

# Vaarthha

A Visakha Container Terminal Newsletter

Issue No. 3 / Vol13 / September 2015

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

## Korean Caravan 2015 held in Visakhapatnam, Andhra Pradesh

The annual event of Korea, which is organized by the Embassy of Republic of Korea in Delhi every year, was held at the port city for the first time on 22<sup>nd</sup> September, 2015 to promote direct engagement with the state government and its business community.

Republic of Korea Ambassador in India, Mr. Joongyu Lee led the delegation with about 50 representatives of leading corporates including Samsung, LG, Posco, Doosan and Hyundai. To strengthen the heritage and culture between the countries an all-day business event was organized in the city of destiny, Visakhapatnam.

On the lines of 'ease of doing business' it has been proposed that an exclusive Korea Desk would be set up in the city to facilitate investors and speed up the land allotment process. A.P has been ranked 2<sup>nd</sup> in ease of doing business among all other states by the World Bank on various parameters. It is also evident that Andhra Pradesh state is making a spectacular progress and is drawing attention of world to its performance. Korean industries have



developed expertise in various industries in India and are keen on investing in A.P especially at the city of destiny, Visakhapatnam.

Business opportunities in the sectors of infrastructure, manufacturing, information technology, electronics, tourism, hospitality, and also science & technology were discussed during the deliberations. Shipbuilding with mutual cooperation was one of the prime discussions as Hindustan Shipyard Limited is likely to sign an MoU with Hyundai Heavy Industries very soon.

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## Duty Free for 42.5% items traded between India & China



India trade deficit with China increased by 34 percent to USD 48.43 billion during 2014 - 15 from USD 36.21 billion in the previous fiscal. This concern was also voiced at the 7<sup>th</sup> BRICS (Brazil, Russia, India, China and South Africa) Academic forum.

To boost up the trade between the two countries both India and China have agreed to remove duties on about half the goods traded under the proposed Regional Comprehensive Economic Partnership (RCEP) pact. Initially on 42.5 percent of traded items the duties will be removed between India & China; however the items are yet to be decided. Eventually the same might get replicated to the ASEAN countries including Korea, New Zealand and Australia.

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## VISAKHA AT VISAKHA CONTAINER TERMINAL



Mr. Atul Srivastava, Asst. General Manager, Shreyas Relay Systems Ltd., visited on 01.09.2015



(2<sup>nd</sup> from left) Mr. Vakur Germiyanoglu, Vice President, MSC Mediterranean Shipping Company S.A., (3<sup>rd</sup> from left) Mr. Indrajit Sengupta, Sr. Vice President, (left) Mr. N. Krishna Kumar, Vice President, MSC Agency (India) Pvt. Ltd., Mr. Bobby Lawrence, General Manager, Samsara Shipping Pvt. Ltd., visited on 03.09.2015



Team from Seeds Intimate India Pvt. Ltd., along with K.S.R. Freight Forwarders (P) Ltd., visited on 05.09.2015



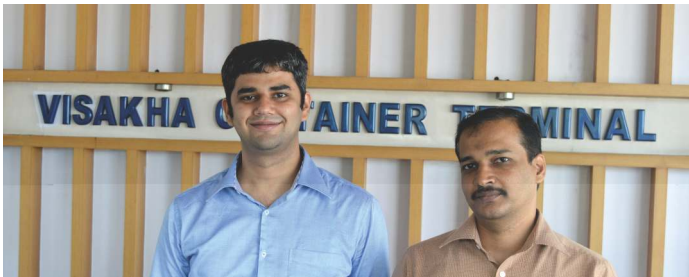
(From left) Mr. T Ganesh Kumar, Associate Manager, Vedanta Ltd., Mr. Ajith Sharma, Asst. Manager, India Infrastructure & Logistics Pvt. Ltd., Mr. Ramesh Venkat, Head of Commercial Retail, Mr. V Balaji, Regional Manager and Mr. Prafull Hegde, Asst. Manager, APL Logistics (India) Pvt. Ltd., visited on 07.09.2015



(Middle) Mr. Ravi Khandelwal, Executive Director-Marketing & Strategic Planning, (left) Mr. G. R. Seshagiri Rao, Sr. General Manager and Mr. K. Ramchandram, Sr. Supervisor (C&O), Container Corporation of India Ltd., visited on 07.09.2015



(Middle) Dr. Ansar Ali A, Dy. Director and his team from The Marine Products Export Development Authority, visited on: 10.09.2015



(Right) Mr. Sarajkumar Nair, Location Manager and Mr. Amit Erehan, Regional Customer Service Manager, Maersk Line India Pvt. Ltd., visited on 10.09.2015



(Middle) Mr. A. Balaji, Proprietor and team from ANR Traders, visited on 22.09.2015



(Right) Mr. V. G. Ramachandran, Sr. Manager-Ocean Freight Operations and Mr. Suresh P V, Dy. Manager-Ocean Freight, Yusen Logistics (India) Pvt. Ltd., visited on 22.09.2015



(From left) Mr. Siva B, Manager-Project Cargo Group, Mr. Natarajan. S, Asst. Manager, Air Imports and Mr. Narasimha Swamy Bada, Asst. Manager-Operations, Expeditors International (India) Pvt. Ltd., visited on 23.09.2015



## 2nd Pharma City Likely in North Andhra

Considering the fact that India is at 3<sup>rd</sup> position in terms of volumes and 12<sup>th</sup> in value, Pharmaceuticals and Chemicals import/export have been growing at a greater pace. Post bifurcation, the city of destiny has witnessed increased prominence and made its location ideal for more such trade.

There are several MNCs coming up at Visakhapatnam, Vizianagaram & Srikakulam, North Andhra which is expected to become a global destination. With the presence of Ramky Pharma city in about 2400 acres of land at Visakhapatnam, there are about 30 companies that are fully operational. Visakha Container Terminal is their ideal gateway for the cargo movement. The upcoming smart city, Visakhapatnam is attracting more investors to invest here and is poised to become the Pharma hub. The government is planning to set up this hub at Atchutapuram as the Jawaharlal Nehru Pharma City is running in full space occupancy already.

The land will be allotted to Pharmaceuticals Exports Council of India (PHARMEXCIL) in about 10 acres. European countries import 35% of Active Pharmaceutical Ingredients (APIs) from India. To cater to this demand, the new Pharma sector will play a



crucial role. Basis the potential available, the Bulk Drug Manufacturers Association (BDMA) has planned to grab the opportunity to import raw material and export the finished product through Visakha Container Terminal (VCT) at Visakhapatnam. Vizag is all set to witness the growth of Pharmaceuticals at a much greater rate in the near future and the resultant exports will witness a quantum leap in volumes.

## RINL plans to set up Steel plant in Odisha



RINL, the state of art steel plant in Visakhapatnam has decided to spread its wings to neighbouring states by announcing investment in 20% stake in mining Special Purpose Vehicle meant for proposed Ultra Mega Steel Plant in Odisha. In this direction, Odisha government has proposed to sign the MoU with the Rastriya Ispat Nigam Limited (RINL) to set up this mega steel facility in the mineral rich Keonjhar district. The Milita Kriyanustan Committee, Keonjhar, had earlier demanded a mega steel plant, a medical college, rail line and other facilities in this district. This

district has already been contributing a lot to the state's exchequer through mining activities. The steel plant coming up would be the answer for the committee's demand and more importantly, it does not have to grapple for key ingredient like Coal, Iron ore etc., due to the availability of natural resources in abundance in the district. The proposed steel plant will open the door for project imports of plant & machinery, refractories and other ancillary cargoes. Upon commissioning, the plant is expected to export finished products also. Visakha Container Terminal would be greatly benefited as the closest gateway port to cater to their export and import needs. VCT has already proved its mettle by handling cargo of steel plants in Odisha like JSL, JSPL and Bhushan Steel. This additional steel plant would now pave way for ancillary exports and imports too thereby contributing to incremental volumes to the shipping fraternity.

### Korean Caravan...

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Visakha Container Terminal (VCT) has been attracting substantial EXIM volumes from Korea with a weekly direct main line service. The ample opportunities available in and around Visakhapatnam are prompting more and more industries to set up their operations in this region and with Korean Caravan now looking at Vizag seriously, investments are expected to increase substantially.

## Lee Pharma to set up API facility in Vizag



Lee Pharma with its global presence over the years since 1997 has shown a phenomenal growth through product innovation, dedicated teams and timely implementation of the solutions. With this expertise the company is planning to set up an Active Pharmaceutical Ingredient (API) unit in Vizag with an estimated investment of Rs. 75 crore. The company's initial capital was Rs. 10 lakhs and emerged as a 200 crore midlevel pharma, now aiming to reach Rs. 500 crore mark.

The company has three units, out of which 2 are located in Hyderabad and one in Duvvada, Vizag. While the Vizag unit is a finished dosage facility, the Hyderabad unit manufactures API and pellets. To meet the demand supply requirement of the customers, the pharma company is

expanding its capacity and has taken 11 acres site in Atchutapuram industrial estate.

In the first phase of construction, the company intends to invest about Rs. 35 crore within the period of 12 months and the rest would be spent eventually. The construction is more likely to begin by November, 2015. The unit that would be set up in Atchutapuram will primarily concentrate on the exports of API manufacturing, chemical intermediates for different therapeutic categories with an approximate capacity of 480 - 500 tonnes per annum. At later stages, Lee Pharma intends to intensify their R & D activities to discover new processes for further development of the existing pharmaceuticals.

Visakhapatnam being the established reefer hub would make its position stronger with more and more such exports and imports in refrigerated containers. Visakha Container Terminal is already witnessing pharma imports and exports on a large scale. With this new facility coming up in the Special Economic Zone (SEZ), EXIM traffic in especially reefer containers from the state of art container terminal is expected to increase further.

## Right of way to pedestrian (Rarest of the rarest act by an ETV driver)



VCT takes immense pleasure in sharing a tremendous act of safety displayed by an external transport vehicle (ETV) driver at the terminal. On 25<sup>th</sup> August, 2015, **Mr. G Satish**, Driver of ETV, vehicle number - AP31 TU 2713 from Srivalli Shipping & Transports while approaching from the main

gate to the pedestrian crossover noticed that around 10 pedestrians were waiting to cross the road. He immediately stopped the vehicle and signaled them to proceed ahead. The pedestrians applied the pelican signal lights and crossed the road thereafter. The point to be noticed here is that he could have easily rushed through the crossover at main gate as the pelican signal was showing a green signal, but his safety consciousness and presence of mind made him perform such a highly appreciable act of safety. **Mr. G Satish** was invited to VCT along with Mr. YVRSS Shekharbabu, AGM Transportation and was duly felicitated for his noble act by senior management. He deserved an appreciation for his sincerity, dedication and attitude towards contributing to the safety culture of the terminal. This would definitely set a trend for others to inculcate the habit of behavioral safety as part of their duty.

## Duty Free ...

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This proposed pact would be a game changer and a great step forward for Make in India. Sourcing from China would cut down the expenses drastically on export products / produce for Indian goods to remain competitive. With the emphasis now on automation of processes & improvisation of existing processes, productivity could also be enhanced significantly and thus it is expected to offer a level playing field for Indian manufacturers on global arena.

State government of Andhra Pradesh is also looking forward to these new changes in the market. Visakha Container Terminal, being the closest port to the Malacca Straits, is an ideal gateway for trade between the countries related with RCEP. This change is expected to open up markets for new services and investments in the region. With most of the imports to Vizag being from the eastern countries, this move would augur well in enhancing the container volumes multifold.

VISAKHA CONTAINER TERMINAL

ISO 9001 : 2008, ISO 14001 : 2004, OHSAS 18001 : 2007, ISO 28000 : 2007 compliant company  
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