

**Jayyant Lapsiaa**
President

President's Message

Customs related GST & IGST issues are being gradually resolved and soon stage is set for smoother operations and less of complexities. The Central Board of Indirect Taxes and Customs formerly known as CBEC has been working hard to translate the 'Ease of Doing Business' into reality. Some of the notable initiatives are:-

1. **Launch of Customs SWIFT clearances [Single Window interface for facilitating Trade].**

The Customs SWIFT enables importers/exporters to file a common electronic Integrated Declaration on the ICEGATE portal. The Integrated Declaration takes care of the requirements of Customs, FSSAI, Plant Quarantine, Animal Quarantine, Drug Controller, Wild Life Control Bureau and Textile Committee and it replaces nine separate forms required by the said 6 different agencies including Customs.

2. **Filing of declarations by importers, exporters, Customs brokers and manifests by shipping and airlines through digital signatures with effect from 01-01-2016.**

Wherever the customs documents are digitally signed, the Customs does not require the user to physically sign the said documents. Around 97% of import and export declarations and manifests are being filed electronically with digital signatures. The balance 3% is being filed through Service Centre.

3. **Deferred duty payment for select categories of importers and exporters, registered as AUTHORIZED ECONOMIC OPERATORS [AEO]** has been introduced in the recent Budget. This provision will enable release of cargo without payment of duty, which shall enable speedier clearance and improved liquidity in hands of the businesses.

4. **Documents required for Import/Export** - The number of documents required for export / import have been reduced to three, namely, electronic declaration, Invoice cum packing list & Bill of Lading

5. **24X 7 customs clearance facilities** extended to 19 sea ports and 17 Air Cargo complexes.

6. **Special Valuation Branches:** The procedure for handling related party transactions and those involving special relationships completely revamped. Extra Duty Deposits waived and the provisions for renewal of SVB orders have also been dispensed.

7. **Promoting the AEO [Authorized Economic Operator] Scheme** with full vigor and gusto, urging the Trade, particularly the Importers/Exporters, Custom Brokers, and other connected with the EXIM Trade to apply and obtain the AEO Certification. This is being done with utmost sincerity as special cells have been created to help and assist the trade and the applicants.

“The Customs SWIFT enables importers/exporters to file a common electronic Integrated Declaration on the ICEGATE portal.”

Besides, CBIC has announced Special refund Fortnight from 31st May to 14th June 2018 for clearing all pending GST refund applications, which have been submitted on or before 30th April 2018.

Undoubtedly, the efforts of the CBIC are towards positive trade facilitation, and, in keeping in sync with the Government's resolve to infuse Ease of Doing Business in right earnest, however, there are crucial areas which need to be addressed to make the above initiatives a super success. Some of the significant areas which need utmost attention are:-

- a. Response mechanisms and replies to Trade issues/queries/clarifications should be instant and time bound.
- b. A nodal officer from CBIC should be appointed and he/she should be empowered to address basic issues and clarifications.
- c. Delays at various Customs stations in assessment of documents and in overall attitude issues causing delays in dispensation of assessments, clearances, examination etc. need to be eradicated and action initiated against erring officers. This results in increase of dwell time and also spiraling of transaction costs
- d. Manpower resources to be replenished at some of the Major Ports, especially JNPT, where, due to skeleton staff, especially at appraisal levels, pile of document is huge and causes frustrating delays and agonizing moments to Trade, resulting in increase of dwell time and also spiraling of transaction costs.
- e. Old and redundant Public Notices/Standing Orders and Notifications should be scrapped and replaced with the latest ones. Many a time notifications and Public Notices which are as old as over 6 to 10 years are still being followed with great intensity, despite sea of change in overall scenario, and, particularly in relations to reasons for which the P.N./Notification was issued long ago.

“Undoubtedly, the efforts of the CBIC are towards positive trade facilitation, and, in keeping in sync with the Government's resolve to infuse Ease of Doing Business in right earnest...”

- f. Interpretative, classification and valuation issues pertaining to reputed importers/exporters should be settled at the office of the respective Commissionerate itself and should not be investigated by DRI [Directorate of Revenue Intelligence]. These issues should be settled in a strictly time bound frame without causing reputed importers/exporters to undergo mental torture, agonizing and stressful moments and should be settled amicably, within the duration of office hours, and not beyond.

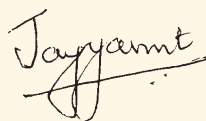
The above needs to be addressed by CBIC on war footing to ensure that real essence and fruits of Ease of Doing Business and Trade Facilitation measures are passed on to the Trade; thereby, achieving the eventual purpose of coming out with host of trade facilitation measures which are for the main objective of fulfilling Government's promise of Ease of Doing Business and of Transparent Governance.

The true intent and ongoing efforts of CBIC and many high ranking officers at various Custom Stations is a positive sign and indication of better days to come. And, from AILBIEA's perspective, this is a welcome sign and should drastically see healthier

rankings of our country in the area of ease of doing business, very soon.

Just as the CBIC is in the trade facilitation mode by coming out with various trade friendly measures, similarly, the trade should also respond by adopting ethical means and following basic ethical protocols to ensure that the atmosphere is not vitiated, polluted and corrupted by their selfish and narrow minded actions. The Real success of these trade friendly initiatives and facilitation truly lies in the synergy and holistic approach by both the Government and the Trade towards working in tandem and in an atmosphere of abundant transparency.

With warm regards,



Jayyant Lapsiaa
President

AILBIEA CELEBRATIONS



ALL-INDIA LIQUID BULK IMPORTERS & EXPORTERS ASSOCIATION

1011, Mighty, Near RBK International School, Ghatkopar-Mankurd Link Road, Chembur West, Mumbai 400 088, India.
Tel: + 91 22 6155 9910 Fax: + 91 22 6155 9955 Website: www.ailbiea.com

Industrialists and Senior Revenue Officials grace AILBIEA annual meeting

AILBIEA (All India Liquid Bulk Importers and Exporters Association) is India's most respected, progressive and highly recognised trade body committed in addressing the challenges facing the Liquid Bulk Trade (crude and related mineral oil, vegetable oil, industrial oil, chemicals, petrochemicals, ethanol, etc.) in India celebrated its 16th Anniversary on 6th April 2018 at the Hotel Trident, Nariman Point.

Senior officials from the Customs department (Chief Commissioner and Principal Commissioner), port officials, top corporate houses engaged in liquid bulk

trade, noted industrialists including Mr. Nadir Godrej, Godrej Industries Ltd and a large gathering of stakeholders in the liquid bulk business gathered under the auspices of AILBIEA to discuss various challenges confronting the trade and to brainstorm strategies for future growth.

Highlighting the strong positive correlation between economic growth and commodity consumption, AILBIEA Advisor, senior journalist and agribusiness and commodities market specialist Mr. G. Chandrashekar asserted that the country's consumption of liquid bulk cargoes (crude oil,



The glittering dias with topmost dignitaries at AILBIEA's Anniversary event. From left to right: Mr. Jayyant Lapsia [President-AILBIEA], Mr. Raj Chandaria [Managing Director, Aegis Logistics Ltd.], Mr. Nadir Godrej [Managing Director, Godrej Industries Ltd.], Mr. Rajiv Tandon [Chief Commissioner Customs-Zone 1 & GST] Mr. S.K. Das [Principal Commissioner of Customs - Mumbai Zone 1], Mr. Nandlal Chawla with his wife [Managing Director, AAK Kamani Pvt. Ltd.], Mr. Anil Yendluri [Director & CEO, Krishnapattanam Port Co. Ltd.], Mr Rupesh Agarwal [Director Procurement - South Asia], Hindustan Unilever Ltd.] and Mr. G. Chandrashekar [Senior Business Analyst] and Adviser to the Association.

vegetable oil, chemicals, biofuels and so on) is set to expand because of strong GDP growth.

In his welcome address, AILBIEA President, Mr. Jayant Lapsia referred to some of the recent achievements of the association with respect to addressing the operational issues faced by importers and exporters. He urged the revenue authorities to trust the members of the association who were generally known to uphold ethical standards. He also expressed optimism that the country's liquid bulk trade covering crude oil, vegetable oil, chemicals and others will continue to expand in the wake of strong GDP growth and demand.

Mr. Jayant Lapsia stressed on "The need of infusing more facilitation by reducing stress and anxiety of reputed and compliant importers and exporters by ensuring that DRI, among the country's premier intelligence agencies held in high esteem, is kept away from classification and interpretative issues. On the contrary, DRI should focus more on Smuggling, counterfeit notes, and issues of critical importance concerning the security". The DRI offices from all over the country were summoning importers and exporters for imports/exports made from either Mumbai or JNPT Ports. Stating that such summoning defied logic and the importers & exporters are put to utterly avoidable hardship like travel to far-off cities with all documents, incurring huge expenses by way of travel and stay, in addition to valuable time.

"It also undermined the presence of Special Intelligence and Investigation [SIIB] wing of Customs and also the local DRI offices", he said. Whilst appreciating the tremendous work done by DRI, Mr Lapsia reiterated that if "Ease of Doing Business" had to succeed in true sense of the term in letter and spirit, DRI should be kept out of interpretative and classification issues, as of now, at least for all AEO status holders. And, also the attitude of DRI Officers should undergo radical change, in treating the genuine importers and exporters with utmost dignity and humility and not treat as convicts.

Mr. Lapsia added that the importers/exporters needed to be graded / ranked based on their compliance and in following ethical business practises. He said that it was imperative for the Importers/Exporters to be serious about the knowledge of Customs initiatives, laws, notification etc. and, also, in their appointing qualified and reputed vendors as against going for L1 tender

systems and giving away their clearances to unqualified and tainted vendors, to cut costs. "This", he said, "vitiating the environment and resulted in host of unethical practises flourishing".

Dignitaries from the revenue side who shared their views with the delegates included Mr. Rajiv Tandon, Chief Commissioner of Customs, Mumbai and Mr. S.K. Das, Principal Commissioner of Customs, Mumbai. The meeting was chaired by Mr. Nadir Godrej, Managing Director, Godrej Industries Ltd and co-chaired by Mr. Rupesh Agarwal Director-Procurement South Asia, Hindustan Unilever Ltd.

The Chief Commissioner Customs, Mumbai, Mr. Rajiv Tandon, highlighted the various initiatives of his department to promote, facilitate and expedite clearance. This included deferred payment of customs duty and the Authorized Economic Operator Scheme. He also referred to the proactive role of AILBIEA, particularly that of the President Mr. Jayant Lapsia, in working closely with the department.

The Principal Commissioner of Customs Mr. S.K. Das spoke on the various initiatives undertaken by Customs department. He complimented AILBIEA for the proactive role and also their support in promoting AEO scheme amongst their members.

Mr. Rupesh Agarwal, complimented AILBIEA and also assured the Customs Commissioners of the Trade coming much closer to the department's call on various issues and also to closely interact with the department.

Mr. Raj Chandaria, Managing Director, Aegis Logistics Ltd. spoke about the high standards set by Aegis in their operations at various installations, spread over five ports. "Plans were on anvil to expand the presence in more ports", he added.

Mr. Anil Yendluri, CEO and Director, Krishnapattanam Port Co. Ltd. gave an overall view of the Port, giving details of the state of the art infrastructure and other salient features of the port.

Earlier, the highlight of the meeting was the conferment of "AILBIEA LIFE TIME ACHIEVEMENT AWARD" on Mr. Nandlal Chawla, Managing Director, AAK Kamani Pvt. Ltd. The honours were done by Mr. Rajiv Tandon, Chief Commissioner of Customs, Mumbai and Mr. S.K. Das, Principal Commissioner of Mumbai by presenting a silver lamp and a citation. Mr Nadir Godrej, M.D. Godrej Industries felicitated Mr. Nandlal Chawla with a colourful shawl.

AILBIEA STELLAR AWARDS 2018

LIFE TIME ACHIEVEMENT AWARD 2018



Mr. Nandlal Chawla being presented with a Silver Lamp and Shawl by Mr. Rajiv Tandon [Chief Commissioner Customs-Zone 1 & GST], Mr. S.K. Das [Principal Commissioner of Customs, Mumbai Zone 1], and Mr. Nadir Godrej [Managing Director, Godrej Industries Ltd.].



Mr. Nandlal Chawla conferred with the Life Time Achievement Citation at AILBIEA's Anniversary. From Left to right: Mr. Raj Chandaria [Managing Director, Aegis Logistics Ltd.], Mr. Nadir Godrej, Managing Director, Godrej Industries Ltd., Mr. Jayyant Lapsiaa [President-AILBIEA], Mr. Rajiv Tandon, Chief Commissioner Customs-Zone 1 & GST, Mr. S.K. Das, Principal Commissioner of Customs - Mumbai Zone 1, Mr. Nandlal Chawla with his wife, holding the citation, Mr. Rupesh Agarwal, [Director Procurement-South Asia, Hindustan Unilever Ltd.] Mr. G. Chandrashekar, Senior Business Analyst and Adviser to the Association and Mr. Anil Yendluri [Director & CEO, Krishnapattanam Port Co. Ltd.]

OUTSTANDING CONTRIBUTION IN PROMOTING EXIM TRADE FOR THE YEAR 2017-18



Mr. Dhaval Parikh & Mr. Gaurang Parikh, Directors, Prasol Chemicals Ltd. receiving AILBIEA Stellar Awards for the outstanding contribution in promoting EXIM TRADE for the Year 2017-18 at the hands of the Principal Commissioner of Customs-Zone-1, Mr. S.K. Das.

OUTSTANDING EXECUTIVE OFFICER IN THE LIQUID BULK TRADE FOR THE YEAR 2017-2018



Mr. Sunil Gupta, Laxmi Organics Ltd. receiving the AILBIEA Stellar award for the Outstanding Executive Officer in Liquid Bulk for the Year 2017-18 at the hands of Mr. Rajiv Tandon, Chief Commissioner Customs - Zone 1 & GST.

OUTSTANDING PERSONALITY IN EXIM TRADE FOR THE YEAR 2017-18



Mr. Kiran Rambhia's son receiving the Award for Outstanding Personality in Exim Trade for the year 2017-18 on his behalf at the hands of Mr. Rupesh Agarwal, Director Procurement - South Asia, Hindustan Unilever Ltd.

OUTSTANDING PERSONALITY IN EXIM TRADE FOR THE YEAR 2017-18



Mr. Paresh Thakkar receiving the Award for Outstanding Personality in Exim Trade for the year 2017-18 at the hands of Mr. Raj Chandaria, Managing Director, Aegis Logistics Ltd.

CITATION FOR PROMOTING EXIM TRADE



Mr. Nadir Godrej, Managing Director, Godrej Industries Ltd. receiving the citation for promoting Exim Trade at the hands of Mr. Rakesh Tandon, Chief Commissioner Customs-Zone 1 & GST and Mr. S.K. Das, Principal Commissioner of Customs - Mumbai Zone 1.



Mr. Anil Yendluri, Director & CEO, Krishnapattanam Port Co. Ltd. receiving the citation for promoting Exim Trade at the hands of Mr. Rakesh Tandon, Chief Commissioner Customs-Zone 1 & GST and Mr. S.K. Das, Principal Commissioner of Customs- Mumbai Zone 1.



Mr Rupesh Agarwal, Director Procurement-South Asia, Hindustan Unilever Ltd. receiving the citation for promoting Exim Trade at the hands of Mr. Rakesh Tandon, Chief Commissioner Customs-Zone 1 & GST and Mr. S.K. Das, Principal Commissioner of Customs- Mumbai Zone 1.



Mr. Sudhir Malhotra, President, Aegis Logistics Ltd. receiving the citation for promoting Exim Trade at the hands of Mr. Rakesh Tandon, Chief Commissioner Customs-Zone 1 & GST and Mr. S.K. Das, Principal Commissioner of Customs- Mumbai Zone 1.



Mr. Parthiv Kansara, Adani Wilmar Ltd. receiving the citation for promoting Exim Trade at the hands of Mr. Rakesh Tandon, Chief Commissioner Customs-Zone 1 & GST and Mr. S.K. Das, Principal Commissioner of Customs- Mumbai Zone 1.



Mumbai Customs-Zone 1 was presented with special citation for the excellent Trade Facilitation and other proactive measure being initiated in the year 2017-18. The citation was received by Mr. Ramesh Chander, Commissioner of Customs-Exports, and Mr. J.S. Negi, Commissioner of Customs-Imports and Principal Commissioner of Customs-Mumbai Zone 1 on behalf of Customs at the hands of Mr. Nadir Godrej, Managing Director, Godrej Industries Ltd.



Mr. Rakesh Nayyar, Supreme Petrochem Ltd. receiving the citation for promoting Exim Trade at the hands of Mr. Rakesh Tandon, Chief Commissioner Customs-Zone 1 & GST and Mr. S.K. Das, Principal Commissioner of Customs- Mumbai Zone 1.

AILBIEA presented special citations to Mumbai Customs Zone 1 & 2 [JNPT] for their excellent trade facilitation and proactive measures initiated in the year 2017-18. These were presented by Mr. Nadir Godrej to Mr. S.K. Das, Principal Commissioner who was joined by Mr. J.S. Negi, Commissioner [imports] and Mr. Ramesh Chander, Commissioner [Exports] Zone 1 for Mumbai Customs and to Mr. Rajiv Tandon for JNPT.

Over 300 top CEOs, Customs, Central Excise and Port officials attended this prestigious event.

Nitin Gadkari holds review Meeting of all Major Ports in Visakhapatnam



The Hon'able Minister for Shipping Shri Nitin Gadkari alongwith Ministers of State for Shipping Shri P. Radhakrishnan and Shri Mansukh Mandaviya. Also seen Shipping Secretary Shri Gopal Krishna, IAS and other dignitaries.

The Hon'ble Minister for Shipping Shri Nitin Gadkari along with Ministers of State for Shipping Shri P. Radhakrishnan and Shri Mansukh Mandaviya reviewed all the ongoing and future project plans of 12 Major Ports at the Review Meeting of Major Ports held in Visakhapatnam on 12 and 13th July 2018. Shipping Secretary Shri Gopal Krishna, IAS, alongwith Chairmen of 12 Major Ports was present during this review meeting.

The key focus of this review meeting was on driving the overall plan for the port-led-development under the Sagarmala projects, port performance and detailed growth plan for each of the 12 Major Ports going ahead.

Shri Gadkari also inaugurated five port projects worth Rs 1062 crores in Vishakhapatnam. In addition to this, he also laid the foundation stone for two port connectivity projects worth Rs.679 crores.

The projects inaugurated includes upgradation of existing iron ore handling facility at Outer Harbour of Vizag Port at a cost of Rs.580 crore awarded to ESSAR Vizag Terminals Ltd on DBFOT basis with revenue share of 31%. He also inaugurated the Development Berths at the inner harbour of the port at a cost of Rs.243 crores and Post Panamax Quay Cranes costing Rs.151 crores. The capacity of the two new berths is 6.39 MTPA and they will handle Panamax vessels of draft upto 14.5 meters. The two Post Panamax Quay cranes and four Rubber

Tyre Gantry Cranes have been procured to modernise operations and make them more efficient.

The cranes were commissioned in March 2018 in a record time of 12 months. They will lead to higher productivity of 27-30 moves per hour and are equipped with latest safety features.

Shri Gadkari also inaugurated the 4- laning of 4.15 Kms of port connectivity road – Phase-II, constructed at a cost of Rs. 77 crore. This will allow faster transportation of road bound cargo. Visakhapatnam Port Trust (VPT) and National Highways Authority of India (NHAI) hold 50:50 equity in the project. Equity of Rs.20 crore by VPT is through Sagarmala.

The Minister also laid the foundation stone for two port projects worth Rs.679 crore. The first project was for construction of Grade Separator from H-7 area to Port Connectivity Road by-passing convent Junction at a cost of Rs. 60 crore under Sagarmala. The second project is for the development of 12.7 km road connectivity to VPT from Sheelanagar Junction to Anakapalli-Sabbavaram/Pendurti-Anandapuram road (NH 16) at a cost of Rs. 619 crore.

The connectivity will help the Port based cargo movement to avoid the city for both South and North bound cargo.

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Commerce and Industry Ministry working on National Integrated Logistic policy

The Commerce and Industry Ministry is working on a National Integrated Logistics policy which will focus on increasing the warehousing capacity, an official statement said. This was highlighted by Commerce Minister Suresh Prabhu during his meeting with the World Bank team here.

The team was led by Caroline Freund, Director of Trade, Regional Integration and Investment Climate and Junaid Ahmad, Country Director for the World Bank in India.

The Minister also informed the team that work is being done towards identifying specific products and markets to increase India's exports by \$100 billion.

"The policy will reduce the cost of goods and make Indian product more competitive," Mr. Prabhu said.

In the meeting, it was agreed that a workshop will be conducted with the World Bank and concerned ministries to identify specific interventions required to streamline logistics in the Country.

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Intra-State e-way bill system rolled out across all States from 3 June onwards

The e-way bill system for Intra-State movement of goods under GST got implemented across all States by 3 June 2018. As on 30 May 2018, the Intra-State e-way bill system has been rolled out in the States of Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Nagaland, Rajasthan, Sikkim, Telangana, Tripura, Uttarakhand and Uttar Pradesh along with the union territories of Andaman & Nicobar Islands,

Chandigarh, Dadra & Nagar Haveli, Daman & Diu, Lakshadweep and Puducherry.

In the remaining eight States, the e-way bill system was rolled out in last few days. On an average, more than 1.2 million e-way bills are being generated every day. As on 30 May 2018, more than 63.2 million bills have been generated.

This includes more than 20 million e-way bills for Intra-State movement of goods.

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Ministry of Shipping coming up with 6 Major Ports: Mansukh Mandaviya

The Ministry of Shipping is coming up with six new ports in India, four of which would be on the Eastern Coast and the balance on the Western Coast.

The Minister of State for Shipping Mansukh L. Mandaviya said that these ports are being developed at Wadhwan in Maharashtra, Belekeri in Karnataka, Enayam and Sirkazhi in Tamil Nadu, Tajpur in West Bengal and Paradip Outer Harbour in Odisha.

Apart from these six new ports that would boost cargo handling and trade for India, the Ministry has also identified a handful of ports for modernisation.

“More than 150 projects have been identified for modernisation of existing ports including construction of new berths and terminals for Major Ports,” added Mandaviya.

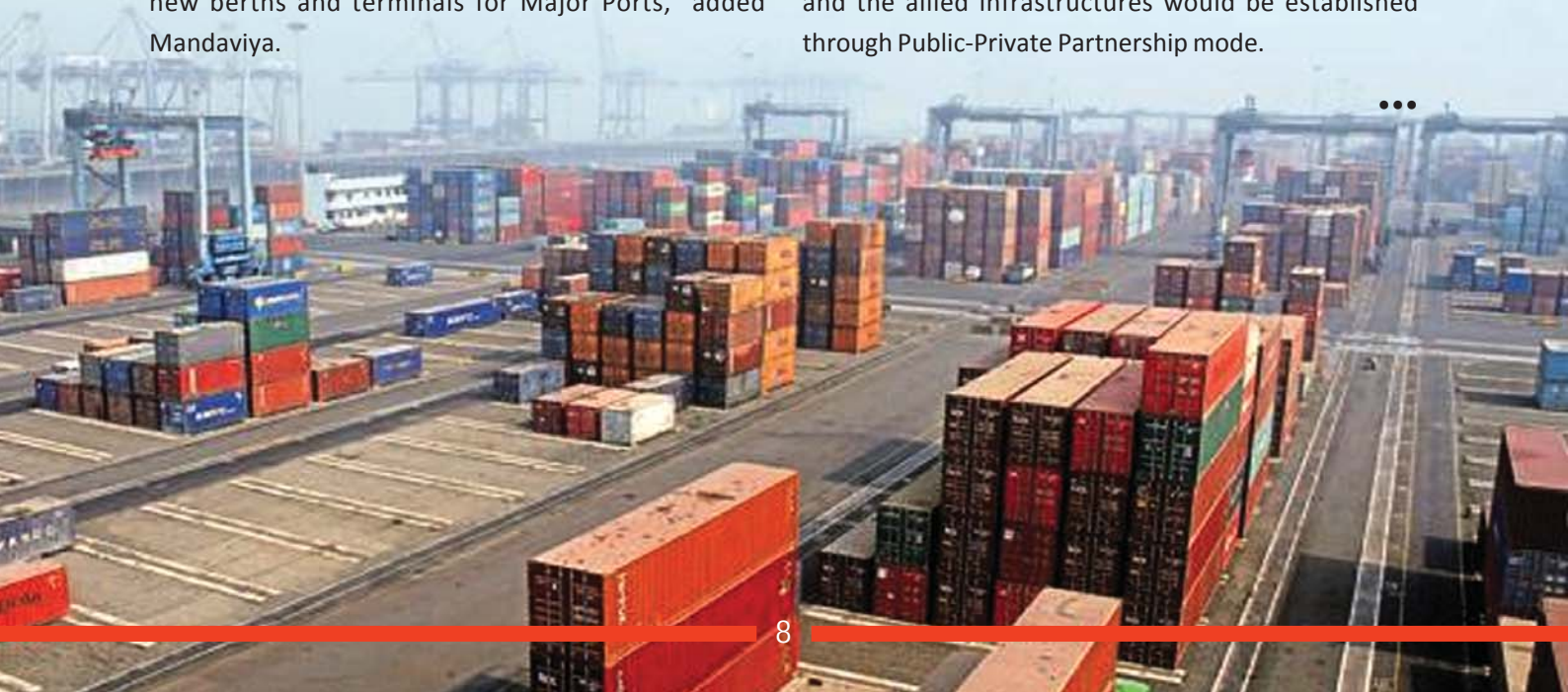
One of the projects for expansion and modernisation includes Jawaharlal Nehru Port Trust wherein first phase of the fourth container terminal was recently inaugurated. Work on the second phase is likely to commence by the end of 2019.

However, the investment amount and the timeline for the new six ports were not disclosed.

When asked about investment and funding in the shipping sector, he replied that the Government has to invest in the creation of infrastructure in the ports sector. “The Ministry is taking lead through innovative ways to carry out development works,” added Mandaviya.

The Major Ports will be developed by the Government and the allied infrastructures would be established through Public-Private Partnership mode.

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JNPT completes 29 years of Glorious service to Export-Import Trade

JN Port, commissioned way back on 26th May 1989, has completed its 29 years of glorious service to export-import trade on 26th May 2018.

In the recent past, under the dynamic leadership of Shri Neeraj Bansal, IRS, Chairman, JN Port has implemented various path breaking initiatives like DPD, DPE, simplification and rationalization of business processes, Gate Automation among others for Ease of Doing Business.

During the last fiscal year, the Port created historic milestone by clocking its highest ever throughput of 4.83 million TEUs, surpassing the 4.5 million TEUs handled in the previous financial year. The Port has been registering regular n steady growth in the overall

traffic over the past few quarters and registered 7.4 per cent growth in container cargo volume during the last fiscal year.

With regards to individual container terminals, GTI handled 2.03 million TEUs, the port-owned JNPCT handled 1.48 million TEUs, NSIGT and NSICT together handled 1.30 million TEUs, and the newly-opened BMCTPL accounted for 23,212 TEUs during the fiscal.

Total liquid cargo volume handled during the year stood at 7.18 million tonnes, reflecting 5.98 per cent growth over the previous financial year.

JNPT has been consistently improving its volume and turnover by implementing many trade friendly measures. Several steps under Ease of Doing Business and introduction of Direct Port Delivery (DPD) system have substantially contributed in saving of logistics cost and time for the trade. It is heartening to note that trade has started increasingly accepting DPD mode and its share has gone up to almost 40 percent.

The innovative transport solution is offering twin benefits of saving in time and cost.

At a recent function to commemorate the performance of JNPT during last fiscal year, Shri Gopal Krishna, IAS, Secretary, Ministry of Shipping congratulated JNPT and all the terminal operators and said “The Government is focussed in creating value for the trade by reducing the logistics cost and time and DPD will assist this process. He also said that all stakeholders should come together and provide more synergy in achieving this goal.”

Commenting on the port’s overall performance, Shri Neeraj Bansal, IRS, Chairman-, JNPT said, “ I want to

congratulate all stakeholders and Export-Import community for extending great support and enable the port in achieving the record volume. JNPT is in the midst

of carrying out many trade-friendly measures which will facilitate Ease of Doing Business. Continuous support and encouragement from Shri Nitin Gadkari, Honourable Minister of Shipping and from Ministry of Shipping will further guide us in achieving higher goals”.

On a very recent visit by Shri.Mansukh Mandaviya Union Minister for Shipping, Transport, Fertilisers & Chemicals too expressed his happiness at the progress of JNPT over the last few

years, said, “JNPT has taken the lead in recording substantial growth in the port sector.

The Government has plans to double the cargo handling capacity of ports by 2050 and JNPT too is rapidly expanding its capacity”.



“The Government is focussed in creating value for the trade by reducing the logistics cost and time and DPD will assist this process. He also said that all stakeholders should come together and provide more synergy in achieving this goal.”

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Govt frees ships from transshipment permits for Indian entities: Nitin Gadkari



NITIN GADKARI
Union Minister of
Road Transport and
Highways of India

The Government has done away with licensing requirement for ships chartered by Indian citizens or companies for transshipment of containers with a view to boosting coastal trade and promoting entrepreneurship, Union Minister Nitin Gadkari said recently. The move is aimed at arresting diversion of Indian container cargo to

transshipment hubs at foreign ports that has swelled to 33 per cent besides creating employment. The Government has done away with licensing requirement for ships chartered by citizens of India or a company incorporated in India or a cooperative society registered in India for transportation of export-import containers for transshipment purposes, Gadkari, who holds the portfolio of Shipping, Road, Transport and Highways, said recently.

“The move will not only arrest diversion of Indian container cargo to foreign ports but will prove a milestone in creating entrepreneurship in shipping operations while unfurling huge opportunities for citizens including former army and navy personnel with desired skills and knowledge to charter smaller feeder vessels and participate in the fast growing container trade,” Gadkari said. This will not only result in ease of doing business but would create huge employment, the

minister said. At present transshipment hubs at Singapore, Malaysia, Colombo and Jabelali near Indian coastline gets about 33 per cent of the Indian container cargo which is aggregated there before shipped to final destinations.

“Transshipment of Indian cargo at foreign transshipment ports leads to traffic growth there and job creation in other countries, loss of revenue from Indian shippers in terms of port and logistic charges and loss of foreign exchange to foreign ports as the transshipment revenues and charges are collected from Indian exporters/importers by foreign ports,” the minister said. If aggregation is done at Indian Ports, jobs will be created, port charges will come and an ecosystem will be developed, he added. “Promoting transshipment in India would lead to cargo growth at Indian Ports emanating not only from India but also potentially other countries in the region, which in turn would lead to creation of jobs in India, growth of accompanying ecosystem, revenue growth for Indian Ports and retention of foreign exchange,” he said.

Shipping Secretary Shri Gopal Krishna, IAS said recent that this is one of the biggest measures in the shipping sector since 1958 and the move will in the first year, as per conservative approach, will result in at least 10 per cent reduction of the Indian container cargo transshipment to foreign Ports.

Ports like Vishakhapatnam, Deendayal, Cochin, Tuticorin, Ennore and Chennai are likely to benefit most initially, he said. He added that Indian Ports are likely to get an additional income to the tune of about Rs 200 crore on account of this.

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GST provided much-needed reform to the logistics sector

The impact was much more in Uttar Pradesh, Bihar, Madhya Pradesh and Maharashtra, which were particularly difficult States for truckers to move

The implementation of the goods and services tax (GST) ushered in much-needed reforms in India's largely unorganised logistics and transport sector, and helped speed up movement of trucks, according to industry executives.

Transporters and logistics players have said that the switch to GST led to at least 20% reduction in turnaround time of trucks after border checkpoints were dismantled. Besides, they said, implementation of the e-way bill on consignments of Rs 50,000 and above was gradually freeing them from unnecessary checking by State Government raid parties.

However, they said, full benefits of GST would only be realised with seamless passage through the currently clogged toll gates, along an end to harassment by state transport and tax authorities. The impact was much more in Uttar Pradesh, Bihar, Madhya Pradesh and Maharashtra, which were particularly difficult States for truckers to move through a year ago.

A recent ICRA survey of 50 transport companies found turnaround time in road transport reduced 18-20% since implementation of GST. "There are already signs that introduction of GST is rapidly leading to reduction in time wastage and harassment at interstate borders as well as checking clandestine movement of goods," said Vinayak Chatterjee, Chairman, Feedback Infra.

However, SP Singh, senior fellow, Indian Foundation of Transport Research and Training, said a lot of States were late in implementing the e-way bill. "Maharashtra and Punjab implemented it only recently. It would take another quarter to fully assess

impact. Also, State Departments continue to create hurdles in movement of trucks," he said. Singh said the Government should also rationalise GST on transport services. Road Transport and Highways Minister Mr. Nitin Gadkari had told that the sector had benefited most from GST. "Travel time of trucks has come

down significantly as the Country has become a common market with removal of border check posts in States. Ease of transportation has been our focus area," he said.



“A recent ICRA survey of 50 transport companies found turnaround time in road transport reduced 18-20% since implementation of GST. “There are already signs that introduction of GST is rapidly leading to reduction in time wastage and harassment at interstate borders as well as checking clandestine movement of goods.”



EEPC India suggests ways to make India's export more competitive

India can make its export promotion schemes WTO - compliant and make the Country's exports competitive by allowing the exchange rate to reflect the real value of the rupee, that has only recently shown some parity, helping the exporting community, engineering exporters' body, EEPC India said recently.

Until about a few weeks ago, we had seen and felt the effect of undervalued rupee on our export margins. Keeping the currency a bit muted for export promotion has not been appreciated enough. While, some of the existing schemes may come under the WTO scanner, keeping a close watch on the domestic currency and allowing the benefit for exporters, cannot be treated as an export subsidy in the WTO norms, as the impact is for the entire economy, in de facto terms. A stable and slightly undervalued currency works both as an export subsidy and an import tariff in a WTO consistent manner," said EEPC India Chairman Mr Ravi Sehgal, in a statement.

The EEPC India Chief said, 'In particular, it needs to be seen whether the exporters can be paid (the exchange value) on the basis of RBI's REER (Real Effective Exchange Rate) or if that is not possible a thumb rule should followed to ensure that the deviation of the Nominal Exchange Rate should not be more 15% of the RBI's six Country REER ."

He said as the pressure on WTO mounts from several competing and developed countries, the protection under the SMC (Agreement on Subsidies and Countervailing Measures) would have to be re-aligned in a manner that Indian exports do not suffer.

“The EEPC India said “We should continue with the current Foreign Trade Policy provisions till 2020 as that is life of the current policy and it is based on that the long term contracts have been signed, particularly, in the engineering sector. Thereafter, we can move to a fresh set of WTO compatible measures, once out of Annex VII provisions”

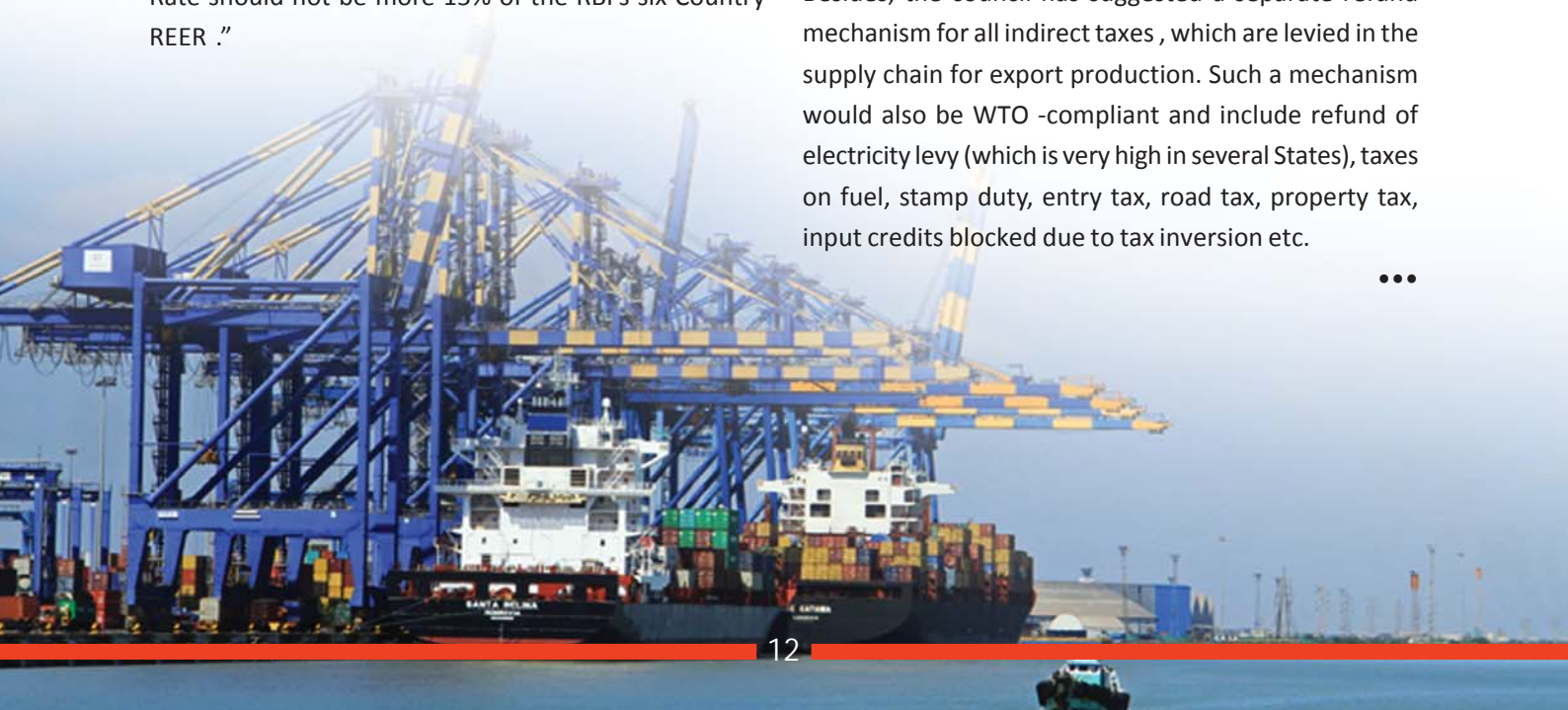
The EEPC India said “We should continue with the current Foreign Trade Policy provisions till 2020 as that is life of the current policy and it is based on that the long term contracts have been signed, particularly, in the engineering sector. Thereafter, we can move to a fresh set of WTO compatible measures, once out of Annex VII provisions”.

Other suggestions of the council include differential rate of around 15 per cent of income tax on export income. A similar law has been enacted by the US for intangible income for the American firms from overseas.

Incentives should be enhanced to small scale industries (MSME) as these will not be a specific subsidy according to the SCM Agreement and hence will not be actionable under the WTO prohibitive regime.. For this purpose, the incentives could be linked to tax breaks; enhanced depreciation rates.

Besides, the council has suggested a separate refund mechanism for all indirect taxes , which are levied in the supply chain for export production. Such a mechanism would also be WTO -compliant and include refund of electricity levy (which is very high in several States), taxes on fuel, stamp duty, entry tax, road tax, property tax, input credits blocked due to tax inversion etc.

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JNPT identifying potential acquisition targets: Neeraj Bansal

Jawaharlal Nehru Port Trust (JNPT), the largest container port in India, wants to use its sizeable cash reserves to buy out smaller cash-strapped ports to quickly ramp up capacity.

The Mumbai-based port operator has hired a consultant to carry out a feasibility study and identify potential acquisition targets, said Mr. Neeraj Bansal, IRS, Chairman, JNPT.

Among the options being evaluated on the West Coast are the loss-making Mormugao Port Trust in Goa and Dighi Port, a private port in Maharashtra's Raigad district owned by Balaji Infra Projects Ltd and IL&FS Ltd, which was last month admitted into insolvency court.

The Ministry of Shipping is also creating a special purpose vehicle to bring in Government stake in the greenfield port at Vijaydurg Port in Maharashtra's Sindhudurg district.

This is expected to cater exclusively to the proposed 60 million-tonne per annum oil and gas mega refinery on the West Coast.

The Ministry is also in the process of giving JNPT the rights to develop Rewas Port. The project had been awarded to Reliance Logistics and Ports, a Reliance Industries subsidiary, in 2002, but work on the project has not even begun.

"The ports sector is changing very fast," Bansal said recently. "JNPT is exhausting its capacity to handle coal, steel and other cargo. The State requires these materials for power, infrastructure and other industries. At this

time, when the port is making profits, we must invest in infrastructure creation and look for good investment opportunities," he said.

In fact Dighi Port is part of the Dedicated Freight Corridor and the Delhi-Mumbai Industrial Corridor. Dighi Port has a capacity of 30 million tonnes and has started partial operations.

"JNPT is operating at close to full capacity today. Because of its capacity constraints, it has seen a lot of cargo traffic move to ports in Gujarat, like Hazira, Mundra and Pipavav, said K. Ravichandran, Senior Vice-President & Group Head, Corporate Ratings, ICRA.

These acquisitions will help JNPT regain its market share, Ravichandran said. "Trade is expected to grow 10-12% annually. JNPT is a profitable port and operates efficiently. It is AAA rated, has significant cash reserves and has spent the last couple of years building road connectivity.

The cost of an acquisition depends on the financial health of the port.

"A highly profitable port will be priced at an EV/EBITDA multiple of 10-15 times. For a weak port, depending on how much debt it has, this multiple will be much lower," he said.

Bansal of JNPT said: "We are looking at options to leverage our savings. Ultimately, we need to create more assets, so we have more muscle, more centres from which to serve the nation. The Government is advocating for port-led development. If JNPT can create (a profitable port) here, why not do it in other places too?"

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Sanjay Bhatia felicitated for being upgraded in rank of Secretary



Shri Sanjay Bhatia - I.A.S. (MH-85) the Chairman, Mumbai Port Trust upgraded to the Rank of Secretary to the Govt. of India.

On this occasion, Shri Kersi Parekh, Working President & Trustee - Mumbai Port Trust, Office-bearers and the Activists of Transport & Dock Workers' Union, Mumbai felicitated Shri Sanjay Bhatia - I.A.S., Hon'ble Chairman of Mumbai Port Trust on 19th May, 2018.

Commerce & Finance Ministry working together for early release of Rs.14,000 cr of GST refund to exporters

Inter departmental parleys are intensifying between Department of Commerce and Revenue for early release of pending Rs.14,000 crores of export refunds relating to GST as the Government has already disposed off GST refunds amounting to Rs.20,000 crores by April 2018, according to the Additional Directorate General of Foreign Trade, Mr. N K Srivastava.

Addressing a Workshop on Issues in Export & Import of Goods & Services vis-à-vis Foreign Trade Policy under aegis of PHD Chamber of Commerce and Industry here, Mr. Srivastava also disclosed that the focus of the Government is also shifting towards creation of sector specific export promotion to enable India further rise its exports.

To this effect, a Committee has been constituted within the Department of Commerce to examine the potential of sectoral exports that have been until now stayed put unattended to, added Mr. Srivastava pointing out that concentration of India's exports proceeds till now remained largely on services particularly relating to IT.

Elaborating on dispensation of pending exports related refunds though Mr. Srivastava pointed out that the disbursal would happen sooner than anticipated but blamed the exporting community also stating that their filing of GST refund cases have been in correct and proper manner.

It is on account of this that the exports refunds have also been delayed but with the inter-departmental

consultations progressing faster between Department of Commerce and Revenue, pending exports refunds to an extent of Rs.14,000 crore are likely to be facilitated quickly.

In his welcome remarks, Vice President, PHD Chamber, Mr. D K Aggarwal highlighted the grievances being faced by exporters relating to their refunds and asked the government to take up the issue with faster and accelerated pace.

According to him, Indian exports in the last couple of years have not been proceeding with required pace and

speed including volumes and exports have shrunk only to an extent of 12% of GDP which is a matter of concern for India in particular and trade in general.

Chairman, Indirect Taxes Committee, PHD Chamber, Mr. Bimal Jain in his theme presentation drew a comparison between pre-GST and post-GST exports and pointed out that in the current regime must ensure ease of business with simplification for exports of goods and services with timely refund of GST so as to ensure no working capital gets blocked in the hands of exporters.

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Government to relax curbs on Indian firms chartering foreign ships

The Ministry of Shipping is clearly in reform mode. On the heels of the recent relaxation of the cabotage law, which allows foreign flag vessels to operate in Indian waters, it is now set to allow Indian players to charter foreign flag carriers without any pre-conditions.

At present, a foreign ship is allowed to be chartered only - among other conditions - if a suitable Indian ship is unavailable for that purpose at reasonable charter rates.

In fact, the entire chartering rule book is set to see a significant simplification. These measures will increase the shipping capacity in the Country, bring down the cost of transportation along the coast and eventually encourage Coastal Shipping. At present, only 100 million tonnes of cargo is moved along the coast in India, and 80 per cent of it comprises petroleum products, coal and iron ore.

“While we were relaxing cabotage rules, we found restrictive practices in the chartering of foreign

vessels. We need to correct this quickly,” Shipping Secretary Gopal Krishna said.

At present, the number of ships available at the right price to carry cargo (both domestic and export-import) along the coast is inadequate, thanks to which people take either the road or rail route. “Once we

have ships available at cheaper rates, we will encourage Coastal Shipping and the overall logistics cost will reduce significantly,” Gopal Krishna said.

The overall easing of chartering rules, he felt, would give a fillip to entrepreneurship in the sector.

“By opening up, we give chance to our entrepreneurs who do not have enough funds to buy ships to come into the business by chartering a vessel,” he said.

The idea is similar to cab aggregation, which does not require an entrepreneur to own vehicles. “Our attempt is to increase shipping capacity, and a lot of cargo will move on our coast,” he said.

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“In fact, the entire chartering rule book is set to see a significant simplification. These measures will increase the shipping capacity in the Country, bring down the cost of transportation along the coast and eventually encourage Coastal Shipping. At present, only 100 million tonnes of cargo is moved along the coast in India, and 80 per cent of it comprises petroleum products, coal and iron ore.”

Shipping Ministry prepares '42-point agenda' to simplify export-import operation at Ports

Of these, 20 amendments relate to exports and 22 relate to imports:

Carrying out export-import operations via sea route is set to become easier with the Union Shipping Ministry working on 42 amendments in the port operations to simplify cargo maneuvers.

“Out of the four pillars under Sagarmala, two of them (port modernization and development and port connectivity) focus on removing bottlenecks to bring Ease of Doing Business,” a Senior Government Official said recently adding, “So, for this, 42 items have been identified across all Major Ports which relate to Ease of Doing Business”.

The list, has 42 areas to “reduce cost and dwell-time of cargo” at clearance points at ports. Of these, 20 amendments relate to exports and 22 relate to imports.

Government’s flagship programme, Sagarmala, to push blue economy in the Country focuses on areas like port development and modernization, port-led industrialization, port connectivity and coastal community development.

The programme spreads across two decades till 2035 and has 415 projects under its ambit. About 86.5 percent or 359 projects have been planned for port development and connectivity.

The programme will see a total investment of Rs. 8 trillion to make sea-route as a favourable choice for transporting goods.

Maritime transportation of goods was marred by issues such as high cost for handling and transporting goods, shortage of suitable vessels to handle cargo, absence of mechanical handling equipment at ports and slow movement of goods at ports.

“To address these issues, a list has been prepared by the Ministry to identify these concerns and is to be implemented by port authorities. The idea primarily addresses Ease of Doing Business, to make things transparent and allow all the stakeholders to share information,” he said.

He said stakeholders like owner of the shipping line

carrying goods, the Custom Department, railways, and transporter carrying goods outside port should have all relevant information about the consignment being shipped, time of arrival and time when the consignment will leave the port premises.

“This information will be provided digitally to all of them, reducing dwelling time and waiting time for all the people involved in the process,” he said.

To improve export related activities, the Ministry has suggested setting up of joint traffic management squad consisting representatives from all stakeholders, making gate-CCTV (closed circuit television) footage available to custom officials, ensuring customs officers’ presence in each lane as temporary measure until all clearances are carried out, expanding scope of direct port entry to factory stuffed containers, simplifying port clearance for

vessels and integration of customs, port community and terminal systems at the gate among other things.

Some of the steps that the Ministry has suggested for facilitating imports include simultaneous rake inspection while loading rakes, introduction of mobile wallets to enable 24x7 payment to officers at

custom duty, increasing volumes for direct port delivery, mandatory advance filing of import declaration, modification of methods for calculating stamp duty of on import container, mandatory issuance of e-delivery order and advance invoices by shipping lines and direct delivery of all facilitated cargo without routing it through any container freight station.

Custom officials, Central Industrial Security Force (CISF), Directorate General of Shipping, Terminal Operators and respective State Governments have been entrusted with the majority of the task to expedite the necessary amendments in the processes.

India has 12 Major Ports and 187 Minor Ports. As per Government estimates, almost 94 percent of the Country’s freight uses rail or road as a medium to commute even as 90 percent of India’s trade by volume and close to 70 percent by value is via the maritime route.

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'Sagarmala' receives Gold Award at the 52nd Skoch Summit 2018

The Ministry of Shipping's flagship programme for port-led-prosperity 'Sagarmala' received the 'Gold Award' in infrastructure sector in the recently concluded 52nd Skoch Summit 2018 in New Delhi, recognizing the programme's contribution to India's socio-economic transformation and its role in propelling fast-track growth and infrastructure development. The Sagarmala Programme also received the 'Order of Merit' at the Summit. The Secretary (Shipping) Shri Gopal Krishna shared the award

with Minister for Shipping, Road Transport & Highways, Water Resources, River Development and Ganga Rejuvenation Shri Nitin Gadkari.

The Skoch Awards recognize leadership and excellence in accelerating socio-economic changes. These awards have become a benchmark of best

practices in India in the fields of Governance, infrastructure, finance, banking, technology, corporate citizenship, economics and inclusive growth.

The Joint Secretary (Sagarmala), Ministry of Shipping, Shri Kailash Kumar Aggarwal received the award from Shri Sameer Kochar, Chairman, Skoch Group and Shri Gopal Krishna, Secretary, Ministry of Shipping, who was the Chief Guest at the valedictory session of the awards ceremony. The 'Order of Merit' was received by Shri Abhishek Chandra, Deputy Secretary (Sagarmala) Ministry of Shipping.

Sagarmala is the flagship programme of the Ministry of Shipping for port-led-development of the Country through harnessing India's 7,500 km long coastline, 14,500 km of potentially navigable waterways and strategic location of India on key international maritime

trade route. The Sagarmala Programme hinges on four pillars, namely; Port Modernization, Port Connectivity, Port-linked Industrialization and Coastal Community Development. The programme aims to double the share of domestic waterways (inland & coastal) in the modal mix, generate logistic cost savings of Rs. 35,000-40,000 Cr per annum, boost merchandise exports by USD 110 Billion and enable creation of 1 Crore new jobs, including 40 Lac direct jobs, in the next 10 years.



The Sagarmala Programme also received the 'Order of Merit' at the Summit. The Secretary (Shipping) Shri Gopal Krishna shared the award with Minister for Shipping, Road Transport & Highways, Water Resources, River Development and Ganga Rejuvenation Shri Nitin Gadkari.

Under Sagarmala programme, more than 576 projects with an estimated project cost of Rs. 8.7 Lac Crore have been identified for implementation over 20 years. Development would be done across areas of port modernization and new port development, enhancing connectivity of

ports, industrialization linked to ports and coastal community development. Out of 576 projects identified, 69 projects worth over Rs. 13,500 Crore have already been completed so far and another 424 projects worth over Rs. 4.1 Lac Crore are under various stages of implementation and development. Around 97 projects worth over Rs. 38,000 Crore are expected to be completed this year.

The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi, had given its 'in-principle' approval for the concept and institutional framework of Sagarmala Project on 25th May 2015.

The National Perspective Plan (NPP) was released by the Prime Minister Shri Narendra Modi during the inaugural Maritime India Summit held in April 2016, in Mumbai.

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Indian Maritime Awards 3rd Edition Honors Top Professionals from Logistics and Maritime Industry



After the resounding success of the previous two editions, the much anticipated third edition of the Indian Maritime Awards organized by Daily Shipping Times was rolled out at a gala evening in Mumbai on June 22, 2018.

Ms. Amruta Fadnavis, Dr. Malini Shankar, IAS, DG Shipping and Mr. Neeraj Bansal, IRS, Chairman-in-Charge, JN Port graced the occasion. The event brought together some of the leading lights of the Maritime and Logistics sector under one roof to cheer and applaud key achievers.

The award seeks to promote the overall logistics sector as well as encourage people to augment these modes of transport both as service and as a business.

Mr. Kalpesh Modi, Editor-in-Chief and Managing Director, Daily Shipping Times, said, "Managing and organizing India Maritime Awards on such a large scale in short span of three years has been a dream come true. We strive to felicitate the excellence of individuals and companies from the Maritime and Logistics sector who have carved a niche for themselves through their performance and become the role model for others in the Maritime and Logistics trade."

The stage was set with the thought provoking panel discussion on "Staying Relevant in a Transforming Logistics Landscape" moderated by Mr. Prahlad Tanwar, Executive Director - KPMG. The panelists included eminent names from the Maritime and Logistics sector like Mr. Neeraj Bansal, IRS, Chairman - JN Port, Mr. Krishna B Kotak, Chairman - J. M Baxi Group, Mr. Mukesh Oza, Group President & CEO - Samsara Group, Mr. Suresh Parekh, Director - Polestar Maritime and Mr. T. Venkataraman, Managing Director - Goodrich Maritime.

The star attraction at the award function was the Youngest Entrepreneur in Logistics, Master Tilak Mehta, the 13 year old founder of Papers N Parcels, the app enables courier service. Ms. Amruta Fadnavis and

Mr. Mukesh Oza felicitated him for his stupendous success achieved at such a young age. He has become the role model of many others.

Other key achievers that were felicitated during the Award ceremony were Mrs. Sangeeta Sharma, Director (Liner & Passenger Service Division), The Shipping Corporation of India who bagged "Woman Professional in Shipping & Logistics"; Mr. Ritesh S Ramakrishnan, Joint Managing Director, Transworld Group who was adjudicated as the "Face of the Future"; Mr. Neeraj Bansal, IRS, Chairman-in-Charge, JN Port as "Business Reformer of the Year" and Mr. R. Radhakrishnan, Chairman Clearship Group as "Doyen of the Decade."



"Business Reformer of the Year" Award Mr. Deepak Shetty, IRS



"Best Port of the year - Containerised" Award JNPT



"Best Port of the year - Non Containerised" Award - Kandla Port Trust



"Best Terminal of the year" Award - APM Terminals Mumbai, Gateway Terminals India Pvt. Ltd.



"Port Personality of the Year" Award - Mr. Ravi Parmar, IAS Chairman, Kandla Port Trust



"Woman Professional in Shipping & Logistics Industry" Award Ms. Mrunal Tanna



"Lifetime Achievement" Award Mr. C. S. Manohar

India needs to increase its share in Global exports to 3.4 %: PM



The Prime Minister unveiling a plaque to mark the laying of foundation stone of Vanija Bhawan on Akbar Road, New Delhi

Prime Minister Narendra Modi recently called for India to more than double its share in global exports from the current 1.6 per cent to 3.4 per cent.

Speaking after laying the foundation stone of Vanija Bhawan, a new office complex for the Department of Commerce, Modi emphasized the need for an increase in exports, and said that States must be made active partners in this effort.

He said the Department of Commerce must resolve to raise India's share in total global exports to at least 3.4 percent, from the current 1.6 percent.



Similarly he said, efforts must be made to raise domestic manufacturing output, to reduce imports. In this context, he gave the example of electronics manufacturing. He said the Union Government has taken a number of steps to boost domestic manufacturing.

India to provide tariff concessions on 3,142 items to APTA members

India has agreed to provide tariff concessions on 3,142 products to Asia Pacific Trade Agreement (APTA) members, including Bangladesh and Sri Lanka, from July 1, the Commerce Ministry said recently. However, these duty concessions will be more for least developed countries (LDCs) and less for developing nations.

APTA is an initiative under the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) for trade expansion through exchange of tariff concessions among developing Country members of the Asia Pacific Region. It is in place since 1975.

It is a preferential trade agreement (PTA), under which the basket of items, as well as extent of tariff concessions, are enlarged during the trade negotiating rounds which are launched from time to time.

The six member countries are Bangladesh, China, India, Laos, Korea and Sri Lanka. The results of fourth round of negotiations under the APTA have been implemented with effect from July 1, the Ministry said in a statement.

“India has, on its part, exchanged tariff concessions on

3,142 tariff lines (or goods) with all member countries and special concessions on 48 tariff lines for LDCs, with Bangladesh and Laos,” it said. The fourth round of trade negotiations were formally concluded and signed by the Ministers of the member countries during their meeting on January 13 last year.

The decision of this meet has now been implemented by all members with effect from July 1, it added. With the implementation of this decision, the coverage of

preferences of total tariff lines for each member would come of 10,677 products, up from 4,270 items at the conclusion of the third round.

The average Margin of Preference (MoP) being provided under the agreement is 31.52 per cent. But LDC members are entitled to greater concessions on 1,249 items with an average MoP of 81 per cent. Under a free trade agreement, countries cut or eliminate duties on most number of goods traded between them besides liberalising norms to promote services trade and investments. But under a PTA, duties are eliminated on a certain number of identified items.



India is a founding member of APTA with the other five members being Bangladesh, China, Laos, South Korea and Sri Lanka.

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1011, Mighty (Universal Majestic), Near RBK International School, Ghatkopar-Mankurd Link Road, Chembur West, Mumbai 400 088, India.

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