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Research Paper Economics

Financial Analysis & Development of Ports in Gujarat

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ALANG PORT

Alang is a census town in Bhavnagar district in the Indian state of Gujarat. In the past three decades, its beaches have become a major worldwide centre for ship breaking.The shipyards at Alang recycle approximately half of all ships salvaged around the world The yards are located on the Gulf of Khambat, 50 kilometres southeast of Bhavnagar. Environmentalists note that before shipbreaking began there in June 1983 the beach at Alang was pristine and unspoiled.

However, locals say that the work provides a reasonably paid job by local standards, with a steady income used to support their families Large supertankers, car ferries, container ships, and a dwindling number of ocean liners are beached during high tide, and as the tide recedes, hundreds of manual laborers dismantle each ship, salvaging what they can and reducing the rest into scrap. Tens of thousands of jobs are supported by this activity and millions of tons of steel are recovered.

Alang has a very high inter-tidal gradient. This enables the ship to beach right at the shore during high tide and when the tide recedes the ship stands almost at a dry-dock. This not only makes work easy but also makes easy in terms of collecting the valuables and the waste items from the sand. Usually heavy items are dropped into the sea-water during high tide and this minimizes damage.Due to high tidal gradient, larger ships can come straight into the shore. This reduces the total working time on each ship.

VERAVAL PORT

Veraval is a fair-weather lighter age port, situated in the south-west coast of Saurashtra on the west coast of India. It is designed mainly for fishing activities. Anchorage lies about two km offshore, where three vessels can work at a time. The port was developed during the 18th century. During the early part of the 20th century, a regular passenger cum cargo steamer service from here to Mumbai was introduced. The vessels from here sailed to Ceylon, Arabia and ports on Indian coast-Mangalore, Malabar and Mumbai. Visitors can see the fishing vessels of all sizes, built completely by hand. The Veraval-based fishing industry, with an annual turnover of over Rs 1,500 crore. The Port of Veraval is primarily used to support fishing, and commercial activities are limited. The port is considering providing separate facilities for commercial and fishing interests to provide more support for commercial activities. Aside from fishing, cement company Gujarat Sid is located in the Port of Veraval. The Port of Veraval has connections to the nation's rail and highway networks. Commercial vessels visiting the port carry exports of oil cakes, onions, fish, lime stone and powder, cement, and soda ash. They also carry imports of wood pulp, fertilizers, food trains, coal and coke, and pig iron.

The Contribution of Ports to Development

The Gujarat state's business climate is such that it would have fared comparatively well even had it been landlocked. But one way of measuring the value added by the state's port led development policy is to look at the proportion of Gujarat's international trade that serves the hinterland of North India, and the portion that serves the state's own industries.

One study estimates that as much as 70 percent of the state's imports are used within the state, and only 30 percent go to the hinterland. This suggests that Gujarat's ports have not been gateways to North India as much as gateways to Gujarat's own industries. The new ports have also helped bring forth new industries. The most important example of this is the emergence of a global pipeline hub at Ajar, near 119

Mundra port, which caters to the burgeoning oil and gas industry worldwide, as well as to Indian needs for water and sewerage pipes

Intermediate and Minor Ports

Gujarat has 40 out of 142 Intermediate and Minor ports in the country, handling about 80percent of the tonnages handled by the intermediate and minor ports in the country. The intermediate and minor ports of Gujarat handled a total cargo of 971.28 lakh tonnes during the year 2004-05 as against 893.48 lakh tonnes handled during the preceding year, showing an increase of about 8.71 percent.

5.2 Contribution of major and minor ports in employment generation

Employment Generation in Gujarat

World economy is undergoing a lot of changes. This change is affecting all economies irrespective of whether it is a transition economy, controlled, socialist or market economy. The result of it is paradigm shift in employment structure of most of the countries. A common trend observed worldwide is that employment is moving away from traditional agriculture to industry and more to services

5.3 Development of Ancillary Industries in Gujarat Bunkering

Bunkering Industry – Gujarat Bunkering is one of an important ancillary industry, driving the overall growth of the maritime industry. Presently, the industry is dominated by Singapore Port, Fujairah Port, and Rotterdam Port. India is still in its nascent stage of growth with Mundra port (Gujarat), Mumbai Port and Chennai Port picking the market.

Bunkering Scenario-Gujarat

Bunkering is an emerging sector in Gujarat. The Port led business development model employed by Gujarat Maritime Board has given a required strategic thrust to the bunkering sector. The State plans to take advantage of its strategic located coastline and pick up a share of Fujairah.

5.4 Future Prospects of Internal trade, Benefits of Long coastal area and tourism

Meaning of Internal Trade

Internal trade is the sum total of activities which brings the producers and consumers within the same country together. It involves distribution of goods and services from the point of production to the point of consumption within the boundaries of the same country.

5.5 Problems and Prospects of Minor Ports

The minor and intermediate ports of Gujarat handled about 8.5% of national shipping cargo. Nevertheless, Gujarat ports handle about 16 million tones of cargo, which accounts for 70% of the total cargo handled by all minor ports of India.

Drafts of 8 to 10 meters are available at Porbandar, Okha and Sikka, where ships ranging from 15000 to 25000 tonnes are directly berthed. Except for Porbandar which handles container cargo for fish exports, container cargo handling facility does not exist in other ports.

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