Visakhapatnam Fisheries Harbour is one of the major fisheries harbours in India. Every day about 275 to 300 small mechanised boats, 150 to 175 Sona boats and 150 to 200 Mini and Mexican trawlers go out for fishing from this harbour. Small mechanised boats usually go for fishing for 2 to 8 days, Sona boats for 3 to 24 days and trawlers for 20 to 25 days. About Rs. 2 lakhs worth fish, prawn and dry fish are traded every day. Traders (fisherwomen) come from distant villages like Dibbapalem and Bheemunipatnam here to purchase fish on auction and sell them in the markets at Anakapalli, Gajuwaka and Kothavalasa. Quality fishes like seer fish, pomfrets, sharks etc., go to other states namely Orissa and West Bengal through business men from this harbour. About 300 to 350 fish traders including local fisherwomen depend completely on this fish business for their livelihood. Each trader gets at least Rs. 200/- per day.

Forty two prawn exporters are present at Visakhapatnam. They used to purchase prawns from mechanised boats, trawlers and fishtank farmers. Last financial year (February '92 to March '93) they exported about rupees 295 crores worth prawns. This year upto the end of December '93, they have exported products worth of rupees 300 crores, and it is expected an additional rupees 150 crores worth of prawns will be exported during the course of the financial year 1994-'95.

While the Central Government announces some subsidy to encourage the exporters every year, the state government reimposed 9.5% purchase tax on prawns in June, 1993. This made the fishermen loosing rupees 30 to 40 per kilogram of prawn. So the exporters expressed their woes for about six months. However, the Andhra Pradesh State Government paid no heed to them. Finally the exporters launched an indefinite strike to protest against the reimposed tax. They decided to continue the stir until the State Government scrapped the order.

As there was no demand from exporter side for prawns, the Boat Owners Association feared that they might not get even the fuel cost even if they get good catches of prawns.

The country lost lakhs of rupees of foreign exchange on account of this strike. It is a huge loss not only to exporters, boat owners, oil suppliers and big business people but also to small traders, labourers and hawkers who completely depend on fish business for their livelihood. At last on 31.1.'94 the State Government scrapped the purchase tax on prawns.