

A large dry bulk cargo ship is shown from a high-angle perspective, sailing on a calm blue sea. The ship's hull is a reddish-brown color, and its deck is white. The ship is moving towards the right side of the frame, leaving a white wake behind it. The sky is a clear, light blue.

# **ROLE AND CHALLENGES OF OPERATING/ CHARTERING HOUSES IN THE PRESENT MARKET AND DRY BULK SHIPPING**

**10TH ASIA DRY BULK CARGO SUMMIT (DRYCON 2024)**

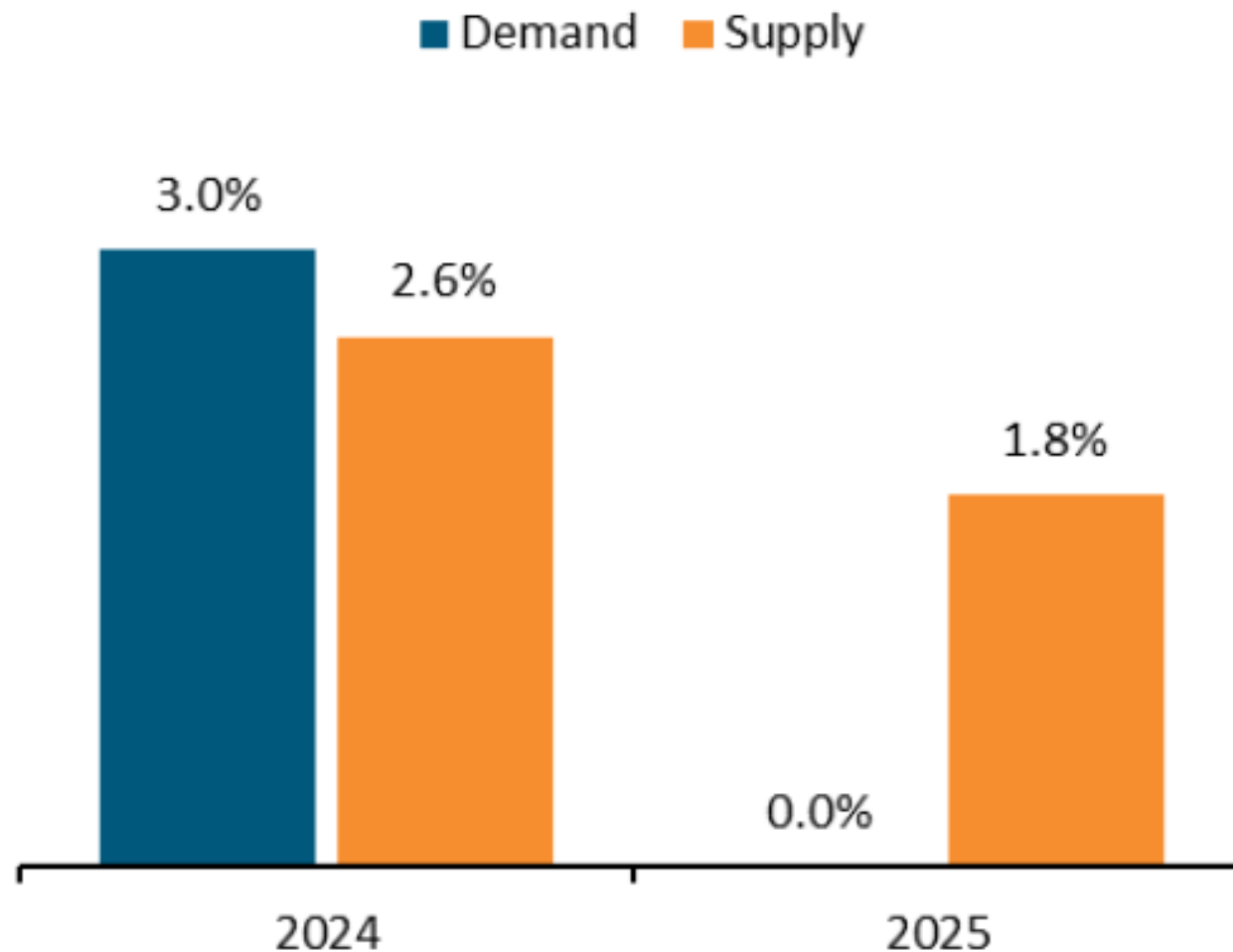
**PRESENTED BY  
CAPT. SHARAD MOHAN MATHUR  
BAINBRIDGE NAVIGATION**

# KEY FUNCTIONS AND ACTIVITIES OF OPERATING AND CHARTERING HOUSES

## 1. Market Analysis

It involves **assessing supply and demand dynamics, freight rates, and market trends** to make informed decisions regarding vessel deployment, chartering strategies, and cargo movements.

## Fleet supply/demand developments



Source: BIMCO

## 2. Chartering and Contracts

CHARTER  
AGREEMENTS

FIXTURE  
TERMS

CONTRACTUAL  
OBLIGATIONS

SECURE  
FAVORABLE  
RATES



**ASBA**



**BIMCO**

**SMF** Singapore  
Maritime  
Foundation

# NYPE 2015 TIME CHARTER

New York Produce Exchange Form<sup>®</sup>  
November 6th, 1913 – Amended October 20th, 1921; August 6th, 1931; October 3rd, 1946;  
Revised June 12th 1981; September 14th 1993; June 3rd, 2015.

- 1 **THIS CHARTER PARTY**, made and concluded in [Click here to enter text.](#) this [Click here to enter text.](#) day of [Click here to](#)  
2 [enter text.](#) 20 [Click here to enter text.](#)
- 3 Between **Choose an item.** of [Click here to enter text.](#)
- 4 as "Registered Owners"/"Disponent Owners"/"Time Chartered Owners" (the "Owners") of the Vessel  
5 described below
- 6 \*delete as applicable
- 7 Name: **Choose an item.**
- 8 IMO Number: [Click here to enter text.](#)
- 9 Flag: [Click here to enter text.](#)
- 10 Built (year): [Click here to enter text.](#)
- 11 Deadweight **All Told**: [Click here to enter text.](#) metric tons
- 12 (For Vessel's charter party description see Appendix A (Vessel Description)),
- 13 and **Choose an item.** Charterers of [Click here to enter text.](#) (the "Charterers")
- 14 This Charter Party shall be performed subject to all the terms and conditions herein consisting of this  
15 main body including any additional clauses and addenda, if applicable, as well as Appendix A attached  
16 hereto. In the event of any conflict of conditions, the provisions of any additional clauses and Appendix A  
17 shall prevail over those of the main body to the extent of such conflict, but no further.

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## Three of the world's key maritime choke points currently face disruption



### 3. Risk Management

Identifying and mitigating risks associated with **shipping**, such as **market volatility**, **geopolitical uncertainties**, **regulatory changes**, and **operational challenges**

## 4. Operations Management

**VOYAGE  
PLANNING**

**VOYAGE  
OPTIMIZATION**

**SCHEDULING**

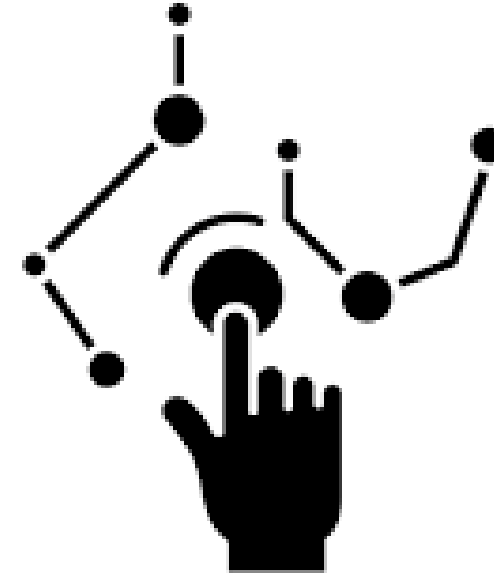
**BUNKERING**

**PORT  
OPERATIONS**

**PORT  
DISBURSEMENTS**

## 5. Innovation and Technology

Embracing digitalization, automation, and technology solutions to enhance operational efficiency, optimize resource allocation, and improve decision-making processes. Software such as **Sevenocean, AMOS Connect, AXS Marine, Softmar, IMOS**, etc. can help improve accuracy, profitability and operational transparency.



**INNOVATION TECHNOLOGY**

## 6. Customer Service

Providing personalized and responsive service to clients, addressing their **specific needs, resolving issues, and maintaining strong relationships** to foster repeat business.



## CHALLENGES FACED BY OPERATING AND CHARTERING HOUSES

**MARKET  
VOLATILITY**

**OVERCAPACITY**

**FREIGHT RATE  
FLUCTUATIONS**

**REGULATORY  
COMPLIANCE**

**OPERATIONAL  
EFFICIENCY**

**FUEL COSTS AND  
ENVIRONMENTAL  
REGULATIONS**

**PORT  
CONGESTION AND  
INFRASTRUCTURE  
CONSTRAINTS**

**TRADE  
DISRUPTIONS AND  
SUPPLY CHAIN  
RISKS**

**DISPUTE  
RESOLUTION**

**DIGITALIZATION  
AND TECHNOLOGY  
ADOPTION**

## CHALLENGE #1

# MARKET VOLATILITY

- FLUCTUATIONS IN GLOBAL DEMAND
- CHANGES IN ECONOMIC GROWTH RATES
- GEOPOLITICAL TENSIONS
- SUPPLY-DEMAND IMBALANCES

## SOLUTIONS

PAPER  
HEDGING

BUNKER  
HEDGING

VESSEL  
ARBITRAGE



## CHALLENGE #2

# OVERCAPACITY

- DEPRESS CHARTER RATES
- REDUCE FLEET UTILIZATION RATES
- COMPETITION AMONG SHIOWNERS
- FINANCIAL STRAIN

## SOLUTIONS

PERIOD  
VESSELS ON  
LONG TIME  
CHARTER

FORWARD  
CARGO  
BOOKING

## CHALLENGE #3

# FREIGHT RATE FLUCTUATIONS

- VESSEL SUPPLY & DEMAND DYNAMICS
- SEASONAL FLUCTUATIONS
- GEOPOLITICAL TENSIONS
- CHANGES IN COMMODITY PRICES

## SOLUTIONS

PAPER HEDGE FUNDS

BUNKER HEDGING

VOYAGE RE-LET

## CHALLENGE #4

### REGULATORY COMPLIANCE

- ADDITIONAL COSTS
- OPERATIONAL COMPLEXITIES

## SOLUTIONS

PICKING  
HIGHEST  
LLOYDS  
CLASSED  
VESSELS

KEEP TRACK  
RECORDS OF  
VESSELS FIXED  
ASCERTAIN THE  
PERFORMANCE

## CHALLENGE #5

### OPERATIONAL ROADBLOCKS

- INEFFICIENT VESSEL SCHEDULING
- SUBOPTIMAL VOYAGE PLANNING
- PORT CONGESTION
- INEFFICIENT CARGO HANDLING

## SOLUTIONS

TRAINING  
PROGRAMMES  
FOR  
OPERATORS

UPDATING  
MARKET  
INFORMATION

## CHALLENGE #6

# FUEL COSTS AND ENVIRONMENTAL REGULATIONS

- COMPLIANCE OF FUEL WITH ENVIRONMENTAL REGULATIONS
- USE OF MORE EXPENSIVE LOW-SULFUR FUELS
- VESSELS FITTED WITH EXHAUST GAS CLEANING SYSTEMS (SCRUBBERS).

## SOLUTIONS

BUNKER DESK  
SETUP IN  
OPERATING HOUSES

BUNKER HEDGING

LONG TERM  
CONTACTS WITH  
BUNKER TRADERS/  
SUPPLIERS

## CHALLENGE #7

# PORT CONGESTION AND INFRASTRUCTURE CONSTRAINTS

- DELAYS IN VESSEL ARRIVALS
- DELAYS IN VESSEL BERTHING
- DELAYS IN CARGO LOADING/  
UNLOADING

## SOLUTIONS

INVESTMENT IN PORT  
INFRASTRUCTURE

STREAMLINING OF PORT  
OPERATIONS

IMPROVED  
COORDINATION AMONG  
PORT STAKEHOLDERS

CONTACTS WITH PORT  
AGENTS/OFFICIALS

## CHALLENGE #8

### TRADE DISRUPTIONS AND SUPPLY CHAIN RISKS

- TRADE DISRUPTIONS
- TRADE WARS
- GEOPOLITICAL TENSIONS
- UNCERTAINTIES RELATED TO TRADE POLICIES AND TARIFFS

## SOLUTIONS

PNI  
COVERAGE  
FOR RISK  
AREAS

## CHALLENGE #9

DISPUTE  
RESOLUTION

- ADDITIONAL COSTS
- OPERATIONAL COMPLEXITIES

## SOLUTIONS

IN HOUSE LEGAL  
TEAM

PNI CLUB  
LAWYERS



## CHALLENGE #10

# DIGITALIZATION AND TECHNOLOGY ADOPTION

- DATA INTEGRATION
- CYBERSECURITY
- TECHNOLOGICAL READINESS

## SOLUTIONS

ADAPTING TO  
NEW  
SOFTWARE  
AND BETTER  
TECHNIQUES

SOFTWARE  
TRAINING  
SESSIONS

**CONCLUSION**

A large cargo ship is shown from an elevated perspective, sailing on a calm blue sea. The ship has a white upper hull and a dark lower hull. The text "THANK YOU" is overlaid in the center of the image in a bold, black, sans-serif font.

**THANK YOU**