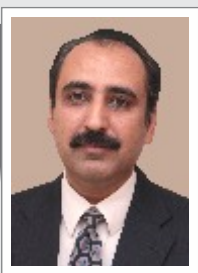# Kale Logistics
Technology that Transforms

CRUX™

A Quarterly Newsletter for International Logistics Industry

Top View

Vineet Malhotra
Director

Unlocking new value for the Industry we serve has been our constant endeavor at Kale Logistics. We bring value by working with communities of our long standing clients, Industry partners, Associations and Experts. The participation by the community resulted in the "Journey of India's first Airport Community System- GMAX" at Mumbai International Airport Limited (MIAL) two years ago.In this edition of CRUX, Mr. Manoj Singh-SVP & Head Cargo Operations- MIAL, shares his views on the successful adoption of the GMAX platform.

Africa is the next frontier for the Logistics Industry, more so for the Air Cargo segment. An insightful article throws light on regional trends and how IT will play a crucial role in the growth of African Air Cargo Industry in next few years.

As we look ahead to a digitally connected supply chain, we are doing a lot of 'On Ground' work with Industry stakeholders. Watch this space for regular updates and new initiatives from Kale.

Enjoy Reading!

In this Issue

- Reflections: with Mr. Manoj Singh - SVP & Head-Cargo Operations, MIAL
- Article :African Air Cargo-On Growth Curve
- Success Story : CORVI - Freight Management System
- Solution Profile : HELIOS - Transportation & Fleet Management System

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Manoj Singh
SVP & Head-Cargo Operations
Mumbai International Airport Limited (MIAL)

Mr. Manoj Singh- SVP & Head-Cargo Operations - MIAL is a man on a mission to ensure "Ease of Doing Business" for its cargo industry trade partners. Speaking with the CRUX correspondent, he shares key highlights from his "Successful journey in Making of India's first Airport Cargo Community System- GMAX.

Q *Fast and reliable air cargo information systems are becoming indispensable for international airports. How is MIAL equipped on overall use of technologies and what is its Technology adoption at user level?*

A Mumbai International Airport Limited (MIAL) has always believed in adopting state of the art business practices in order to ensure smooth and efficient functioning of the airport operations. This is not just limited to the passenger services but also includes the entire trader community that take the cargo services. It has adopted the best system of functioning for faster and error free processing of cargo.

MIAL has invariably been at the forefront in terms of technology adoption in cargo processing. It is the first airport in India to have introduced Cargo Management System in Cargo Operations in the year 2009. The distinctive Mumbai cargo community system is also the pioneer of e-reception in the country. These latest systems become essential considering the massive quantum of cargo that is processed daily at the airport in an efficient manner. MIAL along with Kale Logistics has made it possible to revolutionize the trade practices irrespective of the geographical locations with GMAX.

Q *GMAX- as we know is India's and probably world's first Airport Cargo Community System. How did this vision take shape? Who all were involved?*

A Mumbai's air cargo terminal holds the market leading position in Indian airports with the second highest air cargo throughout handled to the tune of over 0.6 million metric tons per annum. This involved a complex business system including the customers (traders), cargo operators, cargo airlines and other stakeholders.

As mentioned above MIAL has always believed in adopting the best practices to serve in a better way. With the focus of maintaining a market leading position in the Indian air cargo industry, MIAL has adopted some revolutionary practices in the cargo industry. In a bid to foster better communication and effective dissemination of information to trade partners, MIAL along with its strategic IT partner Kale Logistics launched India's first air cargo community portal 'GMAX-GVK MIAL Air Xchange' in December 2013. The project which commenced in early 2013, offers an integrated electronic communication platform and a central base for data sharing with MIAL's trade partners. We were already using Kale's GALAXY- Airport Cargo Management system, which helped us comply with Industry standards & norms pertaining to e-freight. This has been of immense help to all the stakeholders thereby saving time and simplifying the complex system of transporting cargo to multiple destinations.

Q *How has the journey been, especially after initial trade resistance to this technology. What is the current uptake on GMAX? How is it benefiting the Trade?*

A Any Industry Change is initially resisted. However, we believe for Technology to Transform the way we work, certain new systems, processes and regulations have to be practiced. The community now understands the real-benefits that GMAX presents. The platform is bringing all the participants in the air cargo supply chain (Shipper to Consignee) under one roof enabling them to exchange information and documents electronically. The GMAX platform has put an end to the current manual processes, multiple data entries and improved transparency in the supply chain. The resultant efficiency is in turn providing tangible savings in both time and money. Currently, there are 1500+ organisations on GMAX and we have successfully processed 800000+ EDI transactions.

Q *How has the journey been, especially after initial trade resistance to this technology. What is the current uptake on GMAX? How is it benefiting the Trade?*

A At the outset, any industry reform is resisted. However, for technology to metamorphosize the way we function, certain new systems, processes and regulations must be mandated. In case of MIAL, adoption of new technology has been a smooth affair. After incorporating the newer technology and its practices, the functioning of cargo segment at MIAL has been much easier and faster. The new cargo portal GMAX has been easily adopted by all the stakeholders. The community now comprehends the real-benefits that GMAX presents. The platform is congregating all the participants in the air cargo supply chain (Shipper to Consignee) under one roof enabling them to exchange information and documents electronically. Further, GMAX has eradicated the manual processes, multiple data entries and improved transparency in the supply chain. The resultant efficiency is in turn providing tangible savings in both time and money. Currently, there are 1500+ organizations on GMAX and we have successfully processed 800000+ EDI transactions.

All this has been possible due to the efficient infrastructure provided by MIAL to adopt the latest digital practices that save on time and ensure better and faster services.

Q *After the successful roll out of GMAX platform, came the GMAX mobile APP. Is the Industry ready for such technology? Are the stakeholders really using it? Can you share some figures to extrapolate the same?*

A In current day and age, using latest technology is no more an option, but an essential requirement for any business to thrive. With the surging trend of e-commerce & m-commerce, there remains no room for obsolete business practices thus fortifying and preparing the industry for revolution. The Mumbai Airport that boasts of a state of the art structure along with latest infrastructure has all the mediums to adopt the newest technology. After incorporating the GMAX platform for the cargo operations, the GMAX user community has responded well to the mobile app. There have been several downloads and the users have given GMAX mobile app a rating of 4.5 Star. Most of the cargo from Mumbai is routed through GMAX realizing our dream of a connected &

e-Freight Compliant Airport cargo community.

Q *What can the trade expect next from GMAX?*

A The GMAX platform has catapulted India's position to world Number 6 in building e-Freight capability across the Logistics Industry. MIAL has been the first Airport to attain 100% EDI for two key European carriers in addition to being the first to launch a Cargo Mobile App for our Airport Community. Clearly, at MIAL we have always adopted world class technologies & practices to serve our trade partners with faster, superior & round the clock service for their Cargo Handling at Mumbai Airport. We are also open to adopt the latest practices and trends that benefit the consumer. In the days to come MIAL along with GMAX will be open to follow all the trade practices that are of help to the traders.
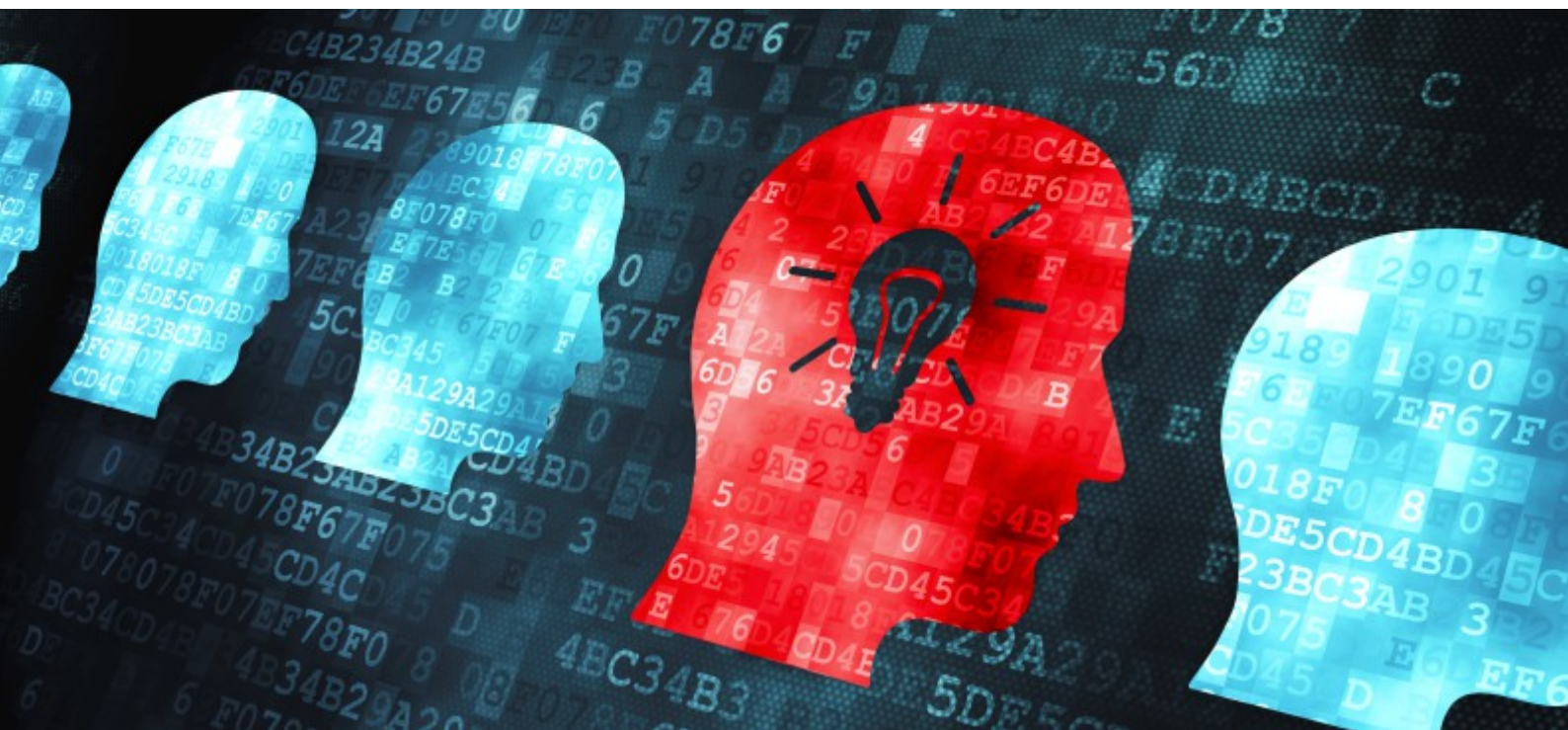
Vivek Pandit
Associate Vice President
Kale Logistics Solutions

Africa has emerged to be one of the important regions in the global arena, from an economic and political perspective. The African air cargo market is the second fastest growing for the year-till-date and is expected to create 7 million jobs and 80 billion USD in economic activities in the region, thus driving up the economic growth.
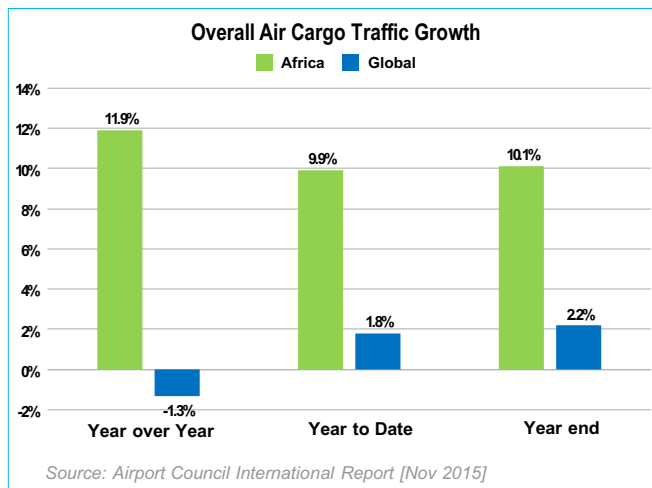
You can reach Vivek Pandit at vivek.pandit@kalelogistics.in

There are a number of developments happening at the African airports and terminals and the region is likely to witness further rise in the air traffic movement with the much anticipated liberalization of air services in 2017.

Ethiopia is building Africa's largest air cargo terminal, estimated to handle 600,000+ tonnes per year. The dedicated cargo operations by African airlines is set to rise and countries such as South Africa, Nigeria, Ghana, Ethiopia, Kenya and Mauritius are taking a lead role in improving air cargo facilities and services.

Current state of Industry Limits the Growth Take Off!

The Industry associations & leaders in Africa are well aware of the state of African Infrastructure, lack of skilled resources and relatively low cargo volumes being handled by the regions Airports. The level of IT penetration is seen to be a limiting factor in realizing the full growth potential for Africa's Air Cargo. The current technology landscape in African Air Cargo industry comprises of either legacy system that is obsolete or manual operations that are highly inefficient and non-scalable. However there is a greater access to next-generation IT solutions available today than ever before.

Challenges

Skilled Resources
Internet Bandwidth
Transaction Volume

Solutions

Cloud Solutions
On-Premise Hosting
Pay Per Use

Overall Air Cargo Traffic Growth

Africa | Global

	Year over Year	Year to Date	Year end
Africa	11.9%	9.9%	10.1%
Global	-1.3%	1.8%	2.2%

Source: Airport Council International Report [Nov 2015]

IT Criticality for African Air Cargo

Digital revolution, ably backed by modern & integrated technologies can help remove the intermediaries and plug revenue leakages due to prevalent unethical transactions in the region. Cargo operators need to automate their overall export and import processes to address inefficiencies in cargo handling processes and attain expected growth potential.

The industry needs EDI-based Technology that enables seamless data exchange between various entities and stays compliant to key industry regulations. The first step is to realize Industry wide initiatives like e-Freight and gear up for 100% e-AWB by 2017 as per the mandate to facilitate global trade. The need for the African Air cargo is also to factor the emerging trends such as- e-commerce and drone based delivery that will impact the overall business competitiveness. Given the business drivers and benefits of technology, there is an inherent need for modern, next generation Air Cargo management Systems that are cloud based, packaged applications based on pay-per-use models.

Collaborative Platforms: Defining the Air Cargo Industry Worldwide

As per a recent decision on establishment of African Free Trade Area (AFTA) by 2017, regional integration, collaboration and partnerships are key to this development. A community technology solution that brings together all the related entities, such as airlines, shippers, freight forwarders, customs, ground handlers and agents on a common platform to manage cargo movement and operations, will be an important step to enable collaborative initiatives.

Kale's work in the Air Cargo Segment

Kale Logistics Solutions is a leading global Industry focussed IT solutions provider to the Logistics and Airports industry. Kale has delivered the pioneering innovative platform - GMAX- India's & World's first Successful Airport Cargo Community Platform at Mumbai Airport . India's First Airport Cargo mobile App developed by Kale Logistics was introduced at Mumbai International Airport. Kale's Air Cargo Management System- GALAXY is a web-based global application in use at leading Airports worldwide. It is a state-of-the-art ground handling solution that encompasses modules for Export, Import, Domestic, Warehouse, ULD Management, PO Mail/Courier, SLA, Invoicing and a web portal for stakeholder interaction. A comprehensive EDI module enables connectivity using CARIMP messages with Airlines and XML/EDI with local Customs.

Since 2011, Kale's Cargo Community System for the Air cargo Industry- UPLIFT (India's first) has successfully driven e-freight/ e-AWB adoption levels in India taking India to 6th position worldwide in terms of e-AWB adoption. With 6.5 Million+ EDI transactions , 2500+ agents and connectivity to 90+ Global Airlines, UPLIFT has been India's most Innovative community platform which is Globally recognised in KPMG's 'Top 10 Innovations'.

A Global Freight Forwarder with operations across 20 locations realises fast ROI from CORVI - Kale's web based Freight Management Software

A Global Forwarder with operations across 20 locations

Client is an established company started in 1974, with a commitment to offer worldwide freight forwarding services comprising all aspects of transportation of freight.

The client has offices and partners in Europe, USA, Asia and Middle East. It offers its customers a single stop solution of Freight Forwarding, Customs Broking, Warehousing and Local Transportation. The client has several blue chip demanding customers who need to be serviced with "as-it- happens" information .

Separate systems hamper operations

Clients business was largely focussed on air and ocean shipments and all the branches were running on old, standalone legacy applications for managing its forwarding operations, customs broking and business accounting. The client faced challenge for any branch-to- branch and branch-to- Head office direct information exchange, thereby necessitating manual reporting.

The data exchange quality suffered on account of high volume of shipments and frequency of reporting (daily/weekly/ monthly). It was prone to errors, repetitive corrections and delays in overall business cycle.

The clients business had moved far ahead of what its application supported. The business users needed profitability analysis, quick use templates and a pricing engine which was dynamic and flexible. Customers complained of lack of shipment visibility and information availability in real time.

CORVI™ aids Leading Pharmaceutical Manufacturer connect with trade partners

The Freight Forwarding client has extended the customer portal feature to his largest Pharma customer, who is now able to view all his jobs(bookings), approve House BL/AWB, track shipment updates in real time and view invoices. Also, for any ad hoc shipment not covered under their contract, they are able to send inquiry and receive quotations on the portal.

Moving to a powerful new generation system

While evaluating a multitude of Freight Management systems, the client identified that the new application needed to be scalable, must offer its staff the flexibility to have shipment updates "on the go" and provide the management complete visibility and real-time data / reporting to enable pro-active decisions. Another key parameter was to reduce the business cycle time to realise early revenues.

CORVI™ was a good fit to the requirement on more than the listed criteria. It is a next-generation centralised forwarding software that streamlines business operations and accounting across branches and gives HQs a complete visibility & control of business. Currently in use at 58 locations across the world, the system also offered next generation features like Reverse document consolidation, Integration with Airlines (using IATA standard CARIMP messages , a forwarding business focussed warehousing, Sales/CRM module and a powerful invoicing engine.

Significant value-add leads to better customer satisfaction and lower costs

Over the last few years since the system has been operational at the client, CORVI™ has contributed towards streamlining the client's business, ensuring availability of correct data and helping the client in its day-to-day customer service commitments.

The client also embarked on an audit to ascertain the actual effectiveness of deploying CORVI™. The client IT team and Kale's customer service team worked in tandem to identify areas where the introduction of the system had made an impact. The team went ahead to quantify the benefits accrued and arrived at a Return on Investment(ROI) figure. The ROI was in the range of 24-28 months considering the benefits identified. The key benefits summarized by the team were

Real time information visibility

Against the backdrop of error prone manual reporting, CORVI's Business Intelligence feature eliminated the need for any manual work, thereby ensuring productive time for office staff. The same information was shared with customers, internal departments, other logistics stakeholders and the management.

With over 24 branches and partners worldwide, having a web based intelligent centralised system for our operations and an EDI interface to Airlines & Customs through CORVI™ helped us realise Return on Investments (ROI) in less than 28 months time.

Head of Operations, Global Freight Forwarding Company

No loss of revenue- assures profitability

Prior to CORVI™, the accounts department and the operations group were at loggerhead on the issue of revenue invoices. CORVI™ completely changed the scenario. Its maker, checker, reviewer framework allows operations to carry out its job , the pricing engine works at the backend to link operations to customer & vendor prices and the accounts gets the draft invoice for verification and finalization. Additionally CORVI™ provided the managers with shipment profitability at each stage, thereby ensuring that the right decisions were taken.

Truly Multi Modal operations - nothing outside the system

Unlike the past, all the documentation was created from CORVI™. Using e-docket feature, all external documents like invoice, packing list, container inspection photographs etc were scanned and tagged to the shipment. Templates for BL and HBL made life easy for users.

Apart from the above benefits. CORVI improves business productivity by eliminating redundant processes, reduces cost by reduced paperwork/data entry efforts and improves business visibility by providing several operational and MIS reports

CORVI™ Freight Management System

CORVI™ is a robust application designed to meet the end-to-end needs of global forwarders of all sizes. The solution provides accurate and real-time information, which can be shared between freight forwarders and trade partners involved in the movement of freight.
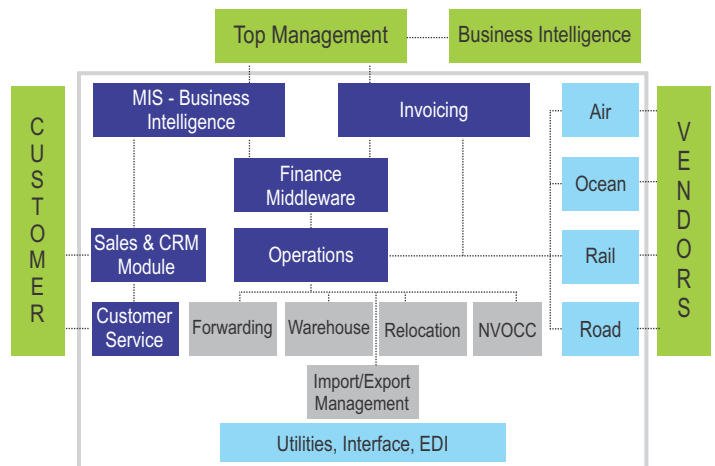
A block diagram depicting CORVI (FF&N) functionality

The solution comes with multi-lingual capability and connectivity to Air Carriers via UPLIFT- cargo community platform. CORVITM

Supports multi modal transportation by integrating all the elements of Freight Forwarding and Customs clearance business. Portal has lighter UI and ease of navigation for customers and agents and it offers visibility of all jobs, cost capture function to track profitability and stores a library of resources via digital documents and images. It employs high level of security features to ensure authentic information and proper accountability.

Transport operators today need to run hyper efficient delivery networks to ensure business profitability. Transporters/ Fleet owners with a large number of fleet need to service their network efficiently, timely and with adequate control on placement & movement of fleet vehicles. This becomes increasingly challenging given expensive fuel and relentless price pressure from customers and competition.

HELIOS TRANS — Transportation Management System
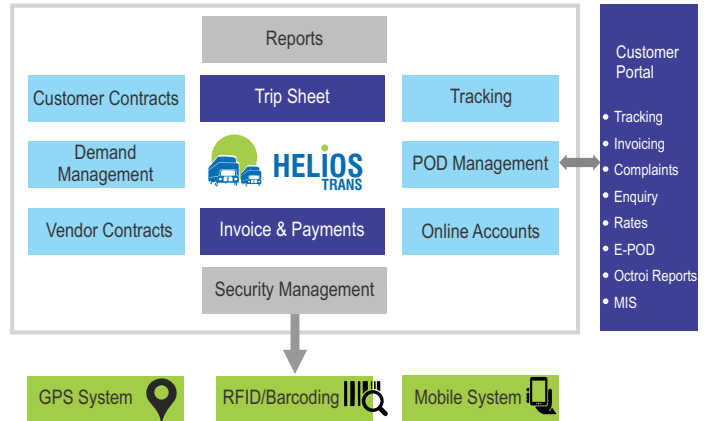
A block diagram depicting HELIOS - TRANS functionality

HELIOS TRANS is a web based tool that supports all types of business models like Full truck load (FTL), Project cargo movement, trailer movement, Less than Truck Load (LTL), Express Cargo Delivery, Parcel Delivery, Local delivery and Crossing. A customer self-service portal assures the customers of readily available information at all times on – tracking, invoice, complaints, enquiry, rates, E-POD, Octroi receipts & MIS. The system helps transportation service providers to manage the entire business life cycle including vehicle request, placement, delivery and billing. HELIOS TRANS helps transportation companies to manage contracts with customers as well as Vendors.

HELIOS FLEET — Fleet Management System
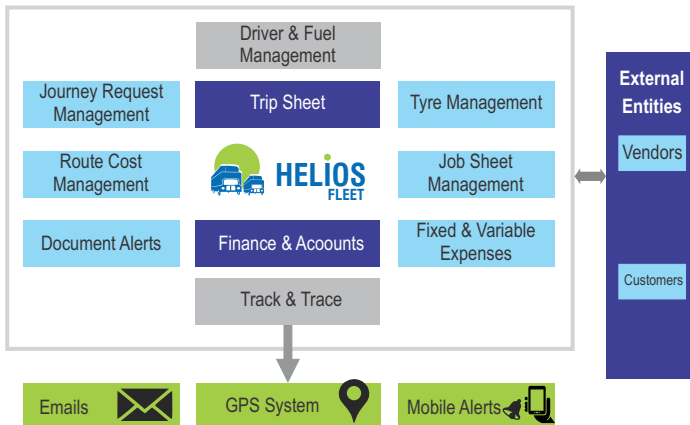
A block diagram depicting HELIOS - FLEET functionality

HELIOS FLEET helps to manage all the activities from trip sheet, driver settlement, fuel tracking, turn around time of vehicle, tracking, billing to attached or market vendor and financial control over fleet hub. It can be integrated with an ERP to provide a seamless solution.

It is a web based comprehensive fleet management solution to manage all aspects of the fleet business. It can also be integrated with GPS systems to provide real time visibility of vehicle positions and their status.

HELIOS FLEET is designed to cater to the needs of Fleet Owners and Operators. It is a feature rich solution covering Trip Sheet, Job sheet management, Route Cost Management and Finance & Accounts.

In NEWS

Kale Logistics announces formal Go Live of India's first Container Digital Exchange- CODEX at V.O.C Port-Tuticorin

The formal Go Live of CODEX was executed by the Honorable Chief Commissioner of Customs-Chennai- Shri Pranab Kumar Das; Chairman, VOC Port Trust- Shri S.Anantha Chandra Bose and Commissioner of Customs- Tuticorin- Shri K.C Johny in a brief ceremony at Tuticorin . The CODEX platform has successfully processed 42000+ Containers during the Pilot phase, thereby eliminating all sets of documents accompanying a Container movement at the Port.

Nigerian Aviation Handling Company Plc. (NAHCO AVIANCE) - Nigeria goes live on Kale's GALAXY- Air Cargo Management System

The new GALAXY system offers NAHCO a user friendly interface, latest technology and critical functions like auto-invoicing, EDI & ULD messaging, Warehouse management System & Reporting that were not available for a long time in their existing system.

Rogers Aviation's chooses Kale's GALAXY- Air Cargo Management System

Rogers Aviation- a leading Mauritius based GSA to Airlines and Ground handlers- has chosen GALAXY- Air Cargo Management System for managing their Imports. The new system would equip PATS - the ground services arm of Rogers Aviation to automate its entire Import-Export operations in compliance with Industry standards & regulations.

Adani Logistics chooses Kales Terminal Operations System for automating its CFS- ICD & Container Rail operations

ALL has selected Kale Logistics as its preferred partner to develop a terminal operating system (TOS). This would encompass ALL's entire range of operations including, CFS & ICD, Container Train Operations, Coil & Auto Logistics and other allied processes.

Kale launches first Single Window Compliant Customs Clearance Software at a Workshop facilitated by BCHAA.

CANOPUS- the first 5th generation Single Window compliant application for Customs Brokers (CB) in India will enable Offline as well as Online Data capture for both air & sea mode transactions, thereby making the old client-server as well as web technology redundant. The workshop on Single Window was addressed in depth by the Guest of Honor for the evening- Shri Rajendra Kumar Meena- Joint Commissioner-Single Window, Indian Customs. The new generation Customs Clearance package is completely compliant with the evolving requirements of Indian Customs, including digital signatures, customs single window and has comprehensive functionalities like- e-Certificate of Origin, e-Docket, stakeholder connectivity, Offline / Online Access, Mobile App, Invoicing, DGFT link amongst others.

Nirav Dholabhai
Senior Business Analyst
Kale Logistics Solutions

Nirav Dholabhai *has a diverse experience working closely with Logistics and Transportation business segment and specifically in understanding their IT requirements. In his current role as a Senior Business Analyst at Kale, he is actively involved in the entire pre-sales process right from mapping client requirements, product demonstration to ensuring Blue printing, gap analysis and training at Client site. He is a subject matter expert on PYXIS- Kale's Warehousing & Distribution Management System.*

You can reach Nirav Dholabhai at nirav.dholabhai@kalelogistics.in

Q *How can PYXIS help us know how much inventory we have in our warehouse?*

A PYXIS manages all the inbound and outbound operations in the warehouse related to inventory. At the time of put away, PYXIS has the facility to capture the pallet as well as location. So at any point of time location wise warehouse inventory is available in the system

Q *We have frequent cases where a product or order is returned to the warehouse. We are finding it difficult to track the dispatch of wrong product or damaged product to the customer. In addition there is no way to find out if product is damaged while in transit ?*

A PYXIS provides end-to-end solution for above stated issue, firstly in outbound process PYXIS has the capability to do quality inspection after picking up the material. The warehouse supervisor can recheck the correctness of the products before dispatching and the order will be allowed to proceed for dispatch only if its correct, else it would be rejected. This process prevents product/order from being returned to warehouse, thus saving a warehouse time, money & duplicate efforts.

Secondly, in case a dispatched product comes to warehouse for any reason, then PYXIS has the capability to record customer return against the dispatched order and there is also provision to have partial return. For every return order standard reasons are provided which can be captured to identify root cause of the issue.

Q *We are facing difficulty while recording product inbound for warranty purposes or use by dates and batch numbers. How can PYXIS address this?*

A PYXIS has the standard functionality to capture manufacturing date, expiry date and batch numbers at the time of inbound, therefore the dispatches based on either of three can be managed. Also the MIS reporting to find out product life remaining for the material which is in the warehouse are available as near to expiry products. This functionality ensures timely movement of your products.

About Kale Logistics

Kale Logistics Solutions Private Limited is a leading Global IT solution provider focused on the Logistics, Airports and Transportation industry. Its broad solution spectrum ranges from 'Internal Business Automation Systems' to 'Community Solutions' that help various players in the logistics value chain from shipper to consignee to communicate and transact with each other electronically. Kale has been awarded industry accolades for the last six successive years for the innovative solutions for automation in the Logistics Industry.

Kale's solutions help Freight Forwarders, NVOCC, LCL Consolidators, Shipping Line Agents, Stevedores, Surveyors, Container Freight Stations, Equipment Control Providers, Vessel Charterers, Custom House Agents, 3PL, Warehouse Operators, Transportation Providers, other Logistics Service Users and Airport Cargo Terminal Operators achieve faster growth, standardized processes and operational efficiencies.

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