



# Vaarthha

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

## Frozen Food Segment is on a rise



Andhra Pradesh contributes about 36% of Seafood exports to various parts of the world which is estimated to grow at a rate of 17 percent annually during the period of 2020 – 24. While many other commodities have faced slumps, the Frozen food shipments through Visakha Container Terminal has registered a growth of 11% in the year FY 20.

Traditionally the marine products found their way into USA with maximum imports followed by European and Mediterranean sectors. However, now the Andhra Pradesh based seafood exporters have ventured into Chinese markets where the sector occupied the position next to USA followed by Japan, Vietnam, and Thailand markets. While the current export countries continue to buy this product, new regions were also identified like Bulgaria, Hungary, Belize, South America etc.

Despite the lockdown, the export of frozen food is still on a rise as the demand in these sectors is strong. The improved shelf-life and packaging of frozen food has fueled the market growth. Furthermore, the advanced technologies used to store the frozen sea food, meat etc., has helped the exporters to retain the quality that has attracted new buyers. The exporters have also brought in new concept of Ready to cook and Ready to eat varieties which is consumer friendly and has become the preferred choice now. The cold chain centers too have identified potential in the growth of the commodities and have taken utmost care and special measures to ensure the quality of the product is retained.

To meet the continuous growth demand of frozen food segment that is traditionally routed through Visakhapatnam, VCT has always risen to the task and proactively up scaled its reefer infrastructure. The terminal has already set a perfect platform to this commodity exports with its best in class infrastructure.

## Promising Future to Warehouses & Logistics Spaces



The growth in warehousing industry was tremendous over the past three years that is from 2017-2019 where the demand increased at a range of 75%-80%, however it has temporarily stalled due to the impact of COVID 19. Post lockdown, the consumption pattern is expected to take a new turn where the mode of buying is eyed on e-commerce rather than direct market buying that will reduce the risk of contact which is the mantra of better health in today's scenario. The inclination towards online product purchase and deliveries is on the verge of increase. Once the new consumerism mode increases, the immediate requirement would be warehousing & logistics spaces for the ecommerce organisations. With this increased demand, empty retail and wholesale spaces could expect to be renovated as warehousing and logistics spaces.

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 & non-essential commodities the requirement would be warehousing facilities complemented with better logistics service. The demand for such spaces is going to get bigger in 2020 and would continue further says the logistics experts.

Most of the real estate sector around the vicinity of Visakhapatnam believes that warehousing and logistics spaces will attract a lot of business in coming days. Visakhapatnam is emerging as a major logistic and warehouse hub with several industries dealing in agro products, frozen sea foods, pharma, alloys etc. coming up in future where VCT would be the ideal gateway for the EXIM movement of the cargo.

## Rail Bound Movement @ VCT witnessed horizons and counting

Visakha Container Terminal has been performing operations in all best possible manner for handling EXIM shipment as required by the trade. With the prevailing lockdown situation across the country, movement of trucks on the road got stalled temporarily. What would be the next possible way of moving the cargo to reach the destination was the question and the answer to it was rail transportation.

VCT has handled record volumes of rakes during this lockdown period. During April 2020, 60 rakes were handled in the terminal with 8446 TEUs. It is indeed a great journey for VCT to gradually increase its rail bound volumes and eventually reached the highest mark of 60 rakes in a month. Moreover, from past few months the average number of rakes handled at VCT was over 40. Many more regions in the hinterland of Visakhapatnam like ICD Hyderabad, Nagpur etc., are in the pipeline that would eventually make VCT as its ideal gateway to handle rail bound movement.



Rakes from Jharsuguda, Jajpur, Kalinganagar etc., have increased the frequency as well. Apart from this, rakes to Nepal also contribute to the increased movement of containers by-rail. This trend of cargo-shift from the road to railways is getting accentuated because trucks movement from the hinterland locations is still not fully normal. Post lockdown restrictions, rail bound movement is still expected to increase continuously with the increased production in major companies and demand rise of the commodity globally where faster evacuation is only possible through rakes that will enable the supplier to meet the customer's requirement. Be it by-road or by-rail, VCT is always there with 24x7 service to its esteemed customers.

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## Dedicated Panel for Rice Exports under APEDA



To boost Rice Exports of Non-Basmati exclusively, the government has come up with a separate panel under Agri-Products export promotion body; Agricultural & Processed Food Products Export Development Authority (APEDA). Erstwhile the main focus was only on Basmati rice, however with the growing demand of non-basmati rice internationally, the new scheme has come in place.

India's export of rice was \$7.77 billion during FY 2018-19, in which share of basmati rice was \$4.72 billion and non-basmati was \$3.05 billion. During April-January of FY 2019-20, exports were down by nearly 18% at \$5.03 billion, basmati was \$3.4 billion and non-basmati was \$1.63 billion.

Africa is the major sector of non-basmati rice imports from Visakhapatnam that has showcased a downward trend in FY 20 over FY 19, however, new sectors like South East Asia have compensated the deficit and has become alternate hub of the product imports. Visakha Container Terminal is the ideal gateway for the exports of non-basmati rice as APEDA has plans in place to increase exports from the city of destiny as well.

## Maiden Mangoes & Watermelon Shipment



supplied domestically. There is huge demand for this variety of fruit in Europe, New Zealand and Middle East regions as well. Agricultural and Processed Food Products Export Development Authority (APEDA) having identified the opportunity to export the fruit to the demand countries reached out to the farmers and assisted them from production to marketing stage. M/s. Sri Sada Siva Agritech is one such shipper who booked a shipment to London of Banganapalli variety through the carrier ONE Line. The cargo weighing 12 tonnes is to be maintained at 8°C to 10°C. This being a trial shipment, further orders will be placed on the success of this shipment. M/s. Marilyn Shipping & Transport, one of the leading Customs House Agents and veterans in the trade handled this consignment with much ease and swiftly. Elite Logix is the trucking partner for safe & timely movement of fruits from farmer's bay to Visakhapatnam.

Likewise, yet another exporter – Waseem Jawaid Mohammed exported Watermelon to Felixstowe - UK through Maersk Line. Andhra Pradesh stood second in watermelon production first being Uttar Pradesh. Year on year AP's market share for watermelon cultivation is increasing with a rapid pace. This is just a beginning which is very well handled by all the trade partners, expecting a lot more to be shipped in the near future.

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## Apple Imports via VCT

Reefer movement through the port city of Visakhapatnam is increasing, being the hub of the marine products exports. To maintain appropriate balance in both imports and exports in reefer containers, the best commodity to target is fruits. There is huge demand for apples in India that find its way into the country from the US region, South America etc., via other ports into Andhra Pradesh by road.

One of the largest fruit traders who also owns a cold storage at Pendurthi decided to do a trial consignment through VCT considering this as an opportunity which can be cost effective. The consignment of 14 tonnes of Apples from Chile, South America landed at Visakhapatnam on Maersk Line in the month of May that was successfully cleared by Customs without any hassles and would find its way in to the local markets and neighboring states soon. There are few more consignments booked that are in pipeline and expected to reach the city of destiny in the next few weeks.



The EXIM movement of the fruits is just the beginning of a new era where Visakhapatnam is poised to witness huge traffic via Visakha Container Terminal. Visakhapatnam already being the hub of reefer exports is now going to extend its wings into imports as well making it more viable for the two-way movement of variety of commodities through reefers. This is in fact a dream come true with the much-awaited movement of fruits happening through VCT.

## Milestone Achieved!!!

Yet another instance of milestone achieved by Visakha Container Terminal, during the call of m.v. VARADA of CCG service which sailed on 15<sup>th</sup> May 2020. VCT efficiently handled record volumes, moves and parcel size on a vessel till date. A total of 3011 Containers translating to 3658 TEUs were handled in the difficult times amidst COVID 19. This accomplishment once again showcases the world-class infrastructure and performance levels that VCT offers to the EXIM trade in the country.



## Foot Operated Hand Sanitiser developed in-house at VCT

COVID 19 situation has created a big stir among the industries. After an extensive lockdown which was implemented in a staggered manner, the industries were pushed forward to adopt the best practices where maintaining hygiene has become a prime parameter to mankind. Moreover, almost every industry is striving to take extreme precautions to prevent their employees from COVID 19 attack. In this context, VCT also had taken several steps to combat the virus spread. It was a major challenge during the earlier days, however, eventually new ideas got developed and were put in place immediately on a war footing basis. The need of the hour to combat the deadly virus spread is hands-free operation of sanitisers usage. The lesser we touch an object the better the virus spread can be curtailed. Considering this fact, VCT's engineering team came up with an idea and designed a foot operated hand sanitiser in-house with the help of scrap material. The same has been placed at several locations inside the premises. The personnel before entering the terminal premises should sanitise their hands with the sanitiser made available in a five litre can fitted on the stand. The personnel who board the vessel for operational requirements are also advised to use the hand sanitiser stand provided near the jetty. Innovation and awareness are the two important aspects in fighting against the COVID 19 pandemic. Not to forget the other preventive measures like social distancing, appropriate PPE provision etc., are continued at the terminal



# STAY SAFE STAY HEALTHY