



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

## Sea Food Exports Continue to Grow



Sea Food export surge continues to be the bright spot in this dull phase. The State of Andhra Pradesh tops with its contribution of marine products exports at a range of 35%-37% where Visakhapatnam is the hub of the commodity with a share of ~26%.

The Marine Product Export Development Authority (MPEDA) confirmed that during FY 18-19 it had achieved a US dollar value of 2.43 billion with a set target of USD 7 billion for FY 19-20. By end of December the value of exports exceeded USD 5 billion and hence MPEDA are sure to meet the target and even surpass during this fiscal.

India exports to about 115 countries of sea food where USA is the major importer amongst all followed by China, Europe, Vietnam, Japan, Thailand, Bulgaria etc. Visakhapatnam has been the number one Port in terms of sea food exports in dollar value which is more likely to continue this fiscal as well. While Vannamei shrimp is the major product that gets exported from this region, yet another commodity Tuna Fish is witnessing more demand to Japan besides countries like Bulgaria, Ecuador and Tunisia as well.

The year on year growth of sea food at Visakhapatnam has been about 23% from the past 5 years and continues to grow steadily where Visakha Container Terminal in tandem has been upgrading its reefer infrastructure in anticipation of this growth.

## Visakhapatnam showcases better growth during April '19 -January '20



The 12 major ports handle about 60% of the total country's traffic. The major ports together recorded a marginal growth of 1.14 per cent in cargo volumes of about 586 million tons during the period April '19 - January '20 as per Indian Ports Association (IPA) statistics. Similarly, the containers growth recorded during the same period is at 2.65 per cent while Visakha Container Terminal (VCT) part of Visakhapatnam Port Trust (major port) has recorded a growth rate of 13% and will be crossing the 0.5 million TEUs mark throughput this fiscal year.

The better growth at VCT got registered because of various factors like burgeoning Local traffic, rail bound movement complemented with transshipment. Not to forget that ease of doing business concepts - eform 13, web portal access, pre-gate system, digital tracking system etc., have also played a pivotal role in the faster evacuation of containers from the terminal that created room to handle additional traffic. Yet another parameter that has been vital for the growth is the best safety standards complemented with efficient operations enhancing productivity in the terminal. With huge market potential available in the hinterland of Visakhapatnam, VCT is all set to handle incremental cargo with many more initiatives in pipeline and efficiencies improvised.

## The Rise of Logistics and Warehousing Sector

While the development of infrastructure is one of the key factors for the development of trade, the other aspect is the availability of logistics & warehousing facilities. With new policies getting implemented which are favourable to the trade has created room for larger logistics parks and warehousing facilities in the country. Visakhapatnam which is always in the radar of development has one of the large multi-modal logistics parks setup by CONCOR in a facility of 100 acres. Similarly, there are world class warehousing facilities too in few Container Freight Stations at Visakhapatnam. With many more new policies in pipeline there is huge potentiality of such facilities coming

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## VISITORS AT VISAKHA CONTAINER TERMINAL



(Middle) Mr. Ravi Nahata, Dy. Manager, (Right) Ms. Roopa, Asst. Manager & (Left) Mr. Krishna, Asst. Manager from Bharat Aluminum Co. Ltd., Visited on 04.02.2020



(2<sup>nd</sup> from Right) Capt. Avinash Chandra Batra, Executive Director, (Right) Capt. Somesh Chandra Batra, Executive Director, (Middle) Capt. S.B. Masumder, Executive Director, (2<sup>nd</sup> from Left) Mr. PS Arjun, Branch Manager, (Left) Mr. Ajay, Manager from Seahorse Ship Agencies, Visited on 04.02.2020



(Right) Mr. Prosenjit Datta, Regional Manager from DHL Logistics Pvt. Ltd., & Mr. Ramakrishna, Branch Manager from ICSA India Pvt. Ltd., Visited on 12.02.2020



(Left) Ms. Ishita Jain, Manager & (Right) Mr. Rahul, Manager & from Maersk Line India Pvt. Ltd., Visited on 12.02.2020



(Right) Ms. Heary Costa, GM, (Middle) Mr. Mohammed Nair, Asst. Manager & (Left) Mr. Venkatesh, Executive from Sea Hawk Lines Pvt. Ltd., Visited on 14.02.2020.



(Right) Mr. Madhav Reddy, GM, (Middle) Mr. Jengi Reddy, Manager & (Left) Vinod Kumar Reddy, In-Charge, from Sneha Farms Pvt. Ltd., Visited on 15.02.2020



(Left) Mr. Ramachandra Rao, Sr. Manager & (Right) Mr. Akhil Maharshi, Dy. Manager from Sarda Metals & Alloys Ltd., Visited on 15.02.2020



(Right) Mr. Rajesh, DGM, (Middle) Mr. Preman Kartha, AGM from Rastriya Ispat Nigam Ltd (RINL) & (Left) Mr. Binoy Chandra Roy, Jr. Officer from Balmer Lawrie & Co. Ltd., Visited on 17.02.2020



(2<sup>nd</sup> from Left) Mr. Krishan Baid, Finance, (2<sup>nd</sup> from Right) Mr. Vinit Mehta, Finance, (Left) Mr. Samir Padhi, Sr. Manager from Hindalco Industries Ltd., along with (Right) Mr. Arka Chakrabarty, DGM from Western Carriers Pvt Ltd., Visited on 17.02.2020



(Right) Mr. Acharya Rajesh Kumar, Manager (Bulk) & Mr. Aquib Jawed, Manager (Containers) from Vedanta Ltd., Visited on 18.02.2020





(Left) Mr. Srikant, Head- EXIM & Mr. Jaganath, Manager from Himadri Specialty Chemical Ltd., Visited on 25.02.2020



(Middle) Dr. Nigel H Wright, Director of Due Diligence - Environment Industry & Buildings, (Right) Mr. Alex Ruijs, Sr. Consultant & (Left) Ms. Ingrid Lambert MSc, Port & Coastal Project Engineer from Royal Haskoning DHV - London Visited on 26.02.2020

## The Rise of Logistics and Warehousing Sector

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up in the city of destiny which the investors are aiming considering the market size that can be tapped in the region. The set up of industrial corridors will promote the manufacturing clusters development as they get connected to ports and consumption hubs via multi-mode transportation like roads, railways and waterways.

Future economic activity is primarily focused on five emerging corridors where Visakhapatnam-Chennai Industrial Corridor (VCIC) is one amongst them. With the logistics and warehousing sector gaining prominence, the spotlight is on Visakhapatnam - Chennai that has emerged as a major logistics hub. As Visakhapatnam and its hinterland has been one of the prominent regions for trade and commerce in the country, it has evolved into a prime industrial hub for commodities like Ferro Alloys, Frozen Sea Food, Agri Products, Steel, Pharma etc. The City of destiny is very well connected by sea, road, rail & air that has invariably led to high demand for warehousing and logistics.

However, with initiatives like 'Make in India' pushing activity in the manufacturing, e-commerce and retail businesses, there will be more requirement for quality warehousing spaces and will further increase warehousing capacity across cities and reduce transaction costs for traders. Not to forget that the city of destiny has started witnessing movement of white goods too in a small scale that is expected to rise in the future where Visakhapatnam will become the ideal gateway for the container traffic of such cargoes through Visakha Container Terminal.

## CONCOR Spreads Wings Globally

While the Container Corporation of India (CONCOR) has aligned business in ICD, warehouse & multi-modal logistics park, they are now spreading wings into water movement. CONCOR plans to begin the first ever international operations from Visakhapatnam to Chittagong in Bangladesh to initiate the EXIM movement.

CONCOR has its presence in 28 port container terminals region and was confined to domestic service, however for the first time they have got the clearance from Bangladesh for international movement. The vessels are planned to get started at Visakhapatnam connecting Chittagong directly on once in 10 day's basis. The maiden voyage of the vessel is planned in the month of March 2020.

To complement the vessel movement and for further expansion, CONCOR has plans in place to set up multiple MMLPs across the country that would provide end-end logistics solutions. Visakha Container Terminal is all set and geared to handle the envisaged growth to/from Chittagong with the presence of world class infrastructure. Textile machinery, cotton bales, two wheelers etc., would be few commodities that are more likely to increase with the introduction of the service to Chittagong.



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## 24x7 customs clearance until May 2020

While the volumes are sluggish currently due to the impact of Corona virus from / to China which holds major share in overall EXIM traffic, there is every possibility that once the situation revives and the issue is under control the revamping of volumes will take place with more than the normal estimates. In such a scenario what is required is faster clearance and evacuation. As we know that China is one of key trading partners to India and trade has seen a dip recently due to the issue that arose unexpectedly.

Considering this fact, “The Central Board of Indirect Taxes and Customs” (CBIC) has asked Chief Commissioners (Customs & Central Tax) to work out an immediate arrangement where the service of EXIM clearances are done round the clock 24x7 until May 2020 where on need case to deploy additional staff as well at the seaports, airports, ICDs and CFSs so that they can be in a position to tackle any congestion / surge systematically.

This decision is taken as presently 24x7 service is available at designated seaports and airports only and they would want this to be implemented at all areas to avoid disruption of EXIM traffic. Even Central Revenues Control Laboratory (CRCL) labs would function 24x7 so that test results are available at the earliest. To bridge the trade gap, for smooth transit of cargo traffic, for an efficient bilateral trade major steps are taken by the government to boost the exports complemented with imports.



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## Friendly Cricket Match between VCT XI & DRM XI



On the 16<sup>th</sup> day of February, a Cricket match was organized between VCT XI & DRM XI at Visakhapatnam Railways Ground. VCT won the toss and chose to field as the strategy was to restrict the score as low as possible. As planned, the team was successful to restrict the score of Railways which was at 137/7 in 20 overs. Not to forget that DRM Mr. Chetan Kumar Srivastava (IRSEE), has showcased excellent skills who scored about 17 runs in the last over of the innings.

It was indeed a fair score and VCT planned strategically without losing early wickets where the team was able to reach the target within the stipulated time. In 18 overs VCT crossed the set target and reached the score 139/4 as the last ball went for a boundary. Both VCT and Railways team showed great sportive spirit and whether winning or losing did not matter as the whole idea is to strengthen relationship amongst them.

Kudos to team VCT and congratulations! once again for the wonderful win. The rolling trophy was handed over to the winning team by DRM to Mr. Anil Narayanan, Dy. COO, VCTPL. More such matches are planned in the future as well to strengthen relation between the terminal and railways.

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## ICD Birgunj – Record numbers through Vizag

Nepal bound imports via port city, Visakhapatnam is growing consistently where in August 2018, 46 rakes were handled which had been the highest then and there after 2019 had witnessed over 40 rakes month on month. In December 2019 the earlier record was broken with 47 rakes for the month. Within no time the record was re-written and in the month of February 50 rakes were handled which is the highest so far in the history of ICD Birgunj imports traffic via Visakhapatnam. The records are expected to tumble further with more shipping lines offering services to Nepal through the city of destiny, Visakhapatnam.

