

AMTOI

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NEWS



BATTING FOR MULTIMODALISM



**ASSOCIATION OF
MULTIMODAL TRANSPORT
OPERATORS OF INDIA**

AMTOI

AMTOI, The Association of Multimodal Transport Operators of India, was formed with the object of organizing Multimodal Transport Operators at the national level and improving the quality of their services. The members of the Association are Multimodal Transport Operators registered with the Directorate General of Shipping, Mumbai under the Multimodal Transportation of Goods Act, 1993 which also includes some associate members like CFS operators, tank container operators etc.

The Association is a non-profit making body registered under the Indian Companies Act and is managed by the Managing Committee comprising of 7 members elected by the Operator members. The Committee is assisted by a Board of Advisors consisting of the representatives of Government / Public Sector Organizations. Also, it has various trade association representatives on its extended board and is thus likened to an apex body.

As a unique initiative, AMTOI has set up a forum called the Grievance Redressal Forum (GRF). The objective of this Forum is to create a platform for dispute resolution and thereby addressing grievances of the members of the trade.

The Association has a two-tier membership – Ordinary members who are registered as MTOs and Associate members who are not MTOs themselves but who are involved in operations connected with multimodal transport. The Associate members are not eligible for voting rights or contest in the Elections.

The Association from time to time has made suggestions for the consideration of Government and in fact the suggestion for amending the Multimodal Transportation of Goods Act and for adopting other related measures.

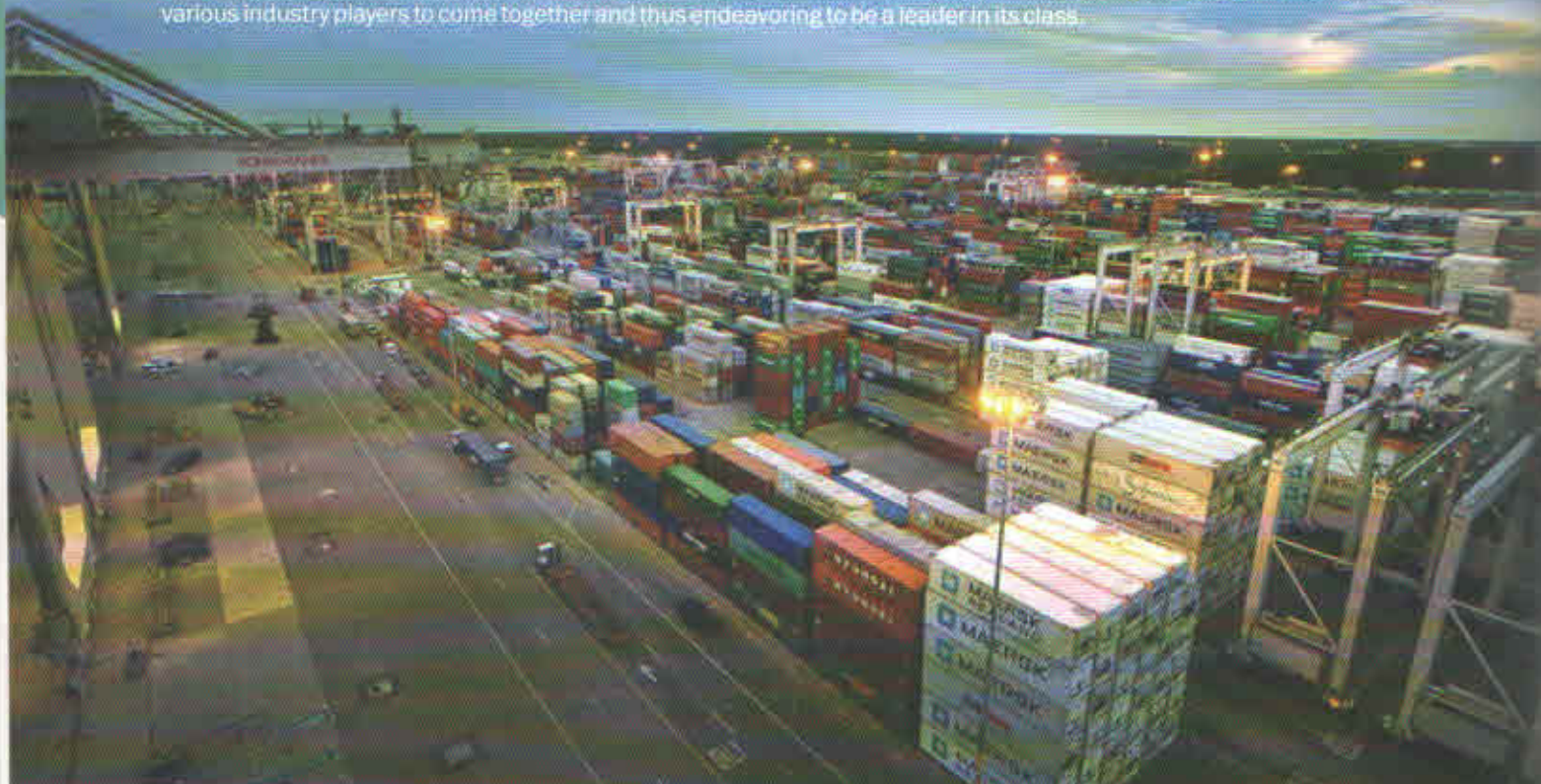
AMTOI has been able to secure representation on Government bodies like the Standing Committee on Promotion of Exports, (SCOPE Shipping and SCOPE Air), Task Force on Multimodal Transport and various other forums of the Ministries of Shipping, Commerce & Finance of the Government of India. The Association is also a member of the International Multimodal Transport Association based in Geneva and has thus acquired international recognition.

For the benefit of its members, regular training courses are conducted by it on tax issues, insurance or other such related subjects.

An awaited event of the year is the MULTIMODAL DAY or an AMTOI DAY which the Association organizes as an 'Annual Day' for the last many years wherein the entire shipping fraternity of Shipping Lines, Ports CFS operators, Freight Forwarders, NVOCC's, CHA's, Airlines, Government authorities in addition to MTO's come together to network and interact with each other under one roof.

Members are kept abreast of the happenings in the industry by MULTIMODAL TIMES or AMTOI Newsletter which is published as a quarterly magazine currently and we hope to graduate into a monthly publication which will attempt to capture critical issues that are close to the industry and along with opinions of the industry leaders.

Lastly, keeping abreast with the advancing technologies, AMTOI continuously improvises its website and offers tools for various industry players to come together and thus endeavoring to be a leader in its class.



ASSOCIATION OF
MULTIMODAL TRANSPORT
OPERATORS OF INDIA

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ASSOCIATION OF MULTIMODAL TRANSPORT OPERATORS OF INDIA

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Mr. George Abrao,
Hon. Secretary

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Managing Committee Member

Ms. Anjali Bhide,
Managing Committee Member

Mr. Vivek Kele,
Ex-Officio

Mr. S Varadarajan,
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Advisor

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Advisor

Extended Board Members 2018-2019

- All India Motor Transport Congress
- Association of Container Train Operators
- CFS Association of India
- Coastal Container Transporters Association
- Consolidators Association of India
- Federation of Freight Forwarders Association of India
- Hydraulic Trailer Owners Association
- Indian National Shipowners' Association
- Indian Private Port & Terminals Association
- Maritime Association of Nationwide Shipping Agencies
- The Air Cargo Agents Association of India
- The Container Shipping Lines Association
- Women's International Shipping & Trading Association

From the President's Desk

Last quarter was a busy time at AMTOI. We had several meetings with our stakeholders. In addition, we had an invitation to several events as moderators, speakers and panellists. Some stakeholders visited the AMTOI office for meetings. We have just concluded the AMTOI Cricket Tournament (ACT) which was launched with great success with 32 teams participating in the first fixture.

To increase its international presence, AMTOI participated in the South Asia Maritime & Logistics Forum Conference, Dhaka, and made contact with Bangladesh Freight Forwarders Association. Thereafter, there was a meeting with Sri Lanka Freight Forwarders Association's Chairman in Colombo.

Other engagements included speaker invitations from two private international networks, CFSAI, CII, Samudra Manthan Awards, CILT and CMMI. AMTOI also had meetings with senior ministers and bureaucrats including Dr. Amit Mitra, Honourable Minister, Government of West Bengal, Department of Finance, Industry, Commerce & Enterprises, Micro, Small and Medium Enterprises, Textiles, Information Technology and Electronics Department, Honourable Commerce Minister, Shri Suresh Prabhu; Minister of Finance, Shri Ravindra Chavan, Honourable Minister of State for Transport & Port, Home Department, Government of Maharashtra; CBIC Member Board, Shri John Joseph; Secretary (Shipping) Shri Gopal Krishna; Shri Jayaseelan Idas, Director, MOS; Shri Sanjay Bandopadhyaya, Additional Secretary, MOS; Shri Uday Singh Mina, Director, MOC; and Shri Ashish Kumar Singh, Principal Secretary, Transport & Port, Home Department, Government of Maharashtra. Meetings were also held with the representatives of FICCI, FIEO, Japan Association for Logistics and Transport & Class NK. September and October are also the months when several AGMs of Associations are held and included invitations from BOFBA & MANSa. Considering that November and December are months for weddings, it was, therefore, a very busy time. However, it gave us a lot of good platforms for enhancing our efforts for the growth of multimodal transport in India.

We also had meetings with the members of the northern and eastern regions. We expect the western region to become active. The southern region was the first to be established and will continue to remain active. We have an active youth wing and expect the woman's wing will also become vibrant. It will be an equally busy year for AMTOI managing committee members as we will play a key role as the supporting organisation in events organised by the West Bengal Government, FICCI WR & FIEO. We are fortunate to have a highly motivated managing committee who work with passion and commitment by devoting a lot of time and resources for the good of the industry.



AMTOI connects with its members with events such as AMTOI Day, various training programmes, while the AGM also has knowledge sessions. Further, AMTOI connects with its members through communications like weekly updates, AMTOI News, and by forwarding circulars. AMTOI would like to enhance the member connect even more and would like to have a two-way communication and active participation from all its members. I'd like to request you all to participate in AMTOI events for active and meaningful networking. We also encourage you to participate in AMTOI training programmes, and further nominate your colleagues for validated training.

AMTOI will be happy to publish the original knowledge articles and studies you contribute to AMTOI NEWS. AMTOI has published a study report of its member on INSTC. It is a well-researched report and we hope it will open a new trade-lane avenue for you. We encourage you to join the AMTOI sub-committees, segmental councils, regional committees, youth wing or woman's wing, whichever body of AMTOI kindles your interest to volunteer for the growth of multimodal transportation in India. I am sure that active participation will enable you to get more out of the AMTOI platform, and it will be a satisfying experience.

Best regards

Shantanu Bhadkamkar
President
AMTOI



Taking Stock

The government has initiated a number of steps but this needs to be sustained in order to achieve the goal of lowering the cost of logistics.

As we near the end of 2018, one cannot help but reflect on the year gone by. It has been a challenging year for logistics with depressed freight margins, fluctuating oil prices and an even more erratic US dollar. One really cannot predict what's in store for us around the corner.

AMTOI has tried to bridge this gap by conducting training sessions, taking out white papers on wide ranging subjects be it the Goods and Services Tax (GST), the International North South Transport Corridor (INSTC), or coastal shipping and inland waterways.

As India gears up to take its growth story forward in the new year, the government is laying huge emphasis on transport and infrastructure development, including inland waterways.

The logistics sector plays a crucial role in any nation's development story. Rating agency ICRA has projected this sector to grow by 9-10 % per annum and in an attempt to give it a further boost, the government recently granted it infrastructure status. Logistics companies will now enjoy the option of refinancing with specialised lenders and be able to access cheaper foreign currency funding through external commercial borrowings (ECB).

Unfortunately, the logistics spend in India is amongst the highest in the world at approximately 13% of the gross domestic product (GDP), compared to well below 10% for advanced countries. This high logistics cost adds to the cost of Indian-manufactured goods making them less competitive in domestic and international markets. With the introduction of GST, and, as just mentioned, easier access to capital in long term borrowings, we can expect large format warehousing to spring up across the country. This will eventually bring down the cost of logistics, which, in turn, will boost demand for Indian goods and further our Prime Minister's vision of Make in India. This will also lead to job creation in the longer run.

We can see further private investment in logistics including multimodal logistics parks comprising inland container depots (ICD) with a minimum investment of Rs 50 crore for a minimum area of 10 acres, cold chain facilities having an investment of a minimum of Rs 50 crore for a minimum area of 20,000 sq ft and warehousing facilities with investment of a minimum Rs 25 crore for over 100,000 sq ft area. This should attract a great deal of private investment in this sector.



The honorable Minister of Commerce and Industry has revealed India is working on finalising the policy for a new logistics plan in the country which will boost the government's mission to come out with the most cost-effective method to transport goods till 2035. With these initiatives, India has jumped 19 places in the Global Logistics Performance Index from 52 in 2014 to 35 in 2016. We can only expect this to grow further.

The government is planning to create logistics hubs throughout the country in consultation with various stakeholders including ministries who have such requirements such as fertilizers, petroleum, food, steel, minerals, mines and food processing, among others. Logistics infrastructure is a critical enabler of India's agenda for economic development and urbanisation. Recognising the same, the government has tripled annual spending on logistic infrastructure over the past



seven years. However, despite this increase, we still see the country's network of roads, rail and waterways insufficient to accommodate a threefold increase in freight movement over the coming decade. This will be the death knell of our growth story if we do not address these issues on a war footing.

We must pursue an integrated and coordinated approach that not only closely aligns the development of each mode i.e. railways, road and waterways, but also makes optimum use of the existing assets. This will require increasing the railways' share of logistics infrastructure investment from the current 40% to 50%, building a logistics infrastructure capable of handling rising freight traffic that efficiently presents opportunities for user industries and for infrastructure developers and construction companies.

In particular, India must expand its use of railways and realize the potential of its waterways. Given current trends, the share of India's freight transported by rail would decline to 25% from the current 36%. By contrast, rail accounts for almost 50% of freight movement in China and the United States. As we have seen, China has made rapid growth in railways by building mega projects such as the highest rail in the world to Tibet and it is now in the process of connecting China to Europe by rail, thus ensuring cost-efficient movement of goods. To be quite honest, we are nowhere near the same. If this current trend prevails, inefficiencies associated with poor logistics infrastructure will increase from the current \$45 billion to \$140 billion in 2020. A well-planned infrastructure could help India cut this waste by half and transportation fuel requirement by 15 to 20%.

States like Maharashtra have come out with comprehensive policies and plans to set up 25 integrated logistics parks and over 100 logistics parks across the state. This needs to be replicated on a pan India basis.

With the Prime Minister's Make in India initiative launched on September 25, 2014, and with the vision of making India a global manufacturing hub to address the ever-growing employment needs of India's youth, we need to encourage both multinational as well as domestic companies to manufacture their products within the country. This can only be done with state-of-the-art infrastructure in logistics.

We have not even touched the tip of iceberg as far as inland waterways are concerned. However, as a first step, the Inland Waterways Authority of India (IWAI) has recently transported container cargo belonging to the food and beverage giant PepsiCo, from Kolkata to Varanasi on the river Ganga. It was India's first container movement on an inland vessel post-independence. This is a milestone. India has been blessed with one of the largest inland waterway networks in the world and a coastline measuring 7500 km. We need to exploit the same in the right format. There is a huge cost mismatch between road transport and inland waterways cost. Considering the environment and climate change initiatives, effective solutions have to be found to promote inland waterways and reduce the load on our highways and ever-increasing fuel costs.

I would like to end by saying sometimes I feel while we build state-of-the-art port terminals, we forget the hinterland. Some of the most modern ports in India have the most possible connectivity options as yet undeveloped, thus rendering the entire exercise futile. The vision should be an all-round infrastructure development and then maintain that infrastructure for years to come. This is seriously lacking in our country and which will remain a great cause for concern in the coming years as well unless we address the same.

Let us hope that good sense prevails all round and due importance is given to our industry which is the backbone of any economy of a country.

I take this opportunity to wish you all a happy, peaceful, prosperous and healthy 2019.

Best regards

Xerrxes Master
Vice President
AMTOI

New Members

November 2018 - December 2018

MTO Members

Tripath Logistics Pvt Ltd	Bengaluru
Sai Shipping Pvt Ltd	Mumbai
Turbo Freight Pvt Ltd	Mumbai

Associate Members

BTJ Logistics Pvt Ltd	Mumbai
Thomas Global Logistics Pvt Ltd	New Delhi
Flyways Worldwide Logistics	Chennai



EVENT REPORT

Farewell

AMTOI presented a memento to Dr Malini Shankar as she retired from her post as DG-Shipping.



After a well-attended and good discussion at the extended board meeting, members proceeded to the residence of AMTOI President Shantanu Bhadkamkar for dinner. Attendance was almost full house including the spouses of the members.

Dr. Malini Shankar, who had just retired as DG-Shipping, was welcomed by members of the managing committee and Mr. Bhadkamkar's family. Enjoying their hospitality in a relaxed atmosphere, Dr. Shankar touched on various

subjects and on her personal experiences of the past. She appreciated AMTOI as an organisation and the family spirit amongst its members.

Bidding a formal adieu to the accomplished bureaucrat, Mr. Bhadkamkar and Mr. Xerrxes Master, VP, AMTOI, presented a memento to Dr. Shankar.

Mr. Bhadkamkar also spoke briefly, appreciating the co-operation given by the DG office during her tenure. He spoke on behalf of AMTOI as he said the organisation would invite Dr. Shankar to AMTOI's events in future as well, irrespective of her portfolio. Dr. Shankar agreed to attend and noted how the former director generals continue to remain in touch with the AMTOI family.

The event was graced by stalwarts of the industry as well as Mr. Sunil Shinde, MLA, Worli Vidhan Sabha Constituency of Mumbai.

The evening concluded with a sumptuous dinner and everyone parted with gifts from the Bhadkamkar family.



Training Programme

Set up recently, the non-vessel operating common carrier (NVOCC) Council at AMTOI has wasted no time as it got into gear with its first training programme in November.

AMTOI's newly established NVOCC Council organised its first training programme at its office premises on November 16. Conducted by Captain Swaminathan, Director CMA-CGM, the programme centred around the basics of liner shipping and pricing in the maritime sector.

The event saw a good attendance of 29 participants from 13 companies. Some prominent stakeholders were George Abrao, MD, Omega Shipping, Anjali Bhide, director, Taurus Container lines, Biju Sivakumar, COO, Navio Shipping and Sumi Sahi, director, Sitara Shipping.

As a gesture of support to diversity, AMTOI invited five Women's International Shipping & Trading Association (WISTA) India members to attend the seminar.

The topics covered were liner shipping, basic industry structure, lines cost structure, NVOCC pricing strategy and bills of lading.

Known for his interesting presentations, Capt. Swaminathan began with a brief history of pre and post containerization through a video presentation. The audience was kept attentive with interesting facts and figures on the world container fleet statistics, supply and demand evolution, ownership and lifespan of containers. Capt. Swaminathan touched upon trends like globalisation, increased vessel sizes, etc., which have shaped the current landscape in ports and shipping, and provided information on the 20 largest container ports worldwide. He also highlighted the different industry stakeholders like shipowners, lines, NVOCC and merchants and how they are all vital for the ecosystem. He also touched upon line management, comprising commercial, operations, finance and agents network.

With reference to shipping lines and NVOCC, Capt. Swaminathan covered topics such as the scale of operations, assets, and global and regional coverage. He also explained concepts in liner trade such as slot sharing, slot swapping



and joint ventures. Several members of the audience who were not familiar with the cost structure of container shipping, its fixed costs like insurance and depreciation, and variable costs like bunkers, port and canal dues, found this very informative. They benefitted from understanding the concepts of running costs like administrative expenses, while details relating to repair and maintenance of the fleet were also explained.

Simplifying the cost structure of container shipping, CFS, custom examination and such cargo-related expenses, pilotage, wharfage and navigational expenses, Capt. Swaminathan explained key factors influencing pricing, such as nature of commodities, dry or reefer, equipment turnaround, global bunker prices and other variables like transit time and frequency.

Last but not least, the audience benefitted from his simplifying the definition of bills of lading, their functions, types of BLs such as the clean and claused BLs, key points such as HS codes, SOB, description, free time clauses, on/under deck clauses and non Israeli certificates.

The session was an interactive one with the audience asking questions and who were encouraged to comment on the presentation. To conclude, a token was presented to Capt. Swaminathan, courtesy Sitara Shipping.



Tools of the Trade

There's a number of things required to improve India's exim trade, not least of all better port and road infrastructure.

With a gross domestic product (GDP) of \$2.6 trillion and a growth rate of 7.3%, the Indian economy is the sixth largest economy in the world today. Foreign trade has a significant role to play in the Indian economy. Indian exports and imports contribute approximately 19% and 21% respectively to India's GDP. While exports and imports, in value terms, have grown at a compounded annual growth rate (CAGR) of 10% over the past three years, as a percentage of GDP, both have steadily declined.

Although India's exports, as a percentage of GDP, is almost on par with countries such as Japan and China, there is still considerable scope for improvement. The benefits of a much higher share of trade in GDP would be substantial to the Indian economy and to India's citizens. However, this is no easy task, since there are several obstacles to overcome.

Opportunities and Challenges

Although India's trade deficit (i.e. imports minus exports) reduced significantly between 2012 and 2016, since 2017, it has begun to rise again. This increase can be attributed to the weakening of the Indian currency, increasing oil prices, global trade tensions and protectionism in global trade.

The weakening of the Indian rupee will drive up the prices of critical import goods like crude oil. Margins will shrink for capital goods importers. Although a weak rupee will make exporters earn more, in reality, Indian exports have not grown as much as expected. As a result of today's globalised economy and supply chain models, gains from exports due to a weakening rupee could be nullified by the higher prices being paid for linked imports.

The ongoing trade war between USA and China has resulted in the Trump administration imposing tariff hikes worth \$200 billion on Chinese imports. While this puts the US at a disadvantage, it might open the door to Indian exporters interested in filling the gap left by US-imposed tariffs on Chinese imports.

There is also a revival of demand from the European Union (EU). The financial crisis and the PIIGS (Portugal, Italy, Ireland, Greece and Spain) debt had adversely affected the EU economy, resulting in a reduced demand for Indian exports. However, since 2017, the EU has been showing signs of recovery and grew at 2.5%, with a

healthy forecast for 2018. This could signal a resurgence in demand for Indian exports to the region.

Government Schemes to Improve Exim Trade

The Government of India is taking several steps to boost exim revenue. It launched two schemes, MEIS (Merchandise Exports from India Scheme) and SEIS (Service Exports from India Scheme). The objectives are to enhance the ease of doing business and to make India's exports competitive.

The MEIS replaces five schemes that were in place earlier with one single scheme. The introduction of automatic approval of claims and digitally enabled systems will make the process more efficient. The SEIS covers services exported from India and replaces the older Served from India Scheme (SFIS). Government of India has provided incentives to both schemes to promote them.

The Government also launched the TIES (Trade Infrastructure for Export Scheme). The aim is to create appropriate infrastructure for the growth of exports through the engagement of central and state agencies. This scheme was launched in 2017 for a period of three years. It has a total budgetary allocation of Rs 600 crore with an annual outlay of Rs 200 crore. It is focused on setting up and upgrading infrastructure projects with considerable export linkages. 16 projects have already been approved; these include setting up an integrated cargo terminal at Imphal international airport, establishment of a trade promotion centre in Bhopal, solid waste management system at Noida SEZ and construction of office cum laboratory complex of export inspection agency at Visakhapatnam. The cost will be shared equally between the centre and the states.

How Physical Infrastructure Impacts Exim Trade

Currently, India accounts for only 1.7% of world trade. If it is to achieve a modest 5% share in world trade, its exports need to grow by 26.5% over the next five years. This will call for significant reforms in trade policy, rationalization of tariffs and (importantly) development of globally competitive physical infrastructure.

Logistics and its related infrastructure have a critical role to play in the growth of India's exim and domestic trade. At present, the logistics costs of exports are very high in



India, which makes Indian goods less competitive in the global market.

If logistics cost is to be brought down to a globally competitive level, there needs to be a significant and coordinated effort to improve the core infrastructure of ports, rail, roads and inland waterways, and the supporting infrastructure of cold storage, warehousing and material handling.

Approximately 95% of India's trade by volume (and 70% by value) is through maritime transport. India has 12 major ports and about 200 minor and intermediate ports. However, port infrastructure still remains inadequate and suffers from poor connectivity. Turn around time at major Indian ports is more than two days, while in other countries, like Singapore, it is less than a day.

India has the second largest road network in the world, covering over 5.4 million km. This network is critical both for domestic trade and for connectivity to ports. India's road infrastructure is responsible for 65% of movement of freight and 80% movement of passengers. However, it is still underdeveloped, poorly-maintained and unsafe. Indian Railways has one the largest rail networks in the world, spread over 115,000 km. More than 7,000 freight trains ply along these routes each day and are responsible for the movement of three million tonnes of freight daily. However, freight movement by railways is witnessing a drop due to its non-competitive tariff structure.

Inland waterways and coastal waterways remain largely untapped in India for the movement of freight. However, recently interest has revived in this mode of transportation.

Actions Taken to Boost Physical Infrastructure

In order to improve the state of physical infrastructure (and thereby reduce logistics costs) the government, in partnership with private players, has begun to take several steps. These include the Sagarmala Project, the Bharatmala Pariyojana, developing inland waterway transport along major rivers, and granting of infrastructure status to logistics.

The Sagarmala Project is aimed at improving India's port infrastructure. This includes port modernisation, new port development, port connectivity enhancement, port-linked industrialisation and coastal community development. Close to 600 projects, worth \$120 billion, have been identified for implementation in the period 2015 to 2035. It is estimated that this will lead to significant job creation. Several private infrastructure and construction companies are playing an active role in this scheme.

The Bharatmala Pariyojana is another government-driven scheme to improve road infrastructure network and connectivity across India. The project intends to build a road network extending from Gujarat to Mizoram. The total project is estimated at \$75 billion. It will be executed in seven phases, with the first phase set to be completed by 2022. It will focus on economic corridors, feeder route or inter corridors, efficiency improvement of the National Corridor, border roads and international connectivity, port connectivity and coastal roads and construction of new express ways. In phase one alone, 34,800 km of roads will be added. Apart from generating jobs during its execution phase, the project is expected to lead to significant employment generation post-completion, due to increased economic activity. The private sector, which has played an important role in the development of road infrastructure to date, is actively participating in this scheme.

Lately, there has been a renewed focus on transport of freight along inland waterways and coastal waterways. These modes of freight transport will save both cost and time. Moreover, this will aid in reducing the burden on rail and road for freight transport. In this direction, a multi-modal terminal was inaugurated in Varanasi recently aimed at promoting inland waterways for cargo movement; this will benefit all states through which the Ganga flows.

The push for enhancing port and road infrastructure alone is not enough to improve India's exim trade. Indian logistics infrastructure has been unorganised and fragmented for a long time. In order to integrate logistics across the country and improve its efficiency, the government has recently granted infrastructure status to logistics. This will help the sector get easier access to credit, at more competitive rates. It will also help in effective integration of industrial parks, cold chains, warehousing facilities and multi-modal logistics parks.

The Road Ahead

While the government adopts various schemes to promote exim trade in India, these will achieve their potential only if rapid strides are taken to improve physical infrastructure. While steps are being taken to expand and improve India's ports, roads, rail and logistics infrastructure, it is a critical national imperative to follow through on these, to enhance the enabling physical infrastructure for trade.

*This article is co-authored by **Shankar Krishnan**, group head – strategy, Shapoorji Pallonji Group, and **Saptarshi Samanta**, senior manager – strategy, group centre, Shapoorji Pallonji Group.*



Building a Future-ready Logistics Enterprise

Transparency will be the norm in the future in the logistics industry.


The logistics industry in India today is in need of a major transformation. Client service is suffering due to the difficulties that logistics service providers (LSP) have in managing the myriad complexities of moving goods. The average LSP does not have the necessary technological sophistication to serve this client need, which results in the clients viewing the players of the logistics industry as being highly undifferentiated. Hence, clients choose their providers solely on price and nothing else. This situation has been hemorrhaging the service providers. There is, however, a way out of it – adopting the latest technologies that will create client value and bring efficiencies, which in turn, allows the service provider to build client loyalty and ultimately, profits. This article will elaborate on some of these technologies: rate management software, cargo tracking, artificial intelligence and the Internet-of-Things (IoT); and why they are the need of the hour.

In the future of logistics, transparency will be the norm. This transparency is required on two major fronts: cargo tracking and quotations. One of the key reasons as to why transparency matters so much in this business is to build trust and maintain long term relationships. It is key for LSPs to recognise they are acting on behalf of shippers; hence, the demand for transparency is to be expected. Carriers and forwarders in the industry typically employ large teams of people who build sales pipelines and write quotes. While this system works, it has its limits. This is where a digital platform has the upper hand. With the ability to analyse a broad range of pricing and booking metrics almost instantaneously, shippers can get the most accurate price point and book in less time than it takes to pick up the phone. Further, shippers do not understand the complexities of cargo movement and the onus is on the logistics provider to give the client tools that will help him in his decision making. As shippers have minimal and decreasing tolerance for unexpected cost escalations, at



the most basic level, LSPs should implement rate management software which provide all the relevant line items in one quotation. This will help clients understand how exceptional cases can escalate costs. On the second aspect of cargo tracking, the industry has made significant progress. Over 95% of premium lines now offer cargo tracking solutions to clients but there is a long way to go still as less than 50% of non-vessel operating common carriers (NVOCC) provide this offering. Further, clients are in urgent need of end-to-end, multimodal visibility, not just in ocean or air freight. Global positioning system (GPS)-enabled vehicles, smart warehousing systems and connected ports are all required to bridge the gap. Yet, transparency and visibility are only the first steps to creating a future-ready logistics enterprise.

IoT technologies are the next logical step in providing transparency and visibility in cargo movement. An analysis done by safety4sea suggests that globally, the maritime industry



expects to spend more on IoT than on cloud computing and big data analytics (each at 6%) over the next three years. Further, they find that the industry expects 14% average cost savings through IoT-based solutions within five years of adoption. The uptake of IoT will be critical in closing the loop between the digitization of the process and the physical cargo movement. IoT technologies will have strong uptake from clients in the food, pharmaceutical and other industries with sensitive cargo. Combining IoT and big data analytics, LSPs can expect to drastically improve the fidelity of their service.

The next step beyond the transparency created by cargo tracking is to start enabling value creation for clients by reforming the current operations of LSPs. AI is particularly well suited to the logistics industry as it is powerful at identifying patterns that would not be obvious to humans. This allows unparalleled speed in problem solving as well as obtaining tangible value from what was before dead data. Further, AI can generate insights on demand forecasting for the LSP – allowing them to pre-book assets (ocean/air freight, warehousing, truckers), thus increasing their sales conversion ratios and client service levels. Simultaneously, there is a reduction in client acquisition costs as the sales team can be better utilised on active clients rather than chasing clients in their lean periods.

For the industry to have a sustainable future, they will have to move forward from being simple paper pushing platforms to true value enablers and value creators.

Technology can be the solution to these existing problems and challenges. More important than technology, what is required is its efficient and optimal use. Automation can play a major role to improve efficiency and reduce human error. To create in-house software or buy licensed versions from external vendors is one possible way. Another way is to develop these

technologies in-house, in coordination with all stakeholders, thus maintaining complete control of the process and outcomes.

To conclude, it is important to restate that the doom of clearing house agents and freight forwarders has been predicted for many years now. Despite the existing challenges and continuous technological upheaval, the industry has found ways to evolve and grow. Listed in this article are some of the key technologies the industry will need to adopt in the near future. The companies that execute the implementation of these technologies are likely to be the next generation leaders of the logistics industry.

*This article is authored by **Sanjay Bhatia**, CEO, **Freightwalla**.*



Batting for Multimodalism

The theme of AMTOI Cricket Tournament (ACT) is to build relationships beyond business associations.

Spin, guile, deception, athleticism – all of this and more were on display at the newly launched AMTOI cricket tournament (ACT) in December.

That the matches were played on synthetic turf and with a tennis ball ensured the ball spun dangerously throughout the match, aided by the fact it was all delivered underarm, sometimes with great speed! Speaking at the awards function later in the evening, distinguished chief guest for the finals, TA Sekhar, former Indian fast bowler and head of MRF's cricket academy expressed as much surprise at this as the batsmen who earlier fell prey to this sort of bowling; however, Sekhar noted that cricket with a tennis ball and street cricket with all its variations remains the best form of cricket till date for millions of youngsters across the vast expanse of India.

Nonetheless, Sekhar was appreciative of the talent displayed by the finalists and he even singled out particular instances of fine bowling and fielding. Former cricketer Pravin Amre was the chief guest on the day the tournament was launched – December 2 – coinciding with AMTOI's Foundation Day. Amre launched the tournament with the inaugural lighting of the lamp and imparted advice to the players to



AMTOI Cricket Tournament (ACT) Trophies & Medals at display



The Chief Guest, Mr. Pravin Amre, Ex. India Test Player, inaugurating AMTOI Cricket Tournament by lighting the Lamp at the Acres Club, Chembur on 2nd December 2018

always play in the spirit of the game. The day saw four teams playing the inaugural knockout matches, followed by league stage matches on December 8 and 9. Subsequently, two teams, Marcons Ship Management and Triton Logistics made it to the finals on December 15, with the latter team winning handsomely.

Day one saw more than 400 people flooding the grounds while day two also drew over 300 spectators. The grounds resounded with the joyous voices of winning teams, thunderous applause for hard hitting fours and sixes, diving catches coupled with good wicket-keeping and hard running between wickets. The air was filled with loud cheers, and with exclamations of disappointment for dropped catches and batsmen who got out, and warlike hoops and cries when the umpires gave their decisions.



Introduction of Chief Guest Mr. Pravin Amre by Mr. Venkataraman, AMTOI MC



Unveiling of ACT logo by Mr. Pravin Amre, Chief Guest



Mr. Pravin Amre, cutting the cake along with Managing committee of AMTOI

One of the matches saw last ball, last man standing and one run required for winning. One could not have asked for more! The camaraderie among the participating teams, the teamwork within each team and the spirit and determination to win each match was evident and led to an exciting finish.

TOURNAMENT LOGO

The logo for the tournament has been designed keeping certain principles in mind.

- The anchor symbolizes AMTOI's connection with the maritime industry.
- The game had to be represented in the logo and hence, the shackle was converted into a cricket ball.
- The hands denote care towards all with whom we interact.
- The colour grey represents dependability and responsibility. It has a timeless quality and it is the aspiration of AMTOI this quality will reflect in the continuation of this tournament.



The theme of ACT is to build relationships that endure beyond business associations.

AMTOI sincerely hopes this seed of an idea, sown on the day of the NVOCC Council meet in May this year, takes firm root, germinates, and grows into a majestic tree, among whose branches its members may all be nurtured, and in whose shade, they can bond over a sport which we all love and respect, and which is, in fact, woven into the social fabric of our nation.

Let us resolve to ACT towards honour and respect for each other, to ACT to foster team spirit and unity, to ACT to expand our shared interest and to ACT to strengthen each other in daily transactions and interactions.

This is the true concept and thought behind ACT.



EVENT REPORT



Triton Logistics & Maritime Pvt. Ltd & Marcons Ship Management Pvt. Ltd, finalists with Ms. Anjali Bhide, Mr. Venkaraman and Mr. George Abrao, ACT coordinating team



Mr. T.A. Sekar, chief Guest set the ball rolling at the Finals at the Acres club Turf ground



Final Match in Progress at the Astro Turf, Acres Club



Spectators enjoying the finals at the Acres Club, Chembur



The winning Team M/s, Triton Logistics & Maritime Pvt Ltd, along with their supporters rejoicing the moment



The Winning Moment





Mr.T.A. Sekar handing over Runner's up Trophy to Marcons Team



Mr.T.A. Sekar handing over the Winner's Trophy to Triton Logistics



Mr. Hitesh Karkera, of M/s. Marcons Ship Management Pvt Ltd, receiving the best Batsman of the Tournament Trophy from Chief Guest



Mr. T.A.Sekar, Chief Guest being escorted to dais by Mr. Shantanu, President AMTOI



Mr. Venkataramn introducing Mr.T.A. Sekar, Chief Guest



Mr.T.A. Sekar, Chief Guest, ex. India Test Player along with AMTOI MC





EVENT REPORT



Guests enjoying the proceedings at the Acres club



Ms. Anjali Bhide, Convenor talking about the ACT & concept behind it's LOGO



Mr. T.A. Sekar addressing the gathering



Mr. T.A. Sekar, chief Guest handing over "Neem" sapling, symbolizing the theme of the Tournament to the representative of the Acres Club



ACT support team with Ms. Anjali Bhide and Mr. George Abrao



Mr. Bhushan Naik of Triton Logistics receiving best Bowler award from Mr. T.A. Sekar





Pre-notice Regulations: Boon or Bane?

Whether the Regulations will be effective in reducing litigation or is merely adding another stage will be clear in times to come.

In line with the amendment to Section 28 (1) (a) of the Customs Act, 1962 ('Act') vide Clause 61 of the Finance Bill, 2018, the Central Board of Indirect Taxes and Customs ('CBIC') has notified the Pre-notice Consultation Regulations, 2018 ('Regulations'). The Regulations provide the manner in which 'pre-notice consultation' is to be conducted in cases not involving collusion, suppression, etc. before issue of demand notice under Section 28 (1) of the Act.

Definitions:

The expression 'Consultation' has been defined under Regulation 2 (b) to mean 'communication of the grounds known to the proper officer for issuance of notice to the person' chargeable with duty or interest in order to elicit the response of the person and consideration of the representation of the said person. Therefore, 'consultation' involves two stages:

- Communication of the grounds, to the person chargeable with duty or interest for him to represent his case; and
- Consideration of the representation of the said person.

The expression 'notice' has been defined under Regulation (c) as a notice issued under Section 28 (1) of the Act.

Manner of Consultation:

Regulation 3(1):

Regulation 3 (1) provides that before issuance of a Show Cause Notice ('SCN'), the proper officer shall inform, in writing, the person chargeable with duty or interest of 'the intention to issue the SCN' by 'specifying the grounds' on which the SCN is proposed to be issued.

The proper officer should 'initiate' the procedure of consultation at least 2 months before the expiry of time limit under Section 28 (3) of the



Act i.e. within 2 years of the 'relevant date'.

Regulation 3(2):

Regulation 3 (2) provides that the person chargeable with duty or interest shall within 15 days from the date of communication referred to in sub regulation (1), make his submissions in writing wherein he shall 'clearly indicate' whether he desires to be heard by the proper officer.

The expression, "date of communication" has not been defined in the Act. In the said circumstances, the date of receipt of the notice will be construed as the date of communication. Reference in this regard is made to the decisions in *CC v. M.M. Rubber and Co.*, 1991 (55) ELT 289 (S.C.) wherein it has been laid down that a party can avail a remedy against a decision only when it is made aware of the order. Therefore, Courts have uniformly laid down as a rule of law that for seeking remedy the limitation starts from the date on which the order was communicated to him or the date on which it was pronounced or published under such circumstances that the parties affected by it have a reasonable opportunity of knowing of passing of the order and what it contains. Further, the Supreme Court had observed that the application of this rule so



far as the aggrieved party is concerned is not dependent on the provisions of the particular statute, but it so under the general law. The Court also observed that if the intention or design of the statutory provision was to protect the interest of the person adversely affected, by providing a remedy against the order or decision any period of limitation prescribed with reference to invoking such remedy shall be read as commencing from the date of communication of the order.

The proviso to Regulation 3(2) stipulates in unambiguous terms that if no response is received within 15 days from the date of communication, the proper officer can issue the SCN without any further communication. In such a situation, it becomes important for the 'person' to respond within 15 days from the 'receipt of the letter' and also clearly request for a personal hearing along with his response.

Regulation 3(3):

In terms of Regulation 3 (3), the proper officer may if requested by the person 'hear' the person within 10 days of receipt of submissions. Further, the proviso to Regulation 3(3) states that no adjournment shall be granted.

Regulation 3(4):

Regulation 3 (4) stipulates that where the proper officer 'after consultation' does not proceed with issuance of notice, he shall intimate the same to the person by way of a simple letter.

Regulation 3(5):

Time limit for conducting procedure of pre-consultation:

In terms of Regulation 3 (5), the consultation process shall be concluded within 60 days from 'date of communication of grounds'.

Plausible Difficulties

What constitutes 'consultation'?

'Communication of grounds'

The first stage of the process involves 'communication of the grounds' known to the proper officer to the person in order to elicit a response. Therefore, it is incumbent on the proper officer to issue notice informing the person of the grounds known to him.

In such a situation, it remains to be considered that whether a pre-notice consultation issued without stating any grounds is valid in law and can be said to be in violation of the principals of natural justice.

If and when such pre-consultation notices are issued without indicating the grounds of demand, what would be the legal sanctity of these notices? The notices will be issued in violation of the Regulations and principles of natural justice.

In this regard, reference is made to the decision of the Supreme Court in *Union of India v. Hanil Era Textiles*, 2017 (349) ELT 384 (SC), wherein it was observed, that the issuance of an SCN is a part and parcel of the principle of natural justice which ensures that the parties are in a position to defend themselves adequately, after being aware of the exactness of the allegation against them.

Similarly, in the case of these Regulations, if the person is not made aware of the grounds known to the proper officer in the letter issued by the proper office, it would tantamount to a violation of the pre-consultation process envisaged in the Regulations itself. Therefore, it would be incumbent upon the proper officer to communicate the grounds to the person and any action to the contrary would be in violation of the principles of natural justice.

In such a scenario where the grounds are not communicated and the whole process is vitiated, the person could approach the High Court by way of a writ petition praying for quashing of the proceedings, since the essential process of 'communication of the grounds' has not been duly followed by the proper officer.

Consideration of Representation

Importantly, the Regulations also provide that while making submissions in response to the communication of the grounds, the person shall clearly indicate his intention to be heard by the proper office.

However, the Regulations have also granted discretion to the proper office to grant a personal hearing in response to the submissions filed by the person.

Conspicuously, the Regulations seem self-contradictory insofar as on one hand it provides for a request to be made for personal hearing but at the same time 'gives discretion to the proper officer' for grant of personal hearing. In this regard, it is important to note natural justice is the essence of fair adjudication and is ranked as fundamental to the administration of justice. *Audi Alteram Partem*, as the basic principle



of natural justice, ensures an opportunity of fair hearing and mandate that no one shall be condemned unheard. The principles of natural justice apply even to administrative orders affecting the rights of citizen.

Reference is made to the decision of the Apex Court in *Assistant Commissioner, Commercial Tax Department v. Shukla Brothers*, 2010 (254) ELT 6 (SC), wherein it was observed that the principle of natural justice has twin ingredients. Firstly, the person who is likely to be adversely affected by the action of the authorities should be given notice to show cause thereof and granted an opportunity of hearing and secondly, the orders so passed by the authority should give the reason for arriving at any conclusion showing proper application of mind. It was observed that violation of either of them could vitiate the order itself.

The Supreme Court in the case of *Uma Nath Pandey v. State of UP*, 2009 (237) ELT 241 (S.C.) had occasion to deal with a situation wherein the Revisionary Authority had passed an order without notice to the parties. It was observed by the Apex Court with reference to the principles of natural justice that, 'he who shall decide anything without the other side having been heard, although he may have said what is right, will not have been what is right' or in other words, as it is now expressed, 'justice should not only be done but should manifestly be seen to be done'.

This corollary had been deduced from the two fundamental principles of natural justice i.e. 'nemo judex in causa sua' (no man shall be a judge in his own cause) and 'audi alteram partem'

(hear the other side). Therefore, the act of not granting personal hearing, which could result in improper consideration of the representation of the person could be a cause of action to be challenged by way of a Writ Petition.

Are the Timelines Provided in the Regulations Sacrosanct?

On a perusal of Regulation 3, it is seen that strict timelines have been provided for under the Notification. The Regulations, though not penal in nature, provides for timelines to be followed strictly.

Here, a parallel can be drawn with the Customs House Agents Licensing Regulations, 2004 ('CHALR'). Time and again, the timelines provided for in the CHALR have been violated and the Courts have held that the statutory time limits are sacrosanct and mandatory. (Refer - *Schenkar Clearing & Forwarding v. CC 2012-TIOL-657-HC-DEL-CUS* & *Sanco Trans Ltd. v. CC, 2015-TIOL-1524-HC-MAD-CUS*)

Therefore, it will be important for the department to follow the timelines indicated in the Regulations, since any violation of the same may vitiate the 'consultation process', which itself has been introduced for reducing litigation. Whether the Regulations will be effective in reducing litigation or is merely adding another stage will be clear in times to come.

This article is jointly authored by Nupur Maheshwari, joint partner, Dhruv Matta, senior associate, and Raghav Khurana, associate, Lakshmikumaran and Sridharan Attorneys.



Striking off Section 57

The striking off of this section imposes a prohibition on private players obtaining biometric and demographic details of their customers.



On September 26, 2018, the Supreme Court's decision in the Aadhaar case declared the Aadhaar scheme as constitutionally valid in a 4:1 majority verdict; however, this was subject to conditions. One of the most debated themes in the judgment was the constitutionality of Section 57 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 (hereinafter: Aadhaar Act). Section 57 read as follows:

"Nothing contained in this Act shall prevent the use of Aadhaar number for establishing the identity of an individual for any purpose, whether by the State or anybody corporate or person, pursuant to any law, for the time being in force, or any contract to this effect:

Provided that the use of Aadhaar number under this section shall be subject to the procedure and obligations under section 8 and Chapter VI."

Like every coin has two sides, the above section being held as unconstitutional was applauded

by some and criticised by some. Despite various arguments in favour of constitutionality of Section 57 of the Aadhaar Act which tended towards it being merely an enabling provision, imposing a limitation in terms of use being sanctioned by law or contract as well as the its proviso which subjected it to procedure and obligations under Section 8 and Chapter VI (Protection of information) and VII (Offences and Penalties) of the Aadhaar Act, the section was struck down.

Section 57 of the Aadhaar Act as it stood before the judgment meant that Aadhaar number could be used by the State, body corporate or person for establishing the identity of an individual for any purpose provided such purpose was backed by law or a contract. The use of Aadhaar for establishing identity has now been read down to any purpose which is backed by law. Furthermore, such law shall be subjected to judicial scrutiny. Since purposes backed by contractual relationships do not constitute



purpose backed by law, it has been excluded from the ambit of this provision.

This provision allowed private entities to use Aadhaar numbers for any purpose in furtherance of a law or contract, thereby providing legal backing to mobile companies, private service providers, banks, payments services to obtain Aadhaar details for the purpose of establishing identification of an individual by using e-KYC. This was a convenient, paperless and time-saving mechanism for identification of individuals availing different kinds of services. The reason this provision was read down was because the term "any purpose" was likely to be misused especially when came within the ambit of contractual consent. However, what remains ambiguous is whether all authentication is now unconstitutional or only that which arises from a contractual relationship between a private entity and an individual. This gives rise to two pertinent questions relating to previous authentication done by private companies and authentication to be done in future.

The striking off of this section now imposes a prohibition on private players obtaining biometric and demographic details of their customers.

Though this section was struck down with a larger view of preventing commercial exploitation of citizens' data to manipulate human behaviour, this has also posed an impediment in participation of private entities who have the means and resources, to carry out welfare schemes, thereby limiting access and resources to the common man. Additionally, what remains a bone of contention is that even if a customer voluntarily chooses to use Aadhaar for e-KYC, private entities cannot accept it.

One of the reasons accorded for reading down of this section was purpose limitation. The identity information sought to be collected for a purpose under the Act could be used for another purpose. Benefits, subsidies and services to which the personal data collected was to be applied were not identifiable, despite that, such provisions were made contingent upon Aadhaar authentication. Moreover, under Section 57 of the Aadhaar Act, the State, a body corporate or any person could avail authentication facility



and access information under Central Identities Data Repository (CIDR). This created an open-ended and unspecified set of laws and contracts for which Aadhaar could be used and defeated the principle of informed consent at the time of enrolment and purpose limitation, as per the verdict. However, there was a valid counter to this view that Section 57 of the Act was incidental to the object of the Act and did create a purpose limitation upon use of Aadhaar by private operators. Even though nothing prevented them from using Aadhaar for other purposes, the same had been subjected to the procedure and obligations of Section 8, which required, informed consent of the Aadhaar number holder and purpose limitation. This meant that the identity information would be used only for submission to CIDR for authentication and the private entity was to provide alternatives to submission of such identity information, which, in other words, means that private parties could not have insisted upon Aadhaar and make Aadhaar mandatory, unless required by law. Therefore, Section 57 is a limitation imposed under the Aadhaar Act on the use of Aadhaar number by private parties which was purely incidental to the object of the Act. Despite this, the susceptibility to misuse of such data resulted in it being read down. Another argument against the use of Aadhaar authentication was that no person could conduct routine activities without the Government knowing about them.

In my opinion, the striking off section 57 of the Aadhaar Act is definitely a welcome move, despite the restrictions imposed on private sector operators. It seeks to look at the larger interest of the privacy of the common man being secured.

This article is authored by Mallika Shekhar of Lakshmikumaran and Sridharan Attorneys.



Interview -

“We are open to considering AMTOI's suggestions”

Captain Anoop Kumar Sharma, CMD, Shipping Corporation of India Ltd (SCI), and president, Indian National Shipowners Association (INSA), talks to AMTOI about coastal shipping, inland waterways, and more. Excerpts.

What is the current size of the SCI fleet?

SCI has the largest fleet in India which consists of 63 ships, accounting for about 5.6 million dead weight. SCI also operates and manages over 50 vessels. Effectively, we own and operate more than 115 vessels. In addition, we charter vessels. At any given time, we operate about 115-125 ships.

Take us through the expansion planned.

Recently, SCI took delivery of four second-hand ships. One was a very large gas carrier (VLGC), another, a Suezmax, and two multipurpose support vessels (MPSV). SCI has been on the lookout for more second hand vessels. As of now, SCI has no new building orders. It is our strategy to go in for second-hand ships because they are easily available, at reasonable prices and can be deployed almost immediately. We are especially interested in distressed assets which can assure us of a break-even cost and which can be deployed as soon as possible. As such, our focus is on the energy sector. The objective of buying second-hand ships is to bring in better efficiency and to replace our older vessels.

What is the cargo support extended to SCI by the government?

Though SCI is a public sector company, SCI is not assured in any way of government cargo, or that of any other public sector companies like HPCL, BPCL, etc. SCI is in no way a beneficiary of any cargo reservation system. We have to bid for transporting their cargo through a global tender along with other Indian and foreign shipping

companies. It is a false assumption that government cargo is reserved for Indian flag vessels. We have been carrying all kinds of cargo including that of the private sector such as Reliance, etc., and also that of Chinese and of other nations.



Tell us about the plans for growth.

SCI has plans to diversify its operations into inland waterways and floating storage regasification unit (FSRU). A wholly owned subsidiary, Inland & Coastal Shipping Limited, has been incorporated in 2016 for undertaking/providing transportation services through inland waterways, coastal shipping and end-to-end logistics. SCI is in discussions with various agencies including IWAI for expansion into this lucrative segment.



**Tell us about the thrust on coastal shipping.**

SCI has a strong presence on the Indian coast. Presently, SCI carries about 50% of the total Indian crude imports by the Indian fleet. SCI carries 100% of crude oil on the Indian coast for public sector undertaking (PSU) refineries on its tankers. SCI's container vessels connect various ports along the coast right up to the Persian Gulf. Besides, SCI also carries coal for Tamil Nadu Electricity Board. Another feather in SCI's cap is that all vessels of ONGC under operations and maintenance (O&M) have been entrusted exclusively to SCI.

Tell us about your operating terminals.

SCI has successfully made a significant impact in operating terminals. SCI has been awarded a ports and marine service contract by Rathagiri Gas and Power limited for operating their LNG jetty at Dabhol.

What is your engagement with multimodal transport operators (MTO)?

SCI is constantly engaging the services of MTOs, especially along the coast. As and when the situation demands, we prefer to engage with MTOs, in whatever way required. We do the sea logistics and for the land-side movements, we depend on MTOs. If the Association of Multimodal Transport Operators of India (AMTOI) can come up with significant proposals that could help to bring down logistic costs and open up new avenues through mutual beneficial operations, we are open to considering their suggestions.

Comment on the larger role that SCI plays within the Indian shipping industry.

SCI plays a strategic role in Indian shipping. Firstly, SCI's freight rates are under control and there is a normalizing effect on the shipping freight market in India. Without SCI, the freights could go through the roof. We are also protecting the energy sector. Shipping is going through extremely challenging times worldwide. It is facing strong headwinds to the extent that many shipping companies have sunk and only the strong ones have survived.

On a personal note, how do you feel about getting the The Maritime Standard Outstanding Achievement Award, 2018, for your contribution to Indian shipping and the maritime fraternity?

With this award, I wish to give back to the trade what I have acquired all my life. It is a beacon of strength and after my tenure with SCI, I plan to dedicate myself to giving back to the trade whatever I have gained throughout my life till now.

This interview was conducted by Joseph Fonseca for AMTOI.



India Export Conference

Xerrxes Master, VP, AMTOI, was invited to speak at the conference in New Delhi.



The Chartered Institute of Logistics and Transport (CILT) held the CILT India Export Conference, 2018, on November 22 and 23, 2018.

Held at the National Rail Museum, Chankaypuri, New Delhi, Xerrxes Master represented the Association of Multimodal Transport Operators of India (AMTOI) in his capacity as the VP of the organisation. He was invited to speak

at the conference on transport infrastructure and development.

The session was chaired by Mr. NA Kadir, MD, Interport Maritime Limited, Bangladesh. The keynote address was given by Tanmoy Chakrabarty, Group Government Affairs, Tata Sons Limited. The lead speaker was Rajesh Agarwal, Member-Rolling Stock, Indian Railway Board. Other speakers included Anurag Kumar Sachan, MD, DFCCIL, Shashi Bhushan Shukla, Member (Traffic) IWAI, Saurabh Sood, President &

MD, GATX and Sanjay Sinha, Head, Analytic Expert India, Boston Consulting Group. The session highlighted transport and infrastructure development challenges in India and how it is impeding the nation's growth story.

It also deliberated on the various initiatives undertaken by the government to address this issue.

Japan Upbeat on Cold Storage in India



A delegation consisting of members of Japan Association for Logistics & Transport, namely, M/s. Sagawa, Yamata, and Nissin Corporation, among others, met with some of the AMTOI managing committee members towards the end of year in 2018. The purpose was to evaluate and assess the business potential for Japanese companies to coordinate, collaborate and put processes in place in order to implement best business practices in India, especially in cold chain and the reefer business. AMTOI will offer them a platform and act as a catalyst for the freight forwarding community in Mumbai.



Clarifying GST

AMTOI met with Shri Suresh Prabhu, Union Cabinet Minister for Industry & Commerce, in November.

With a view to presenting the industry's viewpoint on certain issues pertaining to the Goods and Services Tax (GST), AMTOI met Shri Suresh Prabhu, Union Cabinet Minister for Industry & Commerce, on November 26, in New Delhi. AMTOI was represented by Shantanu Bhadkamkar, President, AMTOI, Vivek Kele, former President, and Raju Antony and Dushyant Mulani from the Brihanmumbai Custom Brokers' Association (BCBA).



Discussions were held with the honourable minister and with senior bureaucrat Shri Johny Joseph on points relating to GST currently being charged for third country services, etc. Suggestions for the upcoming Budget will

also be given by AMTOI, provided there is no interim Budget. AMTOI will highlight specific examples wherein it requires changes in favour of the industry so as to ensure smooth functioning of business.

West Bengal Calling

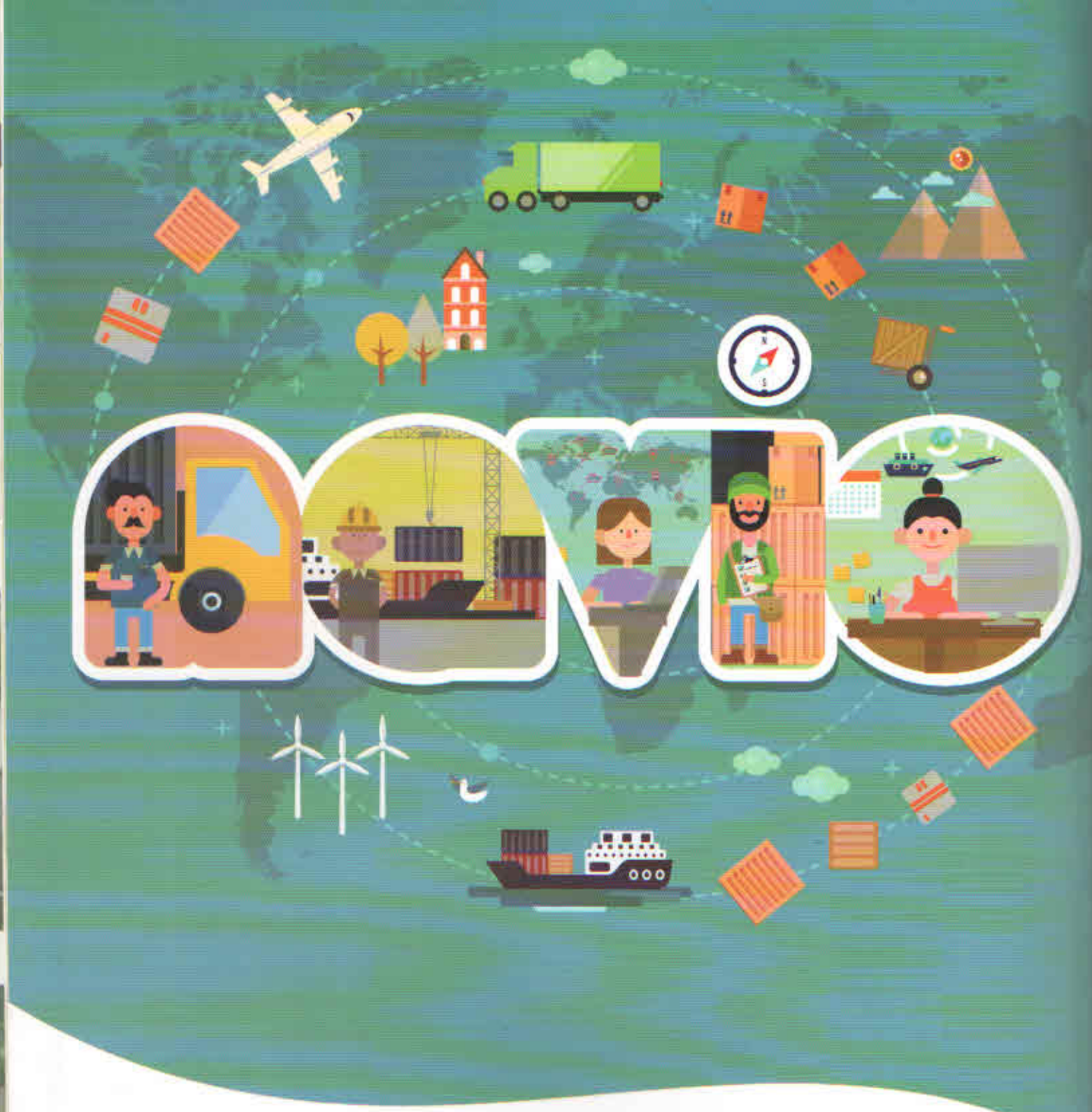
Dr. Amit Mitra, Finance Minister of West Bengal, invited AMTOI to participate in the proposed global summit in Kolkata next month.



Soon after the sixth meeting of the managing committee members held on January 2, 2019, at the boardroom of the Master Group, Dr. Amit Mitra, Finance Minister of West Bengal interacted with the members and extended board members.

The interaction was via video conferencing and Dr. Mitra spoke about the proposed Bengal Global summit, the opportunities available in West Bengal and why it is going to be a favoured destination for the business community from India and abroad.

He spoke about the size of the West Bengal Market, its catchment area and the average annual growth in gross domestic product (GDP) of about 8%. More to the liking of the logistics industry, he spoke of plans for a brand-new greenfield airport, a multimodal transport hub, an air cargo hub, and freight and industrial growth corridor. He said there is abundant land parcels available for stakeholders and invited all the association members and business heads to participate in the proposed Bengal Global Summit, scheduled for February 7 and 8 in Kolkata.



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