

*COST AUDIT IN THE CONTEXT OF GOODS &
SERVICES TAX ACT, 2017*

CMA S SUBHASHINI
PRACTISING COST ACCOUNTANT
MOBILE: 9843231486
EMAIL: subha@knaudit.com

4.PRODUCT/SERVICE DETAILS(for the company as a whole)

Name of Product(s) /Service(s)	UOM	CTA heading (Customs Tariff Heading as per Notification dt.20th December 2017)	Whether Covered under Cost Audit Yes / No	Net Operational Revenue (net of taxes, duties etc.)	
				Current Year Rs.	Previous Year Rs.
1. PRODUCT A	TABLE 12 OF GSTR 1	HSN-WISE SUMMARY OF OUTWARD SUPPLIES		TABLE 12 of GSTR 1	
2. PRODUCT B	TABLE 12 OF GSTR 1	HSN-WISE SUMMARY OF OUTWARD SUPPLIES		TABLE 12 of GSTR 1	
3. PRODUCT C	TABLE 12 OF GSTR 1	HSN-WISE SUMMARY OF OUTWARD SUPPLIES		TABLE 12 of GSTR 1	
4. PRODUCT D	TABLE 12 OF GSTR 1	HSN-WISE SUMMARY OF OUTWARD SUPPLIES		TABLE 12 of GSTR 1	
.....					
Total net revenue from operations				SUM OF TAXABLE VALUE AS PER TABLE 3.1 & 3.2 OF GSTR 3 B	
Other Incomes of company				TABLE 6 (g) of GSTR 9	
Total revenue as per financial accounts					
Extra ordinary income, if any					
Total revenue including extra ordinary					
Turnover as per Excise/Service Tax Records				THIS WILL BE REPLACED WITH TURNOVER AS PER GOODS & SERVICE TAX RECORDS - TO BE RECONCILED WITH GSTR 1 TABLE 3(b) & TOTAL TAXABLE VALUE AS PER PARA 6 - INDIRECT TAX RECONCILIATION	

Note: Explain the difference, if any, between Turnover as per Annual Accounts and Turnover as per Excise/Service Tax (TO BE REPLACED WITH GST W.E.F 1.7.2017) Records. - **(RECONCILIATION SHEET FOR PARA 4)**

WORKING FILE & RECONCILIATION SHEET FOR PRODUCT & SERVICE DETAILS

PRODUCTS:

PLANT CODE	PROFIT CENTRE	PRODUCT DESCRIPTION	HSN CODE	Qty	NET SALES AS PER BOOKS (KE 24 REPORT SAP/INVOICE LISTING IN THE CASE OF ERP/TALLY)	REVENUE AS PER FA	TAXABLE VALUE AS PER GSTR 1 (TABLE 12)	ADJUSTMENTS FOR CREDIT/DEBIT NOTES (AS PER TABLE 8 OF GSTR 1)	REVENUE FROM MANUFACTURING	REVENUE FROM TRADING

SERVICES:

			SAC CODE	REVENUE AS PER SERVICE BILLS	REVENUE AS PER FA	AS PER GSTR 1 (SAC CODE LISTING)			
TOTAL OPERATIONAL REVENUE FOR THE FINANCIAL YEAR							TO RECONCILE WITH YTD GSTR 3 B TAXABLE VALUE OF TABLE 3.1 & 3.2		

1. QUANTITATIVE INFORMATION (for each product with CTA heading separately)			
Name of Product			
CTA heading		(HSN CODE)	
Particulars	Units	Current Year	Previous Year
1. Available Capacity			
(a) Installed Capacity			
(b) Capacity enhanced during the year, if any			
(c) Capacity available through leasing arrangements, if any			
(d) Capacity available through loan license / third parties			
(e) Total available Capacity			
2. Actual Production			
(a) Self manufactured		MB 51 Report in case of SAP/PRODUCTION REPORT FROM BOOKS	
(b) Produced under leasing arrangements			
(c) Produced on loan license / by third parties on job work			
(d) Total Production			
3. Production as per Excise Records			
4. Capacity Utilization (in-house)			
5. Finished Goods Purchased			
(a) Domestic Purchase of Finished Goods			
(b) Imports of Finished Goods			
(c) Total Finished Goods Purchased			
6. Stock and Other Adjustments			
(a) Change in Stock of Finished Goods			
(b) Self / Captive Consumption (incl. samples etc.)			
(c) Other Quantitative Adjustments, if any (wastage etc.)			
(d) Total Adjustments			
7. Total Available Quantity for Sale [2(d) + 5(c) + 6(d)]			
8. Actual Sales			
(a) Domestic Sales of Product		TABLE 6 OF GSTR 9, Net off Sales return as per TABLE 5(e) of GSTR 9	
(b) Domestic Sales of Traded Product			
(c) Export Sale of Product			
(d) Export Sale of Traded Product			
(e) Total Quantity Sold			

PREPARATION OF COST STATEMENTS

CHAPTER V - SECTION 17(5) OF CGST ACT 2017

Input Tax credit shall not be available in respect of the following ::

- (a) Motor Vehicles & Other Conveyances except when they are used -
 - (i) for making taxable supplies being further supply of such vehicles or conveyances
 - (ii) Transportation of goods

- (b)
 - (i) Food & Beverages, Outdoor Catering, Beauty Treatment, Health services, Cosmetic & Plastic Surgery
 - (ii) Membership of a Club, Health and Fitness Centre
 - (iii) Rent - a- cab
 - (iv) Life Insurance
 - (v) Health Insurance
 - (vi) Travel Benefits extended to employees

- (c) Works contract service when supplied for construction of an immovable property

- (d) Construction of an immovable property including re-construction, renovation, additions, alterations or repairs, to the extent of capitalisation, to the said immovable property

- (e) Goods or services or both on which tax has been paid under Section 10 (Compostion Scheme)

- (f) Goods or services or both received by non-resident taxable person

- (g) Goods or services used for personal consumption

- (h) Goods stolen, lost, destroyed, written off or disposed off by way of gift or free samples

- (i) Any Tax paid in accordance with the provisions of Sections 74,129 and 130

2A. Details of Materials Consumed								
Name of Product								
CTA heading								
Description of Material	Category	UOM	Current Year			Previous Year		
			Quantity	Rate per Unit (Rs.)	Amount	Quantity	Rate per Unit (Rs.)	Amount
1	DOMESTIC - INTER STATE		TABLE 5(a) of GSTR 9		TABLE 5(a) of GSTR 9			
2	DOMESTIC - INTRA STATE		TABLE 5(b) of GSTR 9		TABLE 5(b) of GSTR 9			
3	IMPORTS		TABLE 5(c) of GSTR 9		TABLE 5(c) of GSTR 9			
4	OTHER PURCHASES		TABLE 5(d) of GSTR 9		TABLE 5(d) of GSTR 9			
5								
6								
7								
8								
9								
10								
Category: Indigenous/ Imported/ Self Manufactured								

** GSTR 9 - ANNUAL RETURN gives the details of Material Purchases Category wise which needs to be verified with the Books of accounts before reporting the Material consumption in 2A.*

2. PROFIT RECONCILIATION (for the company as a whole)

S. No.	Particulars	Current Year	Previous Year
1	Profit or Loss as per Cost Accounting Records		
	(a) For the audited product(s)/service(s)		
	(b) For the un-audited product(s)/service(s)		
2	Add: Incomes not considered in cost accounts (specify details)		
	(a)		
	(b)		
	(c)		
	(d)		
3	Less: Expenses not considered in cost accounts (specify details)		
	(a) Loss on sale of capital assets		
	(b) Stamp Duty and expenses on issue and transfer of shares		
	(c) Discounts on Bonds & Debentures		
	(d) Fines & Penalties to Satutory Authorities (Section 17(5) of CGST Act, 2017)		
	(e) Loss on Investments		
	(f) Loss on Foreign exchange fluctuations		
	(g) Premium on Forward contracts		
	(h) Liquidated Damages		
	(i) Demurrage		
	(j) Bad Debts		
	(k) Donations		
	(l) Short Recovery of Duties (Section 74 of the CGST Act, 2017)		
	(m) Preliminary Expense written off		
	(n) Prior period expenses		
	(o) Life Insurance premium {Section 17(5) of CGST Act, 2017}		
	(p) Membership of a Club, Health & Fitness Centre {Section 17(5) of CGST Act, 2017}		
	(q) Goods or services used for personal consumption {Section 17(5) of CGST Act, 2017}		
	(r) Goods stolen, lost, destroyed, written off {Section 17(5) of CGST Act, 2017}		
4	Difference in Valuation of stock between financial accounts and cost accounts		
5	Other adjustments, if any		
6	Profit or Loss as per Financial Accounts		

Note: Show abnormal wastages, expenses on strikes/lock-outs and any other items of expenses or incomes of abnormal nature etc. not considered in cost separately

6. Reconciliation of Indirect Taxes (for the Company as a whole)

	Particulars	Assessable Value Rs.	CGST	SGST	IGST	COMPENSATION CESS
	Duties/Taxes Payable					
	GOODS & SERVICE TAX					
1	Domestic (Intra State)	TABLE 5 OF GSTR 1 (B2B)				
2	Domestic (Inter State)	TABLE 5 OF GSTR 1 (B2B)				
3	Export under LUT/Bond (Chapter VII, Section 16(1)(a) of IGST Act, 2017	TABLE 5 OF GSTR 1				
4	Export under IGST (Chapter VII, Section 16(1)(b) of IGST Act, 2017	TABLE 5 OF GSTR 1				
5	Duty Free Clearance, Others etc.	TABLE 9 OF GSTR 1				
6	Total Assessable Value & Tax	GSTR 3 B(TABLE 3.1 + 3.2)				
7	Input Credit on Goods & Services					
8	Ineligible Input Credits under Section 17(5)					
9	Net Input Credit Utilised					
10	Paid through Cash					
16	Total Duties/Taxes Paid (14 + 15)					
17	Duties/Taxes Recovered					
18	Difference between Duties/Taxes Paid and Recovered					
19	Interest/Penalty/Fines Paid	WILL FORM PART OF PROFIT RECONCILIATION (Any Tax paid under Chapter XV{Demands and Recovery} , CHAPTER XIX {OFFENCES AND PENALTIES} & Section 50 of CGST Act, 2017)				

Note: Provide separate amounts in notes in respect of Item 4 above.