



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, September 26, 2018 | Voyage 7 Wave 34

You don't have a Gateway Port or Hub Port in the East Coast: Jayaraman Krishnan



**Jayaraman
Krishnan**

of
S.NATESA IYER & CO

*Question and answer session
with Mr Jayaraman Krishnan
of Natesan and Company*

Sagar Sandesh: What is the state of the global shipping industry? Has the industry come out of the woods after the decade long recession? The industry is now in a consolidation phase. Has the consolidation helped to improve the balance sheets of shipping companies? Reports indicate container shipping has started looking up in the international market while it remains flat in Indian ports barring some ports in the West coast. Where does the Consolidation phase lead the industry to? Your take on the industry and the freight rates in near and long term.

Mr Jayaraman Krishnan: The Shipping industry which has been reeling under the impact of global economic down turn for the past several years is not out of the doldrums. Basically the industry faces two challenges. One is the economic challenge on account of the emerging trade war between United States and China.

The other is the technological challenge. With the advent of technology, the industry may see a drastic drop in shifting of physical goods from one location to another.

So we see lot of mergers and consolidation taking place in the industry. In my opinion, I see the emergence of further large players than the existing alliances. We are going to see further reduction in the number of players operating the shipping industry. We will see five or six large players operating the industry soon. This is where I see the culmination of the entire consolidation process will come to an end.

As to when the shrinking of number of players will take place, it all depends on economic factors. In my opinion it will take place within 2 to five years time.

With technology based changes coming about and where the demand drops, I don't see

freight rates spiking up to any new level as is happening in the prices of petroleum products.

Trade War between US and China



SS: Trade wars have intensified between United States and China. Even the Western nations are divided on trade and tariff issues. Protectionism is gaining ground in free market areas in the name of Nation First. How do you see these global trends impacting the international trade and therefore the shipping industry?

Mr JK: Even though the trade war may be between United States and China, the countries that are going to be worst affected will be the European Union, because China sources lot of goods from the Europe. If the demand falls, the exports from Europe to China will see a significant downturn. This will be the situation if there is a long drawn out trade war.

Germany's largest export client is China. China does not buy goods from outside for internal consumption. China buys these goods for further processing and manufacturing for its exports to United States. If that demand falls, there is going to be snowballing effect on procurement of goods by China from Europe. The countries which will indirectly face the heat of the trade war primarily will be European Union.

That is why there is lot of resistance and resentment against the Trade war and against United States for initiating it in Europe.

SS: How will the trade war affect the trade prospects of India?

SHIPPING - 4



**Shipping Groups
Propose Phased ...**

LOGISTICS - 8



**Germany launches
world's first ...**

EXIM - 9



**India will resist
American pressure ..**

PORT - 10



**Long Beach and Los
Angeles driving ...**

Turn to Page - 2 ►►

Editor speaks...

Comparison between the West Coast ports and the East Coast ports in terms of capacity operations pops up as the first topic of discussion whenever an industrialist connected with shipping is interviewed. Almost the responses from various experts underscore the lack of adequate connectivity for the east coast ports. Here, Jayaraman Krishnan touches another equally critical point. He seems to hit the nail on its head: we don't have a Gateway port or Hub port in the East Coast. He adds, "We are dependent on either Singapore or Colombo Ports to move cargo to the East Coast Ports for the last mile connectivity. Singapore and Colombo ports play the role of Hub Ports for the Ports in India's East Coast and not any Indian Port"

Renewable energy is the urgent cry of many nations particularly India where both the cost benefit and 'green' enhancement have become almost national obligations. It will be a great boon to all the countries involved in International Solar Alliance if some really practical solutions are found in the first general assembly of India-initiated with the presence of the UN Secretary General Antonio Guterres who will be on a four-day visit.

On the national front, further relaxation of cabotage rules attracts attention aiming to promote more

coastal cargo movement and on the international front in shipping, some leading shipping groups seek phased out implementation of the IMO 2020 new sulphur cap regulations. Arguments are put forward both for and against; and, it appears the implementation of the new regulations has greater support as it reflects greater sense of social responsibility which does not necessarily always put money before man.

With November inching forward, the US severe threat of sanctions on those countries that continue to trade with Iran has had real effect on the global trade. Many countries like India are not willing to face the aftermath of the sanctions which in effect deny financial assistance from banks; and for the shippers, insurance becomes a problem.

It is a matter of great relief when we see many firms and companies come forward to contribute towards the Kerala flood relief. It is really encouraging to feel and to know that humanity still lives despite competitive commercial battles across the world.

A rare event of historical importance has happened: the world has seen the first hydrogen train rolling out from Germany. And many countries have shown interest in this transport revolution.

with warm regards.

You don't have a Gateway ... From Page -1

Mr JK: India has huge opportunities opening up following the break out of the Trade war. Just now you see China coming to Maharashtra to buy soya. China never bought soya from India before the trade war.

There are products that India can replace, the traditional US exports to China in agricultural products and processed food but not in the engineering sector. This can prove to be boon for India's agriculture sector and allied industries.

As far as technology is concerned, India is not technologically advanced to export tech top ends to other countries.

SS: Logistics continues to be a nightmare for the industry in India as goods from China and the Far Eastern countries bound for Hyderabad or Nagpur find their way into the country through JNPT in Maharashtra and Mundra Port in Gujarat while it makes economic sense to handle them in East Coast ports like Chennai or Visakhapatnam. There are both time and cost overruns when the goods move all way through West coast ports. How do you reverse the trend and reduce Logistics cost?

Mr JK: There are two reasons why the goods from China and far eastern countries bound for Hyderabad or Nagpur skip East Coast ports and prefer to move all the way to the West coast ports though the distance is longer.

You don't have a Gateway Port or Hub Port in the East Coast. We are dependent on either Singapore or Colombo Ports to move cargo to the East Coast Ports for the last mile connectivity. Singapore and Colombo ports play the role of Hub Ports for the Ports in India's East Coast and not any Indian Port.

Whereas when you come to JNPT, the port is a Hub port by itself. Price wise there is no difference



Singapore Port

Singapore and Colombo ports play the role of Hub Ports for the Ports in India's East Coast and not any Indian Port

or not much difference in hauling goods all the way from the far-east since direct sailing to the port from the loading port, you save a lot of cost. Whereas transshipment through Singapore or Colombo ports to reach East Coast ports involves increased cost. This one reasons why there is no huge difference in cost between transporting goods through JNPT and the East coast ports in so far as cargo from the Far East.

Moreover the movement of goods from the JNPT or Mundra ports to the hinterland is much more efficient that from any port in the East Coast. Rail corridors are well developed, more predictable and time bound. The central government is also commissioning the JNPT-Delhi Dedicated Freight Corridor which will give further push to movement of goods to the West coast ports.

(To be continued...)

Closing ceremony: Indo-Kazakhstan Joint exercise Kazind 2018



The exercise provided an ideal platform for both contingents to share their operational experience and expertise

NEW DELHI
Sagar Sandesh News Service

Indian Army and Kazakhstan Army on 22 September 2018 completed the third edition of their joint military Exercise KAZIND 2018 in Otar Military area, Kazakhstan in a significant step towards fostering military and diplomatic ties between the two countries. The two week long exercise had commenced on 10 Sep 2018.

The primary focus of the exercise was to train and equip the contingents to undertake joint counter insurgency and counter terrorist operations in urban and rural environment under mandate of United Nations.

After initial familiarization with each other's organizational structure, tactical drills and planning process before graduating to joint tactical exercises, the contingents honed their tactical and technical skills

in a wide spectrum of counter insurgency operations including joint training on weapons and equipment, cross training exercises, field training exercises and handling of improvised explosive devices.

Subject experts from both the contingents also held in-depth discussions on various facets of counter insurgency and counter terrorist operations.

The exercise provided an ideal platform for both contingents to share their operational experience and expertise while also being instrumental in broadening the interoperability and cooperation between the armies of India and Kazakhstan.

Future editions of Exercise KAZIND are likely to witness a progressive increase in the scope and content of combined training. The joint exercise will surely foster the spirit of friendship and enhance the strategic military relationship between India and Kazakhstan to higher levels.



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	: Dr R Lakshmi pathy
EXECUTIVE EDITOR	: Dr G.R. Balakrishnan , M.A Phd.,
CONSULTING EDITOR	: Mr M Subramanian , 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 Lakshmi pathy (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, October 3, 2018 | Voyage 7 Wave 35

**SHIPPING - 4**

GSF: Maersk Urged to Reconsider New Fuel ...

**LOGISTICS - 8**

6, 28,488 Houses Sanctioned Under ...

**EXIM - 9**

Need to restore 1965 rail connectivity ...

**PORT - 10**

DPR for Chennai port Maduravoyal elevated ...

Road also provides the last mile connectivity: J.Krishnan



Jayaraman Krishnan
of S.NATESA IYER & CO

(Interview continued)

Sagar Sandesh: What needs to be done to improve the Railway Infrastructure between the National capital region and the East coast ports?



Dedicated Freight Corridor
(Representational image)

Mr Jayaraman Krishnan: We need a Tughlakabad- East Coast Dedicated Freight Corridor connecting East Coast Ports to provide better connectivity. The rail corridor could connect any of the ports from Visakhapatnam, Krishnapatnam, Chennai, Tuticorin ports or the proposed transshipment terminal at Colachel. The Dedicated Rail Corridor should connect the East Coast Ports to North Indian markets. Unfortunately not much

infrastructural attention has been paid to this region by successive governments. Nor the Port Administrations in the East Coast pushed for this project with the concerned authorities. The Corridor could have given them better connectivity to the hinterland.

While JNPT and Mundra Ports pushed for Dedicated Rail Corridors to North India, none of the ports in the East Coast either individually or collectively made a push for this all important project. They never made a serious push to have the project implemented.

The proposal is there on paper but it is not being implemented. It is like the Garibi Hatao slogan given to the people of the country at the time of independence.

SS: The Ports in the West Coast especially JNPT, Mundra and Kandla are overworked while the infrastructure created in the East Coast ports from Visakhapatnam to Tuticorin is either under-utilized or working to fifty per cent of their capacity. Ten years ago the Railways have promised the Parliament the creation of a Dedicated Freight Corridor between Delhi and Chennai and between Mumbai and Chennai. But they remain on paper till now. Do you have any suggestion in mind to improve the situation and bring about balanced growth in traffic between West and East Coast Ports.

Mr JK: If you see the industrial map of India, the central zone of India comprising Chattisgarh, Odisha, Jharkhand, Uttarakhand and Bihar are not highly industrialized. Large industrial clusters and manufacturing centers have come up in and around Delhi, Haryana and Ludhiana.

The above mentioned states in the central zone are equidistant to JNPT and Visakhapatnam. These states prefer to move their goods to JNPT at present due to connectivity issues. These Central Indian states do not look at movement of any other cargo except coal to East Coast ports to feed thermal plants for domestic power supply. Currently the traffic from central India to east coast ports is predominantly thermal coal. In volumes no other cargo moves in this route.

Today the mineral rich states like Odisha, Chattisgarh and Jharkhand are

keen on industrialization and the East Coast Ports needs to get associated with these industrialized states by offering them Gateway facilities and concessions. Odisha also need to have a look at Visakhapatnam since the Paradip port has no container handling facility. When you are trying to attract the manufacturing industry, one must have container handling facility.

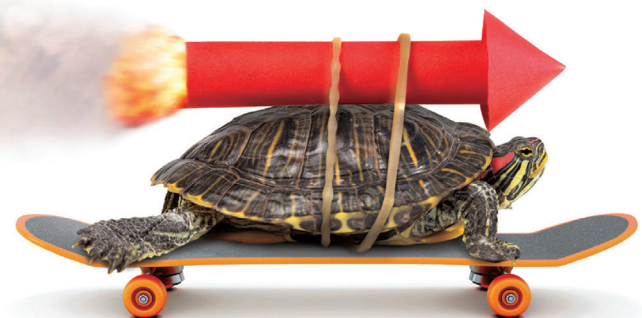
The ports like Visakhapatnam, Krishnapatnam and Chennai should develop partnership with the industries

in Odisha and other central Indian states and act as a catalyst for the growth of industries in these states.

SS: The Industrial Corridors planned between Chennai and Bengaluru and Chennai and Visakhapatnam have no dedicated railway line as part of the corridor like the ones connecting Delhi and Mumbai and Ludhiana and Kolkata. Do think the industrial corridors make sense without a railway component?

Turn to Page - 2 ▶▶

Getting ahead can be easy



Make sure you choose the right partner

With today's rapidly changing market conditions, you need a logistics partner that can stand the test of time. We ensure your shipments arrive at the right place, at the right time. We have the infrastructure, technology and operational expertise to accelerate your growth. Let's start.

gac.com/india

For more information / booking, please contact:

GAC Shipping (India) Pvt. Ltd. | Email: logistics.india@gac.com

Mumbai:

Mr Deepak Saindane
+91 99203 30976

Ms Sabiha Shaikh
+91 82918 91713

Cochin:

Mr Binoy Jose
+91 99477 78270

Delhi:

Ms Anjana Sai
+91 99991 17185

Ms Soni Lakhera
+91 99991 17186

Kolkata:

Mr Anjan Roy
+91 98748 13382

Chennai:

Ms Ranjani Kumar
+91 98846 62852

Pune:

Mr Manish Singh
+91 95455 32252

Bengaluru:

Mr Mukesh Chakraborty
+91 96202 33277

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

No animals were harmed in the making of this advertisement.



Delivering your strategy.

Editor speaks...

Mr J.Krishnan's practical approach to connectivity finds roads also providing last mile connectivity. After all, in business and trade what matters is cost effectiveness. He rightly observes: there is good rail connectivity between Chennai and Bengaluru. A Dedicated railway corridor is already working between the two cities. The road connectivity between the two cities is also good due to the development of Golden Quadrilateral. And economic cost of transportation of goods in this route by road as of today is more attractive than using Rail. Road also provides the last mile connectivity."

Apart from the US sanctions against Iran effective November, another most topical subject that has drawn great attention for quite some time is the IMO's 2020 sulphur cap. Driven to necessary compliance for sustainable trade, the shipping companies are preoccupied with the financial cost involved in compliance with the new regulations. Much discussion has taken place on comprehensive level involving possible alternatives; some saying LNG and some others pointing to scrubbers. And now shipping companies have started charging something extra for the cost involved in compliance to 2020 regulations. Under any circumstances whatsoever, and any hike in cost of anything, the ultimate target can be only the customers. This is the business proven rule so to say. And IMO

has come out with a definite statement that there won't be any delay in implementing the regulations. In the ultimate analysis, the whole problem points to two things: health of the humanity and wealth of the businessmen. Neither can be ignored and ethical focus leads to efficient balance between the two.

A very delightful story is lakhs of houses sanctioned for different states. A decent house at an affordable price. US President Donald Trump's words come to our mind: India must be appreciated for its efforts to lift poor people from poverty to middleclass level. True.

Too much delayed and with great ambition awaited the completion of the Maduravoyal Elevated Corridor will bring a new lease of life to the Chennai port with an efficient connectivity. Deadline for completion has seen many shifts but at least this time, it will see completion as mentioned in the specific period.

The crude oil import from Iran has assumed national significance with the second round of US sanctions against Iran. India's dependence on crude oil cannot be changed at will due to the impending crisis. And it is good India is trying to find a friend in Venezuela for crude import with Indian rupee. If it is solved amicably, the country will heave a sigh of relief.

with warm Regards

Road also provides the ...

From Page -1

Mr JK: The industrial corridors planned in Southern India, unlike in other parts of the country have no railway component. However there is good rail connectivity between Chennai and Bengaluru. A Dedicated railway corridor is already working between the two cities.

The road connectivity between the two cities is also good due to the development of Golden Quadrilateral. And economic cost of transportation of goods in this route by road as of today is more attractive than using Rail. Road also provides the last mile connectivity. A rail user from Chennai has to take delivery of goods at the Container Depot at Whitefields near Bengaluru and arrange for transportation of the goods to the factory destination.

Rail movement becomes economical only if 21 rakes containing 42 TEUs are moved between Chennai and Bengaluru. Then only the service becomes economical.

There has not been much progress in the implementation of the Chennai Visakhapatnam industrial corridor funded by the Asian Development Bank. Meanwhile the usage of the Railway Corridor between Chennai and Kolkata has exceeded 95 per cent. The high density corridor has already reached the saturation point.

Citing another instance, he said the traffic on the Chord line between Chennai Egmore and Tiruchirapalli has reached 120 per cent and hence no new passenger trains could be introduced by the



Industrialization leads to development of the region, economical and social

Southern Railway despite the doubling of railway tracks recently.

The East Coast Railway connecting Chennai with Tuticorin was sanctioned over ten years ago in the Railway budget. Till now the Detailed Project Report for the project has not been prepared by the Southern Railways. Tamil Nadu government is not keen on taking any initiative on industrialization of the state. Government had recently announced a dedicated railway corridor between Kolkata and Vijayawada. The Tamil Nadu government is yet to press the Centre to extend the Corridor to Chennai.

(To be continued...)

Concor scraps coastal shipping tender after lowest bidder withdraws offer

NEW DELHI
Sagar Sandesh News Service

Container Corporation of India Ltd (Concor) has scrapped a tender to hire two container ships for 10 years to start coastal shipping business after the lowest bidder pulled out his quote before the Navratna company launched a reverse auction.

Reverse auction is a mechanism followed by state-run firms to gauge whether any of the qualified bidders are willing to offer a rate lower than the one discovered through the initial bidding process.

"When we were about to start the reverse auction process, Shreyas withdrew its offer," a Concor official said, asking not to be named. The price quoted by Shreyas, he said, was 40 per cent higher than the estimates worked out by Concor.

Mumbai-listed Shreyas Shipping & Logistics Ltd had quoted about Rs. 1.9 crore per voyage to emerge the lowest bidder for the deal in the second round of tendering.

Concor will invite fresh bids for the contract with some changes in the tender terms..

The entity winning the bid will have to arrange port handling

and coastal transportation of bulk/break-bulk cargo and loaded and empty containers between Kandla International Container Terminal at Deendayal Port Trust (formerly Kandla Port Trust) in Gujarat and New Mangalore Port Trust, Cochin Port Trust and V O Chidambaram Port Trust.

According to the scrapped tenders, the winning bidder was not allowed to handle containerised/bulk/break bulk cargo for other enterprises in Indian coastal waters during the duration of the contract.

The Concor official explained the exclusivity clause pointing to minimum guaranteed pay-out irrespective of the number of containers.

Shreyas, however, tried to get this exclusivity clause removed through a petition in the Mumbai High Court which in fact refused to entertain the petition because it was not the jurisdictional area of the contract, either as the originating point or the destination point.

Shreyas then approached the Supreme Court with the same issue but before it could be considered by the apex court, Concor discharged the tender due to lack of bidders.



A NAVRATNA Company

Concor to invite fresh bids with revised tender

Concor said that it will tighten the exclusivity clause further in the new tender besides stipulating that the port handling charges incurred by the ship operator will be paid on actual basis, whatever is invoiced, without any margins.

Concor will seek bids from fleet owners to hire two Indian flag vessels of 22,000 dead weight tons (DWT) with a capacity to carry at least 700 twenty-foot equivalent units (TEUs) each for as much as 10 years.

The ships should not be more than 15 years old.



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, Secunds 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

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

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, October 10, 2018 | Voyage 7 Wave 36

SHIPPING - 4



APL Tops in Equipment and ...

LOGISTICS - 7



PM Narendra Modi receives ...

EXIM - 9



Cotton arrivals pick up in Punjab mandis

PORT - 10



A senior TN Govt Official made ...

We do feel that there will be growth in transshipment in Indian Ports: Jayaraman Krishnan



Jayaraman Krishnan
of S.NATESA IYER & CO

Summary of the previous interviews given for the sake of continuity for the benefit of the readers

Summary of the interview Sagar Sandesh had with Mr J Krishnan, Partner Natesan Iyer and Company, Hundred year old leading Customs broking firm in Chennai

The Central government should clear the long pending proposal to construct a Dedicated Freight Corridor between Tughlakabad (Delhi) with East coast ports to provide connectivity on a priority basis. A dedicated freight corridor from Northern India to connect

East coast ports is the need of the hour Mr Krishnan said in a wide ranging interview with Sagar Sandesh.

The veteran Logistics and Shipping expert dealt with various issues concerning the shipping industry including the impact of the on-going trade war, the urgent need for construction of a dedicated corridor from Tughlakabad to East Coast ports to provide the much needed railway connectivity, the scope of transshipment traffic in Indian ports and the future of Chennai port.

The Dedicated Freight Corridor could be to any of the East coast ports Visakhapatnam, Krishnapatnam, Ennore or Chennai from Tughlakabad. While the ports in the west coast like JNPT and Mundra have the railway corridor project implemented for their ports, the port administrations in the East coast have failed to persuade the centre to implement their railway corridor projects.

Besides giving a push to the railway corridor projects, the port administration in East coast ports should establish rapport with industries coming up in Odissa, Jharkhand, Madhya Pradesh and Chattisgarh. They should

partner with the industries of these states by offering them Gateway port facilities besides offering concessions and act as catalyst for their growth. Paradip in Odissa cannot serve them since it has no container handling facility.

The East coast ports should take into account the fact that these emerging industrial states are equidistant to JNPT and Visakhapatnam.

At present Central Indian states do not look at movement of any other cargo barring thermal coal to the East coast ports. This trend needs to be reversed he said in replying to questions on how the West coast ports are over worked while the ones in the East coast work to on average fifty per cent of their capacity.

He said there is no huge difference in freight cost if the goods from China and Far Eastern countries are handled at JNPT or Mundra ports by-passing the east coast ports since the west coast ports have a direct sailings. The ports in the east coast on the other hand have to resort to transshipment either at Singapore or Colombo which adds up to the cost.

Moreover the movement of cargo from the JNPT or Mundra

ports to the hinterland is much more efficient. Rail corridors from these ports to Northern India are well developed, more predictable and time bound.

On the lack of rail corridor in the industrial corridor project between Chennai and Bengaluru, he said its absence is not felt by the trade as of now since there is a Dedicated Container Service between Chennai and Bengaluru. The service is being used by Chennai, Katupalli and Ennore Ports.

Thanks to the implementation of Golden quadrilateral scheme, the road connectivity between Chennai and Bengaluru is also good and more economical than rail transportation.

There has been no progress in the implementation of Chennai Visakhapatnam Industrial corridor, even though the existing railway line between Chennai and Kolkata is working at 96 per cent of the capacity and is reaching saturation point. The new railway line from Chennai to Tuticorin has not taken off even though it was sanctioned in the railway budget 10 years ago. The detailed project report for the project is yet to be prepared by the Southern railways.

Interview continued

Sagar Sandesh: There appears to be a conscious attempt on the part of the government to reduce dependence on Colombo and Singapore ports for the transshipment of cargo to East coast ports. The government has recently relaxed Cabotage laws restrictions on Foreign Going Vessels from carrying Coastal cargo and empty containers. The Ports of Krishnapatnam, Chennai and VOC Port Tuticorin are gearing up for transshipment business. How do you see the impact of these moves in attracting traffic to the region?

Mr Jayaraman Krishnan: It was the Chennai Port that pioneered the concept of transshipment when



Kattupalli Port- Photo Kattupalli Photo courtesy Adani Ports & Special Economic Zone Ltd

Maruti-Udyog used the Port to bring spare parts from Japan for their plant in Gurugram. Containers carrying spare parts from Japanese ports used to land at Chennai port and moved by Rail to Gurugram. The Port lost the traffic to JNPT subsequently since Chennai Tughlakabad had no dedicated freight corridor.

Krishnapatnam and Kattupalli ports will hugely benefit from the government's moves to relax

cabotage laws. Chennai port will be laggard since the port has no customer friendly approach. The port may be efficient but has no customer interface.

On the other hand, Krishnapatnam port authorities delegate a port official to handle the customers and he will be responsible till the consignment is loaded or unloaded. All the customers problems in between will be sorted out by the

designated port official. Being a private port they have an aggressive marketing approach.

The Krishnapatnam Port has recently opened a liaison Office at the National capital Delhi in an effort to rope in new customers for transshipment business. Besides both Krishnapatnam and Katupalli ports are not bound by the TAMP regulations. Public sector ports like Chennai, bound by these regulations, which hinders them from taking quick economic decision like giving rebates or discounts. Krishnapatnam port being close to Chennai, a distance of 120 nautical miles will also come in the way of Chennai port catching up with transshipment.

Turn to Page - 2 ►►

Editor speaks...

While discussing relaxation of cabotage laws, Mr. J.Krishnan says that Chennai port will not benefit much by the recent relaxation and the reason he says is something quite serious. He says, "Krishnapatnam and Kattupalli ports will hugely benefit from the government's move to relax cabotage laws. Chennai port will be laggard since the port has no customer friendly approach. The port may be efficient but has no customer interface."

Today in the business world, it is a golden rule that relationship management ensures sustainability for the enterprise. Customers are the source of revenue generation and without revenue generation, no business can last long. Mr. Krishnan goes on to point out how Krishnapatnam handles customers with a port official delegated to deal with them.

'Customer is always right' is the most significant guideline business administration gives to its workforce.

And for Sethu Ship Canal project, his observations demand attention: "The Sethu Ship canal Project will provide a deterrent and provide better security to the east coast of the country against foreign incursions and possible economic blockades."

It is no wonder that R.L.Institute of Nautical Sciences receives Award for

Blood Donation. For years, RLINS never fails to donate blood to Meenakshi Mission Hospital which sends a team of doctors and nurses to RLINS for getting blood from happy volunteers.

Among many innovative initiatives directed towards 'Climate Change', taken by India, methanol fuel cooking is a veritable good one with long lasting benefits. Human welfare gets great attention from the government and what is really admirable is, as UN secretary general said, many recognize what must be done but they do not act; but here, he said the Prime Minister acts. Not only that, he sees to it that his colleagues too act.

CMA CGM Corporate Foundation is doing something very remarkable: support to the children from disadvantaged background. This commitment reflected their keen realization of social responsibility. They not only give something back to the society but more significantly to the future society: children. Three Cheers to CMA CGM.

Mention must be made of PM Modi receiving Champions of the Earth Award. Those who watch him close know well that no one deserves the award better than PM Narendra Modi. India must feel proud cutting across all political divisions.

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

We do feel that there will be ...

From Page -1

The other state owned VOC port, Tuticorin will however have advantage of geographical location of being close to Colombo Port.

We understand that Cabotage law relaxation rules are helping the Indian ports to handle more transshipment cargo. However they are at deeply discounted rates because of the intensity of competition. Anticipating competition from Indian ports, the entrenched port like Colombo Port has dropped handling rates by over forty per cent in an attempt to retain the existing customers.

We do feel that there will be growth in transshipment in Indian Ports. Krishnapatnam has handled largest number transshipment cargo since the government came out with relaxation.

SS: Shipping Minister Pon Radhakrishnan had recently announced that the Detailed Project Report for the Colachel transshipment terminal has been completed. The project had received in principle approval by the Union Cabinet nearly four years ago. What are the lessons the Colachel terminal has to learn from the failure of Vallarpadom experiment?

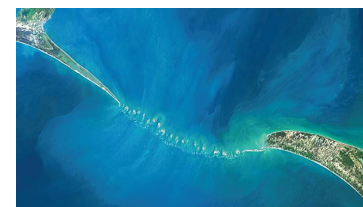
Mr JK: India has lost the first mover advantage to develop a southern Port as a transshipment port. Singapore and Colombo ports have two decades of

experience in handling a transshipment terminal. It is going to be an uphill task to divert the existing clients of Singapore and Colombo to the newly developed Port. Hence commercial viability will be the first issue.

The cost of Operation of a Greenfield port is certainly much more than a developed port like Colombo. Since Colombo port's assets have been amortized, the port can offer deep discounts which the newly developed terminals will find it difficult to cope with.

Railway connectivity to the proposed port at Colachel is yet to emerge. There is a single railway track for both passenger and freight linking the proposed terminal to the nearest commercial town of Madurai. Lack of adequate rail connectivity to Colachel is very unsettling to the users who decide to use the port. These are factors which are huge challenges to the new port.

SS: Don't you think that the Sethu Ship canal project could provide coastal shipping connectivity from the proposed Colachel terminal to other East Coast ports. With the presence of Chinese companies in the neighboring Hambantota Port at the southern tip of neighboring Sri Lanka, don't you think the Canal project should be looked at from the National Security angle?



The Ram Setu bridge (pictured here is a widely used satellite image)

Mr JK: The Sethu Ship canal Project will provide a deterrent and provide better security to the east coast of the country against foreign incursions and possible economic blockades. India faced oil blockade during the Bangladesh war in 1970s when our vessels were prevented from landing in our ports. The government retaliated by nationalizing ESSO, Caltex and Shell. The multi-national oil marketing companies collaborated with United States which then sided with Pakistan and ensured crude and petroleum products did not reach our shores. We have not learnt lessons from history. There needs to be a trade-off between the National Security versus Economic Costs as far as the Sethu Canal project goes.


Some kind of hand holding by the government is needed to make the project a success in the interest of National Security.

(To be continued...)

R.L. Institute of Nautical Sciences, receiving Award for Blood Donation



Students of R.L. Institute of Nautical Sciences, Madurai receiving Award from Actor Mr. Shanmuga Raja for Blood Donation at a function organised by Meenakshi Mission Hospital Madurai.



Sagar Sandesh

Guiding Spirit to Shipping Industry

Maritime Tabloid English Weekly E-Paper

In association with R.L. 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	: Dr R Lakshmipathy
EXECUTIVE EDITOR	: Dr G.R. Balakrishnan , M.A Phd.,
CONSULTING EDITOR	: Mr M Subramanian , 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, October 17, 2018 | Voyage 7 Wave 37

**SHIPPING - 4**

Govt is placing profits ahead of animal welfare: RSPCA

**LOGISTICS - 7**

Cabinet approves Productivity Linked Bonus ...

**EXIM - 9**

PM Narendra Modi reviews oil, gas production ...

**PORT - 10**

Cruise terminal in Chennai port declared open

It is not the number of ports but efficient handling of cargo that matters to the trade: Jayaraman Krishnan



Jayaraman Krishnan
of S.NATESA IYER & CO

Interview contd...

Sagar Sandesh: Logistics is emerging as major industry as the manufacturing working on thin margins is keen to cut costs at all levels. What needs to be done in India to cut costs considering the Logistics cost is as high as 14 per cent of the GDP according to Shipping Minister Nitin Gadkari.

Mr Jayaraman Krishnan: I am yet to see a proper statistical document on how the government arrived at the logistics cost at 14 per cent. I will now give hard economic facts to disprove this contention.

India is not a major exporter of high value added goods. We are at the basic raw material and intermediates in so far as our exports go where the unit costs are low. You cannot compare the logistics cost of India with that of countries in the West which deal with high value goods as their exports.

So you have to revisit the theory that 14 per cent logistics in India acted as a disincentive to our exports.

Citing an example he said the lorry load of mangoes from Salem to Chennai costs in terms of freight at Rs 14,000. The value of the mangoes is Rs three lakhs.

The same mango processed as pulp

is valued at Rs thirty lakhs and can be transported at the same cost of Rs 14,000 which is what the western nations do as value added exports.

SS: What are the steps the government should take to cut logistics costs so that our exports become competitive in global markets?

Mr JK: The introduction of Goods and Services tax is a step in the right direction. It is major initiative to bring down transit time and transit costs. The abolition of check posts in the state borders have helped to reduce the transit time for the trucks. Since the abolition of check posts the average working time of the trucks have increased to seventy five kilometers per hour from around 50 kilometers.

We expect the petroleum products be brought under the purview of GST which will help the transport sector to bring down the freight costs. Today fuel is a major component in transportation cost. Tax on fuel is a cost imposed on the user. The GST will bring down the incidence of taxation.



The then President Pranab Mukherjee and PM Narendra Modi launching Goods and Services Tax (GST) at midnight, at the special ceremony in the Central Hall of Parliament in New Delhi.

The government needs to introduce larger dose of technology in Weather Forecasting, Traffic Management and Traffic Compliance to ensure Indian roads are safe to travel. Accidents in Indian roads are one of the highest in the World. Technology should provide answer to the problem.

SS: Coastal shipping has not taken off despite several concessions offered by the government. Can you identify the obstacles and how they can be overcome?

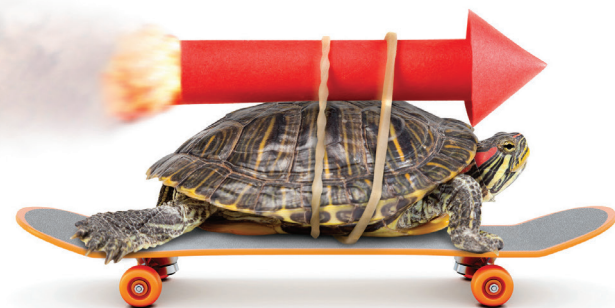
Mr JK: City based ports are not going to help the growth of Coastal Shipping because of traffic and congestion challenges.

We have to look at minor ports which have direct connectivity to the National Highways and not congested with urban

populace for efficient operation of coastal port. In Coastal transportation, time is the essence. The trade has every reason to believe that when the road transport is giving me an efficient service why I should switch over to Coastal shipping. Therefore I must benchmark myself with the competitor the road sector.

Turn to Page - 2 ►►

Getting ahead can be easy

**Make sure you choose the right partner**

With today's rapidly changing market conditions, you need a logistics partner that can stand the test of time. We ensure your shipments arrive at the right place, at the right time. We have the infrastructure, technology and operational expertise to accelerate your growth. Let's start.

gac.com/india

For more information / booking, please contact:

GAC Shipping (India) Pvt. Ltd. | Email: logistics.india@gac.com

Mumbai:

Mr Deepak Saindane
+91 99203 30976

Delhi:

Ms Anjana Sai
+91 99991 17185

Chennai:

Ms 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)

No animals were harmed in the making of this advertisement.



Delivering your strategy.

Editor speaks...

Mr. J. Krishnan's approach to any problem connected with the industry seems to be practical which means that his analysis of any situation is impersonal thus unspoiled by prejudices and conceits. See what he says about the oft-repeated statement by the government. "I am yet to see a proper statistical document on how the government arrived at the logistics cost at 14 per cent. I will now give hard economic facts to disprove this contention." And he does convincingly. Again, with regard to preference for coastal shipping, his observation is full of business instinct, not influenced by what the government keeps harping about. "In Coastal transportation, time is the essence. The trade has every reason to believe that when the road transport is giving me an efficient service why I should switch over to Coastal shipping. Therefore I must benchmark myself with the competitor the road sector." Another statement of his that hits the nail on the head; business and efficiency must go together. "It is not number of ports but efficient handling of cargo that matters to the trade". Unambiguous, indisputable statement.

When money alone matters, man becomes less human. This is what one is tempted to observe when Australia relaxed the ruling that permitted more

the trade to make more money with utter insensitiveness to animal suffering. The videos that show the animals in transit are very painful to see; we see sheep dying with appeal of total helplessness in their eyes, if one is sensitive enough to feel and read the expression in the eyes. Luckily, there are committed organizations that fight against such horrific practices.

In contrast, one good piece of information we carry this issue is the Railway employees get bonus. After all, they are the backbone of the railways. It is quite possible it will be of some relief to them with spiraling prices of commodities threatening them, particularly the ever-increasing fuel prices, not to talk about the inflation and its impact on the other commodities.

Mental disorder is becoming a very big social nightmare and it is urgent that people must wake up to this problem that seems to affect particularly the young. It is a universal issue like drug addiction which is closely linked with this miserable condition.

Iranian crude is a complicated problem for India which cannot afford to antagonize US and Iran and we have to wait and see how US reacts to India's decision to continue to buy Iranian crude after November 4.

with warm regards.

It is not the number of ports.. From Page -1

So unless the Coastal shipping bench marks itself with the efficiency offered by the road and rail sector, success may be hard to attain. Either I match it or exceed it but falling short is not going to help divert the cargo because coastal shipping is at a disadvantageous position due to lack of last mile connectivity. It is port to port transport and has to fall back on road or rail connectivity.

One possible solution could be roll on roll off vessels where the trucks loaded at Kandla Port comes to Visakhapatnam port and drives down.

You need a jetty at least forty miles away from the city. You don't need cranes. We need to think big to achieve results. The country has an unparalleled Coast line of over three thousand kilometers and very few countries have this facility. You need to leverage it to your advantage. Trucks roll into ships in United Kingdom ports and roll out in French ports. This is a common phenomenon in European ports.

I would identify five ports in the East coast and five ports in the West coast which have no connectivity issues but away from major cities and declare them the coastal ports of the country. I will create a necklace of ports as Dedicated Coastal Ports of the country. As ro-ro vessel will be pressed into service there is no need for cranes.

The Konkan Railway Corporation has been implementing this mode of transportation in a limited way for the past several years. Trucks load into the wagons at Navi Mumbai and get off at Railway stations in Northern Karnataka. This is called piggy back riding and the last mile connectivity is achieved instantly.

SS: An owner of a Container Terminal was quoted recently as saying that India needs more cargo and not more ports. World over the container traffic is picking up but the trend is not visible in Indian ports barring the ones in the West coast. What could the reason for the low container traffic in Indian ports and how this trend could be reversed?

Mr JK: It is not the number of ports but efficient handling of cargo that matters to the trade. It is the better turn-around of vessels in existing ports that gives the efficiency. If there are no berthing delays turn-around is faster in the existing ports, then the efficiency improves.

So the port's efficiency has to improve, turn round time has to improve and the connectivity has to improve instead of investing in new ports.

SS: Not long ago Chennai port was only facility for entire Southern India. Now there are four ports around the city competing for cargo from the same hinterland. How is the competition from private ports impacting the fortunes of Chennai Port? Chennai port is already feeling the pinch as some of the liner vessels have switched over to Kattupalli port. Can Chennai port diversify its Operations to get more business? If so what are the areas the port could go in for? Can bunkering and cruise shipping be an option for the port?

Mr JK: Being over hundred year old port, Chennai port has its own advantages. With the dusty coal traffic shifting to nearby Ennore port, Chennai port has to brand itself as a Clean Port and start attracting Agricultural Cargo.

The port has to construct silos to handle Agriculture cargo. Once you develop Silos in the port premises, bagging opportunities will be available. The port should also try to increase its share of automobile exports. The port has the first mover advantage in automobile exports.

Bunkering, Yes. Ships can shift from Singapore port to start bunkering at Chennai.

Cruise shipping in the East coast is seasonal and the turbulent North East monsoon during the peak tourist season around Christmas and New Year could be dampener.

Instead of looking for international cruise shipping, Chennai Port could introduce Catamaran service from Chennai to Puducherry, Tuticorin, Puri in a twelve hour day service. You must build a robust domestic tourist circuit before going into cruise tourism.

SS: With the introduction of Direct Port Delivery of imports and Direct Port entry of exports gaining ground most of the major ports, what do you think is the future of Container Freight Stations and Inland Container Depots? The government has decided that no more fresh licenses will be issued for CFSs. Do they have to change their business model and enter into areas like Ware housing and Cold Storage Chains?



Container Freight Station
(Representational Image)

Mr JK: Container freight stations also need to move up the Value Chain in order to remain in business. They should offer a basket of services like e packing, storage and distribution and other value added activities

SS: How is the evacuation in the Chennai Port? Has it improved after the partial commissioning of the Ennore Manali Road Improvement Program (EMRIP)? The resumption of work in the Chennai Port Maduravoyal Elevated Corridor is taking its own time though the Tamil Nadu government has cleared the scheme over a year ago. I am told now that Naval and Coastguard officers who are housed on the Marine Beach adjoining the Port are raising some objections to the project on the grounds of Security. How will this delay affect the functioning of the two Container Terminals in Chennai Port?

Mr JK: The EMRIP project has brought down the delays considerably in the Chennai port. It used to take three to four days for entry and exit from the Port. Now it hardly takes eight to ten hours on an average for the trucks to enter and exit the port after completing the loading or unloading operations.


The Navy and Port authorities have recently reached an agreement on the landing point of the Elevated Corridor on the port side near the War Memorial. The landing point of the 25 kilometer Chennai port Maduravoyal elevated corridor is on the defense land. The Port has agreed to give the Navy alternate land and an agreement to this effect was reached a few days ago.

Now all the major obstacles in resuming the project which got stuck midway nearly six years ago have been addressed successfully. It is now up to the National Highway Authority of India to take the initiative hopefully the work will get resumed. The Trade in Chennai hopes for the early resumption of work on the project which will provide good connectivity for evacuation of containers.

Summary of the Interview (3 & 4)

Krishnapatnam and Katupalli Ports will be the beneficiaries of the government decision to relax

Turn to Page - 3 ►►



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	: Dr R Lakshmipathy
EXECUTIVE EDITOR	: Dr G.R. Balakrishnan , M.A Phd.,
CONSULTING EDITOR	: Mr M Subramanian , 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.



Summary of the Interview ...

From Page -2

cabotage laws and do well in transshipment business. VOC port too would get a slice of the business due to proximity to Colombo Port. Chennai port is not customer friendly and therefore is likely to lose out in the competition. Though transshipment business has taken off in Indian ports after the relaxation of cabotage laws, it is carried out at a very discounted rates.

Commercial viability due to late start and lack of railway connectivity will affect the prospects of the proposed transshipment terminal at Colachel.

Having been a victim of oil blockade during the Bangladesh war when United States persuaded the Oil Marketing companies like ESSO and Shell to stop supplies of petroleum products to India, we need to consider the Sethu-Ship- Canal project as a deterrent against foreign incursions and blockades.

There needs to be a trade-off between National Security and economic costs while implementing the project in the interest of security of the country. Some sort of handholding by the government is needed to make the project a success.

The abolition of check-posts in the state borders following the implementation of Goods and Services Tax has increased the transit time of lorries to 75 kilometers per hour compared to 40 kilometers. Government needs to introduce larger dose of technology in Weather Forecasting, Traffic Management and Traffic compliance. Steps also need to reduce accidents in the country which are highest in the world.

On Coastal Shipping which has not taken off in the country despite several concessions announced by the Shipping Ministry, he said the government should zero in for minor ports with decent connectivity to the National Highways instead of taking up project in major ports.

Unless Coastal shipping benchmarks itself with the efficiency offered by the road and rail sector, success may be difficult to achieve. Either I match it or exceed it but falling short is not going to help to divert the cargo to this mode of transport, he said..

Identify five ports each in the East and West coast with no connectivity issues and not located near major cities and declare them the coastal ports of the country. Create a necklace of ports and call them dedicated coastal ports and use RO RO vessels where the truck load into the vessel for transportation within the country. The vessel also provides the last mile connectivity which this mode of transport does not provide.

On prospects for Chennai port following intense competition from private ports in the neighborhood, he said with the exit of dusty cargo like Coal to the nearby Ennore port, declare Chennai as clean port and try to attract agricultural products. Construct silos so that bagging is done within the port, expand automobile export business and enter into bunkering business.

The Port should Introduce Catamaran service to other parts of the country and attract domestic tourists. Cruise shipping is not suited because the port gets affected by the turbulent North East monsoon coinciding with peak cruise season around Christmas.

With the implementation of Ennore-Manali Road Improvement Program, congestion issue in Chennai port has been resolved. The cargo could enter the port and complete the business in eight to ten hours as against 4 to five days a few years ago. Another good news is that all the obstacles to the Elevated Corridor project between Chennai port and Maduravoyal, a distance of 25 kilometers have been removed. The project work will get resumed in a month or two.

On the state of the global shipping industry he said

the industry is not out of the doldrums and still faced both economic and technological challenges. At the culmination of the consolidation process, the industry would see five or six large players emerging in operating shipping companies. The process will take 2 to five years from now according to him.

The freight rates are not likely to go up in the near future he said.

Europe which supplies goods to China to help manufacture products to the US market will be the victim of the on-going trade war between United States and China. Europe will be indirectly hit by the war and that is why more than US, there is resistance in the Continent against the War,

India will be a beneficiary of the war. Chinese have already started sourcing Soya from Maharashtra which they never did before the war. Indian products will soon replace US exports to China in agriculture and processed food.

The Direct Port Delivery initiative is directed towards reductions in transaction time and cost associated with EXIM trade by streamlining the time taken by stakeholders in the cargo clearance process, simplifying customs procedures, providing security assurance to the government and expediting faster evacuation of containers from the port.
BRIEF : Empowering Growth (Feb 2017)

Enjoy World Travel with International Pay Scale A rewarding career in the Merchant Navy

GRADUATE MARINE ENGINEERING (GME)

Entry Standard

Graduation in

- ★ Mechanical Engineering
- ★ Naval Architecture
- ★ Marine Engineering

Duration

- ★ 1 year (Residential Programme)

Eligibility

- ★ Age Limit Maximum 28 years
- ★ Medical Fitness As Per DGS Norms

For details visit : www.rlins.edu.in email : admission@rlins.in / rlins@rlins.in

Admission Co-ordinator : +91 98940 07317 / 73391 32159 / 94890 07317



R.L. INSTITUTE OF NAUTICAL SCIENCES

(Approved by Directorate General of Shipping, Ministry of Shipping, Govt. of India)
(An ISO 9001 : 2015 Certified Organisation)

T.V.R. Nagar, Aruppukottai Road, MADURAI -625022 Tamil Nadu.

Phone : 0452-391 8615 / 391 8614 Fax : 0452 -391 8618 email : admission@rlins.in / rlins@rlins.in



RLINS is awarded with the
**HIGHEST GRADING
A1 - OUTSTANDING**

Admission
Open
Book Online

