

**GOVERNMENT OF INDIA  
SHIPPING  
LOK SABHA**

UNSTARRED QUESTION NO:406

ANSWERED ON:07.07.2004

VALLARPADAM INTERNATIONAL CONTAINER TERMINAL

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

- (a) the reasons for delay in setting up of the International Container Transshipment Hub at Vallarpadam in Kochi;
- (b) if so, the details thereof; and
- (c) the steps taken or proposed to be taken for the speedy implementation of the project?

**Answer**

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

(a) to (c): The feasibility of an International Container Transshipment Terminal (ICTT) Project was established in 1990 and three attempts were made earlier through tendering for selection of the operator in 1992, 1999 and 2002. These were not successful mainly on account of the following reasons:- (1) Lack of encouraging response in 1992 (2) Only single bid was received in 1999. (3) Non-submission of price bid by the pre-qualified bidders in 2002.

Fresh Global bidding commenced on 1st January, 2004 after redesigning the project to make it more investor friendly while keeping interest of Port Trust protected. After pre-qualification of bidders, Request for Proposal (RFP) document was finalised through various interactive meetings with bidders and final document was issued for submission of price bid by 25th March, 2004. The bid document provides that the bidder shall not be obliged to commence construction work at ICTT, inter-alia, until the traffic at Rajiv Gandhi Container Terminal (RGCT) reaches a level of 4,00,000 Twenty Equivalent Units (TEUs). Three offers were received on the due date, one of which was without bid security. The offer of the highest bidder offering 33.3% revenue share has been recommended by the Board of Trustees of the Board and the proposal was submitted to the Government on 20th May, 2004 and the said proposal is under the consideration of the Government.