

GOVERNMENT OF INDIA  
MINISTRY OF PORTS, SHIPPING AND WATERWAYS  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-308**  
ANSWERED ON 19/07/2022

**TRANSSHIPMENT HUB**

308. SHRI PRABHAKAR REDDY VEMIREDDY:

Will the Minister of PORTS, SHIPPING AND WATERWAYS be pleased to state:

- (a) the advantages of enabling a port as Transshipment Hub;
- (b) whether the Ministry has received suggestions from stakeholders to make Visakhapatnam as Transshipment Hub;
- (c) if so, the steps taken by the Ministry in this regard; and
- (d) to what extent new tariff guidelines of 2021 is helping transshipment at ports?

**ANSWER**

MINISTER OF PORTS, SHIPPING AND WATERWAYS  
(SHRI SARBANANDA SONOWAL)

(a) Currently, nearly 75% of India's Transshipment cargo is handled at ports outside India. The Ports of Colombo, Singapore, and Klang handle more than 85% of this cargo. Developing a port into Transshipment Hub will accrue significant benefits such as forex savings, foreign direct investment, increased economic activity at other Indian Ports, development of related logistics infrastructure, employment generation, improve operation/logistics efficiencies and increase in revenue share. Several other allied businesses viz. ship chandlery-ship supplies, ship repair, crew change facility, logistics value added services, warehousing and bunkering also come up at the Transshipment port.

(b) & (c) The Ministry of Ports, Shipping & Waterways is in receipt of suggestions from stakeholders to make Visakhapatnam as Transshipment Hub. Presently, however, these proposals namely developing Galathea Bay at Great Nicobar Islands, development of Cochin Port into Transshipment facility have been taken up by the Government of India. This apart, the State Government of Kerala in association with Private Investor and partial financial support from the Ministry of Finance (Government of India) is also developing a Transshipment project at Vizhinjam in Kerala.

(d) Tariff Guidelines, 2021 provide the flexibility of fixing the market determined tariff to PPP Operators thereby creating a healthy competition leading to rationalization of logistics costs.

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