

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**LOK SABHA**

**UNSTARRED QUESTION No. 678**

TO BE ANSWERED ON MONDAY, JULY 24, 2023/SRAVANA 2, 1945 (SAKA)

**E-INVOICING**

678. Shri Shrirang Appa Barne:

Shri Prataprao Jadhav:

Shri Dhairyasheel Sambhajirao Mane:

Shri Bidyut Baran Mahato:

Shri Sanjay Sadashivrao Mandlik:

Shri Sudheer Gupta:

Will the Minister of FINANCE be pleased to state:-

- (a) the details of present criteria followed by the Government for e-invoicing;
- (b) whether the Government on the recommendations of GST council has widened the requirement for e-invoicing or real-time reporting of business-to-business sales;
- (c) if so, the details thereof;
- (d) the manner in which this new system is going to plug revenue leakages on account of input tax credit frauds;
- (e) the total amount of additional revenue likely to be generated by the Government by introducing the e-invoicing during the current fiscal year; and
- (f) the other steps taken/being taken by the Government to improve tax compliance in the country?

**ANSWER**

THE MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHAUDHARY)

- (a) As per the present provisions, a registered person, whose annual turnover exceeds Rs 10 crore in any of the preceding financial year from 2017-18 onwards, is required to issue e-invoices in respect of the supply of goods or services or both made to a registered person (B2B), SEZs, or for exports and deemed exports.

(b) and (c) Electronic invoicing system (e-invoice) has been introduced in a phased manner as per the recommendations made by the GST Council. E-invoicing was made mandatory for supply of goods or services or both made to a registered person (B2B), SEZs, or for exports and deemed exports in respect of registered persons with turnover exceeding ₹500 crore with effect from 01.10.2020. This threshold of turnover has subsequently been revised to Rs. 100 crore w.e.f. 01.01.2021, to Rs. 50 crore w.e.f. 01.04.2021, to Rs. 20 crore w.e.f. 01.04.2022 and to Rs. 10 crore w.e.f. 01.10.2022. This threshold is further being reduced to Rs 5 crore with effect from 01.08.2023.

(d) E-invoice helps in easing the process of filing returns and also helps in 'invoice matching' and assists in the seamless flow of input tax credit across the supply chain, thereby reducing cases of frauds and other malpractices under GST regime.

(e) No such estimates of additional revenue likely to be generated specifically on account of e-invoicing can be made.

(f) Some of the major initiatives / policy measures / reforms undertaken/ being undertaken by Government, on the recommendations of the GST Council, to improve tax compliance in the country are as follows:

- (i) To bring discipline in return filing and to promote timely filing of GSTR-3B returns, restriction has been made on filing of FORM GSTR-1, if taxpayer fails to furnish the FORM GSTR-3B return for preceding tax period.
- (ii) Provision has also been made to make filing of FORM GSTR-1 mandatory before filing of FORM GSTR-3B for a tax period and also for mandating sequential filing of FORM GSTR-1.
- (iii) Amendments have been made to limit the input tax credit availment to the extent the details of such supply have been furnished by the supplier in his FORM GSTR-1 and which has been made available to the taxpayer in his FORM GSTR-2B.
- (iv) To encourage self-discipline and self-compliance by the taxpayers, provision has been made for system-based intimation of the difference in liability in FORM GSTR-1 and FORM GSTR-3B for a tax period, to the taxpayer on the common portal, for enabling the taxpayer to either pay the differential liability or explain the difference.

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