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## Indian ports to miss 2012 capacity expansion target

*Thursday, 14 Jan, 2010*

It is reported that Indian government may miss a target to add capacity at its 12 major ports as the economy grew less than anticipated and global trade slumped amid a recession.

Mr K Mohandas, the shipping ministry's top bureaucrat, said that the government controlled ports will have a capacity to handle 743 million tonnes of cargo by March 31st 2012 as compared with a target of 1.02 billion tonnes.

Investment requirements in the five years to March 2012 may drop 61% to INR 220 billion. India's economic growth slowed to 6.7% in the year ended March as the global recession damped world trade, prompting sea carriers to park vessels. The slowdown needs to be used to ramp up infrastructure.

Mr Anand V Sharma director of Mantrana Maritime Advisory Private Limited in Mumbai said that "There is greater reason to make investments now because commodity prices have come down and interest rates have declined bringing down the cost of port development."

India's finance ministry has said inadequacies in the country's ports, power, roads and other infrastructure shaves about two percentage points off the economic growth rate. Asia's third-biggest economy seeks to double its share in global trade by 2020 from 1.64% in 2008.

(Sourced from [www.seatradeasia-online.com](http://www.seatradeasia-online.com))

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