



Advisory Services Private Limited

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AI-Driven Scrutiny of E-Waybill & FASTag Data by GST Authorities

Movement of Goods Under GST? Be Alert!



The GST Department has initiated a new form of litigation by leveraging **Artificial Intelligence (AI)** to verify the movement of Goods

What's Happening?

- **E-waybills** include **vehicle numbers**, and most vehicles are linked to **FASTag** for toll payments.
- If an e-waybill shows movement of goods with longer distance where the said movement passes through a Toll Naka then (e.g., 200 kms), toll deduction via FASTag is expected.
- **No toll deduction?** The department may presume **no actual movement**, leading to:
 - ✓ **Summons/SCNs** for fake invoicing,
 - ✓ **Denial of Input Tax Credit (ITC)** at the recipient's end for non-receipt of goods.



- A pact has been signed between **Indian Highways Management Co. Ltd.** and the **GST Portal** to integrate e-waybill and FASTag systems.
- The **GST Council approved this in principle back in 2019.**

Tips to Avoid Penalties

1. Update Contracts with transporter to mandate submission of toll receipt or FASTag Statement
2. If the route is toll free, retain documentation as proof of no toll presence.
3. Match E-Waybills, transport logs, and toll data for audit readiness



Judicial View:

Allahabad High Court in case of Anil Rice Mill has held that since **toll receipts were not produced** there was no movement of goods as it serves as valid proof of **actual receipt of goods**, a key condition under **Section 16** for availing. [2024] 166 taxmann.com 314 (Allahabad)/[2024]