

**GOVERNMENT OF INDIA  
SHIPPING  
LOK SABHA**

UNSTARRED QUESTION NO:4153  
ANSWERED ON:29.08.2011  
PRIVATE INVESTORS IN PORT CONSTRUCTION  
Ahir Shri Hansraj Gangaram;Patil Shri A.T. Nana

**Will the Minister of SHIPPING be pleased to state:**

- (a) whether the Government has decided to allow private investors in the field of port construction in the country;
- (b) if so, the details of proposals of the private investors and the proposals sanctioned by the Government;
- (c) whether the Government has formulated any separate policy for Indian as well as foreign private investors; and
- (d) if so, the details thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF SHIPPING (SHRI G. K. VASAN)

(a): Yes, Madam.

(b): As per the current Policy, Port Sector Projects are awarded on Public Private Partnership (PPP) basis on Built, Operate and Transfer (BOT) mode under the two stages bidding system. The private sector is allowed to participate in the competitive bidding process or BOT Projects and the Projects are awarded to the highest bidder. At present 29 Private Sector Projects have been sanctioned and in are operation across the Major Ports. 20 more private sector projects are currently under various stages of construction. In the current financial year a target of 23 PPP Projects has been fixed to be awarded on PPP basis which are at different stages of planning and bidding.

(c): Private sector participation is allowed under the guidelines issued by the Ministry in October, 1996, as amended from time to time, which allows foreign investors also subject to necessary clearances of concerned authorities.

(d): The guidelines for private sector participation in the Major Ports issued in October, 1996 allows and encourage private sector participation in enhancing port capacities and modernisation of Port equipments etc. 100% FDI is allowed in Port Sector.