

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

STARRED QUESTION NO:87
ANSWERED ON:12.08.2013
COMMERCIAL VIABILITY OF MAJOR PORTS
Chacko Shri P.C.

Will the Minister of SHIPPING be pleased to state:

- (a) whether the port of Colombo in Sri Lanka has reportedly become a favourable and commercially viable port for major shipping companies as compared to the main southern and western ports in India;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has conducted any study in respect of the commercial viability of the major ports of the country;
- (d) if so, the details of the outcome thereof; and
- (e) the corrective steps taken/being taken by the Government in this regard?

Answer

MINISTER OF SHIPPING (SHRI G.K. VASAN)

(a)&(b): There are no reports or studies to suggest that the Port of Colombo in Sri Lanka has become a favourable and commercially viable Port for major shipping companies as compared to the main southern and western ports in India. However, the port of Colombo enjoys locational advantage being on the major East-West Trade route and because of the extensive feeder network from many ports in the region.

(c)&(d): Techno-economic feasibility studies are conducted to ascertain the commercial viability before setting up new major ports and before undertaking developmental projects in the existing major ports which are taken up only if they are commercially viable

(e) The Government has made concerted efforts to improve port infrastructure and facilities to facilitate Trade including the following:

Augmenting cargo handling capacity in major ports.

Mechanisation of cargo handling operations.

Establishment of the International Container Transshipment Terminal in Vallarpadam, Cochin and relaxation of cabotage for the same

Increasing draft at major ports

Augmenting port connectivity.