



Varaiya and Shah LLP
Chartered Accountants

GST Alert (E-invoicing)

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Government of India (Central Board of Indirect Taxes and Custom (CBIC)) have issued Notification dated 10th May 2023.

As per the said Notification, threshold limit for “E-Invoicing” has been reduced from 10(ten) crores (excluding GST) to 5(Five) crores (excluding GST) with effect from 1st August 2023.

Thus, if your turnover (on PAN India Basis) was more than Rs. 5 Crore (excluding GST) in any financial year from 2017-18 is required to comply with the e-invoice provisions **w.e.f. 01st August 2023.**

A. What is “E-Invoice”

Registered person is required to prepare an invoice by uploading particulars of the invoice on Invoice Registration Portal (IRP) (i.e. einvoice1.gst.gov.in) and obtain an Invoice Registration Number (IRN). On uploading the invoice details, the invoice copy containing the IRN will be considered as “E-invoice”. E-Invoice is to be generated before goods move out of the supplier’s location. It is advisable to upgrade present accounting software for generation of E-Invoice. In absence of the same, one can generate E-Invoice through excel based offline utility available on Invoice Registration Portal.

B. The following documents are presently covered under “E-invoicing”:

1. Tax Invoice
2. Debit Note
3. Credit Note

C. Following supplies are presently covered under “E -Invoice”:

1. Supplies to registered person (B2B)
2. Supplies to SEZ & Export (With/Without Payment of IGST)
3. Deemed Export

D. Amendment and Cancellation of “E-Invoice”

Amendments in “E-invoice” are not possible but cancellation of “E-invoice” can be triggered within 24 hours from the time of generation of “E-invoice”. Any amendment in “E-invoice” is to be carried out while filing GSTR1. In case of cancellation beyond 24 hours from the time of generation of “E-Invoice”, it is advisable to generate credit notes for cancellation of the particular “E-invoice” and **generate fresh E-Invoice.**

E. Implication of non-generation of E-Invoice

If registered person who is required to generate E-Invoice, does not generate E-invoice, then its invoice will be treated as invalid. Invalid Invoice can not be used for transporting of goods and for claiming Input tax credit.

We, at Varaiya & Shah LLP

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Compiled by Mr. Harshad Kadam

