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Tariff Authority for Major Ports

G.No. 433

New Delhi,

30 November 2016

NOTIFICATION

In exercise of the powers conferred by Sections 48 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby notifies the revised Scale of Rates disposing of the proposal of the South West Port Limited (SWPL) for revision of its Scale of Rates for Berth 5A and 6A in the Mormugao Port Trust as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/40/2016-SWPL

South West Port Limited

- - -
QUORUM:

Applicant

- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. Rajat Sachar, Member (Economic)

ORDER

(Passed on this 17th day of November 2016)

This case relates to the proposal dated 6 July 2016 received from South West Port Limited (SWPL) for general revision of its Scale of Rates (SOR) under Tariff Policy Guidelines, 2005.

2.1. The SWPL has, vide its letter dated 6 July 2016, filed its proposal for general revision of its Scale of Rates following Tariff Guidelines, 2005.

2.2. The said proposal was taken on consultation vide our letter dated 18 July 2016 with the Mormugao Port Trust (MOPT) and the concerned users/ user organisations. The comments furnished by the MOPT and users / user associations were forwarded to the SWPL as feedback information. The SWPL has responded to their comments.

2.3. On scrutiny of the proposal, the MOPT and SWPL were requested to furnish additional information / clarifications vide our letters dated 26 September 2016. A joint hearing in this case was held on 22 August 2016 at the MOPT premises. At the joint hearing, the SWPL, the MOPT and the concerned users/ organisation bodies have made their submissions.

2.4. The MOPT has furnished information / clarification vide its letter dated 18 October 2016. The SWPL has vide its letters dated 03 October 2016, 13 and 14 October 2016, 18 October 2016 and 19 October 2016 furnished additional information / clarifications, revised cost statements and revised proposed draft SOR.

3. With reference to the totality of information collected during the processing of the case, this Authority has passed a speaking Order disposing of the proposal filed by the SWPL for general revision of its SOR under Tariff Policy Guidelines, 2005.

4. The speaking Order passed by this Authority is in the process of notification in the Gazette of India and it is likely to take some more time for notification. Since notification of the detailed Speaking Order will take some time, this Authority notifies the revised SOR of the SWPL which is attached as **Annex**. The revised SOR will come into force after expiry of 30 days from the date of notification of this Order notifying the SOR in the Gazette of India. The Speaking Order passed by this Authority will be notified separately and communicated to the SWPL, the MOPT and the relevant users/ user organisations in due course of time.

5. The validity of the existing SOR of the SWPL was last extended till 30 September 2016 or till the effective date of implementation of the revised SOR, whichever is earlier. That being so, the existing SOR is deemed to have been extended from the date of expiry till the date of implementation of revised SOR.

(T.S. Balasubramanian)
Member (Finance)

SOUTH WEST PORT LIMITED

SCALE OF RATES

1. DEFINITIONS - GENERAL

In this Scale of Rates unless the context otherwise requires, the following definitions shall apply:

- (i). **“Per Day”** means per calendar day unless other wise stated.
- (ii). **“SWPL”** means South West Port Limited a company incorporated in India, its successors and assigns.
- (iii). **“Port”** means the Mormugao Port Trust (MOPT) whereas **“Terminal”** means South West Port Limited (SWPL), now or hereafter operated by South West Port Limited.
- (iv). **“Coastal Vessel”** means 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 license issued by the competent authority.
- (v). **“Coastal Cargo”** means any cargo, which the vessel discharges at one Indian port after shipment from another Indian port or vice versa irrespective of its actual origin or destination.
- (vi). **“Foreign Cargo”** means any cargo other than coastal cargo.
- (vii). **“Foreign-going Vessel”** means any vessel other than a coastal vessel.
- (viii). **“Tonne”** or **“MT”** means one Metric Tonne of 1,000 kilograms or one cubic metre.

2. GENERAL TERMS AND CONDITIONS

- (i). The Status of the vessel, as borne out by its certification by the Customs or the Director General of Shipping, is the relevant factor to decide whether vessel is ‘coastal’ or ‘foreign-going’ 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.
- (ii). (a) System of classification of vessel for levy of Vessel Related Charges (VRC)
 - (i). 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. Such vessel that converts into coastal run based on the Customs Conversion Order at her first port of call in Indian Port, no further custom conversion is required, so long as it moves on the Indian Coast.
 - (ii). A Foreign going vessel of foreign flag can convert to coastal run on the basis of a Specified Period Licence issued by the Director General of Shipping and a custom conversion order.
- (b) Criteria for levy of Vessel Related Charges (VRC) at Concessional Coastal rate and foreign rate

- (i). In cases of such conversion, coastal rates shall be chargeable by the load port from the time the vessel starts loading coastal goods.
- (ii). In cases of such conversion coastal rates shall be chargeable till the vessel completes discharging operations at the last call of Indian Port; immediately thereafter, foreign going rates shall be chargeable by the discharge ports.
- (iii). 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.

(iii). Criteria for levy of Cargo Related Charges (CRC) at Concessional Coastal rate

- (a). Foreign going Indian Vessel having General Trading License issued for 'worldwide and coastal' operation should be accorded applicable coastal rates with respect to Handling Charges (HC) i.e. ship to shore transfer and transfer from/ to quay to/ from storage yard including wharfage in the following scenario:

- (i). Converted to coastal run and carrying coastal cargo from any Indian Port and destined for any other Indian Port.
- (ii). Not converted* to coastal run but carrying coastal cargo from any Indian Port and destined for any other Indian Port.

* The Central Board of Excise and Customs Circular no.15/2002-Cus. dated 25 February 2002 allows carriage of coastal cargo from one Indian port to another port in India, in Indian flag foreign going vessels without any custom conversion.

- (b). In case of a Foreign flag vessel converted to coastal run on the basis of a Specified Period License issued by the Director General of Shipping, and a Custom Conversion Order, the coastal cargo/ container loaded from any Indian Port and destined for any other Indian Port should be levied at the rate applicable for coastal cargo/ container.
- (iv). Wherever rates of vessel related charges have been denominated in US dollar terms the charges shall be recovered in Indian Rupees after conversion of US currency to its equivalent Indian Rupees at the market-buying rate notified by the Reserve Bank of India, State Bank of India or its Associates or any other Public Sector Banks as may be specified from time to time. The date of entry of the vessel into the port shall be reckoned with as the day for such conversion.
- (v). A regular review of exchange rate shall be made once in thirty days from the date of arrival of the vessels in cases of vessels staying in the port for more than thirty days. In such cases, the basis of billing shall change prospectively with reference to the appropriate exchange rate prevailing at the time of the review.
- (vi).
 - (a). The cargo related charges for all coastal cargo, other than thermal coal, POL including crude oil, iron ore and iron pellets, should not exceed 60% of the normal cargo / container related charges.
 - (b). In case of cargo related charges, the concessional rates should be levied on all the relevant handling charges for ship-shore transfer and transfer from / to quay to / from storage yard including wharfage.
 - (c). Cargo from a foreign port, which reaches an Indian Port 'A' for subsequent transshipment to Indian Port 'B' will be, levied the concessional charges relevant for its coastal voyage. In other words, cargo from / to Indian ports carried by vessel permitted to undertake coastal voyage will qualify for the concession.

- (d). The charges for coastal cargo / vessels shall be denominated and collected in "Indian Rupee".
- (vii). For the purpose of calculating the dues the unit by weight shall be 1 tonne or 1000 kilograms, the unit by volume measurement shall be 1 cubic metre and the unit by capacity measurement for liquids in bulk shall be 1000 litres.
- (viii). In calculating the gross weight or measurement by volume or capacity of any individual item, fractions upto 0.5 shall be taken as 0.5 unit and fractions of 0.5 and above shall be treated as one unit, except where otherwise specified.
- (ix). Interest on delayed payments / refunds:
 - (a). The user shall pay penal interest on delayed payments under this Scale of Rates. Likewise, the SWPL shall pay penal interest on delayed refunds.
 - (b). The rate of penal interest will be 16.05%. The penal interest rate will apply to both the SWPL and the port users equally.
 - (c). The delay in payments by the users will be counted only 10 days after the date of raising the bills by the SWPL. This provision shall, however, not apply to the cases where payment is to be made before availing the services as stipulated in the Major Port Trusts Act and / or where payment of charges in advance is prescribed in this Scale of Rates.
 - (d). The delay in refunds will be counted only 20 days after the date of completion of services or on production of all the documents required from the users, whichever is later.
- (x). All charges worked out shall be rounded off to the next higher rupee on the grand total of each bill.
- (xi).
 - (a). The rates prescribed in the Scale of Rates are ceiling levels, likewise, rebates and discounts are floor levels. The SWPL may, if it so desires, charge lower rates and / or allow higher rebates and discounts.
 - (b). The SWPL may also, if they so desire, rationalise the prescribed conditionalities governing the application of rates prescribed in the Scale of Rates if such rationalisation gives relief to the user in rate per unit and the unit rates prescribed in the Scale of Rates do not exceed the ceiling level.
 - (c). The SWPL should notify the public such lower rates and / or rationalisation 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.
- (xii). Users will not be required to pay charges for delays beyond reasonable level attributable to the SWPL.

PART I - VESSEL RELATED CHARGES

SECTION – A – PORT DUES and SECTION – B – PILOTAGE FEES

These services will be rendered to the vessels entering the SWPL's berth numbers 5A and 6A by the Mormugao Port Trust as per their approved Scale of Rates. The charges shall be payable directly to the Mormugao Port Trust by masters / owners / agents of the vessel.

SECTION - C - BERTH HIRE CHARGES

Berth Hire Charges at Berth numbers 5A and 6A shall be payable to SWPL by masters / owners / agents of the vessel at the following rates.

BERTH NO.5A

(Maximum LOA of Vessel 190 mtrs. in conjunction with another vessel of LOA 225 mtrs. at Berth No.6A)

Sl. No.	Class of Vessel	Rate per GRT per hour or part thereof	
		Foreign going Vessel (in US \$)	Coastal Vessels (in ₹)
1.	All Vessels	0.0138	0.37

BERTH NO.6A

(Under Mechanised Operation system)

Sl. No.	Class of Vessel	Rate per GRT per hour or part thereof	
		Foreign going Vessel (in US \$)	Coastal Vessels (in ₹)
1.	Upto 30,000 GRT	0.0303	0.83
2.	30,001 GRT and above	0.0358	0.96

Notes:

- (1). Berth Hire charges includes charges for services rendered and facilities provided at the Berth, such as occupation of berth, overtime at berth, removal of rubbish collected on board by the vessel and delivered on the wharf, cleaning of Berths, fire watch, etc.
- (2). The above charges are leviable against Masters, Owners or Agents of vessels and other floating craft approaching or lying at or alongside berths per GRT per hour or part thereof.
- (3). The Berth hire charges leviable per vessel is subject to a minimum of US\$ 588.25 in case of foreign going vessel and ₹15748.80 in case of coastal vessel.
- (4). The period of berth hire shall be calculated from the time the vessel occupies the berth.
- (5). No berth hire charges shall be payable for the period when loading / unloading operations cannot be carried out due to non-availability of the shore cranes / mechanical handling system of SWPL, due to breakdown or any other reason attributable to SWPL.
- (6).
 - (i). Berth hire shall stop 4 hours after the time of vessel signaling its readiness to sail.
 - (ii). The time limit of 4 hours prescribed for the cessation of berth hire shall exclude the ship's waiting time for want of favorable tide conditions, inclement weather, and due to lack of night navigation.
 - (iii). The master / agent of the vessel shall signal readiness to sail only in accordance with favorable tidal and weather conditions.

- (iv). The Penal Berth hire shall be equaled to one-day's (24 hours) berth hire charge for a false signal.

“False signal” would be when the vessel signals readiness and asks for a pilot in anticipation even when she is not ready for un-berthing due to engine not being ready or cargo operation not completed or such other reasons attributable to the vessels. This excludes the signaling readiness when a vessel is not able to sail due to unfavorable tide, lack of night navigation or adverse weather conditions.”

- (7). The de-ballasting time allowed at berth numbers 5A and 6A shall be 3 hours and beyond that penal berth hire charges shall be levied at five times the normal berth hire charges, the incidence being reduced to per hour or part thereof, that may be applicable to the vessel. This will be in addition to the normal berth hire charges applicable for the entire duration of the vessel's stay at the berth.
- (8). Vessels banked on offside of another vessel at these berths, berth hire charges shall be 50% of normal charges payable by such vessels.
- (9). The provisions of the License Agreement shall govern priority Berthing and charges on it, if any. Whenever the priority berthing is granted to a vessel, a fee equivalent to Berth Hire charges for a single day (24 hours) or @ 75% of the Berth Hire charges calculated for the total period of actual stay at the Berth, whichever is higher, shall be levied.
- (10). (i). For providing ousting priority to a vessel, a fee equivalent to berth hire charges for a single day (24 hours) or @100% of the berth hire charges calculated for the total period of actual stay of the vessels at berth, whichever is higher, shall be levied.
- (ii). In addition, shifting out / in charges of the vessels shall be levied on the vessels, which are provided ousting priority.
- (iii). Ousting priority at berth no.6A will be accorded only when a discharge / load rate of 25,000 MT of cargo per weather working day cannot be achieved due to restrictions placed by the vessels.

PART - II CARGO RELATED CHARGES

SECTION – A WHARFAGE CHARGES AT BERTH NOS. 5A AND 6A

Wharfage on the cargo handled at berths numbers 5A and 6A shall be payable directly to SWPL, at the rates specified below, by importer or exporter of cargo, on the manifested quantity of cargo, which is declared in the Bill of entry filed with the Customs:

Sl. No.	Particulars of Commodity	Unit	Rate for Import / Export (in ₹)	
			Foreign Cargo	Coastal Cargo
1.	Coal (all types except thermal coal)	MT	38.34	23.00
2.	Metallurgical Coke / Coke / Charcoal	MT	57.51	34.51
3.	Limestone	MT	12.78	7.67
4.	Iron Ore Pellets	MT	38.34	38.34
5.	Metal products, Steel Coils, Slabs	MT	38.34	23.00
6.	Any other bulk cargo not specified above	MT	38.34	23.00

SECTION - B
CARGO HANDLING CHARGES

Cargo Handling Charges at Berth numbers 5A and 6A shall be payable on the manifested cargo directly to SWPL by importer or exporter of cargo at the rates specified below:

At Berth No.5A

Sl. No.	Particulars of Commodity	Unit	Rate for Import / Export (in ₹)	
			Foreign Cargo	Coastal Cargo
1.	Iron Ore Pellets	MT	178.92	178.92
2.	Metal products, Steel Coils, Slabs	MT	203.20	121.92
3.	Any other bulk cargo not specified above	MT	191.70	115.02

At Berth No.6A

Sl. No.	Particulars of Commodity	Unit	Rate for Import / Export (in ₹)	
			Foreign Cargo	Coastal Cargo
1.	Coal (all types except thermal coal)	MT	128.69	77.19
2.	Metallurgical Coke / Coke (all types) / Charcoal	MT	182.88	109.72
3.	Limestone	MT	169.34	101.60
4.	Iron Ore Pellets	MT	178.92	178.92
5.	Metal products, Steel Coils, Slabs	MT	203.20	121.92
6.	Any other bulk cargo not specified above	MT	191.70	115.02

Notes:

- (1). At the berth number 5A, Cargo Handling Charges shall cover the following services:
 - Unloading of cargo from ship to the berth or vice versa,
 - Movement of cargo from the berth to SWPL stackyard or vice versa,
 - Movement within the SWPL stackyard,
 - Unloading from railway wagons or vice versa.
- (2). At the berth number 6A Cargo Handling Charges shall cover the following services:
 - Unloading of cargo from ship to the berth or vice versa,
 - Movement of cargo from the berth to SWPL stackyard or vice versa,
 - Movement within the SWPL stackyard,
 - Loading on railway wagons for rail delivery or vice versa.
- (3). Covering of Wagons by tarpaulin / plastic cover is not included in above handling charges prescribed in the schedule.
- (4). The dunnaging and lashing (inclusive suitable labour & material) will have to be arranged by the users at their costs to the satisfaction of the Master of the vessel.
- (5). 50% of the Cargo Handling Charges shall be payable before the cargo is received for handling. Balance 50% of the Cargo Handling charges shall be payable before the clearance / shipment of the cargo.

SECTION – C
GROUND RENT / STORAGE CHARGES

The storage charges for cargo stored in the stackyard of SWPL shall be as follows:

I. Ground rent / storage charge for import / inward cargo

(in ₹ per MT per day for the balance cargo in SWPL)

Sl. No.	Particulars of Commodity	Rate for first Five days remaining after the free period	Rate for Sixth day to Tenth day	Rate for Eleventh day to Twentieth day	Rate for Twenty-first day onwards
1.	Coal (all types)	10.00	25.00	50.00	100.00
2.	Metallurgical Coke / Coke (all types) / Charcoal	15.00	40.00	75.00	150.00
3.	Limestone	10.00	25.00	50.00	100.00
4.	Any Other dry bulk cargo not specified above	15.00	40.00	75.00	150.00

Notes:

- (1). *THREE Free Days* shall be allowed, after complete discharge of vessel's cargo or when the last package is discharged. For the purpose of calculation of free period, Sundays, Customs notified holidays and Terminal's non- working days shall be excluded.
- (2). *Ground rent / storage charges* shall be payable for all days including Sundays and Customs notified holidays for stay of cargo beyond the prescribed free days.
- (3). After 21 days beyond Free Days, the balance cargo shall be liable to be shifted to other place out of SWPL area at the sole cost and consequences to the importer / exporter.
- (4). For levy of ground rent / storage 'Day' shall be reckoned as from 7.00 a.m. to 7.00 a.m. of the following day.

II. Ground rent / Storage charges for Export / Outward cargo

(in ₹ per MT per day for the balance cargo in SWPL)

Sl. No.	Particulars of Commodity	Rate for first Five days remaining after the Free Period	Rate for Sixth day to Tenth day	Rate for Eleventh day to Twentieth day	Rate for Twenty-first day onwards
1.	Iron Pellets	10.00	25.00	50.00	100.00
2.	Metal products, Steel Coils, Slabs and other general bulk cargo	5.00	10.00	25.00	50.00

Notes:

- (1). In case of export cargo, Seven Free Days shall be allowed from the day the first lot of cargo / consignment has been received. For the purpose of calculation of free period Sundays, Customs notified holidays and Terminal's non-working days will be excluded.
- (2). After the prescribed free days, ground rent / storage charges shall be payable for all days including Sundays and Customs notified holidays as stated above.
- (3). After 21st day beyond free days, the balance cargo shall be liable to be shifted to other place out of SWPL area at the sole cost and consequences to the exporter.
- (4). For levy of ground rent / storage 'Day' shall be reckoned as from 7.00 a.m. to 7.00 a.m. of the following day.
- (5). If the entire cargo accumulated is not within the free period and the balance cargo is earmarked / linked to the next ship, further free period will be allowed from the

date of production of documentation in support of this claim. Otherwise, penal ground rent at the appropriate rate applicable as per the rates prescribed in the above schedule shall be payable.

General Note to Section C:

- (1). Storage charges / ground rent on cargo shall not accrue for the period when the SWPL is not in a position to deliver / ship the cargo when requested by the user due to reasons attributable to SWPL.

**SECTION – D
DUST SUPPRESSION CHARGES**

The Dust Suppression Charges for water sprayed for suppression of dust for effective pollution control shall be levied on manifested quantity on Coal, Coke and Limestone at the following rates:

For Coal, Limestone and Coke: ₹2.75 per MT

This shall be levied from the stage of unloading from the vessel till the cargo is loaded onto railway wagons including storage at SWPL stackyard.

**Part- III
OTHER SERVICES**

1. VISITOR ENTRY PASS

(Amount in ₹)

		Yearly	Monthly	Daily
(a).	Per Application	255.60	63.90	25.56
(b).	Per Replacement	63.90	63.90	25.56

2. VEHICLE ENTRY PASS

Per Entry ₹95.85

Note: The vehicle entry fee will not be levied on vehicles entering / leaving the SWPL berths for delivery / dispatch of cargo.

3. PHOTOGRAPHY

(₹ per day)

(a).	Film Shooting and Photography	10863.00
(b).	Taking Photographs of Goods handled	639.00
(c).	Taking Photographs of Crews and Others	319.50
(d).	Videography (related to operational activities)	3195.00

4. CRANE HIRE CHARGES

The hire charges for the SWPL's cranes installed at berth nos.5A and 6A shall be payable directly to SWPL for use for the purposes other than for cargo handling as per following rates:

(₹ per hour)

(a).	For 110/42 MT capacity mobile harbour cranes	31950.00
(b).	For others cranes	19170.00

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