Developing and Operating Inland Water Transport Terminal at Kolkata and Patna under PPP Model

Inland Waterways Authority of India (IWAI), Ministry of Shipping, has identified development and operation of Kolkata Terminal's GR Jetty -I, GR Jetty-II & BISN and Patna Terminal's Gaighat & Kalughat on National Waterways -1 i.e. River Ganga under the Public-Private Partnership (PPP) model. After invitation of bids, nine firms have expressed their interest in taking up the project and the work is expected to be awarded by November, 2016.

This is the first PPP project undertaken by the IWAI. Under the transactional structure worked out by International Finance Corporation (IFC), the operator will undertake the operations and maintenance services at both Kolkata and Patna clusters and invest in equipment handling mechanism, goods, items, container loading and unloading equipment and warehousing. The operator will also provide labour, professionals, supervisory, and managerial personnel for performance of operations and maintenance services.

The operator will have the right to demand and collect user fees from the users. Service charges would be revised from time to time so as to suitably reflect variation in the market conditions. The operator will be responsible for the payment of revenue share to IWAI for the period commencing from the third anniversary of the appointment date until the duration of the concession. The Operator is expected to handle 10,000 TEU or 15,000 tonnes at both the Terminals within five years of signing the contract.

IWAI will finalise the Front End Design (FEED) of the Kalughat Terminal and construct it with the technical assistance of the World Bank under Jal Marg Vikas Project. IWAI will initially invest Rs 80 crore for the estimated cost construction of the Kalughat Terminal and Rs 10 crore as the cost of land acquisition of about 2-3 hectares for the container cargo Terminal. IWAI has taken land on lease for thirty years for GR Jetty I & II, and BISN Terminal in Kolkata.

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