

What ails Inland Container Depot (ICD) at Amingaon, Guwahati.

- Poor volumes of Export and Import.
- Dependant on one product i.e. Tea for Exports.
- A span of unilateral hike in CONCOR charges like Rail freight, THC plus introduction of a host of new charges since 2018 as against stagnant road transportation charges from North East to Kolkata over the same period of time.
- Shipping lines not passing any benefit of import containers used for export to Importers & Exporters. In other words importer is charged for empty evacuation from ICD Amingaon to Kolkata Port, whereas exporter is charged for empty placement from Kolkata Port to ICD Amingaon.
- Necessity for seamless connectivity of import containers arriving at Kolkata Port with ICD Amingaon. The process of arranging Custom Transit Permit, transportation of import containers from Kolkata Port to CONCOR's Yard (CTKR) in Kolkata and finally dispatch of the container to ICD Amingaon on CONCOR Rake is more often than not too much time consuming leading to Importers preferring to do Customs Clearance in Kolkata and bring the shipment by road. Similarly, although the Export Rake movement from ICD Amingaon to Kolkata has improved, there are times when export containers have to wait for over 10 to 15 days at ICD Amingaon after they are loaded in the absence of any Rake.
- Poor Marketing - Apart from a few producers / Exporters of Assam Tea, the ICD has not yet been able to attract any other Private Sector Company. Also the ICD has till date not been able to tap Imports & Exports of PSUs like ONGC, OIL, NRL, BCPL, Brahmaputra Valley Fertilizers Ltd, Power Grid Corporation of India, Assam Energy Development Agency which is putting up Solar Projects, etc.
- Some Alarming Statistics - There has been a 62% drop in Exports through ICD Amingaon, in the last four years i.e. from 2017 to 2020.
- CONCOR's Freight increase from 2017 to 2019 is in the range of 7.31% to a whopping 29.09% and the THC in the range of 29% to a whopping 77%.
- Besides Rail Freight and Terminal Handling Charges (THC), CONCOR added a host of Additional Charges since 2018 viz. Documentation and Surveyor Charges, Infrastructure and Development Charges, Terminal Infra Charge, Equipment Imbalance Charge, etc. These charges are adding to the logistic cost to the shippers and making ICD Amingaon unattractive to both the Exporter and Importer when compared to road transportation of EXIM traffic between Kolkata and North East India.
- Overall impact of the above increase in CONCOR rates has resulted in an increase of the logistics cost by 25% per FEU for a Tea Exporter and by 29% for an Importer.
- Multimodal Transportation is supposed to lead to efficiency and cost saving, road transportation is supposed to be more expensive compared to rail, but Tea Exporters using ICD Amingaon finds it more expensive by Rs 4/- per Kilogram, when compared to road transportation to Kolkata for ex-Kolkata shipment.



Our Humble Suggestions For Mitigation of These Problems

- Rationalization of CONCOR charges. It may be noted that CONCOR had reduced charges from Kolkata and Visakhapatnam to Nepal by 30 to 35 percent to stem out its competitors soon after private railway service providers were allowed to operate in that route in mid 2021. This is an indication that there is ample scope to arrive at a market driven rate.
- Assured movement of import and export within one week of their arrival at the Kolkata Port and stuffing at ICD Amingaon respectively.
- Extensive marketing initiatives to increase EXIM volumes reduce dependence on one product and to close import / export imbalance for availability of empty ISO containers at minimal cost.
- Government to ensure all PSUs give priority to ICD Amingaon for their EXIM traffic. This will give a boost to the ICD as it can give the base cargo scope for allied activities like local transportation, warehousing, customs clearance, etc. besides generating employment.
- Import empties to be made available to Exporters without Empty Positioning Charges. Similarly Importers are reimbursed Empty Return Charge if their container is used for export.
- Start Reefer Service from ICD Amingaon with Grants from concerned Ministry in line with 'ASIDE Scheme' to kick start horticulture and spice exports from North East India.
- There are roughly 80 active ICDs in India. ICD Tughlakabad handles almost a quarter of the overall volumes handled by these 80 ICDs. There should be no reason why ICD Amingaon, the only ICD in the entire North East cannot compete successfully.
- CONCLUSION - Engage the best Transport & Logistics Consulting Firm in the market to do an in-depth study on the points raised above and come out with actionable points for variable integration of ICD Amingaon into the EXIM Traffic of North East India.

