

Details for registration number : PMOPG/E/2021/0480980

Name Of Complainant	HOMETEXTILE EXPORTERS WELFARE ASSOCIATION
Date of Receipt	18/08/2021
Received By Ministry/Department	Prime Ministers Office
Grievance Description	
<p>Before: Hon'ble Shri Narendra Modi Ji, Prime Minister of India, New Delhi.</p> <p>Regarding : HEWA urge Hon'ble PM Sh.Narendra Modi Jee for Immediate Intervention in the matter of uncontrolled International sea freight charges for safeguarding Indian Exports as Indian Exporters are facing heavy losses on account of order cancellation by buyers.</p> <p>Respected Sir,</p> <p>Home Textile Exporters' Welfare Association (HEWA) is continuously working for the benefit and safeguarding the interests of Small and Medium Exporters in Textile sector.</p> <p>We the office bearers of the HEWA bring to your kind notice some of the hardships being faced by Indian Exporters while exporting their products due to frequent rise in sea freight charges upto 500 percent by shipping lines and scarcity of available space. After gathering several inputs from various Indian Exporters/Buyers, HEWA wish to convey that they suspect that some shipping lines might be colluding and cartelizing by price fixing amid surging sea freight costs. Due to COVID-19, Indian exporters, and their counterparts (buyers) in other countries have also been hit hard this year by pricing ploys of shipping lines.</p> <p>As it is well known that in the recent months countries like Philippines, China, Vietnam, Taiwan, South Korea and the US have initiated investigations against cartelization and price fixing by shipping lines.</p> <p>Following are the instances to prove our contention:</p> <ol style="list-style-type: none">1. Upto 5 times rise in India to US Sea freight in last 2 months: During booking (April-May 2021) of trade lead, Exporter/Buyer calculated freight cost at 2200 to 2500 USD approx. Now after completion of production cycle in (August-September 2021), the freight rates rose exponentially to 10700 USD. Due to which it is very difficult for the Buyer to accept the consignments thereby leading to order cancellation. For example, as per 'ABC' shipping line notification from July 2021 to Sep 2021, it increased freight rate in terms of GRI (General Rate Increase) / PSS (Peak Season Surcharge) / RRI (Rate Restoration Initiative) from 2500 USD to 11000 USD for 20 ft. container and from 3500 USD to 12500 USD for 40 ft. container.(2) Overcharging on Exchange rates on freight amount: In Exchange Rate Conversion now companies are charging on higher side up to INR 4.00 (as per the customs rates) due to which the exporter has to face two exchange rates in the same shipment one for the customs and other for the shipping line. Doing payment directly to shipping lines by small and medium exporter is not feasible or possible from Exporter side as it includes various bank charges if amount is small and bank send outward on card rates.3. THC: There is No uniformity for THC for all carrier as every GRI / PSS/ RRI. Now days after COVID-19 the Exporters are accepting the fact that carrier space situation is tough but at the same time they also need for evolving some control mechanism for Carrier so that uniformity could be to maintained for THC for all carriers so that exporters can ship their consignments in a hassle free manner.4. IHC: For Inland haulage, the carriers are charging IHC as linear account instead of shipper PDA account. As compared to private ICD operator, they are charging above 30% and some of the carriers (Small) are charging above 50%. As there is no check and control mechanism for which the exporters are facing the problem. <p>In the wake of circumstances quoted above, the HEWA, on behalf of exporters humbly pray with folded hands for immediate intervention in these testing times to evolve some check and control mechanism to rein in skyrocketing sea freight charges and also issue direction for initiating appropriate proceedings before Competition Commission of India for safeguarding Indian Export industries for achieving cherished goal of 'AATM NIRBHAR BHARAT MISSION'.</p> <p>With warm regards, (Anant Srivastava and Vikas Singh Chauhan), website : www.hewaindia.org twitter: @hewaindia</p>	
Current Status	Grievance Received
Date of Action	18/08/2021
Officer Concerns To	
Forwarded to	Prime Ministers Office

Officer Name	Shri Ambuj Sharma
Officer Designation	Under Secretary (Public)
Contact Address	Public Wing 5th Floor, Rail Bhawan New Delhi
Email Address	ambuj.sharma38@nic.in
Contact Number	011-23386447
Print Close	