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Konsortium Perkapalan on expansion trail again

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KONSORTIUM Perkapalan Bhd is on the expansion trail again with a new seaport venture in India; the possibility of acquiring control of Malaysia's newest West Port terminal and likely plans to operate an inland port for aircargo near the new KL International Airport in Sepang, Selangor.

These developments have been unfolding since earlier this month, when the Jawarharlal Nehru Port Trust selected on Jan 10, a bid to design, build and operate a major container terminal in Bombay, India.

This bid was made by a multi-national consortium in which Konsortium Perkapalan is a member. The consortium is led by P&O Australia.

The bid to build the US\$200 million (RM496 million) container terminal with two berths is now subject to the approval of India's Ministry of Surface Transport and the Foreign Investment Promotion Board. Upon its expected completion in the year 2000, the terminal will be capable of handling 600,000 twenty-foot equivalent units per annum.

The consortium will operate the terminal at Jawarharlal Nehru Port in Bombay under a 30-year contract before transferring the facilities back to the Port Trust.

Nhava Sheva, another name for Jawarharlal Nehru Port, is the second of Bombay's two ports, with the other being Mumbai. Bombay is the principal port in India, and is projected to handle 1.4 million TEUs by the year 2000.

Taking into consideration this venture and its management of inland ports at New Delhi and Sadao in Thailand, Konsortium Perkapalan has also been widely speculated as making a bid to take control of West Port in Klang, Selangor.

This interest was confirmed last week by group executive chairman Mirzan Mahathir, who said the acquisition of the stake in West Port would complete the company's plan to build up a logistics network.

"West Port is important because it has the capacity and can be tailored to customers' needs. It is a greenfield project. It could become a major hub of the region," Mirzan had said.

Given that Konsortium Perkapalan already has a lion's share of the local haulage business and owns a major local shipping fleet, the stake in West Port would put it in a strong position to be the main integrated logistics firm.

Konsortium Perkapalan already has control of the West Port Distribution Park that is designed to form the backbone of West Port, which is being promoted as the region's mega-hub or load centre.

This facility, with its four warehouses, will provide for warehousing consolidation and redistribution of cargo for the region.

And to further consolidate its position in the transport logistics sector, Konsortium Perkapalan has begun talks with Malaysia Airlines for co-operation in aircargo services.

While details of this service are yet to be finalised, Malaysia Airlines chairman Tan Sri Tajudin Ramli said last Thursday the talks with Konsortium Perkapalan would involve aircargo joint ventures.

Mirzan had earlier said Konsortium's plans for the aircargo sector could involve projects in the Multimedia Super Corridor area, where the new KL International Airport is located.

Given that the Government is already considering setting up an inland

port at Nilai in Negri Sembilan, it is possible that Konsortium Perkapalan and Malaysia Airlines may be jointly bidding for this project.

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