



Press Release

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JNPT, India's top Port enhance competitiveness of EXIM trade

At the end of FY 2016-17, Jawaharlal Nehru Port Trust (JNPT) continued its flagship position as India's biggest container port with a share of 55% among the major ports. The year also witnessed major initiatives from JNPT under the 'Ease of Doing Business' ambit which has translated into significant savings in time and cost for the EXIM trade. JNPT now ranks 32nd among the 100 major global container ports.

JNPT achieved an all-time high container volume of 4.5 Million TEUs in FY 2016-17. The port directly operates one container terminal and its PPP terminals are operated by APMT and DP World. The liquid traffic at the port increased over previous year by 4.25% to achieve 6.78 Million Tonnes. The port handled a modest quantity of 0.82 MT of Dry Bulk (cement) which registered a growth of 21.01%.

The operating income of JNPT in FY 2016-17 is Rs 1677.9 crore with a PBT of Rs 1303 crore. The PBT has increased by 19% from the previous year figure of Rs 1909 crore.

JNPCT, the container terminal directly operated and managed by JNPT recorded a growth of 7.5% and achieved the highest ever volume of 1.53 Million TEUs container traffic, since its inception in 1989.

On the operational efficiency front, the port has done well. The berth productivity has increased from 69.46 moves/hour to 78.58 moves/hour which is a 13% increase year on year. Similarly crane productivity has improved to 23.46 moves/hr from 20.99 moves/hr, a 12% increase.

A major milestone during the year is achievement of Zero congestion at JNPT area and roads. Major initiatives taken by JNPT to achieve zero included – Streamlining processes, improving infrastructure, migration from manual forms to electronic formats & CCTV monitoring of port roads. A major intervention was the commencement of Inter Terminal Movements, which facilitated lateral movements of container trucks. The Inter Terminal Movement of a trailers avoided a transit of 7.5 Kms on the port road. It is estimated that there is a 8% reduction of movement on port roads and gain of Rs.125 crores to the trade due to savings in fuel in one year alone. JNPT has converted the parking yards of each terminal into a processing area which is now functioning as a facility for custom clearance and port documentation. The Port terminals have introduced RFID access control system at the entry gates. Supplemented by CCTV monitoring of roads and scrutiny by traffic management squads, the container trucks now enter the terminal within a minute of its arrival at the terminal gates.

Towards capacity building, the construction of Fourth Container Terminal is progressing and the first phase to be completed by December 2017. The capacity of the port will enhance by 2.4 Million TEUs, with the commissioning of first phase. The second phase which will add yet another 2.4 Million TEUs of capacity is to be completed by 2022-23. Each of the phases will add one kilometre of berth length. The Terminal

is developed under EPP format by PSA, a global Terminal operator, as a private partner.

Under the Sagarmala the Port-led development scheme envisioned by Government of India, JNPT is fast developing India's first port-based Multi-product SEZ. The Zone is attracting keen interest from investors from US, Japan and other leading nations. The SEZ is spread across 277 hectares of free hold land area. The SEZ is expected to usher in around Rs 5,000 crore of investment in the region, from industries that can leverage the proximity of the gateway port. The SEZ will be developed with Free Trade Warehousing Zone, Engineering, Electronics & Hardware and Pharma sectors. JNPT SEZ has acquired all regulatory compliances.

To cater to bigger vessels, the Port has also awarded tender for increasing draft from 14 mtrs to 15 mtrs. The dredging project being completed at a cost of Rs 2029 crore will place JNPT in the league of deeper ports and ensure scale economies to its EXIM trade.

JNPT is developing dry ports at Jalna & Wardha to serve the industrially vibrant belt around Aurangabad and Nagpur areas. The dry ports ensure good logistic supports for the industries

JNPT is developing for the major deep drafted port facility at Wadhavan. It will have draft of 20 metres, at par with deepest global ports of next decade.

Leveraging its foreign exchange earnings, JNPT is the first major port in the country to raise low-cost External Commercial Borrowing (ECB). The port has availed an ECB loan of USD 400 million, in August 2016, to build mega-scale road connectivity project for efficient EXIM trade. The funds from ECB loan will help to create 6/8 lane roads to link highways with JNPT.

Aligning with Government agenda, JNPT made significant achievements under the following areas-

- ❖ Direct Port Delivery – The direct port delivery of import containers increased to 15% from 3% in Nov 2016 by taking the steps like waiving minimum volume criterion, online registration, abolition of deposits & awareness campaigns. The percentage is set to go up to 40% with the help of a ‘transport solution’ being implemented by JNPT. The DPD has ensured that the importers gain a saving in cost ranging from Rs 8000 to Rs 20000 and in time ranging from 5 to 7 days.
- ❖ Direct Port Entry – The direct port entry of export containers has increased to 74% in March 2017 from 30% in March 2016 through conversion of parking yard as custom processing area. The DPE has also helped in significant savings in time and cost for the exporter.
- ❖ Rake Turnaround time- Time taken for turnaround of rakes are reduced to 4 hrs from the duration of 9 hrs taken during earlier years with the help of close monitoring of operations and by engaging a Common Transport Operator and by regulating the efficiency by establishing a unique online portal.
- ❖ Modal Shift from Road to Rail – JNPT Introduced a rebate of Rs 728 for movement of containers from local CFS connected by Rail which resulted in 80% higher in movements of containers by rail from local CFS. Handling rates for containers moved by rail has been brought down to be at par with the rate of road to incentivize modal shift.
- ❖ RFID based Terminal gates – Introduced of RFID based Gate Automation System has ensured gate transaction time to reduce up to 1 min than earlier 10 mins.

- ❖ Container Tracking – Introduced for the first time in India by JNPT to track containers throughout North-West India.. An importer or exporter is now able to keep track of containers while in transit. Transit integrity has been ensured by tracking of containers, which also provides data bank on destination source matrix.

The significant investments around JNPT listed above including the deepening of draft, SEZ, dry ports and enhancement of connectivity will aggregate to over Rs 15,000 crore. JNPT is promoting a world-class training of international standards in association with Antwerp Port Institute to build the competence level of Port managers in the country. The centre is targeted to grow in to an international institute of excellence.

“Our commitment towards the EXIM trade in making this Port as one of the model ports in the country with having advanced operational & productivity efficiencies have been realized well during the FY 2016-17. Sailing ahead, we have charted out various initiatives that are aimed at easing out processes that will lead towards further growth for all stakeholders,” says Shri Anil Diggikar (IAS), Chairman, JNPT.



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