

GOVERNMENT OF INDIA
MINISTRY OF SHIPPING

LOK SABHA

UNSTARRED QUESTION NO.3992

TO BE ANSWERED ON 10th AUGUST, 2017

DISINVESTMENT IN MAJOR PORTS

3992. SHRI M. CHANDRAKASI:

Will the Minister of SHIPPING be pleased to state:

- (a) whether the Government proposes to undertake disinvestment/privatization of all the major ports including Kamarajar Port (Ennore Port) and if so, the details thereof;
- (b) the objectives/reasons therefor along with the norms/criteria adopted for the purpose; and
- (c) the details of the long term policy of the Government with regard to the Major Ports in the light of proposed Sagarmala Development Company?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF SHIPPING
(SHRI PON. RADHAKRISHNAN)

- (a) No, Madam. There is no proposal for disinvestment or privatization of Major Port Trusts. However, Niti Aayog has recommended for 100% disinvestment of Government's equity in Kamarajar Port Limited, a corporate port under Ministry of Shipping, in a two stage auction process under the plan of strategic disinvestment of Central Public Sector Enterprises (CPSEs).
- (b) As per Department of Investment and Public Asset Management's policy, disinvestment in Central Public Sector Enterprises (CPSEs) is undertaken on 'minority stake sale' and 'strategic disinvestment'. In addition, focus of the strategic disinvestment is to adopt a pragmatic approach for the Government to exit from non-strategic business to optimize economic potential for business enterprises by promoting efficiency and professional management in the company.
- (c) As a part of institutional mechanism for Sagarmala Programme, Sagarmala Development Company Ltd. (SDCL) has been incorporated under the Companies Act, 2013 on 31.08.2016. SDCL is set up with a view to provide funding window to residual projects that cannot be funded through any other means/mode and assist Project Special Purpose Vehicles (SPVs) set up by the Central Ministries/ State Governments/ Ports / State Maritime Boards etc., with equity support for implementation of projects to achieve the objectives of port-led development.
