



INDEPENDENT TAX RESEARCH & ANALYSIS ASSOCIATION

Rep.ID: ITRAA/REPW/2020-21/1001

To,
Smt. Nirmala Sitharaman Ji,
Hon. Finance Minister of India
Room No. 134 North Block, New Delhi-110001

Date: 19th September 2020, Saturday

Sub: Relaxation in Annual Return Filing in GSTR-9 and GSTR-9A alongwith GST Audit Certificate in GSTR-9C for FY 2018-19.

The Independent Tax Research Analysis Association (ITRAA) is a voluntary, non-government association engaged in research, education, training, advocacy, and awareness raising in the field of direct and indirect tax laws. It has a more than 100 professional members representing their state encompassing wide array of professions such as chartered accountants, advocates, cost and management accountants, company secretaries and those engaged in academic studies in the field of tax laws. It is a group of professionals who have joined to research on various taxation matters and analyse its various dimensions. ITRAA comprise of members from all over the country who are passionate and energetic towards their valuable contribution to the positive cause of this association.

We would like to recall that as per Section 35(5) of the CGST Act 2017, read with Rule 80 of the CGST Rules 2017, every registered taxable person having aggregate turnover exceeding Rs. 2.00 crore mandatorily needs to file GSTR-9 and every registered taxable person having aggregate turnover exceeding 5 crores mandatorily needs to file reconciliation statement GSTR 9C for the financial year 2018-19 till 30-09-2020. It was only on 23-03-2020 that the mandatory limit for reconciliation GSTR 9C was enhanced from 2crores to 5 crores. Presently, the last date for filing of the annual return along with reconciliation statement is 30 September 2020 as per Notification no. 41/2020-Central Tax dated 5th May 2020.

We at ITRAA have been closely interacting with the trade and industry, particularly taxpayers under the Income Tax Act, 1961 and GST laws.

We would like to make our representation as below:

1. Utility for GSTR-9 for 2018-19 was made available on the portal only after last date for filing of GSTR-1 which fell in February 2020, which means the taxpayer has been made available time of 7 months only till 30-09-2020 for GSTR 9 for 2018-19 as against the time stipulated in the law which is 9 months after the end of financial year.
2. Table 8A of GSTR-9 was activated only in May 2020, hence it was not possible to file GSTR-9 till that date.
3. We are informed that GSTR9 and GSTR9C are the compliances which cannot be revised as well as there is constantly increasing penalties for the non-compilers.
4. The cases where turnover for 2017-18 was less than 2 crores but turnover for 2018-19 crosses 2 crores, the portal still restricts such persons to file GSTR 9 for 2018-19 despite of notification 47/2019-Central Tax dated 9-10-2019 and Circular 124/43/2019-GST



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dated 18-11-2019 regarding deemed filing on the due date. And hence all such taxpayers are not being able to file GSTR-9 till date.

5. Filing of GSTR-9 for 2018-19 shall entail disclosure of additional liabilities which need to be discharged through utilization of cash ledger only. Most of the liabilities are on account of reverse charge mechanism where one must pay tax without even being able to avail corresponding ITC. In present liquidity crunch it is difficult for taxpayer to meet such liabilities.
6. Document wise detail of data for Table 8A has been made available only on around 17-08-2020. Providing even less than 45 days to reconcile the said data with books of accounts of complete year and then analyse it down to the level of ITC availed, to be lapsed, not availed, ineligible is not sufficient opportunity.
7. E-way bill facility was launched across India during 2018-19. However, on the portal one cannot see data beyond one year which means if on 30-09-2020 one wants to see e-way bill report for 2018-19, then it is not possible to view data beyond 30-09-2019. In the absence of e-way bill details reconciliation of outward supplies of goods is not possible.
8. The government has granted extended time for revocation of cancellation of registrations till 31-08-2020 for all cancellations till 12-06-2020 vide removal of difficulty order no. 1/2020 dated 25-06-2020. The facility to access the portal for revocation beyond originally stipulated time of 30 days in this regard was however made available on the portal only on 06-08-2020. These taxpayers must file all their pending return and then file GSTR-9. Granting less than 2-month time to comply all cumbersome filings in one breath is not just.
9. In 2018-19 GSTR-9 no row has been inserted to reflect the spill over effects of 2017-18. In such circumstances the figures are being reflected in tables without any guidelines in a haphazard manner. The compliant taxpayers are facing hard time in filing GSTR-9 in the wake of deficiency in the form.
10. The concept of business verticals was diluted w.e.f. 01-02-2019. Transfer of ITC amongst new consequential demerged registrations have however been affected in ITC 02A only with effect from 26-05-2020 despite introduction of Rule 41A in January 2019. All these changes have been affected in 2018-19 and GSTR-9 for 2018-19 does not allow the reflection of all these transfers which have taken place in books but not on the portal.
11. Show cause notices of erstwhile regime for 2014-15 are being finalized by the department till 30-09-2020 and assessee and their counsels are occupied in assisting officers discharge their statutory duty.
12. A large number of due dates and incidental dates for GSTR filings fall in the month of September 2020 itself as under:

GSTR 3 B for turnover more than 5 crores	GSTR 3B for August 2020 to be filed till 20-09-2020 (NN 54/2020)
GSTR-1 Monthly filers having turnover more than 1.5 crores	Due date for Aug 2020 is 11-09-2020



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Further as per NN 51/2020, in order to avail NIL/9% rate of Interest for GSTR 3B return has to be filed till following dates in Sep 2020 for following months:

	NIL	9%
Feb 2020		30-09-2020
March 2020		30-09-2020
April 2020		30-09-2020
May 2020	15-09-2020	30-09-2020
June 2020	25-09-2020	30-09-2020
July 2020	29-09-2020	30-09-2020

13. All taxpayers having turnover more than 500 crores are gearing up themselves in the month of September to face new challenges being posed by e invoicing and re vamping their software. So, there is position of double whammy for the taxpayer.
14. Cumulative effect of Rule 36(4) compliance must be given in the return for August 2020 the due date for which falls in Sep 2020.
15. ITC for 19-20 not taken in 19-20; Rectification for Outward supplies not carried out in 19-20; credit notes not given effect during 19-20 must reach their termination point in law with dates pegged with September 2020.
16. Banks' moratorium from Feb onwards have been ended in August 2020 and hence all interest payments must be met out in Sep 2020 making the taxpayer feel like a crusader with canons pointed from all fronts.
17. GSTR 9/9C for 19-20 is still not available. All notification relating to format of GSTR-9 and 9C indicate that 19-20 annual return may see changes. Now while the taxpayer is struggling to reflect the spill over effects of 17-18, he is at the same time in the state of grave uncertainty about 19-20 format where in, his presentation of figures in 18-19 having spill over effects over 19-20 may land him in greater trouble. Before declaring the end date for 18-19, open date and format for 19-20 must be declared on the lines of 17-18.
18. The departmental audit for 17-18 is on. Officers are hard pressing the taxpayers to submit replies expeditiously despite having good time to complete their exercise. So, the comfort and convenience of the taxpayer is a matter of least priority.
19. Due date to completion of all back-log compliances of ROC stands to 30th September 2020.



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COVID related difficulties:

1. PAN India Lockdown up to May 2020.
2. Phased opening of the businesses causing genuine hardship to the assessee by not able to achieve its fuller efficiency.
3. The fear amongst the stakeholders is causing difficulties in managing day to day operations.
4. Soon after lockdown, the pile of other statutory compliances is still due.
5. Constant climbing of cases of COVID is affecting the work and operations in the businesses.
6. Majority of offices working partially.

We humbly request:

Appropriate relaxation in the Annual Return Filing in GSTR-9 and GSTR-9A along with GST Audit Certificate in GSTR-9C either by extension by up to 3 months i.e. till 31st December or by removal of any late fee/penalty/action for the said 3 months of relaxation.

We would be grateful if a suitable order may be issued in this regard at the earliest. We shall be glad to share any other desired inputs/clarifications in this regard and your office may reach us at info.itraa@gmail.com.

Thanking you,

Warm regards,

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CA Navya Malhotra
(President)
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