Linking FASTags with GST e-Way Bills

Why in news?

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Union government has proposed to link FASTags with GST e-way bill.

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What is a FASTag?

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- The fast tag (FASTag) are a Radio Frequency Identification Card (RFID) pasted to the windscreen of the vehicle.
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- These tags store data such as vehicle registration, class of vehicle, engine and chassis number, etc., these details will help to arrive at the exact toll to be charged.
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- The system operates on the lines of a prepaid phone card, which enables electronic payment at tolls on national highways.
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- An RFID reader which is installed few meters from the toll plaza will act a sensor and verify tags validity and the account balance.
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- If the amount is available with the prepaid card, the vehicle may pass through.
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- Where there is a discrepancy in the cardthe vehicle will be alerted to eject from the lane, and pass through the eject lane.
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- The vehicle can pass any number of toll plazas, all over the country, as long as there is amount in the account, and it can be recharged

once the amount gets depleted.

What is a GST e-way bill?

- The e-way bill can be electronically generated (on the government portal) either by the supplier or recipient of the consignment, before the movement of goods.
- The transporter needs to carry an electronically generated way bill by GSTN, with every consignment having value exceeding INR 50,000.
- E-way bill generated will have origin and destination of vehicle, time at which vehicle has to depart, and the number of days it will take to reach its destination, among other particulars.

What is the significance of the recent proposal?

- The unique number embedded in FASTags will be linked with the e-way bill generated by the Goods and Services Tax Network (GSTN).
- The move will effectively prevent chances of vehicles transporting goods to places other than those declared.
- FASTags can apprise the GSTN and other State enforcement authorities of the route that the vehicle is taking on the national highways, and whether it is as declared.
- This move will helpful when any vehicle is stuck mid-way for some reason, an application for extension of time can be expected in advance.
- At the same time if the transporter asks for an extension of dates in

the e-way bill, the data can be cross-checked.
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Source: Business Line

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