

**GOVERNMENT OF INDIA
SURFACE TRANSPORT
LOK SABHA**

UNSTARRED QUESTION NO:2318
ANSWERED ON:07.08.2000
PENDING PROPOSAL FOR DEVELOPMENT OF CHENNAI PORT
T.M. SELVAGANAPATHI

Will the Minister of SURFACE TRANSPORT be pleased to state:

- (a) whether any proposal is pending with the Government for development of Chennai port on the east coast as a container port of International Standard;
- (b) if so, the details thereof; and
- (c) the time by which the said project is likely to be cleared?

Answer

MINISTER OF STATE IN THE MINISTRY OF SURFACE TRANSPORT (SHRI HUKUMDEO NARAYAN ADAV)

(a) to (c): Chennai Port has been identified on the east coast for being developed as a 'hub' port of International Standards. It has been decided that the development and management of the existing container terminal at Chennai Port with a total quay length of 890 meters, be licensed to M/s. P&O Australia Ports Pvt. Ltd. for a period of 30 years. The operator is committed to bring in main line vessels within three years of operation.

The Licensee is also to guarantee a minimum traffic of 3,50,000 TEUs in the first year (as against the existing capacity of 2,10,000 TEUs) gradually raising it to 500,000 TEUs per year. In case conversion of iron-ore berth into container berth is approved, then after one year of handing over of the converted iron-ore berth, an additional throughput of 1,50,000 TEUs in the first year and 3,00,000 TEUs from the 2nd year onwards is also to be guaranteed by the Licensee.

The Licensee is required to invest an amount of US\$100 million in five years on civil works and new state-of-the-art equipment etc. Upgradation and replacement of the existing equipments with new ones at appropriate time are also required to be undertaken by the Licensee.