

### **Trans-harbour link: REL fails test, plans to move MSRDC**

THE consortium led by Reliance Energy (REL) and the Korea-based Hyundai Engineering and Construction is planning to approach Maharashtra State Road Development Corporation (MSRDC) after it was disqualified for the Rs 3,000-crore Mumbai Trans Harbour Link (MTHL) project in August. The consortium is studying various aspects of the issue and is likely to approach the MSRDC this week, said sources.

The MSRDC had 'found' in August that the consortium was financially weak to carry out the project. China Harbour and German Dywidag International had also failed to qualify for the technical and financial bid.

"It's for the first time that the Anil Ambani-controlled REL has failed at the pre-qualification round for not meeting financial parameters. A consortium led by the Mukesh Ambani-controlled Sea King International (SKIL) and Infrastructure Leasing & Financial Services (IL&FS) and the one led by L&T and Gammon as well as the consortium led by Indian Farmers Fertiliser Co-operative (IFFCO) had qualified for the technical and financial bid," industry sources said. The last date for submitting the bids is October 19. REL, if it wants to participate in the project, has to move before this deadline.

An REL spokesperson refused to comment on the issue. An MSRDC official said the REL-Hyundai consortium had failed to meet the financial qualification criteria including net cash accrual. "REL, the leading corporate entity having \$2.5bn in market capitalisation, had bagged the construction right for the Rs 2,356 crore Varsova-Andheri-Ghatkopar rail project and various road projects in Tamil Nadu and Andhra Pradesh. Hyundai, one of the top contractors in Asia, has a market capitalisation of \$6bn," sources close to the development said, and expressed surprise over the expulsion of the consortium at the pre-qualification level.

The six-lane project on build-own-transfer (BOT) basis is touted as the third longest sea-bridge in the world after the two bridges in Hanzhou near Shanghai. The state proposes to develop MTHL as a 25-km expressway over the sea connecting Sewri in Central Mumbai and Nhava in Navi Mumbai. MSRDC, the nodal agency, had completed the pre-qualification process with the help of consultant Crisil.

Thailand firm Italian Thai Development, Japanese MAEDA Corporation and Mumbai-based Skanska Cementation India are the partners of the IFFCO-led consortium. Gammon India and Sistema are qualified with L&T. SKIL, UKbased John Laing Construction and Laing O'Rourke Holding are the members of the IL&FS-led consortium.