



'VCT has natural Depth of 16 m alongside - The deepest amongst India Container Terminals'

THE YEAR SO FAR...



17 years of excellence passed for VCT since its inception with many challenges and successes. However, the year 2020 has been different to the entire world with effect of the global pandemic COVID 19. The year has taught many lessons to the world that lead the entire mankind to shift the lifestyle pattern for a better tomorrow.

Understanding the situation of COVID 19, the global pandemic, Visakha Container Terminal immediately got into action to ensure the customers' requirement was met where the communication continued through phones, mails, messages, WhatsApp etc. Moreover, meetings with the trade were conducted through virtual platforms. Likewise, the terminal staff were also asked to come in rotational shift to eliminate man-man interface while many others worked from home. VCT also ensured to be available 24x7 for the customers to give them the best service. Furthermore, constant communication with local, port and other government authorities continued to broadcast the information on the latest advisories.

Few initiatives taken at the terminal during the pandemic are as below.

- Posters / Signage placed in the terminal to spread awareness.
- Innovation - In house hands-free Sanitisers made
- Innovation – Steam facility made inhouse for sanitizing personnel in the terminal.
- The support of IT platform was taken exclusively to eliminate delays in service
- Online visitor management System – Visits only on approval basis

While the terminal ensured the safety and health of the staff consistently by following the global guidelines, the operations performance was equally handled efficiently. Thus, VCT continues to prove its mettle and the flag flies high like always - History re-written in terms of record volumes being clocked, new services added, improved vessel turnaround time, value added services to customers etc.

The year 2020 has been remarkable to VCT in certain aspects – Highest monthly throughput achieved that crossed over 46000 TEUs twice in the months of June & September. Yet another instance of highest reefer volume handled that was over 3400 TEUs in June. Not to forget the rail bound traffic that moved as high as 60 rakes been handled and volumes crossing 9100 TEUs mark. Thanks to the trade that has been supportive like always and this would not have been possible without our valued patrons' support. Few feathers have been added to the cap of VCT where MSC has introduced its own tonnage in the month of July that plies between Visakhapatnam & Colombo connecting the Mediterranean, Europe, US and Africa. Similarly, International Cargo Terminals (ICT) under the aegis of JM Baxi has deployed own rakes on the East Coast of India connecting the terminal and its hinterland. The first ICT rake moved from VCT on the 24th day of July 2020.

The operational performance has been consistent at the terminal with improved Vessel Turn Around time at an average of 21 hours per vessel. The truck turnaround time has dropped below 40 minutes thus showing greater efficiency in performance. The ship and crane productivity has also showcased growth by 10% and 5% respectively. Highest parcel size was handled on Vessel Varada: 3658 TEUs in the month of May 2020, surpassing November 2019 volumes of 3457 TEUs. Also handled highest reefer volume till date on single Vessel, TRF Kaya: 469 TEUs in October 2020.

With the trade returning to normalcy, the laden volumes are also increasing thus parcel size are moving up too. To handle the envisaged container traffic, VCT is moving at a greater pace for the expansion project completion of the terminal. The first phase of 100 m berth should be ready by end of February 2021, while the second phase in May 2021 followed by the expansion completion by October 2021. Post expansion the 0.6 million TEUs capacity terminal will become 1.3 million TEUs capacity where the next generation of ships with 12000 – 14000 TEUs capacity may call at Visakhapatnam.

Many more such successes are on the way to VCT where this would have always been a dream without the support of our customers. We would like to take this opportunity to **“Thank You”** for the continued patronage and best support. From VCT we also like to greet our customers:

“A Very Happy, Prosperous, Healthy & Safe New Year 2021.”

ANOTHER FEATHER IN VCT’S CAP – AWARD WINNER

Innovation with quality, effectiveness & efficiency continues to be the strength of VCT. Traditionally, VCT has been displaying innovation & excellence by using the in-house skills that are cost effective while still being efficient. During the tough times of COVID, VCT’s engineering team came up with “Touch Free Sanitisers”, Face Steam Inhalation Machine”, conversion of “Trash to Treasure”, etc. One more such innovation was that an old RTG running on diesel fuel has been converted into eRTG which is cost effective and environment friendly.

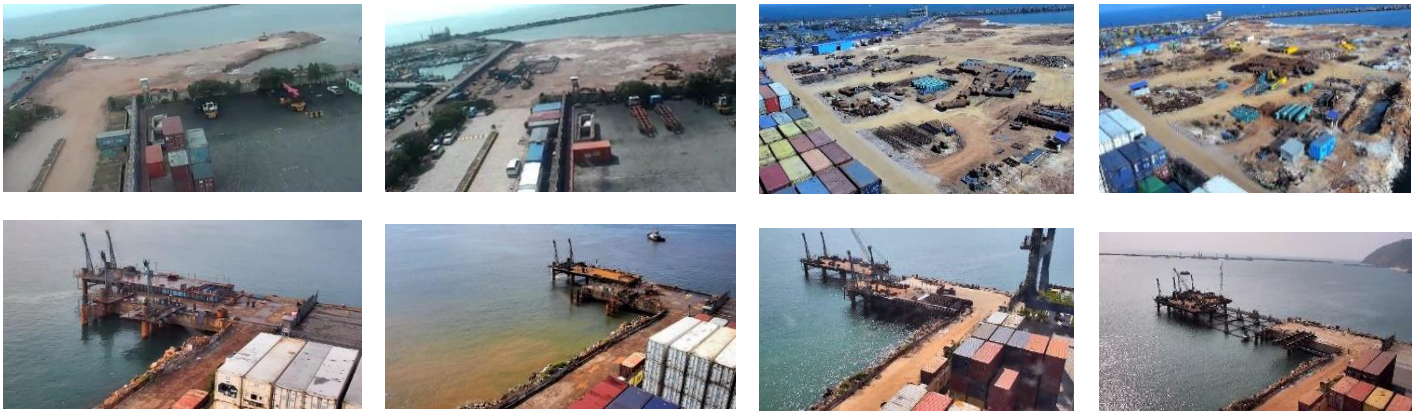
The 28 years old crane – diesel driven RTG was converted into electric RTG In-house to increase its efficiency and rate of utilization. The crane was less utilised earlier due to its low reliability and high fuel consumption etc. Initially, the RTG trial was done with a shore power supply to carry out maintenance activities and functional testing. Not stopping on the success, the team pursued the idea of conversion to eRTG. Feasibility study and trials were carried out with test load and on gantry / Trolley travel. During the process of trials there were challenges such as voltage drop while hoisting, power tripping, low hoist motor insulation, braking resistor issues etc. To overcome this, Old crane was installed with DC drive, inbuilt with choke arrangement suitable to suppress harmonics distortion.

Civil works, Fabrication and other requisite modifications on the crane, Cable laying and Power supply arrangements, Wiring, Programmed Tuning of Drives, and PLC Modifications were also done In-house. With an additional benefit of Less operating cost- Per box handling cost reduced by approx. 85%, Reduction in engine maintenance and components / lubricants replacement. Carbon emissions reduced drastically by 66%. Noise pollution and engine generated vibrations eliminated.

This has helped VCT to be at an outstanding position over the others thus achieved an award on the 20th National Supervisory Skill Competition conducted by Confederation of Indian Industry (SCALE Awards – Supply Chain And Logistics Excellence) through virtual platform on 10th December 2020.



VCT'S EXPANSION STATUS



First 100 m to be ready by February 2021 which will enhance the quay length to 550 meters by March 2021

BLOOMING SEAFOODS EXPORT

Sea food exports from Andhra Pradesh are increasing year on year. The impact of COVID 19 pandemic has not affected the marine products exports much. On the contrary, the terminal has handled highest reefer volumes in the month of June that crossed over 3400 TEUs. Marine Products Export Development Authority (MPEDA) is confident of increasing seafood exports from India mainly from Andhra Pradesh which has been pivotal in terms of generating high dollar value. Andhra Pradesh is prominent in terms of marine product exports especially via Visakhapatnam and in fact an important reefer hub because of its vast and 2nd longest coastline in the country. Indian Vannamee – white leg shrimp is an exotic species developed by aqua farmers which is very popular across other nations for its culinary taste and economical price. MPEDA is focusing on increasing exports by promoting aqua farms in Andhra Pradesh. In-order to provide proper and timely guidance to the aquaculture farmers a 24x7 toll free assistance is launched by the MPEDA.



Currently the seafood exports from Visakhapatnam are going into various countries that include major seafood markets like the US region being the highest importer followed by China, European Union, Japan, Vietnam and Thailand. Bulgaria, Hungary, Luxembourg and Belize are few of the other markets that has huge demand for frozen shrimp that have been in the radar of the marine product exporters.

India produced around 7, 47,111 MT of shrimps last year and contribution from the AP was around 68%. At present in AP there are 52,000 shrimp farms covering 75,000 hectares. Visakhapatnam is the major hub for export of seafood in reefer containers. Visakha Container Terminal with world class infrastructure is the Gateway to carry out these EXIM operations seamlessly.

PROMIENICE OF VIZAG IS ON THE RADAR – JAPAN’S INDUSTRIAL TOWNSHIP



Prominence of Visakhapatnam, the city of destiny is in increasing. The Financial capital of Andhra Pradesh has taken the 9th position in terms of richness and cleanliness. The port city is prominent because of the presence of major port and has been the pharma hub, reefer hub, IT hub etc. where the investors are eyeing to invest in.

In such a scenario, many more companies and industrial sectors are opting Visakhapatnam as an ideal hub for their production and EXIM activities thus enhancing the popularity of the city. Now the limelight is on a mega Japan Industrial Township (JIT) that is coming up at the city of destiny – Visakhapatnam. The industrial township will be spread over nearly 10 lakh square feet in one of the industrial nodes of the Visakhapatnam-Chennai Industrial Corridor (VCIC), India’s first coastal corridor as part of the East Coast Economic Corridor (ECEC).

The Government of Andhra Pradesh had already announced special incentive package for Japanese companies interested in setting up their plans and manufacturing units at JIT, special for the companies who are shifting their base from China along with their intermediary suppliers.

The new Industrial Township could generate new job opportunities in the coming days. A training center will be set up to provide training and employment to upcoming aspirants in the tyre manufacturing sector alone. Some companies like ATG Tyres of Yokohama group are functioning well in the state. The development of a Japan Industrial Township has been proposed along the Vizag - Chennai Industrial Corridor (VCIC), which will be developed in the first phase of the 2500 km long East Coast Economic Corridor, from Kolkata to Kanyakumari. Visakha Container Terminal will be an ideal terminal for the upcoming industries to carry their export & import activities in order to fulfill their demand and supply needs.



COTTON EXPORTS RISING

In the prevailing uncertainties there is good news for cotton exporters from India. India is one of the topmost suppliers of cotton to the Global markets. The international global trade advisory has estimated that global consumption of cotton in the FY 20-21 might close at 24.31 million bales where it was at 22.67 million bales last FY 19-20. As per the trade experts India's cotton exports could reach about 60-65 lakh bales (6.5 million bales) in the FY 2020-21 from 50 lakh bales in FY 19-20 showcasing a growth rate of 20%-30% which is slated to be 7 years high once it reaches 70 lakh bales (7 million bales). The main driver for this increased demand is the price and increased dollar rate. Indian cotton is the cheapest in the world at present. Indian cotton price is Rs.36, 456 per candy of 356 Kg which is the lowest.

The anticipation of the increase in volumes is dependent on factors like Government policy, availability of containers, India-China trade relations and prevailing global tensions. With the arrival of new crop, the prices and demand of masks and medical cotton products will increase both in domestic and international markets. Indian cotton is mainly exported to China, Bangladesh, Indonesia and Vietnam and the main rivals are United States and Brazil with limited stock and high global price while India has about 100 to 105 lakh bales inventory (10 million bales).

Indian Cotton cheapest in the world

Country	Quoted cotton price in cents (per pound)	Quoted cotton price converted into ₹* (Per candy of 356 kg)	Difference from ICE rate of 65.4 cents (As on Sep 23, 2020)
Australia	83.4	48,084.57	18.0
US	75.4	44,335.20	10.0
West Africa	73.4	43,159.20	8.0
Brazil	70.4	38,808.00	5.0
India	66.0	36,456.00	0.6

Source: Trade data *Exchange rate: \$=₹73.54

Visakha Container Terminal with its strategical location will be the preferable gateway for cotton exports to the Asian countries especially those moving from Guntur region of Andhra Pradesh and Khammam of Telangana state. Andhra Pradesh and Telangana stood amongst top 5 in India when it comes to cotton production. While Guntur can be connected by road to VCT the Khammam cargo can be connected via Hyderabad to VCT. The terminal with its expansion happening at greater pace is all set to handle this envisaged growth.

FRIENDLY CRICKET MATCH VCT XI VS DRM XI

On the 27th day of December, a Cricket match was organized between VCT XI & DRM XI of railways at Railway Stadium, Visakhapatnam. DRM won the toss and opted to bowl first, so VCT after batting first set a target of 177 runs on board for the opponents to achieve. Initially there were few hiccups from restricting the DRM XI team to score well due to their strong batting line up, later VCT as planned strategically managed to slow the runs down and took couple of quick wickets. The match eventually turned in favor of VCT, thus the team won by about 20 runs.



Both VCT XI and DRM XI had shown great sportive spirit and so winning or losing did not matter as the whole idea was to strengthen the relationship between the entities.

Kudos to team VCT and congratulations! once again for the wonderful win. The rolling trophy was handed over to the winning team. More such matches are planned in the future as well to strengthen relation between the terminal and the Shipping Fraternity.

