



Guiding Spirit to Shipping Industry

# Sagor Sandesh

Maritime Tabloid English Weekly E-Paper

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## The rail infrastructure between central India and east coast ports is adequate Mr. Lenin CGM, CONCOR, Southern Region



Mr. Lenin, CGM, Container Corporation of India, Southern Region

### Introduction

The EXIM Trade in Southern India is extremely concerned over under utilization of port capacity in East Coast ports downward of Visakhapatnam in sharp contrast to over utilization of port capacity in West Coast ports. The country's manufacturing sector is concentrated in northern and central parts of the country. The EXIM trade complains that the railway infrastructure from Central India to East Coast ports is woefully inadequate and rail tariff not competitive compared to rail movement to Western ports. In this segment freight trains have to share the railway lines used by passenger trains and hence the speed gets considerably reduced.

The Central government is further beefing up the infrastructure in the North

West Railway corridor by building a Dedicated Freight corridor from Mumbai to Delhi covering all the manufacturing states. But the industrial corridors currently at the drawing board stage between Visakhapatnam and Chennai and Chennai Bengaluru, ironically have no railway component.

*Sagor Sandesh* posed these questions to Mr. Lenin Chief General Manager Container Corporation of India, Southern Region, which transports containers by rail in a big way in the country. Mr. Lenin however maintains that the rail infrastructure between central India and east coast ports is adequate and that the tariff offered by his organization is competitive. He said the country's industries are situated in Northern and Central parts of the country and they find it convenient to move the cargo through West Coast ports.

In reply to a question on the economics of rail transportation he said normally the rail transportation is cost effective if the lead is around four hundred kilometers. Manufacturing units in the North situated far away from the ports have the advantage of cost effective transportation through rail. The units in south being located close to the port have to rely on expensive road route.

Freight trains between Chennai and Hyderabad could not be sustained due to less patronage he said.

Container freight station sources in Chennai say that general cargo meant for Hyderabad from the far Eastern countries like Japan and China are handled in JNPT port while east coast ports can give tremendous freight advantage. Lack of adequate rail connectivity between

Chennai and Hyderabad has forced the trade to handle the cargo meant for Telangana capital through JNPT.

In the course of the interview Mr Lenin disclosed that the Chennai Port will soon have an extended gate to CONCOR Yard Tondiarpet where Direct Port Delivery cargo could be handled. Shuttle trains will be run between Chennai port and CONCOR's Tondiarpet yard, a distance of eight kilometers twice day. The customs have issued a notification to facilitate handling of DPD at the COCOR's yard. The move will help considerably reduce the movement of tractor trailers into Chennai port.

CONCOR, which operates freight trains at regular intervals between Chennai port and Bengaluru, will run similar

service to Tuticorin port as well shortly for Karnataka capital on a regular basis.

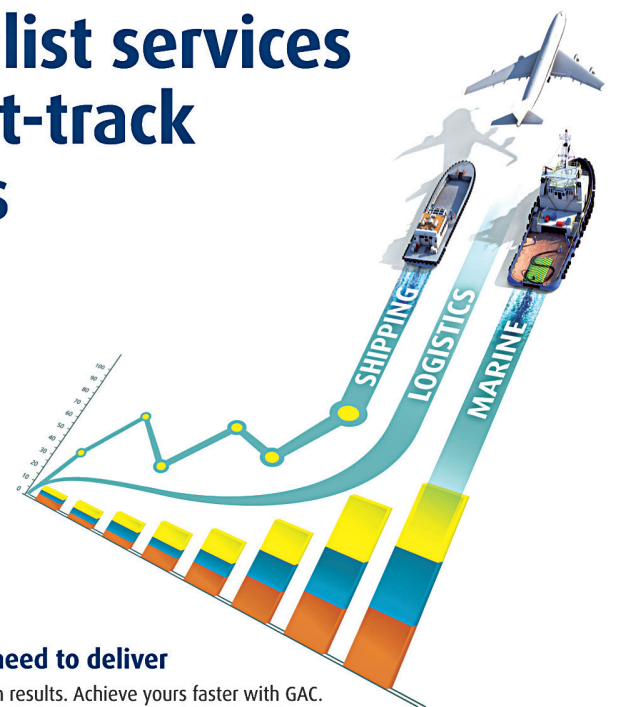
The Elevated Corridor Project between Chennai Port and Maduravoyal, once completed in the next three years will give a boost to Chennai Port's Container handling capacity said Mr Lenin in reply to a question.

Question and answer session with Mr. Lenin Chief General Manager Container Corporation of India, Southern Zone

**Sagor Sandesh:** Container Terminals in the West Coast Ports like JNPT, Mundra, Kandla are overworked while those in the East Coast are working at 50 per cent of their capacity. How do you think the regional imbalance could be corrected?

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## Editor speaks...

It has been often repeated that the East Coast ports downwards of Visakhapatnam are under-utilized in contrast to the West Coast ports. As for the East Coast ports, the situation of under-utilization has been attributed to lack of railway infrastructure. But Mr. Lenin, CGM CONCOR Southern Region says categorically that the railway infrastructure between Central India and the East Coast is adequate and CONCOR is offering competitive tariff; moreover, it has connected almost all ports by rail with hinterland terminals.

In business administration, 'Customer is always right' remains one of the most significant basics for sustaining business which indeed cannot continue to exist with the customers. And for the government also which can be looked upon as the mega-business concern, any initiative that moves to bring comfort and convenience to the people will prove a successful strategy. People will be certainly happy to have their diesel at their door steps; this great facility frees the citizen from his anxiety to go to the bunk and get the diesel, standing in a queue if the place is crowded; and usually it is.

The massive Vasco rally underscores a vital point: any regulation though means well will face stiff opposition if it is going to rob the people of their livelihood. Pollution must not

be encouraged at any cost and at the same time, in the process of fighting pollution harm must not be done to the people, to the employees. The authorities will find a way out.

At the international level, the shipping industry is facing problems in trying to comply with the Ballast Water Management regulations of both IMO and USCG, two sets of regulations landing them in crisis with the USCG's regulations being more stringent. Now, the ship owners and operator must take all efforts that they overcome the crisis and continue to carry out the trade. And they will.

The industry must be pleased with CMA CGM's REEFLEX; a very effective way of transporting liquid by containers. Constant alertness to the changing needs of the industry and firm commitment to spot out the urgent needs and to find ways of meeting the needs form the sure attributes of a performing company.

We have started a new series of articles titled 'Taking you to yourself'. Coming from an experienced motivational speaker, the articles will help one to know oneself with clarity, a critical necessity to chalk out a plan for one's future.

Hope you will like the other stories dealing with ports and measures taken by the government towards betterment of common life.

With warm regards.

## The rail infrastructure ...

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**Mr. Lenin:** Industries in the country especially the manufacturing is situated in northern the central parts of the country. They find it convenient to move their cargo to West coast ports.

**SS:** Do you think Railway Infra is adequate from Central India to East Coast ports and the tariff competitive as it is in the case of movement towards West?

**L:** The Infrastructure is adequate and CONCOR is offering a competitive tariff. CONCOR has already connected almost all Ports by rail with hinterland terminals.

**SS:** Southern Railway General Manager has gone on record at a seminar in Chennai that hardly two million tons of cargo are offered by five major ports in Tamil Nadu and Kerala and host of minor ones out of 71 million tons handled by the Railway. What are the reasons for the poor share of the railway in the freight basket from ports in the region? Can this situation improve over the years? Or is this an all India phenomena.

**L:** Most of the manufacturing industries are located in the northern parts of the country and the lead is more. Hence the rail mode is preferred as it is found economical. In the southern parts, the distance of manufacturing zones to the Port is short and therefore road is playing a major role. However, CONCOR with its presence in the ports is providing prompt services for rail transportation.

**SS:** A private port player complained at a Shipping forum in the city recently that CONCOR insists on return cargo to run freight trains. Is it the reason why you are plying freight trains on a large scale on well established routes like Chennai-Bengaluru? When do you plan to open freight trains to Coimbatore, Tuticorin and Hyderabad? Railways share in freight emanating from the ports in the region remains mostly single digit compared to the road sector. How do you plan to improve the situation?

**L:** CONCOR runs trains whenever there is a demand. In Chennai-Hyderabad stream CONCOR was running regular schedules. However, the schedule could not be maintained due to less patronage. CONCOR is planning to commence train service between Bangalore and Tuticorin stream shortly.

**SS:** What is your assessment of container traffic in the ports in Southern Region? What are the Traffic projections like, in coming years?

**L:** The overall trend of container traffic in Ports is encouraging. CONCOR's share of traffic in the southern Ports like Vallaradam, Tuticorin and Chennai are improving. As mentioned above,

CONCOR will be commencing rail operations between Bangalore and Tuticorin Port. Recently, CONCOR has commenced movement of containers between Bangalore and New Mangalore Port.

**SS:** Concor, Southern Region is planning to build a Logistics park near Mysore and link it to New Mangalore port. Can you give me the details of the Project?

**L:** CONCOR has taken land in Kadakola (Near Mysore) for developing a Multi Model Logistics Park and the work is under progress. It will be connected to New Mangalore Port and to Chennai Port depending on the demand of the trade.

**SS:** When will the extended port in Chennai port up to Tondiarpet become Operational? When will shuttle service from Chennai port to Tondiarpet carrying DPE and DPD cargo commence now that the customs formalities have been completed?

**L:** Customs have issued a notification earmarking an area of 10 acres for DPE and DPD containers by rail. CONCOR is in discussions with various stake holders and is planning to run two rakes a day initially. A highly competitive rail tariff has already been published.

**SS:** Ennore- Manali Road Improvement Project (EMRIP) providing a four lane highway linking Chennai with Ennore ports along the coast is almost complete. In three years time the Chennai Port Madurvoyal Elevated corridor will be completed now that all the obstructions to the project have been cleared. Will this help to revive the container traffic to Chennai port which has since moved to Kattupalli Port?

**L:** Once the elevated corridor is established, Chennai port will stand to gain.

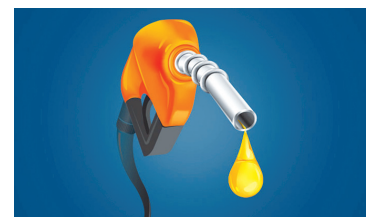
**SS:** Can you give me the particulars of the railway connectivity projects to Kamarajar port in Ennore?

**L:** Rail connectivity is already available at Kamarajar Port. CONCOR has announced the rail tariff connecting Kamarajar Port with White Fields Depot and SNF. Calling of container vessel is awaited at the Port.

**SS:** How do you find operating from established ports like Chennai and the string of private ports like Krishnapatnam, Kattupalli or the hybrid port like Kamarajar in terms of efficiency and swiftness in operational parameters?

**L:** CONCOR is running scheduled trains between WFD and Krishnapatnam Port. Kattupalli is a road based port. Kamarajar port, Ennore is yet to be tested. (No exim container vessel has been handled at the Adani terminal of the port so far)

## Pilot for home-delivery of diesel likely to start soon



**Pilot for home-delivery of diesel to start soon.**

NEW DELHI  
Sagar Sandesh News Service

**P**etroleum Minister Dharmendra Pradhan's idea of home delivery of motor fuels expressed about a year ago is likely to become a reality with a pilot to be started soon since required permissions are in place.

The Petroleum and Explosives Safety Organisation (PESO), which works under the department of industrial policy and promotion, has given permission to Indian Oil Corporation (IOC) to undertake the trial. "We expect to start

(home delivery) soon as it (PESO) has given a very select licence for a particular location," said IOC chairman Sanjiv Singh.

IOC is leading the project on behalf of the other two oil marketing companies, Hindustan Petroleum Corporation and Bharat Petroleum Corporation. T

The pilot will begin only with diesel since it is considered less hazardous than petrol once taken out of the licenced area for dispensing fuel into motor vehicles.

"We have still not decided the location though," Singh said. Transportation vehicle must

be obtained for this purpose and Singh said that they have to manufacture the vehicle which is under process and they expect "vehicle to ready in the next weeks."

Under current rules, licence for transport or storage of petroleum Class B (non-bulk) in quantity not exceeding 2,500 litres and in receptacle not exceeding 1,000 litres is not required.

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