

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

STARRED QUESTION NO:339

ANSWERED ON:31.07.2014

NEW SEA PORTS

Kodikunnil Shri Suresh;Teacher Smt. P.K.Sreemathi

Will the Minister of SHIPPING be pleased to state:

- (a) the norms laid down for the establishment of sea ports in the country;
- (b) whether the Government provides assistance to the States for construction/development of new sea ports, if so, the details thereof including the modalities worked out for funding of new sea ports;
- (c) whether the Government has received proposals from the States for the establishment of sea ports including Vizhinjam international sea port and container trans-shipment terminal project in Kerala;
- (d) if so, the details thereof including the present status of these proposals along with the funds proposed to be granted for the establishment of these ports, port-wise; and
- (e) the mechanism put in place by the Government to ensure expeditious completion of the projects to avoid time and cost overrun?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI KRISHANPAL GURJAR)

(a)to(e): A Statement is laid on the Table of the House.

STATEMENT REFERED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO. 339 TO BE ANSWRED ON 31st JULY, 2014 RAISED BY SHRIMATI P.K. SREEMATHI TEACHER & SHRI KODIKUNNIL SURESH REGARDING NEW SEA PORTS

(a) Ports are established based on techno-economic feasibility of the respective Projects.

(b) & (e) No, Madam, as per the Section 3 (9) of Indian Ports Act, 1908, the respective State Governments have overall jurisdiction on the Ports other than Major Ports (i.e Non-Major Ports) and are responsible for their development. The Central Government is not providing any assistance to the State Government for the Construction/ development of new Ports. However, Ministry of Finance (Department of Economic Affairs) is providing financial support in the form of grant, one term or deferred, for infrastructure projects undertaken through Public Private Partnerships with a view to make them commercially viable, subject to fulfilling eligibility criteria specified under the scheme namely "Scheme and Guidelines for Financial Support to Public Private Partnerships in Infrastructure". Under the said scheme the Central Government provides Viability Gap Funding of up to twenty percent of the total project cost, which is normally in the form of a capital grant at the stage of project construction.

(c) to (d): Yes Madam, One proposal regarding Vizhinjam International Deepwater Multipurpose Seaport has been received in April, 2014 from the State Government of Kerala in Ministry of Finance (Department of Economic Affairs), wherein State Government of Kerala has requested for grant of in-principle approval for Viability Gap Funding for development of a Non- Major Port at Vizhinjam with capacity to handle 10 lakh TEUs, on Design Build Finance Operate Transfer (DBFOT) basis. As per information received from Department of Economic Affairs the proposal was considered in the 55th Meeting of the Empowered Institution on 19/6/2014 wherein clarifications were sought on various issues from Government of Kerala and response was received on 18/7/2014.