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Applicability of e-Invoicing on SEZ, Deemed Exports & Exports

The e-Invoicing system under GST was implemented for taxpayers with the respective aggregate turnover as mentioned below in the respective dates.

| Effective from | Aggregate Turnover exceeding Rs. |
|------------------------------------|---|
| 1st October 2020 | Rs. 500 Crores |
| 1st January 2021 | Rs. 100 Crores |
| 1st April 2021 | Rs. 50 Crores |
| 1st April 2022 | Rs. 20 Crores |
| 1st October 2022 | Rs. 10 Crores |
| 1st August 2023 | Rs. 5 Crores |

Aggregate turnover for e-invoicing will include the turnover of all GSTINs under a single PAN across India.

What is e-invoicing?

Electronic invoicing or e-Invoicing is a system of raising invoices, under which invoices generated by one software can be read by any other software, eliminating the need for any fresh data entry or errors. In simpler words, it is an invoice generated using a standardised format, where the electronic data of the invoice can be shared with others, thus ensuring the interoperability of data.

CGST Rule 48 lays down the rules for the applicability and generation of e-invoices.

What is the time limit for e invoice?

Until 30th April 2023, there was no time limit fixed by the GST systems to generate e-invoices. From 1st May 2023 onwards, taxpayers with Annual Aggregate Turnover equal to or more than INR 100 crore must generate e-invoices for tax invoice and credit-debit notes within 7 days of invoice date, failing which the invoices/Credit Notes will be non-compliant. There is no defined time limit or period within which e invoice must be generated for the rest. Hence, for such taxpayers, it is advised to create e invoice on or after the invoice date but before the filing of GSTR-1 returns.



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An exporter either exports under LUT / bond without paying tax or exports by paying tax and later claiming a refund of it.

Exports are classified into direct exports, deemed exports, and exports from SEZ units or SEZ developers. e-Invoicing is applicable to export transactions to automate the refund mechanism to exporters under the following cases:

As per the CBIC notification on the 10th May 2023, the 6th phase of e-invoicing, applicable to businesses with a turnover exceeding Rs.5 crore in any financial year with effect from 1st August 2023.

Following supplies are presently covered under e –invoice:

Supplies to registered persons (B2B), Supplies to SEZs (with/without payment), Exports (with/without payment), Deemed Exports, by notified class of taxpayers are currently covered under e-invoicing.

At the time of registration on the IRP as an exporter, one needs to select the type of exporters such as regular export, deemed export, supplies from SEZ unit or SEZ developer. Exporters can use the existing invoice format for e-invoicing along with additionally capturing the QR code.

However, e-invoicing shall not be applicable to the following categories of registered persons, irrespective of the turnover, as notified in the CBIC Notification No.13/2020. In those cases, a bill supply is issued and not a tax invoice.

Following sector or entities are exempted under E- invoice:

- ✓ Special Economic Zone Units
- ✓ Insurers Banking Companies or financial institutions, including a Non-Banking Financial Company(NBFC)
- ✓ Goods Transport Agency (GTA)
- ✓ Suppliers of passenger transportation services
- ✓ Supplies of services by way of admission to exhibition of cinematograph films in multiplex screens
- ✓ Person registered in terms of rule 14 of CGST rules (OIDAR)
- ✓ Government Department Local Authority



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Amendment and Cancellation of E-Invoice:

If the registered person wishes to make any changes in the E-Invoice, the only option available to modify or cancel the invoices is to generate Debit/Credit Notes. The e-invoice portal does not allow for amendment of e-invoices either. The registered person will not be allowed to cancel an e-invoice after the passes of 24 hours since the issuance of the said e-invoice.



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Government of India
Ministry of Finance
(Department of Revenue)
Central Board of Indirect Taxes and Customs

Notification No. 61/2020 – Central Tax

New Delhi, the 30th July, 2020

G.S.R.....(E).—In exercise of the powers conferred by sub-rule (4) of rule 48 of the Central Goods and Services Tax Rules, 2017, the Government, on the recommendations of the Council, hereby makes the following amendments in notification of the Government of India in the Ministry of Finance (Department of Revenue), No.13/2020 – Central Tax, dated the 21st March, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 196(E), dated the 21st March, 2020, namely:—

In the said notification, in the first paragraph,

- (i) before the words “those referred to in sub-rules”, the words “a Special Economic Zone unit and” shall be inserted;
- (ii) for the words “one hundred crore rupees”, the words “five hundred crore rupees” shall be substituted.

[F. No. CBEC-20/13/01/2019-GST]

(Pramod Kumar)

Director, Government of India

Note: The principal notification was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide notification No. 13/2020-Central Tax, dated the 21st March, 2020, published vide number G.S.R. 196(E), dated the 21st March, 2020.