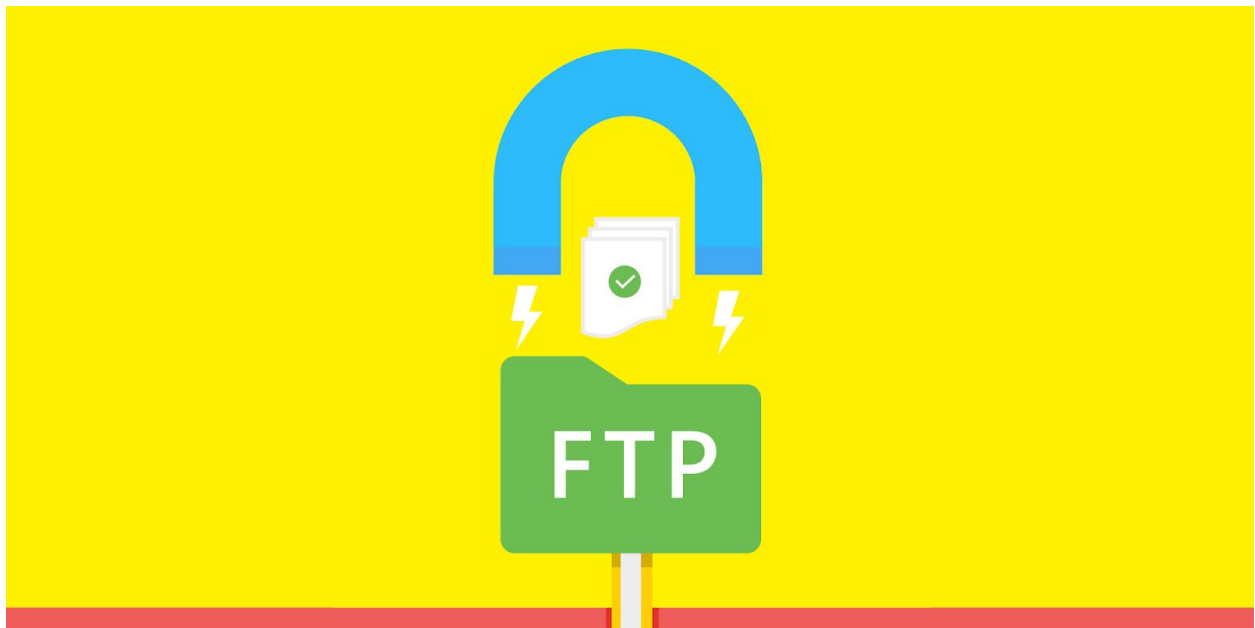


# ClearTax GST FTP Magnet

Specification Document and Typical Project Plan



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## Version History

Version	Prepared by	Prepared on	Reviewed and approved by	Reviewed and approved on	Description
1.0	Shriram Bhat	16-03-2020	X	X	Initial draft

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# 1. Purpose

The purpose of this document is to provide technical specifications of the functionalities of ClearTax FTP Magnet for GST.

## 2. Overview

### 2.1 Use cases

ClearTax GST has state-of-the-art restful APIs that can be used to send data from ERP to ClearTax. You can consume these APIs and push data to ClearTax on a real time or scheduled basis. In some cases, you may not be able to consume the APIs directly in the ERP for reasons like:

1. Unavailability of in-house IT team to customise the ERP.
2. High cost of development.
3. Longer project timeline.
4. Approval not received for direct API integration.

In that case, you may want to go for a simpler solution with FTP mode. As a business, you want to extract input data with sales documents from your ERP to FTP so that ClearTax can upload these documents to your user account.

### 2.2 FTP Magnet Solution

FTP Magnet is a middleware application between your FTP server and ClearTax GST application. You can export data from your ERP to your own FTP server. As a part of onboarding, ClearTax configures its FTP Magnet to connect to your FTP server. The FTP Magnet reads the input files from your FTP server and uploads them to the ClearTax GST application.

### 2.3 Key functionalities

**Pan Level (Multi-GSTIN) / GSTIN Level Import** - You can upload documents to a PAN or a GSTIN in your user account with the same configuration using a defined directory structure and file naming conventions.

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**Custom Template** - The FTP Magnet is compatible with ClearTax Standard GST template as well as custom templates which have been already mapped in your user account.

**Failure Notification** - In case of failure of upload of any file to ClearTax, you will receive a failure notification email in a defined mailbox.

## 3. Onboarding requirements

To use ClearTax FTP Magnet, we will require the following prerequisites.

### 3.1 ClearTax Account

Before you begin, you'll need a ClearTax Account to sign up for ClearTax FTP Magnet. If you don't have a ClearTax account, go to [gst.cleartax.in](http://gst.cleartax.in) and sign up with your email.

### 3.2 FTP Server Configuration

The FTP Magnet is compatible with FTP, FTPS and SFTP protocols. Using the FTP server configuration details, the FTP Magnet connects to the FTP server. You need to share the server host and protocol with ClearTax. In order to ensure that connections can be established at all times, it is recommended to keep the server live always and remove any restrictions on the number of connections from the same client, if any.

### 3.3 FTP User Credentials

To access the files in the FTP server, ClearTax needs the FTP user credentials. For the purpose of this integration, you need to create a new user and share the username and password with ClearTax. This user must have permissions to read and write on the designated directory and subdirectories recursively.

### 3.4 FTP Directory Structure

We will use the directories in the FTP server as a data source to the FTP Magnet as well as a way to maintain states of successful and unsuccessful uploads. Here's the required directory structure:

Cntd..

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## CLEAR TAX/

- |— SOURCE
- |— UPLOADED
- |— SUCCESS
- |— FAILURE

More information on these directories and how it will be used is available in the “Approach” section below.

**Note - The directory names and structure are subject to change.**

### 3.5 File Naming Convention

ClearTax allows a user to manage multiple PANs and GSTINs in the same user account. At the time of uploading files to ClearTax, it is important to specify which PAN/GSTIN that particular document belongs to. For this purpose, ClearTax has defined a specific file naming convention.

ClearTax has different input templates for different document types. The template name helps us to identify the data type of the documents.

You can also specify the return period in the filename. If a return period is specified, then all documents will be uploaded into the specified return period. Otherwise the return period will be calculated automatically based on the “Document Date” column in the file by ClearTax.

While exporting data from the ERP to the FTP server, you need to use the below file naming convention. This is very crucial as the identity of the PAN/GSTIN and template depends on the filename.

#### With a return period:

```
<PAN>_<TEMPLATE-NAME>_<RETURN-PERIOD>_<FILENAME-WITH-DATE-TIMESTAMP>.<EXT>
<GSTIN>_<TEMPLATE-NAME>_<RETURN-PERIOD>_<FILENAME-WITH-DATE-TIMESTAMP>.<EXT>
```

#### Example:

```
AEKPV7203E_Sales Invoices and Bill of Supply_092019_invoices16052019015401.xlsx
29AEKPV7203E1Z9_Sales Invoices and Bill of Supply_092019_invoices16052019015402.xlsx
```

#### Without a return period

```
<PAN>_<TEMPLATE-NAME>_<FILENAME-WITH-DATE-TIMESTAMP>.<EXT>
<GSTIN>_<TEMPLATE-NAME>_<FILENAME-WITH-DATE-TIMESTAMP>.<EXT>
```

#### Example:

```
AEKPV7203E_Sales Invoices and Bill of Supply_invoices16052019015401.xlsx
29AEKPV7203E1Z9_Sales Invoices and Bill of Supply_invoices16052019015402.xlsx
```

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**Note:**

1. ClearTax supports only XLSX, XLS and CSV formats for input.
2. In CSV, if comma is used in data, use a delimiter other than comma. Eg: Pipeline “|”
3. Hyphen “-” cannot be used as a separator in the filename. We recommend to use underscore “\_” as file separator.

## 3.6 Notification Email ID

While trying to upload a file to ClearTax, if the FTP Magnet runs into an error or exception, it will send out a failure notification to the email address provided. This can be helpful for you to check the file from the corresponding status directory and review the data in it and upload again. You need to share the admin email address to receive such notifications.

## 4. Approach

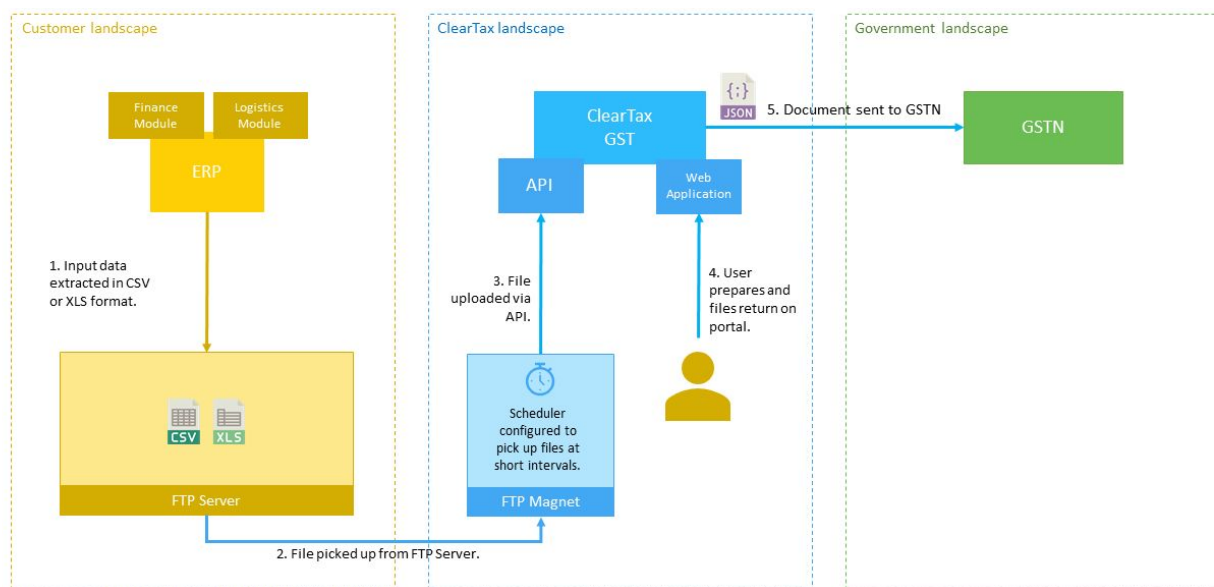


Figure 1. High level architecture of FTP mode of integration.

### 4.1 Extraction of data from ERP

You will extract data from your ERP in ClearTax template in CSV format and save it in the “SOURCE” directory of your FTP server. This is the primary source of input data for ClearTax. To download a ClearTax template for reference, go to your ClearTax account and click on the “Import” tab.

### 4.2 Uploading files to ClearTax

FTP Magnet is configured to keep looking for new files in the “SOURCE” directory. Whenever a new file is found, it uploads the file to ClearTax with File Upload API. This is an asynchronous API and the final state of the upload will be available after polling status. So there can be some interim states until it reaches the final states (Success/Failure).

Once the file upload is initiated, the file will be moved from the “SOURCE” directory to the “UPLOADED” directory. The FTP Magnet will use this subdirectory to check the processing status. As a user, there is no need for you to take any action on the files in interim state directories.

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**Exception Handling:** If the file upload gets aborted, the FTP Magnet moves the input file to the “FAILURE” subdirectory. This file will be in the same name and extension as the input file.

## 4.3 Parsing uploaded files

Once the upload succeeds, the uploaded file will be parsed in ClearTax and converted into documents/invoices. The FTP Magnet moves the input file to the “SUCCESS” subdirectory.

**Exception Handling:** If, at the time of parsing, some validation error is caught, this information will be available in the “Import History” page of your user account. You can either review and revalidate this on your account OR download the error rows and fix it in your ERP and upload again.

## 4.4 Preparing returns

Once the data is in ClearTax, you can log in to your account and prepare GST returns there. You can also download the filed documents and write back in your ERP as per your requirement.

# 5. System Configuration

The FTP server will have to be hosted in your environment.

1. **Storage** - This depends on the number of files and size of your input data extracted from ERP.
2. **Processing** - There is no requirement of processing capacity.

# 6. Activities and Timeline

SI	Particulars	Responsible	Efforts	Dependencies
1	Commissioning FTP Server with the defined directory structure and configuring the FTP user with required permissions.	Customer	2 days	NA
2	Extracting data from ERP to FTP server in ClearTax template and defined naming convention.	Customer	7 days	1

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3	Sharing prerequisites with ClearTax: 1. ClearTax Account details. 2. FTP Server Configuration. 3. FTP User Credentials. 4. Notification Email ID.	Customer	1 day	1
4	Configuring FTP Magnet	ClearTax	1 day	3
5	UAT	Customer	3 days	4
6	Go-live	Customer	1 day	5

## 7. RAID Log

### 7.1 Risks

1. No risks known as of date.

### 7.2 Assumptions

1. The ClearTax account used for integration has an Account Admin role so that all APIs required for upload and generation are accessible.
2. The files in the "SOURCE" directory are in ClearTax template.
3. Every input file has a unique filename.
4. There are no duplicate PAN or GSTIN in the same user account. In case there are duplicates, then the files will be uploaded to one of the entities based on the response sequence of the Business API.

### 7.3 Issues

1. No issues known as of date.

### 7.4 Dependencies

1. The integration can be started once the onboarding prerequisites mentioned in this document are provided to ClearTax.

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## Need more help?

Tell us more and we'll help you get there. Write to [integrations-support@cleartax.in](mailto:integrations-support@cleartax.in)

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