- CA SWAPNIL MUNOT, PUNE

E-INVOICING

New Era Under GST and Indian Economy

GST : Good and Simple Tax

CONTENT:

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BUDGET SPEECH – GST

BUDGET SPEECH : GST

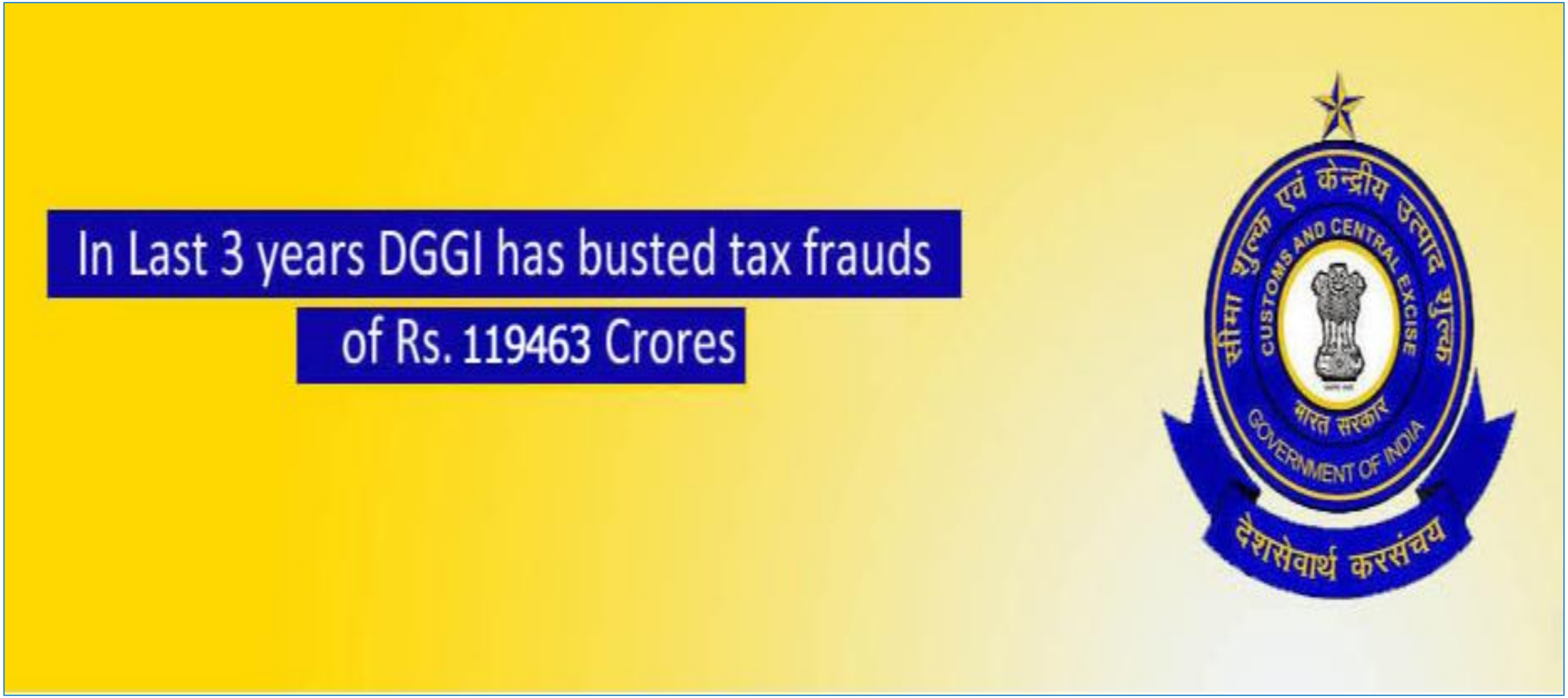
- **Electronic invoice** is another innovation wherein critical information shall be captured electronically in a centralized system. It will be implemented in a phased manner starting from this month itself on optional basis. It will facilitate compliance and return filing

- **Dynamic QR-code** is proposed for consumer invoices.

- Deep data analytics and **AI tools are being used for crackdown on GST frauds**. Invoice and input tax credit matching is being done wherein returns having mismatch more than 10 percent or above a threshold are identified and pursued

- **A simplified new return system is being introduced from April 1, 2020**. This is under pilot run. It will make return filing simple with features like SMS based filing for nil return, return pre-filling, improved input tax credit flow and overall simplification.

GST FRAUDS ☹


In Last 3 years DGGI has busted tax frauds
of Rs. 119463 Crores
सीमा शुल्क एवं केन्द्रीय उत्पाद शुल्क
CUSTOMS AND CENTRAL EXCISE
भारत सरकार
GOVERNMENT OF INDIA
देशसेवार्थ करसंचय

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E – INVOICING GLOBALLY

Source – Study by Bruno Koch Billentis - compacer

E - INVOICE: GLOBALLY

Source – Study by Bruno Koch Billentis - compacer

- The e-invoicing market has been around for **over 20 years**.
- Electronic documents have gradually replaced paper-based invoices. As part of the first phase, the European market was developed mainly by private industry
- The global market is forecast to encompass 550 billion invoices annually. It is expected to quadruple in size by 2035. **In 2019, only around 55 billion invoices are exchanged on a paperless basis**.
- Global Estimate of Invoice volume in 2019

Type	Estimated Volume in 2019
B 2 B	280 Billion
B 2 C	270 Billion
Total	550 Billion

- We estimates that the size of the global e-invoicing and enablement market in 2019 amounts to EUR 4.3 billion (USD 4.9 billion), and that it will reach approximately EUR 18 billion (USD 20.5 billion) in 2025

E - INVOICE: GLOBALLY

Source – Study by Bruno Koch Billentis - compacer

- We estimate that today around 40%, but **in 2025 already 80% of organisations will be forced either by legislation or important trading partners to exchange invoices just in electronic format**

- As the electronic gaps from the taxation perspective will be closed, tax declarations, deductions, reclaims and the **traditional audits will no longer be required in the future.**

- **Various counties in world has implemented this concept –** USA, Australia, Canada, Sweden, Turkey, Italy, Peru, New Zealand, South Korea, Mexico, Singapore etc

- In world, **around 60 countries** are in the process of implementation of E-Invoicing.

E - INVOICE: GLOBALLY

Source – Study by Bruno Koch Billentis - compacer

SMM

- **The results for the tax authorities are remarkable:**

BRAZIL – It has seen a $ 58 billion (USD) increase in tax revenue as a result of plugging gaps in invoicing and reporting.

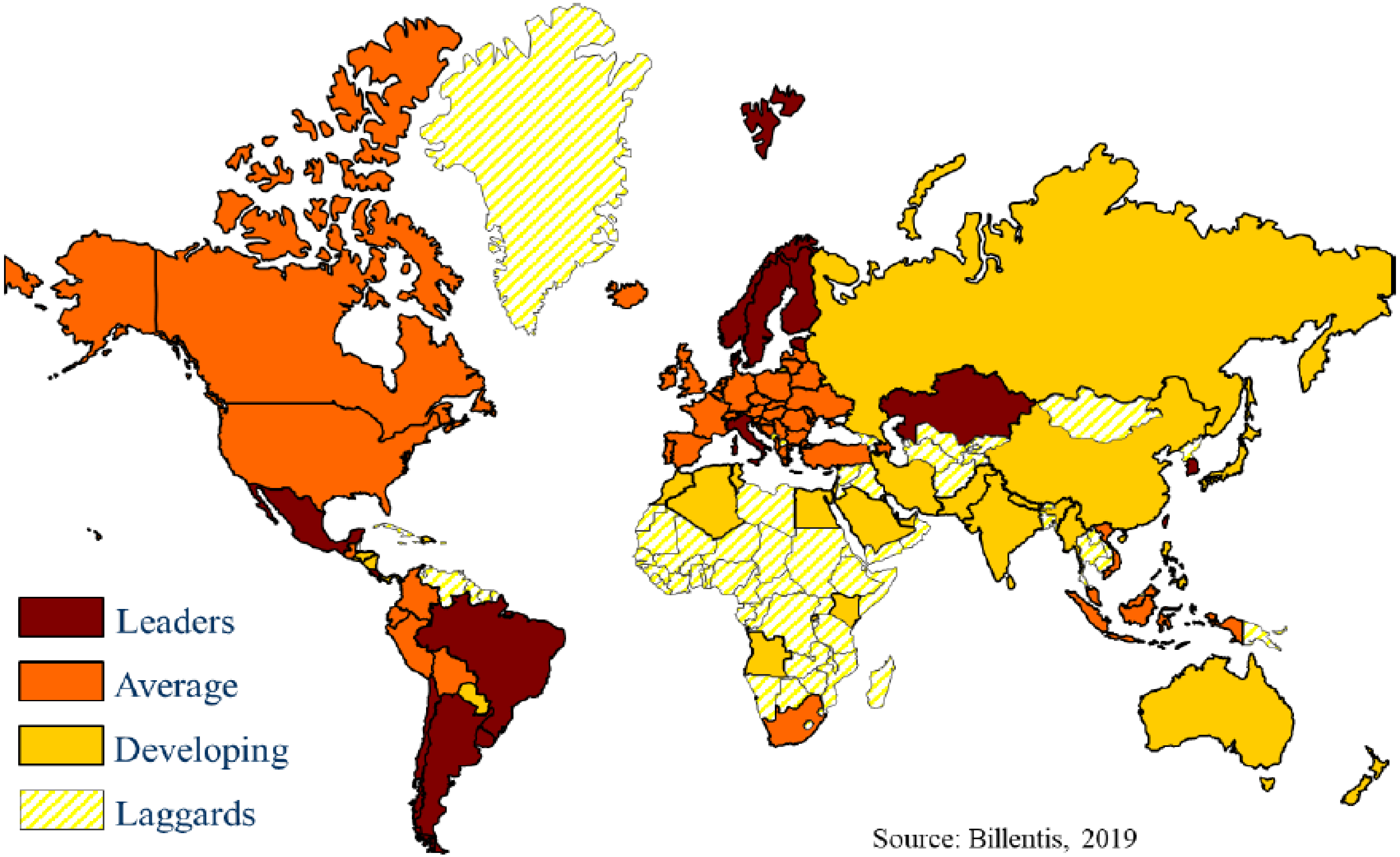
MEXICO AND CHILE – It reduced the VAT gap up to 50%

COLOMBIA - It could reduce 50% of the country's tax evasion by applying these forms of models.

E - INVOICE: GLOBALLY

Source – Study by Bruno Koch Billentis - compacer

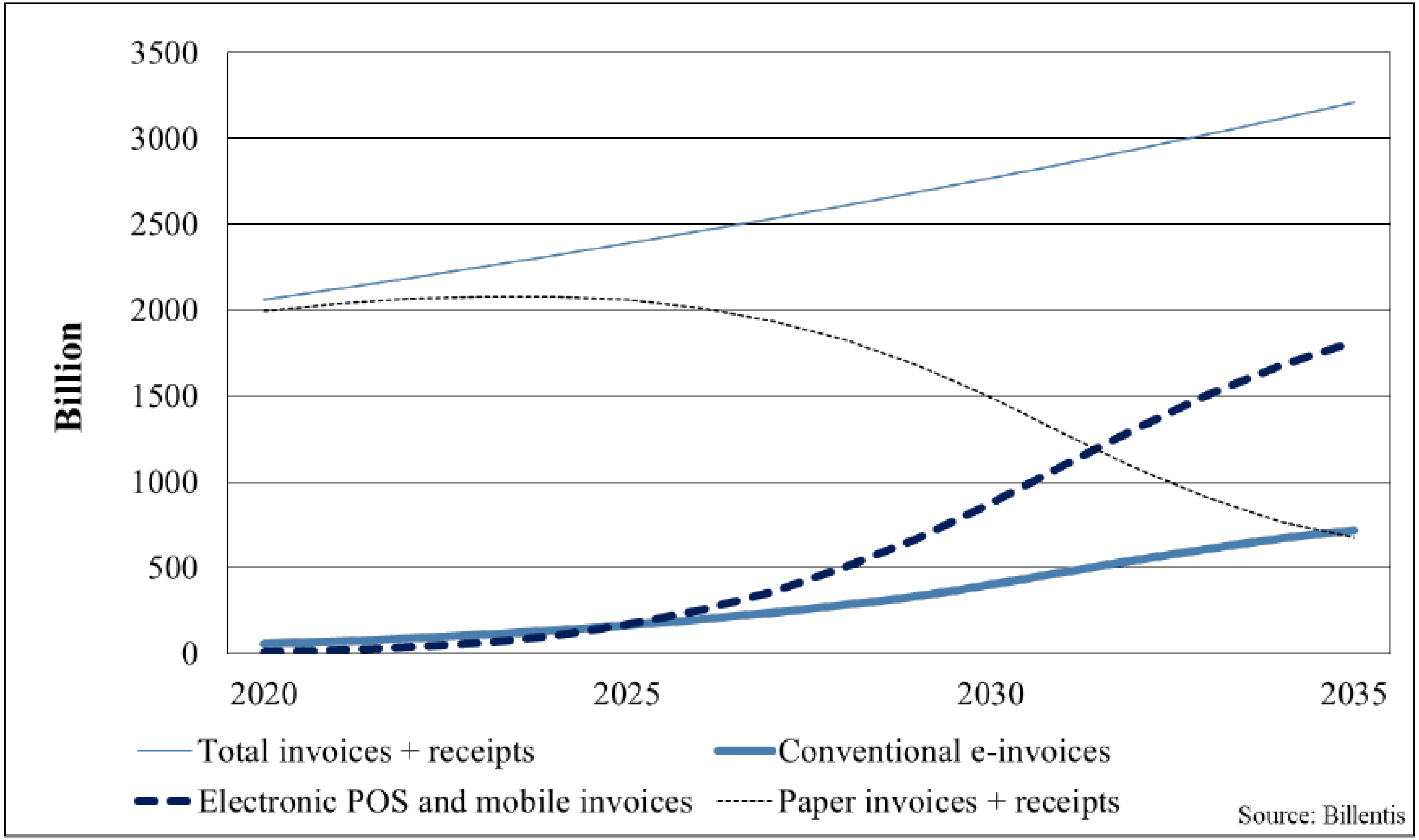
Maturity of Market for Electronic Invoices/Bills



E - INVOICE: GLOBALLY

Source – Study by Bruno Koch Billentis - compacer

The expected development of global invoice and receipt volumes



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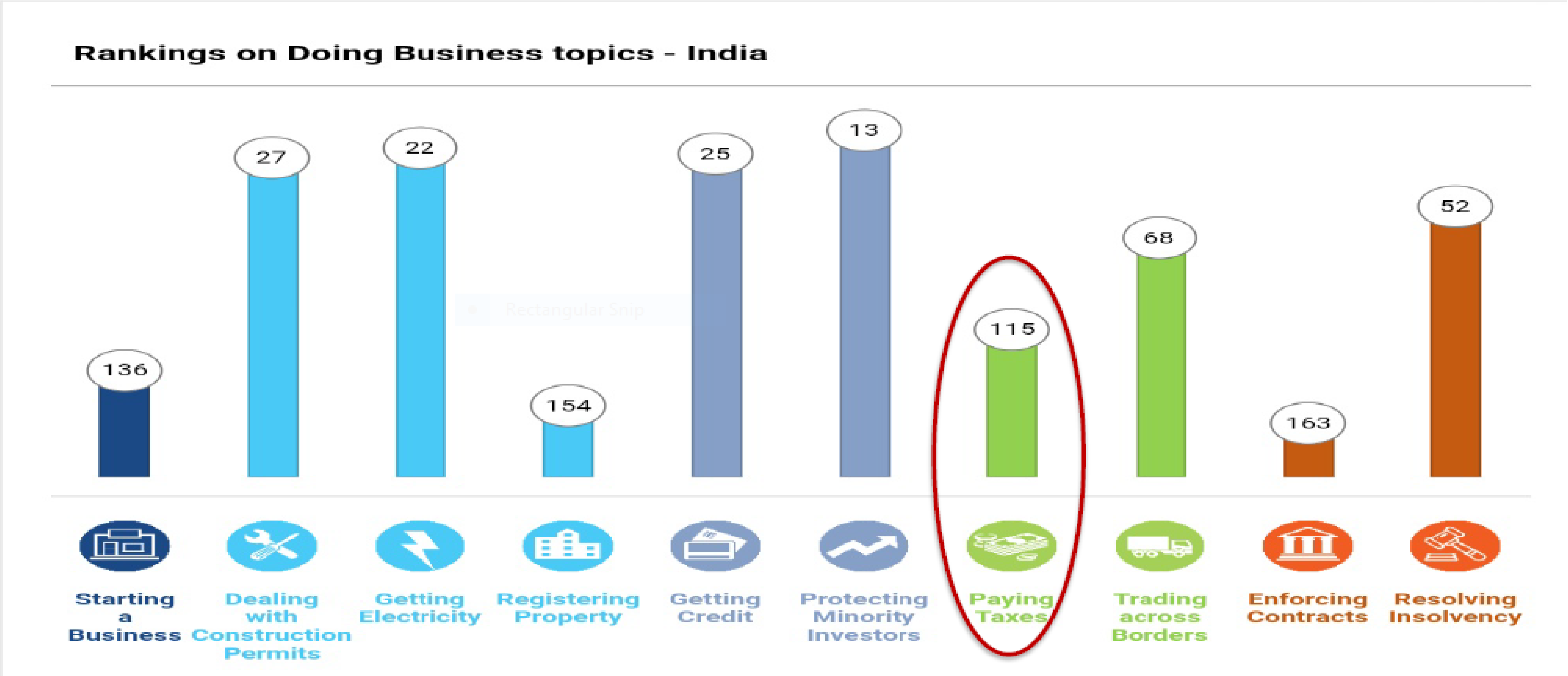
ADVANTAGE OF E-INVOICE

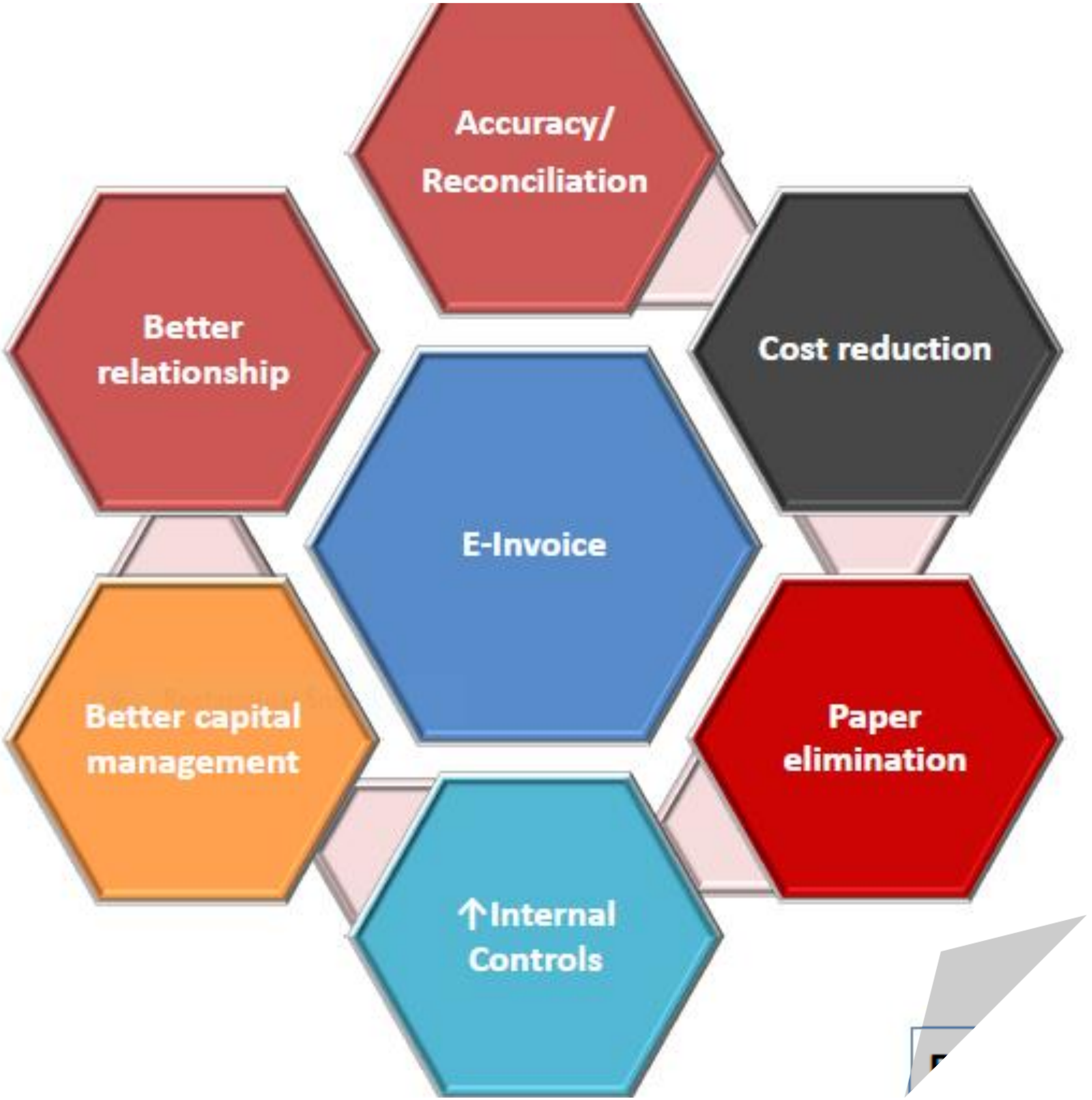
E - INVOICE: ADVANTAGE

Ease of Doing Business

India was at 77th position in **2018**. On Paying Taxes, India at **121**.	India is at 63rd position in **2019**. On Paying Taxes, India is at **115**.



E - INVOICE: ADVANTAGE



E - INVOICE: ADVANTAGE

Case Study from France

Items	Paper invoice (pre e-invoice period)	After introduction of e-invoice	Change
Cost of handling of one invoice	7 Euros	0.3 Euros	96% saving
Number of invoices handled by an employee in a year	6,000 paper invoices	90,000 e-invoices	15 times efficiency improvement
Time saving	15 days for paper invoice	3 days for e-invoice	80% saving of time
52% businesses view the cost reduction as the principal advantage of digital transformation			

Source: EY Study 2016

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EXPECTED BENEFITS OF E – INVOICEING BY GOVERNMENT

E – INVOICEING

- Government / GSTIN envisaged below benefits from E-Invoice
  - ✓ Elimination of fake invoices
  - ✓ Substantial reduction in input credit verification issues
  - ✓ One time reporting on B2B invoice data, to reduce reporting in multiple formats (one for GSTR 1 or ANX 1 and the other for e-way bill)
  - ✓ E-Way bill can also be generated using e-Invoice data

Elimination of Fake Invoices

One time Reporting

Helpful for GST Return preparation

Helful for E-Way bill preparation

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STEPS BY GST COUNCIL

E INVOICING

Around in April 2019, news started coming in public domain about E Invoicing

On 22nd April 2019, GST Council decided for constitution of “**Committee of Officers – CoO**” to study Invoice system in Korea/America, Suggest threshold limit and various matter.

On 23rd May 2019, GST Council decided for constitution of working **Sub-Group on policy issues** for generation of E – Invoicing

E INVOICING

At 35th GST Council meeting, held on 21st June 2019, **in principal approval** for E Invoicing was given for implementation of it from 1st Jan 2020

GST Council approved the **STANDARD OF E-INVOICE** in its 37th meeting held on 20th Sept 2019

Accordingly, on 13th Dec 2019, Government has issued Notification No 68/2019 CT to 72/2019 CT, laying down legal roadmap for E-Invoicing

GOODS AND SERVICES TAX NETWORK

E-Invoice Industry Consultation

E-Invoice Schema & Template Review

CONCEPT

As you may be aware that the GST Council has decided to introduce electronic-invoice (hereinafter called as E-invoice) on voluntary basis from January 2020.

Presently there is no standard defined for E-invoice under GST or under any other statute. Need has been felt of having a standard to ensure complete inter-operability of e-invoices across the entire GST eco-system so that e-invoices generated by one software can be read by any other software, thereby eliminating the need of fresh data entry, which is a pain point today and also responsible for lot of transcription error related non-reconciliation. Apart from the GST System, adoption of a standard will also ensure that an e-invoice shared by a seller with his buyer or bank or agent or any other player in the whole business eco-system can be read by machines and obviate and hence eliminate data entry errors. In short, standard will ensure machine readability across business eco-system. Many countries across the world have adopted standards for e-invoice, based on the Universal Business Language (UBL) Standard.

GSTN, in partnership with Institute of Chartered Accountants of India (ICAI), has drafted an e-invoice standard, (referring and considering the PEPPOL standard, which is based on UBL standard) which also takes into account the requirement under tax laws and has features, which are required for international trade.

The concept note and the proposed e-invoice schema and template are attached at this link for your ready reference: Concept-Note, and Schema-Template

You may study the concept note and the schema from all perspectives of business / technology and provide your valued feedback to GSTN.

Your support is solicited to get the feedback/suggestion/input from the professional / Industry fraternity in the link www.gstn.org/e-invoice/feedback latest by 20th August 2019.

The valuable input will be helpful to finalise the standards and notify the same at an early date. You may publicise this with your other peers/contemporaries/teams for sharing their feedback as well.

GSTN appreciates your time as well as feedback.

E INVOICING

- **GSTIN in partnership with ICAI has drafted an E Invoice Template**.
- **Initially Plan -** E-Invoicing will be applicable on **voluntary basis** from January 2020 and **mandatory from April 2020** to some class of person.
- E-Invoicing will be implemented in **phase manner,** so as to cover all taxpayer slowly slowly .
- As per GSTIN, **ADOPTION OF E-INVOICE BY IS NOT ONLY PART OF TAX REFORM BUT ALSO A BUSINESS REFORM.**

E INVOICING – PHASE WISE IMPLIEMENTATION

SMM

TURNOVER	FROM	APPLICABILITY
INR 500 Crore or more	Oct 2020	**Mandatory**
INR 100 Crore or more	Jan 2021	**Mandatory**
Less than INR 100 Crore	April 2021 ???	**???**

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FORM INV 01

E INVOICING – FORM INV- 01

- Vide **Notification No 60/2020 Central Tax dated 30th July 2020**, Government has notified format/scheme of Invoice in **Form INV 01**, containing "**Mandatory**" and "**Optional**" field.
- **IRN will be 64 digit Character length**
- Around total 133 fields, out of which 45 is mandatory and 88 is optional

SMM

Invoice Reference Number (IRN)

- User can upload invoice details
- Unique number (IRN) is generated for e-invoice.
- IRN is a HASH of (<Supplier GSTIN><Fin. Year><Doc Type> <Doc Number>)
- HASH is generated using SHA256
- Example :
  - HASH of "01AAAAB1234C1Z02019-20INVAB1234" is
    35054cc24d97033afc24f49ec4444dbab81f542c555f9d30359dc75794e06bbe
- Note: Document number will be trimmed if prefixed with 0 / -, while generating HASH
  - 00234 → 234 ; /A234 → A234 ; -0123/19 → 123/19

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MISCONCEPTION ABOUT E INVOICE

Myth Vs Reality

SMM

Biggest Misconception about E–INVOICE about its prepartion

Then what is true ?

E-invoice does not mean preparation of invoices from a portal

E INVOICING

Misconception about E–INVOICE on its Applicability

Then what is true ?

E-invoice is not applicable to all. Applicable only in case of B2B (supply to Registered person)

SMM

GOODS AND SERVICES TAX NETWORK

E-Invoice

Know the truth about E-Invoice

Myth

There will be separate invoice formats for different businesses.

Reality

Invoice format will be the **same for all** the categories of **Taxpayer. Invoice schema** released by GSTIN has **mandatory** and **optional fields** that needs to be **filled depending** upon the **nature of business**.

GOODS AND SERVICES TAX NETWORK

E-Invoice

Know the truth about E-Invoice

Myth	Reality
E-Invoice would need to be issued for all the transactions.	Issuance of **E-Invoice** is **mandatory** only for **B2B transactions** and **exports** at this stage.

/gstsystemsindia /askGSTech /GoodsandServicesTaxNetwork

GOODS AND SERVICES TAX NETWORK

E-Invoice

Know the truth about E-Invoice

Myth

The generation of IRN might take several minute and that would affect my business.

Reality

- The **Invoice Registration Portal (IRP)** would assign the IRN in sub **100 milliseconds.**
- **More than one IRPs** will be made **operational**.

/gstsystemsindia /askGSTech /GoodsandServicesTaxNetwork

GOODS AND SERVICES TAX NETWORK

E-Invoice

Know the truth about E-Invoice

Myth

I would need to issue invoices through the GST portal.

Reality

- **No**. You would continue to issue invoice the way you have been doing it.
- You are just required to **generate** the **Invoice Reference Number (IRN)** for each invoice issued through your billing software, ERP or accounting software.

/gstsystemsindia /askGSTech /GoodsandServicesTaxNetwork

E INVOICING

GOODS AND SERVICES TAX NETWORK

E- Invoice

	Myth	Reality
1	I would need to issue invoices through the GST portal.	No. You would continue to issue invoices the way you have been doing it. You are just required to generate the Invoice Reference Number (IRN) for each invoice issued through your billing software, ERP or accounting software.
2	The generation of IRN might take several minutes and that would affect my business.	The Invoice Registration Portal (IRP) would assign the IRN in sub 100 milliseconds. More than one IRPs will be made operational.
3	E-invoice would need to be issued for all the transactions.	Issuance of e-invoice is mandatory only for B2B transactions and exports at this stage.
4	If I am not using a billing software, ERP or accounting software, I can't issue e-invoice.	8 free billing and accounting software have been provided free of cost by GSTN for taxpayers having turnover upto 1.5 Crores. These can be used for issuing e-invoices.
5	E-invoicing will add one more GST compliance.	On the contrary E-invoice and its reporting will reduce compliance. Reporting to GST will lead to auto creation of ANX-1 and ANX-2 as well as E-Way Bill, if asked.
6	The IRN generated by the IRP would be the invoice number.	No, it will just be a reference number. The invoice number will be the one that you have entered in the invoice.
7	I would be required to make major changes in the billing software, ERP or accounting software to become e-invoice compliant.	No major change would be required at your end. However, the software providers would require to introduce small changes at the backend.
8	There will be separate invoice formats for different businesses.	Invoice format will be the same for all the categories of taxpayers. Invoice schema released by GSTIN has mandatory and optional fields that needs to be filled depending upon the nature of business.

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Mail from Government to Big Companies

E INVOICING

From: Einvoice API Support
Sent: Thursday, January 16, 2020
Subject: E-invoice API Integration under GST

Dear GST Taxpayer,

WISH YOU HAPPY NEW YEAR 2020 !

You are aware that National Informatics Centre as first IRP has launched e-Invoice APIs for the interface with ERP systems of the tax payers.
As per GST records, aggregate turnover (all GSTINs) of your company is more than **Rs 500 Crores**. As per GST Notification you have to use e-invoice APIs and generate IRN for your invoices from **1st April 2020.**
You can register with one of your GSTINs and use it for all the sister concern GSTINs for IRN generation. The specifications for the e-Invoice API have been published on https://einv-apisandbox.nic.in You can also register on the portal for testing the e-invoice APIs on the sandbox.

Thanks and Regards,

E Invoice API Support Team,
National Informatics Centre,
Ministry of Information Technology,
Government of India
Phone: 080-22208513;
(This email id is meant only for technical queries / issues related to integration of NIC E Invoice API with GSPs / Tax payers Systems.)

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LEGAL PROVISIONS

E – INVOICEING

Notification No	Details of Notification
68/2019 CT dated 13th Dec 2019	As per said notification, register person to whom E-Invoice is applicable: ▪ Should ensure that, his invoice contains details as mentioned in Form GST INV – 01 ▪ Should ensure that, Invoice Reference Number (IRN) is to be obtained after furnishing informing on portal. ▪ **Valid Tax Invoice means only E – Invoice only**. Normal Invoice prepared currently (In three copies – original/duplicate/triplicate) will not be considered as compliance of law.
69/2019 CT dated 13th Dec 2019	For the purpose of E-Invoice compliance, below portals will be provided **(Invoice Registration Portal (IRP):** i) www.einvoice1.gst.gov.in; ii) www.einvoice2.gst.gov.in; iii) www.einvoice3.gst.gov.in; iv) www.einvoice4.gst.gov.in; v) www.einvoice5.gst.gov.in; vi. www.einvoice6.gst.gov.in; vii. www.einvoice7.gst.gov.in; viii. www.einvoice8.gst.gov.in; ix. www.einvoice9.gst.gov.in; x. www.einvoice10.gst.gov.in. ▪ Considering load on website, government has provided 10 portals. ▪ Also, as per said Notification, this will be applicable from 1st January 2020, meaning thereby, on voluntary basis, E-invoice portal will be available for trial.

E – INVOICEING

Notification No	Details of Notification
13/2020 CT dated 21st Mar 2020 as amended from time to time	▪ E Invoice is applicable to Registered Person, whose aggregate turnover in a financial year exceeds Rs **500 Crore** from 1st Oct 2020. [Notification No. 61/2020 – CT dated 30th July 2020] ▪ E Invoice is applicable to Registered Person, whose aggregate turnover in a financial year exceeds Rs **100 Crore** from 1st Jan 2021. [Notification No. 88/2020 – CT dated 10th Nov 2020] ▪ Said person should prepare E-invoice in respect of supply of Goods/Services to Registered Person (B2B), ▪ E invoice is also to be prepared in case of **Exports** [Notification No. 70/2020 – CT dated 30th Sep 2020] ▪ Aggregate Turnover is to be considered for any of the preceding financial **year from 2017-18** [Notification No. 70/2020 – CT dated 30th Sep 2020] ▪ E Invoice is **Not applicable to** ○ Person referred under referred to in sub-rules (2), (3), (4) and (4A) of Rule 54 [Banking Company, Insurer, Financial Institution, NBFC, Transport Agency, Passenger Transport Agency etc] ○ SEZ Unit [Notification No. 61/2020 – CT dated 30th July 2020]

E – INVOICEING

Notification No	Details of Notification
73/2020 CT dated 1st Oct 2020	▪ **One Time date Extention given for E Invoicing compliance for Oct 2020 month** ✓ Registered persons required to prepare the tax invoice as per Rule 48(4) of the Central Goods and Services Tax Rules, 2017, who have prepared tax invoice in a manner other than the said manner, ✓ as the class of persons who shall, during the period from the 1st day of October, 2020 to the 31st day of October, 2020, follow the special procedure such that the said persons shall obtain an Invoice Reference Number (IRN) for such invoice by uploading specified particulars in FORM GST INV-01 on the Common Goods and Services Tax Electronic Portal, within 30 days from the date of such invoice, failing which the same shall not be treated as an invoice.

E – INVOICEING

Notification No	Details of Notification
71/2019 CT dated 13th Dec 2019 and 14/2020 CT dated 21st Mar 2020	▪ Dynamic Quick Response Code (DQR) is applicable to Registered Person, whose aggregate turnover in a financial year exceeds Rs 500 Crore. ▪ DQR will be mandatory on Tax Invoice, from **1st Dec 2020**, **on Supply to unregistered person** (B2C). [Notification No. 71/2020 – CT dated 30th Sep 2020] ▪ Aggregate Turnover is to be considered for any of the preceding financial **year from 2017-18** [Notification No. 71/2020 – CT dated 30th Sep 2020] ▪ **Penalty waived off** in case of non compliance of DQR, subject to condition, it is complied from 1st April 2021 [Notification No. 89/2020 – CT dated 29th Nov 2020] ▪ Registered person makes a DQR code available to the recipient through a digital display, such B2C invoice issued by such registered person containing cross-reference of the payment using a DQR, shall be deemed to be having Quick Response (QR) code ▪ DQR is **Not applicable to** ○ Person referred under referred to in sub-rules (2), (3), (4) and (4A) of Rule 54 [Banking Company, Insurer, Financial Institution, NBFC, Transport Agency, Passenger Transport Agency etc]

E – INVOICEING

Notification No	Details of Notification
31/2019 CT dated 28th June 2019	Tax Invoice – Sixth Proviso to Rule 46 Provided also that the Government may, by notification, on the recommendations of the Council, and subject to such conditions and restrictions as mentioned therein, specify that the **tax invoice shall have Quick Response (QR) code**.
31/2019 CT dated 28th June 2019	Bill of Supply – Fourth Proviso to Rule 49 Provided also that the Government may, by notification, on the recommendations of the Council, and subject to such conditions and restrictions as mentioned therein, specify that the **Bill of Supply shall have Quick Response (QR) code**.

Tax payers generate 4.95 crore e-invoices in first month: Government

PTI | Nov 2, 2020, 17:23 IST

A- A+

(Representative image)

NEW DELHI: Tax payers generated 4.95 crore e-invoices in the first month of the launch of the service, the ministry of electronics and IT said on Monday.

Besides e-invoices, 6.41 crore e-way bills were generated in October which was highest in any month since the launch of the service.

"According to NIC, within the first month of introduction itself, more than 495 lakh e-invoices were generated on the NIC portal by 27,400 taxpayers," the ministry of electronics and IT said in a statement.

The e-invoice system was launched on October 1, 2020 as part of the goods and

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ACTIVITY PERFORMED BY IRP

E – INVOICEING

- Generate a unique Invoice Reference Number (IRN) and
- Digitally sign the e-invoice and
- Also generate a QR code
- The IRP will also send the signed e-invoice to the recipient of the document on the email provided in the e-invoice

Type of documents required to be reported to GST System (IRP)
a) Invoice by Supplier b) Credit Note c) Debit Note

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STEPS OF GENERATION OF E-INVOICE

E – INVOICEING

- Before we discuss on how to generation E-Invoice, first discuss with your ERP Software / Accounting Software vendor, as to whether ERP/accounting software, which you are using, is upgraded as per requirement of E-Invoice? Whether it comply to E-Invoice Schema as per GSTN?

STEPS	ACTIVITY TO BE PERFORMED
STEP 1 – Generation of Invoice and JSON	▪ Generation of the invoice by the seller in his own accounting or billing system (it can be any software utility/ERP that generates invoice) ▪ The invoice must conform to the e-invoice schema (standards) that is published. Seller should have a feature in its ERP that will output invoice data in JSON format. ▪ (Those who do not use any accounting software or IT tool to generate the invoice, will be provided an offline tool to key-in data of invoice and then submit the same) ▪ The supplier's (seller's) software should be capable to generate a JSON of the final invoice that is ready to be uploaded to the IRP. The IRP will only take JSON.

E – INVOICEING

STEPS	ACTIVITY TO BE PERFORMED
STEP 2 (This is optional Steps) - Generation of IRN	▪ This step is optional steps. *[This is currently not allowed by GSTN but they have mentioned it in their document]* ▪ Generate the unique Invoice Reference Number (IRN) (In technical terms, this IRN is called as Hash). ▪ The seller can generate this and upload along with invoice data. ▪ The 4 parameters which will be used to generate IRN (hash) are: i. Supplier GSTIN, ii. Financial year (YYYY-YY). iii. Document Type (Invoice / DN/CN) iv. Supplier's invoice number ▪ [The IRN or hash generation algorithm will be prescribed by GSTN in the e-invoice standard. As per GSTIN, the providers of accounting and billing software are being separately asked to incorporate this feature in their product.] ▪ IRN shall be unique to each invoice and hence be the unique identity for each invoice for the entire financial year in the entire GST System for a taxpayer

E – INVOICEING

STEPS	ACTIVITY TO BE PERFORMED
STEP 3 – Uploading of JSON	▪ Seller to upload the JSON of the e-invoice (along with the IRN/hash, if generated as per Step 2) into the IRP ▪ (The JSON may be uploaded directly on the IRP or through GSPs or through third party provided Apps)
STEP 4 – Validation of data by IRP	▪ If IRN is not generated at step2, then IRP will generate IRN, based on JSON uploaded. ▪ If IRN is generated at step2, then IRP will validate the IRN, (Based on JSON uploaded) from Central Registry of GST System to ensure that the same invoice from the same supplier pertaining to same Financial Year is not being uploaded again. ▪ On receipt of confirmation from Central Registry, **IRP will add its signature** on the Invoice Data as well as a QR code to the JSON. ▪ (GST Systems will create a central registry where hash sent by all IRPs will be kept to ensure uniqueness of the same)

E – INVOICEING

STEPS	ACTIVITY TO BE PERFORMED
STEP 5 – Sharing of E-invoice	▪ Sharing the signed E-invoice data along with IRN to seller ▪ Sharing the signed E-invoice data along with IRN to to the GST System as well as to E-Way Bill System. ○ Based on this, GST System will update the GSTR 1 of the seller, which in turn will determine liability and ITC ○ E-Way bill system will create Part-A of e-way bill using this data to which only vehicle number will have to be attached in Part-B of the e-way bill. ▪ The IRP will sign the e-invoice and the e-invoice signed by the IRP will be a valid e-invoice and used by GST/E-Way bill system.
STEP 6	▪ Returning the digitally signed JSON with IRN back to the seller along with a QR code. ▪ The registered invoice will also be sent to the seller and buyer on their mail ids as provided in the invoice. [This is not yet implemented fully]

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WHAT IS E – INVOICE SCHEMA

E INVOICING

- The e-invoice standardized schema has mandatory and optional items. The e-invoice shall not be accepted in the GST System unless all the mandatory items are present. The optional items are to be used by the seller and buyer as per their business need to enforce their business obligations or relationships.

- As per GSTIN, All accounting and billing software companies are being separately asked to adopt the e-invoice standard so that their users can generate the JSON from the software and upload the same on the IRP. All these software would adopt the new e-Invoice standard wherein they would re-align their data access and retrieval in the standard format.

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WHAT IS QR CODE

E INVOICING – QR CODE

- QR code will contain GSTIN of seller and buyer, Invoice number, invoice date, number of line items, HSN of major commodity contained in the invoice as per value, hash, Unique Invoice Reference Number etc.

- The QR code will enable quick view, validation and access of the invoices from the GST system from hand held devices. It will be generated by IRP after uploading JSON of invoices.

- The QR code will consist of the following e-invoice parameters:

a) GSTIN of supplier

b) GSTIN of Recipient

c) Invoice number as given by Supplier

d) Date of generation of invoice

e) Invoice value (taxable value and gross tax)

f) Number of line items.

g) HSN Code of main item (the line item having highest taxable value)

h) Unique Invoice Reference Number

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MODES OF E INVOICE GENERATION

. What are various modes for generation of e-invoice?

Multiple modes are available so that taxpayer can use the best mode based on his/her need:

a. API based (integration with Taxpayer's System ***directly****)*
b. API based (integration with Taxpayer's System ***through GSP/ASP****)*
c. Free Offline Utility ('Bulk Generation Tool', downloadable from IRP)

Web-based / mobile app-based modes will also be provided in future.

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OTHER ASPECTS OF E – INVOICING

E INVOICING

- **Signature on E-invoice** - E - invoice generated is not required to be signed again by the taxpayer. The e-invoice will be digitally signed by the IRP after it has been validated.

- **E-invoice Currency** – Default currency of E-Invoice will be INR. Seller can display the currency in E-invoice.

- **Line items of E-Invoices** - The maximum number of line items per e-invoice is 1000. GSTIN should increase this limit. It may impact some of big companies.

- **Printing** – E-invoice can be printed. It is valid only if it has IRN.

- **Cancellation of E-Invoice** - The e-invoice mechanism enables invoices to be cancelled. This will have to be reported within 24 hours. Any cancellation after 24hrs could not be possible, however one can manually cancel the same on GST portal before filing the returns.

- **E Way Bill** – As understood currently, E-Invoice will replace E-way bill in future. Currently for transportation of goods, the e-way bill will continue to be mandatory.

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E – INVOICING FROM RECEIPIENT/BUYER PRESPECTIVE

E INVOICING

- **AVAILMENT OF ITC –**

  - Buyer/Recipient needs to ensure that, he has received valid document for availement of ITC
  - That is, if supplier is required to prepare, E Invoice, then buyer can avail ITC only on the basis of E Invoice.
  - Declaration can be sought by buyer from supplier about applicability of E Invoice.

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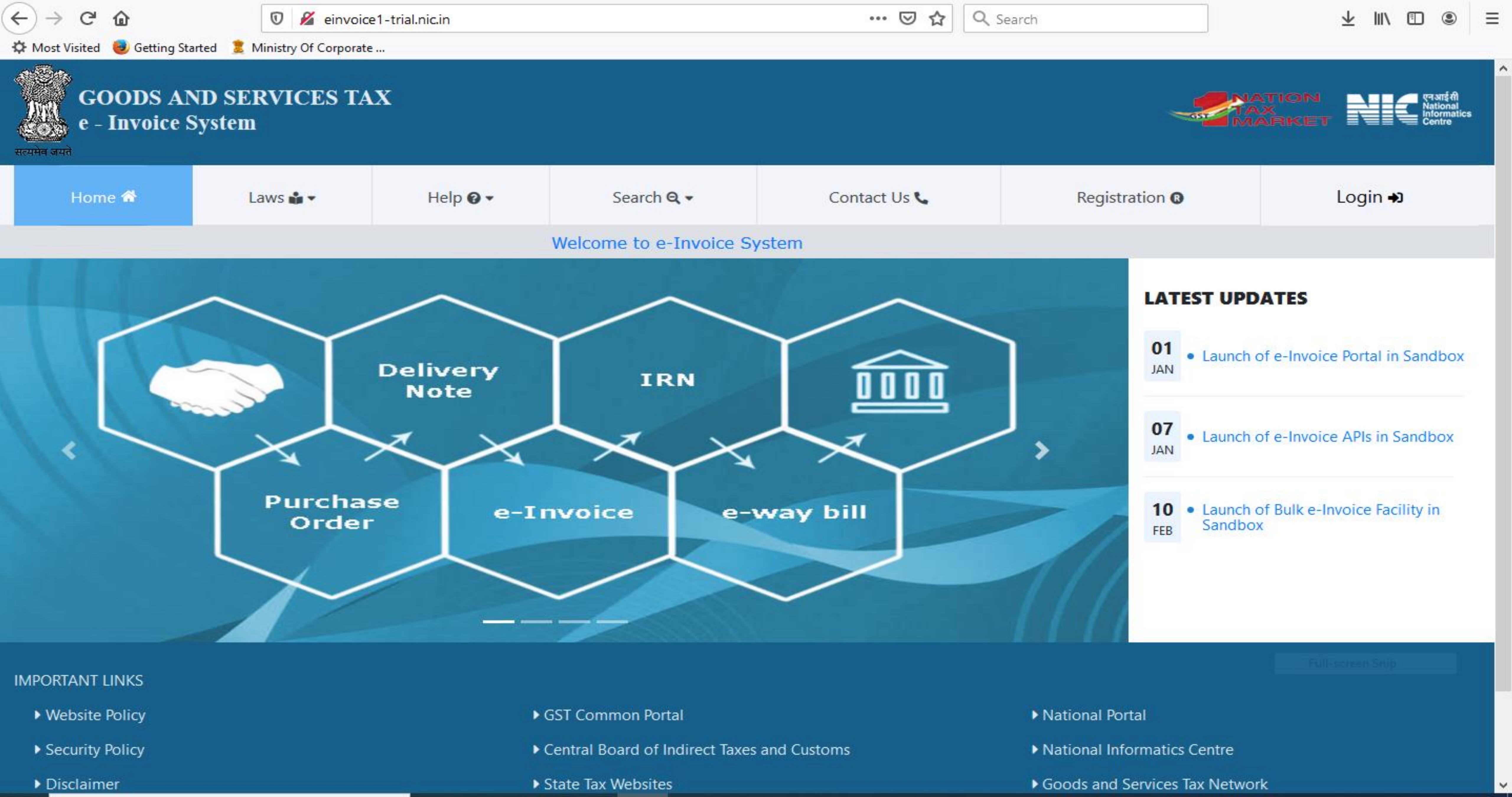
www.einvoice1-trial.nic.in

www.einvoice1-trial.nic.in : activated on 12th Feb 2019



www.einvoice1-trial.nic.in

SMM

LATEST UPDATES

15 DEC
- Registration and Login for taxpayers with TO Rs 100-500 Crores is enabled.

15 DEC
- GePP[Beta Version] - GST e -Invoice Preparing and Printing Tool is released in the e-Invoice Trial Portal.

01 JAN
- Launch of e-Invoice Portal in Sandbox

07 JAN
- Launch of e-Invoice APIs in Sandbox

10 FEB
- Launch of Bulk e-Invoice Facility in Sandbox

www.einvoice1-trial.nic.in

SMM

https://einvoice1-trial.nic.in/Others/BulkGenerationTools

Most Visited | Getting Started | Ministry Of Corporate ...

GOODS AND SERVICES TAX
e - INVOICE SYSTEM

Bulk Generation Tools

Attributes

E-Invoice Attributes, JSON Schema & Sample JSON File

JSON Preperation Tools (Version-1.0)

E-Invoice JSON Preparation - Form A [For B2B and B2G e-Invoice details in one sheet]

E-Invoice JSON Preparation - Form B [For B2B and B2G e-Invoice details in two sheets]

E-Invoice JSON Preparation - Form C [For B2B, B2G and Export e-Invoice details in three sheets]

E-Invoice JSON Preparation - Form D [For B2B, B2G and Export e-Invoice details in one sheet]

Video

Version 1.0

www.einvoice1-trial.nic.in

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Status of E-Invoice enablement of Taxpayer

GSTIN:* : 27AX[redacted]I

SNHHN

QFD74

Go Exit

GSTIN Details		
GSTIN	**Trade Name**	**Status**
27A[redacted]	S M MUNOT AND [redacted]	E-Invoice is NOT ENABLED for this Taxpayer

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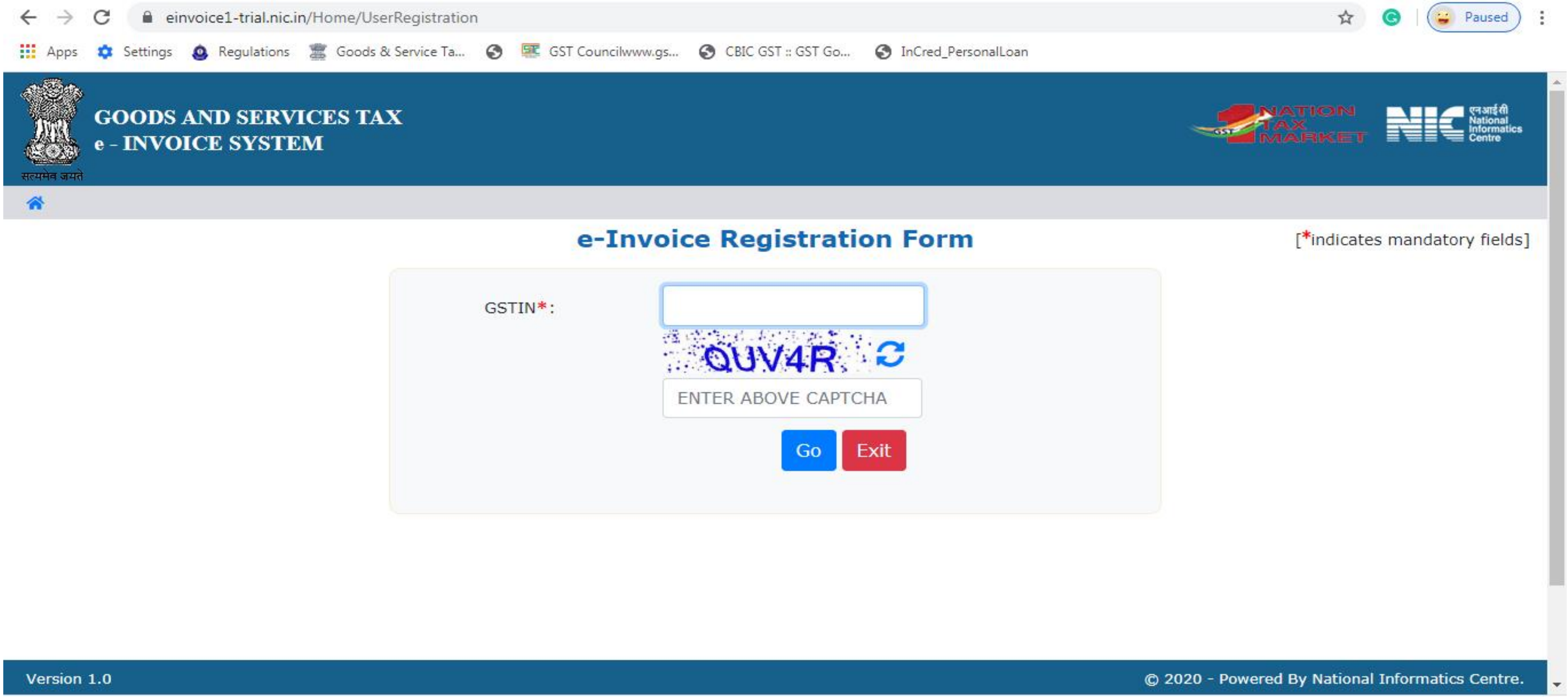

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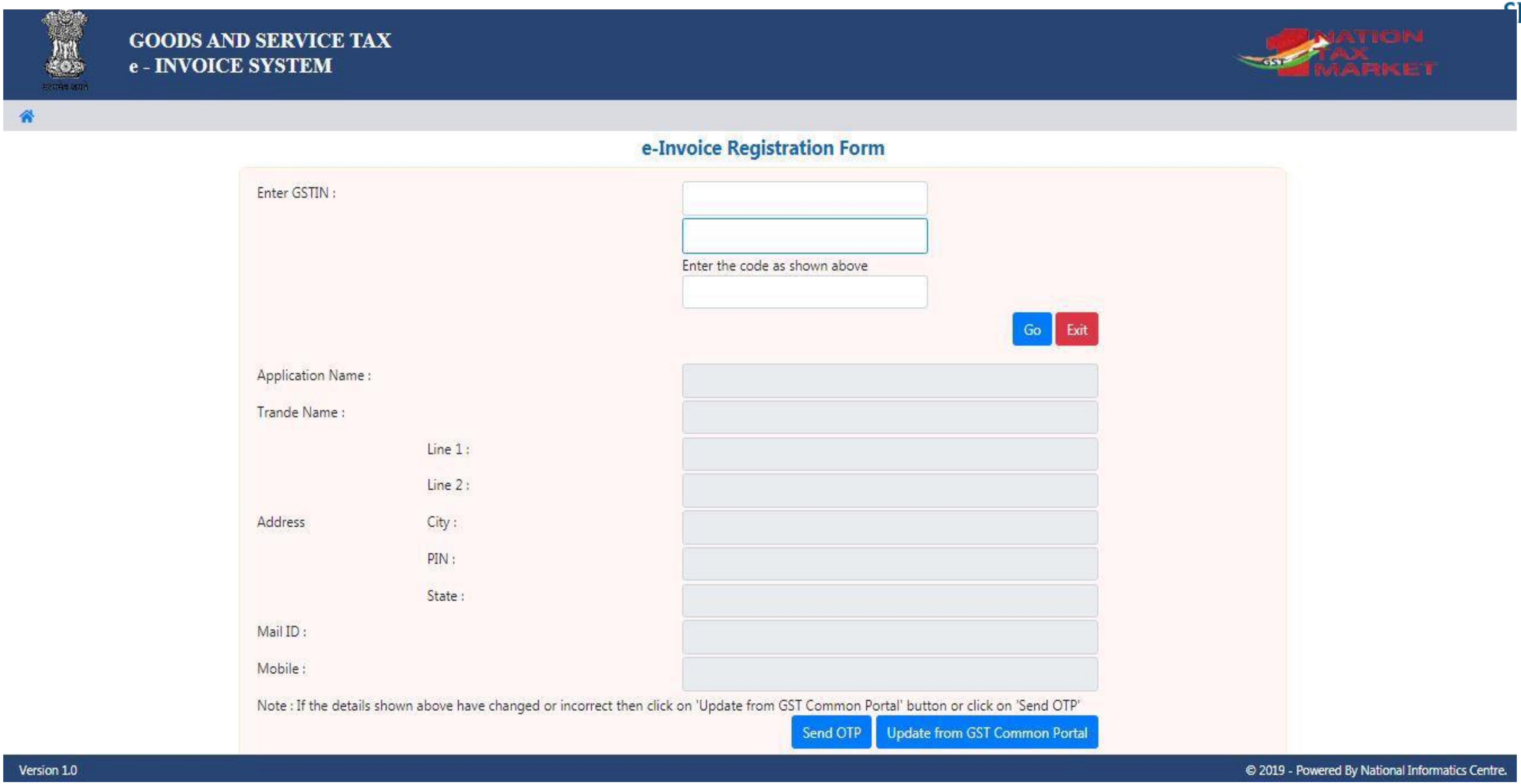
GOODS AND SERVICE TAX
e - INVOICE SYSTEM

e-Invoice Registration Form

Enter GSTIN :

Enter the code as shown above

Go | Exit

Application Name :

Trande Name :

Address
Line 1 :
Line 2 :
City :
PIN :
State :

Mail ID :

Mobile :

Note : If the details shown above have changed or incorrect then click on 'Update from GST Common Portal' button or click on 'Send OTP'

Send OTP | Update from GST Common Portal

Version 1.0

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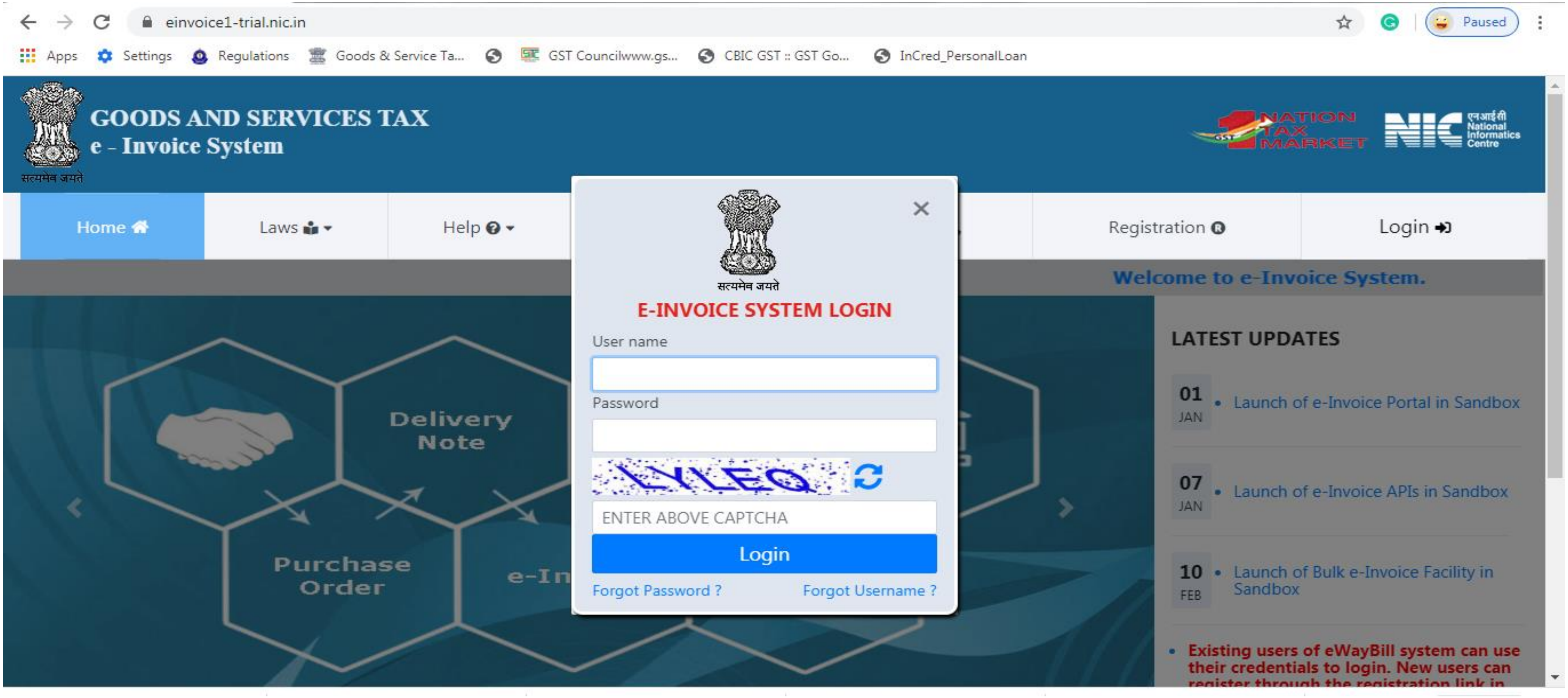
www.einvoice1-trial.nic.in



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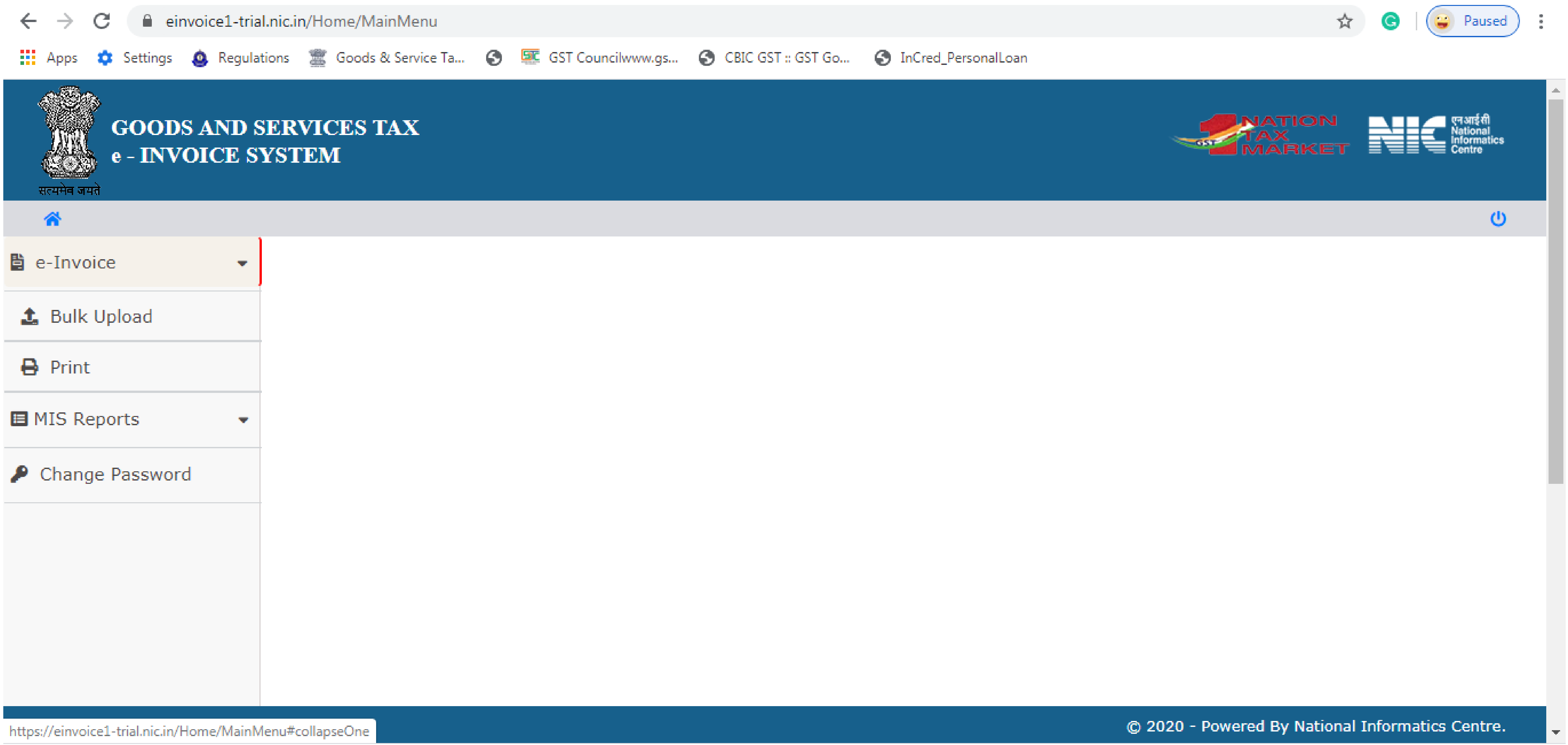

www.einvoice1-trial.nic.in

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einvoice1-trial.nic.in/Invoice/BulkUpload

Apps | Settings | Regulations | Goods & Service Ta... | GST Councilwww.gs... | CBIC GST :: GST Go... | InCred_PersonalLoan

सत्यमेव जयते

GOODS AND SERVICES TAX
e - INVOICE SYSTEM

1 NATION TAX MARKET GST

NIC एनआईसी National Informatics Centre

Invoice Bulk Upload

[*indicates mandatory fields for e-invoice]

Upload e-Invoice JSON File

Upload e-Invoice JSON File (Less than 2 MB): ? * Choose file Browse Upload

E-INVOICE_V1_JSON.json

Note: For preparation of e-Invoice JSON file for bulk generation, Please go to the "Bulk Generation Tools" under Help -> Tools in the homepage of eInvoice portal.

Waiting for einvoice1-trial.nic.in...

www.einvoice1-trial.nic.in

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einvoice1-trial.nic.in/Invoice/BulkUpload

Apps | Settings | Regulations | Goods & Service Ta... | GST Councilwww.gs... | CBIC GST :: GST Go... | InCred_PersonalLoan

Paused

Uploaded File Contains

Total number of invoices in the file:	1
Total number of items in the file:	1
Invoices uploaded successfully :	1
Failed to upload:	0

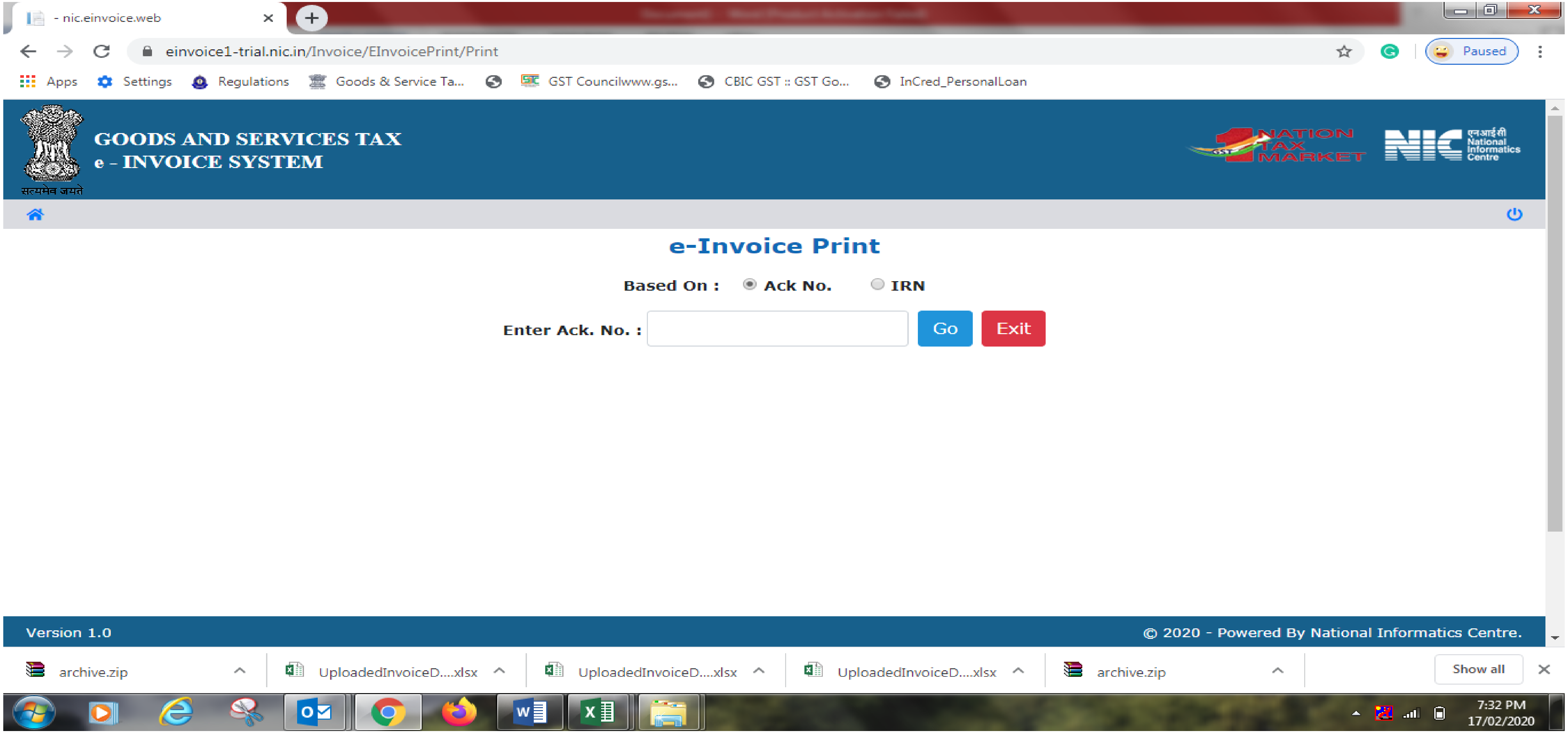
Successfully Uploaded Invoice Details.

Download Excel Download Signed JSON

Sl. No	Invoice No	Invoice Date	Buyer GSTIN	Invoice Value	Ack No	Ack Date	IRN
1	12345	2019-02-17	[redacted]	105	[redacted]	[redacted]	[redacted]a62de61f642fd8ec2

Version 1.0

www.einvoice1-trial.nic.in



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Government of India
e-Invoice

[redacted]

1.e-Invoice Details

IRN : 5e1baa179864[redacted]a e5a227e084c6[redacted] **Ack. No** : [redacted]80 **Ack. Date** : [redacted]

2.Transaction Details

Category : B2B/Regular **Document No** : [redacted] **Transaction Type** : Regular

Document Type : Invoice **Document Date** : 14-02-2020

3.Party Details

Seller

[redacted]

KAPU STREET
524001 ANDHRA PRADESH

[redacted]

Purchaser

GSTIN : [redacted]

RAJUS GOLD

NELLORE
524001 ANDHRA PRADESH

4.Goods Details

Product Name	Product Description	HSN Code	Quantity	Unit	Unit Price(Rs)	Taxable Amount(Rs)	Tax Rate (C+S+I+Cess|State Cess+ Cess Non.Advol)	Total
[redacted]		7108	200	GMS	4073.78	814756	1.5+1.5+0+0+0+0	839198.68

Tax'ble Value	CGST Amt	SGST Amt	IGST Amt	CESS Amt	State CESS Amt	CESS Non.Advol Amt	Discount	Other Charges	Total Inv. Amt
814756	12221.34	12221.34	0	0	0	0	0	0	839198.68

Generated By : [redacted]ZE
Print Date : [redacted]5:42

[redacted]

eSign
Digitally Signed by NIC-IRP
on: [redacted]

CA

©

SMM

GOODS AND SERVICE TAX
e - INVOICE SYSTEM

NATION TAX MARKET

e-Invoice Entry Form

[*indicates mandatory fields for e-invoice]

Transaction Details

Category* B2B B2G Export

Sub Category* Regular Reverse Charge

Through e-Com. Operator

Document Details — Type* Invoice | No.* | Date* 2019-12-03 | Transaction Type* Regular

Bill From

GSTIN*	37BZNPM9430M1KL		
Trade Name *	TAN TEST NIC		
Building No.	TEST2	Name	TEST1
Floor No.	3RD FLOOR	Location *	GANDHINAGAR
Pincode *	518001	State*	ANDHRA PRADESH
Phone		email	

Bill To

GSTIN *			
Name			
Building No.		Name	
Floor No.		Location *	
Pincode*		State*	Select
Phone		email	

Item Details

Product Name*	Description	HSN*	Quantity*	Unit	Unit Price*	Taxable Value	CGST+SGST	IGST	CESS	State CESS	Non Advol
			0		0	0	Select	Select	Select	Select	0

Total Tax'ble Value*	CGST Value*	SGST Value*	IGST Value*	CESS Advol Value*	CESS Non Advol Value*	State CESS*	Discount*	Other Charges*	Total Inv. Value*
0	0	0	0	0	0	0	0	0	0

Export Details | Reference Details | Payment Details | Additional Details

Save | Preview

Version 1.0

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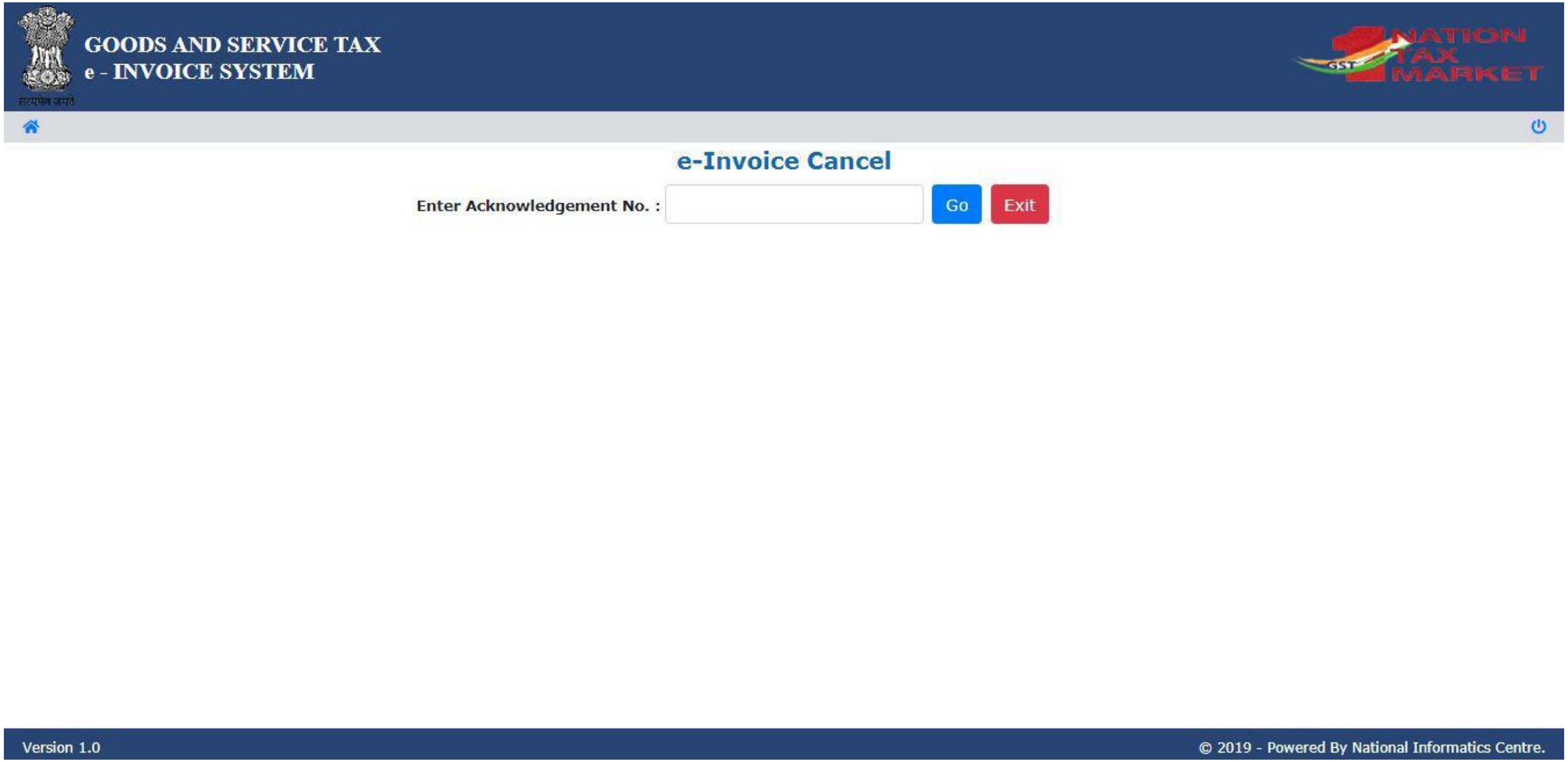
E INVOICING


GOODS AND SERVICE TAX
e - INVOICE SYSTEM
NATION TAX MARKET
GST
e-Invoice Cancel
Enter Acknowledgement No. :
Go
Exit
Version 1.0
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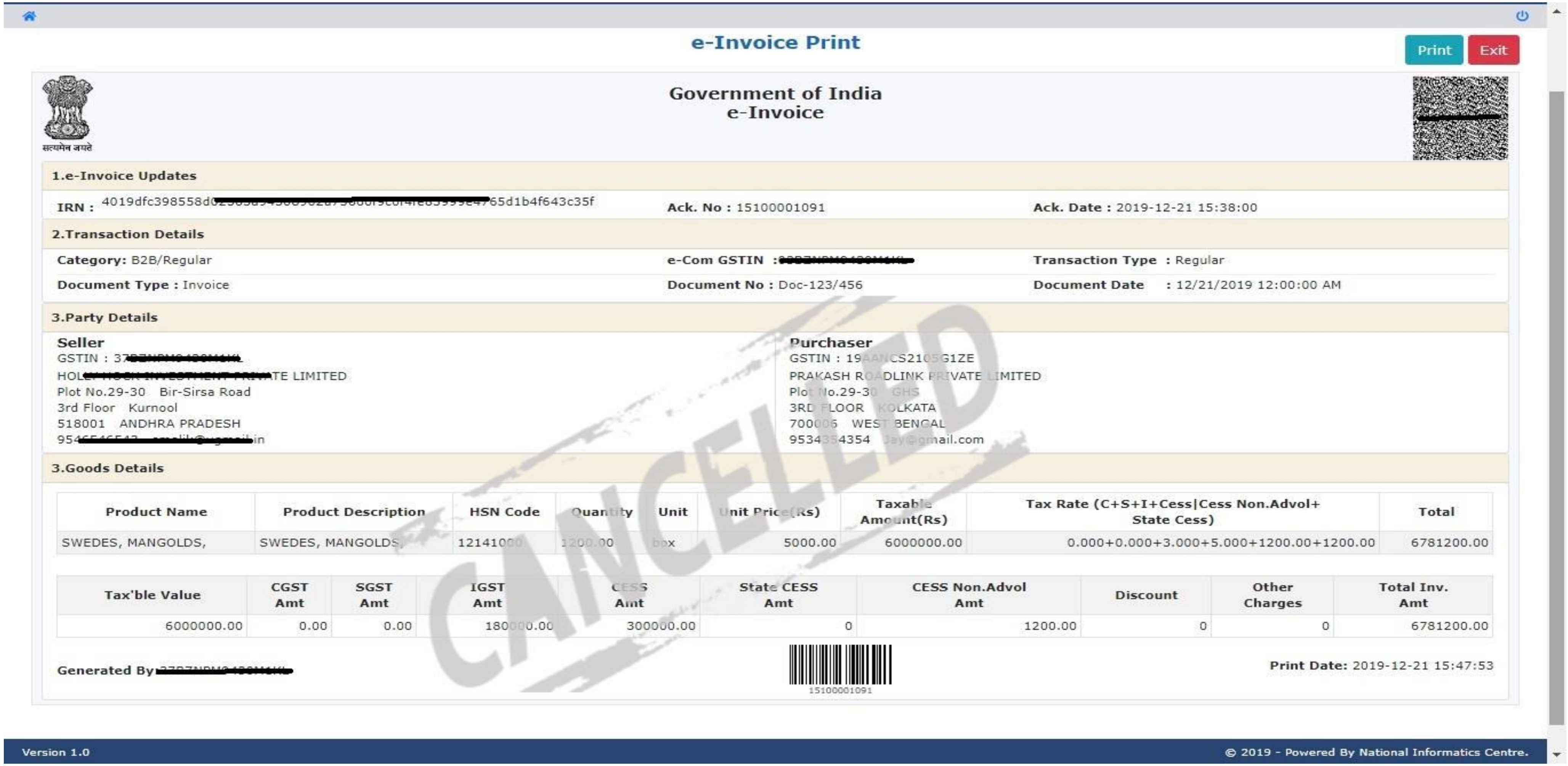
E INVOICING



e-Invoice Print

Print Exit

Government of India
e-Invoice

सत्यमेव जयते

1.e-Invoice Updates

IRN : 4019dfc398558d[redacted]65d1b4f643c35f **Ack. No :** 15100001091 **Ack. Date :** 2019-12-21 15:38:00

2.Transaction Details

Category: B2B/Regular **e-Com GSTIN :**[redacted] **Transaction Type :** Regular

Document Type : Invoice **Document No :** Doc-123/456 **Document Date :** 12/21/2019 12:00:00 AM

3.Party Details

Seller
GSTIN : 37[redacted]
HOL[redacted]TE LIMITED
Plot No.29-30 Bir-Sirsa Road
3rd Floor Kurnool
518001 ANDHRA PRADESH
954[redacted]in

Purchaser
GSTIN : 19AANCS2105G1ZE
PRAKASH ROADLINK PRIVATE LIMITED
Plot No.29-30 GHS
3RD FLOOR KOLKATA
700005 WEST BENGAL
9534354354 Jay@gmail.com

3.Goods Details

Product Name	Product Description	HSN Code	Quantity	Unit	Unit Price(Rs)	Taxable Amount(Rs)	Tax Rate (C+S+I+Cess|Cess Non.Advol+ State Cess)	Total
SWEDES, MANGOLDS,	SWEDES, MANGOLDS,	12141000	1200.00	box	5000.00	6000000.00	0.000+0.000+3.000+5.000+1200.00+1200.00	6781200.00

Tax'ble Value	CGST Amt	SGST Amt	IGST Amt	CESS Amt	State CESS Amt	CESS Non.Advol Amt	Discount	Other Charges	Total Inv. Amt
6000000.00	0.00	0.00	180000.00	300000.00	0	1200.00	0	0	6781200.00

Generated By[redacted]

15100001091

Print Date: 2019-12-21 15:47:53

CANCELLED

Version 1.0

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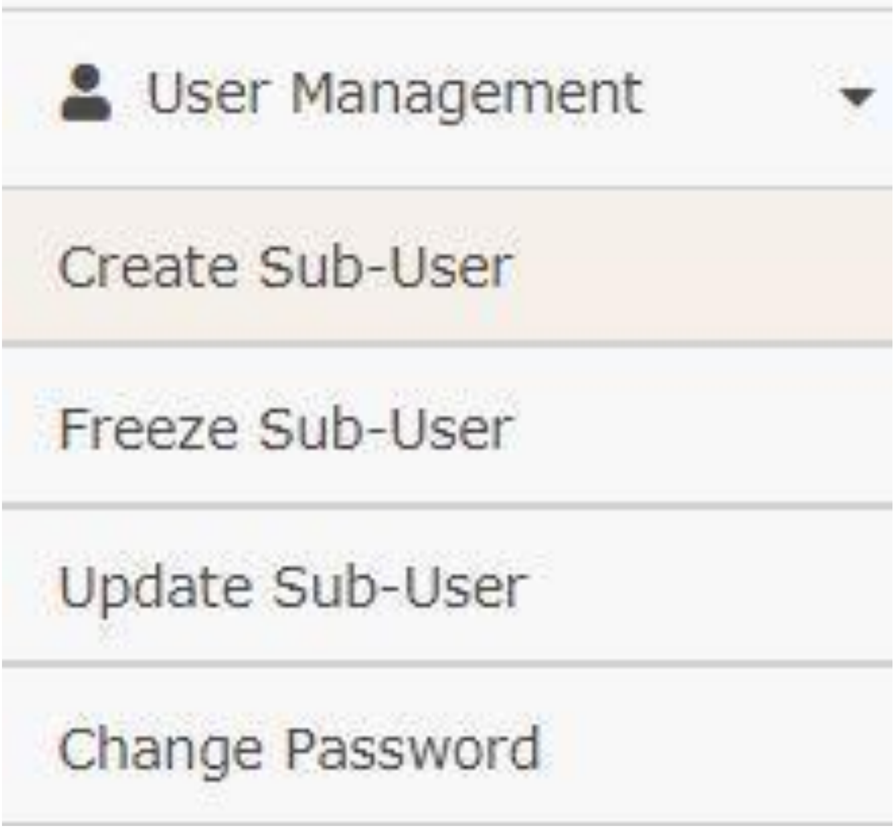
System will give a message stating that "e-invoice Cancelled successfully!!" and the cancelled e-invoice is displayed with a "Cancelled" watermark

E INVOICING

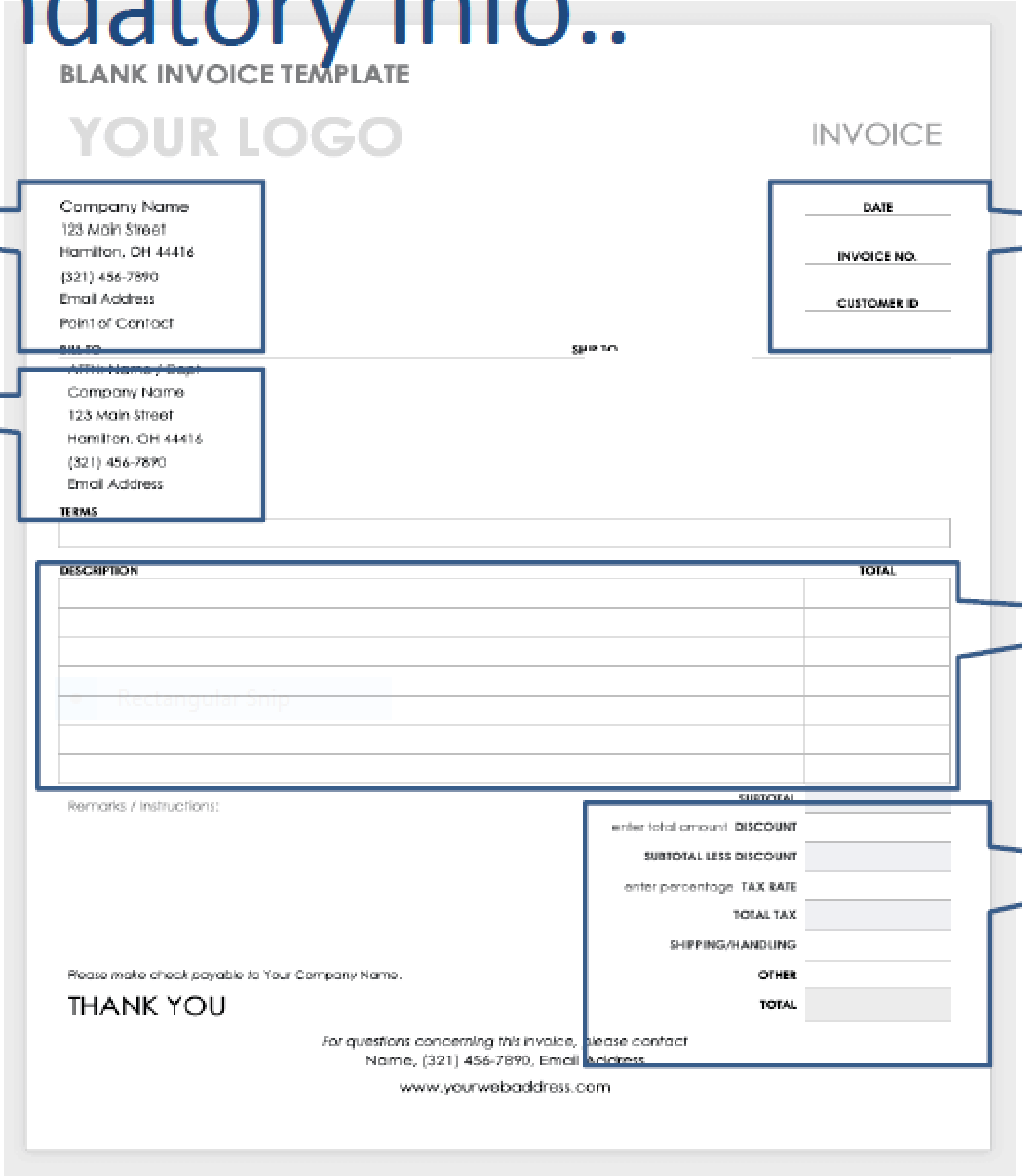
Facility of Multi user will be provided, so to ensure controls and accountability



Invoice – Mandatory Info..

Seller Details

Buyer Details


BLANK INVOICE TEMPLATE

YOUR LOGO

INVOICE

Company Name
123 Main Street
Hamilton, OH 44416
(321) 456-7890
Email Address
Point of Contact

DATE

INVOICE NO.

CUSTOMER ID

BILL TO

SHIP TO

ATTN: Name / Dept
Company Name
123 Main Street
Hamilton, OH 44416
(321) 456-7890
Email Address

TERMS

DESCRIPTION	TOTAL

Remarks / Instructions:

SUBTOTAL	
enter total amount DISCOUNT	
SUBTOTAL LESS DISCOUNT	
enter percentage TAX RATE	
TOTAL TAX	
SHIPPING/HANDLING	
OTHER	
TOTAL	

Please make check payable to Your Company Name.

THANK YOU

For questions concerning this invoice, please contact
Name, (321) 456-7890, Email Address
www.yourwebaddress.com

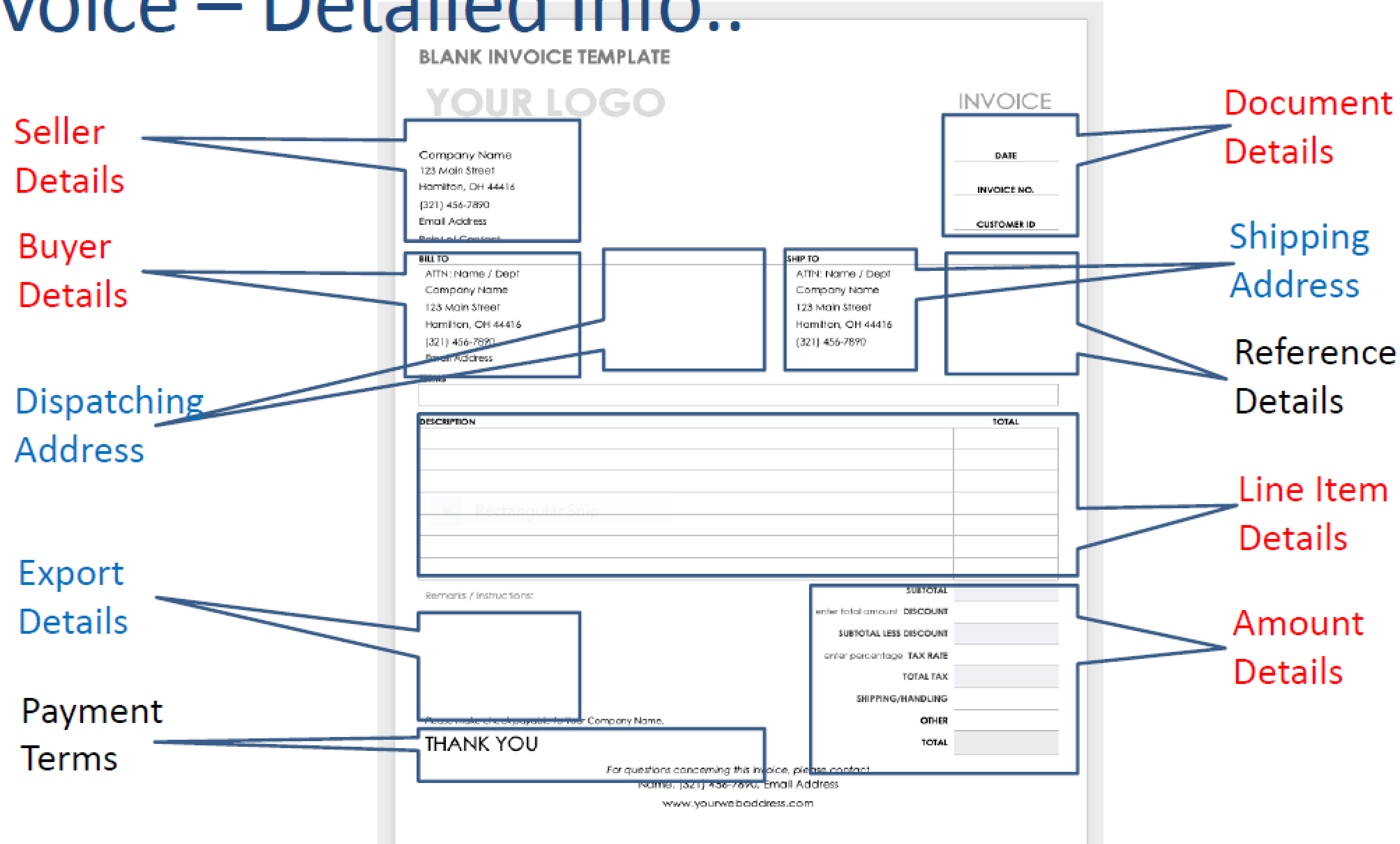
Document Details

Line Item Details

Amount Details

E INVOICING

Invoice – Detailed Info..



???

FAQ by GSTN

E INVOICING

Is e-invoicing applicable for NIL-rated or wholly-exempt supplies?

No. In those cases, a bill of supply is issued and not a tax invoice.

Whether the financial/commercial credit notes also need to be reported to IRP?

No, only the credit and debit notes issued under Section 34 of CGST/SGST Act have to be reported.

. For high sea sales and bonded warehouse sales, whether e-invoicing is applicable?

No. These activities/transactions are neither supply of goods nor a supply of services, as per Schedule III of CGST/SGST Act.

Is e-invoicing applicable for supplies by notified persons *to* SEZs?

Yes, e-invoicing is applicable for supplies by notified persons to SEZs.

E INVOICING

There is an SEZ unit and a regular DTA unit under same legal entity (i.e. having same PAN). The aggregate total turnover of the legal entity is more than Rs. 500 Crores (considering both the GSTINs). However, the turnover of DTA unit is below Rs. 100 crores for FY 19-20.

In this scenario, as SEZ unit is exempt from e-invoicing, whether e-invoicing will be applicable to DTA Unit?

Yes, because the aggregate turnover of the legal entity in this case is > Rs. 500 Crores. The eligibility is based on aggregate annual turnover on the common PAN.

. Is e-invoicing applicable to invoices issued by Input Service Distributor (ISD)?

No

The exemption from e-invoicing is w.r.t the nature of supply/transaction or w.r.t the entity?

It is for the entity.

E INVOICING

SMM

Whether e-invoicing is applicable for supplies involving Reverse Charge? If the invoice issued by notified person is in respect of supplies made by him but attracting reverse charge under Section 9(3), e-invoicing is applicable. For example, a taxpayer *(say, a Firm of Advocates having aggregate turnover in a FY is more than Rs. 500 Cr.)* is supplying services to a company *(who will be discharging tax liability as recipient under RCM)*, such invoices have to be reported by the notified person to IRP.
On the other hand, where supplies are received by notified person from (i) an unregistered person *(attracting reverse charge under Section 9(4))* or (ii) through import of services, e-invoicing doesn't arise / not applicable.

SMM

In case of breakdown of internet connectivity in certain areas, will there be any relaxation in the requirement to obtain IRN?

A localised mechanism to provide relaxation in such contingent situations is prescribed as per proviso to Rule 48(4) of CGST Rules. It reads as: *"…Commissioner may, on the recommendations of the Council, by notification, exempt a person or a class of registered persons from issuance of invoice under this sub-rule for a specified period, subject to such conditions and restrictions as may be specified in the said notification."*

In the e-invoice schema, the amount under 'other charges (item level)' is not part of taxable value. However, some charges to be shown in invoice are leviable to GST. How to mention them?

Such other charges (taxable), *e.g. freight, insurance, packing & forwarding charges etc.* may be added as one more line item in the invoice.

E INVOICING

In e-invoice schema, there is no placeholder for mentioning TCS (Tax Collected at Source) collected by suppliers under Income Tax Act, 1961.

At present, there is no separate placeholder for this field in schema. Including it in schema will be examined in next round of revision.

However, as a work around, the field of "Other Charges (Invoice Level)" can be used to mention TCS where it doesn't form part of taxable value.

It may further be noted that INV-01 schema is only to report specified invoice particulars to IRP. Once IRN is obtained from the portal, the business may add any other elements not relevant to GST, while issuing invoice finally to buyer.

In the current schema, there is no provision to report details of supplies not covered under GST, *e.g. a hotel wants to give single invoice for a B2B supply where the supply includes food and beverages (leviable to GST) and Alcoholic beverages (outside GST).*

For items outside GST levy, separate invoice may be given by such businesses.

E INVOICING

Do I need to print IRN on the invoice?

No. It's optional. IRN is anyway embedded in the QR Code which is one of the mandatory particulars on invoice.

How will the QR Code be received?

The QR code is part of signed JSON, returned by the IRP. It is a string (not image), which the ERP/accounting/billing software shall read and convert into QR Code image for placing on the invoice copy.

Do I need to print QR Code on the invoice? If so, what shall be its size and location on the invoice copy?

Yes. The QR code (containing, inter alia, the IRN) which comes as part of signed JSON from IRP, shall be extracted and printed on the invoice. This is one of the mandatory particulars of invoice under Rule 46 of CGST Rules.

However, printing of QR code on separate paper is not allowed.

E INVOICING

SMM

Where e-invoicing is applicable for notified persons, when the invoice is generated/printed by the supplier *(for issuance to buyer)*, what are the mandatory contents of such invoice issued/printed?

The particulars will be as per Rule 46 of CGST Rules, including QR code, with embedded Invoice Reference Number (IRN).

While returning IRN, the IRP is also adding its digital signature, "Acknowledgement No." and "Date". Whether these also need to be printed while issuing invoice?

No. There is no mandate to print these particulars on invoice copy.

Note that the "Acknowledgement No." and "Date" given by IRP are only for reference. Being a 15-digit number, the acknowledgement number will also come handy for printing e-invoice or for generating e-way bill (instead of keying in the 64-character long IRN).

E INVOICING

If e-invoice is applicable and issued, am I supposed to issue copies of invoice in triplicate/duplicate?

Where e-invoicing is applicable, there is no need of issuing invoice copies in triplicate/duplicate. This is clearly specified in Rule 48(6).

Are there any penal provisions for not issuing invoice in accordance with GST Law/rules?

The penal provisions are provided in Section 122 of CGST/SGST Act read with CGST Rules.

After obtaining signed JSON (along with IRN/QR Code) from e-invoice portal and while issuing invoice copy to the recipient, whether supplier's signature / digital signature is required on invoice?

The requirement is governed by the provisions of Rule 46 of CGST Rules, 2017.

SMM

Where e-invoicing is applicable, is carrying e-invoice print during transportation of goods mandatory?

No. As per Rule 138A(2) of CGST Rules, where e-invoicing is applicable, *"the Quick Reference (QR) code having an embedded Invoice Reference Number (IRN) in it, may be produced electronically, for verification by the proper officer, in lieu of the physical copy of such tax invoice."*

Thank You.

PRESENTED BY

CA SWAPNIL MUNOT

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