



# E-WAY Bill

**CA Jugal R Doshi**

Chartered Accountant

# Contents

1. Various provisions relating to E-way Bill
2. Applicability of E-way bill to different types of transactions
3. Rule 138(e) – Blocking of E-Way Bill
4. Penal provisions and procedures
5. Reach us





# Various provisions relating to E-way Bill

# Applicability

Every **Registered person who causes movements of goods** having value exceeding INR 50,000

(except in cases of mandatory E-Way Bill provisions like the movement of Handicraft goods and movement of goods for Inter-state Job work )

1. In relation to supply (i.e sales, sales return) or

2. Reasons other than supply (Exhibition ,Job Work , Sale or approval basis ,Stock Transfer) or

3. Inward supply from Unregistered person

# Effective date of E-way Bill

## A - For Intra-state movement of goods

Sr No.	States	Effective Date
1	Karnataka	1st April 2018
2	Andhra Pradesh, Gujarat, Kerala, Telangana and Uttar Pradesh	15th April 2018
3	Bihar, Haryana, Himachal Pradesh, Jharkhand, Tripura and Uttarakhand	20th April 2018
4	Arunachal Pradesh, Madhya Pradesh, Meghalaya, Pondicherry and Sikkim	25th April 2018
5	Nagaland	1st May 2018
6	Andaman & Nicobar, Chandigarh, Dadar & Nagar Haveli , Daman & Diu, Lakshadweep, Maharashtra and Manipur	25th May 2018
7	Chhattisgarh, Goa, Jammu & Kashmir, Odisha, Punjab and Mizoram	1st June 2018

## B - For Inter-state movement of goods – 1<sup>st</sup> February 2018

# Monetary Limit of E-way Bill

## A - For Intra-state movement of goods

Sr No.	States	Limit
1	Delhi, West Bengal, Maharashtra and Tamil Nadu	1,00,000/-
2	Bihar	2,00,000/-
3	Other States	50,000/-

## B - For Inter-state movement of goods – Rs 50,000/-

# What is consignment value?



Value **Exempt supply** will not be included in Consignment value.

E-Way bills are to be generated in case of **Zero rated supply** i.e in case of Export or supply to SEZ.

# Who will generate E-WAY BILL

Scenario	Liable to generate E-Way bill	Furnishing of details
Goods are transported by supplier (consignor) in his own vehicle	Supplier	Part A – Supplier Part B – Supplier
Goods are transported by supplier (consignor) in a hired vehicle	Supplier	Part A – Supplier Part B – Supplier
Goods are transported by recipient (consignee) in his own vehicle	Recipient	Part A – Recipient Part B – Recipient
Goods are transported by recipient (consignee) in a hired vehicle	Recipient	Part A – Recipient Part B – Recipient
Registered supplier hands over goods to Transporter	Transporter	Part A – Supplier Part B – Transporter
Goods are transported by URD in his own or hired vehicle to registered recipient	Recipient	Part A – Recipient Part B – Supplier
URD hands over the goods to transport them to registered Recipient	Transporter	Part A – Recipient Part B – Transporter



# Modes of Generation of E-Way Bill

Mode	Description
<b>Using Web based system</b>	Manual one to one creation, (Most Common)
<b>Using SMS based facility</b>	The taxpayer has to register the mobile numbers through which he intends to generate the e-way bill on the e-way bill system.
<b>Using Android App</b>	The taxpayer has to register the IMEI (International Mobile Equipment Identity) number of the mobile phones through which he intends to generate the e-way bill on the e-way bill system.
<b>Bulk generation facility</b>	Through this facility, user can upload multiple invoices and generate multiple e-Way bill at one go. This avoids duplicate data entry into e-way bill system and avoids data entry mistakes also. Any taxpayer or transporter can use the bulk generation facility
<b>Using Site-to-Site integration</b>	Advanced version of Bulk generation facility
<b>Using GSP (Goods and Services Tax Suvidha Provider)</b>	

# Cancellation of E-Way Bill

E-way bill can be cancelled in case goods are :

- 1) Not being transported or
- 2) Not being transported as per the details furnished in the e-way bill

E-Way Bill can be cancelled within 24 hrs. by the generator and within 72 hrs. by the recipient.

However, if once verified in transit, can't be cancelled.

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 and generate a new one with correct details.

# Consolidated E-way Bill

**What has to be done, if the vehicle number has to be changed for the consolidated e-way bill?**

- There is an option available under the 'Consolidated EWB' menu as 'regenerate CEWB'. This option allows changing the vehicle number to existing Consolidated EWB, without changing the EWBs and generates the new CEWB, which has to be carried with new vehicle. Old will become invalid for use.

**Can the 'consolidated e-way bill' (CEWB) have the goods / e-way bills which are going to be delivered before reaching the defined destination defined for CEWB?**

- Yes, the consolidated e-way bill can have the goods or e-way bills which will be delivered on the way of the consolidated e-way bill destination. That is, if the CEWB is generated with 10 EWBs to move to destination X, then on the way the transporter can deliver 3 consignments concerned to 3 EWBs out of these 10 and move with remaining 7 to the destination X.

# Validity of E-Way bill (1/3)

1	2	3
Type of Conveyance	Distance	Validity of E-Way Bill
Other than the over dimensional cargo or multimodal shipment in which at least one leg involves transport by ship	Less than 100 kms	1 Day
	For every additional 100 Kms or part thereof	Additional 1 Day
For Over dimensional cargo or multimodal shipment in which at least one leg involves transport by ship	Less than 20 kms	1 Day
	For every additional 20 kms or part thereof	Additional 1 day

**Note 1** : Under circumstances of an exceptional nature, the goods cannot be transported within the validity period of the E-Way Bill, the transporter may generate another E-Way Bill after updating the details in **Part B of FORM GSTEWB01**.

**“Provided also that the validity of the e-way bill may be extended within 8 hours from the time of its expiry”**

**Note 2** :One Invoice, One E-Way Bill policy is followed from April 2019

# Validity of E-Way bill (2/3)

While calculating time validity for e-way bill, how is a day determined?

- (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.

What is Over Dimensional Cargo?

- Over Dimensional Cargo mean 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.

# Validity of E-Way bill (3/3)

## What is the validity of consolidated e-way bill?

- Consolidated EWB is like a trip sheet and it contains details of different EWBs in respect of various consignments being transported in one vehicle and these EWBs will have different validity periods. Hence, Consolidated EWB does not have any independent validity period. However, individual consignment specified in the Consolidated EWB should reach the destination as per the validity period of the individual EWB.

## How the distance has to be calculated, if the consignments are imported from or exported to other country?

- The approximate distance for movement of consignment from the source to destination has to be considered based on the distance within the country. That is, in case of export, the consignor place to the place from where the consignment is leaving the country, after customs clearance and in case of import, the place where the consignment is reached the country to the destination place and cleared by Customs.

# Goods Exempted from Applicability of E-way Bill (1/2)

Goods being transported are alcoholic liquor for human consumption, petroleum crude, high-speed diesel, petrol, natural gas or aviation turbine fuel

Goods being transported are not treated as supply under Schedule III of the Act

Goods transported are empty cargo containers

Goods exempted under notification No. 7/2017– Central Tax (Rate) dated 28th June 2017 (supply by CSD to unit run canteens and authorized customers) and notification No. 26/2017– Central Tax (Rate) dated 21st September 2017 (consists of heavy water and nuclear fuels)

Goods, other than de-oiled cake, being transported are specified in notification No. 2/2017– Central tax (Rate) dated the 28th June, 2017. ( Exempt Goods)

# Goods Exempted from Applicability of E-way Bill (2/2)

## Goods Specified in Annexure to Rule 138(14)

Liquefied petroleum gas for supply to household and non-domestic exempted category 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

Jewellery, goldsmiths' and silversmiths' wares and other articles

Currency

Used personal and household effects

Un worked and worked coral



# Other Exemptions

Where Government or local authorities transport goods by rail as a consignor

If Goods are being transported by a non- motorised conveyance (Ex. Horse carts or manual carts)

Goods transported within the notified area.

Goods transported are transit from/ to Nepal/ Bhutan.

If Goods are transported to a weighbridge within 20kms and back to the place of business by being covered under a Delivery Challan.

Goods transported are to/from the Ministry of Defense

Where empty cylinders for packing of liquefied petroleum gas are being moved for reasons other than supply

# Other Exemptions

## 1. If Goods are being transported:

- From the port, airport, air cargo complex and land customs station to an inland container depot (ICD) or a container freight station (CFS) for clearance by Customs
- From ICD or CFS to a customs port, airport, air cargo etc under customs bond
- From one customs port/station to another one under customs bond
- Goods transported under the customs supervision or customs seal

2. Part B of E-Way Bill is not required to be filled where the distance between the consigner or consignee and the transporter is less than 50 Kms and transport is within the same state

# Sub-Users for E-way Bill

## How many sub-users can be created?

- For every principal/additional place of business, user can create maximum of 10 sub-users. That is, if tax payer has only (one) principal business place (and no additional place of business), he can create 10 sub-users. If tax payer has 3 additional places and one principal place of business (ie 4 places), then he can create 40 (4 X 10) sub users

## Why do I need sub-users?

- Most of the times, the taxpayer or authorized person himself cannot operate and generate EWBs. He may in that case authorize his staff or operator to do that. He would not like to avoid sharing his user credentials with them. In some firms, the business activities will be operational 24/7 and some firms will have multiple branches. Under these circumstances, the main user can create sub-users and assign different roles to them. He can assign generation of EWB or rejection or report generation activities based on requirements to different sub-users. This facility helps him to monitor the activities done by sub-users. However, the main user should ensure that whenever employee is transferred or resigned, the sub-user account is frozen / blocked to avoid mis-utilization.



# Applicability of E-way bill to different types of transactions

# Different types of transactions

I am dealer in tractors. I purchased 20 tractors from the manufacturer. These tractors are not brought on any motorized conveyance as goods but are brought to my premise by driving them. Also, these tractors have not got the vehicle number. Is e-way bill required in such cases?

- E-way bill is required in such cases. The temporary number or any identifiable number with the tractor have to be used for filling details of the vehicle number for the purpose of e-way bill generation.

Who is responsible for EWB generation in case DTA sales from SEZ/ FTWZ?

- There is no special provision for such supply and hence the registered person who causes movement of goods shall be responsible for the generation of e-Way bill as per the rules.

# Different Types of Transactions (Continued)

**Whether an e-way bill is required to be generated for movement of goods from one unit of the company to another unit through own vehicle located within 10 km?**

- Yes, e-way bill is required to be generated even in case of movement of goods within 10 km. The relaxation updating part B (vehicle details) is given only in cases of movement of goods from the place of business of consignor to the business of transporter for further movement of such goods, Therefore, in all other cases, e-way bill needs to be generated even if the distance to be covered is less than 10 km.

**Whether E-way Bill is required in case of Sales Return / Rejections?**

- There is possibility that consignee or recipient may decline to take the delivery of consignment due to various reasons. Under such circumstance, the transporter can get one more e-way bill generated with the help of supplier or recipient by indicating supply as 'Sales Return' and with relevant document details, goods can be returned to supplier as per his agreement with him.

# Movement of Goods to and from Job worker

If Job-worker is liable to issue E-way bill what value needs to be entered in Part-A, i.e. whether Job charges only or value of goods returned.

- Job worker is required to raise an e-Way Bill on the basis of delivery challan and thus the value to be entered in Part-A shall be the value of goods returned and not the job work charges. However, he may send the invoice of job charges along with delivery challan and e-Way Bill. In our view, the value to be included in the E-way bill should be inclusive of the job work charges.

Whether Job worker will be liable to issue E-way bill along with goods sent after job work. Whereas job worker is sending goods along with his tax invoice of Jobwork charges only both in case of Inter-state and Intra-state.

- Yes, Job worker will be liable to issue E-way Bill with respect to the goods sent after completion of his job work. Such goods have to be delivered on the basis of Delivery challan. These cannot be moved merely on the basis of job work invoice as such invoice covered only job work charges not the value of goods.

# Different Types of Transactions

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 `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

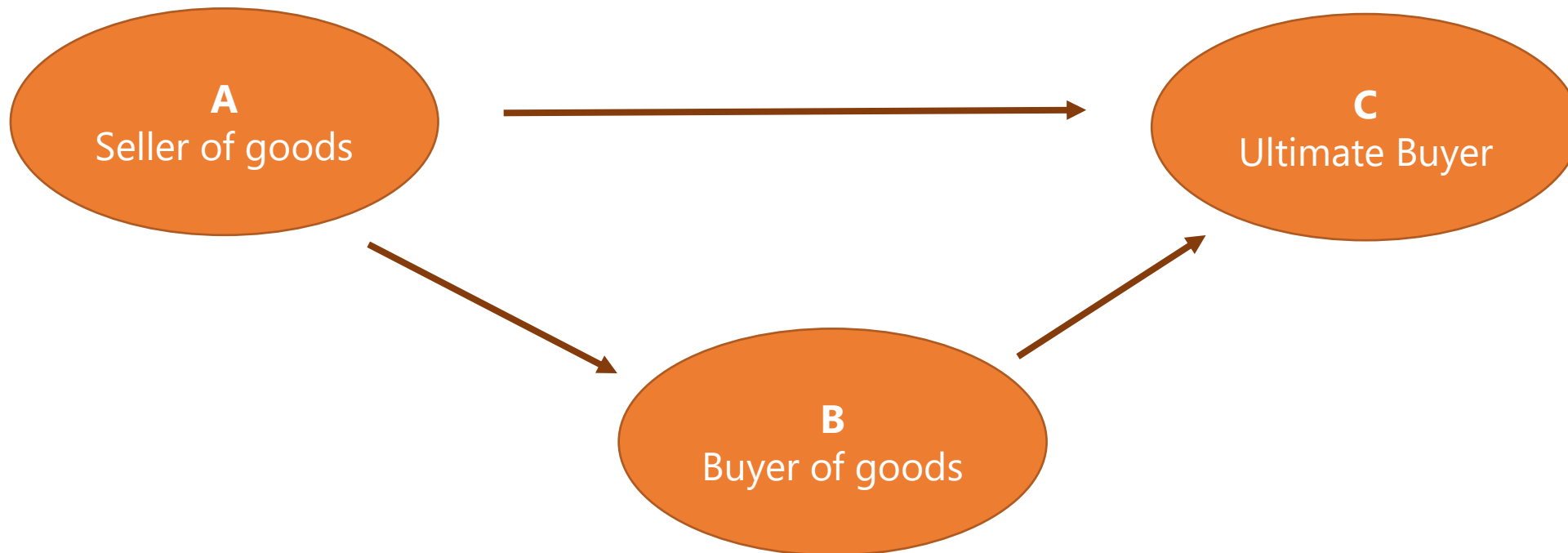
Whether E-way Bill is required in case of movement through Public Transport

- In case of movement of goods by public transport, e-way bill shall be generated by the person who is causing the movement of the goods, in case of any verification, he can show e-way bill number to the proper officer.

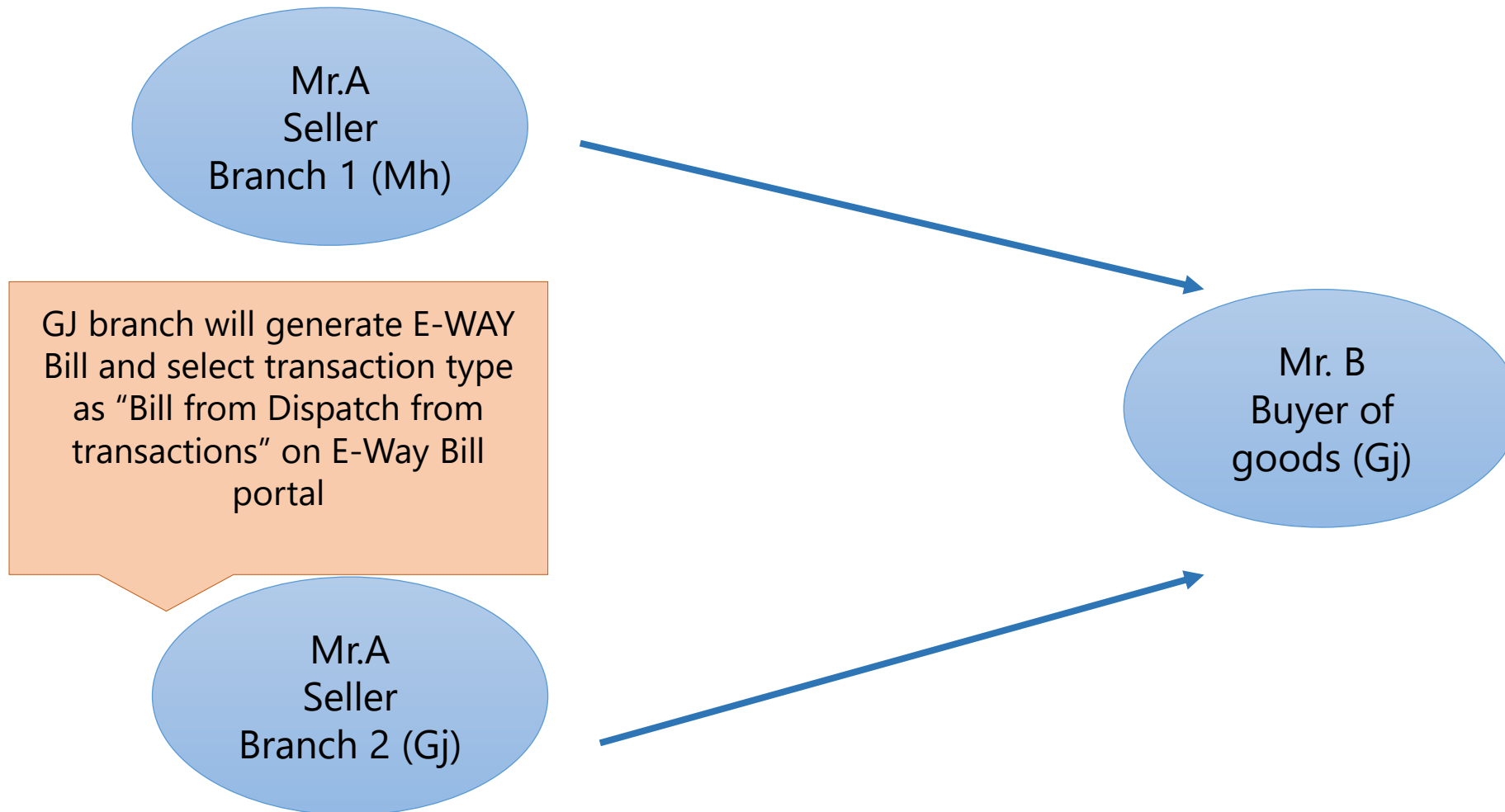


# Bill to ship to transactions

A will generate E-WAY Bill and select Transaction Type as "Bill to Ship to" on E-Way Bill portal



# Bill from Dispatch from transactions



# Multimodal Transport

One E-Way bill will be generated with aeroplane details



Only conveyance details will be updated



Rajasthan

Mumbai Port

Pune

# Line Sales – Recipient not known

E-Way bill will be generated on the basis of Delivery Challan and selecting sub type "Line Sales"

Warehouse of  
Tata Steel



M/s ABC

M/s PQR

M/s XYZ

# Movement of goods for Exhibition / Fairs

Mr. A will generate E-Way Bill by selecting sub type "Exhibition/Fairs"



Mr. A  
Painter (MH)



Exhibition  
(GJ)

# Movement of goods for supply of service

Mr. A will generate E-Way bill if the value of JCB exceeds 50,000 and not the value of lease rentals.



Mr. A  
(Lessor of JCB)



Mr. B  
(Lessee)

Since there is no specific subtype on portal we will select category as "Other"

# Goods delivered in CKD/SKD /lots

2 separate E-Way bills will be generated according to the Delivery Challans and copy of invoice will be sent with each consignment.

Mr. A  
Seller of goods



Mr. B  
Buyer of goods



# Movement of Goods for Export

Mr. A will generate e-way bill by selecting subtype 'Export' and in Ship to column details of Mumbai Port will be provided.

Mr. A / his transporter will assign the e-way bill in the name of Air India.

Mr A –  
Kolhapur (MH)  
Exporter

Mumbai  
Customs  
Airport

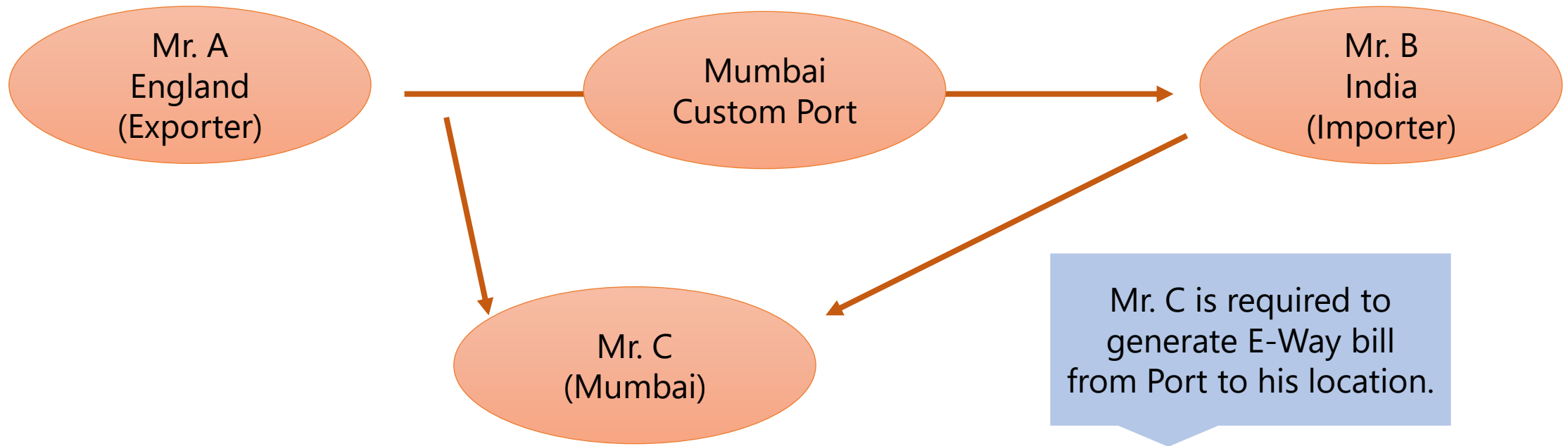
Mr. B  
America





# High Sea Sale Transactions / Import Transaction

High Sea sale transactions fall under the purview of Sch. III, hence not termed as Supply, no need to generate E-Way bill between B & C.





# **Rule 138(e) – Blocking of E-Way bill**

# When can E-way Bill facility be blocked ?

A **person** (including a consignor, consignee, transporter, an e-commerce operator or a courier) **shall not be allowed to generate E-Way bill** in respect of a registered person, whether as a supplier or a recipient, who,

- (a) being a **person paying tax under section 10** or **availing benefit of notification No. 02/2019-Central Tax**, dated 7th March, 2019, **has not furnished the statement in FORM GST CMP-08** for two consecutive quarters; or
- (b) being a person other than a person specified in clause (a), **has not furnished the returns for a consecutive period of two months.**
- The Commissioner or an officer authorised by him, however, has been authorised to permit generation of E-way Bill even where the return/ FORM GST PMT-08 has not been furnished. The registered person need to apply in FORM GST EWB-05 and order permitting/rejection the application would be issued in FORM GST EWB-06.

# Blocking and Unblocking of EWB generation facility in EWB Portal-FAQs

## 1. What is blocking of E-waybill (EWB) generation facility?

**Answer:** Blocking of e-waybill generation facility means disabling taxpayer from generating E Way Bill, in case of non-filing of 2 or more consecutive GSTR 3B Return on GST Portal, by such taxpayer (refer Rule 138E of CGST/SGST Rules, 2017). The GSTINs of such blocked taxpayers cannot be used to generate the e-way bills either as Consignor or Consignee.

## 2. What is unblocking of E-waybill (EWB) generation facility?

**Answer:** Unblocking of e-waybill generation facility means restoring the facility of generation of E-Way Bill, in respect of such taxpayers GSTIN (as Consignor or Consignee), in the event of filing of the return for the default period(s), thereby reducing the default period to less than 2 consecutive tax periods. Also, the Unblocking can be done by the jurisdictional officer online on the GST Portal, upon considering the manual representation received from such taxpayer.

## 3. Form when blocking/unblocking of EWB generation facility is being implemented on EWB Portal?

**Answer:** Blocking of EWB generation is implemented from **1st December, 2019**. Thus the users won't be able to generate EWB for a GSTIN (whether as consignor or consignee), if the said GSTIN is not eligible for EWB generation as per Rule 138 E of CGST/SGST Rules, 2017.

# Blocking and Unblocking of EWB generation facility in EWB Portal-FAQs (Continued..)

## **4. When blocking of EWB generation facility at EWB Portal will be implemented for non-filing of GSTR 3B return?**

**Answer:** As provided in Rule 138 E of CGST/SGST Rules 2017, blocking of EWB generation facility will be implemented on EWB Portal, when the taxpayer does not file GSTR 3B return for two consecutive tax periods.

Thus, taxpayers who are required to file Form GSTR-3B and have not filed it for the month of January and February, will be blocked from EWB generation facility from March onwards.

## **5. What type of Returns not filed are considered for blocking/ unblocking of EWB generation facility? Answer:** Form GSTR-3B (to be filed by normal taxpayers) is considered for blocking of EWB generation facility

## **6. Whether recipient can generate E Way Bill of blocked GSTINs, indicating them as supplier and vice versa?**

**Answer:** No, if a Taxpayer GSTIN is blocked for E Way Bill Generation facility, that GSTIN cannot be entered in E Way Bill either as supplier or recipient. Thus recipient of such blocked GSTINs cannot generate E Way Bill indicating such blocked GSTIN as supplier

# Blocking and Unblocking of EWB generation facility in EWB Portal-FAQs (Continued..)

## 7. How does blocking take place in the e-waybill system?

**Answer:** The GST System and EWB System are integrated and accordingly GSTIN's of the taxpayers who have not filed GSTR 3B return, for two or more consecutive period, will be blocked for EWB generation.

## 8. How does unblocking take place in e-waybill system?

**Answer:** In case of filing of GSTR 3B returns by taxpayers, resulting in reduction of their return filing default period of less than two tax periods, their return filing status will be updated on E-Way Bill Portal, and their GSTIN will be unblocked for E Way Bill generation facility, next day. The Unblocking can be done by the jurisdictional officer online on the GST Portal, upon considering the manual representation received from such taxpayer.

## 9. Can one update the vehicle and transporter details and extend the validity of e-way bills, if required, for the e-way bills belonging to the blocked GSTINs?

**Answer:** The transporters/ tax payers can update the vehicle and transporter details and carry out the extension in validity period of these e-way bills, if required.

# Blocking and Unblocking of EWB generation facility in EWB Portal-FAQs (Continued..)

**10. In spite of filing latest Returns, I have been blocked from e-waybill generation. What can I do?**

**Answer:** If the tax payer wants to generate the e-way bills immediately, after filing the GSTR 3B Returns (on GST Portal), then they can login to the e-way bill portal and select the option 'Search' Update Block Status<sup>19</sup> and then enter his/her GSTIN and see the status. If the GSTIN is still shown as blocked, then they can use update option to get the latest filing status from the GST Common Portal. If their return filing default period is less than two, their return filing status will be communicated by GST System to E Way Bill Portal, and such blocked taxpayers GSTIN will be unblocked and their E Way Bill generation facility will be restored on EWB Portal. Taxpayers may contact the GST helpdesk and raise a grievance, if issue is not resolved.

**11. What happens to the already generated e-way bills, on which goods are in transit (ie EWB generated earlier pertaining to the blocked GSTINs)?**

**Answer:** There will not be any effect/impact on the already generated e-way bills, of the blocked GSTINs. These e-way bills are valid and can be used to move goods to the destination.

# Blocking and Unblocking of EWB generation facility in EWB Portal-FAQs (Continued..)

## **12. Will the e-way bill system block the updating of Transporter Id, if registered in GST & filing GSTR 3B return, if transporter GSTIN is blocked for EWB generation facility?**

**Answer:** Yes, the e-way bill system will block the updating of Transporter Id, if registered in GST and has not filed the GSTR 3B Return for last two successive tax periods. However, there will not be any problem in updating details of the enrolled transporter id (ie who don't have GSTIN), while generating the e-way bills. In February 2020, the e-way bill portal has been linked to the VAHAN system. A pilot run has already initiated in the state of Karnataka. Now, the vehicle registration number will be validated at the time of generating e-way bill.

## **13. What is the effect of blocking/unblocking on the transporters?**

**Answer:** There are two types of transporters – the Transporters who have only enrolled themselves on E Way Bill portal (ie who don't have GSTIN) and the Transporters who are also registered at GST portal (ie who have GSTIN). Transporters enrolled in EWB Portal and who are not registered on GST portal, will not be impacted (as they are not required to file GSTR 3B returns). If the GSTIN of the GST registered transporter is blocked, then that GSTIN cannot be used as Consignor, Consignee or transporter, while generating e-way bill and updating transporter details.





# Integration of E-way Bill portal with VAHAN system – Feb 2020

# Verification of Vehicle Number in EWB

## What is verification of vehicle number in EWB Portal?

- E-Way bill has been integrated with Vahan System of Transport Department. Vehicle number entered in e-way bill will now be verified with the Vahan System. If Vehicle no. is not available in the Vahan system user will get 'Alert Message' about the non-availability of vehicle number in vahan database. However, later, such vehicle numbers will not be allowed for the generation of e-way bill.

## Why am I getting alert message when I enter vehicle number in E-way Bill?

- The vehicle number entered in the EWB is not available in Vahan Database, you are requested to check and update the vehicle registration with your concerned Regional Transport Office (RTO), otherwise after sometime this vehicle number will not be allowed for e-way bill generation.

## When I enter Vehicle number, I get a message that Vehicle is registered in more than one RTO, what should I do ?

- This message indicates that the Vehicle details are found in more than one RTOs. You need to approach your RTO and request for updation of the office. Once the details are updated this message will not appear again. Not doing so, later it will be treated as Vehicle no. is not existent and may not be allowed for e-waybill generation.

# Verification of Vehicle Number in EWB (Continued..)

**In spite of having a Valid RC of my Vehicle, I am getting alert message from e-waybill portal. What can I do?**

- In case, Vehicle number entered in the e-waybill is registered and system still showing 'Alert Message' it is suggested to reach to your concerned RTO. Once the vehicle details are updated in Vahan system, the status in

**How do I check my vehicle number is available in Vahan system?**

- Vahan System provides a nationwide search over the digitized data of Registered Vehicles. You can always check your vehicle number in Vahan system below;

**I am unable to find my vehicle details on Vahan. How to get vehicle details added to the Vahan System? You need to visit your RTO with original RC and other documents and get the details updated in the Vahan Database.**

- I am moving vehicles with Temporary Registration. Will these Vehicle numbers be allowed for e-waybill registration.
- If the Vehicle number is with temporary registration, the details are not verified and enter the temporary number starting with TR.

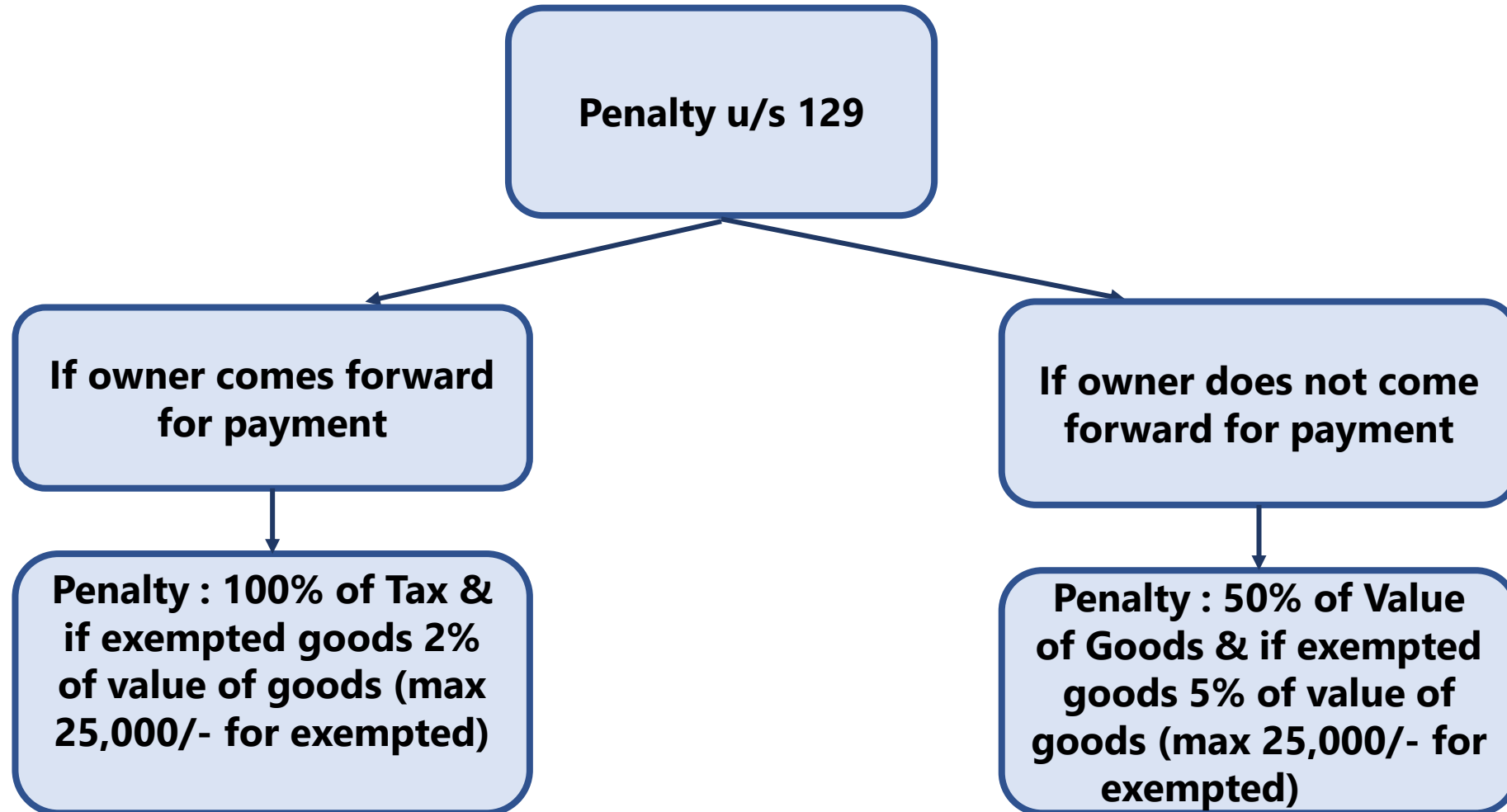


# Penal provisions and procedures

# Procedural Aspects of Inspection/Verification

Form	Purpose
GST MOV-01	Statement Of The Owner/Driver/Person In Charge Of The Goods And Conveyance
GST MOV-02	Order For Physical Verification/Inspection Of The Conveyance, Goods And Documents
GST MOV-03	Order Of Extention Of Time For Inspection Beyonf Three Working Days
GST MOV-04	Physical Verification Report
GST MOV-05	Release Order
GST MOV-06	Order Of Detention
GST MOV-07	Notice Under Section 129(3)
GST MOV-08	Bond For Provisional Release Of Goods And Conveyance
GST MOV-09	Order Of Demand Of Tax And Penalty
GST MOV-10	Notice For Confiscation Of Goods Or Conveyances And Levy Of Penalty Under Section 130
GST MOV-11	Order Of Confiscation Of Goods And Conveyance And Demand Of Tax, Fine And Penalty

# Penalty for non-generation of E-WAY BILL u/s 129



# Penalty in lieu of Confiscation u/s 130

(2) Whenever confiscation of any goods or conveyance is authorized by this Act, the officer adjudging it shall give to the owner of the goods an option to pay in lieu of confiscation, such fine as the said officer thinks fit :

**Provided** that such fine leviable shall not exceed the market value of the goods confiscated, less the tax chargeable thereon :

**Provided** further that the aggregate of such fine and penalty leviable shall not be less than the amount of penalty leviable under sub-section (1) of section 129 :

**Provided** also that where any such conveyance is used for the carriage of the goods or passengers for hire, the owner of the conveyance shall be given an option to pay in lieu of the confiscation of the conveyance a fine equal to the tax payable on the goods being transported thereon.

(3) Where any fine in lieu of confiscation of goods or conveyance is imposed under sub-section (2), the owner of such goods or conveyance or the person referred to in sub-section (1), shall, in addition, be liable to any tax, penalty and charges payable in respect of such goods or conveyance.

# Non Initiation of Proceedings u/s 129 – Circular 64/38/2018

Spelling mistakes in the name of the consignor or the consignee but the GSTIN, wherever applicable, is correct

Error in the pin-code but the address of the consignor and the consignee mentioned is correct, subject to the error in the PIN code should not have the effect of increasing the validity period of the e-way bill;

Error in the address of the consignee to the extent that the locality and other details of the consignee are correct

Error in one or two digits of the document number mentioned in the e-way bill;

Error in 4 or 6 digit level of HSN where the first 2 digits of HSN are correct and the rate of tax mentioned is correct

Error in one or two digits/characters of the vehicle number

In case of the above situations, penalty to the tune of Rs. 500/- each under Section 125 of the CGST Act and the respective State GST Act should be imposed (Rs. 1000/- under the IGST Act) in **FORM GST DRC-07** for every consignment



# Penalty

What happens if the goods are detained unnecessarily without any proper reason?

- If the goods or the vehicle of the taxpayer or transporter has been detained by the tax officers without proper reason for more than 30 minutes, then the transporter can generate "Report of Detention" in form GST EWB-04 giving details of office in-charge.

If the goods are moving without e-way bill or partially declared, what are consequences if these are traced on the way to transportation?

- The proper officer, as authorized by commissioner or any other person as empowered by him, has the power to make physical verification of conveyance and the e-way bill or e-way bill no. in case of all Inter or Intra-State movement of goods. Further, in case any goods are moving without e-way bill or where the details are partially declared, the proper officer has proper authority to detain or seize such conveyance or goods, and such shall be released after the payment of applicable tax or penalty as provided under section 129 of CGST Act, 2017.

**Hope this presentation has enriched your  
knowledge on E-Way Bill..**

**Thank you!!**

# Reach us

For clarification of any issues connect @



## CA Jugal Doshi

M: 90280 94428

E: [jugal.doshi@doshirc.in](mailto:jugal.doshi@doshirc.in)

A: Office no. 407, Suyog Centre, Girdhar Bhawan Chowk,  
Maharshinagar, Near Market Yard, Gultekdi,  
Pune 411 037.

