

G S T

THE GAME CHANGER

E-WAY BILL CONCEPT AND PROCEDURE



SHARNAM LEGAL

ADVOCATES & SOLICITORS

"Building longterm relations through our work."

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WHAT IS E-WAY BILL

- E-way bill i.e. Electronic Way Bill or EWB-01 (Part-A & Part-B) is a GST transport permit (a permit for seamless movement of goods).
- E-way bill is applicable on **movement of goods** from one state to another (inter-state) and also for movement of goods within the state (intra-state).
- E-way bill may be effective from 1st April 2018 for which a notification shall be issued by the Govt.

WHAT IS E-WAY BILL

- The Government had earlier issued Notification no. 27/2017-Central Tax dated 30th August 2017 which has been recently amended by Notification no. 12/2018 – Central Tax dated 07 March 2018, whereby –
 - ❖ Rule 138 which prescribed “Information to be furnished prior to commencement of movement of goods and generation of E-way bill.”
 - ❖ Rule 138A which prescribes “Documents and devices to be carried by a person-in-charge of the conveyance.”
 - ❖ Rule 138B which prescribes “Verification of documents and conveyance.”
 - ❖ Rule 138C which prescribes “Inspection and verification of goods.”
 - ❖ Rule 138D which prescribes “Facility for uploading information regarding detention of vehicle.”
 - ❖ Form GST EWB-01 i.e. E-way bill u/r 138
 - ❖ Form GST EWB-02 i.e. Consolidated E-way bill u/r 138
 - ❖ Form GST EWB-03 i.e. Verification Report u/r 138C
 - ❖ Form GST EWB-04 i.e. Report of Detention u/r 138D
 - ❖ Form GST INV-1 i.e. Generation of invoice reference number u/r 138A
 - ❖ Annexure to Rule 138(14) i.e. List of items exempted from the requirement of e-way bill.

WHAT IS E-WAY BILL

- The government has introduced a new web portal via Notification no. 9/2017-central tax dated 23rd January 2018 (<http://ewaybill.nic.in> / www.ewaybillgst.gov.in) for generation and control of e-way bill, this web portal will officially serve the purpose of registration of tax-payers / transporters who require e-way bill.
- All the inter-state movement of prescribed goods as well as intra-state movement of goods within territory of state must be covered by the prescribed e-way bill.
- The Form / System which was earlier known as Declaration for Import of Goods from outside state or Road Permit, E-sancharan, way bill, E-sugam, ST Form-10, Form-61 & 62, Form-DIX, Form-402 & 403, Form-38, Form-26, JVAT-504G, Form-16, Form-49, Form-35, Form-40, Form-33, Form-32, Form-25 & Form-50 etc. in various states may not be effected from 1st April 2018. These states will issue necessary orders/ notifications for withdrawing E-Sancharan Form or Import Declaration Form which are presently in force.
- The Government has introduced new system of E-Way Bill on trial basis from 16th January 2018 which may be optionally adopted by any registered dealer even prior to 1st April 2018.

WHY E-WAY BILL IN GST

- The digital reconciliation and matching of the transaction declared in the prescribed Returns can not fully serve the purpose of eliminating the un-scrupulous transaction which resulted in the introduction of E-Way Bill. To plug the holes or opportunity for not recording the transaction even after the issue of Tax Invoice and its subsequent destruction after the movement of goods is over needs to be eliminated. The practice of multiple use of same Tax Invoice in short distance also forced the Govt. to introduce E-Way Bill.
- The requirement of E-Way Bill is an integral tool of proper compliance in GST system. This will encourage the business in transparently recording the transaction as well as the requirement of verification of movement of goods during Movement of the Consignment as well as during Tax Audit or Assessments etc.
- As a good practice every registered dealer needs to be fully complied with the requirement of E-Way Bill for movement of goods. The applicable provisions of the scheme of E-way Bill must be correctly & uniformly adopted by every business to garner the benefits of GST.
- The competition amongst the unequal's shall be avoided when E-Way Bill is strictly/transparently implemented for all business throughout the country.

WHO HAS TO ISSUE E-WAY BILL

Every Registered Person in GST/ Transporter who:-

- **Causes Movement of Goods** within the state (**intra-state**) or from one state to another state (**inter-state**), or
- Value of Consignment **Exceeds Rs.50,000/-**

Every Registered Person in GST/ Transporter shall furnish information of movement of goods in **Part A of Form GST EWB-01**

Upon generation of the E-way bill on the newly introduced E-way bill Portal, a **Unique EBN** i.e. **‘E-Way Bill Number’** will be generated and made available to the person generating the E-way bill i.e. supplier/ recipient/ transporter of the goods on the Portal.

The information furnished in Part A of Form GST EWB-01 shall be made available to the Registered Supplier on the GST Common Portal who may utilize the same for furnishing the details in GSTR-1.

CASES IN WHICH E-WAY BILL TO BE ISSUED

- In relation to a supply of goods; or
- For reasons other than supply (i.e. Job- Work, Branch Transfer); or
- Due to inward supply from an unregistered person.

- If RCM is there either under 9(3) or 9(4) under CGST Act and supplier is unregistered dealer then receiver i.e. the registered dealer has to generate and issue E-way Bill.

- 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.

POINT OF TIME TO ISSUE E-WAY BILL

- **Before** commencement of movement of goods in **Part A** of **FORM GST EWB-01**.
- **Deemed Movement:** In case of supply by unregistered dealer, it will be deemed that the movement is caused by recipient i.e. the registered dealer (if known at the time of commencement of movement).

VALIDITY OF E-WAY BILL

Distance

Upto 100kms

For Every 100 kms or part thereof thereafter

Upto 20 Kms

For every 20 Kms or part thereof thereafter

Validity Period

1 Day in cases other than 'Over Dimensional Cargo'

1 Additional Day in cases other than 'Over Dimensional Cargo'

1 Day in cases of 'Over Dimensional Cargo'

1 Additional Day in cases of 'Over Dimensional Cargo'

ACCEPTANCE OF E-WAY BILL

- The E-way bill generated shall be made available to the recipient i.e. registered dealer, on the common portal, who shall communicate his acceptance or rejection of the consignment covered by the E-way bill.
- Where he does not communicate his acceptance or rejection within 72 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.

VOLUNTARY ISSUE OF E-WAY BILL

E-way bill can be issued, on voluntary basis, even if not required by law. If Unregistered Dealer/ Person wants to generate E-way bill then his transporter may generate E-Way Bill as per the manner specified in Rules, the option to generate E-Way Bill can be availed to avoid harassment during longer movement of goods within the state.

CANCELLATION OF E-WAY BILL

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 by the person who generated the E-way bill or through a Facilitation Centre notified by the Commissioner, within 24 hours of generation of the E-way bill.

SPECIAL CASE: CONSIGNOR & CONSIGNEE

1. Any one of them can generate E-way bill subject to furnishing of details in Part B of GST EWB-01.
2. If any of them, don't generate the E-way bill, then transporter/ Courier agency / E-commerce Operator to whom goods has been handed over shall generate E-way Bill.

Note: The Transporter Selected by either of the Party should be registered on E-way bill common portal and must have a TRANSID (Transport Identification No.) so that the Transporter can generate E-way bill for the said movement of goods.

UPDATING OF E-WAY BILL

- Any transporter/ the person who generated the E-way bill on the time of transferring goods from one conveyance to another in the course of transit shall, before such transfer and further movement of goods update conveyance details in Part B of E-way bill.

Provided that where the goods are transported for a distance of less than 50 kilometers within the State or Union territory, the details of conveyance may not be updated in the e-way bill.

- 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.

MULTIPLE E-WAY BILLS IN ONE CONSIGNMENT- PROCEDURE

GST EWB-01 already issued:

In case of multiple consignment, where e-way bill has already been issued, the transporter shall issue FORM GST EWB-02 showing consolidated list of E-way bills carried.

GST EWB-01 not issued:

In case of multiple consignment, where e-way bill has not been issued, the transporter shall first issue FORM GST EWB-01 and then FORM GST EWB-02 for consolidated list of E-way bills carried.

EXEMPTIONS FROM ISSUING E-WAY BILL

- If Consignment value is less than Rs.50,000/-
- If goods are transported to a distance of less than 50 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 transporter may not be required to generate E-way Bill, for this movement of consignment. *However E-way bill can be generated on voluntary basis.*
- Where the goods being transported are specified in Annexure given in Notification No. 74/2017-central tax dated 29th December 2017
- Where the goods are being transported by a non-motorized conveyance.
- Where the goods are 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; *(i.e. movement of goods by customs authority from port to ICD or from port to port)*
- 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.
- Where activates or transactions not treated as supply of goods under Schedule III under Section 7 of CGST Act, 2017

EXEMPTIONS FROM ISSUING E-WAY BILL

- 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.
- 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.
- 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.
- where the goods being transported are transit cargo from or to Nepal or Bhutan.
- 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.

EXEMPTIONS FROM ISSUING E-WAY BILL

- any movement of goods caused by defence formation under Ministry of defence as a consignor or consignee.
- where the consignor of goods is the Central Government, Government of any State or a local authority for transport of goods by rail.
- where empty cargo containers are being transported.
- where the goods are being transported upto a distance of 20 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.

LIST OF FORMS

FORM	DESCRIPTION
FORM GST EWB-01	E-way Bill Form to be generated by transporter/ supplier of goods / registered dealer
FORM GST EWB-02	Consolidated E-way bill (where multiple goods are transported in one single vehicle) Form to be generated by transporter
FORM GST EWB-03	Inspection report to be filled up by proper officer.
FORM GST EWB-04	Form for uploading details by transporter/ supplier of goods / registered dealer, if vehicle detained for more than 30 minutes for verification of E-way Bill
Form GST EWB-01	<ul style="list-style-type: none"> • Part A Details of consignment • Part B Transporter / Conveyance Details
Form GST EWB-03	<ul style="list-style-type: none"> • Part A Summary Report • Part B Final Report

FORM GST EWB-01

DETAILS REQUIRED IN PART A

- GSTIN of recipient
- Place of delivery
- Invoice / Challan no
- Invoice / Challan date
- Value of goods
- HSN code
- Reason for transportation
- Transport document no

DETAILS REQUIRED IN PART B

Vehicle Number / Mode of Transport

REASON FOR TRANSPORTATION

- Supply
- Export
- Import
- Job-Work
- SKD or CKD
- Recipient not known
- Line Sales
- Sales Return
- Exhibition or Fairs
- For own use
- Others

- ✓ Place of Delivery shall indicate PIN Code of place of delivery i.e. to be filled in Part A of GST EWB-01
- ✓ Transport Document No. Indicates Good Receipt No./ GRN No. or Railway Receipt No. or Airway Bill No. or Bill of Lading No.

CAUTION POINTS

- ◆ E-way Bill is mandatory to be issued for goods being sent for Job Work, irrespective of the value of Goods.
- ◆ Cancellation of E-way Bill can only be done by the person generating the E-way Bill only within 24 hours of generation, no cancellation after the recipient has accepted the E-way Bill generated by the Supplier or the recipient has received the goods, whichever is earlier.
- ◆ Validity Period of the E-way Bill will be automatically decided by the Portal, which is based on the Dimension of the vehicle, Pin code & distance of the recipient of goods entered in the portal at the time of generation of E-way bill.
- ◆ No editing or amendment is allowed in E-way Bill once the E-way bill is generated.
- ◆ Consolidated E-way Bill should be generated by the Transporter who is carrying Multiple Consignments in a single vehicle.
- ◆ Transporter must have TRANS ID for generating E-Way Bill and their all warehouses should be declared at time of obtaining registration on E-way Bill Portal.
- ◆ Pin code in case of import of goods into India should be 999999 and State option in Address details should be selected as Others.

CAUTION POINTS

- ◆ If goods are supplied to an unregistered person then URP to be typed in the column for GSTIN Number.
- ◆ Intra- state E-way bill facility will be implemented in 4 phases , all states and union territories will be implementing intra- state E-way bill before or by 1st June 2018.
- ◆ Incase goods are inspected and checked during movement and no E-way Bill is found for such movement then the officer has the power to impose 100% penalty of the amount of tax on such consignment and also has the power to seize the goods if he is not satisfied.
- ◆ Incase goods are found at the premises of the transporter i.e. his warehouse or place of business and such place is not declared at the time of registration by the Transporter on the E-way bill portal then the officer has the power to impose 100% penalty of the amount of tax on such consignment and also has the power to seize the goods if he is not satisfied and such consignment will be deemed to supply of goods to the said person / transporter.
- ◆ E-way bill is mandatory requirement for consignments having value more than Rs. 50,000/-
- ◆ E-way bill will be invalid if no details of Mode of Transport are filled in Part B of the GST EWB-01 if the mode of transport is by Road.

CAUTION POINTS

- ◆ E-way bill is mandatory to be issued in case of Handicrafts, irrespective of value of goods. *If the supplier is unregistered in GST and The receiver is registered in GST then the receiver would be liable to generate E-way bill for such consignment.*
- ◆ Where goods are transported by railway , the railway will not deliver goods until E-way bill is produced before it by the receiver/ Transporter.
- ◆ The registered person shall be required to furnish Part B of Form GST EWB01 even in cases where goods are being transported by road in a public conveyance.
- ◆ Part A of Form GST EWB-01 can also be furnished by the transporter, e-commerce operator and courier agency on an authorization received from the registered person/consignor.
- ◆ E-way bill can also be generated by the registered job worker in case of inter-State movement of goods by principal to the said job worker.
- ◆ Rule 138A. Documents and devices to be carried by a person-in-charge of a conveyance. 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 or mapped to a Radio Frequency Identification Device embedded on to the conveyance in such manner as may be notified by the Commissioner.

THANK YOU

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