GST in Microsoft Dynamics NAV 2016

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Microsoft

Contents

Goods and Services Tax

This white paper provides detailed insight into development of GST related features in Microsoft Dynamics NAV 2016.

The documentation starts by describing Key Areas of GST and their Impact on the Product Design, GST related fields added in Setups, Master and Documents.

Then it explains the Purchase and Sales scenarios, Advance Payment and Application scenarios, Service Management, Stock Transfers, Service Transfers and Transitional Provisions.

Finally, it explains GST Reconciliation feature, Credit Adjustment Journal and GST Reconciliation.

Goods & Service Tax in Microsoft Dynamics NAV 2016

Microsoft Dynamics

1. Key Areas of GST – Impact on Product Design

A. Basics of GST:

a. Proposed GST:
- Goods and Service Tax (GST) is an indirect tax levied on supply of goods or services or both.

- It is a destination/consumption based tax levy which is payable in the state in which the goods and services are consumed.

- It is levied and collected on value addition at each stage of production or distribution process (all points in supply chain).

- The supplier can avail credit on input tax credit paid on procurement of goods or services.

- It extends to the whole of India except Jammu & Kashmir

b. Components of GST:

Component	Levied by	Applicable on
Central GST (CGST)	Centre	Intra-state supply of goods or services in India
State GST (SGST)	States	Intra-state supply of goods or services in India
Integrated GST (IGST)	Centre	Inter-state supply of goods or services, Exports and Imports

c. GST Compensation Cess:
- GST Compensation Cess is leviable on both interstate and intrastate supply of goods. It is also applicable on imports and goods transactions which are subject to reverse charge.

- It is applicable only on notified goods. These goods as on date are pan masala, tobbaco and tobacco products, coal, aerated waters, motor cars & motor vehicles and any other supplies.

- GST Compensation Cess is calculated on taxable value. Though it is coined as Cess it is similar to tax. It is independent of IGST, CGST and SGST.

- Input Tax Credit availed on GST Compensation Cess can be utilized only towards discharging Output tax liability of Compensation Cess and not otherwise.

d. Goods outside the gamut of GST:

- Petroleum products and alcohol for human consumption are proposed to be kept out of GST purview. Petroleum products will be brought into GST network at a later stage.

- Central Excise duty will continue on petroleum products. States will continue to impose sales tax on sale of petroleum products and alcohol for human consumption.

B. Provisions of Finalized Law, Draft Rules and Formats and Business Processes Documents pertinent to GST Design

a. GST Registration Number:

- Registration Number under GST is called **Goods and Service Tax Payer Identification Number** (GSTIN). It is a state-wise PAN based 15-digit number the structure of which is as follows:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
State Code		PAN										Entity Code	Check Digit	Blank

- First two digits represent the State codes. The next thirteen-digits are alphanumeric and are assigned depending on number of registrations a legal

entity (having the same PAN) has within one state. (Provided business entities go for vertical wise registrations)

- All UN bodies seeking to claim refund of taxes would be required to obtain a **Unique Identification Number** (UID) from GSTN portal. The supplier supplying to these organizations is expected to mention UID in the respective invoices.

- Government authorities/PSUs not making outward supplies of GST goods (and thus not liable to obtain GST registration) but are making inter-state purchases will be allotted **Government Department Unique ID** (GID) from GSTN portal.

- The structure of both UID & GID are uniform across all the states in uniformity with GSTN structure.

    Relevance of GST Registration No. in the Product Design:
- **GST Registration No.** is defined by every state. This **Registration No.** can be selected in the following pages:
    - ➢ Company Information
    - ➢ Locations Master
    - ➢ Vendor Master
    - ➢ Customer Master

- Validations are provided to ensure that the **Registration No**. entered is of 15-digits and is of the same format as mentioned above. Moreover, the first two digits of the **Registration No.** shall match with the state code defined in State code. Validation has been provided for these.

- **GST Registration Type** field in Customer master enables the user to select whether the Registration No. is GSTIN, UID or GID.

b. HSN/SAC Codes:
- Harmonized System Nomenclature (HSN) is applicable for goods whereas Service Accounting Codes (SAC) are applicable for services. These codes are meant to reduce the chances of misinterpretation and helps in assigning correct tax rates to products and services. These HSN codes will be similar to codes, which are being presently used in Central Excise Tariff schedules.

- Goods and Services are to be reported along with HSN and SAC codes in compliance Returns (GSTRs).

- HSN codes comprises of eight digits. The number of digits to be mentioned in the GST Returns is dependent on the turnover. If turnover exceeds five crores, it is mandatory to mention four-digits. In case turnover is between 1.5 to 5 crores, it is mandatory to mention two-digits. For exports and imports, it is mandatory to mention eight-digits. However, a taxpayer irrespective of turnover may opt to use either six-digits or eight-digits.

   Relevance of HSN/SAC Codes on the product design:
- A master has been provided where HSN/SAC codes for each GST Group code can be defined.

- HSN/SAC codes must also be selected in Items master and G/L Account card for each item and service respectively.

- These codes also flow in purchase lines and sales lines, based on the item or service selected. However, the user can edit the codes in the respective documents.

c. Place of Supply:

- Place of Supply is the place where services are deemed to be provided or goods are deemed to be sold as per GST Law. Place of Supply is critical in determining whether a transaction is an interstate sale or intrastate sale.

- Place of Supply can be a Buyer's Location, Seller's Location or any other place where goods are delivered or services are rendered.

- Place of supply provisions are different for goods and services in Model GST law. Within services and goods, they may vary from service to service and goods to goods.

- **Place of Supply for Goods:**

Supply	Place of supply
Involves movement of goods	Where delivery terminates
Does not involve movement of goods	Location of goods at the time of delivery to recipient

Goods assembled or installed at site	Place of such installation or assembly
Goods supplied onboard a conveyance	Location at which such goods are taken onboard
Goods are delivered by the supplier to recipient on direction of a third party (Sale of goods in which three parties are involved)	Principal Place of business of buyer.

- **Place of Supply of Services (General)**

Supply to a	Place of supply
Registered person	Location of such person.
Other than a registered person with address on Record.	Location of such person.
Other than a registered person without address on record.	Location of Supplier.

Apart from the above, **Place of Supply** has been specified in the IGST Draft Law, for Specified services.

- **Significance of Place of Supply**
  Place of Supply of goods determines whether a transaction is an inter-state supply or intra-state supply**.**

Nature of Supply	Condition	Tax Applicable
Intra-state supply of goods	When the location of supplier and place of supply are in the same state.	CGST SGST
Inter-state supply of goods	When the location of supplier and the place of supply are in different states.	IGST

Impact of Place of Supply on Product design:
From system perspective, **Place of Supply** can be Bill to Address, Ship to Address or Location Address. **GST Dependency Type** field has been created in Sales & Receivable Setup with above three as a drop down. The option selected shall be construed as **Place of Supply** for sale of all goods and services.

For any GST Group, if the **Place of Supply** is different from what is defined in **GST Dependency Type**, then the same can be defined in GST Group Setup. If for a GST group, **Place of Supply** is defined in **GST Group Setup**, then the same flows to GST **Place of Supply** field in Sales lines. If it is not defined, then **GST Dependency Type** shall flow to GST **Place of Supply** field in Sales lines. This GST **Place of Supply** field in Sales lines is a user editable field.

System validates shipping location state code and place of supply state code with GST configuration setup for any matching line and triggers the tax accordingly.

Example: For Advertising Services, if **Place of Supply** is **Ship to Address** and the same is defined in GST Group, then GST **Place of Supply** field in Sales lines is auto-populated with Ship to Address. If the ship to address is, Karnataka and the shipping location is Tamilnadu, and then system checks for matching line in the GST configuration set-up and triggers the tax rate accordingly.

- **Place of Supply** can also be defined for each GST Group. **Place of Supply** is critical in determining whether it is an interstate sale or intrastate sale. **Place of Supply** can be Bill to Address, Ship to Address or Location address.

- If **Place of Supply** is not defined in the GST Group, then system considers GST Dependency type defined in Sales & Receivable Set-up as Place of Supply.

- **Bill to Location - Place Of Supply: In case of Receiving Location is different from Billing Location**

  In purchases if receiving location is different from the actual billing location then there is a provision to select Bill-to Location on purchase header.

  System will calculate GST based on Bill-to Location State code and Vendor State code or Order Address State code selected on purchase header

  Inventory will be posted to location code selected on purchase lines and Item Ledger Entry will also be created with location code selected on purchase lines.

  If Bill-to Location code is selected in purchase transaction then system will flow Bill-to Location State code to Detailed GST Ledger Entry table.

Nature of Supply	Receiving Location State Code	Billing Location State Code	Vendor State Code	Tax Applicable
Intra-state supply of goods	MAH	KAR	KAR	CGST SGST

Intra-state supply of goods	KAR	-	KAR	CGST SGST
Inter-state supply of goods	MAH	KAR	MUM	IGST
Inter-state supply of goods	KAR	-	MUM	IGST

d. Time of supply:

- Time of supply provisions of Model GST Law contemplates when the liability to pay GST arises. This point in time is different for goods, services and for goods and services which are subject to Reverse charge.

- **Time of Supply for goods:** Invoice date or Receipt of Payment whichever is earlier

- **Time of Supply for services:**

  - ➢ Invoice date if the invoice is issued within the prescribed period of 30 days (45 days for banking and financial institutions) or the payment whichever is earlier.
  - ➢ Date of provision of service, if invoice is not issued within the prescribed period.

- **Time of Supply for goods subject to reverse charge:**
  - ➢ The date of receipt of goods
  - ➢ The date of payment
  - ➢ The date immediately following thirty days from the date of issue of invoice by the supplier.

- **Time of Supply for services subject to reverse charge:**
  - ➢ The date of payment
  - ➢ The date immediately following sixty days from the date of issue of invoice by the supplier.

- **Time of Supply for Associated Enterprises:**
  - ➢ The date of entry in the books of account of the recipient
  - ➢ The date of payment

  Relevance of Time of Supply in product design

- Time of Supply is relevant for creation of General Ledger entries. It determines when Payable Account shall be credited in accounting entries.
- For Sales transactions, liability to pay tax arises on invoice date or date of payment whichever is earlier. Hence, at the time of receipt of advance, Payable account shall be credited because advance receipt arises before invoice. Payable Account is also credited at the time of invoice, if no advance is applied for such invoice or the advance received is less than the invoice amount.

- For goods that are subject to reverse charge (Purchases from an unregistered vendor), liability to pay tax arises at the time of receipt of goods or at the time of payment whichever is earlier. Hence, at the time of receipt of advance, payable account shall be credited because advance payment arises earlier than receipt of goods. For reverse charge transactions, purchaser has to issue self-invoice and as invoice can be issued only on receipt of goods in system. Payable account shall be credited at the time of invoice provided there is no advance payment application or advance amount applied is less than the invoice value.

- For services that are subject to reverse charge (Services attracting Reverse Charge from an Registered Vendor, Import of services and services from an unregistered vendor), liability to pay tax arises at the time of vendor payment. Hence, payable account is credited at the time of advance payment. It is also credited at the time of payment done to vendor post issuance of invoice, if there is no advance payment or if the advance payment is less than the invoice value. At the time of posting invoice, Payable (Interim) Account is credited to the extent of payment due to vendor. At the time of payment to vendor, the same shall be credited to Payable Account.

- As per notification 38/2017 issued amending the earlier notification providing exemption from reverse charge subject to certain conditions (threshold of 5,000 per day). The amended Notification now provides unconditional exemption from applicability of GST under reverse charge when goods or services are received from unregistered persons. The exemption shall be operative till 31st March 2018.

- For import of services from **Associated Enterprises**, the treatment would be same as it is in case of reverse charge for goods.

e. Invoicing under GST:
a. As per finalized GST Law read with draft invoice rules, the following documents are to be issued under GST:

Field	Description
Tax Invoice	A registered taxable person at the time of supplying taxable goods or services.
Self-Invoice	A registered taxable person who is liable to pay tax under reverse charge for goods or services purchased from a person who is not registered under GST Law.
Bill of Supply	A registered taxable person supplying exempted goods or services.
Credit Note	Credit Note is issued by the supplier of goods or services: ➢ If the taxable value or tax amount in a tax invoice is found to exceed the actual taxable value and tax amount. ➢ Return of goods by the purchaser. ➢ The recipient finds services deficient.
Debit Note	The supplier of goods and services issues debit Note. If the taxable value or tax amount in a tax invoice is less than actual taxable value or tax amount.
Supplementary Invoice	The purpose of Debit Note and Supplementary Invoice is the same.
ISD Invoice	ISD Invoice is issued by an Input Service Distributor for distributing credit to locations with the legal entity bearing the same PAN No.
Receipt Voucher	Document given to customer acknowledging receipt of advance payment from him.
Refund Voucher	Subsequent to issuance of receipt voucher, if no supply is made and no tax invoice is issued, the advance payment received from the customer may be refunded against a refund voucher.

b. All the above documents shall contain details prescribed in Draft Invoice Rules. Further, in case of exports the invoice shall carry an endorsement SUPPLY MEANT FOR EXPORT ON PAYMENT OF IGST OR SUPPLY MEANT FOR EXPORT UNDER BOND WITHOUT PAYMENT OF IGST.

c. These documents shall contain a consecutive serial number, unique for a financial year.

Relevance for the product design:

d. In purchase documents, a field **Invoice Type** has been created with a drop down of Self Invoice, Debit Note, Supplementary and Non-GST. The user can select the appropriate invoice at the time of posting. If **Invoice Type** is blank, system consider it as a tax invoice. Self-invoices, Supplimentry Invoice and

Debit Note Invoices issued from Unregistered Vendor comes with a posted number series which can be defined in **Purchase & Payables Setup/Location** master. Self-invoices, Supplimentry Invoice and Debit Note Invoices issued for Registered Vendor comes with a posted number series which can be defined in **Purchase & Payables Setup/Location** master.

e. In sales documents, a field **Invoice Type** has been created with a drop down of Taxable Invoice, Bill of supply, Debit Note, Export, Supplementary Invoice and Non-GST. The user can select the appropriate invoice at the time of posting. Separate posted number series can be defined for each of these documents in Locations master.

f. For Service Management module, separate posted invoice number series can be defined in the **Service Setup**.

g. The document reports generated for the above invoice types contain the information prescribed in draft invoice rules.

f. Impact of compliance Returns (GSTRs) on Product Design:

- Compliance Returns have considerable impact on the product design. The requirements as per the Return and their incorporation in the product design is given in the table below. Please be noted that apart from those elucidated below there are many other areas, which are impacted due to compliance returns. They are covered in the appropriate sections of this document.

Feature	Requirement	Product Design
Non-GST Supplies	The aggregate of Non-GST supplies purchased shall be reported in GSTR-2 The aggregate of Non-GST outward supplies shall be reported in GSTR-1	An Invoice Type with Non-GST has been created in both purchase and sales documents to capture Non-GST purchase and sales separately.
Bill of Entry Details	For goods imported, Bill of Entry No., date and value shall be reported in GSTR-2	Purchase documents contain Bill of Entry No. Bill of Entry date and Bill of Entry Value fields in Tax Information tab. These fields are mandatory where the vendor type is import and

Feature	Requirement	Product Design
		the purchase lines are of items.
Mandatory Address for B2C supplies	The address of the buyer has to be mandatorily reflected in every invoice having a value of Rs. 50000 or more. Invoices less than Rs. 50000 and not having address on record shall be reported as intrastate sales in GSTR-1	To address this issue, address and state code fields are made mandatory in Customer master.
Bill of Export	For goods exported, shipping bill or bill of export No. and date are to be reported in GSTR-1	Sales documents contain Bill of Export No. & Bill of Export date fields in Tax Information tab.

2. GST Setups

a. GST Accounting Period:
- Accounting Periods and sub-periods are created and closed here. Under GST, Fiscal year would be normally from 1st April to 31st March. However, in the year of initiation, it would be probably from 1st July 2017 to 31st March 2018. Sub-Accounting Periods are months.

- Credit Memo Locking Date & Annual Return Filling Date needs to be specified here. This is mandatory for Posting Credit Memo.

b. GST Group:
- Goods and Services of similar nature are grouped here. Each group is assigned a group code.

- **Place of Supply** can also be defined for each GST Group. It is critical in determining whether it is an interstate sale or intrastate sale. **Place of Supply** can be Bill to Address, Ship to address or Location address.

- If **Place of Supply** is not defined in GST Group, then system considers GST **Dependency Type** defined in **Sales & Receivable Setup** as **Place of Supply**.

- **GST Group** for Services from Registered Vendor attracting **Reverse Charge** is defined here.

c. GST Component:
- GST Components along with formula and jurisdiction type are defined here. As of now, there are four GST components – IGST, CGST, SGST and Cess. IGST is applicable on an interstate Purchase or Sale whereas CGST & SGST are applicable on an Intrastate Purchase or Sale. If Cess is applicable in transaction then CESS can be defined for Intrastate and Interstate.

- Jurisdiction type can be intrastate or interstate.

- Component wise non-avilment can be defined here.

d. GST Posting Setup:
- General Ledger Account for each component is defined state-wise here.

e. GST Setup:

- The percentage and effective date for each GST component is defined state-wise here.

- If GST State Code is blank, then percentage and effective date defined for a GST Component is applicable for all states where there is no specific entry for such GST Group. For example, if Advertising Service has a uniform CGST rate in all states except Delhi, then instead of defining it for each state, it can be defined only once keeping state code as blank. A separate line can be created for Delhi state with Delhi specific percentage.

- GST setup can be defined for different Component Calc. Type such as General, Threshold, Cess %, Cess % + Amount / Unit Factor, Cess % or Amount / Unit Factor whichever is higher and Amount / Unit Factor.

- By default the Component Calc. Type will be General for all GST component and can be changed based on requirement.

- For Threshold Calc. Type user will defined Threshold Amount, Before Threshold % and GST Component % (considered after crossing threshold amount). Note that Threshold amount defined in GST setup for a perticular GST Group Code will be applicable line wise.

- For Component Calc. Type 'Threshold or General', user should not select cess related fields.

- If the Cess is applicable for any commodity, based on the GST group code then system will pick the cess % defined on it.

- For Component Calc. Type as 'Cess % + Amount/Unit Factor' system will consider 'Cess %' along with 'Amount/Amount Factor' defined on GST Setup fileds i.e. Cess UOM (Unit of Measure), Cess Amount Per Unit Factor and Cess Factor Quantity.

- For Component Calc. Type as 'Cess or Amount/Unit Factor whichever is higher' system will consider 'Cess %' or 'Amount/Amount Factor' whichever is higher based on values defined GST Group Code setup for 'Cess UOM, Cess Amount Per Unit Factor and Cess Factor Quantity'.

- For Component Calc. Type as 'Amount/Unit Factor' system will consider Cess value based on values defined GST Group Code in fields Cess UOM, Cess Amount Per Unit Factor and Cess Factor Quantity.

- Advance payment cannot be calculated for GST Group code having Component Calc. Type as 'Threshold', 'Cess % + Amount / Unit Factor', 'Cess % or Amount / Unit Factor whichever is higher' and 'Amount / Unit Factor'.

- GST Component Calc. Type will flow in Detailed GST Ledger entries along with fields 'Cess UOM', 'Cess Amount Per Unit Factor' and 'Cess Factor Quantity' defined for GST Group Code.

- Component wise non-avilment can be defined here, system will update default value from component master, this is a editable field and user can change based on the requirement.

f. GST Configuration:
- This setup aids the system in determining the taxable state based upon
    - ➢ Dispatching state code and customer state code for Sales
    - ➢ Receiving state code and vendor state code for Purchases

- Determining the taxable jurisdiction enables the system to pick up the tax percentage applicable.

- For an export transaction, customer is located outside the country hence customer state code is blank.

- For an import transaction, vendor state code shall be blank, as vendor is located outside the country.

g. GST Registration Nos:
- This setup contains the **Registration No.** of locations situated in different states.

- The first two-digits of a registration number shall contain the state code to which that number belongs.

- The Registration number for ISD ledger related transactions is defined here.

h. HSN/SAC:

- HSN/SAC codes for various GST Groups can be defined here.

i. States:
- Each state shall have a two-digit code under GST. Those codes can be defined here.

j. GST Component Mapping Recon:

- GST Components are mapped with both GST Reconciliation fields and ISD ledger fields here.

- This configuration is mandatory for both GST Reconciliation and ISD ledger features to work.

k. GST Component Distribution

- GST Components and their Distribution Components for ISD Ledgers are to be defined here.

This configuration is mandatory for ISD ledger features to work.

l. Bank Charge Deemed Value Setup

- This setup is required to estimate the Deemed Value for calculation of GST on foreign exchange purchases.
- This setup can be defined for Bankak Charges with foreign Exchange boolean only.
- The user need to define the threshold limit and relevant formula for calculation of Deemed Value
- The threshold can be defined in multiple lines having individual set of **Lower limit and Upper limit** for same bank charge. For each line the **Formula** for calculation of Deemed Value can be different.

- In **Formula** field user can select options as Deeemed %/ Fixed/ Comparitive/ Fixed+ Deemed%/ Fixed+Comparitive. This functionality is explained in detail under Bank Charges Section in Other Functionalities.

- The calculation of Deemed value will be on the basis of formula selected.

There are different Types of Formula that can be used for calculation of Deemed Amount:

Deemed% :
- o If Deemed% option is selected, then the deemed amount is equal to the Deemed% defined in the setup * Amount of Supply (Applicable) calculated as above.

  Deemed amount = Deemed % * Amount of Supply (Applicable)

Fixed :
- o If Fixed option is selected, then deemed amount is equal to the Fixed Value defined in the setup

  Deemed amount = Fixed Amount

Comparative :

- o If Comparative option is selected, then deemed amount is arrived by comparing Min. Deemed Value, Max Deemed Value and Value arrived from Deemed %* Amount of Supply (Applicable).

  Deemed amount =

    If {(Deemed %* Amount of Supply) < (Min. Deemed Value) then Deemed Value is equal to Min. Deemed Value;

    Else if {Max. Deemed Value is not equal to zero and {(Deemed %* Amount of Supply)> (Max. Deemed Value)} then Deemed Value = Max. Deemed Value;

    Else Deemed Value is equal to (Deemed %* Amount of Supply)}

Fixed+Deemed % :

- o If Fixed+Deemed% option is selected, then the deemed amount is equal to the Fixed Amount plus Deemed% defined in the setup * Amount of Supply (Applicable) calculated as above.

  Deemed Amount = Fixed Amount + (Deemed % * Amount of Supply (Applicable))

Fixed+Comparative :

- o If Fixed+Comparative option is selected, then the deemed amount is equal to the Fixed Amount plus Value arrived from comparative calculation

Deemed Amount = Fixed Amount + Amount arrived from **Comparitive** setup

- This deemed value calculated as per the setup will act as the GST base amount for calculation of GST on foreign exchnage transactions

- All Values in this setup must be given in LCY amount.

- This configuration is mandatory for GST calculation in Foreign Exchange Bank Charges.

m. GST Rounding

New fields are added in General Ledger Setup for GST Rounding.

Field	Description
GST Inv. Rounding Account	Type: code 20 From G/L Account table
GST Invoice Rounding Precision	Type: Decimal
GST Invoice Rounding Type	Type: Option Options are Nearest, Up, Down

- The above mentioned field are considered for all documents having GST.
- The Invoice level rounding will be done based on GST Invoice Rounding Precision and GST Invoice Rounding Type
- System will post GST Amount rounding differences in G/L Account specified in GST Inv. Rounding Account field.
- GST Invoice Rounding Precision is not mandatory. If given "0" system will not calculate any GST Invoice Rounding. If it is not blank, then it will be applicable for all GST Documents/Journals.
- On posting of GST Journal/Document, if GST Invoice rounding is calculated, then system will check that GST Inv. Rounding Account is not blank.

Examples: Purchase Invoice Lines:

Item No.	Qantity	Unit Cost	Line Amount	GST%	GST Amount
Item_A	121	5.25	635.25	18%	114.34
Item_B	11	100	1,100.00	12%	132.00

Item_C	1	10000	10,000.00	12%	1,200.00

Calculation:

Variable	Formula
Total Line Amount (A)	= 635.25 + 1100.00 + 10000.00
Total GST Amount (B)	114.34 + 132.00 +1200.00
Total Invoice Amount (w/o Rounding) (C)	= (A) + (B) = 11735.25 + 1446.34 = 13181.59
Total GST Amount after Rounding (D) **(If GST Rounding Precision= 1)**	= Round (B) = 1446
GST Rounding Amount (E)	= (D) – (B) = 1446 – 1446.34 = - 0.34
Amount to Vendor (F1) **(If Invoice Rounding Precision= 1)**	= Round {(A) + (D)} = Round (11735.25 + 1446) = 13181.00
Invoice Rounding (G1)	= (F1) – (A + D) = 13181.00 - (11735.25 + 1446) = - 0.25

Note: The GST Rounding amount will be adjusted against Vendor amount.

G/L Entries:

G/L Account Name	Debit Amount	Credit Amou
Purchases Account	11735.25	
SGST Receivable Account	723.17	
CGST Receivable Account	723.17	
GST Rounding Account		0.34
Invoice Rounding Account		0.25
Vendor Account		13181.00

Detailed GST Ledger Entry:

Entry No.	1	2	3	4	5	6
Entry Type	Initial Entry	Initial Entry	Initial Entry	Initial Entry	Initial Entry	Initial Entry
Transaction Type	Purchase	Purchase	Purchase	Purchase	Purchase	Purchase
Document Type	Invoice	Invoice	Invoice	Invoice	Invoice	Invoice
Document No.	PINV001	PINV001	PINV001	PINV001	PINV001	PINV001
Posting Date	7/1/2017	7/1/2017	7/1/2017	7/1/2017	7/1/2017	7/1/2017
Type	Item	Item	Item	Item	Item	Item
No.	Item_A	Item_A	Item_B	Item_B	Item_C	Item_C
GST Component Code	CGST	SGST	CGST	SGST	CGST	SGST
GST Group Code	G-0989	G-0989	G-2089	G-2089	G-2089	G-2089
GST Jurisdiction Type	Intrastate	Intrastate	Intrastate	Intrastate	Intrastate	Intrastate
GST Base Amount	635.25	635.25	1,100.00	1,100.00	10,000.00	10,000.00
GST %	9	9	6	6	6	6
GST Amount	57.17	57.17	66.00	66.00	600.00	600.00
Reverse Charge	No	No	No	No	No	No

3.   GST Fields in Masters

a. Item Master/Fixed Asset Master:

GST Related Fields	Description
GST Group Code	GST Group code relevant for the item/Fixed asset shall be selected here. GST Group codes created in GST Group Setup appears as dropdown here. GST Group Type can be selected as Goods as well as Service in Item Master.
GST Credit	GST Credit can be Availment or Non-Availment. This field by default displays Availment. If credit cannot be availed on any item/fixed asset, then Non-Availment shall be selected manually from the drop down.
HSN/SAC Code	All HSN Codes for GST Group code selected above shall be displayed as a dropdown for this field. User has to select appropriate HSN code.
Exempted	This field is checked if the item is exempted from payment of tax.

b. G/L Account Card/Resource/Item Charges

GST Related Fields	Description
GST Group Code	GST Group code relevant for Service/Resource/Item charge shall be selected here. GST Group codes created in GST Group Setup appears as a dropdown here. GST Group Type can be selected as Goods as well as Service in G/L Account Card/Resource/Item Charges Master.
GST Credit	GST Credit can be Availment or Non-Availment. This field by default displays Availment. If credit cannot be availed on any service, then Non-Availment shall be selected manually from the drop down.
HSN/SAC Code	All SAC Codes for GST Group code selected above shall be displayed as a dropdown for this field. User has to select appropriate SAC code.
Exempted	This field is activated if the Service/Resource/Item charge is exempted from payment of tax.

c. Vendor Master:

GST Related Fields	Description
GST	**Registration No.** of vendor shall be entered here. Registration

Registration No.	number is mandatory if **GST Vendor Type** is Registered. **Registration No.** shall be of 15-digits.
GST Vendor Type	GST Vendor type can be Registered, Unregistered, Composite, Import, SEZ or Exempted. User has to select the vendor type from the drop down.
Associated Enterprises	This field is activated only if **GST Vendor Type** is Import. This is can be used for an import transaction of services/goods from sister concerns located outside India.
Aggregate Turnover	This field can be used only if **GST Vendor Type** is Unregistered, the available options are: More than 20 lakh, Less than 20 lakh. System will allow interstate supply of services if Less than 20 lakh is selected in this field for unregistered vendor.

d. Order Address:

GST Related Fields	Description
State	State code can be selected from dropdown for this field. User has to select appropriate State code.
GST Registration No.	**Registration No.** of vendor shall be entered here. Registration number is mandatory if **GST Vendor Type** is Registered on Vendor Card. **Registration No.** shall be of 15-digits.

e. Customer Master:

GST Related Fields	Description
GST Customer Type	Customer type can be Registered, Unregistered, Export, Deemed Export, SEZ Unit, SEZ Development or Exempted. User has to select the appropriate Customer type from the dropdown.
GST Registration Type	Registration type can be GSTIN (Goods and Services Tax Payer Identification Number), UID (Unique Identification Number), and GID (Government Identification Number). Appropriate type shall be selected from the dropdown.
GST Registration No.	The 15-digit GST Registration Number shall be entered here. Registration number is mandatory if **GST Customer Type** is Registered or Deemed Export.
E-Commerce Operator	This field is activated, if sales are done through an e-commerce operator.

f. Company Information:

GST Related Fields	Description
GST Registration No.	The 15-digit GST Registration Number shall be entered here.

g. Service cost

GST Related Fields	Description
GST Group Code	GST Group code relevant for the service shall be selected here. GST Group codes created in GST Group Setup appears as dropdown here.
HSN/SAC Code	All SAC Codes for GST Group code selected above shall be display as dropdown for this field. User has to select appropriate SAC code.
Exempted	This field is activated if the Service is exempted from payment of tax.

h. Unit of Measure

GST Related Fields	Description
GST Reporting UQC	This field is required for GSTR Reporting. User has to provide the appropriate GST Reporting UQC for each Unit of Measure Code. One GST Reporting UQC code cannot be used for multiple Unit of Measure code.

i. Bank Charges Master:

GST Related Fields	Description
Foreign Exchange	This field specifies the Bank Charges that are applicable on Foreign Exchange Sales/Purchase under GST. For foreign Exchange bank charges, the GST calculation is based on Deemed Value of purchase/sale.
GST Group Code	GST Group code relevant for the Bank Charges shall be selected here. GST Group codes created in GST Group Setup with Group Type Service appears as a dropdown here.
GST Credit	GST Credit can be Availment or Non-Availment. This field by default displays Availment. If credit cannot be availed on any Bank Charges, then Non-Availment shall be selected manually from the drop down.

HSN/SAC Code	All HSN/SAC Codes for GST Group code selected above shall be displayed as a dropdown for this field. User has to select appropriate SAC code.
Exempted	This field is checked if the Bank Charges are exempted from payment of GST

j. Bank Account Master:

GST Related Fields	Description
State Code	This field is required for GST calculation in Bank Charges transactions.
GST Registration Status	GST Registration type can be Blank or Registered. If GST registration No. is added in Bank Account Master the status will be updated as Registered.
GST Registration No.	Registration No. of Bank shall be entered here. Registration number is mandatory, if GST Registration Status is Registered. Registration No. comprises 15-digits.

k. Location Master:

GST Related Fields	Description
GST Registration No.	The 15-digit GST Registration Number shall be entered here.
Sales Inv. Nos. (Exempt)	This field is used for Sales Invoice Number Series for customer type Exempted
Sales Cr. Memo Nos. (Exempt)	This field is used for Sales Credit Memo Number Series for customer type Exempted
Sales Inv. No. (Export)	This field is used for Sales Invoice Number Series for customer type Export
Sales Cr. Memo No. (Export)	This field is used for Sales Credit Memo Number Series for customer type Export
Sales Inv. No. (Supp)	This field is used for Sales Invoice Number Series for Supplementary Invoice
Sales Cr. Memo No. (Supp)	This field is used for Sales Credit Memo Number Series for Supplementary Invoice
Sales Inv. No. (Debit Note)	This field is used for Sales Invoice Number Series for Debit Note

Serv. Inv. Nos. (Exempt)	This field is used for Service Invoice Number Series for customer type Exempted
Serv. Cr. Memo Nos. (Exempt)	This field is used for Service Credit Memo Number Series for customer type Exempted
Serv. Inv. Nos. (Export)	This field is used for Service Invoice Number Series for customer type Export
Serv. Cr. Memo Nos. (Export)	This field is used for Service Credit Memo Number Series for customer type Export
Serv. Inv. Nos. (Supp)	This field is used for Service Invoice Number Series for Supplementary Invoice
Serv. Cr. Memo Nos. (Supp)	This field is used for Service Credit Memo Number Series for Supplementary Invoice
Serv. Inv. Nos. (Debit Note)	This field is used for Service Invoice Number Series for Debit Note
Sales Inv. Nos. (Non-GST)	This field is used for Sales Invoice Number Series for Non-GST transactions
Sales Cr. Memo Nos. (Non-GST)	This field is used for Sales Credit Memo Number Series for Non-GST Transactions
Posted Serv. Trans. Shpt. Nos.	This field is used for Posted Service Transfer Shipment Number Series
Posted Serv. Trans. Rcpt. Nos.	This field is used for Posted Service Transfer Receipt Number Series
GST Liability Invoice	This field is used for GST Liability Invoice Number Series
GST Input Service Distributor	This field is an automatically activated Field, if **Input Service Distributor** is activated in **GST Registration Nos**
Purch. Inv. Nos. (Unreg)	This field is used for Purchase Invoice Number Series for Vendor Type Un-registered.
Purch. Cr. Memo Nos. (Unreg)	This field is used for Purchase Credit Memo Number Series for Vendor Type Un-registered.
Purch. Inv. Nos. (Unreg Supp)	This field is used for Purchase Supplementary Invoice Number Series for Vendor Type Un-registered

Pur. Inv. Nos.(Unreg Deb.Note)	This field is used for Purchase Debit Note Number Series for Vendor Type Un-registered.
GST Transfer Shipment No.	This field is used for GST Transfer Shipment Number Series in goods transfer
Posted Dist. Invoice Nos.	This field is used for Posted Distribution Invoice Number Series.
Posted Dist. Cr. Memo Nos.	This field is used for Posted Distribution Credit Memo Number Series
Bonded warehouse	This field is to identify Bonded warehouse location
Receipt No. Series for Bonded Loc.	This field is to identity Bonded warehouse Receipt Number Series.
Purch. Inv. Nos. (Reg)	This field is used for Purchase Invoice Number Series for Vendor Type Registered.
Purch. Inv. Nos. (Reg Supp)	This field is used for Purchase Supplementary Invoice Number Series for Vendor Type Registered
Pur. Inv. Nos.(Reg Deb.Note)	This field is used for Purchase Debit Note Number Series for Vendor Type Registered.
Purch. Cr. Memo Nos. (Reg)	This field is used for Purchase Credit Memo Number Series for Vendor Type Registered.

I. Party Master:

GST Related Fields	Description
GST Party Type	Party Type can be of Blank, Vendor, Customer.
GST Registration No.	The 15-digit GST Registration Number shall be entered here for Party Type Customer and Vendor.
GST Vendor Type	GST Vendor type can be Registered, Unregistered, Composite, Import, SEZ or Exempted. User has to select the vendor type from the drop down
Associated Enterprises	This field is activated only if **GST Vendor Type** is Import. This is can be used for an import transaction of services/goods from sister concerns located outside India.

GST Customer Type	Customer type can be Registered, Unregistered, Export, Deemed Export, SEZ Unit, SEZ Development or Exempted. User has to select the appropriate Customer type from the dropdown.

4. GST Fields in Purchase, Sales Documents and General Journals

a. Purchase Header

Field	Description
Nature of Supply	This field cannot be edited. Nature of Supply can be either B2B or B2C.
GST Vendor Type	This field flows from vendor master and it cannot be edited. GST Vendor Type can be Registered, Unregistered, Composite, Import, SEZ or Exempted.
Invoice Type	Invoice Type can be Self-Invoice, Debit Note, Supplementary or Non-GST. Self-Invoice is applicable only for an unregistered vendor. The user has to select to the invoice type at the time of posting invoice
Associated Enterprises	This field cannot be edited. This flows from the vendor master.
Bill of Entry No.	This is a mandatory field when **GST Vendor Type** is Import and **Type** in purchase lines is Item.
Bill of entry Date	This is a mandatory field when **GST Vendor Type** is Import and **Type** in purchase lines is Item.
Bill of entry value	This is a mandatory field when **GST Vendor Type** is Import and **Type** in purchase lines is Item.
GST Input Service Distribution	This field is automatically activated, if an Input Service Distributor location is selected in Purchase documents
GST Order Address State	This field will be auto populated from Order Address master selected in transaction
Order Address GST Reg. No.	This field will be auto populated from Order Address master selected in transaction
Vendor GST Reg. No.	This field will be auto populated from Vendor master selected in transaction.
Location State Code	This field will be auto populated from Location master selected in transaction, if location code is blank in transaction then system will update this field from State Code field in GST Registration Nos. master on selecting Location GST Reg. No.
Location GST Reg. No.	This field will be auto populated from Location master selected in transaction. If location code is blank in transaction

Field	Description
	then user will be able to select code from GST Registration Nos. master.
Bill to-Location(POS)	If Place of Supply (Receiving Location) is different from Location selected in transaction, then Bill to Location code can be selected from this field.

b. Purchase Lines

Field	Description
GST Credit	This field flows from product masters (Item, G/L card, Fixed Asset, Resource etc.) This is a user editable field.
GST Group code	This is populated based on GST Group code defined in product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Group Type	This field cannot be edited which can be either goods or services. It Flows from the GST Group. User can select any GST Group Code having GST Group Type Goods or Service for any Line Type.
HSN/SAC Code	This is populated based on the HSN/SAC code defined in product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Base Amount	This field cannot be edited and it displays the Base Amount on which GST percentage is applied.
Total GST Amount	Displays the cumulative GST amount of all components applicable for the given line.
GST %	Cumulative percentage of all components applicable for the given line as per state and GST Group combination is displayed here.
Exempted	This field is an automatically activated field which activates if Exempted field is activated in masters. This is an editable field.
Custom Duty Amount	Custom Duty Amount to be manually entered in this field for calculating GST on Import purchase transactions
GST Assessable Value	GST Assessable Value to be manually entered in this field for calculating GST on Import purchase transactions

c. Sales Header:

Field	Description
GST Bill To State code	This non-editable field displays the bill to state code.

Field	Description
GST Ship To State code	This non-editable field displays the ship to state code.
Location State Code	This non-editable field displays the state code of the location.
Nature of Supply	This field cannot be edited. Nature of Supply can be either B2B or B2C.
GST Customer Type	This field flows from customer master and it cannot be edited. **GST Customer Type** can be Registered, Unregistered, Export, Deemed Export, SEZ Unit, SEZ Development or Exempted.
Invoice Type	Invoice Type can be Taxable, Bill of Supply, Exports, Debit Note, Supplementary or Non-GST. The user has to select to the invoice type at the time of posting invoice.
GST Without Payment of Duty	System does not compute GST on an export transaction, if this field is activated.
Bill of Export No.	This is a mandatory field when **GST Customer Type** is Export and **Type** in Sales lines is Item.
Bill of Export Date	This is a mandatory field when **GST Customer Type** is Export and **Type** in Sales lines is Item.
E-Commerce Customer	Select the E-commerce customer. This is available if the e-commerce field is activated in the customer.
E-Commerce Merchant ID	The user can select from the drop down of E-commerce merchant ID table when the sales transaction is through an e-commerce operator.
Location GST Reg. No.	This field will be auto populated from Location master selected in transaction, if location code is blank then GST Reg. No. can be selected by drill down to GST Registration No. master.
Customer GST Reg. No.	This field will be auto populated from Customer master selected in transaction.
Ship-to GST Reg. No.	This field will be auto populated from Ship to Code master selected in transaction.

d. Service Header:

Field	Description
Nature of Supply	This field cannot be edited. Nature of Supply can be either B2B or B2C.
GST Customer Type	This field flows from customer master and it cannot be edited. **GST Customer Type** can be Registered, Unregistered, Export, Deemed Export, SEZ Unit, SEZ Development or Exempted.

Invoice Type	Invoice Type can be Taxable, Bill of Supply, Export, Debit Note, Supplementary or Non-GST. The user has to select to the invoice type at the time of posting invoice.
GST Without Payment of Duty	System does not compute GST on an export transaction, if this field is activated.
Bill Of Export No.	This is a mandatory field when **GST Customer Type** is Export and **Type** in Sales lines is Item.
Bill Of Export Date	This is a mandatory field when **GST Customer Type** is Export and **Type** in Sales lines is Item.
GST Bill-to State Code	This field will be auto populated from Customer master selected in transaction.
GST Ship-to State Code	This field will be auto populated from Ship to Code master selected in transaction
Location State Code	This field will be auto populated from Location master selected in transaction, if location code is blank then, on selecting GST Reg. No. system will update it from GST Registration No. master
Location GST Reg. No.	This field will be auto populated from Location master selected in transaction, if location code is blank then GST Reg. No. can be selected by drill down to GST Registration No. master.
Customer GST Reg. No.	This field will be auto populated from Customer master selected in transaction.
Ship-to GST Reg. No.	This field will be auto populated from Ship to Code master selected in transaction.

e. Sales Lines

Field	Description
GST Place of Supply	This is a user editable field, which includes Bill to Address, Ship to Address and Location Address.
GST Group code	This is populated based on the GST Group code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Group Type	This field cannot be edited which can be goods or services. User can select any GST Group Code having GST Group Type Goods or Service for any Line Type.
HSN/SAC Code	This is populated based on the HSN/SAC code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Base Amount	This non-editable field displays the Base Amount on which GST percentage is applied.

Field	Description
Total GST Amount	Displays the cumulative GST amount of all components applicable for the given line.
GST %	Cumulative percentage of all components applicable for the given line as per state and GST Group combination is displayed here.
Exempted	This is an automatically activated field which activates if Exempted field is activated in masters

Note: Service lines also contain all the above fields except GST Place of Supply

f. Transfer Header:

Field	Description
Bill Of Entry Date	This is a mandatory field when **Bonded warehouse** Boolean is True in location master which is selected in **Transfer-from Code**
Bill Of Entry No.	This is a mandatory field when **Bonded warehouse** Boolean is True in location master which is selected in **Transfer-from Code**
Vendor No.	This is a mandatory field when **Bonded warehouse** Boolean is True in location master which is selected in **Transfer-from Code**

g. Transfer Lines:

Field	Description
GST Group code	This is populated based on the GST Group code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
HSN/SAC Code	This is populated based on the HSN/SAC code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Base Amount	This non-editable field displays the Base Amount on which GST percentage is applied.
Total GST Amount	Shows the cumulative GST amount of all components applicable for the given line.
GST Jurisdiction	This can be either interstate or intrastate.
GST Credit	This is a user editable field, which includes Availment and Non-Availment.

GST Assessable Value	This is a mandatory field when **Bonded warehouse** Boolean is True in location master which is selected in **Transfer-from Code**
Custom Duty Amount	This is a mandatory field when **Bonded warehouse** Boolean is True in location master which is selected in **Transfer-from Code**

Note: Service lines also contain all the above fields except GST Place of Supply. Multiple sales lines may have different place of supply so long as all line result in uniform jurisdiction i.e. either interstate or intrastate but not both.

For example, if place of supply for one sales line is bill to address which is Tamilnadu and for another line it is location address is Karnataka. Here the first line results in an interstate transaction being location address and place of supply are in different states. The second line results in an intrastate transaction as place of supply and location address being in same state i.e. Karnataka. System does not allow you to post these types of combinations.

Assuming in the above example, place of supply for the first line is Karnataka; system allows you to post the transaction, as both lines are intrastate transactions despite place of supply being different.

h. General Journal Lines:

Field	Description
GST on Advance Payment	This Boolean is to be checked for an Advance payment
GST Credit	This non-editable field displays and the credit flows from the product masters (Item, G/L card, Fixed Asset, Resource etc.)
GST Place of Supply	This is a user editable field, which includes Bill to Address, Ship to Address and Location Address.
GST Group code	This is populated based on the GST Group code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Group Type	This field cannot be edited, it can be either goods or services. It flows from GST Group.
HSN/SAC Code	This is populated based on the HSN/SAC code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.

Field	Description
GST Base Amount	This non-editable field displays the Base Amount on which GST percentage is applied.
Total GST Amount	Displays the cumulative GST amount of all components applicable for the given line.
GST %	Cumulative percentage of all components applicable for the given line as per state and GST Group combination is displayed here.
Location Registration No.	This field value is generated based upon the selection of Location code.
Adv. Pmt. Adjustment	This field is activated, when a posted advance payment is to be adjusted.
GST Component	This is a transitioning field. The user has to select the GST component for which the balance of old tax is required to be transferred. For example, user can select GST component as CGST, if he wishes to carryforward Service Tax balance as CGST balance under GST.
GST Input Service Distribution	This field is automatically activated one, if an Input Service Distributor location is selected in General Journal lines
Bank Charge	This field is required to be selected while making Bank payment/refund of Bank Charge with GST.
GST Reason Type	This field is required to be selected for Refund and journal Credit memo
Order Address Code	This field can be selected if Vendor is issuing bill from different registered address where GST Registration is different from the one updated in Vendor master
Vendor GST Reg. No.	This field will be auto populated from Vendor master
Associated Enterprises	This field will be auto populated from Vendor master
Purch. Invoice Type	Invoice Type can be Self-Invoice, Debit Note, Supplementary or Non-GST. Self-Invoice is applicable only for an unregistered vendor. The user has to select to the invoice type at the time of posting invoice
Inc. GST in TDS Base	Select this field if GST Amount to be added in TDS Base Amount
GST Credit	This field flows from product masters (Item, G/L card, Fixed Asset, Resource etc.) This is a user editable field.
GST Without Payment of Duty	System does not compute GST on an export transaction, if this field is activated.

Field	Description
Sales Invoice Type	Invoice Type can be Taxable, Bill of Supply, Exports, Debit Note, Supplementary or Non-GST. The user has to select to the invoice type at the time of posting invoice.
Bill Of Export No.	This is a mandatory field when **GST Customer Type** is Export and **Type** in Sales lines is Item.
Bill Of Export Date	This is a mandatory field when **GST Customer Type** is Export and **Type** in Sales lines is Item.
e-Commerce Customer	Select the E-commerce customer. This is available if the e-commerce field is activated in the customer.
e-Commerce Merchant Id	The user can select from the drop down of E-commerce merchant ID table when the sales transaction is through an e-commerce operator.
Custom Duty Amount	Custom Duty Amount to be manually entered in this field for calculating GST on Import purchase transactions
GST Assessable Value	GST Assessable Value to be manually entered in this field for calculating GST on Import purchase transactions
Bill of Entry No.	This is a mandatory field when **GST Vendor Type** is Import and **Type** in purchase lines is Item.
Bill of Entry Date	This is a mandatory field when **GST Vendor Type** is Import and **Type** in purchase lines is Item.
Location GST Reg. No.	This field is auto populated from Location master selected in transaction
Customer GST Reg. No.	This field is auto populated from Customer master selected in transaction
Ship-to GST Reg. No.	This field is auto populated from Ship to Code master selected in transaction
Order Address GST Reg. No.	This field is auto populated from Order Address master selected in transaction
Order Address State Code	This field is auto populated from Order Address master selected in transaction
Bill to-Location(POS)	If Place of Supply (Receiving Location) is different from Location selected in transaction, then Bill to Location code can be selected from this field.

i. Vendor Ledger Entry:

Field	Description
GST on Advance Payment	Activate this field, if you want to make an advance payment for this transaction.
HSN/SAC code	HSN/SAC code flows from the transaction.
GST Group Code	GST Group Code flows from the transaction.

Field	Description
GST Reverse Charge	This field is activated if the posted transaction pertains to reverse charge.
Adv. Pmt. Adjustment	This field is activated when a posted advance payment is adjusted.
GST Input Service Distributor	This field is automatically activated for an Input Service Distribution transaction.
Journal Entry	This is a Boolean field and will be **True** for transaction (Invoice/Credit Memo) which are posted from Journal

j. Customer Ledger Entry:

Field	Description
GST on Advance Payment	Activate this field, if you want to make an advance payment for this transaction.
HSN/SAC code	HSN/SAC code flows from the transaction.
GST Group Code	GST Group Code flows from the transaction.
Adv. Pmt. Adjustment	This field is activated when a posted advance payment is adjusted.
Journal Entry	This is a Boolean field and will be **True** for transaction (Invoice/Credit Memo) which are posted from Journal

k. Service Transfer Header:

Field	Description
No.	Displays the Service Transfer Order No.
Transfer from Code	Service Providing location is to be selected in this field
Ship Control Account	Control Account of Service providing location is to be selected from the drop down.
Shipment Date	Date of providing service is to be entered here
Transfer To code	General Ledger Account of Recipient service is to be selected here.
Receive Control Account	Control Account of Service Recipient location is to be selected from the drop down.
Receipt Date	Date of receipt of service is to be entered here
Department Code	Department is to be selected here
Project Code	Project code is to be entered here
External Document No.	External Document No. is to be entered here.
Assigned User Id	User id is to be selected here

Field	Description
Status	Status can be either Open or Shipped
Transfer from Name	Name of the service providing Location is auto-populated based on the **Transfer from Code** selected.
Transfer from Address	Address of the service providing Location is auto-populated based on the **Transfer from Code** selected.
Transfer from State	State of the service providing Location is auto-populated based on the **Transfer from Code** selected.
Transfer To Name	Name of the service recipient Location is auto-populated based on the **Transfer To Code** selected.
Transfer To Address	Address of the service recipient Location is auto-populated based on the **Transfer To Code** selected.
Transfer To State	State of the service recipient Location is auto-populated based on the **Transfer To Code** selected.

I. Shipment Lines:

Field	Description
Transfer from G/L Account No.	G/L Account of providing service is to be selected from the drop down
Transfer Price	The value at which the service is being provided is to be entered here
Shipped	This field is activated when the shipment lines are posted
Ship Control A/c	Control Account of Service providing location is to be selected from the drop down.
GST Rounding off	This field is automatically populated based on rounding-off defined General Ledger Set-up. The Rounding off options are nearest, up and down.
GST Group code	This field is populated based on the GST Group code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
HSN/SAC Code	This field is populated based on the HSN/SAC code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Base Amount	This non-editable field displays the Base Amount on which GST percentage is applied.
Total GST Amount	Displays the cumulative GST amount of all components applicable for the given line.
Exempted	This is an automatically activated field which activates if Exempted field is activated in masters. This is a user editable field.

m. Receipt Lines:

Field	Description
Transfer To G/L Account No.	G/L Account of receiving service is to be selected from the List
Transfer Price	The value at which the service is being provided is to be entered here
Shipped	This field is activated when receipt lines are posted
Ship Control A/c	Control Account of Service recipient location is to be selected from the list
GST Rounding off	This field is automatically populated based on rounding-off defined in the General Ledger Set-up. The options are nearest, up and down.
GST Group code	This field is populated based on the GST Group code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
HSN/SAC Code	This field is populated based on the HSN/SAC code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Base Amount	This non-editable field displays the Base Amount on which GST percentage is applied.
Total GST Amount	Displays the cumulative GST amount of all components applicable for the given line.
Exempted	This is an automatically activated field which activates if Exempted field is activated in masters. This is a user editable field.

n. Sub-Contracting Order Sub-form:

Field	Description
GST Credit	This non-editable field displays and the credit flows from the product masters (Item, G/L card, Fixed Asset, Resource etc.)
GST Group code	This field is populated based on the GST Group code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Group Type	This field can be either goods or services.
HSN/SAC Code	This field is populated based on the HSN/SAC code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Base Amount	This non-editable field displays the Base Amount on which GST percentage is applied.

Field	Description
Total GST Amount	Displays the cumulative GST amount of all components applicable for the given line.
GST %	Displays Cumulative percentage of all components applicable for the given line as per state and GST Group combination
Location Registration No.	This field value is generated based on the selection of Location code.

o. Delivery Challan Header:

Field	Purpose of the Field
GST Amount	Displays GST Amount involved in the transaction.

p. Delivery Challan Line/GST Liability Line

Field	Purpose of the Field
GST Group code	This field is populated based on the GST Group code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
HSN/SAC Code	This field is populated based on the HSN/SAC code defined in the product masters (Item, Fixed assets, G/L Account etc.). This is a user editable field.
GST Base Amount	This non-editable field displays the Base Amount on which GST percentage is applied.
GST Liability Created	Displays GST liability for the transaction.
GST Last Date	Displays the last date within which inputs are to be returned.

Note: The remaining fields in **Create GST Liability** are similar to fields in **Create Excise Liability** feature.

q. Jnl Bank Charges

Field	Purpose of the Field
LCY	If this field is selected as True, then the Currency Code of this line will be treated as LCY and both Amount and Amount LCY will have same Value. The Amount (LCY) gets updated as per the transaction Exchange Rate.
GST Group Code	This field flows from Bank Charges master. This is a user editable field.

Field	Purpose of the Field
GST Group Type	This field cannot be edited as it Flows from the GST Group.
Foreign Exchange	This field flows from the Bank Charges Master and is un-editable.
GST Base Amount	This field cannot be edited and it displays the Base Amount on which GST percentage is applied.
GST %	Cumulative percentage of all components applicable for the given line as per state and GST Group combination is displayed here.
Total GST Amount	Displays the cumulative GST amount of all components applicable for a given line.
HSN/SAC Code	This is populated based on the HSN/SAC code defined in Bank Charges masters. This is a user editable field.
Exempted	This field is an automatically activated field which activates if Exempted field is activated in masters. This is an editable field.
GST Credit	This field flows from Bank Charges masters. This is a user editable field.
GST Jurisdiction Type	This is populated based on GST Configuration setup. If the Location state code and Bank Account State code are same it flows as Intrastate, else as Interstate.
GST Bill-to/Buy From State Code	This field shall flow from State code field defined in Bank Account master.
Location State Code	This field flows from State code field defined in Location selected in Gen. Journal Line.
Location Reg. No.	This field flows from the GSTIN of location.
GST Registration Status	This field flows from the GST Registration status field in Bank Account master.
GST Rounding Precision	This field is automatically populated based on rounding-off defined in General Ledger Set-up.
GST Rounding Type	This field is automatically populated based on rounding-off defined in General Ledger Set-up.
Nature of Supply	This field flows as B2B if GST Registration No. in both Bank Account and Location master are available.
External Document No.	User must enter the external document number for Bank charges with GST.

Note: Same fields are added in Posted Jnl Bank Charges table also.

5. GST Ledger Entry, GST Detailed Ledger Entry and Other GST Ledgers

a. Introduction:

- System shall create below GST entries after posting Advance Payment, Invoice, Credit memo, Transfer Orders involving GST calculations from documents and journals:
  - ➢ GST Ledger Entry
  - ➢ Detailed GST Ledger Entry
- System shall create GST entries per line in documents and journals. The GST Ledger Entry shall be merge/club the GST Component or Gen. Prod. Posting Group if the same group code is used multiple times in a single transaction.
- In Detailed GST Ledger Entry, system shall create GST Components wise details for sales/purchase lines and journal lines.
- System updates these entries in GST Ledger Entry table and GST Detailed Ledger Entry Table.

b. GST Ledger Entry:

Field	Description
Entry No.	Displays the entry number.
Gen. Bus. Posting Group	Displays the general business-posting group to which the transaction pertains.
Gen. Prod. Posting Group	Displays general product posting group to which the transaction pertains.
Posting Date	Displays the date on which the transaction is posted.
Document No.	Displays the document number.
Document Type	Displays whether the document type is Payment, Invoice, Credit Memo, Transfer or Refund.
Transaction Type	Displays whether the transaction is a sale or purchase.
GST Base Amount	Displays the base amount on which GST percentage is applied.

Field	Description
Source Type	For sales transaction, **Source Type** is customer. For purchase transaction, **Source Type** is vendor. For Bank Charges Transaction, **Source Type** is Bank account.
Source No.	Displays the vendor number, if **Source Type** is vendor. If **Source Type** is customer, the **Customer No.** is displayed. If Source Type is Bank Account, the **Bank Account No.** is displayed.
User ID	Displays the user ID of the user who posted the transaction.
Source Code	Displays the source code. Source code can be PURCHASES, SALES, GENJNL, BANKPYMT etc.
Reason Code	Displays the reason code defined in **Reason Code** table.
Transaction No.	Displays the number of the transaction.
External Document No.	Displays the **External Document No.** entered in purchase/sales document.
GST Component Code	Displays the GST component code. For an intrastate transaction, it can be either CGST or SGST. For an interstate transaction, it is IGST.
GST Amount	Displays the tax amount computed by applying GST percentage on GST base.
GST on Advance Payment	This field is activated for an advance payment or receipt.
Reverse Charge	This field is activated, if the transaction is reverse charge. Reverse charge is applicable for import of goods and purchases from an unregistered vendor. This field is blank for sales transactions.
Currency Code	Displays the currency code if the transaction is posted in foreign currency.
Input Service Distribution	This field is activated for Input Service distribution transactions.
Payment Type	For Advance Payment it is Advance. For Normal Payment, it is Normal.
Journal Entry	This is a Boolean field and will be **True** for transaction (Invoice/Credit Memo) which are posted from Journal

c. **Detailed GST Entry:**

Field	Description
Entry No.	Displays the entry number.
Entry Type	Displays whether the entry is an Initial Entry or an Application Entry or an Adjustment Entry.
Transaction Type	Displays whether the transaction is a sale or purchase.
Document Type	Displays whether the document type is Payment, Invoice, Credit Memo, Transfer or Refund.
Document No.	Displays the document number.
Posting Date	Displays the date on which the transaction is posted.
Type	Displays whether the type is G/L Account, Item, Resource, Fixed Asset or Charge (Item).
No.	Displays the Item No. , G/L Account No. etc.
Product Type	The product type is displayed only when **Type** is Items. It displays whether the Item is a normal item or Capital good.
Source Type	For sales transaction, **Source Type** is customer. For purchase transaction, **Source Type** is vendor. For Bank Charges Transaction, **Source Type** is Bank account.
Source No.	Displays the vendor number, if **Source Type** is vendor. If **Source Type** is customer, then the customer number is displayed. If Source Type is Bank Account, the **Bank Account No.** is displayed.
HSN/SAC Code	Displays the HSN for Items & Fixed Assets. SAC for Services & Resources. For charges, it can be either SAC or HSN.
GST Component Code	Displays the GST component code. For an intrastate transaction, it can be either CGST or SGST. For an interstate transaction, it is IGST.
GST Group Code	Displays the GST Group code of the transaction.
GST Jurisdiction Type	Displays whether the transaction is an interstate or intrastate transaction.
GST Base Amount	Displays the base amount on which GST percentage is applied.
GST %	Displays the GST % applied on base.
GST Amount	Displays the tax amount computed by applying GST percentage on GST base.
GST Credit	This field is blank for a sales transaction. For a purchase transaction, it can be Availment or Non-Availment.

Field	Description
GST Group Type	GST Group Type can be either goods or service.
External Document No.	Displays the external document number entered in the purchase/sales document/Jnl Bank Charges Line.
Amount Loaded on Item	This field displays the amount if GST Credit is Non-Availment.
Quantity	Displays the quantity.
Paid	This field is activated, if GST is paid to the government through GST Settlement.
GST Without Payment of Duty	This field is activated, for an export sales made without payment of duty. For purchase transaction, this field would be blank.
G/L Account No.	This displays the G/L Account of tax component.
Reversed by Entry No.	Reversal entry number is displayed here. For transactions posted through payment journals, it can be reversed in this field.
Reversed	This field is activated for transactions posted through payment journals when the posted entry is reversed.
User ID	Displays the user ID of the user who posted the transaction.
Item Ledger Entry No.	Displays the item ledger entry number.
Positive	This field is activated if the amounts are positive.
Document Line No.	Displays the document line number.
Item Charge Entry	This field is activated if the entry is an Item charge
Reverse Charge	This field is activated if the transaction is reverse charge. Reverse charge is applicable for import transactions, Associate Enterprise purchases, and SEZ purchases, purchases from an unregistered vendor and purchases of Reverse charge services from Registered Vendor. This field is blank for sales transactions.
GST on Advance Payment	This field is activated for an advance payment or receipt.
Nature of Supply	Displays whether the transaction is B2B supply or B2C supply.
Payment Document No.	This field captures the Settlement Document No. when GST is paid to the government through GST Settlement.
GST Exempted Goods	This field is activated if the goods/services are exempted from GST.

Field	Description
Location State Code	Displays the state code of location.
Buyer/ Seller State Code	Displays the state code of the customer for a sales transaction. For a purchase transaction, the vendor state code is displayed.
Shipping Address State code	Displays the shipping address state code. This state code flows to GSTR-1 & GSTR-2, if this state code is not same as Buyer/Seller State code.
Location Reg. No.	Displays the GSTIN of location.
Buyer/ Seller Reg. No.	Displays the GSTIN of a customer for a sales transaction. For a purchase transaction, GSTIN of vendor is displayed.
GST Vendor Type	**Vendor Type** can be Registered, Composite, Unregistered, Import, Exempted or SEZ. This field is blank for Sales.
GST Customer Type	**Customer Type** can be Registered, Unregistered, Exports, Deemed Exports, SEZ Unit, SEZ Development or Exempted. This field is blank for Purchases.
Reversal Entry	This field is activated if the entry is a reversal entry.
Bill Of Export No.	This field displays the **Bill of Export No.** for and is applicable for export of goods. This field is for reporting in GSTR-1. For a purchase transaction, this field is blank.
Bill Of Export Date	This field displays the **Bill of Export Date** and is applicable for export of goods. This field is for reporting in GSTR-1. For a purchase transaction, this field is blank.
e-Comm. Merchant ID	Displays the merchant ID given by the e-commerce operator, if the sales is through an e-commerce operator. This field is for reporting in GSTR-1. For a purchase transaction, this field is blank.
e-Comm. Operator GST Reg. No.	Shows the registration number of an e-commerce operator, if the sales are made through an e-commerce operator. This field is for reporting in GSTR-1. For a purchase transaction, this field would be blank.
Original Invoice No.	Displays the original invoice number.
Original Invoice Date	Displays the original invoice date.
Reconciliation Month	Displays the year in which the transaction is reconciled through GST Reconciliation feature. This field is t blank for a sales transaction.

Field	Description
Reconciliation Year	Displays the year in which the transaction is reconciled through GST Reconciliation feature. This field is blank for a sales transaction.
Reconciled	This field is activated, if a transaction is reconciled through GST Reconciliation feature. This field is blank for a sales transaction.
Credit Availed	This field is activated based on Time of Supply Rules when a Purchase transaction is posted. This field is blank for a sales transaction.
Credit Adjustment Type	This field is blank for sales transactions. This field is meant to display Credit Adjustment type, if any made through Credit Adjustment Journal. The adjustments can be Blank, credit reversal, credit re-availment and permanent reversal.
Adv. Pmt. Adjustment	This field is activated, when an adjustment is made to a posted advance payment.
Original Adv. Pmt. Doc. No.	Displays the original advance payment document number if the same is adjusted.
Original Adv. Pmt. Doc. Date	Displays the original advance payment document date, if the advance payment is adjusted. When an advance payment is revised, then GSTR-1 & GSTR-2 requires original advance payment document number and date to be reported.
Payment Document Date	This field captures the settlement posting date when GST is paid to the government through GST Settlement.
Input Service Distribution	This field is activated for an Input Service Distribution transaction.
Distributed	This field is activated for transactions the credit of which is distributed to other GSTINs.
Distribution Reverse	This field is activated if distribution is reversed for a transaction.
Payment Type	Payment Type is Advance for Advance Payment/Refund. For Normal Payment, is Normal
Liable to Pay	This field is activated based on Time of Supply Rules, when a sales or Purchase transaction is posted. This field gets highlighted when a liability is created. It is applicable for both Sales and Purchase Transaction.
Last Credit Adjustment Date	This field gets updated from last credit adjustment posted for any transaction.

Field	Description
Component Calc. Type	Displays the Component Calc. Type defined against GST Group such as General, Threshold, Cess %, Cess % + Amount / Unit Factor, Cess % Or Amount / Unit Factor Whichever Higher and Amount / Unit Factor.
Cess Amount Per Unit Factor	Displays the values defined for Component Calc. Type Cess % + Amount / Unit Factor, Cess % Or Amount / Unit Factor Whichever Higher and Amount / Unit Factor.
Cess UOM	Displays the values defined for Component Calc. Type Cess % + Amount / Unit Factor, Cess % Or Amount / Unit Factor Whichever Higher and Amount / Unit Factor.
Cess Factor Quantity	Displays the values defined for Component Calc. Type Cess % + Amount / Unit Factor, Cess % Or Amount / Unit Factor Whichever Higher and Amount / Unit Factor.
Sales Invoice Type	The Invoice Type field flows from Sales Header Options available are: <Blank>,Bill of Supply, Export, Supplementary, Debit Note, Non-GST, Taxable
Purchase Invoice Type	The Invoice Type field flows from Purchase Header Options available are: <Blank>, Self-Invoice, Debit Note, Supplementary, Non-GST
Bank Charge Code	Displays the Bank Charge No.
Bank Charge Entry	This field is activated if the entry is for an Bank Charge transaction
Foreign Exchange	This field is activated if the Bank Charge is for foreign Exchange transaction.
GST Reason Type	This field will be updated from transaction header for Credit note, Debit note for Refund it will be updated from Journal line, available options are: <Blank>, Sales Return, Post Sale Discount, Deficiency in Service, Correction in Invoice, Change in POS, Finalization of Provisional Assessment, Others
Order Address Code	This field will be updated from transaction header
Cr. & Libty. Adjustment Type	This field will be updated from transaction lines, available options are <Blank>, Generate, Reverse
Bill to-Location(POS)	This field will be updated from transaction header

Field	Description
Journal Entry	This field is activated if the transaction is posted from Journal for document type Invoice and Credit Memo
GST Journal Type	This field will be updated from transaction lines, available options are <Blank>, GST Adjustment Journal.
Adjustment Type	This field will be updated from transaction lines, available options are <Blank>, Lost/Destroyed, Consumed

Note: **Invoice Type** Field in Detailed GST has been renamed to **Sales Invoice Type**. In Sales Invoice Type <Blank> option string is added as 1st option and Taxable is made the last option. To update the existing entries **Sales Invoice Type Update** batch report has been provided.

Invoice Type field in Purchase Header has been added in Detailed GST as **Purchase Invoice Type** and a **Purchase Invoice Type Update** batch report has been provided to update the same from Purchase Invoice/Credit Memo header.

These Batch reports can be used for posted documents only. For future entries it will flow while posting the document.

d. Detailed Cr. Adjstmnt. Entry:

Field	Description
Entry No.	Displays the entry number.
Posting Date	Displays the date on which the transaction is posted.
Credit Adjustment Type	This field is meant to display Credit Adjustment type when any adjustment is made through Credit Adjustment Journal. The adjustments can be credit reversal, credit re-availment and permanent reversal.
Document No.	Displays the document number.
Adjusted Doc. Entry No.	Displays the entry number of Adjusted Document from Detailed GST Ledger Entry.
Adjusted Doc. Entry Type	Displays the entry Type of Adjusted Document from Detailed GST Ledger Entry.
Adjusted Doc. Transaction Type	Displays the Transaction Type of Adjusted Document from Detailed GST Ledger Entry.
Adjusted Doc. Type	Displays the Document Type of Adjusted Document from Detailed GST Ledger Entry.

Field	Description
Adjusted Doc. No.	Displays the Document No. of Adjusted Document from Detailed GST Ledger Entry.
Adjusted Doc. Line No.	Displays the Document Line No. of Adjusted Document Line from Detailed GST Ledger Entry.
Adjusted Doc. Posting Date	Displays the Posting Date of Adjusted Document from Detailed GST Ledger Entry.
Type	Displays the Item No. , G/L Account No. etc.
No.	Displays the Item No. , G/L Account No. etc.
Product Type	The product type is displayed only when **Type** is Items. It displays whether the Item is a normal item or Capital good.
Source Type	**Source Type** will always show vendor.
Source No.	Displays the vendor number.
HSN/SAC Code	Displays the HSN for Items & Fixed Assets. SAC for Services & Resources. For charges, it can be either SAC or HSN.
GST Component Code	Displays the GST component code. For an intrastate transaction, it can be either CGST or SGST. For an interstate transaction, it is IGST.
GST Group Code	Displays the GST Group code of the transaction.
GST Jurisdiction Type	Displays whether the transaction is an interstate or intrastate transaction.
GST Base Amount	Displays the base amount on which GST percentage is applied.
GST %	Displays the GST % applied on base.
GST Amount	Displays the tax amount computed by applying GST percentage on GST base.
Adjustment %	It Displays the percentage of Credit Adjustment. Will be 100% for all adjustments.
Adjustment Amount	Displays the adjustment amount with respect to Adjustment %.
G/L Account No.	This field displays the G/L Account No. in which Credit is posted.
Credit Availed	This field is activated for Credit Adjustment Type **Credit Re-Availment.**
Liable to Pay	This field is activated for Credit Adjustment Type **Credit Reversal.**
Paid	This field is activated, if GST is paid to the government through GST Settlement.

Field	Description
Payment Document No.	This field captures the settlement Document No., if GST is paid to the government through GST Settlement.
Payment Document Date	This field captures the settlement posting date, if GST is paid to the government through GST Settlement.

Note:

1. Only Availment lines from detailed GST will flow in this table as result of Credit Adjustment.

2. Other field in this table flows from Detailed GST and capture original details for the adjusted Documents lines.

e. Posted Settlement Entries:

Field	Description
GST Registration No.	Displays the GSTIN for which settlement is posted.
Document No.	Displays the Settlement Document No. posted.
Posting Date	Displays the date on which the Settlement is posted.
GST Component Code	Displays the Component Code for which Settlement is Posted.
Description	Displays the Description of the Component Code.
Payment Liability	This field Shows the total payment Liability, if Positive. The source for Payment Liability are Detailed GST Ledger, Detailed Credit Adjustment Entries and Posted Settlement Entries.
TDS Credit Received	This field will be blank, for now.
TCS Credit Received	This field will be blank, for now.
Net Payment Liability	This field is equal to Payment Liability minus TDS Credit Received and TCS Credit Received.
Credit Availed	This field shows total Credit Availed, if Positive. The source for Credit Availed are Detailed GST Ledger, Detailed Credit Adjustment Entries and Posted Settlement Entries.
Distributed Credit	This field will be blank, for now.
Total Credit Available	This field is equal to Credit Availed plus Distributed Credit.

Field	Description
Credit Utilized	This field auto-populates, however can be edited by User. It shows the amount of Credit that can be utilized against the Net Payment Liability.
Payment Amount	This field auto-populates, however can be edited by User. It shows the amount of payment amount required to set off the Net Payment Liability.
Interest	To be manually entered
Interest Account No.	To be selected manually
Penalty	To be manually entered
Penalty Account No.	To be selected manually
Fees	To be manually entered
Fees Account No.	To be selected manually
Others	To be manually entered
Others Account No.	To be selected manually
Account Type	To be selected manually
Account No.	To be selected manually
Location State Code	State Code of the GST Registration No.
Surplus Credit	Captures the Surplus Credit Available for Cross credit Utilization.
Surplus Cr. Utilized	Captures the Cross credit Utilized
Carry Forward	Captures the remaining Credit after Utilization. This value will get carry forward for next period settlement.
Period End Date	This captures the Last Date filter for Settlement. It auto-populates as the last date of month from the posting Date.
Bank Reference No.	To be manually entered
Bank Reference Date	To be manually entered
Payment Liability - Rev. Chrg.	This field shows the total Reverse charge Liability. It can be positive or Negative. If negative, will get carry forward for next period settlement and will be added in Payment Liability-Rev. Chrg.
Payment Amount - Rev. Chrg.	This field auto-populates. This is equal to Payment Liability- Rev. Chrg (If positive).
UnAdjutsed Credit	This field shows total Credit Availed, if Negative. The source for Credit Availed are Detailed GST Ledger Entry, Detailed Credit Adjustment Entries and Posted Settlement Entries. This gets added to the Payment Liability of current period.

Field	Description
Entry No.	Displays the entry number.
UnAdjutsed Liability	This field Shows the total payment Liability, if Negative. The source for Payment Liability are Detailed GST Ledger Entry, Detailed Credit Adjustment Entries and Posted Settlement Entries. This value will get carry forward for next period settlement and will be added in Payment Liability.
Total Payment Amount	This field show the total Payment Amount. This equals to Payment Amount + Payment Amount(Rev. Chrg)+ Interest + Penalty + Fees + Others
Dimension Set ID	This field Captures the Dimension set ID of the settlement document.

f. Detailed GST Distribution Entries:

Field	Description
Entry No.	Displays the entry number.
Detailed GST Ledger Entry No.	Displays the DGLE entry number.
Dist. Location Code	Displays the Distributor's Location Code
Dist. Location State Code	Displays the Distributor Location's State Code
Dist. GST Regn. No.	Displays the Distributor's GST Registration No.
Dist. GST Credit	Displays the Distributor's GST Credit Type
ISD Document Type	Displays the Distribution ISD Document Type. For any increase in Credit Document Type is Invoice and For any Reduction in Credit Type is Credit Memo
ISD Document No.	Displays the Distribution ISD Document No.
ISD Posting Date	Displays the Distribution Posting Date
Vendor No.	Displays the ISD Document Vendor No. from DGLE
Supplier GST Reg. No.	Displays the ISD Document Supplier GST Reg. No. from DGLE
Vendor Name	Displays the ISD Document Vendor Name from DGLE
Vendor Address	Displays the ISD Document Vendor Address from DGLE
Vendor State Code	Displays the ISD Document Vendor State code from DGLE
Document Type	Displays the Document Type of the document line which is distributed

Field	Description
Document No.	Displays the Document No. of the document line which is distributed
Posting Date	Displays the Posting Date of the document line which is distributed
Vendor Invoice No.	Displays the Vendor Invoice No. of the document line which is distributed
Vendor Document Date	Displays the Document Date of the document line which is distributed
GST Base Amount	Displays the GST Base amount of the document line which is distributed
GST Group Code	Displays the GST Group code of the document line which is distributed
GST%	Displays the GST% of the document line which is distributed
GST Amount	Displays the GST Amount of the document line which is distributed
Rcpt. Location Code	Displays the Recipient Location Code
Rcpt. GST Reg. No.	Displays the Recipient GST Registration No.
Rcpt. Location State Code	Displays the Recipient Location State Code
Rcpt. GST Credit	Displays the Recipient GST Credit Type. It can be Availment or Non-Availment depending on the recipient location.
Distribution Jurisdiction	Displays the Distribution Jurisdiction. If the distributor and recipient are in same state then it displays intrastate else Interstate.
Location Distribution %	Displays the Distribution Percentage applicable for the recipient location
Distributed Component Code	Displays the Component code which is being distributed
Rcpt. Component Code	Displays the Distributed as Component code depending upon Distribution Jurisdiction.
Distribution Amount	Displays the Distribution Amount distributed to the recipient location
Pre Dist. Invoice No.	Displays the Dist. Document No. before posting.
Reversal	Displays if the distribution reversal is posted
Reversal Date	Displays the distribution reversal is date
Original Dist. Invoice No.	Displays the Original Distribution document no. against Distribution reversal
Original Dist. Invoice Date	Displays the Original Distribution posting date against Distribution reversal

Field	Description
Paid	This field is activated, if GST is paid to the government through GST Settlement.
Credit Availed	This field is activated for Rcpt. GST Credit Type Availment.
Payment Document No.	This field captures the settlement Document No., if GST is paid to the government through GST Settlement.
Payment Document Date	This field captures the settlement posting date, if GST is paid to the government through GST Settlement.
Invoice Type	Displays the Invoice Type of the document line which is distributed
Service Account No.	Displays the Service account No. of the document line which is distributed

g. Posted GST Liability Adj.

Field	Description
Entry No.	System Generated
Posting Date	Adjustment Journal Posting Date
User ID	Login ID of user posting Adj. Journal
Adjustment Type	Should flow from nature of adjustment type field in Liability. Adj. journal.
Adjusted Doc. Entry No.	Applied entry ID from Detailed GST Ledger Entry table.
Adjusted Doc. Entry Type	Should be Initial Entry
Transaction Type	To flow from Detailed GST Ledger for the adjusted line.
Document Type	To flow from Detailed GST Ledger for the adjusted line.
Document No.	To flow from Detailed GST Ledger for the adjusted line.
Adjusted Doc. Posting Date	To flow from Detailed GST Ledger for the adjusted line.
Type	To flow from Detailed GST Ledger for the adjusted line.
No.	To flow from Detailed GST Ledger for the adjusted line.
Product Type	To flow from Detailed GST Ledger for the adjusted line.

Source Type	To flow from Detailed GST Ledger for the adjusted line.
Source No.	To flow from Detailed GST Ledger for the adjusted line.
HSN/SAC Code	To flow from Detailed GST Ledger for the adjusted line.
GST Component Code	To flow from Detailed GST Ledger for the adjusted line.
GST Group Code	To flow from Detailed GST Ledger for the adjusted line.
GST Jurisdiction Type	To flow from Detailed GST Ledger for the adjusted line.
GST Base Amount	To the extent of remaining GST Base Amount
GST %	To flow from Detailed GST Ledger for the adjusted line.
GST Amount	To the extent of remaining GST Amount
G/L Account	To flow from Detailed GST Ledger for the adjusted line.
External Document No.	To flow from Detailed GST Ledger for the adjusted line.
Positive	To flow from Detailed GST Ledger for the adjusted line.
Location Reg. No.	To flow from Detailed GST Ledger for the adjusted line.
Buyer/Seller Reg. No.	To flow from Detailed GST Ledger for the adjusted line.
GST Group Type	To flow from Detailed GST Ledger for the adjusted line.
GST Credit	To flow from Detailed GST Ledger for the adjusted line.
GST Rounding Precision	To flow from Detailed GST Ledger for the adjusted line.
GST Rounding Type	To flow from Detailed GST Ledger for the adjusted line.
GST Vendor Type	To flow from Detailed GST Ledger for the adjusted line.
Cess	To flow from Detailed GST Ledger for the adjusted line.
Input Service Distribution	To flow from Detailed GST Ledger for the adjusted line.

Field	Description
Credit Availed	Boolean, Should be True in case of Generating Liability and should be False in case of Reversing Liability.
Liable to Pay	Boolean, Should be True in case of Generating Liability and should be False in case of Reversing Liability.
Paid	Boolean, should be True once settlement is posted for this entry
Payment Document No.	To flow from posted settlement
Payment Document Date	To flow from posted settlement

h. GST Tracking Entry :

Field	Description
Entry No.	System Generated
DGL From Entry No.	To flow as the **Entry no.** of the first **Initial Entry** line in **DGLE** having same **Document No.** and **Document Line No.**
DGL From To No.	To flow as the **Entry no.** of the last **Initial Entry** line in **DGLE** having same **Document No.** and **Document Line No.**
Item Ledger Entry No.	Shall get updated from the relevant ILE
Quantity	Shall get updated from the relevant ILE
Remaining Quantity	Shall get updated from the relevant ILE

Note: This table will track ILE entry against Detailed GST Ledger Entries, It is required to identify the ILE No. as the adjustment can be posted only if the ILE has any remaining balance

6.   Purchases

A. Purchase Scenarios

```
                              ┌──────────────┐
                              │  Purchases   │
                              │    from      │
                              └──────┬───────┘
   ┌──────────┬──────────┬──────────┼──────────┬──────────┐
┌──────────┐┌──────────┐┌──────────┐┌────────┐┌──────────┐┌──────────┐
│Registered││Composite ││Unregistered││  SEZ  ││ Exempted ││ Foreign  │
│ Vendor   ││ Vendor   ││  Vendor  ││ Vendor ││ Vendor   ││ Vendor   │
└────┬─────┘└──────────┘└──────────┘└────────┘└──────────┘└────┬─────┘
     │                                                          │
┌──────────┐                                              ┌──────────┐
│ General  │                                              │ General  │
│Purcahses │                                              │ Imports  │
└──────────┘                                              └──────────┘
┌──────────┐                                              ┌──────────┐
│ Reverse  │                                              │Imports from│
│ Charge   │                                              │Associated │
│Purchases │                                              │Enterprises│
└──────────┘                                              └──────────┘
┌──────────┐
│ Exempted │
│Purchases │
└──────────┘
```
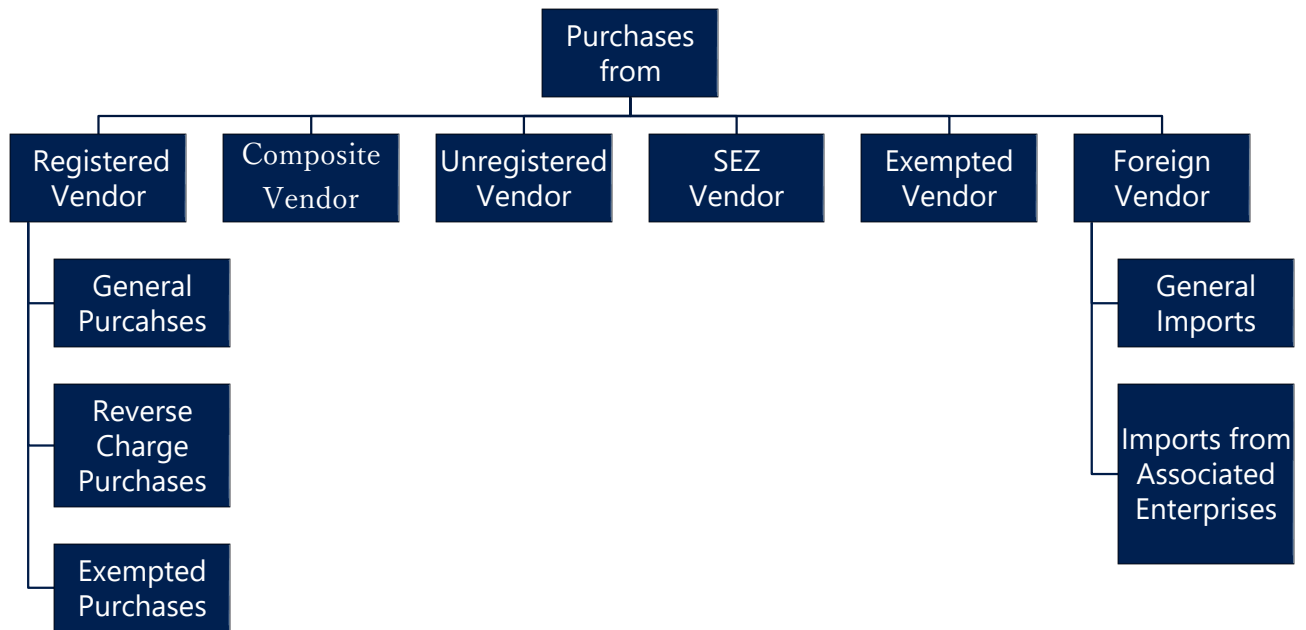
a. Purchases from a Registered Vendor:

- A **Registered Vendor** is a person registered with GST authorities. For a **Registered Vendor**, on the **Vendor Card**, update the following:
  - ➢ GST Vendor Type as Registered.
  - ➢ GST Registration No.
  - ➢ State Code

- The first two digits of the registration number is validated against the State code defined in States Set-up against the Vendor state.

- If the **Location** state code and Vendor's state code are different, then the purchase becomes an interstate purchase and it attracts IGST.

- A purchase becomes an intrastate purchase, if the location and vendor state codes are the same. CGST & SGST are attracted in this case.

- For Purchases from Registered vendors for Services attracting **Reverse Charge**, purchasers themselves has to pay tax to the government.

- For Reverse Charge purchases of Services from Registered Vendor, in **GST Group** the **Reverse Charge** Field is to be selected.

- If Exempted Goods and Services are purchased from Registered Vendor, then no GST is to be paid to Supplier/Government.

b. Composite Vendor:

- A **Composite Vendor** is a vendor whose aggregate turnover in a financial year does not exceed fifty lakh rupees and has opted for Composition scheme. A composite vendor neither collects tax from the recipient of supplies nor passes on any credit of **Input Tax**. Hence, no GST is computed if the purchases are made from a composite vendor.

- A composite vendor has to register himself with the GST authorities and hence **Registration No.** is mandatory in **Vendor Card**, if the **Vendor Type** is selected as **Composite**. **State Code** is also mandatory.

- A composite vendor cannot be engaged in supply of services and cannot make inter-state supplies of goods. However, system allows interstate purchases from a composite vendor and service purchases.

c. Unregistered Vendor:

- Persons whose aggregate turnover in a financial year does not exceed twenty lakh rupees are not required to be registered with the GST authorities. Such persons are called **Unregistered Vendors**. Any purchases from unregistered vendors attract **Reverse Charge** i.e. the purchasers themselves has to pay tax to the government.

- Interstate purchases from an unregistered vendor shall not arise, as any person irrespective of his turnover has to register with the authorities, if he is making an interstate sale. Integrated Tax – Notification No. 10/2017 provides exemption from registration to person making inter-state supply of taxable

services whose aggregate turnover in a financial year does not exceed INR 20 lakhs. Aggregate Turnover field is created in Vendor Card for handling this requirement, system will allow interstate supply of taxable servies only if this field is set to Less than 20 lakh on vendor master. System will not allow interstate transactions for unregistered vendor for supply of goods.

- **GST Vendor Type** shall be unregistered in **Vendor Card** to handle this scenario. State code and GST Registration numbers are not mandatory fields for an unregistered Vendor.

- The purchasing user has to issue self-invoices under GST, if the purchases are made from an unregistered vendor. The user can issue a self-invoice in the system by selecting self-invoice from the dropdown of Invoice type in **Tax Information** tab of purchase documents.

d. Exempted Vendor:

- A vendor who is exempted from payment of GST either by Central or State GST authorities is known as **Exempted Vendor**. An exempted vendor neither collects tax from customers nor pays any tax to the government. No GST Ledger Entries are generated in the system, only Detailed GST Ledger Entries are created in system if **GST Vendor Type** is exempted.

- **State Code** and **Registration No.** are not mandatory for the exempted vendor in **Vendor Card**.

e. Import Vendor:

- Bringing goods to India from a place outside India is import of goods. For Services, if the supplier is located outside India, the recipient is located in India and the place of supply is in India, then it is called Import of services.

- Purchase of goods and/or services from a foreign vendor is subject to **Reverse Charge** i.e. the person importing goods or services has to remit tax to the government. Import of goods are subject to both customs duty and IGST whereas import of services are subject to IGST. There is another scenario of importing services from associated enterprises. Accounting Entries differ in each scenario.

- The Calculation of GST in case of Invoice for GST Group Type Goods will be based on GST Assessable Value + Custom Duty amount on any Purchase Transaction.

- It is mandatory to provide **GST Assessable Value** for Calculation of GST on Import of Goods. However, the **Custom Duty Amount** can be given, if required.

- **Example:** GST Assessable value = 1000, Custom Duty amount = 1000 then GST Base amount will be adddition of both i.e. 2000. If user enter GST Assessable Value =1000 and Custom Duty amount = 0 then GST Base amount will be 1000.

- **GST Vendor Type** shall be **Import** in **Vendor Card** for a foreign vendor. Registration Number and **State Code** are not mandatory and should be blank in **Vendor Card**.

NOTE: *System will consider **GST Base Amount** in purchase transaction for the Invoicing Quantity i.e. If Quantity entered is 10 and Quantity to invoice is 5 then Custom Duty and GST Assessable Value entered will be considered as GST Base Amount for 5 Quantities*

f. SEZ Vendor:
- New Vendor Type **SEZ** is added in Vendor Master. The Calculations, Transactions and Accounting Entries in SEZ Vendor will be same as Import Vendor.
- SEZ Vendor can not be selected as associated enterprises because associated enterprises can only be selected for Import Vendor.
- Purchase of goods and/or services from a SEZ vendor is subject to **Reverse Charge** i.e. the person importing goods or services has to remit tax to the government. Import of goods are subject to both **Customs Duty** and **IGST** whereas import of services are subject to IGST.
- **GST Assessable Value** field is mandatory for calcualtion of GST against Goods although user can enter **Custom Duty Amount** if required.

- The Calculation of GST in case of Invoice for **GST Group Type** Goods will be based on GST Assessable Value + Custom Duty amount on any Purchase Transaction.

Example: GST Assessable value = 1000, Custom Duty amount = 1000 then GST Base amount will be adddition of both i.e. 2000. If user enter GST Assessable Value =1000 and Custom Duty amount = 0 then GST Base amount will be 1000.

- **GST Vendor Type** shall be **SEZ** in **Vendor Card** for a SEZ vendors. Registration Number and **State Code** are not mandatory and can be selected in **Vendor Card** but system will calculate IGST in both situation.

NOTE: *System will consider **GST Base Amount** in purchase transaction for the Invoicing Quantity i.e. If Quantity entered is 10 and Quantity to invoice is 5 then Custom Duty Amount and GST Assessable Value entered will be considered as GST Base Amount for 5 Quantities.*

B. Input Tax Credit Flow in Purchases:

- Tax paid on purchase of goods and services is called 'Input Tax'. Such input tax can be CGST & SGST (Intrastate transactions) or IGST (Interstate transactions).

- Under GST, any registered taxpayer is eligible to take credit of input tax paid on inputs and inputs purchased by him, if they are used in the course or furtherance of business.

- This input credit availed by the tax payer can be utilized for adjustment of GST payable on Outward Supplies made by him, subject to certain conditions.

a. GST Credit :

- Credit Availment is always conditional under GST. For example, GST paid on purchase of motor vehicles cannot be availed as credit unless they are used for transportation of passengers, goods or imparting driving training. Similarly, GST paid on rent-a-cab, health insurance and life insurance cannot be availed as credit.

- Keeping in view of the above, the user has been given flexibility to opt for credit availment or non-availment by creating GST Credit field in **Invoicing** tab of **Item Master**. A similar field is created in the **Posting** tab of the **G/L Account Card**.

- The option selected- Availment or Non-Availment in **GST Credit Field** either in **Item** master or **G/L Account Card** shall flow to purchase documents. The user can change the option in purchase lines, if he desires.

- If GST Credit is selected as Availment for purchases of Normal Goods, Normal Services and Reverse Charge Goods, then the credit amount is posted to **Receivable Account** of the relevant GST component(s).

- If GST Credit is selected as Availment for Reverse charge Services, then credit amount is posted to **Receivable Interim Account** of the relevant GST component(s).

- If GST Credit is selected as Availment for any Reverse charge Services from Import Associate Vendor, then credit amount is posted to **Receivable Account** of the relevant GST component(s).

- If GST Credit is selected as Non-Availment for any Supply of Goods or services, then the **GST Amount** is loaded on purchases **Account** or **Services General Ledger Account** respectively.

- Component wise non-availment can be configured in **GST Setup**.

b. **Credit Flow for Purchases from a Registered Vendor for Normal Purchases, Purchase from Unregistered Vendor for Goods and Purchase from Import Associate Vendor for Services:**
   - Four conditions have been stipulated in model GST law for availment of credit. They are:
       - Receipt of goods
       - Receipt of invoice, debit note, supplementary invoice or any other tax-paying document.
       - Payment of tax to the government by supplier
       - Furnishing GST Return (GSTR-3)

   At the time of posting invoice in the system, only two conditions would be satisfied – receipt of goods and receipt of vendor invoice. However, user is entitled to avail provisional credit on receipt of Goods. Hence, credit is posted to the Receivable Account at the time of posting purchase documents.

- The third condition specified above, i.e. payment of tax by the supplier can be ignored as it is difficult to obtain the date of payment from different suppliers on a periodic basis.

- GSTR-1 (Outward Supplies made by the taxpayer) & GSTR-2 (Inward Supplies made by the taxpayer) are the pre-requisites for filing GSTR-3 (GST Return). In other words, GSTR-3 (GST Return) contains auto-populated information from GSTR-1(Outward Supplies made by the taxpayer), GSTR-2 (Inward Supplies made by the taxpayer), GSTR-6 (Return for Input Service Distributor) and GSTR-7 (TDS Return).

- Based on the invoice level information uploaded by counter party suppliers, GSTR-2A (Inward Supplies made by the taxpayer) of the purchasing user will be auto populated. The user has to reconcile GSTR-2A with posted purchase lines in the system. This can be done by using **GST Reconciliation** feature.

- The availment of Credit and reconciliation are not linked in system as user might use external means for reconciliation.

- If provisional credit availed at the time of posting Invoice is required to be reversed as the invoice is not reconciled then user needs to reverse the credit by using **Credit Adjustment Journal**.

  On availment of Credit the **Credit Availed** tick is updated in **Detailed GST Ledger Entry** and the GST Amount for these lines shall flow as **Credit Availed** in **Settlement** screen, which can then be adjusted against Output Payment liability

Credit posted to Receivable Account in Purchase Documents

⬇

In Detailed GST Ledger Entry, the Credit Availed tick will get updated on Posting of Invoice

⬇

Credit Amount flows from Detailed GST Ledger Entry table to Credit Availed field of GST Settlement

⬇

Credit Availed in GST Settlement can be used against Output Tax liability
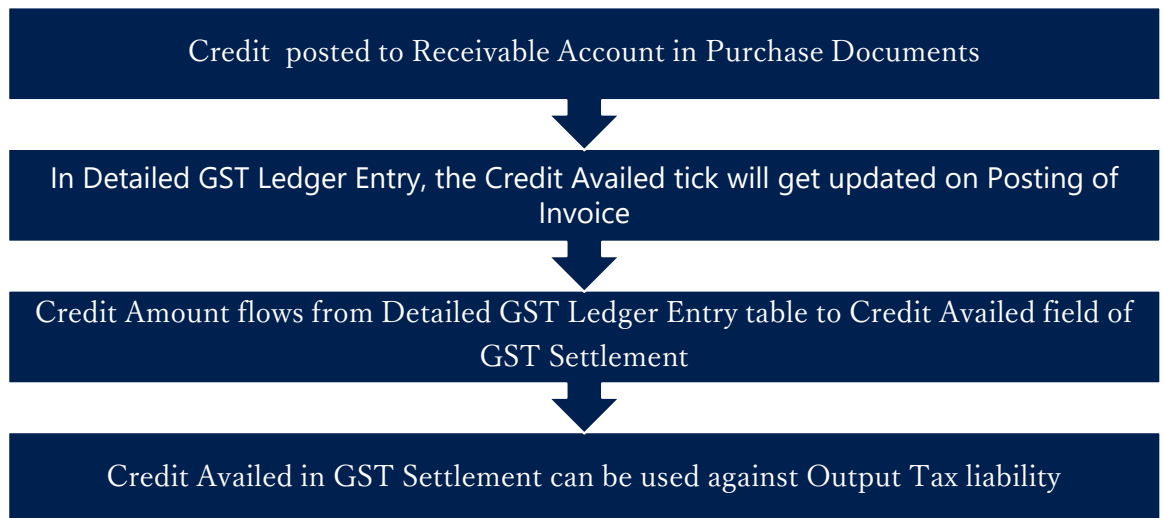
c. Credit flow for Unregistered Purchases of Services & Import of Services & Registered Vendor Purchases of Reverse Charge Services:

- Three conditions are to be complied with in order to avail credit under reverse charge. They are receipt of goods, receipt of invoice, and payment of tax to government.

- As services are intangible, there can only be receipt of invoice and payment of tax to the government. As unregistered purchases of services ,import of services and Registered Vendor purchases of Reverse Charge Services are subject to reverse charge, tax payment to the government is to be done by the purchaser himself. This is done through GST Settlement of Reverse Charge Liability.

- The user have provision to disclose the amount of credit availed in GSTR-2 on provisional basis.

- Credit can be availed on purchase transactions of Services subject to reverse charge in the month in which the payment to Vendor is made.

- Hence at the time of posting the **Purchase Invoice** of services for an **Unregistered Vendor** or **Import of Services or Purchase of Reverse Charge Services from Regsitered Vendor**, the application posts credit to **Input Tax Credit Receivable Interim Account**. If GST advance payment is made through bank payment voucher and is applied to the invoice, either at the time of

procurement/invoice generation (online) or after the procurement is completed (offline), the application posts credit to **Input Tax Credit Receivable Account**.

- The credit amount from Detailed GST Ledger Entries with Credit Availment upon application with GST Advance Payment flows to **GST Settlement** and is available for set-off against **Output Tax** liability payable on sales.

Credit posted to Receivable (Interim) Account in Purchase Invoice

Application of Vendor Payment to Purchase Invoice. Credit Amount flows from Revceivable Interim to Receivable account

Credit Availed gets updated in Detailed GST Ledger Entry Table in the month of Application of Payment to Invoice

Credit Amount flows from Detailed GST Ledger Entry table to Credit Availed field of GST Settlement

Credit Availed in GST Settlement can be used against Output Tax liability of Sales

- For reverse charge service invoices, GST liability arrises the date immediately following 60th day from date of issue of supplier invoice if payment is not made against it. System shall create GST Liability and Credit.

d. Credit flow for Import of Goods:
- When goods are imported, the purchaser is liable to pay both Customs duty and IGST to the Customs authorities. The goods are cleared to Domestic Tariff Area (DTA), only after the taxes are paid to Customs. Hence, at the time of GRN and thereafter posting Purchase Invoice, the taxes would have been already paid. Hence, Credit is posted to **Receivable Account** directly in case of import of goods.

Credit posted to Receivable Account in Purchase Documents

⬇

Credit Amount flows from Detailed GST Ledger Entry table to Credit Availed field of GST Settlement

⬇

Credit Availed in GST Settlement can be used against Output Tax liability

C. Accounting Entries for Purchase Transactions:

a. Entries for Purchases from a Registered Vendor:
Calculation:

Description	Calculation
Base Amount	10000
CGST	1000 (10000*10%)
SGST	1000 (10000*10%)
IGST	2000 (10000*20%)

Entry for an Intrastate Purchase of goods with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account................................Dr.	10000	
SGST Receivable Account ....Dr.	1000	
CGST Receivable Account ....Dr.	1000	
To Vendor Account		12000

Entry for an Intrastate Purchase Credit Memo for goods with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account....................................Dr.	12000	

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
To SGST Receivable Account		1000
To CGST Receivable Account		1000
To Purchases Account		10000

Entry for Intrastate purchase of goods with Credit – Non -Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account................................Dr.	12000	
To Vendor Account		12000

Entry for Intrastate purchase Credit Memo for goods with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.......................................Dr.	12000	
To Purchases Account		12000

Note:

1. Entries for purchases of service would be similar except that **Service General Ledger Account** replaces **Purchases Account** in the above entries. Similarly, for fixed assets, **Fixed Assets Account** replaces **Purchases Account**.
2. Entries for interstate transactions would be similar to the above entries except that **CGST & SGST Receivable Account** is replaced by **IGST Receivable Account** wherever applicable.

b. Entry for purchases from a Composite Vendor & Exempted Vendor

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account................................Dr.	10000	
To Vendor Account		10000

Entry for purchase Credit Memo for a Composite Vendor and Exempted Vendor

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.............................Dr.	10000	
To Purchases Account		10000

Note:

1. No GST entries are generated for a composite vendor, as a composite vendor is not entitled to collect any tax from the customers.
2. Similarly, no GST entries are generated for exempted vendor, as an exempted vendor is exempt from payment of GST.

c. Entry for Import of goods with Credit – Availment:
Calculation:

Description	Calculation
Base Amount	10000
GST Assessable Value	11000
Customs Duty (BCD) (assumed)	1000
IGST	For Invoice: 2400 (12000*20%) For Credit Memo: 2000 (10000*20%)

Entry for Import of Goods with Credit – Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account................................Dr.	11000	
IGST Receivable Account.........................Dr.	2400	
To Customs House Account		3400
To Vendor Account		10000

Note:

1. **Customs House Account** is to be defined in **General Ledger Setup** as **IGST Payable A/c (Import)**.
2. The GST Assessable Value and Custom Duty Amount is used for GST calculation in Import/SEZ Goods Invoice only.

3. In Import/SEZ Goods Credit Memo the GST calculation is on Line amount and not on GST Assessable Value and Custom Duty Amount
4. There will be no G/L entry implication for Assessable Value.
5. The Custom amount will get loaded on Purchase and credited to Custome account along with IGST Payable amount.

Entry for Import of Goods with Credit – Non Availment:

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account................................Dr.	13400	
To Customs House Account		3400
To Vendor Account		10000

Entry for Purchase Credit Memo for Import of goods with Credit – Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account................................Dr.	10000	
Refund Account ....Dr.	2000	
To IGST Receivable Account		2000
To Purchases Account		10000

Entry for Purchase Credit Memo for Import of goods with Credit – Non-Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account................................Dr.	10000	
Refund Account ....Dr.	2000	
To Purchases Account		12000

Entry for Import of Goods from an Import Associate Vendor (Availment)

G/L Account Name	Debit Amount	Credit Amount
Purchases Account..Dr.	11000	
IGST Receivable Account................................Dr.	2400	

G/L Account Name	Debit (Rs.)	Credit (Rs.)
To Customs House Account		3400
To Vendor Account		10000

Entry for Import of Goods from an Import Associate Vendor (Non-Availment)

G/L Account Name	Debit (Rs.)	Credit (Rs.)
Purchases Account.................................Dr.	13400	
To Customs House Account		3400
To Vendor Account		10000

Entry for Purchase Credit Memo of Goods from an Import Associate Vendor (Availment)

G/L Account Name	Debit (Rs.)	Credit (Rs.)
Vendor Account.................................Dr.	10000	
IGST Refund Account.........................Dr.	2000	
To IGST Receivable Account		2000
To Purchases Account		10000

Entry for Purchase Credit Memo of Goods from an Import Associate Vendor (Non-Availment)

G/L Account Name	Debit (Rs.)	Credit (Rs.)
Vendor Account.................................Dr.	10000	
IGST Refund Account	2000	
To Purchases Account		12000

d. Entries for purchase of goods from an Unregistered Vendor

Purchases from an **Unregistered Vendor** attracts reverse charge. i.e. the purchaser himself has to pay tax to the government on such purchases.

As per the Time of supply provisions in **Model GST Law**, liability to pay tax arises at the time of posting invoice, in the system. Hence, GST is posted to **Payable Account** at the time of posting purchase documents.

Entry for intrastate purchase of goods with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account................................Dr.	10000	
CGST Receivable Account.......................Dr.	1000	
SGST Receivable Account.......................Dr.	1000	
To CGST Payable Account		1000
To SGST Payable Account		1000
To Vendor Account		10000

Entry for intrastate Purchase Credit Memo for goods with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account....................................Dr.	10000	
CGST Payable Account	1000	
SGST Payable Account	1000	
To CGST Receivable Account		1000
To SGST Receivable Account		1000
To Purchases Account		10000

Entry for intrastate purchase of goods with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account................................Dr.	12000	
To CGST Payable Account		1000
To SGST Payable Account		1000
To Vendor Account		10000

Entry for intrastate Purchase Credit Memo for goods with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account....................................Dr.	10000	
CGST Payable Account.........................Dr.	1000	

SGST Payable Account...........................Dr.	1000	
To Purchases Account		12000

Note:

Interstate purchases from an unregistered vendor shall not arise and hence entries are not provided for the same.

Entries for purchase of goods from an Unregistered Vendor with RCM Exempt

Purchases from an **Unregistered Vendor** attracts reverse charge. i.e. the purchaser himself has to pay tax to the government on such purchases. As per new notification GST shall be exempted for supplies received from Unregistered Vendor.

Entries for purchase of Goods & Services

G/L Account Name	Debit Amount	Credit Amount
Purchase Account......................................Dr.	10000	
To Vendor Account		10000

Note: Since GST has been exempted, entries remains same for interstate and intrastate

e. **Entries for Import of Services, purchase of services from a SEZ vendor, purchase of services from an Unregistered Vendor and Purchase of Reverse charge services from an Registered Vendor:**

As per **Model GST Law**, the time of supply for services that are subject to reverse charge is the date on which payment to vendor is made. Hence, in the system, GST is credited to **Payable (Interim) Account** at the time posting purchase documents. Once the vendor payment is applied to an invoice, then the same is transferred from **Payable (Interim) Account** to **Payable Account**.

Entry for purchase of Services from an Unregistered Vendor Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account...................................Dr.	10000	
CGST Receivable (Interim) Account...........Dr.	1000	

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Receivable (Interim) Account...........Dr.	1000	
To CGST Payable (Interim) Account		1000
To SGST Payable (Interim) Account		1000
To Vendor Account		10000

Entry for purchase credit memo for Services from an Unregistered Vendor Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.............................…..........Dr.	10000	
CGST Payable (Interim) Account…............Dr.	1000	
SGST Payable (Interim) Account…............Dr.	1000	
To CGST Receivable (Interim) Account		1000
To SGST Receivable (Interim) Account		1000
To Purchases Account		10000

Entry for purchase of services with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account.................................Dr.	12000	
To CGST Payable (Interim) Account		1000
To SGST Payable (Interim) Account		1000
To Vendor Account		10000

Entry for purchase credit memo of services with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.......................................Dr.	10000	
CGST Payable (Interim) Account…............Dr.	1000	
SGST Payable (Interim) Account ....Dr.	1000	
To Purchases Account		12000

Note:

Interstate purchases from an unregistered vendor shall not arise and hence entries are not provided for the same.

Entry for Import of Services with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account.................................Dr.	10000	
IGST Receivable (Interim) Account...........Dr.	2000	
To IGST Payable (Interim) Account		2000
To Vendor Account		10000

Entry for Purchase Credit Memo for Import of Services with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account..................................…......Dr.	10000	
IGST Payable (Interim) Account……......…..Dr.	2000	
To IGST Receivable (Interim) Account		2000
To Purchases Account		10000

Entry for Import of Services with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account.................................Dr.	12000	
To IGST Payable (Interim) Account		2000
To Vendor Account		10000

Entry for Purchase Credit Memo for Import of Services with Credit – Non-Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.........................…......Dr.	10000	
IGST Payable (Interim) Account................Dr.	2000	
To Purchases Account		12000

Entry for Import of Services from Import Associate Vendor with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account...............................…...Dr.	10000	
IGST Receivable Account...........Dr.	2000	
To IGST Payable Account		2000
To Vendor Account		10000

Entry for Purchase Credit Memo for Import of Services from Import Associate Vendor with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account....................................…....Dr.	10000	
IGST Payable Account................Dr.	2000	
To IGST Receivable Account		2000
To Purchases Account		10000

Entry for Import of Services from Import Associate Vendor with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account...............................…...Dr.	12000	
To IGST Payable Account		2000
To Vendor Account		10000

Entry for Purchase Credit Memo for Import of Services from Import Associate Vendor with Credit – Non-Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account..Dr.	10000	
IGST Payable Account................Dr.	2000	
To Purchases Account		12000

Entry for Intrastate purchase of Reverse Charge Services from an Registered Vendor with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account....................................Dr.	10000	
CGST Receivable (Interim) Account...........Dr.	1000	
SGST Receivable (Interim) Account...........Dr.	1000	
To CGST Payable (Interim) Account		1000
To SGST Payable (Interim) Account		1000
To Vendor Account		10000

Entry for Intrastate purchase credit memo of Reverse Charge Services from an Registered Vendor with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account...Dr.	10000	
CGST Payable (Interim) Account...............Dr.	1000	
SGST Payable (Interim) Account................Dr.	1000	
To CGST Receivable (Interim) Account		1000
To SGST Receivable (Interim) Account		1000
To Purchases Account		10000

Entry for Intrastate purchase of Reverse Charge Services from an Registered Vendor with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account...................................Dr.	12000	
To CGST Payable (Interim) Account		1000
To SGST Payable (Interim) Account		1000
To Vendor Account		10000

Entry for Intrastate purchase credit memo of Reverse Charge services from Registered Vendor with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account......................................Dr.	10000	
CGST Payable (Interim) Account..............Dr.	1000	
SGST Payable (Interim) Account ....Dr.	1000	
To Purchases Account		12000

Entry for Interstate purchase of Reverse Charge Services from an Registered Vendor with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account.................................Dr.	10000	
IGST Receivable (Interim) Account...........Dr.	2000	
To IGST Payable (Interim) Account		2000
To Vendor Account		10000

Entry for Interstate purchase credit memo of Reverse Charge Services from an Registered Vendor with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.......................................Dr.	10000	
IGST Payable (Interim) Account................Dr.	2000	
To IGST Receivable (Interim) Account		2000
To Purchases Account		10000

Entry for Interstate purchase of Reverse Charge Services from an Registered Vendor with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchases Account...................................Dr.	12000	
To IGST Payable (Interim) Account		2000
To Vendor Account		10000

Entry for Interstate purchase credit memo of Reverse Charge services from Registered Vendor with Credit – Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.......................................Dr.	10000	
IGST Payable (Interim) Account................Dr.	2000	
To Purchases Account		12000

D. TDS & GST on Purchase Transactions

- One new field **Inc. TDS in GST Base** has been added in **Structures Details.** During GST calculation through structure in purchase documents, GST value for purchase line is considered in TDS base, if this Boolean is checked. If it is unchecked, then GST Amount is not considered in computation of TDS in purchase lines.

a. TDS computation in Purchase Invoice and Accounting Entries:

Particulars	Amount (Rs.)
IGST Rate	20%
Base Amount	10000
IGST Amount (10000*20%)	2000
Incl. of GST in TDS Base	TRUE
TDS%	10
TDS Amount (12000*10%)	1200
Incl. of GST in TDS Base	FALSE
TDS Amount (10000*10%)	1000

Accounting Entry for TDS & GST in Purchase document:

Particulars	Debit (Rs.)	Credit (Rs.)
Service Account...Dr.	10000	
IGST Receivable Account...............Dr.	2000	
To Vendor Account		10800
To TDS Payable Account		1200

Note:

In the above entry, if TDS is computed excluding GST, then Vendor Account and TDS Payable Account becomes Rs. 11000 and Rs. 1000 respectively.

b. TDS Computation in Purchase Invoice (Reverse charge) and Accounting Entries:

Under Reverse charge, GST is payable by the purchaser. Hence the amount that is payable to vendor does not include TDS. Therefore, whether GST is included in GST or not, TDS computation remains the same.

Particulars	Amount (Rs.)
IGST Rate	20%
Base Amount	10000
IGST Amount (10000*20%)	2000
Incl. of GST in TDS Base	TRUE
TDS%	10
TDS Amount (12000*10%)	1200
Incl. of GST in TDS Base	FALSE
TDS Amount (10000*10%)	1000

Accounting Entry for TDS & GST in purchase document (Reverse charge)-If GST is included in TDS Base

Particulars	Debit (Rs.)	Credit (Rs.)
Service Account...Dr.	10000	
IGST Receivable (Interim) Account..............Dr.	2000	
To Vendor Account		8800
To IGST Payable (Interim) Account		2000
To TDS Payable Account		1200

Accounting Entry for TDS & GST in purchase document (Reverse charge)-If GST is not included in TDS Base

Particulars	Debit (Rs.)	Credit (Rs.)
Service Account..Dr.	10000	
IGST Receivable (Interim) Account...............Dr.	2000	
To Vendor Account		9000
To IGST Payable (Interim) Account		2000
To TDS Payable Account		1000

E. Credit & Liability adjustment for open Reverse Charge Services Invoices

- For reverse charge service invoices, GST Liability and Credit shall be generated immediately following 60th day from date of issue of supplier invoice if payment to supplier is not made against it.
- User can generate GST liability and credit for open reverse charge service invoice with the help of Cr. & Liability Adj. for Open RC Service Inv.
- System will generate lines based on the filters applied by user on the request page.
- User will be able to generate adjustment journal with help of below available fields on request page:

Field Name	Description
Adjustment Document No.	System will generate number from number series assigned in Purchases & Payables Setup
GST Registration No.	System will list only transactions posted with selected GST Registration No.
Posting Date	Adjustment posting date
Liability Date Formula	Enter 60D, system will reverse count 60 days from posting date for arriving Liability Filter Date
Liability Filter Date	System will update automatically (Posting date – Liability Date Formula, Ex: 01-Jan-18- 60D= 02-Nov-17), System will consider all open RC service invoices posted before date updated in this field. (Ex: ..02-Nov-17)
Vendor No.	System will list invoice from this vendor only
Document No.	System will verify only for this document
External Document No.	System will verify only for this document
Nature of Adjustment	User need to select the option, available options: CR&Libty Generate, CR&Libty Reverse

- On posting of Cr. & Liability adjustment, system will update Cr. & Libty Adjustment Type field on Detailed GST Ledger Entry table as **CR&Libty Generate/ CR&Libty Reversed** depending upon the Nature of Adjustment against Initial invoice entries.

- The GST Credit & Liability adjustment amount will be included in settlement.
- Liability adjustments will be added in Payment Liability Rev. Chrg field in settlement.
- Credit adjustments will be added in Credit Availed field in settlement.

Accounting Entry for Generating GST Credit and Liability – Availment:

Particulars	Debit (Rs.)	Credit (Rs.)
IGST Receivable Account	600	
IGST Receivable Account (Interim)		600
IGST Payable Account (Interim)	600	
IGST Payable Account		600

Accounting Entry for Generating GST Credit and Liability – Non-Availment:

Particulars	Debit (Rs.)	Credit (Rs.)
IGST Payable Account (Interim)	600	
IGST Payable Account		600

Accounting Entry for Reversal GST Credit and Liability – Availment:

Particulars	Debit (Rs.)	Credit (Rs.)
IGST Receivable Account		600
IGST Receivable Account (Interim)	600	
IGST Payable Account (Interim)		600
IGST Payable Account	600	

Accounting Entry for Reversal GST Credit and Liability – Non-Availment:

Particulars	Debit (Rs.)	Credit (Rs.)
IGST Payable Account (Interim)		600
IGST Payable Account	600	

a. Validation
- System will generate GST Credit & Liability for remainig amount (whole amount), partial posting is not allowed.
- System will not allow user to post application to invoice if GST Credit & Liability is Generated, until the GST Credit & Liability is Reversed.

F. Transaction without Location
- New fields are created on Purchase Header for capturing Vendor GST Registration No., Order Address GST Registration No. and Location GST Regsitration No.

- Location is not mandatory for calculating GST in Purchase transactions, a provision has been provided in purchase header for selecting GST Registration No. and on selecting GST Registration No. in purchase header, system will flow Location State code from GST Registration Nos. master to purchase header.
- System will calculate GST based on Location State code and Vendor State code or Order Address State code available on Purchase header.
- On posting of purchase transactions, system will flow Vendor State Code, GST Registration No. and Location State Code, GST Registration No. from purchase header to Detailed GST Ledger Entry table.

G. Journal Invoices

- Invoice and Credit memo can be posted from journals
- GST is calculated in purchase transactions posted from below journals
  - Purchase Journals
  - General Journals
  - Recurring Journals
  - Cash & Bank vouchers
- GST Calculation logic in journals will be same as GST calculation in documents.
- Journal Entry field will be updated as True for transactions posted from jorunals.
- Recurring Journal field will be updated as True for transactions posted from Recurring Journal.
- Purchase Scenarios posted from journals
  - Purchase Invoice/Credit Memo from Registered Vendor (Forword/Reverse Charge)
  - Purchase Invoice/Credit Memo from Unregistered Vendor (Reverse Charge)
  - Purchase Invoice/Credit Memo from Import Vendor
  - Purchase Invoice/Credit Memo from Import Vendor – Associated Enterprises
  - Purchase Invoice/Credit Memo from SEZ Vendor
  - Purchase Invoice/Credit Memo from Composite Vendor
  - Purchase Invoice/Credit Memo from Exempted Vendor
  - Purchase transactions with GST and TDS
  - Purchase Invoice Transaction with Party Type as Party
  - Purchase Credit memo with Party Type as Party is not allowed
- Transactions posted from joruanls with GST can be reversed
- The application of advance payment is allowed from journal invoices
- System allows cross application of Invoice and Credit memo,

Invoice From	Credit Memo	Application

Journal Invoice	Journal Credit Memo	Allowed
Journal Invoice	Credit Memo Document	Allowed
Invoice Document	Journal Credit Memo	Allowed
Invoice Document	Credit Memo Document	Allowed

- Accounting entries for journal entries are same as document entries.
- Accounting entries for journal invoice posted with Party Type as Party and GST Party Type as Vendor and GST Vendor Type as Unregistered for GST Group Type as Services are posted to GST Receivable A/c and GST Payable A/c

Particulars	Debit Amount (Rs.)	Credit Amount (Rs.)
Service Account...Dr.	1000	
SGST Receivable Account...............................Dr.	90	
CGST Receivable Account...............................Dr.	90	
To Cash/Bank Account		1000
To SGST Payable Account		90
To CGST Payable Account		90

Particulars	Debit (Rs.)	Credit (Rs.)
Service Account..Dr.	1000	
IGST Receivable Account...............Dr.	180	
To Cash/Bank Account		1000
To IGST Payable Account		180

Registered Vendor(Forward Charge) Party Interstate Purchase Journal Invoice-Goods/Service-Availment

Particulars	Debit Amount (Rs.)	Credit Amount (Rs.)
Service Account...Dr.	1000	
IGST Receivable Account...............................Dr.	180	
To Cash/Bank Account		1180

In detailed GST, **Liable to Pay** shall flow as **False** and **Credit Availed** shall flow as **True**

Registered Vendor(Forward Charge) Party Intrastate Purchase Journal Invoice-Goods/Service-Availment

Particulars	Debit Amount (Rs.)	Credit Amount (Rs.)
Service Account..Dr.	1000	
CGST Receivable Account..............................Dr.	90	
SGST Receivable Account.............................Dr.	90	
To Cash/Bank Account		1180

In detailed GST, **Liable to Pay** shall flow as **False** and **Credit Availed** shall flow as **True**

Registered Vendor(Forward Charge) Party Interstate Purchase Journal Invoice-Goods/Service- Non Availment

Particulars	Debit Amount (Rs.)	Credit Amount (Rs.)
Service Account..Dr.	1000	
To Cash/Bank Account		1000

In detailed GST, **Liable to Pay** shall flow as **False** and **Credit Availed** shall flow as **False**

Registered Vendor(Forward Charge) Party Intrastate Purchase Journal Invoice-Goods/Service- Non Availment

Particulars	Debit Amount (Rs.)	Credit Amount (Rs.)
Service Account..Dr.	1000	
To Cash/Bank Account		1000

In detailed GST, **Liable to Pay** shall flow as **False** and **Credit Availed** shall flow as **False**

Reverse Charge (Registered/Unregistered/Import/Import Associate/SEZ Vendor) Party Interstate Purchase Journal Invoice- Goods/Service-Availment

Particulars	Debit Amount (Rs.)	Credit Amount (Rs.)

Service Account...Dr.	1000	
IGST Receivable Account.............................Dr.	180	
To IGST Payable Account		180
To Cash/Bank Account		1000

In detailed GST, **Liable to Pay** shall flow as **True** and **Credit Availed** shall flow as **True**

Note: Below functions are not available in Journal Invoice/Credit Memo transactions

- Transaction without Locations
-
- Adjustment Journal – Inventory Write off

7. Sales

A. Sales Scenarios

```
                                    Sales
        ┌──────┬──────────┬────────────┬──────┬────────────┬────────────┬──────
    B2B Sales  B2C Sales  Exports Sales  Deemed   SEZ Unit    SEZ       Exempt Sales  E-co
                                         Exports           Development                  S
```

a. Business-to-Business Sales (B2B):

- Sales to a registered customer are known as B2B sales. If the Shipping location's state code and place of supply state code are same, then the transaction becomes an intrastate sale and CGST & SGST are payable. If the shipping location's state code and place of supply are in different states, then the transaction become an interstate and IGST is payable.

- For B2B sales, **GST Customer Type** shall be selected as **Registered**. Registration No., State Code and Address are mandatory fields for these transactions.

b. Business to Customer Sales (B2C):

- Sales to unregistered customer are known as B2C sales. There is no difference is computation of tax for a B2B and B2C sales. However, they are required to be reported in separate tables in GSTR-1.

- For B2C sales, **GST Customer Type** shall be selected as **Unregistered**. State Code and Address are mandatory fields for these transactions.

c. Exports Sales:

- Export of goods is defined as taking goods out of India to a place outside India. Export of Services means the supply of services where the supplier of service is located in India, recipient of service is located outside India and the place of supply is outside India.

- Exports can be without Payment of duty or with payment of duty.

- **Exports without payment of duty:** Exports are normally Zero rated transactions and hence no duty is paid on them. Certain procedures need to be complied with, for removing goods without payment of duty, which includes submission of a bond. GST paid on Inputs and Input services can be claimed as refund, if such inputs and input services are meant for exports.

- **Exports with payment of duty:** However, if any exporter has accumulated Input credits and wishes to utilize them then he can opt for payment of duty. The duty paid can be claimed as refund later. IGST is payable on such transactions.

    Export transactions :
- **GST customer Type** shall be selected as **Exports** for Export transactions. State code in Customer master shall be blank for exports. In **GST configuration** setup, **dispatching state code** is the location state code and **Customer state code** is blank. System calculates IGST on such transactions.

- If Export is without payment of duty, then **GST without payment of duty** Boolean is to be checked.

- If **GST Customer Type** is **Export** and **Type** in Sales lines is Item, then **Bill of Export date** and **Bill of Export No.** fields have to be mandatorily filled in Sales header.

d. Deemed Exports:
- Deemed Exports refer to those transactions in which the goods supplied do not leave India and payment for such supplies is received either in Indian Rupees or in convertible foreign exchange.

- **GST customer Type** shall be selected as **Deemed Exports** in Customer master. System calculates IGST on such transactions.

e. SEZ Unit and SEZ Development:

- New Customer Type **SEZ** is added in Customer Master. The Calculations, Transactions and Accounting Entries for SEZ Unit and SEZ Development will be same as Deemed Exports Customer.

- Address, State Code and GST Registration are required for SEZ Unit and SEZ Development type customer's.

- System will calculate IGST even in case of Supplier and Receipient are in same state. System will not consider the state code specified on the customer master while calculating GST.

- System will check for a combination in GST Configuration which is of Blank state code in Customer/Vendor State Code and Dispatch/Receive State code as respective state code specified in location master which is selected in transaction.

Example:

```
Type                        : Customer
Dispatch/ Receipt State Code : KAR
Customer/Vendor State Code: "   "
GST Jurisdiction Type       : Interstate
GST % State Code            : KAR
```

- Supply of goods and /or services to an SEZ Developer or SEZ Unit falls under this category.

- **GST customer Type** shall be selected as **SEZ Unit** or **SEZ Development** in Customer master. System calculates IGST on such transactions.

f. Exempt Sales:
- Sales made to an exempted customer are known as Exempt sales. GST Customer Type shall be selected as Exempted. No GST is computed on such transactions

g. Sales through an e-commerce operator:
- Sales through an e-commerce operator is similar to normal sales transactions. However, they are required to be reported separately in GSTR-1 along with GSTIN of E-commerce operator and merchant Id assigned by E-commerce operator to the company.

- For this purpose, a check mark by name **E-commerce operator** is created in Customer master. E-commerce operator is created as customer and this Boolean is to be checked at the time of such creation.

- An **E-commerce merchant Id table** has also been created where the user can define the merchant Id and the applicable GSTIN of the location. (Customer master – Navigate)

- Two fields are added on sales header **E-commerce Operator** field for selecting e-commerce operator relevant for the transaction and **E-commerce Merchant Id** field for selecting merchant Id assigned by the E-Commerce operator to the company. All customers checked with E-commerce operator in customer master come as a drop down for **E-commerce operator** field. **E-commerce Merchant Id** table is linked to **E-commerce merchant Id** field so that the user can select the appropriate Id.

- These two fields' flows from sales document flows to Detailed GST Ledger while posting the transaction from which they are reported in GSTR-1

h. Price Inclusive Tax:

- This is more of a product feature than a tax scenario. This is a scenario where the system reverse calculates tax from the price of the product. This is useful especially in retail industry prices of the product includes tax

- **Price Inclusive of Tax** field on **Item** master shall be true and PIT structure shall be selected for calculating PIT in sales transactions.

A. Accounting Entries:
Calculation:

Description	Calculation
Base Amount	10000
CGST	1000 (10000*10%)
SGST	1000 (10000*10%)
IGST	2000000*20%)

a. Normal Sales Entries:

Entry for Intrastate Sale to a Registered Customer

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Customer Account..................................Dr.	12000	
To SGST Payable Account		1000
To CGST Payable Account		1000
To Sales Account		10000

Entry for Intrastate Sales Credit Memo to a Registered Customer:

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Sales Account..Dr.	10000	
SGST Payable Account...............................Dr.	1000	
CGST Payable Account..............................Dr.	1000	
To Customer Account		12000

Note:

1. For an Interstate transaction, CGST & SGST Payable Accounts are to be replaced by IGST Payable Account.
2. Entries for Registered Customer and Unregistered Customer are one and the same
3. For Services, Sales Account is replaced by Services General Ledger Account. Fixed Assets Account replaces Sales Account for Fixed Assets.

b. Export Entries:

Entry for Export of goods with Payment of Duty

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Customer Account................................Dr.	10000	
IGST Refund Account.............................Dr.	2000	
To IGST Payable Account		2000
To Sales Account		10000

Entry for Export of goods without Payment of Duty

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Customer Account................................Dr.	10000	
To Sales Account		10000

Note:

1. Entries for Exports, Deemed Exports, SEZ Unit and SEZ Development Customer are one and the same
2. For Services, Sales Account is replaced by Services General Ledger Account. Fixed Assets Account replaces Sales Account for Fixed Assets

c. Exempted Sales:

Entry for Exempted Sales

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Customer Account................................Dr.	10000	
To Sales Account		10000

Entry for Sales Credit Memo for Exempted Sales

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Sales Account.......................................Dr.	10000	
To Customer Account		10000

B. GST & TCS in Sales:
- TCS shall be computed inclusive of GST. In other words, it shall be computed on GST Base and GST amount together.

Particulars	Amount (Rs.)
IGST Rate	20%
Base Amount	10000
IGST Amount (10000*20%)	2000

TCS%	1%
TDS Amount (12000*1%)	120

Entry including both GST & TCS

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Customer Account................................Dr.	12120	
To IGST Payable Account		2000
To TDS Payable Account		120
To Sales Account		10000

H. Transaction without Location

- New fields are created on sales header for capturing Customer GST Registration No., Ship-to Address GST Registration No. and Location GST Regsitration No.
- Location is not mandatory for calculating GST in sales transactions, a provision has been provided in sales header for selecting GST Registration No. and on selecting GST Registration No. in sales header system will flow Location State code from GST Registration Nos. master to sales header.
- System will calculate GST based on Location State code and Customer State code or Ship-to Address State code (Will be based on Place Of Supply selected on Sales Lines) available on Sales Header.
- On posting of sales transactions, system will flow Customer State Code, GST Registration No. and Location State Code, GST Registration No. from sales header to Detailed GST Ledger Entry table.
- Application of advance payment with Sales Invoice is validadted based on Customer GST Registration No. and Location GST Registration No.

I. Journal Invoices

- Invoice and Credit memo can be posted from journals
- GST is calculated in Sales transactions posted from below journals
  - o Sales Journals
  - o General Journals
  - o Cash & Bank vouchers
- GST Calculation logic in journals will be same as GST calculation logic in documents.
- G/L Entries and Detailed GST Ledger Entries for journal transactions are same document transactions

- Journal Entry field will be updated as True for transactions posted from jorunals Detailed GST Ledger Entry table.

Sales scenarios posted from journals

- Sales Invoice/Credit Memo from Registered Customer
- Sales Invoice/Credit Memo from Unregistered Customer
- Sales Invoice/Credit Memo from Export Customer
- Sales Invoice/Credit Memo from SEZ Developer Customer
- Sales Invoice/Credit Memo from SEZ Unit Customer
- Sales Invoice/Credit Memo from Deemed Exporter Customer
- Sales Invoice/Credit Memo from Exempted
- Sales transactions with GST and TCS
- Sales Invoice Transaction with Party Type as Party
- Sales Credit memo with Party Type as Party is not allowed

- Transactions posted from joruanls with GST and GST + TCS can be reversed
- The application of advance payment is allowed from journal invoices
- System allows cross application of Invoice and Credit memo,

Invoice From	Credit Memo	Application
Journal Invoice	Journal Credit Memo	Allowed
Journal Invoice	Credit Memo Document	Allowed
Invoice Document	Journal Credit Memo	Allowed
Invoice Document	Credit Memo Document	Allowed

Note: Transaction without Location function is not available in Journal Invoice/Credit Memo transactions

8. Advance Payment and its Application to Invoice

A. Advance Payment – Purchases

- GST on **Advance Payment** field needs to be activated in **General Journal Line** for computation of GST on Advance Payment. In addition, GST Group code, GST Place of Supply and HSN/SAC Codes are to be entered for computation of GST.

- GST on Advance Payment is calculated in the following scenarios:
  - ➢ Import of Services
  - ➢ Purchase of services from an unregistered person
  - ➢ Purchase of Reverse Charge Services from an registered Vendor
  - ➢ Purchase of Services from SEZ Vendor

- GST on Advance Payment for GST Group Type Goods is exempted.
- GST on Advance Payment is not calculated in the following scenarios. In other words, system shall not allow you to check GST on Advance Payment in the following scenarios:
  - ➢ Normal purchases
  - ➢ Import of goods

  For the above scenarios, no GST liability is created at the time of advance payment and hence no GST related accounting entries are generated.

  Since the GST has been exempted for unregistered vendor, will not be calculated in advance payments for unregistered vendor.

- In case of scenarios that are subject to reverse charge, the purchaser himself has to pay tax to the government. As per **Time of Supply** provisions of Model GST law, liability to pay tax arises at the time of advance payment for reverse charge scenarios. Hence, the system computes tax for import of services, SEZ purchase of Services, purchase of goods and services from an unregistered person and purchase of reverse charge services from a Registered vendor.

- The provisions of Customs Act govern import of goods and as there is no provision for payment of tax on advances under Customs Act, no liability is created at the time of advance payment for import of goods.

- The liability is created for import of services, SEZ purchase of Services, purchases from an unregistered person and purchase of reverse charge services from a Registered vendor by crediting GST to Payable Account.

- There is no Credit Availment or Non-Availment option for advance payment. Hence Receivable (Interim) is by default debited in all cases.

- System will not consider Component wise non-availment while calculating GST in advance payment.

- An advance payment entry can be reversed before the tax is paid to government. If the tax liability is discharged to the government through GST Settlement screen, then paid field in **Detailed GST Ledger Entry** is activated. Then the advance payment cannot be reversed.

- **Calculation of GST on Advance Payment:**

Particulars	Amount (Rs.)
SGST Rate	10%
CGST Rate	10%
Advance Payment	10000
CGST Amount (10000*10%)	1000
SGST Amount (10000*10%)	1000

Advance Payment made to vendor does not include tax payment, as the purchaser is liable to pay tax under reverse charge. Hence, tax is applied straight away on base.

- **Entry for Advance Payment when GST on Advance Payment is checked:**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account......................................Dr.	10000	
CGST Receivable (Interim) Account...........Dr.	1000	
SGST Receivable (Interim) Account...........Dr.	1000	
To CGST Payable Account		1000
To SGST Payable Account		1000

G/L Account Name		
To Bank Account		10000

Reversal Entry for Advance Payment when GST on Advance Payment is checked:

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Bank Account...Dr.	10000	
CGST Payable Account...........................Dr.	1000	
SGST Payable Account...........................Dr.	1000	
To CGST Receivable (Interim) Account		1000
To SGST Receivable (Interim) Account		1000
To Vendor Account		10000

B. Advance Payment Application to Purchase Invoice

- An advance payment made to vendor for a transaction that is subject to reverse charge is to be reported in GSTR-2. As per new rules/formats published by GOI advance payment made to vendor can be applied against invoice which has same GST rate, HSN/SAC code wise application is not mandatory.

- When the advance payment is applied in the same month to an invoice, then the liability for payment arises for both advance payment and invoice in the same month and such applications need not be disclosed in GSTR-2.

- However, if advance payment is paid in a month and is applied to invoice in the subsequent month, then this application is to be reported in GSTR-2. The application/adjustments reported in GSTR 2 should be only rate wise for each component for whole period, not required to specify invoice number and HSN/SAC code against each advance payment received.

- As the GST rate is defined in system aginst GST Group wise hence, the advance payment application in the system is developed in such a way that the system validates the GST Group code of both invoice and advance payment, and allows applying them only if they are same.

- If an invoice is having a single line or multiple lines with same GST Group code, then system validates at the time of application whether the GST Group code in advance payment matches with that of GST Group code entered in purchase lines. System does not allow you to apply if GST Group in both documents are not the same.

- If an invoice is having multiple lines with multiple GST Group codes, then any of such GST Group codes shall match with GST Group code in Advance Payment. The advance amount is applied to the purchase line amount having same GST Group code. This can be explained with the following example:

Advance Payment:

Entry Type	HSN Code	GST Component	GST Group code	GST Base Amount	GST%	GST Amount
Initial Entry	SAC01	CGST	0989	10000	10.00	1000
Initial Entry	SAC01	SGST	0989	10000	10.00	1000
Initial Entry	SAC02	CGST	0989	10000	10.00	1000
Initial Entry	SAC02	SGST	0989	10000	10.00	1000

Application of Advance Payment with Invoice:

Entry Type	HSN Code	GST Component	GST Group code	GST Base Amount	GST%	GST Amount
Initial Entry	SAC03	CGST	1989	10000	10.00	1000
Initial Entry	SAC03	SGST	1989	10000	10.00	1000
Initial Entry	SAC01	CGST	0989	15000	10.00	1500
Initial Entry	SAC01	SGST	0989	15000	10.00	1500
Application	SAC01	CGST	0989	-10000	10.00	-1000
Application	SAC01	SGST	0989	-10000	10.00	-1000
Application	SAC01	CGST	0989	-5000	10.00	-500
Application	SAC01	SGST	0989	-5000	10.00	-500

Vendor Ledger Entries:

Document Type	Original Amount	Amount	Remaining amount	GST Group	HSN/SAC Code	GST on Advance Payment
Payment	10000	10000	0	0989	SAC01	Yes
Payment	10000	10000	5000	0989	SAC02	Yes
Invoice	-20000	-20000	-5000	-	-	-

- Credit on tax payable at the time of advance payment can be availed when:

> The advance payment is applied to the invoice

NOTE: GST on Advance Payment for GST Group Type Goods is exempted, the existing advance payments posted before this release will be allowed to apply to invoice and further posting of advance payments are restricted in system.

- **Calculation Example for Accounting Entries:**

Particulars	Amount (Rs.)
SGST Rate	10%
CGST Rate	10%
Advance Payment	10000
CGST Amount (10000*10%)	1000
SGST Amount (10000*10%)	1000
Invoice Amount	20000
SGST Amount (20000*10%)	2000
CGST Amount (20000*10%)	2000

- **Online Application of an Advance Payment to Invoice - Goods with Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchase Account…………………………………Dr.	20000	
CGST Receivable Account…………… Dr.	2000	
SGST Receivable Account……………..Dr.	2000	
To CGST Payable Account		2000
To SGST Payable Account		2000
To Vendor Account		20000
CGST Payable Account……………………………Dr.	1000	
SGST Payable Account……………………………Dr.	1000	
To CGST Receivable (Interim) Account		1000
To SGST Receivable (Interim) Account		1000

Note:
Entries in pink are generated, if advance payment is applied to Invoice offline i.e. through vendor ledger entries.
For Interstate transactions CGST, SGST shall be replaced by IGST.

- **Un-Application of an Advance Payment to Invoice - Goods with Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
CGST Receivable (Interim) Account.............. Dr.	1000	
SGST Receivable (Interim) Account................Dr.	1000	
To CGST Payable Account		1000
To SGST Payable Account		1000

Note:
Un-application entries are same for both online application and offline application. For Interstate transactions CGST, SGST shall be replaced by IGST

- **Online Application of an Advance Payment to Invoice - Goods without Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchase Account.......................................Dr.	24000	
To CGST Payable Account		2000
To SGST Payable Account		2000
To Vendor Account		20000
CGST Payable Account..............................Dr.	1000	
SGST Payable Account..............................Dr.	1000	
To CGST Receivable (Interim) Account		1000
To SGST Receivable (Interim) Account		1000

Note:
Entries in pink are created, if advance payment is applied to Invoice offline i.e. through vendor ledger entries.
For Interstate transactions CGST, SGST shall be replaced by IGST.

- **Un-Application of an Advance Payment to Invoice - Goods without Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
CGST Receivable (Interim) Account.............. Dr.	1000	
SGST Receivable (Interim) Account................Dr.	1000	
To CGST Payable Account		1000

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
To SGST Payable Account		1000

Online Application of an Advance Payment to Invoice - Services with Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Services General Ledger Account.....................Dr.	20000	
CGST Receivable (Interim) Account.............. Dr.	2000	
SGST Receivable (Interim) Account.................Dr.	2000	
To CGST Payable (Interim) Account		2000
To SGST Payable (Interim) Account		2000
To Vendor Account		20000
CGST Payable (Interim) Account....................Dr.	1000	
SGST Payable (Interim) Account....................Dr.	1000	
CGST Receivable Account.............................Dr.	1000	
SGST Receivable Account.............................Dr.	1000	
To CGST Receivable (Interim) Account		2000
To SGST Receivable (Interim) Account		2000

Note:

Entries in pink are created, if advance payment is applied to Invoice offline i.e. through vendor ledger entries.

For Interstate transactions CGST, SGST shall be replaced by IGST

- **Un-Application of an Advance Payment to Invoice - Services with Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
CGST Receivable (Interim) Account.............. Dr.	2000	
SGST Receivable (Interim) Account.................Dr.	2000	
To CGST Receivable Account		1000
To SGST Receivable Account		1000

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
To CGST Payable (Interim) Account		1000
To SGST Payable (Interim) Account		1000

Note:
Un-application entries are same for both online application and offline application.
For Interstate transactions CGST, SGST shall be replaced by IGST.

- **Online Application of an Advance Payment to Invoice - Services without Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Services General Ledger Account ....Dr.	24000	
To CGST Payable (Interim) Account		2000
To SGST Payable (Interim) Account		2000
To Vendor Account		20000
CGST Payable (Interim) Account.............................Dr.	1000	
SGST Payable (Interim) Account.............................Dr.	1000	
To CGST Receivable (Interim) Account		1000
To SGST Receivable (Interim) Account		1000

Note:
Entries in pink are created, if advance payment is applied to Invoice offline i.e. through vendor ledger entries.
For Interstate transactions CGST, SGST shall be replaced by IGST.

- **Un-Application of an Advance Payment to Invoice - Services without Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
CGST Receivable (Interim) Account.............. Dr.	1000	
SGST Receivable (Interim) Account.................Dr.	1000	
To CGST Payable (Interim) Account		1000
To SGST Payable (Interim) Account		1000

Note:
Un-application entries are same for both online application and offline application.
For Interstate transactions CGST, SGST shall be replaced by IGST.

GST exempted on RC (Reverse Charge) for Unregistered Vendor.
As per Time of Supply rules, for services that are subject to reverse charge, the

liability to pay tax arises at the time of vendor payment. GST will be calculated in service invoices if advance payments posted earlier to RCM exempt period are applied to invoice posted in RCM exempt period. GST will be calculated to the extent of advance payment applied to the invoice.

- **Online Application of an Advance Payment posted earlier to RCM exempt period to Invoice posted within RCM exempt period – Services with Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Services General Ledger Account....................Dr.	20000	
To Vendor Account		20000
CGST Receivable Account............................Dr.	1000	
SGST Receivable Account............................Dr.	1000	
To CGST Receivable (Interim) Account		1000
To SGST Receivable (Interim) Account		1000

Note:
Entries in pink are created, if advance payment is applied to Invoice offline i.e. through vendor ledger entries.
For Interstate transactions CGST, SGST shall be replaced by IGST

- **Un-Application of an Advance Payment to Invoice - Services with Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
CGST Receivable (Interim) Account............... Dr.	1000	
SGST Receivable (Interim) Account.................Dr.	1000	
To CGST Receivable Account		1000
To SGST Receivable Account		1000

Note:
Un-application entries are same for both online application and offline application.
For Interstate transactions CGST, SGST shall be replaced by IGST.

- **Online Application of an Advance Payment to Invoice - Services without Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Services General Ledger Account ....Dr.	22000	
To Vendor Account		20000
To CGST Receivable (Interim) Account		1000
To SGST Receivable (Interim) Account		1000

Note:
Entries in pink are created, if advance payment is applied to Invoice offline i.e. through vendor ledger entries.
For Interstate transactions CGST, SGST shall be replaced by IGST.

- **Un-Application of an Advance Payment to Invoice - Services without Credit Availment**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
CGST Receivable (Interim) Account............... Dr.	1000	
SGST Receivable (Interim) Account.................Dr.	1000	
To Services General Ledger Account		2000

Note:
Un-application entries are same for both online application and offline application.
For Interstate transactions CGST, SGS shall be replaced by IGST.

C. Advance Payment, GST & TDS:

Advance Payment is applicable only for purchase scenarios that are subject to reverse charge. Hence, it shall always exclude GST because Advance Payment under GST does not include GST Amount.

Particulars	Amount (Rs.)
Advance Received	10000
IGST Rate	20%
Base Amount	10000
IGST Amount (10000*20%)	2000
TDS%	10%
TDS Amount	1000
Invoice Amount	20000
IGST (20000*20%)	4000

TDS%	10%
TDS Amount	2000

Accounting Entry at the time of Advance Payment:

Particulars	Debit (Rs.)	Credit (Rs.)
Vendor Account.....................................Dr.	10000	
IGST Receivable (Interim) Account..............Dr.	2000	
To Bank Account		9000
To IGST Payable Account		2000
To TDS Payable Account		1000

Accounting Entry at the time of Invoice (Online Application)

Particulars	Debit (Rs.)	Credit (Rs.)
Services General Ledger Account ....Dr.	20000	
IGST Receivable (Interim) Account..............Dr.	4000	
To Vendor Account		19000
To IGST Payable (Interim) Account		4000
To TDS Payable Account		1000
IGST Payable (Interim) Account.........................Dr.	2000	
IGST Receivable Account ....Dr.	2000	
To IGST Receivable (Interim) Account		4000

D. Advance Receipt – Sales:

- GST on **Advance Payment** field is activated in **General Journal Line** for computation of GST on Advance Receipt. In addition, GST Group code, GST Place of Supply and HSN/SAC Codes are to be entered for computation of GST.

- GST on **Advance Receipt** is calculated in the following scenarios:
  - ➢ Registered Sales
  - ➢ Unregistered Sales

- GST on Advance Payment for GST Group Type Goods is exempted.
- GST on **Advance Receipt** is not calculated in the following scenarios. In other words, system shall not allow to check GST on **Advance Payment** in the following scenarios:
  - ➢ Exports

- ➢ Deemed Export
- ➢ Exempted Sales
- ➢ SEZ Unit
- ➢ SEZ Development

For the above scenarios, no GST liability is created at the time of advance payment and hence no GST related accounting entries are generated.

- As per **Time of Supply** provisions of Model GST law, liability to pay tax arises at the time of advance receipt and hence the system back calculates tax component in advance payment and posts the same to the credit of **Payable Account** and debit of **Payable (Interim) Account**.

- An advance receipt entry can be reversed before the tax is paid to government. If the tax liability is discharged to the government through GST Settlement screen, then paid field in **Detailed GST Ledger Entry** is activated. Then the advance receipt cannot be reversed.

- **Calculation of GST on Advance Payment:**

Particulars	Amount (Rs.)
SGST Rate	9%
CGST Rate	9%
Advance Payment	10000
GST Base Amount (10000*100/118)	8475
CGST Amount (8475* 9%)	762
SGST Amount (8475* 9%)	763

- **Entry for Advance Receipt when GST on Advance Payment is checked:**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Bank Account.......................................Dr.	10000	
CGST Payable (Interim) Account.............Dr.	762	
SGST Payable (Interim) Account..............Dr.	763	
To CGST Payable Account		762
To SGST Payable Account		763
To Customer Account		10000

Reversal Entry for Advance Receipt when GST on Advance Payment is checked:

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Customer Account.................................Dr.	10000	
CGST Payable Account.........................Dr.	762	
SGST Payable Account.........................Dr.	763	
To CGST Payable (Interim) Account		762
To SGST Payable (Interim) Account		763
To Bank Account		10000

E. Advance Receipt Application to Sales Invoice

- An advance received from a customer is to be reported in GSTR-1 with GST Rate wise for whole period, HSN/SAC code is not required to be published for advance payments.

- When the advance receipt is applied in the same month to an invoice, then the liability for payment arises for both advance receipt and invoice in the same month and such applications need not be disclosed in GSTR-1.

- However, if advance receipt is paid in a month and is applied to invoice in the subsequent month, then this application also needs to be reported in GSTR-1.The application/adjustment reported in GSTR-1 should be only rate wise for each component for whole period, not required to specify invoice number and HSN/SAC code aginst each advance payment received.

- As the GST rate is defined in system against GST Group wise hence, the advance receipt application in the system is developed in such a way that the system validates the GST Group code of both invoice, advance receipt, and allows you to apply only if they are same.

- If an invoice is having a single line or multiple lines with same GST Group code, then system validates at the time of the application whether GST Group code in advance receipt matches with that of GST Group code entered in purchase lines. System does not allow applying if GST Group code in both documents are not same.

- If an invoice is having multiple lines with multiple GST Group codes, then any of such GST Group codes shall match with GST Group code in advance receipt. The

advance amount is applied to the purchase line amount having same GST Group code. This can be explained with the following example:

Advance Receipt

Entry Type	HSN Code	GST Component	GST Group code	GST Base Amount	GST%	GST Amount
Initial Entry	SAC01	CGST	0989	8475	9.00	763
Initial Entry	SAC01	SGST	0989	8475	9.00	762
Initial Entry	SAC02	CGST	0989	8475	9.00	763
Initial Entry	SAC02	SGST	0989	8475	9.00	762

Advance Receipt Application with Invoice:

Entry Type	HSN Code	GST Component	GST Group code	GST Base Amount	GST%	GST Amount
Initial Entry	SAC03	CGST	1989	10000	9.00	900
Initial Entry	SAC03	SGST	1989	10000	9.00	900
Initial Entry	SAC01	CGST	0989	15000	9.00	1350
Initial Entry	SAC01	SGST	0989	15000	9.00	1350
Application	SAC01	CGST	0989	-8475	9.00	-763
Application	SAC01	SGST	0989	-8475	9.00	-763
Application	SAC01	CGST	0989	-6525	9.00	-588
Application	SAC01	SGST	0989	-6525	9.00	-587

Customer Ledger Entries:

Document Type	Original Amount	Amount	Remaining amount	GST Group	HSN/SAC Code	GST on Advance Payment
Payment	-10000	-10000	-	0989	SAC01	Yes
Payment	-10000	-10000	-2300	0989	SAC02	Yes
Invoice	29500	29500	-11800	-	-	-

- **Calculation Example for Accounting Entries:**

Particulars	Amount (Rs.)
SGST Rate	9%
CGST Rate	9%
Advance Receipt	10000
GST Base Amount (10000*100/118)	8475
CGST Amount (8475* 9%)	762
SGST Amount (8475* 9%)	763

Particulars	Amount (Rs.)
Invoice Amount	20000
SGST Amount (20000*9%)	1800
CGST Amount (20000*9%)	1800

- **Online Application of an Advance Receipt to Invoice**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Customer Account.......................................Dr.	23600	
To CGST Payable Account		1800
To SGST Payable Account		1800
To Sales Account		20000
CGST Payable Account..............................Dr.	762	
SGST Payable Account..............................Dr.	763	
To CGST Payable (Interim) Account		762
To SGST Payable (Interim) Account		763

Note: Entries in pink are generated, if advance payment is applied to an invoice offline i.e. through customer ledger entries.
For Interstate transactions CGST, SGST shall be replaced by IGST.

- **Un-Application of an Advance Receipt to Invoice**

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
CGST Payable (Interim) Account.............. Dr.	762	
SGST Payable (Interim) Account.................Dr.	763	
To CGST Payable Account		762
To SGST Payable Account		763

Note:
Un-application entries are same for both online application and offline application.
For Interstate transactions CGST, SGST shall be replaced by IGST.

An advance receipt and invoice application cannot be unapplied, if the tax liability on both is discharged through GST Settlement Screen.

F. Advance Receipt, GST & TCS:

Particulars	Amount (Rs.)
Advance Received	10000
IGST Rate	20%
Base Amount (10000*100/120)	8333
IGST Amount (8333*20%)	1667
TCS%	1%
TCS Amount	100
Invoice Amount	20000
IGST (20000*20%)	4000
TCS%	1%
TCS Amount (24000*1%)	240

Advance Receipt Entry:

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Bank Account.....................................Dr.	10000	
IGST Payable (Interim) Account.............Dr.	1667	
To IGST Payable Account		1667
To TCS Payable Account		100
To Customer Account		9900

Invoice Online Application Entry:

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Customer Account.......................................Dr.	24140	
To IGST Payable Account		4000
To Sales Account		20000
To TCS Payable Account		140
IGST Payable Account...............................Dr.	1667	
To IGST Payable (Interim) Account		1667

G. Advance Payment/Receipt Adjustment

- The user at the time of Advance Payment/Receipt is required to apply some GST Group code for the transaction to determine the tax and make payment/receipt to

the government. However, thereafter, it may be necessary for the user to appropriate the advance payment/receipt to an invoice having different GST Group code with same rate or altogether a different rate.

- When an advance payment/receipt is to be applied to an invoice having different GST Group code, then advance payment/receipt is required to be revised with GST Group code of the invoice and any difference in tax liability due to change in rate is to be discharged to the government. This revision also needs to be disclosed in the return subsequent to which the revised advance payment/receipt can be applied to the Invoice.

- System, when applying an advance payment/receipt to an invoice validates the GST Group code and allows them to be applied only when the code is identical in both the documents. When user wants to apply an advance payment/receipt to an invoice having a different GST Group code, the same can be done by revising the advance payment/receipt through this functionality.

- The advance payment adjustment shall be processed by posting a refund entry and by posting a new advance payment with refund amount.

- The advance payment adjustment shall be posted manually through **Payment Journal** and **Cash Receipt Journal**.

- User need to create a refund entry and apply with original advance payment entry. In addition, the user needs to create advance payment entry with same document number along with the refund entry.

- **Adv. Pmt. Adjustment** field in **General journal Line** is to be activated for the purpose of this adjustment.

- While posting adjustment entry, system posts both entries together. System validates the refund entry amount with advance payment entry amount and ensures that the amount in both entries are equal.

- On posting of the adjustment entry, system creates a customer/vendor ledger entry, which contains an adjustment entry flag.

- System will not allow the user to reverse the adjustment entry.

9.   Normal Payment and its Application to Invoice

- **Normal Payment application** is applicable only for Services that are subject to reverse charge. System triggers reverse charge if the **Vendor Type** is **Unregistered** or **Import or SEZ or Registered Vendor(Rev. Chrg. Services).** Thus, if services are either imported or procured from SEZ or procured from an unregistered vendor or any Reverse Charge service is purchased from Fegistered Vendor, then this functionality is applicable. In case of Import associate this functionality is not applicable as liability arises at time of Invoice/payment whichever is earlier so the liability is created at time of normal payment. In all other scenarios, application of normal payment to vendor does not result in generation of any tax liability and GST entries.

- As per GST law, the 'Time of Supply' for services that are subject to reverse charge arises on the date of payment to vendor. Hence for reverse charge services, at the time of posting invoice, the tax liability is posted to **Payable Interim Account**. When normal payment is applied to an Invoice, then the liability is transferred from **Payable Interim Account** to **Payable Account.**

- Also, if credit can be availed on the services then, at time of posting invoice, the credit is posted to **Receivable Interim Account**. When normal payment is applied to an Invoice, then the credit is transferred from **Receivable Interim Account** to **Receivable Account.**

- Normal Payment can be applied to an invoice from Payment vouchers or Invoice can be applied to Payment in invoice itself. Alternatively invoice can be applied to payment or vice-versa through **Vendor Ledger Entry**.

- For unregistered, Import vendor and Reverse charge purchase of service from Registered vendor , user has to post a separate invoice for goods and services in the system. No GST calculation is done at the time of application. Based on the normal payment applied to invoice, system proportionately posts the liability from **Payable Interim Account to Payable Account** and credit(if applicable) from **Receivable Interim Account to Receivable Account.** This can be explained with the following example:

HSN Code	GST Component	GST Group code	GST Base Amount	GST%	GST Amount	Vendor Amount
SAC01	CGST	ADV	10000	10.00	1000	10000

SAC01	SGST	ADV	10000	10.00	1000	10000
SAC02	CGST	CA	20000	8.00	1600	20000
SAC02	SGST	CA	20000	8.00	1600	20000
SAC03	CGST	CAB	30000	9.00	2700	30000
SAC03	SGST	CAB	30000	9.00	2700	30000

Entry Type	GST Base Amount
Total GST Base	60000
Invoice Total CGST Amount	5300
Invoice Total SGST Amount	5300

Particulars	Amount & Formulae	GST Base Amount
Normal Payment Applied		10000
SGST Amount	Invoice Total SGST amount * (Normal Payment Applied/Total Base Amount)	5300*(10000/60000) = 883
CGST Amount		5300 * (10000/60000) = 883

Accounting Entry for Application of Invoice to Normal Payment:

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account...Dr.	10000	
CGST Payable (Interim) Account.............Dr.	883	
SGST Payable (Interim) Account.............Dr.	883	
CGST Receivable Account........................Dr.	883	
SGST Receivable Account........................Dr.	883	
To CGST Payable Account		883
To SGST Payable Account		883
To CGST Receivable (Interim) Account		883
To SGST Receivable (Interim) Account		883
To Bank Account		10000

When normal payment is unapplied to an Invoice, then the following General Ledger entry is generated:

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
CGST Payable Account...........................Dr.	883	
SGST Payable Account...........................Dr.	883	
CGST Receivable (Interim) Account.........Dr.	883	
SGST Receivable (Interim) Account.........Dr.	883	
To CGST Payable (Interim) Account		883
To SGST Payable (Interim) Account		883
To SGST Receivable Account		883
To SGST Receivable Account		883

RC Exempt transactions:

If normal payments posted within RC exempted period applied to invoices which are posted earlier to RC exempt period, in such cases system should reverse GST interim entries posted at the time of invoice posting.

Entry for Availment

G/L Account Name	Debit Amount	Credit Amount
IGST Payable (Interim) Account ....Dr.	200	
To IGST Receivable (Interim) Account		200

Entry for Non-Availment

G/L Account Name	Debit Amount	Credit Amount
IGST Payable (Interim) Account ....Dr.	200	
To Purchase Account		200

10. Other Functionalities

A. Service Management:

- There is no change in the functionality of Service Management. Necessary fields are added in Service Cost, Service Header and Service Lines to enable computation

of GST in **Service Order** and **Service Invoice**. Accounting entries are similar to accounting entries generated for sales transactions.

B. Stock Transfers:

a. Background:
- Stock transfers between locations having different registration numbers are taxable under GST. If the shipment location and recipient location both are in the same state, then CGST and SGST are levied. IGST is payable if the shipment and recipient locations are in different states. Transfers between locations in the same state with same registration numbers are not liable to be taxed.
- Transfer is an Outward supply for shipment location. Hence GST becomes payable on such transactions and the same is to be reported in GSTR-1. Once the shipment location uploads GSTR-1 into GSTN portal, the transfer reflects in GSTR-2A of the recipient location.

b. Stock Transfers functionality :
- The existing **Transfer Orders** can be used to execute stock transfers between locations. User is required to select GST related Structure in transfer order for calculating GST.
- GST is calculated if **GST Registration No.** specified in both locations are different. If **GST Registration No.** is not mentioned in location master, then GST will not be calculated on such transfer.
- Transfer involves two events – Shipment from Shipment location and Receipt by Recipient location.

- At the time of posting a transfer order, user has to select either Shipment or Receipt. On selecting and posting, the status of the transfer order changes to released. Once the other option is also selected and posted, the transfer order is deleted from Transfer Order List page.
- If Shipment is selected at the time of posting and if the transfer is interstate, then the following entry is generated:

G/L Account Name	Debit Amount	Credit Amount
Unrealized Profit Account ....Dr.	200	
To IGST Payable Account		200
Inventory Adjustment Account ....Dr.	1000	
To Inventory Account		1000

Note:

If the transfer is intrastate, then in the above entry, IGST is replaced by CGST and SGST.

- The above **Payable Amount** shall be reflected in **GST Settlement** when the nature of liability is selected as Sales.

- If **Receipt** is selected at the time of posting and if the transfer is interstate, then the following entry is generated:

G/L Account Name	Debit Amount	Credit Amount
IGST Receivable Account ....Dr.	200	
To Unrealized Profit Account		200
Inventory Account ....Dr.	1000	
To Inventory Adjustment Account		1000

Note:

If the transfer is intrastate, then in the above entry, **IGST Receivable** is replaced by **CGST Receivable Account** and **SGST Receivable Account**.

- As the transaction is a purchase for the Recipient location, it reflects in GSTR-2A of that location once the shipment has included the transfer in GSTR-1. The credit amount from Detailed GST Ledger Entry with Credit Availment will be available as Credit in GST Settlement screen for adjusting against Output tax liability.

c. Bonded warehouse transfers functionality :
Background:

The purchase order will be created with location as bonded warehouse and the material will be received at bonded warehouse while posting purchase order. Bonded warehouse transfers are transfers made from customs warehouse to company warehouse, this scenarios occurs when material is store at customs warehouse before moving it to company's warehouse, in this case the customs duty will be paid only when material is moved from bonded warehouse. In this case GST will not be calculated in purchase order, GST will be calculated (similar to import purchases) while posting of transfer receipts. User need to update Bill Of Entry date and Number in header and GST Assessable value and Custom Duty Amount on transfer order line (Same as values updated in purchase lines for calculating GST).

- The existing transfer orders will be used to execute this transaction. User is required to update Bonded Warehouse Boolean on Location master for identifying the locaion as bonded warehouse.
- User will select bonded warehouse location in Transfer-from Code and company warehouse location in Transfer-to Code field in transfer orders. User need to select GST structure in transfers for calculating GST in transaction.
- User need to enter Bill of Entry Number and Date in transfer order header and GST Assessable Value and Custom Duty Amount in transfer order lines (Similar to Import Purchases)
- System will calcualte GST on GST Assessable Value and Custom Duty Amount only (Similar to import purchase), not on transaction line amount.
- User need to select Vendor Code on transfer order header for system to identify the purchase account for posting non-availment cost and Vendor details will be updated in Detailed GST Ledger Entry.
- System will not calculate GST and will not create any Detailed GST Ledger Entry while posting Shipment from bonded warehouse transfers, GST will be calculated and Detailed GST Ledger Entry will be creatd similar to Import purchase transaction while posting transfer receipt.
- If the bonded warehouse location is selected in Transfer-from Code, then system will calcualte GST on GST Assessable Value and Custom Duty Amount, else system will calculate GST on transaction line amount only.
- GST Registration No. is not mandatory in Bonded warehouse location.

C. Service Transfers:

a. Background:
- Service transfers are services provided between two locations of a same legal entity but having different registration numbers. Such transfers can be within the state (if the business verticals within the state are registered separately) or interstate. Service transfers between two locations having separate registration numbers, whether interstate or intrastate, are taxable under GST.

- If the service providing location and recipient location both are in the same state, then CGST and SGST are levied. IGST is payable if the providing location and recipient location are in different states. Transfers between locations in the same state with same registration numbers are not liable to be taxed.

- Transfer is an Outward supply for providing location. Hence GST becomes payable on such transactions and the same is to be reported in GSTR-1. Once

the providing location uploads GSTR-1 into GSTN portal, the transfer reflects in GSTR-2A of the recipient location.

b. Service Transfer Functionality :

- In the system, Service transfers are treated differently when compared to transfer of goods. This is due to the reason that goods transfers affect the inventory records in the system where as service transfers involve mere transfer of service value from one location to another location.

- Service transfers can be done through **Service Transfer Order** in the system. Service Shipment and Recipient are to be done separately in the same page. Service Transfer order contains the following:

  - ➢ **General:** This is the header part where the details of the providing and recipient locations along with the corresponding General ledger accounts, shipment and receipt dates etc. can be entered/selected.
  - ➢ **Shipment lines:** In lines information such as **Transfer from G/L Account No.,** Transfer Price, GST Group Code, SAC, GST Base Amount, GST Amount etc. can be entered/seelcted.
  - ➢ **Receive lines:** Information such as **Recipient G/L Account No.,** Transfer Price, GST Group Code, SAC, GST Base amount, GST Amount etc. can be entered/selected

- On posting of service transfer shipment, system creates the following GST entries:

G/L Account Name	Debit Amount	Credit Amount
Inter-location Control Account ....Dr.	12000	
To CGST Payable Account		1000
To SGST Payable Account		1000
To Services General Ledger Account		10000

Note:

If the transfer is intrastate, then in the above entry, **CGST Payable Account** and **SGST Payable Accounts** are replaced by **IGST Payable Account.**

- On posting of service transfer receipt, system should create GST entries similar to the sales transactions.

G/L Account Name	Debit Amount	Credit Amount
Services General Ledger Account................................Dr.	10000	
CGST Receivable Account ....Dr.	1000	
SGST Receivable Account ....Dr.	1000	
To Inter-location control Account		12000

Note:

If the transfer is interstate, then in the above entry, **CGST Receivable** and **SGST Receivable** accounts are replaced by **IGST Receivable Account.**

- **Impact on Reconciliation:** The service transfer receipt entries are treated as normal purchase entries and are shown in the **GST Reconciliation** page along with the normal purchase.

- **Impact on Settlement:** The service transfer shipment process is similar to the normal sales shipment process and the GST liability is included in **Payment liability** under **GST Settlement.**

D. Transitional Provisions:
- GST is a new regime of tax. The closing credit balances of taxes in old regime such as Central Excise, Service Tax and VAT are to be brought forward as opening balances under GST regime. The transitional provisions of Model GST Law guide this transition.

- In the system, the existing **General Journals** are enhanced to handle this migration.

- User is required to do final settlement of credit available with the payment liability under different taxes.

- A new field **Tax Type** has been created for this purpose. The user has to select the appropriate tax from the drop down of **Tax Type** field. In addition, the respective **Receivable Account** is to be selected from the drop down of **Balance Account No.** field.

- GST component code to which the transferring balance accrues to also need to be selected in **General Journal** lines.

- Amount entered shall be considered as tax amount and it shall be positive. Additionally for Excise duty, Excise Type is required to be selected from the drop down.

- Once the transactions is generated, the system creates **General Ledger** entry and **Detailed Ledger Entries** along with the **Accounting Entries**. The entries posted can also be reversed.

E. Exempted Goods and Services:

- Exempted goods and services are taxed at nil rate and hence no tax liability arises for transactions involving such goods and services. Bill of Supply is required to be issued for exempted transactions.

- If an item, service or fixed asset is exempted from payment of GST, then the user can activate **Exempted** field in respective masters. Even if Exempted field is not activated in masters, the user can do so in purchase lines or sales lines. System computes GST but with zero values for these lines.

- A purchase document, sales document, warehouse stock transfers and service transfer can have both exempted lines and taxable lines. For lines which are taxable, system computes GST at appropriate percentages. System calculates GST at zero amount for exempted lines.

- GST Ledger Entry and GST Detailed Ledger Entry is also generated for exempted lines with zero amounts.

- When an advance payment is applied to an invoice consisting of both exempted as well as taxable goods/services for purchase/sales, then the lines with exempted field set true are excluded from such an application. System does not post any application, if all lines in a purchase or sales document are exempted.

F. Sub-Contracting:

a. Background:

- As per GST Law, a registered person can send inputs to a sub-contractor without payment of GST if the goods are returned within one year their being sent out from the place of business.

- If the goods are not returned within the stipulated period of time, it shall be deemed that such inputs are supplied to sub-contractor on the day of they being sent out to job worker and GST liability is required to be discharged along with interest.

b. Inputs Sent to Sub-Contracting:

- The process of inputs sending for sub-contracting remains more or less the same under GST regime.

- While shipping inputs to Sub-Contracting location (Generating Delivery Challan), system updates **GST Last Date** field in *Delivery Challan Line* table by calculating (adding) **Delivery Challan Date** field in *Purchase Line* table with the value mentioned in field **Job Work Return Period** in the *Inventory Setup* table.

- Example: Delivery Challan Date (01-Nov-2016) + Job Work Return Period (180) = GST Last Date (30-Apr-2016)

- Currently system updates **Last Date** field in *Delivery Challan Line* table with the same logic.

- GST entries will not be created at this stage of the transaction.

c. Receipt of Inputs from Sub-Contractor within stipulated time:

- The receiving / consumption from sub-contracting vendor will not be changed in GST regime.

d. Non-Receipt of Inputs from Sub-Conractor within stipulated time:

- GST liability is generated against the transaction which are not returned within the due date.

- **Create GST Liability** which is similar to **Create Excise Liability** has been created for generating the GST Liability.

- System in **Create GST Liability** screen lists only those transactions/delivery challan lines which have GST Last Date in lines.

- **Lability Date** and **Liability Document No**. are required to be updated before creating the GST liability.

- On clicking the **Create GST Liability** function, system creates **GST Liability Lines** and calculates GST.

- System calculates GST based on material sending location state code and sub-con vendor state code. The GST group available in line is considered for calculation.

- System considers vendor state code as **Customer/Vendor State Code** and material sending location state code as **Dispatch/Receiving State Code** field in **GST Configuration** table. Since this is an outward supply system picks combinations from **GST Configuration** table where **Type** is 'Customer'.

- On posting of the GST liability system creates entries in ***Posted GST Liability Line*** table. The following GST entries are created on posting of the GST liability.

G/L Account Name	Debit Amount	Credit Amount
GST Interim Account...**Dr.**	1000	
To IGST Payable Account		1000

The above GST liability is displayed as Payment liability in GST Settlement screen. The same is required to be disclosed in GSTR-1 also.

e. Inputs Received from Sub-contractor after creating the GST Liability:

- The consumption entry / material receipt entry from sub-contractor both current regime and GST regime are same. There is no change in the process.

- The GST entries shall be created at the time of posting the sub-contract receipt if the GST liability is generated for the input items which are selected in the delivery challan.

General Ledger Entry when Inputs are received back:

G/L Account Name	Debit Amount	Credit Amount
IGST Receivable Account..........................**Dr.**	1000	
To GST Interim Account		1000

- When goods are returned, they are treated as normal purchase entries and are shown in the GST Reconciliation screen along with the normal purchase.

G. Bank Charges:

a. Background:

- As per GST Law, GST is applicable on Bank Charges and ITC can be availed for specified services.

- As per Rule 54(2) of CGST Rules, 2017, Banks shall issue a tax invoice or any other document in lieu of tax invoice. In case if an invoice is not provided by the bank, then the bank statement shall be deemed to be an invoice.

- Such document shall be construed as Tax invoice even if it is not serially numbered and whether or not it contains the address of recipient of taxable service.

- Bank charges can be interstate or Interstate. CGST & SGST are applicable if the bank and customer are located in the same state. IGST is applicable if both are in different states

- The place of supply is for bank charges is governed bySection 12(12) and Section 13(8) of the IGST Act. Section 12 is applicable if the supplier and recipient both are India. Section 13 is applicable if either of the supplier or recipient is located outside India.

- As per Section 12(2), the place of supply of banking and other financial services to any person shall be the location of the recipient of services on the records of the supplier of services.If the location of recipient of services is not on the records of the supplier, the place of supply shall be the location of the supplier of services.

- As per Section13(8),the place of supply of banking and other financial services shall be the location of the supplier of services.

- If any services are received from a foreign bank by an Indian customer, then the place of supply for such services becomes the place where the foreign bank is located i.e. outside India and hence any charges collected towards such services are not subject to India GST

b. Bank Charges Functionality :

- The existing **Bank Charges** functionality can be used to book bank charges applicable for a specific transaction. The Jnl. Bank Charge is enhanced for calculation of GST. User is required to select GST related details in Jnl. Bank charges lines for calculating GST.

Specification of **GST Registration No.** in locations and Bank Account Master is a pre-requisite for computation of GST. No GST can be calculated if the same is not specified in the said masters.

- If the **Location** state code and Bank account's state code are different, then the transaction becomes an interstate purchase and if the location and Bank Account state codes are the same. Then the transaction becomes an intrastate purchase.

- Bank Charges transactions are treated as Purchase transactions and Bank as a Vendor in GST ledgers.

- The Place of Supply for Bank Charges is the Receiving location i.e. Location state code.

- The calculation related to GST for bank charges is in Jnl. Bank Charges line

- The GST Group, GST Credit , HSN/SAC, and other details are required to be entered in Jnl Bank Charges line.

- There are various scenario where GST on Bank Chargescan be calculated:
  - Bank Payment for Bank Charges with GST
  - Bank Payment for Journal Transaction and related Bank Charges with GST
  - Bank Payment for Foreign Exchange Transaction and related Bank Charges with GST

a. Bank Payment for Bank Charge with GST

- In the existing system, user can post bank charges against a payment journal transaction. Without Payment Journal transaction, bank charges cannot be posted through Jnl Bank Charges.

- This feature has been enhanced thereby enabling the   users to book bank charges with GST without any payment Journal transaction

- For posting Bank payment for Bank Charges with GST in Jnl Bank Charges, user must create Bank Charge Master and attach the relevant G/L Account.

- User must create Bank Payment Journal line for applicable charge amount against the **G/L account** selected in Bank charge master and **Bank Account** as balancing account.

- User must select **Bank charge** boolean in Bank Payment Journal line before entering GST details in Jnl. Bank charges. If this boolean is ticked, user is not required to enter any amount in Jnl Bank Charge line. The Gen. Journal Line amount will be considered as amount for Bank Charges.

- In Jnl Bank Charges, user must select the **Bank Charge Code** and enter other

GST details like **GST Group Code, GST Credit Type,** etc.

- Once the details are updated to calculate GST user must click on **Calculate GST** function in Jnl bank Charge

- On posting this transaction, only entries related to Bank charges and GST will be posted

Entries:

In the below Entries, the following are assumed:

Description	Calculation
Bank Charge Amount (Rs.)	10000
CGST Rate	9%
SGST Rate	9%
IGST Rate	18%
Bank Account	GIRO
Bank Charge G/L Account	8249

The following Entry is generated if Intrastate Bank Payment for Bank Charges with GST is posted with – Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Bank Charges ....Dr.	10000	
SGST Receivable Account.....................Dr.	900	
CGST Receivable Account.....................Dr.	900	
To Bank Account		11800

The following Entry is generated if Interstate Bank Payment for Bank Charges with GST is posted with – Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Bank Charges ....Dr.	10000	
IGST Receivable Account.....................Dr.	1800	
To Bank Account		11800

The following Entry is generated if Intrastate Bank Payment for Bank Charges with GST is posted with – Credit Non Availment

G/L Account Name	Debit Amount	Credit Amount
Bank Charges ....Dr.	11800	
To Bank Account		11800

b. Bank Payment for Journal Transaction and relevant Bank Charge with GST

- User can create a normal Payment transaction for purchase from any Vendor and select the applicable Bank Charges in Jnl Bank Charge lines.

- The amount for Bank Charges shall be entered in Jnl Bank Charge and other GST details like GST Group Code, GST Credit, HSN/SAC details etc must be entered for calculation of GST.

- Once the details are updated to calculate GST, user must click on **Calculate GST** function in Jnl Bank Charge

- On Posting this transaction, the entries for Journal transactions will get posted as default along with bank charge and GST details

c. Bank Payment for Foreign Exchange Transaction and related Bank Charge with GST

- Bank Payment for Foreign Exchange transaction shall be booked in a similar manner as Bank Payment for Journal Transaction is booked, as described above.

- The Amount (LCY) in the Bank Payment Journal is the Value of Supply for which the Bank charges are defined in Jnl. Bank Charges. The Balancing account Type must be Bank Account for this Line.

- User must select the Bank charges with Foreign Exchange boolean in Jnl Bank charge against the Journal Transaction and enter other GST details like **GST Group Code, GST Credit Type,** etc.

- If foreign exchange bank charge is selected, user is not required to enter any amount in Jnl Bank Charge line.

- Once the details are updated to calculate GST, user must click on **Calculate GST** function in Jnl Bank Charge

- On clicking this function, if the Foreign Exchange Boolean is True in Jnl Bank Charges line, then the GST Base amount shall get updated as the Deemed Value calculated from the Bank Charge Deemed Value Setup. GST will be calculated on this deemed Value.

- On Posting this transaction the entries for Journal transactions are posted as default along with GST details. The deemed value will not be posted to Bank Charge account.

Deemed Value Calculation for GST Base Amount in Foreign Exchange Transactions

There are two parts of Calculation:

- Identifying the Amount of Supply on which the Deemed Value is required to be calculated
- Calculation of Deemed Value i.e. GST Base amount

The calculations are explained below with examples:

Bank Charge Deemed Value Setup:

Bank Charge Code	Lower limit	Upper limit	Formula for Deemed Value	Min. Deemed Value	Max Deemed Value	Deemed %	Fixed Amount
BC_1	0	100000	Comparative	250		1%	
BC_1	100000	1000000	Fixed + Deemed %			0.5%	1000
BC_1	1000000	1000000000	Fixed+Comparative		60000	0.1%	5500
BC_2	0	1000000	Deemed %			10%	
BC_2	1000000	1000000000	Fixed				10000
BC_3	0	1000000000	Comparative	100	10000	10%	

Calculation of Amount of Supply applicable for calculation of Deemed Value:

Case No.	Bank Charge	Value of Supply(INR)	Description	Applicable Amount of Supply

1	BC_1	500	➢ In this case the Value of Supply is 500 which is less than Upper Limit of **1Lakh** defined in 1st Line for code **BC_1** ➢ The **lower Limit** is given as **Zero**	=500-0 =500
2	BC_1	100000	➢ In this case the Value of Supply is 1lakh which is equal to the Upper Limit of **1Lakh** defined in 1st Line for code **BC_1** ➢ The **lower Limit** is given as **Zero**	=100000-0 =100000
3	BC_1	100001	➢ In this case the Value of Supply is 1lakh one rupee which is less than the Upper Limit of **10Lakh** defined in 2nd Line for code **BC_1** ➢ The **lower Limit** is given as **1Lakh**	=1000001-100000 =1
4	BC_1	1050000	➢ In this case the Value of Supply is 10lakh Fifty thousand rupee which is less than the Upper Limit defined in 3rd Line for code **BC_1** ➢ The **lower Limit** is given as **10Lakh**	=1050000-1000000 =50000
5	BC_1	6998016	➢ In this case the Value of Supply is 6998016.00 rupee which is less than the Upper Limit defined in 3rd Line for code **BC_1** ➢ The **lower Limit** is given as **10Lakh**	=6998016-1000000 =5998016
6	BC_2	1000000	➢ In this case the Value of Supply is 1000000 which is equal to the Upper Limit of **1Lakh** defined in 1st Line for code **BC_2** ➢ The **lower Limit** is given as **Zero**	= 1000000 -0 = 1000000

7	BC_2	1000001	➢ In this case the Value of Supply is 1000000 which is less than the Upper Limit in 2nd Line for code **BC_2** ➢ The **lower Limit** is given as **1000000**	= 1000001 -1000000 = 1
8	BC_2	10050000	➢ In this case the Value of Supply is 10050000 which is less than the Upper Limit in 2nd Line for code **BC_2** ➢ The **lower Limit** is given as **1000000**	= 10050000 -1000000 = 9050000
9	BC_3	50	➢ In this case the Value of Supply is 50 which is less than the Upper Limit defined in 1st Line for code **BC_3** ➢ The **lower Limit** is given as **Zero**	= 1000000 -0 = 50
10	BC_3	50000	➢ In this case the Value of Supply is 50000 which is less than the Upper Limit defined in 1st Line for code **BC_3** ➢ The **lower Limit** is given as **Zero**	= 50000 -0 = 50000
11	BC_3	1050000	➢ In this case the Value of Supply is 1050000 which is less than the Upper Limit defined in 1st Line for code **BC_3** ➢ The **lower Limit** is given as **Zero**	= 1050000 -0 = 1050000

Calculation of Deemed Value/GST Base Amount:

Case No.	Bank Charge	Value of Supply (INR)	Amount of Supply	Formula	Description	Deemed Amount

1	BC_1	500	500	Comparative	Min. Deemed Value= 250 Maximum Deemed Value = 0 Deemed%*Amount of Supply= 1%*500 = 5	=250
2	BC_1	100000	100000	Comparative	Min. Deemed Value= 250 Maximum Deemed Value = 0 Deemed%*Amount of Supply= 1%*100000 = 1000	=1000
3	BC_1	100001	1	Fixed + Deemed%	Fixed Value = 1000 Deemed%*Amount of Supply= 0.5%*1 = 0.005	= 1000 + 0.005 =1000.005
4	BC_1	1050000	50000	Fixed+ Comparative	Fixed Value = 5500 Min. Deemed Value= 0 Maximum Deemed Value = 60000 Deemed%*Amount of Supply= 0.1%*50000 = 50	=5500+50 =5550
5	BC_1	6998016	5998016	Fixed+ Comparative	Fixed Value = 5500 Min. Deemed Value= 0 Maximum Deemed Value = 60000 Deemed%*Amount of Supply= 0.1%* 5998016 = 5998.016	=5500+5998.016 =11798.02
6	BC_2	1000000	1000000	Deemed%	Deemed%*Amount of Supply= 10%*1000000 = 100000	=100000
7	BC_2	1000001	1	Fixed	Fixed Value = 10000	=10000
8	BC_2	10050000	9050000	Fixed	Fixed Value = 10000	=10000
9	BC_3	50	50	Comparative	Min. Deemed Value= 100 Maximum Deemed Value = 10000 Deemed%*Amount of Supply= 10%* 50 = 5	=100
10	BC_3	50000	50000	Comparative	Min. Deemed Value= 100 Maximum Deemed Value = 10000 Deemed%*Amount of Supply= 10%* 50000 = 5000	=5000

| 11 | BC_3 | 1050000 | 1050000 | Comparative | Min. Deemed Value= 100 Maximum Deemed Value = 10000 Deemed%*Amount of Supply= 10%* 1050000 = 105000 | =10000 |

Entries:

In the below Entries, the following are assumed:

Description	Calculation
Jnl Bank Charges Details	
CGST Rate	9%
SGST Rate	9%
IGST Rate	18%
Bank Charge BC_1 G/L Account(Foreign Exchange)	8249
Bank Charge BC_4 G/L Accent(Normal)	8410
Bank Charge Amount for BC_1	0
Bank Charge Amount for BC_2 (Say Commission)	300 (LCY)
Gen. Journal Line Details	
Bank Account	GIRO
Currency Purchase Account	10000
Amount	108,800.00
Currency	USD
Value of Purchase in INR	6,998,016.00
Calculated Values	
Deemed Value for BC_1	11,498.02
GST Amount FOR BC_1	2,069.64
GST Amount FOR BC_4	54

The following Entry is to be generated if Intrastate Bank Payment for Foreign Exchange Bank Charges with GST is posted with – Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Currency Purchase Account.....................Dr.	6,998,016.00	
Commission Charges ....Dr.	300.00	

G/L Account Name	Debit	Credit
SGST Receivable Account.....................Dr.	1061.82	
CGST Receivable Account.....................Dr.	1061.82	
To Bank Account		7,000,439.64

The following Entry is to be generated if Interstate Bank Payment for Foreign Exchange Bank Charges with GST is posted with – Credit Availment

G/L Account Name	Debit Amount(Rs.)	Credit Amount (Rs.)
Currency Purchase Account.....................Dr.	6,998,016.00	
Commission Charges ....Dr.	300.00	
IGST Receivable Account.....................Dr.	2123.64	
To Bank Account		7,000,439.64

The following Entry is to be generated if Intrastate/Intrastate Bank Payment for Foreign Exchange Bank Charges with GST is posted with – Credit Non Availment

G/L Account Name	Debit Amount(Rs.)	Credit Amount(Rs.)
Currency Purchase Account.............Dr.	7,000,085.64	
Commission Charges.......................Dr.	354.00	
To Bank Account		7,000,439.64

Note:

- Reversal of Bank Charge with GST can be posted from Bank Receipt Voucher. The process of refund is same as that of the payment.

All the Bank Charge transactions are considered as purchase for the Recipient location and reflects in GSTR-2A of that location, once the payment is posted. The credit amount from Detailed GST Ledger Entry with Credit Availment will be available as Credit in GST Settlement screen for adjusting against Output tax liability.

H. GST Adjustment Journal – (Inventory Writeoff):

GST Adjustment Journal is designed to handle certain **Credit Reversal** arising on inventory adjustment in case of lost, stolen, destroyed or consumed for non-business purposes. These adjustments are explained in the table given below:

a. Need for Adjustment
- ITC has to be reversed for the items which are Lost, Stolen, Destoryed, Writen-off or Disposed off by the way of gift or free sample.
- The adjustment journal helps user to post ITC reversal for various reasons.

b. Types of Adjustment Journal

S. No.	Nature of Adjustment	Purpose of Adjustment
1	**Lost/Destroyed**	This Adjustment can be used for posting of Inventory lost/destroyed, stolen, write off or disposed off by the way of gift or free samples. Entry will be posted to Detailed GST Ledger Entry with **Adjustment Type** as 'Lost/Destroyed', **Reversed by Entry No.** will be updated with initial entry number and **Reversed** will be updated as 'True'
2	**Consumed**	This adjustment can be used for material consumed for non-business usage. Entry will be posted to Detailed GST Ledger Entry with **Adjustment Type** as 'Consumed', **Reversed by Entry No.** will be updated with initial entry number and **Reversed** will be updated as 'True'

- Adjustment can be done for Type 'Item' and 'G/L Account' where the GST Group Type is 'Goods'.
- System will create GST Tracking entires for tracking Item Ledger Entry number against Detailed GST ledger Entry.
- The adjustment journal can be posted multiple times so, once the adjustment is posted, system will allow adjustment for the remaining quantity only. The remaining quantity is updated in GST Tracking entries.
- On posting of adjustment journal, system will create negative adjustment entry in Item Ledger Entry with adjusted quantity.
- Value entry will be created for GST amount which will be loaded on invenotry. If any transactions has availment and non-availment lines, in such cases system will post only availment amount on inventory as non-availment amount is already posted on inventory at the time of initial entry.
- For Line Type G/L Account, system will not create Item Ledger Entry and Value Entry, only G/L entries will be created.

c. Accounting Entries:

G/L entries for Line Type – Item (Availment)

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Purchase A/c ………………………………Dr.	400	
To GST Payable Account		400

G/L entries for Line Type – G/L Account (Availment)

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Service A/c …………………………………Dr.	400	
To GST Payable Account		400

11.   GST Reconciliation & Credit Adjustment Journal

A. GST Reconciliation:
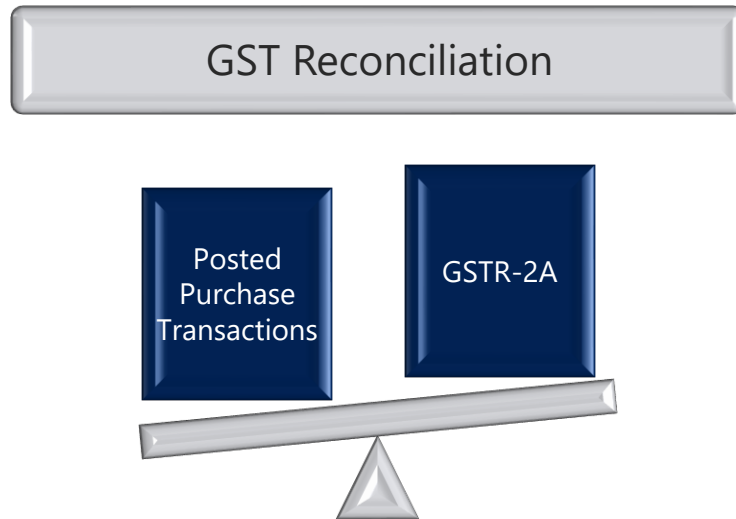
a. Purpose of Reconciliation:

- Line wise details of all invoices, supplementary invoices, debit notes and credit notes issued by a vendor/supplier towards Outward supplies made during a month shall be reported in GSTR-1 by 10th of the succeeding month.

- Sales uploaded by the supplier/vendor in GSTR-1 are auto-reflected in GSTR-2A and GSTR-2 of the buyer as Inward supplies. For example, if the buyer purchases goods or services from 100 vendors in a month, the details of all such purchases will be reflected in GSTR-2A & GSTR-2 of the buyer, provided all 100 vendors have uploaded their sales in GSTR-1.

- Purchase transactions posted in the system for a month shall be reconciled with the supplier-uploaded information in GSTR-2A. This is because, certain discrepancies may arise between the two due to the following reasons:
  - Any supplier or suppliers may ignore to upload invoice details in their GSTR-1
  - Supplier entering wrong GSTIN of the buyer
  - Omission of entering any invoice by the buyer

- Invoice No. & Date, Tax Amounts may be wrongly entered by the buyer in his ERP/books of account.

- The buyer can add, modify and delete the auto-populated information in GSTR-2. Such information is made available to supplier in GSTR-1A. The supplier can accept or reject the modifications made by the buyer and supplier's GSTR-1 shall stand amended to the extent of modifications accepted by him.

```
[Upload GSTR-1 by the Supplier] → [Auto drafted GSTR-2A based on details from GSTR-1 filed by counterparty suppliers] → [Generate GSTR-2 by accepting, rejecting or modifying details in GSTR-2A]
                                                                                                                              ↓
[GSTR-1 stands amended to the extent of modifications accepted in GSTR-1A] ← [Supplier accepts or rejects modifications available in GSTR-1A] ← [modifications made in GSTR-2 made available to supplier GSTR-1A]
```

- Buyer can avail credit with respect to invoice lines matched with the information in GSTR-2A. Though buyer can avail mismatched credit on a provisional basis, the same will get auto-reversed, if the supplier fails to upload invoices.

- To summarize, Reconciliation feature is required to:
  - Identify the purchase transactions, which are matched/unmatched with GSTR-2A.
  - To ascertain the modifications required to be made in GSTR-2 and follow up the supplier to accept the same
  - Monitor unmatched transaction lines, if credit is availed on a provisional basis.

- Hence, every month before uploading GSTR-2 by the buyer, the purchases as per the books of account of buyer shall be matched with the supplier-uploaded information in GSTR-2A.

b. GST Reconciliation :

- Mapping GST Reconciliation fields with GST Components in GST Recon. Mapping is a pre-requisite for GST Reconciliation. Unless it is done, the user cannot do Reconciliation.

- Reconciliation feature enables the user to reconcile the posted purchase transactions with GSTR-2A downloaded from GSTN portal.

- Purchase Transactions with Vendor Type – Unregistered, Imports and Composite are excluded from Reconciliation. [This is due to the reason that unregistered and import vendors are not registered with GSTN authorities and hence will not upload their upload supplies in GSTR-1. Hence the same are not reflected in GSTR-2]

- Invoice having multiple lines are clubbed together and shown as one line in GST Reconciliation feature i.e. Total Taxable amount and Tax Amounts (CGST, SGST, IGST).

- Periodic GSTR-2A can be downloaded in Excel or XML format. The following fields in GSTR-2A is matched with that of GST Reconciliation lines
  - ➢ External Document No.
  - ➢ Tax Amounts (IGST, CGST, SGST)
  - ➢ Vendor Invoice Date
  - ➢ GSTIN of the Supplier
  - ➢ Document Date

- Mismatched lines are displayed with error type so that the same can be rectified. If due to any reason, External Document is wrongly entered in the system, the same can be altered by using **Update Invoice Details** feature.

- GSTR-2A can be downloaded and reconciled with existing **GST Reconciliation** lines multiple times, but posting can be done only once in a month.

- For a given month, **GST Reconciliation** include lines pertaining to purchase transactions (Registered Vendor including Reverse Charge) posted during the month and the lines, which are posted and unmatched during the previous months.

- **GST Reconciliation lines** shown in GST Reconciliation page are coming from following transactions:

- ➢ Registered Vendor (Including Reverse Charge Posting Group)
- ➢ Sub-Contracting Invoices (Registered Vendor)
- ➢ Service Transfers
- ➢ Transfer Orders

- GST Reconciliation Lines shown in the selected month are having purchase transaction (**Invoice & Credit Memo**) till the **End Date** for selected month.

- System will **Exclude Exempted Purchase Lines** from GST Reconciliation. For example if a invoice is having 2 lines, one is exempted and other is taxable than system will only consider **Taxable line** in GST Reconciliation.

- Once the **GST Reconciliation** lines are posted, System will not generate any accouning entries and Detailed GST Ledger entries in all GST lines will get updated with '**Reconcile**' Boolean, **Reconciliation Month** and **Reconciliation Year** GST Reconciliation lines which are **Reconciled** will not be considered again for reconcilation

B. Credit Adjustment Journal:

Credit Adjustment Journal is designed to handle certain **Credit Adjustments** arising on reconciliation. These adjustments are explained in the table given below:

a. Purpose of Credit Adjustments

S. No.	Nature of Adjustment	Purpose of Adjustment
1	**Credit Reversal**	This adjustment enables the users to reverse the availed credit for posted transactions. Detailed GST Ledger entries and Detailed Cr. Adjustment entries will be updated with **Credit Adjustment type** as 'Credit Reversal'. **Detailed Cr. Adjustment Entries** will be created and updated with 'Credit Availed' as **FALSE** and 'Liable to Pay' as **TRUE**.
2	**Credit Re-Availment**	This Adjustment allows the users to re-avail the reversed credit for posted transactions. Detailed GST Ledger entries and Detailed Cr. Adjustment entries will be updated with **Credit Adjustment type** as

S. No.	Nature of Adjustment	Purpose of Adjustment
		'Credit Re-Availment'. **Detailed Cr. Adjustment Entries** will be created and updated with 'Credit Availed' as **TRUE** and 'Liable to Pay' as **FALSE**.
3	**Permanent Reversal**	This adjustment allows the user to reverse a transaction permanently. Detailed GST Ledger entries and Detailed Cr. Adjustment entries will be updated with **Credit Adjustment type** as 'Permanent Reversal'. **Detailed Cr. Adjustment Entries** will be created and updated with 'Credit Availed' as **FALSE** and 'Liable to Pay' as **FALSE**.

a. Need for Adjustment

Nature of Adjustment	Need for Adjustment
Credit Reversal	If Provisional Credit is availed and credit remains unmatched, then after a prescribed period, the credit gets auto-reversed in Credit ledger of GSTN Portal. This adjustment enables the user reverse such credit availment in the books of account and posted to respective GST mismatch account.
Credit Re-Availment	In the above scenario, credit is reversed due to the reason that vendor payment is not made within ninety days or for any other reason. Subsequently, if the vendor payment is made, then the reversed credit can be re-availed. Hence, this adjustment allows the user to re-avail the credit and post it to respective GST Receivable account.
Permanent Reversal	If the user is certain that the vendor will never upload the invoice information in GSTN portal, then the user can reverse the credit posted to respective GST Mismatch Account and post the same into respective GST expense account.

b. Accounting Entries:

Nature of Adjustment	Document Type	Debit	Credit
Credit Reversal	Invoice	GST Credit Mismatch Account	GST Payable Account

Nature of Adjustment	Document Type	Debit	Credit
	Credit Memo	GST Payable Account	GST Credit Mismatch Account
Credit Re-Availment	Invoice	Receivable Account	GST Mismatch Account
	Credit Memo	GST Mismatch Account	Receivable Account
Permanent Reversal	Invoice	GST Expense Account	GST Mismatch Account
	Credit Memo	GST Mismatch Account	GST Expense Account

Note: User can post GST Credit Adjustment Journal selecting nature of adjustment type as **Credit Re-Availment** and **Permanent Reversal** after posting GST Adjustment Journal for Type **Credit Reversal**.

If the **GST Credit Adjustment Journal** is posted with Nature of Adjustment as 'Permanent Reversal' then system will not consider these entries again for posting via adjustment type as 'Credit Reversal' or 'Credit Re-Availment'.

12. GST Settlement

A. Background:

- Settlement refers to discharge of tax liability to the government. Tax liability arises under below scenarios:
  - ➢ Outward Supplies (Sales, Transfers)
  - ➢ Inward Supplies that are subject to Reverse charge (Purchases, inward transfers)
  - ➢ Credit Reversal Adjustments
  - ➢ Negative credit from Purchase Transactions
  - ➢ Negative Credit for ISD Distributions

- This tax liability on both interstate transactions (IGST) and intrastate transactions (SGST, CGST) is to be discharged on a monthly basis to the government. GST paid on purchase transactions can be taken as credit subject to certain conditions. Such credit can be offset against the tax payable on Sales.

- Hence, GST payable on sales transactions can be discharged by payment of cash or utilization of credit or both. Credit utilized can be credit pertaining to the same component or different components. As per Model GST Law, credit of IGST, CGST and SGST shall be claimed in the chronological order as given below:

Credit of	To be Adjusted against
IGST	✓ IGST ✓ CGST ✓ SGST
CGST	✓ CGST ✓ IGST
SGST	✓ SGST ✓ IGST

- **Claim Setoff Table:** In order to permit users to define cross credit utilization, **Claim Setoff** table has been provided (GST Components – Actions). For each component of tax, the cross credit component and its priority can be assigned in this table. To illustrate, for discharging IGST liability, credits of CGST and SGST can be used. Similarly, CGST liability and SGST liability can be offset with IGST liability. This can be claimed in the **Claim Setoff** table as given below:

GST Component	GST Component	Set-off Priority
IGST	CGST	1
IGST	SGST	2
CGST	IGST	1
SGST	IGST	1

The first priority for any component would be that component itself. This logic is inbuilt. The above table is setting priorities for other components.

- Reverse charge Liability shall always be discharged in cash. Credit can be availed in the month of tax remittance to the government.

- For Outward supplies, GSTR-1 is to be filed monthly by 10th of the succeeding month. Based on the transactions reported in the return, Output liability is determined. GSTR-2 is the inward supply return, which is required to be filed by the 15th of the succeeding month. This return determines the credit that can be availed. Three ledgers are maintained on the GSTN portal – Liability ledger, Credit Ledger and Payment ledger. Liability ledger is updated based upon GSTR-1 filed, Credit ledger is updated based upon GSTR-2 filed and Cash ledger is updated on tax payment made in cash.

- As on date, it is not clear, whether the taxpayer has to offset the available credit compulsorily or liability can be discharged in his own way either utilizing credit fully or partly or discharging entire liability in cash, despite availment of credit. GSTR-3 does not contain any tables where this sort of tax planning can be done.

- Hence there should be some mechanism in the system where by user can record the Tax Liability, Credit availed, Credit utilized and cash payment made in cash, which is called Settlement. In a word to say, system should replicate the settlement process done in GSTN portal but in a bit different way.

- For GSTN portal, the returns filed becomes the source for accomplishing the process. As the transactions are posted in the system itself, the tax entries generated by posted transactions becomes the source for accomplishing the process of settlement and **GST Settlement** screen becomes the venue where such process is accomplished.

B. Sources of Settlement:

a. Sales Liability :

The net liability from below Sources are shown in Payment Liability:

1. **Detailed GST Leder entry**: Liability from below transactions having Liabile to Pay true in Detail GST Ledger entry will be shown in Liability for current period
   - Advance Receipt
   - Refund
   - Reversal of Advance Receipt
   - Transactions posted through Sales/Service documents
   - Warehouse Transfer Shipments
   - Service Transfer Shipments
   - Subcontracting Liability

2. **Detailed Credit Adjustment entry:** Credit Reversals from Credit Adjustment Journal are shown in Liability

3. **Posted Settlement Entry:** Any negative Liability from previous period settlement which were not adjusted are shown in Liability for Current period

4. If net **Credit Availed** for this period is negative then it will be added in the current period Liability

b. Reverse Charge Liability:

The Net Liability of the following transactions that are subject to Reverse charge are shown in Payment Libaility- Rev. Chrg.:
   - Advance Payments
   - Refund
   - Reversal of Advance Receipt
   - Transactions posted through Purchase documents

c. Credit Availed :

The net Credit from below sources are shown in Credit Availed for Settlement.

1. **Detailed GST Leder entry**: Credit from below transactions having Credit Availed true in Detail GST Ledger entry will be shown in Liability for current period
   - Transactions posted through Purchase documents
   - Warehouse Transfer Receipts
   - Service Transfer Receipts
   - Subcontracting Receipts and Invoice
   - Transitional Provision Transactions

2. **Detailed Credit Adjustment entry:** Credit Re-availment entries from Credit Adjustments are shown in Credit Availed.

3. **Posted Settlement Entry:** Any unutilized credit from previous period will get added in Credit Availed for Current period
4. **Distributed Credit:** Credit received after ISD distribution to the Receipients will get added to Credit Availed.

C. Process of Settlement
a. Settlement of Net Payment Liability
- System auto-populates the net Payment Liability and the Total Credit availed in settlement Screen for the given period
- Credit Utilized shall be auto populated by the system based on the priorities set out in Claim Set-off table. However, the user can edit the same.
- The auto population of credit utilization shall be based on the assumption that unless the credit availed – both own credit (Credit of the component itself) and cross credit (credit of other components) is utilized fully, cash payment for a particular component shall not arise.

- **Examples for auto-population of Credit Utilized field in GST Settlement Settlement entirely through Credit (System auto-populates credit utilized as given in the example)**

GST Component	Tax Liability	Credit Availed	Credit Utilized	Tax Liability
IGST	20000	10000	20000	0
CGST	10000	15000	10000	0
SGST	15000	20000	15000	0

Assuming the priority set out in **Claim Set-off** table given above, each component's credit is utilized first for that component itself. Any balance left over can be utilized for discharging tax liability of other components.

In the given example, SGST Tax liability is Rs.15000 and Credit Available is Rs. 20000. The credit is utilized for discharging SGST liability first. Balance Credit of Rs. 5000 (20000-15000) is used for discharging IGST liability.

CGST Tax liability is Rs.10000 and Credit Available is Rs. 15000. The credit is utilized for discharging CGST liability first. Balance Credit of Rs. 5000 (15000-10000) is used for discharging IGST liability.

IGST Tax liability is Rs.20000 and Credit Available is Rs. 10000. The credit utilized

becomes Rs. 20000, which is sum of IGST Credit – Rs. 10000, CGST balance Credit 5000 and SGST balance credit Rs. 5000.

Settlement through partly credit and partly cash: (System auto-populates credit utilized as given in the example)

GST Component	Tax Liability	Credit Availed	Credit Utilized	Tax Liability
IGST	30000	10000	15000	5000
CGST	10000	15000	10000	0
SGST	25000	20000	20000	5000

In the given example, SGST Tax liability is Rs.25000 and Credit Available is Rs. 20000. After utilizing credit, the balance amount of Rs. 5000 is to be payable by cash.

CGST Tax liability is Rs.10000 and Credit Available is Rs. 15000. The credit is utilized for discharging CGST liability first. Balance Credit of Rs. 5000 (15000-10000) is used for discharging IGST liability.

IGST Tax liability is Rs.20000 and Credit Available is Rs. 10000. The credit utilized becomes Rs. 15000, which is sum of IGST Credit – Rs. 10000 and CGST balance credit 5000. After utilizing credit, the balance amount of Rs. 5000 is to be payable by cash.

- As said earlier, auto-populated credit utilized field can be edited by the user. However, if credit availed for any component is less than or equal to the tax liability and if the credit availed is not utilized in full, then the same cannot be utilized for other components. It will be carried forward to next month.

- If credit availed for any component is greater than the tax liability and the credit is not utilized in full for that component, then the credit that can be carried forward to the cross components would be **Credit Availed – Tax Liability**. Remaining credit shall be carried forward to the next month.

- Examples if the user edits Credit Utilized field manually:

GST Component	Tax Liability	Credit Availed	Credit Utilized	Payment	Carried forward to next month
IGST	20000	10000	15000	5000	0
CGST	10000	15000	5000	0	0
SGST	15000	10000	5000	5000	5000

In the given example, SGST is having Tax Liability of Rs. 15000 and the Credit Availed is Rs. 10000. Here Credit Availment is less than the tax liability and the user is utilizing only Rs. 5000 credit. Hence, the remaining credit cannot be utilized for other components but the same will be carried forward to next month.

Tax Liability of CGST is Rs. 10000 and Credit Availed is Rs 15000. This is the case where credit Availed is more than Tax Liability. However, credit utilized is Rs. 5000. The difference between Tax Liability and Credit Availed is Rs. 5000 (15000-10000) which is used against IGST liability. The difference between Tax Liability and Credit Utilized will be carried forward to next month.

- Other Validations:
  - Credit cannot be utilized for payment of interest, penalty, fees and others. They shall always be paid in cash.
  - Credit Utilized and Payment amount shall not exceed tax liability.
  - Total Credit utilized for a particular component shall not exceed total credit availed of that components plus Surplus credit of other components prioritized in claim-set off table for such component.
  - **Account No.** and **Account Type** shall be the same for all tax components. However, Interest Account, Fees Account, Penalty Account and Others Account can be defined differently for different tax components.
  - Credit cannot be utilized for payment of Reverse Charge Liability. The entire liability is to be discharged in cash.Once settlement is done for any Payment/Refund document, the same cannot be reversed in system.

- **Example for Accounting Entry:**

GST Component	Tax Liability	Credit Availed	Credit Utilized	Payment

IGST	20000	10000	15000	5000
CGST	10000	15000	10000	0
SGST	15000	10000	10000	5000

Accounting Entry:

Particulars	Debit (Rs.)	Credit (Rs.)
IGST Payable Account.........................Dr.	20000	
CGST Payable Account......................Dr.	10000	
SGST Payable Account.......................Dr.	15000	
To Bank Account		10000
To IGST Receivable Account		10000
To CGST Receivable Account		15000
To SGST Receivable Account		10000

- **Example for Accounting Entry when Credit Availed is Negative:**

GST Component	Tax Liability	Credit Availed	Credit Utilized	Payment
IGST	20000	-10000	5000	25000
CGST	10000	15000	10000	0
SGST	15000	10000	10000	5000

Accounting Entry:

Particulars	Debit (Rs.)	Credit (Rs.)
IGST Payable Account.........................Dr.	30000	
CGST Payable Account......................Dr.	10000	
SGST Payable Account.......................Dr.	15000	
IGST Receivable Account....................Dr.	10000	
To Bank Account		30000
To CGST Receivable Account		15000
To SGST Receivable Account		10000
To IGST Payable Account		10000

In case of negative Credit, the same will be treated as our Liability and needs to be paid in the current period settlement.

- **Example for Accounting Entries in case of Reverse Charge Liability:**

GST Component	Tax Liability (Reverse Charge)	Credit Availed	Credit Utilized	Payment
IGST	20000	0	0	20000
CGST	10000	0	0	10000
SGST	15000	0	0	15000

Accounting Entry when the liability on Invoice is discharged

Particulars	Debit (Rs.)	Credit (Rs.)
IGST Payable Account…………..Dr.	20000	
CGST Payable Account…………..Dr.	10000	
SGST Payable Account…………..Dr.	15000	
To Bank Account		45000

- After posting the entry, Payment Document No., Payment Document Date and Paid field in **GST Detailed Ledger Entry** of Advance Payment & Invoice shall be updated.

D. Posted Settlement Entries
- Posted Settlment Entries table will get updated with **Credit Utilized** and **Carry Forward** fields.
- The carry forward amount will be used as credit for the next settlement period
- Unutilized Liability(If any) and Payment Liability(If negative) will be carried forward and will be adjusted in Payment Liability for the next settlement period

13. GST Input Service Distribution

A. Initial Set-ups and Transaction flow for Input Service Distribution:

a. Purpose:

- Input Service Distributor (ISD) is an office of the supplier which distributes credit pertaining to Input Services (CGST, SGST and/IGST) to various locations of the supplier.

- The recipient locations can be inter-state or intra-state, but they should have the same PAN as that of the Distributing location.

- **GST Input Service Distribution** functionality can be used to distribute CGST & SGST/IGST paid on Input services (Input Tax Credit) to other locations.

- This functionality as of now is applicable only for Services.

b. Out of Scope:

- The following remains out of scope or unaffected by Input Service Distribution. They are:
  - ➢ Sub-contracting
  - ➢ Service Management
  - ➢ Warehousing
  - ➢ Service Transfers

- System does not allow posting any sales transactions, if the **Location** contains the Registration No. for which field **GST Input Service Distribution** is activated.

- Also, no credit adjustemnts Journal can be posted for any ISD transaction. For any adjustment the user must reverse the distribution through Distribution reversal functionality and then redistribute the credit.

c. Initial Set-ups:

- The user has to activate **Input Service Distributor** field in **GST Registration Nos**. Set-up to enable this functionality for a particular GSTIN. System allows the user to activate this field for multiple GSTIN Nos.

- In **GST Posting Set-Up, Receivable Distribution (Interim) Account** and **Receivable Distribution Account** are to be defined by the user for each component of GST (IGST, CGST, SGST and GST Compensation Cess)

- If GST Registration No. with GST Input Service Distributor checked is selected in GSTIN, then **GST Input Service Distributor** field is automatically activated in **Location** master. Such a field is an un-editable field.

- Field **GST Input Service Distributor** is automatically activated, if any **Location** with **GST Input Service Distributor** field activated, is selected in Purchase Documents.

- GST Components and their Distribution Components for ISD Ledgers are to be defined in **GST Component Distribution**

d. ISD Process:

- Input Service Distribution is applicable for Registered Vendor only**, reverse charge transactions are not allowed against ISD enabled location**.

- This is applicable when **GST Group Type** is **Service**.

- Only Line Type **G/L Account** can be used for ISD transactions.

- The workflows that are applicable for normal transactions apply to Input Service Distribution as well. Additionally, **Input Service Distribution** check mark automatcially flows to **Tax Information** tab of purchase headers.

- General ledger entries are similar to normal transactions except for credit entries. **GST Credit** is posted to **Receivable Account (Distribution).**

- The Input Credit posted to Receivable account (Dist.) on distribution will be posted to **Receivale Account.**

- General Ledger entries for Non-Availment are different from normal transactions. The in-eligible credit needs to be expensed in the Receipient location for ISD transaction. The In-eligible Credit thus is posted to GST Expense account instead of loading on the Actual Expense account at time of invoicing

from ISD location.

- The ineligible credit posted in **GST expense Account** on distribution will be loaded on the actual expense account in receipient location.

- However, user has option to distibute eligible creadit as ineligible to the receipient or vise versa. The credit distributed as availment will get posted in the **Receivale Account.** and the credit distributed as non-availment will get loaded on the **Actual expense/Service Account.**

e. Accounting Entries for Purchase Transactions:

Entry for an Intrastate Purchase of services with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
General Ledger Account.................Dr.	10000	
SGST Receivable Account (Dist.)........Dr.	1000	
CGST Receivable Account (Dist.)........Dr.	1000	
To Vendor Account		12000

Entry for an Intrastate Purchase of services with Credit – Non-Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
General Ledger Account.................Dr.	10000	
SGST Expense Account ....Dr.	1000	
CGST Expense Account ....Dr.	1000	
To Vendor Account		12000

Entry for Interstate purchase of services with Credit – Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
General Ledger Account.................Dr.	10000	
IGST Receivable Account (Dist.).......Dr.	2000	
To Vendor Account		12000

Entry for Interstate purchase of services with Credit – Non -Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
General Ledger Account.................Dr.	10000	

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
IGST Expense Account ....Dr.	2000	
To Vendor Account		12000

Entry for an Intrastate Purchase Credit Memo for services with Credit - Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account....................................Dr.	12000	
To SGST Receivable Account (Dist.)		1000
To CGST Receivable Account (Dist.)		1000
To Services (General Ledger) Account		10000

Entry for an Intrastate Purchase Credit Memo for services with Credit – Non-Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.................................Dr.	12000	
To SGST Expense Account		1000
To CGST Expense Account		1000
To Services (General Ledger) Account		10000

Entry for an Intrastate Purchase Credit Memo for services with Credit – Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.................................Dr.	12000	
To IGST Receivable Account (Dist.)		2000
To Services (General Ledger) Account		10000

Entry for an Interstate Purchase Credit Memo for services with Credit – Non-Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Vendor Account.................................Dr.	12000	
To IGST Expense Account		2000
To Services (General Ledger) Account		10000

f. Accounting Entries for ISD Distribution:

Entry for an Intrastate Distribution of Invoice with Credit - Availment to Receipient location as Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Receivable Account........Dr.	1000	
CGST Receivable Account........Dr.	1000	
IGST Receivable Account.........Dr.	1000	
To SGST Receivable Account (Dist.)		1000
To CGST Receivable Account (Dist.)		1000
To IGST Receivable Account (Dist.)		1000

Entry for an Interstate Distribution of Invoice with Credit - Availment to Receipient location as Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
IGST Receivable Account.........Dr.	3000	
To SGST Receivable Account (Dist.)		1000
To CGST Receivable Account (Dist.)		1000
To IGST Receivable Account (Dist.)		1000

Entry for an Intrastate Distribution of Invoice with Credit – Non Availment to Receipient location as Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Receivable Account ....Dr.	1000	
CGST Receivable Account ....Dr.	1000	
IGST Receivable Account.............Dr.	1000	
To SGST Expense Account		1000
To CGST Expense Account		1000
To IGST Expense Account		1000

Entry for an Interstate Distribution of Invoice with Credit – Non Availment to Receipient location as Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
IGST Receivable Account.........Dr.	3000	
To SGST Expense Account		1000
To CGST Expense Account		1000
To IGST Expense Account		1000

Entry for an Intrastate Distribution of Credit Memo with Credit - Availment to Receipient location as Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Receivable Account (Dist.)........Dr.	1000	
CGST Receivable Account (Dist.).........Dr.	1000	
IGST Receivable Account (Dist.)..........Dr.	1000	
To SGST Receivable Account		1000
To CGST Receivable Account		1000
To IGST Receivable Account		1000

Entry for an Interstate Distribution of Credit Memo with Credit - Availment to Receipient location as Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Receivable Account (Dist.)......Dr.	1000	
CGST Receivable Account(Dist.).......Dr.	1000	
IGST Receivable Account(Dist.)........Dr.	1000	
IGST Receivable Account		3000

Entry for an Intrastate Distribution of Credit Memo with Credit – Non Availment to Receipient location as Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Expense Account ....Dr.	1000	
CGST Expense Account ....Dr.	1000	
IGST Expense Account...............Dr.	1000	
To SGST Receivable Account		1000
To CGST Receivable Account		1000
To IGST Receivable Account		1000

Entry for an Interstate Distribution of Credit Memo with Credit – Non Availment to Receipient location as Credit Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Expense Account ....Dr.	1000	
CGST Expense Account ....Dr.	1000	
IGST Expense Account................Dr.	1000	
IGST Receivable Account		3000

Entry for an Intrastate Distribution of Invoice with Credit – Non Availment to Receipient location as Credit Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Service Account ....Dr.	2000	
To SGST Expense Account		1000
To CGST Expense Account		1000
To IGST Expense Account		1000

Entry for an Interstate Distribution of Invoice with Credit – Non Availment to Receipient location as Credit Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Service Account ....Dr.	2000	
To SGST Expense Account		1000
To CGST Expense Account		1000
To IGST Expense Account		1000

Entry for an Intrastate Distribution of Invoice with Credit – Availment to Receipient location as Credit Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Service Account ....Dr.	1000	
To SGST Receivable Account (Dist.)		1000
To CGST Receivable Account (Dist.)		1000
To IGST Receivable Account (Dist.)		1000

Entry for an Interstate Distribution of Invoice with Credit – Availment to

Receipient location as Credit Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
Service Account ....Dr.	1000	
To SGST Receivable Account (Dist.)		1000
To CGST Receivable Account (Dist.)		1000
To IGST Receivable Account (Dist.)		1000

Entry for an Intrastate Distribution of Credit Memo with Credit – Non Availment to Receipient location as Credit Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Expense Account ....Dr.	1000	
CGST Expense Account ....Dr.	1000	
IGST Expense Account.............Dr.	1000	
To Service Account		3000

Entry for an Interstate Distribution of Credit Memo with Credit – Non Availment to Receipient location as Credit Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Expense Account ....Dr.	1000	
CGST Expense Account ....Dr.	1000	
IGST Expense Account.............Dr.	1000	
To Service Account		3000

Entry for an Intrastate Distribution of Credit Memo with Credit – Availment to Receipient location as Credit Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Receivable Account (Dist.)...Dr.	1000	
CGST Receivable Account(Dist.)...Dr.	1000	
IGST Receivable Account(Dist.)...Dr.	1000	
To Service Account		3000

Entry for an Interstate Distribution of Credit Memo with Credit – Availment

to Receipient location as Credit Non Availment

G/L Account Name	Debit Amount (Rs.)	Credit Amount (Rs.)
SGST Receivable Account (Dist.)..Dr.	1000	
CGST Receivable Account(Dist.)..........................…...……....Dr.	1000	
IGST Receivable Account(Dist.)..Dr.	1000	
To Service Account		3000

g. Reconciliation:

- Workflows are same as they are for normal reconciliation. **GST Input Service Distributor** field is automatically activated, if **Input Service Distributor** is checked for **GST Registration No.** selected in **GST Reconciliation** Header.

- **GSTR 6A** is required to be downloaded for Reconciliation instead of GSTR-2A. However the format of the both files remains the same.

- **GST Reconciliation** Lines are matched with lines of the downloaded GSTR-6A and on matching, reconciliation should be posted.

14. Document Reports

The following Document Reports are included for GST in the product. They are:

- General Journal – Test Report
- Sales Document – Test Report
- Sales - Quote
- Order Confirmation
- Sales - Invoice
- Sales - Credit Memo
- Blanket Sales Order
- Archived Sales Quote
- Archived Sales Order
- Purchase Document – Test Report
- Purchase - Quote
- Order
- Purchase - Invoice
- Purchase - Credit Memo
- Archived Purchase Quote
- Archived Purchase Order
- Archived Purchase Return Order
- Archived Sales Return Order
- Service Order
- Service Quote
- Service - Invoice
- Service Document – Test Report
- Return Order Confirmation
- Return Order
- GSTR-3B
- Receipt & Refund Voucher
- Payment & Refund Voucher

15. File formats

The following file formats are included for GST in the product. They are:

- **GSTR 1 File formats**

GSTR file formats are designed to meet the formats/requirements provided by GSTN ports
https://www.gst.gov.in/download/returns

GSTN portal is providing a offline utility through which user will be able to generate .json file format which is acceptable by GSTR portal for filing retruns. There are multiple options for entring data into offline utility for generating .json file format.

- ➢ Manual entry
- ➢ Excel upload (single file)
- ➢ .csv file format upload (multiple file)
- ➢ Copy past from excel for induvidual sections

User will be able to generate excel files from system which will be helpful for user to entre data into offline utility, user can directly copy and past data into offline utility or convert each excel into .csv format for upload.

Prerequisits:

- ➢ GST Reporting UQC field to be selected in Unit Of Measure table
- ➢ User need to run **Update Det. GST Entry GSTR 1** batch report before generating excel file from system, this batch report incluldes multiple options
  - ○ **Update Reason Type** – This batch will update GST reason Code as **Others** in all Detailed GST Ledger Entry for Document Type Customer Refund, Sales Credit memo, and Sales Invoice with Invoice Type Debit Note/Supplimentary Invoices. These fields are mandatory for GSTR 1 report.

  - ○ **Update UOM** – This batch will update the UOM field in detailed GST Ledger Entry for all Sales transaction. User need to update GST Reporting UQC field in Unit Of Measure table before running this report.

Note: The batch report is required to be run for existing transactions only. These field will auto-update for future transactions at time of posting.

- **GSTR 2 File formats**

Similar to GSTR 1, the GSTN portal offline utility provides facility to generate .json file format which is acceptable by GSTR portal for filing retruns. There are multiple options for entring data into offline utility for generating .json file format.

➢ Manual entry
➢ Excel upload (single file)
➢ .csv file format upload (multiple file)
➢ Copy past from excel for induvidual sections

User will be able to generate excel files for GSTR 2 templates from system which will be helpful to upload data into offline utility, user can directly copy and paste data into offline utility or convert each excel into .csv format for upload.

Prerequisits:

➢ User need to run **Updatet Det.GST Entry GSTR2** batch report before generating excel file from system. This batch report includes multiple Batch reports:
  o **Update Eligibility for ITC** – This batch will update the **Eligibility for ITC** field in Detailed GST. This field is used for Grouping in GSTR 2 Report.

  o **Update Import Details** – This batch will update the **Bill of Entry No., Bill of Entry Date,** and **GST Assessable Value** in Import/SEZ Goods Transaction in Detailed GST Ledger Entry

  o **Update Reason Code** – This batch will update GST reason Code as **Others** in all Detailed GST Ledger Entry for Document Type Vendor Refund, Purchase Credit memo, and Purchase Invoice with Invoice Type Debit Note/Supplimentary Invoices. These fields are mandatory for GSTR 2 report.

  o **Update UOM** – This batch will update the UOM field in detailed GST Ledger Entry for all Purchase transaction. User need to update GST Reporting UQC field to be in Unit Of Measure table before running this report

Note: The batch report is required to be run for existing transactions only. These field will auto-update for future transactions at time of posting.

16. Scope Exclusions for this release

- GSTR 6 & 8 – formats not yet released by Government.

- Apply to Oldest feature for Advance Payment Application

- Mutiline Bank Cheque payment

- Refund of Mutiple Payments

- Additional Reporting Currency

17.   Code Box Section

```
Result := 0;

CallLevel := CallLevel + 1;

WHILE (STRLEN(Expression) > 1) AND (Expression[1] = ' ') DO
  Expression := COPYSTR(Expression,2);

IF Expression <> '' THEN
  WHILE (STRLEN(Expression) > 1) AND (Expression[STRLEN(Expression)] = ' ') DO
    Expression := COPYSTR(Expression,1,STRLEN(Expression) - 1);

IF STRLEN(Expression) > 0 THEN BEGIN
  Parantheses := 0;

  IsExpression := FALSE;

  Operators := '+-*/^';

  OperatorNo := 1;

  REPEAT
    i := STRLEN(Expression);

    REPEAT
      IF Expression[i] = '(' THEN
        Parantheses := Parantheses + 1

      ELSE
        IF Expression[i] = ')' THEN
          Parantheses := Parantheses - 1;

      IF (Parantheses = 0) AND (Expression[i] = Operators[OperatorNo]) THEN
        IsExpression := TRUE

      ELSE
        i := i - 1;

    UNTIL IsExpression OR (i <= 0);
```

```
        IF NOT IsExpression THEN
          OperatorNo := OperatorNo + 1;
      UNTIL (OperatorNo > STRLEN(Operators)) OR IsExpression;
      IF IsExpression THEN BEGIN
        IF i > 1 THEN
          LeftOperand := COPYSTR(Expression,1,i - 1)
        ELSE
          LeftOperand := '';
        IF i < STRLEN(Expression) THEN
          RightOperand := COPYSTR(Expression,i + 1)
        ELSE
          RightOperand := '';
        Operator := Expression[i];
        LeftResult :=
          EvaluateExpressioninGSTFormula(
            IsTestExpression,LeftOperand,TransactionType,DocumentType,DocumentNo,
            LineNo,ItemChargeDocType,ItemChargeDocNo,ItemChargeLineNo);
        RightResult :=
          EvaluateExpressioninGSTFormula(

IsTestExpression,RightOperand,TransactionType,DocumentType,DocumentNo,Line
No,
            ItemChargeDocType,ItemChargeDocNo,ItemChargeLineNo);
        CASE Operator OF
          '^':
            Result := POWER(LeftResult,RightResult);
          '*':
            Result := LeftResult * RightResult;
          '/':
```

```
      IF RightResult = 0 THEN
        Result := 0
      ELSE
        Result := LeftResult / RightResult;
    '+':
      Result := LeftResult + RightResult;
    '-':
      Result := LeftResult - RightResult;
  END;
WITH GSTSetup DO BEGIN
  SETRANGE("GST State Code",GSTStateCode);
  SETRANGE("GST Group Code",GSTGroupCode);
  SETRANGE("GST Component",GSTComponentCode);
  IF EffectiveDate = 0D THEN
    SETFILTER("Effective Date",'<=%1',WORKDATE)
  ELSE
    SETFILTER("Effective Date",'<=%1',EffectiveDate);
  IF FINDLAST THEN
    EXIT("GST Component");
  SETRANGE("GST State Code");
  SETRANGE("GST State Code",'');
  IF FINDLAST THEN
    EXIT("GST Component");
END;
WITH GSTAccountingSubPeriod DO BEGIN
  SETFILTER("Starting Date",'<=%1',PostingDate);
  IF FINDLAST THEN BEGIN
    SETFILTER("Starting Date",'>=%1',PostingDate);
```

```
          IF NOT FINDFIRST THEN
            ERROR(AccountingPeriodErr,PostingDate);
          IF NOT UsedForSettlement THEN
            IF LastClosedDate <> 0D THEN
              IF PostingDate < CALCDATE('<1M>',LastClosedDate) THEN
                ERROR(
                  STRSUBSTNO(
                    PeriodClosedErr,CALCDATE('<-1D>',CALCDATE('<1M>',LastClosedDate)),
                    CALCDATE('<1M>',LastClosedDate)));
          GSTAccountingPeriod.GET("Accounting Period Start Date");
        END ELSE
          ERROR(AccountingPeriodErr,PostingDate);
```

B. *Sales Posting*

```
    SalesHeader.GET(DocumentType,DocumentNo);
    SalesLine.SETRANGE("Document Type",DocumentType);
    SalesLine.SETRANGE("Document No.",DocumentNo);
    SalesLine.SETRANGE("Line No.",LineNo);
    IF SalesLine.FINDFIRST THEN BEGIN
      "Document Type" := SalesHeader."Document Type";
      "Document No." := SalesHeader."No.";
      "Posting Date" := SalesHeader."Posting Date";
      Type := SalesLine.Type;
      "No." := SalesLine."No.";
      "Source No." := SalesLine."Bill-to Customer No.";
      Quantity := SalesLine.Quantity * Sign;
      "HSN/SAC Code" := SalesLine."HSN/SAC Code";
      "Location Code" := SalesLine."Location Code";
```

```
          "Line No." := SalesLine."Line No.";

          "Source Type" := "Source Type"::Customer;

          "Invoice Type" := SalesHeader."Invoice Type";

          Exempted := SalesLine.Exempted;

          IF (SalesHeader."Document Type" IN [SalesHeader."Document Type"::"Credit
      Memo",SalesHeader."Document Type"::"Return Order"]) THEN

            IF SalesHeader."Applies-to Doc. No." <> '' THEN BEGIN

              "Original Invoice No." := SalesHeader."Applies-to Doc. No.";

              SalesInvoiceHeader.GET(SalesHeader."Applies-to Doc. No.");

              "Original Invoice Date" := SalesInvoiceHeader."Posting Date";

          END;

          UpdateSalesGSTRegNo(DetailedGSTEntryBuffer,SalesHeader,SalesLine);

          IF IsExempted(SalesHeader) OR SalesLine.Exempted OR
      IsFreeSupply(SalesHeader) THEN BEGIN

             GSTPercentage := 0;

             GSTAmount := 0;

          END;

          "GST Input/Output Credit Amount" := Sign * GSTAmount;

          "GST Base Amount" := GSTBaseAmount * Sign;

          "GST Amount" := GSTAmount * Sign;

          "GST Base Amount (LCY)" :=

            ConvertGSTBaseAmountToLCY(CurrencyCode,"GST Base
      Amount",CurrencyFactor,"Posting Date");

          "GST Amount (LCY)" :=

            ConvertGSTBaseAmountToLCY(CurrencyCode,"GST
      Amount",CurrencyFactor,"Posting Date");

          "GST %" := GSTPercentage;

        END;

      WITH DetailedGSTLedgerEntry DO BEGIN
```

```
INIT;

"Entry No." := GetNextGSTDetailEntryNo;

"Entry Type" := "Entry Type"::"Initial Entry";

"Transaction Type" := "Transaction Type"::Sales;

"Document Type" := DocumentType;

"Document No." := DocumentNo;

"External Document No." := SalesHeader."External Document No.";

"Posting Date" := SalesHeader."Posting Date";

"Source Type" := "Source Type"::Customer;

Type := SalesLine.Type;

IF DetailedGSTEntryBuffer."Item Charge Assgn. Line No." = 0 THEN
  "No." := SalesLine."No."
ELSE
  "No." := DetailedGSTEntryBuffer."No.";

"Nature of Supply" := SalesHeader."Nature of Supply";

"Liable to Pay" := TRUE;

"GST Place of Supply" := DetailedGSTEntryBuffer."GST Place of Supply";

DetailedGSTEntryBuffer.TESTFIELD("Location Code");

DetailedGSTEntryBuffer.TESTFIELD("Location State Code");

DetailedGSTEntryBuffer.TESTFIELD("Location  Reg. No.");

"Location Code" := DetailedGSTEntryBuffer."Location Code";

"Buyer/Seller State Code" := DetailedGSTEntryBuffer."Buyer/Seller State Code";

"Buyer/Seller Reg. No." := DetailedGSTEntryBuffer."Buyer/Seller Reg. No.";

"Shipping Address State Code" := DetailedGSTEntryBuffer."Shipping Address State Code";

"Location  Reg. No." := DetailedGSTEntryBuffer."Location  Reg. No.";

"Location State Code" := DetailedGSTEntryBuffer."Location State Code";

"GST Jurisdiction Type" := SalesLine."GST Jurisdiction Type";
```

```
"Gen. Bus. Posting Group" := SalesLine."Gen. Bus. Posting Group";

"Gen. Prod. Posting Group" := SalesLine."Gen. Prod. Posting Group";

"Reason Code" := SalesHeader."Reason Code";

"GST Group Type" := SalesLine."GST Group Type";

"GST Without Payment of Duty" := SalesHeader."GST Without Payment of
Duty";

IF NOT SalesLine."Item Charge Entry" THEN

  "Item Charge Entry" := SalesLine.Type = SalesLine.Type::"Charge (Item)"

ELSE

  "Item Charge Entry" := SalesLine."Item Charge Entry";

"Item Charge Assgn. Line No." := DetailedGSTEntryBuffer."Item Charge Assgn.
Line No.";

"GST Component Code" := DetailedGSTEntryBuffer."GST Component Code";

"GST Customer Type" := SalesHeader."GST Customer Type";

"GST Exempted Goods" := SalesLine.Exempted;

"Bill Of Export No." := SalesHeader."Bill Of Export No.";

"Bill Of Export Date" := SalesHeader."Bill Of Export Date";

"e-Comm. Merchant Id" := SalesHeader."e-Commerce Merchant Id";

IF eCommerceCustomer.GET(SalesHeader."e-Commerce Customer") THEN

  "e-Comm. Operator GST Reg. No." := eCommerceCustomer."GST
Registration No.";

"Invoice Type" := SalesHeader."Invoice Type";

"Original Invoice No." := DetailedGSTEntryBuffer."Original Invoice No.";

"Original Invoice Date" := DetailedGSTEntryBuffer."Original Invoice Date";

"G/L Account No." :=

  GetGSTAccountNo(

    "Location State Code",DetailedGSTEntryBuffer."GST Component Code",

    "Transaction Type"::Sales,SalesLine.Type::" ",0,FALSE,FALSE);

UpdateDetailGSTLedgerEntry(
```

```
                DetailedGSTLedgerEntry,DetailedGSTEntryBuffer,

                SalesHeader."Currency Code",SalesHeader."Currency Factor",

                QtyFactor,TransactionNo);

            SalesInvoiceLine.SETRANGE("Document No.","Document No.");

            SalesInvoiceLine.SETRANGE("Line No.","Document Line No.");

            IF SalesInvoiceLine.FINDFIRST THEN

              "Amount to Customer/Vendor" := SalesInvoiceLine."Amount To Customer";

            TESTFIELD("HSN/SAC Code");

            IF QtyFactor <> 0 THEN

              INSERT(TRUE);

        END;
```

C.   *Purchase Posting*

```
    PurchaseHeader.GET(DocumentType,DocumentNo);

    PurchaseLine.SETRANGE("Document Type",DocumentType);

    PurchaseLine.SETRANGE("Document No.",DocumentNo);

    PurchaseLine.SETRANGE("Line No.",LineNo);

    IF PurchaseLine.FINDFIRST THEN BEGIN

      "Document Type" := PurchaseHeader."Document Type";

      "Document No." := PurchaseHeader."No.";

      "Posting Date" := PurchaseHeader."Posting Date";

      Type := PurchaseLine.Type;

      "No." := PurchaseLine."No.";

      "Source No." := PurchaseLine."Buy-from Vendor No.";

      Quantity := PurchaseLine.Quantity;

      "HSN/SAC Code" := PurchaseLine."HSN/SAC Code";

      "Location Code" := PurchaseLine."Location Code";

      "Line No." := PurchaseLine."Line No.";
```

```
"Source Type" := "Source Type"::Vendor;

"Input Service Distribution" := PurchaseHeader."GST Input Service Distribution";

Exempted := PurchaseLine.Exempted;

IF (PurchaseHeader."Document Type" IN [PurchaseHeader."Document
Type"::"Credit Memo",PurchaseHeader."Document Type"::"Return Order"]) THEN

   IF PurchaseHeader."Applies-to Doc. No." <> '' THEN BEGIN

     "Original Invoice No." := PurchaseHeader."Applies-to Doc. No.";

     PurchInvHeader.GET(PurchaseHeader."Applies-to Doc. No.");

     "Original Invoice Date" := PurchInvHeader."Posting Date";

   END;

   IF (PurchaseHeader."GST Vendor Type" IN

     [PurchaseHeader."GST Vendor Type"::Composite,PurchaseHeader."GST
Vendor Type"::Exempted]) OR PurchaseLine.Exempted

   THEN BEGIN

     GSTPercentage := 0;

     GSTAmount := 0;

   END ELSE

     IF PurchaseLine."GST Credit" = PurchaseLine."GST Credit"::Availment THEN

       "GST Input/Output Credit Amount" := Sign * GSTAmount

     ELSE

       "Amount Loaded on Item" := Sign * GSTAmount;

   "GST Base Amount" := GSTBaseAmount * Sign;

   "GST Amount" := GSTAmount * Sign;

   "GST Base Amount (LCY)" :=
ConvertGSTBaseAmountToLCY(CurrencyCode,"GST Base
Amount",CurrencyFactor,"Posting Date") ;

   "GST Amount (LCY)" := ConvertGSTBaseAmountToLCY(CurrencyCode,"GST
Amount",CurrencyFactor,"Posting Date") ;

   "Custom Duty Amount" := Sign * PurchaseLine."Custom Duty Amount";

   "GST Assessable Value" := Sign * PurchaseLine."GST Assessable Value";
```

```
    "Custom Duty Amount (LCY)" :=
ConvertGSTBaseAmountToLCY(CurrencyCode,"Custom Duty
Amount",CurrencyFactor,"Posting Date") * Sign;

    "GST Assessable Value (LCY)" :=
ConvertGSTBaseAmountToLCY(CurrencyCode,"GST Assessable
Value",CurrencyFactor,"Posting Date") * Sign;

    "GST %" := GSTPercentage;


UpdatePurchaseGSTRegNo(DetailedGSTEntryBuffer,PurchaseHeader,PurchaseLine
);

    WITH DetailedGSTLedgerEntry DO BEGIN

      INIT;

      "Entry No." := GetNextGSTDetailEntryNo;

      "Entry Type" := "Entry Type"::"Initial Entry";

      "Transaction Type" := "Transaction Type"::Purchase;

      "Document Type" := DocumentType;

      "Document No." := DocumentNo;

      IF PurchaseHeader."Vendor Invoice No." <> '' THEN

        "External Document No." := PurchaseHeader."Vendor Invoice No.";

      IF PurchaseHeader."Vendor Cr. Memo No." <> '' THEN

        "External Document No." := PurchaseHeader."Vendor Cr. Memo No.";

      "Posting Date" := PurchaseHeader."Posting Date";

      "Source Type" := "Source Type"::Vendor;

      Type := PurchaseLine.Type;

      IF DetailedGSTEntryBuffer."Item Charge Assgn. Line No." = 0 THEN

        "No." := PurchaseLine."No."

      ELSE

        "No." := DetailedGSTEntryBuffer."No.";

      DetailedGSTEntryBuffer.TESTFIELD("Location Code");

      DetailedGSTEntryBuffer.TESTFIELD("Location State Code");
```

```
DetailedGSTEntryBuffer.TESTFIELD("Location  Reg. No.");

"Location Code" := DetailedGSTEntryBuffer."Location Code";

"Location  Reg. No." := DetailedGSTEntryBuffer."Location  Reg. No.";

"Location State Code" := DetailedGSTEntryBuffer."Location State Code";

Vendor.GET(PurchaseHeader."Buy-from Vendor No.");

"GST Jurisdiction Type" := PurchaseLine."GST Jurisdiction Type";

"GST Group Type" := PurchaseLine."GST Group Type";

IF NOT PurchaseLine."Item Charge Entry" THEN

  "Item Charge Entry" := PurchaseLine.Type = PurchaseLine.Type::"Charge
(Item)"

  ELSE

  "Item Charge Entry" := PurchaseLine."Item Charge Entry";

"Gen. Bus. Posting Group" := PurchaseLine."Gen. Bus. Posting Group";

"Gen. Prod. Posting Group" := PurchaseLine."Gen. Prod. Posting Group";

"Reason Code" := PurchaseHeader."Reason Code";

"Item Charge Assgn. Line No." := DetailedGSTEntryBuffer."Item Charge Assgn.
Line No.";

"Nature of Supply" := PurchaseHeader."Nature of Supply";

"Buyer/Seller State Code" := DetailedGSTEntryBuffer."Buyer/Seller State
Code";

"Buyer/Seller Reg. No." := DetailedGSTEntryBuffer."Buyer/Seller Reg. No.";

"Shipping Address State Code" := DetailedGSTEntryBuffer."Shipping Address
State Code";

"GST Component Code" := DetailedGSTEntryBuffer."GST Component Code";

"GST Exempted Goods" := PurchaseLine.Exempted;

"Reverse Charge" := DetailedGSTEntryBuffer."Reverse Charge";

"GST Vendor Type" := PurchaseHeader."GST Vendor Type";

"Associated Enterprises" := PurchaseHeader."Associated Enterprises";

"Original Invoice No." := DetailedGSTEntryBuffer."Original Invoice No.";
```

```
"Original Invoice Date" := DetailedGSTEntryBuffer."Original Invoice Date";

IF DetailedGSTEntryBuffer."Amount Loaded on Item" <> 0 THEN

  "GST Credit" := "GST Credit"::"Non-Availment"

ELSE

  "GST Credit" := "GST Credit"::Availment;

"G/L Account No." :=

  GetGSTAccountNo(

    "Location State Code",DetailedGSTEntryBuffer."GST Component
Code","Transaction Type"::Purchase,

      PurchaseLine.Type::" ",PurchaseLine."GST Credit",PurchaseHeader."GST
Input Service Distribution",

      GetReceivableApplicable("GST Vendor Type","GST Group Type","GST
Credit","Associated Enterprises","Reverse Charge"));

    "Credit Availed" :=

      GetReceivableApplicable("GST Vendor Type","GST Group Type","GST
Credit","Associated Enterprises","Reverse Charge");

    "Liable to Pay" := GetPurchaseLiable("GST Vendor Type","GST Group
Type","Associated Enterprises");

    UpdateDetailGSTLedgerEntry(

      DetailedGSTLedgerEntry,DetailedGSTEntryBuffer,PurchaseHeader."Currency
Code",

      PurchaseHeader."Currency Factor",QtyFactor,TransactionNo);

    // Get Posted Purch Invoice

    IF PurchInvLine.GET("Document No.","Document Line No.") THEN

      "Amount to Customer/Vendor" := PurchInvLine."Amount To Vendor";

    TESTFIELD("HSN/SAC Code");

    IF (Vendor."GST Vendor Type" = Vendor."GST Vendor Type"::Import) OR

      (Vendor."GST Vendor Type" = Vendor."GST Vendor Type"::SEZ) THEN

      IF PurchaseLine.Type IN [PurchaseLine.Type::"Fixed
Asset",PurchaseLine.Type::Item] THEN
```

```
PurchaseLine.TESTFIELD("GST Assessable Value");


IF (DetailedGSTEntryBuffer."Amount Loaded on Item" = 0) AND

  (DetailedGSTEntryBuffer."GST Input/Output Credit Amount" = 0)

THEN

  EVALUATE("GST Credit",FORMAT(PurchaseLine."GST Credit"));

IF QtyFactor <> 0 THEN

  INSERT(TRUE);

IF "GST Credit" = "GST Credit"::"Non-Availment" THEN BEGIN

  ValueEntry.SETCURRENTKEY("Document No.","Document Line No.","Item
No.");

  ValueEntry.SETRANGE("Document No.",DocumentNo);

  ValueEntry.SETRANGE("Document Line No.","Document Line No.");

  ValueEntry.SETRANGE("Item No.","No.");

  IF ValueEntry.FINDFIRST THEN BEGIN

    "Item Ledger Entry No." := ValueEntry."Item Ledger Entry No.";

    MODIFY(TRUE);

  END;

 END;

END;
```

D. *GST Application*

```
WITH GSTApplicationBuffer[1] DO BEGIN

IF DetailedGSTEntryBuffer."Transaction Type" =
DetailedGSTEntryBuffer."Transaction Type"::Service THEN

  "Transaction Type" := DetailedGSTEntryBuffer."Transaction Type"::Sales

ELSE

  "Transaction Type" := DetailedGSTEntryBuffer."Transaction Type";

"Original Document Type" := InvoiceDocType;
```

```
"Original Document No." := InvoiceDocNo;

"Account No." := AccountNo;

"GST Group Code" := DetailedGSTEntryBuffer."GST Group Code";

"GST Group Type" := DetailedGSTEntryBuffer."GST Group Type";

"GST Component Code" := DetailedGSTEntryBuffer."GST Component Code";

"Current Doc. Type" := InvoiceDocType;

QtyFactor :=

  GetQtyFactor(

    TransactionType,DetailedGSTEntryBuffer."Document Type",

    DetailedGSTEntryBuffer."Document No.",DetailedGSTEntryBuffer."Line No.");

"Current Doc. Type" := DetailedGSTEntryBuffer."Document Type";

"Currency Code" := DetailedGSTEntryBuffer."Currency Code";

"Currency Factor" := DetailedGSTEntryBuffer."Currency Factor";

"GST Rounding Precision" := DetailedGSTEntryBuffer."GST Rounding
Precision";

"GST Rounding Type" := DetailedGSTEntryBuffer."GST Rounding Type";

"Charge To Cust/Vend" := DetailedGSTEntryBuffer."Charge To Cust/Vend";

"TDS/TCS Amount" := DetailedGSTEntryBuffer."TDS/TCS Amount";

"GST Base Amount" := ROUND(DetailedGSTEntryBuffer."GST Base Amount" *
QtyFactor,0.01);

"GST Amount" :=

  GSTManagement.RoundGSTPrecision(DetailedGSTEntryBuffer."GST Amount"
* QtyFactor);

"GST Cess" := DetailedGSTEntryBuffer.Cess;

END;

GSTApplicationBuffer[2] := GSTApplicationBuffer[1];

IF GSTApplicationBuffer[2].FIND THEN BEGIN

  GSTApplicationBuffer[2]."GST Base Amount" += GSTApplicationBuffer[1]."GST
Base Amount";
```

```
        GSTApplicationBuffer[2]."GST Amount" += GSTApplicationBuffer[1]."GST
Amount";

        GSTApplicationBuffer[2]."Charge To Cust/Vend" +=
GSTApplicationBuffer[1]."Charge To Cust/Vend";

        GSTApplicationBuffer[2]."TDS/TCS Amount" +=
GSTApplicationBuffer[1]."TDS/TCS Amount";

      GSTApplicationBuffer[2].MODIFY(TRUE);

    END ELSE

      GSTApplicationBuffer[2].INSERT(TRUE);

IF (AppliedAmount <> 0) AND (InvoiceAmount <> 0) THEN BEGIN

  IF ABS(AppliedAmount) >= ABS(InvoiceAmount) THEN BEGIN

    AmounttoApply := 0;

    ERROR(STRSUBSTNO(ExceedGroupAmtErr,AmounttoApply,GSTGroupCode));

  END;

  AmountRequired := ABS(AppliedAmount) + ABS(AmounttoApply) -
ABS(InvoiceAmount);

  IF AmountRequired <= 0 THEN

    EXIT;

  IF TransactionType = TransactionType::Sales THEN

    Sign := -1;

  AmountRequired *= Sign;

  IF AmountRequired <> AmounttoApply THEN BEGIN

    AmounttoApply := ABS(InvoiceAmount) - ABS(AppliedAmount);

    IF TransactionType = TransactionType::Sales THEN

      AmounttoApply *= Sign;

    IF ShowWarning THEN

      ERROR(STRSUBSTNO(ExceedGroupAmtErr,AmounttoApply,GSTGroupCode));

  END;

END;
```

E. GST Settlement

```
IF IsGSTPaymentApplicable(GSTPaymentBuffer) THEN BEGIN

  Window.UPDATE(1,"GST Component Code");

  GSTPostingSetup.GET("Location State Code","GST Component Code");

  TotalPaymentAmount += "Payment Amount" + Interest + Penalty + Fees +
Others;

  IF "Payment Liability - Rev. Chrg." > 0 THEN BEGIN

   TotalPaymentAmount += "Payment Amount - Rev. Chrg.";

   CreateAndPostGenJournalLine(

    "Account Type"::"G/L
Account",GSTPostingSetup.GetPayableAccount(GSTPostingSetup),

    "Payment Amount - Rev. Chrg.",STRSUBSTNO(GSTPaymentTypeTxt,"GST
Component Code",ReverseChargePaymenttxt));

  END;

  IF "Net Payment Liability" > 0 THEN

   CreateAndPostGenJournalLine(

    "Account Type"::"G/L
Account",GSTPostingSetup.GetPayableAccount(GSTPostingSetup),

    "Net Payment Liability",STRSUBSTNO(GSTPaymentTypeTxt,"GST
Component Code",NetPaymentLibTxt));

  IF Interest > 0 THEN

   CreateAndPostGenJournalLine(

    "Account Type"::"G/L Account","Interest Account No.",Interest,

     STRSUBSTNO(GSTPaymentTypeTxt,"GST Component
Code",FIELDCAPTION(Interest)));

  IF Penalty > 0 THEN

   CreateAndPostGenJournalLine(

    "Account Type"::"G/L Account","Penalty Account No.",Penalty,

     STRSUBSTNO(GSTPaymentTypeTxt,"GST Component
Code",FIELDCAPTION(Penalty)));
```

```
IF Fees > 0 THEN

  CreateAndPostGenJournalLine(

    "Account Type"::"G/L Account","Fees Account No.",Fees,

      STRSUBSTNO(GSTPaymentTypeTxt,"GST Component
Code",FIELDCAPTION(Fees)));

  IF Others > 0 THEN

    CreateAndPostGenJournalLine(

      "Account Type"::"G/L Account","Others Account No.",Others,

        STRSUBSTNO(GSTPaymentTypeTxt,"GST Component
Code",FIELDCAPTION(Others)));

  IF ("Credit Utilized" <> 0) OR ("Surplus Cr. Utilized" <> 0) THEN BEGIN

    IF "Credit Availed" < "Credit Utilized" THEN

      ReceivableAmount := "Credit Availed" + "Surplus Cr. Utilized"

    ELSE

      ReceivableAmount := "Credit Utilized" + "Surplus Cr. Utilized";

    IF ReceivableAmount > 0 THEN

      CreateAndPostGenJournalLine(

        "Account Type"::"G/L
Account",GSTPostingSetup.GetRecAccount(GSTPostingSetup),

          ReceivableAmount * Sign,STRSUBSTNO(GSTPaymentTypeTxt,"GST
Component Code",CreditUtilizedTxt));

    END;

  IF "UnAdjutsed Credit" < 0 THEN BEGIN

    CreateAndPostGenJournalLine(

      "Account Type"::"G/L
Account",GSTPostingSetup.GetPayableAccount(GSTPostingSetup),

        "UnAdjutsed Credit",STRSUBSTNO(GSTPaymentTypeTxt,"GST Component
Code",UnadjustedCreditTxt));

    CreateAndPostGenJournalLine(
```

```
        "Account Type"::"G/L
Account",GSTPostingSetup.GetRecAccount(GSTPostingSetup),

        "UnAdjutsed Credit" * Sign,STRSUBSTNO(GSTPaymentTypeTxt,"GST
Component Code",UnadjustedCreditTxt));

    END;

    END;
```