

E-invoicing in India!

Concept and Challenges!

[4th November 2020]

CA Pritam Mahure and Associates

E-invoicing – Status update!

Already
implemented -
1.10.2020

- Aggregate turnover above INR 500 crore!

Likely from -
1.01.2021

- Aggregate turnover between INR 100 crore to 500 crore!

Likely from -
01.04.2021

- Aggregate turnover below INR 100 crore!

How e-invoicing has fared in India from 1.10.2020?

4.95 crore e-invoices

- Raised by 27,400 Taxpayers

8.4 lakhs e-invoices

- Raised on 1.10.2020 i.e. first day itself

35 lakhs e-invoices

- Raised on 31.10.2020

85% of the Taxpayers

- Used API to raise e-invoices

15% of the Taxpayers

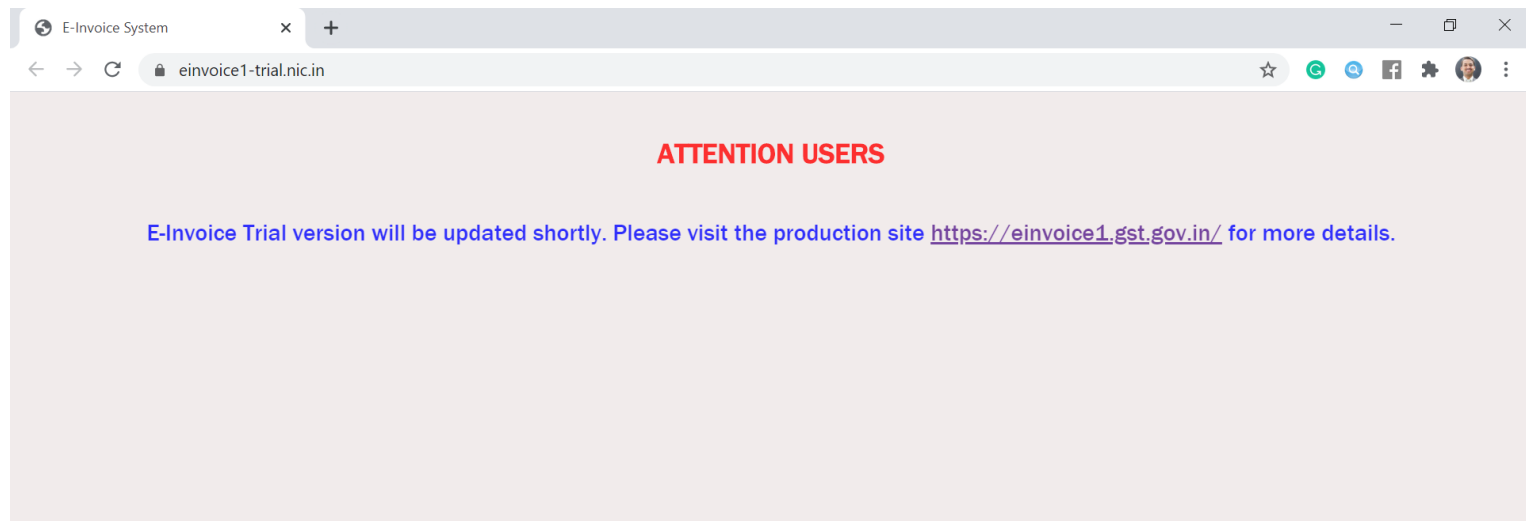
- Used offline tool to raise e-invoices

Press Release dated 2nd Nov. 2020

- *'The **Government is planning to reduce the aggregate turnover cut off to Rs 100 Crores** for generation of IRN by the tax payers in coming days. **NIC has already enabled the API and offline tool based trial sites** for these tax payers and geared up with the required infrastructure to handle the generation of e-invoices from these tax payers.*
- *Keeping requirements of small tax payers in view, who need to prepare 5-10 B2B invoices in a day, NIC is also developing an offline Excel based IRN preparation and IRN printing tool which will allow them to enter the invoice details, prepare the file to upload on NIC IRN portal, download the IRN with QR code and print the e-invoice with QR code.'*

Attention - Entities with turnover above 100 crore!

- E-Invoice System is **enabled on Trial sites** (for APIs & Offline tools) for taxpayers with PAN based **turnover more than Rs. 100 Cr.** in a financial year
- <https://einv-apisandbox.nic.in>
- <https://einvoice1-trial.nic.in>



Tax Payers with Aggregate Turnover of Company less than Rs. 500 Crores - E-invoice API Access Mechanism

- **Through GSPs** – The GSTIN (Tax Payer) generates his own username and password and ties up with GSPs to get the access to API using the Client Id and Client Secret of the GSPs.
- **Through ERPs** – The GSTIN (Tax Payer) generates his own username and password and ties up with ERPs to get the access to API using the Client Id and Client Secret of the ERPs.
- **Through Companies having direct Access to APIs'** – If the tax payer has tie up or using the ERP of the 'Company which has direct access to API, then he/she can use the API through that company. The GSTIN (Tax Payer) generates his own username and password and gets the access to API using the Client Id and Client Secret of the Company, which has access.
- **Tax Payers having access to E-Way Bill APIs** – If the tax payer has direct access to E-Way Bill APIs, then he/she can use the same Client Id, Client Secret, username and password to get the access to e-Invoice system.

Future e-nspector!

Near future!

- e-Invoicing related exemptions could be withdrawn (for banking, insurance, SEZ unit, ISD etc)
- e-Invoicing for all documents (Bill of Supply, Delivery Challan etc)
- e-Invoicing for B2C

Distinct future!

- e-Purchase Orders / Agreements?
- e-Payments?

E-invoicing – What to do?

E-invoicing – What to do?

As a supplier



Is it applicable?

- If yes, comply!
- If no, keep track of future phases!

As a recipient

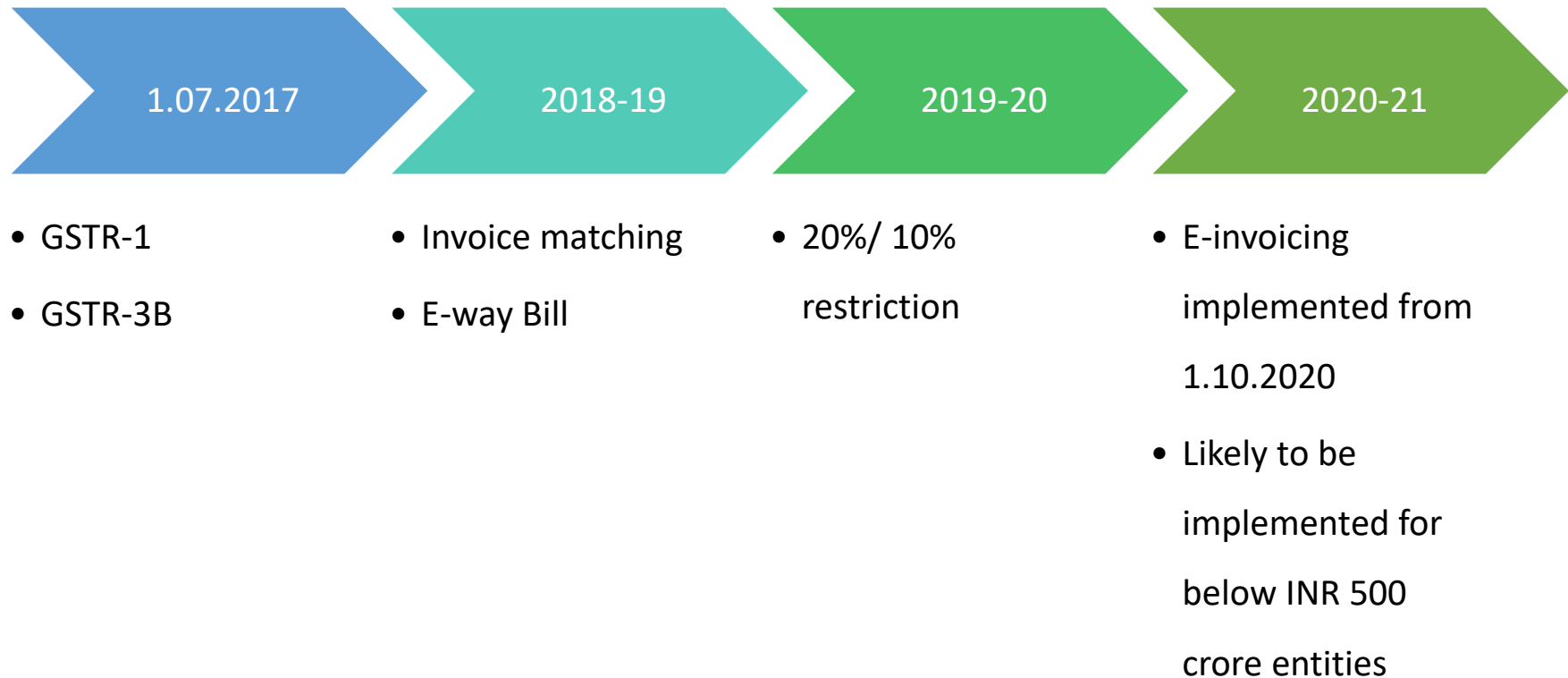


Is it applicable to vendors?

- If yes, make them comply!
- If no, keep track of future phases!

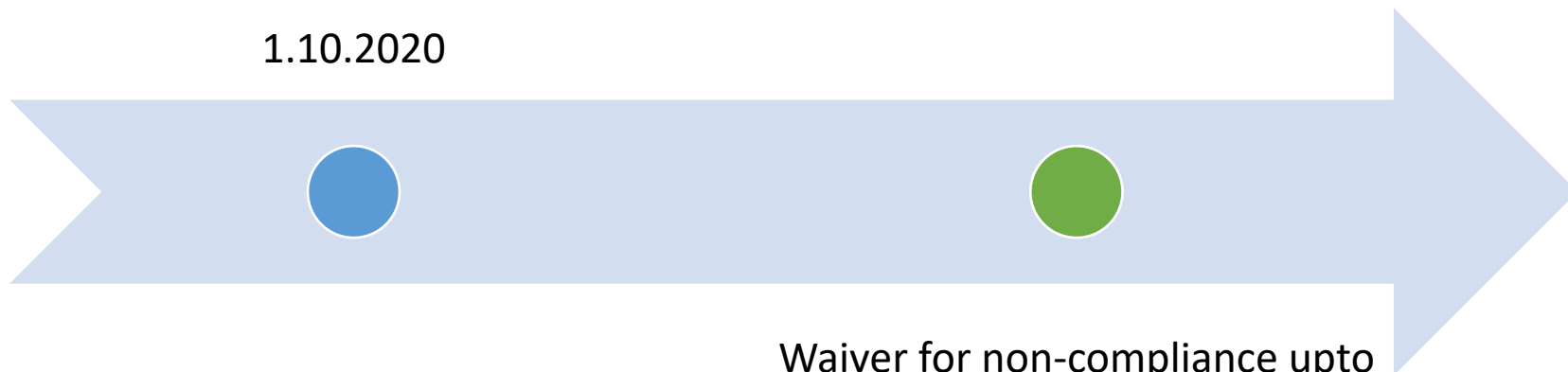
E-invoicing – Evolution!

E-invoicing – Evolution



E-invoicing – Introduced from 1st October 2020!

1.10.2020



Waiver for non-compliance upto

31st October 2020

(refer [Not. No. 73/2020](#))

Relaxation from 1st October 2020 to 31st October 2020 [Not. No. 73/2020]

- *...hereby notifies the registered persons required to prepare the tax invoice in the manner specified under sub-rule (4) of rule 48 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 thirty days from the date of such invoice, failing which the same shall not be treated as an invoice.*

E-invoicing Press Release dated 30.09.2020!

- 2.2. The same is illustrated with an example: In case a registered person has issued an invoice dated 3rdOctober, 2020 without obtaining IRN but reports the details of such invoice to IRP and obtains the IRN of the invoice on or before 2ndNovember, 2020 then it shall be deemed that the provisions of rule 48 (5) of the CGST Rules, 2017 are complied with and the penalty imposable under section 122 of the **CGST Act, 2017** shall also stand **waived**. Relevant notifications would follow.
- 3. It may be noted that **no such relaxation** would be available for the invoices issued **from 1st November 2020** and such invoices issued in violation of rule 48(4) of the CGST Rules 2017 would not be valid and all the applicable provisions of CGST Act and Rules would apply for the said violation.

E-invoicing – Concept!

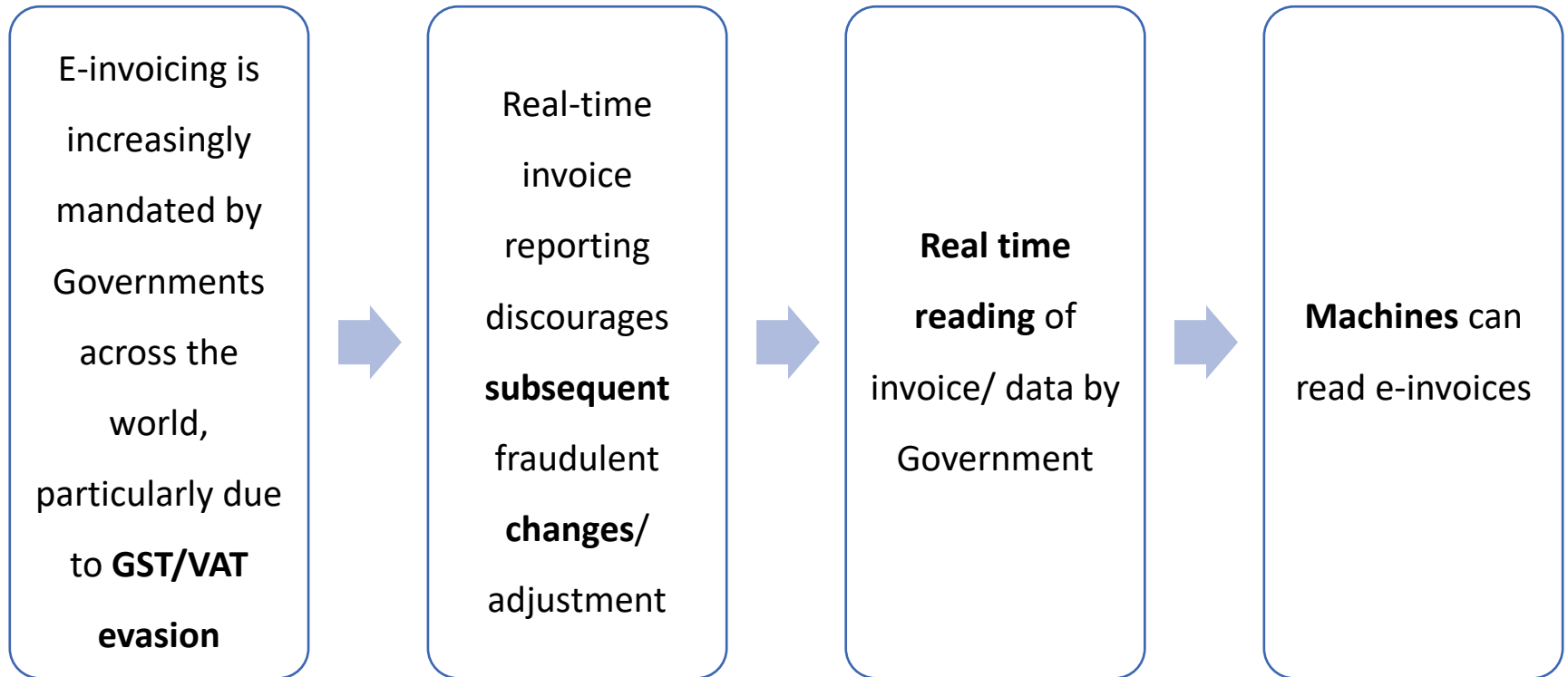
E-invoicing

Electronic invoicing (also called **e-invoicing**) is a form of electronic billing.

E-invoicing methods are used by trading partners, such as customers and their suppliers, to present and monitor transactional documents between one another and ensure the terms of their trading agreements are being met

- https://en.wikipedia.org/wiki/Electronic_invoicing

E-invoicing – Why preferred?



E-invoicing – Globally!

E-Invoicing – Globally!

South Korea

- Introduced in 2011 and mandated for most of the taxpayers from 2014
- **Transition** Phase - 3 years

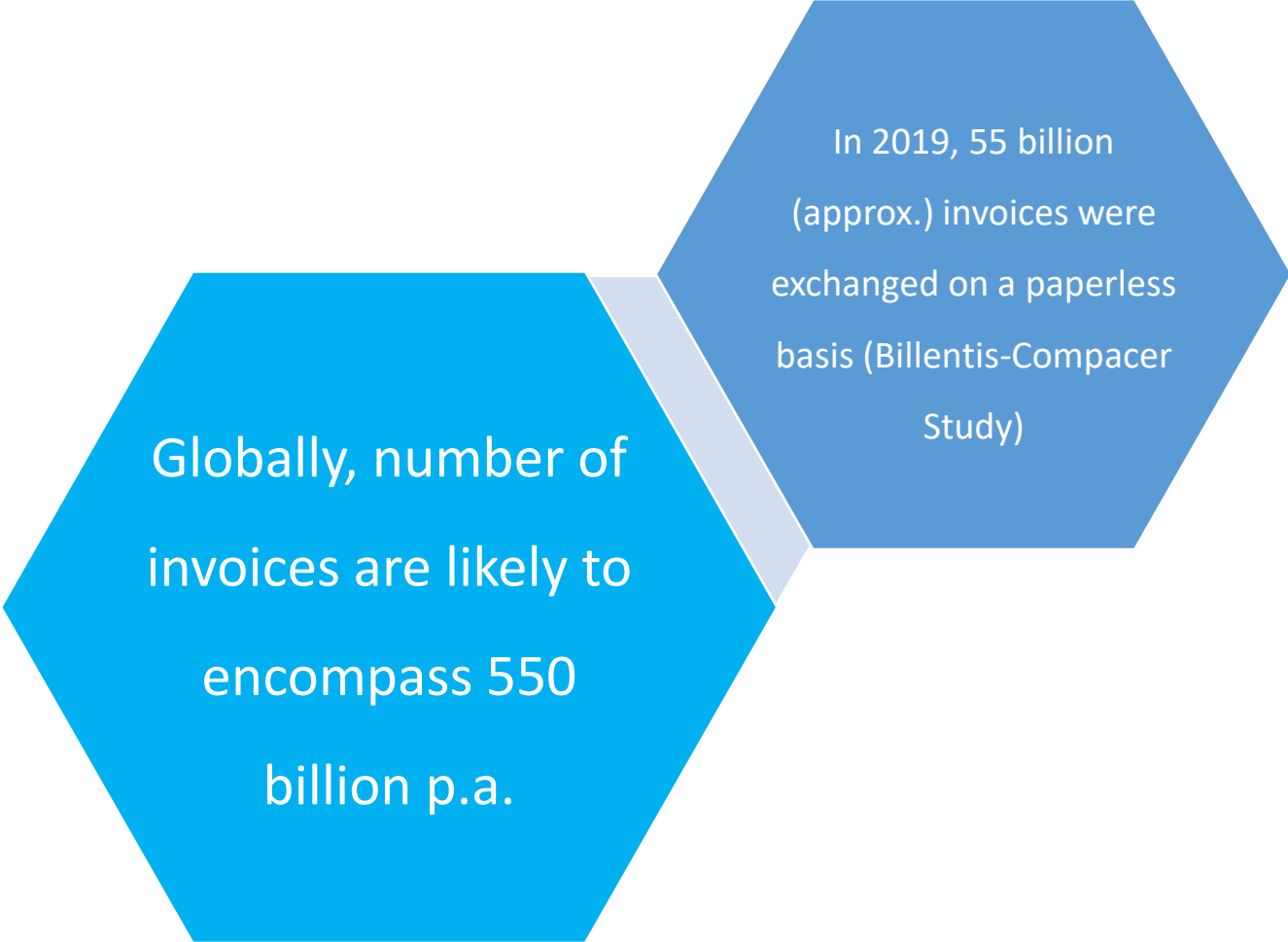
Germany

- Framework shared in 2017
- At present, **evolving**

European Union

- EU is also **recommending** e-invoicing (EU Directive 2014/55/EU and EN 1693 standard)

Invoices – Globally!



The diagram consists of two overlapping hexagons. The left hexagon is a bright blue color and contains white text. The right hexagon is a darker blue color and contains white text. The two hexagons overlap in the center, with a small white gap between them.

Globally, number of
invoices are likely to
encompass 550
billion p.a.

In 2019, 55 billion
(approx.) invoices were
exchanged on a paperless
basis (Billentis-Compacer
Study)

Invoicing in India

Invoice - 'Pulse' of business!



Relevant Provisions!

Act	Rules	Notifications	Web
<ul style="list-style-type: none">• Section 2 (66)• Section 31• Section 16• Interest, penal provisions etc	<ul style="list-style-type: none">• Rule 46• Rule 48• Rule 54• Rule 138A	<ul style="list-style-type: none">• 2019<ul style="list-style-type: none">• Not. No. 31• Not. No. 68 to 72• 2020<ul style="list-style-type: none">• Not. No. 2/2020• Not. No. 13 and 14• Not. No. 60 and 61• Not. No. 70 to 73	<ul style="list-style-type: none">• https://einvoice1.gst.gov.in/

Invoice in GST - Supplier

Meaning

- **Section 2 (66)**
 - “Invoice” or “tax invoice” means the tax invoice referred to in section 31 [Sec. 2 (66)]
- Tax invoice includes revised invoice [Sec. 31]

Supplier

- **Section 31 – Tax invoice**
 - A registered person supplying taxable goods/ taxable services ***shall.. issue tax invoice***
 - ***Provided... by notification... specify... invoice shall be issued, within such time and in such manner as may be prescribed***

Rules

- **46. Tax invoice - Subject to rule 54, a tax invoice referred to in section 31 shall be issued by the registered person **containing the following particulars, namely...****
- **54. Tax invoice in special cases**

Amendments – Not. No. 72/2020 dated 30.09.2020

Rule 46
[Tax Invoice]

- *“(r) **Quick Response code**, having embedded Invoice Reference Number (IRN) in it, in case invoice has been issued in the manner prescribed under sub-rule (4) of rule 48.”*

Rule 138A
[Documents and
devices to be carried
by a person-in-
charge of a
conveyance]

- *“(2) In case, invoice is issued in the manner prescribed under sub-rule (4) of rule 48, the **Quick Response (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.”*

Rule 48 - Manner of issuing invoice

...

(4) *The invoice shall be prepared by such class of registered persons as may be notified by the Government, on the recommendations of the Council, by including such particulars contained in **FORM GST INV-01** after obtaining an **Invoice Reference Number** by uploading information contained therein on the Common Goods and Services Tax **Electronic Portal** in **such manner** and subject to such conditions and restrictions as may be specified in the notification.*

*[“Provided that the 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.”.]* [**vide [Not. No. 72/2020-CT](#)*]*

(5) *Every invoice issued by a person to whom sub-rule (4) applies in any manner other than the manner specified in the said sub-rule shall **not be treated as an invoice***

Recipient – Implications!

- **Section 16 Eligibility and conditions for taking input tax credit.**

...

*(2) Notwithstanding anything contained in this section, **no registered person shall be** entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless:*

(a) he is in possession of a tax invoice or debit note...(Section 16)

Buyers, beware!

1st October 2020 onwards

Track suppliers for whom e-invoice is applicable!

Get the IRN from supplier at the earliest (if not issued on real time basis)!

1st November 2020 onwards

For all e-invoicing enabled vendors, get invoices with QR code on **real time basis**!

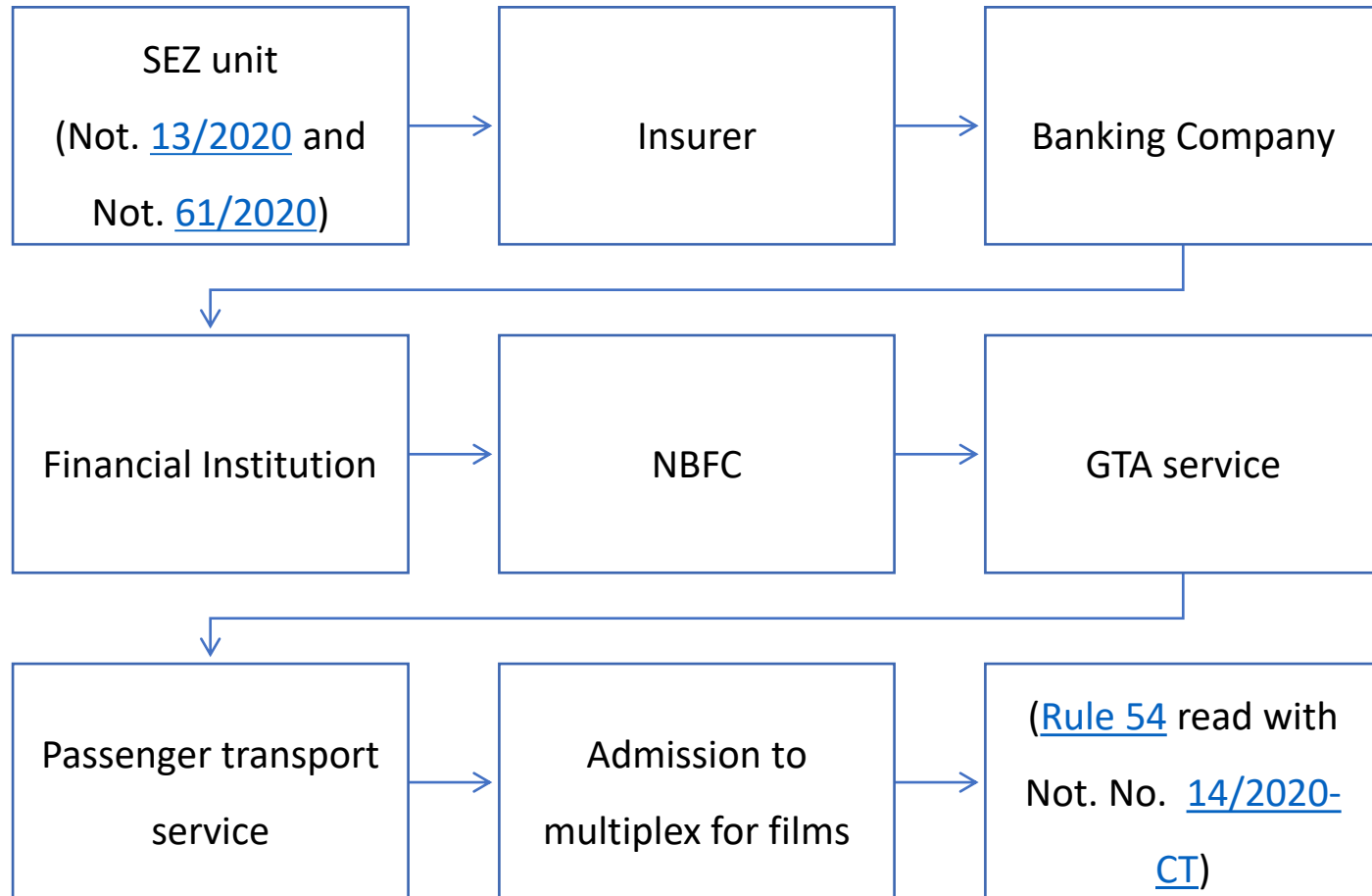
Future

Track phase-wise implementation of e-invoicing for smaller taxpayers to do needful!

E-invoicing

Not applicable to whom?

Exemption from e-invoicing!



Exemption from e-invoicing!

SEZ

- Exclusion is for 'SEZ unit' and not 'SEZ Developer'

Banking etc

- Its qua the 'entity' (updated FAQs)

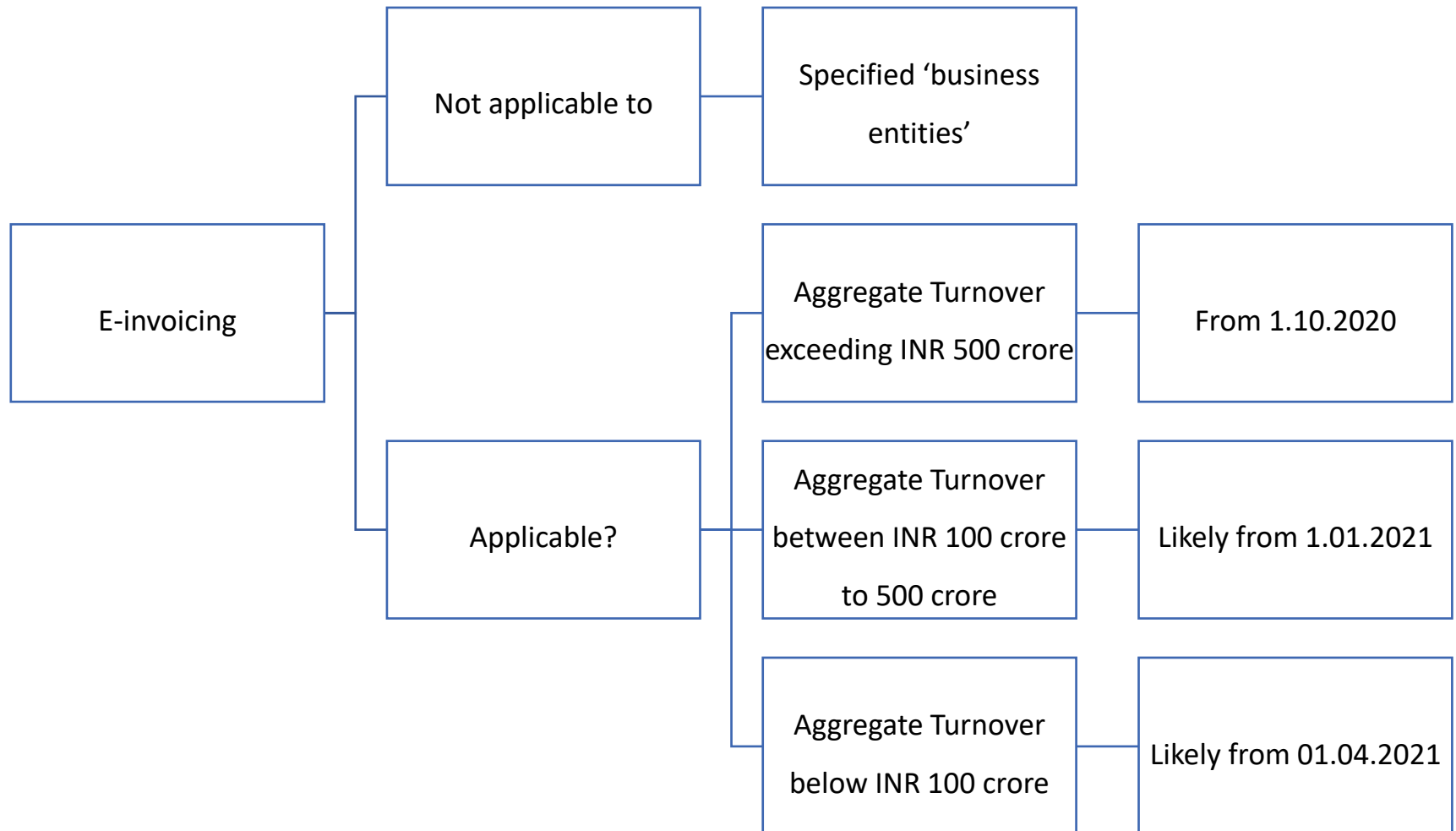
ISD

- Not applicable

E-invoicing

Applicable to whom?

Is it applicable to everyone?



‘Aggregate Turnover’ - Meaning!

- Section 2(6) of the CGST Act

*“(6) “**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; “*

FY and exports!

[Not. No. 13/2020 amended vide Not. No. 70/2020]

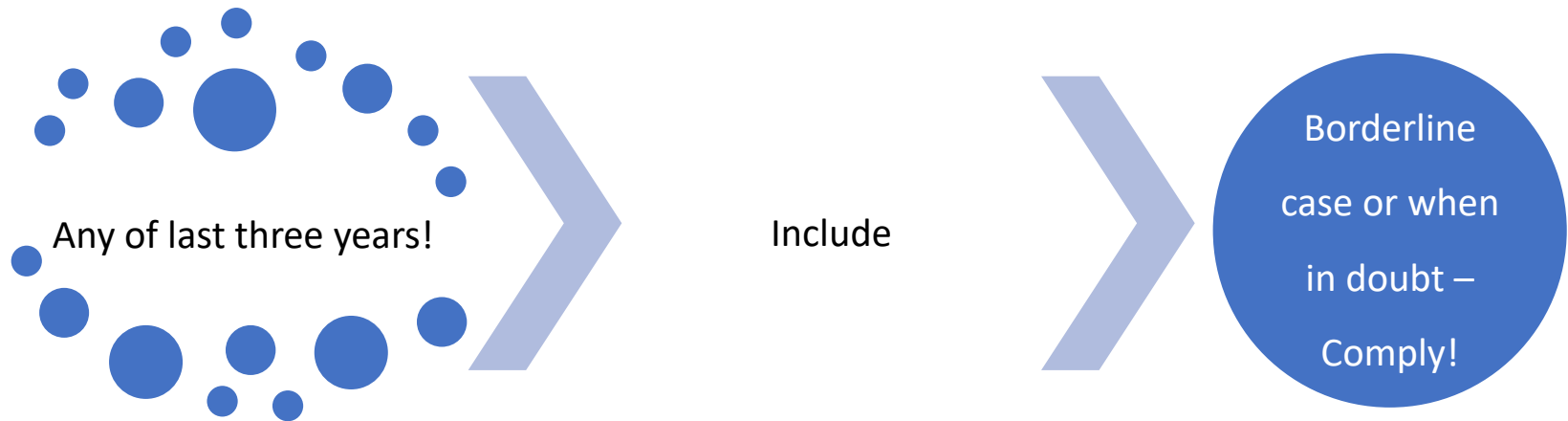
Any FY from FY 2017-18!

- “...aggregate turnover in ~~a~~ *financial year* any preceding financial year from 2017-18 onwards exceeds...”

Exports to be counted!

- “...in respect of supply of goods or services or both to a registered person *or for exports*”

Aggregate Turnover!



- Exempt supplies
- Exports
- Supply to distinct persons (Look beyond Financials or GST returns!)

Email from GSTN being received!

Dear Taxpayer,

*With reference to the Ministry of Finance (Dept of Revenue), Govt of India, CBIC Notifications Number 60/2020 and 61/2020 dated 30th July 2020, it is informed that **your company is having an annual turnover of greater than INR 500 crores*** for the **financial year 2019-2020** and hence is applicable to issue electronic invoices (e-invoice) from 01st October 2020, as per the notified e-invoice schema version 1.1. Your company will be required to issue only electronic invoices for all Business-to-Business (B2B) transactions (as per the notified schema) which will first need to be registered with the Invoice Registration Portal (IRP), so as to be considered as valid business transactions.*

This mail is also to inform you that GSTN is providing a **testing environment** (sandbox) where you may test your respective ERP system / invoicing generation systems to practice the registering of your e-invoices on the Invoice Registration Portal (IRP).

*** In next phases, similar emails may be received by taxpayers having turnover below INR 500 crores**

Email from GSTN being received!

This sandbox for testing has already been provisioned at this link: <https://einv-apisandbox.nic.in/>. All technical details can be accessed at this portal as also the concept and the FAQs on the proposed e-invoice mechanism.

GSTN will be **hand-holding and guiding** the industry through meetings / interactive webinars so that all the applicable businesses are enabled and ready to adopt the notified e-invoice for compliance well before the due date of 01st Oct 2020. The details of such interactions will be intimated through various communication channels, which you may attend to be ready to comply with the e-invoice mandate.

(You are requested to keep checking your **junk folder or spam folders** for mails from GSTN for the notices on these webinars/meetings). Thanking you,

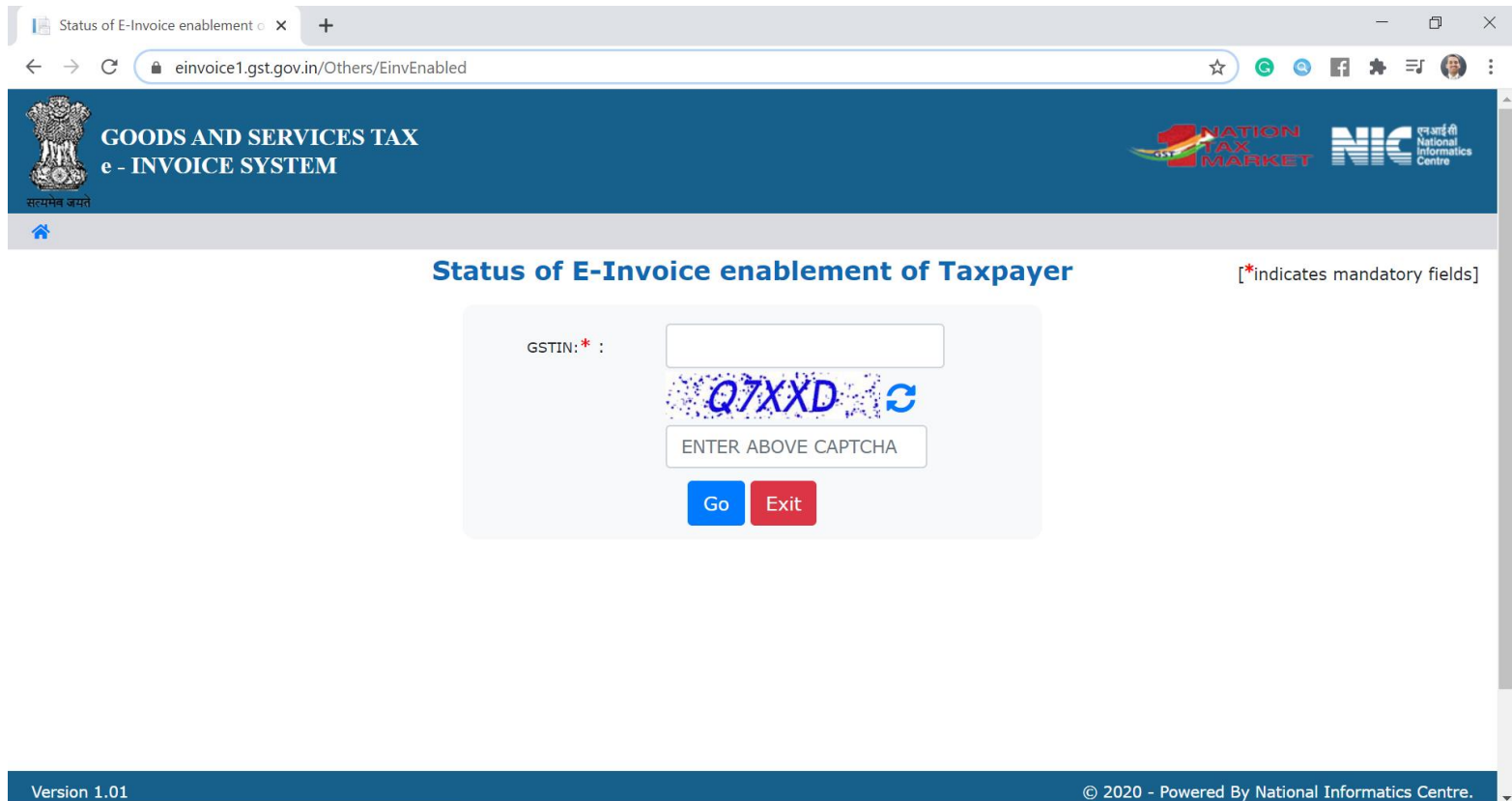
Team GSTN

Clarification on e-invoice!

- *The tax payer can come to **know** his eligibility for generation IRN by going to the e-invoice portal and selecting 'e-invoice status of Tax Payer' under Search option. On entry of the GSTIN, the system will indicate **whether this GSTIN is enabled/notified for the IRN generation***
 - https://einvoice1.gst.gov.in/Documents/eInvoice_process.pdf

You may check!

- <https://einvoice1.gst.gov.in/Others/EinvEnabled>



The screenshot shows a web browser window with the address bar displaying `einvoice1.gst.gov.in/Others/EinvEnabled`. The page header features the Government of India emblem, the text "GOODS AND SERVICES TAX e - INVOICE SYSTEM", and logos for "NATION TAX MARKET" and "NIC National Informatics Centre". The main heading is "Status of E-Invoice enablement of Taxpayer" with a note "[*indicates mandatory fields]". The form contains a "GSTIN:*" label, a text input field, a CAPTCHA image showing "Q7XXD", a text input field labeled "ENTER ABOVE CAPTCHA", and "Go" and "Exit" buttons. The footer includes "Version 1.01" and "© 2020 - Powered By National Informatics Centre."

Status of E-Invoice enablement of Taxpayer [*indicates mandatory fields]

GSTIN:* :

Q7XXD

ENTER ABOVE CAPTCHA


Go Exit



Version 1.01 © 2020 - Powered By National Informatics Centre.

If below threshold!

User Registration - nic.invoice.w x +


← → ↻ einvoice1.gst.gov.in/Home/GetUserRegistrationInfo ☆ G Q f ⚙ ⋮ 👤 ⋮

 **GOODS AND SERVICES TAX**
e - INVOICE SYSTEM
सत्यमेव जयते

 **NATION TAX MARKET**  **NIC** एन आई सी
National
Informatics
Centre

e-Invoice Registration Form [*indicates mandatory fields]

GSTIN*:



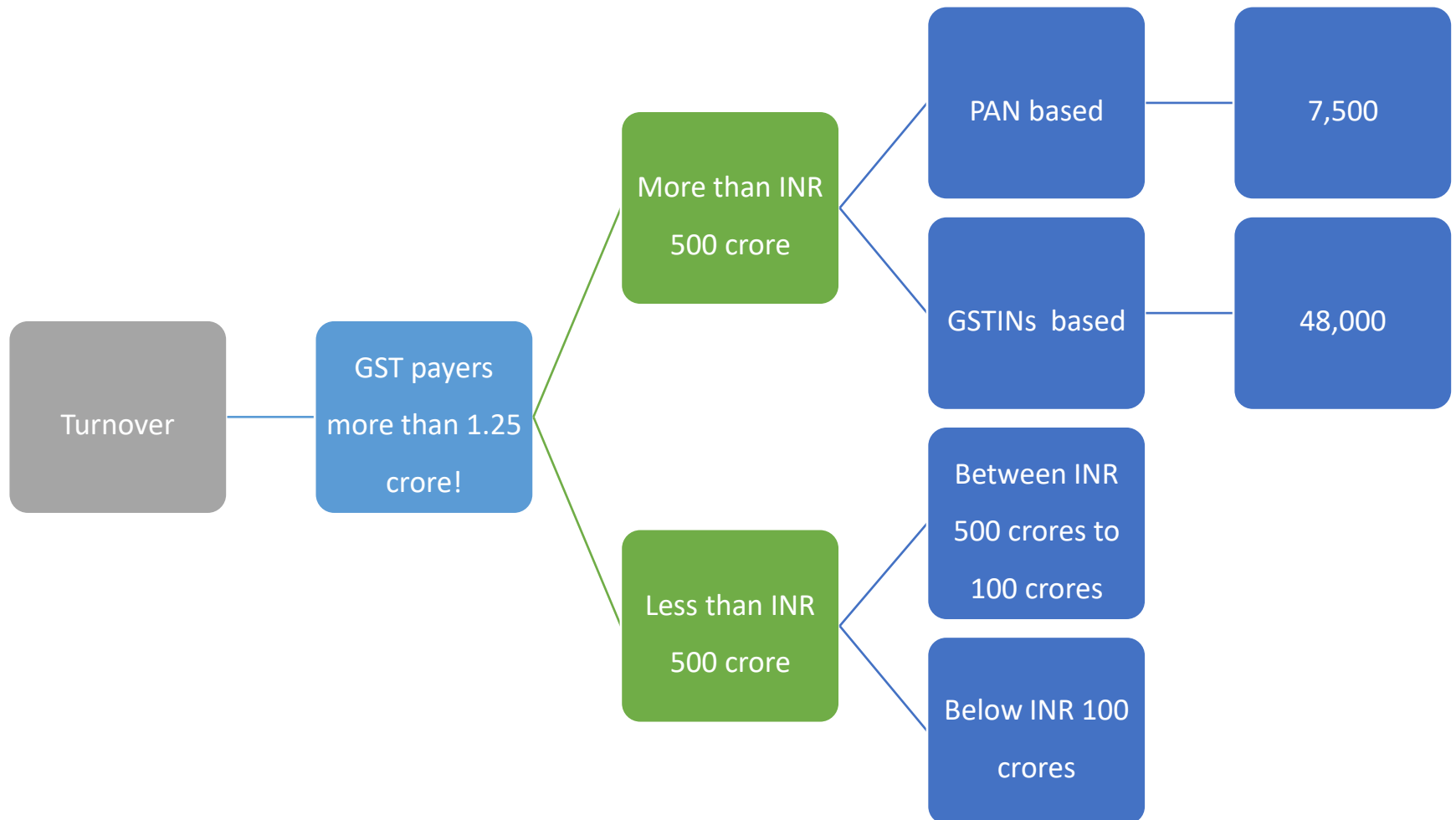
ENTER ABOVE CAPTCHA

3046 - Sorry you are not enabled for e-Invoicing System. Presently ,only taxpayers with turnover above 500Cr are enabled.

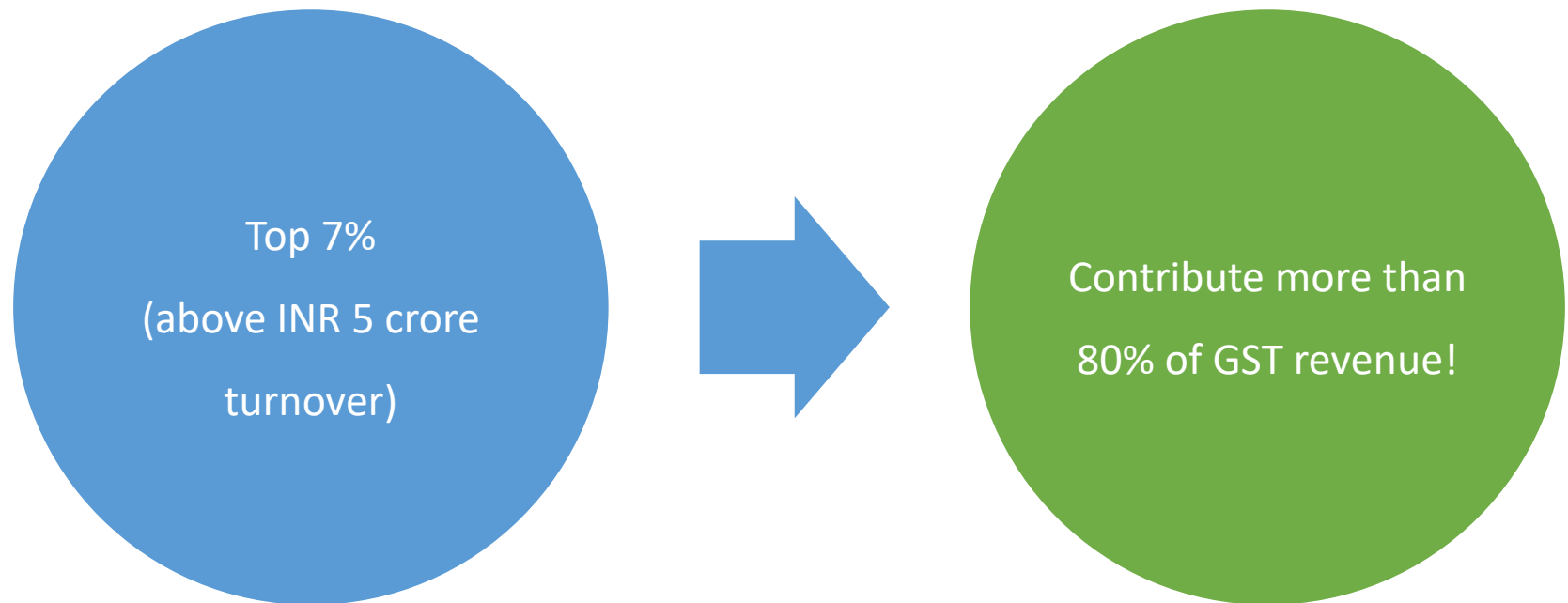
Version 1.01 © 2020 - Powered By National Informatics Centre. 4:11 PM

Which entities are likely to be affected?

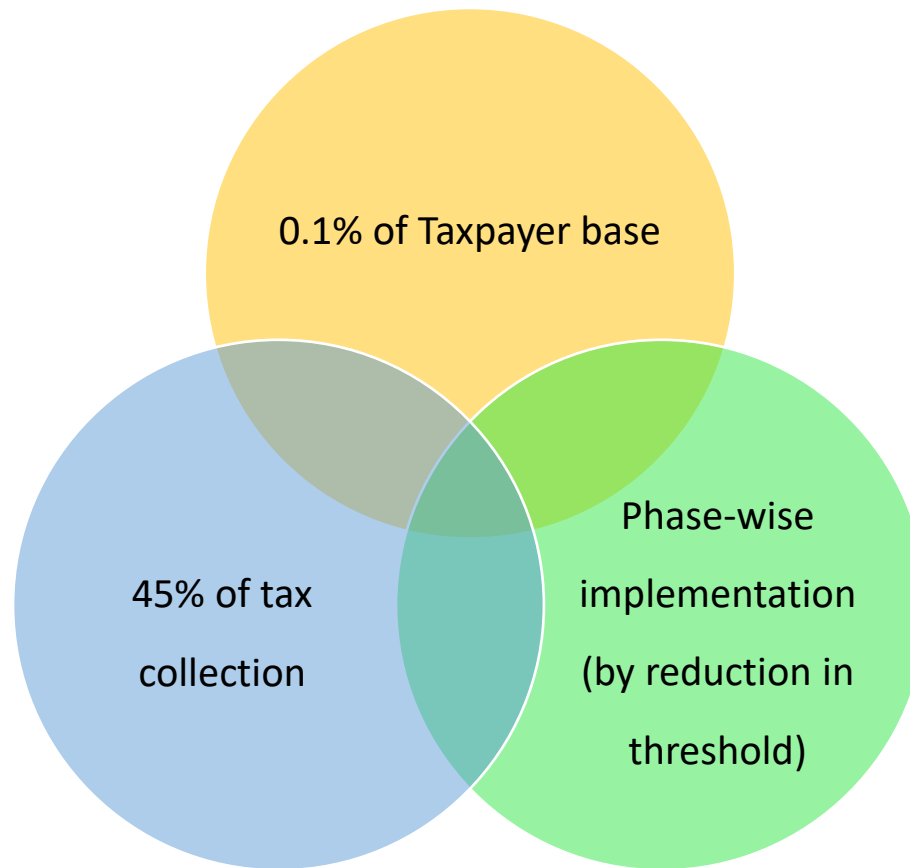
Likely impacted taxpayers in India!



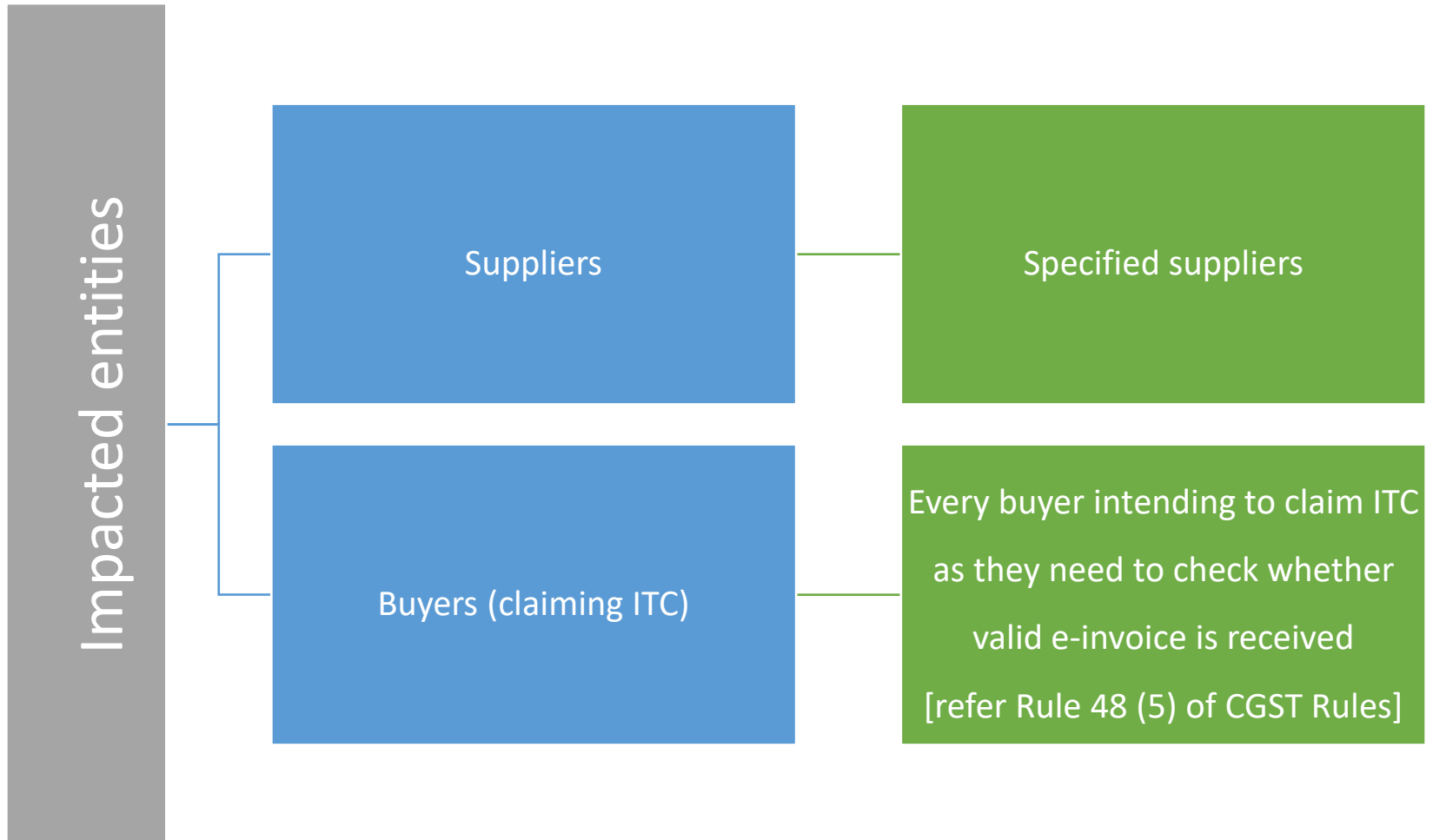
GST Revenue – Pareto analysis!



Likely impacted taxpayers in India!



Impacted entities – Almost everyone!



Types of documents!

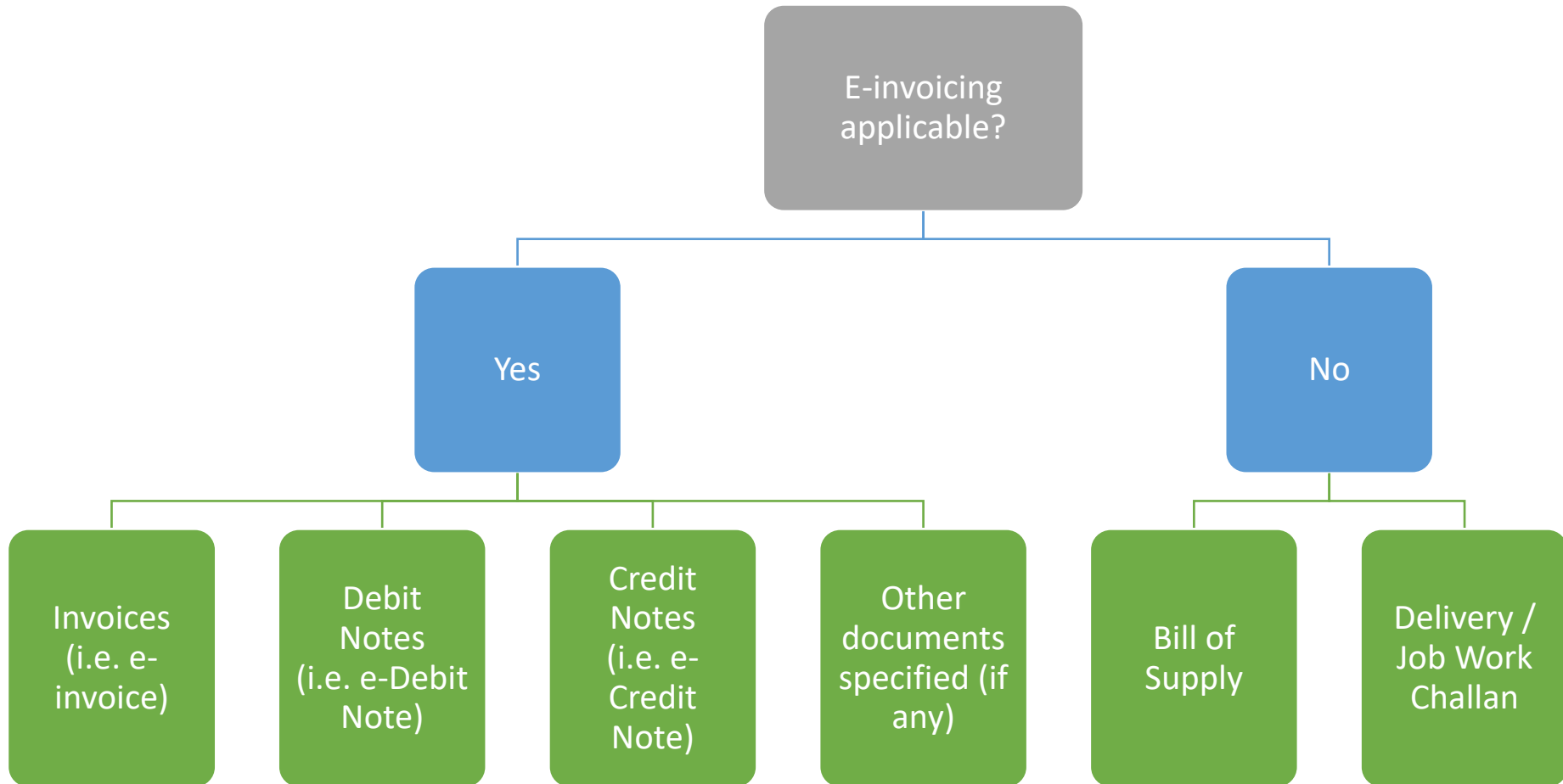
Types of documents!

What types of documents are to be reported to GST System?

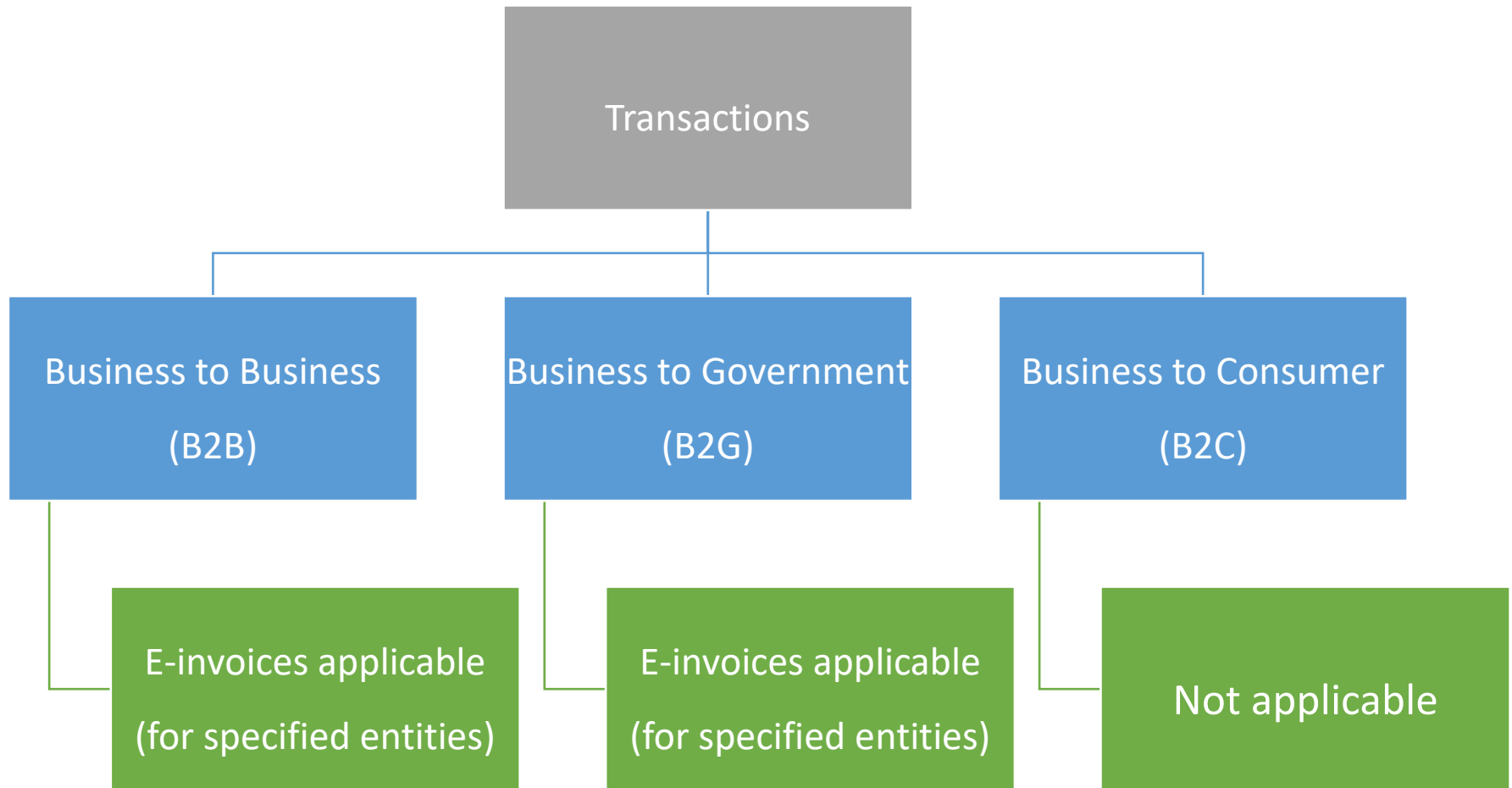
The taxpayers need to report the following documents to the e-invoice system.

- ***Invoice*** by Supplier
- ***Credit Note*** by Supplier
- ***Debit Note*** by Supplier

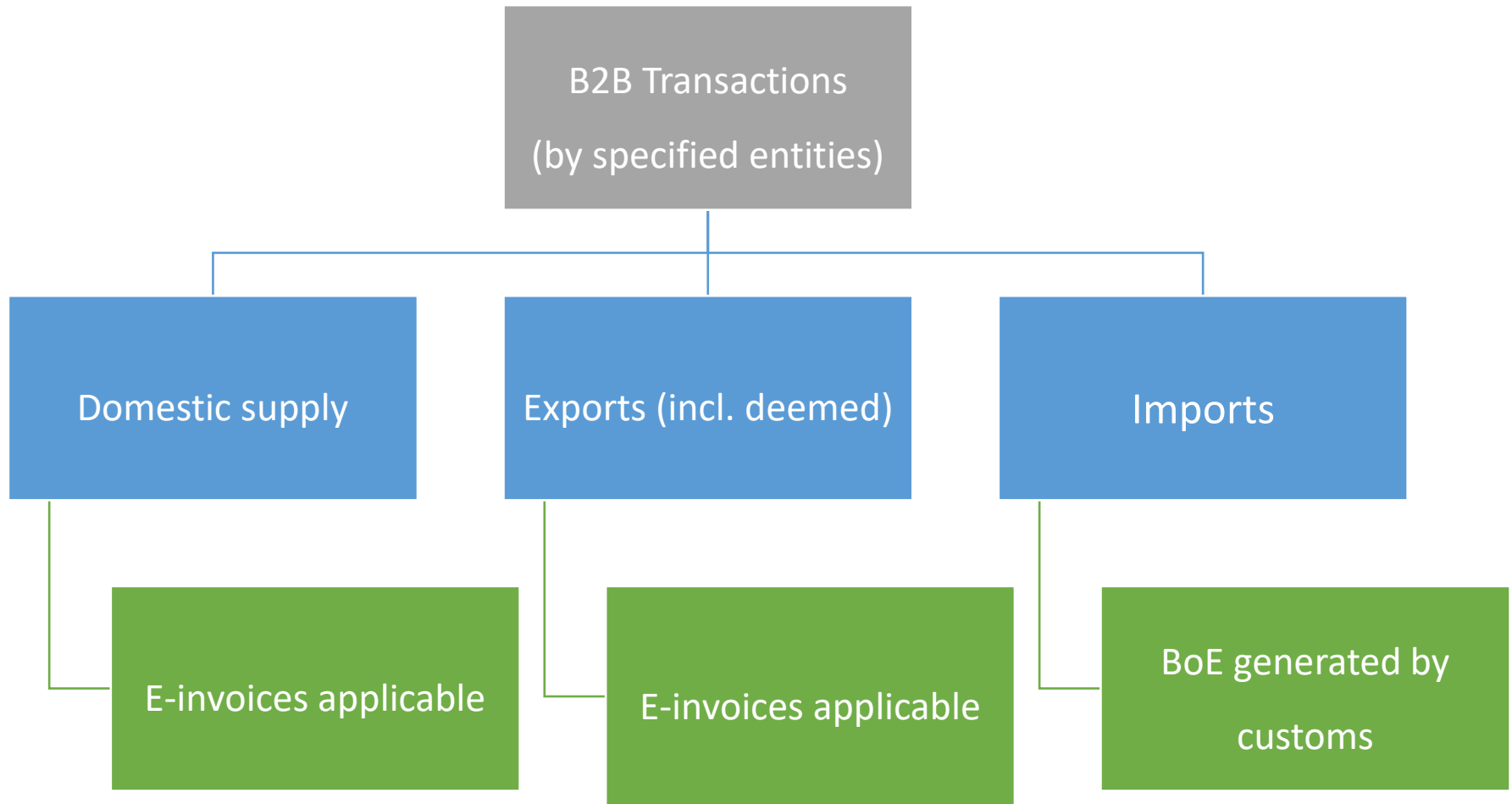
E-Invoicing – Types of Documents



E-Invoicing – Types of Transactions



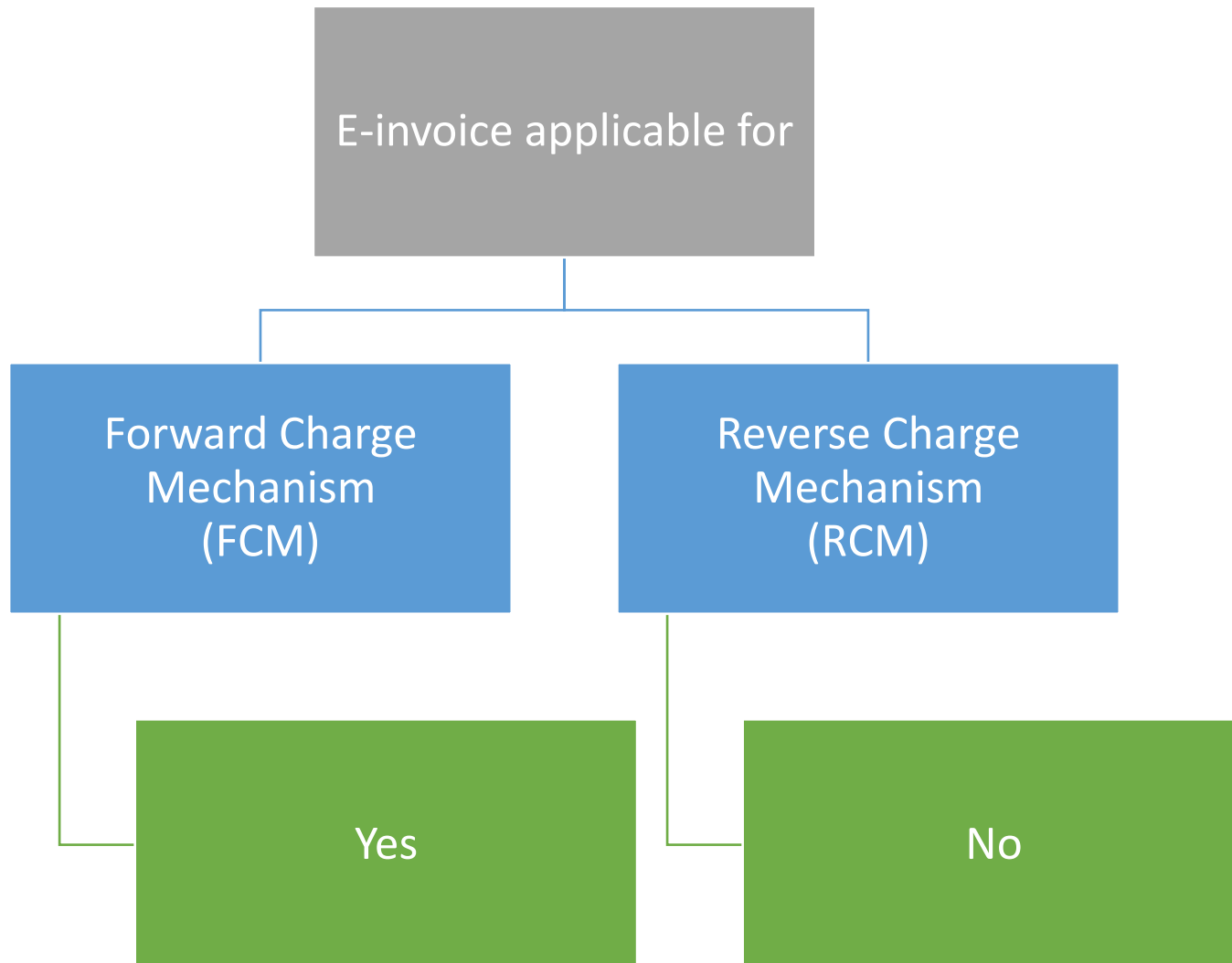
E-Invoicing – Domestic supply and Exports



Exports!

- Please clarify whether exports would require e-invoice compliance.
- Yes, the e-invoice schema also caters to the **export invoices** as well. The e-invoice schema is based on most common standard format and it meets the requirements of the export as well.

E-Invoicing – FCM and RCM

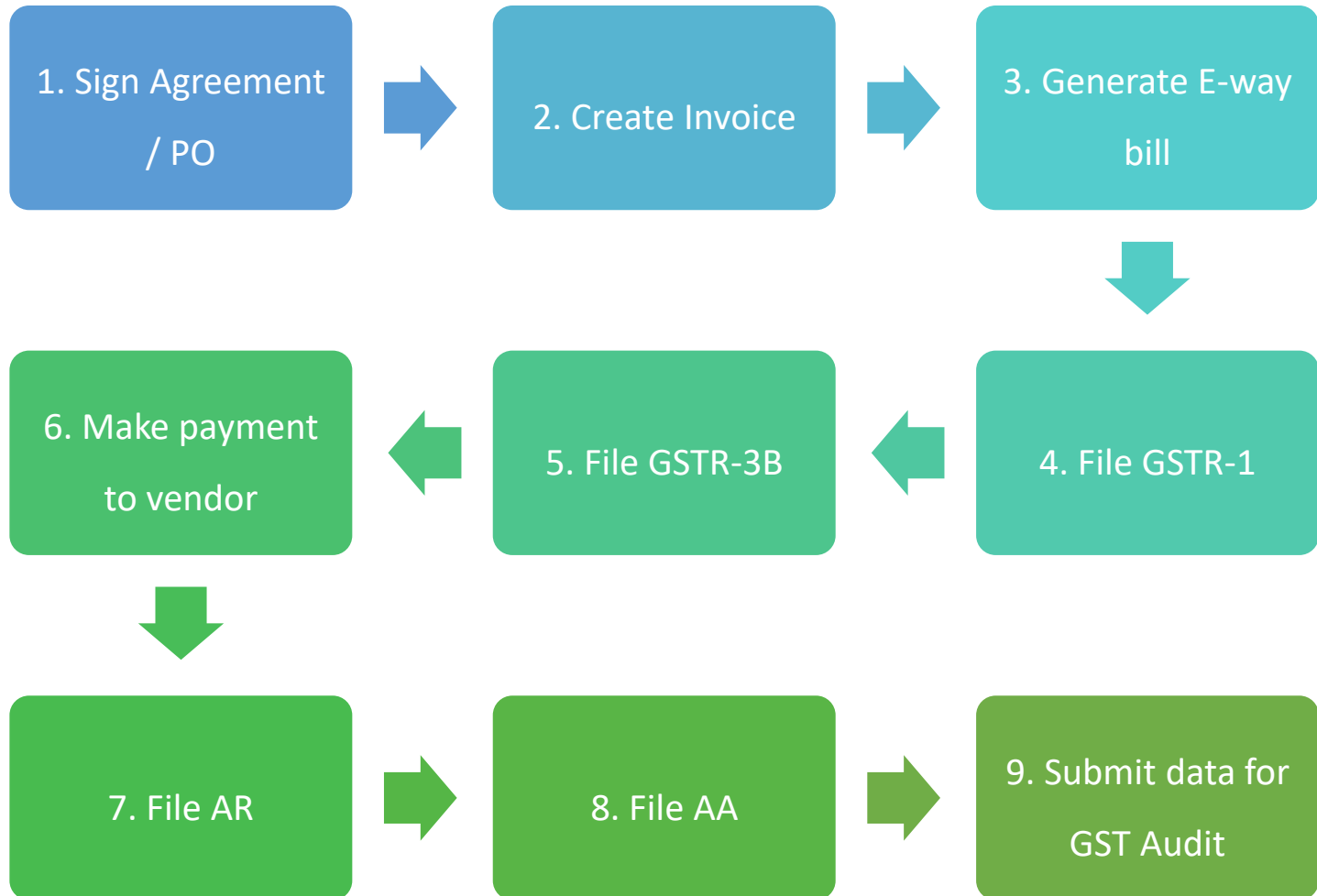


RCM!

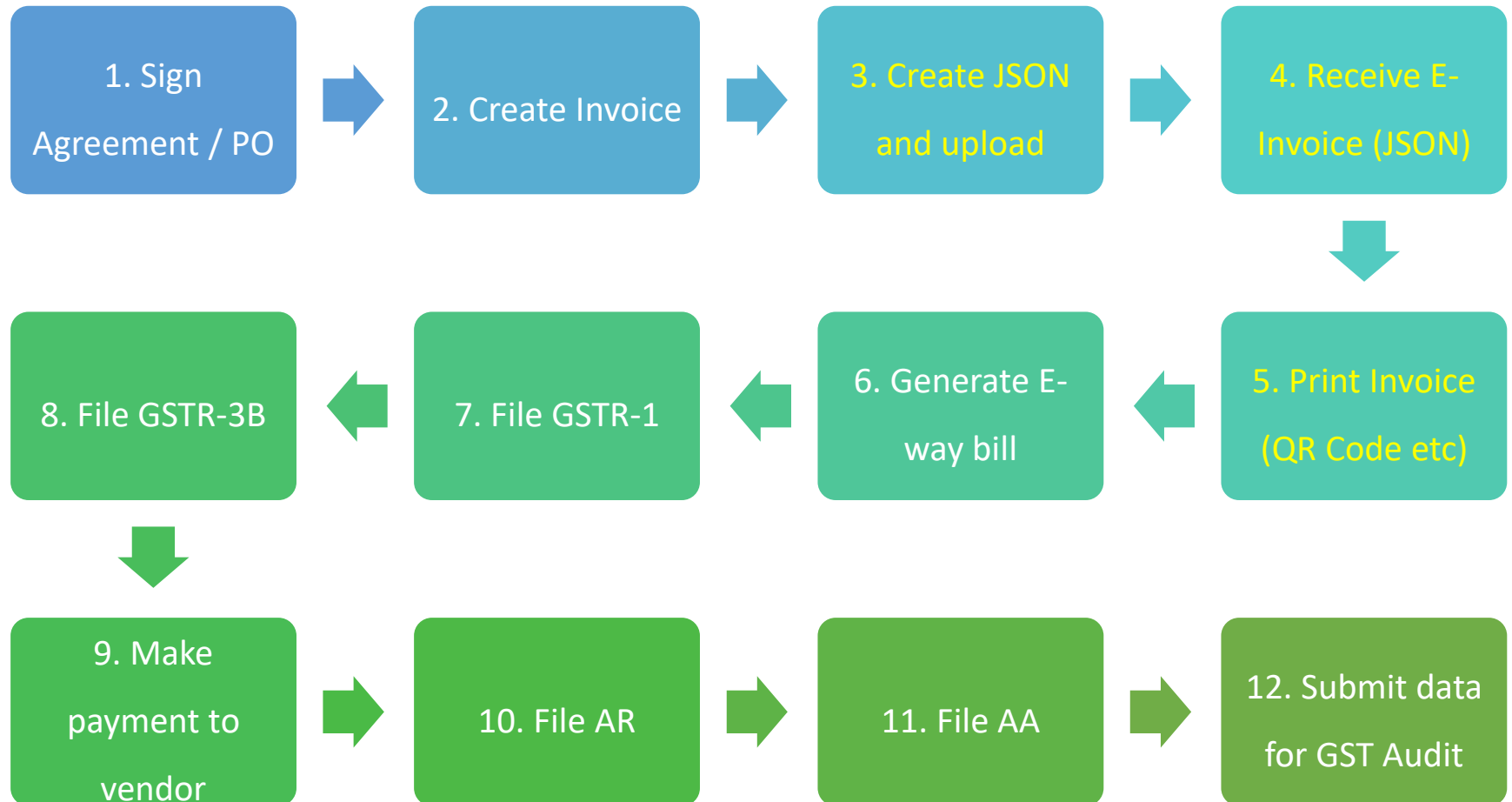
- Will e-invoice schema cater to reverse charge mechanism?
- Yes, E-invoice system has a **reverse charge mechanism** reporting as well
- Aforesaid, is for supplier and not recipient!

E-invoicing - Process

Process – Before!

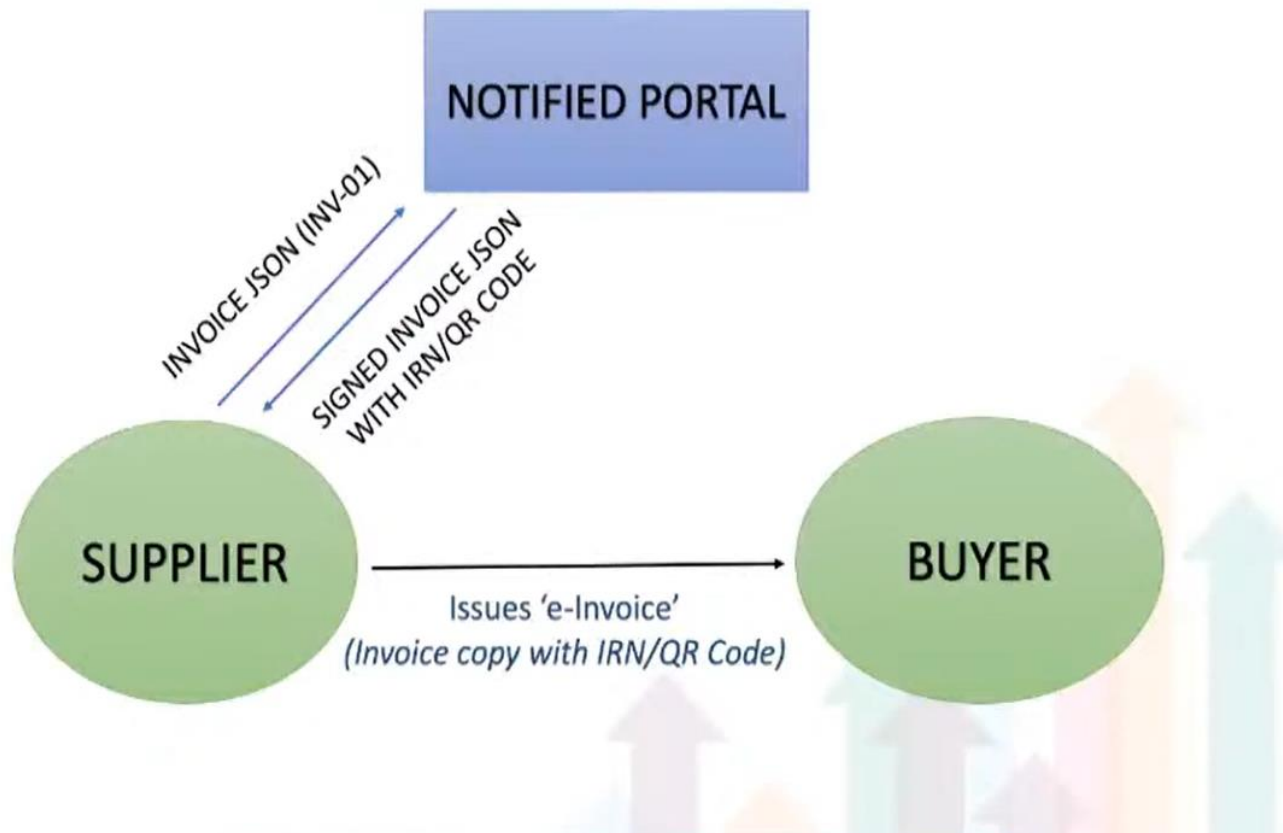


Process – After!



What will change!

Issuing invoice in e-invoicing scenario



Prepare or intimate!

- Will businesses now be required to generate e-invoices on the GST portal or the e-invoice portal?
- No. The tax payer will first prepare and generate his invoice using his ERP/accounting system or manual system and then upload these invoice details to IRP and get the unique reference number, known as IRN. It is clarified again that the e-invoice means **NOT preparation or generation** of tax payer's invoice on government portal. It is **only intimating** the government portal that invoice has been issued to the buyer, by registering that invoice on the government portal.

Who will generate?

Who to generate!



The diagram consists of two large, hollow, blue-outlined arrows pointing in opposite directions. The left arrow points to the left and contains the text 'E-way Bill' and a bulleted list: '• Supplier, Recipient or Transporter'. The right arrow points to the right and contains the text 'E-invoice' and a bulleted list: '• Supplier' and '• E-comm. operator'.

E-way Bill

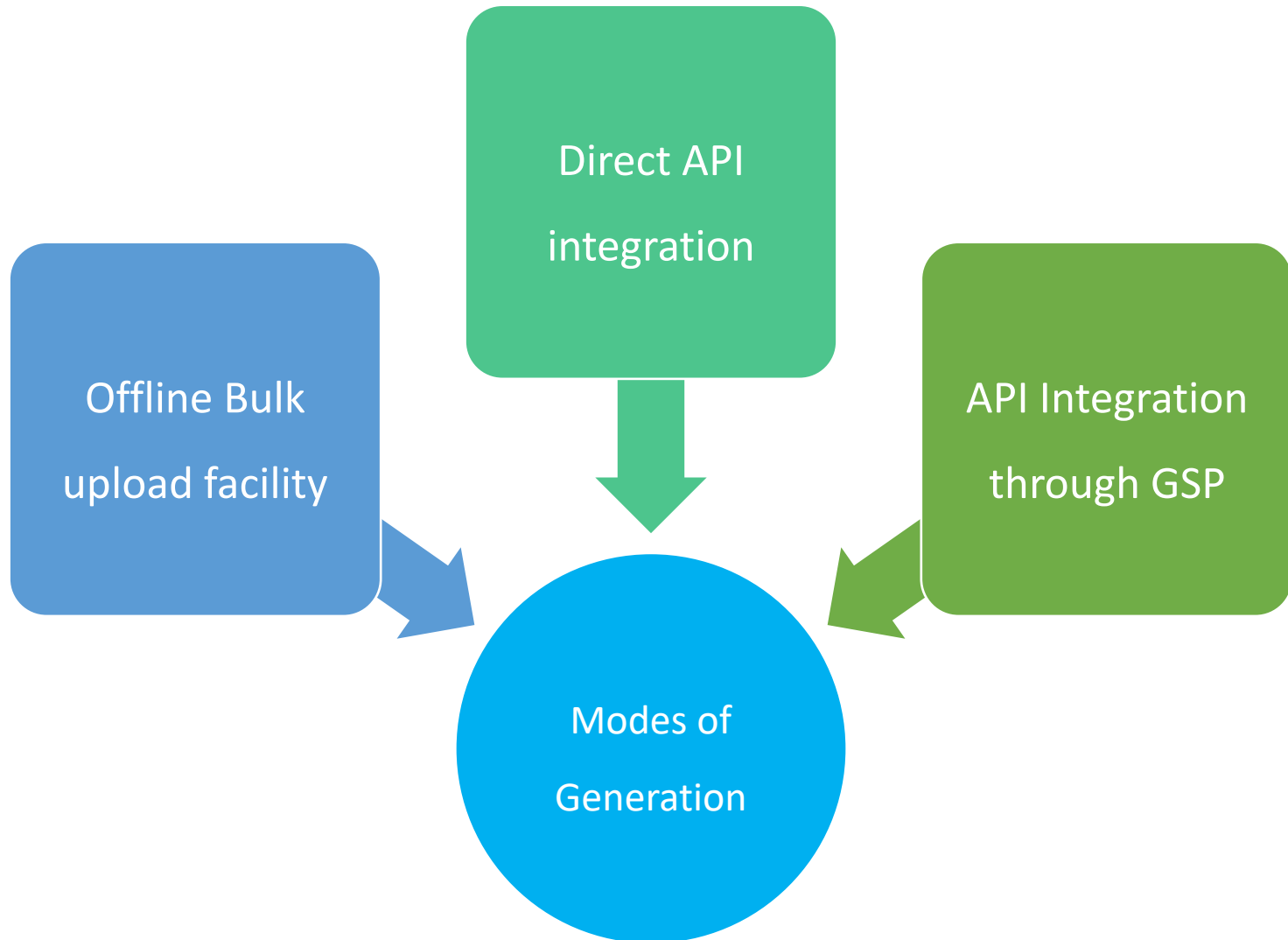
- Supplier, Recipient or Transporter

E-invoice

- Supplier
- E-comm. operator

How to prepare E-invoicing?

Modes of generation!



E-invoicing –

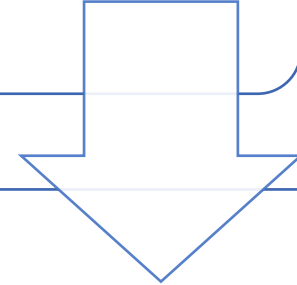
Step Plan for Suppliers!

Step Plan for Suppliers!

[Using Bulk IRN Generation Tool]

1. Preparing the data sheet (refer [Bulk IRN Generation tool](#)):

- Supply of goods - B2B [Intra-State or Inter-State], Supply to SEZ (with or without payment), deemed export, export (with or without payment), etc
- Supply of services - B2B [Intra-State or Inter-State], Supply to SEZ (with or without payment), deemed export, export (with or without payment), etc



2. Ideally, aforesaid data/details should be available in ERP/accounting system. Thus, after retrieving data, these details should be added in Bulk IRN generation tool (this is applicable if API integration is not done!)

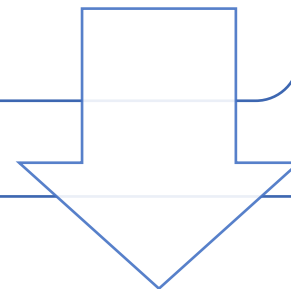
Step Plan for Suppliers!

[Using Bulk IRN Generation Tool]

3. Login into the e-invoice portal

(<https://einvoice1.gst.gov.in/>). Login to e-invoicing portal

can be done with e-way bill credentials.

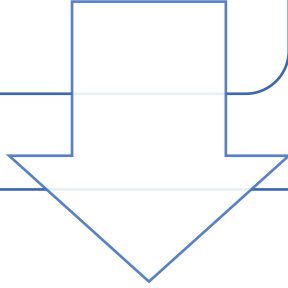


4. Upload the JSON file. After this, JSON with QR/
IRN will be received from the e-invoice portal.

Step Plan for Suppliers!

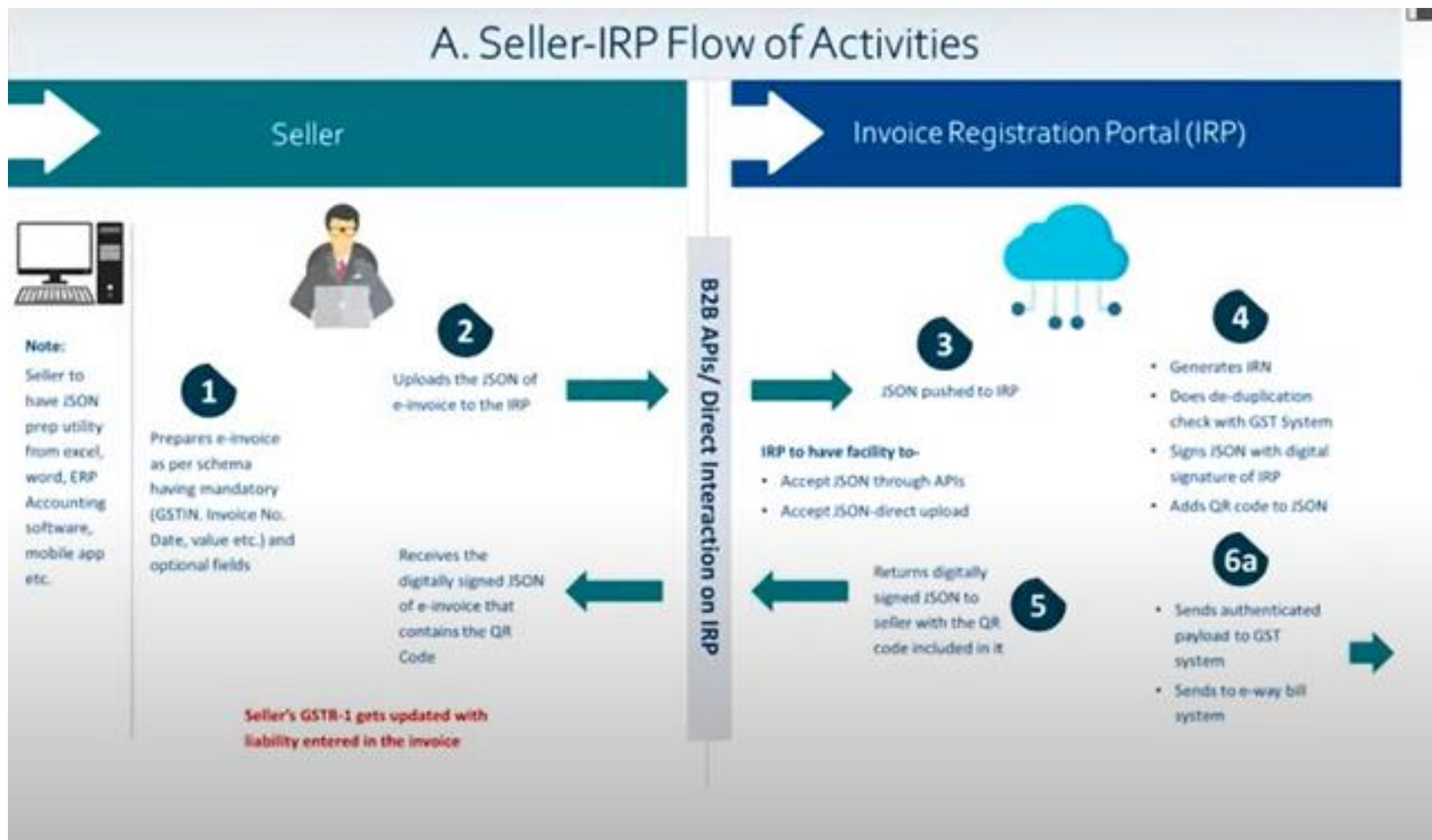
[Using Bulk IRN Generation Tool]

5. Subsequently, after adding QR code, the tax invoice can be shared with customers. Before adding the QR code in the invoice, QR code should be converted into a picture. If required, IRN or Ack. no. can also be added in the invoice.



6. Then the final sample invoice and layout would be reviewed (one each for all sample transaction types). After taking print, QR code should be **legible** and QR code should be on the **first page of invoice**.

Process –Seller IRP Flow of Activities



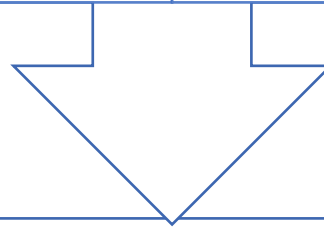
IRN and QR code

IRN and QR Code

After uploading JSON, validation by IRP various parameters like

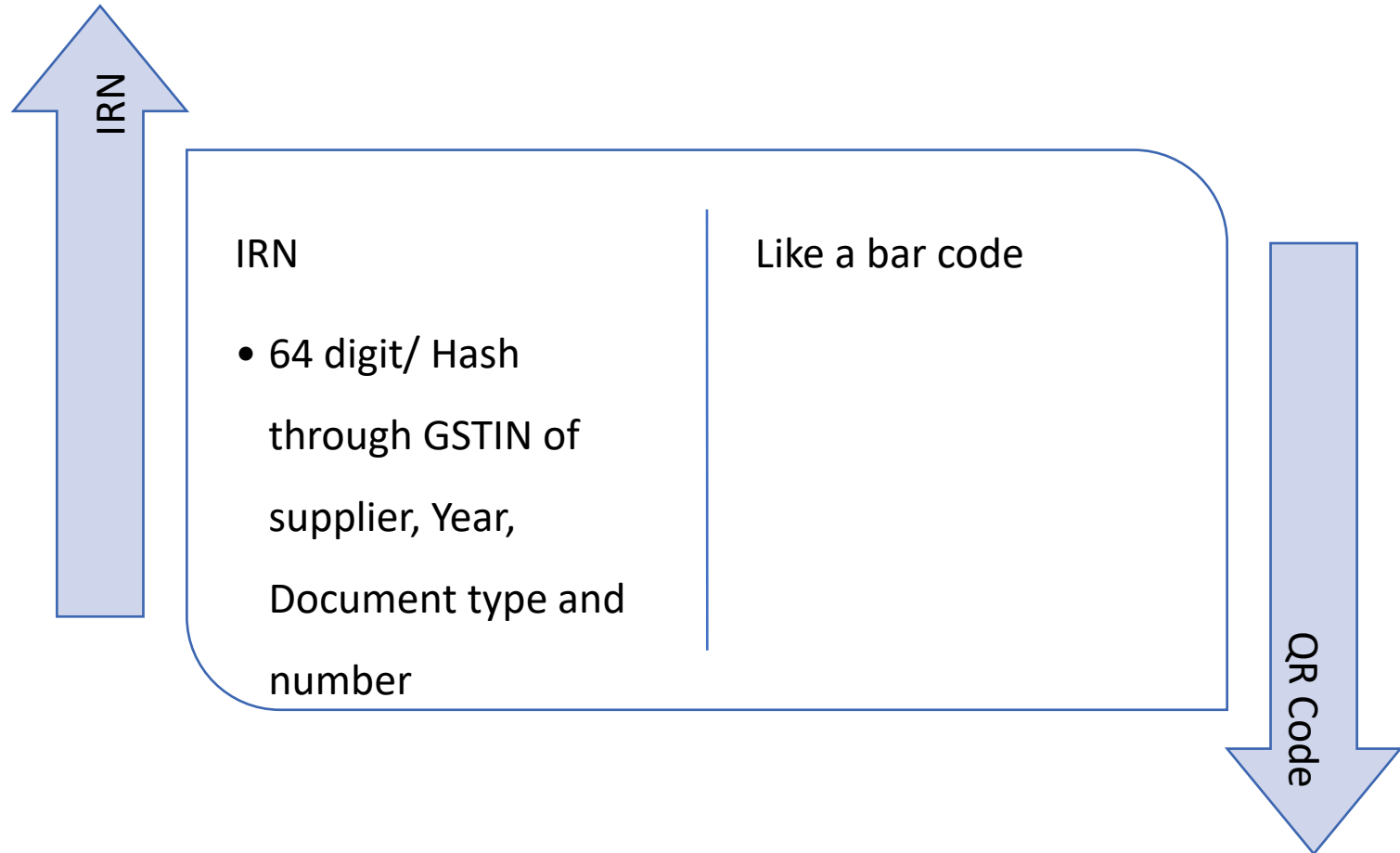
GSTIN of Supplier and Recipient

Invoice Number (Duplication Check)



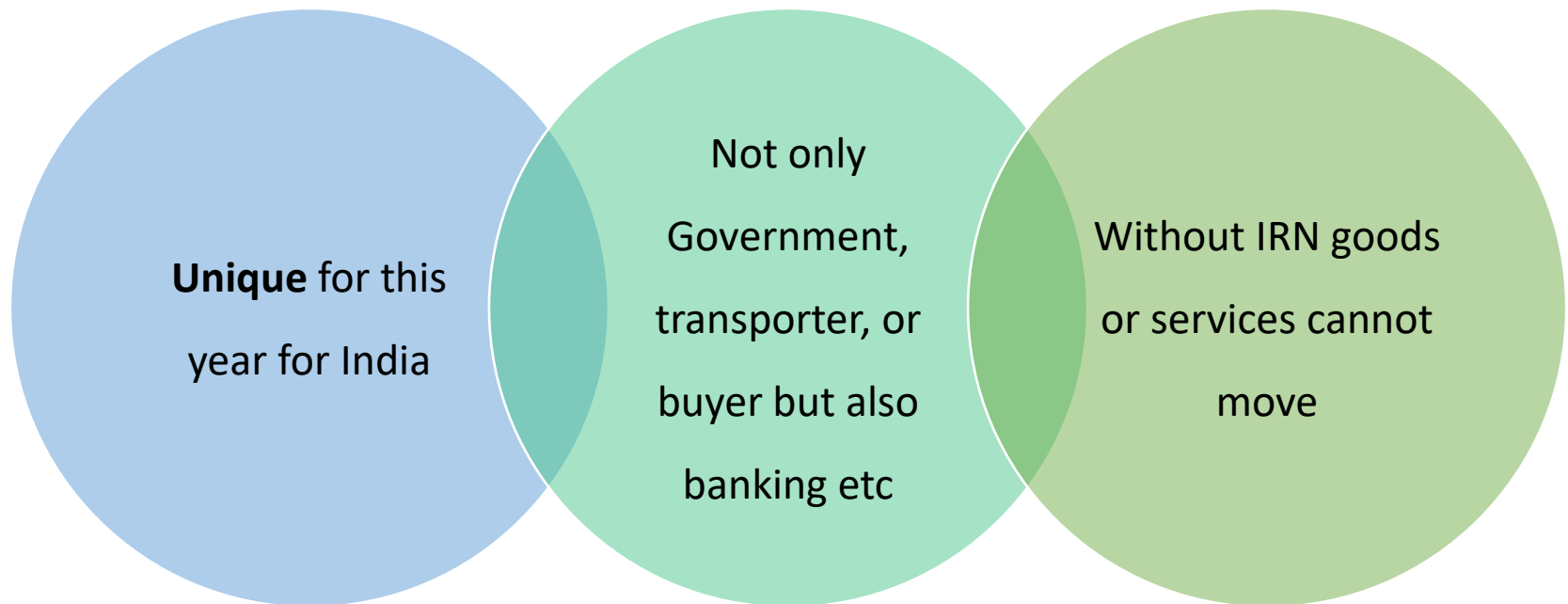
After validation, IRN and QR Code generated

IRN and QR Code



IRN

IRN – Relevance!



QR code

QR Code

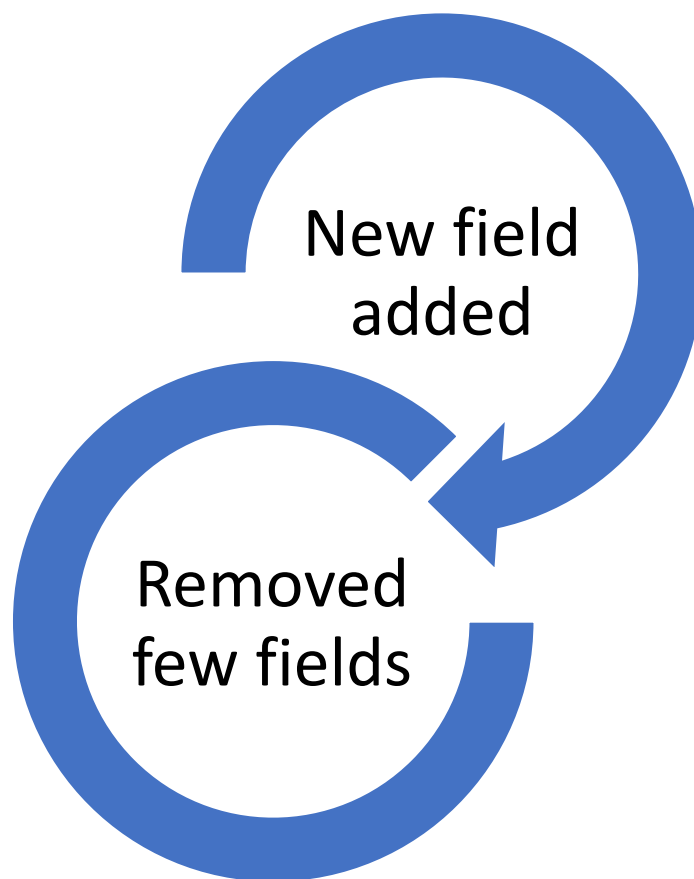
- Through QR code, following particulars will be available:
 1. GSTIN of supplier
 2. GSTIN of Recipient
 3. Invoice number as given by Supplier
 4. Date of generation of invoice
 5. Invoice value (taxable value and gross tax)
 6. Number of line items.
 7. HSN Code of main item (the line item having highest taxable value)
 8. Unique **Invoice Reference Number** (hash)

24 hrs!

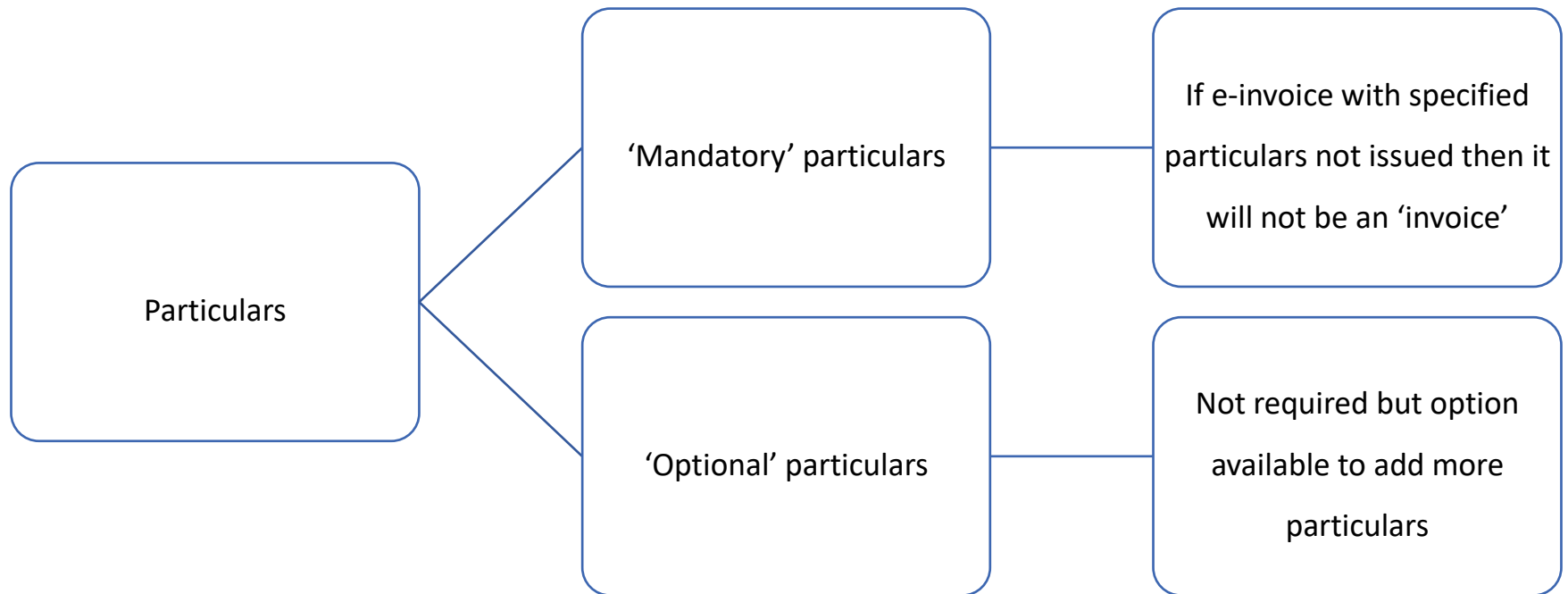
- *How long will the generated e-invoice be available in the government portal?*
- *Once the e-invoice system has validated and registered an IRN, it will be made available to the taxpayer for reference on e-invoice system for **only 24 hours**.*

Invoice contents

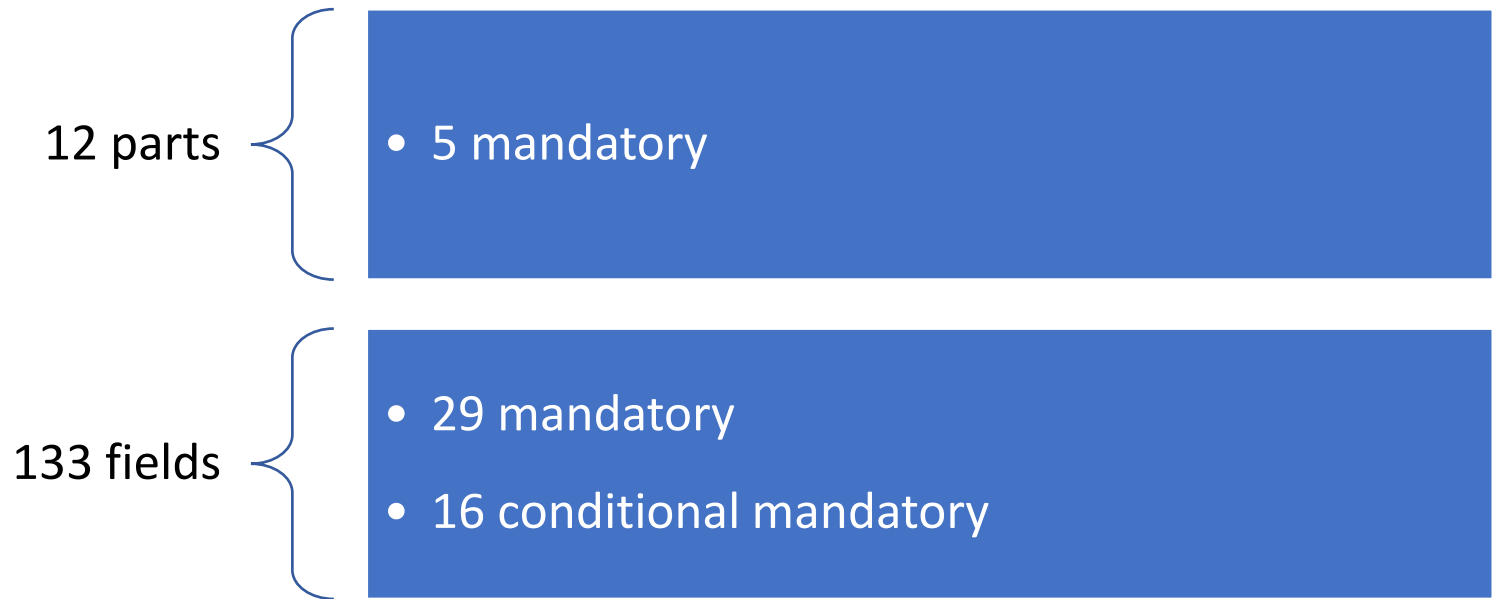
Schema of E-Invoice [Not. No 60/2020- CT)



E-Invoice Schema contents!



INV-01



New/ revised fileds!

Revised INV -01 revised Schema

New fields added

- '**Discount**' earlier at item level and now at invoice level also
- '**Other charges**' earlier at item level and now at invoice level also
- '**Export duty**' in extra information
- From State **names** to State **codes**
- Country **codes** to be published by Customs

Few Key Invoice Contents – ‘Mandatory’

1. Name of supplier

2. GSTIN of Supplier

3. Address of Supplier

4. Name of Buyer

5. GSTIN of Buyer

6. Total tax amount

7. Quantity etc

Few Invoice Contents – ‘Optional’

1. Contract Number

2. Project Reference

3. Vendor PO Reference

4. Origin Country of Item

5. Expiry Date

6. Warranty Date

7. Amount due /outstanding etc

Invoice Contents – Formats



- Human can understand
but machines cannot!

One schema, to serve them all!

- Will there be separate invoice formats required for Traders, Medical Shops, Professionals and Contractors?
- There will **not be any separate invoice formats** required for Traders, Medical Shops, Professionals and Contractors. **Same e-invoice schema** will be used by **all kinds of businesses**. The schema has **mandatory and non-mandatory** fields. Mandatory field has to be filled by all taxpayers. Non-mandatory field is for the business to choose. It covers all most all business needs and specific sectors of business may choose to use that non-mandatory field which are needed by them or their eco-system.

Transporter details!

- *Will it be possible to add transporter details as well?*
- *No, the transporter details must be entered in the **E-Way bill** system only.*

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 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.*

How to print e-invoice!

- [How to Print an E-Invoice?](#)


- Here are the steps to follow:


Step 1: Login on the e-invoice portal using the username password and entering the captcha code.


Step 2: Select 'Print' under 'E-Invoice' appearing on the left-hand side of the dashboard.

Step 3: Enter the ACK No. or 64 character length invoice reference number and click 'Go'

Digitally Signed Invoice

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 **This is Digitally Signed Invoice****Government of India**
e-Invoice System**1.e-Invoice Details**

IRN : 11f153fbd9d3993fefe529dc0e7ebaa3bc02fc2026212198e6c3fa6de66f4dd1	Ack. No : 12102603869	Ack. Date : 09-06-2020 10:57:00
---	------------------------------	--

2.Transaction Details

Category : B2B	Document No : NIC12/C5556656	
Document Type : Invoice	Document Date : 08-06-2020	e-Com GSTIN : 03bznpm9430m1kl

3.Party Details

Seller	Purchaser
---------------	------------------

Invoice copies

Invoice copies

Normal invoice copies

Goods [Rule 48 (1)]

- Original for recipient
- Duplicate for transporter
- Triplicate For Supplier

Services [Rule 48 (2)]

- Original for recipient
- Triplicate For Supplier

E-invoice

Rule 48 (1) and (2) not applicable to e-invoice
[refer Rule 48 (6)]

Documents to be carried!

Rule 138A. Documents and devices to be carried by a person-in-charge of a conveyance

(1) The person in charge of a conveyance shall carry—

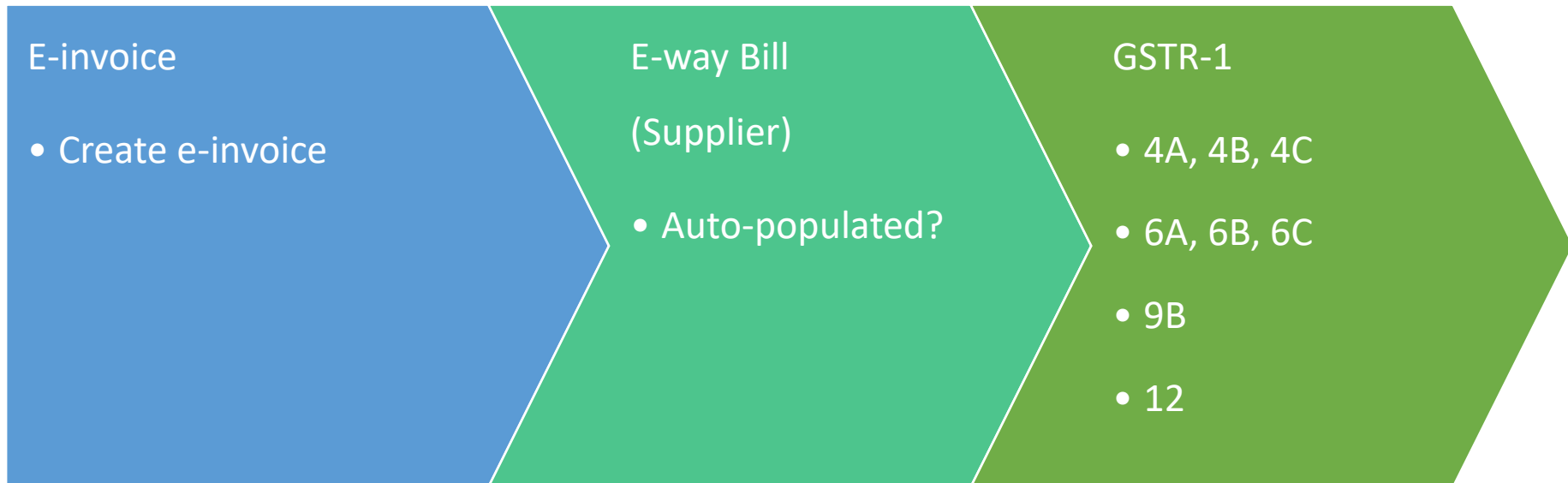
- (a) the invoice or bill of supply or delivery challan, as the case may be; and
- (b) a copy of the e-way bill in physical form or the e-way bill number in electronic form or mapped to a Radio Frequency Identification Device embedded on to the conveyance in such manner as may be notified by the Commissioner

...

*(2) In case, **invoice** is issued in the manner prescribed under sub-rule (4) of rule 48, 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 [[Not. No. 72/2020](#)]*

What happens after e-invoice is generated?

E-invoices – What happens afterwards?



GSTR 1 – Auto-population!

Table	Description
4	Taxable outward supplies made to registered persons (including UIN-holders) other than supplies covered by Table 6
4A	Supplies other than those (i) attracting reverse charge and (ii) supplies made through e-commerce operator
4B	Supplies attracting tax on reverse charge basis
4C	Supplies made through e-commerce operator attracting TCS (operator wise, rate wise)

GSTR 1 – Auto-population!

Table	Description
6	Zero rated supplies and Deemed Exports
6A	Exports
6B	Supplies made to SEZ unit or SEZ Developer
6C	Deemed exports
9	Amendments to taxable outward supply details furnished in returns for earlier tax periods in Table 4, 5 and 6 [including debit notes, credit notes, refund vouchers issued during current period and amendments thereof]
9B	Debit Notes/Credit Notes/Refund voucher (Registered)
12	HSN-wise summary of outward supplies

Cancellation of E-invoice

No deletion / modification but cancellation!

Can IRN be deleted or cancelled?

- The IRN once generated **cannot be modified or deleted**. However, if IRN is generated with wrong information, it can be **cancelled**. **Once it is cancelled, the IRN cannot be generated on the same invoice**. The cancellation is required to be done within **twenty-four hours** from the time of generation.


If there is a mistake or wrong entry in generated IRN, what has to be done ?



- If there is a mistake, incorrect or wrong entry in the already generated IRN, then it **cannot be edited or corrected**. Only option is cancellation of e-invoice and generation of a new one with the new invoice. Once it is cancelled, the IRN cannot be generated on the same invoice.




Clarification on e-invoice!

- *There is a facility to the user to cancel the IRN, if active e-way bill is not there. That is, the e-way bill is **not generated** or the e-way bill **generated and later cancelled**, then the user is allowed to cancel the IRN.*
 - https://einvoice1.gst.gov.in/Documents/eInvoice_process.pdf

Cancellation!

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e-Invoice Cancel

Based On : ☒ Ack No. ☐ IRN

Enter Ack. No. :

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Cancellation!

If e-way bill not there



Then can be cancelled within 24 hours



Will be deleted from GSTR-1



Once cancelled then IRN cannot be generated on same invoice number

If e-way bill is there



Then cannot be cancelled

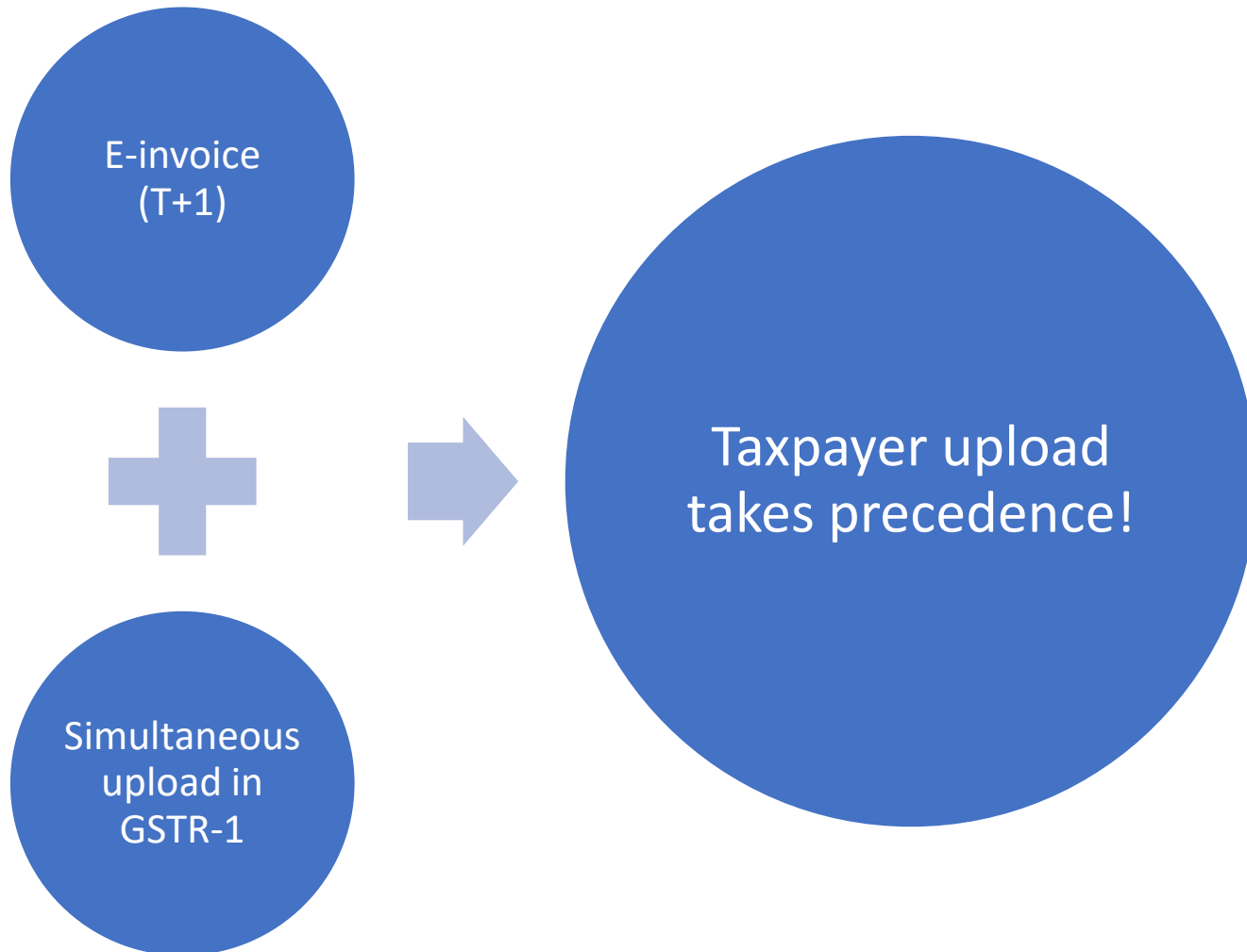


E-invoice - Corrections?

After generation of E-invoice:

- Subsequent changes can be done in GSTR-1!
- Audit trail will be available for Authorities

What if!



FAQ

Digitally signed E-invoice

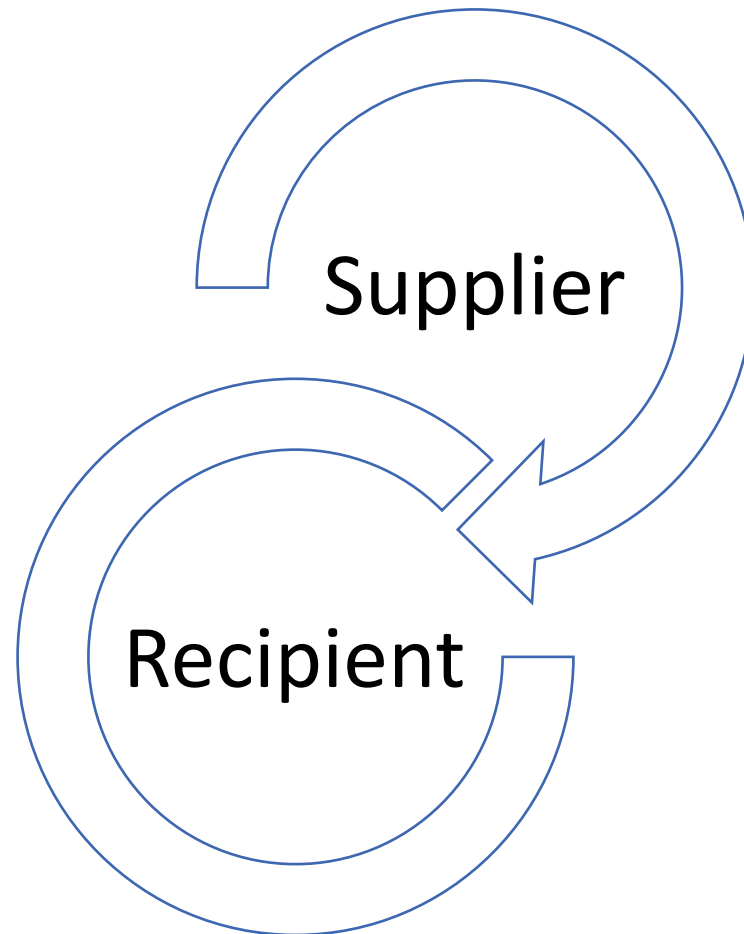
- *What is the meaning of Digitally signed E-Invoice?*
 - *The digitally signed invoice is one which has been digitally or electronically signed by the IRP after receiving the invoice upload from the supplier. That is, the government is authenticating the genuineness of the invoice submitted/registered by the tax payer.*

Export E-invoices

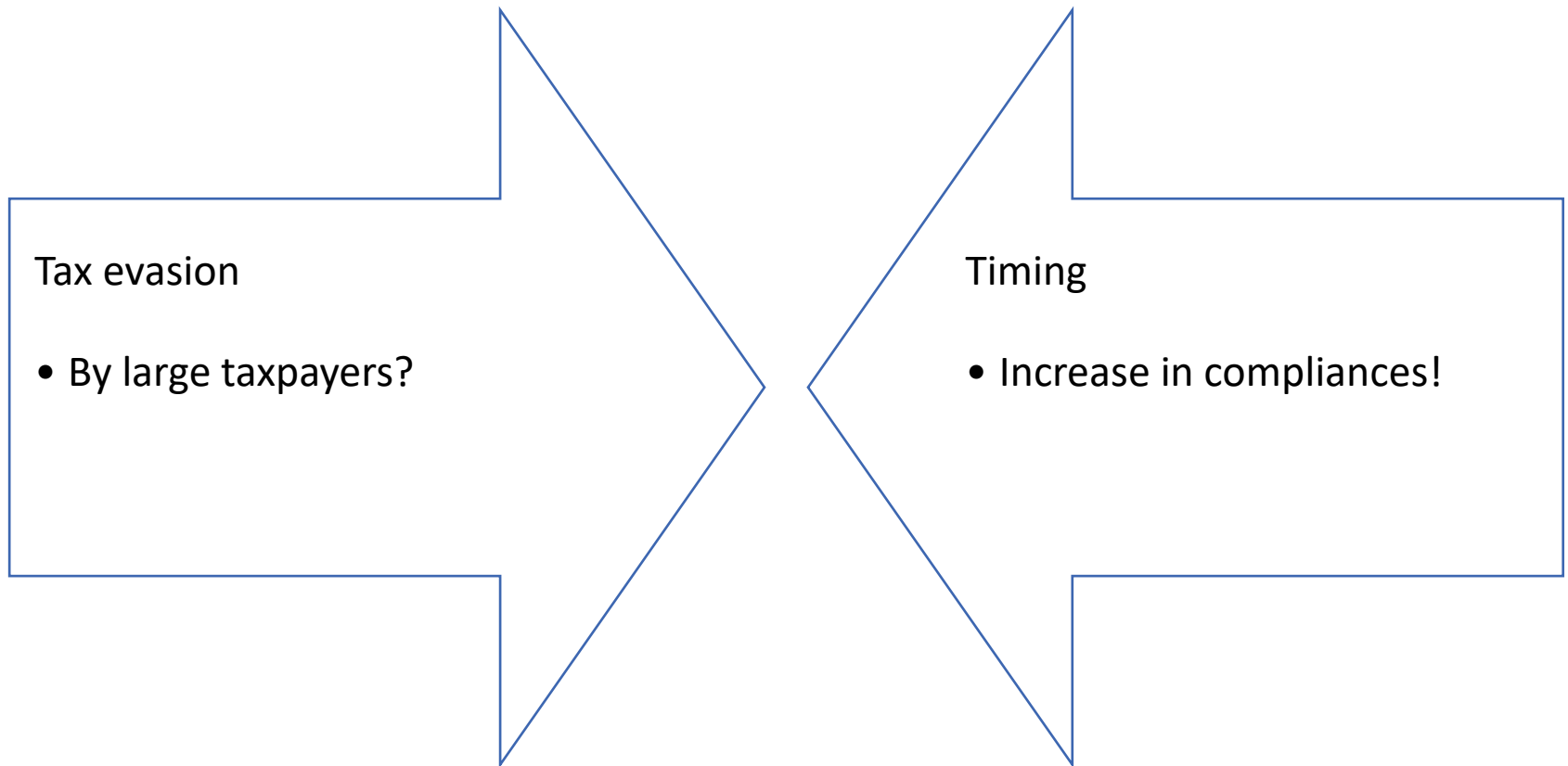
- *Does the e-Invoice allow the declaration of export invoices/ zero rated supplies (Goods on what GST is not Applicable or Free from Tax)*
 - *Yes, it allows the declaration of export invoices / zero rated supplies.*

E-invoicing – Challenges for Suppliers!

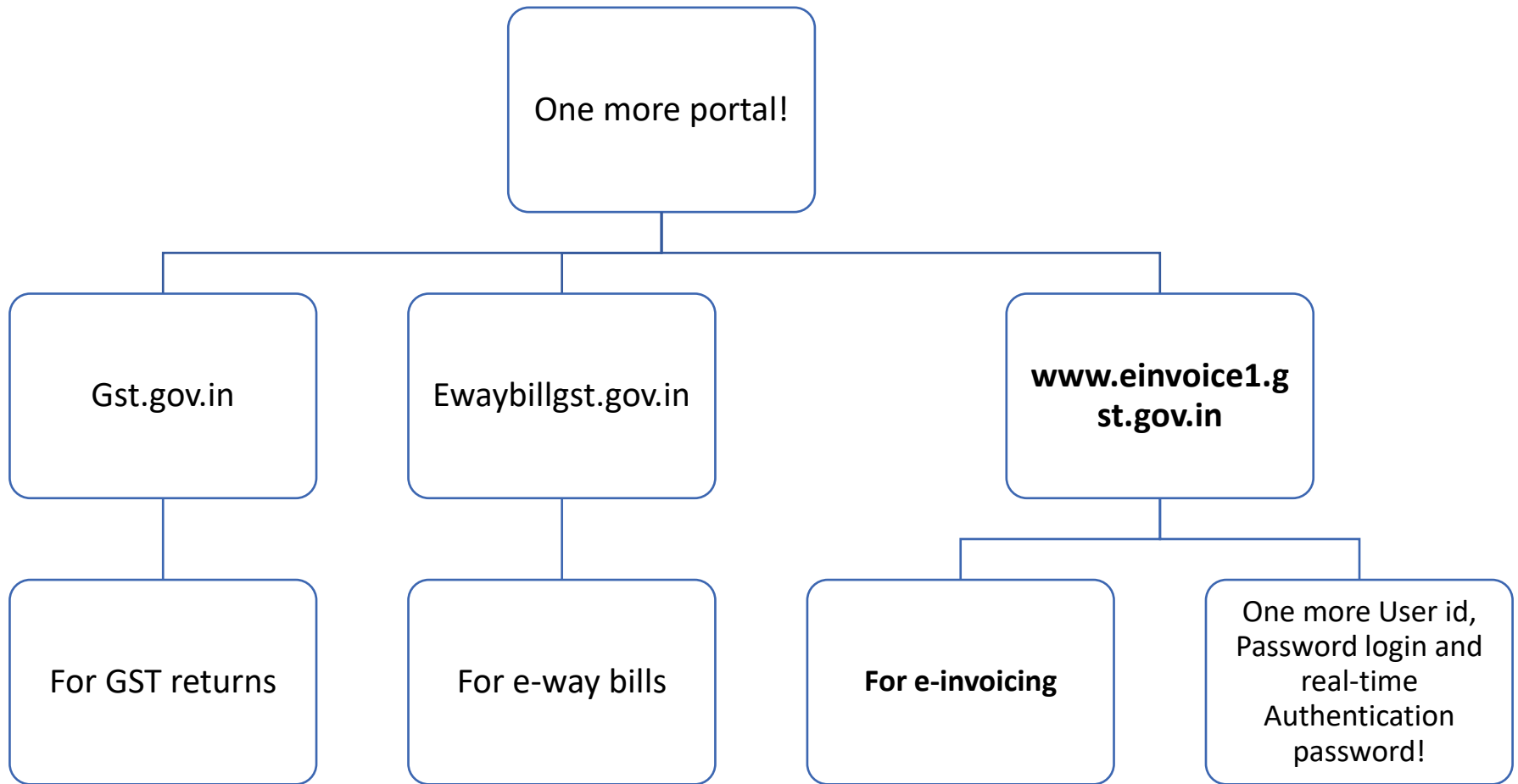
Challenges – Recipient



E-invoicing – For?



Challenges – One more portal!




Challenges – One more compliance!


Login and check whether valid e-invoice generated



Login and check whether details auto populated in e-way bill

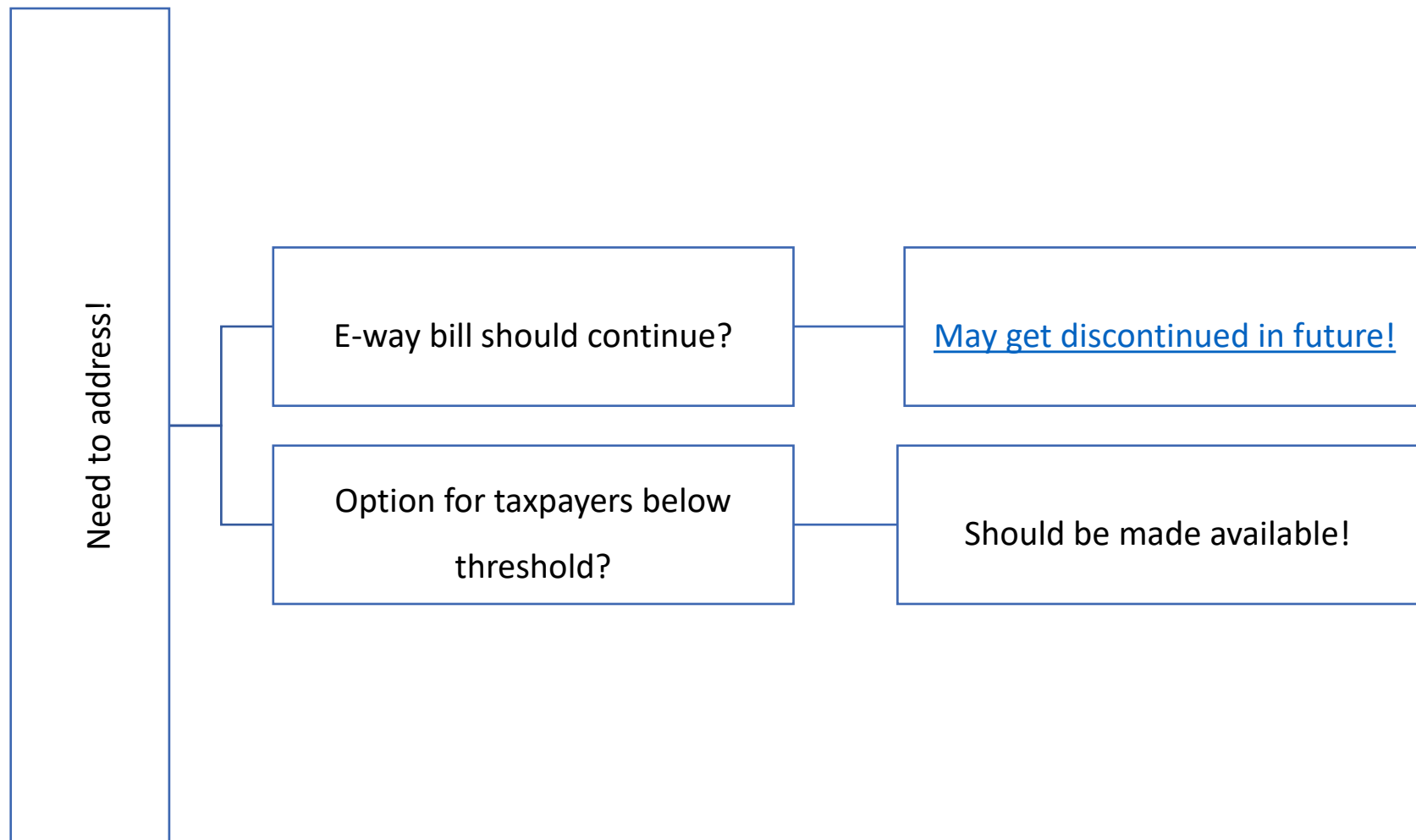


Login and check whether details auto populated in GSTR-1



Call/ email and check whether details auto-populated in GSTR -2A of buyer

Challenges – Others!

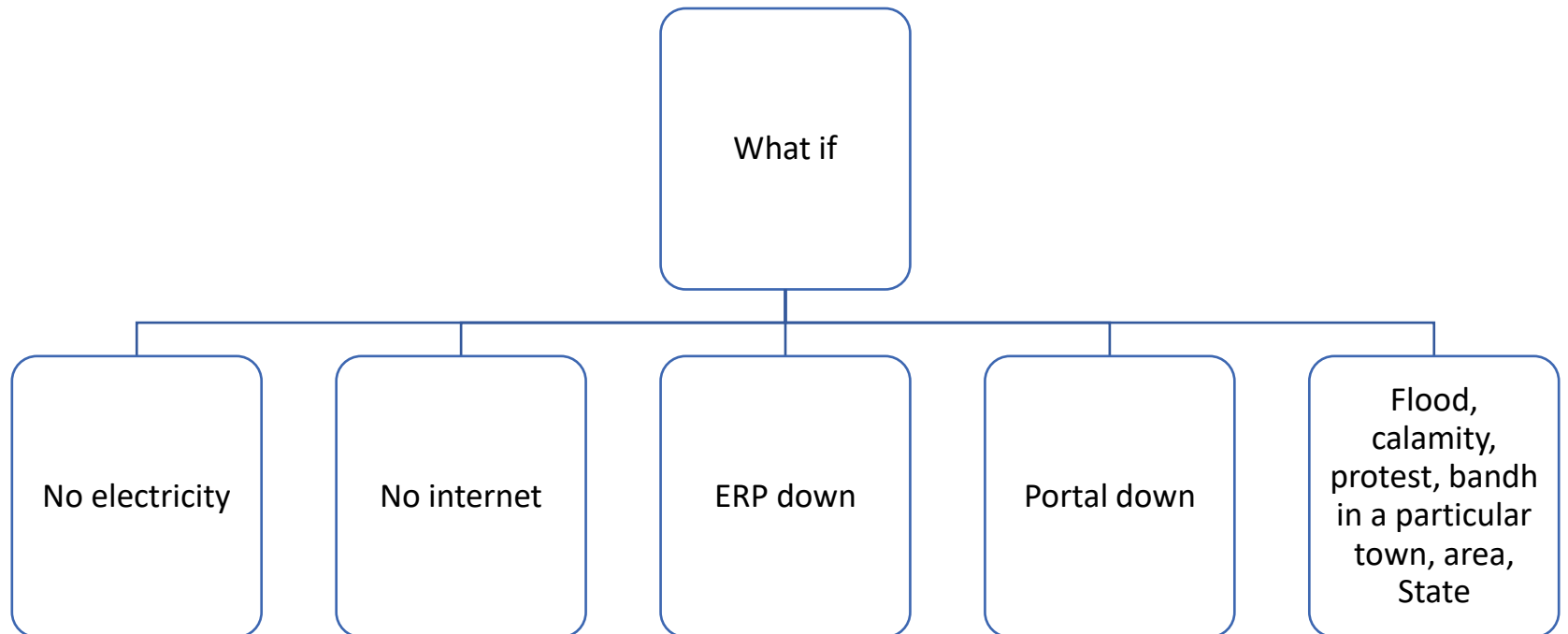


Challenges – Re-conciliations!

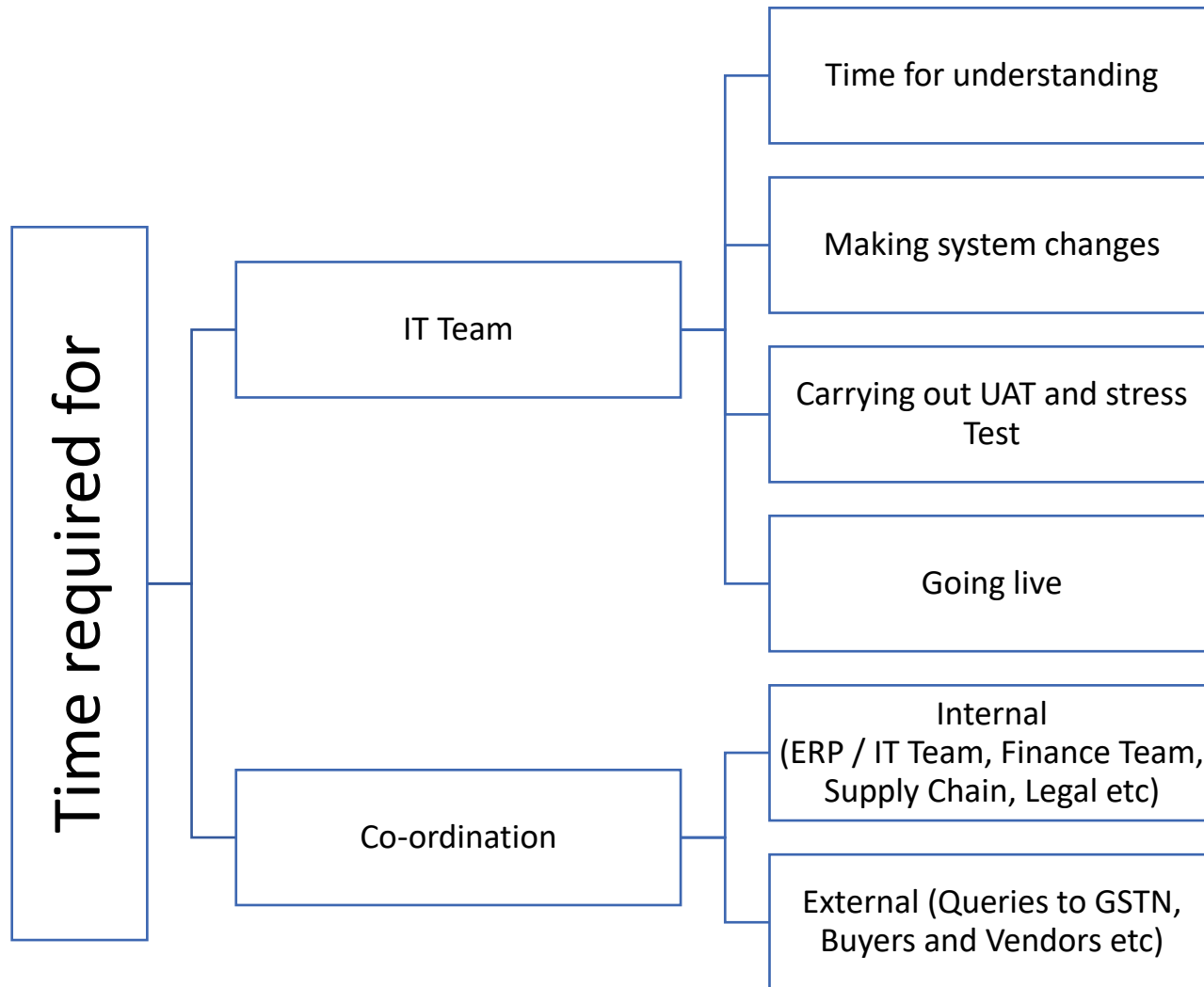
Few more re-conciliations!

- E-invoices (B2B) and normal invoices (B2C) vis-à-vis GSTR-1
- E-invoices and normal invoices received vis-à-vis GSTR 2A
- E-invoices vis-à-vis IRN generated
- E-invoices vis-à-vis E-way Bill

Challenges – What if?



Challenges – Paucity of time!



E-invoicing – Challenges to Recipient

How to verify e-invoice!


How to verify e-invoice!

- How can anyone verify the authenticity or the correctness of e-invoice?
- *Anyone can verify the authenticity or the correctness of e-invoice by uploading the signed JSON file or Signed QR Code into e-invoice system. The option '**Verify Signed Invoice**' under Search option can be selected and the signed JSON file can be uploaded and verified. Similarly, the **QR Code Verify app** may be downloaded and used to verify the QR Code printed on the Invoice.*

Verify!


Verify Signed Invoice - nic.einvoice x +

← → ↻ einvoice1.gst.gov.in/Others/VSignedInvoice ☆ G Q f ⚙ ⋮ 👤 ⋮




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Verify Signed Invoice

This Option is used to Verify the Signature and the content of the Invoice by uploading the JSON Signed file.

Upload JSON File :

Note: Please Upload file with ".JSON" extension only.

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Challenges – Expenses

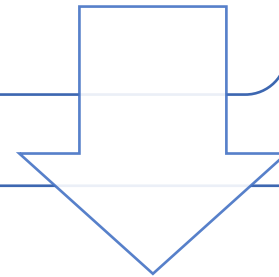
Particulars	Goods	Service
<ul style="list-style-type: none">• Tax Invoice / BoS• QR Code, if applicable• E-way bill, if applicable	<ul style="list-style-type: none">• Yes• Yes• Yes	<ul style="list-style-type: none">• Yes• Yes• NA

E-invoicing –

Step Plan for Recipient!

Step Plan for Recipients!

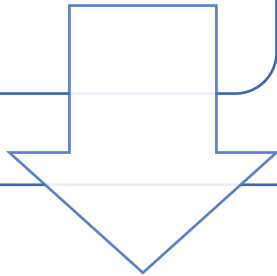
1. Initiate **discussion** with the vendor about applicability of E-Invoice and/or turnover confirmation!



2. Appropriate **clause** to be included in the Agreement and/or PO to cover the risk of ITC on account of Non-compliance by vendor!

Step Plan for Recipients!

3. From 1st October 2020 to 31st October 2020 – From the vendors to whom e-invoicing is applicable, receive IRN (either on real-time basis or within 30 days from date of invoice) for Tax invoices, Credit Notes, Debit Notes issued after 1st October 2020!

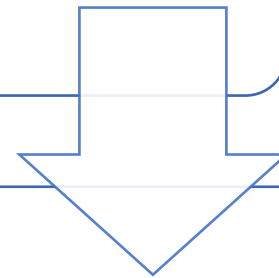


4. From 1st November 2020 – From the vendors to whom e-invoicing is applicable, receive IRN on real-time basis!

Step Plan for Recipients!

5. Expenses with e-invoice and without e-invoice could be accounted **separately** to trace valid Tax Invoice.

Also, try to add IRN No./ Ack. No. in the data / master field for ease in tracking e-invoices.



6. Track Phase-wise implementation of e-invoicing and take steps as e-invoicing becomes applicable for remaining taxpayers!

Way Forward

Way Forward

Start early!

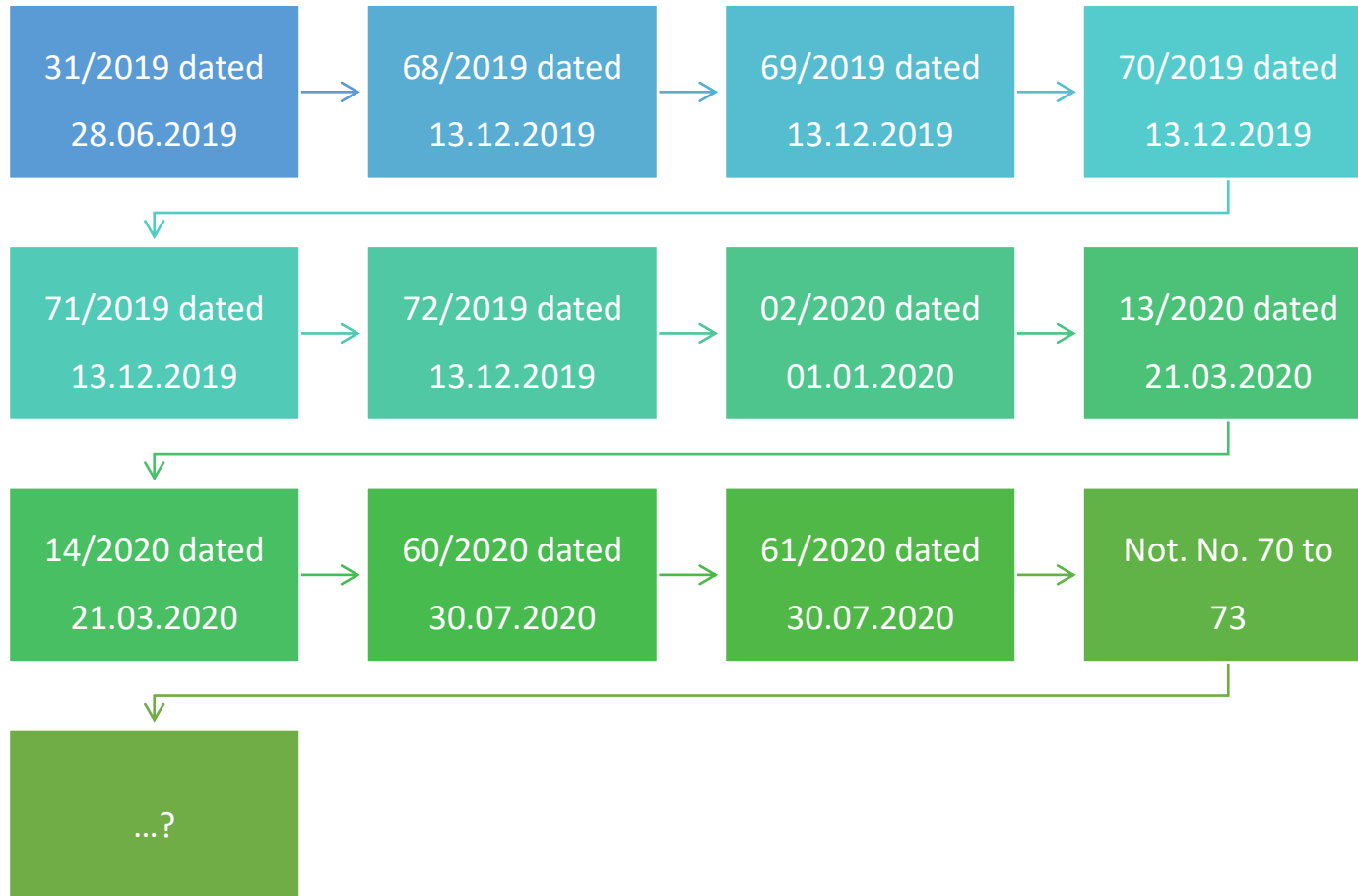
For e-invoicing implementation, work closely with:

- IT /ERP Team
- Finance Team
- Procurement Team
- Sales Team, Logistics Team etc

E-invoicing

Official Documents and Details

Notification – Chronology!



Official documents/ links on E-invoicing

No.	Notification	Remark	Amended later by
1.	<u>31/2019-CT</u>	Enabling power for QR code on invoice	<u>60/2020-CT</u>
2.	<u>68/2019-CT</u>	Sub-rule (4), (5) and (6) introduced in Rule 48	-
3.	<u>69/2019-CT</u>	<u>http://www.einvoice1.gst.gov.in/</u> portals notified	-
4.	<u>70/2019-CT</u>	E-invoice date for INR 100 crore notified as 01.04.2020	<u>13/2020-CT</u>
5.	<u>71/2019-CT</u>	Date for QR code notified as 1.04.2020	-

Official documents/ links on E-invoicing

No.	Notification	Remark	Amended later by
6.	<u>72/2019-CT</u>	QR code for B2C from 1.04.2020	<u>14/2020-CT</u>
7.	<u>02/2020-CT</u>	Format INV-01 introduced	<u>60/2020-CT</u>
8.	<u>13/2020-CT</u>	Applicable for INR 100 crore from 1.04.2020	<u>61/2020-CT</u> and <u>70/2020-CT</u>
9.	<u>14/2020-CT</u>	Dynamic QR Code from 1.10.2020	<u>71/2020-CT</u> (from 1 st December 2020)
10.	<u>60/2020-CT</u>	INV-01 substituted	-

Official documents/ links on E-invoicing

No.	Notification	Remark	Amended later by
11.	<u>61/2020-CT</u>	Turnover increased to INR 500 crore and SEZ excluded	-
12.	<u>72/2020-CT</u>	Rule 46, Rule 48 and 138A amended	-
13.	<u>73/2020-CT</u>	Relaxation for the month of October 2020	-

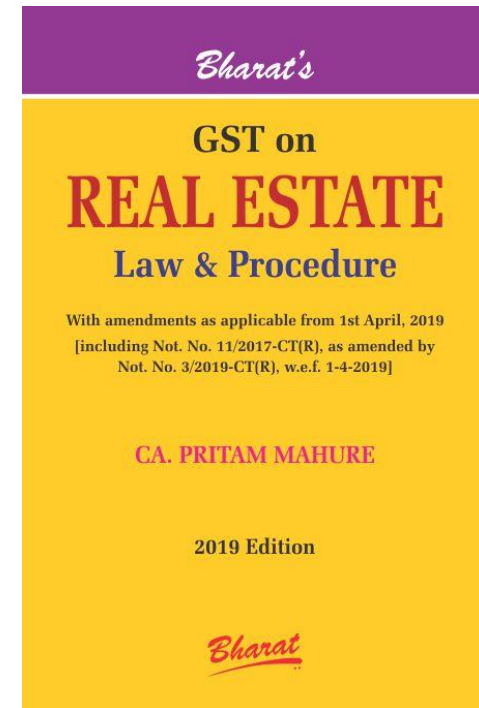
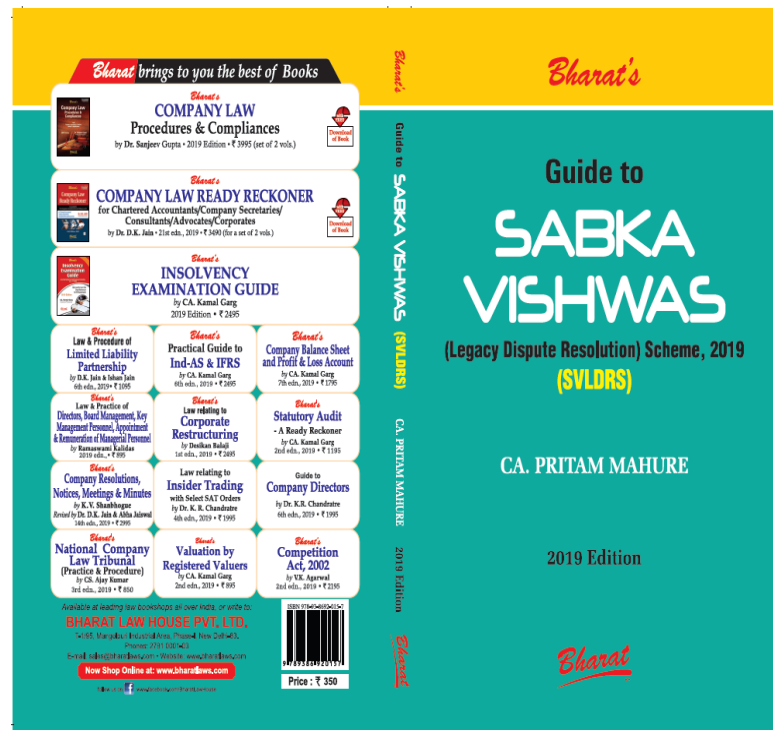
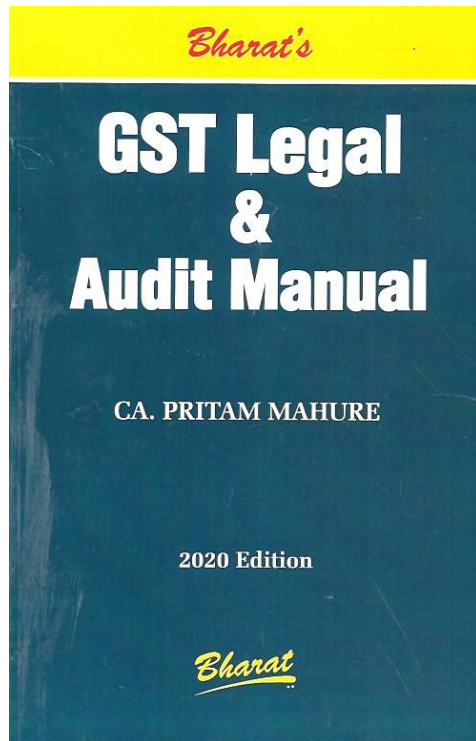
Official documents/ links on E-invoicing

No.	Link to Other Documents
1.	Webinar on E-invoicing with ZOHO (in English)
2.	Webinar on E-invoicing with ZOHO (in Marathi)
3.	Rule 48 of CGST Rules
4.	Format of INV-01
5.	User Manual –Web System
6.	User Manual –Bulk Uploading
7.	Computer Based Training
8.	FAQ
9.	FAQ on QR Code
10.	E-Invoice System
11.	Webinar on e-invoice by GSTN -20 September 2020

Feedback!

- Say line items is more than 1,000
 - Support.einv.api@gov.in

Our Books



Thank you!

CA Pritam Mahure and Associates

Happy to Discuss

For suggestions: info@lawgical.in / +91 9920644648 / 020-27293425

E-books on GST

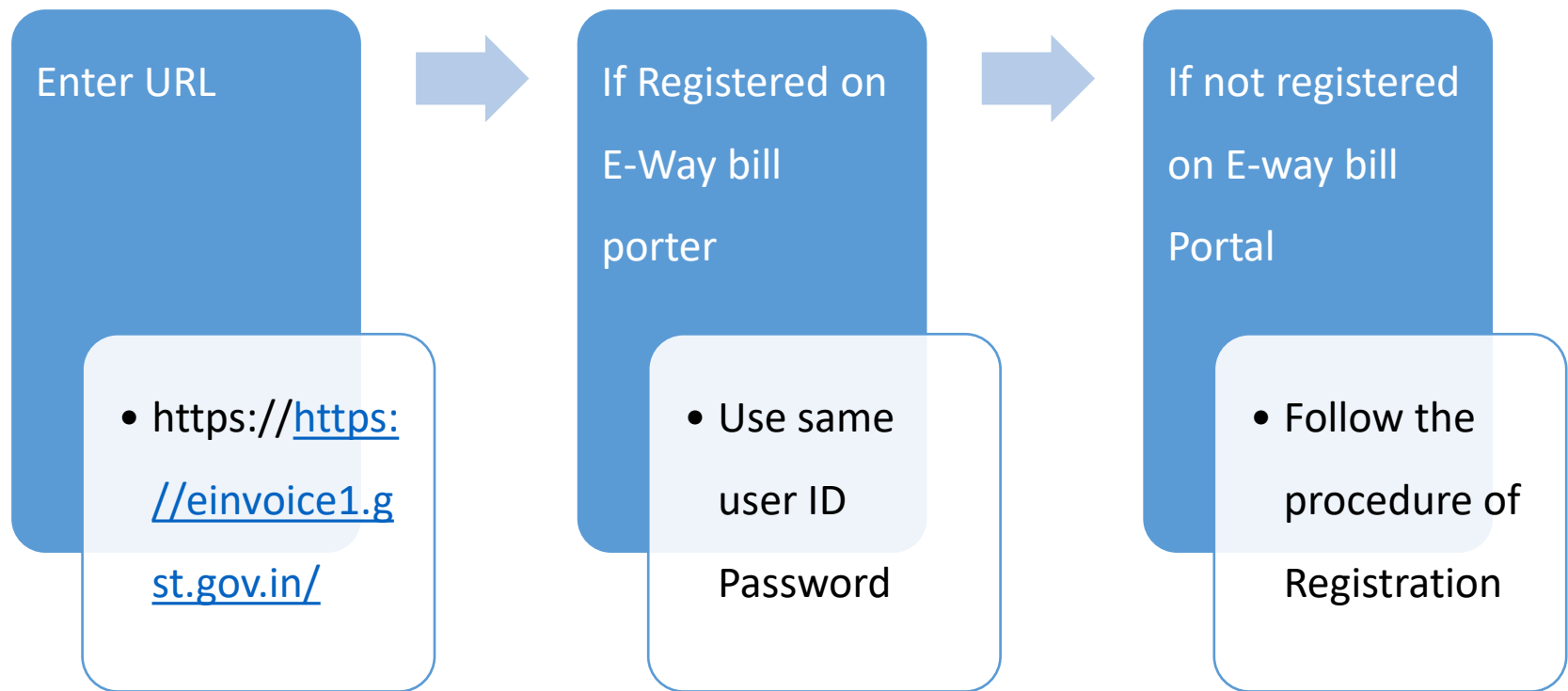
E-books on How to be Future Proof

Smile please 😊

Annexures

Registration to E-Invoice System

Registration for e-invoice system



Registration for e-invoice system

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e - Invoice System

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Registration

E-Invoice

INVOICE

CREDIT NOTE

DEBIT NOTE

LATEST UPDATES

- 14 JAN** • Launch of e-Invoice Portal in Sandbox
- 14 JAN** • Launch of Bulk e-Invoice Facility in Sandbox
- 07 JAN** • Launch of e-Invoice APIs in Sandbox

Registration Form

The screenshot displays the 'e-Invoice Registration Form' interface. At the top, a dark blue header contains the Government of India emblem and the text 'GOODS AND SERVICES TAX e - INVOICE SYSTEM' on the left, and the 'NATION TAX MARKET' and 'NIC National Informatics Centre' logos on the right. Below the header is a light blue navigation bar with a home icon. The main content area is white and features the title 'e-Invoice Registration Form' and a note '[* indicates mandatory fields]'. The registration form itself is a light gray box containing a 'GSTIN*' label, a text input field, a CAPTCHA image showing the word 'RUHCK' with a refresh icon, a text input field for the CAPTCHA, and 'Go' and 'Exit' buttons. The footer is dark blue, showing 'Version 1.01' and '© 2020 - Powered By National Informatics Centre.'

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Home

e-Invoice Registration Form [* indicates mandatory fields]

GSTIN*:

RUHCK

ENTER ABOVE CAPTCHA


Go Exit

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Figure2: e -in vo ic Registration form 1.

Registration Form



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e-Invoice Registration Form

[*indicates mandatory field]

GSTIN* : 18AAMFR9641Q2Z3

X9XS2 ↻

UPSL4

Go Exit

Applicant Name : RAM GENERATORS

Trade Name : RAM GENERATORS

Address Line 1 : 400

Address Line 1 : Kamrup

City : Kamrup

PIN : 781001

State : ASSAM ▼

Mail ID : ****4@hi2.in

Mobile : *****0123

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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Registration Form


e-Invoice Registration Form


[*Indicates mandatory fields]


GSTIN* :	18AAMFR9641Q2Z3
	4XBPD ↺
	E2Z5N
	<input type="button" value="Go"/> <input type="button" value="Exit"/>
Applicant Name :	RAM GENERATORS
Trade Name :	RAM GENERATORS
Address Line 1 :	400
Address Line 2 :	GUWAHATI
City :	Kamrup
PIN :	781001
State :	ASSAM ▼
Mail ID :	****4@hi2.in
Mobile :	*****0123
<p>Note : If the details shown above have changed or incorrect then click on 'Update from GST Common Portal' button or click on 'Send OTP'</p>	
<input type="button" value="Send OTP"/> <input type="button" value="Update from GST Common Portal"/>	
Enter OTP:	<input type="text"/> <input type="button" value="Verify OTP"/>

Registration Form


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


Forgot Password

[* indicates mandatory fields]

User Name*:

GSTIN*:



Registered Mobile No*:

Enter OTP*:

Password*:


ConfirmPassword*:


Enter Password








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Logging into E-invoice System

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ystem. Taxpayers with turnover of 500Cr and above are enabled for e-invoicing System. Taxpayers with turnover of 100 - 500 Cr and above are ena



LATEST UPDATES


- 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
- Existing users of eWayBill system can use their credentials to login. New users can register through the registration link in the portal.
- Taxpayers with turnover of Rs. 500 cr & above in the previous financial year are enabled to login in this portal.
- Taxpayers with turnover of 100 - 500 Cr are enabled for e-invoicing System only on Sandbox or Testing, but not on Production.

IMPORTANT LINKS

► Website Policies	► GST Common Portal	► National Portal
► Terms and Conditions	► Central Board of Indirect Taxes and Customs	► National Informatics Centre
► Disclaimer	► State Tax Websites	► Goods and Services Tax Network
► Sitemap	► Help	► Last Updated: 12-05-2020



Version 1.01 This site can be best viewed in Firefox 43.5 and above, IE 11 and above, chrome 45 and above. To check your browser version [click here](#) © 2020 - Powered By National Informatics Centre.

Main Menu






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 e-Invoice ▼


 MIS Reports ▼

 User Management ▼



 API Registration ▼

 Change Password

 Update ▼

 e-Way Bill ▼


Dash Board


 Generations	 Cancelled
Yesterday	Yesterday
During This month	During This month


Version 1.01



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Options under E-invoice


**GOODS AND SERVICES TAX**
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**NATION TAX MARKET**


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National Informatics Centre





 e-Invoice ▼


 Generate New


 Bulk Upload


 Cancel

 Print


 Bulk IRN Cancel

 MIS Reports ▼

 User Management ▼


 API Registration ▼

Dash Board

**Generations**

Yesterday

During This month

**Cancelled**

Yesterday

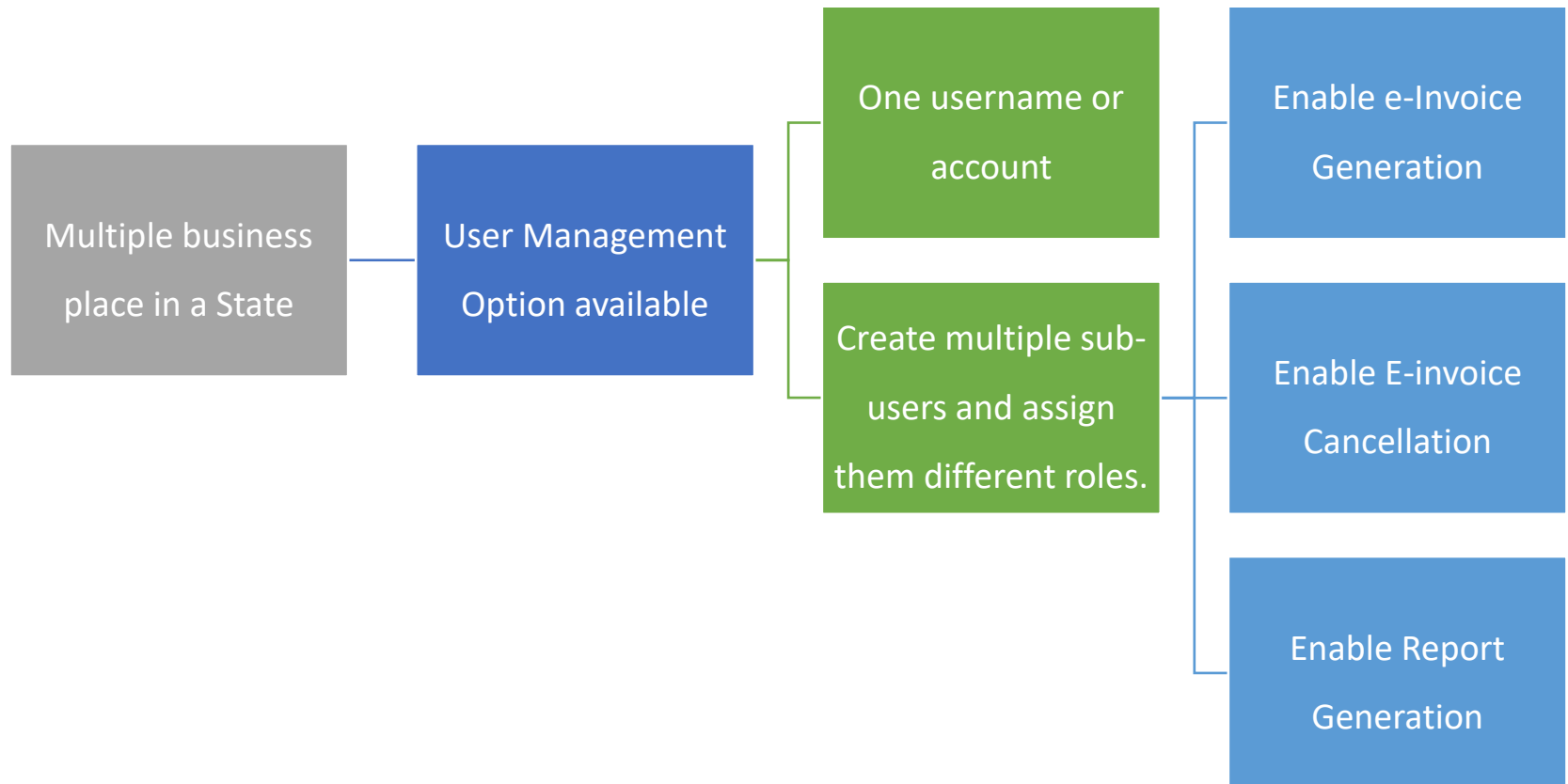
During This month

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Other Key Aspect!

How many persons can generate E-way bill!



Maximum Number of sub-users!

- *How many sub user can be created?*
 - *For every **principal/additional place of business**, user can create **maximum of 10 sub-users**. That is, if tax payer has only (one) principal business place (and no additional place of business), he can create 10 sub-users. If tax payer has 3 additional places and one principal place of business (ie 4 places), then he can create 40 (4 X 10) sub users...*

Useful features at

<https://einvoice1.gst.gov.in/>

Taxpayer Search

- GSTIN No.

Pin code Search

Verify Signed Invoice

E-invoice status of
Taxpayer

Master Codes


QR Code Verify App

Sandbox Testing

Taxpayer Search

Taxpayer Search

GSTIN:*



GSTIN Details							
GSTIN	Trade Name	Legal Name	Address	State	Pincode	Status	Is SEZ
07BZNDMS 130M4K1L	RAM TRADERS		V21 AREA, B2B BYPASS	ANDHRA PRADESH	518001	ACT	No

Pin-Code Search

Pincode Search

PIN Code:* :

UB6Q7



Go

Exit

Pincode Details

Pincode	State Name
560008	KARNATAKA

Product Search

Product Search

HSN Code: * :

1001

ALQ44



VL3CK


Go

Exit

HSN Details


HSN	Desc.
1001	WHEAT AND MESLIN - Durum wheat :

QR Code Verify Application




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Its over (for the time being!) 😊

Next rush begins on or after 1.01.2021 (i.e. once taxpayers below INR 500 crore get covered)!