Manual on Returns & Payment Under GST
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Monthly Returns by Registered Taxable Person

Every registered taxable person, other than a person opting for composition scheme, Input Service Distributor (ISD), non-resident taxable person or person required to deduct or collect tax at source, is required to furnish details of outward and inward supplies of goods/ services, input tax credit availed, tax payable, tax paid etc. on a monthly basis.

The following are the steps for furnishing the said details:

**STEP 1:**
The taxpayer (supplier) will have to furnish details of outward supplies made during the month in Form GSTR-1 electronically through the common portal by 10th day of the subsequent month.
Eg: The details of outward supplies made during October, 2017 shall be reported in Form GSTR-1 which has to be furnished before 10 November, 2017.

**STEP 2:**
The details of outward supplies furnished by the supplier in Form GSTR-1 shall be auto-populated and made available electronically to the recipient of supplies in PART A of Form GSTR-2A through the GST common portal after the due date of filing of Form GSTR-1.

**STEP 3:**
The recipient can make the corrections required i.e., addition, modification and deletion in Form GSTR-2A and submit the final inward details in Form GSTR-2 by 15th day of the subsequent month.
Eg: If the supplier has shown the value of outward supply and tax thereon as INR 1000 and INR 100 respectively for the month of October, 2017 and the actual value of supply and tax thereon as per tax invoice during that month is INR 1500 and INR 150 respectively, the recipient can modify the said entry to claim the credit to the extent of INR 150 by 15 November, 2016.
**STEP 4:**
The corrections done by the recipient shall be made available to the supplier in Form GSTR-1A. The supplier has to either accept or reject the corrections by 17th day of the subsequent month. Form GSTR-1 furnished by the supplier will be amended to the extent of correction accepted by the supplier.

Eg: The supplier can accept the corrections made by the recipient in Form GSTR-2 for the month of October, 2017 i.e., increase in the value of supply and tax thereon by 17 November, 2017 and on doing so, supplier’s original Form GSTR-1 shall amended accordingly.

**STEP 5:**
Form GSTR-3 containing details of outward and inward supplies will be auto-populated and will be made available for submission along with the payment. Form GSTR-3 has to be submitted electronically by 20th day of subsequent month.

Eg: The details of inward and outward supplies made during the month of October, 2017 shall be reported in Form GSTR-3 which has to be furnished before 20 November, 2017.

**Casual taxable person** would have to file Form GSTR-1, Form GSTR-2 and Form GSTR-3 for the period for which registration has been obtained.

<table>
<thead>
<tr>
<th>Return</th>
<th>Frequency</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>FORM GSTR-1</td>
<td></td>
<td>10th day of succeeding month</td>
</tr>
<tr>
<td>FORM GSTR-2A</td>
<td>Monthly</td>
<td>Auto-populated after filing of Form GSTR-1</td>
</tr>
<tr>
<td>FORM GSTR-2</td>
<td></td>
<td>15th day of the succeeding month</td>
</tr>
<tr>
<td>FORM GSTR-1A</td>
<td></td>
<td>Auto-populated after filing of Form GSTR-2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>To be approved by supplier by 17th day of succeeding month</td>
</tr>
<tr>
<td>FORM GSTR-3</td>
<td></td>
<td>20th day of succeeding month</td>
</tr>
</tbody>
</table>
Return by a person deducting tax at source

Every registered taxable person who is required to deduct tax at source is required to furnish details of tax deducted and deposited on a monthly basis.

The following are the steps for furnishing the said details:

**STEP 1:**
Every person deducting tax at source shall furnish the details of tax deducted in Form GSTR-7 (TDS return) electronically by 10th day of the succeeding month.
Eg: The deductor has to furnish the details of tax deducted at source in the month of October, 2017 in Form GSTR-7 by 10 November, 2017.

**STEP 2:**
The details furnished in Form GSTR-7 shall be auto-populated and made available electronically to each of the suppliers in Part C of FORM GSTR-2A after the due date of filing Form GSTR-7.

**STEP 3:**
The tax deduction certificate shall be made available electronically to the supplier (deductee) in Form GSTR-7A within 5 days from the date of deposit of TDS by the deductor.

<table>
<thead>
<tr>
<th>Return</th>
<th>Frequency</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>FORM GSTR-7</td>
<td></td>
<td>10th day of the succeeding month</td>
</tr>
<tr>
<td>Part C of GSTR-2A</td>
<td>Monthly</td>
<td>Auto-populated to each supplier after submission of Form GSTR-7</td>
</tr>
<tr>
<td>GSTR-7A</td>
<td></td>
<td>Certificate within 5 days from the date of deposit of TDS</td>
</tr>
</tbody>
</table>
Revision of Returns
How to revise a return

There is no provision to revise the returns filed by the taxpayer. However, the taxpayer can rectify the details in the returns of the subsequent tax periods filed by him. The returns formats are having separate tables for inserting the details pertaining to the previous tax periods.

9. Amendments to taxable outward supply details furnished in returns for earlier tax periods in Table 4, 5 and 6 [including debit notes, credit notes, refund vouchers issued during current period and amendments thereof]

<table>
<thead>
<tr>
<th>Details of original document</th>
<th>Revised details of document or details of original Debit/Credit Notes or refund vouchers</th>
<th>Rate</th>
<th>Taxable Value</th>
<th>Amount</th>
<th>Place of supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>GSTIN</td>
<td>Inv. No.</td>
<td>Inv. Date</td>
<td>GSTIN</td>
<td>Invoice No.</td>
<td>Date</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

9A. If the invoice/Shipping bill details furnished earlier were incorrect

9B. Debit Notes/Credit Notes/Refund voucher [original]

9C. Debit Notes/Credit Notes/Refund voucher [amendments thereof]

10. Amendments to taxable outward supplies to unregistered persons furnished in returns for earlier tax periods in Table 7

<table>
<thead>
<tr>
<th>Rate of tax</th>
<th>Total Taxable value</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Integrated Tax</td>
<td>Central Tax</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

Tax period for which the details are being revised: <Month>

10A. Intra-State Supplies [including supplies made through e-commerce operator attracting TCS] [Rate wise]

10A (1). Out of supplies mentioned at 10A, value of supplies made through e-Commerce Operators attracting TCS (operator wise, rate wise)

GSTIN of e-commerce operator

10B. Inter-State Supplies [including supplies made through e-commerce operator attracting TCS] [Rate wise]

Place of Supply (Name of State)

10B (1). Out of supplies mentioned at 10B, value of supplies made through e-Commerce Operators attracting TCS (operator wise, rate wise)

GSTIN of e-commerce operator
Annual return
**Who is required to file annual Return?**

Every registered taxable person other than a composition dealer, ISD, person required to deduct or collect tax at source, a casual taxable person and non-resident taxable person shall furnish, electronically, annual return in **Form GSTR – 9** by **31st December following the end of such financial year**.

Eg: Annual Return for the period April 2017 to March 2018 shall be furnished by 31 December, 2018.

A person who is opting to pay tax under composition scheme shall furnish annual return in **Form GSTR – 9A** by 31st December following the end of such financial year.

The form has yet not been prescribed.

**Audit**

Every registered taxable person having aggregate turnover during the financial year of more than INR 1 crore is required to get his accounts audited by a chartered accountant or a cost accountant. He has to furnish the copy of audited accounts and a reconciliation statement in **Form GSTR – 9B** along with the annual return in Form GSTR- 9.

**Reconciliation statement**

As the value of outward and inward supplies as per audited books of accounts and as per annual returns may differ due to various adjustments like related party supplies, post supply discounts etc., the differences will be reconciled in a statement and such statement is known as reconciliation statement.
Others
Late fee for non-filing of return

(1) If any registered taxable person who fails to furnish the details of outward supplies in Form GSTR -1 or inward supplies in Form GSTR - 2, monthly return or final return by the due date, he shall be liable to pay late fees of INR 100/- for every day during which such failure continues subject to maximum of INR 5,000/-.

(2) Any registered taxable person who fails to furnish the annual return, he shall be liable to pay late fees of INR 100/- for every day during which such failure continues subject to maximum of an amount calculated at 0.25% of his turnover in the state.

Notice to return defaulters

When a registered taxable person fails to furnish monthly return or annual return or final return, then a notice in Form GSTR - 3A shall be issued requiring him to furnish the said return within 15 days from the date of receipt of such notice.
Overview of Payments
Payments to be made under GST

A person may be liable to make the payment under GST laws in following instances:

► Person making intra-state supplies - CGST and SGST
► Person making inter-state supplies - IGST
► Person liable to deduct tax - TDS
► E-commerce operator collecting tax - TCS
► Default in payment of tax or wrong availment of credit - Interest
► Short payment of taxes or commitment of offence - Penalty
► Default in filing of returns - Late fees
► Any other payment which may be required to be made under the GST Act

Person liable to pay GST

► Supplier of goods/service
► Recipient of supply, in case of Reverse Charge Mechanism
► Third person (eg. E-commerce operator responsible for TCS, authorised person)

Time of payment

► Payment of CGST/ SGST/ IGST by taxpayer other than composite taxpayers is to be done on monthly basis by 20th of the succeeding month.
► Payment of CGST/SGST by composite taxpayer is to be done on quarterly basis, by 18th of month succeeding the quarter end.
► Payment of TDS/TCS is to be done by 10th of month succeeding the month of deduction/collection.

Recording of liabilities and payments

All the liabilities and payments will be recorded in Electronic Ledgers of taxpayer maintained on GST common portal in the following three ledgers:

► Electronic Tax Liability Register - Form GST PMT-01
► Electronic Credit Ledger - Form GST PMT-02
► Electronic Cash Ledger - Form GST PMT-05
Electronic tax liability register
What is Electronic Tax Liability Register?

► All liabilities of a taxable person under GST shall be reflected as a debit entry in Electronic Tax Liability Register and on discharge of any liability through electronic credit ledger or electronic cash ledger or reduction in the liability, such amount shall be reflected as a credit in the liability register.

The electronic tax liability register comprises of two parts:

Part I - Return related liabilities

► All liabilities accruing due to return and payments made against the liabilities will be recorded in this part. Eg. outward tax liability, mismatch of ITC etc.
► The liabilities of composite dealers, cancellation of registration will also be populated in the tax liability register
► If the balance in this part is positive (i.e., any return related tax liability is not discharged), the return would be treated as invalid.
► Further, the taxpayer would not be able to file return of a tax period if liabilities relating to previous tax period's return are not discharged completely.

The draft format of this part is as under:

Form GST PMT-1

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Date (dd/mm/yyyy)</th>
<th>Reference No.</th>
<th>Ledger code for discharging liability</th>
<th>Description</th>
<th>Type of Transaction (DR/CR) (Debit/Credit)</th>
<th>Amount debited/ credited (Central Tax/State Tax/UT Tax/Integrated Tax/CESS/All) (Rs)</th>
<th>Balance (Payable) (Central Tax/State Tax/UT Tax/Integrated Tax/CESS/Total)</th>
</tr>
</thead>
</table>
Part II – Other than return related liabilities

► All liabilities accruing which are not return related, will be recorded in this part.
  Eg: liability on account of any order in appeal, rectification, review, revision, etc.
► The closing balance in this part shall not have any effect on filing of return.

The draft format of this part is as under:
Form GST PMT-01:

![Form GST PMT-01](image-url)
Electronic Cash Ledger
What is Electronic Cash Ledger?

► Any amount deposited on account of GST / TDS / TCS shall be credited to Electronic Cash Ledger.
► Amount available in electronic cash ledger can be used for payment of tax, interest, penalty, fees, or any other amount payable under the Act.
► On discharge of any liability through electronic cash ledger, the amount shall be debited in the ledger.

The draft format of electronic cash ledger is as under:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Date of deposit (Debit) (dd/mm/yyyy)</th>
<th>Time of deposit</th>
<th>Reporting date (by bank)</th>
<th>Reference No.</th>
<th>Tax Period, if applicable</th>
<th>Description</th>
<th>Type of Transaction [Debit (DR)/Credit (CR)]</th>
<th>Amount debited / credited (Central Tax/State Tax/UT Tax/Integrated Tax/CES/Total)</th>
<th>Balance (Central Tax/State Tax/UT Tax/Integrated Tax/CES/Total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>10</td>
</tr>
</tbody>
</table>

**Generation of challan**

► Challan in Form GST PMT-06 can be generated by logging into common portal.
► Basic details of tax payer such as name, address, email, mobile no., GSTIN will be auto populated in the challan.
► The tax payer will have to fill in other details such as amount of tax (CGST, SGST, IGST), interest, fees payable.
► The tax payer can partially fill in the challan form and temporarily “save” the challan for completion at a later stage. A saved challan can be “edited” before finalization.
► After submitting the details, final challan will be generated which cannot be modified, and will be valid for 15 days.
► The final challan generated, will have a 14-digit (yyymm followed by 10-digits) Unique Common Portal Identification Number (CPIN)
► Within the validity period of challan, tax payer has to make payment for net tax liability through prescribed modes.
If the tax payer is not registered under GST, he should approach proper officer, who will generate a temporary identification number. Based on this number, payment can be made and details of such payment shall be recorded in Form GST PMT-6, to be maintained on Common Portal.

**Payment procedure**

The deposit can be made through any of the following modes:

- Internet banking through authorized banks
- Credit card or Debit card after registering the same with the Common Portal through the authorized banks
- NEFT or RTGS from any bank
- Over the Counter (OTC) through authorized banks, for deposits upto INR 10,000 per challan per tax period, by cash, cheque or demand draft.

Where payment is made by way of NEFT/RTGS, a mandate form (valid for 15 days from generation of challan) shall be generated along with the challan, which is to be submitted to the bank from where payment is to be made.

On successful credit of the amount to the concerned government account maintained in the authorised bank, a Challan Identification Number (CIN: 17 digits = 14 digits CPIN + 3 digits Bank Code) will be generated by the collecting Bank and the same shall be indicated in the challan. This is the actual proof of tax payment. If no Challan Identification Number (CIN) is generated, the said person may represent electronically in Form GST PMT-6 through the Common Portal to the Bank or electronic gateway through which the deposit was initiated.

On receipt of CIN from the authorized Bank, the said amount shall be credited to the electronic cash ledger of the tax payer.
Order of discharging tax liability

Every person has to discharge his tax liability and other dues in the following order:

1. Self-assessed tax and other dues related to returns of \textit{previous} tax period.
2. Self-assessed tax and other dues related to returns of \textit{current} tax period.
3. Any other liability (eg. Penalty)

Therefore, on payment of tax, it will be first attributed to the tax liability of previous tax period and if remaining, will be attributed to the tax liability of current tax period.

Interest on delayed tax payment

\begin{itemize}
  \item If there is delay in payment of tax, the tax payer should on his own pay interest for the delayed period.
  \item The interest in above case, shall be calculated from the date following the due date of tax payment.
  \item Interest is also required to be paid on undue or excess claim of input tax credit or undue or excess reduction in output tax liability.
\end{itemize}

Refund

\begin{itemize}
  \item Any unutilized amount in electronic credit ledger or electronic cash ledger can be claimed as refund, in accordance with provisions of the Act.
  \item Such amount shall be debited in electronic credit or cash ledger, as the case may be.
  \item If the refund is rejected, the amount debited, to the extent of rejection, shall be re-credited to the respective ledger by the proper officer by an order made in Form GST PMT-03.
\end{itemize}
Tax deduction at source
Who is required to deduct TDS?

► Government undertakings or other notified persons may be required to deduct TDS at 1% both under CGST and SGST in case of intra-state and 2% in case of inter-state supplies of notified goods or services, where the total value of supply under that contract exceeds INR 2.50 lakh.

► TDS shall be deducted on the value of supply as indicated in invoice, excluding tax.

Procedure to be followed

► Deductor has to deposit the tax deducted with appropriate Government within 10 days, after the end of the month in which deduction is made. If there is any delay in depositing the tax deducted, the deductor shall be liable to pay interest.

► The deductor has to furnish a certificate to deductee, mentioning contract value, rate of deduction, amount deducted, amount paid to the appropriate Government in Form GSTR-7A.

► This certificate has to be furnished by the deductor to the deductee within 5 days of depositing the tax amount, failing which, the deductor shall be liable to pay late fees of INR 100 per day from the date following the expiry of 5 day period, until the failure is rectified subject to a maximum of INR 5,000.

► The deductee (supplier) can claim credit of TDS in electronic cash ledger.

► In case of excess or erroneous deduction, refund will be provided to deductor or deductee, as the case may be. However, no refund shall be granted to deductor, if the TDS amount is credited to the electronic cash ledger of the deductee.
Returns Calendar
<table>
<thead>
<tr>
<th>Form</th>
<th>Frequency</th>
<th>Due Date</th>
<th>Details to be Furnished</th>
<th>Format</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normal registered taxable person</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Form GSTR-1</td>
<td>Monthly</td>
<td>10th of succeeding month</td>
<td>Details of outward supplies of taxable goods and/or services</td>
<td>GSTR-1.pdf</td>
</tr>
<tr>
<td>Form GSTR-2A</td>
<td>Monthly</td>
<td></td>
<td>Auto-populated details of inward supplies made available to the recipient on the basis of Form GSTR-1 furnished by the supplier</td>
<td>GSTR-2A.pdf</td>
</tr>
<tr>
<td>Form GSTR-2</td>
<td>Monthly</td>
<td>15th of succeeding month</td>
<td>Details of inward supplies of taxable goods and/or services claiming input tax credit. Modification (addition or deletion) in Form GSTR-2A should be submitted in Form GSTR-2.</td>
<td>GSTR-2.pdf</td>
</tr>
<tr>
<td>Form GSTR-1A</td>
<td>Monthly</td>
<td></td>
<td>Details of outward supplies as added, corrected or deleted by the recipient in Form GSTR-2 will be made available to supplier</td>
<td>GSTR-1A.pdf</td>
</tr>
<tr>
<td>Form GSTR-3</td>
<td>Monthly</td>
<td>20th of succeeding month</td>
<td>Monthly return on the basis of finalization of details of outward supplies and inward supplies along with the payment of amount of tax</td>
<td>GSTR-3.pdf</td>
</tr>
<tr>
<td>Form GSTR-3A</td>
<td>–</td>
<td>–</td>
<td>Notice to a registered taxable person who fails to furnish monthly or annual or final return</td>
<td>GSTR-3A.pdf</td>
</tr>
<tr>
<td>Form GSTR-9</td>
<td>Annually</td>
<td>31st Dec of the following year</td>
<td>Consolidated details of all the inward and outward supplies. ITC availed and GST paid</td>
<td>Format not yet released.</td>
</tr>
<tr>
<td>Form</td>
<td>Frequency</td>
<td>Due Date</td>
<td>Details to be Furnished</td>
<td>Format</td>
</tr>
<tr>
<td>------------</td>
<td>-----------</td>
<td>---------------------------</td>
<td>--------------------------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>GSTR-9B</td>
<td>Annually</td>
<td>31&lt;sup&gt;st&lt;/sup&gt; Dec of the following year</td>
<td>Audited annual accounts and reconciliation statement to be submitted</td>
<td>Format not yet released.</td>
</tr>
<tr>
<td>Form GSTR-7</td>
<td>Monthly</td>
<td>10&lt;sup&gt;th&lt;/sup&gt; of succeeding month</td>
<td>Details of TDS deducted</td>
<td>GSTR-7.pdf</td>
</tr>
<tr>
<td>Form GSTR-7A</td>
<td>Monthly</td>
<td>Within 5 days from the date of deposit</td>
<td>TDS Certificate - Value on which TDS is deducted and deposit of the same to appropriate Government</td>
<td>GSTR-7A.pdf</td>
</tr>
</tbody>
</table>

**Person deducting or collecting tax at source**
Flowcharts
Regular Return Process

**SUPPLIER**

- **GSTR-1**
  Registered taxable person has to file output details

**RECEPIENT**

- **GSTR 2A**
  Inward details will get auto-populated based on GSTR-1

- **GSTR-2**
  Can confirm or modify the details of inward supply reflecting in GSTR-2A

- **GSTR-1A**
  Form will get auto-populated, supplier can accept the corrections based on GSTR-2

- **GSTR-3**
  Supplier as well as recipient have to file details
Payment process

1. Upload outward and inward supply details for the month
2. Debit in tax liability register of the amount of tax liability of the month
3. Credit in Electronic Credit Ledger of the amount of input credit claimed for the month
4. Calculate Net tax liability (Outward Tax Liability – Input Credit)
5. Generate CPIN by filling challan details
6. Deposit the amount of Net tax liability, interest, penalty, etc. through prescribed modes
7. CIN will be generated
8. Credit in electronic cash ledger for amount deposited for tax
9. Credit in tax liability ledger – adjustment of ITC and payment in cash making closing balance NIL