

GOVERNMENT OF INDIA
MINISTRY OF SHIPPING

RAJYA SABHA

UNSTARRED QUESTION NO.140

TO BE ANSWERED ON 17th JULY, 2017

PROFITS FROM NEW SMALL AND MEDIUM PORTS

140. DR. VINAY P. SAHASRABUDDHE:

Will the Minister of SHIPPING be pleased to state:

- (a) which are Government run ports that have reported profit during the last two years and what were the important measures taken post 2014 to ensure that ports make profit;
- (b) which are the top profit making ports and top loss making ports during the last three years and the major reasons behind accumulated losses of the loss making ports; and
- (c) the number of new small, medium size and big ports being constructed by Government and what are the structural reforms that Government is introducing in their construction and management design to ensure that they make profit from day one?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF SHIPPING
(SHRI MANSUKH L. MANDAVIYA)**

(a) All the 12 Major ports under the administrative control of Central Government namely, Kolkata Port Trust; Paradip Port Trust; Visakhapatnam Port Trust; Chennai Port Trust; V.O. Chidambaranar Port Trust; Cochin Port Trust; New Mangalore Port Trust; Mormugao Port Trust; Mumbai Port Trust; Jawaharlal Nehru Port Trust; Kandla Port Trust and Kamarajar Port Limited (Ennore) have reported Operating Surplus during the last two years. However, 3 Major Ports namely Kolkata Port Trust, Mumbai Port Trust and Cochin Port Trust have reported negative net surplus during the last two years. Towards ensuring productivity and profitability of ports, a study on international benchmarking of efficiency and productivity of Major Ports was carried out in 2014 to improve the operations and efficiency of the Major Ports. The study has identified 106 port-wise action points/initiatives of which 81 initiatives have already been completed and the Remaining initiatives are scheduled to be completed by the year 2019. The completed initiatives have unlocked 80 MTPA of port cargo-handling capacity and resulted in additional Operating Surplus.

(b) Jawaharlal Nehru Port Trust, Kamarajar Port Limited (Ennore), Kandla Port Trust and Paradip Port Trust are the top four profit making ports during last three years, whereas, Mumbai Port Trust, Kolkata Port Trust and Cochin Port Trust are the top three loss making Ports during the last three years. The reason behind the accumulated losses of these Ports has been mainly on account of pension liabilities, retirement benefits and higher dredging costs which has led to expenditure outgo being higher than the operating income.

(c) As part of the Sagarmala Programme, six locations for establishing 6 new port have been identified. For their economic viability and profitability, various studies are required to be carried out in the preparation of the Detailed Project Reports and implementation on the Landlord port model which is largely practiced globally.
