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*Demystifying Complexities*

# **GST E-Way Bill Rules**

4<sup>th</sup> September 2017



The Electronic Way ('e-way') Bill Rules ('Rules') were finalized in GST Council meeting on 5th August 2017 and formally notified vide Notification No. 27 /2017 – Central Tax dated 30th August 2017. The effective date of implementation of the Rules is yet to be notified.

E-way bill is an electronic way bill for movement of goods which can be generated online through the GST portal. The facility of generation and cancellation of e-way bill may also be made available through SMS.



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# *Key provisions of the Rules*

1. A registered dealer / supplier of goods can cause movement of goods of more than Rs 50,000 in value by generating an e-way bill on GST common portal. The movement of goods may be:
  - in relation to supply; or
  - for reasons other than supply; or
  - due to inward supply from an unregistered person
2. E-Way Bill is not required in the following cases where the goods are transported:
  - for a distance of less than 10 km within the State or Union Territory when the transportation is by road
  - is specified in the Annexure to the rules (e.g. poultry, meat, live animals, various exempt goods, etc.)
  - by a non-motorised conveyance;
  - 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;
  - within such areas as notified by the concerned State
3. Information relating to the Goods needs to be furnished in Part A of FORM GST EWB-01 before commencement of movement of goods
4. In case of inward supply from an unregistered person where e-way bill is not generated and the goods are handed over to a transporter for transportation by road, the registered person shall furnish the information relating to the transporter in Part B of FORM GST EWB-01 on the GST 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
5. Where an E-Way Bill has been generated but the 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 either on the common portal or through a Facilitation Centre within 24 hours of generation of e-way bill. However e-way bill cannot be cancelled if the goods have been verified in transit

6. E-way bill generated for transport of goods up to 100 km will be valid for one day and the validity will be extended by one day for every 100 km or part thereof
7. The details of e-way bill generated shall be made available to the recipient, if registered, on the common portal, who shall communicate his acceptance or rejection within 72 hours of the details being made available to him on the common portal. Otherwise, it shall be deemed that the recipient has accepted the said details
8. When the goods are transferred from one conveyance to another conveyance, the transporter is required to update the details of conveyance in e-way bill
9. In case of multiple consignments carried in one conveyance, the transporter may generate a consolidated e-way bill in Form GST EWB 2 indicating the serial numbers of e-way bills for each of the consignments
10. Where the consignor or consignee has not generated e-way bill and the value of goods carried in the conveyance is more than INR 50,000, the transporter will have to generate e-way bill on the basis of invoice, or bill of supply, or delivery challan and may also generate a consolidated e-way bill in Form GST EWB 2
11. The e-way bill generated in one State will be valid in all the States and Union Territories
12. The person in charge of a conveyance shall carry:
  - the invoice or bill of supply or delivery challan, as the case may be; and
  - 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. Certain category of transporters may be notified 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
13. The Government may authorize a proper officer to intercept any conveyance to verify the e-way bill or the e-way bill number in physical form for all inter-State and intra-state movement of goods

**E-way bills in the GST regime should change the overall modus-operandi of transportation of goods in India. While the industry was anticipating enhancement of the threshold limit for generation of e-way bills to minimize compliances, the Government should ensure that the whole process is technology enabled dispensing with physical verification of transport leading to delays.**

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