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Jayyannt Lapsiaa
President

President's Message

Season's greetings and good wishes!

Government has finally cracked the code to put the country into the top 100 nations club in terms of business friendliness, as perceived by the World Bank. For the first time ever, India has leaped 30 positions to become the top 100th country in terms of ease of doing business ranking this year.

India was ranked 142nd among 190 nations when this present Government took office in 2014. Four years of reforms pushed up country's rank to 100th in the World Bank's Doing Business report. It was 130th in 2017 when India was ranked lower than Iran and Uganda. In its annual report on Doing Business, India secured 77th position. India has improved its ranking 53positions in the last two years and 65 places in four years since 2014.

"India is one of the fastest growing major economies in the world and is currently ranked as world's sixth largest economy. Projections of growth, over the medium term remain encouraging and promising for India."

India's leap to 23 places to 77th position in the World Bank's **'Ease of Doing Business'** is a welcome development which could help the country attract more foreign investments.

India is one of the fastest growing major economies in the world and is currently ranked as world's sixth largest economy. Projections of growth, over the medium term remain encouraging and promising for India.

While vigilance and caution is the need of the hour, it should be noted that high ranking is not an end in and of itself. For attracting new investments and to propel the 'Ease of Doing Business' to greater levels, several macro-economic issues have to be tackled and addressed. Major institutional and governance reforms not covered in the World Bank study remain prerequisites for new businesses to start and progress. India certainly has the advantage of large domestic market, and, efforts to improve ease of doing business rankings may be finally yielding results, however, there is still a long way to go and lot of hard work.

One of segments which was taken in account by the World Bank for its ratings and rankings was the working of the Customs Department. Undoubtedly, the trade facilitation measures and proactive attitude of officers in ensuring expeditious clearance, reducing dwell time and enabling the Trade to lower the transactions costs, etc. play a very significant role in overall ratings.

Though, the Central Board of Indirect Taxes & Customs [CBIC] has been relentlessly pursuing to infuse the Ease of Doing business and implement the trade facilitation measures, through all its Customs stations, there is still plenty of scope of improvement and push. At many custom stations, there are absolutely no signs of following ease of doing business nor is there any effort to promote and encourage the trade facilitation measures, as is being followed in few Customs stations viz. Mumbai & JNPT, and very few other Custom stations.

Most of the other Customs stations have still to implement the trade facilitation measures, promote ease of doing business and also many of the officers have to drastically change their attitude towards the Trade, being more proactive and trade friendly. Many outdated Public notices, beyond five to ten years, of outdated procedures and processes, have to be scrapped and replaced with only one single Public Notice which is revisited every year, replacing the changes which take place constantly, and, simple amendments are carried out replacing the outdated procedures and policies, on time to time basis. Even now, many Public Notices, of over five to ten and more years, are being followed, wherein the procedures and policies have become redundant. It is high time that the CBIC and the respective Commissionerate take a serious view of this fact and act a.s.a.p. to scrap such Public notices.

The Single window clearance concept introduced by CBIC was a very progressive and proactive move and step in the right direction. However, due to apathy and indifferent attitude of certain agencies viz. Astt. Drug Controller's office, and few others, in granting NOC to DUAL use items, this scheme is proving to be a night mare especially for all liquid bulk importers/exporters.

Despite the fact that most of the Liquid Bulk cargoes, which are 100% meant for industrial use, and are not IPA GRADE, and, by virtue of their import being in LIQUID BULK form, without any packing nor any marking, which are imported in huge quantities in bulk, in thousands of Metric Tons in chartered vessels and discharged directly through underground pipelines into shore tanks viz. Methanol, IPA, Toluene, Caustic Soda, etc. are being insisted upon for obtaining ADC, FASSAI etc. NOCs, since, they fall into the category of DUAL USE ITEMS.

This aspect of obtaining NOC from ADC, FASSAI etc. for dual use liquid bulk cargoes also should be revisited and the practice of sending them for NOCs to these agencies should be immediately dispensed with. This is one of the ingredients of 'Ease of Doing Business' and trade facilitation.

Also, as mentioned in the previous newsletter, the role of the premier and one of the most important departments of CBIC i.e. the Directorate of Revenue Intelligence [DRI] should be limited to investigating all types of smuggling, counterfeit currencies, narcotics trade, and other anti-national activities, and, should be exempted from the purview of classification issues, interpretative issues and other routine assessment issues of the customs department, for which they already have the Special Investigation and Intelligence Bureau [SIIB].

DRI, having the best investigative brains and intelligent officers, should focus and concentrate on more sensitive and dangerous areas which are detrimental to the security of the country. DRI is undoubtedly the most valuable and most efficient of agencies of the Finance and Revenue Departments and should be accorded that special status and importance.

It has been observed and seen that DRI treats even reputed importers/exporters on par with that of smugglers and alike criminals. The classification issues are not resolved for months, and the importers have to shell out huge monies in form of Bank Guarantees to get their goods released. This increases the transaction costs multi fold. Moreover, the settling of classification issues take months sometimes years, resulting in importers losing heavily.

Trust and hope that the above views are taking in right perspective and implemented a.s.a.p. which, eventually will help in our country bettering the current rankings and storming into the top 10 very soon.

With warm regards,

Jayyannt Lapsiaa
President

Haldia Port aims for 60m tonne in FY 2019 as it completes 50 years

It all started on August 13, 1968, with the loading of about 6,500 tonnes of motor spirit on the MT Ampuria by Indian Oil Corporation Ltd at an oil jetty here in East Midnapore. Fifty years later, the Haldia Dock Complex (HDC) under Kolkata Port Trust (KoPT) is eyeing a figure of 43-45 million tonnes for the 2018-19 fiscal. On 13th August, while HDC celebrated 50 years of cargo handling at Haldia, KoPT chairman Vinit Kumar spoke on future plans to augment capacity and take cargo handling figures to nearly 60 million tonnes in the next 2-3 years.

"We had a study conducted and it shows that HDC's capacity is 65 million tonnes. The maximum utilisation level for a port is 80-85% and the maximum that we can handle under present circumstances is 55 million tonnes.

To augment capacity, we are going in for mechanisation of Berth 3. This berth used to handle iron ore earlier. We are now introducing silo-loading at this berth. It is also known as rapid wagon loading system and the cost will be Rs 311 crore. The capacity of the berth will increase and there would be reduction in turnaround time. This berth will handle coal and doubling of railway tracks by the end of next year will help in quicker dispersal," Kumar said.

HDC is also planning to start operations at its Outer Terminal 2 soon. This is augment capacity by 2.5 million tonnes. Environmental clearance for this project is at its last stage. A Letter of Intent has already been issued for a liquid jetty at Shalukkhali. This facility will have a capacity of four million tonne.

"These additional facilities will hopefully take us to 60 million tonnes in the next 2-2.5 years. We believe that there is sufficient cargo to be handled. There is a 20-25% growth in LPG and oil companies are looking forward to more loading arms. LNG and POL are also in demand. There are also plans to send cargo to Bangladesh in smaller vessels after bringing it in bulk to Haldia.

Our growth will take place due to the increased demand for coal. Tata and SAIL are the primary customers. There is also demand for clinker for cement plants," Kumar added.

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Cargo traffic at Major Ports rises 5% in Apr-Sept period

The Major Ports in the Country witnessed 5.12 per cent rise in cargo traffic to 343.26 million tonne (MT) in the April-September period of the ongoing financial year.

"The Major Ports in India have recorded a growth of 5.12 per cent and together handled 343.26 MT of cargo during April-September, 2018 as against 326.54 MT handled during the corresponding period of previous year," the Shipping Ministry said in a statement recently.

Nine ports, including Paradip, Visakhapatnam and Kamarajar, registered positive growth in traffic during the reported period, the statement added. The highest growth of 19.66 per cent was registered by Kamarajar Port, followed by Cochin at 11.51 per cent, Paradip at 11.12 per cent, Haldia at 10.07 per cent and Deendayal at 10.03 per cent, it said.

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Exporters want Govt to organise 4th tranche of Special Refund Fortnight by CBIC

Exporters have asked the Government to organise the fourth tranche of its special refund fortnight to clear all the dues under the Goods & Services Tax (GST) regime as the pending claims were affecting their cash flow and competitiveness in the global market.

"Refund of IGST (Integrated GST) worth Rs. 8,000 crore and input tax credit (ITC) worth Rs. 15,000 crore are yet to be paid to exporters and it is causing a liquidity problem. In our meeting with Commerce Minister Suresh Prabhu and senior officials from the Ministry, we have urged that urgent steps should be taken to clear the dues such as organising another clearance fortnight," FIEO President Ganesh Kumar Gupta said at an interaction with the media.

With the Government looking at ways to reduce the widening trade deficit, exporters are of the view that improving their liquidity position could go a long way in improving exports. "The Government is looking at an export growth of 16 per cent this year. With timely refund, we could try to achieve a growth rate of 21-22 per cent," Gupta said.

Last year, India's exports grew 9.7 per cent to $302.84 billion. In the April-August 2017-18 periods, exports had posted a growth of 16 per cent, which the Government is hopeful of maintaining it for the entire fiscal.

Gupta said that while the refund process has improved over the last six months, refunds can only be claimed after manufacturing of goods and exports with a lead time of about 3-9 months depending on the production cycle. "If the EU has worked out an exemption regime for exports, there must be some merit in it and we should also provide the same to our exporters to create a level-playing field," he said.

For Indian exporters, ITC refund is a great problem as it is partly electronic and partly manual. The exporter files refund application on the portal, takes a print out along with an acknowledgement and carries it to the GST authority together with the required documents, the demand for which varies depending upon the official handling the matter, FIEO said.

"The GST Network may be asked to develop a complete EDI processing for ITC refund as has been done for IGST refund so that there is no human intervention and the process becomes seamless," Gupta said.

By the end of the third edition of the special refund fortnight on July 31,2018, organised by the Central Board of Indirect Taxes and Customs (CBIC), the total amount of IGST refund claims disposed was worth Rs.29,829 crore taking the disposal rate to 93 per cent, as per Government figures. IGST refund worth Rs. 3,391 crore was sanctioned by CBIC during the fortnight.

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Growth in India firming up, projected to accelerate further: World Bank

Growth in India is firming up and projected to accelerate to 7.3 per cent in the 2018-19 fiscal and 7.5 per cent in the next two years, the World Bank said.

The global lender said that the Indian economy appears to have recovered from the temporary disruptions caused by demonetisation and the introduction of the Goods and Services Tax (GST).

However, domestic risks and a less benign external environment impact the macro-economic outlook, it said.

Growth reached 6.7 per cent in fiscal year 2017/18, with a significant acceleration in recent months, it said.

"Prompted by the adoption of the 'Goods and Services Tax' (GST) and the recapitalisation of banks, growth in India is firming up and it is projected to accelerate further," the World bank said in its latest report on South Asia.

Growth in India, it said, is expected to rise to 7.3 per cent in fiscal year 2018/19, and to 7.5 per cent in the following two years, with stronger private spending and export growth as the key drivers.

Observing that the external situation has become less favourable and the current account balance has deteriorated, the Bank said that a worsening trade deficit has led the current account deficit to widen - on the back of a strong import demand, higher oil prices and exchange rate depreciation - from a benign 0.7 per cent of the GDP in fiscal year 2016/17 to 1.9 per cent in fiscal year 2017/18.

India set to become engine of World's growth, says PM Shri Narendra Modi

Prime Minister Narendra Modi recently said India has emerged as the best destination for investment in the world.

At the inauguration of an event Investors Summit here, the Prime Minister said more than 10,000 measures had been taken by the Centre and the State Governments to make the environment conducive for investments.

Skirting the issue of the falling rupee, Modi said India is all set to become the main engine of the world's growth.

"Fiscal deficit has come down. Inflation is under control. The middle class in India is rising," he said.

India has climbed 42 points in the Ease of Doing Business rankings, he said, adding the infrastructure in the Country is also strengthening.

"We are working to provide air connectivity to all tier-II and tier-III cities in the Country for which we are building 100 new airports and helipads," he said.

The Government is developing more than 100 national waterways and modernising 400 railway stations. All these steps are being taken to strengthen the economy of the Country, he said.

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Dr. M. Beena assumes charge as Chairperson of Cochin Port Trust

Dr. M. Beena, IAS, a native of Trivandrum and doctor by profession, has assumed the charge as Chairperson, Cochin Port Trust.

Dr. M. Beena belongs to Kerala Cadre of Indian Administrative Services from 1999 batch. She has served in various capacities in the State including Assistant Collector, Sub Collector, and Director of various departments. She has also served as District Collector of Thrissur and Ernakulam.

As District Collector, Ernakulam, she has also been closely associated with the activities of Cochin Port especially during the construction of International Container Transshipment Terminal (ICTT). She also associated with many prestigious projects like commissioning of Petronet LNG, phase 2 expansion of BPCL, laying of GAIL pipeline etc.

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Visakhapatnam Port's capacity enhanced to 120 million tonnes: M.T. Krishnababu

The capacity of the Visakhapatnam Port capacity has now risen to 120 million tonnes with 27 berths and several projects are in progress in the port to further enhance the capacity and improve the services to customers, according to Chairman M.T. Krishnababu. The port was established in 1933 by the British, with hardly two lakh tonnes capacity.

He was reviewing the progress of the port at a media conference on the occasion of the formation day to be celebrated soon. He said the port had handled 63.5 million tonnes of cargo last year (2017-18 and for the current financial year the target had been set at 67 million tonnes.

"We are sure we will achieve, and even surpass, the target," he added.

He said several old berths were being upgraded and new ones being constructed at the port, and containerisation was also gathering momentum. "We are taking all possible steps to reduce pollution to the minimum, acceptable levels and to cause no inconvenience to the citizens," he said.

In response to a question, Krishnababu said there was a possibility of one, or even two, Major Ports coming up in Andhra Pradesh, but he felt that there would be no threat to Vizag Port.

"There was a proposal initially to set up a Major Port at Dugarajapatnam in Nellore district and it was also included in the AP Reorganisation Act, 2014, but the proposal was given up as it was found to be technically unviable.

The AP Government was asked to choose an alternative site and a technical committee was also constituted to find an alternative," he said.

In addition, he said, Union Shipping Minister Nitin Gadkari had offered to develop a port at Vodarevu, if the State Government was willing to offer 3,000 acres of land, "but there are several issues to be sorted out still with regard to the proposal."

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Global growth has reached plateau at 3.7%; clouds on the horizon: IMF

GENEVA: Global growth has plateaued at 3.7 per cent, the International Monetary Fund (IMF) said recently, with its Chief Economist warning the world that there are clouds on the horizon and growth has proven to be less balanced than hoped.

"Last April, the world economy's broad-based momentum led us to project a 3.9 per cent growth rate for both this year and next.

"It occurs as many economies have reached or are nearing full employment and as earlier deflationary fears have dissipated. Thus, policymakers still have an excellent opportunity to build resilience and implement growth-enhancing reforms," Obstfeld said.

"Notwithstanding the present demand momentum, we have downgraded our 2019 US growth forecast owing to the recently enacted tariffs on a wide range of imports from China and China's retaliation," he said, adding that China's expected 2019 growth is also marked down.

Domestic Chinese policies are likely to prevent an even larger growth decline than the one IMF projected, but at the cost of prolonging internal financial imbalances, he said.

> "Overall, compared with six months ago, projected 2018-19 growth in advanced economies is 0.1 percentage point lower, including downgrades for the euro area, the United Kingdom, and Korea"

"Overall, compared with six months ago, projected 2018-19 growth in advanced economies is 0.1 percentage point lower, including downgrades for the euro area, the United Kingdom, and Korea. The negative revisions for emerging market and developing economies are more severe, at -0.2 and -0.4 percentage point, respectively, for this year and next year," Obstfeld said.

Many emerging economies, he noted, are managing relatively well given the common tightening they face using established monetary frameworks based on exchange rate flexibility.

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DGFT relaxes Import norms for certain chemicals

The Government has relaxed import norms for about 34 chemicals used in pharmaceuticals industry, a move which would ease inbound shipments of these items.

The import policy of 34 items "has been revised from restricted to free subject to no objection certificate from Narcotics Commissioner, Gwalior, before import of the item", the Directorate General of Foreign Trade (DGFT) said in a notification.

The chemicals include cocaine, norephedrine, cathine and its salts, ephedrine hydrochloride and concentrates of poppy straw, nicotinic acid and aminorex.

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US Govt. keen to invest in India's Infra & Port sector development

The US Government's development Finance Institution OPIC is keen to invest in the development of India's infrastructure and port sectors, a top US official said recently.

Overseas Private Investment Corporation (OPIC) Executive Vice-President David Bohigian, who is visiting India, further said that India is a clearly the anchor of US Government's Indo-Pacific strategy.

OPIC is a self-sustaining US Government agency that helps American businesses invest in emerging markets.

"We are looking across all sectors (of India for investment) including infrastructure development, port development and solar energy sector, not just in venture capital," Bohigian added.

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India is source of Global economy growth: IMF

India is a source of growth for the global economy for the next few decades and it could be what China was for the world economy, the IMF said, as it suggested the Country to take steps towards more structural reforms.

"India now contributes, in purchasing power parity measures, 15 per cent of the growth in the global economy, which is substantial," Ranil Salgado, International Monetary Fund's mission Chief for India said. This is next to only China and the US, he said.

Salgado said spillovers from India are not that big because it is not a very open economy. "But of total global growth in Purchasing power parity (PPP) terms, it's 15 per cent of total global growth. Trading is not as high as China trade levels," Salgado said as the IMF Executive Board released the report of its annual consultations with India. He said the IMF views India as a "long run source of global growth".

"India has three decades before it hits the point where the working age population starts to decline. So that's a long time. This is India's window of opportunity in Asia. It's somewhat only a few other Asian countries have this," he said.

"For the (next) three decades, it (India) is a source of growth for the global economy and could be even longer. But three decades where India can be almost what China was for the world economy for a while," Salgado said. In its report, the IMF Executive Board has forecast India's growth to rise to 7.3 per cent in FY2018/19 and 7.5 per cent in FY2019/20, on strengthening investment and robust private consumption.

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UNCTAD: 7 Key Trends shaping Shipping Industry's Future

The UNCTAD's Review of Maritime Transport 2018 has been released recently which looked at the key opportunities and challenges faced by the shipping industry, and here are the 7 trends to be weary of:

1) Protectionism

On the demand side, the uncertainty arising from wide-ranging geopolitical, economic, and trade policy risks as well as some structural shifts, constitutes a drag on maritime trade. An immediate concern is the inward-looking policies and rising protectionist sentiment that could undermine global economic growth, restrict flows and shift trade patterns.

2) Digitalization, e-commerce and the implementation of the Belt and Road Initiative

The unfolding effects of technological advances and China's ambitious reordering of global trade infrastructure will entail important implications for shipping and maritime trade. The Belt and Road Initiative and growing e-commerce have the potential to boost seaborne trade volumes, while the digitalization of maritime transport will help the industry respond to the increased demand with enhanced efficiency.

3) Excessive new capacity

From the supply-side perspective, overly optimistic carriers competing for market share may order excessive new capacity, leading to worsened shipping market conditions. This, in turn, will upset the supply and demand balance and have repercussions on freight-rate levels and volatility, transport costs, as well as earnings.

4) Consolidation

Liner shipping consolidation through mergers and alliances has been on the rise over recent years in response to lower demand levels and oversupplied shipping capacity dominated by mega container vessels. The way this affects competition, and the potential for market power abuse by large shipping lines as well as the related impact on smaller players, remains a concern.

5) The relationship between Ports and Container Shipping Lines

Alliance restructuring, and larger vessel deployment is also redefining the relationship between ports and container shipping lines. Competition authorities and maritime transport regulators should also analyze the impact of market concentration and alliance deployment on the relationship between ports and carriers. Areas of interest span the selection of ports-of-call, the configuration of liner shipping networks, the distribution of costs and benefits between container shipping and ports, and approaches to container terminal concessions.

6) Scale

The value of shipping can no longer be determined by scale alone. The ability of the sector to leverage relevant technological advances is as increasingly important.

7) Climate change

Efforts to curb the carbon footprint and improve the environmental performance of international shipping remain high on the international agenda. The initial strategy adopted in April 2018 by the International Maritime Organization to reduce annual greenhouse gas emissions from ships by at least 50% by 2050, compared to 2008, is a particularly important development. On the issue of air pollution, the global limit of 0.5% on sulphur in fuel oil will come into effect on 1 January 2020. To ensure consistent implementation of the global cap on sulphur, it will be important for ship owners and operators to continue to consider and adopt various strategies, including installing scrubbers and switching to liquefied natural gas and other low-sulphur fuels.

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World Trade Report 2018 highlights transformative impact of Digital Technologies on Trade

The 2018 edition of the WTO's flagship publication, the World Trade Report, finds that digital technologies - namely the Internet of Things, artificial intelligence, 3D printing and Blockchain - will have a profound impact on global trade, adding up to 34 percentage points to trade growth by 2030 thanks to lower costs and higher productivity. However, they could also create a challenging environment for those seeking to keep up with the latest innovations. The Report was launched on 3 October at the WTO Public Forum.

The report shows that digital technologies are likely to further reduce trade costs and boost trade significantly, especially in services and for developing countries. Global trade is projected to grow by an additional 2 percentage points annually between 2016 and 2030 as a result of digitalization, falling trade costs and the increased use of services. This corresponds with a 31-34 percentage point higher trade growth over 15 years.

The share of services in global trade is projected to grow from 21 per cent in 2016 to 25 per cent in 2030. The report also finds that the reduction in trade costs could be especially beneficial for micro, small and medium sized enterprises (MSMEs) and firms from developing countries, provided they have the ability to keep up with the adoption of digital technologies. In the best scenario, developing and least-developed economies' share in global trade is predicted to grow to 57 per cent by 2030, from 46 per cent in 2015, whereas if they cannot keep up, this share is predicted to rise to 51 per cent.

The report discusses how digital technologies can unlock savings, such as through better route planning, autonomous driving and smart inventories made possible by artificial intelligence and robotics. Blockchain solutions – a system of decentralized, digital transactions – can reduce time spent on customs compliance and logistics. The Internet of Things, the networking and processing capabilities of everyday objects, can help to improve operational efficiency through better preventative maintenance of machinery and products. These technologies can therefore reduce transportation and storage costs, which represent a major share of overall trade costs.

Digital technologies can also significantly affect what the world trades. For example, remote controlled robotics has led to revolutionary advances in trade in services and the emergence of new services such as telesurgery. Enhanced technological capacities which allow faster and simpler processing of traded products could also foster trade in time-sensitive, certification-intensive and contract-intensive goods.

The report argues that new technologies are likely to change the established ways the world trades, with comparative advantages predicted to change across economies. AI, 3D printing and advanced robotics could reduce the role of labour as a source of comparative advantage, while factors such as the quality of digital infrastructure and market size as well as institutional and regulatory determinants of comparative advantage, including intellectual property protection, might become more relevant. 3D printing, furthermore, may to some extent reduce the need for outsourced assembly, the number of production steps and other factors related to global value chains.

The report identifies certain areas which may warrant international cooperation. These include key initiatives being undertaken by multilateral organizations such as facilitating a favourable legal and regulatory framework, competition-related issues, intellectual property rules, supporting MSMEs, promoting digital inclusion, and addressing challenges related to trade facilitation and infrastructure for information communication technology. The report concludes that, overall, the expansion of digital trade holds the potential to generate considerable benefits if it takes place under conditions that adequately address important public policy challenges. Issues concerning inclusiveness, privacy protection and cybersecurity are likely to figure prominently in debates on the future Governance of digital trade.

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E-way bill alert: Tighter rule in place; now this code is mandatory for moving consignments

Tightening the norms for issuance of e-way bill, the GST Network has made it mandatory for businesses and transporters to mention PIN codes of places of loading and unloading of consignments.

Quoting of PIN codes, according to officials, will help in calculating the correct distance and determine the validity of the electronic way or e-way bill, which is used by businesses to transport goods worth over Rs 50,000 both within and outside a State.

So far, businesses and transporters are required to broadly mention the distance and place of loading and unloading of consignments for generating e-way bill. As the validity of the e-way bill depends upon the distance mentioned by the businesses, it was feared that this could lead to tax evasion by transporters making multiple trips on the basis of same e-way bill.

The validity of the e-way bill is one day if the distance to be covered is less than 100 km. For every additional 100 kms or part thereof, the validity of the bill goes up by one day. Under the revised procedures for obtaining e-way bill, the GSTN has introduced the facility of auto population of state name based on the PIN code entered at consignor or consignee addresses, an official statement said recently.

> **"GSTN has introduced the facility of auto population of state name based on the PIN code entered at consignor or consignee addresses, an official statement said recently."**

The move would further smoothen the experience of users generating e-way bill, the Goods and Services Network (GSTN) said. Another new feature now available on the e-way bill portal now alerts the generator of the e-way bill through a pop up and SMS message, in case the total invoice value entered by them is very high, to avoid making mistake, GSTN said.

"The new features are part of GSTN's continuous efforts to improve user experience and make the e-way bill generating process easy and convenient for users. These new features have been developed and introduced in response to feedback from both users as well as tax authorities to make generating of e-way bill easier," GSTN said.

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Digitalization set to revolutionize shipping - United Nations report

Technological advances including artificial intelligence, the Internet of Things, blockchain applications, autonomous ships, drones and others have the potential to boost efficiency in the global shipping industry, says the 2018 edition of UNCTAD's Review of Maritime Transport.

Since growth in demand for seaborne trade is running ahead of supply, according to the latest data in the report, new technologies could introduce much-needed cost, time and environmental efficiencies.

"Digitalization has the potential to add wind to the sails of global seaborne trade, if leveraged effectively," UNCTAD Secretary-General Mukhisa Kituyi said launching the report, which this year celebrates 50 years since it was first published in 1968.

Many current blockchain technology initiatives and partnerships can be used for tracking cargo and providing end-to end supply chain visibility, the report says. The technology can also be used for recording information on vessels, including on global risks and exposures, integrating smart contracts and marine insurance policies, and digitizing and automating paper filings and documents.

"Vessels and their cargo are becoming part of the Internet of Things by combining on-board systems and digital platforms. Developing countries will have to ensure that both, their IT and their transport systems, are prepared to connect to global logistics networks," Shamika N. Sirimanne, Director of the UNCTAD's Division on Technology and Logistics, said.

Many technological advances are applicable in ports and terminals and offer an opportunity for port stakeholders to innovate and generate additional value in the form of greater efficiency, enhanced productivity, greater safety, and heightened environmental protection. Concretely, digitalization can improve data availability to track and measure port performance for improved decision-making and planning. It can also improve efficiency, enhance productivity and increase the safety and environmental performance of ports.

In the light of these developments, the report says, ports and terminals worldwide need to re-evaluate their role in global maritime logistics and prepare to effectively embrace and leverage digitalization-driven innovations and technologies.

But a key challenge will be to establish interoperability so that data can be exchanged seamlessly, while ensuring at the same time cybersecurity and the protection of commercially sensitive as well as private data, including in view of the recent European Union General Data Protection Regulation.

As for autonomous ships, in addition to safety, security, and cybersecurity concerns, fears may arise for the jobs of seafarers, the majority of whom come from developing countries, the report says.

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Adani's Mundra Port creates "Benchmark" in vessel handling efficiency

By handling the largest non-urea fertiliser shipment from a vessel MV PRIGIPOS in their facility few days ago, Adani's Mundra Port in Gujarat has set a new benchmark in vessel handling efficiency.

According to a media statement, the vessel arrived at Adani's Mundra Port on 28 September 2018 from Morocco to discharge 80,004 MT of imported DAP on account of Indian Potash Limited and IFFCO.

This is the largest non-urea fertiliser shipment to have arrived at any Port in India till date for single port discharge.

The vessel had an arrival draft of 13.65 m. It was berthed on arrival alongside the port's berth no. 5 without any delay. The vessel discharging was completed on 1 October 2018 at an average discharge rate of 25,018 MT per day (with a single day discharge of 36,200 MT).

With this, the Mundra Port has once again proved to be the most efficient port in India for handling large-size fertiliser shipments. It has been outperforming itself and creating new benchmarks in vessel handling efficiency. Earlier with support from its principals, namely Indian Potash Limited and IFFCO, the port handled three DAP shipments of similar sizes at Mundra, namely MV OCEAN HAPPY (79,730 MT) in June 2018, MV W MAYFAIR (79,661 MT) in July 2018, both on account of IFFCO, and MV HELVETIA ONE (79,591 MT) in September 2018 on account of Indian Potash Limited.

Now, the Adani Group wishes to repeat the same feat at its ports in Tuna, Hazira, Dahej and Dhamra as well, the release added.

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PM inaugurates Mundra LNG Terminal and pipeline projects at Anjar

The Prime Minister, Shri Narendra Modi inaugurated the Mundra LNG terminal, the Anjar-Mundra Pipeline Project and the Palanpur-Pali-Barmer pipeline project, at Anjar.

The Prime Minister appreciated the development work that has happened in the Kutch region over the last 20 years. He said that I am fortunate to have inaugurated three LNG Terminals.

Shri Narendra Modi said that when Gujarat got its first LNG Terminal, people were surprised. Now, the State is poised to make a fourth LNG Terminal, he added.

Gujarat is emerging as an LNG hub of India, the Prime Minister said, adding that this should make every Gujarati proud.

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Warehousing spaces expected to increase 112 % by 2021

The total warehouse space in eight primary locations in India is expected to reach 204 million square feet by the year 2019, driven by strong demand and investment in the short to medium-term.

MUMBAI: India's sweeping indirect tax reform has provided a major impetus to the economy, in the dramatic rise in handling of goods. GST has improved efficiencies and cost savings for warehouses, resulting in a significant growth in warehousing space, according to a report.

The total warehouse space in eight primary locations in India is expected to reach 204 million square feet by the year 2019, driven by strong demand and investment in the short to medium-term, KPMG said in a recent report. Further, warehousing spaces is expected to witness an increase of 112 per cent by 2021, said the report citing industry experts as saying.

"It is noteworthy that the implementation of GST has dramatically improved efficiencies and cost savings with a 'Hub and Spoke' model of warehousing. Pre-GST implementation CAGR (2014–16) of 15% has increased to an expected post-GST implementation CAGR (2017–21) of 21% for Grade A and B warehouse stock projections in the top eight cities in India," said the KPMG report.

Notably, transaction volumes of warehousing spaces has registered a massive rise, increasing by more than 85% in 2017 to 25 million square feet across India's top cities – Mumbai, NCR, Ahmedabad, Bengaluru, Pune, Chennai, Hyderabad and Kolkata.

Explaining how GST has led to such a significant improvement, KPMG said that smaller and fragmented warehouses are getting consolidated into centralised warehousing hubs with increasing focus on supply chain efficiencies. Implementation of GST is leading to consolidation in larger warehouses to help attain benefits from economies of scale. This in turn, is driving the demand for efficient and larger warehouses.

Further, GST has also reduced the need to maintain high inventory levels resulting in increased demand for shared and centralised warehousing hubs, which aid in improving inventory turnover rates, said the report.

Apart from the eight major locations, strategic locations such as Nagpur, Bengaluru, Kolkata and Guwahati are expected to become regional warehousing hubs connected to smaller local nodes via secondary logistics, says KPMG.

The Government's move to award infrastructure status to the logistics sector including warehousing in November 2017, has paved the way for institutional players to invest in the sector, bringing in a number of benefits for the warehousing realty, said the report. "India is expected to witness investments of approximately Rs 500 billion for creating storage facilities between 2018 and 2020, leading to an approximate CAGR of 21% by 2021," the report noted.

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Commerce Minister to review sector-specific export strategies

To increase India's exports 20% this year amid an uncertain Global trade environment

Commerce and Industry Minister Suresh Prabhu will review sector-specific strategies to increase India's exports 20% this year amid an uncertain global trade environment and credit availability. The Ministry has identified nine sectors, including gems & jewellery, leather, textiles, agriculture and pharmaceuticals, to drive India's exports to $400 billion in the next five years. These sectors accounted for $242 billion or 80% of the Country's total exports of $302 billion in 2017-18.

> "To increase India's exports 20% this year amid an uncertain Global trade environment"

Prabhu had earlier asked exporters to prepare action plans and develop strategies to double India's exports by 2025 to help create jobs, bring in foreign exchange and validate India's international competitiveness.

"The Minister will review the action plans on October 1. This is in continuation of the series of meetings that he has had with Export Promotion Councils and Secretaries of Line Ministries concerned," an official aware of the matter said.

Besides Export Promotion Councils, the Minister will separately meet officials of other departments concerned. India's exports grew 16% in April-August compared to that a year ago.

"Doubling exports should not be such a big challenge. However, domestic constraints such as credit need to be linked into," said Ajay Sahai, Director General of the Federation of Indian Export Organisations.

Sector-specific strategies are necessary in view of diverse challenges such as uncertainty of global trade, rigid approach of banks which is affecting availability of credit, high logistics costs and productivity standards.

Exporters have raised concerns over the slack flow of credit to exporters, high goods and services tax on gold and strict pollution norms for chemicals, besides currency fluctuations, citing these factors as hindrances to export growth.

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Regulations that hampers growth should be scrapped feels Suresh Prabhu

Commerce & Industry and Civil Aviation Minister, Suresh Prabhu, emphasized the need for scrapping unnecessary and unproductive regulations which are coming in the way of India's capacity to become a ten trillion dollar economy. He was addressing the Annual Session of PHD Chambers in New Delhi recently. The Minister said that a standing committee, chaired by the Secretary, DIPP, has been set up to identify regulations that may be scrapped. He also urged the industry chamber to identify such regulations at the earliest.

The Commerce Minister said that although India has made significant progress in Ease of Doing Business but it still has a long way to go. Suresh Prabhu also spoke about improving Ease of Doing Business at the district level. He informed that 6 districts have been selected in five states of the Country as a pilot project in order to implement mechanism on enhancing growth in these districts by 3%. Growth at the district level will lead to increase in the GDP at the national level. The Minister said that this will not only earn more revenue for the Government but will also create more jobs in the districts. Suresh Prabhu however cautioned that environmental protection should never be compromised at any cost.

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Shipping Ministry to make PCS mandatory for all Indian Ports

The Shipping Ministry is set to issue an order making Port Community System (PCS) mandatory for all Indian seaports.

The move is based on the recommendations of a 11-member panel set up at the behest of the Prime Minister's Office in May to promote Ease of Doing Business.

The panel headed by RK Agarwal, Joint Secretary (Ports), also recommended that a legal framework be explored to make it mandatory to carry out transactions through PCS.

Mandating usage via a legal framework will improve Ease of Doing Business, trade across borders and logistics performance index, the panel wrote in its report submitted on August 17. Portall, a logistics management application, was developed by Mumbai-based logistics conglomerate JM Baxi Group. The group was awarded the contract by the Indian Ports Association, an autonomous body under the Shipping Ministry to roll out a pan-India PCS by December.

Portall PCS will on-board all maritime stakeholders and the Federation of Indian Logistics Association to help end-to-end trade transactions. Necessary technological changes must be made by all ports and stakeholders to enable real-time information exchange with PCS, the report said.

Portall has been asked to include, either through development or as a latch-on, functionalities such as transportation solution/ vehicle booking system, marketplace for goods and services to be taken up in association with the planned National Trade Portal, Multi-Modal shipments and single-point for dues collection.

Portall said it is working with global cargo booking systems such as INTTRA for incorporation in the PCS workflow as a latch-on facility. Customs should consider PCS a nodal platform to deal with all maritime stakeholders for exchange of messages with ICEGATE (e-commerce portal of Central Board of Excise and Customs), the committee has recommended. A pilot project will be done at Visakhapatnam Port Trust to test the API-based transactions between PCS and ICEGATE.

The panel also recommended integration of the proposed Single Window Interface for Facilitation of Trade (SWIFT) system of the Customs with PCS "to achieve a true single window".

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"I want to make Maharashtra a Logistics Hub": Devendra Fadnavis

Maharashtra Chief Minister Devendra Fadnavis recently said he wants to make the State a Logistics Hub of the Country to tap the growing investments in the sector following the introduction of GST. The entire Country has been integrated to become a single market place now and logistics is the fastest growing sector in the Country, Fadnavis said at an US India Business Council (USIBC) event here.

“We have also been investing to help the logistics sector and I want Maharashtra to be the logistics hub of India,” D. Fadnavis said.”

“We have also been investing to help the logistics sector and I want Maharashtra to be the logistics hub of India,” he said.

He said 60 percent of the State’s hinterland is now connected with the Country’s largest container port Jawaharlal Nehru Port Trust located in the Mumbai metropolitan region.

The State is also creating three dry ports at Wardha, Nashik and Jalna, from where farmers and other exporters will be able to directly send goods that shall ship out from JNPT, he said.

The Chief Minister said the State is also constructing the Country’s longest expressway, a 700-km road connecting its capital with Nagpur, which will also aid the logistics sector.

Urging investors to invest in the state, Fadnavis also said the State is at the forefront of the digital economy.

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Ports are key to the Country’s development: Pon Radhakrishnan

Ports play a major role in the country’s economic development as 95% of India’s foreign trade by volume and 70 % by value are through maritime operations, said Pon Radhakrishnan, Union Minister of State for Shipping.

“With raising economic growth, the country’s integration with the world economy grows further. It signifies the need for the maritime sector’s development in infrastructure and efficiency,” he said speaking at the Confederation of Indian Industry (CII) Port Conclave 2018 titled ‘Port Led Economic Development’.

The Minister asked the CII to come out with suggestions for achieving industrial targets and announced the Government’s readiness to act on them.

Kailash Kumar Aggarwal, Joint Secretary, Ministry of Shipping, Government of India, said 41 PPP projects in the private sector involving an investment of Rs. 20,000 crore were in progress.

“Sixteen projects entailing an investment of Rs. 20,000 crore and 268 MT capacity are under implementation,” he added.

R. Dinesh, Chairman, CII Southern Region & Joint Managing Director, T V Sundram Iyengar & Sons Ltd said, “The maritime sector is expected to grow significantly with the increase in international and domestic trade volumes. Since huge volumes are handled via the maritime route, there is a continuous need to develop India’s ports and trade related infrastructure.”

P. Raveendran, Chairman, CII Port Conclave 2018 and Chairman, Port of Chennai and Kamarajar Port Ltd, said that ports were maintaining record handling of cargo traffic in a cost-effective environment.

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India to impose duties on imports within WTO norms: Commerce Ministry

India will impose duties on imports within the norms of the World Trade Organisation (WTO) to protect domestic industry and boost the economy, the Commerce Ministry said recently.

“We will use those options to further our interests’, whether it is to develop our own economy or to protect our consumers from sub-standard products or whether to regulate some products in public interest. So certainly those options will be exercised,” Commerce Secretary Anup Wadhawan said recently.

He said that as far as tariff policy is concerned, India is a developing economy and it has the right under the WTO to use tariff within the bound rates. Bound duty rates are tariffs over which a WTO member Country cannot hike the customs duties.

“Developing Country’s infant industries’ need protection. Our bound (duty rates) in the WTO have been shaped in that philosophy. We will certainly use,” he added.

Economic Affairs Secretary Subhash Chandra Garg has stated that the Centre has prepared a list of non-essential items whose imports can be curbed and also drawn up a separate list of goods whose exports can be boosted with a little policy intervention.

The Government may increase import duties on certain goods from sectors including metals, textiles, electronics and leather to contain outflow of US dollars.

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India to be USD 100 billion FDI destination by 2022: PHD Chamber

India is approaching towards USD 100 billion FDI inflow per annum by 2022 as volumes of foreign direct investment are increasing year after year, PHD Chamber of Commerce and Industry Vice President D K Aggarwal said recently. The annual FDI inflows in the Country increased from USD 36 billion in 2013-14 to USD 62 billion in 2017-18, said Aggarwal. Make in India has been instrumental during the last four years to attract FDI reforms in the Country. Despite the global challenges, the Country was able to attract tremendous flow of investments, said Aggarwal.

“We expect more improvement in the coming ratings of Ease of Doing Business as country has adopted a historic reform — the GST which is giving fruitful results,” he added.

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Ship turnaround time 'reduced by 25% to 64.4 hours in 2017-18': Shipping Ministry

Ports' profits have surged 75% in FY18, says Shipping Ministry official

The average turnaround time of ships, a key parameter to measure a port's efficiency, has reduced by 25 per cent to 64.4 hours in 2017-18 from 87.3 hours in 2015-16, said Mr. Kailash Kumar Aggarwal, Joint Secretary, Ministry of Shipping.

The higher efficiency and productivity had translated into the net profit of Major Ports increasing by nearly 75 per cent to Rs. 3,414 crore between financial years 2016-17 and 2017-18, he said.

Also, two Major Ports - Deendayal (formerly known as Kandla Port) and Paradip - achieved the milestone of handling 100 million tonnes of cargo in a year. While Deendayal Port achieved it in 2016-17, the Paradip Port did it in 2017-18, said Mr. Aggarwal.

Sagarmala effect

Aggarwal said that since the start of the Sagarmala programme, capacity at Major Ports had increased by nearly 50 per cent to 1,451 million tonnes per annum (MTPA).

An additional 190 MTPA capacity is expected to be created by 2020, he said at the two-day CII Port Conclave 2018.

Private sector role

On the private sector role in ports, Aggarwal said 16 projects entailing an investment of around Rs. 20,000 crore and 268 MTPA capacity are under implementation. Based on experience, concession models are being revised to enable further private sector involvement in improving the ports, he said.

A total of 605 projects costing Rs. 8.8 lakh crore have been identified for execution so far. These projects are being executed in a phased manner keeping in mind the needs of various stakeholders, the requirement of infrastructure at specific locations, viability of the projects and readiness of the ecosystem, including logistics supply chain.

Of the 605 projects, 255, costing Rs. 2.6 lakh crore, have already been awarded, he said.

Pon Radhakrishnan, Union Minister of State for Finance and Shipping, said, "Though we have improved the overall efficiency and reduced the ship turnaround time, we need to rise to global standards. I hope the port modernisation programme under Sagarmala will address this issue."

Logistics cost reduction

Reducing the logistics cost is the key to improving competitiveness. The Centre has taken various initiatives on this front to improve the logistics system in terms of cost, efficiency, sustainability and safety. Poor logistics eventually contributes to higher cost of doing business and higher prices for goods and services in the economy.

The vision of Sagarmala programme is to reduce the logistics cost for both domestic and export-import cargo with optimised infrastructure investment, Radhakrishnan added.

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Government permits e-commerce shipment via Foreign Post Offices

The Customs Department plans to permit e-commerce shipment via foreign post offices. Exports by Post Regulations, 2018, prescribing the Postal Bill of Export-I for E-commerce shipments and Postal Bill of Export-II for non-E-commerce shipments, have been issued. Further, Circular No. 14/2018-Customs dated 4th June 2018 has been issued clarifying the procedure for e-commerce exports, other than e-commerce exports and personal imports through posts.

Exports by e-commerce are allowed through notified foreign post offices. However, as per the extant notification of 26th July, 2018 issued by Department of Commerce benefits of Merchandise Export from India Scheme (MEIS) in respect of e-commerce exports is restricted to notified goods of FOB value up to Rs 5 lakh per consignment.

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Government banks on International Trade, GST, Insolvency reforms to improve World Bank's Doing Business Ranking

Trading across borders, payment of indirect taxes and insolvency resolution are the three sets of reforms where India is upbeat, ahead of the release of the World Bank's Ease of Doing Business report later this year. "We are bullish on three sets of reforms," said an Industry Department official recently.

The cutoff date for World Bank's Doing Business Assessment 2019 was May 1 and the multilateral agency's officials visited India to observe and assess the on ground implementation of the reforms claimed.

India has taken up implementation of the Single Window Interface for Trade (SWIFT) to facilitate trading across borders, offered 24X7 customs clearance at select ports and improved infrastructure at ports as part of the Ease of Doing Business initiatives for easing cross border trade.

On taxation front, the payment of indirect levies has been converged into goods and services tax (GST) that has reduced compliance from 105 man hours last year to 36 now, as claimed by the Department of Industrial Policy and Promotion but subject to acceptance by World Bank.

The third reform that makes India confident is the enactment of Insolvency & Bankruptcy Code which is in line with international standards.

IGST exemption for EOUs, Software Technology Parks extended till March 31: CBIC

India has extended the exemption of integrated goods and services tax for export-oriented units (EOUs) and software technology parks on imported goods till March 31, 2019. This exemption was available till October 1.

The Government is working on an e-wallet scheme to issue expeditious refunds to exporters, which, it seems, will take time. Pending that, the Government has extended the exemption.

A notification extending the IGST and compensation cess exemption has been issued by the Central Board of Indirect Taxes and Customs (CBIC).

Concerned about the depreciation of the rupee and keen to boost inflows to address the rising current account deficit forecast to expand to about 2.8% of GDP in current fiscal from 1.9% in FY18, the Government does not want export sector to encounter any uncertainty.

Finance Minister Arun Jaitley said the Government is looking at measures to boost exports.

Prior to introduction of GST, imports of goods by export oriented units and software technology parks did not pay customs duty or special additional duty.

The exemption was removed from July 1, 2017, coinciding with the roll out of the new levy, but was brought again from October 13, 2017 till April 2018, after complaints of blockage of refunds from exporters.

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Shipping Ministry appoints TN IAS Officer T. K. Ramachandran as Chairman of VOC Port

The Appointments Committee of the Cabinet, Government of India, has approved the proposal of the Ministry of Shipping for appointment of Shri T. K. Ramachandran, IAS (TN:1991) to the post of Chairman (JS Level), V.O. Chidambaranar Port Trust, Tuticorin, Tamil Nadu. According to a press note issues by the Ministry of Shipping quoting Shri Gopal Krishna, Secretary (Shipping), Ramachandran’s appointment will be for five years from the date of assumption of charge of the post or until further orders.

Shri Ramachandran belongs to the 1991 batch of Indian Administrative Services. He has served Government of Tamil Nadu in various capacities including Collector and DM in Ramanathapuram and Villupuram, Deputy Commissioner of Corporation of Chennai, Project Director of TN Road Sector Project, Project Director of Sarva Shiksha Abhiyan (SSA). His interests include Education, E-Learning, E-Governance and IT Policy, Urban Development, Infrastructure and Development Economics.

ICC International Chamber of Commerce welcomes G20 Trade Ministers call to support WTO reform

ICC has welcomed a statement from G20 Ministers recognizing the need to step up efforts to mitigate risks and enhance confidence in international trade at what they describe as ‘a critical juncture for international trade and investment cooperation.’

Supporting the Ministers’ calls for G20 leaders to continue working collaboratively with other interested parties to ensure that the World Trade Organization (WTO) continues to be relevant, ICC Secretary General John W.H. Denton said:

‘The International Chamber of Commerce (ICC) commends the G20 Trade Ministers’ call to step up dialogue and actions to mitigate risks and enhance confidence in international trade. Particularly at a time of escalating trade conflicts, we urge G20 leaders to listen to the users of the rules-based multilateral system - the millions of businesses that trade every day, driving growth and generating jobs worldwide.’

ICC is already fostering a dialogue around a reformed multilateral trading system, through a second track initiative that builds on what has worked well over the past 70 years, identifies what needs preserving, addresses areas that must be improved and equips the WTO with the tools needed to ensure it is fit for purpose to tackle the new challenges and disruptions of the 21st century.

The platform, to launch officially next month, will host live debates among businesses, think tanks, and multilateral organisations, to formulate concrete the recommendations to feed into the intergovernmental first track process.

Speaking on behalf of over 45 million companies employing more than 1 billion workers worldwide, Mr Denton said: ‘ICC is doing its part to make international trade and business work for everyone, every day, everywhere. With political will and strong leadership from G20 leaders and other governments, we can deliver on the overall objective of more fair and sustainable development.’

ICC applauds the commitment of G20 trade ministers to step up dialogue on current international trade developments and supports yesterday’s call on G20 Leaders to address trade issues further at the upcoming G20 Summit starting on 30 November in Buenos Aires.

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JNPT welcomes Sanjay Bandopadhyay, Add. Secretary, Ministry of Shipping

Shri Neeraj Bansal, Chairman along with Shri Sanjay Bandopadhyay, Add. Secretary, MOS and Senior Officials of JNPT

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Ministry of Shipping keen on faster developments of ports

NAVI MUMBAI: Port-led economic growth and bringing down logistics cost to Export Import Trade are focused areas for the Government. With this perspective, setting up global benchmark and reduce congestion at JNPT to enable faster cargo movement have been accorded great priority by the Ministry of Shipping.

Shri Sanjay Bandopadhyay, IAS, Add. Secretary, Ministry of Shipping, visited JNPT to review the overall development and understand the challenges and identify solutions to create seamless facilities for the stakeholders. During his visit Shri Bandopadhyay held discussions with JNPT Chairman and other Senior Officials.

The Ministry is keen to focus on expansion of JNPT and development of various infrastructure projects such as SEZ, Dry Ports, road connectivity and harnessing modern technology to create positive environment for the trade.

MOS is also concentrating on digitization which can help Indian Ports to be at par with the international markets.

Shri Neeraj Bansal, IRS, Chairman, JNPT shared an overview of various initiatives under the Ease of Doing Business and other measures being implemented at the port. The port which currently is handling 4.8 million TEUs will double the capacity after the completion of phase-2 of fourth terminal. JNPT is also focusing on expansion of liquid cargo terminal, shallow water berth to increase the cargo handling capacity. Shri Bansal also informed about the financial performance of JNPT which recorded operating profit of Rs 1140 crore, which is the highest among Indian Major Ports and shared the future projections of port's performance in the coming years.

Further he said, five new tank farms have been auctioned which will add more profits for the port and will increase the storage capacity. The Direct Port Delivery (DPD), Direct Port Entry (DPE) and Inter Terminal movement of Tractor Trailers (ITT) initiatives have helped the trade by reduction in dwell time and road congestion.

Shri Bansal also informed that JNPT has been working on a new software system for liquid terminal which will showcase online berth availability, transparency, storage capacity, window period in advance which will benefit the trade. Port is also improving dredging capacity to get mother vessels at terminal.

Shri Bandopadhyay visited port terminals to get a first-hand experience of operation of the port and the ongoing future capacity building projects along with Ease of Doing Business initiatives taken by the port.

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Fitch raises India's 2018-19 growth forecast to 7.8 percent

Fitch Ratings has upwardly revised its forecast for India's economic growth to 7.8 percent from 7.4 percent for the current financial year ending in March 2019, it said in a statement. "The economic outlook is subject to several headwinds including tightening of financial conditions, a rising oil bill and weak bank balance sheets," the statement added.

Indian economy grew 8.2 percent in April-June quarter and the Reserve Bank of India (RBI) expects Asia's third-largest economy to grow 7.4 percent in the 2018/19 fiscal year.

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India to bring together 8-10 WTO Countries to work on future Trade Agenda: Commerce Ministry

India is considering to bring together a group of 8-10 member countries of the WTO to prepare an agenda for creation of a conducive atmosphere in Geneva to ensure smooth functioning of the global trade body, a top Government official said.

It would be an informal group within the World Trade Organisation (WTO), which may also include countries like Brazil, China, South Africa, China, Indonesia and Columbia.

"We are thinking about taking 8-10 countries together to look at a way forward for the global trading system. Nobody is suggesting anything, only attacking each other. We will take the initiative within the WTO. We will prepare an agenda," the official said.

The official added that the main idea would be to create a proper structured agenda forward which will be acceptable to all countries to reduce the tension today.

The Commerce Ministry would be discussing the issue internally and work on the structure.

"The main objective is to create a conducive atmosphere so that global trading system works well," the official said.

The initiative assumes significance as trade tensions have escalated after the US imposed high customs duties on certain steel and aluminum products. Other WTO members too have retaliated, which is leading to trade war-like situation.

In trade wars, Countries try to restrict imports by resorting to tariff and non-tax related barriers.

Increase in customs duties on a product makes that item less competitive in the importing nation.

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Krishnapatnam Port to invest Rs 500 cr for Liquid Cargo Terminal

Andhra Pradesh-based Krishnapatnam Port is looking to invest Rs 500 crore over the next 18 months for setting up a liquid cargo terminal and expanding container handling capacity, a top official has said. The port is witnessing an increase in capacity utilisations across the bulk and container segment, which is leading to firming up of new plans.

"We will invest Rs 500 crore over the next 12-18 months for creating a liquid cargo terminal and also expand container capacity," its Chief Executive Officer Anil Yendluri said recently.

He said the liquid cargo container terminal will handle a host of commodities and it is already in touch with prospective clients. It is aiming to increase the container capacity by 8 lakh standard 20-feet units to 20 lakh TEUs as part of the expansion, he said.

The container terminal expansion entails putting up a few equipment and readying the yards to handle more, he said. The port is targeting to close FY19 with 6 lakh TEUs being handled as against 4.80 lakh TEUs in the year-ago period.

"The port is targeting to up the overall cargo handling to 60 million tonnes in FY19 from the 45 million tonnes in FY18," he said.

The port which was established in 2008 has utilised only 3 kms of an overall 13 kms sea frontage length for building berths and also has a land bank of over 7,000 acres, he said.

> **"Krishnapatnam Port is targeting to up the overall cargo handling to 60 million tonnes in FY19 from the 45 million tonnes in FY18."**

It is in talks with auto manufacturers to set up a RO-RO terminal, which can handle movement of finished cars on sea. He said newer manufacturers like Kia and Isuzu are setting base in Andhra Pradesh and in close proximity of the port. He claimed that a terminal can be set up in 6-9 months.

It is also in talks with gas companies for an LNG terminal, but he declined to quantify the investments or timelines. He said the port would like to invest small in LNG, see how it pans out before ramping up capacity. "It is very bullish in the transshipment segment and is already working with a few liners, who make scheduled stops at the port," he said.

Yendluri said a scheme like Udaan in aviation to promote regional connectivity is required for promoting liners to make more calls on Indian Ports.

He added the money paid to liners to compensate for loss of business will help reduce reliance on ports like Colombo for transshipment.

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JNPT organises 'Dredging Strategies and Technology for Ports' training programme

With port modernisation and expansion of capacities to meet emerging demand, it is essential that the port management and port staff are equipped with latest knowledge and technical advances for meeting the new challenges.

JNPT, India's premier container port which provides state-of-the art facilities to the stakeholders and also initiates world class training programmes for port officials organised a seminar on Dredging Strategy and Technology for at JNPT Antwerp Port Training and Consultancy Foundation Training centre. Officials from Mumbai Port, V.O.Chidambaranar, Visakhapatnam, Kolkata, Haldia Dock Complex, Paradip, JNPT, Cochin, Chennai, Deendayal Port took part in the 5 days seminar.

Participants from various ports along with JNPT officials

Mr. Stefaan Jozef Ides, a trainer from Belgian Port conducted the training workshop. The aim of the workshop was to take an overview of the modern dredging techniques and their application to create new port infrastructure and maintain port access using the best available dredging technologies and strategies.

JNPT Antwerp Port Training and Consultancy Foundation initiate workshops on several topics in which Indian Port and terminal professionals take part. After this training program, the participants will be able to work out an optimal dredging strategy for a specific project, taking into account the local geotechnical conditions, environmental legislation and timing constraints. As part of the seminar, the participants also visited Port to see the operation.

Participants expressed their gratitude to faculty and JN Port officials for organising such training programmes which is very helpful in improving their performance and the in-depth coverage of various topics in the training programme. They also appreciated the infrastructural support at the Training Centre and Guest House.

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Shipping Minister lauds good performance of JNPT

JNPT records all round growth

JNPT, the Country's premier port has achieved substantial growth over the last four years.

The port is poised to scale new heights in the coming years with the execution of many infrastructure projects, said Shri Nitin Gadkari, Honorable Minister of Road Transport and Highways of India.

Shri Gadkari was speaking to reporters after the performance review of JNPT in the first 5 months of the current financial year.

"JNPT is consistently posting impressive performance in the last few years. I am very happy that implementation of various performance initiatives and infrastructure projects to increase efficiency is making good progress. This gives me assurance that JNPT will continue to hold its premier position and also transform itself into a business and growth hub for the region," Shri Gadkari said.

Shri Gadkari said that he is confident that the port would meet its target of 1 crore container handling capacity by 2022. He also the applauded the profit growth of 16% achieved last year. Highlighting the development of dry ports at Wardha, Jalna , Nashik and Sangli which will promote hinterland cargo, he mentioned that the work is in progress and JNPT is also working towards additional revenue generation of over Rs. 300 cr per year through various new projects. Speaking of the SEZ, he said that 6 plots have been allotted with the investment of Rs 170 crore and is expected to generate 2500 jobs for the locals. Other 9 plots and FTWZ are under auction.

Mr. Neeraj Bansal, IRS, Chairman – JNPT hands over a cheque to Hon. Minister of Shipping Mr. Nitin Gadkari for Kerala Flood Relief Fund.

He also expects that 80% of the SEZ land will be alloted by November 2018. To further reduce traffic congestion Shri Gadkari shared that IIT Bombay is conducting a study to find further solutions. Additionally, construction work of Rs.10 crore in underway to construct and improve the road infrastructure.

Shri Gadkari made a special mention of JNPT employees who had contributed Rs 35 lakh towards Kerala flood relief.

World Shipping Summit 2018 to be held in November at Shanghai

Year 2018 ushers in the 14th session of World Shipping Summit since its inauguration in 2004. In spite of 14 years of ups and downs witnessed by global shipping market, our relentless efforts of making the World Shipping Summit a high profile, professional and of global interest event has not for a moment slackened. Today, our endeavor has been fully rewarded and the World Shipping Summit is widely hailed as Shipping Davos.

In 2018, World Shipping Summit will embrace you again at Shanghai National Exhibition and Convention Center on 6th November with fresh image and in new mode.

> "In 2018, World Shipping Summit will embrace you again at Shanghai National Exhibition and Convention Center on 6th November with fresh image and in new mode."

With prospective 800 guests, it will be the largest side-event to the first China International Import Expo (CIIE).

To be held in Shanghai on 5-10 November 2018, the first CIIE pioneers its kind with import trade as the theme, and is the chorus of trade liberalization by global community. China sincerely welcomes Government officials, business communities, exhibitors and professional traders from all over the world. Here, they can explore business opportunities and discuss trade cooperation on how to develop Chinese market to achieve mutual benefit and win-win progress.

Under the platform of CIIE, the World Shipping Summit 2018 will inevitably be a session of worldwide attention, full anticipation and history making grand occasion. Very important guests from business, trade, shipping, port, logistics, finance, and other shipping related sectors, will take Import Expo as an arena, seeking new impetus to propel the development of trade and shipping by focusing on hot topics such as the new landscape of world trade, challenges faced by logistics advancement.

Welcome to World Shipping Summit 2018! As a gratitude for the support we have received from all our honorable guests since 2004, this year's World Shipping Summit will be free of charge for all registered guests.

According to the requirements of the first CIIE, the registration system will be closed by September 20, 2018. Please contact us as soon as possible to register.

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Sanjay Kumar Agarwal, Commissioner - Customs, launches "UCC Software" at Mundra - A Joint initiative of Mundra Customs & CFSAI

Shri Sanjay Kumar Agarwal, IRS, Commissioner-Customs, Mundra, launched "UCC Software", a joint initiative of Mundra Customs and CFSAI on 20th August 2018.

The software is specially developed for tracking and monitoring "Un-cleared and Unclaimed Containers" lying in Mundra CFSs for more than 30 days and in some cases for many months and years.

"UCC" System initially developed and implemented in Chennai in 2015 was procured by CFSAI and was revamped and suitably customized to suit JNPT trade requirements in 2016.

Mundra Customs and CFSAI officials.

This project was passionately driven by Shri Adarsh Hegde, President CFSAI as he felt ineffective monitoring both by CFSs and Customs for the "un-cleared Containers" remaining in CFSs for years were occupying precious CFS space, which otherwise could generate revenue for CFSs.

In order to enhance efficiency, he had emphasised the need to have a "stand alone" software developed as there was no provision in Customs ICEGATE IT platform to handle, track and monitor un-cleared, confiscated (DRI,SIIB,CIU etc) or unclaimed cargoes by consignees /BCAs, CFSs, and other stakeholders as well as the Custom officials faced a huge challenge as the entire process/ activity was carried out manually. Since this activity could not be effectively monitored in absence of a robust IT system, fairly large number of un-cleared & unclaimed containers continued to remain in CFSs for months together.

> **"Mundra is the second largest Container hub in the Country after JNPT and has touched 4 Million TEU mark. CFSAI Mundra Chapter has 9 Member out of 11 CFSs. "**

After successful implementation of UCC Software at JNPT, CFSAI requested Shri Sanjay Kumar Agarwal Commissioner Mundra Customs, to allow partnership with Mundra Customs for implementation of "UCC System". Shri Agarwal not only gave prompt approval but also motivated his team and monitored the project personally at various stages and ensured that his team as well as CFSs participate actively in familiarization, orientation & training programmes conducted by CFSAI domain expert Mr. Laksha Tadadikar.

Mundra is the second largest Container hub in the Country after JNPT and has touched 4 Million TEU mark. CFSAI Mundra Chapter has 9 Member out of 11 CFSs.

Shri Agarwal, Chief Guest of the function during his address complimented both the Mundra Customs team as well as the CFSAI team. He mentioned that it was a very good example, in line with PPP wherein both Customs and CFSs will benefit. He observed that whilst the software will help Custom officers to take prompt action on such containers in a time bound manner, on the other hand CFSs would be able to utilize the precious space in their facilities by storing "revenue generating" containers. It would be a win-win situation.

He advised the Customs staff to effectively utilize the UCC system for disposal of unclaimed, un-cleared and containers listed for auction. He also mentioned that CFSs should update the data regularly as this would be the key to success of UCC System. He also thanked CFSAI team as well as heads of all the Mundra CFSs present for this initiative. Shri Agarwal also complimented Shri Umesh Grover, Shri Laksha of CFSAI and Mr. Guruvayurappam, the developer of UCC for their sincere efforts and dedication culminating in implementation of UCC Software at Mundra Custom House.

Shri Umesh Grover, Secretary General CFSAI expressed sincere gratitude on behalf of CFSAI management and thanked Shri Sanjay Kumar Agarwal for giving CFSAI this opportunity and personally taking interest and also motivating all involved in this project Mr. Grover also complimented the concerned Custom officers and all the Heads of CFSs and their teams for their commitment and positive approach without which implementation of UCC software at Mundra would not have been possible.

CBIC revamping policy for Inland Container Depots

Central Board of Indirect Taxes and Customs (CBIC) has begun work to overhaul the two-decade old policy framework governing inland container depots, to ease customs clearance mechanism and speed up cargo movement within the Country, officials familiar with the development said.

The move is in line with the thinking of Prime Minister's Office that wants maximum trade to move to "Direct Port Delivery and Entry System" to make it easier to do business. Under Direct Port Delivery (DPD), cargo is transferred directly to the place of delivery and not held initially at a container freight station. This system is already working at some places and has yielded significant time saving, officials said. "The idea is to prepare the next level blueprint for the trade sector," said a senior Government official. "Regulatory controls are not required at all inland container depots (ICDs)."

This blueprint will also focus on easier availability of air cargo in line with the Government's plan of air connectivity, the official said. Experts agree with the need for a revamp. At present, inland container depots are located at multiple places, causing logistical issues leading to delays in movement of shipments. Some places even have multiple container depots. For example, Delhi and Ludhiana have 12 depots each. At present, all these depots have Customs presence for clearance of containers. This will not be required under the proposed framework as the Country will switch to direct delivery and entry model. Customs will develop benchmarks for inland container depots and only those meeting them will have customs presence. There are about 125 inland container depots in the Country now. CBIC's initiative aims to bring about geographic efficiency and improve the quality of services in these depots, said the official quoted earlier.

A large component of the plan will be to help incubate much-needed warehousing facilities in the Country and aid remodelling of inland container depots. Central Board of Indirect Taxes and Customs' focus will be on 'wharf to warehouse and warehouse to wharf' to cut down on transactions costs and time taken for cargo movement in the Country, the official said.

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Shipping Ministry set terms for older Cargo Terminals at Major Ports to shift to a new rate regime

The Government has opened a four-month window for public-private-partnership (PPP) Cargo Terminals at Major Port Trusts operating under a restrictive rate regime of 2005 to migrate to a market-driven pricing structure finalised in 2013 for new projects and has set terms and conditions for the shift.

The window for migration ends on November 10.

After conveying its intent to migrate to the 2013 rate regime, the PPP operator will have to participate in an open re-bidding for the project to discover a new revenue share to be paid to the Port Trust concerned.

The retendering will be for the balance period of the concession agreement signed by the PPP operator and the Port Trust concerned.

Right of refusal

The existing PPP operator will be granted a right of first refusal (RoFR) during the rebid wherein it will have to match the royalty quoted by the highest bidder.

The existing PPP operator will be allowed to exercise the RoFR and wrest the contract only if its bid is within 10 per cent of the highest bid. Otherwise, the project will be awarded to the highest bidder.

If the existing PPP operator is the highest bidder or the sole bidder, it will be awarded the project. If it declines, the project will be given to the highest bidder.

The PPP operator will have to settle all disputes ahead of the rebid. The litigation pending before any court including arbitration cases initiated by the operator against the port trust, Tariff Authority for Major Ports (TAMP) and Union of India should be withdrawn "unconditionally" before the bids are called.

The disputed amount arising out of operation of stay orders passed by courts should be kept in an escrow account while the PPP operator withdraws the litigations. The application seeking withdrawal of litigations from the courts should also seek the manner of utilisation of the disputed amount," according to the guidelines issued by the Shipping Ministry.

Reserve royalty

The existing royalty or revenue share converted into royalty of the relevant project would be set as the reserve royalty for bidding purposes.

The guidelines on migration comes as the Ministry and seven older cargo handlers — some operating for more than 15 years — have been locked in a legal battle on the issue for many years.

The 2013 rate regime guarantees a raise of as much as 15 per cent on the base reference or ceiling rate (set upfront at the beginning of the contract by TAMP) during each year of the 30-year contract if the terminal operator complies with certain performance standards.

The PPP operators would also be entitled to a further hike every year to account for rising prices because the base rates are indexed to the WPI to the extent of 60 per cent.

In comparison, the 2005 rate guideline penalise operators for efficiency. If a terminal load more than the projected volumes in a tariff cycle, its rate will be cut in the next tariff cycle. Adopting this rule, TAMP has ordered rate cuts at many facilities, resulting in legal challenges that are languishing in courts.

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Shipping Ministry clears bail-out plan for stressed PPP projects at Major Ports

The Shipping Ministry has cleared a bail-out plan for stressed public-private partnership (PPP) projects at Major Port Trusts along with a criteria to classify/identify stressed projects.

To save PPP projects that have become stressed due to "abnormally high storage charges", the Ministry has framed a three-point formula that includes extending the free storage period comparable to what nearby private ports are offering users "to optimise capacity utilisation of the berth".

Accordingly, if the cargo is cleared within the free period as per the concession agreement signed with the port trust, no storage charge will be levied and hence no royalty need be shared with the port trust.

If the cargo is cleared after the expiry of the free period as per the executed concession agreement, but within the extended free period, the PPP operator will not collect storage charges from the users of the facility. But the PPP operator will have to pay royalty equal to 1 per cent of the annual revenue requirement (ARR) to the Port trust.

If the cargo is cleared after the extended free period, the PPP operator will have to pay the contractually mandated royalty on the actual storage charges collected from users or 1 per cent of the ARR, whichever is higher, for the period beyond the extended free days.

A PPP project will be classified as "stressed" if it is sub-optimally utilised — if the actual cargo handled by the operator during two preceding financial years is less than 70 per cent of the projection as per the detailed project report/feasibility report that formed part of the bid document. The project special purpose vehicle (SPV) should have incurred cash losses continuously for two preceding financial years thereby eroding its peak net worth during the operation period by at least 50 per cent.

Four projects at Visakhapatnam Port Trust and three at Deendayal Port Trust are expected to benefit.

"This will give substantial relief to PPP operators," said a Ministry official. Currently, importers get five free days for storing cargo and exporters 15 days at Major Ports.

"The grievance of PPP operators was that private ports were offering longer free storage days, up to 120 days for clearing cargo. The Government has now allowed them to increase the free days depending upon competition. It will work out," the official said.

But the CEO of a private port firm said that main issue of cargo handling and berth hire charges compared to private ports has not been resolved, making the rationalisation of storage charges to save stressed projects "irrelevant".

"Some of the PPP projects are either being operated under stress or have been abandoned/terminated, leading to avoidable litigations and if this continues, Major Port Trusts may not be in a position to attract private investments which would have an adverse impact on the growth of port infrastructure," the Ministry official said.

"Re-negotiation of contract should be to the extent required for survival of the project – it should be a sort of course correction activity," the official said.

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Gujarat Government partners with leading US advocacy group for 'Vibrant Gujarat' summit

The Gujarat Government has partnered with a top India-centric American advocacy group for the Vibrant Gujarat summit in January 2019, which is expected to be attended by some of the top American corporate leaders.

John Chambers, Chairman of US-India Strategic and Partnership Forum (USISPF), will lead a high-level CEO delegation to the summit next year, a media release said.

Ahead of the summit, the USISPF will take out roadshows in the five cities of San Francisco, Houston, Chicago, New York and Washington DC, it said.

A senior-level delegation, led by Mr. Arvind Agarwal, Additional Chief Secretary, Finance, Government of Gujarat, will visit the US in September to engage with a host of businesses, investors, start-ups and incubators, thought leaders and key members of the Indian diaspora, the release said.

The USISPF will also host focused roundtables and investment roadshow programmes, among other events, the release said.

"Vibrant Gujarat 2019 is focused on 'Ideas for a New India' and my endeavour is to attract the best technologies and innovation, educational partnerships, and to gain an understanding of how Gujarat can also create a knowledge-based economy like that of the US," Agarwal said.

To officially kick-off the engagements leading up to the US visit of the delegation, the USISPF has scheduled cross-sectoral discussions for the delegation with US-based companies in Delhi and Mumbai.

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GSTN says nearly 22.5 crore e-way bills generated since rollout

Around 22.5 crore e-way bills have been generated across India till September 13 since the new electronic billing system was introduced on April 1, the Goods and Services Tax Network (GSTN) said recently. It added that July 31 accounted for the highest 21.77 lakh e-way bills generated in a single day. The e-way bill system kicked off as part of the new GST regime for transporting goods worth more than Rs 50,000.

"Between April 1 and September 13, a total of 22.48 crore e-way bills have been generated. Of these, inter-state transport of goods accounted for 10.89 crore bills while intra-state transport contributed another 11.58 crore," the GSTN said in a statement.

"The share of intra- and inter-state transport is gradually attaining parity and is expected to reach 50:50 ratio in coming months," it said. The GSTN added that over 24 lakh taxpayers and 30,000 transporters had registered with the e-way billing system so far.

"While the average daily generation of bills was roughly 13 lakh in the early months of implementation, now around 15.79 lakhs bills are being generated seamlessly every day," GSTN CEO Prakash Kumar was quoted as saying. At 3.13 crore, Maharashtra generated the highest number of bills, followed by Gujarat (2.45 crore), Haryana (2.05 crore), Karnataka (1.98 crore) and Uttar Pradesh (1.90 crore).

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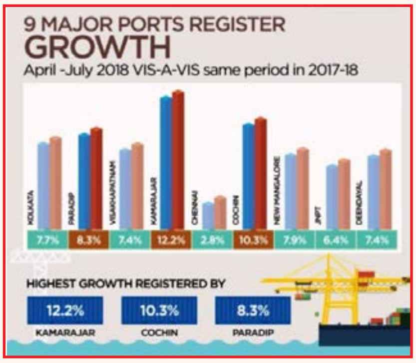
Major Ports throughput grew by 4.13% during April-July period

The Major Ports in India have recorded a growth of 4.13% and together handled 231.48 Million Tonnes of cargo during the period April to July, 2018 as against 222.29 Million Tonnes handled during the corresponding period of previous year. During this period nine Major Ports - Kolkata (incl. Haldia), Paradip, Visakhapatnam, Kamarajar, Chennai, Cochin, New Mangalore, JNPT and Deendayal have registered positive growth in traffic.



Cargo traffic handled at Major Ports:

- The highest growth was registered by Kamarajar Port (12.18%), followed by Cochin (10.30%), Paradip (8.31%), New Mangalore (7.88%) and Kolkata [inc. Haldia] (7.74%)
- Kamarajar Port growth was mainly due to increase in Other Liquids by 20%, Other Misc. Cargo by 13.30%, POL by 11.30%. and Thermal & Steam Coal by 4.44 % .
- In Kolkata Port, overall growth was 7.74%. Kolkata Dock System (KDS) registered traffic growth of 5.13%. Whereas Haldia Dock Complex (HDC) registered a growth of 8.89%.
- Deendayal (Kandla) Port handled the highest volume of traffic i.e. 38.76 Million tonnes (16.74% share), followed by Paradip with 35.68 Million Tonnes (15.41% share), JNPT with 23.25 Million Tonnes (10.05% share), Visakhapatnam with 21.52 Million Tonnes (9.30% share) and Mumbai with 19.57 Million Tonnes (8.45%). Together, these five ports handled around 60% of Major Port Traffic.

Commodity-wise percentage share of POL was maximum i.e. 32.53%, followed by Container (20.86%), Thermal & Steam Coal (15.78%), Other Misc. Cargo (10.68%), Coking & Other Coal (7.61%), Iron Ore & Pellets (6.17%), Other Liquid (4.09%), Finished Fertilizer (1.36%) and FRM (0.92%).

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