

**GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:149
ANSWERED ON:01.12.2004
FOREIGN INVESTMENT IN DEVELOPMENT OF PORTS
Rao Shri Sambasiva Rayapati

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the Government has decided to bring about a `transparent and independent` regulatory framework that would help increase the flow of foreign investment in the infrastructure sectors;
- (b) if so, whether the development of ports can re-build maritime links of Coromandel Coast with South-East Asia;
- (c) if so, the extent to which the development of ports will be helpful for improving trade facilities to South-Eastern countries; and
- (d) the foreign investment needed to meet the development of these ports in the country?

Answer

MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI. T.R. BAALU)

(a) No proposal is under consideration of Ministry of Shipping, Road Transport & Highways to set up a regulatory framework to increase the flow of foreign investment in the infrastructure sectors.

As far as Port Sector is concerned an Authority already exists in the form of Tariff Authority for Major Ports (TAMP), which was set up by amending Major Port Trusts Act, 1963 through Port Laws (Amendment) Act, 1997 (15 of 1997), for framing scale of rates in Major Port Trusts and interalia with a view to promote investment in the Port Sector.

(b) to (d) Maritime trade links already exist between Coromandel Coast with South-East Asia. Development and modernisation of ports is an on going process, keeping in view the requirement of maritime trade. Foreign direct investment upto 100% under automatic route is permitted by the Government in construction and maintenance of harbours and ports. During the 10th Plan period, private investment of Rs.11, 257 crores, including foreign direct investment is envisaged in major ports.