

**GOVERNMENT OF INDIA  
SHIPPING  
LOK SABHA**

UNSTARRED QUESTION NO:221

ANSWERED ON:03.12.2003

VALLARPADAM INTERNATIONAL CONTAINER TERMINAL

K. MURALEEDHARAN;P. RAJENDRAN;T. GOVINDAN

**Will the Minister of SHIPPING be pleased to state:**

- (a) the present status of Vallarpadam International Container Terminal proposed to be constructed in Cochin; and
- (b) the reasons, if any, for the inordinate delay being caused to the project?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI DILIPKUMAR MANSUKHLAL GANDHI)

(a) & (b): The process of selection of the Operator for the Vallarpadam Container Terminal commenced in October, 2002 with the invitation of 'Request for Qualification' and based on the request received, two firms, (i) M/s. CSX World Terminals, UK and(ii) M/s. Maersk, Denmark were qualified for bidding. The Draft License Agreement was issued to the two bidders in February, 2003 and after detailed discussions and negotiations, the finalised draft License Agreement was issued to them in July 2003 for submitting the price proposal on 12.9.2003. Even though they had confirmed that they would submit the price proposal on the due date, i.e, 12.9.2003, they did not submit the same and they submitted counter proposals seeking more concessions and relaxations to the conditions in the License Agreement. The conditions put by the bidders were considered by the Cochin Port Trust Board and found that they are not acceptable. The matter was examined in detail by the Port Trust Board and the Ministry of Shipping. Subsequently, an interacting meeting was held with the 13 prospective bidders/Terminal operators/shipping lines at Mumbai on 18.11.2003 and 19.11.2003. On the basis of suggestions/views expressed by the participants of this meeting, Cochin Port is working on the re-designing of the project and re-defining the Concession Agreement in consultation with the Government of India and the Project Consultants, i.e, M/s. Infrastructure Development Finance Company Ltd., Mumbai. The process of selection of the Operator for the Vallarpadam International Container Terminal could not be finalised as per schedule due to the above reasons.