

Callidus News

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Salvage: Disaster Response & Wreck Removal



The term Salvage finds its origins from the French or Medieval Latin word "salvadium", and in Latin from the word "salvare" meaning to save. It essentially means the rescue of a wrecked or disabled ship or its cargo from loss at sea.

Timely response is a key factor in salvage operations. The circumstances warranting salvage could range from accidents such as collisions, running aground, human error and the curtailment of its consequential effects like oil spillage, environmental impacts, navigational hazards, safety of the crew or passengers etc. Hence coastal states need to be equipped to handle such situations, if need be and promptly respond, attend and manage such situations.

The burden of cost in relation to salvage operations is usually on the account of the vessel owner or his insurer. The recourse to engage salvors burdens the owner with a lot of crucial and eminent decisions, which will need to be deliberated and acted upon swiftly.

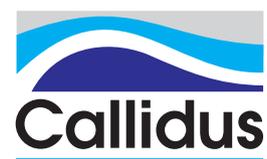
Under Common Law the concept of salvage was initially established by the English Admiralty Court, and is defined as "a voluntary successful service provided in order to save maritime property in danger at sea, entitling the salvor to a reward"; this definition was further refined by the International Convention on Salvage, 1989. The reward to a successful salvor is usually a proportion of the total value of the vessel and its cargo.

Most salvage undertakings are based on some form of contract between the salvors and the ship owners. While certain contracts reward the salvor only for a successful salvage operation, ie No Cure, No Pay basis; contracts can also be entered into for an unsuccessful salvage attempt. The most widely and internationally used contract for salvage is the Lloyd's Standard Form of Salvage Agreement (universally known as Lloyd's Open Form, or LOF). The form originated in the late 1800s, and was standardized in 1902. There have been several revisions to the form since



*"Great minds discuss ideas;
Average minds discuss
events; Small minds discuss
people"*

-Eleanor Roosevelt



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Salvage operations are an expensive affair, till date the costliest and largest wreck removal was

undertaken in relation to the cruise vessel, 'Costa Concordia' which ran aground off the coast of Italy. The wreck was removed between 2012-2014 costing USD 1.3 billion.

Apart from the cost factor, there are other challenges faced during wreck removals. In the recent past, newly built vessels have drastically increased in size and volume, this not only push up the cost for salvage operations but poses practical obstacles, as salvage operators are not suitably equipped to handle such wrecks. Thanks to media hype environmental organizations also show keen interest and exert pressure on wreck removal, closely monitoring the situation for any non-compliance or violation. It is also pertinent to note that a significant number of instances causing such disasters stems out of human error, hence taking preventive measures such as proper training to seafarers can go a long way.

At the end of the day, we must bear in mind that the rising cost of wreck removal to insurers or underwriters is eventually borne by ship-owners, who are left with no choice but to increase their operating costs; therefore proper management of wreck removal is significant to minimize cost and liability.

GST- The New Step Forward For The Indian Economy



Goods and Services Tax (GST) is by far one of the most awaited tax reforms in the country, which will change the face of the Indian Economy. GST is an indirect tax reform which aims to remove tax barriers between states and create a single market in the country. Once this happens, the tax barriers between states, and centre and states will disappear. Right now, there are multiple taxes across state borders, which results in increased costs and complicated economics. GST is expected to address this issue and have a favourable outcome on the Indian Economy resulting in the economic unification of India.

The underlying principle of GST is to tax goods at the point of consumption rather than production. The consumers would be benefitted, since this would eliminate double taxation. All taxes that are levied while purchasing goods will include both the central government's taxes as well as the state government's taxes, making the whole exercise transparent.

There will be two components of GST i.e Central Goods and Services Tax (CGST) and State Goods and Services Tax

(SGST). Both Centre and States will simultaneously levy GST. Tax will be levied on every supply of goods and services. Centre would levy and collect CGST and States would levy and collect SGST on all transactions within a State. The CGST and the SGST would be levied simultaneously on every transaction of supply of goods and services except on exempted goods and services. In case of inter-state transactions, the Centre would levy and collect the Integrated Goods and Services Tax (IGST) on all inter-state supplies of goods and services. The IGST would roughly be equal to CGST plus SGST.

GST would make life easy for the businesses because of easier compliance and easier filing of returns, tax payment and refund process. The manufacturers will be benefited as it will

reduce the tax that levied on them. A system of seamless tax-credits will lead to minimal cascading of taxes, thus reducing hidden costs during trade. It will reduce the cost of locally manufactured goods and services, which will increase competitiveness of Indian goods in International Markets and thus boost exports from India. GST will ensure that the process of getting tax incentives is streamlined and made easier for the stakeholders. In addition, the GST is also likely to expedite the process of getting various refunds for exporters, thereby boosting the overall economy of the nation. As far as imports are concerned, the Import of goods and services will be treated as inter-state supplies and the same will be subjected to levy of IGST. However, the imports shall continue to attract Basic Customs Duty. The states where the imported goods are consumed will now gain their

share from the IGST paid on imported goods. The Upper and Lower Houses of Parliament have passed the GST Bill. Now, the state assemblies would have to consider and pass their respective State GST (SGST) law before its introduction in Parliament for approval.

Since GST replaces many cascading taxes, the common man may benefit after implementing it. But it all depends on what rate the GST is going to be fixed at? The implementation of the Bill is expected to ease India's cumbersome tax system, help goods move seamlessly across state borders, curb tax evasion, improve compliance, increase revenues, spur growth, boost exports, and attract investments by improving ease of doing business in India. GST is indeed a big step towards making India a unified market.

TIPS & HOT NEWS

10 Best Ways To Save Water

As our population grows, it means water resources will become even more stretched. In addition, the more water that is used by people, the less there is for our environment. Reducing water waste helps protect wildlife and saves energy needed for treating &

pumping water for use in our homes. So it's more important than ever we use water carefully and don't waste it. Here are ten easy ways you can do your bit to save water.



➤ Turn off the taps

Leaving a tap running while brushing teeth uses 6 litres of water a minute. And by fixing a dripping tap you can save over 60 litres of water a week.

➤ Boil what you need

Only boil as many cups of water as you need for yourself or your tea round - you'll be saving water, money and energy.

➤ Shower with less

It's easy to linger in the shower when you're sleepy in the morning - four-minute timers can help. And switching to an efficient shower head will allow you to lather up in less water.

➤ Save up your dirty clothes

Washing a full machine load of clothes uses less water and energy than 2 half-loads. This means lower bills as well.

➤ Get a low-flush toilet

The average household flushes the loo 5,000 times per year. Modern dual-flush systems use just 6 litres - or 4 with a reduced flush - much less than the 13 litres for each old-style single flush.

➤ Eat less meat

Rearing animals for meat and dairy is incredibly water-intensive. By cutting down on the amount of meat you eat, you could slash your water use

drastically.

➤ Steam your veggies

As well as using less water than boiling, steaming retains more nutrients. If you do boil, try adding the water used as a tasty stock to soups. Or let it cool and use it to water house or garden plants.

➤ Reduce food waste

It takes a lot of water to produce our cereal, fruit and other food. So plan a week's menu and go shopping with a list. Check use-by dates so you don't suddenly have to throw stuff out. Use leftovers to create new meals. This will help you waste less food.

➤ Time your gardening

Water outdoor plants in the early morning or at the end of the day. This stops water evaporating straight away in sunlight and heat. Also, water onto the soil rather than leaves. This makes sure the liquid goes straight to the roots, where it's needed.

➤ Catch rainwater

Installing water butts saves you turning on the tap to water the garden - saving up to 5,000 litres of water a year. And your plants will thank you for rainwater rather than treated tap water. You can also cut water use by 33% by watering plants manually instead of using automatic sprinklers.

Still not convinced? Consider this:

Having a shower, cooking your dinner and flushing the loo all add up to an average of **150 litres** daily for every individual. But if you take into account all the water needed to produce all the food and products we use, we actually get through a whopping **4,645 litres** every day.

China's first big passenger plane takes off for maiden flight

China's first large domestically made passenger aircraft has completed its maiden flight, mounting a major challenge to Boeing and Airbus.

After about 90 minutes in the air the plane landed safely back at Pudong airport in Shanghai. The plane is a key symbol of Beijing's soaring ambitions to enter the global aviation market.

Made by state-owned firm Comac, it has been in planning since 2008 but the flight was repeatedly pushed back.

For Friday's maiden flight, the plane carried only its skeleton crew of five pilots and engineers and took off in front of a crowd of thousands of dignitaries, aviation workers and enthusiasts. Ahead of the flight, state television said the plane would fly at an altitude of only 3,000m (9,800 feet), some 7,000m lower than a regular trip, and reach a speed of around 300km/h (186mph). The C919 is designed to be a direct competitor to Boeing's 737 and the Airbus A320.

In an interview carried out in March but released in Chinese television shortly before the launch, test pilot Cai Jun said he had full confidence in the plane.

"A pilot knows clearly the condition of a plane. He knows very well whether it will work. So I'm not afraid at all, but focusing more on whether the plane is in its best shape now," he said.

He also described halting an earlier taxiing test in late 2016 because of a problem with the brakes. "It's just like driving a car. I put the brakes on, and the plane started to shake," he said.

He said he had had to argue with the plane's engineers help refine the design.

"For the designers, the plane is their baby, which they believe is perfect. But our task is to tell them that their baby is not perfect, it has strengths and weaknesses, and they have to make improvements," the pilot said.

The plane still relies on a wide array of imported

technology though, it is for instance powered by engines from French-US supplier CFM International.

Orders have already been placed for more than 500 of the planes, with commitments from 23 customers, say officials, mainly Chinese airlines. The main customer is China Eastern Airlines.

Europe's aviation safety regulator has started the certification process for the C919 - a crucial step for the aircraft to be successful on the international market.

China has had ambitions to build its own civil aircraft industry since the 1970s, when leader Mao Zedong's wife, Jiang Qing, personally backed a project.

But the Y-10, built in the late 1970s, was impractical due to its heavy weight and only three of the aircraft were ever made.

It's estimated that the global aviation market will be worth \$2tn (£1.55tn) over the next 20 years.

-BBC



A fully integrated software, which can revolutionise your operations

a trusted companion for shipping and logistics

General features of the software include

- Facility to manage Multi company/ division or branch activities
- Portal enabled system
- Easy online help available with each module.
- Customisable theme settings
- Customizable reports
- Electronic authorization and document processing
- User/ Group level security features
- Transaction based audit trail
- Data transfer facility (EDI)
- Customizable parameters

Modules include

- Finance and Fixed Assets
- WHIMS (Warehouse Inventory Management)
- HRMS
- Payroll
- Freight Forwarding
- General Module
- WEWMS (Web enabled warehouse management system)

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