

Container shortage forces exporters to shift to break bulk

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With the unprecedented shortage of sea containers for over a year now some exporters have opted for sending cargo by break bulk in large bulk vessels.

Cargoes such as rice, maize, chilly, soya meal, jute, cement in bags and steel products are now shipped in break bulk from Kandla, Kakinada and Krishnapatinam to many African countries, including Ghana and Togo.

Break bulk movement was in vogue over three decades and gave way to containerised movement.

“The shift could be tempor-

ary but we don't know how long the container shortage will continue,” says M Madan Prakash, a large agri product exporter in Chennai. “To export a tonne of cargo by container to Africa is now around \$120 while it is \$90 in break bulk. It used to be the reverse two years ago,” he said.

Containerised cargoes

Ishwar Achanta, President, Federation of Association of Stevedores and Member, National Shipping Board, says that the unprecedented spike in container freight rates is driving the shift to break bulk mode.

“As this requires expert



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stevedoring services, our members are adequately geared to handle such cargo. While we do understand that this could be temporary, industry must not forget that

most containerised cargo were traditionally handled by stevedores and there is a sense of *deja vu*,” he says.

Interestingly, Anupriya Patel, Union Minister of State

for Commerce and Industry, recently in a reply to a query in Rajya Sabha on container shortage, had said a task force is taking action on pressing additional shipping/container capacity into service. It is also looking at ways to promote the use of bulk/break bulk movement by exporters wherever feasible.

Feasibility is a challenge

G Raghu Sankar, Executive Director, International Clearing & Shipping Agency, says that break bulk movement is a good option though feasibility is a challenge. Unlike containers, break bulk shipments may need minimum volume to attract vessels to Indian ports, over and above handling efficiency.

Large exporters/importers

can consider break bulk as an alternative and it is also possible that the present shortage/crisis may ease down if not fully partially by first quarter of 2022, he says.

Ennarasu Karunesan, Founder & CEO, UMK Group, a Chennai-based logistics consultancy firm, said that containerisation's benefits include zero pilferage and faster delivery.

The shift to break-bulk will only be a temporary. Break bulk movement is unsustainable in the long run.

The benefits of containers are huge. To load around 15,000 tonnes of break bulk cargo takes nearly 10 days in a normal conventional operation. However, to stuff 15,000 tonnes into 1,000 containers can be done in less than 12 hours, he said.