

Liquid bulk commodity imports set to expand

Mumbai port setting up second chemical terminal

Our Bureau

Mumbai, Jan 29

Even as the Revenue Department seeks to strike the right balance between its twin role of trade facilitation and enforcement, closer cooperation between the Customs department and corporates in liquid bulk trade together with their service providers in addressing procedural and operational issues can result in substantial cost and time efficiencies for all, Mrs Shobha Chari, Chief Commissioner of Customs, Mumbai, has said.

EXPANSION PLANS

She was addressing the annual interactive meet of All-India Liquid Bulk Import Ex-

port Association (AILBIEA) here recently which had top Customs, Central Excise and Port officials participating. The delegates included nearly 200 importers, processors and industrial users of liquid bulk cargoes such as mineral oil, vegetable oil, chemicals, alcohol and so on.

Mr Rahul Asthana, Chairman of Mumbai Port Trust, unveiled the port's expansion plans that included setting up of a second chemical terminal and an additional oil jetty to facilitate expanded flow of liquid bulk cargoes during his speech.

Earlier, Mr Jayant Lapsia, AILBIEA President, highlighted the adverse effect of a host of burdensome taxes

▶ *Steady reduction of customs tariffs has encouraged larger flow of liquid bulk commodities in recent years.*

and duties, and called for rationalisation of the tax structure.

TROUBLE OF LEVIES

Suggesting that local levies such as the onerous Octroi duty charged by the Mumbai Municipal Corporation actually resulted in flight of liquid bulk trade out of Mumbai port, he exhorted all stakeholders in the supply chain to follow transparent and ethical business practices.

The association will con-

tinue to lobby for unambiguous systems and procedures for boosting foreign trade in liquid bulk commodities, he said. Importantly, there will be a robust expansion in the flow of liquid bulk cargoes both into the country (import) and out of the country (export), Mr Lapsia said and called upon members to plan for the future in terms of infrastructure development.

Mr Ahmed Hussain, Director General of Customs Valuations, suggested a comprehensive review of all

issues that impact liquid bulk trade. Mr Anish Chandaria of Aegis Logistics expressed optimism about future business prospects in India including infrastructure services because of sustained economic growth.

OPTIMISM OVER ECONOMY

Import and export volumes of liquid bulk cargoes have been rising steadily in recent years. The strong positive correlation between economic growth and consumption of liquid cargoes such as petroleum, diesel and industrial oils is of course well known. Steady reduction of customs tariffs has encouraged larger flow of liquid bulk commodities in recent years.