

## E-Way Bill Integration with FASTag, RFID

## Why in News

The Union Government has integrated the E-Way Bill (EWB) system with FasTag and RFID.

## **Key Points**

- Electronic Way (E-Way) Bill:
  - **<u>E-Way Bill</u>** is usually a unique bill number generated for the specific consignment involving the movement of goods.
  - Under the <u>Goods and Services Tax</u> (GST) regime, EWBs are mandatory for inter-state transportation of goods valued over Rs. 50,000 from April 2018, with the exemption to precious items such as gold.
  - It is a mechanism to ensure that goods being transported comply with the GST Law and is a tool to track movement of goods and check tax evasion.

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- FASTag:
  - The **FASTag** is a reloadable tag that **allows automatic deduction of toll** without having to stop for carrying out the cash transaction.
  - The tag uses **Radio Frequency Identification (RFID) technology** and is fixed on the windscreen of the vehicle once active.
    - RFID is the **use of radio waves to read and capture information** stored on a tag attached to an object.
    - A tag can be read from up to several feet away and does not need to be within the direct line-of-sight of the reader to be tracked.
  - From 15<sup>th</sup> February, 2021, FASTag has become compulsory for all vehicles across the country.
  - It is operated by <u>National Highway Authority of India (NHAI)</u>.
- Significance of Integration:
  - **Large Movement of Goods Vehicles:** On an average, 25 lakh goods vehicle movements from more than 800 tolls are reported on a daily basis to the E-Way Bill system.
  - Live Vigilance: The integration of EWB, RFID and FASTag will enable tax officers to undertake live vigilance in respect of EWB compliances by businesses.
    - Taxmen can now access reports on vehicles that have passed the selected tolls without e-way bills in the past few minutes.
  - Stop Revenue Leakage : It will aid in preventing revenue leakage by real-time identification of cases of recycling and/or non-generation of EWBs.

Source:IE

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