



KARNATAKA STATE CHARTERED ACCOUNTANTS ASSOCIATION (R)



CA. Kumar S Jigajinni
President, KSCAA

CA. Pramod Srihari
Secretary, KSCAA

Date: 27th September 2020

To,

Smt. Nirmala Sitharaman
Hon'ble Chairperson, GST Council
15, Safdarjung Road
New Delhi – 110001

Hon'ble Madam,

**SUBJECT: REPRESENTATION SEEKING EXTENSION OF DUE DATE FOR FURNISHING GSTR9
AND GSTR9C FOR FY 2018-19**

The Karnataka State Chartered Accountants Association (R) (in short 'KSCAA') is an Association of Chartered Accountants, registered under the Karnataka Societies Registration Act, in the year 1957. KSCAA is primarily formed for the welfare of Chartered Accountants and represents before various regulatory authorities to resolve the problems / hardships faced by Chartered Accountants and business community.

We applaud the continuing sincere efforts of GST council in the pursuit of bringing ease in the GST compliance burden of taxpayers ever since COVID-19 Pandemic broke out in March 2020. Various relaxations provided to taxpayers include, *inter-alia*, extension in the due dates of regular compliances, waiver / reduced interest & late return filing fees, extension of time for appeal, etc. are well received and commended by the taxpayers. We convey our sincere gratitude to your good selves for taking such bold and proactive measures in addressing the plight of the taxpayers.



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As per Notification 41/2020-Central Tax, dt. 05-05-2020 has extended the time limit for furnishing of the annual return specified under section 44 of the CGST Act, 2017 read with rule 80 of the CGST Rules, 2017 for financial year 2018-19 till the 30th September, 2020. The extension of time limit under section 44 of the said Act automatically results in the extension of time limit for furnishing of reconciliation statement under section 35(5) of the said Act for the same financial year.

Albeit six months have passed since Covid-19 pandemic broke out, your good selves may be well aware about the fact that the situation in India even today is not very good and not normal, with business operations of taxpayers having been completely disrupted in the wake of many restrictions and limitations that are there on travel & mobility, manpower supply, supply chain bottlenecks, health hazards, forced lockdowns, voluntary lockdowns by citizens, etc. In midst of all this, there is tremendous amount of mental and psychological fear that the citizens in general are carrying and living under the fear & risk of getting contracted with Covid-19 a contagious virus.

Covid-19 pandemic situation continues to badly impact even on today in the conduct of normal business operations of not only the taxpayers but also it continues to badly impact the normal functioning of offices of Chartered Accountants who are into practice & serve taxpayers on the compliances front. As Covid-19 infections are unabatedly spreading at a rapid rate, many of the taxpayers are still not doing their normal activities for running their core businesses due to the widespread fear among employees and staff members of contracting Covid-19 virus and thus in this unavoidable situation where normal functioning of both taxpayers and Chartered Accountants is severely disrupted, a much less can be expected from them in the timely completion of statutory annual compliance of filing Annual Return GSTR9 and Reconciliation Statement GSTR9C for the FY 2018-19 due for filing 30-09-2020. The need of the hour and the most critical aspect for both taxpayers and the Chartered Accountants which begs their attention in the present crisis situation is their own survival by ensuring at least minimal economic activities are being run unabatedly. The matter as regards completing the annual GST



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compliances of filling GSTR9 or GSTR9C for FY 2018-19 could at least for now take a back seat for taxpayers in these hard and challenging times.

We also like to bring the following points to kind notice of your good selves in the backdrop of our above submissions:

1. GSTR-9 and GSTR-9C are crucial filings from the tax payer's perspective as it gives once-in-a-year an opportunity to review and rectify the mistakes (if any) in any of the monthly/quarterly returns already filed. Therefore, businesses must be given sufficient time and resources to analyse, understand and file these forms.
2. The mistakes/errors/omissions in relation to claim and accounting of ITC in terms of section 16(4) CGST Act, 2017 pertaining to FY 2019-20 have to be rectified in the GSTR3B return to be filed for September 2020 on or before 20-10-2020. Most of taxpayers at present are busy with reconciliation, follow up with vendors (to update GSTR-1) and so on, which is consuming lot of time and resources. So there is a shortage of bandwidth of staff support both with the taxpayers and Chartered accountant firms for completing filing of GSTR9 and GSTR9C for FY 2018-19 on or before 30-09-2020.
3. Many staff members of taxpayers, Chartered Accountants firms and Chartered Accountants have been tested COVID-19 and are therefore are either under quarantine and/or undergoing treatment.
4. Since GSTR9 and GSTR9C are merely summarised annual statements to be filed without any material adverse impact on revenues of the Government. Considering the gravity of present situation, the due date for filing these forms could be further extended.



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5. As per the latest information that we have at our disposal, as on date only a minuscule 10% of the taxpayers have filed their forms GSTR9 and GSTR9C for FY 2018-19. Thus there is substantial percentage of taxpayers who are otherwise required to file these forms have not yet filed the same.
6. The Company fresh start scheme (CFSS) 2020 and LLP Settlement Scheme under the Companies Act, 2013 as issued by Ministry of Corporate Affairs is also coincidentally ending on 30-09-2020. Many of the taxpayers are engaged in completing compliances under this scheme.
7. Audit Report under Income Tax Act, 1961 for FY 2019-20 falls due on 30-10-2020 and every taxpayer need to invest good amount of time and effort in ensuring timely completion of this compliance.

In view of genuine hardships which have arisen due to the current Covid-19 pandemic, we from KSCAA and also on behalf of taxpayers hereby request your good selves to kindly give cognizance to our above submissions and extend the due date for filing Annual Return GSTR9 and Reconciliation Statement GSTR9C for FY 2018-19 by at least 3 more months i.e. until 31st December, 2020.



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We are optimistic that, your good selves would definitely make an 'all out' effort to ensure that the necessary steps are taken in this regard to provide much needed relief to the taxpayers and Chartered Accountants.

Yours sincerely,

For Karnataka State Chartered Accountants Association ®

CA. Kumar S Jigajinni
President

CA. Pramod Srihari
Secretary

CA. Ganesh V Shandage
Chairman
Representation Committee

Cc to:

1. Shri. Anuragar Singh Thakur, Hon'ble Member, GST Council, New Delhi
2. Shri Ajay Bhushan Pandey, Hon'ble Special Secretary, GST Council, New Delhi.