

# E-WAY BILL



*The section numbers referred to in the Chapter pertain to CGST Act, unless otherwise specified. Examples/Illustrations/Questions and Answers, as the case may be, given in the Chapter are based on the position of GST law existing as on 30.04.2023.*

## LEARNING OUTCOMES

**After reading this chapter, you shall be equipped to:**

- ☐ comprehend the requirement of e-way bill and its benefits.
- ☐ identify the situations in which e-way bill is required to be generated.
- ☐ analyse the information to be furnished in e-way bill.
- ☐ explain the provisions relating to consolidated e-way bills.
- ☐ identify the situations where e-way bill is not required to be generated.



## 1. INTRODUCTION

Under GST regime, for quick and easy movement of goods across India without any hindrance, all the check posts across the country are abolished. However, in order to monitor the movement of goods for controlling any tax evasion, e-way bill system has been introduced.



Under this system, a taxpayer - prior to movement of goods via a conveyance - would inform each transaction's details to the tax department, obtain an acknowledgement number for having thus informed, and then use this acknowledgement number as a valid document accompanying the conveyance carrying goods.

The idea is that the taxpayer be made to upload the details of each transaction to a common portal through the internet, and once uploaded, the common portal would automatically generate a document which can be tracked and verified easily by any stakeholder.

E-way Bill provisions discussed in this Chapter are contained in section 68 read with rules 138, 138A, 138B, 138C 138D and 138E [Chapter XVI] of the CGST Rules, 2017. State GST laws also prescribe identical provisions in relation to E-Way Bill.

**Provisions relating to E-way Bill under CGST Act have also been made applicable to IGST Act vide section 20 of the IGST Act.**

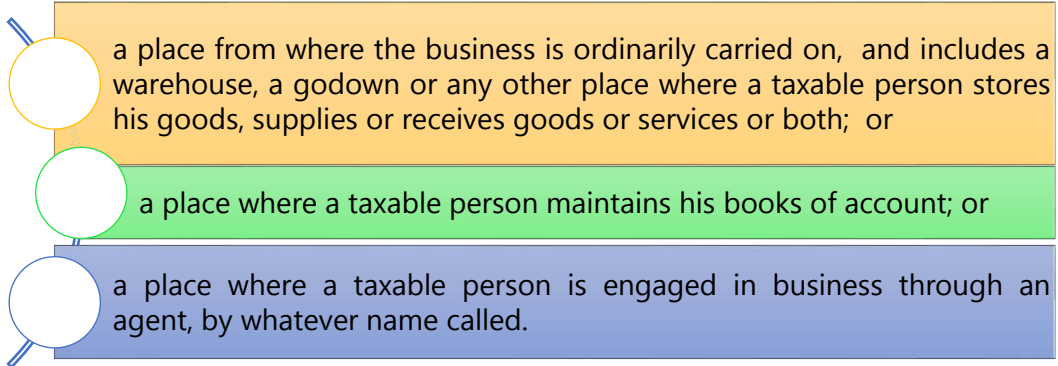
Before proceeding to understand the e-way bill provisions, let us first go through few relevant definitions.



## 2. RELEVANT DEFINITIONS

- ❑ **Common portal:** means the common goods and services tax electronic portal referred to in section 146 [Section 2(26)].
- ❑ **Taxable supply:** means a supply of goods or services or both which is leviable to tax under this Act [Section 2(108)].

- ❑ **Place of business:** includes [Section 2(85)]:



a place from where the business is ordinarily carried on, and includes a warehouse, a godown or any other place where a taxable person stores his goods, supplies or receives goods or services or both; or

a place where a taxable person maintains his books of account; or

a place where a taxable person is engaged in business through an agent, by whatever name called.

- ❑ **Taxable person:** means a person who is registered or liable to be registered under section 22 or section 24 [Section 2(107)].
- ❑ **Principal place of business:** means the place of business specified as the principal place of business in the certificate of registration [Section 2(89)].
- ❑ **Proper officer:** in relation to any function to be performed under this Act, means the Commissioner or the officer of the central tax who is assigned that function by the Commissioner in the Board [Section 2(91)].
- ❑ **Registered person:** means a person who is registered under section 25, but does not include a person having a Unique Identity Number [Section 2(94)].
- ❑ **Tax period:** means the period for which the return is required to be furnished [Section 2(106)].
- ❑ **Document:** includes written or printed record of any sort and electronic record as defined in clause (t) of section 2 of the Information Technology Act, 2000 [Section 2(41)].
- ❑ **Voucher:** means an instrument where there is an obligation to accept it as consideration or part consideration for a supply of goods or services or both and where the goods or services or both to be supplied or the identities of their potential suppliers are either indicated on the instrument itself or in related documentation, including the terms and conditions of use of such instrument [Section 2(118)].
- ❑ **Conveyance:** includes a vessel, an aircraft and a vehicle [Section 2(34)].



### 3. E-WAY BILL [SECTION 68 READ WITH RELEVANT CGST RULES, 2017]

Under GST regime, for quick and easy movement of goods across India without any hindrance, all the check posts across the country are abolished. However, in order to monitor the movement of goods for controlling any tax evasion, e-way bill system has been introduced.



Under this system, a taxpayer - prior to movement of goods via a conveyance - would inform each transaction's details to the tax department, obtain an acknowledgement number for having thus informed, and then use this acknowledgement number as a valid document accompanying the conveyance carrying goods.

The idea is that the taxpayer be made to upload the details of each transaction to a common portal through the internet, and once uploaded, the common portal would automatically generate a document which can be tracked and verified easily by any stakeholder.

#### Statutory requirement

Section 68 stipulates that the Government may require the person in charge of a conveyance carrying any consignment of goods of value exceeding such amount as may be specified to carry with him such documents and such devices as may be prescribed. Rule 138 prescribes e-way bill as the document to be carried for the consignment of goods in certain prescribed cases.

#### What is e-way bill?

A **waybill** is a receipt or a document issued by a carrier giving details and instructions relating to the shipment of a consignment of goods and the details include name of consignor, consignee, the point of origin of the consignment, its destination, and route.

**Electronic Way Bill** (E-Way Bill) is a compliance mechanism wherein by way of a digital interface the person causing the movement of goods uploads the relevant information prior to the commencement of movement of goods and generates e-way bill on the GST portal. In other words, **E-way bill is an electronic document**

generated on the GST portal evidencing movement of goods.

### What are the benefits of e-way bill?

Following are the benefits of e-way bill mechanism:

- (i) Physical interface to pave way for digital interface resulting in elimination of state boundary check-posts
- (ii) It will facilitate faster movement of goods
- (iii) It will improve the turnaround time of trucks and help the logistics industry by increasing the average distances travelled, reducing the travel time as well as costs.



E-way Bill is generated **electronically** in **Form GST EWB 01** on the common portal ([www.ewaybillgst.gov.in](http://www.ewaybillgst.gov.in)). E-way Bill can be generated through various modes like Web (Online), Android App, SMS, using Bulk Upload Tool and API (Application Program Interface) based site to site integration etc.

The facility of generation, cancellation, updation and assignment of e-way bill is available to the supplier, recipient and the transporter, as the case may be. The pre-requisite for generation of e-way bill is that the person who generates e-way bill should be a registered person on GST portal and he should register on the e-way bill portal using his GSTIN. If the transporter is generating the e-way bill, but he is not registered person under GST law, it is mandatory for him to get enrolled on e-waybill portal before generation of the e-way bill to get 15-digit Unique Transporter Id called TRANSIN.

**TRANSIN or Transporter id** is a unique number generated by EWB system for unregistered transporter, once he enrolls on the system which is similar to GSTIN format and is based on State code, PAN and check sum digit. This TRANSIN or Transporter id can be shared by transporter with his clients, who may enter this number while generating e-waybills for assigning goods to him for transportation.

E-way Bill provisions [as contained in rules 138, 138A, 138B, 138C, 138D and 138E– Chapter XVI of the CGST Rules, 2017] are elaborated as under:

**(1) When is e-way bill required to be generated? [Rule 138(1)]**

Whenever there is a movement of goods of consignment value exceeding ₹ 50,000:

- (i) in relation to a supply; or
- (ii) for reasons other than supply; or
- (iii) due to inward supply from an unregistered person,

the registered person who causes such movement of goods shall furnish the information relating to the said goods as specified in Part A of Form GST EWB-01 before commencement of such movement.

**It is important to note that “information is to be furnished prior to the commencement of movement of goods” and “is to be issued whether the movement is in relation to a supply or for reasons other than supply”.**

**Who causes movement of goods?**

If supplier is registered and undertakes to transport the goods, movement of goods is caused by the supplier. If recipient arranges transport, movement is caused by him. If goods are supplied by an unregistered supplier to a registered recipient, movement shall said to be caused by such recipient, if the recipient is known at the time of commencement of the movement of goods.

**Meaning of consignment value of goods**

Consignment value of goods shall be the value:

- ✓ determined in accordance with the provisions of section 15,
- ✓ declared in an invoice, a bill of supply or a delivery challan, as the case may be, issued in respect of the said consignment and
- ✓ also includes the Central tax, State or Union territory tax, integrated tax and cess charged, if any, in the document and
- ✓ shall exclude the value of exempt supply of goods where the invoice is issued in respect of both exempt and taxable supply of goods.

As discussed earlier in this chapter, in case of movement of goods for reasons other than supply, the movement is occasioned by means of a delivery challan which has to necessarily contain the value of goods. The value given in the delivery challan should be adopted in the e-way bill<sup>1</sup>.



**(1)** Bhanupratap Shoe Manufacturers, registered in Punjab, sold shoes to a retail seller in Gujarat, at a value of ₹ 48,000 (excluding GST leviable @ 18%) and wants to send the consignment of such shoes to Gujarat. The consignment value will be ₹ 56,640 [₹ 48,000 × 118%]. Since the movement of goods is in relation to supply of goods and the consignment value exceeds ₹ 50,000, e-way bill is mandatorily required to be issued in the given case.

**Special situation(s) where e-way bill needs to be issued even if the value of the consignment is less than ₹ 50,000<sup>2</sup>:**

**Inter-State transfer of handicraft goods by a person exempted from obtaining registration**

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<sup>1</sup> As clarified by CBIC FAQs on E-way Bill.

<sup>2</sup> E-way bill also needs to be issued even if the value of consignment is less than ₹ 50,000 in case of inter-State transfer of goods by principal to job-worker. The provisions relating to job-work are discussed in detail at the Final Level. This is only for the purpose of information and not relevant from examination point of view.

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 [Fourth proviso to rule 138].

\***Handicraft goods** are the goods specified in *Notification No. 56/2018 CT dated 23.10.2018* which exempts the casual taxable persons making inter-State taxable supplies of such handicraft goods from obtaining registration upto specified turnover limit [Refer Chapter 9 – Registration].

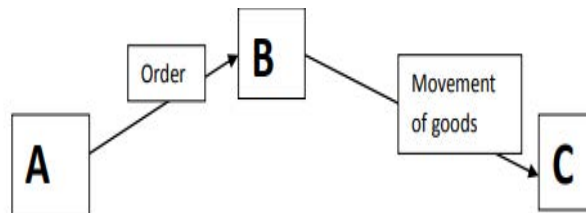
### E-way Bill in case of 'Bill To Ship To' Model

In a "Bill To Ship To" model of supply, there are three persons involved in a transaction, namely:

'A' is the person who has ordered 'B' to send goods directly to 'C'.

'B' is the person who is sending goods directly to 'C' on behalf of 'A'.

'C' is the recipient of goods.



In this complete scenario, two supplies are involved and accordingly two tax invoices are required to be issued:

**Invoice -1:** which would be issued by 'B' to 'A'.

**Invoice -2:** which would be issued by 'A' to 'C'.

It is clarified that as per the CGST Rules, 2017, for the movement of goods which is taking place from "B" to "C" on behalf of "A", either A or B can generate the e-Way Bill, but it may be noted that **only one e-Way Bill** is required to be generated [Press Release dated 23.04.2018]



## (2) Information to be furnished in e-way bill:

An e-way bill Form GST EWB-01 contains two parts:

- (I) **Part A** [comprising of details of GSTIN of supplier & recipient, place of delivery (indicating PIN Code also), document (Tax invoice, Bill of Supply, Delivery Challan or Bill of Entry) number and date, value of goods, HSN code, and reasons for transportation, etc.]: to be furnished by the **registered person\*\* who is causing movement of goods** of consignment value exceeding ₹ 50,000 and
- (II) **Part B** (transport details) [Transporter document number (Goods Receipt Number or Railway Receipt Number or Airway Bill Number or Bill of Lading Number) and Vehicle number, in case of transport by road]: to be furnished by the **person who is transporting the goods**.

\*\*However, information in Part-A may be furnished:

- ✓ by the transporter, on an authorization received from such registered person [First proviso to rule 138(1)] or
- ✓ by the e-commerce operator or courier agency, where the goods to be transported are supplied through such an e-commerce operator or a courier agency, on an authorization received from the consignor [Second proviso to rule 138(1)].

Once the consignor/consignee enters all the details in Part-A of e-way bill, a Part-A slip is generated which contains a temporary number. This slip can be shared with the transporter or used by the supplier himself later to enter the details in Part-B of e-way bill and generate the e-way bill.

This will be useful, when supplier has prepared invoice relating to his business transaction, but doesn't have the transportation details. Thus, he can enter invoice details in Part A of e-way bill and keep it ready for entering details of mode of transportation in Part B of e-way bill.

Once the goods are ready for movement from the business premises and transportation details are known, the user can enter the Part-B details and generate the e-way bill for movement of goods. **E-way Bill can be generated only after entering the details of Part-B.**

**(3) Who is mandatorily required to generate e-way bill?**

E-way bill is to be generated by the consignor or consignee himself if the transportation is being done in own/hired conveyance or by railways by air or by vessel. If the goods are handed over to a transporter for transportation by road, e-way bill is to be generated by the transporter. Where neither the consignor nor consignee generates the e-way bill and the value of goods is more than ₹ 50,000, it shall be the responsibility of the transporter to generate it. This has been explained in detail below:

- ❑ **Where the goods are transported by a registered person - whether as consignor or recipient as the consignee** (whether in his own conveyance or a hired one or a public conveyance, by road), the said person shall have to generate the e-way bill (by furnishing information in part B on the common portal) [Rule 138(2)].
- ❑ **Where the e-way bill is not generated by the registered person and the goods are handed over to the transporter, for transportation of goods by road**, the registered person shall furnish the information relating to the transporter in Part B on the common portal and the e-way bill shall be generated by the transporter on the said portal on the basis of the information furnished by the registered person in Part A [Rule 138(3)].
- ❑ **Where the goods are transported by railways or by air or by vessel**, the e-way bill shall be generated by the registered person, being the supplier or the recipient, who shall, either before or after the commencement of movement, furnish, information in part B [viz transport document number (Goods Receipt Number or Railway Receipt Number or Airway Bill Number or Bill of Lading Number)] on the common portal [Rule 138(2A)].

**Other important points:**

- ❑ **Where the goods are transported by railways:** there is no requirement to carry e-way bill along with the goods, but railways has to carry invoice or delivery challan or bill of supply, as the case may be along with goods. Further, e-way bill generated for the movement is required to be produced at the time of delivery of the goods.

Railways shall not deliver goods unless the e-way bill required under rules is produced at the time of delivery [Proviso to rule 138(2A)].

- ❑ The registered person or, the transporter may, at his **option**, generate and carry the e-way bill even if the value of the consignment is less than ₹ 50,000 [First proviso to rule 138(3)].
- ❑ **Where the movement is caused by an unregistered person either in his own conveyance or a hired one or through a transporter**, he or the transporter may, at their option, generate the e-way bill [Second proviso to rule 138(3)].
- ❑ **Where the goods are supplied by an unregistered supplier to a recipient who is registered**, the movement shall be said to be caused by such recipient if the recipient is known at the time of commencement of the movement of goods [Explanation 1 to rule 138(3)].

**(4) When is it not mandatory to furnish the details of conveyance in Part-B?**

**E-way bill is valid for movement of goods by road only when the information in Part-B is furnished<sup>3</sup>.**

**Exceptions:**

However, details of conveyance may not be furnished in Part-B of the e-way bill where the goods are transported **for a distance of upto 50 km** within the State/Union territory:

- ❑ from the place of business of the consignor to the place of business of the transporter for further transportation<sup>4</sup> or
- ❑ from the place of business of the transporter finally to the place of business of the consignee<sup>5</sup>.

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<sup>3</sup> Explanation 2 to rule 138(3)

<sup>4</sup> Third proviso to rule 138(3)

<sup>5</sup> Proviso to rule 138(5)

**(5) Unique e-way bill number (EBN)**

Upon generation of the e-way bill on the common portal, a unique e-way bill number (EBN) shall be made available to the supplier, the recipient and the transporter on the common portal [Rule 138(4)].

**(6) Transfer of goods from one conveyance to another**

Where the goods are transferred from one conveyance to another, the consignor or the recipient, who has provided information in **Part A**, or the transporter shall, before such transfer and further movement of goods, update the details of conveyance in **Part B** of the e-way bill on the common portal [Rule 138(5)].

Consignment of goods may be required to be transferred from the original conveyance to due to unforeseen exigencies like break down of the vehicle. In such case, the transporter transferring goods from one conveyance to another in the course of transit shall, before such transfer and further movement of goods, update the details of the conveyance.

In some cases, consignments are transported by the transporter through transshipment using multiple vehicles (same mode of transportation) for carrying the same consignment before it is delivered to the recipient at the place of destination. Hence for each movement from one place to another, the transporter needs to update the vehicle number in which he is transporting that consignment in part B of the e-way bill.

The user can update Part-B (Vehicle details) as many times as he wants for movement of goods to the destination. However, the updating should be done within the validity period.

There can also be a case where 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 the option of 'Update Vehicle Number'.



(2) Babbal Associates is moving the goods from Cochin to Chandigarh through road, ship, air and road again. First, Babbal Associates generates the EWB by entering first stage of movement (by road) from its place to shipyard and enters the vehicle number. Next, it will submit the goods to shipyard and update the mode of transportation as ship and transport document number on the e-way bill system.

After reaching Mumbai, Babbal Associates or concerned transporter updates movement as road from shipyard to airport with vehicle number. Thereafter, Babbal Associates or transporter updates using 'update vehicle number' option on the portal, the Airway Bill number.

Again, after reaching Delhi, Babbal Associates updates movement through road with vehicle number. This way, the e-way bill will be updated with multiple modes of transportation.

### Assigning the e-way bill number to another transporter

The consignor/recipient, who has furnished the information in **Part A**, or the transporter, may assign the e-way bill number to another registered/enrolled transporter for updating the information in **Part B** for further movement of the consignment [Rule 138(5A)]. However, once the details of the conveyance have been updated by the transporter in **Part B**, the consignor or recipient, as the case may be, who has furnished the information in **Part A** shall not be allowed to assign the e-way bill number to another transporter [Proviso to rule 138(5A)].



(3) A consignor is required to move goods from City X to City Z. He appoints Transporter A for movement of his goods. Transporter A moves the goods from City X to City Y. For completing the movement of goods i.e., from City Y to City Z, Transporter A now hands over the goods to Transporter B. Thereafter, the goods are moved to the destination i.e. from City Y to City Z by Transporter B.

In such a scenario, only one e-way bill would be required. Part A can be filled by the consignor and then the e-way bill will be assigned by the consignor to Transporter A. Transporter A will fill the vehicle details, etc. in Part B and will move the goods from City X to City Y.

On reaching City Y, Transporter A will assign the said e-way bill to the Transporter B. Thereafter, Transporter B will be able to update the details of Part B. Transporter B will fill the details of his vehicle and move the goods from City Y to City Z [Press Release No. 144/2018 dated 31.03.2018].

#### (7) Consolidated E-way bill

After e-way bill has been generated, 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 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 [Rule 138(6)].

Consolidated e-way bill is a document containing the multiple e-way bills for multiple consignments being carried in one conveyance (goods vehicle). That is, the transporter carrying multiple consignments of various consignor and consignees in a single vehicle can generate and carry a single document - consolidated e-way bill instead of carrying separate document for each consignment in a conveyance.

Consolidated EWB is like a trip sheet and it contains details of different e-way bills in respect of various consignments being transported in one vehicle and these e-way bills will have different validity periods.

Hence, Consolidated EWB does not have any independent validity period. Further, individual consignment specified in the Consolidated EWB should reach the destination as per the validity period of the individual EWB.

Further, where the consignor/consignee has not generated the e-way bill in Form GST EWB-01 and the aggregate of the consignment value of goods carried in the conveyance is more than ₹ 50,000, the transporter, except in case of transportation of goods by railways, air and vessel, shall, in respect of inter-State supply, generate the e-way bill in Form GST EWB-01 on the basis of invoice or bill of supply or delivery challan, as the case may be, and may also generate a consolidated e-way bill in **Form GST EWB-02** on the common portal prior to the movement of goods [Rule 138(7)].

The generation of **Form GST EWB-02** is optional and not mandatory.

However, where the goods to be transported are supplied through an e-commerce operator or a courier agency, the information in Part A of Form GST EWB-01 may be furnished by such e-commerce operator or courier agency [Proviso to rule 138(7)]. **This proviso is not yet effective.**

**(8) Information submitted for e-way bill can be used for filing GST Returns**

The information furnished in **Part A** of the e-way bill shall be made available to the registered supplier on the common portal who may utilize the same for furnishing the details in **Form GSTR-1** [Rule 138(8)].

However, when the information has been furnished by an unregistered supplier/unregistered recipient, he shall be informed electronically, if the mobile number or the e-mail is available [Proviso to rule 138(8)].

**(9) 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)].

However, an e-way bill cannot be cancelled if it has been verified in transit in accordance with the provisions of rule 138B [First proviso to rule 138(9)].

Further, unique EWB number generated is valid for a period of 15 days for updation of Part B [Second proviso to rule 138(9)].

**(10) Validity period of e-way bill/consolidated e-way bill [Rule 138(10)]**

The validity of e-way bill depends on the distance to be travelled by the goods. For a distance of less than 200 km the e-way bill will be valid for a day from the relevant date. For every 200 km thereafter, the validity will be additional one day from the relevant date.

Sl. No.	Distance within country	Validity period from relevant date*
1.	Upto 200 km	One day in cases other than Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
2.	For every 200 km or part thereof thereafter	One additional day in cases other than Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship

3.	Upto 20 km	One day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
4.	For every 20 km or part thereof thereafter	One additional day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship

**\*Relevant date** means 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 the period expiring at midnight of the day immediately following the date of generation of e-way bill.

This can be explained by following examples –

- (i) Suppose an e-way bill is generated at 00:04 hrs. on 14th March. Then first day would end on 12:00 midnight of 15 -16 March. Second day will end on 12:00 midnight of 16 -17 March and so on.
- (ii) Suppose an e-way bill is generated at 23:58 hrs. on 14th March. Then first day would end on 12:00 midnight of 15 -16 March. Second day will end on 12:00 midnight of 16 -17 March and so on<sup>6</sup>.

The validity of the e-way bill starts when first entry is made in Part-B i.e. vehicle entry is made first time in case of road transportation or first transport document number entry in case of rail/air/ship transportation, whichever is the first entry. It may be noted that validity is not re-calculated for subsequent entries in Part-B<sup>7</sup>.



**(4)** A consignor hands over his goods for transportation on Friday to transporter. However, the assigned transporter starts the movement of goods on Monday. The validity period of e-way bill starts only after the details in Part B are updated by the transporter for the first time.

<sup>6</sup> As clarified by FAQs on E-way Bill by CBIC.

<sup>7</sup> As clarified by FAQs on E-way Bill web portal.



In the given situation, consignor can fill the details in Part A on Friday and handover his goods to the transporter. When the transporter is ready to move the goods, he can fill Part B i.e. the assigned transporter can fill the details in Part B on Monday and the validity period of the e-way bill will start from Monday [CBIC Press Release dated 31.03.2018].



(5) A registered person has to transport goods from its warehouse to its depot located at a distance of 500 km in a normal cargo. In the given case, if e-way bill is generated, it will be valid for 3 days.

**\*\*Over dimensional cargo** means a cargo carried as a single indivisible unit and which exceeds the dimensional limits prescribed in rule 93 of the Central Motor Vehicle Rules, 1989, made under the Motor Vehicles Act, 1988.

#### Extension of validity period

If validity of the e-way bill expires, the goods are not supposed to be moved. In general, the validity of the e-way bill cannot be extended. However, the validity of the e-way bill can be extended in following cases:

#### **Extension by Commissioner for certain categories of goods:**

Commissioner may, on the recommendations of the Council, by notification, extend the validity period of an e-way bill for certain categories of goods as may be specified therein.

**Extension by transporter in exceptional circumstances:** Under circumstances of an exceptional nature, including trans-shipment, the goods cannot be transported within the validity period of the e-way bill, the transporter may extend the validity period after updating the details in Part B, if required.

Thus, the transporter, who is carrying the consignment as per the e-way bill system at the time of expiry of validity period, can extend the validity period. Such transporter can extend the validity of the e-way bill, if the consignment is not being reached the destination within the validity period due to exceptional circumstance like natural calamity, law and order issues, trans-shipment delay, accident of conveyance, etc. He needs to explain this

reason in details while extending the validity period<sup>8</sup>. The validity of the e-way bill may be extended within 8 hours from the time of its expiry.

#### **(11) Acceptance of e-way bill**

The details of the e-way bill generated shall be made available to the -

- (a) supplier, if registered, where the information in Part A has been furnished by the recipient/transporter; or
- (b) recipient, if registered, where the information in Part A has been furnished by the supplier/transporter,

on the common portal, and the supplier/recipient, as the case may be, shall communicate his acceptance or rejection of the consignment covered by the e-way bill [Rule 138(11)].

In case, the person to whom the information in Part-A is made available, does not communicate his acceptance or rejection within the specified time, it shall be deemed that he has accepted the said details. The time-limit specified for this purpose is:

- (i) 72 hours of the details being made available to him on the common portal

or

- (ii) the time of delivery of goods,

whichever is earlier [Rule 138(12)].

#### **(12) E-way bill generated in one State is valid in another State**

The e-way bill generated under this rule or under rule 138 of the Goods and Services Tax Rules of any State or Union territory shall be valid in every State and Union territory [Rule 138(13)].

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<sup>8</sup> As clarified by FAQs on E-way Bill web portal.

**Points to remember**

1. E-way bill is not valid for movement of goods without vehicle number on it.
2. If there is a mistake, incorrect or wrong entry in the e-way bill, then it cannot be edited or corrected. Only option is cancellation of e-way bill within 24 hours of generation and generate a new one with correct details.
3. E- Way Bill may be updated with vehicle number any number of times.
4. The latest vehicle number should be available on e-way bill and should match with the vehicle carrying it in case checked by the department.
5. If multiple invoices are issued by the supplier to recipient, that is, for movement of goods of more than one invoice of same consignor and consignee, multiple e-way bills have to be generated. That is, for each invoice, one e-way bill has to be generated, irrespective of the fact whether same or different consignors or consignees are involved. Multiple invoices cannot be clubbed to generate one e-way bill. However, after generating all these e-way bills, one Consolidated e-way bill can be prepared for transportation purpose, if goods are going in one vehicle.

**(13) Situations where e-way bill is not required to be generated**

Notwithstanding anything explained above, no e-way bill is required to be generated in the following cases:

- (a) where the goods being transported are the ones given below:

S. No.	Description of Goods
1.	Liquefied petroleum gas for supply to household and non-domestic exempted category (NDEC) customers
2.	Kerosene oil sold under PDS
3.	Postal baggage transported by Department of Posts
4.	Natural or cultured pearls and precious or semi-precious

	stones; precious metals and metals clad with precious metal (Chapter 71)
5.	Jewellery, goldsmiths' and silversmiths' wares and other articles (Chapter 71) <b>[excepting imitation Jewellery (7117)]</b>
6.	Currency
7.	Used personal and household effects
8.	Coral, unworked (0508) and worked coral (9601)]

- (b) where the goods are being transported by a non-motorised conveyance
- (c) where the goods are being transported from the customs port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs
- (d) in respect of movement of goods within such areas as are notified under of rule 138(14)(d) of the State or Union territory GST Rules in that particular State or Union territory
- (e) where the goods [other than de-oiled cake], being transported, are exempt from tax<sup>9</sup>
- (f) 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
- (g) where the supply of goods being transported is treated as no supply under Schedule III of the CGST Act<sup>10</sup>
- (h) 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

<sup>9</sup> Notification No. 2/2017 CT(R) dated 28.06.2017

<sup>10</sup>Provisions of Schedule III have been discussed in detail in Chapter 2 – Supply under GST in Module 1 of the Study Material.

or customs port to another customs station or customs port, or

- (ii) under customs supervision or under customs seal
- (i) where the goods being transported are transit cargo from or to Nepal or Bhutan
- (j) where the goods being transported are exempt from tax under *Notification No. 7/2017 CT (R) 28.06.2017 [Supply of goods by the CSD to the Unit Run Canteens or to the authorized customers and supply of goods by the Unit Run Canteens to the authorized customers]* and *Notification No. 26/2017 CT (R) 21.09.2017 [Supply of heavy water and nuclear fuels by Department of Atomic Energy to Nuclear Power Corporation of India Ltd. (NPCIL)]*
- (k) any movement of goods caused by defence formation under Ministry of defence as a consignor or consignee
- (l) where the consignor of goods is the Central Government, Government of any State or a local authority for transport of goods by rail
- (m) where empty cargo containers are being transported
- (n) where the goods are being transported upto a distance of 20 km 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.
- (o) where empty cylinders for packing of liquefied petroleum gas are being moved for reasons other than supply

**(14) 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 -

- (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 RFID\*\* embedded on to the

conveyance [except in case of movement of goods by rail or by air or vessel] in such manner as may be notified by the Commissioner<sup>11</sup>.

*\*Carrying e-way bill number in electronic form implies that person-in-charge of conveyance can merely quote the e-way bill number to the proper tax officer. Tax officer will do all the requisite verifications, based on that number.*

*\*\*RFIDs are Radio Frequency Identification Device used for identification*

### **Invoice Reference Number in lieu of tax invoice**

In case, e-invoice is issued<sup>12</sup>, the Quick Response (QR) code having an embedded Invoice Reference Number (IRN) in it, may be produced electronically, for verification by the proper officer in lieu of the physical copy of such tax invoice.

In such a case, the registered person will not have to upload the information in Part A of e-way bill for generation of e-way bill and the same shall be auto-populated by the common portal on the basis of the information furnished in the prescribed form relating to e-invoice.

The Commissioner may, by notification, require a class of transporters to obtain a unique RFID and get the said device embedded on to the conveyance and map the e-way bill to the RFID prior to the movement of goods.

### **Documents in lieu of e-way bill**

Where circumstances so warrant, the Commissioner may, by notification, require the person-in-charge of the conveyance to carry the following documents instead of the e-way bill:

- (a) tax invoice or bill of supply or bill of entry<sup>13</sup>; or

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<sup>11</sup> In case of imported goods, the person in charge of a conveyance shall also carry a copy of the bill of entry filed by the importer of such goods and shall indicate the number and date of the bill of entry in Part A of e-way bill. The concept of bill of entry filed in respect of imported goods under customs law will be discussed at Final Level.

<sup>12</sup> in the manner prescribed under sub-rule (4) of rule 48

<sup>13</sup> Bill of entry needs to be carried in lieu of e-way bill in case of import of goods. The concept of bill of entry will be discussed at Final Level.

- (b) a delivery challan, where the goods are transported for reasons other than by way of supply.

**(15) Verification of documents and conveyances [Rule 138B]**

The Commissioner or an officer empowered by him in this behalf may authorize the proper officer to intercept any conveyance to verify the e-way bill in physical or electronic form for all inter-State and intra-State movement of goods.

The Commissioner shall get RFID readers installed at places where the verification of movement of goods is required to be carried out and verification of movement of vehicles shall be done through such device readers where the e-way bill has been mapped with the said device.

The physical verification of conveyances shall be carried out by the proper officer as authorised by the Commissioner or an officer empowered by him in this behalf.

However, on receipt of specific information on evasion of tax, physical verification of a specific conveyance can also be carried out by any other officer after obtaining necessary approval of the Commissioner or an officer authorised by him in this behalf.

**(16) 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 a prescribed form within 24 hours of inspection and the final report in Part B of said form shall be recorded within 3 days of such inspection.

However, where the circumstances so warrant, the Commissioner, or any other officer authorised by him, may, on sufficient cause being shown, extend the time for recording of the final report in Part B of said form, for a further period not exceeding 3 days.

The period of 24 hours or, as the case may be, 3 days shall be counted from the midnight of the date on which the vehicle was intercepted.

Where the physical verification of goods being transported on any conveyance has been done during transit at one place within the

State/Union territory or in any other State/Union territory, no further physical verification of the said conveyance shall be carried out again in the State/Union territory, unless a specific information relating to evasion of tax is made available subsequently.

**(17) 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 **specified form** on the common portal.

**(18) Blocking of e-waybill generation facility [Rule 138E]**

Blocking of e-waybill generation facility means disabling a taxpayer from generating the e-way bill. ***Blocking of GSTIN for e-way bill generation would only be for the defaulting supplier GSTIN and not for the defaulting Recipient or Transporter GSTIN. Suspended GSTIN cannot generate e-way bill as supplier. However, the suspended GSTIN can get the e-way bill generated as recipient or as transporter.***

As per rule 138E, no person (including a consignor, consignee, transporter, an e-commerce operator or a courier agency) shall be allowed to furnish the information in Part A of Form GST EWB-01 ***in respect of any outward movement of goods of a registered person, who -***

- (i) being a person paying tax under composition scheme<sup>14</sup> has not furnished the statement for payment of self-assessed tax for 2 consecutive quarters, or
- (ii) being a person paying tax under regular scheme has not furnished the returns for a consecutive period of 2 tax periods, or
- (iii) being a person paying tax under regular scheme has not furnished GSTR-1 (Statement of outward supplies) for any 2 months or quarters, as the case may be.
- (iv) Being a person whose registration has been suspended under the provisions of rule 21A of the CGST Rules.

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<sup>14</sup> or under Notification No. 2/2019 CT (R) dated 07.03.2019



However, Commissioner (jurisdictional commissioner) may, on receipt of an application from a registered person in prescribed form, on sufficient cause being shown and for reasons to be recorded in writing, by order, in prescribed form allow furnishing of the said information in Part A of Form GST EWB-01, subject to prescribed conditions and restrictions. An order rejecting said request shall not be passed without giving the said person a reasonable opportunity of being heard. The permission granted or rejected by the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be granted or, as the case may be, rejected by the Commissioner.

- (19) It may be noted that the expressions 'transported by railways', 'transportation of goods by railways', 'transport of goods by rail' and 'movement of goods by rail' used in the provisions discussed above does not include cases where leasing of parcel space by railways takes place.



***(6) Mr. A, a registered person paying tax under regular scheme in Delhi, has not filed Form GSTR-1 for last 2 months. Mr. B, Haryana, (a regular return filer) wants to generate an e-way bill for goods to be supplied to Mr. A.***

***Here, there will be no restriction in generating e-way Bill for Mr. B who is making outward movement of goods, as he is a regular return filer.***

***Mr. A wants to generate an e-way bill in respect of an outward supply of goods to Mr. H. E-way bill generation is blocked in this case as it's an outward movement of goods of Mr. A who has not filed GSTR-1 for past 2 months.***

### **Tax invoice or bill of supply to accompany transport of goods [Rule 55A]**

Person-in-charge of the conveyance shall carry a copy of the tax invoice or the bill of supply issued in accordance with the provisions of rules 46, 46A or 49 in a case where such person is not required to carry an e-way bill under these rules.



## LET US RECAPITULATE

<p><b>Meaning of e-way bill and why is it required?</b></p>	<p>E-way bill is an electronic document generated on the GST portal evidencing movement of goods.</p> <p>Section 68 mandates that the Government may require the person in charge of a conveyance carrying any consignment of goods of value exceeding such amount as may be specified to carry with him such documents and such devices as may be prescribed. Rule 138 prescribes e-way bill as the document to be carried for the consignment of goods in certain prescribed cases.</p>
<p><b>When is required to be generated?</b></p>	<p>E-way Bill is mandatory in case of movement of goods of <b>consignment value exceeding ₹ 50,000</b>.</p> <p>Movement should be:</p> <ul style="list-style-type: none"> <li>(i) in relation to a supply; or</li> <li>(ii) for reasons other than supply; or</li> <li>(iii) due to inward supply from an unregistered person,</li> </ul> <p>Registered person causing movement of goods shall furnish the information relating to the said goods in <b>Part A of Form GST EWB-01</b> before commencement of such movement.</p> <p><b>Exceptions to minimum consignment value of ₹ 50,000</b></p> <p>Inter-State transfer of handicraft goods by a person exempted from obtaining registration</p>
<p><b>Who causes movement of goods?</b></p>	<p>If supplier is registered and undertakes to transport the goods, <b>movement of goods</b> is caused by the supplier. If recipient arranges transport, movement</p>

	<p>would be caused by him.</p> <p>If goods are supplied by an <b>unregistered supplier to a registered recipient</b> (known at time of commencement of movement of goods), movement shall be caused by such recipient.</p>	
Information to be furnished in e-way bill	<b>Part A:</b> to be furnished by the <b><u>registered person** who is causing movement of goods.</u></b>	<b>Part B:</b> to be furnished by the <b><u>person who is transporting the goods.</u></b>
	<p>**However, information in Part-A may be furnished:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> by the transporter if authorised or</li> <li><input type="checkbox"/> by the e-commerce operator/courier agency, if authorised, where the goods are supplied through them.</li> </ul>	
Who can generate the e-way bill?	<p><b>E-way bill is to be generated by the registered consignor or consignee</b> (if the transportation is being done in own/hired conveyance or by railways by air or by vessel) <b>or the transporter</b> (if the goods are handed over to a transporter for transportation by road). <b>Where neither the consignor nor consignee generates the e-way bill</b> and the value of goods is more than ₹ 50,000 it shall be the <b>responsibility of the transporter</b> to generate it.</p>	
Other points	<ul style="list-style-type: none"> <li><input type="checkbox"/> Goods transported by railways shall be delivered only on production of e-way bill.</li> <li><input type="checkbox"/> E-way bill can be optionally generated even if consignment value is less than ₹ 50,000.</li> </ul>	
Details of conveyance may not	<p>In case of intra-State movement of goods upto 50 km distance:</p>	

<p><b>be furnished in Part-B</b></p>	<ul style="list-style-type: none"> <li>❖ from place of business (PoB) of consignor to PoB of transporter for further transportation or</li> <li>❖ from PoB of transporter finally to PoB of the consignee.</li> </ul>
<p><b>Transfer of goods to another conveyance</b></p>	<p>In such cases, the transporter or generator of the e-way bill shall update the new vehicle number in Part B of the EWB before such transfer and further movement of goods.</p>
<p><b>Consolidated E-way Bill in case of road transport</b></p>	<p>After e-way bill has been generated, 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 electronically on the common portal and a consolidated e-way bill in <b>Form GST EWB-02</b> may be generated by him on the said common portal prior to the movement of goods.</p> <p>Where the consignor/consignee has not generated the e-way bill in Form GST EWB-01 and the aggregate of the consignment value of goods carried in the conveyance is more than ₹ 50,000, the transporter shall generate individual Form GST EWB-01 on the basis of invoice or bill of supply or delivery challan and may also generate a <b>consolidated e-way bill in Form GST EWB-02</b> prior to the movement of goods.</p>
<p><b>Cancellation of e-way bill</b></p>	<p>E-way bill can be cancelled if either goods are not transported or are not transported as per the details furnished in the e-way bill. The e-way bill can be cancelled within <b>24 hours</b> from the time of generation.</p>

Validity period of e-way bill/ consolidated e-way bill	Sl. No.	Distance within country	Validity period from relevant date
	1.	Upto 200 km	One day in cases other than Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
	2.	For every 200 km or part thereof thereafter	One additional day in cases other than Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
	3.	Upto 20 km	One day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
	4.	For every 20 km or part thereof thereafter	One additional day in case of Over Dimensional Cargo or multimodal shipment in which at least one leg involves transport by ship
Acceptance/rejection of e-way bill	<p>The details of e-way bill generated shall be made available to the supplier (where information in Part A is furnished by recipient/transporter) or recipient (where information in Part A is furnished by supplier/transporter), if registered, on the common portal, who shall communicate his acceptance or rejection of the consignment covered by the e-way bill.</p> <p>In case, the supplier/ recipient does not communicate his acceptance or rejection within 72 hours of the details being made available to him on the common</p>		

	portal, or time of delivery of goods whichever is earlier, it shall be deemed that he has accepted the said details.
<b>Is e-way bill required in all cases?</b>	E-way bill is not required to be generated in certain specified cases. <i>[Listed earlier in this chapter]</i>
<b>Documents/ devices to be carried by a person-in-charge of a conveyance</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> invoice or bill of supply or delivery challan</li> <li><input type="checkbox"/> copy of the e-way bill in physical form or the e-way bill number in electronic form or mapped to a RFID embedded on to the conveyance except in case of movement of goods by rail or by air or vessel</li> </ul>
<b>Verification of documents and conveyances</b>	<p>Commissioner or an officer empowered by him in this behalf may authorise the proper officer to intercept any conveyance to verify the e-way bill or the e-way bill number in physical form or electronic form for all inter-State and intra-State movement of goods.</p> <p>Physical verification of a specific conveyance can also be carried out by any officer, on receipt of specific information on evasion of tax, after obtaining necessary approval of the Commissioner or an officer authorised by him in this behalf.</p>
<b>Inspection and verification of goods</b>	<p>A summary report of every inspection of goods in transit shall be recorded online on the common portal by the proper officer within 24 hours of inspection and the final report shall be recorded within 3 days of such inspection.</p> <p>Once 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. Where a vehicle has been intercepted and detained for a period exceeding 30 minutes, the</p>

	transporter may upload the said information in on the common portal.
<b>Restriction on furnishing of information in Part A of Form GST EWB-01</b>	<p>No person (including a consignor, consignee, transporter, an e-commerce operator or a courier agency) shall be allowed to furnish the information in Part A of Form GST EWB-01, <b><i>in respect of any outward movement of goods of a registered person, who -</i></b></p> <ul style="list-style-type: none"> <li>(i) being a composition supplier has not furnished the statement for payment of self-assessed tax for 2 consecutive quarters, or</li> <li>(ii) being a person paying tax under regular scheme has not furnished the returns for a consecutive period of 2 tax periods, or</li> <li>(iii) being a person paying tax under regular scheme has not furnished GSTR-1 for any 2 months or quarters, as the case may be, or</li> <li>(iv) being a person whose registration has been suspended.</li> </ul> <p>However, Commissioner (jurisdictional commissioner) may, on sufficient cause being shown and for reasons to be recorded in writing, allow furnishing of the said information in Part A of Form GST EWB-01, subject to prescribed conditions and restrictions.</p>



## TEST YOUR KNOWLEDGE

1. What are the documents and devices to be carried by person-in-charge of conveyance under rule 138A of CGST Rules, 2017?
2. Explain the meaning of consignment value of goods.
3. Mr. X, a registered person has caused movement of goods of consignment value exceeding ₹ 50,000 in relation to a supply and thus, generated e-way bill. However, after generation of e-way bill, he found a mistake in the e-way bill and wants to edit it. You are required to advise Mr. X whether he can do so with the help of relevant provisions?
4. Talli Lal, a registered person, has transported alcoholic liquor for human consumption of consignment value of ₹ 1,50,000 from Delhi to Haryana. He has not generated e-way bill for the same. You are required to examine the correctness of action taken by Talli Lal.
5. Dhananjay Associates registered in Gujarat deals in industrial grade iron and steel products. The proprietor of Dhananjay Associates sold TMT Iron bars (GST applicable @18%) to a retailer in Maharashtra at a value of ₹ 40,000 (excluding GST). As per the agreement of sale, goods are to be delivered at the premises of retailer. The transportation cost of ₹ 7,000 has been charged separately to deliver the same to the retailer in Maharashtra. In the above scenario, determine whether an e-way bill is required to be issued under GST?



## ANSWERS/HINTS

1. The person-in-charge of a conveyance has to 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 [except in case of movement of goods by rail or by air or vessel] in such manner as may be notified by the Commissioner



2. Consignment value of goods shall be the value:
- ◆ determined in accordance with the provisions of section 15,
  - ◆ declared in an invoice, a bill of supply or a delivery challan, as the case may be, issued in respect of the said consignment and
  - ◆ also includes the Central tax, State or Union territory tax, integrated tax and cess charged, if any, in the document and
  - ◆ shall exclude the value of exempt supply of goods where the invoice is issued in respect of both exempt and taxable supply of goods.

3. If there is a mistake, incorrect or wrong entry in the e-way bill, then it cannot be edited or corrected. Only option is cancellation of e-way bill within 24 hours of generation and generate a new one with correct details.

Thus, in view of the above-mentioned provisions, Mr. X cannot edit the e-way bill. However, he can cancel the e-way bill within 24 hours of generation and generate a new one with correct details.

4. E-way bill is not required to be generated where the goods being transported are alcoholic liquor for human consumption.

Thus, the action of Talli Limited of not generating the e-way bill is correct in law.

5. Consignment value of goods is the value determined in accordance with the provisions of section 15, and also includes the central tax, state or union territory tax, integrated tax and cess charged, if any, in the document.

Further, since arranging freight is the liability of supplier, it is a case of composite supply and thus, freight charges are to be added in the value of principal supply.

Accordingly, the value of supply as per section 15 in the given case would include the transportation cost in the invoice value i.e. 47,000 (₹ 40,000 + ₹ 7,000).

Consignment value = ₹ 47,000 x 118% = ₹ 55,460.

Since the movement of goods is in relation to supply of goods and the consignment value exceeds ₹ 50,000, e-way bill is mandatorily required to be issued under GST in the given case.

# RAPID FIRE QUIZ



1

•Whether E-way bill generated in one State is valid or not in another State?

2

•E-way bill can be edited, any number of times in case of mistake. Examine the correctness of statement?

3

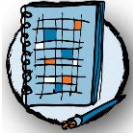
•Mr. X contends that e-way bill is mandatorily required to be generated in case of transportation of used personal and household effects? Is Mr. X correct?

4

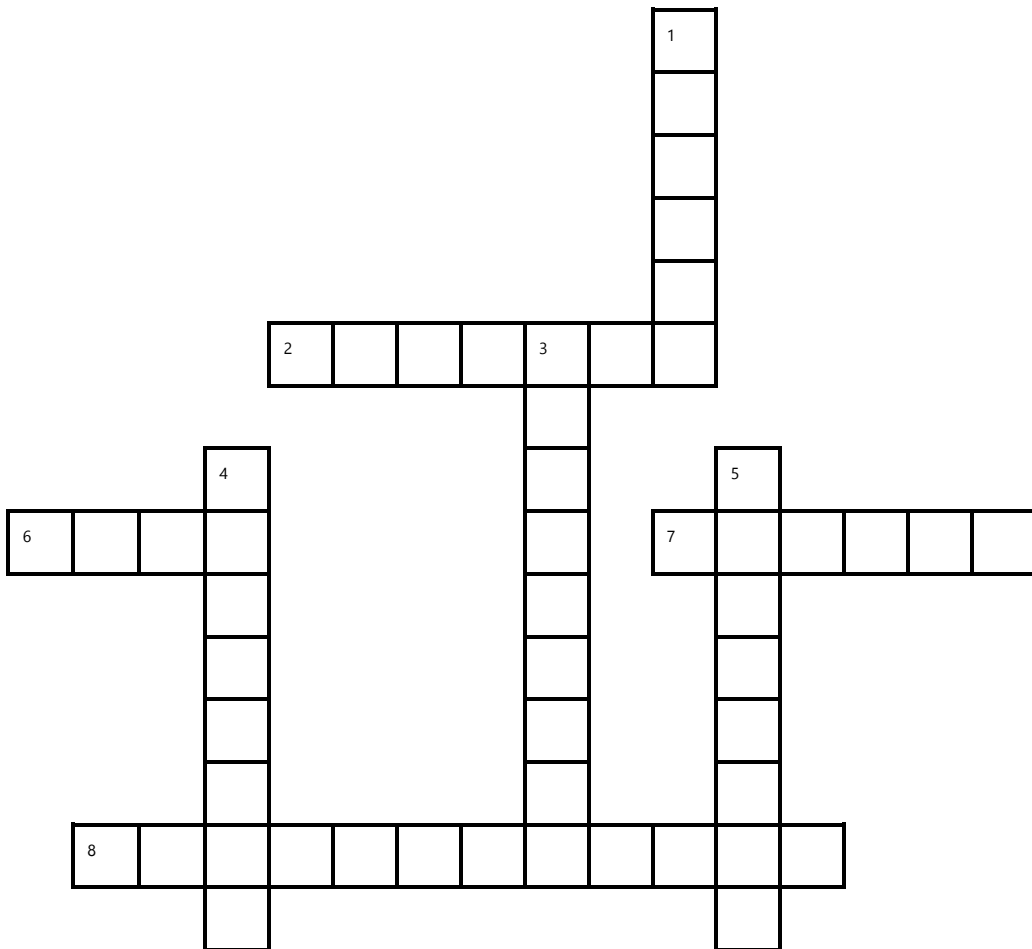
•What is the limit of consignment value for generation of e-way bill in case of movement of goods for reasons other than supply?

5

•Who is required to furnish information in Part-B of E-way bill?



## CROSSWORD PUZZLE



### ACROSS

2. The unique number generated by EWB system for unregistered transporter is \_\_\_\_\_. (Acronym)
6. Details of conveyance may not be furnished in Part-B of the e-way bill where the goods are transported for a distance of \_\_\_\_\_ 50 km within the State.

7. E way bill will be issued in case of movement of goods of consignment value of ₹ 60,000 due to \_\_\_\_\_supply from an unregistered person.
8. \_\_\_\_\_e-way bill is generated when multiple consignments intended to be transported in one conveyance.

**DOWNWARDS**

1. E-way bill may be cancelled electronically on the common portal \_\_\_\_\_24 hours of generation of the e-way bill.
3. \_\_\_\_\_GSTIN cannot generate e-way bill as supplier.
4. \_\_\_\_\_includes written or printed record of any sort and electronic record.
5. Consignment value of goods \_\_\_\_\_the Central tax and State tax.

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Scan the following QR code for accessing the answers to Rapid Fire Quiz and Cross word puzzle of this chapter.



# NOTES

[illegible]