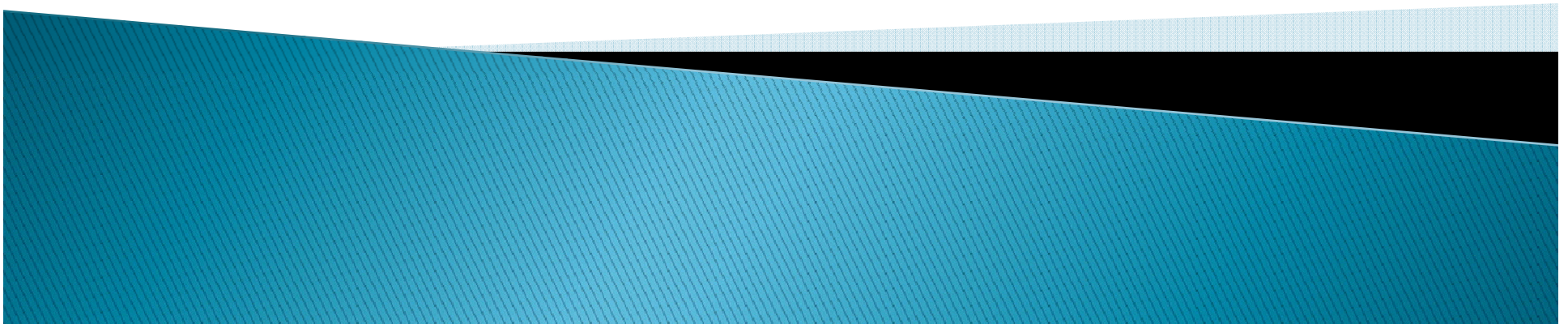


# Information Technology in GST

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IT Preparedness by Govt,  
Tax Payers and Tax  
Professionals

Challenges ,Heads-Up  
and Strategy for  
Compliance

e-Way Bill

# Govt :Planning Since 2010

- ▶ 2010 : Creation of Empowered Group on IT Infrastructure for GST ( EG)
- ▶ EG Held 7 Meetings till Aug 2011
- ▶ EG Recommended a SPV
- ▶ Empowered Committee of State Finance Ministers endorsed recommendations
- ▶ GOI approved formation of GSTN on 12-04-2012
- ▶ GSTN formed on 28-03-2013

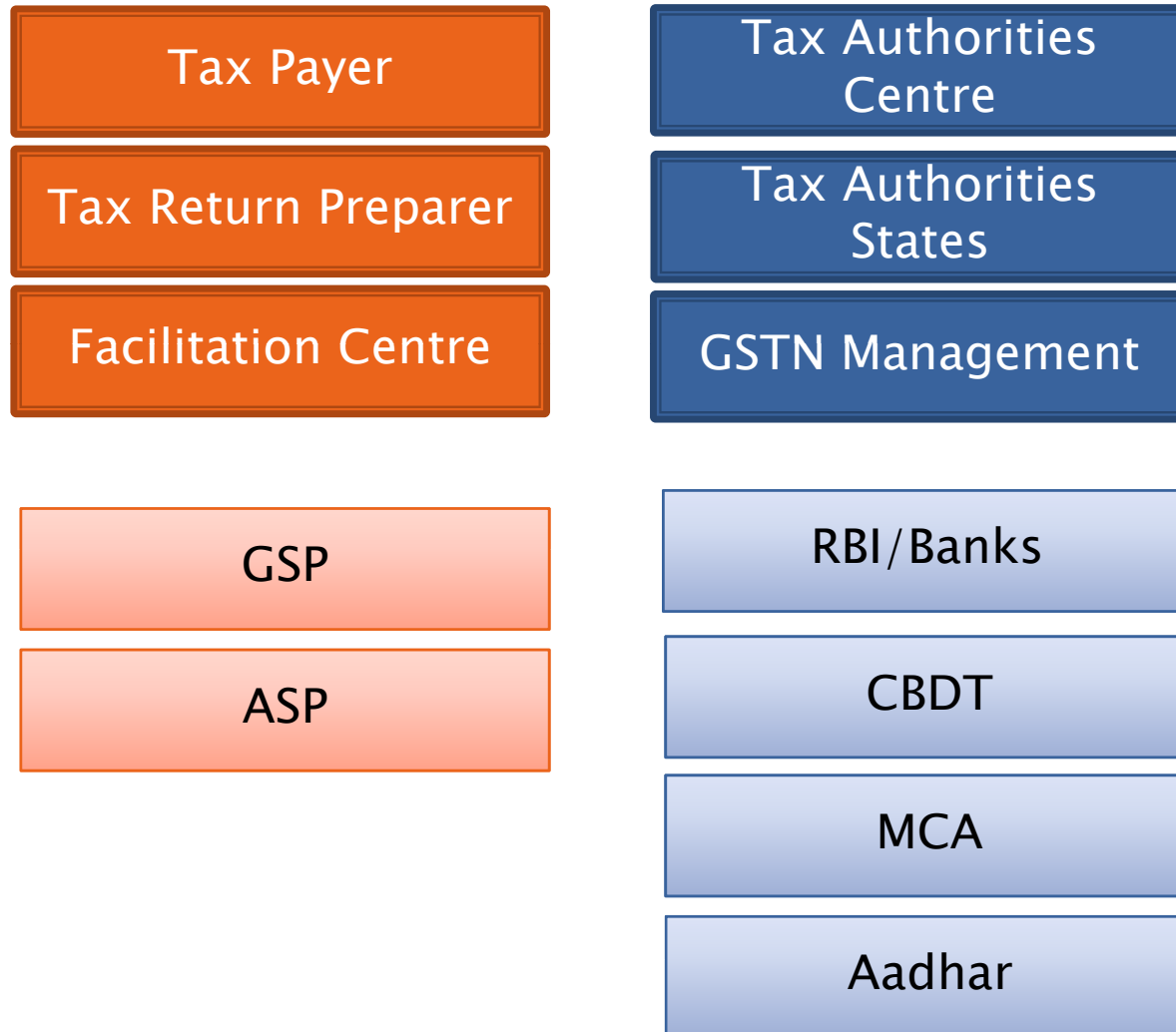
# Govt :Need for Strong IT Systems

- ▶ Huge Volumes
- ▶ Several Stakeholders
- ▶ Settlement between State and Central Govt
- ▶ Tax Boosters
- ▶ Input Credit

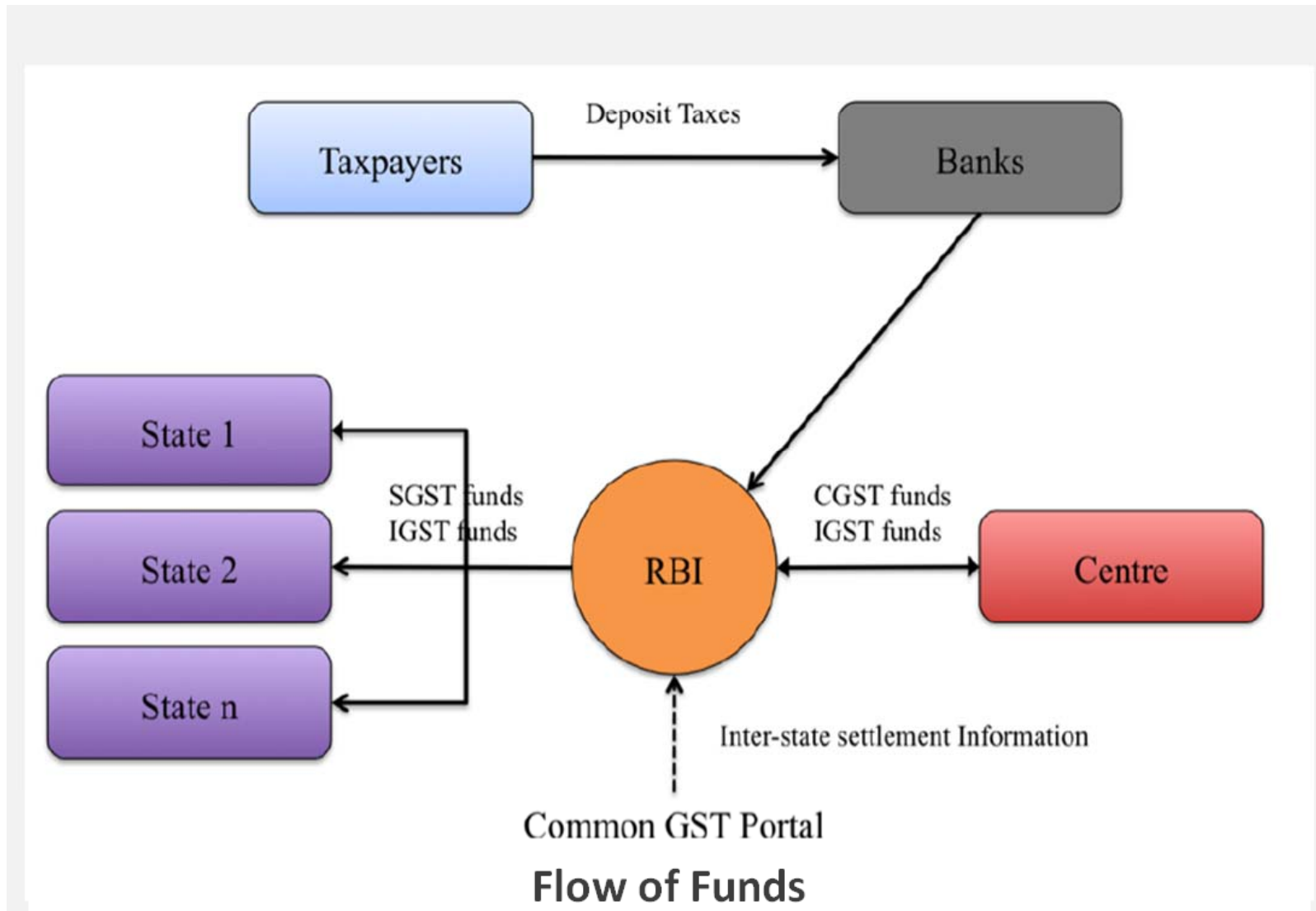
# Estimated Volumes

Tax Payers	B2B Invoices	Tax Officers
70–80 Lakhs	260–300 Crore p.m.	1.20 Lakh

# GST Stakeholders



# Funds Flow



# Tax Boosters

Type of Fraud	GSTN Portal: Intelligence based deterrence
Fraudulent bills	Matching
Improper Input Tax Credit	Matching
Fraudulent use of 'exempt' rules	Electronic Returns
False Payment Proofs	Electronic Challans
Unrecorded Sales	Data Mining
Wrongful application of lower tax	Data Mining
Under-invoicing	Data Mining
Non-existent dealers	Data Mining

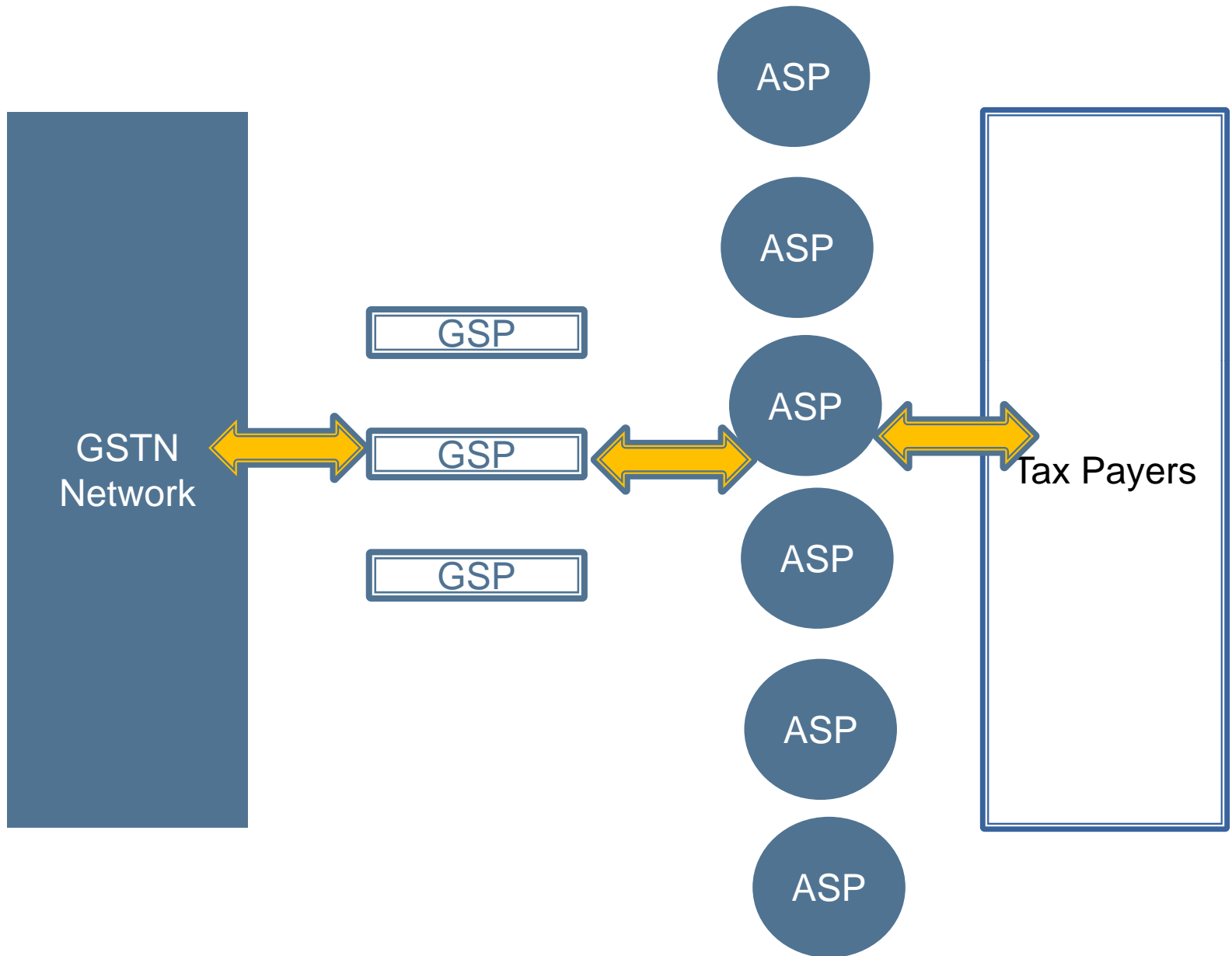
# GSTN

- ▶ Set up and maintain the GST system
- ▶ Clearing house for IGST
- ▶ Interface with the ecosystem of GSPs

Conducted a Pilot on software in May 2017 covering 3200 Tax Payers from each state/UT

# GSP : ASP

- ▶ Role of GSP
- ▶ Selection of GSP
- ▶ First list consists of 34 GSPs



# TaxPayers : SME

Using  
Standard  
Accounting  
Software

Using  
Custom  
Accounting  
Software

# Tax Payers : ERP Users

Registration  
Configurations

Master Changes

Changes in Interfaces

Business Rule Changes

Tax Computation

Input Tax Credit  
configuration

Transition Reports

Compliance Reports

Configuration changes

Transactional  
configuration

Reconciliation Reports

Filing of returns

Accounting related  
changes

MIS reports

Document Formats

Audit requirements

# Tax Payers : ERP Users

Finance	Procurement	Sales & Distribution	Masters	Reporting
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> General Ledgers	<input type="checkbox"/> Purchase Orders	<input type="checkbox"/> Sales Order	<input type="checkbox"/> Material	<input type="checkbox"/> Tax Registers
<input type="checkbox"/> A/c. Receivables	<input type="checkbox"/> Invoicing	<input type="checkbox"/> Invoicing	<input type="checkbox"/> Services	<input type="checkbox"/> MIS Reports
<input type="checkbox"/> A/c. Payables	<input type="checkbox"/> Debit/Credit notes	<input type="checkbox"/> Pricing conditions	<input type="checkbox"/> Customers	<input type="checkbox"/> Compliance reports
<input type="checkbox"/> Invoicing / Billing	<input type="checkbox"/> Pricing Conditions	<input type="checkbox"/> Info records	<input type="checkbox"/> Vendors	<input type="checkbox"/> Stat Reports
<input type="checkbox"/> Voucher	<input type="checkbox"/> Info Records	<input type="checkbox"/> Debit/Credit notes	<input type="checkbox"/> Chart of a/c.	<input type="checkbox"/> Interfaces
		<input type="checkbox"/> Sales Area	<input type="checkbox"/> GL's	

# Heads-Up

- ▶ You need not visit Govt Portal for filing. Everything can be done from within ASP Portal
- ▶ All your past data reside on Govt Portal. So you can shift ASP anytime
- ▶ Any interaction with GSTN will require OTP

# Heads-Up

- ▶ Four stages till Filing
  - Save
  - Get Summary
  - Submit
  - File
- ▶ You may also need to report Payments not done within 180 days

# Return Filing

GSTR-1

By 10th

1. Get Prev months Amendments on mismatched records MIS-2 and MIS-3
2. Get GSTR-1 Data
3. Run Validations
4. Communicate Errors and get Rectified Data ... GoTo 1/2
5. Match GSTN data summary with Accounts Data Summary
6. Get GSTN GSTR-1 Summary signed off by client
7. File Return
8. Send Acknowledgement to Client

# Return Filing

Reconciliation

11-15

1. Download GSTR-2A
2. GET Purchase Register B2B Data
3. Run Reconciliation
4. Share Reco Report with Client for Actions
5. Client to update Accounts based on Reco Actions

Go To 2

# Return Filing

Reconciliation

11-15

1. Update GSTR-2A with Actions based on Reco
2. GET file for other Purchases : Import etc.
3. Get Prev Months Amendments given by client based on MIS-1 and 4
4. Create GSTR-2
5. Validate GSTR-2 with GSTN .
6. If any errors then get them fixed.
7. Get GSTN GSTR-2 Summary signed off client
8. File GSTR-2
9. Send acknowledgement to client

Go To 2

# Return Filing

GSTR-1A

16th

1. Download GSTR-1A
2. Communicate to client and get Action to be taken
3. Update Actions in GSTR-1A

GSTR-3

By 20th

1. Generate GSTR-3
2. Share Challan details with client for Payment
3. File GSTR-3

ITC Mismatch

21st

1. Download GST-MIS-1,2,3 and 4
2. Communicate Reports to Client for Action

# Compliance Challenges

- ▶ Getting data in various formats
- ▶ Multiple exchange of data with Clients
- ▶ Only 10 days for compliance
- ▶ No revision of data

# Strategy

- ▶ Web-Based V/s Desktop Based Solution
- ▶ Get data in parts v/s Full
- ▶ Data approval by client
- ▶ Maintaining Audit Trails
- ▶ Securing Source Data
- ▶ Use Sandbox to familiarise

# Way forward

- ▶ Decide on a good compliance software
  - Ease of Use
  - Work Flow
  - Audit Trail
  - User Management
  - DashBoard
  - Powerful Reconciliation
- ▶ Set up Processes for timely compliance

# Electronic Way Bill

Generation	Acceptance	Cancellation
Before Commencement On transfer to another vehicle	By Registered Tax Payer within 72 Hours	Within 24 Hours

# Electronic Way Bill

Inspection



# Thanks

For any questions and feedback

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