



ICSI - GST

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GOODS AND SERVICES TAX

E-Way Bills : A Reality Now



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

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MESSAGE FROM PRESIDENT

At the time of the implementing the Goods and Services Tax in July, 2017, Shri Pranab Mukherjee, the then President of India commendably quoted that “GST will act as a major boost to economic efficiency, tax compliance and domestic and foreign investment”. Indeed, in the last nine months of its implementation, GST has evidently driven the economic growth of the Nation at par. Lately, the Economic Survey 2017-18, presented in the Parliament claimed that post the introduction of Good and Services Tax regime, there has been a 50 per cent increase in the number of indirect taxpayers, besides a large increase in voluntary registrations, especially by small enterprises that buy from large enterprises and want to avail the Input Tax Credits (ITC).

Considering the economic integration of the Nation endowed by GST, Government is dynamic in facilitating the ease of implementing GST throughout the Nation. Aligning the spirit of GST to make India's industry more competitive and provide level-playing field to domestic industry to compete globally, recently, following the 26th GST Council Meeting held on March 10, 2018, the E-Way bill have been implemented for inter-state movement of goods from April 1, 2018 and for intra-state movement of goods, it will be introduced in four phases from April 15, 2018 and all the States are expected to join the league by June 1, 2018. With this portal-driven payment system, GST led ahead in its promise to make lives of the carrier business operators easier, along with an assistance to tax authorities to efficiently track movement of goods both inter-state as well as intra-state.

With the ever evolving law of GST at every stage under the constant recommendations of GST Council for a successful indirect tax regime, it becomes essential for the professionals to upkeep every latest update in serving their professional expertise assisting successful operation of GST pan India.

In this perspective, ICSI-GST Newsletter which a monthly circular to the professional community is an inclusion of latest developments taking place in the GST regime with the growing time. With this, ICSI releases the next in the series, the April edition of the GST Newsletter focussing on e-Way Bills for advancing the capacity of our professionals for ensuing their utmost dedication and commitment for the fresh law.

Looking forward for your treasured feedback for the GST Newsletter

CS Makarand Lele
President, ICSI

GST NEWS

1. No decision on GST return simplification, E-Way bill to be implemented from April 1

- The 26th GST Council meeting on Saturday failed to come up with any conclusive simplification process after deliberating on two models and has now postponed the decision for next Council meeting, but E-way bill will be implemented from April 1.
- The current system of filing GSTR 3B will be applicable for the next 3 months.
- Recommendations made during the 26th meeting of the GST Council held in New Delhi on 10th March, 2018:

A. Return filing System

- The present system of filing of GSTR 3B and GSTR 1 is extended for another three months i.e., April to June, 2018 till the new return system is finalized. A new model was discussed extensively and Group of Ministers on IT has been tasked to finalize the same.

B. Reverse charge mechanism

- The liability to pay tax on reverse charge basis has been deferred till 30.06.2018. In the meantime, a Group of Ministers will look into the modalities of its implementation to ensure that no inconvenience is caused to the trade and industry.

C. TDS/TCS

- The provisions for deduction of tax at source (TDS) under section 51 of the CGST Act and collection of tax at source (TCS) under section 52 of the CGST Act shall remain suspended till 30.06.2018. In the meantime, the modalities of linking State and Central Governments accounting system with GSTN will be worked out so that seamless credit is available to the registered traders whose tax is deducted or collected at source.

D. Grievance Redressal Mechanism

- GST implementation Committee (GIC) has been tasked with the work of redressing the grievances caused to the taxpayers arising out of IT glitches.

2. Rent on electricity meter comes under GST; Priority lending certificates come under 18 per cent GST

- The Central Board of Excise and Customs (CBEC) said even though electricity is exempted from GST, rent on electricity meter is not.
- Besides, GST will also be imposed on application fee for releasing connection of electricity; testing fee for meters, transformers, capacitors; labour charges from customers for shifting meters or shifting service lines

- The government has clarified that priority lending certificates of banks are in the nature of goods and liable to tax at the rate of 18% under GST
 - Department of revenue said the RBI FAQ on Priority Sector Lending Certificate or PSLC may be construed to be in the nature of goods, dealing in which has been notified as a permissible activity and thus, PSLCs are taxable as goods at standard rate of 18% under the residuary
- 3. E-way bill must for intra-state goods movement from June 1**
- All states shall have to compulsorily implement the national e-way bill system for intra-state movement of goods by June 1, 2018
 - For inter-state movement of goods, the system is mandatory from April 1, 2018
- 4. Over 1.03 crore businesses registered under GST: Government**
- Over 1.03 crore businesses have registered under GST regime and the implementation of the biggest indirect tax reform has been smooth so far
 - As on March 2, a total of 1,03,99,305 taxpayers are registered under GST, which include 64.42 lakh taxpayers who have migrated from the erstwhile tax regimes and 39.56 lakh who have taken new registration under GST
- 5. Monthly GST revenue close to Rs 90,000 crore, says Finance Ministry**
- The Finance Ministry said in the Rajya Sabha that the average monthly GST collection in the July-January period stood at Rs 89,767 crore, higher than Rs 87,468 crore reported earlier
- 6. No extension for sale of pre-GST stock with revised MRP stickers- Minister of Consumer Affairs, Food and Public Distribution**
- The government will not further extend the deadline for selling pre-GST stock with revised maximum retail price (MRP) stickers beyond this month and retailers will display only one MRP after 31st March
 - The deadline was extended from September 30th to December 31st last year, and finally to 31st March this year
- 7. E-wallet will address GST refund issue of exporters: Commerce and Industry Minister**
- Under the e-wallet mechanism, a notional credit would be transferred to exporters' accounts based on their past record and the credit can be used to pay taxes on inputs
 - The GST Council in its meeting earlier this month decided to implement e-wallet scheme for refunds to exporters by October 1.
 - Meanwhile, the CBEC field formations have launched 'GST refund fortnight' beginning yesterday to quickly sanction pending refunds to exporters
- 8. CBEC to verify GST transitional credit claims of 50,000 taxpayers**
- In order to check "frivolous and fraudulent" tax credit claims by businesses, the CBEC has decided to verify demands of top 50,000 tax payers claiming maximum GST transitional credit, starting with those where the quantum exceeds Rs 25 lakh
 - As part of transition to GST last July, taxpayers were allowed to file Form TRAN-1 and avail tax credit on the basis of closing balance of the credit declared in the last return under the pre-Goods and Services Tax regime

9. No GST exemptions for northeast, hill states

- The government said that no exemptions from
- And in case the state or Central government decides to continue any existing exemption or incentive scheme, it shall be administered by way of a reimbursement mechanism through the budgetary route tax refund had been given to the northeastern and hilly states under GST till March 2027 as the GST Council had in September 2016 decided that all entities exempted from payment of indirect tax under the then-existing tax incentive scheme will have to pay tax in the GST regime

10. CBEC clears some air on refunds under GST, central excise, service tax laws

- In a circular (no.37/11/2018-GST dated March 15, 2018), the Central Board of Excise and Customs has clarified many issues relating to refunds under the Goods and Services Tax, Central Excise and Service Tax laws.

11. Business with nil tax liability may get to file GST returns bi-annually

- Businesses having zero tax liability for six consecutive months under GST may soon get relief once the proposal to allow such entities to file returns only twice a year gets the GST Council's nod in the next Council meet
- According to recent data, as much as 40 per cent of return filers under GST regime have nil tax liability and will not have to file monthly returns once the new simplified return filing procedure is finalized

12. GST profiteering complaint form simplified: Finance ministry

- The Finance Ministry has simplified and reduced the number of columns in the complaint form to make it easier for consumers to report any profiteering activity by businesses post GST rollout

13. Covering GST loss: Government seeks Parliament nod for Rs 63,000 crore

- The government presented the fourth supplementary demand for grants in Parliament and out of the total cash spending; it sought approval for Rs 62,716 crores to compensate states and Union territories due to revenue shortfall after GST rollout
- This is a transfer from the compensation fund to the public account where GST cess on tobacco, soft drinks, luxury cars and coal is parked.



All ABOUT e-WAY BILL MECHANISM*

E-way bill mechanism has finally come alive with the Government notification mandating inter-state movement of goods to accompany e-way bill w.e.f 1.4.2018. Although, the mechanism is largely on the similar lines as was introduced in the Central GST Rules, 2017 as on 1.7.2017, however, on the recommendation of all empowered GST Council, the Government has modified certain provisions to cater to the demands of the trade and industry. This note will talk about the different dimensions of e-way bill mechanism and will endeavour to provide basic answers which are going rounds in the industry circles.

1. Basic Conditions

- a. An e-way bill is required to be generated for the transportation of goods of value Rs. 50,000/- or more:
 - i. In relation to a supply [for example, supply of goods to the customer]
 - ii. For reasons other than supply [for example, movement of goods for job work, repairs, etc.]
 - iii. Due to inward supply from Unregistered Persons [i.e. any procurements made from Unregistered Person]
- b. **For the purpose of calculating the threshold of Rs.50, 000, the value shall be such as shown on the tax invoice/ bill of supply/ delivery challan, as the case may be, including the value of taxes but not including the value of goods which are exempted from the payment of tax, where the invoice is issued in respect of both exempt and taxable goods.**

Example:

Taxable value as per Invoice is Rs. 45,000

IGST @ 18% is Rs. 8,100

Total Invoice value is Rs.53, 100/-

In the above example, Way Bill is required to be issued as the value of invoice including taxes exceeds Rs. 50,000/-.

- c. The limit of Rs. 50,000/- shall not be applicable where the goods are sent for job work from one State to another State. In other words, in such cases, e way bill shall be generated regardless of the value of goods involved.
- d. E way bill can be generated voluntarily even if the value of goods is less than Rs. 50,000/-
- e. **Thus, an e-way bill shall be generated for each movement of goods whether it constitutes a taxable supply or an exempted supply or for reasons other than supply.** [There are few exceptions which have been further listed in this note]

*Contributed by Mr. Gurinder Pal Singh, Head Indirect Taxes, L&T Power; Member, ICSI-GST Core Advisory Group

- f. E-way bill is required to be generated regardless of the mode of transportation i.e. railways, air, vessel or road.
 - g. E-way bill shall also be required regardless of whether movement of goods is within a particular State or Inter-State. However, it will be mandatory for Inter-State movement of goods from 1.4.2018 and shall be mandatory for intra-state movement of goods in staggered manner but not later than 30.6.2018.
 - h. E-way bill shall also be required regardless of whether the goods are transported through a transporter or by own conveyance.
 - i. E way bill is required to be generated against each tax invoice/ bill of supply/ delivery challan regardless of whether consignments pertaining to each such document are being transported in a single conveyance.
 - j. Where goods of one invoice are being moved in multiple vehicles simultaneously, e-way bill shall be generated for each such vehicle based on the delivery challans issued for that portion of the consignment.
2. **Scheme of generating the e-way bill:** E-way bill shall be generated in Form GST EWB-01 on the common Portal. At the outset, User name / password need to be generated on the common portal. The address of common portal is www.ewaybillgst.gov.in.

The process of generation is divided into two parts i.e. Part A and Part B of Form GST

EWB-01.

PART A

Contents - Part A mainly comprise of basic invoice information containing the following fields.

Part A	Particulars	Remarks
A.1	GSTIN of Supplier	GSTIN of the person generating e-way bill
A.2	Place of Dispatch	Self-explanatory/ It is relevant especially where the Place of dispatch is different from the place of the consignor.
A.3	GSTIN of Recipient	Self-explanatory. However, where the recipient is unregistered, it is not required and in such cases the option 'URP' shall be ticked.
A.4	Place of Delivery	Self-explanatory
A.5	Document Number	Tax Invoice no/ Bill of Supply No. / Delivery Challan No. as the case may be.
A.6	Document Date	Date corresponding to the underlying document.

A.7	Value of Goods	As per invoice/ bill of supply/ delivery challan [inclusive of taxes]
A.8	HSN Code	As per the underlying document
A.9	Reason for Transportation	In common portal, the following reasons have been made available for generation of e Way Bill viz. Supply, Export, Import, Job Work, SKD or CKD, Recipient not known, Line Sales, Sales Return, Exhibition or Fairs, For own use and Others.

- i. **Who is required to fill Part A?** - Any person who causes movement of goods shall be required to fill Part A. Alternatively, Part A can also be filed by the transporter or e-commerce operator or courier agency provided such agencies are specially authorized by the person who is actually causing movement of goods.
- ii. In trade parlance, the person who is a consignor of goods as per the underlying document or arranging transportation as consignor or consignee shall be considered as a person who causes movement.
- iii. In case, the goods are procured by a registered person from an unregistered person [URP], the registered recipient person shall be deemed to have caused movement of goods [and the consequences of generating e way bill will follow].
- iv **Unique Number** - The successful filling up of Part A results in the generation of unique number which shall be used for filling up of Part B.

PART B

The filling up of Part B finally culminates the process with the generation of e way bill.

Contents - Part B mainly comprise of transportation details as below;

Part B	Particulars	Remarks
B.1	Vehicle No. [for Road]	To be taken from the transporter
B.2	Transport Document No. / Defence Vehicle No. / Temporary Vehicle Registration No. / Nepal or Bhutan Vehicle Registration No.	LR / RR No.

Who is required to fill Part B?

- a. Where the goods are transported by road, Part B shall be filled by the registered person as consignor or recipient as consignee.
- b. Where Part B is not filed as above and the goods are handed over to the transporter, in such case, Part B shall be filled by the transporter provided the consignor or consignee who had furnished Part A should assign the unique e way bill number to such transporter.
- c. Where the goods are transported by vessel, railways or air, Part B can only be filled by the supplier or recipient. [it cannot be filled by the transporter].
- d. **Part B has to be filled/furnished within 15 days from the filling up of PART A.**

Generation of E way Bill

Upon filling of Part B, the common portal will finally generate e way bill and unique e-way bill number [EBN] shall be made available to the supplier, recipient and the transporter.

3. Where consignor or consignee fails to generate e-way bill

In the circumstances, where consignor or consignee fails to generate e-way bill in Form GST EWB-01, the responsibility to generate e-way bill has been shifted on to the transporter concerned. In such cases, the transporter is mandatorily required to generate e-way bill based on the information available as per invoice/ bill of supply/ delivery challan. However, the above is applicable only in case of transport of goods by road [not in case of transport of goods by railways, vessel or air].

4. Consolidated e-way bill by the transporter

Where e-way bill is generated as per the procedure for each individual consignment and transporter intends to transport multiple consignments in a single conveyance, he may generate consolidated e-way bill by mentioning serial number of each individual e-way bill.

5. When to generate e-way bill

Where the goods are transported by road, e-way bill necessarily required to be generated before the commencement of movement of goods. Any movement of goods [above threshold of Rs. 50,000] without a valid e-way bill is liable to penalties and detention.

Where the goods are transported by air, railways or vessel, e-way bill can be generated either before or after the commencement of movement of goods.

However, in case of railways, it is provided that railways shall not give delivery of goods to the consignee until a valid e-way bill is furnished thereto.

6. **Verification by the recipient** –Where an e-way bill is generated, it shall be made available to the other party [consignee or consignor, as the case may be] on the common portal who shall communicate his acceptance or rejection of the consignment covered by the e-way bill. If the recipient of information does not communicate his acceptance or rejection within 72 hours of the details being made available to him, it shall be counted as deemed acceptance on his part.

Process of acceptance/rejection in the common portal

To reject the e-way bill generated by the consignor or transporter, the user need to select the 'Reject' tab on e-way bill portal as mentioned above. The portal will then navigate to a webpage titled 'Reject e-way bill generated by others' wherein the user can put () against the EWB No. which it seeks to reject.

7. **Territorial validity** of e-way bill - E-way bill so generated shall be valid in every State / Union territory.
8. **Modification in e-way bill** – Where, after the generation of e-way bill, the goods are required to be transferred from one conveyance to another for any reason, the requisite details i.e. vehicle no., etc. shall be updated on common portal in Part B either by the person who originally filled information in Part A or by the transporter.

However, such modification/ updation of e-way bill shall not be necessary where the distance pending to be covered does not exceed 50 kms within the same state or UT from the place of the transporter to the place of business of the consignee.

9. **Cancellation of e-way bill**–Where an e-way bill is generated but the goods are not transported or are not transported as per the details furnished in Part A and Part B of e-way bill, it can be cancelled electronically through common portal [provided the e-way bill is not verified in transit by the GST authorities].**Whether a particular e-way bill is already verified by the GST authorities or not can be checked from the common portal.**



Thus, in case, the e-way bill is generated with wrong details or the goods for which e-way bill is generated are not required to be transported, the user must cancel such e-way bill on the common portal. Where the un-used e-way bill is not cancelled, the GST authorities will deem that that the underlying goods have been transported and the consequences of demand of tax in such cases will follow.

10. Validity of e-way bill - The validity of e-way bill is stated as under

Sr. No.	Vehicle Dimensions	Distance	Validity Period
1.	Other than Over Dimensional Cargo	Upto 100 KM	1 day
2.	Other than Over Dimensional Cargo	For Every 100 KM or part thereof	1 additional day
3	Over Dimensional Cargo	Upto 20 km	1 day
4	Over Dimensional Cargo	For every 20 km or part thereof	1 additional day

i. How to calculate a 'day'?

Each day shall be counted from the time at which e-way bill is generated till the expiry at midnight of the day immediately following the date of generation of e-way bill.

For example - if an e-way bill is generated at 10:00 AM on 1.4.2018, then it shall be valid upto 11.59 pm on 2.4.2018.

ii. What is over dimensional cargo?

The expression “over dimensional cargo” shall mean a cargo carried as a single indivisible unit and which exceeds the dimensional limits prescribed in rule 93 of the Central Motor Vehicle Rules, 1989.

iii. Can the validity of an existing e-way bill be further increased?

Yes, the validity of e-way bill can be further increased by the transporter by updating the details in Part B of Form GST EWB-01. However, such facility to the transporter is allowed only under the circumstance of extreme exceptional nature including transshipment.

11. Documents to be carried with conveyance

A person-in-charge of the conveyance/ transporter is required to carry the following documents along with;

- i) Invoice or Bill of Supply or Delivery Challan or Bill of Entry, as the case may be and
- ii) Copy of e-way bill or E-way bill number in electronic form or mapped to a Radio Frequency Identification Device embedded on to the conveyance.

The above shall not be applicable where the goods are being transported by railways, vessel or air.

12. Inspection & Detention of conveyance

- a. GST officers have been authorized to intercept any conveyance to verify the e-way bill in physical form or electronic form for all inter-state and intra-state movement of goods.
- b. Where the physical verification of goods being transported on any conveyance has been done during transit at one place within the State or in any other State, no further physical verification of the said conveyance shall be carried out again in the State, unless a specific information relating to evasion of tax is made available subsequently.
- c. In order to avoid misuse of such powers, the provisions provide that in case of inspection, the proper officer shall record a summary report in Part A of FORM GST EWB-03 within 24 hours of inspection and record the final report in Part B of FORM GST EWB-03 within 3 days of such inspection
- d. Where a vehicle has been intercepted and detained for a period exceeding 30 minutes, the transporter may upload the said information in FORM GST EWB-04 on the common portal.

13. Exemption to generate e-way bill – In the following cases, e-way bill shall not be required to be generated;

- a. Where, the value of goods does not exceed Rs. 50,000/-
- b. Where the goods are being transported in a non-motorized conveyance
- c. Where empty cargo containers are being transported;
- d. Where the goods are being transported from customs port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs.
- e. Where the goods are being transported under bond from inland container depot or a container freight station to customs port, airport, air cargo complex and land customs station or from one customs station or customs port to another customs station or customs port.
- f. Where the goods are being transported under customs supervision or under customs seal.
- g. Where the goods are being transported as transit cargo from or to Nepal or Bhutan.

- h. Where any movement is caused by defence formation under the Ministry of Defence.
- i. Where the goods being transported are petroleum crude, high speed diesel, motor spirit / petrol, natural gas or aviation fuel.
- j. Where the consignor of goods is the Central Government, Government of any State or local authority for transport of goods by rail.
- k. Where the goods are being transported upto a distance of twenty (20) kilometres from the place of the business of the consignor to a weigh bridge for weighment or vice-versa. However, the movement of goods in such cases shall be accompanied by a delivery challan.

14. Penalty for movement of goods without accompanying a valid e-way bill

Where the goods are found transported without accompanying a valid e-way bill, penalty equivalent to the tax leviable on the underlying goods shall be imposed. Besides, the conveyance along with goods shall be liable to be detained/ seized.



FAQs on e-Way Bill*

Question 1: Mr. A, Principal, located in Punjab sent goods having consignment value INR 90,000=00 to job worker located in Haryana. Is there a requirement to generate E-Way bill in this situation?

Ans: Yes, as per rule 138 of CGST (Second amendment rules 2018)

Question 2: Mr. A, Principal, located in Punjab sent goods having consignment value having INR 10,000=00 to job worker located in Punjab. Is there a requirement to generate E-Way bill in this situation?

Ans: No

Question 3: Goods sent by principal to job worker from one state to another, who will generate e-way bill?

Ans: Either Principal or Job worker, if both are registered person. If only principal is registered and job worker is un-registered then it is the obligation of principal to generate E-way bill.

Question 4: Mr. A, registered in GST, and having GSTIN. Is there any requirement to register again for generating E-Way bill?

Ans: Yes, every concerned person is required to be registered for generating E-Way bill separately through www.ewaybill.nic.in

Question 5: Which is the prescribed form to generate E-Way bill?

Ans: Form GST-EWB-01

Question 6: ABC Pvt. Ltd. sent five consignments to five different consignees, having consignment value of INR 60,000=00 each. Can ABC Pvt. Ltd. generate one consolidated E-Way bill for all five consignments?

Ans: No, for each consignment, one E-Way bill is to be generated. In the given situation, five separate E-Way bills will be generated.

Question 7: ABC Pvt. Ltd. on 1st April 2018, sent five consignments to five different consignees, having consignment value of INR 20,000=00 each. Is ABC Pvt. Ltd. required to generate E-way bill?

Ans: No, till related provisions are notified.

Question 8: Mr. A, registered person, generated E-Way bill on 1st April 2018 but after 4 hours of generating E-Way bill, realised that some information / details in EWB-01 are wrongly mentioned by mistake. Can he modify EWB-01 to make corrections?

Ans: No, only cancellation is allowed. There is not any option to modify or delete information mentioned in EWB-01.

Question 9: Is E-Way bill required to be generated to transport alcoholic liquor for human consumption and petroleum products?

Ans: No

Question 10: Is E-way bill required for movement of empty coca -cola bottles?

Ans: Yes, if consignment value is above Rs 50,000/-

Question 11: Is E-way bill required for movement of empty cargo containers?

Ans: No, such movement has been exempted from E-Way bill.

**Contributed by Ms. Payal Kataria, FCS; Special Invitee ICSI-GST Core Advisory Group*

Question 12: Mr. X, Consignor, transported goods having consignment value INR 10 lakhs by Railways. Is there any requirement to generate E-Way bill under the given situation?

Ans: Yes, either before or after the commencement of movement

Question 13: Mr. A, registered person, generated e-way bill on 3rd April 2018 at 11:00 AM and movement of goods is within 80 KMs. What is the validity period?

Ans: One day as distance is up to 100 KMs calculation of one day. E-way bill valid till intervening mid night i.e. 00:00 of 4th April & 5th April 2018

Question 14: Mr. A, working in Delhi, on 3rd April 2018 changed his job and got job in Mumbai. For moving his old and used household articles from Delhi to Mumbai, does he require an e-way bill?

Ans: E-way bill is not required to be generated as per Rule 138(14).

Question 15: Is it mandatory to mention HSN code while generating e-way bill?

Ans: Minimum 2 digit level for taxpayers having annual turnover up to INR 5 Cr. in preceding Financial Year and 4 digit level for taxpayers having turnover above INR 5 Cr. in the preceding Financial Year.

Question 16: ABC Pvt. Ltd. transports goods worth INR 10 Cr. from place of business to Weight Bridge located at a distance of 5 KM. Is there any requirement to generate e-way bill?

Ans: E-way bill is not required, if goods are being transported up to a distance of 20 KM from the place of business of consignor to Weight Bridge subject to condition, carrying delivery challan.

Question 17: Mr. A, registered person fills part A of e-way bill on 1st April 2018 and unique EBN is generated. In how many days part B can be filled?

Ans: Unique EBN shall be valid for period of 15 days for updation of Part B of Form GST EWB-01.

Question 18: Mr. X, registered person, located in Punjab generated e-way bill to make supply of goods worth INR 1 Cr. to Mr. Y located in Bihar. Mr. Y rejected e-way bill at the time of delivery of goods. Can Mr. Y reject e-way bill?

Ans: If recipient does not communicate his acceptance or rejection within 72 hrs of the details being made available to him on the common portal, or the time of delivery of goods whichever is earlier, it shall be deemed that he has accepted the e-way bill details. Therefore, under given situation Mr. Y cannot reject e-way bill.

Question 19: Can Mr. A, registered person, consignor carry goods worth INR 1 Cr. from one state to another in his own vehicle?

Ans: Yes, he can and will show his GSTIN in the column transporter ID.

Question 20: How many sub-users can be created?

Ans: For every principal / additional place of business, user can create max 3 sub-users. In case of one principal place having 3 additional places, a total of 12 sub-users can be created.

Question 21: Who is authorised to verify e-way bill in physical or electronic form?

Ans: The commissioner or an officer empowered by him in this behalf may authorise the proper officer to intercept any conveyance to verify the e-way bill in physical or electronic form for all inter-state and intra-state movement of goods.



SIMPLIFY GST- A BAHUBALI TASK*

1.1 INTRODUCTION:

To simplify GST, more active role must be played by the Governments, Professionals, Various Chambers/ Associations/ Institution, ERP developers related to GST and other stakeholders of GST otherwise simpler GST will be Bahubali task forever.

Team of members who are expert in accounting and GST Laws did not know much about development of software whereas team of software engineers did not know much about the accounting and GST Laws and its compliances and lack of understanding amongst them resulted to installation of impractical ERP system specially for GST Accounting and Compliance objective.

To maintain the proper accounting and fulfill accurate and on time legal compliances, there are two basic needs of any organization:

- Good accounting system or ERP System.
- Trained and qualified staff.

Apart from these two basic needs professional consultancy from CA/CS/CMA is required at the time of installation and implementation of ERP system.

1.2 TOPICS COVERED IN THIS ARTICLE:

- ✓ Installation and Implementation of an ERP System for GST purpose-Pros and Cons.
- ✓ Task for March Ending and begging of April-New Financial Year.
- ✓ E-Way Bill.

1.3 INSTALLATION AND IMPLEMENTATION OF AN ERP SYSTEM FOR GST PURPOSE-PROS AND CONS:

1.3.1 Introduction:

One of the myths of ERP solution is that it is one time Solution. Whereas in practical situation, all ERP solutions require occasional human intervention especially by an expert to make sure that ERP System fulfilled the purposes for which they were designed and installed.

Another myth of ERP is that an ERP will always be perfect. The results of any accounting or ERP system will always depend on the quality of its input. If there are any human errors due to lack of knowledge or careless attitude of expert, there will always be some glitches and glitches will impact for timely reporting and filing of returns or wrong filing of returns. Before taking any decision on ERP, organizations should conduct an extensive feasibility analysis to ensure that this is indeed the right solution for their business and business models, depends entirely on organization accounting requirements derived from the size of your organization, business portfolios and number of users they want to allow giving access to the software etc.

*Contributed by Mr. P.K Singh, CS, CA; Member ICSI GST Core Advisory Group

Now it is required to know more about ERP and its features to choose good ERP for your business. Let's discuss ERP System requirements for GST Accounting and compliances purpose.

1.3.2 What is ERP?

In a nutshell, ERP is used for business process management. It allows an organization to integrate all departments of the business and carry on the process in a hassle-free manner. ERP software incorporates the implementation of an effective system of the various processes of estimation, scheduling, purchase, various operations integration of customer management and accounting tools for better productivity and legal compliances solutions for generating higher growth and increased profit for organization.

1.3.3 Essential features of ERP System:

1. Automation, user friendly interface with highly effective and easy navigational systems for greater user productivity.
2. Highly secure systems for guaranteed transactional operations.
3. Multi-platform adaptability for greater applicability of various interfaces.
4. Real time generation of data for better management facilities.
5. Detailed analysis and report generation schemes for critical monitoring.
6. Easy creation of master data for greater insight into the various operations.
7. Flexibility of GST software to integrate with existing systems and provide a seamless experience.
8. Cognizance, Extensive database and management solutions with easy query retrieval and update solutions.

1.3.4 Essential Features of GST Accounting ERP Software:

It is to be noted that organization must set its requirements. Take your time in zeroing-in on a couple of ERP systems before you finalize on any one. First make a list of all your required functionalities and specifications. Most of the ERP solutions in the market come equipped with lot of functionalities and features. It is also important to decide about having own server or going with cloud based ERP Software depending on the budget of the organization. Reach is feature rich software that fulfills all the latest requirements of the new era business management. Generally the GST Accounting ERP Software should have the followings features:

- Invoicing
- Auto Intelligence Matching Facility
- Backup and Restoration of Data with Live Update Facility
- Calculation of Net Tax Liability

- Creation of ISD Master and Distribution of Input Tax Credit
- Download GSTR 1A/2A from GSTN
- Dynamic GST Computation
- Bulk SMS
- Generation and Upload of GSTR 1,2,3,3B,4,5,6,7,8,9 and 9A
- Integrated with Accounting Software(s)
- API technology
- Invoice Mismatch Report in Different Categories
- Generation of challan and Online Payment of Taxes
- Print Computation and Return Forms
- Bulk generation of E-way bill
- Reconciliation of Mismatched Invoice Data
- Report of Debit/Credit Notes with Inbuilt Mailing Facility
- Quick updating and implementation of amendments in GST Laws
- Report of Pending/Uploaded Returns
- Status of Uploaded Invoices etc.

1.3.4 Possible Cons of using ERP System:

- The major problems of ERP software is technical glitches. Listed below are some of the cons that may follow the integration of this software in business.
- Prone to technical glitches.
- Failure of internet connection.
- Upgradation of software.
- Poor understanding of business process of customer.
- Lack of proper understanding and communication amongst member of developers who belongs to expertise in different fields.
- Cost of installation and yearly charges of using software.
- Lack of understanding of user needs.
- Lack of on time cooperation from software developers in case of technical glitches.
- Delay in maintenance services and fail to timely updated software related to GST changes which is very frequently and this frequently amendments in GST Laws may be continue to coming two years.

1.4 TASK FOR MARCH ENDING AND BEGINNING OF APRIL:

New financial year has started and if really want fool (full) proof GST accounting and compliances planning & management then professionals has to do lot of brainstorming sessions and hard work to complete assignments of March closing and April beginning as far as GST accounting and compliances are concerned. To do business without discrepancies in the new financial year, proper scrutiny and adjustments/rectifications in books of accounts and returns should be done in the month of March itself.

1.4.1 Tasks to be performed for financial year closing (i.e. 31st March, 2018):

1.4.1.1 Self-Scrutiny of books of accounts and reconciliation of GST Returns:

It is strongly recommended doing the self-scrutiny of books of accounts, returns and returns to find out the procedural and clerical mistakes as well as non-compliances of provisions of GST Laws and other Laws. Every professional has their unique styles and methods of doing scrutiny based on their practical knowledge of the subjects, professional qualification, experience etc. The common steps required for scrutiny of books of accounts and registers as far as GST laws are concerned are as under:

- This is very first year of GST so all the format of Invoice, revised invoice, invoice in case of Reverse Charge Mechanism, debit note, credit note, advance receipt voucher, refund voucher, payment voucher should be thoroughly checked, if any deviation found can be rectify in the new financial year. Make sure invoice issued with proper CGST, SGST or IGST levied on it, in case invoices issued under different tax component then the correction must be done by showing the amount as refundable and payable.
- Business models and its structuring must be scrutinized.
- Reconciliation of Opening and Closing Balance to be done.
- Prepare the list of invoices on which credit is not reflecting in the online form GSTR2A. Check if invoice details in the form GSTR-2A are matching with the actual invoice, if there is any variation, gets the actual invoice matching with the details in the form GSTR-2A.
- Reconciled with GSTR 3B with ledgers about details of Inter-State supplies made to unregistered persons, supplies made to composition taxable persons and supplies make UIN holders.
- Non-GST outward supplies should be reconciled with related ledgers and GSTR 3B and GSTR 1.
- Eligible ITC of import of goods, import of services, inward supplies from ISD must be reconciled with related ledgers and returns.
- Reconciliations of GSTR 3B and GSTR 1 and if GSTR 2 filed to be done and any discrepancies should be reported in annual return.
- The journal entries, specifically related to purchase of capital goods and depreciation on capital goods to be scrutinized.

- Nature of transactions based on goods and services, keeping in mind the provisions of Schedule-I, II & III of CGST Act, 2017 and Type of Transaction whether Capital or Revenue, Recurring non-recurring in the Ledger, Period of Transactions in the Ledger along with bifurcation of Inter-State and Intra-State.
- HSN and SAC codes of goods generally comprising purchases and sales by the organization should be verified along with its rates.
- Reconcile the sale with the Trial balance, GSTR-1 and GSTR-3B state wise and consolidated.
- Reconcile the export sale with GSTR 3B and GSTR 1 uploaded and if zero rated then check the Letter of Undertaking issued by department and exemption periods mentioned and verify that zero rated invoices issued in that periods.
- Check the requirement of reversal of Input tax credit as per the CGST Rules in case of after issuance of tax invoice if receiver does not made the full payment of amount within 180 days. Aging analysis of Debtors, Creditors ledgers and its outstanding should be reconciled with its outstanding and compare with the stocks and Input tax credit of IGST, CGST and SGST/UTGST and Output Tax which should also bifurcated into ICGST, CGST & SGST/UTGST.
- Transactions where input tax credit (ITC) taken should be verified with negative list given under section 17(5) of CGST Act, 2017 and if ITC taken on those items mentioned under section 17(5) should be reversed.
- Reconciliations of all returns with Electronic Credit Ledger, Electric Cash Ledger, Electronic Liability Register, Purchases under forward charges and RCM, Sales under forward Charges and Reverse Charges and disclosures of expenses after its bifurcation as inter-state and intra-state must be done and if any discrepancies which is possible to be adjusted/reported with March, 2018 or to be reconciled, report and attached with GST Annual Return.

1.4.1.2 Physical verification of Closing Stock and reconciliation with Actual Stocks with Stock Register:

Despite a good manual or computerized internal control, human errors are expected while entering the inward and outward goods in the stock registers. This leads to physical verification at regular interval and recommended compulsory for year-end give the accurate stock at year end. Marching physical stocks with book stocks is an important task and organization can always get good reputation in case of sudden physical verification by the GST department. At the time of valuation of closing stock as on 31st March, 2018 the ITC claimed/availed on raw material, consumables, semi-finished goods should be calculated and reconciled.

1.4.1.3 Divisions of Expenses based on Inter-State and Intra-State and then its division based on forward charges, reverse charges, exempted, nil rates and Non-GST related expenses:

Table 5 of GSTR 3B is related to value of exempt, nil-rated and non-GST inward supplied which is bifurcated in Inter-State and Intra-State must be reconciled. The inwards supplied to be bifurcated into:

- ✓ Purchases/ expenses which were taxable so input tax credit claimed.
- ✓ Purchases/expenses under RCM so ITC claimed.
- ✓ Purchases/expenses- exempted.
- ✓ Purchases/ Expenses- Nil-Rated.
- ✓ Purchases/Expenses-Non-GST.

It means that all the purchases/ expenses in the debit side of profit and loss account must be disclosed subject to supplies where GST is not applicable. Table 3.2 and Table 5 of GSTR 3B in depth reconciliations are required in this regard.

1.4.1.4 Anti profiteering:

As per Section 171 of the CGST Act,2017 any reduction in tax rate on any supply of goods or services, or any benefit of 'input tax credit', must be passed on to the recipient by the registered person through a commensurate reduction in prices.

It is advisable to compute ratio of gross profit for the year ended 31st March, 2018 and compare with the gross profit ratio of financial year 2016-2017 or gross profit for April, 2017 to June, 2017. If the gross profit ratio for the March, 2018 is higher than earlier years, then supplier should check whether he/she is confined under the provisions of Anti-profiteering.

1.4.1.5 Due dates of the returns for month of March, 2018:

Due dates of returns related to previous year which needs to be filed in new financial year are as under:

S.No.	GSTR	PERIOD	DUE DATE
1.	3B	March, 2018	20th April, 2018
2.	1	February, 2018	10th April, 2018
3.	1	March, 2018	10th May, 2018
4.	1	January to March, 2018-Quarter	30th April, 2018
5.	4	January to March, 2018 Quarter	18th April, 2018
6.	5 and 5A	March, 2018	20th April, 2018
7.	6	July,2017 to April, 2018	31st May, 2018
8.	TRAN-2		30th June, 2018

Note: As per circular no. 39/13/2018-GST dated 03.04.2018 and press release on 04.04.2018, the circulars seeks to address the problems faced by the taxpayers who could not complete the process of filing of TRAN-1 by due date, due to IT glitch such that the process of digitally signing/validating TRAN-1 could not be completed. The taxpayer would be allowed to complete the process of filing such **TRAN-1, stuck due to IT glitches, by 30th April,2018** and the process of completing filing of **GSTR 3B which could not be filed for such TRAN 1 shall be completed by 31st May,2018.**

1.4.2 TASK FOR APRIL BEGINNING- NEW FINANCIAL YEAR 2018-2019:

1.4.2.1 e-Waybill:

As per the Notification No.15/2018-Central Tax, Dated 23rd March, 2018, for Inter-State transactions of goods, it is compulsory (subject to exemption and value of invoice) to issue E way bill from 1st April, 2018. If inter-state transactions of goods then it is first necessary to take the registration under E way bill system. The detailed discussion of e-Waybill will be in para 1.5 of this Article.

1.4.2.2 New series for tax invoice and other vouchers:

New series of invoice number and other types of vouchers should be started from 1st April, 2018.

1.5 E-WAY BILL

1.5.1 Introduction:

As per the Notification No.15/2018-Central Tax, Dated 23rd March, 2018, e-waybill is to be implemented from **1st April, 2018**, whereas Intra-State implementation of e-waybill will notify in phase manners. In this regards States has been divided into 4 zones by GST Council and probably one zone will notify every week and may be after 1st fortnight of April, 2018 intra-state notifications will issue. These intra-states are totally depending on the success of inter-state movement of goods. Secondly Karnataka state already notified about the implementation of e-waybill for intra-state from 1st April, 2018. The major questions about the e-way bill are what? When? Who? How? And most of the discussion is revolving around these questions.

1.5.2 The Sections and Rules related e-Way Bill:

The provisions of sections and rules are as under:

1.5.2.1 Section 35(2)-Accounts and Other Records:

Every owner or operator of warehouse or godown or any other place used for storage of goods and every transporter, irrespective of whether he is a registered person or not, shall maintain records of the consigner, consignee and other relevant details of the goods in such manner as may be prescribed.

1.5.2.2 Inspection of goods in movement- (Section 68):

- (1) The Government may require the **person in charge of a conveyance** carrying any consignment of goods of value exceeding such amount as may be specified to carry with him **such documents and such devices** as may be prescribed.
- (2) The details of **documents required to be carried** under sub-section (1) **shall be validated** in such manner as may be prescribed.

- (3) Where any conveyance referred to in sub-section (1) is intercepted by the proper officer at any place, he may require the person in charge of the said conveyance to produce the documents prescribed under the said sub-section and devices for verification, and the said person shall be liable to produce the documents and devices and also allow the inspection of goods.

1.5.2.3 Penalty for Offences (Section 122):

As per the provision of **Section 122(1)(XIV) of CGST Act,2017-** Where a taxable person who-transport any goods without the cover of documents as may be specified in this behalf, he shall be liable to pay a **penalty of Rs.10000/-(Rupees Ten Thousand) or an amount equivalent to the tax evaded, whichever is higher.**

1.5.2.4 Detention, seizure and release of goods and conveyances in transit (Section 129):

As per **Section 129 of CGST Act, 2017-** (1) Notwithstanding anything contained in this Act, **where any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made thereunder,** all such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyance **shall be liable to detention or seizure and after detention or seizure,** shall be released, --

- (a) **on payment of the applicable tax and penalty equal to one hundred per cent of the tax payable on such goods and, in case of exempted goods, on payment of an amount equal to two per cent of the value of goods or twenty-five thousand rupees, whichever is less,** where the owner of the goods comes forward for payment of such tax and penalty;
- (b) **on payment of the applicable tax and penalty equal to the fifty per cent of the value of the goods reduced by the tax amount paid thereon and, in case of exempted goods, on payment of an amount equal to five per cent. of the value of goods or twenty five thousand rupees, whichever is less, where the owner of the goods does not come forward for payment of such tax and penalty;**
- (c) **pon furnishing a security equivalent to the amount payable under clause (a) or clause (b) in such form and manner as may be prescribed:**

Provided that no such goods or conveyance shall be detained or seized without serving an order of detention or seizure on the person transporting the goods.

- (2) The provisions of sub-section (6) of section 67 shall, *mutatis mutandis*, **apply for detention and seizure of goods and conveyances.**

(Note: Section 67(6) of CGST Act,2017- the goods so seized be released on a provisional basis upon execution of a bond and furnishing of a security)

- (3) The proper officer detaining or seizing goods or conveyances shall issue a notice specifying the tax and penalty payable and thereafter, pass an order for payment of tax and penalty under clause (a) or clause (b) or clause (c).
- (4) No tax, interest or penalty shall be determined under sub-section (3) without giving the person concerned an opportunity of being heard.

- (5) On payment of amount referred in sub-section (1), all proceedings in respect of the notice specified in sub-section (3) shall be deemed to be concluded.
- (6) Where the person transporting any goods or the owner of the goods fails to pay the amount of tax and penalty as provided in sub-section (1) within seven days of such detention or seizure, further proceedings shall be initiated in accordance with the provisions of section 130:

Provided that where the detained or seized goods are perishable or hazardous in nature or are likely to depreciate in value with passage of time, the said period of seven days may be reduced by the proper officer.

1.5.2.5 Common Portal- (Section 146):

The Government may, on the recommendations of the Council, notify the Common Goods and Services Tax Electronic Portal for facilitating registration, payment of tax, furnishing of returns, computation and settlement of integrated tax, electronic way bill and for carrying out such other functions and for such purposes as may be prescribed.

1.5.2.6 Rule 55A of CGST Rules,2017 Tax Invoice or bill of supply to accompany transport of goods:

The person-in-charge of the conveyance shall carry a copy of the tax invoice or the bill of supply issued in accordance with the provisions of rules 46, 46A or 49 in a case where such person is not required to carry an e-way bill under these rules;

1.5.2.7 Rule 58 of CGST Rules - Records to be maintained by owner or operator of godown or warehouse and transporters:

As per the Rule 58(1) of CGST Rules,2017 Every person required to maintain records and accounts in accordance with the provisions of sub-section (2) of section 35, if not already registered under the Act, shall submit the details regarding his business electronically on the common portal in FORM GST ENR-01, either directly or through a Facilitation Centre notified by the Commissioner and, upon validation of the details furnished, a unique enrolment number shall be generated and communicated to the said person.

1.5.3 What is e-Way Bill?

E-way bill is an electronic document generated on the GST portal evidencing movement of goods from one place to another place. The common portal for generation of e-way bill is <https://E-waybillgst.gov.in>. Transport of goods of more than Rs. 50,000 (Single Invoice/bill/delivery challan) in value in a vehicle cannot be made by a registered person without an e-way bill.

1.5.4 When to issue e-Way bill:

E-way bill will be generated when there is a movement of goods in a vehicle/ conveyance of value more than Rs. 50,000/- (either each Invoice or in aggregate of all Invoices in a vehicle/ Conveyance). As per amended rules 138 vide notification no. 12/2018-Central Tax, Dated 7th March, 2018, Information to be furnished prior to commencement of movement of goods and generation of e-way bill.-

As per Rule 138 CGST Rules, 2017:

(1) Every registered person who causes movement of goods of consignment value exceeding fifty thousand rupees –

- (i) in relation to a supply; or ((it is to be noted that supply means as given in section 7(1) &(2) of CGST Act,2017
- (ii) for reasons other than supply; or (example sales return, job works etc.)
- (iii) due to inward supply from an unregistered person,shall, before commencement of such movement, furnish information relating to the said goods as specified in Part A of FORM GST EWB-01, electronically, on the common portal along with such other information as may be required on the common portal and a unique number will be generated on the said portal.

The transporter, on an authorization received from the registered person, may furnish information in Part A of FORM GST EWB-01, electronically, on the common portal along with such other information as may be required on the common portal and a unique number will be generated on the said portal.

Where the goods to be transported are supplied through an e-commerce operator or a courier agency, on an authorization received from the consignor, the information in Part A of FORM GST EWB-01 may be furnished by such e-commerce operator or courier agency and a unique number will be generated on the said portal.

Where goods are sent by a principal located in one State or Union territory to a job worker located in any other State or Union territory, the e-way bill shall be generated either by the principal or the job worker, if registered, irrespective of the value of the consignment.

Where handicraft goods are transported from one State or Union territory to another State or Union territory by a person who has been exempted from the requirement of obtaining registration under clauses (i) and (ii) of section 24, the e-way bill shall be generated by the said person irrespective of the value of the consignment.

Explanation 1.- For the purposes of this rule, the expression “handicraft goods” has the meaning as assigned to it in the Government of India, Ministry of Finance, notification No.32/2017-Central Tax dated the 15th September, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1158 (E) dated the 15th September, 2017 as amended from time to time.

Explanation 2.- For the purposes of this rule, the consignment value of goods shall be the value, determined in accordance with the provisions of section 15, declared in an invoice, a bill of supply or a delivery challan, as the case may be, issued in respect of the said consignment and also includes the central tax, State or Union territory tax, integrated tax and cess charged, if any, in the document and shall exclude the value of exempt supply of goods where the invoice is issued in respect of both exempt and taxable supply of goods.

1.5.5 Who should Generate an e-Way Bill?

After reading the para 1.5.4, the following person should generate an e-Waybill:

- **Registered Person.**
- **Unregistered Person.**
- **Transporter.**
- **E-Commerce operator or Courier Agency.**
- **Principal or Job Worker.**
- **Exempted person in case of Handicraft goods.**

1.5.6 How to generate e-Way Bill?

All the registered persons under GST require generating e-Way bill need to register on the portal of e-way bill namely: www.E-waybillgst.gov.in using his GSTIN. Once GSTIN is entered, the system sends an OTP to his registered mobile number, registered with GST Portal and after authenticating the same, the system enables him to generate his/her username and password for the e-way bill system. After generation of username and password of his/her choice, he/she may proceed to make entries to generate e-way bill.

The e-way bill can be generated by the registered person in any of the following methods-

- ✓ Using Web based system;
- ✓ Using SMS based facility;
- ✓ Using Android App;
- ✓ Bulk generation facility;
- ✓ Using Site-to-Site integration

For the detailed procedures/steps of registration of person and generation of e-Way bill, log in to www.ewaybill.gst.gov.in

When e-Way bill is not required?

In the following cases, no e-way bill is required to be generated –

(a) Where the goods being transported are specified in Annexure;

Annexure given in Rule 138(14) and following goods specified:

1. Liquefied petroleum gas for supply to household and non-domestic exempted category (NDEC) customers.
2. Kerosene oil sold under PDS.
3. Postal baggage transported by Department of Posts.
4. Natural or cultured pearls and precious or semi-precious stones; precious metals and metals clad with precious metal (Chapter 71)
5. Jewellery, goldsmiths' and silversmiths' wares and other articles (Chapter 71)
6. Currency
7. Used personal and household effects
8. Coral, unworked (0508) and worked coral (9601).

(b) Where the goods are being transported by a non-motorised conveyance;

(Key Point: Non-motorized conveyance has not defined or explains in Rule 138 and in GST Laws. Government may issue clarification in this regards. Generally non-motorized conveyance means walking, cycle, cycle rickshaw, tricycle, wheelchair, skates, skateboards, push scooter, animal carts- like bullock cart, horse cart, hand carts etc.)

- (c) Where the goods are being transported from the customs port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs;

Key Points:

- ✓ **To know more about the port, airport, air cargo complex, land customs station, inland container depot or a container freight station, kindly refers the provisions of Customs Act, 1962.**
- ✓ **E-Way Bill is not required for High Sea Sale Transactions.**
- ✓ **E-Way Bill need not be required for export from these places. In case of export, e-Way Bill requires for movement of goods within the country, goods exported to out of India, e-Way Bill need not be required.)**

(d) in respect of movement of goods within such areas as are notified under clause (d) of sub-rule (14) of rule 138 of the State or Union territory Goods and Services Tax Rules in that particular State or Union territory;

Key Point: The States will notify the areas where movement of goods need not require generating e-Way Bill. This provision gives authority to State/UT to decide such areas.

- (e) Where the goods, other than de-oiled cake, being transported, are specified in the Schedule appended to notification No. 2/2017- Central tax (Rate) dated the 28th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 674 (E) dated the 28th June, 2017 as amended from time to time;
- (f) Where the goods being transported are alcoholic liquor for human consumption, petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas or aviation turbine fuel;
- (g) Where the supply of goods being transported is treated as no supply under Schedule III of the Act;
- (h) Where the goods are being transported –
- (i) under customs bond from an inland container depot or a container freight station to a customs port, airport, air cargo complex and land customs station, or from one customs station or customs port to another customs station or customs port, or
 - (ii) under customs supervision or under customs seal;
 - (i) Where the goods being transported are transit cargo from or to Nepal or Bhutan;

- (j) where the goods being transported are exempt from tax under notification No.7/2017-Central Tax (Rate), dated 28th June 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 679(E) dated the 28th June, 2017 as amended from time to time and notification No. 26/2017-Central Tax (Rate), dated the 21st September, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1181(E) dated the 21st September, 2017 as amended from time to time;
- (k) Any movement of goods caused by defence formation under Ministry of defence as a consignor or consignee;
- (l) Where the consignor of goods is the Central Government, Government of any State or a local authority for transport of goods by rail;
- (m) Where empty cargo containers are being transported; and
- (n) Where the goods are being transported upto a distance of twenty kilometers from the place of the business of the consignor to a weighbridge for weighment or from the weighbridge back to the place of the business of the said consignor subject to the condition that the movement of goods is accompanied by a delivery challan issued in accordance with rule 55.

Note: Part B of e-Way Bill is not required to be filled where the distance between the consignor or consignee and the transporter is less than 50 Kms and transport is within the same state.

1.5.7 Validity of E-way Bill:

An e-way bill or a consolidated e-way bill generated under Rule 138(1) of CGST Rules, 2017 shall be valid as given below. Validity of E-way Bill shall be as follows:

Type of conveyance Distance Validity of e-way bill

- ✓ Other than over -Dimensional Cargo Upto 100 Kms 1 Day
- ✓ For every additional 100Kms or a part thereof Additional 1 day
- ✓ For over dimensional cargo Upto 20 Kms 1 Day
- ✓ For every additional 20 Kms or a part thereof Additional 1 day

“Over Dimensional Cargo” shall mean a cargo carried as a single indivisible unit and which exceeds the dimensional limits prescribed in rule 93 of the Central Motor Vehicle Rules, 1989, made under the Motor Vehicles Act, 1988 (59 of 1988).

Where:

- ✓ under circumstances of an exceptional nature, including trans-shipment,
- ✓ the goods cannot be transported within the validity period of the e-way bill, the transporter may extend the validity period after updating the details in **Part B** of **FORM GST EWB-01**, if required,
- ✓ Only Transporter can extend the validity.

1.5.8 Other provisions of E-Way Bill Rules:

1.5.8.1 As per Rule 138(2) of CGST Rules, 2017:

Where:

- ✓ the goods are transported by the registered person as a consignor or
- ✓ the recipient of supply as the consignee,
- ✓ whether in his **own conveyance or a hired one or a public conveyance, by road,**
- ✓ The said person shall generate the e-way bill in FORM GST EWB-01 electronically on the common portal after furnishing information in Part B of FORM GST EWB-01.

1.5.8.2 As per Rule 138(2A) of CGST Rules, 2017:

Where:

- ✓ the goods are **transported by railways or by air or vessel,**
- ✓ the e-way bill shall be generated by the registered person,
- ✓ being the supplier or the recipient, who shall, either before or after the commencement of movement,
- ✓ Furnish, on the common portal, the information in Part B of FORM GST EWB-01.

Where the goods are transported by railways, the railways shall not deliver the goods unless the e-way bill required under these rules is produced at the time of delivery.

1.5.8.3 As per Rule 138 (3) of CGST Rules, 2017:

Where:

- ✓ the e-way bill is not generated under sub-rule (2) and
- ✓ the goods are handed over to a transporter for transportation by road,
- ✓ the registered person shall furnish the information relating to the transporter on the common portal and
- ✓ The e-way bill shall be generated by the transporter on the said portal on the basis of the information furnished by the registered person in Part A of FORM GST EWB-01.

The registered person or, the transporter may, at his option, generate and carry the e-way bill even if the value of the consignment is less than fifty thousand rupees.

Where:

- ✓ the movement is caused by an unregistered person either in his own conveyance or
- ✓ a hired one or through a transporter,
- ✓ he or the transporter may, at their option,
- ✓ Generate the e-way bill in FORM GST EWB-01 on the common portal in the manner specified in this rule.

Where:

- ✓ the goods are transported for a **distance of upto fifty kilometers within the State or Union territory from the place of business of the consignor to the place of business of the transporter for further transportation,**
- ✓ the supplier or the recipient, or as the case may be,
- ✓ The transporter may not furnish the details of conveyance in Part B of FORM GST EWB-01.

Explanation 1.- For the purposes of this sub-rule, where the goods are supplied by an unregistered supplier to a recipient who is registered, the movement shall be said to be caused by such recipient if the recipient is known at the time of commencement of the movement of goods.

Explanation 2.- The e-way bill shall not be valid for movement of goods by road unless the information in Part-B of FORM GST EWB-01 has been furnished except in the case of movements covered under the third proviso to sub-rule (3) and the proviso to sub-rule(5).

1.5.8.4 As per Rule 138 (4) of CGST Rules, 2017:

Upon generation of the e-way bill on the common portal, a unique e-way bill number (EBN) shall be **made available to the supplier, the recipient and the transporter** on the common portal.

1.5.8.5 As per Rule 138(5) of CGST Rules, 2017: Where:

- ✓ the goods are transferred from one conveyance to another,
- ✓ the consignor or the recipient,
- ✓ who has provided information in Part A of the FORM GST EWB-01, or
- ✓ the transporter shall,
- ✓ before such transfer and further movement of goods,
- ✓ Update the details of conveyance in the e-way bill on the common portal in Part B of FORM GST EWB-01.

Provided that where the goods are transported for a distance of upto fifty kilometers within the State or Union territory from the place of business of the transporter finally to the place of business of the consignee, the details of the conveyance may not be updated in the e-way bill.

1.5.8.6 As per Rule 138(5A) of CGST Rules, 2017:

The consignor or the recipient, who has furnished the information in Part A of FORM GST EWB-01, or the transporter, may assign the e-way bill number to another registered or enrolled transporter for updating the information in Part B of FORM GST EWB-01 for further movement of the consignment.

Provided that after the details of the conveyance have been updated by the transporter in Part B of FORM GST EWB-01, the consignor or recipient, as the case may be, who has furnished the information in Part A of FORM GST EWB-01 shall not be allowed to assign the e-way bill number to another transporter.

1.5.8.7 As per Rule 138(6) of CGST Rules, 2017:

- ✓ After e-way bill has been generated in accordance with the provisions of sub-rule (1),
- ✓ where **multiple consignments are intended to be transported in one conveyance**,
- ✓ the transporter may indicate the serial number of e-way bills generated in respect of each such consignment electronically on the common portal and
- ✓ a consolidated e-way bill in FORM GST EWB-02 may be generated by him on the said common portal prior to the movement of goods.

1.5.8.8 As per Rule 138(7) of CGST Rules, 2017:

Where:

- ✓ the consignor or
- ✓ the consignee has not generated the e-way bill in FORM GST EWB-01 and the aggregate of the consignment value of goods carried in the conveyance is more than fifty thousand rupees,
- ✓ the transporter,
- ✓ except in case of transportation of goods by railways, air and vessel, shall,
- ✓ in respect of inter-State supply,
- ✓ generate the e-way bill in FORM GST EWB-01 on the basis of invoice or bill of supply or delivery challan, as the case may be,
- ✓ and may also generate a consolidated e-way bill in FORM GST EWB-02 on the common portal prior to the movement of goods.

Where the goods to be transported are supplied through an e-commerce operator or a courier agency, the information in Part A of FORM GST EWB-01 may be furnished by such e-commerce operator or courier agency.

1.5.8.9 As per Rule 138(8) of CGST Rules, 2017:

The information furnished in Part A of FORM GST EWB-01 shall be made available to the registered supplier on the common portal who may utilize the same for furnishing the details in FORM GSTR-1

When the information has been furnished by an unregistered supplier or an unregistered recipient in FORM GST EWB-01, he shall be informed electronically, if the mobile number or the e-mail is available.

1.5.8.10 As per Rule 138(9) of CGST Rules, 2017:

Where:

- ✓ an e-way bill has been generated under this rule,
- ✓ but **goods are either not transported or**
- ✓ are not transported as per the details furnished in the e-way bill,
- ✓ **the e-way bill may be cancelled electronically on the common portal within twenty four hours of generation of the e-way bill.**
- ✓ e-way bill cannot be cancelled if it has been verified in transit in accordance with the provisions of rule 138B.
- ✓ the unique number generated under sub-rule (1) shall be **valid for a period of fifteen days for updation of Part B of FORM GST EWB-01.**

1.5.8.11 As per Rule 138(11) of CGST Rules, 2017:

The details of the e-way bill generated under this rule shall be made available to the-

- (a) Supplier, if registered, where the information in Part A of FORM GST EWB-01 has been furnished by the recipient or the transporter; or

- (b) Recipient, if registered, where the information in Part A of FORM GST EWB-01 has been furnished by the supplier or the transporter, on the common portal, and the supplier or the recipient, as the case may be, shall communicate his acceptance or rejection of the consignment covered by the e-way bill.

1.5.8.12 As per Rule 138(12) of CGST Rules, 2017:

Where:

- ✓ the person to whom the information specified in sub-rule (11) has been made available does not communicate his **acceptance or rejection within seventy two hours** of the details being made available to him on the common portal, or
- ✓ the time of delivery of goods whichever is earlier,
- ✓ it shall be **deemed that he has accepted the said details.**

1.5.8.13 As per Rule 138(13) of CGST Rules, 2017:

The e-way bill generated under this rule or under rule 138 of the Goods and Services Tax Rules of any State or Union territory shall be valid in every State and Union territory.

1.5.8.14 As per Rule 138A of CGST Rules, 2017:

Documents and devices to be carried by a person-in-charge of a conveyance

- (1) The person in charge of a conveyance shall carry –
- (a) The invoice or bill of supply or delivery challan, as the case may be; and
 - (b) A copy of the e-way bill in physical form or the e-way bill number in electronic form mapped to a Radio Frequency Identification Device embedded on to the conveyance in such manner as may be notified by the Commissioner.

Provided that nothing contained in clause (b) of this sub-rule shall apply in case of movement of goods by rail or by air or vessel.

- (2) A registered person may obtain an Invoice Reference Number from the common portal by uploading, on the said portal, a tax invoice issued by him in FORM GST INV-1 and produce the same for verification by the proper officer in lieu of the tax invoice and such number shall be valid for a period of thirty days from the date of uploading.
- (3) Where the registered person uploads the invoice under sub-rule (2), the information in Part A of FORM GST EWB-01 shall be auto-populated by the common portal on the basis of the information furnished in FORM GST INV-1.
- (4) The Commissioner may, by notification, require a class of transporters to obtain a unique Radio Frequency Identification Device and get the said device embedded on to the conveyance and map the e-way bill to the Radio Frequency Identification Device prior to the movement of goods.
- (5) Notwithstanding anything contained in clause (b) of sub-rule (1), where circumstances so warrant, the Commissioner may, by notification, require the person-in-charge of the conveyance to carry the following documents instead of the e-way bill:

- (a) Tax invoice or bill of supply or bill of entry; or
- (b) A delivery challan, where the goods are transported for reasons other than by way of supply.

1.5.8.15 As per Rule 138B of CGST Rules, 2017:

Verification of documents and conveyances.-

- (1) The Commissioner or an officer empowered by him in this behalf may authorize the proper officer to intercept any conveyance to verify the e-way bill in physical or electronic form for all inter-State and intra-State movement of goods.
- (2) The Commissioner shall get Radio Frequency Identification Device readers installed at places where the verification of movement of goods is required to be carried out and verification of movement of vehicles shall be done through such device readers where the e-way bill has been mapped with the said device.
- (3) The physical verification of conveyances shall be carried out by the proper officer as authorised by the Commissioner or an officer empowered by him in this behalf.

Provided that on receipt of specific information on evasion of tax, physical verification of a specific conveyance can also be carried out by any other officer after obtaining necessary approval of the Commissioner or an officer authorised by him in this behalf.”;

1.5.8.16 As per Rule 138C of CGST Rules, 2017:

Inspection and verification of goods.-

- (1) A summary report of every inspection of goods in transit shall be recorded online by the proper officer in Part A of FORM GST EWB-03 within twenty four hours of inspection and the final report in Part B of FORM GST EWB-03 shall be recorded within three days of such inspection.
- (2) Where the physical verification of goods being transported on any conveyance has been done during transit at one place within the State or Union territory or in any other State or Union territory, no further physical verification of the said conveyance shall be carried out again in the State or Union territory, unless a specific information relating to evasion of tax is made available subsequently.

1.5.8.17 As per Rule 138D of CGST Rules, 2017:

Facility for uploading information regarding detention of vehicle.-

Where:

- ✓ a vehicle has been **intercepted and detained**;
- ✓ for a **period exceeding thirty minutes**,
- ✓ the transporter may upload the said information in FORM GST EWB-04 on the common portal.

1.6 CONCLUSION:

Certainly, while reading conclusion part, you may agree that simpler GST will be Bahubali Task for all the stakeholders of GST.

GST QUIZ

1.	IGST tax levy means	<ul style="list-style-type: none"> a. Within State b. Between Two States c. None of the above d. Both A & B
2.	IGST can be levied by	<ul style="list-style-type: none"> a. Centre b. States c. Union Territories d. All of the above
3.	Projected Rate of Growth under GST (Compensation to States) Act, 2017 is	<ul style="list-style-type: none"> a. 12% b. 14% c. 15% d. 10%
4.	Base year under GST (Compensation to States) Act, 2017 is	<ul style="list-style-type: none"> a. 2012-13 b. 2015-16 c. 2014-15 d. 2016-17
5.	Compensation under GST (Compensation to States) Act, 2017 will be released:	<ul style="list-style-type: none"> a. Bi monthly b. Annually c. Quarterly d. Half Yearly

Ans: Q1- B, Q 2- A, Q3- B, Q4- B, Q5- A

NATIONAL ACADEMY OF CUSTOMS, INDIRECT TAXES AND NARCOTICS

(NACIN)

Frequently Asked Questions on E Way Bill

Q 1. What is an E Way Bill?

Ans. E-way bill (FORM GST EWB-01) is an electronic document (available to supplier / recipient / transporter) generated on the common portal evidencing movement of goods of consignment value more than Rs. 50000/-. It has two Components-Part A comprising of details of GSTIN of supplier & recipient, place of delivery (indicating PIN Code also), document (Tax invoice, Bill of Supply, Delivery Challan or Bill of Entry) number and date, value of goods, HSN code, and reasons for transportation; and Part B –comprising of transport details - transport document number (Goods Receipt Number or Railway Receipt Number or Airway Bill Number or Bill of Lading Number) and Vehicle number for road.

Q 2. What is the common portal for e-way bill?

Ans. The Common Goods and Services Tax Electronic Portal for furnishing electronic way bill is www.ewaybillgst.gov.in.

Q 3. What is consignment value?

Ans. The consignment value of goods shall be the value, determined in accordance with the provisions of section 15 of the CGST Act, 2017, declared in an invoice, a bill of supply or a delivery challan, as the case may be, issued in respect of the said consignment and also includes the central tax, State or Union territory tax, integrated tax and cess charged, if any, in the document.

Q 4. Whether consignment value of goods shall include tax also? In case of movement other than by way of supply, value may not be available? How to value such cases?

Ans. As per Explanation 2 to Rule 138(1) of CGST Rules, 2017, the consignment value shall also include the Central tax, State or Union territory tax, integrated tax and cess charged, if any, in the document. Furthermore, in view of the valuation provisions in Section 15 of the CGST Act, 2017, Customs duty shall also be includible in the value of goods.

In case of movement of goods for reasons other than supply, the movement would be occasioned by means of a delivery challan which is a mandatory document. The delivery

*Source: http://www.cbec.gov.in/resources//htdocs-cbec/gst/FAQs_on_EWay_Bill_Provisions_in%20GST.pdf

challan has to necessarily contain the value of goods as per Rule 55 of the CGST Rules, 2017. The value given in the delivery challan should be adopted in the e-way bill.

Q 5. What are the benefits of e-way bill?

Ans. Following benefits are expected from e-way bill mechanism

- (i) Physical interface to pave way for digital interface resulting in elimination of state boundary check-posts
- (ii) It will facilitate faster movement of goods
- (iii) It will improve the turnaround time of trucks and help the logistics industry by increasing the average distances travelled, reducing the travel time as well as costs.

Q 6. When will the e-way bill provisions be implemented?

Ans. The e-way bill provisions in respect of inter-state supplies of goods shall be implemented w.e.f 1st February, 2018.

The States may choose their own timings for implementation of e-way Bill for intra-State movement of goods on any date before 1st June,2018.

Q 7. When should an e-way bill be generated?

Ans. As per Rule 138 of the CGST Rules, 2017, an e-way bill has to be generated prior to the commencement of transport of goods.

Q 8. Whether E-way bill need to be generated for all movements of goods?

Ans. E-way bill is not required to be generated in the following cases:

- a) Transport of goods as specified in Annexure to Rule 138 of the CGST Rules, 2017 which is reproduced below:

S/No.	Description of Goods
1	Liquefied petroleum gas for supply to household and non-domestic exempted category (NDEC) customers
2	Kerosene oil sold under PDS
3	Postal baggage transported by Department of Posts
4	Natural or cultured pearls and precious or semi-precious stones; precious metals and metals clad with precious metal (Chapter 71)
5	Jewellery, goldsmiths' and silversmiths' wares and other articles (Chapter 71)
6	Currency
7	Used personal and household effects
8	Coral, unworked (0508) and worked coral (9601)

- b) Goods being transported by a non-motorised conveyance;
- c) Goods being transported from the port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs; and

- d) In respect of movement of goods within such areas as are notified under rule 138(14) (d) of the SGST Rules, 2017 of the concerned State.
- e) where the goods, other than de-oiled cake, being transported are specified in the Schedule appended to notification No. 2/2017- Central tax (Rate) dated the 28th June, 2017
- f) where the goods being transported are alcoholic liquor for human consumption, petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas or aviation turbine fuel; and
- g) where the goods being transported are treated as no supply under Schedule III of the Act.

Q 9. Whether an e-way bill is to be issued, even when there is no supply?

Ans. Yes. Even if the movement of goods is caused due to reasons others than supply, the e-way bill is required to be issued. Reasons other than supply include movement of goods due to job-work, replacement under warranty, recipient not known, supply of liquid gas where quantity is not known, supply returns, exhibition or fairs, for own use, Sale on approval basis and others etc.

Q 10. Who should generate e-way bill?

Ans. An e-way bill contains two parts- Part A to be furnished by the registered person who is causing movement of goods of consignment value exceeding Rs. 50,000/- and part B (transport details) is to be furnished by the person who is transporting the goods.

*Where the goods are transported by a registered person-whether as consignor or recipient, the said person shall have to generate the e-way bill (by furnishing information in part B on the common portal) Where the e-way is not generated by registered person and the goods are handed over to the transporter, for transportation of goods by road, the registered person shall furnish the information relating to the transporter in Part B of **FORM GST EWB-01** on the common portal and the e-way bill shall be generated by the transporter on the said portal on the basis of the information furnished by the registered person in Part A of **FORM GST EWB-01**.*

*In a nutshell, E-way bill is to be generated by the **consignor or consignee** himself (if the transportation is being done in own/hired conveyance or by railways by air or by Vessel) or the **transporter** (if the goods are handed over to a transporter for transportation by road). Where neither the consignor nor consignee generates the e-way bill and the value of goods is more than Rs. 50,000/- it shall be the responsibility of the transporter to generate it.*

In case the goods to be transported are supplied through an e-commerce operator, the information in Part A may be furnished by such ecommerce operator.

Q 11. Who has to generate E-way bill in case of transportation of goods by rail, air or vessel?

Ans. The registered person, being the supplier or recipient, is required to generate E-way Bill by furnishing the information in part B of the E-Way bill viz transport document

number (Goods Receipt Number or Railway Receipt Number or Airway Bill Number or Bill of Lading Number).

Q 12. Who causes movement of goods?

Ans. The movement of goods can be caused by the supplier, if he is registered and he undertakes to transport the goods. In case the recipient undertakes to transport or arrange transport, the movement would be caused by him.

In case the goods are supplied by an unregistered supplier to a recipient who is registered, the movement shall be said to be caused by such recipient if the recipient is known at the time of commencement of the movement of goods.

Q 13. Is there any time gap allowed between furnishing information in Part-A and updating transport details in Part-B?

Ans. On furnishing of Part-A, a unique number will be generated on the portal which shall be valid for 72 hours for updation of Part B of FORM GST EWB-01.

Q 14. Is it mandatory to generate e-way bill? What if not done? What are the consequences for non-issuance of e-way bill?

Ans. It is mandatory to generate e-way bill in all cases where the value of consignment of goods being transported is more than 50,000/- and it is not otherwise exempted in terms of Rule 138(14) of CGST Rules, 2017.

Further no e-way bill is required to be generated in respect of goods being transported by a non-motorised conveyance; goods being transported from the port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs; and in respect of movement of goods within such areas as are notified under rule 138(14) (d) of the SGST Rules, 2017 of the concerned State.

If e-way bills, wherever required, are not issued in accordance with the provisions contained in Rule 138, the same will be considered as contravention of rules. As per Section 122(1)(xiv) of CGST Act, 2017, a taxable person who transports any taxable goods without the cover of specified documents (e-way bill is one of the specified documents) shall be liable to a penalty of Rs. 10,000/- or tax sought to be evaded (wherever applicable) whichever is greater. Moreover, as per Section 129(1) of CGST Act, 2017, where any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the Rules made thereunder, all such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyance shall be liable to detention or seizure.

Q 15. Is e-way bill required when the goods are supplied by an unregistered supplier?

Ans. Where the goods are supplied by an unregistered supplier to a recipient who is registered, the movement shall be said to be caused by such recipient if the recipient is

known at the time of commencement of movement of goods. The recipient shall be liable to generate e-way bill.

There could be three possibilities as below:

Situation	Movement caused by	Impact
Recipient is unknown	Unregistered person	E-way bill not required ; However, the supplier has an option to generate e-way bill under "citizen" option on the e-way bill portal
Recipient is known and is unregistered	Unregistered person	E-way bill not required ; However, the supplier has an option to generate e-way bill under "citizen" option on the e-way bill portal
Recipient is known and is registered	Deemed to be caused by the Registered recipient	Recipient to generate e-way bill

Q 16. What are the reasons for transportation to be furnished in the part A of e-way bill?

Ans. E-way bill is to be issued for movement of goods, irrespective of the fact whether the movement of goods is caused by reasons of supply or otherwise. The format for GST EWB-01 lists ten reasons for transportation viz Supply, Export or Import, Job Work, SKD or CKD, Recipient not known, Line Sales, Sales Return, Exhibition or fairs, for own use and Others, one of which can be chosen.

Q 17. Whether an unregistered transporter need to compulsorily enroll on the e-way bill system?

Ans. Yes, in terms of Rule 58 of the CGST Rules, 2017 read with section 35(2) of the CGST Act, 2017, a transporter and operator of godown or warehouse, if not already registered, shall have to enrol on the common portal by filing GST ENR-01.

The transporter enrolled in any one State or UT shall be deemed to be enrolled in other States as well.

The unregistered transporter gets a transporter Id when he enrolls on the system.

Q 18. What is invoice reference number?

*Ans. A registered person may obtain an Invoice Reference Number from the common portal by uploading, on the said portal, a tax invoice issued by him in **FORM GST INV-1** and produce the same for verification by the proper officer in lieu of the tax invoice and such number shall be valid for a period of thirty days from the date of uploading.*

*In the above case, the registered person will not have to upload the information in Part A of **FORM GST EWB-01** for generation of e-way bill and the same shall be auto-populated by the common portal on the basis of the information furnished in **FORM GST INV-1**.*

Q 19. Can the e-way bill be cancelled if the goods are not transported after generation of e-way bill?

Ans. Where an e-way bill has been generated, but goods are either not being transported or are not being transported as per the details furnished in the e-way bill, the e-way bill may be cancelled electronically on the common portal, either directly or through a Facilitation Centre notified by the Commissioner, within 24 hours of generation of the e-way bill.

However, if the e-way has been verified in transit in accordance with the provisions of rule 138 B of the CGST Rules, 2017, the same cannot be cancelled.

Q 20. What happens if the conveyance is changed en-route?

Ans. Where the goods are transferred from one conveyance to another, the consignor or the recipient, who has provided information in Part- A of the FORM GST EWB-01, or the transporter shall, before such transfer and further movement of goods, update the details of conveyance in the e-way bill on the common portal in FORM GST EWB-01.

*Any transporter transferring goods from one conveyance to another in the course of transit shall, before such transfer and further movement of goods, update the details of the conveyance in the e-way bill on the common portal in **FORM GST EWB-01**.*

Q 21. Can the transporter assigned by a supplier or recipient further re-assign the e-way bill to another transporter?

Ans. The consignor or the recipient, who has furnished the information in Part-A, or the transporter, may assign the e-way bill number to another registered or enrolled transporter for updating the information in Part-B for further movement of consignment.

However once the details of the conveyance have been updated by the transporter in Part B of FORM GST EWB-01, the consignor or recipient, as the case maybe, who has furnished the information in Part-A of FORM GST EWB-01 shall not be allowed to assign the e-way bill number to another transporter.

Q 22. How does transporter come to know that particular e-way bill has been assigned to him?

Ans. The transporter comes to know the EWBs assigned to him by the taxpayers for transportation, in one of the following ways:

- *The transporter can go to reports section and select 'EWB assigned to me for trans' and see the list.*
- *The transporter can go to 'Update Vehicle No' and select 'Generator GSTIN' option and enter taxpayer GSTIN, who has assigned or likely to assign the EWBs to him.*

- *The tax payer can contact and inform the transporter that the particular EWB is assigned to him.*

Q 23. How does the supplier or recipient come to know about the e-way bills generated on his GSTIN by other person/party?

Ans. The supplier or the recipient can view the same from either of the following options:

- *He can view on his dashboard, after logging on to the system;*
- *He can go to reject option and select date and see the e-way bills generated on his GSTIN by others.*
- *He can go to report section and see the 'EWBs by other parties'.*
- *He will get one SMS everyday indicating the total e-way bill activities on his GSTIN.*

Q 24. How does the tax payer become transporter in the e-way bill system?

Ans. To change his position from supplier or recipient to transporter, the tax payer has to select the option 'Register as Transporter' under registration and update his profile. Once it is done, the system changes tax payer as transporter.

Q 25. How many times can Part-B or Vehicle number be updated for an e-way bill?

Ans. The Part-B (Vehicle details) can be updated as many times as one wants for movement of goods to the destination. However, the updating should be done within the validity period and at any given point of time, the vehicle number updated should be that of the one which is actually carrying the goods. The validity of e-way bill is not re-calculated for subsequent entries in Part-B.

Q 26. What is the concept of acceptance of e-way bill by the recipient?

Ans. The details of e-way bill generated shall be made available to the-

(a) supplier, if registered, where the information in Part A of FORM GST EWB-01 has been furnished by the recipient or the transporter; or

(b) recipient, if registered, where the information in Part A of FORM GST EWB-01 has been furnished by the supplier or the transporter,

on the common portal, and the supplier or the recipient, as the case maybe, shall communicate his acceptance or rejection of the consignment covered by the e-way bill.

In case, the person to whom the information in Part-A is made available, does not communicate his acceptance or rejection within seventy-two hours of the details being made available to him on the common portal, it shall be deemed that he has accepted the said details.

Q 27. What happens if multiple consignments are transported in one conveyance?

*Ans. Where multiple consignments are intended to be transported in one conveyance, the transporter may indicate the serial number of e-way bills generated in respect of each such consignment electronically on the common portal and a consolidated e-way bill in **FORM GST EWB-02** may be generated by him on the common portal prior to the movement of goods.*

The various situations where multiple consignments are transported in one conveyance may be as under:

Situation	Impact
<i>Multiple consignments in one conveyance; all more than Rs. 50000/-; and the consignor has generated e-way bill for all the consignments.</i>	<i>A consolidated e-way bill in FORM GST EWB-2 may be generated on the common portal prior to the movement</i>
<i>Multiple consignments in one conveyance; all more than Rs. 50000/-; but the consignor has not generated e-way bill</i>	<i>Transporter shall generate individual FORM GST EWB-01 and may also generate consolidated e-way bill FORM GST EWB-02</i>
<i>Multiple consignments in one conveyance; a few less than Rs. 50000/- and e-way bill not generated for these consignments (less than Rs. 50,000/-)</i>	<i>Transporter shall generate FORM GST EWB-01 (for consignments of value more than Rs. 50000/-) and may generate e-way bill for consignments less than Rs. 50,000/-; and may also generate consolidated e-way bill FORM GST EWB-02</i>

Q 28. Many distributors transport goods of multiple customers and know the details of the requirement only at the time of delivery? What to do if name of the consignee is not known?

Ans. Such movement of goods would be for reasons other than supply. The reasons for transportation will have to be mentioned in the Part A of the e-way bill.

Q 29. What is the validity period of e-way bill?

Ans. The validity of e-way bill remains valid for a time period which is based on distance to be travelled by the goods as below:

Distance	Validity Period
<i>Less than 100 Km</i>	<i>One day</i>
<i>For every 100 km thereafter</i>	<i>Additional one day</i>

Q 30. What is a day for e-way bill? How to count hours/day in e-way bill?

Ans. This has been explained in Rule 138(10) of CGST Rules, 2017. The “relevant date” shall mean the date on which the e-way bill has been generated and the period of validity

shall be counted from the **time** at which the e-way bill has been generated and each day shall be counted as twenty-four hours.

Q 31. Can the validity period of e-way bill be extended?

Ans. In general No. However, Commissioner may extend the validity period only by way of issuance of a notification for certain categories of goods which shall be specified later.

*Also, if under circumstances of an exceptional nature, the goods cannot be transported within the validity period of the e-way bill, the transporter may generate another e-way bill after updating the details in Part B of **FORM GST EWB-01**.*

Q 32. What is the validity period of consolidated e-way bill?

Ans. A consolidated e-way bill has no separate validity and will be governed by the underlying validity period of the individual e-way bills.

Q 33. Can a e-way bill be modified?

Ans. No. Part-A of an e-way bill once generated, cannot be modified. However, Part-B can be updated as many times as the transport vehicle is changed within the overall validity period. The validity period is not changed when the Part-B is updated.

Q 34. Is it necessary to feed information and generate e-way bill electronically in the common portal?

Ans. Yes. The facility of generation and cancellation of e-way bill is also available through SMS.

Q 35. What is EBN? Who gives it?

Ans. Upon generation of the e-way bill on the common portal, a unique e-way bill number (EBN) shall be made available to the supplier, the recipient and the transporter on the common portal. The common portal will generate the EBN.

Q 36. Whether e-way bill generated in one state is valid in another state?

Ans. Yes it is valid throughout the country.

Q 37. What if one consignment, is transported in CKD/SKD condition in multiple transport vehicles?

Ans. As per Rule 55(5) of the CGST Rules, 2017, in such cases, the supplier shall issue the complete invoice before dispatch of the first consignment and shall issue a delivery challan for each of the subsequent consignments, giving reference of the invoice. Each such subsequent consignment shall be accompanied by copies of the corresponding delivery challan along with a duly certified copy of the invoice; and the original copy of the invoice

shall be sent along with the last consignment. Every consignment shall also be accompanied with a separate e-way bill.

Q 38. Can a transport vehicle be intercepted?

Ans. Yes, the Commissioner or an officer empowered by him in this behalf may authorise the proper officer to intercept any conveyance to verify the e-way bill or the e-way bill number in physical form for all inter-State and intra-State movement of goods.

Physical verification of a specific conveyance can also be carried out by any officer, on receipt of specific information on evasion of tax, after obtaining necessary approval of the Commissioner or an officer authorised by him in this behalf.

Q 39. Are there any checks and balances on excessive use of power of interception of vehicles and inspection of goods?

*Ans. A summary report of every inspection of goods in transit shall be recorded online on the common portal by the proper officer in Part A of **FORM GST EWB-03** within twenty-four hours of inspection and the final report in Part B of **FORM GST EWB-03** shall be recorded within three days of such inspection.*

Once physical verification of goods being transported on any conveyance has been done during transit at one place within the State or in any other State, no further physical verification of the said conveyance shall be carried out again in the State, unless a specific information relating to evasion of tax is made available subsequently.

*Where a vehicle has been intercepted and detained for a period exceeding thirty minutes, the transporter may upload the said information in **FORM GST EWB-04** on the common portal.*

Q 40. What is the responsibility of transporters, owners or operators of godown or warehouse?

Ans. As per section 35(2) of the CGST Act, 2017, every owner or operator of warehouse or godown or any other place used for storage of goods and every transporter, irrespective of whether he is a registered person or not, shall maintain records of the consigner, consignee and other relevant details of the goods in such manner as prescribed in rule 58 of the CGST Rules, 2017.

Q 41. What has to be done by the transporter if consignee refuses to take goods or rejects the goods?

Ans. The transporter can get one more e-way bill generated with the help of supplier or recipient by indicating supply as 'Sales Return' and with relevant document details and return the goods to supplier.

Q 42. What are the documents to be carried by the person in charge of a conveyance while transporting goods?

Ans. The person in charge of a conveyance shall carry—

(a) the invoice or bill of supply or delivery challan, as the case may be; and

(b) a copy of the e-way bill or the e-way bill number, either physically or mapped to a Radio Frequency Identification Device (RFID) embedded on to the conveyance in such manner as may be notified by the Commissioner.

Q 43. What are RFIDs?

Ans. RFIDs are Radio Frequency Identification Device used for identification. The Commissioner may require RFIDs to be embedded on to the conveyance in such manner as may be notified. The Commissioner shall get RFID readers installed at places where the verification of movement of goods is required to be carried out and verification of movement of vehicles shall be done through such device readers where the e-way bill has been mapped with the said device.

Q 44. Is it necessary that the e-way bill has to be mapped to a RFID device?

Ans. It is optional. However, The Commissioner may, by notification, require a class of transporters to obtain a unique Radio Frequency Identification Device and get the said device embedded on to the conveyance and map the e-way bill to the Radio Frequency Identification Device prior to the movement of goods.

Q 45. Are there any special situations where e-way bill needs to be issued even if the value of the consignment is less than Rs. 50,000/-?

Ans. As per the provisos to Rule 138(1) of CGST Rules, 2017, where goods are sent by a principal located in one State to a job worker located in any other State, the e-way bill shall have to be generated by the principal irrespective of the value of the consignment. Also, where handicraft goods are being transported from one State to another by a person who has been exempted from the requirement of obtaining registration, the e-way bill shall have to be generated by the said person irrespective of the value of the consignment.

Q 46. Can a tax payer update his business name, address, mobile number or e-mail id in the e-way bill system?

Ans. No. EWB System will not allow tax payer to update these details directly. The taxpayer has to change these details at GST Common portal, from where it will be updated in EWB system.

Q 47. What are the modes of e-way bill generation?

Ans. The e-way bill can be generated through multiple modes viz the common portal for e-way bill or Using SMS based facility or Android App or Site-to-Site integration or GSP (Goods and Services Tax Suvidha Provider).

For using the SMS facility, a person has to register the mobile numbers through which he wants to generate the e-way bill on the e-way bill system.

For using Android App, the tax payer has to register the EMEI numbers of the mobiles through which he wants to generate the e-way bill on the e-way bill system.

For site to site integration, the APIs of the e-way bill system have to be used for integrating the system.

Q 48. What is the role of sub-users in e-way bill system? How can sub-users be activated?

Ans. A taxpayer can create sub-users in the e-way bill system and assign specific roles to them like generation of EWB or rejection or report generation activities based on requirements. This helps the large firms with multi locations/ shifts to distribute work.

Q 49. Whether information submitted for e-way bill can be used for filing GST Returns?

Ans. The information furnished in the Part-A of E-way bill shall be made available to the registered supplier on the common portal who may utilize the same for furnishing details in GSTR-1.

Q 50. Whether individuals while shifting their personal belongings will have to generate E-way bill?

Ans. No. Used personal and household effects are specifically exempted from the requirement of E-way Bill as explained in Q 8 above.

Disclaimer:

The FAQs on E-Way Bill have been compiled by NACIN and are for training and academic purposes only. The information is intended only to provide a general overview and is not intended to be treated as legal advice or opinion. For greater details, you are requested to refer to the respective CGST/SGST/UTGST/IGST Acts and Rules.



Motto

“ सत्यं वद। धर्मं चर।
इष्टकारे त्रेह त्रुपारे. ब्रह्मोवेह ह्यु त्रेह त्रिह्।”

Vision

“ To be a global leader in promoting
good corporate governance”

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Statutory body under an Act of Parliament

Headquarters

ICSI House, 22, Institutional Area, Lodi Road, New Delhi 110 003

tel 011-45341000, 4150 4444 fax+91-11-2462 6727

email info@icsi.edu website www.icsi.edu