

India's Poddar Global arranges chartered break bulk vessel to deliver newsprint from Russia

NEW DELHI, India, June 13, 2022 (Press Release) - The Covid pandemic has ravaged many industries and economies around the world, and the newsprint industry is no exception. Global supply chains have been suffering logistical disruptions for more than two years now as cargo containers are unavailable and ports are congested due to unavailability of staff and intermittent operational stoppages due to Covid-19-related lockdowns. As a result, retailers have been left with empty shelves and factories have been forced to shut down temporarily as they do not have components in stock.

In India also, several domestic newsprint manufacturers are converting their mills to produce packaging material due to large volume growth in e-commerce. Only few Indian mills continue to produce newsprint and even these mills are facing an acute shortage of recycled fibre.

Annually India imports approx. 1.6 million MTS Newsprint (Pre-Pandemic) and Russia is the major Newsprint Paper supplier into India, participate 50%-60% of total import of Newsprint.

Altogether from last 2 years, Indian Newspaper Industry is facing big challenge due to shortage of Newsprint supplies and steep increase in newsprint prices on account of Covid-19, Global Capacity Shut, High Energy cost, Logistics hit and Russia- Ukraine conflict. The exclusion of Russian newsprint from Asian markets due to sanctions following its invasion of Ukraine is exacerbating the undersupply situation and leaving the Indian newspapers struggling to find supplies.

Logistical situation considering non-availability of containers/vessels in view of cease off operations by shipping lines and hampered banking/financing services due to swift sanctions furthermore no insurance coverage for Russian cargo is massively cutting the trade.

In view of ongoing tight supply supported by an increase in demand in India ahead of festival season, running from August to October, Newsprint prices will continue to rise.

To ease out newsprint supplies to Indian Newspapers, Poddar Global Private Limited have managed to bring a Chartered Break Bulk Vessel M/V LADA (arrived on 05.06.2022 at Mumbai Port) from Russia carrying standard Newsprint. It is the first time after 25 years Russia has loaded first breakbulk vessel of Newsprint and India is also getting for first time newsprint by break bulk after 25 years.

For more than a decade, the break bulk market has changed drastically, and it has been substituted by modern technology capable of handling containerized cargo shipping. As no cargo fits into a standard logistics solution; cargo with different dimensions requires a different set of equipment and infrastructure, as well as experienced personnel; it is also important to note that since paper is a fragile item, the incorrect cargo handling may result in distortion of paper rolls. It is an unfortunate fact that no equipment is available at port or the market capable enough to handle the break bulk cargo of newsprint paper.

Poddar Global have made all the efforts to bring this break bulk vessel operations successful with the help of its own specialised and experienced team of logistic personnel. At-least 2 months prior to the arrival of Vessel M/V LADA-Russian-flagged ship, the company initiated for all the necessary measures, permissions, licences and approvals in addition of arranging own equipment/machinery, specially designed by experienced n expertised engineers for handling of break bulk cargo of Newsprint keeping in mind safety/security and fragile nature of product to avoid any kind of damage.

Hope that this first vessel of Newsprint from Russia will help Indian newspaper industry to get regular flow of newsprint at reasonable prices from Russia in this critical time.

Poddar Global Private Limited are one of the leading importer, aggregator and distributors of Newsprint and Paper Products in India for last 36 years, having own Bonded Warehouses with our specialised supply chain & conversion facilities on more than 300,000 sq. ft. in all major Indian port towns including Mumbai, Chennai, Kolkata, Cochin and New Delhi. Poddar Global supply Standard Newsprint and other Publication paper to majority of Indian Newspapers and Magazines.