

i-maritime News Service

September 10, 2006

In this Newsletter

IFFCO Tokio to offer P&I cover for ships soon.....	2
Petronet, Adani to set up cargo port at Dahej.....	2
Oil tankers to increase in 2007	2
Centre plans curbs on SEZ extras....	2
Indian Shipowners flagging out vessels	2
Connectivity to Vallarpadam container terminal	2
Mumbai port offers concession in rates	3
PSA-SICAL to bag Chennai Terminal project.....	3
Paradip port traffic hit by road breaches	3
Juicy Bits.....	3

IFFCO Tokio to offer P&I cover for ships soon

IFFCO Tokio General Insurance Company will soon offer short-term Protection and Indemnity (P&I) covers for ships while they are berthed at Indian ports. P&I insurance is a cover against liabilities such as loss of damage to third party, wreck removal and pollution risks, and companies in India have refrained from offering this cover because it is considered high risk. The company will offer liability limits of Rs 10-20 crore for a short-term period of 10-15 days. The premium would depend on the size and condition of the vessel and the liability covers that are opted for.

Petronet, Adani to set up cargo port at Dahej

The joint venture between Petronet LNG Ltd (PLL) and the Adani Group, called Adani Petronet (Dahej) Private Limited will set up a solid cargo port at the Dahej SEZ with a project cost of Rs 1,150 crore. The project is expected to be completed within 36 months. The port will have facilities to import and export coal, steel and fertilizers. One berth would be developed in the first phase and two additional berths and complete mechanization of the port will happen in the second phase.

Shapoorji Pallonji eyes a share of ports' pie

Shapoorji Pallonji is planning to develop five ports along on the western coast in the states of Maharashtra and Goa. The Maharashtra Maritime Board has earmarked the ports of Anjanvel, Ganeshgure and Jaigad for further development. The company is initially looking at setting up facilities to handle bulk cargo like iron ore, coal and bauxite and later moving into containers as well. The group has recently signed a joint venture with Shipping Corporation of India for acquiring and plying chemical tankers through its group company, the Forbes group.

Oil tankers to increase in 2007

The volume of new oil tankers delivered into service next year will leap 20% to a 31-year

high, as a result of a surge in shipbuilding orders placed three to four years ago, when freight rates soared on booming oil demand. But the rising oil prices may put a spoke on the wheels of the shipowners, who have placed orders for such tankers. According to Clarkson Research, more than 32mn deadweight tonnes of new tanker tonnage is expected to be delivered into the market next year, a 9% increase in the global fleet of 350mn deadweight tonnes.

Centre plans curbs on SEZ extras

The commerce ministry is planning a fresh set of guidelines to curb non-essential infrastructure like hotels, apartments, golf courses, and shopping malls in such zones following a criticism of the SEZ policy seen as possibility of misuse of incentives. The curbs however may soften the sector specific growth of industries. The government was also considering allowing gradual and phased construction of apartments in multi-product zones. The number of flats that a developer will be able to build may be linked to either the built-up area in the processing part of the zone, or the number of people employed.

Indian Shipowners flagging out vessels

Indian shipowners are migrating to safer shores to beat the tight tax laws and shrinking cargo support in the country. Tolani Shipping has flagged out four of its eight bulk carriers (Handymaxes) to its Singapore subsidiary, Varun Shipping and Mercator Lines are operating ships acquired through their Singapore subsidiaries to take advantage of the liberal tax regime and significantly lower operating costs, such as duty-free bunkers and spares available there. Essar has set up a holding company, Essar Shipping and Logistics Ltd in tax-friendly Cyprus.

Connectivity to Vallarpadam container terminal

A section of the public is opposed to the proposed rail alignment suggested towards the connectivity to Vallarpadam terminal. Rail Vikas Nigam Ltd (RVNL) has put

forward four alternative alignments and the proposal covering 8.86 km was chosen as it will affect the least number of people. But the residents of the affected locality have protested saying that the rail line would pass through the thickly populated Kochi suburbs of Vaduthala and Mulavukad. This has led to delays on the port development activities.

Mumbai port offers concession in rates

The concessions offered by Mumbai port include reduction in stevedoring charges for midstream discharge from 120 per cent to 70 per cent, reduced rates of Rs 2,600 per TEU for stuffing of containers and Rs 2,800 per twenty-foot equivalent unit (TEU) for de-stuffing and reduced storage charges for empty container at Rs 10 per TEU at Golden Yard, Wadala. Further, for empty containers generated after de-stuffing at CFSs, the charges will be \$2.5 (Rs 115.75) for three days from the date of de-stuffing and at reduced rates of \$0.5 (Rs 23.15) from the fourth day onward till the date of removal or stuffing.

PSA-SICAL to bag Chennai Terminal project

PSA-SICAL consortium is likely to bag the Rs 492 crore container terminal at Chennai port, with a revenue share of 45.801 per cent. The offer of the company will now be placed for approval of the port trust board and later forwarded to the Centre for final approval and award of licence.

Paradip port traffic hit by road breaches

Breaches have been caused by rains on several points on the 82-km long Chandikhol-Paradip National Highway (5A), the main road connecting the port with NH 5 linking Kolkata and Chennai. This has severely affected the cargo volumes at the port as the transport has been completely suspended. The absence of an alternative usable road connection to Orissa's only major port creates congestion on the only existing route. The condition of the old 90-km long Cuttack-Paradip road is in a bad shape that the road transporters continue to

avoid it, even after the suspension of traffic on the Chandikhol-Paradip highway.

Juicy Bits

- According to railway sources, a total of 3,071 wagons were deployed for loading imported coal in various ports in July as compared to 3,607 in June, and 3,350 in July 2005
- Kolkata Dock System (KDS) handled 96,983 TEUs of container traffic between April and August this year, compared to 84,553 TEUs in the same period last year, thus posting around 15 per cent growth
- Cochin Port Trust has announced 50 per cent cut in vessel-related charges for mainline vessels that call at Kochi Port and is applicable to container vessels of gross tonnage of 25,000 and above, having capacity of 2,500 TEUs (twenty foot equivalent units) and above and connecting ports in the United States, Europe and China.
- Container Corporation of India (Concor) is expected to shortly commission its 56th inland container depot at Dhapar, near Ludhiana in Punjab
- With annual container throughput of 15 million TEUs, the Asia-Europe trade route ranks third behind Inter-Asia (32 million) and Trans-Pacific (18 million)
- The container cargo at New Mangalore port grew by 83 per cent, while cargoes such as fertiliser and coal grew 58 per cent and 40 per cent respectively during the first five months of the current fiscal.

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In this Newsletter

More waiting time for private container trains.....	2
Coal imports.....	2
ADB funds Colombo port project....	2
Double-stack operations	2
New feeder line service between New Mangalore and JNPT	2
Port and dock workers to go on strike	2
Orissa Government to expand Gopalpur port.....	2
Tea exports to Pak via Amingaon ICD on the rise	3
Shipbuilding yard at Tuticorin.....	3
Chennai container terminal stir.....	3
Coimbatore-Chennai daily cargo service	3
Juicy Bits.....	3

More waiting time for private container trains

The model concession agreement (MCA) for private container trains has still not been finalised. It is still with the Planning Commission and will then be sent to the law ministry for a final perusal. The Railway Ministry hopes to get the MCA cleared by both the Planning Commission as well as the law ministry by October. Investments to the tune of Rs 10,000 crore are required by the private players, as barring Container Corporation of India none of the other applicants have the requisite infrastructure. Construction of such facilities would require at least six months. Rs 540 crore has been paid to the Railway Ministry by the 14 private companies as registration fee.

Coal imports

With the Ultra Mega Power projects coming up, the import of thermal coal is expected to be on rise. National Thermal Power Corporation is yet to begin buying on a regular basis this year, and the other power companies are gearing themselves up for imports. Damodar Valley Corporation may use imported coal in four of its thermal power plants. West Bengal Power Development Corporation may import for its Kolghata plant. Most of the proposed imports is expected to be through the east coast ports.

ADB funds Colombo port project

The Asian Development Bank will provide \$225 million to part-finance Colombo port's expansion project. The first phase of the project, estimated at \$615 million, involves the construction of breakwater and a container terminal and for dredging. The ADB's finance will help build the breakwater. The Government of Sri Lanka proposes to expand the South Colombo terminal to enable deep-draught vessels to enter the Colombo port.

Double-stack operations

Double-stack container operations were introduced on the routes connecting the ports of Pipavav and Mundra to the northern hinterland by the Indian Railways. In the

current fiscal, the savings on account of operating double stack containers instead of single-stack ones was to the tune of Rs 88.7 crores in capital costs and Rs 17.13 crore in terms of revenue expenditure. The average number of trains required would reduce from 6.5 trains to 3.4 trains per day. Double-stack containers increase the carrying capacity of each train to 2,500 tonnes against 1,500 tonnes, apart from reducing line capacity constraints by 45-48 per cent.

New feeder line service between New Mangalore and JNPT

Relay Shipping has commenced a feeder line service between New Mangalore and Jawaharlal Nehru Port Trust, which will be a boon to the importers and exporters of the region. The increase in the frequency of container vessels will help the trade and industry to move their cargo faster. The port is gearing up to provide better infrastructure to handle container cargo.

Port and dock workers to go on strike

The five federations of Indian port and dock workers have threatened to go on nationwide agitation if the Government failed to settle the issue of payment of bonus and other pending matters. As per the agreement in May 2006, the workers are entitled to receive 20 per cent bonus by way of PLR commencing from the 2002-03 fiscal.

Orissa Government to expand Gopalpur port

The Orissa Government has signed an agreement with a consortium comprising Cuttack-based Orissa Stevedores Ltd, New Delhi-based Sara International Ltd and Hong Kong-based Noble Group Ltd for expansion, development and operation of the Gopalpur port. The port will be developed into an all-weather port with an investment of Rs 1,700 crore. The existing seasonal port at Gopalpur in the State's Ganjam district will be developed into an all weather port by Gopalpur Ports Ltd in four years to handle cargo of 10 million tonnes per annum.

Tea exports to Pak via Amingaon ICD on the rise

This year 849 TEUs, including 136 TEUs for Pakistan of tea was routed through the local inland container depot (ICD) for exports and was mainly handled by APL, K Line and Singapore-based PIL. The United Arab Emirates, too, is buying large quantities of Assam tea shipped through the local ICD, though not necessarily for its own consumption. Tea exported to Jebel Ali port of the UAE is used mainly for blending and packaging for re-shipments to other countries. The total throughput of the local ICD is expected to be up by about 10 per cent this year over last year's 2,300 TEUs.

Shipbuilding yard at Tuticorin

Tuticorin Port Trust (TPT), in association with Goodearth Maritime Ltd. will be presenting the pre-feasibility report for the construction of a shipbuilding yard at a project cost of Rs 1,400 crore to the Joint Board of Trustees and would seek the approval of the Government of India for offering the project on Build-Operate-Transfer basis or lease basis. The proposed shipyard would facilitate a shipbuilding capacity up to 6 Panamax size ships per year.

Chennai container terminal stir

The trailer operators at the Chennai Container Terminal (CCT) went on a three-day strike, demanding a 100 per cent hike in freight rates, which ranges between Rs 1,100 and Rs 1,500. The hike followed restriction by officials of the State Transport Department in not permitting vehicles to be overloaded. Later in the week in a meeting convened by the Chennai Port Trust Chairman and CCT on Friday it was agreed that the operators would get an increase of Rs 400 per box.

Coimbatore-Chennai daily cargo service

The Department of Post has extended its logistics post service to western Tamil Nadu by launching its daily cargo service between Coimbatore and Chennai. Four services (two up and two down) will be operated daily in this sector using container cargo vehicles

by India Post which has started its cargo booking facility at its newly inaugurated Logistic Post Centre at Redfields Post office premises in the city. India Post already runs cargo services in Tamil Nadu between Chennai-Bangalore, Chennai-Pondicherry, Chennai-Madurai and Chennai-Tiruchi. The Coimbatore-Chennai service will run through Tirupur, Erode, Salem, Villupuram, Tindivanam and Chengalpattu. But to start with, the service link from and to Coimbatore will be made available to Tirupur and Erode only. The Salem link will be started later, as the department is yet to firm up cargo booking space at Salem.

Juicy Bits

According to a press release by the Traffic Manager of New Mangalore Port Trust (NMPT), Mr S. Gopalakrishna, a record number of 786 TEUs of containers were handled in a single voyage from m.v. Tiger Power, a container feeder line of Bengal Tiger Lines operating between Mangalore and Colombo, which called at the port on September 9, surpassing the earlier record of 543 TEUs set in April this year.

Please send comments and suggestions to

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In this Newsletter

Bunkering facility at Mundra.....	2
Bunkering Terminal project of the Cochin Port Trust.....	2
Tuticorin Port Trust plans to build shipbuilding yard	2
Chennai Customs move to deal with problem boxes.....	2
Global players for Indian dredging market share	2
DCI gets Sethusamudram dredging job	3
Interest in Pakistan mega port project	3
LNG carriers	3
Paradip port back on track	3
Kolkata Port's Hooghly river proposal gets the green signal.....	3
IFC extends credit to Ocean Sparkle for its expansion plans	3
Juicy Bits.....	4

Bunkering facility at Mundra

The Adani Group is setting up a Rs 150 crore bunkering facility in Mundra for ships calling at western ports of India. This facility will offer bunkering services at ports of Mundra, Kandla, Sikka, Jamnagar and Vadinar. The group will acquire two barges of 3,000 metric tonne capacity for Rs 28 crore to supply fuel to ships calling other than Mundra. Pipelines to Mundra also have been laid to supply fuel. Vessels calling at Mundra divert to Fujairah for filling fuel. The bunkering facility is located in Special Economic Zone (SEZ) which would make bunker imports cheaper.

Bunkering Terminal project of the Cochin Port Trust

The Kerala State Government had issued sales tax exemption for the Rs 195-crore Bunkering Terminal project at Puthuvypen in the State Budget. It has now forwarded the proposal to the Union Commerce Ministry for approval as the project involves transaction of fuel and other categories of oils to foreign going vessels. It would be in a position to issue notification in for tax exemption only after the Centre clears the proposal in this regard. Even the global tender for the project could be invited only after the State Government issues the concession notification. As many as eight bidders have submitted application for pre-qualification and the activities proposed under the project included bunkering, lube oil supply, de-slopping, garbage collection, fresh water supply, ship repair, crew change, storage facilities etc.

Tuticorin Port Trust plans to build shipbuilding yard

The Tuticorin Port Trust plans to build a shipbuilding yard on a build-operate-transfer (BOT) or lease basis at a cost of Rs 1,400 crore on 49.68 hectares — 31.68 hectares of reclaimed area and 18 hectares of waterfront. It would build six Panamax size ships per year. The dock would be 390 m long, 65 m wide and 10 m high. The facility would be 1,200 m with five berths. The potential for developing a shipbuilding yard is good in Tuticorin considering its strategic location, availability of suitable land mass

and manpower, topographical and geographical condition, rocky sea bed requiring no maintenance dredging, sheltered from wind and waves, easy accessibility by road, rail and air, suitable weather condition. Ancillary facilities to support the yard would include a pipe fabrication and assembly unit, pre-erection yard, galvanising unit, hull fabrication section and provision to stack steel, pipes and hull blocks.

Chennai Customs move to deal with problem boxes

With certain containers landing at Chennai port without proper load port seal has upped the antennae of the customs department which seeks clarification from the steamer agents on tampering of the seals, who in turn, seek explanation from load ports. This takes about 15 days, and the boxes are cleared thereafter. In order to reduce the time gap, Chennai Container Terminal Ltd (CCTL) will segregate and stack the containers with tampered seals near the out gate for supervision by the Customs Preventive Officer, who will verify the correctness of the container with reference to the Bill of Lading and affix a Customs One Time Seal. If import LCL (less than container load) boxes do not have a proper load port seal, a Customs One Time Seal will be affixed on the container and moved to the 'O' yard under preventive escort. Similarly, if import full container load boxes come without a proper load port seal, a Customs One Time Seal will be affixed on the container and moved to a container freight station (CFS) indicated by the steamer agent. If any objectionable goods are found, the same will be informed to the Assistant Commissioner or the Deputy Commissioner (Docks) in charge of the CFS for appropriate action.

Global players for Indian dredging market share

Looking at the significant opportunities in the Indian dredging sector, especially with the major port expansion projects and the Rs 2,500-crore Sethusamudram ship channel projects, international dredging majors from Belgium, the Netherlands, Japan, Korea and

the US are channelising their efforts towards India. Jawaharlal Nehru Port shortlisted Dredging Corporation of India, Van Oord BV of the Netherlands, Boskalis of the Netherlands, Jan de Nul of Belgium, Penta-Ocean and Hyundai for deepening of its channel to accommodate bigger ships at a cost of Rs 800 crore.

DCI gets Sethusamudram dredging job

The Cabinet Committee on Economic Affairs (CCEA) gave its approval for 69 million cu m of dredging in four packages to Dredging Corporation of India (DCI) on nomination basis in Sethusamudram Ship Channel Project (SSCP). The cost of the dredging project is likely to be Rs 2,077.25 crore. Tuticorin port had floated a global tender for the job. But owing to high rates being quoted (nearly double that of the budget outlay), the port had to go in for a second round of bidding. This round also did not yield any results as the only bidder asked for advance funds mobilisation by the government.

Interest in Pakistan mega port project

Three international port terminal operators, PSA International, A P Moller-Maersk and Dubai Port World have shown interest along with three others in the deep-water container port proposed to be built by the Karachi port authorities at the Keamari Groyne area. The port had invited Expression of Interest for building and operating the first phase terminal consisting of four berths offering an average draft of 18 metres. The cost is estimated at \$550 million to be funded jointly by the port authorities and the selected operator. The terminal, when ready for operation, should be able to handle Super Post Panamax container ships with a capacity of up to 14,000 TEUs.

LNG carriers

Excessive demand is not always good news as can be seen by LNG carrier operators. The market is demanding increasing number of vessels including ice-class carriers to trade in the new frontier of LNG production — the Arctic waters, off the Barents Sea. Getting qualified and motivated seafarers is

becoming increasingly difficult. Besides, the operators have an array of choices for the best propulsion systems — dual fuel or gas turbine engines. They also have to choose whether to install shipboard gasification equipment, in case the vessel will need to offload offshore. There have been problems reported with containment systems and new technology being developed.

Paradip port back on track

After a gap of nearly three weeks, the road movement of cargo is coming back to normalcy. A restriction was imposed on the truck movement to and from the port following the devastation caused by the floods in areas around the port. There were breaches at several points on the 82-km long National Highway No.5A that connects the port with the mineral rich belt of Orissa. For the first time in past three weeks, about 200 trucks carrying chrome ore for exports arrived at the port this week. However, the iron ore transportation into the port is yet to resume.

Kolkata Port's Hooghly river proposal gets the green signal

Kolkata Port Trust's River Regulatory (RR) Scheme designed to improve the navigability of the Hooghly river near Haldia dock has received the environment clearance from the West Bengal Government. The RR Scheme has several components such as massive dredging in the Hooghly river near Haldia dock, construction of "groin" (sort of protective wall) in the Rangafella channel of the river and construction of 10-km long southern guidewall in the river from the southern tip of the Nayachara Island in the river.

IFC extends credit to Ocean Sparkle for its expansion plans

The International Finance Corporation (IFC) will offer a long-term credit line of up to \$25 million Ocean Sparkle Ltd, for its \$66-million expansion plan. The expansion, which would be undertaken in 2007-09, would support the company's current business of providing port management services such as harbour towage, mooring, pilotage, ship-

to-ship transfer of cargo and control tower operations. The company's clients include major ports such as Ennore, Paradip, Mormugoa and Jawaharlal Nehru Port, and private ports such as Kakinada, Reliance terminal in Jamnagar and the Petronet terminal at Dahej. It owns and manages one of India's largest fleets of harbour vessels, including 28 tugs and 17 other vessels. Over the next three years the company expects to invest in several additional new/second-hand vessels for operations at ports, energy and offshore terminals in the country.

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Juicy Bits

The Board of Approval (BoA) for special economic zones will hold a series of meetings to clear pending proposals and consider new ones in states of Chandigarh, Dadra and Nagar Haveli, Goa, Himachal Pradesh, Jharkhand, Maharashtra, Orissa and Punjab.

MV Ville De Mars, a mainline vessel has arrived directly from Bandar Abbas Port in Iran and left for Port Kelang (Malaysia) at the Kochi Port for the first time in the history of the port.

Garden Reach Shipbuilders and Engineers (GRSE) has taken up modernisation project at a cost of Rs 400 crore to be completed in two or three years. Modular workshops would be set up and the slipways would be upgraded by installation of 3,000-tonne displacement ship lift and transportation system.

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In this Newsletter

Cochin Port, a competing port for Colombo.....	2
Shipping conferences to fade out.....	2
Gateway plans CFS in Kochi.....	2
Lakshadweep plans dedicated berthing facility at Kochi.....	2
Mercator to foray into chemicals shipment.....	2
Machilipatnam port.....	2
Shipping Corporation's tanker purchase gets the nod.....	2
Swift Shipping sets up office in India...	3
Hindustan Shipyard to receive revival package worth Rs 548 crore.....	3
Sical Logistics buys Bergen Offshore for \$96.9 m.....	3
IPBC plans to hike freight rates.....	3
Asian freight to US West Coast set to rise by \$300 per FEU.....	3
Kochi port cuts container trailer hiring charges.....	3
Juicy Bits.....	3

Cochin Port, a competing port for Colombo

According to Cochin port authorities, the Port would handle around 15 times the number of containers that it processes today, in eight years. The port is offering an attractive 50 per cent discount on vessel-related charges to mainline vessels. This is done to wean away the mainline vessels from Colombo. At present, cargo from India is moved to Colombo using feeder vessels, from where it is shifted to mother vessels that carry the goods to their final destinations across the globe. However, Colombo Port has the capacity to handle around 4 million TEUs. Cochin Port, on the other hand, handled only around 202,000 TEUs of container cargo last year.

Shipping conferences to fade out

The European Union (EU) has asked India-Pakistan-Bangladesh Conference (IPBC) to wind up by 2008. After 2008, the conferences could exist, but will not be allowed to discuss or decide on common freight rates or restoration rates. On some of the land-based charges, the conference could offer some indices, but not any absolute figures to be followed by its members. The EU will be the first to take the lead in doing away with these conferences in their present form to make way for free competition enabling shipping lines to quote their tariffs. The proposal to repeal the exemption from EC Treaty's ban on restrictive business practices for liner conferences on routes to and from the EU was unanimously adopted by the Competitiveness Council.

Gateway plans CFS in Kochi

Gateway Distriparks Ltd (GDL) plans to set up a Rs 25 crore container freight Station (CFS) at the Kochi port as a 60:40 joint venture with Chakiat Group) near Vallarpadam. Chakiat has a stake in International Container Transshipment Terminal (ICTT) at Vallarpadam in Kochi Port. The CFS, spread over 17 acres will have a capacity to handle 15,000 TEUs per annum.

Lakshadweep plans dedicated berthing facility at Kochi

The Lakshadweep Administration is planning to set up a dedicated berthing facility at the Kochi Port for the passenger and cargo vessels plying between the mainland and the islands as there are delays in departure from Kochi on account of non-availability of berths and lack of loading and unloading facilities. Services to Lakshadweep are mainly from Kochi, Beypore and occasionally from Mangalore, with Kochi being the main embarkation and disembarkation station for passengers and tourists. The port administration has agreed to allocate the area between the South Coal Berth and the Workshop Jetty on the Mattanchery Wharf for setting up the facility. It is proposed to use the dredged material for reclamation and constructing a passenger terminal and a cargo storage with approach road and parking facilities.

Mercator to foray into chemicals shipment

Mercator Lines will be expanding its business horizon by foraying into the chemical transportation segment, by acquiring three chemical tankers at a total cost of \$ 65 million. The chemical tankers, being built in a Korean shipyard, will be delivered in 2008 and 2009. Two tankers will be of 19,500 DWT capacity, and the other will be of 11,500 DWT.

Machilipatnam port

The port at Machilipatnam will be developed as an international port at an outlay of Rs 1,200 crore. Around 6,000 acres of wasteland around the port was being acquired to develop the massive port complex. The port would be linked to Vijayawada through additional rail and canal routes. The government was also considering a proposal to construct 80-100 km outer ringroads with 700-metre corridors from Ibrahimpatnam to Agriripalli and from Nuzvid to Gannavaram.

Shipping Corporation's tanker purchase gets the nod

The Cabinet Committee on Economic Affairs (CCEA) has given the go-ahead for the

acquisition of six long-range product tankers of about 60,000 DWT each at a price of \$61.80 million each by the Shipping Corporation of India. The total investment will be \$370 million (about Rs 1,705 crore). The new vessels will replace the company's ageing product tanker tonnage.

Swift Shipping sets up office in India

Swift Shipping and Freight Logistics (SSFL), a division of the Dubai-based Swift Freight International, has opened an office in Delhi to offer a range of freight and logistics services covering sea and air freight forwarding (both imports and exports), Customs clearance and transportation, handling of perishables and hazardous cargoes, warehousing and regular LCL/FCL services from India to various parts of the world. Swift sees opportunity in the large quantities of exports routed through Delhi for African and West Asian destinations where the company has a strong network.

Hindustan Shipyard to receive revival package worth Rs 548 crore

The government has decided to infuse Rs 548.5 crore into the company. The proposal, already recommended by the board for reconstruction and Public enterprises (BRPSE), would be sent for a Cabinet approval soon. Rs 400 crore is earmarked for capital restructuring while the rest would go for repayment of debt. The revival strategy would follow the guidelines laid out by the Infrastructure Leasing & Financial Services Ltd (IL&FS). At present the company has orders worth Rs 1,400 crore.

Sical Logistics buys Bergen Offshore for \$96.9 m

Sical Logistics Ltd has acquired 100 per cent of Singapore-based Bergen Offshore Logistics Pte Ltd for \$96.9 million (around Rs 445 crore). The consideration also includes three anchor handling tugs and one platform supply vessel. While the Chennai-based Sical provides integrated multi-modal logistics for bulk and containerised cargo, Bergen provides logistics for offshore oil and gas exploration. \$16.9 million would be funded from the company's FCCB (foreign currency convertible bond) offering, the remaining \$80 million would be funded

through a structured loan from NIBC Bank, Singapore.

IPBC plans to hike freight rates

The member lines of the India/Pakistan/Bangladesh/Ceylon (IPBC) Conference, serving the trade route between the Indian sub-continent and the UK/Continent, plan to implement a freight hike through a rate restoration initiative that will affect container shipments. Consequently, freight rates between Europe and the ports in India, Pakistan, Bangladesh and Sri Lanka, will rise by \$50 per TEU and \$100 per FEU, starting November 1, 2006.

Asian freight to US West Coast set to rise by \$300 per FEU

Shipping freight rates for cargo from Asia to the US West Coast will increase by \$300 per 40-foot container (FEU) early next year. On cargo to the East Coast through the Panama or Suez Canals, the rates will increase by \$500 a FEU, according to plans announced by shipping lines in the US-based Transpacific Stabilisation Agreement (TSA). The increase is due to forecasts of steep increases in operating costs, including fuel, and would take effect as the 2007-08 contracts are formalised. The shipping lines also plan to implement a minimum \$400 per FEU peak season surcharge from June 15 to October 15, 2007.

Kochi port cuts container trailer hiring charges

The Cochin Port Trust has announced substantial reduction in container trailer hiring charges to and from the port with immediate effect. The container trailer hiring charges are cut by Rs 200 for local, Rs 300 within the State and Rs 400 for outside the State trips with immediate effect. The fine paid by transporters on over-weight charges levied by the Motor Vehicles Department will be reimbursed by the users on production of actual bills.

Juicy Bits

- The government has granted in-principle clearance to Posco India Private Ltd's proposal (proposed

investment of around Rs 53,000 cr) for a multi-product special economic zone in Jagatsinghpur district of Orissa.

- Great Eastern Shipping Company is planning to flag out vessels to other countries with zero-tax regime. The company is exploring various options to register its vessels out of the country considering the Indian tax system for shipping companies. The company will initially flag out one vessel, M V Jag Vayu, which is currently trading in the US and the Caribbean routes.
- About 66,000 port and dock employees, including officers will receive a bonus of 17.5 per cent of the annual wages by way of productivity-linked reward.
- The Power Ministry has opposed to the proposed sale of the LNG terminal adjoining the Dabhol power plant

Please send comments and suggestions to

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