

CSL Newsletter

The Voyage



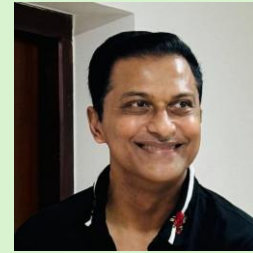
Jan-Mar 2025

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CEO's Message

As we say adieu to 2024, I would like to take this opportunity to thank all our customers and well-wishers for their kind support throughout our journey this year. It has certainly been a challenging year for the shipping industry as a whole. We have witnessed freight rates soar, especially to US destinations, with no immediate respite in sight. The ongoing geopolitical tensions, particularly in the Middle East, have posed additional challenges. Shipping lines have had to reroute vessels to avoid the Suez Canal, which has resulted in transit times increasing by two to three times. To cope, carriers have needed to deploy more ships and containers to maintain rotation.



The rerouting via the Cape of Good Hope has led to approximately 1.2 million TEUs being removed from container supply, further tightening the global shipping capacity. In addition, the rising cost of insurance and other operational expenses have placed further financial strain on the industry. Air freight has also faced similar difficulties, with many carriers cutting back on their schedules. With fewer payloads available, air freight rates have remained high. As a result, we expect shipping costs to stay elevated in the first quarter of 2025 due to these ongoing challenges. Key factors driving this include US tariff policies and the geopolitical tensions in the Red Sea region.

Despite these obstacles, like the resilience of a palm tree that grows notwithstanding the “strongest storm” and “biggest wind” we stayed committed to providing the best possible service to our customers. While we have no control over carrier pricing strategies, we are confident in our efforts to negotiate hard on behalf of our clients, securing space and obtain favourable rates wherever possible.

In the year 2024, in addition to handling regular shipments, Team CSL successfully executed several important project shipments. These included logistics for the Indian Navy, shipments to war zones in Jordan for HLL, and securing a UN contract to supply rice and medicines from India to Africa. We are proud of these accomplishments, which reflect the strength and adaptability of our team.

Looking ahead to 2025, we are ready to face new challenges with the same determination and resilience. We remain committed to offering exceptional service and to negotiating the best outcomes for our customers.

We wish all our customers, partners, and well-wishers a very Happy and Prosperous New Year 2025! Here's to another year of growth, collaboration, and success.



GLOBAL BYTES

Global Outlook for 2024

The liner shipping industry is poised for a record-breaking year in 2024, marking its most profitable period outside the COVID-19 pandemic. Recent reports from Splash247 indicate that the sector achieved an impressive income of \$26.8 billion (£21.2 billion) in the third quarter, reflecting a 164% increase from the previous quarter and an astonishing 856% rise year-on-year. This remarkable growth is primarily attributed to the on-going Red Sea crisis and heightened shipping volumes across various trade lanes. Notably, the peak season commenced earlier this year, with freight rates surging significantly in May and June due to extended transit times.

Developments in the UK

In the UK, the Gemini Cooperation, a partnership between Maersk and Hapag-Lloyd, has announced a strategic shift in its Asia-UK services. The London Gateway port will now be prioritized over Felixstowe, following the recent unveiling of their 2025 schedule. This new 'hub and spoke' model aims to achieve 90% service reliability by February 2025. Instead of direct calls, smaller transshipment vessels will service most European locations, enhancing operational efficiency.

Air Freight Updates

In the realm of air freight, new security regulations have been implemented for shipments entering the USA under the Pre-Loading Advance Cargo Information (PLACI) requirements. These regulations necessitate additional data elements for compliance and are effective immediately. Shippers targeting the USA are advised to familiarize themselves with these new rules to prevent potential delays.

MAERSK SAILS LARGE CONTAINER VESSEL WITH DUAL-FUEL METHANOL ENGINE

1. Maersk Halifax has become the world's first larger container ship to be converted into a dual-fuel vessel sailing on methanol.
2. The retrofit was completed in 88 days at the Zhou Shan Xinya shipyard in China. It included adding methanol fuel tanks, a fuel supply system, extending the vessel's length by 15m to 368m, and increasing its capacity to 15690 TEU. Following successful sea trials, Maersk Halifax has returned to service on the trans-Pacific route.
3. This milestone is part of the company commitment to achieving net zero emissions by 2040 and demonstrates how retrofitting existing vessels can reduce emissions.



INDIA TO BUILD BIGGEST PORT?

KEY FEATURES

► **Depth and Capacity:** VadHAVAN Port will feature a draft depth of 16.5 meters, allowing it to accommodate large container ships, including Panamax and Capsize vessels. The natural depth of the surrounding waters reaches up to 20 meters, making it one of the deepest ports in India.

► **Infrastructure:** The port will include multiple container terminals, liquid berths, and multipurpose cargo facilities. Initial plans involve constructing four container terminals, each with two berths

► **Investment:** The estimated cost for the construction of VadHAVAN Port is around ₹76,220 crore (approximately \$9.1

billion), with funding coming from a public-private partnership between the Jawaharlal Nehru Port Authority and the Maharashtra Maritime Board.

ECONOMIC IMPACT

The development of VadHAVAN Port is expected to significantly boost the local economy by creating jobs and enhancing trade capabilities. It will facilitate smoother cargo movement and improve logistics for businesses in the region, ultimately contributing to India's maritime sector growth.

TIMELINE

Construction is anticipated to begin in **January 2025**, with the port expected to become operational by **December 2029**. This timeline reflects the strategic planning involved in establishing a major port that meets international standard.

COMPARISON ON VADHAVAN AND OTHER MAJOR PORTS IN INDIA:

Feature	Vadhavan Port	Jawaharlal Nehru Port (JNPT)	Mundra Port
Location	Dahanu, Maharashtra	Navi Mumbai, Maharashtra	Mundra, Gujarat
Natural Depth	20 meters	14.5 meters	16 meters
Operational Draft Depth	16.5 meters	14.5 meters	16 meters
Annual Capacity	23 million TEUs	5 million TEUs	12 million TEUs
Number of Terminals	4 container terminals	3 container terminals	Multiple terminals
Strategic Connectivity	Proximity to Maharashtra and Gujarat	Close to Mumbai, but congested	Gateway for northern and central India
Environmental Focus	Eco-friendly development plans	Criticized for environmental impact	Criticized for environmental impact
Expected Operational Date	December 2029	Operational since 1989	Operational since 1998



India-Russia Trade Relations Strengthened with Launch of Chennai-Vladivostok Maritime Corridor

On 25th November, Union Minister Sarbananda Sonowal announced the successful launch of the Chennai-Vladivostok Maritime Corridor, marking a significant leap in India-Russia trade relations.

About the New Corridor

Spanning 5,600 nautical miles, this ground-breaking route is set to revolutionize maritime connectivity between India and Russia's Far East, slashing transportation time and opening up new trade possibilities.

Key Highlights:

- **Operational Status:** The corridor is already active, with container ships transporting crude oil, metals, and textiles to Indian ports.
- **Time Savings:** The transportation time has been reduced by up to 16 days, cutting the journey from over 40 days to just 24 days.
- **Strategic Importance:** The port of Vladivostok, located just 50 km from the China-Russia border, plays a crucial role in this new trade route.

This new maritime corridor is expected to enhance economic ties and foster stronger bilateral relations between India and Russia.



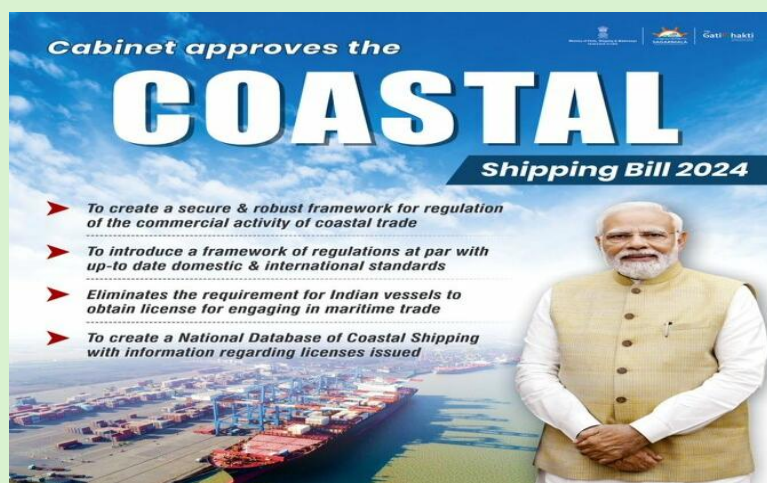
India Modernizes Maritime Sector with Coastal Shipping Bill, 2024

On December 2, 2024, the Government of India introduced the Coastal Shipping Bill, 2024, in the Lok Sabha. This significant legislative move aims to modernize and streamline the shipping industry, enhancing traffic at major ports, improving maritime efficiency, and providing critical support to domestic shipping companies.

Key Highlights of the Bill

- **Reduction of Bureaucratic Hurdles:** Indian-flagged vessels will no longer require trading licenses for coastal trade, simplifying regulatory processes.
- **Increased Participation:** The bill encourages domestic shipping operators to play a more active role in both coastal and international trade.
- **Alignment with Global Standards:** It ensures that Indian vessels are competitive on the global stage by aligning regulations with international norms.
- **National Coastal Shipping Database:** A centralized database will be introduced to enhance transparency and information sharing within the industry.

Shri Sarbananda Sonowal, Minister of Ports, Shipping, and Waterways, emphasized the potential of coastal shipping, highlighting India's 7,500 km coastline and its strategic proximity to major global shipping routes. He noted that the bill would significantly boost the maritime sector, making it more efficient and competitive globally.



Technology Facts:

New Instagram and Whats App Features to Enhance your Experience

Instagram has rolled out several updates aimed at enhancing both the fun and safety aspects of the platform.

New Features for Direct Messaging (DMs):

- a. Live Location Sharing:** In DMs, users can share their live location for up to one hour or pin a spot on the map. This feature is perfect for coordinating arrival times, activities, or finding each other in crowded spaces, such as concerts or outings.
- b. Customizable Names:** Users can personalize their DMs by adding nicknames for themselves or their friends, making interactions more personal.
- c.** Users can also review the accounts they follow and follow any that no longer share content they wish to see. This builds on existing tools that help people curate their recommendations.
- d.** There is a renewed focus on making the platform safer for teenagers. Instagram has introduced built-in protections from sensitive content specifically for Teen Accounts, ensuring a safer browsing experience for younger users.
- e.** Instagram now allows users to reset the content recommendations they see in Explore, Reels, and Feed. This feature is ideal for those who want a fresh start with their content.

CSL's New Venture: FTWZ Operations in Chennai

In November 27, 2023 CSL launched its FTWZ operations from the DP world facility in Chennai.

Facilities and Services

Spanning an area of 124.765 acres, the FTWZ boasts approximately 22 lakh sq. ft. of warehousing space, with 16 acres designated for manufacturing activities. This multi-sector SEZ/FTWZ offers a comprehensive range of services, including:

- **Storage and Handling:** Efficient storage, handling, and distribution of goods with smooth customs clearance.
- **Customs and Duty Benefits:** Re-export through FTWZ is exempt from taxes and duties, allowing importers to benefit from extended duty deferment periods.
- **Value-Added Services:** Labeling, alteration, quality control, and sample clearance before full duty payment.
- **Logistics and Support:** Integrated logistics services, including door-to-door handling, freight forwarding, and customs house agency services.

Advantages of FTWZ

FTWZs provide significant benefits to importers and exporters, such as:

- **Duty Deferment:** Importers can utilize the FTWZ without immediate customs duty payment, with the option to pay duties in intervals.
- **Operational Flexibility:** The plug-and-play concept allows stock and sale without duties and taxes in India.
- **Regulatory Ease:** Simplified re-export of unsold, damaged, or rejected cargo without regulatory challenges.

CSL FTWZ Chennai



Projects Executed Recently

Second Brand New Bayliner Boat Clearance & Delivery @ Cochin
for NAVNIT MARINE (BMW)From LEIXOES (PORTUGAL)



For Indian Navy



Breakbulk Shipment - Autoclave Tank - 14 tons

Chennai Clearance & transportation from Chennai to Rubber Park, Airapuram



Onam Celebration 2024 at Corporate Office Cochin



Christmas Celebration 2024 at Corporate Office Cochin



CSL India Pvt. Ltd. ,The Voyage Team
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