

Progress Made by Intermodal and Multimodal Logistics in India

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Abstract: Five types of transportation in the logistics industry are roadway, railway, waterway, airway, and other modes including pipeline, cable transport and space transport. A good transport system can broaden the market for goods. It can also make the movement of raw materials, plant and machinery, components, fuel, equipment, etc. to the site of production easy. Roads and railway open up interior and remote villages available for starting factories. The present government's focus on infrastructure investment and its friendly approach towards Private-Public Partnership (PPP) model gives room for private players in the industry.

PPP mechanism is a model for government to procure and implement public infrastructure and services using the resources and expertise of the private sector. The first line of Mumbai Metro between Ghatkopar and Versova was built on PPP model by Anil Ambani controlled Reliance Infrastructure Ltd. and MMRDA. India has seen 112 completed road projects which are operating on PPP model and another 150 projects are being constructed and are on verge of completion.

Intermodal transportation refers to moving freight by two or more modes of transportation. By loading cargo into intermodal containers, shipments can move seamlessly between trucks, trains, air, roads and cargo ships. Intermodal shipments come in two categories: international intermodal or domestic intermodal. In intermodal transportation there are several parties involved for freight movement with a separate contract for each distinct leg of the journey. This means that there is more than one responsible entity for the successful delivery of the cargo. When using intermodal shipping, each leg of that shipment will be handled by a separate company.

In multimodal transportation, one contract covers the entire journey. One carrier takes sole responsibility of picking the cargo from pickup point and ensures delivery till the drop off point. Multiple carriers are used in the journey. The movement is made with shipping containers that can easily move from one transport mode to another. Pickup and drop off modes are usually road, and in some cases rail, while the main transit includes ocean or air. The freight during multimodal transportation is easier to track because of: lesser communication, improved routing and shorter transit time.

Both intermodal and multimodal transportation involves moving cargo from origin to destination using more than one method of transport. This can be truck, rail, barge, ship, or any combination of those. Both can also mean that several different carriers operate each leg of the journey. The difference between multimodal and intermodal lies in the contract / bill of lading and transport carrier responsibility / liability of the movement.

Organizations and individuals must make sure that they recognize the difference and communicate their needs accurately to the logistic companies to help in easing the movement and to avoid any misunderstandings and losses.

KEYWORDS: Roadway, Railway, Waterway, Airway, Pipeline, Cable Transport, Space Transport, DFCCIL, Intermodal, Multimodal, Logistics Private-Public Partnership (PPP), Mumbai Metro, Reliance Infrastructure Ltd.

One example is: when Boeing launched production of the twin-engine 787 in 2007, it vowed to set record production times. Within months the mission was in tatters. Tiny glitches held up the first phase of construction. Some were truly minuscule supply chain issues, like running out of fasteners. Boeing resorted to buying more at Home Depot. The small delays escalated into a revised timeline amounting to years. The question is not of size and value of the spare parts, it is the sustainability which is important. Companies should always strive to become more efficient and less wasteful instead of assuming they are already as sustainable as they want or need to be

Another example: in 1993, the German sports shoe-and-clothing maker Adidas implemented a warehouse management system in its Spartanburg distribution hub in South Carolina. But the IT firm it was using went bust mid-project, so it engaged another, and forged ahead. Frustrated by long delays, in 1996 Adidas went live before the system was ready. Nothing worked, and it was unable to process and ship orders. It was able to fulfil just one fifth of its \$50 million order in North America. Adidas suffered market-share losses for years after, and haemorrhaged IT and logistics staff.

Logistics Management, as name suggests, is a part of supply chain management that mainly focuses on plans, effective flow, storage of goods and services, etc. Modes of transportation are part of logistics. The Government of India has given infrastructure status to logistics sector, covering cold chain and warehousing facilities, a move that is likely to attract more funding at competitive rates for these segments. The government has been working on ways to attract more investments into transport and logistics as part of efforts to strengthen infrastructure development in the country.

The relationship between economic growth and infrastructure is very vital. Our country's economy has prospered ever since we have started making investments in infrastructure. For a faster growth of the economy we need faster and reliable mode for transport for movement of goods and people. The Indian economy today demands building of dependable good quality infrastructure.

Globally, DHL is one of the most recognisable logistics brands across the globe, specialising in international shipping, courier services, road and rail transportation, air and ocean freight, international parcel and express mail services and contract logistics. Founded in the US in 1969, the company had gone global by the late 70s and its current value is thought to be in the region of \$10.7bn.

The Japan Railways Group is more commonly known as the JR Group and consists of seven for-profit companies that took over most of the assets and operations of the government-owned Japanese National Railways in 1987. The JR Group has a total route length of about 12,500 miles, of which about half is electrified. Current brand value is thought to be \$11.1bn.

FedEx Corporation is a US multinational courier delivery services company with its headquarters in Memphis, Tennessee. FedEx offers a complete suite of online services for shipment preparation, package tracking, shipment rates and tools for international shippers and small businesses. The name FedEx is actually an abbreviation of the name of the company's original air division, Federal Express. Brand value, according to Brand Finance, is \$18.1bn. The CEO is Frederick W. Smith.

In India, Container Corporation of India Ltd. (CONCOR), was incorporated in March 1988 under the Companies Act and commenced operation from November 1989 taking over the existing network of 7 ICDs (Inland Container Depots) from the Indian Railways. It is the Largest Logistic Companies in India in Terms of Sales in the recent years.

Blue Dart Express Ltd. is a Mumbai, Maharashtra-based Logistics Company in India. Mr Tushar Jani launched the company in 1983. Blue Dart Express serves over 36,000 pin codes in India and over 225 countries worldwide. They provide a variety of payment options that combine services. These services include cash-on-delivery delivery, automated proof-of-delivery during fulfilment, weather-resistant packaging for orders, rapid delivery, and time-based/slot-based delivery.

TCI Express Ltd was established in 1996. TCI is a market leader in integrated supply chain and logistics solutions and a pioneer in the Indian market for cargo transportation. TCI provides integrated multi-modal logistics solutions, including transportation, storage, warehousing, and transportation support services. The company engages in express delivery and provides consumers with a single-window door-to-door service.

Since 1989, Gati has altered India's logistic business through a series of ground-breaking, revolutionary efforts that prepared the way for an organised logistic industry. Gati now delivers complete Express Distribution and customised Supply Chain Solutions to customers across multiple business verticals with annual revenue of INR 1700 Crores. Gati's advantage of continuous connectivity across air, road, and rail has resulted in an unrivalled array of customer options. Gati owns and runs a fleet of approximately 5000 vehicles on the road in India, and over 7000 business partners dubbed as Gati Associates.

DFCCIL: The Dedicated Freight Corridor Corporation of India Limited (DFCCIL) is shaping up under the ownership of Indian Railways, Ministry of Railways and Government of India for taking responsibility of planning, development, implementation, financial resources, construction, maintenance and operation of the dedicated freight corridors (DFCs). The DFCCIL was registered as a company under the Companies Act 1956 in the year 2006. First 2 DFCs Western dedicated freight corridor and Eastern dedicated freight corridor will decongest railway network by moving 70% of India's goods train to these two corridors, both corridors work is on track for completion by June 2022. Due to continuous economic growth, demand for rail transportation in both passenger and freight sectors is continuously increasing and the Indian Railways is constantly endeavouring to increase its capacity over a large number of routes to meet this growing demand.

Conclusion: Most organizations feel dealing with a single carrier may be easier, but in many situations, overall total shipping costs can be better controlled by leveraging the individual expertise of multiple individual carriers. In such cases, the logistics also become more complicated. Therefore, in order to achieve the full benefits of multimodal and intermodal freight transport systems, it's up to you to understand exactly what they are, the terminologies, and how they work. The Dedicated Freight Corridor Corporation of India Limited (DFCCIL) will add lot of value to the transportation system in India. Its mission is to support Government of India's initiatives towards ecological sustainability by encouraging users to adopt railways as the most environment-friendly mode for their transport requirements. The project is of national importance it will ease the burden on roadways and clear the National Highways and its interiors.

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