

State apathy delays infra projects

M.L. Melly Maitreyi

HYDERABAD: For all the hue and cry being raised over the injustice meted out to the Seemandhra region by the Centre in the State bifurcation, the State Government's own track record appears not above board in giving impetus to the major infrastructure projects proposed in the region.

One of the major complaints against the State Government was inordinate delay in clearing files or taking decisions over critical issues related to infrastructure projects that have potential to kick start the economic development.

Some of the major projects such as Rs.5,000 crore Floating Storage and Regassification Unit at Kakinada Deep Water Port, Rs.4,500 crore Petronet liquefied natural gas (LNG) terminal project at Gangavaram Port to ensure supply of LNG to the gas based power plants and other industries facing fuel shortage could not take off over government's indecisiveness,

PROJECTS IN PARALYSIS



Rs.5,000 crore Floating Storage and Regassification Unit at Kakinada Deepwater Port

- **HURDLE:** dividing equity between stakeholders APGDC, GDF Suez, Shell
- **STATUS:** Panel of secretaries meet several times, fail to resolve deadlock

Rs.4,500 crore Petronet LNG terminal project at Gangavaram Port

- **HURDLE:** Govt. insists that Petronet pay waterfront charges to it, not to concessionaire Gangavaram Port
- **HURDLE:** Issue has not been resolved yet

Both projects can supply a total of 30 MMSCMD of gas and provide cheaper, cleaner fuels, jump-starting economic growth in the region

Major public sector port at Dugarajapatnam

- **HURDLE:** Delay due to red tape
- **STATUS:** 850 acres allotted, not delivered yet. File pending with Revenue Dept.

Minor port Bhavanapadu in Srikakulam district

- **HURDLE:** Delay due to red tape
- **STATUS:** Awaiting feasibility clearance from the Director of Ports, AP

Lost Opportunity

- Setting up an autonomous A.P. Maritime Board could have helped cut red tape
- However, a Bill introduced for its institution in the Assembly lapsed

sources said.

Both the terminals if completed would supply 30 MMSCMD of gas and provide additional and relatively cheaper and clean alternate

fuels to various sectors, said the then Investment & Infrastructure Minister Ganta Srinivasa Rao.

The timelines set for these projects have all gone awry

because nothing much happened in the last one year.

Critical decisions not taken despite many meetings: Page 6

Critical decisions on projects delayed

Special Correspondent

HYDERABAD: With the State government causing inordinate delay in clearing files or taking decisions over critical issues related to infrastructure projects, timelines set for these projects have all gone awry.

"Critical decisions were not taken despite series of meetings with joint venture partners, like GDF Suez and Shell company which are collaborating with AP Gas Development Corporation", sources in the I&I department said.

The major hurdle for the FSRU project at Kakinada was to apportion the equity between the three players, APGDC, GDF Suez and Shell. A committee was constituted with secretaries of Industry, Finance, Law, I&I and Revenue for formulating the modalities but there is not much progress, sources added.

The Petronet LNG terminal project ran into hurdles over the stipulation that it should pay waterfront charges to the Government and not to the concessionaire Gangavaram port (developed in PPP mode) as was agreed before. The issue has not been resolved yet. The much touted AP Maritime Board Bill 2014 also could not be reintroduced in the Assembly after it lapsed. The Tamil Nadu and Gujarat States had already set up autonomous Maritime Boards that would help in cutting the red tape, an official said. The major public sector port sanctioned to the State at Dugarajapatnam is still awaiting land allotment of 850 acres in the first phase and the file is pending with the revenue department. The fate of minor port Bhavanapadu is awaiting feasibility clearance.