

South Gujarat - Cargo & Logistics Business Forum 2017

Hazira gets the commendation of the trade

SURAT: PARTICIPANTS gave an overall thumbs up to the cargo and logistics facilities at Hazira during *Exim India's* maiden **South Gujarat - Cargo & Logistics Business Forum 2017** held on November 24, 2017 at **The Gateway Hotel Athwalines** in Surat. The trade was glad that such a gateway facility had come up and was growing while catering to a key industrial hub and beyond. It was not just an alternative, but increasingly a preferred gateway where opportunities indeed beckoned, they said.

The conference, which had the **theme Advantage Hazira - Opportunities Beckon**, saw an exceptional response from the maritime, cargo, logistics and ex-im trade in the region and beyond, which was remarkable considering that



this was *Exim's* first such event here. It comprised an **Inaugural Session** followed by two **Technical Sessions**.

Mr Pranav Choudhary, CEO, Adani Hazira Port Pvt. Ltd, said he was humbled by the positive view and stressed that the Group is committed to take the port to the next level by developing an ecosystem for the trade to flourish. He sought regular inputs from the trade on their requirements and other issues so that the port can continuously improve.

The event concluded with the felicitation of some leading stakeholders. It also had a Lucky Draw that saw 4 winners take home fabulous prizes.

Here is a synopsis of the key views expressed by the speakers and panelists.

INAUGURAL SESSION



The Inaugural Session was graced by (from left) Ms Geeta Uppal, Mr Indrajit Sengupta, Mr P. M. Shah, Mr Pranav Choudhary and Mr Sailesh Bhatia



Sailesh Bhatia, MD, Bhatia Shipping Pvt. Ltd

Mr Sailesh Bhatia, in his welcome address, pointed out that Gujarat is a top state for doing business, especially in ports and shipping, because of the positive experience one gets while dealing with the business and trading community in the state, and also because of the matching capacities and infrastructure and the vision of the entrepreneurs who created them.



Indrajit Sengupta, Director, MSC Agency (India) Pvt. Ltd

Mr Indrajit Sengupta, in his theme presentation, stressed that Hazira is the logical gateway for its key industrial hinterland given its distance advantage and cost-competitiveness. He urged the trade to use the facility and not be tempted to maintain the *status quo*. He also called on the port authorities to market it as a preferred gateway rather than an alternate one. He listed lack of direct rail connectivity as a challenge for the port and also highlighted that MSC offers three services from Hazira, making it probably the largest carrier operating out of the region.



Pranav Choudhary, CEO, Adani Hazira Port Pvt. Ltd

Mr Pranav Choudhary, talking about the current facilities and future plans, said the port, which can handle dry bulk, liquid bulk, containers, chemicals, etc. has been continuously growing since its inception, with the growth in containers being over 35 per cent. He pointed out that it has 6 berths on 1,700 m of quay, 1,700 m of conveyor and 35 million tonnes of rated capacity. Hazira is maintaining draught of 14.5 m and the container terminal will achieve almost 6 lakh TEUs of throughput this year, he said. The container terminal is being extended and in two years there will be new box terminals and new liquid handling facilities. Also, plans are afoot to have rail connectivity in 2-3 years. Infrastructure at the port will be continuously upgraded for there is cargo to cater to, he stressed.



Geeta Uppal, VP-Head of Ocean Freight - India & Malaysia, Reliance Industries Ltd

Giving the shipper's perspective, Ms Geeta Uppal described Hazira as a much-needed facility, pointing out that Reliance now moves well over 90 per cent of exports from its Dahej, Hazira and Silvassa plants through Hazira port. Customers expect that infrastructure is further augmented to maintain the momentum of the facility, that the development of rail connectivity is expedited, that there should be digitisation and the port works 24/7, she added.



P. M. Shah, President, The Southern Gujarat Chamber of Commerce & Industry

Mr P. M. Shah, Chief Guest, encouraged the trade in South Gujarat to use Hazira port and facilitate the further development of the region. He asked the port authorities to interact with the proactive and dynamic new Railway Minister to expedite rail connectivity, and also expressed concern at the high GST levied on coastal cargo. He assured that the vibrant Chamber, the oldest in Gujarat, will help the trade in addressing these and other issues by raising them with the relevant authorities.

FIRST TECHNICAL SESSION – OVERVIEW OF HAZIRA'S POTENTIAL AS CONTAINER GATEWAY - INFRASTRUCTURE & CONNECTIVITY



Panelists in the First Technical Session were (from left) Capt. Swaminathan Rajagopalan, Mr V. Padmanabhan, Mr N. Ramakrishna, Mr Darshan Sheth, Mr Raymond Samervel, Mr Pradeep Nair, Mr Jeekshith Shetty and Mr Pratap S. Chauhan

Darshan Sheth, Director, CKB Group of Companies

Mr Darshan Sheth highlighted Hazira's ease of doing business, including the Customs processes, and pointed out that shippers are now realising the benefits of the facility – the locational advantage, services offered and lower costs. Shippers now want more services, he said.

**N. Ramakrishna, General Manager (Marketing & Sales), Kribhco Infrastructure Ltd**

Mr N. Ramakrishna highlighted that Kribhco is the key ICD for Hazira and that it has tied up with CONCOR for railing in and out containers. The ICD is connected to a vast hinterland, including South Gujarat, North and Central India. He said that while the recent infrastructure status for logistics was a positive development, it should be given the status of an industry, and pitched for an integrated Logistics Ministry. He also made the point that all stakeholders should come together to find solutions to issues. The trade will increasingly prefer the nearest gateway, he added.

**Capt. Swaminathan Rajagopalan, Commercial Director, CMA CGM Agencies India Pvt. Ltd**

Capt. Swaminathan Rajagopalan emphasised that carriers see potential in Hazira port as it has a huge market base and catchment area. He also made the point that one needn't always look at Hazira as a direct port of call; the hub and spoke concept too works. Hazira can connect via Colombo to the world. He described Hazira as a multi-commodity port inbound and outbound, with some of the key cargo being yarn, agri-based and chemicals. Rail connectivity is important for Hazira's future success, he said, and also disclosed that CMA CGM offers two direct global services at Hazira.

**Raymond Samervel, CEO, RCL Agencies (India) Pvt. Ltd**

Mr Raymond Samervel stressed that Hazira has huge potential which service providers have not fully tapped into for their customers. The benefits of the port have to be made more visible to customers by stakeholders like the carriers and forwarders, and the ex-im trade too should take a closer look at Hazira and the benefits it can offer, he said. He also made the point that north India cargo can come to Hazira if economically viable; it depends on the rail tariff and two-way traffic. RCL currently offers Middle East to Hazira inward and Hazira to China/Far East outward; it wants to bring more containers, have more services, he said.

Pradeep Nair, Senior Manager - Bulk Liquid Division & Global Tank Operations, Goodrich Maritime Pvt. Ltd

Hazira provides proximity as well as connectivity to businesses, said Mr Pradeep Nair. It is ideal for the chemical industry in the vicinity as the reduced distance minimises risk and saves cost. As Hazira progresses, it will definitely help the chemical industry in a big way to move goods seamlessly, he said. Coastal movement too has potential in Hazira, he observed. He also stressed that more and more shippers will opt for Hazira as awareness of its advantages increases and vessel connectivity improves. The change in mindset is already happening and will continue.

**Jeekshith Shetty, Director, Bhavani Shipping Services (India) Pvt. Ltd**

Mr Jeekshith Shetty pointed out that maintenance and repairs is a very important aspect of the logistics chain. Bhavani Shipping's empty container depot at Hazira has benefitted from the growth of the port. The growth of Hazira has surprised us, especially in the last one year, he said, adding that the prospects look even brighter going forward. The depot has kept pace with the fast container turnaround in Hazira and can smoothly handle the volumes, he stressed.

Pratap S. Chauhan, GM-Customer Commercial Services Global, Grasim Industries Ltd (Aditya Birla Group)



Mr Pratap S. Chauhan said his company is increasingly using Hazira port as it is cost-effective and has liner services offering reduced transit time and committed delivery to most global destinations. Customers are happy. He, however, made the point that Hazira should be a 24/7 port with 24/7 Customs operations.



V. Padmanabhan, VP, Seabird Marine Services Pvt. Ltd

Mr V. Padmanabhan emphasised that CFSs are adding a lot of value at Hazira and added that Hazira has cost advantage. He, however, pointed out that DPD is a concern and that CFS players had invested on the basis of the government policy announced at the time. He called for CFSs to be given FTZ status so that the infrastructure can be put to use.

SECOND TECHNICAL SESSION: MULTICARGO POSSIBILITIES AT HAZIRA & THE REGION – HAZ CARGO, LIQUID CARGO, PROJECT CARGO, DRY BULK CARGO & COASTAL MOVEMENT



The Second Technical Session saw participation from (from left) Mr Raj Khalid, Mr Rajesh Nakarani, Capt. Rituparn Raghuvanshi, Mr T. Venkataraman, Capt. Bhartesh R. Pathak, Mr Hitesh Modi and Capt. V. K. Sharma



T. Venkataraman, MD, Goodrich Maritime Pvt. Ltd

Mr T. Venkataraman made the point that containerisation has in no way deterred the movement of cargo in the traditional way, be it dry bulk, liquid bulk, heavy lift or ODCs. Cargo comes first, then comes the facility to handle the cargo, he said in his opening remarks, and also opined that coastal container shipping needs to be made more seamless. The entrepreneurial mindset of the trade here and the support of the authorities are the reasons that port and terminal projects in Gujarat have succeeded, he observed.

**Capt. Bhartesh R. Pathak, President, Yash Raj Ports Pvt. Ltd**

Capt. Bhartesh R. Pathak highlighted the salient features of the proposed Nargol greenfield port being developed by Cargo Motors Pvt. Ltd near Nargol in Valsad District of South Gujarat. It is near the major industrial area of Valsad and the wider region, in the proximity of the Dedicated Freight Corridor which is only 11 km away, the closest of any port in western India, and is close to the Delhi Mumbai Industrial Corridor, among other advantages. Phase 1, comprising 1 container berth, 1 coal berth, 1 multipurpose berth, 2 liquid berths and 1 LNG berth, is proposed to be operational by April 2020, he said in a presentation.

Raj Khalid, India Representative, Port of Antwerp

Mr Raj Khalid emphasised that Hazira has everything in place to become the largest chemical-petrochemical cluster in India, a cluster which can have cargo movement both ways. He also suggested that Hazira could have a good pipeline network. He pointed out that like the leading European port of Antwerp, Hazira too has a large chemical hub close to the water and is near to consumption centres, which is ideal for having a port-industrial complex. He highlighted that Antwerp port has 171 km of quay, cargo dwell time of 0 to 20 minutes and extensive quality warehousing that is cost-competitive.

**Rajesh Nakarani, Head – Logistics & Warehouse, Larsen & Toubro Ltd (Heavy Engineering)**

Mr Rajesh Nakarani highlighted that Hazira is one of the few ports where movement of large-sized cargo is possible. It is close to the national highway, which facilitates easier transportation of project cargo to the port from the hinterland, he said. He also described Hazira as a very efficient port with fast turnaround.

Capt. V. K. Sharma, Former VP – Shipping, Bhatia Group

Capt. V. K. Sharma said Hazira will continue to play an important role in coal/energy movements. He also talked about the constraints of higher costs at private ports, which need to be reduced to attract more volumes. Ports should have dedicated rail line, own roads and proper mechanisation, he said.

**Hitesh Modi, Joint Manager, Shreyas Relay Systems Ltd**

Mr Hitesh Modi saw huge potential for coastal movement from Hazira. He pointed out that Shreyas had started with a fortnightly service in 2012, doing 30-40 TEUs per vessel, which has now been augmented to a weekly service handling almost 150-170 units per vessel. He called for a green channel for coastal cargo at Hazira, to facilitate faster turnaround, and suggested that there should be no gate cut-off restriction so that last moment cargo can be connected on the coastal route.

**Capt. Rituparn Raghuvanshi, Harbour Master, Essar Bulk Terminal Ltd**

Capt. Rituparn Raghuvanshi highlighted that Essar Bulk Terminal handled 18.5 million tonnes in the last fiscal, a major contribution, with the projection being 22-24 million tonnes for this year. It has best-in-class infrastructure with 4 berths and can handle Capesize vessels. The quay is being expanded. The terminal has mechanised systems and achieves fast turnaround, he said.



FELICITATIONS

The occasion saw some leading organisations being felicitated, who have immensely contributed towards the development of Hazira and the region. Their role was vital in ensuring that Hazira became a multicargo hub. The organisations were selected based on market survey.

Service Providers

MSC Agency (India) Pvt. Ltd



Container Shipping Line

CKB Group of Companies



Logistics Service Provider

Shreyas Relay Systems Ltd



Coastal Service Provider with end-to-end logistics solutions

Shippers/Consignees

Reliance Industries Ltd



For facilitating export

Grasim Industries Ltd



For facilitating import

Larsen & Toubro Ltd



For facilitating project cargo movement

This maiden event saw an enthusiastic response





Lucky Draw Winners

1st Prize

Branded Fork Knife Cutlery Set



Ajith Shetty, Director, SNS Shipping Services (I)

2nd Prize

Sony Power Bank & Cufflinks



Devang A. Joshi, President, Ahmedabad Custom House Agents Association

3rd Prize

Swarovski Pen & Titan watch



Virendra Chauhan, Exports Manager-Administration, Colourtex Industries

Bumper Prize

Gold Coin



Girish Rupani, Axis Shipping Agency (CKB Group)