

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS
RAJYA SABHA
UNSTARRED QUESTION NO- 3818
ANSWERED ON 05/04/2022

PRIVATE INVESTMENT IN MARITIME INFRASTRUCTURE

3818. SHRI AYODHYA RAMI REDDY ALLA:

Will the Minister of PORTS, SHIPPING AND WATERWAYS be pleased to state:

- (a) the share of private investment in the Indian maritime infrastructure such as major ports, non-major ports and inland waterways;
- (b) whether Government has taken any steps, such as rationalizing taxes, to attract foreign companies, if so, the details thereof;
- (c) whether Government has taken any steps to provide financing to the private sector for the modernisation of non-major ports, if so, the details thereof; and
- (d) whether Government has created any specialized Maritime fund to support inland waterway operations and vessel financing through the PPP model, if so, the details thereof?

ANSWER

MINISTER OF PORTS, SHIPPING AND WATERWAYS
(SHRI SARBANANDA SONOWAL)

- a) Currently, there are 46 Public Private Partnership (PPP) Projects at an estimated investment of Rs. 36765.58 crore at the major ports. Under Sagarmala Programme, which was started in 2015, there are 123 PPP projects at an estimated investment of Rs. 2.63 lakh Cr. Out of 123 projects, 29 PPP projects with investment of Rs. 44,961 Cr. have been completed and additional 31 PPP projects worth Rs. 50,942 Cr. are currently under implementation. Remaining projects are at various stages of development.
- b) Several measures have been introduced to attract foreign investment in Indian Maritime sector such as:
 - (i) Bidding documents like Request for Qualification (RFQ), Request for Proposal (RFP) and Model Concession Agreement (MCA) have been standardized. MCA has also been time to time revised to adapt the dynamic business environment.
 - (ii) Upto 100% Foreign Direct Investment (FDI) under the automatic route allowed for Port development projects.

- (iii) Income-tax incentives allowed as per section 80-IA of Income Tax Act, 1961-100% income tax exemption was available for a period of any 10 consecutive assessment years out of fifteen years beginning from the year in which the enterprise starts the development or operation and maintenance of the infrastructure facility till 1.04.2017.
 - (iv) Consequent upon the new Major Port Authority Act, 2021 coming in vogue w.e.f. November 3, 2021, new PPP Concessionaires now have the liberty to frame their own scale of rates for any/all services (including combination of services) they perform/provide to their users/customers.
 - (v) Various technological/digital inductions are introduced to maintain smooth functioning without human interference viz, E-invoice, E-payment, and E-DO at PCSIX.
 - (vi) The formation of SAROD-Ports aims at enhancing confidence of concessionaire and promoting ease of doing business in the Maritime Sector
- c) There are 12 Major Ports and about 200 non-major ports in the country. The 12 Major Ports are under the administrative control of the Ministry of Ports, Shipping & Waterways. The non-major ports including private ports are under the overall jurisdiction of the respective State Governments. Operation and maintenance of the Berths/Terminals at Major Ports are being done on Public Private Partnership (PPP) mode on case to case basis.
- d) At present there is no specialized Maritime fund to support inland waterway operations and vessel financing.
