

CILT SEMINAR

The Chartered Institute of Logistics and Transport

NUMBAI DIVISION
INDIAN RAILWAY FORUM
सर्व काम ही उत्तरे में
WE CELEBRATE WORK

Emerging trends in Logistics

KEY NOTE SPEAKER

Sanjiv Garg
Managing Director – Pipavav Railway & Secretary General-CILT

Sanjay Swarup
Chairman & Managing Director – CONCOR

Santosh Kumar Jha
Director (Operations & Commercial) – KRCL

Vivek Sahai
Ex-Chairman Railway Board

Shankar Shinde
Chairman FFFAI & Member – CILT

Niraj Verma,
DRM
Mumbai Division
Western Railway

BLOCK YOUR DATES

NOV | 21st | 2023

TUESDAY FROM 15:30 HRS TO 17:30 HRS

Unified Command Control Centre (UCCC)
TMS Building, 4th Floor, DRM office,
Mumbai Central (East), Mumbai – 400 008

Synopsis of Seminar

The seminar was chaired by DRM Mumbai Central Shri Niraj Verma, IRTS 1994 batch. DRM sir in opening speech briefed about the CILT Seminar and mentioned briefly about the respected speakers at the seminar. DRM Shri Niraj Verma also asked the audience to keep the session interactive and assured that all the speakers of the seminar are open to queries and discussion. With these opening words DRM Shri Niraj Verma welcomed the Secretary General of CILT Shri Sanjiv Garg.

Speech by Shri Sanjiv Garg Managing Director - Pipavav Railway & Secretary General-CILT



Shri Sanjiv Garg gave a brief history of the organization. The story of the inception of the organization is as fascinating as its functioning. At the Savoy Hotel in London on 3 November 1919 a group of senior transport professionals met, determined to change the world of logistics and transport. In the First World War they had seen the failures of moving goods and vehicles. Now in peacetime they wanted to create a professional body that would make a difference and set new standards. The Institute of Transport was born.

In 1926 CILT was granted a Royal Charter by King George V. Since then CILT has grown as an organization in leaps and bounds. CILT India is a part of the larger group CILT which started in 1987 With its headquarter in New Delhi it was granted a territory status in 1998 and it has independent authority to manage its own affairs and enroll membership. Today CILT India which is a part of over CILT group has presence in 35 countries in the world, with a total membership of over 30,000. Within India CILT has 1000 members and 60 corporate members across various sectors of logistics.

The Principal objective of the Institute is to promote art and science of logistics and transport. This is done by aggregating membership of luminaries of the logistics sector and providing academic courses on logistics having international recognition. Through these courses the institute also provides educational qualifications in the logistics sector.

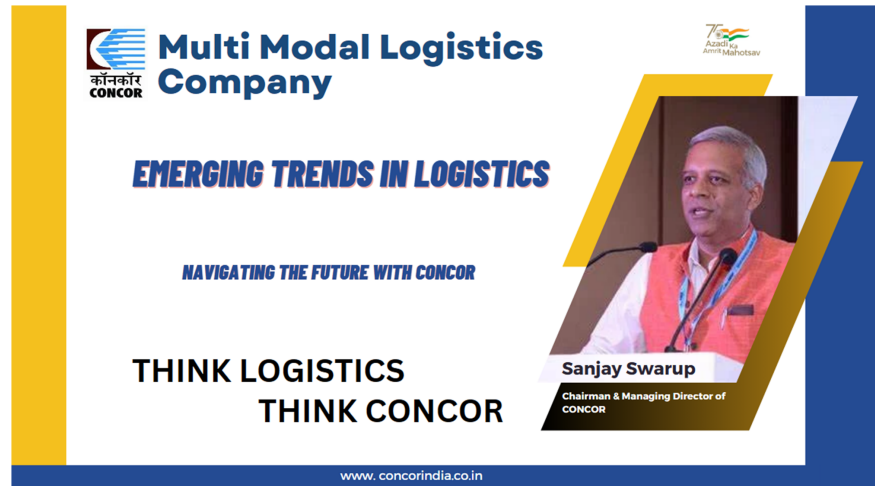
This way CILT strives to achieve excellence in the logistics sector. A landmark achievement was made when CILT signed an MOU with the Department of Logistics in the Ministry of Commerce and Industry. As per the MOU, CILT is the knowledge partner of the logistics division of the Ministry of Commerce and Industry. CILT was consulted by the ministry in the conceptualisations and finalization of recently announced National Logistics Policy 2023.

On this note Shri Sanjiv Garg urged all members of the audience to become a member of CILT and declared the seminar open for the address of invited Speakers.

Speech by Shri Sanjay Swarup (Chairman & Managing Director - CONCOR)

Shri Sanjay Swarup thanked Neeraj Sir for conducting this seminar. Swarup sir acknowledged that since logistics is an expansive field, it is pertinent to focus on the emerging trends in logistics. Sir outlined certain points representing the current emerging trends in logistics. The six trends were as follows:

1. Timetable double-stack trains on EFC, which have proven to be successful.
2. Sustainability and green logistics.
3. Digitalization in logistics.
4. Customer-centric single-window system.
5. Bulk cargo movement.
6. 12 feet high container, emerging for domestic cargo, especially for FMCG and FMCD cargo.



“The Eastern DFC is fully commissioned, the Western DFC is almost 87% commissioned, and by December 2024. This marks a revolutionary change in our country's real logistics. Swarup sir was delighted to share that CONCOR is running timetable double-stack trains from Daadhi to Mundra Port, covering almost 1,200 kilometers in 35-40 hours in collaboration with Indian Rail. This has been a game-changer, welcomed by both the train industry and the trade. This has also reduced rail tariffs by 8-9% from May 2023, leading to a significant shift of cargo from road to rail, aligning with the principles of green logistics.

On DFC, CONCOR has achieved an average speed of almost 75 km per hour, a remarkable improvement compared to the average speed of 20-25 km per hour on Indian railways for goods trains. With joining of ports with the DFC, we anticipate a substantial improvement in rail proficiency at ports, potentially reaching 25% in the next 3-4 years.

The second emerging trend is sustainability in logistics or green logistics. CONCOR contributes significantly by moving 98% of our cargo by rail, reducing carbon footprint. CONCOR is also introducing LNG trucks, promoting solar power, implementing paperless offices, and incorporating rainwater harvesting and day lighting at our terminals.

The third trend is digitalization in logistics. We are leveraging IT to enhance operations, introducing real-time container location tracking, automated conductor billing, and a multi-vendor system through the Hongkong Logistics app. This app allows real-time bidding by vendors, promoting fair competition and transparency.

In conclusion, these emerging trends signify a positive shift in the logistics landscape, offering efficiency, sustainability, and cost reduction for our country.”

Speech by Shri Santosh Kumar Jha, Director (Operations & Commercial) KRCL

"Hello, everyone. It's quite overwhelming to speak in front of such a distinguished audience, but I'd like to highlight a few points. I believe it's crucial to focus on problem areas and understand the output needs. Rather than just discussing emerging trends, I find it valuable to pose questions that address the gaps, especially from the customer's perspective.

When I first encountered the term "logistics" during my time at Dy COM planning, it wasn't widely recognized in India. However, I'm pleased to witness the increasing importance and discussions around logistics in the country. Currently, logistics contributes around 10 to 14% of the GDP, a positive trajectory. Nevertheless, there's a considerable gap compared to developed countries where logistics constitutes 30% to 40% of the GDP.



Indian Railways, often viewed as a transportation company rather than a logistics company, has seen private entrepreneurs, including CONCOR, taking up the mantle of advancing logistics. Despite positive signs, there are significant gaps that need attention. In the fiscal year 2023-24, the Indian government plans to invest \$10 billion solely in logistical infrastructure, a promising development. The Compound Annual Growth Rate (CAGR) of logistics in 2022-23 was 9.04%, indicating substantial growth.

Addressing employability, the logistics industry currently employs 22 million people, with Indian Railways constituting half of this figure. The industry's growth rate suggests increased job opportunities in the present and future.

Turning to the National Logistics Policy, its introduction is a positive step. However, questions arise about its integration within the overall nationalistic policy framework. The current scenario indicates a significant movement by road (60-65%) compared to trains (25-30%), a reversal of the situation in China and the US. Bridging this gap poses a challenge, especially when considering the importance of good roads, competitive pricing, and the impact on logistics costs per unit.

Discussing emerging trends, I draw from my experience at CONCOR to highlight that trade preferences are shifting towards receiving a composite cost rather than a detailed breakdown. The demand for a one-time composite cost, irrespective of the mode of transportation, is becoming more prevalent in the logistics industry. Some segments even favor the concept of concurrent cost in specific traffic streams. This evolving trend adds another layer of complexity to the logistics landscape."

Speech by Shri Vivek Sahai (Ex - Chairman Railway Board)

Respected Ex-Chairman Railway Board, began the speech on a very thought provoking note. Sir stated that Transportation is the art of a civilisation. Right from the invention of the wheel, to well maintained roads of Indus Valley Civilisation, transportation and logistics has been the fulcrum of civilizational growth. To usher this phenomena of civilisational growth, a dedicated and nuanced study of transportation and logistics is a sine qua non. Thus a need to establish a rail university was realized.

The establishment of Rail University was, in fact, the brainchild of respected Sahai sir. The idea first surfaced during our discussion of the National Transport Development Policy Committee (NTDPC) report. The inspiration struck after learning about the existence of four rail universities in China, which granted over 100 PhDs annually. During his tenure as chairman, sir delved into four or five of their reports, expressing a keen interest in understanding the research behind the PhDs.

Upon reading them, sir was astounded by the depth of research involved. To put this astonishment in sir's own words, sir said that, "In contrast, our approach often revolves around set targets, overlooking the importance of failure and learning. We wield the power of the pen, enact decisions, and sometimes face challenges. I strongly believe CILT is performing admirably. Sanjeev and I have observed the commendable work, although I am not currently a member of CILT; a designation I hope to attain soon."

Sir shared his experience of working in railways and emphasized why research in logistics is critical and that is where the role of institutions like CILT become crucial. This wisdom of sir's thought can be truly grasped in sir's own words.



“ As a member of the privileged batch that joined before the 1974 strike, I witnessed the great strike of railways and its aftermath. During my probation days, I navigated train services during the emergency period when punctuality was at 100%. I understand the shift from that era to the present, where I have my perspectives on why punctuality is no longer at 100%. I have also experienced the era of Gujral, where the introduction of JUMBO rakes became crucial in preserving our share in logistics.

In 1970 and 80, our performance took a hit. The turning point was in November 1980 when Gujral took over as CRB. The first order passed in a few hours addressed our loss of share. We envisioned that containerization through CONCOR would mitigate this loss. However, the EXIM movement gained momentum, and while the country benefited, we lost our domestic share.

I recently read an article about Balaji chips, handling around 6 million tons of potatoes per year. This prompted me to reflect on the lost traffic of 15 to 20 million tons of potatoes that used to move via trains from northern regions. The study of such changes should be a part of the research agenda for Rail University. It's an opportunity to explore and capture the essence of the transformations in our rail traffic and movement patterns.

These are aspects that deserve thorough examination and could potentially contribute to the body of knowledge in rail logistics. It might even lead to the establishment of a Rail University where research papers become integral to earning a PhD, creating an incentive for individuals to contribute meaningfully to the field.”

Vote of thanks by Shri Niraj Verma (Divsional Railway Manager - Mumbai Central, WR)



As we draw this insightful gathering to a close, I want to extend my heartfelt gratitude to each one of you. The esteemed audience, composed of eminent individuals, has truly made this event remarkable. Your presence and participation have added immense value. A special acknowledgment goes to the distinguished panelists who shared their years of expertise and commitment to the logistics industry. Your insights have enlightened us and fueled meaningful discussions.

Above all, a resounding round of applause and sincere thanks to Secretary General CILT Shri Sanjiv Garg for the dedication and effort in orchestrating this event. Without your tireless work, this gathering wouldn't have been possible.

Let's collectively express our appreciation with a hearty round of applause to everyone who has contributed to making this event a success. Thank you for your time, insights, and commitment. Looking forward to future collaborations and endeavors.

