



Guiding Spirit to Shipping Industry

# Sagar Sandesh

Maritime Tabloid English Weekly E-Paper

In association with R L Institute of Nautical Sciences, Madurai, Tamil Nadu. | RNI No. TNENG/2012/41759 | Wednesday, April 18, 2018 | Voyage 7 Wave 11



## SHIPPING - 4

Shipping Ministry makes use of e-invoice, ...



## LOGISTICS - 7

Pune airport to switch over to solar power by April 30



## EXIM - 9

India will be a 5 Trillion Dollar Economy: Suresh Prabhu



## PORT - 10

Goa shipyard limited and MTU, Germany ...

## Though Customs has become a facilitator, cooperation is not forthcoming from field level Customs executives: CCHBA



**S. NATARAJA** Chennai Custom House Brokers Association

### Profile

**Mr S Nataraja**, Proprietor of leading Chennai based Logistics firm Paramount Forwarders has been on cargo handling business for over forty years. He had held several positions in the Chennai Custom Brokers Association in the last two decades. In the keenly contested elections held last year, Mr Nataraja and his panel were elected Office bearers of the prestigious Association by a large margin. A soft spoken person he answers wide ranging questions on the Shipping and Logistics Industry in a wide ranging interview to Sagar Sandesh.

**Sagar Sandesh:** Customs houses in the country, far from being an enforcement agency have become facilitators to trade in the last few years thanks to the implementation of Ease of doing Business. Are the trade friendly measures of the Customs adequate? What needs to be done to take the facilitation measures forward?

**S Nataraja:** Customs have shifted their role from being regulator to become a facilitator to the trade in the last few years following the implementation of ease of doing business by both central and

state governments. Perfect understanding has been reached between the trade and the higher echelons of the Customs including commissioners and chief commissioners in the implementation of the government's policies in a manner friendly to the trade.

Cooperation however is not forthcoming from the field level Customs Executives like Appraising officers, Preventive Officers and Examining officers. They are yet to get absorbed to the government's thinking in the matter and are not up to the requirement of the trade. Therefore we face lot of issues at the ground level in dealing with them.

The trade expects the same level of cooperation that they receive from high officials of customs to be extended by lower level officers. But this is not happening.

**SS:** Have the trade and the customs house agents got over the technological glitches they faced during the initial phase of the implementation of the Goods and Services Tax? What are the problems they continue to face and how they could be overcome?

**SN:** The trade welcomes the government's decision to implement GST that is one nation one tax. It was implemented from July last year. The moment the new tax regime came into force the trade faced technological glitches. But they were slowly overcome through periodic meeting with the Customs Officials. Most of the issues have been sorted out through dialogue,

Some problems however continue to persist like Export General Manifest not filed and errors in export general manifest. The issues were discussed among the stakeholders in the trade and the customs officials to identify the problem. We have (the trade) have submitted its findings to the Customs which could help redress the issues. All the issues they face on technological front will be resolved in a week or two.

**SS:** With the digitization of cargo handling operations, technology will play a major role in future. Are the customs

house brokers adequately trained to handle the transformation in the Operations?

**SN:** The frank answer to this question is that the brokers are not fully equipped for the change. The government is implementing new schemes every day every week and every month in its pursuance of ease of doing business.



**Customs House Brokers and Staff of Customs Broking Houses to receive regular training in digitization**

We take the help of our Apex body Federation of Freight Forwarders Association of India to organize regular training programs for the customs house brokers and the staff of customs broking houses. The idea is to make them understand the requirements of digitization so that they can perform their work without hassles.

Regular training programs are being organized to help them acquire expertise so that they could assist in speedy clearance of cargo. Technological advisories on dos and don'ts are sent to the members through what's up and mails so that they have better understanding of the digitization.

**SS:** Industries have invested considerable funds to create Container Freight Stations around the Ports to minimize congestion. They have achieved the purpose for which they were set up. They are likely to go out of business with the introduction of Direct Port Delivery

System. Can you suggest alternate model of business for them so that the infrastructure they had created over the years is fully put to use?

**SN:** We are part and parcel of the Container Freight Station business. Ten years ago, the number of container freight stations around the major ports can be counted. We suggested to both the Customs department and the stakeholders to create more container freight stations based on the revenue generated from the EXIM Trade.

There are at present 31 container freight stations operating in and around Chennai port. This is the case in all major ports of the country. Ten years ago their number around Chennai Port was hardly five. That they will go out of business with the introduction of direct port delivery is not correct.

The container throughput at Chennai port's two terminals touched an all time high of one lakh seventy seven thousand TEU during the last month of the last financial year (March 2018)

Out of the 41 per cent DPD generated from Chennai port during March this year, nearly nine per cent is directly routed through Container freight stations. Thus the effective DPD turn over goes down to 32 per cent and the rest of the containers are handled at container freight stations. Hence the belief that container freight stations would go out of business with the introduction of direct port delivery system is not correct.

The trade needs CFSs to store their cargo on a temporary basis. They also need the storage at CFS so that cargo from containers is unloaded fast and the boxes sent back to the steamer agents to avoid demurrage. Hence DPD will have only marginal impact on the turn-over of CFSs.

Our suggestion to the Container Freight stations is increase the covered storage capacity so that they could serve as Ware Houses as well. This would help them to balance their turn over.

**Turn to Page - 2**



## Editor speaks...

Mr. S.Nataraja of Chennai Customs House Brokers Association has said that though Customs has transformed itself from being a regulator to a facilitator now, cooperation is not forthcoming from the field level Customs Executives like Appraising Officers, Preventive Officers and Examining Officers. They are yet to get absorbed to the government's thinking in the matter and are not up to requirement of the trade. Therefore we are facing lot of issues at the ground level in dealing with them. Sometime back, in the media, a critic pointed out that PM Modi is bringing in various reforms but there is a reform which he is fighting silently and resolutely, the bureaucratic reform. After all, the government with a vision can frame policies and announce them; but the fact remains that those who translate policies into performance actually matter. The man on the job and on the spot must see eye to eye with the government. But the common experience seems to be the other way round. Of course, he cannot act against the policy but he can delay implementation and the interesting part of it is he can find reasons for it also. In any country, be it developed, or developing, this is the vital administrative hurdle: inefficient and lazy bureaucracy, as the media pointed out. PM Modi went to the extent of, it is said,

terminating prematurely 33 tax officers. Yes, the government can crack the whip but how long and it has umpteen urgent tasks demanding attention. But we can see with the close monitoring of the government, there is a possibility of a fast change for the better in the so-called non-cooperating officers.

The announcement that IMO members agree to 50% GHG emission cut is really a welcome decision. The resolution reflects concern for environment; but mere concern will not achieve results that do matter. Implementation must be strict and consistent so that erring companies may be taught a severe lesson lest more companies may choose to follow them. After all, temptation of a better bottom line is not that easy to put aside particularly when the market is not bright.

Compliance being mandatory, the shipping industry must give thought towards achieving compliance with least expensive ways. The Co-Founder of BunkerEx has come out with practical suggestions to reduce bunker costs since it takes away a lion's share of revenue. Of courses, the industry has faced out stiffer challenges. And it will sustain itself and it has to. In a way, crisis sharpens business acumen. We know smooth seas do not make a skilled sailor.

With warm regards.

## Though Customs has ...

From Page -1

**SS:** Out of fifteen million TEUs handled at major ports of the country, hardly two million TEUS seem to be the contribution of Ports in the East Coast. The rest are handled at JNPT and Mundra Ports in the West Coast. Do you think the railway infrastructure from Central India to East Coast ports needs to be strengthened in an effort to correct the imbalance? Is there a strong case for railway tariff to be made competitive to attract cargo from northern India to east coast ports?

**SN:** We feel that CONCOR India and the Railways need to be pro active and strengthen their services to the East Coast Ports. CONCOR should also rework its freight rates in order to compete with road transport. If the tariff and services are attractive, the trade would increasingly use the services of the Railways. The cargo handled at these ports would then go up. Trade prefers to use railways to handle more cargo since it involves saving in time and cost.

**SS:** Container rail connectivity from Chennai Port is very poor. There are no scheduled services from Chennai to Hyderabad or North Indian cities. Private Operators who came forward to operate freight services from Chennai port to Bengaluru last year gave up within a few months. What are

the reasons that forced them to pull out in such a short time?

**SN:** It is absolutely correct that Container connectivity to ports in the East Coast including Chennai and Tuticorin is very poor. Neither CONCOR nor the Railways improve their freight services to the east coast nor would they allow the private parties to perform. They practice the dog in the manger policy.

Private freight operators though they own the flats to carry containers depend on CONCOR for engines and the railways for the tracks to cover the distance. Both the railways and the CONCOR proved to be an irritant for the Private Operators and hence they had to pull out of Chennai Port Bengaluru service last year.

Instead of waiting for return cargo CONCOR should start promotion services from Chennai to Guntur, Hyderabad, Nagpur, Hosur and Coimbatore. Both railways and CONCOR should start end to end services rather providing services between railway stations.

Ninety per cent of CONCOR officers are salary earners and have no incentive to be trade friendly.

(To be Continued)

## IMO Members Agree on 50 Pct GHG Emissions Cut

NEW DELHI  
Sagar Sandesh News Service

Countries attending the International Maritime Organization (IMO) meeting in London agreed to require the shipping sector to reduce its emissions by at least 50 pct by 2050 compared to 2008.

"Today's commitment by governments to require international shipping to decarbonize and at least halve its greenhouse gas emissions by 2050 is a welcome and potentially game-changing development," the Clean Shipping Coalition (CSC) has said.

"But the lack of any clear plan of action to deliver the emissions reductions, including urgently needed short-term measures, is a major concern, according to the group of NGOs with observer status at the UN's International Maritime Organisation (IMO)."

Specifically, the following objectives were agreed: to strengthen design requirements for each ship type, a relative reduction of 40 percent by 2030, and by 2050, global shipping shall reduce its CO2 emissions by at least 50 percent compared with 2008 and subsequently head for a complete phase-out.

"Achieving these goals will be a major task and will require massive research and development efforts, as we will eventually have to use alternative fuels resulting in zero emissions at all. With the clear reduction target in mind, the shipping industry is ready to work towards the goal, and Danish Shipping will particularly engage in the development of alternative

fuels," says Maria Skipper Schwenn, Executive Director at Danish Shipping.

The target falls short of the 70-100 pct cut by 2050 that is needed to align shipping with the goals of the Paris agreement.

The CSC said progressive states must now use the words "at least" to keep the pressure on for full decarbonization by 2050 so as to avoid the catastrophic climate change that a temperature increase of more than 1.5°C would bring.



"The IMO should and could have gone a lot further but for the dogmatic opposition of some countries led by Brazil, Panama, Saudi Arabia. Scant attention was paid to US opposition. So this decision puts shipping on a promising track. It has now officially bought into the concept of decarbonization and the need to deliver in-sector emission reductions, which is central to fulfilling the Paris agreement," Bill Hemmings, shipping director at Transport & Environment, said.

"We have an important agreement, and this level of ambition will ultimately require a sector-wide shift to new fuels and propulsion technologies, but what happens next is crucial. The IMO must move swiftly to introduce measures that will cut

emissions deeply and quickly in the short-term. Without these the goals of the Paris agreement will remain out of reach," John Maggs, president of the CSC and senior policy advisor at Seas At Risk, said.

BIMCO, the world's largest international shipping association, said it was very satisfied with the Green House Gas (GHG) strategy adopted by IMO today.

"It is a landmark achievement in the effort to reduce emissions, and something that every other industry should look to for inspiration," Lars Robert Pedersen, BIMCO Deputy Secretary-General and delegate at the IMO meeting, commented.

"In BIMCO we believe that the industry can deliver on this target – even if we don't exactly know how, yet."

"Now we have to focus on the mid-to-long term. We have to find the technology and procedures that will drive us towards zero GHG emissions," he added.

BIMCO sees zero carbon emissions as a realistic goal for the second half of this century, but investments in research and technology are required to get there.

India has been one of the earliest members of the IMO, having ratified its convention and joined it as a member-state in 1959.

According to a UN report, compared to China, India and Brazil were minor players in the shipping industry with 1.21 per cent and 0.88 per cent, respectively, of the overall world share.



# Sagar Sandesh

Guiding Spirit to Shipping Industry

Maritime Tabloid English Weekly E-Paper

In association with R.I. Institute of Nautical Sciences, Madurai, Tamil Nadu.

---

**Mumbai Office**

217, Secands Road, Unique Industrial Estate, off Veer Savarkar Marg,  
Bombay Dyeing Compound, Prabhadevi, Mumbai - 400025  
Ph: 022 - 24211583 / 24210193. Fax: 022 - 2421 2149

**Chennai Office**

No.6, Ground Floor, Nungambakkam First Lane (Opp. Regional Office, Indian Oil Corporation), Nungambakkam High Road, Chennai - 600 034  
Ph: 044-42664408 / Mob: +91 72000 84866

**Admin. Office**

21 "LAKSHMI", Sathya Sai Nagar, Madurai-625 003. Ph : 0452 437 8300 / +91 72000 84864

---

EDITOR & PUBLISHER	: <b>Dr R Lakshmipathy</b>
EXECUTIVE EDITOR	: <b>Dr G.R. Balakrishnan</b> , M.A Phd.,
CONSULTING EDITOR	: <b>Mr M Subramanian</b> , F.I.Mar.E., M.I.E.,

---

**ADVISORY EDITORIAL BOARD**

**Mr Aswin K Atre**, Consultant, Shipping and Seafaring

**Capt. S S Jairam**, Master Mariner, Director, Searland Management Services (P) Ltd.

**Dr B K Saxena**, M.Sc., Ph.D., Past President, Institute of Marine Engineers (India).

**Mr G K Ramakrishnan**, C.Eng., M.I.Mar.E., Sr. HSE Consultant, Kuwait Oil Company, Kuwait.

**Capt. Naveen Passey**, Managing Director, Wallem Shipmanagement (India) Pvt Ltd.

---

**SAGAR SANDESH - Maritime Tabloid English Weekly E-Paper**

Published by Dr R Lakshmipathy (Owner) on behalf of  
Professional Publications (P) Ltd, "Sriram", 27, Sathyasai Nagar, Madurai - 625 003.  
Published at "Lakshmi", 21, Sathyasai Nagar, Madurai - 625 003, Tamilnadu.  
**RNI No. TNENG/2012/41759, Postal Registration No. TN/MA/140/2018-2020.**  
**Licence No. TN/WPP-115/SR/2018-2020.**





Guiding Spirit to Shipping Industry

# Sagar Sandesh

Maritime Tabloid English Weekly E-Paper

In association with R L Institute of Nautical Sciences, Madurai, Tamil Nadu. | RNI No. TNENG/2012/41759 | Wednesday, April 25, 2018 | Voyage 7 Wave 12

**SHIPPING - 4**

**CMA CGM**  
reaffirms  
commitment  
to tread on ...

**LOGISTICS - 7**

Oil companies  
offer subsidy  
to dealers to  
install solar ...

**EXIM - 9**

Joint Press  
Statement  
from the  
Summit ...

**PORT - 10**

Krishnapatnam  
port records 88  
per cent rise in  
container ...

## Unlike the feeder vessels mainline vessels are time conscious: Shri S.Nataraja, President, CCHBA



**S.NATARAJA** Chennai Custom House Brokers Association

**(Interview Contd)**

**Sagar Sansesh:** Concor remains a monopoly organization, and insists on return cargo to start freight services. It has regular service to Bengaluru alone from Chennai. Where do you make a start to improve container connectivity to east coast ports?

**S. Nataraja:** One could concede their demand for return cargo to help CONCOR get better returns for their services. But they must improve the marketing team and provide more connectivity to various commercial towns in southern India. They should also find a way to take the cargo end to end. Solutions are in their hands and they must have the inclination to implement it.

**SS:** What are the steps needed to attract Main line vessels to the East coast ports? Currently most of the cargo handled in these ports is through feeder vessels which transship cargo from the east coast to Colombo or Singapore or Port Klang.

**SN:** The number of main line vessels calling at east coast ports has come down drastically in the last ten years. The mainline: feeder vessel ratio used to be fifty fifty about a decade ago in these ports. Now hardly any mainline vessel calls at east coast ports.



**Mainline vessels are time conscious.**

Unlike the feeder vessels mainline vessels are time conscious. They decide their shipping schedule several months in advance and stick to them meticulously. Unfortunately the private terminals operating in east coast ports failed to handle them according to their schedule. Consequently they have called off their trips to east coast ports.

The terminal operators may have problems with the government on tariff issues and they have to be sorted out with them.

**SS:** How do you see transshipment business in the region hitherto a

monopoly of Colombo and Singapore ports, being handed at Krishnapatnam port since last year..Chennai port is also gearing up for transshipment business in a big way/ will this result in substantial saving in foreign exchange?

**SN:** Indian ports will definitely earn foreign exchange for the country by undertaking transshipment business. Chennai customs is actively considering a proposal to allow Chennai port to conduct transshipment activity. A decision in this regard is expected shortly.

If the trial runs of Chennai Port on transshipment business become successful, Tuticorin port may also take up the business. This is also one way to generate more revenues for the container terminals operating out of these ports.

**SS:** Is cargo aggregation plan mooted by the Shipping Corporation of India way back in 1970's to pool the cargo in east coast ports at Tuticorin port is still a viable option to attract mainline vessels?

**Turn to Page - 2**

### Winning moves

**We help you stay ahead of the game**

Getting the best solution to your logistics challenges takes creativity, competence and confidence. Let us show you some of our moves.

[gac.com/india](http://gac.com/india)



For more information / booking, please contact:  
**GAC Shipping (India) Pvt. Ltd.** | Email: [logistics.india@gac.com](mailto:logistics.india@gac.com)

**Mumbai:**  
Mr Deepak Saindane  
+91 99203 30976

**Delhi:**  
Ms Anjana Sai  
+91 99991 17185

**Chennai:**  
Mr Ranjani Kumar  
+91 98846 62852

**Bengaluru:**  
Mr Mukesh Chakraborty  
+91 96202 33277

Ms Sabiha Shaikh  
+91 82918 91713

Ms Soni Lakhera  
+91 99991 17186

**Cochin:**  
Mr Binoy Jose  
+91 99477 78270

**Kolkata:**  
Mr Anjan Roy  
+91 98748 13382

**Pune:**  
Mr Manish Singh  
+91 95455 32252

[fb.com/GACgroup](https://www.facebook.com/GACgroup)

[linkedin.com/company/gac-group](https://www.linkedin.com/company/gac-group)



Delivering your strategy.



**कॉनकॉर**  
**CONCOR**

They must improve their marketing team.



## Editor speaks...

While talking about near total absence of mainline vessels calling at east coast ports, Shri S. Nataraja of Chennai Customs House Brokers Association explains the reason for the fall in the number of mainline vessels calling at east coast ports. Indeed, comparatively, east coast ports not doing so well as the west coast ports in terms of coastal shipping is an issue discussed almost by all experts; rather like a hot potato, this issue keeps coming up now and then. Shri S. Nataraja gives an insightful business reason for the scenario. Mainline vessels are time conscious which means they plan much ahead their shipping schedule and try to stick to it meticulously. It is said the east coast ports did not seem to move along the schedule with the same meticulousness. Generally whatever brings loss is avoided. And more is suggested when Shri S. Nataraj says, "The terminal operators may have problems with the government on tariff issues and they have to be sorted out with them."

India-US Strategic Energy Partnership is quite timely and it must yield good fruits; it covers all the critical areas like oil and gas, power and renewable energy.

With so much talk about climate change and environmental pollution, it is

really delightful to note that CMA CGM has re-affirmed its commitment to treat green path. Expressive of keen social responsibility, it has said that it has the ambitious goal of improving its carbon efficiency by 30 percent between 2015 and 2015, an exemplary goal.

Two pieces of information of great significance are oil companies offering subsidy to dealers to install solar rooftop systems and the Centre working on modalities to bring petrol and diesel under GST. This move gains importance because the central government has stopped all subsidy and support programmes for solar equipment. In a way, this gesture speaks volumes about the social responsibility of the oil companies. If all the industries across the country follow this path and try to contribute to the welfare measures of the government, the very living of the citizens of the country will turn a pleasant experience.

It is time that the government brings petrol and diesel under GST. Enough is enough. The cost of petrol and diesel appears to cut away a very big portion of the budget, particularly of the majority of the middle class.

Hope you will find other stories informative and interesting.

With warm regards.

## Unlike the feeder vessels ... From Page -1

**SN:** It is definitely a viable option to attract mainline vessels to Tuticorin port. I do not know why the proposal mooted by the SCI was not taken forward. One of the main reasons why mainline vessels skip ports like Chennai or Tuticorin is the insufficient cargo available in these ports. If transshipment operations take place in a big way at these ports, this reason would get nullified.



International Container Transshipment Terminal, Vallarpadam, Port of Cochin

**SS:** Coastal shipping has not taken off despite several concessions offered by the shipping ministry and the major ports. Has the government failed to encourage Logistics companies by providing them incentives to undertake point to point movement involving coastal shipping as well?

**SN:** Coastal shipping will not be successful unless end to end solutions are found to cargo movement. The cargo is procured at one land point and should reach another land point. The trade would like to see cargo move through multi modal transportation including road, sea, inland waterways to reach the destination swiftly.

Now the coastal shipping is confined to transportation of goods from one sea port to another. IN coastal service value added service is an important component.

With this requirement in mind, the Commerce Department has recently set up an exclusive Logistics Wing to analyze the requirements of the trade and provide solutions.

(To be Continued)

## India, US kick off strategic energy partnership with task force on gas

NEW DELHI  
Sagar Sandesh News Service

**I**ndia and the US have decided to set up a joint task force on natural gas, hitting the road with India-US Strategic Energy Partnership at a time when a new order is emerging in the global oil market.

At the inaugural meeting of the partnership, chaired by oil minister Dharmendra Pradhan and visiting US energy secretary Rick Perry, here on Tuesday April 17, 2018, both sides decided to expand cooperation in areas of oil and gas, power and energy efficiency, renewable energy and sustainable growth as well as coal.

The partnership was announced by President Donald Trump and Prime Minister Narendra Modi during their June 26, 2017 summit in Washington, DC.

A joint statement issued after the meeting reaffirmed the commitment by both sides to an early and full implementation of their civil nuclear partnership, including the planned supply of six Westinghouse reactors for the proposed Andhra Pradesh nuclear power station. The cooperation in nuclear energy is being pursued through relevant bilateral mechanisms.

The task force envisages setting up a team of US and Indian industry experts with the mandate to propose, develop,



India, the world's third largest oil consumer and China likely to join hands for forging a buyers' club to counter the sellers' cartel.

and convey policy measures to help India raise share of natural gas in its economy as part of efforts to reduce carbon footprint. It is also expected to help promote strategic and economic interests of both countries.

In response to questions on preferential pricing of gas for India, Perry said both countries share a lot of values. He said some countries can give cheaper gas but it is the long-term relation that matters. He said the US was in discussion to join International Solar Alliance but it would be premature to talk about any decision now.

The upgrade in energy ties coincides with the balance of power in the global oil

market shifting in Asia's favour and new-age energy solutions disrupting traditional policy parameters.

The boom in US fracking industry and emergence of Russia as a major crude exporter have weakened Opec's grip on the global oil market. The US is now being seen as the swing maker, a position held by Saudi Arabia not long ago.

Half way across, India has become the world's third largest oil consumer and seen as driving incremental global demand for oil over the next decade or more. It has also become the leading voice of consumer nations, with rival China agreeing to join hands for forging a buyers' club to counter the sellers' cartel.



# Sagar Sandesh

Guiding Spirit to Shipping Industry

Maritime Tabloid English Weekly E-Paper

In association with R.I. Institute of Nautical Sciences, Madurai, Tamil Nadu.

---

**Mumbai Office**

217, Secands Road, Unique Industrial Estate, off Veer Savarkar Marg,  
Bombay Dyeing Compound, Prabhadevi, Mumbai - 400025  
Ph: 022 - 24211583 / 24210193. Fax: 022 - 2421 2149

**Chennai Office**

No.6, Ground Floor, Nungambakkam First Lane (Opp. Regional Office, Indian Oil Corporation), Nungambakkam High Road, Chennai - 600 034  
Ph: 044-42664408 / Mob: +91 72000 84866

**Admin. Office**

21 "LAKSHMI", Sathya Sai Nagar, Madurai-625 003. Ph : 0452 437 8300 / +91 72000 84864

---

EDITOR & PUBLISHER	: <b>Dr R Lakshmipathy</b>
EXECUTIVE EDITOR	: <b>Dr G.R. Balakrishnan</b> , M.A Phd.,
CONSULTING EDITOR	: <b>Mr M Subramanian</b> , F.I.Mar.E., M.I.E.,

---

**ADVISORY EDITORIAL BOARD**

**Mr Aswin K Atre**, Consultant, Shipping and Seafaring

**Capt. S S Jairam**, Master Mariner, Director, Searland Management Services (P) Ltd.

**Dr B K Saxena**, M.Sc., Ph.D., Past President, Institute of Marine Engineers (India).

**Mr G K Ramakrishnan**, C.Eng., M.I.Mar.E., Sr. HSE Consultant, Kuwait Oil Company, Kuwait.

**Capt. Naveen Passey**, Managing Director, Wallem Shipmanagement (India) Pvt Ltd.

---

**SAGAR SANDESH - Maritime Tabloid English Weekly E-Paper**

Published by Dr R Lakshmipathy (Owner) on behalf of Professional Publications (P) Ltd, "Sriram", 27, Sathyasai Nagar, Madurai - 625 003. Published at "Lakshmi", 21, Sathyasai Nagar, Madurai - 625 003, Tamilnadu.

**RNI No. TNENG/2012/41759, Postal Registration No. TN/MA/140/2018-2020.**

**Licence No. TN/WPP-115/SR/2018-2020.**





Guiding Spirit to Shipping Industry

# Sagar Sandesh

Maritime Tabloid English Weekly E-Paper

In association with R L Institute of Nautical Sciences, Madurai, Tamil Nadu. | RNI No. TNENG/2012/41759 | Wednesday, May 2, 2018 | Voyage 7 Wave 13

## SHIPPING - 4



**Maersk to Test AI-Powered ...**

## LOGISTICS - 8



**Railways proves tree-friendly by ...**

## EXIM - 9



**Cabinet approves Long Term ...**

## PORT - 10



**The U.S. Navy hospital ship ...**

## I do not agree with the contention that India does not need more ports.: Shri S. Nataraja, CCHBA



**S.NATARAJA** Chennai Custom House Brokers Association

**(Interview continued)**

**Sagar Sandesh:** How do you see the growth potential of Chennai port in the light of stiff competition from Katupalli, Kamarajar and Krishnapatnam ports? From being the only port for South India two decades ago, Chennai port has three ports in the vicinity scouting for cargo from the same hinterland.

**S Nataraja:** Chennai port authorities should eliminate the very thought of competition from neighboring ports. Industrial activity is bound to grow in this region so also the exports and imports. There has been a periodical growth in cargo volumes of all the ports in the region

Chennai port should concentrate on improving the infrastructure, connectivity and strengthening its marketing team. Due to political reasons an excellent Port connectivity project like Maduravoyal Elevated Corridor project got indefinitely delayed. The project which should have been implemented on a war footing is moving at snail's pace. Chennai port authorities, National highway authority and the Tamil Nadu government should work in tandem and get the project executed within a two years. The project would provide Oxygen to Chennai port.

Fortunately we have a Chairman at the Chennai Port who is pro active and is taking various initiatives to bring back the lost cargo to the port.

**SS:** Indian ports need more cargo and not increase in their numbers said an official of a container terminal recently. What is your take on his contention?

**SN:** I do not agree with the contention that India does not need more ports. The government is creating new ports with a vision to serve the EXIM trade for the next fifty years. Terminal operators should step up their performance.

**SS:** Indian ports put together handle 75 per cent of the containers handled at the Chinese port of Shanghai. What is the outlook for the Indian Port Industry since the country is seen as an emerging market after China?

**SN:** Shanghai port has geographical advantages since it is situated at the gateway of Pacific and Indian Oceans. Ninety per cent of the cargo handled at the port is through transshipment business. We should not see Shanghai and Hong Kong ports as our role models.

Port Business in Indian ports should be conducted in healthy terms for our trade. The

government is taking active steps to bring down the logistics costs and this would go a long way in improving the trade volumes.

**SS:** No new port has taken off in the last four years. Colachel port is stuck due to fishermen agitations. The new ports planned at Maharashtra, West Bengal and Andhra Pradesh have not taken off. What needs to be done to make Colachel transshipment terminal a success unlike the failure of Vallarpadam Terminal near Cochin?



**Colachel port planned to develop into a transshipment hub; delayed due to fishermen's protest**

**SN:** The livelihood problems of fishermen operating in the area should be taken into account before port is set up. You don't deprive livelihood of one lakh fishermen to create livelihood and development by setting up a port.

**SS:** Will the completion of the Elevated Corridor Project from Chennai Port to Maduravoyal, Multimodal Logistics Park at Jolarpet and Satellite Port project at Puducherry improve the volumes of Chennai port?

**SN:** Besides increasing the volumes of Chennai port, these projects would go a long way to Industrialize the state of Tamil Nadu.

## (Brief summary of the Interview of Shri S.Nataraja, CCHBA)

The Customs house has seen a transformation in the last two years from being an tough enforcement agency to a trade facilitator since the implementation of the ease of doing business by the government of India. But the concept of being a trade facilitator has not percolated to the lower level of the Customs bureaucracy.

High officers like Chief Commissioners and their deputies go by the thinking of the government and initiate lot of trade friendly measures. But this does not get reflected in the lower level of bureaucracy at preventive, appraising or examining officers. Hence trade still continues to face lot of issues at the ground level notwithstanding friendly attitude of the government.

The trade has sorted out technological glitches since the implementation of Goods and Service tax last July through periodic meetings with the customs officers. The EXIM trade in Chennai has listed the issues in a note submitted to the Customs house. He expressed confidence that all issues concerning technology will be sorted out in a week or two.

The Customs house brokers are not fully equipped to handle digitization of cargo handling operations introduced by the Customs houses all over the country. Regular training programs are being conducted in collaboration with Federation of Freight Forwarders Association the apex body of the customs house brokers association.

Nearly seventy per cent of cargo continued to be handled by the Container Freight stations despite full-fledged operation of the Direct Port Delivery at Chennai Port last month. (March 2018) Hence the belief that CFS will go out of business with the introduction of direct port delivery system by the Port is not correct. The CFS will do well to create more covered space near their premises as value addition warehousing service to the trade.

CONCOR and the Railways have to be pro active and provide more services to the East coast ports which are functioning at fifty per cent of their capacity.

**Turn to Page - 2 ►►**



## Editor speaks...

In the concluding part of the Interview of Shri S. Nataraja, CCHBA, brings out a salient point of business competition. Asked to comment on the statement of an official that India needs more cargo and not more ports, Shri S. Nataraja takes exception to the view and observes that India needs more ports as well and the government is keen on building more ports to meet the needs of the Exim trade fifty years hence. He says terminal operators should step up their performance; he appears to have hit the nail on its head: performance. Business is competition and to survive competition the only effective way is efficient performance. Again a right observation from Shri S. Nataraja is on Colachel project. Indeed, it has not taken off; at the same time, the livelihood of the fishermen must not be affected. Again, when the Elevated Corridor Project is completed, it will increase the business prospects of the Chennai port; and, more than that, it will industrialize the State of Tamil Nadu which seems to be most strategic necessity for the state to improve its performing standards.

For the maritime industry, the Maersk's initiative to experiment with Light Detection and Ranging (LiDAR) is timely and innovatively improving the transit operations. Critical information forms the base for any right administrative step

and according to the company, the software uses advanced sensors to collect a continuous stream of information from a vessel's surroundings, identify and track potential conflicts, and display information in the wheelhouse, facilitating safer and more efficient maritime operations.

Safety and efficiency in operations are two of the major needs of the maritime industry to sail through any market.

Among all the initiatives the most welcome one seems to be the initiative taken by the Railways: going online for recruitment. This step in the ultimate analysis has save a little forest from being wiped out for white sheets. The threat of continuous decline in rainfalls across the country leading to so many day to day problems of water availability, the serious state of the almost depleted underground water and so on can be met sufficiently successfully if this initiative of the Railways is followed by all the companies and corporate. The urgency of tackling water shortage must be realized and right actions must be taken by all, the citizens and the government, regional and national.

The other stories are of regular routine nature dealing with the efforts taken by the government to improve the respective departments.

Wishing you an interesting and informative reading, and with warm regards.

## I do not agree with the ...

From Page -1

Neither CONCOR nor Railways improve their freight services to the east coast ports nor would they allow private players to operate in the sector.

They should also rework their freight rates in order to compete with the road transport which corner most of the handling operations.

Instead of insisting on return cargo to start freight services to a town, CONCOR should commence promotion services to Guntur, Hyderabad, Nagpur, Hosur, Tirupur and Coimbatore from Chennai port. It should also improve its marketing team. Solutions are in their hands but they must have the inclination to implement it.

Mainlines vessels have pulled out of East coast port since private terminal operators are not cooperating in ensuring that they stick the scheduled provided by them. Number of main line vessels calling at east coast ports has come down drastically in the last ten years. Another reasons why they are not coming here is the lack of cargo. Shipping Corporation of India's move for aggregation of east coast port's cargo at Tuticorin port would go a long way to attract mainline vessels.

Chennai port will take up the ambitious transshipment operators shortly as the customs are all set to give clearance for this project. If this trial operation

at Chennai port succeeds, it will be extended to Tuticorin port as well.

Coastal shipping service will not successful unless end to end solutions to cargo movement are found. The trade will like to see their cargo reach the destination in a timely cost effective manner.

Instead of worrying about completion from the neighboring ports Chennai port would do well to improve the infrastructure, connectivity and strengthen its marketing team. The Elevated corridor project to Madhavavoyal project should be taken up on a war footing since it provided oxygen to the port. The project unfortunately is moving at snail's pace.)

## PM Modi says Karnataka's renewable energy capacity doubled in 4 years

NEW DELHI  
Sagar Sandesh News Service

**A**head of the upcoming Karnataka assembly polls, Prime Minister Narendra Modi on Thursday said the state's renewable energy capacity work has doubled in the past four years. He was interacting with party workers in the state through the NaMo app to motivate their morale.

"In Karnataka, after we came to power, Rs 17,000 crore was given to the state to construct national highways. During UPA rule, they did not construct even 1,000 kilometers of road. But we did more than 1,500 kilometers of road. People talk about climate change and global warming. During Congress rule, in four years, 2,000 MW of renewable energy was generated. In four years, we have doubled the work to 7,800 MW. Even solar energy, it'll help the poorest of the poor. In Karnataka, the government did not tap solar energy," he said.

The PM said the BJP has always given precedence to development over politics and with this focus, the party fight elections and runs the government. "BJP has given precedence to development over politics. With this in focus, we fight elections, run the government. I know earlier government used to avoid talking about development because it is measurable. You have to fight lies, manipulation. In such times, workers must not get frazzled. We have to



Prime Minister Narendra Modi

move forward on the issues important to us," the Prime Minister said.

He said that the BJP has three pronged agenda for Karnataka - development, the fast paced development and the all-round Development as the party as given primary importance for politics of development.

Continuing his tirade against the Congress, the Prime Minister alleged the party did not focus on development during their ongoing tenure in the Karnataka. "We know other political parties hesitate to talk on development because development can be quantified. This was unacceptable to those parties which only concentrated on division. We govern and also fight elections based only on development model," he said.

PM Modi also made it very clear during his address that there is no policy paralysis with the BJP government. "Development is not an issue for ones who do in caste-based

politics; they give a lollipop of fake promises to particular community and then do same with another community in next elections. If you analyse last few elections, you will realise how few political parties have indulged only in dividing societies on religious lines. They exploit emotions of some community before elections and forget them after the elections," he said.

"We walk ahead keeping unity in mind. Sabka saath, sabka vikas, is the mantra we follow. I have seen Karnataka has made up its mind on development. Now, that people have seen that the Congress is going to lose; people have started talking about a "hung" Assembly. They are spreading lies there will be no clear majority. It is their conspiracy to dissuade voters from casting their vote," Prime Minister Modi added.

The Prime Minister urged every BJP workers to reach each and every voter. "I'm also a Kannadiga, consider that and move forward. I will also work in the same spirit. Now our job is to reach each and every voter. This is my request," Prime Minister Modi said.

As Karnataka is set to go to polls, Prime Minister Modi will be travelling to Udupi on May 1, where he will be visiting Shri Krishna Mutt, and will later address a massive public rally. Karnataka will go to polls on May 12 to elect its representatives for the 225-member assembly. The results will be out on May 15.



# Sagar Sandesh

Guiding Spirit to Shipping Industry

Maritime Tabloid English Weekly E-Paper

In association with R.I. Institute of Nautical Sciences, Madurai, Tamil Nadu.

---

**Mumbai Office**

217, Secands Road, Unique Industrial Estate, off Veer Savarkar Marg,  
Bombay Dyeing Compound, Prabhadevi, Mumbai - 400025  
Ph: 022 - 24211583 / 24210193. Fax: 022 - 2421 2149

**Chennai Office**

No.6, Ground Floor, Nungambakkam First Lane (Opp. Regional Office, Indian Oil Corporation), Nungambakkam High Road, Chennai - 600 034  
Ph: 044-42664408 / Mob: +91 72000 84866

**Admin. Office**

21 "LAKSHMI", Sathya Sai Nagar, Madurai-625 003. Ph : 0452 437 8300 / +91 72000 84864

---

EDITOR & PUBLISHER	: <b>Dr R Lakshmipathy</b>
EXECUTIVE EDITOR	: <b>Dr G.R. Balakrishnan</b> , M.A Phd.,
CONSULTING EDITOR	: <b>Mr M Subramanian</b> , F.I.Mar.E., M.I.E.,

---

**ADVISORY EDITORIAL BOARD**

**Mr Aswin K Atre**, Consultant, Shipping and Seafaring

**Capt. S S Jairam**, Master Mariner, Director, Searland Management Services (P) Ltd.

**Dr B K Saxena**, M.Sc., Ph.D., Past President, Institute of Marine Engineers (India).

**Mr G K Ramakrishnan**, C.Eng., M.I.Mar.E., Sr. HSE Consultant, Kuwait Oil Company, Kuwait.

**Capt. Naveen Passey**, Managing Director, Wallem Shipmanagement (India) Pvt Ltd.

---

**SAGAR SANDESH - Maritime Tabloid English Weekly E-Paper**  
Published by Dr R Lakshmipathy (Owner) on behalf of  
Professional Publications (P) Ltd, "Sriram", 27, Sathyasai Nagar, Madurai - 625 003.  
Published at "Lakshmi", 21, Sathyasai Nagar, Madurai - 625 003, Tamilnadu.  
**RNI No. TNENG/2012/41759, Postal Registration No. TN/MA/140/2018-2020.**  
**Licence No. TN/WPP-115/SR/2018-2020.**