

# Introduction to IDMS ERP System

## 1. Overview of IDMS ERP System

The **IDMS ERP System** is a **comprehensive enterprise resource planning** solution designed specifically for **manufacturing industries**. It helps businesses streamline **Sales, Purchase, Inventory, Production, Quality Control, Dispatch, Finance, and Accounts** while ensuring full compliance with **GST regulations**.

### ERP Structure: Modules Overview

IDMS ERP consists of the following major modules:

- **Sales & NPD:** Manages quotations, sales orders, invoices, and dispatches. •
- **Planning:** Aligns demand forecasting, material planning, and production schedules. •
- **Purchase:** Handles procurement, supplier management, and purchase orders. •
- **Stores:** Maintains stock levels, material movements, and inventory tracking. •
- **Production:** Controls manufacturing processes, job work, and raw material consumption.
- **Maintenance:** Manages machine upkeep and preventive maintenance schedules. •
- **Quality:** Ensures compliance through inspections and material validation. •
- **Dispatch & Logistics:** Organizes shipments, transport partners, and delivery tracking. •
- **HR & Admin:** Manages workforce, payroll, and employee records.
- **Accounts & Finance:** Tracks financial transactions, payments, GST compliance, and reporting.
- **Settings:** Provides system configuration, user access management, and role-based permissions.

## 2. Structure of Each Module: Masters, Transactions, and Reports

Each module in IDMS follows a **three-tier data structure** to ensure **data integrity, efficiency, and traceability**:

### A. Masters

- Masters store **static or reference data** that drive transactions.
- Examples:
  - **Sales Master:** Customer Master, SKU Master, Payment Terms
  - **Purchase Master:** Supplier Master, HSN Mapping
  - **Inventory Master:** Warehouse Locations, Stock Categories

- **Finance Master:** Ledger Accounts, GST Configurations

## B. Transactions

- Transactions are **dynamic operations** performed in the ERP.
- Examples:
  - **Sales Transactions:** Sales Order, Dispatch Request, Invoice
  - **Purchase Transactions:** PO, Goods Receipt Note (GRN)
  - **Inventory Transactions:** Stock Issue, Stock Transfer
  - **Finance Transactions:** Payment Processing, Journal Entries

## C. Reports

- Reports provide **real-time insights and data analysis**.
- Examples:
  - **Sales Reports:** Order Confirmation Report, Sales Register
  - **Purchase Reports:** Outstanding PO Report, Purchase Register
  - **Inventory Reports:** Stock Aging, Reorder Levels
  - **Finance Reports:** GST Return Filing, Ledger Balance Reports

# 3. GST Integration in IDMS ERP

## A. GST Compliance in IDMS

The ERP ensures full GST compliance by:

1. **Automating GST calculations** in transactions.
2. **Validating GSTIN** of customers & suppliers.
3. **Generating GST-compliant invoices and e-invoices**.
4. **Tracking GST filing deadlines and reports (GSTR-1, GSTR-3B, etc.)**.
5. **E-Way Bill integration** for transport tracking.

## B. Key GST Concepts in ERP

- **HSN Code:** Classification for goods taxation.
- **SAC Code:** Classification for service taxation.
- **Tax Invoice:** Official billing document with GST details.
- **E-Invoice:** Digital GST invoice validated by the Government.
- **E-Way Bill:** Document for goods transportation.
- **Credit/Debit Notes:** Adjustments to GST invoices.
- **Reverse Charge Mechanism (RCM):** GST liability shifts from supplier to recipient.

# 4. GST-Related FAQs for ERP Users

## **Q1. What is GST and why is it important for businesses?**

**A:** GST (Goods and Services Tax) is an indirect tax levied on the supply of goods and services in India. It replaces multiple indirect taxes and ensures a unified taxation system. Businesses must comply with GST regulations to avoid penalties and ensure smooth operations.

## **Q2. How does IDMS help in GST compliance?**

**A:** IDMS ERP integrates GST into every transaction, ensuring automatic tax calculations, validation of GSTIN, real-time invoice generation, and GST return filing support (GSTR-1, GSTR-3B, etc.).

## **Q3. What are the different types of GST in IDMS?**

**A:**

### **Type Full Form Applied On Collected By**

CGST Central Goods and Services Tax Intra-state sales Central Govt. SGST

State Goods and Services Tax Intra-state sales State Govt.

IGST Integrated Goods and Services Tax Inter-state sales Central Govt.

UTGST Union Territory GST Sales within UTs UT Govt.

## **Q4. What is the role of HSN & SAC codes in IDMS?**

**A:** HSN (Harmonized System of Nomenclature) codes classify goods, while SAC (Service Accounting Code) codes classify services for GST purposes. IDMS assigns these codes to each item and service for accurate taxation.

## **Q5. How does E-Invoicing work in IDMS?**

**A:** E-invoices are generated digitally and validated through the Government's **Invoice Registration Portal (IRP)**, which assigns a unique **Invoice Reference Number (IRN)** and **QR code**.

## **Q6. When is an E-Way Bill required?**

**A:** If goods worth more than ₹50,000 are being transported, an E-Way Bill must be generated via IDMS. It contains transporter details, invoice information, and route details.

### **Q7. What is the Reverse Charge Mechanism (RCM) in GST?**

**A:** Under RCM, instead of the supplier, the buyer is liable to pay GST to the government for certain transactions (e.g., purchases from unregistered dealers).

### **Q8. How does IDMS handle tax invoice vs. proforma invoice?**

**A:** A **proforma invoice** is a preliminary bill issued before the actual sale, while a **tax invoice** is a legal document for GST compliance. IDMS automates the conversion of proforma invoices into tax invoices.

### **Q9. Can IDMS generate GST returns automatically?**

**A:** Yes, IDMS compiles sales and purchase data to generate **GSTR-1 (Outward Supplies)**, **GSTR-3B (Monthly Summary Return)**, and **GSTR-2A (Auto-drafted Inward Supplies Report)**.

### **Q10. How does IDMS help in reconciling GST mismatches?**

**A:** IDMS provides detailed **GST reports** and **mismatch reports**, ensuring accurate tax data before filing returns.

### **Q11. What is GSTR-1 and how does IDMS help in filing it?**

**A:** GSTR-1 is a monthly or quarterly return that details **all outward supplies (sales)** made by a business. IDMS **automatically compiles and formats sales data** (invoices, credit notes, and debit notes) and generates GSTR-1 reports for **direct upload to the GST portal**.

### **Q12. What is GSTR-3B and how does IDMS assist in its filing?**

**A:** GSTR-3B is a **monthly summary return** of both **inward and outward supplies**, along with GST payable. IDMS consolidates **sales and purchase transactions** and auto-computes **GST liabilities**, enabling seamless **3B return filing**.

### **Q13. How does IDMS handle ITC (Input Tax Credit)?**

**A:** Input Tax Credit (ITC) allows businesses to claim **GST paid on purchases** against their **GST liability on sales**. IDMS maintains a **ledger of ITC claims**, matches them with **GSTR-2A (auto-drafted supplier details from GSTN)**, and reconciles any discrepancies.

### **Q14. What happens if there is a GST mismatch in IDMS?**

**A:** IDMS flags mismatches in **GST returns** (e.g., invoices missing from supplier records in GSTR-2A). It provides **reconciliation reports**, suggesting corrections before **final filing**.

### **Q15. How does IDMS manage GST for inter-state vs. intra-state transactions?**

**A:** IDMS automatically differentiates between:

- **Intra-state transactions** (CGST & SGST applied).
- **Inter-state transactions** (IGST applied).
- **Exports** (Zero-rated supply with/without LUT).
- **Reverse charge transactions** (RCM applicable).

### **Q16. How are HSN-wise summary reports generated in IDMS?**

**A:** GST law mandates that invoices include **HSN/SAC codes** based on turnover limits. IDMS compiles **HSN-wise tax summaries** and prepares reports in **GST-compliant format**.

### **Q17. What happens if a sales invoice is cancelled after GST has been filed?**

**A:** If an invoice is cancelled **before GST filing**, it is simply removed. If cancelled **after GST return submission**, IDMS ensures a **Credit Note** is issued, **adjusting tax liabilities** in the next GST cycle.

### **Q18. How does IDMS handle GST-exempt and zero-rated supplies?**

**A:** IDMS supports:

- **GST-exempt goods** (e.g., agricultural products, healthcare services).
- **Zero-rated supplies** (exports, supplies to SEZ).
- **GST-exempt customers** (charitable organizations, government departments).

### **Q19. How does IDMS automate GST payments?**

**A:** IDMS calculates **net GST liability**, generates a **Challan for GST payment (PMT-06)**, and facilitates online payments via **Net Banking, UPI, or NEFT/RTGS**.

### **Q20. How does IDMS generate audit reports for GST compliance?**

**A:** IDMS maintains a **detailed audit trail** for:

- **GST ledger reconciliation** (sales vs. purchases).
- **Invoice modifications & corrections**.
- **GSTR-9 (Annual Return) & GSTR-9C (Reconciliation Statement)**.

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"ERP_Modules": {
  "Sales_Module": {
    "What_It_Does": "Manages customer orders, invoices, shipments, and payments.",
    "Master_Data": {
      "B2B_Customers": "Customer details, credit limits",
      "SKU_Master": "Product details, pricing, HSN codes",
      "Payment_Terms": "Payment conditions for customers",
      "Logistics": "Shipping modes and partners"
    },
    "Transactions": [
      "Quotation", "Sales Order (SO)", "Dispatch Request (DRN)", "Advanced Shipment Notice (ASN)",
      "Proforma Invoice", "Service Invoice", "E-Way Bill",
      "Sales Credit/Debit Notes", "Cancellation of SO/DRN"
    ],
    "Reports": [
      "Sales Register", "Order Confirmation", "Inventory Reports"
    ],
    "Dependency": [
      "Requires stock from Stores", "Needs approval from Finance for credit sales", "Dispatch is linked to Logistics"
    ]
  },
  "Purchase_Module": {
    "What_It_Does": "Procures raw materials and services required for production.",
    "Master_Data": {
      "Supplier_Master": "Vendor details, credit terms",
      "Item_Master": "Material descriptions, unit of measure",
      "Payment_Terms": "Agreements with suppliers",
      "GST/P": "HSN/SAC codes for taxation"
    },
    "Transactions": [
      "Purchase Orders (PO)", "Supplementary PO (SPO)", "Amendments", "Cancellations", "Purchase Debit Notes",
      "Job Work Orders (for outsourced production)"
    ],
    "Reports": [
      "PO Status", "Outstanding POs", "Inventory Levels"
    ],
    "Dependency": [
      "Linked with Stores for material availability", "Requires Finance approval for high-value purchases",

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    "Quality Control checks incoming material"
  ],
},
"Stores_Module": {
  "What_It_Does": "Manages inward and outward movement of raw materials,
work-in-progress (WIP), and finished goods.",
  "Master_Data": {
    "Inventory_Zones": "Main Store, Stock Preparation Store"
  },
  "Transactions": [
    "Goods Receipt Note (GRN)", "Goods Issue Note (GIN)", "Stock Transfer (GTE –
Intra-movement of material)"
  ],
  "Reports": [
    "Stock Aging", "Reorder Level", "Inventory Reports"
  ],
  "Dependency": [
    "Receives materials from Purchase", "Issues raw materials to Production", "Stores finished
goods for Sales Dispatch"
  ]
},
"Production_Module": {
  "What_It_Does": "Manages the manufacturing process from raw material to finished
product.",
  "Master_Data": {
    "Raw_Material_Master": "List of raw materials",
    "Production_Process_Definitions": "Defined workflows for manufacturing"
  },
  "Transactions": [
    "Batch Card Entry (Production Plan)", "Goods Transfer Request (GTR)", "Work Orders",
"Job Card Entries"
  ],
  "Reports": [
    "Production Inventory", "Finished Goods Tracking"
  ],
  "Dependency": [
    "Receives raw material from Stores", "Requires approval from Quality before releasing
products",
    "Outputs finished goods to Stores for dispatch"
  ]
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"Quality_Module": {
  "What_It_Does": "Ensures materials, WIP, and finished products meet required standards.",

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"Master_Data": {
  "Inspection_Checklists": "List of quality checks",
  "Standard_Specifications": "Quality benchmarks"
},
"Transactions": [
  "Material Inspection (MRN, PDIR Entries)", "Job Card Inspections", "Batch Release"
],
"Reports": [
  "Inspection Reports", "Material Re-validation"
],
"Dependency": [
  "Approves materials received from Purchase", "Approves WIP and finished goods for
Production",
  "Ensures quality compliance before Dispatch"
]
},
"Dispatch_Logistics_Module": {
  "What_It_Does": "Manages order fulfillment, shipping, and invoicing.",
  "Master_Data": {
    "Shipping_Modes": "Available shipping options",
    "Transport_Partners": "Logistics service providers"
  },
  "Transactions": [
    "Sales Order Dispatch (DRN)", "Advance Shipment Notices (ASN)"
  ],
  "Reports": [
    "Dispatch Status", "Sales Register"
  ],
  "Dependency": [
    "Needs approved finished goods from Stores", "Requires Quality Approval for dispatch",
    "Generates invoices linked with Sales"
  ]
}
}
}

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