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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 368

New Delhi,

10 October 2016

NOTIFICATION

In exercise of the powers conferred under Section 49 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from the Kolkata Port Trust for refixation of rent of Hari Mohan Ghosh Road area (Zone 18 of Current Schedule of Rent), as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/10/2016 – KOPT

The Kolkata Port Trust

- - -

Applicant

QUORUM

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

ORDER

(Passed on this 17th day of September 2016)

This case relates to the proposal received from the Kolkata Port Trust (KOPT) for refixation of rent of Hari Mohan Ghosh Road area (Zone 18 of Current Schedule of Rent).

2.1. This Authority vide Order No. TAMP/7/2010-KOPT dated 19 January 2011 has notified the Schedule of Rent (SOR) of KOPT for Land and Buildings of KOPT at Kolkata and Haldia, effective for five years in the Gazette of India on 8 March 2011 vide Gazette no.47. The SOR has come into effect from 7 April 2011 after expiry of 30 days from the date of notification of the Order in the Gazette of India and is valid for a period of five years upto 6 April 2016.

2.2. Vide the said Order, interalia, the monthly rental for the Hari Mohan Ghosh Road area at Kolkata was revised from ₹ 1229/- per 100 sq.m per month to ₹ 6308/- per 100 sq.m per month. In this regard, it is relevant to mention here that based on the view of this Authority then, to assess the market value of the land under all the options given in the Land Policy Guidelines of 2010 and derive the rentals based on the option which is most beneficial to the port, the rate of ₹. 6308 per 100 sq.m. per month, which is the highest among the lease rental based on the Sub-Registrar (SRO) rate (₹ 1605/- per 100 sq.m per month), rental as per escalation approach (₹ 1229/- per 100 sq.m per month) and rental as per tender rate (₹ 6308/- per 100 sq.m per month), was approved.

2.3. Subsequent to fixation of Rent Schedule, many parties had represented to this Authority objecting to the highest rate. Simultaneously, they had approached Rent Controller / High Court of Calcutta. One of the parties viz. M/s Jajodia (Overseas) Private Ltd. (JOPL) had approached Hon'ble High Court of Calcutta with regard to rentals fixed for Hari Mohan Ghosh Road area, and where this Authority was also one of the respondents. The Hon'ble High Court of Kolkata has dismissed the writ petition filed by the JOPL.

3. In this backdrop, the KOPT, under cover of its letter no. Lnd 4497/A/II/16/3024 dated 5 January 2016 has come up with the proposal for reduction of rent of Hari Mohan Ghosh (HMG) Road area (Zone 18 of Current Schedule of Rent).

4.1 The main points made by KOPT in its proposal dated 5 January 2016 are summarized below:

- (i). The tenants/ occupants of Zone 18 are not making payment of rent in full as "mark of protest". In fact, such non-payment, coupled with the very poor condition of road there, is acting as deterrent for regularizing/ granting fresh lease to the tenants of HMG Road whose leases have since expired.
- (ii). There has been more than 100% hike in the scheduled rate of this zone in the current Schedule of 2011, as compared to that of 1996 Schedule. For this Zone the rate of SOR effective from 07.04.2011 is ₹. 6,308/- per 100 sq.m. per month. As per the previous Schedule of 1996, the SOR for this area was ₹. 555/- per 100 sq.m. per month, effective from 19.09.1996 (which, after being duly enhanced @ 5.1 % per annum, leads to a figure of ₹. 1,114/- per 100 sq.m. per month immediately prior to 7.04.2011).
- (iii). That tenants have regularly been representing:

- (a). Against the steep rise in SOR as well as the poor road condition of HMG Road.
- (b). That HMG Road area is low lying and hence, remains waterlogged in the Monsoon season.
- (c). That given the poor road condition of HMG road area when compared with nearby Ramnagar area, (which has a lower rate of SOR of ₹. 1,552/- per 100 sq.m. per month from 07.04.2011 and which had been having the same rate of rent as per SOR prior to 2011), they should be having the benefit of paying as per the rate of Ramnagar Area.
- (d). That the following table giving the rates of HMG Road area and rates of different Zones shows the steep and unusual hike in SOR in HMG area in 2011, leading to grievances among the parties.

Sl. No.	SOR Rate	H.M.G. Rd. (Zone 18)	Ramnagar (Zone 19a)	CGR Road (2 nd belt) (Zone 2)	Taratala Road (2 nd belt) (Zone 17)
1.	2011 SOR	6308/-	1552/-	2684/-	1632/-
2.	1996 SOR	555/-	555/-	555/-	416/-
3.	1988 SOR	318/-	318/-	318/-	239/-
	1983 SOR	90/-	90/-	96/-	73/-
	1976 SOR	30/-	No separate zone	45/-	40/- (Zone 13)

- (iv). That back ground of such steep increase of HMG road area lies in the rate of lease rent of ₹. 3,054/- per 100 sq.m. per month, as was accepted by the IMC for their occupation of land measuring 806.230 sq.m. at HMG Road area (D-136/5) in 2000, while converting it from licence hold to lease hold land for further lease of 15 years, from the year 2000, for their adjacent lease hold land. It is observed that at that point of time, the rate of ₹ 3,054/- was not an accepted tendered rate but was derived from the tender rate quoted by one M/s. Kusum Marketing in 1996, who had not subsequently accepted lease at this rate. This derived rate, however, was offered to the IMC in 2000. The IMC was expanding its factory and was in the process of taking up certain constructions within this piece of licence hold land adjacent to their lease hold occupation. Hence, they were in urgent need of getting lease for the land. In the back drop of the same, IMC accepted this higher rate for the comparatively smaller occupation of 806.23 sq.m. as well as for their adjacent occupation, the lease for which had expired. In other words, this rate of ₹. 3,054/- in 2000 may not be ideally referred to as an accepted tender rate, considering:
 - (i). This rate was derived in 2000 by enhancing the rate quoted by one M/s. Kusum Marketing in 1996, which was not subsequently accepted by the said M/s. Kusum Marketing.
 - (ii). The urgent requirement of lease of IMC in 2000 for their smaller occupation.
 - (iii). The rate was offered to IMC through negotiation and was accepted by them.
- (v). After considering various petitions regarding steep hike of rates of rent for HMG Road, Dhobiatalao and Jagat Banerjee Ghat Road, a Committee was formed in 2013 with the approval of Chairman, KOPT, to suggest rates for Zones which have abnormal rate increase.

The Committee finalised its report on 8.4.2014, recommending, inter alia, rationalisation of rate for Zone 18, to charge an average of the SRO rate (Sub Registry Office Rate) ₹. 1,606.37 ((Sub Registry Office Rate x Two years escalation) ₹ 1544 x 102%*102%)) and Rate approved by TAMP in SOR ₹.6,308/-, which gives a value of ₹. 3,958/- per 100 sq.m. per month $[(\text{₹ } 6308 + \text{₹ } 1606.37) / 2]$, instead of ₹ 6308/- per 100 sq.m. per month.

- (vi). The Land Allotment Committee (LAC) constituted by the Chairman, KOPT, decided that before accepting/ recommending such rates, response from bidders against vacant plots situated in this Zone should be obtained. But, not even a single bid has been received by KOPT.
- (vii). Clause 5.3 (1) of the 2004 Land Policy Guidelines, which was in vogue at the time when this current schedule was being processed, mentions that while fixing market value of land and SOR, the highest of the following factors was to be considered to determine market value of Port Land:
- State Government's ready reckoner of land values in the area, if available,
 - Average rate of actual relevant transaction registered in last 3 years in the Ports vicinity, adding 2% escalation per annum, as may be necessary,
 - Highest accepted tender of Port Land for similar transactions,
 - Rate arrived at by an approved valuer appointed for the purpose by the Port.
 - Any other relevant factor as may be identified by the Port.
- (viii). As per submission before TAMP in 2009, rates arrived at as per the aforesaid guidelines were as follows:

Zone No.	Sub Registry Office Rate (SRO)	Escalated rate of SOR, 1996	Escalated Tendered Rate
18	₹ 1606.37 per 100 sq.m. per month	₹ 1114 per 100 sq.m. per month	₹ 6308/- per 100 sq.m. per month

- (ix). As the tender rate is not a matured tendered rate, the same was ignored. On the other hand, the Sub Registry Office (SRO) rate provided by State Government, fits in here ideally. In other words, the recommendation of the Committee dated 8 April 2014 of fixing of the rate at ₹. 3,958/- for HMG Road, is not as per the Land Policy Guidelines, whereas the SRO Rate is covered by the Land Policy Guidelines. The Land Policy Guidelines, 2010, duly adopted by Board, also stipulated the above criteria for fixing market value of Port Land.
- (x). The Land Allotment Committee recommended that –
- The escalated tendered rate of ₹ 6308/- per 100 sqm per month is not a matured tendered rate for reasons explained above and hence should be ignored.
 - Out of the balance two cognizable rates i.e ₹ SRO rate of ₹.1606.37 per 100 sqm. per month and Escalated rate of SoR, 1996 ₹ 1114/- per 100 sqm. per month, the highest one i.e. SRO rate of ₹.1606.37 per 100 sqm. per month was recommended w.e.f. 07.04.2011, subject to the recommendation of the Board and approval of TAMP.
- (xi). Considering the above position and based on the following justifications put forth by KOPT before its Board of Trustees that -
- an inadvertent error has crept in the existing SOR by recognizing a non-matured tendered rate as a matured one; hence, this error is required to be rectified.
 - in terms of the then Land Policy Guidelines, out of the balance two cognizable rates, the higher one has been recommended; and, hence, this is in line with the said Guidelines.

The Board of Trustees of KOPT in its meeting held on 26 November 2015 has resolved to re-fix the rate of scheduled rent for Hari Mohan Ghosh Road area (Zone 18 of the current schedule) at ₹.1606.37 per 100 sq.m with effect from 07 April 2011, subject to approval of TAMP.

4.2. Accordingly, the proposal of the KOPT is to refix the rental at ₹1606.37 per 100 sq. mtr. per month for Hari Mohan Ghosh Road area (Zone 18 of the current schedule) of KDS, with effect from 07 April 2011.

5. According to KOPT, vide its letter dated 17 February 2016, there is no subsisting lease at present. The erstwhile lessees, who are in occupation of the KOPT premises, are aggrieved by the higher rates of the Rent Schedule of 2011 and have been representing against the same.

6.1 In accordance with the consultative procedure prescribed, a copy of the KOPT proposal dated 5 January 2016 was forwarded to the major occupants/ erstwhile lessees of Zone 18 of current Schedule of Rent as furnished by the KOPT vide its letter dated 20 April 2016 and other user/ representative bodies of users, vide our letter dated 25 April 2016 seeking their comments. Some of the lessees have furnished their comments. These comments were forwarded to KOPT as feedback information. The KOPT has responded vide its letter dated 8 June 2016 to the comments of occupants / erstwhile lessees.

6.2. On receipt of the proposal, we have vide our letter dated 3 February 2015 requested the KOPT to furnish the status of any matter pending in the Hon'ble High Court of Calcutta or with the Learned Rent Controller with regard to the rentals fixed for Hari Mohan Ghosh Road, in order to enable us confirm that the rental with regard to Hari Mohan Ghosh Road is not subjudice and we can go ahead with the proposal in reference.

6.3. In this connection, the KOPT vide its letter dated 17 February 2016 has stated that as per its available records, there is no matter pending either in the Hon'ble High Court of Calcutta or with the Learned Rent Controller against rate of rent fixed for Harimohan Ghosh Road in the last Rent Schedule of KOPT. Thus, there is no restraint order on TAMP in the subject issue.

7. A joint hearing in this case was held on 13 June 2016 at the KOPT premises. At the joint hearing, the KOPT made a brief power point presentation of its proposal. The KOPT and the concerned users/ user organizations have made their submissions at the joint hearing.

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

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

- (i). The existing Rent Schedule for the Land and Buildings of KOPT at Kolkata and Haldia was last approved by this Authority vide its Order dated 19 January 2011 for a period of five years. The Rent Schedule has come into effect from 07 April 2011 and is valid for a period of five years upto 06 April 2016. The approved Rent Schedule includes rental for the Hari Mohan Ghosh Road area.
- (ii). While fixing the monthly rentals for the HMG Road area in the year 2011, the market value of the land for the HMG Road area was assessed by the KOPT as per three methods given in the Land Policy Guidelines of 2004; and, lease rental was fixed as given below:
 - (a). Rental as per Sub Registry Officer (SRO) method at ₹1605/- per 100 sq. mtr per month.

In the current proceedings relating to the case in reference, the SRO rate for the Hari Mohan Ghosh Road has been indicated by KOPT at ₹ 1606.37 per 100 sq. mtr per month. However, from the workings then relied upon by this Authority to determine the lease rentals for the land and buildings of KOPT at Kolkata and Haldia, the rental based on the SRO rate for the Hari Mohan Ghosh Road was determined at ₹1605/- per 100 sq.m. and not ₹1606.37 per 100 sq.m as indicated in the Report of the LAC. The basis for the SRO rate for the Hari Mohan Ghosh Road as indicated by KOPT at ₹ 1606.37 per 100 sq. mtr per month remains unexplained. In this connection,

it may be recalled that, during the proceedings relating to fixation of lease rentals of KOPT in the year 2010, the KOPT had indicated the lease rental based on the SRO rate for the Hari Mohan Ghosh Road at ₹ 1544/- per 100 sq.m. The said rental arrived at by KOPT as of 2008 was further updated by allowing escalation of 2% per annum for the years 2009 and 2010 so as to arrive at the rentals for the year 2010 as recorded in the Order of January 2011. This has resulted in the lease rental of ₹. 1605/- per 100 sq.m.

- (b). Rental as per method of highest accepted tender rates for similar transactions at ₹. 6308/- per 100 sq. mtr per month.
- (c). Rental as per the method of escalated Rent Schedule of 1996 at ₹1229/- per 100 sq. mtr per month.

In the current proceedings relating to the case in reference, the escalated rate for the Hari Mohan Ghosh Road has been indicated by KOPT at ₹1114/- per 100 sq. mtr per month. However, from the workings then relied upon by us to determine the lease rentals for the land and buildings of KOPT at Kolkata and Haldia, the rental based on the escalated rate for the Hari Mohan Ghosh Road was determined at ₹1229/- per 100 sq.m. and not ₹1114/- per 100 sq.m as indicated in the Report of the LAC.

- (iii). Thus, vide the said Order of January 2011, the monthly rental for the Hari Mohan Ghosh (HMG) Road area at Kolkata (Zone 18 of Current Schedule of Rent) was revised from ₹ 1229/- per 100 sq.m per month to ₹ 6308/- per 100 sq.m per month being the highest of the three method as proposed by KOPT at the relevant point of time. As brought out earlier, there were representation and litigation with regard to high rental fixed for HMG Road area considering the poor infrastructure at HMG road. In view of the representation against rate and the poor infrastructure at HMG Road, the KOPT has come up with the proposal under reference to revise downwards the lease rental of HMG Road area. The KOPT has confirmed that there is no matter pending either in the Hon'ble High Court of Calcutta or with the Learned Rent Controller against rate of rent fixed for HMG Road in the last Rent Schedule of KOPT and that there is no restraint order on this Authority on the subject issue.
- (iv). In order to review the lease rental of HMG Road area, the KOPT is seen to have constituted a Land Allotment Committee (LAC) (following the Land Policy Guidelines) headed by the Deputy Chairman of the port and comprising of Secretary and Heads of Departments of Finance, Estate and Traffic.

As seen from the Report of the LAC, the LAC has noted that the rental of ₹ 6308/- per 100 sq.m for the HMG Road area, is based on the tender rate of lease rent of ₹ 3,054/- per 100 sq.m. per month, as was accepted by M/s. IMC at HMG Road area in 2000. The LAC has also noted that M/s. IMC was expanding its factory and was in urgent need of getting lease for the land; and, therefore, accepted the higher negotiated rate for the comparatively smaller occupation of 806.23 sq.m. as well as for their adjacent occupation. In view of the above, the LAC in its Report has stated that the rate of ₹3054/- per 100 sq.m. per month cannot and should not be ideally referred to be an accepted tender rate as it was not the outcome of a matured tender.

- (v). Given that the tender rate relating to the HMG Road area is not a matured tender rate, the LAC has decided to consider the highest among the other two rentals viz., SRO rate (₹ 1606.37 per 100 sq.m) and Escalated rate (₹ 1114/- per 100 sq.m). Thus, as seen from the Report of the LAC, the LAC has recommended to consider the SRO rate of ₹1606.37 per 100 sq.m as the revised rental for the Hari Mohan Ghosh Road. The recommendation of the LAC has been approved by the Board of Trustees of KOPT.
- (vi). Incidentally, there is a slight variation in the SRO rate as considered by the LAC and the SRO rate as derived by us for the Hari Mohan Ghosh Road area in the 2011 Order. As seen from the workings then relied upon us to determine the lease rentals

for the land and buildings of KOPT at Kolkata and Haldia, the rental based on the SRO rate for the Hari Mohan Ghosh Road was determined at ₹ 1605/- per 100 sq.m. and not ₹1606.37 per 100 sq.m as indicated in the Report of the LAC.

- (vii). One of the users viz., Hindustan Petroleum Corporation Limited (HPCL) has opposed the SRO rate also as proposed by the Port on the ground that the infrastructure at the HMG Road area is very poor. Even though the other user viz., M/s Jajodia (Overseas) Private Ltd. (JOPL) has agreed to the rate proposed by the port, it has also highlighted about the lack of facilities at HMG Road area. In this regard, at the joint hearing, the KOPT has stated that they would be taking steps to improve the infrastructure. The KOPT is advised to take necessary steps to improve the infrastructure at the HMG Road area, as already agreed by it. With regard to the opposition to the rate, it is relevant to mention here that the rate of HMG Road area is being revised now by keeping all the parameters that had prevailed in the year 2011, the same. No new factors have been introduced by the Port. The Port has only sought to rectify an error of relying upon the tender rate then, which is now being stated to be an unmatured tender rate.
- (viii). Given that the LAC has recommended to consider the SRO rate (being the higher of the SRO rate and the Escalation rate) and since the recommendation of the LAC has been approved by the Board of Trustees of KOPT, this Authority is inclined to approve the proposal of the port.
- (ix). Further, as requested by the Port, the revised rental for the Hari Mohan Ghosh Road (Zone-18 of the current Schedule) is deemed to have come into effect from the date when the Order of January 2011 has come into force.
- (x). As brought out earlier, the existing Rent Schedule for the Land and Buildings of KOPT at Kolkata and Haldia was valid upto 06 April 2016. Thereafter, based on the request made by the KOPT, this Authority has extended the validity of the Rent Schedule till 06 October 2016 or till the effective date of implementation of the revised Rent Schedule to be determined based on the proposal to be received from KOPT vide Order dated 30 March 2016 whichever is earlier. In view of this position, the validity of the revised rental for the Hari Mohan Ghosh Road (Zone-18 of the current Schedule) also stands extended till 06 October 2016 or till the effective date of implementation of the revised Rent Schedule to be determined based on the proposal to be received from KOPT, whichever is earlier. The Order dated 30 March 2016 extending the Rent Schedule validity will stand amended to the extent of extension of validity of the rental of HMG Road area alone.

9.1. In the result, and for the reasons given above, and based on a collective application of mind, this Authority accords approval to replace the existing Sl. No. 18 of Section – I – Lands under the Schedule of Rent for Land, Warehouses and Buildings of KOPT at Kolkata Dock System with the following:

Sl. No	Description of Land	Rate of Rent Per 100 Sq.mtrs. Per month	
		First Belt (₹.)	Second Belt (₹.)
18	Hari Mohan Ghosh Road	1605/-	NA

9.2. The other terms and conditions forming part of the Rent Schedule approved in the year 2011 will continue to govern the rate for the Hari Mohan Ghosh Road area also.

9.3. The KOPT is advised to suitably replace the above provision in its existing Schedule of Rent.

(T.S. Balasubramanian)
Member (Finance)

SUMMARY OF THE COMMENTS RECEIVED FROM THE PORT OCCUPANTS / ERSTWHILE LESSEES AND ARGUMENTS MADE IN THIS CASE DURING THE JOINT HEARING BEFORE THE AUTHORITY.

F. No. TAMP/10/2016-KOPT	Proposal received from Kolkata Port Trust for revision of rent of Hari Mohan Ghosh Road (Zone18 of Current Schedule of Rent) w.e.f 07.04.2011.
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A summary of comments received from occupants / erstwhile lessees and reply of Kolkata Port Trust (KOPT) thereon is tabulated below:

Sl. No.	Comments of occupants / erstwhile lessees	Reply of KOPT (page no. 151-152/C)
1.	Durga Yadav (page no. 74-76/c), Jajodia (Overseas) Pvt Ltd (page no. 86-137/c)	
	We appreciate the stand taken by KOPT to bring down the tariff of Hari Mohan Ghosh Road. We principally agree to the reduction of rate proposed by KOPT subject to the following objections: (a).The Kolkata Port Trust has proposed higher of the two rates at ₹ 1,606.37 per 100/sq.mt. per month. It is suggested in accordance of the principles of valuation the average of the two should be taken. (b).The rate has been compared with Taratala 2nd Belt which is ₹ 1632/- per 100 sq.m per month. It may be noted that the width of Taratala 2nd Belt is much more than that of Hari Mohan Ghosh Road. Further Taratala Road and Circular Garden Reach Road are well maintained and is a developed area whereas Hari Mohan Ghosh Road is very poorly maintained. Further Taratala Road and Circular Garden Reach Road are high roads and there is no problem of water logging whereas Hari Mohan Ghosh Road is prone to water logging even at the slightest rainfall. (c).The Circular Garden Reach Road and Taratala Road are well lit having light posts whereas there is no street light at all in Hari Mohan Ghosh Road. Further, there is no underground drainage/sewerage system and there is no supply of filtered water in Hari Mohan Ghosh Road. (d).Practically there is no access to Hari Mohan Ghosh Road by any 4 wheeler as the culvert at the entrance has collapsed.	Fixation of an average rate of rent for H.M.G. Road does not have any locus stand at all in terms of the provisions of the relevant Land Policy Guidelines. Moreover, the issues of water logging etc. have already been taken into account by KOPT while recommending the rate of rent of ₹. 1606.37 per 100 sqm per month w.e.f. 7 April 2011 for H.M.G. Road (Zone 18 of current SOR of KDS).

	(Photographs of Hari Mohan Ghosh Road are furnished by Jajodia (Overseas) Pvt Ltd.) (e). It is requested that a prudent check may be conducted and the Tariff be fixed for Hari Mohan Ghosh Road based on the proposal of KOPT after considering the above lack of infrastructure and diminishing valuation.	
2.	Hindustan Petroleum Corporation Limited (page no. 81-82/c)	
	The land for the unit 1 at Hari Mohan Ghosh Road has been taken on a lease from KOPT. Since inception HPCL has always paid in time before due date regularly. In spite of doing so for several years HPCL is denied the minimum basic facilities from the KOPT against problems like waterlogging, illegal parking of vehicles, illumination etc. Further, Hari Mohan Ghosh Road has become unusable because of illegal encroachment and parking which is a potential safety hazard for adjoining unit. The matter has been taken up with KOPT for so many years but no action for relief has been provided by them. Having an unit under such condition which is already burdening us with extra expenses for safeguarding, any additional rent will increase the burden more which will ultimately be borne by customers i.e. the common user of the lubricants, which we do not intent to do. As per present market scenario in West Bengal, such demands for lands to establish and to run industry is very low. With the type of facilities available in this locality in the current situation it is felt that the rental should be reduced to ₹. 1114/- per 100 sq.mtr. per month as on 7.04.2011. [The rate of ₹.1114/- suggested by the HPCL is the escalated rate of 1996].	HPCL has not provided any basis of arriving at such proposed rate of ₹. 1114/- , thereby making their suggestion arbitrary. The same, therefore, cannot be accepted, given the specific provisions of the Land Policy Guidelines in this regard.

2. A joint hearing in this case was held on 13 June 2016 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:

Kolkata Port Trust

- (i). The 1996 SOR for Zone 18 which was ₹ 555/- leads to ₹ 1114/- per 100 Sq. Mtrs per month as on 06.04.2011 after escalation. The 2011 SOR for Zone 18 was fixed at ₹ 6308/- per 100 Sq. Mtrs per month as on 07.04.2011. Tenants represented against such steep increase.

- (ii). The 2011 SOR Rate of ₹ 6308/- was based on the escalated Tender Rate of ₹ 5711/-. The rate of ₹ 5711/- was not an accepted tender Rate. It was the rate quoted in a frustrated tender. It was accepted by M/s. IMC after negotiation. Land Policy Guidelines require consideration of accepted tender rate and not negotiated rate in an allotment on nomination basis. Thus, an error has crept in while framing the SOR in 2011 by the port for Zone 18. This is sought to be rectified now by us.
- (iii). In evaluating SOR for Zone 18 in 2011 SOR, there were three rates, Sub-Registrar Office Rate (SRO) (₹ 1544/-), Escalated Rate of 1996 SOR (₹ 1332/-) and Escalated Tender Rate (₹ 5711/-). The Higher of the SOR of the first two Rate of ₹1544/- (after escalation it is ₹1606.37/-) has been recommended w.e.f. 07.04.2011 which is about 44% higher than the 1996 escalated Rate. The average increase in rates of Rent in the Dock area of 2011 SOR over 1996 SOR is about 40%.
- (iv). Land Allotment Committee has recommended ₹ 1606.37/- per 100 Sq. Mtrs per month on 03.11.2015. Board of Trustees of KOPT has further recommended the LAC recommendation in its Meeting held on 26.11.2015 subject to approval of TAMP.
- (v). HPCL has not paid as per the approved rate.
[HPCL: We pay regularly at the pre-revised rate. Any revision must be with prospective effect. Please continue with ₹ 1114/- what we are paying now]
- (vi). ₹ 1114/- rate is not acceptable to the port. We cannot afford to keep the rate static. Our proposal will give relief to the users.
- (vii). The proposed rate will be bench mark for future revision of rental for Hari Mohan Ghosh Road.
- (viii). We have already taken up repair of 3 Main Roads at an estimated cost of ₹ 14 Crores.
[Jajodia: 3 Roads are for public use. Please repair the roads used by the tenants of the Port].

Hindustan Petroleum Corporation Ltd

- (i). The Condition and situation of Hari Mohan Gosh Road is bad. There is water logging and illegal parking of vehicles. We don't get infrastructure facilities like illumination in the Hari Mohan Gosh Road.
- (ii). We are burdened with extra expenses towards security. Any additional rent will increase our burdens.
[KOPT: We accept that the Road condition is not good. We will take steps to improve the Road]

- (iii). The rent should be reduced to ₹. 1114/- per month w.e.f. 07.04.2011 for the type of facility available in the Hari Mohan Ghosh Road.

Durga Yadav

M/s. Jajodia Overseas Pvt Ltd.,

Kolkata Port zone Establishment Welfare Association

- (i). We accept the proposal of KOPT to reduce the rent to ₹.1606.37 per 100 Sq. mtrs per month w.e.f. 07.04.2011.
- (ii). The condition of Hari Mohan Ghosh Road and infrastructure thereat are very poor. We submit the Photographs of HMC Road, which show the condition of the Road. Therefore, the rate of ₹.1604.37 may be continued for next revision also.

IMC Limited

- (i). After our request, the KOPT has come up with the proposal for reduction in the rental for Hari Mohan Ghosh Road.
