Delivery Challan Format

Rule 55 — when you may move goods without a tax invoice

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A delivery challan moves goods without a tax invoice. Rule 55(1) allows it for the supply of liquid gas where the quantity is not known at the time of removal, for transportation of goods to a job worker, for transportation for reasons other than by way of supply, and for other notified cases.

The question that decides how you fill it in is whether the movement is a SUPPLY to the consignee. If it is, taxable value and tax must appear on the challan. If it is not, the goods are moving but nothing is being sold, and the tax block stays empty.

Reason for issue — and whether tax applies

Reason	Supply?	What that means
Job work — goods sent to a job worker	No	Not a supply. No tax columns. Track the return leg; ITC-04 reports it.
Job work — goods returned by the job worker	No	Not a supply. Reference the outward challan number.
Supply of liquid gas (quantity unknown)	Yes	Rule 55(1)(a). Quantity is provisional; invoice follows on actual delivery.
Transport in SKD/CKD condition or in lots	Yes	Rule 55(5). Full invoice before the FIRST consignment; original invoice travels with the LAST.
Goods sent on approval / sale or return	Not yet	Invoice when approved, or 6 months from removal — whichever is earlier (s.31(7)).
Branch or godown transfer, same GSTIN	No	Not a supply within one registration. Two DIFFERENT GSTINs = it IS a supply — raise a tax invoice.
Goods sent for exhibition or demonstration	No	Not a supply until sold. Treat like sale-or-return.
Goods sent for repair / testing / calibration	No	Not a supply. Watch the return timeline.
Other movement not by way of supply	No	Rule 55(1)(c). State the reason plainly on the challan.

What the challan must contain — Rule 55(1)

	Requirement	Note
(i)	Date and number of the delivery challan	Consecutive, unique in the FY.
(ii)	Name, address and GSTIN of the consignor	If registered.
(iii)	Name, address and GSTIN or UIN of the consignee	If registered.
(iv)	HSN code and description of the goods	
(v)	Quantity	Provisional where the exact quantity is not known.
(vi)	Taxable value	Only where the movement is a supply.
(vii)	Tax rate and amount — CGST, SGST/UTGST, IGST, cess	Only where the movement is a supply.
(viii)	Place of supply, for inter-state movement	
(ix)	Signature	Consignor or authorised signatory.

Three copies — Rule 55(2)

	Requirement	Note
Original	ORIGINAL FOR CONSIGNEE	Travels with the goods.
Duplicate	DUPLICATE FOR TRANSPORTER	Carried by the transporter.
Triplicate	TRIPLICATE FOR CONSIGNOR	Stays with you.

The four that cause trouble

E-way bill. A delivery challan does not replace one. Consignment value above Rs 50,000 needs an e-way bill under Rule 138, and some states set higher intra-state limits. Validity is one day per 200 km, counted to midnight of the following day — gstextract.com/e-way-bill-validity.

SKD/CKD and lot-wise despatch — Rule 55(5). Raise the COMPLETE invoice before the first consignment leaves. Every consignment travels on its own delivery challan referencing that invoice, with a certified copy of it. The ORIGINAL invoice goes with the last consignment.

Goods sent on approval. The supply happens when the goods are approved, or six months from removal, whichever is earlier — section 31(7). Nothing prompts you; the date simply passes.

Job work. Inputs must return within one year, capital goods within three. Miss it and the movement is deemed a supply on the day the goods were sent out, with interest running from then. ITC-04 reports the movement.

Generated 2026-07-28. A working aid, not legal advice — check Rule 55 and your state's e-way bill limits before relying on it. Editable Excel version, with the reason dropdown that decides the tax columns, at gstextract.com/delivery-challan-format.