

E-Way Bill under GST



Introduction of Goods and Services Tax (GST) across India with effect from 1st of July 2017 is a very significant step in the field of indirect tax reforms in India. For quick and easy movement of goods across India without any hindrance, all the check posts across the country are abolished. The GST system provides a provision of e-Way Bill, a document to be carried by the person in charge of conveyance, generated electronically from the common portal. To implement the e-Way Bill system, ICT based solution is required. Hence, as approved by the Goods and Services Tax (GST) Council, a web based solution has been designed and developed by National Informatics Centre and it is being rolled out for the use of taxpayers and transporters.

Waybill under Earlier VAT system

In order to monitor bulk trade, – which necessarily takes place through trucks – it was mandated under VAT that each such consignment shall be accompanied by a 'Delivery Note' which were issued from the VAT offices to the taxpayers. At the end of every month the taxpayer had to submit an utilisation statement of the forms issued. The intention of the tax office was that to control the tax evasion being done by few of the tax payers. The taxpayer was also put a great deal of hardship while seeking the blank Delivery Notes. He/she would have to make several visits to the tax office. At check-posts the trucks, would get detained for a long time on frivolous grounds. Thus, it was a loselose situation for the trade as well as the government. A new idea/system was introduced. In the new system, the taxpayer could upload the details of each transaction to the departmental 'Server' through the internet, and once uploaded the 'Server' would automatically generate a Delivery Note with a unique number, then this unique number could accompany the goods vehicle as a proof of having uploaded the transaction. Such a system would by itself ensure that once the Delivery Note is issued there could be no possibility of tax evasion. It was one of the most successful and efficient system of prevention of tax evasion on one hand and an e-Governance initiative that provided the speedy and efficient services to the taxpayers on the other hand. This system was introduced and used by number of states.

e-Way Bill System under GST

Unique Selling Proposition (USP) of Goods and Services Tax is One Nation- One Tax – One Market. Introducing a separate way bill for each State under the GST system would definitely complicate the

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compliance and in turn affect the business of the taxpayers and transporters. Such a system of separate e-Way Bill for each State would result in hindrance of movement of goods and free trade from one State to another. The State and Central Government officers will also find it difficult to cross-verify such e-Way Bills if generated independently by each State. A new process is thus required which would ensure that 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 truck. 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 E-Way Bill System.

e-Way Bill in GST Rule

- Information to be furnished by every registered person prior to commencement of the movement of goods and generation of e-Way Bill. 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. 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 or the e-Way Bill number. 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 of the consignment covered by the e-Way Bill. The information furnished while generating e-Way Bill such as 1) GSTIN of recipient, 2) Place
- of delivery, 3) Invoice Number, 4) invoice date, 5) Value of goods, 6) HSN code, etc. shall be made available to the registered supplier on the common portal who may utilize the same for furnishing details in FORM GSTR-1. An officer authorised by the State can 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. A summary report of every inspection of goods in transit shall be recorded online by the
- proper officer in specified format within twenty four hours of inspection and the final report in specified format shall be recorded within three days of the inspection. Where a vehicle has been intercepted and detained for a period exceeding thirty minutes,
- the transporter may upload the said information in a specified format on the common portal.

Objectives

- Single e-Way Bill for movement of the goods throughout the country.
- To prevent the evasion of tax.
- Hassle free movement of goods across India.
- Tracking the movement of goods with e-Way Bill number.
- Easier verification of the e-Way Bill by officers with previous verification records

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Stakeholders

The objective behind introducing e-Way Bill is to effectively address the expectations and concerns of the stakeholders by leveraging the use of ICT.

The following are four key stakeholders of the e-Way Bill:

- **Suppliers** – Generate the e-Way Bills and reject the e-Way Bills generated by other party against his/her name, if it does not belong to him/her.
- **Recipients** - Generate the e-Way Bills and reject the e-Way Bills generated by other party against his/her name, if it does not belong to him/her.
- **Transporters** - Generate the e-Way Bills, consolidated e-Way Bills and update the vehicle numbers for the e-Way Bills assigned to him for transportation by the taxpayers.
- **Department Officers** – Verify the e-Way Bills and consignments carried with the e-Way Bills

The Benefits

The major benefits are as follows:

- The traders need not visit tax offices to collect and submit the Way Bill forms as used to be done in VAT regimes in some states.
- Average waiting time at mobile squad reduces drastically – As the verification of the e-Way Bill is done with the common portal, it will speed up the process of verification and allowing the vehicle to pass faster.
- Self-policing by traders. A trader while uploading gives the identification of the buying trader who will also account the transaction automatically.
- Environment friendly – The need of the paper form of the multiple copies of way bill is eliminated. Hence, the tons of paper are saved per day.
- Generation of GSTR-1 returns – GSTR-1 return of the supplier is auto prepared, hence he need not have to upload the same.
- Officials saved of monotonous work collecting and matching the manual way bill with the returns of the taxpayers.

Features of the e-Way Bill System

- User friendly System – The system is user friendly with lots of easy to use operations by the users.
- Easy and quick generation of methods – There are a number of methods are provided using which the users can easily and quickly generate the e-Way Bills.
- Checks and balances – The number of checks and balances have been introduced as per the requirements so that errors/mistakes of the users are eliminated.

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- Multiple modes for e-Way Bill generation – This system support different modes of e-Way Bill generation. The user can register the mode of e-Way Bill generation and use them for eWay Bill generation.
- Creating own masters – The user has a provision to create his own masters like customers, suppliers, products and transporters. The system facilitates to use them while generating the e-Way Bill.
- Managing sub-users – The taxpayer or registered person can create, modify and freeze the sub-users for generation of the e-Way Bill and assign them to his employees or branches as per need. This system also facilitates him to assign the roles/activities to be played by the sub-user on the system.
- Monitoring the e-Way Bills generated against me – The system facilitates the registered person to know the number of e-Way Bills, generated by other registered persons, against him/her. There is an option to user to reject these e-Way Bills, if they do not belong to him. Generating the GSTR-1 from the e-Way Bills – Based on the e-Way Bills generated, the system pulls the GSTR-1 related information and pushes it to the taxpayers GSTR-1 returns. This avoids the taxpayers in uploading these transaction details.
- Consolidated e-Way Bill – The system supports the transporters to prepare the consolidated e-Way Bill and hand over to the person in charge of the conveyance instead of giving the multiple e-Way Bills for movement of multiple consignments like parcel in one vehicle.
- Enabling the unregistered transporters to use e-Way Bill – There is a provision for unregistered transporters to enrol and create a user for him to generate the e-Way Bills and update the vehicle numbers.
- Alerting the taxpayers – The system alerts and notifies the users through the web and SMS about the various activities like new notifications, rejected EWB, verified EWB, etc.
- QR bar code on the e-Way Bill – The QR code on the e-way bill helps for easier and faster verification of the e-Way Bill by the tax officers.
- Integrating with RFID for tracking the movement of the e-Way Bill – The provision has been made to integrate with the RFID for tracking the movement of e-Way Bill by the tax officers, without stopping the vehicle on the road.

Registering and Enrolling for e-Way Bill Systems

There are four stakeholders who have some stake in the movement of the consignment from one place to another and hence on the e-Way Bill. They are suppliers, recipients, transporters and tax officers. The suppliers, recipients and transporters want to see that the consignment moves from source to destination without any hurdles and tax officers want to see that the consignment is accounted by the supplier and recipient. To achieve, they need to have access to the e-Way Bill system. The provision has been made for them to access the system. The GST registered person can register on the e-way bill and create his user credentials to use the system. GST registered person can be a supplier, recipient or transporter. In case the transporter is small operator and not registered under the GST, then this system provides the mechanism to enrol and create his user credentials to operate on this system.

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E-way Bill Updates

- The e-way bill rules will be implemented in India from 1st February 2018
- The states can opt to follow the e-way bill system anytime before 1st June 2018
- From 1st June 2018 e-way bill rules will uniformly apply to all states.
- Uttarakhand Govt. has issued notification for e-waybill system from 01/01/2018
- Rajasthan Govt. has issued notification for e-waybill system from 20/12/2017
- One e-way bill for movement of goods between Tax Payers of Karnataka, Rajasthan and Uttarakhand

Notifications for E-way Bill can be assessed @

<http://164.100.80.111/ewbnat5/Others/NotificationsSearch.aspx?NotificationsSearch.aspx%3fencrypt=&id=N>



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<https://play.google.com/store/apps/details?id=com.forbinary.madhuvridhi&hl=en>

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