LEARNING OUTCOMES

This Chapter will equip you to –

- describe and analyse the provisions relating to tax invoice in case of taxable supply of goods and in case of taxable supply of services - time-limit and manner of issuing the same
- enumerate the particulars of a tax invoice
- explain the provisions relating to revised tax invoice, bill of supply, receipt voucher, refund voucher, payment voucher, etc.
- identify the cases where no tax invoice is required to be issued and identify the suppliers of taxable service who are permitted to issue any document other than tax invoice
- explain the provisions relating to transportation of goods without issuance of invoice
- explain the provisions of e-way bill
- describe the provisions relating to issuance of credit and debit notes
- explain the provisions relating to prohibition of unauthorised collection of tax
- describe the provisions relating to amount of tax to be indicated in tax invoice and other documents.
1. INTRODUCTION

An invoice is a commercial instrument issued by a supplier of goods/services to a recipient. It identifies both the parties involved, and lists, describes the items sold/services supplied, quantifies the items sold, shows the date of shipment and mode of transport, prices and discounts, if any, and the delivery and payment terms (in case of supply of goods).
Invoicing is very crucial aspect for ensuring tax compliance under any indirect taxation system. In order to ensure transparency, issuance of invoice for every taxable transaction is a pre-requisite. In case of supply of goods or provision of services, an invoice is raised by the supplier of such goods or services to the recipient of the same. Tax invoice acts as a document evidencing the payment of the value of the goods or services or both as also the tax portion in the same. In certain cases, an invoice serves as a demand for payment and becomes a document of title when paid in full.

Under the GST regime, an “invoice” or “tax invoice” means the tax invoice referred to in section 31 of the CGST Act, 2017. This section mandates the issuance of an invoice or a bill of supply for every supply of goods or services.

Under GST, a tax invoice is an important document. It not only evidences supply of goods or services, but is also an essential document for the recipient to avail Input Tax Credit (ITC). A registered person cannot avail input tax credit unless he is in possession of a tax invoice or a debit note.

The provisions relating to tax invoices, debit and credit notes are contained in Chapter VI - Tax Invoice, Credit and Debit Notes [Sections 31 to 34] of the CGST Act and Chapter-VI: Tax Invoice, Credit and Debit Notes [Rules 46 to 55A] of Central Goods and Services (CGST) Rules, 2017. Further, E-way Bill provisions discussed in this chapter are contained in section 68 read with rules 138, 138A, 138B, 138C & 138D [Chapter XVI] of the CGST Rules, 2017. State GST laws also prescribe identical provisions in relation to Tax Invoice; Credit and Debit Notes; E-way Bill.

Provisions of Tax invoice; Credit and Debit Notes; E-way Bill under CGST Act have also been made applicable to IGST Act vide section 20 of the IGST Act.

Before proceeding to understand the provisions of Tax Invoice, Credit and Debit Notes, E-way Bill, let us first go through few relevant definitions.
2. RELEVANT DEFINITIONS

- **Credit note**: means a document issued by a registered person under sub-section (1) of section 34 [Section 2(37)].

- **Debit note**: means a document issued by a registered person under sub-section (3) of section 34 [Section 2(38)].

- **Continuous supply of goods**: means [Section 2(32)]:

  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

- **Continuous supply of services**: means [Section 2(33)]:

  supply of services which is provided, or agreed to be provided, continuously or on recurrent basis under a contract for a period exceeding 3 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

- **Document**: includes written or printed record of any sort and electronic record as defined in clause (t) of section 2 of the Information Technology Act, 2000 [Section 2(41)].
**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 the Integrated Goods and Services Tax Act, and includes non-taxable supply [Section 2(47)].

**Invoice or tax invoice:** means the tax invoice referred to in section 31 [Section 2(66)].

**Quarter:** shall mean a period comprising three consecutive calendar months, ending on the last day of March, June, September and December of a calendar year [Section 2(92)].

**Return:** means any return prescribed or otherwise required to be furnished by or under this Act or the rules made thereunder [Section 2(97)].

### 3. TAX INVOICE [SECTION 31]

#### STATUTORY PROVISIONS

<table>
<thead>
<tr>
<th>Section 31</th>
<th>Tax invoice</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Sub-section</th>
<th>Particulars</th>
</tr>
</thead>
</table>
| (1)         | A registered person supplying taxable goods shall, before or at the time of,—  
(a) removal of goods for supply to the recipient, where the supply involves movement of goods; or  
(b) delivery of goods or making available thereof to the recipient, in any other case  
issue a tax invoice showing the description, quantity and value of goods, the tax charged thereon and such other particulars as may be prescribed;  
Provided that the Government may, on the recommendations of the Council, by notification, specify the categories of goods or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed. |
| (2) | A registered person supplying taxable services shall, before or after the provision of service but within a prescribed period, issue a tax invoice, showing the description, value, tax charged thereon and such other particulars as may be prescribed:

Provided that the Government may, on the recommendations of the Council, by notification and subject to such conditions as may be mentioned therein, specify the categories of services in respect of which—

(a) any other document issued in relation to the supply shall be deemed to be a tax invoice; or

(b) tax invoice may not be issued. |
| (3) | Notwithstanding anything contained in sub-sections (1) and (2)—

(a) a registered person may, within one month from the date of issuance of certificate of registration and in such manner as may be prescribed, issue a revised invoice against the invoice already issued during the period beginning with the effective date of registration till the date of issuance of certificate of registration to him;

(b) a registered person may not issue a tax invoice if the value of the goods or services or both supplied is less than two hundred rupees subject to such conditions and in such manner as may be prescribed;

(c) a registered person supplying exempted goods or services or both or paying tax under the provisions of section 10 shall issue, instead of a tax invoice, a bill of supply containing such particulars and in such manner as may be prescribed:

Provided that the registered person may not issue a bill of supply if the value of the goods or services or both supplied is less than two hundred rupees subject to such conditions and in such manner as may be prescribed;

(d) a registered person shall, on receipt of advance payment with respect to any supply of goods or services or both, issue a receipt voucher or any other document, containing such particulars as may be prescribed, evidencing receipt of such payment; |
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(e)</td>
<td>where, on receipt of advance payment with respect to any supply of goods or services or both the registered person issues a receipt voucher, but subsequently no supply is made and no tax invoice is issued in pursuance thereof, the said registered person may issue to the person who had made the payment, a refund voucher against such payment;</td>
</tr>
<tr>
<td>(f)</td>
<td>a registered person who is liable to pay tax under sub-section (3) or sub-section (4) of section 9 shall issue an invoice in respect of goods or services or both received by him from the supplier who is not registered on the date of receipt of goods or services or both;</td>
</tr>
<tr>
<td>(g)</td>
<td>a registered person who is liable to pay tax under sub-section (3) or sub-section (4) of section 9 shall issue a payment voucher at the time of making payment to the supplier.</td>
</tr>
<tr>
<td>(4)</td>
<td>In case of continuous supply of goods, where successive statements of accounts or successive payments are involved, the invoice shall be issued before or at the time each such statement is issued or, as the case may be, each such payment is received.</td>
</tr>
<tr>
<td>(5)</td>
<td>Subject to the provisions of clause (d) of sub-section (3), in case of continuous supply of services,—</td>
</tr>
<tr>
<td>(a)</td>
<td>where the due date of payment is ascertainable from the contract, the invoice shall be issued on or before the due date of payment;</td>
</tr>
<tr>
<td>(b)</td>
<td>where the due date of payment is not ascertainable from the contract, the invoice shall be issued before or at the time when the supplier of service receives the payment;</td>
</tr>
<tr>
<td>(c)</td>
<td>where the payment is linked to the completion of an event, the invoice shall be issued on or before the date of completion of that event.</td>
</tr>
<tr>
<td>(6)</td>
<td>In a case 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.</td>
</tr>
</tbody>
</table>
Notwithstanding anything contained in sub-section (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.

Explanation.—For the purposes of this section, the expression “tax invoice” shall include any revised invoice issued by the supplier in respect of a supply made earlier.

ANALYSIS

The provisions relating to Tax Invoice are provided under section 31 of the CGST Act as well as Chapter-VI: Tax Invoice, Credit and Debit Notes of Central Goods and Services (CGST) Rules, 2017. The provisions contained in these rules have been incorporated at the relevant places.

There is no format prescribed for the Tax Invoice. Only certain fields have been prescribed as mandatory fields. Further, invoices may be issued manually or electronically. Issuance of electronic invoices is not mandatory.

A. TAX INVOICE ISSUED BY A SUPPLIER OF TAXABLE GOODS/ TAXABLE SERVICES

A tax invoice shall be issued by a registered person supplying taxable goods or taxable services or both. Such tax invoice shall show the prescribed particulars.

(i) Time limit for issuance of invoice [Sections 31(1), (2), (4) & (5) read with rule 47]

The time for issuing an invoice would depend on the nature of supply viz. whether it is a supply of goods or supply of services.

A registered person supplying taxable goods shall issue a tax invoice, before or at the time of removal of goods (where supply involves movement of goods) or in any other case, before or at the time of delivery or making available thereof to the recipient.
The Government may, on the recommendations of the Council, by notification, specify the categories of goods or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed.

In case of supply of taxable services, tax invoice may be issued before or after the provision of services, but within the specified period. Government may notify the categories of services in respect of which any other document issued in relation to supply shall be deemed to be a tax invoice or tax invoice may not be issued.

<table>
<thead>
<tr>
<th>In case of taxable supply of goods</th>
<th>In case of taxable supply of services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invoice shall be issued <strong>before or at the time of</strong>—</td>
<td>Invoice shall be issued before or after the provision of service, but within a period of <strong>30 days</strong>* from the date of supply of service.</td>
</tr>
<tr>
<td>(a) removal of goods for supply to the recipient, where the supply involves movement of goods; or</td>
<td>*45 days in case of an insurer or banking company or financial institution, including a non-banking financial company (NBFC)</td>
</tr>
<tr>
<td>(b) delivery of goods or making available thereof to the recipient, in any other case.</td>
<td>An insurer or a banking company or a financial institution, including NBFC, or a telecom operator, or any other class of supplier of services as may be notified by the Government, making taxable supplies of services between distinct persons as specified in section 25</td>
</tr>
</tbody>
</table>

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.
### INDIRECT TAXES

**In case of continuous supply of goods**

| Where successive statements of accounts/ successive payments are involved, the invoice shall be issued before/at the time each such statement is issued or each such payment is received. |

**In case of continuous supply of services**

<table>
<thead>
<tr>
<th>Where</th>
<th>the invoice shall be issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Due date of payment is ascertainable from the contract</td>
<td>On or before the due date of payment</td>
</tr>
<tr>
<td>(b) Due date of payment is not ascertainable from the contract</td>
<td>Before or at the time when the supplier of service receives the payment</td>
</tr>
<tr>
<td>(c) Payment is linked to the completion of an event</td>
<td>On or before the date of completion of that event</td>
</tr>
</tbody>
</table>

**Example**

Ritu Manufacturers, Delhi supplies goods to Prakhar Electronics, Haryana. The goods were removed from its factory in Delhi on 23rd September. Ritu Manufacturers needs to issue a tax invoice on or before 23rd September.

Katyani Security Services Ltd. provides security services to Royal Jewellers for their Jewellery Exhibition to be organized on 5th October. Katyani Security Services Ltd. needs to issue a tax invoice within 30 days of supply of security services, i.e. on or before 4th November.

**ii) Where supply of services ceases before its completion [Section 31(6)]**

In a case 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.
(iii) **Goods sent on sale or return basis [Section 31(7)]**

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:

(i) before/at the time of supply
   or

(ii) 6 months from the date of removal

whichever is earlier.

(iv) **Particulars of a tax invoice [Sections 31(1) & (2) read with rule 46]**

As discussed earlier, there is no format prescribed for an invoice, but rules make it mandatory for an invoice to have the following fields (only applicable fields are to be filled):

<table>
<thead>
<tr>
<th>Name, address and GSTIN of the supplier;</th>
</tr>
</thead>
<tbody>
<tr>
<td>A consecutive serial number not exceeding 16 characters, in one or multiple series, containing alphabets/numerals/special characters hyphen or dash and slash, and any combination thereof, unique for a FY;</td>
</tr>
<tr>
<td>Date of its issue;</td>
</tr>
<tr>
<td>If recipient is registered  - Name, address and GSTIN or UIN of recipient</td>
</tr>
<tr>
<td>If recipient is unregistered and value of supply is</td>
</tr>
<tr>
<td>₹ 50,000 or more</td>
</tr>
<tr>
<td>less than ₹ 50,000</td>
</tr>
<tr>
<td>HSN code for goods or services;</td>
</tr>
<tr>
<td>Description of goods or services;</td>
</tr>
<tr>
<td>Quantity in case of goods and unit or Unique Quantity Code thereof;</td>
</tr>
<tr>
<td>Total value of supply of goods or services or both;</td>
</tr>
<tr>
<td>Taxable value of supply of goods or services or both taking into account discount or abatement, if any;</td>
</tr>
<tr>
<td>Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);</td>
</tr>
<tr>
<td>Amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);</td>
</tr>
<tr>
<td>Place of supply along with the name of State, in case of a supply in the course of inter-State trade or commerce;</td>
</tr>
<tr>
<td>Address of delivery where the same is different from the place of supply;</td>
</tr>
<tr>
<td>Whether the tax is payable on reverse charge basis; and</td>
</tr>
<tr>
<td>Signature or digital signature of the supplier or his authorized representative</td>
</tr>
</tbody>
</table>

**However, 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**

(v) **Number of HSN digits required on tax invoice and class of registered person not required to mention HSN [Rule 46]**

Board may, on the recommendations of the Council, by notification, specify -

(i) the number of digits of HSN code for goods or services, that a class of registered persons shall be required to mention, for such period as may be specified in the said notification.
(ii) the class of registered persons that would not be required to mention the HSN code for goods or services, for such period as may be specified in the said notification.

This provision is also applicable to Bill of Supply [The concept of Bill of Supply is discussed in subsequent paras].

In this regard, Notification No. 12/2017 CT dated 28.06.2017 has notified the following:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Annual Turnover (AT) in the preceding FY</th>
<th>Number of Digits of HSN Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>AT ( \leq ) ₹ 1.5 crores</td>
<td>Nil</td>
</tr>
<tr>
<td>2.</td>
<td>₹ 5 crores ( \geq ) AT &gt; ₹ 1.5 crores</td>
<td>2</td>
</tr>
<tr>
<td>3.</td>
<td>AT &gt; ₹ 5 crores</td>
<td>4</td>
</tr>
</tbody>
</table>

(vi) Manner of issuing the invoice [Sections 31(1) & (2) read with rule 48]

<table>
<thead>
<tr>
<th>In case of taxable supply of goods</th>
<th>In case of taxable supply of services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invoice shall be prepared in TRIPlicate</td>
<td>Invoice shall be prepared in DUPLICATE</td>
</tr>
</tbody>
</table>

Original copy ➔ ORIGINAL FOR RECIPIENT
Duplicate copy ➔ DUPLICATE FOR TRANSPORTER
Triplicate copy ➔ TRIPlicate FOR SUPPLIER

Original copy ➔ ORIGINAL FOR RECIPIENT
Duplicate copy ➔ DUPLICATE FOR TRANSPORTER

The serial number of invoices issued during a tax period shall be furnished electronically [through the Common Portal – www.gst.gov.in], in FORM GSTR-1 [Details of outward Supplies of goods or services].
Key points from aforesaid discussion have been summarized as follows:

1. All GST taxpayers are free to design their own Tax Invoice Format.
2. The law requires that only certain fields as mandatory fields in the Tax Invoice. The same have been listed under heading (iv) above. The mandatory fields have also been circled in the following Sample Tax Invoice.
3. The time period for issuance of invoice is different for goods and services. For goods, it is any time before or at its delivery and for services, it is within 30 days from the date of supply of services.
4. In order to keep the compliance burden low for the small taxpayers, taxpayers with annual turnover of ₹1.5 crores need not mention the HSN code of the goods in the invoices.

Sample Tax Invoice
TAX INVOICE, CREDIT AND DEBIT NOTES

B. SPECIAL CASES

(i) Revised Tax Invoice [Section 31(3)(a) read with rule 53]

When issued?

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. Such invoices shall be issued against the invoices already issued during said period.

Revised Tax Invoices shall be issued within 1 month from the date of issuance of certificate of registration. The words “Revised Invoice” shall be indicated prominently on such invoices.

This provision is necessary, as a person who becomes liable for registration has to apply for registration within 30 days of becoming liable for registration. When such an application is made within the stipulated time period and registration is granted, the effective date of registration is the date on which the person became liable for registration.

Thus, there would be a time lag between the date of grant of certificate of registration and the effective date of registration. For supplies made by such person during this intervening period, the law enables the issuance of a revised invoice, so that ITC can be availed by the recipient on such supplies.

For the purposes of section 31, the expression “tax invoice” shall include any revised invoice issued by the supplier in respect of a supply made earlier [Explanation to section 31].

Revised Tax Invoices to be issued in respect of taxable supplies effected during this period

Sarabhai Private Ltd. commenced business of supply of goods on 1st April in Delhi. Its turnover exceeded the applicable threshold limit on 3rd September. Thus, it became liable to registration on 3rd
September. It applied for registration on 29th September and was granted registration certificate on 5th October. Since it applied for registration within 30 days of becoming liable to registration, registration granted is effective from 3rd September.

Sarabhai Private Ltd. may issue Revised Tax Invoices in respect of taxable supplies effected between 3rd September and 5th October.

Consolidated Revised Tax Invoices in certain cases

A registered person may issue a Consolidated Revised Tax Invoice in respect of all taxable supplies made to an unregistered recipient during such period.

However, in case of inter-State supplies, a consolidated Revised Tax Invoice cannot be issued in respect of all unregistered recipients if the value of a supply exceeds ₹ 2,50,000.

Particulars of Revised Tax Invoice

<table>
<thead>
<tr>
<th>Name, address and GSTIN of the supplier;</th>
</tr>
</thead>
<tbody>
<tr>
<td>A consecutive serial number not exceeding 16 characters, in one or multiple series, containing alphabets or numerals or special characters - hyphen or dash and slash and any combination thereof, unique for a FY;</td>
</tr>
<tr>
<td>Date of issue of the document;</td>
</tr>
<tr>
<td>Name, address and GSTIN or UIN, if registered, of the recipient;</td>
</tr>
<tr>
<td>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;</td>
</tr>
</tbody>
</table>
(ii) No Tax Invoice required to be issued if value < ₹ 200 – A consolidated Tax Invoice can be issued [Section 31(3)(b) read with fourth proviso to rule 46]

A registered person may not issue a Tax Invoice if:
(i) Value of the goods/services/both supplied < ₹200,
(ii) the recipient is unregistered; and
(iii) the recipient does not require such invoice.

Instead such registered person shall issue a Consolidated Tax Invoice for such supplies at the close of each day in respect of all such supplies.

Thus, small taxpayers, like small retailers, doing a large number of small transactions for upto a value of ₹ 200 per transaction to unregistered customers need not issue invoice for every such transaction. They can issue one consolidated invoice at the end of each day for all transactions done during the day. However, they need to issue an invoice when the customer demands.

Above provision is also applicable to Bill of Supply.

ILLUSTRATION

Jain & Sons is a trader dealing in stationery items. It is registered under GST and has undertaken following sales during the day:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Recipient of supply</th>
<th>Amount (₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Raghav Traders - a registered retail dealer</td>
<td>190</td>
</tr>
<tr>
<td>2.</td>
<td>Dhruv Enterprises – an unregistered trader</td>
<td>358</td>
</tr>
<tr>
<td>4.</td>
<td>Oberoi Orphanage – an unregistered entity</td>
<td>188</td>
</tr>
<tr>
<td>5.</td>
<td>Aaradhya – a Student [unregistered]</td>
<td>158</td>
</tr>
</tbody>
</table>
None of the recipients require a tax invoice [Raghav Traders being a composition dealer].

Determine in respect of which of the above supplies, Jain & Sons may issue a Consolidated Tax Invoice instead of Tax Invoice, at the end of the day?

**SOLUTION**

In the given illustration, Jain & Sons can issue a Consolidated Tax Invoice only with respect to supplies made to Oberoi Orphanage [worth ₹ 188] and Aaradhya [worth ₹ 158] as the value of goods supplied to these recipients is less than ₹ 200 as also these recipients are unregistered and don’t require a tax invoice.

As regards the supply made to Raghav Traders, although the value of goods supplied to it is less than ₹ 200, Raghav Traders is registered under GST. So, Consolidated Tax Invoice cannot be issued.

Consolidated Tax Invoice can also not be issued for supplies of goods made to Dhruv Enterprises and Gaurav although both of them are unregistered. The reason for the same is that the value of goods supplied is not less than ₹ 200.

**(iii) Bill of Supply [Section 31(3)(c) read with rule 49]**

Section 31(3)(c) stipulates that a registered person supplying exempted goods or services or both or a registered person paying tax under composition levy, shall issue a bill of supply instead of a tax invoice. These provisions have also been made applicable\(^1\) to a person paying tax at concessional rate under Notification No. 2/2019 CT (R) dated 07.03.2019.

Person opting for composition levy shall mention the words “composition taxable person, not eligible to collect tax on supplies” at the top of the bill of supply issued by him. Similarly, a person opting for paying tax at concessional rate under Notification No. 2/2019 CT (R) will have the following words at its top - 'taxable person paying tax in terms of Notification No. 2/2019 CT (R) dated 07.03.2019, not eligible to collect tax on supplies'.

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\(^1\) vide Order No. 3/2019 CT dated 08.03.2019

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Particulars of Bill of Supply

A registered person opting for the composition levy as also **person paying tax at concessional rate under Notification No. 2/2019** do not collect tax from the recipient on outward supplies made by him. Similarly, in case of a registered person supplying exempted goods and/or services, no tax implications are there. Recipients should not expect Tax Invoice from such suppliers as they cannot issue tax invoice.

Since no tax is collected from the recipient by a registered person opting for the composition levy, **person paying tax at concessional rate under Notification No. 2/2019** and a registered person supplying exempted goods and/or services, Bill of Supply issued by such persons does not contain the details pertaining to rate of tax and amount of tax. Further, value to be mentioned in the Bill of Supply is not also taxable value.

| Name, address and GSTIN of the supplier; |
| A consecutive serial number not exceeding 16 characters, in one or more multiple series, containing alphabets or numerals or special characters - hyphen or dash and slash and any combination thereof, unique for a FY; |
| Date of its issue; |
| Name, address and GSTIN or UIN, if registered, of the recipient; |
| HSN Code for goods or services; |
| Description of goods or services or both; |
Value of supply of goods or services or both taking into account discount/abatement, if any; and

Signature/digital signature of supplier/his authorized representative.

*However, signature or digital signature of the supplier or his authorized representative shall not be required in the case of issuance of an electronic bill of supply in accordance with the provisions of the Information Technology Act, 2000.*

Note: Any tax invoice or any other similar document issued under any other Act for the time being in force in respect of any non-taxable supply shall be treated as bill of supply for the purposes of the Act.

Patel & Sons is a manufacturer of goods who has opted for composition levy under section 10. It will issue a Bill of Supply to the buyers of goods and not the tax invoice.

**Invoice-cum-bill of supply [Rule 46A]**

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 46A is notwithstanding anything contained in rule 46 or rule 49 or rule 54 of CGST Rules.

**(iv) Receipt Voucher [Section 31(3)(d) read with rule 50]**

A registered person shall, on receipt of advance payment with respect to any supply of goods or services or both, issue a Receipt Voucher evidencing receipt of such payment.

**Particulars of Receipt Voucher**

- Name, address and GSTIN of the supplier;
- A consecutive serial number not exceeding 16 characters, in one or multiple series, containing alphabets or numerals or special characters - hyphen or dash and slash and any combination thereof, unique for a FY
- Date of its issue;
- Name, address and GSTIN or UIN, if registered, of the recipient;
### Description of goods or services;

### Amount of advance taken;

### Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);

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

### 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;

### Whether the tax is payable on reverse charge basis; and

### Signature/digital signature of supplier/his authorized representative

#### Where at the time of receipt of advance, rate of tax and/or nature of supply is not determinable

<table>
<thead>
<tr>
<th>Where at the time of receipt of advance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) rate of tax is not determinable</td>
<td>tax shall be paid at the rate of 18%</td>
</tr>
<tr>
<td>(ii) nature of supply is not determinable</td>
<td>same shall be treated as inter-State supply</td>
</tr>
</tbody>
</table>

#### (v) Refund Voucher [Section 31(3)(e) read with rule 51]

Where, on receipt of advance payment with respect to any supply of goods or services or both the registered person issues a **Receipt Voucher**, but subsequently no supply is made and no tax invoice is issued in pursuance thereof, the said registered person may issue to the person who had made the payment, a **Refund Voucher** against such payment.
**Particulars of Refund Voucher**

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name, address and GSTIN of the supplier;</td>
<td></td>
</tr>
<tr>
<td>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 and any combination thereof, unique for a FY;</td>
<td></td>
</tr>
<tr>
<td>Date of its issue;</td>
<td></td>
</tr>
<tr>
<td>Name, address and GSTIN or UIN, if registered, of the recipient;</td>
<td></td>
</tr>
<tr>
<td>Number and date of Receipt Voucher issued</td>
<td></td>
</tr>
<tr>
<td>Description of goods/services in respect of which refund is made</td>
<td></td>
</tr>
<tr>
<td>Amount of refund made</td>
<td></td>
</tr>
<tr>
<td>Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess)</td>
<td></td>
</tr>
<tr>
<td>Amount of tax paid in respect of such goods or services (central tax, State tax, integrated tax, Union territory tax or cess)</td>
<td></td>
</tr>
<tr>
<td>Whether the tax is payable on reverse charge basis; and</td>
<td></td>
</tr>
<tr>
<td>Signature/digital signature of supplier/his authorized representative</td>
<td></td>
</tr>
</tbody>
</table>

(vi) **Invoice and Payment Voucher [Section 31(3)(f) & (g) read with second proviso to rule 46 and rule 52]**

The recipient is liable to pay tax on reverse charge basis where he receives supply of such goods/services/both which are notified for reverse charge purposes. Such supplies can be received from a registered or an unregistered supplier [Section 9(3)].
Further, a builder/promoter is required to pay GST on reverse charge basis under section 9(4) in one or more of the following cases:

(i) A builder/promoter must purchase 80% of inputs and input services used in supplying the service from registered persons. In case of shortfall, he’s required to pay tax under reverse charge on all such inward supplies (to the extent short of 80% of the inward supplies from registered supplier).

(ii) Where cement is received from an unregistered person, promoter/builder has to pay tax on supply of such cement on reverse charge basis and

(iii) GST on capital goods is payable by the promoter on reverse charge basis.

Invoice to be issued by recipient if he is liable to pay tax under section 9(3)/(4) and receives supplies from an unregistered person

A registered person who is liable to pay tax under reverse charge [under section 9(3)/9(4) of the CGST Act] shall issue an Invoice in respect of goods or services or both received by him from the supplier who is not registered on the date of receipt of goods or services or both. Thus, a recipient liable to pay tax by virtue of section 9(3) has to issue invoice only when supplies have been received from an unregistered supplier.

Payment voucher to be issued by recipient at the time of making payment if he is liable to pay tax under section 9(3)/(4)

Besides, a registered person who is liable to pay tax under reverse charge [under section 9(3)/9(4) of the CGST Act] shall issue a Payment Voucher at the time of making payment to the supplier.

Particulars of Payment Voucher

<p>| Name, address and GSTIN of the supplier if registered; |
| A consecutive serial number not exceeding 16 characters, in one or multiple series, containing alphabets or numerals or special characters -hyphen or dash and any combination thereof, unique for a FY |</p>
<table>
<thead>
<tr>
<th>Date of its issue;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name, address and GSTIN of the recipient;</td>
</tr>
<tr>
<td>Description of goods or services;</td>
</tr>
<tr>
<td>Amount paid;</td>
</tr>
<tr>
<td>Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);</td>
</tr>
<tr>
<td>Amount of tax payable in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess);</td>
</tr>
<tr>
<td>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</td>
</tr>
<tr>
<td>Signature/digital signature of supplier/his authorized representative</td>
</tr>
</tbody>
</table>

(vii) **Supplier permitted to issue any document other than tax invoice**

[Section 31(2) and proviso to section 31(1) read with rules 54 and 55]

Government may, on the recommendations of the Council, by notification and subject to such conditions as may be mentioned therein, specify the categories of services in respect of which—

(a) any other document issued in relation to the supply shall be deemed to be a tax invoice; or

(b) tax invoice may not be issued.

Further, Government may, on the recommendations of the Council, by notification, specify the categories of goods or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed.
Following suppliers may issue a tax invoice, but they are also permitted to issue any other document in lieu of tax invoice, by whatever name called:

<table>
<thead>
<tr>
<th>Supplier of taxable service</th>
<th>Document in lieu of the tax invoice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurer/Banking company/Financial institution, including NBFC</td>
<td><strong>Optional information</strong></td>
</tr>
<tr>
<td><strong>Mandatory information</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Serial number (It is not mandatory for a bank/ insurance company to serially number the invoices/document).</td>
</tr>
<tr>
<td></td>
<td>• Address of the recipient of taxable service.</td>
</tr>
<tr>
<td></td>
<td>Other information (other than serial no. and address of recipient) as prescribed for a Tax Invoice, under rule 46.</td>
</tr>
</tbody>
</table>

A customer may avail numerous services from the bank / insurer in a given tax period. Such entities may issue a consolidated tax invoice/statement/advice, any other document in lieu thereof, by whatever name called may be issued/ made available, physically/ electronically, for supply of services made during a month at the end of the month.

*However, 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.*
<table>
<thead>
<tr>
<th>Goods Transport Agency (GTA) supplying services in relation to transportation of goods by road in a goods carriage</th>
<th>Gross weight of the consignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of the consignor and the consignee</td>
<td></td>
</tr>
<tr>
<td>Registration number of goods carriage in which the goods are transported</td>
<td></td>
</tr>
<tr>
<td>Details of goods transported</td>
<td></td>
</tr>
<tr>
<td>Details of place of origin and destination</td>
<td></td>
</tr>
<tr>
<td>GSTIN of the person liable for paying tax whether as consignor, consignee or GTA</td>
<td></td>
</tr>
<tr>
<td>Other information as prescribed for a tax invoice, under rule 46</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supplier of passenger transportation service</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Serial number</td>
</tr>
<tr>
<td>• Address of the recipient of taxable service</td>
</tr>
<tr>
<td>Tax invoice shall include ticket in any form, by whatever name called.</td>
</tr>
<tr>
<td>Other information (other than serial no. and address of recipient) as prescribed for a tax invoice, under rule 46.</td>
</tr>
<tr>
<td><em>However, signature or digital signature of the supplier or his authorized representative shall not be required in the case of issuance of ticket in accordance with the provisions of the Information Technology Act, 2000.</em></td>
</tr>
</tbody>
</table>
It is important to note here that keeping in view the large number of transactions in banking, insurance and passenger transportation sector, taxpayers need not mention the address of the customer and the serial number in their invoices.

**Delivery challan**

Rule 55 specifies the cases where at the time of removal of goods, goods may be removed on delivery challan and invoice may be issued after delivery. These are provided in the following table:

<table>
<thead>
<tr>
<th>Nature of supply</th>
<th>Deliver challan to be issued</th>
<th>Particulars of Delivery Challan</th>
</tr>
</thead>
</table>
| (1) Supply of liquid gas **where the quantity at the time of removal** from the place of business of the supplier is not known, (2) Transportation of goods for job work, (3) Transportation of goods for reasons other than by way of supply, or (4) Such other supplies as may be notified by the Board | • serially numbered not exceeding 16 characters in one or multiple series • at the time of removal of goods for transportation | Date and number of the delivery challan  
Name, address and GSTIN of the consigner, if registered  
Name, address and GSTIN or UIN of the consignee, if registered  
HSN code and description of goods,  
Quantity (provisional, where the exact quantity being supplied is not known)  
Taxable value  
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  
Place of supply, in case of inter-state movement  
Signature |
A. Delivery challan in Triplicate
The delivery challan shall be prepared in TRIPLICATE, in case of supply of goods, in the following manner:

<table>
<thead>
<tr>
<th>Original copy</th>
<th>ORIGINAL FOR CONSIGNEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duplicate copy</td>
<td>DUPLICATE FOR TRANSPORTER</td>
</tr>
<tr>
<td>Triplicate copy</td>
<td>TRIPlicate FOR CONSIGNOR</td>
</tr>
</tbody>
</table>

B. Declaration in E-way Bill
Where goods are being transported on a delivery challan in lieu of invoice, the same shall be declared in E-Way Bill.

C. Tax invoice to be issued after delivery of goods
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.

D. Goods transported in SKD/CKD condition or in batches or lots
Where the goods are being transported in a semi knocked down or completely knocked down condition or in batches or lots,

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

**Goods moved within the State or from the State of registration to another State for supply on approval basis and art works sent by artists to galleries for exhibition**
Suppliers of jewellery etc. who are registered in one State may have to visit other States (other than their State of registration) and need to carry the
goods (such as jewellery) along for approval. In such cases if jewellery etc. is approved by the buyer, then the supplier issues a tax invoice only at the time of supply. Since the suppliers are not able to ascertain their actual supplies beforehand and while ascertainment of tax liability in advance is a mandatory requirement for registration as a casual taxable person, the supplier is not able to register as a casual taxable person. Such goods are also carried within the same State for the purposes of supply.

In view of relevant provisions of rule 55, it is clarified that the goods which are taken for supply on approval basis can be moved from the place of business of the registered supplier to another place within the same State or to a place outside the State on a delivery challan along with the e-way bill wherever applicable and the invoice may be issued at the time of delivery of goods. For this purpose, the person carrying the goods for such supply can carry the invoice book with him so that he can issue the invoice once the supply is fructified [Circular No. 10/10/2017 GST dated 18.10.2017].

Likewise, in case where artists supply art works in different States - other than the State in which they are registered as a taxable person and if the art work is selected by the buyer, then the supplier issues a tax invoice only at the time of supply, it is clarified that the art work for supply on approval basis can be moved from the place of business of the registered person (artist) to another place within the same State or to a place outside the State on a delivery challan along with the e-way bill wherever applicable and the invoice may be issued at the time of actual supply of art work [Circular No. 22/22/2017 GST dated 21.12.2017].

4. CREDIT AND DEBIT NOTES [SECTION 34]

<table>
<thead>
<tr>
<th>STATUTORY PROVISIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section 34</strong></td>
</tr>
<tr>
<td><strong>Sub-section</strong></td>
</tr>
<tr>
<td>(1)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>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 <strong>one or more credit notes for supplies made in a financial year</strong> containing such particulars as may be prescribed</td>
</tr>
</tbody>
</table>
| (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. |
| (3) | 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 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** containing 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 in such manner as may be prescribed. |
|   | Explanation.—For the purposes of this Act, the expression “debit note” shall include a supplementary invoice. |
(i) **Issuance of Credit Note:** During the course of trade or commerce, after the invoice has been issued, there can be situations like:

- The supplier has erroneously declared a value which is more than the actual value of the goods or services provided.
- The supplier has erroneously declared a higher tax rate than what is applicable for the kind of the goods or services or both supplied.
- The quantity received by the recipient is less than what has been declared in the tax invoice.
- The quality of the goods or services or both supplied is not to the satisfaction of the recipient thereby necessitating a partial or total reimbursement on the invoice value.
- Any other similar reasons.

In order to regularize these kinds of situations, the supplier is allowed to issue a document called as **credit note** to the recipient. Once the credit note has been issued, the tax liability of the supplier will reduce.

The credit note is a convenient and legal method by which the value of the goods or services in the original tax invoice can be amended or revised. The issuance of the credit note easily allows the supplier to decrease his tax liability in his returns without requiring him to undertake any tedious process of refunds.

Section 34(1) provides that 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/those tax invoice(s) 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 the prescribed particulars.
It is important to note that credit note(s) are not permitted to be issued in case secondary discounts\(^2\) are allowed by the supplier since the tax liability of the supplier does not get reduced in such case. However, supplier can issue financial/ commercial credit note(s) to reduce the value of supply payable by the recipient to the supplier [Circular 92/11/2019 GST dated 07.03.2019].

(ii) **Issuance of Debit Note:** There can be situations when after the invoice has been issued:

- The supplier has erroneously declared a value which is less than the actual value of the goods or services or both provided.
- The supplier has erroneously declared a lower tax rate than what is applicable for the kind of the goods or services or both supplied.
- The quantity received by the recipient is more than what has been declared in the tax invoice.
- Any other similar reasons.

In order to regularize these kinds of situations, the supplier is allowed to issue a document called as **debit note** to the recipient.

Section 34(3) provides that 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 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** containing the prescribed particulars.

The issuance of a debit note/supplementary invoice creates additional tax liability. The treatment of a debit note/supplementary invoice is identical to the treatment of a tax invoice as far as returns and payment are concerned.

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\(^2\) Secondary discounts are the discounts which are not known at the time of supply/are offered after the supply is already over. These discounts are not excluded from the value of supply since conditions laid down in section 15(3)(b) of the CGST Act are not satisfied. Refer Chapter 5-Time and Value of Supply for detailed discussion on the same.
The debit note/supplementary invoice is a convenient and legal method by which the value of the goods and/or services in the original tax invoice can be enhanced. The issuance of the debit note allows the supplier to pay his enhanced tax liability in his returns without requiring him to undertake any other tedious process.

(iii) Details of Debit Note/Credit Note to be declared in Return

I. Credit Note:

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:

(i) September following the end of the financial year in which such supply was made,

or

(ii) the date of furnishing of the relevant annual return, whichever is earlier.

The tax liability shall be adjusted in such manner as may be prescribed. However, 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.

II. Debit Note:

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. The tax liability shall be adjusted in such manner as may be prescribed.

III. Particulars of the Debit and Credit Notes [Rule 53(1A)]

There is no prescribed format, but credit and debit note issued by a supplier must contain the following particulars, namely:

- Name, address and GSTIN of the supplier.
- Nature of the document.
A consecutive serial number not exceeding 16 characters, in one or multiple series, containing alphabets or numerals or special characters - hyphen or dash and slash and any combination thereof, unique for a FY.

Date of issue of the document.

Name, address and GSTIN or UIN, if registered, of the recipient.

Name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is unregistered.

Serial number(s) and date(s) of the corresponding tax invoice(s) or, as the case may be, bill(s) of supply.

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

Signature/digital signature of the supplier/his authorized representative.

5. PROHIBITION OF UNAUTHORISED COLLECTION OF TAX [SECTION 32]

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.

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

6. AMOUNT OF TAX TO BE INDICATED IN TAX INVOICE AND OTHER DOCUMENTS [SECTION 33]

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.

7. E-WAY BILL [SECTION 68 READ WITH RELEVANT CGST RULES, 2017]

Under GST regime, for quick and easy movement of goods across India without any hindrance, all the check posts across the country are abolished. However, in order to monitor the movement of goods for controlling any tax evasion, e-way bill system has been introduced. Under this system, a taxpayer - prior to movement of goods via a conveyance - would inform each transaction’s details to the tax department, obtain an acknowledgement number for having thus informed, and then use this acknowledgement number as a valid document accompanying the conveyance carrying goods. The idea is that the taxpayer be made to upload the details of each transaction to a common portal through the Internet, and once uploaded, the common portal would automatically generate a document which can be tracked and verified easily by any stakeholder.

Statutory requirement

Section 68 of the CGST Act stipulates that the Government may require the person in charge of a conveyance carrying any consignment of goods of value exceeding such amount as may be specified to carry with him such documents and such devices as may be prescribed. Rule 138 of CGST Rules, 2017 prescribes e-way bill as the document to be carried for the consignment of goods in certain prescribed cases.

What is e-way bill?

A waybill is a receipt or a document issued by a carrier giving details and instructions relating to the shipment of a consignment of goods and the details include name of consignor, consignee, the point of origin of the consignment, its destination, and route. Electronic Way Bill (E-Way Bill) is a compliance mechanism wherein by way of a digital interface the person causing the movement of goods uploads the relevant information prior to the commencement of movement of goods and generates e-way bill on the GST portal. In other words, E-way bill is an electronic document generated on the GST portal evidencing movement of goods.
**What are the benefits of e-way bill?**

Following benefits are expected from e-way bill mechanism:

(i) Physical interface to pave way for digital interface resulting in elimination of state boundary check-posts

(ii) It will facilitate faster movement of goods

(iii) It will improve the turnaround time of trucks and help the logistics industry by increasing the average distances travelled, reducing the travel time as well as costs.

E-way Bill is generated **electronically** in **Form GST EWB 01** on the common portal (www.ewaybillgst.gov.in). The facility of generation, cancellation, updation and assignment of e-way bill is available to the supplier, recipient and the transporter, as the case may be. E-way Bill can be generated through various modes like Web (Online), Android App, SMS, using Bulk Upload Tool and API (Application Program Interface) based site to site integration etc.

The pre-requisite for generation of e-way bill is that the person who generates e-way bill should be a registered person on GST portal and he should register on the e-way bill portal. If the transporter is not registered person under GST it is mandatory for him to get enrolled on e-waybill portal (https://ewaybillgst.gov.in) before generation of the e-way bill.

E-way Bill provisions [as contained in rules 138, 138A, 138B, 138C and 138D – Chapter XVI of the CGST Rules, 2017] are elaborated as under:

(1) **When is e-way bill required to be generated? [Rule 138(1)]**

Whenever there is a movement of goods of consignment value exceeding ₹ 50,000:

(i) in relation to a supply; or

(ii) for reasons other than supply; or

(iii) due to inward supply from an unregistered person,

the registered person who causes such movement of goods shall furnish the information relating to the said goods as specified in Part A of Form GST EWB-01 before commencement of such movement.

*It is important to note that “information is to be furnished prior to the commencement of movement of goods” and “is to be issued whether*
the movement is in relation to a supply or for reasons other than supply”.  

Who causes movement of goods?  

If supplier is registered and undertakes to transport the goods, movement of goods is caused by the supplier. If recipient arranges transport, movement is caused by him. If goods are supplied by an unregistered supplier to a registered known recipient, movement shall said to be caused by such recipient.

Meaning of consignment value of goods

Consignment value of goods shall be the value:

- determined in accordance with the provisions of section 15,
- declared in an invoice, a bill of supply or a delivery challan, as the case may be, issued in respect of the said consignment and
- also includes the Central tax, State or Union territory tax, integrated tax and cess charged, if any, in the document and
- shall exclude the value of exempt supply of goods where the invoice is issued in respect of both exempt and taxable supply of goods.

As discussed earlier in this chapter, in case of movement of goods for reasons other than supply, the movement is occasioned by means of a delivery challan which has to necessarily contain the value of goods. The value given in the delivery challan should be adopted in the e-way bill.

Special situations where e-way bill needs to be issued even if the value of the consignment is less than ₹ 50,000:

(i) Inter-State transfer of goods by principal to job-worker

Where goods are sent by a principal located in one State or Union territory to a job worker located in any other State or Union territory, the e-way bill shall be generated either by the principal or the job worker, if registered, irrespective of the value of the consignment [Third proviso to rule 138(1)].

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3 As clarified by CBIC FAQs on E-way Bill.
(ii) **Inter-State transfer of handicraft goods by a person exempted from obtaining registration**

Where handicraft goods* are transported from one State or Union territory to another State or Union territory by a person who has been exempted from the requirement of obtaining registration [under clauses (i) and (ii) of section 24], the e-way bill shall be generated by the said person irrespective of the value of the consignment [Fourth proviso to rule 138].

*Handicraft goods are the goods specified in Notification No. 56/2018 CT dated 23.10.2018 which exempts the casual taxable persons making inter-State taxable supplies of such handicraft goods from obtaining registration upto specified turnover limit [Refer Chapter 7 – Registration].

**E-way Bill in case of ‘Bill To Ship To’ Model**

In a “Bill To Ship To” model of supply, there are three persons involved in a transaction, namely:

‘A’ is the person who has ordered ‘B’ to send goods directly to ‘C’.

‘B’ is the person who is sending goods directly to ‘C’ on behalf of ‘A’.

‘C’ is the recipient of goods.

In this complete scenario, two supplies are involved and accordingly two tax invoices are required to be issued:

**Invoice -1:** which would be issued by ‘B’ to ‘A’.

**Invoice -2:** which would be issued by ‘A’ to ‘C’.

It is clarified that as per the CGST Rules, 2017, either A or B can generate the e-Way Bill but it may be noted that **only one e-Way Bill** is required to be generated [Press Release dated 23.04.2018]
(2) **Information to be furnished in e-way bill:**

An e-way bill Form GST EWB-01 contains two parts:

(I) **Part A** [comprising of details of GSTIN of supplier & recipient, place of delivery (indicating PIN Code also), document (Tax invoice, Bill of Supply, Delivery Challan or Bill of Entry) number and date, value of goods, HSN code, and reasons for transportation, etc.]: to be furnished by the **registered person** who is causing movement of goods of consignment value exceeding ₹ 50,000/- and

(II) **Part B** (transport details) [Transporter document number (Goods Receipt Number or Railway Receipt Number or Airway Bill Number or Bill of Lading Number) and Vehicle number, in case of transport by road]: to be furnished by the **person who is transporting the goods**.

**However, information in Part-A may be furnished:**

✓ by the transporter, on an authorization received from such registered person [First proviso to rule 138(1)] or

✓ by the e-commerce operator or courier agency, where the goods to be transported are supplied through such an e-commerce operator or a courier agency, on an authorization received from the consignor [Second proviso to rule 138(1)].

(3) **Who is mandatorily required to generate e-way bill?**

- **Where the goods are transported by a registered person - whether as consignor or recipient as the consignee** (whether in his own conveyance or a hired one or a public conveyance, by road), the said person shall have to generate the e-way bill (by furnishing information in part B on the common portal) [Rule 138(2)].

- **Where the e-way bill is not generated by the registered person and the goods are handed over to the transporter, for transportation of goods by road**, the registered person shall furnish the information relating to the transporter in Part B on the common portal and the e-way bill shall be generated by the transporter on the said portal on the basis of the information furnished by the registered person in Part A [Rule 138(3)].

- **Where the goods are transported by railways or by air or vessel**, the e-way bill shall be generated by the registered person, being the
supplier or the recipient, who shall, either before or after the commencement of movement, furnish, information in part B [viz transport document number (Goods Receipt Number or Railway Receipt Number or Airway Bill Number or Bill of Lading Number)] on the common portal [Rule 138(2A)].

**Other important points:**

- **Where the goods are transported by railways:** there is no requirement to carry e-way bill along with the goods, but railways has to carry invoice or delivery challan or bill of supply as the case may be along with goods. Further, e-way bill generated for the movement is required to be produced at the time of delivery of the goods. Railways shall not deliver goods unless the e-way bill required under rules is produced at the time of delivery [Proviso to rule 138(2A)].

- The registered person or, the transporter may, at his option, generate and carry the e-way bill even if the value of the consignment is less than ₹ 50,000 [First proviso to rule 138(3)].

- **Where the movement is caused by an unregistered person either in his own conveyance or a hired one or through a transporter,** he or the transporter may, at their option, generate the e-way bill [Second proviso to rule 138(3)].

- **Where the goods are supplied by an unregistered supplier to a recipient who is registered,** the movement shall be said to be caused by such recipient if the recipient is known at the time of commencement of the movement of goods [Explanation 1 to rule 138(3)].

(4) **When is it not mandatory to furnish the details of conveyance in Part-B?**

Explanation 2 to rule 138(3) stipulates that e-way bill is valid for movement of goods by road only when the information in Part-B is furnished. However, details of conveyance may not be furnished in Part-B of the e-way bill where the goods are transported **for a distance of upto 50 km** within the State/Union territory:

- from the place of business of the consignor to the place of business of the transporter for further transportation [Third proviso to rule 138(3)] or
from the place of business of the transporter finally to the place of business of the consignee [Proviso to rule 138(5)].

(5) **Unique e-way bill number (EBN)**

Upon generation of the e-way bill on the common portal, a unique e-way bill number (EBN) shall be made available to the supplier, the recipient and the transporter on the common portal [Rule 138(4)].

(6) **Transfer of goods from one conveyance to another**

Where the goods are transferred from one conveyance to another, the consignor or the recipient, who has provided information in **Part A**, or the transporter shall, before such transfer and further movement of goods, update the details of conveyance in **Part B** of the e-way bill on the common portal [Rule 138(5)].

The consignor/recipient, who has furnished the information in **Part A**, or the transporter, may assign the e-way bill number to another registered/enrolled transporter for updating the information in **Part B** for further movement of the consignment [Rule 138(5A)]. However, once the details of the conveyance have been updated by the transporter in **Part B**, the consignor or recipient, as the case may be, who has furnished the information in **Part A** shall not be allowed to assign the e-way bill number to another transporter [Proviso to rule 138(5A)].

A consignor is required to move goods from City X to City Z. He appoints Transporter A for movement of his goods. Transporter A moves the goods from City X to City Y. For completing the movement of goods i.e., from City Y to City Z, Transporter A now hands over the goods to Transporter B. Thereafter, the goods are moved to the destination i.e. from City Y to City Z by Transporter B.

In such a scenario, only one e-way bill would be required. **Part A** can be filled by the consignor and then the e-way bill will be assigned by the consignor to Transporter A. Transporter A will fill the vehicle details, etc. in **Part B** and will move the goods from City X to City Y.

On reaching City Y, Transporter A will assign the said e-way bill to the Transporter B. Thereafter, Transporter B will be able to update the details of **Part B**. Transporter B will fill the details of his vehicle and move the goods from City Y to City Z [Press Release No. 144/2018 dated 31.03.2018].
(7) Consolidated E-way bill

After e-way bill has been generated, where multiple consignments are intended to be transported in one conveyance, the transporter may indicate the serial number of e-way bills generated in respect of each such consignment electronically on the common portal and a consolidated e-way bill in Form GST EWB-02 may be generated by him on the said common portal prior to the movement of goods [Rule 138(6)].

Consolidated e-way bill is a document containing the multiple e-way bills for multiple consignments being carried in one conveyance (goods vehicle). That is, the transporter carrying multiple consignments of various consignors and consignees in a single vehicle can generate and carry a single document - consolidated e-way bill instead of carrying separate document for each consignment in a conveyance.

Consolidated EWB is like a trip sheet and it contains details of different e-way bills in respect of various consignments being transported in one vehicle and these e-way bills will have different validity periods.

Hence, Consolidated EWB does not have any independent validity period. Further, individual consignment specified in the Consolidated EWB should reach the destination as per the validity period of the individual EWB.

Further, where the consignor/consignee has not generated the e-way bill in Form GST EWB-01 and the aggregate of the consignment value of goods carried in the conveyance is more than ₹ 50,000, the transporter, except in case of transportation of goods by railways, air and vessel, shall, in respect of inter-State supply, generate the e-way bill in Form GST EWB-01 on the basis of invoice or bill of supply or delivery challan, as the case may be, and may also generate a consolidated e-way bill in Form GST EWB-02 on the common portal prior to the movement of goods [Rule 138(7)]. Provisions of rule 138(7) have not yet been made effective.

However, where the goods to be transported are supplied through an e-commerce operator or a courier agency, the information in Part A of Form GST EWB-01 may be furnished by such e-commerce operator or courier agency [Proviso to rule 138(7)].
(8) **Information submitted for e-way bill can be used for filing GST Returns**

The information furnished in **Part A** of the e-way bill shall be made available to the registered supplier on the common portal who may utilize the same for furnishing the details in **Form GSTR-1** [Rule 138(8)].

However, when the information has been furnished by an unregistered supplier/unregistered recipient, he shall be informed electronically, if the mobile number or the e-mail is available [Proviso to rule 138(8)].

(9) **Cancellation of e-way bill**

Where an e-way bill has been generated, but goods are either not transported or are not transported as per the details furnished in the e-way bill, the e-way bill may be cancelled electronically on the common portal within **24 hours** of generation of the e-way bill [Rule 138(9)].

However, an e-way bill cannot be cancelled if it has been verified in transit in accordance with the provisions of rule 138B [First proviso to rule 138(9)].

Further, unique EWB number generated is valid for a period of 15 days for updation of Part B [Second proviso to rule 138(9)].

(10) **Validity period of e-way bill/consolidated e-way bill [Rule 138(10)]**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Distance within country</th>
<th>Validity period from relevant date*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Upto 100 km</td>
<td>One day in cases other than Over Dimensional Cargo**</td>
</tr>
<tr>
<td>2.</td>
<td>For every 100 km or part thereof thereafter</td>
<td>One additional day in cases other than Over Dimensional Cargo</td>
</tr>
<tr>
<td>3.</td>
<td>Upto 20 km</td>
<td>One day in case of Over Dimensional Cargo</td>
</tr>
<tr>
<td>4.</td>
<td>For every 20 km or part thereof thereafter</td>
<td>One additional day in case of Over Dimensional Cargo</td>
</tr>
</tbody>
</table>

*Relevant date* means the date on which the e-way bill has been generated and the period of validity shall be counted from the time at which the e-way bill has been generated and each day shall be counted as the period expiring
at midnight of the day immediately following the date of generation of e-way bill.

This can be explained by following examples –

(i) Suppose an e-way bill is generated at 00:04 hrs. on 14th March. Then first day would end on 12:00 midnight of 15-16 March. Second day will end on 12:00 midnight of 16-17 March and so on.

(ii) Suppose an e-way bill is generated at 23:58 hrs. on 14th March. Then first day would end on 12:00 midnight of 15-16 March. Second day will end on 12:00 midnight of 16-17 March and so on.

The validity of the e-way bill starts when first entry is made in Part-B i.e. vehicle entry is made first time in case of road transportation or first transport document number entry in case of rail/air/ship transportation, whichever is the first entry. It may be noted that validity is not re-calculated for subsequent entries in Part-B⁴.

**Over dimensional cargo** means a cargo carried as a single indivisible unit and which exceeds the dimensional limits prescribed in rule 93 of the Central Motor Vehicle Rules, 1989, made under the Motor Vehicles Act, 1988.

**Extension of validity period**

**Extension by Commissioner for certain categories of goods:** Commissioner may, on the recommendations of the Council, by notification, extend the validity period of an e-way bill for certain categories of goods as may be specified therein.

⁴ As clarified by FAQs on E-way Bill web portal.
Extension by transporter in exceptional circumstances: Where, under circumstances of an exceptional nature, including trans-shipment, the goods cannot be transported within the validity period of the e-way bill, the transporter may extend the validity period after updating the details in Part B, if required. Transporter can extend the validity of the e-way bill, if the consignment is not being reached the destination within the validity period due to exceptional circumstance like natural calamity, law and order issues, trans-shipment delay, accident of conveyance, etc. He needs to explain this reason in details while extending the validity period. This option is available for extension of e-way bill before 8 hours and after 8 hours of expiry of the validity\(^5\) [Rule 138(12)].

(11) Acceptance of e-way bill

The details of the e-way bill generated shall be made available to the -

(a) supplier, if registered, where the information in Part A has been furnished by the recipient/transporter; or

(b) recipient, if registered, where the information in Part A has been furnished by the supplier/transporter,

on the common portal, and the supplier/recipient, as the case may be, shall communicate his acceptance or rejection of the consignment covered by the e-way bill [Rule 138(11)].

In case, the person to whom the information in Part-A is made available, does not communicate his acceptance or rejection within the specified time, it shall be deemed that he has accepted the said details. The time-limit specified for this purpose is:

(i) 72 hours of the details being made available to him on the common portal

or

(ii) the time of delivery of goods,

whichever is earlier.

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\(^5\) As clarified by FAQs on E-way Bill web portal.
(12) **E-way bill generated in one State is valid in another State**

The e-way bill generated under this rule or under rule 138 of the Goods and Services Tax Rules of any State or Union territory shall be valid in every State and Union territory [Rule 138(13)].

**Points to remember**

1. E-way bill is not valid for movement of goods without vehicle number on it.
2. Once E-way bill is generated, it cannot be edited for any mistake. However, it can be cancelled within 24 hours of generation.
3. E-Way Bill may be updated with vehicle number any number of times.
4. The latest vehicle number should be available on e-way bill and should match with the vehicle carrying it in case checked by the department.

(13) **Situations where E-way Bill is not required to be generated**

Notwithstanding anything explained above, no e-way bill is required to be generated in the following cases:

(a) where the goods being transported are the ones given below:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description of Goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Liquefied petroleum gas for supply to household and non-domestic exempted category (NDEC) customers</td>
</tr>
<tr>
<td>2.</td>
<td>Kerosene oil sold under PDS</td>
</tr>
<tr>
<td>3.</td>
<td>Postal baggage transported by Department of Posts</td>
</tr>
<tr>
<td>4.</td>
<td>Natural or cultured pearls and precious or semi-precious stones; precious metals and metals clad with precious metal (Chapter 71)</td>
</tr>
<tr>
<td>5.</td>
<td>Jewellery, goldsmiths’ and silversmiths’ wares and other articles (Chapter 71)</td>
</tr>
<tr>
<td>6.</td>
<td>Currency</td>
</tr>
<tr>
<td>7.</td>
<td>Used personal and household effects</td>
</tr>
<tr>
<td>----</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>8.</td>
<td>Coral, unworked (0508) and worked coral (9601)</td>
</tr>
</tbody>
</table>

(b) where the goods are being transported by a non-motorised conveyance

(c) where the goods are being transported from the customs port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs

(d) in respect of movement of goods within such areas as are notified under of rule 138(14)(d) of the State or Union territory GST Rules in that particular State or Union territory

(e) where the goods [other than de-oiled cake], being transported, are exempt from tax vide Notification No. 2/2017 CT(R) dated 28.06.2017

(f) where the goods being transported are alcoholic liquor for human consumption, petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas or aviation turbine fuel

(g) where the supply of goods being transported is treated as no supply under Schedule III of the Act

(h) where the goods are being transported -

   (i) under customs bond from an inland container depot or a container freight station to a customs port, airport, air cargo complex and land customs station, or from one customs station or customs port to another customs station or customs port, or

   (ii) under customs supervision or under customs seal

(i) where the goods being transported are transit cargo from or to Nepal or Bhutan

(j) where the goods being transported are exempt from tax under Notification No. 7/2017 CT (R) 28.06.2017 [Supply of goods by the CSD to the Unit Run Canteens or to the authorized customers and supply of goods by the Unit Run Canteens to the authorized customers] and Notification No. 26/2017 CT (R) 21.09.2017 [Supply of heavy water and nuclear fuels by Department of Atomic Energy to Nuclear Power Corporation of India Ltd. (NPCIL)]
(k) any movement of goods caused by defence formation under Ministry of defence as a consignor or consignee

(l) where the consignor of goods is the Central Government, Government of any State or a local authority for transport of goods by rail

(m) where empty cargo containers are being transported

(n) where the goods are being transported upto a distance of 20 km from the place of the business of the consignor to a weighbridge for weighment or from the weighbridge back to the place of the business of the said consignor subject to the condition that the movement of goods is accompanied by a delivery challan issued in accordance with rule 55.

(o) where empty cylinders for packing of liquefied petroleum gas are being moved for reasons other than supply

14 Documents and devices to be carried by a person-in-charge of a conveyance

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 RFID** embedded on to the conveyance [except in case of movement of goods by rail or by air or vessel] in such manner as may be notified by the Commissioner [Rule 138A(1)].

**RFIDs are Radio Frequency Identification Device used for identification.

Invoice Reference Number in lieu of tax invoice

A registered person may obtain an Invoice Reference Number from the common portal by uploading, on the said portal, a tax invoice issued by him in the prescribed form and produce the same for verification by the proper officer in lieu of the tax invoice and such number shall be valid for a period of 30 days from the date of uploading [Rule 138A(2)].

In such a case, the registered person will not have to upload the information in Part A of E-way bill for generation of e-way bill and the same shall be
auto-populated by the common portal on the basis of the information furnished in the prescribed form [Rule 138A(3)].

**Documents in lieu of e-way bill**

Where circumstances so warrant, the Commissioner may, by notification, require the person-in-charge of the conveyance to carry the following documents instead of the e-way bill:

(a) tax invoice or bill of supply; or

(b) a delivery challan, where the goods are transported for reasons other than by way of supply [Rule 138A(5)].

(15) **Verification of documents and conveyances [Rule 138B]**

The Commissioner or an officer empowered by him in this behalf may authorize the proper officer to intercept any conveyance to verify the e-way bill in physical or electronic form for all inter-State and intra-State movement of goods.

The Commissioner shall get RFID readers installed at places where the verification of movement of goods is required to be carried out and verification of movement of vehicles shall be done through such device readers where the e-way bill has been mapped with the said device.

The physical verification of conveyances shall be carried out by the proper officer as authorised by the Commissioner or an officer empowered by him in this behalf.

However, on receipt of specific information on evasion of tax, physical verification of a specific conveyance can also be carried out by any other officer after obtaining necessary approval of the Commissioner or an officer authorised by him in this behalf.

(16) **Inspection and verification of goods [Rule 138C]**

A summary report of every inspection of goods in transit shall be recorded online by the proper officer in Part A of a prescribed form within 24 hours of inspection and the final report in Part B of said form shall be recorded within 3 days of such inspection.

---

6 In case of import of goods, bill of entry needs to be carried in lieu of e-way bill. The concept of bill of entry for imported goods under customs will be discussed at Final Level.
However, where the circumstances so warrant, the Commissioner, or any other officer authorised by him, may, on sufficient cause being shown, extend the time for recording of the final report in Part B of said form, for a further period not exceeding 3 days. The period of 24 hours or, as the case may be, three days shall be counted from the midnight of the date on which the vehicle was intercepted.

Where the physical verification of goods being transported on any conveyance has been done during transit at one place within the State/Union territory or in any other State/Union territory, no further physical verification of the said conveyance shall be carried out again in the State/Union territory, unless a specific information relating to evasion of tax is made available subsequently.

(17) **Facility for uploading information regarding detention of vehicle [Rule 138D]**

Where a vehicle has been intercepted and detained for a period exceeding 30 minutes, the transporter may upload the said information in specified form on the common portal.

(18) It may be noted that the expressions ‘transported by railways’, ‘transportation of goods by railways’, ‘transport of goods by rail’ and ‘movement of goods by rail’ used in the provisions discussed above does not include cases where leasing of parcel space by Railways takes place.

**Tax invoice or bill of supply to accompany transport of goods [Rule 55A]**

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.

8. **LET US RECAPITULATE**

1. **Who can raise a tax invoice?**

   - **Registered Person**
     - Supplying taxable goods or services
     - Receiving taxable goods or services from unregistered supplier
2. **Time limit for issuance of invoice**

- **Taxable supply**
  - **Goods**
    - Involving movement of goods:
      - At the time of removal
    - No movement of goods:
      - At the time of delivery
  - Sale or return supplies:
    - Before or at the time of supply, or within 6 months from the removal – whichever is earlier
  - Services:
    - Within 30 days from the supply of services
    - Insurance, Banking - 45 days

- In case of continuous supply of goods: before/at the time each successive statements of accounts is issued or each successive payment is received

<table>
<thead>
<tr>
<th>Continuous supply of services</th>
<th>Due Date of Payment</th>
<th>Before/At Date of Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due date of payment is ascertainable from the contract</td>
<td>On/before due date of payment</td>
<td></td>
</tr>
<tr>
<td>Not so ascertainable</td>
<td>Before/at the time of receipt of payment</td>
<td></td>
</tr>
<tr>
<td>Payment is linked to the completion of an event</td>
<td>On/before the date of completion of that event</td>
<td></td>
</tr>
</tbody>
</table>

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3. **Important contents of tax invoice**

<table>
<thead>
<tr>
<th>Description</th>
<th>GSTIN of supplier</th>
<th>Consecutive Serial Number &amp; date of issue</th>
<th>GSTIN of recipient, if registered</th>
<th>Name &amp; address of recipient, if not registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>HSN</td>
<td></td>
<td>Description of goods or services</td>
<td>Quantity in case of goods</td>
<td>Total Value of supply</td>
</tr>
<tr>
<td>Taxable Value of supply</td>
<td>Tax rate – Central tax &amp; State tax or Integrated tax, cess</td>
<td>Amount of tax charged</td>
<td>Place of supply</td>
<td></td>
</tr>
<tr>
<td>Address of delivery where different than place of supply</td>
<td>Tax payable on reverse charge basis</td>
<td>Signature of authorised signatory</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. **Manner of issuing the invoice**

<table>
<thead>
<tr>
<th>Supply of Goods</th>
<th>Supply of services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Triplicate</strong></td>
<td><strong>Duplicate</strong></td>
</tr>
<tr>
<td>Original copy for recipient</td>
<td>Original copy for recipient; and</td>
</tr>
<tr>
<td>Duplicate copy for transporter; and</td>
<td>Duplicate copy for supplier</td>
</tr>
<tr>
<td>Triplicate copy for supplier</td>
<td></td>
</tr>
</tbody>
</table>

The serial number of invoices issued during a month / quarter shall be furnished electronically in FORM GSTR-1.
5. **Revised Tax**

Revised Tax Invoices to be issued in respect of taxable supplies effected during this period

- **Effective date of registration**
- **Date of issuance of certificate of registration**

**Consolidated Revised Tax Invoice** may be issued in respect of taxable supplies made to an **unregistered recipient** during this period.

In case of inter-State supplies, **CTRI** cannot be issued in respect of all unregistered recipients if the value of a supply exceeds ₹ 2,50,000 during this period.

Particulars of the Debit and Credit Notes are also same as revised tax invoices

6. **Consolidated Tax Invoice**

- Tax invoice is not required to be issued:
  - Value of supply < ₹200
  - Recipient is unregistered
  - Recipient does not require such invoice

**Consolidated Tax Invoice** shall be issued for such supplies at the close of each day in respect of all such supplies.
Where at the time of receipt of advance, rate of tax/ nature of supply is not determinable

| Where at the time of receipt of advance |  |
|----------------------------------------|  |
| (i) rate of tax is not determinable    | tax shall be paid at the rate of 18% |
| (ii) nature of supply is not determinable | same shall be treated as inter-State supply |

9. Refund Voucher
10. Invoice and Payment Vouchers to be issued by recipient of supply liable to pay tax under reverse charge

**Payment Voucher**

Where Recipient is registered

- Receives the supplies taxable on Reverse Charge basis
  - under **section 9(3)**
  - Supplier is registered
  - Supplier is unregistered

Recipient will issue a **Payment Voucher** at the time of making payment to supplier.

**Invoice**

Where Recipient is registered

- Receives the supplies taxable on Reverse Charge basis
  - under **section 9(4)**
  - Supplier is unregistered
  - Supplier is unregistered

Recipient shall issue **Invoice**
11. Credit Notes

Where *one or more tax invoices have* issued for supply of any goods or services or both

- Taxable value in invoice > Taxable value in respect of such supply
- Tax charged in invoice > Tax payable in respect of such supply
- where the goods supplied are returned by the recipient
- where goods or services or both supplied are found to be deficient

12. Debit Notes

Where *one or more tax invoices have* been issued for supply of any goods or services or both

- Taxable value in invoice < Taxable value in respect of such supply
- Tax charged in invoice < Tax payable in respect of such supply

Registered Supplier of goods or services or both

Recipient of goods or services or both

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# 13. E-Way Bill

<table>
<thead>
<tr>
<th>Meaning of e-way bill and why is it required?</th>
<th>E-way bill is an electronic document generated on the GST portal evidencing movement of goods. Section 68 mandates that the Government may require the person in charge of a conveyance carrying any consignment of goods of value exceeding such amount as may be specified to carry with him such documents and such devices as may be prescribed. Rule 138 of CGST Rules, 2017 prescribes e-way bill as the document to be carried for the consignment of goods in certain prescribed cases.</th>
</tr>
</thead>
</table>
| When is required to be generated? | E-way Bill is mandatory in case of movement of goods of **consignment value exceeding ₹ 50,000.** Movement should be:  
(i) in relation to a supply; or  
(ii) for reasons other than supply; or  
(iii) due to inward supply from an unregistered person,  
Registered person causing movement of goods shall furnish the information relating to the said goods in **Part A of Form GST EWB-01** before commencement of such movement. |
| Exceptions to minimum consignment value of ` 50,000 | - Inter-State transfer of goods by principal to job-worker  
- Inter-State transfer of handicraft goods by a person exempted from obtaining registration |
### Who causes movement of goods?

If supplier is registered and undertakes to transport the goods, **movement of goods** is caused by the supplier. If recipient arranges transport, movement would be caused by him.

If goods are supplied by an **unregistered supplier to a registered known recipient**, movement shall be caused by such recipient.

### Information to be furnished in e-way bill

**Part A:** to be furnished by the **registered person** who is causing movement of goods.

**Part B:** to be furnished by the **person who is transporting the goods**.

**However, information in Part-A may be furnished:**
- by the transporter if so authorised or
- by the e-commerce operator/courier agency, where the goods are supplied through them.

### Who can generate the e-way bill?

E-way bill is to be generated by the **registered consignor or consignee** (if the transportation is being done in own/hired conveyance or by railways by air or by vessel) **or the transporter** (if the goods are handed over to a transporter for transportation by road). **Where neither the consignor nor consignee generates the e-way bill** and the value of goods is more than ₹ 50,000/- it shall be the **responsibility of the transporter** to generate it.

### Other points

- Goods transported by railways shall be delivered only on production of e-way bill.
- E-way bill can be generated even if consignment value is less than ₹ 50,000.
### Details of conveyance may not be furnished in Part-B

In case of intra-State movement of goods upto 50 km distance:
- from place of business (PoB) of consignor to PoB of transporter for further transportation or
- from PoB of transporter finally to PoB of the consignee.

### Transfer of goods to another conveyance

In such cases, the transporter or generator of the e-way bill shall update the new vehicle number in Part B of the EWB before such transfer and further movement of goods.

### Consolidated E-way Bill in case of road transport

After e-way bill has been generated, where multiple consignments are intended to be transported in one conveyance, the transporter may indicate the serial number of e-way bills generated in respect of each such consignment electronically on the common portal and a consolidated e-way bill in **Form GST EWB-02** may be generated by him on the said common portal prior to the movement of goods.

Where the consignor/consignee has not generated the e-way bill in Form GST EWB-01 and the aggregate of the consignment value of goods carried in the conveyance is more than ₹ 50,000, the transporter shall generate individual Form GST EWB-01 on the basis of invoice or bill of supply or delivery challan and may also generate a **consolidated e-way bill in Form GST EWB-02** prior to the movement of goods [This provision is not yet effective].

### Cancellation of e-way bill

E-way bill can be cancelled if either goods are not transported or are not transported as per the details furnished in the e-way bill. The e-way bill can be cancelled within 24 hours from the time of generation.
### Validity period of e-way bill/consolidated e-way bill

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Distance within country</th>
<th>Validity period from relevant date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Upto 100 km</td>
<td>One day in cases other than Over Dimensional Cargo**</td>
</tr>
<tr>
<td>2.</td>
<td>For every 100 km or part thereof thereafter</td>
<td>One additional day in cases other than Over Dimensional Cargo</td>
</tr>
<tr>
<td>3.</td>
<td>Upto 20 km</td>
<td>One day in case of Over Dimensional Cargo</td>
</tr>
<tr>
<td>4.</td>
<td>For every 20 km or part thereof thereafter</td>
<td>One additional day in case of Over Dimensional Cargo</td>
</tr>
</tbody>
</table>

### Acceptance/rejection of e-way bill

The person causing movement of goods shall generate the e-way bill specifying the details of other person as a recipient who can communicate the acceptance or rejection of such consignment specified in the e-way bill. If the acceptance or rejection is not communicated within 72 hours from the time of generation of e-way Bill or the time of delivery of goods whichever is earlier, it will be deemed that he has accepted the details.

### Is e-way bill required in all cases?

E-way bill is not required to be generated in certain specified cases. [Discussed in detail earlier in this chapter]

### Documents/ devices to be carried by a person-in-charge of a conveyance

- invoice or bill of supply or delivery challan
- copy of the e-way bill in physical form or the e-way bill number in electronic form or mapped to a RFID** embedded on to the conveyance

### Verification of documents and

Commissioner or an officer empowered by him in this behalf may authorise the proper officer to intercept any
<table>
<thead>
<tr>
<th>conveyances</th>
<th>conveyance to verify the e-way bill or the e-way bill number in physical form for all inter-State and intra-State movement of goods. Physical verification of a specific conveyance can also be carried out by any officer, on receipt of specific information on evasion of tax, after obtaining necessary approval of the Commissioner or an officer authorised by him in this behalf.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspection and verification of goods</td>
<td>A summary report of every inspection of goods in transit shall be recorded online on the common portal by the proper officer within 24 hours of inspection and the final report shall be recorded within 3 days of such inspection. Once physical verification of goods being transported on any conveyance has been done during transit at one place within the State or in any other State, no further physical verification of the said conveyance shall be carried out again in the State, unless a specific information relating to evasion of tax is made available subsequently. Where a vehicle has been intercepted and detained for a period exceeding 30 minutes, the transporter may upload the said information in on the common portal.</td>
</tr>
</tbody>
</table>

9. TEST YOUR KNOWLEDGE

1. In case of taxable supply of services, invoice shall be issued within a period of _________ from the date of supply of service.
   
   (a) 30 days
   (b) 45 days
   (c) 60 days
   (d) 90 days
2. In case of taxable supply of services by an insurer, invoice shall be issued within a period of ________ from the date of supply of service.
   (a) 30 days
   (b) 45 days
   (c) 60 days
   (d) 90 days

3. In case of continuous supply of services, where due date of payment is ascertainable from the contract, invoice shall be issued:
   (a) before or at the time when the supplier of service receives the payment
   (b) on or before the due date of payment
   (c) Either (a) or (b)
   (d) None of the above

4. In case of continuous supply of services, where due date of payment is not ascertainable from the contract, invoice shall be issued:
   (a) before or at the time when the supplier of service receives the payment
   (b) on or before the due date of payment
   (c) Either (a) or (b)
   (d) None of the above

5. 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:
   (a) before/at the time of supply
   (b) 6 months from the date of removal
   (c) Earlier of (a) or (b)
   (d) None of the above

6. Sultan Industries Ltd., Delhi, entered into a contract with Prakash Entrepreneurs, Delhi, for supply of spare parts of a machine on 7th September. The spare parts were to be delivered on 30th September. Sultan Industries Ltd. removed the finished spare parts from its factory on 29th September. Determine the date by which invoice must be issued by Sultan Industries Ltd. under GST law.
7. MBM Caretakers, a registered person, provides the services of repair and maintenance of electrical appliances. On April 1, it has entered into an annual maintenance contract with P for its Air Conditioner and Washing Machine. As per the terms of contract, maintenance services will be provided on the first day of each quarter of the relevant financial year and payment for the same will also be due on the date on which service is rendered. During the year, it provided the services on April 1, July 1, October 1, and January 1 in accordance with the terms of contract. When should MBM Caretakers issue the invoice for the services rendered?

8. The aggregate turnover of Sangri Services Ltd., Delhi, exceeded ₹ 20 lakh on 12th August. He applied for registration on 3rd September and was granted the registration certificate on 6th September. You are required to advice Sangri Services Ltd. as to what is the effective date of registration in its case. It has also sought your advice regarding period for issuance of Revised Tax Invoices.

9. Shyam Fabrics has opted for composition levy scheme in the current financial year. It has approached you for advice whether it is mandatory for it to issue a tax invoice. You are required to advise him regarding same.

10. Discuss the provisions relating to issuance of refund voucher under CGST Act and rules thereunder.

11. Is a registered person liable to pay tax under reverse charge under section 9(3)/9(4) of the CGST Act required to issue an invoice? Discuss the relevant provisions under CGST Act and rules thereunder.

12. Discuss the provisions relating to issuance of credit and debit notes under CGST Act and rules thereunder.

13. What is the time period within which invoice has to be issued for supply of services?

14. What is the time period within which invoice has to be issued in a case involving continuous supply of goods?

15. What is the time period within which invoice has to be issued in a case involving continuous supply of services?

16. What is the time period within which invoice has to be issued where the goods being sent or taken on approval for sale?
10. ANSWERS/HINTS

1. (a) 2. (b) 3. (b) 4. (a) 5. (c)

6. As per the provisions of section 31, invoice shall be issued before or at the time of removal of goods for supply to the recipient, where the supply involves movement of goods. Accordingly, in the given case, the invoice must be issued on or before 29th September.

7. Continuous supply of service means, *inter alia*, supply of any service which is provided, or agreed to be provided continuously or on recurrent basis, under a contract, for a period exceeding 3 months with the periodic payment obligations.

Therefore, the given situation is a case of continuous supply of service as repair and maintenance services have been provided by MBM Caretakers on a quarterly basis, under a contract, for a period of one year with the obligation for quarterly payment.

In terms of section 31, in case of continuous supply of service, where due date of payment is ascertainable from the contract (as in the given case), invoice shall be issued on or before the due date of payment.

Therefore, in the given case, MBM Caretakers should issue quarterly invoices on or before April 1, July 1, October 1, and January 1.

8. As per section 25 read with CGST Rules, 2017, where an applicant submits application for registration within 30 days from the date he becomes liable to registration, effective date of registration is the date on which he becomes liable to registration. Since, Sangri Services Ltd.’s turnover exceeded ₹ 20 lakh on 12th August, it became liable to registration on same day. Further, it applied for registration within 30 days of so becoming liable to registration, the effective date of registration is the date on which he becomes liable to registration, i.e. 12th August.

As per section 31 read with CGST Rules, 2017, 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. Revised Tax Invoices shall be issued within 1 month from the date of issuance of certificate of registration. Revised Tax Invoices shall be issued within 1 month from the date of issuance of registration in respect of
taxable supplies effected during the period starting from the effective date of registration till the date of issuance of certificate of registration.

Therefore, in the given case, Sangri Services Ltd. has to issue the Revised Tax Invoices in respect of taxable supplies effected during the period starting from the effective date of registration (12th August) till the date of issuance of certificate of registration (6th September) within 1 month from the date of issuance of certificate of registration, i.e. on or before 6th October.

9. A registered person paying tax under the provisions of section 10 [composition levy] shall issue, instead of a tax invoice, a bill of supply containing such particulars and in such manner as may be prescribed [Section 31(3)(c) read with CGST Rules, 2017].

Therefore, in the given case, Shyam Fabrics cannot issue tax invoice. Instead, it shall issue a Bill of Supply.

10. Refer Para 3.
11. Refer Para 3.
13. Refer Para 3.
15. Refer Para 3.
16. Refer Para 3.
AMENDMENTS MADE VIDE THE FINANCE (NO. 2) ACT, 2019

The Finance (No. 2) Act, 2019 has become effective from 01.08.2019. However, the amendments made in the CGST Act and IGST Act vide the Finance (No. 2) Act, 2019 would become effective only from a date to be notified by the Central Government in the Official Gazette. Such a notification has not been issued till the time this Study Material is being released for printing. Therefore, the applicability or otherwise of such amendments for May 2020 and/or November 2020 examinations shall be announced by the ICAI only after such notification is issued by the Central Government.

In the table given below, the new provisions relating to Tax invoice as proposed by the Finance (No. 2) Act, 2019.

Once the announcement for applicability of such amendments for examination(s) is made by the ICAI, students should read the provisions given hereunder in place of the related provisions discussed in the Chapter.

<table>
<thead>
<tr>
<th>Existing provisions</th>
<th>Provisions as amended by the Finance (No. 2) Act, 2019</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>New section 31A inserted</strong></td>
<td>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</td>
<td>A new section 31A is being inserted in the CGST Act so that specified suppliers shall have to mandatorily give the option of specified modes of electronic payment to their recipients.</td>
</tr>
</tbody>
</table>