maritime gateway
EVENT NEWSLETTER

"Paradip Port must work towards augmenting its capacity to 500 MMTPA by 2030. Collaborative approach is the need of the hour for faster development to bring overall development of the area."

Sarbananda Sonowal
Union Minister of Ports, Shipping & Waterways

"Investment by the Central Government in Paradip Port, towards infrastructure development during the last five years has been Rs.3,568.51 crore. This figure stands as the second highest in the country among major ports. The vision is to develop Paradip Port into a world-class modern port which will have capability to handle capesize vessels."

P L Haranadh, IRTS
Chairman
Paradip Port Authority

Paradip Port – Creating world class infrastructure

Aligning with the Prime Minister Narendra Modi's futuristic approach and laying emphasis on development of eastern states, a capital-intensive project is being undertaken at Paradip Port to transform it into a world-class modern port with capability to handle capesize vessels. The project involves deepening and optimization of inner harbour facilities including development of western dock on build, operate and transfer basis under Public-Private Partnership mode at an estimated cost of Rs 3,004.63 crore.

This includes capital dredging by the selected concessionaire at a cost of Rs 352.13 cr respectively; and Paradip Port's investment will be to the tune of Rs 612.50 cr towards providing Common Supporting Project Infrastructure.

Union Minister for Ports, Shipping and Waterways Sarbananda Sonowal said the success of the project is a milestone towards Paradip Port becoming a mega port. The minister said the project will enhance the Port's ability to handle capesize vessels, will contribute to Port's capacity addition of 25 Million Metric Tonne Per Annum (MMTPA) and will result in improvement in the port efficiency, better cargo handling, increased trade and also lead to socio-economic growth including employment generation.

The project will facilitate de-congestion of the port, reduce sea freight making coal imports cheaper, and boost the industrial economy in the hinterland of the port leading to creation of job opportunities. The port, after the project, can easily handle very large ships for which 18 metre draft is required resulting in reduction in logistics cost and will boost EXIM trade in the current global competitive environment.

Paradip Port Authority shall provide the common supporting project infrastructure works like breakwater extension and other ancillary works to facilitate handling capesize vessels by the selected BOT concessionaire with an ultimate capacity of 25 MTPA (million tonnes per annum) in two phases of 12.50 MTPA each. The concession period shall be 30 years from the date of award of concession.

Growing appetite for bulk cargo

In a major milestone, the Paradip Port Authority has achieved the

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Arun Maheshwari
Joint MD & CEO, JSW Infrastructure

"Paradip Port continues to be an attractive sea route for coal movement. With the commissioning of this terminal, India can now offer cape size shipments with efficient operations. During the last few months, steam coal prices globally have witnessed sharp increase forcing thermal power plants and other coal based industry to switch to domestic coal. Start of this coal terminal has come at the right time to fill up the demand gap of domestic coal. Through high productivity and larger shipment size, we hope to reduce overall logistics costs for our coal cargo customers. As the country pursues PM's vision of Atma Nirbhar Bharat, the total thermal coal demand in India is expected to remain strong and our endeavour would be to maximize fulfilment by domestic producers. Our coal terminal is expected to be an integral part of this visionary journey."

highest record of handling 116.13 million tonne cargo in 2021-22 financial year, surpassing the previous record of 114.55 million tonne in 2020-21 fiscal. Officials said that despite around 30 per cent drop in the iron ore traffic due to international market conditions and poor demand, they managed to improve their cargo handling by focusing on other commodities.

The port handled 38 per cent more thermal coal in 2021-22 by putting in place improved operational protocols. The operating surplus of the port improved by 10 per cent while it's operating margin also improved to 60 per cent. The operating ratio of the organisation also improved to 40 per cent during the financial year.

The increase in capacity is attributed to commissioning of the Paradip east quay coal terminal by JSW Infrastructure. This is a fully-mechanized terminal with an annual coal handling capacity of 30 million tons. The terminal has been built as a cape compliant terminal and will handle capesize vessels once the dredging at Paradip port is completed. The terminal has capacity to unload 25 rakes per day and can load two vessels simultaneously. The infrastructure of the terminal is built to ensure higher productivity while reducing overall logistics cost to power producers. The company has invested approximately Rs 1,300 crore to establish this terminal at Paradip port.

JSW Infrastructure also has an iron ore terminal at Paradip Port with a capacity to handle 10 million tons per annum of iron ore/pellets. This iron ore terminal loaded highest ever 1.4 lakh tonnes in a single vessel in the month of March 2022. The iron ore terminal is designed to load the cape vessels within 48 hours and has recently achieved the highest load rate of over 1 lakh tons per day which is the best ever by any port in India.

Taking perishables in the stride

Moving beyond bulk cargo, Paradip Port is diversifying its portfolio to include temperature sensitive cargo as well. Odisha has seen a nine-fold increase in seafood exports in the last two decades and it is the fourth-largest fish-producing state. Catching up with this opportunity, Balmer Lawrie has recently unveiled its first cold chain facility at Chhatabar on the outskirts of Bhubaneswar, catering to the growing demand for seafood, dairy, agri-products industries and quick service restaurants.

The facility is strategically located in the catchment area of Paradip Port and is well poised to give a fillip to exporters. It is spread over 1.5 acres located near a national highway, and is equipped with the latest refrigeration technology and automated product handling of food and food-grade products. The cold chain unit has a storage capacity of 2,000 pallets (frozen) and 3,000 MT (chilled/ambient) to cater to various industrial segments. It is aided by the company's own fleet of temperature-controlled vehicles to ensure last-mile delivery.

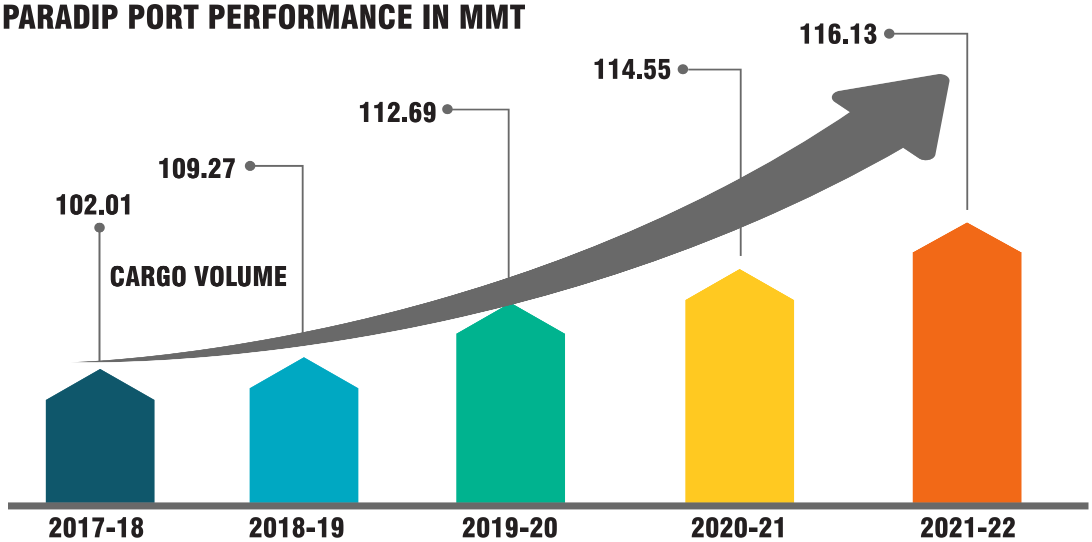
The advanced setup is ideal for not only quality food products for export, but also domestic storage of fruits and vegetables, particularly potatoes, in controlled temperatures.

Promoting cargo movement through waterways

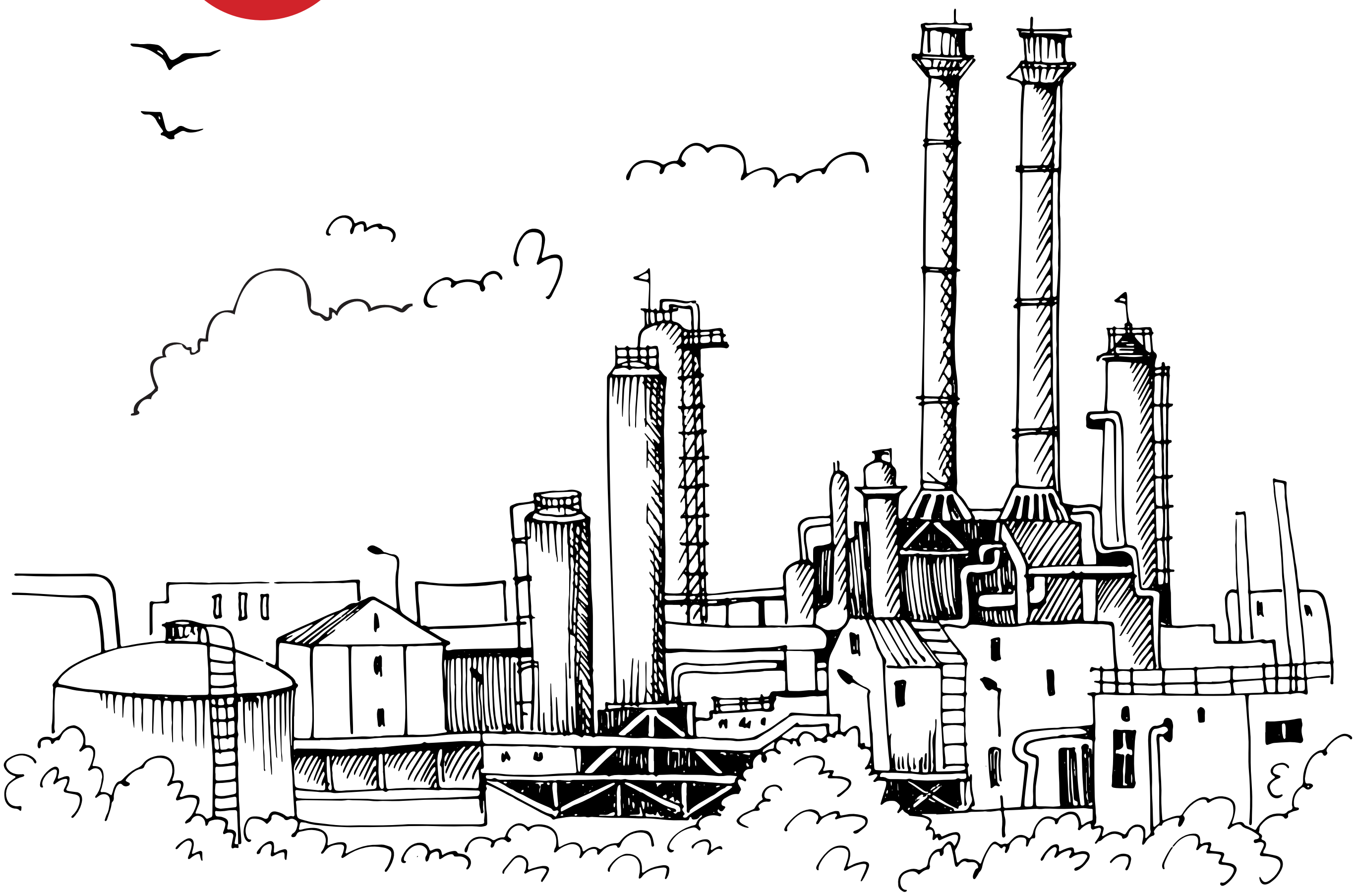
Paradip has recently got its first riverine jetty over Mahanadi River, giving a fillip to movement of trade. It has opened new dimensions in the transport sector with the use of a multi-modal system and will help boost the economy in multiple ways by lowering the load on roadways and railways besides using a lower emission mode of transportation.

With the help of Odisha government, Paradip Port Authority and other stakeholders, Indian Farmers Fertiliser Cooperative Ltd (IFFCO) has started pontoon and barge operations at the jetty. Orissa Stevedores Ltd (OSL) had signed an MoU with PPA and IFFCO for development and operation of the jetty that can accommodate vessels up to 2,200 DWT.

PARADIP PORT PERFORMANCE IN MMT



Infrastructure



BIG TICKET INVESTMENTS COMING UP

Odisha,the mineral rich state has lined up mega projects right from metal manufacturing to rail logistics and eco-fuels.

Steel plants

There are existing 51 steel plants in the state with annual production capacity of 33.12 million tonne and another 12 plants with a production capacity of 60.4 million tonne per annum (MTPA) are in the pipeline. Of the 12 projects, JSW Utkal Steel Limited has proposed to set up a mega steel project of 12 MTPA capacity at Gadakunjanga near Paradip port.

The Jindal Steel Odisha Ltd has received the State government's approval for establishing a 19.2 MTPA steel project at Banarpal in Angul district, while Arcelor Mittal Nippon Steel India Ltd has proposed to set up 24 MTPA project at Mahakalpada in Kendrapara. The Beekay Utkal Steel Industries Ltd is coming up with a 2.245 MTPA plant at Kalinganagar in Jajpur. Of the remaining six projects, three are coming up in Sundargarh district while one each Dhenkanal, Jajapur and Jharsugida districts. Besides, the State government has given necessary approval for capacity expansion of 12 steel projects.

The High-Level Clearance Authority (HLCA) of Odisha government has approved Tata Steel Limited (Growth Shop) project for setting up 60,000 MT industrial structure and 6,000 MT steel plant equipment facilities with an investment of Rs 1,000 crore with employment opportunities for over 2451 people.

HLCA has also approved the Adani Enterprises Limited's proposal to set up a 4 MTPA alumina refinery and 175 MW CPP plant in Kashipur, Rayagada district with an investment of Rs 41653 crore. It will generate employment opportunities for over 7750 people.

Other proposals approved by HLCA include:

- 2.5 MTPA steel plant and 370 MW CPP in Kalinga Nagar, Jajpur district by Orissa Alloy Steel Pvt Ltd with an investment of Rs 8000 crore creating employment opportunities for 5000 people.
- Sompuri Infrastructures Private Limited's 24 MTPA pellet plant and 6 MTPA of filter cake plant at Dhamra, in Bhadrak district with an investment of Rs 7811 crore, which will generate employment opportunities for over 684 people
- A 30 MTPA Beneficiation plant at Deojhar, in Keonjhar district and a 30 MTPA Slurry Pipeline connecting its proposed Deojhar plant with the proposed pellet plant at Dhamra with an investment of Rs 4592.18 crore and Rs 3674 crore respectively.
- Aarti Steels Limited's expansion of steel plant by setting up 3,20,833 TPA SMS, 3,00,000 TPA Special Steel Bars and Rods (auto

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grade), 75,000 TPA Ferro Alloys, 2 MTPA Beneficiation, 1.2 MTPA pellet plant and 65 MW CPP at Athgarh in Cuttack district with Rs 3000 crore, which will generate employment for over 3587 people.

- ArcelorMittal Nippon Steel India Limited's proposal for setting up a 6 MTPA Beneficiation Plant at Village Dalki and 12 MTPA Slurry Pipeline from proposed Beneficiation plant at Dalki to Dabuna Slurry pumping station unit in Dalki, Keonjhar district with Rs 1490 crore generating employment opportunities for 600 persons.
- Rungta Metals Private Limited's (RMPL) 0.5 MTPA Integrated Steel Plant with Rs 1400 crore in Rairangpur in the district of Mayurbhanj creating employment potential for 1125 persons.

Adani Group to establish alumina refinery in Odisha

Adani Group is all set for a foray into the aluminium business in Odisha. The conglomerate has received the state government nod for an alumina refinery. Along with the permission for establishing an alumina refinery, the group also received the government nod for nine other proposals. CM Naveen Patnaik-led high-level clearance authority (HLCA) approved 10 proposals with total investment potential of Rs 74,620 crore.

This massive investment will create as many as 24,047 jobs in the state. The approval for the Adani Group months before the third edition of the Make in Odisha conclave came as a shot in the arm for the state government.

A 4 MTPA alumina refinery and 175 MW captive power plant at bauxite reach Kashipur area in Rayagada district will be set up by Adani Enterprises, a wholly owned subsidiary of Adani Group. The ports-to-energy conglomerate will put in Rs 41,653 crore for the unit to make it the single-largest investment of the company in Odisha. Adani group's alumina refinery will be the third in the region as Aditya Birla Group Company Hindalco has already set up its unit in the region and also earned an approval for a second unit near Kashipur.

Mahanadi Coal Railway Limited – MRCL rail corridor

MCRL rail corridor will be a game changer in the evacuation of coal from Talcher coalfields. The rail corridor will improve faster movement of coal rakes to Paradip and Damra ports thereby decongesting rail network and this will also reduce transportation cost considerably. Shipping routes are much cheaper compared to rail network and improves coal availability in southern and western region of the country. The Ministry of Coal has identified construction of MCRL Phase I & II project as high Impact project under PM Gatishakti.

MCRL Phase-I (Angul-Balram) of 14 Km length is expected to be operationalized by this year. This railway line will cater to evacuation of 25 MT coal from MCL mines in Talcher Coalfields. MCRL Phase-II (Balram-Jarpada-Tentuloi) of 54 Km is expected to be commissioned by Dec'2025. It provides connectivity to allocated coal blocks on the southern side and central part of Talcher Coalfields – both CIL and non-CIL coal blocks. MCRL is jointly held by Mahanadi Coalfield Limited (64% share), IRCON (26%) and Industrial Development Corporation of Odisha (10%). The Alignment of the project traverses through Angul district. Angul and Jarapda are existing stations of Indian Railways network. Balram is existing loading station in Talcher – Balram private siding of MCL.

Talcher Coalfields of Mahanadi Coalfield is one of the largest with about 52 BT of coal resources, which is 15% of total prognosticated coal resources in the country. Of the available resources in Talcher Coalfield, more than 63 % (33 BT) lies within 300 m depth, presenting significant potential for open cast mining. Talcher coalfields has produced more than 95 Million Tonne (MT) coal during FY22 and likely to produce about 200 MT in FY 2024-25 and about 300 by FY 2030 from Mahanadi Coalfields Limited and allocated coal blocks. Construction of MCRL (Mahanadi Coal Railway Limited) will ensure efficient coal evacuation.

Eco-fuel projects

The High-Level Clearance Authority (HLCA) of Odisha government has approved approved the proposal of ReNew EFuels Private Limited (REFPL) to set up Green Hydrogen (Capacity: 20 KTPA) and Green Ammonia Plant (Capacity: 100 KTPA) in Jagatsinghpur district of Paradip, with an investment of Rs 2000 crore which will generate employment opportunities for 2000 persons. mg

REGIONAL NEWS

Odisha Cabinet Approves Rs 326.79 Cr Expenditure For I3MS scheme

The Integrated Mines and Minerals Monitoring System (i3MS) under implementation for a decade (2012-22) has ushered a new era of transparency in mineral administration in Odisha. This end-to-end online monitoring system has strengthened the government's regulatory oversight by enabling real-time visibility on the pit-to-port mineral value chain. Besides eradicating illegal mining and combating unauthorised ore transportation, i3MS has led to buoyant revenue collections in mining.

In the backdrop of the scheme's efficacy and outcomes, it is decided to extend the implementation tenure of i3MS for five more years (2022-27) with an expenditure of Rs 326.79 crore. The activities planned in the next phase of i3MS are procurement of new hardware like computers, accessories, Consumables & Furniture, automatic weigh bridge system (Koira, Keonjhar & Jajpur Road), drone technology under i3MS, integration framework, and security enhancement/any other new technology and Integrated Command Control Centre.

It may be recalled that the Government of Odisha unveiled a 5-year roadmap titled "Business Continuity Model & Strategic Plan for Implementation of Information technology" (April 1, 2012 to March 31, 2017). Following the completion of the first five years, the second five year plan was prepared and duly approved by the Expenditure Finance Committee. Then, the Steel & Mines department proposed the continuation of the scheme for another five years. mg

PPP can bring enhanced efficiency and reduce logistics cost

"De-centralisation of authority, reduced bureaucracy with empowerment to improve decision making within set policy guidelines, can be comfortably achieved through PPP model," shares **Capt. Pankaj Mehrotra, CEO – Shipping Agency, Samsara Groups**

Q. Tell us in detail about your shipping agency services business? To which global markets do you mostly connect and which is the hinterland largely served by you?

A. Samsara Group represents globally reputed Principals as Shipping Agents in India amongst all cargo segments – Containers , Dry & Liquid Bulk , Break Bulk, Ro-Ro , project cargo & hence largely connecting all major regions /sectors globally .

Q. How has been the business last year and during the first half of this year?

A. It's been reasonably good, we attribute same to and thank our principals and customers for the trust bestowed upon Samsara through long established relationship.

Q. Recent months have seen congestion at the US/European ports, shortage of capacity with shipping lines and shortage of empty containers. How have you managed with these issues?

A. These are certain unique exceptional situations which are commonly experienced by all across the world. We work closely with customers and principals to find the most economically viable solution which is a win-win situation for all.

Q. After remaining high for a long time, freight rates have started to decline for Indian exports. Will the freight rates decline further or stabilise? What are your expectations?

A. Freight Rates are controlled by various market dynamics which are also again global situations including Pandemic after affects, geo-political situations, oil prices, vessel charter hire, delays in equipment clearance & its availability etc etc. Most of these factors co-exist or are inter-mingled.

There can be a marginal periodical fluctuations either way, but operating costs really needs to come down to see visible sustainable change in freight rates for long term.

Q. How has the current ongoing crisis in Sri Lanka impacted your business? How did you manage to tide over this bottleneck?

A. It's always disturbing to see such unfortunate crisis, being neighbours and respecting our bilateral relations, as a country we should be proud of and thank our leadership to have supported Sri Lanka in such critical situation, to the extent possible.

There are certainly business impacts due to such crisis, which we work on to find immediate workable alternatives as best suited.

Q. How can private players be involved in major ports through PPP to improve operational efficiency and reduce logistics cost?

A. De-centralisation of authority, reduced bureaucracy with empowerment to improve decision making within set policy guidelines, can be comfortably achieved through PPP model which will bring about overall enhanced efficiency & remain the key to reduce logistics cost.

Q. What are the key factors for the success of a Public Private Partnership model in the ports sector?

A. Such credentials are already established with proven track record and hence may not need any specific mention.
To summarise key factor will be to focus on improved professional efficiency to drive enhanced productivity with accountability. mg

REGIONAL NEWS

Rs 3568 Cr invested In Paradip Port during last 5 years

Investment by the Central Government in Paradip Port, towards infrastructure development during the last five years has been Rs 3568.51 crore. This figure stands as the second highest in the country among major ports, only after Kamarajar Port in Tamil Nadu.

There has been an increase in the cargo handling capacity of Major Ports from 1560.61 MTPA in 2020-21 to 1597.59 MTPA in 2021-22. The capacity at Non-Major Ports remains the same in the last two years, i.e. 1002.24 MTPA, which is adequate to handle the movement of cargo, given that the capacity utilisation was 59.73% in 2021-22. mg

JSW lifts cargo rates at new iron ore berth

JSW Steel's 18mn t/yr iron ore terminal at Paradip port has raised tariffs on cargo handling, berth hire and storage charges for berth No.2 — its new iron ore berth (NIOB). The new tariffs will raise charges by 6.46pc till 31 March 2023.

NIOB can accommodate vessels with a maximum length of 300m, width of 48m and draft of 14.5m. mg

Interview

"Major Ports and PPP Concessionaire should collaborate and not compete"

Critical factors for success of PPP Projects in port sector are good governance, commitment of both Major Ports and PPP Concessionaires, favourable legal framework and sound economic policy, suggests **T.S. Balasubramanian, Member (Finance), TAMP**

Q. Now that port trusts have been transformed into port authorities. What is the role of TAMP?

A. The tariff fixation powers bestowed on TAMP stands withdrawn with the Major Port Authorities (MPA) Act, 2021 having come into force w.e.f. 3.11.2021. Under the said Act, Major Port Authorities are empowered to frame their Scale of Rates for the services provided by them and for port properties.

The Central Government is to constitute an Adjudicatory Board under the MPA Act, 2021 to carry out the functions other than tariff setting. The functions of Adjudicatory Board is to mainly adjudicate on the disputes between the Major Ports and PPP concessionaires, appraise, review and suggest measures for revival of stressed PPP Projects, look into complaints from port users against services rendered by Major Ports/ PPP concessionaires, etc.

The TAMP is to discharge the functions of the Adjudicatory Board till its constitution of the Board. On constitution of Adjudicatory Board, the TAMP employees will be assisting the Adjudicatory Board in discharge of the functions envisaged in the Act.

Q. You have been associated with TAMP for around ten years now. How do you analyse the performance of major ports? What have been the key trends?

In the past 10 years of my association in this sector, I have observed that there has been significant improvement in the overall performance indicators of the Major Ports in terms of berth day output, vessel turnaround time and pre-berthing detention. The vessel turn around time has reduced from 4 days in 2013 to 2.29 days at present. Container turnaround time has reduced to half from 45 hours in 2013-14 to 26.5 hours at present. As per the statistics released by the Indian Ports Association, the total volume of cargo handled by Major Ports which was at 560.13 Million tonnes in the 2011-12 has increased to 704.92 Million tonnes in the year 2019-20. It dropped due to Covid Pandemic in 2020-21 and since then it is again on upward trajectory to 720.05 Million tonnes in the year 2021-22. Jawaharlal Nehru Port ranks 33rd in global container ports. Digitization of process across value chain, online berthing, e-delivery orders, promotion of direct port delivery and other ease of doing business measures have enhanced efficiency of major ports like JNPA.

Increased performance parameters by Major Ports could not have been achieved without the contribution made by PPP concessionaires in terms of huge investments, deployment of latest modern handling equipment, efficient management, cost effective methods and bringing in foreign technical knowhow.

Q. The private ports are over taking major ports in terms of business performance and many people point at the tariff structure at the major ports as one of the factors. Your comments?

The share of total volume of cargo handled by Non-Major Ports has shown upward trajectory from 38.6% share (353.02 Million tonnes) in the year 2011-12 to 45% (598.63 Million tonnes) in the year 2021-22.

One of the factors for the Non-Major Ports overtaking major ports in terms of cargo volume share is that there was no level playing field between them. Whilst, the Major Ports were under the tariff regulation regime of TAMP till 3 November 2021, the Non-Major Ports were free to fix their own tariff.

Though tariff fixed by TAMP is at ceiling level and Major Ports have the flexibility to charge lower rates, reduced tariff could not be applied by major ports on a case to case basis to attract/ retain traffic in their ports. This was quite possible for non-major ports.

Secondly, it is understood that lease rent for land allotted by the Major Ports to PPP Concessionaires is quite high in comparison to lease rent levied by the State Maritime Boards.

Thirdly, there is less marketing efforts by the Major Ports.

Fourthly, many of the Major Ports are saddled with huge employee cost and pension liability which is not the case for Non-Major Ports.

The number of Major Ports are almost the same at 12. Whereas, there are 200 non major ports of which many have come are at a very short distance from Major Ports like Gangavaram port, Mundra port, Dhamra port and Kattupalli port which are very close to Visakhapatnam Port, Deendayal Port, Paradip Port and Kamarajar Port respectively.

All these factors could have contributed for increase in the share of non-major ports in the last few years.

The MPA Act, 2021 notified by the Government gives more autonomy and independence to the Major Port Authorities in investment, planning, development and tariff fixation.

These measures are expected to boost the performance of major ports, attract more investment from PPP concessionaires and make Major Ports competitive with the neighbouring non-major as well as International Ports.

Q. How can engagement of private players in major ports through PPP help in improving operational efficiency and reducing operational cost?

With MPA Act 2021 and new Model Concession Agreement 2021 issued by the Government, PPP mode can attract huge investments in major ports that are otherwise stretched of resource availability. PPP can bring in latest technology, latest modern equipment, efficient management and improved productivity. All these factors can contribute to incremental operational efficiency and thereby reduce operational cost.

The thrust of the Government is for the Major Ports to move to landlord Port model and engage PPP for port operations like Jawaharlal Nehru Port. This will improve operational efficiency and reduce operating cost.

Q. What are the factors critical for success of a Public Private Partnership in ports sector? What should be the role of the government and the private players?

Critical factors for success of PPP Projects in port sector are good governance, commitment of both Major Ports and PPP Concessionaires, favourable legal framework and sound economic policy.

It is important to ensure that the PPP Projects do not become stressed. The Government has already issued guidelines to Major ports to revive the stressed PPP projects. Further, the MPA Act, 2021 empowers the Adjudicatory Board to review the stressed Public Private Partnership Projects and to suggest measures to revive such projects.

The new Model Concession Agreement (MCA), 2021 issued by the Government incorporates provisions to cater to eventualities like change in cargo and change in business plan due to unforeseen events considering long horizon of PPP project. This can go a long way to ensure that the PPP projects become a success.

Under the MPA Act 2021, the future PPP Concessionaires are free from tariff regulation. They are empowered to fix their own market determined tariff .This will bring in level playing field with non-major ports and foreign competing ports.

Apart from the above measures taken by the Government to boost PPP investment in major ports, it is pertinent that PPP Concessionaires deploy latest and modern equipment and provide efficient service to the stakeholders and fulfil the contractual obligations.

As far as Major Ports are concerned they need to provide adequate infrastructure facilities and be a facilitator for PPP concessionaires. Acceleration of multimodal connectivity projects to Major Ports across in terms of rail, road and inland waterways is included in the Maritime Vision, 2030 to reduce logistic costs. Major Ports initiative to coordinate with the concerned authorities for fast and seamless road connectivity and efficient rail connectivity can boost the port performance. Incremental Digitalization in various areas can also enhance the overall efficiency.

Finally for the success of Public Private Partnership projects, it is vital that the Major Ports and PPP Concessionaire collaborate and do not compete. mg

REGIONAL NEWS

Sarbananda Sonowal sets 500 MMTPA target by 2030 for Paradip Port

Paradip Port must work towards augmenting its capacity to 500 million metric tonne per annum (MMTPA) by 2030, said Union Minister of Ports, Shipping & Waterways Sarbananda Sonowal during his maiden visit to Paradip Port Authority. The minister reviewed various infrastructure projects, PPA projects, functioning of the port, ease of business initiative, green initiative, business development activity of the port. “Collaborative approach is the need of the hour for faster development to bring overall development of the area,” Sonowal said during the review of Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR). The minister attended an interactive session with stakeholders of the Port & Unions during the day. Chairman, PPA PL Haranadh made a detailed presentation on the functioning of the port.

The minister attended an interactive session with stakeholders of the Port & Unions during the day. Chairman, PPA PL Haranadh made a detailed presentation on the functioning of the port. mg

Odisha: Iron ore despatch hit, may affect revenues

Even as the state government has recorded growth in collecting mining revenue in the first four months (April-July) of 2022-23, a sharp fall in dispatch of iron ore has been witnessed, which may hamper the earning from the sector. The total collection of revenue from the mining sector till July end is estimated at Rs.13, 980 Cr, compared to around Rs.11,900 Cr collected in the corresponding period of last year.

Against the dispatch of 55 metric tonnes of iron ore by July 2021, only 45mt has been dispatched by July this year. However, dispatch of other minerals such as manganese, chrome and coal is at par with the volumes of the previous year. The Centre’s recent decision to hike export duty on iron ore has not only led to large surplus of ore in domestic market, but also hit the production and dispatch activities. Had the dispatch of iron ore been at par with previous year, the growth in revenue collected would have been Rs.6000 more than the previous year. mg

Construction of Subarnarekha river port underway

Primary construction works have begun for the proposed river mouth based port in Balasore district. In addition to the existing major port at Paradip and minor ports at Dhamra and Gopalpur, the State government has planned to build 12 more minor ports for which sites have already been identified.

The 12 more minor ports will come up at Subarnarekha, Bichitrapur, Bahabalpur, Inchudi and Chandipur in Balasore district, Chudamani in Bhadrak, Akhadashali in Kendrapara district, Jatadhar in Jagatsinghpur, Astaranga and Baliharachandi in Puri district and Palur and Bahuda in Ganjam district.

Concession agreement has been signed with Subarnarekha Port Private Limited for constructing a port at the river mouth of Subarnarekha and Navayuga Engineering Company Limited for developing the Astaranga Port.

While Techno Economic Feasibility report have been prepared for developing ports at Bahabalpur, Baliharachandi, Bahuda and Akhadashali, the proposal of Pradeep Port Trust for construction and management of the proposed port at Mahakalpada in Kendrapara district has been approved by the State government.

692.680 acre of land has been given to the developer as against its requirement of 961.180 acre for Subarnarekha Port. The Chief Minister had also laid the foundation stone for it and the preliminary work has started.

Vedanta to open two coal blocks in FY23

Vedanta expects to bring into operation two coal blocks in Odisha in this fiscal and is working out a plan to fast-track the operationalisation of another coal mine in the eastern state. Vedanta is focusing on the long-term security of coal especially when thermal power plants and the non-regulated sector have witnessed supply shortages in the current and the last year. "We intend to operationalise Jamkhani and Radhikapur (West) (coal blocks....," Vedanta said.

The company bagged the Jamkhani coal block in 2019 and the Radhikapur West coal block in 2020 in auctions. Jamkhani coal block is in proximity to the company's Jharsuguda aluminium smelter. It is one of the most attractive coal blocks for the company's Jharsuguda plant in terms of location, annual capacity, reserves and readiness to produce. The approved per annum capacity of the mine is 2.6 million tonnes and has an extractable reserve of 114 million tonnes. Once operational, it will provide fuel security, improve power availability and further strengthen the company's aluminium operations and performance.

Vedanta had emerged as the highest bidder for the Radhikapur West coal block, located in Angul district, Odisha at a distance of about 190 km from the company's Jharsuguda Aluminium Smelter.

The coal block is an optimal fit for the Jharsuguda smelter given its logistical location and annual capacity. The mine has total reserves of 312 million tonnes and an approved per annum extraction capacity of 6 million tonnes.

Odisha Cabinet nod to merger of IDCOL in OMC

The Odisha Cabinet on Friday took 16 major decision including the merger of Industrial Development Corporation of Odisha Limited (IDCOL) and its subsidiaries in Odisha Mining Corporation (OMC).

With this, OMC will have access to large land bank to explore business operation related to mining sector, construction of official, institutional, residential facilities and monetization of assets apart from availing income tax benefits on account of accumulated losses of IDCOL, IDCOL Kalinga Iron Works Ltd. (IKIWL) and IDCOL Ferro Chrome & Alloys Limited (IFCAL).

The entire liabilities of IDCOL, IFCAL, IKIWL including existing employees would be taken over by OMC and OMC will fund the liabilities from its internal resources without seeking for any budgetary support from the State Government.

Odisha govt approves investments worth over Rs 2,250 cr

Odisha government approved 11 investment proposals worth Rs 2253.15 crore, for expeditious economic growth and the creation of new employment opportunities. The industrialization investment proposals were cleared by the State Level Single Window Clearance Authority headed by **Chief Secretary Suresh Chandra Mahapatra.**

As per the press note "The proposals approved in the meeting were from various sectors like aluminium downstream, steel, food processing and Dairy products, infrastructure, oil and gas, information technology, electronic system designing and manufacturing, Warehousing cum Logistic Park etc."

The projects envisaged direct employment opportunities for 5,162 persons. **Principal Secretary Industry Hemant Kumar Sharma** said, "As most of the proposals are from downstream and manufacturing, the units will boost economic activities in their respective areas through the generation of many indirect employment opportunities".

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