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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 37 **New Delhi,** **31 January 2017**

NOTIFICATION

In exercise of the powers conferred under Sections 48 & 50 of the Major Port Trusts Act, 1963, the Tariff Authority for Major Ports hereby notifies the Performance Norms based Incentive and Penalty in respect of Dry Bulk Cargo handled at Kolkata Dock System (KDS), of the Kolkata Port Trust (KOPT) as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports

Case No. TAMP/73/2016 - 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 4th day of January 2017)

This case relates to a proposal received from Kolkata Port Trust (KOPT) for approving the Performance Norms based Incentive and Penalty in respect of Dry Bulk Cargo handled at Kolkata Dock System (KDS).

2. The Ministry of Shipping (MOS) under cover of its letter dated 16 June 2016 has forwarded the Berthing Policy for Dry Bulk Cargo for Major Ports, 2016 and have directed all the Major Port Trusts to implement the norms with actual incentives and penalties.

3.1. Accordingly, the KOPT, vide its letter dated 26 September 2016, has filed a proposal for approving the Performance Norms based Incentive/ Penalty and Anchorage charges in respect of Dry Bulk Cargo handled at KDS.

3.2. The said proposal was taken up for consultation with the concerned users/ user organisations of the KOPT. A joint hearing in this case was held on 24 November 2016 at the premises of KOPT. At the joint hearing, the KOPT and the concerned users/ organisation bodies have made their submissions.

3.3. With reference to the totality of information collected during the processing of the case, this Authority has passed a speaking Order disposing of the proposal filed by the KOPT for approving the Performance Norms based Incentive/ Penalty and Anchorage charges in respect of Dry Bulk Cargo handled at KDS.

4.1. The speaking Order passed by this Authority is in the process of notification in the Gazette of India which is likely to take some time for notification. This Authority desires that the norms for Performance, Incentive/ Penalty, Anchorage charges in respect of Dry Bulk Cargo handled at KDS may come into force without waiting for notification of the speaking Order. Therefore, this Authority notifies the Performance Norms based Incentive/ Penalty and Anchorage charges in respect of Dry Bulk Cargo handled at KDS, which is attached as **Annex.**

4.2. The Minimum Berth output per ship crane/ derrick per day is deemed to have come into effect from 01 September 2016, as proposed by the KOPT. The levy of incentives and penalties would come into effect after expiry of 30 days from the date of notification of this Order in the Gazette of India and shall remain valid for a period of one year from the date of notification of this Order.

4.3. The speaking Order passed by this Authority will be notified separately and communicated to the KOPT and the relevant users/ user organisations in due course of time.

(T.S. Balasubramanian)
Member (Finance)

Annex

Kolkata Port Trust

SCALE OF RATES

Gazette No.37 Dated 31.01.2017

(i). **“Performance Norms based Incentives and Penalties for ships carrying Coal and Industrial Salt at Kolkata Dock System:-**

Minimum Berth output per ship crane/ derrick per day

Commodities	Norms (in tonnes)
Coal (includes all types of coal and cokes)	1500
Industrial salt	1400

Conditionalities for grant of incentives for achievement of Performance Norms and levy of Penalties for non achievement of Performance Norms are as given below:

(a). For each arrival, ship Berth stay will be calculated based on commodity specific productivity norms and parcel size of vessel.

(b). If a ship stays within 5% (higher or lower) of the stipulated time for that commodity, then no penalty/ incentive will be levied/ paid.

(c). In case where actual Berth stay is more than 5% higher than the stipulated time, the number of additional hours spent at berth will be penalized by 2 x berth hire.

(d). In case where actual berth stay is more than 5% lower than the stipulated time, number of additional hours saved will be incentivized at 1 x berth hire.

(e). In computing actual performance achieved by each ship for the purpose of calculating penalty/ incentive, any stoppage of operation on account of port related or weather related issues will be discounted. Such exclusions will be limited to:

(i). Break down / non availability of port provided equipment at berth.

(ii). Weather related stoppages

(iii). Shifting of ships between berths on account of port.

(iv). Any delays in sailing after vessel readiness to sail on account of port i.e. pilot/tug unavailability, tidal conditions.

(v). Draft surveys within the prescribed norms for ships. As a guideline, maximum 30 mins per party for interim draft survey would be allowed.
Any additional time incurred in draft surveys will be considered in berth stay. Where practicable, in case of multi-party consignment, common surveyors are to be appointed so as to reduce time lost during interim draft surveys. Vessel Agent / Importers must co-ordinate and inform port.

(vi). Any stoppages because of other reasons are not to be excluded for calculation of performance norms, unless specifically approved by Board.”

(f). The levy of anchorage charges in respect of vessels visiting Haldia Dock Complex (HDC) prescribed at Clause 2 of the HDC schedule will apply in respect of vessels visiting KDS.

(ii). The Minimum Berth output per ship crane/ derrick per day is deemed to have come into effect from 01 September 2016. The levy of incentives and penalties will come into effect after expiry of 30 days from the date of notification of the Order in the Gazette of India.
