



INDIAN SHIPPING INDUSTRY ANALYSIS

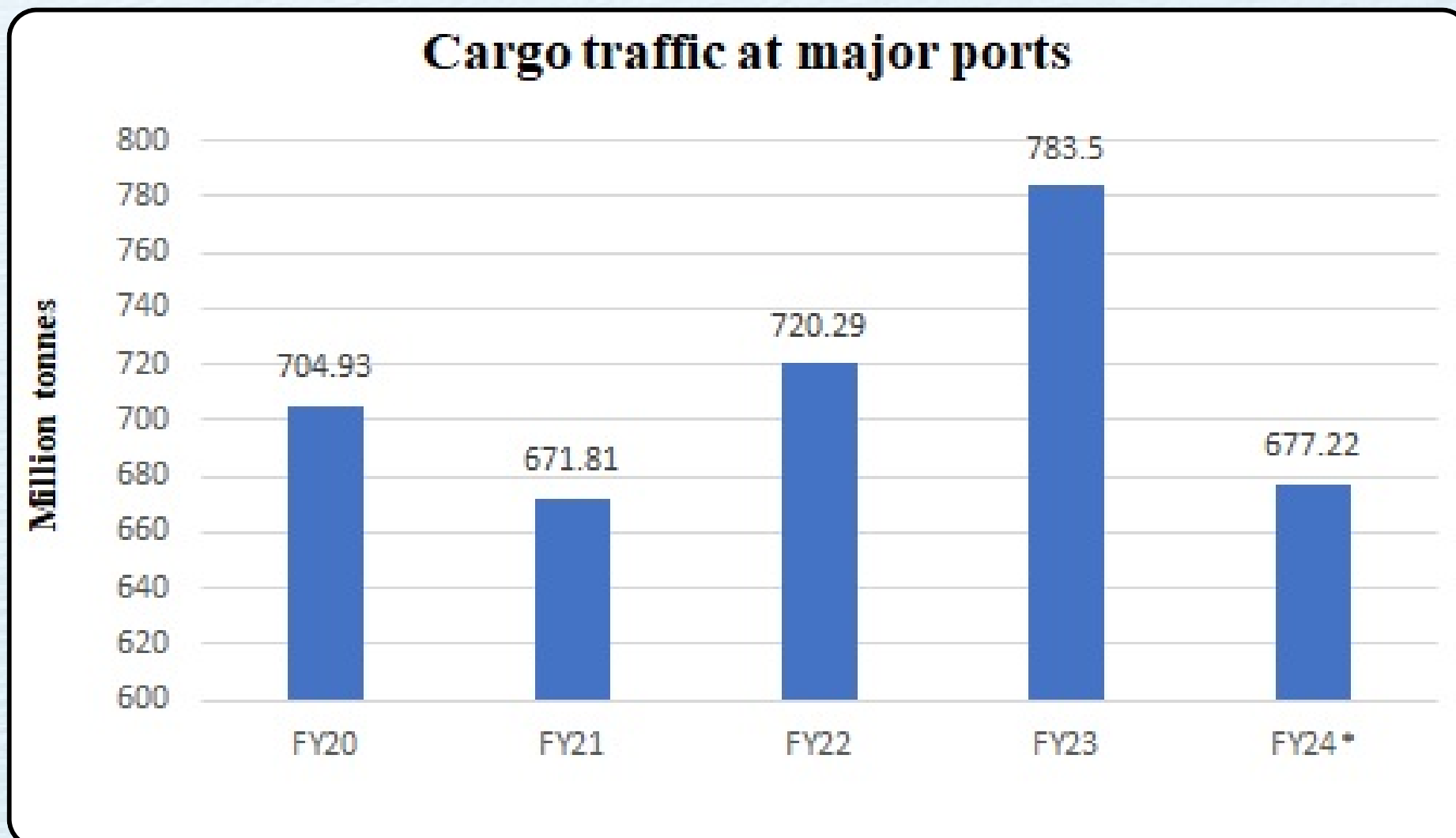
April- 2024



Indian shipping Industry has over the years played a crucial role in the transport sector of the country's economy, providing an essential means of transport for crude oil, petroleum products, and other cargo. Approximately 95% of the country's trade by volume and 68% by value is moved through Maritime Transport. India comprises a significant size maritime sector with 13 Major and 200 plus Non-Major Ports situated along its 7500 km long coastline and a vast network of navigable waterways. In recent years, the ports and shipping sector has been undergoing significant transformations. A number of measures are being taken to decarbonise the maritime sector in order to reduce greenhouse gas emissions and enable a clean energy transition. Ports are an important infrastructure link for Indian trade and, therefore, are crucial for effectively managing the transportation of goods from ports via roads and railways. Apart from having a multiplier effect in Indian economy, the maritime sector itself has the potential to significantly contribute to national gross domestic product (GDP). India allows up to 100 percent foreign direct investment (FDI) under the automatic route for projects related to the construction and maintenance of ports and harbors.

GROWTH OF INDIAN SHIPPING FLEET

The fleet size of the Indian shipping industry grew at a compound annual growth rate of 1.74 per cent during 2018-23. As of December 31, 2023, the Indian shipping industry has a fleet of 1,526 vessels comprising 13.74 million gross tonnage (GT) and 20.83 million deadweight tonnage (DWT). Of these, 1,039 are coastal vessels comprising 1.72 million GT and 2.03 million DWT, and 487 are overseas vessels comprising 12.02 million GT and 18.8 million DWT. In December 2023, one coastal vessel of 1,930 GT was added to the overall fleet, while two overseas vessels of 30,598 GT (51,606 DWT) were added and four overseas vessels of 98,999 GT (172,863 DWT) were deleted from the overseas fleet. India's shipping fleet is primarily dominated by crude and product tankers at 57 per cent, followed by dry bulk carriers (16 per cent) and containers (5 per cent).

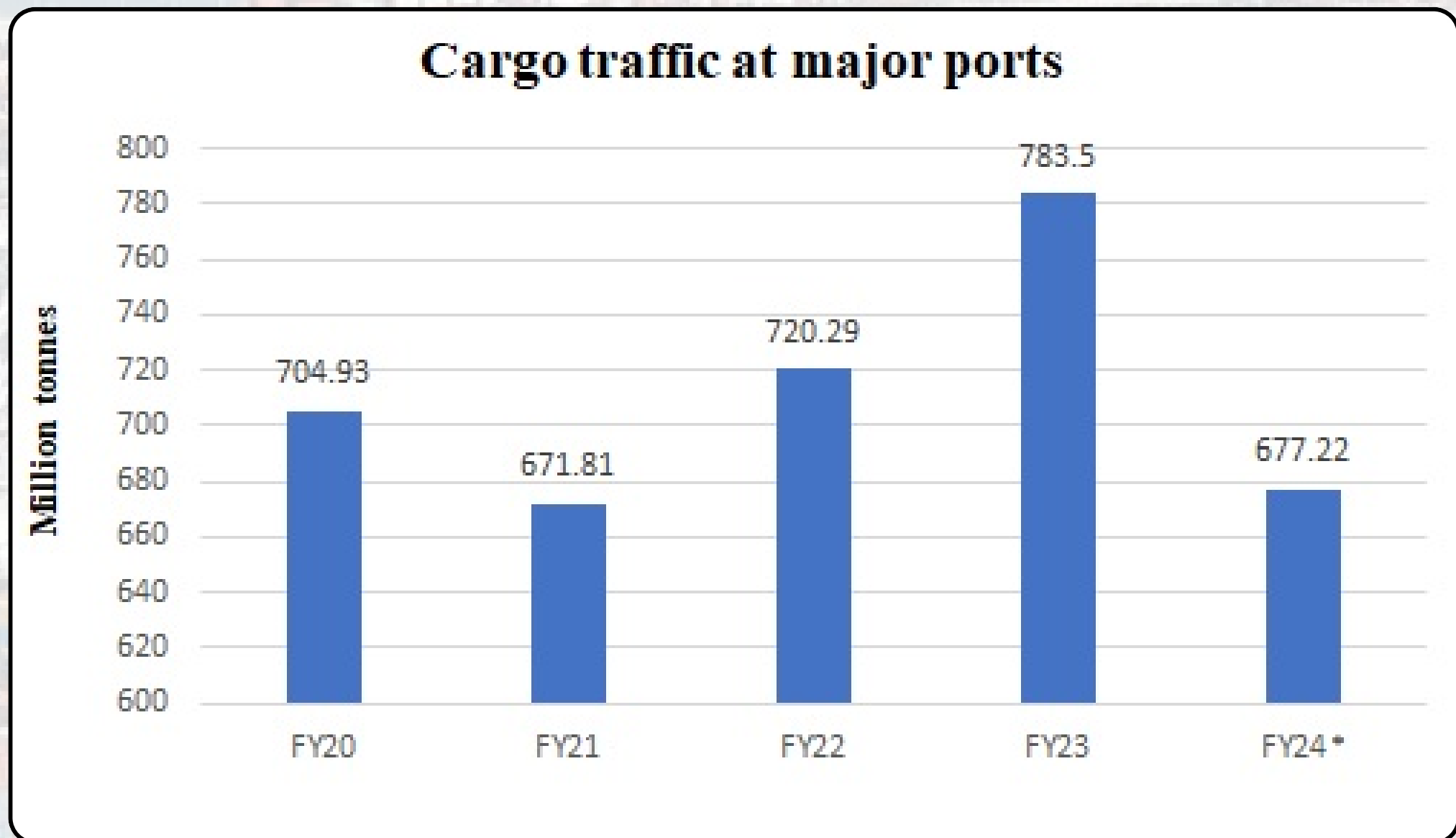


CARGO TRAFFIC AT INDIA'S MAJOR PORTS

Cargo traffic at India's 13 major ports during April-January, 2023-24, increased by 4.8% to 677.22 million tonnes (MT) from 646.22 MT cargo handled during April-January, 2022-23. This growth was primarily driven by higher coal, container, and iron ore traffic. The Overseas cargo handled at Major Ports increased by 5.2% from 497.41 MT during April- January, 2022-23 to 523.34 MT handled during April- January, 2023-24. The Coastal Cargo handled at Major port also increased by 3.4% from 148.81 MT during April- January, 2022-23 to 153.87 MT handled during April- January, 2023-24.

During April- January, 2023-24, Mormugao Port recorded highest growth of 22.4% in traffic handled at Major Ports followed by NMPA (11.5%), Paradip Port (9.7%), Vizag Port (9.2%), VOC Port (8.0%), Cochin Port (7.9%), SMP Kolkata (5.7%), Chennai Port (4.9%), Mumbai Port (4.8%), SMP Haldia Dock (3.7%), JNPA (2.7%) and Kamarajar Port (2.4%). Major Port that recorded negative growth in traffic is Deendayal Port (5.6%) during April-January, 2023-24 over April- January, 2022-23.

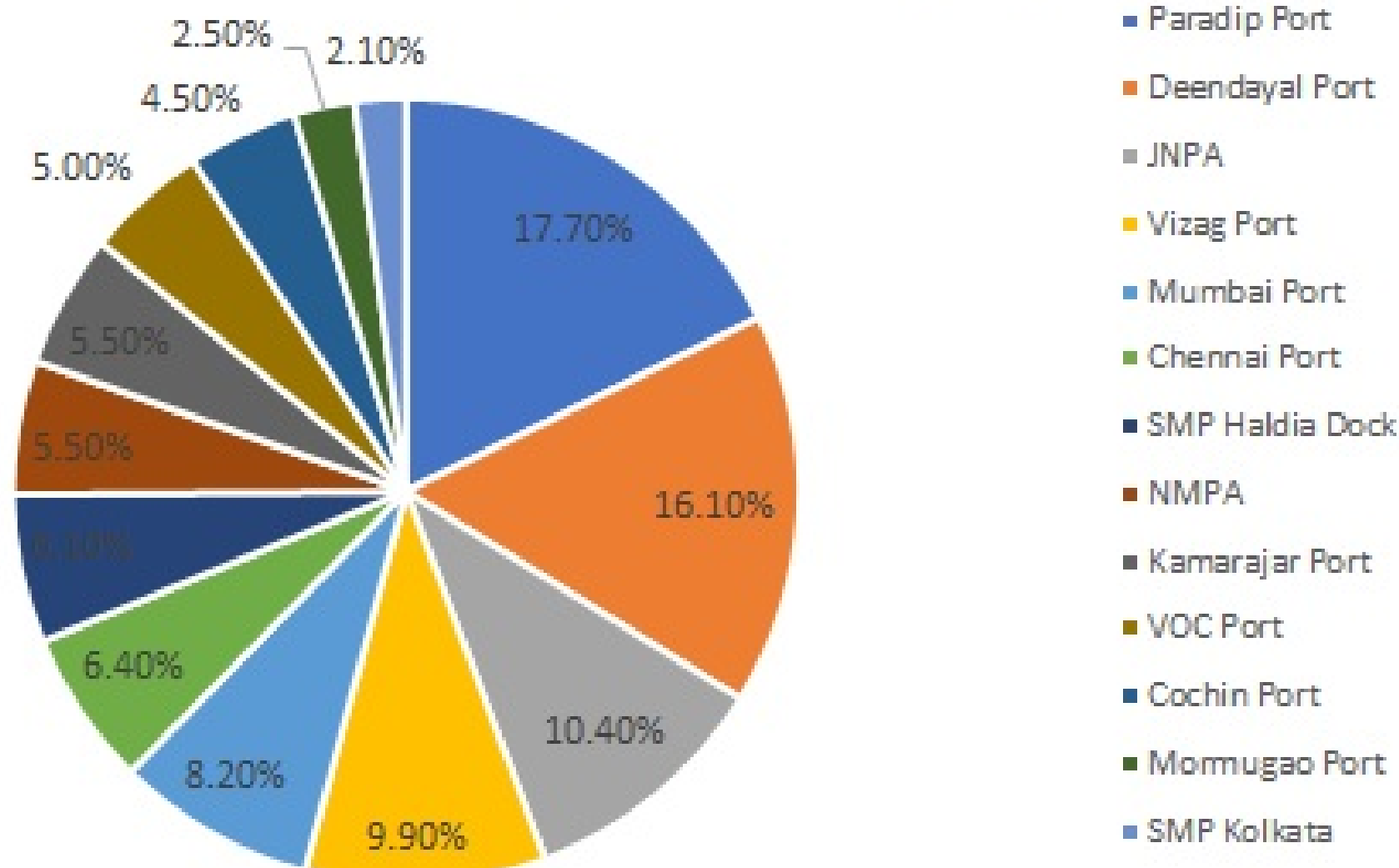
During April-March 2022-23 (FY23), cargo traffic at India's major ports increased by 8.8 to 783.50 MT from 720.29 MT cargo handled during April-March, 2021-22. The Overseas cargo handled at Major Ports increased by 9.1% from 550.0 MT during FY22 to 599.9 MT handled during FY23. The Coastal Cargo handled at Major port also increased by 7.8% from 170.28 MT during FY22 to 188.51 MT handled during FY23.



PORT-WISE SHARE OF CARGO HANDLED

During April- January, 2023-24, the Paradip Port Authority, Odisha, has displaced the Deendayal Port Authority, Kandla, as the top cargo-handling major port of India. During this period, Paradip Port handled the maximum Cargo of 119.85 MT with a share of 17.7% followed by Deendayal Port (16.1%), JNPA (10.4%), Vizag Port (9.9%), Mumbai Port (8.2%), Chennai Port (6.4%), SMP Haldia Dock (6.1%), NMPA (5.5%), Kamarajar Port (5.5%), VOC Port (5.0%), Cochin Port (4.5%), Mormugao Port (2.5%), and SMP Kolkata (2.1%).

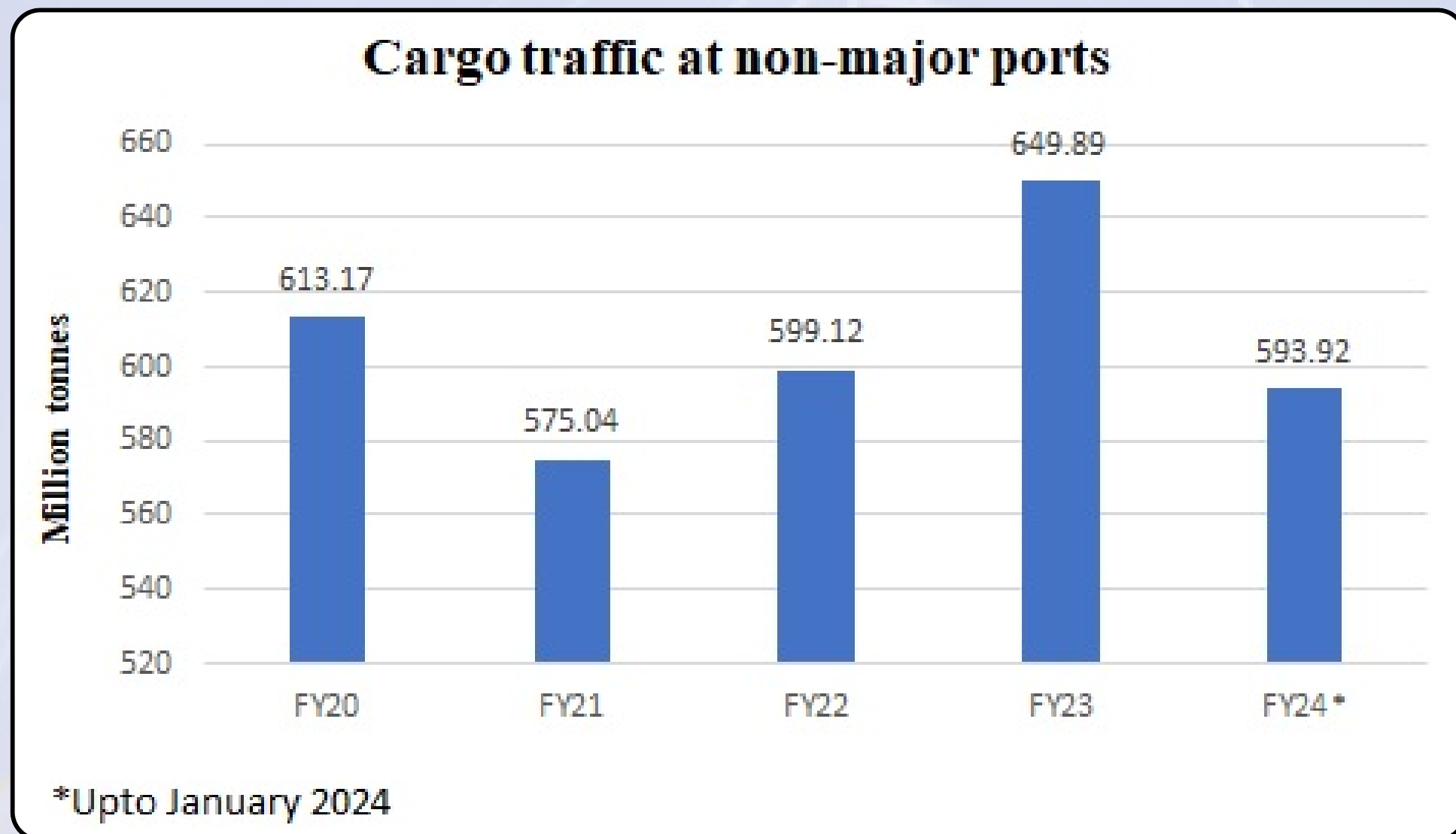
Port-wise share of cargo handled during Apr-Jan 2023-24



CARGO TRAFFIC AT INDIA'S NON-MAJOR PORTS

Indian non-major ports have witnessed growth in traffic handled in the last few years. This growth can be attributed to factors such as the presence of captive cargo streams, higher operating efficiency, modern infrastructure and a more diversified cargo basket. Cargo traffic at Non-Major Ports during April-January, 2023-24, increased by 10.9% to 593.92 MT from 535.44 MT handled during April-January, 2022-23. The overseas cargo traffic handled at Non-Major Ports during April-January, 2023-24 increased by 9.7% to 481.41 MT from 438.85 MT during April-January, 2022-23. The coastal cargo traffic handled at Non-Major Ports during April-January, 2023-24 increased by 16.5% to 112.52 MT from 96.59 MT handled during April-January, 2022-23.

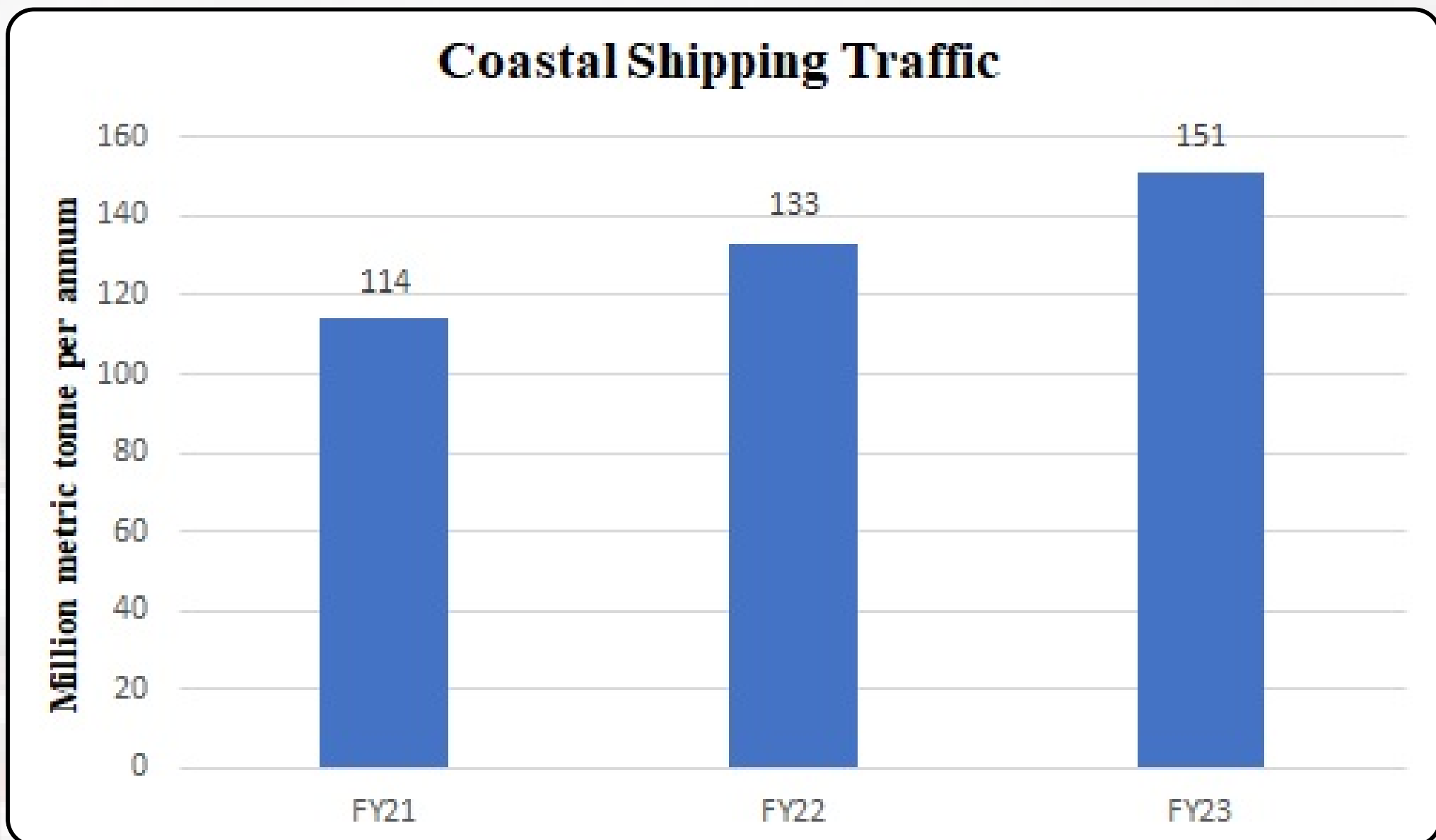
During FY23, Cargo traffic at Non-Major Ports increased by 8.5% to 649.89 MT from 599.12 MT handled during FY22. The overseas cargo traffic handled at Non-Major Ports during FY23 increased by 4.3% to 530.89 MT from 509.05 MT during FY22. The coastal cargo traffic handled at Non-Major Ports during FY23 increased by 32.1% to 119.00 MT from 90.07 MT handled during FY22. Traffic handled at non-major ports increased at a CAGR of 2.77 per cent from 2018-19 to 2022-23. During 2022-23, non-major ports accounted for 45 per cent of the overall traffic handled at Indian ports due to a significant shift of traffic from major ports to non-major ports.



COASTAL SHIPPING TRAFFIC

The cargo handled by coastal shipping has grown to 151 million metric tonne per annum (MMTPA) in 2022-23 which was 74 MMTPA in 2014-15. The implementation of various initiatives to promote coastal shipping in conjunction with development of coastal berths infrastructure under Sagarmala programme has led to a significant rise in the cargo movement by coastal shipping.

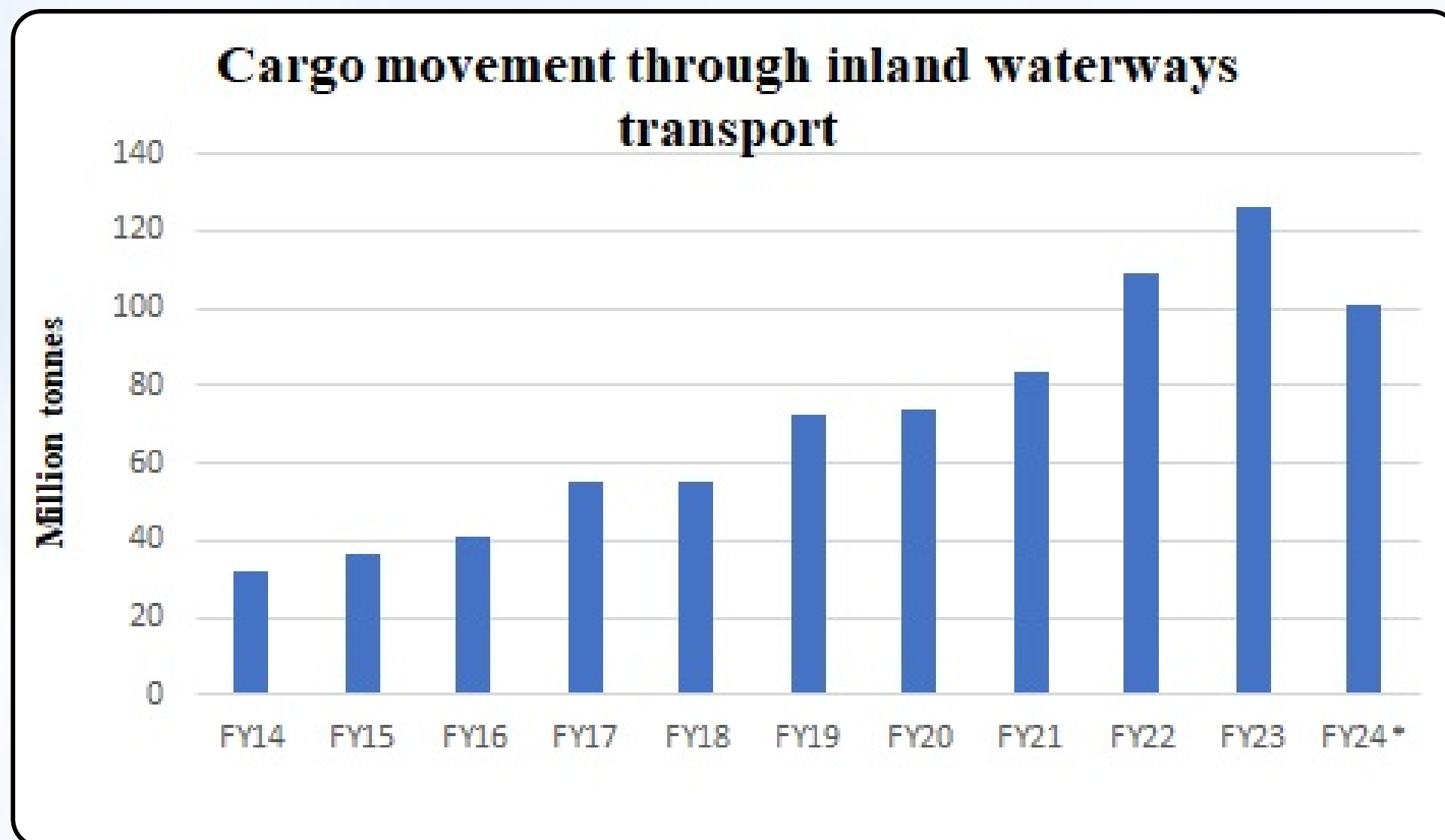
To enhance freight movement through coastal shipping, the government has taken measures like the Coastal Berth Scheme, license relaxation under section 407 of the Merchant Shipping Act, discounts offered by major ports, priority berthing policy for coastal vessels, reduction of GST on bunker fuels, green channel clearance, reimbursement of freight subsidy on primary movement of subsidized urea and P&K fertilizers, etc.



CARGO MOVEMENT THROUGH INLAND WATERWAYS TRANSPORT

The government's push for cargo movement by inland waterways (rivers and creeks) has resulted in 700% increase in ferrying of goods by the greenest transportation mode in the past 10 years. Freight transported by waterways increased to 126 MT in 2022-23 from 18 MT in 2013-14. In FY24, 100 MT of cargo was transported by inland waterways till December 2023. Government has taken several steps, including giving incentives, in recent years to promote waterways as a preferred mode of transportation of goods. In its bid to promote inland waterways as a supplementary mode of transport, the government has allowed the waiver of waterway user charges initially for three years.

In FY23, 32.4 MT of cargo was transported by 12 national waterways as compared to only 6.9 MT in 2013-14, registering a 4.5-fold increase. During April-December 2023, these waterways transported 22.1 MT. Among these waterways, NW-1 (Haldia-Allahabad stretch of Ganga-Bhagirathi-Hooghly river system) carried 9.6 MT freight during FY23. Cargo movement through national waterways in Maharashtra, Gujarat and Goa showed a steep increase. In Maharashtra, cargo transported by waterways went up by six times - from 10.2 MT in 2013-14 to 63.1 MT in 2023-23 - and in FY24, it was 52.4 MT till December. In Gujarat, cargo movement went up to 27.7 MT in 2022-23 compared to 11.5 MT in 2017-18. During April-December 2023, nearly 23.5 MT of freight was transported by Narmada and Tapi waterways in the state.



RECENT DEVELOPMENTS:

- **GOVT INTRODUCES SCHEME TO OFFER FINANCIAL ASSISTANCE FOR INDIAN SHIPYARDS:**

To promote 'Make in India' policy and to support shipbuilding industry in India, the government has brought in Shipbuilding Financial Assistance Policy (SBFAP) scheme for Indian shipyards to procure orders from domestic as well as international market and to be competitive in international market for securing global orders. The scheme offers financial assistance to Indian Shipyards for shipbuilding contracts signed between April 1, 2016 and March 31, 2026 with rate of financial assistance starting from 20% in 2016 and diminishing to 11% in 2026. The SBFAP scheme has played a crucial role in securing various orders both domestically and internationally by public and private Shipyards at competitive values.

- **GOVT APPROVES PROJECT WORTH OVER RS 800 CRORE TO TRANSFORM SYAMA PRASAD MOOKERJEE PORT:**

The government has approved one of the ambitious projects, Re-Construction of Berth No. 8 and Mechanization of Berth Nos. 7 and 8 at Netaji Subhash Dock of KDS, Syama Prasad Mookerjee Port, Kolkata. The approved project will be executed on a Design, Build, Finance, Operate, and Transfer (DBFOT) basis through Public-Private Partnership (PPP) mode. The estimated project cost stands at Rs 809.18 crore, underscoring the magnitude of this endeavor. This project is poised to bring a paradigm shift in the operational landscape of the Syama Prasad Mookerjee Port. Key benefits include the establishment of an effective, efficient, and environmentally sustainable integrated cargo handling system, which will significantly bolster the port's operational efficiency. Additionally, the creation of additional berthing and cargo handling facilities will cater to both import and export activities, thereby amplifying the port's capacity and versatility, resulting in enhanced overall performance and competitiveness.

- **GOVT APPROVES RS 645 CRORE FOR 10 NEW WATERWAYS PROJECTS ON BRAHMAPUTRA IN ASSAM:**

The government has approved major investment of more than Rs 645 crore to develop 10 waterways projects under the flagship Sagarmala programme of the Ministry of Ports, Shipping & Waterways. The projects will be implemented with 100% financial assistance from the central government to enhance terminals and riverine infrastructure along the river Brahmaputra (National Waterways 2) to boost connectivity and foster economic growth. From the construction of slipways at strategic locations such as Maya Ghat in Dhubri district and Majuli district to the establishment of passenger terminals at Ghagor in North Lakhimpur district and Bahari in Barpeta district, each proposal is meticulously designed to enhance connectivity and facilitate seamless transportation across the region. Additional passenger terminals are set to be established in Goalpara, Guijan, Kurua, Dhubri, Disangmukh, and Matmora, catering to the diverse needs of different districts within Assam. These ten projects will enhance transportation efficiency, stimulate industrial development and trade in the region.

- **GOVT CONSTITUTES HIGH-LEVEL TASK FORCE TO OVERSEE ESTABLISHMENT OF INDIAN MARITIME CENTRE:**

The government has constituted a high-level task force to oversee the establishment of the Indian Maritime Centre (IMC), in a bid to build global credibility for the Indian maritime sector. The main objective of the task force is to provide policy direction for the formation of IMC for smooth and sustainable operationalisation. This would help in formation of advisory groups on key topics involving member representatives and independent experts. The funding and secretariat support of setting up of IMC will be provided by the Indian Ports Association (IPA).

- **GOVT DEVELOPING NEXT-GEN CONTAINER TERMINAL AT TUNA TEKRA, GUJARAT:**

The government is committed towards developing the best infrastructure at the ports for increasing the economic growth of the country. Deendayal Port Authority (DPA), a leading Major Port on the West Coast of India in Gujarat, is signing a concession agreement for the development, operation and maintenance of a new mega container terminal at Tuna-Tekra, Gujarat (near Kandla) with DP World, a multinational logistics company based in Dubai, United Arab Emirates. The project involves construction of a mega-container terminal at Tuna-Tekra near Kandla, at a cost of Rs 4,243.64 crore through Public Private Partnership (PPP) mode. Once complete, the terminal will have annual capacity to handle 2.19 million container units (TEUs) with capability to handle next-generation vessels carrying more than 18,000 TEUs. The new terminal will cater to future trade demand from Northern, Western and Central India, connecting the regions to global markets. The project aligns with Vision 2047 of Government of India to quadruple port handling capacity and develop multimodal logistics infrastructure to promote economic growth.

- **MNRE RELEASES GUIDELINES FOR PILOT PROJECTS ON USE OF GREEN HYDROGEN IN SHIPPING SECTOR:**

The Ministry of New and Renewable Energy (MNRE) has released guidelines for pilot projects on the use of green hydrogen in the shipping sector. The Scheme will be implemented with a total budgetary outlay of Rs 115 crore till the financial year 2025-26. The 'Scheme Guidelines for implementation of Pilot projects for use of Green Hydrogen in the Shipping Sector' under the National Green Hydrogen Mission. Under the Mission, the MNRE will implement pilot projects in the shipping sector, for replacing fossil fuels and fossil fuel-based feedstock with green hydrogen and its derivatives. These pilot projects will be implemented through the Ministry of Ports, Shipping and Waterways (MoPSW) and the implementing agencies nominated under this scheme. The pilot projects also target development of bunkering and refuelling facilities in ports on international shipping lanes for fuels based on green hydrogen.

- **IWAI AND AMAZON SIGNS MOU:**

A memorandum of understanding (MoU) was signed between Inland Waterways Authority of India (IWAI) and Amazon Seller Services for promoting cargo movement and transportation of customer shipments & products via inland waterways using river Ganga (National Waterway 1). The collaboration between IWAI and Amazon marks a significant stride in advancing the transportation of e-commerce cargo along Inland Waterways. This partnership seeks to harness the efficiency and sustainability of water transport to optimize logistics, diminish environmental footprints, and promote economic development. The collaboration between Amazon India and IWAI is another step towards realizing the government's Maritime Amrit Kaal Vision 2047 of enhancing inland waterways as an affordable and sustainable mode of transportation and promoting cargo movement and transportation of customer shipments/products through Inland Water Transport using National Waterway-1.

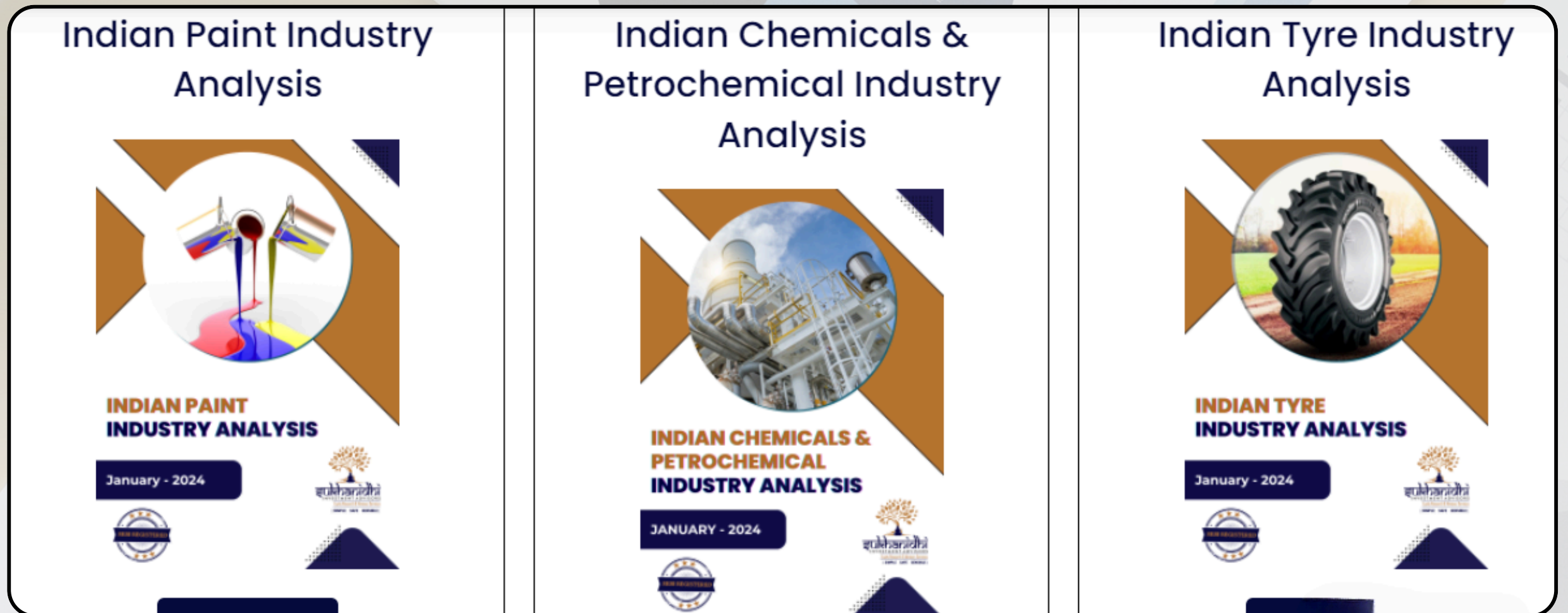
- **IWAI SIGNS MOU WITH NUMALIGARH REFINERY FOR EXPORT OF PETROLEUM CARGO VIA NW 2 & IBPR:**

Inland Waterways Authority of India (IWAI) has signed Memorandum of Understanding (MoU) with Numaligarh Refinery (NRL) to use National Waterways-2 (NW-2) (Brahmaputra) and Indo Bangladesh Protocol Route (IBPR) for export of petroleum products to Bangladesh and other south east Asian countries in Guwahati, Assam. The MoU is aimed at powering PM Gati Shakti National Master Plan to boost India's Act East Policy. NRL will export around 10,000 MT of Petroleum & Petrochemical products per month from IWAI Jogighopa Multi Modal terminal. NRL to set up POL Oil Terminal at Jogighopa Logistics Park with rail connectivity. This MoU is aimed at fulfilling the 'Hydrocarbon Vision 2030 for Northeast' by enabling inland waterways transportation via NW2 and IBPR, unveiling a new chapter of EXIM trade for the Northeast region.

OUTLOOK

Outlook for Indian shipping Industry is likely to remain optimistic in coming time on the back of proactive government policies concerning ports, shipping, and inland waterways. In recent years, cargo traffic movement has exhibited strong growth in India, with both major and non-major ports registering a notable increase in cargo traffic. The government is working on a plan called 'Maritime India Vision 2030' that seeks to develop world-class mega ports and transshipment hubs and modernise infrastructure at an estimated investment cost of Rs 1.25 trillion. The government has identified investment opportunities worth more than Rs 10 lakh crore in the maritime sector, which are expected to generate no less than 15 lakh new jobs. The government has been actively supporting the development of greenfield ports through a range of policies and initiatives. These include the launch of the Sagarmala project, which aims to modernise and upgrade the country's ports and shipping infrastructure, with a capital outlay of Rs 8 trillion for the period 2015-35.

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<https://sukhanidhi.in/industry-anaylsis/>





A LITTLE ABOUT OURSELVES



Why We Started?

After speaking with hundreds of investors, we discovered that while most investors recognise the importance of investing in equities, many lack the time, knowledge, or necessary resources to evaluate stocks or construct a long-term equity portfolio. As a result, people risk their savings on a companies based only on the recommendations of relatives, friends, brokers, or any business channel, and end up losing their hard-earned money.

And after such instances, we realised the need for professional advice and decided to start the first equity research and investment advisory firm in Hubballi-Dharwad to assist individual investors across India with the sole purpose of offering unbiased, high-quality, fundamental, and affordable equity investment advice to create serious wealth over long-term.

Who We Are?

We are the first equity research and investment advisory firm based in North Karnataka and have 12 + years of experience in equity research and advising High Net worth Individuals (HNI's), Ultra High Net worth Individuals (UHNI's) and NRI's across India and the globe.

What We Do?

We help individual investors in generating inflation-adjusted, risk-adjusted, and tax-efficient returns and create sustainable wealth over the long term by recommending a high-quality direct equity (shares) portfolio.

What We Don't Do?

- Momentum trading
- Debt investments
- Derivatives (Futures & Options)
- Technical analysis
- Timing the market
- Over-diversifying
- Hedging
- Nonsense

What We Expect From Investors?

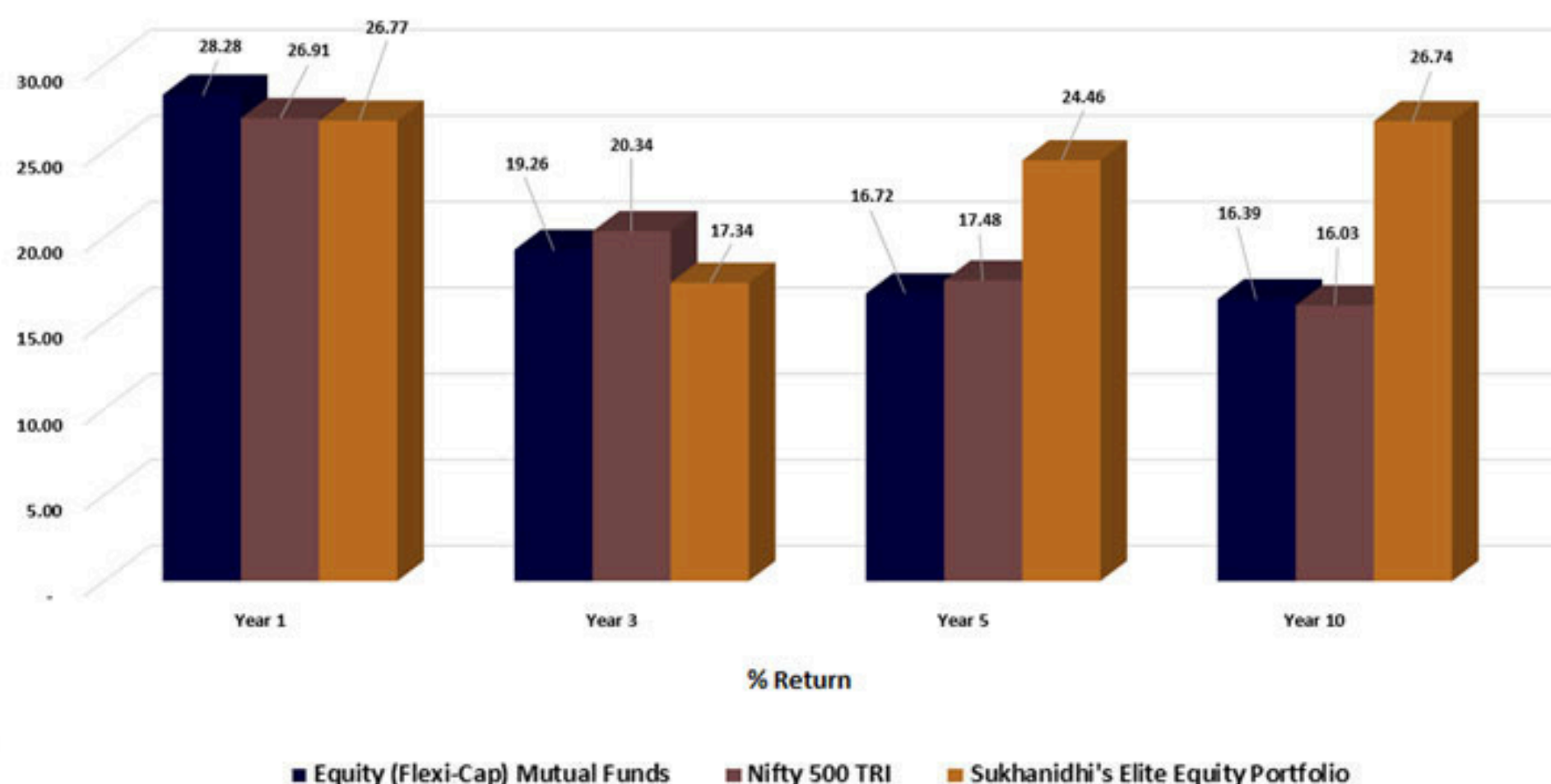
- A minimum commitment period of 5 years or more.

Why Sukhanidhi?

At Sukhanidhi, You Are Assured Of

- Excellence in our advisory services
- Objectivity and unbiased advice
- Credibility: we are SEBI-registered investment advisors
- Low cost: only fixed fees – no performance fees.
- Peace of mind: we uphold your trust with safeguarding your investments and offering our services at reasonable fees

Comparative performance analysis of Flexi-Cap Mutual funds vs Nifty 500 TRI vs Sukhanidhi's Portfolio



Here is why our portfolio is better than equity mutual fund and index fund

Maximize Returns & Reduce Your Expenses with Elite Equity Portfolio

Description	Flexi-cap MF		Nifty 500 (Index Fund)	Sukhanidhi's Portfolio
	Regular	Direct	Direct	Elite Equity
Lumpsum Investment (Rs)	50,00,000	50,00,000	50,00,000	50,00,000
Fees/Charges (in % Pa)	1.75%	1.00%	0.40%	1.00%
Fees/Charges (in Rs Pa)	87,500	50,000	20,000	50,000
5-Years CAGR Returns (in %)	16.72%	17.98%	17.48%	24.46%
Value of Investment at the end of 5th Year (in Rs)	1,08,31,694	1,14,29,098	1,11,88,959	1,49,32,035
Difference in Corpus	-41,00,340	-35,02,936	-37,43,075	-
Total Expenses / fees in last 5 years	-4,37,500	-2,50,000	-1,00,000	-2,50,000
Net Gains/Loss at the end of 5th year	-45,37,840	-37,52,936	-38,43,075	1,46,82,035

Source : Sukhanidhi Investment Advisors

Note: Our elite equity portfolio has generated a 26.74% CAGR (excluding dividend and bonus) in the last decade (10 years) as on 31st December 2023. Where in equity (Flexi-Cap) Mutual Funds 16.39% return and Nifty 500 Index has delivered a CAGR of 16.03% respectively. However, to be conservative, we are expecting around 15% CAGR(excluding dividend and bonus). There is no guarantee of returns and it is subject to prevailing market conditions.

What Our Client Say?



CA Aniruddha Phadnavis

Company Secretary & Compliance Officer,
VRL Logistics Ltd - Hubballi.

"Courteous, Sensible, Reliable, Effective"



Dr. Naveen H.C.

Prosthodontist Implantologist
Hubballi

Investing in equities has never been my cup of tea due to lack of knowledge and time constraint. It has been 4 years now that I have been associated with Mr. Vinayak Savanur. Since then, with his help, I have begun Investing in on equity shares portfolio for the next 20 years to take care of my after retirement expenses.

When I met him for the first time, he listened to each and every query of mine patiently and took me through the entire process they follow, from stock selection to portfolio construction in detail. Only then I found that Mr. Vinayak's way of approaching the stock market is very simple, safe, sensible. and I got convinced.

I would definitely recommend Sukhanidhi investment Advisors to anyone. Especially middle-aged practicing doctors like me. To utilize Mr. Vinayak Savanur's knowledge and expertise to plan their retirement well in advance and build a fool proof long-term equity portfolio.



Sanjot Shah

Director
Manickbag Automobiles Private Limited,
Hubballi

I have got experience from Sukhanidhi investments. The suggestions given by them are good and I am satisfied



CA Narasimhan Elangovan

Partner
KEN & Co., Chartered Accountants,
Bengaluru

Professional and well researched approach. Recommended for those who want to build wealth over long term! Great job Vinayak and team.



Satish Shenoy

General Manager
Samsung India Electronics pvt Ltd,
Mumbai.

A Good Methodology to filter best stocks to invest and easy to approach makes sukhanidhi team class apart; Thanks for your good service. Keep it up!!



Mamata Kulkarni

Texas, USA

Folks, its high time you get in touch with Sukhanidhi to fatten your wallets. Mr. Vinayak Savanur, a very knowledgeable financial advisor, patiently understands your concerns and accordingly guides you in reaching your financial goals. It has been a great pleasure to work with Mr. Savanur. The passion and dedication to his expertise was clear to see. We saw great results and we would strongly encourage others to work with Sukhanidhi! holding the investment for long periods, which is actually the prerequisite to get long term Compound returns from Equity investments. After coming in contact with SUKHANIDHI, after studying their methods in detail, I have now invested in their SUKHANIDHI ELITE EQUITY PORTFOLIO with a long term horizon of 5 to 15 yrs, with 3 different goals in sight, with the intention to withdraw the money as each life goal approaches during the future 15 yrs of my life.



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AFTER 25 YEARS

GET BACK
₹ 3.00*
CRORES

INVEST
₹ 10 LAKHS
(ONE TIME)
IN OUR
ELITE EQUITY
PORTFOLIO



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It's the best thing you can do to help others.



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