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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 214 **New Delhi,** **18 June 2020**

NOTIFICATION

In exercise of the powers conferred under Sections 48, 49 & 50 of the Major Port Trusts Act, 1963, the Tariff Authority for Major Ports hereby disposes of the proposal received from Kolkata Port Trust for general revision of its Scale of Rates, as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports

Case No. TAMP/34/2019 - KOPT

Kolkata Port Trust **- - -** **Applicant**

QUORUM

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

O R D E R

(Passed on this 20th day of February 2020)

This case relates to the proposal received from Kolkata Port Trust (KOPT) for general revision of its Scale of Rates (SOR).

2. The existing SOR of the KOPT was last approved by this Authority vide Order No. TAMP/23/2016-KOPT dated 17 November 2016. This Order was notified in the Gazette of India on 12 January 2017 vide Gazette No. 14. Vide the said Order, the validity of SOR of KOPT was prescribed upto on 31 March 2019. Thereafter, the validity of existing SOR of all eleven Major Port Trusts including KOPT was extended from 1 April 2019 to 30 September 2019 or till the effective date of implementation of the revised SOR to be notified by this Authority, whichever is earlier.

3.1. All the Major Port Trusts were earlier governed by the Tariff Policy of 2015 for fixation of SOR for handling cargo, vessel and rendering miscellaneous services. Subsequently, the Ministry of Shipping (MOS), vide its letter No. IWT-II/28/2018-IWT dated 26 December 2018 has issued the new "Tariff Policy for determination of Tariff for Major Port Trusts, 2018" for determination of SOR which are due for revision in Major Port Trusts with effect from 1 April 2019 under Section 111 of the Major Port Trusts (MPT) Act 1963. In compliance with the direction issued by the Government of India, this Authority has notified the Tariff Policy Guidelines, 2018 in the Gazette of India vide Gazette No.17 dated 16 January 2019. The Tariff Policy, 2018 has come into effect from 26 December 2018. The said Tariff Policy, 2018 was forwarded to all Major Port Trusts including KOPT vide our letter No. TAMP/79/2018-Misc. dated 25 January 2019. Thereafter, as per Clause 1.5 of the Tariff Policy, 2018, Working Guidelines to operationalize the Tariff Policy for Major Port Trusts, 2018 have also been notified in the Gazette of India on 30 January 2019 vide Gazette No.29.

3.2. A copy each of the Tariff Policy, 2018 and the Working Guidelines to operationalize the Tariff Policy for Major Port Trusts, 2018 was forwarded to all Major Port Trusts including KOPT to consider it while formulating the General Revision proposal vide our letter Nos .TAMP/79/2018-Misc. dated 02 January 2019 and 04 February 2019 respectively.

4.1. In this backdrop, the KOPT vide its letter no. Fin/95/B dated 8 July 2019, has filed the proposal for General Revision of its SOR following Tariff Policy 2018.

4.2. The main points made by the KOPT in its proposal are as follows:

(i). The Annual Revenue Requirement (ARR) for the year 2018-19 has been assessed in order to ascertain the revenue gap at the existing tariff level. The ARR with specified indexation is assessed ₹. 1795.37 crores.

(ii). A revenue gap of ₹. 175.17 crore emerges at the existing tariff level considering the traffic volume achieved during 2017-18. In order to bridge the revenue gap, the existing rates would be required to increase by 10.81% across the board.

(iii). A new cargo handling facility viz. Haldia Floating Cargo handling jetty has been commissioned in June 2018 at Haldia. This facility is expected to generate net revenue of ₹. 12.50 crores at the proposed tariff considering 1.00 MMT cargo handling.

(iv). Based on the inputs received, rationalization of some of the tariff items is proposed, which may have a financial impact of about ₹. 1.91 crore per annum.

(v). Thus, the effective revenue gap to be made by a revision of tariff for the existing operations will be ₹. 161.17 crore, which warrants an across the board increase of 10% of the existing SOR. The proposed revision will yield additional annual revenue of ₹. 160.70 crore to the port as a whole.

(vi). All common adoption orders notified by TAMP after the notification of the existing SOR have been incorporated in the new SOR.

(vii). For conversion of dollar denominated rates to INR, the reference rate published by Financial Benchmark India Pvt Ltd will be considered instead of RBI Reference rates as per RBI circular dated 4 July 2018.

(viii). Performance standard has been calculated dock wise and not for the port as a whole. In case any Dock System is able to achieve the Performance Standard set for it, the said Dock System may be eligible for the rate increase. In case Benchmark for any specific activity is achieved by a Dock System, the concerned Dock System may be eligible for increase in rate of the said activity.

(ix). The rates of lashing / unlashing as well as rates for use of weighbridge have been kept unchanged for KDS.

(x). S.3 (xv) has been modified to incorporate Standard Operating Procedure for operation of Indo-Bangladesh Coastal Shipping Agreement along with Note 2 under the said clause.

(xi). Permit charges for using Truck Terminal at HDC/KDS have been replaced by Permit for Pre-gate-cum-parking facility at Coal Dock Road and all other similar facilities at KDS or HDC per truck / lorry / trailer in Sec 17.1.14 of the SOR.

(xii). Stayal Charges at Dry docks has been modified to benefit the trade
Section 19.2 (vi) has been amended to be read as follows:

In case the vessel occupies the dry dock beyond the period for which the dry dock has been initially allotted for reasons other than (iv) and (v), the hire charges shall be levied at 1.5 times the rate prescribed at (i) to (iii) for the period of such over stayal.

(xiii). Consolidated Cargo Handling Charges involving Barge to Interim Storage Transfer by use of Floating Crane & conveyer system, Providing Pay loader Storage to storage yard inside Dock and unloading of cargo there at.

Cargo classified under S.4.1.14	₹. 258.01
Cargo classified under S.4.1.15	₹. 272.83
Cargo classified under S.4.1.16	₹. 302.47

Note:
For handling of all coastal Cargo other that Thermal Coal, Iron Ore, Iron Ore pellets, Iron Ore Limps and Iron Ore Fines, 60% of the above rate will be applicable.

(xiv). Consolidated charges towards services at Storage Yard for Rail bound Cargo including Heaping/ High Heaping, Loading for Delivery, Despatch Related Services and Cleaning and vice versa but excluding weighment

For Rail bound Cargo	₹. 77.41
For Road bound Cargo	₹. 64.08

(xv). In case of Shore handling of Iron-ore group heaping charges has been deleted from the existing clause and is to be charged extra (S.6.1.5.iv).

(xvi). Rates of oil pollution equipment and firefighting equipment has been incorporated u/s S.16.1.12 (n) and S. 16.1.13.

(xvii). KOPT Board of Trustees has approved remission of extra 50% Towage & Pilotage charge in case of Inter Dock shifting of a vessel via Sand Head due to availing of Eden Channel. The said provision has been included as a note to S.24.9.

(xviii). No Extra Pilotage Charge shall be levied if the same has resulted due to reasons attributable to Port like non-acceptance of vessels due to lock/jetty/berth related problem, lock gate/Port machinery breakdown, Non-availability of Tug/Mooring Boat etc.

(xix). In case of Extra Pilotage resulting due to weather related, Riverine channel related reasons, extra Pilotage @40% as per S24.1 of SoR shall be levied.

(xx). No remission in Extra Pilotage charge shall be granted if the same has resulted due to any reason attributable to the vessel.

(xxi). The minimum charge for berth hire and Towage & Pilotage has been prescribed considering a GRT of 5000. In case of Andaman Vessel, the same has been prescribed considering a GRT of 2000.

(xxii). Composite charge for any Tourist/ Ferry Launch has been prescribed in the SOR.

(xxiii). The rates applicable for iron-ore / iron ore pellets will also be applicable for iron ore fines and iron ore lumps and all other forms of Iron-ore handled in dry bulk mode. This group will not enjoy coastal concession.

(xxiv). The rates prescribed at S.4.1.13 and S.6.1.5 shall be applicable for Iron Ore, Iron Ore Fines, Iron Ore Lumps and Iron Ore Pellets.

(xxv). Considering the problem associated with recording of exact time for entry and exit of each and every barge at the Haldia Floating Cargo Handling jetty for levy of Stayal Charge as per S.27.1. (3), amendment in the said provision has been made as follows:

S.27.1.3	Inland vessels of 200 tons and above handled at Haldia Floating Cargo Handling Jetty at HDC	(i). <u>Barge with GRT upto 3000 :</u> ₹. 5000.00 per call. (ii). <u>Barge with GRT from 3001- 5000</u> : ₹. 8000.00 per call. (iii). <u>Barge with GRT from 5001-10000</u> : ₹. 16,000.00 per call. (iv). <u>Barge with GRT beyond 10000</u> : ₹. 24,000.00 per call Note: In case occupation of Jetty by any Barge exceeds 24 hours in any call, the applicable rate shall be levied for every 24 hours or part thereof against such occupation beyond initial 24 hours.

4.3. The KOPT has given an undertaking that the proposed tariff will have a validity period of three years from 01 October 2019 to 30 September 2022 and also undertaken that it will submit a suitable proposal at least three months before the expiry of the validity period.

4.4. A summary of tariff increase proposed by KOPT is given below:

(i). 10% increase in tariff for cargo related charges and vessel related charges.

(ii). 11% increase in tariff for:
(a). Annual license fee for Non-propelled vessels

(b). Fees for serving Non-propelled vessels owner's work shop
(c). Supply of Manjhi book

(iii). 12% increase in tariff relating to stayal charge of vessels upto 4 tonne capacity for occupying declared river side of KOPT.

4.5. The KOPT has furnished detailed computation of Annual Revenue Requirement and related workings in Form 1, Form 2 & Form 4, revenue estimation as per the proposed rates in Form 3, comparison of existing and proposed SOR and conditionalities in Form 5 and proposed draft SOR & performance standards.

(i). A summary position of ARR computation furnished by KOPT is tabulated below:

Sl. No	**Description**	**Y1 (2015-2016)**	**Y2 (2016-2017)**	**Y3 (2017-2018)**
(1)	**Total Expenditure: (As per Audited Annual Accounts)**			
(i)	Operating Expenses (Including depreciation)	106145.11	104585.42	117030.87
(ii)	Management & General Overheads	33714.35	35088.74	36200.84
(iii)	Finance & Miscellaneous Expenses	77299.12	79436.34	129362.49
	Total Expenditure 1 = (i)+(ii)+(iii)	**217158.58**	**219110.50**	**282594.20**
(2)	**Less, Adjustments:**			
(i)	Estate Related Expenses			
	(a) Operating Expenses (Including depreciation)	4157.14	4857.07	5990.12
	(b) Management & Administrative Overheads	4249.12	5184.95	5035.26
	(c) Allocated FME	2617.24	2460.41	4528.97
	Sub Total 2(i)=[(a)+(b)+(c)]	**11023.51**	**12502.42**	**15554.35**
(ii)	Interest on Loans	0.00	0.00	0.00
(iii)	2/3rd of One Time Expenses, if any like Arrears of wages, Arrears of Pension / Gratuity, Arrears of Ex-gratia Payment etc (List out each of the items)			
	(a) Arrears of Pay & Allowances	0.00	0.00	3605.15
	(b) Arrears of Pension	0.00	0.00	23.64
	Sub-Total 2(iii)=[(a)+(b)]	**0.00**	**0.00**	**3628.79**
(iv)	2/3rd of the Contribution to the Pension Fund	25146.80	29096.61	60400.14
(v)	Management & Gen.Overheads over & above 25% of the aggregate of the Operating expenditure & Depreciation	8217.36	10156.65	8440.65
(vi).	**Expenses relevant for tariff fixation of Captive Berth, if any governed under clause 2.10. of the Tariff Policy, 2015.**			
	(a). Operating Expenses	0.00	0.00	0.00
	(b). Depreciation	0.00	0.00	0.00
	(c). Allocated Management and Administrative Overheads	0.00	0.00	0.00

	(d). Allocated FME	0.00	0.00	0.00
	Subtotal 2(vi) = [(a)+(b)+(c)+(d)]	**0.00**	**0.00**	**0.00**
(vii)	Dredging subsidy received from the Ministry:	27555.00	16250.00	16739.00
(viii)	Reimbursement of On Board handling Charge of Container to CDLB	3398.16	3668.57	3806.47
	Total of 2 = 2(i)+2(ii)+2(iii)+2(iv)+2(v)+2(vi)+2(vii)+2(viii)	**75340.82**	**71674.26**	**108569.40**
(3).	**Total Expenditure after Total Adjustments : [3 = 1 - 2(i)-2(ii)-2(iii)-2(iv)-2(v)-2(vi)-2(vii)-2(viii)]**	**141817.76**	**147436.24**	**174024.80**
(4).	**Average Expenses of SI. No. 3 = [Y1 + Y2 + Y3] / 3**	**154426.27**		
(5).	**Capital Employed**			
	(i). Net Fixed Assets as on 31.03.2018 (As per Audited Annual Accounts)	81501.46		
	(ii). Add: Work in Progress as on 31.03.2018 (As per Audited Annual Accounts)	13754.92		
	(iii). Less: Net value of Fixed assets related to Estate activity as on 31.03.2018 as per Audited Annual Accounts.	6304.61		
	(iv). Less: Net value of fixed assets, if any, transferred to BOT operator as on 31 March 2018 as per Audited Accounts.	0.00		
	(v). Less: Net value of fixed assets as on 31 March 2018 as per Audited Accounts relevant to be considered for captive berths, if any, under clause 2.10. of the Tariff Policy, 2015.	0.00		
	(vi). Add: Working Capital as per norms prescribed in clause 2.5. of the Working Guidelines	0.00		
	(a). Inventory	1013.47		
	(b). Sundry Debtors	6368.30		
	(c). Cash	23187.26		
	(d). Sum of (a)+(b)+(c)	30569.03		
	(vii). Total Capital Employed [(i)+(ii)-(iii)-(iv)-(v)+(vi)(d)]	**119520.80**		
(6).	**Return on Capital Employed 16% on SI. No. 7(vii)**	**19123.33**		
(7).	**Annual Revenue Requirement (ARR) as on 31 March 2018 [(4)+(6)]**	**173549.59**		
(8).	**Indexation in the ARR @ 100% of the WPI applicable for the year 2018-19 i.e @ 3.45% (7 * 1.0345)**	**179537.05**		

(9).	**Ceiling Indexed Annual Revenue Requirement (ARR)**	179537.05
(10).	**Revenue Estimation at the Proposed SOR within the Ceiling indexed ARR estimated at Sl No. 9 above**	**177559.00**
(11).	**Additional revenue to be generated from proposed revision of Rates**	**16070.25**

(ii). The total Revenue estimation from Cargo, Vessel and Miscellaneous charges considering the proposed tariff for the actual traffic of 2017-18 in Form 3 is estimated as ₹. 1775.59 crores.

(iii). The Performance Standards proposed by KOPT, to be maintained during the validity of the proposed SOR are as follows:

1	**CARGO RELATED SERVICES**	**KDS**	**HDC**
(a)	Average Ship Berth Day Output (In tonnes)	4,248	8,201
(b)	Average moves per hour (in TEUS) in respect of containers	21	21
2	**VESSEL RELATED SERVICES**		
(a)	Average Turnround Time of Vessels (in days)	4.27	3.43
(b)	Average Pre-berthing Time of Vessels (in days)	0.60	1.58

4.6. The KOPT under cover of its letter dated 7 August 2019 has furnished the Form – 5, giving a comparative statement between the existing SOR of KOPT and its proposed SOR, along with the reasons for the changes incorporated in the proposed SOR.

4.7. Subsequently, the KOPT under cover of its letter dated 9 September 2019 has furnished copy of the Board Resolution, wherein the Board of Trustees of KOPT is seen to have approved the proposed SOR and the various tariff filing forms forwarded by KOPT.

5.1. Clause 3.2 and 3.3. of the Tariff Policy, 2018 stipulates that Major Port Trusts shall host the draft SOR along with the proposed Performance Standards on its website, giving the designated email address of Port as well as for TAMP for comments of relevant user organizations / Organization bodies, within 15 days' time. The Major Port Trusts shall submit its replies on the comments received from Port Users to TAMP not later than 15 days from the last date of receipt of comments from the port user. In this regard, the KOPT is seen to have hosted the entire proposal in reference in its website giving the designated emails of KOPT and TAMP, to enable the users furnish their comments and has also reported to have intimated to the users.

5.2. Based on the proposal as hosted by KOPT in its website, some of the users/ user organisations have furnished their comments. The said comments were forwarded to the KOPT for its comments. The KOPT has responded vide its letters dated 9 September 2019 and 11 November 2019.

6.1. Meanwhile, the KOPT vide its letter no. Ad/108/Berth Nomenclature/3855 dated 2 September 2019 has submitted regarding the change in nomenclature of the existing berths / jetties of KOPT at Haldia Dock Complex (HDC).

6.2. The submissions made by KOPT in the letter dated 2 September 2019 are as follows:

(i). The KOPT has 14 cargo handling berths inside the impounded dock, 3 riverine oil jetties and 1 riverine dry bulk cargo handling jetty (Floating Jetty) at Haldia Dock Complex where cargo is loaded / unloaded to and from sea and non- sea going vessels.

(ii). All these berths and jetties have made operational for cargo handling operations after Custom Authority have approved these berths and jetties as places for receiving and shipment of import / export goods from and upon sea and non-sea going vessels under the relevant provisions of the Customs Act and have also issued Public Notices. The KOPT have also issued notification in the Official Gazette under Section 37(1) of MPT Act prior to starting cargo handling operations at these berths/ jetties.

(iii). Therefore, for easy identification of all these Customs notified berths / jetties of HDC, the KOPT has decided to give new nomenclature of all the existing & proposed berths / jetties of Haldia Dock Complex (HDC) in the following manner:

Existing Nomenclature	New nomenclature
Berth No. 2	Berth No. 1
Berth No. 3	Berth No. 2
Berth No. 4	Berth No. 3
Berth No. 4 A	Berth No. 4
Berth No. 4B	Berth No. 5
Berth No. 5	Berth No. 6
Berth No. 6	Berth No. 7
Berth No. 7	Berth No. 8
Berth No. 8	Berth No. 9
Berth No. 9	Berth No. 10
Berth No. 10	Berth No. 11
Berth No. 11	Berth No. 12
Berth No. 12	Berth No. 13
Berth No. 13	Berth No. 14
Haldia Oil Jetty I	Berth No. 16 (O)
Haldia Oil Jetty II	Berth No. 17 (O)
Haldia Oil Jetty III	Berth No. 18 (O)
Floating Jetty	Berth No. 19 (O)

'O' stands for Outer Berth.

(iv). In this regard, Board of Trustees of KOPT has approved the change of nomenclature of the existing and proposed berth / jetties of HDC vide its resolution no. R/12/HDC/GM(M&S)/3/7/2019 dated 18 July 2019. The approved change of nomenclature has also notified by KOPT vide its Gazette no. 510 dated 13 August 2019 and is made effective from 13.08.2019.

7.1. Based on preliminary scrutiny of the proposal, the KOPT was requested vide letter dated 24 September 2019 to furnish additional information/ clarifications on various issues. After a reminder letter dated 4 November 2019**,** the KOPT vide its email dated 11 November 2019 has responded**.** The information/ clarification sought and reply of KOPT thereon are tabulated below:

Sl. no.	Information sought	Reply of KOPT
1.	**<u>Annual Revenue Requirement (ARR) (FORM NO.1):</u>**	
(i).	As seen from the workings related to apportionment of Management and General Admin Overheads to various activities like Cargo handling activity, Port and Dock facilities, Railway activity and Estate activity furnished by KOPT, the Management overheads of ₹33374.79 lakhs, ₹.34,665.05 lakhs and ₹ 35,835.29 lakhs for the years 2015-16, 2016-17 and	The KOPT has revised the Form-1 "Computation of Annual Revenue Requirement" and furnished as Annexure – A to its letter dated 11 November 2019. **[The revised Form as furnished by KOPT is brought out at para no. 9.2 below]**

<table>
<tr><td></td><td>2017-18 respectively considered for apportionment does not match with the figures of Management and General Administrative (MGA) overheads i.e. ₹. 33,714.35 for the year 2015-16, ₹35,088.74 for the year 2016-17 and ₹. 36,200.84 for the year 2017-18 as reported in the respective Annual Accounts. The following Table to be referred in this regard:
(₹ in lakhs)
<table>
<tr><td rowspan="2">Year</td><td rowspan="2">MGA as per Audited Annual Accounts and as considered in Form-I of the Proposal</td><td colspan="5">Apportionments of MGA to Various Activities viz. CHS, PDF, Rly. and Estate Activity.</td></tr>
<tr><td>CHS</td><td>PDF</td><td>Rly</td><td>Estate</td><td>Total</td></tr>
<tr><td>2015-16</td><td>33714.35</td><td>15268.47</td><td>11387.73</td><td>2469.47</td><td>4249.12</td><td>33374.79</td></tr>
<tr><td>2016-17</td><td>35088.74</td><td>15070.87</td><td>12115.63</td><td>2293.60</td><td>5184.95</td><td>34665.05</td></tr>
<tr><td>2017-18</td><td>36200.84</td><td>16331.57</td><td>12264.17</td><td>2204.29</td><td>5035.26</td><td>35835.29</td></tr>
</table>
Accordingly, the share of MGA for Estate related activity may have to be revised considering total MGA as per Annual Accounts. The KOPT to rectify apportionment of MGA to estate activity in Form I.</td><td></td></tr>
<tr><td>(ii).
(a).</td><td>The KOPT has considered an adjustment of ₹3605.15 lakhs towards 2/3 of Arrears of Pay & Allowances in the year 2017-18. It is seen from the Audited Annual Accounts that aggregate of Arrears of pay and allowances paid and payable works out to ₹ 9511.33 lakhs (₹ 4348.18 + ₹ 5163.15), 2/3 of which works out to ₹ 6340.88 lakhs. In view of the above position, the KOPT to review the figure i.e. ₹ 3605.15 lakhs considered for deduction towards 2/3 of Arrears of Pay & Allowances accounted in the year 2017-18 in the ARR. Similarly, the KOPT to furnish workings to arrive at ₹ 23.64 lakhs towards 2/3rd of the Arrears of the Pension during the year 2017-18 as considered in Form I.</td><td rowspan="2">KOPT had paid arrear Pay & Allowances amounting to ₹ 4348.19 lakhs during 2017-18. KOPT also booked provision for arrear Pay & Allowances covering 15 months (2016-17: 3 months & 2017-18: 12 months) aggregating ₹ 5163.15 lakhs. In Form-I 2/3rd of arrear pay of ₹ 4348.19 lakhs and proportionate arrear provision for 3 months in respect of previous fiscal 2016-17 aggregating to ₹ 3605.15 lakhs has been shown as adjustment under serial number 2(iii) (a).

Similarly KOPT booked provision for arrear Pension covering 15 months (2016-17: 3 months & 2017-18: 12 months) for ₹ 176.41 lakhs. In Form-I 2/3rd of proportionate arrear provision for 3 months in respect of previous fiscal 2016-17, amounting to ₹ 23.64 lakhs, has been shown as adjustment under serial number 2(iii) (b).</td></tr>
<tr><td>(b).</td><td>The wage revision arrears considered for exclusion is only in one year 2017-18. That being so, the figure at Serial No. 2 (iii) of Form –I should not be considered for exclusion. In such a case, 1/3 of the wage arrears should be added to the average expenses at Sl. No. 4, after excluding the entire wage revision arrears from the total operating expenses considered for the year 2017-18.</td></tr>
<tr><td>(iii).</td><td>As seen from the Form-I, the KOPT has excluded an amount of ₹ 3398.16 lakhs, ₹ 3668.57 lakhs and ₹ 3806.47 lakhs during the year 2015-16, 2016-17 and 2017-18 respectively towards reimbursement of the payment made to Calcutta Dock Labour Board (CDLB) for supply of on board</td><td>The expenditure was reflected as a separate item of in the statement showing the operating and General expenses by Types in the respective Audited Annual Accounts.</td></tr>
</table>

<table>
<tr>
<td></td>
<td>labour for container operations at MHC berths. The KOPT to confirm that the said amount is as per the figures in the Annual Accounts for the relevant years and reference to the schedule where said figures in the annual accounts are booked to be indicated.</td>
<td></td>
</tr>
<tr>
<td>(iv).</td>
<td>Working Capital:
As per Clause 2.5 of the working guidelines 2018, the Limit on inventory other than capital spares and excluding fuels is six months average consumption and cash balances will be one month's cash expenses. The KOPT to furnish the working of the inventory considered by KOPT in Form 4 at ₹. 1013.47 lakhs. Reference to the said figure in the Annual Accounts to be indicated.</td>
<td>As desired working of the inventory considered by KOPT at Form-4 is tabulated as follows:
(₹ in lakhs)
<table>
<tr><th>Particulars</th><th>KDS</th><th>HDC</th><th>KOPT</th></tr>
<tr><td>Inventory as on 31-03-2018:</td><td></td><td></td><td></td></tr>
<tr><td>Inventory other than Capital spares</td><td>325.43</td><td>1721.61</td><td>2047.04</td></tr>
<tr><td>Less, Stock of Fuel</td><td>0.00</td><td>20.11</td><td>20.11</td></tr>
<tr><td></td><td>325.43</td><td>1701.51</td><td>2026.94</td></tr>
<tr><td>Six months average consumption</td><td>162.72</td><td>850.75</td><td>1013.47</td></tr>
</table>
</td>
</tr>
<tr>
<td>(v).</td>
<td>Form-3 Revenue estimation at the proposed rates

(a).The revenue estimation in respect of pilotage income for the vessels ranging from 30001 GRT to 60000 GRT and above 60000 GRT appears to be not in line with the proposed / existing SOR. To cite an example, Vessel arriving / sailing From / To KDS considering 133 vessels and with additional GRT of 866826 GRT, the pilotage income works out to ₹812.90 lakhs as detailed below:
<table>
<tr><td>No of Vessels</td><td>133</td></tr>
<tr><td>Additional GRT</td><td>866826</td></tr>
<tr><td>Additional GRT per vessel over 30000 GRT</td><td>6517</td></tr>
<tr><td>Total GRT of the Vessel</td><td>36517</td></tr>
<tr><td>Proposed Tariff for coastal vessel</td><td>₹.520707.00+₹.13. 88607 per GRT on 30001 to 60000 GRT</td></tr>
<tr><td>Pilotage revenue per vessel ₹</td><td>611209.30</td></tr>
<tr><td>Total Revenue ₹.</td><td>812,90,837.51
Or say
812.90 lakhs</td></tr>
</table>
However, as seen from Form – III of HDC, the KOPT has worked out the pilotage income for the above group of vessels as ₹ 846.23 lakhs. The KOPT to review the calculations of the Pilotage income for each of the category of vessels and revise calculations.</td>
<td>Revenue estimation :

GRTs in certain Pilotage slabs pertaining to HDC have been wrongly entered in Form-3 due to punching error. The same has been corrected as tabulated here under:
<table>
<tr><th rowspan="2">Description</th><th rowspan="2">Unit of Levy</th><th colspan="2">Actual Traffic exclusively handled by the port during the year 2017-18</th></tr>
<tr><th>Shown in Form-3</th><th>To be shown as in Form-3</th></tr>
<tr><td>For GRT above 30000 and upto GRT 60000 - Foreign</td><td></td><td></td><td></td></tr>
<tr><td>Vessel Arriving / Sailing From / To Ports other than KDS:</td><td>GRTs</td><td>8626420</td><td>7926420</td></tr>
<tr><td></td><td>No. of vessels</td><td>818</td><td>818</td></tr>
<tr><td>For GRT above 60000 - Foreign</td><td></td><td></td><td></td></tr>
<tr><td>Vessel Arriving / Sailing From / To Ports other than KDS:</td><td>GRTs</td><td>11846</td><td>6846</td></tr>
<tr><td></td><td>No. of vessels</td><td>3</td><td>3</td></tr>
<tr><td>For GRT above 30000 and upto GRT 60000 - Coastal</td><td></td><td></td><td></td></tr>
<tr><td>Vessel Arriving / Sailing From / To Ports other than KDS:</td><td>GRTs</td><td>866826</td><td>1106826</td></tr>
<tr><td></td><td>No. of vessels</td><td>133</td><td>133</td></tr>
</table>
There will be no change in Pilotage income as the same has been computed based on correct GRTs of vessels.
KOPT has furnished revised statement.</td>
</tr>
</table>

<table>
<tr><td></td><td>(b).Revenue from Cargo handling and Storage charges at the existing rates for the year 2017-18 is shown as 100477.53 lakhs in Form –III whereas as per the Annual Accounts for the 2017-18 the same is 103886.42 lakhs. The KOPT to reconcile the variation between the figures of Annual Accounts and Form III.</td><td>Reconciliation of Cargo Handling & Storage income as per audited accounts and the same considered for rate revision is tabulated below:
(All ₹. in Lakhs)
<table>
<tr><th>Particulars</th><th>KDS</th><th>HDC</th><th>KoPT</th></tr>
<tr><td>Fiscal 2017-18:</td><td></td><td></td><td></td></tr>
<tr><td colspan="4">Cargo handling & Storage income:</td></tr>
<tr><td>As per Audited Accounts</td><td>37043.01</td><td>66843.41</td><td>103886.42</td></tr>
<tr><td>Less: Adjustments</td><td></td><td></td><td></td></tr>
<tr><td>Less: Income from BOT Contracts (Royalty)</td><td></td><td>3408.89</td><td>3408.89</td></tr>
<tr><td>Cargo handling & Storage income considered for rate revision:</td><td>37043.01</td><td>63434.52</td><td>100477.53</td></tr>
</table></td></tr>
<tr><td></td><td>(c). As per Form – III, the revenue to be generated from Cargo and Vessels related charges at the proposed rates is ₹ 177559 lakhs. However, as per certified in Form – I at Sr. no. 10 i.e. revenue estimation at the proposed SOR is shown as ₹ 1607025.00 lakhs. The KOPT to review and revise the figures in Form – I as per Form – III.</td><td>[The KOPT has revised the figure at Sl. no. 10 in Form-1 i.e. revenue estimation at the proposed SOR as per the Form-III]</td></tr>
<tr><td>(vi).</td><td>Railway Activity</td><td></td></tr>
<tr><td></td><td>(a) The Railway activity in KOPT is in surplus (i.e. railway income is more than railway expenses). The tariff for port railway services is not fixed by the Authority; it is fixed by the Railway Board. The Authority has decided to consider railway expenditure while computing the ARR only to the extent it is not covered by the Railway income. Such an approach has been adopted by the Authority while disposing of the general revision proposal filed by the Mormugao Port Trust (MOPT), Chennai Port Trust (CHPT), Mumbai Port Trust (MBPT) and New Mangalore Port Trust (NMPT). Since the Railway expenses of KOPT is covered by the Railway income, the KOPT to exclude the railway expenditure while computing the ARR.</td><td rowspan="2">The Tariff Policy as well as Tariff Guidelines never mentions about the exclusion of Railway Activity Expenditure from the total expenditure. Moreover, the income from Railway activity constitutes of Tariff fixed by TAMP as well as Railway Board. So, exclusion of expenditure requires reconsideration. Cross subsidization among the major activities are also allowed.</td></tr>
<tr><td></td><td>(b) The average Railway Expenditure for the year 2015-16, 2016-17 and 2017-18 works out ₹ 5496.17 Lakhs. Since the revenue gap, as per the proposal of KOPT, is only ₹1978.06 Lakh (₹ 179537.06-177559), the KOPT have to moderate the increase in tariff sought on account of exclusion of ₹ 5496.17 Lakhs from ARR.</td></tr>
</table>

2.	**<u>Scale of Rates:</u>**	
(i).	Section: 3 General Principles. Note. No-(vii) (b) The KOPT has proposed to modify the Note no (vii) (b) at Section 3 in its draft SOR by replacing the words "Iron ore and Iron ore pellets" with " Iron ore Fines, Iron ore Lumps, Iron ore Pellets and all forms of Iron ore in dry bulk forms". In the regard, the KOPT has stated that the modification proposed is to avoid confusion. In this connection, the KOPT to furnish the basis for categorising the Iron ore Fines, Iron ore Lumps, and all forms of Iron ore in dry bulk forms under the category of Iron ore and iron pellets. The KOPT to furnish the present status of categorisation of the Iron ore Fines, Iron ore Lumps, and all forms of Iron ore in dry bulk forms handled by port for levy of the various cargo handling charges.	The existing SOR defined "Iron ore and Iron ore pellets" for the purpose of levying charges in case of wharfage. There were no charges specified for iron ore fines / iron ore lumps and all other forms of iron-ore in dry bulk form. Therefore there was confusion as to the rates to be charged for "Iron ore Fines, Iron ore Lumps, and all forms of Iron ore in dry bulk forms". Taking the above into consideration KOPT had proposed to levy of uniform charges for all types of iron ore in dry bulk form. In absence of charges specified for Iron ore fines, Iron ore Lumps and all forms of Iron ore in dry bulk form in the existing SOR, rates of iron ore fines and iron ore lumps are being realized as per the rates applicable to Iron Ore. Further no coastal concession is being given for handling of Iron ore in any form. The proposal is in line with the existing practice being followed.
(ii).	Section: 3 General Principles. Note. No-(xxiv) (a). Kolkata Dock System: The KOPT has proposed Performance Standards at a level of 4.27 days for average Turnaround Time (TRT) under vessel related activity. As against the performance standards proposed by the Port, it is seen from the performance indicators for the year 2017-18 as compiled by IPA, the KDS has achieved TRT of 2.71 days (65.76 hrs/24). When higher performance level has already been achieved by KDS in the past, the proposed Performance Standard, which is lower than the actual past Performance to be justified. (b). Haldia Dock Complex: The KOPT has proposed Performance Standards at a level of 8201 tonnes towards Average Ship Berth day Output (OSBD) in respect of Major Cargo groups under cargo related activity, 3.43 days for average Turnaround Time (TRT) under vessel related activity. As against the performance standards proposed by the Port, it is seen from the performance indicators for the year 2018-19 as compiled by IPA, the HDC	Performance Standards have been arrived at on the basis of three years average on actuals. Performance Standards have been arrived at on the basis of three years average on actuals.

	has achieved an OSBD of 9584 tonnes and TRT of 2.32 days (55.68 hrs/24). When higher performance levels have already been achieved by HDC in the past, the proposed Performance Standards, which are lower than the actual past Performance to be justified.	
(iii).	Section 4.12 – Cargo handling charges for dry bulk cargo handled at Floating Cargo Handling jetty at HDC. The KOPT, in its proposed SOR, has included new clause S.4.12 relating to Cargo handling charges for dry bulk cargo handled at Floating Cargo Handling jetty at HDC. However, it is seen that incorporation of Charges for handling of cargo at Floating Barge Jetty at HDC is not in accordance with the charges approved by the Authority vide its Order no. TAMP/68/2018-KOPT dated 14 June 2019. Therefore, the KOPT to suitably incorporate the provision of Charges for handling of cargo at Floating Barge Jetty at HDC in the Draft SOR in accordance with TAMP approved tariff and the conditionalities governing the said tariff.	The rates approved by TAMP vide its order no. TAMP/68/2018-KOPT dated 14 June 2019 has been considered while framing the rates in the proposed SOR, after taking into consideration the proposed increase of 10% in the existing rates. However the rates has been segregated into two parts i.e Consolidated Cargo Handling Charges involving Barge to Interim storage Transfer by use of Floating Crane & conveyer System, Providing Pay loader on board, subsequent loading at interim storage and transfer from interim Storage to storage yard inside Dock and unloading of cargo there at and Consolidated Charges towards Services at Storage Yard for Rail / Road bound Cargo including Heaping High Heaping, Loading for Delivery, Despatch Related Services and Cleaning and vice versa but excluding Weighment. Weighment charges are chargeable extra if the facility is availed. This was done because as per the existing SOR, coastal concession is not applicable on Shore Handling Service involving Loading at storage point for delivery, Heaping / High Heaping, cleaning and despatch related service. In this regard, the KOPT has furnished the basis of calculation for arriving at the proposed rates at Floating jetty of HDC. From the working, it can be seen that the rates proposed is in line with the rates earlier approved by TAMP. The break-up of the basis of arriving at the rates is also attached.
(iv).	In respect of charge for on board Lashing/de-lashing of containers, fixing & unfixing of Twist Lock and ancillary documentations at Section 14.1 (11), no change has been proposed in respect of KDS. This position to be confirmed.	The Charge is not being revised.
(v).	The KOPT has not spelt out the reasons for the modification in the description of item no. 11 (a) of clause S.16.1 of the proposed SOR by adding the words "including EXIM cargo loaded/ unloaded	No such provision was there for import cargo loaded in wagons outside Dock/Jetty. However, loading of imported coal in wagons and subsequent transportation by rail has commenced from

	between Customs bonded dock and EJC yard. The KOPT to furnish the reasons for modifications in the said clause.	KDS Rail Interchange yard (EJC) since 2018. On request from the handling agent of such consignment (copy attached), the matter was reviewed and on obtaining approval of competent authority, it was decided to levy Consolidated charges as per item 11(a) under Section 16 of SoR on all type of import rail-borne traffic handled at Line no. 23 at EJC Yard. The same has been ratified by Board of Trustees in the meeting held on 28.06.2018 vide Resolution No. R/62/KDS/TFC/3/06/2018.
(vi).	The KOPT has introduced certain tariff sub items relating to "Use of Fire Fighting Equipment & Apparatus" at item no. 12 of the clause 2.16.1 of the proposed SOR. The KOPT has stated that the new rates are included following the procedure prescribed in the working guidelines, 2018 i.e. 70% capacity utilization has been considered for arriving the tariff. However, the KOPT has not furnished the workings to arrive at tariff for such items. The KOPT to furnish the workings / cost statements for arriving at the new tariff for the Use of various Fire Fighting Equipment & Apparatus. Further, it is seen that no income from these tariff items has been captured in Form 3. The KOPT to consider the impact of revenue of these tariff items in Form 3.	The KOPT has furnished the workings / Cost Statement for arriving at the proposed tariff for use of Fire Fighting Equipment & Apparatus. It is informed that firefighting equipment are used on rare occasions and mainly in the thermal coal stack yard. However the Board has recently approved that no charges for use of firefighting equipment will be levied for use of the said equipment at the thermal coal stack yard. Further the frequency of use of the equipment cannot be predicted. Hence there is practically no possibility of generating revenue on account of use of the firefighting equipment and apparatus. Considering the same the impact of revenue of these tariffs has not been considered in Form – 3.
(vii).	Similarly, the KOPT has also introduced certain tariff items relating to "Hire Charges of Oil Spill Response equipment" and reported that it has adopted the procedure prescribed the working guidelines, 2018 i.e. 70% capacity utilization has been considered for arrive at tariff. The KOPT has not furnished the workings to arrive at the tariff for such items and also no income from these tariff items has been captured in Form 3. Therefore, The KOPT to furnish the workings/ cost statements for the arriving at the new tariff for the "Hire Charges of Oil Spill Response equipment" and also to consider the impact of revenue on these newly introduced tariff items in Form 3.	The KOPT has furnished the workings / Cost Statement for the arriving at the new tariff for the "Hire Charges of Oil Spill Response equipment". Further as these rates are used very rarely (in the last 5 years Oil Spill Response equipment has been hired out only once) the impact of revenue of these newly introduced tariffs has not been considered in Form – 3.
(viii).	The Existing tariff item relating to Ship personnel permit book (consisting of 50 permits) at Clause S.17.1 (item no. 7) has been removed by KOPT in the proposed SOR. The KOPT to furnish the reasons for deletion of the said tariff item	After introduction of the RFID permits in KOPT, permits in book / paper form has been discontinued. Therefore it has been proposed for removal of the said item from the proposed SOR.

(ix).	Section 21.5 prescribes Penalty for Non Achievement of Benchmark Pumping rate/ delayed sailing due to reasons attributable to Vessel & Incentive for achieving higher pumping rate than the Benchmark. In the said section, it is seen that as against the existing SOR prescribing Benchmark pumping rates for 13 liquid cargo items, the KOPT has now proposed Benchmark pumping rates for 35 liquid cargo items. Further, the benchmark pumping rates prescribed in the existing SOR as KL / hr has now been proposed at MT/hr. This has resulted in drastic reduction in the level of benchmark pumping rates for the existing 13 liquid cargo items. In this regard, KOPT to furnish / clarify the following. (a). The basis for determining the benchmark pumping rates in respect of 22 new liquid cargo items. (b). The actual pumping rates in respect of all 35 liquid cargo items for the past 3 years to be furnished. (c). The reason for proposing a reduction in the benchmark pumping rates for existing 13 liquid cargo items to be explained.	The average pumping rate achieved by the vessels carrying the respective commodities during the period ranging from April'17 to Jan'19 was considered and the basis of calculation of the average pumping rate in MT/Hr is as follows: a. The total cargo quantity (in MT) of each vessel and the total time taken (in Hrs) by each of the vessels carrying the said commodities was considered for the above-mentioned period. b. The working time taken for each vessel is from Hauled-In Time at working berth till completion of her total cargo operations at the said berth that is the last finishing time of the vessel. c. The Average Pumping Rate (in MT/hr) was then calculated from the total cargo quantity loaded/unloaded by these vessels within the period from Hauled-In till completion time of the total cargo operations. Based on above, the average pumping rate of the vessels in MT/Hr carrying the said cargoes was deduced. The data has been re-checked once again and has been found to be same.
(x).	The basis to prescribe Tariff for the use of Indentured Memorial Jetty for promotion of Inland Cruise Tourism at S. 33.1 and S.33.2 of the proposed SOR to be furnished.	The tariff for the use of Indentured Memorial Jetty was administratively approved by Board of Trustees. The KOPT has furnished the copy of the Resolution.

8.1. As brought out earlier, while furnishing the additional information / clarification sought, the KOPT vide its letter dated 11 November 2019, has rectified some calculation errors in the Form-1.

8.2. The revised ARR calculation as furnished by KOPT is as follows:

Sl. No	Description	Y1 (2015-2016)	Y2 (2016-2017)	Y3 (2017-2018)
(1)	**Total Expenditure: (As per Audited Annual Accounts)**			
(i)	Operating Expenses (Including depreciation)	106145.11	104585.42	117030.87
(ii)	Management & General Overheads	33714.35	35088.74	36200.84
(iii)	Finance & Miscellaneous Expenses	77299.12	79436.34	129362.49
	Total Expenditure 1 = (i)+(ii)+(iii)	**217158.58**	**219110.50**	**282594.20**
(2)	**Less, Adjustments:**			
(i)	Estate Related Expenses			
	(a) Operating Expenses (Including depreciation)	4157.14	4857.07	5990.12

	(b) Management & Administrative Overheads	4261.41	5201.55	5049.89
	(c) Allocated FME	2617.24	2460.41	4528.97
	Sub Total 2(i)=[(a)+(b)+(c)]	**11035.79**	**12519.03**	**15568.98**
(ii)	Interest on Loans	0.00	0.00	0.00
(iii)	2/3rd of One Time Expenses, if any like Arrears of wages, Arrears of Pension / Gratuity, Arrears of Ex-gratia Payment etc (List out each of the items)			
	(a) Arrears of Pay & Allowances	0.00	0.00	3605.15
	(b) Arrears of Pension	0.00	0.00	23.64
	Sub-Total 2(iii)=[(a)+(b)]	**0.00**	**0.00**	**3628.79**
(iv)	2/3rd of the Contribution to the Pension Fund	25146.80	29096.61	60400.14
(v)	Management & Gen.Overheads over & above 25% of the aggregate of the Operating expenditure & Depreciation	8217.36	10156.65	8440.65
(vi).	**Expenses relevant for tariff fixation of Captive Berth, if any governed under clause 2.10. of the Tariff Policy, 2015.**			
	(a). Operating Expenses	0.00	0.00	0.00
	(b). Depreciation	0.00	0.00	0.00
	(c). Allocated Management and Administrative Overheads	0.00	0.00	0.00
	(d). Allocated FME	0.00	0.00	0.00
	Subtotal 2(vi) = [(a)+(b)+(c)+(d)]	**0.00**	**0.00**	**0.00**
(vii)	Dredging subsidy received from the Ministry:	27555.00	16250.00	16739.00
(viii)	Reimbursement of On Board handling Charge of Container to CDLB	3398.16	3668.57	3806.47
	Total of 2 = 2(i)+2(ii)+2(iii)+2(iv)+2(v)+2(vi)+2(vii)+2(viii)	**75353.11**	**71690.86**	**108584.03**
(3).	**Total Expenditure after Total Adjustments : [3 = 1 - 2(i)-2(ii)-2(iii)-2(iv)-2(v)-2(vi)-2(vii)-2(viii)]**	**141805.47**	**147419.64**	**174010.17**
(4).	**Average Expenses of Sl. No. 3 = [Y1 + Y2 + Y3] / 3**	**154411.76**		
(5).	**Capital Employed**			
	(i). Net Fixed Assets as on 31.03.2018 (As per Audited Annual Accounts)	81501.46		

	(ii). Add: Work in Progress as on 31.03.2018 (As per Audited Annual Accounts)	13754.92
	(iii). Less: Net value of Fixed assets related to Estate activity as on 31.03.2018 as per Audited Annual Accounts.	6304.61
	(iv). Less: Net value of fixed assets, if any, transferred to BOT operator as on 31 March 2018 as per Audited Accounts.	0.00
	(v). Less: Net value of fixed assets as on 31 March 2018 as per Audited Accounts relevant to be considered for captive berths, if any, under clause 2.10. of the Tariff Policy, 2015.	0.00
	(vi). Add: Working Capital as per norms prescribed in clause 2.5. of the Working Guidelines	0.00
	(a). Inventory	1013.47
	(b). Sundry Debtors	6368.30
	(c). Cash	23187.26
	(d). Sum of (a)+(b)+(c)	30569.03
	(vii). Total Capital Employed [(i)+(ii)-(iii)-(iv)-(v)+(vi)(d)]	**119520.80**
(6).	**Return on Capital Employed 16% on Sl. No. 7(vii)**	**19123.33**
(7).	**Annual Revenue Requirement (ARR) as on 31 March 2018 [(4)+(6)]**	**173535.09**
(8).	**Indexation in the ARR @ 100% of the WPI applicable for the year 2018-19 i.e @ 3.45% (7 * 1.0345)**	**179522.05**
(9).	**Ceiling Indexed Annual Revenue Requirement (ARR)**	179522.05
(10).	**Revenue Estimation at the Proposed SOR within the Ceiling indexed ARR estimated at Sl No. 9 above**	**177559.00**

9. A joint hearing in this case was held on 27 August 2019 at the KOPT premises. At the joint hearing, the KOPT made a brief power point presentation of its proposal. During joint hearing, the KOPT and the concerned users/ user organizations have made their submissions.

10.1. The KOPT was specifically requested to exclude the railway expenditure while computing the ARR for the reasons mentioned at preceding para no. 7.1 sl no. (vi) (a) & (vi) (b). In response, the KOPT vide its letter dated 11 November 2019 has, on the ground that Tariff Policy as well as Tariff Guidelines never mention about the exclusion of Railway Activity Expenditure from the total expenditure, and that the income from Railway activity constitutes of Tariff fixed by TAMP as well as Railway Board, requested this Authority to reconsider exclusion of Railway expenditure, in the ARR calculation.

10.2. The KOPT was requested vide letter dated 22 November 2019 to include the railway income to be earned on the activities on which Tariff is being fixed by TAMP in the estimation of revenue at the proposed tariff and may also include the relevant expenditure thereon in the computation of ARR. The KOPT was requested to furnish revised forms and revised SOR, incorporating the correct working and rates, if any adjustment on account of Railway income & expenditure results in change in the ARR.

10.3. Further, the KOPT was also requested to segregate and furnish the Income arising out of tariff fixed by the Railway Board and that arising out of tariff approved by TAMP for the years 2015-16, 2016-17 and 2017-18.

10.4. In this regard, the KOPT vide letter dated 9 December 2019 has made the following submissions:

(i). The Form-1 and 2 has been revised.

(ii). The details of calculation concerning Railway income of HDC and HDC have been furnished.

(iii). The escalation factor which have been applied in the ARR related to 2018-19.

(iv). Since, 3rd quarter of the financial year 2019-20 is ending by December 2019, it is requested to permit to apply the escalation factor @ 4.26% applicable of 2019-20 to recover the extent of ₹. 1761.42 crores as arrived in the ARR by applying 4.26%.

10.5. Subsequently, the KOPT vide its e-mail dated 30 January 2020 and 04 February 2020 has forwarded a revised Form – 1, after rectifying some typographical errors. The revised Form – 1 forwarded by KOPT vide its letter dated 9 December 2019 and further rectified by KOPT vide its e-mails dated 30 January 2020 and 04 February 2020 is as follows:

Sl. No.	Description	Y1 (2015-2016)	Y2 (2016-2017)	Y3 (2017-2018)
(1)	**Total Expenditure: (As per Audited Annual Accounts)**			
(i)	Operating Expenses (Including depreciation)	106145.11	104585.42	117030.87
(ii)	Management & General Overheads	33714.35	35088.74	36200.84
(iii)	Finance & Miscellaneous Expenses	77299.12	79436.34	129362.49
	Total Expenditure 1 = (i)+(ii)+(iii)	217158.58	219110.50	282594.20
(2)	**Less, Adjustments:**			
(i)	Estate Related Expenses			
	(a) Operating Expenses (Including depreciation)	4157.14	4857.07	5990.12
	(b) Management & Administrative Overheads	4261.41	5201.55	5049.89
	(c) (i) Allocated FME - Contribution to Retirement Benefit Funds	1154.08	1329.50	2930.31
	(ii) Allocated FME - Others	1241.86	1130.90	1598.66
	Sub Total 2(i)=[(a)+(b)+(c)]	10814.49	12519.02	15568.98
(ii)	Proportionate Railway Related Expenses incurred for income generated other than TAMP rate			
	(a) Operating Expenses (Including depreciation)	4866.14	4288.73	4789.59
	(b) Management & Administrative Overheads	2123.30	1929.73	1899.34
	(c) (i) Allocated FME - Contribution to Retirement Benefit Funds	2320.39	2498.35	4533.38
	(ii) Allocated FME - Others	2489.87	2141.05	1728.30
	Sub Total 2(ii)=[(a)+(b)+(c)]	11799.70	10857.85	12950.61
(iii)	Interest on Loans	0.00	0.00	0.00
(iv)	2/3rd of One Time Expenses, if any like Arrears of wages, Arrears of Pension / Gratuity, Arrears of Ex-gratia Payment etc (List out each of the items)			
	(a) Arrears of Pay & Allowances	0.00	0.00	3605.15
	(b) Arrears of Pension	0.00	0.00	23.64
	Sub-Total 2(iii)=[(a)+(b)]	0.00	0.00	3628.79
(v)	2/3rd of the Contribution to the Pension Fund	21672.33	25268.76	52936.44

(vi)	Management & Gen.Overheads over & above 25% of the aggregate of the Operating expenditure & Depreciation	3856.77	5415.39	3786.21
(vii).	**Expenses relevant for tariff fixation of Captive Berth, if any governed under clause 2.10. of the Tariff Policy, 2015.**			
	(a). Operating Expenses	0.00	0.00	0.00
	(b). Depreciation	0.00	0.00	0.00
	(c). Allocated Management and Administrative Overheads	0.00	0.00	0.00
	(d). Allocated FME	0.00	0.00	0.00
	Subtotal 2(vi) = [(a)+(b)+(c)+(d)]	0.00	0.00	0.00
(viii).	Dredging subsidy received from the Ministry:	27555.00	16250.00	16739.00
(ix)	Reimbursement of On Board handling Charge of Container to CDLB	3398.16	3668.57	3806.47
	Total of 2 = 2(i)+2(ii)+2(iii)+2(iv)+2(v)+2(vi)+2(vii)+2(viii)+2(ix)	**79096.44**	**73979.59**	**109416.49**
(3).	**Total Expenditure after Total Adjustments : [3 = 1 - 2(i)-2(ii)-2(iii)-2(iv)-2(v)-2(vi)-2(vii)-2(viii)-2(ix)]**	**138062.14**	**145130.91**	**173177.71**
(4).	**Average Expenses of Sl. No. 3 = [Y1 + Y2 + Y3] / 3**	**152123.58**		
(5).	**Capital Employed**			
	(i). Net Fixed Assets as on 31.03.2018 (As per Audited Annual Accounts)	81501.46		
	(ii). Add:Work in Progress as on 31.03.2018 (As per Audited Annual Accounts)	13754.92		
	(iii). Less: Net value of Fixed assets related to Estate activity as on 31.03.2018 as per Audited Annual Accounts.	6284.77		
	(iv). Less : Net value of fixed assets, if any, transferred to BOT operator as on 31 March 2018 as per Audited Accounts.	0.00		
	(v). Less : Net value of fixed assets as on 31 March 2018 as per Audited Accounts relevant to be considered for captive berths, if any, under clause 2.10. of the Tariff Policy, 2015.	0.00		
	(vi). Less: Proportionate Net value of Fixed assets related to Railway activity as on 31.03.2018 as per Audited Annual Accounts.	5011.98		
	(vii). Add : Working Capital as per norms prescribed in clause 2.5. of the Working Guidelines	0.00		
	(a). Inventory	1013.47		
	(b). Sundry Debtors	6368.30		
	(c). Cash	23187.26		
	(d). Sum of (a)+(b)+(c)	30569.03		
	(viii). Total Capital Employed [(i)+(ii)-(iii)-(iv)-(v)-(vi)+(vii)(d)]	**114528.66**		
(6).	Return on Capital Employed 16% on Sl. No. 7(vii)	**18324.59**		
(7).	Annual Revenue Requirement (ARR) as on 31 March 2018 [(4)+(6)]	**170448.17**		

(8).	Indexation in the ARR @ 100% of the WPI applicable for the year 2018-19 i.e @ 3.45% (7 * 1.0345)	176328.63
(9).	Ceiling Indexed Annual Revenue Requirement (ARR)	176328.63
(10).	Indexation in the ARR @ 100% of the WPI applicable for the year 2019-20 i.e @ 4.26% (9 * 1.0426)	**183840.23**
(11).	**Revenue Estimation at the Proposed SOR within the Ceiling indexed ARR estimated at Sl No. 9 above**	**177559.00**

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

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

(i). The Scale of Rates (SOR) of Kolkata Port Trust (KOPT) was last revised by this Authority vide Order No. TAMP/23/2016-KOPT dated 17 September 2016. Vide the said Order, the Cargo Related Charges were generally increased by 5% and the Vessel related charges were generally increased by 15%. The validity of the SOR of KOPT approved vide Order of September 2016 expired on 31 March 2019. The validity of said existing SOR of KOPT was extended upto 30 September 2019. In this backdrop, the KOPT has come up with a proposal for general revision of its SOR. The proposal of KOPT has the approval of its Board of Trustees.

(ii). The Ministry of Shipping (MOS), vide its letter No. IWT-II/28/2018-IWT dated 26 December 2018 has issued the new "Tariff Policy for determination of Tariff for Major Port Trusts, 2018" for determination of SOR of Major Port Trusts which are due for revision with effect from 1 April 2019, under Section 111 of the Major Port Trusts (MPT) Act 1963, which was notified in the Gazette of India on 16 January 2019 vide Gazette No. 17. Thereafter, as per Clause 1.5 of the Tariff Policy, 2018, Working Guidelines to operationalize the Tariff Policy for Major Port Trusts, 2018 have also been notified in the Gazette of India on 30 January 2019 vide Gazette No.29. Thus, the proposal filed by KOPT for general revision of its SOR is based on the stipulations contained in the Tariff Policy, 2018 and the Working Guidelines.

(iii). The initial proposal was filed by KOPT in July 2019. Subsequently, while furnishing the additional information/ clarification in November 2019 as sought by us, the KOPT has rectified some calculation errors in its ARR calculation as furnished in its initial proposal. Thereafter, the KOPT in February 2020 has again rectified some errors in its ARR calculation. The change in the ARR calculation has no impact on the percentage of increase sought by the Port in the SOR proposed by the Port. Thus, the proposal filed by KOPT in July 2019 and February 2020 along with submissions made by the Port during the processing of the case is considered in this analysis.

(iv). (a). Clause 2.1 of the Tariff Policy, 2018 requires each Major Port Trust (MPT) to assess the ARR which is the average of the sum of Actual Expenditure as per the final Audited Annual Accounts of the three years (Y1), (Y2) and (Y3) subject to certain exclusions as prescribed in Clause 2.2 of the Tariff Policy, 2018 and the Working Guidelines issued by this Authority plus Return at 16% on Capital Employed including capital work-in-progress obtaining as on 31st March Y3, duly certified by a practicing Chartered Accountant/ Cost Accountant.

(b). The KOPT has assessed the ARR based on Audited Annual Accounts for three years i.e. 2015-16 (Y1), 2016-17 (Y2) and 2017-18 (Y3) following clause 2.1 of the Tariff Policy, 2018 and the Working Guidelines notified by this Authority. The ARR has been duly certified by a practicing Chartered Accountant. The KOPT has excluded the expenses not admissible in ARR computation for arriving at the Average annual expenses for the year 2015-16, 2016-17 and 2017-18. The ARR estimated by the KOPT is certified by the practicing Chartered Accountant, hence considered. The following adjustment done by KOPT in line with provisions prescribed in Clause 2.2. of Tariff Policy 2018 and Clause 2.2. of Working Guidelines are brought out for specific mention along with a few modification required to be done in the computation of the ARR for the reasons explained hereunder:

(i). The KOPT has excluded expenses related to estate activity i.e. Operating Expenditure (including depreciation) related to estate activity, allocated Management and General Administrative Overheads (MGA) and Financial & Miscellaneous Expenditure. Interest on loans is reported to be NIL.

(ii). The income earned by the KOPT from Railway activity comprises of income arising out of the tariff fixed by this Authority as well as the tariff fixed by the Railway Board. The railway income earned from services not fixed by this Authority and the expenditure thereon will be out of the preview of this tariff exercise. Thus, at our request, the KOPT has furnished the breakup of the income as well as the expenditure pertaining to the tariff fixed by this Authority as well as the tariff fixed by the Railway Board.

The expenditure pertaining to the activity for which tariff fixed by the Railway Board has been excluded from the ARR by the KOPT.

Based on the breakup furnished by the KOPT, relating to the income and expenditure pertaining to the tariff fixed by this Authority, it is seen that the Railway activity is in surplus, as shown in **Annex – I**. Since the Railway activity in KOPT in respect of which the tariff is being fixed by this Authority, is in Surplus, the railway expenditure pertaining to the tariff fixed by this Authority also needs to be excluded in the ARR computation.

In other words, the whole of the Railway activity expenditure as reflected in the Annual Accounts for the years 2015-16, 2016-17 and 2017-18 and the allocated management and General Expenses and Finance and Miscellaneous expenses thereon, are to be excluded from the ARR. Such an approach has been adopted by this Authority while disposing of the general revision proposal filed by other Major Port Trusts under Tariff Policy, 2018.

Accordingly, the railway expenditure as excluded by the KOPT has been modified to reflect the position as discussed above. A comparative statement showing the exclusion of Railway Expenditure as considered by KOPT vis-à-vis as considered in this Order is given as **Annex-II.**

(iii). As per Clause 2.2(iii) of Tariff Policy 2018 and the Working Guidelines, 1/3 of one-time expenses like arrears of wages, pension/ gratuity, ex-gratia payments arising out of wage revision etc. are to be included in the ARR. Likewise, 1/3rd of the

Contribution to Pension Fund is to be included for the calculation of ARR. This means 2/3rd of the above mentioned expenses are to be excluded in the ARR computation.

KOPT has excluded ₹.3605.15 lakhs towards 2/3rd of the arrears of pay allowances for the year 2017-18 as reflected in the Annual accounts for the year 2017-18. Similarly, KOPT has excluded ₹. 23.64 lakhs towards 2/3rd of the arrears of the pension during the year 2017-18. Exclusion of 2/3rd expenditure in one year alone is not appropriate, as expenditure would get averaged out for 3 years resulting in lower ARR for the port. Hence, the entire expenditure is excluded from the expenditure and in turn 1/3rd expenditure is added to the average expenses for the years 2015-16 to 2017-18.

(iv). The KOPT has excluded an amount of ₹. 21672.33 lakhs, ₹. 25268.76 lakhs and ₹. 52936.44 lakhs for the years 2015-16, 2016-17 and 2017-18 respectively towards 2/3rd contribution to the Superannuation fund and gratuity fund as per the workings below:

(₹. in Lakhs)

Particulars	2015-16	2016-17	2017-18
Contribution to KOPT Employees Super annulation Fund as in audited Accounts	32500	33233.42	83120.51
Contribution to Gratuity fund as in audited Accounts	5032.54	10194.36	7028.95
Total	37532.54	43427.78	90149.46
2/3 contribution of Superannuation Fund and Gratuity Fund	25146.80	29096.61	60400.13
Less: Proportionate contribution amount related to Estate Activity	1154.08	1329.50	2930.31
Less: Proportionate contribution amount related to Railway Activity	2320.39	2498.35	4533.38
Net contribution (considered for exclusion in the Cost statement)	**21672.33**	**25268.76**	**52936.44**

However, the 2/3rd Contribution is worked out as follows:

(₹ in Lakhs)

Particulars	2015-16	2016-17	2017-18
Contribution to KOPT Employees Super annulation Fund as in audited Accounts	32500	33233.42	83120.51
Contribution to Gratuity fund as in audited Accounts	5032.54	10194.36	7028.95
Total	37532.54	43427.78	90149.46
Less: Proportionate contribution amount related to Estate Activity	1154.08	1329.50	2930.31

Less: Proportionate contribution amount related to Railway Activity	2765.26	3004.19	5560.34
Final Net Contribution	33613.20	39094.09	81658.81
2/3 of the net contribution (considered for exclusion in the Cost statement)	**22520.84**	**26193.04**	**54711.40**

Accordingly, 2/3rd contribution towards the Superannuation Fund and Gratuity Fund as considered by KOPT for exclusion has been modified, as shown above.

(v). As per Clause 2.2. (iv) of Tariff Policy 2018 and Clause 2.2. (iv) of the Working Guidelines, Management and General Administration Overheads subject to a cap of 25% of aggregate of the operating expenditure and depreciation is only to be considered in the ARR calculation. The Management & General Overheads over and above 25% of the aggregate of the Operating expenditure & Depreciation has been reworked out in view of the modifications as brought out earlier. The revised working of the Management & General Overheads over and above 25% of the aggregate of the Operating expenditure & Depreciation is as follows:

(₹ in Lakhs)

Sr. no	Particulars	2015-16	2016-17	2017-18
1	Management and General Administrative Overheads (including Depreciation) As per Audited Annual A/c	33714.35	35088.74	36200.84
2	Less: Apportionment of MGA to Estate Related	4261.41	5201.55	5049.89
3	Less: Apportionment of MGA to Railway Activity	2487.57	2326.23	2229.40
4	**Net MGA Expenditure (including depreciation but excluding MGA expenditure relating to Estate) (As per Audited Annual Accounts)**	**26965.37**	**27560.96**	**28921.55**
5	Operating Expenditure as per Annual Account	106145.11	104585.42	117030.87
6	Less: Apportionment of Op.Exps.to Estate Related	4157.14	4857.07	5990.12
7	Less: Apportionment of Operating Expenses to Railway Activity	5773.07	5173.18	5542.25
8	**Operating Expenditure (including depreciation but excluding operating expenditure relating to Estate) (As per Audited Annual Accounts)**	**96214.90**	**94555.17**	**105498.50**
10	Admissible Management & General Administrative Overheads	24053.73	23638.79	26374.63

11	**Management and General Overheads considered for exclusion [Sl. No. 4-10]**	**2911.65**	**3922.17**	**2546.93**

(vi). As per Clause 2.2(v) of the Working Guidelines issued to operationalize the Tariff Policy, 2018, all expenses relevant for captive berths are to be excluded from the computation of ARR. The KOPT has not reported any expenditure relating to Captive berths.

(vii). The KOPT has rightfully excluded dredging subsidy received from the MOS and reimbursement of On Board handling charges to Calcutta Dock Labour Board (CDLB).

In this connection, it is relevant here to mention that during the last general revision of SOR of KOPT, based on the submission made by the KOPT that the payment made to CDLB for supply of on board labour for container operations at MHC berths has been excluded as KDS only collects an equal amount from the concerned users and remits it to CDLB and that the rate considered for collection is determined by the CDLB regulations, from time to time and not under the SOR of KOPT. Based on the same reasoning, the KOPT is seen to have excluded the Reimbursement of On board handling charge of Container to CDLB to the tune of ₹ 3398.16 lakhs, ₹ 3668.57 lakhs and ₹ 3806.47 lakhs, for the years 2015-16 to 2017-18 respectively, from the expenditure for the respective years.

(viii). Following the provisions prescribed at Clause 2.3. of the Tariff Policy, 2018 and Clause 2.3. of the Working Guidelines, the revised average expenditure works out at ₹. 1510.62 crores instead of ₹ 1521.24 crores as assessed by the KOPT.

(v). The KOPT has arrived at capital employed in line with provision prescribed in Clause 2.4. of the Working Guidelines. The KOPT has considered the net fixed assets plus capital work-in-progress as on 31 March 2018 reported in the Audited Annual Accounts. As stated earlier, the KOPT has stated that there is no expenditure incurred by port relating to captive berths.

(vi). Working capital comprises of Inventory, Sundry debtors and Cash balances.

As per clause 2.5 of the Working Guidelines 2018, in case of inventory other than Capital Spares the limit is six months average consumption. However, the KOPT has considered Inventory to the tune of ₹. 1013.47 lakhs, which is reported to be 50% value of the inventory as on 31 March 2018 less Stock of fuel. The inventory for computation of working capital has been recalculated considering the six month average consumption excluding fuels, as per details of consumption of stores available in the relevant schedule of the audited annual Accounts of KOPT in line with the stipulation contained in Clause 2.5. of the Working Guidelines 2019 which works out to ₹. 431.37 lakhs.

The cash balance is seen to have been calculated by KOPT by taking into account the monthly cash expenses, excluding depreciation, but including the cash expenses of the Estate activity. The cash balance is reworked to consider one month cash expenses excluding the expenses related to the Estate activity and Railway activity and arrived at ₹. 22257.44 lakhs as against 23187.26 lakhs assessed by KOPT.

The Sundry Debtors is seen to have been computed by the Port as per norms prescribed in clause 2.5. of Working Guidelines.

(vii). Return on Capital Employed at 16% has been worked out on the revised Capital Employed worked out above at ₹. 18082.68 lakhs which is considered in the ARR computation as against 18324.59 lakhs considered by the KOPT.

(viii). The ARR is the average of the expenditure for the three financial years 2015-16 to 2017-18 at ₹. 151062.02 lakhs plus 16% Return on Capital Employed at ₹. 18082.68 lakhs, thereby aggregating to ₹. 169144.70 lakhs as on 31 March 2018. Further, as per Clause 2.7. of Working Guidelines, the said ARR has been indexed @ 100% of the Wholesale Price Index (WPI) applicable for the year 2018-19 at 3.45% respectively.

Subsequently, on the ground that the year 2019-20 is already towards its close, the KOPT has made a request to consider an additional escalation Factor of 4.26% as applicable for the year 2019-20.

With regard to this submission made by the Port, it is to state that considering the time involved in passing an Order in the case in reference, notification of the said Order in the Gazette of India and the lead time for the revised SOR of KOPT approved to come into effect, it is most likely that the revised SOR of KOPT would come into effect in the beginning of the year 2020-21. In view of this position, this Authority is inclined to consider an additional escalation factor of 4.26% over the indexed ARR of 2018-19, in the computation of ARR.

Thus, the indexed ARR for the year 2019-20 works out to ₹ 182434.35 lakhs as against the indexed ARR for the year 2019-20 as assessed by the KOPT at ₹ 183840.23 lakhs.

(ix). The detailed working of ARR calculation given by the port duly certified by Chartered Accountant is relied upon subject to the modification effected with regard to exclusion of Railway expenditure and the adjustments relating to inventory and cash balance under the head of Working Capital as discussed in the earlier paragraphs. The revised computation of ARR as modified in this Order is attached as **Annex-III.**

(x). A summary of the ceiling indexed ARR furnished by the KOPT and as considered by us is given below:

(Amount ₹. in lakhs)

Sr. No.	Particulars	As estimated by the KOPT	As considered by us
1.	Average Expenses for the years 2015-16, 2016-17 and 2017-18	152123.58	151062.02
2.	Capital employed including net fixed asset, capital work-in- progress as on 31.03.2018 and working capital as per norms	114528.66	113016.75
3.	Return on capital employed @ 16%	18324.59	18082.68
4.	ARR as on 31 March 2018 (4=1+3)	170448.17	169144.70
5.	Indexation in the ARR @ 100% of the WPI applicable for the year 2018-19 (3.45%)	176328.63	174980.19
6.	Indexation in the ARR @ 100% of the WPI applicable for the year 2019-20 (4.26%)	183840.23	182434.35
7.	**Ceiling Indexed Annual Revenue Requirement (ARR)**	**183840.23**	**182434.35**

(xi). (a). As per Clause 2.6 of the Tariff Policy 2018, the Major Port Trusts have the flexibility to determine the rates to respond to the market forces based on commercial judgment and draw the SOR within the ceiling of indexed ARR, duly certified by a practicing Chartered Accountant.

The Port has given detailed working of revenue estimation indicating each of the tariff items in the proposed SOR for corresponding traffic handled in 2017-18 as required as per Clause 2.9. of the Working Guidelines. As per Clause 2.6. of Tariff Policy 2018, for drawing the SOR, the KOPT has considered the actual cargo traffic in tonnes and GRT of vessel handled by the port during the year 2017-18, to draw the proposed SOR within the ceiling indexed ARR. The revenue estimation statement has been duly certified by a Chartered Accountant.

(b). While drawing up the proposed SOR, the KOPT is generally seen to have proposed an increase of 10% in the vessel related charges and the cargo related charges. Based on the above position, the Revenue Estimation at the proposed level of tariff has been worked out by KOPT at ₹. 177559 lakhs. This is seen to be lower than the Ceiling Indexed ARR of ₹. 182434.35 lakhs, as discussed earlier, thereby leaving an uncovered gap of ₹. 4875.35 lakhs.

(c). Clause 2.6 of the Tariff Policy, 2018 gives flexibility to Major Port Trusts to determine the tariff to respond to the market forces based on its commercial judgment and draw the SOR within the ceiling ARR. The revenue estimated by the KOPT at the proposed tariff is within the ceiling ARR and the revenue estimates at the proposed tariff are duly certified by the Chartered Accountant. Hence, this Authority is inclined to approve the increase in existing tariff as proposed by KOPT.

(xii). The Users/ User Associations have objected to the increase proposed by the KOPT in its SOR. In this regard, it is to state that as brought out earlier, the SOR of KOPT was last revised in the year 2016-17. Thereafter, due to achievement of performance standards, the KOPT has indexed the rates by the applicable escalation factor during the year 2018-19, based on the enabling provisions as stipulated in the Tariff Policy, 2015 (based on which the tariff of KOPT was last revised). Thus, the KOPT has sought an increase of only about 5.50% over the indexed rate that is prevailing during the year 2018-19, in the current general revision exercise, to enable the port to meet the increase in its costs. Further, it is to be noted that the increase in vessel related charges and the cargo related charges, as sought by the KOPT, is lower than the ceiling indexed ARR. Further, it is relevant here to mention that as per Clause 7.1. of the Tariff Policy 2018, the rates prescribed in the SOR are ceiling levels. The KOPT has option to exercise the flexibility to charge lower rates. In any case, as per Clause 2.7. of the Tariff Policy 2018, the KOPT is requested to ensure that as a result of revision in the SOR there will not be loss of traffic to the port.

(xiii). The comparative statement giving the existing conditionalities and proposed conditionalities wherever the port has proposed amendment/ deletion in the existing conditionalities and insertion of new provisions, along with remarks/ reasoning as furnished by the port during the analysis of the case is updated with our brief remarks/ analysis in the last column for accepting or rejecting each of the modifications as proposed by the port. The said comparative position is attached as **Annex-IV**. The proposed modification/ deletion in the existing conditionalities is approved taking into consideration the remarks/ reasoning furnished by the KOPT and remarks/ analysis thereon given in the said Annex IV.

(xiv). This Authority has vide Order No. TAMP/12/2019-MUC dated 24 July 2019, approved revised Mandatory User Charges (MUC) for DMICDC's Logistics Data Bank (LDB) project across all the Major Port Trusts and BOT operators operating thereat.

Therefore, the revised MUC on containers for the Logistics Data Bank Service rendered by DMICDC approved by this Authority for a period of two years for common adoption by all Major Port Trusts and BOT terminals thereat shall be applicable in case of KOPT also. A note in this regard, has been proposed by the Port in its SOR, which is approved.

(xv). As brought out earlier, the KOPT has informed about notifying the change in the nomenclature of the existing berths/ jetties of KOPT at HDC, in the Official Gazette of India. Accordingly, we have made suitable changes with regard to Berth number at S.4.5, S.4.12, S.6.4, S.21.6.1, S.27.1 and at Part X, Section-I in the revised SOR in line with the change of nomenclature of the existing and proposed berth / jetties as notified by KOPT vide its Gazette no. 510 dated 13 August 2019.

(xvi). In the existing SOR, the ICD containers enjoyed a free period of 20 days. In the proposed SOR, while prescribing Demurrage on ICD containers, the port has made a differentiation between ICD container moving by rail and ICD container moving by Road. In respect of ICD container moving by rail, the free period of 20 days has been retained by the port. However, in respect of ICD container moving by Road, the said containers are proposed to enjoy a free period of 3 days in respect of import container and 10 days in respect of export container. The users viz., Allied ICD Services Ltd (AISL) and National Association for Container Freight Station (NAFCS) have objected to the proposed reduction of free days for ICD containers moving by Road. In this regard, the port has stated that the proposed reduction of free days for ICD containers moving by Road is to decongest the Dock roads and also to encourage movement by Rail. As per Clause 9.9.1 of the Working Guidelines issued to operationalize the Tariff Policy, 2018, the Ports have the liberty to fix the number of free days. The proposed modification is, therefore, approved.

(xvii). The Existing tariff item relating to Ship personnel permit book (consisting of 50 permits) at S.17.1 (item no. 7) has been proposed to be deleted by KOPT on the ground that after introduction of the RFID permits in KOPT, permits in book/ paper form has been discontinued. Based on the port's submissions, the proposed deletion is approved.

(xviii). The existing Note no. vi under S.19.2 prescribing slab wise hire charges for the period of over stayl of the vessel at the Dry Dock has been proposed to be rationalised by KOPT by prescribing a uniform levy of 1.5 times of the prescribed dry dock charges. The port expects that the proposed change would bring discipline among the vessels and also facilitate the port to have a proper planning. Based on the submissions made by the port and since no user has objected to the proposed rationalisation, the proposed modification in the said note is approved.

(xix). This Authority vide its Order no. TAMP/22/2019-KOPT dated 29 November 2019 has passed an Order prescribing levy of Penal Berth Hire Charges from vessels remaining inside Dock after completion of work for long period. In the said Order, it was indicated that the validity of the levy of penal berth hire charges shall remain co-terminus to the validity of the revised SOR to be notified by this Authority, disposing of the general revision proposal filed by KOPT. Thus, the provision as inserted as note no. vi) under Section 21.1 of Part VI – Vessel related charges for vessel engaged in Foreign Trade & Vessel engaged in Coastal Trade, vide the said Order is being incorporated in the SOR of KOPT.

(xx). This Authority vide its Order no. TAMP/45/2019-KOPT dated 29 November 2019 has passed an Order prescribing charges for transfer of cargo and container by Floating Crane for a period of fifteen years. The said charges along with the notes governing the levy of the said charges has been incorporated in the SOR of KOPT.

(xxi). This Authority vide its Order no. TAMP/8/2019-KOPT dated 14 June 2019 has passed an Order fixing Upfront tariff for Stevedoring and Shore Handling operations at Anchorage/ Lighterage/ Top up Points and Barge handling at HDC of KOPT. Vide the said Order, the validity of the said rates has been stated to remain co-terminus with the validity of the existing charges for the stevedoring and shore handling operations as approved for HDC of KOPT, vide Order of February 2018 i.e. upto 27 March 2021. Thus, the said charges along with the notes governing the levy of the said charges has been incorporated in the SOR of KOPT.

(xxii). Based on the various initiatives taken by the Government to promote Cruise Tourism in India including Inland Tourism, the KOPT, in its proposed SOR at S. 33.1 and S.33.2, has introduced Tariff for the use of Indentured Memorial Jetty for promotion of Inland Cruise Tourism. The Port appears to have started implementing the rates on an interim basis, with the approval of Board of Trustees. Since the rates are proposed to promote Inland Tourism, keeping in view the Government initiatives, the proposed charges are approved.

(xxiii). Clause 3.7 of the Working Guidelines issued by this Authority to operationalize the Tariff Policy, 2018 stipulates that ordinarily the Order approved by this Authority shall come into effect after expiry of 30 days from the date the Order passed is notified in the Gazette of India. Accordingly, the SOR approved shall come into effect after expiry of 30 days from the date of notification of the Order in the Gazette of India.

(xxiv). As per Clause 3.1 of the Tariff Policy, 2018, the Major Port Trusts shall also commit Performance Standards for cargo related services in terms of average ship berth day output, average moves per hour in case of container handling. It is not necessary to commit cargo-wise ship berth day output. Instead, the Major Port Trusts may propose overall average ship berth day output. For vessel side services, the port shall prescribe Performance Standards in terms of average turnaround time of vessels and average pre-berthing time of vessels and any other parameter which is found relevant by the Port.

By considering the average of the last 3 years' performance, the KOPT has proposed Performance Standards at a level of 4248 tonnes for KDS and 8201 tonnes for HDC towards Average Ship Berth day Output (OSBD) in respect of Major Cargo groups under cargo related activity, 4.27 days in case of KDS and 3.43 days in case of HDC for average Turnaround Time (TRT) and 0.60 days in case of KDS and 1.58 days in case of HDC for Average Pre-Berthing detention Time (PBD) under vessel related activity. The KOPT has also proposed a performance norm of 21 average moves per hour in respect of containers for both dock systems of KOPT.

The Tariff Policy, 2018 does not prescribe any method or basis for proposing performance standards. Considering that the proposed Performance Standards are based on the average of the actuals achieved by both the Dock Systems in the past three years, the performance standards as proposed by the KOPT is prescribed along with SOR.

Further, since the KDS and HDC are two separate docks and function separately, the port has proposed a note to the effect that if any dock system is able to achieve the performance standard set for it, then the said dock system would be eligible for the automatic annual indexation. The port has also proposed that in case Benchmark for any specific activity is achieved by a Dock System, the concerned Dock System is eligible for increase in the rates of the said activity. Based on the reason furnished by the Port, the proposed provision is approved.

It is also relevant here to mention that the Performance Standards committed by the Port are to be considered for the operations carried out exclusively by the Port within the port premises, with its own equipment and will not be applicable to the private service providers authorised by the port for rendering services with its equipment for whom separate benchmark performance standards prescribed in the relevant Order shall be applicable.

(xxv). As per Clause 2.8 of the Tariff Policy, 2018, SOR will be indexed annually to inflation to the extent of 100% of the variation in Wholesale Price Index (WPI) announced by the Government of India. Such adjustment of SOR will be made every year and the adjusted SOR will come into force from 1st May of the relevant year to 30th April of the following year. Further, as per clause 3.2 of the Tariff Policy, 2018 to be read with clause 2.8 of the Tariff Policy, 2018, annual indexation in SOR at 100% of the WPI is applicable subject to achievement of Performance Standards committed by Major Port Trusts. If a particular port does not fulfil the Performance Standard, no indexation would be allowed during the next year. It is relevant here to state that in the instant case indexation factor for the years 2018-19 and 2019-20 is already considered in the ARR. The next annual indexation in SOR will be applicable from 1 May 2020 subject to achievement of Performance Standards in the year 2019-20. That being so, a note is inserted in the SOR to the effect that the SOR approved by this Authority is subject to automatic annual indexation at 100% of the WPI to be announced by this Authority. The annual indexation will be from 1 May 2020 subject to the KOPT achieving the Performance Standards notified alongwith the SOR. If Performance Standards prescribed in the SOR are not achieved, there will be no indexation in SOR for that particular year. The Tariff Policy, 2018 stipulates that annual indexation in the SOR will be automatic subject to achievement of Performance Standards. It does not require the Major Port Trusts to approach this Authority for the same. In order to have transparency, the port is advised to declare the Performance Standards achieved for the period 1 January to 31 December vis-à-vis the Performance Standards notified by this Authority at the level committed by the port within one month of end of the calendar year to this Authority. If the Performance Standards as notified by this Authority are achieved by the port, then the port can automatically index the rates prescribed in its SOR at 100% of WPI announced by this Authority and apply the indexed SOR w.e.f. 1 May of the relevant year. The indexed SOR by the KOPT has to be intimated by the port to the concerned users and to this Authority.

(xxvi). The validity of the existing SOR of the KOPT was last extended till 30 September 2019 or till the effective date of implementation of the revised SOR, whichever is earlier. By the time the Order comes into effect, it may be around March 2020. That being so, the validity of the existing SOR shall be deemed to have been extended from 01 October 2019 till the revised SOR comes into effect.

(xxvii). As per Clause 3.8 of Working Guidelines, the SOR notified shall remain valid for 3 years after expiry of 30 days from the date of notification of the Order in the Gazette of India. Therefore, the validity of the revised SOR is prescribed for a period of 3 years from the date the Order approved comes into effect.

(xxviii). (a). As per clause 7.1 of the Tariff Policy, 2018, the rates prescribed in the SOR are ceiling levels. The KOPT may, if it so desires charge lower rates.

(b). As stated earlier, as per Clause 2.7 the Tariff Policy, 2018, it is for the KOPT to ensure that as a result of revision in the SOR there will not be loss of traffic to the port.

(c). If there is any error apparent on the face of record considered or for any justifiable reasons the KOPT may approach this Authority for review of the tariff fixed within 30 days from the date of notification of the Order passed in the Gazette of India.

(d). The modifications proposed by KOPT in the conditionalities governing the SOR are considered for approval based on justification/ clarification furnished by KOPT. The KOPT may, if necessary, come up with a proposal for amending any of the conditionalities approved, even before the expiry of the tariff validity period.

12.1. In the result, and for the reasons given above, and based on a collective application of mind, this Authority approves the revised SOR and the Performance Standards of the KOPT which have been notified separately. The effective date of the revised Scale of Rates and conditionalities governing the application of revised Scale of Rates will remain the same as already indicated in the separate Order dated 20 February 2020 and shall be in force for a period of 3 years from the date of effect of revised SOR. The approval accorded will automatically lapse thereafter unless specifically extended by this Authority.

12.2. The revised SOR shall come into effect after expiry of 30 days from the date of notification of the Order in the Gazette of India and shall remain in force for a period of 3 years from the date the Order comes into effect. The approval accorded shall automatically lapse thereafter unless specifically extended by this Authority.

12.3 The KOPT has committed Performance Standards for cargo related services in terms of average ship berthday output, average moves per hour in case of container handling. For vessel side services, the port has committed Performance Standards in terms of average turnaround time of vessels and average pre-berthing time of vessels and idle time at berth Port.

12.4. The indexation of SOR as provided in Clause 2.8 of the Tariff Policy, 2018 is to be read with Clause 3.2 of Tariff Policy, 2018. If KOPT does not meet the Performance Standard, the KOPT is not eligible for indexation during the next year.

12.5. As per Clause 6 of the Tariff Policy 2018, the KOPT shall furnish to this Authority annual reports on cargo traffic, ship berthday output, average turnaround time of ships, average pre-berthing waiting time. In addition, for the container berths, annual reports are also be provided on average moves per crane hour and average dwell time for containers. The annual reports are to be submitted by the Port within 60 days following the end of each of the year. Any other information which is required by this Authority shall also be furnished to this Authority from time to time.

12.6. As per Clause 4 of the Working Guidelines, this Authority shall publish all the information received by it from KOPT under clause 6 of the Tariff Policy, 2018 on its website. However, this Authority shall consider a request from KOPT about not publishing certain data/ information furnished which may be commercially sensitive. Such requests should be accompanied by detailed justification regarding the commercial sensitiveness of the data/ information in question and the likely adverse impact on their revenue/ operation upon such publication. TAMP's decision in this regard would be final.

(T.S. Balasubramanian)
Member (Finance)

Annex – I

WORKINGS RELATING TO THE RAILWAY ACTIVITY

Particulars	Y1 2015-16	Y2 2016-17	Y3 2017-18
A. OPERATING INCOME			
a. Income generated other than as per TAMP Rate			
(i) KDS	1671.64	1630.60	2054.23
(ii) HDC	10662.70	11097.33	14631.36
Total (a)	**12334.31**	**12727.93**	**16685.59**
b). Income generated as per TAMP Rate			
(i) KDS	923.50	934.16	1157.81
(ii) HDC	579.06	757.27	276.36
Total (b)	**1502.56**	**1691.43**	**1434.17**
c) Total Income generated			
(i) KDS	2695.14	2564.76	3212.04
(ii) HDC	11241.76	11854.60	14907.72
Total (c)	**13936.90**	**14419.36**	**18119.76**
B. OPERATING EXPENDITURE			
a. Proportionate Expenses on the income generated other than as per TAMP Rate			
(i) KDS	1289.91	1172.69	1215.67
(ii) HDC	3576.23	3116.03	3573.92
Total (a)	**4866.14**	**4288.72**	**4789.59**
b). Proportionate Expenses on the income generated as per TAMP Rate			
(i) KDS	712.75	671.75	685.30
(ii) HDC	194.18	212.71	67.36
Total (b)	**906.93**	**884.46**	**752.66**
c) Total Expenses incurred			
(i) KDS	2002.66	1844.44	1900.97
(ii) HDC	3770.41	3328.74	3641.28
Total (c)	**5773.07**	**5173.18**	**5542.25**
C. OPERATING SURPLUS			
a. Operating surplus generated other than as per TAMP Rate			
(i) KDS	381.73	457.91	838.56
(ii) HDC	7086.47	7981.3	11057.44
Total (a)	**7468.17**	**8439.21**	**11896.00**
b). Operating Surplus generated as per TAMP Rate			
(i) KDS	210.75	262.41	472.51
(ii) HDC	384.88	544.56	209.00
Total (b)	**595.63**	**806.97**	**681.51**
c) Total Operating Surplus			
(i) KDS	692.48	720.32	1311.07
(ii) HDC	7471.35	8525.86	11266.44
Total (c)	**8163.83**	**9246.18**	**12577.51**

Annex-II

Comparative statement showing the exclusion of Railway Expenditure as considered by KOPT vis-à-vis as considered by TAMP			
	2015-16	**2016-17**	**2017-18**
	(₹. In lakhs)		
a. Proportionate Expenses on the income generated other than as per TAMP Rate			
(i) KDS	1289.91	1172.69	1215.67
(ii) HDC	3576.23	3116.03	3573.92
Total (a)	**4866.14**	**4288.72**	**4789.59**
b). Proportionate Expenses on the income generated as per TAMP Rate			
(i) KDS	712.75	671.75	685.3
(ii) HDC	194.18	212.71	67.36
Total (b)	**906.93**	**884.46**	**752.66**
c) Total Expenses incurred			
(i) KDS	2002.66	1844.44	1900.97
(ii) HDC	3770.41	3328.74	3641.28
Total (c)	**5773.07**	**5173.18**	**5542.25**
Railway Expenditure considered for exclusion			
a). Operating Expenses			
As Considered by KOPT in Form -1 (Proportionate Expenses on the income generated other than as per TAMP Rate)	4866.14	4288.72	4789.59
As considerded by us in Form - 1 (Total railway operational Expenditure incurred)	5773.07	5173.18	5542.25
(b) Allocated Management & Administrative Overheads			
As Considered by KOPT in Form -1 (Proportionate Expenses on the income generated other than as per TAMP Rate)	2123.29	1929.73	1899.34
* As considerded by us in Form - 1 (Total railway operational Expenditure incurred)	2487.57	2326.23	2229.40
(c) Allocated FME - Contribution to Retirement Benefit Funds			
As Considered by KOPT in Form -1 (Proportionate Expenses on the income generated other than as per TAMP Rate)	2320.39	2498.35	4533.38
* As considerded by us in Form - 1 (Total railway operational Expenditure incurred)	2765.26	3004.19	5560.34
(d) Allocated FME - Others			
As Considered by KOPT in Form -1 (Proportionate Expenses on the income generated other than as per TAMP Rate)	2489.87	2141.05	1728.30
* As considerded by us in Form - 1 (Total railway operational Expenditure incurred)	2940.39	2544.71	2204.91

* In the ratio of about 1.8 the total Railway expenditure bears to the Railway expenditure on the non-TAMP Tariff activities.

Annex - III

Computation of Annual Revenue Requirement of Kolkata Port Trust under Policy for Determination of Tariff for Major Port Trusts 2018

Rs. in Lakhs

Sl. No.	Description	Y1 (2015-2016)	Y2 (2016-2017)	Y3 (2017-2018)
(1)	**Total Expenditure (As per Audited Annual Accounts)**			
(i)	Operating Expenses (Including depreciation)	106145.11	104585.42	117030.87
(ii)	Management & General Overheads	33714.35	35088.74	36200.84
(iii)	Finance & Miscellaneous Expenses	77299.12	79436.34	129362.49
	Total Expenditure 1 = (i)+(ii)+(iii)	217158.58	219110.50	282594.20
(2)	**Less: Adjustments**			
(i)	Estate Related Expenses			
	(a) Operating Expenses (Including depreciation)	4157.14	4857.07	5990.12
	(b) Management & Administrative Overheads	4261.41	5201.55	5049.89
	(c) (i) Allocated FME - Contribution to Retirement Benefit Funds	1154.08	1329.5	2930.31
	(ii) Allocated FME - Others	1241.86	1130.9	1598.66
	Sub Total 2(i)=[(a)+(b)+(c)]	10814.49	12519.02	15568.98
(ii)	Proportionate Railway Related Expenses incurred for income generated other than TAMP rate			
	(a) Operating Expenses (Including depreciation)	5773.07	5173.18	5542.25
	(b) Management & Administrative Overheads	2487.57	2326.23	2229.40
	(c) (i) Allocated FME - Contribution to Retirement Benefit Funds	2765.26	3004.19	5560.34
	(ii) Allocated FME - Others	2940.39	2544.71	2204.91
	Sub Total 2(ii)=[(a)+(b)+(c)]	13966.29	13048.31	15536.90
(iii)	Interest on Loans	0.00	0.00	0.00
(iv)	2/3rd of One Time Expenses, if any like Arrears of wages, Arrears of Pension / Gratuity, Arrears of Ex-gratia Payment etc (List out each of the items)			
	(a) Arrears of Pay & Allowances	0.00	0.00	5407.73
	(b) Arrears of Pension	0.00	0.00	35.46
	Sub-Total 2(iii)=[(a)+(b)]	0.00	0.00	5443.19
(v)	2/3rd of the Contribution to the Pension Fund	22520.84	26193.04	54711.40
(vi)	Management & Gen.Overheads over & above 25% of the aggregate of the Operating expenditure & Depreciation	2911.65	3922.17	2546.93
(vii).	**Expenses relevant for tariff fixation of Captive Berth, if any governed under clause 2.10. of the Tariff Policy, 2015.**			
	(a). Operating Expenses	0.00	0.00	0.00
	(b). Depreciation	0.00	0.00	0.00
	(c). Allocated Management and Administrative Overheads	0.00	0.00	0.00
	(d). Allocated FME	0.00	0.00	0.00
	Subtotal 2(vi) = [(a)+(b)+(c)+(d)]	0.00	0.00	0.00
(viii).	Dredging subsidy received from the Ministry:	27555.00	16250	16739
(ix)	Reimbursement of On Board handling Charge of Container to CDLB	3398.16	3668.57	3806.47
	Total of 2 = 2(i)+2(ii)+2(iii)+2(iv)+2(v)+2(vi)+2(vii)+2(viii)+2(ix)	**81166.43**	**75601.11**	**114352.86**
(3).	**Total Expenditure after Total Adjustments : [3 = 1 - 2(i)-2(ii)-2(iii)-2(iv)-2(v)-2(vi)-2(vii)-2(viii)-2(ix)]**	**135992.15**	**143509.39**	**168241.34**

Computation of Annual Revenue Requirement of Kolkata Port Trust under Policy for Determination of Tariff for Major Port Trusts 2018				
				Rs. in Lakhs
Sl. No.	**Description**	**Y1 (2015-2016)**	**Y2 (2016-2017)**	**Y3 (2017-2018)**
(4).	**Average Expenses of Sl. No. 3 = [Y1 + Y2 + Y3] / 3**	**149247.63**		
(5)	Add: 1/3rd Expenses relating to arrears of pension, pay & allowances	1814.40		
(6)	Total average expenses (4 + 5)	**151062.02**		
(7).	**Capital Employed**			
	(i). Net Fixed Assets as on 31.03.2018 (As per Audited Annual Accounts)	81501.46		
	(ii). Add:Work in Progress as on 31.03.2018 (As per Audited Annual Accounts)	13754.92		
	(iii). Less: Net value of Fixed assets related to Estate activity as on 31.03.2018 as per Audited Annual Accounts.	6284.77		
	(iv). Less : Net value of fixed assets, if any, transferred to BOT operator as on 31 March 2018 as per Audited Accounts.	0.00		
	(v). Less : Net value of fixed assets as on 31 March 2018 as per Audited Accounts relevant to be considered for captive berths, if any, under clause 2.10. of the Tariff Policy, 2015.	0.00		
	(vi). Less: Proportionate Net value of Fixed assets related to Railway activity as on 31.03.2018 as per Audited Annual Accounts.	5011.98		
	(vii). Add : Working Capital as per norms prescribed in clause 2.5. of the Working Guidelines	0.00		
	(a). Inventory	431.37		
	(b). Sundry Debtors	6368.30		
	(c). Cash	22257.44		
	(d). Sum of (a)+(b)+(c)	29057.11		
	(viii). Total Capital Employed [(i)+(ii)-(iii)-(iv)-(v)-(vi)+(vii)(d)]	**113016.74**		
(8).	**Return on Capital Employed 16% on Sl. No. 7(viii)**	**18082.68**		
(9).	**Annual Revenue Requirement (ARR) as on 31 March 2018 [(6)+(8)]**	**169144.70**		
(10).	**Indexation in the ARR @ 100% of the WPI applicable for the year 2018-19 i.e @ 3.45% [(9) * 1.0345)]**	174980.19		
(11).	**Indexation in the ARR @ 100% of the WPI applicable for the year 2019-20 i.e @ 4.26% [(10) * 1.0426)**	**182434.35**		
(12).	**Revenue Estimation at the Proposed SOR within the Ceiling indexed ARR estimated at Sl No. 11 above**	**177559.00**		

Annex - IV

Comparison of conditionalities of the existing Scale of Rates (SOR) vis-à-vis Conditionalties of the proposed SOR.

Sl. No.	Schedule No.	Conditionalities as per existing SOR	Schedule No.	Conditinalities as per proposed SOR	Reasons/ Justification for amendments in conditionalities	Our Remarks
	S.3	**General Principles of Assessment**	S.3	**General Principles**		
	(vi)		(vi)			
1	(a)	Vessel related charges shall be levied on the Ship Owners/Steamer Agents. Wherever rates have been denominated in US Dollar terms, the charge shall be recovered in Indian Rupees after conversion of US currency to Indian Rupee at the **Reserve Bank of India's Reference Rate**. The date of entry of vessel into port limit shall be reckoned as the date for such conversion.	(a)	Vessel related charges shall be levied on the Ship Owners/Steamer Agents. Wherever rates have been denominated in US Dollar terms, the charge shall be recovered in Indian Rupees after conversion of US currency to Indian Rupee at the reference rate published by **Financial Benchmark India Pvt. Ltd**. The date of entry of vessel into port limit shall be reckoned as the date for such conversion.	Reserve Bank of India (RBI) has stopped publishing the reference rate from 09.07.2018. Further by press release dated 04.07.2018 RBI had authorized Financial Benchmark India Pvt. Ltd. to publish the reference rate for USD/INR w.e.f 10.07.2018.	Clause 5.6.1 of the Working Guidelines issued to operationalize the Tariff Policy, 2018 requires the Major Ports to consider the Reference Rate notified by the Reserve Bank of India or the market buying rate notified by State Bank of India. The said stipulation has been uniformly prescribed in the SOR of all Major Port Trusts. The notes proposed by KOPT are modified to reflect the position as stipulated in the Working Guidelines.
2	(b)	Container related charges denominated in US dollar terms shall be collected in equivalent Indian Rupees based on the **Reserve Bank of India Reference Rate** prevalent on the date of entry of the vessel in case of import containers; and on the date of arrival of the containers into port, in case of export containers.	(b)	Container related charges denominated in US dollar terms shall be collected in equivalent Indian Rupees based on the **reference rate published by Financial Benchmark India Pvt. Ltd** prevalent on the date of entry of the vessel in case of import containers; and on the date of arrival of the containers into port, in case of export containers.	Reserve Bank of India has stopped publishing the reference rate from 09.07.2018. Further by press release dated 04.07.2018 RBI had authorized Financial Benchmark India Pvt. Ltd. to publish the reference rate for USD/INR w.e.f 10.07.2018.	

3	(b)	The cargo /container related charges for all Coastal cargo/containers, other than thermal coal, POL including crude oil, **Iron Ore** and Iron Ore Pellets, should not exceed 60% of the normal cargo/container related charges.	(b)	The cargo /container related charges for all Coastal cargo/containers, other than Thermal coal, POL including Crude oil, **Iron Ore Fines, Iron Ore Lumps,** Iron Ore Pellets **and all forms of iron ore in dry bulk form**, should not exceed 60% of the normal cargo/container related charges.	Iron Ore in all forms has been included to avoid confusion.	The existing provision has been prescribed uniformly across SOR of all Major Port Trusts, based on the Policy direction issued by the Ministry of Shipping. The existing provision shall, therefore, remain unaltered.
	(e)	<u>Criteria for levy of Cargo Related Charges (CRC) at Concessional Coastal rate</u> (i).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: (a). Converted to coastal run and carrying coastal cargo from any Indian Port and destined for any other Indian Port. (b).Not converted* to coastal run but carrying coastal cargo from any Indian Port and destined for any other Indian Port.	(e)	<u>Criteria for levy of Cargo Related Charges (CRC) at Concessional Coastal rate</u> (i). 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: (a). Converted to coastal run and carrying coastal cargo from any Indian Port and destined for any other Indian Port. (b). 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.		

		* 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. (ii).In case of a Foreign flag vessel converted to coastal run on the basis of a Special 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.		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. (ii).In case of a Foreign flag vessel converted to coastal run on the basis of a Special 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. (iii).Coastal goods transported between an Indian port on east coast and another Indian port on west coast or vice versa, by a vessel through the territorial waters of Sri Lanka, whether or not calling any port in Sri Lanka in between and without change of vessel in terms Notification No.38/2018-Customs (N.T.) dated 11 May 2018 of Central Board of Indirect Taxes and Customs shall be eligible for concession in cargo related charges. (iv).Coastal goods transported between an Indian port on east.	Reference TAMP order No. TAMP/53/2015-VOCPT dated 25.09.2018	The proposed modification is in line with the TAMP order no. TAMP/53/2015-VOCPT dated 25.09.2018. Hence, the proposed change in the clause is approved.
4	(b)	The rate of penal interest will be **16.75%**. The penal interest rate will apply to both the KOPT and the port users equally.	(b)	The rate of penal interest will be **15 % p.a**. The penal interest rate will apply to both the KOPT and the port users equally.		The proposed modification is in line clause 5.5.1 of the Working Guidelines,

						2018. Hence, the proposed change in the clause is approved.
5	(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.	(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 Licence for Specified Period or Voyage issued by the Director General of Shipping and a custom conversion order.	Reference TAMP order no. TAMP/53/2015-VOCPT dated 10.06.2016	The proposed modification is in line with the TAMP order no. TAMP/53/2015-VOCPT dated 10.06.2016. Hence, the proposed change in the clause is approved.

	(b)	<u>Criteria for levy of Vessel Related Charges (VRC) at Concessional Coastal rate and foreign rate</u> (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.		<u>Criteria for levy of Vessel Related Charges (VRC) at Concessional Coastal rate and foreign rate</u> (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.		
6		(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.	(b)	(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. (iv).Coastal goods transported between an Indian port on east coast and another Indian port on west coast or vice versa, by a vessel through the territorial waters of Sri Lanka, whether or not calling any port in Sri Lanka in between and without change of vessel in terms Notification No.38/2018-Customs (N.T.) dated 11 May 2018 of Central Board of Indirect Taxes and Customs shall be eligible for concession in vessel related charges.	Reference TAMP's order reference no. TAMP/53/2015/ VOCPT dated 25.09.2018. Reference TAMP's order no. TAMP/53/2015/ VOCPT dated 25.09.2018.	The proposed modification is in line with the TAMP order no. TAMP/53/2015-VOCPT dated 25.09.2018. Hence, the proposed change in the clause is approved. The proposed modification is in line with the TAMP order no. TAMP/53/2015-VOCPT dated 25.09.2018.

				(v) Coastal goods transported between an Indian port on east coast and a river port in India or vice versa, by a vessel through a route passing through the Bangladeshi waters and without change of vessel in terms Notification No.38/2018Customs (N.T.) dated 11 May 2018 of Central Board of Indirect Taxes and Customs shall be eligible for concession in vessel related charges. (vi) (a) As per Clause 6 of the Standard Operating Procedure (SOP) for operation of Indo Bangladesh Coastal Shipping Agreement (given below), the vessels entering into India from Bangladesh under the Coastal Shipping Agreement between India and Bangladesh are note to be treated as foreign going (FG) vessels. (b) Port and other charges: (i) Port dues to be levied by the Major Port Trust on the entry of vessels of the Republic of Bangladesh into India under the Coastal Shipping Agreement between the two countries and engaged in inter country trade, will be treated as domestic vessel engaged in coastal shipping and not as Foreign Going (FG) vessels. (ii) The Major Port Trust shall also on the vessels of the Republic of	Reference TAMP's order no. TAMP/4/2004/Genl dated 16.12.2016. Reference TAMP's order no. TAMP/4/2004/Genl dated 16.12.2016 Reference TAMP's order no. TAMP/4/2004/Genl dated 16.12.2016	Hence, the proposed change in the clause is approved. The proposed modification is in line with the TAMP order no. TAMP/4/2004-Genl dated 16.12.2016. Hence, the proposed change in the clause is approved

				Bangladesh levy charges for conservancy, pilotage and other specific services at par with those charged from the coastal vessels. The charges will be determined with reference to cargo carrying capacity of the vessels, as applicable to coastal vessels, as applicable to coastal vessel engaged in coastal shipping. Note: (1). The provisions prescribed at (iv) and (v) above shall be subject to adherence to the provisions prescribed in the Order No. TAMP/53/2015-VOCPT dated 26 November 2015 and amendment Order No. TAMP/53/2015-VOCPT dated 10 June 2016. (2). Provisions prescribed at (vi) above will be governed by Standard Operating Procedure (SOP) for operation of Indo-Bangladesh Coastal Shipping Agreement.		
7	(c)	The corresponding vessel related rates should be applied depending on the status of the vessel at the time of the incidence of such charge.	**--**	**--**	This clause does not have further relevance in view of the clauses added at S.3 XV (b) above.	Based on the judgment of the Port, the proposed deletion of clause is approved.
	(xxiii)	**ANNUAL ESCALATION (Except for SOR prescribed under Part – IX)**	(xxii)	**ANNUAL ESCALATION (Except for SOR prescribed under Part – IX)**		
8	(a)	All the rates prescribed in this SOR shall be indexed annually to inflation to the extent of 100% of the variation in Wholesale Price Index (WPI) announced	(a)	The SOR **(except Part – IX) is subject to automatic annual indexation at 100% of the WPI to be annually announced by the Authority. The**	Part IX is regard to charges for authorized service provider and hence the same has been excluded from automatic annual indexation.	Based on the reasons given by the port, the proposed

		by the Government of India occurring between 1 st January 2014 and 1st January of the relevant year. Such automatic adjustment of SOR will be made every year and the adjusted SOR will come into force from 1st April of the relevant year to 31st March of the following year.		**next annual indexation will be from 1 April 2021 subject to the either of KDS or HDC or both achieving the Performance Standards prescribed in below. If Performance Standards prescribed in the SOR are not achieved, there will be no indexation in SOR for that particular year.** **In case any dock system is able to achieve the performance standard set for it and the other does not, then the dock system which is able to achieve the performance standard set for it would be eligible for the automatic annual indexation. In case any Dock System achieves the benchmark for any one for more than one activity but is not able to achieve the performance standard set for other activities, the concerned dock system would be eligible for the automatic annual indexation of the activity against which it is able to achieve the performance benchmark**	As KDS and HDC are two separate docks and as they function separately it has been proposed that if any dock system is able to achieve the performance standard set for it, said dock system would be eligible for the automatic annual indexation Further, it has also been proposed that in case Benchmark for any specific activity is achieved by a Dock System, the concerned Dock System may be eligible for increase in rate of the said activity.	change in the clause is approved. However, the applicability of indexation is changed to 1st May 2020 in line with uniform prescription in the SOR across all Major Port Trusts. The first indexation will be applicable from 2020-21 onwards, if the KOPT achieves the performance standers in the year 2019-20.
	S.4	**Wharfage:**	S.4	**Wharfage:**		
		Liquids/ Gas handled through pipeline		**Liquids/ Gas handled through pipeline**		
9	2	Ammonia ; Aviation Turbine Fuel; Furnace Oil; High Speed Diesel; Light Diesel Oil; Lubricating Oil; Superior Kerosene Oil; Motor Spirit; Paraxylene; Slack Wax; Ship's bunker; POL/POL products and any other liquid /gas having a flash point of 23^{0}C (73.4^{0}F) or above, if not otherwise specified;	2	Ammonia ; Aviation Turbine Fuel; Furnace Oil; High Speed Diesel; Light Diesel Oil; Lubricating Oil; Superior Kerosene Oil; Motor Spirit; Paraxylene; Slack Wax; Ship's bunker; **Bitumen;** POL/POL products and any other liquid /gas having a flash point of 23^{0}C (73.4^{0}F) or above, if not otherwise specified;	Bitumen has been included as the said cargo is being currently handled and was not mentioned in the earlier SOR. Bitumen is similar to other cargo in this group.	Based on the reasons given by the port, the proposed insertion of commodity i.e. Bitumen in the schedule is approved.

10	4.	Naphtha; LPG; Butadiene; Butane; Butene; Benzene; Py Gas; Propane; Hexane ; N-Hexane	4.	Naphtha; LPG; Butadiene; Butane; Butene; Benzene; Py Gas; Propane; Hexane ; N-Hexane, CBFS; **Reformate**;	Reformate is currently being handled and was not mentioned in the earlier SOR. This product is similar to other cargo in the group**.**	Based on the reasons given by the port, the proposed insertion of commodity i.e. Reformate in the schedule of is approved.
11	5.	Ethylene Glycol; Ethyl Hexanol; Methyl Alcohol; Acids; Fatty Acids; Mineral Oil; Tallow; Alcohol; Palm Stearin.	5.	Ethylene Glycol; **MEG (Monoethylene Glycol); Di-ethylene Glycol ;** Ethyl Hexanol; Methyl Alcohol; Palm Stearin; Acids; Fatty Acids; Mineral Oil; Tallow; Alcohol; **Ether; Caustic Soda.**	New cargo of similar nature has been added in the existing group.	Based on the reasons given by the port, the proposed insertion of commodities i.e. **MEG (Monoethylene Glycol); Di-ethylene, Glycol Ether; Caustic Soda;** in the schedule is approved.
12	9.	Iron Ore ;	9.	Iron Ore**; Iron Ore pellets; Iron Ore lumps; Iron Ore Fines and all other forms of iron ore handled in dry bulk mode**	All types of Iron ore have been specified to avoid confusion.	Based on the reasons given by the port, proposed change in the clause is approved.
13	13.	Iron Ore; Iron Ore pellets;	13.	Iron Ore; Iron Ore pellets; **Iron Ore lumps; Iron Ore Fines and all other forms of iron ore handled in dry bulk mode**	All types of Iron ore have been specified to avoid confusion.	
14	14.	Limestone; Coking Coal; Petroleum Coke; Metallurgical Coke; Bauxite; Manganese Ore; All types of Coal / Coke / Ore not specified; Sponge Iron; Pig Iron; All other Dry Bulk Cargo, not specified;	14.	Limestone; Coking Coal; Petroleum Coke; Bauxite; Manganese Ore; All types of Coal / Coke / Ore not specified; Sponge Iron; Pig Iron; Gypsum; Mill Scale; All other Dry Bulk Cargo, not specified;	Grouping of Gypsum changed from 15 to 14 and Mill Scale from 16 to 14 (u/s 4.1). This was done for applying uniform wharfage for dry bulk cargo having similar type of handling and productivity.	Based on the reasons given by the port, the proposed regrouping of commodity in the

15	15.	Wheat; Rice; Pulses; Peas; Rapeseed; Cereals & their products ; Bulgur wheat; Corn Soya blend; Milk powder; Seeds of all kinds; Sugar (both raw and refined);Bran; News Print; Gypsum; Slag ; Soda (Caustic or Ash); Cement; Clinker;	15.	Wheat; Rice; Pulses; Peas; Rapeseed; Cereals & their products ;Bulgur wheat; C``orn Soya blend; Milk powder; Seeds of all kinds; Sugar (both raw and refined);Bran; Metallurgical Coke; News Print; Slag ; Cement; Clinker;	Grouping of Metallurgical Coke changed from 14 to 15 (u/s 4.1). This was done for applying uniform wharfage for dry bulk cargo having similar type of handling and productivity.	schedule is approved.
16	16.	Mill Scale; Magnesite; Granite; All types of Scrap; Oil Cake; Bone & Bone Meal; Mica Block/flake/spitting/waste/scrap/powder; Nonferrous metals of all kinds except ingots of Zinc /Aluminum/ Copper/ Lead; Ammonium Sulphate; Ammonium Nitrate; Lead Concentrate; Plywood; Fire Bricks & other Refractory Materials; CI goods; Rock Phosphate, Sulphur & Other Fertilizer raw materials. Murate of Potash (MOP), DiAmmonium Phosphate (DAP), Urea and other Finished Fertilizers; Asphalt pitch (including Coal Tar pitch); Bitumen; Carbon Black; Spare Bags; Jute, Gunnies, Jute Products/ waste/caddies/twist/ cuttings; Hemp; Vegetable Fibers; Raw wool; Asbestos raw/fiber; Synthetic resin/ yarn/rag; Asbestos raw/ fibre; Cotton piece goods; Waste Paper; Wood Pulp; Shellac; Seedlac; Glass Sheet; Glass ware/products; Porcelain ware/products; Hides & Skins; Hosiery Goods; Garment; Leather and its products; Ship Store; Dunnage;	16.	Mill Scale; Magnesite; Granite; All types of Scrap; Oil Cake; Bone & Bone Meal; Mica Block/flake/spitting/waste /scrap/ powder; Nonferrous metals of all kinds except ingots of Zinc/ Aluminum/Copper/Lead; Ammonium Sulphate; Ammonium Nitrate; Lead Concentrate; Plywood; Fire Bricks & other Refractory Materials; CI goods; **Soda (Caustic or Ash);** Rock Phosphate, Sulphur & Other Fertilizer raw materials; Murate of Potash (MOP), DiAmmonium Phosphate (DAP), Urea and other Finished Fertilizers; Asphalt pitch (including Coal Tar pitch); Bitumen; Carbon Black; Spare Bags; Jute, Gunnies, Jute Products/ waste/caddies/twist/ cuttings; Hemp; Vegetable Fibers; Raw wool; Asbestos raw/fiber; Synthetic resin/ yarn/rag; Asbestos raw/ fibre; Cotton piece goods; Waste Paper; Wood Pulp; Shellac; Seedlac; Glass Sheet; Glass ware/products; Porcelain ware/products; Hides & Skins; Hosiery Goods; Garment; Leather and its products; Ship Store; Dunnage;	Grouping of Soda (Caustic or Ash) Changed from 15 to 16 (u/s 4.1). This was done for applying uniform wharfage for dry bulk cargo having similar type of handling and productivity.	

		All other cargo not specified but handled in bags;		All other cargo not specified but handled in bags;		
17	S.4.2. Sl. No. 1	Crude oil, POL and POL products, Thermal Coal, Iron Ore and Iron Ore pellets	S.4.2. Sl. No. 1	**Crude oil, POL and POL products, Thermal Coal,** Iron Ore; Iron Ore pellets; Iron Ore lumps; Iron Ore Fines and all other forms of iron ore handled in dry bulk mode	All types of Iron ore have been specified to avoid confusion.	Since the policy direction given by the MOS specifically excludes only iron ore and iron ore pellets from enjoying the coastal concession, the existing provision in the prevailing SOR of KOPT shall remain unaltered.

<table>
<tr>
<td>18</td>
<td>S.4.5.</td>
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<table>
<tr><td>Description of operation</td><td>Charges leviable at saugar / Sandheats /Virtual Jethy / any other anchorage point /mooring</td><td>Charges leviable at Jetty /Berth of KDS/HDC</td></tr>
<tr><td>a).Dry Bulk cargo discharged at the at Saugor / Sandheads / Virtual Jetty/ any other anchorage point/ mooring and proceed for subsequent unloading at Floating Cargo Handling Facilities upstream of 3rd Oil Jetty at HDC or vice versa.</td><td>25% of the wharfage rate as specified at S 4.1 and S.4.2</td><td>75% of the wharfage rate as specified at S 4.1 and S.4.2</td></tr>
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</table>
</td>
<td>A consolidated rate has been proposed for handling cargo at the floating jetty at HDC. Therefore charging separate wharfage rate does not seem applicable in case of HDC.</td>
<td>Proposed change is approved in view of prescription of consolidated rate approved by this Authority for handling cargo at the floating jetty at HDC.</td>
</tr>
<tr>
<td>19</td>
<td>S.4.5 (b)</td>
<td>i) Iron Ore</td>
<td>S.4.5 (b)</td>
<td>i) Iron Ore; Iron Ore pellets; Iron Ore lumps; Iron Ore Fines and all other forms of iron ore handled in dry bulk mode</td>
<td>All types of Iron ore has been specified to avoid confusion.</td>
<td>For reason given earlier, the proposed modification is not approved.</td>
</tr>
</table>

<table>
<tr><td>20</td><td></td><td></td><td>S.4.12</td><td><u>Cargo Handling Charge for Dry Bulk cargo handled at Floating Cargo Handling Jetty at HDC:</u>
Consolidated Cargo Handling Charges involving Barge to Interim storage Transfer by use of Floating Crane & conveyer System, Providing Pay loader on board, subsequent loading at interim storage and transfer from interim Storage to storage yard inside Dock and unloading of cargo there at.
<table><tr><td>Cargo classified under S.4.1.14</td><td>Cargo classified under S.4.1.15</td><td>Cargo classified under S.4.1.16</td></tr><tr><td>258.01</td><td>272.83</td><td>302.47</td></tr></table>
Note:
(i). For handling of all coastal Cargo other than Thermal Coal,
Iron Ore; Iron Ore pellets 60% of the above rate will be applicable.

ii). No other cargo charges shall be levied for handling at the Floating Cargo Handling Jetty at HDC except for the charges mentioned at 4.12 and 6.4.</td><td>KoPT had proposed levy of a consolidated rate against handling of Cargo at the Floating Cargo Handling Jetty at Haldia to TAMP. Based on the rates included in the proposal, the consolidated rate of handling at the said jetty has been proposed in two parts viz Consolidated Cargo Handling Charges upto Storage Yard involving Barge to Interim storage Transfer by use of Floating Crane & conveyer System, subsequent loading at interim storage and transfer from interim Storage to storage yard inside Dock and unloading thereat (S.4.12) and Consolidated Charges towards Services at Storage Yard including Heaping High Heaping, Loading for Delivery, Despatch Related Services and Cleaning but excluding Weighment. (S.6.4).</td><td>This Authority vide its Order no. TAMP/68/2018-KOPT dated 14 June 2018 has prescribed charges for handling of dry bulk cargo at Floating Barge Jetty at HDC of KOPT. The said rates alongwith a proposed increase of 10% has been proposed by the Port in bifurcation at S 4.12 and S 6.4. The KOPT has furnished working in support of the rates. The said provision is approved.</td></tr>
<tr><td></td><td>S.5</td><td>On board handling charges:</td><td>S.5</td><td>On board handling charges:</td><td></td><td></td></tr>
<tr><td>21</td><td>S.5.2 Sl. No. 1</td><td>Crude oil, POL and POL products, Thermal Coal, Iron Ore and Iron Ore pellets</td><td>S.5.2 Sl. No. 1</td><td>Crude oil, POL and POL products, Thermal Coal, Iron Ore; Iron Ore pellets; Iron Ore lumps; Iron Ore Fines and all other forms of iron ore handled in dry bulk mode</td><td>All types of Iron ore have been specified to avoid confusion.</td><td>For the reason given earlier, the proposed modification is not approved.</td></tr>
<tr><td></td><td>S.6</td><td>Shore Handling Charges</td><td>S.6</td><td>Shore Handling Charges</td><td></td><td></td></tr>
</table>

22	S.6.1 (4). (iii)	Transfer of Thermal Coal (other than through mechanical system), from unloading point to Stack point, including loading at unloading point and unloading at Stack point. **₹.60.63**	S.6.1 (4). (iii)	Transfer of Thermal Coal (other than through mechanical system), from unloading point to Stack point, including loading at unloading point and unloading at Stack point. **₹.88.91**	The rate proposed is same as per clause S.6.1 (iv) considering the similarity of service and the cost involved.	Based on the reasons given by the port and since no users have specifically objected for the proposed rate and since the KOPT Board has approved the rate, the proposed increase in the rate is approved.
23	S.6.1 (4). (iv)	Transfer of Thermal Coal (other than through mechanical system), from stack point/ unloading point to Hook point, including loading at stack point/ unloading point and unloading at hook point **as well as heaping of cargo for vessel feeding.**	S.6.1 (4). (iv)	Transfer of Thermal Coal (other than through mechanical system), from stack point/ unloading point to Hook point, including loading at stack point/ unloading point and unloading at hook point.	The service of heaping of cargo for vessel feeding has been deleted and will be charged extra as per S.6.3. This is required as the tariff is lower than the charge payable to the contractor providing the service.	- Do-
	5.		5			
24	S.6.1 (5). (i)	Tippling of Iron ore wagon by Wagon Tippler	S.6.1 (5). (i)	Tippling of Iron Ore; Iron Ore pellets; Iron Ore lumps; Iron Ore Fines and all other forms of iron ore handled in dry bulk mode wagon by Wagon Tippler	All types of Iron ore have been specified to avoid confusion.	Since the proposed change gives clarity to the users, the proposed modification is approved.
25	S.6.1 (5). (ii)	Manual unloading of Iron Ore Wagon	S.6.1 (5). (ii)	Manual unloading of Iron Ore; Iron Ore pellets; Iron Ore lumps; Iron Ore Fines and all other forms of iron ore handled in dry bulk mode Fines from Wagon	All types of Iron ore have been specified to avoid confusion.	-do-

26	iii)	Transfer of Iron Ore (other than through mechanical system), from unloading point to Stack point, including loading at unloading point and unloading at Stack point.	S.6.1 (5). (iii)	Transfer of Iron Ore; Iron Ore pellets; Iron Ore lumps; Iron Ore Fines and all other forms of iron ore handled in dry bulk mode (other than through mechanical system), from unloading point to Stack point, including loading at unloading point and unloading at Stack point..	All types of Iron ore have been specified to avoid confusion. The rate proposed is same as per clause S.6.5 (iv) considering the similarity of service and the cost involved.	-do-
27	iv)	Transfer of Iron Ore (other than through mechanical system), from stack point/ unloading point to Hook point, including loading at stack point/ unloading point and unloading at hook point as well as heaping of cargo for vessel feeding.	S.6.1 (5). (iv)	Transfer of Iron Ore; Iron Ore pellets; Iron Ore lumps; Iron Ore Fines and all other forms of iron ore handled in dry bulk mode (other than through mechanical system), from stack point/ unloading point to Hook point, including loading at stack point/ unloading point and unloading at hook point.	All types of Iron ore have been specified to avoid confusion. The service of heaping of cargo for vessel feeding has been deleted and will be charged extra as per S.6.3. This is required as the tariff is lower than the charge payable to the contractor providing the service.	-do-
28	S.6. 2	For supply of KoPT's manpower with/without equipment for shore handling of Coastal cargo, other than Crude Oil, POL and POL Products,	S.6.2	Shore handling charge for coastal cargo (other than Crude oil, POL and POL products, Thermal Coal, Iron Ore; Iron Ore pellets; Iron Ore lumps;	All types of Iron ore have been specified to avoid confusion.	For the reason given earlier, the proposed modification is not approved.
	S.6.3	**Charges for Heaping /High heaping and/or Despatch Related Services for dry bulk cargo:**	S.6.3	**Charges for Heaping /High heaping and/or Despatch Related Services for dry bulk cargo:**		
29	a)	Despatch related services for rail borne cargo handled through MHC Berths of HDC, including cleaning, trimming, labelling, lime spraying **and weighments.** **Note: If due to any reason, the service of weighment cannot be provided by the port, the prescribed rate for weighment charge available at Sl. no. 6 of S.16.1 in the SOR of KOPT may be considered as a discount.**	S.6.3.2 (a)	Despatch related services for rail borne cargo handled through MHC Berths of HDC, including cleaning, trimming, labelling and lime spraying.	Weighment charges have been excluded from despatch related services for simplification of delivery procedure. Charges for weighment service availed will be applicable as given at S.16.1.6.	Based on the submissions made by the port and keeping in view the flexibility available to the port to determine the rates based on the market forces and commercial judgment of the port and since there is no

						pointed objection from any of the users/ user organisation on the proposed exclusion of weighment activity from the clause, this Authority is inclined to approve the proposed provision.
30	b)	Despatch related services for road bound cargo, handled through MHC Berths of HDC **including weighments**. Note: If due to any reason, the service of weighment cannot be provided by the port, the prescribed rate for weighment charge available at Sl. no. 6 of S.16.1 in the SOR of KOPT may be considered as a discount.	S.6.3.2 (b)	Despatch related services for road bound cargo, handled through MHC Berths of HDC.	Weighment charges have been excluded from despatch related services for simplification of delivery procedure. Charges for weighment service availed will be applicable as given at S.16.1.6	-Do-
			S.6.4	**Shore Handling Operation of Cargo handled at Floating Cargo Handling Jetty:** **Consolidated Charges towards Services at Storage Yard for Rail / Road bound Cargo** including Heaping High Heaping, Loading for Delivery, Despatch Related Services and Cleaning and vice versa but excluding Weighment:	This is a new section and justification already given at S.4.12	This proposed clause is in line with the TAMP order no. TAMP/68/2018-KOPT dated 14 June 2019 approved by the Authority.
	S.9	**Loading / Unloading / Re-stacking charge**	**S.9**	**Loading / Unloading / Re-stacking charge**		

31	6.	Dry bulk cargo: Loading/Unloading from Wagon Loading/Unloading from Truck [Other than the cargo landed from or shipped / to be shipped through mechanical system]	S.9.1. (6)	Dry bulk cargo: Loading/Unloading from Wagon Loading/Unloading from **Truck or Dumper** [Other than the cargo landed from or shipped / to be shipped through mechanical system]	The word dumper has been added for further clarity.	Since the proposed note gives clarity to the users, the proposed modification is approved.
	S.9.2	**<u>Mobile Harbour Crane Charge:</u>**	**S.9.2**	**<u>Mobile Harbour Crane Charge:</u>**		
32	**(g)**	Note: In case of Coastal cargo, other than Thermal Coal, Iron Ore and Iron Ore Pellets, charges at the rate of 60% of the rates specified shall be levied	**(g)**	Note: In case of Coastal cargo, other than Thermal Coal, Iron Ore; Iron Ore pellets; **Iron Ore lumps; Iron Ore Fines and all other forms of iron ore**	All types of Iron Ore have been specified to avoid confusion**.**	For the reason given earlier, the proposed modification is not approved
	S.10	**<u>Rebate:</u>**	S.10	**<u>Rebate:</u>**		
33		**Note:** The above said rebate shall be granted in the form of refund of wharfage at the end of every financial year (i.e. 1st April to 31st March) on submission of documents by the Importers/ Exporters in support of the throughput achieved.		**Note to S.10:** i) The above said rebate under S.10.2 shall be granted in the form of refund of wharfage at the end of every financial year (i.e. 1st April to 31st March) on submission of documents by the Importers/ Exporters in support of the throughput achieved. ii) The rebate against S.10.1 and 10.2 would not be applicable on cargo handled at anchorages/river mooring /lighterage points.	Note (ii) has been inserted for added Clarity.	Since the proposed change gives clarity to the users, the proposed modification is approved.
	S.14	**<u>Charges for Miscellaneous Services rendered to container/container vessel.</u>**	**S.14**	**<u>Charges for Miscellaneous Services rendered to container/container vessel.</u>**		
34			14.	Container Scanning Charge of loaded EXIM containers through mobile X-ray containers scanner system at KDS.	Separate proposal has been submitted for installation of new service	The KOPT has filed a separate proposal relating to prescription of Container Scanning Charge of loaded EXIM containers through mobile X-ray containers

						scanner system at KDS. The rate as approved by this Authority vide Order no. TAMP/31/2019-KOPT dated 20 February 2020 in this regard, is incorporated in the SOR of KOPT.
	S.16	**Miscellaneous charges**	**S.16**	**Miscellaneous charges**		
35			12(n)	i) Fire tender	New rate for Fire fighting by use of Fire Tender and Use of Shore Pumps is included in the SoR following the procedure prescribed in the working guidelines. Working have been furnished by the Port Fire fighting equipment's are used in rare occasions and its usage cannot be predicted. Thus, there is no possibility of generating revenue. Hence, the revenue impact from there use of these equipment's has not been captured.	Based on the submissions made by the port and keeping in view the flexibility available to the port to determine the rates based on the market forces and commercial judgment of the port and since there is no pointed objection from any of the users/ user organisation on the proposed inclusion of rates, the prescription of proposed charges in the SOR of KOPT is approved.
				ii) Shore pumps (Diesel Driven)		
				iii) Shore Pump (Electric Driven)		
			13.	Hiring charge of each of the following Oil Spill Response equipments:	The rates of use of Oil Pollution Control Equipment procured by HDC have been included in the SOR following the procedure prescribed in the Working Guidelines. It was however observed that considering the fact that the said	
				a)Multi skimmer		
				b)Oil spill dispersant applicator + Shore Cleanup Equipment		
				c)Permanent boom 25 mtr section with accessories		

				d)U Boom 200 mtrs + power pack with accessories	equipments are hired only during a mishap, if the rate is determined by factoring the actual usage, the rate would be exorbitant. As these equipments are required to be kept by Port as a general facility and the cost is generally recovered through other tariff, it was therefore considered that for determination of rate, capacity utilization as per guidelines i.e 70% has been considered. Working have been furnished by the Port. The said equipments are used very rarely. Hence, the revenue impact from the use of these equipments has not been captured.	
				e)Air blower with accessories		
				f)RO Boom with accessories		
				g) Weir Skimmer with accessories		
				h) Flex barge (10 Tonne) with accessories		
				i) Boom Reel with accessories		
36	Note:		Note:	Rate specified for equipments at Sl.No.13 is exclusive of cost of consumables and fuel which would be chargeable extra at cost plus 19.25% supervision cost basis. In case of any tug/launch and/or labours are provided by KOPT for handling the equipment, the charges for the same shall be levied extra as per SOR.	This note is in relation to new section as entered at Sl No. 13 above, prescribing hire charges for use of Fire Fighting Equipment and use of Oil Spill Response Equipment.	Relying on the submission made by the KOPT, the proposed note is approved.
	S.17.	**Permit and Licenses**	**S.17.**	**Permit and Licenses**		
37	8.	Clearing & Forwarding Agency License.	7.	Clearing & Forwarding Agency License ₹. 28500 per license for 10 years.	New rate for issuance of License for 10 years have been proposed for incorporation.	In addition to prescribing charges for issue of Clearing and Forwarding Agency license for a period of 1 month, 1 year, 3 years and 5 years, the KOPT has proposed charges for issue of license for a period of 10

						years, which is seen to be less than double the charges for issue of license for 5 years. The judgment of the port in this regard, is relied upon and the proposed charges for issue of license for 10 years is approved.
38	15.	Permit for using Truck Terminal at HDC/ KDS per truck/ lorry/trailer.	14.	Permit for Pre-gate-cum-parking facility at Coal Dock Road and all other similar facilities at KDS or HDC per truck / lorry / trailer:	This is a new proposition for which approval has already been approved by TAMP.	This clause is in line with the order no. TAMP/74/2018-KOPT 29 March 2019 approved by this Authority.
	S.21	**Berth Hire**	**S.21**	**Berth Hire**		
39	1.	Vessel engaged in Foreign trade and except as specified at Sl. No. 4 (in US Currency)	1.	Vessel engaged in Foreign trade and except as specified at Sl. No. 4 (in US Currency)	The minimum Charge for Berth Hire have been prescribed considering a GRT of 5000 for foreign vessel instead of existing 2000 GRT. In case of Andaman Vessel the same has been prescribed considering a GRT of 2000, instead of existing 1000 GRT. A minimum GRT has been proposed to enable the port to recover the part of expenses being incurred by port on a marine services. The exiting charges do not even cover cost of pilot deployed.	The ITT Shipping Pvt Ltd has opposed to the increase in minimum GRT of Andaman bound vessel to 2000 GRT. However, the port has categorically stated that the existing charges based on minimum 1000 GRT is abnormally low considering the
40	2.	Vessel engaged in Coastal trade other than those plying between Andaman and KOPT and except as specified at Sl. No. 4 (in Indian Currency)	2.	Vessel engaged in Coastal trade other than those plying between Andaman and KOPT and except as specified at Sl. No. 4 (in Indian Currency)		
	3..	Vessel engaged in Coastal trade between Andaman and KOPT (in Indian Currency)	3.	Vessel engaged in Coastal trade between Andaman and KOPT(in Indian Currency)		

						cost of service provided. Based on the submissions made by the port and keeping in view the flexibility available to the port to determine the rates based on the market forces and commercial judgment of the port the prescription of proposed provision is approved.
	Note:		Note:			
41	v)	After completion of cargo work and signalling of readiness if the vessel is shifted to another berth for waiting for sailing, Berth Hire charge at the rate of 50% of the rate specified under S.21.1, shall be levied, provided such waiting has arisen due to nonavailability of sailing tide. The concessional berth hire will be levied only for the period of waiting till the immediate next tide.	v)	After completion of cargo work and signalling of readiness if the vessel is shifted to another berth for waiting for sailing, Berth Hire charge at the rate of 50% of the rate specified under S.21.1, shall be levied, provided such waiting has arisen due to nonavailability of sailing tide. The concessional berth hire will be levied only for the period of waiting till the <u>immediate next sailing tide.</u>	The word "immediate next tide" has been replaced with "immediate next sailing tide" for clarity	Since the proposed amendment is reported to bring in clarity, the said amendment is approved.
	S.21.2	**<u>Priority / Ousting priority charges</u>**.	S.21.4	**<u>Priority / Ousting priority</u> <u>charges</u>**.		
42	**Priority Berthing**	A charge equivalent to 75% of berth hire charges calculated for the total period of actual stayal at the berth subject to a minimum of one day's berth hire charge.	**Priority Berthing:**	A charge equivalent to 75% of berth hire charges calculated for the total period of actual stayal at the working berth subject to a minimum of one day's berth hire charge.	The word "working berth" has been inserted in place of "berth" for better clarity.	Since the proposed amendment is reported to bring in clarity, the said

								amendment is approved.
43	S.21 .5	**PENAL CHARGE FOR NON ACHIEVEMENT OF BENCHMARK PUMPING RATE/ DELAYED SAILING DUE TO REASONS ATTRIBUTABLE TO VESSEL:**		S.21. 5	**PENALTY FOR NON ACHIEVEMENT OF BENCHMARK PUMPING RATE/ DELAYED SAILING DUE TO REASONS ATTRIBUTABLE TO VESSEL & INCENTIVE FOR ACHIEVING HIGHER PUMPING RATE THAN THE BENCHMARK:**			
		Benchmark Pumping Rate:			**Benchmark Pumping Rate of Liquid Bulk Cargo handled at HDC**			
	Sl No	**Cargo**	**Benchmark Pumping Rate [KL/Hr]**	**Sl. No.**	**Commodity**	**Benchmark Pumping Rate (MT/ Hr)**		
				1	**Acetic Acid**	358	Benchmark Pumping rates of different types of liquid bulk cargo that may be handled has been specified.	The KOPT has prescribed the Benchmark pumping rate for 22 more commodities in addition to the existing 13 commodities approved by this Authority. On a specific query, the KOPT has clarified that the average pumping rate achieved by the vessels carrying the respective commodities during the period ranging from April'17 to Jan'19 was considered.
	1	**AMMONIA ANHYDROUS**	**500**	**2**	**Ammonia Anhydrous**	330		
	2	**AVIATION TURBINE FUEL**	**450**	**3**	**Aviation Turbine Fuel**	161		
				4	**Benzene (Export)**	203		
				5	**Benzene (LAB) (Import)**	322		
	13	**BITUMEN**	**300**	**6**	**Bitumen (Export)**	360		
				7	**Bitumen (Import)**	193		
				8	**Butadiene**	159		
	3	**BUTANE**	**800**	**9**	**Butane**	306		
				10	**Butene (Butylene)**	97		
				11	**Caustic Soda**	251		
				12	**CBFS (Carbon Black Feed Stock)**	672		
				13	**Crude Degummed Soya Bean / Sunflower Oil**	450		
	12	**CRUDE OIL (PETROLEUM)**	**2700**	**14**	**Crude Oil**	1854		

				15	**Crude Palm Oil / RBD Palm Oil**	250		The submission made by the KOPT is relied upon and since no users have objected to the proposed Benchmark Pumping Rates and since the proposal has approval of the Board of KOPT, this Authority is inclined to approve the Benchmark Pumping rates as proposed by KOPT.
				16	**DEG (Diethylene Glycol)**	162		
	4	**FURNACE OIL**	**750**	**17**	**Furnace Oil (Export)**	500		
				18	**Furnace Oil (Import)**	589		
	5	**HIGH SPEED DIESEL**	**750**	**19**	**High Speed Diesel**	674		
				20	**Light Diesel Oil**	178		
				21	**Lubricating Oil**	213		
				22	**MEG (Monoethylene Glycol)**	277		
				23	**Methyl Alcohol**	164		
				24	**Methyl Tert Butyl Ether**	319		
	11	**MOTOR SPIRIT**	**550**	**25**	**Motor Spirit**	175		
	6	**NAPHTHA**	**900**	**26**	**Naphtha**	870		
				27	**Nitric Acid**	241		
	8	**PARAXYLENE**	**500**	**28**	**Paraxylene**	403		
				29	**Phosphoric Acid**	452		
	7	**PROPANE**	**650**	**30**	**Propane**	413		
	9	**PY GAS**	**500**	**31**	**PY Gas**	397		
				32	**Reformate**	405		
	10	**SUPERIOR KEROSENE OIL**	**550**	**33**	**Simultaneous discharge of Butane & Propane**	595		
				34	**Sulphuric Acid**	336		
				35	**Superior Kerosene Oil**	225		

				Penalty / Incentive Norms: For the purpose of calculation of the productivity, the working time of the vessel will be calculated from haul in time till completion of cargo work. For failure or success in achieving the stipulated discharge rate, penalty/ incentive will be applicable as follows: (a) If the working time of the vessel (considering hauled in time till completion of cargo work) exceeds the stipulated time based on the above productivity norms by 2 hours or less, then no penalty will be levied	This is basically inline with TAMP order reference - TAMP/67/2018- KOPT dated 18.012019. However certain minor additions / alterations has been made for added clarity.	
44			S.21.6.1	Performance norms for Coal, Cement Clinker, Fertilizer, Gypsum, Iron Ore, Limestone, Manganese Ore and Met. Coke and other dry bulk commodities handled at Berth No-9 of HDC under the various Scenarios	This is in line with TAMP order no. TAMP/19/2018/KOPT dated 08.06.2018. Initially the productivity norm was kept at 75% of the performance norms which was subsequently increased to 85% and has now been proposed at 100% in the instant case.	Review and enhancement of productivity norms is in line with Berthing Policy. This Authority is inclined to approve the revised norms as proposed by KOPT.
45			S.21.7	**Levy of Anchorage / Penal Charge at the reporting stations / Lighterage Points** :-	This is in line with TAMP order no. TAMP/19/2018/KOPT dated 08.06.2018	This is approved.
46			S.21.8. 1	**Benchmark Productivity for Dry Bulk Cargo handled at Kolkata Dock System (KDS) at KOPT**	Already approved by TAMP vide Order no. TAMP/73/2016-KOPT dated 4 January 2017	Agreed**.**
	S.23. 1	Charges shall be levied at the following rates for miscellaneous services to vessels.	S.23.1	Charges shall be levied at the following rates for miscellaneous services to vessels.		
47	6.	Supply of Fresh water:-	6.	Supply of Fresh water **(Including supply of required manpower):-**	The rate for supply of fresh water will include manpower and the same is specified for clarity.	Since the proposed change gives clarity to

								the users, the proposed modification is approved.
	S.24	**<u>Towage & Pilotage of Vessels</u>**		**S.24**	**Towage & Pilotage of Vessels**			
48	Sl.No	**Particulars**	For GRT upto 30000 Rate	Sl.No	**Particulars**	For GRT upto 30000 Rate		The ITT Shipping Pvt Ltd has opposed to the increase in minimum GRT of Andaman bound vessel to 2000 GRT. However, the port has categorically stated that the existing charges based on minimum 1000 GRT is abnormally low considering the cost of service provided. Based on the submissions made by the port and keeping in view the flexibility available to the port to determine the rates based on the market forces and commercial judgment of the port the prescription of
	1	Vessel engaged in Foreign Trade	85.473 cents per GRT subject to a minimum of 1859.55 US $	1	Vessel engaged in Foreign Trade	94.020 cents per GRT subject to a minimum of 4701.00 US $	The minimum Charge for Berth Hire have been prescribed considering a GRT of 5000 for foreign vessel instead of existing 2000 GRT. In case of Andaman Vessel the same has been prescribed considering a GRT of 2000, instead of existing 1000 GRT. A minimum GRT has been proposed to enable the port to recover the part of expenses being incurred by port on a marine services. The exiting charges do not even cover cost of pilot deployed.	
	2	Vessel engaged in Coastal Trade	₹.15.779 per GRT subject to minimum of ₹. 34535.00	2	Vessel engaged in Coastal Trade	₹.17.357 per GRT subject to minimum of ₹. 86,785.00		
	3	Coastal vessel plying between Andaman and KoPT only	₹.15.0485 per GRT subject to a minimum of ₹. 15195.00	3	Coastal vessel plying between Andaman and KoPTonly	₹. 16.5534 per GRT subject to a minimum of ₹. 33107.00		

						proposed provision is approved.
49	S.24 .9		S.24.9	Note: i) In case any vessels while moving between HDC & KDS through Sagar, Middleton, Gasper Intermediate, Eden, Upper Auckland and sometimes via Sandheads due to operational and navigational reasons attributable to KOPT the 50% additional Towage and Pilotage would not be levied. ii) In case the vessels move between HDC & KDS via Sandhead, 50% Pilotage would not be levied if the reason for such movement is due to KOPT's operational/navigational requirement.	The note to Section 24.9 has been inserted to clarify different scenarios. The same has been approved by Board of Trustees.	Since the proposed notes are reported to give clarity, the proposed notes are approved.
	PART VII	**Vessel Related Charges for inland vessel and non-propelled vessel**	**PART-VII**	**Vessel Related Charges for inland vessel and non-propelled vessel**		
50	3	Inland Vessels of 200 tonnes and above handled at Floating Cargo handling Facility at upstream of 3rd Oil Jetty at HD, will be levied Berth hire charges as applicable for Coastal Vessels.	S.27.1 Sl. No. 3	Inland Vessels of 200 tonnes and above handled at Floating Cargo handling Facility at HDC (i) <u>Barge with GRT upto 3000</u>: — ₹.5000 per call (ii) <u>Barge with GRT from 3001-5000</u> — ₹.8000 per call <u>(iii) Barge with GRT from 5001-10000</u> — ₹.16000 per call <u>(iv)Barge with GRT beyond 10000</u> — ₹.24000 per call	Considering the problem associated with recording of exact time for entry and exit of each and every barge at the Haldia Floating Cargo handling jetty for levy Stayal Charge as per Sl. No. 27.1 (3) (due to paucity of manpower), fixed charges has been proposed to be levied on each call of barges.The proposed fixed charges are nominal.	Based on the submission made by the Port and since no user has objected to the proposed fixed charges, the modification is approved.

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.

F. No. TAMP/34/2019-KOPT		**Proposal from Kolkata Port Trust for general revision of its Scale of Rates.**

A summary of the comments of users / user organisations and response of Kolkata Port Trust **(**KOPT) thereon is tabulated below:

Sr. no	Comments of Users / User Organizations	Reply of KOPT
1.	**ITT Shipping (Pvt) Ltd (ITT)**	
a.	ITT is owner and operator of 5 Andaman Bound vessels and regularly plying between Kolkata and Andaman. A statement of comparison of KOPT marine dues after proposed revision shows how it will affect the small ship owner. The extra payable in percentage wise varies from 10.05% to 111.19% from ship to ship. Comparison of KOPT Marine Dues after proposed revision in July 2019	The minimum Charges for Berth Hire and pilotage has been prescribed considering a GRT of 2000 in case of Andaman Bound vessels. This was done to recover a part of the expenses being incurred on account of marine services. The existing minimum charge of ₹. 15195/- per vessels is abnormally low considering the cost of services provided.

BERTH HIRE CHARGES

As per existing rate 2017				
Vessel	GRT	As per Calculation	Subject to minimum	Now playing
Tiger	1042	44.70	43.04	44.70
Lion	1042	44.70	43.04	44.70
Jaguar	1557	66.80	43.04	66.80
Puma	1510	64.80	43.04	64.80
Leopard	2546	109.20	43.04	109.20

As per proposed revision : July 2019				Remarks	
Vessel	As per Calculation	Subject to minimum	Payable on revision	Extra payable	% of extra payable
Tiger	49.18	94.40	94.40	49.70	111.19
Lion	49.18	94.40	94.40	49.70	111.19
Jaguar	73.50	94.40	94.40	27.60	41.32
Puma	71.27	94.40	94.40	29.60	45.68
Leopard	120.17	94.40	120.17	10.97	10.05

PILOTAGE CHARGES

As per existing rate 2017				
Vessel	GRT	As per Calculation	Subject to minimum	Now playing
Tiger	1042	15680.50	15195	15681
Lion	1042	15680.50	15195	15681
Jaguar	1557	23430.50	15195	23431
Puma	1510	22723.20	15195	22723
Leopard	2546	38313.48	15195	38313

As per Proposed revision July 2019					
Vessel	As per Calculation	Subject to minimum	Payable on revision	Extra payable	% of extra payable
Tiger	17248.60	33107	33107	17426	111.13
Lion	17248.60	33107	33107	17426	111.13
Jaguar	25773.60	33107	33107	9676	41.30
Puma	24995.60	33107	33107	10384	45.70
Leopard	42144.95	33107	42144	3831	10.00

Sr. no.	Heads	Old Rate of 2014	Existing Rate of effective 12.01.17	Proposed revision in July 2019	Percentage increase
1	Port Dues	₹. 6403 per GRT	₹. 7395 per GRT	₹. 8.135 per GRT	10%

<table>
<tr><td></td><td><table>
<tr><td>2</td><td>Inward & Outward Pilotage charges</td><td>₹. 13.029 per GRT subject to Minimum of ₹. 37.26 per Hour</td><td>₹. 15.0485 per GRT Subject to minimum of ₹. 15195/-</td><td>₹. 16.5535 per GRT Subject to a minimum of ₹. 33107/-</td><td>10%
117.80%</td></tr>
<tr><td>3</td><td>Berth Hire charges</td><td>₹. 0.0372 per GRT/Hr. Subject to Minimum of ₹. 37.26 per Hour</td><td>₹. 0.0429 per GRT/Hr. Subject to a minimum of ₹. 43.03/- per hour.</td><td>₹. 0.0472 per GRT/Hr. Subject to a minimum of ₹. 94.40 per hour</td><td>10%
119.30%</td></tr>
<tr><td>4</td><td>Shifting Charges</td><td>₹. 3.45 per GRT subject to Minimum of ₹. 3450 each shifting</td><td>₹. 3985 per GRT Subject to minimum of ₹. 3985/- each shifting</td><td>₹. 4384 per GRT Subject to a minimum of ₹. 4384/- each shifting</td><td>10%
10%</td></tr>
</table></td><td></td></tr>
<tr><td>b.</td><td>The shipping service are considered the life line of A&N Islands as the islanders are totally depending on the supply of Mainland for their day to day living. All suppliers from eastern part of the mainland are moving through KOPT. Considering this aspect, the KOPT has always extended their helping hand for the welfare of the people of A&N Islands by way of granting special concessional rate for Andaman Bound vessels. ITT is small owner and operator of the vessels but it is the biggest user of KOPT in terms of the Andaman Bound Cargo and a major user of KOPT Dry Docks in terms of number of ships dry docked every year.</td><td></td></tr>
<tr><td>c.</td><td>In view of the above, it is proposed to increase the berth charges, pilotage charges at the flat rate of 10%.</td><td></td></tr>
<tr><td>2.</td><td>Allied ICD Services Ltd (AICD)</td><td></td></tr>
<tr><td></td><td>In the Draft SOR, the Inland Container Depot (ICD) and Container Freight Station (CFS) have been segregated as given below:</td><td rowspan="3">Reduction in free time for ICD containers moving by road has been introduced for decongesting the docks.</td></tr>
<tr><td>(i).</td><td>Inland Container Depot to get 20 days free time if import container are moved by Rail. However, import containers moving to ICD is treated as CFS cargo, which is not correct as per All India Practice by all Major Ports in India.</td></tr>
<tr><td>(ii).</td><td>ICD and CFS are custom bonded in transit facilities. The only difference being that CFS is located near the port and the ICD is located in the hinterland. CFSs are normally connected by road and ICD are connected by both rail and road.
In all major ports of India where cargo moves to ICD from gateway port they enjoy upto 20 days free demurrage time. In Chennai Port Trust, 15 days time have been given to ICD (irrespective of road or rail).
For movement of cargo to ICD, the B/L point from the shipping Line is required to be created. Without having B/L point, the ICD movement is not allowed as transshipment permit will not be generated as IGM is required to be filed by the Shipping Line confirming final delivery as ICD. Trade are</td></tr>
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<tr><td></td><td>benefited to book the cargo upto the ICD which will result for clearance at the doorstep near to their factory. The container detention charges starts when the import container cargo arrives at ICD.
In KOPT earlier, ICD was having different box rates i.e. ₹. 1000 less than the box rate of local cargo. However, in the last revision this exemption has been waived and there is no benefit in the box rate, if it is meant for ICD or local cargo.
In view of the above, AICD requests to continue to have Box Rate and demurrage charges same as existing i.e 20 days free detention for movement of ICD cargo in both mode (Rail and Road).</td><td></td></tr>
<tr><td>3.</td><td>United Liners Services LLP (ULS)</td><td></td></tr>
<tr><td></td><td>The KDS tariff in Comparison with HICT (Haldia Terminal) in below listed charges are found more and they do not suit the operation or facility available in Haldia, Therefore it is requested to have parity and make all tariff at par with KDS.
<table>
<tr><th>Tariff Components</th><th>Observations</th><th>Proposed by HICT(similar to KDS)</th></tr>
<tr><td>Composite Box rate for empty Handling</td><td>Higher by ₹. 377.12 per TEU(Foreign)
Higher by ₹.226.26 Per TEU(Coastal)</td><td>₹. 1798.59(Foreign)
₹. 1079.17 (Coastal)</td></tr>
<tr><td>Composite Box rate (IWT)</td><td>Higher by ₹.188.52 Per TEU</td><td>₹.899.34 per TEU</td></tr>
<tr><td>Transhipment Composite Box rate (Foreign)</td><td>Higher by ₹. 565.68 Per TEU</td><td>₹.2697.89 Per TEU</td></tr>
<tr><td>Transhipment Composite Box rate (Coastal)</td><td>Higher by ₹.339.39 TEU</td><td>₹.1618.74 Per TEU</td></tr>
<tr><td>Transhipment one leg Foreign /One leg coastal</td><td>Higher by ₹.452.54 Per TEU</td><td>₹.2158.32 Per TEU</td></tr>
<tr><td>Shifting of Containers on board via Quay Head</td><td>Higher by ₹.46.6</td><td>₹.916.09</td></tr>
<tr><td>Opening of Hatch Covers</td><td></td><td></td></tr>
<tr><td>On board Lashing /de-lashing of containers, fixing & Un fixing of twist lock and ancillary documentation</td><td>₹.18.97</td><td>₹.122.40</td></tr>
<tr><td>Container scanning charge of laded exim container through Mobile X-Ray Conatiner Scanning system at KDS</td><td>₹.225</td><td>There is no provision for similar activity at Haldia needs to be included.</td></tr>
</table></td><td>Historically, the charges of empty containers handled at HDC are higher than that charged at KDS. Similarly, the charges of loaded containers are higher at KDS as compared to HDC. It may be mentioned that most of the loaded containers handled at HDC is moved to Kolkata and nearby places involving additional transport cost. The lower rate of HDC is to partly offset such additional cost.</td></tr>
<tr><td>4.</td><td>MSC Agency (India) Pvt Ltd</td><td></td></tr>
<tr><td>a.</td><td>There is no parity in Composite Box rate for Foreign / Exim EMPTY per TEU cost at Haldia (HDC) as the rate is almost 20% higher over KDS. This needs to be reviewed. The rate per TEU for Empty Container in KDS is Rs. 1798.59 whereas in HDC is ₹. 2175.71.</td><td></td></tr>
<tr><td>b.</td><td>The additional levy for rail borne containerized tariff for KDS is much higher over HDC.
KDS is levying 1435/20’ and 2870/40’ per 8 wheeler wagon along with terminal handling charges @ ₹. 29.68/MT, whereas Haldia Port is levying consolidated rail additional as 1008/20’ and 2016/40’ without charging terminal handling separately. KDS rail additional need to be reviewed which will benefit all rail borne traffic to/from KDS.</td><td>Excepting for the consolidated charge which is levied only at KDS to meet additional cost, only local Haulage and Terminal Charges are levied by both the dock systems. Rates of these two charges are fixed by Railway Board. Therefore, the only difference is due to the difference in the Haulage Charges and Terminal Charges and Consolidated Charges. However, HDC is presently offering some concession for EXIM containers as a promotional measure.</td></tr>
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<td>KDS charges for rail traffic (containerized)
In terms of Railway Board Circular no. TCR/1055/95/1 (Rates Circular no. 07 of 2017) dated 08.03.2017, the revised rate of local Haulage charges payable to KOPT (KDS) shall be ₹2870/- per 8 Wheeler wagon. This rate shall be applicable with effect from 01 April 2017. The Haulage Charges for 4 wheelers wagon shall be 0.40 times of 8 wheelers and will be rounded off next higher multiple of Rupees five.

HDC charges for rail traffic (Containerized)
<table>
<tr><th>Sl. No.</th><th colspan="2">Particulars</th><th>Rate in ₹</th></tr>
<tr><td rowspan="2">1.</td><td rowspan="2">Container – 20</td><td>Loaded</td><td>1008.00</td></tr>
<tr><td>Empty</td><td>687.00</td></tr>
<tr><td>2.</td><td>Container – 20</td><td>Loaded</td><td>1769.00</td></tr>
<tr><td></td><td></td><td>Empty</td><td>1367.00</td></tr>
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<tr>
<td>5.</td>
<td>Electrosteel Casting Limited (ECL)</td>
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<table>
<tr><th>Sr. no.</th><th>Draft SOR Clause no. & Page No.</th><th>Points of Discussion</th><th>Justification / Clarification</th></tr>
<tr><td>1.</td><td>(xxiv) in page no. 9</td><td><u>Performance Standard (Vessel Related Services)</u>
The average Pre-berthing Time of Vessels (in days) for HDC is being increased from the current 1.20 to the proposed 1.58.</td><td>This increase in pre-berthing delay will cost the importer / receivers in Vessel Demurrage to be paid in US Dollars to the vessel owner. This in fact should be reduced below 1.2 days.</td></tr>
<tr><td>2.</td><td>Part-1 S.4 wharfage Sr. no. 14</td><td><u>Cargo handled other than through Mechanical System</u>
Limestone, Coking Coal, Manganese Ore, All types of Coal….
There is a proposal to increase the same from the current ₹. 56.19 /MT to ₹. 59.28/MT.</td><td>There should be no hike in wharfage from ₹. 56.19/- MT to ₹. 59.28/MT. At Krishnapatnam the same is at ₹. 30/MT.</td></tr>
<tr><td>3.</td><td></td><td><u>Despatch related services for Road bound cargo</u></td><td>This charge should be abolished. This charge is being levied for berth no. 2 & 8 at</td></tr>
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</td>
<td>The performance standard has been prescribed based on the prevailing situation. However, based on various facilities / infrastructure being built up (like mooring facility for handling vegetable oil) the average pre-berthing delay is expected to come down in future.

Increase in wharfage has been proposed for all types of cargo to recover the cost incurred by the Port.

Weighment charges have been separated and will be levied on weighment services being provided.</td>
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				HDC is charging ₹. 8.67/MT as weighment charge.	HDC. Why should the importer pay ₹. 8.67/- MT when the bill of lading states “Said to contain”. Delivery is being done without weighment as because a local industry situated just 5 km from HDC. Weighment will only delay the delivery of the cargo from port premises.		
		4.	S.10 Page 22 Sub-clause S.10.1(a)	**Rebate** At HDC, rebate on wharfage shall be allowed in the following cases: If a vessel discharges more that 25000 tonnes of coking coal/ Limestone/Fertilizer / raw material for fertilizer in a single call at HDC, a rebate of 10% shall be allowed on wharfage charge on quantity exceeding 25000 tonnes.	The same to be amended to read as “if a vessel discharges more that 25000 tonnes of coking coal/Limestones/Fertilizes/ raw material for fertilizer in a single call at HDC, a rebate of 10% shall be allowed on “On Board and wharfage charges” on quantity exceeding 25000 tonnes. 10% rebate on Board as well as Wharfage charge was existing in the SOR w.e.f. 08.03.2007. So for the benefit of the trade, the KOPT is requested to reconsider to continue this rebate on On Board charges along with wharfage.		Since segregation of the consolidated “Onboard & Wharfage charges” into “Onboard Charges” and “Wharfage Charges” years back, rebate of 10% is being allowed on wharfage charges only.
		5.	Refer page -23	Note to S.10 i) The above said rebate under S.10.2 shall be granted in the form of refund of wharfage at the end of every financial year (i.e. 1st April to 31st March) on submission of documents by the Importers/ Exporters in	This Clause needs to be deleted as KOPT (HDC & KDS) are both giving this rebate on real time basis during payment of Port Charges for Cargo to be discharged and loaded. So, there is no justification to keep this clause.		Though rebate is allowed on real time at HDC on parcel load of vessel, KDS allows rebate on volume and hence the said clause is relevant.

			support of the throughput achieved.		Increase in rate has been proposed as per tariff guidelines to cover cost. The container related charges are levied on Container agents/ Main Line Operators (IMLO) by all Major Ports. The same practice is being followed at KOPT. SOR is in public domain. So exporter can directly take up with the Shipping Lines. However, if specific complaint is received, the matter may be taken up by KDS suitably.
	6.	Part—II S.11 and sub-clause S.11.1 Page-23 Sl no. No. 1	**<u>Charges on Container and Containerized Cargo:</u>** Composite Box Rate Composite Box Rate for container covering wharfage and basic container handling services of ship to shore transfer, movement between berth and yard and lift off at yard or vice versa shall be levied at the following rates: Loaded container other than over Dimensional Container: Present Foreign (KDS): ₹. 5001.34 Propsosed Foreign (KDS): ₹. 5276.69	The KOPT is requested to keep the rate same i.e ₹. 5001.34. ECL are paying THC to the MLOs @ ₹. 10300/- (Maersk Line) and other Lines like MSC are planning to raise the THC. You can very well judge the difference between ₹. 5001.34 and ₹. 10300. Considering the MLOs engage surveyors of their own at the Terminal etc. but that does not warrant such a huge margin of ₹. 5300/- per 20 feet container (₹. 10300-₹.5001) Earlier he had option to pay directly to KOPT from our running account which since last 4 years have been discounted. The shippers are bleeding and the shipping lines are increasing the charges per box every 8 to 12 months time. Further, if we compare the wharfage of other ports like Adani Kattupalli, Chennai CTPL, Krishnapatnam, the charges are very low though we understand they are deep drafted ports unlike Kolkata being a revierine one. Request port to consider our case and (a) not increase the wharfage and	

				(b) allow us to have our own Port account.	The issue of rebate/ discount is to be dealt separately.
	7.	S12 page 24	**Rebate:** 10% Rebate on wharfage has been extended to Nepal & Bhutan on the composite rates. Rebate has been given on wharfage to promote IWT and coastal movement but ironically no rebate has been given to the volume exporters/ shippers who are doing more than 10000 teus per annum.	KOPT is requested to formalize a scheme wherein the shippers/ exporters will be given atleast 25% rebate on the wharfage per 20 feet container on real time basis like the one being extended to bulk cargo imports above 25000 tonnes vessel call at HDC. The rebate should be given once the threshold of 10000 containers are reached. The modalities of giving the credit/ rebate needs to be worked out and that can be made possible if shippers / exports (volume exports) are allowed to maintain an account with KOPT from where we will make the wharfage payment like 5 years back.	
	8.	S.11.1	**Composite box rate for container** At KDS, owing to the initiative of KOPT, coastal movement of containers has started in a big way wherein Coastal vessels are plying between Kolkata, Paradip, Vizag, Kattupalli & Krishnapatnam. There is a discounted rate per 20 feet container in wharfage for such	Discussed the issue with a couple of Shipping Lines who have declined to give us/ pass on the discounted wharfage rates in case one leg of the transshipment leg is coastal and the other foreign. Need a better system so that shippers get the benefit or else boxes will not be given for coastal movement and will always use Foreign Flag vessels.	Exporter can take up directly with shipping lines. If specific compliant is received, it may be taken up by KDS suitably.

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<tr><td></td><td></td><td>coastal movement.</td><td></td></tr>
<tr><td>9.</td><td>S. 14.1 Sr.14 Page 26</td><td><u>Container Scanning Charge</u>
Loaded EXIM containers through X-ray containers scanner system at KDS. The proposed rate is ₹.225/-</td><td>Request please make it ₹. 75/- per 20 feet container & ₹. 150/- per 40 feet container.</td></tr>
<tr><td></td><td></td><td></td><td></td></tr>
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</td>
<td>Rate has been proposed considering cost of services.</td>
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<tr>
<td>6.</td>
<td>Association of Shipping Interests in Calcutta (ASIC)</td>
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<td></td>
<td>Since quite some time, the gap between the demand and supply in the Shipping Industry has been widening for various reasons and return of deployed assets is mostly uncertain / negative.

Further, in the Shipping Industry, Shipping Lines / Vessel Operators are exposed to numerous external factors which are not only limited to WPI but various other factors like Bunker prices, Charter market, inducement, trade imbalance, besides trade rifts so on and so forth.

At present Kolkata Port charges are already on the higher side in comparison with any other Ports in India and any further increase will take a toll on the EXIM Trade, besides Shipping Lines and Vessel Operators, who are already struggling to maintain their operating costs in the present scenario.

Additional Port stay of vessels experienced due to berth / yard congestion and high turnaround time not only increases operating costs of vessels but also attributes to gross loss of considerable number of voyages in a year.

Due to perennial river draft constraints, Kolkata max size vessel charter rate is high which makes vessel Owners / Operators vulnerable in terms of availability of suitable tonnage and poor utilization of vessels' optimum loadability.

Further, view forthcoming IMO 2020 Regulations, the bunker cost is likely to face a steep hike of around 30% by December this year, including huge investments by Ship Owners for necessary compliance of said Regulations.</td>
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	There have already been interim increases in Port costs since the last revision of SOR by TAMP, for example towards Indexation of 2% initially and later on 4.26%, besides the recent CDLB charge hike. Hence, considering proposed upward revision in SOR, there will be a total increase of 12% within one year. Meanwhile, Port has also withdrawn concession in berth hire for pre berthing delays while at Holding berth, attributable to Port convenience. As per S.3 xix (b) under General Principles in SOR proposal, proposed rates can be applied on adhoc basis till approval is received from Competent Authority, which would defeat the purpose of consultation with the Trade. The highlights of performance for April to June 19 vis-à-vis April to June 18 show a drop in container traffic handled at Kolkata and Haldia, both in terms of TEUs and tonnage. In view of such negative growth at this juncture and with the increasing emergence of competition from Private Ports / Terminals in this region, the KOPT has to seriously consider to rationalise Port costs in order to retain the existing traffic from being diverted, considering the natural constraints that it faces as a Riverine / City based Port, as any increase eventually will be passed on to the Trade / end Users.	Increase due to indexation only in case of Cargo / Container and not for any other service. This was a rebate allowed temporarily. The same was discontinued as it did not help in reducing congestion or bunching. Drop in container traffic was a temporary phenomenon at KOPT and there has been a growth in container traffic between April-July 2019 as compared to the same period during previous year both in terms of TEUs and tonnage.
7	**MCPI Private Limited (MPL)**	
(i).	Couple of months back, with effect from 01 May 2019, the KOPT has enhanced the wharfage charge for Parxylene and Acetic acid by 4.26%. The same at present stands at ₹ 104.51 per MT for Paraxylene and ₹ 84.53 per MT for Acetic acid. Now again, the KOPT proposes to increase the wharfage charges of Paraxylene to ₹ 110.26 per MT or part thereof and Acetic acid to ₹ 89.19 per MT or part thereof.	The 10% rate increase proposed in the SOR under consideration, subsumes the 4.26% increase w.e.f. 01.05.2019. It may be stated here that if indexation as notified during the last three years (ie 2% + 3.45% + 4.26%) is considered then there is practically no additional increase in the proposed rates and the same is only in line with the cost increase as per rise in WPI. Further the proposed rates will be valid for the next three years subject to indexation.
(ii).	The KOPT is already a high tariff port amongst all other major ports of India. For e.g. at Paradip Port Trust, they levy only ₹ 33/- per MT as wharfage charges for Paraxylene and only ₹ 54.85 per MT as wharfage charges for Acetic acid. This aspect may be considered while revising the wharfage charge of Paraxylene and Acetic acid in the instant proposal of KOPT.	Every port has its unique cost structure. Further the rates of Kolkata Port Trust and Paradip Port cannot be compared as because Kolkata Port being riverine Port has to incur certain additional cost / expenditure which is not applicable to a sea port like Paradip Port.

(iii).	It is also pointed out that both Paraxylene and Acetic acid are handled through pipelines at the cost and arrangements of MCPI. Hence, it is felt that there is no justification for increasing the tariff of Paraxylene and Acetic acid.	Handling cargo through pipelines at their cost and arrangement as stated by MCPI is also done by all other port users as per existing practice. The justification of increase in rate has already been provided above.
8.	**Steel Authority Of India (SAIL)**	
1.	In the revised proposal Cargo Handling Charges through rail dispatches has been revised upwards from ₹ 341.06/- pmt (existing TAMP of 2017) to ₹ 369.18/- pmt, an increase of ₹ 28.12/- pmt (8% approx.). In comparison to escalated rate of 01.05.2019 there is an increase of ₹13.60/- pmt (4% approx. ₹. 355.59/- pmt to ₹. 369.18/- pmt). This increase is on higher side and is going to hurt SAIL considering volume handled through HDC.	The rate increase proposed by KoPT is generally 10% for all cargo handling charges. It may be stated here that if indexation as notified during the last three years (i.e. 2% + 3.45% + 4.26%) is considered then there is practically no additional increase in the proposed rates and the same is only in line with the cost increase as per rise in WPI. Further the proposed rates will be valid for the next three years subject to indexation. It is further clarified that the increase of 4.26% w.e.f 01.05.2019 is being subsumed in the proposed rate increase of 10% and hence the actual increase is only 5.74%. Further it may be mentioned that the proposed rates will be valid for the next three years subject to indexation The upfront tariff against the shore handling services already approved by TAMP include various activities, which are the basic requirement for transfer of cargo from Hook point to Stack Yard or vice versa, stacking / unstacking at storage yard and delivery / receiving of cargo through road or rail. Most of the activities, which have been mentioned by SAIL are not under the scope of Port activities as per section 42 of the MPT Act and thus, not included in the Shore Handling Services for which TAMP has fixed upfront tariff. These activities are specifically required by SAIL, which may be undertaken either by themselves or through engagement of a contractor. Port cannot take liability for undertaking such activities. However, regular sprinkling of water is already undertaken by the Port.
2.	It is pertaining to mention that HDC finalized other handling schemes at different berths wherein they are charging a composite rate from users against a set of work of handling dry bulk cargo. It has been observed that the scope of work indicated by HDC for undertaking such handling jobs of dry bulk cargo in a comprehensive manner does not cover certain essential of dry bulk handling which is narrated here under: i). Stock accounting of receipt and dispatch of cargo and compensation towards loss of cargo beyond permissible handling loss as per industry norms. ii). Loading of wagons as per carrying capacity of wagons in line with railway guidelines. iii). Covering of wagons by tarpaulin as per railway / RPF guideline. iv). Storage of cargo grade wise to avoid contamination at the stacks	
3.	Although, the cargo is stored in the license plot of the user, the actual work of shore clearance, sticking and wagon loading including dispatch related services are within the ambit of HDC which are executed by the contractor appointed by HDC. Accordingly, the stockyard management services, stock accounting, protection towards loss of cargo due to either handling loss or security related matter should be logically within the scope of HDC. However, these are not specifically incorporated in the scope of HDC and are not being carried out by the HDC contractor. In turn, the users are advised to make alternative arrangement for getting these jobs done as part of bulk cargo handling requirement at an additional cost.	---

4.	Although, HDC has introduced a guidelines for sprinkling water in the cargo stack, approach road, wharf as a mandatory requirement for Pollution Control, the same job is not executed by HDC directly. In turn, the importers like SAIL have to organize undertaking water sprinkling through the HDC contractor at an additional cost.	---
5.	There are certain minor but common requirement like placing of railway indents on port railways, passing lables on wagons indicating description of cargo loaded and other and other associated jobs which are essential for dry bulk cargo handling but are not being carried out by HDC under their comprehensive arrangement. These jobs are necessarily carried out by the importers like SAIL through HDC appointed contractor at an additional cost.	---
6.	In view of general requirement of any user to handle dry bulk cargo at the Ports and for onward dispatch, HDC may be advised to frame schemes covering all elements of operation and not restricting their offer to a truncated service. In other words, the users have to any way make arrangement with HDC appointed contractor through a negotiation process by incurring additional expenses. It is, therefore, requested that TAMP may direct HDC to design a comprehensive scheme taking care of general requirement of dry bulk cargo handling at the Port.	---
7.	In the instant case of fixing tariff, the scope of work covers dispatch of cargo, shore clearance and dispatch related services without taking care of the associated jobs as mentioned above. It is requested to include all the associated jobs as enumerated above. If, required, a consultation process can also be initiated by HDC to get feedback from importers of dry bulk cargo through Haldia Port.	---
8.	Since, the charges in Haldia Port is already higher compared to neighboring major Ports, TAMP may consider more competitive rates for comprehensive services at all locations of HDC.	---
	Additional Comments of SAIL	
1.	The Cargo related charges at KDS/NSD berths will undergo an increase. The following points are mentioned for consideration:	---

<table>
<tr><td></td><td>(i). Bulk Cargo<table><tr><td></td><td>Present in ₹.</td><td>Proposed in ₹.</td><td>Increase in (%)</td></tr><tr><td>Wharfage Total (Saugor+KDS)</td><td>78.661</td><td>83.022</td><td rowspan="2">5.52</td></tr><tr><td>Cleaning</td><td>1.56</td><td>1.65</td></tr></table>(ii). Break Bulk Cargo<table><tr><td></td><td>Present in ₹.</td><td>Proposed in ₹.</td><td>Increase (%)</td></tr><tr><td>Wharfage</td><td>277.20</td><td>304.92</td><td>10</td></tr></table>(iii). Composite Box Rate per TEU present is ₹. 5001.34 and proposed is ₹. 5276.69. Thus, increase is 5.52%.</td><td>---</td></tr>
<tr><td>2.</td><td>Since the charges in KOPT is already higher compared to neighbouring major Ports, it is requested to consider more competitive rates services at KDS/NSD under KOPT.</td><td>---</td></tr>
<tr><td>3.</td><td>The following points pertains to KDS & NSD:</td><td></td></tr>
<tr><td>(i).</td><td>Consolidated charges of ₹. 16.63/- pmt on carrying capacity of wagons under Railway services are being proposed in the referred SOR. These charges are on top of regular Railway related charges of Terminal & Haulage services.</td><td></td></tr>
<tr><td>(ii).</td><td>Such charges are not levied at any other Major Ports which are providing similar services including HDC under KOPT, being the same management.</td><td></td></tr>
<tr><td>(iii).</td><td>It is requested to waive of this additional charge to promote Bulk cargo import through KDS/NSD. Further, since charges at KDS & NSD are already higher compared to neighbouring ports, TAMP may consider more competitive rates.</td><td></td></tr>
<tr><td>(b).</td><td>The following additional points submitted by SAIL pertaining to HDC:</td><td></td></tr>
<tr><td>(i).</td><td>In the revised proposal Cargo Handling Charges through Rail dispatches has been revised upwards from ₹. 341.06/- pmt (existing TAMP Order of 2017) to ₹. 375.16/- pmt an increase of ₹. 34.10/- pmt (10% approx.). In comparison to escalated rate of 1.5.2019 there is an increase of ₹. 19.57/- pmt (5.5 % approx.) from ₹. 355.59/- pmt to ₹. 375.16/- pmt. This increase is on higher side and is going to hurt SAIL considering the volume handled through HDC.</td><td rowspan="2">The rate increase proposed by KoPT is generally 10% for all cargo handling charges. It may be stated here that if indexation as notified during the last three years (i.e 2% + 3.45% + 4.26%) is considered then there is practically no additional increase in the proposed rates and the same is only in line with the cost increase as per rise in WPI. Further the proposed rates will be valid for the next three years subject to indexation. It is further clarified that the increase of 4.26% w.e.f 01.05.2019 is being subsumed in the proposed rate increase of 10% and hence the actual increase is only 5.74%. Further, it may mentioned that the proposed rates will be valid for the next three years subject to indexation.</td></tr>
<tr><td>(ii).</td><td>TAMP and HDC is requested to reconsider the proposed quantum of jump of 10% across the board. It is observed that HDC has considered revenue earning in the subsequent years based on actual of quantity handling in the past year although the port is likely to grow in the coming years as per trend. To make rate competitive, the same shall be kept at same level as at present.</td></tr>
<tr><td>(iii).</td><td>Regarding the Performance Standard criteria, the criteria for average Pre berthing time relaxed to 1.58 days from 1.2 days. This leads</td><td>The performance standard has been prescribed based on the prevailing situation. However, based on various facilities / infrastructure being</td></tr>
</table>

<table>
<tr><td></td><td>to increase in waiting of vessels affecting economics. TAMP may look into the matter and suggest improvement in Performance Standard.</td><td>built up (like mooring facility for handling vegetable oil) the average pre-berthing delay is expected to come down in future. It may be further stated that the Average turnaround time of vessels has been reduced to 3.43 days in the proposed performance standard, from the existing 4.50 days.</td></tr>
<tr><td>9.</td><td>Tamilnadu Generation and Distribution Corporation Ltd (TANGEDCO)</td><td></td></tr>
<tr><td></td><td>It is noted from the proposal that KOPT has proposed an increase in tariff for Mechanized system by hike in tariff for Mechanized system by 5.5% at Haldia Port. TANGEDCO's Shipped quantity is above 25.41 Lakh Tons of coal during the year 2018-19 through Haldia. If this proposal is implemented, TANGEDCO will have to incur an additional expenditure of ₹.8.60/MT for wagon tippling charges and shipping amount to an additional expenditure of ₹. 2.19 Crores (25.41LT x ₹. 8.60) per annum.
<table>
<tr><th>Particulars</th><th>Present Rate (₹ / MT)</th><th>Proposed Rate (₹ / MT)</th><th>Increase Rate (₹ / MT)</th><th>% increase over existing</th></tr>
<tr><td>Wagon Tippling charges</td><td>78.20</td><td>82.50</td><td>4.30</td><td>5.5</td></tr>
<tr><td>Shipment charges</td><td>78.20</td><td>82.50</td><td>4.30</td><td>5.5</td></tr>
<tr><td>Total</td><td>156.40</td><td>165.00</td><td>8.60</td><td>5.5</td></tr>
</table>
Hence, if the proposal is implemented the additional burden to TANGEDCO towards loading of coal through mechanical system would be ₹ 8.60/MT (165-156.4) or about ₹ 2.19 Crores/annum (25.41 Lakh Tonnes/annum * ₹ 8.60/MT).</td><td></td></tr>
<tr><td>2.</td><td>The proposed revision of the scale of rates for vessel related charges of Kolkata Port Trust at Haldia Port by TAMP has been scrutinized and the following is stated:
TAMP has proposed revision in the vessel related charges viz. Port dues, Pilotage and Berth hire charges. The Proposed rates at Haldia and its comparision with the present rates at Haldia are tabulated below:
<table>
<tr><th rowspan="2">Vessel related charges</th><th></th><th colspan="4">Haldia</th><th></th></tr>
<tr><th></th><th>Existing rate</th><th>Value (For GRT 32957)</th><th>Proposed rate</th><th>Value (for GRT 32957)</th><th>% increase over existing</th></tr>
<tr><td>Port Dues</td><td>Per GRT</td><td>9.6</td><td>3,16,387</td><td>14.08</td><td>4,64,035</td><td>46.67</td></tr>
<tr><td>Pilotage</td><td>Per GRT</td><td>4,73,370 + 12.6237</td><td>5,10,698</td><td>5,20,707 + 13.8861</td><td>5,61,768</td><td>10.00</td></tr>
<tr><td>Berth hire</td><td>Per GRT /Hr (40)</td><td>0.0605</td><td>79,756</td><td>0.0666</td><td>87,979</td><td>10.08</td></tr>
<tr><td>Total</td><td colspan="2">WITH GST 18%</td><td>10,70,073</td><td></td><td>13,14,048</td><td></td></tr>
<tr><td></td><td></td><td></td><td>Rate per MT (Loading of 25,000 MT)</td><td></td><td>52.56/MT (Present) Against 42.80/ MT (Previous)</td><td></td></tr>
</table></td><td>In this case the Port user has wrongly stated that the Port dues have increased from ₹ 9.60 per GRT to ₹14.08 per GRT.

The existing rate for Port dues (w.e.f from 12.01.2017) is ₹12.80 per GRT for coastal vessels and the proposed rate is ₹14.08 per GRT resulting in increase is 10%.

However for vessels entering in ballast and not carrying Passengers, 75% of the rates are charged and the said provision is also available in the proposed scale of rates. In case the existing Port Dues of ₹ 9.60 per GRT applicable for coastal vessels coming in ballast condition is to be compared, the same is to be compared with the corresponding rate in the proposed SoR which is ₹ 10.56 Per GRT entailing an increase of only 10%.</td></tr>
</table>

	% increase of proposed over existing rate 22.80% Considering that a vessel of GRT 32957 calls at HDC for loading, it is seen that the proposed rates for Port dues has been increased by about 47% and pilotage & Berth hire has been increased by about 10% each in comparison to the existing rates.	
3.	Further, it is seen that the % increase in the overall expenditure for TANGEDCO due to the proposed increase comes to around 23% (for one shipment). It is envisaged that for moving the linkage quantity of about 25.41 LTPA through HDC, approximately 102 shipments have to be programmed resulting in an additional expenditure of about ₹ 247.9 Lakhs per annum.	---
4.	The proposed Port Dues, Pilotage and Berth Hire are higher when compared to the existing rates at Haldia port and any increase in the proposed Vessel related charges will not be viable. Hence, it may be suggested that atleast the present scale of rates may be continued without any enhancement.	---
5.	Moreover, Haldia Port is a river port with a declared draft of only 8.23 mts as against the discharge port draft of about 13.00 mts. Due to this, TANGEDCO vessel could only be partially loaded at Haldia and it has to be necessarily topped up at either Paradip or Vizag leading additional expenditure to TANGEDCO. Further, in addition to the berth occupancy of 40 hrs at berth, due to riverine nature of the Port, TANGEDCO vessels have to wait for tide for both inward and outward movement which results in increase in turnaround time of the vessels.	---
6.	The landed cost of Haldia Coal at KPL/Ennore Port and VOC/Tuticorin Port is higher than the landed cost of imported coal of similar grade. Any increase in the Vessel related charges and Cargo related will greatly impact the landed cost of Haldia coal which will ultimately lead to increase in the cost of Generation. Now as per the new merit order dispatch policy, if he running cost of (Generation cost) increase in comparison with other power plants, the thermal power plants power will be requested to be backed down which ultimately will lead to decrease in the evacuation of coal from Haldia leading to decrease in throughout of the port.	----
7.	In view of the above, TAMP is requested to maintain	It may be noted that the existing rate for loading of thermal coal using mechanical system, as per SOR applicable from 12.01.2017 is Rs. 75.00 per

	(i). The existing rate of ₹ 78.20/MT for loading of thermal coal using mechanical system and wagon tippling charges also at the existing rates of ₹ 78.20/MT. As the rates are increased with effect from 01.05.2019 due to Indexation Factor of 4.26% considering WPI and in the same manner due to Indexation Factor 2% in 2016-2017 and 3.45% in 2017-18 totally the rates increased after 2016 SoR is about 9.71%. Now 5.5% of increase is proposed which seems to be abnormal hence it may be dropped.	MT which was enhanced by 4.26% w.e.f 01.05.2019 to Rs. 78.20 per MT. No other increase in rates has been given effect to since 12.01.2017 and hence the point stated by the port user regarding increase of rates by 9.71% is not correct as only a increase of 4.26% w.e.f 01.05.2019 has been effected. It is further clarified that the increase of 4.26% w.e.f 01.05.2019 is being subsumed in the proposed rate increase of 10% and hence the actual increase is only 5.74%. It may be stated here that if indexation as notified during the last three years (i.e. 2% + 3.45% + 4.26%) is considered then there is practically no additional increase in the proposed rates and the same is only in line with the cost increase as per rise in WPI. Further the proposed rates will be valid for the next three years subject to indexation. Considering the logic given above it can be seen that the increase is limited to only the rate of indexation and has been kept at the bare minimum.
	(ii). The existing vessel related charges (Port dues, Pilotage and Berth Hire) may be maintained at the present level.	It may also be mentioned that only Coastal vessels are handled by TANGEDCO and such vessels enjoys considerable concession in terms of Govt. Policy.
10.	**River Waterlink Pvt Ltd (RWPL)**	
	It is requested that the Hire Rental charges for Slipway no. 2 located at North Workshop Complex, KOPT should be minimised due to the following reasons:	---
(i).	Slipway No. 2 is katcha in nature which will attract heavy expenditure towards regular maintenance of soil and baandh.	---
(ii).	Such maintenance expense will be incurred regularly.	---
(iii).	In comparison to the other 2 Slipways, katcha Slipway No. 2 is the least developed, therefore development cost towards the same will be borne also.	---
	The same was idle for many years and in view of the above, it is requested that the Hire Rental charges for the same to be revised and minimised within the bracket of 800-1000 INR per day. This will bring a boost to ship building and ship repairing and will certainly make the entire model to be viable in favour of KOPT and the private stakeholder.	----
11.	**The Bengal Chamber of Commerce and Industry (BCC & I)**	
	KOPT has sensibly proposed for the first time upward revision of Tariff “10% across the board on all items. Hitherto in the numerous years in the past every increase was arbitrary and illogical –	---

	"The vessel related charges was the target for maximum increase." Vessel related charges were increased in the past from anywhere 15-25%. Port dues in one year was increased by a whopping 30%. Today each and every shipping line in the world without exception is "Bleeding due to over tonnage situation especially the container shipping lines." In view of the above issues, BCC&I has requested as follows:	
(i).	In view of huge increase on vessel related tariff in the past, KOPT has earned huge revenues from Shipping Lines. Hence, for the current revision this year, KOPT may refrain from any increase in Vessel Charges and increase all the other tariffs marginally to compensate the non-increase of vessel charges. Surely it cannot be more that 0.5% additional on other items across the board.	In the instant proposed revision of the SOR, KoPT has proposed a increase of 10% over the existing rates. If indexation, as notified during the last three years (i.e 2% + 3.45% + 4.26%) is considered, then there is practically no additional increase in the proposed rates and the same is only in line with the cost increase as per rise in WPI. Further the proposed rates will be valid for the next three years subject to indexation.
(ii).	Due to huge imbalance in Import vis a vis Exports, there is always surplus Empty containers in most ports of India especially in Kolkata. Port charges on all empty containers is a direct expense on the shipping lines which they simply cannot afford today. Therefore, it is requested to not have any increase in empty container tariffs.	
(iii).	KOPT charges the Cargo Container Box Rate to the line. This is again a risk to the line as often cargo is abandoned and then this amount is the liability of the Shipping Lines. Why should Shipping Line bear the Cargo Port Charges if an importer abandons the cargo? Port can auction such cargoes and recover some losses. Also the cash flow of the shipping line gets affected by them paying Cargo related Box Rate. It would be appreciated if the Box rate can be collected by Port directly from Trade. This was also the suggestion of M/s Electrosteel Castings who exports over 30000 TEUs per annum.	Since long, container related charges are being levied on Container Agents/ Main Line Operators (MLO) by almost all Major Ports. This is also as per General Principles of SOR.
12.	**OOCL**	
	Rates were increased from 01.05.2019 and further increase of 10% is proposed. KOPT is requested not to increase SOR any further till Mach 2021.	Since last revision in January 2017 the rates of only containers was increased by 2% from 01.07.2018 and by 4.26% on cargo and container related charges from 01.05.2019 on account of indexation. The increase proposed in the SOR under consideration subsumes the 4.26% increase and effective increase is between 4.76% to 5.76% in case of cargo/ containers and 9-10% in case of other charges. It may be stated here that if indexation as notified during the last three years (i.e. 2% +3.45%+4.26%) is considered then there is practically no increase in the proposed rates other than that to cover the cost increase as per rise in WPI.
13.	**The Master Stevedores Association** The charges are proposed for increase between 9 and 10%. As rate adjustment is being made to take care of price index variation the revision may be dropped.	

14.	**Trans Asian Shipping Services Pvt Ltd** The rate of effect of the proposed SOR and period till when the same will be valid	The date of effect of revised SOR will be as per notification of TAMP and the validity of SOR will be for three years subject to indexation.

2. A joint hearing in this case was held on 27 August 2019 at the KOPT premises. At the joint hearing, the KOPT made a brief power point presentation of its proposal. At the joint hearing, the KOPT and the concerned users/ user organizations have made the following submissions:

<u>Kolkata Port Trust</u>

(i). We have come up with a proposal for revision in tariff after a period of 3 years. Unlike other sectors, the exercise undertaken for revision of tariff in respect of major ports is very transparent.

(ii). Makes a brief power point presentation of the proposal. Hard copy of the presentation is given.

(iii). The existing SOR had an original validity upto 31 March 2019. The validity has been extended by TAMP till 30 September 2019.

(iv). We have followed the Tariff Policy, 2018, and the Working Guidelines, to determine the ARR. ARR has been assessed at ₹ 1795.37 crores. At the existing level of tariff, a revenue gap of ₹ 175.17 crores emerges. To bridge this gap, an across the board increase of 10.81% would be required. An across the board increase of 10% is proposed. 10% increase is inclusive of 4.26% indexation increase. Effective increase is only around 6%.

(v). We have also proposed rationalization in the wharfage schedule. In some instances, there will be reduction in rates and in some, an increase in the rates.

(vi). Earlier RBI used to publish the reference rate. Now they have stopped publishing. Hence, the reference rate published by Financial Benchmark India Pvt. Ltd (FBIPL) will be considered, instead of RBI Reference rates, for conversion of dollar denominated rates to INR. FBIPL is recognized by RBI.

(vii). Performance standard has been prescribed dock wise. Incase any Dock System is able to achieve the Performance Standard set for it, the said Dock System may be eligible for the rate increase.

(viii). In the wharfage schedule, groups of certain commodities have been changed, in an attempt to levy uniform wharfage rate for cargo items, which have similar type of handling and productivity. We cannot do this in one go. We propose to do it in a phased manner. Also, wharfage has been proposed for cargo items, which are handled at present but for which no specific rate is available in the existing SOR.

(ix). In case of Shore handling of Thermal coal & Iron-ore group, heaping element has been deleted from the existing clause and is proposed to be charged extra.

The impact on this account will not be significant, as generally this service is not availed by the users of Thermal coal/ Iron ore.

(x). A consolidated charge has been proposed in two parts for handling cargo at the Floating Cargo Handling Jetty at Haldia. One part covers the activities upto the shore and the other for the activities beyond the shore. Also separate charges have been prescribed for rail and road bound cargo.

(xi). Rates of oil pollution equipment and firefighting equipment has been incorporated in the proposed SOR. Though no rates are available in the existing SOR for the same, KOPT used to levy charges with the approval of the Chairman. The rates are nominal. The intention of the levy is not to make profits, but these are basic essentials and thus required.

(xii). It is proposed to levy additional hire charges at 1.5 times on the vessels which occupy the dry dock beyond the initial allotted period, for such over stayed period. This will bring discipline among the vessels and also facilitate the port to have a proper planning.

(xiii). The minimum charge for berth hire and Towage & Pilotage has been prescribed considering a 5000 GRT, instead of existing 2000 GRT. Similarly, in case of Andaman Vessel, a minimum 2000 GRT has been proposed, instead of existing 1000 GRT. This has been done to enable the port to recover the part of the expenses being incurred by the port on marine services. The existing charges do not even cover the cost of the pilot deployed.

(xiv). Considering the problem associated with recording of exact time for entry and exit of each and every barge at the Haldia Floating Cargo Handling jetty for levy of Stayal Charge, it has been proposed to levy a fixed charge depending on the GRT of the barges. The proposed fixed charges are nominal.

(xv). Board has approved Penal Berth Hire charges. We will be including in this proposal.

(xvi). The increase of 4.26% that came into effect in May 2019 due to the application of the indexation factor, has been subsumed in the quantum of increase of 10% sought by the port. So, effectively, the increase in charges is only to the extent of about 5.74% on the rates, which is now being paid by the users. The increase has been sought to bridge the revenue gap.

(xvii). Some rebates allowed by the port earlier has been proposed to be withdrawn. Nevertheless, the TAMP rates are ceiling rates and the KOPT has the liberty to levy lower rates by allowing rebates/ granting concessions, with the approval of its Board. This can be seen on a time to time basis.

Rawmet

(i). The proposal of the port talks about only increase in charges, but nothing is indicated on the performance of the port. How will the trade benefit? There must be penalty for non-performance.

Chairman, KOPT: It is already in-built. If I don't perform, I will not get indexation.

Seahorse/ BCC

(i). The port has been sensible enough to seek only a 10% increase on all charges. Congratulations. However, our request is that considering the financial crunch faced by the shipping lines, the VRC should not be increased this time, for containers, Bulk and Break Bulk vessels.

(ii). It is submitted that no charges should be levied on the empty containers. It is huge liability for Lines.

NACFS

(i). The KOPT has changed the definition of ICD containers. It has differentiated between ICD containers moved by road and that moved by rail. Please continue existing free period for movement of ICD cargo in Road and Rail mode.

(KOPT: There is no change in the definition of ICD containers. We have only reduced the free period for ICD containers moving by road, so as to decongest the Docks.)

River Waterlink

(i). Slip way – 2 is allotted to us. It is proposed that the Hire Rental charges for Slipway No.2 located at North Workshop Complex, KOPT should be minimized, as it is kutchha in nature and requires heavy expenditure towards regular maintenance. The proposed rates are not viable. It may be pegged in the range of ₹ 800/- to ₹ 1000/- per day.

MSC Agency

(i). There should not be any increase in the charges for empty containers.

(ii). Also, there is no parity in the rates of Empty containers at HDC and KDS. It should be prescribed at the same level, if possible.

[HDC of KOPT:
Historically, the charges of empty containers at HDC are higher than KDS. The charges for loaded containers at KDS is higher than HDC. Many loaded containers at HDC are moved to Kolkata with additional cost. The lower rate for loaded containers at HDC would partly offset the additional cost.]

Cross Ocean

(i). Vessels which come in advance have to wait for 2-3 days. This increases the cost. The port should look into the matter.

MCPI

(i). We have given our written submissions.
