



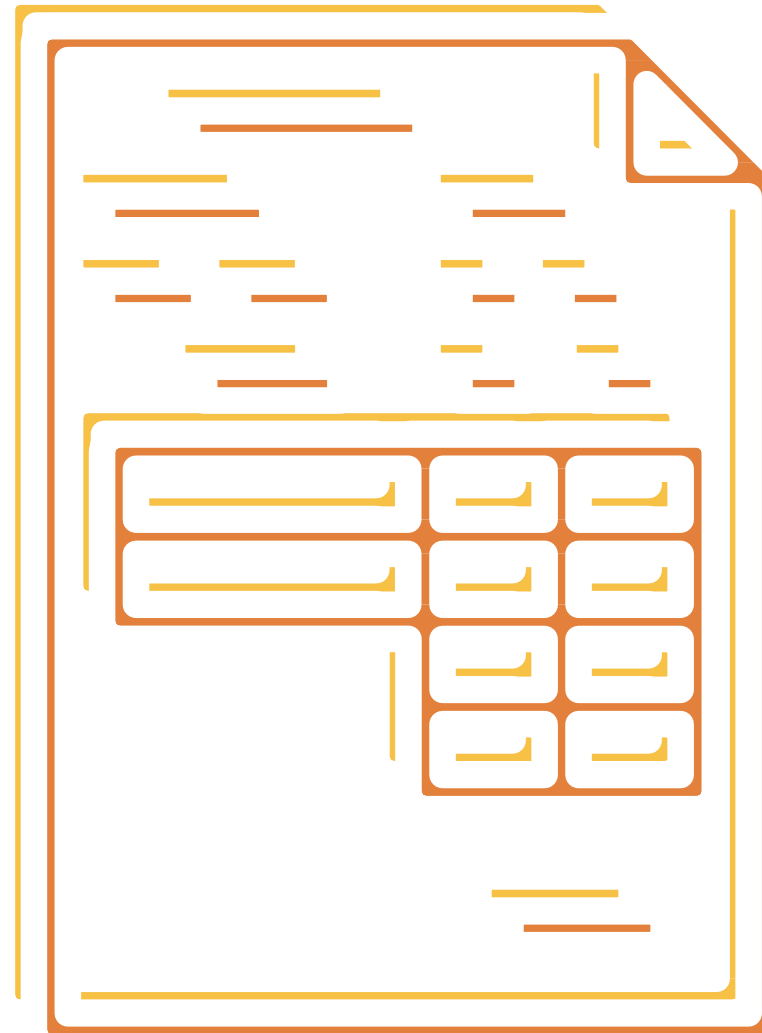
# E-Invoicing & New GST Returns

12<sup>th</sup> March 2020

**DPS & Co**  
Chartered Accountants


# E - INVOICING

# E-INVOICING




- An 'e-invoice' or 'electronic invoice' is a standard which provides interoperability across the GST ecosystem.
- Invoices are prepared in a standard format and the data is reported or authenticated by the Central system.
- E-Invoicing includes 2 steps – generation of invoice in own ERP and reporting the same to Registrar.
- Post successful authentication, a unique Invoice Reference Number (**IRN**) is generated for each invoice by the Invoice Registration Portal (**IRP**). Along with IRN, each invoice is digitally signed and added with QR code.
- This process is collectively called as 'e-invoicing' under GST.


# Potential Benefits of E-invoicing




No requirement of reporting same invoice details in multiple forms




Part-A of e-Way bill will be auto-captured and only transporter details are required to be updated




On uploading invoices, Sales and purchase register (ANX-1 and ANX-2) are pre-populated



Substantial reduction in input credit verification challenges as same data will get reported to the tax department as well to buyer in his inward supply (purchase) register



Complete audit trail of B2B invoices and system-level matching of input credit and output tax helps to reduce tax evasion



Increase efficiency in tax administration by eliminating fake invoice

# Time Lines

Taxpayers with a turnover of over ₹500 crores can implement it on a voluntary (trial) basis from **January 1, 2020\***.

Those with a turnover of over ₹100 crores can adopt it (on a voluntary trial basis) from **February 1, 2020\*^**.

E-Invoicing will be made mandatory for all taxpayers having turnover over ₹100 crores from **April 1, 2020**.

*\* For determining threshold, turnover of current financial year needs to be considered.*

*^ Only taxpayers with turnover of Rs. 500 cr and above in previous FY are enabled to login on the portal <http://envoice1-trail.nic.in> – Under 'search' tab : e-invoice status of taxpayer*

# E-Invoicing – Rule 48

- IRN to be obtained by uploading information on either of the below portals:

- (i) [www.einvoice1.gst.gov.in](http://www.einvoice1.gst.gov.in)
- (ii) [www.einvoice2.gst.gov.in](http://www.einvoice2.gst.gov.in)
- (iii) [www.einvoice3.gst.gov.in](http://www.einvoice3.gst.gov.in)
- (iv) [www.einvoice4.gst.gov.in](http://www.einvoice4.gst.gov.in)
- (v) [www.einvoice5.gst.gov.in](http://www.einvoice5.gst.gov.in)
- (vi) [www.einvoice6.gst.gov.in](http://www.einvoice6.gst.gov.in)
- (vii) [www.einvoice7.gst.gov.in](http://www.einvoice7.gst.gov.in)
- (viii) [www.einvoice8.gst.gov.in](http://www.einvoice8.gst.gov.in)
- (ix) [www.einvoice9.gst.gov.in](http://www.einvoice9.gst.gov.in)
- (x) [www.einvoice10.gst.gov.in](http://www.einvoice10.gst.gov.in)

- An invoice will not be treated as valid unless the process of e-invoicing is followed. Else, invoices will not be accepted and will be considered as invalid.
- Invoice issued by a registered person exceeding turnover of Rs. 500 crores in a financial year to an unregistered person (B2C), shall have Quick Response (QR) code.
- Where a Dynamic Quick Response (QR) code is made available to the recipient through a digital display, such B2C invoice issued containing cross-reference of the payment using a Dynamic Quick Response (QR) code, shall be deemed to be having Quick Response (QR) code.

**Only e-invoice will be considered as a valid invoice. E-invoicing is not merely a GST change but a larger business change?**

**GST Rules earlier mandated issuance of invoices in Triplicate for supply of goods and in Duplicate for supply of services. Since the same is not required now, whether physical copy of invoices would be required at all?**

# Documents for E-invoicing



## Transactions for E-invoice

B2B : Business to Business

B2G : Business to Government

Exports

Through E-comm. Operators

Reverse Charge transactions

Input Service Distributor



## Types of Documents

Invoices

Debit Note

Credit Note



## Cannot be done from IRP

**B2C invoices**

Delivery challan

Bill of Supply

Job work

# Understanding IRN

- Upload to IRP is on a real time basis. Hence, IRN is expected to be generated within 100 milliseconds
- IRN is a HASH of (<Supplier GSTIN><Fin. Year><Doc Type><Doc Number>)
- HASH of "01AAAAB1234C1Z02019-20INVAB1234" is  
35054cc24d97033afc24f49ec4444dbab81f542c555f9d30359dc75794e06bbe (64 digits)
- **Modes of Generation of IRN**
  - API based
  - Mobile app based
  - Offlinetool based
  - GSP based
- IRN details will be available only for 24 hours in IRP
- Cancellation of e-invoice only be done within 24 hours in IRP
  - Fresh IRN can be generated thereafter
  - Invoice cannot be partially cancelled

## Pre-requisite for using API interface

- Invoicing system should be automated with IT solutions.
- Should be ready to change IT system to integrate with E-invoice system as per API guidelines.
- System should have SSL based domain name.
- System should have Static IP Address.
- Should have pre-production system to test the API interface.

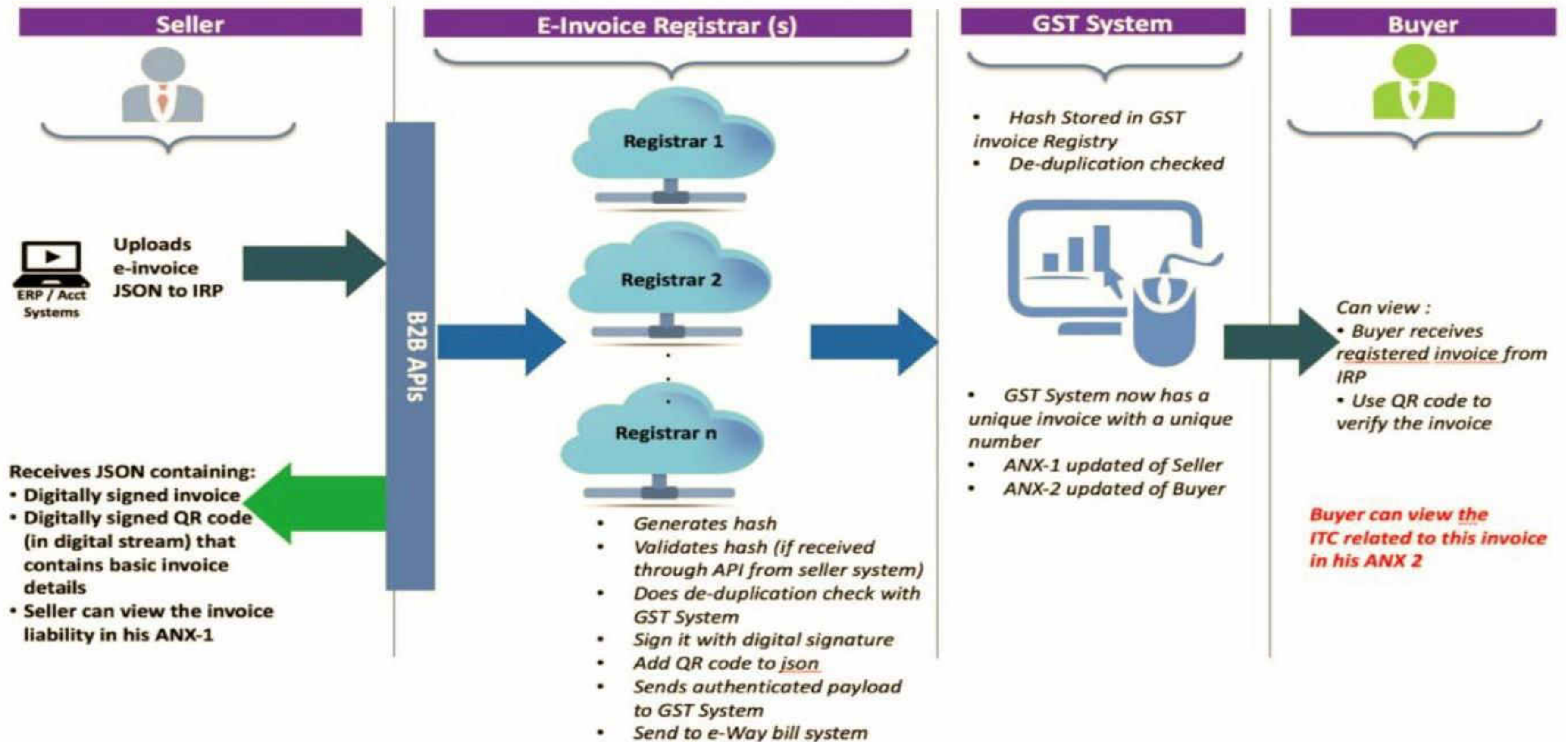


# Understanding IRP

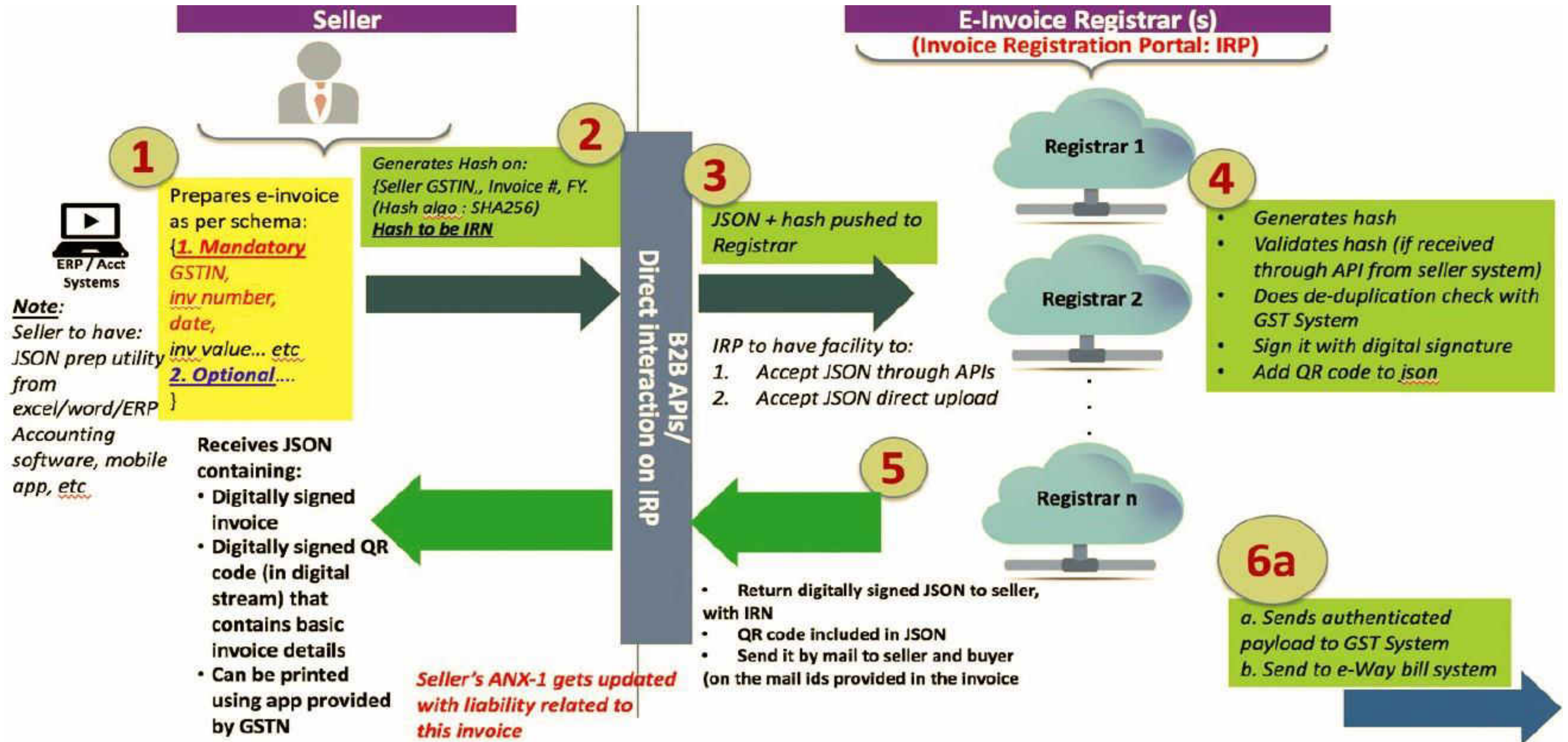
- Presently, there are 2 IRPs – NIC and GSTIN
- E-invoices are required to be uploaded by B2B supplies only. In the longrun, e-invoice for B2C supplies may also be allowed.
- Invoices will be stored on IRP for 24 hours post which the data gets auto populated in ANX 1 and NIC for sales and EWB generation.
- IRP Validation – GSTIN and Value
- Data moved to GST Portal and error generated?
  - SEZ data reported as regular
  - Incorrect HSN
- Amendments to the information already uploaded directly on GST Portal
  - This can create a mismatch of IRNs generated, invoices under ERP
  - Reconciliations

# Flow of Activities

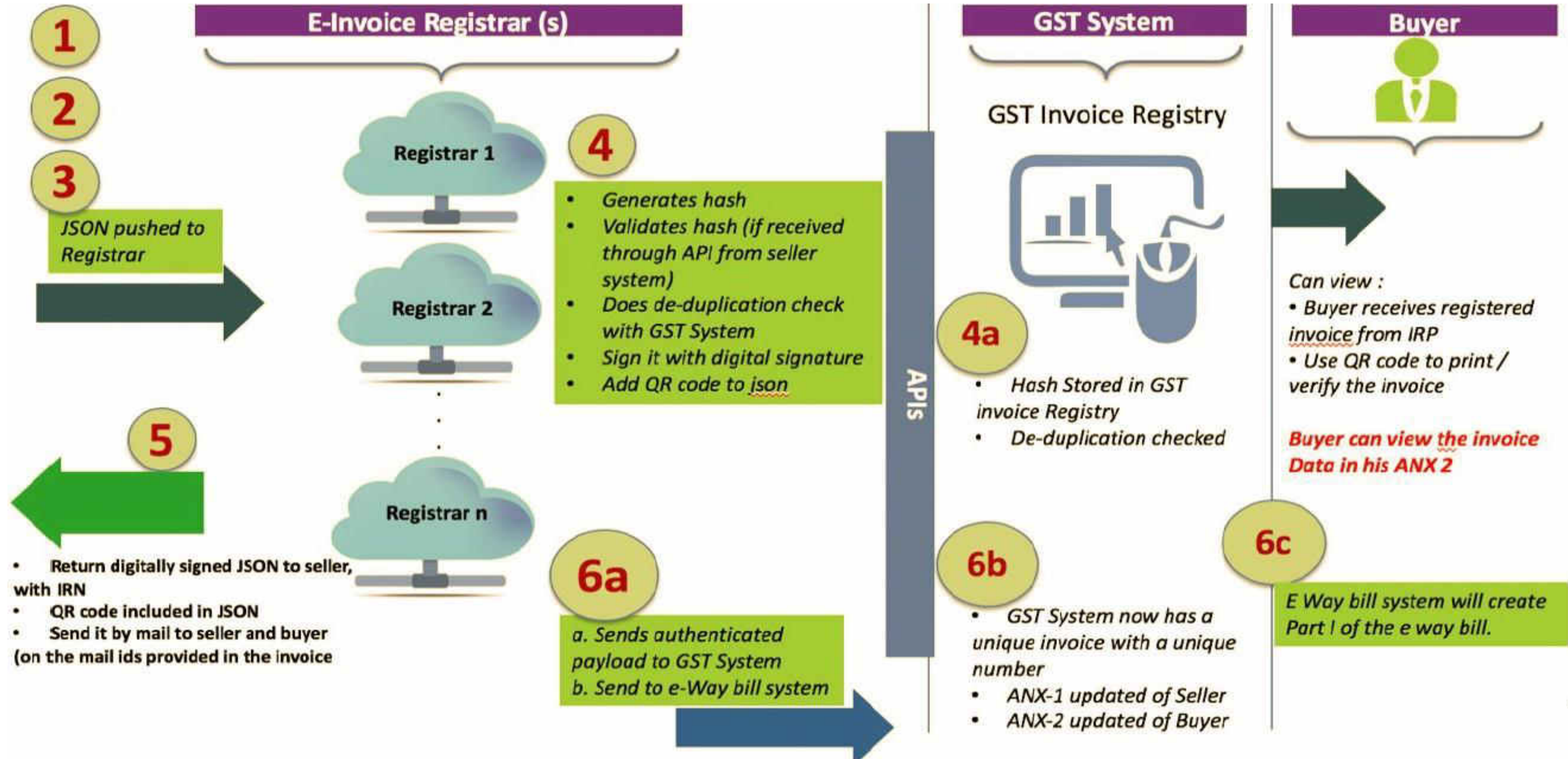
# Flow of the E-Invoice Registration System



# A. Seller - Registrar (IRP) Flow of activities

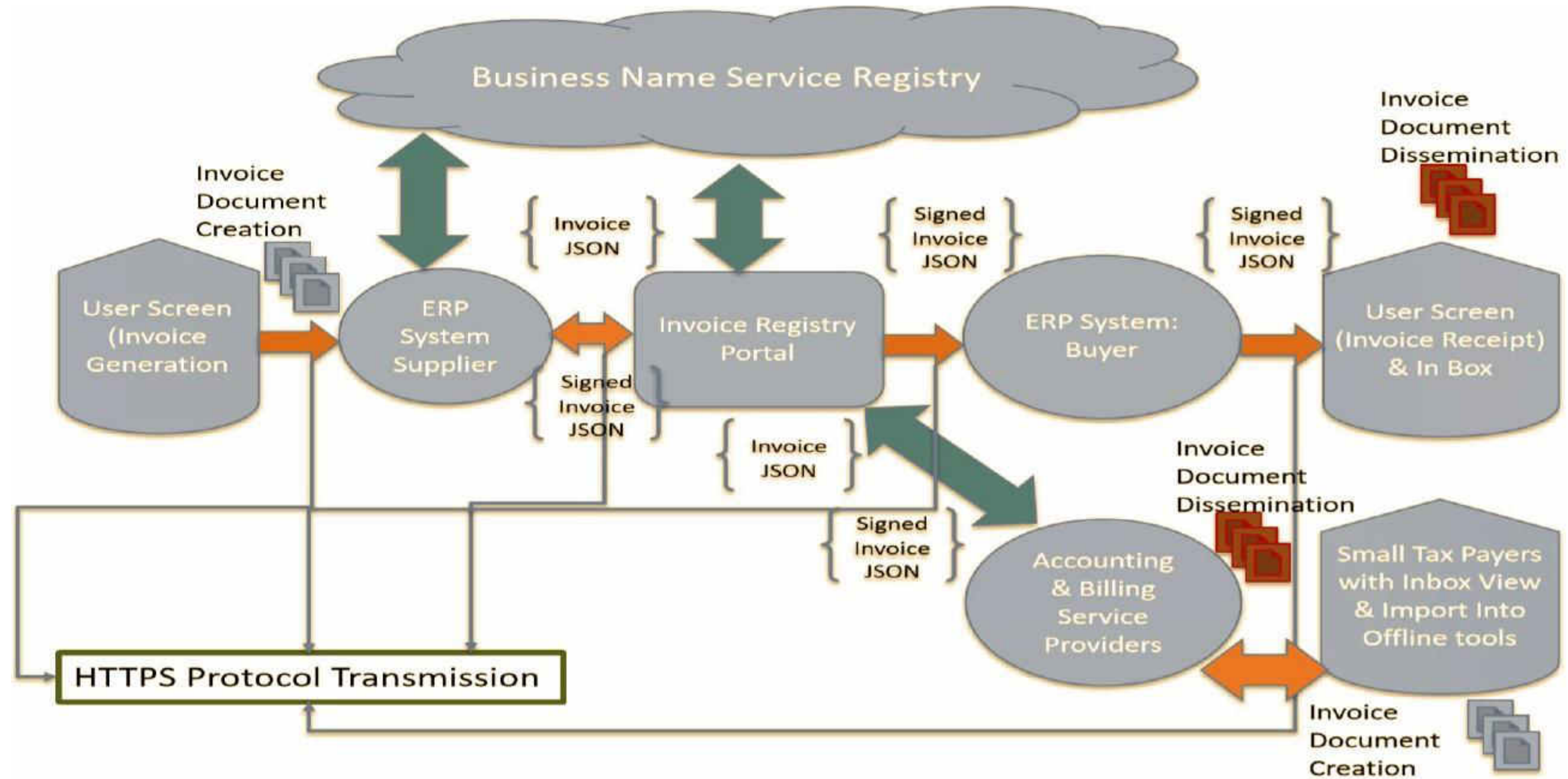


# B. Registrar (IRP) - GST System Flow of activities



# E-Invoice Messaging Flow

## Standard Invoice Messaging Protocol or SIMP



# Digital Signature & QR Code

- Each document will be digitally signed by the IRP.
- IRP returns digitally signed JSON file via a peer to peer portal for downloads by both parties
- JSON will include QR code. Eventually, printing QR code may be mandatory for everyone as they want payments to be done online.
- QR code will contain GSTIN of seller and buyer, invoice no. and date, invoice value (gross and taxable), number of line items, HSN of major commodity (line item having highest taxable value) and IRN (hash).
- QR code will be used for tracking by tax officers checking invoice at checkpoints. A mobile app will also be built for the same.
- An offline app will be provided for anyone to download to authenticate the QR code of the e-invoice offline and its basic details. The facility to view the e-invoice will be provided to buyers or tax officers, on the GST System / E-way bill system.

## FAQ

***Mere writing of IRN will not indicate that it has been reported to IRP. The current proposal to allow generation of hash (as IRN) will not serve any purpose?***

IRN is necessary to ensure the uniqueness of the invoice across ALL businesses in a particular FY across India. Hence, IRN will be included in the QR code. It is not needed to be generated by the business or printed on the invoice.

***In case it has to be validated, one will have to enter 64 digits to compare the same with generated hash.*** This is going to be done by the systems. No human is required to manually calculate, generate, remember or write the IRN (hash).

# E-Invoice Sample



सत्यमेव जयते

## Government of India e-Invoice



### 1.e-Invoice Details

**IRN :** 5e1baa17986407e89bd1b60c05e3374a  
e5a227e084c63d5373ce3e9bba2dc3b1 **Ack. No** : 13100145780 **Ack. Date** : 15-02-2020 16:4:00

### 2.Transaction Details

**Category** : B2B/Regular **Document No** : NLR1891/2019-20 **Transaction Type** : Regular  
**Document Type** : Invoice **Document Date** : 14-02-2020

### 3.Party Details

**Seller**

**Purchaser**

### 4.Goods Details

Product Name	Product Description	HSN Code	Quantity	Unit	Unit Price(Rs)	Taxable Amount(Rs)	Tax Rate (C+S+I+Cess State Cess+ Cess Non.Advol)	Total
PURE GOLD		7108	200	GMS	4073.78	814756	1.5+1.5+0+0+0+0	839198.68

Tax'ble Value	CGST Amt	SGST Amt	IGST Amt	CESS Amt	State CESS Amt	CESS Non.Advol Amt	Discount	Other Charges	Total Inv. Amt
814756	12221.34	12221.34	0	0	0	0	0	0	839198.68

**Generated By :** 37AAFC6430M1ZE  
**Print Date** : 15-02-2020 16:6:42



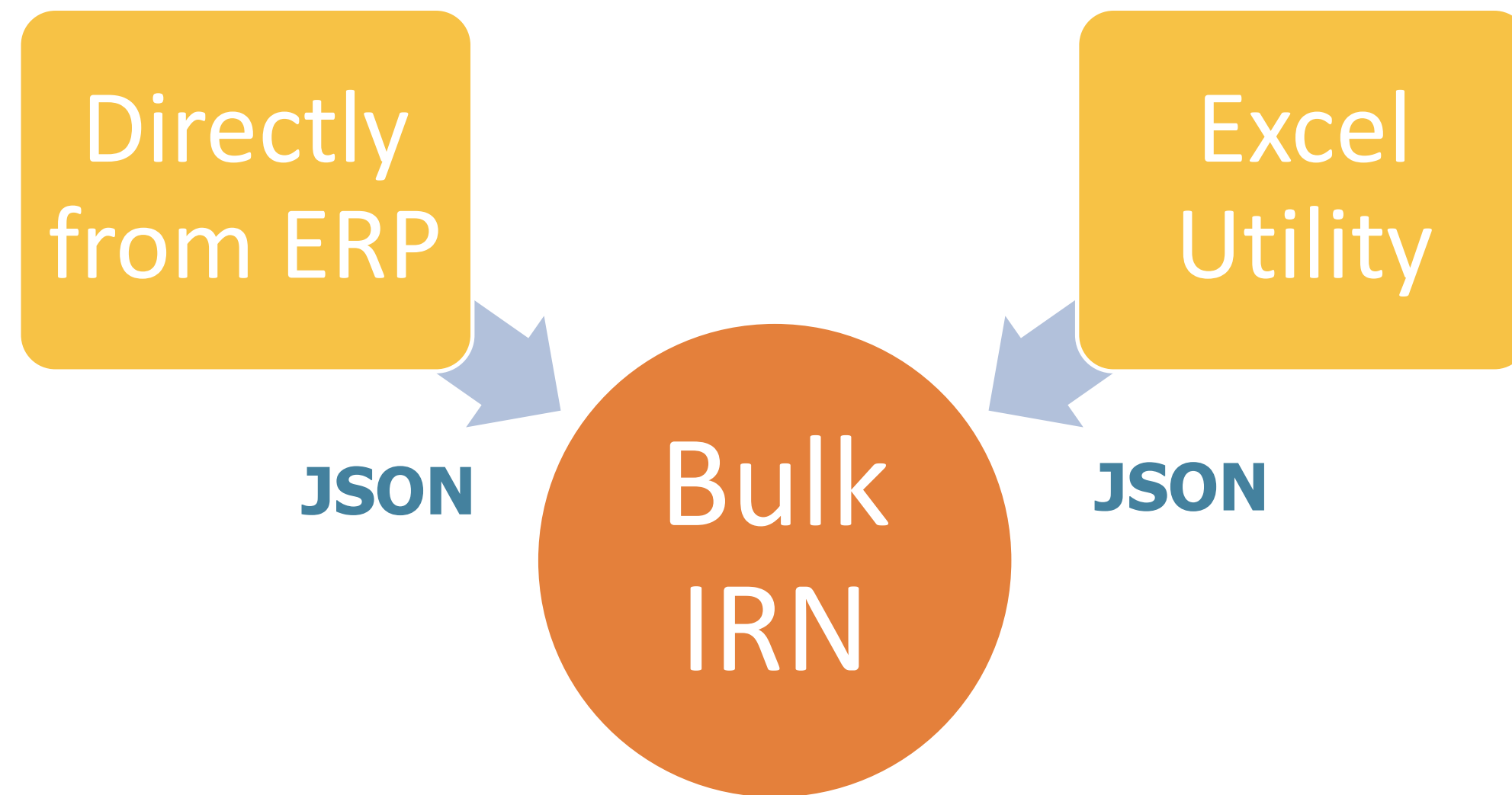
13100145780

eSign

Digitally Signed by NIC-IRP  
on: 15-02-2020 16:4:00



# Bulk Generation Facility



## Types

***Format A – Single item***

***Format B – Multiple items***

***Format C – Multiple items***

***Format D – Single item***

*\*Presently, the Bulk Generation Tool cannot be downloaded as the new version will be released.*

# Bulk Generation Facility

Category *	Sub Category *	e-Com Trn	e-Com GSTIN	Doc Type *	Doc No *	Doc Date *	Original Inv No	Buyer GSTIN *	Trade Name *	Building No	Building Name	Floor No	Location *	District	Pin Code *	State *
B2B	Reverse C	Yes	37BZNPMM	Credit Not	1234	12/12/2019	12234234	37AAACG056	HOLLY HOCK	122134324	TEST NIC BAN 12		BANGALORE	BANGALORE	560009	ANDHRA PRA
B2B	Reverse C	Yes	37BZNPMM	Credit Not	1235	12/12/2019	12234234	37AAACG056	HOLLY HOCK	122134324	TEST NIC BAN 12		BANGALORE	BANGALORE	560009	ANDHRA PRA
B2B	Reverse C	Yes	37BZNPMM	Credit Not	1236	12/12/2019	12234234	37AAACG056	HOLLY HOCK	122134324	TEST NIC BAN 12		BANGALORE	BANGALORE	560009	ANDHRA PRA
B2B	Reverse C	Yes	37BZNPMM	Credit Not	1237	12/12/2019	12234234	37AAACG056	HOLLY HOCK	122134324	TEST NIC BAN 12		BANGALORE	BANGALORE	560009	ANDHRA PRA
B2B	Reverse C	Yes	37BZNPMM	Credit Not	1238	12/12/2019	12234234	37AAACG056	HOLLY HOCK	122134324	TEST NIC BAN 12		BANGALORE	BANGALORE	560009	ANDHRA PRA
B2B	Reverse C	Yes	37BZNPMM	Credit Not	1239	12/12/2019	12234234	37AAACG056	HOLLY HOCK	122134324	TEST NIC BAN 12		BANGALORE	BANGALORE	560009	ANDHRA PRA
B2B	Reverse C	Yes	37BZNPMM	Credit Not	1240	12/12/2019	12234234	37AAACG056	HOLLY HOCK	122134324	TEST NIC BAN 12		BANGALORE	BANGALORE	560009	ANDHRA PRA
B2B	Reverse C	Yes	37BZNPMM	Credit Not	1241	12/12/2019	12234234	37AAACG056	HOLLY HOCK	122134324	TEST NIC BAN 12		BANGALORE	BANGALORE	560009	ANDHRA PRA

Product Name *	Product Description	HSN code *	Quantity *	Unit *	Unit Price *	Total Amount (Qty * Unit Price) *	Discount	Other Charges	Assessable Amount *	Tax Rate (S+C+H+CESS) *	CESS Non Adval *	State CESS *	Total Item Value (Assessable amount + taxes) *
HOLLY HOC	HOLLY HOCK	32089090	2	BUCKLES	100	200	10	10	200	1+1+0+1	1	0	207
HOLLY HOC	HOLLY HOCK	32089090	2	BUCKLES	100	200	10	10	200	1+1+0+1	1	0	207
HOLLY HOC	HOLLY HOCK	32089090	2	BUCKLES	100	200	10	10	200	1+1+0+1	1	0	207
HOLLY HOC	HOLLY HOCK	32089090	2	BUCKLES	100	200	10	10	200	1+1+0+1	1	0	207
HOLLY HOC	HOLLY HOCK	32089090	2	BUCKLES	100	200	10	10	200	1+1+0+1	1	0	207
HOLLY HOC	HOLLY HOCK	32089090	2	BUCKLES	100	200	10	10	200	1+1+0+1	1	0	207
HOLLY HOC	HOLLY HOCK	32089090	2	BUCKLES	100	200	10	10	200	1+1+0+1	1	0	207
HOLLY HOC	HOLLY HOCK	32089090	2	BUCKLES	100	200	10	10	200	1+1+0+1	1	0	207

Total Assessable Value *	Total SGST Value *	Total CGST Value *	Total IGST Value *	Total CESS Value *	Total CESS Non Adval *	Total State CESS *	Discount On Invoice *	Other Charges On Invoice *	Total Invoice Value *	Error List
200	2	2	0	2	1	0	2	2	207	
200	2	2	0	2	1	0	2	2	207	
200	2	2	0	2	1	0	2	2	207	
200	2	2	0	2	1	0	2	2	207	
200	2	2	0	2	1	0	2	2	207	
200	2	2	0	2	1	0	2	2	207	
200	2	2	0	2	1	0	2	2	207	
200	2	2	0	2	1	0	2	2	207	
200	2	2	0	2	1	0	2	2	207	

# Bulk Generation Facility

**GOODS AND SERVICE TAX e-INVOICE SYSTEM**

**INVOICE BULK UPLOAD** [Indicates mandatory fields for e-invoice]

Upload eInvoice JSON File

Upload eInvoice JSON File (Less than 2 MB):

Successfully uploaded invoice details:

[Download Excel](#)

Sl. No	Invoice No	Invoice Date	Buyer GSTIN	Invoice Value	Ack No	Ack Date	IRN
1	123	2019-12-12	██████████	207000	██████████	12/27/2019 12:58:00 PM	5██████████96a9f554f03783ef8482a5f6f20a2f18d990c

Version: 1.0 © 2019 - Powered By National Informatics Centre.

Figure 5: Generating and Uploading Bulk Update IRN form 3

# ERP / Billing Systems

## ● Phase-1

- Understanding of e-invoice schema (Mandatory parameters must be mentioned on the invoice, optional parameters according to business need of the supplier)
- Make necessary changes in the software to generate file in JSON schema as published - Develop Reusable Plugins
  - ✓ If JSON cannot be generated, then offline tool can be used to key-in date of invoice
- Enable user to send JSON file to the IRP using API/Bulk Generation tool (GSP help if this cannot be done by IT systems)
- Receive digitally signed e-invoice with QR code and make available to user in readable format

## ● Phase-2

- Send the digitally signed e-invoice to buyer in whose name the invoice was generated (P2P)
- Provide Inbox view of received invoices (sent by suppliers of the user) for
  - ✓ Downloading in user readable format and take it to inventory
  - ✓ GRN creation
  - ✓ Matching with his PO
  - ✓ Add to inventory when goods arrive

## ● Phase-3

- Accept/reject the e-invoice and send it to GST System

# FAQs

## Invoice download

***Q. Will it be possible to allow invoices that are registered on invoice registration system/portal to be downloaded and/or saved on handheld devices?***

Yes. IRP System after registering the invoice, will share back digitally signed e-invoice for record of supplier. It will also be sent to the email address of recipient provided in the e-invoice.

## Signing of Invoice

***Q. Whether e-invoice generated is also required to be signed again by the taxpayer?***

Not mandatory. However, if a signed e-invoice is sent to IRP, the same will be accepted. The e-invoice will be digitally signed by the IRP after it has been validated. The signed e-invoice along with QR code will be shared with creator of document as well as the recipient. Once it is registered, it will not be required to be signed by anyone else. –

***Amendment required in GST Rules which mandate signature on invoice?***

## Printing of Invoice

***Q. Will it be possible to print the e-invoice?***

Yes. It will be possible for both the seller as well as the buyer to print the invoice, using the QR code as well as signed e-invoice returned by the Invoice Registration Portal (IRP). The QR code will not be an image sent by the IRP but string, which the accounting/billing software or the ERP will read and convert into QR Code. Seller must place the QR Code on the print of the invoice. This will enable its validation.

## IRN in supplier's ERP

***Q. Whether the IRN is to be captured in the supplier's ERP?***

Supplier has to keep the IRN against each of its invoice, once received by the seller from the IRP. It will be advisable to keep the same in the ERP as invoice without IRN will not be a legal document.

# FAQs

## Logo on Invoice

### ***Q. Can the seller place their LOGO in the e-Invoice Template?***

There will NOT be a place holder provided in the e-invoice schema for the company logo. This is for the software company to provide in the billing/accounting software so that it can be printed on his invoice using his printer. However, the Logo will not be sent to IRP. In other words, it will not be part of JSON file to be uploaded on the IRP.

## Issuance of Invoice

### ***Q. Would the Supplier be allowed to issue his own invoice and if yes, will the Invoice number and IRN be required to be mentioned?***

Yes, the supplier will issue his own system's invoice, in the standard e-invoice schema that has been published. Invoice number is a mandatory item under GST and hence for e-invoice. IRN (Hash) can be provided after the e-invoice has been successfully reported to the IRP. E-Invoice will be valid only if it has IRN.

## Distribution of e-Invoice

### ***Q. Who can e-invoice be distributed - the JSON, the PDF or both?***

As deemed fit by the seller. However, in order to make use of the e-invoice schema, it should be shared in the JSON format so that it can be read by the ERP of the buyer and straight away visible in the buyer's relevant books.

### ***Q. Large taxpayers (who will be mandated to generate e-invoice and report to IRP) will be selling to smaller ones who will not be required to be on e-invoice. How will small guys get the invoice and ITC?***

The large tax payers can convert the signed e-invoice from the IRP into an PDF and send these PDFs or printouts, or as they are conducting their business, to their small buyers.

# E-Invoicing Scheme

## E-invoice schema

Consists of the technical field name, description of each field, whether it is mandatory or not, and has a few sample values along with explanatory notes

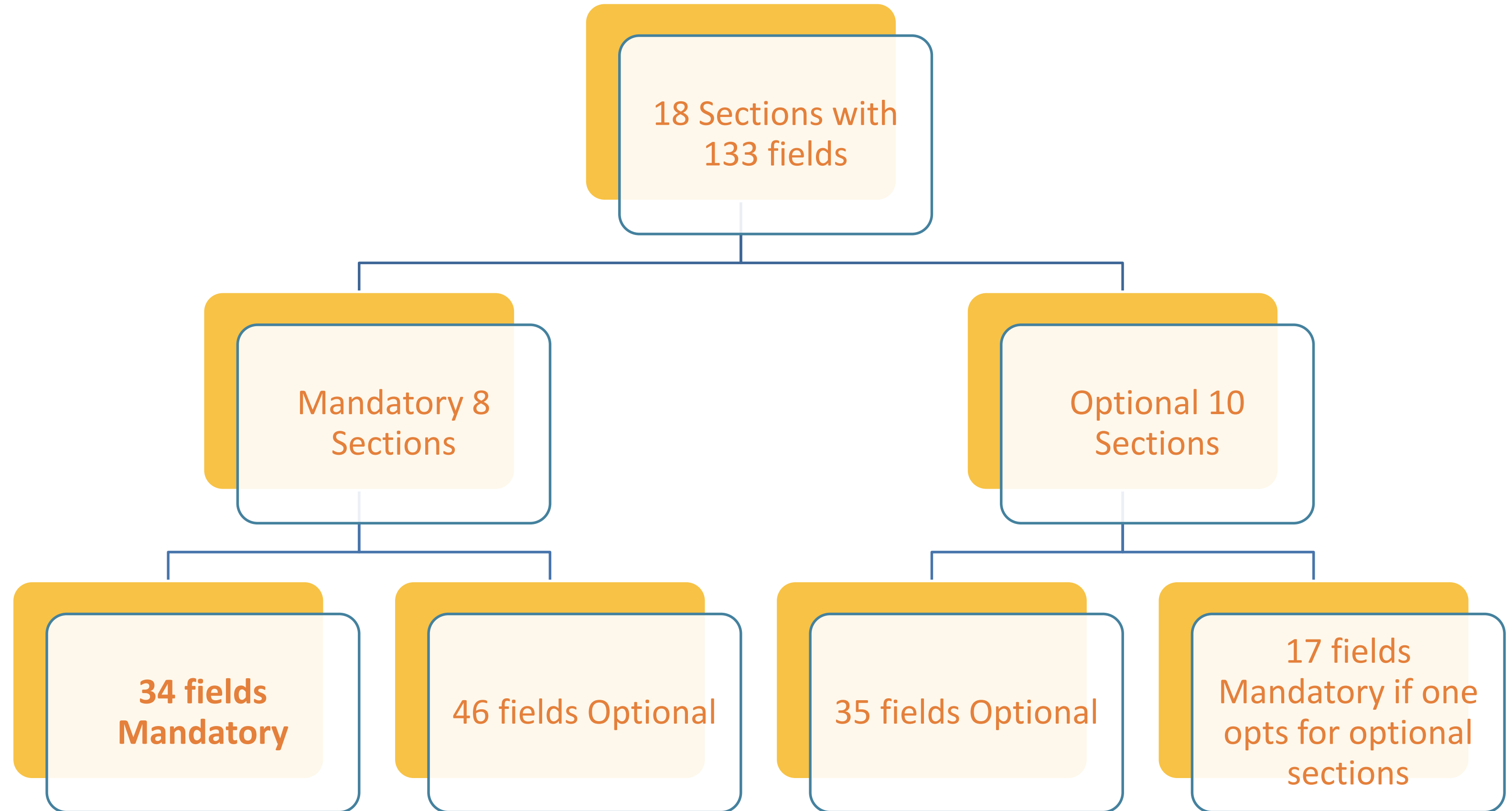
## Masters

Will specify the set of inputs for certain fields, that are pre-defined by GSTN itself. It includes fields like UQC, State Code, invoice type, supply type, etc.

## E-invoice template

Template is as per the GST rules and enables the reader to correlate the terms used in other sheets.

# E-Invoicing Schema





# Mandatory Sections (1/8)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 1 - Basic invoice details</b>						
(0)	Version	To keep track of version of Invoice specification	Max Length:10	M	NA	NA
(1)	IRN	Combination of Supplier GSTN, Invoice Number and Financial Year		M	M	M
(2)	Invoice_type_code	Reg/SEZP/SEZWP/EXP/EXPWP/DEXP	Max Length:10	M	M	M
(3)	Invoice Sub_Type	Regular / Credit note / Debit Note		M	M	M
(4)	InvoiceNum	Supplier invoice as generated by ERP/accounting system	Max Length:16	M	M	M
(5)	InvoiceDate	Format "DD-MM-YYYY"		M	M	M
(6)	Currency code	Additional currency in which all Invoice amounts can be given along with INR	Max Length:16	O	NA	NA
(7)	Reversecharge	Is the liability payable under reverse charge	Y/N	O	NA	M

# Mandatory Sections (2/8)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 2 – Supplier information</b>						
(1)	Supplier_Legal_Name	Name as per PAN	Max Length:100	M	M	NA
(2)	Supplier_GSTIN	Alphanumeric with 15 characters		M	M	M
(3)	Supplier_Address1	Address of the supplier	Max Length:100	M	M	NA
(4)	Supplier_Address2	City of the supplier	Max Length:100	O	O	NA
(5)	Supplier_City	City of the supplier	Max Length:50	O	O	NA
(6)	Supplier_State	State of the supplier	Max Length:50	M	M	NA
(7)	Supplier_Pincode	Pin code of the supplier	Max Length:6	M	M	NA
(8)	Supplier_trading_name	A name by which the Supplier is known, other than Supplier name (also known as Business name)	Max Length:100	O	NA	NA
(9)	Supplier_Phone	Contact number of the supplier	Max Length:12	O	NA	NA
(10)	Supplier_Email	Email id of the supplier	Max Length:50	O	NA	NA

# Mandatory Sections (3/8)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 3 – Buyer information</b>						
(1)	Billing_Name	Legal name of the buyer	Max Length:100	M	M	NA
(2)	Billing_Trade_Name	Trade name of the Buyer	Max Length:100	M	M	NA
(2)	Billing_GSTIN	Alphanumeric with 15 characters		M	M	M
(3)	Billing_Address1	Address of the buyer	Max Length:100	M	M	NA
(4)	Billing_Address2	Address of the buyer	Max Length:100	O	O	NA
(5)	Billing_State	State of the buyer	Max Length:50	M	M	NA
(6)	Billing_Pincode	Pin code of the buyer	Max Length:6	M	M	NA
(7)	Billing_POS	Place of supply code of Supply	Max Length:2	M	M	M
(8)	Billing_Phone	Contact number of the buyer	Max Length:12	O	NA	NA
(9)	Billing_Email	Email id of the buyer	Max Length:50	O	NA	NA

# Mandatory Sections (4/8)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 4 – Delivery information (including dispatch from details)</b>						
(1)	Company_Name	Name of company from where goods are dispatched	Max Length:60	M	M	NA
(2)	Address1	Address from where goods are dispatched	Max Length:100	M	M	NA
(3)	Address2	Address from where goods are dispatched	Max Length:100	O	O	NA
(4)	Place	City name	Max Length:50	O	O	NA
(5)	State	Name of the State	Max Length:2	M	M	NA
(6)	Pin code	Pin code of the city	Max Length:6	M	M	NA
(7)	ECOM_GSTIN	Alphanumeric with 15 characters	Max Length:15	O	M	NA
(8)	ECOM_POS	Place of supply	Max Length:2	O	M	NA

# Mandatory Sections (5/8)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 5 – Item details</b>						
(1)	SLNO	Serial number of the item	int	M	NA	NA
(2)	Item description	Item classification identifier	Max Length:300	O	O	NA
(3)	ISService	Specify whether supply is that of Services or not	Y/N	O	NA	NA
(4)	HSN code	A code for classifying the item by its type or nature	Max Length:8	O	M	NA
(5)	Batch	Applicable for certain manufacturing companies	Max Length:20	O	NA	NA
(6)	Bar Code	Item bar code if any	Max Length:30	O	NA	NA
(7)	Quantity	The quantity of items (goods or services) that is charged in the Invoice line	Decimal (13,3)	M	M	M
(8)	FreeQty	Detail of any FOC item	Decimal (13,3)	O	O	NA
(9)	UQC	Unit of measurement	Max Length:8	O	O	NA
(10)	Rate	Item rate per quantity	Decimal (10,2)	M	O	NA
(11)	Gross amount	Gross amount exclusive of GST	Decimal (10,2)	O	O	NA
(12)	Discount amount	Total discount	Decimal (10,2)	O	O	NA
(13)	Pre-tax amount	Pre-tax	Decimal (10,2)	O	O	NA

# Mandatory Sections (5/8)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 5 – Item details</b>						
(14)	AssessableValue	Net amount (for GST calculation)	Decimal (13,2)	M	M	M
(15)	GST rate	Rate of GST as applicable	Decimal (3,2)	M	O	M
(16)	Iamt	IGST Amount	Decimal (11,2)	M	M	M
(17)	Camt	CGST Amount	Decimal (11,2)	M	M	M
(18)	Samt	SGST Amount	Decimal (11,2)	M	M	M
(19)	Csamt	Cess Amount	Decimal (11,2)	O	M	M
(20)	StateCessAmt	State cess amount per item	Decimal (11,2)	O	NA	NA
(21)	Othercharges	Other charges if any	Decimal (11,2)	O	O	NA
(22)	Invoice_line_net_amount	The amount is “net” without GST, i.e. inclusive of line level allowances and charges as well as other relevant taxes	Decimal (11,2)	O	NA	NA
(23)	Order__Line_Reference	Reference to purchase order	Length: 50	O	NA	NA
(24)	ItemTotal	Net amount	Decimal (13,2)	O	NA	NA
(25)	Origin_Country	Origin country of item	Max length:2	O	NA	NA
(26)	SerialNumber	Serial number details	Max length:15	O	NA	NA

# Mandatory Sections (6 & 7/8)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 6 – Document total</b>						
(1)	Tax_Total	Total Tax Amount	Decimal (10,2)	M	M	NA
(2)	Sum_of_Invoice_line_net_amount	Item level net amount	Decimal (10,2)	O	NA	NA
(3)	Sum_of_allowances_on_document_level	Total discount	Decimal (10,2)	O	NA	M
(4)	Sum_of_charges_on_document_level	Total other charges	Decimal (10,2)	O	NA	NA
(5)	Paid_amount	Sum of amounts which have been paid in advance	Decimal (10,2)	M	NA	NA
(6)	Amount_due_for_payment	Outstanding amount that is requested to be paid	Decimal (10,2)	M	NA	NA
<b>Section 7 – Batch details</b>						
(1)	BatchName	Batch number / Name	Max length:20	M	NA	NA
(2)	BatchExpiry Date	Expiry Date	"DD-MM-YYYY"	O	NA	NA
(3)	WarrantyDate	Warranty Date	"DD-MM-YYYY"	O	NA	NA

# Mandatory Sections (8/8)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 8 – Total details</b>						
(1)	IGSTValue	IGST Amount as per invoice	Decimal (11,2)	O	M	M
(2)	CGSTValue	CGST Amount as per invoice	Decimal (11,2)	O	M	M
(3)	SGSTValue	SGST Amount as per invoice	Decimal (11,2)	O	M	M
(4)	CESSValue	Cess Amount as per invoice	Decimal (11,2)	O	M	M
(5)	StateCessValue	State cess Amount as per invoice	Decimal (11,2)	O	O	NA
(6)	Rate	Tax Rate	Decimal (11,2)	O	M	M
(7)	Freight	Charges	Decimal (11,2)	O	NA	O
(8)	Insurance	Charges	Decimal (11,2)	O	NA	O
(9)	Packing and Forwarding	Charges	Decimal (11,2)	O	NA	O
(10)	Other Charges	Pre-tax / post charges	Decimal (11,2)	O	O	O
(11)	Round off	Round off value	Decimal (11,2)	O	NA	NA
(12)	Total Invoice Value	Total amount	Decimal (11,2)	M	M	M



# Optional Sections (1 & 2/10)

Sr. No.	Field Name	Field description	Validations	E-Invoice	EWB	New Return
<b>Section 1 – Delivery or invoice period</b>						
(1)	Invoice_Period_Start_Date	Format - DD/MM/YYYY		M	NA	NA
(2)	Invoice_Period_End_Date	Format - DD/MM/YYYY		M	NA	NA
<b>Section 2 – Preceding invoice reference</b>						
(1)	Preceeding_Invoice_Number	Detail of Base Invoice which is being amended by subsequent document (Only in case of Debit and Credit Notes)	Max Length:16	M	NA	NA
(2)	Invoice_Document_Reference	Invoice reference	Max Length:20	O	NA	NA
(3)	Preceeding_Invoice_Date	Date of Invoice		M	NA	NA

# Optional Sections (3 & 4/10)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 3 – Other references</b>						
(1)	Receipt_Advice_Reference	Terms reference	Max Length:20	O	NA	NA
(2)	Tender_or_Lot_Reference	Lot / Batch Reference	Max Length:20	O	NA	NA
(3)	Contract_Reference	Contract Number	Max Length:20	O	NA	NA
(4)	External_Reference	Any other reference	Max Length:20	O	NA	NA
(5)	Project_Reference	Project Reference	Max Length:20	O	NA	NA
(6)	Ref_Number	Vendor PO Reference number	Max Length:16	O	NA	NA
(7)	Ref_Date	Vendor PO Reference date	"DD-MM-YYYY"	O	NA	NA
<b>Section 4 – Serial number</b>						
(1)	SerialNumber	Serial Number in case of each item having unique number	Int	O	NA	NA
(2)	OtherDetail1	Other detail of serial number	Max Length:10	O	NA	NA
(3)	OtherDetail2	Other detail of serial number	Max Length:10	O	NA	NA

# Optional Sections (5/10)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 5 – Payee information (Seller)</b>						
(1)	Payee_Name	Payee name	Max Length:10	M	NA	NA
(2)	Payee_Financial_Account	Account Number	Max Length:18	M	NA	NA
(3)	ModeofPayment	Payment mode	“Cash/Credit/Direct Transfer“	M	NA	NA
(4)	Financial_Institution_Branch	Financial Institution Branch (IFSC Code)	Max Length:11	M	NA	NA
(5)	Payment_Terms	Payment Terms	Max Length:50	O	NA	NA
(6)	Payment_Instruction	Payment Instruction	Max Length:50	O	NA	NA
(7)	Credit_Transfer	To specify credit transfer payments	Max Length:50	O	NA	NA
(8)	Direct_Debit	To specify a direct debit	Max Length:50	O	NA	NA
(9)	Credit_Days	Due date of Credit	"DD-MM-YYYY"	O	NA	NA

# Optional Sections (6/10)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 6 – Ship to details</b>						
(1)	ShippingTo_Name	Name to which goods and services invoiced were or are delivered	Max Length:50	M	M	NA
(2)	Shipping to Trade Name	Name to which goods and services invoiced were or are delivered	Max Length:50	O	O	NA
(3)	ShippingTo_GSTIN	GSTIN of the receiver	Max Length:100	M	M	M
(4)	ShippingTo_Address1	Address to which goods and services invoiced were or are delivered	Max Length:50	M	M	NA
(5)	ShippingTo_Address2	Address to which goods and services invoiced were or are delivered	Max Length:50	O	O	NA
(6)	ShippingTo_Place	City name	Max Length:50	O	O	NA
(7)	ShippingTo_Pincode	City pin code	Max Length:6	M	M	NA
(8)	ShippintTo_State	State	Max Length:100	M	M	M
(9)	SubsupplyType	Supply / Export / Job-work	Max Length:2	M	M	M
(10)	TransactionMode	Regula / Bill-To / Ship-To	Max Length:2	M	M	NA

# Optional Sections (7 & 8/10)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 7 – Extra information</b>						
(1)	Tax_Scheme	GST, Excise, Custom, VAT etc.	Max Length:4	M	NA	NA
(2)	Remarks	Remarks/Note	Max Length:100	O	NA	NA
(3)	Additional_Supporting_Documents_url	Supporting document URLs	Max Length:100	O	NA	NA
(4)	Additional_Supporting_Documents	Supporting document in base 64 format.	Max Length:1000	O	NA	NA
(5)	Invoice_Allowances_or_Charges	Total Value of allowances and charges at invoice level	Decimal (10,2)	O	NA	NA
<b>Section 8 – Pre-tax details</b>						
(1)	Pretax Particulars	Pre-tax ledger/particulars	Max Length:100	O	NA	NA
(2)	TaxOn	Pre-tax on gross amount or any other	Decimal (11,2)	O	NA	NA
(3)	Amount	Amount	Decimal (11,2)	O	NA	NA

# Optional Sections (9 & 10/10)

Sr. No.	Field Name	Field description	Validations	E-invoice	EWB	New Return
<b>Section 9 – E-way Bill details</b>						
(1)	Transporter ID	Transporter ID	GSTIN	O	M	NA
(2)	transMode	Road/Rail/Air/Ship	Drop Down -Fixed	O	M	NA
(3)	transDistance	Distance of transportation	Decimal (10,2)	O	M	NA
(4)	transporterName	Name of transporter	Max Length:100	O	M	NA
(5)	transDocNo	Transporter document number (if other than by road)		O	M	NA
(6)	transDocDate	Transporter document date	“DD/MM/YYYY”	O	M	NA
(7)	VehicleNo	Vehicle number				
<b>Section 10 – Signature</b>						
(1)	DSC	Digital signature of the document	DSC Hash Key	O	NA	NA

# Change in Processes

## Present

No data standards for invoicing systems

Documents are signed by the supplier

Documents to capture mandatory fields as per GST Rules

Documents can be cancelled anytime before uploading to GSTN. NIC has limited time for cancellation.

## Proposed

Invoicing systems have to adhere the data standards as per e-invoicing schema

Documents will be valid once digitally signed by the Registrar

Documents to also capture all fields as mandated in the e-invoice scheme

IRN can be cancelled only within 24 hrs of generation. Cancellation at GST and NIC system has to be separately tracked

**Invoice Standards**

**Document Signing**

**Invoice Items**

**Invoice Standards**

# Change in Processes

## Present

Data is reported to NIC before movement of goods and to GST system at specified due dates

Document type is determined by the tax team while reporting in GSTR-1

Presently reconciliation is prepared for (1) Credit matching (purchase data vs. GSTR-2A) (2) GSTR-1 vs. E-way bill

## Proposed

Requires near real time reporting to the Registrar

Document type has to be configured in ERP as a mandatory parameter for IRN generation

Additional reconciliations may be required: (1) Cancellations within 24 hours (2) Cancellations post 24 hours (3) Errors from GST system / EWB system (but not from Registrar) (4) Amendments to the Invoice details posted at IRP vs. GST / EWB system (IRN details cannot be amended)

**Data Reporting**

**Document Type**

**Reconciliation**



# Challenges – E-invoice System



## 1. GST Returns, E-Waybill & E-Invoice

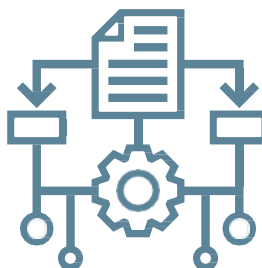
Multiple integration points with :

- Different government portals
- Different data formats and data requirements



## 2. ERP Changes

- Change in invoice template / data storage, access and retrieval practices.
- Need to align for reverse feed of data (IRN, QR Code, Digital Signature of IRP)

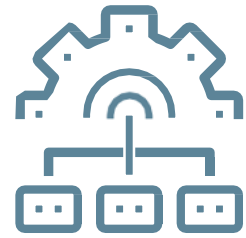


## 3. Technology Platform

Robust technology platform with following capabilities :

- 24\*7 Availability
- Scalable and secured
- Single Sign-On (SSO) Authentication
- Data Extraction / Transformation
- IRN facilitation
- ANX – 1 / ANX – 2 / RET – 1
- Reconciliation
- Reverse Data Feed
- Sub – second response time

# Challenges – E-invoice System



## 4. Business Process

- Handling invoice rejections, damages, shortages, etc both for customers and suppliers
- Validations?
- Automated response to customers / vendors



## 5. Compliance Process

- Daily reconciliation to be an integral part of the process flow to handle data inconsistencies
- Team Augmentation and sub-user management on the portal
- Accounting process to be enhanced to deal with:
  - i. Errors
  - ii. Rejections
  - iii. Missing invoices
  - iv. Re-claim, etc.



## 6. Change Management

- Cutover planning
- Vendor contracts review
- Addressing the impact with the internal stakeholders – IT / Tax / Finance / Sales / Procurement

# New GST Returns

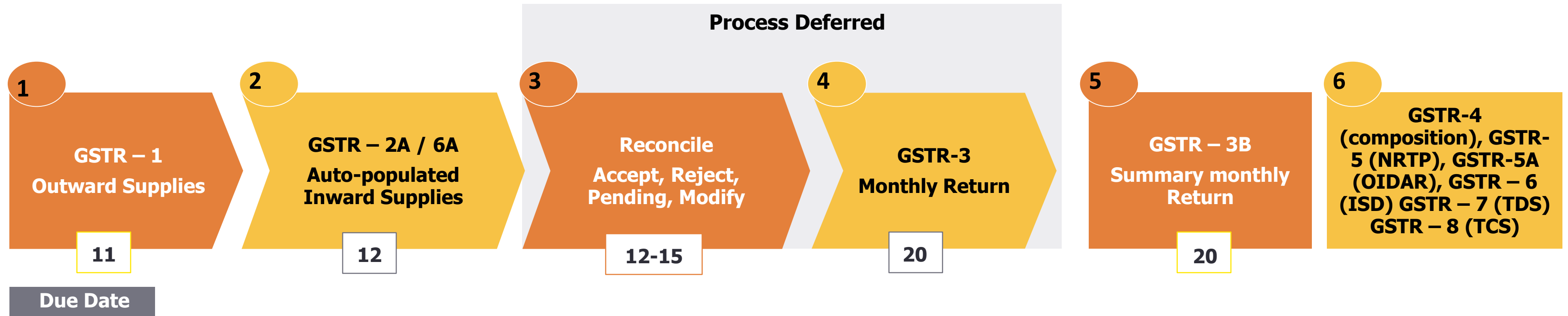
# Background

- Introduction of new GST returns decided during the 31<sup>st</sup> GST Council meeting.
- Concept Note on new returns and return formats published in July 2018.
- Insertion of Section 43A in GST Act through CGST Amendment Act 2018.
- The trial version of new forms made available from July 2019. Filing of new GST return forms on mandatory basis made effective from 1<sup>st</sup> April, 2020.
- Prototype of offline tool published on GST portal. An updated version released in January 2020.
- FAQ and User Manual issued on GST New Return Offline Tool (Beta)(v0.5), New return dashboard, GST ANX-1 and GST ANX-2.

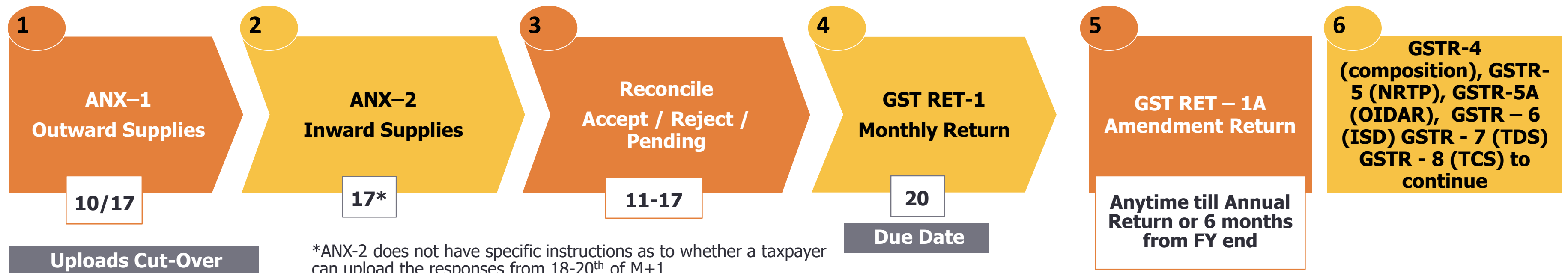


# Compliance Framework – Current vs Proposed

## Framework Envisaged and Implemented

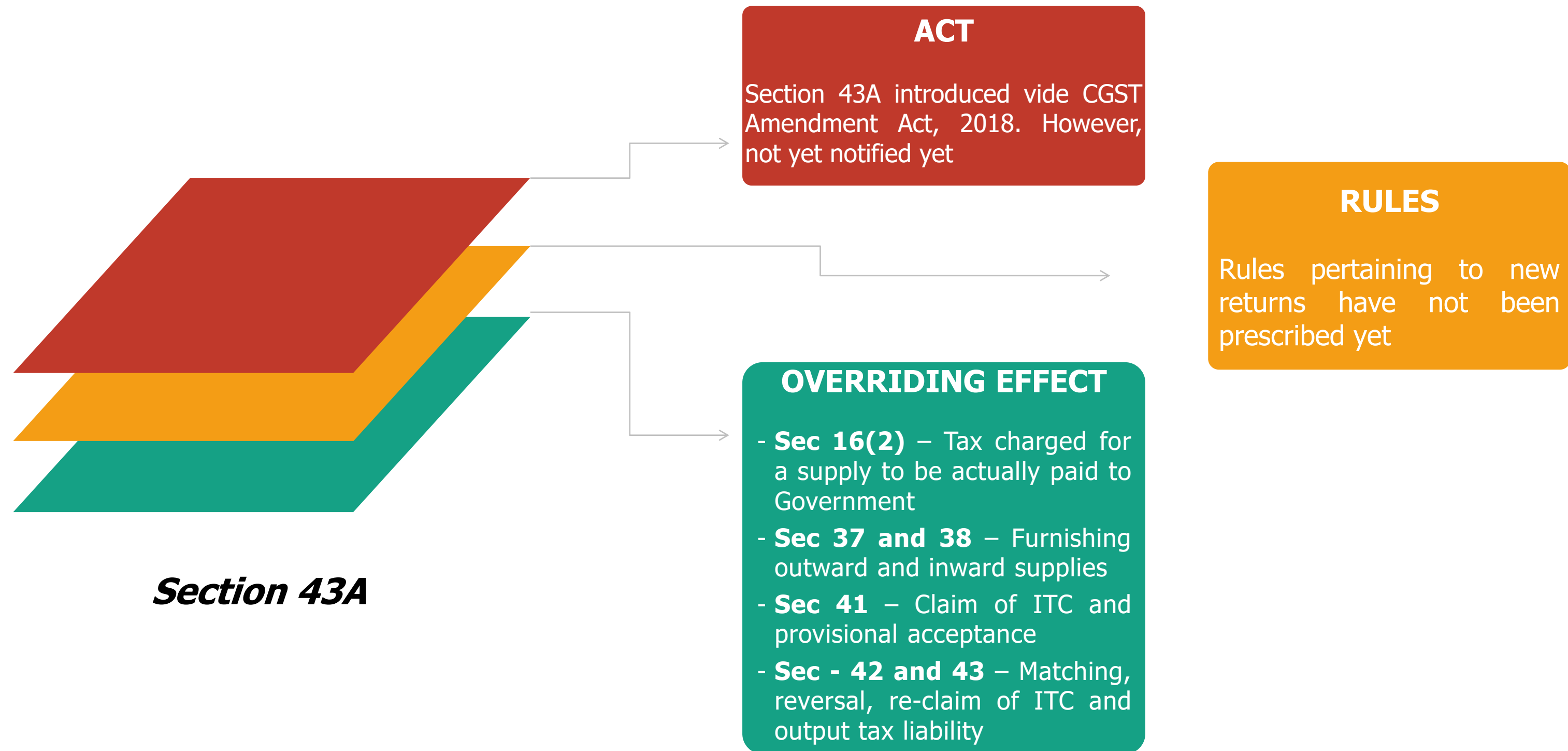


## New Framework



\*ANX-2 does not have specific instructions as to whether a taxpayer can upload the responses from 18-20<sup>th</sup> of M+1

# Legislative Provisions – Section 43A



# Legislative Provisions – Section 43A

## SUPPLIER

- Procedure for declaration of outward supplies will be prescribed – **GST ANX-1**
- Tax on details of outward supplies declared by the supplier will be deemed to be payable by the supplier – **Mandatory payment**
- The procedure, safeguards and threshold of tax amount in relation to outward supplies for the supplier can be prescribed separately for a registered person:
  - Within 6 months of taking registration
  - Who has defaulted in payment of tax and the default continues for more than 2 months from the due date of payment of the default

## RECIPIENT

- The registered recipient is required to verify, validate, modify or delete the details of supplies furnished by the suppliers
- Procedure for availing ITC and verification will be prescribed – **ANX-2**
- **Provisional or Missing Credit:** Where the outward supplies are not furnished by the supplier, the maximum amount of ITC to be availed **cannot exceed 20%** of the ITC available (as furnished by the suppliers) – **10% in Rule 36(4)? Will have to await for new GST Rules**

## JOINT AND SEVERAL LIABILITY

- The supplier and recipient have been made jointly and severally liable to pay tax or pay ITC availed for details furnished/not furnished by the supplier in respect of which the return has not been furnished – **Ideally liability on recipient to be triggered only on availment of ITC, the tax on which has not been deposited by supplier.**
- The procedure of recovery of this amount may be prescribed through the rules.

# Applicability of Forms

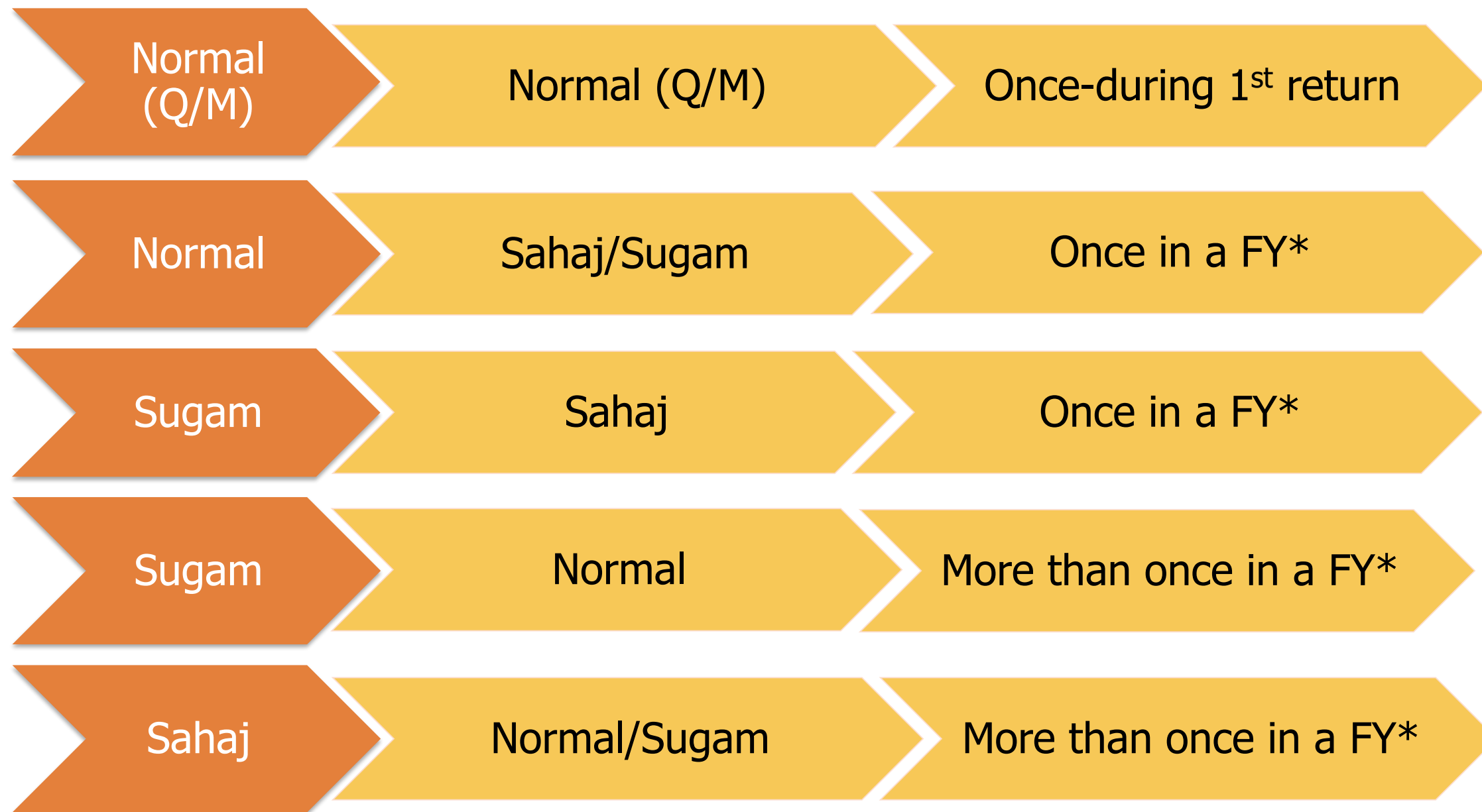
<b>PARTICULARS</b>	<b><u>NORMAL RETURN</u></b>	<b><u>SAHAJ RETURN</u></b>	<b><u>SUGAM RETURN</u></b>
Turnover in preceding year	No limit (Mandatory for more than Rs. 5 crore)	Less than Rs. 5 crore	Less than Rs. 5 crore
Filing Frequency	<b>Monthly</b> (more than Rs. 5 crore) <b>Quarterly</b> (less than Rs. 5 crore)*	<b>Quarterly</b>	<b>Quarterly</b>
Return	Form GST <b>RET-1</b> (with ANX-1 and ANX-2)	Form GST <b>RET-2</b> (with ANX-1 and ANX-2)	Form GST <b>RET-3</b> (with ANX-1 and ANX-2)
Supply type	<b>All</b> (including export, SEZ and deemed supply)	<b>B2C only</b> (excluding supply through ECO)	<b>B2B and B2C only</b> (excluding supply through ECO)
Input tax credit	Allowed (including missing invoices)	Allowed (Except invoices missing in GST ANX-2)	Allowed (Except invoices missing in GST ANX-2)

\* Taxpayers having turnover less than Rs. 5 crore can voluntarily opt for monthly return.

\*\* Inward supply attracting reverse charge liability is permitted under all 3 returns.



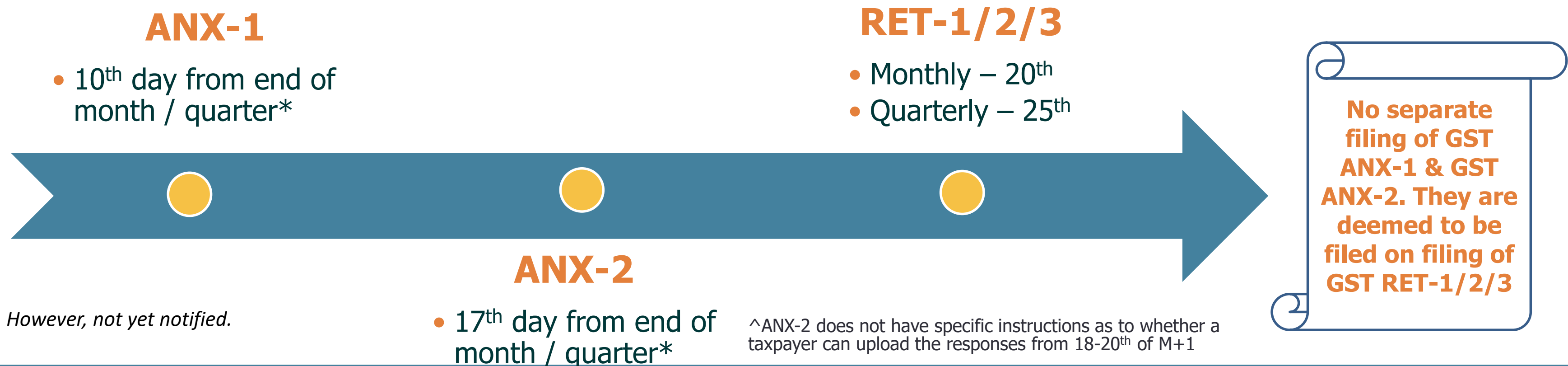
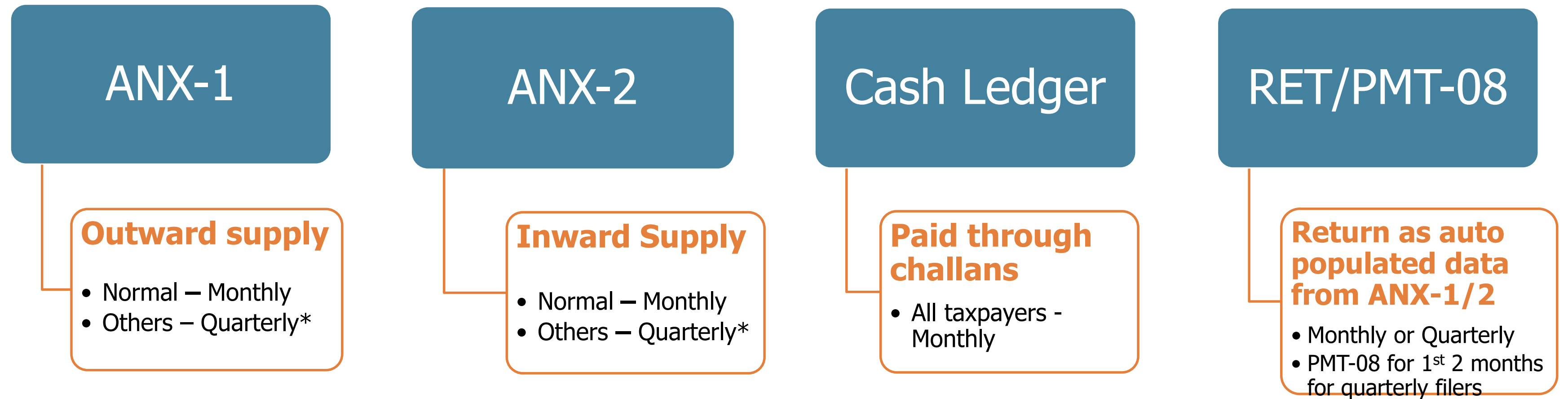
# Switching of forms



- The Periodicity of return filing will remain unchanged during next FY unless changed before filing the first return of that FY.
- Taxpayer to select return profile and filing frequency at the start of the financial year.
- Change of filing frequency not allowed for the same Financial Year.
- Changing return type allowed with certain conditions.

*\*Change can be done at the beginning of any quarter only.*

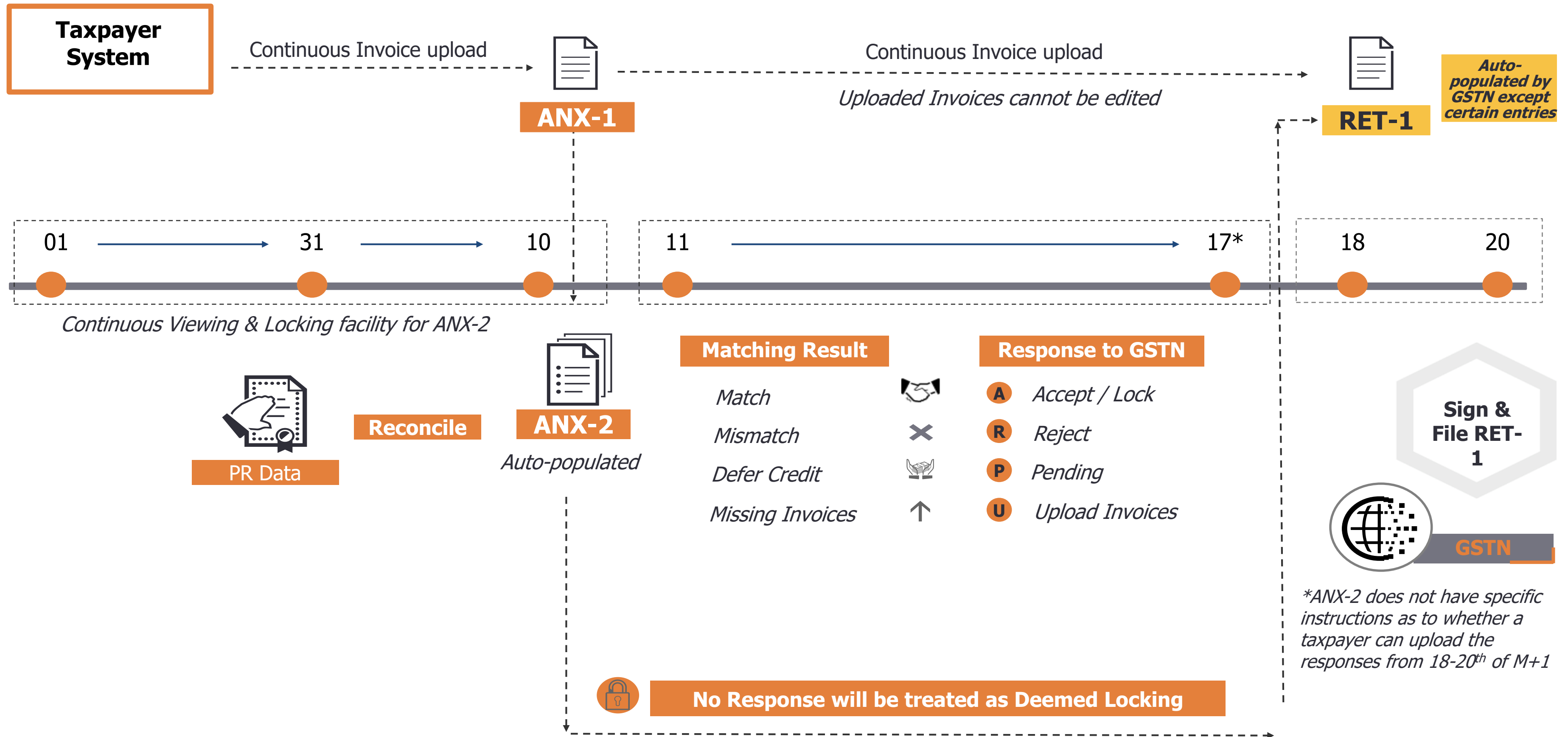
# New Return Schema and Time lines



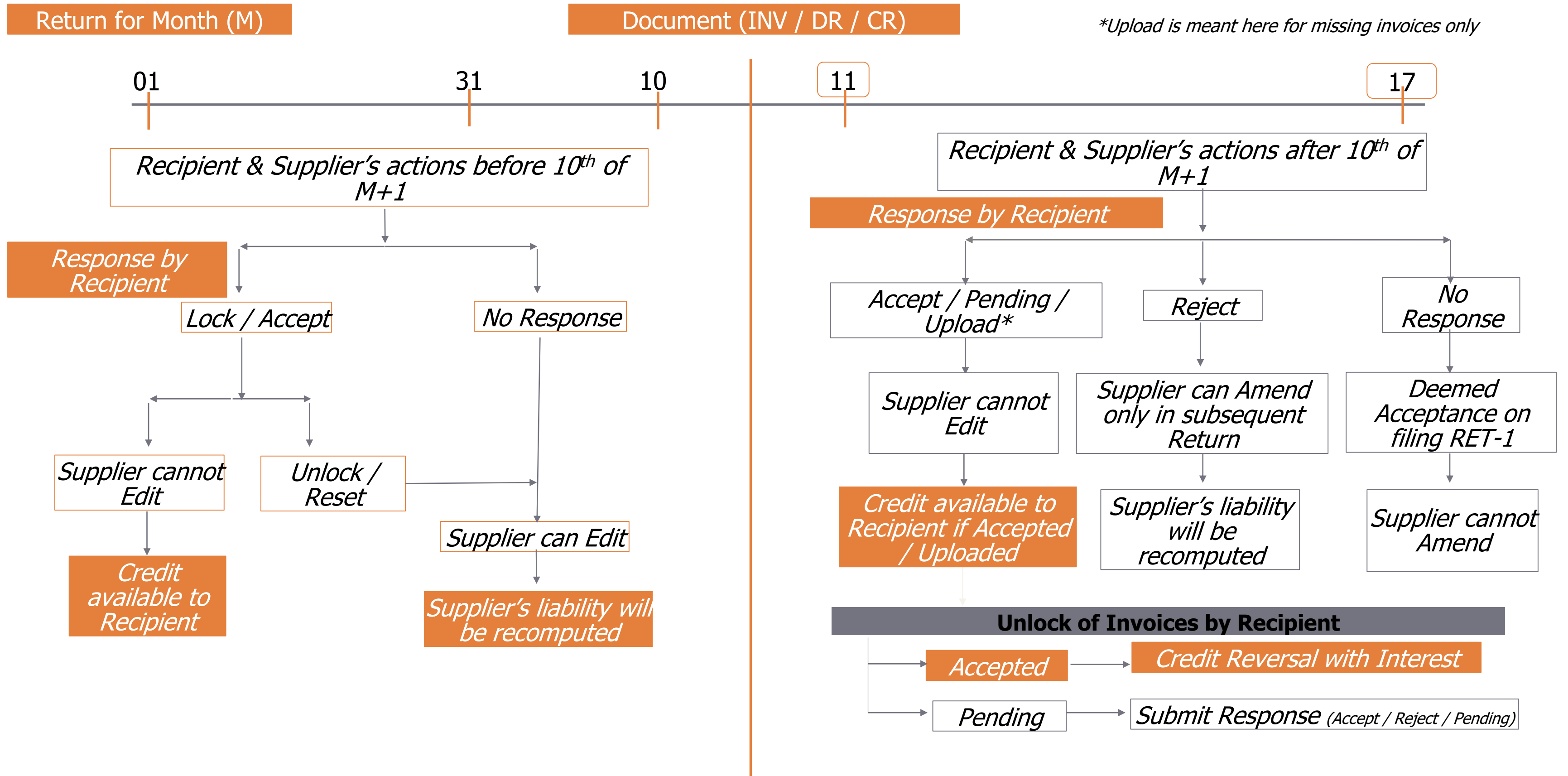
\*As expected. However, not yet notified.

^ANX-2 does not have specific instructions as to whether a taxpayer can upload the responses from 18-20<sup>th</sup> of M+1

# Proposed Work Flow – Monthly Returns



# Proposed Work Flow – Monthly Returns



Details to be reported  
under New GST Returns

GST ANX-1

# GST ANX-1 : Overview

PARTICULARS	TABLE NO.
Supplies made to unregistered consumers	3A
Supplies to registered persons	3B
Export (With payment of Tax)	3C
Export (Without payment of Tax)	3D
Supplies to SEZ Developer/Unit (with the Payment of Tax)	3E
Supplies to SEZ Developer/Unit (without the Payment of Tax)	3F
Deemed Exports	3G
Inwards Supplies attracting Reverse Charge	3H
Import of Services	3I
Import of Goods	3J
Import of Goods from SEZ on Bill of Entry	3K
Credit availed on documents not uploaded by the Supplier/Seller	3L

3A,3C, 3D,3I & 3J – NO  
GSTIN

3B, 3E, 3F & 3G –  
GSTIN of Recipient

3H, 3K & 3L – GSTIN of  
supplier

3H PAN, if GSTIN is  
missing

# GST ANX-1

TABLE NO.	TABLE NAME	REMARKS
3A	Supplies made to consumers and un-registered persons (Net of debit notes, credit notes)	<ul style="list-style-type: none"> <li>Consolidated supplies need to be reported tax rate-wise and state-wise (POS), net of debit / credit notes</li> <li>HSN codes are not required</li> </ul>
3B	Supplies made to registered persons (other than those attracting reverse charge)	<ul style="list-style-type: none"> <li>RCM supply not to be reported (change from existing system – The same shall be reported by recipient of supply)</li> <li><b>Rejected Invoice can be edited/amended here</b></li> <li>Reference of original Invoice number and date need not be given for Debit/Credit Notes</li> <li>HSN to be reported. As per User manual, "<u>HSN is mandatory and for services it must be entered in 6 digit HSN Code</u>"</li> </ul>
3C & 3D	Export with/without payment of tax	<ul style="list-style-type: none"> <li>Exports with or without pay (incl Debit/Credit Notes)</li> <li>Port code &amp; Shipping bill / bill of export number available (till the date of filing of return) to be reported</li> <li>A separate functionality for updating details of shipping bill/ bill of export number will be made available on the portal</li> <li>6 digit HSN is required (As per User manual, "<u>HSN is mandatory and for services it must be entered in 6 digit HSN Code</u>")</li> </ul>



# GST ANX-1

TABLE NO.	TABLE NAME	REMARKS
3E & 3F	Supply to SEZ unit/developers with/without payment of tax	<ul style="list-style-type: none"> <li>• <b>Status of Recipient must be reflected as SEZ on the GST portal.</b></li> <li>• <b>For supplies made with payment of tax, the supplier will have an option to select if the supplier or the SEZ units/developer will claim refund on such supplies.</b></li> <li>• If the supplier is not availing refund, only then the SEZ unit / developers will be eligible to avail input tax credit and claim refund for such credit after exports by them.</li> <li>• 6 digit HSN is required. As per User manual, "<u>HSN is mandatory and for services it must be entered in 6 digit HSN Code</u>"</li> </ul>
3G	Deemed Exports	<ul style="list-style-type: none"> <li>• The supplier to declare whether refund will be claimed by him or the recipient of deemed export supply</li> <li>• 6 digit HSN is required. As per User manual, "<u>HSN is mandatory and for services it must be entered in 6 digit HSN Code</u>"</li> </ul>
3H	Inward supplies attracting reverse charge	<ul style="list-style-type: none"> <li>• The details have to be reported <b>Tax rate-wise as well as GSTIN-wise</b> and not invoice-wise</li> <li>• Taxable amount to be disclosed <b>net of Debit/Credit notes &amp; advances paid</b></li> <li>• HSN code is optional</li> <li>• <b>PAN of supplier</b> may be furnished in case of purchases made from unregistered suppliers</li> </ul>

# GST ANX-1

TABLE NO.	TABLE NAME	REMARKS
3I	Import of Services	<ul style="list-style-type: none"><li>Place of supply wise and rate-wise, consolidated details required</li><li>HSN is mandatory</li></ul>
3J	Import of Goods	<ul style="list-style-type: none"><li>Invoice-wise details to be submitted.</li><li>Port code (6 digit) and Bill of entry details (no., date and value) mandatory</li><li><b>IGST details will not auto populate as of now and reporting to be done till the time the data from ICEAGTE and SEZ to GSTN system starts flowing online.</b></li><li>HSN and Place of supply are mandatory</li></ul>
3K	Import of Goods from SEZ units/developers on a Bill of Entry	Same as above except that supplier GSTIN is mandatory.

# GST ANX-1

TABLE NO.	TABLE NAME	REMARKS
3L	Missing documents on which credit has been claimed on account of supplier has not reported supplies in his return	<ul style="list-style-type: none"><li>• <b>To be disclosed only where the supplier has failed to report the supplies after a lapse of two tax periods in case of monthly return filers and after of one tax period in case of quarterly return filers</b></li><li>• <b>Not yet provided in offline tool</b></li></ul>
4	Details of the supplies made through e-commerce operators liable to collect tax under Section 52 (out of any outward supplies declared in Table 3)	<ul style="list-style-type: none"><li>• All supplies made through e-commerce operators liable to collect tax under Section 52 shall be reported at a consolidated level in this table, even though these supplies have already been reported in Table 3.</li></ul>

# GST ANX-1 – Preview of Offline Utility



Goods and Services Tax Offline Tool

07AAATN4680A1ZZ

XYZ LTD

User Manual



IMPORT EXCEL/CSV FILES



OPEN DOWNLOADED JSON FILE



REMOVE DATA IN ALL TABLES



GENERATE JSON FILE TO UPLOAD



EXPORT TO EXCEL

Select Table to Add Details

Select Table to Add Details

VIEW SUMMARY ^

VIEW DRAFT RETURN

Document type

Net of Credit/Debit notes

S.No.	Outward/Inward Supply Type	Number of Records	Taxable Value (₹)	Tax			
				Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	Cess (₹)
1	2	3	4	5	6	7	8

# GST ANX-1 – Preview of Summary

S.No.	Outward/Inward Supply Type	Number of Records	Taxable Value (₹)	Tax			
				Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	Cess (₹)
1	2	3	4	5	6	7	8
1	3A- Supplies to unregistered persons/consumers (B2C)	3	12,000.00	1,970.00	-	-	-
2	3B- Supplies to registered persons (B2B)	5	35,000.00	1,800.00	2,250.00	2,250.00	300.00
3	3C & 3D- Exports with/without payment of tax (EXP)	5	27,000.00	3,380.00			1,000.00
4	3E & 3F- Supplies to SEZ with/without payment of tax (SEZ)	5	37,000.00	3,380.00			100.00
5	3G- Deemed exports (DE)	5	37,000.00	2,160.00	2,410.00	2,410.00	1,050.00
6	<b>Total Outward supplies (1 to 5)</b>	<b>23</b>	<b>1,48,000.00</b>	<b>12,690.00</b>	<b>4,660.00</b>	<b>4,660.00</b>	<b>2,450.00</b>
7	3H- Inward supplies attracting reverse charge (RCM)	5	52,000.00	2,400.00	3,920.00	3,920.00	1,200.00
8	3I- Import of services (IMPS)	5	39,000.00	4,240.00			1,050.00
9	3J- Import of goods (IMPG)	3	35,000.00	6,800.00			100.00
10	3K- Import of goods from SEZ units/developers (IMPG SEZ)	3	35,000.00	6,800.00			50.00
11	3L- Missing documents (provisional credit availed)	5	37,000.00	1,800.00	2,620.00	2,620.00	1,050.00
12	<b>Total Liability excluding amendments, if any (6+7+8)</b>	<b>33</b>	<b>2,39,000.00</b>	<b>19,330.00</b>	<b>8,580.00</b>	<b>8,580.00</b>	<b>4,700.00</b>
13	4- Supplies made through e-commerce operators	5		1,800.00	3,150.00	3,150.00	500.00
14	3B. Amendment regular- registered persons (B2BA)	0	0.00	0.00	0.00	0.00	0.00
15	3B. Amendment (others)- registered persons (B2BAO)	0	0.00	0.00	0.00	0.00	0.00
16	3E & 3F. Amendment- Supplies to SEZ with/without payment of tax (SEZA)	0	0.00	0.00			0.00
17	3E&3G. Amendment- Deemed exports (DEA)	0	0.00	0.00	0.00	0.00	0.00
18	<b>Total Liability including amendments, if any (12+14+15+16+17)</b>	<b>33</b>	<b>2,39,000.00</b>	<b>19,330.00</b>	<b>8,580.00</b>	<b>8,580.00</b>	<b>4,700.00</b>

Activate Windows  
Go to Settings to activate Windows

# GST ANX-1 - Sahaj

TABLE NO.	TABLE NAME	REMARKS
3A	Supplies made to consumers and un-registered persons (Net of debit / credit notes)	<ul style="list-style-type: none"><li>• Consolidated details to be reported tax-rate wise</li><li>• POS is mandatory</li><li>• HSN code is optional</li></ul>
3H	Inward supplies attracting reverse charge (to be reported by the recipient, GSTIN wise for every supplier, net of debit / credit notes and advances paid, if any)	<ul style="list-style-type: none"><li>• The details have to be reported <b>Tax rate-wise as well as GSTIN-wise</b> and not invoice-wise</li><li>• Taxable amount to be disclosed <b>net of Debit/Credit notes &amp; advances paid</b></li><li>• HSN code is optional</li><li>• <b>PAN</b> of supplier may be furnished in case of purchases made from unregistered suppliers</li></ul>

# GST ANX-1 - Sugam

TABLE NO.	TABLE NAME	REMARKS
3A	Supplies made to consumers and un-registered persons (Net of debit / credit notes)	<ul style="list-style-type: none"><li>• Consolidated details to be reported tax-rate wise</li><li>• POS is mandatory</li><li>• HSN code is optional</li></ul>
3B	Supplies made to registered persons (other than those attracting reverse charge)(including edit/amendment)	<ul style="list-style-type: none"><li>• RCM supply not to be reported (change from existing system – The same shall be reported by recipient of supply)</li><li>• Rejected Invoice can be edited/amended here</li><li>• HSN code is optional</li></ul>
3H	Inward supplies attracting reverse charge (to be reported by the recipient, GSTIN wise for every supplier, net of debit / credit notes and advances paid, if any)	<ul style="list-style-type: none"><li>• The details have to be reported <b>Tax rate-wise as well as GSTIN-wise</b> and not invoice-wise</li><li>• Taxable amount to be disclosed <b>net of Debit/Credit notes &amp; advances paid</b></li><li>• HSN code is optional</li><li>• PAN of supplier may be furnished in case of purchases made from unregistered suppliers</li></ul>

# Understanding GST ANX-1

- Taxpayer can upload the details of invoices in ANX-1 on real time basis. Recipients can also view the invoices uploaded by the suppliers on real time basis.
- Details can be uploaded any time during the month / quarter (anytime till Annual Return or 6 months from FY end) except :
  - (i) Details cannot be uploaded from **18<sup>th</sup> to 20<sup>th</sup>** of the month following the tax period – monthly filers
  - (ii) Details cannot be uploaded from **23<sup>rd</sup> to 25<sup>th</sup>** of the month following the quarter – quarterly filers
- The details uploaded in Form GST ANX-1 can be edited before filing of the return of a tax period for Tables other than 3B, 3E, 3F and 3G (where GSTIN of recipient has been mentioned).
- **The details uploaded in Table 3B, 3E, 3F and 3G can be edited only till cut off date - 10<sup>th</sup> (provided it has not been accepted by recipient)** Thereafter, the supplier cannot suo moto edit these details submitted in ANX-1.
- **Only when the supply has been rejected by the recipient (in his ANX-2), the supplier can edit the entry.** The recipient can never edit any supply entry – Unidirectional Flow.
- **Editing cannot be done on documents which are accepted or kept pending by Recipient.** However, such documents will be available in the viewing status of the Supplier.
- A credit or debit note can still be issued by the supplier to change value, rate of tax, quantity or the tax payable. IT facility would ensure that recipient reverses the credit or the liability of supplier is not reduced.



# Understanding GST ANX-1

- Supplies attracting RCM will be only reported by the recipient of supply and not by the supplier.
- **Change in HSN reporting**
  - HSN to be reported at 6 digit level for goods as well as services (except small tax payers > Rs. 5 crore)
  - The User manual mentions "*HSN is mandatory and for services it must be entered in 6 digit HSN Code*". Presently, system accepting 4 digit HSN.
  - For B2C invoices, HSN reporting not required
- **Negative values are allowed in ANX-1**
- Invoice reference number is no longer required for Credit Note reporting
- Details of CDN/DN amounts are to be entered separately in all Tables except B2C supply and inward supply from RCM wherein the details are to be mentioned net of debit/credit notes
- Advances received on account of supply of services shall not be reported under ANX-1 but the same shall be reported in Table 3C(4) of Form GST RET-1
- Shifting of documents for reporting under wrong Table – Facility to be provided

# GST ANX-2

# Match Tool

- Matching Tool feature has been made available in the Offline utility.
- Purchase register needs to be uploaded in the format provided by the GST Portal.



**REFINE MATCHING RESULT**

Summary of GST ANX-2 (Annexure of inward supplies) and Purchase Register (PR)

Matching result	No. of documents		Total taxable value (₹)	Total tax amount (₹)
	GST ANX-2	Purchase register		
Exact match (All 7 parameters match) ⓘ	6	6	375,000.00	18,750.00
Partial match (6 out of 7 parameters match) ⓘ	4	4	504,000.00	30,450.00
Probable match (6 out of 7 parameters match) ⓘ	4	4	380,000.00	13,750.00
Mismatch (Few parameters not match or record not exist in ANX-2/PR) ⓘ	0	1	41,000.00	2,050.00
• Unmatched (2 or more parameters not match) ⓘ	0	0	-	-
• In GST ANX-2 not in PR ⓘ	0	0	-	-
• In PR not in GST ANX-2 ⓘ	0	1	41,000.00	2,050.00
<b>TOTAL</b>	<b>14</b>	<b>15</b>	<b>1,300,000.00</b>	<b>65,000.00</b>

## Tolerance Limit

For monetary values

## Approximation Logic

Special characters, prefix or suffix as zero etc.

# Matching – 7 parameters

What all parameters must match for invoices to be accepted by recipient						
<b>GSTIN</b>	<b>Document Type</b>	<b>Document Number</b>	<b>Document Date</b>	<b>Total Taxable Value</b>	<b>Total Tax Amount, i.e C+S+I</b>	<b>Tax amount Head wise</b>

- Matching results will be categorised as below:
  - 1. Exact Match** – All 7 parameters matched
  - 2. Partial Match** – 6 parameters matched. Mismatch will be in other than GSTIN & Document type
  - 3. Probable Match** – 6 parameters matched. Mismatch occurs in GSTIN & Document type
  - 4. Unmatched** – 4/5 parameters matched. However, in this category GSTIN & Document Type/Number/Date is matched.
  - 5. In GST ANX-2 but not in PR** – Documents exist in GST ANX-2 but not in Purchase register
  - 6. In PR but not in GST ANX-2** – Documents exist in Purchase register but not in GST ANX-2

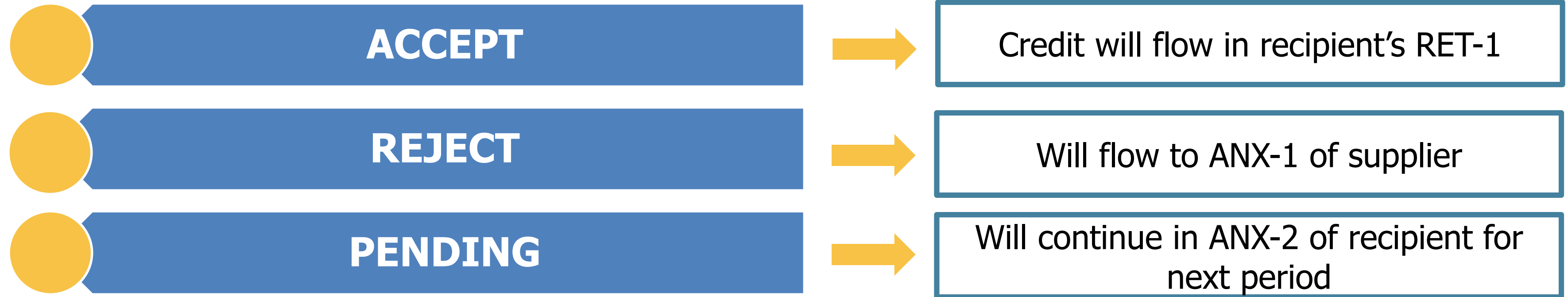
# GST ANX-2 : Overview

Particulars	Remarks
Documents auto populated from Suppliers GST ANX-1	Accept / Reject/ Pending
Import of Goods on Bill of Entry	
Import of Goods ( from SEZ Units/developers ) on Bill of Entry	

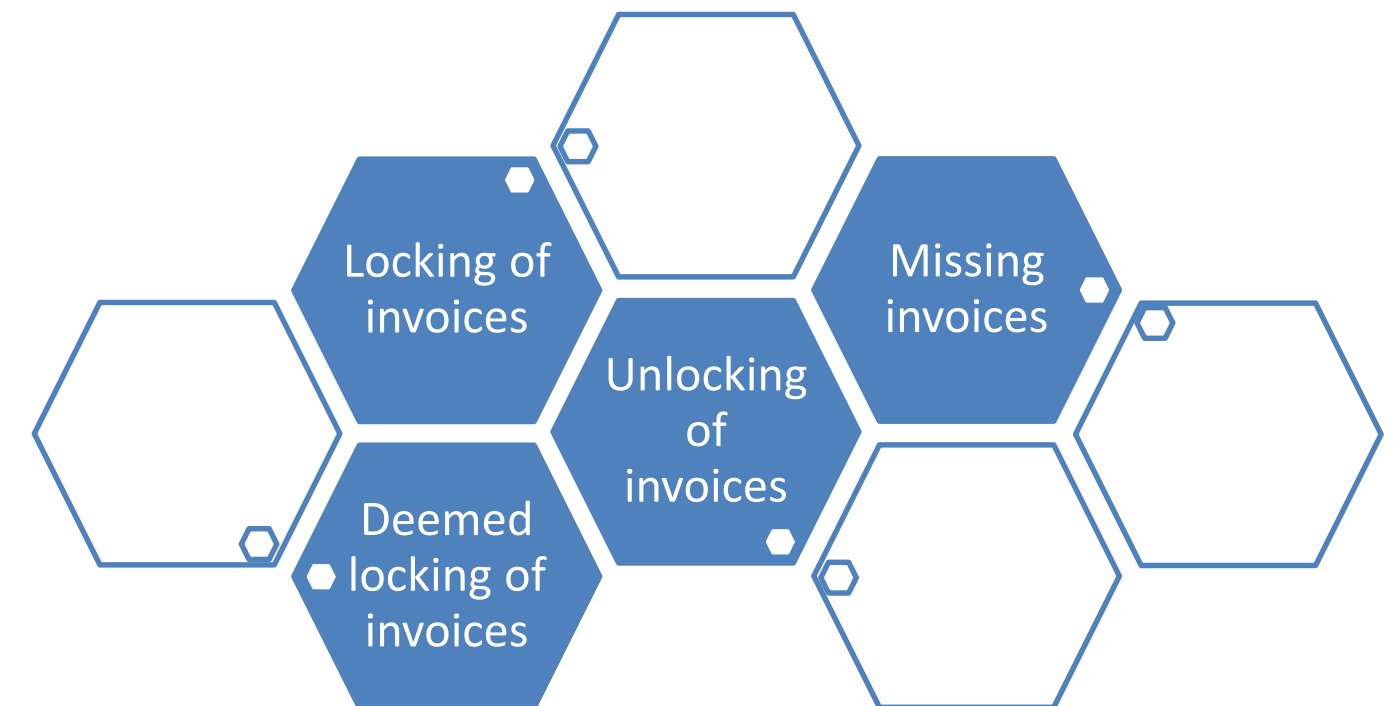
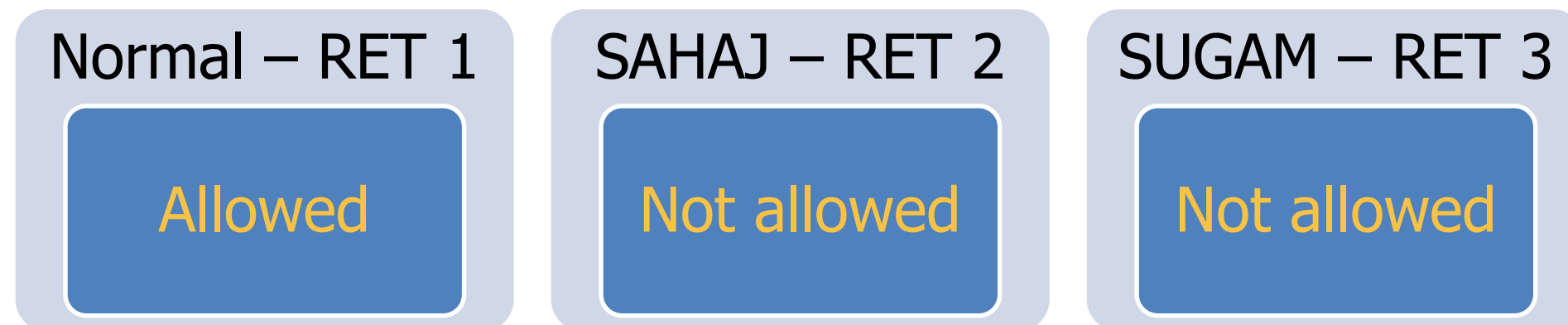
Particulars	Table No.
Supplies received from registered persons including services received from SEZ units (other than those attracting reverse charge)	3A (Auto)
Supplies received from SEZ units on a Bill of Entry (presently manual)	3B (Auto)
Import of goods from overseas on Bill of entry (presently manual)	3C (Auto)
<b>Credit on all documents which have been rejected (net of debit/credit notes)</b>	<b>4</b>
<b>Credit on all documents which have been kept pending (net of debit/credit notes)</b>	
<b>Credit on all documents which have been accepted (including deemed accepted)(net of debit/credit notes)</b>	
ISD credits received (Eligible credit only)	5

# GST ANX-2

## Action to be taken by Recipient of Supply



## Provisional Credit / Missing Credit



# GST ANX-2



## Matching result - Details

Select Table 3A - (3B) - Supplies from registered persons

Matching Result Match

Match Type B1(1) Exact match

Show purchase register details

Select Column(s)

Search



Records per page

Download

GSTIN of supplier	Trade/Legal name	Document type	Document number	Document date	Taxable value (₹)	Total tax (₹)	Integrated tax (₹)	Central tax (₹)	State/ UT tax (₹)	Cess (₹)	ITC entitlement	Action (Select All)	Action taken
07AAAPA1234K1AZ	Medicine Point	INV	INV-110	04/05/2019	40,000.00	2,000.00	0.00	1,000.00	1,000.00	0.00		Accept Reject Pending	
07AAAPA1234K1AZ	Medicine Point	INV	INV-110	04/05/2019	40,000.00	2,000.00	0.00	1,000.00	1,000.00	0.00		Accept Reject Pending	

From Purchase Register



BACK

CONFIRM

# Understanding GST ANX-2

- ITC entitlement for inter state supply where POS is different from the place of registration of the Recipient, needs to be selected as 'yes' or 'no'. If yes is selected then ITC is available. **Where POS of supply lies in suppliers state only, then there is no option to select 'yes' and credit is not eligible.**
- **Before 10<sup>th</sup> of subsequent month, the recipient can either accept or reset / unlock the documents.**
- **After 10<sup>th</sup> of subsequent month, the Recipient will have only three options i.e. Accept, Reject, Pending – Recipient can't modify.** Recipient can take action on a continuous basis.
- Any documents rejected by the recipient shall be conveyed to the supplier only after the recipient files the return.
- The Rejected documents can be edited by the supplier before filing any subsequent returns for any month or quarter, and the credit of the same will be available to the recipient in the next period's Form GST ANX-2. The liability for such edited documents will however be accounted for in the tax period in which the supplier has uploaded the documents.
- Pending invoices would be rolled over to next period's FORM GST ANX-2.

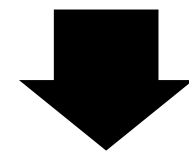


# Understanding GST ANX-2

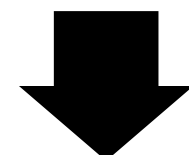
- **Document that has not been marked as Accept, Reject or Pending will be deemed to have been accepted. On deemed acceptance, input tax credit of all invoices shall be accounted.**
- Separate functionality would be provided to search and reject an accepted document on which credit has already been availed. Such reversal of credit for the recipient will be with interest.
- Status of return filing (filed, not filed) by the supplier will also be made known to the recipient in ANX-2 of the tax period after the due date of return filing is over.
- **If the supplier has uploaded documents in ANX-1 but does not file return for previous 2 consecutive tax periods M-1 and M-2 (for monthly filers) and 1 quarter (for quarterly filers), ITC will not be available to the recipient.**

# Delayed reporting in ANX-1 – ITC Impact

ITC entitlement to recipient only if invoices are uploaded by supplier till 10<sup>th</sup> of succeeding month



Any invoices uploaded after 10<sup>th</sup> - Recipient will get the ITC in the subsequent month only (Working capital blockage)



System will auto calculate the interest payable on account of delayed reporting by the supplier and the same needs to be paid along-with RET-1 return

Monthly

- No ITC allowed (in M+2 period) on invoices uploaded in GST ANX-1 if supplier does not file two returns

Quarterly

- No ITC allowed (in Q+1 period) on invoices uploaded in GST ANX-1 if supplier does not file one return

# GST ANX-2 – Preview of Offline Utility



Goods and Services Tax Offline Tool

07AAATN4680A1ZZ

XYZ LTD

User Manual



OPEN DOWNLOAD JSON FILE



REMOVE DATA IN ALL TABLES



MATCHING TOOL



EXPORT TO EXCEL



GENERATE JSON FILE TO UPLOAD

Select Table for Taking Actions\*

Select Table for Taking Actions

VIEW SUMMARY OF GST ANX-2 ^

VIEW TABLE 4 of GST ANX-2

VIEW DRAFT RETURN

## ANNEXURE OF INWARD SUPPLIES SUMMARY

Action Taken

All Actions

S.No.	Type of inward supplies	Number of records	Taxable value (₹)	Amount of input tax credit involved				
				Total tax(₹)	Integrated tax (₹)	Central tax (₹)	State/UT tax (₹)	Cess (₹)
1	2	3	4	5	6	7	8	9

# GST ANX-2 – Preview of Summary

Action Taken

All Actions ▾

S.No.	Type of inward supplies	Number of records	Taxable value (₹)	Amount of input tax credit involved				
				Total tax(₹)	Integrated tax (₹)	Central tax (₹)	State/UT tax (₹)	Cess (₹)
1	2	3	4	5	6	7	8	9
<b>1</b>	<b>3A - (3B) - Supplies from registered persons (B2B) - (From table 3B of ANX-1)</b>							
a	Accepted	8	8,24,000.00	41,200.00	25,450.00	7,875.00	7,875.00	0.00
b	Rejected	1	60,000.00	3,000.00	0.00	1,500.00	1,500.00	0.00
c	Pending	1	75,000.00	3,750.00	3,750.00	0.00	0.00	0.00
	Sub - total	10	9,59,000.00	47,950.00	29,200.00	9,375.00	9,375.00	0.00
<b>2</b>	<b>3A - (3G) - Deemed exports (DE) - (From table 3G of ANX-1)</b>							
a	Accepted	2	1,05,000.00	5,250.00	2,750.00	1,250.00	1,250.00	0.00
b	Rejected	1	1,50,000.00	7,500.00	0.00	3,750.00	3,750.00	0.00
c	Pending	1	45,000.00	2,250.00	2,250.00	0.00	0.00	0.00
	Sub - total	4	3,00,000.00	15,000.00	5,000.00	5,000.00	5,000.00	0.00
<b>3</b>	<b>5.ISD credits received (ISDC)</b>	2		14,000.00	10,000.00	2,000.00	2,000.00	0.00
	Gross ITC available [1a + 2a + 3]	12	9,29,000.00	60,450.00	38,200.00	11,125.00	11,125.00	0.00
	Gross ITC rejected [1b + 2b]	2	2,10,000.00	10,500.00	0.00	5,250.00	5,250.00	0.00
	Gross ITC pending [1c + 2c]	2	1,20,000.00	6,000.00	6,000.00	0.00	0.00	0.00

GST RET-1

# GST RET-1/2/3

TABLE	PARTICULARS	DETAILS TO BE FILLED
3A	Outward Supply  <b>8.</b> Liabilities relating to period prior to introduction of current return filing system & any other liability to be paid	<ul style="list-style-type: none"> <li>• Most details to be auto-populated from GST ANX-1</li> <li>• 3A(8) liabilities to be reported manually</li> </ul>
3B	Inward supply attracting RCM	<ul style="list-style-type: none"> <li>• Auto-populated details from GST ANX-1</li> </ul>
3C	Details of DR /CR, Advances received / adjusted and other reduction in liabilities  <b>3.</b> Advances received (net of refund vouchers and including adjustments on account of wrong reporting of advances earlier) <b>4.</b> Advances adjusted <b>5.</b> Reduction in output tax liability on account of transition from composition levy to normal levy, if any or <b>any other reduction in liability</b>	<ul style="list-style-type: none"> <li>• Debit / credit notes to be auto-populated from GST ANX-1</li> <li>• Advances details to be added manually</li> <li>• Advances received on account of supply of services to be reported in Table 3C(3) and adjustment thereof in table 3C(4)</li> <li>• Advances pertaining to previous tax periods adjusted in the current tax period needs to be reported in 3C(4)</li> </ul>
3D	Supplies having no liability	<ul style="list-style-type: none"> <li>• To be entered manually</li> </ul>
3E	Total value and tax liability	<ul style="list-style-type: none"> <li>• Auto-populated</li> </ul>

# GST RET-1/2/3

TABLE	PARTICULARS	DETAILS TO BE FILLED
4A	Details of ITC	<ul style="list-style-type: none"> <li>• ITC details in ANX-1 and ITC on invoices accepted in ANX-2 is auto populated.</li> <li>• <b>Manually entries</b> required for:               <ul style="list-style-type: none"> <li>✓ Eligible credit of period prior to introduction of New returns <b>(4A-4)</b></li> <li>✓ <u>Provisional input tax credit on documents not uploaded by the suppliers (net of ineligible credit) (4A-10)</u></li> <li>✓ Upward adjustment in input tax credit due to receipt of credit notes and all other adjustments and <u>reclaims (4A-11)</u></li> </ul> </li> </ul>
4B	Reversal of Credit	<ul style="list-style-type: none"> <li>• Credit on documents which have been accepted in previous returns but rejected in current tax period (net of debit/ credit notes) shall be auto populated.</li> <li>• ITC reversed against ineligible credit <b>(4B-2)</b>, reversal of credit in respect of supplies on which provisional credit has already been claimed in the previous tax periods but documents have been uploaded by the supplier in the current tax period <b>(4B-3)</b>, reversed under Rule 37/39/42 /43 <b>(4B-4)</b> and other reversals <b>(4B-5)</b> needs to be entered manually.</li> </ul>

# GST RET-1/2/3

TABLE	PARTICULARS	DETAILS TO BE FILLED
4C, D, E	Other ITC details	<ul style="list-style-type: none"> <li>ITC declared in PMT-08 as ITC self-declared in first and second month of a quarter will be auto populated.</li> <li><b>ITC of capital goods and services, out of <u>Net available ITC</u> to be entered manually.</b></li> </ul>
5	Pertains to TDS and TCS credits received in Electronic cash ledger	
6	Pertains to Interest and late fees liabilities	<ul style="list-style-type: none"> <li><b>Interest on late filing of return (including late uploading of B2B invoices in ANX-1, rejection of accepted documents by the recipient) shall be computed by the system.</b></li> <li>Interest on account of reversal of input tax credit, late reporting of supplies attracting RCM, other interest liability needs to be calculated by the taxpayer.</li> </ul>
7	Payment of Tax	<ul style="list-style-type: none"> <li>Through credit and cash ledger</li> </ul>
8	Refund claimed from Electronic cash ledger	



# Understanding GST RET-1

- Questionnaire to be filled before filing RET-1.
- After uploading of details of supplies in Form GST ANX-1 and taking action on the documents auto-populated in FORM GST ANX-2 GST, taxpayer can file the main return in Form GST RET-1.
- Nil return can be filed if taxpayer has not uploaded form GST ANX-1 and no inward supplies have been auto-populated in form GST ANX-2 and no other information is required to be reported in form GST RET-1.
- Interest and late fees to the extent of late filing of return, making late payment of taxes, uploading preceding tax period's invoices shall be computed by the system.
- Adjustment of negative liability of the previous tax period shall be carried forward to current tax period's liability.
- Suggested utilization of ITC will be made available in the payment table. However, taxpayer can make changes in the suggested ITC utilization.

# GST RET-1 – Provisional / Missing Credit

## Provisional Credit / Missing invoices

- If any invoice is not uploaded by the supplier, the recipient can claim provisional ITC on such purchase invoice by reporting of missing invoices [**Table 4A-10 of RET-1**]. The Department will put restriction on % of provisional ITC that can be claimed (not beyond 20% of available ITC).
- Where the said invoices are uploaded by supplier in next month, the recipient will accept those invoices and also reverse the said credit [**Table 4B-3 in RET-1** of next month], to ensure no double credit is taken.
- Where the supplier never uploads an invoice and recipient has claimed the credit on it, then such ITC will be recovered via the recipient. A recipient has to reverse credit in **RET-1 [Table 4B-5] (interest will be applicable)** and also report the missing invoices **individually** in **Table 3L of ANX-1** in case of delay by the supplier in T+2 tax period for monthly filers and T+1 tax period for quarterly filers.

# GST RET-1 – Disclosure for Prior Transactions

## Outward Supply - Invoice/Debit Note

No.	GSTR – 1	GSTR – 3B	New Return	Table no.	Action to be taken
Yes	Yes	No	RET-1	Table 3A.8	
Yes	No	Yes	ANX-1	3A, 3B	Also reduce in Table 3C.5 of RET-1
Yes	No	No	ANX-1	3A, 3B	Would be automatically considered as liability in RET-1
100	100	80	RET-1	Table 3A.8	Would be automatically considered as liability in RET-1
100	80	100	GSTR-1	Table 9A	Based on informal information
No	No	Yes	RET-1	Table 3C.5	Erroneously extra taxes are paid
Yes	No	No	RET-1	Table 3A.8	Opening Balance in 19-20; Liability to be paid in 20-21

# Amendments : ANX-1A and RET-1A

## B2B

- Changes to B2B section of one period can be considered only in **ANX-1** (Annexure) of **month M+1**
- B2B, SEZ supply with tax, SEZ supply without tax and deemed export sales

## B2C

- Amendment of Non B2B sections will have to be reported using **ANX-1A** (Amendment tool) for **month M**
- B2C, Export with/without Tax, RCM, import of Services, import of Goods and SEZ import supplies

## RET-1

- Amendment to user input sections in RET-1 shall be reported in **RET-1A** for **month M**

## ANX-2

- Facility to change actions after filing can be done through separate utility – No amendment
- Any reversal of ITC due on documents which have been accepted in previous returns but rejected in current tax period will be auto filled in Table 4B as a reversal of the ITC on rejected invoice

*As per the Press release of July 2018, amendments would be allowed a maximum of two times only.*

# Understanding Amendments

- Missing documents of prior period shall not be reported in ANX-1A but can be reported in ANX-1 itself. If missing details of documents pertaining to month **M** have been reported in the return of month '**M+2**', then amendment of such documents shall be made by amending return of the month '**M**'.
- Amendment to ANX-1 can be filed before the due date for furnishing of return for September following the end of the financial year or the actual date of furnishing relevant annual return, whichever is earlier.
- The invoices /documents on which refund has already been claimed by the supplier/recipient shall not be open for amendment in ANX-1A.
- **The annexure (ANX-1A) will be deemed to have been filed upon filing of return (RET-1A).**
- Payment can be made if liability arises due to filing of amendment return (RET-1A). If liability becomes negative then no refund shall be paid, instead it will be carried forward to the main return (FORM GST RET – 1) of next tax period where adjustment can be made.
- Amendment to ITC shall be reported in the main return (Form GST RET-1) and not to be taken to the amendment return.

# Challans under new GST Returns

## PMT-08

- PMT-08 form applies to all returns – SAHAJ, SUGAM and Normal
- GST liability to be paid on a monthly basis for all taxpayer (even quarterly filers)
- Liability can be paid through credit as well as cash
- Quarterly filers
  - Payment of Self-assessed liabilities shall be made for the initial two months of the quarter
  - The credit of the tax paid within initial two months of the quarter will be auto populated in RET-1
  - Tax Liability and ITC availed will be based on self-assessment subject to adjustment made in the main return

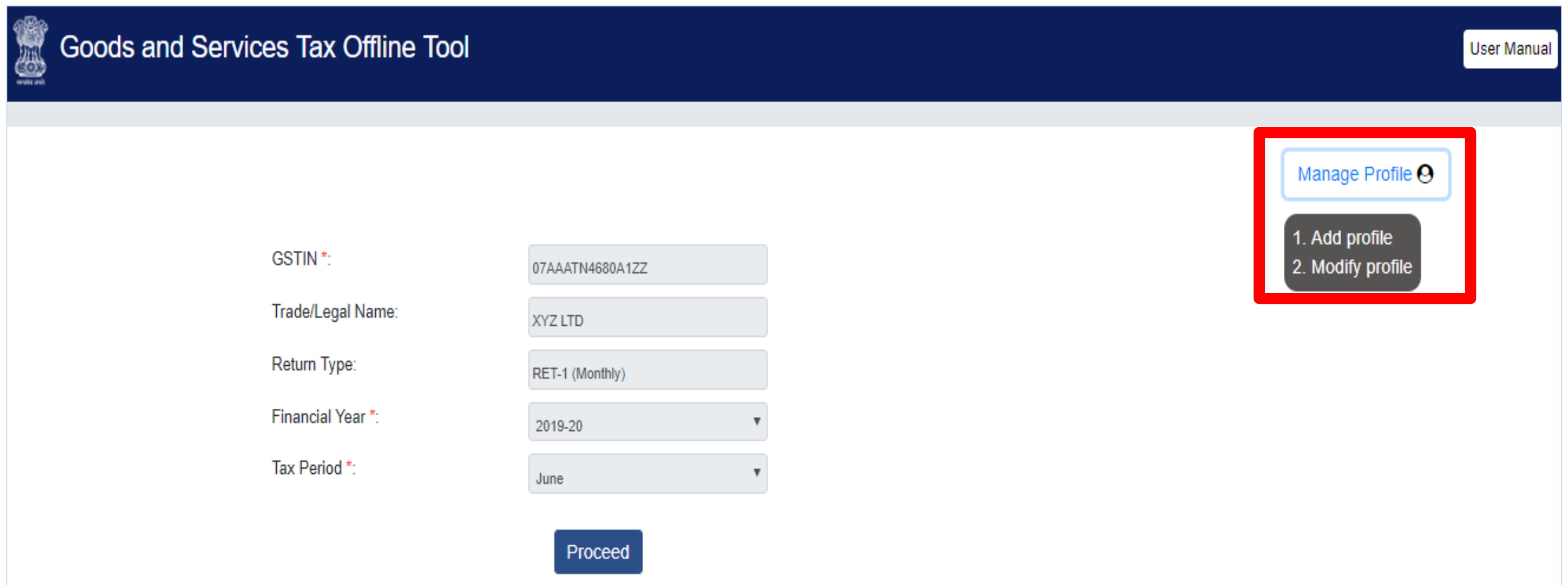
## CMP-08

- CMP-08 is a special statement-cum-challan to declare particulars for composition tax payer

# Process for Filing New GST Returns

# Creating Profile

A Taxpayer must create an online Profile to upload and download files in the New GST Returns filing system. The 'Add Profile' option under 'Manage Profile' tab must be selected. Such Profile can also be Modified.



The screenshot displays the 'Goods and Services Tax Offline Tool' interface. The header includes the logo and the text 'Goods and Services Tax Offline Tool' on the left, and a 'User Manual' link on the right. The main content area features a form for creating a profile with the following fields:

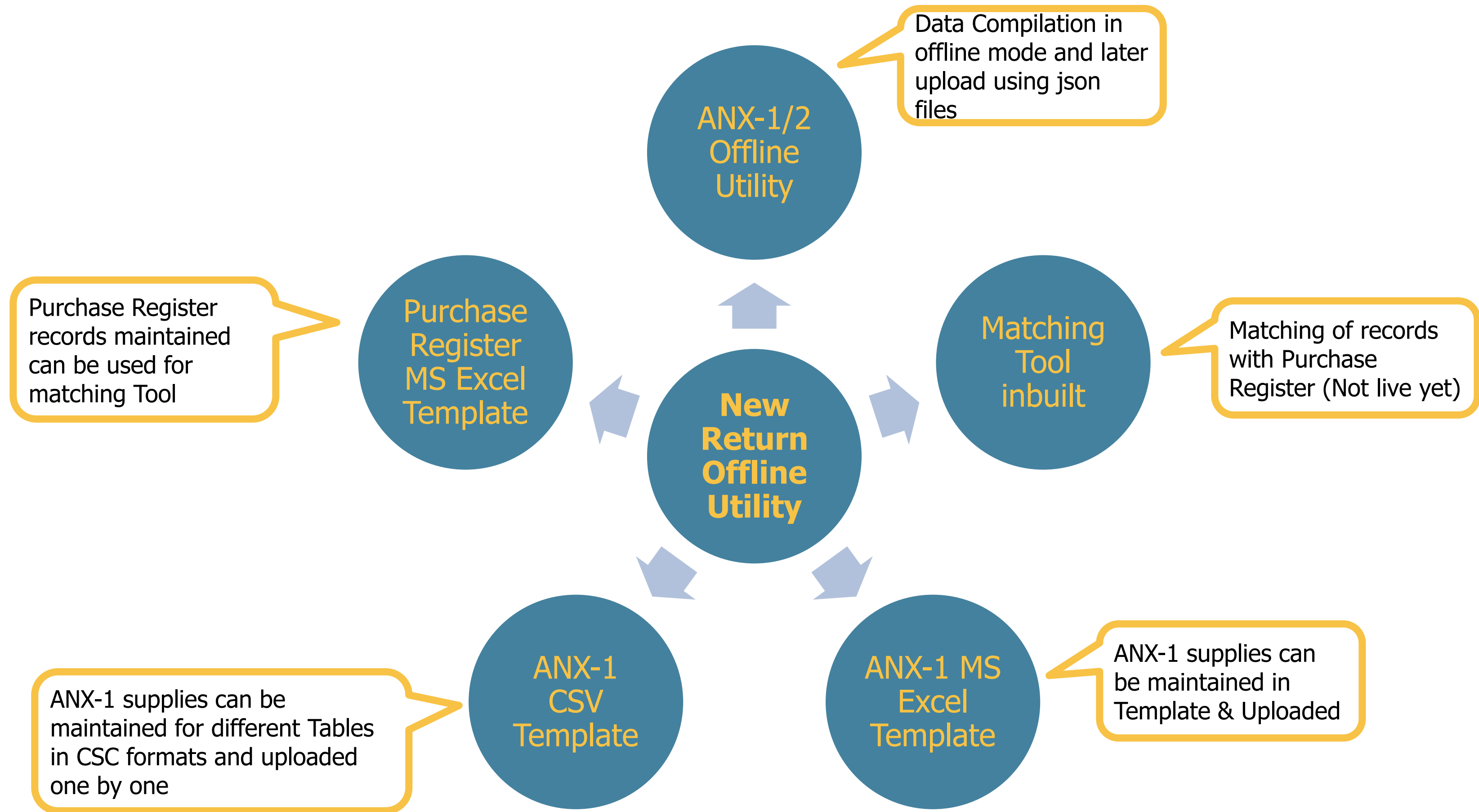
- GSTIN \*: 07AAATN4680A1ZZ
- Trade/Legal Name: XYZ LTD
- Return Type: RET-1 (Monthly)
- Financial Year \*: 2019-20
- Tax Period \*: June

A 'Proceed' button is located below the form. On the right side, a 'Manage Profile' dropdown menu is highlighted with a red box, showing the following options:

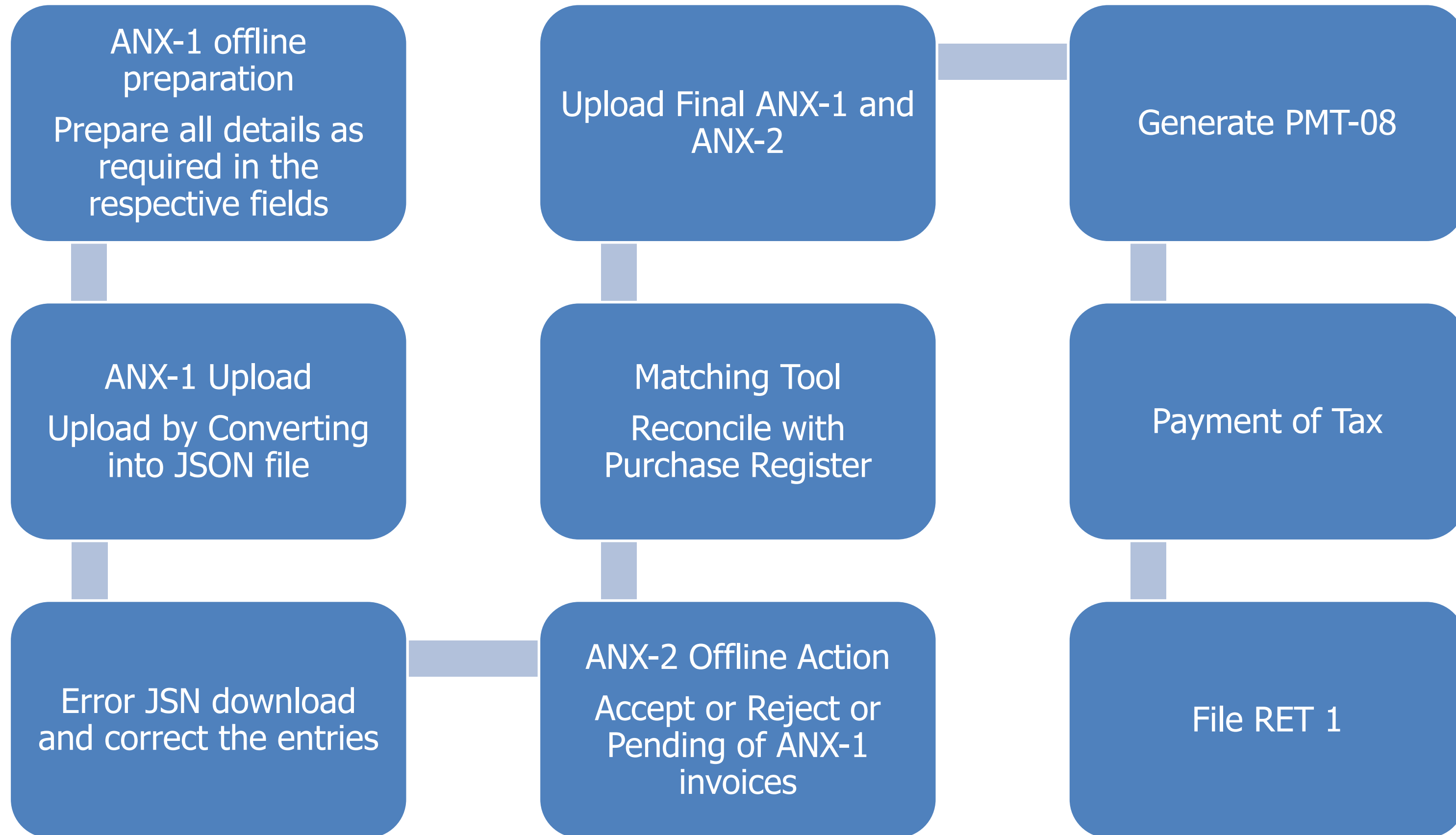
1. Add profile
2. Modify profile



# New Return Offline Tools



# Offline Tool : ANX-1/2 Process



# New Return : Trial

- GSTN has released Trial version containing following New Returns Offline Tools
  - Form GST ANX-1 (except Table 3L)
  - Form GST ANX-2
  - Purchase Register Template
  - CSV Templates
- Trial of new returns via online mode has been enabled.
- During Trial run, documents/data uploaded by taxpayers on GST Portal, will not create any liability. This data will be visible only to taxpayers and their respective buyers.
- The following functionality is not made available in Trial Version
  - Filing of Form GST RET-1 & payment process in new return
  - Action taken in GST ANX-2 will not flow to supplier (for editing/amending in case of rejected invoices)
  - JSON file generated from GSTR-1 offline tool cannot be imported into the New return (Trial) offline tool v0.5
  - JSON file generated from GSTR-2A cannot be imported into the New return (Trial) offline tool v0.5 for the purpose of matching
- After the Trial Period is over, data created/entered by the taxpayers in GST ANX-1/2 will be fully erased

# Transition to New GST Returns

# Comparison – Current vs Proposed

Reporting of	Current framework	Proposed framework
<b>RCM transactions</b>	Not to be reported currently in GSTR-1	Inward supplies attracting RCM, Import of services, goods, Import of goods from SEZ units to be reported
<b>HSN &amp; Document Series</b>	<ul style="list-style-type: none"> <li>▶ HSN summary required based on Turnover</li> <li>▶ Document series to be reported</li> </ul>	<ul style="list-style-type: none"> <li>▶ Transaction level reporting at minimum 6 digits (except B2C supplies)</li> <li>▶ Document series not to be reported</li> </ul>
<b>Credit note</b>	Original invoices and date to be reported for credit note issued to registered dealer	Credit note issued to be reported without giving reference to original invoices and date
<b>Missing invoices</b>	No such concept existing in the current process	Records which are not uploaded by supplier in T+2 month should be disclosed (at transaction level)
<b>B2C Large invoices</b>	B2C large needs to categorize for transactions greater than 2.5 Lac	No such reporting
<b>E-commerce transactions</b>	No separate reporting of e-commerce transactions	Separate Table for the supplies to E-commerce Operator is required
<b>ITC reversal</b>	No bifurcation of ITC reversal only summary to be feed in GSTR-3B	ITC reversal to be bifurcated while filing of RET-1

# Comparison – Current vs Proposed

Particulars	Current framework	Proposed framework
<b>Computation of tax amount</b>	Value reported as tax amount (CGST, SGST and IGST) is independent of taxable value and tax rate captured	Taxes shall be auto computed based on taxable value and tax rate. Credit and Debit notes are exceptions.
<b>Amendment of invoices</b>	Amendment of invoices can be possible for all type of supplies which have been filed in earlier period returns	Amendment of invoices can be possible only in case records are not locked by recipient
<b>Amendment of return</b>	Not possible	Amendment of return to be separate from a regular return and facility to file an amendment return to be restricted to two times for each tax period
<b>Filing of Returns</b>	Separate filing of GSTR-1 and GSTR-3B	No separate filing of ANX-1 & ANX-2. They are deemed to be filed along-with RET 1/2/3
<b>Carry forward of negative liability</b>	Not possible	Negative liability arising from amendment return will be allowed to be carried forward to next tax period
<b>Interest</b>	Interest to be paid on self-assessment basis	Auto interest calculation on late upload/filing of invoices

# Challenges of New GST Returns

# Commercial Impact and Way Forward

## Process and Internal Controls

- ✓ Re-design Business processes and controls post new return implementation
- ✓ Review of Standard operating procedures
- ✓ Integrate new systems, processes and controls
- ✓ Re-look at vendor contracts

## Employees and Training

- ✓ Re-look at roles and responsibilities of employees at various branches
- ✓ Allocate appropriate resources at various offices
- ✓ Provide training to employees for GST related compliances as well as cross functional team members



## ERP Changes

- ✓ Make necessary changes to ERP to capture additional information as per the New GST returns requirements. (For e.g. HSN requirement, GSTIN/PAN for RCM cases, BoE no and date etc.)
- ✓ Ineligible credit management
- ✓ ERP systems to be customized to generate reports in the format of ANX-1 and ANX-2.

## Reconciliation Management

- ✓ Close ITC reco. for past periods - Provisional credit for 6 months?
- ✓ Reco. of outward and inward supplies will entail continuous mapping with books as well as customer / vendor communication
- ✓ Reco. to be managed with robust systems to avoid working capital blockage and outflow of interest.



**QUESTIONS ?**

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