



# vaarthha

**'VCT has natural Depth of 16.5 m alongside - The deepest amongst Indian Container Terminals'**

## Visakhapatnam to Kathmandu - The Success Track



The new era of Nepali trade began during the first rake movement to Nepal from Visakhapatnam in June 2017. Since then, Visakha Container Terminal (VCT) has become the “New & Modern Gateway of Nepal”. The new approach of handling the Nepalese trade with a seamless movement, transparency in the entire circuit, rake transit information from time to time, real time transmission of container tracking complemented with many other ‘ease of doing business’ methods have resulted in faster evacuation of the cargo via rakes. This has led to a drastic increase in Nepal traffic through Visakhapatnam port, with 14 rakes moving to ICD Birgunj every month.

Nepal Trade is looking at this as a stable product which will offer full visibility and predictable delivery of cargo. Shipping lines are taking full responsibility to deliver cargo at the door step of Nepal, thus eliminating detention and demurrage charges. The unique product has become very popular among Nepalese traders in a short span of time.

Considering the dramatic increase in cargo volume and all the attention the product has attracted, Nepal Intermodal Transport Development Board (NITDB) organised a trade meet on the subject of “Lowering Cost and Time of Nepal’s Foreign Trade and ensuring Predictable Supply from Visakhapatnam port” in Kathmandu on 30 April, 2018. Special delegates from Indian and Nepalese side participated in the meet to deliberate on success and gaps in the process.

Mr. Laxman Kumar Basnet, Executive Director of NITDB delivered the welcome address. He emphasised on the efficiency exhibited by Visakhapatnam Port in timely delivery of Nepalese cargo which ultimately reduces cost of Nepal Trade. Speaking on the occasion Mr. Himal Thapa, Trade facilitation Advisor to Govt. of Nepal, stressed on visible geographic differences between Kolkata and Visakhapatnam, but timely and efficient service at

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## Safe, Eco Friendly & Green Initiative Terminal : VCT



Elimination of man - machine interface, safe environment, effective productivity without compromising on quality is the axiom of VCT. The increasing container traffic at the terminal has prompted the authorities to undertake certain modifications in terms of personnel movement. It all began with the elimination of pedestrian at the main gate by erecting a foot over bridge. Considering that environment is equally important too besides the safety of employees, Solar Panels were installed in the terminal and the power generated through these units reduced the consumption of electricity.

2 LMVs of 8-seater each were deployed for the movement of personnel within the terminal. These were of the conventional TATA Magic make, diesel driven vehicles. In early 2018, battery operated electric vehicles were opted - environmental friendly model - Mahindra E- Supro, 8-seater vehicle was chosen for the purpose. These vehicles run on battery which can travel about 110 kms per charge. Interestingly, solar power takes care of the charging of these vehicles and therefore electricity usage or diesel consumption is eliminated. Much advantageous is that maintenance on engines, oil replacements, Co2 emission and noise pollution are ruled out thus keeping the environment safe and clean.

A further step towards the green initiative, a 4KW solar panel topped, vehicle parking was constructed for the 2 E- Supro vehicles. This plant generates all the power required for charging the batteries of the 2 vehicles, hence making it practically running only on solar energy. The green initiative is playing a vital role in moving the staff quickly as per their shifts keeping up the productivity. Lot more thought process is in pipeline at VCT, on how to use the Solar energy effectively to create a better eco-friendly environment and improvised operations.



## VISITORS AT VISAKHA CONTAINER TERMINAL



(Left) Mr. Mukthi Agarwal, Managing Director from Mahabir Overseas Pvt. Ltd., & Mr. Eswar Vardhan, Branch Manager from Transworld Group Visited on 30.03.2018



Investors from Dubai along with APEDB Representative Visited on 07.04.2018



Mr. M M Iqbal Ahmed, Deputy Managing Director from Marium Group, Visited on 20.04.2018



(Right) Mr. Debasish Mahapatra, Sr. Manager-Purchase (Middle) Mr. Nageswara Rao from Indian metals & ferro alloys Ltd., along with Mr. Sitaram from KR & Sons Pvt. Ltd., Visited on 21.04.2018



(Left) Mr. Absar Ali Khan, Director & His colleague from Jak Maritime & Logistics India Pvt. Ltd., Visited on 25.04.2018



(Right) Capt. Pankaj Mehrotra, CEO & Mr. Bobby Lawrence, General Manager from Samsara Shipping Pvt. Ltd Visited on 10.04.2018



(2<sup>nd</sup> from Left) Mr. Mike Chang, Operations Owners Rep. (3<sup>rd</sup> from Left) Mr. Roger Yu, Operations Owners Rep., (Left) Mr. Sandeep Choughule, Operation Dept. from Wan Hai Lines (India) Pvt. Ltd. & (Right) Capt. Jasbir Singh, Vice President- Group Operations from Omega Shipping Agencies Pvt. Ltd. Visited on 04.04.2018 to explore east bound market



(2<sup>nd</sup> from Left) Mr. Austin, Owners Representative (3<sup>rd</sup> from Left) Mr. Steven, Owners Representative from Wan Hai Lines (India) Pvt. Ltd. (Right) Mr. G. Daman Grover, Vice President-Commercial & (Left) Mr. Prasad, Branch Manager from Omega Shipping Agencies Pvt. Ltd., Visited on 19.04.2018 to understand and enhance the existing market share.



(Left) K.P. Unnikrishnan, Sr. Vice-President from J.M.Baxi & Co, (Middle) Mr. Sajith Nambodri, Regional Manager & (Right) Mr. M. Jagannath, Branch Incharge from Sima Marine (India) Pvt.Ltd., Visited on 12.04.2018



Mr. D.K. Sensharma, Chief Executive Officer from T.S. Lines (India) Pvt. Ltd., Visited on 20.04.2018





(3<sup>rd</sup> from Left) Mr. Evan Wang, Deputy Vice President, (2<sup>nd</sup> from Right) Mr. Arron Chiou, Chief Owners' Rep.-India, (2<sup>nd</sup> from Left) Mr. Ramesh Kumar, Operations Representative - India, from Interasia shipping lines India Pvt. Ltd., (Left) Mr. Lenny Abrao, Managing Director, (3<sup>rd</sup> from Left) Capt. Jasbir Singh - Group Vice President (Operations)& Mr. Prasad, Branch Manager from Aissa Maritime Pvt. Ltd. (Agents Interasia), Visited on 11.04.2018



(2<sup>nd</sup> from Right) Mr. Masaki Osawa, Managing Director, (Right) Mr. Ahmed Shaik, Branch Management, (Left) Mr. Sonu Sharma, Asst. Manager from ONE (Ocean Network Express) Line (India) Pvt. Ltd., Visited on 12.04.2018 to study the potential available in east bound sector and enhance their presence in Vizag.

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Vizag compensated for this distance disadvantage. He lauded Maersk Line for offering seamless transshipment service of cargo through Visakhapatnam port.

Commerce secretary Mr. Chandra Prakash Ghimire reassured traders on Govt. of Nepal's commitment to lower the cost of logistics by having proposed to include every possible means in both the Transit Treaty and RSA (Railway Service Agreement) during the last review.

Maersk Line's Public Relations Chief Mr. Julian Bevis, presented on how Maersk Line has brought in process efficiency to serve Nepalese customers by offering a combined B/L which covers multimodal transport logistics solution to third country import of Nepalese cargo. Presentation on volume graphs clearly indicated the visible increase in cargo both for Nepal as a whole and traffic handled in Visakhapatnam. Developing Vizag as an additional port, thus, becomes more pertinent when traffic is increasing in exponential manner and Nepal Trade need not rely on one gateway only.

Mr. M.T. Krishna Babu, Chairman of VPT, said that Visakhapatnam Port has become an ideal gateway for Nepal. Speaking on the challenges, he reassured the trade on quick evacuation and allayed fear on scarcity of rakes. He further suggested that Nepal exports also be routed through Visakhapatnam, thereby having two way movement which could reduce overall costs of railment. Taking the cue from the VPT Chairman, Mr. Yelvender Yadav, GM Concor reaffirmed Concor's commitment to seamless movement of cargo with a dedicated 8 rakes fleet. The meet was graced by Dy. Director of Nepal Rastra Bank, Mr. Chinta Mani Shiwakoti who explained the new process the bank is working on where the system would address the current problem of delay in confirming L/C. From the business community Mr. Shekhar Golcha, Senior Vice President of Federation of Nepalese Chamber of Commerce & Industry (FNCCI) said trade would automatically flow through Vizag as logistics cost can be made more effective here.

Visakhapatnam Port has proved beyond doubt as a viable additional transit point for Nepal Trade and more and more customers are now routing their shipments through this gateway.

## Cotton Exports To Increase

India is the largest producer of cotton that plays a vital role in the country's economy with 11% contribution towards exports earnings.

The Cotton production is more likely to be 40 million bales each of 170 kg in FY 17-18 with an estimate rise of 10-15 percent over 34.5 million bales in FY 16-17. Andhra Pradesh being a major contributor of cotton is expected to reach a mark of 10% increase in cotton exports during FY 17-18.

China has imposed tariffs on cotton imports from US. The trade war between China and US has opened gates to an incremental cotton exports from India. China's dependency on cotton is quite high and is indeed the largest consumer too. Complementing the situation, price of cotton in India is cheaper by 10% than any other coupled with low freight charges. There has been almost 19 percent jump in cotton exports from the time the imports tariffs were announced. As per the Cotton Association of India (CAI) Statistics in the past 10 days India has exported approximately 1.5 lakh bales of cotton to China which is expected to increase further. While exports to China is increasing, Pakistan on the other side are likely to emerge as a major buyer of Indian cotton as per the forecasts of experts.

The rise in cotton traffic towards China, Visakhapatnam plays a pivotal role for their exports through the "Ideal Gateway on the East Coast of India", Visakha Container Terminal (VCT) which is the closest terminal to the East Bound that is strategically located with 2 main line services that provide fastest connectivity to China every week. The terminal that has been serving the cotton export customers is all set and geared to handle the envisaged growth.



## Health, Safety @ VCT

### World Health Day:

The “World Health Day” is a global health awareness day celebrated every year on 7<sup>th</sup> of April. The World Health Day is held to mark World Health Organisation - WHO's founding, and is seen as an opportunity by the organization to draw worldwide attention to a subject of major importance to global health each year. This year's theme was - “Universal Health Coverage Everyone Everywhere”. As part of wellness programme and to mark the above event, a tug of war & tennikoit competition was conducted for employees and contract employees at VCT on 7 April, 2018 from 1530 hrs to 1730 hrs. The venue for the event - terminal premises was filled with cheer during the competitions. There has been maximum participation in the competition where the participants played their hearts out for the physical fitness activities that is required for maintaining a good health. On the same, awareness was also created through social networking sites and emails.



### Fire Service Week:

The National Fire Services Week is observed from 14<sup>th</sup> - 20<sup>th</sup> of April every year in remembrance of the lives lost in the devastating fire that erupted and the explosions that followed on 14 April, 1944. VCT observed this event by conducting various training programmes throughout the week. On 14 April, 2018, two minutes silence was observed during the Tool Box Talks conducted on the day. Prime concentration was given to train the VCT & contract employee in basic firefighting which can be helpful in case of any eventualities that may happen anywhere at any point of time.



## VCT CFS - Expertise in Cargo Handling

Visakhapatnam's hinterland is traditionally known as heavy cargo market among the shipping fraternity however that image is now slowly changing with light weight cargoes also developing on a large scale. In addition to the industrial cargoes, seasonal cargoes like Cotton, Chillies and Coir Fiber are also produced and exported from this rich hinterland. VCT CFS, after proving its mettle in handling the bulk and bagged cargoes is now witnessing the 40' cargoes more consistently and thus facilitating faster turn-around of 40' high cube units which otherwise would have found its way repositioned as empty to China or Korea at additional costs to the carrier. The generation of these cargoes in 40' containers has created the perfect match back for the imports that the CFS gets in this equipment type and has augured well to position itself as a CFS par excellence handling varied commodity types with ease.

