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# मुंबई पोर्ट ट्रस्ट MUMBAI PORT TRUST



सामान्य प्रशासन विभाग

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## PRESS RELEASE

### WORKSHOP ON PROMOTING COASTAL TRADE THROUGH MUMBAI PORT

Promotion of Coastal Trade is high on the agenda of Government of India with vast coastline of over 7500 KM. There is a huge potential for movement of cargo through coastal routes relieving the congestion on the road and on railway networks. Its great contribution for reduction of carbon footprints needs no elaboration. Sagarmala programme lays special emphasis on promoting coastal cargoes and modal shift from road and rail to ship is being made attractive through various efforts including creating special facilities, streamlining processes, providing rebates, etc.

2. Mumbai Port has been in the forefront of promoting coastal cargoes. Coastal cargo forms 30% of the cargo handled in Mumbai Port, comprising mainly of POL 5.4 MMTPA, Iron Ore 6.8 MMTPA, Iron and Steel 0.5 MMTPA, Cement 0.2 MMTPA etc. With proactive measures, the coastal Iron and Steel cargo has increased by 450% over the previous year. With an aim to encourage the Coastal movement of Automobiles, a special RORO facility is being made available in Indira Dock alongwith extension of rebates.

3. To sensitize the trade in general and to understand and redress the issues affecting this trade and to promote coastal movement, MbPT held a Workshop, wherein the current and potential stakeholders, e.g., Receivers, Shippers, Coastal ship owners / operators, Shipping Agents, Freight Forwarders, Trade Associations, Government and Port Officials participated unfolding their experiences and expectations.

4. Shri Sanjay Bhatia, Chairman, Mumbai Port Trust, in his key note address emphasized all round benefits of the coastal movement over other means and extended Port's support to handhold the trade and help achieve the threshold volumes till the coastal route becomes viable option.

5. The recommendations in the Vision Document for Coastal Shipping were deliberated and it was noted that many of the recommendations have been implemented and others are in pipeline. The deliberations, by eminent stakeholders in this workshop helped in crystalizing issues, finding solutions for efficient and cost effective coastal logistics as below :-

- (i) The duty free bunkers and spare parts for the coastal shipping is most important to reduce the coastal logistics cost.
- (ii) Relaxation of cabotage for coastal carrier.
- (iii) Reduction in Wharfage Charges when the cargo is double handled.
- (iv) Non-availability of coastal ships for carrying domestic cargoes.
- (v) Requirement of cargo commitment from the large producers as PSUs, etc. to enable build up of Indian coastal tonnage.
- (vi) Incentive Scheme for Modal Shift to be implemented as soon as possible.

- (vii) Exemption for Indian Sailors on coastal ships from Income Tax, etc.
- (viii) There is no return cargo - one way traffic, at present.
- (ix) Octroi issues in Mumbai - GST will take care of the same.
- (x) Large storage areas for warehousing.

6. Being Multi-disciplinary issues, involving other agencies as Customs, DG Shipping, Ports, State Government, etc. Shri Sanjay Bhatia, Chairman, MbPT, assured the stakeholders that issues highlighted in the workshop will be taken up with concerned Ministries / Organisations to get them resolved.

24<sup>th</sup> March 2017

(S.G. Shenoy)  
Chief PRO



