



**22<sup>nd</sup> Asian Shipowners' Forum**  
—See pages 8 & 9

# EXIM INDIA newsletter

The first & the only National Daily on  
**EXPORT — IMPORT — SHIPPING**



**SAMUDERA SHIPPING**  
SAMUDERA SHIPPING LINE (INDIA) Pvt. Ltd.  
20' High Cubes & Hard TOPs available for  
**SINGAPORE / PORTKELANG /  
JAKARTA & FREMANTLE.**  
Special Equipment also available for other sectors in  
SOUTH EAST ASIA / FAR EAST.  
For enquiries contact:  
Ravi: +919870336391, Sonali: +919821160352  
Siddhi: +919821658226, Shirish: +919870100370

Tel: (022) 6757 1400, 2263 2612, Fax: (022) 6757 1468, Website: [www.eximin.net](http://www.eximin.net)

Vol. XXIII No. 62

MUMBAI: Wednesday, April 3, 2013

₹ 11.00

E-mail: [newsmumbai@exim-india.com](mailto:newsmumbai@exim-india.com) • [infomumbai@exim-india.com](mailto:infomumbai@exim-india.com)

## UAFL launches India Mauritius Madagascar Africa (IMMA) service

Exim News Service

MUMBAI, April 2

UNITED Africa Feeder Line (UAFL) has teamed up with Evergreen Line to launch the new IMMA service linking the Indian Subcontinent with Mauritius, Madagascar, South Africa and Mozambique from late April 2013.

Three 2,500-TEU vessels will be deployed on the joint service. The first sailing is scheduled from Karachi



(Pakistan) on April 22.

The rotation of the bi-weekly service will be: Karachi - **Mundra** - Colombo - Port Louis - Tamatave - Durban - Maputo - Nacala - Karachi.

UAFL currently operates the Middle East Express (MEX) service into East Africa and the Indian Ocean Islands, together with a number of regional feeder services. The addition of the IMMA

service enables it to support the growing trade between ISC

countries and IOI/South and East Africa. It yet again emphasises UAFL's commitment to its customers in the region and to the region in general, stressed an official release.

**Ben Line Agencies (India) Pvt. Ltd** represents UAFL in India.

## Jindal Garh Airport India's first private airport to have instrument landing procedure

*Supreme Aviation, a Texas corporation, designs the IL procedure for O.P. Jindal airport in Chhattisgarh*

Exim News Service

MUMBAI, April 2

IT is indeed surprising that India's only 18 approved private airports do not have any instrument landing (IL) procedure in place. The other 105 airports owned and operated by state governments join this club too.

An instrument landing procedure is required by pilots to land the aircraft in low visibility conditions. IL procedure



is also mandatory for landing during cloudy conditions and recommended for operations at night.

Traditionally, airports in India have been owned and operated by the Airports Authority of India (AAI). Currently managing about 100 airports across the country, AAI has IL procedures in place for almost all airports where airlines serve.

"It is encouraging knowing airport owners and operators  
**Turn to page 12**

## Shipping confidence reaches highest level for two years

Exim News Service

LONDON, April 2

OVERALL confidence levels in the shipping industry recovered to their highest level for two years in the three months ended February 2013, according to the latest Shipping Confidence Survey from international accountant and shipping adviser Moore Stephens. There was improved expectation of freight rate increases over the next twelve months, particularly in the dry bulk sector, and greater likelihood of new investment in the industry.

In February 2013, the average confidence level expressed by respondents in the markets in which they operate was 5.8 on a scale of 1 (low) to 10 (high), compared to the figure of 5.6 recorded in the previous survey in November 2012. The survey was launched in May 2008 with a confidence rating of 6.8.

### Increasing confidence

All categories of respondent expressed increased confidence over the three-month period. The confidence rating for managers of 6.2 (up from 6 last time) was the highest since August 2010, while that for charterers was up

**Turn to page 12**

• Appointments : 4, 6, 11, 13 & 23 • News pgs 3, 6, 10, 12, 14 & 24

**OFFERING A COMPLETE SOFTWARE solution to enhance and streamline your SHIPPING & LOGISTICS BUSINESS...**

**FINS comprises of:**

- + Cargo Management
- + Warehouse Inventory Management
- + Finance and Fixed Assets
- + Human Resources management
- + Payroll
- + Mobile Applications
- + Web Portal

Contact : **Twin Info Solutions Pvt. Ltd.**  
32/1942 C, Mangalathil Building,  
Surabhi Road, Edappally, Kochi-682 024, Kerala, India,  
Tel: +91 484 4078787, 2343456, Fax: +91 484 2343458  
Email: [mail@twininfosolutions.com](mailto:mail@twininfosolutions.com)

[www.fins.in](http://www.fins.in)  
[www.twininfosolutions.com](http://www.twininfosolutions.com)

# Shipping confidence reaches highest level for two years

## From page 3

from 5.6 to 6, the highest since November 2010. Confidence on the part of owners was up from 5.5 to 5.7 (the highest since May 2011) while for brokers the increase was from 5.3 to 5.6, the highest level in the past twelve months. Geographically, although confidence in Asia was down (from 6 to 5.6) and in North America (from 6.6 to 6.1) it was up in Europe, from 5.3 to 5.8, its highest level since August 2010.

A number of respondents felt that there were positive signs that a recovery was on the way. One said, "Scrapping continues apace, and new orders have all but dried up. These are two of the main drivers for recovery, the third being demand, which will improve, with the result that we should see a measurable upturn by year-end." Another noted, "Demand trends for seaborne trade are generally positive, and tonnage reaching obsolescence due to age and regulation will exit the market. Finance is competitive where available and, where it isn't, owners and their ships will leave the market. Patience and strong cashflow management are essential."

In the opinion of one respondent, "This year will be crucial in determining who will be able to benefit from the upswing in the market when it happens. It will depend on the banks' attitude towards bad debt and increased foreclosure, the increased competitiveness of Japanese shipyards, and the phasing out of uneconomical, old ship designs."

### Pessimism too

Some foresaw a continuation of difficult market conditions, such as the respondent who noted, "Last year was very difficult, and 2013 is likely to produce similarly meagre yields, so once again it will be all about trying to survive rather than moving forward." In even more pessimistic vein, another respondent maintained, "The shipping market has been getting worse every year since 2008, and there is unlikely to be any improvement in 2013. There are still crazy shipowners ordering new ships which will hit the water in two years' time, so the world fleet will keep increasing at a faster rate than will cargo volumes." Elsewhere it was noted, "Be careful when selecting your counter-parties, and be happy if you are able to cover your expenses in today's market."

### Finance constraints

A number of respondents were constrained to comment on the role of the banks, and the situation with regard to shipping finance generally. "The lack of available finance severely restricts many good deals from getting off the ground," said one, while another pointed out, "There may be a measurable upturn in

the shipping industry by end-2013, but will the banks be with us? I doubt it."

It was also opined that, "Despite some areas for optimism in specialist niche markets, the cost of capital looks certain to increase. Moreover, there are ominous signs that the German banks will be forced to get to grips with their shipping loans, leading to an increase in enforcements and distressed sales, putting further pressure on asset prices." Another respondent said, "It is beginning to look as if the banks are starting to foreclose, with KGs no longer defying gravity," while another still warned, "Even if banks take action against owners who cannot meet their repayments, the ships will not disappear but will stay in the market and potentially cause problems for other owners who have been able to survive thus far."

Fuel costs were uppermost in the thoughts of a number of respondents. While some talked about the exciting prospects for LNG propulsion, others remained concerned about the rising cost of operating with heavy fuel oil.

### Investment prospects

The likelihood of respondents making a major investment or significant development over the next twelve months was up on the previous survey, on a scale of 1 to 10, from 5.4 to 5.5—the highest level since May 2011. Owners (up from 5.7 to 5.9, the highest level since May 2011) and managers (up from 5.5 to the highest level for two years at 5.7) were more confident than in our previous survey. And although charterers recorded a fall from 6.1 to 5.7 in this regard, the percentage of charterers who assessed the likelihood of their making an investment at 7 out of 10 or higher was up by two percentage points to 46 per cent. The number of owners who thought likewise was up, also, from 44 per cent to 47 per cent.

One respondent noted, "Those who are able to purchase new designs of ships at competitive prices this year with delivery within the 2015 horizon should be well-positioned when the market turns. Newish ships based on old designs will very quickly become obsolete."

Geographically, expectation levels of major investments were down in Asia, from 5.7 to 5.4, and in North America (from 5.4 to 4.9), but up in Europe from 5.2 to 5.5, their highest level since May 2011.

Demand trends, competition and finance costs once again featured as the top three factors cited by respondents overall as those likely to influence performance most significantly over the coming twelve months. The numbers were static for demand trends at 23 per cent, up for competition (from 18 per cent to 20 per cent), and unchanged in the case of finance costs at 16 per cent. Tonnage sup-

ply (up two percentage points to 13 per cent) featured in fourth place, ahead of fuel costs, which were down one percentage point to 11 per cent.

### Demand trends

Demand trends remained the number one performance-affecting factor for owners, despite being down from 26 per cent to 22 per cent. Tonnage supply featured in second place at 18 per cent (up from 17 per cent last time), followed by finance costs, up one percentage point to 16 per cent. For managers, meanwhile, competition, up from 16 per cent to 20 per cent, featured in first place, followed by demand trends (up two percentage points to 19 per cent), and finance costs, down from 19 per cent to 17 per cent. For charterers, competition again was the leading performance-affecting factor, identified as such by 31 per cent of respondents, up from 24 per cent last time. Demand trends were in second place, up 7 percentage points to 29 per cent, followed by fuel costs, up one percentage point to 18 per cent.

Geographically, demand trends remained the most significant factor for respondents in Europe (unchanged at 24 per cent), and North America (up 10 percentage points to 38 per cent). In Europe, competition (up two percentage points to 19 per cent) featured in second place, ahead of finance costs, down one percentage point to 17 per cent. In Asia, meanwhile, competition (up from 19 per cent to 21 per cent) emerged as the number one performance-affecting factor, pushing demand trends (down two percentage points to 20 per cent) into second place, ahead of fuel costs.

There was a

Turn to page 14

## Jindal Garh Airport India's first private airport to have instrument landing procedure

### From page 3

in India are considering safety as priority and taking Supreme steps!" remarked Capt. Ammeet K. Agarwal, CEO and President of Supreme Aviation International.

Jindal group's aviation chief Commander Pravin Vij exclaimed, "Mr Navin Jindal is an aviation enthusiast himself. He devotes considerable time in flying his own fleet of business jets and maintains his 4 airports across the country par international standards."

"Through the NDB navigation device installed, this IL procedure guides the pilot towards runway up to a safe descending altitude. At this level, the pilot proceeds to land if the runway is visible or follows a 'missed approach' procedure climbing the aircraft and trying re-approach", adds Mr Steve McCone, ICAO expert from Supreme Aviation designing this procedure.