
Nobel Group opposes Paradip port move to mechanize berth

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BL reported that Paradip Port Trust's bid to mechanise the CQ3 berth has run into rough weather.

As per report Nobel Group led consortium which has been awarded the contract for constructing a deep draft iron ore berth on BOT basis through the public private partnership mode is believed to have gone to court protesting against proposed mechanisation citing a clause in the concessional agreement it signed with the port authorities in July.

According to the clause, no competing facility can be created within the port once the deep draught iron ore berth has been constructed. When completed, the mechanisation is to push up the cargo handling capacity of CQ3 berth, now manually operated, from the present 2.5 million tonnes to 6 million tonnes annually. In fact, several firms have responded to bids invited by PPT. However PPT cannot proceed further due to the court case.

If the Nobel Group's contention is accepted, then the port authorities will not be able to take up any modernisation relating to iron ore handling facility in the port, not even during the next three years, the time to be taken for constructing the deep draught iron ore berth. The Group is supposed to start construction work from January.

Mr K Raghuramaiah chairman of PPT said that court case was on over the issue of mechanisation of the CQ 3 berth. He however declined to comment on it, saying the matter was sub judice.

He said the port authorities were going ahead with the preparation for awarding the contract for the construction of a multi-purpose berth through the PPP mode. A total of 10 firms, all Indian, have responded to the RFQ they would be shortlisted to seven according to PPP guidelines.

He added that "We will invite price bids once the Tariff Authority for Major Ports, the regulator, decides on the upfront tariff for 30 years."

(Sourced from Business Line)

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