

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS
LOK SABHA

STARRED QUESTION NO- *171

ANSWERED ON - 02.08.2024

FINANCIAL ASSISTANCE TO PFC

*171. SHRI BALASHOWRY VALLABHANENI:

Will the Minister of PORTS, SHIPPING AND WATERWAYS be pleased to state:

पत्तन, पोत परिवहन और जलमार्ग मंत्री

- (a) whether the construction of Machilipatnam Port in Andhra Pradesh has started;
- (b) if so, the details thereof and the time by which it is likely to be completed;
- (c) the details of financial assistance being given to Power Finance Corporation (PFC) for this port; and
- (d) whether the above port has been taken under PM Gati Shakti and if not, the reasons therefor?

ANSWER

MINISTER OF PORTS, SHIPPING AND WATERWAYS
(SHRI SARBANANDA SONOWAL)

- (a) to (d). A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.*171 ANSWERED ON 02ND AUGUST 2024 RAISED BY SHRI BALASHOWRY VALLABHANENI REGARDING “FINANCIAL ASSISTANCE TO PFC”

(a) to (c) Ports other than Major Ports (Non-Major Ports) are under the administrative control of the respective State Governments. Machilipatnam Port is a Non- Major Port in the State of Andhra Pradesh. Government of Andhra Pradesh has informed that the construction works of Machilipatnam Port in the State of Andhra Pradesh was started on 21st April 2023, and is scheduled to be completed by October, 2025.

Projects having high social impact but with no return or low Internal Rate of Return are being provided financial assistance under the Sagarmala Scheme of Ministry of Ports, Shipping and Waterways. Till date no funds have been provided by Government of India to Machilipatnam Port under Sagarmala Scheme. However, the Power Finance Corporation(PFC) has sanctioned a term loan of Rs. 3,940.42 crores to the Machilipatnam Port Development Corporation Limited (MPDCL), a subsidiary of Andhra Pradesh Maritime Board (APMB) for the development of the said port.

It is also informed that there are total 36 projects at a cumulative cost of Rs.4,600 Cr undertaken by Visakhapatnam Port Authority & IWAI from their internal resources in the state of Andhra Pradesh. Out of these 36 projects, 22 projects worth ~Rs. 2530 Cr. are completed and 14 projects worth ~Rs. 2070 Cr. are under various stages of implementation and development. A state of art International Cruise cum coastal Terminal at Visakhapatnam Port has been built to cater to the needs of passengers from around the world.

It may also be relevant to mention that, in the last decade, the nation's port capacity stood at ~2,500+ MTPA in 2022-23 (86% increase from 2014-15) and the cargo handling capacity at Major Ports has doubled. Under the Sagarmala initiative, two Centre of Excellence in Maritime and Shipbuilding (CEMs) campuses have been set up in Mumbai and Visakhapatnam. Centre of Excellence in Maritime and Shipbuilding (CEMS) at Visakhapatnam, is the first of its kind in Asia, with 18 laboratories in Indian Maritime University Campus. The Institute has equipped over 10,000 students with employable engineering and technical skills.

(d) Government of Andhra Pradesh has achieved financial closure for the project with loan from Power Finance Corporation, therefore the project was not taken up under PM Gati Shakti.
