



E-Way Bills During Lockdown

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Why in News

Recently, the transporters have raised concerns over potential penalties arising from expired electronic way (e-way) bills.

- Since 15th March, 2020 when states started to lock their borders down culminating in a national **lockdown** announced by the Centre, hundreds of truckers have been stranded across the country.
- In a petition to the Ministry of Finance, a group of truckers pointed out that the e-way bills could not be extended by the transporters on account of closure of offices, godowns and unavailability of staff.
- Truckers requested for the issue of immediate directions/guidelines to GST Commissioners (all States/UTs) to allow the vehicles in transit and goods not delivered to be exempted from any scrutiny or penal provisions to reach their destination smoothly, even if the e-way bill had expired.

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 **a e-way bill on the GST portal**.
- An electronic way bill or 'e-way bill' system offers the **technological framework to track intra-state as well as inter-state movements of goods of value exceeding Rs 50,000, for sales beyond 10 km** in the Goods and Services Tax (GST) regime.
- When an e-way bill is generated, **a unique E-way Bill Number (EBN) is allocated** and is available to the supplier, recipient, and the transporter.

- It was launched to
 - Facilitate faster movement of goods.
 - Improve the turnaround time of vehicles.
 - Help the logistics industry by increasing the average distances travelled and reducing the travel time as well as costs.

E-Way Bill Rules

- According to notified e-way bill rules, every supplier requires **prior online registration** on the e-way bill portal for the movement of goods.
- **Tax officials** have the power to scrutinise the e-way bill at any point during transit to check tax evasion.
- **Validity :**
 - The rules also specify that the permits for conventional cargo (other than over-dimensional cargo) are **valid for one day for the movement of goods for 100 km**, and in the same proportion for the following days.
 - In general, validity of the **e-way bill cannot be extended but a commissioner may extend** the validity period only through issuing notification for certain categories of goods.
- **Penalty for goods moved without generating a valid e-way bill:**
 - A fine of Rs 10,000 or amount of tax sought to be evaded, whichever is higher, may be imposed by tax authorities.
 - In such a situation, goods, and the vehicle transporting them, can be detained or seized.
- An e-way bill can be regenerated by the transporter before expiry, but, **if the e-way bill has expired, the system won't allow regeneration** linked to the same invoice.

Source: IE