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# PSA Pips Adani Ports, Wins Bid to Build ₹8,000-cr JNPT Terminal

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Singapore's PSA International trumped Adani Ports & SEZ to win a bid to construct and manage the much-delayed ₹8,000-crore fourth container terminal at Jawaharlal Nehru Port Trust (JNPT) by offering 35.90% revenue share to the port, even as five other qualified bidders decided to abstain from participating.

The only other bidder, Adani Ports & SEZ, offered 29% revenue share, NN Kumar, chairman-in-charge at JNPT told ET. The project, which is going to be awarded on a design, build, finance, operate, transfer (DBFOT) basis, was first awarded to PSA in 2012. But the company exited the project citing troubles with partner ABG Ports. "About 35.9% is a very good bid considering the size and complexity of the project," Kumar said. The JNPT's board will give its final nod on 26 February.

Adani Ports declined comment. The project was first awarded to PSA with ABG Ports, but the winning consortium split after offering a revenue share of more than 50%, leaving the project hanging. The industry as well as other bidders had expressed reservations that JNPT allowed PSA to bid for the project again.

"This is disappointing. There should have been at least two more bidders," said Ramesh Singhal, chief executive of i-maritime Consultancy. "The overall market scenario has dramatically changed, growth is not taking place and huge capacity has already come up."

Explaining why there were only two bidders, Anand Shar-

ma, a director at Mantrana Maritime Advisory said some bidders were concerned about being able to raise such a huge sum for the project.

Apart from PSA and Adani Ports, Dubai Port World, APM Terminals, Sterlite Ports, United Liner Agencies (ULA) and International Container Terminal Services Inc. (ICTSI) had qualified.

Sources close to the matter said that ULA and ICTSI were having issues with security clearances, while APM Terminals and DP World were seeking more time. There were also concerns regarding last-minute changes to the project design and renewal of environment clearance from the government.

JNPT is India's largest container port, handling about half of total container traffic. The fourth container terminal, when it comes up, is going to be 2,000 metres in length adding 4.8 million TEU (twenty-foot equivalent units) of capacity per annum for JNPT.

JNPT currently has a capacity of over 4-million TEUs. JNPT currently has three container terminals, out of which only one is operated by the port, while the other two are operated on a public-private-partnership (PPP) basis by DP World and APM Terminals. Recently, Adani Ports won a bid to construct ₹1,270-crore container terminal at Ennore Port by offering a revenue share of 37%.



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