CHAPTER 12
Accounts, Records & E-Way Bill

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01. Account & Records

Sec 35: Accounts & Records & Imp. Definitions

Q1. 'Pihu' Ltd. has its registered office, under the Companies Act, 2013, in the State of Maharashtra from where it ordinarily carries on its business of taxable goods. It also has a warehouse in the State of Telangana for storing said goods. What will be the place of business of 'Pihu' Ltd. under the GST law? [MTP I May 24]

(a) Telangana

(b) Maharashtra

(c) Both (a) and (b)

(d)Neither (a) nor (b)

[**Reason**: Refer sec 2(85) – definition of place of business.]

Sec 36: Period of retention of Accounts

Q2. Mouriya & Co, registered in Tamil Nadu, is a textile manufacturer. For Financial year 2017-18, the due date of furnishing annual return in GSTR-9 was 07.02.2020. But their accountant submitted the same on 07.03.2020. No appeal or revision or investigation was faced for the said financial year by the firm. Mouriya & Co will be required to retain books of accounts and other records maintained under the CGST Act, 2017 for FY 2017-18 until ________. [ICAI Case 9 Sub-Q1] [ICAI Case 34 Sub-Q4 - Similar]

(a) 31.03.2024

(b) 07.03.2025

(c) 07.02.2026

(d) 07.03.2026

[**Reason**: Refer **sec 36**- books of accounts must be retained for **6 years (i.e. 72 months) from 07.02.2020** (due date of filing annual return for FY 17-18), not from actual filing date (07.03.2020). Thus, records must be kept until **07.02.2026**.]

Q3. A registered person, who is under investigation for an offence under Chapter XIX, needs to retain the books of accounts/other records pertaining to such investigation until the expiry of:

(a) 72 months from the due date of furnishing of annual return for the year pertaining to such accounts and records.

(b) 1 year after final disposal of such investigation.

(c) (a) or (b), whichever is later

(d) None of the above

[**Reason**:- Refer Sec 36]

02. E-Way Bill Provisions

Requirement to generate e-way bill

Q4. If a person is registered under GST then Does he need to get registered on the E – way Bill system?

(a) Yes (b) No

(c) As notified by the appropriate authority

(d) None of the above

[**Reason**:- It is mandatory to get enrolled on e-way bill portal whether the person has GSTIN or not]

Q5. M/s ABC Associates, a CA firm of Pune provides certain services to their clients who are unregistered under GST. Who shall generate e – way bill in the given case?

(a) M/s ABC Associates (b) Client

(c) Not applicable in case of service

(d) None of the above

(**Reason**: - E-way bill provisions apply only to movement of goods)

Q6. Prakash & Sons operates from Maharashtra with branches in Gujarat and Madhya Pradesh, all under same PAN but registered separately under GST. The Maharashtra office transferred goods worth ₹ 6 lakh to its Gujarat branch on a delivery challan, without charging tax. An e-way bill was generated. Is the e-way bill valid for a stock transfer? [ICAI Case 11 Sub-Q2]

(a) No, e-way bill is for taxable supplies only

(b) Yes, e-way bill is required for movement of goods

(c) No, if value is under ₹ 10 lakh

(d) Yes, if between branches only

[**Reason**: Here, e-way bill is required for movement of goods, even for stock transfers, as consignment value exceeds ₹ 50,000.]

Q7. Food Xpress Ltd. is an online food delivery aggregator registered in Delhi. Aroma Cafe sent food items to its other outlet in Noida without generating e-way bill, assuming food is perishable and not covered. Is e-way bill required for movement of food between Aroma Cafe outlets? [ICAI Case 12 Sub-Q2]

(a) No, as food is perishable

(b) Yes, for all goods > ₹ 50,000

(c) No, if distance is below 50 km

(d) Yes, only if transported by hired vehicle

[**Reason**: E-way bill is required for movement of goods exceeding ₹50,000 even if perishable, unless specifically exempted.]

Q8. Mr. Raju, proprietor of Raju Stationery Mart, is registered under GST in Pune, Maharashtra. It purchased 350 geometry boxes at value of ₹52,500 (exclusive of GST @ 5%) from Janta Store (unregistered person) in Dhanbad, Jharkhand. Is there any requirement to generate an e-way bill for purchases made from Janta Store? [ICAI Case 15 Sub-Q5] [ICAI Case 20 Sub-Q3 - Similar]

(a) No, as the same is not an outward supply.

(b) Yes, as value is exceeding ₹50,000, hence Raju Stationery Mart is required to generate an e-way bill.

(c) Yes, as value is exceeding ₹50,000 hence Janta Store (supplier) is required to generate e-way bill.

(d) No, as purchases are made from unregistered dealer, therefore no requirement to generate e-way bill.

[**Reason**: If there is a movement of goods of consignment value > ₹50,000 due to inward supply from an URP, **RP who causes such movement** shall furnish relevant information in Part A of Form GST EWB-01 before commencement of movement.]

Explanation 2 to Rule 138(1): Computation of consignment value for e-way bill

Q9. Raj Enterprises, a partnership firm registered under GST, is engaged in sale taxable and exempt goods in Odisha. It received a new order from Mr. Mathur of Kerala on 25th April & accordingly sold goods of ₹ 55,000 out of which goods worth ₹ 10,000 was exempt. The value of exempt goods is separately mentioned in the invoice and both goods are independent to each other. Rate of IGST was 18%. It issued a single invoice for both taxable and exempt supply of goods.

The Accountant advised the firm that the requirement of e-way bill is based on consignment value of goods supplied. Consignment value of goods supplied to Kerala to Mr. Mathur, in order to determine applicability of issue of e-way bill, is_____. [ICAI Case 7 Sub-Q2] [ICAI Case 38 Sub-Q2 - Similar]

(a) ₹ 64,900

(b) ₹ 55,000

(c) ₹ 45,000

(d) ₹ 53,100

[**Reason**: Refer **Explanation 2 to Rule 138(1)**- Single invoice is issued for taxable goods ₹ 45,000 plus IGST ₹ 8,100 and exempt goods ₹ 10,000. Consignment value for e-way bill = value of taxable goods & tax but exclude exempt supply = ₹ 45,000 + ₹ 8,100 = **₹ 53,100.**]

Q10. Kailash Furniture Store has registered office in Pune, Maharashtra under GST. It supplied one bed to be sent to Punjab on 15th July with following details:

S.No.	Particulars	Amount (₹)
1	Bed	48,500
2	GST 18%	8,730
3	Packaging	2,500
4	Freight paid by buyer (liability of Kailash furniture store)	3,500

What will be the consignment value for supply of bed to Punjab? [ICAI Case 14 Sub-Q3]

(a) ₹ 59,730

(b) ₹ 60,730

(c) ₹ 54,500

(d) ₹ 63,230

[**Reason**: Refer **Explanation 2 to Rule 138(1)**- Consignment value shall be value determined as per sec 15, declared on relevant document including tax (if any) but excludes exempt supply. Consignment value = Transaction value ₹48,500 + GST ₹8,730 + packaging ₹2,500 + freight paid by buyer ₹3,500 = **₹63,230**.]

E-way Bill in case of "Bill to Ship to" Model

Q11. X Electronics is a registered dealer of electronic items in Ahmedabad, Gujarat. Mr. A (registered in Rajasthan) purchased 5 mobile phones and instructed X Electronics to deliver these mobile phones to Mr. B in Pune, Maharashtra. Who is required to generate e way bill for supply of mobile phones? [ICAI Case 13 Sub-Q2]

(a) X Electronics

(b) Mr. A

(c) Both X Electronics and Mr. A since two supplies are involved in this case

(d) Either X Electronics or Mr. A but only one e way bill is required to be generated

[**Reason: Clarification (Press Release)**- For movement of goods from B to C on behalf of A (i.e. bill to-ship to cases), either A or B can generate e-way Bill, but only one e-way Bill is required to be generated. Assume consignment value exceeds ₹ 50,000, though ICAI is silent on this here.]

Cases where information in Part B of E-way bill is not to be furnished

Q12. Vedanshi & Co., a partnership firm registered under GST, is engaged in retail trade. It needs to transport one consignment to the transporter and then to the consignee. The distance within the same state between its godown and transporter is 20 kms and from place of transporter to consignee is 99 kms respectively. Which of the following statements is true in respect of furnishing of details of conveyance in Part B of e-way bill? [ICAI Case 42 Sub-Q3]

(a) Part B need not be filed in respect of transport of consignment from Godown of Vedanshi & Co. to transporter location.

(b) Part B need not be filed in respect of transport of consignment from transporter location to consignee's location.

(c) Information in Part-B is neither required in transport of consignment from Godown of Vedanshi & Co. to transporter location nor from transporter location to consignee's location.

(d) Information in Part-B is mandatory in transport of consignment from Godown of Vedanshi & Co. to transporter location and from transporter location to consignee's location.

[**Reason**: Refer **rule 138(7)-** 1) Distance from place of business of Vedanshi & Co. to that of transporter is 20 kms i.e. not more than 50 kms within State, hence details of conveyance may not be furnished in Part-B of e-way bill. 2) Distance from place of business of transporter to that of consignee is 99 kms i.e. more than 50 kms, hence details of conveyance is to be furnished in Part-B.]

Rule 138(9): Cancellation of e-way bill

Q13. Vidhula Impex Ltd. (registered under GST) is engaged in supplying sports goods. In February, it generated an e-way bill for inter-State transport of goods. However, immediately on generation of the e-way bill, the buyer cancelled the order before it was dispatched from the factory for delivery. Which of the following statements is correct in respect of e-way bill generated for goods in February for which order was cancelled? [ICAI Case 25 Sub-Q5]

(a) Once generated, E-way bill cannot be cancelled

(b) E-way bill can be cancelled within 24 hours of generation

(c) E-way bill can be cancelled within 48 hours of generation

(d) E-way bill can be cancelled within 72 hours of generation

[**Reason**: Refer **rule 138(9)-** If e-way bill is generated but goods are either not transported or not transported as per details furnished in e-way bill, e-way bill may be cancelled electronically on common portal within 24 hours of generation.]

Q14. Kailash Furniture Store has registered office in Pune, Maharashtra under GST. It received an order from Arambh Associates for the supply of 50 revolving office chairs but by mistake they loaded 50 dining chairs and an e-way bill was also generated for this transaction. This consignment was verified in transit. Whether Kailash furniture store can cancel e-way bill generated for supply made to Arambh Associates? [ICAI Case 14 Sub-Q4]

(a) Yes, Kailash furniture store can cancel e-way bill within 24 hours of generation of the same

(b) Yes, Kailash furniture store can cancel e-way bill within 48 hours of generation of the same

(c) No, once e-way bill is generated cannot be cancelled

(d) No, an e-way bill cannot be cancelled if it has been verified in transit by officers

[**Reason**: Refer **rule 138(9)-** E-way bill may be cancelled electronically within 24 hours of generation. However, an e-way bill cannot be cancelled if it has been verified in transit in accordance **with Rule 138B.]**

Rule 138(10): Validity of e-way bill

Q15. ABC Ltd. generated e-way bill on 12th February at 14.00 hrs. It transported over-dimensional cargo for a distance of 100 km. The validity period of the e-way bill will expire on ____ if there is no extension of the same. [MTP-I Sep 25]

(a) Midnight of 13th-14th February

(b) Midnight of 17th-18th February

(c) At 14.00 hrs. of 13th February

(d) At 14.00 hrs. of 14th February

(**Reason**:- Validity period shall be counted from the time at which e-way bill is generated & each day shall be counted as the period expiring at midnight of the day immediately following the date of generation of e-way bill)

Q16. Sanu Associates, Delhi dealing in garments has ordered ladies suits from Sahiba Garments in Ludhiana (Punjab) which is 350 km away from its warehouse. E-way bill is generated by Sahiba Garments and the order is coming by a normal cargo. For how many days will the e-way bill be valid from the time it is generated? [MTP I May 24] [MTP II Jan 26]

(a) 24 hours (b) 2 days

(c) 5 days (d) 7 days

[Reason:- For normal cargo, Validity period is 1 day for every 200 km**]**

Rule 138(14): Cases where no need to generate e-way bill

Q17. XYZ Private Limited, registered in Delhi, manufactures and distributes electronic goods. It took a new warehouse on rent near its factory in Delhi. The goods are being transported between the factory and new warehouse in non-motorized cart. The value of such goods transported in single trip is up to ₹ 5 lakh. Which of the following statements is correct in relation to the issuance of e-way bill for transportation of goods between factory and warehouse in non-motorized cart? [ICAI Case 24 Sub-Q4]

(a) E-way bill is required to be issued by the company for each instance of transportation of goods irrespective of the consignment value of goods

(b) E-way bill is not required to be issued in given case irrespective of the consignment value of goods

(c) E-way bill is required to be issued for goods of the consignment value above ₹ 50,000

(d) E-way bill is required to be issued for goods of the consignment value above ₹ 1,00,000

[**Reason:** Transportation undertaken by non-motorized conveyance does not require e-way bill irrespective of value of goods being transported between factory and warehouse.]

Answer:-

01	c
02	c
03	c
04	a
05	c
06	b
07	b
08	b
09	d
10	d
11	d
12	a
13	b
14	d
15	b
16	b
17	b