
Sical Logistics to build mechanized iron ore facility at New Mangalore Port

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In a major infrastructure expansion program the New Mangalore Port Trust has moved close to striking a deal with a firm to set up a mechanized iron ore handling facility at a cost of INR 300 crore.

Chennai based Sical Logistics Ltd a leading provider of integrated solutions for offshore logistics and multi-modal logistics for bulk cargo, will be the investor for INR 300 crore.

The company will build it on Build Own Transfer basis and offer 37% of the gross revenue to NMPT. Sources told The Hindu that this is the highest revenue share offered for any of the NMPT projects in the recent past by any private firm in any project undertaken by it.

The project involves payment of INR 11 crore annually as licence fee and one time success fee of INR 4 million to NMPT. The company will get two years to execute the project after signing of the deal, which could happen in three months from now.

The mechanized ore facility to handle 6.62 million tonnes a year is expected to considerably increase the quantity of ore exported from the port, which at present stands fourth among the major ports as far as its performance in iron ore handling is concerned. Last year, the port handled 8.3 million tonnes of iron ore.

At present, the port receives about three to four rakes each with 58 wagons on an average every day. The time taken to unload each rake will be reduced to three hours from the present eight hours.

Though 11 companies had shown interest in the project, only four took part in the price bid recently and offered to share revenue at the rates ranging from 24% to 37%. The other bidders were ABG Infralogistics Ltd, Sharath Chatterjee and Co and Adani Infrastructure Services Pvt Ltd.

(Sourced from Mangalorean.com)

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