



LABHYANSH
ACCOUNTING SIMPLIFIED

GST Provisions for Signature on Invoice

www.labhyansh.com

Signature on Invoice as per GST Act:

Rule 46 (q) of [CGST Rules, 2017](#): *“Signature or digital signature of the supplier or his authorised representative”* is required on Invoice.

With advent of technology there are more ways of authenticating the documents. One of them is authenticating the documents / invoices with “Electronic signature”. There are lot of companies which had started using electronic signatures for issuing the invoices. However, even after authenticating these documents with the electronic signature, the taxpayer were required to put actual signature or digital signature on the invoices as per the Rule 46 of the CGST Rules, 2017.

This rule has been amended vide **Notification No. 74/2018 Central Tax Dated 31st December, 2018** to add a proviso which states as under-

“Provided also that 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 (21 of 2000).”

So, now as per amended rules, there were three ways of authenticating the invoice -

1. Actual signature
2. Digital signature
3. *Electronic Signatures*

The Information Technology Act, 2000 has made provisions for electronic signatures which different from the “digital signature”.

Section 2(ta) of IT Act’2000: *“Electronic signature means authentication of any electronic record by a subscriber by means of the electronic technique specified in the Second Schedule and includes digital signature”*.

It is important to note that the Information Technology Act, 2000 validates the electronic signatures only of the issuer has following reliable process (Section 3-A of Information Technology Act, 2000) -

- (a) the signature creation data or the authentication data are, within the context in which they are used, linked to the signatory or, as the case may be, the authenticator and of no other person;
- (b) the signature creation data or the authentication data were, at the time of signing, under the control of the signatory or, as the case may be, the authenticator and of no other person;
- (c) any alteration to the electronic signature made after affixing such signature is detectable
- (d) any alteration to the information made after its authentication by electronic signature is detectable; and
- (e) it fulfills such other conditions which may be prescribed

Thus, the taxpayer can issue invoice with the “electronic Signature” subject to having reliable system as mentioned above or with “digital signature” or with “actual signature”.

Similar provisions are applicable for Bill of supply/ticket/consolidated tax invoice or any other document.

About Us: LABHYANSH is a professionally managed Finance & Accounting service provider having presence in India. Provide Finance & Accounting Outsourcing Services, Taxation and Other Allied Services that are Timely, Accurate and Cost Effective using well defined processes. Our team seek to serve every clients in the most efficient manner. Size doesn't make a difference for us and every client is equally important. We incorporate a passion for client satisfaction and support in their success. Our services enables clients business to enhance operational and financial agility by streamlining and optimizing key processes.

Disclaimer: This document is meant for informational purpose only and does not purport to be advice or opinion, legal or otherwise, whatsoever. LABHYANSH does not intend to advertise its services through this document. LABHYANSH or its associates are not responsible for any error or omission in this document or for any action taken based on its contents.

© 2019 LABHYANSH, India. All rights reserved.

Last updated on: 23/10/19

Version: N/TAX/GST/19/10/002.V.1