

i-maritime News Service

September 13, 2006

In this Newsletter

Centre issues fresh notifications for SEZs in Kerala	2
Concor, Seaways tie up for new service	2
Mitsui to start new service	2
Indian Ocean Cruises new service to call at Kochi	2
Marg Constructions' for port project2 Vallarpadam terminal gets environmental clearance	3
Service tax on shipping companies..	3
IOC, Kochi port in talks for LPG importing facility	3
NMPT organises trade meet in Bangalore	3
Goodearth plans shipbuilding yard at Cuddalore	3
Shardul handed over to Navy by Garden Reach	3
Customs Department at Chennai plans e-payment	4
Juicy Bits	4

Centre issues fresh notifications for SEZs in Kerala

The Union ministry of commerce and industry has issued two separate fresh notifications for setting up of two port-based special economic zones (SEZs) at Vallarpadam and Puthuvype within the Cochin Port Trust (CPT). The proposed SEZ at Vallarpadam will come up on an area of 115.25 hectare and the other one at Puthuvype will have 285.84 hectare. India Gateway Terminal Private Limited, BPCL-KRL and Petronet LNG Ltd will be co-developers. While the Vallarpadam SEZ will consist mainly of the Container Transshipment Terminal and related infrastructure, the Puthuvype SEZ will comprise an LNG terminal, Single Buoy Mooring (SBM), Bunkering Terminal, Free Trade Warehousing and certain other processing/re-packaging industries.

Concor, Seaways tie up for new service

Container Corporation of India Ltd (Concor) and Seaways Shipping Ltd, have entered into a joint working agreement to offer complete logistics services facilitating exports from Punjab to Chittagong in Bangladesh. The exporters can book their cargo with either Concor or Seaways offices nearest to them and pick up containers from the depot at Phillaur for factory stuffing and return the fully loaded containers to the depot. They will be carried on Concor rail service from Phillaur to Majarhat and then to the Kolkata port for loading on the vessels for shipment to Chittagong port. This would ensure the shortest transit time and hassle-free transactions with a provision for tracking of goods while in transit.

Mitsui to start new service

Mitsui OSK Line proposes to start a new independent container shuttle between India's west coast, Malaysia and Singapore, in addition to the shipping line's existing Nhava Sheva Express (NSX) service with port rotation of Singapore-Colombo-Nhava Sheva International Container Terminal (NSICT)-Singapore and Singapore Chennai Express (SMX) service having a port rotation of Penang-Singapore-Port Kelang-Chennai-Penang. The proposed service, NSX2 is expected to provide the fastest

transit time between NSICT and Port Kelang/Singapore in the Straits of Malacca. The port rotation will be Port Kelang-Singapore-NSICT-Port Kelang. Thus, the distance from Port Kelang to NSICT will be covered in eight days and from Singapore to NSICT in six days, while the distance from NSICT to Port Kelang will be covered in five days.

Indian Ocean Cruises new service to call at Kochi

Indian Ocean Cruises, New Delhi has started a new cruise services connecting Lakshadweep Islands, Malabar Coast and Sri Lanka via Kochi port. The company has proposed to start the service from January by deploying the vessel MV Ocean Odyssey with a capacity to carry 250 passengers and 120 crew. The ship will home port at Goa and will touch places like Mangalore, Kochi, Tuticorin, Islands of Suheli, Thinnakkara and Cheriyam in Lakshadweep and Colombo. Cruising south from Goa, the ship will follow the route of the Malabar Coast calling at Indian coastal trading ports and the islands of Lakshadweep. The regular cruise will commence from the middle of January 2007 and in the first service, there will be two 14-night round trip cruises from and to Goa every month till April. After that, it will again commence its service from October.

Marg Constructions' for port project

Marg Constructions has raised Rs 302 crore of debt from a consortium comprising five banks and a financial institution for developing Karaikal port. The port will be built to be a deep-water, all-weather port for handling bulk dry cargo. When completed (in two years from commencement of work) the port will be the first on the East coast of India to be operated by the private sector and the only port between major ports Chennai and Tuticorin — ships can pickup or offload cargo at Karaikal between Chennai and Tuticorin. A special purpose vehicle (SPV), Karaikal Port Pvt Ltd, will invest Rs 416 crore in phase I of the project and this is wholly owned by Marg Constructions.

Vallarpadam terminal gets environmental clearance

The Union Ministry of Environment and Forests has given environmental clearance for the construction of the proposed international container transshipment terminal at Vallarpadam, subject to certain conditions. These include:

- Development of the project will be carried out in accordance with the Coastal Regulation Zone Notification, 1991 and the Coastal Zone Management Plan of the Kerala Government.
- A suitable green belt will be developed between the ICTT project and Goshree Island Development Authority (GIDA) road.
- No mangrove vegetation should be affected due to the construction.
- Coastal protection work should be carried out after detailed hydrodynamic model studies etc.

Service tax on shipping companies

The Director General of Central Excise Intelligence (DG-CEI) has issued fresh summons to shipping companies, asking them to submit full details of the services availed by their ships at foreign ports from August 2002 to March 2006, their foreign exchange payments, including dry-docking expenses and other invoice details for the purpose of assessing the cumulative service tax. Indian National Shipowners Association (INSA) has already filed a petition against this, on the issue of payment of service tax with retrospective effect from August 2002.

IOC, Kochi port in talks for LPG importing facility

Indian Oil Corporation has proposed to the Cochin Port Trust to convert the existing oil terminal at the port to handle LPG imports. The oil company could handle LPG imports at the port and transfer it to its bottling plant at Irumpanam near here. Currently, it is importing LPG through the Mangalore port for distribution in southern States. An import facility for LPG in Kochi could be an ideal investment considering the logistical bottlenecks in sourcing it from Mangalore for catering to the Kerala market.

NMPT organises trade meet in Bangalore

The New Mangalore Port Trust (NMPT), in association with the Federation of Karnataka Chambers of Commerce and Industry (FKCCI), conducted a trade meet in Bangalore to apprise importers and exporters in the State about the facilities available at the New Mangalore port. The meet will help them make use of infrastructure available at the port for the smooth and quick movement of their cargo. The port is all set to handle any type of cargo with utmost efficiency. The commissioning of Mangalore-Hassan stretch of railway line for freight traffic and the creation of a deep-draught multipurpose general cargo berth and other related infrastructure have contributed immensely for the growth of the port.

Goodearth plans shipbuilding yard at Cuddalore

Goodearth Maritime, a Chennai-based company, plans to build a shipbuilding yard in Cuddalore at a cost of Rs 1,000 crore and has filed an application with the Tamil Nadu Maritime Board (TMB) for the project. In the first phase, the company plans to invest Rs 500 crore in the project. The company had engaged Korea Maritime to do a pre-feasibility study of a shipbuilding yard at Tuticorin. The shipyard was planned for building very large crude carriers. TMB would facilitate operations of the project, and after the State Government's approval, the project would go to the Centre for its consent, including environment.

Shardul handed over to Navy by Garden Reach

The third ship of LST (L) class built by Garden Reach Shipbuilders & Engineers Ltd (GRSE), has been handed over to the Indian Navy. The earlier ships of this class (INS Magar and INS Gharial) were built and delivered in 1987 and 1997 respectively. Two follow-on ships, Yard 3015 (Kesari) and Yard 3016 (Airavat), are in an advanced stage of fitting out. The design modification of the Shardul class has been carried out by GRSE. The project is managed by the Directorate of Ship Production. The new ship will be an important amphibious warship, carrying Landing Craft Assault

armoured tanks, army vehicles and troops, according to the press note. The ship is capable of beaching for disembarkation of these vehicles and troops.

Customs Department at Chennai plans e-payment

The Chennai Custom House plans to introduce electronic payment (e-payment) of customs duty. This is part of the department's plan to facilitate electronic transaction among stakeholders like shippers, port and shipping lines. Some steps taken by the department so far in this direction include, implementing a risk management system to process cargo and facilitating Internet based filing of documents. The department has made facilities to transact 99.5 per cent of documents electronically.

Juicy Bits

- Cargo of imported wheat and fertilisers piled up at the busy Kandla Port in Gujarat. 1.67 lakh tonnes of wheat and fertilisers (urea and di-ammonium phosphate) had been moved out of the port premises after the Diwali holidays and the remaining 70,000 tonnes of fertilisers and 1.5-lakh tonnes of wheat are expected to be transported to their destinations by November-end.
- The Haldia dock authorities propose to transfer to the West Bengal Government about 76 acres of land out of a total 6,367 acres in its possession at Haldia to facilitate rehabilitation of a number of families by the local administration.

Please send comments and suggestions to

i-maritime Consultancy Private Limited
206 Hermes Atrium
Plot - 57, Sector - 11
Central Business District Belapur
Navi Mumbai - 400 614
Maharashtra
India
Telephone: +91-22-2757 9611,2757 7834
Fax: +91-22-2757 9612
E-mail: consult@imaritime.com

Internet: <http://www.imaritime.com>

i-maritime Consultancy Private Limited provides comprehensive solutions specifically tailored to address the needs of its clients. These solutions seek to address issues related to finance, marketing and business development, human resources, operations, IT, and organisation management. The services offered include preparing business plans, feasibility reports, entry strategies, traffic studies, market research, financial appraisals and equity

i-maritime News Service

November 21, 2006

In this Newsletter

New Mangalore Port on a massive expansion plan	2
Indian Maritime varsity in the offing....	2
Foreign offshore ships to face strict entry norms.....	2
Hi-tech ship building yards on both coasts.....	2
The Planning Commission asks for greater response from the shipping industry	2
India and Norway to collaborate in maritime sector.....	2
Offshore companies profit from rising rig rates.....	3
New Mangalore Port handles record cargo traffic at new JNPT feeder service	3
Cruise shipping policy coming up	3
Higher fertiliser, wheat imports cause problems at Vizag	3
Coastal vessels operation stalled in Maharashtra.....	3
Bothra Shipping operates the first container train	3
Sethusamudram to develop fishing harbours.....	3

New Mangalore Port on a massive expansion plan

The New Mangalore Port Trust (NMPT) is planning on a massive expansion of infrastructure involving an investment of Rs 7,100 crore in two phases over the next seven years. NMPT aims to undertake new infrastructure projects jointly with private participation and the port users, for building four new berths, an LNG terminal, container terminal and automation of an existing multi-purpose berth. The expansion of the port would enhance the cargo handling capacity of the port from the existing 38 million tonne per annum to 52 million tonnes per annum.

Indian Maritime varsity in the offing

The Ministry of Shipping is in the process of setting up an affiliating Indian Maritime University (IMU). It has acquired over 300 acres of land in Chennai towards this end. IMU will be an umbrella organisation which controls all government and private colleges and will take the responsibility of awarding degrees. In the initial stage, IMU will have faculties as suggested by National Maritime Academy, but in course of time it will set up separate departments or teaching cells for proposed courses. Besides a maritime sports pavillion, the proposed maritime university will have a swimming pool of international standards – one for cadets and the other for recreation and competition. It is also planning accomodation on the campus.

Foreign offshore ships to face strict entry norms

India is planning to tighten the entry norms for foreign offshore supply vessels. The Government will be widening the scope of the Indian Merchants Shipping Act to cover the entire exclusive economic zone (EEZ), which extends up to 200 nautical miles from the Indian coast. This would mean that any foreign vessel owners seeking to operate within the EEZ limits would have to follow the stipulated Indian regulations, including getting the required approvals from the Directorate-General of Shipping. With all offshore installations of the oil exploration companies located within the 200 nautical mile boundary of the EEZ, foreign vessel operators would have to necessarily come through the DG-Shipping for commercial operations in Indian waters.

Hi-tech ship building yards on both coasts

The government of India has planned to set up two state-of-the-art Greenfield ship building yards on each coast in the country at a cost of Rs 5,000 crore each. The yards would have the capacity to build large container ships and tankers up to a capacity of three lakh tonnes. Ennore Port Ltd has been made the nodal agency for appointing consultants and identifying investors for the ship building yards at east coast and Mumbai Port Trust for the ship yard in west coast. The Ministry plans to call for global Expression of Interest as also prospective investors for establishing these yards.

The Planning Commission asks for greater response from the shipping industry

According to The Planning Commission the shipping industry was performing below its potential as the government failed to respond to changing market scenario and suggested that the problems impeding the sector's growth needed due attention. Seeking enhanced participation from the private sector, Mr. Montek Singh Ahluwalia said resources should be generated by the private sector. He pointed out that by the end of the 11th Plan the ports would double their handling capacity but major investment in upgrade of ports was being done by the public sector. As the nations in South Asia were opening up their economy, India's share in the world trade could double and hence the shipping industry needed to do the needful to meet growing market demands.

India and Norway to collaborate in maritime sector

The Norwegian Minister for Trade, Industry and Shipping, called on the Union Minister of Shipping, Road Transport and Highways. The Norwegian delegate proposed to start the negotiations for considering the Maritime Agreement between the two countries and it was agreed that experts from both India and Norway would meet in the early part of the next year in this regard. The Norwegian side also commended the quality of services being provided by the Indian Officers on their Ships and the visiting side showed interest in enhancing cooperation in maritime training. During the meeting, it was

also agreed that the two sides would explore opportunities of cooperation in the emerging area of offshore shipping, recognizing the Norwegian expertise in this area.

Offshore companies profit from rising rig rates

Companies like Aban Loyd Chiles and Great Offshore Ltd, that supply oil rigs to oil companies, are benefiting from the leveraging on the current surge in daily hire rates. The current spot rates for oil rigs are between \$175,000-200,000 a day. This rise in daily rig hire charges, in contrast with the broad cooling-off in global crude oil prices over the last few weeks, is attributed to enhanced upstream activity in Russia and several Middle-Eastern countries.

New Mangalore Port handles record cargo traffic at new JNPT feeder service

Container traffic at New Mangalore Port Trust (NMPT) has surged to record levels following the introduction of a new feeder line between NMPT and Jawaharlal Nehru Port Trust (JNPT). Almost 40% concessions were given on the vessels and cargo related charges for coastal vessels to the container feeder line service started between NMPT and JNPT, and in turn, these concessions would be passed on to the exporters in a bid to attract more cargo to NMPT. Since NMPT started joint discussions with JNPT in May, the export cargo bookings in NMPT jumped several fold. In the first seven months of the current fiscal, the NMPT has handled 10,083 twenty-foot equivalent units (TEUs) of containers, a whopping jump of 81% from 5,545 TEUs in the corresponding period last fiscal.

Cruise shipping policy coming up

The Indian government is planning to come out with a National Cruise Shipping Policy to promote tourism. The draft policy, prepared by a steering group headed by the shipping and tourism ministers, is now being vetted by a committee of secretaries, and will soon go for Cabinet approval. It seeks to encourage foreign direct investment in cruise shipping space. Under the policy, the government is likely to spell out measures to upgrade ports and related infrastructure. It has proposed a relook at Section 21 of the Merchant Shipping Act in a bid to relax

registration procedures for foreign cruise companies.

Higher fertiliser, wheat imports cause problems at Vizag

The spurt in the throughput of imported fertilisers (additional three lakh tonnes so far this year vis-à-vis the same period last year) and wheat (3.7 lakh tonnes this year compared to nil last year) at Visakhapatnam port recently caused problems not only to the port authorities but also to others, such as the Railways, Steel Authority of India Ltd (SAIL) and National Thermal Power Corporation (NTPC). Wheat and fertilisers, low freighted but high priority items, having edged other items out, the rake loading of imported coal both for SAIL and NTPC dropped, causing concern to the state-owned steel and thermal power generating giants, more so because the port's own railway was found wanting in performance.

Coastal vessels operation stalled in Maharashtra

Operations of a large number of coastal vessels and barges in Maharashtra have come to a standstill with oil companies cutting off fuel supply to them. This follows an order from the State Government asking oil companies not to supply furnace oil (FO) and light diesel oil (LDO) to bulk consumers without a licence under Solvent, Raffinate and Slop (Acquisition, Sales, Storage and Prevention of Use in automobiles) Order, 2000.

Bothra Shipping operates the first container train

The country's first private container train completed its maiden run between West Bengal and Andhra Pradesh. The train was operated by Bothra Shipping, comprising 45 flats totalling 90 containers. It loaded rice bran at Memari in Burdwan district of West Bengal and discharged the same at Kakinada port for exports. The second rake will also follow the same route and with the same type of cargo.

Sethusamudram to develop fishing harbours

Sethusamudram Corporation Ltd is planning a multipurpose port with fishing harbour at Rameswaram and four fishing harbours at

Muthupet, Sethubhavachatram, Thondi and Mookaiyur in Tamil Nadu. The plan is to construct an integrated fishing harbour at Rameswaram with provision of cargo vessels and parking /repair facilities. The corporation has invited bids from project consultants and financial advisory firms to prepare detailed project reports for development of fishing harbours at Muthupet (in Thiruvavarur district), Sethubhavachatram (Thanjavur), Thondi (Ramanathapuram) and Mookaiyur (Ramanathapuram) with a provision for handling, parking and repair of fishing vessels and allied facilities.

Please send comments and suggestions to

i-maritime Consultancy Private Limited
206 Hermes Atrium
Plot - 57, Sector - 11
Central Business District Belapur
Navi Mumbai - 400 614
Maharashtra
India
Telephone: +91-22-2757 9611,2757 7834
Fax: +91-22-2757 9612
E-mail: consult@imaritime.com
Internet: <http://www.imaritime.com>

i-maritime Consultancy Private Limited provides comprehensive solutions specifically tailored to address the needs of its clients. These solutions seek to address issues related to finance, marketing and business development, human resources, operations, IT, and organisation management. The services offered include preparing business plans, feasibility reports, entry strategies, traffic studies, market research, financial appraisals and equity

i-maritime News Service

November 27, 2006

In this Newsletter

Tuticorin Container Terminal Project	2
Shipping alliances cut capacity	2
Railways' container policy	2
JNPT revamping itself to increase operational efficiency	2
Garware Offshore's acquisition plans	2
Congestion at Tuticorin port	2
Paradip begins handling finished fertilisers again.....	2
Private sector interest to the extent of \$7.7 billion in ports	3
Concor to slash tariffs in some exim segments.....	3
Sea freight rate to China falls 65% ..	3
Juicy Bits.....	3

Tuticorin Container Terminal Project

The eighth berth at Tuticorin port will now be converted into a second container Terminal on build, operate and transfer (BOT) model, as it has got a go ahead. The cost of the project will involve an outlay of Rs 150 crores. Five companies including PSA-Sical, Chettinad Logistics, Larsen & Toubro and Dubai Ports are the likely bidders for the project. The committee, on the lines of the Public Investment Board, consists of members from various government departments and scrutinises major public-private partnership projects before implementation.

Shipping alliances cut capacity

The members of the Grand Alliance in Trans-Pacific trade have decided to cut down capacity by about 3,000 TEUs per week, in tune with the anticipated drop in trade demand during the period. The New World Alliance, engaged in Trans-Pacific, Asia-Europe and Intra-Asia trades too have announced plans to reduce their capacity by about 4,000 TEUs per week. While the capacity adjustment is aimed at maximising efficient asset utilisation and managing increasing costs, some of the lines will also use the opportunity to undertake routine maintenance and repair of their vessels.

Railways' container policy

Private operators have once again found the railways' container policy unacceptable and want the ministry to reconsider some of the terms. The railways have increased haulage rates for containers. The draft policy also barred containers from carrying minerals and ores—items that are mainstay of income from freight transportation. It has also not provided a transit time guarantee to container operators.

JNPT revamping itself to increase operational efficiency

JNPT is restructuring the entire window system (ship-berthing schedules) and planning to build more container yards. This will enable the ports to handle more ships in a day and stack more containers without backlog. The port at present handles six vessels on an average. The port plans to acquire more cranes to make the vessel turnaround faster. Its plans to increase vessel handling infrastructure would involve an investment of about Rs 200 crore. The

port is acquiring simulators training and six Rail-Mounting Gantry Cranes. The port is in the process of implementing remote data transmission (RDT) system to ease congestion at the port gate.

Garware Offshore's acquisition plans

Garware Offshore Services Ltd plans to acquire about 14 offshore supply vessels by 2010. It has just completed the acquisition of a new platform supply vessel from a Norwegian shipyard. The vessel, which will be given to TransOcean on a three-year contract, will fetch an annual revenue of Rs 25 crore. The company currently has four anchor handling tugs-cum-supply vessels, which are at present, deployed with ONGC. Garware Offshore has entered into a MoU with Havyard Leirvik AS for exclusive representation in the Indian market for supply of vessels to Indian shipping companies and supply of Havyard designs to Indian shipyards.

Congestion at Tuticorin port

Vessels carrying logs, rock phosphate, wheat, granite and copper concentrate were seen waiting at Tuticorin port, as the port is working beyond its capacity. Except for coal and oil jetties, the capacity utilisation at all other berths were over 100 per cent. The port is handling around 80,000 tonnes a day compared to the capacity to handle around 55,000 tonnes a day. The port has procured three high capacity cranes for around Rs 20 crore and is planning to acquire for two wharf cranes. The port trust would take up construction of the ninth berth at a cost of Rs 46.6 crore.

Paradip begins handling finished fertilisers again

Paradip port has started handling finished fertilisers after about 10 years, despite constraints in handling the material in large volumes. While the port can unload about 4,000-5,000 tonnes of the imported fertilisers a day, the evacuation of only about 3,600 tonnes, equivalent of one and half rakes, will be possible per day because the limited siding and bagging and stitching and warehousing facilities available in the port. The poor connectivity is hindering the evacuation of the imports out of the port together with poor handling at the port level has hit the availability of fertilisers in West Bengal.

Private sector interest to the extent of \$7.7 billion in ports

As part of NMDP, the central government has identified 276 port projects involving an investment of \$12.40 billion covering a range of port-related projects such as construction and operation of berths and terminals. The private sector is likely to invest \$7.67 billion in Indian ports in the next six years. This is part of the Government's National Maritime Development Programme (NMDP) that has identified 276 projects involving an investment of \$12.40 billion covering a range of port-related projects such as construction and operation of berths and terminals. Foreign direct investment up to 100 per cent under automatic route is permitted for construction and maintenance of ports and harbours. Fifteen private sector projects are operational in various major ports. Four more projects are under implementation.

Concor to slash tariffs in some exim segments

Container Corporation of India Ltd (Concor) has decided to slash tariffs by 5-7.5 per cent for imported goods being moved from ports in Western coast of the country (Mumbai, Pipavav, Mundra) to the northern hinterland. Concor has also reduced tariffs for moving refrigerated containers or reefers. For moving reefers for exports, Concor has reduced tariffs by Rs 3,000 per forty feet unit (FEU) box. For moving empty reefers, the organisation has reduced rates by Rs 1,800 per FEU.

Sea freight rate to China falls 65%

Freight rates between India and China have dropped by more than half following introduction of express services between the two countries by container shipping lines such as Maersk Sealand, K Line, Wan Hai Lines, Mediterranean Shipping Company (MSC), Hyundai, CMA CGM, Norasia, Hanjin, MISC, and Evergreen, besides the Shipping Corporation of India. The freight rates have dropped by 65 per cent in the last six months, while sea cargo has grown by 30 per cent this year. Express liners carry raw materials from India to China and bring back finished products to India

Juicy Bits

- Larsen & Toubro Ltd plans to set up a Rs 2,000-crore shipyard in India with the capacity to build high-value ships over an area of around 800 acres to 1200 acres in any of the three states of Tamil Nadu, Andhra Pradesh or Gujarat. The location is likely to be finalized by end of January 2007.
- The New Mangalore Port handled 35,726 tonnes of coffee cargo till October during the current financial year as against the annual traffic of 21,717 tonnes in 2005-06. The number of containers carrying coffee cargo increased from 1,113 TEUs (twenty-foot equivalent units) during 2005-06 to 1,730 TEUs till October during the current fiscal.
- The Visakhapatnam port has handled 34.322 million tonnes of cargo till date against 33.842 million tonnes during the corresponding last year, but there is a drastic fall in the export of iron ore, by 1.5 million tonnes this year, which may make it difficult for the port to attain the target set by the Union Shipping Ministry (60 million tonnes) for the current year.
- The shipping companies are booking more profit by selling their vessels at prices higher than their cost of acquisition.
- The 50 per cent growth in trade between India and China is attracting many shipping lines globally.
- Gateway Distriparks Ltd (GDL)'s board approved buying a 50.1 per cent stake in Snowman Frozen Foods Ltd. for Rs 481.2 million in cash.
- The government has made an environmental clearance mandatory before Special Economic Zones (SEZ) are set up.
- Rolls-Royce Marine India Private Ltd is planning to provide equipment for 30 vessels of Oil & Natural Gas

Corporation of India (ONGC) like CP propellers, high lift rudders, tunnel thruster, controls, diesel engines and deck machinery. Rolls-Royce Marine is also in talks with Gas Authority of India Ltd (GAIL) and Reliance Industries Ltd (RIL) for the same.

Please send comments and suggestions to

i-maritime Consultancy Private Limited
206 Hermes Atrium
Plot - 57, Sector - 11
Central Business District Belapur
Navi Mumbai - 400 614
Maharashtra
India
Telephone: +91-22-2757 9611,2757 7834
Fax: +91-22-2757 9612
E-mail: consult@imaritime.com
Internet: <http://www.imaritime.com>

i-maritime Consultancy Private Limited provides comprehensive solutions specifically tailored to address the needs of its clients. These solutions seek to address issues related to finance, marketing and business development, human resources, operations, IT, and organisation management. The services offered include preparing business plans, feasibility reports, entry strategies, traffic studies, market research, financial appraisals and equity

i-maritime News Service

November 03, 2006

In this Newsletter

Emirates Shipping Lines's new service	2
JNPT versus other private terminal operators.....	2
Chittagong port	2
New Mangalore Port Trust's trade meet.....	2
Kochi to observe "Action against FoC vessels Week"	2
Mercator, Varun Shipping acquiring new ships.....	2
Petition on service tax by shipping companies	2
Kolkata port for a common tariff structure for Kolkata and Haldia ports	3
Port control	3
New Mangalore Port banks on rail connectivity.....	3
Juicy Bits.....	3

Emirates Shipping Lines's new service

Emirates Shipping Line have announced the commencement of the "Hyper Galex Service" a leading scheduled service connecting major ports and trading centres in China, India and West Asia. The first port of call in India is Kochi on the west bound leg followed by Nhava Sheva on the East bound leg. Exporters and importers in the hinterland areas of Kochi such as Coimbatore, Pollachi, Tirupur, Erode, Karur, Dindigul, Namakkal and Bangalore as well as those from Kerala stand to gain on time and cost with the arrival of mainline vessel. The Hyper Galex Service utilises fast vessels average 3,000 TEUs carrying capacity on a fixed day service, with Emirates Shipping Line deploying its own vessels. Port rotation for the service is - Xingang - Quigdoa - Shanghai - Ningbo - Hong Kong - Singapore - Port Klang - Colombo - Kochi - Nhava Sheva - Jebel Ali - Dammam - Abu Dhabi - Jebel Ali - Kochi - Colombo - Singapore - Hong Kong - Xingang.

JNPT versus other private terminal operators

The increasing traffic at JN port is being diverted to the third container terminal, Gateway Terminals of India, operated by the AP Moller and Container Corporation of India (CONCOR) consortium. The AP Moller-operated terminal, started in May, managed to get 10 per cent of the traffic at JNPT by October. The state-owned container terminal has 45.8 per cent and Dubai Ports has 44.2 per cent of JNPT's total market share. Dubai Ports and AP Moller, which have presence in other container terminals in the East and West coast, are giving tight competition by offering package deals to shipping lines.

Chittagong port

Imports and exports to and from Bangladesh have suffered immensely. While the blockade by the Opposition particularly hit the movement of cargo by the land route, labour go-slows and the full-blown strike by Chittagong port's gantry crane operators crippled sea-borne trade. About 90 per cent of the country's maritime exports are routed through Chittagong port. Containers are piled up at the port's yards aggravating the congestion problem.

New Mangalore Port Trust's trade meet

The purpose of New Mangalore Port Trust's (NMPT) trade meet and interactive session at Kushalnagar is to apprise coffee exporters of the facilities available at the port and the advantageous position of the port and to sort out issues. The commissioning of the Mangalore-Hassan broad gauge railway line for freight traffic, addition of a deep-draught multi-purpose general cargo berth, and other related infrastructure have contributed immensely to the overall growth of the port.

Kochi to observe "Action against FoC vessels Week"

The International Transport Workers Federation (ITF) South Asian week of action against Flags of Convenience (FoC) vessels, organised as part of the ITF campaign worldwide, will be observed at the Kochi port from December 4 to 8 to highlight the dangers posed by FoC vessels to the crew that sail on them and the oceans they sail through. Countries from the south Asian region participating in this year's action week will include Bangladesh, India, Pakistan and Sri Lanka. During the week of action, the ITF inspectors, assisted by activists and volunteers from seafarers and dockers union, inspect ships visiting their ports and investigate about the living conditions of crew on board and the vessel condition.

Mercator, Varun Shipping acquiring new ships

Mercator Lines Ltd has contracted to take a very large crude carrier on charter for its Singapore subsidiary. And Varun Shipping has entered into a memorandum of agreement for acquiring its third modern double hull 2006 built Aframax crude oil tanker, which will be delivered in January. With the acquisition of this vessel, the company will own a fleet of 18 vessels. Acquisition of this vessel forms part of the Varun's plan to invest up to Rs 2,000 crore for fleet expansion.

Petition on service tax by shipping companies

The Government is trying to dissuade shipping companies from going ahead with the petition filed by them before the Bombay

High Court on levy of service tax with retrospective effect. Shipping companies have agreed to withdraw the petition provided the Finance Ministry gives a written assurance that service tax will not be slapped on them retrospectively. The DG-CEI summons had ordered shipping companies to furnish full details of the services that their ships availed at foreign ports and their foreign exchange payments from August 2002 to March 2006 for the purpose of assessing their cumulative service tax arrears. Shipping companies said that as their ships have to visit foreign ports and consume a variety of services there as part of their routine operations, it was unfair to slap a tax on these services consumed overseas.

Kolkata port for a common tariff structure for Kolkata and Haldia ports

The Kolkata Port Trust (KoPT) has forwarded to the Tariff Authority for Major Ports (TAMP) proposals which, if cleared, will remove the present traffic differentials between Kolkata Dock System (KDS) and Haldia Dock Complex (HDC), of the same port. The present differentials in tariffs have been the sources of much unpleasantness. The drastic reduction of container handling charges in the KDS has boosted the container traffic but only at the cost of the HDC, which, being unable to match the KDS rates, experienced drop in container throughput.

Port control

DP World's bid to acquire the operations of five US ports by virtue of its acquisition of P&O Ports's global operations shook the US Government and there were attempts to push legislations to prevent foreign government-controlled companies from buying US port operations. The bidders include CMA-CGM, Seattle-based Stevedoring Services of America and the private equity firm Carlyle Group.

New Mangalore Port banks on rail connectivity

New Mangalore Port Trust is working on a major railway upgrade plan of constructing four new lines in addition to present nine. One pair of lines will be devoted to handling iron ore traffic for exports. This will entail creation of mechanised iron-ore handling facilities, complete with installation of

tipplers and other equipment and other facilities costing an estimated Rs 130 crore, all on BOT basis. At present, the road movement accounts for the bulk of iron ore exported through the port.

Juicy Bits

The land acquisition for Kulpi port and an SEZ would be spread over 3,200 acre and the land acquisition for the same would start in January 2007.

Tanker Viktor Titov - carrying 89,059 tonnes of crude from Sakhalin-I project for Oil and Natural Gas Corporation (ONGC) Ltd - berthed at the New Mangalore port on 1st of December.

Bengal Tiger Line, a common feeder carrier offering services in the Bay of Bengal and South India, has completed 20 years of its operations in the Indian sub-continent.

New Mangalore Port Trust (NMPT) has introduced biometric attendance system to the registered cargo-handling workers at the port.

Essar Shipping intends to delist its shares.

Please send comments and suggestions to

i-maritime Consultancy Private Limited
206 Hermes Atrium
Plot - 57, Sector - 11
Central Business District Belapur
Navi Mumbai - 400 614
Maharashtra
India
Telephone: +91-22-2757 9611, 2757 7834
Fax: +91-22-2757 9612
E-mail: consult@imaritime.com
Internet: <http://www.imaritime.com>

i-maritime Consultancy Private Limited provides comprehensive solutions specifically tailored to address the needs of its clients. These solutions seek to address issues related to finance, marketing and business development, human resources, operations, IT, and organisation management. The services offered include preparing business plans, feasibility reports, entry strategies, traffic studies, market research, financial appraisals and equity