

# PORTS WING

## ***Introduction***

The Ports Wing is primarily responsible for the development of 12 Major Ports with the objective to provide necessary and adequate cargo handling capacity to meet India's EXIM trade. The Ports in the country handle around 90% of EXIM Cargo by volume and 70% by value. In order to meet the ever increasing trade requirements, expansion of Port Capacity is accorded the highest priority. While increasing the capacity of the major ports, the Port Wing strives to improve the operational efficiencies through mechanization, digitization and process simplification. As a result over the years the installed capacity & cargo handled by the Major Ports have increased considerably. Besides the efficiency parameters like average turn around time, average output per ship berth day have also improved considerable.

## ***Major Ports & Non-Major Ports***

There are 12 major ports and 200 non-major ports (minor ports) in the country. While the Major Ports are under the administrative control of Ministry of Shipping, the non-major ports are under the jurisdiction of respective State Maritime Boards/ State Government. All the 12 Major ports are functional. Out of the 200 non-major ports, around 65 ports are handling cargo and the others are "Port Limits" where no cargo is handled and these are used by fishing vessels and by small ferries to carry passengers across the creeks etc

## ***Major Port Authorities***

Chennai Port Authority

Cochin Port Authority

Deendayal Port Authority

Jawaharlal Nehru Port Authority

[Paradip Port Authority](#)

Syama Prasad Mookerjee Port Authority

Mormugao Port Authority

Mumbai Port Authority

New Mangalore Port Authority

Visakhapatnam Port Authority

V.O.Chidambarnar Port Authority

## ***Major Port Trusts Act, 1963 and IPA Act, 1908***

All the 12 Major Ports are governed under the Major Port Trusts act, 1963. All the Non-Major Ports (minor ports) are governed under the IPA Act, 1908 which consists of 69 sections and two schedules and regulates the berths, stations, anchoring, fastening, mooring and unmooring of vessels. Besides, it fixes the rates to be paid in a port other than Major Port for use of such mooring belonging to the Government. It also regulates catamarans plying or hire and deals with regulating the use of fires and light within any such port

## ***Maritime State Development Council (MSDC)***

The MSDC was constituted in May, 1997 under the Chairmanship of the then Hon'ble Minister (SFT) with Minister in-charge of ports of all Maritime States/UTs, Secretary (SFT) and DA (Ports) as its Members and Joint Secretary (Ports) as Member-Secretary. Administrator, Union Territory of Daman & Diu was added as a Member in November, 1997. In march 2003 Director of Naval Operations, Naval Headquarters, New Delhi and Director (Operations), Coast Guard has been inducted as members in the MSDC. As per mandate of the Instruction of Maritime State Development council under the Chairmanship of Hon'ble Minister of Ports, Shipping and Waterways, the Council would meet at least once in six month

The MSDC meetings held earlier are as under in chronological order:-

<b>MSDC Meeting</b>	<b>Place</b>	<b>Date</b>
1 <sup>st</sup> MSDC	Chennai	1-2 <sup>nd</sup> August, 1997.
2 <sup>nd</sup> MSDC	New Delhi	23 <sup>rd</sup> June, 1999
3 <sup>rd</sup> MSDC	Vishakhapatnam	1-2 <sup>nd</sup> July, 2000
4 <sup>th</sup> MSDC	Goa	19-20 <sup>th</sup> October, 2001
5 <sup>th</sup> MSDC	Goa	3-4 <sup>th</sup> September, 2003
6 <sup>th</sup> MSDC	Pondicherry	29-30 <sup>th</sup> January, 2004
7 <sup>th</sup> MSDC	Bhubaneswar	10 <sup>th</sup> November, 2004
8 <sup>th</sup> MSDC	Cochin	22 <sup>nd</sup> December, 2006
9 <sup>th</sup> MSDC	Goa	6-7 <sup>th</sup> January, 2008
10 <sup>th</sup> MSDC	Chennai	31 <sup>st</sup> December, 2008
11 <sup>th</sup> MSDC	New Delhi	12 <sup>th</sup> November, 2009
12 <sup>th</sup> MSDC	Chennai	31 <sup>st</sup> August, 2010
13 <sup>th</sup> MSDC	Hyderabad	13-14 <sup>th</sup> June, 2011
14 <sup>th</sup> MSDC	Mumbai	7-8 <sup>th</sup> January, 2013
15 <sup>th</sup> MSDC	Bangalore	16 <sup>th</sup> November, 2013
16 <sup>th</sup> MSDC	Goa	24 <sup>th</sup> August 2015
17 <sup>th</sup> MSDC	New Delhi	15 <sup>th</sup> October, 2019

### ***Major Port Authority Bill, 2020***

There are 11 Major Port Trusts in the Country which are governed by the Major Port Trusts Act, 1963. A number of measures are being taken by the Government to augment capacity and improve the operational efficiency of Major Ports. However, under the restrictive ambit of the MPT Act, the Major Ports are finding it difficult to operate in a highly competitive environment and respond to market challenges. The Board of Trustees is very large and comprises of representatives of disparate interests including port users, labour, trade associations which makes decision making cumbersome, and, at times decisions are taken which are not fully based on commercial and economic interest. Even after delegating more powers and making some amendments to MPT Act, from time to time, the basic objective of offering efficient services to port users has not been achieved fully.

With a view to provide more autonomy and flexibility to Major Ports and to professionalize their governance, it was proposed in the year 2016 to amend the Major Port Trusts Act, 1963 comprehensively. Since, the number of amendments was large, it was proposed to replace the existing MPT Act, 1963 with a new Act viz. 'The Major Port Authorities Act, 2016'. The Bill was introduced in the Lok Sabha on 16.12.2016 but it could not be passed due to non-inclusion in the list of Business of Lok Sabha. On dissolution of 16<sup>th</sup> Lok Sabha, the Bill was lapsed.

The Major Port Authority Bill, 2020 has been introduced in the Lok Sabha on 12.03.2020. Listed in the Business of the House on 20.03.2020 and 23.03.2020 for discussion and consideration

### ***Tariff Authority for Major Ports (TAMP)***

#### **Establishment of TAMP**

The Tariff Authority for Major Ports (TAMP) was constituted on 10 April 1997 by an amendment to the erstwhile Major Port Trusts (MPT) Act, 1963. The jurisdiction of the Authority extends to all the Major Ports and Private Terminals operating therein

**Functions of TAMP under the erstwhile MPT Act, 1963:**

As per the mandate given under the erstwhile MPT Act, 1963, TAMP carried out the functions of determining the scale of rates and statement of conditions for the cargo-related services, vessel-related services, and miscellaneous services rendered by 11 Major Ports and Private Terminals operating in Major Ports. The TAMP also determined the Scale of Rates for the use of portland and properties,

The tariff-setting functions were carried out by TAMP following the tariff guidelines issued by the Government of India from time to time and following the prescribed consultative process with the concerned stakeholders.

The TAMP since inception till 02 November 2021 has disposed of 1087 cases

The headquarters of the Tariff Authority for Major Ports is located in Mumbai.

**Major Port Authorities (MPA) Act, 2021:**

The Ministry of Law and Justice published the Major Port Authorities (MPA) Act, 2021 in the Gazette on 18 February 2021, which has come into force with effect from 3 November 2021. As per Section 75(1) of the MPA Act, 2021, the MPT Act, 1963 stands repealed. Thereby, the tariff fixation mandate of TAMP stands withdrawn with effect from 03 November 2021.

**Constitution of Adjudicatory Board:**

Under the MPA Act, 2021 the Central Government may constitute an Adjudicatory Board for discharging the adjudicatory-related functions envisaged in Section 58 (1) of the said Act. The constitution of the Adjudication Board by the Central Government is in process.

**Functions of the Adjudicatory Board:**

Section 58 (1) of the MPA Act 2021 envisages the following functions (other than tariff setting) to be discharged by the Adjudicatory Board:

- (a). The functions envisaged to be carried out by the erstwhile TAMP arising from the Tariff Guidelines of 2005, 2008, 2013, 2018, and 2019 and tariff orders issued by the said Authority.
- (b). To receive and adjudicate reference on any dispute or differences or claims relating to rights and obligations of Major Ports and PPP concessionaires or captive users within the framework of their concession agreements and to pass orders after considering and hearing all the parties involved in the dispute.
- (c). To appraise, and review the stressed Public Private Partnership projects as referred by the Central Government or the Board, and to suggest measures to revive such projects.
- (d). To look into the complaints received from port users against the services and terms of service rendered by the Major Ports or the private operators operating and to pass necessary orders after hearing the parties concerned.
- (e). To look into any other matter relating to the operations of the Major Port, as may be referred to it by the Central Government or the Port, and to pass orders or give suggestions, as the case may be.
- (f). Further, as per Section 32 of the said Act, any person aggrieved by any action of the Major Port Board while exercising its powers under sections 22 to 31 (except section 29) may approach the Adjudicatory Board.

The Adjudicatory shall have the same powers as are vested in a Civil Court under the Code of Civil Procedure for discharging its functions.

**Major ports Adjudicatory Board Rules, 2023:**

The Major Ports Adjudicatory Board Rules, 2023 relating to the constitution of the Adjudicatory Board and procedure to be followed by the Adjudicatory Board have been notified by the MOPSW in the Gazette of India vide Gazette No. 29 dated 17 January 2023.

**TAMP discharges the functions of the Adjudicatory Board till its constitution:**

As per the proviso under Section 58 (1) of MPA Act, 2021, TAMP is to discharge the functions of the Adjudicatory Board till the constitution of the Adjudicatory Board. Accordingly, TAMP discharges the functions of the Adjudicatory Board following the prescribed consultative process and giving an opportunity of hearing to the concerned stakeholders.

Further, during this period of transition, TAMP also provides support to the Major Ports/ government as regards formulating of Tariff Fixation Policy for Major Ports / PPP Concessionaires and related matters.

### **Meetings of the Authority**

The procedure to be followed in processing tariff cases and conducting the meetings of this Authority is regulated by the Tariff Authority for Major Ports (Transaction of Business) Regulations, 1998.

**The Authority follows the following guidelines issued by the Government of India for regulating tariff of Major Port Authority and Private Terminals operating thereat.**

Sr. No. Guidelines Date of Notification

(i).

Upfront Tariff Guidelines, 2008

26/02/2008

(ii).

Reference Tariff Guidelines, 2013

30/09/2013

(iii).

Guidelines for Determination of Upfront Tariff for Stevedoring and Shore Handling Operations, 2016.

15/09/2016

(iv).

Berthing Policy for Dry Bulk Cargo for Major Ports, 2016.

MOS Letter dated 16 June 2016

(v).

(a). Policy for Determination of Tariff for Major Port Authority, 2018:- (16/01/2019)

(b) Working Guidelines to Operationalize the Policy for Determination of Tariff for Major Port Authority, 2018

(vi).

(a). Tariff Guidelines 2019:- ( 07/03/2019)

(b). Working Guidelines to operationalize the Tariff Guidelines 2019:- (07/03/2019)

5. The TAMP since inception till 02 November 2021 has disposed of 1087 cases . The Orders passed by the Authority since 01/01/2001 are hosted on the TAMP website (<http://tariffauthority.gov.in>).

List showing mapping of Guidelines & attached documents

(i).	Upfront Tariff Guidelines, 2008
(ii).	Reference Tariff Guidelines, 2013
(iii).	Guidelines for Determination of Upfront Tariff for Stevedoring and Shore Handling Operations, 2016.
(iv).	Berthing Policy for Dry Bulk Cargo for Major Ports, 2016.
(v).	(a). Policy for Determination of Tariff for Major Port Trusts, 2018
(b). Working Guidelines to operationalize the Policy for Determination of Tariff for Major Port Trusts, 2018	
(vi).	(a). Tariff Guidelines 2019
(b). Working Guidelines to operationalize the Tariff Guidelines 2019	

***Guidelines***

Guidelines for Establishing a floating Storage Re-gasification Unit (FSRU) at Major Ports

Guidelines for Treasury Investment Improvement

SAROD-Ports Rules for PPP projects in Major Ports and supplementary agreement for existing concessionaire

Security clearance guidelines for PPP projects and dredging projects in Major Ports as approved by CCS on 10.11.2017

Policy for award of Waterfront and Associated Land to Port Dependent Industries in Major Ports

Revised MCA for PPP projects in Major Ports

Land Policy Guidelines

Berthing Policy