

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

Visakhapatnam Port Expanding Its Horizon



With the changes in the economic status of the country and various reforms associated with the businesses, new strategies are built to sustain the competitive world. Visakhapatnam Port Trust (VPT) is leading by an example in extending its support to this initiative.

The Major Port which is a century year old has currently a capacity to handle 90 million tonnes where its evolution continues as it takes up various capacity augmentation projects under PPP (Public Private Partnership) model to achieve the capacity of 120 million tonnes by 2016-17.

VPT has taken the initiative to expand its horizon in various others areas to cater to the needs of the trade. Port city's promising logistics connectivity by Rail, Road and Sea has been the engine of growth for the traffic it handles and riding on these strengths, VPT plans to set up ICDs (Inland Container Depot) at Hyderabad, Raipur and Jharsuguda. The city's connectivity to Telangana, Chhattisgarh and Odisha states has grown immensely over the years and perhaps the reason why VPT chose these locations for setting up the dry ports. Majority of the EXIM trade from these states are currently handled by Visakha Container Terminal (VCT). Hence this move would lead to substantial reduction in the logistics cost as the rail connectivity with the dry ports would fasten the evacuation of cargo and facilitate handling of larger parcels in one go.

An In-Principle consent was given by the Ministry of Shipping to acquire about 200 – 400 acres of land in each state to develop the facilities with infrastructure like – Railway siding, Customs bonding and Warehousing for efficient supply chain.

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Vessel Named After the City of Destiny (SSL Visakhapatnam)

SSL Visakhapatnam, a new Indian Registered vessel named after the Port City made its maiden voyage on 21st April, 2016 at Visakha Container Terminal. The vessel was flagged off by the Honourable Member of Parliament (Lok Sabha), Shri K Haribabu along with the Visakhapatnam Port Chairman Shri M T Krishna Babu, IAS, Principal Commissioner of Customs, Shri C Rajendiran, IRS, Deputy Chairman of Port Shri P L Haranadh, IRTS, CEO of Shreyas Shipping & Logistics Capt. V K Singh, CEO of Shreyas Relay Systems Shri S Varadarajan. There were many other officials and members of trade present at the event too.

Shreyas Shipping & Logistics who is a pioneer in coastal shipping has introduced their 9th Vessel in the PIX2 service, which covers east and west coast of India and calls Jebel Ali – Port of Dubai. SSL Visakhapatnam has a capacity to carry over 1600 TEUs with 192m LOA and 24000 Dead Weight Tonnage.

Honourable Member of Parliament expressed his pride in Visakhapatnam Port receiving a vessel named after the City and conveyed how its prominence has grown over the last decade in International Forum. He reckons the city has gained momentum post bifurcation of state and its International connectivity through sea and air has increased too. The logistics connectivity to the city and state's over 900 km coastline is the base for Vizag to turn into a Logistics Hub and to create the Port led development. He also emphasised that A.P being rich in agriculture, all the commodities that are grown here have immense export potential and the rapid industrialisation that is anticipated in the years to come would only further encourage such new services to be deployed from Vizag.



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VISITORS AT VISAKHA CONTAINER TERMINAL









partner in the service.









(Right) Mr. Hoon Park, Managing Director and Mr. Kyeongnam Jeong, Asst. Manager, Hanjin Shipping (I) Pvt. Ltd., visited on 07.04.2016. Hanjin Shipping has recently joined the main line service, CHX as a partner with two vessels deployment. With this, Hanjin is likely to increase its market share in Vizag significantly and offer unparalleled services to China & Far East directly.

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It is indeed a novel concept and would be the first in the country to establish port's own ICDs in other states. This will add value to the existing trade movement from Visakhapatnam. Hyderabad, Raipur and Jharsuguda being the primary hinterland of Visakhapatnam, this move of the port would augur well for the state of the art container terminal, VCT to strengthen its position as the preferred gateway on the east coast of India.

Coastal Shipping Evolution

Nation's establishment of transport network is essential for infrastructure development. Inadequacy of transport can put adverse effects on the development process. Despite continuous efforts made to augment various modes of transportation, barring railways and road, the transport sector has been exposed to various bottlenecks.

Today, the markets are driven by the logistics cost. Transportation cost has become a part of production cost of goods and services. Minimizing this cost can provide a substantial benefit to the economy. To fulfill this gap by way of coastal shipping, the new government's dream project Sagarmala aims to promote port-led development by exploring 14.500 km of potentially navigable new waterways. In the next 10 years, across all commodities coastal shipping volumes are expected to grow by 5-6 times of the current levels which would translate to the logistics costs saving of about 25,000 crore per annum. Besides this a large sum of investment is envisaged under Sagarmala project that would in turn create innumerable job opportunities too.

Commodities like Cement, Fertilizers, FoodGrains, Steel, Marble & Granite, Salt, Sugar, Automobiles and Tiles are already being carried across the coast. The developments in containerization have made it easy for many other cargoes to use the coastal shipping mode. Therefore, the focus is now growing on containerizing the cargo for movement through coastal shipping. India has an extensive network of rivers, lakes and canals, which if developed for shipping and navigation can provide resourceful inland connectivity.

Advantages of using coastal shipping

- Fuel consumption is less compared to rail, therefore environment friendly.
- Can handle large parcel sizes easily, whereas road and rail cannot handle heavy cargoes due to limitations in capacity and infrastructure.
- The cost of carriage of goods from coast to coast works out to be much cheaper when compared to road and rail.
- Considering the external costs involving accidents, noise pollution, air pollution, congestion and infrastructure burden, etc., coastal shipping has an edge over the other modes.

Evolution of coastal shipping has triggered the seamless movement of cargo within the country at a competitive cost.

There has been a big rise in the domestic cargo movement through coastal shipping since the time it was introduced due to its cost effectiveness and faster evacuation. It is evident in the case of Visakha Container Terminal (VCT) itself which has been witnessing a consistent growth in coastal movement connecting west to the east & south India, making Vizag the transhipment hub.



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Solar Power Plant - VPT

Visakhapatnam Port Trust (VPT) has commissioned a 10MW Solar Power Plant. It is the first among the 12 Major Ports in India to set up the Solar Power Plant investing about Rs. 60 Cr.

The project would produce around 150 Lakh Units of power and the surplus power would be shared with the Public-Private Partnership (PPP) operators. Jakson Engineers Limited has been awarded the contract for the project who would maintain the facility for 7 years.

VPT has also installed 100 KW Roof-Top Solar Power Plant at the Port Hospital. They are also exploring the feasibility for setting up a 500 KW Roof-Top Solar Power Plant at the Sports Complex too.



Vessel Named After the City of Destiny (SSL Visakhapatnam)

The Port Chairman said that the coastal movement in the country is on a rise however there is still more potential available on the East coast of India to tap the fullest. He mentioned that coastal shipping is cheaper by at least 25% than the road and rail transport. There has also been an increase in cargo movement between Visakhapatnam & Bangladesh which is more likely to rise going forward with the introduction of River Sea Vessels. He'd also expressed that the reduction in end-to-end logistics cost would increase the growth rate of the state as well as the nations'. He requested the trade to use Visakhapatnam as a Transshipment hub as it has all the natural advantages to be one.

Other dignitaries too expressed their gratitude for naming a vessel after the City and thanked Shreyas Shipping for their contribution in promoting Coastal Shipping. With the introduction of this new vessel in the service, VCT now has weekly connections from the West Cost and from Kolkata/Haldia to Vizag making it the transhipment hub.

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Coastal Shipping Evolution

There are various other projects that have been identified across the areas of port modernisation and new port development, port connectivity enhancement, port-led industrial development and coastal community development by the government that will complement the increase in coastal shipping in the years to come.

Fire Service Week-2016

The National Fire Services Week is observed from 14th-20th April every year in remembrance of the lives lost in the devastating fire that erupted and the explosions that followed on 14th April, 1944 when the freighter SS Fort Stikine carrying a mixed cargo of cotton bales, gold, explosives and ammunition of around 1,400 tons caught fire and was destroyed in two giant blasts, scattering debris, sinking surrounding ships and setting fire to the area killing around 800 people and injuring 3000 at the Victoria Dock in the Bombay Port. Around 66 brave firemen from Bombay Fire Brigade were killed on call of duty during the massive fire at Bombay Port then.

Various events and activities were conducted in VCT to mark National Fire Safety Week from 14th – 20th April 2016. As part of the programme the HSE team carried out fire safety checks inside the premises and provided "On the Go Training" to VCT and contract employees on basic



firefighting. A Fire Mela was organized in the terminal's Training Centre for creating awareness among VCT and contract employees on the availability and use of the fire equipment in VCT. Live fire drills were conducted as part of training for the fire wardens. A mock drill was also organized on fire scenarios. Key personnel of the terminal as per the onsite

emergency plan and the Fire and Rescue squad immediately reacted to control the mock situation using the firefighting equipment available in the premises. Other programmes included radio quiz and poster making competition.

"VCT - Safety is the utmost priority"

VCT CFS - Update

"VCT CFS nearing completion Empties storage commenced"

