



E-Newsletter of the Guwahati Branch of EIRC of
The Institute of Chartered Accountants of India
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Guwahati@ICAI

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From the Chairman's Desk



Dear Members,

Through this edition of Newsletter, I like to express my gratitude to all the members, students and staffs of the Branch for showering their support to the Managing Committee Members during the month of May.

During May, the Branch took the initiative to conduct workshops for the members to keep themselves updated on GST Annual Return and Audit. Due to the overwhelming response from the members, the Branch has successfully conducted 2 Nos. of two days workshop consecutively. Apart from the above, the Branch also organized one full day workshop on GST Annual Return and Audit in Jorhat to cater the need of members from Upper Assam.

The Branch in association with Alankit Assignment Limited hosted a seminar on Dematerialization of Securities in May.

The Students Body has organized a refresher course on GST for the students for 9 days consecutively.

June will be quite busy month for the members and students who will be involved in Annual return and Audit under GST, and the Branch always tries to keep the members up to date in all subjects, therefore one more workshop is planned for the members on GST in June.

Through this newsletter I again appeal all the members to encourage their articles and students to attend and be a part of two days mega conference of students to be held on 12th & 13th July 2019. The students will be highly benefitted by the presence of eminent speakers as well as they have opportunity to build network and improve their own skill and knowledge in different subjects. We solicit your guidance and support for the ensuing National Convention for CA students to make the event a memorable one.

I conclude my message with the same belief of your continues support and guidance.

Regards,

CA. Dhiraj Kumar Jain
Branch Chairman





From the Editor's Desk

Dear Colleagues,

At the very outset, I would like to convey my special thanks to all the members for their continued support with their articles, inputs and encouragement which enables us to successfully release the branch newsletter in a timely manner. We are planning to digitize the newsletter and thus new and innovative ideas are solicited from members so that we can implement the same at the earliest. Already some inputs have been received by us and I would like to convey my sincere thanks to all of them for their kind inputs.

We are always trying our level best to cover the most important topics which shall be relevant for us. However, it shall be more fruitful if the members participate in large numbers by contributing articles in the newsletter and making the output more relevant.

The coming months shall be highly hectic for the profession at large with a whole lot of assignments at our disposal namely,

- Tax Audit
- Income Tax Return Filing
- GST Audits and Annual Return
- ROC Compliances

However, the same can be complied with by strategically planning our works in a way that we can complete our works on time while maintaining the quality of our assignments.

The Branch is organizing CA Students Convention on 12th and 13th July, 2019 and thus the branch has requested all members to actively encourage all its articles to participate in the convention.

The Branch has requested members to generously contribute towards the Chartered Accountants Benevolent Fund (CABF) so that the ICAI can extend its support to the needy friends of ours. In this context, I also would like to request all members of our branch to contribute to the fund to the extent possible.

Regards,

CA. Ayush Saraf
Editor



UPDATES

RECENT UPDATES

TOPIC	DETAILS
CA Students Convention	The Guwahati Branch of EIRC of ICAI is organizing its Convention for CA Students at Branch Premises at Manik Nagar, Guwahati on 12th and 13th July, 2019 wherein a galaxy of luminaries from our profession will be present to interact with the students. Registrations for the same has been opened by the branch.
Self Service Portal (SSP)	<p>ICAI's Members and Student services have been made online, in digitized form on a new platform which works on a Self Service Mode on the Self Service Portal (SSP). Application forms are available online now barring a few which will also be available shortly. Kindly visit e-services on www.icaai.org.</p> <p>ICAI has decided to waive off delay condonation fee on all application forms with transaction dates between 01st April 2019 to 30th June 2019 and submitted online by 31st July 2019.</p>
Pre-Budget Memoranda - 2019	The ICAI has submitted its Pre-Budget Memoranda for the upcoming budget-2019.



Articles

Clarifications on filing of Annual Return: FORM GSTR-9



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PRESS RELEASE (ISSUED BY CBIC)

The last date for filing of Annual return in FORM GSTR-9 is 30th June 2019. The trade and industry have raised certain queries with respect to filing of this Annual return which are being clarified as follows:

a) Information contained in FORM GSTR-2A as on 01.05.2019 shall be auto-populated in Table 8A of FORM GSTR-9.

b) Input tax credit on inward supplies shall be declared from April 2018 to March 2019 in Table 8C of FORM GSTR-9.

c) Particulars of the transactions for FY 2017-18 declared in returns between April 2018 to March 2019 shall be declared in Pt. V of FORM GSTR-9. Such particulars may contain details of amendments furnished in Table 10 and Table 11 of FORM GSTR-1.

d) It may be noted that irrespective of when the supply was declared in FORM GSTR-1, the principle of declaring a supply in Pt. II or Pt. V is essentially driven by when was tax paid through FORM GSTR-3B in respect of such supplies. If the tax on such supply was paid through FORM GSTR-3B between July 2017 to March 2018 then such supply shall be declared in Pt. II and if the tax was paid through FORM GSTR-3B between April 2018 to March 2019 then such supply shall be declared in Pt. V of FORM GSTR-9.

e) Any additional outward supply which was not declared by the registered person in FORM GSTR-1 and FORM GSTR-3B shall be declared in Pt. II of the FORM GSTR-9. Such additional liability shall be computed in Pt. IV and the gap between the "tax payable" and "Paid through cash" column of FORM GSTR-9 shall be paid through FORM DRC-03.

f) Many taxpayers have reported a mismatch between auto-populated data and the actual entry in their books of accounts or returns. One common challenge reported by taxpayer is in Table 4 of FORM GSTR-9 where details may have been missed in FORM GSTR-1 but tax was already paid in FORM GSTR-3B and therefore taxpayers see a mismatch between auto-populated data and data in FORM GSTR-3B. It may be noted that auto-population is a functionality provided to taxpayers for facilitation purposes, taxpayers shall report the data as per their books of account or returns filed during the financial year.

g) Many taxpayers have represented that Table 8 has no row to fill in credit of IGST paid at the time of import of goods but availed in the return of April 2018 to March 2019. Due to this, there are apprehensions that credit which was availed between April 2018 to March 2019 but not reported in the annual return may lapse. For this particular entry, taxpayers are advised to fill in their entire credit availed on import of goods from July 2017 to March 2019 in Table 6(E) of FORM GSTR-9 itself.

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h) Payments made through FORM DRC-03 for any supplies relating to period between July 2017 to March 2018 will not be accounted for in FORM GSTR-9 but shall be reported during reconciliation in FORM GSTR-9C.

2. All the taxpayers are requested to file their Annual Return (FORM GSTR-9) at the earliest to avoid last minute rush.

FAQ RELATING TO GST ANNUAL RETURN (GSTR-9) RELATING TO RECENT PRESS RELEASE

FAQ 1. Can I fill correct figures of outward taxable value and tax payable in GSTR 9, if the same are not correctly appearing in GSTR 1?

- ✓ Ans. Correct figures as per final books of accounts for 2017-18 should be reported in GSTR 9, even if GSTR 1 or GSTR 3B were not filed correctly.

FAQ 2. I have made corrections regarding 2017-18 in my GSTR 3B for 2018-19, how do I include these details in GSTR 9, so that my liability is not included twice by reporting correct figures in GSTR 9 as said above.

- ✓ Ans. Form GSTR 9 has provided Part V for reporting the details which were corrected (+/-) in GSTR 3B of 2018-19. The principle to be followed for reporting in GSTR 9 can be understood precisely as under:

(i) The supply amount which was declared through FORM GSTR-3B between July 2017 to March 2018 shall be declared in Part II of GSTR 9.

(ii) The supply amount which was declared through FORM GSTR-3B between April 2018 to March 2019 be declared in Part V of FORM GSTR-9.

(iii) Any increase / decrease which is required as per final books of accounts, but was neither declared in GSTR 3B of July 2017 to March 2018, nor in GSTR 3B of April 2018 to March 2019 shall be declared in Part II of the FORM GSTR-9.

FAQ 3. For SI No (iii) of the Answer to FAQ 2 above, how will the adjustment in liability be done?

- ✓ Ans. Any additional liability shall be computed in Part IV and will be represented by the difference between the "Tax payable" and "Tax Paid" column of FORM GSTR-9. Such difference shall be required to be paid through FORM DRC-03 after considering the excess/ short tax paid appearing under Part V of GSTR 9.



Articles

FAQ RELATING TO GST ANNUAL RETURN GSTR-9 RELATING TO RECENT PRESS RELEASE84

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FAQ 4. How is the amount of "Tax Paid" under Part IV of GSTR 9 auto populated?

- ✓ Ans. The amount which was paid under GSTR 3B of July 2017 to March 2018, by way of Electronic Credit Ledger is auto populated under Part IV as "Paid through ITC".

The amount which was paid under GSTR 3B of July 2017 to March 2018, by way of Electronic Cash Ledger is auto populated under Part IV as "Paid through Cash".

Any amount paid through DRC-03 (whether through Electronic Credit Ledger or through Electronic Cash Ledger does not get reflected under Part IV and needs to be explained by tagging the DRC -03, if any filed for 2017-18 with the GSTR – 9 manually.

FAQ 5: Can "Payable" appearing under Table 14 of Part V be higher or lesser than "Paid" appearing under Table 14 of Part V?

- ✓ Ans. This part of the GSTR 9 is being filled manually. Logically, whatever is declared as "Payable" as per Part V should only be declared as "Paid" under this part and there should not be any difference.

FAQ 6: If amount of Tax payable appearing in Part IV of GSTR 9 is higher than Tax paid by Rs. 100, and Balance available in Electronic Credit Ledger is Rs. 60, when DRC 03 is being filed, can I use Rs 60/- for payment and pay only balance by Rs. 40/-?

- ✓ Ans. No, any additional liability arising from differences under Part IV of GSTR 9 due to non-declaration of any amount relating to 2017-18 (either in Part II or in Part V) shall be payable only by cash, i.e. by debiting Electronic Cash Ledger, irrespective of the fact, whether there is balance in Electronic Credit Ledger or not.

FAQ 7. Why the auto-populated amount in Table 8A of Part III does not match with GSTR 2A amount which I find under the monthly Return dashboard?

- ✓ Ans. The monthly Return Dashboard from where I view details of GSTR 2A monthly, includes those invoices/debit notes/ credit notes, which have been saved on the Portal by my supplier, but the respective GSTR 1 has not been filed by him. Such invoices appear there marked as "Not submitted". However, the details auto populated under GSTR 2A include only those invoices/debit notes/credit notes for which GSTR 1 has been duly filed by my supplier.

The amount auto populated under GSTR 2A is final amount which will be considered for checking available credit as per 2A and a reconciliation may be prepared in cases where there is mismatch as above. However, there is no mandate to reverse/ lapse any input tax credit which is admissible in terms of Section 16 and is not blocked under Section 17 or 18 or Rules hereunder.



Articles

Some Important Advance Rulings under GST



CA. Manoj Nahata

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ISSUE	DECISION
1) Whether ITC can be claimed on inward supplies by the recipient when consideration is paid through book adjustment?	<p>Held: Yes</p> <p><i>M/s Senco Gold Ltd.-AAR West Bengal</i></p> <p>The Authority, by referring to section-49(2), provided that it does not prohibit the Applicant from reporting in the return input tax credit when consideration is paid to the supplier by way of book adjustment. In fact, section 49 does not deal with the mode of the transaction between the recipient and the supplier. The definition of 'consideration', in the present context cast the net so wide that almost no form of payment is excluded, thus incorporate the payment made by book adjustments. The Authority ruled that the applicant can pay the consideration for inward supplies by way of setting off book debt.</p>
2) Whether supply of pure food items such as sweetmeats, namkeens, cold drink and other edible items from a sweetshop which also runs a restaurant is a transaction of supply of goods or a supply of service?	<p>Held: Supply of goods</p> <p><i>Kundan Misthan Bhandar-AAAR Uttarakhand</i></p> <p>These sales do not satisfy the basic requirement of 'composite supply' i.e. 'being naturally bundled and supplied in conjunction with each other'. These sales are completely independent of restaurant activity and will continue even when the restaurant is closed, either temporarily or permanently. Hence such sales will be treated as supply of goods with applicable GST rates on the items sold. Input credit will be allowed on such supply.</p>



Articles

Some Important Advance Rulings under GST

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ISSUE	DECISION
3) Whether GST paid on building materials, such as cement, concrete, bricks, cement or marble or stone slabs or tiles, paint, polish and any other building materials meant for repair of building and GST paid on supply of labour for carrying out for repair of building shall be available for ITC? Will it make any difference if aforementioned works are carried out in a composite manner as a works contract, where material as well as labour is supplied by a contractor as a composite supply under works contract?	<p>Held: To the extent capitalized not allowed</p> <p><i>M/S Rambagh Palace Hotels Pvt. Ltd. –AAR Rajasthan</i></p> <p>Regarding supply of labour, the Authority stated that supply of manpower is a supply of service and is covered u/s 17 (5) (d) and in relation to construction service. Thus, ITC will not be available on such supply of manpower to the extent of capitalization of the said supply.</p> <p>If supply of goods and services supplied for construction work of an immovable nature is done in composite manner, i.e. ‘works contract’, then also it falls within the ambit of section-17 (5) (c), resulting in non-availment of ITC to the extent of capitalization of the said goods.</p>
4) Whether the supply of medicines, consumables, surgical items used in the course of providing healthcare services to in-patients and patients admitted for a day procedure such as IVF for diagnosis or treatments which are naturally bundled and are provided in conjunction with each other, would be ‘Composite supply’ and are eligible for exemption under ‘health care services’?	<p>Held: Composite supply, exempt</p> <p><i>M/s Kindorama Healthcare Private Limited-AAR Kerala</i></p> <p>The Authority ruled that in case of inpatients, the applicant provides a bundle of supplies which is classifiable as healthcare services eligible for exemption under GST.</p>



BRANCH ACTIVITIES



Two Days Workshop on GST Audit & Annual Return was hosted at the Branch under GST &

Indirect Taxes Committee of ICAI on 16-17, May 2019 with 100 Participants. CA. O P Agarwala, CA. Arun Agarwal, CA. Vivek Jalan, CA. Gagan Kedia, CA. D S Agarwala and CA. Vikash Banka were the speakers.



A Two Days Workshop on GST Audit & Annual Return is being

hosted at the Branch under GST & Indirect Taxes Committee of ICAI on 30-31, May 2019 with 200 Participants. CA. Ragini Goyal, CA. Arpit Haldia, CA. Yash Dadda, CA. Abhay Desai & CA. Bikash Agarwal are the speakers. 12 CPE Hours shall be granted to the participants.



A Six CPE Hours Seminar on GST Audit & Annual Return was organized at Jorhat CPE Chapter at Hotel G K

Palace, Jorhat on 18.05.2019. CA. Vivek Jain and CA. O P Agarwala were the speakers.

A Two Hour CPE on Live Webcast on "Overview of GST Annual Return & Audit" was hosted at ICAI Bhawan on 05.05.2019.

A Two-Hour CPE on Live Webcast on "Graduate Insolvency Programme for Young Members" was hosted at ICAI Bhawan on 02.05.2019.

3 CPE Hrs Study Circle Meeting on Dematerialisation of Securities for Listed & Un-listed Companies organised by Guwahati Branch of EIRC of ICAI at Hotel Atithi, Guwahati on 25.05.2019.

A Two Hour CPE on Live Webcast on "Ind AS 116 Leases : A Practical Approach" was hosted at ICAI Bhawan on 09.05.2019.

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MANAGING COMMITTEE

REQUEST FOR CONTRIBUTION TO CHARTERED ACCOUNTANTS BENEVOLENT FUND (CABF)

APPEAL TO MEMBERS

The Guwahati Branch of EIRC of ICAI hereby requests all its members to contribute generously towards the CABF and help the Institute in extending support towards needy chartered accountants and their families. Donors may kindly contact Branch Chairman for the same.

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