

LOK SABHA DEBATES

LOK SABHA

Thursday, July 28, 1988/Sravana 6, 1910
(Saka)

*The Lok Sabha met at Eleven of
the Clock.*

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

Privatisation of Ports

[*English*]

*21. SHRI ANANDA PATHAK† :
SHRI BAJU BAN RIYAN :

Will the Minister of SURFACE
TRANSPORT be pleased to state :

(a) whether there is any move for
privatisation of Ports; and

(b) if so, the details thereof ?

THE MINISTER OF STATE OF THE
MINISTRY OF SURFACE TRANSPORT
(SHRI RAJESH PILOT) : (a) and (b).
There is no move for the privatisation of
ports. However, in limited areas of Port
development, Government are prepared to
consider the induction of private capital.

SHRI ANANDA PATHAK : In spite
of denials by the Government, the Govern-
ment is moving towards privatisation of
public undertakings as well as the key
sectors. It is learnt that the American
President Line, one of the world's largest
shippers have offered to develop Bombay,
Madras, Nhava Sheva ports by taking over

the management of some of the key areas
of these ports. It is also learnt that the
Government is seriously considering this
proposal and to give effect to this proposal,
the Government is also thinking to amend
the Major Ports Act to enable it to hand
over these ports to foreign companies.
(*Interruptions*)

MR. SPEAKER : Please put the ques-
tion.

SHRI ANANDA PATHAK : May I
know whether the Government has actually
accepted the proposal and whether the
Government is going to amend the Major
Ports Act to enable it to hand over these
ports to a foreign private company ?

SHRI RAJESH PILOT : As I have
mentioned in my answer, the Government
have no intention to involve or to have
privatisation to that degree which the Hon.
Member is foreseeing. It is only a recom-
mendation to involve some portion of the
port sector where the Government's resources
cannot be augmented or supplemented to
that degree.

As for the particular proposal that the
Hon. Member has mentioned about
American President Line, there was an offer.
It is a fact that they did offer to help for
the container terminal at Bombay. It has
been rejected because Bombay Port's health
financially is very good. We do not require
their help on each port. We have told them
about some ports like Haldia where some
private offers were asked for. So, this
particular offer has been rejected.

The Hon. Member was saying that there
is a proposal to amend the Act. It is not
there; the Government have not thought on
these lines yet.

SHRI ANANDA PATHAK : Among major ports, Bombay is one. Bombay is not only a port, it is also a naval base. Very high volume of defence equipment come through Bombay Port. Therefore, I would like to know whether it is advisable to allow handling of such vital traffic by a private—indigenous or foreign—company.

SHRI RAJESH PILOT : As I have mentioned, in September 1985—to put things straight on record—there was a Committee which recommended that where ports already have container terminals, some sectors from private, particularly where we feel that the national interest is taken care of, could be involved. We could involve some private capital investment. This Committee was appointed in September, 1985; its report was submitted in 1986. After that, we forwarded the comments of this Committee specially to the Calcutta Port in May 1987. They gave the guidelines to identify the para-meters for private investment. They have also categorised who can invest on these lines and after that we also put conditions as to on what conditions they can invest. These are all thought over and as far as induction of private handling is concerned, no offer has come from anywhere and we have not allowed it in any port in the country.

SHRI D.N. REDDY : I would like to know whether it is a fact that the charges in the ports are abnormally high and in many cases even higher than Singapore and people are feeling the burden. I would also like to know whether in the interest of lowering the charges and increasing the efficiency Government will think of introducing privatisation at least in some departments of the ports and whether a delegation from different ports gave a representation to improve standards and also there is lot of dis-satisfaction among the staff at the ports ?

SHRI RAJESH PILOT : As far as charges are concerned it is a fact that on some of the ports the charges are higher as compared to some of the modernised ports. Our problem is that in other countries ports are so modernised that their labour component is very low. I recently visited Rotterdam port where mechanisation is so much that four people are handling roughly one container per one and a half minutes or so.

On the other hand, we have so much of labour component involved and because of various reasons we cannot go in for mechanisation immediately seeing other factors. Because of that also the cost of handling at ports is more in India but I must say that we are not the highest. We have tried to improve the ports and lot of improvements have taken place. The average berth rate time, which was in 1984-85 3.6 days has come down to 2.2 days now. Similarly average turn round time which was roughly 12 days has come down to 8 days. The number of vessels handled on ports has gone very high. The output per ship per berth which was roughly 2134 has gone up to 3500 tonnes. These are the para-meters which show there is improvement in the ports. Further, this is the first time that all the ports in the country have operationally shown plus. Efforts are on and we would like that any ship coming from outside should feel that Indian ports are equally competitive.

SHRI D.N. REDDY : What about the representation of ports' officers ?

SHRI RAJESH PILOT : These are routine departmental things. This is a continuous process. We keep on discussing the problems departmentally very often.

SHRI AMAL DATTA : While I am sure the Minister is full of good intentions and would like to do many things for the ports but what he has actually been able to do or has done is our concern. I have been told that none of the shore-based cranes in the Calcutta port is functional today while five of them were functioning before 1985. During the last three years such a deterioration has taken place in Calcutta port that handling of cargo is being done only by ships' derricks. Secondly the working of dredging in Calcutta port has come practically to a standstill and navigability is going down every day. There is no scheme, I understand, even to increase the navigability. Will the Minister clarify these things ?

SHRI RAJESH PILOT : Regarding the first part of the question about functioning of cranes, I do not have the latest information but there was some problem a month or so back. There were some problems on the servcibility of these cranes. Some steps were taken but I do not have the latest

position, whether five or three cranes are servicable but I will inform the hon. Member about the latest position.

So far as dredging is concerned, the hon. Member will agree that Calcutta port is one port—normally, ports are on the sea—where we have tried to bring sea to the port. So, cost of dredging is very much. We really spent Rs. 30 crores per year on the dredging. The dredging of the Calcutta port has the priority. We are maintaining the dredging part and the draught of the Calcutta port has been maintained. It is, of course, in some season where it has gone down. But dredging has been given priority at the Calcutta port.

MR. SPEAKER : Question No. 22.

AN HON. MEMBER : Question Nos. 22 and 28 may be taken up together.

MR. SPEAKER : Yes, if the Minister agrees.

THE MINISTER OF STEEL AND MINES (SHRI M.L. FOTEDAR) : Sir, I would like to seek your indulgence. Question Nos. 22 and 28 listed for today are almost identical. I would request you that in case the hon. Members have no objection, both the questions may be taken up together. That is what you said ?

SHRI ANIL BASU : Sir, right to ask supplementary should be protected.

MR. SPEAKER : Yes, yes, How can that go unprotected ?

[*Translation*]

Yes that will be protected.

[*English*]

No discrimination.

Production and Demand of Hot Rolled Coils

*22. SHRI PURNA CHANDRA MALIK : Will the Minister of STEEL AND MINES be pleased to state :

(a) the present production and demand of hot rolled coils in the country; and

(b) the time by which the steel plants are likely to meet in full the internal

requirements of this item and the imports will be stopped ?

THE MINISTER OF STEEL AND MINES (SHRI M.L. FOTEDAR) : (a) and (b). A Statement is given below.

Statement

Production and Demand of Hot Rolled Coils

(a) During 1987-88, the actual consumption of Hot Rolled Coils and Sheets in the country amounted to 1.99 million tonnes while indigenous production was 1.72 million tonnes.

(b) The full demand of Hot Rolled Coils will be met after the modernisation and expansion of existing steel plants is complete and additional capacity for the production of the type of steel has been set up in the country.

Import of Hot Rolled Coils

*28. SHRI AMAL DATTA † :
SHRI AJOY BISWAS :

Will the Minister of STEEL AND MINES be pleased to state :

(a) whether the Steel Authority of India Limited has been allowed to import 3.8 lakh tonnes of hot rolled coils in one go; and

(b) if so, under what conditions ?

THE MINISTER OF STEEL AND MINES (SHRI M.L. FOTEDAR) : (a) No, Sir.

(b) Does not arise.

SHRI PURNA CHANDRA MALIK : Whether it is a fact that Alloy Steel Plant, Durgapur, where production is running over 90 per cent (concast stainless slab) for the past few years, can profitably produce hot rolled coils at a less cost if new machines are installed there.

If so, have the Government taken any steps for modernisation and expansion of ASP at Durgapur ?

SHRI M.L. FOTEDAR : Sir, I may tell the hon. Member that we are not producing HR coils in Durgapur ASP, but are producing at Bokaro, Rourkela and Durgapur main steel plants. We are modernising three plants. We will be increasing the