Gujarat

maharastra

karnataka

Tamil Nadu

Others

DERSTANDING THE ISSUE



0.4% 0.9%

7.7%

6.2%

71.

Share of traffic handled by minor ports in India, 2010: This pie chart shows the proportion of traffic handled by the minor ports in all the Indian states. This shows that Gujarat has the highest proportion of traffic handled by minor ports.

Share of Traffic handled at minor ports in Gujarat (2008-09): This pie chart shows the traffic handled by all the minor ports of Gujarat.

India is one of the biggest peninsulas in the world with a coastline spanning 7516.6 kms. There are nine coastal states in the country, 13 major ports and 187 notified minor and intermediate ports of which about 90 are operational. These ports handle 70% of the total Indian Trade the rest being land based trade.

Gujarat stands second in India in terms of number of ports, which has one major and 40 minor ports. Gujarat's minor ports handle 71.2% of the total maritime trade handled by all minor ports of the country.

Ports are essential for the operation of an economy. A port generates employment and income for the local community, as well as flow-on effects to local and regional industries. It also generates revenue from taxes and other charges on port related activities at all levels of government.

Considering the importance of ports in India's trade it is important that the multifaceted structure of the port

system in India is analyzed. A port needs to be understood as an embedded entity in the region and as an opportunity to create localized centres of trade and employment.

The example: Pipar Port

This study attempts to study Gujarat ports taking the private port of Pipavav as case study. The basic hypothesis of the study is that any port induces growth in the hinterland. The hinterland of the selected port was identified and the spatial and economic influence of the port was analyzed.

The government policies favor private port development in Gujarat with a view that such development will foster economic as well as the local development. But in reality the local people of villages near Pipavav not only were denied of their land but also of employment opportunity.

Ram Singh, one of the local villagers of Uchaiya village quoted in an interview "Before 2009, we were employed as transporters by the port authorities, but then they kicked us out of the job overnight. The port now has no place for us". This denial of the job to the local

population by the port authority was due to the change in their trade policy, which was formulated to enhance the company's profit. The local employment potential was not only ignored but also not integrated with the overall port development activity.

The district has increasing secondary sector workforce (from 1.7% in 2001 to 16.5% in 2005) who were earlier agricultural labourers. They were firstly denied of their land and now they are being denied of local employment. This in turn can result into increased rural to urban migration in the future.

In order to understand the lack of integrated development in Pipavav, it was compared with Mundra port. Mundra was selected on the basis of various port development parameters, to identify the factors that led to Mundra's development and were absent in Pipavav's case. The table on the right shows the various economic and spatial factors that were present in both cases respectively.

In order to promote regional development along with port multi-dimensional activities like in case of Mundra have to be planned, facilitated and implemented.

For achieving a holistic and integrated development of the minor port sector three fold recommendations are proposed. They are:

Increase in local employment opportunity:

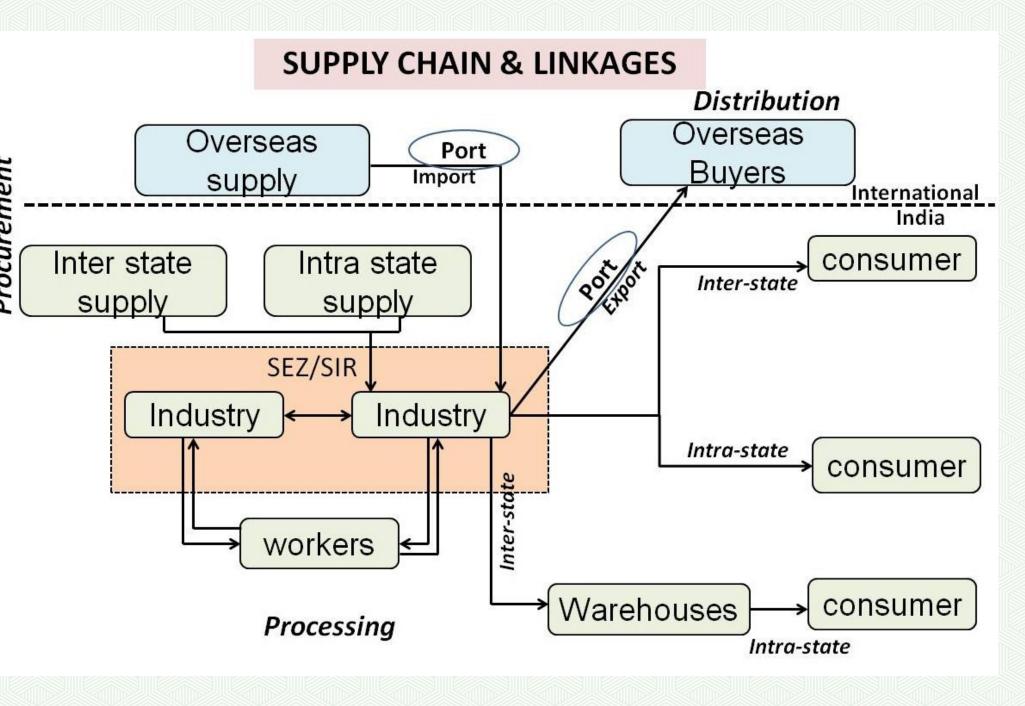
- The employment opportunity could be created by integrating the cement and logistics industries with the port, as the region has the potential for such industrial setup.
- Since 60% of the total trade commodity handled at Pipavav is Cement, coming up of cement industries in the region will not only encourage local employment opportunity but also facilitate port related activities. Also the local workforce percentage according to the NSSO data shows that since 2001 to 2005 the secondary sector has increased 10 times in that district.
- There is an existing SEZ area in the district (20 km from the Pipavav port), which is presently underutilized. This SEZ can attract more industries near the port.

Spatial planning for future:

- A district development plan should be put in place to ensure a co-ordinated planning of the new activities that would come up in the region.
- Notified settlements in the hinterland of the port show an increase in the built up area. The settlements are: Bherai (24%), Uchaiya (18%) and Rajula Town (15.8%). The growth of these settlements needs to be guided and regulated by integrating them in the district development plan.

Strong supply chain management:

 In addition the port should develop a strong supply chain linkage to interlink the region with the port activities. The distribution, procurement and processing stage of a supply chain is analyzed so as to integrate the port with the activities in the hinterland.



This image shows the diagrammatic representation of the way the supply chain of the industries should be linked with

Factors	Mundra port	Pipavav port
Economic	Presence of Industrial setup	Absence of Industries
	Number of Industrial clusters increased from 2 in 1996 to 9 at present	Only 5 Industrial clusters in the district. No Increase
	A business oriented investment and entrepreneurship Model	A service oriented port
Regional linkages and connectivity routes	Both rail and road Connectivity : Privately built	Both rail and road Connectivity : Privately built
	 Traffic handled mainly by road. Settlements evolved along the corridor 	78% of the traffic is handled by rail due to which no development is seen in adjoining villages
Urbanization and Development	 Industries and SEZ lead to development of residential colonies More employment opportunity the adjoining settlement developed 	Lack of such opportunity results into non development of the area.
	The Towns near Port has spatially expanded	No significant Spatial expansion
	Number of Census towns increase from 2 to 8 in 2011	No increase in the number of Census towns

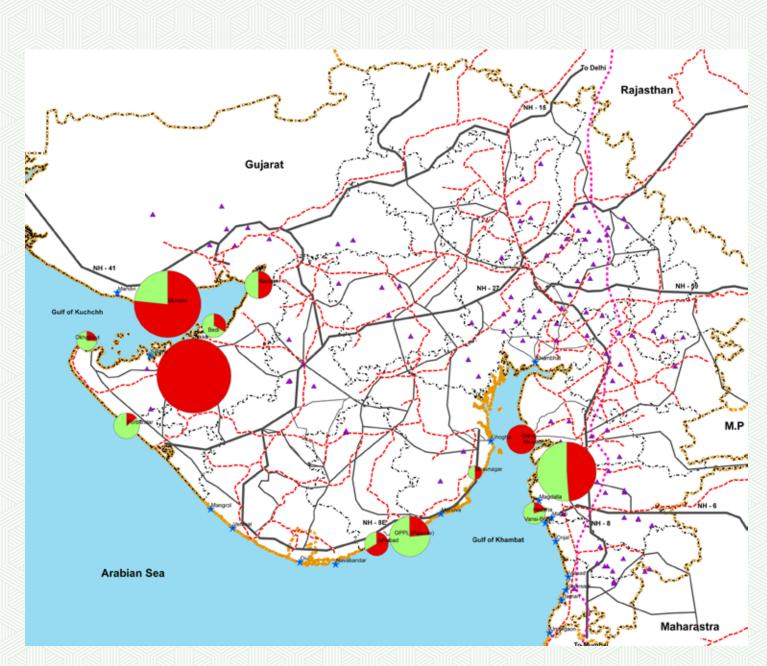
Comparison of factors responsible for port development: the table shows all the various factors (economic, regional and urbanisation) that are present in both the ports.

1.2 1 0.8 0.6 0.4 0.2 0 2001 2005 Occupational Structure of Amreli District

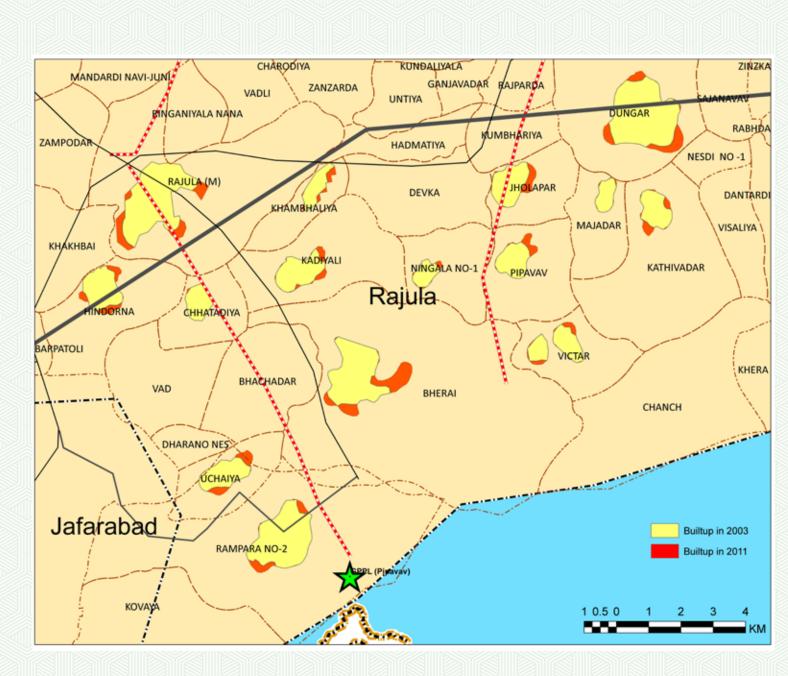


Gujarat Cargo Belts and the immediate hinterland of Pipavav Port: the map shows three cargo belts of Gujarat which were identified by the Gujarat maritime board.

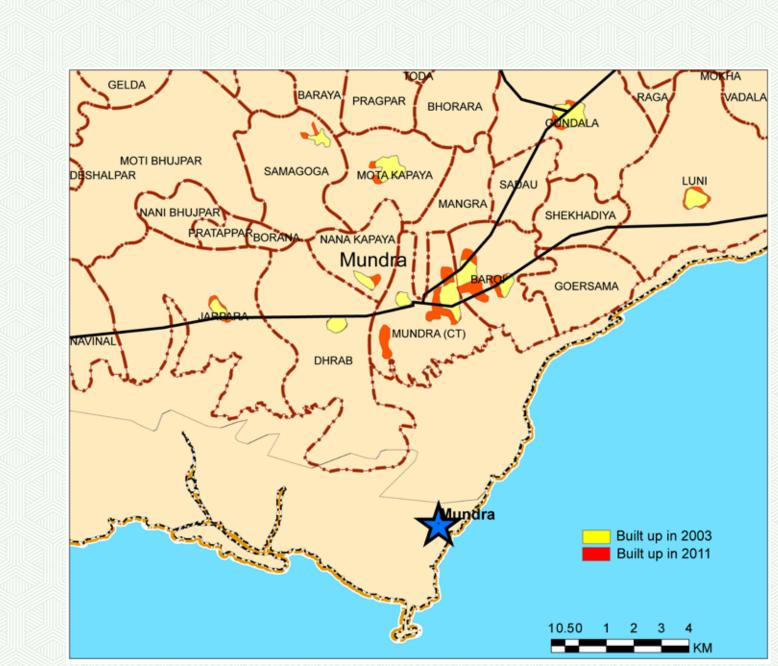
The map also delineates the immediate hinterland of the Pipavav Port.



Gujarat minor ports location, port capacity and % of port utilization, 2009-10: This map shows all the minor ports of Gujarat. It also shows the port capacity and % of port utilization of the operational minor ports of Gujarat.



Built-Up area change in the villages around Pipavav Port, (2003-2011): This image shows the built up changes of the villages in hinterland of Pipavav Port from the year 2003 to 2011



Built-Up area change in the villages around Mundra Port, (2003-2011): This image shows the built up changes of the villages in hinterland of Mundra Port from the year 2003 to 2011



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