

**GOVERNMENT OF INDIA  
SHIPPING  
LOK SABHA**

UNSTARRED QUESTION NO:5401  
ANSWERED ON:13.12.2010  
CONVERSION OF MAJOR PORTS INTO PSUs  
Krishnaswamy Shri M.

**Will the Minister of SHIPPING be pleased to state:**

- (a) whether the Government is planning for conversion of major port trusts into Public Sector Undertakings;
- (b) if so, the details thereof; and
- (c) the manner in which it will help the various stake holders?

**Answer**

MINISTER OF SHIPPING (SHRI G.K.VASAN)

(a) & (b): There is a proposal for structural reorganization of Major Port Trusts through corporatization. It envisages for evolution of the present system of trustees by de- notification of Major Ports from the purview of Major Port Trust Act 1963 and convert the Major Port Trusts into a company under Companies Act, 1956. Ennore Port Limited is the first corporatised port of the country and is functioning as PSU since 2001. A bill was namely the Major Port Trust (Amendment ) Bill 2001 was introduced in the Lok Sabha on 31.8.2001 to amend the MPT Act 1963 by bringing in enabling provisions to facilitate corporatisation of Major Ports. But the Bill lapsed due to dissolution of 13th Lok sabha. The government then decided to take a view that first the performance of the Ennore Port may be reviewed, before formulating Government Policy for corporatisation or otherwise of Major Port in the Country.

(c): The corporatization envisages conversion of Major Ports into commercial organizations operating with minimum costs offering improved services and having a quick market oriented commercial response mechanism.