# RFID Technology in GST E-way Bills

## What is the issue?

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- Union government planned to implement e-way bills from 1st Feb 2018 but it was postponed. Click here to know more GST e-way bill.
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- The challenges in implementing the e-way bill can be addressed using RFID technology.
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## What was the decision on e-way bill?

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- The e-way bill is virtually an electronic version of the way bill in the value-added tax (VAT) regime which required to be carried as a physical printout for the benefit of the checking authorities.
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- Union government had made a compulsory introduction of the electronic way (e-way) bill from February 1, for the movement of consignments above Rs 50,000.
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- The decision was even accepted by 15 states to follow the same deadline for the introduction of intra-state e-way bills.
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- But due to practical challenges of patchy implementation of the goods and services tax (GST) the decision was postponed indefinitely.
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## What are the challenges incurred in e-way bill operation?

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- The network which is being used for the e-way bill was ill-equipped to bear the increased load points.
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- The GST Network portal had crashed in several states two days before, bringing truck movements to a virtual standstill.
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- This e-replication of the provision of the VAT regime created an interminable queues at inter-state checkpoints.
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- The failure escaped media scrutiny due to the tabling of Union Budget.
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## What are measures being considered by the government?

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- Government is planning to introduce e-way bill system for intra-state movements first and testing the network’s load-bearing ability before rolling it out for inter-state movements.
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- The possibility of initially limiting the e-way bill to higher value consignments is other one.
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- RFID tags for goods or consignments is also on the discussions as a useful alternative.
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## How a RFID tag will address the issue?

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- Radio frequency identification (RFID) these tags are being used in our day today life from supermarkets to toll collection.
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- RFID tags has been already introduced in India for improving traffic management, for new vehicles registration etc.
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- RFID tags for e-way bill can be used through loading the information about the consignment which is being carried through the vehicle which already has a RFID.
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- When a vehicle crossing any toll gate the RFID will be scanned and information regarding the consignment with precise GST number will be gathered.
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- The collected information will be updated through an online portal and can be used further by any concerned agencies.
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**Source: Business Standard**

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