

**The Principal Commissioner (GST)
Department of Revenue, Ministry of Finance
Government of India, North Block, New Delhi**

**The Chairman
Central Board of Indirect Taxes & Customs
Department of Revenue, Ministry of Finance
Government of India, North Block, New Delhi**

Sub.: Impractical and cumbersome scenarios created in the road transport sector by the amendment vide Notification No.: 94 / 2020 – Central Tax dated 22-12-2020.

Respected Sir

We would like to introduce to your goodself All India Motor Transport Congress (AIMTC), as an apex body of Transporters - (both Cargo and Passenger segments) serving the industry since 1936 (84 years), representing the interest of approx. 1.94 crores Truckers, Buses, Tourist Taxi and Maxi Cab Operators. It is an umbrella body of covering over 3500 Taluka, Distt., State level Federations & Transport Associations on pan India basis. More than 20 crore people are directly and indirectly associated with this sector.

This is in reference to your notification 94/2020 in Sr. No 10 dated 22-12-2020 wherein amendment has been done in sub-section 10 of section 138 of CGST, to be effective from 01-01-2021.

The amendment has been notified without any consultation with the stakeholders or the affected segment. It is going through the enormous practical difficulties in doing business leading to disruption of movement of essential supplies like perishable items and medicines. It is also bereft of it is going to entail for major population of road transport sector.

We would like to bring to your notice that this amendment will have detrimental impact on the transporters/suppliers/traders as mentioned below;

At present E-way bill validity before amendment of CGST Rule 138 (10)

Sl. No.	Distance	Validity period (per previous rule)	Example (Pre amendment e-way bill validity)
(1)	(2)	(3)	A To B (1000km)
1.	Upto 100 km.	One day in cases other than Over Dimensional Cargo [<i>or multimodal shipment in which at least one leg involves transport by ship</i>]	Upto 100 km = 1 day
2.	For every 100 km. or part thereof thereafter	One additional day in cases other than Over Dimensional Cargo [<i>or multimodal shipment in which at least one leg involves transport by ship</i>]	E-way Bill validity is 1000/100 = 10 days

As per Notification 94/2020 in Sr. No 10, dated 22-12-2020, post amendment of CGST Rule 138 (10), following amendments are made substituting figures and letters of column no 2 (1) and 2 (2).

Sl. No.	Distance	Validity period (per previous rule)	Example (Post amendment e-way bill validity)
(1)	(2)	(3)	A To B (1000km)
1.	Upto 200 km.	One day in cases other than Over Dimensional Cargo [<i>or multimodal shipment in which at least one leg involves transport by ship</i>]	Upto 200 km = 1 day
2.	For every 200 km. or part thereof thereafter	One additional day in cases other than Over Dimensional Cargo [<i>or multimodal shipment in which at least one leg involves transport by ship</i>]	E-way Bill validity is 1000/200 = 5 days

The New Amendment in Section 138 (10) of the CGST **halves the time period that is allowed** for delivery of material. **This is not as per ground realities and does not take following circumstantial reasons of delay into account.**

The Transport sector is highly unorganized and more than 85% of the the trucking population is of small operators consisting of upto 5 trucks. This population is majorly illiterate and grown up from being owner drivers themselves. They are not at all tech-savvy and therefore any onus of generating e-way bill online by the Transporter will be counter-productive.

There are two segments in road transport sector:

- 1) Full Load Movement – Single Consignment form Origin to Destination
- 2) Part Load Movement – Here there are multiple small value consignments and involve multiple transshipments, segregation and consolidation for onward Journey.

Validity of E-way Bill of one day for every 200 kilometer travelled is not practical for the following circumstantial reasons:

- a) Part Load Movement entails multiple consignments and multiple e-way bills. A consolidated E-way Bill is generated wherein details of e-way bills
- b) Entering number of changed vehicles
- c) Deleting E-way Bill Numbers from consignments delivered and adding New numbers for fresh consignments picked en route.
- d) No-entry criteria in many states and Metro Cities for commercials vehicles of up to 18-24 hours, Vehicle impairment **and breakdown**, en route / jams / held up by any authorities / route diversion, road traffic accident etc
- e) Agitations, law & order situation, route diversions, lockdowns etc, where vehicle remain stranded for hours and sometimes days altogether.
- f) Factory is closed; delivery could be made beyond the prescribed time period. Conveyance reached destination and is waiting for unloading near the consignees premises.
- g) Party may not take delivery on time.
- h) Local holidays / festival holidays / factory holidays.
- i) It takes transporters at least 2-3 days to collect goods from various agencies/suppliers and then carry it to the destined place. This is a major problem for **Part Load Movement / Retail transportations / Small Traders.**
- j) Logistic challenges e.g. **shortage of labors, non-availability of trucks** to transport the goods etc.
- k) Humanitarian Grounds – Driver not well, or they leave for home during home.
- l) In remote rural area, remote hilly areas or villages there is no internet or mobile connectivity or there is no electricity for any updation if new vehicle no. in the E-way Bill.
- m) Force majeure conditions.

For the reasons of delays as above the proposed amendment in section 138 (10) must be revoked.

Our Hon'ble Prime Minister Sh. Narendra Modi Ji espouse the vision of ***“Corruption Free India”***, ***“Ease of Doing Business”*** and ***“Digital Transformation”*** of the present working ecosystem. But after the implementation of above amendment, the working environment will become highly chaotic and complicated and will further augment corruption and extortion on the roads.

The 100 km / day rule factored-in the delay caused on account of the above circumstances but the new amendment halves that time sending the major segment of transport sector in a tizzy.

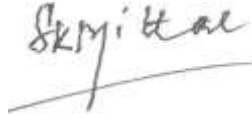
TIME LIMITS PRESCRIBED FOR VALIDITY OF E-WAY BILL IN SUB-SECTION 10 OF SECTION 138 OF CGST SHOULD BE REVISED TO EARLIER LEVEL OF 1 DAY FOR EVERY 100 KILOMETRE.

The above is a critical issue at hand and in light of practicality we request your goodself to consider the above in right earnest and rescind the proposed amendment as it will **disrupt the part load business segment of the road transport sector**, which is major part of it.

Thanking you
Yours faithfully



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