

Publication: The Economic Times Mumbai; Date: May 10, 2013; Section: Corporate; Page: 6;

Gammon Infra Gets Nod to Bid for Port Projects

The security clearance comes a week after home ministry's nod to Adani Ports

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The government has allowed Gammon Infrastructure to bid for port projects. This is expected to boost the fortunes of the port major in a year that the shipping ministry is going to award at least 25 port projects worth ₹30,000 crore.

Along with Adani Ports and

Punj Lloyd, Gammon Infrastructure had been denied clearance for the past few years to participate in various port projects in the country. The home ministry has never cited the reasons for denial. Lanco Infratech, another infra company, has also been consistently denied clearance due to its Chinese connections, according to ministry officials.

The clearance comes a week

after the country's largest private sector port, Adani Ports and SEZ, managed to obtain security clearance after three years.

"We have granted security clearance to Gammon Infrastructure to bid for a project in Cochin. The security clearance for the company will now stand for three years as per the new rules," a senior shipping ministry official told ET.

In a move to streamline the security clearance mechanism, the shipping ministry had said a clearance once received would be valid for three years. Companies should welcome the move as now they don't have to approach the home ministry for each case.

The shipping ministry is authorised to grant security clearance after consultations with various ministries including home, defence and external affairs and intelligence agencies.

The company's bid for a project in Cochin will now be valid. Bids submitted by private operators are not opened until they receive security clearance from the home ministry.

A senior official at Gammon Infrastructure said the company is yet to receive a formal notification regarding the same.

"Port projects in the country have seen poor response from the private sector due to various policy measures, including security clearance and tariff regime. We are happy to receive the clearance to participate in port projects," said an official at Gammon Infrastruc-

Decks Cleared

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ture. He did not wish to be identified as he is not authorised to speak to the media.

In contrast to Indian port operators, foreign companies such as DP World and APM Terminals have been granted clearance for all the major port projects in the country.

The government has, however, decided to deny clearance to Chinese companies to participate in port projects due to the shifting relationship between the neighbours.

The shipping ministry has been struggling to complete port projects and managed to accomplish only half of their planned target in the fiscal. Lack of private investments was cited as one of the reasons for the delay in implementing port projects in the country.

"Private investments are crucial to the success of ports in the country. Major ports have been struggling to add capacity in the past few years due to lack of private investments and other policy concerns. The decision to grant clearance to major port operators is a positive move," Anand Sharma, director at Mantrana Maritime Advisory told ET.