

### 8.2.3 PORTS

22. Eleven major ports handle 90 per cent of India's total port throughput. The contribution of five major ports namely Kandla, Vizag, Chennai, Mumbai, and Calcutta/Haldia is 68 per cent of the total traffic handled by the major ports. There was impressive traffic growth at major ports in the first year of the Ninth Plan. The traffic handled by major ports increased from 227.26 MT in 1996-97 to 251.66 MT in 1997-98. The traffic growth, however, has been stagnant in 1998-99 and is likely to be 270 MT in 1999-2000. The details of traffic handled at major ports, commodity-wise and Port-wise, are in Annexure 8.2.10 and 8.2.11. The aggregate port handling capacity was 239.50 MT as on 31.3.99 and is likely to be 260 MT as on 31.3.2000. Details of commodity-wise and port-wise handling capacity are given in Annexure 8.2.12 and 8.2.13.

23. Productivity indicators at major ports have shown improvement. For example, average turn - round time of ships has come down from 7.5 days in 1996-97 to 5.9 days in 1998-99. The port-wise details are given in Annexure 8.2.14. During the Annual Plan 1999-2000, the likely utilisation of Plan outlay is 94 per cent (Rs.1530.46 crore against the approved outlay of Rs.1623.70 crore). The details of port-wise outlay and expenditure are given in Annexure 8.2.15. During the Annual Plan 2000-01, an outlay of Rs.1957.17 crore has been approved for the ports sector, excluding Rs.50 crore for the survey vessels, out of which Rs.1477.23 crore (75 per cent) is expected to be mobilised through internal and extra-budgetary resources (IEBR). The funding pattern for the Port sector is given in Table 8.2.4 below.

**TABLE 8.2.4**  
**Funding Pattern - Port Sector**

Source	Amount (Rs. crore)	%age
Internal Resources	1144.94	58.5
ICL/ECB	180.29	9.2
Others (Users)	152.00	7.8
Gross budgetary Support (of which external aid 148.42)	479.94	24.5
Total	1957.17	100.00

The detailed financing pattern (port-wise) is at Annexure 8.2.16.

24. During 2000-2001, the following major projects are likely to be commissioned at various major ports.

- i) Replacement of Sub-marine pipelines at Mumbai (Estimated cost Rs.165.15 crore).
- ii) Coal Handling facility at Paradip (Estimated cost Rs.815.14 crore).
- iii) Construction of new port at Ennore (Estimated cost Rs.927.10 crore).
- iv) Extension of Container terminal at Chennai (Estimated cost Rs.52.70 crore).
- v) BOT Container berth at JNP (Estimated cost Rs.700.00 crore).

### Private Sector Participation

25. In the past and during the Ninth Plan, a number of steps were taken to involve private sector in the development of port infrastructure. These have borne fruits now and a number of projects are being taken up in the private sector or by the resources provided by the captive users as indicated in Box 8.2.3 below.

### **BOX 8.2.3 Private Sector Participation**

- Thirteen private sector/captive port projects of 54 MT capacity with an investment of Rs.3926 crore have already been approved and they are at different stages of construction. One project "Fifth Oil Jetty at Kandla" has been completed. One of the two container terminal berth at JNPT being set up by the private sector and the other berth is expected to be completed by November 1999.

### **Corporatisation Of Major Ports**

26. The functioning of major ports under the Port Trust is operationally inflexible and due to delay in decision making process they are unable to respond quickly to market situation. In view of this, it has been proposed to initiate the process of phased corporatisation of the major ports. A beginning has been made by registering Ennore Port Company Ltd. for managing Ennore Port being constructed near Chennai as 12<sup>th</sup> Major Port. It has also been decided that the existing major ports may be corporatised starting with JNPT and Haldia.

### **Externally Aided Projects**

27. For Externally aided projects, an outlay of Rs.267.56 crore has been provided during the Annual Plan 2000-01. Out of this, Rs.148.42 crore (Annexure 8.2.17) only is to be routed through budget and the remaining amount (Rs.119.14 crore) is direct aid to the ports i.e. not routed through budget. Among the Externally aided projects, the two important projects are: Construction of New Port at Ennore [originally estimated cost (Rs.593.90 crore), ADB Loan component (US \$ 150.15 million) out of which an amount of US \$ 80 million has been disbursed so far and physical progress is 87 per cent] and Mechanised coal handling facilities at Paradip [originally estimated cost (Rs.587.41 crore), ADB loan component is (US \$ 134.85 million) and the total loan disbursement is US \$ 91.94 million so far and the physical progress is 70 per cent up to February 2000]. These projects are likely to be completed by July and December 2000 respectively.

### **Dredging Corporation Of India (DCI)**

28. An outlay of Rs.317 crore has been approved for DCI during the Annual Plan 2000-01. The important schemes are acquisition of Trailer Suction Dredger (TSD) of 7400 C.U.M two numbers), TSD of 4500 CU.m/pump hour (three numbers). An expenditure of Rs.180.68 crore is likely to be incurred by DCI during the Annual Plan 1999-2000.

### **Development Of Minor Ports**

29. The traffic handled by minor ports has increased from 24.93 MT in 1996-97 to 35 MT in 1998-99. Currently, nearly 12 per cent of the total traffic is accounted for by the

minor ports. The contribution of Gujarat is 70 per cent to the total traffic handled by minor ports. Various maritime states like Gujarat, Andhra Pradesh and Orissa have embarked upon ambitious port development programmes through private sector participation, as indicated in Box 8.2.4 below.

### **BOX 8.2.4**

#### **Port Development Programmes - Private Sector Participation**

- In Gujarat, the first development phase of Pipava has been completed and work for the second phase is on hand. Similarly, the first phase of development of the Mundra Port comprising a jetty was completed and the Port became operational from September 1998. In principle approval has been given to Dholera, Dahej (L.N.G terminal) and Marolo. Captive users like Gujarat Ambuja Cement (Mul Dwarka), Reliance Petroleum Ltd. (27 MT at Sikka) and Sanghi Cement (Kutch) are also adding port handling facilities in Gujarat.
- Orissa have signed an MOU with the M/s International Sea Port (ISP) Ltd. to develop Dhamara Port with private investment through Build, Own, Operate, Share and Transfer (BOOST) route. The planned capacity augmentation is 10 MT. Environmental clearance from Ministry of Surface Transport is awaited. The port is scheduled to be operational by July, 2002.
- In Andhra Pradesh, the development of deep water port at Kakinada was taken up with the ADB loan assistance. Three berths have been completed. All three newly constructed berths have been privatised and are under operation through the Operate, Maintain, Share and Transfer (OMST) route. Contract for the construction of another Port at Krishnapatnam through private sector has been awarded.