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Tariff Authority for Major Ports

G.No.227 **New Delhi,** **11 June 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 for fixation of Reference tariff for Development of Mechanized Fertilizer handling Facilities at Berth No.14 on DBOT basis under PPP mode at Deendayal Port as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/29/2021-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 13th day of May 2021)

This case relates to the proposal received from the Deendayal Port Trust (DPT) for fixation of Reference tariff for Development of Mechanized Fertilizer handling Facilities at Berth No.14 on DBOT basis under PPP mode at Deendayal Port.

2.1. The DPT vide its letter dated 23 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 23 March 2021, the DPT was requested vide our letter No.TAMP/21/2021-DPT dated 5 April 2021 to file a fresh proposal alongwith the information/ clarification sought by us.

2.2. Accordingly, the DPT, vide its email dated 28 April 2021 under cover of its letter No.MS/WK/4030-IV/PPP(Tariff)/Gim-356 dated 28 April 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 23 March 2021 and the clarification of DPT thereon vide its letter dated 28 April 2021 are tabulated below:

Sr. No.	Information/ clarification sought by us	Reply of DPT thereon
(i).	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. Furnish confirmation in this regard.	With reference to observation "tariff fixed 11/6 Years ago" it is to clarify that, the Reference Tariff Guidelines 2013 does not restrict/ specify time period post approval of tariff for taking reference for other project.
(ii).	DPT to clarify as to how clean cargo i.e.Foodgrains proposed to be handled by the port can be handled in the same facility where the dusty cargo i.e. Fertilisers is handled through the proposed Mechanised Fertiliser handling facility.	Fertilizer is a seasonal cargo, i.e., not available round the year. Hence, during lean season period (Jan to April), the facility can be suitably used for Food-grain handling with ship unloader, hopper etc. for effective utilization as per the queries of the prospective bidders for the project. Also, during normal season, the facility can handle various types of fertilizers viz., urea, MOP, DAP and food-grains after purging & clean up activity of the system for cargo changeover.
(iii).	For handling of Foodgrains, the DPT has adopted Reference tariff approved by the Authority vide Order No.TAMP/48/2015-KPT dated 22 September 2015 wherein the tariff approved was using Harbour Mobile Crane. The current proposal envisages cargo handling through ship unloader, hopper and conveyor system. The DPT, therefore, to clarify as to how the tariff adopted for handling Food grain is apt for the proposed project.	The facility can be utilized to handle Food-grains with the proposed ship unloader, hopper etc. It is to clarify that mobile harbour crane and ship unloader are types of ship unloading equipment only. Also, food-grains handled through HMCs are discharged into trucks, dumpers via mobile hoppers only.
(iv).	For fertilizer, the DPT has adopted	Now tariff for Cargo handling charges and

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<td>upfront tariff approved by the Authority in Order No.TAMP/26/2009-VPT dated 27 November 2009 for mechanised fertiliser handling facility at Visakhapatnam Port Trust (VPT). Subsequently, based on the proposal of the VPT, the 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 replacing the schedule no. 2 and 3 approved vide Order dated 27 November 2009. In the light of the above position, the DPT, to review the proposed cargo handling charges for fertilizer, bagging and stitching service charges and storage charges adopted by the port from the said November 2009 Order.</td>
<td>storage charges has been proposed and adopted as per tariff Order No.TAMP/26/2009-VPT dated 31 March 2010.</td>
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<td>(v).</td>
<td>The DPT has adopted the upfront tariff for Fertilisers approved in the VPT Order dated 27 November 2009 where the handling rate for Fertilisers considered to arrive at the tariff for Fertiliser is 25000 T/day (it is the same in the revised Order dated 31 March 2010). As against that, the Performance Standards for Gross Berth Output for Fertiliser proposed by DPT is as tabulated below:
<table>
<tr><th>Gross Berth Output</th><th>Performance Standard (tonnes per day)</th><th>Remarks of port</th></tr>
<tr><td>Fertiliser</td><td>20880 T/Day</td><td>Rake Capacity 3480 T, No. of Rakes Handled per day 06 = 3480 *6= 20880 T/day 6 Rakes will load in one day when 2 rakes will load simultaneously on either side of the Godown. For one railway siding 3 rakes will load. For one single stream 10440 TPD.</td></tr>
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The reason/justification furnished by the DPT for proposed Performance Standards at 20880 T/day is with respect to loading of cargo per day onto the rakes. Whereas the Gross Berth Output is with reference to the performance standard for handling fertiliser from ship to shore using the ship side equipment.

In view of above and since port has adopted tariff for handling of Fertiliser from VPT Order dated 27 November 2009, the proposed performance standard must also be in tandem with the adopted order. The DPT, therefore, to furnish revised Performance Standard for</td>
<td>Now, the performance standards for Gross berth output for “fertilizers” is revised to 25000 Tons/day in line with the Tariff 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 Gazette No.138 dated 30 April 2010.</td>
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	Gross Berth Output for Fertiliser in tandem with the performance / output norms considered in the upfront tariff fixed in the adopted order.	
(vi).	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 the Authority which has been communicated to Major Port Trusts separately, the DPT to propose the reference tariff to capture the indexation factor for the year 2021-22 as well. Consequently, modify the General note in this regard to replace "January 2021" as base year for indexation with "January 2022" as the base year for annual indexation.	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, hence, the base year for next annual indexation will be January 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 28 April 2021 for its proposed project of Mechanized Fertilizer handling Facilities at Berth No.14 are summarized below:

(i). Board of Deendayal Port Trust (DPT) has approved the proposal of Development of Mechanized Fertiliser Handling Facility at Kandla on DBOT basis along with Feasibility Report & SFC Memorandum, which are being sent to the Ministry for approval.

(ii). The SFC has given the In-Principal approval to the proposal and it is proposed that parallely the proposal for tariff should also be sent to TAMP for approval.

(iii). The Tariff proposal for the proposed project has been framed as per the Revised Guidelines for determination of Tariff for Projects at Major Ports 2013 containing the proposed "Reference Tariff" and "Performance Standards".

(iv). In order to cater to the future growth in Fertilizer and clean cargo i.e. Food grains, the DPT has decided to undertake Development of Mechanized Fertilizer Handling Facility on DBOT basis through Public Private Participation (PPP) on Design, Build, Operate and Transfer (DBOT) basis. [The DPT has furnished the Layout of the Project].

(v). The proposed facility shall be used for handling all kinds of fertilizer cargo viz. DAP, MOP, Urea, etc. & other clean cargo. Clean cargo refers to cargos which are non-polluting in nature. Clean cargos viz. food grains like wheat, rice & maize; fertilizers etc. may be suitably handled via ship unloader & hoppers/ conveyer of the facility.

(vi). The berth is designed for handling vessels of 75000 DWT and up to 13.5 m draft.

(vii). The total estimated cost of the project is ₹300.28 Crores.

(viii). Optimal Capacity of the Project is 5.33 MMTPA.

(ix). The total Back up area proposed for the project is 267000 SQM including storage shed, and Bagging & Stitching shed with Rake loading facility on either side of the shed & the development of back up area would also comprise of the development of bagging plant and storage shed.

(x). As per clause 2.2 of the revised 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 Tariff Guidelines.

DPT has got approved Reference Tariff 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.

Hence, the same Tariff for Food Grains has been considered in this project. Approved tariff for Foodgrains in the aforesaid notification has been escalated by 7.49% i.e. approved escalation by TAMP till March 2022 for the tariffs approved with base WPI as on 1st January 2015.

(xi). 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.

Hence for the proposed project, the said upfront tariff of Vishakhapatnam Port Trust has been considered for (a). Cargo Handling for fertilizer (b). Bagging and Stitching Service(c). Storage Charges (d). Miscellaneous Charges.

Approved Tariff in the aforesaid notification has been escalated by 35.41% as per approved escalation by TAMP till March 2022 for the tariffs approved in with base WPI as on 1st January 2009.

(xii). Both the facilities, i.e., VPT and the subject project facility for which current tariff has been adopted are similar in nature. The proposed facility will be handling exactly same type of commodities i.e. Fertilizer.

(xiii). Based on above, the upfront tariff adopted for food grains from the DPT Order dated 22 December 2015 and for Fertilizer from VPT Order dated 27 November 2009 are representative enough for the proposed project of Mechanization of Fertilizer.

(xiv). The DPT has furnished proposed Scale of Rates for its proposed Mechanized fertilizer handling facility at berth no.14 at DPT.

(xv). The DPT has also proposed Performance Standards as given tabulated below:

S. No.	Parameter	Performance Standard (Tonnes per day)
1.	Gross Berth Output	
	Fertilizer	25000 T/Day
	Food Grains	20000 T/Day

2.	Transit Storage Dwell Time (Bulk)	
	Import -Fertilizer	20 Days
	Import- Food Grain	05 days
3.	Turnaround Time for receipt / delivery operation	
	Rake for fertilizers including Muriate of Potash, Urea, DAP etc. (Double operation) (6 Rakes)	06 Hours per each rake loading operations (including rake pre & post loading operations)

4.2. The DPT vide its e-mail dated 26 March 2021 has furnished a copy of Board Resolution No.33 dated 25 June 2020 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 Mechanised Fertiliser handling facility at Berth No.14.

4.3. The DPT vide its email dated 05 May 2021 proposed to include free period for export cargo along with relevant conditionalities in the handling and storage charges. Subsequently, the DPT has again filed a final revised proposal dated 06 May 2021 proposing some amendments in its earlier proposed SOR and performance Standards as summarized below:

(i). The earlier proposal did not propose free period for export cargo. The DPT has now proposed 15 days free period for storage of export cargo.

(ii). Consequent to above, the port has included a note no.(ii) under the composite handling charges listing the services covered under the composite handling charge for export operations. The earlier proposal proposed note (i) was only as regards services covered in the composite handling rate for import operations.

(iii). The port has also suitably included relevant conditionalities as regards calculation of free period proposed for export cargo.

(iv). The port has revised the proposed Performance Standards for Transit Storage Dwell Time. The performance standards proposed by the DPT in its earlier proposal vis-à-vis the revised proposal is tabulated below:

Sl. No.	Parameters	Performance Standards proposed in its original proposal 28.4.2021	Revised proposed Performance Standards vide its email dated 6.5.2021	Reference/ justification furnished by DPT in its final revised proposal by email dated 6.5.2021
1.	Gross Berth Output	**(Tonnes per day)**	**(Tonnes per day)**	
	Fertilizer	25000 T/Day	25000 T/Day	Order No.TAMP/26/2009-VPT Dated 27-Nov-2009, G. No.251 Date of Notification 18 Dec. 2009.
	Food Grains	20000 T/Day	20000 T/Day	Order No.TAMP/48/2015-KPT order Date 22.Sep.2015, G.No 376 Date of Notification 19 Nov. 2015.
2.	Transit Storage Dwell Time (Bulk)	In Days	In Days	
(a).	Import –Fertilizer	20 days	20 Days	As per actual scenario at Port based on several factors like availability of rakes, nature & type of fertilizer, logistics limitations etc.
(b).	Import- Food Grain	5 days	61 days (56 days plus 5 days of free period)	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
(c).	Export-All types of Cargo		71 days	

			(56 days plus 15 days of free period)	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 import food grains is revised and for export cargo, performance standards is included now.
3.	Turnaround Time for receipt/ delivery operation			
(a).	Rake for fertilizers including Muriate of Potash, Urea, DAP etc. (Double operation) (6 Rakes)	06 Hours	06 Hours	06 Hours loading operations (including rake pre & post loading operations)
(b).	Turnaround Time for receipt/ delivery operation – Food Grains			
	(i) Truck for conventional cargo (Single operation)	-	04 hours	Order Dated 22-Sep-2015 G.No.376 Date of Notification 19 Nov. 2015 and Model Concession Agreement) (Reference-Order No.TAMP/48/2015-KPT)
	(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	

4.4. The DPT has also clarified that the upfront tariff for 13th to 16th Multipurpose cargo berths approved by this Authority vide Order No.TAMP/48/2015-KPT dated 22 September 2015 is for conventional handling of all cargo. But, the proposed facility is specifically for mechanized handling of fertilizer and clean cargo viz. all types of food grains. Therefore, there is a need to fix tariff for the proposed project for Mechanized handling facility. The port has confirmed that the berth is with DPT and not allotted to any user on PPP basis.

5.1. Thus, to summarise, the DPT has adopted the Reference tariff approved by this Authority for handling multipurpose cargo at berth nos.13 to 16 vide Order No.TAMP/48/2015-KPT dated 22 September 2015 in respect of handling charge for Foodgrains; Miscellaneous charge from the upfront tariff Order No.TAMP/26/2009-VPT dated 27 November 2009 for Visakhapatnam Port Trust (VPT) for mechanized fertilizer handling facility and; for Fertiliser handling charges, charges for Bagging and stitching service and Storage charge, 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 upfront tariff for handling charges of Fertilisers, charges for Bagging and Stitching service charges, Storage charges approved by this Authority vide Order No.TAMP/26/2009-VPT dated 31 March 2010, Miscellaneous charge approved vide Order No.TAMP/26/2009-VPT dated 27 November 2009 and cargo handling charges for Foodgrains approved vide DPT Order No.TAMP/48/2015-KPT dated 22 September 2015 vis-à-vis the indexed reference tariff proposed by the DPT after applying the applicable annual indexation factor in final revised proposal dated 06 May 2021 is given below:

Particulars	**Cargo handling charges for Fertilisers, Bagging and Stitching service, Storage charges approved vide Order No.TAMP/26/2009-VPT dated 31.3.2010; handling charges for Foodgrains approved vide DPT Order No.TAMP/48/2015-KPT dated 22 September 2015 and Miscellaneous charge approved vide VPT Order No.TAMP/26/2009-VPT dtd. 27.11.2009**		**Reference tariff proposed by the DPT in the final revised DPT proposal dated 06 May 2021 after applying applicable indexation factor**	
			Proposed Berth No.14	**Proposed Performance Standards for Berth No.14**
Type of Cargo	**Handling charge (in ₹)**	**Handling Rate**	**Handling charge (in ₹)**	**Gross Berth Output**
A. Cargo Handling Charge (Excluding bagging and Stitching services)	**F** **C**		**F** **C**	
(i). Finished Fertilisers including Muriate of Potash, Urea, DAP, etc.	126.55 75.93	25000 T/day	171.37 102.82	25000 T/day
(ii). Foodgrains	141.74 85.04	20000 T/day	152.36 91.41	20000 T/day
B. Charges for Bagging and Stitching service (Per MT)	**F** **C** 110.53 110.53	-	**F** **C** 149.67 149.67	-
Miscellaneous Charges	1.30 per tonne	-	1.76 per tonne	-
C. Storage Charge beyond free period (₹ /MT/Day)		**-**		**Transit Storage Dwell Time (Bulk)** (i). Import – Fertiliser 20 days (ii). Import – Food Grains 61 days (iii). Export – 71 days All cargo
(i). First five days after expiry of free period (Free period for Import Fertiliser 05 days)	1.30		1.76	
(ii). 6th day to 10th day after expiry of free period	3.90		5.28	
(iii). Beyond 10th day	6.50		8.80	
	--	--	--	**Turnaround Time for receipt/ delivery operation** Rake for fertilisers including Muriate of Potash, Urea, DAP, etc.(Double operation)(06 Rakes) – 06 Hours per each rake loading operations (including rake pre & post loading operations)
	--	--	--	Turnaround Time for receipt/ delivery operation- Food Grains (i). Truck for conventional 04 hours cargo (Single operation) (ii). Truck for conventional 08 hours cargo (Double operation) (iii). Rake for dry bulk cargo 10 hours (Single operation) (iv). Rake for dry bulk cargo 18 hours (Double operation)

6. Since the proposal of DPT is an adoption case adopting the upfront tariff for Mechanised fertilizer handling facilities approved vide VPT Order dated 27 November 2009 read with amendment Order dated 31 March 2010 and Reference tariff for Foodgrains approved vide DPT Order dated 22 September 2015 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 was 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 Mechanized Fertilizer handling Facilities at Berth No.14 on Design, Build, Operate, Transfer (DBOT) basis under Public Private Participation (PPP) mode at DPT.

The DPT proposes to handle Finished Fertilisers including Muriate of Potash, Urea, DAP, etc. as well as foodgrains in the proposed berth No.14. The port has clarified that fertilizer is a seasonal cargo, i.e., not available round the year. Hence, during lean season period (Jan to April), the facility can be suitably used for food-grain handling with ship unloader, hopper etc. for effective utilization as per the queries of the prospective bidders for the project. Further, even during normal season, the port has confirmed that the proposed facility can be utilized to handle finished fertilizers and food-grains after purging & clean up activity of the system for cargo changeover. Thus, based on the clarification given by the port, this Authority proceeds to decide on the proposal of the port.

The original proposal of the DPT dated 28 April 2021 did not envisage export cargo handling. In the final revised proposal dated 06 May 2021, the port has proposed to cover export cargo by including relevant conditionality under the schedule of composite handling rate, proposed free period for export cargo along with relevant conditionalities and has also proposed revised Performance Standards. The final revised proposal of DPT dated 06 May 2021 along with the information/ clarification furnished by the port during the processing of the case are considered.

(ii). The proposal of DPT seeks approval of Reference tariff for Development of Mechanized Fertilizer handling Facilities at Berth No.14 at DPT adopting upfront tariff for cargo handling charges for Fertiliser handling charges, charges for Bagging and stitching services and Storage charge approved by this Authority vide Order No.TAMP/26/2009-VPT dated 31 March 2010 for mechanized fertilizer handling facility at VPT, reference tariff for handling of Foodgrains approved vide Order No.TAMP/48/2015-KPT dated 22 September 2015 for multipurpose cargo Berth Nos.13 to 16 at DPT and Miscellaneous charge is adopted from the original upfront tariff Order No.TAMP/26/2009-VPT dated 27 November 2009 of Visakhapatnam Port Trust (VPT) after applying the 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. Subsequently, the VPT sought approval of supplementary tariff and review of storage charges prescribed in the said Order. Accordingly, 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 replacing the schedule no.2 and 3 approved in its earlier Order dated 27 November 2009. That being so, the DPT has adopted the rates for Finished Fertiliser handling, charges for Bagging and Stitching service and Storage charges from the said Order approved by this Authority dated 31 March 2010. The DPT has proposed to adopt

Miscellaneous charge approved vide original Order No.TAMP/26/2009-VPT dated 27 November 2009 for VPT.

(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 the proposed mechanized fertilizer handling facility, as stated earlier, the port has proposed to adopt the handling charges for finished fertilizer, charges for bagging and stitching services, storage charges and miscellaneous charges from the upfront tariff approved by this Authority for VPT for mechanized finished fertilizer and handling charges for Foodgrains 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.

The Port has justified that VPT and the subject project facility for which current tariff has been adopted is similar in nature and the proposed facility will be handling exactly same type of commodities i.e. Fertilizer and clean cargo i.e. food grain and hence the upfront tariff adopted for Fertilizer from VPT Order dated 27 November 2009 read with amendment Order dated 31 March 2010 and reference tariff adopted for food grains from the DPT Order dated 22 September 2015 is representative enough for the proposed project of Mechanised Fertilizer handling facility at Berth No.14 at DPT. 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 upfront tariff approved by this Authority vide Order Nos.TAMP/26/2009-VPT dated 27 November 2009 and dated 31 March 2010 and reference tariff approved by this Authority vide Order No.TAMP/48/2015-KPT dated 22 September 2015 are based on the norms and principles of the Upfront Tariff Guidelines of 2008/ Reference Tariff Guidelines of 2013 and the current proposal of the DPT is for adoption of the rates in the said Orders after indexation, it is in line with stipulation in the reference tariff guidelines, 2013. This Authority is, therefore, inclined to approve the proposal of the DPT for fixation of reference tariff for Mechanized fertilizer handling facility at DPT.

(iv). 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. Further, 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.

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 rates for handling of Fertilisers, charges for Bagging and Stitching service, Storage charges and Miscellaneous charge 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.

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 annual 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 Foodgrains 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.

Therefore, the indexed reference tariff proposed by DPT as Reference tariff is approved.

(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). As stated earlier, in the final revised proposal, the port has proposed to include export handling operations. Consequent to that, the port has proposed to include a note no.(ii) under the composite handling charges listing the services covered under the composite handling charge for export operations. The proposed note is seen to have been adopted from the DPT Order dated 22 September 2015 and hence approved.

(vii). The free period for storage of import cargo proposed at 5 days is at par with the adopted VPT Order dated 31 March 2010. As regards export cargo, the port has proposed 15 days free period from the adopted DPT Order dated 22 September 2015. The upfront tariff Guidelines for multipurpose cargo prescribes a norm that storage charges are to be 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 is 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 are approved as proposed by the DPT.

(viii). 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 Turnaround time for rakes and trucks. The performance standards proposed by DPT and approved by this Authority are explained below:

(a). The DPT has proposed Performance Standards for gross berth day output at 25000 tonnes/ day for Fertilisers. The proposed Performance Standards for Fertilisers is in tandem with the handling rate considered in the November 2009/ March 2010 of the VPT upfront tariff Order. The proposed performance standards for Foodgrains at 20,000 T/day 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 its project at Berth No.14 at DPT are, therefore, approved.

(b). As regards transit storage dwell time, the DPT in its earlier proposal dated 28 April 2021 had proposed 5 days for import food grains and 20 days for import fertilizer cargo. In the final revised proposal dated 06 May 2021, the port has revised the performance standards for transit dwell time for import food grains from 5 days to 61 days and has also included performance standard for all export cargo at 71 days. The comparative position is tabulated earlier and hence not reiterated for the sake of brevity.

The port has clarified that the performance standards for transit storage dwell time for import cargo at 5 days and export cargo at 15 days proposed earlier was at par with the corresponding free period. The port has attempted to justify 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 8th week i.e. 56 days after free period. Considering this, the port has revised the performance standard for the Transit storage dwell time for import food grains from 5 days to 61 days i.e. 56 days + 5 days free period and has included performance parameter for export cargo at 71 days i.e. 56 days + 15 days.

As regards, the tariff storage calculation referred by the port, it can be seen from para 13.1. and 13.2.(viii) of the Order No.TAMP/48/2015-KPT dated 22 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 estimated ARR from the storage charge are recoverable and neutral revenue position is maintained.

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 in all Ports including DPT. The proposal of the DPT to propose last but one slab (i.e. the 8th slab) as benchmark Performance Standards is not found appropriate for prescription as Performance Standards, when the upfront tariff guidelines prescribe norm for the allowable storage period of 5 days for import cargo and 15 days for export cargo for multipurpose berth. In none of the major ports including DPT, the highest slab captured in arriving at storage tariff 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. The cargo profile incudes food grain and fertilizer.

In view of the above position, this Authority prescribes the performance standards for transit storage dwell time for import food grains at 5 days and for all export cargo at 15 days.

As regards, transit storage dwell time for import fertilizer, the port has proposed 20 days citing that it is as per actual scenario at Port based on several factors like availability of rakes, nature & type of fertilizer, logistics. For fertilizer cargo, the adopted VPT Order do not prescribe performance standards as it was not mandated under the upfront tariff guidelines of 2008. In the absence of any prescribed norm for mechanised fertilizer handling facility in the upfront tariff guidelines 2008 and also recognising that the facility envisaged by the port in the proposed project includes bagging and stitching services for Fertiliser handling and for the reasons given by the port, the performance standards for transit storage dwell time for import fertilizer are prescribed at 20 days as proposed by the port.

(c). As regards, performance standards for rake, the port has proposed 06 Hours per each rake loading operations (including rake pre & post loading operations). There are no prescribed norms for this parameter. The proposed performance standards for this parameter are approved.

(d). 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 are approved.

(ix). The definitions proposed by the DPT include definition of the terms “Month”, “TAMP” and “Tonne”. None of these terms are prescribed in the adopted upfront / reference tariff Orders. The term month is not used in the proposed SOR and hence need not prescribed. The definition of TAMP is also not required; hence not prescribed in the SOR. As regards “Tonne”, the port has defined it as one metric tonne or 1,000 kilograms or one cubic metre. Tonne which is a weight measurement 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. Further, since the proposed cargo is Bulk, the unit of levy in terms of cubic metre may not be relevant. Based on the above position, the definition of tonne is slightly modified to delete the words “or one cubic metre”.

(x). **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 Mechanized Fertilizer handling Facilities at Berth No.14 at DPT 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 Mechanized Fertilizer handling Facilities at Berth No.14 at DPT are 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 to 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)

Annex-I

REFERENCE TARIFF SCHEDULE FOR MECHANISED FERTILISER HANDLING FACILITY AT BERTH NO.14 AT 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-going 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). **"Port"** shall mean Deendayal Port Trust.

(vi). **"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). Criteria for levy of Cargo Related Charges (CRC) at Concessional Coastal rate

(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.

(vi). (a). The cargo related charges for all coastal cargo should not exceed 60% of the normal cargo related charges.

(b). 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.

(c). 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.

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

(vii). 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.

(viii). In calculating the gross weight or measurement by volume or capacity of any individual item, fractions upto and inclusive 0.5 shall be taken as 0.5 unit and fractions of above 0.5 shall be treated as one unit, except where otherwise specified.

3. Schedule of Cargo Handling Charges:

A. (i). Composite Mechanized Handling Charge (excluding bagging and stitching service)

(₹ Per MT)

Description / Cargo	Foreign	Coastal
Finished Fertilizers including Muriate of potash, Urea, DAP etc.	171.37	102.82

(ii). Cargo Handling charges (excluding bagging and stitching service):

(₹ Per MT)

Description / Cargo	Foreign	Coastal
Food Grains	152.36	91.41

Note:

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

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 in respect of export cargo. This composite charge includes wharfage and supply of labour, wherever necessary and all other miscellaneous charges not specifically prescribed in the Scale of Rates.

B. Charges for Bagging and Stitching Service:

(₹ Per MT)

Description / Cargo	Foreign	Coastal
Finished Fertilizers including Muriate of potash, Urea, DAP etc.	149.67	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, Destacking 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.

4. Storage Charges

The Storage charges for the cargo stored in the stack yard beyond the free period shall be as below:

(A) Free period

Import Cargo : 5 days free
Export Cargo : 15 days free

(B) Storage charges after free period

(per ton / per day)

Sl. No.	Description	(₹)
01	First five days after expiry of free period	1.76
02	6th day to 10th day after expiry of free period	5.28
03	Beyond 10th day	8.80

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.

(ii) For the purpose of calculation of free period Customs notified holidays and Terminal's nonworking days shall be excluded.

(iii) (a). Free period for import cargo shall be reckoned from the day following the day of completion of final discharge from the vessel.

(b). 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.

(iv) 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.

5. Miscellaneous Charges

₹1.76 per tonne is a composite charge for all miscellaneous services such as fumigation, cargo security etc.

6. 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

Sl. No.	Parameter	Performance Standard
1	**Gross Berth Output (Tonnes per day)**	
	Fertilizer	25000 T/Day
	Food Grains	20000 T/Day
2	**Transit Storage Dwell Time (Bulk)**	
	Import -Fertilizer	20 Days
	Import- Food Grains	05 days
	Export - all cargo	15 days
3	**Turnaround Time for receipt / delivery operation**	
a.	Rake for Fertilizers including Muriate of Potash, Urea, DAP etc. (Double operation) (6 Rakes)	06 Hours per each rake loading operations (including rake pre & post loading operations)
b.	Turnaround Time for receipt/ delivery operation- Food Grains	
	(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

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