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Principal Chief Commissioner

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GOVERNMENT OF INDIA  
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MINISTRY OF FINANCE, DEPARTMENT OF REVENUE  
प्रधान मुख्य आयुक्त माल और सेवा कर एवं केन्द्रीय उत्पाद शुल्क का कार्यालय, चेन्नई अंच  
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Date: 22.11.2022

Dear *Colleagues*,

I am extremely happy to inform that one Sh. Milan Tiwari, Inspector of Chennai GST Zone had developed a Web-Application named as “*GST Doctor*” which is useful for efficient and holistic analysis of GST>Returns, Invoice-wise data etc. for the purpose of Audit; scrutiny of GST returns; and processing of GST Refunds.

2. The Web-Application was developed in such a way that the users just need to feed in the returns downloaded from AIO viz. GSTR 1, GSTR 3B, GSTR 2A and GSTR 9 and the software throws the reconciled data flagging discrepancies, if any, in a collated manner. A unique feature of the web-application is the Invoice-wise ITC-Matching, a major tool required by Audit officers to identify ITC-mismatches or ITC availment beyond the statutory time limit.

3. User experience of the officers of Chennai-Zone confirmed the efficacy of ‘*GST-Doctor*’, as the reconciliation has become much easier and saves time. Further, omissions possible due to manual verification could be eliminated by this freely downloadable Web-Application, available on “*Microsoft Store*”.

4. A write up of the Web-Application detailing the features and uses as well as its superior features over the “*Return Scrutiny Software*” of Hyderabad Zone, is attached herewith.

5. I urge you to get this web-application shared with all Audit formations, besides encouraging field officers for scrutiny of GST>Returns and processing of GST Refunds for ease and effective performance of the relevant tasks.

6. I also request you to convey the suggestions for improving the said web-tool to enable the concerned to upgrade its features and/or eliminates bugs, if any.

With *Best Regards*,Yours *sincerely*,Signed by Mandalika  
Srinivas

Date: 22-11-2022 10:14:50

(Mandalika Srinivas)  
Reason: Approved

To

All (Pr.) Chief Commissioners of CT &amp; C.Ex.

All (Pr.) Chief Commissioner of CT , C.Ex. &amp; Customs.

Copy to: Smt.Seema Arora, IRS, DG (Audit), CBIC, New Delhi- for information.

## **Writeup on “GST Doctor” Web-Application**

### **A. Brief Introduction :-**

In order to ensure ease of collation of data and verification of the monthly GST returns, a web-application VIZ: “*GST Doctor*” was developed by Sh. Milan Tiwari, Inspector of Chennai CGST Zone.

2. The main areas of verification of GST returns by field officers are: reconciliation of outward supply (GSTR 1 vs GSTR 3B); and validation of ITC availed in GSTR-3B, by using Invoice wise data.

3. The ‘GST Doctor’ was subjected to user test by the officers of the Chennai CGST Zone and it is found to be extremely useful and reliable for the following areas of working :-

- 1) GST Audit - by Audit Commissionerates;
- 2) Processing of Refund claims (for Matching of Invoices in Annexure B with GSTR-2A) by Executive Commissionerates; and
- 3) Scrutiny of Returns by Range/ Divisional officers of the Executive Commissionerates.

### **B. Background:**

During pandemic time, CBIC enabled Remote Access to GST Application for field officers. Although this enabled work from home facility, copying returns data directly from portal and pasting to MS Excel was not supported in GST Remote Access which made it very difficult to reconcile the returns, as one had to type/feed every item/figure, manually.

Further, for the purpose of ITC verification, manual collation of data warranted verification of each and every invoice physically, at the time of GST Audit/ Refund scrutiny. Therefore, an advanced ITC Matching algorithm was developed to automate this process.

In order to automate the process of verification, a script was developed for outward supply reconciliation and later a ‘User Interface’ was added which eventually culminated to “*GST Doctor*”, a web application.

In order to provide easy access of ‘*GST-Doctor*’ to all the officers, the software was made available on ‘*Microsoft Store*’, freely downloadable.

### **C. Implementation:**

The ‘GST Doctor’ web application has two main functionalities i.e.

- (i) Outward Supply Reconciliation; and
- (ii) Invoice-wise ITC Matching.

**(i) Outward Supply Reconciliation :-**

For outward supply reconciliation, month-wise GSTR-1 and GSTR-3B can be downloaded using AIO systems and uploaded in the Reconciliation module of the 'GST Doctor'. In this module 'Turnover' and 'Tax' are compared in the following manner :-

- 1) Taxable Supply in GSTR-1 (B2B + B2C + net of Debit/Credit Notes) is compared with GSTR-3B Taxable Supply; and
- 2) Exempted Supply in GSTR-1 (Exports + Deemed Exports + SEZ) is compared with GSTR-3B other than Taxable Supply.

**(ii) Invoice-wise ITC Matching :-**

For Invoice-wise ITC Matching, GSTR-2A (B2B, CDN, IMPG) can be downloaded using AIO systems and Invoice-wise breakup of ITC availed and reversed can be sourced from the taxpayer ( *During GST-audit, the ITC availed and reversed data needs to be sought from the Taxpayer ; and for Refund, such data will be uploaded by the claimant as an annexure B to the refund claim*).

ITC Matching is done based on 4 parameters:-

- 1) GSTIN
- 2) Invoice Number.
- 3) Invoice Date
- 4) TAX (IGST, CGST, SGST)

Few approximations are made on each of the fields to improve the matching, such as using PAN instead of GSTIN for comparison; considering US/UK date formats; ignoring “-/" etc. while matching Invoice no. and rounding off Tax Values; etc.

A sample summary report generated after ITC Matching, would appear as shown hereunder:-

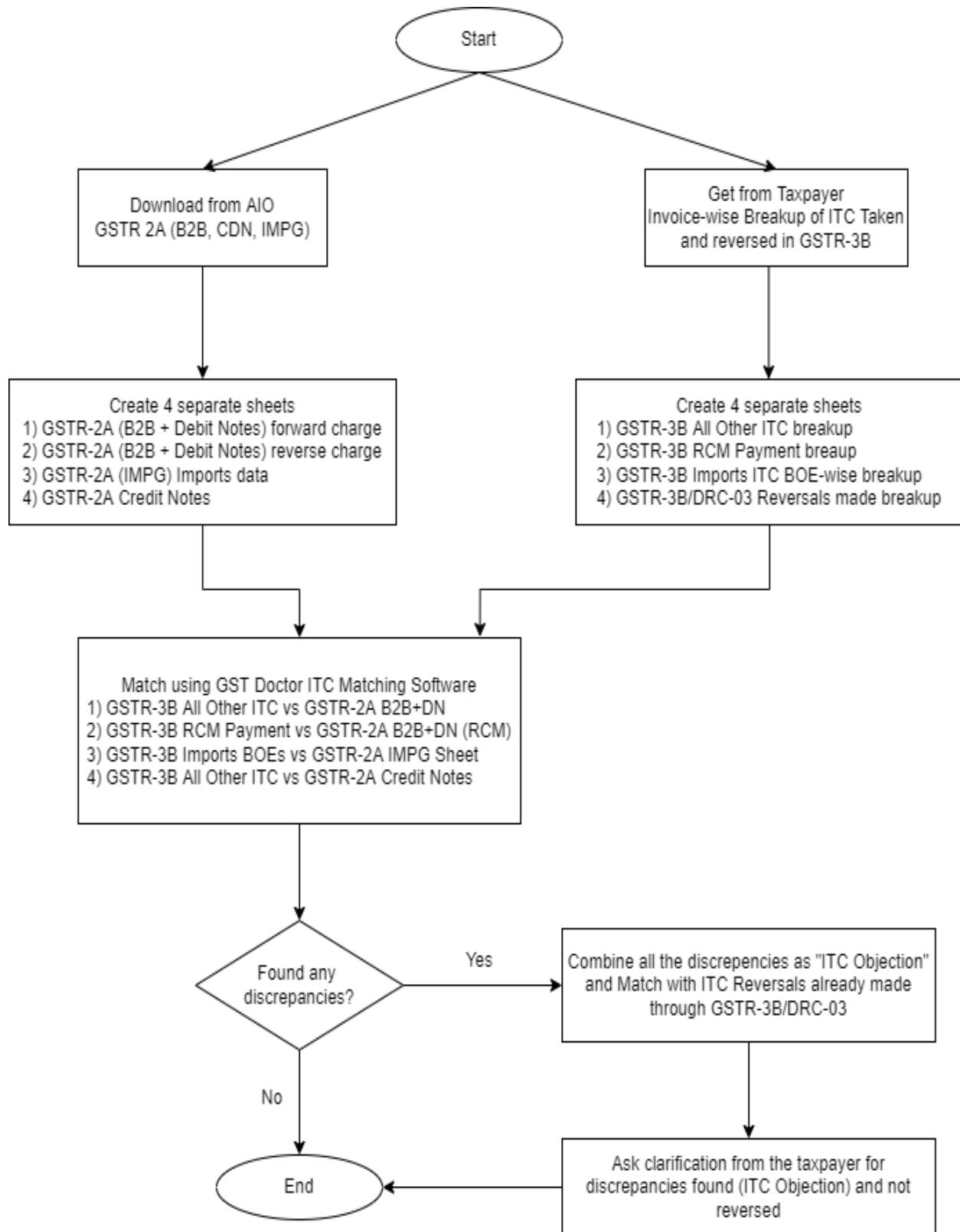
<b>Category</b>	<b>Invoice Count</b>
Fully Matched	3783
GSTIN Mismatch	42
Invoice No Mismatch	448
Invoice Date Mismatch	256
Tax Mismatch	19
Tax Head Mismatch	10
Weak Match	108
Debit Entry (Reversals)	0
Duplicate Invoices	15
Negligible (< 5Rs.)	129
Not in 2A	51

**Application of ITC Matching Module :-**

The Invoice-wise ITC matching can be used in the following scenarios :-

<b>S. no.</b>	<b>Area of Scrutiny/Audit</b>	<b>Application</b>
1	Comparing ITC Data & GSTR 2A/2B - i/r/o B2B invoices & Debit Notes	For verifying the Domestic ITC availed/utilized which are not in GSTR-2A; Duplicate entries; Tax Mismatch etc.
2	Comparing ITC Data & GSTR 2A/2B - i/r/o Credit Notes	For detecting Invoices on which ITC was taken and credit note was also issued and quantify ITC Reversal;
3	Comparing Imports Data & GSTR 2A/2B	For matching BOEs with GSTR-2A.  Most common irregularity detected here is Customs Duty taken as credit in place of IGST value which is flagged as Tax Mismatch in the software.
4	Comparing ITC Reversal & ITC Mismatch	If the Taxpayer had already reversed ITC through DRC-03 or GSTR 3B, get the invoice wise details of reversals and match with the ITC Mismatch ( <i>not in GSTR2A, Tax Mismatch, Duplicate etc. from S. No. 1 and 2</i> ) and other Blocked Credits under section 17(5) of CGSTA.
5	GSTR 2A RCM Invoices vs Cash Payment in GSTR3B	If RCM value populated in GSTR-2A is more than what is paid in GSTR 3B, it can be matched invoice-wise to check which invoices were left out and whether any action is warranted.
6	Refund Annexure B vs GSTR-2A	The software provides tool for faster matching of the invoices on which ITC was claimed as per Annexure-B with GSTR 2A to determine eligibility in ITC claim for Refunds.

**Flowchart for ITC Matching using 'GST Doctor' during GST Audit.**



### **Additional Features of GST Doctor :-**

Some other useful tools were developed and are available on ‘GST Doctor’ @ website <https://gstdoctor.in/tools:->

- 1) HSN wise outward supply details for multiple GSTINs - useful in finding out blocked and common credit supplies; and
- 2) GSTR-1 and GSTR-3B filing status for multiple GSTINs - useful in finding risky suppliers in bulk.

### **D. Efficacy and Benefits:**

1. Manual processing of returns is error prone and time-consuming exercise. In order to improve efficiency and accuracy, GST Doctor application is very useful;
2. The task of manual matching and reconciliation of the data fields that used to take 2-3 days can be completed within minutes, by using GST-Doctor.
3. Further, omission/errors due to manual checking can be completely eliminated by using GST-Doctor web application.

### **E. Comparison with “Returns Scrutiny Software” of Hyderabad Zone:-**

A comparative study of “GST Doctor” was made with “Returns Scrutiny Software” developed by CGST Ameerpet division of Hyderabad Zone, for Scrutiny of Returns. The list of additional features available in ‘GST Doctor’ web application are detailed hereunder :

- 1) In GSTR-1 vs GSTR-3B Reconciliation Module, invoices are checked with the return month of GSTR-1. If invoices are shown in later months, the interest can be demanded on those invoices , by using GST-Doctor, which is not possible with other software;
- 2) Invoice-wise ITC Matching, which is useful in Refund Verification, Domestic and Imports ITC verification, Credit Notes reversal quantification etc. is a clear additional feature in GST- Doctor.
- 3) Since GST Doctor web application is hosted on “*Microsoft Store*”, downloading and updating the software is very easy; unlike the other software of HYD-Zone;
- 4) GST Doctor web application is updated on regular basis to cater the needs of changes in the returns downloaded from AIO. *For eg:-* GSTR 2A can now be downloaded Year-wise in AIO, accordingly the GST Doctor Software was updated to feed in consolidated GSTR 2A for an year.
- 5) Potential for integration to the Back-end application of CBIC:-The logic used in the software can be optimised and deployed in the server for even faster results. If DG Systems can integrate the software in the scrutiny module to be developed, the returns data can be fetched directly from the server reducing the need to download the individual returns and consolidated results can be made available in officer dashboard for validation and issuing notice to taxpayer in case of discrepancy.
- 6) Further, tools available on website for detection of Blocked/Common credit and non-filer suppliers can also be integrated with the software.

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