

Shipping Industry Updates

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Effects of Recession:

No respite for Indian shippers in '09 on low oil, demand

A drop in tanker freight rates and weak oil is likely to hurt Indian shippers in the next few quarters and profitability will be under pressure as rates may not touch the 2008 peaks very soon, officials said. On an average, freight rates of tankers, a cargo ship used to carry crude oil and liquids, have fallen about 40-60 percent over last year.

More

PE funding dips as freight trade declines

The slump in freight trade is causing a series of troubles to the country's shipping and logistics sector. The latest is the significant dip in private equity (PE) investments. During the financial year 2008-09, PE investments in these sectors have dropped by a mammoth 63%. The number of PE deals has nearly halved, reducing from 26 to 12 during this period.

More

Inefficiency thwarts traffic growth in major Indian ports

Concerned by the sharp decline in traffic growth in major Indian ports last year, the Union Shipping Secretary APVN Sarma had anticipated bleak growth prospects for the sector in the current financial year. His prediction seems to ring true given that industry experts to see slim chances of traffic revival in the next couple of months.

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Shipbuilding hub coming up on Narmada's banks

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Shrinking cargo volumes hasten older boxships' voyage to scrapyards

Shrinking cargo volumes for older containerships have reportedly resulted in more tonnage than ever heading for scrapyards during the four months of 2009. Fifty-two cellular ships totalling 91,000 TEUs have been removed from the global fleet, taking the total number of laid-up ships to over 200,000 TEUs for the first time in 2009 with the older ships being sent for demolition first.

[More](#)

Growth, Expansion and Developments:

STX wins order for naval test ship

STX Offshore & Shipbuilding of South Korea announced on May 18th that it has received an order for a next generation naval test ship from Agency for Defence Development (ADD) for some KRW 43bn (\$33.8m).

[More](#)

Mercator Reports Impressive Growth in Revenue & Profits for the financial year 2008-09.

Mr. H. K. Mittal, Executive Chairman, of Mercator Lines Limited said, "We are happy to announce financial results for FY2009. Despite a weak economic environment and depressed freight rates, Mercator has delivered a good set of results, reaffirming that our strategy of having long term contracts for a large part of our capacity".

[More](#)

Bharati's Dabhol Shipyard acquires floating dock from Swan Hunter

Bharati Shipyard Ltd, one of the largest private sector shipyards in India, has announced the arrival of the world-class 16,000 - ton lift capacity floating dock along with balance Machinery and equipments of the Swan Hunter Shipyard at its Dabhol Greenfield yard in Maharashtra.

[More](#)

Gati Coast to Coast launches Tuticorin-Colombo feeder with m.v. Gati Pride

Gati Coast To Coast's newly-acquired 442-TEU vessel that was delivered in

approaching tsunami, storms

Maersk Line makes Mundra Port acceptance point for Gujarat & Rajasthan cargo

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DCI wins NM Port's dredging contract

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Ananda Shipyard exports 8th ship Thursday

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IMO's new convention on

January this year, m.v. Gati Pride, made her maiden call here on May 14 to launch Gati's feeder service between Tuticorin and Colombo. The service makes two calls per week (every Monday and Thursday) at Tuticorin.

More

Rituals done, work on Mumbai Port's offshore box terminal gets off the mark

In a major step towards the development of an ambitious and long-proposed project, the foundation stone (bhumi puja)—signaling the commencement of work—for the Indira Container Terminal (ICT), Mumbai Port Trust's (MbPT) offshore container terminal, was laid at the Mumbai Port here today (May 27). The rituals were performed by Mr. Rahul Asthana, Chairman of MbPT, and Dr. Antonio P. Passaro, CEO of Indira Container Terminal Pvt. Ltd (ICTPL).

More

St. John Container Lines to launch weekly fixed-day Chennai-Colombo-Chennai feeder service

St. John Container Lines Pte Ltd, Singapore, a subsidiary of St. John Freight System. Ms. Ltd, Tuticorin, will launch a regular fixed-day feeder service between Chennai and Colombo. M.v. St John Grace, the first vessel of the new service, will make her maiden call at the new container terminal at Chennai on June 4.

More

ICT's immense logistical advantages & slew of cost-effective solutions highlighted

The trade will be able to save an overall 20 per cent in logistics costs from the Indira Container Terminal's (ICT—the proposed offshore container terminal at Mumbai Port) partnerships with Dharamtar port and CWC Logistics Park/Hind Terminals, according to Dr. Antonio Passaro, Chief Executive Officer of Indira Container Terminal Pvt. Ltd (ICTPL).

More

Greatship takes delivery of AHTSV

Greatship (India) Ltd, a wholly-owned subsidiary of Great Eastern Shipping Co. Ltd, has taken delivery of Greatship Asmi, an 80-tonne anchor handling

ship recycling in sight

China Navigation
acquires Tasman Orient
Line in entirety

Ship-owners now paying
for fuel to carry Gulf oil to
US

YML, OOCL upgrade CPX
service with Nhava Sheva
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Maersk Line announces
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Govt considering Rs
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Rs 16.63 crore sanctioned
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Higher freight & charter
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Shipping Minister is G. K.
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Bharati Shipyard to make
open offer to acquire
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Bulk shippers Draw cheer
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Spanish naval frigate
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tug cum supply vessel (AHTSV). The vessel was built at Labroy Shipbuilding and Engineering Pte Ltd (part of the Drydocks World Group) at its facilities in Batam, Indonesia.

[More](#)

Zoom Developers allowed to bid for Vizhinjam port project

Following the Supreme Court order, the Kerala Cabinet has decided to allow Zoom Developers to participate in the tender process of the Rs 5,348-crore Vizhinjam port project.

[More](#)

Noble consortium to build iron ore berth at Paradip Port

The Paradip Port Trust (PPT) has issued a letter of acceptance to the consortium led by the Hong Kong-based Noble Group's proposal to develop and operate the Rs 591-crore iron ore berth. The consortium is made up of the Noble Group, Gammon Infrastructure and MMTC.

[More](#)

VPT chief spells out Port's upgradation plans

The Visakhapatnam Port Trust (VPT) has merged with the Dock Labour Board (DLB) for streamlined operations, said Mr. Ajeya Kallam, Chairman of VPT. Addressing a press conference here, the Chairman disclosed that the Port had handled 63.9 million tonnes of cargo during 2008-09, as against 64.59 million tonnes handled during 2007-08.

[More](#)

ABG entities issued letter of intent to equip & operate two berths at Haldia Dock

The Kolkata Port Trust (KoPT) has issued a letter of intent (LoI) to ABG Infralogistics and ABG Kolkata Container Terminal Pvt. Ltd for equipping and operating two berths—2 and 8—at Haldia Dock, KoPT sources said. The issuance of LoI is the first step to awarding the contract.

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GE Shipping Q4 net down 16% to Rs 250cr

Work at Haldia Port halted due to protests

Sealand sells stake in Gateway Distripark

Manning scales implementation puts Major Port workers on edge

IES awards Gold Medal to PPT for contribution to economy

Gujarat maritime police to get bullet-proof vessel

VSAA takes initiative to hold shipping & logistics awards function

A short tailwind for shipping

Welfare schemes to offer solace to seafarers at ports

Britannia Steam Ship seminars draw excellent response

Promoters may look to delist Essar Shipping

Evergreen Line's 1st vessel calls at ACT as part of Asx service

Orissa to develop Barunei port by inviting bids

The Orissa government has reportedly decided to develop the Barunei port through the bidding process. Arcelor Mittal, the world's largest steel maker, had recently made a presentation to the state government that it wanted to set up a captive port at Barunei, near Paradip Port.

More

Cargoplan partners Multi-Link in India-US trade lanes

Multi-Link Container Line LLC, the NVOCC division of the Kesco Group of Companies, US, has joined hands with Cargoplan International, the subsidiary of Colombo-based Freight Links International, to play a larger role in India-US trade lanes.

More

Vallarpadam transhipment project spurs investor interest in Kerala

The upcoming International Container Transhipment Terminal (ICTT) at Vallarpadam is attracting large-scale investments and developmental activities to Kochi and its neighbourhood in Kerala. Positioned as India's first international transhipment hub, the facility is slated to flag off its operations after completion of first phase development in November 2009.

More

Port Pipavav achieves new operational benchmarks

Port Pipavav has once again demonstrated its operational excellence on *Nedlloyd Tasman* (operating on Maersk Line's ME1 service), registering a work productivity of 121.83 mph and gross crane productivity of 40.80 mph. This mirrors its earlier achievements on the *Al-Manakh* (operating on UASC's IMR. service) and the inaugural Maersk Line ME3 call.

More

KDS begins new fiscal with highest-ever monthly box throughput

The Kolkata Dock System (KDS) has set an all-time high monthly record by handling 30,800 TEUs in April 2009. This is the highest container throughput

registered at KDS in a single month since its inception in 1977, surpassing the previous best of 28,128 TEUs handled in August 2008. This was disclosed by Dr. A. K. Chanda, Chairman of Kolkata Port Trust (KoPT), here recently.

[More](#)

GE Shipping delivers Jag Payal to buyers

Great Eastern Shipping Co. Ltd (GE Shipping) has delivered its 2007-built double-hull Medium Range (MR.) product tanker Jag Payal (37,159-dwt) to the buyers.

[More](#)

India becomes 3rd after US & Canada to move double-stack high-cube boxes

India (Mundra Port) is now receiving the country's first nine-foot, six-inch high-cube double-stacked container trains, making it the third country after the US and Canada to double-stack high-cube boxes on rail cars, it was reported.

[More](#)

No plans to take over Great Offshore's mgmt control: Bharati

A day after acquiring a sizeable stake in Great Offshore, private shipping major Bharati Shipyard today said it has no plans to take over the management control of the shipping and logistics firm.

[More](#)

Global cos eye 25% in Dharamtar Port

A slew of international logistic and shipping service providers have shown interest in acquiring up to 25% equity stake together in Dharamtar Port, a dry bulk port in Maharashtra. The acquisition will give the winning firm access to an alternate dry bulk port with jetty facilities and warehousing, in proximity to the overstretched JNPT in Nhava Sheva.

[More](#)

SCI plans to deploy ships on India, MidEast, Europe, E. Africa route

The Shipping Corporation of India (SCI) plans to deploy vessels on the India, Middle East, Salalah, Europe, East Africa route to tap the increasing trade volumes between the country and these markets.

[More](#)

Port and dock workers plan to fight against tribunal award

Even as traffic volumes at ports are showing signs of an upturn, the recent government order to implement Central Industrial Tribunal award on manning scales for port operations across the country threatens to unsettle managements and paralyse dockside operations.

[More](#)

German team visits UILP facility near Chennai

A 40-member expert business team from the Federal State of Niedersachsen, Germany, headed by its Deputy Prime Minister and Minister for Economics, Labour and Transport, Dr. Philipp Roesler, visited the Uniworld Integrated Logistics Park (UILP) at Irrungattukottai, Sriperumbudur, near here, to get a practical view of the facility.

[More](#)

More specialised berths, deeper channels set to bolster Paradip Port's handling capacity

Between 2002-03 and 2008-09, Paradip Port's traffic throughput nearly doubled from 23.9 million tonnes to 46.41 million tonnes. Now, the Paradip Port Trust (PPT) hopes to handle 100 million tonnes by 2016-17, Mr. K. Raghuramaiah, Chairman of PPT, asserted.

[More](#)

VPT bags Green Tech Foundation award for implementing safety systems

The Visakhapatnam Port Trust (VPT) has received the Green Tech Foundation award for effective implementation of safety systems in port operations in 2008, a VPT release announced. The award was presented

during the 8th Annual Global Safety & Security India Conference 2009 held in Goa.

[More](#)

Shipbuilding hub coming up on Narmada's banks

In a few months from now, the mouth of the Narmada river in Gujarat may see hectic shipbuilding activity. With the completion of the Rs 1,000-crore Gujarat Maritime Board project, the Narmada estuary will become one of the busiest shipbuilding hubs in the country.

[More](#)

Gangavaram port now equipped to detect approaching tsunami, storms

A sophisticated instrument called wave rider buoy, costing Rs 1 crore, has been installed at Gangavaram port to sense any disturbance in the sea, it was reported.

[More](#)

Maersk Line makes Mundra Port acceptance point for Gujarat & Rajasthan cargo

Maersk Line has announced the introduction of Mundra Port as a point of acceptance for cargo out of Gujarat and Rajasthan. Mundra will now be serviced by a weekly feeder service to Port Pipavav arriving every Sunday with convenient onward connections to the ME1 service to Europe as well as the ME3 service to the Mediterranean and the Middle East.

[More](#)

Far Shipping (India) launched

Far Shipping Lines Pte. Ltd, a Singapore-based common carrier feeder operator, has, effective from May 1, 2009, appointed Far Shipping (India) Pvt. Ltd as its agent across India, in a bid to come closer to its valued customer lines operating to and from the country.

[More](#)

West Bengal plans to build small port

The West Bengal government is planning to build a small port at the mouth of the Hooghly river, a senior government official said here on Friday. The government earlier planned a deep sea port in the region as the nearby Haldia port was in bad shape due to sharp fall in draught.

[More](#)

Meka-Amma JV secures 4-yr contract to dredge Cochin Shipyard waters

Cochin Shipyard has reportedly awarded a dredging contract to Meka Dredging-Amma Lines joint venture (JV) for a period of 4 years. The JV won the contract after a tender process which saw several dredging contractors participating, according to a Meka Dredging press release.

[More](#)

5 berths among Paradip Port's expansion plans

The Paradip Port Trust (PPT) has drawn up a plan to construct an oil berth, entailing an investment of Rs 172.97 crore. With a capacity of 10 million tonnes per annum, the berth will be commissioned by March 2012, Mr. K. Raghuramaiah, Chairman of PPT, said.

[More](#)

DCI wins NM Port's dredging contract

The Dredging Corporation of India Ltd (DCI), a public sector undertaking under the Ministry of Shipping, has won the maintenance dredging contract of New Mangalore Port for two years.

[More](#)

CoPT plans 'ro-ro' service to move boxes from RGCT to Vallarpadam ICTT

The cochin Port Trust (CoPT) is planning to introduce a 'roll-on roll-off (ro-ro)' service to move containers from Rajiv Gandhi Container Terminal (RGCT) at Cochin Port to Vallarpadam international container transshipment terminal (ICTT) nearby. By this method, a truck carrying a container will drive down the RGCT pier on to a barge, which will then ferry the truck to ICTT, where the container will be offloaded for hoisting on to main line vessels.

[More](#)

Cochin Port joins project cargo handlers club

Cochin Port has ventured into the new and promising area of project cargo handling as it unloaded the biggest-ever package weighing 725 tonnes on May 20. The consignment was a reactor imported by Bharat Petroleum Corporation Ltd-Kochi Refinery (BPCL-KR) for its vacuum gas oil hydro desulphurisation unit at its Ambalamugal refinery.

[More](#)

International Updates:

Hanjin to hike Asia-Europe rates in June & again in July

HANJIN Shipping has announced that it will increase freight rates from Asia to Europe and to Mediterranean destinations westbound by \$ 250 per TEU and \$ 500 per FEU on all containers including reefer boxes from June 1.

[More](#)

Georgia Ports Authority welcomes COSCO to Port of Savannah

The Georgia Ports Authority's (GPA) Executive Director, Mr. Doug J. Marchand, announced that China Ocean Shipping (Group) Company (COSCO) now has vessels calling at the Port of Savannah. "We appreciate COSCO's confidence in our ability to handle its container volume now and in the future," said Mr. Marchand.

[More](#)

APL to launch direct Vietnam to North America West Coast weekly service

Singapore's Neptune Orient Lines' (NOL) container unit, APL, will launch a direct weekly Vietnam to North American West Coast service from June 4, the company has announced. The 4,250-TEU APL Denver, deployed on APL's Pacific South 1 (PS1) service, is to call at the Saigon port-PSA in the first week of June.

[More](#)

Grand Alliance merges JCX & SCX services into one loop

Grand Alliance members—Hapag-Lloyd, Nippon Yusen Kaisha (NYK) Line

and Orient Overseas Container Line (OOCL)—have agreed to merge the South China Sea Express (SCX) and the Japan China Express (JCX) into a single loop. The new service will take effect from May 25, sailing from Thailand.

[More](#)

MAERSK LINE delays general rate increase on North America to Mediterranean/North Africa trade

Maersk Line has announced that the general rate increase on the North America to Mediterranean and North Africa trade, which it had previously announced for June 15, will now be effective from July 1. This has been done to coincide with the change in Bunker Adjustment Factor (BAF), also scheduled for July 1.

[More](#)

GPA recycles one-third of its scrap metal waste in 2008

The Georgia Ports Authority (GPA) has been recycling its scrap metal for more than a decade. In 2008, GPA recycled more than 2.73 million pounds of scrap metal waste at Garden City Terminal and Ocean Terminal. The recycled tonnage represents 32 per cent of the GPA's total solid waste generated at the Port of Savannah last year.

[More](#)

APL announces new phase of rate hikes in Asia-Europe trade

Container shipping provider, APL, has announced its intention to raise freight rates in the Asia-Europe trade. The latest move follows an initiative announced in February this year. For the Eastbound Europe-to-Asia leg, a per-container rise of \$ 100 will be placed on scrap commodities, such as paper, which will be implemented on June 1.

[More](#)

Ananda Shipyard exports 8th ship Thursday

Ananda Shipyard and Slipways Ltd, one of the leading ship manufacturing and exporting companies of Bangladesh, is going to export its eighth vessel. The managing director of the company, Afroza Bari, told bdnews24.com that

the vessel named 'Stella Moon' built in the factory of Ananda Shipyard at Meghna ghat of Sonargaon, would be handed over to Stella Shipping of Denmark in a ceremony on Thursday.

[More](#)

A.P. Moller-Maersk updates policy & procedures for sailings in pirate-infested waters

While the A. P. Moller-Maersk Group is proceeding with its investigation of the *Maersk Alabama* hijacking off the coast of Somalia, it has taken action to boost the safety and security of its crew and vessels against piracy. "We have expanded the area off the coast of Somalia where only vessels with a certain freeboard or capable of sailing at certain speeds are allowed to enter," explained A.P. Moller-Maersk Group Partner and Maersk Tankers CEO, Mr. Soren Skou.

[More](#)

IMO's new convention on ship recycling in sight

The new convention of the International Maritime Organisation (IMO) for 'Safe and Environmentally Sound Recycling of Ships' may be adopted at a diplomatic conference in Hong Kong this month. The new convention aims to prevent hazardous working conditions and ensure environmental protection during ship recycling operations.

[More](#)

China Navigation acquires Tasman Orient Line in entirety

The China Navigation Co. Ltd. (CNCo), the deep sea shipping arm of the Swire group, has announced that it has acquired the one-third shareholding in Tasman Orient Line (TOL) held by Switzerland-based ship-owner, Mr. Christian J. Ahrenkiel. The transfer, effective from April 1, is for an undisclosed consideration.

[More](#)

Ship-owners now paying for fuel to carry Gulf oil to US

Supertanker owners are making no rental income from the voyages from the Middle East to the US and are paying \$ 3,445 a day towards fuel costs, data

from the Baltic Exchange showed. Rental rates normally cover fuel costs.

[More](#)

YML, OOCL upgrade CPX service with Nhava Sheva call

Yang Ming Marine Transport Corporation (YML) and Orient Overseas Container Line (OOCL) will upgrade the joint China Pakistan Express (CPX) service with an additional call at Nhava Sheva. The upgrade will take effect from May 21. The additional call at Nhava Sheva offers a direct connection between central China and India.

[More](#)

Maersk Line announces rate restoration programme between Asia & S. America EC

In its continued effort to provide its customers with best services, Maersk Line has announced a rate restoration programme for the trade lane from Asia to the East Coast of South America and from the East Coast of South America to Asia.

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IMO adopts Hong Kong model for scrapyards standards

THE International Maritime Organisation's (IMO) conference on scrapyards standards here has adopted the "Hong Kong International Convention for the Safe and Environmentally-Sound Recycling of Ships, 2009". This provides a regulatory framework to ensure ships are disposed of in a safe and environmentally-friendly manner at the end of their operating life. Fifty-nine member-states signed the convention.

[More](#)

Government Supports and Actions:

Govt considering Rs 10,000-cr package for shipping industry

The Centre is considering a Rs. 10,000-crore package for the shipping industry to help it tide over the global economic crisis, a senior government official said. "We know that the shipping industry in the country is facing difficulties.

[More](#)

Rs 16.63 crore sanctioned for CoPT's ro-ro scheme

The Union government has, through the Inland Waterways Authority of India (IWAI), sanctioned Rs 16.63 crore to establish IWT terminals at Bolgatty and Willingdon Islands which come under the purview of the Cochin Port Trust (CoPT), so as to provide effective connectivity of the National Waterway No. 3 to the Vallarpadam International Container Transhipment Terminal (ICTT).

[More](#)

Vasan puts berth projects on fast track

For the new Shipping Minister, Mr. G. K. Vasan, new berths will be just a matter of time. He has categorically promised to award six berth development projects at ports and initiates the process for another 20 through the public-private partnership (PPP) mode within three months. His Ministry would also take steps to strengthen the Indian Maritime University in the same time period, he assured.

[More](#)

DGS wants STP Bill to promote container trade in India

With recent industry forecasts predicting that India has the potential to become a major player in the global container trade in the near future, the Director General of Shipping (DGS) is pressing for the inclusion of the Shipping Trade Practices (STP) Bill in the Multi-modal Transportation of Goods Act, 1993. This move is aimed at facilitating greater accountability and transparency in the working of service providers in the maritime transportation logistics chain.

[More](#)

Others:

JP Morgan asset management to raise \$750 million fund for shipping sector

The fund will be raised primarily from institutional investors in India and other Asian countries. JP Morgan Asset Management is planning to raise \$750 million (around Rs 3,700 crore) under a sector-focused fund targeting investments in shipping industry, reports Economic Times. The fund will be

raised primarily from institutional investors in India and other Asian countries.

[More](#)

Higher freight & charter hire income swells Varun Shipping's PAT

Varun Shipping Co. earned freight and charter hire income of Rs 9,146.59 million in 2008-09, as compared to Rs 8,508.07 million during 2007-08, a company statement said. The profit after tax (PAT) for the period was Rs 1,228.06 million, as against Rs 813.97 million in 2007-08.

[More](#)

US Australasia Discussion Agreement hikes rates

Carriers of the US Australasia Discussion Agreement (USADA), serving routes from the US to Australia and New Zealand, have announced the adoption of rate increases for the year. A guideline has been adopted calling for a general rate increase of \$ 150 per TEU and \$ 300 per FEU to apply on dry and refrigerated shipments moving from the US to Australia and New Zealand from July 1.

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Shipping Minister is G. K. Vasan —known to deliver

Mr. G. K. Vasan (44) of the Congress, who was the Minister of State (independent charge) in the Ministry of Statistics and Programme Implementation in the previous government, is the new Union Shipping Minister. Mr. Mukul Roy of the Trinamool Congress is the Minister of State (MoS) for Shipping.

[More](#)

Bharati Shipyard to make open offer to acquire shares of GOL

Private sector shipyard, Bharati Shipyard, on Sunday said it will make a public announcement for acquisition of additional shares of Great Offshore (GOL) up to 20 per cent of its paid-up equity share capital. The announcement would be made by Bharati Shipyard through its wholly owned subsidiary--Natural Power Ventures.

[More](#)

Bulk shippers Draw cheer from Baltic index rally

Analysts and investors are turning optimistic on Indian shipping companies, thanks to the Baltic Dry Index's surge since early April, but officials say high capital costs will continue to be a worry for the industry. The London-based index, which tracks costs to ship key commodities, has risen over 18 per cent so far this week, surpassing 3,000 points, for the first time since October 2008.

[More](#)

Spanish naval frigate makes friendly maiden call at Mumbai Port

Mumbai Port was host to the Spanish naval frigate, ESPS BLAS de LEZO, which was on a friendly visit, last week. This is the first time a Spanish navy vessel has visited Mumbai/India, thus facilitating a special occasion in the history of mutual cooperation between the two countries.

[More](#)

GMB alerts ports on H1N1 virus entry

The H1N1 swine flu scare abroad has prompted the Gujarat Maritime Board (GMB) to ask all the ports, including the private ones, in the state to check all people entering the country, officials said. "We had asked authorities of all the ports in the state to set up medical check-up centres and examine all those coming from outside India," the Navigation officer of GMB, Capt. Y.P. Devalkar, said.

[More](#)

GE Shipping Q4 net down 16% to Rs 250cr

Great Eastern Shipping today reported a 16.48 per cent decline in standalone net profit at Rs 250.05 crore for the fourth quarter ended March 2009. The firm had a net profit of Rs 299.41 crore in the March quarter of FY'08, GE Shipping said in a filing to the Bombay Stock Exchange.

[More](#)

Work at Haldia Port halted due to protests

Work at Haldia Port came to a standstill on Monday as its 2,300-strong Citu

union at the Haldia Dock Complex joined the general strike called by Left Front at East Midnapore. Loss of business as a result to the Dock has been estimated at about Rs 1 crore. While losses suffered by the vessels which called at the port and or waiting at the Sand heads have been estimated at about Rs 2 crore.

[More](#)

Sealand sells stake in Gateway Distripark

Logistics services provider Gateway Distriparks said today that the US-based port operator Sealand Terminals has reduced its stake in the company to 3.64 per cent after selling shares worth Rs 17.59 crore, through the open market transaction. In a disclosure on the Bombay Stock Exchange, Gateway said Sealand Terminals has sold 25, 13,500 shares, representing 2.33 per cent stake in the company.

[More](#)

Manning scales implementation puts Major Port workers on edge

The five recognised federations of port and dock workers have once again cautioned the Ministry of Shipping (MoS) that if any attempt is made to implement the National Tribunal Award on manning scales and deployment of workers, as has been done at three Major Ports, the labour may spontaneously decide to stop work at all the Major Ports.

[More](#)

IES awards Gold Medal to PPT for contribution to economy

The Institute of Economic Studies (IES), a research and awareness-promoting organisation here, has conferred a Gold Medal on the Paradip Port Trust (PPT) for its contribution to the economy.

[More](#)

Gujarat maritime police to get bullet-proof vessel

The Gujarat Maritime Police will soon get its first interceptor security vessel to patrol the state's 1,600-km coastline, a senior official said.

The bullet-proof vessel, weighing 12 tonnes and costing Rs 2.5 crore, was brought from Greece to Goa. From Goa, it is being brought to Mundra on a

truck trailer.

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VSAA takes initiative to hold shipping & logistics awards function

The first-ever shipping and logistics awards function organised recently by the Vadodara Steamer Agents' Association (VSAA), for recognising the performance of the trade operating in and around here during 2008-09, was a huge success. The event saw large-scale participation from the region's trade.

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A short tailwind for shipping

Commodity shipping rates, which have risen by almost 35% this month, are expected to continue their upward trend in the near term, industry observers say. The Baltic Dry Index (BDI), which is an index for commodity shipping rates in 26 global routes, closed at a 7-month high of 2432 on Thursday.

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Welfare schemes to offer solace to seafarers at ports

There is good news for Indian and foreign seafarers bringing their ships to berth at local ports in the region. Seafarers' welfare programmes are taking roots here and have seen establishment of port welfare committees not only at all ports in India but also in other ports of the region. More importantly, all the four South Asian countries have set up national seafarers welfare boards.

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Britannia Steam Ship seminars draw excellent response

The managers for The Britannia Steam Ship Insurance Association recently hosted technical seminars in Mumbai and Chennai for seafarers employed on Britannia-entered ships. The seminars were designed to raise awareness of safety and loss prevention issues among those engaged 'at the sharp end' of the business.

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Promoters may look to delist Essar Shipping

The promoters of Essar Shipping Ports and Logistics (ESPL) are considering a proposal to buy out minority shareholders and delist the company, a person familiar with the development told ET. The proposal may be discussed at the company's board meeting on Monday.

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Evergreen Line's 1st vessel calls at ACT as part of Asx service

The first vessel of Evergreen Line called at the Adani Container Terminal (ACT) here, as part of the ASX service, on May 15. The line and vessel, Uni Angel, were welcomed by Capt. C. V. Ramnath, General Manager, Container Terminal, Mundra Port & SEZ Ltd, and Mr. Paulson Joseph, Executive, Adani Container Terminal.

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Effects of Recession:

No respite for Indian shippers in '09 on low oil, demand REUTERS - 27 May, 2009

MUMBAI: A drop in tanker freight rates and weak oil is likely to hurt Indian shippers in the next few quarters and profitability will be under pressure as rates may not touch the 2008 peaks very soon, officials said. On an average, freight rates of tankers, a cargo ship used to carry crude oil and liquids, have fallen about 40-60 percent over last year.

Though there are signs of a recovery, rates are not seen touching their 2008 peak, they added. "We believe the tanker market is going through an unusual period because of inventories and summer (weak seasonal demand) - both the factors compounding at the same time", Yuddhishtir Khatau, managing director of Varun Shipping said. "I don't see a recovery going back to the previous periods." Weak oil demand, with major world economies slipping into recession, and a cut in crude oil supply are pressurising the rates and corporate earnings. Oil prices have slumped from a peak of over \$147 a barrel hit in July 2008 to around \$60 as the global financial crisis dealt a sharp blow to demand and investments in the sector. Indian shippers saw poor numbers in the Jan-March quarter on weak freight and charter hire income with Great Eastern Shipping Company, Essar Shipping and Mercator Lines

seeing a fall in profits or muted growth

Shippers will continue to bleed even in 2009 as freight rates will remain low and vessel utilisation will drop, analysts said. "Annual growth is expected to become positive only well beyond 2009. Even if recovery starts in early 2010, recovery for shippers will be delayed till the excess capacity is soaked up," Manish Sharma, a director at KPMG Advisory, said in an e-mail. Mumbai-based brokerage Gupta Equities has downgraded Great Eastern Shipping, which is trading at over 40 percent discount to its net asset value, to 'neutral' after its results and a bleak outlook.

ICICI Direct has also downgraded the stock after its results while Pinc Research is pessimistic about Mercator Lines, Reuters data showed. "The ongoing time for shipping industry is not favourable due to global slowdown. Because of this, the short term visibility of the business is not that optimistic," a recent report by Gupta Equities, said. Companies, who were on a shopping spree for new assets, have cut down their investment plans for 2009/10 on higher interest costs and valuations, as they await asset prices to slip. While Varun Shipping has slashed its acquisition budget by three fourths to \$100 million, GE Shipping will buy just a tanker worth \$52 million in the year. "We are looking at a pretty dark tunnel. 2009 is almost going to be a washout in terms. Of recovery. 2010 - It is very difficult to know what will happen," Bharat Sheth, managing director of GE Shipping said at a conference call recently.

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PE funding dips as freight trade declines Times Shipping Journal - 07 May, 2009

The slump in freight trade is causing a series of troubles to the country's shipping and logistics sector. The latest is the significant dip in private equity (PE) investments. During the financial year 2008-09, PE investments in these sectors have dropped by a mammoth 63%. The number of PE deals has nearly halved, reducing from 26 to 12 during this period. PE funds have dipped at an alarming rate, falling to nearly Rs 1,450 crore during 2008-09, from around Rs 4,000 crore in the previous financial year.

Capt. Suresh K. Khurana, President, Pacific Shipping, a mid-sized shipping company in Mumbai, is however not unduly perturbed. He says, "The shipping and logistics industry is not too worried about the declining PE investments, since it is believed that the ongoing slump in freight trade is not here to stay. It is expected that the industry will bounce back once the global shipping and logistics business regains normalcy. This will restore the confidence of PE investors in the country's shipping and logistics sector, and investments will start flowing in." The main reasons behind the decline in PE funds have been identified as the stagnating growth in the logistics sector and drop in cargo volumes at Indian ports. Mr. Khurana adds, "PE investors are deferring proposed investments in view of the rise in capital costs. The investors are now averse to take risks, anticipating that the return on investments could be delayed."

Purushottam M. Shriyan, MD, Divya Shipping & Clearing Services Pvt. Ltd., a Mumbai-based mid-sized

shipping company says, "Decline in PE investments will significantly hamper the ongoing development projects in India's maritime sector. In the long run this will have a serious impact on the operations of large as well as mid-sized and small shipping and logistics companies in the country." There is some consolation, however, since it is expected that PE investors are ready to invest around 60% of the Rs. 1 lakh crore in the government's National Maritime Development Programme (NMDP).

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Inefficiency thwarts traffic growth in major Indian ports **Times Shipping Journal, 11 May, 2009**

Concerned by the sharp decline in traffic growth in major Indian ports last year, the Union Shipping Secretary APVN Sarma had anticipated bleak growth prospects for the sector in the current financial year. His prediction seems to ring true given that industry experts to see slim chances of traffic revival in the next couple of months. Reacting to the negative traffic growth, shipping and logistics companies have further voiced concerns about various other factors that add to their troubles, thus hindering the growth of the sector.

The cargo traffic growth in the first half of 2008-09 stood at a little over 7%. This dismal growth has been primarily attributed to decline in iron ore exports, unstable global commodity market, and increase in petroleum prices. While the major Indian ports clocked a 12% growth at 519.314 million tonnes (mt.) in 2007-08, the traffic growth tumbled to a dismal 2.1% at 530.355 mt. by the end of 2008-09.

M Suresh, Senior Manager in a Chennai-based mid-sized shipping company, Eagle Maritime Private Limited, says, "Low traffic growth is seriously affecting the business of both large and mid-sized shipping companies operating in the country's major ports. This situation has come about as most Indian ports suffer from low efficiency as compared to the ports in Singapore, China and Japan. It takes around 21 days for clearing imports and 19 days for shipping export cargo from the government controlled ports in India, whereas major ports in Singapore take only three days for clearing imports and five days for shipping cargo."

Shashidharan K., Managing Partner, Advanced International Cargo Logistics, a mid-sized Bengaluru-based 3PL logistics service provider says, "It is unfortunate to see that modern facilities present in the country's east coast ports are not put to optimum use, even though the west coast ports are unable to handle the inflow of heavy cargo traffic." The Indian shipping industry feels that the interference of too many ministries is another major bottleneck impeding the approval and implementation of port development policies.

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Shrinking cargo volumes hasten older boxships' voyage to scrap yards

PARIS: Shrinking cargo volumes for older containerships have reportedly resulted in more tonnage than ever heading for scrapyards during the four months of 2009. Fifty-two cellular ships totalling 91,000 TEUs have been removed from the global fleet, taking the total number of laid-up ships to over 200,000 TEUs for the first time in 2009 with the older ships being sent for demolition first. The idle containership fleet now stands at 511, totalling 1.31 million TEUs, as against 486 ships representing 1.31 million TEUs a month earlier, the report elaborated. The idle fleet represents 10.3 per cent of the world's cellular fleet.

Even the non-operating owners' share of the idle fleet is on the rise as carriers continue to redeliver ships at expiry of charters. The fleet idle for non-operating owners account has reached 305 units, representing 478,000 TEUs or 36.6 per cent of the total idle fleet, it was explained. Although the average age of ships scrapped so far this year is 28 years, there is an increasing number of younger ships too being scrapped before they reach 25. With charter rates at the lowest in 20 years, more containership is expected to go in for demolition.

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[Growth, Expansion and Developments:](#)

STX wins order for naval test ship yourshipbuildingnews.com – 19 May, 2009

STX Offshore & Shipbuilding of South Korea announced on May 18th that it has received an order for a next generation naval test ship from Agency for Defence Development (ADD) for some KRW 43bn (\$33.8m). A naval test ship supports marine weapon system tests and conducts environmental surveys on the test sea area. The 1,200-ton ship contracted this time at STX O&S will be delivered to ADD in May 2012.

STX O&S has been strengthening its specialized vessel division since 2005 and it is now building four PKXs ordered from Defence Acquisition Program Administration and high-speed patrol ships for Korea Coast Guard. An official at STX O&S Specialized Ship Division said, "We achieved an excellent result through diversified analysis of customer demands and strategic sales activities amid severe orders drought. We intend to further strengthen our specialized vessel construction capabilities going forward through technical tie-up with STX Europe. Many newbuilding inquiries are coming in from abroad in the defence industry sector." Last month STX Group has, through its subsidiary STX France Cruise, secured an order to build a third Projection and Command Vessel (BPC), a 21,000-ton helicopter carrier, for the French Navy.

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**Mercator Reports Impressive Growth in Revenue & Profits for the financial year 2008-09.
Mercator Lines Ltd. - 19 May, 2009**

Mr. H. K. Mittal, Executive Chairman, of Mercator Lines Limited said, "We are happy to announce financial results for FY2009. Despite a weak economic environment and depressed freight rates, Mercator has delivered a good set of results, reaffirming that our strategy of having long term contracts for a large part of our capacity".

"Over the last one year, Mercator has diversified its business with offshore oil & gas Drilling and Coal ventures which we view as sectors with long terms growth promise. Company with its healthy balance sheet would continue to explore interesting opportunities". Mercator Lines Limited, India's 2nd largest private sector shipping company, has posted impressive results for the year ended March 2009 (FY 2009).

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**Bharati's Dabhol Shipyard acquires floating dock from Swan Hunter
yourshipbuildingnews.com – 21 May, 2009**

Bharati Shipyard Ltd, one of the largest private sector shipyards in India, has announced the arrival of the world-class 16,000 - ton lift capacity floating dock along with balance Machinery and equipments of the Swan Hunter Shipyard at its Dabhol Greenfield yard in Maharashtra. The arrival of Floating Dock is significant for Bharati Shipyard as it has become one of the very few companies to own one of the largest floating docks in India of about 150 M x 40 M having 16,000 - ton lifting capacity which will add significant value to the existing operations of the company.

Amongst the other state of art machineries and equipments acquired by the company also include 150 tons floating crane, fully automated panel lines, quayside travelling gantry cranes up to 180T capacity, 30 overhead travelling cranes up to 60T capacity, Plate bending rolls of 2000 ton capacity, bending presses, robotic profiling machines, CNC plasma Buring Equipments, etc. Mr. P. C. Kapoor, Managing Director, BSL said: "The acquisition has been extremely beneficial to Bharati as operations can be executed more efficiently. This acquisition has further bolstered our new line of products including our foray in offshore rig constructions and more complex and technologically advanced vessels. The benefits from acquisition of the floating dock and other machineries are immense as we are now in a position to execute more orders with a substantial savings in lead time and resources." The procurement of floating dock and other sophisticated high tech equipment signifies a new era for Bharati

Shipyards and the Indian ship-building industry for graduating to building complex and technologically advanced ships with most modern infrastructural facilities. Bharati Shipyard is sailing into new foray for ship repairing and building of futuristic ships, with the acquisition of modern and high tech machineries of Swan Hunter Shipyard.

The Floating Dock comes as a part of the acquisition of New Castle based Swan Hunter shipyard in 2007 at a significantly attractive value. A new floating dock would not only cost ten times more but also take 18 to 24 months to build. The company has gained added advantage with the acquisition of the floating dock, which would help Bharati Shipyard to enhance its repair capabilities and also augment its shipbuilding capacity. The arrival of the floating dock is a stepping-stone towards the advanced shipbuilding capabilities for Bharati and the benefits of the same are limitless.

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Gati Coast to Coast launches Tuticorin-Colombo feeder with m.v. Gati Pride

-Samsara Shipping appointed agent in Tuticorin

Exim News Service – 25 May, 2009

TUTICORIN: Gati Coast To Coast's newly-acquired 442-TEU vessel that was delivered in January this year, m.v. Gati Pride, made her maiden call here on May 14 to launch Gati's feeder service between Tuticorin and Colombo. The service makes two calls per week (every Monday and Thursday) at Tuticorin. The port calls at Tuticorin have been so planned as to connect with the main lines for exporters at the transshipment port of Colombo. Gati has appointed Samsara Shipping Pvt. Ltd as its agent here. To commemorate the occasion, a function was held on board the vessel, at which Mr. A. Subbiah, Deputy Chairman of Tuticorin Port Trust (TPT), was the chief guest. Other distinguished attendees were Mr. P. Muthu, Traffic Manager of TPT, Capt John Mani, Deputy Conservator of TPT, Mr. S. N. Malhotra, Commandant, CISF, Mr. V. R. Suraindran, Terminal Manager, PSA Sical, and Mr. Anand Morais, Secretary, Tuticorin Steamer Agents' Association. The function was well attended by the trade.

Gati Coast to Coast was represented by Mr. T. Kumaran, President, Mr. Atul Srivastava, Head, Commercial, Mr. Kishore Kumar, Head, International, and Capt J. N. Miranda, Master of m.v. Gati Pride. Mr. Subbiah congratulated Gati for its venture and wished that it brings in more such services to the Port. He also made pointed reference to the customer-friendly attitude of the Port and terminal officials. Mr. Kumaran, on his part, reiterated Gati's long-term commitment to the Tuticorin trade and spoke of Gati's track record in stability and continued deployment of its services in the Yangoon sector.

Mr. Atul Srivastava briefed the trade on the various coastal, international and intermodal services provided by Gati on pan-India basis. Earlier, Ms. Vinita Venkatesh, Vice-President of Samsara Shipping, welcomed the trade and requested its support to this new Indian flag service that conforms to the best international shipping standards.

Rituals done, work on Mumbai Port's offshore box terminal gets off the mark
Exim News Service – 27 May, 2009

MUMBAI: In a major step towards the development of an ambitious and long-proposed project, the foundation stone (bhumi puja)—signaling the commencement of work—for the Indira Container Terminal (ICT), Mumbai Port Trust's (MbPT) offshore container terminal, was laid at the Mumbai Port here today (May 27). The rituals were performed by Mr. Rahul Asthana, Chairman of MbPT, and Dr. Antonio P. Passaro, CEO of Indira Container Terminal Pvt. Ltd (ICTPL). ICTPL is a joint venture between Dragados SPL of Italy and the Gammon Group, which was chosen to develop the project after a competitive bidding process. "This is a great day," exclaimed Dr. Passaro, "finally there will be a container terminal in the Port of Mumbai. For two years we have been living for this moment. This, however, is just the beginning. There is a lot of work to be done."

The first phase of the ICT is scheduled to be operational in 24 months, with 350 metres of quay, 600,000 TEUs capacity and 18 hectares of yard area. The equipment in place will be 4 RMQCs, 15 RTGCs and 2 RMGCs. The draught alongside berth will be 16 metres. In 3 years, the quay length is planned to be extended to 700 metres, with 35 hectares of yard space. And finally, in 4 years, the terminal is expected to be completed in its entirety, with 1,050-metre quay length, 45 hectares of back-up area and, importantly, capacity of 2 million TEUs. The ICT will ultimately have 12 RMQCs, 51 RTGCs and 4 RMGCs, according to a senior terminal official. In another important development, the Dredging of the MbPT channel has commenced and the entire project is scheduled to be completed in 24 months. This will facilitate ICT handling large-size vessels. The terminal will also have rail connectivity in the form of 3 tracks, which should be in place in 2 years.

Later, in a brief interaction with the media, Dr. Passaro emphasised that the terminal would be capable of handling any size of vessel and was targeting a throughput of 400,000-450,000 TEUs in the first year of operations. He made light of the intense competition that may come from the existing and proposed container terminals, pointing out that the burgeoning growth in containerisation in India and the resultant demand for container capacity meant there was adequate room for everybody. The ICT would have the requisite road, rail and even sea connectivity for evacuation of containers, Dr. Passaro stressed, with a number of projects on the anvil. It has inked commercial agreements with Dharamtar port (off Nhava Sheva) and Hind Terminals (near JN Port) to facilitate smoother and enhanced logistics operations for the trade, he pointed out. Mr. P. M. Mahapatra, CFO, ICTPL, who was also present during the interaction, disclosed that the debt-equity ratio for the project was 80:20, which was "exceptional". As per its contract with MbPT, ICTPL currently operates the BPS terminal, from which it will gradually withdraw once the ICT starts operations. The foundation stone-laying ceremony saw participation from

officials of MbPT, ICTPL and Gammon.

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St. John Container Lines to launch weekly fixed-day Chennai-Colombo-Chennai feeder service

-First feeder operator to launch service at CITPL

-m.v. St John Grace to call at Chennai Port on June 4

Exim News Service – 28 May, 2009

CHENNAI: St. John Container Lines Pte Ltd, Singapore, a subsidiary of St. John Freight System. Ms. Ltd, Tuticorin, will launch a regular fixed-day feeder service between Chennai and Colombo. M.v. St John Grace, the first vessel of the new service, will make her maiden call at the new container terminal at Chennai on June 4. With this proposed call, St John will hold the credit of being the first feeder operator to launch its service at Chennai International Terminal (CITPL) operated by PSA Sical consortium.

The service will be a regular weekly one and the vessel has got a window for berthing every Thursday. St. John Container Lines has been providing a regular feeder service, m.v. St John Spirit, between Tuticorin and Colombo since 2007. St.John Freight Systems. Ltd, having its corporate office in Tuticorin is engaged in the prime business of total logistics, feeder operations, container freight stations (CFSs), stevedoring, ship agency, ship chartering, fumigation services and transport/heavy equipment operations. The company has 23 branches/35 offices in India and 10 overseas offices in Singapore, the UK, the US, China, the UAE, Malaysia, Nigeria, Belgium, the Netherlands, Thailand and Sri Lanka

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ICT's immense logistical advantages & slew of cost-effective solutions highlighted

Exim News Service – 31 May, 2009

MUMBAI: The trade will be able to save an overall 20 per cent in logistics costs from the Indira Container Terminal's (ICT—the proposed offshore container terminal at Mumbai Port) partnerships with Dharamtar port and CWC Logistics Park/Hind Terminals, according to Dr. Antonio Passaro, Chief Executive Officer of Indira Container Terminal Pvt. Ltd (ICTPL). He was addressing an interactive seminar focused on cost-effective solutions at ICT here recently. It was highlighted that the trade will be offered complete logistics solutions to and from ICT and Dharamtar port (a distance of just 16 nautical miles) in the form of container handling services, rail and road transport, warehousing and distribution and Customs clearance.

The movement of boxes on barges between ICT and Dharamtar will be handled at a dedicated jetty at Dharamtar and two 88-TEU barges. Dharamtar also has a crane and other equipment (with more

proposed), is well-connected by road, and a rail siding is expected to be operational at the facility this month. Among its other advantages are 24,000 sq. ft of covered warehousing, CFS facilities notified by Customs., exclusive Customs. office of Mumbai Customs., and empty container management and repair facilities. It was also pointed out that barge transportation from ICT to Dharamtar Logistics Park would be a congestion-free transit, that it offered higher free time than Nhava Sheva and incurred less warehousing costs to the tune of 8-11 per cent.

Besides, the trade could affect cost savings of 5-8 per cent by using Dharamtar, as against factory delivery through Nhava Sheva CFSs, it was claimed. Cargo can also be connected by rail through the Hind Terminals-managed CWC Logistics Park, the biggest CFS in Nhava Sheva having rail connectivity, with state-of-the-art storage facilities and offering regular services from ICDs in Western and Northern India. Hind Terminals, which has a Category I license, was among the first private rail operators in India to run its own rakes. ICT will also be well-connected by road and rail through existing and proposed projects, including the Anik-Panjarpol Link Road Project, the laying of an additional line between Wadala and Kurla and additional lines between Kurla and Kalyan. There shall be no wharfage on cargo at ICT, it was highlighted. The first phase of the ICT is scheduled to be operational in 24 months, with 350 metres of quay, 600,000 TEUs capacity, 18 hectares of yard area and 16 m Draught alongside the berth. The terminal is expected to be completed in its entirety in 4 years, with 1,050 metres of quay length, 45 hectares of back-up area and capacity of 2 million TEUs. The interaction saw participation from a wide cross-section of the trade, including lines, NVOCCs, other service providers, etc.

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Greatship takes delivery of AHTSV
Exim News Service - 03 May, 2009

MUMBAI: Greatship (India) Ltd, a wholly-owned subsidiary of Great Eastern Shipping Co. Ltd, has taken delivery of Greatship Asmi, an 80-tonne anchor handling tug cum supply vessel (AHTSV). The vessel was built at Labroy Shipbuilding and Engineering Pte Ltd (part of the Drydocks World Group) at its facilities in Batam, Indonesia. Greatship Asmi is a DP2, FiFi1 full service vessel built to exacting specifications and is capable of supporting offshore exploration and production in various regions across the world. Greatship and its subsidiaries currently own and / or operate six PSVs, five AHTSVs and one jack-up rig.

Greatship and its subsidiaries have an order book of 15 vessels and one rig under construction—one AHTSV in Sri Lanka, two AHTSVs in Batam, four MPSVs in Singapore, two MSVs in India, four ROVSVs in Sri Lanka, two 150 TBP AHTSVs in Batam and a premium 350' jack-up rig in Singapore. All Greatship's vessels are built to the highest standards of safety and operational efficiency, and conform to existing and envisaged IMO and Class rules. They are designed to operate in offshore waters across the world.

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Zoom Developers allowed to bid for Vizhinjam port project

Exim News Service - 04 May, 2009

THIRUVANANTHAPURAM: Following the Supreme Court order, the Kerala Cabinet has decided to allow Zoom Developers to participate in the tender process of the Rs 5,348-crore Vizhinjam port project.

The letter given by Lanco Kondapally, which was awarded the contract earlier, will be under consideration till Zoom Developers' bid is also examined for the project, which is to be undertaken under the build-operate-transfer (BOT) basis. The Vizhinjam port, which has a draught of 24 metres, is envisaged to handle 4.1 million TEUs a year. Built close to the international shipping route, the proposed port is to be handed over to the state government after 30 years by the BOT operator once the concession period expires.

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Noble consortium to build iron ore berth at Paradip Port

Exim News Service - 04 May, 2009

PARADIP: The Paradip Port Trust (PPT) has issued a letter of acceptance to the consortium led by the Hong Kong-based Noble Group's proposal to develop and operate the Rs 591-crore iron ore berth. The consortium is made up of the Noble Group, Gammon Infrastructure and MMTC. Confirming this development, Mr. K. Raghuramaiah, Chairman of PPT, said the concession agreement with the Noble Group would be signed within 30 days. The consortium bagged the project after offering a 36.8-per cent share of its annual revenues to PPT for the entire period of operation, Mr. Raghuramaiah revealed.

The concession period is for 30 years, including 36 months of construction. The project will be undertaken on a design-build-finance-operate-transfer basis. The berth will have a handling capacity of 10 million tonnes per annum (mtpa). The consortium has been assured that PPT will not build a competing facility within three years of operation of this berth. But, if the berth operates at 75 per cent of its 10 mtpa capacity before completion of three years of operation, PPT can set up a competing facility.

This is possibly the first port project to be implemented based on the new model concession agreement (MCA), which was finalised by the Shipping Ministry in January 2008. Incidentally, the Shipping Ministry is understood to be examining a proposal sent by PPT suggesting cancellation of the tender to develop Rs. 479-crore coal berth. This is because the revenues share levels being offered by the bidders of the

coal berth are far lower (11-12 per cent) than those of the iron ore berth, an official explained.

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VPT chief spells out Port's upgradation plans

Exim News Service - 04 May, 2009

VISAKHAPATNAM: The Visakhapatnam Port Trust (VPT) has merged with the Dock Labour Board (DLB) for streamlined operations, said Mr. Ajeya Kallam, Chairman of VPT. Addressing a press conference here, the Chairman disclosed that the Port had handled 63.9 million tonnes of cargo during 2008-09, as against 64.59 million tonnes handled during 2007-08. Though the difference was marginal, the slight decline in cargo volumes in 2008-09 was due to the global recession, shifting of some major cargoes to neighbouring ports (oil to Paradip and coal to Gangavaram) and the considerable dip in exports of iron ore to China, Mr. Kallam explained. At the same time, the Port had handled the highest quantity of imported coking coal of 7.54 million tonnes during the fiscal. The highest parcel size of 150,348 tonnes of iron ore at the outer harbour ore berth was also handled during the fiscal, he pointed out.

Elaborating on some of the major developmental projects, he revealed that the Port had sent a proposal to the Ministry for the development of EQ-10, while WQ-6 is to be developed under build-operate-transfer (BOT) basis. For this, an upfront tariff was approved by the Tariff Authority for Major Ports (TAMP) recently. Mechanisation of coal handling and upgradation of the outer harbour so as to handle 2,00,000-DWT vessels, expanding and deepening of inner harbour entrance channels and strengthening of EQ berths for docking vessels of up to 12.5-metre draught were also under way. Apart from these, a techno-economic study was being submitted to the Indian Ports Association (IPA) for extension of the container terminal and revamping of OR-1 and OR-2 berths. In physical efficiency parameters, the Port's average pre-berthing detention had been drastically reduced to 4.35 hours in 2008-09, as against 5.1 hours during 2007-08. A total of 2,347 vessels were also handled, he pointed out. Mr. K.V. Gupta, FA and CAO, Mr. Dattaraju, Traffic Manager, Ms. Y. Jayanthi, Director (R&P), Mr. Naresh Kumar, Secretary, and other heads of departments (HoDs) participated in the press meet.

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ABG entities issued letter of intent to equip & operate two berths at Haldia Dock

Exim News Service - 04 May, 2009

KOLKATA: The Kolkata Port Trust (KoPT) has issued a letter of intent (LoI) to ABG Infralogistics and ABG Kolkata Container Terminal Pvt. Ltd for equipping and operating two berths—2 and 8—at Haldia Dock, KoPT sources said. The issuance of LoI is the first step to awarding the contract. The two ABG

entities will now form a new company to execute the contract and, till then, ABG Infralogistics, as the lead member of the consortium, will provide a performance guarantee, amounting to Rs. 2 crore for each berth, to KoPT within 30 days.

The new company may be required to invest about Rs 200 crore to equip the berths. The new company may also sign an agreement with KoPT which will list the terms and conditions as also other details to pave the way for beginning the actual work. According to the Lol, the work must start within six months from the date it has been issued.

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Orissa to develop Barunei port by inviting bids

Exim News Service - 04 May, 2009

BHUBANESWAR: The Orissa government has reportedly decided to develop the Barunei port through the bidding process. Arcelor Mittal, the world's largest steel maker, had recently made a presentation to the state government that it wanted to set up a captive port at Barunei, near Paradip Port. The state government had advised ArcelorMittal to go for a multi-user port instead of a captive one, since the captive port may be import-oriented, making it difficult for the government to provide rail rakes just for one-way traffic. "Arcelor Mittal has agreed to our proposal and is coming up with a fresh proposal," a senior official said. There are three other port developers—Sical Logistics Ltd, Adhunik Metallik, SPI Ports—interested in the site.

The government may decide whether to go in for an international competitive bidding (ICB) process or allow only the four applicants to participate in the bidding, the official explained. The government had earlier opted for the ICB route, selecting an international consortium led by Orissa Stevedores Ltd to develop the Gopalpur port.

Barunei lies between Paradip Port and Dhamra port, and is strategically closer to the mineral and industrial hinterland of Jharkhand, Chhattisgarh and West Bengal. While Sical Logistics has a plan to develop the port along with Jurong Port Ltd of Singapore with an investment of Rs 1,500 crore, the Chennai-based SPI Ports has a proposal to develop the port with an investment of Rs 1,550 crore. Adhunik Metallik, which has set up steel plants in Orissa and Jharkhand, is also keen to set up a port at Barunei.

The Mittals had proposed a captive port with a capacity of 35 million tonnes per annum, mostly for incoming cargo like coking coal and limestone for its steel projects of 12-million tonne capacity each in Orissa and Jharkhand.

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Cargoplan partners Multi-Link in India-US trade lanes
Exim News Service - 04 May, 2009

NEW DELHI: Multi-Link Container Line LLC, the NVOCC division of the Kesco Group of Companies, US, has joined hands with Cargoplan International, the subsidiary of Colombo-based Freight Links International, to play a larger role in India-US trade lanes. Multi-Link Container Line LLC has been active in the Indian Subcontinent as an NVOCC and a 4PL logistics provider for more than a decade. Mr. Niral Kada-watharatchie, President, Cargoplan/Freight Links, interacted with Mr. Reinhard Schlender, Executive Vice-President, Multi-Link Container Line, during their recent meetings in the US and an official business agreement was formalised. Cargoplan has invested around \$ 1 million in its Indian operations, with offices at all major locations of Chennai, Kolkata, New Delhi, Mumbai, Tuticorin, Cochin and Ahmedabad. With its alliance with Multi-Link, Cargoplan has a larger focus in developing the North American trade lanes. According to informed sources, Cargoplan has been in the process of recruiting a young team of personnel to aggressively promote the trade lanes between the US and India. During times of recession, this comes as a very encouraging sign in the international transportation business.

Multi-Link Container Line and Cargoplan International are currently handling full container loads, loose freight consolidations and air freight shipments from all locations. They have also increased their participation in inbound shipments from the US. Recently, Mr. Krishna Kumar, Director, Route Development, South Asia, Multi-Link Container Line, visited India and unveiled the company's plans for participation in the India-US trade lanes to Mr. Devpal Menon, Director, Sales and Marketing, Cargoplan International (India). This alliance is expected to have a positive impact on business development on the India-US trade lanes.

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Vallarpadam transshipment project spurs investor interest in Kerala
The Economic Times - 04 May, 2009

The upcoming International Container Transshipment Terminal (ICTT) at Vallarpadam is attracting large-scale investments and developmental activities to Kochi and its neighbourhood in Kerala. Positioned as India's first international transshipment hub, the facility is slated to flag off its operations after completion of first phase development in November 2009. While warehousing and container freight stations (CFSs) have taken up the chunk of activities on the ground as of now, private investors are understood to be flocking in to take advantage of the potential for growth with the development of the ICTT. Suresh Joseph, general manager of DP World - Cochin, said, "A lot of interest is being shown by private investors in developing warehousing, CFS and other such support infrastructure for the ICTT. While two CFSs are operational at least another four major CFSs are on the anvil." Mr. Joseph said investors are interested in leasing large parcels of free-hold lands at places like Vypeen, Mulavukadu and

Vallarpadam. "We are in discussions with some investors for setting up value addition centres at these locations," he added. The Special Economic Zone (SEZ) developed by Cochin Port Trust at Puthuvypeen is also proving to be another major investment opportunity for investors. The 285-hectare SEZ under development at Puthuvypeen will give boost to port-based infrastructure, including light manufacturing and value addition activities.

According to a leading transshipment operator, the Cochin Port is developing Ro-Ro terminals at Bolgatty and Willingdon Island to promote inland waterways in association with Inland Waterways Authority of India (IWAI). This will provide excellent opportunities for investments in barging. "The Ro-Ro terminal would also be operational by November 2009 and linking up the National Waterway No 3 with the ICTT is expected to open up innumerable possibilities for barging between the state's main trading centres of Cochin, Alleppey, Kottayam, Quilon, Kozhikode and Cannanore," he said.

According to Mr. Joseph, the potential for investment is close of Rs 600-700 crore of which Rs 100 crore of investment has already happened. The balance will happen within the next eighteen months. "What is important to note is that all these developments will throw up lot of opportunities for employment. The potential for manpower is very large, compared to what was thought earlier. The current downturn is not going to delay the Vallarpadam project. "We are going ahead as per our plans. Our plans have not changed because of the downturn," said Mr. Joseph. "The project will be commissioned by November 30, 2009. Towards this end, the first milestone is that of commissioning 200 mt. of wharf by July to offload the super post Panamax cranes that would come from China by the end of August. The first lot of rubber tyred gantry cranes will come in September and the second lot by November," he said. According to him, Cochin Port has already completed 22% of capital dredging of the channel and it is expected to keep the channel ready with 14.5 metre draft by the time Vallarpadam terminal is ready to take off. As far as rail connectivity is concerned, almost 65% of the work is over and the RVNL is hopeful of completing the rest by end of October. "Road connectivity is slightly lagging behind," said Mr. Joseph, "But the National Highway Authority of India (NHAI) has assured the port of two lane connectivity to the terminal by December."

When asked about the success of projects like Vallarpadam in the context of agitational politics prevalent in Kerala, he said, "There is a transformation of work culture here. I feel that DP World has actually brought in a new work culture to the place and this is not limited to the work inside the terminal but has caught on with other stakeholders outside the terminal as well. Today the manner in which business is conducted between the container terminal operator and the stakeholders have changed for the better. There is an increasing sense of urgency in making things happen rather than delaying. This is the kind of transformation that has happened over the last four years.

As an example, he pointed out to the current strike by two segments of workers against implementation of tribunal award. "Had this happened two years back, the entire port would have been paralysed. Today it is a much localized action and the terminal is more or less normal," he said, adding, "My

experience is that we are looking at a new dawn – a new sunrise – in Kerala.”

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Port Pipavav achieves new operational benchmarks Exim News Service - 05 May, 2009

PIPAVAV: Port Pipavav has once again demonstrated its operational excellence on *Nedlloyd Tasman* (operating on Maersk Line's ME1 service), registering a work productivity of 121.83 mph and gross crane productivity of 40.80 mph. This mirrors its earlier achievements on the *Al-Manakh* (operating on UASC's IMR. service) and the inaugural Maersk Line ME3 call. On the UASC vessel, excellent work productivity numbers of 108 mph were achieved, confirming Port Pipavav's total commitment to all of its customers. In a short span of 10 days, this was the third vessel on which the work productivity exceeded 100 moves.

Gross crane productivity has also crossed 40 mph consistently in April. This re-establishes Port of Pipavav as the top performing terminal in the region. Complimenting the operations team and all those who contributed to the high productivity achievement, Mr. Ravi Gaitonde, Chief Operating Officer, remarked, "Faster turnaround of vessels will certainly make Port Pipavav cost-competitive to our customers. The Port is focused on customer satisfaction."

Mr. Milind, Operations Manager at Port Pipavav, remarked, "Excellent team work, well planned operations supported by coordination between yard activity and vessel side activity, flawless equipment and close supervision resulted in higher productivity. We always compete with our own previous performances."

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KDS begins new fiscal with highest-ever monthly box throughput Exim News Service - 05 May, 2009

KOLKATA: The Kolkata Dock System (KDS) has set an all-time high monthly record by handling 30,800 TEUs in April 2009. This is the highest container throughput registered at KDS in a single month since its inception in 1977, surpassing the previous best of 28,128 TEUs handled in August 2008. This was disclosed by Dr. A. K. Chanda, Chairman of Kolkata Port Trust (KoPT), here recently. Of the total, the share of import and export loaded containers was 52.23 per cent and 28.15 per cent, respectively, with the balance accounted for by empties. In April 2008, KDS had handled just 25,235 TEUs. Dr Chanda also highlighted that a record 16,397 TEUs of import loaded containers were handled in April 2009, surpassing the previous highest figure of 15,019 TEUs handled in October 2007. And quite significantly, during 2008-09, KDS handled an all-time high container traffic of 3, 02,169 TEUs, as against 2, 97,287 TEUs in 2007-08, thereby registering positive growth despite the global recession.

Forty-eight vessels called at KDS in April 2009, of which 38 were handled at the dedicated container berths having mobile harbour cranes. There has been, over time, tremendous improvement in productivity at the facility, resulting in reduced stay of box vessels and, therefore, lowers turnaround time. The highest productivity in one shift at KDS was of 330 containers (units) during the night shift on April 5 on m. v. Mare Balticum, which surpassed the previous handling of 308 containers on the same vessel on July 24, 2008. The highest number of containers handled in one shift by the mobile harbour cranes was 254 on April 10, 2009, the previous highest being 251 on March 2. The highest number of boxes despatched by road/rail in one day was 763 on April 18. Dr Chanda pointed out that the notable improvement in container handling at KDS was possible due to the multi-dimensional measures taken in the recent past to improve the operational efficiency of the container terminal. These included induction of state-of-the-art handling equipment, adoption of best operating practices and benchmarking certain productive services against international standards, which were all showing results. He emphasised that the hard work and dedicated service of Port employees, increasing customer focus, coupled with the implementation of various cost-saving measures for Port users, had in a major way facilitated the unprecedented growth in container traffic through KDS.

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GE Shipping delivers Jag Payal to buyers Exim News Service - 05 May, 2009

MUMBAI: Great Eastern Shipping Co. Ltd (GE Shipping) has delivered its 2007-built double-hull Medium Range (MR.) product tanker Jag Payal (37,159-dwt) to the buyers. With this, the company's fleet now stands at 39 vessels, comprising 31 tankers (12 crude carriers, 18 product carriers, 1 LPG carrier) and 8 dry bulk carriers (1 Capesize, 1 Panamax, 2 Supramax, 3 Handymax, 1 Handysize) with an average age of 10.3 years, aggregating 2.89 million dwt.

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India becomes 3rd after US & Canada to move double-stack high-cube boxes Exim News Service - 06 May, 2009

MUNDRA: India (Mundra Port) is now receiving the country's first nine-foot, six-inch high-cube double-stacked container trains, making it the third country after the US and Canada to double-stack high-cube boxes on rail cars, it was reported. A total of 180 TEUs was loaded in one rake at Kisangarh inland container depot (ICD) of Adani Logistics Ltd for transport to the Port, the report said. The first container train with standard eight-foot, six inches stacked boxes arrived at the Port in March 2006 from Jaipur. Since then, double-stack trains have been in regular operation at the facility.

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No plans to take over Great Offshore's mgmt control: Bharati

MUMBAI: A day after acquiring a sizeable stake in Great Offshore, private shipping major Bharati Shipyard today said it has no plans to take over the management control of the shipping and logistics firm. "This is only a strategic investment and nothing beyond. We are not looking to take over the management control and there are no plans for an open offer as well," Bharati Shipyard Managing Director P. C. Kapoor said. Bharati Shipyard has acquired 55,33,786 shares representing 14.89 per cent stake in Great Offshore at a price of Rs 315 per share, following an invocation of shares which the promoters of the offshore drilling firm had pledged with its subsidiaries.

According to company's disclosures to the Bombay Stock Exchange, Bharati Shipyard's subsidiary Dhanashree properties has acquired 17,10,149 shares representing 4.60 per cent stake in Great Offshore following an invocation of pledged shares. Further, Natural Power Ventures Pvt. Ltd., another subsidiary of Bharati Shipyard, acquired 38, 23, 637 shares of Great Offshore, representing 10.29 per cent stake in the company. The disclosure was made by Great Offshore promoters -- Vijay Seth, Malini Seth, Sonal Choksey, Minal Patel, Devyani Poojara, and Tarini Seth Rishabh Sheth who were the pledgers of the shares of the two companies.

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**Global cos eye 25% in Dharamtar Port
The Economic Times - 11 May, 2009**

MUMBAI: A slew of international logistic and shipping service providers have shown interest in acquiring up to 25% equity stake together in Dharamtar Port, a dry bulk port in Maharashtra. The acquisition will give the winning firm access to an alternate dry bulk port with jetty facilities and warehousing, in proximity to the overstretched JNPT in Nhava Sheva. The companies — Oxbow Coal of the US, Scorpio Group of Marshall Island and Coeclerici Logistics of Italy — hold up to 10% stake each in United Shippers, which owns half of Dharamtar Port. PNP Maritime Services owns other half. SJ Parekh, promoter and chairman of United Shippers, told ET that the proposed acquisition of equity stake in the port makes sense for the foreign companies, as they are into the logistics business.

"Also, they are familiar with our way of operations due to their association with United Shippers," he said. An Oxbow official confirmed that the firm has expressed interest in Dharamtar port. Mr. Parekh, however, declined to comment on the valuation of the port, which has a handling capacity of 300,000 containers a year. The United Shippers-PNP Maritime combine have invested Rs 100 crore in the port and plans to invest another Rs 200 crore in the next three years.

United Shippers is the country's largest barge owner and also operates tugs and onshore equipment. Oxbow Coal is into coal transportation, while the Scorpio Group is into crude oil and petroleum products transportation. Coeclerici Logistics is engaged into coal mining, dry bulk logistics, trading and shipping.

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SCI plans to deploy ships on India, MidEast, Europe, E. Africa route
Exim News Service – 11 May, 2009

MUMBAI: The Shipping Corporation of India (SCI) plans to deploy vessels on the India, Middle East, Salalah, Europe, East Africa route to tap the increasing trade volumes between the country and these markets. The service is expected to connect cargo shipments between India, Middle East, Europe, East Africa and the Red Sea, a SCI release said.

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Port and dock workers plan to fight against tribunal award
The Economic Times - 11 May, 2009

Even as traffic volumes at ports are showing signs of an upturn, the recent government order to implement Central Industrial Tribunal award on manning scales for port operations across the country threatens to unsettle managements and paralyse dockside operations. As per the award, announced on April 22, 2009, deployment of port workers will be need-based, with reference to the nature of job or cargo, and not on the basis of “the gangs of specified strength” or manning scale. The tribunal also wanted that notional booking or restrictive practices adopted by the workmen be stopped as it is an unhealthy practice that creates problems such as financial losses to ports. The workers oppose the implementation of the award fearing that it would drastically reduce the workforce in cargo handling and marine operations to about 40%.

PM Mohammed Haneef, convenor of Kochi Thuramugha Samrakshana Samithi, a forum of trade unions formed to protect the interests of the Kochi Port, said, “In case the government decides to implement it in all ports, it would result in 42% of the nearly 68,000-strong workforce becoming redundant and, thus, jobless.” Samithi is leading the agitation at the port against the implementation of the award which reduced its cargo handling staff to four from 16. The Kochi Port is the first major port to implement the award. According to Mr. Haneef, labour agitation is badly affecting productivity at the port. Mr. Haneef is also the general secretary of All India Port and Dock Workers’ Federation. Ports of Tuticorin and Vizagapatnam also implemented the award, but the former withdrew it following agitations. Union leaders were unanimous in their opinion that the much delayed award (the issue was referred to the tribunal in 2006) is faulted and impractical.

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German team visits UILP facility near Chennai
-Looks forward to doing business with Uniworld
Exim News Service – 12 May, 2009

CHENNAI: A 40-member expert business team from the Federal State of Niedersachsen, Germany, headed by its Deputy Prime Minister and Minister for Economics, Labour and Transport, Dr. Philipp Roesler, visited the Uniworld Integrated Logistics Park (UILP) at Irrungattukottai, Sriperumbudur, near here, to get a practical view of the facility. The visiting team was very impressed by the infrastructure facilities put up for further business investments and expressed its willingness to do business with UILP. According to Mr. Dirk Hertrampf, Foreign Trade Counsellor Asia, NGlobal, "this concept is relatively new to India and we are happy with the facilities here as we feel they can serve as a hub and gateway for logistics and distribution pan-Asia." He also appreciated Uniworld's innovative concept and found it more creative, competitive and cost-effective than other Asian logistics hubs like Singapore and Hong Kong.

The Germans also stated that they were looking forward to investing in the manufacturing and retail sectors. They would help companies in Germany invest in manufacturing and retail units—the target sectors being automobile, telecommunications, medical equipment, pharma and garment units. Commenting on this new business development, Mr. M. Premkumar, Uniworld Group Managing Director, stated that the visit of the German team marked the beginning of a new chapter in the logistics sector. He hoped that the business tie-up would enhance the trade relationship between the two countries. He thanked EMO Trans, UILP's partner company in Germany, for taking care of all of Uniworld's commercial interests in Germany.

With 29 offices spread across eight countries in Asia, along with exclusive partnerships worldwide, Uniworld is well equipped to serve 400 business locations. Spread over 22 acres, UILP's facility comprises an inland container depot, air freight station, bonded warehouse, Customs clearance, general warehousing and distributing facility all at one location. This facility will immensely benefit manufacturers and traders by way of cost and time-saving for their inbound logistics. This hub in Chennai will be useful for business activities in Southern India. The company has on the drawing board a huge expansion plan for 2009 to emerge as a major contract logistics service provider in the country. Besides the Chennai facility, the company recently inaugurated a facility in Bangalore. One more warehouse is to come up in Mumbai by 2010.

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More specialised berths, deeper channels set to bolster Paradip Port's handling capacity **Exim News Service – 12 May, 2009**

PARADIP: Between 2002-03 and 2008-09, Paradip Port's traffic throughput nearly doubled from 23.9 million tonnes to 46.41 million tonnes. Now, the Paradip Port Trust (PPT) hopes to handle 100 million tonnes by 2016-17, Mr. K. Raghuramaiah, Chairman of PPT, asserted. This would be possible, he explained, because of the construction of several new berths in the coming years, including a coal berth, ore berth, oil berth, two multipurpose berths for handling lean cargoes and a ro-ro jetty.

His optimism is based on the deepening of the navigable channels, now under way at an estimated cost of Rs 253.36 crore, which would be completed in March 2010, making it possible for the Port to receive large Capesize vessels. He attributed the Port's growth to the augmentation of its handling and storage capacities, mechanisation of operations, better connectivity and the general buoyancy of the economy. Over the last few years, the Port had attracted several new types of cargoes, Mr. Raghuramaiah said. The Port also started handling crude imports from 2008-09, he added.

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VPT bags Green Tech Foundation award for implementing safety systems Exim News Service – 13 May, 2009

VISAKHAPATNAM: The Visakhapatnam Port Trust (VPT) has received the Green Tech Foundation award for effective implementation of safety systems in port operations in 2008, a VPT release announced. The award was presented during the 8th Annual Global Safety & Security India Conference 2009 held in Goa. Mr. S. M. Mumford, Chief Mechanical Engineer and Mr. A. Venkata Ramana, Port Safety Officer, received the award.

A Green Tech Foundation committee had carried out a national-level survey on the implementation of safety standard regulations and best practices at work sites to avert accidents by both the private and public sector industries. The safety standards followed by various ports while handling various cargoes, including hazardous ones like LPG, oils and chemicals, were scrutinised by the committee which adjudged Vizag Port the best.

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Shipbuilding hub coming up on Narmada's banks Times Shipping Journal - 13 May, 2009

In a few months from now, the mouth of the Narmada river in Gujarat may see hectic shipbuilding activity. With the completion of the Rs 1,000-crore Gujarat Maritime Board project, the Narmada estuary will become one of the busiest shipbuilding hubs in the country. The project is aimed at developing the basic infrastructure needed to set up a world-class shipbuilding centre, which would benefit the shipbuilding equipment manufacturers and suppliers in the country. In order to boost the shipbuilding sector in Gujarat, the state government has also decided to develop the 12 km stretch, south of Dahej as a Marine Shipbuilding Park (MSP). Given the tremendous growth potential of this sector, a number of small and mid-sized shipbuilding companies are exploring opportunities to set up their units in the Park.

Satyadeep Sarvaiya, Manager, FabTech Engineering Company, a mid-sized shipbuilding equipment manufacturer in Surat, says, "The state government's decision has opened up ample business opportunities for shipbuilding equipment manufacturers and suppliers in and around the state. The

proposed investment in the shipbuilding sector is also expected to provide an edge to Indian players over its Japanese and Korean counterparts.” The Indian shipbuilding industry is poised to grow to \$20 billion by the end of 2020. Gujarat, with its recent investments in the sector, is aiming to garner nearly 60% of this business. In addition to the MSP, the Gujarat government plans to set up at least twelve shipyards in the region, each with an outlay ranging from Rs 300 crore to Rs 1,200 crore. Subash D. Sheth, Technical Director of Ramakrishna Engineering & Ramakrishna Ship Repairing Pvt. Ltd., a mid-sized ship repairing company in Mumbai, says, “Gujarat is considered as the most industry-friendly state in India. The opening of MSP and the shipyards will provide a further boost to the shipbuilding sector in the state.” Once the MSP becomes fully operational, it will facilitate faster cargo movement to different ports in the country at a much cheaper rate.

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Gangavaram port now equipped to detect approaching tsunami, storms Exim News Service – 13 May, 2009

VISAKHAPATNAM: A sophisticated instrument called wave rider buoy, costing Rs 1 crore, has been installed at Gangavaram port to sense any disturbance in the sea, it was reported. The instrument warns of approaching menace in the forms of tsunamis and cyclones. It can also be used to detect movements of fish.

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Maersk Line makes Mundra Port acceptance point for Gujarat & Rajasthan cargo -Offers weekly feeder service to Port Pipavav Exim News Service – 13 May, 2009

MUMBAI: Maersk Line has announced the introduction of Mundra Port as a point of acceptance for cargo out of Gujarat and Rajasthan. Mundra will now be serviced by a weekly feeder service to Port Pipavav arriving every Sunday with convenient onward connections to the ME1 service to Europe as well as the ME3 service to the Mediterranean and the Middle East. This new service is aimed at enhancing Maersk Line's service offerings to exporters from Rajasthan and Gujarat and further strengthening its presence in these growing markets. The developments have been prompted by the recent enhancements to the ME3 service, which now has added Pipavav as a port of call, not only expanding Maersk Line's coverage from/to North and North-West India, but also providing Pipavav as an alternative gateway on the West Coast.

Maersk Line already has acceptance points at Kandla and Pipavav and the addition of Mundra further solidifies its service coverage in Gujarat. The first service from Mundra to Pipavav began on May 10 with m.v. OEL Shreyas, the OEL feeder that calls at Mundra, Pipavav, Cochin, Tuticorin and Kandla, the cargo of which was subsequently loaded on the ME1 and ME3 service from Pipavav. Commenting on

the new service, Mr. Rizwan Soomar, Managing Director of Maersk India Pvt. Ltd, said, "We constantly strive to improve our service coverage and provide our customers with better, faster and innovative products. Opening up Mundra as a point of acceptance bears testimony to that. We remain committed to the Indian market and look forward to the support of our customers to make this new service offering a grand success."

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Far Shipping (India) launched

-Kolkata office inaugurated

-To focus on providing customised services & expanding operations

Exim News Service – 14 May, 2009

MUMBAI: Far Shipping Lines Pte. Ltd, a Singapore-based common carrier feeder operator, has, effective from May 1, 2009, appointed Far Shipping (India) Pvt. Ltd as its agent across India, in a bid to come closer to its valued customer lines operating to and from the country. Capt. Zhu Zu Zheng, General Manager, Operations, and Mr. William Lee, Marketing Manager, Far Shipping Lines Pte. Ltd, Singapore, were recently in Kolkata for the inauguration of the Far Shipping (India) Kolkata office, and then in Mumbai where the Head Office is registered. Far Shipping (India) Pvt. Ltd has commenced operations in Kolkata, Haldia, Visakhapatnam and Chennai, and will soon be covering other ports in India.

In an interaction with Exim India, Capt. Zhu and Mr. Lee emphasised that the focus of the company was to come closer to the customers and serve them better across the country by providing customised services. "We consider ourselves an uncommon common feeder as we believe in customising services to cater to the needs of our customers—the main line operators (MLOs). We want MLOs to feel that exclusivity through our reliable and efficient services," Mr. Lee underscored. Far Shipping has been operating in India since 2002, covering an area spanning South-East Asia to the Middle East. It currently offers a weekly service on the East Coast calling at Kolkata, Haldia, Vizag and Colombo with 4 vessels of 1,000-TEU capacity. "We intend strengthening our existing East Coast service and will explore the possibility of expanding services covering the Western and Southern regions as well," stressed Capt. Zhu.

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West Bengal plans to build small port

IANS - 15 May, 2009

KOLKATA: The West Bengal government is planning to build a small port at the mouth of the Hooghly river, a senior government official said here on Friday. The government earlier planned a deep sea port in the region as the nearby Haldia port was in bad shape due to sharp fall in draught. But since the

project is expected to take a long time to be completed, the government is now planning the small port. "The port that we urgently require might not be as big as the deep sea port," state Industry Secretary Sabyasachi Sen told reporters on the sidelines of an industry conference.

The construction of the port will be completed before the proposed Petroleum, Chemical and Petrochemical Investment Region (PCPIR) project comes up in Nayachar near Haldia in East Midnapore district. "Our first priority is a port facility; the refinery can come later at Nayachar," Sen said.

The PCPIR project will comprise a chemical hub at Nayachar island and industrial units in the adjoining Haldia region.

The central government plans to build chemical and petrochemical hubs in different parts of the country under its PCPIR policy. Bijoy Chatterjee, the central chemicals and petrochemicals secretary, who was also present at the press conference, said the central government would shortly sign an agreement with West Bengal, Gujarat and Andhra Pradesh, the states where PCPIR projects are coming up. "The agreement would detail the time frame of the execution of the projects and also the responsibilities to be shared between the states and the centre," Chatterjee said.

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Meka-Amma JV secures 4-yr contract to dredge Cochin Shipyard waters **Exim News Service – 17 May, 2009**

KOCHI: Cochin Shipyard has reportedly awarded a dredging contract to Meka Dredging-Amma Lines joint venture (JV) for a period of 4 years. The JV won the contract after a tender process which saw several dredging contractors participating, according to a Meka Dredging press release. As per the release, the contract calls for the JV to provide a maintained depth at Cochin Shipyard's quayside through the contract period.

Mr. Hemanth Meka Rao, Director of Meka Dredging, explained in the release that the JV would deploy a trailer suction dredger for the initial period, when large amount of dredging would be involved. Smaller equipment would be used to continue the maintenance. "It is a prestigious project, especially with the construction of the first indigenous aircraft carrier at CSL," Dr Meka Vijay Papparao, Chairman of the Meka group, observed. Incidentally, the Meka group owns the marine works company Amma Lines Ltd, the founders and co-promoters of the Rs 5,200-crore Rewas port, which is being jointly developed by the Reliance group.

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5 berths among Paradip Port's expansion plans **Exim News Service – 18 May, 2009**

PARADIP: The Paradip Port Trust (PPT) has drawn up a plan to construct an oil berth, entailing an investment of Rs 172.97 crore. With a capacity of 10 million tonnes per annum, the berth will be commissioned by March 2012, Mr. K. Raghuramaiah, Chairman of PPT, said. "The new berth will be funded by PPT's internal accruals," he told a seminar on "Role of PPT in Economic Development of Orissa".

The seminar was organised by the Utkal Chamber of Commerce and Industry (UCCI). PPT is also developing 4 other berths, including an iron ore berth, a coal berth and two multi-purpose berths. These would all have a cumulative capacity of 29 million tonnes. They would be constructed on build, operate and transfer (BOT) basis under the public-private partnership (PPP) mode with an investment of around Rs 591 crore. At present, PPT has 14 berths.

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DCI wins NM Port's dredging contract

Exim News Service – 20 May, 2009

VISAKHAPATNAM: The Dredging Corporation of India Ltd (DCI), a public sector undertaking under the Ministry of Shipping, has won the maintenance dredging contract of New Mangalore Port for two years. DCI won the contract through competitive bidding. The value of the contract is estimated at about Rs 81.07 crore.

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CoPT plans 'ro-ro' service to move boxes from RGCT to Vallarpadam ICTT

Exim News Service – 24 May, 2009

KOCHI: The cochin Port Trust (CoPT) is planning to introduce a 'roll-on roll-off (ro-ro)' service to move containers from Rajiv Gandhi Container Terminal (RGCT) at Cochin Port to Vallarpadam international container transshipment terminal (ICTT) nearby. By this method, a truck carrying a container will drive down the RGCT pier on to a barge, which will then ferry the truck to ICTT, where the container will be offloaded for hoisting on to main line vessels. The move follows the delay, of at least three months, in the completion of the National Highway connectivity even as the Vallarpadam ICTT is slated to be commissioned in November. The Port has decided not to wait for the completion of the road link since the terminal is ready to receive container vessels earlier, Mr. N. Ramachandran, Chairman of CoPT, explained. The 'ro-ro' service, he elaborated, would do away with a road transit of 35 km through congested areas to Vallarpadam.

Inland water transport (IWT) terminals at Bolghatty near the ICTT and at Willingdon Island would bridge the two container service facilities, he stressed. Considering the expected increase in traffic with the

commissioning of the ICTT, the container traffic from south Kerala would be able to reach the Port at economic rates through the National Waterway No. 3 by facilitating new IWT terminals, he added. There would also be a substantial reduction in the transit time and the container freight station (CFS) at Willingdon Island would also be easily accessible to ICTT with the establishment of an IWT, he pointed out.

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Cochin Port joins project cargo handlers club

-deftly unloads 725-tonne reactor for Kochi Refinery

Exim News Service – 24 May, 2009

KOCHI: Cochin Port has ventured into the new and promising area of project cargo handling as it unloaded the biggest-ever package weighing 725 tonnes on May 20. The consignment was a reactor imported by Bharat Petroleum Corporation Ltd-Kochi Refinery (BPCL-KR) for its vacuum gas oil hydro de-sulphurisation unit at its Ambalamugal refinery. The 40-metre-long reactor with a diameter of 5.3 m was built by China Forging Heavy Industries under the supervision of China Petroleum Technical Development Corporation Ltd.

The reactor will ensure that Euro III norms are adhered to, since they are mandatory in the production of petroleum products. BPCL-KR is augmenting its refining capacity by April 2010, which has important implications for Cochin Port because it would mean more crude oil imports through the Port. The reactor was brought here by the general heavy-lift carrier type vessel, m.v. Maria, which loaded the consignment from the Chinese port of Dalian. The vessel is equipped with three high-capacity heavy-lift cranes and was the first of its kind to call Cochin Port.

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International Updates:

Hanjin to hike Asia-Europe rates in June & again in July

Exim News Service – 25 May, 2009

HANJIN Shipping has announced that it will increase freight rates from Asia to Europe and to Mediterranean destinations westbound by \$ 250 per TEU and \$ 500 per FEU on all containers including reefer boxes from June 1. Between Far East-South-East Asia and northern European ports, South Korea's major shipping line will again increase rates by \$ 300 per TEU and \$ 600 per FEU from July 1. On services between the Indian Subcontinent and the Middle East as well as to European ports, Hanjin will implement \$ 100 per TEU and \$ 200 per FEU rate increases from July 1.

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Georgia Ports Authority welcomes COSCO to Port of Savannah

-World's fifth-largest ocean carrier adds Savannah to its vessel rotation

Exim News Service – 25 May, 2009

The Georgia Ports Authority's (GPA) Executive Director, Mr. Doug J. Marchand, announced that China Ocean Shipping (Group) Company (COSCO) now has vessels calling at the Port of Savannah. "We appreciate COSCO's confidence in our ability to handle its container volume now and in the future," said Mr. Marchand. "The Port of Savannah offers a logistically-friendly location with two on-terminal rail providers and immediate access to two inter-state highways, which helps us attract additional cargo in a challenging economy. We welcome COSCO and look forward to working closely with them."

The first COSCO vessel to call on the Port of Savannah, m.v. Zhen He, arrived at the GPA's Garden City Terminal on May 10. Prior to the Zhen He's arrival, COSCO moved cargo through Savannah on alliance carrier vessels. COSCO, along with "K" Line, Yang Ming and Hanjin, comprise the CKYH Alliance. COSCO is a \$ 17-billion corporation that has been moving cargo for more than four decades. It operates a merchant fleet of more than 600 vessels, moving more than 300 million tonnes annually. Headquartered in Beijing, China, COSCO has wholly-owned subsidiaries in Guangzhou, Shanghai, Tianjin, Qingdao, Dalian, Xiamen and Hong Kong.

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APL to launch direct Vietnam to North America West Coast weekly service

Exim News Service – 25 May, 2009

SINGAPORE: Singapore's Neptune Orient Lines' (NOL) container unit, APL, will launch a direct weekly Vietnam to North American West Coast service from June 4, the company has announced. The 4,250-TEU APL Denver, deployed on APL's Pacific South 1 (PS1) service, is to call at the Saigon port-PSA in the first week of June. SP-PSA is Vietnam's first operational deepwater container terminal serving Ho Chi Minh City, said a company statement.

For shippers, the direct service offers the first opportunity to utilise APL Guaranteed Direct, a day-definite, money-back-guaranteed ocean service for full container loads; APL Liner Train, dedicated cargo trains scheduled to meet ships departing from APL's on-dock rail facilities in Seattle and Los Angeles, with transit times as short as 15 days from Vietnam to the US West Coast. APL offers more than 60 weekly services and nearly 300 calls at more than 90 ports in Asia, Europe, the Middle East and the Americas.

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Grand Alliance merges JCX & SCX services into one loop

Exim News Service – 25 May, 2009

Grand Alliance members—Hapag-Lloyd, Nippon Yusen Kaisha (NYK) Line and Orient Overseas Container Line (OOCL)—have agreed to merge the South China Sea Express (SCX) and the Japan China Express (JCX) into a single loop. The new service will take effect from May 25, sailing from Thailand. Grand Alliance customers will be offered the same port coverage options under the new service. One additional vessel of 6,200-TEU will be deployed on the SCX service, and Japanese ports previously covered on the JCX will be covered by the upgraded SCX service.

Kaohsiung will be transferred to the Super Shuttle Express (SSX) service on the transpacific eastbound call, while the westbound call on SCX will remain unchanged. The port rotation for both services is:

SCX: Laem Chabang, Singapore, Kobe, Nagoya, Tokyo, Sendai, Los Angeles, Oakland, Tokyo, Nagoya, Kobe, Kaohsiung, Shekou and Laem Chabang

SSX: Shekou, Yantian, Hong Kong, Kaohsiung, Long Beach, Kaohsiung, Xiamen, Hong Kong and Shekou.

The merged SCX product will allow the Grand Alliance to continue offering its customers the competitive and high quality services they are used to.

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MAERSK LINE delays general rate increase on North America to Mediterranean/North Africa trade

Exim News Service – 25 May, 2009

Maersk Line has announced that the general rate increase on the North America to Mediterranean and North Africa trade, which it had previously announced for June 15, will now be effective from July 1. This has been done to coincide with the change in Bunker Adjustment Factor (BAF), also scheduled for July 1. By combining the rate increase and the BAF into a single event, tariff and contract maintenance are simplified, reducing complexity for customers. The new amounts of the BAF surcharge will be communicated separately.

The filed increase is as follows:

\$ 120 per 20' Dry container

\$ 200 per 40' container / high cube / 45' container

The increase applies from all origin points in the US and Canada to all destinations in the Mediterranean and North Africa. The increase applies to Dry cargo only. Separately, Maersk Line will begin increasing its rates pertaining to inland haulage locations during the coming months, to ensure that its inland costs are fully recovered.

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GPA recycles one-third of its scrap metal waste in 2008

Exim News Service – 27 May, 2009

SAVANNAH (GEORGIA): The Georgia Ports Authority (GPA) has been recycling its scrap metal for more than a decade. In 2008, GPA recycled more than 2.73 million pounds of scrap metal waste at Garden City Terminal and Ocean Terminal. The recycled tonnage represents 32 per cent of the GPA's total solid waste generated at the Port of Savannah last year. "GPA's scrap metal recycling efforts follow our initiative to recycle and reuse material whenever possible," explained GPA's Executive Director, Mr. Doug J. Marchand. "From recycling concrete materials in berth upgrades to recycling scrap metal, GPA strives to conduct port operations in an environmentally-sensitive and responsible manner."

Recycled scrap metal waste at the Port of Savannah includes damaged equipment, used parts, cables, etc. The income generated from scrap metal sales more than offsets the cost of the recycling programme. Recently, a liquid bulk tank built in the late 1970s was dismantled and removed from GPA's Garden City Terminal. Scrap metal from this 15-million gallon tank will be recycled by the contractors. Concrete from the tank's base will be reused in GPA's terminal improvement projects. Once the 15-acre tract is cleared, it will revert to container storage and incorporate GPA's reuse of recycled materials for paving.

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APL announces new phase of rate hikes in Asia-Europe trade Exim News Service – 28 May, 2009

SINGAPORE: Container shipping provider, APL, has announced its intention to raise freight rates in the Asia-Europe trade. The latest move follows an initiative announced in February this year. For the Eastbound Europe-to-Asia leg, a per-container rise of \$ 100 will be placed on scrap commodities, such as paper, which will be implemented on June 1. In the Westbound Asia-to-Europe trade lane, there will be a rise of \$ 300 per TEU for all freight to the Mediterranean and North Europe, which will come into effect on June 15 and July 1, respectively.

APL's Vice-President for the Asia-Europe Trade, Mr. Delve Kerber, said "Despite the relative success of initiatives we implemented earlier this year, rates in the Asia-Europe trade are not even close to sustainable levels. We will be doing everything possible to ensure the latest rises are upheld".

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Ananda Shipyard exports 8th ship Thursday Bdnews24.com – 21 May, 2009

Ananda Shipyard and Slipways Ltd, one of the leading ship manufacturing and exporting companies of Bangladesh, is going to export its eighth vessel.

The managing director of the company, Afroza Bari, told bdnews24.com that the vessel named 'Stella Moon' built in the factory of Ananda Shipyard at Meghna ghat of Sonargaon, would be handed over to Stella Shipping of Denmark in a ceremony on Thursday. The cargo ship with capacity of 2900 DWT or deadweight tonnages, and capable of sailing on the ice is priced at \$ 75 lakh, she said Ananda Shipyard launched its ship export through the handover of a ship named Stella Maris at \$ 62 lakh to Stella Shipping on May last year—the first-ever ship export from Bangladesh. Later, the company exported six vessels to Mozambique government at \$ 60 lakh each.

"The Stella would be formally handed over on Thursday. Commerce minister Faruq Khan and industries minister Dilip Barua are expected to be present," Bari said. She said Ananda Shipyard has had work order for 18 more ships worth \$ 18 crore, manufacturing of 10 ships have begun and she expected them to be by two years. The company, the sister concern of Ananda Group, has been into ship building since 1983. It has sold out 350 vessels of different types in the local market besides exporting seven liners since then.

The vessels include row ferry, tag boat, work boat, hospital boat, coast guard petrol boat, dredger, and dredging barge and salvage crane.

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A.P. Moller-Maersk updates policy & procedures for sailings in pirate-infested waters

- Quick transits in troubled areas
- Making vessel access harder
- Backs regional sea patrols
- Calls for establishment of safe corridors

Exim News Service - 04 May, 2009

COPENHAGEN: While the A. P. Moller-Maersk Group is proceeding with its investigation of the *Maersk Alabama* hijacking off the coast of Somalia, it has taken action to boost the safety and security of its crew and vessels against piracy. "We have expanded the area off the coast of Somalia where only vessels with a certain freeboard or capable of sailing at certain speeds are allowed to enter," explained A.P. Moller-Maersk Group Partner and Maersk Tankers CEO, Mr. Soren Skou. "Vessels should spend as little time in the area as possible, and while in the area sail at maximum speed," he emphasised. The Group is also examining defensive measures to boost security on board its vessels, such as making access to the vessel more difficult. For security reasons and the safety of its crew, the Group does not want to provide any specific details on these measures. The Group has given detailed instructions and procedures to its crew prior to sailing in the area, which includes reviewing safety plans on board before entering the area. The Group has reiterated its call to the international community to find a solution to the problem of piracy. While the naval presence in the Gulf of Aden has achieved some success in deterring attacks, the pirates remain a threat to crews and vessels in the area and elsewhere.

"We back proposals such as establishing a regional maritime sea patrol to protect vessels in the

area from piracy attacks. The nations in the region, with the support of the international community, must address this problem," underscored Mr. Skou.

"We also call on the international community to establish a transit corridor, so vessels can safely call at ports in Kenya and Tanzania." It has welcomed proposed agreement between Denmark, Kenya and other countries to allow legal prosecution of pirates in Kenya. The Group maintains its policy of not arming crews or allowing armed guards on board its vessels. Weapons on board could lead to a dangerous escalation and raise a number of multi-jurisdictional legal issues. However, in certain instances when force protection is government-mandated, the Group will work with and comply with government instructions.

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IMO's new convention on ship recycling in sight Exim News Service - 05 May, 2009

HAMBURG: The new convention of the International Maritime Organisation (IMO) for 'Safe and Environmentally Sound Recycling of Ships' may be adopted at a diplomatic conference in Hong Kong this month. The new convention aims to prevent hazardous working conditions and ensure environmental protection during ship recycling operations. Expected to come into force in 2013, the convention will require approximately 50,000 ships worldwide to have a certified 'Inventory of Hazardous Materials' (IHM) on board, listing the hazardous materials present in their structure and equipment.

Every new ship will have to enter service with a certified IHM once the convention comes into force. Recycling facilities will need to comply with safety and environmental requirements to gain authorisation, and handle and dispose of hazardous materials safely. Ship recycling states will be required to take effective measures to ensure that the recycling facilities under their jurisdiction comply with the new convention.

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China Navigation acquires Tasman Orient Line in entirety Exim News Service - 04 May, 2009

HONG KONG: The China Navigation Co. Ltd. (CNCo), the deep sea shipping arm of the Swire group, has announced that it has acquired the one-third shareholding in Tasman Orient Line (TOL) held by Switzerland-based ship-owner, Mr. Christian J. Ahrenkiel. The transfer, effective from April 1, is for an undisclosed consideration. Mr. Richard Kendall, Managing Director of CNCo, said, "By turning Tasman Orient Line into a wholly-owned subsidiary of China Navigation, we are better able to achieve synergies in aligning its services with those of our other liner trades subsidiary, Swire Shipping.

"The partnership with Mr. Christian Ahrenkiel has been one of successful cooperation since the formation of Tasman Orient Line ten years ago. We are committed to Tasman Orient's model of providing comprehensive multipurpose liner services between New Zealand and Asia, and this shareholding realignment will enable us to continue this model on a sustainable basis," he added.

Commenting on the sale, Mr. Ahrenkiel confirmed that the partnership with CNCo had been mutually beneficial. "We have worked well in running the business together since Tasman Orient started in 1999. And, ten years prior to that, I founded NZ Orient Line, turning it into the successful predecessor of Tasman Orient Line that it became. The world has now changed and I realise that, for a secure future, Tasman Orient Line needs to be put on a broader base. Hence, it is time now for Swire to take it to its next phase." Mr. Ahrenkiel retains his minority shareholding, in partnership with CNCo, in the New Zealand agency and shipping services company, Quadrant Pacific Limited.

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Ship-owners now paying for fuel to carry Gulf oil to US Exim News Service - 13 May, 2009

LONDON: Supertanker owners are making no rental income from the voyages from the Middle East to the US and are paying \$ 3,445 a day towards fuel costs, data from the Baltic Exchange showed. Rental rates normally cover fuel costs. The journey to the Louisiana Offshore Oil Port from Ras Tanura, Saudi Arabia's largest export facility, earned owners as much as \$ 104,663 a day in July last year. Some owners may be prepared to subsidise voyages as they relocate vessels to the Atlantic, an analyst said.

Twenty-one per cent of the global fleet of 2,067 oil tankers is now anchored, compared with an average of 16 per cent across all types of vessels earlier. Supertankers are now moving at an average speed of 9.2 knots, as against as 10.6 knots in July 2008, suggesting captains are slowing down to save on fuel, data showed.

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YML, OOCL upgrade CPX service with Nhava Sheva call Exim News Service – 17 May, 2009

HONG KONG: Yang Ming Marine Transport Corporation (YML) and Orient Overseas Container Line (OOCL) will upgrade the joint China Pakistan Express (CPX) service with an additional call at Nhava Sheva. The upgrade will take effect from May 21. The additional call at Nhava Sheva offers a direct connection between central China and India. The service continues to offer the fastest transit time

between central China and Pakistan currently available in the market. The service will comprise five vessels with 1,900-TEU loadable capacity each week. YML will provide three vessels and OOCL two. The new port rotation is: Shanghai, Ningbo, Shekou, Singapore, Karachi, Mundra, Nhava Sheva, Penang, Port Klang, Singapore, Hong Kong, Shanghai.

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Maersk Line announces rate restoration programme between Asia & S. America EC Exim News Service - 18 May, 2009

COPENHAGEN: In its continued effort to provide its customers with best services, Maersk Line has announced a rate restoration programme for the trade lane from Asia to the East Coast of South America and from the East Coast of South America to Asia.

From Asia to East Coast of South America:

\$ 100/200/200 per 20'/40'/40'HC. Effective June 1.

\$ 250/500/500 per 20'/40'/40'HC. Effective July 1.

Peak Season Surcharge. Effective August.

From East Coast of South America to Asia:

\$ 100/200/200 per 20'/40'/40'HC. Effective June 1.

Trading conditions for carriers operating in the markets between Asia and the East Coast of South America are still subject to unacceptable rate levels and the situation is unsustainable in the longer term, says a company release.

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IMO adopts Hong Kong model for scrapyards standards Exim News Service, 20 May, 2009

HONG KONG: THE International Maritime Organisation's (IMO) conference on scrapyards standards here has adopted the "Hong Kong International Convention for the Safe and Environmentally-Sound Recycling of Ships, 2009". This provides a regulatory framework to ensure ships are disposed of in a safe and environmentally-friendly manner at the end of their operating life. Fifty-nine member-states signed the convention. The convention provides guidelines for the industry in the design, construction, operation and preparation of ships for recycling; the operation of scrapyards in a safe, environmentally-sound manner and the implementation reporting standards, licensing and inspection procedures.

"One of the most important requirements under the new convention is the need to have an updated inventory of hazardous materials on board a ship so that necessary precautionary measures could be

taken to protect the workers as well as the environment at the recycling yard," the communiqué said. The new convention, which incorporates a port state control concept based on the no-more-favourable treatment principle, ensures a level-playing field for all interested parties, while respecting the global nature of shipping by advocating internationally-applicable measures.

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[Government Supports and Actions:](#)

Govt considering Rs 10,000-cr package for shipping industry

PTI - 22 May, 2009

NEW DELHI: The Centre is considering a Rs. 10,000-crore package for the shipping industry to help it tide over the global economic crisis, a senior government official said. "We know that the shipping industry in the country is facing difficulties. We are actively considering a package of Rs 10,000-crore to help the industry," Shipping Joint Director-General C. B. S. Venkataramana told reporters here. He was speaking at a seminar on logistics park organised by industry body CII here on Friday.

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Rs 16.63 crore sanctioned for CoPT's ro-ro scheme

Exim News Service – 28 May, 2009

KOCHI: The Union government has, through the Inland Waterways Authority of India (IWAI), sanctioned Rs 16.63 crore to establish IWT terminals at Bolgatty and Willingdon Islands which come under the purview of the Cochin Port Trust (CoPT), so as to provide effective connectivity of the National Waterway No. 3 to the Vallarpadam International Container Transshipment Terminal (ICTT). This project is expected to be completed by November this year. When completed, the project will provide the necessary infrastructure for transportation of container-laden lorries and trailers between Vallarpadam and Willingdon Island. It is expected that even if there is a delay of 2-3 months in completing the National Highway connectivity project, the ro-ro service will provide seamless connectivity between Vallarpadam and the National Highway network through the island.

It is also expected that the ro-ro service will give a major boost to the transportation of containers through the inland waterway scheme of Kerala, which has so far remained grossly underutilised. Once these terminals are ready, it will be possible to transport containers from Vallarpadam directly to Cherthala, Alappuzha, Kottayam and Kollam areas, thereby greatly reducing congestion on the roads. It is already proved that transportation through the waterways is more economical and environment-friendly than those by road.

The sanction issued by the IWAI is the culmination of a series of discussions that the CoPT authorities had with the IWAI, to tackle the undue delay in completion of the National Highway connectivity project by about 2-3 months.

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Vasan puts berth projects on fast track

Exim News Service – 31 May, 2009

NEW DELHI: For the new Shipping Minister, Mr. G. K. Vasan, new berths will be just a matter of time. He has categorically promised to award six berth development projects at ports and initiate the process for another 20 through the public-private partnership (PPP) mode within three months. His Ministry would also take steps to strengthen the Indian Maritime University in the same time period, he assured. The government, he asserted, was committed to implementing the Sethusamudram project once the Supreme Court delivers its verdict on the issue.

The apex court was only waiting for the R. K. Pachauri Committee to submit its report on the matter. He said the government was not only waiting for the court verdict but also a report from the expert committee appointed by the Prime Minister, Dr. Manmohan Singh, in July 2008, he explained. "This is a developmental project. There is no place for politics," he emphasised. "This is one of the most important projects for Tamil Nadu and for the country. Sethusamudram is a Dr.eam project for Tamil Nadu. It will be my endeavour and the government's to complete the project for the economic development of the country, particularly Tamil Nadu," he underscored.

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DGS wants STP Bill to promote container trade in India

Times Shipping Journal, May 20, 2009

With recent industry forecasts predicting that India has the potential to become a major player in the global container trade in the near future, the Director General of Shipping (DGS) is pressing for the inclusion of the Shipping Trade Practices (STP) Bill in the Multi-modal Transportation of Goods Act, 1993. This move is aimed at facilitating greater accountability and transparency in the working of service providers in the maritime transportation logistics chain. In addition, this is expected to save time, remove operational glitches and promote a healthy competition among the service providers. The STP bill has been pending for almost 5 years due to strong resistance from the logistics service providers (LSPs) in the country. With the DGS now making decisive moves in this area, the STP bill is expected to promote more transparency in container freight prices, thus serving to reduce logistics costs in the country. In the past, several large and mid-sized LSPs have opposed the introduction of the bill, as they were wary of its negative impact on their business. However, they are now slowly warming up to the bill after having assessed the advantages that they would derive from the bill.

D. Sukumaran, MD of Masterstroke Freight Forwarders Private Limited, a mid-sized freight forwarding company in Chennai, says, "India currently contributes only 8% in the global containerised trade. This is expected to increase to 20% in the next couple of years, considering the spurt in its maritime activities." "Moreover, the government has projected the containerised cargo throughput to touch approximately 100 million tonnes by the end of 2011-12. This suggests that the container trade industry in India is set to grow in the next few years. In this regard an important bill like STP will definitely benefit overall maritime trade in India," adds Mr. Sukumaran.

Following the implementation of the STP bill, it will become mandatory for the service providers in the maritime transportation logistics chain for shipping cargo to be registered in India in order to conduct business in the country. Viral Goradia, the Manager of a mid-sized logistics company in Mumbai, Viraj Logistics, says, "Once the bill is implemented, it will marginally curb the flexibility of LSPs which they currently enjoy. When the bill comes into effect, all service providers in the country will have to state their fees clearly and provide a breakdown of costs to their potential customers." The STP bill is also expected to outline the rules for settlement of disputes between exporters, importers and service providers.

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JP Morgan asset management to raise \$750 million fund for shipping sector

REUTERS – 19 May, 2009

The fund will be raised primarily from institutional investors in India and other Asian countries. JP Morgan Asset Management is planning to raise \$750 million (around Rs 3,700 crore) under a sector-focused fund targeting investments in shipping industry, reports Economic Times. The fund will be raised primarily from institutional investors in India and other Asian countries.

The report adds that the fund may target both distressed assets in the recession-wrecked shipping industry as well as support shipping companies in their expansion plans. The investments will be focused on dry bulk carriers, oil tankers and container ships and offshore vessels. The strategy is to buy lower-priced shipping assets (ships, tankers and dry bulk carriers) and lease it to companies that need marine transport infrastructure.

Indian shipping companies are looking to raise around Rs. 94,000 crore over the next four years to meet various operational needs, including replacing ageing fleet and expanding operational network. Although the global recessionary conditions have impacted the overall shipping industry, it has not led to any severe dent for Indian cargo shipping business.

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Higher freight & charter hire income swells Varun Shipping's PAT **Exim News Service - 25 May, 2009**

MUMBAI: Varun Shipping Co. earned freight and charter hire income of Rs 9,146.59 million in 2008-09, as compared to Rs 8,508.07 million during 2007-08, a company statement said. The profit after tax (PAT) for the period was Rs 1,228.06 million, as against Rs 813.97 million in 2007-08. During 2008-09, the company acquired a newly-built large and sophisticated anchor handling towing and supply (AHTS) vessel, and named it Subhadra. In April this year, Varun acquired another newly-built AHTS and named it Suchandra.

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US Australasia Discussion Agreement hikes rates **Exim News Service – 25 May, 2009**

Carriers of the US Australasia Discussion Agreement (USADA), serving routes from the US to Australia and New Zealand, have announced the adoption of rate increases for the year. A guideline has been adopted calling for a general rate increase of \$ 150 per TEU and \$ 300 per FEU to apply on dry and refrigerated shipments moving from the US to Australia and New Zealand from July 1. Customers needing additional information should contact their carrier's sales or customer service representative. The carriers affected are CMA CGM, Hamburg Sud, Hapag-Lloyd, Marfret, Maersk Line and US Lines. All rate actions undertaken by the members of USADA are done on a voluntary and non-binding basis, said a statement from the group.

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Shipping Minister is G. K. Vasan —known to deliver

- Mukul Roy, MoS for Shipping
- Road Transport & Highways for Kamal Nath
- Commerce & Industry goes to Anand Sharma

Exim News Service – 31 May, 2009

NEW DELHI: Mr. G. K. Vasan (44) of the Congress, who was the Minister of State (independent charge) in the Ministry of Statistics and Programme Implementation in the previous government, is the new Union Shipping Minister. Mr. Mukul Roy of the Trinamool Congress is the Minister of State (MoS) for Shipping. Importantly, the earlier Ministry of Shipping, Road Transport & Highways has been bifurcated into one of Shipping and the other of Road Transport & Highways, with the charge of the latter being given to the former Commerce and Industry Minister, Mr. Kamal Nath. The result-oriented Mr. Nath being asked to head the Road Transport & Highways Ministry is seen as the Prime Minister, Dr. Manmohan Singh, refocusing on this critical infrastructure area, which has not seen much development in the last 5 years.

Expeditious development and capacity enhancement in ports and airports is also said to be a key agenda of the new government.

The son of veteran Congress leader from Tamil Nadu, the late Mr. G. K. Moopanar, and Mr. Vasanth entered active politics in 2001. He has been a member of the Rajya Sabha, Secretary of the All India Congress Committee (AICC) and President of the Tamil Nadu Congress Committee. Besides, he has been a member of various consultative committees attached to Ministries, including Urban and Rural Development, Agriculture, etc. A Bachelor of Arts in Corporate Secretaryship, Mr. Vasanth is known to be suave, ambitious and a go-getter. He may, therefore, be trusted to deliver the goods. In his first comments after taking charge, Mr. Vasanth stressed that the Sethusamudram project would continue and be completed on time. He, however, also promised to examine some of the issues of contention.

It may be recalled that the project had run into a major controversy some time back following a government affidavit in the Supreme Court, where a case against the project is being heard. The Court has reserved its order until experts determine whether there can be an alternative route for the project considering its benefits, the environmental aspects and religious sentiments.

The Commerce and Industry Ministry will be handled by Mr. Anand Sharma, who is known to be another astute performer. Among the other Ministers are Mr. Salman Khurshid, MoS Independent Charge, Corporate Affairs; Mr. Dayanidhi Maran, Textiles (the sector worst affected by the global slowdown); Mr. Praful Patel, MoS Independent Charge, Civil Aviation; Mr. Vayalar Ravi, Overseas Indian Affairs; Mr. Vilasrao Deshmukh, Heavy Industries and Mr. Dinsha Patel, MoS Independent Charge, Micro, Small and Medium Enterprises.

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Bharati Shipyard to make open offer to acquire shares of GOL PTI - 31 May, 2009

MUMBAI: Private sector shipyard, Bharati Shipyard, on Sunday said it will make a public announcement for acquisition of additional shares of Great Offshore (GOL) up to 20 per cent of its paid-up equity share capital. The announcement would be made by Bharati Shipyard through its wholly owned subsidiary-- Natural Power Ventures. The shares will be acquired at a price determined as per the applicable SEBI guidelines on the date making public announcement, the company said in a statement issued here. "The purpose of the open offer is to consolidate our investment in Great Offshore. This acquisition will provide enhanced stability to the existing management in Great Offshore and maximise shareholder value for both the companies," Bharati Shipyard Managing Director, P. C. Kapoor, said.

The decision to make public announcement was taken by board of directors of the company in a meeting held on May 30, 2009. Bharati Shipyard recently acquired the shares pledged by Great Offshore which was equivalent to 14.89 per cent equity stake in latter company at a price of Rs 315 per share.

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Bulk shippers Draw cheer from Baltic index rally
REUTERS - 29 May, 2009

MUMBAI: Analysts and investors are turning optimistic on Indian shipping companies, thanks to the Baltic Dry Index's surge since early April, but officials say high capital costs will continue to be a worry for the industry. The London-based index, which tracks costs to ship key commodities, has risen over 18 per cent so far this week, surpassing 3,000 points, for the first time since October 2008. It has more than doubled since early April, according to Reuters data, on rising merchant trade, especially iron ore from China and some easing of trade financing by banks. "There is demand from China. Now letters of credit are also being issued easily (by banks to shipping firms.), unlike a few months back. Over the past one week, things are looking better," Kapil Yadav, an analyst with Dolat Capital, said.

Indian shipping firms were reeling under the impact of a global economic slump on commodity trade, but the stimulus packages announced by the various economies has led to a revival of freight demand, analysts say. Morgan Stanley this week upgraded its view on the global commodity shipping industry to "attractive," saying it is turning incrementally bullish. "There was some inventory build in January-March, but since then inventories are leveling off, supporting our view that the dry bulk market has entered a period of sustainable recovery," analyst Ole Slorer wrote in a research note to clients. Religare Hichens Harrison this month upgraded its rating on India's Mercator Lines to 'buy' due to "improving sentiments in the dry bulk market, where the company has maximum exposure", while ICICI direct rated it an 'outperformer'. Shipping stocks also reflect this new-found optimism, outperforming the 30-share BSE index which rose 47 per cent between April 1 and May 28. Shares in Mercator Lines and Essar Shipping have more than doubled, Shipping Corp of India has risen 73 per cent while GE Shipping about 50 per cent in the same period.

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Spanish naval frigate makes friendly maiden call at Mumbai Port
Exim News Service - 03 May, 2009

MUMBAI: Mumbai Port was host to the Spanish naval frigate, ESPS BLAS de LEZO, which was on a friendly visit, last week. This is the first time a Spanish navy vessel has visited Mumbai/India, thus facilitating a special occasion in the history of mutual cooperation between the two countries. The vessel berthed at 6 ID from April 28 till May 1 and was hosted and felicitated by the Indian Navy, the Spanish Consul General and the Mumbai Port Trust (MbPT). A gala cultural event and get-together was hosted on the vessel on April 29 for over 200 guests and diplomats.

During her 3-day Port stay, the crew on board took the opportunity to go round the city and witness the

election proceedings on April 30. All arrangements for vessel berthing, her husbandry requirements as well as the cultural events were organised by Parekh Marine Agencies Pvt. Ltd as vessel agents. Parekh Marine also presented a memento to the Master of the vessel on her maiden voyage to Mumbai Port.

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GMB alerts ports on H1N1 virus entry

-KPT installs health check mechanism

Exim News Service - 05 May, 2009

GANDHINAGAR: The H1N1 swine flu scare abroad has prompted the Gujarat Maritime Board (GMB) to ask all the ports, including the private ones, in the state to check all people entering the country, officials said. "We had asked authorities of all the ports in the state to set up medical check-up centres and examine all those coming from outside India," the Navigation officer of GMB, Capt. Y.P. Devalkar, said.

The Kandla Port Trust (KPT) Chairman, Mr. P.D. Vaghela, said, KPT had installed a health check mechanism according to the guidelines of the Union Ministry of Health and Family Welfare. A team, comprising a public health officer from the Union government and the KPT Chief Medical Officer, had been conducting regular check-ups of all crew of ships calling at the Port, he stressed. So far, no suspected case of swine flu had been found, he added.

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GE Shipping Q4 net down 16% to Rs 250cr

PTI – 08 May, 2009

MUMBAI: Great Eastern Shipping today reported a 16.48 per cent decline in standalone net profit at Rs 250.05 crore for the fourth quarter ended March 2009. The firm had a net profit of Rs 299.41 crore in the March quarter of FY'08, GE Shipping said in a filing to the Bombay Stock Exchange. Total income dipped 32 per cent to Rs 534.25 crore for the March quarter, from Rs 783.66 crore in the corresponding period a year ago, GE Shipping said in a filing to the Bombay Stock Exchange. During the quarter, the shipping firm incurred gains from exceptional items (which include foreign exchange gains) worth Rs 138.57 crore, against a loss of Rs 40.96 crore in the same quarter in the previous fiscal.

For the financial year ended March 31, GE Shipping reported a consolidated net profit of Rs 1,417.83 crore, down 2.44 per cent from Rs 1,453.35 crore in the year-ago period. Total income rose 19.07 per cent to Rs 4,046.03 crore during FY'09, from Rs 3,397.81 crore in the year-ago period. The board has declared an interim dividend of Rs three for the fiscal 2008-09. On a standalone basis the company reported a net profit of Rs 1,384.82 crore, up 2.06 per cent. Total income stood at Rs 3,083.47 crore in FY'09.

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Work at Haldia Port halted due to protests

The Economic Times - 11 May, 2009

KOLKATA: Work at Haldia Port came to a standstill on Monday as its 2,300-strong CITU union at the Haldia Dock Complex joined the general strike called by Left Front at East Midnapore. Loss of business as a result to the Dock has been estimated at about Rs 1 crore. While losses suffered by the vessels which called at the port and or waiting at the Sand heads have been estimated at about Rs 2 crore. "There are about 18 vessels of various sizes waiting at the dock. Another 11 are waiting at the Sand heads. These vessels spend an average \$10,000 per day for an additional day spent on their voyage. With a number of vessels waiting, total losses to them could be around Rs 2 crore due to the strike," reiterated officials at the Haldia port.

Additionally, mother vessels which wait at Singapore and Colombo also have to spend additional days of waiting due to the strike as feeder vessels which call at ports like Haldia get delayed due to these strikes. Officials from the port said: "Issues between two parties lead to losses in national and international trade." There are about 3,600 employees at the Haldia Dock Complex, of which 300 are officers. As many as 70% of the rest of the staff belong to the CITU union. They participated in the strike and also disallowed other employees and officials to enter the premises leading to total closure of the port. However, work started after the strike was lifted after 6 pm but loss of the major part of the day led to losses.

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Sealand sells stake in Gateway Distripark

Business Standard – 12 May, 2009

MUMBAI: Logistics services provider Gateway Distriparks said today that the US-based port operator Sealand Terminals has reduced its stake in the company to 3.64 per cent after selling shares worth Rs 17.59 crore, through the open market transaction. In a disclosure on the Bombay Stock Exchange, Gateway said Sealand Terminals has sold 25, 13,500 shares, representing 2.33 per cent stake in the company. In March this year, Sealand had increased its stake in Gateway Distriparks from 0.35 per cent to 5.97 per cent. Prior to the said transaction, Sealand Terminals held 5.97 per cent in Gateway Distriparks, while now it holds 3.64 per cent or 39,19,723 shares in the company.

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Manning scales implementation puts Major Port workers on edge

-Federations drop hints of spontaneous work stoppages

Exim News Service – 12 May, 2009

MUMBAI/NEW DELHI: The five recognised federations of port and dock workers have once again cautioned the Ministry of Shipping (MoS) that if any attempt is made to implement the National Tribunal Award on manning scales and deployment of workers, as has been done at three Major Ports, the labour may spontaneously decide to stop work at all the Major Ports. This follows the Chief Labour Commissioner (CLC) holding conciliation proceedings between the representatives of the Port managements and the federations in New Delhi on May 11, during which, on behalf of the Major Ports, the Managing Director of the Indian Ports' Association (IPA) and the representatives of MoS insisted that the Award should first be implemented at all the Major Ports and, if there are any difficulties in implementation, these should be discussed and sorted out at the Port level. The representatives of the federations, however, demanded that before implementing the Award, MoS should convene a meeting with the federations, as it had assured in September 2006, to discuss all the aspects of the Award, including the legal aspects.

The Award is currently being implemented at Cochin, Visakhapatnam and Paradip Ports, resulting in reduced productivity and revenue, and a large number of port and dock workers, including marine and cargo handling workers, are being rendered unemployed, according to the representatives of the federations. The CLC has advised both parties to maintain status quo, as required under the provisions of the Industrial Disputes Act, and to not complicate matters. Mr. S. R. Kulkarni, President of All India Port & Dock Workers' Federation, and the others leaders who participated in the proceedings, once again requested the Secretary of Shipping not to make the implementation of the Award a prestige issue and call a meeting with the representatives of the federations to discuss the consequences that the Award's implementation will have on revenue, efficiency and productivity of the Ports, including the turnaround of ships. According to a Federation release, Visakhapatnam Port is losing revenue to the tune of approximately Rs 11 lakh per day, and a large number of workers have been rendered unemployed.

The leaders of the federations expressed disappointment that none of the Chairmen of the Major Ports attended the conciliation meeting. Similarly, they lamented the fact that the Secretary of Shipping had not even invited them to discuss and sort out the implications of implementing the Award. This showed that the Ministry had a recalcitrant approach towards industrial relations at the Major Ports and was not concerned about work disruptions at the facilities at this critical juncture, they pointed out. The Tribunal has held that deployment of workers for any task at the Major Ports will not be gang-based but based on need. Mr. Kulkarni and the other leaders also called on Union Defence Minister, Mr. A. K. Antony, who reportedly assured them that the Navy would not be used to break the legitimate struggles of port and dock workers in any part of the country and that the naval personnel would not handle commercial cargo vessels but only naval craft and defence cargo.

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IES awards Gold Medal to PPT for contribution to economy

Exim News Service – 12 May, 2009

NEW DELHI: The Institute of Economic Studies (IES), a research and awareness-promoting organisation here, has conferred a Gold Medal on the Paradip Port Trust (PPT) for its contribution to the economy. IES also awarded the Bharatiya Siromani Puraskar to the PPT Chairman, Mr. K. Raghuramaiah. The awards were presented at a seminar presided over by Mr. B. P. Singh, Governor of Sikkim, here on May 4.

This is the first time such a distinction has been conferred on the port sector.

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Gujarat maritime police to get bullet-proof vessel

Exim News Service – 14 May, 2009

GANDHINAGAR: The Gujarat Maritime Police will soon get its first interceptor security vessel to patrol the state's 1,600-km coastline, a senior official said.

The bullet-proof vessel, weighing 12 tonnes and costing Rs 2.5 crore, was brought from Greece to Goa. From Goa, it is being brought to Mundra on a truck trailer. The vessel can carry a crew of 20 and has facilities for mounting light machine guns and other sophisticated weapons on board, the official elaborated.

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VSAA takes initiative to hold shipping & logistics awards function

-Event provides ideal platform for close interaction for trade betterment

Exim News Service – 14 May, 2009

VADODARA: The first-ever shipping and logistics awards function organised recently by the Vadodara Steamer Agents' Association (VSAA), for recognising the performance of the trade operating in and around here during 2008-09, was a huge success. The event saw large-scale participation from the region's trade. Such award functions are generally held in Ahmedabad and were, therefore, dominated by Ahmedabad-based companies. So this initiative of VSAA was very much appreciated.

Mr. Amit Kumar, Chief General Manager of the Container Corporation of India's (CONCOR) North-West region, Mr. R. V. Vishwanath, Regional Manager of the Central Warehousing Corporation (CWC), Ahmedabad, and Capt. Sai Kumar, General Manager, Operations, Mundra International Container Terminal (MICT), graced the occasion as guests of honour. The event was not only an awards function but a platform for coming together for the betterment of the trade, stressed Mr. Pradip Ittan, Secretary of VSAA. VSAA is a group of representatives of shipping lines/steamer agents operating in and around Vadodara.

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A short tailwind for shipping

Daily News & Analysis – 16 May, 2009

MUMBAI: Commodity shipping rates, which have risen by almost 35% this month, are expected to continue their upward trend in the near term, industry observers say. The Baltic Dry Index (BDI), which is an index for commodity shipping rates in 26 global routes, closed at a 7-month high of 2432 on Thursday. This is due to the iron ore movement from Brazil and Australia to China, the world's largest ore importer. In April alone, 57 tonnes of iron ore were imported by China, which drove the trade and freight rates. Some amount of iron ore exports have also started moving to China from India, ship chartering agents said.

While China sources most of its committed iron ore from Australia and Brazil, its short-term spot requirements are met by imports from India. 80% of India's iron ore exports are to China. Besides, more number of vessels moving to the Atlantic Ocean has also increased the demand for vessels in the market, strengthening the charter rates. "Lot of grain and sugar movements from South America and Gulf have started in the Atlantic ocean, which needs more ships," said Capt. Rahul Bhargava, vice president-Chartering, JM Baxi, the country's largest ship chartering agency.

The collapse of dry bulk market last year was mainly because of the medium and small steel mills in China taking a hit and stopping imports. This rise in BDI is also an indication of the revival of medium-sized steel mills in China, which are now taking iron ore, he said. Besides, some amount of iron ore cargo still needs to be moved from the Indian coasts and needs vessels, which is strengthening the demand of ships, a Mumbai-based ship chartering agent said.

"Monsoon should have brought down the BDI, which has not happened due to this demand and coal imports into India," Captain Bhargava said. However, with monsoons yet to arrive, industry experts believe the rise is a temporary phenomenon and will see strength only till mid-June. Demand for cargo movement on the Indian coast drops in the May-September period owing to monsoons. Shalabh Mittal, managing director and chief executive officer of Mercator Lines Singapore subsidiary, which deals in commodity shipping, said, "Although there are positive signs with demand picking up in the past few weeks, the market is still volatile."

The demand for ships and hence rates will further fall in monsoon and its impact will be seen post July, he said. Besides, going forward a number of dry bulk vessels are expected to join the global fleet in 2009-10, which will further widen the demand and supply gap. Umesh Grover, director offshore, Shipping Corporation of India, said, "This is a temporary revival of BDI and even the capsize rates may not be the right indicator as the huge supplies slated in 2009-10 might change the equation."

Welfare schemes to offer solace to seafarers at ports

The Economic Times - 18 May, 2009

There is good news for Indian and foreign seafarers bringing their ships to berth at local ports in the region. Seafarers' welfare programmes are taking roots here and have seen establishment of port welfare committees not only at all ports in India but also in other ports of the region. More importantly, all the four South Asian countries have set up national seafarers welfare boards.

With boards in place, funds for the welfare programmes are routed through them to respective committees after proper evaluation of local needs. So far, according to official sources, nearly \$1.5 million in grant is getting routed through these boards to respective welfare committees in the country.

During their two-and-a-half years of efforts, the committees have been successful in bringing about significant changes in some 15 ports in the country. The facilities that are made available to seafarers include ship visits, drop in centres and other modern facilities which seafarers enjoy in ports of more developed countries. Facilitative services like ship visits are proving to be of immense help to seafarers working in ships because they do not get time to attend to their personal requirements. Ports such as Chennai, Kochi, Tuticorin, Goa, Visakhapatnam, Haldia, and Kakinada have drop in centres and ship visits are order of the day.

In JNPT and Kandla Port, ship visiting facilities and drop in centre facilities will be operational during the current month. Kolkata, Mundra, Ennore, and Paradip have already initiated procedure to start similar facilities which are expected to be operational in near future. A set of recommendations aimed at consolidating such welfare activities at other ports was formulated during the two-day 7th South Asian Regional Conference of the International Committee on Seafarers Welfare (ICSW-UK) held in Chittagong, Bangladesh, during May 4-5, 2009. It was attended by representatives from Sri Lanka, Bangladesh, besides India. Pakistan could not make it to the meeting due to technical reasons.

According to Dr. Suresh N. Idnani, trustee and South Asia Regional co-coordinator of ICSW and vice-president of International Maritime Health Association (IMHA), delegates were unanimous in their request that the current initiatives should be extended to South Asian seafarers and their families. "The need to make seafarers more visible in discussions and forums also felt," he said. The uniqueness of Indian seafaring community is that there is interfaith and holistic approach to ship visiting. "People belonging to different sects and religions live harmoniously in a ship," said Mr. Idnani, who is also Asia's one and only ship visitor trainer. "These measures are part and parcel of maritime labour convention 2006, which are mandatory for those countries that want to be a premier maritime nation. India being a leading supplier of manpower to shipping, it is high time the government worked towards ratifying the convention like governments in Sri Lanka and Bangladesh which are getting ready to ratify it in the next four-five months," observed a functionary of a local seafarers' union. "India has to address many

deficiencies and loopholes before ratifying the convention. However, the government has done preciously nothing during 2006-09," he said.

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Britannia Steam Ship seminars draw excellent response
Exim News Service – 18 May, 2009

MUMBAI: The managers for The Britannia Steam Ship Insurance Association recently hosted technical seminars in Mumbai and Chennai for seafarers employed on Britannia-entered ships. The seminars were designed to raise awareness of safety and loss prevention issues among those engaged 'at the sharp end' of the business. The technical seminars were conducted by senior and experienced members from the Club's Risk Management team—Capt. John F. Kingdom, Associate Director, Mr. Richard A. Webbe, Divisional Director, and Capt. Neale F. Rodrigues, Risk Manager, Britannia. An ex-Master Mariner and Marine Superintendent, Capt. Kingdom provides marine and technical expertise/advice to claims staff, risk management support to underwriters, and advice/guidance to ship-owning members.

Mr. Webbe was a P&I Underwriting Director holding positions within International Group Clubs over a 15-year period. A Chartered Insurance Practitioner, he is currently principally engaged in business development. Capt. Rodrigues, who has vast seagoing experience on a wide variety of vessels as well as experience in marine surveying and quality assurance, provides marine and technical advice to Claims Handlers, Underwriters and Members. The events were well supported by the maritime communities in Chennai and Mumbai.

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Promoters may look to delist Essar Shipping
The Economic Times – 18 May, 2009

MUMBAI: The promoters of Essar Shipping Ports and Logistics (ESPL) are considering a proposal to buy out minority shareholders and delist the company, a person familiar with the development told ET. The proposal may be discussed at the company's board meeting on Monday. "We do not comment on the agenda of the board meetings or its results prior to completion of the board meeting. Currently, there is no proposal to delist the company," ESPL said in an email response to ET's queries. "Promoters believe that currently the valuations are very low and this might be the right time to delist the company," he said. An Essar spokesperson, however, categorically denied any intention to delist the company or to raise funds. He said these items were not on the agenda of Monday's board meeting.

For the nine-month period ended December 31, 2008, the company posted net sales of Rs 1,857 crore

and a profit of Rs 6 crore. ESPL is expected to announce a full year EBITDA of Rs 950 crore for FY09. Once all capex plans are complete, the company is expected to report revenues of nearly \$1 billion in FY11, and a net profit of around \$100 million. ESPL is expanding the capacity of its Vadinar Oil Terminal to 16 million metric tonnes per annum at a cost of Rs 900 crore, with the project slated for completion by June 2010. Essar Bulk Terminal (EBTL), set up at a capex of about Rs 773 crore, is likely to be operational by July 2009, with a capacity to handle 30 mmtpa for Essar Steel and Essar Steel Hazira.

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Evergreen Line's 1st vessel calls at ACT as part of Asx service Exim News Service – 20 May, 2009

MUNDRA: The first vessel of Evergreen Line called at the Adani Container Terminal (ACT) here, as part of the ASX service, on May 15. The line and vessel, Uni Angel, were welcomed by Capt. C. V. Ramnath, General Manager, Container Terminal, Mundra Port & SEZ Ltd, and Mr. Paulson Joseph, Executive, Adani Container Terminal. The line was represented by Mr. Ravin Paul of Evergreen Line, Mundra. The weekly ASX service, in which Evergreen partners with Sea Consortium, has the following port rotation: Kandla, Mundra, Karachi, Jeddah, Port Sudan, Hodeidah.

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