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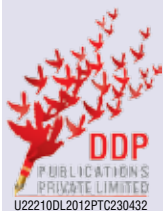
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46% OF AIR CARGO INDUSTRY READY FOR TRANSPORTATION OF VACCINES: TIACA & PHARMA.AERO

TIACA, together with Pharma.Aero released a special report for air cargo, pharmaceuticals and life sciences professionals detailing the requirements and airfreight preparedness for COVID-19 vaccines transportation. The Sunrays project report shows that 46 per cent of air cargo industry stakeholders, including airlines, freight forwarders, ground handlers, airport operators and IT solution providers, now feel well prepared for the transportation of COVID-19 vaccines, a significant increase compared to only 28 per cent feeling ready two months ago. Although the improvement is seen across the whole industry, ground handlers, who were the least prepared in September, reported the strongest jump in preparedness. "Industry has clearly stepped up its efforts to get ready for the largest logistics effort ever seen and with 79 per cent feeling more prepared than three months ago, we applaud the readiness progress the air cargo community has made," stated **Nathan De Valck**, Chairman of Pharma.Aero's Board of Directors and member of the Sunrays project.



ASIA-PACIFIC REGISTERS 3.2% GROWTH IN AIR CARGO BUSINESS BETWEEN OCT & DEC

According to data provider WorldACD, air cargo's gradual demand recovery slowed in November, but there were signs that volumes were picking up again in December. The company's data for the month of November shows that in 'a year like no other' volumes declined by 12.6 per cent year on year but rates experienced their strongest increase since the months of April and May. The demand decreases lags behind performance in October, with volumes down by two per cent. Despite this, rates were on the up. "Yields/rates in November are usually about four per cent above those in October; this year the increase was 11.2 per cent, from US\$2.97 per kg to US\$3.30," WorldACD said. WorldACD added that overall capacity went up by one per cent from October to November, with freighter capacity decreasing by one per cent and cargo capacity on passenger aircraft increasing by three per cent. "Asia Pacific was the only origin region growing its air cargo business between October and November by 3.2 per cent," the data provider said. "Not surprisingly, given the large orders of PPE-goods, shipments above 5,000 kgs grew year on year, whilst all smaller weight breaks lost between 16 per cent and 29 per cent year on year."



AGILITY, ARAMEX, HELLMANN & K+N JOIN HOPE CONSORTIUM TO DELIVER VACCINE DOSES

The newly launched Hope Consortium, a UAE-based public-private partnership, has bolstered its distribution reach following a strategic agreement with leading international freight forwarders. The latest consortium partners, which include Agility, Aramex, Hellmann and Kuehne + Nagel, will help address the different steps of the logistical challenge, including 'last mile', with a capacity of billions of SARS-CoV-2 vaccine doses by the end of 2021. Spearheaded by the Department of Health – Abu Dhabi, the Hope Consortium appointed these global transport companies based on their expert abilities and reach to safely and effectively deliver vaccine doses under cold and ultra-cold conditions (temperature bands 2-8° C, -20° C and -80° C) between transportation hubs, warehouses, medical facilities and other final destinations in over 170 countries.



BUDAPEST AIRPORT HANDLES 13,864 TONNES IN NOV, RECORDS 6.3% MORE THAN A YEAR AGO



Despite the global challenges experienced in 2020, Budapest Airport handled 13,864 tonnes of air cargo this November, which is 6.3 per cent more than a year ago and the strongest monthly cargo performance on record. Meanwhile, the volume of goods received and launched from January to November 2020 has exceeded 120,000 tonnes. With the year's end approaching, we can state with certainty that cargo traffic at the Hungarian capital airport and the BUD Cargo City opened a year ago have proven immune to the pandemic. **Dr. Rolf Schnitzler**, the CEO of Budapest Airport highlighted that this is attributable not just to pandemic-related shipments, changed purchasing habits and the entire cargo community, but in particular to the 50 million EUR fully private investment undertaken by Budapest Airport into the world-class facilities of the BUD Cargo City, which attracts more and more cargo business.

SWISS WORLDCARGO READIES FOR COVID-19 VACCINE DISTRIBUTION



Swiss WorldCargo has prepared for the distribution of COVID-19 vaccines, for the past six months. Beginning in summer 2020, the company set up an internal task force to analyse the potential for shipping COVID-19 vaccines throughout the world. The task force, comprising team members from different divisions, has closely analysed how Swiss WorldCargo's aircraft, network and capacity to and from Switzerland, can best support these global shipments. Recently, the company has successfully carried out first shipments. These have proven that the company can handle complex regulatory and customer necessities, including temperature, cold-chain and timing requirements.

EMIRATES SKYCARGO LIFTS FIRST BATCH OF PFIZER-BIONTECH COVID-19 VACCINES

Emirates SkyCargo has flown COVID-19 vaccines, manufactured by Pfizer-BioNTech, to the UAE for the first time for the Dubai Health Authority (DHA). On arrival at DXB, the containers with the vaccines were unloaded on priority from the aircraft and then taken to Emirates SkyCargo's dedicated pharma facility Emirates SkyPharma to await clearance for delivery. **Nabil Sultan**, Emirates Divisional Senior Vice President, Cargo says, "At Emirates SkyCargo we are doing our part to join Dubai's efforts to fight the COVID-19 pandemic. Emirates SkyCargo has set up the world's largest airside hub dedicated to distributing COVID-19 vaccines and we stand ready to support not just Dubai, but countries around the world, including markets with limited cool chain infrastructure with our advanced capabilities."



LUFTHANSA CARGO UNVEILS COVID-19 TEMP PREMIUM FOR VACCINE TRANSPORTATION

In view of the approvals of various COVID-19 vaccines in many countries, Lufthansa Cargo has announced that the cargo carrier is well prepared for their global distribution in the coming months. Air freight is indispensable for the fast and reliable intercontinental distribution of highly sensitive pharmaceuticals. Therefore, a dedicated task force has prepared a variety of possible transport scenarios since spring. While the transport of COVID-19 vaccines is already available with Lufthansa Cargo the company now announced a premium product to its customers that was specifically developed for the transport of COVID-19 vaccines. The product called COVID-19 Temp Premium will be bookable as of January 11, 2021 and will provide a high level of comprehensive and personalised customer service along the travel chain, including seamless monitoring of vaccine shipments throughout the entire process and a 24/7 after-sales support.

LATAM TO FLY COVID VACCINE DOMESTICALLY AT NO CHARGE

LATAM Airlines Group has announced that it will fly COVID-19 vaccine shipments at no charge on domestic flights in Latin America. The offer is an extension of the airline's Solidarity Plane programme in which the carrier will transport vaccines, when they become available, to Brazil, Chile, Colombia, Ecuador and Peru. The company said it will support distribution of vaccines for free, based on requests from governments. Since August, a team of more than 20 people from LATAM Cargo has been planning transport scenarios for COVID-19 vaccines, which require special temperature-control equipment and processes. LATAM Cargo has stations with pharmaceutical capabilities at 30 locations in Europe, the U.S. and Chile, and four that are waiting to be opened in China. LATAM has a certificate of excellence for meeting pharmaceutical shipping standards from the International Air Transport Association.



AIR CHARTER SERVICE READIES CARGO CAPACITY WITH BAE6 146 FREIGHTER

With the Brexit transition period ending on January 1, Air Charter Service has started to secure exclusive capacity for its customers by contracting a UK-registered BAe 146 freighter. The aircraft is potentially the first of several options that ACS is securing in order to ensure that, in the scramble for capacity due to Brexit disruption, it can continue to offer its clients competitive solutions. As the aircraft is UK-registered, there will be no need for permits to fly into the country. **Dan Morgan-Evans**, Group Cargo Director, Air Charter Service, says, "According to government statistics, if even a small percentage of cargo coming through the UK's sea ports in January requires transportation by air due to the disruption, there would be a significant requirement for airfreight – the equivalent of filling thousands of Boeing B747 freighters, in some scenarios. With the continued lack of belly capacity potentially exacerbated in January by this anticipated spike in demand, charter aircraft will have to pick up the shortfall."



DB SCHENKER & CARGOLUX TO START WEEKLY INDIANA CHARTER FOR PHARMA SHIPMENTS

DB Schenker and Cargolux announced a new full charter cargo connection between Luxembourg and Indianapolis, USA, starting in January 2021. With this new agreement both partners expand their well-established 15 year-long partnership. Cargolux's initial service between its home base in Luxembourg and the Indiana capital was inaugurated in 2005 to support DB Schenker's business in the region. The successful collaboration has grown over the years and is now cemented through this charter solution. With weekly departures on a Boeing 747 freighter DB Schenker makes Cargolux's extensive experience in the handling of pharmaceutical and healthcare goods available for its customers in Europe and Northern America. By partnering with the leading provider of transportation services for pharmaceutical and healthcare products and the airline that was, in 2014, the first to be GDP certified, DB Schenker reaches a milestone in setting up its new healthcare service portfolio DB SCHENKERlife+.



SHELL TO SUPPLY SUSTAINABLE AVIATION FUEL TO DHL EXPRESS AT SCHIPHOL AIRPORT

Shell Aviation has announced an agreement to supply DHL Express with sustainable aviation fuel (SAF) at Schiphol Airport. The deal sees DHL Express become the first customer to be supplied under Shell and Neste's SAF supply agreement, announced in September 2020.

The agreement will enable DHL Express to take regular flights using SAF, an important step forward in its ambition of reducing all logistics-related emissions to zero by 2050. The volume of SAF being supplied by Shell Aviation represents a full year of DHL Express's fuel requirements from Schiphol Airport, helping to reduce its emissions from this European hub. The SAF will be used in blended form and is made from sustainably sourced, renewable waste and residue raw materials. In its neat form and over the lifecycle it reduces greenhouse gas emissions by up to 80 per cent compared to fossil jet fuels.



CHAMP CARGOSYSTEMS AND CARGOAI JOIN FORCES, CONNECT SYSTEMS VIA APIS



Nicholas Xenocostas
VP Commercial &
Customer Engagement
CHAMP Cargosystems

CHAMP Cargosystems has announced its partnership with CargoAi; by connecting their systems through APIs, both partners are giving their users new connections and capabilities for the future. "Our clients and users are at the heart of this partnership. Creating value for them has always been our priority and that is why we have the widest range of suites of systems dedicated to air freight. Being available on CargoAi, if they wish, is therefore an additional service that we can offer our clients," says **Nicholas Xenocostas**, VP Commercial & Customer Engagement, CHAMP Cargosystems.

Connecting via APIs, CHAMP and CargoAi in effect enable supply chain partners to be integrated. "Our goal remains the same; to make digitisation accessible to all industry players. This partnership with CHAMP is a real boon for our customers. Because thanks to the joint work we have accomplished, our customers can grow their businesses by being connected to each other, without having to do anything," says CargoAi CEO Matthieu Petot.



Matthieu Petot
CEO, CargoAi

COSCO SHIPPING CONNECTS PORT OF LE HAVRE TO RUSSIA AND FINLAND



COSCO Shipping has recently included Le Havre in its shortsea RFS4 schedule serving Russia and Finland every week. The container ship Mv NAVI BALTIC made its first call at the port, at the Terminal de France, making HAROPA – Le Havre Port central to its RFS4 shortsea service on December 16. This service was put in place by COSCO SHIPPING in conjunction with its shortsea-dedicated subsidiary Diamond Line, and it now connects the Normandy port directly with Russia (port of Saint-Petersburg/Bronka) and Finland (Kotka port). Starting on this date, a rotation will therefore involve two Ice Class 1 AS vessels, a class representing the highest ice certification. These ships carry all types of container (20-feet, 40-feet, Hi-Cube + SOC) and have over 300 reefer points on board. This service is made possible by particularly competitive export & import transit times: for exports, Le Havre can in fact reach Saint-Petersburg in four days and Kotka in five; for imports, Kotka to Le Havre takes four days.

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Auto component industry marks exports at ₹ 390,003 cr

The turnover of the automotive component industry stood at ₹1.19 lakh crore for the period April 2020 to September 2020 which is registering a decline of 34 per cent over the first half of the previous year. Component sales to OEMs in the domestic market contracted the most to ₹ 87120 crore (US\$ 11.6 billion), declining 42 per cent.



CT Bureau

Automotive Component Manufacturers Association of India (ACMA) has announced the findings of its industry performance review for the first half of fiscal 2020-21. The turnover of the automotive component industry stood at ₹1.19 lakh crore (USD 15.9 billion) for the period April 2020 to September

2020, registering a de-growth of 34 per cent over the first half of the previous year. Commenting on the performance of the auto component industry in India, **Vinnie Mehta**, Director General, ACMA, says, "The auto industry witnessed a downturn in FY2019-20, the situation further aggravated with the outbreak of the pandemic and the lockdown. While the first quarter for FY20-21 was significantly stressed, however with unlocking of the economy, the sales of vehicles witnessed improvement, month-on-month, in the second quarter. The component industry, in tandem, posted a subdued performance with de-growth of 34 per cent over the first half of the last fiscal, registering a turnover of ₹1.19 lakh crore (US\$ 15.9 billion). However, for the first time ever, the industry witnessed a trade surplus with Auto Component exports at ₹39,003 crore (US\$ 5.2 billion) and imports at ₹37,710 crore (USD 5.0 billion); both exports and imports declined by 23.6 per cent and 32.7 per cent respectively. The aftermarket estimated at ₹31,116 crore, also witnessed de-growth of 15 per cent. Component sales to OEMs in the domestic market contracted the most to Rs.87120 crore (US\$ 11.6 billion), declining 42 per cent".

faced unprecedented challenges in the first-half of FY 2020-21. The auto component industry, through agility, flexibility and financial discipline, has displayed remarkable resilience and has comeback strongly with the unlocking of the economy. I am thankful to the OEMs for their support and for the timely intervention by the government, especially in addressing the supply side challenges. Going forward, whilst the performance of the industry during the festive season has been heartening, there are indications that the vehicle demand, in the coming months, will be sustained. This, together with the increased focus by the auto industry on deep-localisation and the recent announcement of PLI schemes for the automotive sector and cell/battery manufacturing by the government, augur well towards making the auto-component industry a self-reliant one. We are also hopeful that the government would consider PLI or appropriate manufacturing schemes for auto-electronics and xEV components as well."

Elaborating on the mood of the industry and outlook for the near to mid-term future, Jain mentioned, "According to the recent ACMA-PwC joint survey of ACMA leadership, despite concerns of another wave of pandemic, the industry is cautiously optimistic about the prospects of the economy and the automotive sector for FY2021-22." 🚀



Vinnie Mehta
Director General
ACMA



Deepak Jain
President
ACMA

🚀 **For the first time ever, the industry witnessed a trade surplus with Auto Component exports at ₹ 39,003 crore (US\$ 5.2 billion) and imports at ₹ 37,710 crore (USD 5.0 bn)** 🚀

🚀 **The auto component industry, through agility, flexibility and financial discipline, has displayed remarkable resilience and has comeback strongly with the unlocking of the economy** 🚀

Sharing his insights on the performance of the auto component industry, **Deepak Jain**, President, ACMA said, "In the backdrop of the pandemic and the lockdown, the automotive industry



Aargus Global Group wish you all & families a very happy, safe, prosperous, successful & Pandemic free year 2021.



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What is stopping AFS policy from taking off in India?



In a bid to ease processes and bring efficiency in the air cargo industry, the Air Freight Stations (AFSs) policy was introduced by government in the country six years ago. However, the concept was buried, and no AFS is operational till date except the one in Chennai which was established before the policy came out. **CARGOTALK** delves into the reasons of why this project is not gaining popularity in India as compared to the European and US countries.



Sunil Arora
President, Air Cargo Agents Association of India (ACAAI) and Mentor Cargo Industry, India Cargo Awards



Raman Raj Sud
President
Delhi Customs Broker Association (DCBA)

✦ If we study the best practices worldwide, 85-90 per cent of the cargo in the major cargo hubs like Dubai, Singapore, Hong Kong come from AFS ✦

✦ Private custodians do not wish AFS to come up because of their vested interests. Without thinking about the trade, the custodians are monopolising the air cargo sector ✦

policy guidelines of AFS as this is very important for the logistics infrastructure in the country. ACAAI supported this policy and we were even part of the consultative committee. However, it is quite strenuous to understand the main reason of AFS not taking off in India."

Commenting on why the project is not taking off in India, **Raman Raj Sud**, President, DCBA, voices, "Private custodians do not wish AFS to come up because of their vested interests," in adding, "Without thinking about the trade, the custodians are monopolising the air cargo sector. Hence, they are not letting it to be implemented."

"Making a policy is one thing and then implementation of it is also a very serious matter. There is no use of making a law or a policy if government cannot implement it," he adds

In one of the conferences organised by PHD Chamber of Commerce in 2018, Former Civil Aviation Secretary, R N Choubey also focussed on the matter, saying, "We are actively pushing for establishment of offsite AFS. This is



Kalpana Lohumi

On October 28, 2014, the Ministry of Civil Aviation announced the policy guidelines on AFSs with an objective to strengthen air cargo logistics infrastructure in the country. The initiative of AFS was taken to create an enabling environment for promoting international air cargo operations by reaching out to hinterland regions of the country besides de-congesting the congested air cargo terminals in some gateway international airports that face high dwell time. AFS was supposed to be an extension of the airport or an off-terminal facility where all import/export

formalities should be completed without hassles for cargo transport. However, the concept never took off in India despite the fact that shipping industry is using off-dock freight stations effectively from last so many years and flourishing. **CARGOTALK** spoke to industry experts to understand why the air cargo sector has failed to imitate the success of Container Freight Stations (CFSs) in shipping industry.

On this, **Sunil Arora**, President, Air Cargo Agents Association of India (ACAAI), shares, "Lot of analysis and studies were done before setting up the

An enabling environment

➔ The initiative of AFS was taken to create an enabling environment for promoting international air cargo operations by reaching out to hinterland regions of the country besides de-congesting the congested air cargo terminals in some gateway international airports.



against the financial interest of airport operators, but this is the way forward."

Stressing on the monopoly of terminal operators, **Vipin Vohra**, Chairman, Continental Carriers, says, "This is a government policy and a key project of 'Make in India' campaign, still we wonder why MoCA is not initiating and starting air freight stations in the country. The AFS policy was announced with an aim to increase air cargo volumes by decongesting the air cargo terminals at the international gateway airports,

thereby reducing air logistics costs for companies engaged in foreign trade. Continental Carriers is the first company that did huge investment in the AFS, believing the Government of India's AFS policy appreciating the idea of boosting the economy and bringing supply chain management on par with global standards. This has been a disappointing journey since the first Green Field AFS of Continental Carriers was approved by government on August 8, 2016. It's already been six years. We have been struggling with all the government

departments but have failed miserably due to the fact that terminal operators have more say in MoCA/AERA/Logistics Departments of Commerce Ministry and they are not interested that this concept gets started."

He further added that unnecessary hurdles and roadblocks in infrastructure are not allowing this policy to take off. Since the announcement, Continental Carriers has communicated with all the government departments viz. MoCA/AERA/Logistics Departments of Commerce Ministry etc., but no result has been formulated. Today, when everyone is gearing up for COVID vaccine delivery management, we are still not sure about the future of AFS, whereas, in other countries the concept of off-airport cargo handling has been in practice for decades. The failure of this policy will only hamper our Prime Minister's vision to 'Make in India' and develop India as a manufacturing hub for the world.

AV Vijaykumar, Chairman, FFAI shares the key obstacles which have derailed this initiative. He says, "Firstly is the reluctance on the part of terminal operators based on the unfounded fear of loss of revenue.





Second is the failure of AERA to fix charges for airside to landside transfer of pallet charges. Then, there is hesitation amongst airlines to support off location movement of inbound cargoes as they were unsure of the liability allocation. Also, there are BCAS screening regulations and lack of export consolidation and USD selling for outbound cargoes."

"The Ministry of Civil Aviation had announced the policy very ambitiously, surely with other ministries on board in the year 2014. The guidelines were also drawn but the quickness with which the guidelines have been implemented was not up to the mark, to say the least. There should have been one Ministry responsible with all committee members of different Ministries to take quick decisions. The AFS operator should have got the results within a fortnight. The delay in the process leads to the cost escalation in infrastructure projects like this which no one wants to undertake. Even today it is not late, let a formidable committee be made with decision making authorities and you would see the results on the ground," says **S. Ramakrishna**, Director, Balaji Mariline.

"The policy aims at increasing air cargo at various airports across India by utilising airline capacity where cargo handling facilities are not adequate. Unexpected lockdown because of COVID-19 has already shown us the challenges we are going to face in the future. During this period the airport terminals got over congested and operators were not able to handle cargo. AFS is undoubtedly an innovative alternate solution that would decongest air terminals and help in better cargo management and an essential step towards making India a manufacturing hub under the Prime Minister's ambitious 'Make in India' scheme. If a solution is not found soon, this industry will remain a victim to the monopolistic practices being carried out by the terminal operators," points Vohra.

Sharing the reason why it didn't take off in India, **Tigist Eshetu**, Regional Director – Indian Suncontinent, Ethiopian Airlines, mentions, "There is lack of modern infrastructure and effective technology for cargo handling supply chain. The overall infrastructure did not have the facility for warehousing special cargo like frozen food, animals, DGR/express products. Complicated regulatory processes and procedures is another reason. Moreover, lack of



Vipin Vohra
Chairman, Continental Carriers and
Gallery of Legends 2015, India Cargo Awards

✈️ **AFS is a present-day solution to complement air cargo terminals and would make air cargo handling and supply chain management on par with the global standards of logistics management** ✈️

sufficient human resources, shortage of import cargo storage and lack of customs clearance airport are few of the reasons which might not be letting this project to take off."

On the other hand, **Rajesh Menon**, Regional Head Cargo – South Asia, Middle East and Africa, Cathay Pacific Airways, expresses optimism by saying, "The government has been actively pushing for establishment of AFSs as per the policy guidelines of 2014. And, with the 2019 air cargo policy and the government's vision to make India among the top five air freight markers by 2025, there have been multiple initiatives towards key infrastructural development. We are sure the AFS project will be rolled out as a part of the same."

According to **Mahesh P Trikha**, Managing Director, Aargus Global Logistics, "Investing in AFS in the given circumstances is very challenging and rather innovative too." He says, "Indian air cargo sector fully understands the benefits of it. The major hurdle, at the moment, seems to be lack of transparency or understanding by



AV Vijaykumar
Chairman
FFFAI

✈️ **Reluctance on the part of terminal operators based on the unfounded fear of loss of revenue and failure of AERA to fix charges are the key obstacles** ✈️

An off-terminal facility

➔ AFS was supposed to be an extension of the airport or an off-terminal facility where all import formalities should be completed without hassles for cargo transport. However, the concept never took off in India despite the fact that shipping industry is using off-dock freight stations effectively.



a couple of government agencies especially relating to security. Hence, there are few takers for setting up AFS in the present circumstances."

COMPETITION BRINGS EFFICIENCY

"It is proven worldwide that AFSs have brought in healthy competition because if we study the best practices worldwide, 85-90 per cent of the cargo in the major

cargo hubs like Dubai, Singapore, Hong Kong come from AFS. Moreover, AFS should not be taken as a competitive establishment to the airports, be it a Greenfield or Brownfield airport. It should be considered as an additional facility to promote the Exim of the country," emphasises Arora.

"AFS should not be restricted only for big freight forwarders to open rather it should have been considered as a policy which would bring in lot of infrastructure investment in the country. Lot of big giants, not only multinational freight forwarders, but big manufacturing organisations like Panasonic, Siemens, Honda, Pfizer, Dr Reddy's Lab and Lupin, etc. should have been given an opportunity to open an AFS wherein cargo immediately, after landing, moves into AFS and gets customs cleared. And, for export purpose a big export unit should have been allowed to open their AFS where they can clear their cargo," he continues.

Adding to this, Vohra notes, "At present, the infrastructure at several major airports is inadequate, causing extensive delays. Consequently, the dwell time becomes very high. The transaction costs also increase due to such delays, thereby making exports from India uncompetitive in comparison to exports from other countries. AFS will certainly make dwell cost low and export rates competitive. If we want the Indian air cargo industry to match

global standards then AFS is the only ideal solution where all loose cargo will be processed, centralised and will be delivered to airports and in the reverse flow will be shifted to AFS for further delivery to the end customer. We must appreciate the fact that AFS is a present-day solution to complement air cargo terminals and would make air cargo handling and supply chain management on par with the global standards of logistics management and a step towards growth and efficiency."

"Competition always brings efficiency and presently there is no competition. At Delhi airport, the custodian is Delhi International Airport (DIAL) and it has further appointed two different concessionaires; Celebi and DCSC. The aim of making DCSC was that there would be competition between the two concessionaires and the benefit will go to trade but unfortunately it has not happened because airlines are now divided between the two concessionaires. So, if we have to do business with any airline one cannot go to any other than the specified concessionaire by them. It was discussed and they said it is technically not feasible. Technical feasibility should have been seen before appointing two of them," underlines Sud.

He says, "With AFS coming up, there will be more competition and naturally it will benefit the service level and commercial level. Competition always brings out the



S. Ramakrishna
Director
Balaji Marline

✈️ **Even today it is not late, let a formidable committee be made with decision making authorities and you would see the results on the ground** ✈️



Tigist Eshetu
Regional Director – Indian Suncontinent
Ethiopian Airlines

✈️ **Lack of sufficient human resources, shortage of import cargo storage and lack of customs clearance airport are few of the reasons which might not be letting this project to take off** ✈️

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best in the services. With AFS in place, an exporter will rather go to the nearby AFS than to the airport; it is exactly the same we have seen being done in ICDs and CFSs. The purpose of ICD, CFS and AFS is to make processes simpler."

Explaining further, Vijaykumar says, "The role of an airport operator is not to warehouse cargoes pending clearances. Congestion at airports are regular occurrences and lack of competition has also diluted the performances on par with international standards across many Indian airports. An AFS can offer an economic and efficient remedy to these issues."

"We have been fighting for this policy to take off for years, but the first AFS has not even started yet. We at ACAAI have supported this policy, and whatever has been the issue, whether it is rates or tariff adjustments, they should have been discussed and amicably agreed upon," says Arora.

According to Ramakrishna, "It is not only going to be the efficiency level alone, saving of cost will also be a major factor. Giving a little perspective to efficiency level, he adds, "If the build-up unit is moved to and fro from AFS, the airport operators will have a

distinct advantage of handling more aircrafts which would mean more revenue, more efficacy, ranking of their airport will be high, the logistics cost will reduce. Above all, the Exim trade is at a distinct advantage."

TSP CHARGES; A REASON OF DEFERRAL

According to the circular issued by MoCA, airport operators and air cargo terminal operators shall accept palletised ULDs for bulk cargo in the case of exports from an approved AFS facility and facilitate its transfer to the airside. They shall not insist on levying full Terminal, Storage and Processing (TSP) charges on consignments/cargo meant for/received from AFS (particularly in respect of ready for carriage conditions export cargo) for its transfer from land to airside and vice-versa since no value addition is contemplated at the airport terminal. AERA while approving TSP charges shall give a break-up of Transit, Storage and Processing charges.

"It is unfortunate that despite the establishment of AERA, users have not witnessed any accountability on the terminal operators commensurate with the charges levied. AERA seems to be fixated on a 'light touch' approach despite the users highlighting the

delays and sub optimal performances," expresses Vijaykumar, in adding, "A close comparison of the rates charges at the terminals would highlight that rates are almost similar despite the variable capital and operating costs of the terminal operators. The issue of royalty is a serious cost push to users."

Throwing more light on the subject, Sud adds, "As and when meetings were held between AERA and custodians to discuss rates, which were arbitrarily increased, DCBA was not taken in the loop in deciding the rates but the minutes of such meetings showed the presence of DCBA. The same was also brought to the notice of AERA. This completely signifies that we are being misled."

"With AFS in place, all work which is done at the airport presently will be done in an AFS and when it is done in AFS, container will directly get loaded in the aircraft from AFS, so definitely there is a possibility of less charges as compared to the cargo which goes directly to the airport. In the current scenario, let's say if the TSP charges are 100 per cent, when cargo will come through AFS it will be 30-40 per cent of the existing charges," expounds Arora.

Arora comments, "If exporters and importers have to pay twice; one to the AFS and secondly when cargo goes to the airport then export through AFS will not be feasible and will not be a practical approach. If the expenses are not incurred on the cargo coming from AFS then why charge for that? If it is a direct transfer of cargo from AFS to airside or to the ramp then in that case bare minimum charges should be worked out, discussed, negotiated because at the end of the day it is not about TSP charges, there has to be willingness to bring AFS policy up and running. If the policy had been concluded by this time, we would have at least 30-40 AFSs not only in and around Delhi but around major hubs like Mumbai, Bengaluru, Hyderabad, etc."

AFS; an enabler in Make in India scheme

→ AFS is an innovative alternate solution that would decongest air terminals and help in better cargo management and an essential step towards making India a manufacturing hub under the Prime Minister's ambitious 'Make in India' scheme. If a solution is not found soon, this industry will remain a victim to the monopolistic practices being carried out by the terminal operators



Sharing an exporter perspective, **HKL Magu**, Managing Director, Jyoti Apparels and Immediate Past Chairman, Apparel Export Promotion Council (AEPCC), says, "Logistics charges are already high and there is no scope to pay higher charges. Exporters are already struggling because of competitive prices worldwide, hence, it is not at all advisable to ask for higher charges. I hope authorities will take care of this and the Ministry will ensure to implement the announced policy of Air Freight Stations announced in the year October 2014."

Explaining further on the subject, Sud says, "Another problem is both the concessionaires have different set of protocols and work in their own ways which not only brings confusion but also leads to extra charges."

"Continental Carriers has taken up the issue of reduced terminal charges in all the meetings with Air Cargo Logistics Promotion Board, Ministry of Civil Aviation, Ministry of Commerce, Scope Air, AERA and all the concerned ministries since 2014. Unfortunately, all through these years this issue still remains unresolved," informs Vohra. He continues, "Presently TSP charges of cargo are provided to the airport

operator. Representatives of FFAI also feel that it is necessary to have clarity in the distribution of the charges as this would affect the revenue models of cargo movement to the airport through the AFS as most of the activities related to the cargo will be performed at AFS. The TSP issue has caused unexplainable delay and huge financial burden to the aspiring entrepreneur."

CARGO IN ULDs

The bonded cargo is arriving in ULDs across the world, so why this concept is not getting popular in India. On this, Eshetu says, "The main but not limited reasons are Indian infrastructures limits, timely delivery of cargo at a point for further chain continuity, lack of technically evolved RFS companies, tedious paperwork procedure of customs at origin/destination and borders, and insufficient infrastructure for managing & building ULDs for RFS movement."

"The bonded cargo across the world is transported in ULDs. However, in India there have been challenges due to the lack of adequate infrastructure and formalised processes. With the civil aviation 2019 policy, we see a lot of promise in the infrastructure development in the country and to be

able to offer the service to our Indian customers too," adds Menon.

Talking about whether airlines are ready to accept cargo in palletised position in India, Menon says, "A pallet container that is preloaded at the shipper or freight forwarders facility is widely accepted by Cathay Pacific across the globe and we hope to extend this to India soon. India being an important market, this will be a great booster for the business and help us provide more options to our customers."

"We are in a position to accept palletised cargo in India if the above-mentioned challenges can be overcome," confirms Eshetu, in adding, "Almost the entire cargo is transported in ULDs in Africa, that is, 95 per cent of our cargo is coming to ADD with ULD."

"Hong Kong is the world's leading cargo hub and the Cathay Pacific Hong Kong cargo terminal is well equipped to handle shipments in ULDs. We see almost the majority of cargo shipped or received in ULDs from our hub," informs Menon.

BENEFITS OF AFS

Commenting on how the trade is going to be benefitted if this project gets



Rajesh Menon
Regional Head Cargo – South Asia
Middle East and Africa, Cathay Pacific Airways

✈️ **There have been multiple initiatives towards key infrastructural development. We are sure the AFS project will be rolled out as a part of the same** ✈️

Direct transfer of cargo

➔ If exporters and importers have to pay twice; one to the AFS and secondly when cargo goes to the airport then export through AFS will not be feasible and will not be a practical approach.



through, Trikha says, "The transaction cost for the exporter may come down as they will enjoy the benefit of lower freight rates due to consolidation of cargo for multiple shipments."

Sharing his views on whether FFAI members would be interested in

operating through AFSs, once the policy gets through, Vijaykumar says, "If an economically attractive proposal is put forth, members of the forwarding community will likely to take up this challenge."

"If the policy doesn't get approval by the government then the time is not far away when cargo will be lying outside the airports when 'Make in India' will come into action in the next two years. In ocean freight, ICDs/CFs are a major relief to the seaports, if ICDs and CFs would not have been there, the country would have been in big trouble because of shortage of space at seaports. Similarly, if the AFS policy is not implemented in the next one or two months and the government does not come forward and remove all the obstacles in the way of policy implementation, it will not only cause major losses but also adversely affect the ease of doing business concept," states Vohra.

Arora says, "An airport is situated in the heart of a city with lot of traffic restriction, if there is an AFS in and around an airport or may be at a little distance, say at an industrial park like Faridabad or Gurugram or Manesar, then why would I take my cargo to the airport. I would comfortably take it to an AFS, custom clear it, palletised it there

and get it loaded in the aircraft. The industry will support AFS strongly."

"Custodians are taking advantage of monopoly and doing business on their own terms. For example, with the purpose of decongesting the airport and not letting it be used as a warehouse, AAI issued a circular for reduction of free period from 72 hours to 48 hours and it also says that if 24x7 facility is not available then you will not charge for the holidays. Now, in Delhi 24x7 facility is available only on paper but if allied agencies which means drug controllers, FSSAI, plant quarantine, animal quarantine, banks are not functioning on a holiday or close in half time on Saturdays, how will we manage to do the clearance. So, there is no use of custodians being operational if allied agencies are not operational. With AFS in place, there will be competition in true sense. AFS will break the monopoly, ease processes and benefit the trade," says Sud, in adding, "We have always supported this initiative and once this policy gets a go ahead, we will definitely be using the AFS facilities for better services. On one side, the policy is made and on the other side semi government organisations are not bothered about the implementation."

Connecting AFS with COVID vaccine distribution scenario, Arora says, "If we had got AFS placed all over India or if this policy had taken off, any logistics person or any supply chain management consultant would feel that it would have been a fantastic opportunity and ease distribution of vaccine throughout the country because the vaccine would have been immediately transferred to the respective AFS and from the AFS onto an arterial network this vaccine would have reached much faster."

Vohra adds, "Once the COVID-19 vaccine starts moving from India, AFS will be able to help in creating cool chain warehouses close to distribution centres in India and for export/import within India and countries abroad." 🦋



Mahesh P Trikha
Managing Director, Aargus Global Logistics
and Best Cargo Professional of the Year 2019,
India Cargo Awards

🦋 **The major hurdle seems to be lack of transparency or understanding by a couple of government agencies especially relating to security. Hence, there are few takers for AFS** 🦋



H K L Magu
Managing Director, Jyoti Apparels and
Immediate Past Chairman, Apparel Export
Promotion Council (AEPC)

🦋 **Exporters are already struggling because of competitive prices worldwide, hence, it is not at all advisable to ask for higher charges** 🦋



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Industry gears up for **Vaccine** storage & distribution



Logistics industry is gearing up to take on the colossal task of transporting COVID-19 vaccine across the country. **CARGOTALK** reviews the state of preparedness as logistics and supply chain companies are relentlessly working to meet the impending demands for vaccine transport.



Kalpna Lohumi

Aiming to immunise around 300 million people by August 2021, India is readying a huge vaccination drive. An incredible amount of effort is going into the development of COVID-19 vaccine and once this immunisation drive will begin, we will need a reliable and resilient supply chain for vaccine delivery. Logistics and supply chain companies are relentlessly working to meet the impending demands for vaccine transport by expanding warehousing facilities, procuring refrigerated trucks, containers and temperature-controlled packaging systems, and deploying

technology to track movement and monitor temperature. Speaking to the industry experts, **CARGOTALK** delves into the non-negotiable requirements where the company must invest and what support industry entails from government for smooth logistics of vaccine.

Are logistics service providers ready to serve the nation?

Commenting on how CSC is preparing for the distribution of COVID-19 vaccine throughout the country, **Tushar Jani**, Chairman, CSC, informs, "Delhi Airport, where we operate, is fully ready with infrastructure, manpower and processes

to handle the COVID vaccine to pass through our cargo terminal at Delhi."

"We are ready to move vaccine across the country," says **Sanjiv Gupta**, CEO, SpiceXpress. He further explains, "In order to gear up for the upcoming vaccine movement we have recently launched our cold chain product – SPICE PHARMA PRO with the intent to provide a seamless end-to-end logistics solution to the pharma companies. We have partnered with some of the leading logistics companies in India not only to provide a speedy and reliable solution to the vaccine manufacturers but to also create a sustainable cold chain network. Our validated cold chain boxes lined with phase change material and vacuum insulated panels ensure zero temperature excursions. Our modified data loggers and real time tracking portal "SpiceSENSE" demonstrate our IT capabilities. Furthermore, with our robust ground handling infrastructure and varied aircraft fleet it would not be out of place to mention that we are appropriately equipped to handle end-to-end logistics of the most sought-after vaccine."

Yashpal Sharma, Managing Director, Skyways Group, says, "With pan-India presence and deep insight into the fine aspects of vaccine transportation, we have existing infrastructure for temperature control in three cities in India and have enhanced these facilities to be able to handle larger quantities of vaccine. We have even collaborated with a few cold chain warehouses in India, Germany and the USA to participate in COVID vaccine movement."

"We also have reefer trucks now to manage movement of vaccine and a control tower has been set up to facilitate the minutest detail of vaccine movement. We have even worked around ample capacities with our airline partners to cater to the international movement of vaccine," he adds.

"Anticipating a strain on the logistics infrastructure, with the commissioning of the vaccine candidate against COVID-19, we have ramped up our pre-existing specialised 'Temperature



Tushar Jani
Chairman, CSC and Gallery of Legends 2015,
India Cargo Awards

Delhi Airport, where we operate, is fully ready with infrastructure, manpower and processes to handle the COVID-19 vaccine to pass through our cargo terminal

Reliable supply chain needed

➔ An incredible amount of effort is going into the development of COVID-19 vaccine and once this immunisation drive will begin, we will need a reliable and resilient supply chain for vaccine delivery.



Sanjiv Gupta
CEO, SpiceXpress and
India Cargo Awards Winner 2017

✈️ **We have recently launched our cold chain product - SPICE PHARMA PRO with the intent to provide a seamless end-to-end logistics solution to the pharma companies** 🚀



Yashpal Sharma
Managing Director, Skyways Group and
Entrepreneur of The Year 2017, India Cargo Awards

✈️ **We have even collaborated with a few cold chain warehouses in India, Germany and the USA to participate in COVID vaccine movement** 🚀

Controlled Logistics (TCL)' solution to successfully transport the vaccine into the remotest village and the most crowded city. We have also ramped up our Pharma Grade Conditioning Rooms located at eight strategic locations.

These rooms are in proximity to our Blue Dart Aviation Stations which helps increase our already pristine turnaround time and will aid in speedy delivery. We also use both single-use packaging (which provides temperature stability of 48-72 hours) and multi-use boxes (credo boxes) which provide temperature stability of 96 hours," informs **Ketan Kulkarni**, CMO & Head - Business Development, Blue Dart.

"Work-related process flows have been designed and rehearsed across locations where we have our Conditioning Rooms. We have done our background work in terms of capacity requirements i.e. materials for packaging, availability of data loggers, insulated shippers, walk in cold room, coolant, network reach, manpower preparedness, technology investment to handle requirements in this direction. As a part of the DPDHL Group we have access to a larger set of assets like reefer vehicles and cold storage trucks from DHL Smart Trucking as well as access to the global network of DPDHL. We have access to a global shipping network at scale as well as

local freezer and storage capacity and know-how with in-country logistics.

With our fleet of six Boeing 757 freighters, 20,000+ ground vehicles, servicing 14,000+ pin codes and a strong army of Blue Darters, we can confidently say that we are prepared to provide resilient, reliable and responsive services as the trade facilitator to the nation," Kulkarni continues.

Commenting on the preparedness, **Amit Tandon**, Managing Director, AS India, says, "We are now certified for GDP (Good Distribution Practices) for storage and distribution of pharmaceutical products. Accordingly, we have entered into agreements with GDP certified transporters and warehouse operators for transportation and storage of pharmaceutical products under controlled conditions as per guidelines."

In view of the vaccine storage, Snowman Logistics has almost 12,000 pallets available immediately at various locations in its network with a good spread. Adding to this, **Sunil Nair**, CEO & Whole Time Director, Snowman



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Ketan Kulkarni
CMO & Head - Business Development
Blue Dart and India Cargo Awards 2017

✶ **We have ramped up our pre-existing specialised 'Temperature Controlled Logistics (TCL)' solution to successfully transport the vaccine into the remotest village and the most crowded city** ✶

Logistics, notes, "This should ideally store around 100 million vaccine doses. Some of our new locations are under construction, they should be ready by March 2021. With that we can additionally provide space for another 100 million vaccine doses and with our partner network, we can add another 100 million. So, in short, we can provide space equivalent to 300 million doses, nationally. With that, we have our own 300 trucks and 200 trucks from partners. We can surely spare around 200 trucks for this purpose. Moreover, we are already operating vaccine distribution for influenza and typhoid. We are imparting similar training to our other employees, so that we have handling experience at all locations."

Has India enough infrastructures?

Logistics industry is prepping up for the storage and movement of vaccine, but the question remains, does India have enough infrastructure to distribute vaccine. On this **Nihar Parida**, Industry Expert, says, "India is definitely not equipped to move these vaccines at such low temperature. The Government of India has never concentrated in providing help to pharma companies or other logistics stakeholders to build these infrastructures. The cold chain infrastructure was more inclined towards



agro products and not pharma. It's heartening to see that the government is now realising this and hopefully will help us to build the infrastructure going ahead."

"We have very limited players dealing in sub-zero storage and transportation, so it will be interesting to see the government protocols for the vaccine. In addition, another issue correlated with the vaccine is geographical distribution and healthcare personnel available to transmit the doses to the masses. Although India has carried out the polio vaccination programme over the last few decades very successfully and this ecosystem will come really handy for the movement of COVID vaccine to the smaller towns and villages," explains Sharma.

Adding to this, Jani notes, "India is ready for distribution if the COVID vaccine requires 2 to 8 degrees because the

country already has an infrastructure for polio vaccination which requires 2 to 8 degrees. If it is at 2 to 8 degrees, most of the distribution companies have their infrastructure ready, so with the marginal investment the industry is ready to face this challenge and distribute.

We wish to put it on record, India as a country delivers roughly 2.5 to 3 million parcels delivery per day of e-commerce on a nationwide basis. This network and infrastructure can be used for vaccine distribution easily," he adds.

Ecosystem in place

➔ India has carried out the polio vaccination programme over the last few decades very successfully and this ecosystem will come really handy for the movement of COVID vaccine to the smaller towns and villages.



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"Moving vaccine at such low temperatures would definitely be a daunting task particularly to cover the last mile deliveries in tier-3 cities," feels Gupta. He adds, "Until pre-COVID times, the Indian cold chain infrastructure was more inclined towards the agriculture sector. However, with the outbreak of COVID-19 there seem to be a paradigm shift in the outlook towards the need of building an infrastructure which is congenial to pharma sector. The existing cold chain infrastructure is rudimentary and would certainly take time to evolve."

Sharing the solution to the challenge, Kulkarni says, "The scope of the task is immense and so are the challenges. A successful distribution strategy will require collaboration and partnership across the supply chain. A combined effort between the Government of India, pharmaceutical companies manufacturing the vaccine, logistics firms and cold chain services are sure to help the Indian population receive the vaccine. The vaccine against COVID-19 would require for infrastructural changes to be made in order to

accommodate the -60°C to -80°C storage temperature. Blue Dart's TCL solution has the ability to handle various temperature requirements from Frozen; -80°C to -20°C ; to Deep Chilled; 2°C to 8°C and Ambient; 15°C to 25°C ."

"The government may also have to look for assistance in intermediate storage and transportation from manufacturers of pharmaceutical products and medical supplies in the manufacturing hubs in various parts of the country by requisitioning part of their controlled facilities for distribution till the end-user," adds Tandon.

EFFICIENT COLD CHAIN SYSTEM

COVID-19 vaccine storage and distribution will need efficient cold chain. Sharing the opportunities for HVAC players, Akash Agarwal, CEO, Crystal Group, shares, "I think there is a massive opportunity in the cold chain industry where you will be looking at a complete cold chain right from the manufacturer to the consumer of the vaccine, so a highly efficient cold chain

will be required. We have been talking about cold chain for the last 25 years and never have seen the opportunities on such a large scale where people could really get benefitted through cold chain infrastructure in a big way."

"We do not have an efficient cold chain system in the country rather we only have cold storages, which are used by 99 per cent of potatoes and mass produce fruits like banana etc. The COVID-19 pandemic is a great eye-opener for the entire world. In India we are still not well equipped with manufacturing and distributing large scale vaccines when it comes to cold chain. There is not a single player who can deliver to Tier-1, Tier-2 or Tier-3 efficiently. Catering Tier-1 is still a difficult task so Tier-2 & Tier-3 is a dream away. And the opportunities as I said that you could create various linkages in terms of storage at the airports, storage at the hospitals, transportation in terms of reefer vans, primary & secondary transportation and creation of large scale cold chain hubs because that is going to be required to store and distribute the goods," Agarwal highlights.

Collaboration

→ A combined effort between the Government of India, pharmaceutical companies manufacturing the vaccine, logistics firms and cold chain services are sure to help the Indian population receive the vaccine.



As per Nair, "Apart from Pfizer vaccine, which needs to be stored at -70 degrees Celsius temperature, we have enough capabilities to store the other vaccines, announced so far, in our latest cold storages, which totals to over 1 lakh pallet positions across all the 15 cities we are present in. All these facilities can store products at temperatures up to -30 degrees Celsius. All our trucks can maintain temperature up to -25 degrees Celsius. So, I believe there is adequate infrastructure. However, if the distribution is put on fast track, the country may fall short of storage and transport capacities particularly at remote locations. We have also got solutions for storing vaccines at -70 degrees Celsius. But the storage is going to be small sized and with very high Capex. If need be, the technology is available and can be considered."

Where a company must invest?

Cold chain integrity for the efficacy of vaccine is the key. Adding to these lines, Sharma says, "The temperature



control capacity of any company is of utmost importance. A solid backup plan to ensure if there is any issue in Plan A for temperature control is very important. The knowledge and damage-repair capacity of the team handling vaccine has to be given equal importance too."

Whereas Kulkarni believes, "Superior digital infrastructure to ensure that the flow of information across the supply chain is smooth, availability of timely raw materials such as coolants, refrigerators and a skilled support staff who would know how to handle life sciences and sensitive shipments will be some of the important requirements."

According to Nair the quality of infrastructure, operating procedures,

skilled manpower and training programmes, IT technology – visibility, tracking and tracing, network offered in the country – both in warehouse and transportation, long-term vision of the partner in terms of investments to expand and upgrade and overall cost of operations are critical requirements when you are evaluating partner/ investment for moving vaccine.

GOVERNMENT'S AID

Once a vaccine is available in the country, the government plans to immunise 30 million citizens—10 million healthcare workers in private and government-owned hospitals, and 20 million frontline workers that includes police, defence, and municipal workers—in the first round, according to a press release from the Ministry of Health & Family Welfare. The success of this programme



Sunil Nair
CEO & Whole Time Director
Snowman Logistics

Some of our new locations should be ready by March 2021. With that we can additionally provide space for another 100 million vaccine doses and with our partner network, we can add another 100 million

Immunisation

Once a vaccine is available in the country, the government plans to immunise 30 million citizens—10 million healthcare workers in private and government-owned hospitals, and 20 million frontline workers that includes police, defence, and municipal workers—in the first round



depends on the efficient logistics and robust cold storage mechanism. Gupta enlists the following provisions from government to seamlessly transport these temperature-sensitive vaccines across country:

- Cold chain warehouses at all major metro airports catering to requisite temperature ranges

- Subsidy to airline operators to carry life-saving drugs
- Subsidy to the manufacturers of temperature-controlled boxes to bring down the landing cost of these boxes
- Digitisation of the documentation process for ease of custom clearance and regulatory checks

Adding to this, Parida urges for subsidy in tax rates or in any other way while carrying life-saving drugs both to the transporter and airlines, ease of customs clearance and interference in terms of paperwork and regulatory checks and subsidy to packaging manufacturers to reduce the cost of packaging.

Similarly, Jani stresses, "There has to be priority from the Government Department for the clearance of vaccine, be it at Customs, at check post or at any other government controls."

Stressing on earliest possible protocols for the movement, Sharma says, "It will really help all stakeholders to prepare in time and also discuss the collaboration for seamless flow of movement of goods. Government must create green corridors at airports, ports & customs for fastest clearances and movement of COVID vaccine."

On the other hand, Tandon stresses on the financial assistance. He says, "As the problem of storage and distribution of the vaccines, and other pharmaceutical

products including consumables for administration of the same, is not going to be over in the short run, government has to come forward with financial assistance at concessional terms for developing the infrastructure for storage and distribution of pharmaceutical products at district level, including medical supplies and equipment for the fight against not only the COVID-19 pandemic but also any other emergent situations in future. Looking at the heavy investment in such infrastructure, the initial cost as well as the operational costs of the supply chain will need to be subsidised heavily so that the benefit of the same can safely reach in the remotest corners of the country for use by the poorest of the poor."

According to Nair, "First and foremost, government has to put its strategy in place. This should be the base document basis which public and private resources can be mobilised and channelled to the cause. It is important to note that this is a short-term (2-3 year) project and it won't be a good idea to create infrastructure only for this purpose. It would rather be a good idea to optimise and maximise all existing resources. This can happen only when there is adequate clarity on the strategy on how this is going to be done."

"The government has been making great efforts in its fight against coronavirus. Going forward, it will be important to see how the government will administer the vaccine to citizens. Also, the production of related accessories like syringes and needles will have to be looked into quickly and on an agile basis. We are in touch with all relevant authorities and channels of communication are on. While manufacturing is progressing fast and pharmaceutical majors are rushing to produce a viable vaccine to defeat the pandemic, the magnitude of our population requires proper planning and a detailed structure in vaccine distribution and logistics," concludes Kulkarni.



Akash Agarwal
CEO
Crystal Group

I think there is a massive opportunity in the cold chain industry where you will be looking at a complete cold chain right from the manufacturer to the consumer of the vaccine



Amit Tandon
Managing Director, AS India and
India Cargo Awards Winner 2016

We have entered into agreements with GDP (Good Distribution Practices) certified transporters and warehouse operators for transportation and storage of pharmaceutical products under controlled conditions as per guidelines

Collaborate to operate, efficiently & pre-emptively

Now when many countries have removed lockdown, the journey to recovery has started to begin. But still, the international warehousing industry is facing challenges to keep the business going amid these uncertain times, even as ports get clogged with cargo. **Praveen Vashistha**, Founder & Director, Gxpress talks about how logistics companies are struggling post-COVID-19 regulations.

The logistics market has exploded as people in lockdown turned to the internet to make their purchases. Not only did volumes grow but the profile of goods being shipped changed, with more consumers ordering on the various online platforms increased. Major corporations have fast-tracked their growth and development plans,

transport have their truckers waiting for a long period of time at these warehouses to unload critical freight. Port warehouses of many essential commodities have remained open in few areas in southern India; lack of labour is posing a challenge in functioning. In many states of the country, even essential commodities holding warehouses remain shut due to lack

together with machine learning, then routes can be changed in real-time. Rapid drops in the prices of sensor technology are creating a boom in these intelligent supply chain technologies and the use of data. This big data related to the market is overlaid with powerful analytics and machine learning, companies can then use it to track, optimise and predict their operations. In order to optimise productivity and even model complex supply networks, it can track and modify the flow of goods; and it can exchange knowledge and work more closely with clients and other collaborators.

🔴 In the logistics market, the last-mile delivery of goods constitutes around 30 per cent of the cost, optimising that element is on the critical path, especially as retailers are increasingly positioning many products to reduce long-line haul and increase last-mile volumes 🔴



growing rapidly and making substantial investments to cope with demand in e-commerce, people and the properties.

COVID-19 has helped to accelerate the roll-out and amplified the impact of certain interventions. Contactless and unattended deliveries such as trunk deliveries, parcel lockers and boxes will gain momentum. Many interventions like these can boost short-term customer confidence and remain relevant in the next normal as customers seek their added convenience. The logistics players will be benefited from reduced delivery costs.

CHALLENGES FACED

Many top technologies driven logistics players in India who concentrate on truck loading more than 800 km of

of labour. No storage facility is there; only contractors are supplied essentially daily to the market. There is no storage of any essentials at any warehouses, less than one-third of operations are taking place as just about one to two ships are berthing at the port. Due to no labour available, the Container Freight Station (CFS) facility at the port is hardly operational.

At this point, many logistics players have become more effective at communicating with customers about the precise time of arrival and options to change delivery arrangements. To monitor a package's condition and the location at every stage, logistics companies can predict any disruption and when external data sources are integrated about traffic or weather,

TRANSFORMING THE LAST MILE

In today's time, many logistics providers have stepped up to the challenge of making deliveries safer for employees and customers. Contactless last-mile delivery solutions have been crucial to the industry's post COVID-19 time. In the logistics market, the last-mile delivery of goods constitutes around 30 per cent of the cost, optimising that element is on the critical path, especially as retailers are increasingly positioning many products to reduce long-line haul and increase last-mile volumes. Usage of drones for making deliveries is starting to emerge, these are subject to local laws and regulations and take-up is still relatively slow. Companies using smart locker solutions for safe, convenient, contactless pick-ups are growing significantly.



Praveen Vashistha
Founder & Director
Gxpress

(The views expressed are solely of the author. The publication may or may not subscribe to the same.)

Setting foot in 2021

The current pandemic has drawn attention to many challenges in 2020, however it has worked as a catalyst for digitisation in the logistics industry. According to experts, there is a feeling of optimism in the industry because of the ongoing digitisation of the processes opted by almost every company. Let us now take a look at what 2021 holds for logistics.



A.V. VIJAYAKUMAR

Chairman, Federation of Freight Forwarders' Associations in India (FFFAI)

The COVID crisis was a disruptive occurrence which has also fast-tracked digitisation and thus increased efficiencies in the logistics sector. 2021 would be a launching pad to consolidate the learnings of 2020 and a nimbler footed, economically efficient sector is set to take off. The decreased world trade resulting from lockdowns across the globe has dealt a very rude blow to the transport industry. However, this adversity also came up with some opportunities.



SHANTANU BHADKAMKAR

President, AMTOI

2021 is the beginning of a new decade. It is the time to take stock of many aspects of the vision and goals, particularly of 'Aspirational India & Atmanirbhar Bharat'. It will be a decade to look back and see what we have achieved, particularly in light of the independence in 1947; to rethink on how to fulfil our unfulfilled dreams & to think big, building on our successes of the past. According to me, the next decade will be the digital decade; crossing the cusp of digital transformations.



ASHISH ASAF

CEO & MD, SA Consultant & Forwarder and Face of the Future 2018, India Cargo Awards

The trade flows are disrupted due to pandemic induced reasons as well due to tariff barriers, which came up in the last few years. Hence, it does not give a clear picture to forecast for 2021 as the world is still reeling under the disruptions caused by the COVID virus. In the current year, organisations have come across new challenges and demands due to the pandemic as well due to the cargo carrying capacity reductions in both air freight as well ocean freight. Therefore, there shall be new dynamics playing out in the markets across the world, one possible scenario shall be few industries temporarily moving away from 'Just in Time' mode to 'Safety Stock' which is 30 to 60 days storage models. Probably, this shall be adopted by FMCG and generic pharmaceutical manufactures. Due to higher freight rates and inventory related costing, the margin pressure on logistics service providers shall increase in 2021.

Airline and shipping companies are gearing up to meet the rising global demand for refrigerated shipping beyond a vaccine as the global demand for fresh foods/produce, beverages and pharmaceuticals is increasing on a year on year basis. From new normal to next normal, this shall be an ongoing process till 2024 as per the current predictions in terms of business around the planet. With the push on sustainability and the focus to reduce carbon emissions, there shall be cost associated changes or increases in the freight domain hitherto.



DHRUVIL SANGHVI

Chief Executive Officer, LogiNext

For the logistics industry, the pandemic has shifted all focus to the criticality and importance of this industry. Logistics forms the backbone of how human life has developed and in the past decade, the importance of bringing in efficiency into the system has come to the fore. And the pandemic seems like the tipping point. Going into 2021 and beyond, the outlook is optimistic with respect to technology playing a large role in organising the industry. At LogiNext, we're on a mission to automate and optimise end-to-end logistics operations for enterprises across the globe and we've seen a huge spike in the number of incoming inquiries for companies wanting to digitise their backends and bring in visibility into their supply chain. We see this trend only growing.



PRAKASH PATEL

Founder and Managing Director, Bhumi World

The outlook for the manufacturing and warehousing sector looks positive amidst the unlocking of the economy. With various shifts in the global manufacturing pendulum, robust measures implemented by the government, accelerated adoption of e-commerce followed by great emphasis on infrastructure, the manufacturing and warehousing sector will be seen as sunrise segments and one of the most crucial lifelines for India's revival in the coming years.



PUSHKAR SINGH

CEO and Co-Founder, LetsTransport

2021 will be the year of growth. COVID worked as a catalyst for the companies/sectors which were not very focused on digitisation but now have been bound to do so and logistics was one of those sectors in India. It had been delaying digital upgradation since long but now we have started seeing big logistics companies launching mobile apps for their drivers, even small transport services in Tier-2/Tier-3 cities have started using digital services. The same digital adoption is going to result in fast-tracked, more than expected growth in the sector. As a full-stack IoT enabled logistics company, we have registered 100 per cent revenue growth to 178 crores in FY20 while the losses stood at 35 crores which increased by only 50 per cent as compared to FY19.



RAJ SAXENA

Founder and CEO, LogisticsNow

2020 has been a tough year for logistics and transportation. While the organised players seem to have weathered the storm, many of the unorganised players have been pushed to the brink. Contrary to popular perception regarding COVID-19 vaccine movement will further bring the growth in logistics sector, the revenue and value to the Indian logistics industry from the COVID vaccine logistics will not be significant. Vaccine logistics will focus on the cold chain, which is a critical but small segment of logistics with ~20,000 trucks in total compared to >10 million commercial vehicles in the country.

Independent of the COVID vaccine logistics, logistics in India for 2021 has significant growth ahead of us in the organized sector, as manufacturing approaches pre-COVID levels and industry supply chains focus on delivering the goods for a growing consumer class and online retailers.

An edge in airfreight operations

Offering a 360-degree service competency to its clients, Gati is leveraging Allcargo's logistics capabilities and infrastructure including NVOCC, CFSs, warehousing, project logistics and contract logistics. **Bala Aghoramurthy**, Deputy Managing Director, Gati-KWE (an Allcargo Company) talks about Gati's express distribution, its airfreight operations & cold chain solutions.



Kalpana Lohumi

What gives Gati Express Distribution an edge?

With unparalleled reach to over 99 per cent of the districts in India, Gati Express Distribution has extensive operation bandwidth with over 600 offices and over 5,000 trucks and rail services. Customers can transport their cargo anywhere across the country, with the company's express distribution network which covers over 19,800 pin codes and 735 districts. The unparalleled express distribution wherewithal of Gati has further been strengthened by Allcargo Logistics' diverse logistics operations which include NVOCC, Container

Freight Stations, warehousing, project logistics and contract logistics. Both can now leverage each other's strength to offer clients a top-notch end-to-end logistics solution. Gati's excellence first and last-mile logistics and Allcargo's proven expertise in diverse logistics verticals will build a comprehensive framework for the distribution of the COVID-19 vaccine for the successful implementation of Universal Immunization Program (UIP) of the Central government.

What makes Gati a pioneer in door-to-door express logistics?

Since its inception in 1989, Gati has been able to maintain a leadership position in door-to-door express

logistics, as it operates with an asset-light model. As a part of the model, the company functions with a distributed network of trucking companies, providing vehicles as needed. Gati leverages a hub-and-spoke model with the highest standards of safety and compliance. It has enhanced a tracking system with a state-of-the-art ERP and tracking system.

How diverse is Gati's service offering?

Gati offers an extensive range of business services which include surface and air express distribution, supply chain solutions, e-commerce and e-fulfillment, inventory supply chain management and cold chain solutions. Moreover, Gati has rolled out a range of exclusive special services such as Art Express, Student Express, Bike Express, etc. to fulfill the needs of various customer segments. Moreover, thanks to the strategic alliance with Allcargo Logistics, Gati is well-positioned to offer customised solutions to other logistics needs like CFS-ICD, NVOCC, contract logistics, etc.

What gives Gati Air the edge in the airfreight operations segment?

Companies opt for airfreight to ensure safe, swift and timely deliveries at the right price of the cargo. For more than two decades, we have been consistently delivering on all those parameters, add to that our unmatched network across the country. Therefore,



Bala Aghoramurthy
Deputy Managing Director, Gati-KWE
(an Allcargo Company)

Gati Air has emerged as the most viable and dependable air freight service provider during the pandemic situation. We have a robust presence through Gati Air Transit Centres or Air Operating Centres at 35 airports across India, thus covering all the commercial airports in the country. We also offer direct delivery service to all metro locations within 50 km range.

What are the strategic advantages Gati Air is leveraging?

As an Allcargo group company, we are now positioned as an end-to-end logistics solution provider, providing customer one-window-experience. Our connectivity is now spread across 160 countries across the world. Our services have now become even more integrated with NVOCC and container freight stations,

warehousing solutions, logistics parks and project logistics.

Gati is now globally connected and can leverage Allcargo's digital platform ECU360, offering online shipment booking facilities based on the end-to-end quotes. ECU360 is the most sought-after online destination for global trade, as it offers door-to-door quotes of more than 55 countries with pick-up and delivery options. Apart from offering comprehensive cargo visibility to the customers throughout the cargo shipping cycle, it leverages a multimodal operational mechanism to facilitate the transportation of shipments across diverse operational touch points.

What is the size of India's logistics and cold chain market?

The size of India's cold chain market

was pegged at around ₹1,121 billion in 2018. It is expected to grow at a CAGR of 14.8 per cent over 2019-2024 and reach an estimated ₹2,618 billion by 2024.

With a target set for mid-2021, how is Gati gearing up for them?

Being one of the largest logistics companies in India, we would like to continue with our mission to offer comprehensive and differentiated solutions to our customers.

We are also leveraging our global and pan India reach thanks to our strategic collaboration with Allcargo to offer our customers end-to-end visibility. Going forward, we continue to further enhance our service delivery by adopting digital technologies and tech-enabled solutions. 🚀

🚀 Gati Express
Distribution has extensive operation bandwidth with over 600 offices and over 5,000 trucks and rail services. Customers can transport their cargo anywhere across the country, with the company's express distribution network which covers over 19,800 pin codes and 735 districts 🚀

Indian trucking sector suffers losses

According to WheelsEye Technology research, "Indian trucking sector is suffering from losses of 2-3 crore per day in faulty toll transactions. The Gurugram-based logistics tech startup has revealed this figure in a research conducted on over 5 lakh FASTag users. WheelsEye claimed that one out of every 60 FASTag transactions is faulty, as a result of which truck owners lose hard-earned money every day. This survey prompted the startup to develop an auto-detection and refund feature for wrong or double toll deductions from FASTag accounts. In an industry-first move, the company has launched an auto-detection & refund system for faulty FASTag transactions. The feature comprises an AI-based automated detection process and generates refunds to users who

have been charged extra. The system works across all FASTag enabled toll plazas of India. The new feature promises quicker refunds for faulty deductions by reverse integrating the refund process with the National Payments Corporation of India and IDFC Bank. Providing relief to affected customers, the company has also shrunk the process to just three to five days from an earlier 21 days.

"E-toll collection systems are a symbol of developing economies. They enable a faster transit, check leakage, and create an efficient flow of money. While countries like Norway, Italy, Japan, USA, Germany have their e-toll collection systems since as early as 1969, India has just begun. It got a massive push due to the



government making it mandatory and COVID-19 forcing contactless toll transactions. While we have reached a massive scale on adoption, we are still way behind in providing a glitch-free and smooth experience" says **Sonesh Jain**, Spokesperson, WheelsEye Technology.

The Ministry of Road Transport and Highways ordered that FASTags will become mandatory from January 1, 2021. There will be no more cash lanes at the toll plazas. It has also been made mandatory to register a new vehicle, to renew or purchase insurance, and even pay traffic fines in Chennai.

‘Digitalisation will give long-lasting returns’

According to **Avishkar Srivastava**, Chief Innovation Officer, The PDP Group, “Digitalisation can not only enhance efficiency but also lead to a happier workplace.” He urges logistics companies to not look at digitalisation as a quick fix but instead to approach digitalisation as a constant upgradation process which will transform the business and give long lasting returns.



CT Bureau

According to you, why digital integration has become crucial?

Digitalisation has probably been the most talked about topic in 2020. With the government’s initiatives of promoting paperless modes of working and cashless transactions, the industry has acknowledged that digitalisation is indeed the future. Having said that, it has mostly been the big corporates who have heavily invested to move to an integrated cloud-based ERP system. The awareness regarding the need to digitalise is still in the nascent stages when it comes to MSME logistics companies.

Could you please share how PDP Group is boosting productivity?

If a logistics company is in the industry for the long run, then digitalisation of working processes is not a luxury but a requirement. In our company, we had reviewed our working systems and uncovered a common trend. Despite having a very satisfied and proactive workforce as well as strong in-house infrastructure, we were unable to fully utilise our potential due to dependency on manual modes of working. Reliance on individual employees was also quite high due to non-centralised methods of working. Our visionary leader, Pramod Kumar Srivastava, was always looking for ways to boost productivity by embracing digitalisation. That was the driving force behind our switch to an integrated cloud-based platform.

Today we have integrated our various services to an integrated digital mechanism. This has greatly enhanced our efficiency by eliminating duplication of work and creating a seamless flow across the different service offerings. We often find logistic players appreciating digitalisation from a distance but when it comes to adoption, there is resistance due to the cost.

However, it’s high time MSME logistics companies look at digitalisation as an investment with high returns. Not only has digitalisation helped in making our processes more transparent, but we have also seen employee morale go up as they are no longer spending

hours updating excel sheets and filing manual paperwork. Information is available at the fingertips on our online cloud portal, enabling real-time data exchange.

Recently, ‘The PDP Group’ was presented with ‘Digital Samurai’ award for its unique digital practices which are not commonly seen in MSME supply chain companies. I would urge other logistic companies to not look at digitalisation as a quick fix but instead to approach digitalisation as a constant upgradation process which will transform the business and give long lasting returns. In today’s world, employees are looking for meaningful job roles where they can learn new things on a regular basis and understand how their work contributes to the company’s value proposition. Customers also appreciate customised digital reports which are generated in real-time as it adds authenticity and enhances brand value.

We have been providing complete end-to-end supply chain solutions including freight forwarding, customs clearance, warehousing, transportation, and cargo handling operations. It consists of three companies -- PDP International, Allied ICD Services, and P. D. Prasad & Sons. The Group has been constantly upgrading its digital systems to adopt a cloud-based integrated infrastructure.



Avishkar Srivastava
Chief Innovation Officer
The PDP Group

Digitalisation

→ Not only has digitalisation helped in making our processes more transparent, but we have also seen employee morale go up as they are no longer spending hours updating excel sheets and filing manual paperwork. Information is available at the fingertips on our online cloud portal.

→ It’s high time MSME logistics companies look at digitalisation as an investment with high returns.

→ It has mostly been the big corporates who have heavily invested to move to an integrated cloud-based ERP system. The awareness regarding the need to digitalise is still in the nascent stages when it comes to MSME logistics companies →

Standardise to streamline logistics sector

The logistics industry has been resilient and meeting the global standards, especially in COVID times. However, to further streamline the sector, standardisation of warehousing infrastructure, grading and rating is the need of the hour. Industry experts and government officials talk about the requirements of the sector in the recently held virtual logistics conclave by PHD Chamber of Commerce.



PAWAN KUMAR AGARWAL

IAS, Special Secretary (Logistics), Ministry of Commerce and Industry, Government of India

We need to focus on cost reduction, promote multi-modal transportation, reduce the time of turnaround trucking, and get more mileage on the capital investment in infrastructure. We need to plan integrated transport infrastructure. We are working on standardisation of warehousing infrastructure, grading, and rating of infrastructure so that a better market can be created for warehousing spaces. Railways are doing their best to support the core sectors of the economy and are desired sectors in whatever way.

Secondly, the cost is distributed in transportation, warehousing, inventory carrying, and other administrative charges. To reduce the cost, we need to focus on transportation costs by reducing the time of turnaround trucks and shifting modal modes. This cost reduction will not happen unless the issue of first and last mile is taken care of. We need to leverage the reduced cost of railway and postal transportation and improvise transshipment to reduce the cost. We are focusing on all these points in our logistics policy. And, for this we need to create transparent systems where the transport service providers and users become more vigilant and a system is created for the government so that they are actioned upon.



VANDANA AGGARWAL

Sr. Economic Adviser, Ministry of Civil Aviation, Government of India

Logistics has been a sector that has a lot of prominence in terms of delivery of services, especially during the times of pandemic. Indian logistics has matured to the extent during COVID times that we have seen logistics meet the extraordinary circumstances which were met globally. In this new normal, logistics needs to have automation, safety, fast delivery, ensure performance in the supply chain, and leverage multimodal transportation.

We must harmonise the law in a measured way and meet the financial requirements. We need to focus on building a robust infrastructure for meeting future demands, work on integrating the individual supply chains and there must be advanced preparedness of issues.



PAWANEXH KOHLI

Former CEO & Chief Advisor, National Centre for Cold Chain Development (NCCD)

Logistics sector has been the backbone in nation-building and at the same time provides job opportunities to the masses. This sector has been resilient and a strong arm of India. In today's competitive world, logistics must step up and ensure that supply happens to demand. Coming to the challenges, the key mantra of all logistics is delivered in full and on time so that the delays are minimised. We need to promote multi-modal shipments. Logistic ensures the value has meaning and is monetised by connecting demand and supply. There needs to a special dispute resolution mechanism in this sector and we need help to formalise this enormous talent in logistics by having upskilling programmes for the workforce and support mobility and cross-pollination between logistic domains. This sector must reflect today and the future of India.

Inputs by Kalpana Lohumi

Traffic statistics (Domestic Freight)

S. No.	Airport	Freight (in tonnes)					
		For the Month			For the period April to November		
		Nov 2020	Nov 2019	% Change	2020-2021	2019-2020	% Change

(A) 19 International Airports

1	Chennai	6,719	7,072	-5.0	35,789	56,102	-36.2
2	Kolkata	6,565	8,149	-19.4	39,646	69,296	-42.8
3	Ahmedabad	4,109	4,748	-13.5	22,900	40,081	-42.9
4	Goa	440	411	7.1	1,703	2,919	-41.7
5	Guwahati	1,646	1,799	-8.5	8,617	14,601	-41.0
6	Lucknow	824	678	21.5	5,411	8,023	-32.6
7	Jaipur	1,408	1,463	-3.8	6,489	10,543	-38.5
8	Trivandrum	129	162	-20.4	511	1,458	-65.0
9	Bhubaneswar	728	846	-13.9	3,664	6,546	-44.0
10	Calicut	24	0	-	335	578	-42.0
11	Varanasi	399	308	29.5	1,658	2,509	-33.9
12	Coimbatore	615	799	-23.0	3,050	6,667	-54.3
13	Srinagar	767	480	59.8	3,802	5,548	-31.5
14	Amritsar	81	43	88.4	447	810	-44.8
15	Mangalore	64	291	-78.0	1,079	570	89.3
16	Portblair	417	623	-33.1	2,173	4,612	-52.9
17	Trichy	0	0	-	0	2	-
18	Imphal	521	717	-27.3	2,063	5,377	-61.6
19	Vijayawada	132	132	0.0	1,015	1,550	-34.5
Total		25,588	28,721	-10.9	1,40,352	2,37,792	-41.0

(B) 6 JV International Airports

20	Delhi (DIAL)	28,661	29,283	-2.1	1,57,480	2,46,276	-36.1
21	Mumbai (MIAL)	16,995	24,954	-31.9	80,895	1,93,090	-58.1
22	Bangalore (BIAL)	12,331	12,642	-2.5	70,672	1,05,310	-32.9
23	Hyderabad (GHIAL)	4,654	5,077	-8.3	27,209	41,871	-35.0
24	Cochin (CIAL)	933	1,161	-19.6	5,037	9,522	-47.1
25	Nagpur (MIPL)	814	600	35.7	3,219	5,962	-46.0
Total		64,388	73,717	-12.7	3,44,512	6,02,031	-42.8

(C) 9 Custom Airports

26	Pune	3,266	3,242	0.7	15,035	25,331	-40.6
27	Patna	1,404	932	50.6	7,224	8,735	-17.3
28	Bagdogra	747	623	19.9	3,438	5,285	-34.9

S. No.	Airport	Freight (in tonnes)					
		For the Month			For the period April to November		
		Nov 2020	Nov 2019	% Change	2020-2021	2019-2020	% Change

29	Indore	914	792	15.4	3,237	6,806	-52.4
30	Visakhapatnam	538	304	77.0	2,207	3,705	-40.4
31	Chandigarh	896	1,003	-10.7	4,035	6,561	-38.5
32	Surat	311	249	24.9	2,547	2,631	-3.2
33	Madurai	303	179	69.3	1,041	1,062	-2.0
34	Aurangabad	139	86	61.6	374	511	-26.8
Total		8,518	7,410	15.0	39,138	60,627	-35.4

(D) 20 Domestic Airports

35	Ranchi	683	458	49.1	2,909	4,056	-28.3
36	Raipur	556	575	-3.3	2,536	4,191	-39.5
37	Agartala	301	165	82.4	1,064	2,942	-63.8
38	Jammu	125	113	10.6	519	984	-47.3
39	Bhopal	176	129	36.4	651	894	-27.2
40	Dehradun	10	17	-41.2	30	111	-73.0
41	Udaipur	0	0	-	1	3	-66.7
42	Vadodara	237	306	-22.5	648	2,299	-71.8
43	Leh	189	159	18.9	783	1,358	-42.3
44	Jodhpur	0	0	-	0	1	-
45	Dibrugarh	109	89	22.5	416	663	-37.3
46	Hubli	1	8	-87.5	53	70	-24.3
47	Silchar	67	62	8.1	348	569	-38.8
48	Tuticorin	0	3	-	0	39	-
49	Kanpur(Chakeri)	17	2	-	22	93	-76.3
50	Rajkot	3	4	-25.0	4	21	-81.0
51	Jharsuguda	4	7	-42.9	18	34	-47.1
52	Dimapur	35	44	-20.5	134	233	-42.5
53	Juhu	14	29	-51.7	74	247	-70.0
54	Jorhat	5	0	-	11	0	-
55	Agatti	0	9	-	0	47	-
Total		2,532	2,179	16.2	10,221	18,855	-45.8

(E) 2 St Govt./ Pvt Airports

56	Lengpui (Aizwal)	46	69	-33.3	236	312	-24.4
57	Nasik (Hal Ozar)	1	0	-	1	7	-85.7
Total		47	69	-31.9	237	319	-25.7

Grand Total (A+B+C+D+E) **1,01,073** **1,12,096** **-9.8** **5,34,460** **9,19,624** **-41.9**

* Estimated

Traffic statistics (International Freight)

S. No.	Airport	Freight (in tonnes)					
		For the Month			For the period April to November		
		Nov 2020	Nov 2019	% Change	2020-2021	2019-2020	% Change

(A) 15 International Airports

1	Chennai	22,132	22,502	-1.6	1,28,273	1,88,858	-32.1
2	Kolkata	3,659	5,371	-31.9	21,142	40,424	-47.7
3	Ahmedabad	2,690	4,307	-37.5	11,518	34,022	-66.1
4	Goa	63	60	5.0	98	778	-87.4
5	Guwahati	0	2	-	18	3	500.0
6	Lucknow	16	241	-93.4	597	2,304	-74.1
7	Jaipur	45	214	-79.0	230	1,577	-85.4
8	Trivandrum	799	1,623	-50.8	9,577	17,129	-44.1
9	Bhubaneswar	0	8	-	18	28	-35.7
10	Calicut	704	2,068	-66.0	6,261	18,616	-66.4
11	Varanasi	0	0	-	0	5	-
12	Coimbatore	24	209	-88.5	386	1,797	-78.5
13	Amritsar	78	87	-10.3	222	848	-73.8
14	Mangalore	37	336	-89.0	462	1,928	-76.0
15	Trichy	306	597	-48.7	1,475	5,549	-73.4
Total		30,553	37,625	-18.8	1,80,277	3,13,866	-42.6

S. No.	Airport	Freight (in tonnes)					
		For the Month			For the period April to November		
		Nov 2020	Nov 2019	% Change	2020-2021	2019-2020	% Change

(B) 6 JV International Airports

16	Delhi (Dial)	43,243	50,724	-14.7	2,82,989	4,12,966	-31.5
17	Mumbai (Mial)	41,975	48,988	-14.3	2,58,036	3,91,308	-34.1
18	Bangalore (Bial)	19,248	18,732	2.8	1,26,858	1,52,177	-16.6
19	Hyderabad (Ghial)	5,535	7,088	-21.9	39,288	56,076	-29.9
20	Cochin (Cial)	1,878	4,164	-54.9	21,704	42,965	-49.5
21	Nagpur (Mipl)	0	37	-	9	792	-98.9
Total		1,11,879	1,29,733	-13.8	7,28,884	10,56,284	-31.0

(C) 4 Custom Airports

22	Pune	0	19	-	0	134	-
23	Indore	6	42	-85.7	27	571	-95.3
24	Visakhapatnam	6	42	-85.7	7	315	-97.8
25	Madurai	24	122	-80.3	55	1,140	-95.2
Total		36	225	-84.0	89	2,160	-95.9

Grand Total (A+B+C) 1,42,468 1,67,583 -15.0 9,09,250 13,72,310 -33.7

(Source: AAI)

Monthly Traffic And Operating Statistics During 2020 (Provisional) (Scheduled Domestic Services) (Cargo Carried)

	Freight in Tonnes	Mail in Tonnes	Total in Tonnes	Freight in Tonnes	Mail in Tonnes	Total in Tonnes	Freight in Tonnes	Mail in Tonnes	Total in Tonnes	Freight in Tonnes	Mail in Tonnes	Total in Tonnes
JAN to	Air Asia			Air India			Air India Express			Alliance		
MAR	9,653.9	219.6	9,873.4	6,797.8	751.9	7,549.7	227.8	0.0	227.8	53.5	0.0	53.5
APR	-	-	-	-	-	-	-	-	-	-	-	-
MAY	153.9	11.0	164.9	199.9	12.2	212.1	0.0	-	0.0	85.0	-	85.0
JUN	1,522.1	159.5	1,681.6	2,050.8	-	2,050.8	-	-	-	8.0	-	8.0
JUL	1,590.0	118.6	1,708.6	1,937.3	-	1,937.3	-	-	-	23.6	-	23.6
AUG	1,963.7	127.9	2,091.6	2,378.5	-	2,378.5	-	-	-	32.5	-	32.5
SEP	2,803.8	179.7	2,983.5	3,466.7	-	3,466.7	-	-	-	36.2	-	36.2
OCT	4,151.3	214.8	4,366.1	3,990.3	-	3,990.3	-	-	-	37.1	-	37.1
TOTAL	21,838.5	1,031.1	22,869.6	16,805.8	1,910.3	18,716.1	227.8	0.0	227.8	275.9	0.0	275.9
JAN to	Blue Dart			GoAir			SpiceJet			Indigo		
MAR	27,756.7	0.0	27,756.7	3,279.4	0.0	3,279.4	35,056.7	0.0	35,056.7	58,953.2	3,452.3	62,405.5
APR	3,341.0	-	3,341.0	-	-	-	-	-	-	-	-	-
MAY	6,219.9	-	6,219.9	-	-	-	3,850.0	-	3,850.0	782.3	192.7	974.9
JUN	10,359.6	-	10,359.6	887.3	-	887.3	5,965.9	-	5,965.9	7,861.0	1,410.2	9,271.2
JUL	10,936.2	-	10,936.2	1,036.6	-	1,036.6	2,863.6	-	2,863.6	10,776.5	1,797.6	12,574.1
AUG	10,510.7	-	10,510.7	1,746.7	-	1,746.7	3,533.4	-	3,533.4	11,349.1	1,959.6	13,308.7
SEP	11,250.7	-	11,250.7	3,387.6	-	3,387.6	5,059.4	-	5,059.4	13,099.1	2,296.4	15,395.5
OCT	10,503.6	-	10,503.6	4,315.1	-	4,315.1	5,711.4	-	5,711.4	15,878.0	2,522.2	18,400.1
TOTAL	90,878.4	0.0	90,878.4	14,652.6	0.0	14,652.6	62,040.5	0.0	62,040.5	118,699.0	13,631.1	132,330.1

(Source: DGCA)

Looking at expansion in international markets

Lords Freight has witnessed a sharp growth in overall volume in e-commerce marketplaces. **Sushil Rathi**, Chief Operating Officer, Lords Freight talks about Indian road freight sector's challenges and how the ever-evolving technology is benefitting the logistics industry.



Kalpana Lohumi

Which issues need to be looked at by the road freight industry?

In India, road transportation is the predominant mode of transportation of freight cargo. The estimate of the modal movement of cargo highlights that in India nearly 60.2 per cent of the cargo is moved by road, 32.1 per cent by rail, and rest by the coastal shipping, airways and inland waterways. It is recognised that movement of long-haul bulk traffic by road is less efficient than by rail. But road is still preferred over rail.

ROAD MOVEMENT HAS ITS OWN SET OF CHALLENGES

- Freight movement in India is dependent on national highways.

Most national highways in India are severely congested, resulting in freight travelling only a third of the distance compared to developed countries.

- Quality of roads on the national highways is improving but is still inadequate in most parts of the country. Expressway / Freight corridor networks are taking time to develop.
- High level of fragmentation of the trucking industry results in fierce competition amongst operators. This is making truck owners overload their vehicles to recover investments.

What role digitalisation can play in making the sector better?

Ever-evolving technology will soon

be able to take over logistics industry as we move towards catalysing the digitalisation of supply chain management. Companies are transforming the face of supply chain management by transforming traditional supply chain management activities with the help of artificial intelligence, machine learning, IoT etc. In addition to that, logistics industry is becoming more transparent as suppliers, workers, and communities' access increasingly refined technologies and use them to create and share information.

Therefore, there needs to be a lot of focus on technology. It is important for two key reasons; the first being customers would like to see how to reduce the paperwork as it requires a lot of touch points etc. Therefore, companies can be seen focusing on how things can be moved more digitally. Secondly, there is more demand even from customers to share the complete tracking details of their consignment. Training of skilled manpower is extremely necessary to enable smooth utilisation of technology.

We at Lords Freight, are taking all efforts in changing our existing platforms and replacing them with the new ones. We will be upgrading our transport management system and have added a brand new HRMS system. We are now planning a new

Focus on technology

→ We at Lords Freight, are taking all efforts in changing our existing platforms and replacing them with the new ones.

→ We will be upgrading our transport management system and have added a brand new HRMS system. We are now planning a new sales system as well.



sales system as well. Technology for us is the continued focus.

How Lord Freight has survived the COVID crisis?

COVID has thrown different challenges to our business. One of the challenges we faced was in transportation. Due to migration, there was an unavailability of drivers and third-party workforce in the lockdown areas as they were not feeling secure wherever they were continuing in the operation. It was one of the big challenges which impacted both MLL and Lords. Moreover, the international trade was also affected because of the delays in the clearance at seaport and airport. Due to staff crunch, there was a lot of pile up which eventually delayed everything.

With a lot of planning and by running different schemes for the drivers, we ran a programme called HOPE (Helping Our People during Emergencies) under which we gave them cash benefits and we tried to make sure that all medical safety facilities are made available to all these drivers so that they feel a bit secure. During the year we expanded our freight forwarding business, strengthening both our air and sea forwarding locations both towards East Asia and Europe and North America. We have also expanded our express capability. We now provide surface and air coverage to over 14,000 pin codes across India.

What best practices have you learnt from your experience?

We all are aware that the COVID-19 pandemic has disrupted the global supply chain like never before. There have been significant changes that have been brought about the way companies operate. We have realised that our clients are concerned about how to fulfil their customers' requirements during these uncertain times. Health and well-being of employees became priority, given the COVID-19 fatalities globally. We have strengthened our focus on safety, so

we must institute several programmes in our company. We have instituted a programme called 'LIFE' which focuses on safety improvement across eight pillars. We have another platform called 'PULSE' which focuses on productivity improvement. We believe for frontline business like ours, for safety and productivity, such practices are a must.

With e-commerce booming, is the road freight market ready to take the demand?

Absolutely. The pandemic has accelerated the adoption of digital channels and that has transformed into an upsurge in e-commerce. We have witnessed a sharp growth in overall volume in e-commerce marketplaces with leading marketplaces growing by over 40 per cent year-on-year. Social-distancing norms has made people skeptical of going out and as a result segments growth has accelerated the demand for transportation and fulfillment logistics including sortation, fulfillment centres, return processing and last-mile delivery.

With the strict guidelines passed by government, there has been a perceptible growth in demand for essential products through the e-commerce channel and we have continued to see that trend in Q2 as well. We also see strong demand from tier-2 and tier-3 cities and towns accelerating in the last six months and we expect the same patterns

to continue. While some part of the demand has been a blip because of pent up volumes, we can now expect a consistently strong growth trajectory.

What are your expansion plans?

Today when you look at Mahindra Logistics, we are a completely domestic company with all our operations within India. We believe that through Lords Freight, we can expand our presence into international markets. Currently, we operate in those markets only through a network of partners and not through our own offices. Therefore, our plan going forward, is to open our own offices in major markets like China, Europe and US. And one of the strategies which we are thinking to adopt, is to enter the markets on the backbone of M&M footprint, the parent company which has multiple international operations. So, we can follow their footprint and that might help in terms of not only supporting our parent group but will also help Lords in terms of expanding quickly in those markets. Once we open Lords offices in international markets, the possibility is we can eventually look in terms of the third-party logistics services also in those countries, which is the core business of Mahindra Logistics. Thus, Lords can be our vehicle for the international expansion. We aim at ₹1,000 crore business by FY 2026 for Lords Freight and a ₹10,000 crore business for Mahindra Logistics. 🚀



Sushil Rath
Chief Operating Officer
Lords Freight

🚀 **Once we open Lords offices in international markets, the possibility is we can eventually look in terms of the third-party logistics services also in those countries. Thus, Lords can be our vehicle for the international expansion** 🚀



FIEO raises expectations from the Budget 2021-22

With pre-budget talks concluding, everyone is excited to know what Union Budget 2021-22 has in its bag for everyone. **Sharad Kumar Sharaf**, President, FIEO put forward issues and suggested a host of steps during the pre-budget consultation meeting with the Finance Minister **Nirmala Sitharaman** for the consideration of the government.

TRADE

Overseas marketing is a big challenge for exporters as it entails a very high cost.

(a) We need to bring 'Double Tax Deduction Scheme for Internationalisation' to allow exporters to deduct against their taxable income, twice the qualifying expenses incurred for approved overseas activities including market preparation, market exploration, market promotion and market presence. A ceiling of US\$ 5,00,000 may be put under the scheme so that the investment and tax deduction are limited.

(b) The marketing support under 'Market Access Initiative' of the Ministry of Commerce is very small. We should create an Export Development Fund with a corpus of 0.5 per cent of the country's exports for helping MSMEs.

TAX DEDUCTIONS ON PRODUCT DEVELOPMENT AND R&D

Section 35(2AB) of Income Tax Act may be relooked into to provide tax deduction not only on R&D but also on product development as product development is key in exports and should be encouraged. The tax deduction on R&D expenditure which has come down from 200 per cent to 100 per cent now may be restored to its original position as R&D investment in India is extremely low (<1 per cent of GDP) and most of the R&D is being done at the behest of the government or in sectors like pharma where it is Hobson's choice.

INCOME TAX RATE REDUCTION FOR NON-CORPORATES

The industry has welcomed reduction in corporate tax to 15 per cent for new investors and 25 per cent for existing investors. However, this has created widespread disparity with non-corporate MSMEs who are subject to higher taxation of 35 per cent. To encourage MSME units further expand and create new opportunities, proprietorship firms/partnership firms and LLPs both new and old may also be given the benefit of reduced income tax so as to bring them at par with corporate bodies.

INDUSTRIAL PRODUCTION

One of the reasons for fluctuations in India's export performance has been the lack of consistency in industrial or manufacturing growth. We see some growth in manufacturing for a month or so and then we see a dip. Manufacturing needs to be made competitive by addressing the issue of cost of capital, land, labour, logistics cost, etc.

PROVIDE DEEMED EXPORT STATUS TO INDIAN INDUSTRY

Indian companies winning contracts under the global tender may be accorded deemed exports status, since they substitute direct import which would have taken place if the contract had been won by a foreign supplier. Deemed export status would enhance the competitiveness of Indian industry

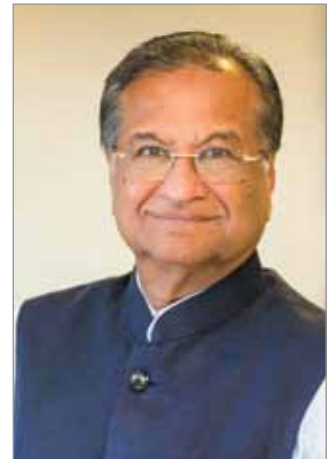
vis-à-vis foreign suppliers as the former would enjoy certain tax-related benefits

SETTLEMENT SCHEME FOR DISPUTES RELATED TO CUSTOMS & DGFT ISSUES

Government may consider introducing a scheme in line with Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 to resolve all disputes relating to Customs and DGFT. There are large number of cases of exporters pending settlement with Customs and DGFT pertaining to classification disputes, duty, drawback, export obligation under Advance/EPCG/EOUs, etc. The waiver of interest & penalty and may be the duty liability will help the industries which are passing through a rough patch due to lack of demand both domestically and globally.

FISCAL SUPPORT TO ATTRACT PRIVATE PLAYERS

India's outward remittance on account of transport services is increasing year after year. We remitted US\$ 57 billion, 65 billion and 67 billion in 2017, 2018 and 2019 respectively. When we are looking at increasing our international trade to US\$ 2 trillion in an economy of US\$ 5 trillion, the outgo on transport services will increase to US\$ 150-200 billion. While we need to strengthen the Shipping Corporation of India, new large shipping companies may also be set up in India to exploit the ready market available to them. Some fiscal support may be provided to attract private players in the field.



Sharad Kumar Sharaf
President
FIEO

ECGC COVERAGE TO THE BANKS FOR EXPORT FINANCE

The rising NPAs have caused decline in export credit by the banks to the exporters resulting in liquidity problem in export efforts. To provide necessary comfort to bankers, the government may roll out the NIRVIK Scheme which was announced in September 2019.

HIGHER BUDGET ALLOCATION TO DEPARTMENT OF COMMERCE

The share of exports in the country's GDP has declined in last few years. If India's GDP grows at eight per cent plus, exports should grow at 15 per cent plus. DOC should be given enough budget allocation to support exports including agri exports which have come into focus only recently.

UP GOVERNMENT ISSUES GUIDELINES TO BUILD LOGISTICS INFRASTRUCTURE



In the wake of keen interest shown by the investors and investments worth several hundred billion rupees being in the pipeline, Yogi Adityanath, Chief Minister, Uttar Pradesh has issued directions for further strengthening of the investor-friendly industrial ecosystem and for building a robust logistics infrastructure in the state. The state government has nominated Additional Chief Secretary (Infrastructure & Industrial Development) Alok Kumar as state nodal officer for developing the integrated state logistics plan aimed at overall development of logistics sector. The state government will also set up a state logistics coordination committee under the chairmanship of the chief secretary to monitor the progress and implementation of the logistics plan.

INDIAN RAILWAYS ISSUES DRAFT NATIONAL RAIL PLAN

In order to address the inadequacies of capacity constraints and improve its modal share in total freight ecosystem of the country, Indian Railways has issued a draft National Rail Plan. "A long-term strategic plan called the National Rail Plan has been developed to plan infrastructural capacity enhancement along with strategies to increase modal share of the Railways. The National Rail Plan will be a common platform for all future infrastructural, business and financial planning of the Railways. Railways aim to finalise the final plan by January 2021," said Ministry of Railways in an official release. The aim is to create capacity ahead of demand by 2030, which in turn would cater to growth in demand right up to 2050 and also increase the modal share of Railways from 27 per cent currently to 45 per cent in freight by 2030 as part of a national commitment to reduce carbon emission and to continue to sustain it.



JNPT - ANTWERP ANNOUNCE ONLINE COURSE IN BREAK BULK HANDLING

With the demand for upgraded skills for port-led development increasing, the JNPT-Antwerp Port Training & Consultancy Foundation has announced an online course in Break Bulk Handling at the training centre. The aim of this online course is to provide training and expertise to port professionals and share the best practices prevailing at the leading terminals of Port of Antwerp.

Commenting on the training programme, **Sanjay Sethi**, IAS, Chairman, JNPT said, "The participation in this course will help create common understanding of the safety and efficiency standards which will ensure safe and timely cargo handling. We intend to host many such courses after feedback from the private sector and the major ports. We are delighted with our APEC association, who has trained over 14,000 trainees from across 150 countries, since its inception making it the natural choice of Port-related trainings for port officials."

CONTAINERISED TRADE REPORTS 31% INCREASE IN VOLUMES

With a 14 per cent growth quarter on quarter, India's containerised export is helping the country's trade recover, explains the Maersk report on India's import-export trade update from Q3 of 2020 (July – September). During Q3 of 2020, the Indian containerised trade contracted by about eight per cent as compared to the same period last year. However, comparing to Q2 of 2020, there has been a 31 per cent increase in volumes, indicating that trade is on a path of recovery. Exports out of India are up by 14 per cent over Q3 of last year while they are 47 per cent higher than Q2 of 2020.



FM LOGISTIC INDIA TO SET UP INTRA-CITY WAREHOUSING UNITS

Amid an increasing demand for quick deliveries by online customers, FM Logistic India is looking to set up intra-city warehousing units across Mumbai, Delhi and Bengaluru, including by converting some abandoned mills into such facilities. The company is in discussion with a closed mill owner in Mumbai, while exploring the possibility of such projects in Delhi and Bengaluru. However, along with this, FM Logistic is also open to setting up completely new intra-city warehousing facilities as well, informs **Alexandre Amine Soufiani**, Managing Director, FM Logistic India.



Alexandre Amine Soufiani
Managing Director
FM Logistic India

"In the post-COVID-19 scenario, having an intra-city warehousing facility is a must to be able to deliver the goods to the end-customer within hours of placement of an order. But, the land in the cities is costly. We are scouting for warehousing facilities inside the cities of Mumbai and Delhi to either build new multi-storey warehouses or to refurbish abandoned cotton mills in Mumbai within the city," he adds.

CSC PHARMA EXCELLENCE CENTRE GETS CEIV IATA PHARMA CERTIFICATION

Mumbai CSC Pharma Excellence Centre has become the first air cargo handler in India to receive CEIV IATA Pharma certification for its Pharma Excellence Centre. The International Air Transport Association (IATA) has awarded CSC Pharma Excellence Centre with CEIV IATA Pharma Certification. The CEIV IATA Pharma standards guarantee air freight customers the highest quality and temperature control standards for the transportation of sensitive life science products. Demonstrating the organisation's commitment to quality in every aspect of their service and to be a vital partner of the healthcare supply chain, CSC Pharma Excellence Centre has also been certified as GDP-compliant. Global Distribution Practice (GDP) is the highest quality certification for the distribution practice of life science products. Internationally accepted pharmaceutical GDP regulations stipulate that distributors of pharmaceutical products must align their operations with these standards.



HUBBALLI AIRPORT TO HOUSE NORTH KARNATAKA'S FIRST CARGO TERMINAL

Hubballi Domestic Airport is ready to house North Karnataka's first dedicated domestic air cargo terminal, that would be expected to start functioning from February 2021. The Airports Authority of India – Cargo Logistics & Allied Services Company, has given in-principle approval for conversion of the old passenger terminal into the cargo handling section.

Pramod Kumar Thakre, Hubballi Airport Director has stated that the upcoming cargo terminal shall have secured storage space for both inbound and outbound cargo, a dedicated room for valuables and dangerous goods, along with provision for commercial space that can be utilised by airlines, major freight forwarders/logistics players like postal authorities and e-commerce players. "The 700 square metre cargo terminal shall have annual cargo holding capacity of 15,000 MT," he said.

Industries and progressive farmers of the region are hopeful that the commencement of the cargo terminal will boost the economy of North Karnataka.



SPICEJET PARTNERS WITH MYLOGISTICS GURUKUL TO PROVIDE TRAINING

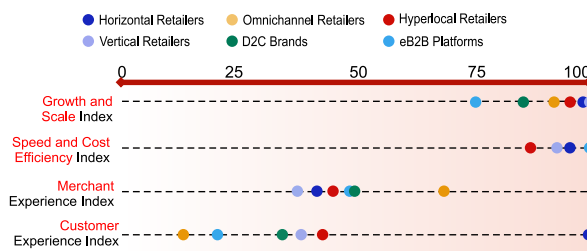
In a bid to ensure each aspect of the vaccine and its handling, SpiceJet has collaborated with MyLogistics Gurukul; the teams will be working together to handle the first-mile, last-mile and door-to-door delivery of the vaccine when it comes out. A trained team who handles will be absolute key to avoid any loss of efficacy due thermal shock during transit and storage, familiarity with the regularity and compliances and social and commercial impact due rejection of goods and other reasons.

The training is being delivered online across the country audience over two days, four hours in a daily per batch of about 25 participants and more than 500 SpiceXpress employees will be trained in the sensitive cold chain vaccine handling.



REDSEER-SHADOWFAX LOGISTICS INDEX LAUNCHED; OPPORTUNITIES IN E-COMMERCE

RedSeer - Shadowfax Logistics Index (RSLI) Score
Q2-FY21, Scale: 0 to 100, N1=5000+



Note(s): 1) Merchant Index not applicable for Omnichannel & D2C retailers
Source(s): Customer surveys, Merchant surveys, Expert discussions and RedSeer Analysis

Shadowfax India has launched RedSeer Shadowfax Logistics Index (RSLI) to provide a definitive view of the e-commerce sector's quarterly performance on supply chain and logistics and indices them across parameters of growth, performance, efficiency, customer and merchant experience. Amazon, Ajo, Dmart, Zomato, Udaan, Xiaomi and BigBasket have emerged as the leaders in the newly launched RSLI report. The e-commerce sectors covered in the RSLI include horizontal, vertical, omni-channel, direct-consumer, hyperlocal (FoodTech, eGrocery etc.) and eB2B. The index is built on a framework of four pillars which is further measured on 15 metrics. The four pillars are growth index, performance and efficiency index, merchant experience index and customer experience index.

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SERVICES OFFERED:

- International Freight Forwarding
- Custom Broker (CHA)
- Multimodal Transportation
- ODC & Project Cargo clearance & handling

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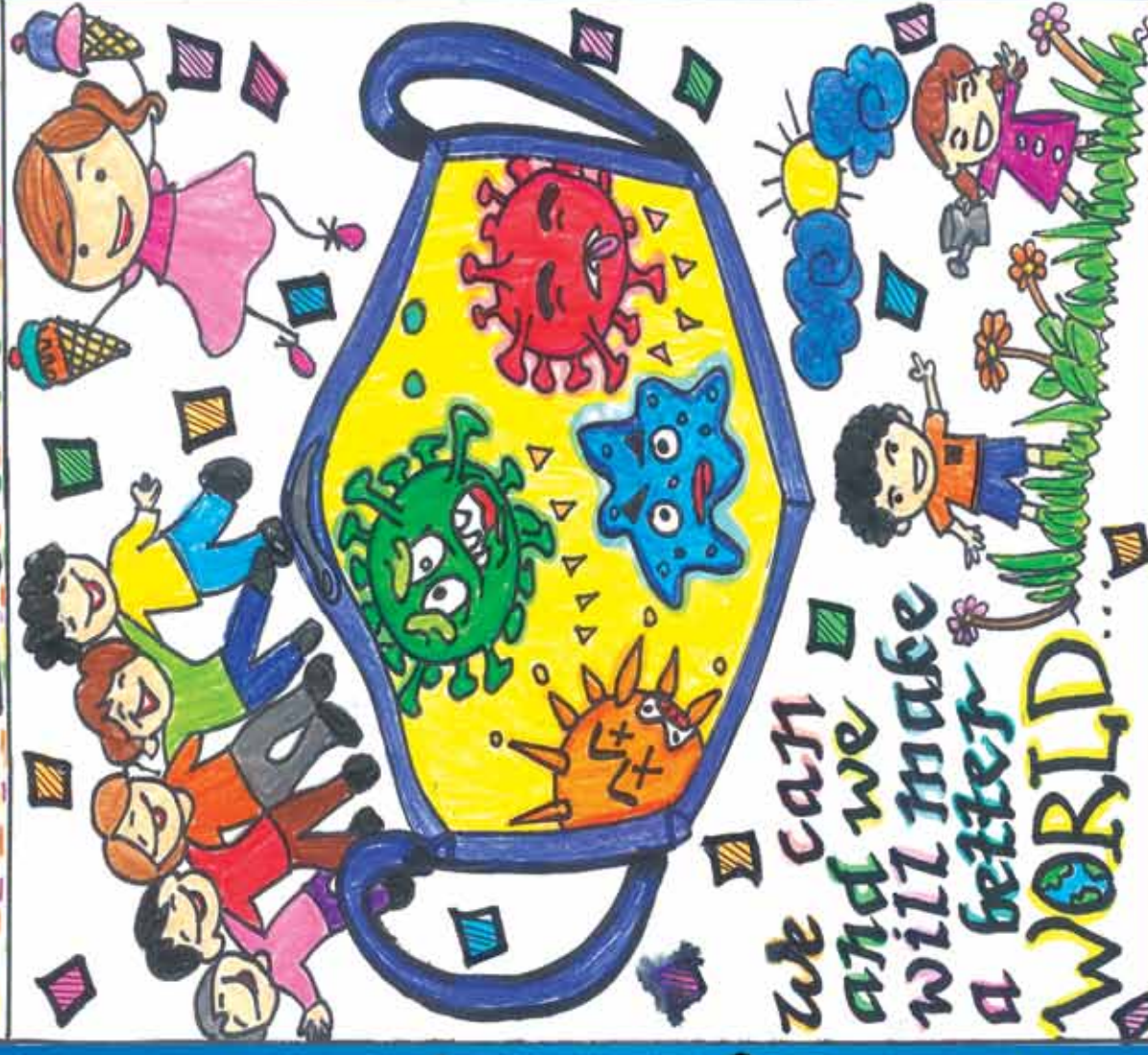
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FRANKFURT AIR CARGO COMMUNITY EXECUTIVE BOARD GERMANY

LUG aircargo handling Managing Director **Patrik Tschirch** will replace Harald Gloy as Chair of the Frankfurt Air Cargo Community Executive Board. Meanwhile, Susanne Klingler-Werner and Pierre Dominique Prümme have been elected to the committee for the first time. The role of the new executive board will be to move forward with the strategic process of the further development of Air Cargo Community, which has already begun.



DHL FREIGHT GERMANY

DHL Freight, the road freight arm of DP-DHL, has announced the appointment of Anabela Pires as CEO for the Central Eastern, Southern Europe & Americas, Middle East, Africa (CESE & AMEA). Pires looks back on more than 25 years of experience in freight operations. Having begun her career at Deutsche Post DHL Group in 2012, she took on the additional responsibility of managing Freight's Maintal, Germany terminal in 2014 before assuming her current role, in 2015, as Area Manager Central DHL Freight Germany & Terminal Manager Maintal.



MSC SWITZERLAND

Former Maersk Chief Operating Officer **Soren Toft** has been appointed as Chief Executive at MSC. He will report directly to Group President Diego Aponte and Founder and Chairman Gianluigi Aponte. Toft will oversee MSC's global cargo businesses, including ocean liner and logistics, and will also be a member of the board of directors of Terminal Investment Ltd (TIL), the terminals business majorly owned by MSC. With over two decades in the shipping industry, he had served as Chief Operating Officer at Maersk since 2013.



DHL FREIGHT GERMANY

DHL Freight, the road freight arm of DP-DHL, has announced **Dr Thomas Vogel** as the new CEO for DHL Freight's Germany, Austria and Switzerland cluster. He joined DP-DHL in 2014 as head of strategy at Post & Parcel. In 2016, Dr Vogel was named SVP resource management for Post & Parcel Germany, before moving to DHL Freight in 2017. He became Freight's Chief Operating Officer in 2018 and since 2019, has also been member of the board of digital freight platform, Saloodo.

ECOM EXPRESS GURUGRAM

Ecom Express announced that **Venkatesh Tarakkad** has been appointed as Chief Financial Officer effective November 20, 2020. Venkatesh will be based out of the company's headquarters in Gurugram. He will be responsible for Finance, Accounts, Legal, Secretarial, Commercial and Administration functions besides spearheading business goals. Tarakkad comes with 25 years of experience of core expertise in steering the financial planning for some of the world's leading retailers and wholesale brands.



LUFTHANSA CARGO ZURICH

Ashwin Bhat will take over as Lufthansa Cargo's Chief Commercial Officer and member of the executive board for the carrier's product and sales division on March 1, 2021. Bhat will be responsible for the external organisation of sales and handling, product, revenue management, pricing, network planning and sales management worldwide. He has been Vice president and Head of Cargo at Lufthansa Cargo's sister company Swiss International Air Lines in Zurich since October 2015. He joined the company in 1999.



FLEXPORT EUROPE

US-based freight forwarder Flexport has appointed former DB Schenker executive **Florian Braun** as its new Head of Ocean in the EMEA region. At DB Schenker Braun served as Vice President of Ocean 4.0, responsible for digital ocean strategy. Before that he was a Trade Lane Manager in China with DHL – altogether he has spent 14 years in logistics, seven in China. "Florian's appointment comes at an exciting time for ocean trade," said Flexport VP Europe Jan van Casteren.

AIRFORWARDERS ASSOCIATION USA

The Airforwarders Association (AfA) has appointed **Shawn Richard**, Vice President of Global Airfreight at SEKO Logistics to its Board of Directors. Richard will be officially sworn into office at its virtual board meeting on January 5, 2021. His appointment follows the association electing new board members for the upcoming 2021-2024 term of office. Richard has 30 years of experience in the logistics industry. He has previously worked at New York-JFK Airport, Delta Air Lines Cargo, Geodis and DHL Global Forwarding.



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in cargo throughput & flights



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terminal capacity of
60,000 MTPA



25 Dedicated cold storage
rooms with adjustable
temperature ranging from
-25 to +25 degree Celsius



Good Distribution Practices (GDP)
Certification demonstrates dedication
to good distributive practices &
quality in every aspect of our service

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SpiceXpress

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THE WINGS THAT YOUR VACCINE NEEDS.

Presenting a safe and secure service to transport your vaccines and its allied products in a secure and temperature controlled environment.



Proud to fly
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Partnership with global leaders in cold chain logistics



Controlled temperatures ranging from -40°C to +25°C



Temperature controlled warehouse and aircraft hold areas



Real time humidity and temperature monitoring



Non-stop connectivity to major international destinations



85,000 tons of cargo transported since lockdown

End to End Temperature Controlled Cargo

STANDARD SERVICE

- This service is ideal for controlled ambient temperature (+15°C to +25°C) and cool temperature (+8°C to +15°C) cargo
- Provides extra protection of thermal blankets
- Secure for sensitive drugs and testing products

ACTIVE SERVICE

- This service is ideal for frozen temperature (-40°C to 0°C) cargo
- Suitable for the movement of sensitive research drugs, controls, and vaccines
- Provides world-class Active RKN and RAP containers

ADVANCED SERVICE

- This service is ideal for chilled temperature (+2°C to +8°C) cargo
- Active and passive containers available
- Suitable for the movement of vaccines, blood samples, and medical drugs

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- Suitable for the movement of life saving cargo in Direct emergency and humanitarian relief
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- Provides complete one window customised solution

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