

CHALLENGES IN BRINGING BALANCE

North India has been the "Jewel in the exim crown" of India. This is very much justified by the fact that no shipping line could ever survive a mainline call into major ports on the west coast without the critical mass from north India. About 60 per cent of the business for the west coast ports comes from the northern hinterland. Even ports on the east coast had been trying to woo cargo from the north. However owing to high haulage charges the movement was not productive. Going forward, the northern hinterland will only garner greater significance as and when the Dedicated Freight Corridor (DFC) become functional, because the volume of cargo on the move would be quadrupled. Over 350 containers could be moved en masse at a time. It would be very difficult to garner this volume of cargo, for which multiple terminals would be needed to come into action.

But, is the northern hinterland logistically ready to manage this humungous growth in cargo volumes? A perennial problem is the movement of cargo by road. In spite of availability of rolling stock and state-ofthe-art equipment, cargo in the northern hinterland of India prefers to move by road. A possible reason for this modal imbalance is the time and cost efficiency factor. Transit time is high for rail cargo movement because container trains have to share the track with other commodities. Further, there is a requirement for the inland haulage charges to be more equitable to sustain cargo movement to and from the north via rail. A brief calculation of the haulage figures reveals that the comparison of the cost of moving container by rail vis a vis road was slanted in favour of road transport.

SUPPORTING PARTNERS













Another perennial problem is the repositioning of empties. Certain ports on the west coast are import oriented while others are export oriented. This imbalance in export-import cargo makes repositioning of empties costly. Further, the distribution of exim origin and destination centers in north India is biased. India's exim trade is more tilted in favour of imports as compared to exports. The present day maritime trend of port-led development was gradually shifting the export industry to the coastal areas. This shift is perhaps necessary for India to remain globally competitive. But the demographic concentration of imports has maintained a sustained growth in the hinterland areas.

Shippers in the northern hinterlands of India have time and again voiced concerns over lack of visibility in tracking cargo movement. Lack of faster transit while moving cargo from hinterland to the ports to connect with the planned vessels in-time is another major concern. Another shortcoming which the customers in the NCR region want to be addressed is the movement of import refrigerated container to this region. Currently all import refrigerated containers are devanned at the port and brought to the NCR in refrigerated trucks. The additional handling of the cargo increases the cost for the importers.

The second edition of Smart Logistics Summit & Awards being organised in New Delhi on January 18, 2019 at Hyatt Regency, will witness a congregation of shippers, industry experts, top executives from ports, terminals, shipping lines and government representatives debate and brain storm to find solutions to the above mentioned issues.

TOPICS

- Modal imbalance in moving cargo: Major chunk of cargo moves by road in spite of availability of rolling stock
- Container trains share tracks with other commodities causing delay in movement of containers. How can this issue be resolved?
- Inland haulage charges by rail need to be made more equitable to enable diversion of cargo from road to rail
- The need for repositioning of empties adds to the cost of shippers
- · Lack of visibility in movement of cargo is a concern
- Need for faster transit from hinterland to the ports for connecting to vessel in-time
- Imported reefer cargo is devanned at the port and moved in refrigerated trucks increasing the logistics cost

PROGRAMME

13:00hrs onwards : Registrations

14:00hrs to 16:00hrs : Welcome Remarks and

Business Session - I

16:00hrs to 16:30hrs : Refreshment Break

16:30hrs to 18:00hrs : Business Session - II

18:00hrs to 19:00hrs : Networking Over

Cocktails

19:00hrs to 20:30hrs $\,\,\,$: $\,\,$ Smart Logistics Awards

20:30hrs onwards : Cocktails & Dinner

To Sponsor

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