



TAX INVOICE, CREDIT AND DEBIT NOTES



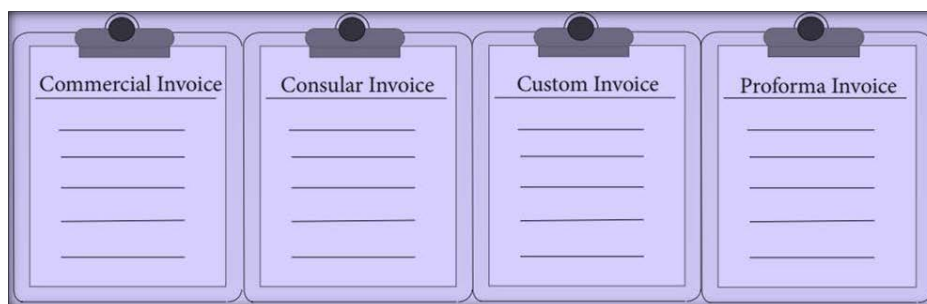
LEARNING OUTCOMES

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
- 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
- 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

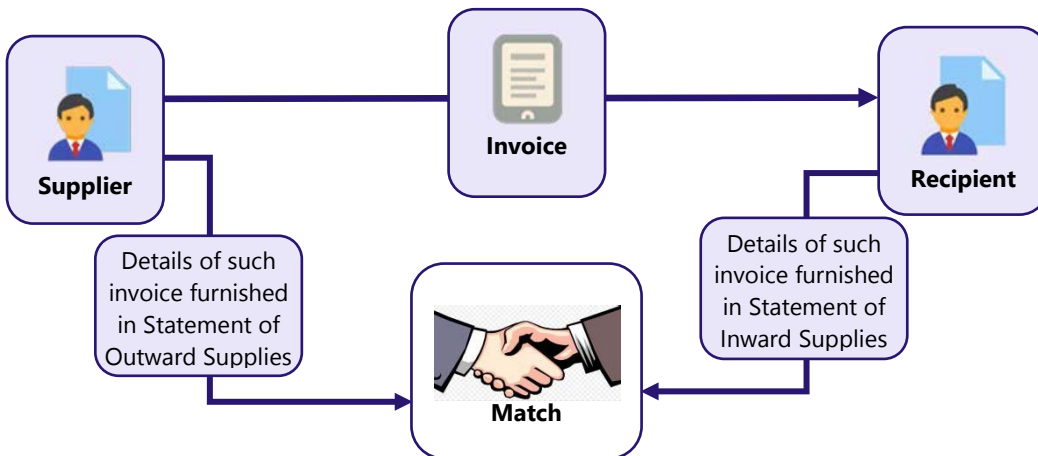
An invoice is a commercial instrument issued by a supplier of goods/services to a recipient. It identifies both the parties involved, and lists, describes the items sold/services supplied, quantifies the items sold, shows the date of shipment and mode of transport, prices and discounts, if any, and the 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.



Significance of invoices has enhanced manifold under GST regime. The reason behind the same is the invoice matching mechanism that has been introduced under GST. For the purpose of claiming the input tax credit, the invoice matching needs to be done. The inwards supplies of the person claiming the credit (recipient) should match with the outward supplies of the supplier(s). Thus, a registered person cannot avail Input Tax Credit unless he is in possession of a tax invoice or a debit note.



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. It is not necessary that only a person supplying goods or services needs to issue an invoice. The GST law mandates that any registered person buying goods or services from an unregistered person also needs to issue a payment voucher as well as a tax invoice. The type of invoice to be issued depends upon the category of registered person making the supply.

The provisions relating to tax invoices, debit and credit notes are contained in Chapter VII - Tax Invoice, Credit and Debit Notes [Sections 31 to 34] of the CGST Act. State GST laws also prescribe identical provisions in relation to Tax Invoice, Credit and Debit Notes.

Provisions of Tax invoice, Credit and Debit Notes 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, 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

| |
|--|
| 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 | |
|---|---|
| <i>Section 31</i> | Tax invoice |
| <i>Sub-section</i> | Particulars |
| (1) | <p><i>A registered person supplying taxable goods shall, before or at the time of,—</i></p> <p><i>(a) removal of goods for supply to the recipient, where the supply involves movement of goods; or</i></p> <p><i>(b) delivery of goods or making available thereof to the recipient, in any other case</i></p> <p><i>issue a tax invoice showing the description, quantity and value of goods, the tax charged thereon and such other particulars as may be prescribed:</i></p> <p><i>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.</i></p> |
| (2) | <p><i>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:</i></p> <p><i>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—</i></p> <p><i>(a) any other document issued in relation to the supply shall be deemed to be a tax invoice; or</i></p> <p><i>(b) tax invoice may not be issued.</i></p> |

(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;*
- (e) 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;*
- (f) 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;*

| | |
|---|--|
| | <i>(g) 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.</i> |
| <i>(4)</i> | <i>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.</i> |
| <i>(5)</i> | <i>(5) Subject to the provisions of clause (d) of sub-section (3), in case of continuous supply of services,—</i> <i>(a) where the due date of payment is ascertainable from the contract, the invoice shall be issued on or before the due date of payment;</i> <i>(b) 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;</i> <i>(c) 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.</i> |
| <i>(6)</i> | <i>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.</i> |
| <i>(7)</i> | <i>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.</i> |
| <i>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.</i> | |



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.

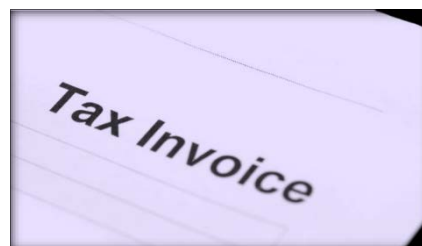


There is no format prescribed for the Tax Invoice. Only certain fields have been prescribed as mandatory fields. Further, invoices may be issued manually or electronically. Issuance of electronic invoices is not mandatory.



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 services.

A registered person supplying taxable goods shall, before or at the time of

removal of goods (where supply involves movement of goods) or delivery or making available thereof to the recipient, issue a tax invoice.

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.

| In case of taxable supply of goods | In case of taxable supply of services |
|--|--|
| Invoice shall be issued before or at the time of,— | Invoice shall be issued before or after the provision of service, but within a period of 30 days* from the date of supply of service. |
| (a) removal of goods for supply to the recipient, where the supply involves movement of goods; or | *45 days in case of an insurer or banking company or financial institution, including a non- banking financial company (NBFC) |
| (b) delivery of goods or making available thereof to the recipient, in any other case. | <div data-bbox="635 1108 1199 1398" style="border: 1px solid black; padding: 5px;"> <p>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</p> </div> <div style="text-align: center; margin: 10px 0;">  ↓ </div> <div data-bbox="955 1398 1124 1456" style="text-align: right;"> may issue the invoice </div> <div data-bbox="635 1464 1169 1676" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>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</p> </div> |

| In case of continuous supply of goods | In case of continuous supply of services | |
|---|--|---|
| <p>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.</p> | Where | the invoice shall be issued |
| | (a) due date of payment is ascertainable from the contract | on or before the due date of payment |
| | (b) due date of payment is not ascertainable from the contract | before or at the time when the supplier of service receives the payment |
| (c) payment is linked to the completion of an event | on or before the date of completion of that event. | |



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.



Jhanvi Cinemas entered into an annual maintenance contract with Peer Services Ltd. for one year [April-March] for the Air conditioners fitted in their theaters. As per the contract, payment for said services had to be made on 7th April. However, Jhanvi Services made the payment on 15th April. Since services provided by Peer Services Ltd. to Jhanvi Cinemas is a continuous supply of services and due date of payment is

ascertainable from the contract, Peer Services Ltd. had to issue a tax invoice on or before such due date, viz. 7th April.

(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):

| | | |
|------------|--|--|
| (a) | Name, address and GSTIN of the supplier; | |
| (b) | 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; | |
| (c) | Date of its issue; | |
| (d) | If recipient is registered - Name, address and GSTIN or UIN of recipient | |
| (e) | If recipient is unregistered and value of supply is | Particulars of invoice |
| | ₹ 50,000 or more | Name and address of the recipient and the address of delivery, along with the name |

| | | |
|------------|--|--|
| | | of State and its code |
| | less than ₹ 50,000 | unregistered recipient may still request the aforesaid details to be recorded in the tax invoice |
| (f) | HSN code for goods or services; | |
| (g) | Description of goods or services; | |
| (h) | Quantity in case of goods and unit or Unique Quantity Code thereof; | |
| (i) | Total value of supply of goods or services or both; | |
| (j) | Taxable value of supply of goods or services or both taking into account discount or abatement, if any; | |
| (k) | Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess); | |
| (l) | Amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess); | |
| (m) | Place of supply along with the name of State, in case of a supply in the course of inter-State trade or commerce; | |
| (n) | Address of delivery where the same is different from the place of supply; | |
| (o) | Whether the tax is payable on reverse charge basis; and | |
| (p) | Signature or digital signature of the supplier or his authorized representative | |

(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.

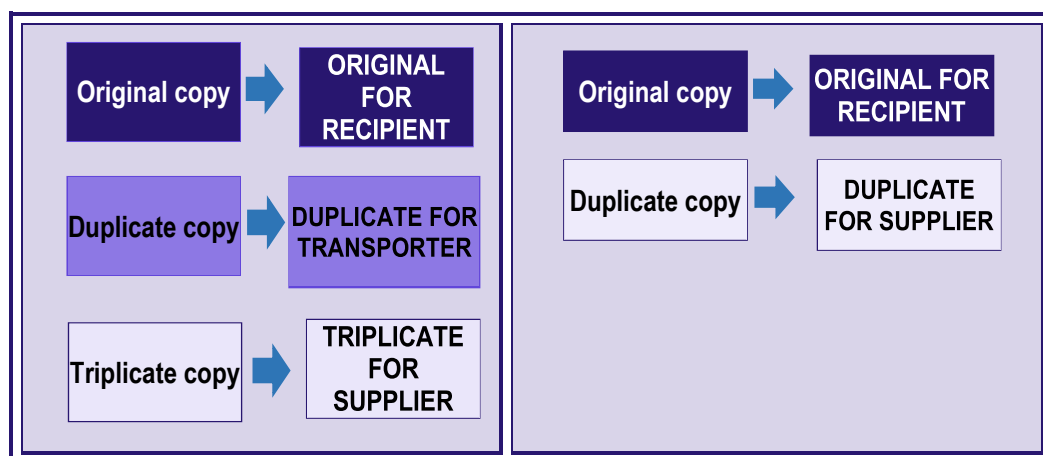
In this regard, **Notification No. 12/2017 CT dated 28.06.2017** has notified the following:

| S.No. | Annual Turnover (AT) in the preceding FY | Number of Digits of HSN Code |
|-------|--|------------------------------|
| 1. | AT ≤ ₹ 1.5 crores | Nil |
| 2. | ₹ 5 crores ≥ AT > ₹ 1.5 crores | 2 |
| 3. | AT > ₹ 5 crores | 4 |

Above provisions are also applicable to Bill of Supply [The concept of Bill of Supply is discussed in subsequent paras].

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

| In case of taxable supply of goods | In case of taxable supply of services |
|--|--|
| Invoice shall be prepared in TRIPLICATE | Invoice shall be prepared in DUPLICATE |
|  <p style="text-align: center;">Triplicate</p> |  <p style="text-align: center;">Duplicate</p> |



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].

(vii) Invoice in case of export of goods or services [Third proviso to rule 46]

In the case of the export of goods or services, the invoice shall carry an endorsement **“SUPPLY MEANT FOR EXPORT/ SUPPLY TO SEZ UNIT/SEZ DEVELOPER FOR AUTHORISED OPERATIONS ON PAYMENT OF INTEGRATED TAX”** or **“SUPPLY MEANT FOR EXPORT / SUPPLY TO SEZ UNIT/SEZ DEVELOPER FOR AUTHORISED OPERATIONS UNDER BOND OR LETTER OF UNDERTAKING WITHOUT PAYMENT OF INTEGRATED TAX”**, as the case may be.



Particulars of an Export Invoice are same as a Tax Invoice. However, where recipient is unregistered and value of supply is ₹ 50,000 or more, instead of name of State and its code, in case of an export invoice, **name of the**

country of destination is to be mentioned.



In view of the aforesaid discussion, following points merit consideration:

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 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 tax payers, taxpayers with annual turnover of ₹1.5 crores need not mention the HSN code of the goods in the invoices.

Sample Tax Invoice

| ABC Enterprises Pvt. Ltd. | | | | | | Total ₹ 6500.00 | | | |
|---|--------|---------------------|--|--------------------------------|------------------|---|----------------|--------------|---------------------------------|
| GSTIN 22AAAAA0000A1Z5 Branch Karnataka (22) PAN AAAA0000A | | | | | | Invoice Date 10/05/2017 Invoice No. CLR-00054 Reference No. PO-9987 | | | |
| TAX INVOICE | | | | | | | | | |
| Customer Name Kantech Solutions Private Ltd. Customer GSTIN 22BBBBB0007A1Z5 | | | Billing Address Kantech Solutions Private Ltd. Ground Floor, Building 2A, 23 & 24 AMR Tech Park Internal Road Hongasandra, Bengaluru Karnataka 560068 | | | Shipping Address Kantech Solutions Private Ltd. Ground Floor, Building 2A, 23 & 24 AMR Tech Park Internal Road Hongasandra, Bengaluru Karnataka 560068 | | | |
| Payment Terms Net 15 | | Due Date 19/06/2016 | | Place of Supply Karnataka (22) | | | | | |
| Item | HSN | Qty. | Rate/Item(₹) | Discount/Item(₹) | Taxable Value(₹) | SGST | CGST | CESS | Total |
| 1. Himalaya Herbal Cream Neem Edition | 440003 | 10 kg | 1000.00 | 30.00 | 9700.00 | 970.00 @10% | 970.00 @10% | 00.00 @0% | 11640.00 |
| 2. Himalaya Herbal Cream Neem Edition | 440003 | 10 kg | 1000.00 | 30.00 | 9700.00 | 970.00 @10% | 970.00 @10% | 00.00 @0% | 11640.00 |
| 3. Himalaya Herbal Cream Neem Edition | 440003 | 10 kg | 1000.00 | 30.00 | 9700.00 | 970.00 @10% | 970.00 @10% | 00.00 @0% | 11640.00 |
| 4. Freight Charges | — | 1 no | 1000.00 | — | 1000.00 | 50.00 @5% | 50.00 @5% | 00.00 @0% | 1100.00 |
| Total (₹) | | | | | 30100.00 | 2960.00 | 2960.00 | 00.00 | 36020.00 |
| Taxable amount | | | | | | | | | ₹ 30100.00 |
| Total Tax* | | | | | | | | | ₹ 5920.00 |
| Invoice Total | | | | | | | | | ₹ 36020.00 |
| Invoice Total (In words) | | | | | | | | | Thirty Six Thousand Twenty Only |
| *Tax to be paid on Reverse Charge | | | | | | | | | |
| Notes All payments to be made in cash. Contact us for queries on these quotations. | | | | | | | | | |
| Thank you for your business. | | | | | | Powered by clearTax | | | |
| ABC Enterprises Pvt. Ltd., Ground Floor, Building 2A, 23 & 24, AMR Tech Park Internal Road, Hongasandra, Bengaluru, Karnataka 560068 +91-9876543210, +91-9876543210, contact@abcenterprises.in | | | | | | | | | |

B. SPECIAL CASES

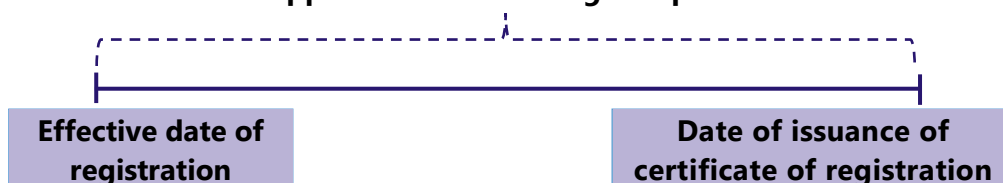
(i) Revised Tax Invoice [Section 31(3)(a) read with rule 53]

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.
- ✎ 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 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 this section, the expression “**tax invoice**” shall include any **revised invoice** issued by the supplier in respect of a supply made earlier [Explanation to section 32].*

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

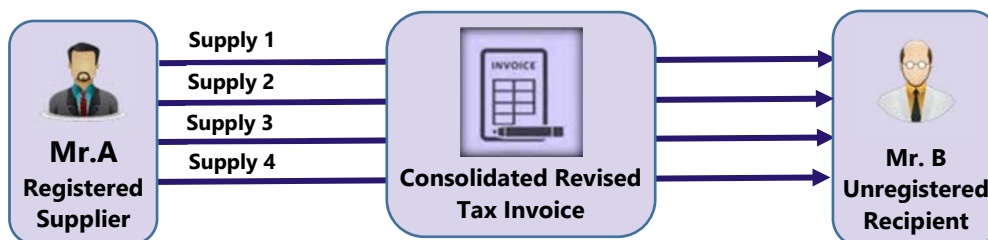


Sarabhai Private Ltd. commenced business of supply of goods on 1st April in Delhi. Its turnover exceeded ₹ 20,00,000 on 3rd September. Thus it became liable to registration on 3rd September. It applied for registration on 29th September and granted registration certificate on 5th October. Since it applied for registration within 30 days of becoming liable to registration, it was granted registration with effect 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**.



Supplies between date of grant of certificate of registration & effective date of registration

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

| | |
|-----|--|
| (a) | The word "Revised Invoice", wherever applicable, indicated prominently; |
| (b) | Name, address and GSTIN of the supplier; |
| (c) | Nature of the document; |
| (d) | 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; |
| (e) | Date of issue of the document; |
| (f) | Name, address and GSTIN or UIN, if registered, of the recipient; |
| (g) | 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; |
| (h) | Serial number and date of the corresponding tax invoice or, as the case may be, bill of supply; |

| | |
|------------|---|
| (i) | Value of taxable supply of goods or services, rate of tax and the amount of the tax credited/debited to the recipient |
| (j) | Signature/digital signature of the supplier/his authorized representative. |

Notes:

1. Particulars of the Debit and Credit Notes are also same as revised tax invoices.
2. Any invoice or debit note issued in pursuance of any tax payable in accordance with the provisions of section 74 or section 129 or section 130 shall prominently contain the words **"INPUT TAX CREDIT NOT ADMISSIBLE"**

Section 74 - Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised by reason of fraud or any wilful misstatement or suppression of facts

Section 129 - Detention, seizure and release of goods and conveyances in transit

Section 130 - Confiscation of goods or conveyances and levy of penalty

(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 should also issue an invoice when the customer demands.

Above provisions are also applicable to Bill of Supply [The concept of Bill of Supply is discussed in next para].

ILLUSTRATION

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

| S. No. | Recipient of supply | Amount (₹) |
|---------------|---|-------------------|
| 1. | Raghav Traders - a registered retail dealer | 190 |
| 2. | Dhruv Enterprises – an unregistered trader | 358 |
| 3. | Gaurav – a Painter [unregistered] | 500 |
| 4. | Oberoi Orphanage – an unregistered entity | 188 |
| 5. | Aaradhya – a Student [unregistered] | 158 |

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

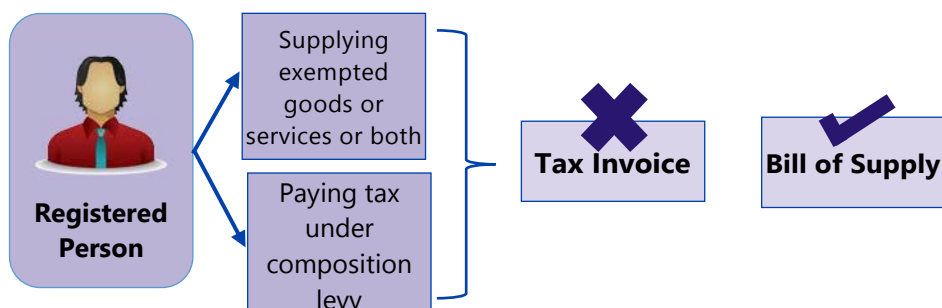
In the given illustration, Jain & Sons can issue a Consolidated Tax Invoice only with respect to supplies made to Oberoi Orphanage [worth ₹ 188] and Aaradhya [worth ₹ 158] as the value of goods supplied to these recipients is less than ₹ 200 as also these recipients are unregistered and don't require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

A registered person supplying exempted goods or services or both or paying tax under composition levy shall issue a bill of supply instead of a tax invoice.



Particulars of Bill of Supply

A registered person opting for the composition levy does 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 as well as 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.

| | |
|------------|--|
| (a) | Name, address and GSTIN of the supplier; |
| (b) | 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; |
| (c) | Date of its issue; |
| (d) | Name, address and GSTIN or UIN, if registered, of the recipient; |
| (e) | HSN Code for goods or services; |
| (f) | Description of goods or services or both; |
| (g) | Value of supply of goods or services or both taking into account discount/ abatement, if any; and |
| (h) | Signature/ digital signature of supplier/his authorized representative. |

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 as it does not collect any tax from the buyers, but amount at the rate specified under section 10.

(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

| | |
|-----|---|
| (a) | Name, address and GSTIN of the supplier; |
| (b) | 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 |
| (c) | Date of its issue; |

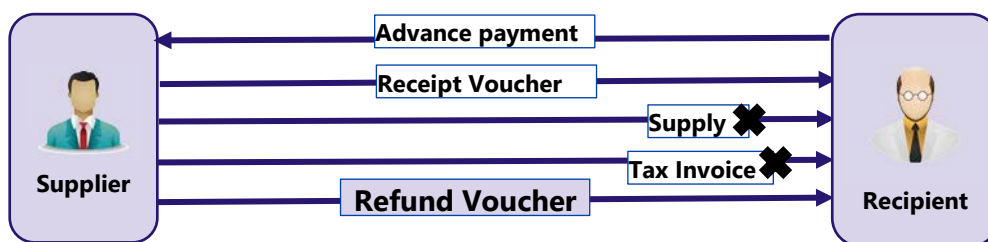
| | |
|------------|--|
| (d) | Name, address and GSTIN or UIN, if registered, of the recipient; |
| (e) | Description of goods or services; |
| (f) | Amount of advance taken; |
| (g) | Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess); |
| (h) | Amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess); |
| (i) | Place of supply along with the name of State and its code, in case of a supply in the course of inter-State trade or commerce; |
| (j) | Whether the tax is payable on reverse charge basis; and |
| (k) | Signature/digital signature of supplier/his authorized representative |

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 |

(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

| | |
|-----|---|
| (a) | Name, address and GSTIN of the supplier; |
| (b) | A consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters -hyphen or dash and slash and any combination thereof, unique for a FY; |
| (c) | Date of its issue; |
| (d) | Name, address and GSTIN or UIN, if registered, of the recipient; |
| (e) | Number and date of Receipt Voucher issued |
| (f) | Description of goods/services in respect of which refund is made |
| (g) | Amount of refund made |
| (h) | Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess) |
| (i) | Amount of tax paid in respect of such goods or services (central tax, State tax, integrated tax, Union territory tax or cess) |
| (j) | Whether the tax is payable on reverse charge basis; and |
| (k) | Signature/digital signature of supplier/his authorized representative |

(vi) Invoice and Payment Vouchers to be issued by recipient of supply liable to pay tax under reverse charge [Section 31(3)(f) & (g) read with second proviso to rule 46 and rule 52]

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, recipient [who is registered] is also liable to pay tax where taxable goods/services/both have been received from an unregistered supplier [Section 9(4)].

Supplies received from unregistered supplier

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.



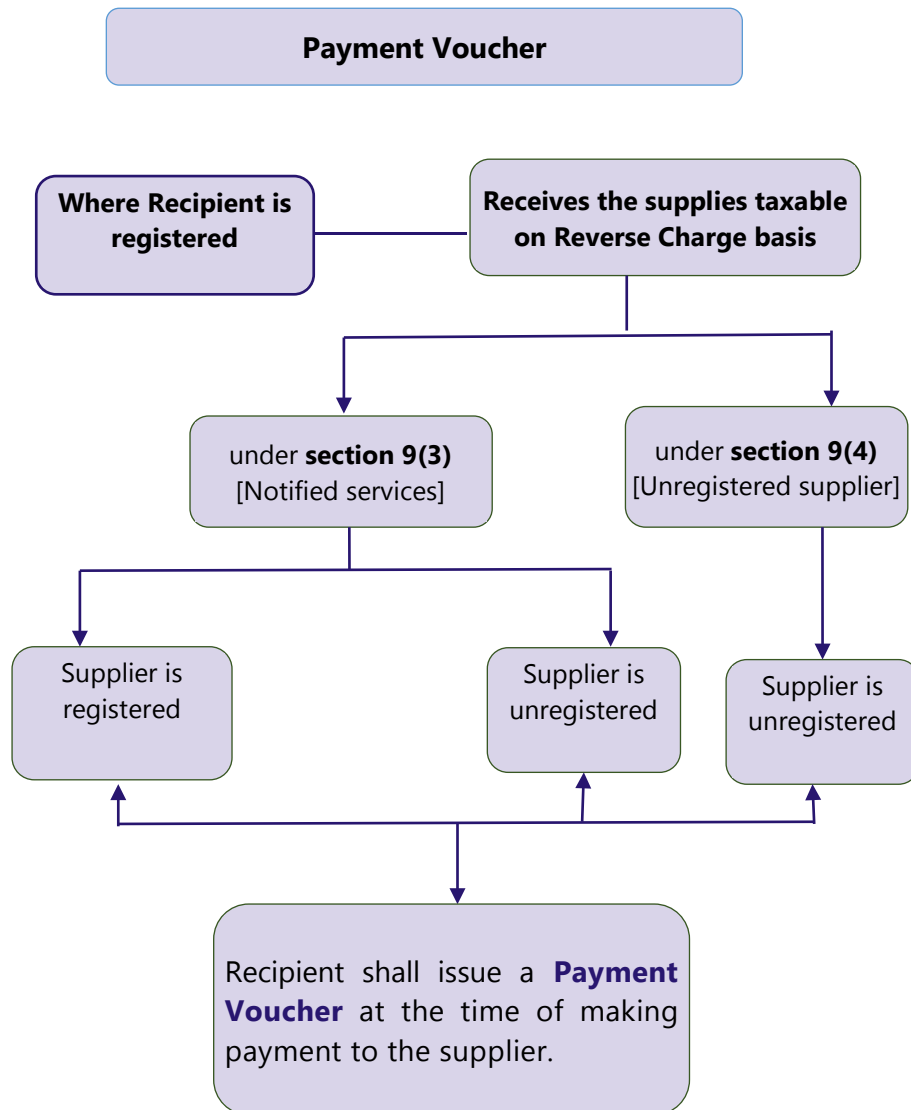
It is important to note here that intra-State supplies of goods and/or services received by a registered person from an unregistered supplier are exempt from tax provided the aggregate value of such supplies received from any/all unregistered suppliers is upto ₹ 5,000 in a day [Notification No. 08/2017 CT dated 28.06.2017].

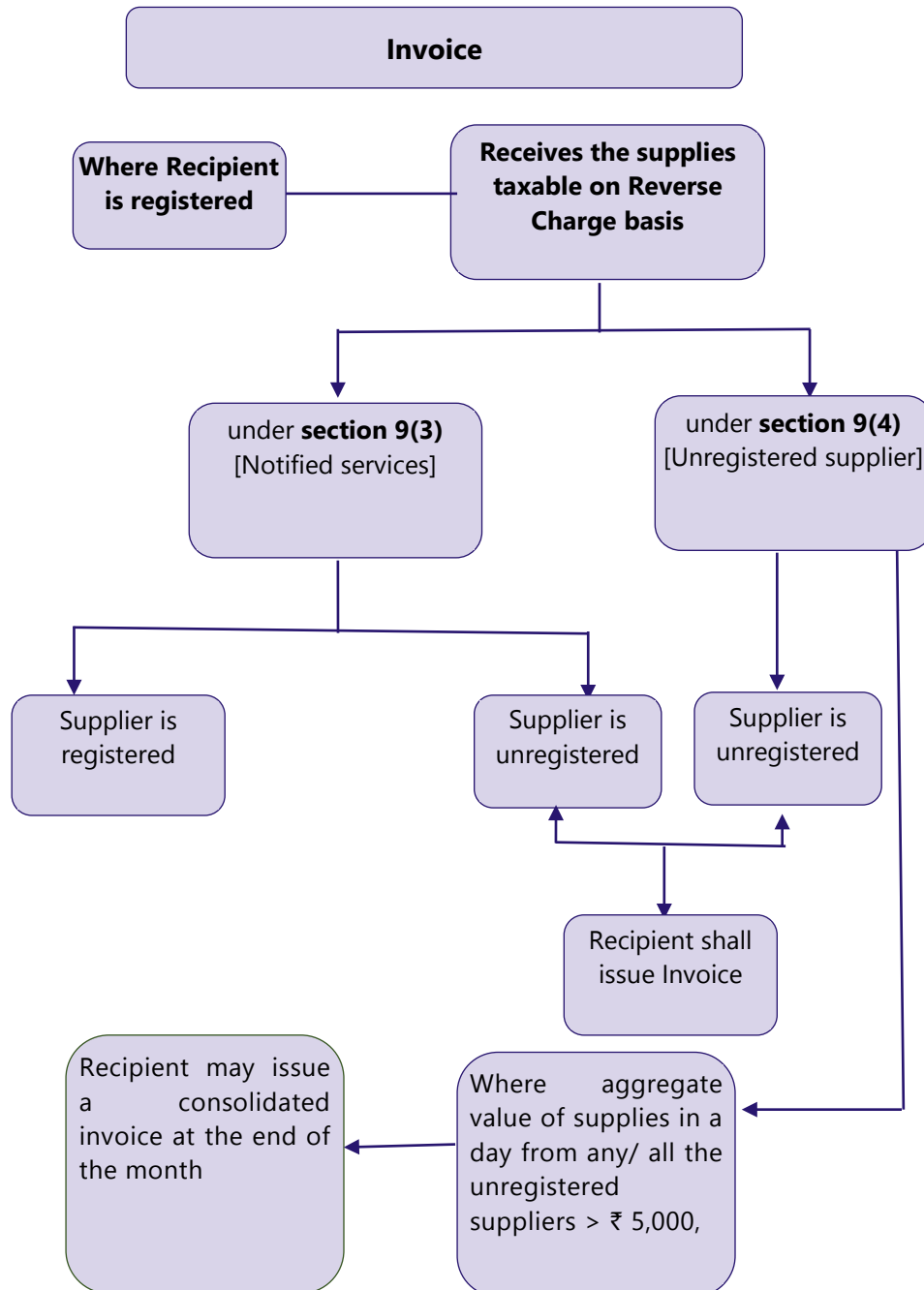
Further, where the aggregate value of such supplies covered under section 9(4) exceeds ₹ 5,000 in a day from any/all the unregistered suppliers, the registered person may issue a consolidated invoice at the end of the month. *This provision also applies to a Bill of Supply.*



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.

The above discussion has been summarized in the form of a diagram as follows:





Particulars of Payment Voucher

| | |
|------------|---|
| (a) | Name, address and GSTIN of the supplier if registered; |
| (b) | 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 |
| (c) | Date of its issue; |
| (d) | Name, address and GSTIN of the recipient; |
| (e) | Description of goods or services; |
| (f) | Amount paid; |
| (g) | Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess); |
| (h) | Amount of tax payable in respect of taxable goods or services (central tax, State tax, integrated tax, Union territory tax or cess); |
| (i) | Place of supply along with the name of State and its code, in case of a supply in the course of inter-State trade or commerce; and |
| (j) | Signature/digital signature of supplier/his authorized representative |

(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:

| Supplier of taxable service | Document in lieu of the tax invoice | |
|---|--|--|
| | Optional information | Mandatory information |
| Insurer/Banking company/Financial institution, including NBFC | <ul style="list-style-type: none"> Serial number Address of the recipient of taxable service | Other information as prescribed for a Tax Invoice, under rule 46 |
| | | Such document may be issued/made available, physically/electronically |
| Goods Transport Agency (GTA) supplying services in relation to transportation of goods by road in a goods carriage | | Gross weight of the consignment |
| | | Name of the consignor and the consignee |
| | | Registration number of goods carriage in which the goods are transported |
| | | Details of goods transported |
| | | Details of place of origin and destination |
| | | GSTIN of the person liable for paying tax whether as consignor, consignee or GTA |
| | | Other information as prescribed for a tax invoice, |

| | | |
|---|--|---|
| | | under rule 46 |
| Supplier of passenger transportation service | <ul style="list-style-type: none"> Serial number Address of the recipient of taxable service | Other information as prescribed for a tax invoice, under rule 46 |
| | | Tax invoice shall include ticket in any form, by whatever name called. |

 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

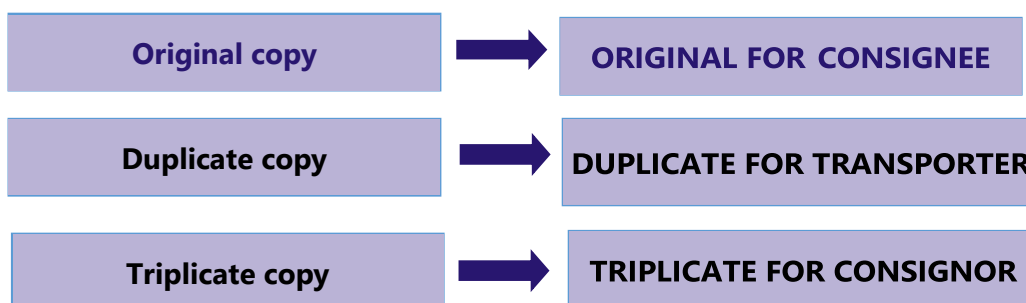
Rule 55 specifies the cases where at the time of removal of goods, goods may be removed on delivery challan and invoice may be issued after delivery. These are provided in the following table:

| Nature of supply | Deliver challan to be issued | Particulars of Delivery Challan |
|--|--|--|
| (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 | <ul style="list-style-type: none"> 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 |

| | | |
|--|--|--|
| <p>of goods for reasons other than by way of supply, or</p> <p>(4) Such other supplies as may be notified by the Board</p> | | 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:



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

Where the goods are being transported in a semi knocked down or completely knocked down condition,

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

(viii) Tax invoice by Input Service Distributor (ISD) [Rule 54(1)]

An ISD invoice or, as the case may be, an ISD credit note issued by an Input Service Distributor shall contain the following details:-

| | |
|------------|---|
| (a) | Name, address and GSTIN of the ISD |
| (b) | 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 |
| (c) | Date of its issue |
| (d) | Name, address and GSTIN of the recipient to whom the credit is distributed |
| (e) | Amount of credit distributed |
| (f) | Signature/digital signature of ISD/his authorized representative |

However, where the ISD is an office of a banking company or a financial institution, including NBFC, a tax invoice shall include any document in lieu thereof, by whatever name called, whether or not serially numbered but containing the information as mentioned above.



4. CREDIT AND DEBIT NOTES [SECTION 34]



STATUTORY PROVISIONS

| Section 34 | Credit and Debit Notes |
|-------------|--|
| Sub-section | Particulars |
| (1) | <p>Where a tax invoice has been issued for supply of any goods or services or both and the taxable value or tax charged in that tax invoice is found to exceed the taxable value or tax payable in respect of such supply, or where the goods supplied are returned by the recipient, or where goods or services or both supplied are found to be deficient, the registered person, who has supplied such goods or services or both, may issue to the recipient a credit note containing such particulars as may be prescribed</p> |
| (2) | <p>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:</p> <p>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.</p> |
| (3) | <p>Where a tax invoice has 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 a debit note containing such particulars as may be prescribed.</p> |






| | |
|------------|--|
| (4) | <i>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.</i> |
| | <i>Explanation.—For the purposes of this Act, the expression “debit note” shall include a supplementary invoice.</i> |



ANALYSIS

(i) Issuance of Credit Note

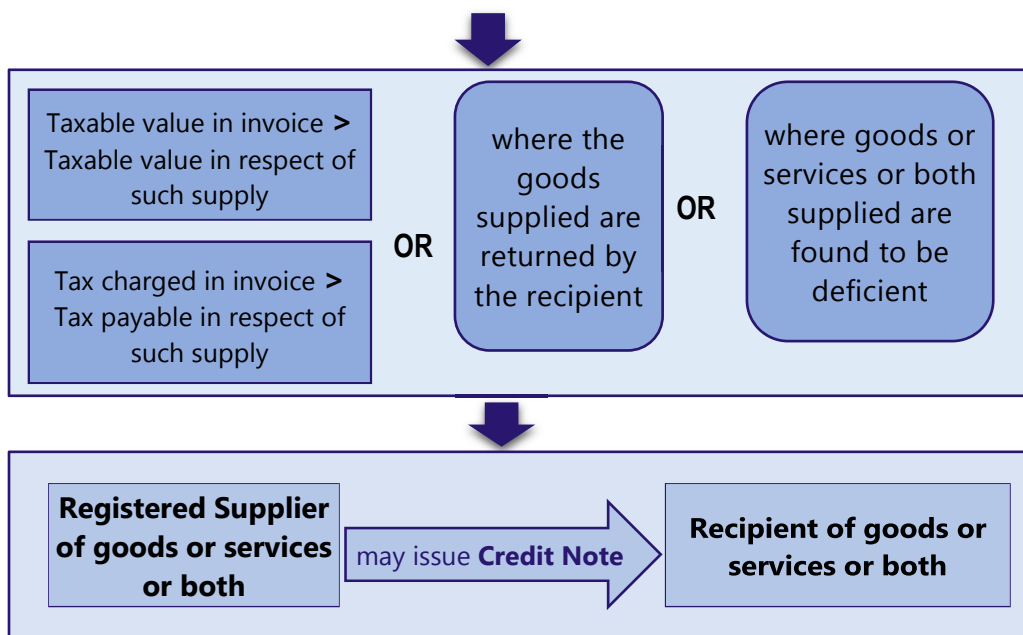
A supplier of goods or services or both is mandatorily required to issue a tax invoice. However, during the course of trade or commerce, after the invoice has been issued there could be situations like:

-  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 what is called as **credit note** to the recipient. Once the credit note has been issued, the tax liability of the supplier will reduce.

Meaning of Credit Note: The meaning of credit note has been depicted by way of the following diagram:

Where a tax invoice has been issued for supply of any goods or services or both



(ii) Issuance of Debit Note

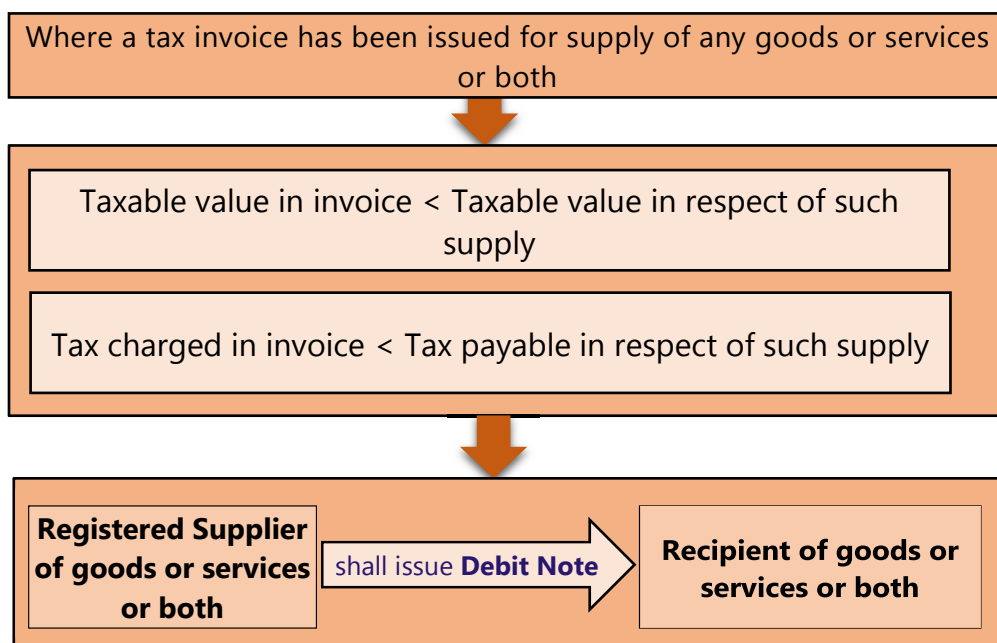
Sometimes, during the course of trade or commerce, after the invoice has been issued there could be situations like:

- ✎ 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.

Debit note shall include a supplementary invoice.

In order to regularize these kinds of situations the supplier is allowed to issue what is called as **debit note** to the recipient. Once the debit note has been issued, the tax liability of the supplier will enhance.

Meaning of Debit Note: The meaning of debit note has been depicted by way of the following diagram:




(iii) Format of debit and credit note

There is no prescribed format for credit/debit note issued by a supplier. However, it must contain certain prescribed particulars. Particulars of the Debit and Credit Notes are same as the particulars of Revised Tax Invoices. The said particulars have already been discussed in the preceding paras.

(iv) 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.



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.

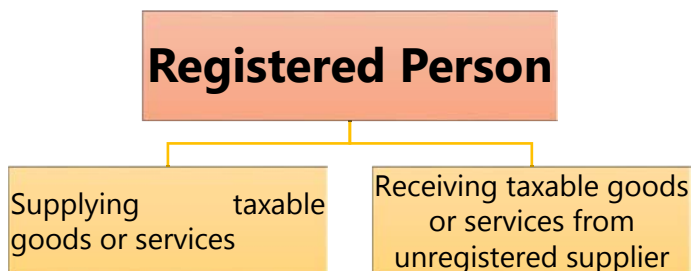


6. AMOUNT OF TAX TO BE INDICATED IN TAX INVOICE AND OTHER DOCUMENTS [SECTION 33]

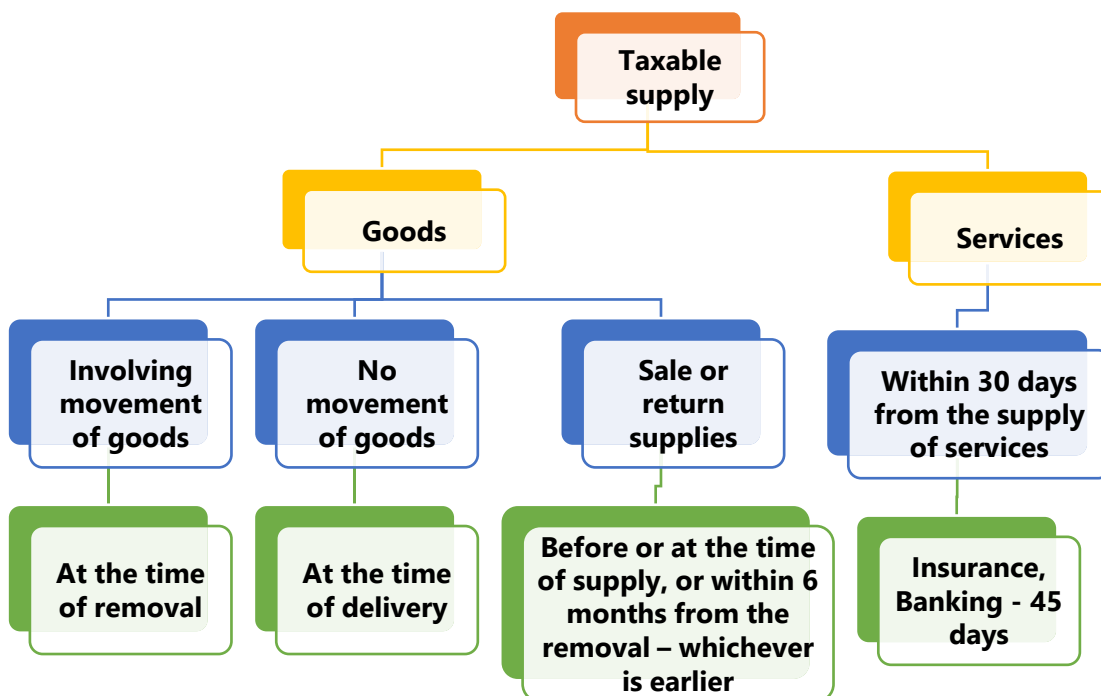
Notwithstanding anything contained in this Act or any other law for the time being in force, where any supply is made for a consideration, every person who is liable to pay tax for such supply shall prominently indicate in all documents relating to assessment, tax invoice and other like documents, the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

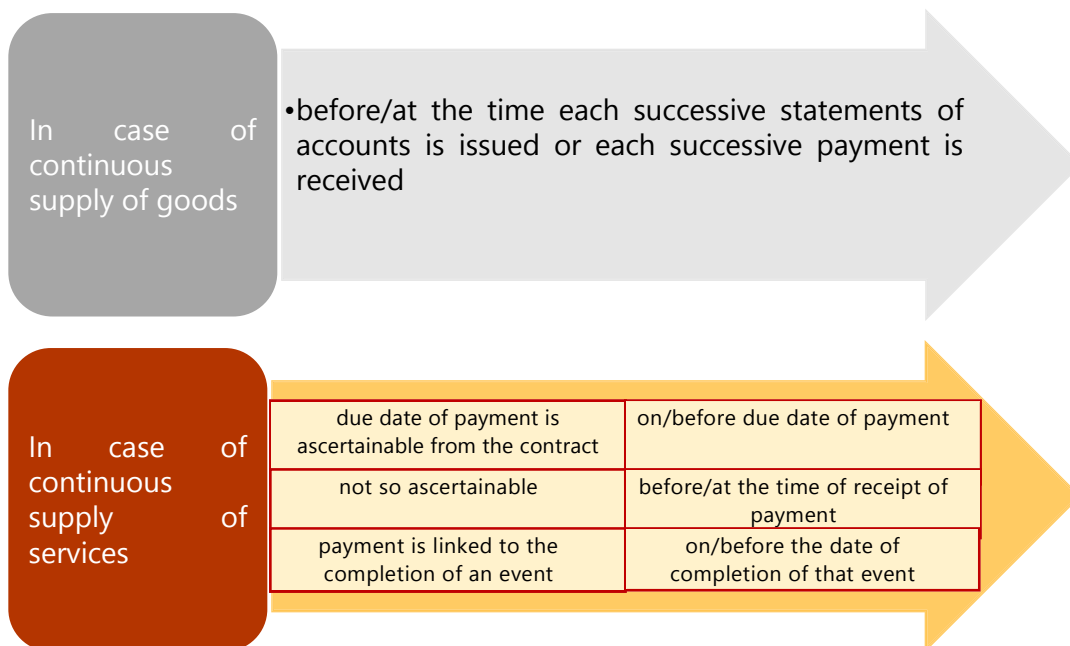
LET US RECAPITULATE

1. Who can raise a tax invoice?



2. Time limit for issuance of invoice





3. Important contents of tax invoice

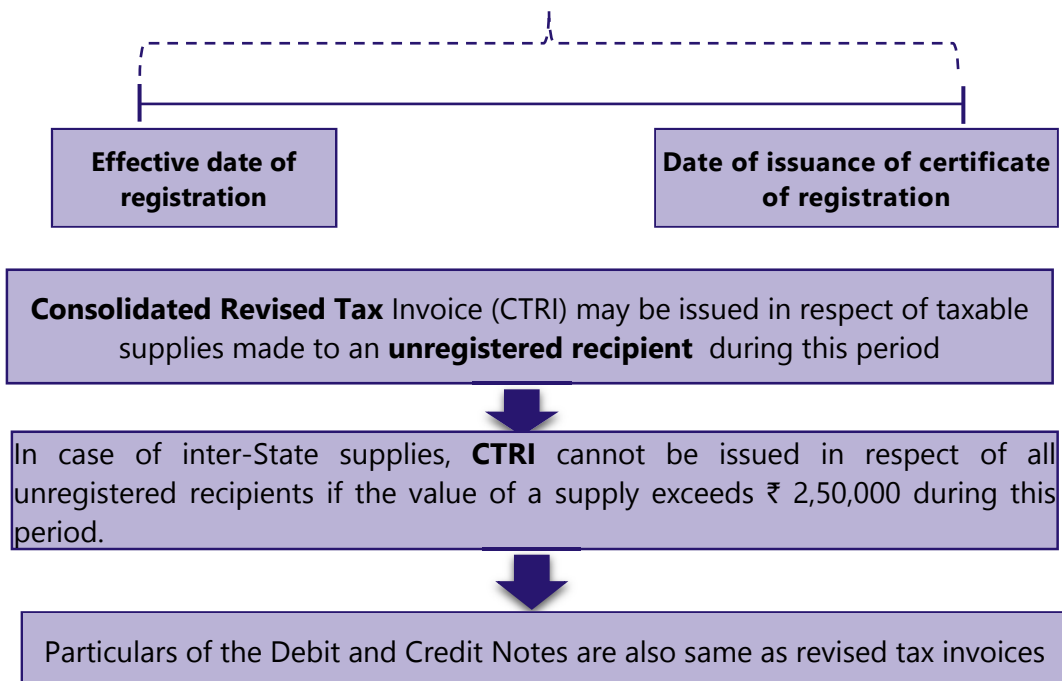
| | | | | |
|----------------------------------|---|--|--|--|
| GSTIN of supplier | Consecutive Serial Number & date of issue | GSTIN of recipient, if registered | Name & address of recipient, if not registered | HSN |
| Description of goods or services | Quantity in case of goods | Total Value of supply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

4. Manner of issuing the invoice

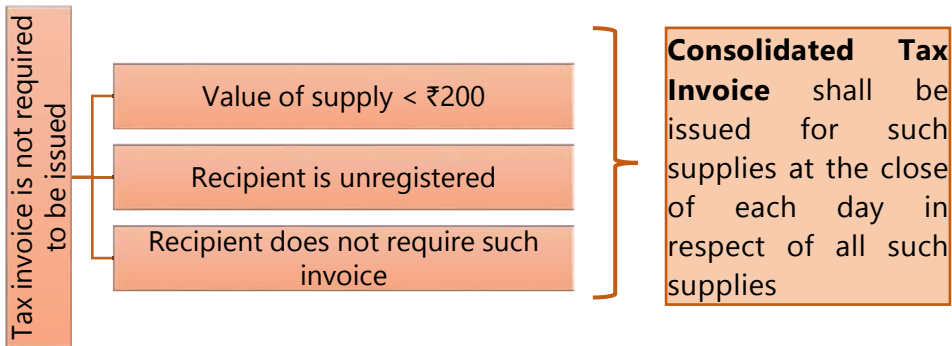
| Supply of Goods | Supply of services |
|---|---|
| Triplicate | Duplicate |
| Original copy for recipient Duplicate copy for transporter; and Triplicate copy for supplier | Original copy for recipient; and Duplicate copy for supplier |
| The serial number of invoices issued during a month / quarter shall be furnished electronically in FORM GSTR-1. | |

5. Revised Tax Invoice

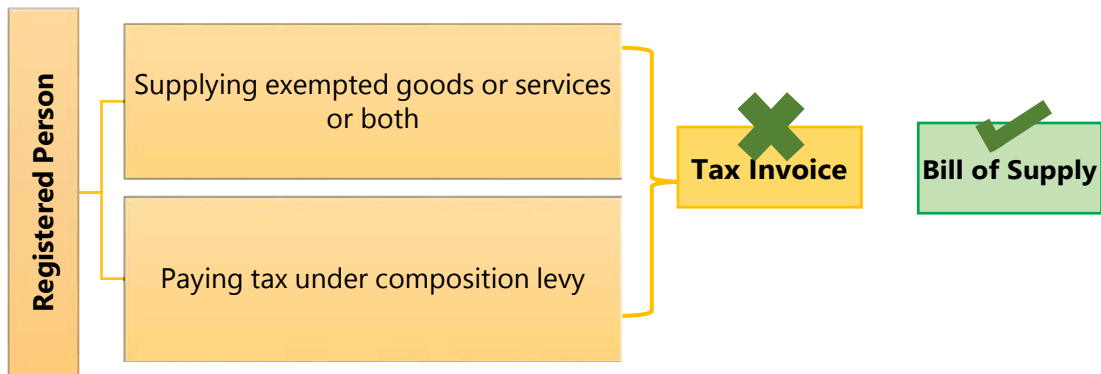
Revised Tax Invoices to be issued in respect of taxable supplies effected during this period



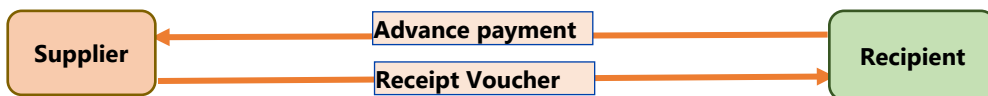
6. Consolidated Tax Invoice



7. Bill of Supply



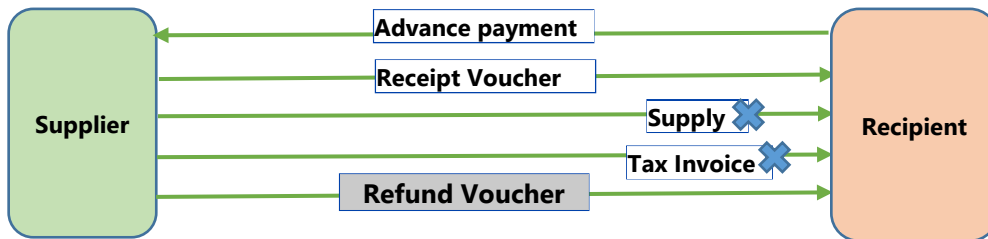
8. Receipt Voucher



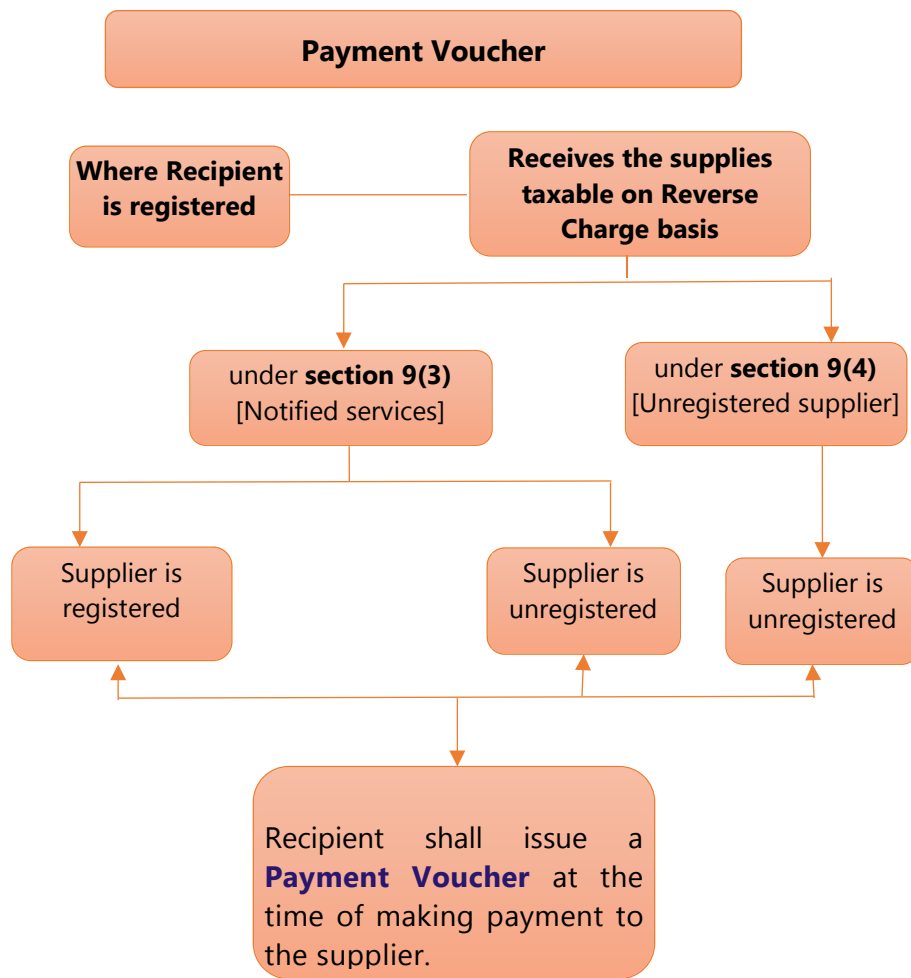
Where at the time of receipt of advance, rate of tax/ nature of supply is not determinable

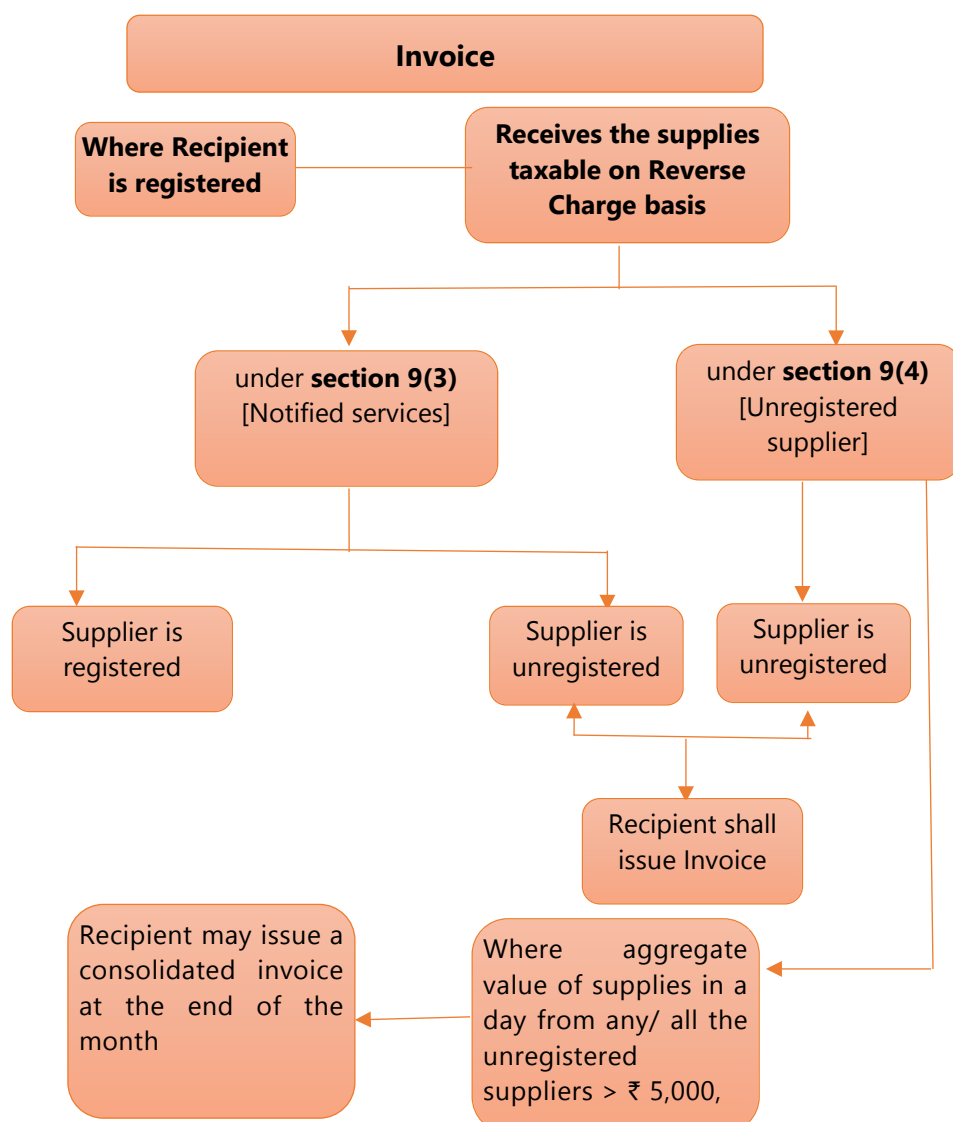
| | |
|---|---|
| Where at the time of receipt of advance | |
| (i) rate of tax is not determinable | tax shall be paid at the rate of 18% |
| (ii) nature of supply is not determinable | same shall be treated as inter-State supply |

9. Refund Voucher



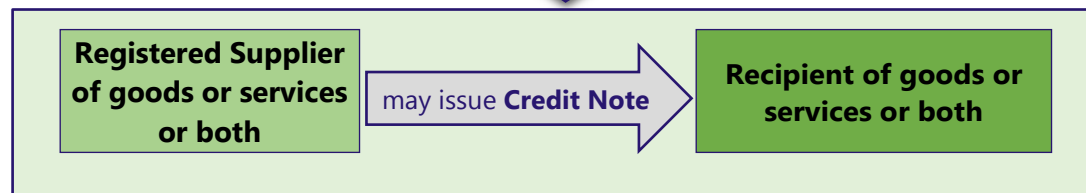
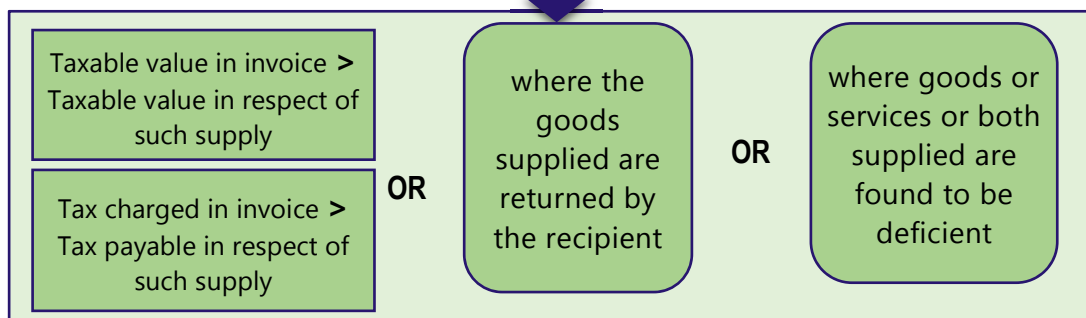
10. Invoice and Payment Vouchers to be issued by recipient of supply liable to pay tax under reverse charge





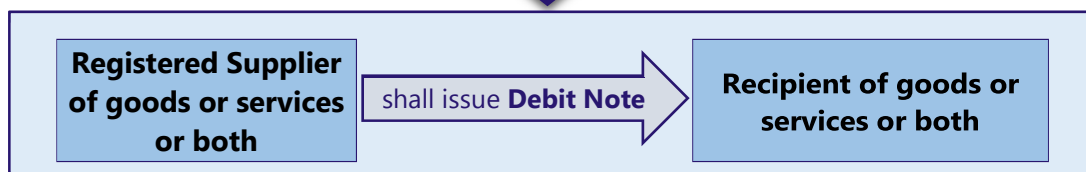
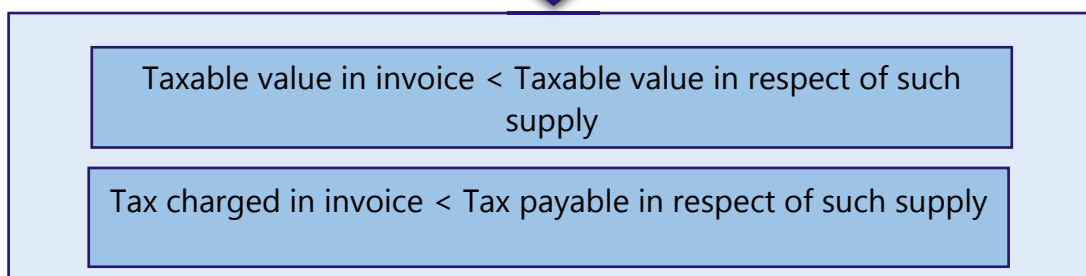
11. Credit Notes

Where a tax invoice has been issued for supply of any goods or services or both



12. Debit Notes

Where a tax invoice has been issued for supply of any goods or services or both



TEST YOUR KNOWLEDGE

1. 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.
2. 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?
3. The aggregate turnover of Sangri Services Ltd. 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 advise 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.
4. 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.
5. Discuss the provisions relating to issuance of refund voucher under CGST Act and rules thereunder.
6. 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.
7. Discuss the provisions relating to issuance of credit and debit notes under CGST Act and rules thereunder.
8. What is the time period within which invoice has to be issued for supply of services?

9. *What is the time period within which invoice has to be issued in a case involving continuous supply of goods?*
10. *What is the time period within which invoice has to be issued in a case involving continuous supply of services?*
11. *What is the time period within which invoice has to be issued where the goods being sent or taken on approval for sale?*

ANSWERS/HINTS

1. 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.
2. 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.

3. 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.

4. 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.

5. *Refer Para 3.*
6. *Refer Para 3.*
7. *Refer Para 4.*
8. *Refer Para 3.*
9. *Refer Para 3.*
10. *Refer Para 3.*
11. *Refer Para 3.*

