



E INVOICING

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The objective of bringing E invoicing in India is

- (1) To pre-populate data in the relevant GST returns and reduce the reconciliation process. (E invoice has unique invoice reference number (IRN) generated by invoice registration portal (IRP))
- (2) Aims to make invoice reporting an integral part of a business process and remove the tedious task of invoice-compilation at the end of a return period.
- (3) To control on Claiming fictitious Input Tax Credit (ITC) by raising fake invoices is also one of the biggest challenges currently faced by tax authorities.
- (4) E way bill may not be required later
- (5) Inter-operable eliminating transcription and other errors.

Currently over 60 countries which have adopted this method of invoice generation and population, and India could be one such country soon to be added to the list.

The generation of e-invoice will be the responsibility of the taxpayer who will be required to report the same to Invoice Registration Portal (IRP) of GST.

This portal will generate a unique Invoice Reference Number (IRN) and digitally sign the e-invoice and also generate a QR code.

The QR Code will contain vital parameters of the e-invoice and return the same to the taxpayer who generated the document in first place. The IRP will also send the signed e-invoice to the recipient of the document.

Summary of recent Notifications on E invoicing

Sr no	Notification no date	Relevant subject/Rule	Comments
1	68/2019 Dated 13-12-2019	CBIC amends Manner of Issuing Tax Invoice under GST Insertion of Sub Rule (4), (5) & (6) to Rule 48 of CGST Rule 2017	48(4) Given Power to Govt to make Rule for E invoice preparation through Common GST Electronic portal for such class of registered person as Notified. 48(5) :- Every invoice (Mandatory e invoice) issued as per rule 48(4) will be consider invoice and other than manner specified shall not be treated as an invoice. 48(6) :- Printing of Triplicate/Duplicate is not required in case of e invoicing
2	69/2019 Dated 13-12-2019	Notified common GST Electronic portal for E invoicing	E invoice can be prepared on these 10 common GST E portal w.e.f.01-01-2020 (Voluntary) (from 01-04-2020 mandatory for turnover exceeding 100 crs.)
3	70/2019 dated 13-12-2019	CBIC notifies Class of registered person required to issue e-invoice under GST Threshold limit for E invoicing for B2B	E invoice mandatory with effective from 01-04-2020 for as a class of registered person whose aggregate turnover in FY exceeds 100 crores to a registered person.

4	71/2019 dated 13-12-2019	CBIC notifies rule 46 of CGST Rules, 2017 (Tax Invoice) w.e.f. 01.04.2020	B TO C invoice need to issue with QR Code w.e.f 01-04-2020
5	72/2019 Dated 13-12-2019	Thresh hold limit for B2C invoice with QR Code Class of registered person required to issue GST invoice having QR Code	If turnover in a FY exceeds to 500 crores to an unregistered person shall have QR code on B 2 C invoice. In case where such registered person makes Dynamic Response Code (QR) available to recipient through a display ,such B 2C invoice containing cross reference of payment using Dynamic QR code shall be deemed to be QR Code

From above it can be concluded that

- (a) Industry/Firm, need to modify their ERP system to integrate with specific tool /technology to generate an invoice reference number (IRN) for E invoice.
- (b) Customer/Service/Vendor master need to be updated according to new requirement to generate invoice in timely /correctly and to book input tax credit in system.

Further, all important data availability will be in system, display of good health of firm resulting good offer from bankers for loan on reduced rate.

Above is compilation of information on subject available till date.