



**JMBAXI**  
THE PORT SPECIALIST  
**MARINE SERVICES**



**PORT UPDATE**  
**JUNE 2024**

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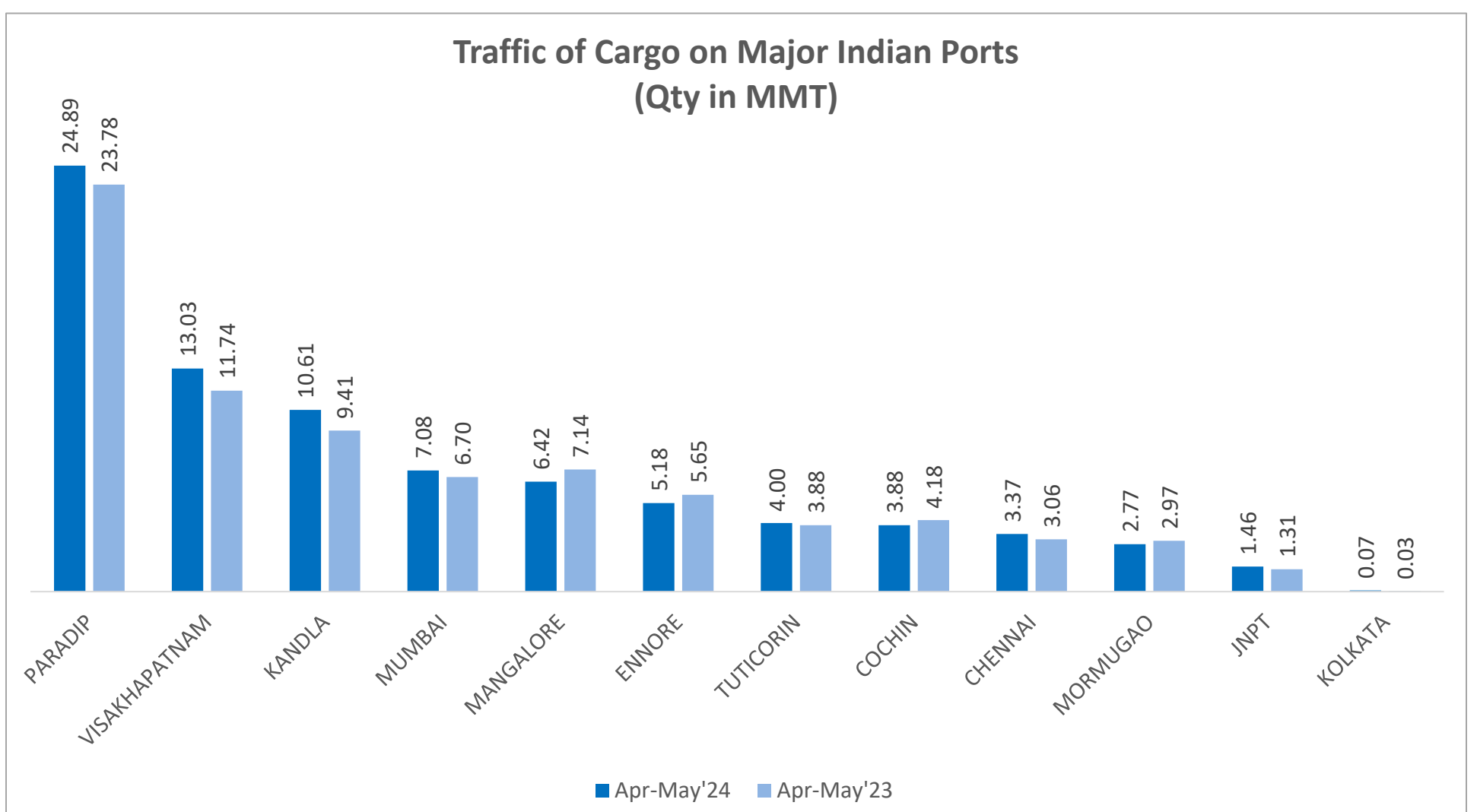
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# KEY POINTS MAJOR PORTS

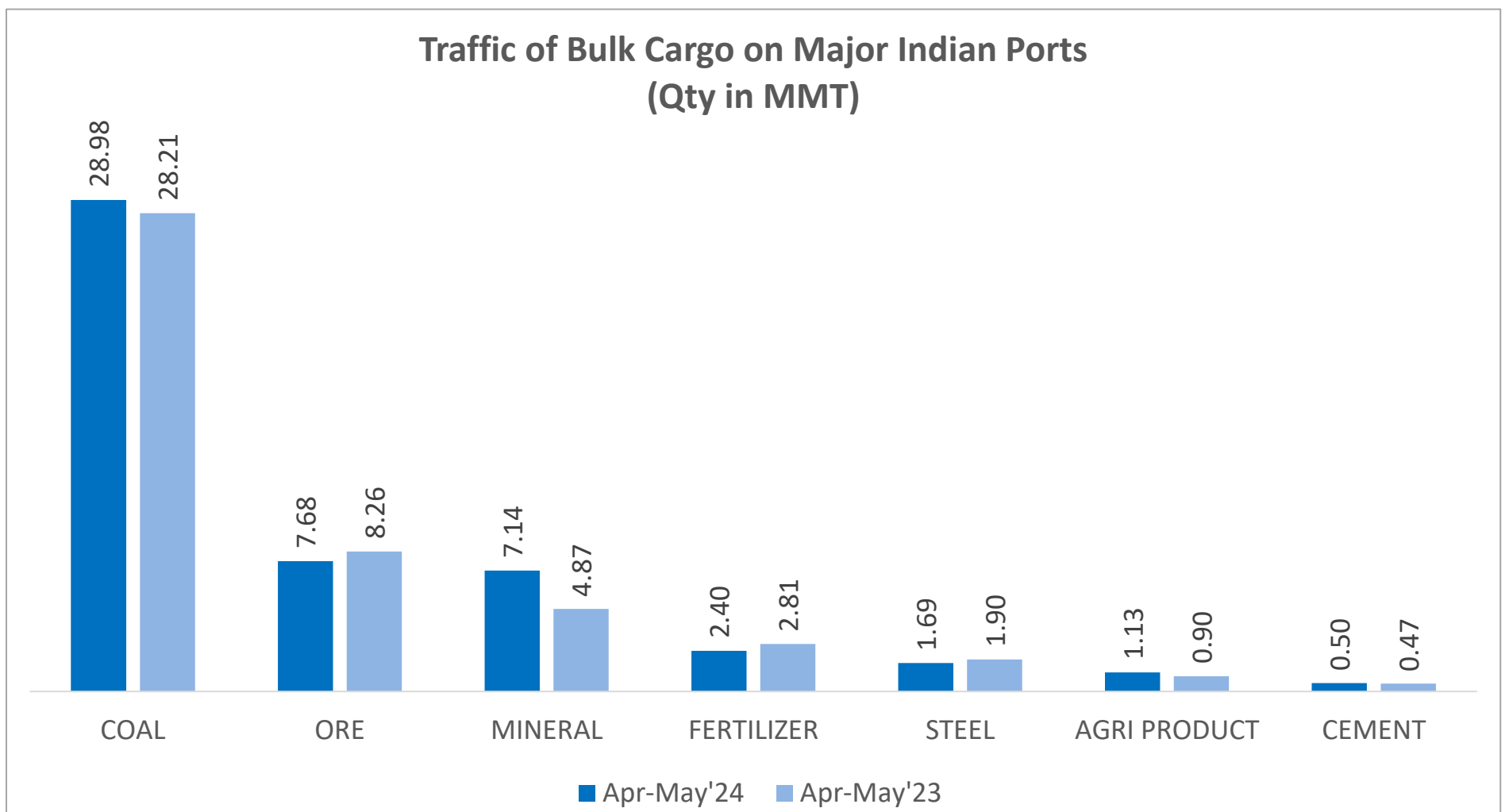
- Between major and minor ports, 183.02 MMT of traffic saw movement in Apr-May'24 which was an increase of 0.43% as compared to the same period last fiscal. 94.65 MMT of traffic was maintained in May'24 which showed an increase of 2.23% as compared to May'23.
- Major ports reported volume growth of 3.53% to 82.78 MMT in Apr-May'24, as compared to total volume of 79.85 MMT during same period last year. In the month of May'24, the traffic was recorded at 42.96 MMT which was an increase by 3.01% compared to May'23.
- Traffic wise Paradip, Visakhapatnam & Kandla showed the highest traffic at 24.89 MMT, 13.03 MMT, 10.61 MMT respectively.



# CARGO PERFORMANCE MAJOR PORTS

## BULK CARGO

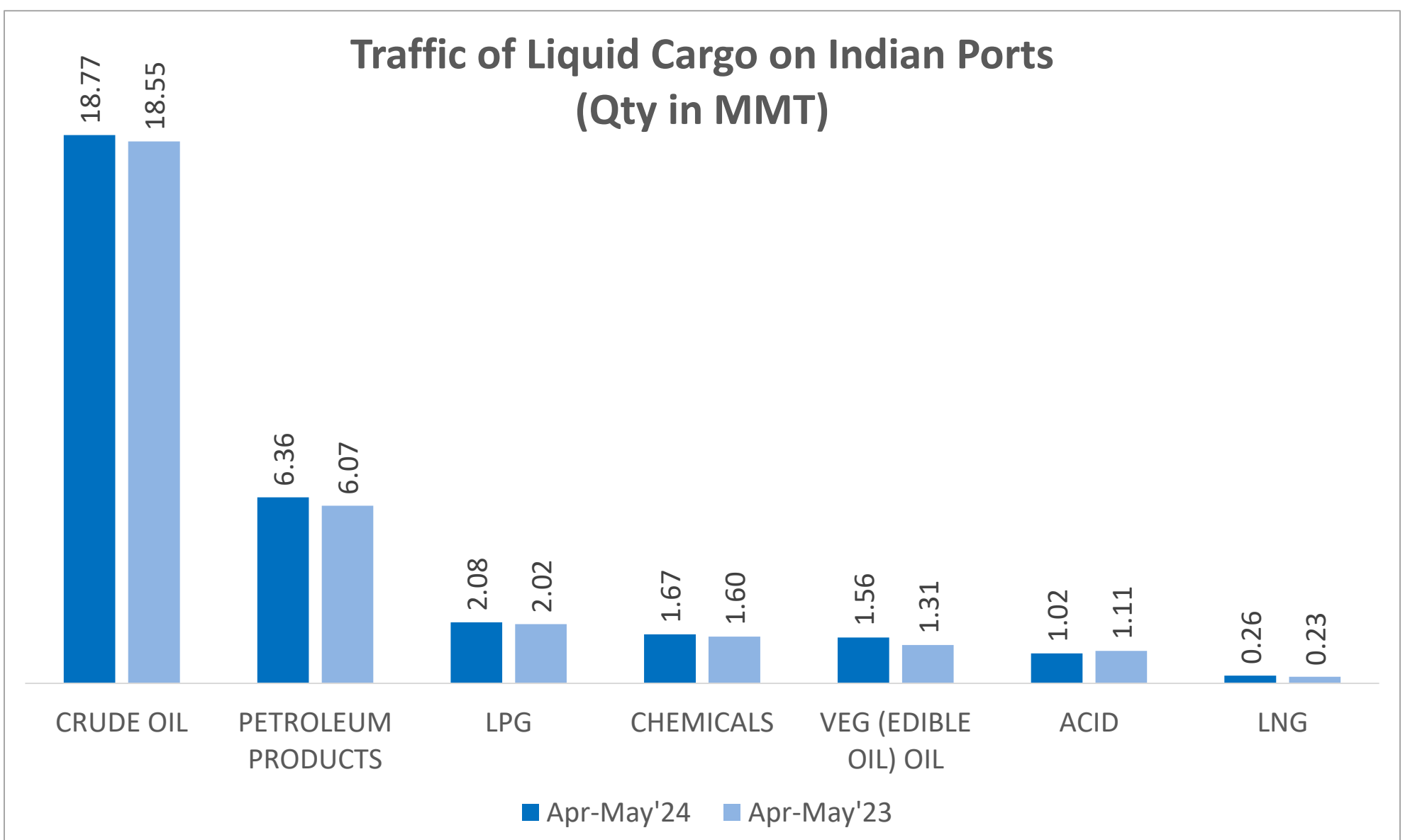
- Coal traffic on Major Indian ports stood at 28.98 MMT in Apr-May'24 which was increase of 2.66% from the previous fiscal.
- Shipments of mineral through the 12 major ports, increased by 31.82% Y-O-Y to 7.14 MMT in Apr'24-May'24 as compared to Apr'23-May'23.
- Total Bulk Cargo traffic at major ports increased nearly 4.22% to 49.51 MMT from 47.42 MMT for the same period last year.



# CARGO PERFORMANCE MAJOR PORTS

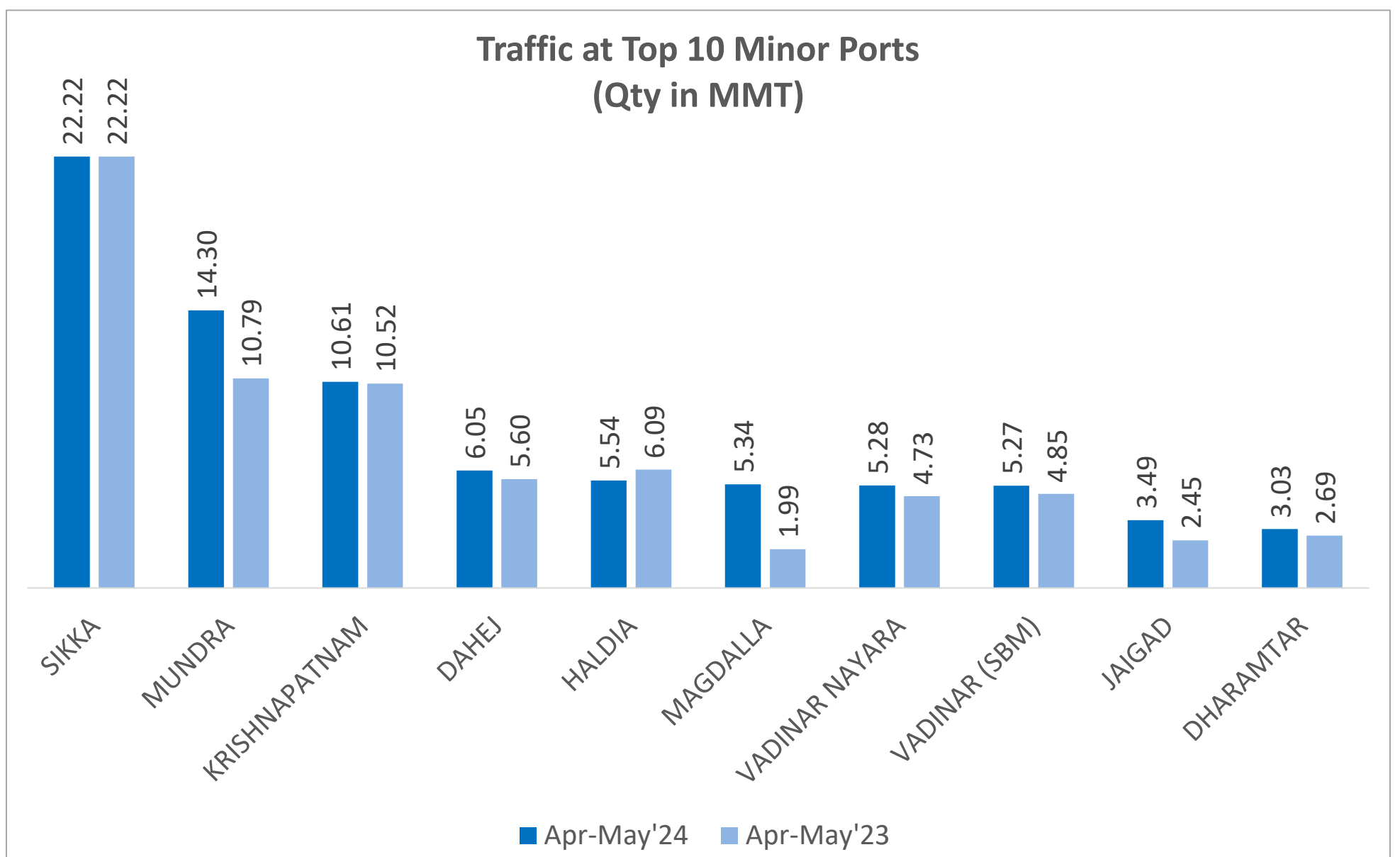
## LIQUID CARGO

- P.O.L., Crude, LPG/LNG shipments rose to 27.47 MMT by 2.21%, while Other Liquids traffic at major port rose to 4.25 MMT.
- Total Liquid Cargo traffic at major ports increased during Apr-May'24 by 2.68% to 31.72 MMT from 30.87 MMT for the same period last year.



# KEY POINTS MINOR PORTS

- Minor ports reported volume decrease of 12.54% to 100.24 MMT in Apr-May'24, as compared to total volume of 102.38 MMT during same period last year. In May'24, the total reported volume was 51.69 MMT which also showed an decrease of 1.72% Y-O-Y.
- Traffic wise top three ports Sikka, Mundra & Krishnapatnam showed traffic of 22.22 MMT, 14.30 MMT & 10.61 MMT resp.

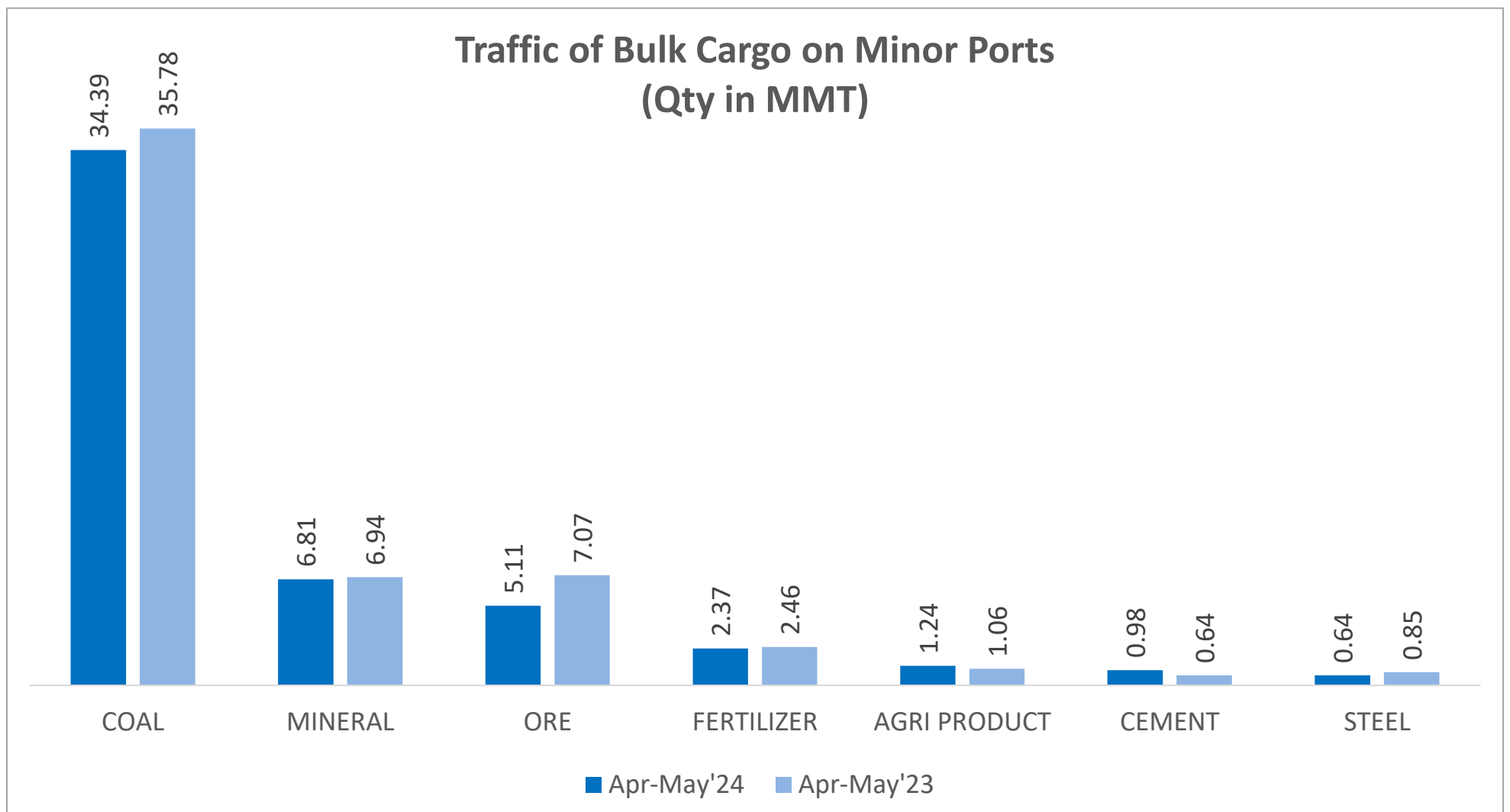


# CARGO PERFORMANCE MINOR PORTS

## BULK CARGO

- Coal shipment at Indian minor ports during Apr-May'24 decreased 3.88% to 34.39 MMT from 35.78 MMT for the same period last year.
- There was significant increase of 34.28% in the shipment of cement from 0.98 MMT in Apr-May'23 to 0.64 MMT in Apr-May'24.
- Total Bulk Cargo traffic at minor ports decreased nearly 5.96% to 51.53 MMT from 54.80 MMT for the same period last year.

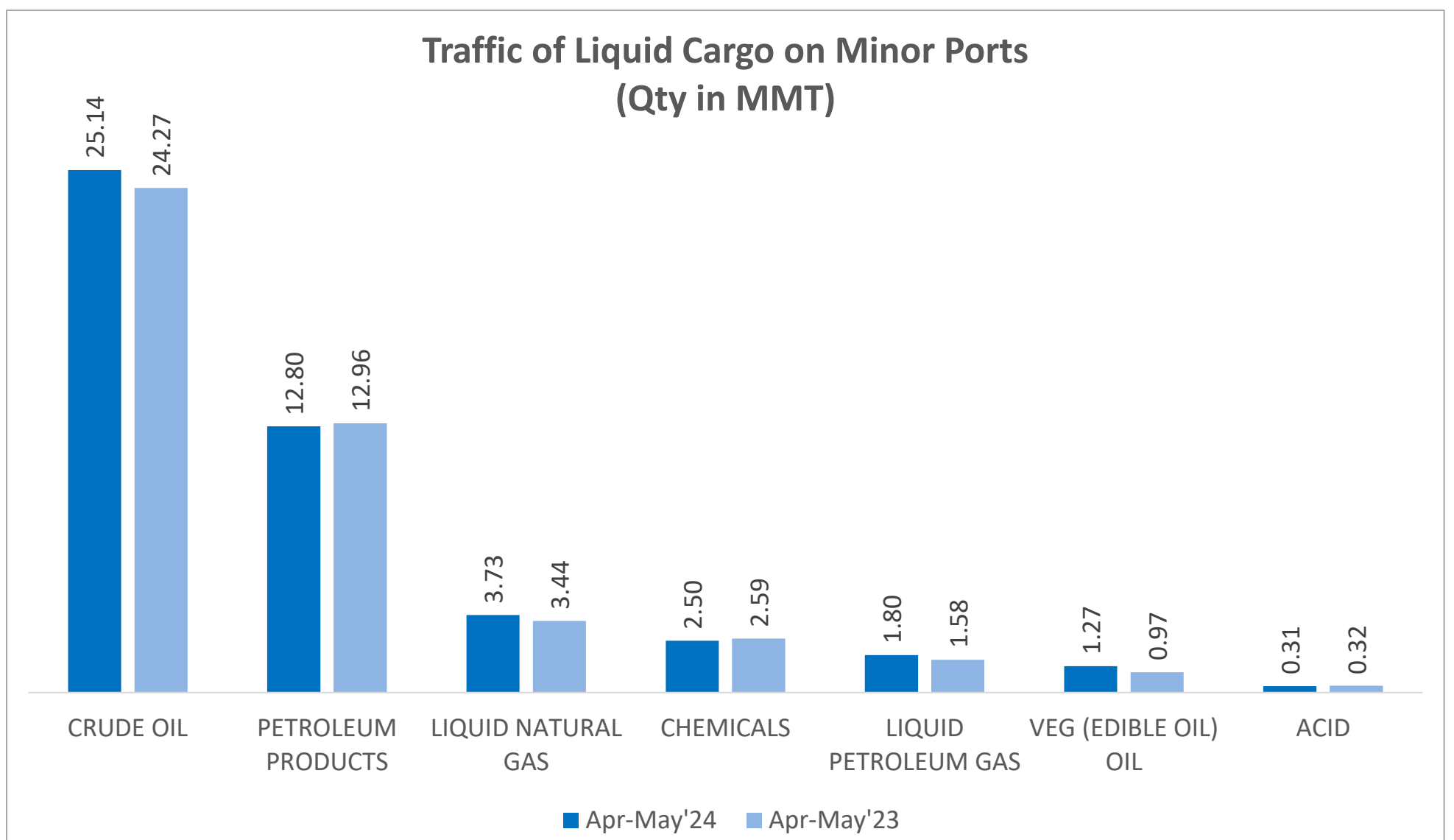
Traffic of Bulk Cargo on Minor Ports  
(Qty in MMT)



# CARGO PERFORMANCE MINOR PORTS

## LIQUID CARGO

- Crude oil, POL & LPG/LNG shipments at Indian minor ports was recorded at 43.47 MMT and other Liquids traffic at major port rose to 4.07 MMT in Apr-May'24.
- Total Liquid Cargo traffic at minor ports increased during Apr-May'24 by 2.97% to 47.54 MMT from 46.13 MMT for the same period last year.





# MARKET UPDATES



## Upcoming Vadhavan port may cast a shadow on Vizhinjam port's prospects

- Total container handling capacity of Vadhavan port will be 23.2 million TEUs while that of Vizhinjam in the first phase will be one million TEUs; due to its location, Vadhavan project can cater to entire central, northern, eastern, and western parts of the country

Even as the Kerala government and the Adani Group move ahead with the scheduled launch of the commercial operations of the Vizhinjam International Seaport by the end of this year (2024), the Union government's decision to set up an all-weather greenfield deep-draft major port at Vadhavan in Maharashtra, billed as the biggest in the country and one of the top 10 ports in the world upon completion, has created a flutter in the State. The new port to be constructed at ₹76,220 crore, including land acquisition, is likely to emerge as a strong competitor for the State which is hopeful of making a leap in economic activity by banking on the ₹7,700-crore Vizhinjam port project. The total container handling capacity of the Vadhavan port will be 23.2 million TEUs (twenty-foot equivalents), while the capacity of Vizhinjam in the first phase will be one million TEUs, and the subsequent phases will see an addition of 6.2 million TEUs.

### 10.14-km breakwater

The Vadhavan project involves the reclamation of 1,448 hectares of sea and the construction of 10.14 km of offshore breakwater and container/cargo storage areas, while the breakwater length in Vizhinjam is 3.1 km. According to sources, the location of the Vadhavan project will have a big advantage since it can cater to the entire central, northern, eastern, and western parts of the country. The road connectivity for the project is to be done by the National Highways Authority of India (NHAI), and the rail connectivity by the Ministry of Railways. The port will also be connected to the national rail network as well as to the dedicated freight corridor.

### Proximity to shipping channel

Jayakumar, former Chief Executive Officer (CEO) of the Vizhinjam International Seaport Limited (VISL), said it was true that the catchment area of the Vizhinjam port would be confined to four major south Indian States. "Nevertheless, the Vizhinjam port can stay afloat considering the proximity of the port to an international shipping channel. The shipping lines will make a direct call at the Vadhavan port only if there are sufficient container volumes, like 2,000-3,000 TEUs. On the other hand, the shipping lines that pass through the international shipping channel can make a call at Vizhinjam without deviating much from the channel and unload containers here even if the volume is 100 to 1,500 TEUs," he said, adding that our future lay in the transshipment of containers. Kerala would have to ensure a dedicated road and rail corridor and last-mile connectivity so as to take the containers to the targeted destination in south India within 48, said sources.

**Source: The Hindu**

## India's major ports handle more coastal cargo than non-major or private ports

- Non-major ports run by private firms are focussing on EXIM cargo because the margins are higher in this business
- The dozen stateowned ports run by the Union government are handling more coastal cargo(movement between two Indian ports) while its rival non-major ports (private ports) are showing strong preference for export-import (EXIM) or overseas cargo, government traffic data shows. Major Ports handled 72.04 million tonnes (mt) of cargo in May, posting a 5.85 percent increase over May 2023. On a year-on-year (y-o-y) basis, the overseas cargo handled by the 12 major ports rose 7.27 percent to 55.86 mt while the coastal cargo saw a modest increase of 1.20 percent at 16.17 mt, according to the data.
- Between April-May 2024-25, total cargo handled by major ports grew by 4.02 percent from a year ago to 139.32 mt, with EXIM cargo up by 5.42 percent at 107.61 mt despite a slight decline in coastal cargo by 0.44 percent to 31.71 mt. In comparison, non-major ports run by private operators in coastal states recorded a modest 1.55 percent increase in the total cargo handled in May at 65.44 mt from a year earlier. Of this, the overseas cargo accounted for 55.78 mt, posting a growth of 8.25 percent while coastal cargo plunged 25.21 percent to 9.66 mt. For the first two months of the current fiscal, the total cargo handled by the non-major ports declined 0.32 percent to 121.73 mt. Between April and May, the non-major ports handled 101.21 mt of EXIM cargo, registering a 3.9 percent growth over the same period last year, while the coastal cargo decreased by 16.98 percent to 20.52 mt.
- The data reveals that major ports have a more balanced distribution of cargo between overseas and coastal, whereas non major ports lean heavily towards overseas cargo. While major ports lead in overall cargo volumes and exhibit consistent growth, the non-major ports, particularly in Gujarat, demonstrate substantial capacity in overseas cargo handling. Both ports play crucial roles, with major ports being pivotal in domestic coastal trade and nonmajor ports driving international trade. One main reason for the non-major ports or private operators at these ports to focus on EXIM cargo is that the margins are higher in this business. Whereas, in the state-owned major ports, the port authorities are mandated by the government to offer a 40 percent discount in tariffs for handling coastal cargo based on the EXIM cargo handling rates.
- “Major ports cannot only focus on margin expansion. The primary aim of major ports is to promote trade, whether EXIM or coastal, and margin is a consequential thing, not a primary thing,” said an official at one of the major port authorities. In FY24, the major ports handled 817.98 mt of cargo of which EXIM cargo was 630.76 mt, accounting for a 77.11 percent share whereas coastal cargo was 187.22 mt with a 22.89 percent share. In comparison, the non-major ports handled 721.05 mt of cargo in FY24 with overseas cargo accounting for 584.09 mt (81.01 percent share) while coastal cargo was 136.96 mt (18.99 percent share), the data showed.

Condt...

- The coastal shipping sector in India is still in its nascent stage compared to other countries and other modes of transport, despite being a cost-effective, sustainable and environment friendly mode of movement, according to the Maritime Amrit Kaal Vision 2047 document. On a per metric ton of cargo basis, a large container vessel emits half the carbon dioxide than rail and almost one-sixth that of road transport, playing a key role in reducing carbon emission and pollution in the mainland. In spite of the advantages of waterway movement, India is not able to fully utilize its 7,500 km coastline and over 14,000 km of navigable inland waterways.
- In the past few years, several initiatives have been taken to promote coastal shipping such as green channel clearance, priority berthing, discount on vessel and cargo related charges. A rapid growth of coastal shipping underlines the positive impact of these initiatives. “However, the country has not realized the full potential of its waterways. With only 6.4 percent modal share of water transport, India’s transport modal share is relatively more skewed towards road and rail. This has significant implications on congestion and pollution levels on key land-based trade routes,” the Vision document said.
- The Ministry of Ports, Shipping and Waterways said it has invested Rs34,292 crores in about 240 projects across India's 12 major ports, shipping and inland waterways sectors over the last decade, resulting in better turnaround time and capacity enhancement. However, experts say this is not enough. “I don’t think that we can consider these amounts to be at all adequate. Since independence, we have invested hundreds of thousands of crores in building up the road and rail infrastructure but literally pittance in building up the infrastructure for inland water transport and coastal shipping. If India has to meet its obligations under the international environmental treaties, there has to be a very substantial nodal shift in domestic freight transportation. Hope the policy makers realize this urgent requirement and from next budget onwards, we get to see that maritime gets equal importance as that of road and rail,” said Sabyasachi Hajara, a former Chairman and Managing Director at state-run Shipping Corporation of India Ltd.

**Source: *Infra-Economic Times***

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