

# **EXPORT PROMOTION COUNCIL FOR EOUs & SEZs**

**Ministry of Commerce & Industry, Government of India**

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**Anand Giri**  
**Deputy Director**

## **EPCES CIRCULAR NO. 238 DATED 10-10-2016**

### **Sub : Charges of Shipping Lines and Shipping Agents - reg**

EPCES had taken up the issue of high charges imposed by shipping lines/agents in the 46<sup>th</sup> Meeting of the SCOPE Shipping held on 28.10.2015 at New Delhi.

The Ministry of Shipping, had, vide its Office Memorandum F.No. SD-110184/4/2015-MD dated 05.02.16, constituted a committee under the chairmanship of Deputy Director General of Shipping, also comprising representatives from shipping lines such as the Shipping Corporation of India Ltd (SCI), the Container Shipping Lines Association (CSLA), & other stakeholders such as the Federation of Ship Agents Association of India (FEDSAI) and various other entities drawn from the Import/ Export trade bodies such as Inland Importers & Consumers Association (IICA), Metal Recycling Association of India (MRAI), Mumbaizone Brokers' Association (MBA), Northern India Shippers' Association (NISA), Western India Shippers' Association (WISA) etc

We are happy to inform that DG Shipping has taken note of the matter and its importance and has issued a circular advising shipping companies not to charge more than the listed charges in the Bill of Lading.

Shipping Ministry has succeeded in getting shipping lines and their agents to agree not to levy some 25 different charges that are typically not included in the so-called bill of lading but are arbitrarily collected from cargo owners, as the government seeks to bring transparency in transaction costs of export-import (EXIM) trade. A bill of lading is a document issued by a carrier or his agent to acknowledge receipt of a shipment of cargo. India's maritime administration, vide this Circular dated 7/9/2016, the Directorate General of Shipping advised shipping lines/agents not to levy these 25 charges after a government-appointed panel.

A copy of Circular No. 1 of 2016 dated 7.9.2016 is attached along with for kind information of the members.

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DGS Circular No. 1 of 2016Sub : Advisory for bringing in transparency in transaction costs in EXIM Trade – reg.

The Ministry of Shipping, [MoS], Govt. of India [GoI] had, vide its Office Memorandum F.No. SD-110184/4/2015-MD dated 05.02.16, constituted a committee under the chairmanship of Shri Vatsalya Saxena, Deputy Director General of Shipping, GoI, Directorate General of Shipping, also comprising representatives from shipping lines such as the Shipping Corporation of India Ltd (SCI), the Container Shipping Lines Association (CSLA), & other stakeholders such as the Federation of Ship Agents Association of India (FEDSAI) and various other entities drawn from the Import/ Export trade bodies such as Inland Importers & Consumers Association (IICA), Metal Recycling Association of India (MRAI), Mumbaizone Brokers' Association (MBA), Northern India Shippers' Association (NISA), Western India Shippers' Association (WISA) etc., to identify and examine grievances that have arisen in the calendar year 2015 and to submit its report including recommendations and necessary instructions for their implementation, to the Ministry of Shipping, GoI.

2. The said committee considered the issue of the transparency and reasonableness of various charges levied by the shipping lines/carriers for the carriage of ESIM goods. In a series of meeting held in this regard on 23.02.16, 14.03.16, 15.03.16 & 07.04.16, there was a general consensus among the stakeholders in the said committee meeting and they unanimously recommended that the following charges should not be levied by shipping lines/carriers:

- 2.1 Winter season surcharges
- 2.2 Survey charges
- 2.3 Lo Lo charges
- 2.4 Cost recovery charges
- 2.5 Vessel traffic charges
- 2.6 Container monitoring charges
- 2.7 Detention invoice release charges
- 2.8 Late DO charges
- 2.9 CFS receiving charges
- 2.10 Supply chain security fee.
- 2.11 CBL pass through charges
- 2.12 Warehouse special charges
- 2.13 Transporters union charges
- 2.14 Urgent examination charges
- 2.15 ENS charges
- 2.16 Late DO release charges
- 2.17 BL print charges at destination.
- 2.18 DO revalidation charges
- 2.19 Import General Manifest (IGM) charges
- 2.20 Empty return at different port charges
- 2.21 Empty yard offloading charges
- 2.22 Destuffed delivery charges
- 2.23 Inland Hauling charges (IHC)
- 2.24 Terminal Handling charges (THC)
- 2.25 Change of Destination (COD) charges.

3. The said committee submitted its report on 19.05.2016 to the Ministry of Shipping, GoI.

4. The Director General of Shipping (DGS), GoI, had convened a meeting of the Committee members and allied stakeholders on 08.08.16 to work out the modalities to implement the recommendations of the Committee in its report dated 19.05.16. In the meeting, the foregoing recommendations were reconfirmed by the Committee members and stakeholders.

5. In view of the consensus among the various stakeholders such as shipping lines, EXIM associations & trade bodies as mentioned in para 1 above, the shipping lines are hereby advised that the charges as listed in para 2 above should not be levied by shipping lines/carriers/ agents for the transportation of EXIM goods, as a good/best practice.

6. This issues with the approval of the Director General of Shipping and Additional Secretary to the Govt. of India.

Sd/-  
(Subhash Barguzer)  
Deputy Director General of Shipping (MTO)

Copy to :

1. The Secretary, Ministry of Shipping, Govt. of India [kind attn. : Shri Abhinav Gupta, Deputy Secretary)
2. The Shipping Corporation of India (SCI)
3. Container Shipping Lines Association (CSLA)
4. Federation of Ship Agents Association of India (FEDSAI)
5. Inland Importers & Consumers Association (IICA)
6. Metal Recycling Association of India (MRAI)
7. Mumbaizone Brokers Association (MBA)
8. Northern India Shippers' Association (NISA)
9. Western India Shippers' Association (WISA)
10. Association of Multimodal Transport Operators of India (AMTOI)
11. Indian National Shipowners Association (INSA)
12. ICC Shipping Association (ICCSA)
13. Federation of Indian Export Organization (FIEO)
14. Northern India Shippers Association (NISA)
15. Mumbaizone Customs House Agents