



**Newsflash:
Applicability of E-invoicing for a person with a
turnover of Rs.20 crores or above w.e.f. 1 April
2022**



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1.0 BACKGROUND:

E-invoicing is one of the most significant and major changes that has been witnessed by the trade and industry in the GST regime. E-invoicing under GST law has been implemented in a phased manner on the basis of taxpayers fulfilling the notified aggregate turnover criteria.

- E-invoicing had been made effective from 1 October 2020 for persons whose aggregate annual turnover exceeds Rs.500 crores.
- The exemption limit was reduced from Rs.500 crores to Rs.100 crores with effect from 1 January 2021 and further brought down to Rs.50 crores with effect from 1 April 2021.
- Currently, all taxpayers whose aggregate annual turnover exceeds Rs.50 crores are required to comply with the e-invoicing mechanism and rules.

2.0 DETAILS OF NOTIFICATION:

The Government has, **vide Notification No. 1/2022 – Central Tax dated 24 February 2022**, further slashed the existing turnover limit for availing exemption from E-invoicing from Rs. 50 crores to Rs. 20 crores and the effective date notified for the said change is 1 April 2022. Thus, if the annual aggregate turnover in any preceding FY from 2017-18 to 2021-22 is more than Rs.20 crores then E- Invoicing is mandatory from 1 April 2022 onwards.

The relevant notifications giving effect to the phased implementation of e-invoicing is summarized as under:

Phased implementation of E-invoicing			
Notification no.	Notification date.	Aggregate Turnover Criteria	Effective date
61/2020 C.T.	30 July 2020	Exceeding Rs.500 crores	From 1 October 2020
88/2020 C.T.	10 November 2020	Exceeding Rs.100 crores	From 1 January 2021
05/2021 C.T.	8 March 2021	Exceeding Rs.50 crores	From 1 April 2021
01/2022 C.T.	24 February 2022	Exceeding Rs.20 crores	From 1 April 2022

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