



INTERVIEW
Inna Kuznetsova
 President and COO, INTTRA



INTERVIEW
Vinit Kumar, Chairman
 Kolkata Port Trust

INFRASTRUCTURE
Unlocking the
Landlocked

south asia's premier maritime business magazine

maritime gateway

JANUARY 2018

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₹ 100



e-Sealing of Containers
SEALING INEFFICIENCY

RNI NO: TELENG/2009/30633
 DATE OF PUBLICATION: 26/12/2017

POSTAL REGISTRATION NO: LIVRNP/HD/1137/2016-18
 DATE OF POSTING: 28/12/2017



Industry leaders look forward to better days as the maritime sector treads on the revival track slowly, supported by favourable policies and focus on infrastructure development

**SLOW
 AND
 STEADY
 REVIVAL**



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JSW celebrates the bond with stakeholders

At its very first customer meet JSW has unveiled a grand vision of becoming one of the biggest port operators.

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Sealing inefficiency

Electronic sealing of containers paves the path for secured multi-modal international container shipment while ensuring cargo traceability for shippers and Customs.



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Unlocking the landlocked

A port, a logistics hub and a SEZ at Kazakhstan developed by DP World will make it the most significant trade corridors connecting Asia, Europe and Africa.

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An online market place for logistics!

Start-ups like GoComet are entering into the market with fresh idea and approach to make logistics simpler, or atleast that is what they aim at!

SLOW AND STEADY REVIVAL



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MD & CEO, LCL LOGISTIX

SANJAM SAHI GUPTA

DIRECTOR, SITARA SHIPPING LTD.

VINEET MALHOTRA

DIRECTOR, KALE LOGISTICS SOLUTIONS

Items comprise Kamecranes' operations without the divested STABE Crane Systems business, but include the acquired Material Handling and Port Solutions (MHPS) business.

Group sales in Q3 were 7.2 per cent below the previous year on a comparable combined company basis. The decrease in the Business Area Port Solutions' sales related to the timing of deliveries and exceptionally high sales of ETC cranes in the comparison period. The sales in Business Area Service and Business Area Industrial Equipment were affected by similar factors as the order intake, pressurizing the margin improvement through integration activities over the growth.

Expectations in 2018

Economic indicators related to manufacturing industries continue to be strong. Demand situation in Europe is stable within the industrial customer segments. Business activity in the North American manufacturing industry remains mixed. Demand in Asia-Pacific is showing signs of bottoming out. Global container throughput growth has improved and the prospects for the small and medium-sized orders related to container handling have strengthened.

Plans for the next 1-2 years

The integration of MHPS is running ahead of our expectations. In the third quarter 2017, we made progress in optimising our manufacturing operations in several countries, most notably in India, Italy, and the US. We are building a good starting point for our integration activities in 2018, and laying the ground for the growth initiatives that will be started gradually during 2018.



2018 will probably be slow recovery for the shipping sector where we limp back to normalcy. Hopefully 2019, would be a fuller and more healthy recovery.

Nafeesa A. Moloobhoy
Managing Director
A. S. Moloobhoy Group of
Companies

Business in 2017
2017 was a year about sustainability of business.

During this recessionary period we used the time to re-invest in our business and improve the infrastructure at Moloobhoy's and

strengthen our verticals. We bought new offices in Chennai, Kandla and Visakhapatnam (before the offices were on rent; now we own all our branch offices, except Kolkata).

We are also constructing our own office building in Turbhe which will house our state of the art Liferaft Servicing Station, Lifeboat Servicing Station and FFA Station. We revamped our Life Saving Appliances Servicing business and began Calibration of Gas Detectors. For our FFA Division, we are going ahead with setting up of hydrotesting facilities at our stations. We sent many of our engineers for several OEM trainings; in order to empower them with the required knowledge and skill set. The disappointments were; that there aren't many government tenders and new ship building orders are few and far between. As a result of this; too many vendors are chasing too little business - the rates have come down significantly and are sometimes not economically viable. Besides, extremely low rates leads to suppliers taking short cuts - in the liferaft business it is especially appalling at how many liferaft service stations have cheated the customer and shortchanged the Authorities.

The use of date tampered Pyros in almost all liferafts is seriously worrying. Even in the servicing of FFA extinguishers - we have seen such sloppy work being undertaken and in one instance only the label was changed.

Expectations in 2018

2018 will probably be slow recovery for the shipping sector where we limp back to normalcy. Hopefully 2019, would be a fuller and more healthy recovery. However, I personally feel, recession is the best time for infrastructure building and consolidation of activity or for starting new verticals.

This lean period allows us to access good people at reasonable salaries and enlist outside third party services at affordable rates. We are concentrating on the UAE and GCC countries and establishing our subsidiary there.

Our new vertical of Maintenance of Boats is exciting and creates new business opportunities.

All this we are nurturing in a slowdown period so that when the boom comes we are well positioned to participate in the "Ache Din"

In terms of expectations, we believe that under the leadership of our dynamic Shipping Minister Shri Nitin Gadkari, coastal shipping will get a big boost and this will lead to small shipyards building River Sea Vessels (RSV) which will give an impetus to the shipbuilding industry. We even see the Defense Sector giving us business opportunities as it readies itself to take on the challenges of terrorism and threats from neighbouring countries.

Plans for the next 1-2 years

In next couple of years we plan to capitalize on the infrastructure that we have built; both in terms of brick and mortar infrastructure and manpower. We want to expand in the area of Boat Maintenance, since we feel there will be a huge requirement of professional maintenance of boats of the Indian Navy, Indian Coast Guard and Marine Police.

We have begun calibration of gas detectors, hydrotesting and refilling of cylinders and expanding our life saving department. We also plan to start an automation section - this will make us a one stop shop for marine customers. Our plan is also to start subsidiaries in GCC countries over the next couple of years.

Impact of regulatory changes


The "CONCEPT" of GST in particular did not affect us much; since all IGST and SGST paid to the government

could be offset from the same recovered from customer.

However, the "PERCENTAGE" of GST which is a whopping 28 per cent on most goods and 18 per cent on services, serves as a major disincentive for foreign companies to undertake various jobs in India and most of them postpone their annual inspections to next port of call, which is outside India. This has seriously affected our business.

Relatively high rates of interest make the cost of capital still unaffordable and it stymies growth.

We really wish the Shipping Ministry would relook at some of the policies; especially with regard to importing transmitting equipment. The nightmare we go through to obtain various WPC (Wireless and Planning Commission) licenses is demotivating besides being time consuming, leading to delays which result in ships picking up the equipment in countries like Singapore and UAE, and as usual Indian loses out.

What we really look forward to is that the government delivers on its promise of ease of doing business in India. As the country has significantly notched up its position in the World Bank's global index for ease of doing business in 2017, this is attracting multinational players to India for setting up manufacturing and export units which will add to the growth in India's export/import trade. 



Business in 2017
LCL Logistics witnessed 2017 as an incredible ride of both ups and downs - a mixed bag. The company witnessed all - from business pressures to regulatory surprises, a lot of challenges have surfaced. We at LCL

We see 2018 with a positive outcome of the regulatory proceedings that have ruled 2017 and reward the much awaited comfort zone for all the industry participants.

Umakrishnan Nair
Managing Director & CEO, LCL
Logistics



Business in 2017
This year, 2017 was a marked improvement over 2016. Failure of major players such as Starja posed a grim picture for contained trade. While there were no disappointments, we were careful to tread

There will be more consolidation on a smaller scale as strong owners and operators flex their muscles to acquire tonnage and smaller companies find going tough.

Sanjay Sahi Gupta
Director, Stars Shipping Ltd.

Logistics now setting our radar for all the forthcoming shifts in the logistics industry. We have achieved holding 2017 better than the last year, integrating our operational bandwidth and driving business synergies.

Expectations in 2018

We see 2018 with a positive outcome of the regulatory proceedings that have ruled 2017 and reward the much awaited comfort zone for all the industry participants. The signs all now seem to be on track and we expect it to meet the industry expectations.

Plans for the next 1-2 years

Today LCL Logistics is part of the French shipping conglomerate - CMA CGM and all set into integrating its position and driving out the synergies that will unleash its renewed long term business vision and objective.

Impact of regulatory changes

The company embraced the regulatory changes and is ready to uphold the short term shares for a long term standing. Some policy changes like DPD indeed have taken toll in certain segments of our business, but still we are in the position to outperform taking advantage of the new outlook of the industry, especially the initiatives by the government towards 'ease of doing business'. We are glad to watch the industry slowly gaining importance in the government portfolio and rising its status carving a niche in the global vision and perspective. 