

**GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:3243
ANSWERED ON:23.03.2005
DECLINE IN INCOME EARNED BY PORTS
Chouhan Shri Shivraj Singh

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether there has been steep decline in the earning of some major ports during the last year;
- (b) if so, the details thereof, port-wise;
- (c) whether the expenditure incurred by the said ports on the other hand is increasing continuously;
- (d) if so, the reasons and the details thereof, port-wise; and
- (e) the corrective steps taken to increase the efficiency and decrease operational/ administrative cost of major ports, particularly of Paradeep Port?

Answer

MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU)

(a) & (b) Of the 12 Major Ports, income of Chennai and Mumbai Port declined from Rs.446.04 crores and Rs.968.28 crores in 2002-03 to Rs. 413.58 crores and Rs. 544.88 crores during the year 2003-04, respectively.

(c) The expenditure incurred by the said ports during the last four years is indicated below:-

(Rs in crores)

2000-2001 2001-2002 2002-2003 2003-2004

Chennai Port Trust	437.12	411.43	319.36	339.39
Mumbai Port Trust	1095.12	855.97	705.22	761.67

(d) The increase in expenditure of Chennai Port during 2003-04 is due to increase in additional contribution to Pension fund on account of retirement of around 900 employees on Special Voluntary Retirement from service and due to reduction in the interest rate to maintain the required earnings to meet pension liability. The increase in expenditure of Mumbai Port during 2003-04 is mainly on account of increase in salary & wages and general increase in costs.

(e) As a part of ongoing process, periodical reviews of different activities are conducted by the Ports to increase efficiency. Modernization of ageing plants and machinery is also undertaken by Ports to increase operational efficiency.

The total expenditure of Paradip Port which includes operating expenditure has not increased during the year 2003-04 as compared to 2002-03. The operational expenditure increased by 0.55% from Rs. 211.79 crores during 2002-03 to Rs.212.96 crores in 2003-04. There is no increase in the administrative expenditure during the year 2003-04.