



# AILBIEA calls for improved port infrastructure & Customs facilitation, rationalisation of business & taxation policies

**Nadir Godrej conferred Lifetime Achievement Award at anniversary celebrations**

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THE presenting of the Lifetime Achievement Award to Mr Nadir B. Godrej, Managing Director of Godrej Industries Ltd, was the highlight of the anniversary celebration of the All India Liquid Bulk Importers & Exporters Association (AILBIEA) held here on April 1, 2016.

The AILBIEA Stellar Awards 2016 were also presented to the star performers, among them being to CBEC for “initiating ease of doing business in ex-im trade”. Chemexcil was among the awardees for “outstanding contribution in promoting ex-im trade”.

Earlier in the day, AILBIEA organised a seminar on “Wake up India for Make in India”, which was addressed on key topics by senior Customs officials and other dignitaries.

AILBIEA, the apex body for the country’s liquid bulk trade (covering crude oil, vegetable oil, industrial oils, chemicals and various other liquid bulk cargoes) has demanded a step up in ‘ease of doing business’.

AILBIEA has called for removal of operational constraints, withdrawal of stamp duty on transfer of shipping documents, rationalisation and systematisation of Customs and Excise procedures as also overhaul of the available infrastructure in order to facilitate the burgeoning volume of liquid bulk trade.

The country’s liquid bulk trade involves a humungous volume of 180-200 million tonnes with a revenue implication of over Rs 6.5 lakh crore.

The Association of multiple stakeholders, including manufacturers, importers, exporters, traders and service providers engaged in the liquid bulk business has highlighted the urgent need for rationalisation of various taxes as also for modernisation of Mumbai and JNPT ports in order to make this trade a globally competitive one.

Some of the critically important liquid bulk commodities include mineral oil (crude and petroleum), edible oil (for food purposes), industrial oils for a variety of industrial application and various chemicals, including agro-chemicals and specialty chemicals.

Liquid bulk cargoes are integral to



**Mrs Rati Godrej and Mr Nadir Godrej (first and second from left) receiving the Lifetime Achievement Award citation from Mr Rajeev Tandon, Principal Commissioner of Customs, JNPT, Nhava Sheva**

the country’s economic development and indeed propel the economic growth. Mineral oil products, vegetable oils, chemicals and other liquid cargoes are imported / exported on a large scale and often serve as critical raw material for industrial production. Indian corporate businesses depend to a considerable extent on supplies of these industrial inputs from abroad.

Over the next 5-10 years, India is set to become a major importer of a wide variety of liquid bulk commodities. Biofuels are increasingly becoming important as renewable energy sources. India is likely to become a key importer and consumer of biofuels like ethanol and biodiesel in the future.



**Mr Adi Godrej complimenting Mr Jayyant Lapsiaa**

In such a scenario, it is imperative that the port infrastructure is modern and technologically world class. Customs Department will have to break from the past and move into ‘facilitation’ gear.

Says Mr Jayyant Lapsiaa, President, AILBIEA: “A country’s economic growth is intertwined with infrastructure development. High transaction costs arising from inadequate and inefficient infrastructure, and avoidable delays and hassles due to antiquated procedures and systems can prevent the economy from reaching its full growth potential regardless of progress on other fronts.

“An efficient supply chain adds to business competitiveness. Port connectivity is still the soft underbelly of the port sector. Efficient infrastructure combined with quality and expeditious clearance procedures can help reduce costs and sharpen the competitive edge.

“Government’s initiative of pursuing ‘ease of doing business’ and bring in more transparency has to be properly understood by all the stakeholders in the liquid bulk. If this path-breaking initiative of the government has to succeed, the responsibility lies at the doorstep of the trade as well”, Mr Lapsiaa adds.

In addition to infrastructure development, the Association has identified 3 issues which require urgent attention and remedial action for the liquid bulk trade (particularly imports and exports) to match global scales and



**Mr Nadir Godrej handing over the felicitation citation of Central Board of Excise & Customs (CBEC) to Mr Rajeev Tandon. Seated first and second (from left) are Mrs Shobha Chary, Former Member Customs [CBEC] and now OMBUDSMAN South Zone, and Padma Bhushan Mr Adi Godrej**

standards. It is time that the government [at the Centre and in the state] modifies its outdated policies and procedures and gave the right encouragement to trade.

Octroi duty, sales tax, stamp duty on import / export of cargo, removal of antiquated procedures and systems, and facilitation to trade by Revenue Departments, other governmental departments and Ports are important issues to be addressed immediately if Make in India and Ease of doing business campaigns have to succeed.

Ever since its inception, AILBIEA has striven to address various technical, legal, infrastructural, administrative and procedural issues of the country’s liquid bulk trade.

The primary objective of this Association continues to be that of playing a significant role of ‘catalyst’ between various Port authorities, governmental and Revenue Departments and provide more solidity and clarity in ensuring smooth and fair operations.

AILBIEA’s anniversary events are aimed at providing an ideal platform to trade and revenue and port departments to have healthy interactions and also encourage free and fair exchange of ideas so that various issues could be understood and solved, stressed a release.