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Tariff Authority for Major Ports

G.No. 449 **New Delhi,** **08 October 2021**

NOTIFICATION

In exercise of the powers conferred by Section 48 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from the Deendayal Port Trust (DPT) for fixation of Reference tariff for development of Multipurpose cargo Berth off Tuna-Tekra outside Kandla creek on Build, Operate and Transfer (BOT) basis under Public Private Participation (PPP) mode at Deendayal Port under the Revised Reference Tariff Guidelines of 2013, as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/31/2021-DPT

Deendayal Port Trust ------ **Applicant**

QUORUM

(i). Shri. T.S. Balasubramanian, Member (Finance)
(ii). Shri. Sunil Kumar Singh, Member (Economic)

O R D E R

(Passed on this 15th day of September 2021)

This case relates to the proposal received from Deendayal Port Trust (DPT) for fixation of Reference tariff for development of Multipurpose Cargo Berth off Tuna Tekra outside Kandla Creek at Kandla on Build, Operate and Transfer (BOT) basis at Deendayal Port under the Revised Reference Tariff Guidelines of 2013.

2.1. The Deendayal Port Trust (DPT) vide its letter dated 4 March 2021 had earlier submitted a proposal on the above subject. Since there were information gaps which are brought out herein below in the earlier proposal dated 4 March 2021, the DPT was requested vide our letter No.TAMP/19/2021-DPT dated 25 March 2021 to file a fresh proposal alongwith the information/ clarification sought by us.

2.2. Accordingly, the DPT, vide its email dated 21 May 2021 under cover of its letter No.EG/WK/4868/MCB/Tariff dated 21 May 2021 has filed a fresh proposal and has also furnished the information/ clarification sought by us.

2.3. The main points relevant to the current DPT proposal on which clarification was sought from the DPT with respect to its earlier proposal dated 4 March 2021 and the clarification of DPT thereon vide its letter dated 21 May 2021 are tabulated below:

Sr. No.	Information/ clarification sought by us	Reply of DPT thereon
(i).	(a). The following nine cargo profile are proposed to be handled by the DPT: 1. Food grains 2. Fertilisers (Bulk) 3. Coal(bulk) 4. Ores & Minerals (Bulk) 5. Other dry Bulk cargo 6. Steel Cargo (Steel coils, plates & slabs) 7. Project cargo (Break bulk) 8. Other Bagged cargo (Incl. food grain, other steel & scrap) 9. Timber logs (Bulk break) For these nine cargo items, the DPT has proposed to adopt highest handling charge from upfront/ reference tariff of two Orders viz., Order No.TAMP/42/2009-KPT dated 17 August 2010 and Order No.TAMP/48/2015-KPT dated 22 September 2015. DPT to satisfy itself whether tariff fixed 11 years / 6 years ago would still will be valid for a new project, though the tariff is updated with indexation.	(a).With reference to observation"…………….. tariff fixed 11/ 6 Years ago………………" it is to clarify that, the Reference Tariff Guidelines 2013 doesn't restrict/specify time period post approval of tariff for taking reference for other project.
	(b). The DPT has adopted storage charge from a different tariff Order No.TAMP/64/2019-KPT dated 01 June 2020. The adopted storage charge pertains to stressed PPP project whose validity has already expired on 19 February	(b). Now, tariff for storage charges has been proposed and adopted from Tariff order No. TAMP/48/2015-KPT dated 22 September 2015 and deemed fit.

	2021. Hence, the tariff proposed from the stressed PPP Project Order does not appear to be appropriate for adoption under clause 2.2. of the Reference Tariff Guidelines of 2013. Further, as the DPT may be well aware, the tariff fixed / to be fixed as per the MOPSW(the then MOS) letter No. PD-13/1/2018-PPP cell dated 11 July 2018 for stressed PPP projects is subject to annual review and hence may not qualify for validation for long horizon envisaged for the proposed project. The tariff Order dated 17 August 2010 and 22 September 2015 adopted by the DPT for handling charge already prescribe storage charge. The reason for DPT not proposing storage charge from these adopted orders is not explained. In the light of the above observation, the DPT to examine the proposed storage charge and consider to propose it from the tariff order adopted for handling charge, if the tariff Order dated 17 August 2010 and tariff Order dated 22 September 2015 are deemed fit for adoption.	
(ii).	The tariff for two commodities viz.,(a) Ores & Minerals(Bulk) and (b) Other dry Bulk cargo is stated to be adopted by the DPT from Order No.TAMP/42/ 2009-KPT dated 17 August 2010 read with Order No.TAMP/59/2014-KPT dated 18 January 2019. However, it is seen that the upfront tariff for said two cargo items are not prescribed in the tariff Order dated 17 August 2010 read with Order dated 18 January 2019. The reference tariff for these two cargo items are, prescribed in the other reference tariff Order No.TAMP/48/2015-KPT dated 22 September 2015 adopted by the DPT for proposing reference tariff for break bulk cargo. The DPT, therefore, to review the proposed handling charge for Ores & Minerals (Bulk) and Other dry Bulk cargo to comply with clause 2.2. of the reference tariff guidelines 2013.	In compliance with clause no.2.2 of reference Tariff Guidelines 2013, now, the tariff for handling charges for two commodities viz (a) Ore & Minerals (Bulk) and (b) Other dry Bulk Cargo have been proposed and adopted tariff from order No. TAMP/48/2015-KPT dated 22 September 2015
(iii).	For Bagging & stitching of fertilizer, the DPT has adopted upfront tariff approved by this Authority in Order No. TAMP/26/2009-VPT dated 27 November 2009 related to fixation of upfront tariff for mechanised fertiliser handling at Visakhapatnam Port Trust (VPT). Subsequently, based on the proposal of the VPT, this Authority has approved revised bagging and stitching service to include the labour charge vide Order No. TAMP/26/2009-VPT dated 31 March 2010. The said Order can be	Now, tariff for bagging & stitching of fertilizer has been proposed and adopted as per tariff Order No. TAMP/26/2009-VPT dated 31 March 2010.

<table>
<tr><td></td><td>perused on the website of TAMP. The DPT, therefore, to review the proposed charges for Bagging & stitching of fertilizer adopted by the port in the light of the above observation</td><td></td></tr>
<tr><td>(iv).</td><td>The DPT to ensure that the Performance Standards proposed / to be proposed are in tandem with tariff Orders to be adopted after review in the light of the above observation.</td><td>Now, the performance standards for Gross berth output (Per vessel) for “Ores and Minerals Bulk and “other dry bulk cargo” are revised to 20000 Tons/day in line with the Tariff order No. TAMP/48/2015-KPT dated 22 September 2015 and deemed fit.

The earlier proposed Performance standard for “Transit storage dwell time” for import cargo (5 days) and export cargo (15 days) was at par with the corresponding free period. However, as per the tariff order No. TAMP/48/2015-KPT dated 22 September 2015 (page no 26- viii – Tariff Calculation for storage charges) significant quantum of cargo is getting evacuated after 8th week i.e. 56 days after free period. Considering this the performance standard for the “Transit storage dwell time” for all type of cargo has now been revised and proposed as under:
<table>
<tr><th>Transit Storage Dwell time</th><th></th></tr>
<tr><td>Import</td><td></td></tr>
<tr><td>All types of Cargo</td><td>61 days (56 days plus 5 days of free period)</td></tr>
<tr><td>Export</td><td></td></tr>
<tr><td>All types of Cargo</td><td>71 days (56 days plus 15 days of free period)</td></tr>
</table></td></tr>
<tr><td>(v).</td><td>The DPT to also confirm whether the upfront / reference tariff adopted by the port is representative for the proposed project.</td><td>It is confirmed that upfront / reference tariff adopted by the port is representative for the proposed project.</td></tr>
<tr><td>(vi).</td><td>The general conditionalities relating to System of Classification of vessel for levy of Vessel Related Charges (VRC), Criteria for levy of vessel related charges and Cargo Related Charges (CRC) at concessional coastal rate proposed by the DPT in the proposed SOR are not found to be in line with the common adoption Order passed by this Authority vide Order No No. TAMP/53/2015-VOCPT dated 26 November 2015 along with amended Order dated 10 June 2016 for all the Major Ports and BOT operators. That being so, the DPT to prescribe the general conditionalities as prescribed in the said common Order in proposed Reference Tariff Schedule in line with the prescription in the SOR of Major Port Trusts and BOT operators.</td><td>The general conditionalities relating to System of Classification of vessel for levy of Vessel Related Charges (VRC), Criteria for levy of vessel related charges and Cargo Related Charges (CRC) at concessional coastal rate has been adopted in line with the common adoption Order passed by this Authority vide Order No No. TAMP/53/2015-VOCPT dated 26 November 2015 along with amended Order dated 10 June 2016 for all the Major Ports and BOT operators.</td></tr>
<tr><td>(vii).</td><td>The DPT has considered indexation factor upto the year 2020-21 to arrive at the proposed indexed reference tariff. Since the annual indexation factor for the year 2021-22 is approved by this Authority which has been communicated to Major Port Trusts separately, the DPT to propose the reference tariff to capture the indexation</td><td>As suggested, indexation factor, duly approved by TAMP, for the year 2021-22 has now been incorporated.

As such the aforesaid indexation (0.33 %) is the 60 % of variation in WPI occurred between 1st Jan 2020 to 1st Jan 2021,</td></tr>
</table>

	factor for the year 2021-22 as well. Consequently, General note at 6 also to be modified to replace “January 2021” as base year for indexation with “January 2022” as the base year for annual indexation.	hence, the base year for next annual indexation will be Jan 2021.

3. The Ministry of Ports, Shipping and Waterways (MOPSW), the then Ministry of Shipping (MOS), vide its letter No.PR-14019/16/2012-PG dated 31 July 2013 has issued ‘Guidelines for Determination of Tariff for Projects at Major Ports, 2013’ under Section 111 of the Major Port Trusts (MPT) Act, 1963 on 09 and 12 September 2013. The said Guidelines were notified in the Gazette of India on 30 September 2013 vide Gazette no.254 and made effective from 9 September 2013 and valid for five years. The validity of the said Guidelines has been subsequently extended by the MOPSW beyond its expiry from time to time and the validity of the said Guidelines last extended by the MOPSW till 8 September 2021 was notified by this Authority vide Gazette No.153 dated 12 April 2021.

4.1. Following the provisions of said Reference Tariff Guidelines of 2013, the DPT has filed its current proposal. The main submissions made by the DPT in its proposal dated 21 May 2021for its proposed project of Multipurpose Cargo Berth off Tuna Tekra outside Kandla Creek at Kandla are summarized below:

(i). In order to cater to the future growth in Multipurpose Cargo (other than container/ liquid) traffic, the DPT has decided to undertake Development of Multipurpose Cargo Berth off Tuna Tekra outside Kandla Creek at Kandla through public private participation (PPP) mode on Build, Operate and Transfer (BOT) basis. [The Layout of the Project is furnished by the DPT].

(ii). The proposed facility, with optimal capacity of 18.33 MMTPA, shall be used for handling Multipurpose cargo viz. food grains, fertilizers, coal, ores and minerals, steel cargo etc. The implementation period for the project is reckoned as 30 months from the date of award of Concession.

(iii). Back up area of 101.81 Ha is for storage of multipurpose cargo. However, initially 50 Ha land will be provided for Back up area. Subsequently, on the request of Concessionaire, additional land up to 52 Ha for development of Backup area will be provided at the same rate.

(iv). The total estimated cost of the project is ₹ 2276.06 Crores (₹ 1552.57 Crores on the part of Concessionaire and ₹ 723.49 Crores on the part of Concessioning Authority).

(v). The optimal capacity of the proposed facility has been assessed at 18.33 MMTPA based on the Guidelines for upfront tariff setting for PPP Projects at Major Port Trusts 2008.

(vi). As per clause 2.2 of the Reference Tariff Guidelines(RTG) of 2013, the Reference Tariff will be the highest tariff fixed for that commodity in the concerned major Port Trust under the 2008/ 2013 Tariff Guidelines.

(a). DPT has got approved Upfront Tariff for berth hire charges, handling charge for Bulk Cargo viz.,Food Grains, Fertilisers & Coal and Miscellaneous charges vide Order No.TAMP/42/2009-KPT dated 17 August 2010 read with its amendment Order No.TAMP/59/2014-KPT dated 18 January 2019 for Dry bulk terminal near Tuna at Kandla on BOT basis. The upfront tariff approved in the said Order is with base WPI as on 1 January 2010.

Hence, the upfront tariff for berth hire charges, handling charge for Bulk Cargo viz., Food Grains, Fertilisers & Coal and Miscellaneous charges approved by TAMP in the aforesaid Order has been considered and escalated by 33.48% after applying applicable annual escalation factors announced by TAMP till March 2022.

(b). Further, DPT has got approved Reference Tariff for handling of bulk cargo viz., Ores and Minerals & Other dry bulk/ break bulk cargo, charges for handling Rail Bound Cargo and Storage charges vide Order No.TAMP/48/2015-KPT dated 22 September 2015, G.No.376 notified on 19 November 2015 for 13th to 16th Multipurpose Cargo (other than Container/Liquid) berths on BOT basis. The reference tariff approved in the said Order is with base WPI as on 1st January 2015.

Hence, the reference tariff for handling of bulk cargo viz.,Ores and Minerals & Other dry bulk/ break bulk cargo and charges for handling Rail Bound Cargo and Storage charges approved in the aforesaid Order has been considered and escalated by 7.49% applying the applicable annual escalation factors announced by TAMP till March 2022.

(vii). As per clause 2.4 of RTG 2013, in case no tariff has been fixed for a particular commodity in a particular Major Port Trust under the 2008 Guidelines, then TAMP will notify the highest Tariff under the 2008 Guidelines available for that commodity in the nearest Major Port Trust.

Visakhapatnam Port Trust has got Upfront Tariff for Mechanized fertilizers handling facilities approved vide Order No. TAMP/26/2009-VPT dated 27 November 2009 notified vide Gazette No.251 dated 18 December 2009 read with amendment Order for bagging and stitching service to include the labour charge vide Order No.TAMP/26/2009-VPT dated 31 March 2010 notified vide G.No.138 dated 30 April 2010 for Mechanized Fertilizer Handling facilities. The base year for WPI annual escalation in the said order is 1st January 2009.

Hence, for the proposed project, the said upfront tariff of Vishakhapatnam Port Trust has been considered for Bagging and Stitching Service.

The upfront tariff approved in the aforesaid notification has been escalated by 35.41 % as per annual escalation factors announced by TAMP till March 2022.

(viii). The DPT has furnished proposed Scale of Rates and Performance Standards for its proposed project multipurpose cargo berth off Tuna-Tekra.

4.2. The DPT vide its email dated 5 March 2021 has furnished a copy of Board Resolution No.111 dated 19 February 2021 wherein the Board has, inter alia, authorized the Chairman, DPT to approve (i).draft Reference Tariffs (ii).Clarification to Queries/observations of TAMP and forward the same to TAMP in case of proposed Multipurpose cargo berth off Tuna Tekra outside Kandla Creek at Kandla.

5.1. In short, the DPT has adopted the upfront tariff approved by this Authority for handling bulk cargo at dry bulk terminal near Tuna vide Order No.TAMP/42/2009-KPT dated 17 August 2010 read with amendment Order No.TAMP/59/2014-KPT dated 18 January 2019 in respect of handling charge for Foodgrains, Fertilisers and Coal, Berth hire charges and Miscellaneous charges; and handling charge in respect of Ores and Minerals and Other dry bulk / break bulk cargo, charges for railbound cargo and Storage charges is adopted from the Reference tariff Order No.TAMP/48/2015-KPT dated 22 September 2015 for 13th to 16th Multipurpose cargo berths at DPT; and, for Bagging and Stitching service charges the port has proposed to adopt the upfront tariff approved by this Authority vide tariff amendment Order No.TAMP/26/2009-VPT dated 31 March 2010 to the original upfront tariff Order No. TAMP/26/2009-VPT dated 27 November 2009 for VPT.

5.2. A comparison of the tariff prescribed in the adopted upfront / reference tariff Orders vis-à-vis the indexed reference tariff proposed by DPT in the current proposal dated 21 May 2021 is tabulated below:

Particulars	**(a).Tariff for handling of bulk cargo viz., Foodgrains, Fertilisers and Coal, Berth hire charges and Miscellaneous charges approved vide DPT Order No.TAMP/42/2009-KPT dated 17 August 2010; (b).Tariff for handling of Ores and Minerals and Other dry bulk / break bulk cargo and charges for Railbound cargo and Storage charge approved vide DPT Order No.TAMP/48/2015-KPT dated 22 September 2015 and (c). Tariff approved for Bagging and Stitching service vide VPT amendment Order dated 31.3.2010**	**Reference tariff proposed by DPT in its proposal dated 21 May 2021**

					Proposed reference tariff for Multipurpose Berth Off Tuna Tekra		Proposed Performance Standards for Multipurpose Berth Off Tuna Tekra	
Type of Cargo	**Handling charge (in ₹)**		**Handling Rate for Sr.No.(i) to (iii) and Perf. Standard for (iv) to (ix)**		**Handling charge (in ₹)**		**Gross Berth Output (Tonnes per day)**	
	F	**C**			**F**	**C**		
A. Cargo Handling Charge			Panmx	Handy			Panamax Vessel	Handysize Vessel
(i). Food Grains	155.27	93.16	18750	8750	207.25	124.35	18750	8750
(ii). Fertilisers (bulk)	155.27	93.16	18750	8750	207.25	124.35	18750	8750
(iii). Coal (bulk)	155.27	93.16	18750	8750	207.25	124.35	18750	8750
(iv). Ores & Minerals (Bulk)	144.11	86.47	20000		154.90	92.95	20000	
(v). Steel Cargo (Steel coils, plates & slabs)	284.64	170.78	11000		305.96	183.57	11000	
(vi). Project Cargo (Break bulk)	3016.48	1809.89	929		3242.41	1945.45*	929	
(vii). Other Bagged cargo (Incl.foodgrain, other steel & scrap)	369.46	221.68	8000		397.13	238.28	8000	
(viii). Other dry bulk cargo	143.28	85.97	20000		154.01	92.41	20000	
(ix). Timber logs (Bulk break)	416.57	249.94	7000		447.77	268.66	7000	
B. Transportation of Railbound cargo	20 per tonne		-		21.50 per tonne		-	
C. Charges for Bagging and Stitching service (Per MT)	110.53		-		149.67		-	
D. Berth hire Charges (Per GRT per Hour)	**F** 0.49	**C** 0.29	-		**F** 0.65	**C** 0.39	-	
E. Miscellaneous Charges	8.28 per tonne		-		11.05 per tonne		-	
F. Storage facility (₹ /MT/Day)			**-**				**Transit Storage Dwell Time (Bulk)**	
Free Period:	Import 05 days Export 15 days				Import 05 days Export 15 days		(i). Import – All types of cargo 61 days (ii).Export – All types of cargo 71 days	
(i). 1st week after free period	0.21				0.23			
(ii). 2nd week after free period	0.31				0.33			
(iii). Beyond 3rd week	0.41				0.44			
-	**-**		**-**		**-**		**Turnaround Time for receipt/ delivery operation** (i). Truck for conventional cargo (Single operation) 04 hours (ii). Truck for conventional cargo (Double operation) 08 hours (iii). Rake for dry bulk cargo (Single operation) 10 hours (iv). Rake for dry bulk cargo (Double operation) 18 hours	

*slight arithmetic error. It works out to ₹3242.38/Tonne for Foreign cargo and ₹1945.43/Tonne for Coastal cargo.

6. Since the proposal of DPT is an adoption case adopting (a).Upfront tariff for Berth hire, Handling of bulk cargo viz., Foodgrains, Fertilisers and Coal and Miscellaneous charges approved in the tariff Order No. No.TAMP/42/2009-KPT dated 17 August 2010 read with amendment Order No.TAMP/59/2014-KPT dated 18 January 2019 at DPT, (b).Reference tariff for handling of Ores and Minerals and Other dry bulk/ break bulk cargo, charges for railbound cargo and Storage charge adopted from the Reference tariff Order No.TAMP/48/2015-KPT dated 22 September 2015 at DPT and (c).Upfront tariff for Bagging and Stitching service adopted from the tariff Order No.TAMP/26/2009-VPT dated 27 November 2009 read with amendment Order No.TAMP/26/2009-VPT dated 31 March 2010 at Visakhapatnam Port Trust(VPT) which was based on consultation with stakeholders and also recognising that the Tariff Guidelines of 2013 require the reference tariff and the Performance Standards to be fixed within 15 days, the said proposal is not taken up for consultation in line with the approach followed in the other reference tariff cases on adoption basis.

7. With reference to the totality of the information collected, the following points emerges:

(i). The proposal of the Deendayal Port Trust (DPT) is for fixation of Reference Tariff for development of Multipurpose Cargo Berth off Tuna Tekra outside Kandla Creek at Kandla on Build, Operate and Transfer (BOT) basis at DPT.

(ii). The proposal of DPT seeks approval of Reference tariff for Multipurpose Cargo Berth off Tuna Tekra outside Kandla Creek at Kandla adopting upfront tariff for handling charges for Foodgrains, Fertilisers and Coal, Berth hire charges and Miscellaneous charges approved by this Authority vide Order No.TAMP/42/2009-KPT dated 17 August 2010, reference tariff for handling of Ores and Minerals and Other dry bulk/ break bulk cargo, charges for railbound cargo and storage charges approved by this Authority vide Order No.TAMP/48/2015-KPT dated 22 September 2015 for DPT multipurpose cargo berth Nos.13 to 16 and Bagging and Stitching service charges approved by this Authority in the Order No.TAMP/26/2009-VPT dated 31 March 2010 amending the original upfront tariff Order for mechanized fertilizer handling facility at VPT dated 27 November 2009 of Visakhapatnam Port Trust(VPT) after applying applicable indexation factor.

It is relevant here to state that this Authority had earlier approved upfront tariff for mechanized fertilizer handling facilities vide Order No.TAMP/26/2009-VPT dated 27 November 2009 following the upfront tariff guidelines of 2008 and subsequently, based on proposal of the VPT, this Authority has approved revised schedule 2 and 3 i.e. Cargo Handling Charges and Storage Charges respectively vide Order No.TAMP/26/2009-VPT dated 31 March 2010. The DPT has adopted the charges for Bagging and Stitching service from the said Order approved by this Authority dated 31 March 2010.

(iii). As per Clause 2.2 of the Revised Tariff Guidelines of 2013, port has the option to adopt the highest upfront tariff fixed by this Authority for that commodity/ service in the concerned Major Port Trust under the upfront Tariff Guidelines of 2008. In case no tariff has been fixed for that commodity at the concerned Major Port Trust or the highest tariff fixed in the concerned major Port Trust do not represent the project proposed to be developed, then the port have the option to adopt highest upfront tariff fixed by this Authority in any other Major Port Trust which is representative enough for the commodity/ service envisaged in the project after giving detailed and sufficient justification.

In the current proposal for proposed multipurpose cargo berth, as stated earlier, the port has proposed to adopt the handling charges for Foodgrains, Fertilisers and Coal, Berth hire charges and Miscellaneous charges from the upfront tariff approved by this Authority in Order No.TAMP/42/2009-KPT dated 17 August 2010 for DPT for dry bulk terminal and tariff for Ores and Minerals and Other dry bulk/ break bulk cargo, charges for railbound cargo and storage charges is proposed to be adopted from the reference tariff Order approved by this Authority under the reference tariff guidelines of 2013 in its own port vide Order No.TAMP/48/2015-KPT dated 22 September 2015. Further, the port has proposed to adopt the charges approved by this Authority in the Order No.TAMP/26/2009-VPT dated 31 March 2010 for VPT for Bagging and Stitching service.

The Port has confirmed that upfront / reference tariff adopted by the port is representative for its proposed project. Thus, in short, the proposal of the DPT fits in the options prescribed in clause 2.2 of the Reference Tariff Guidelines, 2013.

In view of the above position and recognising that the current proposal of the DPT for adoption of the rates from the above said Orders after indexation is in line with stipulation in the reference tariff guidelines 2013, this Authority is inclined to approve the proposal of the DPT for fixation of reference tariff for Multipurpose cargo berth at DPT.

(iv). The Upfront Tariff schedule for dry bulk terminal approved by this Authority vide Order TAMP/42/2009-KPT dated 17 August 2010 prescribes that the tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2010 and 1 January of the relevant year and the Reference Tariff schedule for 13th to 16th Multipurpose cargo berths approved by this Authority vide Order No.TAMP/48/2015-KPT dated 22 September 2015, prescribes that the tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2015 and 1 January of the relevant year. Further, the upfront tariff schedule for mechanized fertilizer handling facility approved by this Authority vide Order No.TAMP/26/2009-VPT dated 27 November 2009 prescribes that the tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2009 and 1 January of the relevant year.

Since the base year of WPI for indexation in the DPT Order dated 17 August 2010 is prescribed as 1 January 2010, the DPT has proposed indexed rate after applying cumulative indexation factor announced by this Authority for the base year as 1 January 2010 at 25.67% upto the year 2017-18 and subsequent annual indexation factor announced by this Authority at 2.07% for year 2018-19, 2.56% for year 2019-20, 1.13% for year 2020-21 and 0.33% for the year 2021-22 under the Upfront tariff Guidelines 2008. The aggregate of the above indexation factor comes to 1.3348 (i.e. 1.2567 * 1.0207 * 1.0256 * 1.0113 * 1.0033). The indexed rate proposed by the DPT after applying the applicable indexation over the rates for handling of Foodgrains, Fertilisers and Coal, Berth hire charge and Miscellaneous charge approved by this Authority with base year January 2010 is found to be in order and in line with clause 2.2 of the Tariff Guidelines, 2013.

Similarly, since the base year of WPI for indexation in the DPT Order dated 22 September 2015 is prescribed as 1 January 2015, the DPT has proposed indexed rate after applying cumulative indexation factor announced by this Authority for the base year as 1 January 2015 at Nil for the year 2016-17, 1.20% for the year 2017-18, 2.07%, 2.56%, 1.13% and 0.33% for the years 2018-19, 2019-20, 2020-21 and 2021-22 respectively under the revised Reference tariff Guidelines 2013. The aggregate of the above indexation factor comes to 1.07489 (i.e. 1.012 * 1.0207 * 1.0256 * 1.0113 * 1.0033). The indexed rate proposed by DPT after applying the applicable indexation over the handling rate of Ores and Minerals and Other dry bulk/ break bulk cargo, charges for railbound cargo and storage charges approved by this Authority with base year January 2015 is found to be in order and in line with clause 2.2 of the Tariff Guidelines, 2013.

Further, since the base year of WPI for indexation in the VPT Order dated 27 November 2009 is prescribed as 1 January 2009, the DPT has proposed indexed rate after applying cumulative indexation factor announced by this Authority for the base year as 1 January 2009 at 27.49% upto the year 2017-18 and subsequent annual indexation factor announced by this Authority at 2.07% for year 2018-19, 2.56% for year 2019-20, 1.13% for year 2020-21 and 0.33% for the year 2021-22 under the Upfront tariff Guidelines 2008. The aggregate of the above indexation factor comes to 1.354138 (i.e. 1.2749 * 1.0207 * 1.0256 * 1.0113 * 1.0033). The indexed rate proposed by the DPT after applying the applicable indexation over the charges for Bagging and Stitching service approved by this Authority with base year January 2009 is found to be in order and in line with clause 2.2 of the Tariff Guidelines, 2013.

Therefore, the indexed reference tariff proposed by DPT as Reference tariff applying the applicable indexation factor on the adopted tariff is found to be in order and hence approved. There is slight arithmetical error in decimals in handling charge proposed by DPT for project cargo which is corrected as ₹3,242.38 per tonne for foreign cargo and ₹1,945.43 per tonne for coastal cargo.

(v). The note proposed by DPT governing the indexation of reference tariff for future period is with reference to 01 January 2021. Since the annual indexation factor announced by this Authority for the year 2021-22 with reference to Wholesale Price Index (WPI) occurring between 01 January 2020 and 01 January 2021 is captured by the DPT, the indexation for future period will be with reference to 01 January 2021 and 01 January of the relevant year. Hence, the general note proposed by the DPT is in order.

(vi). The general notes relating to the prescription of concessional rates for coastal cargo/ vessel related charges as per the Coastal Concession Policy of the MoPSW are not found to be included by the DPT in the proposed SOR. Hence, notes relating to coastal concession are incorporated in the SOR in line with the prescription in the adopted tariff Order of DPT.

(vii). The port has proposed to include note nos.(i) (a) and (b) under the handling charge listing the services included in the composite handling charge for both import/export operations adopting it from the SOR attached to the Order dated 22 September 2015. The proposed notes are approved subject to slight correction to state it shall include all miscellaneous services not specifically prescribed in the SOR.

(viii). The port has proposed tariff for rail bound cargo along with a note that it shall not apply to fertilizer cargo which is to be bagged or handled through bagging plant. This is so because the charges of bagging and stitching services adopted from VPT tariff Order include amongst other services, carrying baggage to wagons and loading bags onto wagons, sealing of wagons, etc. The proposed rate and interlinked note adopted from the DPT Order dated 22 September 2015 are, therefore, approved.

(ix). The free period for storage of import cargo proposed at 5 days and as regards export cargo at 15 days free period is adopted from DPT Order dated 22 September 2015. The upfront tariff guidelines 2008 for multipurpose cargo prescribe a norm that storage charges are to levied for storage of cargoes at the transit area beyond allowable period of 5 days for import cargo and 15 days for export cargo. The proposal of the DPT is in tandem with the prescribed norms and adopted tariff Orders and hence approved.

The port has also included the relevant conditionalities as regards calculation of free period for import and export cargo, storage charges not to accrue for the period the operator is not able to deliver / ship the cargo when requested by users due to reasons attributable to the operator from the adopted Scale of Rates and are found to be in order and hence approved.

(x). Clause 2.2 of the revised tariff guidelines of 2013 requires this Authority to prescribe the Reference Tariff along with the Performance Standards.

As per Clause 2.9 of Reference Tariff 2013, the reference tariff shall be automatically indexed every year @ 60% of the WPI for the entire concession period. The prescription of performance standards under the Reference tariff guideline is to entitle the PPP operator to index the tariff upto 15% on achievement of prescribed performance standards from the second year of operation. Hence the prescription of performance standard in the reference tariff guidelines is envisaged for Performance linked tariff on achievement of prescribed performance standards.

The Reference Tariff Guidelines 2013 do not stipulate the parameters for which the performance standards are to be prescribed. The port has proposed performance standards in terms of Gross berth output, Transit storage dwell time and Turn around time for rakes and trucks. The performance standards proposed by DPT are explained below:

(a). The DPT has proposed Performance Standards for gross berth day output for Foodgrains, Fertilisers and Coal at 18750 tonnes/day for Panamax vessel and 8750 tonnes/day for Handysize vessel. The proposed Performance Standards for Foodgrains, Fertilisers and Coal is in tandem with the handling rate considered in the August 2010 of the DPT upfront tariff Order. The proposed performance standards for Ores and Minerals and Other dry bulk cargo at 20,000 metric tonnes per day; for Steel cargo, Project cargo, Other bagged cargo and Timber logs at 11000, 929, 8000 and 7000 metric tonnes per day respectively is in line with the performance standards approved in the DPT Order dated 22 September 2015. The proposed performance standards for Gross berth output for multipurpose cargo berth at DPT are, therefore, approved.

(b). As regards transit dwell time, the DPT in its earlier proposal dated 4 March 2021 had proposed 5 days for all type of import Dry Bulk and Break Bulk cargo and 15 days for all type of export Dry Bulk and Break Bulk cargo. In the current revised proposal dated 21 May 2021, the port has revised the performance standards for transit dwell time for all types of import cargo from 5 days to 61 days and for all types of export cargo from 15 days to 71 days.

The port has clarified that the performance standards for transit storage dwell time for import cargo at 5 days andexport cargo at 15 days proposed earlier was atpar with the correspondingfree period. The port has attempted to justifiy the revised performance standards by referring to tariff calculation for storage charges considered in tariff order No.TAMP/48/2015-KPT dated 22 September 2015 wherein, significant quantum of cargo is getting evacuated after 8thweek i.e. 56 days after free period. Considering this, the port has revised the performance standard for transit storage dwell time for import all types of cargo from 5 days to 61 days i.e. 56 days + 5 days free period and for export all types of cargo at 71 days i.e. 56 days + 15 days.

As regards, the tariff storage calculation referred by the port, it is seen from para 13.1. and 13.2 (viii) of the TAMP/48/2015-KPT dated22 September 2015 that the DPT had furnished the tariff calculation to meet the estimated ARR from storage charge for arriving at the proposed storage charge for berth nos. 13th to 16th under the Reference tariff guidelines 2013. The various slabs given and the evacuation pattern considered therein by the DPT is to ensure that at the proposed storage tariff, the ARR from the storage charge is met.

Land being a scarce resource need to be optimally utilized. That being so, the storage charges are prescribed in different slabs with increase in the storage tariff for higher slabs. The proposal of the DPT to propose last but one slab (i.e. the 8th slab) as benchmark performance standards may not be appropriate to be prescribed by this Authority when the upfront tariff guidelines gives the allowable storage period of 5 days for import cargo and 15 days for export cargo for multipurpose berth. In none of the ports including DPT, the highest evacuation slab is proposed by the port and approved by this Authority as performance standards for dwell time.

Even, in the adopted reference tariff Order dated 22 September 2015 of the DPT for 13th to 16th berth, the performance standards prescribed for the dwell time is 5 days for all import multipurpose cargo and 15 days for all export multipurpose cargo.

Recently, with reference to another proposal of DPT seeking reference tariff for Mechanised fertiliser handling facilities at berth no.14, this Authority vide Order No.TAMP/29/2021-DPT dated 13 May 2021 has for the reasons stated above approved the performance standards for transit storage dwell time for import food grains at 5 days and for all export cargo at 15 days as against the 56 days and 71 days respectively proposed by the DPT.

This Authority, therefore, prescribes the performance standards for transit dwell time for all type of import cargo at 5 days and for all type of export cargo at 15 days.

(c). As regards, performance standards for receipt and delivery operations, the Performance Standards proposed by the port are at par with the performance standards prescribed in the DPT Order dated 22 September 2015 and hence approved.

(xi). The definitions proposed by the DPT include definition of the term “Tonne”. The port has defined it as one metric tonne or 1,000 kilograms or one cubic metre. Tonne is a weight measurement which is not equivalent to one cubic metre which is a volume measurement. The general SOR of DPT states for the purpose of calculating the dues the unit by weight shall be 1 tonne or 1,000 kilograms, the unit by volume measurement shall be 1 cubic metre and the unit by capacity measurement for liquids in bulk shall be 1,000 litres. In view of the above, the proposed definition of tonne is slightly modified to delete the words "or one cubic metre".

(xii). **If there is any error apparent on the face of records considered or for any other justifiable reasons, the DPT may approach this Authority for review of the reference tariff fixed, prior to completion of bidding process of the project giving adequate justification/ reasoning within 30 days from the date of notification of the Order in the Gazette of India.**

8.1. Subject to above, the Reference Tariff Schedule and the Performance Standards for Development of Multipurpose cargo berth off Tuna Tekra outside Kandla Creek at Kandla as proposed by the port are attached as **Annex-I** and **Annex-II** respectively.

8.2. In the result, and for the reasons given above, the proposed Reference Tariff Schedule for Development of Multipurpose cargo berth off Tuna Tekra outside Kandla Creek at Kandla is approved and notified along with the Performance Standards, which is attached as **Annex-I** and **Annex-II**.

8.3. As per clause 2.5 of the Revised Tariff Guidelines 2013, the Reference Tariff and Performance Standards notified by this Authority shall be mentioned in the bid document and subsequently in the Concession Agreement in respect of PPP Projects. Accordingly, the DPT is advised to incorporate the Reference Tariff and Performance Standards, in the bid document and subsequently in the Concession Agreement in respect of PPP Projects.

9.1. From the date of Commercial Operation (CoD) till 31st March of the same financial year, the tariff would be limited to the indexed Reference Tariff relevant to that year, which would be the ceiling. The aforesaid Reference Tariff shall be automatically revised every year based on an indexation as provided in para 2.2 of the tariff guidelines of 2013 which will be applicable for the entire concession period.

However, the PPP operator would be free to propose a tariff along with Performance Standards (the "Performance Linked Tariff") from the second year of operation onwards, over and above the indexed Reference Tariff for the relevant financial year, at least 90 days before the 1st April of the ensuing financial year. Such Performance Linked Tariff shall not be higher than 15% over and above the indexed Reference Tariff for that relevant financial year (and this will be the Tariff Cap). The Performance Linked Tariff would come into force from the first day of the following financial year and would be applicable for the entire financial year.

9.2. The proposal shall be submitted to this Authority along with a certificate from the independent engineer appointed under the Concession Agreement of the Project indicating the achievement of Performance Standards in the previous 12 months as incorporated in the Concession Agreement or for the actual number of months of operation in the first year of operation, as the case may be.

9.3. On receipt of the proposal, this Authority will seek the views of the DPT on the achievement of Performance Standards as outlined in para 5 of the tariff guidelines of 2013, within 7 days of receipt.

9.4. In the event of Operator not achieving the Performance Standards as incorporated in the Concession Agreement in previous 12 months, this Authority will not consider the proposal for notifying the Performance Linked Tariff for the ensuing financial year and the Operator shall be entitled to only the indexed Reference Tariff applicable for the ensuing financial year.

9.5. After considering the views of the DPT, if this Authority is satisfied that the Performance Standards as incorporated in the Concession Agreement have been achieved, it shall notify the performance linked tariff by 15th of March to be effective from 1st of April of the ensuing financial year.

9.6. While considering the proposal for Performance Linked Tariff, this Authority will look into the Performance Standards and its adherence by the Operator. This Authority will decide on the acceptance or rejection of the Performance Linked Tariff proposal based on the achievement or otherwise of the Performance Standards by the operator. Determination of indexed Reference Tariff and Performance Linked Tariff will follow the illustration shown in the Appendix attached to the tariff guidelines of 2013.

9.7. From the third year of operation, the Performance Linked Tariff proposal from the PPP operator shall be automatically notified by this Authority subject to the achievement of Performance Standards in the previous 12 months period as certified by the Independent Engineer. The PPP operator, for the Performance Linked Tariff from the third year onwards, will submit the Performance Linked Tariff proposal along with the achievement certificate from the independent engineer by 1st March and this Authority shall notify by 20th March, the Performance Linked Tariff to be effective from the ensuing financial year.

9.8. In the event any user has any grievance regarding non-achievement by the PPP operator of the Performance Standards as notified by this Authority, he may prefer a representation to this Authority which, thereafter, shall conduct an inquiry into the representation and give its finding DPT. The DPT will be bound to take necessary action on the findings as per the provisions of the respective Concession Agreement.

9.9. Within 15 (fifteen) days of the signing of the Concession Agreement, the concerned operator will forward the Concession Agreement to this Authority which will host it on its website.

9.10. The PPP operator shall furnish to this Authority quarterly reports on cargo traffic, ship berth day output, average turnaround time of ships, average pre-berthing waiting time as well as the tariff realized for each berth. The quarterly reports shall be submitted by the PPP operator within a month following the end of each quarter. Any other information which may be required by this Authority shall also be furnished to them from time to time.

9.11. This Authority shall publish on its website all such information received from PPP operator. However, this Authority shall consider a request from any PPP operator 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 of upon publication. The decision of this Authority in this regard would be final.

(T.S. Balasubramanian)
Member (Finance)

<u>Annex- I</u>

REFERENCE TARIFF SCHEDULE FOR MULTIPURPOSE CARGO BERTH OFF TUNA TEKRA OUTSIDE KANDLA CREEK AT KANDLA, DPT

1. DEFINITIONS

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

(i). **"Coastal vessel"** shall mean any vessel exclusively employed in trading between any port or place in India to any other port or place in India having a valid coastal licence issued by the competent authority/ Director General of Shipping.

(ii). **"Foreign vessel"** shall mean any vessel other than Coastal vessel.

(iii). **"Per Day "**means per calendar day unless otherwise stated.

(iv). A **Day** shall be reckoned as calendar day from **0800 hours to 0800 hours or part thereof** for the purpose of storage charges

(v). **"Tonne"** shall mean one metric tonne or 1,000 kilograms.

2. GENERAL TERMS & CONDITIONS

(i). Interest on delayed payments / refunds:

(a). The user shall pay penal interest on delayed payments under this Scale of Rates. Likewise, the terminal operator shall pay penal interest on delayed refunds.
(b). The rate of penal interest will be 2% above the Prime Lending Rate of the State Bank of India.
(c). The delay in refunds will be counted only 20 days from the date of completion of services or on production of all the documents required from the users, whichever is later.
(d). The delay in payments by the users will be counted only 10 days after the date of raising the bills by the Terminal operator. This provision shall, however, not apply to the cases where payment is to be made before availing the services where payment of charges in advance is prescribed as a condition in this Scale of Rates.

(ii). All charges worked out shall be rounded off to the next higher rupee on the grand total of the bill.

(iii). Users will not be required to pay charges for delays beyond reasonable level attributable to the terminal operator.

(iv). The status of the Vessel as borne out by its certification by the Customs or Director General of Shipping is the relevant factor to decide whether vessel is "Coastal" or foreign-going" for the purpose of levy of Berth hire, and the nature of cargo or its origin will not be of any relevance for this propose.

(v). System of classification of Vessel Related Charges (VRC)

(a) 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.
(b) 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.

(vi). <u>Criteria for levy of Vessel Related Charges (VRC) at Concessional Coastal rate and foreign rate</u>

(a) In cases of such conversion, coastal rates shall be chargeable by the load port from the time the vessel starts loading coastal goods.

(b) 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.

(c) 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.

(vii). <u>Criteria for levy of Cargo Related Charges (CRC) at Concessional Coastal rate</u>

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

(i). Converted to coastal run and carrying coastal cargo from any Indian Port and destined for any other Indian Port.

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

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

(b). In case of a Foreign flag vessel converted to coastal run on the basis of a License for Specified Period or voyage 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.

(viii). (a). The berth hire for all coastal vessel should not exceed 60% of the corresponding charges for other vessels.

(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.

(c). In case of cargo related charges, the concessional rates should be levied on all the relevant handling charges for ship shore transfer and transfer from/to quay including wharfage.

(d). Cargo from a foreign port which reaches an Indian Port "A" for subsequent transhipment to Indian Port "B" will be levied the concession charges relevant for its coastal voyage. In other words, cargo from/to Indian Ports carried by vessels permitted to undertake coastal voyage will qualify for the concession.

(e). The charges for coastal cargo / vessels shall be denominated and collected in Indian rupee.

(ix). The rates prescribed in the Scale of Rates are ceiling levels: likewise, rebates and discounts are floor levels. The terminal operator may, if it so desires, charge lower rates and / or allow higher rebates and discounts.

The terminal Operator may also, if it so desires rationalise the prescribed conditionalities governing the application of rates prescribed in the Scale of Rates if such rationalisation gives relief to the user in rate per unit and the unit rates prescribed in the Scale of Rates do not exceed the ceiling levels.

The terminal Operator should, however, notify the public such lower rates and / or rationalisation of the conditionalities governing the application of such rates and continue to notify the public any further changes in such lower rates and / or in the conditionalities governing the application of such rates provided the new rates fixed shall not exceed the rates notified by the TAMP.

3. Berth Hire Charges

The berth hire charge payable by masters I owners I agents of the barge and other floating craft approaching or lying alongside the berth shall be as per the rates given below:

Sl.No.	Description	Rate per GRT per hour or part thereof (₹)	
		Foreign Vessel	**Coastal Vessel**
1.	For Occupying the Berth	0.65	0.39

Notes:

(1) The period of berth hire shall be calculated from the time vessel occupies the berth.

(2) Berth hire includes charges for services rendered at the berth, such as occupation of berth, rubbish removal, cleaning of berths, fire watch, etc.

(3) No berth hire shall be levied for the period when the vessel idles at its berth for continuous one hour or more due to breakdown of terminal operator's equipment or power or for any other reasons attributable to the terminal operator

(4). (a). Berth hire shall stop 4 hours after the time of vessel signaling its readiness to sail.
(b). The time limit of 4 hours prescribed for the cessation of berth hire shall exclude the ship's waiting time for want of favorable tide conditions, inclement weather, and due to lack of night navigation.
(c). The master / agent of the vessel shall signal readiness to sail only in accordance with favorable tidal and weather conditions.

(5) The Penal Berth hire shall be equal to one-day's (24 hours) berth hire charge for a false signal.
"False signal" would be when the vessel signals readiness and asks for a pilot in anticipation even when she is not ready for un-berthing due to engine not being ready or cargo operation not completed or such other reasons attributable to the vessels. This excludes the signaling readiness when a vessel is not able to sail due to unfavorable tide, lack of night navigation or adverse weather conditions."

(6) No berth hire shall be payable for the period when loading / unloading operations cannot be carried out due to non-availability of the shore cranes / mechanical handling system or due to breakdown or any other reason attributable to the terminal operator.

(7) (a). A vessel after completion of discharge or loading or ballasting shall call for pilot for sailing within four hours (or within such extension granted by the Concessionaire or officials in writing for stated reasons). If the vessels do not call for the pilot for sailing within the period of four hours after completion of discharge or loading or ballasting or within such extension granted by the Concessionaire or officials authorized by it, the vessel shall pay additional berth hire charges at the rate of 5 times the normal rate for the period from the time of expiry of four hours or such extended period by the Concessionaire or officials authorized by it till the time of calling the pilot.
(b). The additional berth hire charges specified in Note (a). above shall not be charged for the following cases:
(i). Vessel waiting for tide, draft etc to sail for the safety of the vessel.
(ii). Strike by the port employees.
(iii). Loading arm disconnection problem
(iv). Usage of idle berth with concurrence of Concessionaire or officials authorized by it.
(v). Any other reason not attributable to the vessel or its agent.

(8) **Ousting Priority / Priority berth hire**
(a). The rate and conditions for granting ousting priority berthing / priority berthing will be governed by extant Government guidelines in this regard.

(b). For priority berthing, fees equivalent to berth hire charges for a single day or 75% of the berth hire charges for the period of stay, whichever is higher shall be levied extra.

(c). For Ousting priority, fees equivalent to 100% of the normal Berth hire charges for actual period of stay shall be levied extra.

4. Cargo Handling Charges:

The cargo handling charges shall be payable on the manifested cargo directly by the importers/exporters or their authorized agent of cargo at the rates specified below:

(₹ Per MT)

Sr.No.	Description / Cargo	Foreign	Coastal
01	Food Grains	207.25	124.35
02	Fertilisers (Bulk)	207.25	124.35
03	Coal(bulk)	207.25	124.35
04	Ores & Minerals (Bulk)	154.90	92.95
05	Steel Cargo (Steel coils, plates & slabs)	305.96	183.57
06	Project cargo (Break bulk)	3242.38	1945.43
07	Other Bagged cargo (Incl. food grain, other steel & scrap)	397.13	238.28
08	Other dry Bulk cargo	154.01	92.41
09	Timber logs (Bulk break)	447.77	268.66

Note:

(i). (a). The handling charges prescribed above is a composite charge for (i) unloading of the cargo from the vessel including stevedoring and transfer of the same upto the point of storage, storage at the stackyard upto a free period of 5 days and loading on to trucks in respect of import cargo and

(b). unloading of the cargo from the trucks at the stackyard, storage at the stackyard upto a period of 15 days, transfer the cargo to the loading point and loading onto the ship including stevedoring.

This composite charge under (a) and (b) above includes wharfage and supply of labour, wherever necessary and miscellaneous services not specifically prescribed in the SOR.

(ii). For Rail Bound Cargo, additional charge @ ₹21.50/Tonne over and above the composite tariff for cargo handling charges shall be collected.

However, this will not be applicable to fertilizers cargo which is to be bagged or handled through bagging plant.

5. Storage Charges

The storage charges for the cargo stored in the stackyard beyond the free period allowed shall be as below:

Sr.No	Particulars	(₹ per tonne per day)
1.	Rate for 1st week after Free Period	0.23
2.	Rate for 2nd week after Free Period	0.33
3.	Rate for 3rd week after Free Period	0.44
4.	Rate for 4th week after Free Period	0.44
5.	Rate for 5th week after Free Period	0.44
6.	Rate for 6th week after Free Period	0.44
7.	Rate for 7th week after Free Period	0.44
8.	Rate for 8th week after Free Period & Onwards	0.44

Notes:

(i). Five free days for import cargo and fifteen free days for export cargo shall be allowed. For the purpose of calculation of free period, Customs notified holidays and Terminal's non- working days shall be excluded.

(ii). (a). Storage charges shall be payable for all days including Terminal's non- working days and Customs notified holidays for stay of cargo beyond the prescribed free days.

(b). free period for imports shall be reckoned with from the date of complete discharge of vessel’s cargo (c). free period for exports shall commence from the date on which the cargo is brought in the transit/ port area. The storage charge will cease from the day following the date of berthing of vessel

(iii). Storage charge on cargo shall not accrue for the period when the terminal operator is not in a position to deliver / ship the cargo when requested by the user due to reasons attributable to the terminal operator.

6. Miscellaneous Charges

Commodity	(₹ /Tonne)
All Types of Cargo	11.05

The miscellaneous charges prescribed above is a composite charge for provision of all miscellaneous services such as sweeping of cargo on the wharf, weighment of cargo, dust suppression etc. and any other service not specifically prescribed in the Scale of Rates.

7. Charges for Bagging and Stitching service

Commodity	(₹ /Tonne)
Fertilizers	149.67

Note:
The charges prescribed above are applicable only for cargo handed at the bagging plant and cover bagging and stitching service, labour cost for carrying of bags from conveyor/ chute to stacking area, De-stacking from platform, carrying to wagons and loading the assigned number of bags into wagons and sealing of wagons, cleaning of wagons, lining the wagon floor with dunnage plus other allied services.

8. GENERAL NOTE :

(i). The tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2021 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.

(ii). From the date of Commercial Operation (CoD) till 31st March of the same financial year, the tariff would be limited to the indexed Reference Tariff relevant to that year, which would be the ceiling. The aforesaid Reference Tariff shall be automatically revised every year based on an indexation as provided in para 2.2 of the tariff guidelines of 2013 which will be applicable for the entire license period.
However, the Licensee would be free to propose a tariff along with Performance Standards (the "Performance Linked Tariff") from the second year of operation onwards, over and above the indexed Reference Tariff for the relevant financial year, at least 90 days before the 1st April of the ensuing financial year. Such Performance Linked Tariff shall not be higher than 15% over and above the indexed Reference Tariff for that relevant financial year (and this will be the Tariff Cap). The Performance Linked Tariff would come into force from the first day of the following financial year and would be applicable for the entire financial year.

(iii). The proposal shall be submitted to TAMP along with a certificate from the independent engineer appointed under the Concession Agreement of the Project indicating the achievement of Performance Standards in the previous 12 months as incorporated in the License Agreement or for the actual number of months of operation in the first year of operation as the case may be.

(iv). On receipt of the proposal, TAMP will seek the views of the Major Port Trust on the achievement of Performance Standards as outlined in para 5 of the tariff guidelines of 2013, within 7 days of receipt.

(v). In the event of Licensee not achieving the Performance Standards as incorporated in the License Agreement in previous 12 months, TAMP will not consider the proposal for notifying the Performance Linked Tariff for the ensuing financial year and the Licensee shall be entitled to only the indexed Reference Tariff applicable for the ensuing financial year.

(vi). After considering the views of the Major Port Trust, if TAMP is satisfied that the Performance Standards as incorporated in the Concession Agreement have been achieved, it shall notify the performance linked tariff by 15th of March to be effective from 1st of April of the ensuing financial year.

(vii). While considering the proposal for Performance Linked Tariff, TAMP will look into the Performance Standards and its adherence by the Licensee. TAMP will decide on the acceptance or rejection of the Performance Linked Tariff proposal based on the achievement or otherwise of the Performance Standards by the Licensee. Determination of indexed Reference Tariff and Performance Linked Tariff will follow the illustration shown in the Appendix attached to the tariff guidelines of 2013.

(viii). From the third year of operation, the Performance Linked Tariff proposal from the Licensee shall be automatically notified by TAMP subject to the achievement of Performance Standards in the previous 12 months period as certified by the Independent Engineer. The Licensee, for the Performance Linked Tariff from the third year onwards, will submit the Performance Linked Tariff proposal along with the achievement certificate from the independent engineer by 1st March and TAMP shall notify by 20th March, the Performance Linked Tariff to be effective from the ensuing financial year.

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Annex-II

Performance Standards

1. **Gross Berth Output (Per Vessel)**

Particulars	(Tonnes per day)	
	Panamax Vessel	**Handysize Vessel**
Food grains	18750	8750
Fertilisers (Bulk)		
Coal(bulk)		
Ores & Minerals (Bulk)	20000	
Other dry Bulk cargo		
Steel Cargo (Steel coils, plates & slabs)	11000	
Project cargo (Break bulk)	929	
Other Bagged cargo (Incl. food grain, other steel & scrap)	8000	
Timber logs (Bulk break)	7000	

2. **Transit Storage Dwell Time- All types of cargo**

Transit Storage Dwell time	
Import	
All types of Cargo	5 days
Export	
All types of Cargo	15 days

3. **Turn around time for receipt/delivery operation**

Turnaround Time for receipt / delivery operation	
(i) Truck for conventional cargo (Single operation)	04 hours
(ii)Truck for conventional cargo (Double operation)	08 hours
(i) Rake for dry bulk cargo (Single operation)	10 hours
(ii) Rake for dry bulk cargo(Double operation)	18 hours