

**Frequently
Asked
Questions
(FAQs)
on
Electronic
Way Bill
(E-Way Bill)**



**THE INSTITUTE OF
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Preface

The Government of India, for an inclusive growth of the Nation, has enacted and implemented various reforms confirming economic growth, social engineering, equitable opportunities, simplified taxation mechanism, advanced e-governance, empowerment of masses and cutting edge technological development in the country. Among all, the introduction of Goods and Services Tax (GST) is one such remarkable step.

Under GST, Electronic Way Bill is a mechanism to ensure that goods being transported are complying the GST Law and is an effective tool to track movement of goods and check tax evasion, with implementation being applicable from February 1, 2018. As we are aware that India is a geographically diverse Nation and bringing about such a huge reform is not an easy task.

Partnering with the vision New India 2022, in the most historic reform of independent India, the Institute of Company Secretaries of India (ICSI) facilitates the stakeholders in GST implementation, compliances and assistance by various capacity building initiatives under Goods & Services Tax wherein ICSI has brought out FAQs on Electronic Way Bill.

I am thankful to all the members of ICSI GST Core Advisory Group for their valuable inputs in finalising the FAQs on Electronic Way Bill. I hope this will enhance the understanding and aspects of Electronic Way Bill for all the professional colleagues, students and stakeholders at large.

Place : New Delhi

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Frequently Asked Questions (FAQs) on Electronic Way Bill (E-Way Bill)

Q.1 What is e-way bill?

- A.** Electronic Way Bill (E-Way Bill) is a compliance mechanism wherein, by way of a digital interface, the person initiating the movement of goods uploads the prescribed information before the commencement of movement of goods and generates e-way bill on the GST portal.

Q.2 What is the purpose of e-way bill?

- A.** The whole purpose behind the introduction of e-way bill is to track the movement of goods and ensure payment of tax in relation thereto, wherever applicable.

Q.3 Is e-way bill a new phenomenon?

- A.** E-way bill is not a new phenomenon. It was equally prevalent in most of the states under the erstwhile VAT regime in the name of road permit, way bill, etc.

Q.4 How e-way bill under GST is different from the similar mechanism under VAT regime?

- A.** In earlier tax regime, way bill was applicable mainly for inter-state movement of goods as against the e-way bill under GST, which is applicable for all movements' inter-state or intra state.

In earlier tax regime, e-way bill was not applicable in all states whereas in GST regime, it is applicable across all states.

Q.5 What is the roll out date for e-way bill implementation?

- A.** The relevant rules viz. Rule 138, 138A, 138B, 138C and 138D of the Central Goods and Services Tax Rules, 2017, which contain the provisions regarding e-way bill, shall come into effect w.e.f. 1.2.2017. In effect, e-way bill mechanism shall come into effect from 1.2.2018 onwards.

At the same time, the 24th GST Council meeting has decided that 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. Notification to that effect is not yet issued.

Meanwhile, few states such as Karnataka, Uttar Pradesh, Rajasthan, Uttarakhand have already introduced e-way bill mechanism for inter-state movement of goods.

The Council has also informed that the e-way bill system will be ready to be rolled out on a trial basis latest by 16th January, 2018. Traders and transporters can start using this system on a voluntary basis from 16th January, 2018.

Q.6 What is common portal ?

- A.** As the Government intends to implement nationwide E-way bill from 1.2.2018, it has facilitated a common online portal [<http://ewaybill.nic.in/>] for generation of e-way bills for various states based on GSTIN registration for a particular state. So far, the states of Rajasthan, Uttarakhand and Karnataka have notified their e-way bill provisions wherein e-way bill for such states can be generated from the online portal.

Q.7 Is there any threshold for generating an e-way Bill?

- A.** Yes, e-way bill is required to be generated for goods of consignment value exceeding Rs. 50,000.

However, such threshold is not applicable where the goods are transported for job work purpose.

Q.8 What is the incidence for the generation of e-way bill.

- A.** E-way bill is required to be generated where movement of goods is
- (i) in relation to a supply; or
 - (ii) for reasons other than supply; or
 - (iii) due to inward supply from an unregistered person

In short, e-way bill is required to be generated for all movement of goods (of consignment value exceeding Rs. 50,000/-) regardless of whether or not the movement constitutes supply in terms of Section 7 of CGST Act, 2017.

E-way bill is also required to be generated by the registered recipient where the movement is occasioned due to the purchase of goods from an unregistered person.

Q.9 When the e-way bill is required to be generated?

- A.** E-Way Bill is required to be generated before the commencement of movement of goods.

Q. 10 Who can generate e-way bill?

- A.** The following persons may generate the e-way bill:
- i. Registered person who is the consignor of goods, where the goods are transported by such consignor in his own conveyance or a hired one or by railways or by air or by vessel
 - ii. Recipient of goods who is also the consignee of goods, where the goods are transported by such consignor in his own conveyance or a hired one or by railways or by air or by vessel.
 - iii. Transporter of goods, where the e-way bill is not generated under the above mentioned mode and the goods are handed over to a transporter for transportation by road.

While e-way bill can be generated by any of the person listed above in Part B of Form GST EWB-01, the basic information [Invoice details, etc.] for generating the e-way bill shall be filled in Part A of Form GST EWB-01 by the person who is causing movement of goods.

Q.11 Whether e-way bill is required for transportation of goods only by road?

- A.** No. e-way bill is required to be generated for transportation of goods by all modes of transport viz. road, air, vessel and railway.

Q.12 Whether e-way bill is required to be generated for transportation of goods by own conveyance?

- A.** Yes, e-way bill is required to be generated for transportation of goods whether by own conveyance or hired one.

Q.13 What is Part A of Form GST EWB-01?

Part A of Form GST EWB-01 comprise of basic information as to the consignor, consignee and

the goods sought to be transported. The broad fields are tabulated herein below for ready reference.

1. Transaction Details

Outward	Inward
Supply	Supply
Export	Import
Job Work	Job Work Returns
SKD-CKD	SKD-CKD
Recipient not known	Sales Return
For Own use	For Own use
Exhibition of Fairs	Exhibition of Fairs
Line Sales	Other
Other	
From: Consignor details will be pre-filled	To: Consignee details will be pre-filled

2. Document Details

Type: Invoice	BOS	BOE	Challan	Credit Note	Other
Details of Vendor / Customer	Name	GSTIN	Address	Place	Pin Code

3. Goods Description / Item details (as per invoice)

Product Name	Description	HSN	Quantity	Unit	Value	Tax Rate (C+S+I+Ce)
Total Taxable Amount			CGST Amount	SGST Amount	IGST Amount	CESS Amount

4. Transporter Details

Via	Road	Rail	Air	Ship	Appropriate Distance (in Kms)
Name of Transporter		OR	Part B (Enter details of Vehicle No.)		Vehicle No
Id of Transporter					
Doc No. & Date					

Q.14. What is Part B of e-way bill?

A. Part B of e-way bill mainly captures the detail of vehicle used for the transportation of goods.

Q.15 Whether details in Part A be filled by the transporter where the transportation of goods is by railways or by vessel or by air?

A. No. Where the transportation of goods is by railways, or by vessel or by air, the details in Part A cannot be filled by the transporter but filled only by the consignor or the recipient of supply as consignee.

Q.16 In which situation, e-way bill is not required to be generated?

- A.** In the following cases, e-way bill is not required to be generated:
- i. where the goods being transported are specified in Annexure to Rule 138 of the Central Goods and Services Tax Rules, 2017; the said Annexure mainly contains goods which are exempted from payment of tax.
 - ii. where the goods are being transported by a non-motorised conveyance;
 - iii. where the goods are being transported from the port, airport, aircargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs; and
 - iv. where the Goods and Services Tax Rules of a particular state exempts the operation of e-way bill in respect of movement of goods within any areas as may be notified.

Q.17 How to generate e-way bill in case of multiple consignments intended to be transported in one conveyance?

A. The facility to generate consolidated e way bill has been given to the transporter where it intends to transport multiple consignments in one conveyance. The consolidated e way bill can be generated once the e way bill for individual consignments sought to be transported in one conveyance has already been generated in Form GST EWB-01.

The process for generation of consolidated e-way bill is such that 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.

Q.18 What are the obligations of transporter in case where the consignor or consignee has not generated Form GST EWB-01?

A. Where the consignor or the consignee has not generated FORM GST EWB-01 and the value of goods carried in the conveyance is more than fifty thousand rupees, the transporter shall generate FORM GST EWB-01 on the basis of invoice or bill of supply or delivery challan, as the case may be, pertaining to the goods scheduled to be carried in a conveyance and may subsequently also generate a consolidated e-way bill in FORM GST EWB-02 on the common portal prior to the movement of goods.

In short, the transporter is mandatorily required to generate e-way bill wherever the consignor or consignee fails to generate the same, for whatsoever reasons.

Q.19 When can an e-way bill be cancelled?

A. Where an e-way bill has been generated, 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, either directly or through a Facilitation Centre notified by the Commissioner, within 24 hours of generation of the e-way bill.

However, an e-way bill cannot be cancelled if it has been verified in transit in accordance with the provisions of rule 138B of the Central Goods and Services Tax Rules. For ready reference, it is clarified that the said Rule 138B authorises the proper officer to intercept any conveyance to verify the e way bill or e way bill number in physical form or through Radio Frequency Identification Device readers installed at the appropriate places.

Q.20 What is the validity period of e-way bill?

A. An e-way bill or a consolidated e-way bill generated shall be valid for the following period:

<i>Distance</i>	<i>Validity Period</i>
Upto 100 kms.	One day
For every 100 kms or part thereof thereafter	One additional day

The effect of this rule is that in case the goods fails to reach at the destination/ consignee place within the validity period, the movement shall be deemed to have been effected without e-way bill and consequences thereof shall follow.

For the purpose of calculating the validity period, 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.

For example, where an e way bill is generated at 9 am on 1.3.2018, its validity shall expire at 9 am on 2.3.2018.

Q.21 Is there any possibility to extend such validity period where goods cannot be transported within the normal period allowed in the rules?

A. In general, the validity of e-way bill cannot be extended suo moto by the user.

However, Commissioner is empowered to extend the validity period by way of issue of notification for certain categories of goods.

In exceptional circumstances, where the goods could not be transported within the available validity period, the transporter is empowered to generate another e-way bill [while the goods are in transit] after updating/ amending the details in Part B of Form GST EWB-01

Q. 22 Who is required to generate e-way Bill in case the goods are sent to Job Worker? Whether the threshold of Rs. 50,000 per consignment is available where the goods are sent for job work?

A. 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 be generated by the principal [consignor] irrespective of the value of consignment.

The threshold of Rs. 50,000 per consignment is not available where the goods are sent/ transported for job work.

Q.23 What is the requirement of e-way bill in case of Handicraft goods?

A. Where handicraft goods are transported from one State to another by a person who has been exempted from the requirement of obtaining registration under GST provisions, the e-way bill shall be generated by the said person irrespective of the value of the consignment.

Q.24 What are the documents required to be carried by a person-in-charge of a conveyance?

- A.** 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 embedded on to the conveyance.

Q.25 What is the procedure of inspection and verification of goods by the Department?

- A.** Rule 138C of the rules provide that a summary report of every inspection of goods in transit shall be recorded online by the proper officer in Part A of FORM GSTEWB-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.

Q.26 Are there any safeguards kept in the rules to avoid frequent stoppage of conveyances?

- A.** It has been provided that 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.

Q.27 Whether e way bill generated in a particular state shall be valid for movement of goods in any other state or union territory?

- A.** Yes, as per sub-rule 13 of Rule 138 of the Central Goods and Services Tax Rules, 2017, e way bill generated in one state shall remain valid in any other State or Union Territory.

Q.28 Is there any option available to transporter to upload information of detained vehicle?

- A.** Yes, 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.29 Can e-way bill be generated or cancelled through SMS?

- A.** Yes, the facility of generation and cancellation of e-way bill may also be made available through SMS.

Q.30 What are the consequences of non-compliance of e-way bills?

- A.** If e-way bills, wherever required, are not issued in accordance with the provisions contained in Rule 138 of the CGST Rules, 2017, the same will be considered as contravention of rules.

As per Section 122 of the 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.

As per Section 129 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 there under, 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.

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