

**Corporatisation of major ports**

\*66. SHRI JANARDHANA POOJARY: Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether Government are considering to corporatise all the major ports in the country;

(b) if so, the details thereof and the reasons therefor;

(c) whether a foreign consultancy firm has been engaged to advise Government in this regard; and

(d) if so, what are its findings and recommendations and the targeted date for finalizing the issue?

THE 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***

(a) and (b) A Bill was earlier introduced in the Lok Sabha on 31.8.2001 to amend the Major Port Trusts Act, 1963 by bringing in enabling provisions to facilitate corporatisation of Major Ports. The Bill was referred to the Department Related Parliamentary Standing Committee on Transport, Tourism and Culture for examination. The report of this Committee was laid on the Table of Rajya Sabha on 19th February, 2003. While the Government was formulating its response to the observations and recommendations given in the report, 13th Lok Sabha was dissolved. Consequently, the Bill lapsed. The Government decided to conduct an evaluation of the performance of Ennore Port which is a company, by a Committee of Experts. The Report of the Committee is under finalization. On the basis of this Report, the decision on the policy for corporatisation of other major ports will be taken.

(c) No, Sir.

(d) Does not arise.

SHRI JANARDHANA POOJARY: Sir, the hon. Minister has stated in his reply that 'while the Government was formulating its response to the observations and recommendations given in the Report, the Thirteenth Lok Sabha was dissolved. The Government decided to conduct an evaluation of the performance of the Ennore Port, which is a company, by a Committee of Experts.'

[27 July, 2006]

RAJYA SABHA

The question before us, Sir, the Standing Committee which has gone into the details of the Bill, has unanimously recommended that the other ports should not be corporatized. When the Standing Committee has definitely recommended this aspect of the provisions of the Bill, can the Government assure that the remaining ports will not be corporatized? Are the remaining ports incurring loss or profit?

SHRI T.R. BAALU: Sir, there were a lot of recommendations made by the Standing Committee; we have received the report in 2003. Of course, the Parliament was dissolved. As such, we are not going to consider everything that it has recommended. At the same time, it is for the administrative Ministry to decide whether the recommendations, the positive recommendations, could be taken into account. For that, we have appointed an Expert Committee, a six-member Expert Committee, and we will be receiving the feedbacks by the end of the next month. As and when we receive the feedback, we shall go ahead as per the advice of the Committee.

SHRI JANARDHANA POOJARY: Sir, here I may mention that it has been reported that the Ministry has appointed the Rotterdam Port Consultant, an international shipping consultant enterprise, as the Chief Adviser.

Sir, the most important part is 'as a Chief Advisor'. Whether it is true that you have appointed Rotterdam Port Consultant, an international shipping agency, as Chief Advisor; and, if they advise you to corporatise, then whether you are going to have corporatisation of the ports.

SHRI T.R. BAALU: Sir, Rotterdam Institution is mainly to advise on business plans, and each and every port has got their own advisor. At the same time, we will collect all the major ports' inputs and we will take an advice of the Rotterdam. At the same time, it has got no relevance as far as restructuring of a port into a company.

SHRI TAPAN KUMAR SEN: Sir, I would like to draw the attention of the hon. Minister and ask a particular question. Sir, the earlier Government also decided on corporatisation, introduced a Bill, referred it to the Standing Committee and it was a unanimous recommendations of the Standing Committee not to corporatise—cutting across party lines, it was a unanimous recommendations—but still the Government is giving more emphasis on an Expert Committee, that too influenced by foreign consultants. Meantime, in the different ports, segments are being handed

over to different private players for its operation, where foreign interest is also there. Will the Minister, in consideration of the grievous impact including security concern of ports being operated in that fashion, reconsider its position on the corporatisation of the ports?

SHRI T.R. BAALU: Sir, as far as the Ennore Port is concerned—it is a first Corporate port,—we had established the port in 1999 and it was inaugurated in 2001. For the past five years, we are watching the performance. The entire performance will be looked into by the Expert Committee. We are evaluating the situation. At the same time, Sir, the Standing Committee has given lot of recommendations. If you want, I can sent it to the hon Member. The second recommendation is: Though the Committee accepts the given view that the amendment is required to bring in more autonomy and flexibility in the operation of Major Port Trust, it expressed a view that these objects could have been achieved by introducing some changes in the present Major Port Trusts Act, 1963, and, there was no need for corporatisation of the port, which is proposed to be achieved by the amendment. That is not the only recommendation but, at the same time, they have given recommendations on many issues like labour, port security and everything. But, holistically, we have to see what sort of recommendations the Expert Committee now envisages and we will go by the Expert Committee's advise. ...*(Interruptions)*...

SHRI A. VIJAYARAGHAVAN: Advice of the Standing Committee or Expert Committee ...*(Interruptions)*...

SHRI T.R. BAALU: That Standing Committee exists no more; it was a Standing Committee of the past. The views of the Standing Committee of the present Parliament will have to be taken into account.

SHRI GIREESH KUMAR SANGHI: Sir, recently, there was a news item about free ports in our country and that the Government is planning to make some ports, free ports on the lines of Singapore. If it is so, which are the ports and in which States the Government is planning to do so.

SHRI T.R. BAALU: Sir, as of now, there is no proposal as such.

### **Role of Gram Sabhas**

\*67. KUMARI NIRMALA DESHPANDE: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) the role of the Gram Sabhas in implementing various schemes for helping the poor;