L&S Update

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

L&S GST Update
No. 43 of 2017

- **Notification providing for E-way Bill Rules**

Background

- The GST Council, headed by Union Finance Minister and comprising of representatives of all States, had in April 2017 come out with the draft e-way bill rules.

- Due to lack of software and technology backbone, the applicability of the said rules was deferred.

- Accordingly, States have been following their own waybill provisions till the date such rules would come into effect.

Notification No. 27/2017-Central Tax dt. 30th August, 2017

- In view of the difficulties and representations made by the Industry, CBEC has now come up with revised E-way bill rules under GST.

- The date from which the said rules will come into effect will be notified separately.

- The rules provide for:
  - → Situations in which e-way bill shall be required to be generated
  - → **Situations in which e-way bill is not required to be generated**
  - → Persons who are required to generate e-way bills
  - → Other Miscellaneous provisions

Requirement to generate e-way bill

- E-way bill is required for movement of goods:
  - In relation to supply,
  - For reason other than supply, and
  - Inward supply from unregistered persons.

- E-way bill shall be generated if value of consignment to be moved is more than **Rs. 50,000/-.**

- However, if desired, E-way bill can also be generated even if the value of consignment is less than Rs. 50,000/-.

No requirement to generate E-way bill

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

  (a) Where the goods being transported are specified in Annexure to the Notification No. 27/2017-Central Tax;

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

  (c) 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; and

  (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 Goods and Services Tax Rules of the concerned State.

Persons required to comply

Compliance	Event	Person Responsible
Part A of Form GST EWB-01	In all cases	Who causes movement of goods
Part B of Form GST EWB-01 and Generation of e-way bill	Goods transported by the consignor in own conveyance of hired one	Consignor
Part B of Form GST EWB-01	Goods transported *via* GTA by the consignor without generating e-way bill	Consignor
Generation of E-way bill	Goods transported *via* GTA by the consignor without generating e-way bill	GTA
Part B of Form GST EWB-01 and Generation of e-way bill	Goods transported by the consignee in his own conveyance or hired one	Consignee
Part B of Form GST EWB-01	Goods transported *via* GTA by the consignee without generating e-way bill	Consignee
Generation of E-Way Bill	Goods transported *via* GTA by the consignee without generating e-way bill	GTA

Contd:

- If the <u>movement is caused by an unregistered person</u>, 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.

- The information in Part A of FORM GST EWB-01 shall be furnished by the consignor or the recipient of the supply as consignee where the goods are transported by railways or by air or by vessel.

- Where the goods are transported for a distance of less than 10 kilometres 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 furnish the details of conveyance in Part B of FORM GST EWB-01.

Validity of E-way bill

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

Distance to be covered by goods	Validity period
Upto 100 Km	One Day (24 hours)
For every 100 km or part thereof thereafter	One additional day

If the goods cannot be transported within the above validity period due to exceptional circumstances, the transporter may generate another e-way bill after updating the details in Part B of FORM GST EWB-01.

Procedural Aspects (Highlights)

a) 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.

b) However, e-way bill cannot be cancelled if the same has been verified by proper officer in transit.

c) Once e-way bill is generated, an EBN (e-way bill number) will be made available to the supplier, recipient and transporter on www.gst.gov.in (GST portal).

d) The facility of generation and cancellation of e-way bill may also be made available through SMS.

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

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

Documents to be carried

(a) The person-in-charge of conveyance 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 details as contained in tax invoice in **Form GST INV-1** in the GST portal and the same can be produced for verification in the place of tax invoice. The number so generated will be valid for a period of thirty days.

Compliances for transporter

(a) If the consignor or consignee, as the case may be, 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 update the details of conveyance in the e-way bill on the common portal in FORM GST EWB-01. However, the details of conveyance may not be updated in the e-way bill where the goods are transported for a distance of less than 10 kilometres within the State or Union territory from the place of business of the transporter finally to the place of business of the consignee.

(c) 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 in the GST portal and generate a consolidated e-way bill in Form EWB-02.

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(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.

(e) 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 in the GST portal.

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

(c) Physical verification once carried out in a State cannot be carried out again unless a specific information relating to evasion of tax is made available subsequently.

Summary of forms to be furnished

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

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