



# Navigate your tank container supply chain to success in India

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India is a rapidly growing economy with a long history of international trade. The tank container industry is an integral component of the India logistics industry.

Although we recognize that today's situation is highly complex and volatile. Adapting to the constant changes in the market is essential to navigate your tank container supply chain to success, it's therefore important to have the latest information and a flexible mindset.

It's our ambition to provide you with a good overview of challenges and root causes, which

will help you to better understand the situation. Once you better understand the situation, it will be easier to find the solution that meets your needs. Lastly, we want to highlight two major trends in our market and share our views and ambitions on sustainability and digitalization.

# Container shipping market

The tank container market is highly related to the container market. To say the least, the industry has been very dynamic lately. From 2020 until now we have faced multiple challenges that have resulted in congestions, delays and disruptions:

- Suez Canal got blocked (March 2021)
- Major port shut downs in China (.ie. Yantian port operating at 30% capacity)
- Lockdowns
- Schedule reliability dropped from 78.0% in 2019 to 63.9% in 2020, and then to 35.8% in 2021
- Further inland transportation problems in US related to
- Increasing fuel prices
- Vaccination mandates
- ILWU negotiations for labour contract early summer 2022
- And for 2023: Highly unknown impact from IMO2023 environmental regulation

Challenges any player in the industry is facing, so do we. After some unprecedented times a more positive outlook on the tank container market. The ITCO survey reveals that the global tank container fleet has reached 686,650 tank containers by 2021, a year-on-year growth of about 5,26%.

The global ISO tank container market is expected to grow at a CAGR of 7.2% in the forecast period of 2022-2027, driven by the continuous expansion of the seaborne trade in these containers, making it safer and faster to transport. There are over 230 operators of tank containers, ranging from very large global companies to relatively small niche and regional players. The 2022 report has not yet been published, but as you will see Stolt is among the large global companies. The operators account for 443,110 of the total tank containers.

The total fleet size is growing rapidly, we see incredibly strong demand across all geographies and sectors of the market driven by:

- Global volume flows of containerised traffic continue to grow at a steady 3.5%.
- A very strong growth in demand as cargo moves from unsustainable flexi bags back into tank containers, because of both the global dry box shortage and a renewed focus by containers on sustainable supply chains.
- Growth using petrochemicals in various industries of tank containers, but also boosted demand from developed countries. We believe that has to do with the low chances of leakage and greater volume per container.



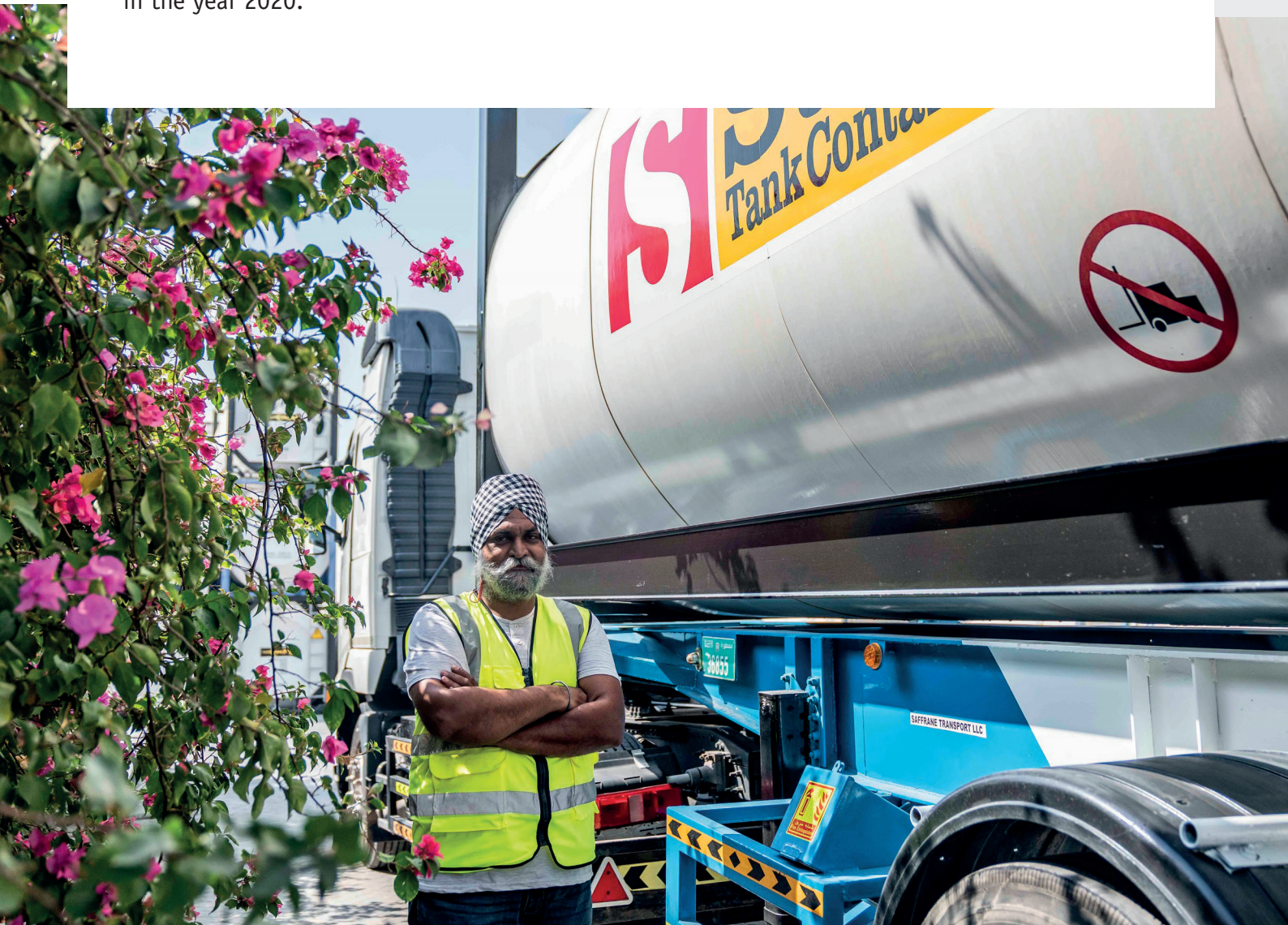
# Zooming in: India

The India Tank Container Market was worth US\$ 498 Mn. in 2020 and total revenue is expected to grow at a rate of 3.12 % CAGR from 2021 to 2027, reaching almost US \$ 636.76 Mn. in 2027. India has one of the biggest pharmaceutical industries worldwide & is one of the major three importers & exporters of medical goods. Big investments in drug development, manufacturing of various healthcare goods have been established creating new opportunities in the market.

Industrial transport dominated the application sector with a share of 56.6 percent by revenue in the year 2020.

Extensive usage of tank containers for shipping of industrial raw materials & factory-made goods like metals, minerals, oil, and gases, etc. are credited to the maximum share of the industrial transport sector in the year 2020.

Demand is vibrant and the economy growing. We recognize the opportunities and have invested in depots, local trucking and building strong relationships with our partners to ensure we can provide the best solution for your needs.





## Opportunities to improve your tank container supply chain

### Converting from parcel tankers to tank containers

- The chemicals trade to and from India is by and large targeted at short carbon chain materials sold to processors for treatment, blending, reacting, catalysing or fractionation in preparation for reexport or local consumption. The vast majority of this product is moved by medium range and parcel tankers in bulk. Products with discrete producer, buyers, specifications and volumes, easily shift into isotanks, as they can be delivered to a multitude of locations, more quickly and efficiently.

### Select a partner that meets your needs

- Vying for these flows of product are a wide range of operators, from the headline global operators, regional, local operators, numerous freight forwarders and small operators trading exclusively within the cross-trade region. There are even a few containership operators who have ventured into the retail market. With the best customer solution

coming from operators without geographic limitations on trade patterns, viability is directly proportional to the flexibility of the operator serving the customer.

### Sustainably cleaning

- With this agglomeration of options, in a competitive market, differentiation is frequently attributable to supplier sustainability. In the tank container business, the biggest and most important sustainability variable in this commodity service industry is the cleaning station. Keep this in mind when finding the right station.

### Cleaning stations

- To create an end-to-end solution, it's important to have your tank containers cleaned. Stolt is the only operator with multiple depots in both India and throughout the middle east with wholly owned cleaning stations.

# Prepare for the future

## Sustainability

- STC is committed to a cleaner more sustainable future. We have signed up to Clean Cargo, a sustainability leadership initiative dedicated to mitigating the environmental impact of global goods transportation and promoting responsible shipping.

We are also working towards achieving our target of using 50% renewable energy at our wholly owned depots by 2030 and we are exploring new green technologies and processes across all our operations.

## Digitization

- In an industry that's all about physical movement of goods, it's easy to forget the role digitisation plays in providing customer service. With the right digital tools, we can streamline the process of sharing information between our customers and vendors of transportation services.

Our customer portal, mySTC is unique within the tank container industry, providing our customers with the option of a fully online customer experience. Similarly, we have a vendor portal designed to streamline communications between STC and our transportation partners.

We see the future of the tank container industry as one where every piece of data is only entered once, then flows through the whole network between us, our customers, service operators, regulatory bodies, shipment recipients and every other relevant party.



We are working towards achieving our target of using 50% renewable energy at our wholly owned depots by 2030



# Stolt Tank Containers in India

With 30 plus years' experience in this market and Stolt's wholly owned company represented on both coasts. We offer our customers services and resources to ensure fast, efficient and cost effective logistics solutions, especially in today's challenging logistics environment. Transport, customs clearance, distribution, storage, and inventory management are possible, should you wish to add further value to their tank container offering.

Stolt is the only operator with multiple owned depots in India. We offer a truly end to end solution in the tank container industry.

We work with customers to better understand their needs, ability to forecast and execute upon those forecasts. Similarly, we strive to distribute our customer's requirements and needs transparently to our supplier partners, ultimately to execute supply chain solutions in the most agile, efficient, effective and predictably repeatable way possible.

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