



AIR CARGO AGENTS ASSN OF INDIA

The Air Cargo Agents Association of India



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Country Report

**for the
50th Executive Council Meeting &
Annual General Meeting of**

FAPAA

(Federation of Asia Pacific AirCargo Associations)

June 13th to 15th 2024 in Perth, Australia



Profile of ACAAI

The Air Cargo Agents Association of India (ACAAI), founded in 1970, is the premier national Association of the Air Freight Forwarders in India. Currently, our Association has a pan India strength of about 600 members, consisting primarily of IATA accredited Air Freight Forwarders, Airlines, General Sales Agents, Bonded Truckers, Airport Custodians, Air Cargo Terminal Operators, etc.

ACAAI extensively liaises and interacts with the concerned Government Ministries / Departments, Regulatory Authorities (Partner Government Agencies), Airport / Cargo Terminal Operators, etc. to take up various issues related to airfreight and logistics sector, which are vital for the promotion of EXIM trade of India. ACAAI also conveys the initiatives taken/ schemes introduced / Ease of Doing Business / guidelines issued by Government of India, pertaining to air cargo sector, to all its members.

ACAAI also interacts with global international aviation organizations such as International Civil Aviation Organisation (ICAO), International Air Transport Association (IATA), International Federation of Freight Forwarders Associations (FIATA), Federation of Asia Pacific Agents Associations (FAPAA), The International Air Cargo Association (TIACA), etc. These platforms are used to interact with global players to exchange best practices and best possible solution of issues.

ACAAI is also a member of various committees of Government bodies and plays an instrumental role in evolving trade-friendly policies for air freight in India. Some of the Committees are Standing Committee on Promotion of Export by Air (SCOPE Air), Air Cargo Promotion Board (ACPB),



Department for Promotion of Industry & Internal Trade (DPIIT), International Narcotics Control Bureau, IMC Chamber of Commerce and Industry, Confederation of Indian Industries (CII), Federation of Indian Chambers of Commerce and Industry (FICCI), Associated Chambers of Commerce and Industry of India (ASSOCHAM), PHD Chamber of Commerce (PHDCC), Services Export Promotion Council (SEPC), etc.

ACAAI is also involved in regular participation in regional coordination meetings of Indian Customs, ie, Public Grievance Committee (PGC) / Permanent Trade Facilitation Committee (PTFC), Customs Cargo Facilitation Committee (CCFC), as well as Custodian's Committee, ie, Cargo Facilitation Committee (CAFAC) to simplify policy / procedural level issues and solve on-ground operational issues.

ACAAI has a Head Office in Mumbai and eight regional / sub-regional offices in New Delhi (Northern Region), Mumbai (Western Region), Kolkata (Eastern Region), Chennai (Southern Region), Bengaluru, Hyderabad, Kerala and Ahmedabad to cover entire India.

Mumbai based Head Office is headed by an Executive Director who reports to the Office Bearers of ACAAI. The Executive Director also liaises with concerned Ministries of Government of India & other concerned Agencies to represent ACAAI.

There is a central committee of Office Bearers who are elected for a term of two years, viz, President, Vice President, Hon. Secretary General and Hon. Treasurer. Upon completion of two years term, the President joins the Board of Advisors. There are Managing Committee members also. The Regional Offices are headed by Regional Chairman.



Whereas pre-scheduled meetings are conducted by Head Office, like, Annual General meeting and Managing Committee, regional level meetings are conducted by Regional Chairman with his region's members to discuss various issues and decisions are taken in collaborative manner.

Annual Convention of ACAAI

Every year, a three-day Convention is organized by ACAAI for its members. This is a major event in the annual calendar of the Indian air cargo industry. These Conventions provide a constructive platform for ACAAI members from all over India to meet and interact with each other and an opportunity also for them to explore business with their business counterparts overseas. ACAAI has organized 47 such Conventions till November 2023 and the forthcoming 48th convention, scheduled to place at the end of year 2024, is under finalisation.

Every year a different theme of the convention is thoughtfully decided and all business sessions are carefully planned to evolve around the selected theme. The venue is selected considering ease of access from major cities of India, top class hotel accommodation, convention facilities, sight-seeing places, etc. Some interesting sessions, other than the business sessions, are also organised as a stress buster and useful general topics for the participants. Cultural program of the venue country are organised to expose the participants to glimpses of the local culture. Networking evening parties, each day, give participants an opportunity to freely interact with each other to not only destress but also explore business opportunities.



Executive Bodies of ACAAI for the period 2023-25

Office Bearers

Position	Name
President	Mr C.K. Govil
Vice President	Mr Samir Shah
Hon. Secretary General	Mr Vikram Kumar
Hon. Treasurer	Mr Praveen Menon

Managing Committee Members

Name	Name
Mr Siddharth Jairaj	Ms Chaitaly Mehta
Mr Ronald Goveas	Mr Amit Koley
Mr Anil Vazirani	Mr K. Suresh Kumar

Regional Chairman

Region / Sub-Region	Regional Chairman Name
Eastern	Mr Shantanu Murmu
Western	Mr Rajen Bhatia
Northern	Mr Manoj Kumar Jain
Southern	Mr Dinesh Krishnan
Ahmedabad	Mr Ajay Shukla
Hyderabad	Mr Tulasi Prasad
Bengaluru	Mr Antony Job
Kerala	Mr BN Rajmoghon



ACAAI Membership

ACAAI has a well-defined procedure of granting membership to the applicant. There are five categories of membership. The applicant has to check appropriate category of entitlement of his Company, download the membership form from ACAAI's website, fill it up, get it proposed from a Company which is already a member of ACAAI and seconded by another member before submission to Head Office. Application, duly filled-in, proposed & seconded, is scrutinized by Head Office in compliance to the procedural rules of ACAAI. If it is found in order, the application is then sent to ACAAI's Chairman of the region, under whose region that applicant Company has registered office, for on-site verification and reputation check. Based on the recommendation of the Regional Chairman and completion of membership formalities, the application is submitted to the Managing Committee for approval after which the applicant is greeted for acceptance of his Company's membership. The applicant then makes payment of the annual fee and initial deposit after which he is issued a certificate of membership.

There are five categories of membership, viz, Active, Associate, Allied Airline, Allied GSA (General Sales Agent) and Commercial. Active membership is given to the Head Office of the Company whereas its other city branches are given the status of Associate membership. Allied Airline membership is given to the Airline and Allied membership to the GSA. Commercial membership is given to Cargo related organizations other than the above-mentioned ones like Custodians, International Air Cargo Terminal Operators, Bonded Truckers, Cargo Training Institutes, etc.



Scenario of EXIM Trade in India

In the last few years, India has done remarkable progress in every sector of business including EXIM and related sectors. The Indian Government has taken several strides towards liberalising trade policies and initiating Ease of Doing Business to bring India on a much better ranking of Logistics Performance Index of World Bank than that before.

Several trade friendly initiatives have been taken by Government of India, for example, launch of National Logistics Policy, Prime Minister Gati Shakti Schemes, high speed highways, freight corridors, establishment of hundred odd Cargo Terminal enroute, multi-modal hubs, several new international airports, upgradation of old airports, road-rail-air connectivity, coordination platforms amongst related Government Departments for seamless completion of infrastructural projects, prioritise air cargo in the ongoing Free Trade Agreements (FTAs), etc. These have benefitted logistics sector immensely. It intends to lower the cost of logistics to less than 10%.

Consequently, India, with a GDP size of USD 3.7 trillion, is currently the fifth largest economy in the world, after US, China, Japan and Germany and poised to be the 3rd largest in the near future.

Some of the Challenges for Airfreight Industry

- ✂ Higher logistics & transportation cost to be reduced from current 14% odd to less than 10% as prevalent globally.
- ✂ Higher dwell time of air cargo at airports and costs to be reduced further through quick Customs clearance and efficient Airport Terminal handling.
- ✂ Lack of benchmarking and pre-defined Service Level Standards in cargo handling by Airlines, Customs and Custodians.
- ✂ ICEGATE, the IT System of Customs, needs to be made more robust to undertake the load of entire India seamlessly.
- ✂ Customs Regulations and procedures need more simplification.
- ✂ Levy of GST @18% on airfreight from zero rated wef 1.10.2022 has made it more expensive than sea freight, which still attracts @5%.
- ✂ Introduction of Dangerous Goods Training program under the new regime of Competency Based Training & Assessment (CBTA) requires Dangerous Goods Training Institutes to gear up quickly and the participant agencies like Exporter, Freight Forwarders, etc. to adapt to the new system. Lots of clarity is needed also about concept of CBTA and its implementation.



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Conclusion

ACAAI has been playing a vital role in taking up the trade related issues with concerned Ministry / Department of Government of India in the interest of its members. ACAAI also supports Government of India in jointly designing trade-friendly systems & procedures and implementing them with the cooperation of its highly supportive members. At international level, ACAAI not only projects wonderful picture of the Indian trade fraternity but also provides a platform to exchange best practices. It will continue to make its constructive efforts always.

Jai Hind