



Students' Corner - 148

Blue economy - Wave 3

(Series on "Blue Economy" By Capt Gajanan Karanjikar)



Consistent proper inventory is a sure way to a successful enterprise.

The next driver of the supply chain we are going to study is Inventory.

When we were discussing the ingredients of logistics we spent some time on Inventory and we have dealt with the basic facts of inventory; however, for contextual propriety, we will see briefly the aspects of inventory.

Managing to have all things you need for your product available for use is the goal of inventory; here, 'to have' is a very significant phrase. To have in excess to the need is unproductive expenditure and to have less, inefficient business. Pile of inventory in disproportion to the need and lack of inventory when you need are not good strategic stand.



Checking Inventory

Inventory includes all the raw materials you need for the production, the finished products ready for distribution to the customers, and the work-in-process, that is, incomplete products—all these come under inventory. And the main objective of Inventory is, as already said, to keep all the necessary things available in necessary quantities, to contribute to the efficiency of the supply chain management.

An efficient supply chain makes the best use of its all resources like human, technological and financial. The best use of resources implies minimum cost at every level of commercial management like purchase of raw materials and minimum time spent in every business-activity. In other words, there is minimal wastage of the resources. It means the cost of production as a whole is low thereby giving room for more profit.

Of course, there is effective supply chain network also and both are not the same but different. Again, there are three types of inventory: Cycle inventory, Seasonal inventory and Safety inventory. We will begin our next session with the difference between the efficient supply chain and effective supply chain; then we will move on to deal with the types of inventory.



In the past article we have seen that the how oceans have been contributing to Human life in general as being the fundamental source of resources to human history. In the past 2- 3 decades with industrial revolution taking a greater leap, this very oceanic resource has been abused and the entire ecosystem is put into danger zone. WWF report says that oceans create foods and services worth \$2.5 trillion each year. The value of ocean could just be immeasurable.

In this article we are going to look at Indian Ocean – since we are essentially talking about Indian blue Economy. You would appreciate as the articles unfold, we will have a definitive plan in the end as to **"how to link this Blue (Indian) economy to National grid and make it contribute to National economy."**

Indian Ocean:

Indian Ocean is called as Indian Ocean region (IOR), located very strategically. The Region is called a life line of international trade and commerce. Because of its sheer connectivity to most-developing-nations who are the future leaders of the world. The IOR commands lot of respect over the other regions and also gets into a position of central policy making by the surrounded countries. The trade and commerce of the surrounding nations cannot be discussed without discussing the Indian Ocean contributions. It has lot of sub regions ASIA, SOUTHEAST ASIA, EAST AFRICA etc and own regional groupings ASEAN, SAARC, GCC and SADC etc due to its diversity in culture, population, regional development, language and trade practices and geographical positions.

Since we are travelling through times to explore concept, let's look at the Historical

connection of Indian Ocean with India and other countries of the region. This understanding of History is very fundamentals which will accord sustainability to the Blue economy. As put in by Dr. Gunter Pauli, Blue Economy is based on the idea to use locally available resources and employ renewable inputs, for example, "ocean-as-a-resource" that addresses the problems of resource scarcity and **enables sustainable development.** **"Sustainability" is the key issue here.**

The **Indian Ocean** is the third-largest of the world's oceanic divisions, covering 70,560,000 km² (27,240,000 sq mi) (19.8% of the water on the Earth's surface). It is bounded by Asia on the north, on the west by Africa, on the east by Australia, and on the south by the Southern Ocean or, depending on definition, by Antarctica.

As referenced in Online entomology dictionary, the Indian Ocean is named after India (Oceanus Orientalis Indicus) from 1515. India was the Greek/Roman name for the "region of the Indus River".

Also Called as the Sindhu Mahasagara or the great sea of the Sindhu by the Ancient Indians, this ocean has been variously called HINDI Mahasagar or Hindu Ocean, Indic Ocean, etc. in various languages. The Indian Ocean was also known earlier as the Eastern Ocean, a term was still in use during the mid-18th Century. Consequently, when China explored the Indian Ocean in the 15th century they called it the "Western Oceans" as it was on their west.

In Ancient Greek geography the region of the Indian Ocean known to them was called the Erythraean Sea.

The emergence of Indian Ocean took place due to the continental drift which pushed away all the major continents and states to their current positions and paved way for an enclosed Ocean in between.



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The history of the Indian Ocean is marked by maritime trade; cultural and commercial exchange probably dates back at least seven thousand years. Human culture spread early, on the shores of the Indian Ocean and was always linked to the cultures of the Mediterranean and Persian Gulf. Before 2000 BCE, however, cultures on its shores were only loosely tied to each other; bronze, for example, was developed in Mesopotamia 3000 BCE but remained uncommon in Egypt before 1800 BCE. The début of maritime trade network was not the achievement of a centralised or advanced civilisation but of local and regional exchange in the Persian Gulf, the Red Sea, and Arabian Sea. The Sumerians traded grain, pottery, and bitumen (used for reed boats) for copper, stone, timber, tin, dates, onions, and pearls. Coast-bound vessels transported goods between the Indus Valley Civilisation (2600–1900 BCE) in the Indian subcontinent (modern-day Pakistan and Northwest India) and the Persian Gulf and Egypt.

(To be continued...)

