



# **E-INVOICING THE AUTOMATION SOLUTION**

## **An offering from BDO India's Tax Tech Suite**

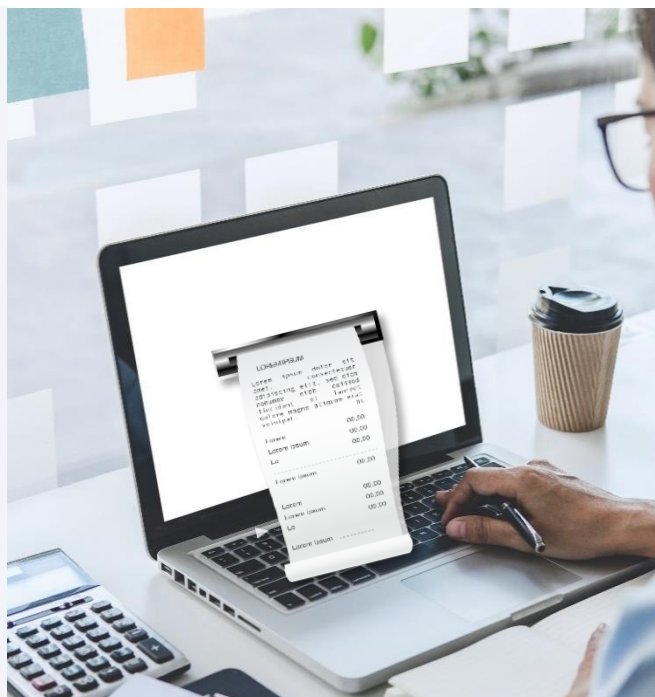
BDO IN INDIA  
MARCH 2021

## Background

After the successful implementation of two phases of E-Invoicing - Phase 1 (applicable to companies with turnover > INR 500 Cr) and Phase 2 (applicable to companies with turnover > INR 100 Crores), the Government has extended the ambit of E-Invoicing to companies having a turnover between INR 50 Cr - INR 100 Cr with effect from 1 April 2021.

E-Invoicing is touted as one of the most ambitious reforms in the administration of the Goods & Services Tax (GST). The E-Invoicing compliance requires raising invoices in a common schema (structured data). The proposed E-Invoicing requirement would lend transparency and uniformity to this key component of the GST compliance framework.

For taxpayers, automating the indirect tax ecosystem through seamless interoperability between different systems, is likely to bring in a major change to current core business processes. The mandatory introduction of E-Invoicing would require taxpayers to reassess their readiness to comply with this new requirement.



### What is E-Invoicing

- E-Invoicing is a mechanism introduced by the Government to digitise and standardise the process of invoice submission and authentication under the GST law.
- While companies will continue to generate invoices through their internal accounting systems, they will be required to carry out modifications in their invoice schema to align with the mandated standardisation.
- E-Invoices are to be submitted through the online Invoice Registration Portal (IRP) which generates a unique Invoice Registration Number (IRN) and QR code for the invoices raised.
- The overall objective is that the taxpayer will benefit, as it would alleviate the burden of data reconciliation, as well as reduce mismatch errors.

### Applicability

The Central Board of Indirect Tax & Customs (CBIC) has notified that E-invoicing would apply as follows:

E-INVOICING AND QR CODE TIMELINES			
Turnover (INR) - PY (PAN level)	Voluntary	Mandatory	
		E-Invoicing + QR Code	QR Code for B2C
More than INR 500 crores	N.A.	01 October 2020	01 December 2020 (with exemption till 31st March 2021 provided requirements of B2C QR code are implemented w.e.f. 1st April 2021)
More than INR 100 crores (less than 500 crores)	N.A.	01 January 2021	To be notified
More than INR 50 Crores ( Less than 100 Crores)	N.A.	01 April 2021	To be notified

# What Businesses Need To Do To Comply

With a tight timeline for implementation, taxpayers would need to assess the following:



## Applicability

Determine requirement of E-Invoicing in light of the turnover as defined under GST law. Additionally, ascertain whether your company is entitled to sectoral exemptions as specified



## Business Readiness

Analyse gaps between current ERP report fields vis-à-vis the prescribed requirements of the E-Invoice schema



## ERP Changes

Basis the above analysis, initiate necessary changes in the ERP system to conform to E-Invoice schema



## Communication with IRP

Configure information systems for establishing connectivity with the IRP and for generation of IRN. Examine options such as direct upload to Government's portal, connect through with GSP/ASP tools, etc.



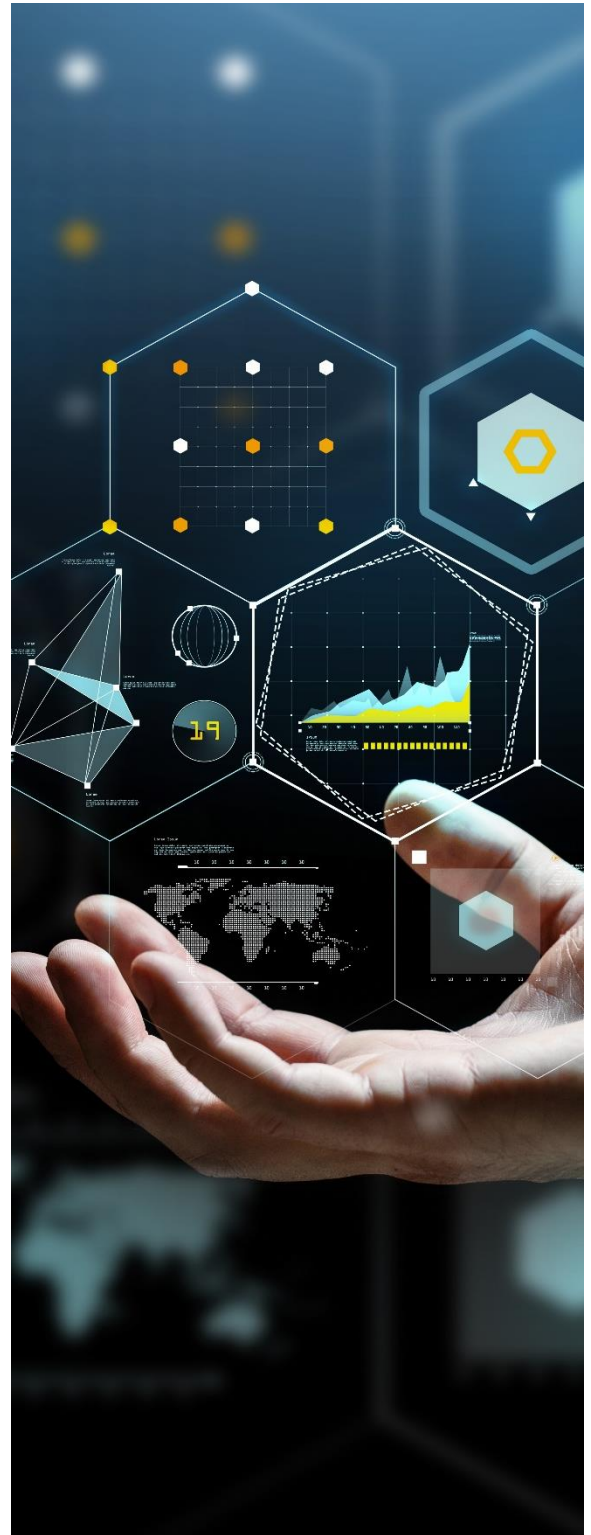
## Internal Controls

As the invoicing process will undergo change under the new E-Invoice system, training teams and revisiting internal control processes/policies may be necessary



## Get Set To Implement

Endeavour to complete the entire implementation process before roll-out, leaving adequate time for trials, user testing and course corrections, if any



# BDO India's E-Invoicing Solution

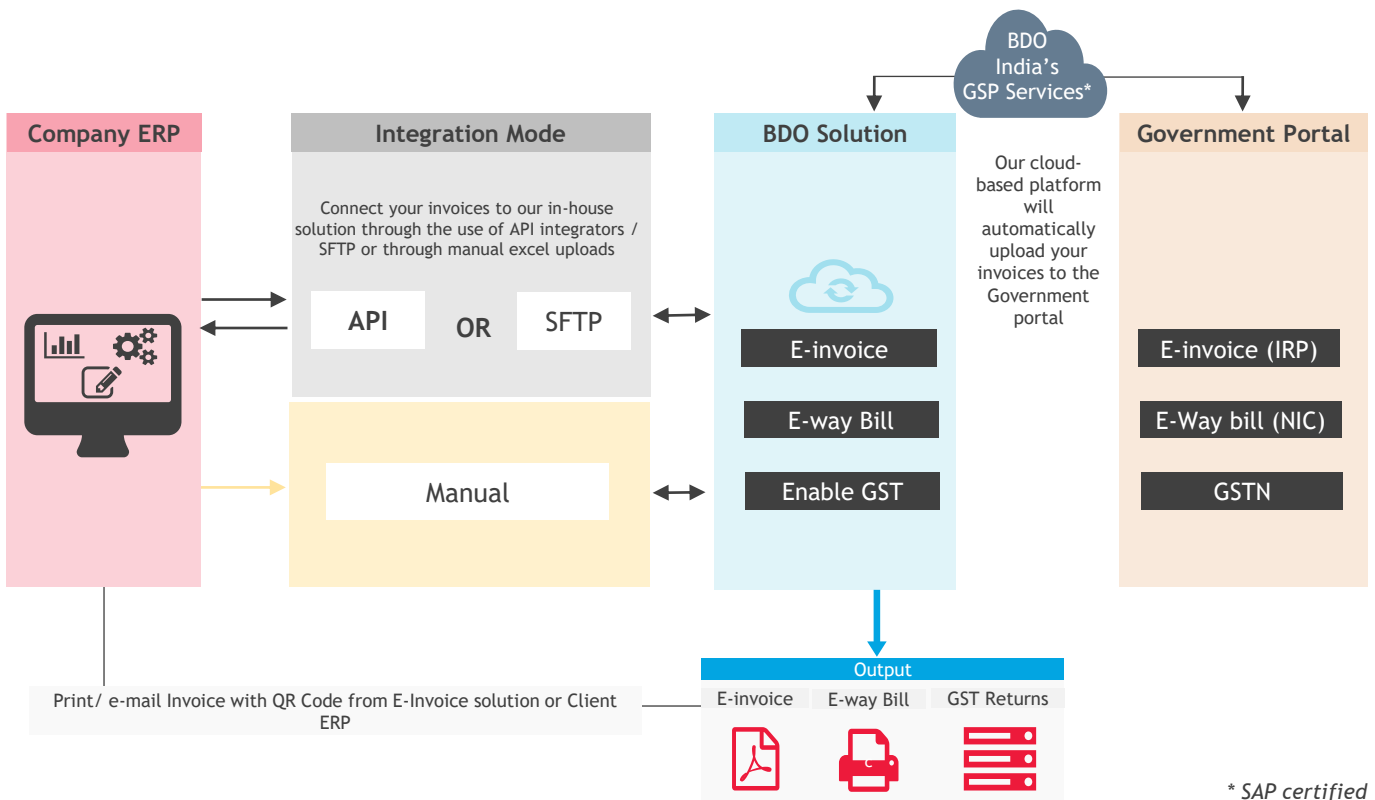
## What we deliver

We at BDO in India offer an end-to-end automated solution to manage E-Invoice compliances securely and seamlessly:

- Our nation-wide contingent of Indirect tax experts helps identify the modifications required to your business processes in order to comply with the schema standardisation requirements
- Our Technology team automates the process of data transfer via deployment of secured APIs or SFTP mode for your ERP, including SAP, Dynamics, Navision, Oracle & others
- Our cloud-based solution automates the process for invoice submission to the Government's portal

## Key Features

- Automation to manage large volumes with secured APIs or SFTP mode for seamless data transfer
- Seamless integration for all GST compliances including E-Invoice, E-way bill and GST returns - a distinct solutions offering
- Reverse integration to provide IRN, QR code and e-way bill details back to the company's ERP system
- Reconciliation between transactions submitted through E-Invoice, E-way bill and GST returns
- B2C QR code and printing of B2C invoices can be configured
- Enabling the company's ERP systems that have global instances, to automate the E-Invoice compliance process, without changing core IT policies



\* SAP certified



## Why us

We are uniquely placed in our domain knowledge as tax advisors, with the complement of our in-house technology team, to build proprietary, tech-enabled, customised solutions, that are compliant with tax laws, with built in logic of sound interpretations:

- BDO in India is a registered GST Suvidha Provider
- Certified by the SAP® Integration and Certification Center (SAP ICC)
- Credentials of providing GST compliance through our GST compliance solution - BDO ENABLE GST for 450+ companies on a pan India basis
- High level of data security - solution hosted on Microsoft Azure platform
- Scalable with multiple options to cater to a wide variety of business/ ERP scenarios
- A team comprising of tax and tech professionals to ensure seamless design and delivery of automated tax solutions

Integration with the tax suite of Direct and Indirect Tax applications that help clients to fully automate the tax function.

To request a demo of our solution please reach out to us

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## ABOUT US

### BDO Global

BDO is a leading professional services organisation and are global leaders of the mid-tier, with a presence in 160+ countries and over 91,000 people working out of more than 1,600 offices. We endeavor to deliver truly exceptional client service through a tailored solutions approach, while partnering with our employees and clients globally.



One member firm per Country

1
Leading consolidation in the mid tier
160+
Over 1800 offices in more than 165 countries
91,000+
Over 88,000 highly skilled partners and staff worldwide
US\$10.3 bn
BDO posted global revenues of US\$10.3 billion in 2020

### BDO in India

BDO in India offers Assurance, Tax, Advisory and Business Services & Outsourcing for both domestic and international clients across industries. The team at BDO in India consists of over 3,000 professionals led by more than 150 partners and directors operating out of 13 offices, across 10 key cities.



## OUR SERVICES

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- Business Analytics
- Due Diligence
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- Government Advisory
- Resolution Advisory
- Risk and Advisory Services
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- Valuations

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- Goods & Services Tax (GST)
- Customs & International Trade
- Pre-GST Indirect Tax Assessment & Litigation Assistance
- Tax Technology

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