A STUDY ON TRAFFIC PERFORMANCE AND EFFICIENCY OF MAJOR PORTS IN INDIA

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ABSTRACT

Ports play a vital role in India's overall economic development. By volume, 90% of the country's international trade relies on maritime transport (70% by values). India's port network comprises 13 major and 187 non-major ports. Over financial year India's GDP recorded a 7.6 percent, India's export-import (EXIM) trade rose from 4.3trn to 38.1trn, a 21 percent CAGR.

The Government of India plants to increase India's share of global trade from the current from 1.5 percent to 5 percent, with a corresponding increase in cargo traffic from 912m tons in financial year 2012 to 2,484m tons by financial year 2020. Towards this, it has planned investing 2.7trn in the ports sector to enhance capacity of major ports from 697m tons in financial year 2012 to 1,460m tons by financial year 202. A delay in expanding major ports spells opportunities for private port operators with strong promoters and appropriate infrastructure.

Key words: Major ports, Coastal trade, Vessels

INTRODUCTION

Ports in India are classified as major and non-major. This based on controlling authority, not size of operations. The Major ports fall under the Ministry of Shipping. Those operated under concessions from state maritime boards or state governments are non-major. Those under the Ministry are governed by the Tariff Authority for Major Ports (TAMP), which regulates tariffs for vessels and cargo, and decides rates for lease of properties of major ports trusts. Non-major ports are relatively free to set their own tariffs and hence have the advantage of attracting more cargo. India has a coastline of 7,517 km (on the western and eastern sides of the mainland and the islands), with 13 major ports (only on at Andaman & Nicobar Islands is nonoperational) and 187 non-major ports (only 48 operational).

NEED OF THE STUDY

A country cannot stand alone on the basis of self-sufficiency and there must be an exchange between the countries at the world. In this process ports serve as an efficient and modern nodal of exchange of cargo between nations. Hence government of India has introduced and implementing many schemes for the development of ports in modernization of port facilities and use the update technology in order to improve the efficiency of port operations.. The growth in traffic has exceed the growth in capacity leading to congestion and low productivity. Low level productivity and inefficient process and procedures make the Indian maritime sector unattractive in the eyes of global players.

OBJECTIVES OF THE STUDY

The main objectives this articles includes

01. To measure the operational efficiency and performance of major ports in India

02. To offer suggestion based on the findings of the study

METHODOLOGY

I. Sources of data

This study is entirely based on secondary data which was collected from the reports of port authorities, CMIE data bases and India State websites.

II. Frame work of analysis

The data were analysis with the help of compound annual growth rate. The compound Annual Growth Rate (CAGR) is frequently used in business presentations.

The formula for Compound Annual Growth Rate is

CAGR = {End value/ start value} ^ (1% No-of-years)-1

III. Period of the study

The present study covers the period of five years from 2012-2013 to 2017-2018.

IV.ANALYSIS AND INTERPRETATION OF DATA

Table – 1 Year Traffic Handled at Major and Non major Ports in India

YEAR	Major Ports	Non Major Ports	Total (Million Tonnes)	% Share of Major Ports	% Share of Non-Major Ports	CAGR (%)
2013-2014	570.3	314.5	884.88	64.42	35.58	4.4
2014-2015	560.13	353.02	913.15	61.34	38.66	
2015-2016	545.79	387.87	933.66	58.45	41.54	
2016-2017	555.5	417.13	972.63	57.11	42.89	
2017-2018	581.34	470.67	1052.01	55.26	44.74	

Source: Indian Ports Association

The above table-1, Explains the traffic performance of major and non-major ports in India. The traffic handled by non-major ports has increased from 35.38 percent in the year 2013-2014 to 44.74 percent in the year 2017-2018. Whereas the traffic handled by major ports fluctuating from 58.45 percent in the year 2015-2016 to 64.42 percent in the year 2013-2014.

Table – 2 Commodity wise cargo traffic handled at Major Ports (in million tonnes)

Year	POL (Crude & Products	Fertilizer	Fertilizer Materials	Iron Ore	Coal	Food Grains	Others	Total	CAGR (%)
2013-2014	179.88	1237	8.43	87.69	75.15	1.92	204.65	570.09	1.6
2014-2015	173.85	12.22	8.18	60.72	78.78	3.28	223.16	560.19	-1.74
2015-2016	180.73	7.47	7.33	27.29	86.8	6.6	229.61	545.83	-2.56
2016-2017	181.06	6.15	7.64	24.62	104.27	4.79	226.96	555.49	1.77
2017-2018	181.02	7.93	8.36	18	119.47	3.09	243.46	581.33	4.65

Source: Indian Ports Association

From the table 02, the commodity wise cargo traffic handled at major ports shown 570.06 million tonnes in the year 2013-2014. As compare with year 2012-2013, it decreases t 560.19 million tonnes in the year 2013-2014 and 2015-2016. Further, it increased to 555.49 million tonnes and 581.33 million tonnes during the year 2016-2017 and 2017-2018 respectively.

Table – 03 Average Pre – Berthing Detention (Days)

Port	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	CAGR
Kolkata D.S	1.23	0.77	0.61	0.56	0.71	12.84
Haldia D.C	3.73	2.54	2.29	2.21	1.43	21.31
Paradip	5.04	3.69	1.65	1.94	4.11	4.97
Vishakhapatnam	2.81	2.84	2.5	1.84	2.59	2.01
Kamarajar	0.65	0.76	1.33	2.38	2.51	-40.18
Chennai	1.61	1.16	0.8	0.41	0.41	28.96
Chidambaranar	1.29	1.91	1.31	1.19	1.07	4.56
Cohin	1.03	1.05	1.09	0.97	0.84	4.97
New Mangalore	0.59	0.79	1.04	0.81	0.6	0.42
Morugo	4.07	2.94	1.62	1.47	1.61	20.69
J.L Nehru	1.51	1.13	1.31	1.08	0.8	14.68
Mumbai	1.23	1.37	1.62	1.18	1.69	8.26
Kandla	3.32	3.74	3.58	2.72	2.52	6.66
All Ports	2.32	2.05	1.79	1.48	1.61	8.72

Source: Indian Ports Association

Table – 03, shows the average Pre-Berthing detention of all the major ports in India Chennai port shows highest CAGR (28.96) and kamarajar port shows lowest CAGR (-40.18) during the year w2013-2014 to 2017-2018.

Table – 04 Average turnaround time (Days)

Port	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	CAGR
kolkata D.S	6.21	5.45	4.72	4.51	4.97	5.41
Haldia D.C	4.45	3.62	3.95	3.77	3.36	6.78
Paradip	7.73	6.33	4.39	4.62	7.01	2.41
Vishakhapatnam	5.84	5.68	5.39	4.73	5.67	0.73
Kamarajar	2.78	2.17	2.95	4.24	4.32	(-11.65)
Chennai	4.36	3.91	3.24	2.46	2.54	12.63
Chidambaranar	4	4.94	4.31	3.92	3.37	4.19
Cohin	2.2	1.82	1.58	1.76	1.69	6.38
New Mangalore	2.7	2.95	3.29	3.18	2.46	2.3
Morugo	10.43	7.68	5.06	4.5	3.97	21.43
J.L Nehru	2.64	1.94	2.48	2.26	2.24	4.02
Mumbai	4.96	5.22	5.58	4.25	4.09	4.7
Kandla	5.9	6.42	6.33	5.66	4.9	4.53
All Ports	5.29	4.56	4.29	3.84	3.89	7.39

Source: Indian Ports Association

From table – 04 it is deal that, the average turnaround time was highest mourgo port (CAGR 21.43) and it was lowest in Kamarajar port (CAGR – 11.65)

V. SUGGESTION

The major ports in India are plagued with high level of inefficiency. Internally also they are facing severe competitions from non major ports and are losing their market share to them year after year. Given the increasing global competition in the port sector, it is imperatives for these ports to re-invent themselves to keep ahead of competition. For this purpose the port management should be completely professionalized and truly autonomous. Operating as government owned trusts limit their abilities to meet the challenges of the market and severely restrict their responsiveness to market demands. Under such circumstances corporatization can certainly give a thrust to these ports and help them become more vibrant.

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