

Sugar Exports May Rise

India is one of the largest sugar producer in the World. Indian government has relaxed the quantitative restriction of 10 million tonnes on sugar exports and allowed shipments of an additional 1.2 million tonnes in the current marketing year ending September. In month of May '22 the Centre had decided to cap sugar exports at 10 million tonnes in the 2021-22 marketing year (October-September) to maintain domestic availability and price stability.

Sugar mills in India have already exported 10 million tonnes so far which is all time high in the marketing year. Looking at the international demand, increase in production & decrease in domestic demand government has allowed a further 1.2 million tonnes of sugar exports. Sugar exports stood at 7 million tonnes in the 2020-21 marketing year. Even after export of 11.2 million tonnes of sugar exports, 6 million tonnes closing stock is expected to be maintained.



Export of sugar to this extent would also help in earning foreign exchange and help in reducing trade deficit. This will enable mills to clear cane price dues of farmers which stood at around Rs 9,700 crore in the beginning of Aug '22. Moreover, the export policy for the 2022/23 season starting from October '22 is likely to be announced in September '22.

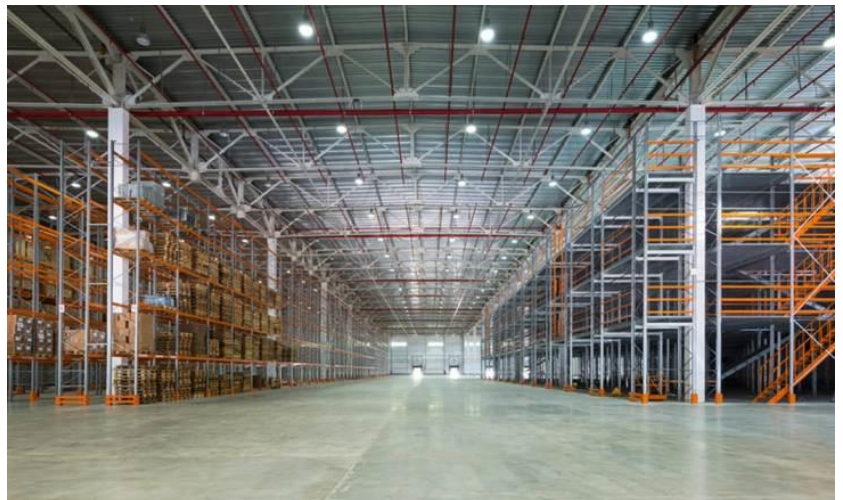
Visakha Container Terminal has been the ideal gateway of sugar export to countries like Jakarta, Indonesia, Vietnam, Sri Lanka etc. With the increase in international demand, the sugar factories within the hinterland of Visakhapatnam have increased their production as well. The envisaged growth in overall sugar exports is on the cards where VCT is all ready to support the trade with enhanced infrastructure already in place.

Boom In Warehouse Market In India

Demand for warehouses has seen a rapid growth in the recent years. In the year 2021 net absorption of warehouses in India was 39 million sq.ft. which is now 42.5 million sq.ft. in the year 2022. Due to increase in online purchases by the customers, demand for e-commerce has gained significant traction over the last few years., especially post pandemic.

The demand of commodities like Rice, Coir Fibre, Ores, Chillies, etc. for exports through Visakhapatnam is on a rise. To store the large quantities of both essential & nonessential commodities the requirement would be warehousing facilities complemented with better logistics service. Engineering and auto and ancillaries are the other main drivers of demand since manufacturing companies have been incentivized with favorable government policies to attract multinational companies (MNCs) as well as domestic investments. With this prospective growth, also came the requirement for stocking the inventory, paving the way for the requirement of warehousing and logistics solutions by the real estate sector.

The average sizes of Grade A warehouses have increased by 2 times to 160,000 sq ft in the second half of 2022 from 80,000 sq ft in 2016. There has been an evolution of the warehousing space in India. There is a shift from mere storage spaces to highly sophisticated warehousing management systems. This shift towards sophisticated, cutting-edge storage has resulted in a two-fold increase in



the average size of grade A warehouses in India. VCT CFS has recently set up a 30,000 sq ft fully covered warehouse for catering to the requirement of the EXIM trade thereby enhancing the total warehouse space to 85,000 sq ft.

The industrial and warehousing sector has recovered very sharply since the Covid 19 pandemic owing to India's favorable position given the changing global supply chain dynamics, strong government policies, and strong domestic demand. Visakhapatnam Port Authority (VPA) is all set to develop free trade warehousing zone. This area will be in 300 acres land near Lankelapalem hill. The area was levelled after carrying quarrying activities which will be used for free trade warehousing zone.

PPP Mode The Success Ladder @ Vizag

Public-private partnership is a long-term arrangement between government and private sector institutions. The advantages include access to private sector financing the projects, improving operational efficiency using private sector skills, better transparency, ease of doing business etc.

Visakhapatnam Port Authority (VPA) has hosted two-day conclave that focused on the 'Maritime Public Private Partnership – 2022'. This event was to celebrate the 25th anniversary of the first PPP project in the port sector set up in the country. Mr. Shripad Naik, Minister of State for Ports, Shipping and Waterways said, "private investments play an imperative role in the port-led development and taking the ensuing plans for commissioning projects under Sagarmala, inland waterways and smart port cities way forward".



The Union Minister highlighted four main issues of the existing PPP Model Concession Agreement (MCA). "They include levying accountability on the concessioning authority, need for flexibility in specifying minimum guaranteed cargo (MGC), sharing of project risks and absence of a grievance redressal mechanism,". Mr. Rama Mohana Rao, VPA Chairman said "So far, 86 projects worth

Rs.55,000 crore have been granted approval by the Central government under the PPP mode,".

VPA is striving to be a full-fledged landlord port within a few years. Currently, the port has six BoT/PPP terminals operating and four more PPP projects are under the pipeline this year. Visakha Container Terminal is one of the first PPP operators at Visakhapatnam Port Trust having commenced operation in the year 2003. Recently, VCT has enhanced the handling capacity from 0.6 million TEUs to 1.3 million TEUs with extension of the quay length from 450 m to 845.

Expansion Of Indian Textile Industry

The Indian textile and apparel industry is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry in India. The organized textile industry in India is characterized using capital-intensive technology for the mass production of textile products and includes spinning, weaving, processing, and apparel manufacturing.

India's textiles exports are set to cross \$ 40 billion in the current fiscal while the industry is valued at over \$100 billion. The Government is taking into consideration the various factors which can flourish the textile industry i.e. ensuring availability of efficient infrastructure, uninterrupted power and smoothening of labour laws at the Mega Textile Parks. The conclusion of FTAs with Canada, EU, UK, Israel and GCC countries will give a further impetus and boost to trade.

Visakha Container Terminal is well positioned for providing hassle free operations to the companies involved in export of garments & fabrics. The envisaged growth in overall garments & fabrics exports is on the cards where VCT is all ready to support the trade with hassle free operations round the clock.

VCT Team Joins In A Record-Breaking Beach Cleaning Campaign

The teams from Visakha Container Terminal and the Container Freight Station recently joined a Mega Beach Cleaning Campaign led by the Greater Visakhapatnam Municipal Corporation (GVMC) and internationally renowned NGO Parley for the Oceans. The drive took place from 6 AM to 8 AM in the morning, consisting of a record number of 22,000 volunteers, picking up plastic across a 28 kilometre stretch. The drive collected 76 tonnes of plastic waste and trash, overshadowing Israel's October 30, 2020 massive drive in which 18,000 people picked up 62 tonnes of garbage from beaches on the Mediterranean coast, the Sea of Galilee and the Red Sea. Sanitary gloves, T-shirts, drinking water facilities and trash bags were provided to the volunteers by the civic body, while medical teams were also on standby for any emergencies. The waste was segregated and handed over to the GVMC representatives for further processing.

Speaking on the drive, Anil Narayanan, the terminal head for Visakha Container Terminal said, "It was a privilege for us at J M Baxi, to be part of a mega drive that promotes action amongst stakeholders. Our businesses are centered around water bodies and that is where our teams can start making a big difference. Apart from that, it was a great feeling to be part of a communal activity where people from various backgrounds come together for a cause. We interacted with staff from several government departments, the police, naval officials, coast guards, local residents and NGO's."

Parley for the Oceans is a U.S.-based international NGO with global alliances aiming to end marine plastic pollution. The NGO is known for collaborating with international brand Adidas in the launch of a range of shoes made from reclaimed marine plastic waste.



Visitors @ VCTPL



(Second From Right) Mr. Cui Peng, MD (1st From Left) Mr. Zhang Jian, Comm GM along with Mr Pritam Manna & Mr. Hemant Kumar from COSCO Visited on 04.08.22



(From Left) Mr. Masaki Osawa, MD & Mr. Sonu Sharma from ONE Line Visited on 05.08.22



Team from Interasia Visited on 22.08.22



(From Left) Ms. Shobhna, Vennesa, Ms. Ronald Dsouza & Mr. Sunita Y Nawale from Yusen Logistics Visited on 26.08.22



(From Left) Mr. Arul Rex Prashant & Mr. Rahul Pushparajan from Maersk Visited on 18.08.22