

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:5270
ANSWERED ON:05.09.2011
TAX FREE BONDS FOR PRIVATE PORTS
Panda Shri Baijayant;Pradhan Shri Nityananda

Will the Minister of SHIPPING be pleased to state:

- (a) whether it is proposed to allow private ports to raise funds through tax-free bonds for infrastructure development;
- (b) if so, the details thereof and the extent to which this will help tide over the financial problems of private ports; and
- (c) the steps being taken by the Government towards improving the Indian port sector?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING(SHRI MUKUL ROY)

(a) & (b): No, Madam. As per Indian Ports Act, 1908, the development of a private port (Non-Major Port) vests with the respective State Government/State Maritime Board. Accordingly these ports are developing under the jurisdiction of State Maritime Boards and State Governments.

(c): The Ministry of Shipping, Government of India has initiated many measures which will facilitate/enhance private investment, improve the service quality and promote competitiveness, apart from achieving the expansion of capacities of ports in the country. Such measures include mechanization of major ports, revision of various operational policies, Perspective Plans for the major ports, guidelines for private sector participation in expansion of port infrastructure, permission of Foreign Direct Investment upto 100 % for construction and maintenance of ports and harbours, introduction of Port Community System (PCS) in Ports to make paperless regime, etc.