

Incorporation of Sagarmala Development Company

As part of the efforts to promote port-led development in the country, the Sagarmala Development Company (SDC) has been incorporated under the Companies Act, 2013. The company will have an initial Authorized Share Capital of Rs. 1,000 Crore and a subscribed share capital of Rs. 90 Crore, the Ministry of Shipping announced today.

The main objective of the company is to identify port-led development projects under the Sagarmala Programme and provide equity support for the project Special Purpose Vehicles (SPVs) set up by the Ports / State / Central Ministries and funding window and /or implement only those residual projects which cannot be funded by any other means / mode.

The Cabinet in July had approved the formation of the SDC under the administrative control of the Ministry of Shipping. The company would help in structuring activities, bidding out projects for private sector participation, identifying suitable risk management measures for strategic projects across multiple states / regions and obtaining requisite approvals and clearances.

The implementation of the identified projects would be taken up by the relevant ports, state governments/Maritime Boards, central ministries, through private or PPP mode. The Company would act as the nodal agency for coordination and monitoring of all the currently identified projects under Sagarmala as well as other projects emerging from the master plans or other sources.

It would undertake the preparation of the detailed master plans for the Coastal Economic Zones (CEZs) identified as part of the National Perspective Plan (NPP) and provide a framework for ensuring the integrated development of Indian maritime sector. It would also manage the funding of coastal community development projects identified under Sagarmala. This will include projects related to value addition in fisheries, aquaculture, cold chain development, skill development, livelihood generation, local tourism and recreational facilities etc. which would be beneficial to the livelihoods of the coastal communities. The projects considered would be specific time-bound local interventions, innovative in nature and not covered under other existing Central / State Government schemes.

SDC would be raising funds as debt/equity (as long term capital), as per the project requirements, by leveraging resources provided by the Government of India and from multi-lateral and bilateral funding agencies. It would also aim to increase the scope of private sector participation in project development.

The incorporation of SDC is part of the ambitious Sagarmala Programme by the Government of India which aims to harness India's 7,500 km long coastline, 14,500 km of potentially navigable waterways and strategic location on key international maritime trade routes. The concept of the Sagarmala Programme was approved by the Cabinet in March 2015.

As part of the programme, a National Perspective Plan (NPP) for the comprehensive development of the coastline and maritime sector has been prepared. The NPP has identified more than 150 projects across the areas of Port Modernization & New Port Development, Port Connectivity Enhancement, Port-led Industrialization and Coastal Community Development.

The CIN number of the Sagarmala Development Company is U74999DL2016GOI305194.