



ALL INDIA MOTOR TRANSPORT CONGRESS

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

Official Journal "motor transport"

PRESS RELEASE

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THE CHIEF OF BUREAU
ELECTRONIC & PRINT MEDIA

SUB.: PATIENCE OF TRANSPORTERS FINALLY BREAKS THE THRESHOLD.

Respected Madam / Sir,

The lameduck hope of the transport fraternity that the Government of the day will considerably respond to their growing concern with respect to the most critical twin issue of Toll & Barrier Free India & Removal of TDS has fallen flat.

The AIMTC initiated efforts to meet Minister of Road Transport & Highways but the preset callousness elicited negative response on the issues from him. This is when the AIMTC has categorically stated that the road transport fraternity of India is not against the revenue of the Government but want **BARRIER FREE INDIA**. This would save colossal loss of the public money to the tune of Rs. 87,000 crore annually or 3 percent of the GDP, (as per IIM Kolkata study of 2010, which if extrapolated to present day may surely exceed to Rs. 1 lac crore.)

The callous approach of the Government to this sector has led to convening of Emergent Meeting of Managing Committee today, where the members air their disappointment with operations getting economically unviable and Government's apathy. It witnessed high voltage tempers from the industry leaders that led to adoption of unanimous resolution as a last ditch effort to save the industry from its imminent ruin.

The Transport fraternity of India cannot sustain operations in light of burgeoning corruption, harassment and time delays at the Toll Plazas and checkpoint barriers. They have decided not to pay Toll on road and want that the revenue may be collected as Indirect Tax and therefore proclaim "**BARRIER FREE INDIA**" and **removal of Toll plazas across the country.**

HERE ARE FEW ADVANTAGES OF ALTERNATE TOLL COLLECTION METHODOLOGY :-

- a) **Ease of Doing Business and Engender Efficiencies in Operations** - Time Saving and further free movement for another 100 Kilometres, this will also increase the average trip of truck from 250 km per day to 400 km per day.
- b) **Huge savings of precious diesel and time.**
- c) **Lower Logistics Cost that is highest in the World.**
- d) **Simplified, Transparent and Affordable Toll regime.**
- e) **Rationalized cost to road user and at affordable levels.**
- f) **Barrier Free Seamless Movement – One India in True Sense**
- g) **Revenue Realized Upfront - Earn Interest on the Same.**
- h) **Savings of Fuel and Inventory Delays – {Rs 87000 crore National Loss on checkpoints and barriers...as per IIM Kolkata study in 2010..if we extrapolate it as of now it would be around 1 lac crore.}**
- i) **Precious Foreign Exchange could be saved on account of fuel saving.**
- j) **Environment Savings on account of non wastage of fuel worth 1 lac crore at Toll Plazas and Barrier /check posts.**
- k) **Optimum Capacity Utilization of Rolling Stock.**
- l) **Zero compliance cost.**
- m) **Control Leakages, Harassment & Corruption of the Road Users.**
- n) **Private Vehicles may be allowed to move freely across the Highways.**
- o) **Pro – People and Enhancement of Govt.'s Image and Goodwill.**



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Further, the levy of TDS on the Transport Sector has unleashed utter confusion and other practical difficulties like cash flow constriction, difficulties in keeping records, collecting TDS certificates, reconciling and taking refund of TDS, on deposit of TDS by the consignor are well obvious. The working capital is raised at a high cost of about 12 – 14%.

The road transport fraternity cannot sustain under any further financial burden therefore demands that the **amendment to section 194 C of the in the Finance ACT 2015 be repealed and to restore the TDS provisions (vis-a-vis road transport) to pre-Finance Act 2015 position.** The trucking sector is already under Tax Net under section 194 C as per declaration under 26 Q at zero percent and it must be restored.

The members who converged from across the country unanimously resolved to suspend their operations nationwide from morning of October 01st, 2015.

The Industry is already going through deep financial crunch. With hair-thin margins, abnormally delayed payments and now the operators also incur interest cost on working capital raised at high rates is leading to back breaking scenario and is brewing acute discontentment in the sector.

Revocation of Applicability of Speed Governor on Old Vehicles.

Already vehicles' speed is revised to 80km/hour, old commercial vehicles cannot run at a speed of more than 60 km per hour. Imposition of speed governor on old vehicles is futile and is done with an aim to favour its manufacturers. The private vehicles are exempted from applicability of speed governor but it is conditional on commercial vehicles only.

We demand revocation of the applicability of Speed Governor on old / existing vehicles.

It's now time for the Government to awake up and take note of the wave of disappointment and resentment among the fraternity at the utter callousness of the Government towards this sector.

We thank our friends from Print & Electronic Media for appreciating our cause as Corruption and Harassment free environment could be achieved through prudent policy initiatives, which are SIMPLE, TRANSPARENT, & AFFORDABLE. We request as well hope that you will educate the Government through your esteemed media on the justifiable demands of this sector, which are in the interest of the Nation.

Thanking you
Yours faithfully

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