



A Presentation to  
**The Delegates of Southern Asia  
Ports and Logistics**



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**View From The Front Line –  
The Liner Agency Perspective, Getting to  
grips with the Opportunities and taking down  
road blocks to progress.**

**Mr. Mukesh Oza  
President, Samsara Group**

# Agenda

- India – A Vibrant Economy
- The Shipping Sector
- Infrastructure Development
- The Changing Scenario
- Agency Role in the changed Scenario
- Building Trust
- Diversification
- Achieving the Goal



# INDIA- A VIBRANT ECONOMY



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# INDIA – A VIBRANT ECONOMY

- India- Sheer Market Size
- Host of growth opportunities generated due to Economic liberalisation and Globalisation in the last decade
- GDP growing at a rate 10% p.a
- EXIM trade growing at 20%. p.a



# INDIA – A VIBRANT ECONOMY

- India Globally competitive
- Businesses need more exposure to Global requirements



A large container ship is docked at a port. The ship's deck is filled with stacks of colorful shipping containers in shades of blue, red, and white. Several large gantry cranes are visible on the left side of the ship, with their complex metal structures and cables extending over the deck. The ship's superstructure, including a bridge and various antennas, is visible in the background. The sky is a mix of blue and white, suggesting a bright, slightly overcast day. The overall scene depicts a busy maritime logistics hub.

# THE SHIPPING SECTOR



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# THE SHIPPING SECTOR

- 17th largest maritime country in the world
- A total of 745 vessels and 8.59 million gross tonnage
- Traffic in India's ports growing at the rate of about 10 % YoY
- During the fiscal 2005-06, the Indian ports handled
  - 600 million tonnes of cargo
  - including 4.6 million TEUs.



# THE SHIPPING SECTOR

- Indian Ports expected to handle over
  - 1.3 billion tons of cargo including 20 million TEUs within a 10-year time frame



# INFRASTRUCTURE DEVELOPMENT



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# INFRASTRUCTURE DEVELOPMENT

- Need to keep pace with the projected traffic
- Strengthen the maritime infrastructure
- Government finalising the US\$ 22 billion National Maritime Development Programme(NMDP)



# INFRASTRUCTURE DEVELOPMENT

- Projected investments in major ports to the tune of US\$ 13 billion
- Balance of US \$ 9 billion earmarked for various projects in the Shipping / Inland Water Transportation
- To be achieved through a mix of Public-Private partnership



# INFRASTRUCTURE DEVELOPMENT

- Port sector opened up for foreign investment and private sector participation.
- 100% FDI allowed in construction and maintenance of Ports and Harbours and projects providing support services is allowed.
- Significant interest shown by International Companies in developing Port Infrastructure.



# THE CHANGING SCENARIO



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# THE CHANGING SCENARIO

- Steady growth in cargo across all ports in India
- Carriers and Shipping Lines attracted to India
- Opportunity to garner a piece of the ever-growing market
- Host of opportunities for the Liner Agency business in India.



# THE CHANGING SCENARIO

- Role of the Traditional Shipping Agent
- A link in between the Shipper and the Carrier .
- Changing Role of the Shipping Agent
- No longer a mere intermediary but as a Business Associate of the Principal in the country



# THE CHANGING SCENARIO

- Core strengths of the Agent
  - Invaluable knowledge and understanding of the local market
  - Ability to gauge the change in trend, cargo flows, commodity movements,
  - In-depth knowledge of the local trade practices , customs and traditions.
  - Capabilitiy to break barriers and facilitate business



# AGENCY ROLE IN THE CHANGED SCENARIO



# AGENCY ROLE IN THE CHANGED SCENARIO

- Commission based on Freights and volumes the biggest motivator
- Representation of Carriers in ICDs imperative for larger share
- High Capex in setting up Offices a barrier
- Provision of dedicated and qualified personnel to handle their business
- Helping the carrier to successfully establish an identity in the local market



# AGENCY ROLE IN THE CHANGED SCENARIO

- Need to change his business plans and adopt new strategies to keep in line with Carriers
- High level of professionalism, transparency, and improved technological systems a must.



# BUILDING TRUST



# BUILDING TRUST

- Agent a business partner of the principal in the specific location.
- Important to represent the same image.
- **TRUST** the foundation for a Successful and longstanding partnership
- Transparency in Dealings



# BUILDING TRUST

- Need to transform outlook from one of pure revenue generation to that of value
- These roadblocks to be demolished to be a successful agency house.



# DIVERSIFICATION



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# DIVERSIFICATION

- Opportunities available in the Indian shipping industry immense
- Agencies houses need to develop other core competencies in logistics, trucking, terminal & CFS management, warehousing etc and provide a full gamut of services to the Liner
- Add value in the supply chain



# DIVERSIFICATION

- Avenues available to invest in Terminal Management
- Infrastructure Investments



# ACHIEVING THE GOAL



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# ACHIEVING THE GOAL

- Converting opportunities into successful business ventures
- New business ventures to be financed by funding institutions
- Quicker Government clearances required
- Collective strength of the industry to influence decision making



# ACHIEVING THE GOAL

- Agencies need to exhibit versatility
- Staff need to be imparted appropriate training.
- Ability to Multi-task
- Quality and timely delivery of services to the customer.
- Service – separating the leaders from the others.





Thank You