

Table Agenda

35th GST Council Meeting – 21st June 2019

Agenda Item 13: Any other agenda item with the permission of the Chairperson

Agenda Item 13(i): Blocking and unblocking of e-way bill facility as per the provision of Rule 138E of CGST Rules, 2017

The provisions of rule 138E of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the CGST Rules) have been made operational with effect from 21st June, 2019 *vide* notification No. 22/2019-Central Tax dated 23rd April, 2019. It provides that e-Way bill cannot be generated by a registered person, whether as a supplier or a recipient, if he has not furnished his return for two consecutive tax periods. The facility to generate e-Way bill would become available to such registered person as soon as he furnishes his returns for both the tax periods or at least for one tax period.

2. The proviso to Rule 138E of the CGST Rules, however, provides that the Commissioner can allow generation of e-Way bill even if the returns for consecutive period of two tax periods have not been furnished subject to such conditions and restrictions as may be specified by him. It has been informed that GSTN/NIC has developed **FORM GST EWB-05** and **FORM GST EWB-06** to operationalize the facility provided in proviso to rule 138E. However, the requisite **FORM GST EWB-05** and **FORM GST EWB-06** have neither been approved by the Law Committee nor been notified so far. Further the API integration related to said Forms is also required to be completed by Model -1 States/CBIC.

3. Accordingly, it is proposed that the provision of rule 138E for blocking of e-Way bills on account of non-filing of returns for two consecutive tax periods may be introduced after another two months, i.e. with effect from 21st August 2019. Accordingly, it is proposed to amend notification No. 22/2019-Central Tax dated 23rd April, 2019 so as to make the provisions of rule 138E effective from 21.08.2019.

4 The issue is placed before the GST Council for approval of proposal at paragraph 3 above.