

Goods And Services Tax Act,2017

Tax Invoice

Tax Invoice :

Section 31. Tax Invoice

31A. Facility of digital payment to recipient

32. Prohibition of unauthorized collection of tax

33. Amount of tax to be indicated in tax invoice and other documents

34. Credit and debit notes

Rules

46. Tax Invoice

46A. Invoice-cum-bill of supply

47. Time limit for issuing tax invoice

48. Manner of issuing invoice

49. Bill of supply

50. Receipt voucher

51. Refund voucher

52. Payment Voucher

53. Revised Tax invoice and Credit/Debit notes

54. Tax invoice in Special Cases (ISD)

55. Transportation of Goods without invoice

55A. Tax invoice or Bill of Supply to accompany
transport of goods

Relevant definitions for Tax Invoice

Sec. 2(94) – Registered Person *“Registered person” means a person who is registered under section 25 but does not include a person having Unique Identification Number(UIN)*

Sec. 2(41) – Document *“Document” includes a written or printed record of any sort and electronic record as defined in clause (f) of sub-section (1) of Section 2 of Information Technology Act, 2000(21 of 2000)*

Section 2(1)(f) of IT Act, 2000 - data, record or data generated, image or sound stored, received or sent in an electronic form or microfilm or computer generated micro fiche. A document includes both manual and electronic forms of records.

Sec. 2(66) – Invoice *“invoice” or “tax invoice” means the tax invoice referred to in section 31.*

Relevant definitions for Tax Invoice

Sec. 2(47) – Exempt Supply *“exempt supply” means supply of any goods or services or both which attracts nil rate of tax or which may be wholly exempt from tax under section 11, or under section 6 of IGST Act, and includes non-taxable supply.*

There are three types of exempt supplies

- i. Supplies taxable at ‘ Nil ‘ rate of Tax under GST Tariff
- ii. Supplies exempted from CGST / IGST by way of Notification issued U/s11 of CGST Act
- iii. Non- Taxable Supplies

Sec. 2(78) – Non Taxable supply *“non-taxable supply” means a supply of goods or services or both which is not leviable to tax under this Act or under the IGST Act.*

Example – Alcoholic Liquor for Human Consumption, ATF, HSD , Motor Spirit etc.,

Tax Invoice – Sec.31

Relevant Definitions:

Sec.2(102) Supplier – Supplier in relation to any goods or services or both shall mean the person supplying the goods or services or both and shall include an agent acting as such on behalf of such supplier in relation to the goods or services or both supplied.

Sec.2(93) Recipient – means

- a. where a [consideration is payable](#) for the supply of goods or services or both, the person who is liable to pay their consideration
- b. Where [no consideration is payable for the supply of goods](#), the person to whom the goods are delivered or made available, or to whom possession or use of the goods is given or made available and
- c. Where [no consideration is payable for the supply of service](#), the person to whom the services is rendered.

Any reference to a person to whom a supply is made shall be construed as a reference to the recipient of the supply and shall include an agent acting as such on behalf of the recipient in relation to the goods or services or both supplies.

Tax Invoice – Sec.31

Relevant Definitions:

Sec.2(96) Removal – in relation to goods means

- a. despatch of the goods for delivery by the supplier thereof or by any other person acting on behalf of such supplier, or
- b. *Collection of the goods by the recipient thereof or by any other person acting on behalf of such recipient*

Sec. 2(32) Continuous supply of goods means

a supply of goods which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, whether or not by means of a wire, cable, pipeline or other conduit, and for which the supplier invoices the recipient on a regular or periodic basis and includes supply of such goods as the Government may, subject to such conditions, as it may, by notification, specify;

Tax Invoice – Sec.31

Relevant Definitions:

Sec.2(96) Removal – in relation to goods means

- a. despatch of the goods for delivery by the supplier thereof or by any other person acting on behalf of such supplier, or
- b. *Collection of the goods by the recipient thereof or by any other person acting on behalf of such recipient*

Note – The terms Removal, Movement and Delivery are not synonyms:

Removal – Handing over or Collection of goods to be taken away or carried away
by the supplier or recipient even without commencement of actual transportation of
the goods to the destination

Tax Invoice – Sec.31

Relevant Definitions:

Note – The terms Removal, Movement and Delivery are not synonyms:

Movement – Movement is the physical transportation of the goods to the destination by the person taking the responsibility of transportation which may be supplier, recipient, or other carrier.

Delivery - Delivery is a legal concept of completion of appropriation in favour of recipient so as to complete supplier's obligations in respect of the supply.

- ✓ Removal is a decisive first step towards commencement of supply.
- ✓ Delivery is the decisive last step towards completion of supply.
- ✓ Movement is all the observable activity occurring in between

Tax Invoice – Sec.31

Relevant Definitions:

Sec. 2(32) Continuous supply of goods means

a supply of goods which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, whether or not by means of a wire, cable, pipeline or other conduit, and for which the supplier invoices the recipient on a regular or periodic basis and includes supply of such goods as the Government may, subject to such conditions, as it may, by notification, specify;

Examples of continuous supply of goods are:

- (a) Open purchase orders with daily delivery schedule (Just In Time- JIT) subject to acceptance tests only at the time of issue-for-production and understanding of fortnightly billing;
- (b) VMI (vendor managed inventory) where the agreed periodicity for billing is, say, monthly/ fortnightly etc.;
- (c) Supply of gases through pipeline where burn rate or heat generation are matters of contingency necessitating a deferred billing schedule.

Tax Invoice – Sec.31

Relevant Definitions:

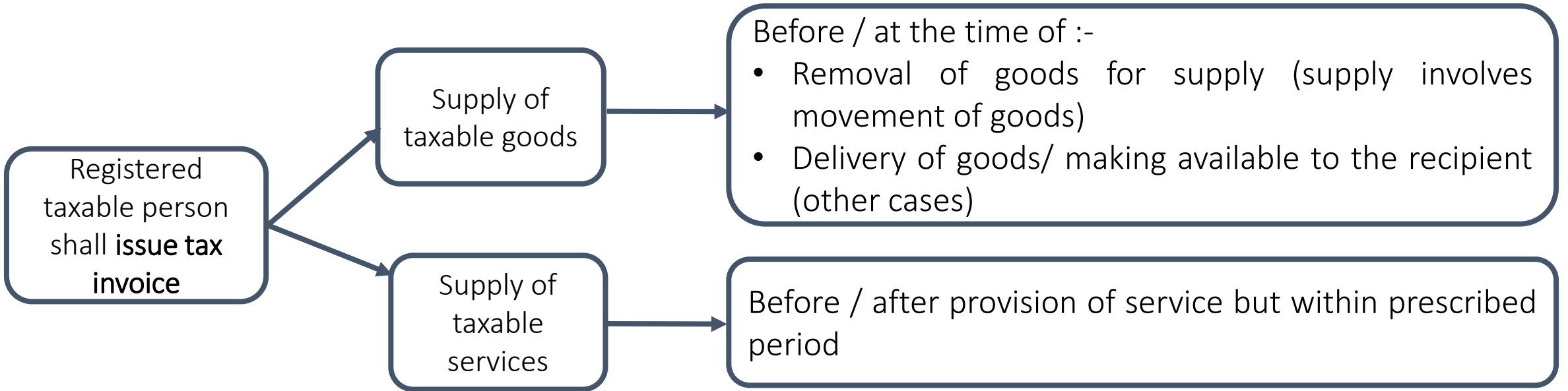
Sec.2(33) Continuous supply of services means -

a supply of services which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, for a period exceeding three months with periodic payment obligations and includes supply of such services as the Government may, subject to such conditions, as it may, by notification, specify;

Examples of continuous supply of services:

- (a) Licensing of software or brand names;
- (b) Renting of immovable property except month-to-month lease/rent; and
- (c) Software as a service (SAAS) with monthly billing based on usage.

Tax Invoice – Sec.31



- a) Revised invoices may be issued against the invoice already issued during the period starting from the effective date of registration till the date of issuance of certificate of registration **within one month from date of issuance of certificate of registration.**
- b) No invoice required if value of goods or services or both < Rs. 200 – Sec.31(3)(b)
- c) Composition dealers and Person supplying exempted goods or services shall issue a bill of supply

Tax Invoice – Sec.31

- d) For receipts of advances on supply of goods / services: **Receipt voucher/ other prescribed document**
- e) In case of RCM or if goods / services are received from an unregistered person, the registered taxable person shall issue an **invoice**
- f) Refund of advance received in case of no supply of goods / services: **Refund voucher against such advance**
- g) In case of RCM or if goods / services are received from an unregistered person: **Registered person to issue payment voucher at the time of making payment**
- h) In case of continuous supply of goods where successive statements of accounts/ payments are involved, **invoice shall be issued before or at the time of each such statements/ payment.**
- i) In case of continuous supply of services
 - **Due date ascertainable** – invoice to be issued before / after payment is liable to be made by recipient but within prescribed period (whether or not payment received)
 - **Due date not ascertainable** – invoice to be issued before / after each such time supplier receives payment but within prescribed period
 - **Payment linked to completion of an event** – invoice to be issued before / after time of completion of that event but within prescribed period.

Tax Invoice – Sec.31

- j. *where the **supply of services ceases under a contract before the completion of the supply**, the invoice shall be issued at the time when the supply ceases and such invoice shall be issued to the extent of the supply made before such cessation.*
- k. **Goods sent on Sale on approval basis** - the invoice shall be issued before or at the time of supply or six months from the date of removal, whichever is earlier.
- l. *The expression “tax invoice” shall include any revised invoice issued by the supplier in respect of a supply made earlier.*

Sec.31A – Facility of digital payment to recipient

The Government may, on the recommendations of the Council, prescribe a class of registered persons who shall provide prescribed modes of electronic payment to the recipient of supply of goods or services or both made by him and give option to such recipient to make payment accordingly, in such manner and subject to such conditions and restrictions, as may be prescribed.

Analysis – The objection of Section 31A is to encourage electronic payment

Section 32. Prohibition of unauthorised collection of tax

(1) A person who is not a registered person shall not collect in respect of any supply of goods or services or both any amount by way of tax under this Act.

(2) No registered person shall collect tax except in accordance with the provisions of this Act or the rules made thereunder.

Analysis of Section - 32

This provision casts an obligation on each – unregistered person and registered person with regard to collection of tax on supply:

- unregistered person is not to collect tax or any sum ‘by way of’ tax; and
- registered person is to collect tax only in the manner prescribed
- Collection of tax is not a statutory right but a contractual obligation.
- The person collecting taxes, acts as an agent of the Government

Section 33. Amount of tax to be indicated in tax invoice and other documents.

Notwithstanding anything contained in [this Act or any other law for the time being in force](#), where any supply is made for a consideration, every person who is liable to pay tax for such supply shall prominently indicate in all documents relating to assessment, tax invoice and other like documents, [the amount of tax which shall form part of the price](#) at which such supply is made

Analysis of Section – 33

- ✓ This provision secures preference over any other provision to the contrary whether in this Act or elsewhere.
- ✓ It states that all documents need to carry these details and that the tax would form part of the price of supply.
- ✓ This provision therefore holds the price charged to be the 'cum tax' price of the supply. Tax included in the price is that *actually assessed on the supply*.
- ✓ The GST law presupposes the fact that the tax, even, if not charged is deemed to have been passed on to the recipient unless proved contrary.

Section 31(7) – Goods sent on approval basis / Sale or return basis ;

Notwithstanding anything contained in Sec.37(1), where the goods being sent or taken on approval for sale or return are removed before the supply takes place, the invoice shall be issued before or at the time of supply or six months from the date of removal, whichever is earlier.

CBI&C Circular No.10/10/2017-GST dated 18.10.2017;

- ✓ Goods(including jewellery) can be cleared on approval basis within the State or outside the State.
- ✓ Delivery Challan should be issued at the time of removal of goods . E-Way bill also be issues wherever applicable.
- ✓ The carrying goods for such supply can carry the invoice book so that he can issue the invoice once the supply is fructified. If sale is outside the State, IGST will be payable.

Transportation of goods in knocked down condition(SKD / CKD) – Rule 55 (5)

Where the goods are being transported in a semi knocked down(SKD) or completely knocked down(CKD) condition or in batches or lots;

- a. the supplier shall issue the complete invoice before dispatch of the first consignment.
- b. the supplier shall issue a delivery challan for each of the subsequent consignments, giving reference of the invoice
- c. each consignment shall be accompanied by copies of the corresponding delivery challan along with a duly certified copy of the invoice
- d. the original copy of invoice shall be sent along with the last consignment

Tax Invoice of Goods Transport Agencies (GTA) – Rule 54(3)

If the goods are transported in a goods carriage by Road, the GTA shall issue a tax invoice or any other documents and shall contain the below details;

- a. Gross weight of the consignment*
- b. Name of the consignor and consignee*
- c. Registration Number of the Vehicle*
- d. Details of the goods transported*
- e. Details of place of origin and destination*
- f. GSTIN of the person liable for paying tax whether as consignor / consignee or the GTA*
- g. Other information as prescribed under Rule – 46*

Tax Invoice of Bank, FI, NBFC and Insurance Companies - Rule 54(2)

- ✓ Bank, FI, NBFC and IC may issue consolidated tax invoice on monthly basis electronically or physically.
- ✓ *it may not have Sl.No. and address of the recipient.*
- ✓ *However, it should have other details as specified in Rule 46*

Ticket issued by passenger transport operator is tax invoice - Rule 54(4)

- ✓ *a tax invoice shall include ticket in any form by whatever name called*
- ✓ *whether or not serially numbered and*
- ✓ *whether or not containing the address of the recipient of service*
- ✓ *But containing other information as mentioned in Rule - 46*

Tax Invoice of Bank, FI, NBFC and Insurance Companies - Rule 54(2)

- ✓ Bank, FI, NBFC and IC may issue consolidated tax invoice on monthly basis electronically or physically.
- ✓ *it may not have Sl.No. and address of the recipient.*
- ✓ *However, it should have other details as specified in Rule 46*

Rule – 46 Tax Invoice (Contents)

Subject to rule 54, a tax invoice referred to in section 31 shall be issued by the registered person containing the following particulars, namely,

(a) name, address and Goods and Services Tax Identification Number of the supplier;

(b) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters- hyphen or dash and slash symbolised as ‘_’ and “/” respectively, and any combination thereof, unique for a financial year;

(c) date of its issue;

(d) name, address and Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;

(e) name and address of the recipient and the address of delivery, along with the name of the State and its code, if such recipient is un-registered and where the value of the taxable supply is fifty thousand rupees or more;

Rule – 46 Tax Invoice (Contents)

- (f) name and address of the recipient and the address of delivery, along with the name of the State and its code, if such recipient is un-registered and where the value of the taxable supply is less than fifty thousand rupees and the recipient requests that such details be recorded in the tax invoice;*
- (g) Harmonised System of Nomenclature code for goods or services;*
- (h) description of goods or services;*
- (i) quantity in case of goods and unit or Unique Quantity Code thereof;*
- (j) total value of supply of goods or services or both;*
- (k) taxable value of the supply of goods or services or both taking into account discount or abatement, if any;*
- (l) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);*
- (m) amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);*
- (n) place of supply along with the name of the State, in the case of a supply in the course of inter-State trade or commerce;*
- (o) address of delivery where the same is different from the place of supply;*
- (p) whether the tax is payable on reverse charge basis; and*
- (q) signature or digital signature of the supplier or his authorised representative;*

Proviso w.e.f. 01.04.2020 – The Tax shall have QR (Quick Response) code in the Tax invoice

Rule – 46 Tax Invoice – HSN Code

Notification No.78/2020 Central Tax dated 15.10.2020

1. Aggregate Turnover in P.Y. up to Rs.5 Crores – Four Digits
2. Aggregate Turnover in P.Y. more than Rs.5 Crores – Six Digits

The above amendments coming into effect from 01.04.2021

Rule – 46 Tax Invoice (Contents)

Consolidated Tax invoice

Where an invoice is required to be issued under clause (f) of sub-section (3) of section 31, a registered person may issue a consolidated invoice at the end of a month for supplies covered under sub-section (4) of section 9, the aggregate value of such supplies exceeds rupees five thousand in a day from any or all the suppliers.

The Registered person may not issue a tax invoice in accordance with the provisions of clause (b) of sub-section (3) of section 31 subject to the following conditions, namely,-

(a) the recipient is not a registered person; and

(b) the recipient does not require such invoice, and

shall issue a consolidated tax invoice for such supplies at the close of each day in respect of all such supplies.

Rule – 46 Tax Invoice (Contents)

Export invoice :

Provided also that in the case of the export of goods or services, the invoice shall carry an endorsement

*“SUPPLY MEANT FOR EXPORT/SUPPLY TO SEZ UNIT OR SEZ DEVELOPER FOR
AUTHORISED OPERATIONS ON PAYMENT OF INTEGRATED TAX” or*

*“SUPPLY MEANT FOR EXPORT/SUPPLY TO SEZ UNIT OR SEZ DEVELOPER FOR
AUTHORISED OPERATIONS UNDER BOND OR LETTER OF UNDERTAKING WITHOUT
PAYMENT OF INTEGRATED TAX”,*

Signature :

Provided also that the signature or digital signature of the supplier or his authorised representative shall not be required in the case of issuance of an electronic invoice in accordance with the provisions of the Information Technology Act, 2000 (21 of 2000).

Rule – 46A Invoice Cum Bill of Supply

Notwithstanding anything contained in rule 46 or rule 49 or rule 54, where a registered person is supplying taxable as well as exempted goods or services or both to an unregistered person, a single “invoice-cum-bill of supply” may be issued for all such supplies

Rule – 47 Time limit for issuing a Tax Invoice :

The invoice referred to in rule 46,

In the case of the taxable supply of services, - shall be issued within a period of thirty days from the date of the supply of service:

Where the supplier of services is an insurer or a banking or a financial institution, including NBFC - to be issued within forty-five days from the date of the supply of service:

Taxable supplies of services between distinct persons of Banking, FI, NBFC or Insurance co., as specified in section 25, may issue the invoice before or at the time such supplier records the same in his books of account or before the expiry of the quarter during which the supply was made.

Rule – 48 manner of issuing a Tax Invoice :

1) The invoice shall be prepared in triplicate, in the case of supply of goods, in the following manner, namely,-

- (a) the original copy being marked as ORIGINAL FOR RECIPIENT;
- (b) the duplicate copy being marked as DUPLICATE FOR TRANSPORTER; and
- (c) the triplicate copy being marked as TRIPLICATE FOR SUPPLIER.

(2) The invoice shall be prepared in duplicate, in the case of the supply of services, in the following manner, namely,-

- (a) the original copy being marked as ORIGINAL FOR RECIPIENT; and
- (b) the duplicate copy being marked as DUPLICATE FOR SUPPLIER.

(3) The serial number of invoices issued during a tax period shall be furnished electronically through the common portal in FORM GSTR-1.

Bill of Supply – Sec.31(3) and Rule 49 :

A registered taxable supplying exempted goods or service both paying tax under the provisions of Sec.10 (Composition dealers) shall issue, instead of a tax invoice, a bill of supply containing the below details as per Rule-49.

Small Taxable person paying GST @6% on services shall issue a Bill of supply.

Note:

1. Service provider who avails the benefit of composition was allowed to issue a bill of Supply via Removal of Difficulty Order (ROD) No. 03/2019-CT dated 8.3.2019.
2. Subsequently, Sub-Section 2A was inserted in Section 10 vide Finance (No. 2) Act, 2019 w.e.f 01.01.2020 to allow a service provider to pay tax not exceeding 6% of turnover in state / UT if his aggregate turnover in the preceding financial year did not exceed Rs. 50 lakh.

Bill of Supply – Sec.31(3) and Rule 49 :

Contents of Bill of Supply

- (a) name, address and Goods and Services Tax Identification Number of the supplier;*
- (b) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters -hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, unique for a financial year;*
- (c) date of its issue;*
- (d) name, address and Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;*
- (e) Harmonised System of Nomenclature Code for goods or services;*
- (f) description of goods or services or both;*
- (g) value of supply of goods or services or both taking into account discount or abatement, if any; and*
- (h) signature or digital signature of the supplier or his authorised representative:*

Rule 50 – Receipt Voucher :

A receipt voucher referred to in clause (d) of sub-section (3) of section 31 shall contain the following particulars, namely,-

- (a) name, address and Goods and Services Tax Identification Number of the supplier;*
- (b) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters-hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, unique for a financial year;*
- (c) date of its issue;*
- (d) name, address and Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;*
- (e) description of goods or services;*
- (f) amount of advance taken;*
- (g) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);*

Rule 50 – Receipt Voucher :

h) amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);

(i) place of supply along with the name of State and its code, in case of a supply in the course of inter-State trade or commerce;

(j) whether the tax is payable on reverse charge basis; and

(k) signature or digital signature of the supplier or his authorised representative:

Provided that where at the time of receipt of advance,-

(i) the rate of tax is not determinable, the tax shall be paid at the rate of eighteen per cent.;

(ii) the nature of supply is not determinable, the same shall be treated as inter-State supply.

Rule 51 – Refund Voucher :

A refund voucher referred to in clause (e) of sub-section (3) of section 31 shall contain the following particulars, namely:-

- (a) name, address and Goods and Services Tax Identification Number of the supplier;*
- (b) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters-hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, unique for a financial year;*
- (c) date of its issue;*
- (d) name, address and Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;*
- (e) number and date of receipt voucher issued in accordance with the provisions of rule 50;*
- (f) description of goods or services in respect of which refund is made;*
- (g) amount of refund made;*
- (h) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);*
- (i) amount of tax paid in respect of such goods or services (central tax, State tax, integrated tax, Union territory tax or cess);*
- (j) whether the tax is payable on reverse charge basis; and*
- (k) signature or digital signature of the supplier or his authorised representative.*

Rule 52 – Payment Voucher :

A payment voucher referred to in clause (g) of sub-section (3) of section 31 shall contain the following particulars, namely:-

- (a) name, address and Goods and Services Tax Identification Number of the supplier if registered;*
- (b) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters-hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, unique for a financial year;*
- (c) date of its issue;*
- (d) name, address and Goods and Services Tax Identification Number of the recipient;*
- (e) description of goods or services;*
- (f) amount paid;*
- (g) rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);*
- (h) amount of tax payable in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);*
- (i) place of supply along with the name of State and its code, in case of a supply in the course of inter-State trade or commerce; and*
- (j) signature or digital signature of the supplier or his authorised representative*

Sec-34 –Credit Notes:

1) **Where one or more tax invoices have been issued for supply of any goods or services or both and the taxable value or tax charged in that tax invoice is found to exceed the taxable value or tax payable in respect of such supply, or where the goods supplied are returned by the recipient, or where goods or services or both supplied are found to be deficient, the registered person, who has supplied such goods or services or both, may issue to the recipient one or more credit notes for supplies made in a financial year containing such particulars as may be prescribed.**

2) Any registered person who issues a credit note in relation to a supply of goods or services or both shall declare the details of such credit note in the return for the month during which such credit note has been issued but not later than September following the end of the financial year in which such supply was made, or the date of furnishing of the relevant annual return, whichever is earlier, and the tax liability shall be adjusted in such manner as may be prescribed:

Provided that no reduction in output tax liability of the supplier shall be permitted, if the incidence of tax and interest on such supply has been passed on to any other person.

Sec-34 -Debit Notes:

(3) Where one or more tax invoices have³ been issued for supply of any goods or services or both and the taxable value or tax charged in that tax invoice is found to be less than the taxable value or tax payable in respect of such supply, the registered person, who has supplied such goods or services or both, shall issue to the recipient one or more debit notes for supplies made in a financial year ⁴containing such particulars as may be prescribed.

(4) Any registered person who issues a debit note in relation to a supply of goods or services or both shall declare the details of such debit note in the return for the month during which such debit note has been issued and the tax liability shall be adjusted such manner as may be prescribed.

Explanation. – For the purposes of this Act, the expression “debit note” shall include a supplementary invoice

Rule 53 –Contents Revised Tax invoice, Credit / Debit Notes:

1) A revised tax invoice referred to in section 31 shall contain the following particulars, namely:-

(a) the word —"Revised Invoice", wherever applicable, indicated prominently;

(b) name, address and Goods and Services Tax Identification Number of the supplier;

(c) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters-hyphen or dash and slash symbolised as "-" and "/" respectively, and any combination thereof, unique for a financial year;

(d) date of issue of the document;

(e) name, address and Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;

(f) name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered;

(g) serial number and date of the corresponding tax invoice or, as the case may be, bill of supply;

(h) signature or digital signature of the supplier or his authorised representative.

Rule 53 –Contents Revised Tax invoice, Credit / Debit Notes:

(1A) A credit or debit note referred to in section 34 shall contain the following particulars, namely:–

(a) name, address and Goods and Services Tax Identification Number of the supplier;

(b) nature of the document;

(c) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters-hyphen or dash and slash symbolised as “-” and “/ ” respectively, and any combination thereof, unique for a financial year;

(d) date of issue of the document;

(e) name, address and Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;

(f) name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered;

(g) serial number(s) and date(s) of the corresponding tax invoice(s) or, as the case may be, bill(s) of supply;

(h) value of taxable supply of goods or services, rate of tax and the amount of the tax credited or, as the case may be, debited to the recipient;
and

*(i) **Tax Invoice** signature or digital signature of the supplier or his authorised representative.*

Rule 53 –Contents Revised Tax invoice, Credit / Debit Notes:

(2) Every registered person who has been granted registration with effect from a date earlier than the date of issuance of certificate of registration to him, may issue revised tax invoices in respect of taxable supplies effected during the period starting from the effective date of registration till the date of the issuance of the certificate of registration:

Provided that the registered person may issue a consolidated revised tax invoice in respect of all taxable supplies made to a recipient who is not registered under the Act during such period:

Provided further that in the case of inter-State supplies, where the value of a supply does not exceed two lakh and fifty thousand rupees, a consolidated revised invoice may be issued separately in respect of all the recipients located in a State, who are not registered under the Act.

(3) Any invoice or debit note issued in pursuance of any tax payable in accordance with the provisions of section 74 or section 129 or section 130 shall prominently contain the words “INPUT TAX CREDIT NOT ADMISSIBLE”.

Rule 54 – Input Service Distributor(ISD) Invoice :

(1A) (a) A registered person, having the same PAN and State code as an Input Service Distributor, may issue an invoice or, as the case may be, a credit or debit note to transfer the credit of common input services to the Input Service Distributor, which shall contain the following details:-

- i. name, address and Goods and Services Tax Identification Number of the registered person having the same PAN and same State code as the Input Service Distributor;*
- ii. a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters -hyphen or dash and slash symbolised as “-” and “/” respectively, and any combination thereof, unique for a financial year;*
- iii. date of its issue;*
- iv. Goods and Services Tax Identification Number of supplier of common service and original invoice number whose credit is sought to be transferred to the Input Service Distributor;*
- v. name, address and Goods and Services Tax Identification Number of the Input Service Distributor;*
- vi. taxable value, rate and amount of the credit to be transferred; and*
- vii. signature or digital signature of the registered person or his authorised representative.*

(b) The taxable value in the invoice issued under clause (a) shall be the same as the value of the common services.

Rule 54 – Input Service Distributor(ISD) Invoice :

(2) Where the supplier of taxable service is an insurer or a banking company or a financial institution, including a non-banking financial company,

the said supplier may issue a consolidated tax invoice or any other document in lieu thereof, by whatever name called for the supply of services made during a month at the end of the month,

whether issued or made available, physically or electronically whether or not serially numbered, and whether or not containing the address of the recipient of taxable service but containing other information as mentioned under

rule 46.

Provided that the signature or digital signature of the supplier or his authorised representative shall not be required in the case of issuance of a consolidated tax invoice or any other document in lieu thereof in accordance with the provisions of the Information Technology Act, 2000 (21 of 2000).

Rule 54 – Goods Transport Agency (GTA) by Road:

3) Where the supplier of taxable service is a goods transport agency supplying services in relation to transportation of goods by road in a goods carriage,

the said supplier shall issue a tax invoice or any other document in lieu thereof, by whatever name called,

containing the gross weight of the consignment,

name of the consigner and the consignee,

registration number of goods carriage in which the goods are transported, details of goods transported,

details of place of origin and destination,

Goods and Services Tax Identification Number of the person liable for paying tax whether as consigner, consignee or goods transport agency, and also containing other information as mentioned under rule 46.

Rule 54 – Passenger Transport Service :

(4) Where the supplier of taxable service is supplying passenger transportation service, a tax invoice shall include ticket in any form, by whatever name called, whether or not serially numbered, and whether or not containing the address of the recipient of service but containing other information as mentioned under rule 46.

Provided that the signature or digital signature of the supplier or his authorised representative shall not be required in the case of issuance of ticket in accordance with the provisions of the Information Technology Act, 2000 (21 of 2000).

(5) The provisions of sub-rule (2) or sub-rule (4) shall apply, mutatis mutandis, to the documents issued under rule 49 or rule 50 or rule 51 or rule 52 or rule 53.

Rule 55 – Delivery Challan:

(1) For the purposes of-

- (a) supply of liquid gas where the quantity at the time of removal from the place of business of the supplier is not known,*
- (b) transportation of goods for job work,*
- (c) transportation of goods for reasons other than by way of supply, or*
- (d) such other supplies as may be notified by the Board,*

the consigner may issue a delivery challan, serially numbered not exceeding sixteen characters, in one or multiple series, in lieu of invoice at the time of removal of goods for transportation,

2) The delivery challan shall be prepared in triplicate, in case of supply of goods, in the following manner, namely:–

- (a) the original copy being marked as ORIGINAL FOR CONSIGNEE;*
- (b) the duplicate copy being marked as DUPLICATE FOR TRANSPORTER; and*
- (c) the triplicate copy being marked as TRIPLICATE FOR CONSIGNER.*

Rule 55 – Delivery Challan:

Contents of Delivery Challan

- (i) date and number of the delivery challan;*
- (ii) name, address and Goods and Services Tax Identification Number of the consigner, if registered;*
- (iii) name, address and Goods and Services Tax Identification Number or Unique Identity Number of the consignee, if registered;*
- (iv) Harmonised System of Nomenclature code and description of goods;*
- (v) quantity (provisional, where the exact quantity being supplied is not known);*
- (vi) taxable value;*
- (vii) tax rate and tax amount – central tax, State tax, integrated tax, Union territory tax or cess, where the transportation is for supply to the consignee;*
- (viii) place of supply, in case of inter-State movement; and*
- (ix) signature.*

Rule 55 – Delivery Challan:

- (3) Where goods are being transported on a delivery challan in lieu of invoice, the same shall be declared as specified in rule 138(E-way bill rules).*
- (4) Where the goods being transported are for the purpose of supply to the recipient but the tax invoice could not be issued at the time of removal of goods for the purpose of supply, the supplier shall issue a tax invoice after delivery of goods.*
- (5) Where the goods are being transported in a semi knocked down or completely knocked down condition or in batches or lots -*
- (a) the supplier shall issue the complete invoice before dispatch of the first consignment;*
 - (b) the supplier shall issue a delivery challan for each of the subsequent consignments, giving reference of the invoice;*
 - (c) each consignment shall be accompanied by copies of the corresponding delivery challan along with a duly certified copy of the invoice; and*
 - (d) the original copy of the invoice shall be sent along with the last consignment.*

Rule 55A –Tax Invoice or bill of supply to accompany transport of goods :

The person-in-charge of the conveyance shall carry a copy of

the tax invoice or

the bill of supply issued in accordance with the provisions of rules 46, 46A or 49

in a case where such person is not required to carry an e-way bill under these rules.

Relaxation in quoting HSN code or SAC code:

As regards the requirement to quote the HSN of the supplies, the annual turnover of the registered person for the previous year shall be referred. In case of suppliers having annual turnover in the previous year:—

- (i) Upto Rs. 1.5 Crore – No HSN required;
- (ii) Exceeding 1.5 Crore upto Rs. 5 Crore – HSN upto 2 digits required;
- (iii) Exceeding Rs.5 Crore – HSN upto 4 digits required.

Notification Nos.12/2017-CT and 5/2017-IT both dated 28.06.2017

Information Serial Numbers on monthly basis – The Serial number of invoices issued during a tax period shall be furnished electronically through the common portal in Form GSTR-1 – Rule 48(3) of CGST Rules,2017.

Circular No.72 / 46 / 2018 dated 26.10.2018 – *Clarification in respect of return of time expired drugs or medicines*

1. Return by a Registered person (Other than Sec.10) – May be treated as fresh supply and tax invoice may be issued.

The Recipient (Manufacturer or Whole seller) – Eligible for ITC on return

2. Return by a Composition Dealer (Sec.10) – Bill of Supply may be issued

Question to claim ITC does not arise.

3. Return by unregistered person – Commercial document may be issued without charging any GST.

Alternatively, if the goods are returned before end of 30th September following end of the F.Y. Credit note may issued by the supplier U/s.34. If this time as lapsed, the supplier may issue a financial Credit Note.

Tax Invoice – Industrial Issues

1. Air Travel Agent, Foreign Exchange Dealer etc., :

- ❖ The value of supply and the amount of GST shall be reflected separately in the tax invoice – Rule 46.
- ❖ A Supplier is also permitted to issue invoice showing inclusive value (GST not shown separately) for Air Travel Agent, Forex dealer etc., who is paying tax on Margins.
- ❖ Due to this requirement the supplier is required to disclose their profit margin to their recipient which is inevitable.

2. Export with payment of Tax

Supplier is required to disclosed the GST amount in the invoice but actually the exports are tax free from the recipients' point of view.

E-Invoice under GST

E-Invoice – An Introduction

What is E-Invoicing?

Rule 48(4) – Notified class of registered persons shall prepare an electronic invoice by uploading specified details of invoices on Invoice Registration Portal (IRP) using FORM GST INV-01 and obtain an Invoice Reference Number (IRN).

The invoice copy containing the IRN with QR Code issued by the notified by supplier to buyer is commonly known as E-invoice in GST.

E-Invoice – An Introduction

- ✓ E-invoice means electronically recording of a transaction on the Government's portal from where unique number (IRN) is assigned for each invoice.
- ✓ E-invoice does not mean generation of invoices from a portal of tax dept.
- ✓ The same current methodology will continue even with the implementation of e-invoice.
- ✓ The only additional requirement is that the taxpayer need to generate a nique number for each invoice from the specified portal. *The machine readability and uniform interpretation is the key objective.*
- ✓ This is known as Invoice Reference Number (IRN)

E-Invoice – Advantages

- ✓ Invoice generated through Invoice portal in a standard format can be read by another system .
- ✓ Automation of business process by converting the traditional paper-based systems to digital e-invoicing system.
- ✓ The invoice data will be used to generate E-way bill
- ✓ Substantial reduction in ITC Verification process
- ✓ This will be used to prepare ANX-1 and ANX-2 for filing under New Return.

E-Invoice – Technical Design Recommended

- ✓ Seller should be able to create invoice “offline” using various tools such as Excel, Tally, ERP etc.,
- ✓ Seller will also have the facility to upload e-invoice created offline
- ✓ Offline tool, Schema validation rules will be provided
- ✓ Once seller registers invoices on the central system, a digitally signed, machine readable (JSON or XML) invoice will be made available to seller, buyer for download.
- ✓ GSTN system will obtain only digitally signed invoices (both seller certified, and buyer accepted)

E-Invoice – Need

- ✓ There are lots of fake invoices within the system to be avoided
- ✓ Under the current system there is a gap between time of generation of invoices and time of filing of Returns.
- ✓ An ideal tax administration system is that which captures a transaction as soon as it is made .
- ✓ Under the e-invoicing in GST, the moment details of invoices are uploaded on the e-invoicing portal to generate the IRN, entire audit trail is created with the Government.

E-Invoice – Generation

- **E - Invoice Included** ;-

- Regular Tax Invoice.
- Export Invoice.
- Credit Note.
- Debit Note.
- Reverse Charge Mechanism (RCM) – Self Invoice.

- **E - Invoice excluded** ;-

- Delivery Challan.
- Bill of Supply.
- Job Work Challan.

E-Invoicing – Applicability

Aggregate Turnover More than Rs.500 Crores in P.Y. – w.e.f. 01.10.2020

Aggregate Turnover More than Rs.100 Crores

In any preceding F.Y. from 2017-18 – w.e.f. 01.01.2021

SEZ units are not required to generate E-invoice

Notification No. 88/2020 – Central Tax dated 10.11.2020

E-Invoice – Generation Steps for Supplier

1. Prepare the invoice using own software (Tally / ERP)
2. Convert into JSON File
3. Upload the JSON file into IRP Portal
4. Hash file generated
5. Verify the Hash file
6. Approve with DSC

E-Invoice – Generation Steps for Supplier

7. Download the JSON file with QR code and IRN
8. Transfer to GST System
9. Digitally signed invoice with IRN and QR Code
received

E-Invoice – Generation Steps for Supplier

Invoice Reference Number (IRN)

Every invoice registered at the Invoice Registration portal (IRP) will get a unique IRN which needs to be maintained by the supplier. Only when an invoice has this unique IRN, then only it will be considered as a legal invoice and can be uploaded in the Form GST ANX-1.

The IRN also known as HASH.

E-Invoice – Creation

- The e -invoice generation, registration and receipt of confirmation from the GST portal can be divided into two parts:-

Part A : The first part being the Interaction between our Invoice and the Invoice registration Portal (IRP).

Part B : The Second part is the interaction between the IRP and GST/ E-way bill and the buyer (GSTR-2A).

E-Invoice – Creation Part - A

Step - 1 (Regular Invoice through our own Software).

- Generation of the invoice by the seller in his own accounting or billing system (it can be any software utility that generates invoice including those using excel or GSTN's provided Offline Utility).
- The invoice must confirm to the e-invoice schema (standards) that is published and have the mandatory parameters. The optional parameters can be according to the business need of the supplier.
- The invoicing software should be capable to generate a JSON of the final invoice that is ready to be uploaded to the IRP.

Step - 2 (Converts Regular invoice into JSON file similar to existing process).

- The IRP will only take JSON of the e-invoice and generate the unique IRN

E-Invoice – Creation Part - A

- **Step - 3 (Uploads Json file for each invoice to IRP).**

- Upload the details of invoice especially mandatory fields into the IRP using the JSON file only.

- **Step - 4 (Data validation by IRP)**

- The IRP will act as the central registrar for e-invoicing and its authentication.
- IRP will validate the key details of the B2B invoice, checks for any duplications and generates an invoice reference number (hash) for reference.
- There are four parameters: Seller GSTIN, Invoice number, and FY in YYYY-YY format and document type (INV/DN/CN)

E-Invoice – Creation Part - A

Step - 5 Transfer the data to GST Systems

IRP Will share the uploaded data with GST Systems and E-way bill System

Step - 6 Generation of QR Code

IRP will send 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

Quick Response Code (QR Code) will consist of the following e-invoice parameters:

E-Invoice – Creation Part - A

Quick Response Code (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 and gross)
- f. Number of line items
- g. HSN code of main item (The line item having highest taxable value)
- h. Unique Invoice Reference Number (IRN)

E-Invoice – Creation Part - B

Step – 7 Flow from IRP to GST systems / E-way bill System & Buyer

- ✓ IRP will share the signed e-invoice data along with IRN to the GST Systems as well as to the E-way bill System
- ✓ The GST System will update the Anx-1 of the seller and Anx-2 of the buyer 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.

Note : The time limit for generation of e-invoice will be notified by the Government.

E-Invoice – Amendment & Cancellation

Amendment of E-invoice

Amendments to the e-invoice are allowed as per GST law

It shall be done on GST portal only and not on IRP

Cancellation of E-invoice

Partial cancellation of invoice not allowed

Invoice has to be fully cancelled within 24 hours in IRP

And, after 24 hours it can be cancelled in GST Portal before filing of returns.

E-Invoice – Expectations from the IT Support

- ❖ Understanding of e-invoice Schema
- ❖ Make necessary changes in the Software to generate file in JSON format
- ❖ Provide / enable options to upload the JSON file in to the IRP
- ❖ Download the digitally signed invoice with QR Code
- ❖ And, convert the downloaded file in user readable format

Search 'Strikethrough'

- Export PDF
- Create PDF
- Edit PDF
- Comment
- Combine Files
- Organize Pages
- Redact
- Protect
- Compress PDF
- Fill & Sign

Convert and edit PDFs
with Acrobat Pro DC

E-Invoice – FAQ

[1. How should I change my Old email into new email id or Mobile No.?](#)

E-invoice system is using the email id and mobile number, registered by the tax payer on the GST Common Portal, for communication purpose.

If it is old, get it updated with latest on the common portal and communicate to us at support.einv.api@gov.in

so that we can cross-verify and update on the sandbox for accessing credentials.

[2. Where can I get the Public Key of e-invoice system?](#)

On logging into the testing portal, one can get the public key of the e-invoice system for sandbox system.

E-Invoice – FAQ

3. My one business unit has GSTIN in each state based on same PAN. Can I use same API credentials to access to the API system?

There are two types of API credentials – Client Id and Client Secret, and Username and Password.

Client Id and Client Secret is provided to the notified tax payer and the tax payer can use it for all the business units registered in different states, based on the same PAN.

Username and Password is created for each GSTIN. That is, one business, registered in different states, need to create separate username and password for each registered unit/GSTIN.

E-Invoice – FAQ

4. Is there any change in the e-way bill generation after introduction of e-invoice system?

As of now, there is no change in the generation of e-way bill process. It will exist along with the e-invoice system.

There will be additional facility in future to generate the e-way bill based on the IRN.

5. Can I generate e-way bill using IRN?

Yes, there will be one more API, released shortly, to generate the e-way bill based on IRN and Part-B details.

E-Invoice – FAQ

6. Can QR code can be printed by the tax payer on the invoice?

Yes, the tax payer can print the QR code, as provided in the response payload of the 'Generate IRN' API, on his invoice before issuing it to the concerned party.

7. What is the validity of the Authentication Token?

Authentication token generated by the e-invoice system is valid for 6 hours on the production system. However, for effective testing by the developer, it has been set for 1 hour in the sandbox.

E-Invoice – FAQ

8. How the Signed Invoice can be verified?

When 'Generate IRN' API is called, the system returns the Signed Invoice along with the other details. The tax payer system can verify Signed Invoice.

The details in Signed Invoice is provided as per JWT and JWS standard and it contains the data, signature and signing algorithm parameters.

These details can be decoded and verified using the PKI process.

It may be noted that SHA256 RSA algorithm is used for digital signature.

E-Invoice – FAQ

9. There are certain fields today which are optional and some mandatory. How are these to be used?

- I. The mandatory fields are those that MUST be there for an invoice to be valid under e-Invoice Standard.
- II. The optional ones are those that may be needed for the specific business needs of the seller/business. These have been incorporated in the schema based on current business practices in India.
- III. The registration of an e-invoice will only be possible once it has ALL the mandatory fields uploaded into the Invoice Registration Portal (IRP).
- IV. A mandatory field not having any value can be reported with NIL.

E-Invoice – FAQ

10. Whether the IRN is to be captured in the Supplier's ERP?

- I. The IRN (hash) will be generated by IRP (register) using GSTIN of supplier or document creator, financial year and the unique serial number of the document/invoice along with the document type.
- II. The serial number of invoice must be unique for a GSTIN for a Fin Year and the same has to be captured by Supplier's ERP.
- III. Supplier has to keep the IRN against each of its invoice, once received by the seller from the IRP. It will be advisable to keep the same in the ERP as invoice without IRN will not be a legal document.

E-Invoice – FAQ

11. Can the seller place their LOGO in the e-Invoice Template?

- I. There will NOT be a place holder provided in the e-invoice schema for the company logo.
- II. This is for the software company to provide in the billing/accounting software so that it can be printed on his invoice using his printer.
- III. However, the Logo will not be sent to IRP. In other words, it will not be part of JSON file to be uploaded on the IRP.

E-Invoice – FAQ

12. Should there be a space provided for the QR code in the e-invoice.

- I. The QR code will be provided to the seller once he uploads the invoice into the Invoice Registration system and the same is registered there.
- II. Seller must print the QR code on the printed Invoice.

Disclaimer: The entire contents of this document have been prepared on the basis of relevant provisions as on 01.02.2021 and as per the information existing at the time of the preparation. Although care has been taken to ensure the accuracy, completeness and reliability of the information provided, I assume no responsibility therefore. users of this information are expected to refer to the relevant existing provisions of applicable Laws. The user of the information agrees that the information is not a professional advice and is subject to change without notice. I assume no responsibility for the consequences of use of such information. IN NO EVENT I SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL OR INCIDENTAL DAMAGE RESULTING FROM, ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE INFORMATION.

Thank You