THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

E-INVOICING

Why e-invoicing?

Hor

Podcast

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Sports More

Tax

By Gulveen Aulakh, ET

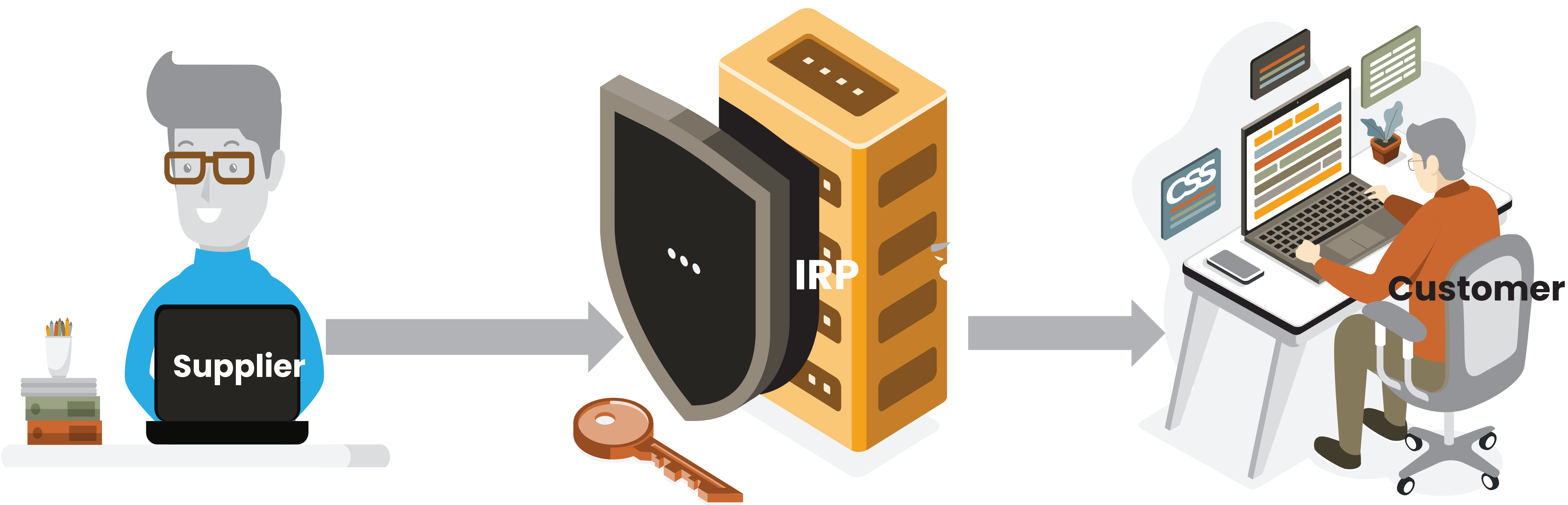
COMMENT

Don't play with fire: Experts caution taxpayers, professionals on fake GST bills

Published on :03 Dec 2020 , 12:27 pm ISTI Updated on :03 Dec 2020 , 12:40 pm IST

DOCUMENTATION

What is e-invoice?



Introduction

- Started in late 1960s– EDI
- First message was sent in 1965 by Holland America Line was for a shipping manifest.
- 1975 FTP is introduced
- 1980s onwards large companies stared using it
- Not Successful due to cost, connectivity, complexity and common framework
- Latin American countries are the early adopters and pioneers in e-invocing

Introduction

Sl.No	Country	Implementation Started in
1	Chile	2003
2	Mexico	2004
3	Brazil	2005
4	Guatemala	2012
5	Ecuador	2014
6	Columbia	2015
7	Argentina	2016
8	Cost Rica	2018
9	Bolivia	2019

Rollout

1st April 2020

For taxpayers having turnover above ₹ 100 Crores

Postponed due to lockdowns

1st Oct 2020

Rolled for taxpayers having turnover above ₹ 500 Crores

Minor Relaxations Provided

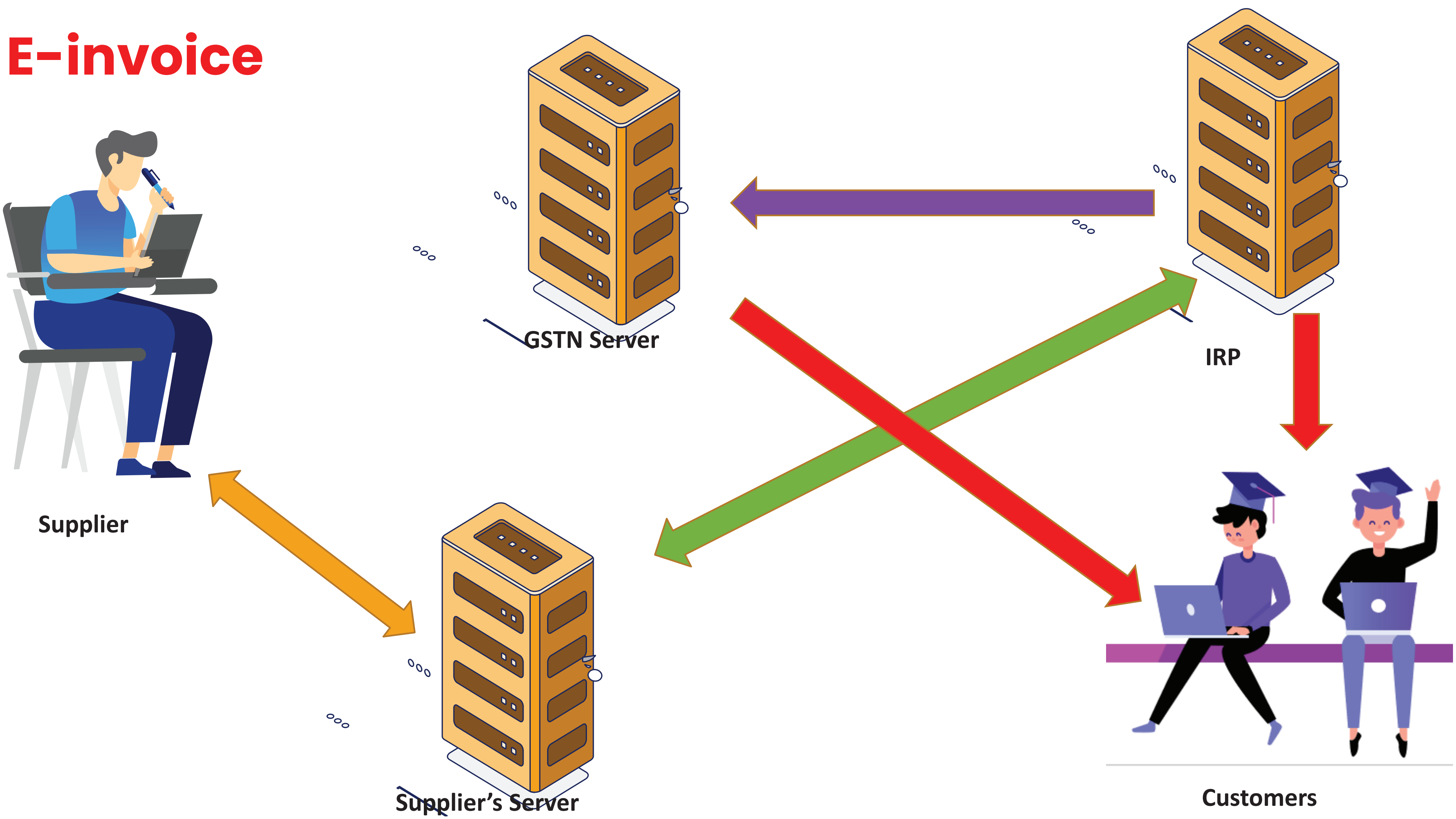
1st Jan 2021

For Taxpayers having turnover above ₹ 100 Crores

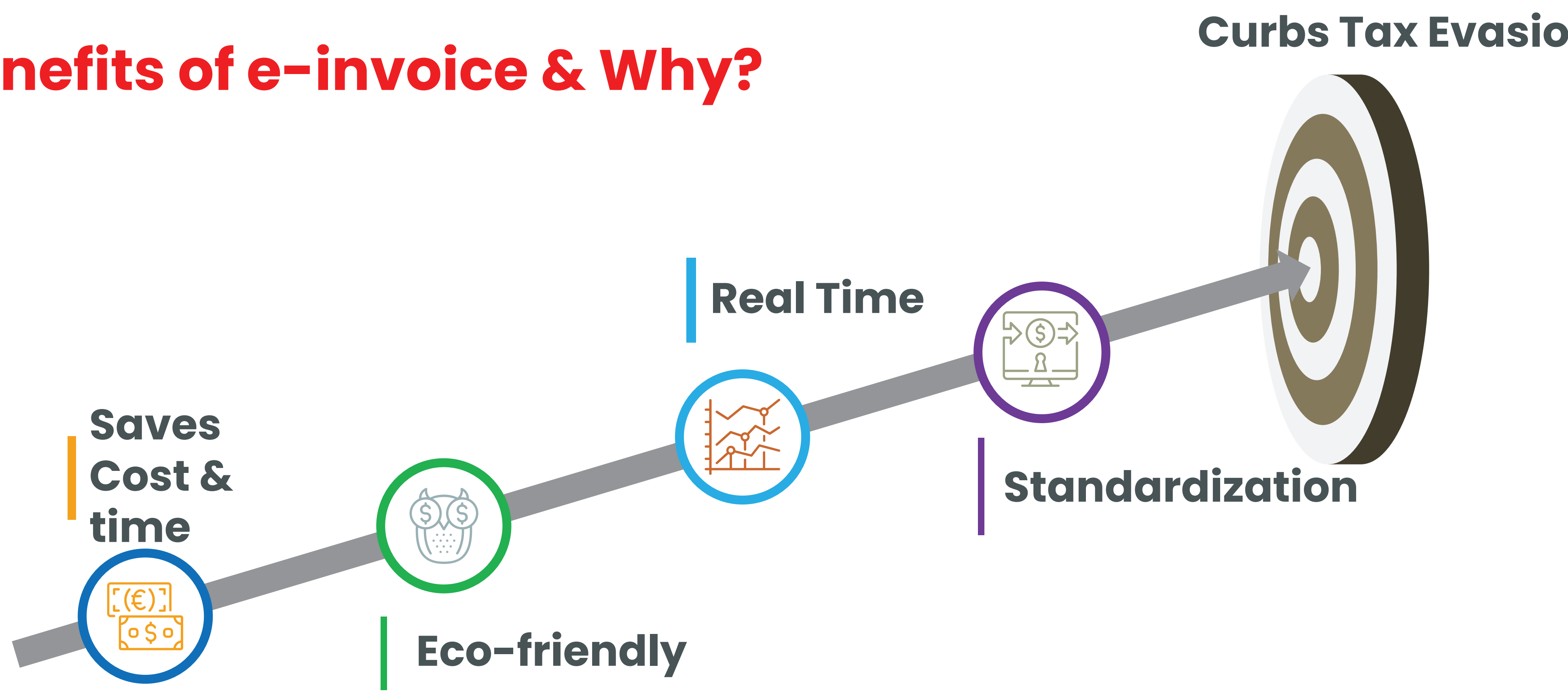
1st April 2021

For Taxpayers having turnover above ₹ 50 Crores

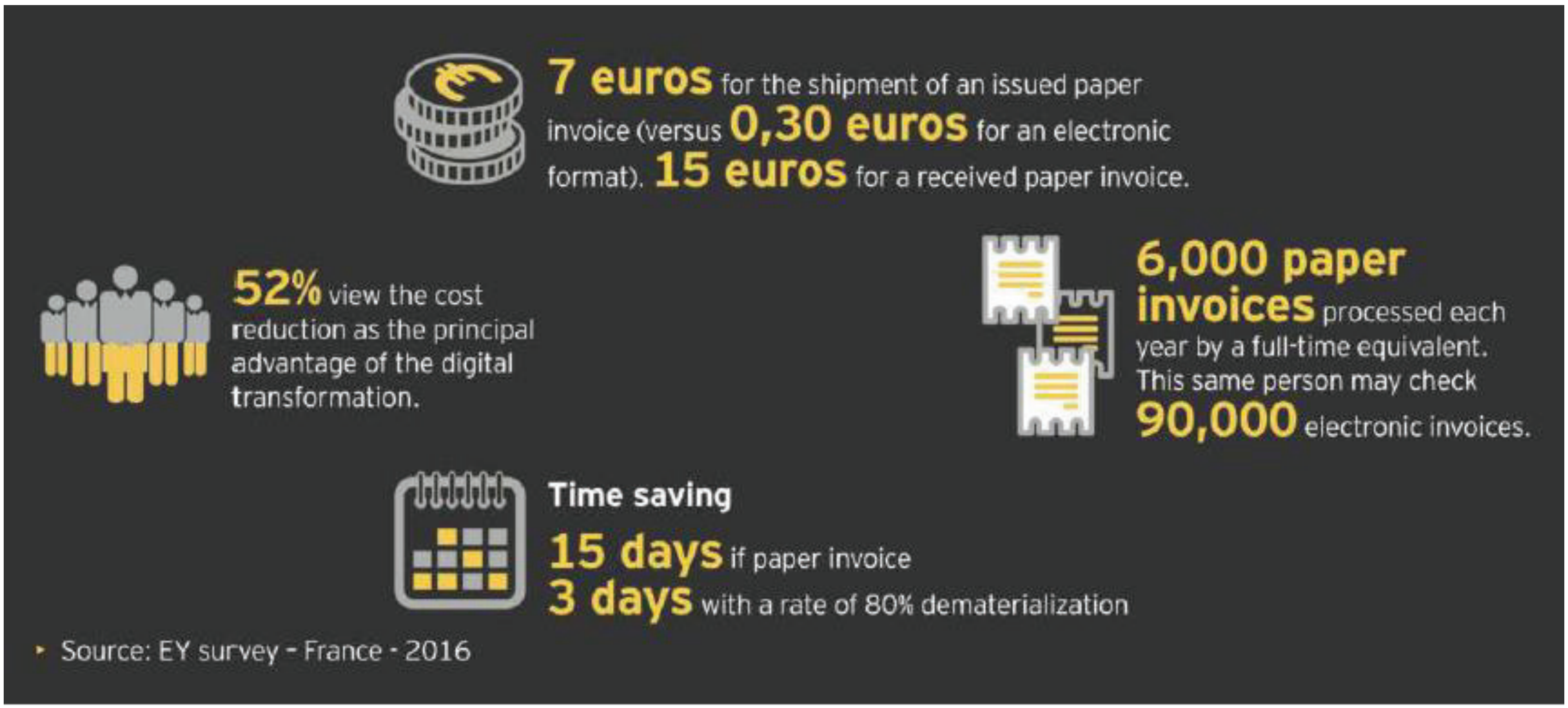
E–invoice



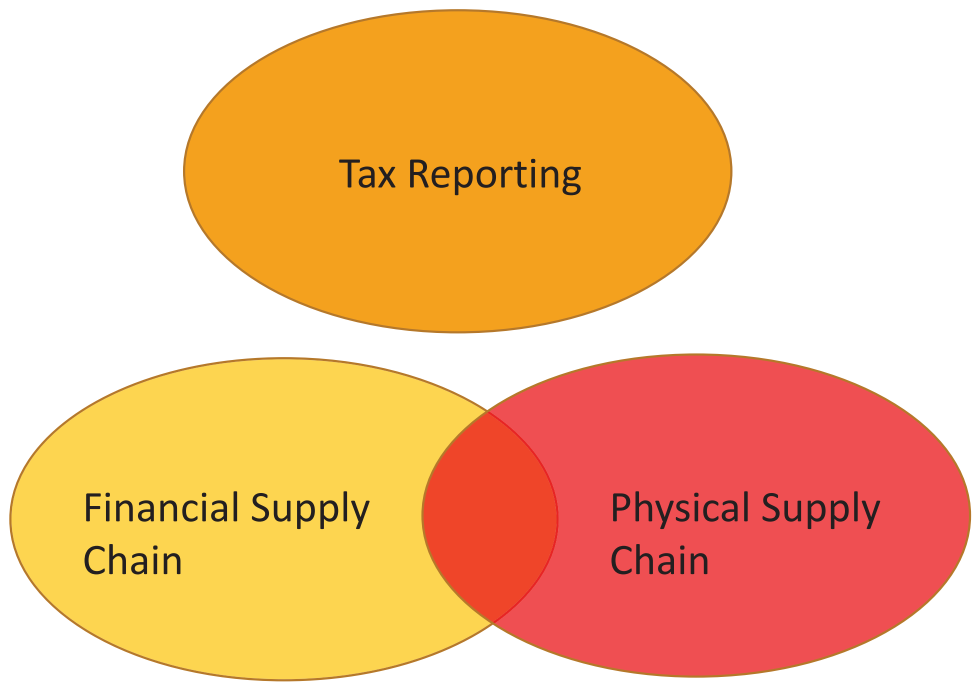
Benefits of e-invoice & Why?



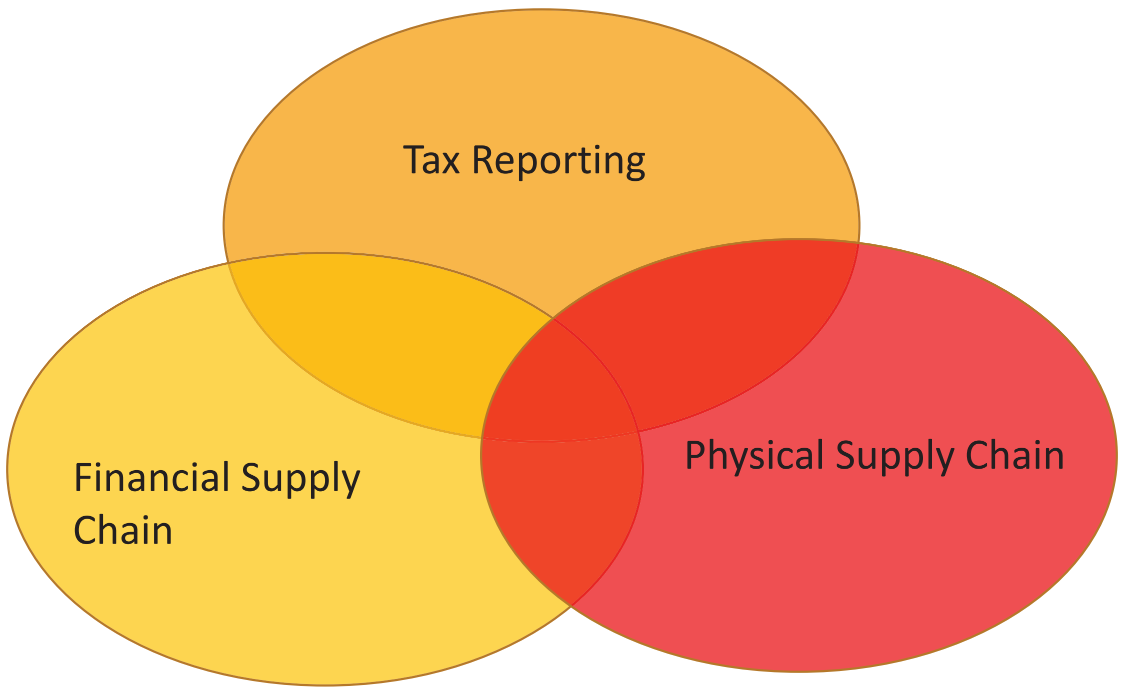
Benefits of e-invoice & Why?



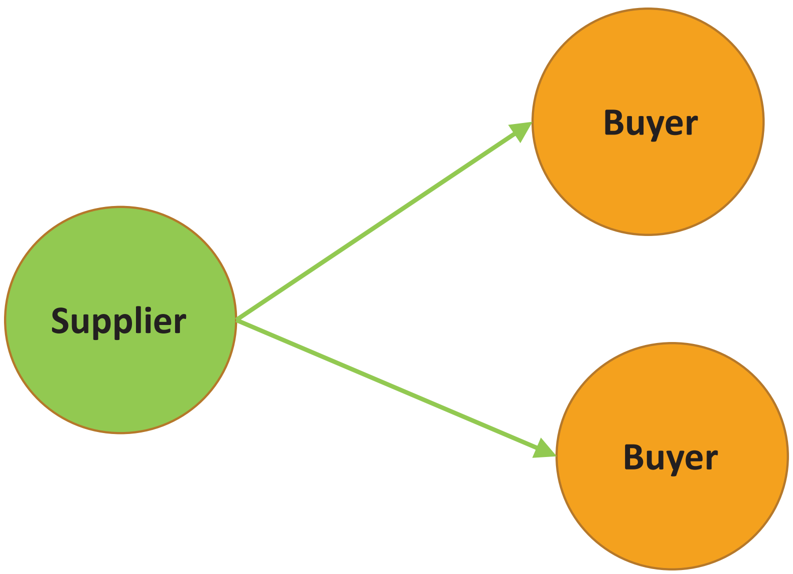
Why e-invoicing ?



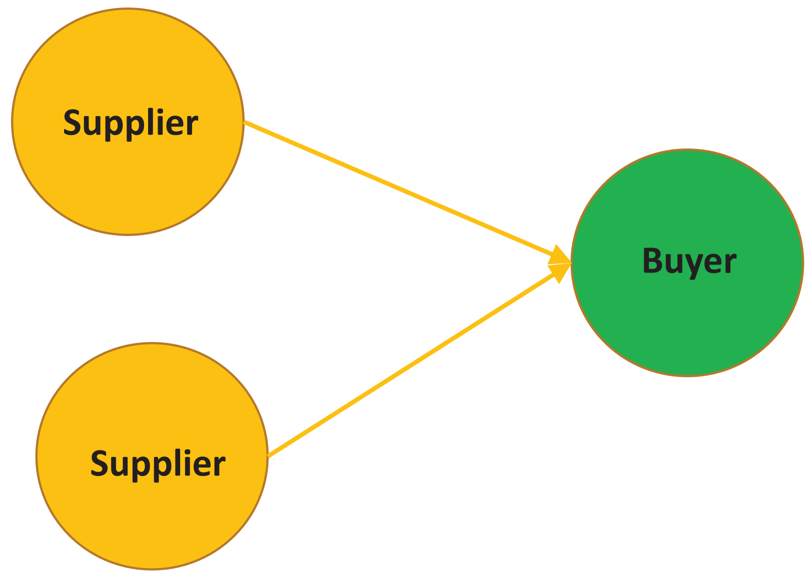
Why e-invoicing ?



Models of e-invoicing ?

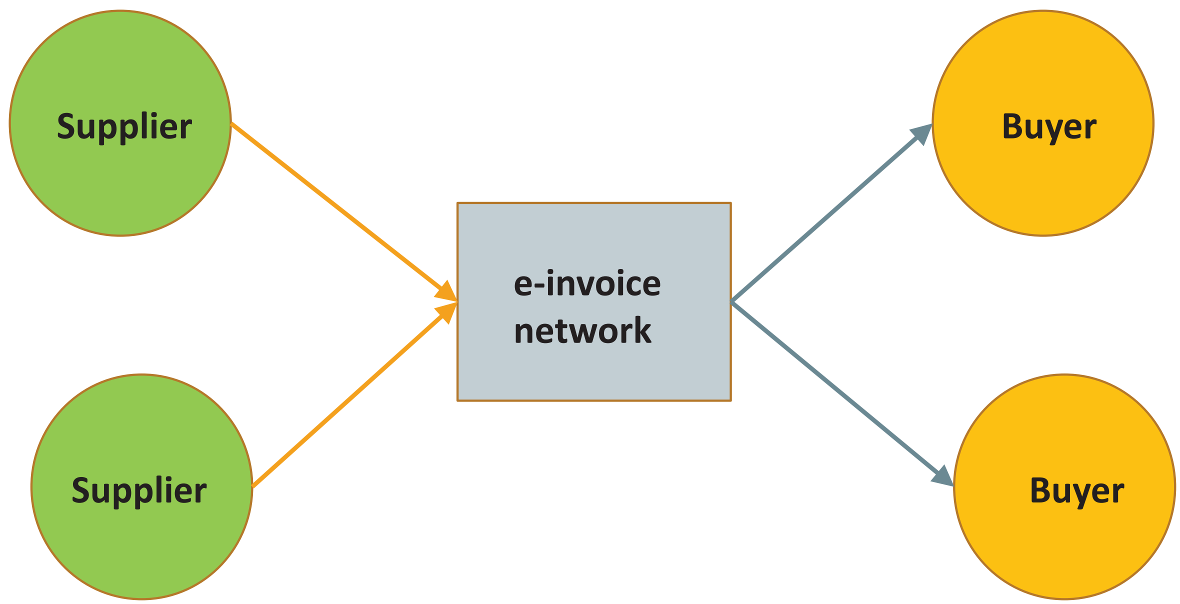


Supplier Direct Model



Buyer Direct Model

Models of e–invoicing ?



Network Model

Legal Provisions

Sl.No	Notification No & Date	Details
1	Notification No 68/2019-Central Tax ,dt. 13-12-2019	Seeks to carry out changes in the CGST Rules, 2017.
2	Notification No 69/2019-Central Tax ,dt. 13-12-2019	Seeks to notify the common portal for the purpose of e-invoice.
3	Notification No 70/2019-Central Tax ,dt. 13-12-2019	Seeks to notify the class of registered person required to issue e-invoice.
4	Notification No 71/2019-Central Tax ,dt. 13-12-2019	Seeks to give effect to the provisions of rule 46 of the CGST Rules, 2017
5	Notification No 72/2019-Central Tax ,dt. 13-12-2019	Seeks to notify the class of registered person required to issue invoice having QR Code.
6	Notification No 02/2020-Central Tax ,dt. 01-01-2020	Revised format of FORM INV – 01
7	Notification No 13/2020-Central Tax ,dt. 21-032020	Seeks to exempt certain class of registered persons from issuing e-invoices and the date for implementation of e-invoicing extended to 01.10.2020

Legal Provisions

Sl.No	Notification No & Date	Details
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7	Notification No 13/2020-Central Tax ,dt. 21-032020	Seeks to exempt certain class of registered persons from issuing e-invoices and the date for implementation of e-invoicing extended to 01.10.2020

Legal Provisions

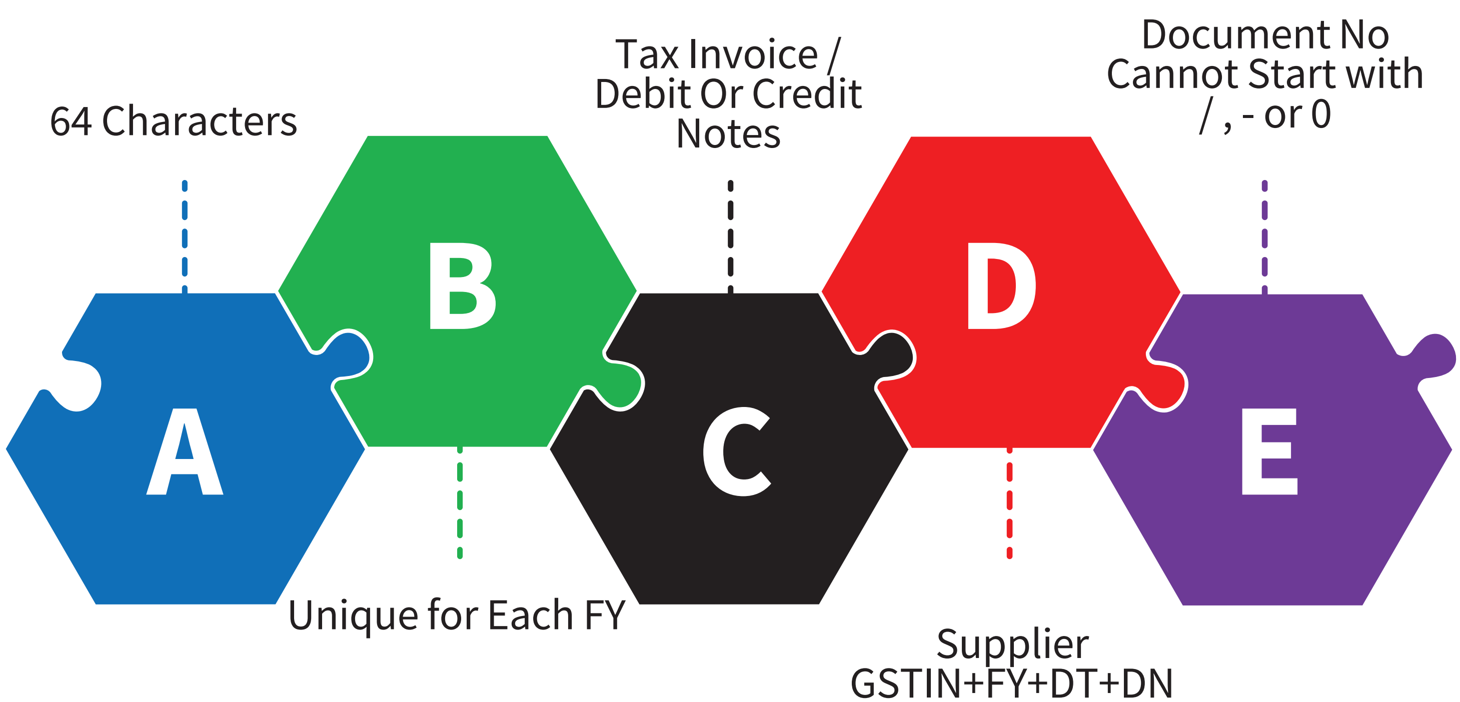
Sl.No	Notification No & Date	Details
14	Notification No. 73/2020–Central Tax dt 30th Sep 2020	Seeks to notify a special procedure for taxpayers for issuance of e-Invoices in the period 01.10.2020 - 31.10.2020.
15	Notification No. 88/2020-Central Tax dated 10.11.2020	Seeks to implement e-invoicing for the taxpayers having aggregate turnover exceeding Rs. 100 Cr from 01st January 2021
16	Notification No 89/2020-Central Tax dated 29.11.2020	Seeks to waive penalty payable for non compliance of the provisions of notification No.14/2020 – Central Tax, dated the 21st March, 2020.
17	Notification No 05/2021-Central Tax dated 08.03,2020	Seeks to implement e-invoicing for the taxpayers having aggregate turnover exceeding Rs. 50 Cr from 01st April 2021.

Legal Provisions

Sl.No	Circular No & Date	Details
1	Circular No 146/02/2021-GST dated 23rd Feb 2021	Clarification in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices and compliance of notification 14/2020- Central Tax dated 21st March, 2020 - Reg.

Technical Aspects

Technical Aspects – IRN



Exempted from issue of e-invoice

01 Goods Transport Agency

02 Banking & Financial Services

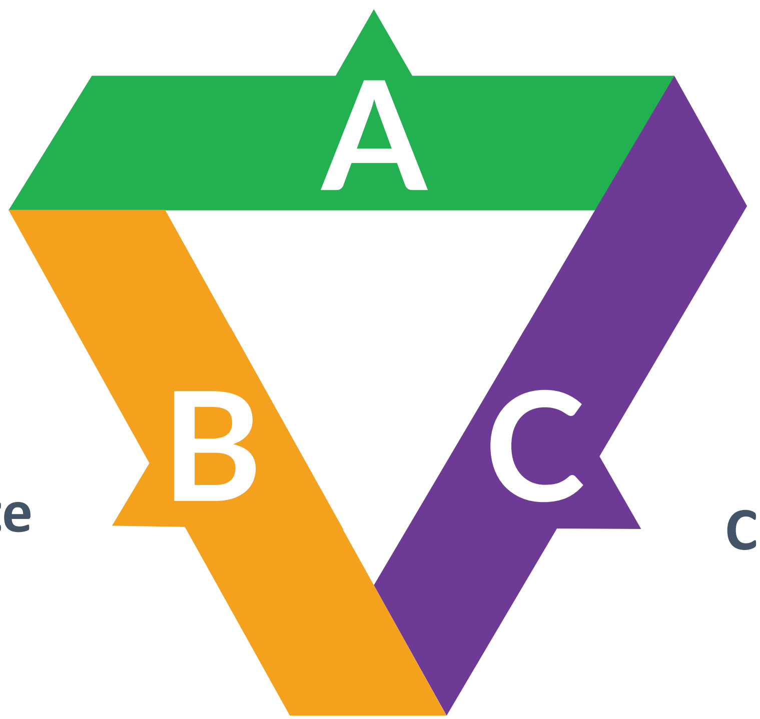
03 Special Economic Zones

04 Service providers of Passenger Transport services

05 Multiplixes & Cenima halls

Which documents IRN has to be issued

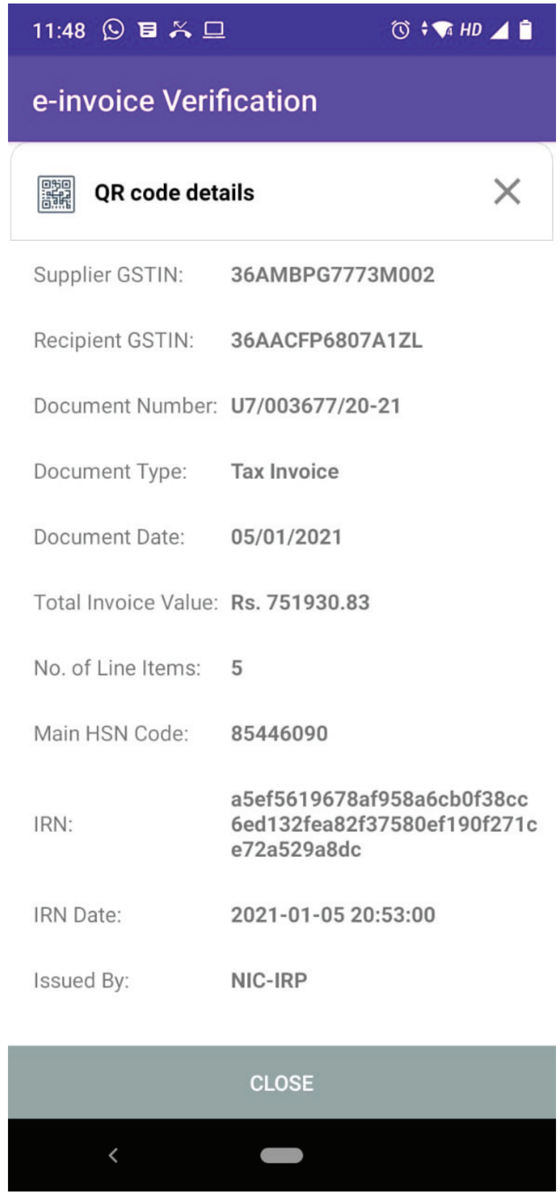
A - Tax Invoice



B - Credit Note

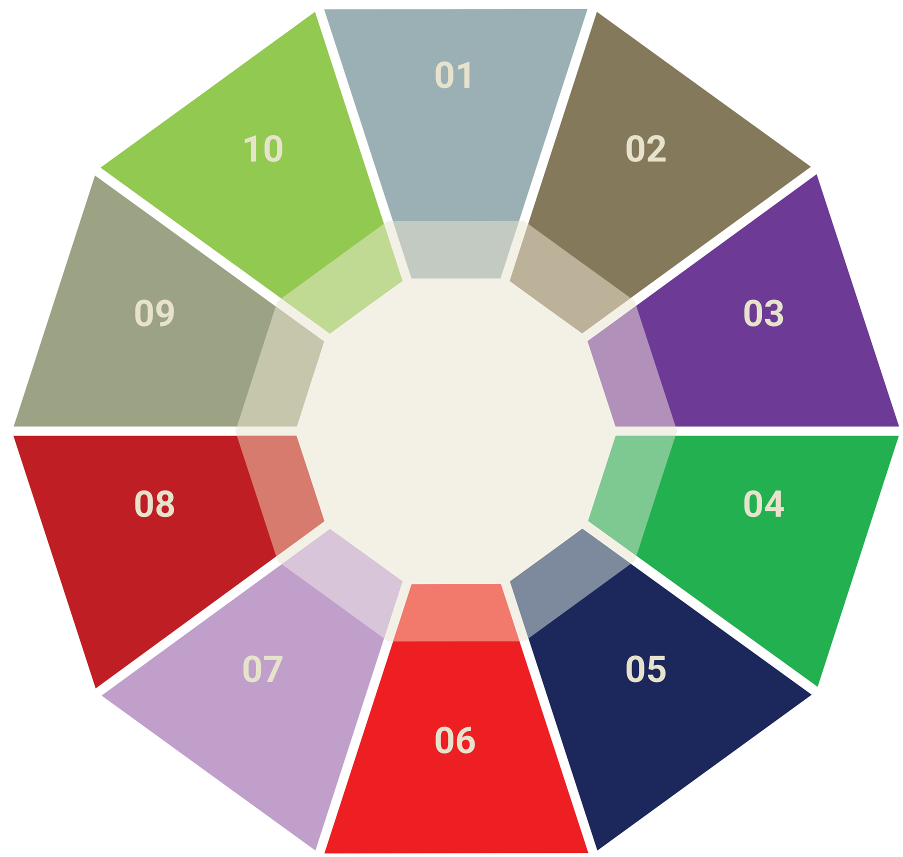
C – Debit Note

QR Code


11:48
e-invoice Verification
QR code details
Supplier GSTIN: 36AMBPG7773M002
Recipient GSTIN: 36AACFP6807A1ZL
Document Number: U7/003677/20-21
Document Type: Tax Invoice
Document Date: 05/01/2021
Total Invoice Value: Rs. 751930.83
No. of Line Items: 5
Main HSN Code: 85446090
IRN: a5ef5619678af958a6cb0f38cc6ed132fea82f37580ef190f271ce72a529a8dc
IRN Date: 2021-01-05 20:53:00
Issued By: NIC-IRP
CLOSE

QR Codes – Data Elements

01 – Supplier GSTIN
02 – Recipient GSTIN
03 – Document Number
04 – Document Type
05 – Document Date
06 – Total Invoice Value
07 – No of Lines
08 – Main HSN Code
09 – IRN Number
10 – IRN Date



e-Invoice

SRI LAXMI TRADERS
29BZNPM9430M1KL
Bangalore

1. e-Invoice Details

IRN:	4aecf52337a79f725ab42b34c86e873a4a8de4108aae2e7bb5af8b61a5fbc653	**ACK No.**	112010033975596	**ACK Date:**	07-12-2020

2. Document Details

Category	B2B	**Document No.** 5465		**IGST on INTRA:** No
Document Type:	Tax Invoice	**Document Date** 07/12/2020		

3. Bill From - Bill To

Seller
GSTIN: 29BZNPM9430M1KL
SRI LAXMI TRADERS
No 10.
K G Road, 3rd Block
Bangalore
560009 KARNATAKA
Ph: 8553544565
laxmi.traders@gmail.com

Recipient
GSTIN: 29ABCDE1234F1LI
Vijaya Traders
1st Cross, 3rd Main, Gandhi nagar
Kalidasa Marg Road
Bangalore Place of Supply: KARNATAKA
560009KARNATAKA
8554566567
hoomani.vijaya@gmail.com

4. Items Details

SlNo	Product Description	HSN Code	Quantity	UQC	UNIT Price	Discount	Taxable Amount	Tax Rate (GST+Cess | State Cess+Cess Non.Advol)	Other Charges	Total
1	Steel Pipes	7216	85	NOS	1000	0	85000	18 + 0 | 0 + 0	0	100300
2	Steel Sheets	7216	50	KGS	2000	0	100000	18 + 0 | 0 + 0	0	118000

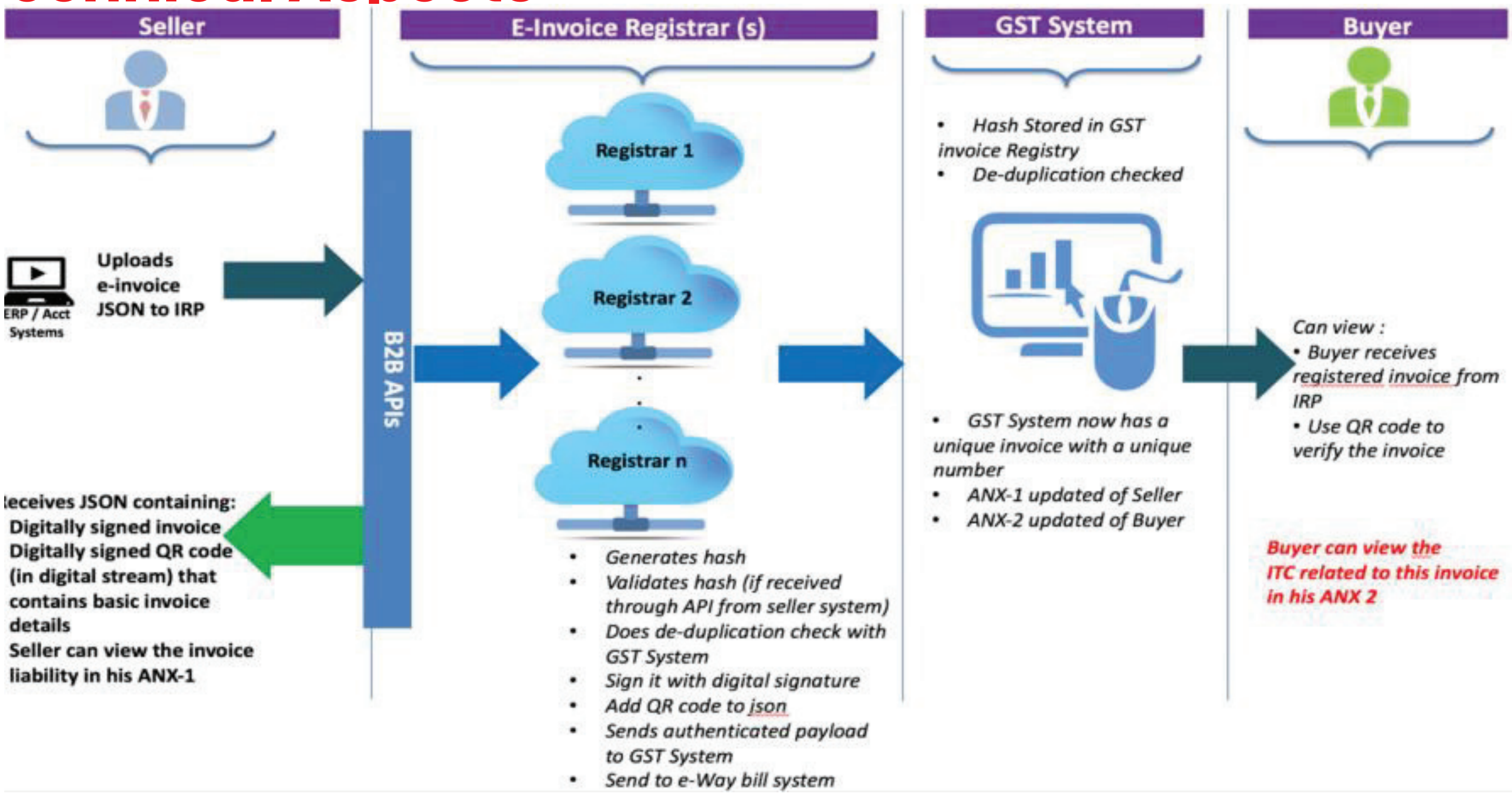
Taxable Amount	CGST Amount	SGST Amount	IGST Amount	CESS Amount	State CESS Amount	Discount	Other Charges	Round Off Amount	Total Invoice Amount
185000	16650	16650	0	0	0	0	0	0	218300

Generated By: 29BZNPM9430M1KL
Print Date: 07-12-2020 00:00

e-Sign

Digitally Signed by NIC-IRP
07-12-2020 10:44

Technical Aspects



Technical Aspects – APIs

1. Authentication
2. Generate IRN
3. Cancel IRN
4. Get IRN Details
5. Generate e-waybill by IRN
6. Get GSTIN Details
7. Cancel e-waybill
8. Sync GSTN details from CP
9. Get e-waybill details by IRN
10. Get IRN Details by Doc Details
11. Health API

Technical Aspects – IRN

IRN Number - 11f8ef701fe294d4a14aad0b12457e62775d0fdc41a0acf05b74fbb2ddc47acb

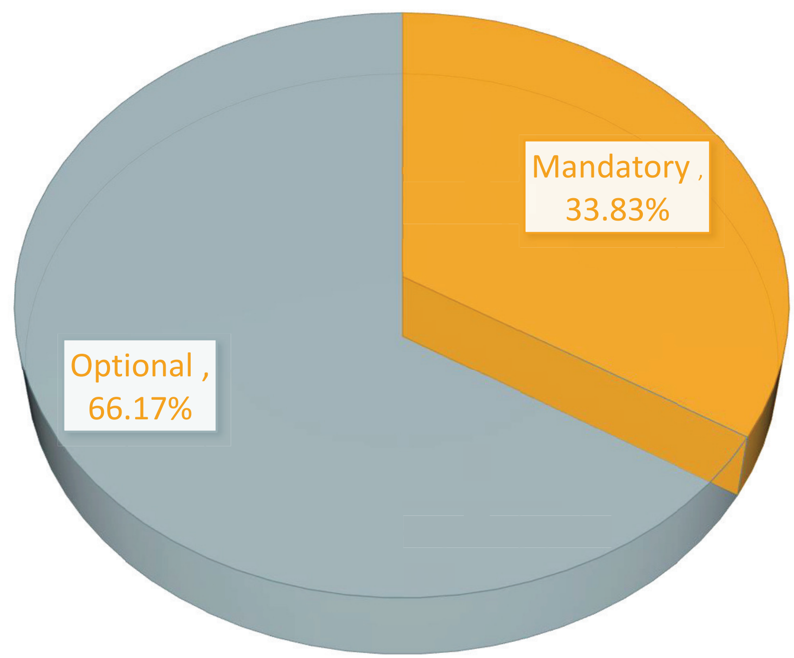
Technical Aspects – IRN

Signed QR Code String - eyJhbGciOiJSUzI1NiIsImtpZCI6IjExNUY0NDI2NjE3QTc5MzhCRTFCQT
A2REJFRTkxQTQyNzU4NEVEQUIiLCJ0eXAiOiJKV1QiLCJ4NXQiOiJFVjlFSm1GNmVUaS1HNkJ0dn
VrYVFuV0U3YXMifQ.eyJkYXRhIjoie1wiU2VsbGVyR3N0aW5cIjpcIjM3QVJaUFQ0Mzg0UTFNVF
wiLFwiQnV5ZXJHc3RpblwiOlwiMTFBQUFDVDM5MDRGMVpaXCIsXCJEb2NOb1wiOlwiREQtM
jAyMDA4MDQtOVwiLFwiRG9jVHlwXCI6XCJJTlZcIixcIkRvY0R0XCI6XCIwNC8wOC8yMDIwXCIsX
CJUb3RJbnZWYWxcIjo3Nzc2LjMsXCJJdGVtQ250XCI6MyxcIk1haW5Ic25Db2RlXCI6XCIxMDAxX
CIsXCJJcm5cIjpcIjExZjhlZjcwMWZlMjk0ZDRhMTRhYWQwYjEyNDU3ZTYyNzc1ZDBmZGM0MW
EwYWNmMDViNzRmYmIyZGRjNDdhY2JcIn0iLCJpc3MiOiJOSUMifQ.fya8oD85f2_K8pDWSf8N
94_T24O1lA9OPpIuUwk14el_r1lhL13OFxGkklhiewSMUom8DvO9JKu4jjz2l5farRTJhiBWJ43Et
Eky2SLzRhJf23JYW_6PyLErYL2RTzv2PlZ75eXIBZzPkxc2erCx61T50oHmExLgl1Q6HclvgiQUAVx
ysq1VFv96zEZVH8I0xDNqjdvqdtsW74ZHqzpV28kDIvuyV4Z5j3bR39GE6YKMetext_x3bJ4Wt4F
1z3DOzfUjuKGdEjP0fTSwNg1RpiDoH4wcaMP7RJgtbQYXn4j3YoppCEw916AmbihiT2gSODPn0
4vhCbBecI7oOZvxpw

Technical Aspects – IRN Attributes

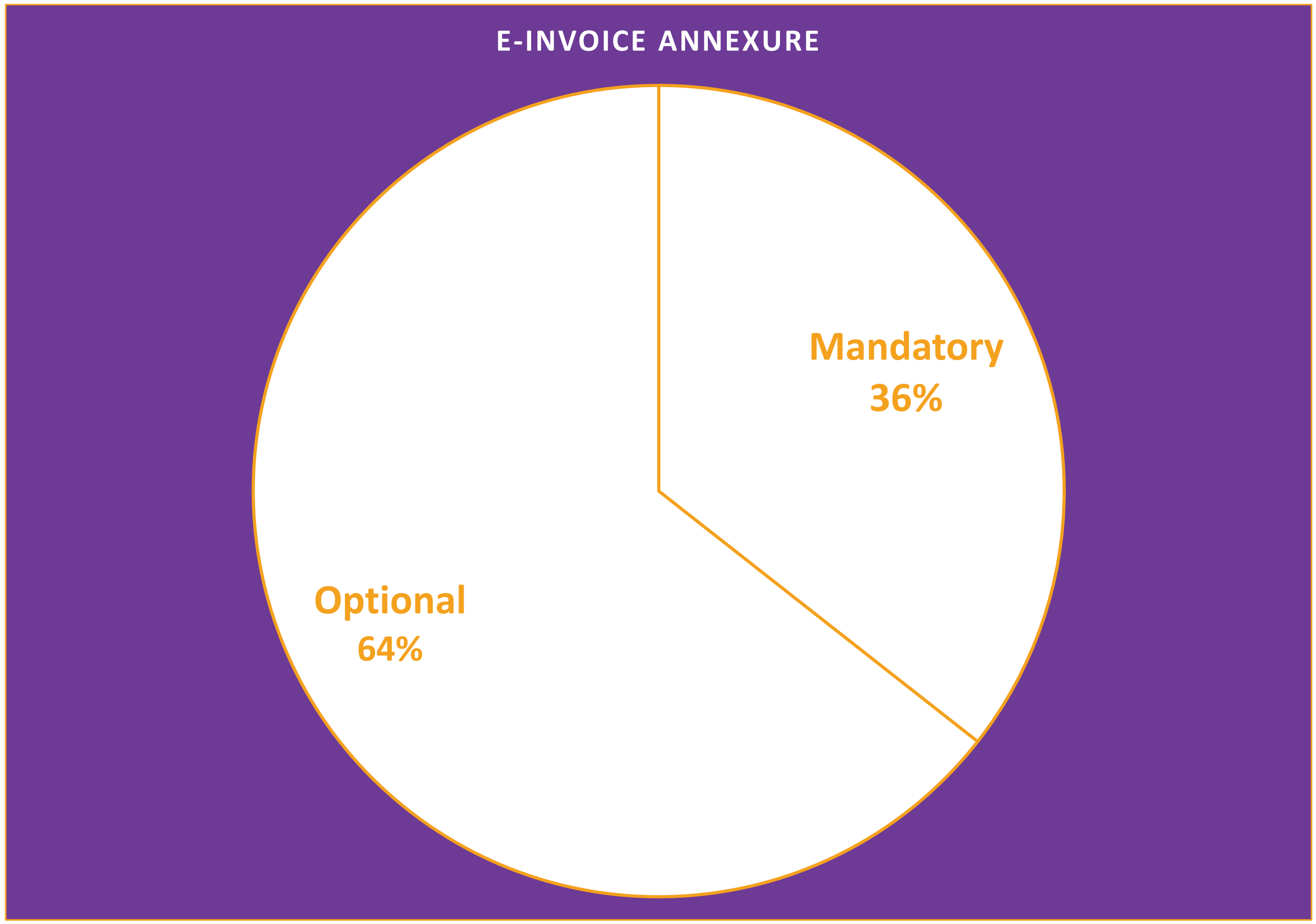
Sr.No	Attributes	Number
1	Mandatory	45
2	Optional	88
3	Total	133

E-INVOICE ATTRIBUTES



Technical Aspects – IRN Attributes Annexure

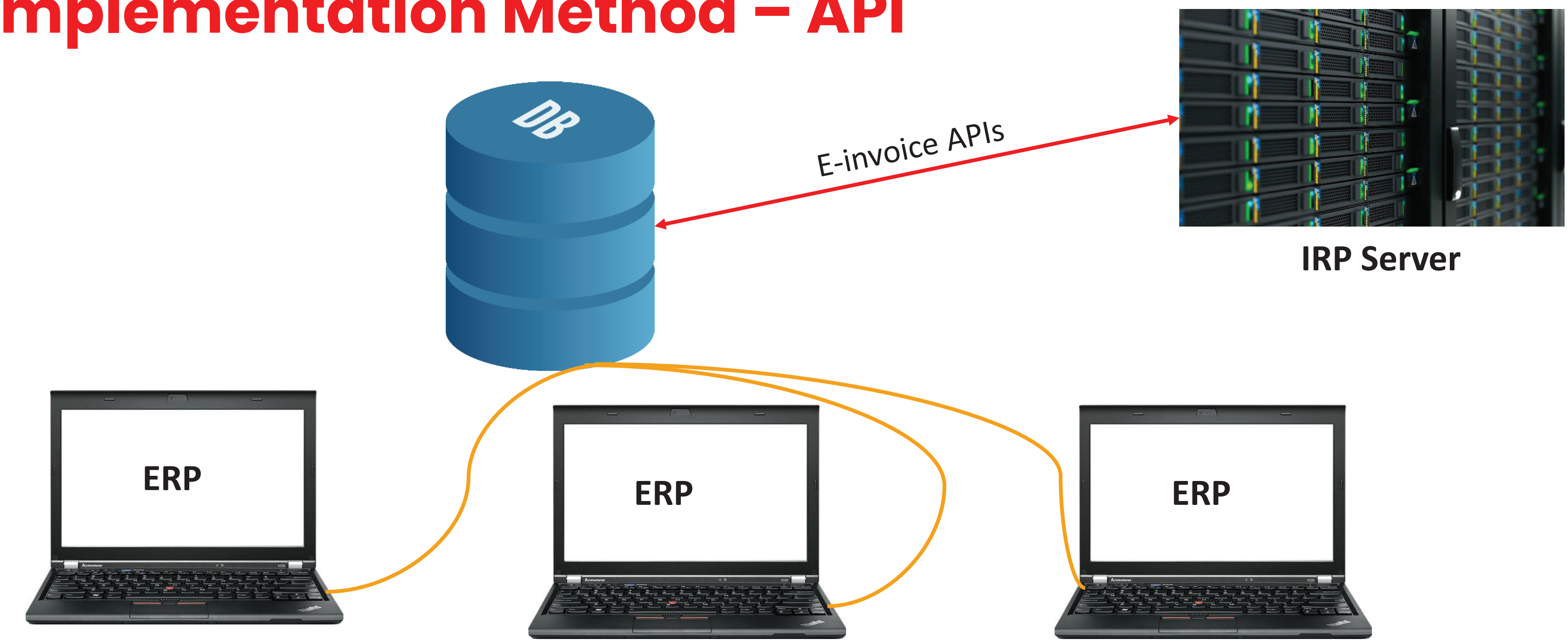
Sr.No	Attributes	Number
1	Mandatory	21
2	Optional	38
3	Total	59



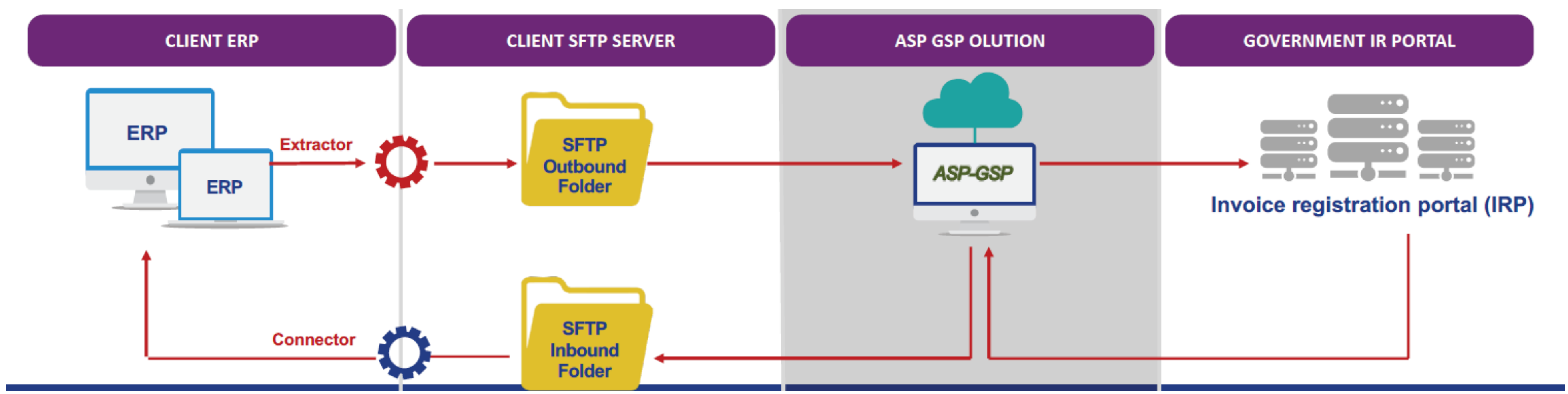
E-INVOICE


API Method
REST APIs to be used for generation of e-invoice. Db of the Accounting/ERP is connected directly with e-invoice portal
Bulk JSON
Json for each invoice is created and the uploaded to the IRP portal in a batch mode.
Single JSON
Json file is created for each invoice and uploaded to IRP individually
File Transfer – SFTP
Data is stored in a standalone folder and APIs are used. Once IRN is generated, same is retrieved into a separate inbound folder from there it is imported back to Accounting/ERP

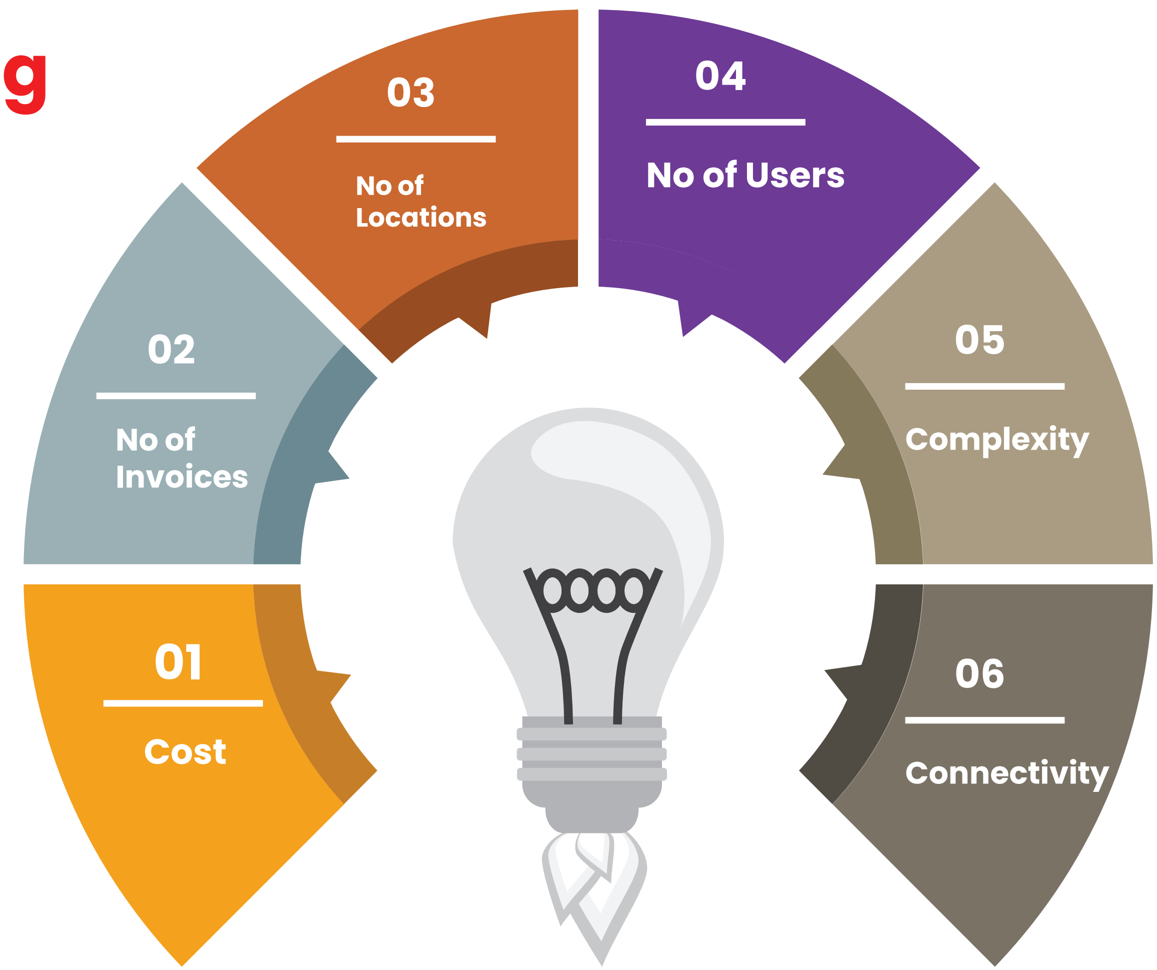
Implementation Method – API



Implementation Method – SFTP

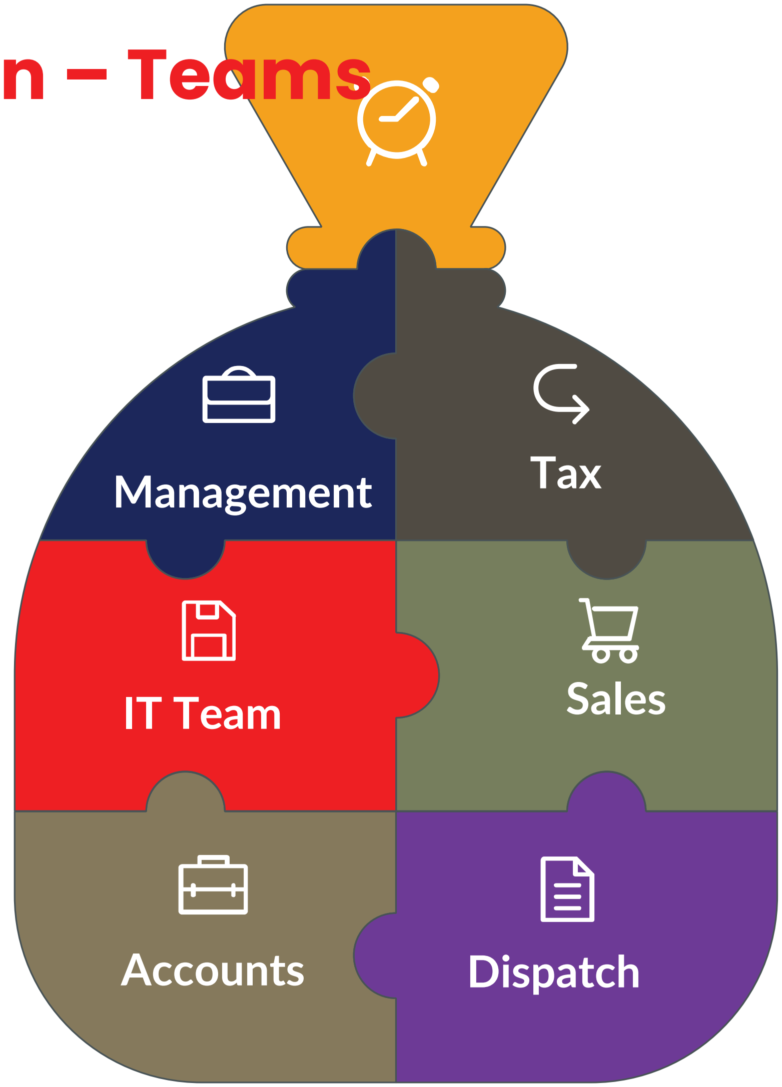


e-invoicing

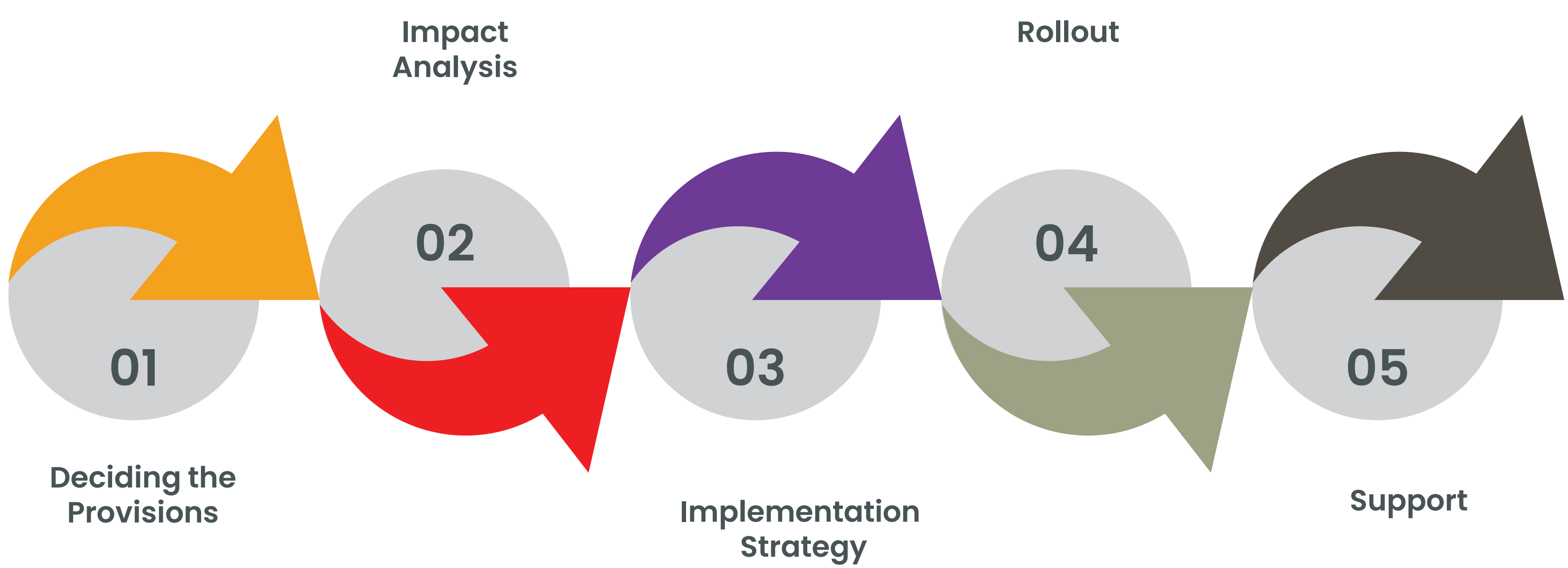

01
Cost
02
No of Invoices
03
No of Locations
04
No of Users
05
Complexity
06
Connectivity

Implementation – Teams

Implementation – Teams



Implementation – Steps



GePP – GST e-invoice preparing and printing tool

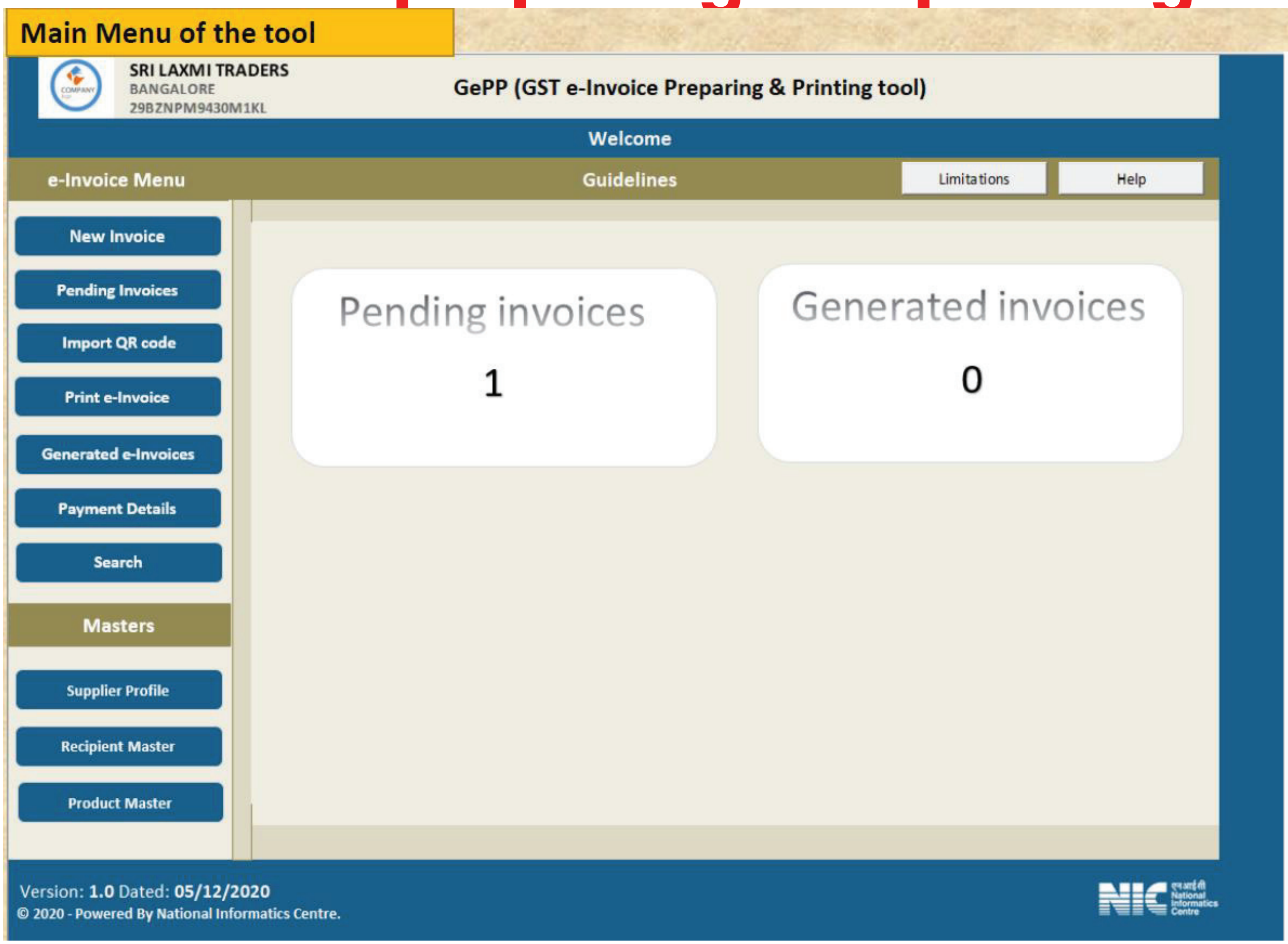
For Taxpayers who do not have any Accounting / ERP

Number of Invoices are very few on daily or monthly basis

Help taxpayers in printing of tax invoice with QR Code

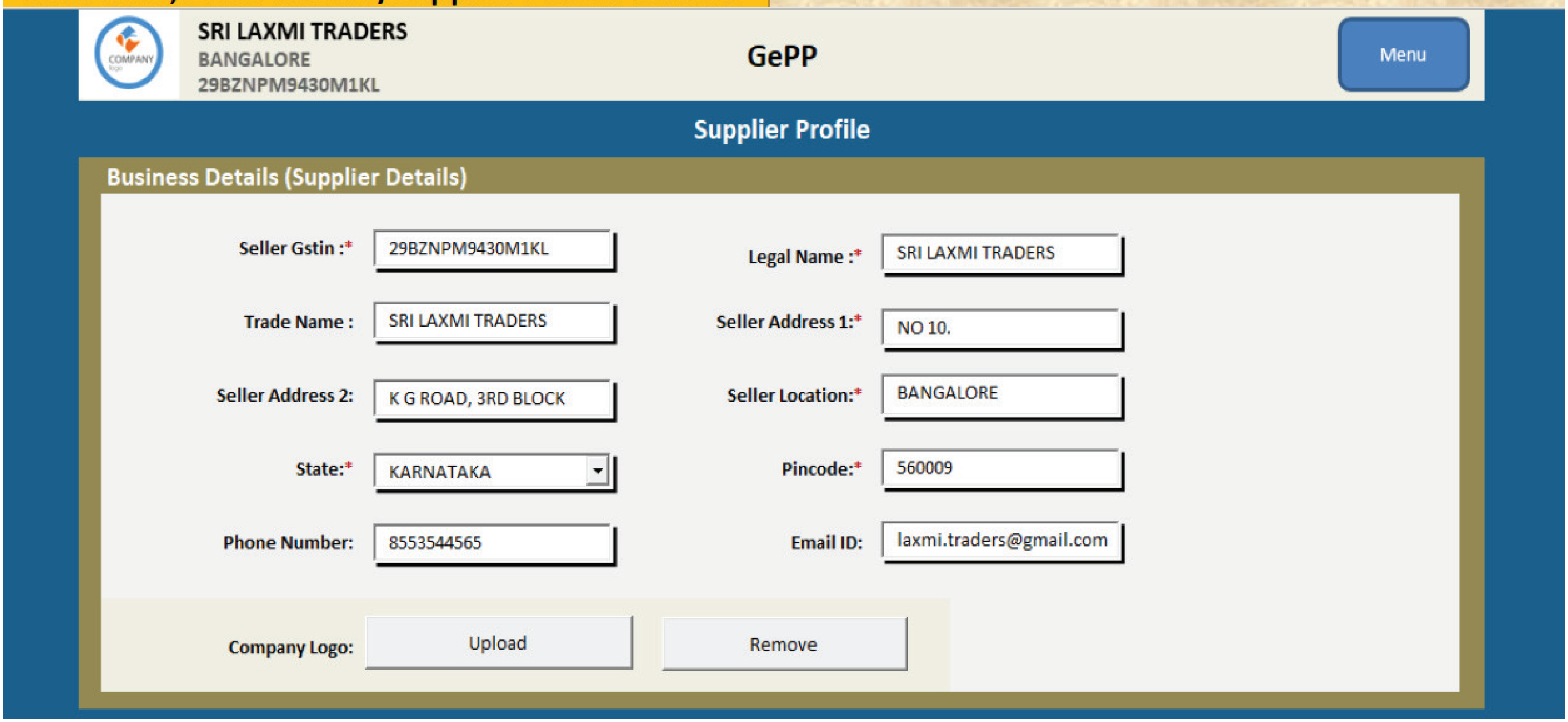
Currently available on trial portal and will be deployed to production shortly

GePP – GST e-invoice preparing and printing tool

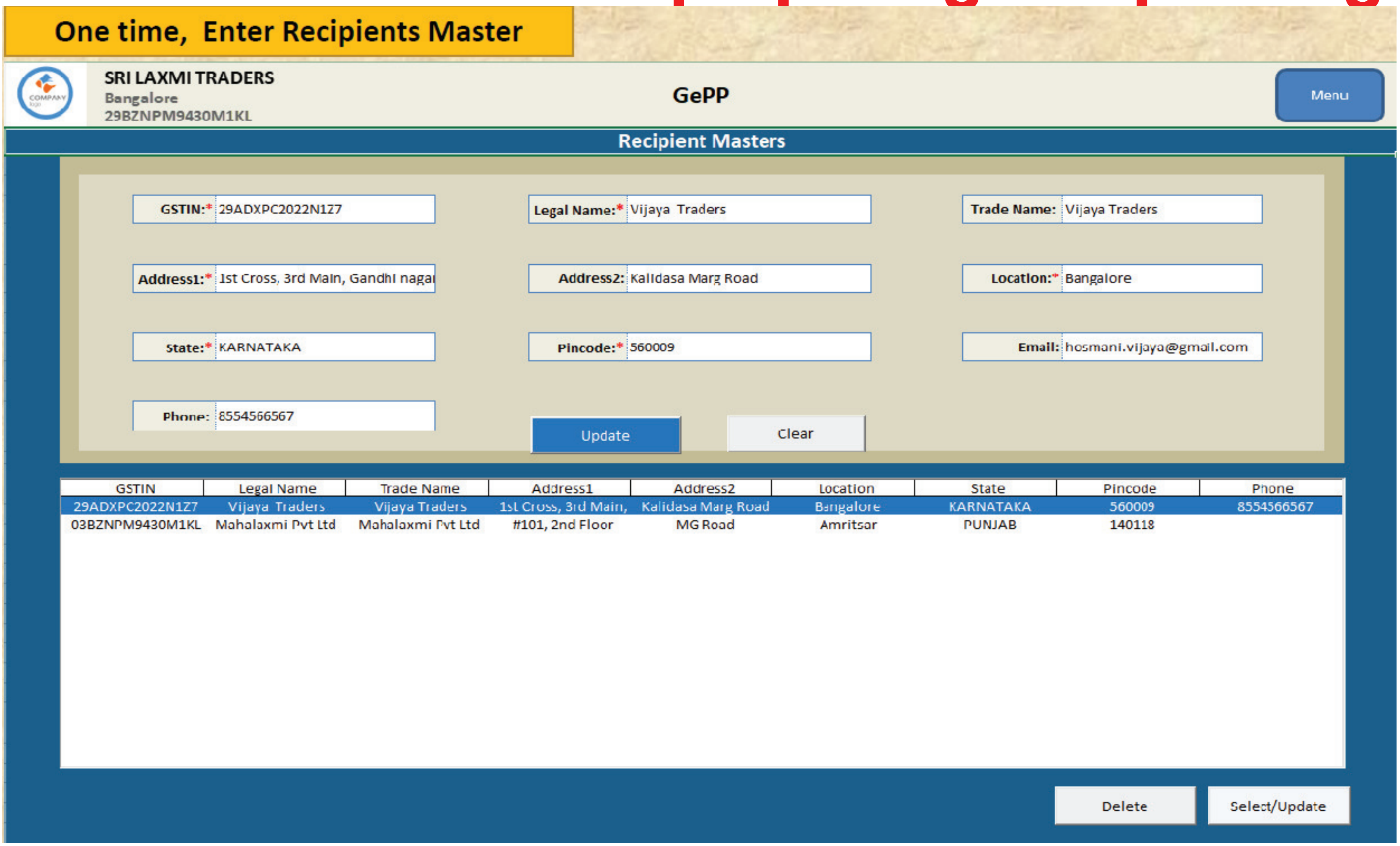


GePP – GST e-invoice preparing and printing tool

First time, Enter Owner/Supplier Profile Details



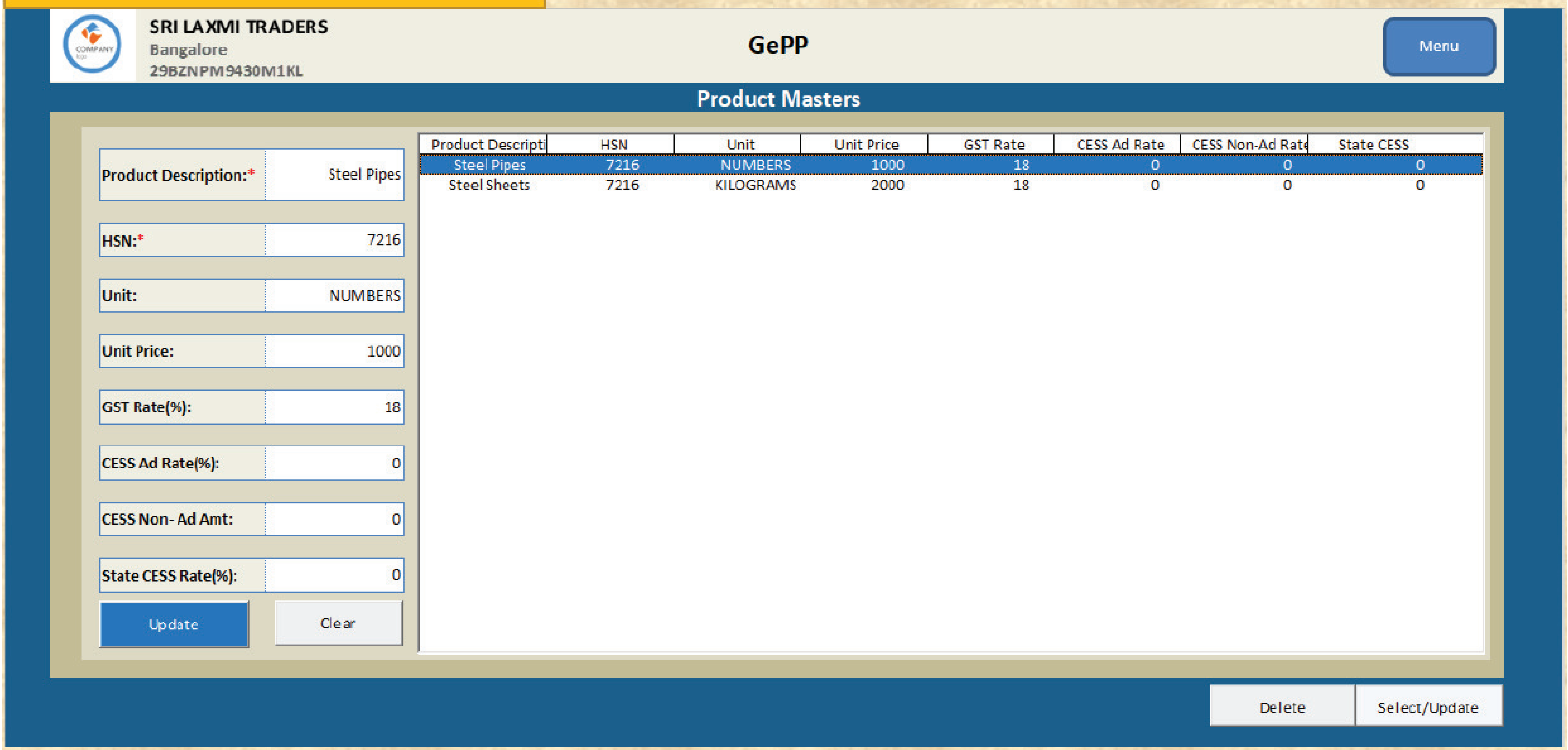
GePP – GST e-invoice preparing and printing tool



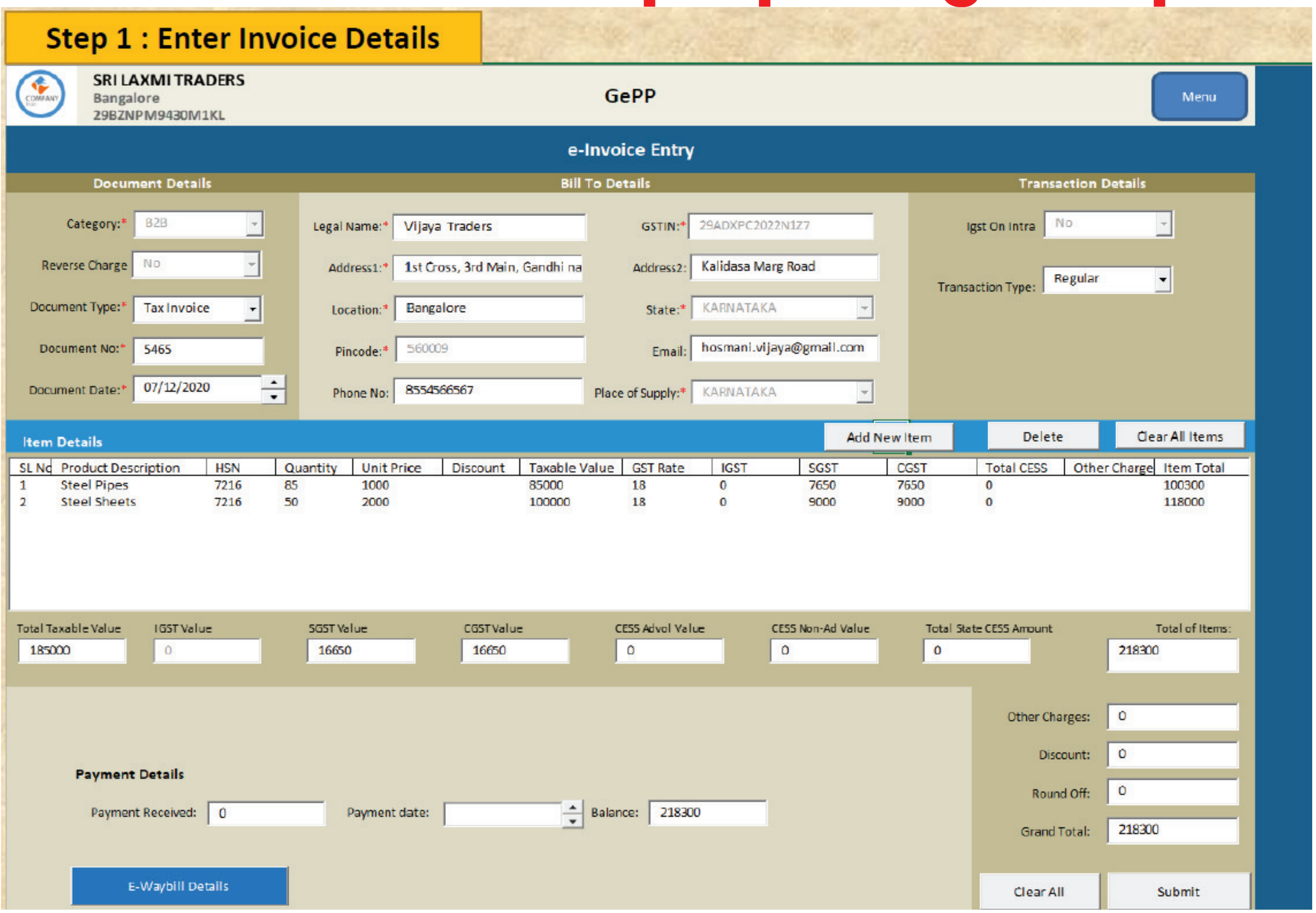
E-INVOICE

GePP – GST e-invoice preparing and printing tool

One time, Enter Products Master



GePP – GST e-invoice preparing and printing tool



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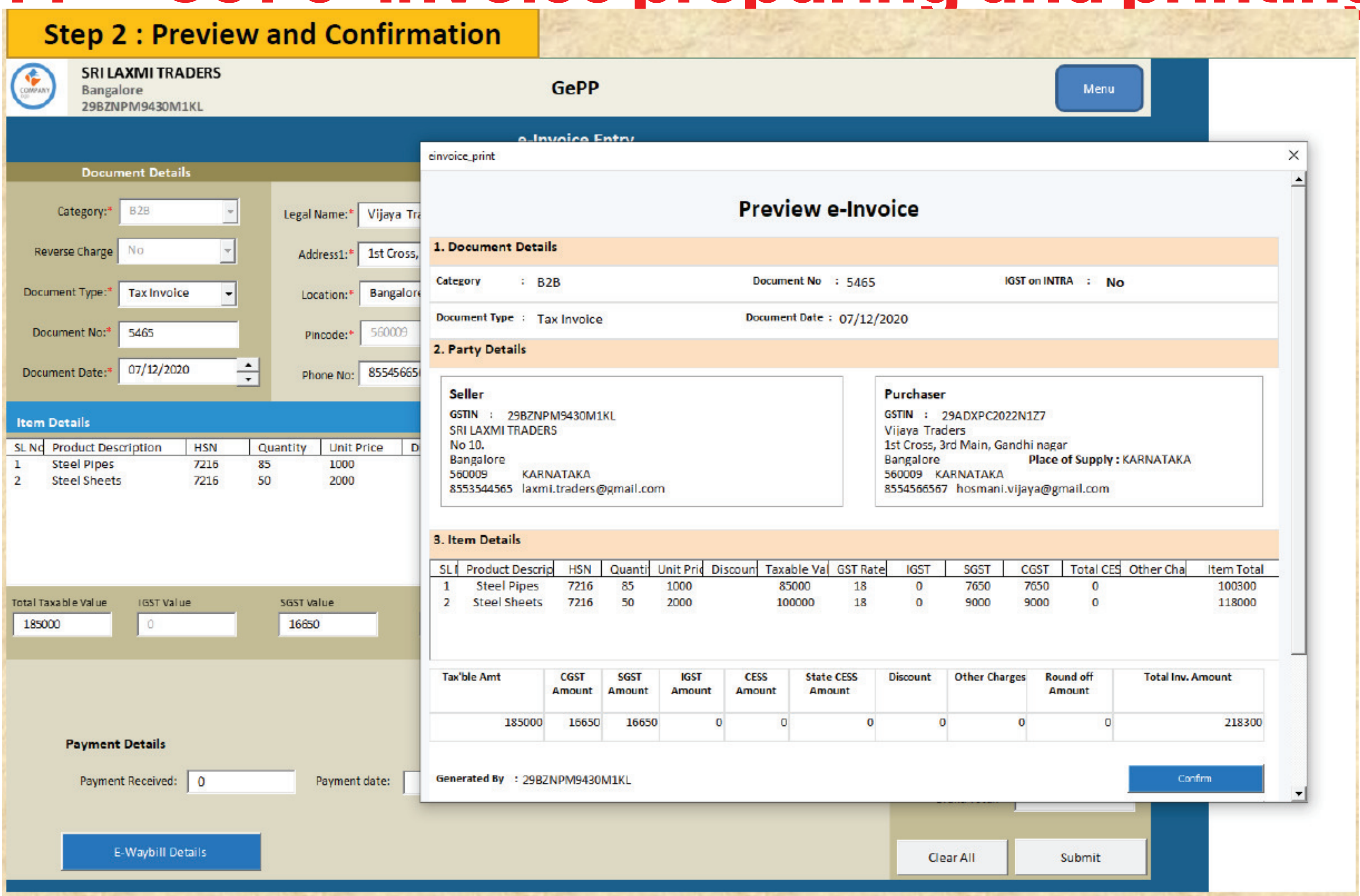
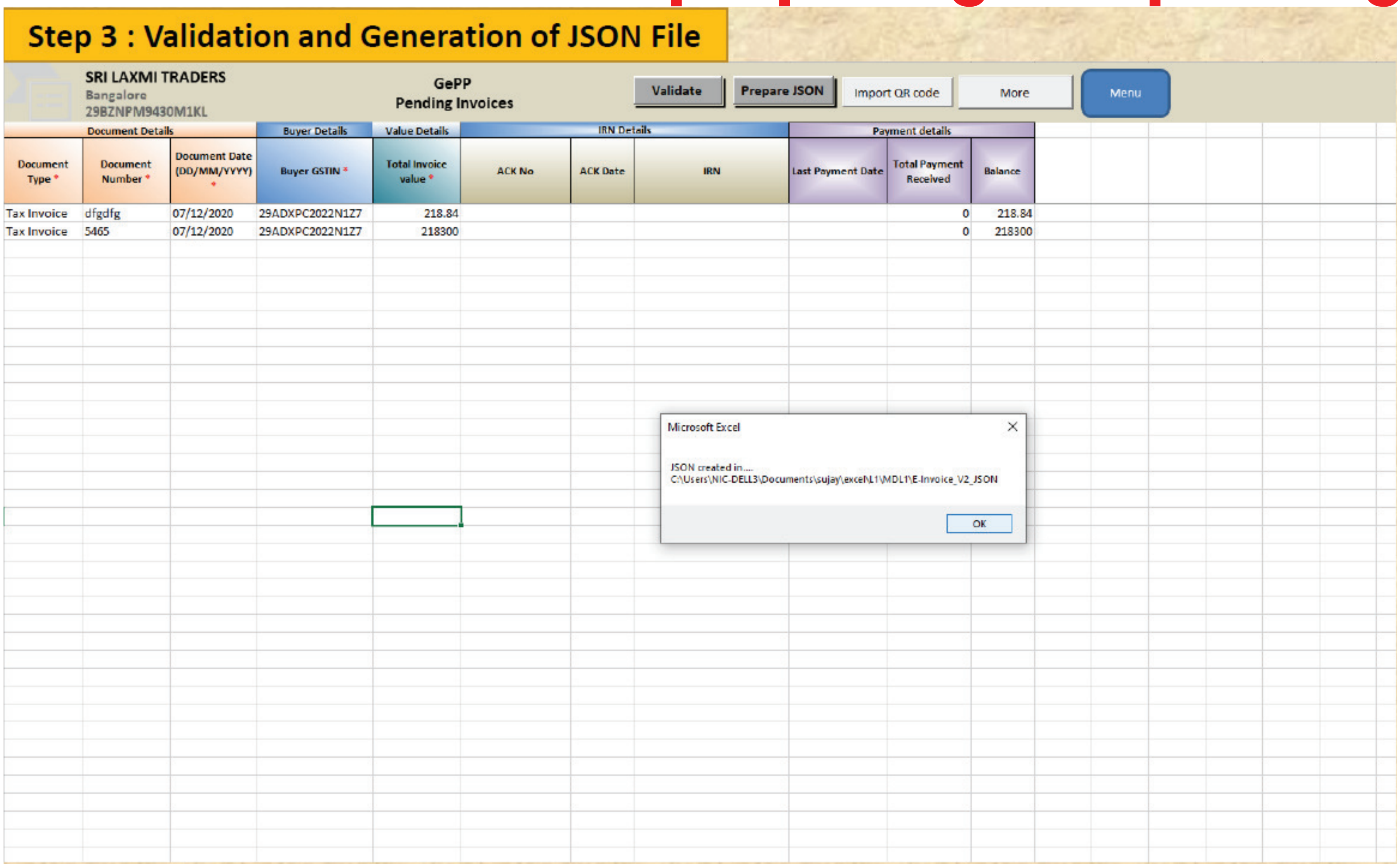
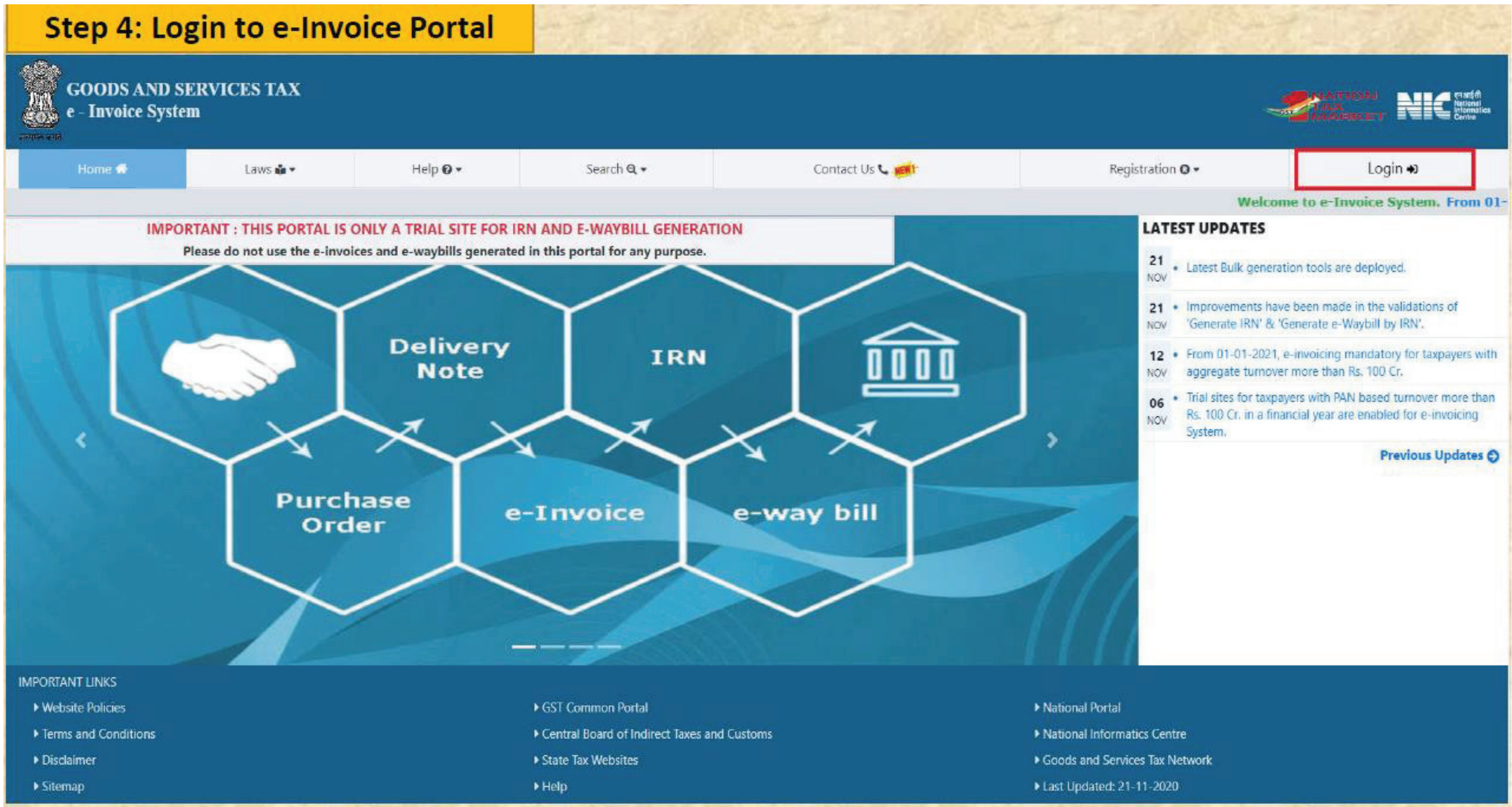


GePP – GST e-invoice preparing and printing tool

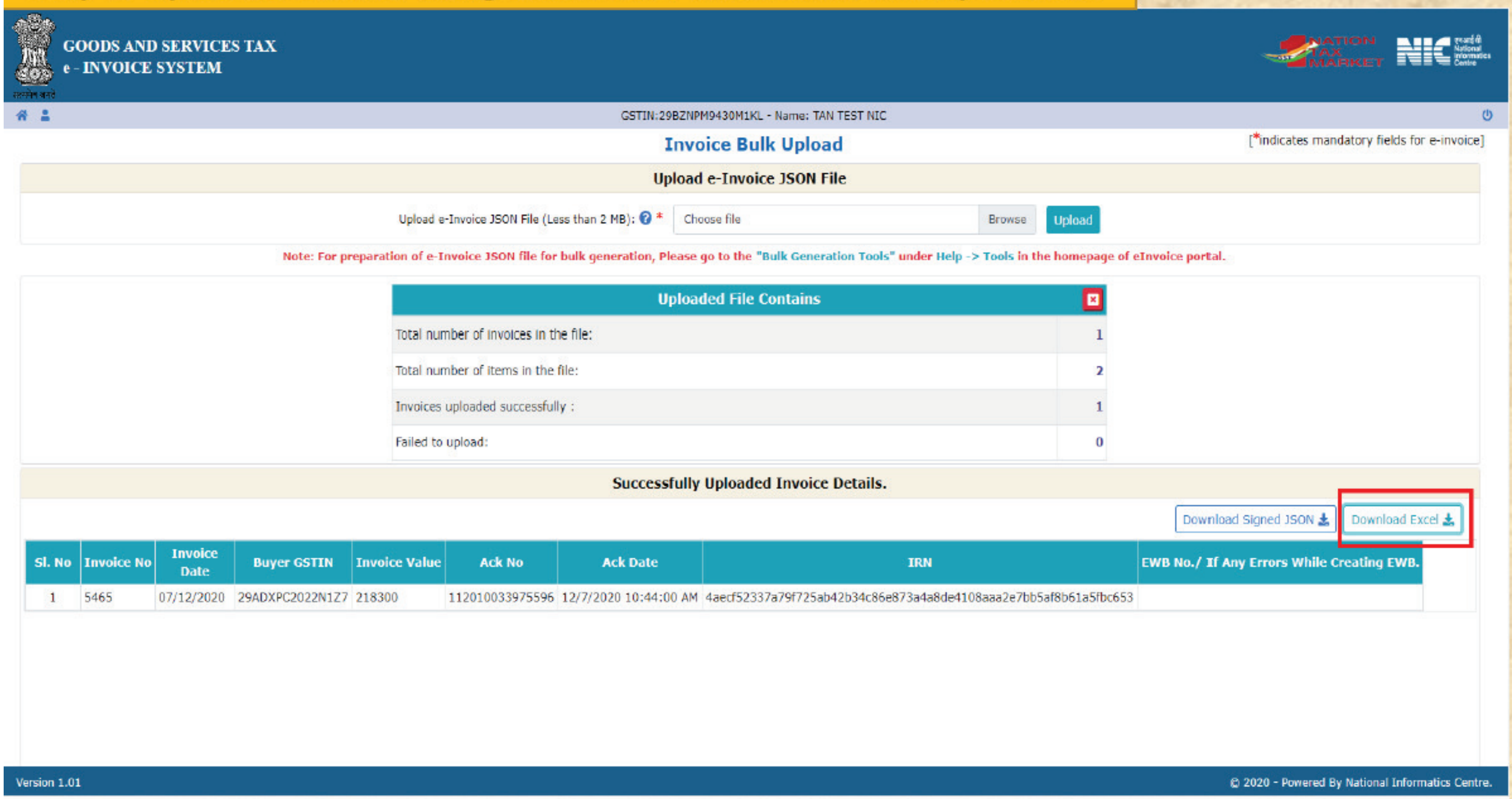


GePP – GST e-invoice preparing and printing tool

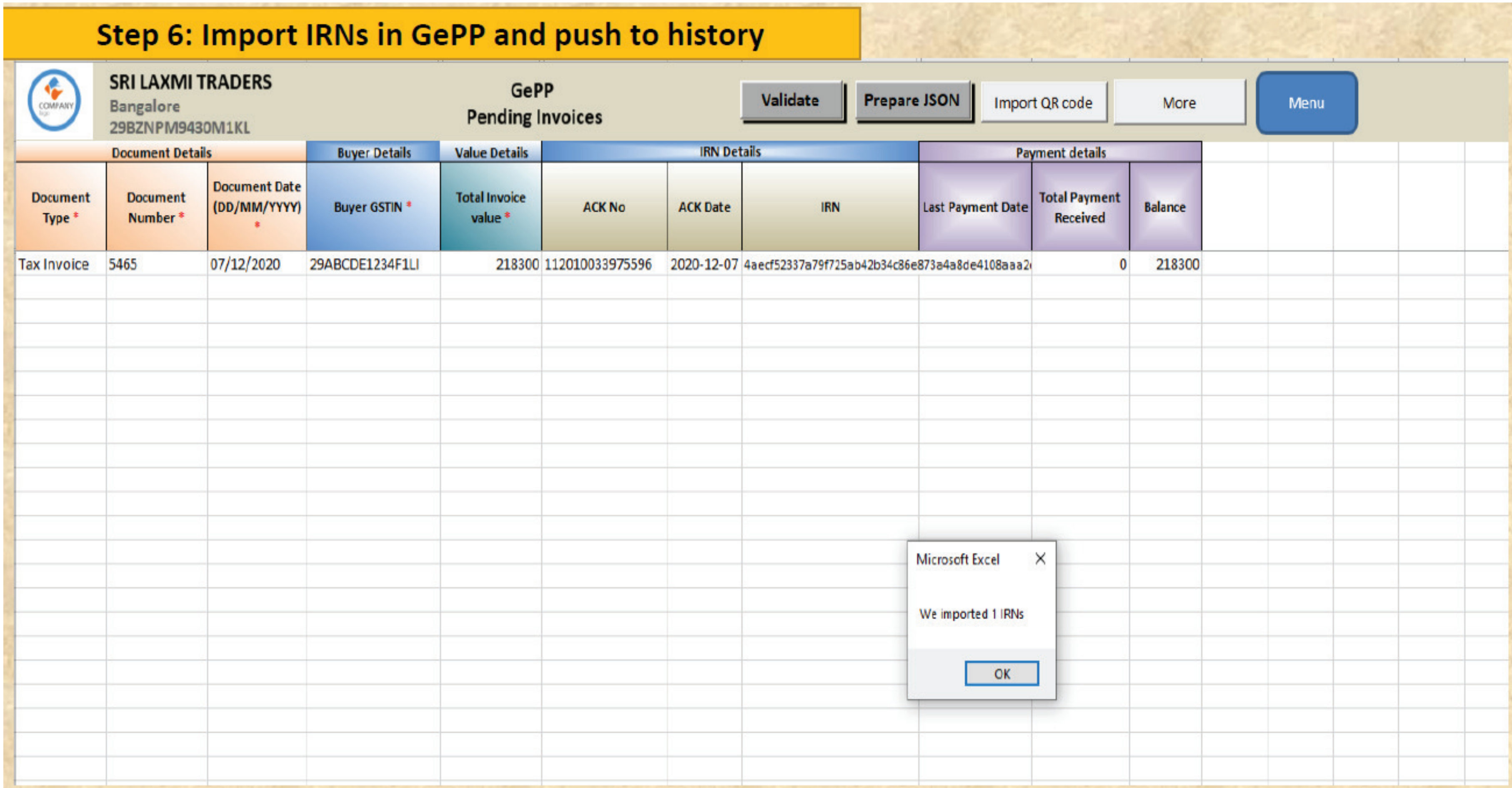


GePP – GST e-invoice preparing and printing tool

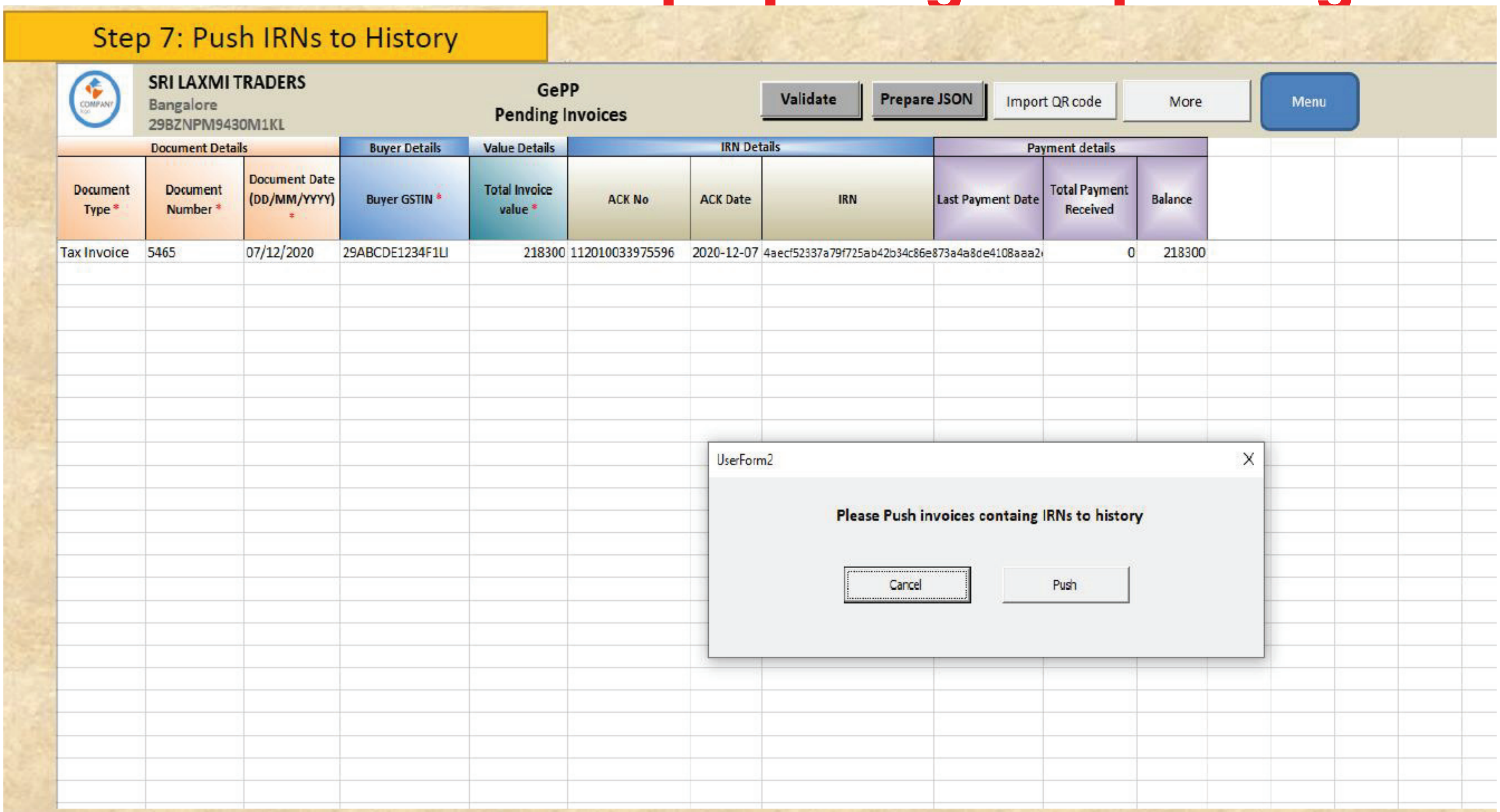
Step 5: Upload JSON file, and generate IRN and download response file



GePP – GST e-invoice preparing and printing tool

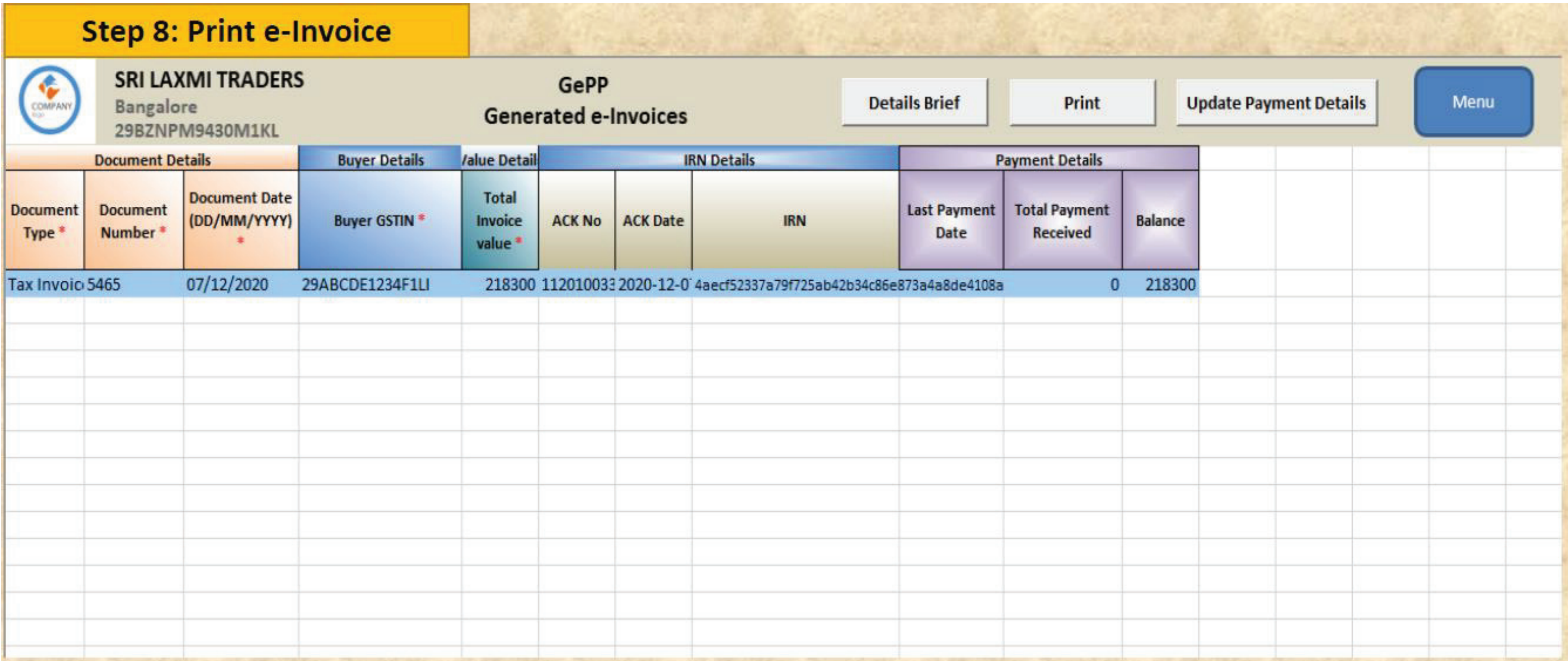


GePP – GST e-invoice preparing and printing tool



E-INVOICE

GePP – GST e–invoice preparing and printing tool



Step 8: Print e-Invoice

SRI LAXMI TRADERS
Bangalore
29BZNPM9430M1KL

GePP
Generated e-Invoices

Details Brief | Print | Update Payment Details | Menu

Document Details			Buyer Details	Value Detail	IRN Details			Payment Details		
Document Type *	Document Number *	Document Date (DD/MM/YYYY) *	Buyer GSTIN *	Total Invoice value *	ACK No	ACK Date	IRN	Last Payment Date	Total Payment Received	Balance
Tax Invoic	5465	07/12/2020	29ABCDE1234F1LI	218300	11201003	2020-12-0	4aecf52337a79f725ab42b34c86e873a4a8de4108a		0	218300

e-Invoice

SRI LAXMI TRADERS
29BZNPM9430M1KL
Bangalore

1. e-Invoice Details

IRN: 4aecf52337a79f725ab42b34c86e873a4a8de4108aae2e7bb5af8b61a5fbc653 ACK No. 112010033975596 ACK Date: 07-12-2020

2. Document Details

Category B2B Document No. 5465 IGST on INTRA: No

Document Type: Tax Invoice Document Date 07/12/2020

3. Bill From - Bill To

Seller
GSTIN: 29BZNPM9430M1KL
SRI LAXMI TRADERS
No 10.
K G Road, 3rd Block
Bangalore
560009 KARNATAKA
Ph: 8553544565
laxmi.traders@gmail.com

Recipient
GSTIN: 29ABCDE1234F1LI
Vijaya Traders
1st Cross, 3rd Main, Gandhi nagar
Kalidasa Marg Road
Bangalore Place of Supply: KARNATAKA
560009KARNATAKA
8554566567
hoamani.vijaya@gmail.com

4. Items Details

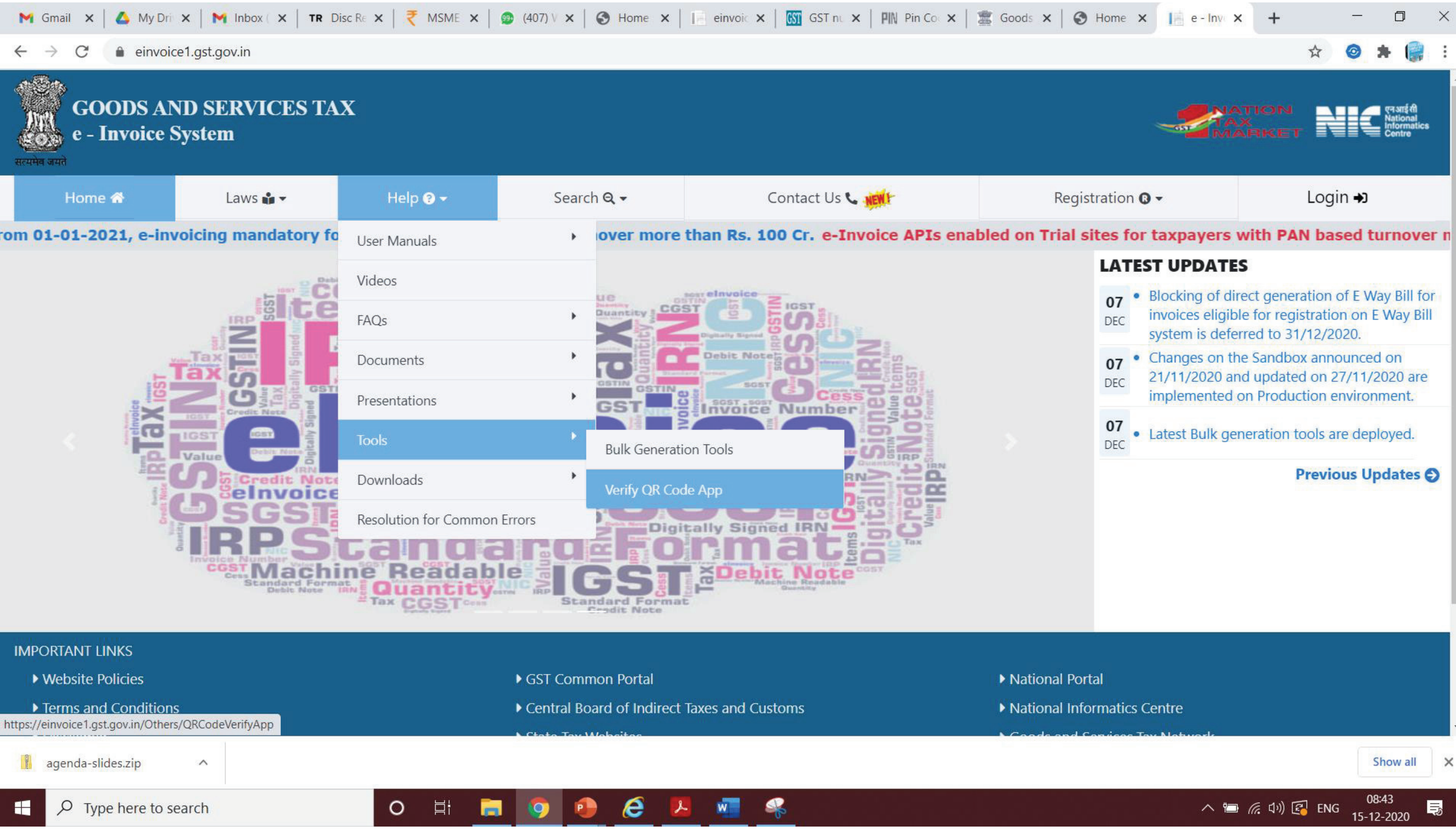
SlNo	Product Description	HSN Code	Quantity	UQC	UNIT Price	Discount	Taxable Amount	Tax Rate (GST+Cess | State Cess+Cess Non.Advol)	Other Charges	Total
1	Steel Pipes	7216	85	NOS	1000	0	85000	18 + 0 | 0 + 0	0	100300
2	Steel Sheets	7216	50	KGS	2000	0	100000	18 + 0 | 0 + 0	0	118000

Taxable Amount	CGST Amount	SGST Amount	IGST Amount	CESS Amount	State CESS Amount	Discount	Other Charges	Round Off Amount	Total Invoice Amount
185000	16650	16650	0	0	0	0	0	0	218300

Generated By: 29BZNPM9430M1KL
Print Date: 07-12-2020 00:00

e-Sign

Digitally Signed by NIC-IRP
07-12-2020 10:44


einvoice1.gst.gov.in
GOODS AND SERVICES TAX
e - Invoice System
Home
Laws
Help
Search
Contact Us
Registration
Login
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over more than Rs. 100 Cr. e-Invoice APIs enabled on Trial sites for taxpayers with PAN based turnover m
User Manuals
Videos
FAQs
Documents
Presentations
Tools
Downloads
Resolution for Common Errors
Bulk Generation Tools
Verify QR Code App
LATEST UPDATES
07 DEC
Blocking of direct generation of E Way Bill for invoices eligible for registration on E Way Bill system is deferred to 31/12/2020.
07 DEC
Changes on the Sandbox announced on 21/11/2020 and updated on 27/11/2020 are implemented on Production environment.
07 DEC
Latest Bulk generation tools are deployed.
Previous Updates
IMPORTANT LINKS
Website Policies
Terms and Conditions
GST Common Portal
Central Board of Indirect Taxes and Customs
National Portal
National Informatics Centre
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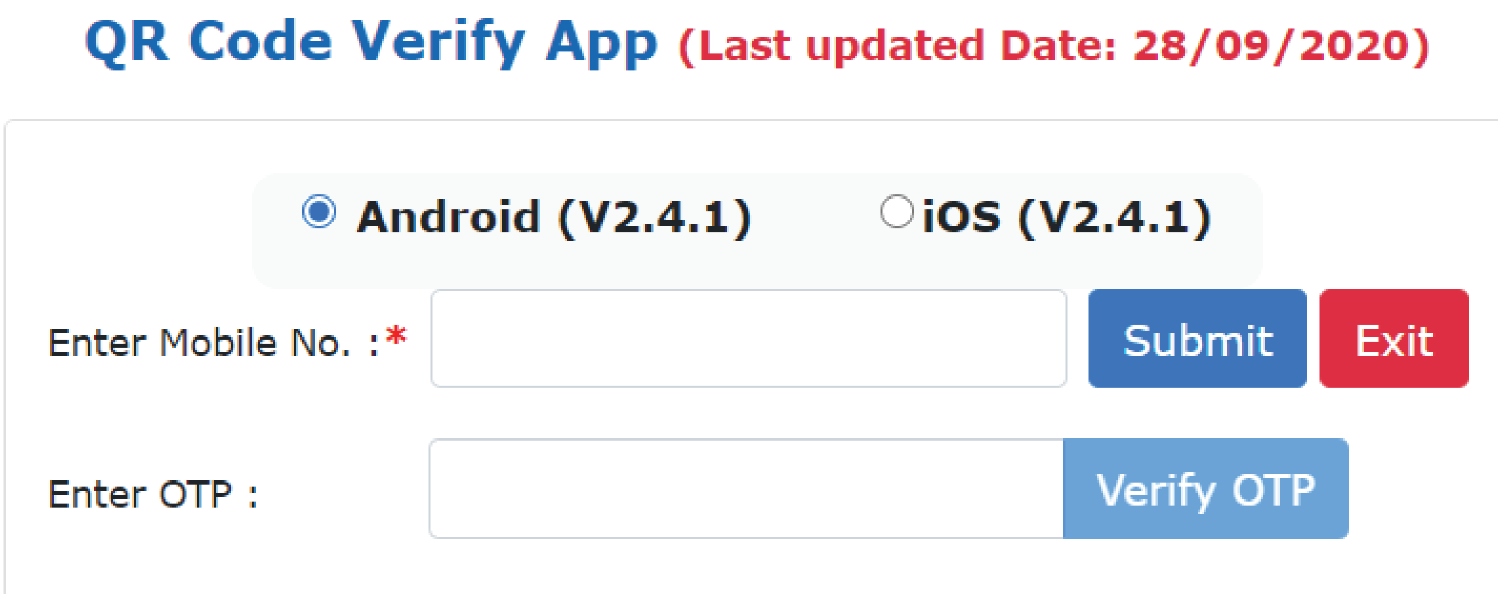
15-12-2020


QR Code Verify App (Last updated Date: 28/09/2020)
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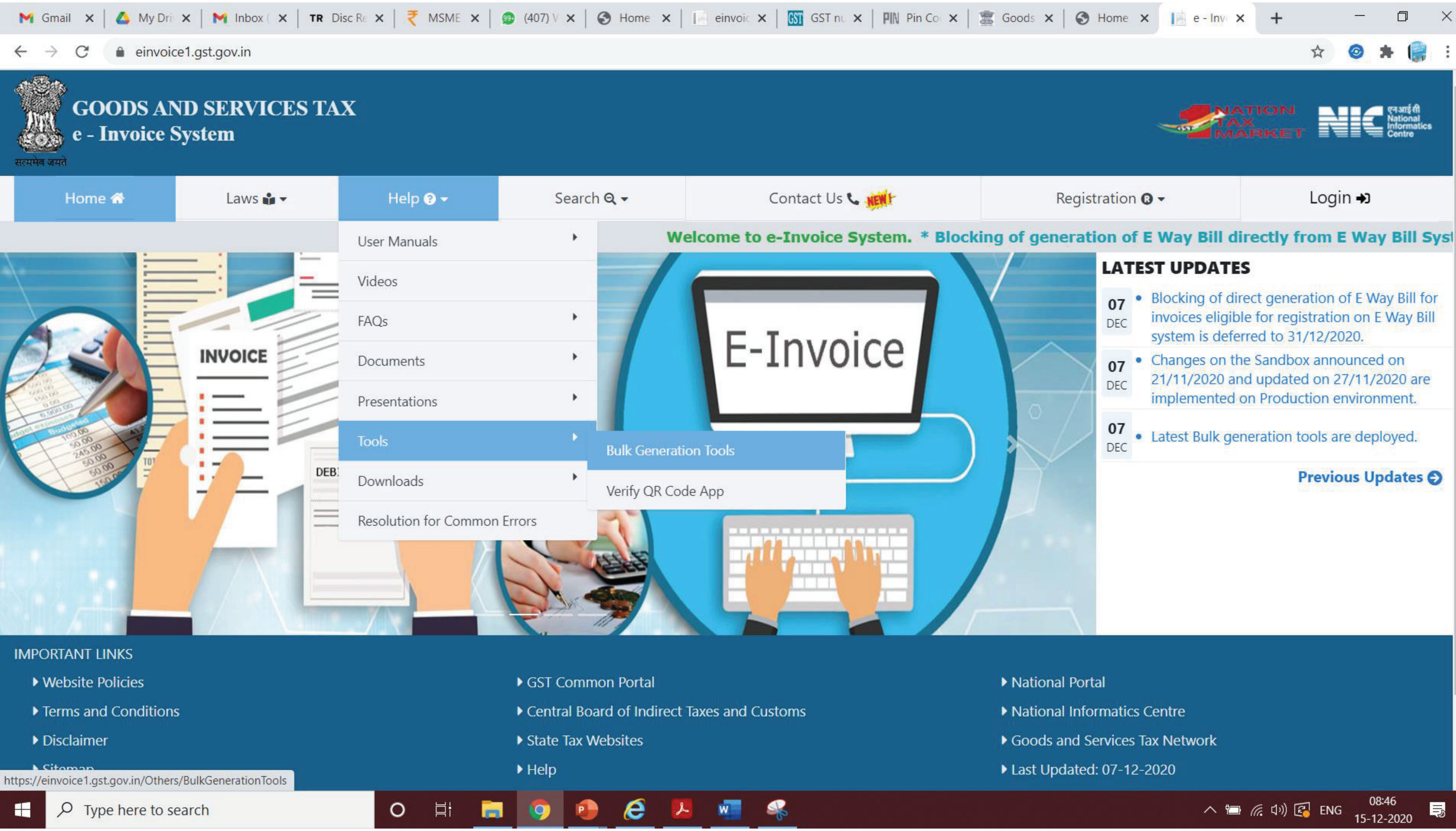
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Laws
Help
Search
Contact Us
Registration
Login
User Manuals
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FAQs
Documents
Presentations
Tools
Downloads
Resolution for Common Errors
Bulk Generation Tools
Verify QR Code App
Welcome to e-Invoice System. * Blocking of generation of E Way Bill directly from E Way Bill Syst
E-Invoice
INVOICE
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Last Updated: 07-12-2020
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15-12-2020

JSON Preparation – Options

JSON Preparation Tools (Version-1.01) **Last Updated: 07/12/2020**

E-Invoice JSON Preparation - Format A [For B2B, SEZ, Exports and Deemed Exports of e-Invoice details in one sheet] NEW!

E-Invoice JSON Preparation - Format B [For B2B, SEZ, Exports and Deemed Exports of e-invoice details in two sheets] NEW!

E-Invoice JSON Preparation - Format C [For B2B, SEZ, Exports , Deemed Exports alongwith Payment and Reference details of e-invoice in multiple sheets] NEW!

E-Invoice JSON Preparation - Format D [For B2B, SEZ, Exports , Deemed Exports alongwith Payment and Reference details of e-invoice in one sheet] NEW!

Common Questions being discussed / raised

1. I am dealing exclusively in exempted goods and my turnover is above Rs 100 crores, do I need to issue e-invoice?

2. Do I need to issue e-invoice for RCM supplies?

3. I am making supplies to Government Department, which has GST – TDS number, do I need to issue e-invoice for such transactions?

4. Can I cancel IRN after generation?

5. Do I need to update the IRN generated by IRP in my books of accounts / ERP?

Common Questions being discussed / raised

6. Do I again need to generate e-waybill for the e-invoice?

7. Do my transporter has to carry the e-invoice copy along with e-waybill during the movement of goods?

8. Can I issue e-waybills post shipment of goods/completion of service?

9.Do I need to generate e-waybill for services also as IRP portal gives me a facility for generation of e-waybill in case of movement of goods?

10. Do I need to generate e-invoice for moving goods from one premises to another premises in the same state having the same GSTN?

11. For how many hours I need to preserve my IRN details?

Common Questions being discussed / raised

12. How do I know if my supplier has crossed Rs 500 Crores / Rs 100 crores threshold?

13. What are the safeguards I need to take to ensure that I do not miss my ITC on my purchases/inward supplies?

14. Do I need to make any changes for my accounting due to rollout of e-invoice?

15. Do I need to update my GSTR – 1 with the transactions for which I have issued e-invoices?

16. Is e-invoice required to be issue for invoice cum bill of supply issued as per Rule 46A ?

Common Questions being discussed / raised

17. How will IRP Send the QR code? As a string or as an Image?

18. What should I do if I do not have Part B details of e-waybill while submitting data for e-invoice?

19. What should I do if I do not have Part B details of e-waybill while submitting data for e-invoice?

20. Will e-invoice data update my GSTR – 1?

21. Will e-invoice data update customers GSTR – 2A / 2B?

Common Questions being discussed / raised

22. Can I use the same tax invoice for generation of IRN again?

23. Can I change the vehicle number after generation of e-invoice and e-waybill?

24. While creation of the JSON file using the utility given by the GSTN, I have entered the value for a line for Rs 1,000 as Rs 1,00,000. What should I do in such cases?

25. In how many days I can cancel the IRN after generation?

26. Where should we show TCS under Income Tax while generating IRN?

Non Compliance Cost

Section 122 (1) (ii) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act or the rules made thereunder;

he shall be liable to pay a **penalty** of **ten thousand rupees** or an amount equivalent to the tax evaded or the tax not deducted under section 51 or short deducted or deducted but not paid to the Government or tax not collected under section 52 or short collected or collected but not paid to the Government or input tax credit availed of or passed on or distributed irregularly, or the refund claimed fraudulently, **whichever is higher**.

Or

Section 125 - Any person, who contravenes any of the provisions of this Act or any rules made thereunder for which **no penalty is separately provided** for in this Act, shall be liable to a **penalty** which **may extend to twenty five thousand rupees.**

Common Errors

Sr.No	Error Code	Error Messages	Reason for Error	Resolution
1	1004	Header GSTIN is required	GSTIN Header not passed	User need to pass the GSTN Header
2	1005	Invalid Token	1. Token has expired 2. While calling other APIs, wrong GSTIN / User Id/ Token passed in the request header	1. Token is valid for 6 hours , if it has expired, call the Auth. API again and get new token 2. Pass correct values for GSTIN, User Id and Auth Token in the request headers while calling APIs other than Auth API

Common Errors

Sr.No	Error Code	Error Messages	Reason for Error	Resolution
3	1007	Authentication failed. Pls. inform the helpdesk	Wrong formation of request payload	Prepare the request payload as per the API documentation
4	1008	Invalid login credentials	Either UserId or Password are wrong	Pass the correct UserId and Password
5	1013	Decryption of password failed	Auth.API is not able to decrypt the password	Use the correct public key for encrypting the password while calling the Auth API. The public key is sent by mail while providing the access to Production environment as well as available for download from the portal under API user management. This public key is different on Sandbox and Production and it is different from the one used for verification of the signed content. Refer to the developer portal for encryption method used and sample code.

Common Errors

Sr.No	Error Code	Error Messages	Reason for Error	Resolution
6	1014	Inactive User	Status of the GSTIN is inactive or not enabled for E Invoice	Please verify whether the GSTIN is active and enabled for E Invoice from the E Invoice portal
7	1015	Invalid GSTIN for this user	The GSTIN of the user who has generated the auth token is different from the GSTIN being passed in the request header	Send the correct GSTIN in the header for APIs other than Auth API
8	3015	Sorry, your GSTIN is deregistered in GST Common Portal	Attempting to use a GSTIN which is cancelled	Please check the status of the GSTIN on the GSTN common portal. If it is active, contact the helpdesk with GSTIN details
9	3030	Invalid Gstin	GSTIN provided is incorrect	Provide the correct GSTIN

Common Errors

Sr.No	Error Code	Error Messages
10	4000	Status of the IRN is not active
11	4003	Requested IRN data is not available
12	4005	Eway Bill details are not found
13	4009	E Way Bill can be generated provided at least HSN of one item belongs to goods.
14	4010	E-way Bill cannot generated for Debit Note, Credit Note and Services.

ACCOUNTING & RECORDS

DOCUMENTATION AND ACCOUNTS & RECORDS

- Following records are to be maintained by the registered taxpayer
  - production or manufacture of goods;
  - inward and outward supply of goods or services or both;
  - stock of goods;
  - input tax credit availed;
  - output tax payable and paid; and
  - such other particulars as may be prescribed:
- There are not formats prescribed unlike the erstwhile tax regime
- The records have to be maintained separately for each project wherever applicable
- The records have to be retained for 72 months from the date of filing of the annual return.

DOCUMENTATION AND ACCOUNTS & RECORDS

- **Records to be maintained by every tax payer**
  - names and complete addresses of suppliers from whom he has received the goods or services chargeable to tax under GST
  - names and complete addresses of the persons to whom he has supplied goods or service where required under the provisions
  - complete address of the premises where goods are stored by taxpayer, including goods stored during transit along with the particulars of the stock stored

- **Records to be maintained by Service Provider**
  - Quantities details of goods used in provision of service
  - Details of input services utilized
  - Details of services provided

DOCUMENTATION AND ACCOUNTS & RECORDS

- **Records to be maintained by Works Contractor**
  - Separate records for each works contract
  - the names and addresses of the persons on whose behalf the works contract is executed
  - description, value and quantity (wherever applicable) of goods or services received for the execution of works contract
  - description, value and quantity (wherever applicable) of goods or services utilized in the execution of works contract
  - the details of payment received in respect of each works contract
  - the names and addresses of suppliers from whom he received goods or services

DOCUMENTATION AND ACCOUNTS & RECORDS

- **Records to be maintained byAgent**
  - particulars of authorization received by him from each principal to receive or supply goods or services on behalf of such principal separately
  - particulars including description, value and quantity (wherever applicable) of goods or services received on behalf of every principal
  - particulars including description, value and quantity (wherever applicable) of goods or services supplied on behalf of every principal
  - details of accounts furnished to every principal
  - tax paid on receipts or on supply of goods or services effected on behalf of every principal.

DOCUMENTATION AND ACCOUNTS & RECORDS

- **Records to be maintained by an Agent**
  - particulars of authorization received by him from each principal to receive or supply goods or services on behalf of such principal separately
  - particulars including description, value and quantity (wherever applicable) of goods or services received on behalf of every principal
  - particulars including description, value and quantity (wherever applicable) of goods or services supplied on behalf of every principal
  - details of accounts furnished to every principal
  - tax paid on receipts or on supply of goods or services effected on behalf of every principal.

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- Ledgers play a key role in
  - Accounting
  - GST Compliance

Recommended to change the accounting process and new ledgers to meet GST compliances seamlessly and also ensure proper internal control

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- **New Ledgers - Output/Outward Supplies liability**
  - Output Tax Liability – CGST A/c
  - Output Tax Liability – SGST A/c
  - Output Tax Liability – IGST A/c
  - Output Tax Liability – UTGST A/c
  - Output Tax Liability – GST Cess A/c
  - Output Tax Liability – IGST – Stock Transfer A/c

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- **New Ledgers - Reverse Charge Liability**
  - Reverse Charge Liability – CGST A/c
  - Reverse Charge Liability – SGST A/c
  - Reverse Charge Liability – IGSTA/c
  - Reverse Charge Liability – UTGSTA/c
  - Reverse Charge Liability – GST Cess A/c

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- **New Ledgers - Interim Recovery Accounts**
  - ITC Interim Recovery Account – CGST A/c
  - ITC Interim Recovery Account) – SGST A/c
  - ITC Interim Recovery Account – IGSTA/c
  - ITC Interim Recovery Account – UTGSTA/c
  - ITC Interim Recovery Account – GST Cess A/c

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- **New Ledgers - Recovery Accounts**
  - ITC Recovery Account – CGST A/c
  - ITC Recovery Account) – SGST A/c
  - ITC Recovery Account – IGSTA/c
  - ITC Recovery Account – UTGSTA/c
  - ITC Recovery Account – GST Cess A/c

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

➢ **New Ledgers - ITC Reverse Charge Accounts**

- ITC Reverse Charge – CGST A/c
- ITC Reverse Charge – SGST A/c
- ITC Reverse Charge – IGSTA/c
- ITC Reverse Charge – UTGSTA/c
- ITC Reverse Charge – GST Cess A/c

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- **New Ledgers - ITC Reverse Charge Recovery Accounts**
  - ITC Reverse Charge Recovery – CGST A/c
  - ITC Reverse Charge Recovery – SGST A/c
  - ITC Reverse Charge Recovery – IGSTA/c
  - ITC Reverse Charge Recovery – UTGSTA/c
  - ITC Reverse Charge Recovery – GST Cess A/c

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- **New Ledgers - GST Liability on advances**
  - GST on Advances – CGST A/c
  - GST on Advances– SGST A/c
  - GST on Advances – IGSTA/c
  - GST on Advances – UTGSTA/c
  - GST on Advances – GST Cess A/c

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- **New Ledgers - Outward Supplies within the state**
    - Outward Supplies – B2B
    - Outward Supplies – B2C
    - Outward Supplies – Reverse Charge

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- **New Ledgers - Outward Supplies inter state**
  - Outward Supplies – B2B (outside the state)
  - Outward Supplies – B2C (outside the state)
  - Outward Supplies – Reverse Charge
  - Outward Supplies – Stock Transfer (outside the state)
  - Outward Supplies – Purchase Returns (within the state)
  - Outward Supplies – Purchase Returns (outside the state)

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- **New Ledgers - Inward Supplies**
  - Inward Supplies – Registered (within the state)
  - Inward Supplies – Registered (Outside the state)
  - Inward Supplies – Unregistered
  - Inward Supplies – Composition Taxpayers A/c
  - Inward Supplies – Exempted A/c
  - Inward Supplies – Non-GST A/c
  - Inward Supplies – Nil Rated A/c

DOCUMENTATION AND ACCOUNTS & RECORDS

Ledgers

- Ram has sold twenty five thousand worth of goods to Ajay and the goods attracted 5% tax on ₹ 10,000, 12% tax on ₹ 7,500, 18% on ₹ 3,000 and 28% on balance amount.
- What is the accounting entry to be passed in the books accounts of Ram?
- What is the accounting entry to be passed in the books of Ajay?

DOCUMENTATION AND ACCOUNTS & RECORDS

Vinay runs a mobile shop and he sold an Apple phone to Jagan for Rs 87,600. Jagan also purchased a stylus worth ₹ 5,000 and ear pods worth ₹ 7,500.

Vinay gave a discount of ₹ 5000 on mobile phone and 10% on the stylus and ear pods.

Jagan exchanged his old mobile phone worth ₹ 9,000.

Iphone is charged @18%, ear pods @ 5% and stylus @28%

- What is the total value of sale?
- How much amount will Jagan will pay to Vinay?
- What the accounting entries to be passed in the books of Vinay?

DOCUMENTATION AND ACCOUNTS & RECORDS

P Ltd from Agra purchased goods worth 1,28,700 and in that exempted goods were ₹ 12,500. form the balance amount 40% of the goods were taxed at 18%, 25% of the goods were taxed at 12% and balance goods were taxed at 5%.

The goods were purchased from Q Ltd based out of Delhi and P Ltd went Delhi and purchased the goods he carried the physically from Delhi to Agra.

P Ltd sold the exempted goods at a profit margin of 40%.

Sold 60% of goods purchased at 18% with a profit margin of 75% to customer form Mumbai and shipped the goods by courier and collected transportation charges extra worth ₹ 12,500

Sold 100% of the goods purchased at 12% with a profit margin of 25% to a walk in customer.

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Outward supplies (sales within the state – B2B)	Debtors A/c Dr Outward Supplies – B2B (within the state) Cr Output Tax Liability – CGST A/c Cr Output Tax Liability – SGST A/c Cr If GST Cess is there, that will also be accounted separately
Outward supplies (sales outside the state – B2B)	Debtors A/c Dr Outward Supplies – B2B (within the state) Cr Output Tax Liability – IGSTA/c Cr If GST Cess is there, that will also be accounted separately

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Outward supplies (sales within the state – B2C)	Debtors A/c Dr Outward Supplies – B2C (within the state) Cr Output Tax Liability – CGST A/c Cr Output Tax Liability – SGST A/c Cr If GST Cess is there, that will also be accounted separately
Outward supplies (sales outside the state – B2C)	Debtors A/c Dr Outward Supplies – B2C (within the state) Cr Output Tax Liability – IGSTA/c Cr If GST Cess is there, that will also be accounted separately

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Debit Note (within the state – B2B)	Debtors A/c Dr Outward Supplies – B2B (within the state) Cr Output Tax Liability – CGST A/c Cr Output Tax Liability – SGST A/c Cr If GST Cess is there, that will also be accounted separately
Debit Note (outside the state – B2B)	Debtors A/c Dr Outward Supplies – B2B (within the state) Cr Output Tax Liability – IGSTA/c Cr If GST Cess is there, that will also be accounted separately

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Debit Note (within the state – B2C)	Debtors A/c Dr Outward Supplies – B2C (within the state) Cr Output Tax Liability – CGST A/c Cr Output Tax Liability – SGST A/c Cr If GST Cess is there, that will also be accounted separately
Debit Note (outside the state – B2C)	Debtors A/c Dr Outward Supplies – B2C (within the state) Cr Output Tax Liability – IGSTA/c Cr If GST Cess is there, that will also be accounted separately

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Stock Transfer Within the State	Inter Branch Transfers A/c Dr Outward Supplies – Stock Transfer A/c (within the state) Cr
Stock Transfer Outside State	Inter Branch Transfers A/c Dr Outward Supplies – Stock Transfer A/c (within the state) Cr Output Tax Liability – IGST Stock Transfer A/c Cr

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Advance Received from Customer within the state	Cash or Bank A/c Dr Advance – CGST A/c Dr Advance – SGST A/c Dr Customers A/c Cr Output Tax Liability – CGST A/c Cr Output Tax Liability – SGST A/c Cr If GST Cess is there, that will also be accounted separately
Advance Received from Customer outside the state	Cash or Bank A/c Dr Advance – IGSTA/c Dr Customers A/c Cr Output Tax Liability – IGSTA/c Cr If GST Cess is there, that will also be accounted separately

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Customer Advance Adjusted subsequently – within the state	Output Tax Liability – CGST A/c Output Tax Liability – SGST A/c Advance – CGST A/c Advance – SGST A/c	Dr Dr 	 Cr Cr
Customer Advance Adjusted subsequently – outside the state	Output Tax Liability – IGSTA/c Advance – IGSTA/c	Dr 	 Cr

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Inward supplies (Purchases within the state – Registered)	Inward Supplies – Registered (within the state) A/c ITC Interim Recovery – CGST A/c ITC Interim Recovery – SGST A/c Creditors A/c	Dr Dr Dr 	 Cr
Inward supplies (Purchases Outside the state – Registered)	Inward Supplies – Registered (outside the state) A/c ITC Interim Recovery – IGSTA/c Creditors A/c	Dr Dr 	 Cr

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

When input tax credit is taken – (Purchases within the state – Registered)	ITC Recovery – CGST A/c Dr ITC Recovery – SGST A/c Dr ITC Interim Recovery – CGST A/c Cr ITC Interim Recovery – SGST A/c Cr
When input tax credit is taken – (Purchases Outside the state – Registered)	Input Tax Credit RA – IGSTA/c Dr Input Tax Credit (IRA) – IGSTA/c Cr

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Inward Supplies – Composition Tax Payer	Inward Supplies – Composition Taxpayers A/c Dr Creditors A/c Cr
Inward Supplies – Non-GST Supplies	Inward Supplies – Non-GST A/c Dr Creditors A/c Cr
Inward Supplies – Exempted	Inward Supplies – Exempted A/c Dr Creditors A/c Cr
Inward Supplies – Nil Rated	Inward Supplies – Nil Rated A/c Dr Creditors A/c Cr

DOCUMENTATION AND ACCOUNTS & RECORDS

Accounting Entries

Inward Supplies – Unregistered Tax Payers (Reverse Charge)	Inward Supplies – Unregistered A/c	Dr	
	ITC Reverse Charge Recovery – CGST A/c	Dr	
	ITC Reverse Charge Recovery – SGST A/c	Dr	
	Creditors A/c		Cr
	Reverse Charge Liability – CGST A/c		Cr
	Reverse Charge Liability – SGST A/c		Cr
When input tax credit is availed on the reverse charge inward supplies	ITC Recovery – CGST A/c	Dr	
	ITC Recovery – SGST A/c	Dr	
	ITC Reverse Charge Recovery – CGST A/c		Cr
	ITC Reverse Charge Recovery – SGST A/c		Cr