Lakshmikumaran & Sridharan attorneys

L&S Update

an e-update to clients from **Lakshmikumaran & Sridharan**

L&S GST Update
No. 21 of 2017

GST – Draft Electronic Way Bill Rules

- CBEC has issued draft E-way bill Rules on April 13, 2017.

- These draft rules provide for
  - → Situations in which e-way bill shall be required to be generated
  - → Persons who are required to generate e-way bills
  - → Provisions relating to verification of documents, goods and conveyance

- Provisions relating to invoice reference number which were earlier contained in draft Invoice Rules have now been shifted to draft E-way Bill Rules.

(1) Requirement to generate e-way bill

- E-way bill shall be generated if value of consignment to be moved is more than Rs. 50,000/-
- E-way bill is required for movement of goods in relation to supply, for reason other than supply and inward supply from unregistered persons.

(2) Person required to generate e-way bill

(a) Registered person who causes movement of goods shall furnish information in **Part A of Form GST INS-01** on common portal.

(b) Registered person or recipient may generate e-way bill in Form GST INS-1 after furnishing information in Part B of Form GST INS-01.

(c) If e-way bill is not generated as above, transporter shall generate e-way bill based on information provided by registered person.

(d) Where the movement is caused by an unregistered person, either in his own conveyance or a hired one or through a transporter, he or transporter may, at their option, generate the e-way bill. In this case, if the recipient is known, such recipient is required to generate the e-way bill.

(e) The registered person or the transporter may, at his option, generate e-way bill even if the value of consignment is less than Rs. 50,000/-.

(3) **Validity of e-way bill**

An e-way bill shall be valid for following period:

Distance to be covered by goods	Validity period*
Less than 100 Km	1 Day
100 Km or more but less than 300 Km	3 Days
300 Km or more but less than 500 Km	5 Days
500 Km or more but less than 1000 Km	10 Days
1000 Km or more	15 Days

(4) **Cancellation of e-way bill**

An e-way bill can be cancelled within 24 hours of its generation if goods are not transported as such or not transported as per details furnished. However, e-way bill cannot be cancelled if the same has been verified by proper offices in transit.

(5) Procedural Aspects (Highlights)

(a) Once e-way bill is generated, an EBN (e-way bill number) will be made available to the supplier, recipient and transporter on common portal.

(b) Information furnished in Part A of Form GST INS-01 shall be made available to the registered supplier on common portal which can be used for furnishing details in Form GSTR -1.

(c) Details of e-way bill generated shall be made available to registered recipient on common portal, who shall communicate his acceptance or rejection within 72 hours as otherwise, it shall be deemed that he has accepted the said details.

(6) **Documents and devices to be carried by a person-in-charge of a conveyance**

(a) The person-in-charge shall carry:

- Invoice or bill of supply or delivery challan; and
- Copy of e-way bill or EBN, either physically or mapped to a RFID (Radio Frequency Identification Device) embedded on to the conveyance.

(b) An invoice reference number (IRN) can be obtained by registered person by uploading a tax invoice on common portal and the same can be produced for verification in lieu of tax invoice.

(7) **Compliances for transporter**

(a) If the consignor does not generate e-way bill, the transporter shall generate the same on the basis of invoice or bill of supply or delivery challan.

(b) If goods are transferred from one conveyance to another in the course of transit, the transporter shall generate a new e-way bill.

(c) Where multiple consignments are intended to be transported in one conveyance, the transporter shall indicate serial number of e-way bills generated in respect of each such consignment on common portal and generate a consolidated e-way bill prior to movement of goods.

(d) The Commissioner may notify class of transporters to obtain RFID and get it embedded on to the conveyance and map the e-way bill to the RFID prior to movement of goods.

(8) Verification of documents and conveyances

(a) Authorized officers can intercept any conveyance and verify e-way bill or e-way bill number in physical form for all inter-State and intra-State movement of goods.

(b) RFID readers shall be installed at such places where verification of movement of goods is required to be carried out and where e-way bill has been mapped with RFID, verification of movement of vehicle shall be done through such RFID reader.

(c) Physical verification of conveyance can also be carried out by the proper officer.

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Summary of forms to be furnished

Form	Purpose
Part A of Form GST INS-01	Information relating to goods for which e-way bill is required to be generated
Part B of Form GST INS-01	Information relating to transporter
Form GST INS-01	E-way bill
Form GST INS-02	Consolidated e-way bill to be generated by transporter
Part A of Form GST INS-03	Summary report of inspection of goods
Part B of Form GST INS-03	Final report of inspection of goods
Form GST INS-04	To be furnished by transporter if vehicle is intercepted and detained for a period exceeding 30 minutes.

Note: The above update is based on the draft rules. The draft rules may be revised and final rules may or may not contain one or more of the provisions proposed in the draft rules.

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