

# MSC to open new feeder calls at India's eastern Paradip Port

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Mediterranean Shipping Co. (MSC) has inked a deal to start a feeder service between Paradip Port (PPT), a major gateway on India's east coast, and Sri Lanka's Colombo Port.

The service is due to start in early March, initially offering two or three sailings a week and as volumes build, it will be enhanced to a weekly frequency, according to industry sources.

Paradip has traditionally thrived on bulk cargo activity, with throughput volumes for fiscal year 2022-23 hitting an all-time high of 116.13 million tonnes, up 16.5% year-over-year.

To incentivize containerised trade, the local Odisha state authority has agreed to compensate the carrier for commercial losses resulting from insufficient head-haul cargo lifts based on a minimum volume of 250 TEUs per call.

The move is seen as a boon for exporters/importers in India's eastern region, who have traditionally used Kolkata Port or Visakhapatnam Port for transshipment movements, mostly via Colombo.

MSC has significantly expanded its ocean network out of India in recent years, as the economy expands. The carrier also has terminal interests at several port locations in India as part of its growth strategies in the booming economy.

MSC's subsidiary Terminal Investments Limited (TiL) operates a container terminal at Mundra Port in partnership with the Adani Group.

Additionally, the container transport giant recently acquired a 49% stake in Adani's container terminal project at Ennore Port, near Chennai.

As trade expands, Paradip has significant capacity expansion plans in the works. The port aims to scale up throughput levels to over 300 million tonnes over the next three years with the commissioning of a new general terminal project in the final stages of development.

From April through January, the first 10 months of fiscal year 2023-24, Paradip has handled some 120 million tonnes of cargo, registering a 10% increase, according to the latest data.

Sensing an opportunity to pick up additional volumes, PSA Mumbai or Bharat Mumbai Container Terminals (BMCT) at Nhava Sheva Port recently established a new rail link with Odisha, involving a 1,600-kilometer journey.

"Under this collaboration, we anticipate about four trains per month to be delivered," PSA Mumbai noted in a customer advisory.

The company went on to add, "This partnership represents one of the longest-distance inland connections for PSA Mumbai."

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