

Market largely untapped in Goa: Capricorn Logistics

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Logistics, a vital part of trade, simply means moving goods from one point to another.

With the opening up of the economy, the opportunity to trade has accelerated with it the business of logistics.

Capricorn Logistics, spread over 2400 square meter at the Verna Industrial Estate is part of a widely spread business house headquartered at Mumbai. It has presence at 32 locations across India and in major global business hubs like China, Hong Kong, Germany, Hamburg, UAE and USA.

The Verna facility, which started operations on New Years day in 2002, today has an annual turnover of Rs 500 crore.

Capricorn Logistics have managed to create a niche for itself in the logistics business and specialise in services like air and ocean freight, customs brokerage, surface transportation, third party logistics and LCL (less container load) consolidation.

Manzoom M Shaikh, VP commercial, based in Verna says, "In the logistics business there can be no compromise in the quality of services. Every businessman looks for his money's worth and excellent personalised services. The 28-member Capricorn team in Goa consists of professionals in their respective verticals who go the extra mile to deliver personalized services."

"Our presence in key locations across India and relevant destinations globally has allowed us to be the preferred logistics partner from both the sourcing as well as the delivery point of view. Also, our size of operations enables us to offer competitive pricing, larger volume handling capabilities at a better pace. We have a monitoring system so as to provide updated status of cargo to the clients," claims Shaikh.

Shaikh informs that the annual tonnage from Goa in air-freight is around 17,475 tons and Capricorn accounts for around 9,576 tons annually.

While in sea-freight their share from Goa works out to about 3% to 4% of the overall annual business.

In imports, Capricorn's share works out to about 20% of the overall annual figures which measured in containers works out to 300-400 TEU (twenty-foot equivalent units - a term used for the capacity measure of a container in the shipping line).

Having spread its freight well between the air and ship sectors Shaikh says, "In ocean freight, we are equipped to handle a constant flow of containers including special shipments, oversized cargoes and specific solutions from booking cargo spaces and documentation to arranging a pick ups at the port of delivery," he adds.

"We have a robust documentation management processes for ground handling, manpower, monitoring and quick clearance of shipments within 24 hours for air and 72 hours for ocean freight, at times



The Capricorn facility at Verna.

even with customs clearances," claims Shaikh.

Before any business relationship is completed, a detailed Know-Your-Customer (KYC) is carried out based on which we acquire vital information about the client and his business and also the nature of the goods, shapes, sizes and the points of pick up and delivery, once equipped with all the necessary details, the estimates and quotations with the costs incurred are forwarded to the clients, says Shaikh.

"As far as transportation is concerned, we work on a 24x7 principal. We do undertake customised surface freight services solutions through a flexible, effective and tailor-made approach through customer-specific requirements," he says.

"In Goa we have four vehicles and 50 pan India," Shaikh informs. The Goa branch is involved in the transportation of pharmaceuticals, electronics, chemicals and almost everything from a pin to a plane, as per Shaikh. Capricorn moves cargoes like computer peripherals, spares and industrial machinery spares that come from US and China.

"Our customers can be very demanding and have crunch delivery deadlines. We have worked out strategies to suit vast trade requirements towards different assets and business activities of the customer," adds Shaikh.

Shaikh informs that despite of the near average infrastructure in Goa, it is better compared to other states which are plagued by unmotorable roads.

Saying that the container business in Goa is booming and has a huge potential in the future, Shaikh feels that by now there should be a dedicated cargo container terminal at Mormugao. "More preference is given to the iron ore vessels. The existing infrastructure is burdened heavily and we need to look for up gradation if we are to enhance the business in the coming years," he says.

MF FUNDA

KOTAK MUTUAL FUND has approved November 8, 2009 as the record date for declaration of dividend under dividend option of Kotak FMP 12M Series 10. The face value of per unit is Rs 10.

The quantum of dividend will be upto 100% of distributable surplus available as on the record date, for the above mentioned scheme.

"Many times a vessel comes to Goa and has to stay idle at the high seas due to the unavailability of the terminal, this adds to operational costs and hence, some ships make fewer trips," informs Shaikh.

In his views, the current airport at Dabolim needs to be upgraded immediately so that major international cargo planes can land. "Currently most of the international cargo aircrafts fly out of Mumbai and if we can ready ourselves to be in a position to allow them take off from Goa, it will be a major boost to the industry here, hence Goa's dependency on Mumbai will also be reduced considerably," says Shaikh while asserting that the Goa container market segment has a potential to boost up by at least around 30-40 per cent in ocean freight and by 20 per cent air freight.

"The best offering in the industrial area is the container freight station and those involved in this trade must take advantage of the same," feels Shaikh.

Comparatively the rates for container hire in Goa are competitive in comparison with other parts of the country.

Feeling that Goa is on the radar of the national as well as the international logistic companies in recent years, Shaikh says that, "They are coming because there is a business potential and growth here."

Despite the information that there are about 10 new companies planning to set up in Goa, Shaikh says his team is hardly perturbed. "We do not see them as competition because when there are more players in a market the best automatically get highlighted and the service levels get driven up and this creates a competitive environment."

BOARD MEETINGS

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Source: indiainfoline.com