

Indian Ports

BSE Sensex: 14,253

S&P CNX: 4,234

15 July 2009

June 2009 cargo grows by 8.6% YoY, due to delayed monsoon and base effect; Mormugao port registers highest increase of 48% YoY in cargo traffic

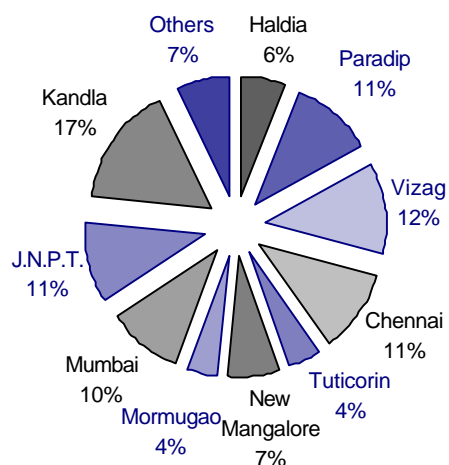
June 2009 cargo volume growth attributable to higher activity due to poor rainfall: In June 2009, cargo traffic at major ports in India increased by 8.6% YoY to 45.4m tons (vs 41.8m tons YoY). The cargo traffic is short of the target cargo for the month by 4.5%. The key reason for the growth in the month of June 2009 (de-growth since October 2008) is due to higher number of operational days due to poor monsoon, v/s June 2008. This is indicated by a lower sequential de-growth in June 2009 at 0.7% MoM, v/s 9.6% MoM in June 2008 and 8.5% MoM in June 2007. For YTD FY10, cargo traffic grew by 1.9% YoY to 136.6m tons due to higher growth number in June 2009.

Major categories of cargo report growth except coal and fertilizers: During June 2009, major categories of cargo reported strong growth except for coal and fertilizer. Iron ore, POL, container and other cargo increased by 6.8%, 12.6%, 1.9% and 25.5% YoY respectively, while coal and fertilizers cargo traffic declined by 5.2% and 5.8% YoY, respectively. However, during YTD FY10, coal cargo registered the highest growth of 8.3% YoY at 19.9m tons followed by POL at 4.3% YoY and fertilizers at 2.3% YoY respectively.

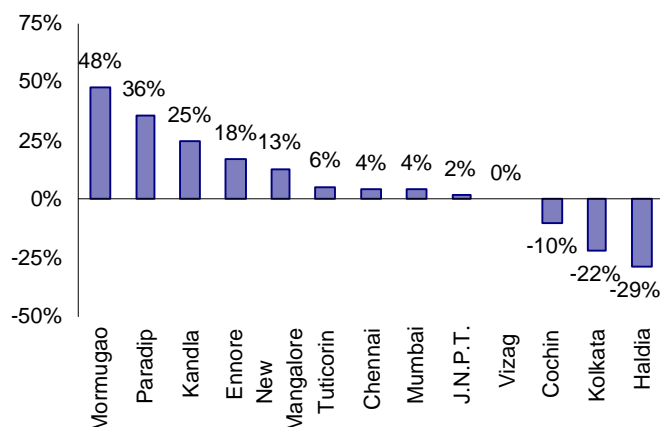
Container Cargo grew by 1.9% YoY in June 2009: During June 2009, the container cargo at major ports of India increased by 1.9% YoY to 8m tons (vs. 7.9m tons YoY). This is largely on account of increase of 1% YoY in container traffic at JNPT port to 4.31m ton (vs 4.28m ton in June 2008). Also, the key surprise has been container traffic growth at Kolkata, New Mangalore, Chennai and Tuticorin port, where container traffic grew by 27%, 27%, 13% and 14% respectively although on a lower base. These four ports cumulatively account for 2.9m tons of container traffic ie 36% of total container traffic.

Eleven ports register cargo traffic growth in June 2009; Mormugao, Paradip volumes up 48% and 36% YoY driven by iron ore and POL: During June 2009, Eleven ports reported growth in traffic. Mormugao and Paradip ports registered highest growth among major ports at 48% and 36% YoY respectively. For Mormugao port, iron ore cargo (87% of the total port cargo) grew by 54% YoY to 1.2m ton, which represents 20% of the total iron ore cargo traffic in India. The cargo traffic at Paradip port was boosted by liquid and iron ore cargo, which grew by 947% YoY and 43% YoY, respectively.

JUNE 2009: ALL-INDIA MAJOR PORT CARGO SHARE (%)

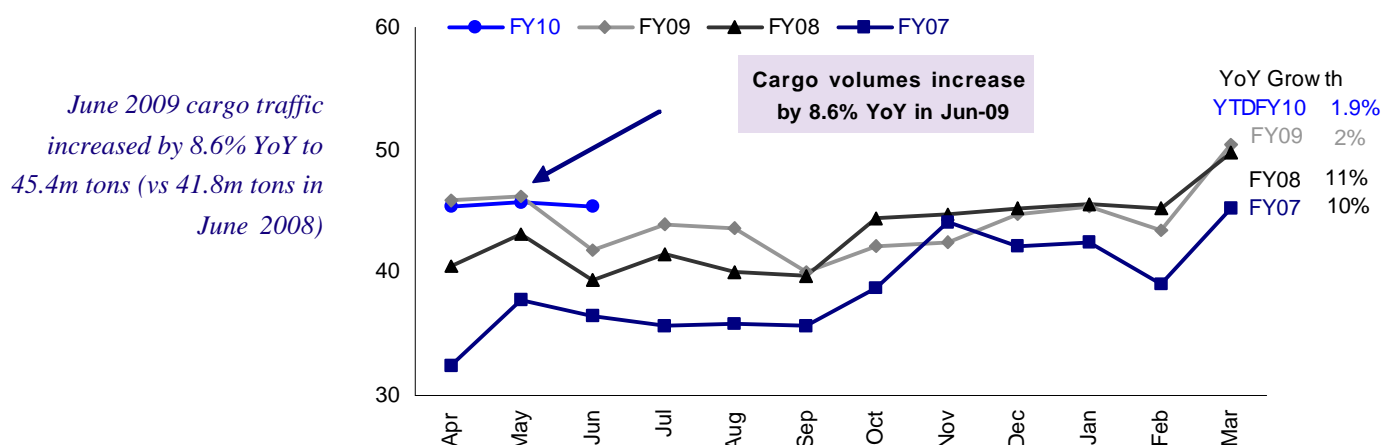


JUNE 2009: ALL INDIA PORT WISE CARGO YOY GROWTH (%)



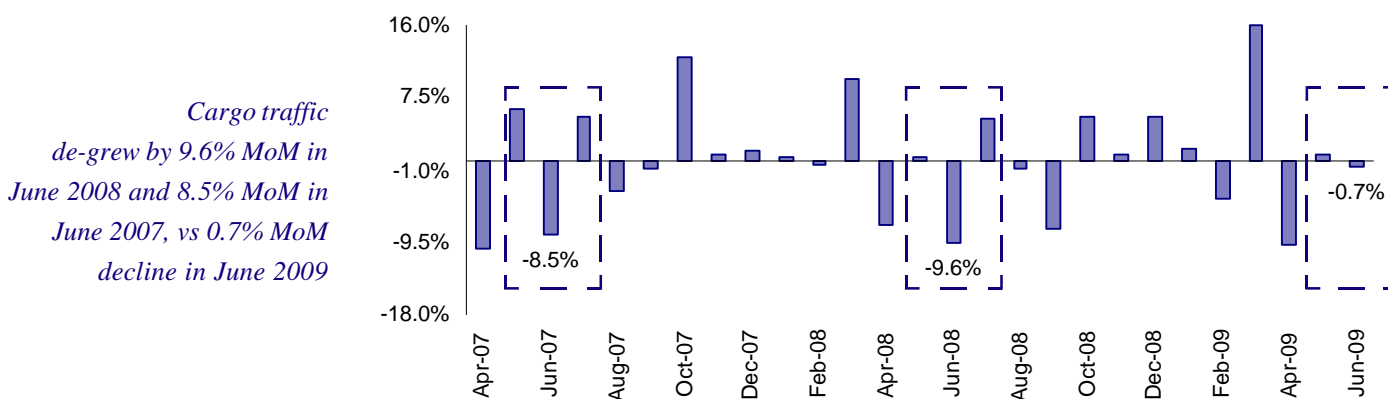
Source: IPA

MONTHLY CARGO AT MAJOR PORTS OF INDIA (M TONS)



Source: IPA

CARGO TRAFFIC HAS DECLINED IN JUNE HISTORICALLY DUE TO ONSET OF MONSOON SEASON (MOM)



Source: IPA

COMPOSITION OF TOTAL CARGO TRAFFIC AT MAJOR PORTS (M TONS)

Coal, Fertilizers traffic declined for the month of June 2009 by 5.2% YoY and 5.8% YoY, while other major categories of cargo reported increase

PARTICULARS	JUN-08	JUN-09	% CHG.	YTD FY09	YTD FY10	% CHG.
Coal	6.1	5.8	-5.2	18.3	19.9	8.3
POL	13.6	15.3	12.6	41.1	42.9	4.3
Fertilizers	1.6	1.5	-5.8	4.0	4.1	2.3
Iron Ore	5.9	6.3	6.8	24.7	23.6	-4.3
Container	7.9	8.0	1.9	24.7	23.5	-5.0
Others	6.8	8.5	25.5	21.3	22.7	6.8
Total	41.8	45.4	8.6	134.1	136.6	1.9

Source: IPA

Growth across major ports of India

Eleven out of Thirteen major ports reported growth in cargo traffic for the month of June 2009. Mormugao port reported highest increase of 48% YoY followed by Paradip (36% YoY), Kolkata (29% YoY) and Kandla (25% YoY).

During YTD FY10, Six major ports reported growth in cargo traffic, led by Paradip, Mormugao, Kolkata, and New Mangalore with cargo traffic growth of 25%, 22%, 18% and 11% YoY, respectively.

CARGO TRAFFIC AT MAJOR PORTS OF INDIA (M TONS)

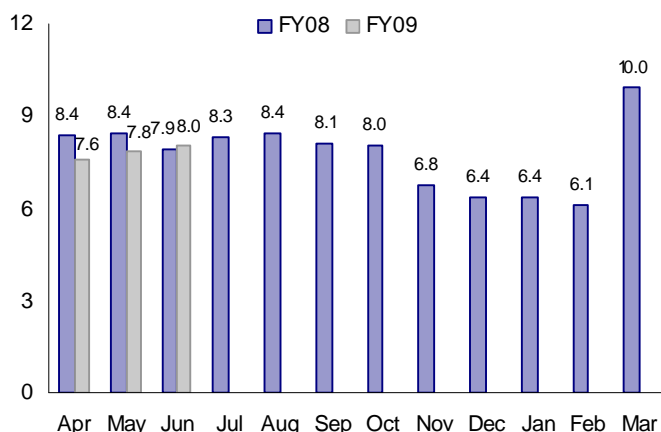
PARTICULARS	JUNE		% CHG.	YTD FY09	YTD FY10	% CHG.	PROMINENT CARGO	
	2008	2009					PROFILE	% TO TOTAL
Paradip	3.7	5.0	36.1	11.3	14.2	25.3	Coal	36
Mormugao	1.3	2.0	48.1	10.2	12.5	22.3	Iron Ore	79
Kolkata	0.8	1.0	28.7	2.5	2.9	17.6	Container	54
New Mangalore	2.8	3.1	12.8	8.1	9.0	10.8	Liquid	54
Tuticorin	1.8	1.9	5.7	5.5	5.7	3.7	Coal/Container	56
Kandla	5.9	7.4	25.0	18.3	18.8	3.0	Liquid	59
J.N.P.T.	4.8	4.9	1.9	15.0	15.0	-0.5	Container	87
Vishakhapatnam	5.6	5.6	0.3	17.1	16.7	-1.9	Liquid	33
Chennai	4.9	5.1	4.4	14.6	14.1	-3.1	Container	35
Mumbai	4.3	4.5	4.3	13.3	12.9	-3.1	Liquid	64
Ennore	1.0	0.8	-15.0	3.1	2.9	-5.1	Coal	91
Cochin	1.2	1.4	11.6	3.8	3.6	-6.0	Liquid	66
Haldia	3.7	2.7	-28.6	11.3	8.3	-26.7	Liquid	32
Total	41.8	45.4	8.6	134.1	136.6	1.9		

Source: IPA

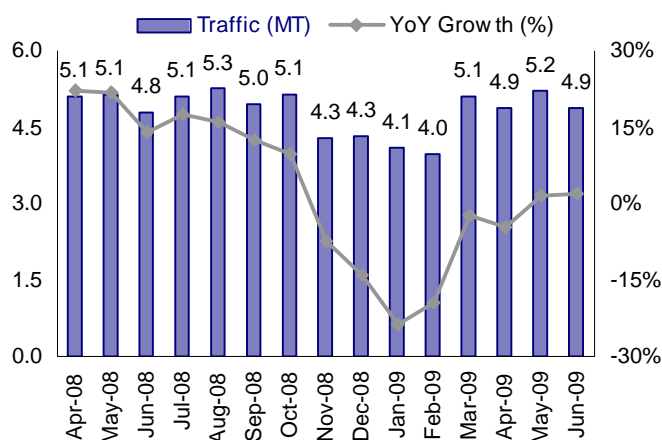
Container cargo traffic up 2% YoY v/s 1% YoY at JNPT

India's total container traffic increased by 1.9% YoY in June 2009 whereas the container traffic at JNPT port, which handles ~50% of the all India container traffic increased by 1% YoY.

ALL INDIA CONTAINER CARGO (MT)



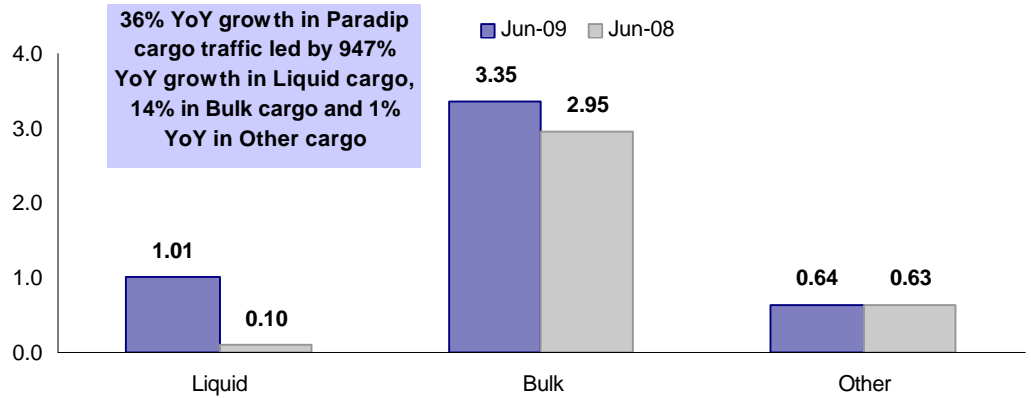
CARGO AT JNPT (MT) AND YOY GROWTH (%)



Source: IPA

CARGO COMPOSITION OF PARADIP PORT (M TONS)

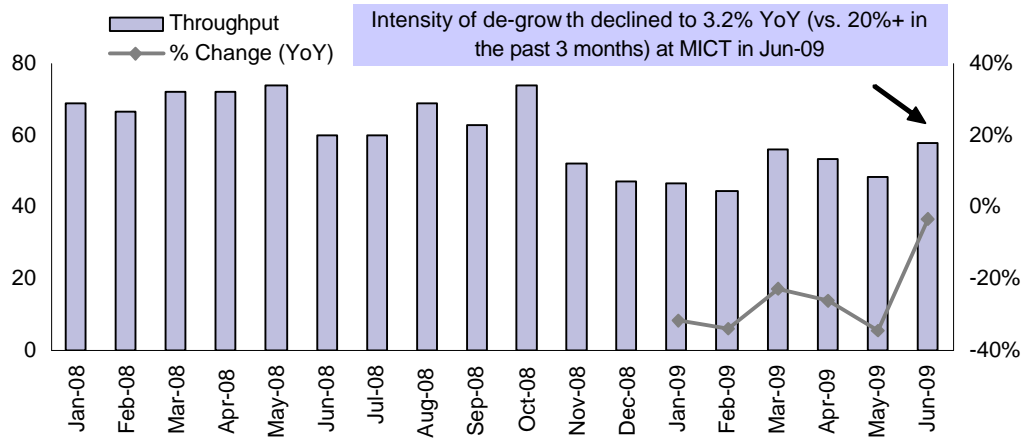
During June 2009, Liquid and Bulk cargo for Paradip port grew by 947% and 14% YoY to 1.01m ton and 3.35m tons respectively, while other cargo volumes increased by 1% YoY



Source: IPA

MONTHLY THROUGHPUT AT MICT ('000 TEUS) AND MOM GROWTH (%)

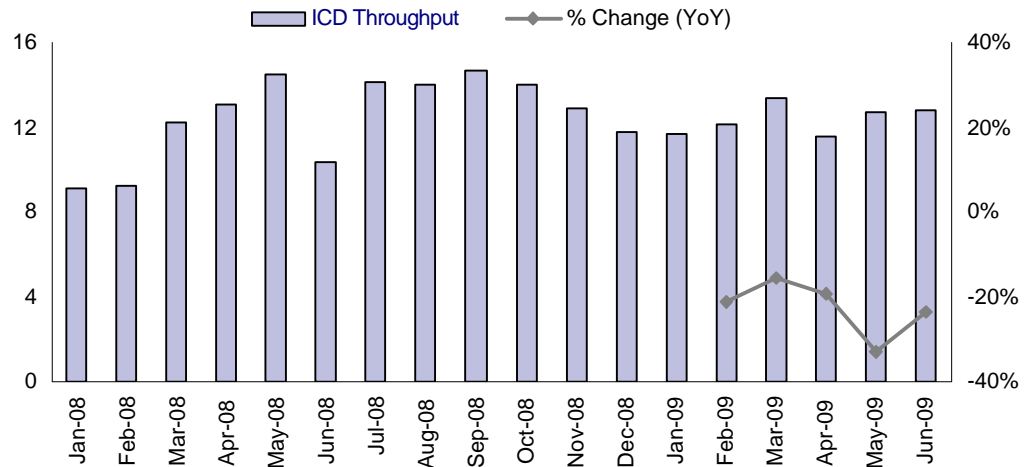
During June 2009, the container terminal volume at MICT reported a relatively moderate decline of 3.2% YoY to 57,949 TEUs vs. 59,995 TEUs in June 2008



Source: IPA

MONTHLY ICD TRAFFIC AT MICT ('000 TEUS) AND MOM GROWTH (%)

During June 2009, the ICD throughput at MICT increased by 23% YoY to 12,796 TEUs vs. 10,370 TEUs in June 2008



Source: IPA

N O T E S



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