

Shreyas Shipping expands fleet to tap Indian cabotage

Mumbai-listed Shreyas Shipping & Logistics is expanding its fleet to tap potential in coastal shipping that helped the company post strong results in the third fiscal quarter through the end of December. Shreyas last week concluded agreements to buy two ships, with capacities of 2,500 twenty-foot-equivalent units and 1,100 TEUs, for deployment on India's east coast, according to a company announcement. Upon delivery, the new additions will bring Shreyas' fleet of vessels to 11, making it the largest short-sea ship operator in the country. "The company continues its focus on the development of coastal trade as well as feeder services on the east coast, which has resulted positively," Shreyas said in a statement.

Shreyas Shipping acquires Balaji Shipping

India's Shreyas Shipping and Logistics a unit of Dubai based Transworld Group has approved plans for its subsidiary Shreyas Relay Systems (SRS) to acquire 99.9% of Balaji Shipping Lines from Transworld Holding (TWH). Shreyas Shipping said that consequent to the said issue, the company would hold less than 50 percent of the shareholding in SRS. It also said that as consideration for deal, the company will issue fully paid up equity shares to TWH. Dubai-headquartered Balaji Shipping Lines is engaged in refrigerated and dry cargo transport between the Indian subcontinent and the Middle East. It has a presence in Dubai, Saudi Arabia, Oman and UK through its subsidiaries.

Oman Air announces new partnership with DHL Express

Oman Air, the national carrier of the sultanate, has announced a new partnership with DHL Express, a division of the German logistics company Deutsche Post DHL. The arrangement will allow guests flying Oman Air to use DHL Express to deliver their baggage to their final destination at extremely affordable rates, in line with the new rates introduced by Oman Air in January. The partnership will enable guests with confirmed Oman Air tickets to send baggage to any address within Oman Air's network through drop off at any DHL service point in Oman, including Seeb, Al Khuwayr, Sohar, Muscat, Qurm and Salalah.

JNPCT achieves record performance

Jawaharlal Nehru Port Container Terminal (JNPCT) handled 14,29,936 TEUS till 7th March, surpassing last year record of 14,29,277 TEUs and registering 7.6% YoY growth in cargo throughput. For the month of Feb'17 the berth productivity was 73.37 moves/hr recording 13% growth over last year average of 64.98 moves/hr. Deployment of adequate number of cranes according to the parcel/window size and the Initiative of 'Identifying Champions' proved very effective in motivating individuals and the team in achieving the overall terminal target. As a result, there has been drastic reduction of shift change time thus helping in increasing the crane productivity from the regular 16 moves/hr to 20 moves/hr and efforts are on to further improve to 22 moves/hr for faster handling of containers.

Oman Shipping secures funds for 10 tankers

Omani government-owned Oman Shipping Company (OSC) has secured USD 227 million in debt to finance the acquisition of ten tankers, Reuters said citing France-based Societe Generale. Comprising a mix of commercial debt and export credit agency financing, the agreement covers the purchase of 50,000 dwt medium-range tankers constructed by South Korean shipbuilder Hyundai Heavy industries. Unveiled on March 2, the deal includes a 12-year ECA facility combined with a tied commercial loan for seven of the ships, while a seven-year mortgage loan covers the remaining three MR tankers. Societe Generale was the sole arranger and underwriter of the transaction.

Drewry: Liner alliances make illogical port choices

By examining the correlation between carrier terminal ownership and the choice of port calls by the 2M and upcoming Ocean and THE Alliance among container carriers, Drewry said that the choice of port call is often not in line with carrier terminal ownership interests. The shipping consultancy conducted a research analyzing the relationship between the extent of interests in terminals that carriers have in ports in a selection of gateway and trans-shipment port markets, and the ports of call in these markets, as selected by the three major alliances that will be in place from second-quarter 2017.

The alliance unveils safety net in case of bankruptcy

The five member lines of THE Alliance said that they will establish an independent trustee to manage funds to be used if one of the carriers suffers a bankruptcy. Through the contingency plan, the fund will be used to continue alliance operations in the event of insolvency of one or more members of THE Alliance, which comprises Hapag-Lloyd, K Line, Mitsui O.S.K. Lines (MOL), Nippon Yusen Kabushiki Kaisha (NYK Line) and Yang Ming. Starting from April, THE Alliance plans to deploy more than 240 ships in 32 services connecting over 75 major ports throughout Asia, North Europe, the Mediterranean, North America, Canada, Mexico, Central America, the Caribbean, Indian Subcontinent and the Middle East with a range of direct port-port-connections.

India, Iran need to take swift steps to bolster trade: FIEO

India and Iran need to take immediate steps like enhancing cooperation in the banking sector and rationalizing duties on agri-commodities to boost bilateral trade, exporters' body FIEO said. FIEO has demanded a significant cut in import duty by Iran on basmati rice. "The import duty on our basmati rice is about 45 per cent. Iran should reduce it to about 20 per cent. There is huge potential to increase basmati rice exports from India. We have requested Iran to cut the duty," FIEO Director General Ajay Sahai said. Iran produces about 2 mt of rice against the demand of about 3 mt and imports the commodity mainly from India and Pakistan. The aromatic rice is grown only in these two countries.

Sri Lanka to scale back Hambantota port deal with China

Sri Lanka is to scale back a profitable but controversial deal to sell a deep-sea port to a Chinese company after widespread protests, the Ports Minister has said. Arjuna Ranatunga said the government was renegotiating the sale of the debt-laden but strategically-located Hambantota port. It had hoped to transfer an 80% stake to the China Merchants Port Holdings on a long lease, but the proposed deal met with opposition from residents in the southern town of Hambantota and some members of the ruling coalition. "We have proposed several changes [to the original draft agreement] and we will end up with a situation which is far more favorable to the institution (SLPA)," Ranatunga said.

Kandla Port to raise Rs 1,000cr via ECBs to fund expansion projects

The central government-run Kandla Port will raise Rs 1,000 crore through external commercial borrowings (ECBs) to fund its important infrastructure projects to enhance the cargo-handling capacity from the present 100 million metric tonne (MMT) to nearly 180 MMT by 2020. Ravi Parmar, chairman, Kandla Port Trust (KPT) told TOI that the board had recently approved raising funds through ECBs and the port has already appointed SBI Capital as the consultant for this. ECBs are available at much cheaper interest rates and are risk-free. "As much as 70% of the major infrastructure projects including the Kandla Smart City will be funded through dollar-denominated loan and the rest through internal accruals. With ECBs, we can be shielded from dollar fluctuations too," a senior port official said.

India's Sagarmala Program: 415 Projects, \$120 Bln Investment

Under India's prestigious Sagarmala program, 415 projects, at an estimated investment of approximately INR 8 Lac Crore (USD 120 Bln), have been identified across port modernization and new port development, port connectivity enhancement, port-linked industrialization and coastal community development for phase wise implementation over the period 2015 to 2035. As per the approved implementation plan of Sagarmala program, these projects are to be taken up by the relevant Central Ministries/Agencies and State Governments preferably through private or public-private partnership (PPP) mode. As part of the Sagarmala program, 6 new port locations have been identified, namely - Vadhavan, Enayam, Sagar Island, Paradip Outer Harbour, Sirkazhi and Belekeri.