

Allowing firms below GST threshold in e-commerce to help small businesses- Goyal

Updated: 30 Jun 2022, 03:48 PM IST

- **Earlier on 29 June, the GST Council decided to ease the process for intra-state supplies made through e-commerce portals.**

Commerce and Industry Minister Piyush Goyal on 30 June said the decision to allow firms below the GST threshold to engage in e-commerce is a major decision, which will help small businesses get benefitted from the fast-growing online sector.

The Minister added decision will be a game-changer for the success of the government's Open Network For Digital Commerce (ONDC).

"It will bring the small retailers into the e-commerce ecosystem," he said, adding "handicraft, handloom, textiles and small retailers will be the major gainers."

Earlier on 29 June, the GST Council decided to ease the process for intra-state supplies made through e-commerce portals.

Following the new decisions, suppliers will not have to obtain GST registration, if their turnover is lower than ₹40 lakh and ₹20 lakh for goods and services, respectively. The new rule will come into effect from 1 January, 2023.

Goyal -- while speaking at the unveiling of the Business Reforms Action Plan 2020 assessment report released by Finance Minister Nirmala Sitharaman -- said that the decision for rationalising the GST rates on cut and polished diamonds would help in promoting the growth of the sector.

"It will give a big boost to the industry. These decisions will increase work opportunities in a big way," he added.

With inputs from PTI.