NPCI/2021-22/NETC/008   **24ᵗʰ March, 2022**

To,

All Members participating in NETC Product

Dear Sir/Madam,

Subject: Tag issuance process for Issuer Bank/Entity and addition of New exception codes in NETC Ecosystem

NETC ecosystem has grown exponentially in the recent times. Today, NETC is operational with 48 Mn FASTags on 1000+ toll plazas, including 200+ toll plazas on State Highways and an additional of 53 Parking Plazas across the country.

To manage the tag status at plazas and to ensure fast movement, it was adopted to have 3 exception codes (Blacklist, Low Balance and Exempted). However, with the increased size of the NETC FASTag registered user base, NPCI has created additional exception codes to manage the tag status in a more structured way.

The additional exception codes are: Hotlist, Closed/ Replaced and Invalid Carriage.

NETC Stakeholders are requested to incorporate this update in the ecosystem as per the attached guidelines (Refer Annexure 1). The new guidelines will be implemented from 30ᵗʰ June 2022.

Please note that additional certification is not required to be completed by Banks/ Entities. All the Member Banks/ Entities would be required to share confirmation of readiness by 29ᵗʰ June 2022.

Kindly make a note of contents herein and disseminate the same to the relevant stakeholders.

For any queries or clarification, please contact the following officials:

Name	E-Mail ID	Mobile Number
Vipeesh Kumar	vipeesh.kumar@npci.org.in	9892227037
Avishkar Ghogare	avishkar.ghogare@npci.org.in	9370085186

Yours faithfully,

SD/-

Kunal Kalawatia,

Chief of Product

Enclosed: Annexure 1

Annexure 1

Proposed Process:

Following is the list of new exception codes incorporated by NPCI:

Exception Code	Category	Definition	Priority
01	Hotlist	Tags in negative balance or Tags with violations.	1
02	Exempted	Tag exempted from toll fare as per NHAI/MoRTH guidelines except for tags of vehicles belonging to customer with physical disability.	2
03	Low Balance	Tag with customer account balance below minimum threshold limit but not in negative balance.	3
04	Invalid Carriage	Tag of vehicle owned by customer with physical disability.	2
05	Blacklist	Tag Blacklisted by RBI, IHMCL/NHAI, Central/State law enforcement, police, defense etc.	1
06	Closed/ Replaced	Tag of customer who closes account, surrenders tag or switches to a new Issuer bank/ entity.	1

Operating guidelines for addition or removal of a tag in respective exception codes will be as follows:

1. **Hotlist (01):**
   a. The current exception code description and definition of 01 code will be changed to Hotlist.
   b. All existing 01 tags will remain in the same exception code.
   c. Henceforth, a tag can be added in 01 only by respective Issuer bank [own registered tag only].
   d. A tag can be added/ updated in 01 by respective Issuer bank only if a tag is in negative balance or vehicle mapped to the tag is in violation of NETC Procedural guidelines.
   e. A tag can be removed from 01 only by the respective Issuer bank.
   f. A new tag cannot be added in 01 while Tag registration.
   g. A new tag cannot be assigned to a vehicle if its mapped tag is present in 01 exception.

2. **Exempted (02):**

   a. All existing 02 tags will remain in the same exception code.

   b. Henceforth, a tag can only be added/updated in 02 by specific authorized Issuers as per notification from IHMCL.

   c. A tag cannot exist in 04 exception code if it is already in 02 exception code.

3. **Low Balance (03):**

   a. A tag can be added/ updated in 03 by respective Issuer bank only [own registered tag only].

   b. A tag can be removed from 03 only by the respective Issuer bank.

4. **Invalid Carriage (04):**

   a. A tag can only be added/updated in 04 by specific authorized Issuers as per notification from IHMCL.

   b. A tag cannot exist in 02 exception code if it is in 04 exception code.

   c. The vehicles with 04 exception code will be exempted from toll fees on all toll plazas and will imitate the behaviour of 02 exempted tags in NETC ecosystem.

   d. Any ReqPay transaction in Merchant Type Toll for 04 Invalid carriages should be with transaction type NONFIN and amount Zero. The toll transactions should be declined otherwise.

   e. For other merchant types, transactions for 04 invalid carriages can be Debit, Credit, Non-fin with zero or nonzero amount.

5. **Blacklist (05):**

   a. A Tag can be added in 05 blacklist only by respective Issuer bank [own registered tag only] after direction from NPCI based on notification by RBI, GOI or any Law and Enforcement Agency in India.

   b. A tag with invalid IIN or an unregistered IHMCL/NHAI tag can be added in exception code 05 Blacklist by any acquirer bank.

   c. A new tag cannot be added in 05 while tag registration.

   d. A new tag cannot be assigned to a vehicle if its mapped tag is present in 05 exception.

6. **Closed/ Replaced (06):**

   a. A tag can be added in 06 only by respective Issuer bank [own registered tag only] after removing the tag from all the existing exception codes.

   b. Once a tag is added in 06 exception code, the tag cannot be removed from 06 or added in any other exception code.

   c. A new tag cannot be added in 06 while tag registration.

Exception Handling Mechanism and operating guidelines for Acquiring Banks/ Entities on New Exception codes will be as follows:

1. NPCI will continue to share the exception status of tags with acquiring banks/entities using the existing mechanism i.e. using Request Detail API, Query Exception API, Get Exception API and SFTP files (both consolidated as well as incremental).
2. Acquiring banks have to ensure that the tags with exception code 01 (Hotlist), 03 (Low Balance), 05 (Blacklist) and 06 (Closed/ Replaced) are not allowed to transact on any of the merchant sites or NETC FASTag acceptance points.
3. Acquiring banks have to ensure that the tags with exception code 02 (Exempted) and 04 (Invalid Carriage) are exempted from all toll fares as per the existing government guidelines.

The Tag Issuance and registration Process for Issuing Banks/ Entities is as follows:

1. Issuer Bank/ Entity should validate all the customer details and vehicle details (Vehicle Registration Number, Vehicle Identification Number, Engine Number, Gross Vehicle weight, Vehicle Type etc.) against the valid proofs before registering the details in Issuer database and NETC Database.
2. Issuer Bank/ Entity should ensure that the tag details are registered in NETC database as soon as the same are registered in Issuer database.
3. Issuer Bank/ Entity should ensure that one vehicle is being registered with only one tag by them on same day.