner, or the officer authorised by him under sub-rule (1) may, upon being satisfied that conditions for disallowing debit of electronic credit ledger as above, no longer exist, allow such debit.

(3) Such restriction shall cease to have effect after the expiry of a period of one year from the date of imposing such restriction.]

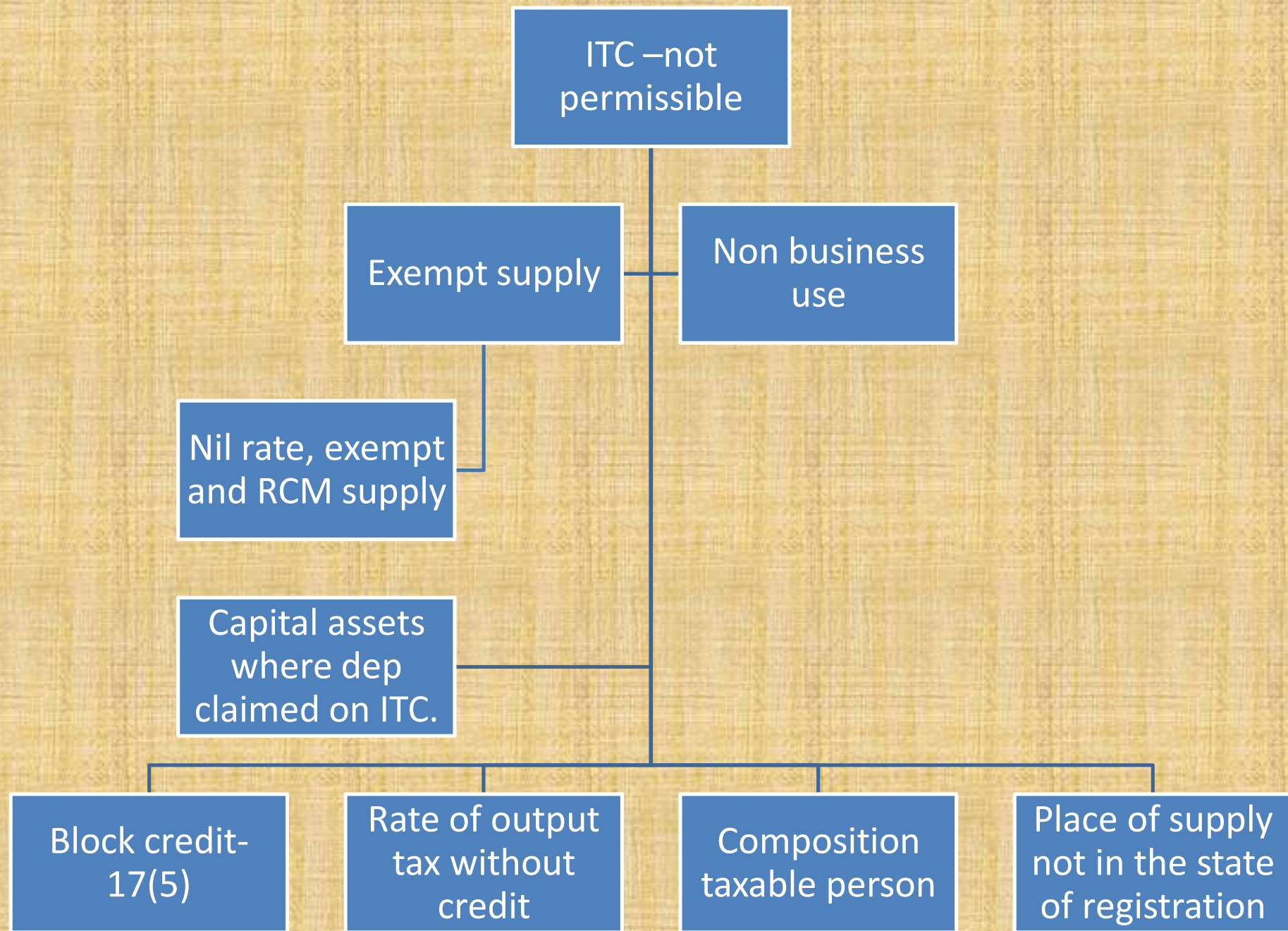
Restrictions on use of amount available in electronic credit ledger. Rule 86B

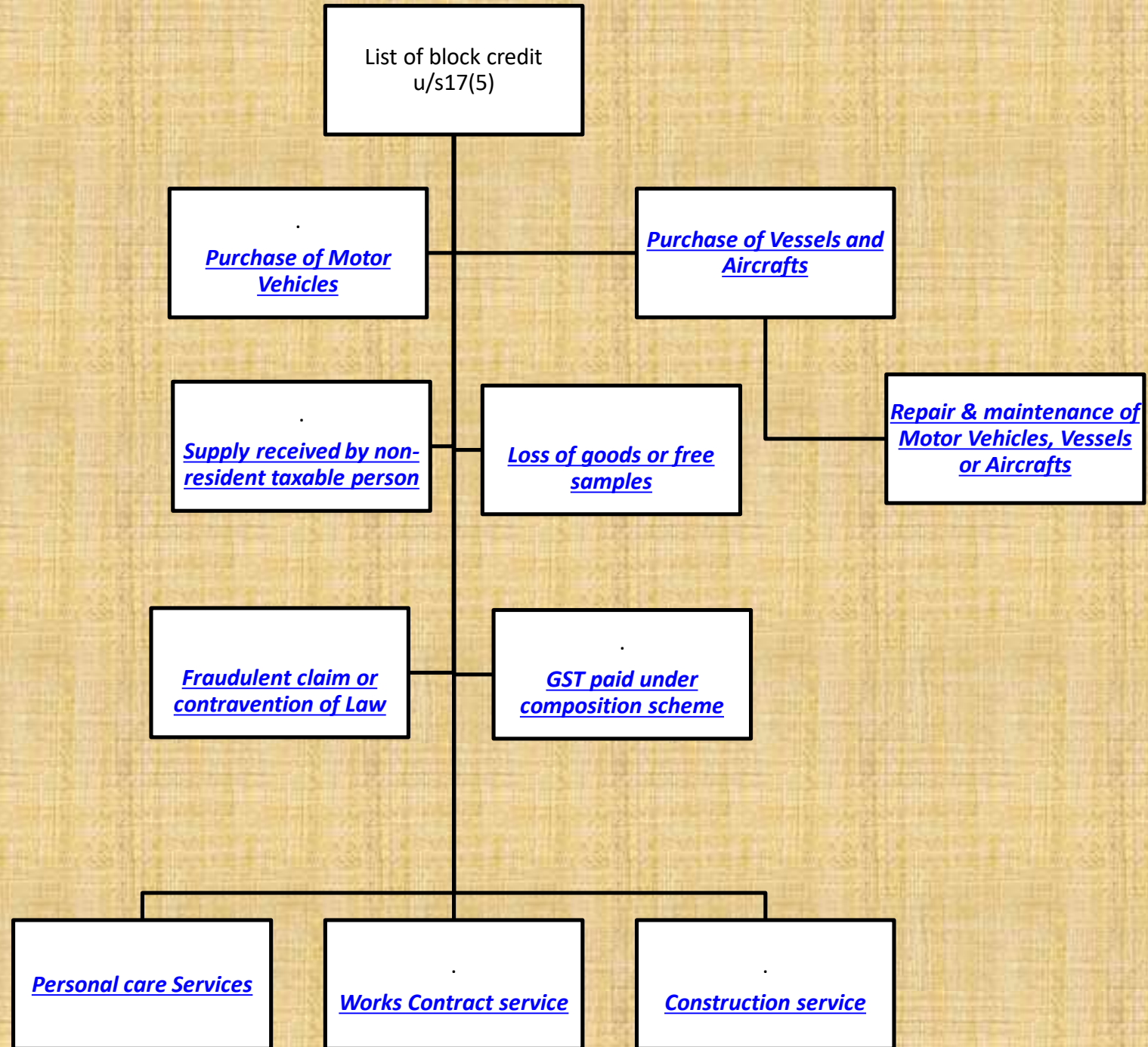
Notwithstanding anything contained in these rules, the registered person shall not use the amount available in electronic credit ledger to discharge his liability towards output tax in excess of 99% of such tax liability, in cases where the **value of taxable supply** other than exempt supply and zero-rated supply, in a month exceeds ₹ 50 Lakhs:

Provided that the said restriction shall not apply where -

- (a) the said person or the proprietor or karta or the managing director or any of its two partners, whole-time Directors, Members of Managing Committee of Associations or Board of Trustees, as the case may be, have **paid more than one lakh rupees** as income tax under the Income-tax Act, 1961(43 of 1961) **in each of the last two financial years** for which the time limit to file return of income under subsection (1) of section 139 of the said Act has expired; or
- (b) the registered person has received a **refund amount** of more than **one lakh rupees in the preceding financial year** on account of unutilised input tax credit under clause (i) of first proviso of subsection (3) of section 54; or
- (c) the registered person has received a **refund amount of more than one lakh rupees in the preceding financial year** on account of unutilised input tax credit under clause (ii) of first proviso of subsection (3) of section 54; or
- (d) the registered person **has discharged his liability towards output tax through the electronic cash ledger for an amount which is in excess of 1% of the total output tax liability, applied cumulatively, upto the said month in the current financial year**; or
- (e) the registered person is -
 - (i) Government Department; or
 - (ii) a Public Sector Undertaking; or
 - (iii) a local authority ; or
 - (iv) a statutory body:

Provided further that the Commissioner or an officer authorised by him in this behalf may remove the said restriction after such verifications and such safeguards as he may deem fit.]





No credit of confirm demand of fraud etc.

***No input tax credit shall be availed** by a registered person in respect of any tax that has been paid in pursuance of any order where any demand has been confirmed on account of any fraud, willful misstatement or suppression of facts.*
.[R-36(3)]

Note: restriction for credit of ITC is only in fraud cases and not where tax paid under any demand recovery for other than fraud cases.

See section 17(5) (i) any tax paid in accordance with the provisions of sections 74, 129 and 130.

Section 74 demand recovery in fraud cases.

*Section 129 tax paid in the case of **detention, seizure and release of goods and conveyances in transit.***

*Section 130 tax paid in the case of **Confiscation of goods or conveyances.***

- Note: what would happen if against the confirmed demand appeal has been filed which is yet to be finalised?

**credit reversal, if recipient failed to pay
within 180 days[S-16(2) 2nd proviso]**

- If recipient of goods or service or both **fails to pay** the supplier amount towards the **value of supply along with tax payable** thereon within 180 days from **date of issue of invoice**, the amount of input tax credit availed along with the interest will be added to output liability of the recipient in prescribed manner. Such non-payment of the value of invoice must be admitted in the return filed in FORM-GSTR 2 (Rule 37 of CGST Rules, 2017) for the month immediately following the period of 180 days from the date of issue of invoice.
- The said input tax credit can be re-availed on payment of value of supply and tax payable thereon.
- recipient shall be entitled to avail of the credit of input tax on payment made by him of the amount towards the **value of supply of goods or services** or both **along with tax payable** thereon. No time limit for re-availment of credit.

Non applicability of this proviso : *deemed payment shall be considered in following cases*

1. *inward supplies on which tax is payable on reverse charge basis either u/s 9(3) or 9(4),*
2. *schedule -1 transaction where supply without consideration is covered. Rule 37 relax the payment condition within specified 180 days.*
3. *section 15(2) (b) case where value of supply shall include any amount that the supplier is liable to pay in relation to such supply but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods or services or both;*

Reversal of ITC in the case of non-payment of consideration[R-37]

37(1) A registered person shall furnish the details of such supply, the amount of value not paid and the amount of input tax credit availed of proportionate to such amount not paid to the supplier in FORM GSTR-2 for the month **immediately following the period of 180 days from the date of the issue of the invoice:**

Provided that the value of **supplies made without consideration as specified in Schedule I** of the said Act shall be for the purposes of the second proviso to sub-section (2) of section 16:**deemed to have been paid**

² **[Provided further** that the value of supplies on account of any amount added in accordance with the provisions of section 15(2)(b) (related obligation of supplier incurred by recipient and not included in the value but includible) shall be **deemed to have been paid** for the purposes of the second proviso to sub-section (2) of section 16.]

(2) The amount of input tax credit referred to in sub-rule (1) shall be added to the output tax liability of the registered person for the month in which the details are furnished.

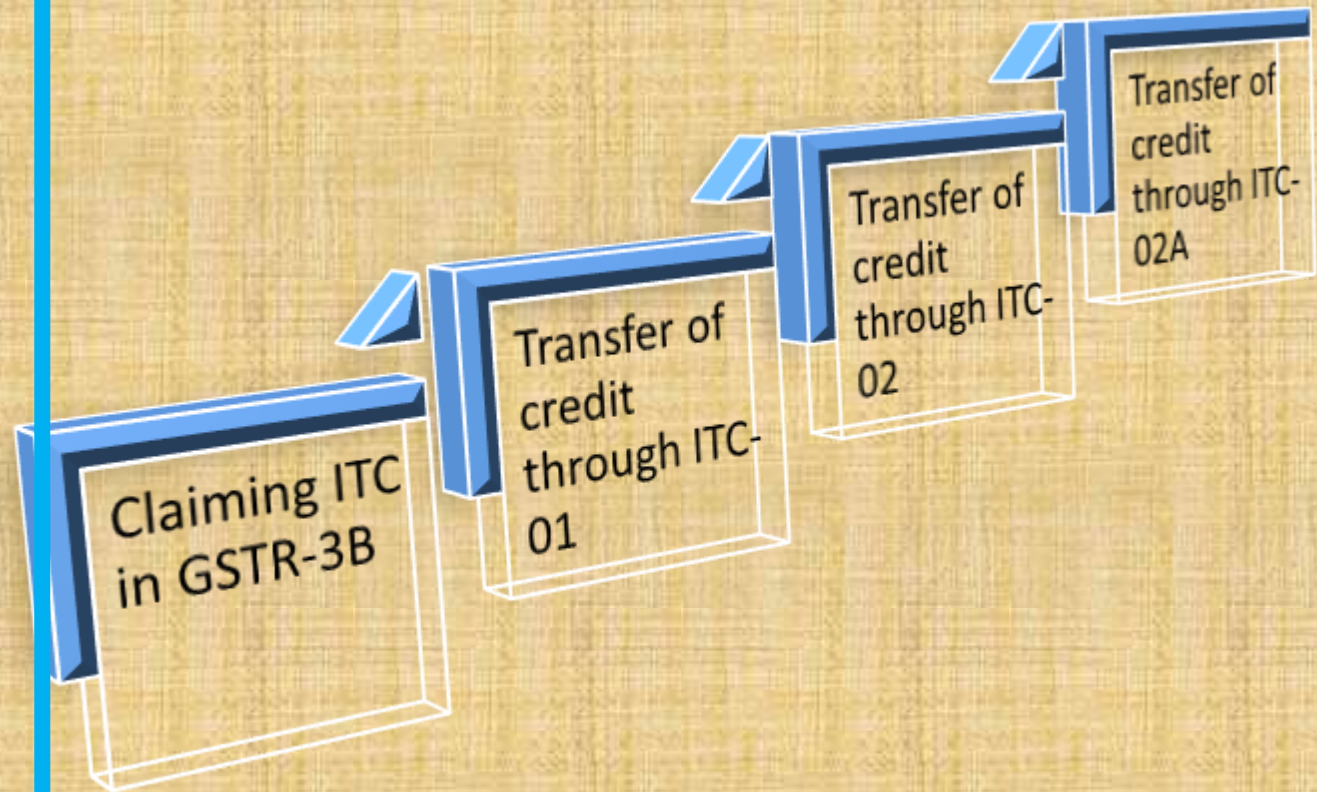
(3) The registered person shall be liable to pay interest at the rate notified under sub-section (1) of section 50 for the period starting from the date of availing credit on such supplies till the date when the amount added to the output tax liability, as mentioned in sub-rule (2), is paid.

(4) The **time limit specified** in section 16(4) [which is due date of September return of next FY] **shall not apply to a claim for re-availing of any credit**, in accordance with the provisions of the Act or the provisions of this Chapter, that had been reversed earlier.

2. Inserted by the Central Goods and Services Tax (Fifth Amendment) Rules, 2018, w.e.f. **13-6-2018**.

Increase in balance of E-credit ledger

- Transfer of credit through ITC - 01 as per provisions of section 18(1)-new registration within 30 days
- Transfer of credit through ITC - 02 as per provisions of section 18(3) on sale, merger, demerger, amalgamation, lease or transfer of a business
- Transfer of ITC, if multiple registration obtained u/s 25(2) for **multiple places of business** , according to rule 41A



Transfer of credit on obtaining separate registration for multiple places of business within a State or Union territory. R-41A & S-25(2)

For different type of business different registration may be obtained

One business may have rate of tax without credit whereas other business with credit

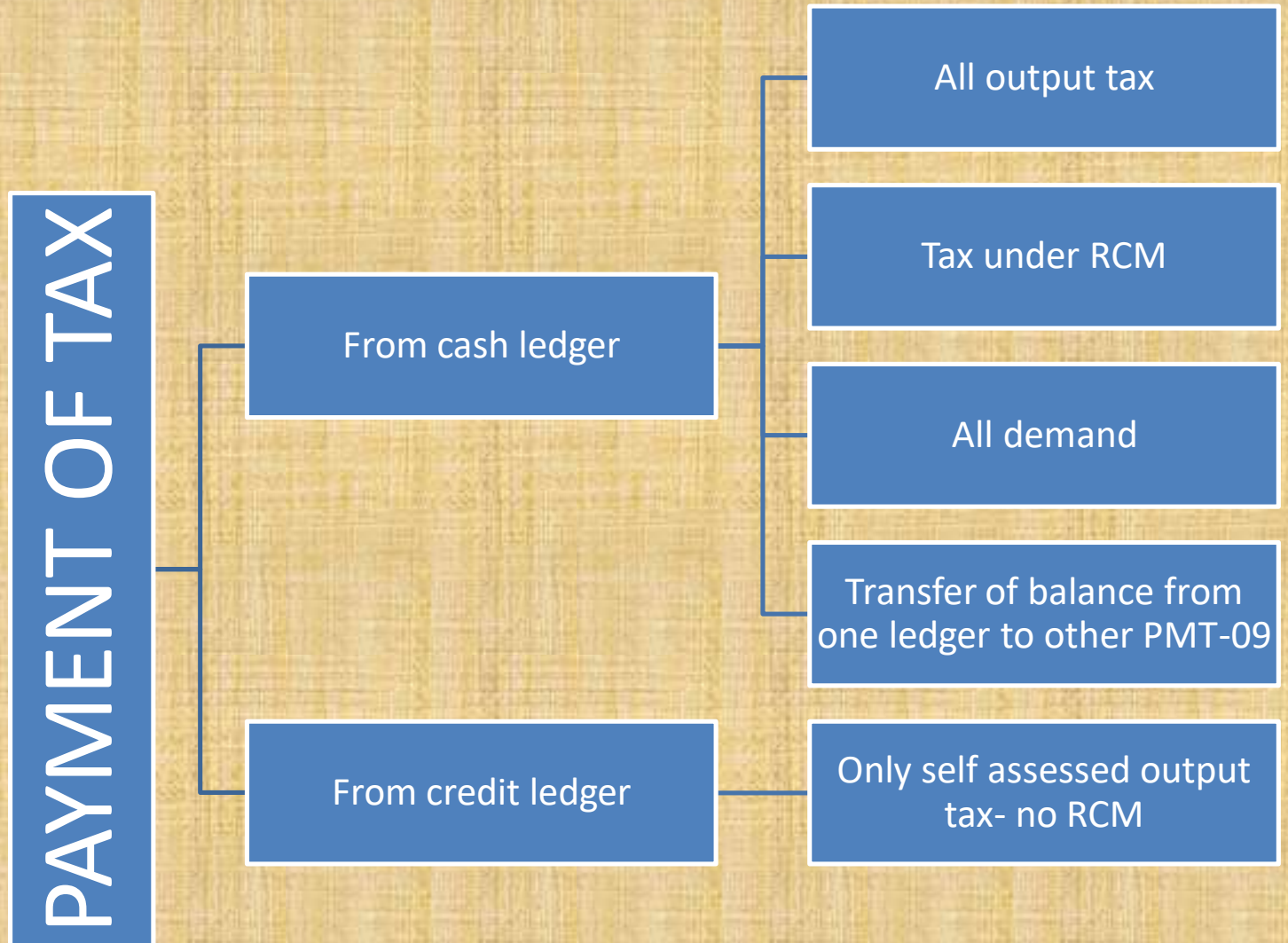
- *R-41A (1) A registered person who has obtained separate registration for multiple places of business in accordance with the provisions of rule 11 and who intends to transfer, either wholly or partly, the unutilised input tax credit lying in his electronic credit ledger to any or all of the newly registered place of business, shall furnish within a period of thirty days from obtaining such separate registrations, the details in **FORM GST ITC-02A** electronically on the common portal, either directly or through a Facilitation Centre notified in this behalf by the Commissioner:*
- **Provided** that the input tax credit shall be transferred to the newly registered entities in the ratio of the value of assets held by them at the time of registration. *Explanation.- For the purposes of this sub-rule, it is hereby clarified that the 'value of assets' means the value of the entire assets of the business whether or not input tax credit has been availed thereon.*
- (2) *The newly registered person (transferee) shall, on the common portal, accept the details so furnished by the registered person (transferor) and, upon such acceptance, the unutilised input tax credit specified in **FORM GST ITC-02A** shall be credited to his electronic credit ledger.*

REVERSAL OF CREDIT

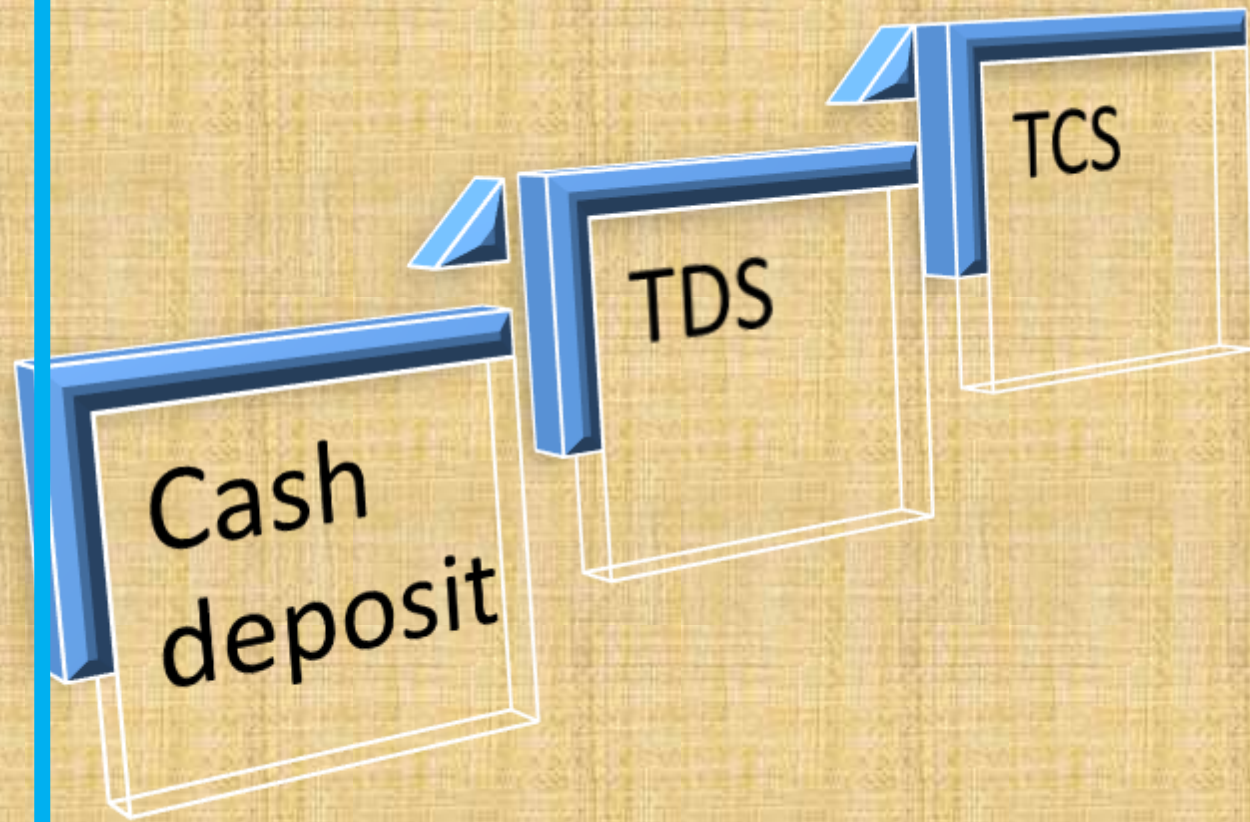
- No payment to trade creditors within 180 days
- Sale/ disposal of goods
- goods written off, disposed off, FOC to other than related person or distinct person
- Regular to composition or taxable to exempt supply
- Wrong credit of ITC
- Input or capital goods later on for non business use
- Supply become exempted, nil rated, non GST supply,

PAYMENT OF TAX

- RCM is not within the meaning of output tax .
- **output tax"** in relation to a taxable person, means the tax chargeable under this Act on taxable supply of goods or services or both made by him or by his agent but excludes tax payable by him on reverse charge basis;[S-2(82)]



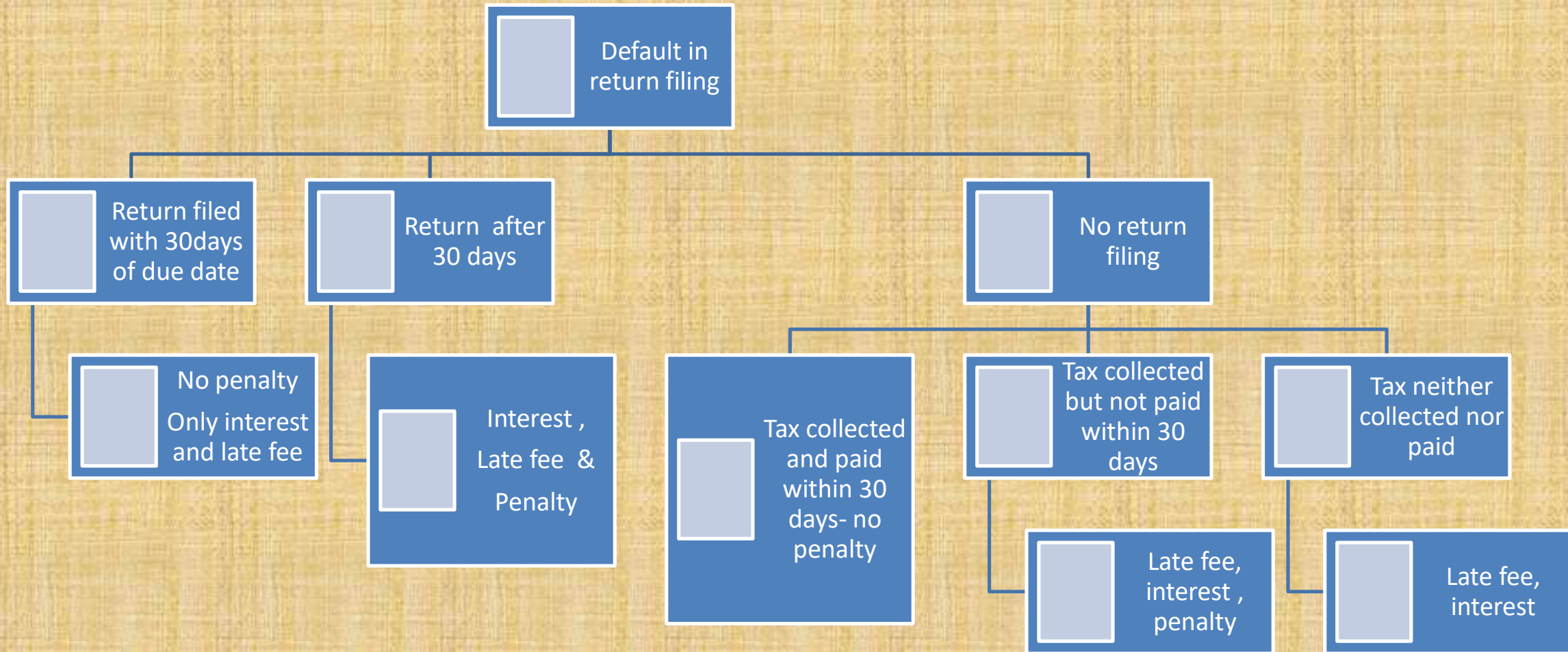
**Increase in balance of
balance of E-cash ledger**



Consequence of non return filing in time / no return filing

- Late fee section 47
- Interest u/s 50
- Penalty
- Best judgment assessment
- Prosecution
- Harassment by Notice to return defaulter
- Cancellation of registration
- E- Way bill can't be generated
- Problems in bank finance

Late return filing/ no return filing consequence [s-73(9)&(11)]



Fee for late filing of
Return[sec 47]

- (1) Any registered person who fails to furnish the details of outward under section 37 or inward supplies required section 38 or returns required under section 39(monthly return or quarterly return) or under section 45(final return) by the due date shall pay a late fee of rupees 100*/- for every day during which such failure continues subject to a maximum amount of rupees 5000/-.
- (2) Any registered person who fails to furnish the annual return required under section 44 by the due date shall be liable to pay a late fee of rupees 100/- for every day during which such failure continues subject to a maximum of an amount calculated at 0.25% of his turnover in the State or Union territory.
- ***For relaxation by reduction in late fee refer notification**

Thank You

THANK YOU
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