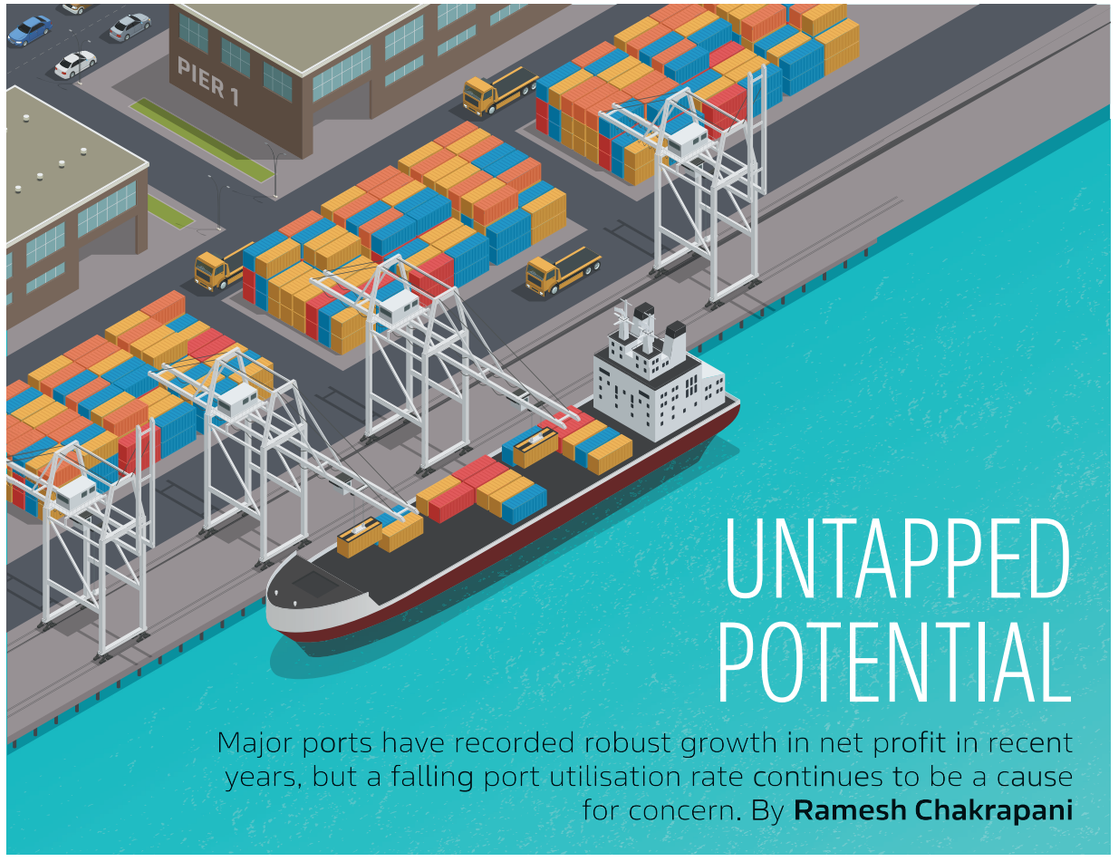
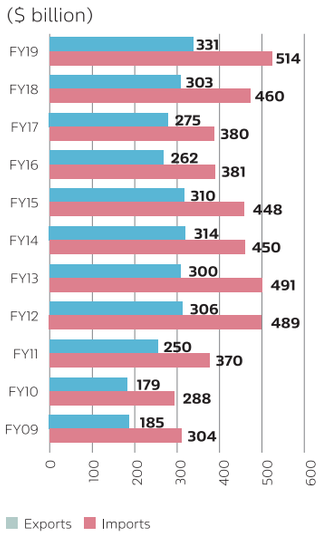
INFOGRAPHICS: T.S. VIJAYANANDAN



UNTAPPED POTENTIAL

Major ports have recorded robust growth in net profit in recent years, but a falling port utilisation rate continues to be a cause for concern. By **Ramesh Chakrapani**

India's external trade

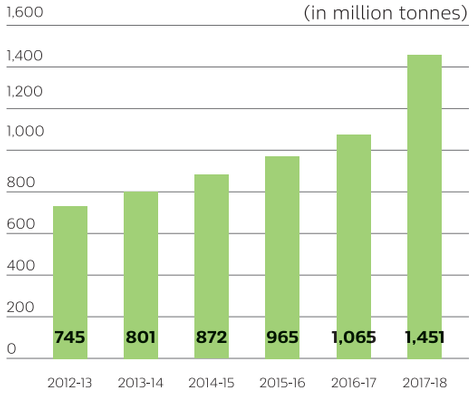


The major ports of India, whose annual capacity was about 1,514.09 million tonnes in 2018-19, handled 699.05 million tonnes of cargo traffic that year, according to a report by India Brand Equity Foundation (IBEF) released in November 2019. The net profit of the major ports increased from Rs.1,150 crore ($178.4 million) in 2012-13 to Rs.3,413 crore ($529.6 million) in 2017-18, while the operating margin jumped from 23 per cent to 44 per cent, according to the report.

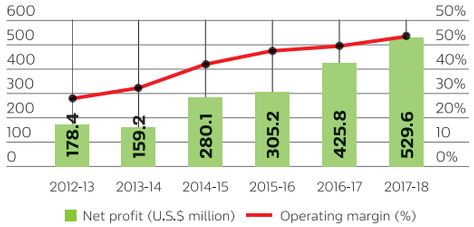
The numbers indicate that there is tremendous scope for growth in this sector. In recent years there has been a rise in the capacity and the cargo handled in major ports. However, the rise in cargo traffic has not been commensurate with the capacity expansion, as a result of which the port utilisation rate continues to remain low—a cause for concern. For the year ended March 2019, cargo handled at major ports grew 2.9 per cent from 679.36 million tonnes in 2017-18. The figure for the year was 15.3 per cent higher than the 606.37 million tonnes in 2015-16. However, capacity at the major ports was provisionally estimated at 1,477 million tonnes for 2018-19, compared with 965 million tonnes in 2015-16, a growth of 53 per cent.

Capacity at the major ports has nearly doubled since 2012-13, when it totalled 745 million tonnes. It reached 1,451 million tonnes in 2017-18 and the port utilisation rate for that year was just below 47 per cent. In comparison, the average utilisation rate worldwide is 68 per cent, according to other reports.

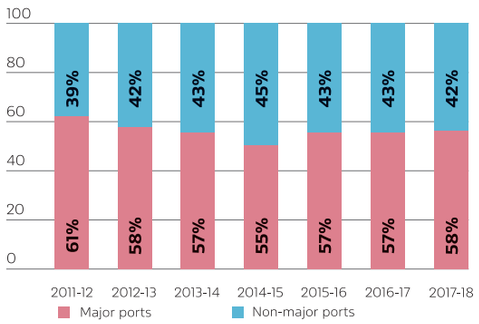
Cargo capacity at major ports



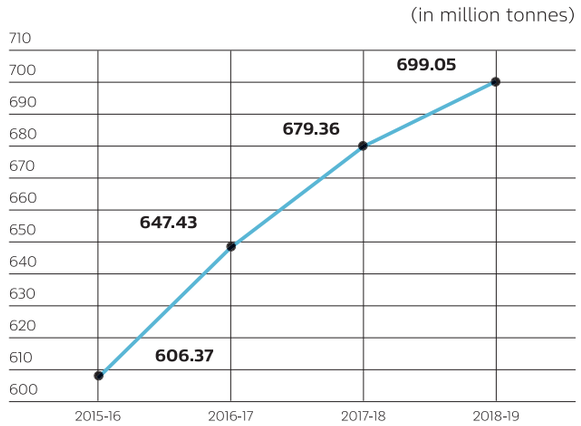
Net profit and operating margin at major ports



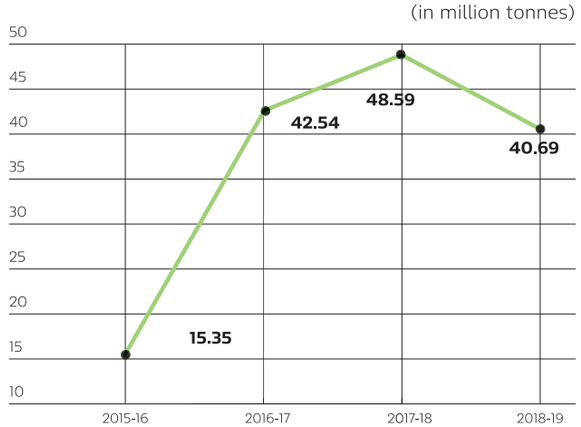
Market share of major and non-major ports



Cargo traffic at major ports



Iron ore traffic at major ports



DOCKING STATS

1 India has more than **200 ports** along a coastline more than **7,500** km long. 2 There are **12 major ports**; 6 on the eastern coast and 6 on the western coast. 3 The country has 205 non-major ports, of which **68 handled** cargo in 2017-18. 4 Total investment in Indian ports by 2020 is expected to reach **$43.03** billion. 5 Average turnaround time has **dropped** from 107 hours in 2011-12 to 59.51 hours in 2018-19.