

MoC notifies NRB about Vizag Port

Himalayan News Service
Kathmandu, July 4

The Ministry of Commerce (MoC) has notified the Nepal Rastra Bank (NRB) about operationalisation of Visakhapatnam (Vizag) Port and has asked the latter to make necessary arrangements for the payment of third-country cargoes destined for Nepal.

After the notification of the ministry, the central bank will now issue a circular to the commercial banks allowing them to issue letters of credit to import consignments via Vizag Port.

Vizag will be the second Indian gateway port for third-country trade after Kolkata (Haldia). Vizag Port is a deep sea port. Until now, the country had been utilising Kolkata Port as the gateway for third-country trade.

Since it is a riverine port, bigger vessels cannot dock at Kolkata Port and cargoes need to be transferred in smaller vessels from Singapore, which has been raising the ocean freight cost for the country.

After the commercial banks are notified by the NRB, import from Vizag Port will formally commence. While consignments could be brought through means of bill of lading, the cost of goods, insurance and freight (CIF) is a must for valuation of cargoes imported from third-country. Customs officials fix customs duties and other taxes based on the CIF mentioned in letters of credit.

According to Commerce Secretary Naindra Prasad Upadhyay, traders can now import goods via Vizag and all the operational hurdles will be settled gradually after traders start utilising the port. Trade through

Nepali remittance companies in India

KATHMANDU: To channelise the remittance through formal channel, Nepal government has held discussions with the government of India to allow Nepali remittance companies to open branches in India. The discussions were held during the Nepal-India commerce secretary-level talks held in New Delhi from June 28 to 30. More than three million Nepalis are working in India. Nepali workers are allowed to bring only up to INR 25,000 of high denomination

Indian currency. They need to bring currency of smaller denominations for above the limit fixed by the Indian government. The commerce secretary-level talks also discussed operation of banking counters at border areas so that Nepali workers are able to easily exchange the money or exchange high denomination currency to lower denominations, according to Bhisma Raj Dhungana, executive director of Nepal Rastra Bank. —HNS

Vizag Port was officially inaugurated for Nepal some two weeks back.

"To encourage traders to use the Vizag Port, we will soon organise a

trade meet in the Capital that will be participated by the authorities from Vizag Port, traders, freight forwarders and concerned stakeholders,"

Upadhyay said.

He further informed that the MoC has requested the authorities of Vizag Port to allow onward shipment of the Nepal-bound cargoes and they have taken it in a positive note. Prior to the implementation of onward shipment from the port, Nepali traders can transport cargoes via rail and road under the provision of transit treaty and railway service agreement.

MoC has also asked the traders to negotiate the train fare, parking space in the port, among others.

"The operational-level issues will be sorted out gradually," said Upadhyay, adding, "First of all, we have to start utilising the port."

The letter of exchanges for the operationalisation of Vizag Port was signed during Prime Minister KP Sharma Oli's visit to India.