

Ministry of Shipping

New Major Port Authorities Bill passed in Lok Sabha

September 23, 2020

Relevant to Tech M , Mahindra Logistics

Background

- India has 12 major ports — Deendayal (erstwhile Kandla), Mumbai, JNPT, Marmugao, New Mangalore, Cochin, Chennai, Kamarajar (earlier Ennore), V O Chidambarnar, Visakhapatnam, Paradip and Kolkata (including Haldia)
- The bill aims to provide for regulation, operation and planning of major ports in India and to vest the administration, control and management of such ports upon the boards of major port authorities and for matters connected therewith or incidental thereto, be taken into consideration
- Earlier, the bill was introduced in the Lok Sabha in 2016 and thereafter referred to the Parliamentary Standing Committee (PSC)
- The PSC, after taking evidence and wide-spread consultations, submitted its report in July 2017. Based on this, the Ministry of Shipping introduced the official amendment to the Bill in the Lok Sabha in 2018. However, the Bill got lapsed after the dissolution of previous Lok Sabha

Features of the Bill

- The bill is more compact in comparison to the Major Port Trusts Act, 1963 as the number of sections has been reduced to 76 from 134 by eliminating overlapping and obsolete Sections
- The role of Tariff Authority for Major Ports (TAMP) has been redefined as Port Authority has now been given powers to fix tariff, which will act as a reference tariff for purposes of bidding for PPP (public private partnership) projects
- The Boards of the Port Authority have been delegated full powers to enter into contracts, planning and development

Expanding on the role of the board and TAMP

- The role of Tariff Authority for Major Ports (TAMP) has been redefined in the bill

- The port authority has now been given powers to fix tariffs which will act as a reference tariff for purposes of bidding for PPP projects
- PPP operators will be free to fix tariffs based on market conditions
- The Board of each major port shall be entitled to create a specific master plan in respect of any development or infrastructure established or proposed to be established within the port limits and such master plan shall be independent of any local or state government regulations of any authority whatsoever

For Further Study

1. <https://economictimes.indiatimes.com/industry/transportation/shipping/-transport/lok-sabha-passes-major-port-authorities-bill-2020/articleshow/78281475.cms?from=mdr>
2. <https://www.hellenicshippingnews.com/lok-sabha-passes-major-port-authorities-bill-2020/>
3. <https://currentaffairs.gktoday.in/provisions-of-the-major-port-authorities-bill-2020-092020342756.html>