

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:4201
ANSWERED ON:25.08.2004
SETHU SAMUDRAM PROJECT IN TAMIL NADU
Kharventhan Shri Salarapatty Kuppusamy

Will the Minister of SHIPPING be pleased to state:

- (a) whether any survey has been conducted to study the feasibility of the Sethu Samudram Project in Tamil Nadu;
- (b) if so, the details thereof;
- (c) whether approval for the project has been accorded;
- (d) if so, the time by which the project will be completed; and
- (e) if approval has not been accorded, the reasons for delay?

Answer

MINISTER OF SHIPPING, ROAD TRANSPORT & HIGHWAYS (SHRI T.R. BAALU)

(a) to (e) The work to conduct detailed Environmental Impact Assessment study and establish Techno-Economic Viability of Sethusamudram Ship Canal Project was entrusted to National Environmental Engineering Research Institute (NEERI), Nagpur, which has been recently completed. Tuticorin Port Trust (TPT), which has been designated as nodal agency, has filed an application on 9.6.2004 with Tamil Nadu Pollution Control Board to obtain 'No Objection Certificate' to get environmental clearance from the Government of India. The TPT has also applied to the Government of Tamil Nadu in June, 2004 seeking further clearances as required for the project. Government has proposed that a Special Purpose Vehicle (SPV) styled 'Sethusamudram Corporation Ltd.' be formed for implementation of the project, with major ports of Tuticorin, Chennai, Ennore, Visakhapatnam, Paradip and Shipping Corporation of India & Dredging Corporation of India as members of the SPV in the first phase. The tentative cost of the project is estimated to be Rs. 2000 crores.

It has been announced in the budget speech for the current year, i.e 2004-05 that the Government will participate in the funding of this project through a mix of equity support and debt guarantee".

Consultant to prepare Detailed Project Report (DPR) has been appointed by TPT which is expected to be ready by the end of November, 2004 and formal approval for the project will be considered after availability of DPR.