



SAP R/3 ECC 6.0 EHP 6 SAP GST (Goods and Services Tax) Implementation

Business Scenario

Implementation of Goods and Services Tax (GST)

Client's day to day operations are carried out in SAP. However, Central and State governments in India proposed to introduce "**Goods and Service Tax (GST)** from 1st July a comprehensive tax **levy on manufacture, sale and consumption of goods and service** at a national level under which no distinction is made between goods and services for levying of tax. It will mostly **substitute almost all indirect taxes** levied on goods and services.

Understanding the benefits of SAP in their existing system, Client decided to extend the benefits of SAP GST and do a GST Implementation.

Client had to implement GST in SAP R/3 to comply this requirement.

Introduction

The Client

Client's one of the three divisions within their Corporation and a leading provider of plastic and metal piping systems with global market presence. The product portfolio includes pipes, fittings, valves and the corresponding automation and jointing technology for industry, building technology as well as water and gas utilities. With its intelligent complete systems, trendsetting products and technologies, Client is setting global standards in quality and performance. In project planning and implementation, GF Piping Systems convinces by application orientation and by responding to individual customer needs.

The Requirements

Client wanted to revitalize SAP Functions to maintain its edge in a competitive market by making the existing SAP R/3 system GST complaint improving performance and efficiency.

The project initiative was to implement Goods and Services Tax (GST) functions for one Registrations across India. One of the toughest challenges was to implement the system while the Govt. was still coming out with Notifications and clarifications and due to that even the SAP Solution in the form of new GST Notes or revision of existing GST Note arriving at the last moment.

Broad Scope of Work

- Configuring the Development system to make it GST compliant.
- User Acceptance Testing in Quality system
- Cutover Strategy
- Go Live Support

Project Summary

Industry

Piping systems

Client Profile

Client Piping systems is one of the three divisions within their Corporation and a leading provider of plastic and metal piping systems with global market presence. Client is founded in 1802, with corporate headquarters located in Schaffhausen, Switzerland.

Solution

SAP R/3 ECC 6.0 SAP GST India Implementation

Solution Benefit

- GST Implementation using standard R/3 functions and Customization
- Configure the SAP processes to support the legal requirements in the existing SAP environment

Business Challenges

- Understanding of GST provisions and its impact on existing business.
- Categorization of goods and services in various cases.
- Change to the destination-based tax from an origin-based tax structure.
- Shift from the previous tax regime and carry forward the input credits into GST
- Implementation Reverse Charge Mechanism
- Track (the version) and review the GST relevant SAP Notes and apply / implement the same

Solution

- AG Technologies implemented GST for the Client at GF India which includes all processes.
- The implementation included configuration of Domestic Sales and Purchase (Interstate/ Intrastate), Reverse Charge Mechanism (RCM), Imports, Exports, Sub-contracting, Debit & Credit note, Stock Transfer, Purchase Return, Bill of supply, Advance payments received & Paid.
- Configuration of GST Location, Document numbering, Updating Company Details, State codes, Business Partner, Item Master, GL determination.
- Creation of new GL accounts, Condition types, Condition Table, Tax Procedure and Tax codes.
- Changes in existing print layout as per GST requirement in Purchase Order, GST Tax Invoice, , Export Invoice,

Critical Success Factor

- To define stability & scope of Project
- Understand and interpret the compliance requirements and convert in to the business terminology
- GST Implementation using standard R/3 functions and Customization at client
- Disciplined documentation and strict adherence to process and quality standards
- Strong emphasis on building skill and learning environment by focused key user and end user training
- Configure the SAP processes to support the legal requirements in the existing SAP environment
- Whole company committed to ASAP methodology and R/3 Business Process

Technology

SAP Solution	SAP R/3 ECC 6.0 EHP 6
Modules	MM, SD, FI, ABAP

**For more information,
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About Us

AG Technologies is a global software solutions and SAP services provider headquartered in Mumbai, India. We are a business and technology group specializing in industry specific solutions and strategic outsourcing.

Our team is highly experienced and possesses deep expertise in their areas of focus. We provide superior value for our clients by delivering high quality work designed to enhance your Return on Investment.

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