

Presentation on

E-Waybill and logistic sector

under

Goods & Services Tax



Presented by:

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Goods Transport under GTA

Goods Transport Agency

“Goods Transport Agency” means any person who provides **service in relation to transport of goods by road** and **issues consignment note**, by whatever name called.

i. Service in Relation to Transport: services in relation to transport like loading /unloading, packing /unpacking, transshipment, temporary warehousing, forward distribution or any other such ancillary service etc.

ii. Consignment Note: Consignment Note is also not defined in any of GST Acts, **Rule 54(3) of CGST Rules** states “Where the supplier of taxable service is a goods transport agency supplying services in relation to transportation of goods by road in a goods carriage, the said supplier shall issue :

a tax invoice or any other document in lieu thereof, by whatever name called, containing the **gross weight** of the consignment, **name of the consigner** and the **consignee**, registration number of goods carriage in which the goods are transported, details of goods transported, details of place of origin and destination, **Goods and Services Tax Identification Number** of the person liable for paying tax whether as consigner, consignee or goods transport agency, and also containing other information as mentioned under rule 46”

Taxability of GTA

GTA services are considered as **Supply** of services as per **Section 7 of CGST Act, 2017** so taxable under GST Acts.

as per [Notification No. 12/2017- Central Tax \(Rate\), Dt: 28th June, 2017](#) – Exempted Supplies(Entry No 18, Heading 9965):

Services by way of transportation of goods-

(a) by road except the services of—

- (i) a **Goods Transportation Agency**;
- (ii) a courier agency;

Therefore **GTA services are Taxable Supplies**

Taxability of GTA

GTA can be taxed in three ways :

1. Under RCM, services to specified recipient :

As per [Notification No. 13/2017- Central Tax \(Rate\) dt. 28.06.2017](#), (Sr NO -1), Supply of Services by a GTA in respect of transportation of goods by road to **Specified Category of Recipients** are treated on Reverse Charge and the Recipient is Liable to pay GST.

- (a) any factory registered under or governed by the Factories Act, 1948 (63 of 1948);or
- (b) any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or
- (c) any co-operative society established by or under any law; or
- (d) any person registered under the Central Goods and Services Tax Act or the Integrated Goods and Services Tax Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act; or
- (e) any body corporate established, by or under any law; or
- (f) any partnership firm whether registered or not under any law including association of persons; or
- (g) any casual taxable person.

* Rate of tax is 5%

2. Services to other than Specified Category

Recipient – Forward Charge @5% without ITC

This situation shall arise if GTA is providing services to other than those specified category recipients as discussed above such as to an **Individual / Proprietorship Firm/HUF.**

In such scenario GST shall be paid by GTA itself on forward charge mechanism @ 5%.

***GTA is not allowed to take any ITC**

Taxability of GTA

3. GTA Taxable @ 12%:

GTA are now allowed to take Input Tax Credit subject to condition that they should charge GST @12% on forward charge. The recipient is also allowed to take credit subject to his eligibility

Once this option to pay @ GST 12% and avail ITC is opted, then other Options can't be exercised and thenceforth, GTA be liable to pay GST @ 12% on all the services of GTA supplied by it.

This is a beneficial option especially for B2B transactions as GTA can take credit of input taxes and charge the tax @ 12% which the recipient also can avail tax credit.

[Notification No. 20/2017 – Central Tax \(Rate\) dated 22nd August, 2017 \(Ref Entry 9 of Notification No 11/2017\)](#)

Exempted Services by GTA

[Notification No. 09/2017-Integrated Tax \(Rate\), the 28th June, 2017](#), Entry No 22 Heading 9965 or Heading 9967 : Services provided by a Goods Transport Agency, by way of transport in a goods carriage of following are **Exempted** –

- (a) **agricultural produce;**
- (b) **goods, where consideration charged for the transportation of goods on a consignment transported in a single carriage does not exceed one thousand five hundred rupees;**
- (c) goods, where consideration charged for transportation of all such goods for a single consignee **does not exceed rupees seven hundred and fifty;**
- (d) **milk, salt and food grain including flour, pulses and rice;**
- (e) organic manure;
- (f) **newspaper or magazines registered with the Registrar of Newspapers;**
- (g) relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap; or
- (h) **defence or military equipments.**

[Notification No. 12/2017- Central Tax \(Rate\) New Delhi, the 28th June, 2017](#),
Entry No 21, Heading 9965 / Heading 9967

Exempted Services by GTA

Services provided by a goods transport agency to an **unregistered person**, including an **unregistered casual taxable person** (other than specified dealers ref notf. 13/2017)

Notification No 32/2017 dt 13.10.2017 Entry 21A

Hiring Services by GTA from owner of vehicle

In case the owner of the Vehicle gives his vehicle on Hiring to GTA, then the hiring charges are exempt from GST as per below:

Services by way of giving on hire –

- (a) to a state transport undertaking, a motor vehicle meant to carry more than twelve passengers; or
- (b) to a goods transport agency, a means of transportation of goods**

(Entry No 22, Heading 9966 / Heading 9973)

Entry 24: Services by way of loading, unloading, packing, storage or warehousing of rice

[Notification No. 12/2017- Central Tax \(Rate\) dt. 28th June, 2017,](#)

Registration of GTA

Case – 1 :

**GTA Services only to Specified Category recipients –
on RCM basis– **No Need to Register****

Even though in case the GTA is supplying inter state supplies,

he is not required to register under above situation

as [Notification No. 5/2017- Central Tax dated 19/06/2017](#), is overriding General Clause u/s 24 of CGST Act (Compulsory registration in case of Inter-State supply).

Case – 2 :

GTA Services to **other than Specified Category** or Other than Exempted GTA Services –

Need to Register Subject to Threshold Limit

In case the threshold limit is less than Rs 20 L / 10 L as the case may be and also not making any inter-state supply, then **GTA is not required to Register**

Registration of GTA

Case – 3 :

Exempted GTA Services – Carrying only Specified Goods – No Need to Register

As per [Notification No. 9/2017-Integrated Tax \(Rate\)](#), the 28th June, 2017,
Entry No : 22, Heading 9965 or Heading 9967 :

Services provided by a Goods Transport Agency, by way of transport in a goods carriage of Specified Goods are Exempted.

In case the GTA is engaged in exclusively carrying those supplies then he is **not required to register** by following **Sec 23(1)(a) of CGST Act** which stipulates that Person Supplying **wholly exempted** good or services : **not be liable to registration.**

That means GTA supplying exclusively to Specified Category Recipients on Reverse Charge (as per [Notification No. 13/2017- Central Tax \(Rate\)](#)) and / or exclusively carrying only Specified Goods (as per [Notification No. 9/2017-Integrated Tax \(Rate\)](#)) need not register.

Case – 4 :

GTA Opting to Pay GST @ 12% & Avail ITC – Need to Register

In case GTA opt to pay GST @ 12% and avail ITC as per [Notification No. 20/2017 – Central Tax \(Rate\)](#), then he supposed to be registered.

The GTA opting to pay GST @ 12% under this entry shall, thenceforth, be liable to pay GST @ 12% on all the services of GTA supplied by it”.

Other Issues related with GTA

If goods are transported in semi-knocked own condition

When goods are transported in semi knocked down condition, the **complete invoice** shall be issued **before dispatch** of the first consignment.

Delivery challan shall be issued for subsequent consignments. **Original copy** of invoice shall be sent along with the **last consignment**.

Other Issues related with GTA

Rules for Transporter or ware houses u/s 35(2)

Rule:55. Transportation of goods without issue of invoice:

(1)For the purposes of:

- supply of liquid gas where **the quantity** at the time of removal from the place of business of the supplier is not known,
- transportation of goods **for job work**,
- transportation of goods for reasons other than by way **of supply**, or
- such other supplies as may be notified by the Board,

Other Issues related with GTA

Records to be Maintained by GTA

As per Sec 35(2) of CGST Act : Every owner or operator of warehouse or godown or any other place used for storage of goods and every transporter, irrespective of whether he is a registered person or not, shall maintain records of the consigner, consignee and other relevant details of the goods in such manner as may be prescribed.

Further, Rule 58(4) of CGST Rules states Subject to the provisions of Rule 56

- (a) any person engaged in the business of transporting goods shall maintain records of **goods transported, delivered and goods stored** in transit by him along with the **Goods and Services Tax Identification Number** of the registered consigner and consignee for each of his branches.
- (b) every owner or operator of a warehouse or godown shall maintain books of accounts with respect to the period for which particular goods remain in the warehouse, including the particulars relating to dispatch, movement, receipt and disposal of such goods.

GTA – Relevant Notifications

Notification No. 11/2017-Central Tax (Rate) Dt 28th June, 2017

Notification 12-2017 dated 28 June 2017

Notification No. 13/2017- Central Tax (Rate) Dt: 28.06.2017

Notification No. 20/2017 – Central Tax (Rate) dt. 22.08.2017

Part-II

E-Way Bill

E-Way Bill

As per notification no 27/2017 dt 30.08.2017 read with 74 dt 29.12.2017, E-WAY bill will be effective w.e.f 01.02.2018

Rule138:- Information to be furnished prior to commencement of movement of goods and Generation of e-way bill.-

Every registered person who causes movement of goods of consignment value **exceeding fifty thousand rupees**—

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

E-Way Bill

But in case of Job work or Handicraft goods –
e-way bill will be generated by the supplier
Irrespective of value of the goods

- **the recipient** may generate the e-way bill at portal
- **Transporter** can also generate the e-way bill except in case of Railway, Ship OR Air
- Any 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 conveyance in the e-way bill on the common portal in **FORM GST EWB-01(Part-A&B)**:

E-Way Bill

- **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.
- the e-way bill **may be cancelled electronically** on the common portal with in **twenty four** hrs if has not been verified during transit.
- shall be valid for the period **one day if distance is up to 100 km.** and so on. If not possible new e-way bill can be generated.
- recipient of good or registered person **shall confirm his acceptance for the good** against e-way bill generated on portal. If he fails, to do so with in 72 hrs, it will be deemed to be accepted.

E-Way Bill

FORM GST EWB-01

(See rule 138)

PART-A

- GSTIN of Recipient
- Place of Delivery
- Invoice or Challan Number
- Invoice or Challan Date
- Value of Goods
- HSN Code
- Reason for Transportation
- Transport Document Number

PART-B

- Vehicle Number

Cases where e-way bill not required

1. E-way bill not required if distance is less than ten km where the goods being transported are specified in **Annexure**;
2. where the goods are being transported by a **non-motorised conveyance**;
3. where the goods are being transported 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**; and
4. **Area as notified** where movement of good does not need e-way bill

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

(a) the invoice or bill of supply or delivery challan or BE as the case may be; and

(b) a copy of the e-way bill or the e-way bill number, either physically or mapped to a Radio Frequency Identification Device embedded on to the conveyance in such manner as may be notified by the Commissioner

Consequences of non-conformance to E-way bill

If e-way bills, wherever required, are not issued in accordance with the provisions contained in Rule 138 of the CGST Rules, 2017, the same will be considered as contravention of rules.

As per Section 122 of the CGST Act, 2017 (sub clause-XIV) a taxable person who transports any taxable goods without the cover of specified documents (e-way bill is one of the specified documents) shall be liable to a **penalty of Rs.10,000/-** or tax evaded (wherever applicable) **whichever is higher.**

As per Section 129 of CGST Act, 2017, where any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made there under, all such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyance **shall be liable to detention or seizure**

Thank You