

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

## NEW ERA OF INDO-BANGLADESH RELATIONS

The India-Bangladesh relationship does carry strong historical and cultural overtones, but both sides also realize the immense benefits of a strong relationship. The relationship has certainly witnessed a significant upswing recently with two leaders from both these nations gearing up to forge trade partnership in cotton trade, building material, garments and others. Now the total bilateral trade is \$7 billion which two visionary leaders want to take up to \$10 billion by 2018. The other point that will strengthen the relationship is the fact that both countries are keen to enhance connectivity not just between them, but also with other countries in South Asia. Apart from the SAARC region, Bangladesh is an important conduit for India's Act East Policy which has led both leaders to propose development on connectivity which will facilitate least transportation costs between both the countries.



VCT team's interaction with Chairman CPA

This rapid growth in bilateral trade between India and Bangladesh has led to congestion on the road at the borders and at the Land Custom Stations/Integrated Check Posts. These impediments in movement of cargo have resulted in increased transportation costs for the EXIM fraternity. Therefore in a bid to promote Coastal Shipping both these nations signed the standard operating procedure to operationalize the "Agreement on Coastal Shipping" recently. The two sides have also identified the vessels of River Sea Vessel (RSV) category for Indo-Bangladesh coastal shipping to reduce the overall transaction costs and enhance the bilateral trade between the two countries. The SOP also contains provisions which stipulate that India and Bangladesh shall render same treatment to the other country's vessels as it would have done to its national vessels used in international sea transportation.

In line with Government's vision of partnering Bangladesh under coastal shipping arrangement, Visakha Container Terminal is the first terminal operator on the east coast of India to take the initiative of promoting the RSV service between Visakhapatnam and Bangladesh. In this connection, a delegation from the terminal visited Bangladesh for the Cotton Fest to showcase the infrastructure and the natural advantages the state of the art facility has. The delegation from both India and Bangladesh were very much impressed with the global connectivity the port offers and more importantly its strategic location in terms of the proximity to the cargo origins especially cotton belt and to Bangladesh ports itself. Many of the stakeholders expressed their interest in using the facility for their EXIM movements as and when the service commences from Vizag.

The terminal team also visited Chittagong Port and Inland Cargo Terminal, Pangaon in the outskirts of Dhaka, which would eventually become the business partners once the RSV service establishes. Pleasantries were exchanged between VCT and Chittagong Port Authority during the former's visit to the facility. Various discussions were held with the Chairman of Chittagong port on synergizing partnership between Visakhapatnam Port (VPT) & Chittagong Port Authority (CPA) which was well received and acknowledged with the assurance of taking these initiatives to the next level mutually.



Inaugural session: Bangladesh - India Cotton Fest 2016

### Bangladesh - India Cotton Fest 2016

Cotton is a very important agri based commodity which is used for making yarn and fabric. The Fabric is used to make clothes. Although cultivated since antiquity, it was the invention of the cotton gin that lowered the cost of production that led to its widespread use. It is the most widely used natural fiber cloth in garment manufacture today. World cotton trade for 2016 is estimated at 35.8 million bales, down from 36.1 million bales in 2015. The United States is expected to capture approximately 29% of world trade by exporting 10.2 million bales in the upcoming year. The increase in U.S. exports is a result of less competition from other major exporting countries, including Brazil, India, and others.

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## VISITORS AT VISAKHA CONTAINER TERMINAL



(From right) Mr. Marutha Bharathi R B, Head-Network Logistics, Equipment & Process Excellence, Mr. Nishant Joshi, Manager- Process Excellence and Network Logistics, Mr. Praful Raorane, Manager- Network Logistics and Mr. P. Venkatesh, General Manager, APL (India) Pvt. Ltd., visited on 03.03.2016



(From Right) Mr. Durga Prasad Padhy, Dy. General Manager, Mr. N V S N Kumar, Manager, Indian Metals & Ferro Alloys Ltd and Mr. V. Sudarshan, General Manager, K. Ramabrahmam & Sons Pvt. Ltd., visited on 04.03.2016



(Right) Mr. Venkat Suresh, Asst. Manager, Maha Cement and Mr. Nageswara Rao, Branch Manager, Shreyas Relay systems Ltd., visited on 11.03.2016



(From Right) Mr. Parminder Kaila, Branch Manager, Mr. Vijay Varma, Asst. Manager, DHL Logistics Pvt. Ltd., Mr. Satya Sagar Seetamraju, Director and other representatives, Shirdi Sai Shipping Pvt. Ltd., visited on 15.03.2016



Capt. Atul Singh, Chief Executive Officer, Continental Multimodal Terminals Ltd., visited on 21.03.2016



Delegates from Ishihara Techno Corporation and team, Japan, visited on 23.03.2016



(From left) Mr. G.Y. Dupate, Branch Manager, Mr. Ajesh Aravind, Marketing Manager and Mr. Suresh, PEC Ltd., visited on 23.03.2016



(2nd from right) Mr. P. Gopala Krishna, Executive Vice President, (Middle) Ms. K Chandrika, Dy. Manager-Commercial and other representatives, Coromandel International Ltd and (extreme right) Mr. Jyothi, Manager, Srivalli Shipping, visited on 23.03.2016





Evergreen delegates from Taipei visited VCT on 30.03.2016 to analyse their performance on the weekly CCG service connecting Vizag, Colombo, Dubai and Sohar. Also to explore the possibilities of enhancing their imports into Vizag. Evergreen with their vessel deployment in the service is providing unparalleled connectivity to the West Bound sector and are now planning to expand in East Bound sector too.

## VCT SURVEY – EXPERT OPINION FROM RAILWAYS

### Introduction

The global containerisation is on the rise and India is also catching up fast in this segment with the government actively promoting manufacturing sectors by way of “Make in India” campaigns. These initiatives are providing the right impetus for the port led development and it is anticipated that by 2020 the containerisation levels in India would be well over 70% of the total cargo available. As various sectors are involved for the movement of containers through different modes of transportation, VCT intended to understand the business holistically from all stake holders. As a first step towards it, VCT came up with a generic survey poll on container rail movements at Visakhapatnam. During their visit to the terminal, the Senior DOM, Mr. Kishore, IRTS along with CONCOR Sr. GM, Mr. Seshagiri Rao were requested to share their expert opinion on rail bound traffic through VCT, some of the excerpts are shared below:

### What is your opinion about Visakha Container Terminal?

- ❖ Modern terminal advanced facilities having safety norms with all international standards.
- ❖ Facilities like ballast-less tracks.
- ❖ Adequate capacity for handling containers in record time from vessels and trains. But still lot of potential to be tapped being located at a strategic location on the East Coast of India.

### What are your views on VCT's expansion plans?

- ❖ The policies of the government are being formulated to give major boost to the container traffic in the future.
- ❖ VCT's decision to expand by construction of an additional terminal is in the right direction which would provide new gateway to the container traffic. At the same time, VCT can think of providing additional storage space for containers for a long duration so that the terminal can take care of the fluctuations in the market.

### Any update on VCT's request for consideration of exemption from Route Rationalisation scheme for movements to NCR, Nagpur etc.

- ❖ Exemption from route rationalisation scheme is a policy decision of railway board and necessary measures are being taken at respective levels.

### What is the update on electrification and doubling works in progress for Vizag – Raipur section?

- ❖ Electrification from Vizianagaram to Singapuram Road is expected to be completed by the end of March 2016. Electrification works in Sambalpur division is being taken place at rapid pace. Tripling between Vizianagaram and Titlagarh is on the cards.

Major industries like Vedanta, Hindalco etc., are already connected to VCT for EXIM trade. If the companies are willing to use our gateway for their full production, can railway handle the traffic flow?

- ❖ After the completion of tripling works between Kothavalasa-Vizianagaram and electrification upto Rayagada, railway is fully geared up to handle 4-5 times of the current container traffic level and the existing facilities are being augmented to take care of the future needs.



Sr. DOM & CONCOR Sr. GM visit to VCT

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## Bangladesh - India Cotton Fest 2016

India has large exportable surplus of cotton which finds its ways to Pakistan, Bangladesh, China, Egypt and Vietnam. Bangladesh imports are about 49% that goes out of India where 22.5% alone are cotton exports. Considering these dynamics both exporters and importers of cotton from India and Bangladesh, decided to meet in Dhaka to deliberate on current status and way forward. Through the initiative of Indian Cotton Association Limited (ICAL) and Bangladesh Cotton Association (BCA), on 12<sup>th</sup> of March, Bangladesh - India Cotton Fest 2016 was organised in Dhaka. The buyers from Bangladesh, various suppliers from India, indenting agents of both the countries, terminal operators along with River Sea Vessel operators attended the fest.

There were many deliberations on the quality of cotton being imported by the Bangladeshi traders, manufacturers and other complaints associated with it were addressed. However the focus was more on the introduction of River Sea Vessel service between Bangladesh & the East Coast of India under the Coastal Shipping Agreement. Under this protocol, a new service between Visakhapatnam & Chittagong, Pangaon (where most of the textile mills are located which procure raw cotton & yarn from India by sea and road) in Bangladesh is being contemplated by few operators to commence from April 2016 onwards. This service is expected to provide the trade, least transit time from Vizag at a very competitive price. Therefore the total logistics costs would be reduced significantly making it the preferred mode of transportation.

Visakhapatnam, due to its inherent advantages with the deepest draft, closest gateway port on the east coast of India to Bangladesh in terms of cargo origin as well as on the seaside and a burgeoning hinterland would eventually become the transshipment port for Bangladesh cargo.

## VCT SURVEY – EXPERT OPINION FROM RAILWAYS

Does EXIM trade get priority as it is time sensitive and is usually connected to a vessel call?

- ❖ It is the basic responsibility of the railways to cater to the needs of all the customers which will help in promoting the domestic industries, addressing the seasonal requirements of agriculture, industry, etc. Since EXIM trade being time sensitive for various reasons, railways shall take care of the needs suitably that will help in growth of EXIM trade.

## 45<sup>th</sup> National Safety Week & World Water Day (WWD)

Safety & Environment has always been priority to VCT over the years. Consolidating its position as the safest terminal, VCT observed 45<sup>th</sup> National Safety Week & World Water Day during the month of March 2016. The theme for national safety week this year is **“STRENGTHEN SAFETY MOVEMENT TO ACHIEVE ZERO HARM”**.

There were awareness programmes conducted to the CFS staff who responded positively. Various activities like Safety Quiz, Treasure Hunt, Poster competition and Innovative ideas were also conducted to spread the awareness.

The poster competition was conducted by DP World SCO region recently where 80 in number participated and 16 got shortlisted out of which 6 were from VCT. The posters were digitally mastered and would be displayed at all terminals of the group. VCT added another feather in the cap with major number of shortlisted participants.



VCTians taking oath to save water



Walkathon conducted by VCT- Messages spread to save water

Likewise, during the World Water Day, VCT organised a walkathon from the terminal to Old Post Office junction displaying innovative messages to save water through placards. Pamphlets on “How to Save Water” were distributed to the passer-by’s and requested them to play their part in saving water. The message on WWD was spread through social networking websites, WhatsApp and other websites too.

VCT like every year has always been the frontrunner to take the first step in spreading the awareness on Safety and Environment.

VCT - Theme of the Year



VISAKHA CONTAINER TERMINAL

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