

the price proposals on the due date, they did not submit the same and they submitted counter proposals seeking more concessions and relaxation in the conditions in the License Agreement. These proposals were considered by the Port Trust Board and found that they are not acceptable. The matter was examined in detail by the Cochin Port Trust Board and the Ministry of Shipping. Subsequently, an interactive meeting was held with 13 prospective bidders/Terminal operators/ Shipping Lines at Mumbai on 18.11.2003 and 19.11.2003. The Cochin Port is working on the re-designing of the project and re-defining the Concession Agreement.

(c) As per the existing bid conditions, the selected operators shall operate the existing terminal for an initial period of 5 years during which period the construction of Vallarpadam Terminal would be completed and operation shifted to that location. However, the pre-qualified bidders as detailed in Para (b) above have requested for shifting to Vallarpadam with respect to traffic build up and the time they have indicated is about 10 years. Therefore, the time of completion will depend on the finalization of the Agreement with the selected operator. The terminal is proposed to be developed in stages with a total investment to the tune of Rs. 2118 crores. Apart from this, the supporting infrastructures like deeper and wider channels by dredging the existing channel, National Highway connectivity and rail connectivity to the proposed project area are to be provided separately, the total estimated cost of which is more than Rs. 800 crores.

(d) As an initial step for the development of Vallarpadam Transshipment Terminal, the port has decided to develop the existing terminal to receive mainline vessels. This development will enable handling of containers without transshipment thereby saving the substantial cost involved for transshipment of Cochin Port containers at third country ports. However, when the Vallarpadam Container Transshipment Terminal is established, it would attract large size mother container vessels plying through the International Trunk route and containers from India can be brought by road, rail or sea route for shipment to destination. This would save transshipment cost and also there will be freight saving due to the transport of containers large vessels.

#### **Vallarpadam Container Terminal in Kerala**

612. SHRI A. VIJAYARAGHAVAN: Will the Minister of SHIPPING be pleased to state:

(a) whether Memembrs of Parliament and other authorities of Kerala have submitted various representations, recently for the Vallarpadam Container Terminal in Kochi;

(b) if so, the details thereof including the amount allotted for construction of the Vallarpadam Terminal;

(c) whether a few companies have submitted proposals for construction of the Terminal;

(d) if so, the details thereof;

(e) whether the proposals of the above companies would cause further delay in the construction processes; and

(f) if so, the details thereof and the action taken for an early construction of the Terminal?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI DILIP KUMAR MANSUKHLAL GANDHI): (a) and (b) Yes, Sir. Representations are being received for the early implementation of the International Container Transshipment Terminal (ICTT) at Vallarpadam in Cochin. The Vallarpadam Container Transshipment Terminal is proposed to be set up with the private participation. However the supporting infrastructure like dredging of navigational channels, National Highway and rail connectivity to the project area are proposed to be done through grant assistance/budgetary support from the Government of India. A token provision of Rs. 1 crore has been allotted for dredging purpose during the current financial year, i.e. 2003-04.

(c) to (f) The process of selection of the BOT operator commenced in October, 2002 with the invitation of 'Request for Qualification' (RFQ) and based on the request received, 2 firms M/s. CSX World Terminals, UK and M/s. Maersk A/S, Denmark were qualified for bidding. The Draft License Agreement was issued to these two firms in February 2003 and after detailed discussions and negotiations, the finalised Draft License Agreement was issued to them on 23.7.2003 for submitting the price proposal on 12.9.2003. Instead of submitting price proposals on the due date, they submitted counter proposals seeking more concessions and relaxations of the conditions in the License Agreement. These proposals were considered by the Cochin Port Trust Board and found that they were not acceptable. The matter was examined in details by the Cochin Port Trust Board and the Ministry of Shipping. Subsequently, an interactive

meeting was held with 13 prospective bidders/terminal operators Shipping Lines at Mumbai on 18.11.2003 and 19.11.2003. Cochin Port Trust is working on the re-designing of the project and re-defining the Concession Agreement.

### **Paradip Port Trust**

613. SHRI B.J. PANDA: Will the Minister of SHIPPING be pleased to state:

(a) whether it is a fact that Paradip Port Trust would be required to handle a large volume of oil traffic when a crude pipeline would be laid between Paradip and Haldia, if so, the status of the pipeline;

(b) whether it is also a fact that once the pipeline is commissioned, it will boost the port's traffic by 10-12m. tonnes straightway; and

(c) how far it will help to create additional employment opportunities in the area?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI DILIP KUMAR MANSUKHLAL GANDHI): (a) Paradip Port Trust would be required to handle a large volume of oil traffic when a crude pipeline is laid between Paradip and Haldia. First stage approval of the pre-project activities and preparation of Detailed Feasibility Report (DFR) for the pipeline system has already been approved by the Board of Indian Oil Corporation Limited (IOCL). Pre-project activities like surveys, acquisition of Right of Users (ROU) in land, action for environment clearance etc. are in progress.

(b) The proposed pipeline would be required to transport 11.00 Million Metric Tonnes Per Annum (MMTPA) of crude oil for the requirement of Haldia, Barauni and Bongaigaon refineries in the eastern region. As a result, port's traffic is likely to increase accordingly.

(c) Additional employment opportunities will be available temporarily for the local people during construction phase and also a few permanent vacancies during operation phase after implementation of the project.

### **Functioning of NMC and NMFDC**

614. SHRI NILOTPAL BASU: Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state :