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May 6, 2008

Shri. H.K.Dwivedi.

Commissioner of West Bengal Sales Tax.

14, Beliaghata Main Road.

Kolkata 700 015

West Bengal

Sir,

Sub: - Submission to improve movement of express shipments at west Bengal

Express Industry Council of India (EICI) is an All India body of leading express companies in India. EICI represents both the domestic and international express companies in India. Many leading express companies like AFL Arttmcx, Blue Dart, DHL, FedEx, First Flight, DTDC, Overt Express, Pacfx, TNT and UPS are members of EICI.

EICI also operates the Common User Express Terminals at Mumbai and Delhi international Airports for clearance of international express shipments. EICI jointly with Indian Customs is in the process of developing EDT for Express clearances.

As per a report published by the leading rating agency CARE RESEARCH in 2006 India's express service industry was valued at around Rs 7100 crores in 2006 and is growing at around 20% annually. As per the report express industry in India is larger than India's Tea industry and close to the size of the Shipping, Paper and Entertainment industry, 'Express Service' is destined by Universal Postal Union (UPU) as a service for speedy

Delivery of shipments (document & non document as well as freight shipments) to a particular destination within a designated timeframe.

Express companies are committed to provide speedy delivery of all shipments.

Express companies mainly carry small, door to door, time sensitive and urgent items like documents, life saving drugs, engineering goods like spares, mobile phones and accessories. Computers and accessories, garments, Healthcare products, lifestyle products, gifts and samples etc. The shipments are largely carried using jeeps, autos, and LCVs.

Recognizing that the express industry is a vital sector of economy (government of India as a major trade facilitation exercise ensured speedy clearance of express shipments through Customs by enacting Rules and procedures to facilitate courier clearances at international gateways. dedicated international express terminals at Mumbai, Delhi and Chennai have been set up in order to ensure speedy clearances of express shipments in and out of the country.



Sir,

We wish to bring to your kind notices the issues related to commercial tax administration at West Bengal, faced by our industry leading to hardships for consumer and trade.

EICI and its members are committed to fair practices in all aspects of its dealings and work closely with Government agencies across India as well as the world to bring about trade transparency. We are fully aware of the concerns that various state governments would have on sales tax revenue losses and we as an industry would definitely like to work in providing visibility on this aspect. At the same time we would request Commercial Tax authorities to ensure that consumers are not adversely impacted (For instance, which vehicles are seized to check for paperwork related to shipments therein, we request that for all that consignments where all paperwork is clear may kindly be released. You would appreciate that in case all shipments are held up it would lead to delayed delivery of urgent time sensitive shipments to consumers.

EICI would be glad to work with the concerned authorities in structuring a process to facilitate this. This measure would go a long way in mitigating the critical issues faced by consumers and trade in West Bengal for delivery and carriage of all their urgent express shipments.

Express Services are now integral to business operations around the world, helping to reduce firms' operating and inventory costs, and facilitating the use of latest production techniques. Without them, companies' competitiveness- and hence investment- would be significantly undermined.

Sir, in case you need further clarifications, we would only be glad to provide you the same.

Thanking you,

Yours sincerely,

For Express Industry Council of India

Vijay

Chief Operating Officer