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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 263

New Delhi,

11 July 2018

NOTIFICATION

In exercise of the powers conferred under Section 48 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from Mumbai Port Trust (MBPT) for revision of charges prescribed towards Garbage Reception Facility in the existing MBPT Scale of Rates (SOR), as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/13/2018-MBPT

The Mumbai Port Trust

- - -

Applicant

QUORUM

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

ORDER

(Passed on this 8th day of June 2018)

This case relates to a proposal dated 12 February 2018 received from the Mumbai Port Trust (MBPT) for revision of charges prescribed towards Garbage Reception Facility in the existing MBPT Scale of Rates (SOR).

2.1. This Authority has passed an Order No. TAMP/78/2015-MBPT dated 21 June 2016, revising the Scale of Rates and approving the Performance Standards for MBPT based on the proposal received from the MBPT for general revision of its Scale of Rates (SOR). The said order prescribes a tariff validity period upto 31 March 2019.

2.2. Vide the said order, the charges for Garbage Reception Facility during vessel's stay at Jawahar Dweep and Pir Pau has been prescribed at ₹.1369.92 per day or part thereof [Section 2.14 of the MBPT Scale of Rates (SOR)] .

2.3. Further, based on the stipulation contained in the Tariff Policy, 2015, this Authority vide its letter No. TAMP/12/2009-Misc. dated 14 June 2017 has requested all Major Port Trusts to index their SOR by applying an indexation factor of 2% for the year 2017-18 subject to achievement of committed performance Standards during 2016-17. Accordingly, the MBPT has applied the indexation of 2% over the existing charges for Garbage Reception Facility at ₹.1369.92 per day or part thereof and has arrived at the rate of ₹1397.32 per day or part thereof. In other words, the rate prevailing in the MBPT Scale of Rates for the Garbage Reception Facility is ₹.1397.32 per day or part thereof.

3.1. In this backdrop, the MBPT vide its letter No. FA/ACC/161(X)/1225 dated 12 February 2018 has come up with a proposal for revising the charges for Garbage Reception Facility. In this regard, the submissions made by MBPT are summarized below :

- (i). MBPT provides service through contract for the collection of garbage from the vessels berthed at Jawahar Dweep & Pir Pau and dump at the dustbins provided at Indira Dock.
- (ii). The revision of rate is proposed due to increase in the cost arising mainly on account of engaging the vessel certified under Inland Vessel Act for dock basin cleaning operation and deploying personnel as per I.V. Certification, payment of wages as per Minimum Wages Act, Contribution to ESIC and EPF.
- (iii). Board has accorded sanction vide TR No. 182 of 09.01.2018 to the proposal for upward revision of charges for Garbage Reception Facility during the vessel's stay at Jawahar Dweep & Pir Pau to ₹.5000/- per day or part thereof. The Board proceedings have been furnished by MBPT.
- (iv). Revenue generated for the year 2016-17 from levy of charges towards Garbage collection is ₹.31.99 Lakhs.

3.2. The workings furnished by MBPT based on the rates taken from the lowest budgetary quotation obtained for the hiring of launches for Dock Basin Cleaning Operation in support of the proposed tariff are as follows:

Sr. No.	Description	Cost per month (₹.)
1.	Hire Charge for One mechanized Open Deck Self-propelled craft of 100-150HP (IV registered) and overall length of 35 ft. and breadth 10 ft. inclusive of fuel and Consumables)	2,50,000.00
2.	Vessels Crew members such as 1 Master and 1 Sarang	36,000.00
3.	5 Nos. workmen for collection and transport of garbage from the vessel and disposal of garbage at the designated dustbins.	75,000.00
4.	Segregation of Garbage as per category (Lump Sum)	50,000.00
		4,11,000.00
	Add: 10% Contractor's Profit	41,100.00
		4,52,100.00
5.	Number of Berths served at Jawahar Dweep & Pir Pau	7
6.	Average occupied berth per day	3
7.	Average cost per day (₹.452,100.00 / (30 x 3)	5023.33
	Or Say 5000 per day (or) part thereof exclusive of applicable taxes.	₹. 5000.00

3.3. A comparative position of the existing provision and proposed provision relating to levy of charges for Garbage reception, as furnished by MBPT is given below:

As per existing SOR		As proposed by MBPT	
Section 2.14	Existing Rate (In ₹.)	Section 2.14	Proposed Rate (in ₹.)
Charges for Garbage Reception Facility during the vessel's stay at Jawahar Dweep & Pir Pau.	1397.32 (per day or part thereof)	Charges for Garbage Reception Facility during the vessel's stay at Jawahar Dweep & Pir Pau.	5000.00 (per day or part thereof)

4. On preliminary scrutiny of the proposal, it was seen that some information/ clarification are required from MBPT. Accordingly, while acknowledging the proposal to MBPT, some information/ clarification was sought from MBPT by letter dated 20 February 2018. The MBPT has responded vide its letter dated 14 March 2018. The information sought and the reply of MBPT thereon are tabulated below:

Sl. No.	Information/ Clarification sought by us	Response of MBPT																				
(i).	As seen from the proposal of MBPT, revenue generated during the year 2016-17 towards garbage charges has been indicated at ₹.31.99 lakhs. In this regard, the MBPT to quantify the additional revenue to be generated on account of proposed enhancement in the charges and confirm that the additional revenue to be generated based on the proposed rates during the remaining tariff validity period upto 31 March 2019 will be within the Annual Revenue Requirement as assessed during the general revision of SOR of MBPT in the year 2016.	The number of vessels that visited Jawahar Dweep Berths/ Pir Pau Berths for the past 3 years are as follows. <table><tr><th>Sr. No.</th><th>Year</th><th>Total No. of Vessels</th><th>Remarks</th></tr><tr><td>1.</td><td>2015-16</td><td>888</td><td></td></tr><tr><td>2.</td><td>2016-17</td><td>923</td><td></td></tr><tr><td>3.</td><td>2017-18</td><td>852</td><td>Upto 28.02.2018</td></tr><tr><td>4.</td><td>2018-19</td><td>930</td><td>2018-19 Anticipated</td></tr></table> It is seen from the above that there is not much variation in the number of vessels handled at	Sr. No.	Year	Total No. of Vessels	Remarks	1.	2015-16	888		2.	2016-17	923		3.	2017-18	852	Upto 28.02.2018	4.	2018-19	930	2018-19 Anticipated
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2.	2016-17	923																				
3.	2017-18	852	Upto 28.02.2018																			
4.	2018-19	930	2018-19 Anticipated																			

		Pir Pau and Jawahar Dweep. The additional revenue will be generated to the tune of approx. ₹83.11 Cr. Vide TAMP's Order dated 21.06.2016 relating to the general revision of MbPT, revenue gap of ₹.265.55 crores was left uncovered. Hence, the anticipated additional revenue to be generated on account of the proposed increase in charges for Garbage Reception Facility during the remaining tariff cycle will be within the Annual Revenue Requirement as assessed during the general revision of SOR of MbPT in the year 2016. [Subsequently, the MBPT vide its letter dated 16 March 2018 has stated that the additional revenue to be generated of ₹83.11 cr as indicated earlier be read as ₹83.11 lakhs].
(ii).	The cost statement furnished by the MBPT shows that 10% contractor's profit has been assessed on the total of hire charges, cost of vessel crew members and workmen for collection and segregation of garbage. The MBPT to furnish the basis for considering 10% contractor's profit.	Expenditure towards Office Staff (1 Jr. Assistant and 1 Class IV employees) of Pollution Control Cell, Marine Department engaged for invitation of tender, Award of work and supervision of work is not taken into the cost estimates. However, the same may be considered as part of costing in place of Contractor's profit.
(iii).	The MBPT has considered lumpsum amount of ₹.50,000/- towards segregation of garbage as per category. However, no such cost item is reflected in the budgetary quotation furnished by MBPT. Hence, the MBPT to furnish the basis for considering a lumpsum amount of ₹.50,000/- towards the cost of segregation of garbage as per category.	As per requirement of MARPOL, the garbage is required to be segregated as per the category. MCGM is also insisting segregation of garbage. The cost of workmen deployed for segregation of garbage is considered as ₹50,000/-.
(iv).	The MBPT to furnish the basis to consider 3 no. of vessels at the berths served at Jawahar Dweep & Pir Pau every day.	Total no. of vessels handled per year is about 930 vessels. Therefore, vessels at berths provided with the garbage reception facility per day works out to be 3.

5. In accordance to the consultative procedure prescribed, a copy of the MBPT letter dated 12 February 2018 was forwarded to the relevant users/ user organisations for their comments. None of the users / users' organisations have given their comments except Indian National Shipowners' Association (INSA). The comments of INSA was forwarded to MBPT as feedback information. The MBPT has responded vide its letter dated 19 March 2018.

6.1. A joint hearing on the case in reference was held on 16 March 2018 at the office of this Authority in Mumbai. At the joint hearing, MBPT and users/ user organisations have made their submissions:

6.2. As decided at the joint hearing, some of the users viz., Indian Bargeowners' Association (IBOA) vide its letter dated 19 March 2018, Indian National Shipowners' Association (INSA) vide its e-mail dated 16 March 2018 and Mumbai & Nhava-Sheva Ship Agents' Association (MANSA) vide its letter dated 23 March 2018 have furnished their comments, after the joint hearing, which were forwarded to MBPT as feedback information. The MBPT has responded to the comments of the users/ user organisations vide its letter no. FA/ACC/161(VIII)/2246 dated 20 April 2018.

7. The proceedings relating to consultation in this case are available on records at the office of this Authority. An excerpt of the arguments made by the concerned parties will be sent separately to them. These details will also be made available at our website <http://tariffauthority.gov.in>.

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

- (i). The existing Scale of Rates (SOR) approved by this Authority vide its Order No. TAMP/78/2015-MBPT dated 21 June 2016, with a validity period upto 31 March 2019, prescribes Charges for Garbage Reception Facility during vessel's stay at Jawahar Dweep and Pir Pau at Section 2.14 of the MBPT SOR at ₹.1369.92 per day or part thereof. Based on the enabling provisions in the Tariff Policy, 2015, regarding annual indexation, the prevailing charges for Garbage Reception Facility is ₹1397.32 per day or part thereof, after application of applicable indexation factor by MBPT. The proposal of MBPT is to increase the said charges for Garbage Reception Facility during vessel's stay at Jawahar Dweep and Pir Pau to ₹ 5000/- per day or part thereof. The proposal of the Port has the approval of its Board of Trustees.
- (ii). The increase in the charges from the prevailing rate of ₹1397.32 per day or part thereof to ₹.5000/- per day or part thereof, has been attributed by MBPT to be arising on account of increase in the various cost components viz., hire cost of the vessel engaged for collection of garbage, increase in the cost of personnel deployed, payment of wages as per Minimum Wages Act, Contribution towards Insurance and Provident Fund of Employees, as per statutory provisions.
- (iii). As brought out in the earlier part of the Order, the MBPT has furnished the workings in support of the proposed rate of ₹ 5000/- per day or part thereof. Each of the cost component considered by the MBPT to arrive at the proposed rate is discussed in the subsequent paragraphs:
 - (a). The hire charges for a mechanized open deck self-propelled I.V registered craft has been considered by MBPT at ₹.250000/- per month. The craft is reported to be essential for dock basin cleaning operation. MBPT has furnished documentary evidence in support of the hire charges. The hire charge is reported to be based on the lowest budgetary quotation obtained by the Port. The submission made by the port in this regard, is relied upon.
 - (b). Cost of Vessel Crew members viz., 1 no. of Master and 1 no. of Sarang have been considered by the Port at an aggregate cost of ₹.36000/- per month. MBPT has furnished documentary evidence in support of the charges. The submission made by the port in this regard, is taken into account.
 - (c). Cost of 4 nos. of Workmen involved in collection of garbage from vessels and disposal of garbage at the designated dustbins have been considered by the Port at an aggregate cost of ₹.75000/- per month. MBPT has furnished documentary evidence in support of the charges. The submission made by the port in this regard, is considered in this analysis.
 - (d). Cost of workmen deployed for the segregation of garbage has been considered by MBPT at a lump sum amount of ₹.50000/- per month. Segregation of the garbage as per the applicable category is reported to be based on the requirement of MARPOL (The International Convention for the Prevention of Pollution from Ships) and also based on the requirement of Municipal Corporation of Greater Mumbai (MCGM). Considering that the segregation of garbage is a statutory requirement, the cost of workmen deployed for the segregation of cargo, as considered by the MBPT, is taken into account.

- (e). Though the MBPT had earlier considered a 10% profit of the contractor as one of the cost elements to arrive at the proposed charges for the garbage reception facility, it has subsequently requested to consider the cost component towards expenditure of Staff (1 Jr. Assistant and 1 Class IV employee) of Pollution Control Cell of Marine Department of MBPT, who are involved with the supervision of work to the tune of ₹.41,100/- per month, in place of Contractor's profit. Considering that all the cost elements which are essential for rendering of a service has to be booked to arrive at the cost of a particular service, the approach adopted by MBPT to capture the cost of staff associated with the rendering of service, is seen to be in order, and hence considered.
- (iv). Based on the various cost components as discussed above, the total cost for rendering the service as furnished by the MBPT works out to ₹.4,52,100/- per month. Considering that the average number of vessels handled at Jawahar Dweep Berths/ Pir Par Berths during the past 3 years is about 930 vessels per annum, which works out to about 3 vessels per day and considering 30 days in a month, the MBPT has arrived at the average cost of ₹. 5023/- per day, which has been rounded off by MBPT to ₹.5000/- per day.
- Considering that the charges for the garbage reception facility as proposed by the MBPT at ₹.5000/- per day or part thereof is based on the cost involved in rendering the said service and since the proposed charges has the approval of the Board of Trustees of MBPT, this Authority is inclined to approve the rate of ₹.5000/- per day or part thereof towards the charges for the garbage reception facility, as proposed by the MBPT.
- (v). The Users/ User Organizations have objected to the rate proposed by MBPT on the ground that the charge is very high. The Indian Barge Owners Association (IBOA) has stated that the MARPOL regulations are in existence since the past several decades and no additional regulations have been issued recently and no additional services are rendered to the vessels, warranting the increase in charges towards garbage reception facility. In this regard, the MBPT has stated that the increase in cost is on account of deployment of I.V. certified vessel, for which the hire charges are on a higher side. Also the personnel deployed to undertake this facility are reported to be paid wages as per the Minimum Wages Act and Contribution to be made towards their ESIC and PF. Thus, the increase in rate has been attributed by the MBPT to be arising on account of increase in cost of resources to provide the service to ensure compliance of legal / statutory provisions by MBPT.
- (vi). Based on a specific clarification sought by Indian Barge Owners Association (IBOA), the MBPT has clarified that the garbage reception facility charges will not be applicable to the vessels registered under Inland Vessel Act (I.V. Act) and that the said vessel can discharge garbage at the designated dustbins at Indira Dock and Bunders. The MBPT has also stated that the Barges registered under I.V. Act, who have been charged with the said rate in the past, may approach MBPT to amend their invoice by providing the necessary proof.
- (vii). The proposed revision in the Garbage Reception Facility charges is reported to generate an additional revenue to the tune of ₹.83.11 lakhs to the port during the remaining tariff validity period upto 31 March 2019. During the last general revision of tariff of MBPT in June 2016, there was a revenue gap to the tune of ₹.265.55 crores, which has been left uncovered by the Port, then. Thus, the additional revenue of ₹.83.11 lakhs arising out of the levy of rates approved, would get subsumed in the revenue gap.
- (viii). Orders of the Authority generally come into effect prospectively after expiry of 30 days from the date of Gazette Notification unless otherwise different arrangement

is specifically mentioned in the respective tariff Orders. Accordingly, the Authority is inclined to grant approval for levy of revised Garbage Reception Charges prospectively after the expiry of 30 days from the date of Gazette Notification of the Order passed in the Gazette of India.

9.1 In the result, and for the reasons given above, and based on a collective application of mind, this Authority accords approval for the replacement of existing charge prescribed towards Garbage Reception Facility at Section 2.14 in the existing MBPT Scale of Rates (SOR) with the following provision :

“2.14. Charges for Garbage Reception facility

Charges for Garbage Reception Facility during the vessel's stay at Jawahar Dweep & Pir Pau.	₹. 5000.00 per day or part thereof
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9.2 The MBPT is advised to suitably incorporate the above provision in its Scale of Rates.

9.3. The revised charge shall come into effect after expiry of 30 days from the date of Notification of the Order passed in the Gazette of India and its validity shall remain co-terminus to the validity of the existing Scale of Rates of MBPT i.e. upto 31 March 2019.

(T.S. Balasubramanian)
Member (Finance)

SUMMARY OF THE COMMENTS RECEIVED FROM THE PORT USERS / DIFFERENT USER ORGANISATIONS AND ARGUMENTS MADE IN THIS CASE DURING THE JOINT HEARING BEFORE THE AUTHORITY.

TAMP/13/2018-MBPT	:	Proposal received from the Mumbai Port Trust (MBPT) for revision of charges prescribed towards Garbage Reception Facility in the existing MBPT Scale of Rates (SOR).
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A summary of the comments received from Indian National Shipowners' Association (INSA) and response of Mumbai Port Trust (MBPT) thereon is tabulated below:

Sl. No.	Comments of users / user organisations	Response of MBPT															
1.	Indian National Shipowners' Association																
(i).	The proposal seeks increase from rate of ₹.1397/- to ₹.5000/- which is over 250% of the existing tariff. A very stiff hike by any comparison for an ongoing service and if tariffs are to be performance based, the supporting provided show a cost plus conventional approach. Most large public bodies are looking at a revenue model for Garbage collection and then turning to Compost sale. It is strongly urged that MBPT as a leading port of the country, should consider similar approach and the proposal should reflect some commitment in near future, particularly when a steep hike is proposed.	The garbage reception facility for the vessels berthing at Jawahar Dweep (JD) and Pir Pau (PP) is provided by Mumbai Port Trust through invitation of tender. The tender provides for engagement of 100-150HP craft with inclusive of fuel and 5 workmen for collection and transport of garbage from the berths at Jawahar Dweep/ Piu Pau to the craft in addition to the personnel deployed for manning the craft as per I.V. Certification. Budgetary Quotations were invited from the firms doing similar work and the lowest budgetary quote received works out to ₹.3,61,000/- per month for providing craft, manning of craft and engagement of workmen. The breakup of cost is furnished below for perusal. <table border="1"> <thead> <tr> <th>Sr. No</th><th>Description for providing on hire basis</th><th>Cost per month (₹.)</th></tr> </thead> <tbody> <tr> <td>1.</td><td>One mechanized Open Deck Self-propelled craft of 100-150HP (IV registered) and overall length of 35 ft. and breadth 10 ft.</td><td>2,50,000/-</td></tr> <tr> <td>2.</td><td>Vessels Crew members 1 Master and 1 Driver (minimum requirement)</td><td>36,000/-</td></tr> <tr> <td>3.</td><td>Deployment of 5 Nos. workmen/Lascar for collection and transport of garbage from the vessel to the craft. (5 x ₹.15000/-)</td><td>75,000/-</td></tr> <tr> <td></td><td>TOTAL</td><td>3,61,000/-</td></tr> </tbody> </table> The tender rate for collection of garbage is valid from 09.00hrs to 18.00hrs and at times due to	Sr. No	Description for providing on hire basis	Cost per month (₹.)	1.	One mechanized Open Deck Self-propelled craft of 100-150HP (IV registered) and overall length of 35 ft. and breadth 10 ft.	2,50,000/-	2.	Vessels Crew members 1 Master and 1 Driver (minimum requirement)	36,000/-	3.	Deployment of 5 Nos. workmen/Lascar for collection and transport of garbage from the vessel to the craft. (5 x ₹.15000/-)	75,000/-		TOTAL	3,61,000/-
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3.	Deployment of 5 Nos. workmen/Lascar for collection and transport of garbage from the vessel to the craft. (5 x ₹.15000/-)	75,000/-															
	TOTAL	3,61,000/-															

		short stay of vessel at the berth, if any garbage is received beyond 18.00 hrs. then MbPT is required to pay 40% extra in addition to daily rates to the firm for collection of garbage and brining to the shore. The administrative charges for engaging staff for operation of the above tender and Vessel billing is not included in the above rates. The cost of segregation of garbage is also not included in the above cost. The reason given by the firm for the increased cost for providing craft is the fluctuation in the price of Diesel [Price of Diesel] – ₹.66.93/liter (present) vs ₹.57.47/-liter (as on August 2016 level)] and increase in the hire charges for the I.V. certified and labor. The increase in cost of garbage reception facility is proposed by MbPT taking the above factors into consideration.
(ii).	The present rate for Garbage collection is independent of GRT of the ship. It's shown in the tariff as QUOTE 2.14. Charges for Garbage Reception facility Charges for garbage reception facility during vessel's stay at Jawahar Dweep & Pir Pau ₹.1369.92 per day or part thereof UNQUOTE However the proposal seems to link it with the GRT of vessel (per GRT). Considering the size of ships calling at the Jawahar Dweep Docks, we feel the amounts are too large for payment of Garbage collection.	It is confirmed that charges for Garbage Reception Facility during the vessel's stay at Jawahar Dweep & Pir Pau is proposed to increase to ₹.5000/- <u>per day or part thereof.</u>

2.1. A joint hearing on the case in reference was held on 16 March 2018 at the office of the Authority in Mumbai. At the joint hearing, MBPT and users/ user organisations have made the following submissions:

MBPT

- (i). The proposed increase in the Garbage Reception facility charges is mainly due to increase in the cost on account of engaging the vessels certified under the Inland Vessel Act and deploying the personnel as per the I.V. Certification and payment of Wages as per Minimum Wages Act., contribution to ESIC and EPF.
- (ii). The tender rate for collection of garbage is valid from 09.00 hrs to 18.00 hrs. If any garbage is received beyond 16.00 hours, then MBPT is required to pay 40% in addition to daily rates.
- (iii). With regard to TAMP's query on the quantification of additional revenue to be generated on account of proposed enhancement of the Garbage Reception facility charges, it was clarified that the proposal will generate an additional revenue of ₹.83.11 crores vide MBPT letter 14 March 2018. This may be read as ₹.83.11 lakhs. A letter in this regard is being sent to TAMP.

Indian Bargeowners' Association (IBOA).

- (i). The increase in cost from the existing rate of ₹.1397.32 to ₹.5000.00 is very high i.e. around 250% hike. The barge operators have never requested MBPT to provide garbage reception facilities and the barges plying have never utilized the garbage reception facilities provided by the Port. Bills raised by the MBPT on the Barges till now towards garbage reception facilities may be withdrawn and the said charges should not be applicable to Barges.

MBPT

- (i). The facility is provided for all the vessels including barges visiting the Jawahar Dweep & Pir Pau irrespective of whether such services are utilized by the vessel or not. Hence, the bills raised by the MBPT on the Barges till now towards garbage reception facilities has be to paid by the Barge Owners. The exclusion of barges for the garbage reception facilities for the future is under examination by the MBPT management and the Management decision will be informed accordingly. The garbage reception facilities are applicable only for the vessels berthed at Jawahar Dweep & Pir Pau and not applicable for the Indira Docks.

MANSA

- (i). The increase proposed is too steep.

INSA.

- (i). The proposal seeks increase from rate of ₹.1397 to ₹.5000/- which is over 250% of the existing tariff. It is a very stiff hike by any comparison for ongoing services. The tariff proposed should be performance based whereas, the port's proposal is based on the cost plus approach. MBPT should consider the garbage reception facility as revenue model by turning the compost sale and the proposal should reflect some commitment in the near future towards this end.
- (ii). The present rate for garbage collection is independent of GRT of the ship, whereas the proposal seems to link with the GRT of the vessel.

MBPT

- (i). The proposed charges of ₹.5000 will not be levied on per GRT basis. MBPT is in the process of implementing the disposal of waste to achieve the Zero Waste Management as per the policy of Bombay Municipal Corporation.
- (ii). The increase is to meet the various costs as discussed earlier and to ensure compliance of legal / statutory provisions by MBPT.

3. Some of the users / user organisations have furnished their comments on the MBPT proposal after the joint hearing. These comments were forwarded to MBPT as feedback information. The MBPT has responded. The comments received from users/ user organisations and response of MBPT are tabulated below:

Sl. No.	Comments of users / user organisations	Response of MBPT
1.	Indian Bargeowners' Association (IBOA)	
(i).	The services of this Contractor were available since the past several years. There is now no additional services that the contractor is passing on to the vessels which are berthed at Jawahar Deep and Pir Pav. So, therefore, why is the Port asking for an increase in the existing rates from ₹.1,397.32 to ₹.5,000/- for the vessels stay at JD and PP. This is 3 ½ times increase for the same service to the vessels. The MARPOL regulations are in existence since the past several decades and no additional regulations have been issued recently, warranting the Contractor to demand	It is true that the garbage reception facility is available for the past several years. The garbage reception facility is presently provided by engaging I.V. certified vessel and manning as per I.V. certification in addition to the labourers engaged in collection and segregation of garbage. The rental rate of I.V. certified vessel per month is higher and fuel cost is revised on daily basis necessitated to the increased in rate of garbage reception facility. The cost justification for revision of rate is

	a 3 ½ time increase in this services. Therefore, a reasonable increase should definitely be considered but not such an exorbitant one.	furnished (cost statement). The increase in rate is reasonable and justified.
(ii).	From the copy of Resolution No. 175 dated 09.01.2018, reference is drawn to Para 4 of the Proposal which reads as : The DC has proposed to increase the charges to ₹.5000/- per day (or) part thereof during the vessels stay at Jawahar Dweep and Pir Pav. The charges will not be applicable to the vessels registered under Inland Vessels Act (I.V Act), as these vessels can discharge garbage at the designated dustbins provided at Indira Dock or at the Bunders. It is to mention that barge owners had not occasion to avail the use of the garbage facility for the barge when they call at Old Pir Pav Jetty to discharge the cargo. We have only requested "Berthing Permission for our barge at Old Pirpav Jetty to discharge into A.E.G.S/CTTL". This permission is granted to us by the D C Department. At no occasion has the garbage contractor visited our barge to collect the garbage. They have not given the barge any service, but are billing the Port for collection of garbage. Thereafter, the Port is sending us a bill for Garbage removal. The members of our association have not accepted these Invoices and the Invoices were disputed by us and remain unpaid. We have brought this matter to the attention of all concerned, but they have continued these charges till date. Now, MbPT have realized that they are totally wrong in charging us in the past and therefore now mentions "The charges will not be applicable to the vessels registered under Inland Vessels Act (I.V. Act), as these vessels can discharge garbage at the designated dustbins provided at Indira Dock or at the Bunders". IBOA, therefore requests that MbPT may amend the Invoices which remain unpaid by removing the wrong charges for "Garbage Removal" so that we can settle the Invoices by payment of "Pier Dues" as the barges have only requested for Berthing Permission and for nothing else. Moreover the amounts collected erroneously under the heading of "Garbage may kindly be refunded since the same has been collected by MbPT under protest by barge owners. We request that MbPT has to follow the well-established quid pro quo principle as mandated by the Guidelines of Regulations of Tariff at Major Ports 2004. Therefore, when no garbage services are given to us, these charges should not be applied.	It is reiterated that providing the garbage reception facility charges will not be applicable to the vessels registered under Inland Vessel Act (I.V.Act). The vessel can discharge garbage at the designated dustbins at Indira Dock and Bunders. The Barge representatives whose barges are registered under I.V. Act, got faulty invoices, may approach the Administrative Officer, OSC, Marine Department for amending the invoice by providing the necessary proof.
2.	Indian National Shipowners' Association	
	The proposal has serious ramifications on the operating cost if strictly implemented as per the	[No Specific Remarks by MBPT]

	wordings provided by MBPT. During the joint hearing, MBPT informed that- (a). The fees will be charged only once every call i.e. ₹.5000/- call and the tariff is not related to the GRT of ship. (b). MBPT is already in process for dealing with the disposal to achieve ZERO delivery garbage to MBC as its stated policy. A declaration will be made very soon. (c). The increase in tariff is due to implementation of their policy measures that requires use of crafts registered and suitable for the work and not just any craft. It would include compliance to all regulatory measures towards the vessel management including its crew.	
3.	Mumbai & Nhava-Sheva Ship Agents' Association (MANSA)	
	Any revision of Scale of Rate for garbage collection / disposal should be reasonable and commensurate with the actual services rendered or made available.	[No Specific Remarks by MBPT]
