AILBIEAnews
An in-house e-newsletter of
ALL-INDIA LIQUID BULK IMPORTERS & EXPORTERS ASSOCIATION
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FOR PRIVATE CIRCULATION ONLY

President's Message

"The wheels of progress do not stop. The world advances toward and into a better life, and will advance until, leaving the hard, clumsy and jarring pavements of the marts of selfishness behind it, it will strike off joyously into the broad avenue of the millennium" - Josiah Gilbert Holland

At the outset, let me take the privilege of wishing you a very fruitful, exciting, prosperous and tension free NEW YEAR 2017.

The year 2016 saw some of the welcome changes being introduced by the Government, which, in the first place ought to have been there since inception, i.e. from the time of Independence, itself. However, slowly moving away from the age old British legacy and antiquated laws and procedures, the Government is now serious and determined in gradually restoring sanity in overall governance and in major policies impacting the business houses and trade. In the process, some mind shattering and daringly bold changes and regulations have been made, that too, with utmost conviction and confidence.

At the stroke of the hour on midnight of 9th November 2016, India **lost 86% of its monetary base.** This unprecedented "invasive strike", with an iron hand, has evoked positive response from the majority of the masses in the country, praising Prime Minister's masterstroke by which he has reportedly destroyed the base of corruption in India. In this single move, the Government has attempted to tackle all the **three issues affecting the economy i.e. a parallel economy, counterfeit currency in circulation and terror financing**.

Though, taken by sheer sudden surprise and unexpected development which even in their wildest of dreams and imaginations, they would

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have never imaged, majority of the citizens, cutting across geographical, political and regional barriers have embraced this move, and, were more than willing to face the hardships and agonizing moments. It was akin to swallowing a bitter pill, knowing that the eventual results will be very good.

It must be noted that the condition of all progress is experience. We go wrong, a hundred times before we find the right path. We struggle, and grope, and hurt ourselves until we learn the use of things and this is true of things spiritual as well as of material things. Pain is unavoidable, but it acquires a new and higher meaning when we perceive that it is the price humanity must pay for an invaluable good.

This masterstroke will certainly putting an end to Corruption, if not fully, but, it will make the corrupt officials jittery and aware of the lurking dangers and pitfalls. Accountability of wealth, particularly CASH, will now drive home great sense of responsibility

and proper accounting systems, making people more judicious and tax compliant. This has also paved way for 'DIGITIZATION' and CASHLESS transactions, which again is a very welcome sign. This move will also see a giant leap in the highly increasing number of tax payers, from the present 4% to a very healthy percentage.

Progress is impossible without change, and those who cannot change their minds cannot change anything. For, progress lies not in enhancing what is, but in advancing towards what will be. Without deviation from norm and predictable course, progress can never be made.

After this historic move of demonetization, it remains to be seen as to what measures the Government introduces to put a TOTAL STOP TO CORRUPTION amongst the governmental departments at Centre as well as State. Some stringent measures and laws should be introduced, which are detrimental and disastrous for corrupt officials, and, which will force corrupt officials to transform themselves into a new 'awatar' of being honest.

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There is still that resistance at lower levels of the government machinery towards accepting the harsh realities of demonetization and resultant consequences. After being used to corrupt practices from the very beginning, right from the days after independence, which they have adopted as a way of life, and, surviving only on such practices to satisfy their greed and unjustified needs, these corrupt officials just cannot overcome this rude shock of being left high and dry from no more additional incomes thru' corruption.

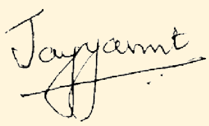
It is a fact that you can never change things by fighting the existing reality, for, every convenience brings its own inconveniences along with it. There are only two options: make progress or keep on making excuses. What the Hon'ble Prime Minister has astutely done is to ring in a change, build a new model that makes the existing model obsolete, i.e. of the drastic changes being introduced at ferocious speed.

There are no constraints on the human mind, no walls around the human spirit, no barriers to our progress except those we ourselves erect.

So, friends the wheels of revolution have been set in motion in 2016 and will gain momentum in 2017, let us join hands with the Government to ensure that all revolutionary policies and changes being initiated are firmly on course and eventually meet the well intended purpose for which they were brought in, discarding the age old obsolete and corrupt practices!

With best wishes for the New Year 2017!

With warm regards,



Jayyannt Lapsiaa
President

AILBIEA makes strong suggestions in handling of Liquid Bulk commodity - says President Jayyannt Lapsiaa.

Liquid Bulk Cargo

India is one of the largest importers of Liquid Bulk commodity. This gives sizable revenue to the National exchequer. Chemical industry can be broadly classified as the following sub groups:

A. Petrochemicals:

Petrochemicals are chemical products derived from petroleum. The two most common petrochemical classes are olefins (including ethylene and propylene) and aromatics (including benzene, toluene and xylene isomers).

B. Edible Oils:

Various vegetable edible oils are imported from South East Asian countries such as Palm Oil, Palm Kernel Oil, PFAD, Coco Nut Oil, Hazel Oil Rice bran Oil etc. Which are either used for the edible or Industrial use.

C. Fertilizers:

Fertilizer is any organic or inorganic substance which supplies chemical elements required for plant growth. Fertilizer sector manufactures critical raw materials for agriculture which is a major occupation of the country.

D. Bulk Chemicals:

It includes basic organic chemicals (methanol, acetic acid etc.) and basic inorganic chemicals (caustic soda, chlorine alkali etc.).

E. Specialty Chemicals:

Specialty Chemicals, also known as performance chemicals, are low-volume but high-value compounds. These chemicals are derived from basic chemicals and are sold on the basis of their function. Paint, adhesives, electronic chemicals, oilfield chemicals are some examples of specialty chemicals.

F. Agro Chemicals:

Chemicals essentially meant for protecting agriculture crops against insecticides and pesticides are covered under this sub-group.

Of the five segments, Bulk chemicals (~39% share) are the largest followed by agro chemicals (~20%) and then specialty chemicals (~19%). In terms of potential growth, specialty chemicals are the fastest growing segment followed by bulk chemicals.

In spite of the above facts, there are certain factors affecting the major cost of these from arriving at the Port till these are actually delivered to the manufacturer's manufacturing facilities. As everyone knows, transportation of the bulk commodities by sea way is much cheaper both for Imports as well as for the Import / Exports.

Before the advent of EDI systems, and, at a time when custom duties were almost 100% and more, the facilitation for LIQUID BULK consignments was paramount and at its peak. However, ironically, over the years, with advent of EDI systems and mounting demurrage rates [payable in precious foreign exchange], and with very low rates of duties [virtually in single digit], facilitation seems to have been a thing of past. It is imperative that utmost significance and urgency must be given to liquid bulk trade, to not only save precious foreign exchange for the country, but also to ensure that Industries do not suffer shut downs and closures for want of material resulting in mind boggling losses. Pertinent point here is that importers and exporters of Liquid Bulk cargo are well established, have made huge investments and by no stretch of imagination can be considered as fly by night operators.

They are here to stay! Hence, we are giving below, our suggestions based on practical difficulties faced by us with confidence that the same will be duly considered in right perspective and spirit.

Our inputs for the pre-budget are as under:

Service Tax – Cenvat Credit

1. Denial of the Service Tax credit on the invoices issued by the Shipping Lines / CFSs

CHA is a very crucial link between the Importers/ Exporters and Other Agencies. Such as Customs, Shipping Lines, CFS etc. As a practice various payments related to the services offered by the Shipping Lines / CFS etc are generally accepted from the CHAs and not directly from the Importers / Exports. While issuing the Invoices for such Services, the Invoices are issued in the Name of CHAs A/c

Importer/ Exporter. These services are leviable to Service Tax levy and the same is allowed for credit under Cenvat Credit Rules. These Invoices are generally computerized and bear the caption "Computer Generated Invoices Signature Not Required". While as the Importers / Exporters are denied of the credit of such amount of Service Tax, as the Invoice is not in order. Such payments are deducted by the Importers / Exporters from the payment of CHAs. This amount is very high as compared to the income of CHAs. On the other hand, Shipping Lines are adamant in manual signing of such Invoices. As a result of this there is always a dispute and loss to the CHAs.

Suitable modification in the Cenvat credit rules may please be made to resolve this issue.

Customs – On line issues related to ICEGATE – Streamlining of

2. Simplified process for Refund of duplicate payment

Many a times, due to failure in the link or for any other reason, the Importers / Exporters end up making duplicate payment of duties and other charges, as the same are not reflected in the ICEGATE system. For the faster clearances, such duplicate payments are made to avoid detention / demurrage and urgent need of the cargo, or sometimes it is inadvertent while, as such duplicate payments are returned by way of refund procedure, that too, after hectic and nerve wrecking follow ups and procedures, the time taken for refund is almost 7 to 8 months! Such procedure is very lengthy and time consuming. In many cases, such refunds are pending with the department for over years.

Suitable modification and / or adjustment of such payments in the subsequent documents may please be made. Or INSTATNT REFUND should be made within 15 days.

3. Manual / Parallel permissions / passing of Documents in case of Link failure

It is observed that many a times, due to failure in the link, the whole process of document processing comes to stand still and this causes delays in the clearances leading to the detention demurrage charges.

To overcome such situation, the system should be developed for parallel manual passing of such documents running from the last serial no of the document and the same could then be uploaded when the link is restored. Such type of provisions is available in SAP type systems, which are used by many Industries. This will eliminate frustrating and agonizing delays and enable faster clearances.

4. Manual / parallel debits

Similar procedure as mentioned above may be adopted in the debit of licenses in case of Link failure for protecting the misuses of licenses.

Customs – Issues related to Quality of assessment & Procedure

5. Multiple movement of the file up to top level – Pyramid movement

Many a times, it is observed that the appraisers are not applying any logic, reasoning nor international trade practice norms for valuation / classification and the same are then in due course of time referred to higher ups in a pyramid order. Sometimes such files are sent to the Commissioner levels. As such there is no much value addition but the same file notes are repeated by each level in the hierarchy.

While doing so, the contentions favorable to the Importers are not taken into consideration even after the suitable judgments favoring the Importers. When taken up with the Commissioner level, it is generally informed that the decision is taken up at the AC / DC / Appraiser level and in case the importer is aggrieved, he may go in appeal.

In such cases, the appeal lies before the Commissioner Appeal even though the decision is directed by the Commissioner. Hence, appraising level officer must be directed to strictly adhere to laid down procedures, international trading practices and go by the volumes and intent of import since most of the liquid bulk imports are basically industrial Raw Material. In addition, instructions be given to the junior officers to follow the judgments of the jurisdictional courts etc., wherever the same are available.

6. Classification & Valuation disputes

Many a times, the classification and valuation rules are not followed but the arbitrary decisions are taken by the Appraisers and the same are then confirmed by the AC / DC without consideration of the submissions made and without verifications. In such cases also the files are moved in the pyramid fashion, consuming lot of time and damage to the importers.

Similar modifications be made as per above.

7. Demand of BG in cases of flexible / variable International Invoicing Practices

International trend is to issue provisional Invoices, particularly in petroleum sector; such Invoices are generally issued in case of liquid bulk cargo, where the prices are provisional for week till the time they are finalized at the end of the week. This is an accepted International practice. Such final invoices are issued in due course of time. In such cases, there is no dispute about the classification and the importer is helpless with regards to such prevalent international practices. Now, suddenly the field formations are demanding Bank Guaranties, ignoring the fact that these practices were being allowed in the past for decades, since inception. Moreover, in current market scenario and tightening financial crisis it is suicidal for any importer to execute Bank Guarantee which will directly impact his economics and render the whole import unviable!

In such cases, the earlier provisions and practices may please be restored of provisional assessment with a simple P.D. Bond.

Customs – Issues related LIQUID BULK Special category

8. 'TOP PRIOIRTY CARGO' LIQUID BULK

To restore the urgency and top priority tag given to all liquid bulk consignments in 1980s and 1990s, wherein a stamp of 'TOP PRIOIRTY CARGO' LIQUID BULK was put on all bills of entries and shipping bills of liquid bulk consignments and these Bills of Entries and Shipping Bills had to be assessed and cleared within 30 minutes of noting. This was dispensed once the EDI systems were brought in force, since under EDI this is not possible, however, we strongly feel that true spirit of 1980s and 1990s should have continued, and, facilitation extended then [when the duties were 100% +] should have continued unabated and improved upon.

This very pertinent practice adopted and strictly followed in the past should be restored.

9. Variances of practices for assessment at various ports

Variance of procedures for import and export of liquid bulk cargo at different ports should be streamlined and there should be ONE uniform procedure and policy across all ports in the country. This causes great hardships to our members and many a times they have to run from pillar to post collating data of procedures from one port to another.

Particularly, at minor ports viz. Hazira, Pipava, Dahej and others, the jurisdictional Commissioner's office is situated 300 to 400 Kms away, and every time there is any issue in assessment the same in referred to Jurisdictional Commissioner's office consuming huge delays and constant follow ups.

Suitable modification for adoption of the standard procedures may please be implemented. Posting of senior level Commissioners [Jt. Or Additional Commissioner] should be made at these ports and powers be given for expeditious clearance of any issues and post fact approval may be sought from the jurisdictional commissioners.

10. Valuation of Liquid Bulk consignments in ISO Tanks and Flexi Tanks

Valuation of Liquid Bulk consignments in ISO Tanks and Flexi Tanks should be de-linked from valuation of Containerized cargo, since it is unjust and unfair to evaluate imports in ISO Tanks/Flexi tanks with that of containerized cargo. There is a bound to be difference in valuation due to the fact that cost of drumming, packing, container freight, loading, unloading of drums etc. will not feature in case of imports in ISO Tank containers and Flexi Tanks.

Suitable trade notice should be issued to ensure compliance by assessing officers at various custom houses.

11. Response mechanisms from BOARD to various issues being raised from time to time should be very fast and clarifications sought should be given in a very time bound frame of maximum one month. Most of the time issues raised with the Board continue to languish for very lengthy period and require constant follow ups.

"We are confident that views and suggestions in right perspective and issue necessary instructions for implementing them at the very earliest. These suggestions will not only facilitate in Government's committed pursuance in 'Ease of doing Business' but will also give tremendous impetus to the increasing growth of Liquid Bulk Trade, which significantly contributes to Custom revenues at all ports". Mr. Jayyannt Lapsiaa added.

Industry should prepare itself to implement GST w.e.f. April 1: CBEC Chairman - Najeeb Shah

Chairman of the Central Board of Excise and Customs Mr Najeeb Shah asked the industry to prepare itself to implement the Goods and Services Tax (GST) w.e.f. April 1 at an event at New Delhi. There will be GST readiness on part of the Government and urged the industry to be ready.

On the issue of dual control among the States and the Centre, he said “we don't want to reduce ‘dual’ (GST structure) into duel, Chairman, Central Board of Excise and Customs (CBEC) while inaugurating a National conference on GST in New Delhi.

Lack of consensus on the issue of how the new tax, having Central and State elements, would be collected and administered is holding up the supporting legislations on the Goods and Service Tax (GST), which the Government is keen on introducing from April 1 next year.

> **“Lack of consensus on the issue of how the new tax, having Central and State elements, would be collected and administered is holding up the supporting legislations on the Goods and Service Tax (GST), which the Government is keen on introducing from April 1 next year.”**

He said the CBEC would also look into anti-profiteering mechanism. "We are very clear that one assessee will be dealing with the administration of either State or the Centre. So the entire cross empowerment issue was, we empower each other to say that in case the state authorities look at SGST issue, they also look at CGST and vice versa," Shah said.

Chairman CBEC also said that the multiplicity of GST rates is the necessity due to the economic and political compulsion. The Government unsure about exact compensation figures for states may vary between Rs. 10,000 to Rs. 20,000 crore, said Mr. Shah.

The Central Government and State Governments have to collect Rs 8 lakh plus crore of revenue which they are currently getting from indirect taxes other than customs. In the course of the GST council deliberations, growth rate of 14% for 5 years.

Commerce Ministry highlights Products excluded from the export list

All goods can be exported barring the category of goods which are prohibited/restricted under the Foreign Trade Policy and listed under ITC (HS) Classification of Export and Import. The complete list is available on the website of DGFT (www.dgft.gov.in).

The prohibition/restriction on export is to ensure availability of the commodities for domestic use/ consumption at reasonable prices to safeguard natural resources & environment and to take care of proliferation concerns. The Government normally resorts to banning of exports of commodities which are in short supply in the domestic market leading to skyrocketing of prices.

Review of export/import policy is a continuous process undertaken by the Government from time to time in consultation with the concerned administrative Ministries and Departments, keeping in view the availability of the products, their prices in the domestic and international market and various other factors and need based policy decisions are taken from time to time in this regard.

The Government has taken various measures to diversify and boost exports from India, which includes; Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy (FTP) 2015-20 w.e.f. April 1, 2015 as a major export promotion scheme implemented by the Commerce Ministry with an objective to incentivize export of merchandise which are produced/manufactured in India. Rewards under MEIS are payable as a percentage of realized FOB value of exports of notified product / tariff lines, by way of the MEIS duty credit scrip, which are transferable and can also be used for payment of a number of duties including the basic customs duty. As of now 7914 tariff lines at 8 digit ITC (HS) Codes have been covered under MEIS scheme to diversify goods and market and to extend the coverage across the globe. For the fiscal year 2016-17, Rs. 23,500 crore have been allocated for MEIS incentives.

Interest Equalization Scheme has been introduced with effect from April 1, 2015, for a period five years, with an objective to provide affordable credit to exporters to enable them to be more competitive. The scheme is available to 416 specified tariff lines and exports made by manufacturing Micro, Small and Medium Enterprises (MSME) across all ITC (HS) Codes. The rate of interest equalization is 3 % per annum. In addition, the Foreign Trade Policy 2015-2020 provides support for manufacture and export of commodities. Under Duty Exemption Scheme, duty free import of inputs can be made for manufacturing and exports. Under the Export Promotion Capital Goods Scheme, capital goods can be imported at zero percent duty linked to export performance to be achieved within six years from the date of imports. A manufacturer setting up an Export Oriented Unit (EOU) for exports also has access to duty free imports of raw material and capital goods. Various Export Promotion Councils and Commodity Boards also make efforts in promotion of export of their commodities including diversification.

CBEC introduces Express Cargo Clearance System

The CBEC is yet again trying to facilitate faster and easier ways to clear out cargo. This time, to speed things up on the 'Courier front' and to facilitate customs clearance of courier parcels, gifts, documents etc. in Courier Terminals across the Country, CBEC has introduced the Express Cargo Clearance System or ECCS.

ECCS is an Automation Program developed on PPP model by Express Industry Council of India (EICI). The new system would be introduced as a pilot project at Courier Terminal, CSI Airport, Mumbai with effect from December 5, 2016, to carry out automated assessment and clearance under the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010. For a smooth and seamless operation of ECCS application, ICES and ICEGATE teams at DG System, CBEC, New Delhi will provide all necessary support and help to ensure that the best IT standards are maintained. However, the system would function under the control of the Jurisdictional Customs authorities as in the case of ICES.

Earlier Customs officers facilitated customs clearance of courier parcels, gifts, documents etc. in the Courier Terminals across the country. The clearance was done by filing the Customs documents manually. Since the volume of import/ export through the courier mode has shown phenomenal growth, there is an acute need for an advanced automated system on lines of ICES to speed up the clearance process. Further, with the advent of e-commerce in a big way, the requirement for a system based clearance process was felt even more.

EICI shall provide the software application for Automation, as per the requirements projected by Directorate General of Systems, for Customs clearance process of Express Cargo at the Courier Terminal, CSI Airport, Mumbai on a turn-key basis, including all hardware, network, security, Data Centre Services, operations and maintenance including helpdesk, etc. as may be required for the smooth functioning of this system. All intellectual property arising out of ECCS including source code, documents and artifacts shall be owned by and belong to the Central Board of Excise and Customs (CBEC).

The operation of ECCS and related services shall be provided under the guidance, supervision, direction and control of the Directorate of Systems & Data Management, Central Board of Excise and Customs, Ministry of Finance, Government of India. Standard guidelines regarding change management, providing data to CBEC, business continuity and disaster recovery, security requirements, information security and audit, documentation and reporting requirements and application training requirements etc. will be provided by Directorate General of Systems and Data Management, New Delhi.

Malini Shankar, IAS, appointed as Director General, Shipping

Ms. Malini Shankar, Director General, Shipping

Ms. Malini Shankar, an IAS Officer of 1984 batch has been appointed as Director General, Shipping, Ministry of Shipping, succeeding Mr. Deepak Shetty, IRS, who retired on November 30, 2016.

Prior to this appointment, she was Additional Chief Secretary, Government of Maharashtra.

She has handled much diversified portfolios in her illustrious career including Disaster Management, Relief and Rehabilitation, Revenue - Registration of documents and Stamp Duty Collection.

She was also an Additional Chief Secretary, Government of Maharashtra, Department of Environment from May 2015 - May 2016, Mumbai.

She holds Doctor of Philosophy (Ph.D.), Public Policy - Institutional Economics 2005 - 2012 from prestigious IIT Madras.

Shipping Ministry implements Port Community System

Government has implemented Port Community System, for providing electronic connectivity in Ports. This is intended to integrate the electronic flow of trade related documents, information and functions as a centralized hub for ports of India and other stakeholders like Shipping Lines, Agents, Surveyors, Stevedores, Banks, Container Freight Stations, Customs House agents, Importers, Exporters, Railways, CONCOR, Government regulatory agencies, etc. for exchanging electronic messages in a secure manner.

The main objectives of the PCS are:

- Develop a centralized web-based application, which act as SINGLE WINDOW, for the port community members, stakeholders to exchange messages electronically in secure fashion.
- Reduce transaction time & cost in port business
- Achieve paperless regime in port sector
- Implement an e-commerce portal for port community

All the 12 Major Ports and six non Major Ports have been integrated online with PCS that cover around 92% of total Export-Import Trade by volume.

Kamarajar Port deploys RFID from Nov 30th

Kamarajar Port Ltd., (KPL) implemented a full-fledged Radio Frequency Identification (RFID) system from November 30 onwards to track movement of men, materials and laden vehicles within its premises on real time basis.

"The implementation of RFID system is one of the initiatives of Ease of Doing Business under the Shipping Ministry. The implementation of it will benefit trade immensely in terms of time and cost reduction.

"Even though some of the Major Ports have implemented RFID system, we are the first one to have full-fledged system in place to track men, materials and vehicles.

Here, the user can avail single entry or multiple entry passes through online web based request system or they can get it at the entrance," said a top KPL official. According to him, on an average, at least 600 people and 400 vehicles enter the port daily and it takes several minutes for vehicles to enter or exit the premises.

The implementation of RFID system will significantly enhance the security of the port, speed up the movement, track each and every movement of men and material across the port and prevent revenue leakage and any malfunction at the gate.

Explaining about the new system, he said: "It is an integrated intelligent system comprising issue of RFID based pass to move and monitor men and materials, for entry and exit of vehicles with boom barriers and flap barriers, automatic vehicle identification with RFID tags and number plate capturing system."

During April 2016, KPL awarded the Rs.11.82 contract to CMS Computer Ltd., for supply, installation, integration, commissioning and maintenance of RFID system.

Trial runs are on since November 15.

The contractor has already established a live control room for round-the-clock monitoring of the movement of men and vehicles in and out of KPL.

CBEC further simplifies Export procedures for Ease of Doing Business

The CBEC has further revised the already simplified procedure for fixation of brand rates.

As per the new notification, the CBEC clarified that the requirement of original duty paying documents furnished by the exporter to claim drawback duties with the extent of utilization for the brand rate application, have been further simplified.

In other words, the applicant need not submit a bulk of documents and instead file only the following ones:

"As per the new notification, the CBEC clarified that the requirement of original duty paying documents furnished by the exporter to claim drawback duties with the extent of utilization for the brand rate application, have been further simplified."

A. The working sheet (submitted by applicant with brand rate fixation claim) showing the drawback amount, each document wise, in support of claim, signed by applicant.

B. a certificate from an independent Cost Accountant/Chartered Accountant verifying the details submitted by the applicant

C. Self-attested copies of the duty paid documents (like bills of entry, invoice etc.) carrying their self-endorsement / defacement to the extent of utilization under the brand rate fixation claim.

Once the above documents are filed and accepted by the CBEC, the applicant need not submit original duty paying documents for endorsing / defacement by verifying officer during postfacto checking stage.

It is left to the discretion of the verifying officer who may choose to randomly cross verify not more than 5% originals of the self-attested copies of the total duty paid documents.

The random selection is based on the dynamic and risk parameters as indicated by the Commissioner of Excise and Customs Duty.

Cases where existing applications under the revised simplified brand rate scheme where brand rate letter has not been issued or where it has been issued but post-facto verification is pending, the applicant may choose either to:

(a) continue with the existing procedures; or

(b) have the requirement of submitting original duty paying documents dispensed (subject to random cross-verification of originals) provided they self-endorse/deface the duty paid documents to the extent of utilization under the brand rate fixation and resubmit the working sheet with the above cited declaration and certificate.

MbPT Chairman holds interactive session for making Mumbai Port more Transparent

Shri Sanjay Bhatia (centre), Shri Atul Fulzele (left) and Shri Yashodhan Wanage (right) addressing the interactive session.

Shri Sanjay Bhatia, IAS, Chairman, Mumbai Port Trust held an interactive session with the Port users, Contractors and suppliers on transparency in doing business with Mumbai Port Trust, on 21st November 2016. Shri Atul Fulzele, IPS, DIG, Central Bureau of Investigation was the Chief Guest for the session. Shri Fulzele informed about the preventive measures to be taken for reducing the corruption.

"The Chairman had addressed the gathering about 14 points of transparency plan of Mumbai Port Trust and also mentioned that he wants Mumbai Port Trust to be corruption free."

The Chairman had addressed the gathering about 14 points of transparency plan of Mumbai Port Trust and also mentioned that he wants Mumbai Port Trust to be corruption free. Further, he has requested Port users, contractors and suppliers to approach him directly regarding any grievance about corruption in MbPT.

The Chairman then mentioned about the Mobile Application (APP) regarding grievance redressal of Port Users, which Mumbai Port Trust is going to develop. An informative interactive session of questions and answers was held between Mumbai Port Trust and Port Users, Contractors & Suppliers. Shri Sanjay Bhatia, IAS, Chairman and Shri Yashodhan Wanage, IRS, Deputy Chairman, Mumbai Port Trust replied to the questions of Port users, Contractors & Suppliers.

Government initiates Port-led development through Coastal Economic Zones

The Government has begun the mammoth task of Port-led development through Coastal Economic Zones (CEZs) across all the nine Maritime States by advancing efforts to develop one new port each on the East and West Coast. According to experts, the Government does not want to "spread too thin" and, therefore, is focusing on the East and the West Coast to begin with.

The Government is essentially phasing these CEZs depending on where the ecosystem is right, where there's availability of large contiguous land parcels, access to urbanisation and supporting infrastructure, and where prime manufacturing locations are in place. The learning from these will be replicated across other CEZs.

"You need one large port and small ports nearby and also industrial clusters, which will support the port-led development," said an industry source.

In July this year, under its ambitious Sagarmala programme, the Government announced building 14 CEZs, to be aligned to relevant ports in the Maritime States and will house Coastal Economic Units for setting up manufacturing facilities. The CEZs are spatial-economic regions, which could extend along 300-500 km of coastline and 200-300 km inland from the coastline. Each CEZ will be an agglomeration of coastal districts within a State.

The Sagarmala programme has four essential features – Port modernisation, Port connectivity, Port-led industrialisation and Coastal Community Development. CEZs fall under the third category, said a Shipping Ministry official.

He said each port would be developed into a specialised zone – some zones would have a specialised Container Terminal, some may focus on handling Cargo etc. But, experts feel that CEZs or port-led development cannot work in silos.

Even if one port specialises in a particular logistic activity, another port should also be able to handle it and vice-versa.

Even though the CEZs have been conceptualised keeping the industrial sector in mind, their impact on tourism cannot be neglected as it would be a vital by-product of the port-led development.

Ports handle 90 per cent of the Country's export-import cargo by volume and 70 per cent through value.

Gujarat alone caters to 25-30 per cent of the cargo traffic. Therefore, connecting the coastal areas to ports through port-led development was planned as proximity to the port brings down the logistics cost of a company substantially, a Shipping Ministry official said.

According to the coastal economic zone perspective plan of the Shipping Ministry, the States are expected to come forward to work with the Centre to develop these CEZs and the corresponding industrial clusters. All the 14 CEZs come under the influence area of Major or Non-Major Ports. The influence area is considered flexible and districts covered under the CEZ could change in the future depending on the industry growth.

The 14 proposed CEZs are Kachchh, Suryapur and Saurashtra in Gujarat; North and South Konkan in Maharashtra; Dakshin Kanara in Karnataka; Malabar in Kerala; Mannar, VCIC South and Poompuhar in Tamil Nadu; VCIC Central and North in Andhra Pradesh; Kalinga in Odisha; and Gaud in West Bengal.

These are expected to cater to the food processing, steel, cement, leather processing, petrochemicals, ship building, electronics and automotive industries.

The Government's perspective plan also states: "If India wants to establish a strong position in the global export market, it should overcome the key challenges – high lead time and sub-scale operations." Lead time is the amount of time that lapses between when a process starts and its completion.

Edible Oil Imports to touch 150 Lakhs tonnes in 2016-17

Driven by a surge in import of soya oil and sunflower oil, India's vegetable oil imports are likely to rise by 200,000 tonnes to touch 150 lakh tonnes in oil year (November to October) 2016-17, experts have projected.

According to a paper presented by Dorab Mistry, Director, Godrej International Ltd, on the price outlook for vegetable oils for 2016-17, soya oil imports are likely to be lower, while sunflower oil imports will increase with a rise in palm oil imports.

Mistry also projected that domestic vegetable oil production will be at 1 million tonnes in 2016-17 on a higher oilseed crop. The per capita consumption is projected at 18 kg.

For the oil year ended October 2016, Mistry pegged vegetable oil imports at 148 lakh tonnes, against 146.12 lakh tonnes in 2014-15.

Soya oil imports over the past four years have increased four times, from 1,030 tonnes in 2012-13 to a projected 3,800 tonnes in 2016-17.

JNPT handles highest Crude oil at its Liquid Cargo Terminal

Jawaharlal Nehru Port Trust (JNPT), India's No.1 Container Port, has created a major record on November 16th, 2016, by loading 80,640 MT of ONGC crude oil on a large vessel 'MT DeshBhakta', which was berthed at LB-01 of BPCL-run Liquid Cargo Terminal. This is the highest quantity of crude oil loaded on a vessel at JNPT which has surpassed the previous highest of 80,489 MT loaded on Tanker vessel 'MT RatnaUrvi' in June 2012.

ONGC's crude oil tanker MT DeshBhakta, which measures to LoA of 244.2 mtrs, arrived at JN Port on November 14th, 2016 for loading of crude oil of Mumbai High region to sail ahead for MRPL refinery at New Mangalore (coastal movement) with a sailing draught of 12.6 meters. JNPT started operations at 13:54 hrs on 14th November 2016 for loading of Mumbai Region crude oil and completed it by 09:12 hrs on 16th November 2016. JNPT gave topmost priority to 'MT DeshBhakta' operations in order to give ease to ONGC's concern of having high stock situation, and handled quick operations to tide over the issue.

Ethanol use can reduce India's fuel imports, says PM

Prime Minister Narendra Modi recently said the use of ethanol can reduce India's fuel imports and cited Brazil's example in successfully replacing gasoline to a large extent.

"India's biggest import is petrol, diesel and oil. We can reduce this through use of ethanol. Brazil has made good use of ethanol," Modi said here.

"Ethanol production and sale has tripled in the last two years," Modi said, adding that "ethanol can be a balancing power in the economy."

"We have a lot to do in the field of innovation," he said, pointing to a lot of innovation in the agri sector.

Modi also spoke of start-ups in the agri sector which, he said, will bring in value addition and increase agri exports.

Major Ports' Cargo traffic increases by 6.27 % during Apr-Oct 2016

Cargo traffic at 12 Major Ports went up by 6.27 per cent to 370.04 million tonnes during April-October 2016, compared to the same period a year ago.

These ports, under the control of the Centre, had handled 348.21 million tonnes (MT) of cargo during April-October period of the previous fiscal.

The growth in the traffic has been driven by a number of proactive measures that include mechanisation of terminal, augmenting infrastructure and improving the turnaround time, the official said.

Among the 12 Major Ports, Mormugao Port recorded the highest growth in traffic during the said period with an increase of 60.62 per cent, followed by Paradip +18.19 per cent, Kandla +9.99 per cent, Vishakhapatnam +8.95 per cent, New Mangalore Port +8.74 per cent, Cochin +6.63 per cent, V.O. Chidambaranar +4.09 per cent and Chennai Port +0.18 per cent.

However, Kolkata, Kamarajar have recorded negative growth during the period, the official said.

In terms of maximum cargo volume, Kandla Port handled a 63.04 MT, followed by Paradip's 50.23 MT and Mumbai Port at 36.49 MT.

The 12 Major Ports - Kandla, Mumbai, JNPT, Mormugao, New Mangalore, Cochin, Chennai, Ennore, V O Chidambarnar, Visakhapatnam, Paradip and Kolkata (including Haldia) handle approximately 61 per cent of the Country's total cargo traffic.

A Janardhana Rao appointed as new Managing Director of Indian Ports Association

IPA & MbPT Chairman Shri Sanjay Bhatia felicitates outgoing IPA MD Shri Muruganandam and his incoming successor Shri A. Janardhana Rao at IPA General Body Meeting in Kandla.

The Shipping Ministry has appointed Mr. A Janardhana Rao as the new Managing Director of the IPA (Indian Ports Association). This was announced at the General Body Meeting of Indian Ports Association where all the Chairmen of Major Ports or their representatives were present along with IPA & MbPT Chairman Mr. Sanjay Bhatia and other top officials from the Shipping Ministry.

Mr. Janardhana Rao, also looks after Government's ambitious new port-set up Sagarmala. He got this news at Kandla Port where he became CEO of Gujarat's only Major Port of Kandla in 2005.

Very sharp and workaholic Rao has the distinction of becoming the youngest HOD and Deputy Chairman at Indian Major Ports at the very young age of 30 and 37 respectively.

Mr. Rao took over the charge of IPA MD from October 1 from Mr. N. Muruganandam who after completion of his tenure in the port sector went back to his parent Tamil Nadu Cadre. Mr. Rao and Mr. Muruganandam were specially felicitated at the General Body Meeting.

"It is the right decision of the Govt to repost Mr. Rao as IPA MD as he is man from the port sector and had immense knowledge of Indian Ports. We must not forget that IPA is a link between the Major Ports and the Union Shipping Ministry and the man heading it must be well conversant with working of the port sector'' said Mr. Manohar Bellani, senior KPT Trustee and one of the key National Unionists in the Major Ports.

The Govt's posting order says that Mr. Rao would be holding Additional charge of Sagarmala. Mr. Bellani further added that he played key role in settling productivity linked bonus issue of Major Ports workers.

Sources say that Mr. Rao proved visionary as far as Kandla Port is concerned as when he took over as Deputy Chairman, the Major Port faced many developmental problems. It was he who initiated measures for a satellite Port at Tuna, a container terminal, channel deepening, crude terminal and a product jetty at Vadinar. These projects conceived by Mr. Rao are now in various stages of implementation.

MbPT Chairman introduces innovative concept of "Coffee with the Chairman" to motivate outstanding employees

Shri Sanjay Bhatia, IAS, Chairman, Mumbai Port Trust honouring Shri V. V. Shinde

Shri Sanjay Bhatia, IAS, Chairman, Mumbai Port Trust has introduced an innovative and novel concept of "Coffee with the Chairman" to motivate outstanding performers in Mumbai Port Trust.

Shri V. V. Shinde, Cargo Supervisor on Board Section of Traffic Department is the first employee to receive the honours. He was awarded certificate of appreciation and a trophy for being an outstanding employee of Mumbai Port Trust for July – September 2016 under the scheme.

Shri Shinde has been acknowledged for his exemplary work in challenging the interpretation of the nature of cargo by Vessel Agents by correctly classifying the cargo and thereby saving the revenue of the Port and also for giving maximum output by close monitoring / supervision of vessel working even with acute shortage of labour on many occasions. His qualities of honesty, punctuality, keenness to take additional responsibilities, hard work, and good practical knowledge of gear required for cargo operations and excellent rapport with Port users, resulting in smooth working of cargo operations were appreciated by the Administration.

The Mumbai Port Administration has appreciated Shri Shinde's contribution and he was felicitated by the Chairman, MbPT with cup of coffee with him and his family.

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