

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

STARRED QUESTION NO:448
ANSWERED ON:27.04.2005
SETTING UP OF GATEWAY PORTS
Reddy Shri Magunta Sreenivasulu

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

- (a) whether a large number of containers that flow into India are transhipped at neighbouring ports for want of adequate facilities in India which causes delays and raises transaction costs in India's International Trade;
- (b) if so, the details thereof;
- (c) whether the Government proposes to establish Gateway ports to cater to the container traffic; and
- (d) if so, the details thereof?

Answer

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

(a) to (d) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.448 FOR ANSWER ON 27.4.2005 RAISED BY SHRI MAGUNTA SREENIVASULU REDDY REGARDING SETTING UP OF GATEWAY PORTS.

(a) to (d) It is estimated that about 40% of container cargo, either originating from or bound for destinations in, India is transhipped at ports outside India, mainly at Colombo, Singapore, Dubai and Salalah, which involves additional transaction costs for Indian trade. This is mainly due to inadequate volume of container cargo, lack of adequate draught and non-availability of state-of-the-art container handling facilities in most of the Indian ports. However, it has been decided to develop Jawaharlal Nehru Port on the west coast and Chennai Port on the east coast as Gateway Ports capable of receiving large size vessels. Mainline vessels have already started calling at these ports. In addition, Cochin Port Trust has also signed a License Agreement with India Gateway Terminal Private Limited, a subsidiary of Dubai Ports International, Dubai, UAE for development and operation of International Container Transshipment Terminal at the Port. These measures will reduce the dependence of Indian trade on ports outside India for transshipment of container cargo to a large extent.