INTERVIEW
Md Rezaul Karim, Chairman Shippers' Council of Bangladesh

COUNTRY FOCUS – BANGLADESH
Bangladesh – Putting Logistics on the Fast Lane

CHITTAGONG SEAPORT
The Gateway to Bangladesh and Northeast India

south asia's premier maritime business magazine

maritime gateway

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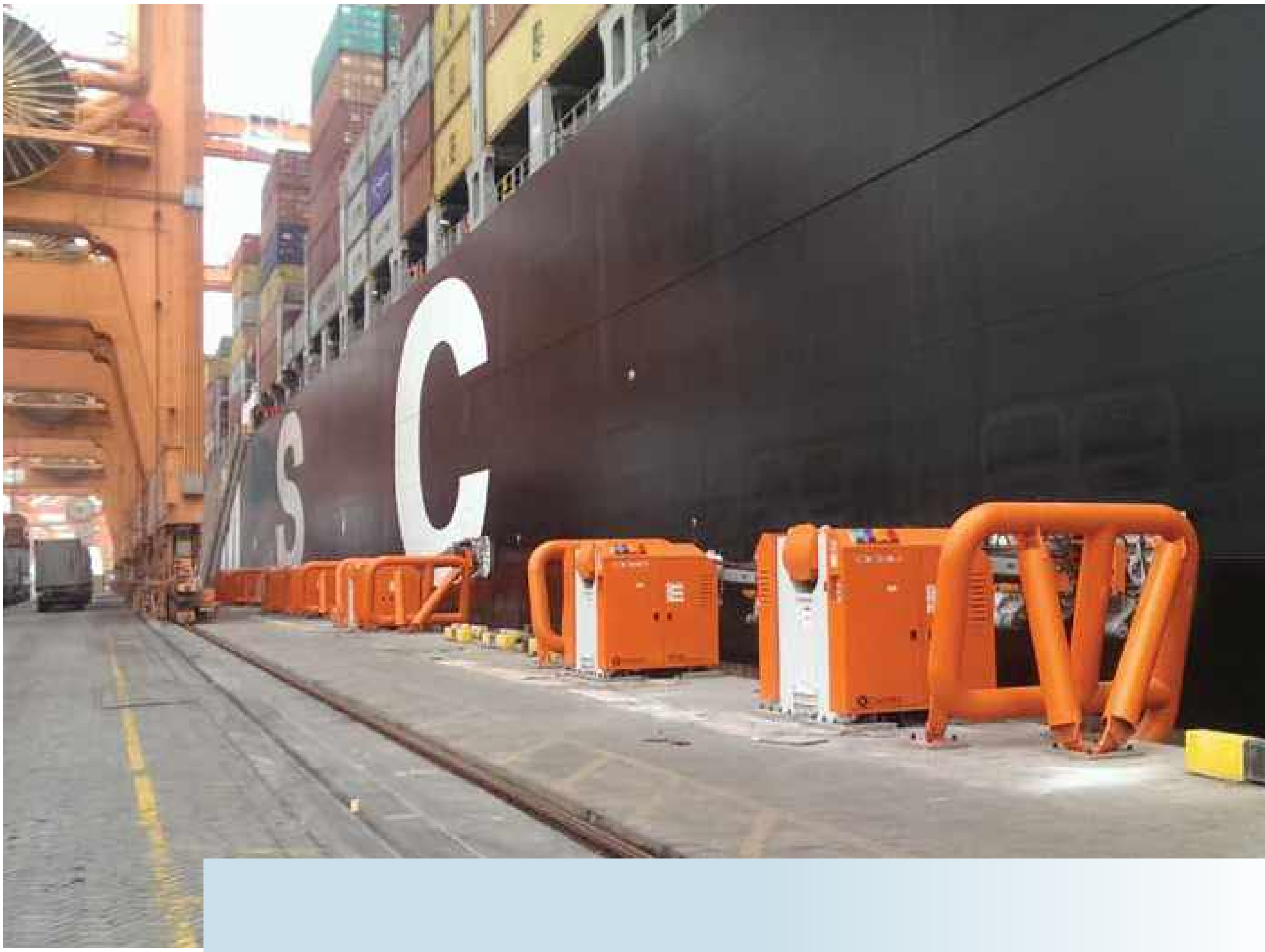
THE GATEWAY AWARDS 2018
WHERE THE CHAMPIONS ARE AWARDED

CONTAINERS INDIA 2018

EMBRACING CHANGE TO STAY AHEAD OF THE CURVE

Day-long deliberations at the annual Containers India conference focussed on some of the recent trends in India's containerised trade including Cabotage relaxation, digitalisation and Port Community System



A story of resurgence

Bangladesh has become one of Asia's most remarkable and unexpected success stories in recent years. After its independence in 1971 the country remained ravaged by poverty and floods for long, but then came an inflection point in 2006 when this poorest economy of South-east Asia posted economic growth faster than Pakistan, which surprised many economists and many in the world even took it as a fluke. But since then, there was no looking back and today the country is graduating from being a least developed country to join the league of developing nations. The results are already visible, Bangladesh has transformed from being an agri-based economy to an industrialised one over the decades. The contribution of agriculture to the nation's GDP has decreased from 59.60 per cent in 1972 to 14.77 per cent in 2016, on the flip side the share of industry and service sectors increased to 28.76 per cent and 56.45 per cent respectively.

Bangladesh is now a regular feature in the top 10 fastest-growing economies around the world. It grew at 7.28 per cent in the last fiscal year and if this acceleration of economy progresses undisturbed then it may well march past India on the developmental path.

Bangladesh has a current per capita income of $1,610, its Human Assets Index (HAI) is 72.9 and Economic Vulnerability Index is 25. This feat enables Bangladesh to reduce its economic risks, a major factor considered while making public and private investments into the country, it will fetch easy loans for economic development and attract foreign investment. A lot of investment is already going into strengthening maritime and logistics infrastructure, as Bangladesh is flexing its capacity to use its natural geographic location and transform into a "gateway and connectivity hub" between South Asia and Southeast Asia.

This background gives us every reason to host the second edition of South Asia Maritime and Logistics Forum in Dhaka. Join us on this unique platform to explore business opportunities in South Asia region and connect with the right people. Serious business discussions during the day will be followed by an awards night that brings together the who's who in the industry to recognise and honour industry giants who made a difference in whatever they do.

See you in Dhaka!

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"Bangladesh is graduating from being a least developed country to join the league of developing nations."

India's premier maritime business magazine

maritime gateway

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Feedback

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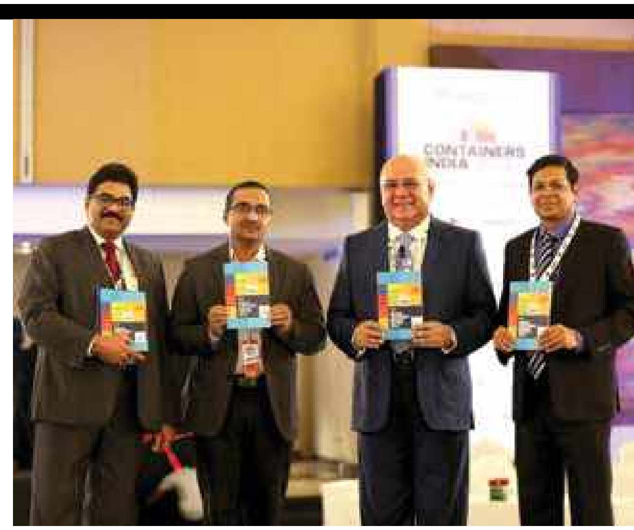
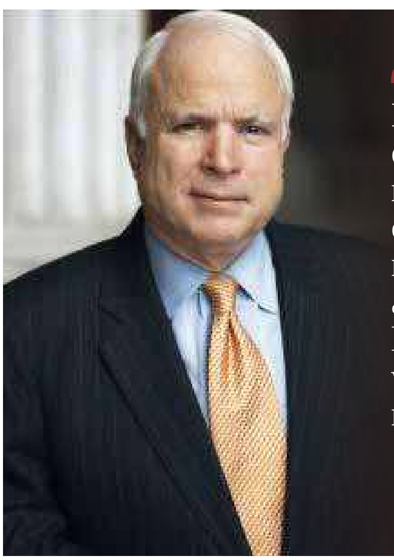


EMBRACING CHANGE TO STAY AHEAD OF THE CURVE

"Bangladesh's strategic location is making us an emerging hub for regional connectivity, foreign investments and global outsourcing. We've taken initiatives to connect our Indian, Chinese and South East Asian neighbours. Bangladesh could be a gateway to a market of 4 billion people -- itself offering a growing market of 160 million."

– Sheikh Hasina
Prime Minister of Bangladesh



"The future of Bangladesh economy rests on its ability to export manufactured goods competitively to world markets. There is no alternative to make export-led growth if Bangladesh wishes to achieve protracted rapid GDP growth."

– Forrest Cookson
Economist, Development in Democracy

"The ongoing Indo-Bangla connectivity projects including a bridge on River Feni in South Tripura, Agartala-Akhaura rail project can make Tripura a gateway to Northeast India since it is the only state which is just 66 km away from Chittagong port. "

– Biplab Kumar Deb
Chief Minister, Tripura

"Instead of using Colombo or Singapore as a transhipment hub, Bangladesh is now looking at India. Our own container traffic moving to Colombo has come down as transhipment is now happening at our ports."

– Gopal Krishna
Secretary, Ministry of Shipping
Govt of India

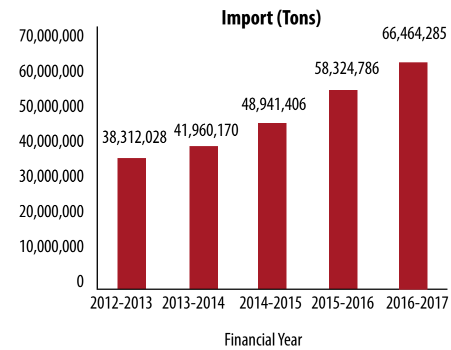
"Due to the extraordinary growth of consumption and investment in the private sector, the economic growth of Bangladesh is promising right now. The country consistently ranks among the top 10 nations in gross domestic product (GDP) growth."

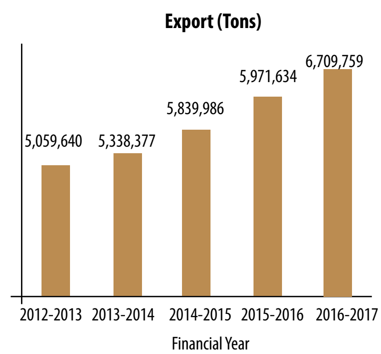
– Kenneth H Kang
Deputy Director - Asia and Pacific Department, IMF

NEIGHBOURING MARKETS: A COMPARISON

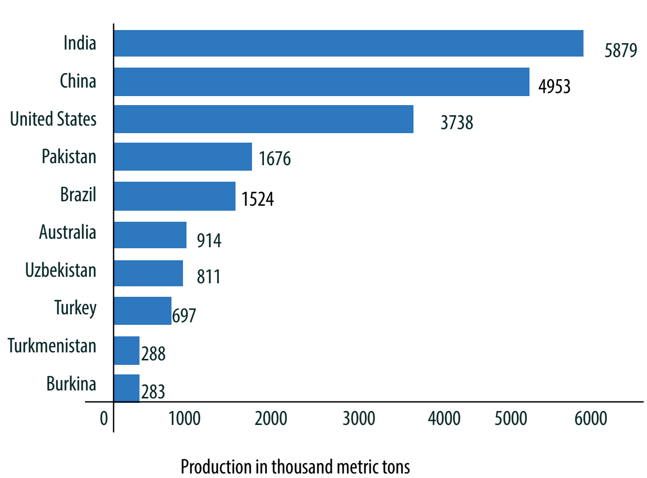
	India	Bangladesh
Cost of a 100,000sq.ft factory	$800,000	$500,000
Labour costs (monthly,perhead)	$180-200	$40-70
Length of a Working day	8hours	10hours
Apparel exports 2005	$8.6billion	$7.9billion
Apparel exports 2010	$10.09billion	$125billion
Compounded annual growth rate of apparel exports (2005-2010)	52%	14.7%
Share In country's total exports	7%	74%

CHITTAGONG PORT EXIM PERFORMANCE

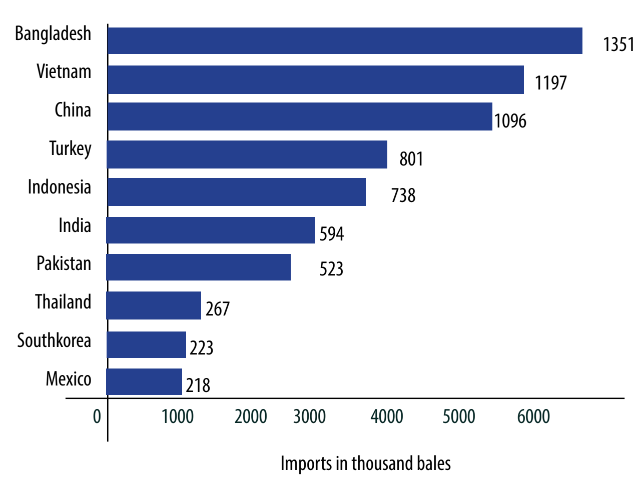




COTTON PRODUCTION BY COUNTRY WORLDWIDE IN 2016 / 2017



LEADING COTTON IMPORTING COUNTRIES IN 2016 / 2017



EMERGING CONTAINER HUB FOR EAST COAST OF INDIA

Equipped with adequate container cargo handling facilities, Karaikal port can handle the movement of container cargo quickly and efficiently. There are well established rail and road connectivity from the Port to its rich hinterland spread across mainly Tamil Nadu, Pondicherry and other South Indian states.

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India proposes FTA with Bangladesh

India has proposed Bangladesh to consider negotiating a free trade agreement including goods, services and investment to promote two-way commerce and investments. Commerce and Industry Minister Suresh Prabhu has said that after Bangladesh graduates from the least developed country status, it will no longer have duty-free and quota-free access for its products to the Indian market under SAFTA. In view of this, he proposed that India and Bangladesh may consider signing a Comprehensive Economic Partnership Agreement (CEPA) which would trade in goods and services and investments. The two-way trade between the countries increased to $9.3 billion in 2017-18 from $7.52 billion in the previous fiscal.

Connecting North-eastern states via Bangladesh

The government is working on a plan to set up a waterway freight corridor to connect the mainland with the northeastern states via Bangladesh at a cost of ₹5,000 crore. The move would substantially reduce the cost and time taken to transport goods to the eight North-eastern states. The proposed 900-km waterway would be used to transport freight from the northern and eastern states to the north-east and would start near Haldia in West Bengal, go to the Sundarbans, merge into the Padma river in Bangladesh and then join up with the Brahmaputra in Assam. Currently, highway connectivity to the north-eastern states is patchy and transportation of goods by road entails a high cost and takes time. According to the ministry's estimate, the waterway could help reduce the cost of transportation by about 70 per cent.

Investments hit record high

Investments crossed 31 per cent of GDP for the first time in Bangladesh's history last fiscal year thanks to a spike in public spending on mega infrastructure projects now being implemented. In fiscal 2017-18, overall investment to gross domestic product ratio stood at 31.23 per cent, which was 30.51 per cent the previous year, according to data from the Bangladesh Bureau of Statistics. For about a decade the ratio has been hovering between 27 and 30 per cent. But to hit the country's growth ambitions, it can ill afford to hover around the 31 percent-mark. The ratio has to be about 35 per cent of GDP, according to economists. Private investment rose 0.3 percentage points of GDP in the last two years and public investment 1.3 percentage points.

Bangladesh commences LNG imports

Bangladesh is one of two countries commencing LNG imports this year, the other being Panama. Re-gasified cargo from Excelerate Energy's Moheshkhali Floating LNG (MLNG) terminal began reaching customers in the Chittagong region for the first time on 18 August, at which point Bangladesh became the world's 42nd LNG import nation.

Excelerate Energy is using its 138,000-m3, 2005-built FSRU excellence to bring LNG to Bangladesh. Petrobangla, the country's oil and gas company, is acquiring the necessary LNG import volumes in the world market. So far, it has signed 15-year sale and purchase agreements with Qatar for 2.5 mta and with Oman for 1 mta.

Boosting Indo-Bangla connectivity

Prime Minister Narendra Modi and his Bangladesh counterpart Sheikh Hasina jointly unveiled e-plaques for the ground-breaking ceremony of two India assisted projects, via video conference. The projects include: (a) India-Bangladesh Friendship Pipeline (b) Dhaka-Tongi-Joydebpur Railway Project. Earlier Bangladesh cabinet approved access of Chittagong port by NE states of India enhancing intra-regional connectivity. The oil pipeline will supply high speed diesel to Bangladesh which is currently transported through cross-border train from Numaligarh refinery.

India has so far offered over 8 bn USD Line of Credit to Bangladesh highest for any country in the backdrop of growing bonhomie between Delhi and Dhaka since Hasina returned to power in 2008.

Indian fabric makers eye Bangladesh

Indian manufacturers look to capture a bigger share of the fabric market in Bangladesh as the country has already shown its strength in the global readymade garment supply chain. Bangladesh, the second largest garment exporter worldwide, largely relies on India, apart from China, for garments raw materials. Currently, Bangladesh imports fabric worth $7 billion a year to run its garment sector. Of this, fabric worth more than $2 billion come from India and $5 billion from China. Indian garment traders can procure high quality garments at cheaper rates from Bangladesh, as the neighbouring country has duty-free access to India.

Bangladesh woos Qatar to invest in offshore blocks

Bangladesh is looking to the active participation of Qatar in its upcoming offshore blocks bidding. The country's Minister urged Qatar to explore the investment opportunities in Bangladesh's huge potential in offshore oil and gas blocks. Bangladesh has 22 oil and gas blocks in the Bay of Bengal. Of these, tenders have been awarded to five and Qatar can play a big role in the explorations in the remaining blocks, Mohammad Shahriar Alam, State Minister, Ministry of Foreign Affairs, Bangladesh said. Bangladesh is looking for $60bn worth of foreign investments by 2041 to develop the country's energy, power and petroleum products sectors.

New Sittwe port proposed to facilitate Myanmar-Bangladesh trade

To facilitate trade in Rakhine State, U Tin Aung Oo, chair of Rakhine State Federation of Chamber of Commerce and Industries, proposed the construction of a new port in Sittwe during a meeting with the vice president. He said the port, which should be able to handle vessels of up to 20,000 tonnes, could be constructed under a Public Private Partnership (PPP). The proposal was met with approval from the government. The Sittwe port is the main port handling goods traded between Myanmar and Bangladesh. Over the past five years, goods exported to Bangladesh have doubled to 20,000 tonnes. Port capacity at Sittwe however, has not increased to handle the higher volumes.

More commodities to be exported from Tripura to Bangladesh

Bangladesh has approved the import of nine new commodities from Tripura through three land customs stations of the state. Tripura has eight land customs stations in different districts, which together exported 21 commodities to Bangladesh. The nine new items added to the list of exported items will enjoy the relaxation of port restrictions.

A notification issued by Director of Industries and Commerce Sandip R Rathore stated six new items would be allowed for export from Tripura to Bangladesh through Agartala-Akhaura International Check Post (ICP). These include raw latex, bamboo-based products, broomstick flowers, soyabean seeds, spare parts of motor-vehicles run by Compressed Natural Gas (CNG) and maize.

Bangladesh, Nepal agree to boost trade, investment cooperation

Bangladesh and Nepal have agreed to enhance bilateral trade and investment and work together to develop the power sector. Bangladesh is looking forward to import electricity from Nepal and an MoU will be inked between the countries in this regard. Hasina offered Nepal to use Bangladesh's seaports and the Syedpur airport and added Bangladesh could also share its experience in disaster management with Kathmandu.

Sumiit Sharma Elected As New President of WISTA India

WISTA India held its Annual General Meeting on 7th September 2018 to elect its Executive Committee members. The following members were elected to its Executive Committee:

- Sumiit Sharma, President [Delhi]
- Sandhya Pillai, Vice President [Mumbai]
- Sumi Sahi, General Secretary [Mumbai]
- Arathi Narayanan, Treasurer [Chennai]
- Sanjam Gupta, Exco Member [Mumbai]
- Vinita Venkatesh, Exco Member [Chennai]
- Poroma Munshi Rebello, Exco Member [Delhi]

Ms. Sumiit Sharma who is currently the Head - Client Relations, Marketing & Regional Head – North India at Logistics Kart India Pvt. Ltd., said, "WISTA is a fantastic global platform for women in shipping. The launch of the Delhi sub chapter was a significant milestone for WISTA India in January 2014, and a momentous occasion for me as well, giving me the golden opportunity to strive for a cause that I feel so strongly about." Taking the baton from Sanjam, my vision for WISTA India is off course to grow the WISTA's presence in India through launch of sub chapters in new cities/territories. In order to do that, it is important to articulate the value of being a part of this association to every new and existing member.

Seaways completes third voyage in Kolkata-Chittagong coastal shipping trade

Seaways Shipping and Logistics Ltd has successfully completed three voyages from Kolkata, to Chittagong under the Indo-Bangladesh Coastal Shipping Treaty. The vessel MV Harbour 1 called at Kolkata Port on 24th Sep 2018, carrying 174 teus and sailed back with 143 teus, loaded with general commodities. The vessel reached Chittagong on 28th September 2018. All loading and unloading work were completed within a day's time.

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WHO WE ARE

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WHAT WE DO

Speedways, providing complete logistics solution to our customers with a one window service station by enabling all services when it comes to executing the supply chain management system. From freight forwarding to transportation of laden containers to warehousing cargo and crane hiring to customs clearing, a customer generally gets all the solutions under various departments of our firm when it comes to logistics.

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"The one who innovates is the one who leads". Leading the industry in its own ways, we at Speedways never focused on doing different things but dedicated ourselves to do things differently. Accepting challenges and crossing hurdles, we have done what was feared to be taken as a thought, from handling huge volume of cargo in one go from customers end to the port, we accomplished it all and still are working towards a future brighter than our past.

MISSION

Gaining mass success with a remarkable reputation built over the years in the sector, Speedways has now made its existence in Kolkata, Haldia, Vishakhapatnam and Raipur providing the best service to our customers at a competitive price.

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WHY SPEEDWAYS

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WHO WE ARE

We are a dedicated team working united for the past three generations. Commitment, dedication, patience and excellence resulting to a good service has always been our motto and that's the passion that drives us. We at Speedways welcome you to venture into a world where we define Logistics Supply Chain Management towards a whole new level.

Excellence is an art won by training and habituation. We do not act rightly because we have virtue or excellence, but we rather have those because we have acted rightly. We are what we repeatedly do. excellence, then, is not an act but a habit.

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NEPAL

Nepal gets access to all Chinese ports

Kathmandu and Beijing have finalised a transit protocol that will give Nepal access to Chinese ports for trade with China and beyond. This will bring to an end Nepal's heavy dependence on Indian ports for trade with other countries. The formalisation of the agreement allows the transit of goods from other countries to Nepal via all of China's ports, including Tianjin, Shenzhen, Lianygang, Zhanziang and dry-ports that include Lhanzin, Lhasa and Shigatse.

INDONESIA

Australia inks FTA with Indonesia

Australia and Indonesia have concluded an agreement for closer economic engagement and to open new markets and opportunities for businesses from both countries. The Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) will drive growth for Australian business by creating new opportunities in Indonesia. Under this agreement, over 99 per cent of Australian goods exported to Indonesia will either be duty free or enter under significantly improved preferential arrangements by 2020. The partnership will boost Australian steel exports, while Indonesia has access to high quality feedstock.

MYANMAR

National Logistics Master Plan in the pipeline

The Ministry of Transport and Communications, with help from JICA, is drawing up a National Logistics Master Plan to supplement the existing National Transport Master Plan in Myanmar. Masayuki Karasawa, chief representative of JICA's Myanmar Office, presented the National Logistics Master Plan, which is expected to be launched within the year. A total of 167 projects have been included under the new logistics plan, of which 108 have already been identified under the earlier transport plan. As such, 59 logistics projects have been added based on urgency, available resources and demand. Cargo movement to and from Myanmar is forecast to double to 312 million tonnes by 2030 compared to 169 million tonnes in 2015.

AFGHANISTAN

Afghanistan plans exports to Australia

Afghan officials said they are seeking ways to send Afghan goods to Australia and rest of the Indo-Pacific markets through India and Indonesia. Ajmal Ahmadi, President Ghani's advisor on economic affairs, said Afghanistan can export goods to Australia via Indian and Indonesian routes through Chabahar port. Afghan, Australian and Indian officials discussed opening of sea routes and air corridors between the three countries for expanding trade and transit relations. Ahmadi said the National Unity Government is working on establishing transit corridors through India, Indonesia, Turkey and China.

BANGLADESH

Tripura ships cargo to Bangladesh

An inaugural consignment of 40,000 brooms has cleared the path for trade through the Agartala-Akhaura Integrated Check Post. The shipment signalled the removal of trade barriers at the border between Bangladesh and the northeast Indian state. The Chittagong Trading Company of Bangladesh purchased the brooms, and they were sent by the Ganga Trading Company from Tripura. Bangladesh can now import a wealth of produce from its neighbour, including cattle, fresh fruits, seeds, rice, wheat, onion, garlic, and dried fish. Among non-foodstuff, Tripura can move stones and boulders, coal, chemical fertilizer, wood, timber, and spare parts for CNGs to Bangladesh.

SRI LANKA

ADB funds construction of elevated highway

The Asian Development Bank's (ADB) Board of Directors has approved a $300 million loan to help in the construction of about 5.3 kilometers (km) of elevated toll highway with related facilities between the New Kelani Bridge (NKB) and Galle Face in central Colombo in Sri Lanka. The new highway is expected to ease traffic congestion, improve connectivity, and facilitate trade logistics in the country.

"Improved connectivity and infrastructure development are essential if Sri Lanka is to reach its potential as a trade and logistics hub in South Asia," said ADB Senior Transport Specialist for South Asia Mr. Kanzo Nakai. "The new highway will help provide a direct link to the city center and the port from the Colombo–Katunayake Expressway through the NKB, improving connectivity and contributing to growth."

MALAYSIA

Impact of US-China trade war

Malaysian industries could be impacted by dumping and transshipment issues as a result of the US-China trade war, according to the Ministry of International Trade and Industry (MITI). "The possibility of dumping (of foreign goods in Malaysia) due to the trade war is very high," said deputy minister for MITI Dr Ong Kian Ming, adding there is also concern Malaysia is being used as a transshipment point. Ong said MITI is monitoring trade statistics very closely, as it does not want Malaysia to be used as a hub for trade circumvention. Separately, Ong called upon Malaysian steel manufacturers to diversify production and supply specialty steel to local industries such as automotive and oil and gas, as mega infrastructure projects are being put on hold.

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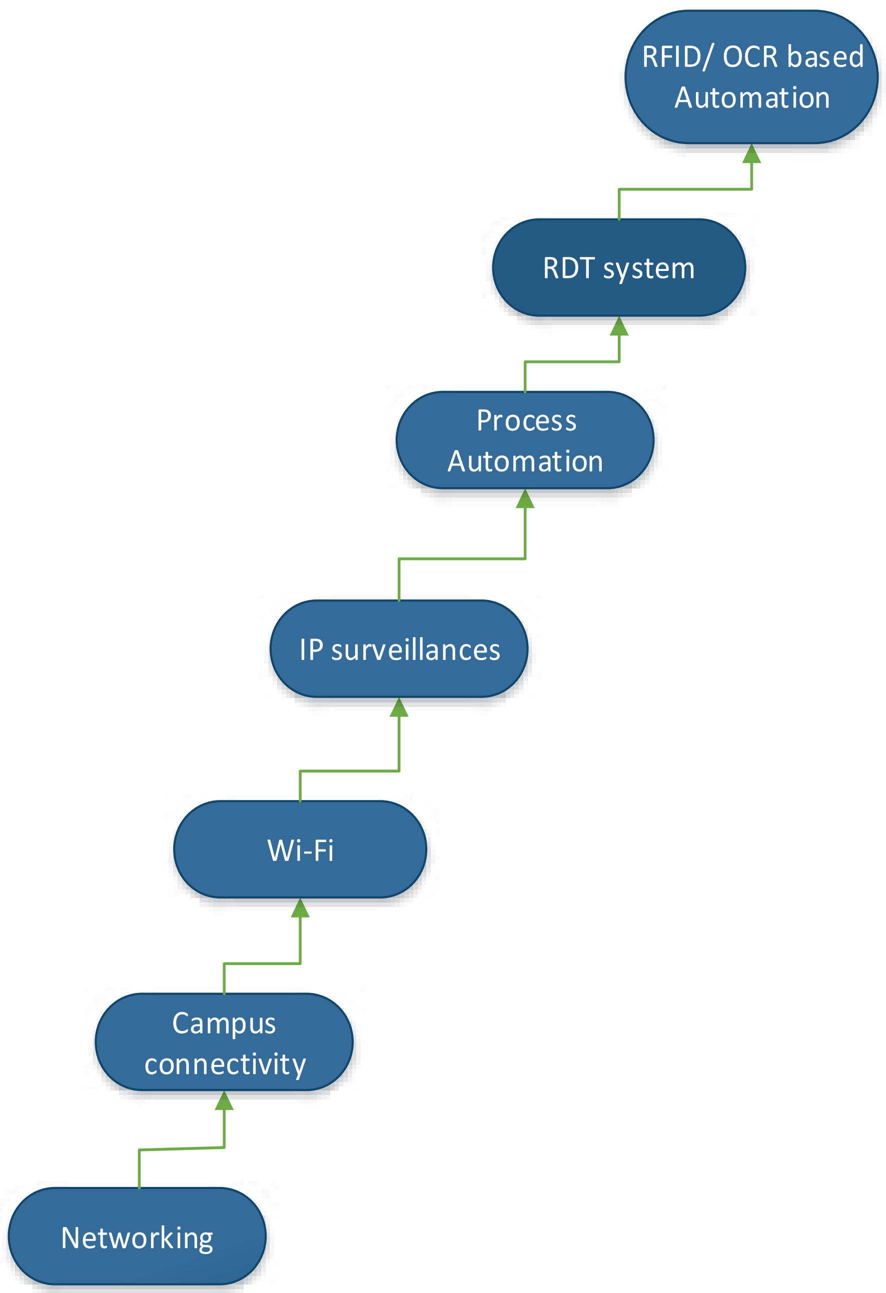

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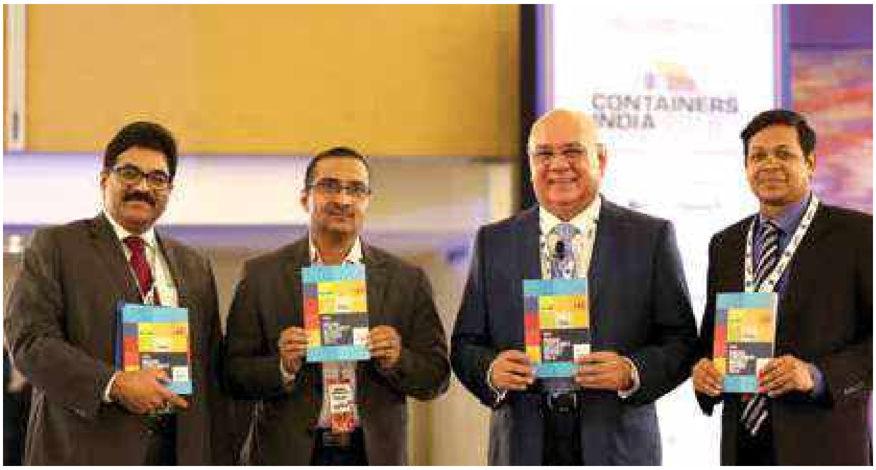
Embracing Change to Stay Ahead of the Curve

The inaugural session set the tone for day-long deliberations that focussed on some of the recent changes and trends witnessed in the Indian containerised trade



Release of Indian Container Market Report 2018: (L to R) **Ramprasad,** Editor-in-Chief and Publisher**,** Maritime Gateway, **Subhash Agrawal**, IRS, Commissioner (NS-IV), Jawaharlal Nehru Custom House, Dept of Revenue, Ministry of Finance, Govt of India, **Capt. Deepak Tewari,** Chairman, CSLA, **Dr Subrata Behera,** Manager – Ports & Containers Research, Drewry Maritime Services Pvt Ltd.

At the outset, **Ramprasad, Editor-in-Chief and Publisher, Maritime Gateway** took a quick flashback of the developments in the industry at the international level, since the last edition of Containers India. At the global level, political systems have become more volatile and certain nations have become more aggressive in their trade strategies, resulting in trade wars. In India initiatives such as demonetisation, GST and DPD had their impacts, but on the positive side a lot of container handling capacity has been added with PSA, Paradip, Ennore and Dhamra terminals getting operationalized.

Detailing on the positive growth trajectory the Indian containerised trade has posted, Ramprasad said, "The trade performance in Q1 of FY18 has been better than the past two years. In FY 2017-18, the total throughput of Indian container terminals registered was 15.37 million teus, with Y-o-Y growth of 12 per cent and in the same year the total installed capacity registered was 27.05 million teus, reflecting lower capacity utilisation on the overall level that stood at 57 per cent. But on the flip side, imports have grown by 16 per cent and exports by 7 per cent."

There has been a lot of shakeup in the industry in the name of liner consolidation, digitalisation and infrastructure upgrades. But this rebound in trade indicates that the economy has been able to tide over all these. More details on the performance of India's containerised trade were revealed by **Dr Subrata Behera, Manager – Ports & Containers Research, Drewry Maritime Services Pvt Ltd.** He elaborated on how the sixth edition of Indian Container Market Annual Report has been developed to be less analytical and more informative.

Capt. Deepak Tewari, Chairman, CSLA, spelled out certain changes that will affect the maritime industry. Counting on the growth happening across the globe he said, "The world trade is expected to grow at 4.7 per cent in 2018 and 4 per cent in 2019. This growth bodes well for maritime trade. Some of the challenges will be in the form of trade sanctions and barriers by countries having a more local perspective rather than a global perspective. For instance, the US has started new negotiations in the trade agreements they earlier participated and have also withdrawn from certain agreements. This will have its domino effect on global trade. Container shipping will continue to face overcapacity till first half of 2019 as the large vessels will be deployed on the east-west trade lanes. By the end of 2020 there will be a balance between capacity and demand. Rising bunker cost is a major factor that is pushing operational cost of shipping lines. With the implementation of IMO regulations the global bunker cost will increase to $125 billion annually.

On the Indian coast, relaxation of Cabotage will increase transhipment and boost competition for moving both exim and empty containers. The exemption of vessel sharing agreements from Competition Act will enable shipping lines better plan their services to Indian trade. The creation of a National Integrated Logistics Portal will make it very easy for shippers to find service providers.

Guest of honour, Subhash Agrawal, IRS, Commissioner (NS-IV), Jawaharlal Nehru Custom House, Department of Revenue, Ministry of Finance, Government of India, gave insights into how Customs have evolved from manual system of operation to using electronic systems such as the ICA system and RMS. New schemes such as SWIFT, E-SANCHIT, AEO and DPD have made the lives of importers much easy, reducing time and cost of transactions. mg

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Developing digital infrastructure: Getting basics right

The first session was rather more interactive and interesting as the audience and the industry leaders tried to find answers to some of the most intriguing questions on digitalisation, PCS and use of technology in the maritime sector.

(L to R) **Vivek Kele**, Director,Teamglobal Logistics Pvt Ltd; **S Padmanabhan,** Director, SATTVA Logistics Group, **Ramprasad**, Editor in Chief and Publisher, Maritime Gateway; **Vijay Minocha,** President, Asia Pacific, INTTRA Pte Ltd; **Abhijit Desai,** Head - PCS, Portall; **Liji Nowal,** Managing Director, Odex India Solutions Pvt Ltd; **Naval Singh**, Manager- IBM Cloud, IBM India

Q. What is stopping companies from adopting technology or digitalisation?

Vijay Minocha: The reason for reluctance in adapting technology is a mix of additional cost incurred, reluctance to change, not having internal advocacy and fear of unknown. When you look at where we are today with regard to where we should be, this is not something which will happen in one day. Digitisation has become a competitive necessity now. This industry is going to be far more connected and there are going to be more individual neutral platforms that will leverage technology to reap on efficiencies and reduce cost. There is going to be a lot more data and it will be properly harnessed using this technology. The industry will become more agile.

Digitalisation is taking more time because our industry is also plagued by low margins which reduces the budget allocated to IT. But this will change as technologies that deliver short-term RoI will be used in the industry. INTTRA records about 800,000 transactions per week, which means data sharing is happening. When data is used for producing value far more than the transaction itself that's when you get worth from using technology platforms.

Vivek Kele: Technology has today become the language of business. If you use proper technology it will be easy for your vendors to supply to you and your customers can better use your services. 'Fear of the unknown' is the first thing I believe that stops companies from adapting technology, especially people from the previous generations who have been following traditional work culture successfully. People often look at technology as an expense and not as an investment.

Abhijit Desai: One of the major issues that holds back businesses from adapting technology is trust. I see that people don't want to share information on platforms. This affects the transparency of the transaction.

Q. A lot of independent platforms exist today. How should a user choose the right platform?

Liji Nowal: Shipping industry is different from the rest because each stakeholder is tightly coupled with the other, while each has their unique requirements. So asking them to come on a common platform may not be correct, instead they should be given the option of connecting with the common platform. A platform that is best for a carrier may not be optimal for a shipper as each have their own unique requirements. As a platform provider it is our responsibility to ensure interoperability among all stakeholders. The way forward is to have collaborative platforms.

Abhijit Desai: I have seen most of the technology implementations are often top-down and this is where it fails. People on the ground level for whom you are developing solutions need to be consulted and there is need for change management.

Q. How far do you feel Indian regulations and enforcement is robust to ensure no commercial/personal information is leaked?

Naval Singh: When people move to new work systems or Cloud they are very cautious about where the data is stored. Data is stored in transit and before transit in encrypted format. IBM Blockchain provides shared, distributed measure in a permissioned network so you know who are the trusted parties and the data transmitted is secured by SHA 256 algorithm. When people are moving from a paper-based to a paperless environment they need to understand that as the industry becomes more agile, the security aspect is handled by service providers like IBM who ensure data is properly secured.

Vivek Kele: When thousands of shippers are sharing their bill of lading with me, I should have no problem in sharing my data as long as security concerns are addressed.

Liji Nowal: As a platform operator it is our duty to ensure we provide security to our customers. There are three corner stones to ensure security - the first is technology itself to ensure data is stored in encrypted format and not accessible to hackers. The Indian Information Security Act gives assurance to people sharing data. Companies offering platforms for data sharing need to take cognizance of GDPR. If data is open it brings the business model into question, so technology providers also need to make a conscious effort to ensure there is no leakage.

Abhijit Desai: Having a security mechanism in place does not make your data fully secure, but it reduces the possibility of you losing the databank. There are laws that government of India is putting together for data protection. Service providers should ensure they stick to these norms and there is response mechanism to ensure if there is a data theft how best you reduce its effect and prevent its reoccurrence.

Q. IPA is the owner and Portall is the service provider. Who is responsible in case of security breach?

Abhijit Desai: IPA owns the data and the system, so the primary protector of the system would be IPA.

Q. In PCS can we have an API or Web interface where we can pull commonly used information directly into an ERP?

Abhijit Desai: Yes. It is possible. In fact, one of the first things we did when we got the contract was the APIs. Gone are the days of EDI and logging onto website for entering data. For a successful platform ERPs should be able to connect to it and this happens only through APIs. API architecture opens up a vast arena of applications that you can bring onto a platform to make it a success. APIs will also make PCS more affordable as there is not much upfront cost involved and it will attract more market players to connect.

Q. Currently discussions about a solution are more over documentation. Is it only digitising the existing documents or we will move up the value chain?

Vijay Minocha: If you look at the steps that need to be taken it is from manual to digital to connected to intelligent to intuitive and that's how it will progress. Currently we are at the bottom, moving towards digitalisation. The next step will be Blockchain which is being connected.

Liji Nowal: It depends on the geography. For example, Australia was an early adopters of banking technology systems, while West Africa is a later adopter. In West Africa businesses are forced to innovate and now they are at the intuitive level. India today is somewhere at the third level which is interoperability and we can directly go to intuitive level, if technology providers dare to do it.

Q. Is the shipper being considered while developing the PCS 1X? What is the level of his understanding of the platform being developed?

AMTOI has formed a Tech Council which is bringing all the technology service providers together to discuss the fastest way to get to the platform. A shipper cannot come to the platform until the service providers are connected to it via APIs. Currently the Tech Council has limited its scope of consulting to service providers, but once we gain traction we will also consult the shippers.

Q. While many technologies are emerging as disruption to business, can there be any disruption to INTTRA's business?

Vijay Minocha: Each technology is bringing a different value so it exists. We have been present for 18 years and are still growing. There should be more competition and disruption, but the concept at INTTRA is that do not recreate what somebody has already done, but add value to it and build on it. We have partnered with 150 software enterprises, so that they can use our platform and build over it.

Q. Is there any merit in developing individual Blockchain based solutions or do we need a moderator like IATA?

Vivek Kele: There is no problem in developing individual solutions because they will have to ultimately connect to a platform. We need these individual solutions as they help connect to a platform immediately.

Q. The session is titled "Getting basics right," so what is right for India, right now?

Vijay Minocha: India needs a platform which will bring synergies as required. Platforms through collaborations will be the success of the PCS.

Vivek Kele: Platforms are independent, but we have to ensure that physical movement of cargo and data interchange happen simultaneously. Currently, data interchange is slower than physical movement of cargo, but after adoption of PCS, data interchange will be faster than the movement of cargo.

Liji Nowal: Getting the basics right is important. The first thing being developed is the blueprint. What needs to plug-in is not just providers like us but the end-users to get them build solutions for themselves. This requires continuous engagement with users who are actual documentation users, logistics executives. Dialogue should begin with these people first because the power of the platform will be seen if their lives can be simplified.

Abhijit Desai: Putting a PCS together and ensuring reach to the last constituent of trade is what will make it successful. Aligning with INTTRA or similar solution providers will only ensure there is more functionality made available. On the other side, the air cargo system is also coming up. In some point of time we are going to have an amalgamation of platforms together offering a single view. mg

Decade of disruptions: Shipping 4.0

As digital disruption sets its foot businesses are adapting to it, but there are concerns of security, high costs involved and a need to change the mind-set of the people, these are some of the key aspects discussed during the session

(L to R) **Luc Arnouts**, Director International Relations and Networks, Port of Antwerp; **Prakash Tulsiani**, Chief Operating Officer & Executive Director – Operations, Allcargo Logistics Ltd; **Capt Dinesh Gautama,** President, Navkar Corporation, **Shantanu Bhadkamkar**, Chairman, ATC Group; **Satish Lakkaraju**, Chief Commercial Officer, Agility Logistics Pvt Ltd

Digitalisation is no more an option but it's a must for businesses to survive and adapt to this disruption. It starts with changing people's mind-set, said **Luc Arnouts, Director International Relations and Networks, Port of Antwerp**. If we don't get our digital act together I can assure you somebody can get his act together, this could be Amazon, Google or Alibaba. I was one month ago in China with Alibaba, I was completely surprised by how far they are in digitalisation. If these guys takeover then we will be irrelevant. They may need us to do the job, but the orchestration will be completely out of our hands. So we need to get our digital act together for regular business. Complex matters like project targeting will need all of us and our skills, but in the container business, I highly doubt that if we don't get our act together then Alibaba will do it and everybody will just go into the white box to get his goods from AtoB and we will be performing at our lowest price without focusing on quality.

The mind-set has to be changed. How do we do this? We realised inside our company that we were focused pretty much on traditional things, but if we really want to create innovation we need relevant skills in our organisation. A lot of companies in our sector are hiring innovation managers, which is an important step for many companies to really focus on innovation by giving it full dedication. You cannot do this by asking your IT manager or your operations manager to bring-in some innovation, it doesn't work that way.

In the past one and half year we have completely changed our organisation structure and each person has to become disruptive and reapply for his job by going through an examination to check what their mind-set was? These are certain things we need to do to make our organisation adaptive to change.

"As an organisation if we do not embrace change we will be wiped out," said **Prakash Tulsiani, Chief Operating Officer & Executive Director – Operations, Allcargo Logistics Ltd.** We look at our business and disrupt it probably. Look at the business and see how differently we can do it for betterment of customer experience, making it seamless while bringing transparency and reliability that builds trust. For this we will have to embrace technology and we know if we don't do it some outsider will do it and we will remain as a service provider, maybe because we hold the infrastructure or we have that experience of physically transporting goods and doing logistics. We have a dedicated team that looks at the next step for us that will inspire our clients? Once we decide on what's next then it filters down to each vertical to take it further.

Coming to the community part of it, at many associations we represent, the thought for embracing technology and transparency is coming in. A latest example is the recent PCS which is coming in and all stakeholders are working together to ensure we bring in the change which is needed to make it easier for our customer.

Satish Lakkaraju, Chief Commercial Officer, Agility Logistics Pvt Ltd, detailed on Agility's plans to tackle cyber security and the future threats with IoT involved. "Technology can be good, disruptive, but at the same time it can put you on your knees because you are not maintaining manual records." India is definitely taking the lead in being disruptive while dealing with security aspects as well. Agility's development center for its global operations is setup in Hyderabad. So anything happening in Agility with respect to change in technology starts in India. But the cost of using technology is extremely high and it is not being passed on to the customers which is a concern, revealed Satish.

Cabotage Relaxation: Reality Check

A balanced panel of service providers debated on the effects of the lifting of Cabotage and how best can the industry benefit from this new regulatory change

(L to R) **Jibu Kurien Itty,** Chief Executive Officer, India Gateway Terminal Pvt. Ltd; **Mahbubul Anam**, President, Bangladesh Freight Forwarders Association; **N Jithendra**, COO, Krishnapatnam Port Container Terminal Pvt Ltd; **Capt Deepak Tewari,** Chairman, Container Shipping Lines Association; **Ugo Vincent**, Managing Director, CMA CGM Agencies (India) Pvt Ltd; **Michael P Pinto,** IAS(Retd), Former Secretary, Ministry of Shipping, Govt of India; **Dr Siddhartha Rajagopal**, Executive Director, The Cotton Textiles Export Promotion Council; **Julian Michael Bevis**, Senior Director, Group Relations, South Asia, A.P. Moller–Maersk Group; **Anil Yendluri**, Director & Chief Executive Officer, Krishnapatnam Port Company Ltd

Before getting into the discussions of the session, Moderator Michael Pinto, Former Shipping Secretary, set the direction for the debate to focus on the effects of lifting of Cabotage and how the shippers and service providers can benefit from it. The first question was posed to Capt. Deepak Tewari, Chairman, CSLA.

Q. What did we really hope to achieve by lifting Cabotage? A probable reason could be to increase transhipment at Indian ports, saving time and money for the trade, while bringing more business to Indian ports which would have otherwise gone to transhipment hubs abroad. If this is the objective will Cabotage alone achieve this or is there something more to be done?

Capt. Deepak Tewari: Cabotage was one of the main issues which has now been resolved. But its not the "end all and be all" in terms of promoting transhipment in India. There are few other issues that need to be tackled. The shipping line has to have options both on the east and west coast for choosing ports that are conducive for transhipment. These particular ports should be in a position to handle not only the larger ships but also a stream of feeder vessels for the aggregation of cargo. They must have the physical infrastructure, productivity norms and they should be able to do this on a 24X7 basis through the contract a shipping company enters into.

The next important thing is the Customs regulations and paperwork. If it is simplified to be done electronically then transhipment works extremely well. The Customs will have to keep up with the general order issued on May 21. The Customs are still not ready with the electronic platform as far as transhipment is concerned.

Julian Michael Bevis: This is a very positive decision in two respects: first, it removes a major obstructer and the secondly, it sends a very strong signal that the government is very keen to undertake reforms in the logistics sector. One area where the costs in India are very high as compared to other transhipment hubs is vessel related costs, marine charges and navigational costs, which needs to be dealt with. It's not just Customs but certain other regulatory bodies related to transhipment as well who have to facilitate movement of boxes across quays. For example, at Colombo you can send one email and tranship your boxes. We have to be able to do the same thing in India. Whatever regulatory change is implemented it has to be done nationwide and not at select ports.

Q. After Cabotage relaxation, if regulatory bodies align their operations accordingly, will mother vessels start making a beeline to Indian ports?

Ugo Vincent: Cabotage has definitely improved the movement of cargo across India. It will definitely improve the volumes at ports for those who allow. Calling of vessels will depend on lines bringing imports into India. The volumes of imports will be more guided by the schedule of every liner. The policy change will definitely bring in more ships. In the month of May we were handling 3000 teus and by the end of August we have already reached 30,000 teus. The movement of empty and laden containers is getting more balanced. The shipping community has well understood the benefits of using this Cabotage opportunity and volumes will definitely grow in the days to come.

Q. How do port operators see Cabotage relaxation as an opportunity? What will they do to encourage more mother vessels to come in?

Anil Yendluri: Our goal was not waiver of Cabotage, but it is to make Indian ports as transhipment hubs, so that our cargo moves through our ports to various parts of the world. This will reduce cost and time making our exporters more competitive and supply chain more effective. While talking about transhipment we found one major obstacle which is Cabotage law that is now removed. But there are several other things to be attended for improving transhipment. Our customers always look for saving on time, cost and ease of doing business. Cabotage relaxation will reduce cost and time factor for trade, but the regulatory bodies such as Customs need to pick up speed which is yet to happen.

Krishnapatnam Port has been doing transhipment volumes in a big way. Of the total volumes handled at the port, 50 per cent are transhipment volumes which is 25000 boxes per month. We are ready to handle both mother and feeder vessels. Our vessel related charges are minimal and waiting time at the port is negligible. But regulatory agencies should also understand and come on-board so that we can improve transhipment volumes at Indian ports.

Q. Shipping lines may find it difficult to call at a port far away and make it a hub port. Do you see this problem at Krishnapatnam Port?

Anil Yendluri: Not exactly, because when there are adequate volumes especially with India

Capt Dinesh Gautama, President, Navkar Corporation, interacting with the panelists

being a big country with origin and destination cargo volumes being huge and if we understand the value of time and money of the liners, I am sure they will call and take the boxes from Indian ports and that is what we are noticing at Krishnapatnam.

Q. For aggregating feeder cargo what will be the hinterland for Krishnapatnam Port?

Anil Yendluri: We are getting a lot of volumes from Kolkata and Haldia by transhipment to Krishnapatnam and moving out. Certain volumes also come from Paradip and Vizag ports.

Q. Cabotage was lifted almost 4 years ago for Vallarpadam terminal at Cochin Port but still it has not taken the lead. What ails the terminal?

Jibu Kurien Itty: Cochin Port had the privilege of Cabotage relaxation but we cannot see it in isolation as there were issues with operations of Customs. We had challenges when containers started coming from Chennai because the Chennai Customs was not aware that Cochin Port has got Cabotage relaxation and so they followed the normal export/import process. Now Cabotage is relaxed across India, but major hindrance we faced at that time was due to the lack of knowledge at other Customs houses.

Another issue is, for example, if you want to send an export container from Chennai to Europe, if it goes to Colombo you get the duty drawback soon after you load on to ship from Chennai. Cochin is actually an SEZ port and if we go by the logic it doesn't even come under the Indian Territory as far as Customs are concerned. But shipper gets the duty drawback only after the container gets on-board in Cochin. All these hindrances make it difficult for the port to attract shippers.

When we talk of bringing back cargo that is being transhipped through foreign ports, we are actually fighting against the transhipment hubs that got established over the past 40 years. It means you are trying to shift the entire network and to accomplish this you need to be one step ahead of the competition. At Cochin Port all the service parameters are well placed but the issue is Cabotage was only relaxed to Cochin and not for other places in India and another drawback is the procedural bottlenecks. If Cochin Port has to attract mainliners it will have to increase its draft, but the port cannot afford the cost and this needs to be funded by the government.

Q. Prima facie Cabotage seems to save container repositioning cost for shipping lines. Will it be passed on to customers?

Deepak Tewari: The savings in repositioning go to the customer ultimately as it is a matter of negotiation. Customers are fully aware of what are the costs and shipping lines are currently facing a supply-demand situation wherein the customer gets the best freight rates.

Julian Michael Bevis: As a market place becomes more effective and thereby operational costs go down then any service providers, including shipping lines, will compete more intensely and prices will go down. In this scenario the consumers will benefit when the market conditions allow it and savings get passed on.

Q. How do you see Cabotage Law impacting carriers? Will you change your existing network and enter the Indian feeder market?

Ugo Vincent: first we will have to analyse the added value for importing and exporting from Indian ports. At present we do not have any plans to enter into feeder service.

Q. If Indian ports improve draft and other infrastructure, will the shipping lines make a long-term commitment to Indian Ports?

Ugo Vincent: We deploy vessels as per supply-demand. We actually use the deployment of exim vessels we have to use Cabotage opportunity.

Engrossed audience at the session

Julian Michael Bevis: When ports add capacity it gives us more options provided the economics looks sensible then there is a greater chance of the hubing operation being done in India.

Q. How do you see the lifting of Cabotage benefit Bangladesh cargo?

Mahbubul Anam: Cabotage relaxation does open opportunity for the Bangladesh shipping industry. Our country's growth has over-run the growth in infrastructure. At this moment the river ports that we have will be greatly benefitted on Cabotage withdrawal. Chittagong Port which is over flooded has long delays on both sides and eastern ports of India could be an ally for us for export and import freight. All we need to do is aligning the India-Bangladesh coastal agreement with what has happened now.

Q. Can Bangladesh cargo go to East Coast ports? Will it get cooperation from stakeholders from Bangladesh?

Mahbubul Anam: The Customs has been looking after it and I am sure the shipping lines know about it, but what we need to see from the shipping lines perspective is that we would definitely like to see a transhipment port grow in India. At this point we are talking about a double transhipment because it has to come to an Indian port and then get transhipped to a second hub for

moving in a mother vessel. We would like to see more aggregation of freight in eastern ports which can cover as a transhipment hub.

Q. From a shipper perspective, how do you see the lifting of Cabotage?

Dr Siddhartha Rajagopal: We are among the few people putting pressure on the government to relax Cabotage. The raw material for textile industry is available on the west coast and it gets converted on the east coast. Textile business being price sensitive and surviving on thin margins should do everything possible to save on cost and become competitive. Since we are competing with Bangladesh, China and many others, so the logistics component of the cost is looked at and again there is the issue of imbalance in containers at ports. So, this step by the government will to a large extent address these issues.

About 120 lakh bales go to Tamil Nadu which only produces 4 per cent of the cotton, so 2 million tonnes of cotton is received by Tamil Nadu alone. So transhipment can bring us a saving of 5-7 per cent.

Q. Is there a big difference in marine charges between Indian ports and foreign ports, if so why?

Jibu Kurian Itty: Predominantly if you see at all Indian ports, the vessel related charges are pretty high and the container related charges are comparatively low compared to international ports. The reason is that vessel related charges include light house dues, GST and such other elements that increase the charges in India.

Anil Yendluri: We are very flexible and negotiate with our liner partners for fixing tariffs and we are competing with Colombo on that front. We have a parallel arrangement made by Government of India with regard to new airports. To promote calling at new airports the government has come out with a new scheme called 'UDAAN.' As per the scheme if a flight lands at a particular new airport, if there are not enough passengers, the money will be reimbursed by the government of India. If we can have similar arrangement for shipping lines, that can induce mainlines to call at Indian ports.

Q. In India container handling charges are competitive but vessel related charges are high. Is it time for regulatory authorities to intervene and try to bring them down?

Jibu Kurian Itty: Talking about exim cargo, if you really want to compete in international market, the best thing is to have the foreign ships calling our port. Here you need to offer attractive rates to the lines as compared to competition. Once this starts the exim cargo will also be able to save on freight.

Anil Yendluri: On one side we want latest infrastructure for quick turnaround time, but to maintain it is a cost for the port. The port apart from the terminal earns only through vessel related charges. Beyond a certain level the ports cannot offer discounts to liners and here the government should step in to offer discounts.

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Where the champions are awarded

The industry came together to cheer for the champions who made a difference in whatever services they offer

At one of the finest ballrooms of the Lalit in Mumbai, a ceremony was held unlike any other in the city. It was the evening of 7th September when the shipping greats came together for the glitzy Gateway Awards night. The maritime and logistics community from all over the country came dressed in their finest best of greys and blues and the growing tribe of ladies in the shipping business painted the hall with their bright hues. This was the evening the industry chose to celebrate with their colleagues and peers for carrying the industry through successfully for another year.

Representatives of shipping lines, ports, CFSs, ICDs and logistics companies cheered for the champions who through their perseverance pushed the boundaries in everything from customer service, new products to using technology to disrupt the way business is done. It was a night where the industry stood up together to celebrate excellence, innovation and best practice across the sector.

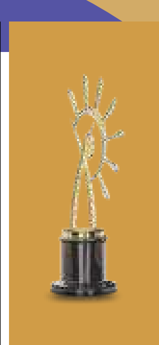
About 15 categories were enlisted and all Indian maritime companies were invited to nominate their business entities for evaluation by the Gateway Awards Jury. The parameters for business growth that were considered for shortlisting were volume growth, asset growth, productivity parameters, and the main efficiency indicators considered were capacity utilisation, turnaround time and dwell time of vessels. The other main indicators to net awards were innovation and investment to improve customer service, improvement in connectivity to ports and container freight stations. Through a detailed jury process, data received from the nominees was provided to the jury committee for review and collation. The panel then discussed the evaluation criteria based on the ground rules and the winner was selected on the jury member voting individually.

The recipients accepted these awards to a thunderous applause and many a standing ovation. Once the awards were given and just when everyone thought it was over, one person made a grand entry and elevated the level of the awards ceremony a notch higher. Former Indian Cricket Team Captain and ace baller, Kapil Dev walked on the red carpet and the majesty of his persona added the glitz to the ceremony. As he took to the stage, the gathering cheered loudly for their star cricketer as he inspired one and all through his gritty comments.

The awards evening may now be over but our Gateway Awardees will be justly entitled to bask in the glow of their success for the next 12 months until their peers up the benchmark higher to qualify and bag next years' awards. A terrific night of celebration marked out a superb set of winners. Maritime Gateway congratulates them all and thanks everyone who entered. mg

(L to R) **Capt Sunil Thapar,** CEO - Shipping Services, Allcargo Logistics Ltd; **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **Anil Yendluri**, Director & CEO, Krishnapatnam Port Company Ltd

BULK PORT OF THE YEAR
KRISHNAPATNAM PORT



The fastest growing private port on the east coast of India, Krishnapatnam Port has bagged the 'Bulk Port of the Year' award for the second consecutive year. So what has enabled this largest port on the horizon to continuously raise the performance bar higher? And the answer is in the throughput the port has recorded in FY-2017-18: 34.83 million tonnes of dry bulk, 1.28 million tonnes of break bulk and 1.63 million tonnes of liquid cargo has been handled by the port during the assessment period, which brings the port far ahead of the competition. With an installed capacity of 67.5 million metric tonnes the port has recorded a growth rate of 25.37 per cent in FY2017-18 over FY2016-17.

With a capacity utilisation of 52.48 per cent, Krishnapatnam Port has recorded performance indicators which prove it to be better than the best. Disposal of bulk cargo is often a time consuming process, but the port has managed to maintain its lead with average turnaround time of 4 days and average pre-berthing detention time of 2 days. This has been made possible with the highly automated and mechanised processes implemented at the port for both loading and unloading of bulk cargo, which has also enabled the port to expedite the average output per ship berth day that stood at 30,000 metric tonnes during the assessment period. The port has recorded 20 per cent growth in average output per ship berth day in FY2017-18 over FY 2016-17 in million tonnes.

The port has installed 3800 metres of new belt conveyor system to expedite the unloading of bulk cargo with zero wastage. New stacker reclaimer and reclaimers have been installed at the port to expedite disposal of cargo. Another infrastructure addition that adds speed to movement of bulk cargo is installation of two rapid wagon loading stations. An automated fertiliser handling system is another attraction that makes unloading and bagging of imported fertilizer quick and easy. With growing business the port has been conscious to expand its connectivity with the addition of a new railway line to Obulavaripalle which is on the verge of completion and due to be commissioned in early 2018-19. mg

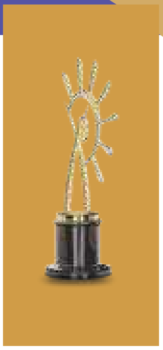
(L to R) **Neeraj Bansal,** Chairman i/c, JNPT; **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **Sunil Kalra**, MD, LIEBHERR India

CONTAINER PORT OF THE YEAR

JAWAHARLAL NEHRU PORT TRUST

The winner of this award could be anybody's guess as it is none other than JNPT to handle the major chunk of India's containerised trade. This India's busiest container handling port edged ahead of its competition to grab the award with its remarkable performance indicators which include capacity utilisation of 90 per cent and average turnaround time of 1.30 days which boasts of the operational speed of the equipment at the quay. Another feature worth noticing is the average pre-berthing detention time that stands at 2.88 hours, pointing at the swift operations at all the terminals of the port. The productivity at this major port can be gauged by the average output per ship berth day that stands at an astounding 31,516 tonnes. Y-o-Y growth in average output per ship berth day is 1.5 per cent in FY 2017-18 over FY2016-17. The average crane productivity of 23 moves per hour is a reflection of the state of the art equipment used at the port.

A major contributor to this tremendous upbeat in the performance of the port is the commissioning of the 4th container terminal with three berths. On the equipment side, the 15 new e-RTGCs added at the port are electrically powered, cost economical with minimal maintenance and environment friendly. They have 2-twin twenty container handling mechanism with 50MT capacity under spreader. This new machinery has provided the required thrust to propel the efficiency of the port to new heights. The intermodal lifts at the port increased 2 percentage points in August 2018 to a record 16.8 per cent share, up from 14.7 per cent in July. A significant achievement of the port is the rise in rail movement of cargo and drop in road movement. In August 2018, import/export movement of containers by rail totalled 69,978 teu, out of the 417,360 teu handled at the port during the month. The share of road cargo movement decreased from 85 per cent in July to 82.5 per cent in August.



JNPT is well connected to the hinterland via rail network through its 2 track connectivity from Panvel. Indian Railways has commenced work on Western Dedicated Freight Corridor from Delhi to JNPT.

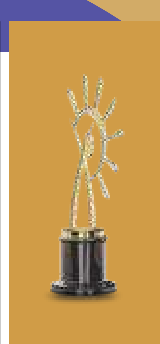
(L to R) **Vivek Kele,** Director, Teamglobal Logistics; **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **N Jithendra**, COO, KPCT & Team

CONTAINER TERMINAL OF THE YEAR (BELOW 0.6 MILLION TEUS)

KRISHNAPATNAM PORT CONTAINER TERMINAL

‘Creating capacity ahead of demand’ is the winning formula of Krishnapatnam Port Container Terminal that has fetched it laurels to bag the ‘Container Terminal of the Year’ award in the ‘Below 0.6 million teus’ category. The terminal has moved a remarkable 2,23,000 teus in imports and 2,56,552 teus in exports, including transhipment, during the assessment period. The terminal also leads in moving transhipment cargo on the east coast with volumes of 2,12,466 teus transhipped in FY2017-18.

With an installed capacity of 1.2 million teus the terminal has always been in the forefront for promoting the government’s vision to increase movement of cargo through the coastal route. During FY2017-18 the terminal has moved 19,518 teus of coastal cargo. Congestion is a word much unheard at Krishnapatnam Port Container Terminal as it has abundant yard area space of 36 hectares and an ambitious plan to increase capacity to 4.8 million teus. Even with the tremendous increase in the volumes of containers moving in and out of the port, it has a capacity utilisation of mere 35 per cent. The state-of-the-art equipment used at the terminal has maintained average turnaround time at a minimum of 6 days.



The terminal has maintained a history of fastest loading and unloading of cargo onto vessels, which has made it a favourite destination for calling by shipping lines, as the average pre-berthing detention time is a negligible 1.25 hours. The ship captains have never found their vessels stay longer at the terminals as the average output per ship berth day is maintained at an enviable 26,128 tonnes. The terminal has posted a tremendous 84.61 per cent growth in average output per ship berth day during the assessment period.

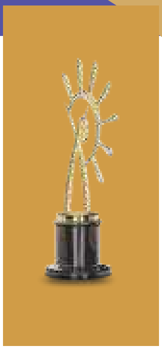
The terminal often bets on the efficiency of its state-of-the-art infrastructure defined by the average crane productivity maintained at 32.78 moves per hour. The productivity has increased by 14.86 per cent in FY2017-18 over FY2016-17.

Krishnapatnam Port Container Terminal has expanded its infrastructure during the assessment period by installing 16 reach stackers, 4 RTGCs, 5 quay cranes, 13 forklifts and 2 hydra.

(L to R) **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **Rajeshwar Bhatt**,Director, Kemar Automations, **Sujeet Singh**, CEO, Mundra International Container Terminal

CONTAINER TERMINAL OF THE YEAR (ABOVE 0.6MILL TEUS)

DP WORLD - MUNDRA INTERNATIONAL CONTAINER TERMINAL



If recording a throughput of 10,89,155 teus is a remarkable feat, then DP World- Mundra International Container Terminal definitely deserves to be awarded the Container Terminal of the Year award, in the above 0.6mill teus category. The terminal boasts of moving 499,708 teu in imports and 579,599 teus in exports during the assessment period of FY2017-18. Not to stay behind in transhipment, the terminal has recorded 9 per cent increase in transhipment over FY2016-17. Having an already installed capacity of 1300,000 teus, the terminal has further added 200,000 teus capacity to meet the growing demand of exim traffic moving through the port. The capacity addition is supported with installation of new equipment: A new Quay Crane and a Rail Mounted Gantry Crane have been added to further enhance terminal productivity and augment automation at the port. The new Quay crane is a super post panama with outreach of 60 meters, twin lift and is equipped with latest technology, capable of handling next-generation large size vessels. It comes with a Remote Crane Management System (RCMS), which aids superior planning of maintenance, thereby minimising downtime.

The equipment (both Quay Crane and Rail Mounted Gantry Crane) are designed for remote control operation, which will enhance operational efficiencies, thus improving productivity, whilst ensuring improved safety standards at the same time. With reduced engine maintenance, the advanced technology to automate and remotely operate a Rail Mounted Gantry crane is a first in India. To facilitate the trade, a vast 25 hectares of yard area has been provided for storing containers. Responding to the demand by trade the terminal has added Protea Service of Maersk Line Africa and IAGX service of Tehama to Upper Gulf.

Highlighting the efficiency of the terminal is the average vessel turnaround time of just 0.85 days or 18 hours. The average pre-berthing detention time is maintained to a minimum of 2.17 hours, which is a big relief to the shipping lines calling the terminal. Vessels arriving laden with cargo are disposed quickly with average productivity of 32.85 moves per hour.

(L to R) **Adhendru Jain**, Director Opns - India, Bangladesh & Sri Lanka Cluster, Maersk Line India Pct Ltd & Team, **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **Ashutosh Jaiswal**, President - International Business Division & Logistics, Century Plyboards (I) Ltd

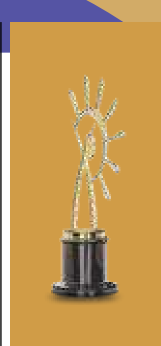
CONTAINER LINE OF THE YEAR
MAERSK LINE INDIA PVT LTD

The Danish shipping goliath has just grown bigger over the years. With 22 direct services to India connecting 17 ports on either coasts and a huge volume of 21,16,005 teus handled in FY2017-18, Maersk Line India Pvt Ltd clearly stood tall among its competitors, to claim the 'Container Liner of the Year Award.' Maersk has been making rounds in the news recently for its various initiatives – be it digitalisation or capital funding for SMEs.

Some of its initiatives worth a mention are: Remote Container Management (RCM) that provides real-time visibility on temperature, humidity and ventilation settings of the containers. This service has taken off quite well in India with more than 150 customer sign ups. Maersk is well ahead in understanding and offering cold specialized services and is currently catering for the Indian growing market demand.

Efforts to digitize the customer experience with services like online quote, book, submit shipping instructions, print Bill of Lading, get delivery order, download invoices, make payments. etc have made it possible to interact digitally with customers throughout the process thus saving time and effort.

To further digitise and enhance the user experience, a new division called global trade digitisation has been started where Maersk will partner with supply chain actors, including authorities, on how to digitise supply chain interactions. New age payment solution called Smartpay has been introduced to simplify the payment process and reduce time taken from 2 days to instant online payment, which gives customers the B/L's immediately.



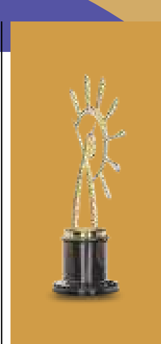
In compliance with IMO's decision to ban high sulphur fuels by 2020. Maersk plans to replace bunker fuel with fuels with lower sulphur content thus complying with the global regulations set.

Piloted in India, Maersk Trade Finance, now operating in six countries, will offer post shipment export finance solutions in India and since 2017, has disbursed over $100 million to its customers here. In the next 12 months, Maersk will lend another $200 million to Indian businesses. mg

(L to R) **Adarsh Hegde,** JMD, Allcargo Logistics, **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **Capt S B Mazumder**, ED, Seahorse Ship Agencies, **Sumita Banerji**, VP - Sales, Allcargo Logistics, **Prakash Tulsiani,** Chief Operating Officer & Executive Director – Operations, Allcargo Logistics Ltd. , **Arun Adak**, Head Operations / CFS - Corporate, Allcargo logistics Ltd

CONTAINER FREIGHT STATION COMPANY OF THE YEAR

ALLCARGO LOGISTICS



Allcargo Logistics has emerged as not just one of India's largest integrated logistics solutions provider in the private sector, but is also a global leader in the LCL (less than container load) segment of the nvocc services business. The company recently showed its prowess in 2005 when it acquired Belgium-based ECU Worldwide, a company five-times its own size. Today Allcargo has its footprint in over 160 countries, with a strong network of more than 300 offices. The company globally employs over 3,500 people.

Going by the performance indicators Allcargo Logistics recorded a combined throughput of 2,93,817 teus in FY2017-18, which marks a growth of 4 per cent over the previous year. Major export commodities moved by Allcargo include garments, pharmaceuticals, industrial goods, machineries, project cargo, chemicals and handicrafts. Major imports include chemicals, dyes and intermediates, fruits, pharmaceuticals, machineries, project cargo, cosmetics, consumer goods, wood and industrial raw material.

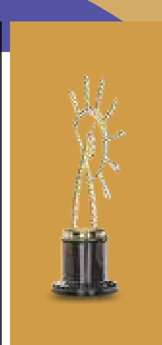
The company has maintained its operational efficiency at the best with average trailer turnaround time of 45 minutes. It has a very spacious warehouse measuring 975156.46 sq ft which enables smooth movement of goods in and out of the facility even during peak business hours. The company has total 6,915 ground slots and the average number of containers handled per day is 254 teu in exports and 726 teu in imports. Allcargo maintains swift operations with 4 RTGCs, 15 reach stackers and 58 forklifts.

Latest innovations include: introduced Six Sigma Quality Process methodology in billing and EDI documentation which helped in saving 4 minutes per transaction and enhanced customer experience. New modules have been developed in import, export & DPD for hassle-free customer experience. Multiple kiosks are provided to customers for accessing portal to check current status of containers. AEO certification from Customs, Ministry of Finance, has helped the company in saving Rs.8 lakhs p.a. A third-party payment gateway is introduced which is first of its kind in the CFS industry. mg

(L to R) Second Left **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **Dr Sharmila Amin**, MD, Bertling Logistics India Pvt Ltd, **Manoj Arora**, President, International Cargo Terminals & Infrastructure Pvt Ltd & Team

CONTAINER FREIGHT STATION OF THE YEAR

INTERNATIONAL CARGO TERMINALS AND INFRASTRUCTURE PRIVATE LTD



International Cargo Terminals and Infrastructure Private Ltd reported a spectacular 94,073 teus in throughput in FY2017-18, marking a growth of 10.74 per cent over FY2016-17. Major export commodities moving through the terminal include RMG, carpets and medicine, while major import commodities include chemicals, automobile parts and white goods. The operational efficiency of the terminal can be judged by the fact that it has maintained average trailer turnaround time to a minimum of 3 hours. Any growth in cargo traffic can be easily accommodated in the ample warehousing space of 5000 sq.ft. The terminal has total 853 ground slots with average number of containers handled per day standing at 241 teu for imports and 16 teu in exports.

To ensure quick movement of cargo the terminal has maintained ample infrastructure. It has seven reach stackers, while new additions of RTGC, reach stacker and forklifts have been made in FY2017-18 to accommodate the growth in traffic. As a part of its green initiative the terminal has signed a power purchase agreement based on rooftop solar power and will be operational in month of Dec-18. It will have a capacity of 500Kw. Another attraction at the CFS is the unique reefer structure constructed for reefer container monitoring: International Cargo Terminals is the only CFS to have constructed state-of-the-art reefer monitoring and plugging stacks – like port terminals. This would benefit better monitoring and safe plug in and out of reefers.

Introducing Man- Machine Interface the terminal has made a breakthrough in yard safety by introducing Man-Machine Interface. (RFID enabled jackets for yard users which send alerts when users are close to operating machines have been installed for safe operations).

Another first of its kind concept introduced is snaps of containers at the time of Gate-in: A unique blend of 3 different operating platforms is merged together to provide an automated solution. The three platforms include Fixed Camera Assembly, CFS Management System and OCR reader. An exceptional idea that would drastically reduce gate pass generation time, with proper supporting evidences.

(L to R) **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **Amit Gupta**, Director, Suraj Informatics, **Dr Anup Dayanand Sadhu**, GGM, CONCOR- ICD White Field

INLAND CONTAINER DEPOT OF THE YEAR

CONCOR - ICD WHITE FIELD

If you continue to do something for more than 30 years, you are bound to attain perfection in it. The same applies to the art of moving cargo in containers as well. It was in 1981 that the first ISO container was moved inland by the Indian Railways to India's first Inland Container Depot (ICD) at Bangaluru, so being a pioneer in moving containerised cargo, ICD Whitefield naturally stood ahead of the crowd to be the proud recipient of the "Inland Container Depot of the Year" award.

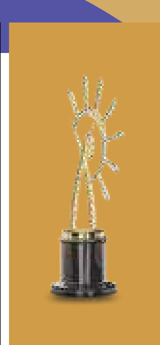
Having moved a remarkable 167,375 teus in the assessment year 2017-18, ICD Whitefield recorded a growth rate of 10.18 per cent over the previous year FY2016-17. A major factor for the success of an ICD is its connectivity, and ICD Whitefield is connected to seven ports including-Chennai (CITPL & CCTL), Kattupalli, Krishnapatnam, Vallarpadam, Mumbai (JNPT & NSPT), Mangalore and Tuticorin.

On some of the efficiency parameters the ICD has performed exceptionally – The average trailer turnaround time (gate entry to exit) is maintained at two hours based on the traffic restrictions. With ambient warehousing space of 436,205 Sq.ft the ICD is positioned to conveniently handle movement of cargo even during peak business hours. Catering to the needs of perishable, time and temperature sensitive cargo, the ICD has cold storage space of 1000 Sq.ft. It has approximately 1,370 grids of 25 sq.ft each for cargo and approx. 9205 slots for containers.

Some of the key efficiency indicators of the ICD are: It handled 225 teu of export containers and 270 teu of import containers per day on an average, during the evaluation period. India's containerised trade has been growing year on year, which requires infrastructure at ICDs and CFSs to be upgraded continuously. During the evaluation period, ICD Whitefield added 5 reach stackers and 15 forklifts. In March 2018, the operational old reach stackers were replaced with brand new machines. Rs.8 crores have been invested for creating better roads for moving trailer traffic, creation of parking space for the trailers, CC block paving in and around the warehouses to make it ambient as well for easing the forklift operations.

(L to R) **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **Vivek Choudhary**, Director, Vivek Freight & Logistics Pvt. Ltd, **Capt Pankaj Mehrotra**, CEO, Samsara Group, **Manu Nagpal**, Vice President - Commercial, Samsara Group

SHIPPING AGENT OF THE YEAR
SAMSARA GROUP



The motto of Samsara Group "Success in Service" has indeed taken this dynamic shipping agency to scale new heights and be the proud recipient of 'Shipping Agent of the Year' award. Recognized as one of the youngest companies to establish a nationwide network of offices in a very short time, Samsara Group enjoys the enviable distinction of being a trendsetter in the industry. The company has the distinction of having added highest number of agencies of carriers to its portfolio under container, break bulk, tankers and dry bulk during the year. The largest agency network of Samsara across India spans more than 80 locations. During the evaluation period FY2017-18, Samsara Group handled 0.7 million teus of containers, 35.6 million metric tonnes of dry bulk, 1.54 million metric tonnes of break bulk and 266,560 units of Ro-Ro cargo.

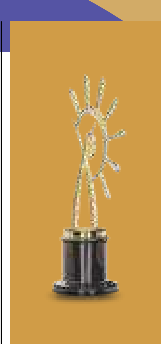
The company also handled an impressive 713 bulk/tanker vessels, 103 break bulk/heavy lift vessels, 138 Ro-Ro vessels and has the distinction of having added highest number of agencies during the year. As the entire shipping and logistics world is fast catching up with digitalisation, Samsara Group has ensured to maintain its lead by installing the latest communication and information management systems. AFSYS, a very powerful ERP software, enables the local feeding of all operation critical data by branches into the central server on a real time basis.

With a service portfolio comprising shipping, rail movements, CFS, ICDs, terminals and the entire gamut of logistics, Samsara Group has created value driven customer centric solutions.

Samsara group initiated its commercial operations in India in 1996. Venturing out with a business mandate of providing highly professional and solution oriented shipping and logistics services, Samsara has today progressed to be acknowledged as one of India's elite global logistics service providers. Samsara Group laid the foundation of its growth with a strategically planned business portfolio. With a clear motive of delivering a consistently superior service experience to its customers, Samsara has created an integrated value chain of multimodal services which ensure single window access and delivery.

(L to R) **Sanjay Bandopadhyaya**, Addl Secretary, Ministry of Shipping Govt of India, **Ravindra J Gandhi**, Hans Maritime Services Pvt Ltd, **Darshan Sheth**, Partner, Chinubhai Kalidass & Bros & Team

FORWARDER OF THE YEAR
CHINUBHAI KALIDASS & BROS (CKB GROUP)



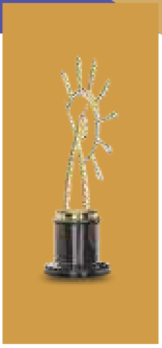
Established way back in 1917, Chinubhai Kalidass & Bros (CKB Group) is a family-owned yet very professionally run business currently managed by the third generation. The company has stood the test of times over the decades to evolve into a logistics conglomerate and proud winner of the ‘Forwarder of the Year’ award. During the evaluation period FY2017-18 the company moved 0.63 million tonnes of non-containerized cargo, while 1,17,918 teus of containerised cargo has been moved. Non-containerised cargo has grown by 14 per cent while containerised cargo has posted 10 per cent growth. Today the company has marked its presence in 785 cities across 189 countries.

The company handled 88,167 customs files, an indication of the massive business done during the evaluation period. It has a total warehousing capacity of 1,30,000 sq.ft. Some of the innovations introduced by the company include: issue of boarding pass for containers, which means once the pass is issued, loading of a container on a specific vessel is assured. Automated container tracking enables customers to track their containers till it is delivered to the consignee. In line with the current digitalisation trend in the industry, Chinubhai Kalidass & Bros has introduced fully integrated ERP system with auto updates to customers. Entire process of documentation, customer service, sales, quotations, finance is automated. Automated freight management process enables freight from carriers to be captured directly to the company’s ERP and in depth analysis with comparisons is available at the click of a button. The company is ISO 9001:2008 certified and has also achieved AEO & C-TPAT certification to enable shippers quickly move their exim cargo.

CKB Group has its reach almost all over the country with head office located in Mumbai and branch offices at locations like Ahmedabad, Baroda, Kandla, Mundra, Pipavav, Ankleshwar, Dahej, Hazira, Jaipur, New Delhi, Poona, Nagpur, Bangalore, Chennai & Tuticorin. The company also has representative offices/agents at almost all other strategic locations like Kolkata, Cochin, Ludhiana, Indore, Nasik & Kanpur. mg

(L to R) **Capt Manoj Hirkane**, Vice Principal, Tolani Maritime Institute, **Capt krishna Murthy Iyer, Principal,** Tolani Maritime Institute, **K Sathianathan**, Managing Director, DL Infrastructure; **Kapil Dev**, Former Captain, India Cricket Team

SPECIAL JURY AWARD
TOLANI MARITIME INSTITUTE



The Special Jury Award has been presented to Tolani Maritime Institute. India has a long standing tradition of producing high quality officers that serve the world's merchant marine fleet. To a large extent this was made possible by the Indian government's visionary initiative of establishing a few excellent maritime training institutes immediately after independence.

In recent years India's position of leadership has been significantly weakened by an inability to keep pace with the growth in demand in terms of numbers as well as technological sophistication. Inadequate allocation of resources for maritime training from the government and lack of a suitable environment to facilitate private investment led to this decline. However, by the mid 1990's the government had made the necessary changes to enable private initiatives in maritime training.

The Tolani Group, which has a long tradition of establishing and managing institutions of higher learning, was preparing during 1995-1997 to found a new campus-based institute that would mature into a university. As the Tolani Group's primary business is ship owning and ship management, it was acutely aware of the need for India to produce increasing numbers of well-educated marine officers. Hence it was decided in late 1997 that the group's new educational initiative should take the form of a modern, purpose built maritime institute.

The first degree program students at Tolani Maritime Institute were accepted in August 1998 and accommodated in temporary facilities until the new 100 acre campus was made operational in late 2000. The institute also offers internship programme and an innovative and valued component of the TMI Internship Programme is its structured and methodical approach which aims to develop on the skills and knowledge gathered by TMI students during their three years campus-based instruction. Prior to commencing the internship component of their degree programmes, each TMI student is given a Training and Resource Manual. This manual explains how the Internship Programme is structured into clearly identified sections. mg

(L to R) **Namrata Malushte**, Company Secretary & Chief Governance Officer, Avana logistex ltd, **K Sathianathan**, Managing Director, DL Infrastructure; **Kapil Dev**, Former Captain, India Cricket Team

SPECIAL JURY AWARD
AVANA LOGISTEK LTD

Avana Logistek Ltd has been presented the Special Jury Award. Avana Logistek Ltd was formed through the merger between Shreyas Relay Systems Ltd and Balaji Shipping Lines. Avana is a leading integrated logistics solutions provider, offering customized and end-to-end solutions to domestic and international markets. The company offers a broad spectrum of strategic and operational logistics support services to domestic and international geographical markets through seamless, energy efficient and "environment friendly" logistics solutions. Avana's technology-enabled, "asset-light" business model allows scalability to the services it provides. Its robust streamlined business and operational processes enable to offer efficient and customized logistics solutions to customers.

The seamless connectivity Avana provides between various ports ensures integrated coverage which its customers can utilize to manage cost, time and productivity efficiencies. The company has designed its end-to-end solutions offering to offer cost advantages to customers. Recently in June 2018, Avana Logistek has filed a draft prospectus with the Securities and Exchange Board of India for an initial public offering. The IPO will comprise a fresh issue of shares for up to ₹300 crore ($44 million) and an offer for sale of 4.3 million shares by promoter group firm Transworld Holdings Ltd, according to a stock-exchange filing.

Avana provides coastal container services and road and rail transportation services in India. Its overseas offerings include refrigerated and dry cargo movements between the Indian sub-continent, the Middle East, Southeast Asia and the Far East, along with freight forwarding and liner agency services. Avana has also been instrumental in bringing forward the potential of coastal shipping in India.

Avana provides energy efficient and environment friendly and cost effective logistics solutions as carbon dioxide emissions from coastal shipping are minimal compared to roads and rail. The company pioneered the business of coastal container service by commencing operations in 2005 and are the largest domestic coastal logistics solutions provider. mg

(L to R) **Capt Sri Ram Ravi Chander**, VP & Unit Head, JSW Infrastructure Ltd, Third Left **Capt BVJK Sharma**, JMD & CEO, JSW Infrastructure Ltd; **Kapil Dev**, Former Captain, India Cricket Team, **Capt Swaminathan Rajagopalan,** Commercial Director, CMA CGM Agencies (India) Pvt Ltd

CSR EXCELLENCE OF THE YEAR
JSW INFRASTRUCTURE LIMITED

When it comes to corporate social responsibility, JSW Group through its array of initiatives has always been at the forefront with a commitment to create more smiles at every step of the group's journey. This commitment has made the group the proud winner of 'CSR Excellence of the Year' award.

JSW Group has allocated 2 per cent of its average net profits made during the three immediately preceding financial years towards Corporate Social Responsibility as per the categories mentioned in the Schedule VII of the Companies Act 2013. In helping local communities in skill development and employability through vocational training, the group has set up OPJ centers for vocational training. 330 local girls have been trained for non-voice BPO and fashion designing courses and 129 girls are employed at non voice BPO centre. 40 local boys are undergoing marine fitter training and spoken English training is given to 370 local boys and girls.

Women empowerment and skill development initiatives

JSW Group has always been at the forefront for women empowerment. The company has managed to help 165 women form self-help groups and engage in regular income generation programmes. Promoting entrepreneurship among women, Annapurna food stall at truck parking area is another successful model for women empowerment and employability. 6 members are earning approximately 20,000/- per month at the stall. A group of 60 women is involved in various income generation establishments like bakery products, laddu unit and preparation of traditional food items. About 25 families are engaged in preparing and selling various fish related food products.

Empowering fishermen community

To help the fishermen community an ice plant was setup in 2008 that benefits about 1700 fishermen from 5 villages. Other support for the livelihood of the fishermen such as fishing nets, out boat engine, GPS fish finder are provided by the group. Till date about 1230 fishermen from 4 villages have been benefited. Training is given to fishermen on sea safety issues.

(L to R) **Adarsh Hegde**, JMD, Allcargo Logistics, **S S Husain**, IAS (Retd), CEO, Maharashtra Chamber of Housing Industry, **Kapil Dev**, Former Captain, India Cricket Team

YOUNG MARITIME ENTREPRENEUR OF THE YEAR

ADARSH HEGDE

JMD, ALLCARGO LOGISTICS

The Young Maritime Entrepreneur of the Year award has been presented to an industry leader who is also a seasoned entrepreneur with about two and half decades of experience in leading his organisation to achieve new heights.

Adarsh Hegde is the Joint Managing Director at Allcargo Logistics. He has been associated with the company since its inception. With over two and half decades of experience in the field of logistics, he has been instrumental in the success of Allcargo Logistics' growth story. Under his leadership, Allcargo Logistics established 6 CFS & ICD facilities PAN India, making Allcargo CFS & ICD division one of the largest private players in the country. He continues to lead the blue print and strategy for the division. With his extensive experience and proficiency in transportation, he has contributed to the set-up of the Allcargo Logistics Project Forwarding division.

He is also a part of the leadership team at ECU-Line with respect to driving international procurement initiative and organisation-wide planning. After finishing his mechanical engineering from Nitte Education Trust, Mangalore, he started his career as an Assistant Maintenance Engineer with Eastern Ceramics Private Limited, Mumbai in 1987.

Among the recent developments at Allcargo Logistics is the announcement by Avvashya CCI Logistics Pvt Ltd to invest ₹400 crore by 2022 to expand its warehousing capacity to 10 million sq ft as the GST regime drives consolidation in the logistics industry. Avvashya CCI Logistics has 3.5 million sq ft of operating facility across the country and by 2022 they are looking to grow to 10 million sq ft which will require an investment of about ₹400 crore. The expansion will focus on Speciality chemicals, retail associated with e-commerce and auto engineering.

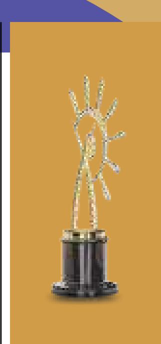
Warehouses will consolidate around major consumption centres. Guwahati is being looked at keenly by the company for expanding facilities. North-East is an area that requires high quality infrastructure and service operators with global best practices and Avvashya CCI Logistics is focusing at this region.

(L to R) **Mahbubul Anam**, President, BAFFA, **Kapil Dev**, Former Captain, India Cricket Team, **Neeraj Bansal**, Chairman i/c, JNPT

INDIAN MARITIME PERSONALITY OF THE YEAR

NEERAJ BANSAL

CHAIRMAN IN-CHARGE AT JNPT



Neeraj Bansal, Chairman in-charge at JNPT, has been presented with the 'Indian Personality of the Year' award. He is an officer of Indian Revenue Service (IT:94) and holds a Post Graduate Degree in Law. After joining Indian Revenue Service in 1994, he worked in the Ministry of Finance in various capacities at Punjab, Haryana and Mumbai. He has more than 20 years of experience in the general managerial capacity in handling the legal, personnel, co-ordination, vigilance administrative matters.

He has vast experience of direct tax administration, investigation, tax-payer service and in formulation of tax-policy and its administration. He has handled the famous Harshad Mehta scam cases and was actively involved in the case of Vodafone India Services Pvt Ltd. He joined as Deputy Chairman at JNPT on 22nd August, 2014. The port has since then recorded a drastic improvement in its operational efficiency and business growth.

JN Port handled 66.00 million tonnes of total cargo during the financial year 2017-18. The containerized cargo was 57.87 million tonnes (87.67 per cent), liquid cargo was 7.19 million tonnes (10.89 per cent) and remaining 0.95 million tonnes (1.44 per cent) was miscellaneous types of dry bulk cargo (cement) and break bulk.

JN Port handled 4.83 million teus of container traffic during the financial year 2017-18, increased by 7.41 per cent from the previous annual container handling of 4.50 million teus during the year 2016-17. Of the total traffic of 4.83 million teus, the share of the Port operated JNPCT was 1.48 million teus (30.66 per cent), the share of NSICT was 0.64 million teus (13.26 per cent), 2.03 million teus (41.96 per cent) were contributed by M/s. Gateway Terminals India Pvt. Ltd. (APMT) i.e. APM Terminals, Mumbai, 0.66 million teus (13.64 per cent) were contributed by M/s. Nhava Sheva (India) Gateway Terminal Pvt. Ltd. (NSIGT) and remaining 0.023 million teus (0.48 per cent) were handled by newly commissioned PSA's Terminal Bharat Mumbai Container Terminal Pvt Ltd. The container handling at JNPT constitutes about 52.91 per cent of total container traffic handled by all the Indian Major Ports (9.14 million teus).

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BANGLADESH – PUTTING LOGISTICS ON THE FAST LANE

Bangladesh is ready to rise and shine, as a slew of mega infrastructure projects will breathe new life into the logistics sector, making it more vibrant

The Bangladesh economy is charging ahead with record growth figures for the second consecutive year in 2017-18, driven by double-digit growth rate in manufacturing and construction sectors. GDP growth in fiscal 2017-18 is likely to be 7.65 per cent, up from 7.28 per cent a year earlier. This is the third consecutive year that the economic growth was above 7 per cent. The industrial sector, whose contribution to the GDP is 33.71 per cent, grew 11.99 per cent against 10.22 per cent in fiscal 2016-17. Manufacturing sector grew 13.18 per cent and agriculture sector grew by 3.06 per cent in 2017-18. As per World Bank report Bangladesh is in a good position for growth right now due to investment, foreign exchange savings and increasing productivity in the industrial sector. This could be the very reason for it to graduate from being a "least developing country" to become a "developing country."

To ensure this growth is unstinted the government is rightly focusing on improving logistics infrastructure to match the pace of manufacturing and exports. The size of the annual development programme in the country rose to Tk 1,64,000 crore in 2017-18, up sevenfold from Tk 22,500 crore a decade ago. Infrastructure investments reached $6 billion in 2016-17 from $2 billion in 2011-12. Some of the logistics infrastructure projects in pipeline are listed below:

A floating terminal at Chittagong Port

A floating terminal is being planned at Chittagong Port, primarily to relieve congestion. It will act as a transhipment point where containers from feeder vessels will be offloaded to smaller ships that will connect to Inland Container Terminals near Dhaka. Vessels from Dhaka and inland terminals across Bangladesh can bring cargo to the floating terminal where containers will be loaded onto vessels bound for Colombo and Singapore. Currently, about 70 per cent of the cargo at Chittagong Port is destined from and to Dhaka. Dhaka based shippers will be able to avoid the congestion at Chittagong Port and on the highways if they use this floating terminal.

ICD near Dhirasram Railway Station

To accommodate the growing containerised traffic at Chittagong Port, a new ICD is planned near Dhirasram Railway station attached to the Dhaka eastern by-pass road. Developed on approximately 55 hectares of land, the ICD will have a handling capacity of 3,54,000 teus. It will have a railway spur of 6 km connecting the ICD with the national railway network on around 26 hectares land.

Industries like readymade garments in particular which are shifting to areas north of Dhaka, the woven mills situated in Mirpur, Tejgaon, Demra and factories on Dhaka-Sylhet Highway, Dhaka EPZ, Savar, Tongi, Gazipur etc. are accessible to the proposed ICD Site at Dhirasram. It is also ideally suited for containerization of Indo-Bangla trade in the near future.

The ICD aims to increase the number of container movements by rail in the key Dhaka-Chittagong transport corridor with regionally competitive transport costs and more reliable movement of import and export cargo. It will promote modal shift for import/export cargo from break bulk movement by truck to container movement by rail.

Laldia bulk terminal

A key constraint faced by Chittagong Port is the lack of any specialist terminals to handle bulk cargo. Currently the bulk cargo is being handled at the existing container terminals; however, this is not a viable long term solution. The lack of dedicated equipment for bulk cargo, and the strong growth of container and bulk cargo volumes are having an adverse impact on ships waiting time and the overall performance of the port. To meet this increase in bulk cargo volumes and improve performance of port operations, government has prioritized the establishment of a dedicated bulk cargo handling facility.

The government has primarily selected Laldia Char as a strategically appropriate location for developing a bulk cargo handling terminal. The terminal will have four jetties, two for container vessels and two for bulk cargo carriers, and is estimated to cost about $301.60 million.

Railway ICD at Gazipur

The government is planning to construct a new ICD for Bangladesh Railway at Gazipur to expand container service across the country. Freight trains can come to the proposed Gazipur ICD from Chittagong and then load and unload their containers for sending to the northern districts.

Redeveloping Inland Container Terminal (ICT) at Khanpur

Situated on the Shitalakhya river in Narayanganj District the ICT Khanpur is spread on an area of 14 acres. It is well connected through inland water transport and can help to relieve the congestion on Dhaka-Chittagong road. It can efficiently handle containers to be transported by inland waterways from/to the maritime ports of Chittagong and Mongla. The ICT has an annual capacity of 80,000 teus.

Inland container river port in Ashuganj

With a second line of credit from India, the Bangladesh government is setting up an inland container river port in Ashuganj that will promote regional and sub-regional trade. Estimated cost of the project is Tk1,293 crore. The port can handle 400,000 teus of containers every year and can be used to connect the seven sister states of India.

Tunnel under river Karnaphuli

About 24 per cent of the work on Karnaphuli tunnel has been completed. The 3.5 kilometres long four-lane tunnel, country's first-ever tunnel, will make Chittagong into 'One City Two Towns', modelled on east and west Shanghai of China.

The total length of the proposed tunnel will be around 9.092 kilometres including 3.40 kilometres tunnel under the Karnaphuli River with an approach road of 4.89 kilometres alongside 740 metres of bridges linking the main port city, and western side of the Karnaphuli along with the heavy industry-prone eastern side of the river. The tunnel will cut the road distance between Chittagong and Cox's Bazar, apart from facilitating the heavy traffic on Dhaka-Chittagong Highway entering the port city to go to other parts of Chittagong division.

With these and many more logistics projects in the pipeline, the shipping community can be assured to experience a more vibrant logistics scenario in the days to come. mg

Chittagong Port: The gateway to Bangladesh and Northeast India

Rising against all odds Bangladesh's hub port is implementing some serious initiatives to reduce dwell time and increase capacity

The bulk of international trade in Bangladesh is generated from the Dhaka-Chittagong corridor where more than a third of the country's economic activity is located. This sentence itself underscores the pivotal role Chittagong Port plays in moving Bangladesh's trade and commerce. Having a draft of 9.1 meters, the average size of container vessels serving the Chittagong Port is 2500 teus to 3000 teus. The Port services 79 per cent of Bangladesh's agricultural imports and exports. The port also moves regional trade for Nepal, Bhutan, and north-eastern Indian states. Of the dry cargo originating from the port 10 per cent moves by rail, 75 per cent by road and 15 per cent by river. Of the total cargo moving through the port 60 per cent is bound for Dhaka. Major imported commodities moving through the port include are food grains, cement, fertilizer, coal, salt, sugar and edible oil.

Expected rise in cargo volumes

The port is served by 19 ICDs that handled 3,15,000 teu import containers, 5,33,000 teu export containers and 6,50,000 teu empty containers in 2017.

In FY2015 the port handled 61 million metric tonnes of cargo which increased to 71 million metric tonnes in FY 2016. Growing trade in the country further propelled the cargo handled to 79 million metric tonnes in FY2017. Considering the rising economic activity in the country, it is forecast that volumes moving through the port will see a three-fold rise in container traffic in next 15 years. By 2020 cargo moving through the port is expected to touch 2.7 million teus, which will further rise to 5.4 million teus in 2040.

Capacity addition

A Bay Terminal is being planned at Patenga coast on 900 acres of land behind the Chittagong Export Processing Zone (CEPZ) allowing big ships longer than 190 meters with a draft of more than 9.5 meters to berth and carry out other activities. Mother vessels having up to 5000 teus will be able to anchor here.

A container terminal on 55 hectres of land is planned at Dhirasram, Gazipur, attached to Dhaka Eastern by-pass road. It will have a handling capacity of 3,54,000 teus per annum. Handling capacity of this ICD will be almost 20 per cent of the container handling capacity of Chittagong Port. A two-way railway line will connect the ICD to the port to enable faster movement of containers, reduce congestion in Chittagong Port as well as in the Dhaka-Chittagong High way corridor.

Direct Port Delivery

Cutting on congestion and dwell time, the port authority is sending more items to ICDs for direct delivery to importers. The number of items under DPD is increased from 28 to 35. This will reduce dwell time from five days to one day. More space will be made available for containers at the port and movement of cargo will become smoother.

Advantage to Northeast India

Bangladesh government has approved use of Chittagong and Mongla Ports for moving goods to northeast Indian states. Previously, it would take 15-20 days for goods to reach Tripura from Mumbai. Via the Chittagong port it will only take 3-4 days.

Born to ease cargo movement

Established to ease the pressure of cargo movement on the Dhaka-Chittagong railway and highway corridors, Pangaon Inland Container Terminal also takes the lead in receiving the first vessel under coastal shipping between India and Bangladesh

The Pangaon Inland Container Terminal is finally winning the hearts of the shipping community. The country's first inland container facility handled 28,702 teus in FY 2018, up by 140 per cent over FY2017. In terms of tonnage, handling of containers rose 126 per cent to 179,000 tonnes during FY 2017-18.

Situated on the Buriganga River in Dhaka's Keraniganj upazila, the Pangaon Inland Container Terminal was inaugurated by Prime Minister Sheikh Hasina in 2013. Built at a cost of Tk 250 crore the terminal's primary aim is to reduce the load on the Chittagong Port and enable easy transportation of export and import goods along river routes. It has 180-metre-long jetty with 55,000-square-metre backup facility to handle export-import cargo containers. The terminal has the capacity to annually handle 116,000 containers. Around 4,500 containers were handled in 2016 which increased to about 20,000 in 2017, but this is still far below the potential of the terminal.

Boosting cargo movement at Pangaon Terminal

A major proposition that makes the terminal attractive is the tariff charged for using the terminal is 50 to 60 per cent lower than that at other ports. To further increase movement of cargo through the terminal the government plans to make it mandatory for part of imported cotton and capital machinery in and around Dhaka to move through the terminal. The government has also slashed various charges at the terminal in the 30-70 per cent range to make it more appealing for the trade. According to the revised tariffs, the charges for moving a 20-foot container using quay-gantry crane have been knocked down by 70 per cent to Tk 300. The harbour crane charge for each move has been halved to Tk 240 from Tk 480. Empty container handling using cranes will come to Tk 180 against Tk 240. The loading and discharging of FCL (Full Container Load) will now cost only Tk 450 as against Tk1,500. The same services for LCL container (Less than Container Load) stand at Tk 1,335, following a 70 per cent cut. Charges for loading and discharging of empty containers stand at Tk 225 against Tk 750. The charges for stuffing and de-stuffing of containers have been cut by 50 per cent to Tk 150. Charges for lift-on and lift-off containers remained unchanged at Tk 600. The storage charges for loaded containers up to seven days stand at Tk 500.

While the slash in charges has appeased the shipping community, but they have also asked for greater frequency of vessels plying between Chittagong Port and the terminal. Currently only one ship moves every three days between the destinations. Expanding the roads and bridges leading to Pangaon Terminal into four lane can further smoothen movement of cargo.

Pioneering Indo-Bangla coastal movement

The terminal added another feather to its cap when the first container ship, MV Nou Kollan-1, arrived from Kolkata last year under the Coastal Shipping Agreement between Bangladesh and India. The direct movement of ships between the two countries has reduced the shipping time from 30-40 days to 4-10 days. Highlighting the potential of the terminal Indian High Commissioner to Dhaka Harsh Vardhan Shringla said, the terminal can also emerge as an alternative to Ashuganj River Port for transhipment of goods to Northeastern India. It can also decongest the roads and land Custom stations through which most of the bilateral trade has been taking place.

A promise of better connectivity

With increased capacity and better connectivity, shippers can rely on Mongla Port to escape the congestions that have always delayed their shipments

The second largest container port in Bangladesh is expanding capacity by 42 per cent to 100,000 teu in the near future to meet the rise in traffic. Of this, 30,000 teus capacity will be ready with the commissioning of two berths slated for completion in 2020. This capacity addition will particularly be needed as traders look for alternatives to Chittagong Port. As the bridge over River Padma completes it will boost hinterland connectivity, particularly to Dhaka which is closer to Mongla than Chittagong Port. The bridge will open up import/export opportunities for a variety of goods including apparel and jute. Development of Khan Jahan Ali Airport in close vicinity will also attract more cargo to the port.

The port expects traffic to grow to 3,39,000 teu by 2019-20, which will further increase to 7,62,000 teu in 2050. A thermal power plant being set up in Rampal and set to commission by March 2021 will further add to the cargo being imported through the port.

To further make Mongla Port more attractive to shippers the port authority has reduced its charges below those at Chittagong Port. The channel to the port is being dredged to further increase the draft from 7.5 meters to 10 meters so that larger ships can be brought in. A logistics challenge at the port was lack of rail connectivity which is being resolved by connecting the port to Bangladesh rail network and tracks will be laid from Khulna to Mongla.

The government has initiated mega projects worth Tk 10,000 crore at the port which include construction of container terminal jetty 1 and 2, construction of container handling yard, container delivery yard, shade, security wall automation and other infrastructures, including extension of the port, service vessel jetty shade and office. An economic zone is being constructed on 205 acres near the port, railway lines from Mongla to Kolkata via Nepal and Bhutan are being laid and necessary link-roads for enhancing regional connectivity will be developed. Modern facilities will be developed at the port using Tk 6,500 crore, of which, Tk 6256 crore will be provided by India under its third line of credit.

Recently Bangladesh and India have inked an agreement for using Mongla and Chittagong Ports for connecting to North Eastern states. The agreement will be effective for five years with a provision of auto renewal for another five years. Four routes are suggested for the goods movements which include – Chittagong Port/ Mongla Port-Agartala via Akhaura; Chittagong/Mongla-Daouki via Tamabil; Chittagong/ Mongla-Sutarkandi via Sheola; and Chittagong/Mongla-Bibekbazar via Simantapur. mg

Calling on the mother vessels

The first deep seaport of the country has a lot to offer in terms of better connectivity and reduced shipping cost and time for the exim community

Located in southern Bangladesh on the Ramnabad channel near the Bay of Bengal, the Payra Port is destined to fulfil the need for a deep sea port in Bangladesh. It will have a draft of 16 meters to welcome larger ships, ultimately eliminating the need for cargo to be transhipped via Singapore or Colombo. The development of the port is divided into short, medium and long-term plans. Under the short-term plan operations of the port with atleast 2.5km terminal are set to begin by the end of 2018. Cargo will be off-loaded from mother ships at outer anchorage and transported to hinterland through river routes. The mid-term plan includes making the port fully operational with a minimum 10km container and bulk terminals and associated facilities by 2023. The long-term plan includes establishing an export economic zone, airport, port city, dock yard, shipyard, eco-tourism. In addition to container handling, coal is said to be the second base cargo for the port as five coal-based and one LNG-based power plants with a capacity of 9,000 megawatt of electricity will be built near the port. The five plants will require 20 million tonnes of coal a year that will be primarily moved by the port.

The port will also have a bulk terminal to handle coal, a container terminal, and oil and LNG terminals. It is expected to handle 75,000 containers a year when it becomes fully operational. This capacity is five times more than the existing other sea ports. From the outer anchorage of the port imports can be easily sent to Dhaka, Narayanganj, Khulna, Barisal and other places.

The port authority has inked a dredging contract worth $600 million with Jan De Nul. Vessels with draught of up to 11 metres will be able to berth at the seaport at high tide once the first phase of dredging is completed by 2020. The second and third phases are likely to end by 2022, facilitating the entry of ships with draught of up to 14 metres to the seaport.

Chittagong and Mongla Ports can handle vessels with a draft of 8.5 meters, necessitating use of feeder vessels that adds to the cost and time. Transhipping via Singapore or Colombo, it takes almost a month for shippers to send a consignment to Europe. But if a deep sea port is developed that can let-in mother vessels then a lot of time will be saved in exports, also eliminating the use of feeder vessels. Currently, shippers have to wait weeks together to catch feeder vessels that connect mother vessels moving on the east west trade lane. Besides, an economic zone and an airport will be set up near the port.

The Ministry of Shipping is developing Payra Port with proper rail, road and waterway connectivity to Dhaka where garment industry is concentrated and most of the imports and exports also originate from the capital city. Bangladesh Railway has recently roped-in DP Rail from UK to develop 240km rail line between Dhaka and Payra seaport. The port authority hopes the seaport will help establish a new north-north economic corridor and transform the entire south-central zone of the country. The north-eastern states of India along with the landlocked Himalayan nations of Nepal and Bhutan will be able to use the port and it can become the centre of the proposed Bangladesh, China, India and Myanmar-Economic Corridor. mg

What ails Bangladesh trade growth?

Trade community and stakeholders in the shipping and logistics sector of Bangladesh pinpoint at critical issues that need to be immediately resolved to ensure unhampered trade and economic growth in Bangladesh and South East Asia

A promising country with plenty of opportunities in trade, Bangladesh is ushering new heights. However these bundle of opportunities have not been fully utilized. Bangladesh has been witnessing progressive growth but hampered by many bottlenecks over the years. In this background Maritime Gateway in association with Drewry has conducted an extensive survey to dwell upon and unveil facts collected from all stakeholders of shipping and logistics industry to bring to the notice of government, the pain points that need to be relieved.

Bangladesh has registered a volume of 2,566,597 TEUs in CY 2017 with a rise of more than 9 per cent year-on-year growth against CY 2016 volume by clocking CAGR of around 10 per cent during CY 2008-2017. The country's merchandise exports are majorly dominated by garments with around 80 per cent share. The country's 90 per cent of the total cargo is being handled at Chittagong Port.

Shipping and logistics industry growth is majorly driven by investment in the improvement of port infrastructure, transportation, information technology (IT), storage, handling and custom clearance facilities...etc.

In a competitive world, reduction in logistics cost is of prime importance for all type of businesses. In mercantile trade businesses logistics components are vital starting from inland connectivity to cargo handling at ports to custom/legal procedures. *(Ref Figure - 01)*

Bangladesh with ever rising garment exports is plagued by high logistic cost and time delays. The survey ranks the absence of adequate port capacity as a critical factor

FIGURE - 01

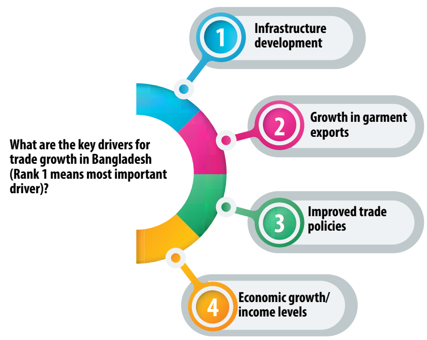
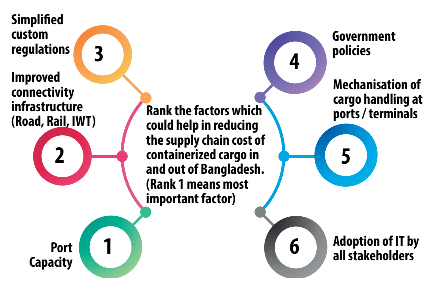


FIGURE - 02



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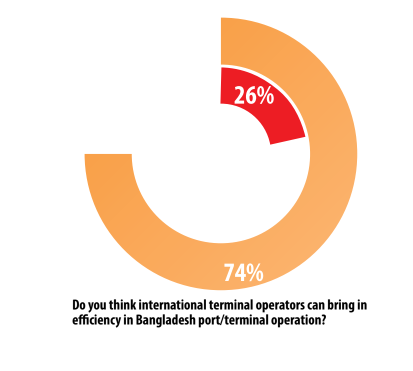
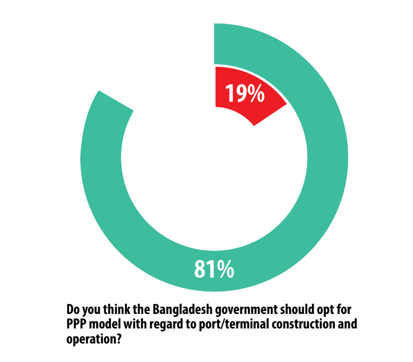


FIGURE - 04



for the high supply chain cost of containerised cargo moving in and out of Bangladesh. Capacity constraint at the port, especially at the Chittagong port is so wretched that the export containers are moved directly from CFS to the quay crane hook. The second factor affecting the cost is port connectivity infrastructure like road, rail and inland waterway.

Now the question arises why capacity constraints have been hampering Bangladesh's international trade? Why is it not being addressed? Through survey results, delay in decision making is the primary cause for this sorry state of affair at the ports. For example, The New Mooring Container Terminal (NCT) remained unutilised for years after the construction was completed in 2007 due to delays in decisions for the appointment of an operator and purchase of equipment. Apart from port congestion, delay in custom clearance was highlighted as key factor affecting importers and exporters of Bangladesh with additional cost.
(Ref Figure - 02)

When asked whether international terminal operators can bring in efficiency in Bangladesh port/terminal operation? 74 per cent respondents supported that international terminal operators can improve efficiency. They also mentioned that PPP model of operating terminals is already a proven model worldwide and the same can help in Bangladesh. Expertise of well-established and well experienced global port operators will definitely boost the performance of ports and the customer-friendly approach, digitization, advanced cargo handling equipment's which they use will append for betterment of ports.
(Ref Figure - 03)

Opting for PPP model was chosen by many respondents for the quick turnaround at existing/upcoming ports and terminals in Bangladesh. 81 per cent of the respondent's choice is to go for PPP model. The reasons mentioned are foreign investments will help Government to get money flow for the swift action in development of Projects. Few also expressed that delays in action, implementation can be eliminated in this model for betterment of trade.
(Ref Figure - 04)

Decision-making delays, lack of planning and political factors are considered as major reasons by respondents for the lag in logistic projects implementation. About 70 per cent of freight movement at Chittagong Port originates and is destined for Dhaka region and rest 30 per cent for Chittagong region. In case of Dhaka to Chittagong transportation, time taken by a truck should be ideally nine hours but mostly it takes more than a day, increasing the cost and time for shippers. These congestion issues

FIGURE - 05

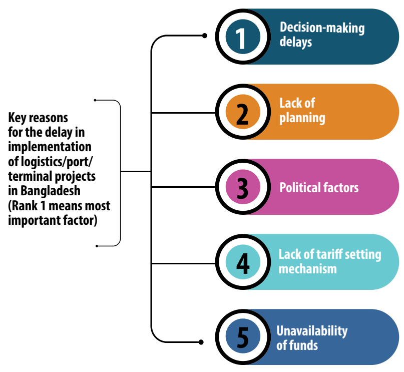
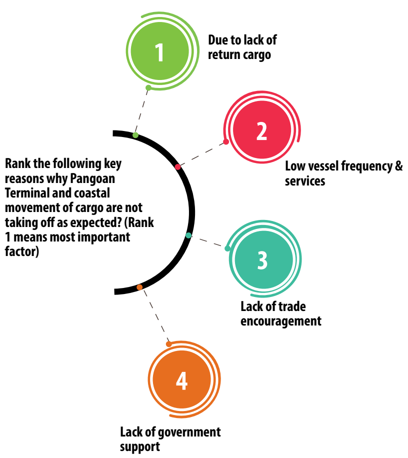


FIGURE - 06



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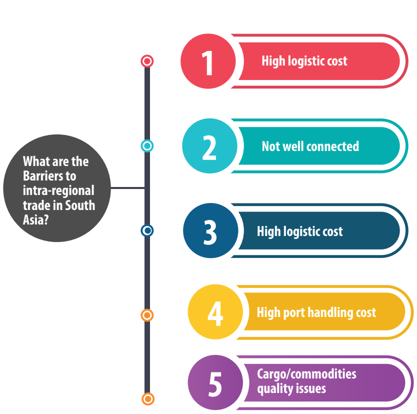
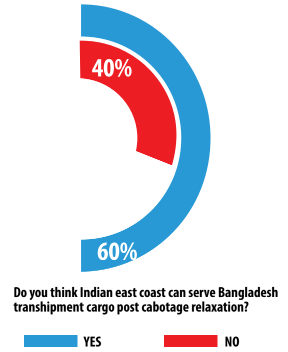


FIGURE - 08

FIGURE - 09



deteriorate and create chaos in transportation of exim cargo.

(Ref Figure - 05)

Apart from the above mentioned reasons affecting shippers with additional cost, lack of mechanization at ports also plays a vital role in increasing cost for the shippers in Bangladesh. Installation of advanced cargo handling equipment can resolve the issues and improve the efficiency in port handling. Lack of direct port calls is also a concern, as Bangladesh is losing revenue to neighbouring countries due to its inadequate draft in welcoming bigger vessels. Siltation at river-based ports and high cost of dredging adds to the operational costs.

(Ref Figure - 06)

Lack of return cargo is the major reason highlighted by respondents when we asked about why Pangoan Terminal has not grown as per expectations? However the same reason is applicable to the country's trade as there has been wide gap in between exports and imports. Vessel frequency and new services need to be improved at the terminal for the rapid growth of volume. One of the key reasons is lack of trade encouragement for this emerging terminal to serve the trade fullest.

(Ref Figure - 07)

Political challenges and issues ranked top in intra-regional trade barriers in south Asia. Hopefully all countries should step forward in resolving these barriers for the betterment of trade flow among all south Asian countries. Then the next challenge is connectivity issue among south Asian countries as regional ports are not well connected. High logistics cost also plays a major role in slow growth in intra-regional trade in south Asia.

(Ref Figure - 08)

About 60 per cent of the respondents voted for Indian east coast to serve Bangladesh transhipment cargo. Indian east coast is strategically closer to Bangladesh ports and can help in reducing logistic cost, increase turnaround time, improve connectivity and promote healthy competition among transhipment hubs with competitive tariffs. However, shippers in Bangladesh are also concerned about high congestion issues at Kolkata and Haldia ports. A majority of respondents called for developing a deep draft port in Bangladesh to handle its own cargo more effectively.

(Ref Figure - 09)

Take aways:

Due to its locational advantage, Bangladesh can play a key role in south Asia regional trade and logistics. Improvements in intra-regional trade relations can augment exports and cut import costs. Bangladesh has increased its global market share by two fold in exports in the last decade. However, the potential is much higher. Bangladesh has enormous potential to increase trade with its neighbours as most of its trade with neighbouring countries is only less than half of its current potential. Key barriers like poor infrastructure, congestion issues, port calls, marinating draft, political issues, project implementation delays, lack of storage capacity, transport services, connectivity issues and clearance delays need to be addressed immediately to bolster Bangladesh to become more competitive regionally and globally. mg

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Facilitating international trade

"To enhance trade between Bangladesh and India, both the countries should give more emphasis on connectivity, development of infrastructure, initiating confidence building and people to people contact," avers **Md Rezaul Karim, Chairman, Shippers' Council of Bangladesh**, as he details on the reforms being brought into the logistics sector to ensure smooth movement of cargo

Q Tell us about the role of Shippers' Council of Bangladesh in promoting the export/import trade of Bangladesh?

A Since inception, SCB has been playing a very important role in the international trade. In fact, SCB initially used to facilitate export of jute. With the change of global trade scenario over the years, role of SCB has not only changed but has become manifold, especially with the opening of major export of RMG. SCB is only the Trade body in the Country that circulate Trade information with the publication of SCB Journal SHIPPERS' NEWS regularly. Earlier, SCB coordinated between local shippers and foreign MLOs. But now it is also bringing concerned public and private agencies across the table to resolve vital export trade related issues. SCB is also one of the active partners of regional and global shipper's council. Thereby it significantly contributes in facilitating trade.

Q What are the key logistics challenges the trade community in Bangladesh is facing currently?

A Logistics challenges the trading community is facing in Bangladesh are not only too complex but also diverse due to new dimensions of business within & beyond. Major logistics challenge is to ensure trade facilitation with increased capacity building & credibility including skill development. As per WB Logistics Performances Index Report-2018, regulatory and legal framework with regard to Customs, infrastructure, ease of arranging shipment, quality of logistics services, timeliness, tracking cum contracting etc. require improvement. These areas need to be efficient enough to simplify trade related issues.

In spite of digital plan, members of the community have to run after the capital for ordinary business. Load bearing scale at highway causes shipping delay with foreign trade cargo to & from Chittagong Port. Extra security lock in addition to international norm with MLOs, etc. cause huge extra money for doing business keeping us uncompetitive.

Q While Bangladesh is the world's second largest exporter of readymade garments, which are the other commodities that have the potential to boost the country's exports?

A Globally our market share in RMG export is around 6.5%. On the other hand, RMG accounts for 81% of our exports. Other exports include jute and jute goods, leather and leather goods etc. Pharmaceutical products, IT products etc. are emerging as new exportable. A large variety of seasonal fruits with high food value produced in the country can be another exportable item. We have surplus potato which can be processed for export. High value agricultural products are another source of export.

Blue economy can be a new prospect for our flourishing economy. For the time being Marine Fish Resources could be utilized with huge contribution to export basket through deep sea fishing.

Our exports in the region is around $7.6bn which can easily be increased to US$ 18.9bn as reported by WB, subject to easing of trade barriers through dialogue with major trading partners to facilitate bilateral benefits.

Q Synchronizing feeder vessel movements with the scheduled movements of mainline vessel at transhipment ports has been a concern. How can this be resolved?

A Over the years, major MLOs & FOs (Feeder Operators) have been merged for survival. Since, mother vessels normally do not call on our Port, we have no option but to be with transshipment ports in the region as per schedule to protect our economy. It is very difficult for us to join MLO club. On the other hand, local FOs like HRC, QC, Atlas, BSC & others no more exist. Procurement of vessels by BSC may be viable, subject to efficiency. But that may not happen. Shipping business is too capital intensive. Local investors find it very difficult to be engaged in such business. Since, there is no local FO, initiative with local ship building industry through tripartite contract & special rate of interest may encourage honest investors. Feeder Trade with JV may be another option for connectivity with relay ports.

Q A major problem the garments industry faces is it has little control over logistics services which impacts the inbound and outbound supply chain. How can the supply chain be improved?

A It is true that inbound and outbound supply chain is not within the control of garment and other industries. But situation is gradually improving, Law enforcing agencies are doing their best to ensure smooth movement of goods to and from the ports. Transport sector is also being disciplined gradually.

Q Goods moving through the Petrapole/Benapole border often face delays due to lack of infrastructure. How can the cross border movement of cargo be expedited?

A A huge trade between Bangladesh and India is conducted through Benapole and Petrapole land ports. But these two ports suffer from lack of infrastructural facilities. According to many studies, the existing challenges these two ports face are : insufficient operation hours, low storage capacity, broken internal roads, water logging, lack of fire fighting equipments, inadequate equipments, insufficient transport and space facilities, lack of surveillance, absence of CCTVS, inefficient regulatory and administrative procedure, lack of digitization. Removal of these problems will greatly enhance the bilateral trade.

Q In your opinion how can the Indo-Bangla trade be further improved?

A Despite immense potentiality, Indo-Bangla trade remains below expected level. Here the barriers are many. High tariff, Para tariff and non-tariff barriers, lack of connectivity resulting is high cost and confidence gap in the international border are the main barriers. In order to enhance trade between Bangladesh and India, both the countries should give more emphasis on connectivity, development of infrastructure, initiating confidence building and people to people contact. Recently railway connectivity project has been taken up to connect Agartala in India with Akhaura in Bangladesh. Another railway connection project between Chilahati in Bangladesh and Jatpaignri in India has been taken. Border trade is contributing to enhanced trade. Moreover, attempts are also being made to execute SAFTA. There is a sensitive commodity list in India which is a barrier to our export. With a view to increasing trade between two countries the list has to be revised so that Bangladesh's basket of export may be increased. I think, the over all progress in indo-Bangla trade is in the right direction.

Q While the global shipping and logistics industry is embracing Artificial Intelligence and Block chain technology, what is the level of digitalisation in the shipping and logistics sector of Bangladesh?

A In order to remove inconvenience, and to face challenges in port and logistics industry, automation has been brought in both freight-port terminals and in land freight terminals. A unique system for overall port and logistics management called Terminal Information Management System (TIMS) has been introduced. TIMS, a web based end-to-end integrated port automation solution offers services like- Handling vessel and cargo movement activities in and out of the port, Real time information about freight, Managing gate operations, Overall port facilities and equipment management, Cargo and logistics information network.

Land Port Management System (LPHS) a full-fledged information management system for land ports was implemented to automate Benapole Land Port. It has dashboard driven secured login modules for various types of users; the main warehouse inventory module; the posting branch module; the Transshipment module; the assessment and billing module; a bank sub-module/plugin; a sub-module for truck entry.

TIMS is a full feature Terminal Management System for sea ports. Through this system Berth operator is able to handle the container information easily and manage freight efficiently. The whole Yard Network have Wifi technology for device accessibility where users can use hand-held devices for various operations from the yard. mg

S O U T H   A S I A   C O N T

Container Terminal Name	Called as	Operator/Owmer	Year of Commis-sion	Draft (m)	Berths	Quay Length (m)	Installed Ca-pacity (TEUs)
SRI LANKA							
Jaya Container Terminal	JCT	Sri Lanka Ports Authority	1985	12-15	6 (4 Container Main Berths & 2 Feeder Berths)	1292 + 350 Feeder Quay	2,000,000
Unity Container Terminal	UCT	Sri Lanka Ports Authority	1998	9-11	3(2 container berths, 1 multi purpose berth)	590	300,000
South Asia Gateway Terminal	SAGT	South Asia Gateway Terminals (Pvt) Ltd. (John Keells Holdings, APM Terminals, Sri Lanka Ports Authority and Peony investments (Evergreen Group subsidiary)).	1999	15	3	940	2,000,000
Colombo International Container Terminal (Cict)	CICT	Colombo International Container Terminals Ltd(China Merchants Holding (International) Co. Ltd and SLPA)	2013	18	4	1,200	2,400,000
BANGLADESH							
General cargo berth	GCB	Chittagong Port Authority (CPA)	1954	8.5	12	NA	800,000
Chittagong container terminal	CCT	Chittagong Port Authority (CPA)	1987	8.5-9.2	3	450	600,000
New Mooring Container Terminal	NCT	Chittagong Port Authority (CPA)	2015	9.5	5	1,000	900,000
Pangaon Inland Container Terminal	PICT	Bangladesh Inland Water Trans-port Authority (BIWTA) & Chit-tagong Port Authority (CPA)	2013	4.5	2	180	116,000
Mongla Port Container Handling		Mongla Port Authority	2010	9	5	NA	70,000
PAKISTAN							
Gwadar International Terminal	GITL	China Overseas Ports Holding Company	2006	14.5	3	600	137,000
Qasim International Container Terminal	QICT	DP World	1997	14	3+2	712+670	1,325,000
Pakistan International containter terminal	PICT	Pakistan International Containter Terminal Pvt Ltd	2005	13.5	2	600	750,000
Karachi Internantional Container Terminal	KICT	Hutchison Port holding (HPH)	1996	13.5	3	963	900,000
South Asia Pakistan Terminal	SAPT	Hutchison Port holding (HPH)	2017	16	4	1500	3,100,000
MYANMAR							
MIP Container terminal	MIP	Myanmar Industrial Port	2003	13	4	910	500,000
Mayanmar International terminal thilawa	MIIT	Hutchison group	1997	9	5	1000	815,556
Asia world port terminal	AWPT	Asia World Port Management Co., Ltd (AWPM)	1996	9	4	852	300,000
TMT Ports	TMT	KT Services & Logistics Co.,Ltd	2016	9	3	457	3,500

A I N E R   T E R M I N A L S

Through-put (CY 2017)/ FY2018 TEUs	Capacity Utiliza-tion (%)	Terminal/ Yard Area (Hectares)	Total Ground Slots (TGS)	Reefer Plugs	Quay Cranes	Rubber Tyred Gantry Cranes (RTGC)	Rail Mount-ed Gantry Cranes (RMGC)	Reach Stackers	Fork Lifts
2,010,702	87.42	45.5	9800	1548	20(14 Panamax and 6 Super post panamax)	59	4	12	24
		1.53	1020	NA	3	8	NA	2	NA
1,809,835	90.49	20.00	5544	540	12(3 Post Panamax, 6 Super Post Panamax (single lift), 3 Super Post Panamax (twin lift))	31	NA	2	2
2,388,531	99.52	57.00	NA	1150	12	40	NA	2	NA
978,444	122.31	NA	NA	NA	Mobile Harbor Cranes	NA	NA	NA	NA
1,187,877	197.98	15.00	NA	210	4	19	2	26	24(fork lift truk 5, fork lift (spreader) 19)
393,678	43.74	22.00	NA	NA	Mobile Harbor Cranes	NA	NA	NA	NA
10,462	9.02	5.50	NA	48	NA	NA	NA	NA	9
26,952	38.50	3.50	NA	NA	6 Mobile Harbor Cranes	NA	NA	2	24
70,000	51.09	5.00	NA	400	6	2	NA	2	12
1,155,138	87.18	24.00	NA	1000	9	27 + 6	NA	12	NA
796,960	106.26	21.00	3910	428	2 Post Panamax and 4 Super Post Panamax	20	NA	11	16
899,600	99.96	26.03	NA	480	11	29	NA	10	8
552,833	17.83	85.00	NA	1000	8	33	NA	NA	NA
385,900	77.18	85.00	5500	360	4	24	NA	25	35
200,000	24.52	75.00	4239	108	4	12	Nil	7	15
428,000	142.67	12.14	3910	108	2	8	NA	NA	NA
43,494	1242.69	9.70	3372	19	1	3	2	NA	3

Container Terminal Name	Called as	Operated by	Year of Commis-sion	Draft (m)	Berths	Quay Length (m)	Installed Ca-pacity (TEUs)
INDIA							
APM Terminals Pipavav	GPPL	APM Terminals Pipavav	2002	15.5	2	735	1,350,000
Mundra International Container Terminal	MICT	DP World	2003	14.5	2	632	1,300,000
Adani Mundra Container Terminal	AMCT	Adani Ports & SEZ Ltd	2007	17.5	2	631	1,200,000
Adani International Container Terminal	AICTPL	JV of Adani Ports & SEZ Ltd and MSC	2012	17.0	4	1460	3,000,000
Adani CMA Mundra Terminal	ACMTPL	JV of APSEZ and CMA CGM SA	2017	16.5	2	650	1,300,000
Adani Hazira Container terminal	AHCT	Adani Ports & SEZ Ltd	2012	13.0	2	637	1,000,000
Kandla International Container Terminal	KICTL	ICTIPL & JM Baxi Group	2016	13.0	2	545	600,000
Jawaharlal Nehru Port Container Terminal	JNPCT	Jawaharlal Nehru Port Trust	1989	14.0	3	680 & 445	1,500,000
Nhava Sheva International Con-tainer Terminal	NSICT	DP World	1999	14.0	2	600	1,200,000
Nhava Sheva India Gateway Terminal	NSIGT	DP World	2015	14.0	1	330	800,000
APM Terminals Mumbai	GTIPL	APM Terminals and CONCOR	2006	14.0	2	840	1,800,000
Bharat Mumbai Container Terminals	BMCTPL	PSA International	2018	16.5	3	1000	2,400,000
New Mangalore Port	NMPT	New Mangalore Port Trust	NA	NA	NA	NA	NA
Mormugao Port	MPT-C	Mormugao Port Trust	NA	13.1	1	250	NA
Vallarpadam International Con-tainer Transhipment Terminal	ICTT	DP World	2011	14.5	2	605	1,000,000
Paradip Port	PICT	ICTIPL - JM Baxi	2018	17.1	1	450	NA
Chennai Container Terminal	CCTL	DP World	2001	15	4	885	1,200,000
Chennai International Terminal	CITPL	PSA Chennai	2009	15.5	3	832	1,250,000
Adani Ennore Container Terminal	AECTPL	Adani Ports & SEZ Ltd	2017	18.0	1	400	800,000
Visakha Container Terminal	VCTPL	ICTIPL & DP World	2003	16.5	2	450	700,000
Krishnapatnam Port Container Terminal	KPCT	KPCT	2012	16.5	2	650	1,200,000
Kattupalli International Container Terminal	KICT	Adani Ports & SEZ Ltd	2013	14.0	2	710	1,200,000
Bharat Kolkata Container Termi-nal	BKCT	PSA International Provides O & M services	1979	8.5	5	812	850,000
Haldia International Container Terminal	HICT	ICTIPL - JM Baxi	1977	8.5	2	432	250,000
PSA SICAL Tuticorin Container Terminal	TCT	Sical and PSA International	1999	10.9	1	370	450,000
Dakshin Bharat Gateway Termi-nal	DBGT	Dakshin Bharat Gateway Terminal Pvt Ltd	2014	12.8	1	345	600,000
PSA - Kakinada Container Terminal	KCTPL	Bothra Shipping, Kakinada Infrastructure Holdings and PSA Chennai Investments	2015	14.5	1	300	100,000
Mumbai Port - Containers	MbPT-C	Mumbai Port	NA	NA	NA	NA	NA

Yard Area (ha)	Throughput FY 2017-18	Total Ground Slots (TGS)	Reefer Plugs	Quay Cranes	RTGC	RMGC	Reach Stackers	Fork Lifts	Capacity Utilization (%)
36.00	703,000	3409	525	3 Panamax and 5 Post Panamax	20	4	9	2	52.07
25.00	1,089,155	5400	366	4 Super post panamax and 2 Post panamax	18	2	2	4	83.78
16.70	1,286,714	4014	366	6 Super Post Panamax	20	NA	3	NA	107.23
65.00	1,571,800	13903	405	15 Super Post Panamax	45	3	3	NA	52.39
28.00	530,742	6500	400	4 Super Post Panamax	12	NA	NA	NA	40.83
20.00	500,879	3500	120	4 Post Panamax and 2 Super Post Panamax	16	NA	2	NA	50.09
18.74	117,162	NA	48	4 Super Post Panamax	8	NA	4	NA	19.53
61.5 & 9.9	1,481,768	10482	576	9 Super Post panamax	18	5	10	3	98.78
25.84	641,122	6222	778	6 Post Panamax and 2 Super Post Panamax	29	3	3	2	53.43
27.00	659,000	NA	336	4	12	0	1	NA	82.38
52.00	2,027,896	9723	880	10 Post Panamax	40	3	2	6	112.66
90.00	23,212	9366	1620	12	4	36	NA	NA	0.97
NA	115,498	NA	150	Mobile Harbour cranes	NA	NA	3	NA	NA
1.50	21,018	489	84	2 Mobile Harbour Cranes	NA	NA	2	NA	NA
12.00	514,997	2500	450	4 Super Post Panamax	15	NA	3	NA	51.50
4.80	6,334	NA	15	3 Mobile Harbour Crane	2	NA	2	6	NA
18.00	646,482	3960	355	8 Super Post Panamax	23	3	2	1	53.87
35.00	901,584	5424	306	3 Post Panamax and 4 Super Post Panamx	18	NA	6	NA	72.13
NA	2,638	4000	NA	4 Super post panamax cranes	12	NA	1	NA	0.33
16.40	388,289	2500	204	2 Panamax and 2 Post Panamax	6	0	5	3	55.47
36.00	481,716	5000	400	5 Super Post Panamax	9	0	10	2	40.14
20.00	493,260	5120	360	6 Super Post Panamax	15	NA	3	4	41.11
13.30	640,182	3000	NA	Mobile Harbour Cranes	NA	NA	9	NA	75.32
9.00	156,690	3000	NA	2 Panamax	4	NA	2	NA	62.68
4.00	495,264	1000	84	3 Post Panamax	8	0	2	1	110.06
6.50	201,093	400	NA	3	9	0	2	0	33.52
5.00	21,338	400	90	2 Post Panamax	0	0	2	NA	21.34
NA	42,387	NA	NA	NA	NA	NA	NA	NA	NA

The next generation PCS

The next generation PCS is being designed to be more scalable and flexible. It offers tremendous features such as customised dashboard, open architecture and interoperability

The first port community system platform was introduced in India in 2007, when quite many ports were beginning to exchange information with shipping lines on the vessel management system and few smaller functions. However, the system was never implemented in its full scope as this would have meant upgrading a number of processes and bringing on board all stakeholders from the Customs to the freight forwarders and dry ports on one page.

The reason for which PCS 1.0 failed to achieve desired result was lack of participation by all stakeholders. It was not mandatory for freight forwarding community to be a part of PCS. Secondly, only few sections became a part of PCS as a result, the PCS system failed to deliver to its full potential. The initial version of PCS was confined only to produce vessel profiling and generation of via/ rotation number which didn't add much value to the trade because still a major part of the practice was done manually.

Overcoming these deficiencies is PCS 1X being developed by Portall. It is being prepared after close examination of the application architecture and systems architecture of the existing PCS 1.0. PCS 1X will be Cloud-based with frame design that eases use of value added systems. There will be certain value additions such as auto popup of fields, interconnectivity of systems, development of APIs and support mechanism. " In fact, one of the first things we did when we got the contract was the APIs. Putting a PCS together and ensuring reach to the last constituent of trade is what will make it successful," says **Abhijit Desai, Chief Executive Officer, Portall**. It will enable sharing of information and basic grass root level usage as well. For this a hybrid model is adopted wherein a dashboard enables a user to access the data from PCS and your personal system as well, enabling the user to perform actual transactions.

It creates a document production platform and message exchange mechanism and a lot of effort has been put to ensure standardisation. It creates an open architecture wherein specific solutions with a single sign-on can be brought onto the same platform. Convergence of data, systems, functionalities and their interoperability is ensured in PCS 1X. A workflow also has been designed so that the user knows easily what to do? When to do and how to do? A payment aggregator platform has been introduced wherein you can pay to multiple parties from a single source.

"PCS 1X is in line with the need for interoperability. Globally most of the developed countries have a robust PCS and they have an ecosystem of technology service providers who ensure that the country meets the standards. Today technology has to have open APIs but it should be secure as well," says **Liji Nowal, MD, Odex India Solutions Pvt Ltd**.

Shippers will benefit from seamless tracking of containers and vessel movement using the mobile app. Each stakeholder can use a customised dashboard. Processing and approval process will be expedited and delays will be minimised as the upgraded platform enables for setting reminders. It saves the pain of contacting and follow-up with multiple stakeholders as shippers and other parties in the loop can access summary of all declarations made, vessel information and container loading details on 24X7 basis.

PCS 1X is designed to be highly flexible and scaleable. The message exchange system translates any request into appropriate message type and routes it to appropriate provider. System changes do not have a ripple effect, i.e., if changes are made in one system, other systems will not be affected. A striking feature of PCS 1X is that it integrates IT environment faster and more securely by converting and transforming between different protocols and data formats.

"Looking at the diversity of our country where data is entered in several languages, one unifying language is the binary code and when brought onto a platform it brings out all the efficiencies," says **Vijay Minocha, President, Asia Pacific, INTTRA Pte Ltd** mg