

GST: E-Invoicing System & QR Code

GST E-INVOCING SYSTEM

The GST Council has approved introduction of 'E-invoicing' or 'electronic invoicing' in a phased manner for reporting of business to business (B2B) invoices to GST System.

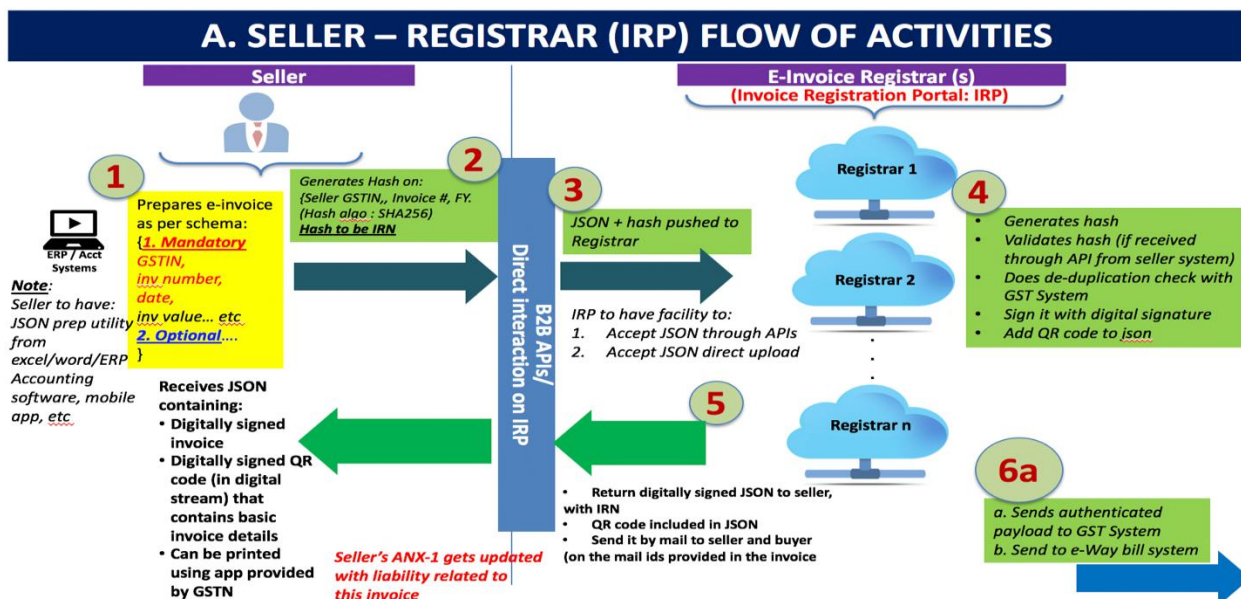
- Voluntary applicable from : 1st January 2020
- Mandatory applicable from : 1st April 2020
- Applicable on : Registered person having aggregate turnover exceeding Rs.100 Crores in a financial year
- Type of Transaction Covered : B2B invoices

E-invoice does not mean generation of invoices from a central portal of tax department, as any such centralization will bring unnecessary restriction on the way trade is conducted. Seller require to generate invoice in his own accounting or billing system. The invoice must conform to the e-invoice schema (standards) that is published and have the mandatory parameters (FORM GST INV-01).

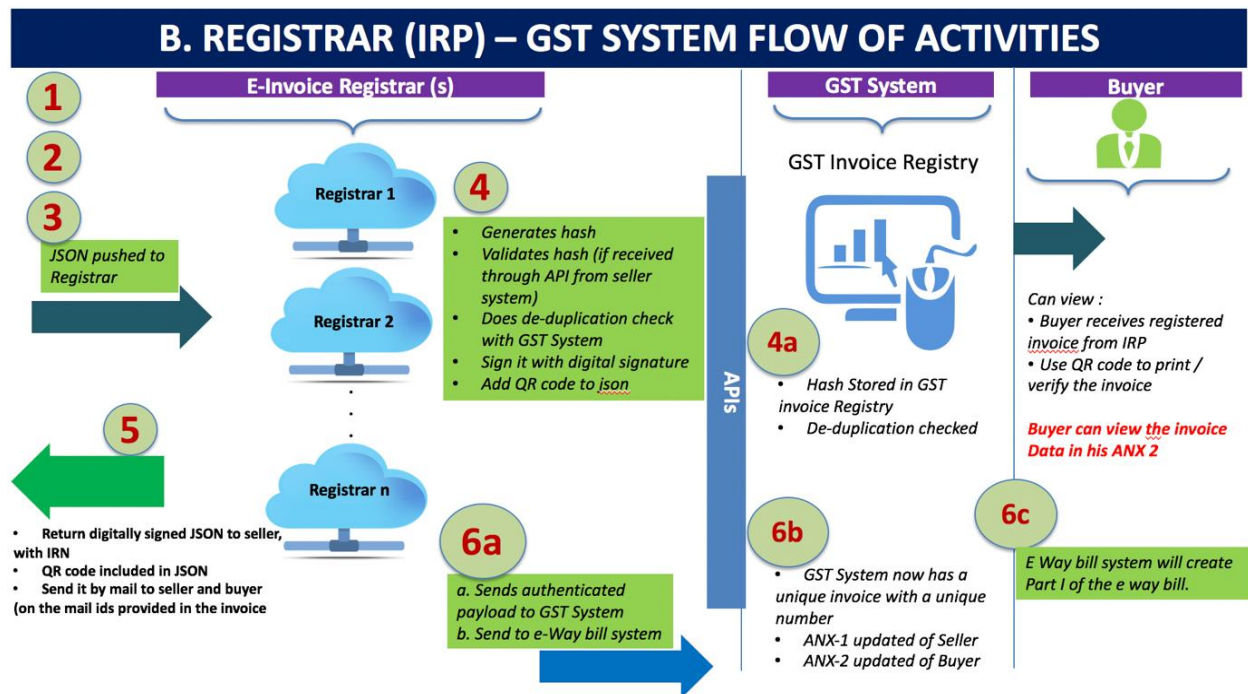
The seller's software should be capable to generate a JSON of the final invoice that is ready to be uploaded to the Invoice Registration Portal (IRP). Those who do not use any accounting software or IT tool to generate the invoice, will be provided an offline tool to key-in data of invoice and then submit the same. The small and medium size taxpayers (having annual turnover below Rs 1.5 Crores) can avail accounting and billing system being offered by GSTN free of cost.

Generation of e-invoice will be the responsibility of the taxpayer who will be required to report the same to Invoice Registration Portal (IRP) of GST, which in turn will generate a unique Invoice Reference Number (IRN) and digitally sign the e-invoice and also generate a QR code. The QR Code will contain vital parameters of the e-invoice and return the same to the taxpayer who generated the document in first place. The IRP will also send the signed e-invoice to the recipient of the document on the email provided in the e-invoice. IRN also serves a dual purpose where on generating it, a taxpayer can get Part A of his E-way bill auto-populated.

Flow from seller to IRP



Flow from IRP to GST System/E-Way Bill System & Buyer



Other important points:

- Seller is not required to prepare invoices in triplicate/duplicate as required by CGST Rules.
- Any invoice issued in any manner other than E-Invoice shall be treated as invalid invoice.
- While the word invoice is used in the name of e-invoice, it also covers Credit Note, Debit Note and other documents required by law to be issued by Supplier.
- Common GST Electronic Portal for preparation of e-invoice:
 - www.einvoice1.gst.gov.in
 - www.einvoice2.gst.gov.in
 - www.einvoice3.gst.gov.in
 - www.einvoice4.gst.gov.in
 - www.einvoice5.gst.gov.in
 - www.einvoice6.gst.gov.in
 - www.einvoice7.gst.gov.in
 - www.einvoice8.gst.gov.in
 - www.einvoice9.gst.gov.in
 - www.einvoice10.gst.gov.in

QUICK RESPONSE (QR) CODE ON INVOICE

An invoice issued by a registered person, whose aggregate turnover in a financial year exceeds Rs.500 Crores, to an unregistered person (B2C invoice), shall have QR code.

Mandatory applicable from	:	1 st April 2020
Applicable on	:	Registered person having aggregate turnover exceeding Rs.500 Crores in a financial year
Type of Transaction Covered	:	B2C invoices

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Reference: Notification No. 68/2019, 69/2019, 70/2019, 71/2019 & 72/2019 - Central Tax dated 13th December'2019