



KANU DOSHI GROUP

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GST UPDATES

Revision of Turnover Limit for E-Invoice to 20 Crores from 01.04.2022

CBIC has amended the notification No. 13/2020 on 24th February 2022 related to turnover limit for E-invoice.

Accordingly, it is mandatory for registered persons to generate E-Invoice having aggregate turnover above ₹20 crore in any of the previous years from 2017-18 till 2021-22 with effect from 1st April 2022.

The existing limit of ₹50 crores has been reduced to ₹20 crores vide this Notification. Accordingly, a registered person (other than a government department, a local authority, a Special Economic Zone unit and those referred to in sub-rules (2), (3), (4) and (4A) of rule 54) having aggregate turnover exceeding ₹20 crores in any preceding financial year from 2017-18 onwards, shall mandatorily prepare invoices and other prescribed documents, in terms of Rule 48(4) of the CGST Rules, 2017 in respect of supply of goods or services or both to a registered person or for exports.

Electronic invoicing was introduced by the GST Council to ease B2B invoice reporting for businesses with initially an aggregate turnover of 100 crores and above.

Invoices, Debit Note and Credit Note can now be identified using a unique Invoice Reference Number (IRN) assigned after validation by the Invoice Registration Portal (IRP). After validating the invoice, the IRP will generate a QR code, sign the e-invoice, and send it to the supplier. These features will add to the unique identification of an invoice. With this information, tax officers can easily track these documents, even in the absence of internet, using an offline application.

Invoices or documents can be signed digitally. Businesses are required to generate compliant invoices which will go through E-Invoicing system and will be assigned IRN, DSC or QR Code as opted for. The system will auto-populate certain fields on the GSTR 1 to avoid data entry errors. Businesses can match the unique IRN with the reported invoices to track them. Since the system allows the real-time upload of documents, there will be fewer fake invoices, and easier record-keeping and tracking. This will reduce instances of tax evasion.