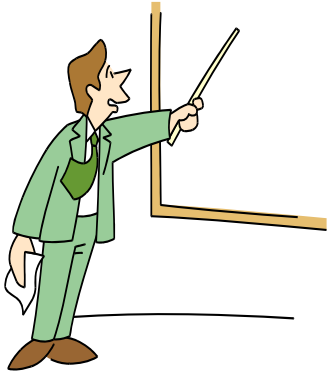


“E-WAY BILL UNDER GST”



STUDY CIRCLE MEETING
Organized
MULUND CA CPE STUDY CIRCLE

PRESENTED BY



AN INVESTMENT IN KNOWLEDGE PAYS THE BEST RETURN

15th April, 2018

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1

PURPOSE OF E-WAY BILL

- E-WAY will be applicable through out the country
- The purpose of E-way bill is a mechanism to ensure that goods being transported comply with the GST Law and is an effective tool to track movement of goods and check tax evasion
- The physical interface will pave the way for digital interface which will facilitate faster movement of goods.
- E-way is bound to improve the turnaround time of vehicles and help the logistics industry by increasing the average distances travelled, reducing the travel time as well as costs.

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Relevant section/Rules

- Section 68 of CGST empowers the proper officer for verification of prescribe documents & inspection of goods in movement
- Section 20 of IGST Act, provides that section 68 shall *mutatis mutandis* apply in relation to Integrated tax as they are enacted in IGST Act
- Notification 4/2017-IGST dated 28th June, 2017 provides that “CGST Rules” shall apply to “Integrated Tax” as they apply in relation to “Central Tax”
- Section 2(34) of CGST define “Conveyance” which includes aircraft, vessel and a vehicle.

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Relevant Rules - CGST

- **Rule 138** - Information to be furnished prior to commencement of movement of goods and generation of e-way bill
- **Rule 138A** - Document and devices to be carried by a person-in-charge of conveyance
- **Rule 138B** - Verification of documents and conveyances.
- **Rule 138C** - Inspection and verification of goods
- **Rule 138D** - Facility for uploading information regarding detention of vehicle

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Who has to issue E-way bill – Rule 138

- Every registered person who
 - **causes movement of goods** having Consignment value **exceeding Rs.50,000**

1. **In relation to Supply or;**

2. **For reason other than Supply or;**

- branch transfer within state,
- goods sent on approval,
- goods sent for exhibition,
- Goods sent for job-work

3. **Due to inward supply from an unregistered person**

shall before commencement of such movement, furnish information in Part A of FORM GST EWB-01 electronically on common portal (www.ewaybillgst.gov.in)

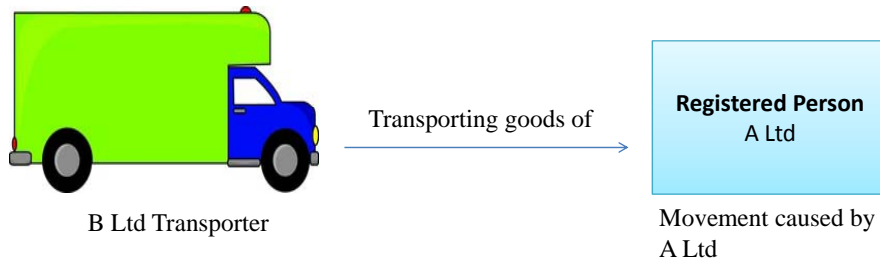
- The Portal will generate unique E-way bill number

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Can Transporter Generate E-way Bill



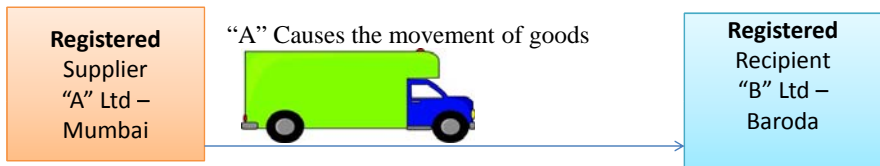
- Can B Ltd Transporter prepare E-way bill instead of A Ltd???
- As per 2nd Proviso to Rule 138(1), Transporter can prepare E-way bill by furnishing required details in Part A of Form GST EWB 01 **if authorization is received** from A Ltd

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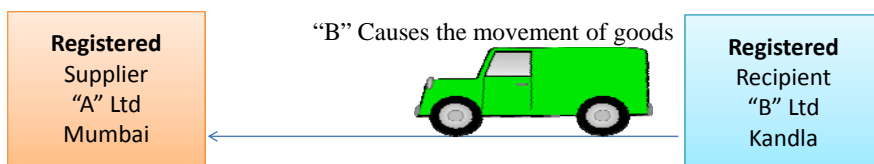
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RESPONSIBILITY OF GENERATING OF E-WAY BILL



"A" Ltd or "Transporter on Authorization" will be required to generate E-way bill



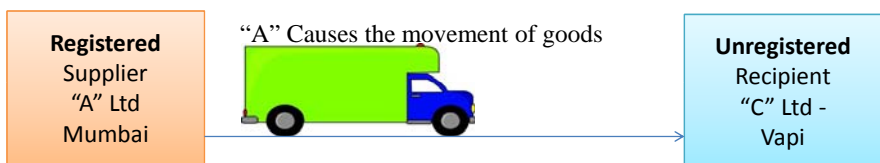
"B" Ltd or "Transporter on Authorization" will be required to generate E-way bill

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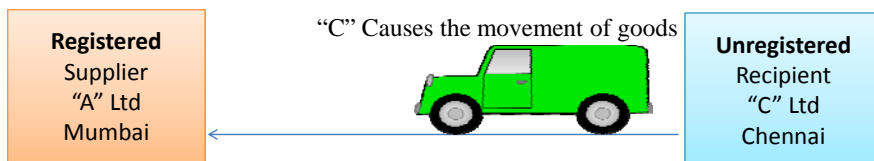
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RESPONSIBILITY OF GENERATING OF E-WAY BILL



"A" Ltd or "Transporter on Authorization" will be required to generate E-way bill



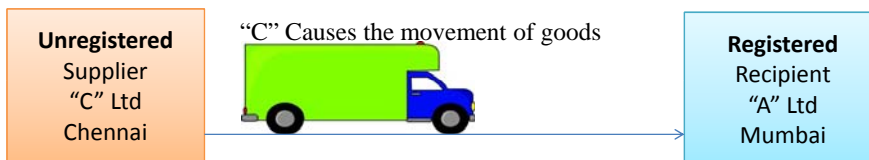
"C" Ltd or his transporter may (shall) generate E-Way Bill – 2nd Proviso to rule 138(3)

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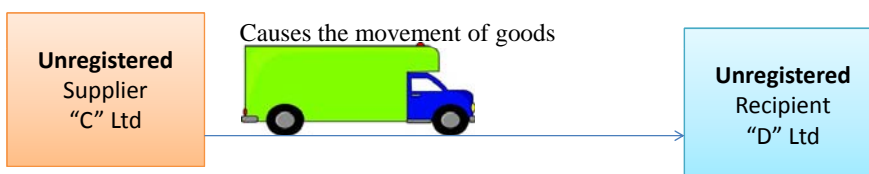
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RESPONSIBILITY OF GENERATION OF E-WAY BILL



“A” Ltd shall require to generate E-way bill – Explanation 1 to Rule 138(3)....Registered recipient is deemed to have caused movement



“C” Ltd or his transporter will require to generate E-way bill

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9

RESPONSIBILITY OF GENERATION OF E-WAY BILL

In Nut Shell,

Movement caused by	E-way bill to be generated
Registered person	Such registered person
Unregistered person during supply to registered person	Such registered person
Unregistered person during supply by registered person	Such unregistered person or his transporter
Unregistered person during supply to another unregistered person	Such unregistered person or his transporter
Principal sending goods to job worker within same state	Principal in case consignment value exceeds Rs.50,000/-
Principal sending goods to job worker outside state	Principal irrespective of consignment value

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10

RESPONSIBILITY OF GENERATION OF E-WAY BILL

In Nut Shell,

- When Registered person is causing movement of goods, responsibility is of that registered person to generate E-way bill
- When unregistered person is causing movement of goods during supply to registered person, responsibility is of registered person to generate E-Way Bill
- When unregistered person is causing movement of goods during supply from registered person, responsibility is of unregistered person or his transporter to generate E-Way Bill.
- When unregistered person is causing movement of goods to another unregistered person, the responsibility is of unregistered person or transporter who causes movement of goods to generate E-way bill

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11

Goods supplied through E-commerce



- "E" Ltd supplying goods through "FLIPKART" to its Customer.
- Can FLIPKART prepare E-way bill for above transaction???

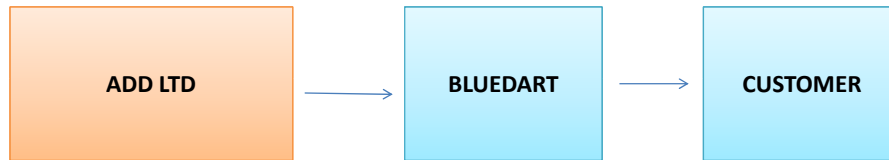
As per 3rd Proviso to Rule 138(1), FLIPKART can prepare E-way bill by furnishing required details in Part A of Form GST EWB 01 **if authorization is received** from E Ltd

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12

Goods supplied through courier



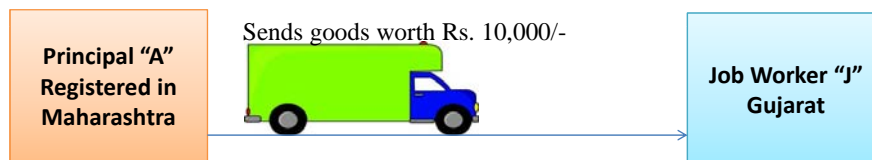
- “ADD LTD” supplying goods through “BLUEDART” – Courier Agency to its Customer,
- Can BLUEDART prepare E-way bill for ADD LTD???
- As per 3rd Proviso to Rule 138(1), BLUEDART can prepare E-way bill by furnishing required details in Part A of Form GST EWB 01 **if authorization is received** from Add Ltd

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Goods sent on Job work – 1st Proviso to Rule 138(3)



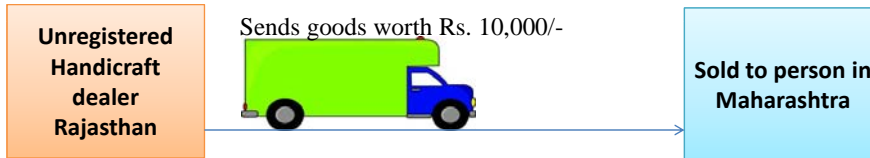
Either “Principal A” or “Job worker – if job worker is registered” will required to generate E-Way bill **irrespective of Value**

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Transportation of Handicraft goods



Unregistered Handicraft dealer will required to generate E-Way bill **irrespective of Value**

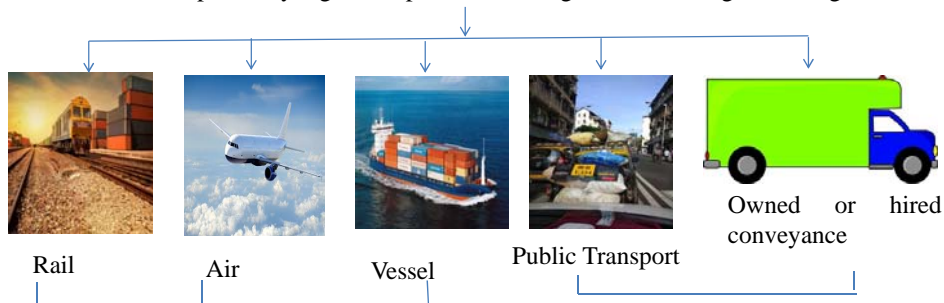
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RESPONSIBILITY OF GENERATION OF E-WAY BILL

Goods transported by registered person as consignor or as consignee through



Before or after commencement of movement furnish **Part B** of Form GST EWB -01 & generate E-way bill

Before commencement of movement furnish **Part B** of Form GST EWB -01 & generate E-way bill

Registered person before commence of movement furnish details in **Part A** in FORM GST EWB 01

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16

Example



EBM Pvt Ltd

Deliver Laptop
amounting to Rs
60,000/-



Public Transport

R. J Luthia & Associates

EBM Pvt Ltd have to generate E-way bill after filing Part A & Part B of Form EWB 01

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17

Responsibility of Transporter

- If E-Way bill is not generated by consignor or consignee and the goods are handed over to a transporter, the registered person shall furnish the information relating to transporter on common portal & **E-way bill shall be generated by Transporter** on basis of information furnished by the registered person in Part A of FORM GST EWB - 01 – **Rule 138(3)**

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Transfer of Goods from one conveyance to another - Rule 138(5)



The **consignor** or **recipient**, who has furnished Part A of Form GST EWB - 01 **or Transporter** shall, before such transfer & further movement of goods, **update** the details of conveyance in E-way bill on common portal in Part B of Form GST EWB- 01



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19

Goods Transported within 50 Kms – 3rd Proviso to Rule 138(3)/ proviso to Rule 138(5)

Place of Business of consignor/consignee



Transporter Hub



< 50 Kms

Goods transported from/to place of business of consignor/consignee to/from place of business of transporter **within state**

Details have to be furnished in Part A of Form EWB-01 by the registered person.

No need to furnish details of conveyance in Part B of Form GST EWB – 01

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20

Multiple consignment through one vehicle – Rule 138(6)

A Ltd
consignment value –
Rs. 70,000/-

B Ltd
Consignment – Rs.
1,20,000/-

C Ltd
Consignment – Rs.
2,00,000/-

Transporter need to indicate the serial number of each E-way bill generated by consignor and a consolidated E-way bill in Form GST EWB -02 **may be** generated by transporter prior to movement of goods.



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21

Multiple consignment through one vehicle – Rule 138(7)

A LTD
consignment value –
Rs. 20,000/-

B Ltd
Consignment – Rs.
20,000/-

C Ltd
Consignment Value –
Rs. 25,000/-

E-way not
generated

E-way not
generated

E-way not
generated

Since the aggregate consignment value exceed Rs. 50,000/- the transporter need to generate E-way bill in form GST EWB -01 on basis of invoice or bill of supply & also generate consolidated E-way bill in form GST EWB -02 prior to movement of goods



Only for Inter – State movement of goods.

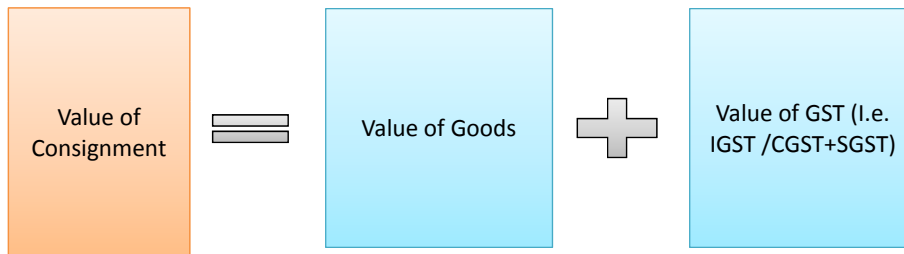
Provided Goods transported are supplied through E-commerce operator/ Courier Agency, Information in Part A of GST EWB 01 to be furnished by E-commerce operator or courier agency

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22

How to determine value of Consignment Explanation 2 to Rule 138(1)



- For Eg: Goods amounting to Rs 45,000/- are being transported & GST on said goods is Rs. 8,100/-, Total Value of consignment would be Rs. 53,100/-.
- Thus E-Way bill would require to be issued.

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Intimation of Generation of E-Way Bill

- Information Furnished in Part A of Form GST EWB 01 shall be made available to registered supplier on common portal who may utilize the same for furnishing the details in Form GSTR-1 – **Rule 138(8)**
- **When Information furnished by unregistered supplier/recipient in Form GST EWB 01, he shall be informed electronically if mobile or e-mail available**

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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 within 24 hours of generation of the e-way bill – **Rule 138(9)**
- E-Way bill cannot be cancelled if it is verified in transit.
- Unique number shall be valid for 15 days for updation of part B Form GST EWB 01

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25

Validity of E-way bill – **Rule 138(10)**

- An E-way bill/consolidated shall be valid for following period from relevant date

Distance	Validity of EWB
<u>Normal Cargo</u>	
Upto 100 Kms	1 Day
For every additional 100 Kms or part thereof	additional 1 Day
<u>Over dimensional Cargo</u>	
Upto 20 Kms	1 day
For every additional 20 Kms or part thereof	additional 1 Day

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26

Validity of E-way bill – Rule 138(10)

- “Relevant Date” means date on which E-way bill has been generated
- “Period of Validity” shall be counted from the time at which E-way bill has been generated & each day shall be counted as period expiring at mid night of the day immediately following the date of generation of E-way bill
- “Over Dimensional cargo” means a cargo carried as a single indivisible unit & which exceeds the dimensional limit prescribed in rule 93 of Central Motor vehicle rules, 1989

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27

Validity of E-way bill - Example

Generation of E-Way Bill	Approx. Distance	Expiry of E-way bill
2 nd April, 2018 – 10.30 AM	345 Kms.	6 th April, 2018 – 11.59 PM
10 th April, 2018 – 6.30 PM	87 Kms.	11 th April, 2018 – 11.59 PM
15 th May, 2018 – 2.30 PM	459 Kms.	30 th May, 2018 – 11.59 PM
10 th April, 2018 – 6.30 PM	87 Kms. (Over dimensional Cargo)	15 th April, 2018 – 11.59 PM

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28

To whom E-way bill shall be made available – **Rule 138(11)**

- The details of E-way bill shall be made available to
 - Supplier, if registered, where information in Part A of Form GST EWB 01 has been furnished by recipient or transporter; or
 - Recipient, if registered, where the information in Part A of Form GST EWB-01 has been furnished by the supplier or transporter

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

- The recipient shall communicate his acceptance or rejection of the consignment covered by E-way bill within 72 hours, failing which it would be deemed to be accepted.
– **Rule 138(12)**

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29

Situations where E-way bill is not required- **Rule 138(14)**

SPECIFIED GOODS AS MENTION IN ANNEXURE

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

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30

Situations where E-way bill is not required

- Where the goods are being transported by a non-motorised conveyance
- Where the goods are being transported from the port, airport, air cargo complex and land customs station to an ICD (inland container depot) or a CFS (container freight station) for clearance by Customs
- In respect of movement of goods within such areas as are notified under 138(14)(d) of the Goods and Services Tax Rules of the concerned State

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31

Situations where E-way bill is not required

- Where the goods, other than de-oiled cake, being transported are specified in the Schedule appended to notification No. 2/2017- Central tax (Rate) **i.e. Exempted goods**
- 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 being transported are treated as no supply under Schedule III of the Act.

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32

Situations where E-way bill is not required

- Where the goods are being transported
 - (i) under customs bond from an ICD or CFS 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;

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33

Situations where E-way bill is not required

- Supplies by CSD (Canteen Store Department) to Unit Run Canteens and supplies by CSD / Unit Run Canteens to authorised customers notified under section 11 (1) and section 55 CSD
- 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 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.

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34

Documents and devices to be carried by a person-in-charge of a conveyance - **Rule 138A**

- The person in charge of a conveyance shall carry
 - The invoice or bill of supply or delivery challan, as the case may be
 - 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. Not applicable when movement of goods by Rail/Air/Vessel

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Verification of documents and conveyances – **Rule 138B**

- The Proper officer may intercept any conveyance to verify the E-way bill
- The physical verification of conveyance may be carried out by proper officer as authorised by commissioner

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36

Inspection and verification of goods – Rule 138C

- 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 24 hours of inspection and the final report in **Part B** of **FORM GST EWB-03** shall be recorded within 3 days of such inspection.
- 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

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37

Facility for uploading information regarding detention of vehicle- **Rule 138D**

- 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.

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38

List of Forms

Form	Description
Form GST EWB - 01	E-way Bill form
Form GST EWB – 02	Consolidated E-way bill form to be generated by transporter
Form GST EWB – 03	Inspection report to be filled up by proper officer
Form GST EWB – 04	Form to uploaded by transporter, if vehicle detained for more than 30 minutes

Form	Parts
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

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39

Form GST EWB 01

DETAILS REQUIRED IN PART A

- GSTIN of Supplier
- Place of Dispatch
- GSTIN of recipient
- Place of delivery
- Invoice / challan number
- Invoice / challan date
- Value of goods along with Tax
- HSN code
- Reason for transportation

DETAILS REQUIRED IN PART B

- Vehicle Number
- Transport document number

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40

Issue



www.shutterstock.com - 615518273

Mr. A – Registered Person

Carries Tools & other essential Parts in all amounting to Rs. 80,000/- for providing Repairs & Maintenance Service to its clients



Travels through Public transport



Whether Mr. A will required to generate E-way Bill??

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41

Few Important FAQ's-CBEC

- What has to be entered in GSTN column, if consignor or consignee is not having GSTIN?
 - If consignor or consignee is unregistered taxpayer and not having GSTIN, then user has to enter “**URP**” (**unregistered person**) in corresponding GSTIN column
- Whether e-way bill is required if the goods are being purchased and moved by the consumer to his destination himself?
 - Yes. As per the e-way bill rules, e-way bill is required to be carried along with the goods at the time of transportation, if the value is more than Rs. 50,000. Under this circumstance, the consumer can get the e-way bill generated from the taxpayer or supplier, based on the bill or invoice issued by him. **The consumer can also enroll as citizen and generate the e-way bill himself**

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42

Few Important FAQ's

- How to handle "Bill to Ship to" invoice in e-way bill system?
 - In the e-way bill form, there are two portions under '**TO**' section. In the left hand side "Billing To" GSTIN and trade name is entered and in the right hand side "Ship to" address of the destination of the movement is entered. The other details are entered as per the invoice. In case ship to state is different from Bill to State, the tax components are entered as per the billing state part that is, if the Bill to location is inter-state of the supplier, IGST is entered and if the Bill to Party location is intra-state of supplier, the SGST and CGST are entered irrespective of movement

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43

Few Important FAQ's

- How to generate e-way bill, if the goods of one invoice is being moved in multiple vehicles simultaneously?
 - Where the goods are being transported in a semi knocked down or completely knocked down condition, the EWB shall be generated for each of such vehicles based on the delivery challans issued for that portion of the consignment as per CGST Rule 55 which provides as under
 - (a) Supplier shall issue the complete invoice before dispatch of the first consignment,
 - (b) Supplier shall issue a delivery challan for each of the subsequent consignments, giving reference of the invoice
 - (c) each consignment shall be accompanied by copies of the corresponding delivery challan along with a duly certified copy of the invoice, and
 - (d) Original copy of the invoice shall be sent along with the last consignment

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44

Few Important FAQ's

- How to enter multiple modes of transportation e., road, rail, ship, air for the same e-way bill?
 - One e-way bill can go through multiple modes of transportation before reaching destination. As per the mode of transportation, the EWB can be updated with new mode of transportation by using Update Vehicle Number

Example: Goods are moving from Cochin to Chandigarh through road ship, air and road again.

- First, the taxpayer generates the EWB by entering first stage of movement (by road) from his place to ship yard enters the vehicle and number.
- Next, he will submit the goods to ship yard and update the mode of transportation as Ship and transport document number on the e-way bill system
- Next, after reaching Mumbai, the taxpayer or concerned transporter updates movement as road from ship yard to airport with vehicle number
- Next the taxpayer or transporter updates, using 'update vehicle number' option, the Airway Bill number.
- Again after reaching Delhi, he updates movement through road with vehicle number. This way, the way bill will be updated with multiple of transportation mode

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45

WITH KNOWLEDGE..... WE KNOW THE WORDS,
BUT WITH EXPERIENCE..... WE KNOW THE MEANING

Thank You!

CA. Rajiv Luthia

R. J. LUTHIA & ASSOCIATES

CHARTERED ACCOUNTANTS

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Off. LBS Marg, Mulund (West), Mumbai-400 080.

Tel : 2564 1553/2569 4989 Mobile : 9821143524

Email: rajiv@rjl.co.in

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46