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Issue 2

Chief Editor
CA Manoj Jain

IRIS GST extends a heartfelt condolence to the families of the CRPF soldiers. May the souls of our brave soldiers, rest in peace.

In this issue, we'll be covering an in depth guide on reconciliation and how you can influence your ITC through it, IRIS Sapphire, new feature released and the product updates to look forward to in the month of February.

*Regards,
Team IRIS GST*

IRIS GST TIMES



This issue

Reconciliation, In depth Guide **P.1**

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How to Win Your GST Recon & Influence ITC

Author: Vaishali Chheda

Reconciliation is a crucial step that you, as a taxpayer, need to undertake to avail ITC. For every month's GST filing, you need to reconcile your purchase data with all your suppliers' sales data that they have uploaded on GSTN. Wherein a mismatch during recon can put you on an arduous journey, exploring through huge piles of invoices for one simple error.

Why regular GST Reconciliation is critical?

The Annual Return Form Filing cannot happen without reconciling all your purchase data with your suppliers' data for the given period. The **annual** return filing is now due on June 30, 2019 as per the recent extension announced in the 31st GST Council Meeting. Hence, it becomes extremely important to reconcile your data regularly to avoid last minute hassles.

The GST system does not allow rectification of returns filed. Hence, if the data is not reconciled in time, it becomes difficult to claim or pay excess ITC, as the case may be, in subsequent months through amendments.

This tedious process of amendment filing also makes reconciliation a very important step to be done regularly.

The reconciliation process involves identifying mismatches, communicating with your vendors, sorting out differences and reviewing the final data. Moreover, this has to happen at PAN level, for all your GSTINs, which may involve multiple vendors spread across geographies, multiple users and dependency on GST systems. Thus, a regular reconciliation process becomes critical.

In real world, this would require the taxpayer to manually locate the mismatching invoice in tonnes of data for various GSTINs separately. Furthermore, the taxpayer would have to trace the errors through a colossal list of invoices (which can be as minute as faulty date entered) and aggregate the data vendor-wise. Then recurring communications needs to happen between multiple vendors to sort out the differences making it backbreaking chore, nonetheless still being time consuming and liable to further manual mishaps.

[Click here to read complete article.](#)

Fraud Alert

Fraudsters using fake company details thug the economy for Rs.800 crore.

Is your hard earned money reaching the right hands?

Check it out with **IRIS Peridot**, released with powerful non-compliance tracking features.

With Peridot 3.0, you can:

- Submit invalid GSTIN, directly to CBIC.
- Share fraud invoice with CBIC.
- Take Tax Return Filing Snapshot.

Just Scan it, #PeridotIt



A 3-step Guide to Hassle-free GST Reconciliation

So what can you do?

Well, to put it simply, the reconciliation can be attained in three 3 simple steps: Identify Mismatches, Review the same and Communicate with your vendors for rectification!!

1. Identify:

To begin your venture into the world of a hassle-free reconciliation, the very first step is to identify the discrepancies occurring in your records and your suppliers' sales data.

2. Review:

Once you have identified the nature of discrepancy, the next step is to review and accept/rectify the mismatches.

3. Communicate:

The final stage is to communicate with your suppliers for all the discrepancies and ask for edits/changes if any. And as per the communication, you can accept the changes reflected in GSTR 2A or reject the changes and let your supplier rectify the given mismatch.

[Click here to read complete article.](#)



With IRIS Sapphire's New and Advanced reconciliation, the process becomes easy, quick and out of the ordinary.

The 2-step reconciliation of IRIS Sapphire lets the flexibility in the hands of user to choose the depth of data recon. Auto-triggered smart reconciliation matches your 2P data with GSTN 2A data to give you results as Matched/Value Mismatch/Invoice Mismatch/Purchaser Only / Supplier Only However, due to this bifurcation, some comparable invoices are left in Supplier only and Purchaser only categories, and to reconcile these data, Advance Reconciliation can be manually triggered by the user.

IRIS Advance Recon can be carried:

1. Across Financial Year
2. Invoice No. Fuzzy Logic
3. Ignore Invoice No, Check Invoice Value, Taxable Value, and Tax Amount exact amount match
4. Ignore Invoice No. Check Invoice Value, Taxable Value and Tax Amount within tolerance

IRIS Sapphire Reconciliation has been built considering the requirements of various industries such as manufacturing, pharmaceuticals, automobiles etc. and has market tested logics to reconcile the buyer-supplier data across various parameters to reduce manual intervention.

[Schedule Reconciliation demo here.](#)

Job work under GST | ITC 04

Any treatment or process undertaken by a person on goods belonging to another registered person is Job Work.

To send inputs or semi-finished goods, without payment of duty / without reversal of input tax credit to a job worker, the principal manufacturer has to prepare a 'Delivery Challan

The details of the delivery challans must also be filed through Form GST ITC – 04 and should be submitted on quarterly basis by 25th day of the month succeeding the quarter.

As per GST provisions on E-way bill, E-way bill must be generated by every registered person who causes movement of goods of consignment with a value exceeding Rs. 50,000 , even if the movement is for reasons other than for supply.

Inputs and/or capital goods sent to a job worker are required to be returned to the principal within 1 year (in case of inputs) and 3 years (in case of capital goods) from the date of sending such goods to the job worker.

E-Sign your way to hassle-free filing

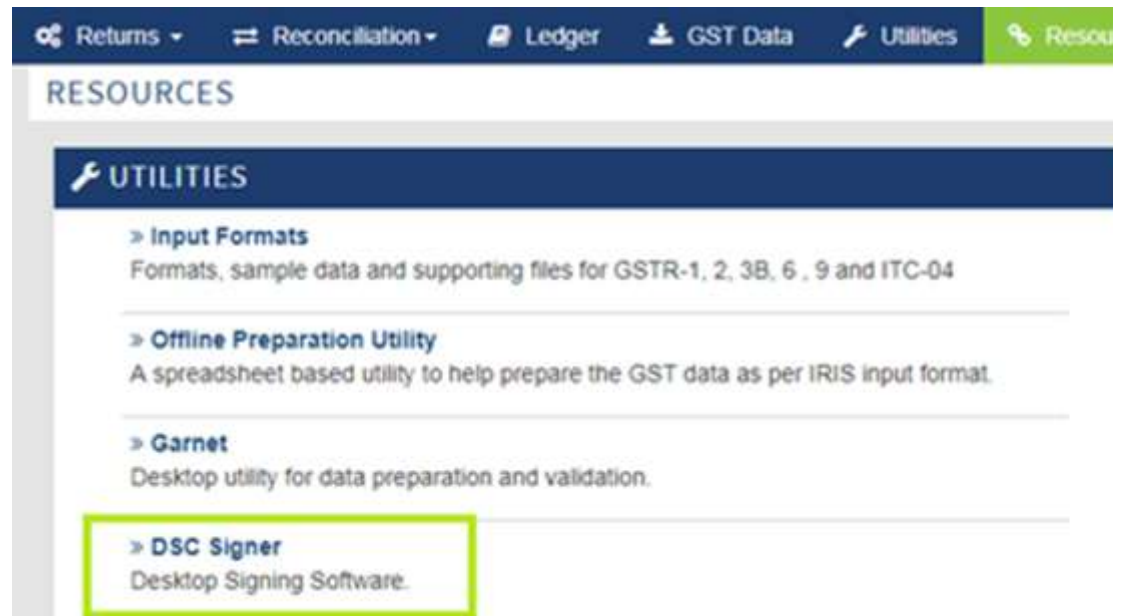
IRIS Sapphire has successfully released E-sign feature for its GSTR 1 module. Prior to this feature, a taxpayer could submit his data through IRIS platform, but the **e-signing** of these details had to be done on the GST portal. Nevertheless with E-sign, an IRIS user can directly file his/her **GSTR-1** through a single platform.

Install the DSC Signer, you can download it here:

Insert DSC Token and click on E-sign in the application. A pop window should appear. In the pop up window, provide the following information:

- Authorised Signatory's PAN
- Select certificate from the dropdown
- Provide password for the certificate

If all the provided information is correct, you will get a popup confirming that your return for the month has been filed successfully along with the acknowledgement number.



ITC -04

IRIS Sapphire has also released the ITC-04 module for the users. Through the ITC-04 module a user can upload data via CSV file, filter invoices, check counterparty data and **save ITC-04**.

GSTR 6

With IRIS Sapphire, you can also file your GSTR 6 returns through its updated module. GSTR 6 is monthly returned that has to be filed by an Input Service Distributor.

IRIS Sapphire is an application built with a highly scalable, available and secure architecture that will help you to file with GST. With built-in analytics and dashboards, IRIS Sapphire will ensure that you stay compliant, while always having a pulse on the process. For a free demo, sign up here: <https://irisgst.com/irissapphire/>

The 33rd GST Council meeting to be held on February 20, 2019. The agenda for the said meeting shall revolve around real estate, including proposal to slash GST rates. The meeting might also bring about good news for exporter, in form of compensation for the taxation paid besides custom duty.

CBIC reworks strategy to meet monthly GST collection target, identifies 30,000 companies that are not making delayed payments of GST dues.

IRIS Sapphire – February Updates

At IRISGST, our aim is to provide our users with intelligent solutions to experience hassle-free GST compliance. This motivates us to strive to introduce features, modules and updates that are smart, efficient and easy to use.

Treading on this path, here is a list of upcoming developments in the products that we plan to release in the month of February

A. Feature Updates:

1. HSN Codes search API

IRIS Sapphire will soon incorporate HSN Search API, with which a user will be able to find HSN details as per his/her requirements. The user can define the search parameters as HSN Number or description and the feature will provide a detailed list of the related HSN codes.

2. Auto-populate GSTR 3B from Aggregate format of GSTR1

IRIS Sapphire will auto-populate your outward supplies aggregate data in GSTR 3B on the basis of your GSTR 1 filed to GSTN from IRIS Portal. The revised algorithm will reckon the net values that are required to be filed in the form GSTR 3B from the details filed by the user in the GSTR 1. However, to be able to auto-populate the data, the user must file his GSTR 1 through IRIS Sapphire. For line-item format of GSTR-1, this auto-population of GSTR-3B already exist.

B. New Forms Support:

2. GSTR 7

IRIS Sapphire is all set to launch its GSTR 7 module by February 25, 2019. Form GSTR 7 is a monthly return form filed by a registered taxpayer who is required to deduct TDS (Tax Deducted at Source) under GST. The due date to file GSTR 7 is on or before 10th day of the succeeding month, which is currently extended to 28 February 2019 for October 2018-January 2019.

3. GSTR 8

We are also working on the GSTR 8 module in IRIS Sapphire. It is expected to be released by first week of March '19. GSTR 8 is a monthly return to be filed by an e-commerce operator who is required to deduct TCS (Tax Collected at Source)

Bogus eWay Bills – Major Tax Evasion

The revenue department is planning to set up a committee of tax officers to suggest steps to deal with bogus e-way bills. "Instances on bogus e-way bills based on fake invoices have been detected since April and the tax evasion involved worked out to about Rs 5,000 crore."

CONTACT US

Have feedback for us?

Want to request for our product demos?

Please reach out to us at



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Upcoming Due Dates

GSTR 7	February 28, 2019 (Oct 2018 – Jan 2019)	GSTR 3B	February 20, 2019
GSTR 8	February 28, 2019 (Oct 2018 – Dec 2018)	GSTR 5	February 20, 2019
		GSTR 5 A	February 20, 2019

33rd GST Council Meeting February 20, 2019