(Published in Part - III Section 4 of the Gazette of India, Extraordinary)

TARIFF AUTHORITY FOR MAJOR PORTS

G.No.265 **New Delhi,** **10 October 2013**

NOTIFICATION

In exercise of the powers conferred by Section 48, 49 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from the Chennai Port Trust for notification of reference tariff for development of Jawahar Dock (East) berths as Container Terminal at Chennai Port Trust under the guidelines for Determination of Tariff for Projects at Major Ports, 2013, which were notified vide Notification No.TAMP/18/2013-Misc. dated 8 August 2013, as in the Order appended hereto.

(**T.S. Balasubramanian**)
Member(Finance)

Tariff Authority for Major Ports

Case No. TAMP/40/2013-CHPT

Chennai Port Trust - - - **Applicant**

<u>Quorum</u>

1. **T. S. Balasubramanian, Member (Finance)**
2. **C. B. Singh, Member (Economic)**

<u>O R D E R</u>

(Passed on this 25th day of September 2013)

This case relates to a proposal dated 23 August 2013 received from the Chennai Port Trust (CHPT) for notification of reference tariff for development of Jawahar Dock (East) berths as Container Terminal at Chennai Port Trust under the guidelines for Determination of Tariff for Projects at Major Ports, 2013.

2. The Ministry of Shipping (MOS) under cover of its letter No.PR-14019/16/2012-PG dated 31 July 2013 has issued 'Guidelines for Determination of Tariff for Projects at Major Ports, 2013 under Section 111 of the Major Port Trusts Act, 1963 on 31 July 2013. In compliance of the policy directives issued by the (MOS) under Section 111 of the MPT Act, 1963, the said Guidelines were notified vide Notification No. TAMP/18/2013-Misc. in the Gazette of India on 8 August 2013, vide Gazette no.214. The said Guidelines were made effective from 31 July 2013.

3.1. In this backdrop, the Chennai Port Trust (CHPT) under cover of its letter dated 23 August 2013 has submitted the proposal for determination of Reference tariff for the Container Terminal to be developed at Jawahar Dock (East) berths of CHPT, under the guidelines for Determination of Tariff for Projects at Major Ports, 2013.

3.2. The CHPT in its letter dated 23 August 2013 has made the following submissions:

(i). The Reference Tariff proposed is the same as that notified for Jawaharlal Nehru Port Trust by TAMP vide its order dated 12 March 2009.

(ii). Though TAMP had notified the upfront tariff for the proposed Mega Terminal at north of Bharathi Dock under the 2008 guidelines vide Notification G.No.27 dated 26 February 2008, this has not been adopted for the present project of CHPT, for the following reasons:

(a). The Mega Terminal Project was not successful as the bidders did not show interest mainly since the upfront tariff notified for the project was too low to recover the capital cost and also lower than the tariff fixed for the existing two Container Terminal at Chennai Port.

(b). Even in the case of the bids received for the project on two occasion, the revenue share offered was very low.

(iii). Consequently, the CHPT would like to fix the Reference Tariff for the JD (East) Project based on bids which are successful in other Major Ports.

(iv). The reasons to adopt the Reference Tariff notified by TAMP for JNPT, in case of CHPT, are summarised below:-

(a). JNPT and CHPT are the two Major Ports in India each of which handle container volumes in excess of 1.5 Million TEUs p.a. at their terminals. None of the other Major Ports handles comparable volumes.

(b). The total cargo volume at JNPT in 2012-13 was 64.5 Million Tonnes compared to 53.4 Million Tonnes handles at Chennai Port for the same period. In both these Ports, the Container volume contributes to more than 50% of their total cargo volumes.

(c). Both CHPT and JNPT have two privatized Container Terminals.

(d). The Tariff adopted at the existing Container Terminals of Chennai Port were originally fixed prior to the issue of the 2008 guidelines for Reference Tariff and hence cannot be taken for the purpose of Reference Tariff for the proposed New Terminal at JD (East).

(e). Similarly, there are no other Container Terminals at Chennai Port either in operation or under implementation for which Tariff was fixed based on the 2008 TAMP guidelines. However, in case of Jawaharlal Nehru Port Trust, the Fourth Container Terminal has been awarded recently with Tariff Fixed based on the 2008 guidelines.

(v). Since the Reference Tariff proposed for the JD (East) Project is the same as that approved by TAMP for the Jawaharlal Nehru Port Trust's Fourth Container Terminal, the performance Standard adopted for the project will be same as for the JNPT project.

3.3. In view of above, the CHPT has requested this Authority to approve the proposed Reference Tariff and the Performance Standards at the earliest.

3.4. The CHPT has furnished the proposed 'Reference Tariff Schedule for Container Terminal' including the conditionalities governing the levy of rates and the 'Performance Standards' along with its proposal.

4. Since the guidelines of 2013 issued on 31 July 2013 did not stipulate a situation where inspite of having an upfront tariff for a particular cargo, the port is free to adopt the upfront tariff prescribed for a similar cargo fixed for any other port, the Ministry of shipping (MOS) was requested vide our letter dated 27 August 2013 to issue clarification in this regard.

5.1. Thereafter, the Ministry of Shipping (MOS) vide its letter dated 9 September 2013 has issued Revised Guidelines for Determination of Tariff for Projects at Major Ports, 2013, effective from 9 September 2013. In the said guidelines, Clause 2.2, interalia, states that if the highest tariff fixed for a particular commodity in the concerned major port trust does not represent the project proposed to be developed, then the concerned Major Port Trust can propose to TAMP any other tariff fixed under 2008 tariff guidelines in any other major port trust which is representative enough for that commodity giving detailed and sufficient justification.

5.2. After issuance of Revised tariff guidelines of 2013 by MOS, the CHPT has sent us a reminder dated 17 September 2013 giving reference of Revised tariff guidelines issued by MOS on 9 September 2013 and has requested us to consider the proposal forwarded by the port vide its letter dated 23 August 2013. In support of its proposal to adopt the upfront tariff fixed for the container terminal under 2008 guidelines for fixation of upfront tariff at the JNPT, the CHPT in its letter dated 17 September 2013 has reiterated the submissions made by it in its letter dated 23 August 2013 in this regard.

6. With reference to the totality of information collected during the processing of the case, the following position emerges:

(i). This Authority has passed an Order bearing No.TAMP/47/2009-CHPT dated 03 March 2010 fixing upfront tariff for the Mega Container Terminal to be developed at CHPT, based on guidelines for upfront tariff setting for PPP Projects at Major Port Trust, 2008. This Order has been notified in the Gazette of India vide notification No.103 dated 16 April 2010.

(ii). An upfront tariff for the container terminal has been fixed under 2008 guidelines for CHPT as has been stated above. Despite having an upfront tariff that has been prescribed for its port, the CHPT has proposed to adopt the upfront tariff notified for Jawaharlal Nehru Port Trust (JNPT) by this Authority after applying the applicable indexation factor as the Reference Tariff for its proposed Container Terminal project at CHPT. The JNPT tariff proposed to be adopted by CHPT was notified vide Order dated 12 March 2009 passed by this Authority.

(iii). Clause 2.2. of the Revised Tariff Guidelines of 2013 provides for, inter alia, that in case no tariff has been fixed for a commodity at a major port trust or if the highest tariff fixed for a particular commodity in the concerned major port trust does not represent the project proposed to be developed, then concerned major port trust can propose to this Authority any other tariff fixed under 2008 tariff guidelines in any other major port trust, which is representative enough for that commodity giving detailed and sufficient justification.

(iv). (a). As brought out earlier, upfront tariff has been fixed for handling containers at Mega Container Terminal at CHPT under 2008 guidelines for fixation of upfront tariff. However, the CHPT has chosen to adopt the upfront tariff fixed for a facility at another port i.e., the container terminal at JNPT.

(b). As it appears to be the contention of CHPT, the main reason behind the CHPT's decision to adopt the upfront tariff fixed for the facility at JNPT, is that the upfront tariff fixed for the Mega Container Terminal at CHPT is too low to attract the bidders. Apart from the above, the logic put forth by the CHPT for adopting the JNPT's tariff as base for reference tariff is 'success of invitation of bids'.

(c). It may be expedient to mention here that as submitted by the CHPT, no other upfront tariff is fixed at CHPT other than the upfront tariff fixed for the Mega Container Terminal. That being so, the upfront tariff fixed for the Mega Container terminal is the highest tariff that has been fixed for CHPT. Further, in the opinion of CHPT, the upfront tariff so fixed at the CHPT for the Mega Container Terminal does not represent the project now proposed to be developed at the CHPT. It is noteworthy that in terms of Clause 2.2. of the revised Guidelines of 2013, the said clause appears to allow the port to adopt such upfront tariff which was approved for another major port trust provided that in the opinion of the port trust the upfront tariff so fixed for its own port does not represent the project proposed to be developed. That being so, this Authority is inclined to consider the proposal of CHPT for adopting the such upfront tariff which was notified for JNPT.

(v). (a). The Revised Guidelines of 2013 stipulate that while adopting the Reference tariff, the tariff set under the Tariff Guidelines, 2008 shall be escalated to the extent of 60% of WPI per annum, as provided in the said guidelines for the period between 1st January of the year as prescribed in the relevant tariff order of this Authority under 2008 guidelines and 1st January of the subsequent relevant year when the Reference Tariff for the particular project in question is being notified.

(b). The upfront tariff for the JNPT container terminal, which forms the basis for Reference tariff of container terminal at CHPT, was notified in March 2009. Para 9.1. of the JNPT Order dated 25 February 2009 states that the base year of Wholesale Price Index (WPI) for indexation in the upfront tariff rates approved in the said Order will be 1 January 2008. Therefore, in the instant case of CHPT, the upfront tariff fixed for JNPT container terminal would have to be indexed with reference to the indexation factor occurring between the year 2008 and the year 2013.

(vi). The CHPT has applied the indexation factor of 26.15% on the tariff caps approved for the container terminal at JNPT vide Order dated 25 February 2009. This indexation factor is seen to be in line with the indexation factor communicated by us to all the Major Port Trusts vide our letter No.TAMP/12/2009-Misc dated 2 April 2013, to be applicable for tariff with base WPI as on 1 January 2008. The indexed Reference tariff determined by CHPT, is found to be in order subject to minor corrections arising on account of rounding off of the rates in few tariff items. Such corrections are carried out.

(vii). In the upfront tariff schedule of JNPT Order dated 25 February 2009, a general note relating to indexation has not been prescribed. However, in the Reference Tariff Order dated 13 August 2013 for JNPT container terminal, the general note relating to indexation has been prescribed in Reference tariff schedule as 'Chapter 4 – General note to Chapter 2 and 3.' which is in line with the approach prescribed in the 2013 Guidelines relating to indexation. Therefore, following General Note in the reference tariff schedule of CHPT is prescribed:

> **"***The tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2013 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.***"**

This note is incorporated in Reference Tariff Schedule for CHPT container terminal as 'Chapter 4 – General note to Chapter 2 and 3.'

7.1. Subject to above, the Reference Tariff Schedule along with conditionalities governing the Reference Tariff has been modified.

7.2. The modified Reference Tariff Schedule is attached as **Annex-I** and the Performance Standards for the container terminal as proposed by the CHPT is attached as **Annex-II**.

7.3. In the result, and for the reasons given above, and based on a collective application of mind, this Authority approves the modified Reference Tariff Schedule and the Performance Standards for the CHPT container terminal.

7.4. As per clause 2.5 of the Revised Tariff Guidelines 2013, the Reference Tariff and Performance Standards notified by this Authority shall be mentioned in the bid document and subsequently in the Concession Agreement in respect of PPP Projects. Accordingly, the CHPT is advised to incorporate the Reference Tariff and Performance Standards approved by this Authority, in the bid document and subsequently in the Concession Agreement in respect of PPP Projects.

(**T.S. Balasubramanian**)
Member(Finance)

Annex - I

CHENNAI PORT TRUST

REFERENCE TARIFF SCHEDULE FOR CONTAINER TERMINAL

CHAPTER 1 – DEFINITIONS & GENERAL TERMS & CONDITIONS

1.1. DEFINITIONS – GENERAL

(i). **"Coastal vessel"** shall mean any vessel exclusively employed in trading between any port or place in India to any other port or place in India having a valid coastal licence issued by the competent authority.

(ii). **"Foreign-going vessel"** shall mean any vessel other than Coastal vessel.

(iii). **"FCL"** means Containers said to contain Full Container Load.

(iv). **"LCL"** means Containers said to contain Less than full Container Load (Container having cargo of more than one importer/exporter).

(v). **"Hazardous container"** means a Container containing hazardous goods as classified under IMO.

(vi). **"Import container"** means a container discharged from one vessel, stored in container yard and transported out through Road or Train.

(vii). **"Export container"** means a container arrived by road or Train, stored in container yard and loaded on the assigned vessel.

(viii). **"Port area"** means the custom bound area / Port operational Area of the Port.

(ix). **"Normal Container"** shall mean general type containers, not falling under special categories mentioned subsequently.

(x). **"Reefer Container"** shall mean a refrigerated container used for carriage of perishable goods with provision for electrical supply to maintain the desired temperature.

(xi). **"Hazardous Container"** shall mean a container containing hazardous goods as classified under IMO.

(xii). **"Transhipment Container"** shall mean a container, which is discharged from one vessel, stored in the yard and transported through other vessel.

(xiii). **"Over dimensional Container"** shall mean a container carrying over dimensional cargo beyond the normal size of standard container and needing special devices like slings, shackles, lifting beam etc. They also include damaged containers and other types which require special devices.

(xiv). **"Shut out Container"** shall mean a container which enters into the port as an export intake for a particular vessel (as indicated by the Vessel Identification Advice Number, i.e. VIA No.) and is not connected to the particular vessel for reasons whatsoever, then the container is termed to be a shutout container.

(xv). **"Back To Town Container"** shall mean a container entering the port for export but unable to be exported for whatever reason and taken back to town.

(xvi). "**VIAN**" means Vessel Identification Advise Number**.**

1.2. GENERAL TERMS & CONDITIONS

(i). (a). A foreign going vessel of Indian Flag having a General Trading Licence can convert to Coastal run on the basis of a Customs Conversion Order.

(b). A foreign going vessel of Foreign Flag can convert to coastal run on the basis of a Coastal Voyage Licence issued by the Director General of Shipping.

(c). In cases of such conversion, coastal rates shall be chargeable by the load port from the time the vessel starts loading coastal goods.

(d). In cases of such conversion coastal rates shall be chargeable only till the vessel completes coastal cargo discharging operations; immediately thereafter, foreigngoing rates shall be chargeable by the discharge ports.

(e). For dedicated Indian coastal vessels having a Coastal Licence from the Director General of Shipping, no other document will be required to be entitled to Coastal rates.

(ii). The status of the vessel, as borne out by its certification by the Customs or the Director General of Shipping, shall be the deciding factor for classifying into 'coastal' or 'foreigngoing' category for the purpose of levying vessel related charges; and, the nature of cargo or its origin will not be of any relevance for this purpose.

(iii). Vessel related charges shall be levied on Shipowners/Steamer Agents.

(iv). (a). The Vessel related charges for all Coastal vessels should not exceed 60% of the corresponding charges for other vessels.

(b). The container related charges for all Coastal should not exceed 60% of the normal container related charges.

(c). In case of container related charges, the concession is applicable on composite box rate. Where itemized charges are levied, the concession will be on all the relevant charges for ship-shore transfer, and transfer from / to quay to / from storage yard as well as wharfage on cargo and containers.

(d). For the purpose of this concession, container from a foreign port which reaches an Indian Port 'A' for subsequent transhipment to Indian Port 'B' will also qualify insofar as the charges relevant for its coastal voyage. In other words, cargo/containers from/to Indian Ports carried by vessels permitted to undertake coastal voyage will qualify for the concession.

(e). The charges for coastal containers / vessels shall be denominated and collected in Indian Rupee.

(v). Interest on delayed payments / refunds:

(a). The user shall pay penal interest on delayed payments under this Scale of Rates. Likewise, the operator shall pay penal interest on delayed refunds.

(b). The rate of penal interest will be 2% above the Prime Lending Rate of State Bank of India (SBI). The penal interest rate will apply to both the operator and the port users equally.

(c). The delay in refunds will be counted only 20 days from the date of completion of services or on production of all the documents required from the users, whichever is later.

(d). The delay in payments by the users will be counted only 10 days after the date of raising the bills by the operator. This provision shall, however, not apply to the cases where payment is to be made before availing the services / use of Port Trust's properties as stipulated in the Major Port Trust Act and / or where payment of charges in advance is prescribed as a condition in this Scale of Rates.

(vi). All charges worked out shall be rounded off to the next higher rupee on the grand total of each bill.

(vii). (a). The rates prescribed in this Scale of Rates are ceiling levels; likewise, rebates and discounts are floor levels. The operator may, if he so desires, charge lower rates and / or allow higher rebates and discounts.

(b). The Operator may also, if it so desires, rationalize the prescribed conditionalities governing the application of rates prescribed in the Scale of Rates if such rationalization gives relief to the user in rate per unit and the unit rates prescribed in the Scale of Rates do not exceed the ceiling levels. Provided that the operator should notify the public such lower rates and / or rationalization of the conditionalities governing the application of such rates and continue to notify the public any further changes in such lower rates and / or in the conditionalities governing the application of such rates provided the new rates fixed shall not exceed the rates notified by the TAMP.

(viii). The users will not be required to pay charges for delays beyond a reasonable level attributable to the operator.

CHAPTER 2 – VESSEL RELATED CHARGES

2. Schedule of Berth Hire Charges

S. No.	Description	Rate per GRT per hour or part thereof (₹)	
		Foreign Vessel	Coastal Vessel
1	For Occupying the Berth	1.554	0.932

Notes

(1). Vessels shall be permitted to occupy the berth for 2 hours after completion of cargo operation without attracting Penal berth hire charges.

(2). All the vessels shall commence cargo operations within 1 hour from the time the ship is brought along side the berth failing which penal berth hire charges shall be levied as prescribed in (4) below.

(3). Vessels idling the Terminal facilities due to not being ready to work even though the terminal is ready for its operation shall attract penal berth hire charges as prescribed in Note (4) below. For the purpose of levy of penal berth hire charges, idling shall mean suspension/stoppage for any reason of cargo handling operation continuously for more than two hours.

(4). Penal berth hire charges shall be levied as follows in addition to berth hire charges beyond 2 hours:

S. No.	Description	Rate Per GRT
1	Upto 6 hrs	₹ 12.62
2	above 6 hours but upto 12 hours	₹ 18.92
3	Above 12 hrs	₹ 37.85

(5). Penal berth hire charges mentioned above shall not be leviable if the idling of vessel is attributable to the terminal or port or due to adverse tidal conditions or bad weather and rain resulting in stoppage of operation.

(6). (a). There shall be a time limit beyond which berth hire shall not apply; berth hire shall stop 4 hours after the time of vessel signalling its readiness to sail. The time limit of 4 hours prescribed for cessation of berth hire shall exclude the ship's waiting period for want of favourable tidal conditions or on account of inclement weather or due to absence of night navigation facilities.

(b). There shall be a "penal berth hire" equal to one day's berth hire charges for a false signal.

(c). The Master / Agent of the vessel shall signal readiness to sail only in accordance with favourable tidal and weather conditions.

(d). The time limit of 4 hours prescribed for cessation of berth hire shall exclude the ship's waiting period for want of favourable tidal conditions.

(7). Berth hire charges shall not be levied for the period, when a vessel idles at berth due to breakdown of port equipment or power failure or any other reasons attributable to the operator.

CHAPTER 3 – CHARGES FOR SERVICES RENDERED TO CONTAINERS AND CONTAINERIZED CARGO

GENERAL TERMS AND CONDITIONS:

(i). A container originally declared as transhipment container, subsequently moved by rail or road will lose its identity as a transhipment container and shall be treated as a normal import container and prescribed charges as applicable shall be payable.

(ii). Containers less than and up to 20' will be reckoned as one TEU (Twenty Equivalent Unit) and more then 20' and up to 40' will be reckoned as one FEU (Forty Equivalent Unit) for the purpose of tariff.

(iii). All charges for containers more than 20' in length and upto 40' in length will be 150 per cent of the applicable charges prescribed.

(iv). Containers other than that of standard size requiring special devices/slings/handling will be charged twice the applicable rates. Such containers will also include damaged containers and any other type requiring special devices.

3.1. CHARGES FOR HANDLING AND MOVEMENT OF CONTAINERS:

The following consolidated charges for handling and movement of container shall be payable by the Shipping Lines or Agents of vessels or cargo agents for services rendered in respect of containers and containerised cargo passing through the port.

A. Normal Containers

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa	3755.04	3032.92	2253.03	1819.75
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	1877.52	1877.52	1877.52	1877.52

3	From Container yard to Truck or vice versa (direct delivery and export intake)	577.70	577.70	577.70	577.70

B. Reefer Containers

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa	3755.04	3032.92	2253.03	1819.75
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	1877.52	1877.52	1877.52	1877.52
3	From Container yard to Truck or vice versa (direct delivery and export intake)	577.70	577.70	577.70	577.70

C. Hazardous Containers

S. No.	Description	Rate per TEU (in ₹)	
		Foreign Container	Coastal container
		Loaded	Loaded
1	From Ship to container yard or vice versa	4694.65	2817.13
2	From Container yard to Railway flat or vice versa (ICD Container Rail only)	2346.48	2346.48
3	From Container yard to Truck or vice versa (direct delivery and export intake).	722.12	722.12

D. Transhipment Containers

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	1 – 3000 TEUs	4332.74	3755.04	2599.64	2253.02
2	3001 – 6000 TEUs	4043.89	3466.20	2426.33	2079.72
3	6001 – 9000 TEUs	3755.04	3177.34	2253.02	1906.40
4	Thereafter.	3466.20	2888.49	2079.72	1733.10

Notes

(1). Rate is based on total TEUs brought by the Shipping Lines or agents in the same financial year.

(2). A container originally declared as transhipment container, subsequently moved by rail or road will lose its identity as a transhipment container and shall be treated as a normal import container and prescribed charges as applicable shall be payable.

E. Over Dimensional Cargo Containers

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa	7510.09	6065.83	4506.05	3639.50

2	From container yard to Railway flat or vice versa (ICD Container Rail only)	3755.04	3755.04	3755.04	3755.04
3	From Container yard to Truck or vice versa (direct delivery and export intake)	1155.40	1155.40	1155.40	1155.40

Note: The consolidated charges as above include the following elements, viz. stevedoring, use of Gantry crane, use of transfer crane, wharfage on tare weight of containers, wharfage on containerized cargo, transportation and contribution towards railway infrastructure.

3.2. DWELL TIME CHARGES FOR CONTAINER, STORED IN THE PORT PREMISES:

Sl. No.	**Particulars**	**Rate per container per day or part thereof (in ₹)**		
		Upto 20' in length	**Over 20' to upto 40' in length**	**Above 40' in length**
1	Non-ICD/ CFS Import - loaded			
	First 2 days	Free	Free	Free
	3-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
2	Non-ICD/ CFS Import - Empty			
	First 2 days	Free	Free	Free
	3-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
3	Non-ICD/ CFS Export - Loaded			
	First 3 days	Free	Free	Free
	4-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45

4	Non-ICD/ CFS Export - Empty			
	First 3 days	Free	Free	Free
	4-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
5	CFS Import loaded - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
6	CFS Import empty - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
7	CFS Export loaded - moved by road			
	First 3 days	Free	Free	Free
	4-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
8	CFS Export empty - moved by road			
	First 3 days	Free	Free	Free
	4-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02

	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
9	ICD Import and Export loaded or empty - moved by rail			
	First 5 days	Free	Free	Free
	6-15 days	917.11	1834.22	2751.33
	16-30 days	1835.48	3670.97	5506.45
	Thereafter	3670.97	7341.93	11012.90
10	Transhipment - Loaded			
	First 15 days	Free	Free	Free
	16-30 days	1835.48	3670.97	5506.45
	Thereafter	3670.97	7341.93	11012.90
11	Transhipment - Empty			
	First 7 days	Free	Free	Free
	8-15 days	1091.20	2182.40	3273.59
	Thereafter	3670.97	7341.93	11012.90

Notes:

(1). The total storage period for a container shall be reckoned from the day following the day of landing upto the day of shipment/delivery/date of removal of the container and includes Sundays and Holidays but excludes Custom notified holidays and port non working days.

(2). Transhipment containers subsequently changing the mode of dispatch locally or to the container freight station for destuffing/stuffing shall loose the concessional dwell time as prescribed in Item (4) above. Dwell time charges for such containers shall be recovered at par with import containers as prescribed in item no. 1 or 2 as applicable.

(3). Transhipment containers subsequently changing the mode of dispatch by rail to ICD shall be treated as other ICD containers for the purpose of levy of Dwell time charges fees and shall be charged at the rates in item (4) above. In such cases additional shifting charge will be applicable for movement of container to container yard to ICD yard.

(4). A container from foreign port landing at the container terminal for subsequent transhipment to an Indian Port on a coastal voyage or vice versa would be charged at 50% of the transhipment charges prescribed for foreign going vessels and 50% of that prescribed for coastal category.

(5). Normal import containers subsequently changing the mode of dispatch by rail to ICD will enjoy the free period applicable to normal import container only. In such cases additional shifting charges will be applicable for movement of container from container yard to ICD yard.

(6). The total storage period for a shutout container shall be calculated from the day following the day when the container has become shutout till the day of Shipment/ delivery.

(7). Over high and over dimensional containers shall attract thrice the normal applicable charges.

(8). Hazardous containers shall attract 1.25 times the normal applicable charges.

(9). In case of stuffing the containers inside the port, the dwell time charges will be applicable as follows:

   (i). Prior to stuffing, dwell time charges as applicable to empty containers will be charged.

   (ii). Free period and dwell time charges as applicable to loaded export containers will be charged from the day following the day of completion of stuffing and intimation to Port.

(10). In the case of auction containers, after the auction is over, the empty containers will attract the dwell time charges as empty containers from the following day the destuffing is completed.

(11). The storage charges shall not accrue for the period during which the Terminal is not in a position to deliver containers for reasons attributable to it when requested by the user.

(12). The storage charges on abandoned FCL containers/shipper owned containers shall be levied upto the date of receipt of intimation of abandonment in writing or 75 days from the day of landing of the container, whichever is earlier subject to the following:

   (i). The consignee can issue a letter of abandonment at any time.

   (ii). If the consignee chooses not to issue such letter of abandonment, the container Agent/MLO can also issue abandonment letter subject to the condition that,

      (a) the Line shall resume custody of container along with cargo and either take back it or remove it from the port premises; and

      (b) the line shall pay all port charges accrued on the cargo and container before resuming custody of the container.

   (iii). The container Agent / MLO shall observe the necessary formalities and bear the cost of transportation and destuffing. In case of their failure to take such action within the stipulated period, the storage charge on container shall be continued to be levied till such time all the necessary actions are taken by the shipping lines for destuffing of cargo.

   (iv). Where the container is seized/confiscated by the Custom Authorities and the same cannot be destuffed within the prescribed time limit of 75 days, the storage charges will cease to apply from the day the Custom order release of the cargo subject to lines observing the necessary formalities and bearing the cost of transportation and de-stuffing. Otherwise, seized/confiscated containers should be removed by the line/consignee from the port premises to the Customs bonded area and in that case the storage charge shall cease to apply from the day of such removal.

3.3. **CHARGES FOR MISCELLANEOUS SERVICES RENDERED TO THE CONTAINER VESSELS:**

A. Reefer Monitoring and Connection

Sl. No.	Description	Rate Per TEU (in ₹)			
		Foreign Going Vessel		Coastal Vessel (in ₹)	
		Loaded	Empty	Loaded	Empty
1	Additional charges per 4 hours or part thereof for electricity consumption and monitoring of reefer containers	281.66	281.66	281.66	281.66

Note:
Additional electricity charge at the prescribed rates will be applicable in case of Reefer Containers also

B. Other Services Rendered

Sl. No	Description	Rate Per TEU (In ₹)			
		Foreign Going Vessel		Coastal Vessel	
		Loaded	Empty	Loaded	Empty
1	Shifting of containers from one yard to another yard within the terminal for customs inspection or any other purpose and subsequent loading of containers for delivery.	2432.46	2432.46	2432.46	2432.46
2	Additional service charges for stacking containers in designated yard for custom examination or for any other purpose by prior arrangement.	286.10	286.10	286.10	286.10

C. Opening of Hatch Cover and Replacing it

Sl No	Description	Rate per Hatch Cover (in ₹)	
		Foreign Going Vessels	Coastal Vessels
1	When placing it on the Quay	4225.48	2535.29
2	Without placing it on the Quay	1689.94	1013.97

Note: If only one operation is carried out, half of the hatch cover handling charges as above shall be levied.

D. One Hatch to Another Hatch or within the Same Hatch

Sl No	Description	Rate per TEU (in ₹)			
		Foreign Going Vessels		Coastal Vessels	
		Loaded	Empty	Loaded	Empty
(a)	Hatch to hatch shifting (involving 1 move only)	1408.30	1408.30	844.98	844.98
(b)	Other than (a) mentioned above	5633.77	5633.77	3380.26	3380.26

4. GENERAL NOTE TO CHAPTER- 2 AND 3:

The tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2013 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.

Annex-II

PERFORMANCE STANDARDS

Development of Jawahar Dock (East) berths as Container Terminal at Chennai Port on Design, Build, Finance, Operate & Transfer (DBFOT) Basis

Performance Standards

1. Gross Berth Output

The parameter details with the productivity of the terminal (Gross Berth Output) for different types of cargo.

In the case of containers the crane rate shall be measured by dividing total number of TEUs lifted on / off from ships by the elapsed crane time. The elapsed crane time is total allocated crane hours less operational and non-operational delays.

The indicative norms for Gross Berth Output for different categories of cargo are as follows:

Cargo category	Indicative Norms
Container	
(Mainline vessel)	25 moves per hour
(Feeder vessel)	17 moves per hour

Weightage in case of a shortfall in meeting the prescribed performance standard-60%.

2. Transit Storage Dwell Time:
Containers:

The Transit Storage Dwell Time for a container shall mean the total time for which the container remains in the terminal. The Transit Storage Dwell Time for containers shall be calculated as an average and shall be the sum of the transit storage of each container handled during the month at that terminal divided by the number of containers. To further clarify, the date and time a container is discharged from the vessel till the said container leaves the out gate of the Terminal, is the total transit storage time for import box. In case of export the time and date from which the container enters the terminal till the time and date it is loaded on to a vessel will be the storage time. The details of time of discharge, gate-in, gate-out and loading need to be maintained in respect of each container including ICD containers.

Unclaimed cargo or any cargo that has been detained by the customs or any Government Authority may be excluded. Following are the norms for transit storage dwell time;

Import Container (at Terminal) – 5 days
Export Container (at Terminal) – 3 days

3. Turnaround Time for receipt / delivery operation:

The Turnaround Time for receipt / delivery operation shall be the sum of time taken for loading / unloading of cargo divided by the number of truck / trailers / rakes deployed, as the case may be, in a month. Further, in case the truck / trailer / rakes does both unloading and loading operations on a single entry into the terminal, the time allocated shall be doubled for those trucks / trailers / rakes. Norms will be as follows:

a. (i) Trailers for container (Single operation)	2 hours
(ii) Trailers for container (Double operation)	4 hours
b. (i) Rake for ICD container (Single operation)	6 hours
(ii) Rake for ICD container(Double operation)	12 hours

Weightage in case of a shortfall in meeting the prescribed performance standard- 20%.

4. Performance Evaluation and calculation of liquidated damages:

Performance evaluation shall be made on a quarterly review of the reports furnished by the Concessionaire and / or the records of the Concessionaire and / or by an enquiry by the Concessioning Authority. The Concessionaire shall be liable to pay liquidated damages determined at the rate of 1% (one percent) of the Gross Revenue of the respective quarter for every shortfall of 10% (ten percent) in the average performance which shall be assessed in the following manner.

Each performance Standard is calculated as an average in the manner indicated above. The actual average performance vis-à-vis a standard will be evaluated against the prescribed standard. The shortfall will be computed as a percentage of the prescribed standard. The shortfall in respect of each performance standard will have a weightage assigned to it. The overall shortfall in average performance shall be assessed as the aggregate of the weighted shortfalls in respect of each of the performance standards. For example, if there is a shortfall in Gross Berth Output by x%, Transit Storage Dwell Time by y% and Turn round time for receipt / delivery operations by z% and the weightage assigned to such shortfalls in 0.6, 0.2 and 0.2 respectively, then the overall shortfall in average performance will be (0.6x+0.2y+0.2z)%.

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