

AMTOI

Volume 2 Issue 1 | Quarterly News March 2019 | www.amtoi.org

NEWS



AMTOI
CATALYSING 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

H-Wing, Unit No.: 234, Kanakia Zillion, BKC Annexe,
LBS Marg, CST Road Junction, Kurla (W), Mumbai - 400070
T: 9029078350 - 9029078351 - 9029078353 - 9029078354
E-mail: info@amtoi.org www.amtoi.org

Contents

Future-Proofing Container Ports A Necessity	10
Taking the Danger out of Dangerous Goods	12
Permitted Activities within Public Warehouse	14
Prolegomena and Precursor to the Bill of Lading	16
Latest Developments in Iran and Central Asia Logistics	18
India's New Shipping Route to Indonesia	20
Logistics Policy Conference	21
AMTOI NVOCC Council Forum Meeting	21
Risk Management & Claims and Insurance	22
AMTOI Youth Council	23
Musings on the Hyperloop	24



ASSOCIATION OF MULTIMODAL TRANSPORT OPERATORS OF INDIA

Editor

Shantanu Bhadkamkar /
Xerxes P. Master

Publisher

Sailesh Bhatia

Registered Office

H-Wing, Unit No.: 234, Kanakia Zillion,
BKC Annexe, LBS Marg, CST Road Junction,
Kurla (W), Mumbai - 400070
T: 9029078350 - 9029078351
9029078353 - 9029078354
E: info@amtoi.org
W: www.amtoi.org

Computer Artworks Sanjay Punjabi

Printed by Jai Yogeshwar

Unit No. 347/A-2, Shah & Nahar Industrial Estate,
Sitaram Jadhav Marg, Dhanraj Mill Compound,
Lower Parel, Mumbai - 400 013. On behalf of
AMTOI (Association of Multimodal Transport
Operators of India)

All rights reserved in all countries

No part of this publication may be reproduced, stored in a retrieval system or transmitted by any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior written permission of publishers. No liabilities can be accepted for inaccuracies of any content (Description), also opinions reflected in the publication are those of the writers. The publisher does not take responsibility for returning of unsolicited publication material or material lost or damaged in transit or photographs. Views expressed in this (newsletter) do not necessarily represent those of the publisher. All correspondence should be addressed to AMTOI. All disputes are subject to the exclusive jurisdiction of competent courts and forums in Mumbai city only.

Managing Committee Members 2018-2019

Mr. Shantanu Bhadkamkar,
President

Mr. George Abrao,
Hon. Secretary

Mr. R K Rubin,
Managing Committee Member

Ms. Anjali Bhide,
Managing Committee Member

Mr. Vivek Kele,
Ex-Officio

Mr. S Varadarajan,
Special Invitee, Managing Committee Member

Mr. Pramod Kumar Srivastava,
Convenor, Eastern Regional Chapter

Mr. Tarun Sharma,
Convenor, Northern Regional Chapter

Mr. Tushar Jani,
Advisor

Mr. Shashi Tanna,
Advisor

Mr. Xerrxes Master
Vice President

Mr. Ravindra J. Gandhi,
Hon. Treasurer

Mr. T Venkataraman,
Managing Committee Member

Mr. Nailesh Gandhi,
Immediate Past President

Mr. Yogesh Parekh,
Special Invitee, Managing Committee Member

Mr. Haresh Lalwani,
Special Invitee, Managing Committee Member

Mr. Deepak Ramaswamy,
Convenor, Southern Regional Chapter

Mr. Anand Sheth,
Advisor

Mr. Sailesh Bhatia,
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

New Members

January 2019 - March 2019

MTO Members

North Sea Shipping & Logistics Pvt Ltd	Kolkata	Welgrow Line (India) Pvt Ltd	Mumbai
RIVRO Logistics Pvt Ltd	Kolkata	RSL Freight India Pvt Ltd	Chennai

IMPORTANT ACTIVITIES CARRIED OUT BY AMTOI MANAGING COMMITTEE DURING THE 1ST QUARTER-2019

- Mr. R.K.Rubin & Mr. Sailesh Bhatia met Mr. Ashish Kumar Singh, IAS, Principal Secretary, Principal Secretary, Transport & Ports, Home Department, Government of Maharashtra on 3.1.2019 to discuss and plan a conference to escalate the activities of the ports in Maharashtra.
- Mr. R.K.Rubin & Mr. Sohel Kazani attended a introductory meeting of new Chairman of JNPT, Mr. Sanjay Sethi on 18.1.2019.
- Mr. Shantanu Bhadkamkar & Mr. Sailesh Bhatia attended a meeting sponsored by FIEO at New Delhi as speakers and Panelist at the session held on 31.1.2019
- Mr. Shantanu Bhadkamkar, Mr. Xerxes Master, Mr. R.K.Rubin, Mr. Sailesh Bhatia, Mr. George Abrao and Mr. Sohel Kazani from Mumbai attended "Bengal Global summit" at Kolkata on 7th & 8th February 2019.
- Mr. Shantanu Bhadkamkar, President/Amtoi attended a seminar on "Draft National Logistics Policy" at Delhi on 19th & 20th February 2019, sponsored by FICCI.
- AMTOI Youth Council organized a Free Seminar on Dangerous Cargo Awareness at AMTOI Board Room on 28th February 2019 – Mr. Haresh Lalwani, Special Invitee/AMTOI conducted the Seminar.
- Mr. Shantanu Bhadkamkar and Mr. Venkat attended a meeting at Air Cargo Complex, Sahar, Andheri, to discuss the issue of "Challenges by the Courier Mode to MTOs" on 1.3.2019
- Session on INSTC and Chabahar Port. Iran, on 4th & 5th March 2019- Mr. Sohel Kazani and Mr. Keyur Gandhi represented AMTOI.
- Mr. Haresh Lalwani, represented AMTOI at a session at Hyatt Regency, Andheri, Sahar on the topic of "Line Ministry Validation for qualifications pack under Logistics Sector for Skilling" on 4.3.2019.
- AMTOI NVOCC Council conducted a Free seminar on "Claims & Insurance" on 5th March 2019 for the benefit of NVOCC Fraternity at AMTOI Board Room, Kurla. Faculty for the session was Dr. B. Saxena of M/s. Tolani Maritime Institute, Pune. Mr. Sivasailam, IAS, Special Secretary, Logistics, MOC, Govt of India, paid a visit to AMTOI office alongwith some of the MC Members and interacted with Participants at the session. Subsequently he met AMTOI Youth Council members alongwith MC members at Hotel Sofitel, BKC, Bandra.
- AMTOI put up a stall showcasing it's vision & activities at the "Global Economic Summit" held on 6th & 7th March 2019 at World Trade Centre, Cuffe Parade, Mumbai, organized by the Govt of Maharashtra.
- AMTOI NVOCC Council held it's 3rd Forum meeting at the Acres Club, Chembur, Mumbai on 8th March 2019 for its members and non-members. M/s. Portall gave a presentation on "PCS1 x" for the benefit of the NVOCC Fraternity.
- In-house discussion on Future Trends of the Logistics Industry session held at RBYC, Colaba, on 26/03/2019, attended by AMTOI MC, Youth Council and other stake holders.

From the President's Desk

“You will either step forward into growth or step backwards into safety”

– Abraham Maslow, Psychologist, best known for hierarchy of needs, a theory of psychological health predicated on fulfilling innate human needs in priority, culminating in self-actualization.



Dear Members,

This is a busy time in AMTOI. The outreach of your organisation has increased manifold due to the recognition AMTOI has received because of its constructive work over the years, leading to increased participation and engagement in events and meetings.

The outreach initiative includes meetings with the members and training programmes. We have had meetings with the members of regional committees, namely, the western, northern and eastern regions. The eastern region committee had organised the get-together of trade interests, which was well-attended by the leaders of the maritime sector. The youth council, along with the western region committee, is coming up with training programmes. AMTOI had two interactive training sessions on dangerous goods. The NVOCC Council and Liquid Logistics Council are active and augmenting the initiatives for the growth of multimodalism.

One of the most important developments in the quarter is the announcement of the draft National Logistics

Policy (NLP) by the Department of Logistics, Ministry of Commerce. AMTOI has forwarded the suggestions, and thereafter participated in the conference for the discussion on the Logistics Policy. During the conference, we had an opportunity to interact with Honourable Shri Suresh Prabhu, Union Minister of Commerce & Industry, and Civil Aviation, Government of India, Binoy Kumar (IAS), Secretary, Ministry of Steel, Government of India, and former Special Secretary (logistics) and Shri N. Sivasailam (IAS), Special Secretary (Logistics) Government of India. AMTOI also participated in a meeting with the Special Secretary (Logistics) for Line Ministry validation of job roles created by logistics sector Skill Council by Special Secretary, Logistics.

AMTOI was privileged to host the Special Secretary, Logistics, in the AMTOI office. He addressed the participants of the training programme on insurance and claims, organised by the NVOCC Council of AMTOI. This was followed by an interactive session with the managing committee members and members of the youth council, on the NLP.

We hope you had the chance to read the NLP which will be followed by the Action Plan, and hence it is important that every member is familiar with the developments and gets back to the association with their respective suggestions.

While increasing our engagement with the central government, we have also increased our interactions with the state governments. This engagement is particularly important as many states are declaring the state logistics policy. Dr Amit Mitra, the Honourable Minister of Finance, Industry, Commerce & Enterprises, Department of Micro, Small & Textile & Information Technology & Electronics Department of West Bengal, had a live video conference with the managing committee and extended board members. He spoke about the Bengal Global Business Summit and opportunities available in West Bengal and the state's vision for it being a favoured destination. He took questions about trade facilitation. We are also in touch with Shri Ashish Kumar Singh, Principal Secretary, Transport & Port Home Department, Government of Maharashtra, for an event to be organised for the growth of the logistics sector.

The Bengal Global Business Summit was held at Kolkata on February 7 and 8, 2019, at Biswa Bangla International Convention Centre. Many colleagues from AMTOI participated in the event, and we had the opportunity to present our vision for the development of logistics in the region. We also had a great opportunity to meet many dignitaries and trade organisations, all of whom took a keen interest in the work done by AMTOI. The government of India Maritime Conclave 2019 to be held in Bhubaneswar, Odisha, has been postponed. AMTOI will continue its engagement with the event.

AMTOI has always worked closely with the extended board member associations. In addition, our engagement with FICCI and CII has increased considerably, all of whom are working closely with AMTOI, which gives us a good platform for promotion and development of multimodalism.

AMTOI also has international engagements of importance. India Natie is an association between AMTOI with one of the world's largest ports, the Port of Antwerp. Two visionaries, former Port President, Shri Marc Van Peel and former AMTOI President, Shri Tushar Jani conceived and launched this project. AMTOI members invited by the port had an opportunity to interact with the senior leadership of

“You do not attain success when you associate with those in high positions. It comes when you accept yourself and realise that only you can take yourself to where your heart truly lies.”

**- Michael Bassey Johnson
(Author, Journalist, Novelist, Poet)**

the Port of Antwerp during the special function organised for the farewell of former Port President, Mr Marc Van Peel in Mumbai. Ms Annick De Ridder (first-ever lady port alderman) picked India for her first overseas brand promotion trip after taking over as the Vice Mayor of the city and Chairperson of the board of directors of Antwerp Port Authority. They had an exclusive meeting over lunch with AMTOI office bearers. Mr Jacques Vandermeiren, CEO, Port of Antwerp and Luc Arnouts, Director, International Relations and Networks, Antwerp Port Authority, were among the senior officials of the port delegation on a visit to India.

The list of engagements in events and meetings is only illustrative. In addition, AMTOI has participated in events organised by various media organisations and associations connected with EXIM Logistics. AMTOI offers a unique platform for each member to enrich their professional experience by participating in all such active initiatives. Your suggestions are always welcome but participating with sharing responsibility is even more welcome. It is important for the growth of multimodalism in the country that all the members of AMTOI participate actively in various initiatives, and share the responsibilities with enterprises and in a cooperative spirit. As always, we encourage you to participate in AMTOI events and programmes. Please contact the regional committees in your region or contact the convener of the segmental sub-committee or council or wing for direct participation.

As usual, I wish you happy reading!

Shantanu Bhadkamkar
President

An Interesting 1st Quarter

To say that the 1st quarter of 2019 has been exciting would be an understatement. We live in interesting times. Worldwide there is political turmoil and more so closer at home.

The flavour of the season is the ongoing Brexit deal (or no deal??) The United Kingdom's exit from the European Union will have huge ramifications on all of us. The entire dynamics of trading will change. We will also have to sit with our erstwhile rulers to see how we can move forward with one of our oldest & largest trading partners.

The largest employer in the United Kingdom is an Indian company namely the venerable TATA Group owners of Jaguar-Land Rover faced with a USD 3.4 billion loss this year. Battle plans are being drawn up and drastic job cuts are on the anvil to ensure the survivability of the company. UK's richest man Lakshmi Mittal is making aggressive plans to foray into the Indian steel market. There are many more such instances and things will change drastically for all of them. The ironic part is that no one knows how this is going to pan out. Interesting times as we say !!!

The world's most powerful nation the United States seems to have its hands full with the crisis in Venezuela having the world's largest oil reserves which are yet to be tapped and which has a direct bearing on all of us. Will democracy prevail or will dictatorship surmount and win the challenge thrown at them? Only time will tell. This along with the latest round of discussions on denuclearisation with North Korea has ended in a stalemate.

Apart from this they have their ongoing trade battle with China. On the other side of the world the ISIS challenge seems to have finally come to an end. Huge infrastructure development will be required in Syria and neighboring areas which have been decimated by nearly a decade of civil war. This can bring about good opportunities for logistics and maritime



companies to take advantage of. Interesting times again !!!

Closer to home we have more than our share of excitement with the upcoming general elections and coalitions being formed and broken on almost a daily basis ! No one really knows whether the present incumbent will come to power with a clear majority or actually even loose !! which was unthinkable a year back.

The Indian economy continues to grow at a fast rate but with an ever burgeoning debt which is a cause for great worry. We also had one of our darkest moments with the Pulwama attack where we lost many of our brothers in the armed forces in a cowardly, shameful act of terrorism. Our retaliatory action sadly is being questioned, thus dipping the morale of our



brave armed forces and the nation at large. Will this have an effect on the election outcome? Only time can tell. Interesting times !!

Our Industry continues to keep us on our toes with its ever changing dynamics. Recently we have seen some of the largest shipping lines in the world foraying into logistics and multi modalism, thus offering the entire gamut of services to the shippers under one roof. This can have grave ramifications on hundreds of thousands of small freight forwarders and family run concerns worldwide.

The attack in Pulwama has fast-tracked the government initiatives to promote Chabahar port as an alternate gateway to Afghanistan and CIS destinations and get the much awaited INSTC corridor kick-started which is long overdue. This will result in substantial opportunities for Indian freight forwarders and logistics companies. How are we going to meet this challenge? It is similar to a corner store grocery taking the likes of Amazon and Flipkart head on !!

On the other hand the Governments initiatives to draft the National Logistics Policy will bring about much needed regulation in our industry. But it will come with its own set of challenges which we will have to face in time to come. In addition several other government initiatives like IWA, GST amendments, coastal movements and several other sea port and in land port development initiatives are ensuring that our industry gets the much needed recognition and importance for perhaps the 1st time in our nation's history.

Only time will tell us the end result. As I said these are interesting times !!

Best regards

Xerrxes Master
Vice President
AMTOI

Future-Proofing Container Ports A Necessity

Globally, more and more ports will have to invest in upgrading cargo handling infrastructure.



The global shipping industry is currently witnessing massive consolidation aimed at improving efficiencies and competitiveness, all the while dealing with uncertain market conditions.

From April 2018, the Ocean Network Express (ONE) alliance — an alliance between “K” Line, Mitsui O.S.K. Lines (MOL) and NYK — commenced commercial operations. The alliances ONE, 2M (Maersk and MSC), the Ocean Alliance (CMA CGM, including APL; COSCO, including OOCL; and Evergreen), THE Alliance (Hapag-Lloyd, including Hamburg Süd), and Yang Ming represent nearly 80% of global container trade and roughly 90% of container capacity.

With some of the major shipping lines scheduled to add significant capacity to their fleets in 2018, it would be interesting to see how these alliances manage to fill a 20,000 teu ultra large container vessel.

Shipping lines need to be able to mitigate a huge under-utilisation risk if anything goes wrong. These ultra large ships need to command high utilisation rates to achieve cost savings and reap promised benefits. Moreover, these are ships that are larger than the expanded Panama Canal can accommodate.

The alliance reshuffle will no doubt have a significant impact on the way ports are managed worldwide. The port of Singapore, due to its scale and geographical significance, is set to benefit the most. To remain as connected as ever to the world and to stay ahead of the game, Singapore is investing heavily in cargo handling capabilities.

Despite the current slowdown in the shipping industry, Singapore has maintained its position as a global port hub and an international maritime centre. It is already the world’s second-



busiest port, with an average of 60 vessels calling daily and handling around 34m teu in 2017. The multi-billion-dollar project at Tuas (seen as an expansion of Port of Singapore) will increase the port's capacity to 65m teu. The mega port is due to be completed by 2040 and is designed to accommodate 24,000 teu ULCVs, with its long linear berths and deep-water capabilities.

European response

European ports such as Rotterdam, Antwerp, Felixstowe and Hamburg are also investing heavily to be included as a port of call on mega-ship rotations. Rotterdam and London are installing new cranes to offer a high level of automation as well to meet the turnaround requirements.

When mega ships call at the port, they need larger container gantry cranes, a larger storage

yard, and better inland distribution. All this requires significant investment in the port and hinterland infrastructure. To date, only a little over 20 ports in the world can accommodate ships of more than 18,000 teu and more than half of these ports are in Asia. As container ships of more than 20,000 teu are fast becoming the norm, globally, more and more ports will have to invest in upgrading cargo handling infrastructure.

Container terminals have historically built berths to be anywhere between 300 metres and 360 metres, so the new generations of ships have become too large for contemporary berths. Moreover, these mega ships introduce new levels of congestion and require more land, and more labour or higher levels of automation. High level and long-term market projections suggest that by mid-century, international trade could require container ships of up to 35,000 teu capacity.

ULCVs are likely to strengthen the hub-and-spoke model of container operations, which provides market coverage to a maximum number of ports.

Mega-ships bring lower unit costs for the vessel network (ships, bunkers, port and canal transit costs). However, the higher economies of scale closely associated with mega-ships mean that fewer ships can operate in a market of a given size.

Global shipping dynamics are changing fast and so too is port infrastructure. Ports which do not have access to capital or are facing limitations on physical expansion may end up forced to focus on smaller ships. Those ports need to prepare themselves if they are to become future proof.



*This article is authored by **Nivesh Chaudhary**, Infrastructure Advisory director at ASCELA ADVISORS, a management consulting firm.*

Taking the Danger out of Dangerous Goods

The larger part of the responsibility clearly lies with the shipping organisations.

A devastating fire that began on March 6, 2018, in one of the holds of the vessel Maersk Honam, a 15000 TEU ship, while sailing through the Arabian sea on a westbound voyage, almost destroyed the vessel and killed five of the 27 crew members. This fire again raised the concern about whether such fires are caused by undeclared dangerous goods on board. The Indian coast guard ship which went to the aid of the stricken vessel, declared the fire to be chemically oriented.

What then, are dangerous goods? Are chemicals generally dangerous? Chemicals consist of basic and commodity chemicals, specialty chemicals, fine chemicals, agrochemicals, and pesticides and polymers. Basic and commodity chemicals can also be divided into organic and inorganic. In its basic form, most chemicals and agrochemicals and/or pesticides, are considered dangerous and/or hazardous because they have one or more hazards inherent to their being and composition. Some are reactive while other are poisonous or corrosives.

Chemical reacting means it is transforming into another substance or is getting completely decomposed or polymerised. This can create a potential risk of fire leading to explosion in some cases. Since such risks are difficult to handle on board vessels, they can pose a risk

to the safety and health of workers, the public and the environment. During the transportation process, it is very difficult to manage or control the risks arising out of such situations. In addition to this safety risk, another risk to be considered is the security risk. Some chemicals have a dual use and can be used by anti-social elements or terrorists for causing large scale damage to human life. Therefore, it is important to also manage the security risk when transporting such dangerous goods.

Risk in transporting dangerous goods can thus be described as follows: Risk = Safety Risk + Security Risk

Safety Risk = f (hazardous incident likelihood, release or leakage probability, consequence)

While hazardous incidents may be a very small percentage and so also the probability of leakage, what is important in this equation is the consequence. The consequence of any incident leading to leakage of dangerous goods into the environment can be very severe and catastrophic.

Security Risk = f (threat, vulnerability, consequence)

This is defined as the probability that the threat will exploit the vulnerability to cause harm to an asset (human beings)



The International Maritime Dangerous Goods (IMDG) code by the International Maritime Organization seeks to address these risks by prescribing certain processes to be followed by all involved in the transportation of such dangerous goods. The code attained mandatory status from January 1, 2004. The code was aligned with the UN model regulation for safe transport of dangerous goods and ST-1 for safe transport of radioactive materials. Called uniformly as regulation with similar regulation for other modes, it seeks to ensure safe and secure transportation of the packaged dangerous goods by ocean freight.

The three pillars of the safety management system followed by the regulation involves:

- Defining dangerous goods
 - i. As substance or article capable of posing risk to health, safety, property and environment; and which
 - ii. Can be classified into one or more of the nine hazard classes as defined in the code, or
 - iii. Can be found in the list of dangerous goods as given in the regulation
- Dangerous goods can be safely transported provided they are
 - i. Classified properly, identified by their UN number and proper shipping name correctly, packed in appropriate UN-specified and tested packages
 - ii. Information about hazard communicated to the others in supply by marking and labelling the packages as required under the regulation with correct labels and correct information
 - iii. The containers, after loading, are placarded properly
 - iv. The shipment details should be documented by way of shipper's declaration for dangerous goods in the correct format and with the right information
- Training

Training should be provided to all personnel involved in the transportation of the dangerous goods and not just the sailing crew. The training must be commensurate with their responsibility and shall be provided or verified upon employment of the personnel and assigned to the specific job. Recurrent training must be provided every two years. Training must become mandatory under the code.

The incident on Maersk Honam was not the first of its type. It has been repeating with unerring regularity every two to three years – Hanjin Pennsylvania in November 2002 off the coast of Sri Lanka, MV Hyundai in March 2006 in the Gulf of Aden, MSC Flaminia in July 2012 on the Atlantic ocean, Eugen Maersk on June 21, again in the Gulf of Aden – are some major incidents related to dangerous goods.

Why, despite the presence of the regulation which has very clearly defined a process for ensuring the safety of chemical supply, do we have such accidents? Who is responsible?

While everyone in the supply chain are responsible, the larger part of the responsibility clearly lies with the shipping organisations. No study has been done so far in India by any authority, but a study done way back in 2011 for 18 months in USA by the Cargo Incident Notification System group, related to dangerous goods transportation, found, the major cause of accidents were primarily poor packing (30%) and misdeclaration (24%).

Clearly, things have not changed much. Shipping dangerous goods is a highly specialised activity and various aspects must be considered and addressed. The incident of MV Flaminia showed that a full and thorough understanding of the product is very critical to its safe transportation across the ocean and across varying temperature zones. Shipping such goods is not everyone's cup of tea. Strict adherence to the regulation needs to be implemented and detailed planning has to be undertaken.

Highly trained personnel within the shipper organisation or their outsourced entity who knows the packing process, the characteristics of the chemicals being shipped, packing and packaging requirements and the full consignment procedures which includes marking, labelling and documentation, and finally, the placarding of the container, is a must. Placarding the container with the correct hazard labels is not the only requirement. The packages loaded inside the container must clearly be of the right quality and tested in accordance with UN specifications as specified in the regulation. They must be marked and labelled properly. Dangerous goods packages inside the container must be properly loaded, braced and held in position such that they don't shift during the transportation process. Dangerous goods become dangerous only when they leak or come out of their containment system.

Finally, shipping dangerous goods must become part of the organisation's risk management system. The risk and compliance officer must be involved in every decision taken related to transportation of such goods to ensure full compliance and safety norms are adhered to.

*This article has been authored by **Radharamanan Panicker**, founder and Managing Director, Dangerous Goods Management India Private Limited.*

Permitted Activities within Public Warehouse

The article is a summary of the views of the Central Board of Indirect Taxes and Customs on the Customs Act, 1962.

1. Warehousing of goods, post its import into a country, and prior to its clearance for home consumption, is resorted to by importers as a method to defer the payment of import duty.
2. However, in India, warehousing of goods is also undertaken so as to ensure that the goods imported are compliant the domestic laws such as the Legal Metrology Act, 2009, Food Safety & Standards Act, 2006, Drugs & Cosmetics Act, 1940, etc. If the packaging, labelling or other defined parameters of the imported goods are not compliant with the laws of India, the imported goods will not be permitted to be cleared for home consumption by the Customs authorities in India.
3. The substantive provisions pertaining to warehousing are set out in Chapter IX of the Customs Act, 1962 ('Customs Act'). Public Warehouses are licensed under Section 57 of the Customs Act, while Private Warehouses are licensed under Section 58 of the Customs Act. In Private Warehouses, only the goods belonging to the holder of the Private Warehouse License can be stored. While in Public Warehouses, only the goods belonging to third parties can be stored.

Activities Which Can be Undertaken in Warehouses

4. The provisions of the Customs Act permit the owner of the goods to carry out various activities on the warehoused goods.
5. Section 64 of the Customs Act permits certain activities like inspection, sorting, displaying of the goods for sale to be carried out by the owner without obtaining permission from Customs officers.
6. If the owner of the warehoused goods wants to undertake any other activities (other than what is permitted under Section 64 of the Customs Act), they can do so after complying with the conditions set out under Section 65 of Customs Act.
7. Section 65 states that with the permission of the Principal Commissioner of Customs or

Commissioner of Customs, and subject to such conditions as may be prescribed¹, the owner of any warehoused goods may carry on any manufacturing process or other operations in the warehouse in relation to such goods. Accordingly, 'Manufacture & Other Operations in Warehouse Regulations, 1966' ("MOOWR") have been enacted to regulate activities under Section 65 of the Customs Act. Thus, any person intending to undertake manufacture or other operations on warehoused goods must apply under MOOWR and obtain a sanction for carrying out such activity.

8. From a perusal of Section 64 vis-à-vis Section 65, it flows that the activities of packing/re-packing/labelling/re-labelling will not fall within the scope of the permissible activities of Section 64 of the Customs Act. Thus, these activities can be undertaken only in terms of Section 65 of the Customs Act.

Section 65 – Applicable to Public Warehouse or Private Warehouse?

9. From a reading of Section 65 of the Customs Act as well as MOOWR, it is evident that the provision applies to 'warehouse' and 'warehoused goods' as defined under the Customs Act, 1962. 'Warehoused goods' are defined by Section 2(44) of the Customs Act as goods deposited in a warehouse. As per Section 2(43), 'Warehouse' under the Customs Act 'means a public warehouse licensed under section 57 or a private warehouse licensed under section 58 or a special warehouse licensed under section 58A'.
10. Thus, on conjoint reading of the provisions of the Customs Act and MOOWR, it becomes clear that manufacturing and other activities can be carried out in public as well as private warehouses. In fact, this was understanding in place, across the industry in the country and across all Customs Houses until 17.10.2018. No distinction was being drawn in terms of the operations that could be carried out in a Private, Public Warehouse.

¹ 'Prescribed' has been defined by Section 2(32) of the Customs Act to mean "prescribed by Regulations".

Issuance of Circular & its Subsequent Modification

11. In the above background, Circular No. 38/2018-Cus dated 18.10.2018 was issued by the CBIC. This Circular stated that for carrying on the activities of manufacturing and other activities permitted under Section 65 of the Customs Act the premises must also be licensed as a Private Warehouse. The Circular has been interpreted by the Customs Houses to mean that activities of manufacturing and other activities permitted under Section 65 of the Customs Act can no longer be carried out in a Public Warehouse. In other words, activities falling within the purview of Section 65 can only be undertaken in private warehouses.
12. Thus, from 18.10.2018 onwards, the trade is in difficulty and hardship as the Customs Houses are refusing to grant permission to importers for carrying out activities of manufacturing and other activities in Public Warehouses. Difficulty was being faced more so by those importers who were undertaking labelling activity, etc, in the public warehouses.
13. Numerous representations were made in this regard. The applicability of Circular No. 38/2018-Cus was accordingly suspended till 31.1.2019 vide Circular No. 58/2018-Cus dated 28.12.2018. Thereafter, Circular No. 3/2019-Cus dated 31.1.2019 was issued by CBIC, modifying the earlier Circular No. 38/2018-Cus.
14. Circular No. 3/2019-Cus refers to activities like labelling/packing etc. carried out by importers to comply with Indian Laws, and states that labelling/fixing RSP etc. undertaken to fulfil statutory compliance requirements, may be carried out in all warehouses, without obtaining separate permission under Section 65 of the Customs Act.
15. The relief given by Circular No. 3/2019-Cus, in paragraph 3 is for 'labelling/fixing RSP etc. to fulfil statutory compliance requirements. However, it is silent on what qualifies as permissible operations under Section 65 and whether such operations can also be undertaken in public bonded warehouses. For instance, currently many importers are undertaking conversion from bulk to retail packaging at the public warehouses. There is no restriction against clearance of goods for home consumption, in bulk packaging under the allied laws such as Legal Metrology etc. Thus, as re-packing is not legally mandated, will this mean that conversion to retail packaging will not be permitted within a public warehouse and can be undertaken only in a private warehouse?
16. The Circulars issued by the CBIC regarding activities that can be carried out in warehouses, can be summarized as follows:
 - a. Only activities like labelling / packing etc., undertaken to fulfil statutory compliance requirements, can be undertaken in Public & Private warehouses without obtaining a permission under Section 65 of the Customs Act;
 - b. Any activities other than the above, and other than what is set out in Section 64 of the Customs Act, cannot be undertaken in a Public Warehouse.
17. Thus, the recent Circulars issued by the Board appears to be narrowing down the scope of activities permitted in a Public Warehouse not contemplated by the provisions of the Customs Act. It is an established principle of law that Circulars cannot modify the law or curtail the ambit of the provisions not intended by the Statute. Thus, the legal validity of the circulars is also to be doubted.
18. In conclusion, the recent Circulars, though intended to ease warehousing procedures, have only managed to complicate the same, and have given rise to numerous uncertainties. These uncertainties not only have brought the daily operations of importers to a standstill but are also paving the way for litigations in the future.



*This article is authored by advocates **Srinidhi Ganeshan** and **Lakshmi Menon** of M/s. Lakshmi Kumaran Sridharan.*

Prolegomena and Precursor to the Bill of Lading

The practice, of recording cargo received aboard the ship in the ship's logbook, is almost as long-lived as shipping itself.

There is a clear evidence of the existence of receipts for goods loaded aboard merchant vessels stretching back as far as Roman times. The practice, of recording cargo received aboard the ship in the ship's logbook, is almost as long-lived as shipping itself.

The growth of mercantilism, which produced other financial innovations such as the charter party (once *carta partita*), the bill of exchange and the insurance policy, produced a requirement for a title document that could be traded in much the same way as the goods themselves. It was this new avenue of trade that produced the bill of lading in much the same form as we know today.

The word "lading" means "loading", both words being derived from the Old English word *hladan*. "Lading" specifically refers to the loading of cargo aboard a ship. Despite the etymology, "bills of loading" is not a synonym for "bills of lading". The Dutch word "lading" has exactly the same meaning (freight, cargo, transportable goods, etc.) as it has in the English "Bill of lading".

In the case of *Coventry v Gladstone*, Lord Justice Blackburn defined a bill of lading as "A writing signed on behalf of the owner of ship in which goods are embarked, acknowledging the receipt of the goods, and undertaking to deliver them at the end of the voyage, subject to such conditions as may be mentioned in the bill of lading." Therefore, it can be stated that the bill of lading was introduced to provide a receipt to the shipper in the absence of the owners.

Functions of The Bill of Lading and Waybill: 1. Document of title:

Document of title in the context of B/L means right to possession of the goods from the carrier. It does not mean right to ownership, which is usually determined by the sales contract. If the right to possession of the goods from the carrier

is determined by the possession of a document such as a bill of lading, then that document is a document of title. Therefore, the person presenting an original B/L is entitled to delivery of the goods at the place of destination.

Waybills, however, and some straight (non-order or nominate) B/L are not documents of title. These documents show only the names of a shipper and consignee, unlike for example an order bill of lading which have the words "to order (or assigns)" inserted instead of or against a named consignee.

Since the straight B/L and the waybill only envisage delivery to a named consignee, presentation of the document is not necessary for delivery. However, if the straight B/L expressly states that delivery shall only be made against presentation of an original B/L, then this should be complied with.

A received for shipment B/L may be issued to the shipper by the carrier or his agent for goods left with the carrier or agent at the load port prior to the arrival of the vessel. A received for shipment B/L may be on a specific form, but standard B/L forms are often used. In either case, the received for shipment B/L would have the name of the carrying vessel and date of shipment inserted, to make it a shipped B/L (evidencing, amongst other things, shipment of the goods on a named carrying vessel and on a specified date of shipment), or would be surrendered to and replaced by the carrier with a shipped B/L. Since a received for shipment B/L does not evidence shipment of the goods by the carrier.

Negotiability:

Closely connected with the function of document of title is negotiability. If the bill of lading is negotiable it can be transferred from a person with title to a person without title, for

example from a consignee named in the bill of lading to a consignee not named in the bill of lading. This in turn allows the goods to be traded whilst in transit. The most common negotiable bills of lading are order bills of lading and have the words "order (or assigns)" inserted instead of or against a named consignee, respectively allowing the shipper or named consignee to transfer the bill of lading to another person.

Negotiable bills of lading mean that the goods can be traded several times during the voyage. To transfer the B/L, an endorsement is made by the shipper or consignee signing his name on the B/L (an endorsement in blank), allowing transfer to any person to whom the B/L is handed. If the name of the person to whom the B/L is to be transferred is written in the B/L, in addition to the signature, the B/L can only be passed to the named endorsee (an endorsement in full). To allow the endorsee to transfer the B/L further, the words "to order (or assigns)" would have to be added against the named endorsee.

What are commonly known as bearer B/Ls are also negotiable documents. However, unlike order B/L, they can be transferred without endorsement. The bearer B/L can simply be transferred by hand from one person to another. A bearer B/L is either blank or the word bearer is inserted instead of a named consignee. An order B/L may also become a bearer B/L, if it is endorsed in blank by the person named in the order B/L.

2.Evidence of the contract of carriage

The B/L also acts as evidence of the contract of carriage between the carrier and the shipper. This is a function of B/Ls whether negotiable or not, as well as waybills.

The carrier may be the owner, charterer or freight forwarder and is the party who enters into a contract of carriage of goods with the shipper. Normally, the Master will be deemed to be in the employment of the shipowner and the Master's signature will more often than not constitute a contract with the shipowner.

The charter party:

The terms of carriage are usually found on the reverse side of the B/L. However, the carrier may have agreed special terms of carriage with

a charterer. It is important that there is proper incorporation of the relevant charter party into the B/L.

3.Evidence of Receipt for the goods loaded:

The function of receipt applies to all B/Ls whether negotiable or not, and to waybills. The B/L will normally be evidence of when the goods were received and their status on receipt in terms of marks (to identify the goods), apparent order and condition and number, quantity or weight.

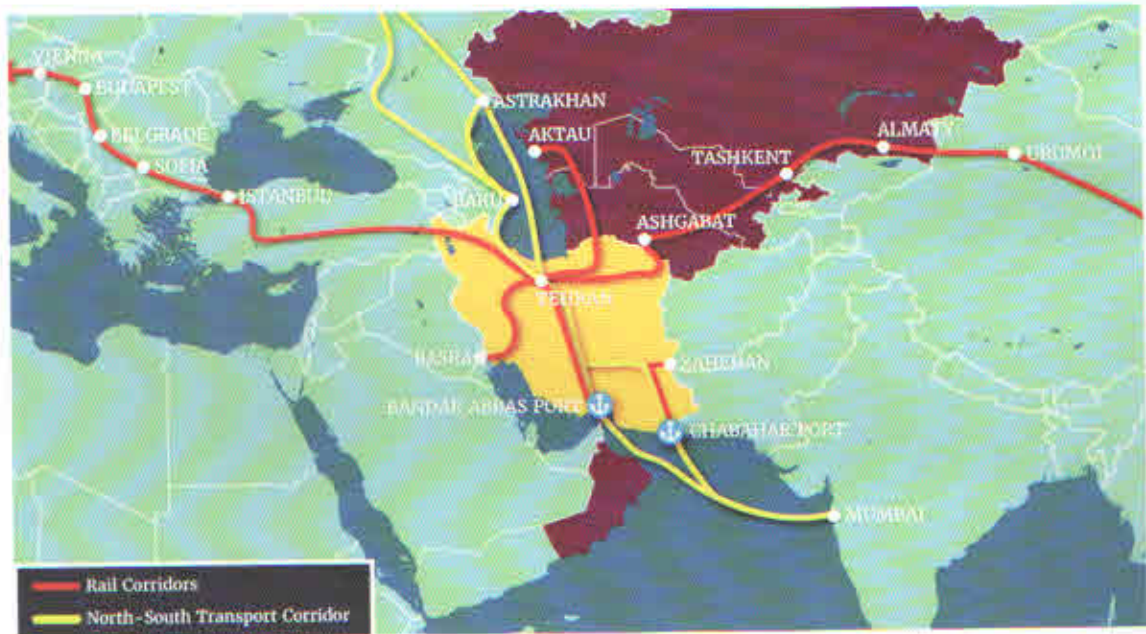
This article is authored by Captain Ashwin Jhingan and is the first in a two-part series and is to be continued in the next issue. Captain Jhingan is a master mariner, extra master, member of the Supreme Court Bar Association and an advocate in the Mumbai High Court.



*This article is authored by **Captain Ashwin Jhingan** and is the first in a two-part series and is to be continued in the next issue. Captain Jhingan is a master mariner, extra master, member of the Supreme Court Bar Association and an advocate in the Mumbai High Court.*

Latest Developments in Iran and Central Asia Logistics

To cut a long story short, there is a lot of opportunity for the trade in central Asia.



On December 24, 2019, Chabahar Port was finally handed over to Indian Ports Global Limited (IPGL) for operations on as-is, where-is basis. The port consists of two terminals for bulk/container operations – Kalantri and Shahid Bahesti. The Kalantri terminal is nominated for handling of dows and passenger vessels only. Shahid Bahesti will be the sole terminal in Chabahar that will handle bulk/break bulk/container and over dimensional (ODC) cargo.

Another notable development is that Simatech has announced a fortnightly vessel to Chabahar Port and IRISIL and Admiral are also working on a weekly/fortnightly call on this. We need to understand the reason for such an aggressive strategy on Chabahar when it comes to shipping.

Till date, Bandar Abbas has been the main port of call and business when it comes to container, and Bandar Imam Khomeini for bulk. The major transport from these places can be broadly classified in three categories – North west of IRAN, Central Iran (Tehran Region), and North

East of IRAN towards Eastern CIS. Chabahar as a port in terms of transport is only advantageous when it comes to Afghanistan border, but disadvantageous in terms of Turkmenistan border by 300 kms, Central Iran by 450 kms and 700 kms in terms of North West Border. Now, let us analyse this mathematically. The cost of transport in IRAN is roughly 0.5 USD per km. This means that it is a matter of 0.5×300 , 0.5×450 and 0.5×700 kms, which comes to USD 150, 225 and USD 350 per container.

The port THC is USD 200 lesser when it comes to Chabahar Port. Also, the cost of all other services like movement cost to CY for examination, agent charges and CNF charges are much less than compared to Bandar Abbas. This offsets the transport disadvantage that the port has currently.

The shipping lines are also lured to berth their vessels here as the vessel related charges are more than 60% cheaper than Bandar Abbas so that they could offer cheaper slot rates to trade for loading to Chabahar.

It is just a matter of time when the lines will start setting up their extended offices in full pace at Chabahar and logistic operators/transporters will be as active as they are in Bandar Abbas today. Some other significant developments are:

- a. US has considered a waiver for operations at Chabahar due to its significance for India – Afghan – Iran relations.
- b. The trilateral agreement between India – Afghanistan – Iran has been activated due to which all exports to Afghanistan will take place through Chabahar Port only.
- c. The Euro Channel has now opened payment facilitation for all shipments to and from Iran.
- d. Iran has opened a trading house in Kyrgyzstan's capital city of Bishkek in a bid to ramp up economic interactions with the Central Asian country.
- e. UCO Bank has started facilitating transactions for non-sanction trade with Iran under Rupee Rial system. At the same time, UCO bank has defaulted in attending timely remittances Iran due to which none of the banks find UCO as a reliable partner anymore.
- f. Most of the Iran freight forwarding agent operate through their Dubai/Turkey/ Europe/Germany agents for facilitating movements.

On the other hand, the freight to Bandar Abbas movement to CIS has been affected by more than 50% and the major gainer is Poti port in Georgia. Today the transport cost from Poti and freight to Poti from India is much cheaper to do business with CIS than doing it through Bandar Abbas/Chabahar.

It is hoped the Dubai and Iran based shipping lines realise this as soon as possible before trade settles on a long term with Georgia instead of Chabahar. To add fuel to the fire, Turkmenistan has imposed a tax on vehicles

crossing Turkmenistan which is to the tune of almost 1800 USD per container. Due to this, forwarders are forced to use the Caspian Sea and the transporters have been affected big time. This would also work as a natural catalyst for transporters to work out a route through Afghanistan to move to Uzbek and Kazakh destinations.

Also, may be, a scheduled rail service from Iran could also be an answer to this which Turkmenistan has to abide by as per their commitment in the ECO convention. IRAN Rail has to take aggressive steps to counter such counter measures that affect Iran's position as a hub for serving the trade of Central Asia.

To cut a long story short, there is a lot of opportunity for feeder operators and NVOCC to start a joint service into Uzbek/Kazakh and Afghanistan through Chabahar. The traders also need to venture out into these regions, as it is now a good time to break the monopoly of European and Chinese domination in this sector. It is also a time for the Iranian shipping sector to retrospect in the price hike they enjoyed in the interim period. As now the US Sanctions stand isolated, it is time for them to review the rates and correct the same as soon as possible before Georgia takes lead in the same using the Black sea and the Caspian Sea advantage.

*This article is authored by **Sohel Kazani, MD,** Interport Impex Private Limited.*



India's New Shipping Route to Indonesia

India and Indonesia have come together recently to begin maritime relations.



Port Blair of Andaman is a deep draft port. Due to this, earlier, the Indian government had planned to convert Port Blair into a major port on the East-West shipping corridor. It was also planned that Port Blair will become a transshipment port on the Asia-Gulf route. However, these plans did not take shape due to various issues, including the problem of labour. Subsequently, the government abandoned this plan. Recently, India and Indonesia have come together and have begun maritime relations and developed infrastructure, including at Sabang Island and the Andaman Islands.

Location

Sabang is a port city consisting of the main island and several smaller islands off the northern tip of Sumatra. Sabang is also known as Weh Island, located 710 km southeast of the Andaman Islands and less than 500 km from the entrance of the Malacca Strait.

Almost 40% of India's trade passes through the Malacca Strait. Both countries have taken efforts to forge business connectivity between the two regions via Weh and Andaman Islands.

Trade

The voyage by the first vessel started from Port Malahayati in Aceh, Indonesia on December 29, 2018, and reached Port Blair within three days. An Indonesian cargo vessel from Aceh, laden with 150 tonnes of commercial goods, docked at Port Blair in India's Andaman and Nicobar Islands in January 2019. The vessel's cargo included construction materials such as sand, rocks and cement, handicraft as well as coconut products and was arranged by the Aceh Chamber of Commerce.

As this was the first step in forging business connectivity, the Indonesian side opted for a smaller vessel and is looking at the possibility of Port Blair becoming a hub for trade. The connectivity could also boost the tourism sector. This sort of connectivity between Aceh and Andaman and Nicobar Islands lies at the heart of the Bay of Bengal and the Indo-Pacific.

Future prospects

There is considerable potential for trade but there is no direct shipping in this region. Smaller vessels can be utilised for import and export trade from both countries. This is a new logistics solution for trade discovered by both maritime nations.



*This article is authored by **Professor Dr. Sham Choughule**, member, EU Chambers of Commerce in India.*

Logistics Policy Conference

National Conference on Logistics Policy: Context, Issues & The Way Forward

February 19-20, 2019 – New Delhi



A conference on National Logistics Policy was organised by the Logistics Division of Ministry of Commerce and the Federation of Indian Chambers of Commerce & Industry (FICCI).

This was held on February 19 and 20, 2019, in New Delhi. Honourable Minister of Commerce, Shri Suresh Prabhu graced the occasion and inaugurated the conference. Secretary, Ministry of Steel, previously Special Secretary (Logistics) Shri Binoy Kumar, also graced the inaugural session and addressed the gathering.

Special Secretary (Logistics) Shri N. Sivasailam and Joint Secretary (Logistics) Shri Anant Swarup, personally took notes from the submissions made by the speakers and delegates. AMTOI was invited to address the very first session, following the inaugural session and the President of AMTOI, Mr. Shantanu Bhadkamkar, addressed the gathering.

AMTOI NVOCC Council Forum Meeting



The recently constituted AMTOI NVOCC Council conducted its third forum meeting on March 8, 2019, at the Acres Club in Chembur. About 67 participants from over 50 organizations attended the session. The session had a presentation on

Goods and Services Tax (GST), taxation and Customs and port-related issues. The highlight of the evening was a presentation on PCS1x and interaction with M/s. PORTALL. The session was followed by cocktails and dinner.

Risk Management & Claims and Insurance

Dr. Brijendra K. Saxena, the Founder Principal of Tolani Maritime Institute, Pune, on Risk Management.



AMTOI NVOCC COUNCIL organized a Free seminar on the Topic of "Risk Management & Claims and Insurance" on 5th March 2019 at 1530 hrs at the Paul Abrao Board Room of AMTOI, kurla West. The session was well attended by the participants from NVOCC fraternity.

Prior to the meeting, Shri Sivasailam, Special Secretary, Logistics, MOC, Govt of India, made a surprise visit alongwith the President and some of the Managing committee members of AMTOI and interacted with the Participants and gave his thoughts on Logistics sector.

During the course of the session lasting over two hours, he covered various topics some of which are mentioned below:-

- a. Risk management in the specific industry
- b. Marine insurance
- c. Principles of insurance and introduction of different terms.
- d. Lloyds, Lloyds agents, brokers, Indian scenario etc..
- e. Cargo insurance –risks covered; types of policies.
- f. Contract of carriage of goods–brief legal aspects; Multimodal Transportation of Goods Act, 1993.

- g. Liability and liability insurance – P&I Clubs; liabilities of MTOs

The session was a huge success with attentive participants interacting with each other by sharing their experiences. On behalf of NVOCC Council, Mr. Biju Siva Kumar gave a vote of thanks and indicated that NVOCC Council is planning to conduct many more such sessions on various topics in the coming months. Ms. Sumeet Sahi gave a small Memento to Dr. Saxena on behalf of M/s. Sitara Shipping.

Dr. Brijendra K. Saxena, the Faculty for the session is the Founder Principal of the prestigious Tolani Maritime Institute, Pune. He is also the Past President of the Institute of Marine Engineers (India) and members of the Academic and Governing Councils of NMIS. Apart from being a qualified Marine Engineer, he has qualifications in Chartering, Insurance, Insurance Law and Financial Management. He is the recipient of an award for his "Outstanding contribution to Maritime education and training" by the Government of India in the year 2015.



AMTOI Youth Council

Mr. Haresh Lalwani, an Industry Expert on Transportation and Handling of Dangerous cargo on challenges faced by participants when handling Dangerous Cargo.



AMTOI Youth Council hosted its inaugural event on February 28, 2019 at AMTOI's boardroom, at its corporate office located just off the tony Bandra Kurla Complex. The event was spearheaded by AMTOI Youth Council member Mr. Sidhanth Lalwani. Mr. Haresh Lalwani, an industry expert on transportation and handling of dangerous cargo, made a presentation on the importance of training when handling dangerous cargo. The presentation was used as a starting point to foster an engaging and interactive discussion on the challenges faced by participants when handling dangerous cargo. Due to the overwhelming response, the seminar was repeated over two sessions,



one from 1530 hrs to 1700 hrs and the other from 1515 hrs to 1645 hrs. The audience was a unique combination of CEOs, general managers, senior vice presidents, and middle-level managers, which led to a multi-faceted and informational discussion. The AMTOI Youth Council will be hosting several events in the coming months on topics related to the future of the industry.

Musings on the Hyperloop: The Next Big Thing in Public Transport

The powerful Virgin Hyperloop One system can also affect the fate of cargo transportation.



Growing up – watching Star Trek – always made me wonder when we would achieve teleportation capabilities, when you blink and are transported to fantastic worlds with a blazing blue sun and red oceans.

That may not be anytime soon, but the Hyperloop has been generating enough hype and excitement – promising to solve urban transportation problems – in an eco-friendly manner.

The very first vacuum train, though, was first envisioned a century ago, in 1909, by Robert Goddard. It has taken 100 years before the first vacuum train is now ready to run.

Importance of the Concept and its Application

India, in all probability, is all set to be the first nation to experience the ultra-modern Virgin Hyperloop One technology by establishing connectivity between Mumbai and Pune, with the duration being just 20-25 minutes. The ideation for the ground breaking project was initiated by our Prime Minister, Narendra Modi, at the Magnetic Maharashtra Global Business Summit, held in Mumbai. Following this, Nitin Gadkari, the Union Minister for Transport, has inaugurated and paved the way for the Virgin Hyperloop One to become a reality.

As per calculations, the Hyperloop trips would allow the movement of around 150 million

people per year, thus transforming this part of the country into a significant mega region, in a matter of time.

The Virgin Hyperloop One system can prove to be a great boon for travellers since they can avoid frustrating, jam-packed roads and trains that run slow or never arrive on time. These tube trains are designed to reach a top speed of 1,000 km/ph and will cover a distance of 140 km in an incredibly short duration. According to The Hindu Business Line, the speed will only be limited to 350 km/ph, which might later be increased to 600 km/ph.

The Hyperloop route will be probably run parallel to the Mumbai-Pune Expressway. The transportation system will cost much less than constructing and maintain a high-speed railway network. Moreover, the entire concept is eco-friendly as it is 100% electric and will possibly decrease the greenhouse gas emissions.

Virgin Hyperloop

Richard Branson, chairman and founder of Virgin, said in a recent interview the Virgin Hyperloop One project would take around three years to construct for the test run and seven years more for it to finally begin operations for the public. Branson loathes the fact during every visit to India, he has suffered from traffic woes that have left him wondering how Indian citizens lose valuable time, wasting them away, stuck in traffic. He is confident the Hyperloop technology will be a revolutionary change in Indian transport services that will hugely benefit each and every traveller. With this in view, Branson intends to dedicate the services it to the masses and not restrict it to only premium travellers. The prices will be reasonable and everyone will be free to utilise them.

Since the project is of a colossal nature with a primary investment of a billion dollars, it would also be a source of employment to a few



thousand in our country. Branson believes this project would eventually improve the economic status of the state of Maharashtra. If the Mumbai-Pune venture turns out to be successful, there are further plans of extending the services in the states of Andhra Pradesh and Karnataka, as per latest news.

Branson feels this high-potential, advanced technology will positively improve time savings, operational costs, and provide socio-economic benefits while causing a significant reduction in accident risks.

Positive Impact on Cargo Transportation

The powerful Virgin Hyperloop One system can also affect the fate of cargo transportation. Being one of the most active corridors in the world (in term of economic transactions), around 25% of the cargo received by the Mumbai shipping port is immediately moved to Pune. With such a fast and efficient tube system, large quantities of cargo can be transferred without any hassles, or even damage. On top of that, this high-capacity cargo Hyperloop system will facilitate new business, create thousands of jobs, and attract more opportunities for investment. So all that now remains is to get onto a tube – and maybe even shout out – **“Beam me up, Scotty!”**

*This article is authored by **Liji Nowal, MD, ODeX India Solutions Private Limited.***



Mr. Sivasailam, IAS, special secretary, Logistics, MOC, Govt of India, interacting with some of the Amtol Managing Committee members, youth council and Training Participants during his visit to AMTOI office on 5th March 2019.



In-House Discussion on Future Trends of the Logistics Industry" – Brain storming session held at Royal Bombay Yacht Club, Colaba, Mumbai on 26th March 2019, comprising of Amtol Managing committee, Youth council members and other stake holders from the industry.

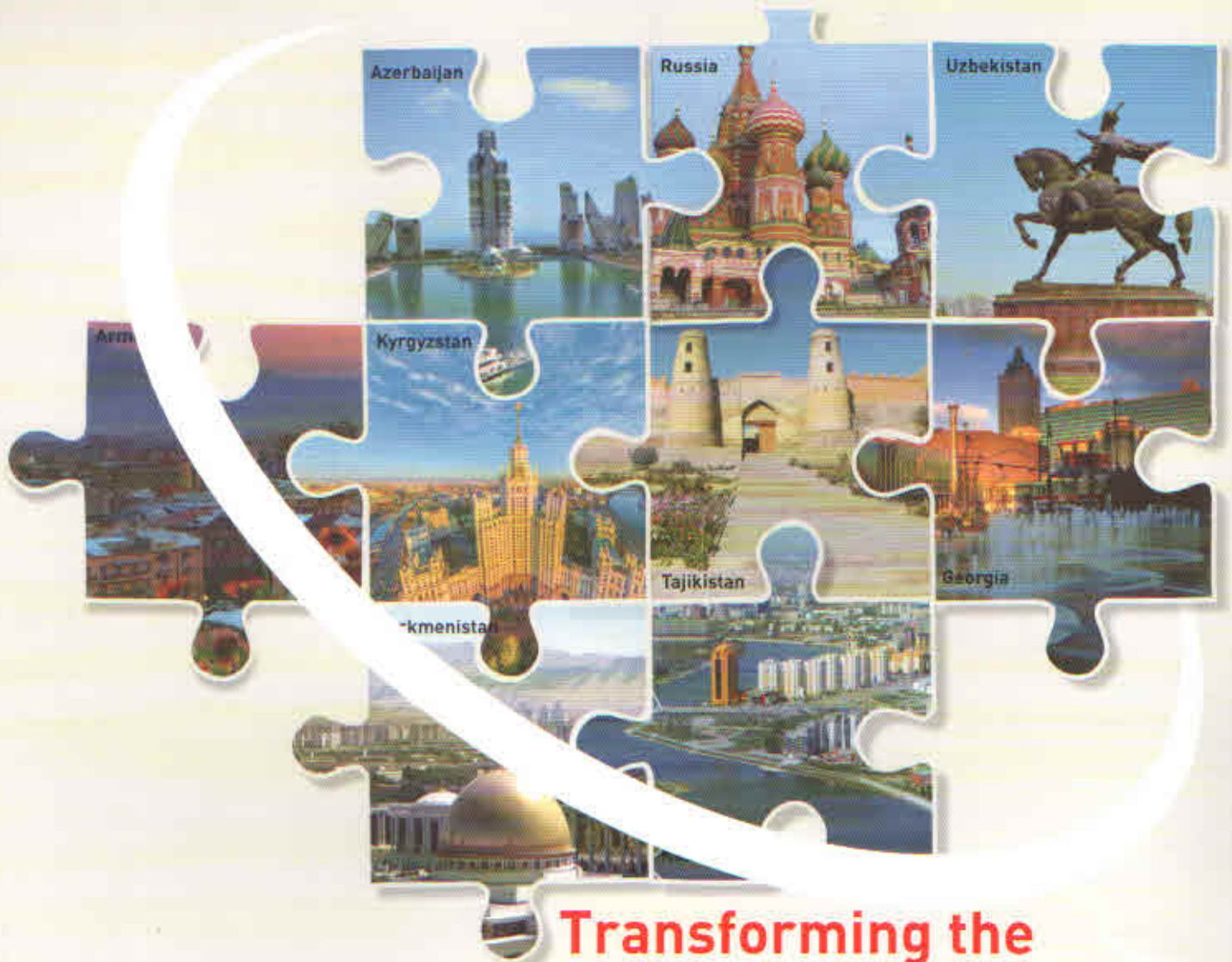


7th MC meeting of AMTOI was held at Kolkata on 7th February 2019 which was followed by cocktails and Dinner, attended by ERC members of the Association. Mr. Sabyasachi Hajara, ex CMD, SCI was the Chief Guest at the occasion.



Mr. Sohel Kazani & Mr. Keyur Gandhi represented AMTOI at the INSTC session held at Tehran, Iran held on 4th & 5th March 2019.

Members enjoying the evening at 3rd AMTOI NVOCC council Forum meeting at The Acres Club, Chembur on 8th March.



Transforming the world of logistics

Unmatched reach across CIS destinations!

Think CIS Destinations, **Call Athena Global Logistics**

We offer Logistics solutions to all CIS Countries vis Bandar Abbas, Mersin, Poti, Novorossiysk, Odessa, Klaipeda, Riga, Qingdao and Vladivostok.

Contact us for your LCLs into CIS Destinations

Athena Global Logistics

Nobody delivers CIS destinations, like we do

Also try our efficient services to Inlands in Africa & Eastern Europe.



Athena Global Logistics Pvt. Ltd.

1009, The Avenue, International Airport Road, Opposite The Leela, Andheri East, Mumbai 400 059, India.

Tel: +91 22 4035 6200 Fax: +91 22 4035 6210 Email: sales@athena-logistics.com Website: www.athena-logistics.com

Branch Offices in India: Ahmedabad, Baroda, Bengaluru, Chennai, Kochi, Delhi, Kolkata, Ludhiana, Mundra, Nasik, Pune, Tuticorin, Vizag