



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

Economic Prosperity Through Logistics



Confederation of Indian Industry

CII Andhra Pradesh organized the 2nd edition of Logistics Conference 2020 with a theme focusing on 'Economic Prosperity through Logistics' on 27 November 2020 through digital platform. The objective of the Conference was to create an ecosystem conducive for enhancing Logistic network, create opportunities and attract global players for setting up warehousing and distribution activities making Andhra Pradesh as a logistic hub on the East Coast of India. Shri D.Ramakrishna, Chairman, CII Andhra Pradesh presided the inaugural session.



The inaugural session was addressed by Shri Krishna B Kotak, Chairman, J M Baxi Group. He mentioned the importance of Indian Customs authority and the support from ports across India which had shown a strong positive attitude to ensure the EXIM operations went uninterrupted during the tough time of COVID 19. He highlighted the importance of logistics connectivity for the development of any country's economy. He emphasized on Resilience, Robust and Reliability as key factors for the flourishing of companies. He added "when it comes to the consumption pattern of Andhra Pradesh, 70% of its consumption is sourced from other states or countries, for which a strong logistics chain is a must; we need to change this and get AP the benefit through more local manufacturing.

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Accolade To VCT – Maritime Standard Award

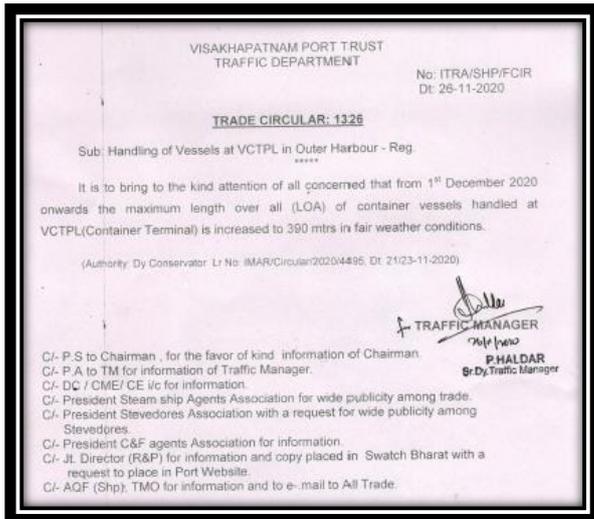


The seventh annual The Maritime Standard Awards was held on Monday 23rd November '2020 at The World Trade Centre, Dubai. The event celebrated the achievements of the top performers in the region's shipping and maritime sectors over the past year and in particular recognized the contribution of the industry as a critical service provider during the pandemic. TMS Awards are widely recognized as being the leading ceremony for the maritime sector in the Middle East and Subcontinent. Senior Executives from the worlds of shipping, ports, shipbuilding and repair and related sectors were present to witness the award ceremony.

Visakha Container Terminal was declared winner in the Safety and Security award category. This award recognizes the best safety practices and security improvement initiatives followed at Visakha Container Terminal.

Safety & Security has always been the utmost priority at Visakha Container Terminal where its mettle has been proved time and again. The award recognizes the best safety and security improvements introduced over the past years at the respective terminal. When it comes to safety or security, VCT never compromises but always takes a step forward to create a safe place to work to ensure all the workforce returns back home safely. Maintenance of safety and security at VCT is focused with continuous improvisations through various process improvement measures, innovations etc.

Hassle Free Port, VPT – A Gateway To Large Vessels



Erstwhile during the month of September, 2019, Visakhapatnam Port Trust (VPT) and M/S Force Technologies, Singapore conducted a simulation study with a view to explore the possibility of handling bigger size container vessels at the outer harbour followed by baby cape / cape sized vessels in the inner harbour. The Simulation study successfully demonstrated capacity of handling bigger container vessels of 390 meters length. These large vessels would generate opportunities to carry about 15000 TEUs per call considering the vast hinterland and potential what Visakhapatnam has.

Visakhapatnam being the natural harbour with depth of 16 meter draft will be ideal gateway to handle such big container vessels in all fair-weather conditions. The outcome of the Simulation Study is expected to be a game changer by enabling VPT handle bigger Container Vessels in

the Outer Harbour .The Port implemented the results of the study after imparting required training to the Pilots and increased the capacity of Tug Power. With this development, the entire scenario of cargo operations at VPT would change in the near future paving way for VPT to become a potential Container Transshipment Hub on the East Coast.

Good news to the trade and vessel operators is that from 1st of December 2020 onwards the maximum length overall (LOA) of container vessels that can be handled at VCTPL is increased to 390 mts from the earlier permissible LOA of 335 mts. This will help the vessel operators to bring vessels of larger capacity easily without any hassles to Visakhapatnam Port.

VCT – Berth Expansion

VCT's expansion of current yard capacity and extension of berth is being carried out in full swing. While the container terminal back up yard area would double from 0.6 million TEUs to ~ 1.5 million TEUs, the berth is being extended by another 395 m in length from current 450 meters. Post extension, VCT would have the largest container handling berth on the East Coast of India that would be about 850 meters linear quay. The berth extension construction and back up expansion work started early 2019 in March, however, there was a temporary stall of work in March 2020 due to the pandemic which got re-commenced in September 2020. Despite these challenges, VCT managed to restart the construction work where first phase of 100 meters extension shall be completed by February 2021 wherein a total quay length of 550 meters shall be available for berthing 2 vessels at a time. Vessel operations in the extended berth shall be handled with the existing 6 quay cranes already available at VCT. 3 new post panamax cranes along with 9 RTGCs are expected to arrive VCT by August' 21 before it is commissioned and made ready for operations by September 2021. The full project of 395 meters quay along with back up yard shall be completed by November 2021 by which time VCT would have a linear quay length of 845 meters. Upon the first 100 meters being available, VCT would be able to berth 2 vessels in tandem and this would also open up new window opportunities.



The capacity expansion would warrant new feeder services allowing transshipment traffic to kick off besides additional mainline services to cater to the burgeoning EXIM traffic from the hinterland of Visakhapatnam. VCT with all its inherent advantages in terms of marine parameters and proximity to the feeder ports on the upper Bay of Bengal will become the ideal gateway to handle transshipment volumes basis the commercial benefits offered by the Visakhapatnam Port Trust on Vessel Related Charges.

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He also mentioned that, now 22000 TEUs capacity vessels can easily berth at VCTPL with an increased LOA of 390 mts which reduces cost of ship owners to about 70% to 80%. He further emphasized that logistics and distribution centers are the key drivers for volumes. The need for free trade zones, warehouses and multi modal logistics parks are essential, he said.

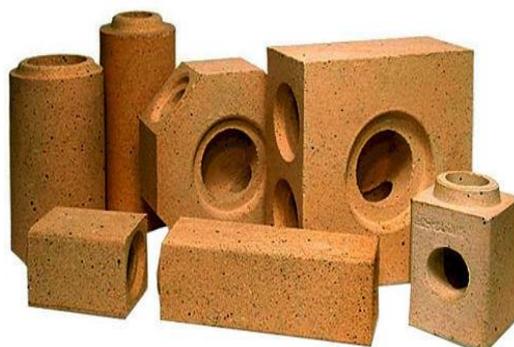
Shri R.Karikal Valaven, IAS, Special Chief Secretary, Industries and Commerce, Infrastructure and Investment pointed out that the State was endowed with good road and rail network and there was a need to focus on inland waterways to reduce logistics. Stating that the export sector was one of the priority areas of the government, he said that an export promotion policy was on the cards. He said that in an attempt to enhance the connectivity with the industrial clusters in the State, establishment of coastal shipping berths across the sea coast was being planned. Visakhapatnam Port Trust Chairman (VPT) K. Rama Mohan Rao highlighted various initiatives of the government such as Make in India, Atma Nirbhar Bharat and Sagar Mala project to drive growth in the logistics sector. He said that the Visakhapatnam port had taken measures for safe evacuation of goods in views of COVID-19 pandemic. Enhanced cargo handling system helped to avoid congestion at the port.

Mr. Naresh Penumaka, IRS, Chief Commissioner, Central Excise & Customs, Visakhapatnam state that Customs has taken several measures to ensure smooth flow of goods and services especially during the time of COVID pandemic. He mentioned that reduced paperwork and timely clearance of goods were achieved with several IT initiatives implemented by Customs. He mentioned that nodal officers have been appointed to ensure faster clearance of the goods at the ports.

Experts from Ports, Logistics service providers, Railways, Steel, Aluminum, Pharma, Food processing, Ware housing, Cold Chain, Information technology etc. spoke in the various technical sessions which was followed after inaugural session. They expressed their views and thoughts on the Port and Logistics sectors. The dignitaries highlighted the necessity of world class logistics capabilities in warehousing, importance of cold chains in logistics supply. There should be a proper end to end supply chain planning in-order to have reduced costs. Mr. Satish Lakkaraju, COO of Agility Logistics expressed that if the shipping fraternity join their hands together the opportunity to divert white good and fruit imports into Visakhapatnam is possible which are currently routed through neighboring ports. Furthermore, the role of technology in the logistics sector was also discussed in the conference which emphasized digital transformation, block chain technology in supply chain and port community system. Visakhapatnam is a perfect location on the east coast of India which is very well connected through Ocean, road, rail and air. These well established and developed connectivity will make Visakhapatnam a leading logistic hub on the East Coast of India where VCT will be the ideal gateway with world class infrastructure & best facilities complemented with continued innovation.

Indian Refractory Industry

The Refractories are in the form of bricks or monolithic where the demand of monolithic are replacing the conventional bricks because of its light weight and free join lining form with cost effectiveness. India uses around 28% of monolithic refractories whereas in Japan its 40 to 60 % which had high thermal resistance. The demand of refractory material is increasing in India as well with the growing construction opportunities.



The commodity is poised to grow in both imports and exports forms, especially the growing demand of monolithic refractories that are imported into India are raising. India has huge reserves of bauxite but of low quality therefore the raw material is mainly imported from China. New bauxite reserve is identified on the East Coast of India between Visakhapatnam and Jagdalpur on a stretch of 600 to 700 Kms. But due to environmental and social reasons the mining work is not yet started. Upon revival of mining policies which are more likely to be in favor of these mines would trigger more refractory exports from the ideal gateway Visakha Container Terminal. Currently from VCTPL, refractories are mainly imported from China and Europe whereas finished products are exported to Middle East, Europe and Mediterranean etc. Optimum utilization of available natural resource is essential to have cost competitive and export-oriented products. Such a cost advantage opportunity is available in the hinterland of Visakhapatnam. Odisha and Northern Andhra Pradesh already utilizing the services of VCT making it their preferred gateway and with the natural resources available in this region and increasing demand of product the terminal is all poised to witness the incremental EXIM traffic.

VISITORS AT VISAKHA CONTAINER TERMINAL



(2nd from right) Mr. N.Sreenivas, Vice President – RM & L and (2nd from left) Mr. V.V.N.Ravi Kiran – Aarti Steels Pvt. Ltd., along with delegates of EXIM Logistics visited the Terminal on Dt: 07.11.2020.



(From left) Mr. Prakash Gopa Kumar, Head – Port Operations & Mr. Aaqib Jawed – Lead Port Logistics – Vedanta Limited along with Mr.Rajesh Naik, AGM & Mr. Naresh Kumar, Sr. Consultant - IPRCL visited the Terminal on Dt: 07.11.2020.