

Vaarthha

A Visakha Container Terminal Newsletter

Issue No. 4 / Vol 14/ October 2016

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

Treaty of Trade & Transit - Nepal



Nepal Government Officials @ VCT

Visakha Container Terminal, under the aegis of *Visakhapatnam* Port has been chosen as an alternate gateway to Nepal for transport of goods, however there have been few pending issues that were posing as deterrents for this traffic to take off in full swing.

A Public Notice (PN) has been released by the *Commissionerate of Customs, Visakhapatnam* for Road & Rail movements. Post which, the rail operator CONCOR had also announced its tariff for the rail bound movements from *Visakhapatnam* to ICD Birgunj along with empty return. However allowing / authenticating L/Cs through *Visakhapatnam* was not notified by the Nepal Rashtira Bank. Besides this, *Jewel of East Coast - Visakhapatnam* was to be the new address for the Nepal Consulate General to oversee and facilitate the two way traffic through VCT.

Mr. Krishna Hari Pushkar, Minister (Economics) along with Mr. Krishna Prasad Dhakal, Acting Ambassador to India visited *VCT* recently and conveyed that Embassy of Nepal would be the office to consult for all Nepal bound shipments therefore affirming that a separate consul general office is not required.

The delegation post their visit to the port and the state of art container terminal reckons that *VCT* is the appropriate gateway for the Nepal cargo which is to be moved by rake from the terminal to ICD Birgunj directly and assured to take up with Commerce Ministry of Nepal for passing the notification on new L/Cs to be opened through *Visakhapatnam*.

The trade in Nepal has been eagerly waiting to commence their third country imports through the *city of destiny, Visakhapatnam* which is only a couple of steps away from turning to reality now.

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Ferro Alloys on Rise



Visakha Container Terminal the ideal gateway for major Exports of Ferro Alloys manufactured in the Eastern India has once again started showing a positive trend.

Industries that stood tall during the hike in raw-material prices and other macro-economical factors are being supported by the State Government of Andhra Pradesh. The recent decision to offer rebate in power bill to all the Ferro Alloy manufacturing units was lauded by the Industrialists. Rebate of Rs. 1.50 per unit is supposedly one-third of the previous bill.

Ferro Alloys, a basic ingredient in steel production faced challenges when power tariffs became non-viable to continue production. Evidently, *Visakhapatnam* which is adored as the hub of Ferro alloys movement witnessed about 20% drop in volume. Factors like squeeze in international price coupled with increase in input cost forced almost 28 units to shut their manufacturing activities in the state and some of them scaled down production out of the total 34 manufacturing units in the state. The impact was very hard for related industries in transportation, shipping and ports.

Welcoming the decision, many of the closed units started taking revival work. Of 34 units, 22 are now brimming with activity. The sector is getting into the positive mode because of increased demand at both domestic and international levels.

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VISITORS AT VISAKHA CONTAINER TERMINAL

(Left) Mr. Krishna Hari Pushkar, Minister-Economic, Mr. & Mrs. Krishna Prasad Dhakal, Charge d'Affaires a.i./Minister, Embassy of Nepal, visited on 03.10.2016



(Left) Mr. Bilas Mukherjee, Manager, Equipment and Logistics, MSC Agency (India) Pvt. Ltd., and Mr. P. Robert Sundar, Asst. Manager, Samsara Shipping, visited on 19.10.2016

(Right) Mr. S. Sankaran, Sr. Vice President and Mr. Govind Babji, Dy. Manager, K Steamship Agencies (P) Ltd., visited on 20.10.2016



Students from Noble Institute of Science and Technology, visited on 25.10.2016

(From right) Mr. Viral Desai, Regional Sales Director-South Asia, Mr. V. Balaji, Regional Manager ILS-South India and Mr. Animesh Kumar, Director-Sales & Marketing-India, APL Logistics (India) Pvt. Ltd., visited on 26.10.2016



Creamline Dairy @ Port City



Creamline Dairy Products Limited (CDPL), a subsidiary of M/s Godrej Agrovet Limited, is a leading private dairy player in South India. Their products are sold under the brand name - 'JERSEY'.

CDPL has a processing capacity of about 10 Lakh litres per day and over a 100 collection centers spanning operations across Andhra Pradesh, Telangana, Tamil Nadu, Karnataka and Nagpur in Maharashtra with 7 plants. The company is now setting up a new plant in [Visakhapatnam](#) with an investment of Rs. 30 Crore. The plant production is more likely to commence in a month's time and completion of the project is expected to be within 9 months.

Company comprises 42 Milk Chilling centers, 84 Bulk Milk Cooling Units, 6 composite dairy plants along with the state of art milk powder plant. It already has a certification from Export Inspection Agency (EIA) qualifying "JERSEY" products to Export. The new facility shall produce 'Skimmed Milk' covering a new hinterland - Odisha & Jharkhand. [Visakhapatnam](#) being the [Port City](#) has been chosen as the hub to distribute their products across the Eastern & Central India and this would also open new opportunities to Export globally and move the Milk & Milk Products via Coastal ships too.

Creamline firm expects to close 2015-16 records with more than Rs. 1,000 crore in sales and has plans to double revenue with in the next three-four years.

VCT is all geared to handle the incremental volumes and would be the ideal gateway for Milk & Milk Products export.



North Andhra – Growth Engine of GDP



Sri. S.P. Tucker, Chief Secretary - Govt. of Andhra Pradesh addressing the Stakeholders

The sunrise state, Andhra Pradesh which has been in news post its bifurcation recorded the highest growth rate of 10.99% last year and closed at 12.26% during the first financial quarter.

The state is now aiming to close at 15% by the end of this year, according to Sri. Satya Prakash Tucker, Chief Secretary - Government of Andhra Pradesh. Mr. Tucker who interacted with district officials and many industrialists from North AP region (Visakhapatnam, Srikakulam, Vizianagaram, East-Godavari) during a conference organized by CII in the name of - 'Stakeholders Interactive Session on Accelerating Industrial Growth'. Issues related to Electricity, Water, Pollution, Fire & Safety, Land, Labour Act, Taxation, Road Infrastructure & Health-Care were deliberated upon.

Chief Secretary reckons that the Industrial Growth especially in Northern Andhra Pradesh would be even faster than what is envisaged for A.P. itself. The state which signed up MoUs with various organizations in several industries earlier this year with an investment of approximately Rs. 50,000 Cr., is keen on handling the challenges and implementing the projects at the earliest.

The agenda of the meeting therefore was to address all the pending issues & grievances of the industries that had inked the agreements early this year and conceptualise the memorandum of understandings (MoUs) in the next few months' time. In the reign of Ease of doing business, Government of Andhra Pradesh (GoAP) is establishing a



Stakeholders at the Interactive Session

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Treaty of Trade & Transit - Nepal

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With the deepest natural draft, *Visakha Container Terminal* which is well connected to both East & West bound countries has the potential to handle the complete container cargo movement of Nepal. *Visakhapatnam* also being the closest to Malacca Straits would be the ideal gateway for all the East Bound imports into Nepal.

Ferro Alloys on Rise

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The proactive step of AP Govt. to restore competitiveness of Indian Ferro Alloys manufacturing units is indeed commendable. The Ferro Alloys exports glory that once went into sluggish state for a while is now coming back to its normal stature and expected to grow more with *VCT* being ready to handle these exports as efficiently as always.

North Andhra – Growth Engine of GDP

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Control Centre at every revenue divisional office to ensure the 60,000 pending files along with 7 Lakh grievances are cleared and resolved within 6 months' time. Revenue Officers are being uplifted with more power & responsibility on par with district collectors to take dynamic decision regarding payments & permissions. A land of 150,771 acres in the Northern AP is identified for Industrial use with which the GoAP is contemplating to enlarge the Industrial sector that could provide 50,000 jobs by March next year.

AP is known as the Rice-Bowl of India, however the agricultural production of the state is a mere 16% and therefore a lot of focus is laid on the development of this segment besides other industries. The Industries that are concerned with the cash deposit for Power Connection, GoAP has reformed to allow Bank Guarantee to generate more working capital. Many such reforms and restructuring of policies are being contemplated to encourage new industries.

The thrust is now on revamping the whole administration of the Government at the regional level and decide on reforms as suggested by various stakeholders across the state. The next review meeting is slated to be held in the port city on November 15.

The developments in the working culture of the state government and the ease of doing business would be the driving factors for the establishment of new industries thereby providing the impetus for the 15% growth envisaged.

Night Mock Drill

Safety has always been the top priority at *VCT*. For the first time a night mock drill was conducted within the terminal premises to check the emergency preparedness and response time of the *VCT* employees especially the Fire Rescue Squad (FRS) team. This was done on 29 September, 2016 during 0323 hrs IST.

The scenario was eruption of flames out of the transformer triggered by a short circuit that spread across the nearby area adjacent to UMD yard. Secondary team of FRS as per onsite emergency plan was assigned the task of tackling the fire emergency.



Planning & Preparation for Mock Drill



Implementation of Emergency Drill

The members of the primary team were also called to report back to the terminal to extend support to the secondary team. All the primary team members reported within the time and the reaction of FRS team during the "C" shift to tackle the fire emergency was relatively good and well within the desired targets set.

The observations made during the Mock drill are being attended to ensure more effective response during the regular drills which would be conducted more frequently henceforth.

