



## NEWSLINE

### Vision

Cargosol is committed to simplify International Trade Logistics and create a feel of **"Proud Association"** in the minds of Customers, Employees & Vendor alike.



*Cargosol Newsline presents to you the latest developments in the supply chain industry*

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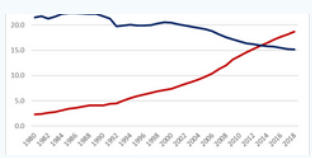


# SEA FREIGHT



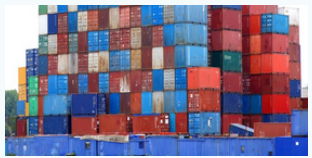
## 'EVER GIVEN' COMPENSATION ROW HEATS UP

- Ever Given re-floated on 29 Mar, was moved to the Great Bitter Lake convoy assembling point to assess any damage.
- No further updates from the shipowner. Awaiting inspection results from American Bureau of Shipping.
- Suez Canal Authorities – to demand \$1bn compensation to cover the freeing costs & \$100m loss of transit fees.



## ASIAN BOX TRADE WITH THE US GROWING FASTER THAN CHINA

- South-east Asia's container trade with the US is growing faster than China - cargo accounts for 60% of US imports.
- According to the Japan Maritime Center (JMC), the share of US container imports originating in Asian broke through 20% for the first time last year - while China's share declined for the second successive year.



## PRICE RISE ON ALL CONTAINER TRADELANES

- Sharp increase in Asia-Europe container spot rates & booking prices due to the Suez Canal blockage restricts vessel & equipment capacity in Asia.
- Ningbo Containerized Freight Index (NCFI) North Europe & Mediterranean component jumped by 8.7%, while Drewry's WCI index were up by 5% (Asia-North Europe).



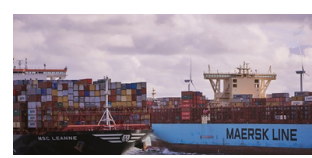
## FMC TARGETS REFUNDS FOR UNFAIR D&D CHARGES

- The US Federal Maritime Commission (FMC) plans to help shippers get refund of unreasonable D&D charges.
- The FMC investigation findings: 1) Excessive DET & DEM threatens the ability of the intermodal transport industry 2) Cargo influx from the pandemic overwhelmed the system.



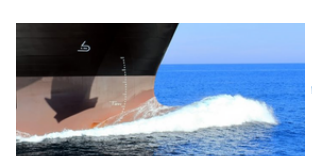
## SAVANNAH LEADS EXPANSION DRIVE TO BEAT CONGESTION

- Georgia Ports Authority(GPA) added \$100m to its capital expenditure budget, wanting to handle an additional 650,000 teu a year, an increase of 20% at Savannah.
- Feb end, 23 vessels were outside Savannah due to fog, shutting traffic for 109 hours, reducing operational time by about 16%.



## 2M & ZIM BOOST ASIA-US EAST CAPACITY WITH NEW SERVICE

- TP23/Palmetto service will deploy 10 6,500 teu vessels, with 8 provided by Maersk and 2 from Zim.
- It will transit the Panama Canal with a proforma rotation of Vung Tau-Yantian-Savannah-Charelston-New York.
- Calls at the Savanah & Charleston would be switched in the first few sailings due to congestion at the former.



## SCARCITY OF VESSELS- 'THE SKY'S THE LIMIT' FOR CHARTER RATES

- The dearth of tonnage of all sizes means there are virtually no container vessels open in Europe at the moment.
- Should the backlog of Suez-delayed cargo hitting North Europe from this weekend not be discharged at nominated ports, the scarcity of feeder vessels available to assist the relay operation could mean significant delays for shippers.



## INDIA TO MANUFACTURE CONTAINERS IN BHAVNAGAR

- Amid a global surge in container demand, the Centre is looking to develop Bhavnagar in Gujarat as a container hub & has set up pilot projects for its manufacturing.
  - 1.To attain self-reliance in container production.
  - 2.Rs 1,000 Cr. investment from private players.
  - 3.Creating 1 lakh jobs.



# AIR FREIGHT



## FREIGHTER CONVERSION SECTOR UPS ITS GAME

- Aerospace Industries halfway through the development programme for the 777-300ER conversion due to 1) air freight capacity still 20% below 2019 levels 2) lower passenger traffic prediction until 2023 or 2024.
- Non-express freighter capacity up by 26% between Jan & Mar, while express freighter capacity rose 29%. Belly capacity is down 56%.



## AI TO FIND THE ANSWER TO CARGO CONGESTION

- Airport stakeholders have announced their participation in a 'collaborative decision-making (CDM) system pilot' from Cargohub - resorting to **Artificial Intelligence**
1. Integrate landside operation processes between road feeders (RFS), handlers & forwarders.
  2. Intuitive system that can learn & adapt to airport needs.
  3. Achieving digital transformation.



## HONG KONG AIR CARGO BAN ON VIVO PHONES

- Following a serious fire, Hong Kong Air Cargo has prohibited shipments from Cargo Link Logistics HK and Sky Pacific Logistics and a full ban on Vivo mobile phones.
- The phones were loaded across 3 pallets, all of which caught fire, a 24 X 12 metre space on the tarmac was damaged.



## NARROW OPTIONS AS AIR CARGO CHARTER SURGE

- Forwarders have reported sky-high charter rates in response to the Ever Given Suez crisis.
- Shippers have reached out to Air Charterer's for alternative solutions on the Asia-Europe sector.



## SPICEXPRESS CONNECTIVITY

- SpiceXpress launched scheduled cargo flights twice a week connecting Mumbai & Delhi with Bangkok.
- Capable of flying over 600 tonnes of cargo with a network of 63 domestic & 50 international destinations with 19 cargo planes.





## 2021 – Year for the container shipping industry

Maritime Analysts mentioned that the container shipping market “had never been so hot”, the industry now in “unchartered waters” on the crest of an unprecedented business up-cycle. Furthermore “Using history as the only guide, the smart bet would be to think that the market will cool down fairly quickly, but these are not normal times”.

Second half of 2020, witnessed a huge freight rate inflation caused by a consumer consumption driven shift to goods during the pandemic, together with supply chain disruption & restricted capacity.

Port congestion & container equipment shortages will remain an unwanted feature throughout 2021. This will result in capacity restrictions, increasing the average spot and contract rates. As a result, carriers have successfully locked in substantial annual contract increases with shippers on the major tradelanes.

Moreover, carriers are also reducing the MQC (minimum quantity commitment) on contracts in order to allocate more space for even higher-paying spot and premium business.

For 2022, although Analyst’s expect to see some erosion in freight rates and it still thought that carriers would manage to stay “highly profitable” due to “favourable supply and demand growth trends alongside skillful capacity management.

## FOOD FOR THOUGHT

**Will the record container carrier profits extend for a further 2 years?**

**We would love to hear from you! Write to us at [care@cargosol.com](mailto:care@cargosol.com)**

## TRANSPORT



### INDIAN RAILWAYS HIGHEST LOADING IN FREIGHT TRANSPORT

- The Indian Railways transported 1232.64 MT of freight, increasing the freight revenue to Rs.1,17,386 Cr. for the financial year ending Mar 31, 2021, as against the freight revenue recorded to Rs 1,13,897Cr. during fiscal 2019-20.
- To be sure, these trains are running at double the speed of 44 kmph, up from 24 kmph speed in the last fiscal.



### RESTRICTIONS IN MAHA- MAY LEAD TO DAILY LOSS OF INR 315 CR

- With fresh restrictions imposed in Maharashtra to curb the surge in coronavirus cases, truckers on Tuesday said that the restrictions will spell trouble for the sector, & could lead to daily losses of INR 315Cr.
- Truckers have also urged for relief measures such as waiver of state taxes, permits and fitness fees & deferment on EMIs to deal with financial stress.

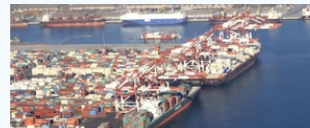
# INDUSTRY SPECIAL



## CENTRE LAUNCHES "DGFT TRADE FACILITATION APP"



- Commerce & Industry Minister today launched DGFT 'Trade Facilitation' Mobile App - READY for Industry 4.0, as it provides
- Real-time trade policy updates, notifications, application status alert, tracking help requests.
- Explores item-wise Export-Import policy & statistics, Track IEC Portfolio.
- AI-based 24\*7 assistance for trade queries.
- DGFT services made accessible to all.
- Your Trade Dashboard accessible anytime & anywhere.



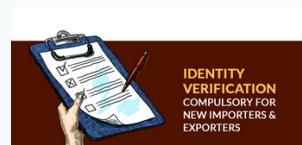
## INDIA HAS ACCELERATED WORK ON CHABAHAH PORT

- After a brief halt, India accelerated the work on Chabahar Port early in 2021 & is expected to be operational by May.
- In 2015, India agreed to help develop Iran's Chabahar Port and an associated railway that would enable India to trade with Afghanistan unimpeded by Pakistan.

## MUNDRA EMERGES AS INDIA'S BIGGEST BOX PORT



- MUNDRA's Ports & Special Economic Zone Ltd (APSEZ) has overtaken Mumbai's JNP up 18% to 5.65 million TEU in FY2021.
- JNPT handled 4.67 million TEU with a decline of 7.04% in FY20. Mundra handled 144.4 million tonnes of cargo in FY21.



## VERIFICATION OF IDENTITY MANDATORY

- Identity verification is mandatory for new importers, exporters & customs brokers (Incorporation Document, PAN, Aadhaar, Physical Verification of Place of business).
- The Customs (Verification of Identity and Compliance) Regulations, 2021, also gives customs authorities the power to undertake identity verification of existing importers, exporters and customs brokers.



## CAREER OPPORTUNITIES

GENERAL MANAGER: ACCOUNTS & FINANCE- MUMBAI

CUSTOMER SERVICE EXECUTIVE - DELHI

CUSTOMER SERVICE & DOCUMENTATION - NVOCC - MUMBAI

## SUMMARY OF CIRCULARS



- SEA IMPORT
- SEA EXPORT
- AIR FREIGHT
- TRANSPORT
- SECTION 46: CUSTOMS ACT
- MANDATORY UPLOADING OF DOCS IN E-SANCHIT
- SOP - PROVISION OF SUSPENSION OF REGISTRATIONS
- BREAK THE CHAIN - COVID GUIDELINES
- SEA CARGO MANIFEST TRANSHIPMENT REGULATIONS (SCMTR)
- AMENDMENT IN APPENDIX-2K FOR UPDATION OF IEC
- AMENDMENT OF IEC
- AMENDMENT OF ITCHS EXPORT POLICY
- FACELESS ASSESSMENT & TURANT CUSTOMS
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# Thank You

**For being our valuable customer**

It's been a successful Financial Year 20-21 because of your support & trust in our services.

We look forward to strengthen this promising relation as we step into

**New Financial Year  
2021-2022**

## **CONTACT US:**

5th Floor, Swaroop Arcade, Opp  
Adarsh Industrial Estate,. Sahar  
Road, Andheri-East, Mumbai -  
400069 Maharashtra, INDIA

[www.cargosol.com](http://www.cargosol.com)

[sales@cargosol.com](mailto:sales@cargosol.com)

+91-22-6612 6000

## **FEEDBACK**

[care@cargosol.com](mailto:care@cargosol.com)

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