

CHITTAGONG CONTAINER TRANSPORTATION COMPANY LIMITED (CCTCL)

**CONTAINER YARD & FREIGHT STATION
Chittagong.**

JANUARY 2024

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PROPOSED SUMMARY:

Chittagong Container Transportation Company Limited (CCTCL) has been set up as a Private Limited Company, incorporated in 2003 at Chittagong, Bangladesh. It is one of largest Container Depot in the private sector of Bangladesh. The venture primarily sponsored by a group of businessmen who started their business in early 1980.

PROJECT DESCRIPTION

CCTCL is setup as a Container Depot, which has been operating as Import/Export containerized cargo un-stuffing/stuffing bonded area / place nearest to Chittagong Port with all Sorts of facilities like 50000 SFT ware house for keeping Export cargo (Ready Made Garments, Finished Leathers, Ceramics, other valuable exportable goods etc) frozen goods stuffing facility, other direct stuffing cargo like Jute, Jute Goods, hide & skin, Scrap etc. etc.

Also facility has been developed for stacking 6000 TEUS (twenty feet eqvt unit) Containers at any time against ground rent, haulage charge & to make quickest stuffing of export cargo of 3500 TEUS per month supported by latest container handling equipment consisting of Top-loader, Fork Lift, Trailers and Prime Movers.

The Depot is run 24 hours for stuffing/haulage service, connecting the movement of laden export containers to the Ship's hook point for quickest shipment for onward Mother / Line haul Vessel connections at HUB/TRANSIT Ports like SINGAPORE, MALAYSIA, COLOMBO, etc.

The Depot is geared to cater about 10% of the trade volume at the current level of movement of containerized Export cargo between Chittagong Port & above HUB Ports mentioned. Based on the growth rate of 15% per annum total export cargo (containerized) will be increased to 90,000 Teu by 2004. Present globalization compelling the exporters to ship out the cargo lifting within shortest possible time which is being improved due to export cargo handling by the Private Depots.

The yard construction cost is Tk. 250.70 crore with a utilized as Foreign currency for procuring container handling equipment (reach stacker, forklift, prime mover & trailers). This yard falls under infra-structure Industry which is really a back-up facility for Chittagong Port for any type of container cargo handling. This is important to mention that CPA's yard congestion crisis, Productivity has been improving day to day just after establishment of private depot (off-dock) for empty container stacking and stuffing facility, more over exporters and shipping agents are free from labour unrest.

MARKET PROSPECT & FOCUS:

The thru put of export & import of containerized cargo at Chittagong Port has grown up from range of 12% to 15% per annum during last 7/8 years.

The valuable Exporters have been feeling more safe / comfort to ship out cargo by container considering no pilferage, minimum time requirement to ship out cargo to satisfy their ultimate Customers/buyers by quickest connection at HUB Ports etc etc which is encouraging factors for country's business improvement as a whole.

Moreover, Chittagong Port Authority (CPA) has been encouraging export cargo handling at outside the Port Area, as their revenue collection as per Tariff was not showing any satisfactory Profit. In the 2001 in one stage CPA advised all the Shipping Agent to stuff the export cargo at their own arrangement though they could not implement it. That decision was taken by CPA as because payment to the stevedores for stuffing has been going up & gone beyond control. In addition to that CPA couldn't cope up with the continuous increased export volume which has widen the venue for private container depot owners to start export cargo stuffing with optimum cost, without any labours' union hassle, 24hrs stuffing program, no bureaucratic hindrance.

It is very important to highlight that in a span last 10 years Private Depot export cargo stuffing, is approx. 50% of the total export volume.

COMPARATIVE STATEMENT OF PRIVATE DEPOT (Considered only laden export cargo):

Monthly Export	Particulars	Ocean Container Ltd.	KNT	Shafi motors	Iqbal Enterprise	Proposed CCTCL
	Capacity of CFS	50,000 Sft	50,000 Sft	20,000 Sft	30,000 Sft	50,000 Sft
	Average stuffing per month	2300 Teu	2000 Teus	1000 Teu	800 Teu	3500 Teus
	Empty stacking yard	5000 Teus 3 high	2100 Teus 4 high	1500 Teu 3 high	300 Teu 4 High	6000 Teus 5 High
	Distance from Port	5 KM	2.5 KM	7 KM	10 KM	1.25 KM
	Refer cargo stuffing capacity	-	8 Points	-	6 Points	6 Points

From above data it is evident that present stuffing capacity of private depots of export cargo is 6100 teu per month. Whereas in the last year (2003) total 1,89,232 Teu Export Cargo was shipped out Le 15769 teu per month out of which approx. 7% cargo is coming from Dhaka ICD So with growth rate of minimum 10% pes annum our monthly volume will be increased to 17.346 Teu in the year 2004.

So, after inclusion of CCTCL'S proposed capacity of 3.500 Teu per month will meet only 60% of the total Export volume as per the projected volume in the year 2004 In the same manner empty container to be handled in and average 1500 teu which will be moved from/to CPA premises in the interval of two weeks

Advantages of CCTCL above all others container depot are nearest to Ctg. Port & custom, no traffic congestion in the main road which connected the CCTCI project site, Dhaka ctg. port connecting road also nearby the project site.

TECHNOLOGY & OPERATION PROCESS:

The technology involved in container depot & freight station is very simple & already available in the country. It is Custom bonded area and initially will be handling only Export Cargo, which will be kept in the ware house for stuffing in to the container. Direct stuffing cargo like Jute, Jute Goods, tea, hide & Sion etc also to be handled in the Container Yard as per prevailing process. In this regard Skilled to Semi-Skilled personnel will be available locally. In addition, empty container will be stacked 5 high in empty yard.

LAND AND LOCATION:

The project has been proposed to be setup at "x" & "Y" shed premises of the Chittagong Port behind Bandar Stadium. The project area is 125 acres to be developed in two phases, the first phase being a separate piece of land measuring 5.5 acres & the 7 phase is 7 acres at a distance of 1.25 km from the Chittagong Port. The land has been taken on annual lease from the Chittagong Port Authority for building a Container yard & CFS.

WARE HOUSE & OTHER CIVIL ENGG WORKS:

The main building Le CFS/Ware House will be constructed with pre-engineered steel materials of 50,000 SFT having 20.5 height) and sub-structure with piling, RCC column/grade beam, RCC floor etc. In addition, Workshop of 6000 SFT, separate Refer Container Yard. Empty Container Yard, Laden Container tard, Surrounding Boundary Wall Office cum canteen, 32 wide internal road for equipment movement etc. will be constructed with 1 Class Civil Engineering materials.

DETAILS OF BUILDING & OTHER ENGINEERING CONSTRUCTION/WORKS (ANNEXURE 1):

ITEM	TYPE	AREA
1. CFS/WARE HOUSE	a) Sub structure with Piling & RCC column, RCC Floor, grade beam, quality sand filling etc. b) Super structure with imported pre-fabricated steel materials, mezzanine steel deck floor, insulated & sky light roofing, fibre glass blanket wall sheet etc (Height 20.5'). c) Installation/Fabrication of 1(b).	50,000 SFT 50,000 SFT
2. WORKSHOP	Steel angle & CI Sheet Roofing, 3 sides half wall, heavy Floor with RCC foundation etc (height 12')	6,000 SFT
3. OFFICE CUM CANTEEN	1st Class Brick Masonry structure with RCC Roof (10' height)	2,000 SFT
4. POWER HOUSE/ GENERATOR ROOM	Semi Pucca Building	1,200 SFT
5. SECURITY OFFICE	1st class brick masonry structure with RCC roof.	300 SFT
6. ROADS/MOVEMENT SPACE (32' FT WIDE AV)	Thick layer of quality brick chips & sand mixing, casting with temperature reinforcement, finished carpeting etc.	2,000 RFT
7. BOUNDARY WALL & DRAINAGE	RCC column, Grade beam, barbed wire with angel etc.	4,500 RFT
8. ELECTRICITY/ WATER SUPPLY ETC	As per requirement	
9. YARD CONSTRUCTION	For laden, empty stack & reefer stuffing. Layer by layer thick brick chips & sand mixing, RCC mat foundation & carpeting.	150,000 SFT

Machinery AND EQUIPMENT:**Annexure 2**

The project to be equipped with following machinery & equipment to be imported / procured from reputed Manufacturer / Supplier.

Equipment	Quantity
1. Top loader, fork lift for laden & empty box	5+5
2. Prime Mover	65
3. Trailer	60

TOTAL PROJECT COST:**ANNEXURE 3**

ITEMS	COST (TK. IN 000'S)
	IN LOCAL CURRENCY
1. Land	20000
2. Building & other Engineering work	134000
3. Machinery & Equipment	10000
4. Vehicles (for Office use)	3000
5. Furniture & Fixtures	2000
6. Safety Equipment (Firefighting, etc)	5000
7. Security Deposit for Bond License	1000
8. Tele communication, Pabx, Online services, close circuit system etc	5000
9. Preliminary expenses	2000
10. Initial working capital	5000
Total	187000

FINANCING PLAN:

The proposed project would be financed out of debt Tk.15.40 crore and equity of Tk.10.30 crore representing debt: equity ratio of 60:40.

CCTCL would be raising equity as proposed and debt ratio is expected to be financed by financial institute in local and foreign currency.

MANPOWER AT PRESENT: ANNEXURE 4

DESIGNATION	NO OF POST
1. Chief Executive Officer (CEO)	1
2. GM Operation	1
3. GM Administration	1
4. Maintenance Engineer	1
5. Documentation Executives	3
6. Billing Executives	2
7. Technician/ Electrician/Foreman	3
8. Supervisors	20
9. Non-Supervisory Staffs	50
10. Ancillary Staffs	15
11. Equipment Operator	15
12. Prime Mover Driver	120
13. Skilled Labourers	200
14. Un-Skilled labourers / Security	500

MARKETING STRATEGY:

Most of the MLOS are deprived from private CFS stuffing facility as because of difference between Demand and Supply. The strategy for marketing the CCTCL's Service, is designed to capitalize the advantage that company has the best service and tariff offer to the MLOS to fill up the demand gap.

MLOS' are obliged to pay a fixed Port tariff for export cargo stuffing & exorbitant empty container ground rent to Port Authority if those Services are availed within Port premises. Present Port tariff is so high that, most of the MLOS do not have any other alternative except to pay high tariff to Port which they collect from Exporters / Shippers in terms of their freight. So the demand for private ICD's is already at hand.

The private depots gradually have been established in last 4/5 years where empty containers are stacked at minimum ground rent & depot operators started stuffing of export cargo round the clock without any hindrance with optimum tariff & MLOS can materialize their export shipment program as per requirement of Shippers/Exporters.

Another rapid and revolutionary changes in mode of transport & nature of Trade is Containerization gained popularity & break-bulk transportation declined. Resulted Exporters/Importers have been carrying conventional cargo like Rice, Wheat, Newspaper, Project cargo, Vehicle, Potato, Ginger, Onion etc. into the container to ensure no pilferage, early shipment even with higher freight. In early days Importers/Exporters have to wait for general cargo vessel which really jeopardize their business in terms of profit, lose customer etc etc.

Projected Volume of Cargo in next three (3) years (2024 - -)

Revenue Earning	Year 1	Year 2	Year 3
1. Empty Container store Rent	55000	65000	75000
2. Empty Container both way haulage of above	27500	32500	37500
3. Export cargo stuffing with one way haulage (details in Annex -A)	13750	16250	18750
Total:	96250	113750	131250

Notes & Considerations:

Appendix A

- a) Empty storage rent @ Tk.90 per day 20 ft unit & @ Tk. 180 per day per 40 ft unit for 365 days.
- b) Empty haulage one way for above Tk. 1500/Per 20 ft unit & tk. 3000/per 40 ft unit.
- c) Export stuffing rate @ Tk. 6187 per 20 ft average.
- d) Above rates considered for all projected years.
- e) Insurance premium @ 1.5% per year considered for cargo value of Approx 10.00 crore against Fire, cyclone/Flood and Pilferage/Burglary.
- f) Overhead cost Tk. 1,50,00,000.00 per month for Electricity, stores, Tel/Fax, E-mail, Water etc in 1 year.