

EXPRESS INDUSTRY COUNCIL OF INDIA

 Topic: Delhi Stakeholders Meeting

Day:

Wednesday

Venue:

Date:

16th March 2016
Conference Room, EICI Express Terminal, I. G. I. Airport, New Delhi

Time:

15:00 Hrs

Sr. No.	Name	Designation	From	E-Mail	Signature
1	NITESH CAADIA	Partner	CNC	nc@convoalliance.com	[Signature]
2	ROHIT KUMAR	PROPRIETOR	AIRWINGS	CONTACT@AIRWINGSLGISTICS.IN	[Signature]
3	R. Pradyumn	Manager	UFS	unitedfservices@airtel.in	[Signature]
4	Vikrant Sharma	Prop.	Ryan Log.	Vikrant@ryanlogistics.in	[Signature]
5	RISHI CHADHA	AIR-WE	CNC	Rishi@convoalliance.com	[Signature]
6	Devenkr JI	PROP.	Pacific	Deepak.pacific@gmail.com	[Signature]
7	Sunil Singh	Manager Custom	Gati	s.sunil@gati.com	[Signature]
8	Lilawandha	manager inlax	Gati	lilawandha@gati.com	[Signature]
9	RAJESH SRIVASTAVA	cead, UPS	UPS	Rajeshkumar@ups.com	[Signature]
10	PRAVIN K. PANDYA	Acch. Manager	M.A. ROYAL SERVICE	pravin.k.pandya@gmail.com	[Signature]
11	Prem Singh	Sr. Executive ops	Blue Dart	Prem@blue-dart.com	[Signature]
12	VIBHUTI BHUSHAN	MANAGER	ARAMEX	vibhuti.das@aramex.com	[Signature]
13	Ashwani	manager overseas	overseas	ashwani@overseaslogistics.com	[Signature]
14	ARNULESH SHARMA	MANAGER	IER	a.sharma@citysunlines.net	[Signature]
15	ANISH MAHARAJ	PRINCIPAL	AIRLOGIX	AM@AIRLOGIXSOLUTIONS.COM	[Signature]
16	RADVIK GOSWAMI	DIRECTOR	PRIORITY	RADVIK@RADVINGOSWAMI.COM	[Signature]
17	ASHISH CHAWLA	PROPRIETOR	SUNRISE	ashish@sunriseairlines.com	[Signature]
18	Madhurendra	MGM- EICI	EICI	madhurendra@eiciindia.org	[Signature]
19	Rajeev	Co-Coord Holder	OCS		[Signature]
20	Ravi Nan	CEO	SEABREEZE		[Signature]

Express Industry Council of India

Delhi : EICI Express Terminal (Near Haj Terminal) I G I Airport, New Delhi - 110037

Tel. : +91 11 4057 1111, Telefax : +91 11 4057 1100

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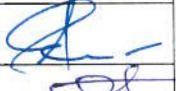


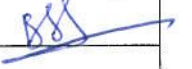
Venue:

Date:

16th March 2016
Conference Room, EICI Express Terminal, I. G. I. Airport, New Delhi

Time:

15:00 Hrs

Sr. No.	Name	Designation	From	E-Mail	Signature
21	N. G. Pillai	Resident Executive	Rajab	ngpillai@govind.com	
22	VIPIN Chandra	National Mgr	OCS India	vipinchandra@ocs-india.com	
23	P.K. NEGI	HUB Manager	First Flight	Nejip@FirstFlight.net	
24	Ramesh Kema	OPS Mgr	—	—	
25	W. D. AB. The	Co. Coord	Wlobe	Wlobe@courseasia.com	
26	Abhijit Singh	Jr. Supervisor	EICI	—	
27	Renuka Singh	Leg Advisor	EICI	rsingh@waliaco.com	
28	Sanjiv S. Wadia	Regulatory Adv.	EICI	rsuwadia@waliaco.com	
29	Bhojappa S.	manager Alcis	EICI	bhojappa@eiciindia.org	
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MINUTES OF THE CONSULTATION MEETING OF STAKEHOLDERS TO DISCUSS THE PROPOSED TARIFF HELD ON 16th MARCH 2016 AT 1500 HRS. AT EICI CONFERENCE ROOM, EICI EXPRESS TERMINAL, DELHI INTERNATIONAL AIRPORT, NEW DELHI- 110 037

PARTICIPANTS:

EICI:

1. Mr. Madhurendra Chourasia – Manager (Operations), Delhi
2. Mr. Bhojappa Sheelwant – Manager (Accounts)
3. Mr. Ranjit S. Walia (Regulatory Advisor)
4. Ms. Renuka Singh (Regulatory Advisor)

STAKEHOLDERS PRESENT:

Sr. No.	Name of Representative	Company Name
01	Mr. Nitesh Chadha	Courier 'N' Cargo Alliance
02	Mr. Rohit Kumar	Airwings Logistics
03	Mr. B. P. Upadhyay	United Freight Services
04	Mr. Vikrant Sharma	Ryan Logistics
05	Mr. Rishi Chadha	Courier 'N' Cargo Alliance
06	Mr. Devendar Kumar	Pacific
07	Mr. Sunil Singh	Gati Ltd.
08	Mr. Lilanand Jha	Gati Ltd.
09	Mr. Rajesh Srivastava	UPS Jetair
10	Mr. Pravin Kumar Pandey	M. A. Royal Services
11	Mr. Prem Singh	Blue Dart
12	Vibhuti Bhushan	Aramex
13	Mr. Ashvani	Overseas Courier Service
14	Mr. Akhilesh Sharma	International City Runners
15	Mr. Atish Mohanty	Air Logix
16	Mr. Rajiv Kumar Goswami	Priority Express
17	Mr. Ashish Chawla	Sunrise
18	Mr. Rajeev	Overseas Courier Service
19	Mr. Ravi Nair	Sea Breeze
20	Mr. N. G. Pillai	Rajab Logistics
21	Mr. Vipin Chandra	Overseas Courier Service
22	Mr. P. K. Negi	First Flight Couriers Ltd.
23	Mr. Ramesh Kumar	First Flight Couriers Ltd.
24	Mr. Gulab Jha	Globe Overseas



Mr. Nitesh Chadha represented the following Member companies of Delhi Courier Association:

Sr. No.	Name of Representative	Company Name
01	Mr. Ananta	Safeline Express
02	Mr. Ashish Chawla	Sunrise Express
03	Mr. Atish Mohanty	Air Logix Solutions
04	Mr. Baljeet	Globe Overseas
05	Mr. Deepak Kumar	Pacific Express
06	Mr. Diwan Singh	M. A. Royal Services
07	Mr. Mahipal Singh	FLI Express
08	Mr. Mohanty	Green Dot Express
09	Mr. N. G. Pillai	Rajab Logistics
10	Mr. Nixon D'souza	International City Runners
11	Mr. Pawan Bhardwaj	T. B. Express
12	Mr. Nitin Sharma	Pigeon Express
13	Mr. Pradeep Sherawat	Network Express Inc.
14	Mr. Rajesh Mehta	FLE Fastline Express
15	Mr. Rakesh Dwivedi	Ruan Express
16	Mr. Ranjan	Pivotal Express
17	Mr. Ravi Nair	Sea Breeze Courier
18	Mr. Rohit Kumar	Air Wings Logistics
19	Mr. Upadhyay	United Freight
20	Mr. Vikrant Sharma	Ryan Logistics
21	Mr. Rishi Chadha	Courier N Cargo
22	Mr. Piyush	Air Flow
23	Mr. Haja Moinuddin	I. C. S.
24	Mr. Mohit Kumar	Eagle Freight
25	Mr. Chandresh Shukla	S. W. G. Express
26	Mr. Imran	Roshans Courier
27	Mr. Shakeel C. K.	On Time Express

INTRODUCTION BY EICI:

The meeting started at 1430 Hrs.

Mr. Madhurendra Chourasia welcomed all present and asked all stakeholders to introduce themselves. After the Stakeholders introduced themselves the EICI representatives present outlined the agenda for the meeting.

It was informed that all stakeholders will be given an opportunity to speak so that everyone has a say in the Stakeholder Consultation. The background was explained to the stakeholders leading to fixing of the proposed tariff for the Courier Terminal charges relating inter alia to Facilitation Charges, Storage and Processing Charges for express shipments both import and export for the next 05 years.



In order to provide better visibility and have long term plans the following new proposed tariff for the EICI Delhi Express Terminal for the next 5 years was read out which is as under and which was also included in the Notice:

Sr. No.	Charges	Rate Rs.	Remarks
1	International Imports		
	Facilitation Fees	Rs. 5.00 Per Kg,	
	Demurrage (Detention Fees)		
	0-3 Days	Free	
	From 04 - 05 Days	Rs.3.00 Per Kg per day or part thereof or Rs. 40.00 whichever is higher	
	From 06 - 10 Days	Rs.3.00 Per Kg per day or part thereof or Rs. 40.00 whichever is higher	Free storage period for express shipment shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (Five working days).If clearance is affected after 120 hrs. (05 working days) demurrage will accrue for the entire period from the date/time of the arrival of the flight
	From 11 - 20 Days	Rs.4.00 Per Kg per day or part thereof or Rs. 40.00 whichever is higher	
	From 21 - 30 Days	Rs.5.50 Per Kg,	
	From 31st Day	Rs.7.00 Per Kg,	
2	International Exports		
	Facilitation Fees	Rs.5.00 Per Kg,	
	X-Ray Charges (International Cargo Exports)	Rs. 1.75 Per Kg.	



Effective from 01st April 2017 to 31st March 2018

Sr. No.	Charges	Rate Rs.	Remarks
1	International Imports		
	Facilitation Fees	Rs. 6.00 Per Kg,	
	Demurrage (Detention Fees)		
	0-3 Days	Free	
	From 04 - 05 Days	Rs.3.50 Per Kg per day or part thereof or Rs. 50.00 whichever is higher	
	From 06 - 10 Days	Rs.3.50 Per Kg per day or part thereof or Rs. 50.00 whichever is higher	Free storage period for express shipment shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (Five working days).If clearance is affected after 120 hrs. (05 working days) demurrage will accrue for the entire period from the date/time of the arrival of the flight
	From 11 - 20 Days	Rs.4.50 Per Kg per day or part thereof or Rs. 50.00 whichever is higher	
	From 21 - 30 Days	Rs.6.00 Per Kg,	
	From 31st Day	Rs.7.50 Per Kg,	
2	International Exports		
	Facilitation Fees	Rs.6.00 Per Kg,	
	X-Ray Charges (International Cargo Exports)	Rs. 1.75 Per Kg.	



Effective from 01st April 2018 to 31st March 2019

Sr. No.	Charges	Rate Rs.	Remarks
1	International Imports		
	Facilitation Fees	Rs. 5.75 Per Kg,	
	Demurrage (Detention Fees)		
	0-3 Days	Free	
	From 04 - 05 Days	Rs. 4.00 Per Kg per day or part thereof or Rs. 60.00 whichever is higher	
	From 06 - 10 Days	Rs. 4.00 Per Kg per day or part thereof or Rs. 60.00 whichever is higher	Free storage period for express shipment shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (Five working days). If clearance is affected after 120 hrs. (05 working days) demurrage will accrue for the entire period from the date/time of the arrival of the flight •
	From 11 - 20 Days	Rs. 5.00 Per Kg per day or part thereof or Rs. 60.00 whichever is higher	
	From 21 - 30 Days	Rs.6.50 Per Kg,	
	From 31st Day	Rs.8.00 Per Kg,	
2	International Exports		
	Facilitation Fees	Rs. 5.75 Per Kg,	
	X-Ray Charges (International Cargo Exports)	Rs. 1.75 Per Kg.	



Effective from 01st April 2019 to 31st March 2020

Sr. No.	Charges	Rate Rs.	Remarks
1	International Imports		
	Facilitation Fees	Rs. 5.50 Per Kg,	
	Demurrage (Detention Fees)		
	0-3 Days	Free	
	From 04 - 05 Days	Rs. 4.50 Per Kg per day or part thereof or Rs. 70.00 whichever is higher	
	From 06 - 10 Days	Rs. 4.50 Per Kg per day or part thereof or Rs. 70.00 whichever is higher	Free storage period for express shipment shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (Five working days). If clearance is affected after 120 hrs. (05 working days) demurrage will accrue for the entire period from the date/time of the arrival of the flight
	From 11 - 20 Days	Rs. 5.50 Per Kg per day or part thereof or Rs. 70.00 whichever is higher	
	From 21 - 30 Days	Rs. 7.00 Per Kg,	
	From 31st Day	Rs. 8.50 Per Kg,	
2	International Exports		
	Facilitation Fees	Rs. 5.50 Per Kg,	
	X-Ray Charges (International Cargo Exports)	Rs. 1.75 Per Kg.	



Effective from 01st April 2020 to 31st March 2021

Sr. No.	Charges	Rate Rs.	Remarks
1	International Imports		
	Facilitation Fees	Rs. 5.50 Per Kg,	
	Demurrage (Detention Fees)		
	0-3 Days	Free	
	From 04 - 05 Days	Rs. 5.00 Per Kg per day or part thereof or Rs. 70.00 whichever is higher	
	From 06 - 10 Days	Rs. 5.00 Per Kg per day or part thereof or Rs. 70.00 whichever is higher	Free storage period for express shipment shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (Five working days). If clearance is affected after 120 hrs. (05 working days) demurrage will accrue for the entire period from the date/time of the arrival of the flight
	From 11 - 20 Days	Rs. 6.00 Per Kg per day or part thereof or Rs. 70.00 whichever is higher	
	From 21 - 30 Days	Rs. 7.50 Per Kg,	
	From 31st Day	Rs. 9.00 Per Kg,	
2	International Exports		
	Facilitation Fees	Rs. 5.50 Per Kg,	
	X-Ray Charges (International Cargo Exports)	Rs. 1.75 Per Kg.	



After going through the proposed tariff the stakeholders expressed their views on the following issues which were discussed:

The stakeholders were informed that the tariff proposed with hardly any increase was based on constant growth in projected volumes over the current volumes which have grown steadily. The comments of each of the stakeholders were thereafter taken up and following is the summary of the same.

1. Cost recovery charges waiver

The stakeholders were informed that the customs cost recovery charges had been waived with effect from 1 March, 2016. It was explained that EICI was required to pay customs cost recovery charges to Customs as per the demand raised by them from time to time. The stakeholders were also briefed that EICI as an industry body of express companies has been rigorously following up with Customs and the Ministry of Finance at the highest level for waiver of Cost Recovery charges and as soon the decision was taken by the Government and implemented by customs, EICI had decided to stop charging cost recovery charges. It was also pointed out that though the entire amount paid to Customs on account of customs cost recovery charges were yet to be recouped form the users, EICI had decided to waive the charges w.e.f 1 March, 2016 on account of increase in volumes.

2. Rate dynamics and chances of increase like in Mumbai if volumes fall

The stakeholders wanted to know whether rates would be increased like had been done in Mumbai at Delhi as well at any point if the volumes do not grow or if there is a fall. It was explained to all present that in Mumbai the rates had to be increased on account of the drastic fall in import volumes due to clamp down by customs on gift shipments on account of certain couriers who were not complying with the customs laws. It was also explained that EICI was a cooperative of users i.e. Express/Courier Companies and hence would always ensure that the rates are competitive and not higher than required in order to ensure that operation remains commercially viable and can take care of all contingencies given sudden changes in volumes. It was also explained that while customs in Delhi had also taken similar action against certain courier companies, however as the Licenses had not been cancelled as yet and there had been no fall in volumes in Delhi requiring any increase. Stakeholders also wanted to know that in case customs cancels courier licenses and there is some fall in volumes how the same would impact the tariff at Delhi. It was informed to all that as the tariff is based on the total income and the total revenue, hence in case there is fall in volumes and the operating cost remains the same then like in Mumbai we may expect an increase in tariff in Delhi as well in such an event. It was further pointed out that Delhi Express Terminal had recorded regular growth so far and hence at present there was no case for increase in tariff.



It was explained that as additional space is proposed to be taken in the coming year, there would be a slight increase in tariff to offset the cost of license fee and development cost of the additional area in the second year however the same would be reduced again as it would be offset by the increase in volumes. Similarly it was informed that when customs EDI kicks in then too there may be a charge for EDI facilities as may be advised by customs and made applicable.

3. Need for additional space

It was pointed out by the representative of Air logistics Courier as well as by other stakeholders that there was need for additional space at the Express Terminal as the loads are growing. The stakeholders were informed that EICI is aware of the matter and has been regularly following up with DIAL and Celebi and asking for additional space. All options were being explored and EICI is hopeful of getting more space in the near future which has been planned and built into the tariff proposed.

4. Handling of shipments during peak periods:

Certain stakeholders including representatives from Ryan Logistics, Pacific Logistics, Sunrise and Gati pointed out that the Express Terminal should be geared up to deal with certain seasons such as *Ramzaan* from May to August when there is a surge in volume of shipments.

The suggestion was welcomed and it was decided that additional resources in terms of 2 tractors, trollies and a fork lift would be deployed during the suggested peak period to handle the surge in volumes.

Further, it was also pointed out that during normal days too there is a surge in volumes during certain time windows leading to a rush. The matter was discussed and it was decided that the flight timings would be studied by all and to make a roster to ensure that the express shipments are brought into the terminal in a phased manner so that Express Companies could chose to bring in their loads on flights operating during non-peak hours for faster processing.

M/s. Blue Dart and Aramex wanted priority in processing for their courier shipments. It was pointed out that EICI being a custodian does not differentiate between members and non-members in terms of providing services, as all users are provided service on an equal footing. The stakeholders further stated that they would prefer that express shipments be given priority over baggage shipments in customs clearance, however as the same is a customs issue, the stakeholders were advised to take the matter up with customs directly.



5. Membership of EICI

The representative of Priority Express wanted to know how to become a member of EICI and was advised to visit the website and get details regarding the membership form. He also wanted to know if membership provides any specific privilege and he was informed that as such all users are treated equally and there is no specific privilege granted for a member in terms of using the services of the Delhi Express Terminal. Certain stakeholders also wanted to know the constitution of EICI, the name of its members, names of office bearers and other details. They were informed that all the details are available on the EICI website and the same could be seen there. They were also informed that all important announcements are made on the EICI website which may be viewed regularly.

6. Demurrage/detention charges

The representative of Courier Association of Delhi and ICR courier wanted to know why detention charges were levied. It was explained to all present that the space at the Express Terminal is limited and it should be the endeavour of all users to clear their shipments at the earliest without any delay so that other shipments of other courier companies are not delayed and can be processed quickly. Delay in clearance on account of not keeping paperwork ready in advance or not replying to customs objections needs to be discouraged and penalised as it hinders smooth flow of work and clearance of shipments as they then start using the Express Terminal as a storage facility. It was explained that the rationale for levying detention/demurrage charges was in keeping with Government policy which deters delay in clearance and hence the charges are not meant to generate revenue but rather to penalize delay in clearance. Some stakeholders also wanted that the demurrage/detention charges should be reduced or should be calculated from the time of filing Form 1 and not from the time of arrival of the flight. It was explained that both activities are meant to be done simultaneously as customs law provides that Form 1 is to be filed prior to or at the time of arrival of the flight. Further it was pointed out that the charges are based on days and not hours.

7. Outsourcing issue leading to suspension of Licenses to be taken up before CBEC

The President of the Delhi Courier Association wanted the issue of outsourcing activities by courier companies and the action being taken by customs to be taken up with the CBEC. He was informed that EICI is working on the same and has also field certain representations with CBEC.



There being no other matter to discuss the meeting ended at 1645 hrs with a vote of thanks to all stakeholders for attending the stakeholder consultation meeting and for their feedback and suggestions.

For Express Industry Council of India


Bhojappa Sheelwant
Manager (Accounts)

