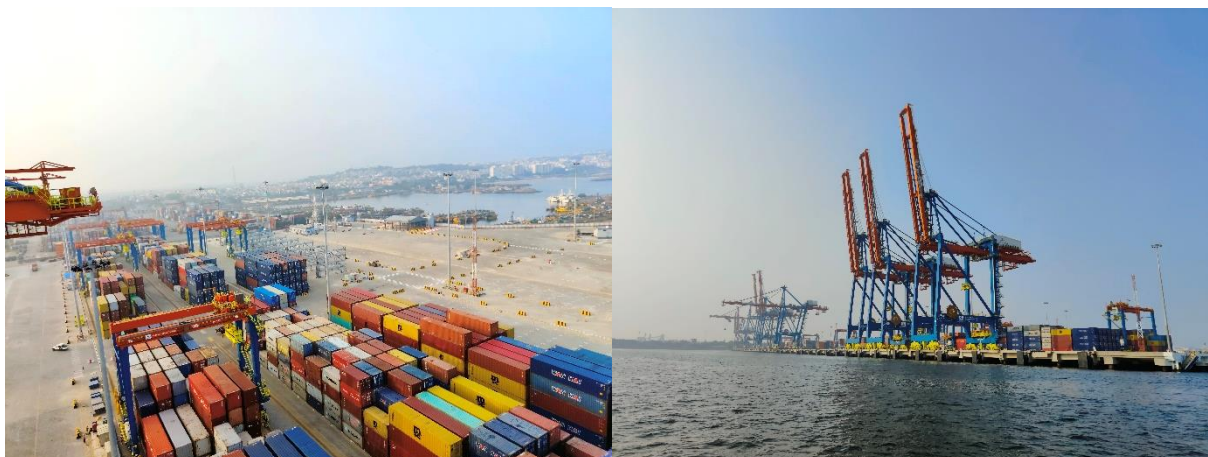




VCT2 Ready For Operations

The much-awaited terminal expansion of VCT is completed and the new terminal (T2) is fully geared and ready for operations. The current terminal (T1) berth is extended by another 395 metres thereby having a total quay length of 845 metres with a draft of 16.5 metres alongside. With the terminal expansion, handling capacity of VCT has now enhanced from 0.6 million TEUs to 1.3 million TEUS annually.

The Terminal (T2) is equipped with 3 Super Post Panamax Quay Cranes for handling vessel side operations. The Super Post Panamax Quay Cranes have an outreach to handle 22 containers across vessel and can also perform a twin lift laden container handling up to 65 tons under the spreader. The two terminals together will have 9 Quay Cranes for handling vessels.



In addition to this 9 electrically operated Rubber Tyred Gantry Cranes (e-RTGCs) are installed for yard operations. The e-RTGCs are more efficient with minimal maintenance requirement and thus help our thrust in being more environment friendly and reducing carbon footprint. The yard capacity also has been doubled with additional back up area ready for stacking containers.

With the 845-metre quay length being ready for operations, VCT can enable vessels berthing on arrival and cater to the requirement of additional vessel calls, volumes. The additional equipment deployed will be the key for quicker evacuation of containers complemented with efficiency of the cranes enabling faster turnaround time of vessels that would further give room for new services to call VCT. Visakhapatnam is the hub of reefer exports and to meet the ever-growing demand of reefer containers the number of plug points facility at the terminal have been increased by 300 where the overall reefer points would add up to 650 plugs.

With the draft of 16.5 metre alongside and super post panamax cranes available, VCT has the capability for handling large size container vessels. Visakhapatnam Port has already successfully carried out simulation for berthing vessels of 390 metres LOA. The terminal with additional infrastructure and capacities are ready for operation to serve the trade enabling berth on arrival and has also created room for new services to call VCT.

Maiden Rake – VCT To ICD Durgapur

Maiden container rake to ICD Durgapur was flagged off from VCT on 20.02.2022 in the presence of CONCOR, Wan Hai and VCT team. The rake operated by CONCOR carried 90 TEUs of Wan Hai which are destined to the customers in the hinterland. Furthermore, more containers are expected to arrive with CONCOR providing dedicated rakes in this circuit and has a good rail connectivity established between VCT and ICD Durgapur.



VCT is always ready to produce some new opportunities in-order to have seamless rail connectivity for catering to the need of our customers. Very soon VCT will be connected to several other ICDs which are in the pipeline.

We would take this opportunity and thank the Wan Hai and CONCOR teams for being part of this new initiative. Many more such rail bound movements are expected to move via VCT meeting the requirements of the trade.

India – US Bilateral Trade Touching New heights

The United States and India have shared interests in promoting global security, stability, and economic prosperity through trade, investment, and connectivity. The economic relations between India and the United States are strengthening day by day. During the period of year 2021, India - US bilateral goods trade crossed \$100 billion mark. India exported goods worth over \$73 billion and imported goods worth \$40 billion dollars. This is the highest trade ever between India & US in the history. There was almost 45% increase in the trade volumes as compared to CY 2020.

Due to COVID-19 pandemic and economic barriers / restrictions, trade fell drastically in the CY 2020. Year on year there was an increase in trade volumes between the two nations but due to the global pandemic there was a drop in volumes during the year 2020. However, there has been an increase during CY 21 reason being the demand rise in the US market. Another major driving factor is because of the trade war between US & China which opened doors for Indian market.

India's main export commodities to the US are precious and semi-precious stones, drugs and pharmaceuticals, petroleum products, cotton fabrics, garments, marine products, iron and steel products, electrical equipment and auto components. India's primary import from US is crude oil followed by pearls, coal, chemicals, gold, paper, and precious stones etc.



Recently, the US Government has approved imports of mangoes and pomegranate from India. While India is working with Australia, the UK, the European Union, Canada and the US to push through larger trade arrangements. Visakha Container Terminal (VCT) has already proved to be Ideal Gateway for EXIM traffic movement. With the new FTA in pipeline there are possibilities of many more EXIM activities to take place between these two countries. These developments will showcase new horizons for the development of trade where VCT would be ideal gateway having global connectivity and especially into the United States.

Modernize SEZs To Increase Exports

India is now ready to break the annual \$400 billion target for exports in the new financial year. The move to change laws governing the Special Economic Zones Act comes as a big boost for the sector. This transformative announcement will allow states to become partners in the Development of Enterprise and Service Hubs. The new law will enable optimum utilisation of all the vacant land and buildings in SEZs and industrial parks.

During the period of Apr – Dec 2021, exports from SEZ increased by 25% i.e., \$93 billion. Out of the 427 SEZs approved by Government of India, 267 are fully operational by end of June 2021. An amount of Rs.6.25 lakh crore has been invested in developing these SEZs which is source of employment for around 2.5 million people in India. The upcoming SEZ bill is expected to be more enterprise friendly. India is having a coastline of 7,517 km touching nine states. This coastline can be used to develop large hubs or industrial clusters near deep draft ports to enable goods to be sent out.



Firms may choose to be in tier-2 and tier-3 cities in the hinterland, to be able to cash in on labour costs and the relatively lower cost of living. If the new legislation is framed with these considerations in mind, labour-intensive exports in apparel, footwear, furniture can be encouraged in a big way. The thinking behind the new law is also to enable maximum utilisation of all the vacant land and buildings in SEZs and industrial parks.

There are plans in place to convert the SEZs into a plug-and-play industrial park ecosystem. As a result of pandemic, the Government is looking into possibilities of selling the SEZs products to the domestic markets by paying just an 'equalisation levy'. This levy would be smaller than the regular customs duty that SEZ units are currently directed to pay while supplying to the domestic tariff area. A lower duty would, no doubt, help boost sales. But it will neutralise the advantages that SEZs enjoy.

SEZs have played a significant role in economic enrichment of developing countries by improving international business. Visakhapatnam, rightly called the 'City of Destiny' is a major industrial center in the state of Andhra Pradesh. Several industrial units in the public and private sectors are located in Visakhapatnam. These include Oil Refinery, Steel, Fertilizer and Heavy Engineering to name a few. Visakhapatnam Special Economic Zone offers state of the art infrastructure coupled with liberal package of incentives, concessions and support services. VCT is an ideal hub to carry export and import activities of VSEZ. VCT is ready with expansion of its berth to meet the requirements of the upcoming activities at VSEZ.

Greenfield Road Corridor : Connecting Andhra Pradesh - Odisha - Chhattisgarh

More opportunities for the EXIM trade to flourish in the coming days. Previously JNPT was the EXIM hub for cargoes from Chhattisgarh. But after several years of hard work now the scenario has completely changed. 95% of Chhattisgarh's cargo is enrooted via VCT. In a press conference, Mr. Nitin Gadkari, Union Minister of Road Transport and Highways said that the ministry has awarded works to the tune of ₹15 lakh crore, including spending ₹2 lakh crore in Andhra Pradesh.

Visakhapatnam being centrally located on the East Coast of India; it would be the closest to the Eastern Countries in terms of sea distance thus facilitating faster transit. Overall, when both Sea and rail distances are combined, Visakhapatnam is closer to Delhi / Nagpur by 2.5 days & 3 days respectively. Furthermore, to boost the EXIM movement across all state borders catering to the needs of the consumers that would in turn rise the international cargo traffic the proposed Green Field Road Corridor between Vizag & Raipur will land up with seamless flow of road transportation. This will cut time and cost simultaneously.

Initiatives like this will play a vital role in facilitating more customers to transport their consignment through Rail. Visakha Container Terminal has been witnessing a huge surge in by-road transportation of cargo from Raipur to Vizag. Mr. Gadkari said "The Visakhapatnam-Raipur greenfield road corridor, being developed, would become a growth highway for the three States of Andhra Pradesh, Odisha and Chhattisgarh. Besides cutting travel time, it would also spur socioeconomic growth in the region. As many as 35 MMLPs would be developed across the country, including Visakhapatnam and another in Andhra Pradesh. A detailed project report would be ready in the next few months for these parks.

The new highway between Raipur and Vizag will cut the logistics cost below 10% which is presently around 30% - 40% which will make the retail market competitive and boost economic growth. VCT with its world class infrastructure and latest handling equipment is witnessing the increased in EXIM volumes. Currently the terminal has regular connectivity to ICD Jharsuguda, ICD Birgunj, various rail heads in Raipur, Jharsuguda and ICD Jajpur in Odisha. A dedicated greenfield road corridor will further boost up the trade activities connecting Andhra Pradesh – Odisha – Chhattisgarh.

Visitors @ VCT



Ms. Lakadaboina Saritha from Deccan Fine Chemicals Visited on 10.02.22



Mr. Ayush Keyal from Mortex India Ltd. Visited on 16.02.22



(Centre) Mr. Rajat Garg from Aviraj Agro Commodities Pvt. Ltd. & (Right) Mr. Ujjwal Chakravorty & (Left) Mr. Dharma Rao from UV Shipping & Logistics Visited on 18.02.22



(Centre) Mr. Brijesh Parekh - Director, (Right) Capt. Amarendra Mishra - Regional Manager (Left) Mr. Sandeep Bhagia - Company Representative from Parekh Group Visited on 23.02.2022