



# AILBIEAnews

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## ALL-INDIA LIQUID BULK IMPORTERS & EXPORTERS ASSOCIATION



### HIGHLIGHTS



**Bulk Storage In India:**  
A future looking, growing industry

**Mr. Prabakaran Muthukrishnan**  
Global Head - Terminalling Business,  
Gulf Petrochem Group

With over 3 decades of experience in Senior positions of Logistics, Supply Chain, Terminalling, Distribution & Marketing. >>>>



**A look at India's Logistics Sector**

**Mr. Karan Adani**  
Chief Executive Officer,  
Adani Ports & Special Economic Zone (APSEZ)

Adani Ports is today the largest port operator in India. From being a single port operator in 2009, they have come a long way. >>>>



**Sagarmala; Port led prosperity for the Nation**

**Sh. D. K. Rai**  
Dir (SM), Ministry of Shipping,  
Sagarmala Development Company Limited  
Sh. Devendra Kumar Rai is the Director of Ministry of Shipping's flagship Sagarmala Programme. >>>>



**Jayyant Lapsiaa**  
President

**T**he months of May and June 2019 will be very significant in terms of determining the economic and political destiny of the country through the results of the Elections on 23rd May, and, also in terms of quantum of rainfall this monsoon from June 2019 onwards. Both these factors, elections and precipitation, will have tremendous impact on the Indian economy and overall political scenario in the country.

Independent of the lurking suspense over the eventual fate of the present government, Indian economy is expected to grow at 7.3 per cent in calendar year 2019 and 2020, and the government spending announced ahead of elections this year which will support near-term growth, this is as per the predictions of the US-based rating agency-Moody's - which also said that the country is less exposed to a slowdown in global manufacturing trade growth than other major Asian economies and emerging markets and is poised to grow at a relatively stable pace.

Though this augurs well for the country, however, there is visible suspense, apprehension and high voltage tension generated by the ongoing Lok Sabha elections, as the nation is waiting with bated breath for the eventual outcome, when results will pour out on 23rd May 2019.

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## TECHNICAL GUIDANCE ON SEA CARGO MANIFEST & TRANSHIPMENT REGULATIONS, 2018

As per the new regulations, the Authorised Sea Carrier (ASC)/Authorised Sea Agent (ASA) shall submit an Arrival Manifest electronically, prior to departure from the last port of call to the Indian Port of call. And submit a Departure Manifest electronically before departure from the Indian Port of call.

“ At AILBIEA, we pray and look forward to some vibrant policy changes in the working of Customs, re-vitalizing it, making it more trade friendly and transparent. Antiquated and outdated systems, procedures and notifications should be immediately dispensed with and replaced with more time bound and efficient modules to mitigate dwell time, cut transaction costs and ensure expeditious clearance mechanisms.

Whilst in the month of April 2019 the GST collections jumped to their highest level of Rs 1,13,865 crore since the roll out in July 2017, indicating that the compliance levels improved. While collections have been gradually increasing since August, they hit a record high last month of Rs 1.06 lakh crore, up from Rs 97,247 crore in the previous month, on the back of high compliance and increased number of returns.

This also is an indicator of efficient systems in place to track, monitor and collect the GST tax and ensure that the number of returns keep increasing. This is bound to swell the government's exchequer and will give a boost to various welfare and infrastructure schemes announced by the government.

However, despite their fate hanging in balance, depending upon the results on 23rd May, the government is going all out in its performance and pursuit of propelling infrastructure projects and various other growth oriented schemes. Though, at the moment, decision making may be kept in abeyance with regards to policy, administrative and other matters, the government is silently preparing its strong base to infuse vibrant policy changes and bring around more facilitation measures with the optimism that it will regain its power and position.

At AILBIEA, we pray and look forward to some vibrant policy changes in the working of Customs, re-vitalizing it, making it more trade friendly and transparent. Antiquated and outdated systems, procedures and notifications should be immediately dispensed with and replaced with more time bound and efficient modules to mitigate dwell time, cut transaction costs and ensure expeditious clearance mechanisms.

The CBIC must set up quarterly [once in every three months] meetings with stake holders viz. Associations on

zonal basis and this should be chaired by Member Customs. All grievances and issues could be sorted out in this quarterly meetings and this will help in robust working of the customs department. Just like the PTFC and CCFC meetings, a zone wise joint meeting between Member Customs and Associations will go a long way in reducing various bottlenecks, delays and other major hindrances which crop up time and again.

There are still issues with the EDI systems and the resultant delays, which are vexing and frustrating, however, the department must come out with alternate plans to ensure that assessments and clearances are not held up due to slow down/system failures.

There is also dire need to increase manpower resources at some of the Customs stations, especially JNPT, which handles huge volumes. Shortage of manpower resources also have cascading effect on clearances and results in abnormal delays. This defeats the very purpose of Ease of Doing Business and the government's resolve to transparent governance and more trade facilitation.

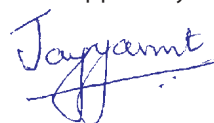
One more significant aspect which the department needs to look into is that the departmental meetings are not held during peak working hours, which impact clearances and mars the clearance operations. Meetings should be restricted to time bound non-peak hour slots.

There are much more ways the Customs department can really become more vibrant and effective, but, there must be the urgent Will to ring in radical changes, change in attitude and change in mind set.

Accountability is the key to infuse more professionalism and more sincerity in discharge of duties, this should be immediately brought in without any delays, to start with.

As we keep our fingers crossed and wait anxiously for the D-day i.e. 23rd of May 2019 to know the fate of our great nation, we are confident that eventual outcome will not affect the ongoing transformation of positive changes and thrust towards more and more facilitation and transparency in governance.

We, at AILBIEA, wish you a very warm, bearable and tolerable Summer and look forward to positive election results coupled with a very good monsoon to enable us see Happier days ahead!



**Jayyant Lapsia**  
President

# Bulk Storage In India: A future looking, growing industry

## Mr. Prabakaran Muthukrishnan

Global Head - Terminalling Business,  
Gulf Petrochem Group

**W**ith over 3 decades of experience in Senior positions of Logistics, Supply Chain, Terminalling, Distribution & Marketing. Mr. Prabakaran Muthukrishnan has a unique blend of experience holding strategic decision making positions in public & private sector oil giants in India. As the Head of the logistics chapter of the committee appointed by the Government of India for deregulating the Indian Oil industry, he is a firmly entrenched member of the Industry.



### 2.1. What in your opinion are the major growth drivers of Bulk Liquid Storage in India?

Multiple global forces are driving the demand for bulk liquid storage in existing & newer geographies. India being at the cusp of its growth phase is also experiencing the same. As bulk liquid is a vast sector, it can be divided into 3 different sections with each having its own drivers.

#### 1. Hydrocarbons:

India is expected to be one of the largest contributors to non-OECD petroleum consumption globally. Oil imports rose steeply by US\$ 16.65 billion in 2017-18 over 2016-17 making India the third largest consumer of oil in the world with consumption increasing by 2.8% YoY (FY16 & FY 17). CAGR for Petroleum products consumption in India, has been 5.3% (FY 13 to FY 18) & looks to keep growing. Furthermore, forecasters such as BP Energy outlook put India's energy consumption growth at 4.2% p.a., faster than major world economies. This drastic increase in consumption pattern of the demographic & the continuous demand from industries would keep hydrocarbon demand high.



- **Refinery Conversion:** Restructuring & consolidation in refining capacities across India will impact the distribution & regional growth of storage capacity.
- **Trade Flows:** Change in trade flows due to emergence of new producers as well as consumption growth is impacting the location of new capacity additions.
- **Product Price Volatility:** Volatility in product prices for bulk liquids esp. crude oil necessitates the demand for more storage capacity in order to hedge trades for consumers & reduce the price volatility for producers.
- **Energy Security:** The Government of India is setting up 5 MMT of strategic crude oil storages at 3 locations. These storages would serve as a cushion during any supply disruptions like times of war or any other emergency situation.

#### 2. Chemicals:

India is 3rd largest producer of chemicals in Asia by volume & creating more manufacturing capacity to process chemicals & agrochemicals to meet the domestic & global demand. Specialty chemicals market has witnessed a growth of 14% in the last five years, while demand of chemical products is expected to grow at 9% p.a. over the next 5 years. The key drivers for growth include:

- **Consumption Driven:** Per capita consumption of chemicals India is 1/10th of world average, & even among developing countries Indian consumption is low. This makes India a very attractive destination for growth.



- **Location Advantage:** India is centrally located between the East & the West of Asia, it at the center of trans-Indian Ocean routes which connect European countries in the west & to the countries of East Asia.
- **EODB & Regulations:** With Make in India, GoI implemented several structural reforms such as GST implementation & amending land acquisition act & increasing transparency.

### 3. Vegetable Oils

“ Growing population, economic growth & rising disposable income drive India’s vegetable oil consumption growth, expected to grow by 3% p.a to exceed 34 MT by 2030. The country’s vegetable oil consumption already reached 23 MT Liquid bulk storage in India 1 March 2019 PwC 7 (Approx).

Growing population, economic growth & rising disposable income drive India’s vegetable oil consumption growth, expected to grow by 3% p.a to exceed 34 MT by 2030. The country’s vegetable oil consumption already reached 23 MT Liquid bulk storage in India 1 March 2019 PwC 7 (Approx.) in 2017. Due to stagnant domestic vegetable oil productions, import volumes continue to fill the gap between supply-

&-demand. As per DoC, Crude Vegetable oil imports in same period grew at CAGR of 3.97% (Approx), while of refined Vegetable oil at a CAGR of 12.53%. Oils such as Palm oil, soy oil & sunflower oil are expected to penetrate regional markets, with the

packaged edible oil segment leading the future growth of the industry.

### 2.2. What in your opinion are the major challenges faced by the Bulk storage industry at ports today?

India’s over 7500 km coastline is serviced by 13 major ports & over 230 notified minor & intermediate ports. In the past few years, the government has taken several initiatives to increase its investments by developing new ports, augmenting existing facilities & improving connectivity to ports. However, significant challenges are still present that hamper the growth of this sector:

- **Pre-Berthing Delays:** This challenge is an ever present cost driver seldom taken into account. In most Indian ports, due to multiple reasons procedural or administrative, vessels get delayed causing increase in freight charges that are passed on to end consumer. This increase in charges thus results in higher prices paid by the end consumer.
- **Draft Restrictions:** Draft depth at most Indian ports ranges from 9-14 m as compared to 12-23 m at international ports. Even though, the Government & Port authorities have looked to increase it, there is still some way to go.
- **Lack of dedicated berths:** Majority of berths at major ports are general cargo berths while only a few berths are dedicated for liquid bulk resulting in increase in idle time for vessels.
- **Tanks Pipelines & associated infrastructure:** Procedural inconsistencies & non-standardization of protocol causes delays & drives costs up for the terminal operator & the end consumer. Furthermore, Indian ports are faced with the challenge of





inadequate number of pipelines with most ports having only 4-5 chemical lines per jetty. This increases costs by restricting operational efficiency, preventing simultaneous handling of products & directly impacting vessel turnaround time.

- **Terminal & Vessel Coordination:** Due to non-standardization of practices & relatively lighter enforcement of regulations multiple operational issues crop up during coordination between the Terminal & Vessels. These issues range from disputes over cargo discharge rates, consistency of cargo flow etc. There is an option with the terminal & the vessel to write Protest Letters, however due to lack of ground level knowledge of government operated escalation procedures they remain ineffective.
- **Constrained Port Capacities:** A critical challenge faced in liquid bulk handling is above -optimum capacity utilization due to capacity mismatch & inadequate port infrastructure. Liquid bulk capacity utilization at Indian ports stands at 90-95% (Approx.) compared to international average of 70-75% (Approx.).
- **Customs & Regulations:** Due to multitude of stakeholders in the value chain ranging from suppliers to vessel owner/charterer, agencies on the supply side & Customs, Surveyors & last mile transport infrastructure on the demand side of the Terminal; storage operators deal with a long value chain. It's been observed that even a small bottleneck has cascading effects on lead times & increases costs.

### 2.3. How digitization is transforming logistics & supply chain management?

Private players around the globe are investing in technology projects, to check feasibility of implementation of new technology in the Bulk Storage

Sector. These technologies are extremely scalable & are geography agnostic, hence can be utilized globally. A few pilots for industry to look into in an effort to utilize technology:

- **Robots & drones:** Inspections are currently performed manually inside confined space; meaning that assets need to be shutdown to ensure the inspector's safety. The use of robots would minimize the exposure of personnel to potentially hazardous conditions, avoid these delays & reduce downtime. Likewise, diving remote operated vehicles can be used to inspect jetties & pipelines, while drones are being tested for the internal inspection of tanks.
- **Automation:** Multiple operations can be automated include the incorporation of level, temperature & safety systems that remotely alert terminal operators of the state of tanks & the cargo contained within.
- **Software & IoT:** Software can be used to increase vigil & visibility of tanks contents. Real time visibility enable tank operators to know if tank is being heated/blended, what pumps are being used to load/unload a truck/railcar. This visibility translates into lowering redundancy & providing optimum operations, thus reduce costs.

Digitization & the use of technology aides the industry in accident reduction & provides for a safer working atmosphere for employees. From newer & more sensitive sensors to automatic shut off valves, technology provides terminal employees a chance of reducing their interaction with cargo. This helps in reduces effects on health due to vapour inhalation etc. Furthermore, the presence of automation tools aides to increase the efficiency of the terminal & reduces operational costs for terminal operators. Liquid bulk storage in India 1 March 2019 PwC8.





# A look at India's Logistics Sector

**Mr. Karan Adani**

Chief Executive Officer

Adani Ports & Special Economic Zone (APSEZ)



**A**dani Ports is today the largest port operator in India. From being a single port operator in 2009, they have come a long way. Today, APSEZ covers over 80 percent of India's hinterlands, with their focus being a pan-India port operator, providing end-to-end logistics. Looking to foray further across South Asia, APSEZ under the leadership of Mr Karan Adani looks emerge as a big regional player.

### 3.1. In your opinion, how much help would big ticket government projects like Sagarmala & Bharatmala give to the overall logistics sector, what could the government do to increase the reach of such projects to the hinterland?

Sagarmala focuses on Major Ports, their capacity, efficiency & connectivity. Bharatmala looks at road connectivity for ports. Various projects have been identified by Government under these two initiatives & such projects are making steady progress also. To ensure that intent of such initiatives is met, non-Major ports are to be given equal importance. Today, Mundra port is the largest port in the country & there are other ports owned & operated by various private sector players. Major Ports & non-Major Ports together form the effective & inter-balancing eco-system for ports in the country & thus we need to focus on all aspects.

Non-Major Ports have different mechanism of decision making, but Government can always form a panel which takes into account key pending issues / approvals from all non-Major Ports & tries to address them quickly. This way, Sagarmala & Bharatmala would truly achieve the intent of transforming & modernizing port sector in the country.

### 3.2. There is a wide spectrum of players in the logistics sector ranging from the very small exporters & importers, to medium-sized & large traders to MNCs. How can a trader with small ticket size consignments could be integrated into the supply chain?

Thanks to technology, aggregation of cargo is picking up in India. Various small & large logistics service providers are growing their business by focusing on aggregating cargo from smaller players. Another trend which can be seen, though in nascent stage, is logistics companies using technology platforms for making logistics easy for



any size of the trader. Third factor is the ease of doing business & initiatives from Government like e-way bill & GST. All these trends together have made it much easier for even a small trader to do business & avail required logistics services. However, in my view, still two more factors need to be addressed: 1) gradually

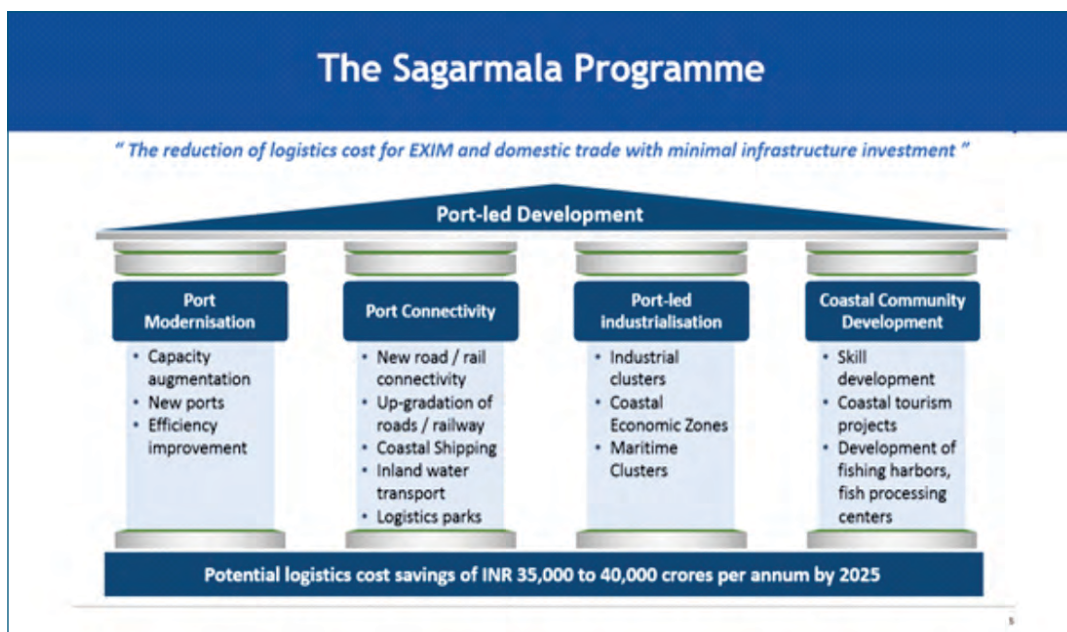
reducing cost of logistics using technology & focus on efficiency, & 2) enhancing reliability in movement of cargo for traders – through roads or railways.

**3.3. The recently introduced GST & e-way bill is a step towards increasing efficiency, could any other tax structure changes be implemented that would aid in the growth of the sector?**

Taxation structure has another very critical dimension of Taxation mechanism. The mechanism comprises of people, systems, locations, papers etc., through which cargo owners, producers, traders & consumers do their taxation related transactions. Tax structure changes can be identified & addressed, but what more need to be addressed is the associated institutional structure. The way custom duties are calculated, evaluated & processed is something which can be addressed. The objective is not always to reduce such duties, but to simplify it enough so that traders as well as logistics players like ports etc. have their own ease of doing business with Government. As always, technology – through faceless & automated transactions, can play a major role in this.

**3.4. What broad directions (Regulatory/Skill development/ performance standards/ research & development initiatives) can the government look to work on help the logistics sector?**

Logistics is an emerging sector in India & it is yet to mature – whether it's trucking or warehousing or rail movement, a lot is to be done. In my view there are two critical aspects, which can be accorded highest priority – 1) performance standards, 2) skill development. I don't think logistics need to be regulated much, but it needs to build more reliability & efficiency. We need to ensure certain predictability in



functioning of trains & functioning of state borders. Real time visibility can come through technology, but there is a substantial institutional component which need to be improved to get desired levels pf efficiency & reliability. Skill development is something which is a continuous process & will only increase in importance as we grow using more technology in logistics. In this domain, both Government & Private Sector have to work together to be future ready.

**3.5. What role can technology & IT play in helping the optimal utilization multi modal transport resources optimally?**

Logistics is an area which generates lot of data points & uses such numerous data points or pieces of information. Furthermore, there are multiple stakeholders involved at all the stages, exchanging information, paper & cargo – each having its own perspective of looking at the transaction. For example, a truck driver has to reach in time with cargo, but the trucking company would also be looking at fuel consumption, while the tax personnel would be concerned about the duties & type of cargo. Customer, in turn, would have the larger business focus in mind & thus would have a different set of KPI's, including the efficiency, reliability & cost.

Technology is the only solution of binding such a diverse universe together. Bringing all these stakeholders & information together, & making sense of it, so that all stakeholders are satisfied is the role technology has to do, in an integrated manner. That's why, when we talk about technology for logistics, we talk about large data, reliability, visibility & extended nature of systems.



# Sagarmala; Port led prosperity for the Nation

**Sh. D. K. Rai**

Dir (SM), Ministry of Shipping

Sagarmala Development Company Limited

**S**h. Devendra Kumar Rai is the Director of Ministry of Shipping's flagship Sagarmala Programme. Leading from the forefront Mr Rai handles the width & depth of the entire project, from Port Modernization & New Port Development, Port Connectivity Enhancement to Port-linked Industrialization & Coastal Community Development.



## 4.1. What are the MoS's targets & achievements in terms of project award & completion for Sagarmala Projects?

As part of Sagarmala Programme, 601 projects worth Rs. 8.8 Lacs Cr. have been identified for implementation, through 2015-2035, across areas of port modernization, new port development, port connectivity enhancement, port-linked industrialization & coastal community development. Out that 105 projects worth Rs. 16,586 Cr have been completed. In FY 2018-19, 109 projects worth Rs. 50,510 Cr are likely to be completed. Further, 345 projects worth Rs. 3.76 Lac Crore are already under various stages of implementation & development.

Port Modernization: 266 projects worth Rs. 145,096 Cr identified, out of which 60 projects worth Rs. 9,705 Cr already been completed & 67 projects worth Rs. 46,003 Cr are under implementation.

Port Connectivity: 213 projects worth Rs. 250,915 Cr identified, out of which 213 projects, 29 projects worth Rs. 5,269 Cr have been completed & 63 projects worth Rs. 60,124 Cr are under implementation.

Port led industrialization: 57 projects worth Rs. 474,893 Cr identified, out of which 2 projects worth Rs. 512 Cr have been completed & 17 projects worth Rs. 147,494 Cr are under implementation.

Coastal community development: 68 projects worth Rs. 7,167 Cr identified, out of which 14 projects worth Rs. 1099 Cr have been completed & 17 projects worth Rs. 1,114 Cr are under implementation.

## 4.2. What are the funding sources being explored for the Rs. 8 trillion investment requirement in the Sagarmala Project?

Projects under Sagarmala are being implemented by relevant Central, State, Ports & other agencies primarily through the private or PPP modes. To assist in implementation of residual projects, Sagarmala Development Company Limited (SDCL) was incorporated to provide funding support to project SPVs & residual projects under Sagarmala. SDCL has identified a few projects for the purpose of equity investment in-line with Sagarmala objectives. Additionally, SDCL is also in process of preparation of DPRs for specific projects that could provide avenues for future equity investment by the company. Indian Port Rail Corporation Limited (IPRCL) was incorporated in July 2015 to undertake port-rail connectivity projects under Sagarmala Programme.

Ministry of Shipping's Coastal Berth Scheme has been made part of the Sagarmala Programme. The scheme aims to provide grant-in-aid assistance for construction/up-gradation of coastal berths at Major/ non-major ports, capital dredging of operational non-major ports, construction of breakwater for existing & green-field ports etc. Ministry of Shipping has sanctioned Rs. 1,742 Cr & released Rs. 1,018 Cr for the development & implementation of 87 projects worth Rs. 5,501 Cr.

Sagarmala projects are being executed in a phased manner keeping in mind the needs of various stakeholders, requirement of infrastructure at specific locations, viability of the projects, readiness of the ecosystem including logistics supply chain, environmental concerns & sensitivities of the local communities. Considering the scale of the programme, the involvement of private participation becomes imperative to achieve the desired results.



### 4.3. What are the steps being taken for the inclusion of an efficient Public-Private-Partnership in taking the Sagarmala Programme further?

For a programme at the scale, private participation plays a key role. Private sector role in port sector has been realized since early 1990s & 41 PPP projects involving an investment of about Rs 20,000 Cr are in operation, creating a capacity of 368 MT. 16 PPP projects entailing an investment of about Rs 20,000 Cr & 268 MT capacity are under implementation. To encourage private participation, rules are being modified to enable private firms to invest. Concession agreements & processes are being standardized at all major ports & a model concession agreement has been introduced. Some of the key features of the model concession agreement include:

- Concessionaires could exit projects by divesting 100% ownership after 2 years of commissioning, while earlier the developer had to maintain 26% stake throughout the concession term.
- Developers can pay royalties to landlord ports on a "per mission tonne of cargo handled" basis subject to wholesale price index annually. Earlier the revenue share was payable on a gross revenue basis with fixed bands & did not take into account any discount extended to customers.
- Port charges for additional waterfront has been reduced from 200% to 120%.
- Freedom to upgraded capacity equipment, facilities & technologies to achieve higher productivity of assets.
- Compensation entitlement if local laws change with potential impact on financial viability of projects.

- Separate constitutional body to address disputes between concessionaires & landlord ports. Online complaint portal has also been set up.

### 4.4. What is the status of Greenfield port projects & the 14 coastal economic zones that have been announced, is there a possibility of increasing this number?

A total of 6 Greenfield ports are being planned under Sagarmala, with an estimated cost of Rs. 36,200 Cr. These new ports are expected to add about 150 MTPA of port capacity. These are long term projects & are expected to be completed in 2025. 3 of these projects are under development & DPR is under preparation.

Coastal Employment Zones (CEZs) have been envisaged to facilitate port led industrialization &/ or Export Import (EXIM)/ coastal trade of goods & commodities. CEZ is an economic region comprising a large area in a single or in a group of coastal districts with strong linkage to ports in that region with an intent to reduce the logistics costs from demand/supply center to port & vice versa. CEZ has dual focus – direct contribution of port traffic coupled with employment generation & reduction of logistics costs. Such zones are envisaged to comprise industrial areas, housing & urban infrastructure & logistics/ transport infrastructure within themselves & be self-contained.

One prototype CEZ of around 2,000 to 3,000 acres will be taken up with an estimated total expenditure of around Rs. 2,000 crore (to be shared by central & state government in 49:51 ratio) towards project development activities, cost of I& & provisioning of trunk infrastructure. The central government expenditure will be spread over a period of 4 years, around Rs. 250 crore/year aggregating to

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INR 1,000 crore. This CEZ would be selected based on the Challenge Method. Depending on the success of the prototype CEZ selected above, more CEZs may be developed under this scheme. A total of 14 Coastal Economic Zones (CEZ) are also proposed under Sagarmala, with an estimated cost of Rs. 40,500 Cr.

**4.5. What are the key challenges being faced by the logistics sector in India & how does Sagarmala Programme looks to overcome them?**

Indian Logistics & Maritime Sector has been historically faced many challenges & Sagarmala is taking prudent steps & initiatives to mitigate them & find an efficient, sustainable solution for development.

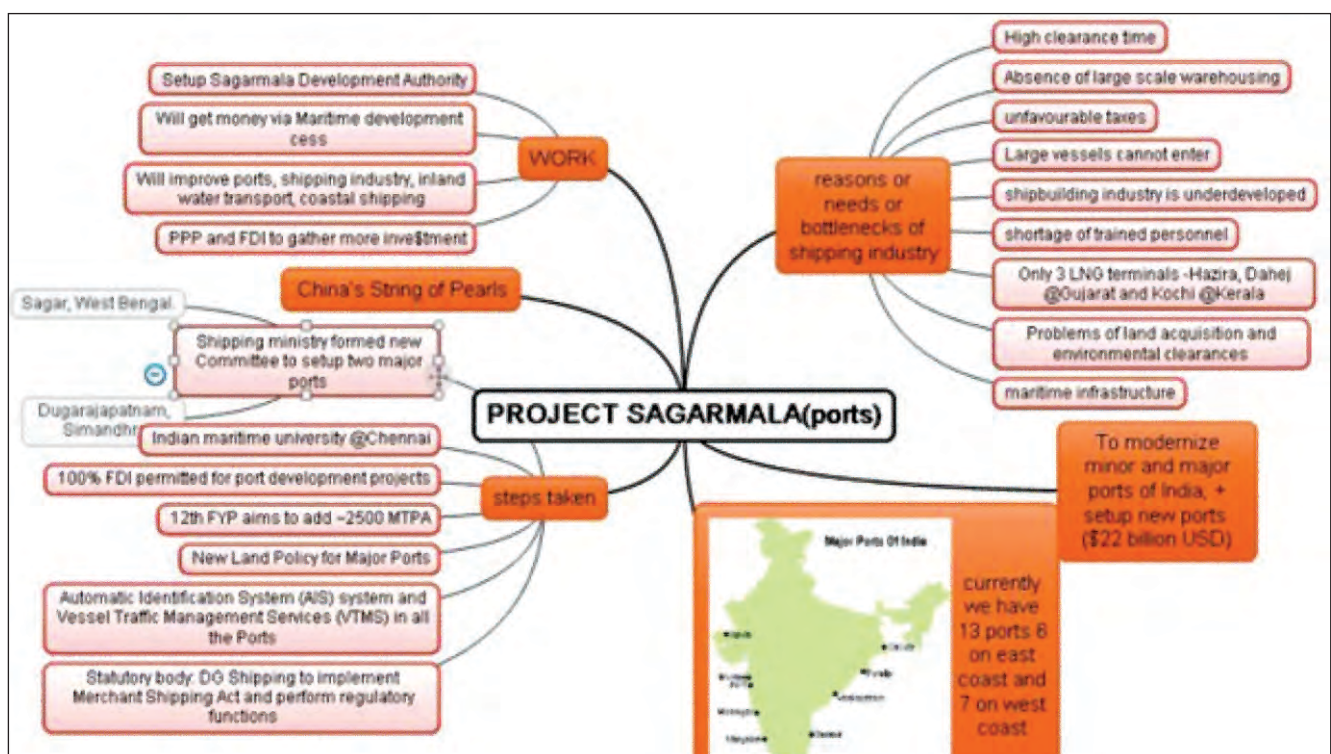
Port Infrastructure: Indian ports have inadequate capacity & productivity as compared to international standards. Complicated procedures & documentation results in increased time in movement of cargo. To address the challenges, port modernization & capacity enhancement projects are being undertaken across all major & non-major ports. Further, improved technology is being deployed to improve efficiency at existing ports.

**Last Mile connectivity:** India has a low share of inland waterways & coastal shipping in the modal mix. There is also lack of requisite infrastructure for evacuation from the



ports. To promote coastal shipping, relaxation on cabotage & related taxes for an extended period has been implemented. To further promote the coastal shipping Coastal Berth Scheme has been introduced by the Ministry of Shipping.

**Industrialization near ports:** India has limited development of EXIM oriented manufacturing facilities near ports as historically the economy has been driven by hinterland states. This lead to lesser employment opportunities for coastal communities. Addressing the issues, port led industrialization initiatives are being taken to develop & shift large & ancillary industries near ports for efficient & faster movement of EXIM goods. Further, to enhance the development of coastal communities, multiple skill development programmes are being undertaken.







Segregation/ Consolidation SMTP Generation Departure – Inland Manifest Arrival – Inland Manifest Yes ETP Manifest No Cargo at CFS Departure – Inland Manifest Arrival – Inland Manifest Movement within India Gateway Port Interim Port TI TC Departure – Inland Manifest Arrival – Inland Manifest Land Border Domestic Cargo Coastal Goods Transshipment Country (TC) Yes Through Land Through Sea Departure Manifest TC Through Land TI 6 Leveraging Technology For Serving Taxpayers.

### 3.2 Registration

Under the new regulations the Person acting as Authorised Carriers (**Authorized Sea Carrier, Authorised Transhipper**), Authorised Sea Agent, Custodian, Terminal Operator shall have to be approved afresh by the proper officer. The Approval is completely online and faceless.

The Application needs to be submitted online through ICEGATE Portal. If the user has not signed up for ICEGATE Registration, the same shall be completed at earliest.

#### ICEGATE Registration:

For registration, every new user shall have to go to the ICEGATE Portal at <https://www.icegate.gov.in> and signup. The new users are requested to please go through the registration advisory and registration demo that will assist in registration and obtaining login ID for all the Authorised persons.

#### Child Registration for Authorised Persons:

Every individual authorized to carry out operations under the regulation should be registered as Child user of the Entity registered.

For e.g A Shipping Line company is registered as Master and transacts through ICEGATE Portal. All the individuals authorized as signatories to carryout operations should be registered as Child user of the above Master, if not already done.

#### Application Under Regulations:

Once registered, the users will have to submit the online application (PI see Annexure 1) within their login to transact under the new regulations. The same application shall also have to be submitted by the existing ICEGATE users. For different role, the separate application needs to be filed with different Entity Type.

The user shall choose the Port/Customs station where he wishes to submit the application electronically.

The Master Login holder shall have to add the details of all the Authorised persons for this purpose and vouch for the details. The various guidance notes and FAQs will assist and enable them in their interaction with Indian Customs further. The cases pending against and/or action taken under the Customs Act shall have to be mentioned in the application. The relevant supporting documents shall have to be uploaded on e-SANCHIT and referenced in the application.



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