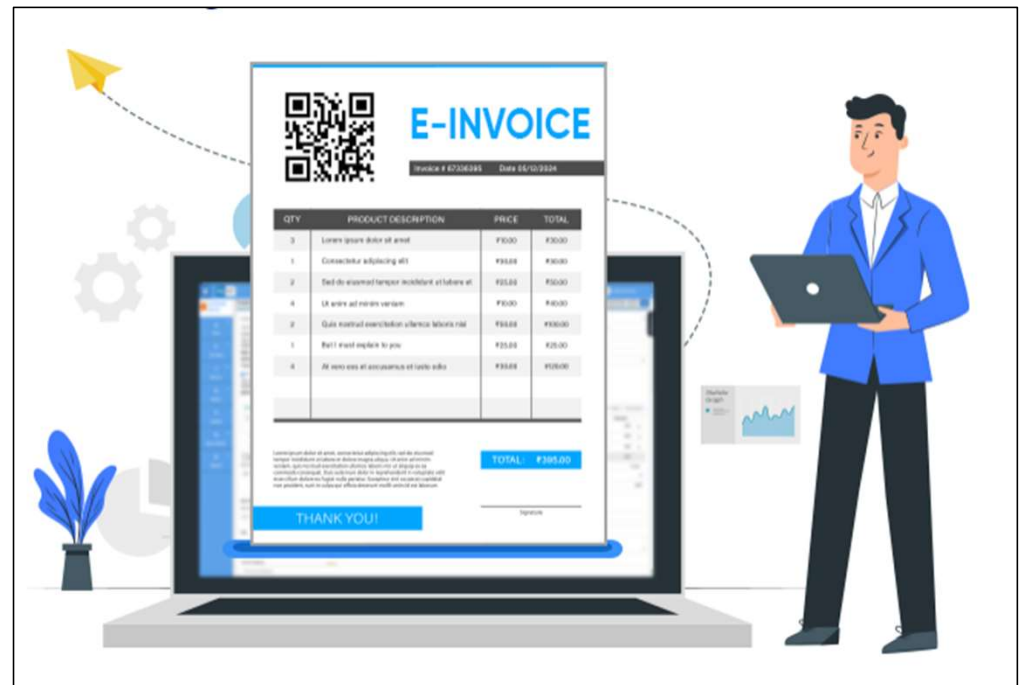


# E-invoicing



## WHAT IS E-INVOICING?

**Electronic invoicing/ e-invoicing** is a form of electronic billing.



## APPLICABILITY - FOR ENTITIES ABOVE INR 20 CRORE TURNOVER

- ❖ As per Notification No. 01/2022 – Central Tax, Dated 24-02-2022, *e-Invoicing is mandatory* for the taxpayers with an **aggregate turnover of more than Rs.20 crores** from 1st April 2022.
- ❖ Taxpayers should consider the turnover of any financial year from 2017-18 while checking the e-invoicing applicability.

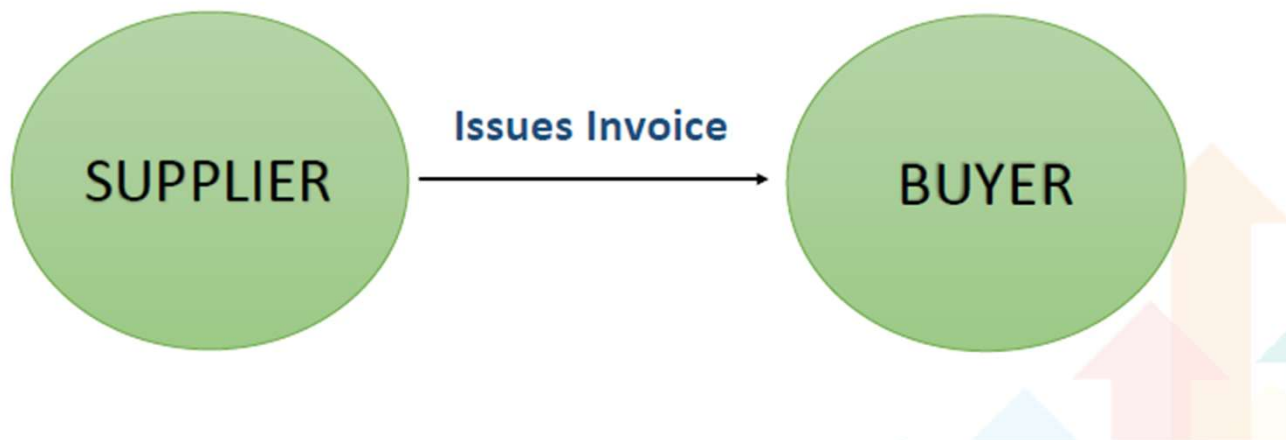


## ‘AGGREGATE TURNOVER’ MEANS?

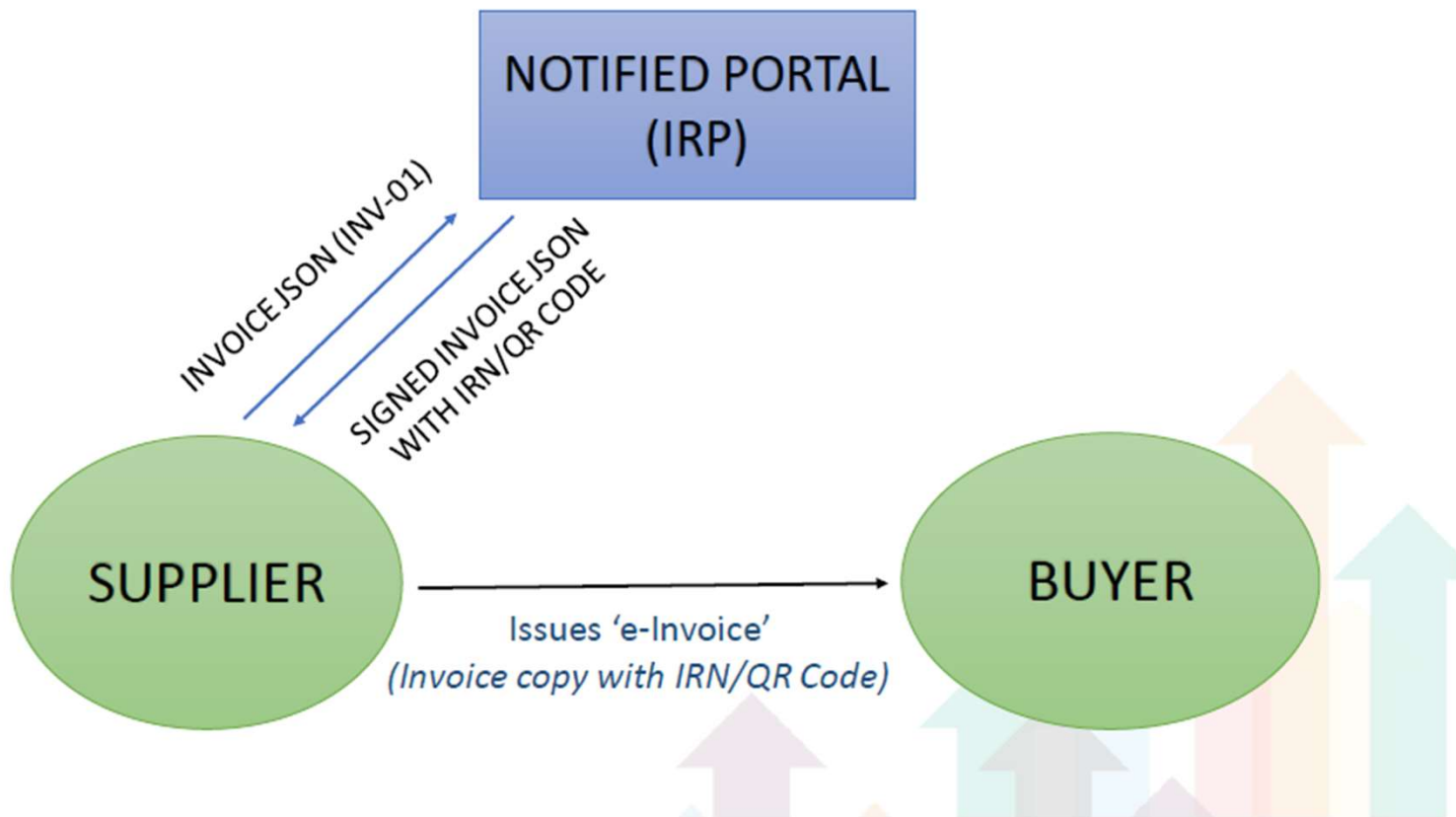
Section 2(6) of the CGST Act

*“aggregate turnover” means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-State supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes central tax, State tax, Union territory tax, integrated tax and cess.*

## THE PRESENT WAY OF ISSUING INVOICE BY SUPPLIER



## ISSUING INVOICE IN E-INVOICING SCENARIO



## **RULE 48 –MANNER OF ISSUING AN INVOICE**

- ❖ The taxpayers are required to prepare and issue their e-invoices by reporting their invoice data on the **Invoice Registration Portal (IRP)**, in the prescribed format (*e-invoice schema in FORM GST INV-01*)
- ❖ Invoices reported on the IRP are given a **unique Invoice Reference Number (IRN)**.
- ❖ The documents (*invoices, debit notes, credit notes*) reported on the IRP are then transmitted electronically to the GST system and are auto-populated in the respective tables of GSTR-1 of such taxpayers.

- ❖ The tax period of GSTR-1 in which the e-invoice will be auto-populated will be as per the **Document Date**, irrespective of the date on which the document (invoice, debit note, credit note) was reported on the IRP & the IRN was generated (Date of Generation).
- ❖ The specified taxpayers have been provided with a comprehensive standard format for raising invoices that consists of both mandatory and optional fields.
- ❖ This will be done on their existing ERP or accounting of billing software for invoices and credit-debit notes.



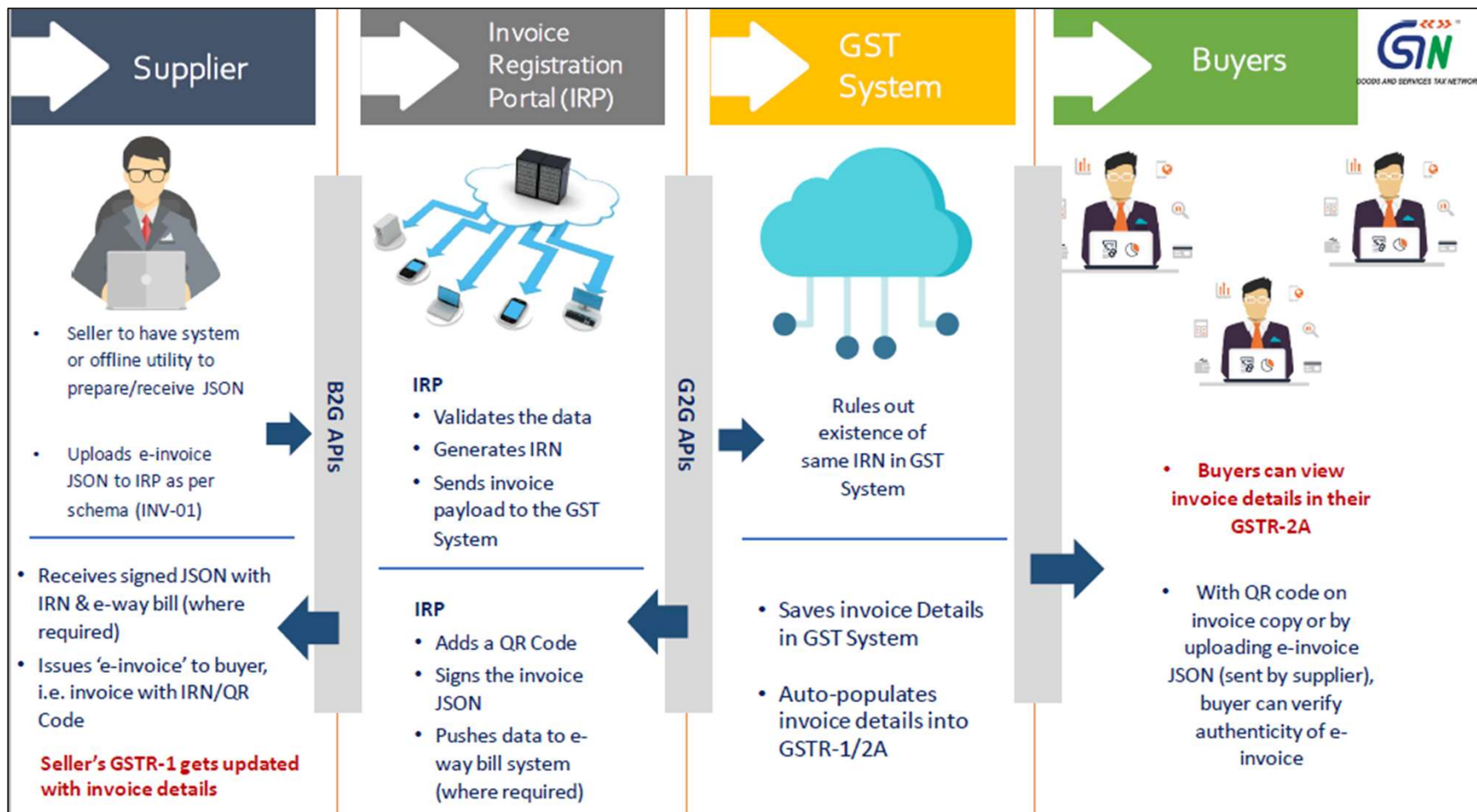
- ❖ The specified taxpayers must ensure that the set parameters are supported by the accounting/ billing software used for the generation of the invoice. Thereafter, the details are uploaded onto the **Invoice Registration Portal (IRP)** to obtain an **Invoice Reference Number (IRN)** for every document.
- ❖ All the mandatory fields are to be filled in to register an e-invoice on the IRP. A mandatory field without any value can be reported as NIL.
- ❖ The maximum number of line items per e-invoice is 1000. In special cases, it is raised to 5000 line items based on a request.

***A GST invoice will be valid only with a valid IRN.***

## CANCELLATION OF E-INVOICE

- ❖ The IRN once generated **cannot be modified or deleted**. However, if IRN is generated with wrong information, The only option is the cancellation of e-invoice and generation of a new invoice.
- ❖ **Once it is cancelled, the IRN cannot be generated on the same invoice.** The cancellation is required to be done within **24 hours** from the time of generation.
- ❖ However, if the connected e-way bill is active or verified by an officer during transit, cancellation of IRN will **not** be permitted.
- ❖ In case of cancellation of IRN, GSTR-1 also will be **updated with such ‘cancelled’ status**.

## E-Invoice: Flow



# FAQ



## E-INVOICE TO HAVE IRN

✓ Would the Supplier be allowed to issue his own invoice and if yes, will the Invoice number and IRN be required to be mentioned?

• *Yes,*

*the supplier will issue his own system's invoice, in the standard e-invoice schema that has been published. IRN will be generated and returned by the IRP as per the process described in the concept and flow.*

• ***Invoice will be valid only if it has IRN.***

## PRINTING E-INVOICE

✓ Will it be possible to print the e-invoice?

- Yes,

*It will be possible for **both** the seller as well as the buyer to print the invoice, **using the signed JSON payload** returned by the Invoice Registration Portal (IRP).*

*The **QR code** will not be an image sent by the IRP but a string, which the accounting/billing software or the ERP will read and **convert** into QR Code.*

***Seller must place the QR Code on the print of the invoice. This will enable its validation.***

## AUTHENTICITY OF AN E-INVOICE

✓ How can one verify the authenticity of an e-invoice?

*Anyone can verify the correctness of an e-invoice by uploading the signed JSON into the e-invoice system, by selecting the option 'Verify Signed Invoice' under the 'Search' option. One can also download the QR Code Verify app and verify the QR code printed on the invoice.*

✓ Can more than one IRN be generated for the same invoice?

*No, the e-invoice system checks in the Central Registry of the GST system to ensure that the same invoice from the same supplier belonging to the same financial year is not being uploaded again for generating more than one IRN. The IRP will reject such invoices.*

✓ Is there a time limit for uploading e-invoices on the IRP?

*A time limit is not yet notified for reporting invoices on the IRP. However, an invoice is considered valid only after its registration on the Invoice Registration Portal (IRP). Once uploaded on the IRP, the same will be registered immediately on a real-time basis.*



✓ Can a cancelled e-invoice number be used again?

*No, once an IRN is cancelled, the same invoice number cannot be used again to generate another invoice. If used again, the IRP will reject the same.*

✓ After the generation of the IRN, is there a time limit for the generation of the e-way bill (wherever applicable)?

*No, there is no time limit at present in the system.*

✓ For how long will the data be available on the Government Portal?

*On the IRP, the data will remain for only 24 hours. However, once an invoice has been registered and validated, it will be uploaded into the relevant GST return where it will be available for the entire financial year.*

✓ Can an e-Invoice be cancelled partially/fully?

*An e-invoice cannot be partially cancelled, it has to be cancelled fully. Once cancelled, it will need to be reported on the IRN within 24 hours. Cancellation done after 24 hours cannot be done on the IRN and needs to be manually cancelled on the GST portal in the GSTR-1 return before the same is filed.*

✓ Will there be a facility for invoice generation on the common GST portal?

*No, invoices will continue to be generated on the individual ERP software that is currently in use by businesses. The invoice must conform to the e-Invoicing standard and include the mandatory parameters. The direct generation of invoices on a common portal will not happen.*

✓ Is e-invoicing applicable to nil-rated or wholly-exempt supplies?

*No, e-invoicing is not applicable to nil-rated or wholly-exempt supplies as in these cases, only a bill of supply is issued and not a tax invoice.*

✓ Whether e-invoicing applicable exports initiated without payment of tax?

*For exports, an e-invoice is required to be generated in all classes (i.e exports initiated without payment of tax with LUT and without LUT). When an e-invoice is made mandatory, any other type of invoice will not be treated as a statutory invoice and such supply will be treated as without invoice*

**THANK YOU 😊**