



ALL INDIA MOTOR TRANSPORT CONGRESS

THE APEX ORGANISATION OF MOTOR TRANSPORT OPERATORS AFFILIATING STATE/REGIONAL ASSOCIATIONS

Official Journal "motor transport"

By/RTH/57/2017-18
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Hon'ble Union Minister
Ministry of Road Transport & Highways
Government of India
Transport Bhawan, Parliament Street
New Delhi – 110001

Sub.: GST & Corruption ruining Road Transport Sector of India

Sir

Since the time of the present day Government coming to power the road transport sector has been for the constructive engagement with it.

Braving all odds it wholeheartedly supported the initiative to embrace cashless transactions during the Demonetization drive and still trying to adjust to new GST regime.

2.0) We have appraising our fraternity pan India on the developments vis-a-vis GST on pan India basis as they are evolving.

1.0) The Government of India **notified GST Acts on 12th April, 2017**. We apprised our fraternity on the provisions of ACT.

2.0) GTA was put under 5% RCM without ITC under Schedule of GST Rate for Services as approved in the 14th GST Council Meeting held **on May 19, 2017** at Srinagar

It provisioned for

- i) **5% RCM without ITC for GTA** (Notification No. 11/2017-Central Tax (Rate) the 28th June, 2017 Item 9 (iii))
- ii) **Exemptions for Truckers.** (Notification No. 12/2017- Central Tax (Rate) 28th June, 2017 (Item 18))

The same was again percolated down to our members.

3.0) **On June 19, 2017** Notification 05/2017 was issued **Exempting GTA from Registration under Reverse Charge Mechanism.**

4.0) Later, the 20th GST Council meeting held on 5 August 2017, the Council decided another scheme of **12% Forward Charge Mechanism (FCM) with ITC for GTA**, which was notified vide **Notification No. 20/2017 - Integrated Tax (Rate)** dated 22nd August, 2017.



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- 5.0) It is apparent that the Notification no. 20/2017 - Integrated Tax (Rate) is at the behest of some strong lobby **as the road transport sector never asked for it**. It is indeed an after-thought, which has confused the entire transport fraternity..
- 6.0) There is a strong undercurrent across the road transport fraternity of India that inspite of umpteen representations at various forums in last four months not a single clarification is forthcoming.
- 7.0) Since **70% of the operating cost** of trucking operations is **due to Diesel and Toll**, which is out of GST ambit, an emergent was convened on September 27, 2017 at New Delhi at the behest of road transport fraternity of India which was represented by senior members from across the country and unanimously the following resolution that
- i) **“No Registration & No Compliance for Transport sector”**
 - ii) **Diesel should come under GST ambit.**

8.0) Corruption Free India

Secondly, in consonance with the uncompromising resolve of our honourable Prime Minister for **Corruption Free India**, the road transport fraternity of India demands that a **strong Central SIT** must be constituted with penetration across all states with a **Common Helpline Number** so as to probe into and address issues of Corruption with ITOs, CTOs, RTOs, MVIs in the road transport sector and Toll Plazas as well, **in real time basis.**

We request that the above issues, already assuming critical proportions, must be taken up on serious note before the situation gets out of control.

Thanking you
Yours faithfully

S. K. Mittal
President
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