

29th December, 2020 / 18383

The Principal Commissioner (GST)

Department of Revenue,
Ministry of Finance
Government of India, North Block, New Delhi

Natubhai Patel
President

Hemant N. Shah
Sr. Vice President

K. I. Patel
Vice President

Pathik S. Patwari
Hon. Secretary

V. P. Vaishnav
Hon. Secretary (R)

Sachin K. Patel
Hon. Treasurer

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

Ref: 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.

Respected Sir

Greetings from Gujarat Chamber of Commerce and Industry (GCCI).

We would like to bring to your notice some of the difficulties that the above referred amendment will create, thereby having a detrimental impact on the transporters, suppliers as well as traders, who are currently trying their best to cope up with the Corona pandemic and regain normalcy. Sir, at present the E-way bill validity is one day for a distance up to 100 kms and one additional day for every 100 km or part thereof thereafter. However, the amendment which is going to be effective from 1st January, 2021 will reduce the validity time by half by making the validity for a day for 200 kms distance, thereby creating problems as mentioned below:

1. In case of a holiday coming in between, the validity of the E-way bill will expire mid-way thereby creating huge problems as the transporters are not well equipped technologically and logistically to renew the same. Also, renewal of the E-way bill will become a problem if the bill expires on a holiday or after the official hours.
2. The shortening of the validity period does not take into account unforeseen situations such as vehicle maintenance, breakdowns, traffic jams, delays due to checking of cargo at toll plazas, route diversions etc. which are common in the course of transportation.
3. Conveyance has reached the destination but the factory is closed so delivery could not be made within the prescribed time period.

4. 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. This is not considered in the new amendment.

Natubhai Patel
President

5. In remote rural areas, remote hilly areas or villages there is no internet or mobile connectivity or there is no electricity for updating of new vehicle no. in the E-way Bill.

Hemant N. Shah
Sr. Vice President

K. I. Patel
Vice President

Sir, we are receiving representations from both the transporters engaged in genuine activity particularly in small and short distance within the state as well as the trade and industry members that this amendment will cause unnecessary hassles and confusion. Also, there is an apprehension that if by mistake or unintentionally there is a lapse of extension of e-way bills it may result in heavy burden of penalty and unnecessary harassment.

Pathik S. Patwari
Hon. Secretary

V. P. Vaishnav
Hon. Secretary (R)

Sachin K. Patel
Hon. Treasurer

Sir, in view of the above issues, we strongly recommend that the 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, so that the trade and industry does not have to suffer unnecessarily due to no fault of theirs.

We look forward to your early positive decision in the matter.

With Regards,

Sincerely,



Natubhai Patel
President

Copy to:

The Chairman

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