

Rajasthan ideal location for shipping container hub: MSME-EPC reveals

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Rajasthan has a huge potential of becoming a 'cluster of shipping containers' to bridge the widening gap in supply and demand as currently India is manufacturing only 10,000 shipping grade containers per year as against the requirements of 1,50,000 containers in the next three years.

Currently, the Container Corporation of India (CONCOR) has a container fleet of 3700 containers but the entire fleet catering to the domestic segment is imported to China. Hence Rajasthan has huge potential of becoming a cluster of shipping contain-

ers', a study conducted by the MSME-EPC revealed (Micro, Small & Medium Enterprises--Export Promotion Council) today.

"While the global shipping container market is growing at a CAGR of 12 percent and by 2028, is likely to touch Rs.1.75 lakh crore, India has a huge shortage of shipping grade containers and as a result shipping lines often increase high rates phe-

nomenally severely impacting India's export/import supply chain and competitiveness of industry", MSME-EPC said.

With a view to tap the global Rs.1.5 lakh crore market of shipping containers and develop a cluster based manufacturing,

Rajasthan has attracted the first manufacturing unit at Bhiwadi which has manufactured in the very first

year of establishment 1000 TEUS (Twenty-foot Equivalent Unit) of global standards.

The study observed a significant increase in maritime shipping on account of an increase in trade agreements across the nations, construction of dedicated freight corridors, and expansion in the export basket of food and beverages, consumer goods, industrial goods, health care and other products.

Chairman of MSME-EPC, DS Rawat said the market was expected to further grow because of fast expansion of e-commerce, digitization in container shipping and rising demand for specialised containers, as currently almost 95

percent of trade volume in India was handled by maritime transportation.

Observing the current movement in this industry, Pankaj Kumar, Director of the Bhiwadi based manufacturers said, "40 feet, 42 feet and 20 feet and special containers segments are anticipated to register the highest CAGR. There was a huge shortage of containers and improved logistics, Pankaj added.

India's logistic cost is estimated to account somewhere between 13-14 percent of the GDP as against 7-9 percent for developing economies, hence, it is imperative to develop this industry on priority, Pankaj further stressed.

