

# Wheat ban relaxed, but pile-up at Kandla port too huge to clear soon

## Most Trucks Were In Transit When Ban Clamped

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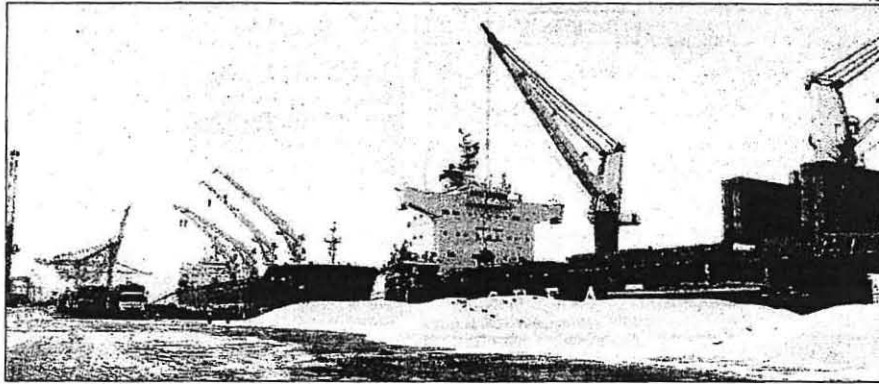
**Rajkot/Ahmedabad:** The massive pile-up of nearly 15 lakh tonnes wheat at Deendayal Port Trust (formerly Kandla port), is not expected to reduce soon despite the central government on Tuesday allowing consignments sent for customs on or before May 13 to be exported.

In fact, the situation could lead to other commodities like rice and sugar too heaping up at DPT if the wheat stock is not cleared, senior officials told TOI. The government of India had banned export of wheat on May 14 citing food security and spiralling inflation.

DPT is a major facility for exports of commodities coming from Northern India. Around 5,000 trucks are stranded outside the port and vessels berthed due to the chaotic situation.

Estimates by customs brokers and port authorities suggest that barely 1.5 lakh tonnes may be exported after the relaxation as most of the trucks stranded were in the transit when the ban was announced.

"It has been decided that wherever wheat consignments have been handed over to Customs for examination and have been registered into their systems on or



Wheat waiting to be loaded on to the ships at Deendayal Port in Kutch

## Five ships get nod to depart

A total of five ships have been allowed to depart with wheat consignment from DPT by the DGFT. Besides the Egypt-bound vessel, four more carrying wheat to Brazil, Bangladesh, Oman and Indonesia with a total of 80,000 tonnes cargo were allowed to go. In all, 2.47 lakh metric tonnes of wheat has been exported.

prior to May 13, such consignments would be allowed to be exported," the commerce ministry said in a statement.

Aashish Joshi, a customs agent in Gandhidham, said, "The government notification states that consignments which have been issued a Let Export Order (LEO) by the Customs department will be permitted for export. Trucks stationed outside Kandla are yet to go through this procedure."

Usually, when the export

## Worsening plight of exporters

Besides piling up cargo, exporters are making huge revenue losses by the day as their consignments remain held up. Raju Pujara, export broker in Ahmedabad, said, "Wheat sellers have faced huge losses because of cargo pile-up. Exporters are accepting only the stock for which the LOE has been obtained, while other consignment has to be stored in warehouses and charges paid by the seller." Sources confirmed that exports of other agricultural commodities such as rice and sugar will also suffer due to the pile-up. Some five berths of DPT have been occupied due to piling up of wheat stock. "Due to wheat piling up at the port warehouse or even private warehouses near DPT, the rent has shot up 200% overnight. This has added to the operational costs of exporters," said a source.

consignment is loaded in the transport vehicle from Punjab or Uttar Pradesh or other wheat producing centres, the respective exporter or one's customs broker uploads the shipping bills and other documents on the customs department portal for clearance. Only once the designated officials examine the actual cargo at port and issue an LEO, the consignment gets a green signal for exporting.

Parthiv Dave, an Ahmedabad-based customs broker said, "As the trucks from

Punjab, Gujarat, Uttar Pradesh, and Madhya Pradesh were in transit to Kandla, there was a severe chaos at the port leading to the pile-up. Due to this, the warehousing costs have gone up significantly and exporters of other commodities are also facing trouble as their shipments are delayed."

There is little clarity on whether the consignments for which export documents have been uploaded for customs clearance would be cleared.

## Stranded drivers suffering

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In the peak of the summer and heat wave conditions in parts of the state, truck drivers who were stranded were struggling to find food and water. Mukesh Dave, president, Akhil Gujarat Truck Transporters' Association (AGTTA), said, "There is utter chaos among truck drivers who struggled to find food, water, and resources near the trust. We had to seek help from Gandhidham Chamber of Commerce and Industry to make arrangements for them." Many truck drivers had been stranded for over 10 days.

Satvirsinh Vandh, secretary, Gandhidham Goods Transport Association said "The government should have taken decision after deliberation with all the stakeholders like DPT, truck association, exporters, and custom house agents."

The distressed drivers blocked the roads near Kandla alleging that the custom house agents were not answering their calls and the exporters were not ready to pay the return fare.

"I have come from Kota in Rajasthan and am stuck here for 10 days. We are out of money or diesel to refuel our vehicles and neither our transporters nor customs agents are willing to pay us extra fare," said a driver.