

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:7052
ANSWERED ON:11.05.2000
LINKING OF PRIVATE PORTS WITH RAIL
RAMDAS ATHAWALE

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Government propose to give priority to link the private ports with the rail;
- (b) if so, whether any agreement has been signed in this regard in January 2000;
- (c) if so, the details thereof;
- (d) the names of the private ports to be linked with rail; and
- (e) the expenditure likely to be incurred thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH)

(a) to (e): A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO.7052 ASKED SHRI RAMDAS ATHAWALE TO BE ANSWERED ON 11.05.2000 REGARDING DOUBLING OF TRANSPORT CAPACITY

(a) to (e): In order to involve the stake-holders in the development and implementation of Railway projects, efforts are being made by the Government to involve the user agencies such as Ports, Public Sector Undertakings as also the State Governments in the form of Public-private partnerships.

The Ministry of Railways has recently entered into a Memorandum of Understanding (MOU) with M/s. Gujarat Pipavav Port Limited for forming a SPV (Special Purpose Vehicle) for Gauge Conversion of Surendranagar - Pipavav and a New Line extension to Pipavav Port. The SPV shall undertake the work of Broad Gauge rail connectivity between Surendranagar and the Port of Pipavav. Tentative project cost is Rs.270 Crores. (Rs. Two hundred & Seventy Crores). The project shall be funded in the following pattern:

66 2/3% of the Project Cost shall be funded through Equity.
33 1/3% of the Project Cost shall be funded through Debt.

Equity holding pattern:

- i) Ministry of Railways & its PSUs : 50%
- ii) Gujarat Pipavav Port Limited & others : 50%

The amount already spent by the Indian Railways on the proposed Broad Gauge Rail connectivity will be reckoned towards the equity contribution of Ministry of Railways.

Approximate expenses likely to be incurred by the Government is Rs.90 Crores.

Ministry of Railways is examining the feasibility of entering into separate agreements with the ports of Mundra (in the Kutch region of Gujarat) and Dhamra (on the East coast of Orissa) to facilitate connectivity to these ports.