

## ACFI Annual Event - Interactive Summit on “Innovation & Disruption in Air Cargo”



An Interactive Submit of ACFI on "Innovation and Disruption in Air Cargo" was inaugurated by Shri Jayant Sinha, Hon'ble Minister of State for Civil Aviation, Government of India on 31st January, 2018 at Ashok Hotel, Chanakyapuri, New Delhi in the presence of Mr Binoy Kumar, Special Secretary Logistics, Ministry of Commerce and Industry, Ms Vandana Aggarwal Economic Adviser Ministry of Civil Aviation and more than 135 members of senior government officials, members from various trade bodies and representatives of entire air cargo logistics industry.

The event started with the lighting of lamp by the dignitaries on the dice and welcome address by the President, ACFI Mr Tushar Jani followed by video recording message from Mr Suresh Prabhakar Prabhu, Minister of Commerce and Industry, Government of India who was the Chief Guest of the event but could not make it due to other important commitments in the ministry.

In his video message, Mr Suresh Prabhu the Hon'ble Minister of Commerce and Industry complimented ACFI for organizing such a seminar on an apt theme relevant to the need of the hour for the benefit of the entire trade and industry. He also conveyed his and his ministry's full support to the endeavors of Air Cargo Logistics Industry. He further conveyed that keeping in mind the importance of the logistics in the fulfillment of international trade of the country Ministry of Commerce has already created special logistics department headed by Mr Binoy Kumar, Special Secretary (Logistics), Ministry of Commerce and Industry to look after the interests and solutions to the various issues of logistics industry.

In his welcome address Mr Tushar Jani welcomed the Hon'ble Minister of State Civil Aviation Mr Jayant Sinha, Mr Binoy Kumar Special Secretary Logistics, Ministry of Commerce Industry, Ms Vandana Aggarwal Economic Adviser, MoCA, and other dignitaries on the dais and the guests from the government and air cargo trade fraternity including members from the cargo media for their gracious presence in this annual seminar of ACFI. Mr Tushar Jani said that lots of automation and IT has been introduced in the processing and data management of air cargo throughout the country but the introduction of new technological innovation like Internet of Things (IOT) and Artificial Intelligence (AI) will be the game changer in the future development and success of air cargo logistics supply chain

Thereafter other dignitaries on the dais gave their view points on the theme of the event. Ms Vandana Aggarwal Economic Adviser Mo CA in her address said that the innovation is crucial in the success of any business and disruptions to be considered as opportunities and complimented the air cargo industry keeping pace with the technological advancement, innovation and disruption taking place. She stated that India is poised to be the 10th air freight market of the world and growing over 10% year on year. She also stressed upon the need of faster regional connectivity for the development of remote areas of the country. Mr Sanjiv Edward, CCO DIAL and the immediate past Chairman TIACA stressed upon the leadership role of ACFI giving insights of the fast changing world due to technological developments taking place like block chain, artificial intelligence etc. and the benefits the air cargo industry has to draw from these technological developments and come out from the regulatory frame work of age old system. He stressed ACFI to take a challenge on the advent of disruptive innovation as a mission which is going to take the Indian Air Cargo industry to new height to world standard. Mr Yashpal Sharma the Hon. Secretary ACFI and Managing Director Skyways Air Services (Pvt) Ltd brought about the importance of ACFI and its success stories for the benefit of the cargo industry through five pillars like Innovation, Skill Development, Process Simplification, Policy Advocacy and Event Management.







Mr Binoy Kumar, Special Secretary Logistics, Ministry of Commerce and Industry in his address thanked the organizers of this seminar who invited him to attend this very special seminar first time. He said that first time government of India has given special thrust on the importance of logistics industry and established a separate logistics department in the Ministry of Commerce & Industry which is being headed by him as Special Secretary primarily to develop and improve the Indian logistics industry. He said that like in passenger terminals a lot has to be done for air cargo terminal facilities in the country. He stated that an Inter-Ministerial Group (IMG) has been constituted by the government to study the logistics industry as a whole and bring policy changes if required for solving the bottlenecks of logistics supply chain. The target is to make Indian logistics more easy, faster, transparent and cost effective. He said that infrastructure like ICDs, CFS, AFS, modern warehouses, multi model Logistics parks and various trade corridors shall be established soon for the smooth movement of international and national trade.



Mr Jayant Sinha the Hon'ble Minister of state for Civil Aviation in his key note address congratulated ACFI for having all the air cargo key stakeholders at one single platform and organizing the seminar on such a latest theme which is going to transform the entire air cargo logistics industry as a whole and invited the audience for a big round of applause for the excellent deeds of ACFI. The Hon'ble Minister said that Government is committed to its full support to air cargo logistics industry.

He also advised President, ACFI to submit a white paper on the potentials challenges and expectations of Air Cargo Logistics Industry from the government (including issues pertaining to export oriented special products like Pharma, Mobile phone, Engineering, Electronics, Textile and Garments etc.) including Ministry of Civil Aviation. He assured that he would invite all the regulatory authorities including Customs and arrange a comprehensive meeting with ACFI to resolve its very important issues related to Air Cargo Logistics Industry. He also requested the industry to look at the investor's point of view and customer centric view of requirements and find solutions the customer needed in his day today work. The Hon'ble Minister of State Civil Aviation cautioned the industry stakeholders to be ready about the disruptive innovations which are going to bring drastic challenges like delivering cargo through Drones.

The Inaugural Session was followed by two Business Sessions one on “Block Chain and Internet of Things (IOT) for the Supply Chain Management” and other on “E-Commerce and Freight Forwarding – The Future Race” skillfully moderated by Mr Ramesh Mamidala, CEO Celebi and Treasurer ACFI and Mr Yashpal Sharma MD Skyways Air Services and Hon. Secretary, ACFI respectively.

The following guest speakers presented their excellent presentations:-

### **Business Session 1 :- Block chain and Internet of Things (IOT) for Supply Chain Management**

- Mr. Pradeep Luthria, Senior Information Technology Consultant, M/s. DP World
- Mr. Ankit Taparia, Co-founded, M/s. Teramatrix Technologies Pvt. Ltd.
- Mr. Amar More, Chief Executive Officer, Kale Logistics Solutions Pvt. Ltd





Mr Pradeep Luthria gave a detailed outlook on Block chain and IOT and its revolutionary impact in the future businesses particularly in the logistics industry. He said that block chain integrates many technologies and improve transactional aspects in any of the industries like logistics. Many progressive governments of Singapore and UAE have shown their keen interest in using this new technology in their respective government departments. In India also many leading private companies have already started showing keen interest in using Block chain technology. Mr Ankit Taparia stressed upon the IOT enabling better customer experience in bringing operational efficiency, offering on demand asset inventory, predictability and fleet management, Cold Port Sensors, Driver Safety Analysis, On demand breakdown assistance etc. useful to any logistics industry. Mr Amar More said that IOT is a technology if used in the air cargo industry where cargo may speak & communicate. He spoke on the 5G phones with a down load capacity of 100GB per second, driverless trucks, 3D printing etc. transforming the future of the industry. Mr More said that in the near future Drones are going to make easy and simple taking inventory of a logistics company's assets.

### **Business Session 2 :- E-Commerce & Freight Forwarding - The Future Race**

- Mr. Kapil Makhija, Chief Executive Officer M/s. Unicommerce solutions Pvt. Ltd.
- Mr. Peer Rasmussen, Managing Director M/s. Kuehne + Nagel India
- Mr. Vikram Paul, Regional Managing Director, M/s. Cargo Partner Logistics India Pvt. Ltd.



Mr Kapil Makhija in his presentation elaborated on the e-commerce led innovations bringing unimaginable speed in the cross border delivery of goods. Mr Peer Rasmussen in his address covered on customer relations based on our expertise. He said that the future freight forwarders are going to compete with Amazon and Alibaba. Mr Vikram Paul was surprised that our cargo industry is still calculating per kg rates where as the industry at large at leading countries bargain on ULD rates. He said that there is a need of perceptual change required in the minds of the industry stakeholders to be able to compete internationally particularly in the wake of the technological advancements taking place worldwide.

The speaker's presentation and narration by moderators were appreciated by the members in the audience. At the end the event was concluded with vote of thanks by Mr Cyrus Katgara, Vice president, ACFI.

## Summary

The overall feedback received from the member of various stakeholders of cargo industry on the ACFI Interactive Summit on Innovation and Disruption in Air Cargo was encouraging and excellent. The summit was well designed around the idea that innovation and disruption are transforming the future of air cargo logistics industry. All the panelists were of the view that air cargo industry is bombarded with technological terminologies like block chain, AI, Data clouds, driverless trucks, robotics etc.

ACFI believes that all the stakeholders of entire air cargo supply chain would be benefited by the deliberations of this summit organized by ACFI well in time to meet the future growth in air cargo and various innovations in the technology being used in the cargo logistics industry which would serve the industry well, and enhance the experience of our drive to make air cargo industry a reliable and efficient enabler. This would ensure the success of this summit in transforming the Indian Air Cargo Logistics Industry at par with world class level. All the stakeholders in the air cargo industry including the government agencies should adopt fundamental changes in their workings and go for digital transformation as an enabler of innovation for improving the ease of doing business which is must if the country achieves three to four time growth in the movement of international trade and commerce and triples its international trade to become the fourth largest economy of the world by 2030.







