

GOVERNMENT OF INDIA
MINISTRY OF SHIPPING

LOK SABHA

UNSTARRED QUESTION NO.221

ANSWERED ON 2nd FEBRUARY, 2017

MAJOR PORT TRUSTS ACT, 1963

221. SHRI RAM CHARITRA NISHAD:

Will the Minister of SHIPPING be pleased to state:

पोतपरिवहनमंत्री

- (a) whether the Government proposes to replace the existing Major Port Trusts Act, 1963 by the Major Port Authorities Bill, 2016;
- (b) if so, the details and the objectives thereof;
- (c) whether the Government proposes to redefine the role of Tariff Authority for Major Ports (TAMP) and if so, the details and the objectives thereof;
- (d) whether the Government proposes to create an independent Review Board to carry out residual function of the erstwhile TAMP; and
- (e) if so, the details and the objectives thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF SHIPPING
(SHRI PON. RADHAKRISHNAN)

- (a) Yes, Madam.
- (b) The salient features of the Major Port Authorities Bill, 2016 are given in **Annexure**.
- (c) In the proposed Bill, it has been suggested that the Board of each Major Port Authority or the Committee or Committees appointed in this behalf by the Board would have the power to frame the scale of rates for all port related activities such as usage of port assets, handling different classes of goods, vessel related charges etc.
- (d)&(e): The Major Port Authorities Bill provides for constituting an Adjudicatory Board which is to perform, inter alia, the functions envisaged to be carried out by the erstwhile Tariff Authority for Major Ports arising from the Tariff Guidelines of 2005, 2008 and 2013 and tariffs orders issued by the said Authority.

SALIENT FEATURES OF THE MAJOR PORT AUTHORITIES BILL, 2016

- (i) With the growth and development of private ports, the Major Ports are facing severe competition and difficulties in implementing the changes which may help the Major Ports compete in the evolving market conditions. The regulation of tariff in the Major Ports by the Central Government are some of the critical factors hindering their growth and development. To provide greater autonomy, flexibility to the Major Ports and to professionalize their governance, it is proposed to repeal the Major Port Trusts Act, 1963 and to replace it with a new legislation, namely the Major Ports Authorities Bill, 2016.
- (ii) To constitute the Board of Port Authority for each Major Port in the place of the Board of Trustees.
- (iii) To enable the Board of Port Authority to use its property, assets and funds in such manner and for such purposes as it may deem fit for the benefit of the Major Port.
- (iv) To enter into and perform any contract necessary for the performance of its functions under the proposed legislation.
- (v) To make regulations for the purposes of operations, development and planning of the Major Port.
- (vi) To frame the scales of rates for assets and services available at Major Port.
- (vii) To claim lien on such goods and to seize and detain the same until such rates and rents are fully paid.
- (viii) To empower the Board of Port Authority to raise the loans and issue securities for the purposes of the capital expenditure and working capital requirements of such port authority.
- (ix) To constitute and Adjudicatory Board for adjudication of disputes among Major Ports, Public Private Partnership concessionaries and captive users. This Adjudicatory Board shall consist of a Presiding Officer and such other Members not exceeding two, as may be appointed by the Central Government.
- (x) To make a provision for Corporate Social Responsibility measures within the port limits.
- (xi) To provide for regulation, operation and planning of Major Ports in India and to vest the administration, control and management of such ports upon the Boards of Major Port authorities and for matters connected therewith or incidental thereto.
