BUSINESS PLAN · INDIA

Freight-Forwarding and NVOCC Business

publish the free time and code every day to its cause

SHIPPING, PORTS AND MARINE SERVICES

AISEVAK.IN · BY ABL DIGITAL TECHNOLOGIES

August 2026

1. Executive Summary

This plan sets out a **Freight-Forwarding and NVOCC** business — FCL ocean freight on our own house bills of lading, LCL consolidation and groupage, inland haulage and CFS handling, customs brokerage, and project cargo. By Year 3 it moves **9,000 TEU and 60,000 cubic metres** across **10,000 containers** and bills **₹60.00 crore**, publishing **the free time honestly and coding every detention day to its cause**.

> This plan is the third in vertical 58 and **inherits the ten maritime anchor rules (a)–(j)** set out in §17 of the ship-repair yard plan.

Item	Detail	Year 3
What is sold	FCL ocean freight port to port and door, LCL consolidation and groupage, inland haulage, CFS handling and container positioning, customs brokerage and documentation, and project and out-of-gauge cargo	**₹60.00cr**
TEU / cubic metres / containers	9,000 TEU at ₹30,000, 60,000 cbm at ₹2,500, 12,800 inland moves, 8,000 customs entries, 240 project shipments	9,000; 60,000; 10,000
PAT / net margin	A resale business: ₹45.58cr of the ₹60.00cr is slot, box and haulage bought from somebody else	**₹3.01cr / 5.0%**
ROCE on ₹14.50cr	Working capital, CFS and stuffing bays, container deposits, yard equipment and the detention-tracking platform	**30.2%**
Detention and demurrage passed through / our own gross profit	**1,960 of 10,000 containers at ₹38,400 each**	**₹7.53cr / ₹11.35cr**
Share of those charges caused by parties the payer cannot instruct	**Congestion, customs and trailer availability; only 8% was ours**	**74%**

> **THE METER RUNS ON THE PARTY WHO CANNOT STOP IT. Detention and demurrage accrue at about ₹3,200 a container a day against a consignee who does not control the terminal, does not control customs, does not control the trailer queue and cannot tell the ship to arrive earlier. ACROSS 1,960 AFFECTED CONTAINERS, 74% OF THE CHARGE WAS CAUSED BY PARTIES THE PAYER HAS NO CONTRACT WITH AND NO WAY TO INSTRUCT — AND ONLY 8% BY US.**

> **Worse, the meter is revenue to the people holding the valve. Port congestion caused 36% of it, and congestion is a condition of the terminal that collects the demurrage; a carrier whose yard is full earns more from the yard being full. NOBODY IN THAT CHAIN HAS TO ACT IN BAD FAITH FOR THE INCENTIVE TO POINT THE WRONG WAY — THE ONE PARTY WITH A REASON TO SHORTEN THE DELAY IS THE ONLY ONE WITH NO MEANS OF DOING IT.**

2. Business Description, Vision & Legal Structure

A private limited company operating as a non-vessel-operating common carrier — issuing its own house bills of lading, buying slots and boxes from ocean carriers, consolidating LCL cargo in its own CFS, and clearing and hauling inland.

Element	Position
Legal form	Private limited company; NVOCC registration with the Director General of Shipping and bill-of-lading filing; customs broker licence and CFS approval; MTO registration under the Multimodal Transportation of Goods Act; IATA and carrier agency agreements where applicable
Where the money is made	FCL is 45% of revenue at a 9% margin and is essentially resale; LCL consolidation at 27% and customs brokerage at 44% carry two-thirds of the gross profit on a third of the turnover
What is different	A published free-time envelope by lane and port, every detention day coded to its cause and published to the customer daily, detention caused on our side absorbed, and no markup on any pass-through charge
Vision	A carrier whose customer knows why the clock is running while it is still running

Why this shape	Reasoning
Cause-coded detention published daily	**A charge nobody can attribute is a charge nobody can reduce. Coding each day to congestion, customs, transport, the consignee or us is the only thing that turns an unavoidable cost into a manageable one**
Absolute original bill-of-lading discipline	**This is the control on the first remedy: once we are absorbing detention, we have our own reason to get boxes released fast — and the fastest release is the one against a copy, which gives away somebody else's property**
LCL consolidation kept in our own CFS	It is 25% of revenue and 36% of gross profit; buying a whole box and selling cubic metres is the only part of ocean freight where an NVOCC has a real margin rather than a broker's spread
Contracted slot allocation rather than pure spot	Under rule (f) capacity is a berth and a slot; buying spot is cheaper until a rollover puts a customer's cargo on the next sailing and starts a detention clock we then have to explain

3. Promoter & Ownership

Item	Position
Promoter	Twenty-one years in ocean freight, the last eight running an NVOCC desk; spent them invoicing detention he could not explain to customers who could not have prevented it, and marking it up 18% because that was the trade
Promoter equity	**₹5.08cr** of the ₹14.50cr project cost (35%), unsecured and not withdrawable during the loan term
Ownership	Promoter and family 59%; operations and pricing leadership under ESOP 21%; a logistics investor 20%
Governance	**No detention or demurrage charge may be marked up, by any amount, on any lane. Every day of detention is coded to its cause and published to the customer the day it accrues, including the days caused by us. No cargo is released without surrender of an original bill of lading or against a bank-countersigned letter of indemnity — a company letter of indemnity is not sufficient and no director may accept one**

> The last sentence is the expensive one, and it costs customers rather than money. **412 requests to release without an original arrived in Year 3; 74 were met against a bank-countersigned indemnity and 338 were refused outright. Twenty-six accounts worth ₹1.84 crore left over a refusal. THOSE 338 REFUSALS PROTECTED ₹62.19 CRORE OF SOMEBODY ELSE'S PROPERTY, ON A BUSINESS THAT EARNS ₹3.01 CRORE A YEAR — AND NOT ONE OF THE PARTIES PROTECTED EVER KNEW IT HAD HAPPENED.**

4. Market Analysis — India

Segment	What drives it	Position taken
FCL ocean freight	Engineering, textiles, chemicals and agri exports and containerised imports; rates set by the lines and volatile, margin thin and contested	9,000 TEU at ₹30,000
LCL consolidation and groupage	Small and mid-size shippers who cannot fill a box; we buy the container and sell the cubic metre, which is where an NVOCC actually earns	60,000 cbm at ₹2,500
Inland haulage, CFS and container positioning	First and last mile, empty repositioning, stuffing and destuffing; capital-hungry and locally competitive	12,800 moves at ₹7,500
Customs brokerage and documentation	Entry filing, classification, DGFT and FSSAI clearances and bond management; the highest margin in the book at 44%	8,000 entries at ₹6,000
Project and out-of-gauge cargo	Flat racks, open tops, breakbulk and heavy lift; irregular, planning-heavy and priced per movement	240 shipments at ₹1.50 lakh

Where the detention clock actually comes from

Cause of the detention or demurrage day	Containers	Share
Port and terminal congestion	706	**36.0%**
Customs query, examination or clearance	510	**26.0%**
Consignee finance or documentation	353	18.0%
Transport and trailer availability	235	12.0%
Our own documentation or slot booking	**156**	**8.0%**
Total affected containers, of 10,000 moved	**1,960**	**19.6%**

> **Indian container logistics has genuinely improved — new terminals, faster customs, direct port delivery and a serious regulatory push on free time and detention charges. IT REMAINS A TRADE IN WHICH THREE-QUARTERS OF THE PENALTY LANDS ON THE ONE PARTY WHO CANNOT INSTRUCT ANY OF THE PEOPLE CAUSING IT, AND A THIRD OF IT IS PAID TO THE PARTY WHOSE CONGESTION CAUSED IT.**

5. Competition & Position

Competitor type	What they do well	Where the gap is
Global forwarders and NVOCCs	Network, contracted allocation, systems, and the ability to move anything anywhere	Detention is a pass-through line with a markup and no explanation; the customer receives a number and a container number
Ocean carriers selling direct	Own the slot, own the box, own the rate and set the free time themselves	The party charging demurrage is the party whose terminal congestion caused a third of it, and it has no reason to code the cause
Local consolidators	Cheap, fast, personally responsive, and strong on a handful of lanes	Spot slot buying and rollovers; release practice on copies and company indemnities is routine and undiscussed

In-house logistics of large shippers	Direct carrier contracts and no intermediary margin	No answer for LCL, and no leverage at all on a congested terminal
This NVOCC	Published free time, cause-coded daily clock, our own detention absorbed, no markup, absolute original-BL discipline	**Quotes a higher all-in number and refuses releases competitors grant in an afternoon**

> **The competitive difficulty is that our discipline shows up as friction and our saving shows up as an absence. A customer comparing quotes sees our freight rate, not the ₹1.35 crore of detention markup we did not add or the 156 containers of our own delay we absorbed. AND WHEN HE ASKS US TO RELEASE AGAINST A SCANNED BILL BECAUSE HIS BUYER'S BANK IS SLOW, THE COMPETITOR WHO SAYS YES LOOKS COMMERCIAL AND WE LOOK OBSTRUCTIVE — RIGHT UP UNTIL THE ONE TIME IT MATTERS.**

6. The Meter Runs on the Party Who Cannot Stop It

This is the finding, and it concerns a charge whose payer, whose cause and whose beneficiary are three different people.

Who	Position
Pays the detention and demurrage	**The shipper or consignee**
Causes most of it	**Terminal, customs, transporter**
Collects it	**The terminal and the line**
Can shorten it	**Not the payer**
Share the payer cannot instruct	**74%**

> **Demurrage is charged for a container sitting in the terminal beyond its free days and detention for a box held outside beyond its free days, and both accrue at roughly ₹3,200 a day whatever the reason. The customer paying them does not run the terminal, does not schedule the customs examination, does not own the trailer fleet and cannot make the vessel berth earlier. In Year 3, 1,960 of our 10,000 containers incurred a charge averaging ₹38,400 — ₹7.53 CRORE PASSED THROUGH, WHICH IS 66.3% OF THE ENTIRE GROSS PROFIT THIS BUSINESS EARNS.**

> **The cause coding is where the structure becomes visible. Port and terminal congestion accounted for 36%, a customs query or examination for 26%, and trailer availability for 12% — 74% CAUSED BY PARTIES THE PAYER HAS NO CONTRACT WITH AND NO MEANS OF INSTRUCTING. The consignee's own finance and paperwork caused 18%, which he genuinely controls, and our documentation or slot booking caused 8%. So the largest single item on many an import bill is generated almost entirely by people the payer has never met.**

> **And the incentive runs backwards, which is what makes it structural rather than merely unfair. Congestion caused 36% of the charge, and congestion is a condition of the very terminal that collects the demurrage — a yard that is full earns more from being full. NOBODY NEEDS TO ACT IN BAD FAITH: no terminal congests itself deliberately, and no line wants a slow port. It is simply that the only party with a financial reason to shorten the delay is the one party with no means of shortening it, and the parties with the means are indifferent or better off. The trade's own answer makes it worse — the standard NVOCC marks the pass-through up 18%, so the intermediary's revenue rises with the delay too.**

> **So the free time is published honestly and every day is coded to its cause while it is still running. A realistic free-time envelope by lane and port rather than the carrier's headline number; every detention day coded and published to the customer the day it accrues, including our own; no markup on any pass-through, forgoing ₹1.35 crore a year; and the 156 containers delayed by our documentation or slot booking absorbed entirely at ₹0.60 crore. Detention incidence fell from 28.4% of containers at intake to 19.6%, at ₹420 a container to run the desk. GENERAL RULE: WHERE A METER RUNS ON ONE PARTY AND THE VALVE IS HELD BY ANOTHER, PUBLISH THE FREE TIME HONESTLY AND CODE EVERY DAY TO ITS CAUSE.**

7. The Bill of Lading Is the Goods

The second thread is the control on the hazard the first one's remedy creates, and it concerns a piece of paper that is not evidence of the cargo but the cargo itself.

House bills of lading, Year 3	Count
Issued	31,000
Requests to release without an original	412
Released against a bank-countersigned indemnity	**74**
Released against a company indemnity or a copy	**0**
Refused, protecting cargo worth	**338; ₹62.19cr**

> **A negotiable bill of lading is a document of title: whoever holds the properly endorsed original is entitled to the goods, and the carrier who delivers to anyone else has converted somebody's property. The whole letter-of-credit chain rests on it — the buyer's bank holds the original precisely because it holds the cargo, and it releases the document when it is paid. DELIVERY WITHOUT PRESENTATION IS NOT A PAPERWORK LAPSE. IT IS THE CARRIER HANDING OVER GOODS THE BANK STILL OWNS, AND NO LIABILITY LIMIT IN ANY CONVENTION PROTECTS HIM FROM IT.**

> **Which is exactly the hazard the §6 remedy creates, and why the two threads belong together. Once we are absorbing our own detention and publishing our own delay days, we acquire a direct financial interest in getting every box released as fast as possible** — and the fastest release is always the one that does not wait for an original to arrive from a bank in another country. **THE PRESSURE ARRIVES DRESSED AS SERVICE: the consignee is genuine, the cargo is his, the original is genuinely in transit, the detention clock is genuinely running, AND SAYING YES COSTS US NOTHING NINETY-NINE TIMES OUT OF A HUNDRED.**

> **The hundredth time is a fraud or an unpaid seller, and there is no partial version of the error. Once the container is gone the bank's security is gone, the seller has shipped and not been paid, and we are liable for the full commercial value with no limitation available. 412 requests arrived in Year 3; 74 were met against a BANK-countersigned indemnity, which is a bank putting its own balance sheet behind the release, and 338 were refused. Not one was met against a company letter of indemnity, which is a promise from the person asking for the favour.**

> **So the control is a separate desk that does not report to operations, and it costs ₹0.38 crore and twenty-six customers a year. Five people hold the title function with authority to stop a release that operations, sales**

> **and the customer all want, and the rule is absolute rather than a matter of judgement — because a judgement rule under detention pressure is a rule that bends on the days it matters. THE POINT OF ABSORBING DETENTION IS THAT IT MAKES US FASTER; THE POINT OF THE TITLE DESK IS THAT THERE IS ONE THING WE ARE NOT ALLOWED TO GET FASTER AT.**

8. Operations Plan (book, consolidate, code, clear, release)

- **Book.** Contracted slot allocation on core lanes rather than pure spot, with a published free-time envelope by lane and port quoted at the time of booking.
- **Consolidate.** LCL cargo received, tallied, stuffed and manifested in our own CFS — 60,000 cubic metres into roughly 1,000 boxes at 60 cbm each.
- **Code.** Every detention and demurrage day coded to congestion, customs, transport, consignee or us, and published to the customer the day it accrues.
- **Clear.** Customs entry, examination handling, DGFT and FSSAI clearances, bond management and inland haulage to the door.
- **Release.** Against a surrendered original bill of lading or a bank-countersigned indemnity, decided by the title desk and by nobody else.

Step	What is recorded	Why
Cause-coded detention day	**Published daily, including our own delay**	**1,960 containers; ₹420 each to run**
Detention incidence	**Containers incurring any charge**	**28.4% down to 19.6%**
Markup on pass-through charges	On any lane, by any amount	nil; ₹1.35cr forgone
Our own delay days absorbed	**156 containers at ₹38,400**	**₹0.60cr**
Releases against a company indemnity or copy	**Decided by the title desk alone**	**0 of 412 requests**

> **The operational hinge is a Tuesday call from a good customer: 14 days of detention already accrued on four boxes of imported machinery, the original bills still with a bank in Hamburg, and a plant standing idle. Every further day costs him ₹12,800 across the four boxes and costs us the relationship, and he is unquestionably the owner of the cargo. Our title desk asks his bank for a countersigned indemnity; the bank takes two days and provides it; we release. The same week another customer with the same story cannot get his bank to countersign anything, which is the bank telling us — without telling us — that it does not regard him as entitled to the goods. WE REFUSED, HE MOVED HIS ACCOUNT, AND WE NEVER FOUND OUT WHAT THE SITUATION ACTUALLY WAS. THAT IS THE JOB: THE CONTROL ONLY WORKS IF IT ALSO CATCHES THE CASES YOU NEVER GET TO EXPLAIN.**

9. NVOCC, Customs and Carriage Framework (India)

Area	Requirement
Carrier status	**NVOCC registration with the Director General of Shipping and filing of the house bill of lading form; MTO registration under the Multimodal Transportation of Goods Act. We contract as carrier and perform as none of it — the slot, the box and the vessel all belong to somebody else**

Customs and clearance	Customs broker licence, CFS approval and bonds; entry filing, classification and valuation; DGFT, FSSAI and other participating-agency clearances under anchor rule (a), each running its own timetable
Detention and free time	**Free time and detention are contractual terms of carriage rather than statutory ones; regulatory attention has grown but the charge, its rate and its trigger remain matters between carrier and merchant, which is the whole of §6**
Title and delivery	The bill of lading as a document of title, delivery against surrender, letters of indemnity, and the carrier's unlimited exposure on misdelivery — the whole of §7
Capacity and cost	Under rule (f) slot allocation, berth windows and terminal capacity are physical constraints that look like commercial ones; under rule (h) ocean freight is dollar-priced, so a rupee move is a cost event on a book that is 76% bought-in
Commercial	Cargo liability, errors-and-omissions and NVOCC cover priced under rule (d) on our own record; GST on freight, handling and brokerage at differing treatment; FEMA on foreign remittances; Companies Act, EPF, ESI and TDS

What the framework reaches	What it does not
That a carrier is registered and a broker licensed	**Whether the party paying detention could have prevented it**
That delivery requires an original bill	**The commercial pressure that makes waiving it feel reasonable**
Customs valuation, classification and clearance	**The examination queue that generates 26% of the charge**

> **The framework does its job: it registers the carrier, licenses the broker, and makes the bill of lading mean what it says. NEITHER PROBLEM IN THIS PLAN IS A REGULATORY FAILURE. The first is that free time and detention are terms of a contract of carriage, and no regulator can sensibly price a delay whose causes sit with a terminal, a customs queue and a trailer fleet that are not parties to it; the second is that the title rule is exactly right and the pressure to bend it comes from the customer, not from the law. In both, the rule is sound and the incentive underneath it points somewhere else.**

10. Organisation & Manpower Plan

Function	Yr 1	Yr 3	Note
Operations, documentation and CFS	24	**54**	**Derived: 92,840 man-hours ÷ 1,733 = 53.6**
Customs brokerage staff	7	16	8,000 entries at a 44% margin
Sales and key accounts	6	14	26 accounts lost on releases to explain
Finance, credit and administration	5	11	Freight paid before settlement
Pricing, procurement and carrier relations	4	8	Contracted allocation under rule (f)
Detention desk and cause coding	2	**6**	**Every day coded and published daily**
Bill-of-lading control and title desk	2	**5**	**Does not report to operations**
IT and systems	2	4	EDI, house bills, detention tracking
Managing director	1	1	May not accept a company indemnity
Total	**53**	**119**	**₹6.02L average CTC; ₹7.16cr payroll**

Operations headcount is derived, not chosen	Working	Hours
LCL consolidation, tally, stuffing and house bills	**60,000 cbm × 0.55 hours**	**33,000**
Customs entries	8,000 × 2.4 hours	19,200
FCL bookings and documentation	9,000 TEU × 1.6 hours	14,400
Inland haulage and CFS coordination / project cargo	12,800 × 1.1 hours; 240 × 34 hours	14,080; 8,160
Detention cause-coding and daily publication	10,000 containers × 0.4 hours	4,000
Operations staff required	**92,840 ÷ 1,733 productive hours per person-year**	**53.6, staffed at 54**

> **The 76% productive factor is where rule (f) does its work. 285 available days at eight hours gives 2,280, but a documentation team spends a quarter of its time waiting for a carrier's confirmation, a customs query, a terminal slot or an examination that has been scheduled by somebody else. AND THE 4,000 HOURS SPENT CODING DETENTION CAUSES ARE THE CLEAREST EXAMPLE IN THIS PLAN OF WORK THAT NO COMPETITOR DOES AND NO CUSTOMER WAS ASKED TO PAY FOR.** Realisation is **₹6,463 a man-hour** on a book that is **76.0% bought-in**.

11. Implementation Timeline & Milestones

Phase	Months	Milestone
Registrations, funding and first team	0–9	NVOCC and MTO registration, customs broker licence, term loan, 53 staff
Title desk constituted before the first house bill is issued	0–4	**Independent of operations from day one, with authority to stop any release**
CFS, stuffing bays and yard equipment	6–16	Own consolidation capability; LCL is 36% of gross profit
Cause-coded detention clock live with the first container	0–6	**Published daily to customers before any competitor has been undercut on a freight rate**
Contracted slot allocation on core lanes	10–22	Rollover exposure reduced under rule (f)
Project cargo and out-of-gauge desk	20–34	240 shipments; planning-heavy and margin-stable

Milestone that must not slip	Why
The title desk before the first house bill	**An NVOCC that has released against copies for a year and then constitutes a title desk is asking its own staff to start refusing what they have been doing, to customers who were never told it was irregular**
Cause coding from container one	**Coding introduced later can only be applied forward, so the intake baseline that proves the 28.4% starting point is lost and the whole claim becomes an assertion**
No markup from the first invoice	A markup once taken is a price cut when removed, and the customer reads it as a concession rather than a policy

Contracted allocation before volume	Spot buying is cheaper until the first rollover, and a rollover starts a detention clock we would then be absorbing under our own rule

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions in Indian rupees, not forecasts or guarantees. Drivers are shown so every number can be changed.

12.1 Revenue build (₹ lakh)

Stream	Yr 1	Yr 2	Yr 3	Share	GM
FCL ocean freight, port to port and door	1,120	1,880	2,700	45.0%	9.0%
LCL consolidation and groupage	560	1,020	1,500	25.0%	27.0%
Inland haulage, CFS handling and container positioning	400	660	960	16.0%	22.0%
Customs brokerage and documentation	190	330	480	8.0%	44.0%
Project and out-of-gauge cargo	130	230	360	6.0%	18.0%
Total	**2,400**	**4,120**	**6,000**	**100%**	**18.9%**

> **FCL is 45% of revenue and 21% of gross profit; LCL and customs brokerage are 33% of revenue and 54% of it. Buying a whole container and selling cubic metres is the only part of ocean freight where an NVOCC earns a margin rather than a broker's spread, which is why the CFS is owned rather than hired. AN NVOCC WITHOUT A CONSOLIDATION CAPABILITY IS A RATE SHEET WITH A LIABILITY ATTACHED.**

12.2 What is committed, and what it is measured on

Commitment	Yr 1	Yr 3
Detention and demurrage days coded to cause and published the day they accrue	100%, 4,000 containers	**100%, 10,000 containers**
Containers incurring any detention or demurrage	28.4% at intake	**19.6%; 1,960 of 10,000**
Markup taken on any pass-through charge	nil	**nil; ₹1.35cr forgone**
Detention caused on our side, absorbed rather than billed	100%, ₹0.24cr	**100%, 156 containers, ₹0.60cr**
Releases against a company indemnity or a copy bill	0 of 168	**0 of 412 requests**
Accounts lost over a refused release	9, ₹0.62cr	**26, ₹1.84cr**

> **Row four is the one that makes the rest of it credible. Any forwarder can publish a cause code; the question a customer cannot otherwise answer is whether the code marked "our fault" is ever used. IT IS USED 156 TIMES A YEAR AND IT COSTS US ₹0.60 CRORE, WHICH IS THE ONLY REASON ANYBODY SHOULD BELIEVE THE OTHER 1,804.**

12.3 Profit & loss (₹ lakh)

Line	Yr 1	Yr 2	Yr 3
Revenue	2,400	4,120	6,000
Direct cost (slot and box purchase, terminal handling, inland transport, CFS, front-line payroll)	(1,953)	(3,344)	(4,865)
Gross profit	**447**	**776**	**1,135**
Detention desk, cause coding and daily publication to customers	(20)	(32)	(42)
Bill-of-lading control and title desk	(20)	(29)	(38)
Sales, key accounts and agency network	(78)	(118)	(152)
Pricing, carrier procurement and IT systems	(62)	(94)	(121)
Offices, CFS overhead, utilities and equipment hire	(46)	(68)	(88)
Cargo liability, E&O and NVOCC cover	(18)	(26)	(34)
Credit control, receivables and bad-debt provision	(24)	(36)	(46)
Administration, finance, statutory and management	(62)	(86)	(108)
EBITDA	**117**	**287**	**506**
Depreciation and amortisation	(42)	(54)	(68)
Finance cost	(44)	(62)	(84)
Other income (documentation fees, misc)	22	34	48
PBT	**53**	**205**	**402**
Tax (fully taxable business income, ~25%)	(13)	(52)	(101)
PAT	**40**	**153**	**301**
Net margin	1.7%	3.7%	**5.0%**
ROCE on ₹14.50cr	5.2%	16.1%	**30.2%**

12.4 Project cost & funding (₹ lakh)

Use of funds	₹L	%	Source of funds	₹L
Working capital margin (ocean freight paid before customer settlement)	522	36%	Promoter equity	508
CFS and warehouse fit-out, racking, stuffing bays and handling	261	18%	Term loan	435
Container fleet deposits, leasing security and positioning	203	14%	Working capital limit	435
IT, EDI, house bill-of-lading and detention-tracking systems	174	12%	Unsecured promoter loan	72
Trailers, reach stackers and yard equipment	145	10%	—	—
NVOCC registration, customs broker licence, bonds and deposits	87	6%	—	—
Preliminary, pre-operative and brand	29	2%	—	—

Contingency	29	2%	—	—
Total	**1,450**	**100%**	**Total**	**1,450**

12.5 Sensitivities (₹ crore PAT, Year 3)

Scenario	What changes	PAT
Base case as planned	As above	**₹3.01cr**
Trade-standard practice instead	Keep the 26 accounts lost over releases (+₹1.84cr revenue, +₹0.35cr), mark pass-through detention up 18% (+₹1.35cr), bill our own 156 delayed containers instead of absorbing them (+₹0.60cr), close the detention desk (+₹0.42cr), close the title desk (+₹0.38cr), cover at market (+₹0.16cr), thinner documentation with no second check (+₹0.72cr), buy slots purely spot and accept rollovers (+₹1.28cr), release on copies and company indemnities to keep boxes moving (+₹0.24cr), no EDI transparency feed (+₹0.18cr), thinner credit control (+₹0.22cr) — but carry wrongful-release and rollover claims (−₹0.66cr) and lose the LCL customers who chose us for the published clock (−₹1.20cr revenue, −₹0.32cr): **revenue ₹61.99cr at 24.1% gross margin**	**₹6.69cr**
Ocean freight rates collapse	**FCL sell rates down 30% (₹8.10cr) against buy rates down only 28% (₹6.88cr): ₹1.22cr off gross profit, and the commitments do not scale with the rate: revenue ₹51.90cr**	**₹2.10cr**
A wrongful-release claim cluster	**Despite the title desk, a forged original or a disputed endorsement: ₹1.46cr of claims and cover excess. Under §7 there is no liability limit available on misdelivery, which is why the desk exists**	**₹1.92cr**
A 45-day congestion event	Detention incidence doubles, our absorbed share doubles to ₹1.20cr and ₹0.38cr of customers churn; under rule (f) we control none of it	₹2.27cr
LCL volumes down 25%	The highest-margin line: ₹3.75cr of revenue at 27%, ₹1.01cr of gross profit: revenue ₹56.25cr	₹2.25cr

> **The trade-standard row is ₹6.69 crore against ₹3.01 crore, and the largest single line is ₹1.35 crore of markup on a charge we did not levy, did not cause and cannot reduce. Marking up a disbursement is universal, spot buying is efficient, and releasing against a company indemnity happens somewhere in every port in India every working day. THE FIRM THAT DOES ALL OF IT EARNS MORE THAN TWICE AS MUCH AND IS INDISTINGUISHABLE FROM US ON ANY DOCUMENT A CUSTOMER SEES — UNTIL THE DAY A CONTAINER IS RELEASED TO THE WRONG PERSON, WHICH FOR ANY PARTICULAR CUSTOMER IS NEVER.**

12.6 Volumes and unit economics (Year 3)

Physical driver	Volume	Realisation	Revenue
FCL TEU shipped	**9,000**	**₹30,000**	**₹2,700L**
LCL cubic metres consolidated	60,000	₹2,500	₹1,500L
Inland haulage and CFS moves	12,800	₹7,500	₹960L
Customs entries filed	8,000	₹6,000	₹480L

Project and out-of-gauge shipments	240	₹1.50L	₹360L
Containers moved (9,000 TEU + 1,000 LCL boxes at 60 cbm)	**10,000**	**31,000 house bills**	**₹6,000L**

Derived figure	Working	Result
Detention and demurrage passed through	**1,960 containers × ₹38,400 (12 days at ₹3,200)**	**₹7.53cr, 66.3% of GP**
Caused by parties the payer cannot instruct	**Congestion 36%, customs 26%, transport 12%**	**74%; ours 8%**
Our own delay absorbed / markup forgone	156 containers at ₹38,400; 18% of ₹7.53cr	₹0.60cr; ₹1.35cr
Cause-coding desk per container	**₹0.42cr over 10,000 containers**	**₹420**
Releases refused / cargo value protected	**338 of 412 requests, at ₹18.40L average**	**₹62.19cr**
Operations staff / realisation per man-hour	92,840 ÷ 1,733; ₹6,000L ÷ 92,840	53.6 at 54; ₹6,463

> **₹420 a container is what it costs to tell a customer why his clock is running while it is still running. The data exists — every terminal, customs and transport event is already timestamped in systems we already read. THE REASON NOBODY CODES IT IS NOT COST. IT IS THAT AN HONEST CAUSE CODE PUTS 8% OF THE CHARGE ON THE FORWARDER WHO PRODUCED THE REPORT, AND NO FORWARDER HAS EVER BEEN ASKED TO PUBLISH A NUMBER THAT INVOICES HIMSELF.**

13. Funding Requirement & Bankability

Item	Position
Requirement	**₹14.50cr**: ₹5.08cr promoter equity, ₹4.35cr term loan, ₹4.35cr working capital limit, ₹0.72cr unsecured promoter loan
Security	CFS fit-out, trailers and yard equipment; hypothecation of receivables; container deposits assigned; personal guarantee of the promoter
Debt service	Year 3 EBITDA ₹5.06cr against interest ₹0.84cr and scheduled repayment ₹0.72cr; DSCR 3.24x from Year 3
76% of revenue is bought before it is billed	**₹45.58cr of slot, box, terminal and haulage cost is incurred and largely paid before the customer settles, so 36% of project cost is working capital margin. A forwarder's insolvency is almost never a margin problem — it is a settlement-timing problem that arrives during growth**
Currency	Under rule (h) ocean freight is dollar-priced on a 76% bought-in book, so a rupee move is a direct cost event rather than a market one
What a lender should test	**Not the TEU count — the detention incidence trend and the count of releases against anything other than an original. The first says whether the operation is actually improving, and the second is the single exposure on this balance sheet that has no limit and no cover**

Year	EBITDA	Interest	Repayment	DSCR
Year 1	₹1.17cr	₹0.44cr	Moratorium	—
Year 2	₹2.87cr	₹0.62cr	₹0.52cr	2.52x
Year 3	**₹5.06cr**	**₹0.84cr**	**₹0.72cr**	**3.24x**

14. Risk Analysis & Mitigation

Risk	Impact	Mitigation
The meter runs on the party who cannot stop it	Detention and demurrage accrue at about ₹3,200 a container a day **against a payer who does not run the terminal, does not schedule the customs examination, does not own the trailers and cannot make the vessel berth earlier. 1,960 of 10,000 containers incurred an average ₹38,400 — ₹7.53cr passed through, 66.3% OF THE ENTIRE GROSS PROFIT THIS BUSINESS EARNS.** Cause coding shows congestion 36%, customs 26% and transport 12%: **74% CAUSED BY PARTIES THE PAYER HAS NO CONTRACT WITH AND CANNOT INSTRUCT**, against 18% he genuinely controls and 8% caused by us. **AND THE INCENTIVE RUNS BACKWARDS: congestion caused 36% and is a condition of the very terminal that collects the demurrage, so a full yard earns more from being full. Nobody acts in bad faith — the only party with a reason to shorten the delay is the only one with no means of doing it. The trade's own markup of 18% makes the intermediary's revenue rise with the delay too**	**PUBLISH THE FREE TIME HONESTLY AND CODE EVERY DAY TO ITS CAUSE. A realistic free-time envelope by lane and port rather than the carrier's headline; every detention day coded to congestion, customs, transport, consignee or US, and published the day it accrues — 10,000 containers at ₹420 each. NO MARKUP ON ANY PASS-THROUGH, forgoing ₹1.35cr a year, and the 156 containers delayed by our own documentation or slot booking ABSORBED at ₹0.60cr. Detention incidence fell from 28.4% of containers to 19.6%. GENERAL RULE: WHERE A METER RUNS ON ONE PARTY AND THE VALVE IS HELD BY ANOTHER, PUBLISH THE FREE TIME HONESTLY AND CODE EVERY DAY TO ITS CAUSE**
The bill of lading is the goods	A negotiable bill is a document of TITLE: **whoever holds the endorsed original is entitled to the cargo, and a carrier delivering to anyone else has converted somebody's property — with NO liability limit in any convention available to him.** The letter-of-credit chain rests on it, because the buyer's bank holds the original precisely because it holds the goods. **And this is the hazard the §6 remedy creates: once we absorb our own detention we acquire a direct financial interest in releasing every box as fast as possible, and the fastest release is the one that does not wait for an original from a bank abroad. THE PRESSURE ARRIVES DRESSED AS SERVICE — the consignee is genuine, the cargo is his, the original really is in transit, the clock really is running, AND SAYING YES COSTS NOTHING NINETY-NINE TIMES OUT OF A HUNDRED. The hundredth is a fraud or an unpaid seller, and there is no partial version of the error**	**A TITLE DESK THAT DOES NOT REPORT TO OPERATIONS, WITH AN ABSOLUTE RULE RATHER THAN A JUDGEMENT. Release only against a surrendered original or a BANK-countersigned indemnity — a bank putting its own balance sheet behind the release. A company letter of indemnity is never sufficient and no director may accept one. Of 412 requests in Year 3: 74 met against a bank indemnity, 338 REFUSED, 0 against a copy or company indemnity — protecting ₹62.19cr of cargo on a business earning ₹3.01cr. It costs ₹0.38cr and 26 accounts worth ₹1.84cr a year. The point of absorbing detention is that it makes us faster; the point of the title desk is that there is ONE THING WE ARE NOT ALLOWED TO GET FASTER AT**
Freight rate volatility	**FCL is 45% of revenue at a 9% margin; sell rates down 30% against buy rates down 28% is ₹1.22cr of gross profit and ₹2.10cr of PAT**	LCL at 27% and brokerage at 44% are 33% of revenue and 54% of gross profit; contracted allocation fixes part of the buy side; quote validity kept short on volatile lanes
Congestion and capacity	**Under rule (f) slots, berths and terminal capacity are physical constraints we do not control; a 45-day event doubles absorbed detention to ₹1.20cr and costs ₹2.27cr of PAT**	Contracted allocation on core lanes rather than spot; alternative port and ICD routings pre-approved; the cause-coded clock is itself the customer-retention tool during congestion, because it tells him it was not us

Working capital and settlement	76% of revenue is bought and largely paid before the customer settles; growth widens the gap	₹5.22cr of margin and a ₹4.35cr limit sized to a shipment cycle; credit control at ₹0.46cr with stop-supply thresholds; advance terms on project cargo
Customs, DGFT and participating agencies	Under rule (a) each clears separately and a query generates 26% of all detention days	Sixteen brokerage staff and pre-filed entries; classification reviewed before shipment on repeat cargo; examination-prone commodities flagged at booking so free time is quoted realistically
Currency and liability	Under rule (h) dollar-priced freight on a rupee book; NVOCC carrier liability on our own house bills	Rate validity and bunker adjustment passed through in the terms of carriage; cargo liability, E&O and NVOCC cover above market under rule (d)

15. SWOT Analysis

Strengths	Weaknesses
The only cause-coded detention clock published daily; incidence down from 28.4% to 19.6%; no markup on any pass-through; our own 156 delayed containers absorbed; an independent title desk with 0 releases against a copy; own CFS carrying 36% of gross profit	5.0% net margin; commitments cost ₹3.26cr against ₹3.01cr of PAT; 76% of revenue is bought-in; 26 accounts a year lost on refused releases; the saving is invisible and the friction is not
Opportunities	**Threats**
Shippers who have been billed detention for a congestion event they could not have avoided; regulatory attention on free time and detention; LCL growth among mid-size exporters; project cargo margin stability	Rate collapse; congestion; a wrongful-release claim with no liability limit; carriers selling direct; and the structural fact that a customer only values the title desk on the one day it saves him

> **The honest summary is that this NVOCC declines the industry's most reliable margin — a markup on somebody else's penalty — and refuses releases its competitors grant the same afternoon. It is paid for by LCL consolidation, by customs brokerage at 44%, and by shippers who have once received a detention invoice nobody would explain. THE BET IS THAT A CUSTOMER WHO HAS PAID ₹38,400 A BOX FOR A TERMINAL'S CONGESTION, AND BEEN CHARGED A MARKUP ON IT, WILL PAY A HIGHER FREIGHT RATE TO THE ONE FORWARDER WHOSE REPORT SAYS "OUR FAULT" A HUNDRED AND FIFTY-SIX TIMES A YEAR.**

16. Recommended AiSevak Tools for This Business

- **Business plan and project report generator** — for a working capital limit sized to a shipment cycle on a 76% bought-in book.
- **Compliance calendar** — NVOCC and MTO registration, customs broker licence, CFS approval and bonds, remembering rule (a) that customs, DGFT and participating agencies clear on separate timetables.
- **Cost and pricing calculator** — buy-versus-sell by lane, cost per cubic metre in a consolidated box, detention exposure by lane, and an all-in quote that shows free time explicitly.
- **GST and invoicing helper** — freight, handling and brokerage at differing treatment, place of supply on international movements, and pure-agent treatment of customs duty.
- **Labour and payroll toolkit** — operations headcount derived from man-hours at a realistic productive factor, CFS shift rostering, EPF and ESI.

- **Contract and terms drafting helper** — house bill-of-lading terms, the free-time and cause-coding undertaking, the no-markup clause, and the bank-countersigned indemnity policy.
- **Loan and subsidy application helper** — CFS and multimodal infrastructure incentives, and a limit sized against settlement timing rather than turnover.

> Every tool above is **free to use on AiSevak and needs no signup to explore.** The toolkit link at the end of this plan opens the whole maritime set.

17. Key Assumptions & Notes

- **All financials are illustrative model assumptions, not forecasts, projections or guarantees.** Revenue, TEU and cubic metres, freight rates, detention incidence and cause shares are editable inputs; outcomes depend on ocean rates, port congestion, customs throughput and the rupee. Figures are in Indian rupees. **This plan is the third in vertical 58 and inherits the ten maritime anchor rules (a)–(j) from §17 of the ship-repair yard plan — in particular (a) three authorities, since customs, DGFT and participating agencies each clear on their own timetable and a query generates 26% of all detention days; (f) capacity is a berth and a slot, which is why 36% of the charge is congestion we do not control; and (h) ocean freight is dollar-priced on a book that is 76% bought-in, so a rupee move is a cost event rather than a market one.**
- **The central finding is that the meter runs on the party who cannot stop it.** Detention and demurrage accrue at about ₹3,200 a container a day against a payer who does not run the terminal, schedule the examination, own the trailers or control the berthing. **1,960 of 10,000 containers incurred an average ₹38,400 — ₹7.53 crore passed through, which is 66.3% of the entire gross profit this business earns.**
- **The cause coding is what makes the structure visible.** Congestion 36%, customs query or examination 26%, transport and trailer availability 12% — **74% caused by parties the payer has no contract with and no means of instructing** — against 18% caused by the consignee's own finance and paperwork and 8% by us. **And the incentive runs backwards: congestion is a condition of the very terminal that collects the demurrage, so a full yard earns more from being full, and the trade's own 18% markup means the intermediary's revenue rises with the delay too. Nobody acts in bad faith; the only party with a reason to shorten the delay is the only one with no means of doing it. GENERAL RULE: WHERE A METER RUNS ON ONE PARTY AND THE VALVE IS HELD BY ANOTHER, PUBLISH THE FREE TIME HONESTLY AND CODE EVERY DAY TO ITS CAUSE.**
- **The remedy is a published envelope and a coded daily clock.** A realistic free-time envelope by lane and port rather than the carrier's headline number; every day coded and published to the customer the day it accrues, including our own; **no markup on any pass-through, forgoing ₹1.35 crore a year; and the 156 containers delayed by our documentation or slot booking absorbed entirely at ₹0.60 crore. Detention incidence fell from 28.4% at intake to 19.6%, at ₹420 a container to run the desk.**
- **The second thread is that the bill of lading is the goods, and it is the control on the hazard the first remedy creates.** A negotiable bill is a document of title: whoever holds the endorsed original is entitled to the cargo, **and a carrier who delivers to anyone else has converted somebody's property, with no liability limit in any convention available to him. Once we absorb our own detention we acquire a direct financial interest in releasing every box fast — and the fastest release is the one that does not wait for an original from a bank abroad. The pressure arrives dressed as service, and saying yes costs nothing ninety-nine times out of a hundred.**
- **So the control is an independent title desk with an absolute rule.** Release only against a surrendered original or a bank-countersigned indemnity; a company letter of indemnity is never sufficient and no director may accept one. **Of 412 requests in Year 3, 74 were met against a bank indemnity, 338 were refused and 0 were met against a copy or a company indemnity — protecting ₹62.19 crore of cargo on a business earning ₹3.01 crore. It**

costs ₹0.38 crore and 26 accounts worth ₹1.84 crore a year. The rule is absolute rather than a matter of judgement, because a judgement rule under detention pressure bends on the days it matters.

- **Volumes, unit economics and headcount.** 9,000 TEU at ₹30,000, 60,000 cubic metres at ₹2,500, 12,800 inland moves at ₹7,500, 8,000 customs entries at ₹6,000 and 240 project shipments at ₹1.50 lakh — ₹60.00 crore across 10,000 containers and 31,000 house bills, of which ₹45.58 crore is bought-in. **Operations headcount is derived, not chosen: 92,840 man-hours ÷ 1,733 productive hours per person-year = 53.6, staffed at 54**, built from LCL consolidation at 0.55 hours a cubic metre, customs at 2.4 hours an entry, FCL at 1.6 hours a TEU, inland at 1.1, project at 34 and cause coding at 0.4 hours a container. **The 76% productive factor is rule (f) again — a documentation team spends a quarter of its time waiting on a carrier, a customs query or a terminal slot scheduled by somebody else.** Realisation ₹6,463 a man-hour; 119 staff at ₹6.02 lakh average CTC.
- **Compliance and professional advice.** NVOCC registration with the Director General of Shipping and house bill-of-lading filing; MTO registration under the Multimodal Transportation of Goods Act; customs broker licence, CFS approval and bonds; entry filing, classification and valuation with DGFT, FSSAI and participating-agency clearances under rule (a); free time and detention as contractual terms of carriage; the bill of lading as a document of title, delivery against surrender, letters of indemnity and unlimited exposure on misdelivery; cargo liability, E&O and NVOCC cover under rule (d); GST on freight, handling and brokerage with pure-agent treatment of duty; FEMA on remittances; Companies Act, EPF, ESI and TDS. **Note the structural point: neither problem is a regulatory failure — free time and detention are terms of a private contract of carriage, and no regulator can sensibly price a delay whose causes sit with a terminal, a customs queue and a trailer fleet that are not parties to it; while the title rule is exactly right and the pressure to bend it comes from the customer rather than the law.** Professional advice should be taken on house bill-of-lading terms, indemnity policy, detention and free-time clauses, and NVOCC liability cover.

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Every tool referenced in this plan is available on **aisevak.in**. Open the **Shipping, Ports and Marine Services toolkit** to browse and use them all at **https://aisevak.in/verticals/maritime** — or go straight to any specific tool at **https://aisevak.in/service/<tool-name>**. No signup needed to explore; each tool guides you step by step.
