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Tariff Authority for Major Ports

G.No. 41 **New Delhi,** **22 January 2021**

NOTIFICATION

In exercise of the powers conferred by Section 49 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from the Deendayal Port Trust (DPT) for revision of rate structure of Kandla Lands at Kandla for categories 'A to G' and Land from Village Veera to Jungi which includes Tuna, Kharirohar and Bachau (excluding salt land & SPIC land) applicable for the period from 01 January 2019 to 31 December 2023 as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports

Case No. TAMP/15/2020-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 28th day of December 2020)

This case relates to the proposal dated 04 March 2020 received from the Deendayal Port Trust (DPT) for revision of rate structure of Kandla Lands at Kandla for categories 'A to G' and Land from Village Veera to Jungi which includes Tuna, Kharirohar and Bachau (excluding salt land & SPIC land) for the period from 01 January 2019 to 31 December 2023.

2.1. The lease rents for Kandla lands (categories A to G) of Deendayal Port Trust (DPT) was last revised by this Authority vide Order No.TAMP/24/2014-KPT dated 13 November 2014. The revised lease rental was valid for a period of five years from 1 January 2014 up to 31 December 2018.

2.2. At the request of DPT, the validity of the existing rate structure for the Kandla lands for categories 'A to G' of DPT was extended from time to time and last extended from the date of expiry till 31 December 2020 or date of effect of notification of the revised lease rentals, whichever is earlier. The DPT was directed to file its proposal for revision of rate structure of Kandla land by 15 March 2020.

3.1. It is relevant to state that some of the lessees have filed Writ Petitions before the Hon'ble High Court of Gujarat against the tariff Order No. TAMP/24/2014-KPT dated 13 November 2014 mainly challenging the last revision of lease rent of Kandla land approved by this Authority vide Order dated 13 November 2014. The main challenge was against the retrospective revision accorded by this Authority for the revised lease rent w.e.f. 1 January 2014 and reported steep hike in lease rent arising due to categorization of land by the DPT.

3.2. In this regard, Hon'ble Single Judge of Hon'ble High Court of Gujarat has passed a Common Order in the Judgement dated 10 May 2019 disposing of various SCAs/ Writ Petitions filed by various petitioners challenging the Order dated 13 November 2014 passed by this Authority. The Order of the Hon'ble High Court in para 80 (ii) has held that no interference is called for in the order dated 13.11.2014 passed by the TAMP and published vide the Notification dated 4.12.2014 under Section 49 of the said Act. The SoR framed by the TAMP shall be effective from 1.1.2014 as directed in the said order. The Hon'ble High Court has confirmed the Order of this Authority dated 13 November 2014.

4. The Ministry of Shipping (MOS) vide its letter dated 17 July 2015 issued Amended Land Policy Guidelines of 2014. Subsequently, MOS vide its letter dated 29 April 2019, issued Clarification Circular (Land Management) No.1 of 2019-20 to ease the implementation of the Policy Guidelines dated 17 July 2015 (hereinafter termed as Policy Guidelines for Land Management 2015 (PGLM 2015)) to the Chairmen of all the Major Port Trusts.

5. Following the provisions of PGLM-2015, the DPT, vide its letter dated 04 March 2020 has filed its proposal and made the following submissions in its proposal:

(i). The validity of the revised market value of land and Reserve Price in terms of Lease rent in respect of Kandla land (other than salt land) for categories "A" to "G" of DPT has expired on 31 December 2018 and is due for revision from 01 January 2019 as per Policy Guidelines of Land Management, 2015 which provides for SOR to be re-fixed every five years.

(ii). As per the provision of Policy Guidelines of Land Management 2015, DPT had engaged M/s.M.C.Jain, Government approved valuer through E-Tendering process vide work order dated 11.12.2018 for carrying out the valuation of Kandla Land and Village Veera to Jungi which includes Tuna, Kharirohar and Bachau. The valuer had submitted its report on 07 May 2019. A copy of land Valuation Report is furnished by the DPT.

(iii). DPT has vide email dated 20 March 2020 furnished a statement showing details of market value and lease rent as per five factors mentioned at Para 13(a) of the PGLM-2015 as furnished by the approved valuer which is summarized below:

Statement showing the details of rate as per the factor provided in the PGLM-2015

Category	Market Value of land on 01.01.2014 as approved by TAMP vide Notification No.350 datd 04.12.2014 (per sq. mtrs)	Reserve Price in terms of lease rent @ 6% of market value of land w.e.f 01.01.2014 (per sq.mtrs/ per annum)	Market value of land considered in TAMP Order dated 04.12.14 applying 2% annual escalation to arrive at market value of land in the year 2018.	Reserve Price in terms of lease rent @ 6% of market value of land w.e.f 01.01.2018 (per sq. mtrs/per annum)	State Govt. Ready Reckoner Rate	Highest actual transaction	Highest tender cum auction rate	Rate arrived at by Approved valuer		Any other relevant factor as may be identified by the Port
								Un-develop Land	Lease rent @ 6% of market value of land	
A	3942	236.52	4267.00	256.02		₹297.14 (considering the 2% escalation per annum of ₹ 280/- i.e. Highest rate of 2016 for the purpose of barge beaching)	₹297.14 (considering the 2% escalation per annum of ₹280/- i.e. Highest rate of 2016 for the purpose of barge beaching	4352.3	261.14	
B										
B1	3192	191.52	3455.33	207.32		--	--	3524.5	211.47	--
B2	2873	172.38	3110.00	186.6		--	--	3172.16	190.33	--
C										
C1	1800	108	1948.33	116.9	No Jantri Rate available for Kandla. However, the highest rate is 1100.00 M2 of nearby village i.e. Kidana for land for commercial purpose	₹1720.64 (considering the 2% escalation per annum of ₹1686.90/- i.e. Highest rate of 2018 for the purpose of petrol pump)	₹1720.64 (considering the 2% escalation per annum of ₹1686.90/- i.e. Highest rate of 2018 for the purpose of petrol pump)	1948.33	116.90	₹119.24(2% annual escalation of rate of 2018 of ₹116.9)
C2	1500	90	1623.67	97.42		--	--	1656.17	99.37	₹99.37 (2% annual escalation of rate of 2018 of ₹97.42)
D						--	--			
D1	3298	197.88	3570.00	214.2		--	--	3641.4	218.48	
D2	2153	129.18	2330.50	139.83		--	--	2377.17	142.63	
D3	3089	185.34	3343.67	200.62		₹215.44/- (Highest rate of 2019 for port related activities)	₹215.44/- (Highest rate of 2019 for port related activities)	3410.5	204.63	
D4	2131	127.86	2306.67	138.4		₹149.32 (considering the 2% escalation per annum of ₹137.95/- i.e. Highest rate of 2015)	₹149.32 (considering the 2% escalation per annum of ₹ 137.95/- i.e. Highest rate of 2015)	2352.83	141.17	
D5	2565	153.9	2766.50	166.59		--	--	2832	169.92	--

E	5836	350.16	6317.00	379.02		--	--	5154.66	309.28 386.60 (Developed land)	--
F						--	--	--	--	--
F1	3430	205.8	3712.83	222.77		--	--	3712.83	222.77	₹227.23 (2% annual escalation of rate of 2018 of ₹222.77
F2	6720	403.2	7274.00	436.44		--	--	7274	436.44	₹445.17 (2% annual escalation of rate of 2018 of ₹436.44)
G	--	--	--	--		--	--	--	--	--
G1	15086.13	905.17	16329.67	979.78		₹1031.21 (considering the 2% escalation per annum of ₹971.74/- i.e. Highest rate of 2016 for liquid storage tank)	₹1031.21 (considering the 2% escalation per annum of ₹971.74/- i.e. Highest rate of 2016 for liquid storage tank)	16329.67	979.78	1008.94 (average rate received in E-Tender cum E-Auction during the period of 2015 to 2019 for liquid storage tank
G2	9959.89	597.59	10780.67	646.84				10996.33	659.78	--
	Kidana Village				945.00			945.00	56.70	--
	Veera Village				208.00			208.00	12.48	--
	Mithirohar Village				2431.00			2431.00	145.86	--
	Padana Village				472.00			472.00	28.32	--
	Tuna Village				665.00			665.00	39.90	--

(iv). (a). The Land Allotment Committee, at its Meeting held on 27 November 2019 after considering the valuation report given by the approved valuer sought clarification whether classification/ categorization of land is as per National Industrial Classification NIC 2008 in pursuance of the MOS circular No.PD-25021/11/2015-VoCT dated 16.10.2018. A copy of said minutes of LAC meeting is furnished.

(b). The approved valuer vide his letter dated 27 November 2019, has informed that DPT had already classified the categorization of land wherever possible as per the National Industrial Classification (NIC), 2008 i.e. Liquid storage tank & production of salt which occupies a major portion of land bank available with DPT. Remaining Valuation of Land Assets has been done considering the location of land and distance from Port Creek. In NIC, there are many categories and most of the categories are not existing in port land area. The approved valuer has concluded that since, most of the area is already covered and classified as per the NIC 2008 by DPT, hence the present categorization is found to be in order. The DPT has furnished a copy of the valuer's letter dated 27 November 2019 to DPT along with the proposal.

(v). The Land Allotment Committee, at its meeting held on 29 November 2019, recommended a general increase @ 2% over the lease rent applicable as on 31

December 2018 for all categories of land except for categories A, D3, D4 and G1. The LAC, in its meeting dated 29 November 2019, proposed increase in the lease rent by 16.06%, 7.39%, 7.89% and 2.98% for A, D3, D4 and G1 categories of land respectively as against 2% increase proposed by the approved valuer for A, D3 & D4 category and no increase is proposed by valuer for G1 category of land.
A copy of the LAC Minutes dated 29 November 2019 is furnished by the DPT. Accordingly, the DPT placed an Agenda in the Board Meeting held on 06 December 2019. During the discussion, it was observed by the Board of DPT that the proposal needed detailed study and accordingly, this item was deferred by the DPT Board.

(vi). (a). Accordingly, after detailed study LAC again met on 23 January 2020. The LAC in its minutes of the meeting dated 23 January 2020 has observed that only a few tenders/ auctions are carried out in the last three years pertaining to general leases (other than salt land) and those are for different sizes of plots for different purpose. The rate determined through tenders is basically depended on various factors, such as availability of infrastructure such as rail and road connectivity; developed land, demand and supply, purpose, similar usage of land, size of the plot etc. Therefore, the rates obtained through E-Auction for those specific plots do not reflect the realistic value of the remaining lands. If the highest of the factors is considered, it will result in poor response to tender cum auction and subsequently loss of business to the port. Therefore, LAC felt appropriate to choose the relevant factor which captures the realistic market value of land to enable port to sustain business. Accordingly, LAC felt that the land values arrived by a general increase @ 2% on updated TAMP approved rate of 2018 is a relevant factor among the factors mentioned in the para 13 of the amended LPG-2014, so that the business of the port is not affected in the long run and the port remains an attractive investment location to the port users.

(b). In view of above, the LAC, after detailed deliberations and considering the need to attract investments and sustain the current business of port, reviewed its earlier recommendation in respect of rate of categories A, D3, D4 and G1 with detailed justification in its meeting held on 23 January 2020 and recommended a general increase of 2% on market value of land and lease rent in the year 2018 for all the categories from A to G. In case of rates of villages Kidana, Veera, Mithirohar, Padana and Tuna, there are no separate rates approved by TAMP for land other than salt land at village Kidana, Veera, Mithirohar, Padana and Tuna during previous revision. Hence, average rate of recent transaction is taken to arrive at present market rate in respect of above villages by the valuer is recommended by the LAC. A copy of the Minutes of the LAC meeting held on 23 January 2020 is furnished.

(vii). The Board of Trustees of the Port of Kandla, vide Board Resolution No.113 dated 29 January 2020 has approved the market value of land and lease rent/ Reserve Price based on the recommendation of LAC for Kandla Land and Village Veera to Jungi excluding Salt Land for the period from 01.01.2019 to 31.12.2023 as per rate structure tabulated below for approval of TAMP:

(₹/ sq. mtr./ annum)

Category	Description of Category	Market Value of land considered in TAMP Order 04.12.2014 applying 2% annual escalation to arrive at market value of land in the year 2018	Lease rent approved by TAMP Order effective from 01.01.2017 indexed applying 2% annual escalation to arrive at lease rent as on 31.12.2018	Market Value of land as on 01.01.2019 as recommended by the LAC	Lease rental per annum @ 6% of Market value as on 01.01.2019 as recommended by the LAC	Increase in lease rental compared to immediate previous year.
A	Land having water front and upto half mile from the shore i.e. the west bank of Kandla creek	4267.00	256.02	4352.30	261.14	2%

B	Land within half mile from the bank of the creek and having no water front					
B1	Plots abutting on main road	3455.33	207.32	3524.50	211.47	2%
B2	Plots situated on internal roads	3110.00	186.6	3172.16	190.33	2%
C	Land beyond half a mile from the bank of the creek					
C1	Plots abutting on main road	1948.33	116.9	1987.35	119.24	2%
C2	Other plots	1623.67	97.42	1656.14	99.37	2%
D	Land outside the bunder area and outside the west gate both on north as well as on the south of National Highway					
D1	Plots directly abutting on NH-8A	3570.00	214.20	3641.40	218.48	2%
D2	Plots abutting on 1st 30 meter road parallel to NH-8A	2330.50	139.83	2377.11	142.63	2%
D3	Plots abutting on 2nd 30 meter road parallel to NH-8A	3343.67	200.62	3410.54	204.63	2%
D4	Plots abutting to KK road near zero point and railway crossing, 25 acres plots and other plots	2306.67	138.4	2352.80	141.17	2%
D5	Valuation of land to the West Gate of NH-8A towards salt works of land without reclamation but with infrastructure	2776.50	166.59	2832.00	169.92	2%
E	Land within the docks	6317.00	379.02	6443.42	386.60	2%
F	Land west of railway siding leading to Kandla Free Trade Zone and up to crossing of railway line					
F1	Plots situated on SEZ side from Kandla Railway Station	3712.83	222.77	3787.17	227.23	2%
F2	Plots situated on Ahmedabad side from Kandla Railway Station	7274.00	436.44	7419.50	445.17	2%
G	Land of Liquid Storage Tanks					
G1	Land situated from Eastern Bank of Kandla Creek to Western Bank of Nakti Creek	16329.67	979.78	16815.66	999.38	2%
G2	Land from West side of Nakti Creek to Kharirohar having existing Oil Terminals of IOCL, HPCL & BPCL.	10780.67	646.84	10996.33	659.78	2%
	Kidana Village	--	--	945.00	56.70	--
	Veera Village	--	--	208.00	12.48	--
	Mithirohar Village	--	--	2431.00	145.86	--
	Padana Village	--	--	472.00	28.32	--
	Tuna Village	--	--	665.00*	39.90	--

[For Kidana, Mithirohar and Padama Villages, the average of recent transaction rates has been taken to arrive present market rate. For Tuna village, the valuer has considered the average lease rates of two land parcels allotted by the DPT to M/s.Adani Kandla Bulk Terminal Pvt.Ltd. For village Veera, since no transaction rate is available, the valuer has arrived at the market value of land by taking same rate of State Government Ready Reckoner Rate/Jantri rate for village Veera.]

Notes:

(a). The market value/ reserve price/ lease rent prescribed above will be effective from 1 January 2019 and remain valid till 31 December 2023.

(b). The market value of land and reserve price in terms of annual lease rent prescribed above shall bear an escalation factor of 2% every year.

(viii). A copy of the Board Resolution No.113 dated 29 January 2020 is furnished by DPT.

(ix). In the meanwhile, the DPT has issued provisional bills to the parties considering 2% annual escalation in the rates as compared to the previous year and informed to the TAMP for extension of the validity of the existing rate structure of Kandla Land of DPT upto 31 December 2019. Further, DPT had sought six months extension of the validity of the lease rentals of Kandla land from the 01.01.2020 to 30.06.2020 or date of notification of the revised lease rentals, whichever is earlier from TAMP for filing the fresh proposal.

(x). The DPT has requested to consider and approve the proposal for Revision of rate structure and fixing of reserve price/ market value of Kandla Land (Category "A" to "G" and land from Village Veera to Jungi which includes Tuna, Kharirohar and Bachau (excluding Salt land & SPIC land) applicable for the period from 01.01.2019 to 31.12.2023 as approved by its Board dated 23 January 2020 and notify the same in the Gazette expeditiously, so as, to enable DPT to implement the revised rate from 01.01.2019.

6. A comparison of lease rent approved by this Authority vide Order No.TAMP/24/2014-KPT dated 13 November 2014 effective from 01.01.2014, updated lease rent as on 31.12.2018 applying 2% annual escalation and proposed lease rent in the instant proposal along with percentage increase proposed is tabulated below:

Statement Showing the Details of Rate as per the factor in the PGLM-2015					
Category	**Description of Category**	**Lease Rent approved vide Order No.TAMP/24/2014-KPT dated 13.11.2014 effective from 1.1.2014**	**Updated Lease Rent as on 31.12.2018**	**Proposed Lease Rent effective from 1.1.2019 as recommended by the LAC**	**Increase % at proposed Lease Rent over Lease Rent as on 31.12.2018**
A	Land having water front and upto half mile from the shore i.e. the west bank of Kandla creek	236.52	256.02	261.14	2%
B	Land within half mile from the bank of the creek and having no water front	--	--	--	--
B1	Plots abutting on main road	191.52	207.32	211.47	2%
B2	Plots situated on internal roads	172.38	186.60	190.33	2%
C	Land beyond half a mile from the bank of the creek				
C1	Plots abutting on main road	108.00	116.90	119.24	2%
C2	Other plots	90.00	97.42	99.37	2%
D	Land outside the bunder area and outside the west gate both on north as well as on the south of National Highway	--	--	--	--
D1	Plots directly abutting on NH-8A	197.88	214.20	218.48	2%
D2	Plots abutting on 1st 30 meter road parallel to NH-8A	129.18	139.83	142.63	2%
D3	Plots abutting on 2nd 30 meter road parallel to NH-8A	185.34	200.62	204.63	2%
D4	Plots abutting to KK road near zero point and railway crossing, 25 acres plots and other plots	127.86	138.40	141.17	2%
D5	Valuation of land to the West Gate of NH-8A towards salt works of land without reclamation but with infrastructure	153.90	166.59	169.92	2%
E	Land within the docks	350.16	379.02	386.60	2%
F	Land west of railway siding leading to Kandla Free Trade Zone and up to crossing of railway line	--	--	--	--
F1	Plots situated on SEZ side from Kandla Railway Station	205.80	222.77	227.23	2%
F2	Plots situated on Ahmedabad side from Kandla Railway Station	403.20	436.44	445.17	2%
G	Land of Liquid Storage Tanks				
G1	Land situated from Eastern Bank of Kandla Creek to Western Bank of Nakti Creek	905.17	979.78	999.38	2%
G2	Land from West side of Nakti Creek to Kharirohar having existing Oil Terminals of IOCL, HPCL & BPCL.	597.59	646.84	659.78	2%
	Kidana Village	**New Item/Area**	--	56.70	Average rate of recent transaction
	Veera Village	**New Item/Area**	--	12.48	
	Mithirohar Village	**New Item/Area**	--	145.86	
	Padana Village	**New Item/Area**	--	28.32	
	Tuna Village	**New Item/Area**	--	39.90	

7. In accordance with the consultation process prescribed, a copy of the DPT proposal dated 04 March 2020 along with enclosures and subsequent email dated 20 March 2020 was circulated vide our letter dated 02 June 2020 to the users/ user organisations seeking their comments. The comments received from the users/ user organisations were forwarded to the DPT as feedback information. The DPT vide its letters all dated 08 July 2020, 24 August 2020 and 15 September 2020 has furnished its reply.

8.1. Subsequently, Laxmi Motors, vide its email dated 24 June 2020 has reiterated its comments made in its e-mail dated 12 June 2020. It has also reiterated its comments made earlier by its letter dated 24 July 2018 regarding the rates fixed for tariff cycle earlier to the tariff cycle of January 2019 to December 2023.

A copy of the comments furnished by Laxmi Motors vide its email dated 24 June 2020 was forwarded vide email dated 26 June 2020 to DPT for comments. No response was received from DPT till this case was taken up for finalisation.

8.2. Laxmi Motors has made further submissions vide its email dated 02 July 2020 which was forwarded to DPT vide email dated 7 July 2020 for its comments. The DPT vide its letter dated 24 August 2020 has furnished its reply.

8.3. Further, Agencies & Cargo Care Limited (ACCL), Parker Agrochem Exports Limited (PAEL), Deepak Estate Agency (DEA), Tejmalbhai & Company (TBC) have expressed grievance as regards categorization of land from Category 'A' to category 'G1' received during processing of this case. A copy each of the comments of ACCL, PAEL, TBC and DAE was forwarded to DPT for comments vide our emails dated 30 June 2020 and 20 July 2020. In response, DPT vide its email dated 24 August 2020 has furnished its comments.

9.1. A joint hearing in this case was held on 26 June 2020 through Video Conferencing. The DPT made a power point presentation of its proposal. At the joint hearing, the DPT and the concerned users / user organizations / lessees have made their submissions.

9.2. As agreed at the joint hearing, the following users / user organisations and DPT vide our letter dated 04 July 2020 were requested to take action on the following points:

(i). The Oil Companies viz. Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Ltd. (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) were allowed to furnish detailed comments/ submissions in a week's time i.e. by 03 July 2020 to TAMP with a copy endorsed to Deendayal Port Trust (DPT).

(ii). The Gandhidham Chamber of Commerce and Industry (GCCI) and Kandla Liquid Tank Terminal Association (KLTTA) were allowed to furnish detailed comments within a week's time i.e. by 3 July 2020.

(iii). The DPT was requested to furnish its response within one week from receipt of comments from the above users / user associations.

9.3. With reference to points of action decided at the joint hearing brought out in Para 9.2 above, the DPT vide its letter dated 30 July 2020 and 24 August 2020 has furnished its comments on the written submissions made by HPCL, IOCL, BPCL and GCCI.

10. With reference to the request made by the KLTTA at the joint hearing to consult them in concluding process, a copy of the DPT comments dated 08 July 2020 on the objections of KLTTA was forwarded to KLTTA for its comments thereon. In response, the KLTTA vide its email dated 24 July 2020 has reiterated the points made by it in its earlier submission.

11. Subsequently, at the request of DPT, vide its letter No.FA/COST/1170/KL/253 dated 23 June 2020, this Authority, in its meeting held on 07 September 2020, has extended the validity of the existing rate structure for the Kandla lands for categories 'A to G' of DPT from the date of expiry till 31 December 2020 or the date of effect of notification of the revised lease rentals, whichever is earlier with 2% annual escalation.

12.1. In the meantime, M/s.IOCL, BPCL & HPCL have filed W.P. No.8599, 8949 & 8918 of 2020 respectively against Union of India, TAMP and DPT challenging the DPT proposal dated 4 March 2020 and have also prayed the Hon'ble High Court of Gujarat to restrain this Authority from approving the impugned proposal dated 4 March 2020 filed by the Respondent No.3, DPT.

12.2. In this regard, it is relevant here to mention that with respect to the said SCAs filed by IOCL, BPCL and HPCL in the High Court of Ahmedabad at Gujarat, the Oral Order dated 14 August 2020 issued by the Hon'ble Mr. Justice A.Y.Kogje, *inter alia*, records that it is open for the petitioner to move the court in case of any adverse action is likely to be taken in the interregnum period.

12.3. Subsequently, in view of the email dated 18 September 2020 from our Legal Counsel stating that in absence of any injunction against the Tariff Authority, the Authority can proceed in accordance with the procedure, whilst it would be in fairness that the Authority should update the Court in case final orders are likely to be passed before the next date of hearing, the proposal of DPT dated 4 March 2020 for revision of lease rent of Kandla Land was placed before the Authority for its approval in the meeting scheduled on 28 October 2020. The Legal Counsel was also vide our letter dated 01 October 2020 requested to update the Court about the same.

12.4. During the hearing held on 28 October 2020 on the subject matter, the Hon'ble Court instructed the Tariff Authority for Major Ports not to pass orders at least till 24.11.2020, the date on which the subject matters are kept for final disposal. This was communicated by our Legal Counsel on telcon during the Authority meeting held on the same day which was followed by email dated 28 October 2020. In view of the said position, this Authority, in its meeting dated 28 October 2020, decided to defer the Agenda note on the subject matter till 24.11.2020 or the next Meeting of the Authority, whichever is later.

12.5. Thereafter, our Legal Counsel by email dated 26 November 2020 has informed that the captioned Writ Petitions were taken up for hearing before the Hon'ble Court on 26 November 2020 and the matters were extensively heard.

The Counsel for the petitioner had insisted and pressed for interim relief and in alternate, for TAMP to further defer the adjudication/ passing of order on the proposal of DPT, to which ASG, Shri Devang Vyas on behalf of TAMP had clarified to the Court that the earlier assurance was in a different set of circumstances and was in view of the request by the Hon'ble Court and TAMP now seriously objects to any further deferment on adjudication/ passing of order on proposal of DPT. Our Legal Counsel further informed that taking in view the contentions raised in the hearing held on 26 November 2020, the Court has not provided any further directions for TAMP. In view of the above, it would be open for TAMP to process the proposal of DPT and pass necessary order, in accordance with law.

12.6. The matter is pending in the High Court of Ahmedabad at Gujarat. Since there is no order restraining this Authority to consider and dispose of the proposal of the DPT dated 4 March 2020 for revision of lease rent which is due for revision since 1 January 2019 and based on the advice of our Legal Counsel dated 26 November 2020 that it is open for TAMP to process the proposal of DPT and pass necessary order, the proposal dated 04 March 2020 for revision of lease rent of Kandla land is taken up for passing of Order.

12.7. The office of this Authority has already filed an affidavit through ASG in the Gujarat High Court to dismiss the SCAs filed by the oil companies stating that it is premature and restraining a statutory body to discharge its statutory function of fixation of Scale of rates under Section 49 is not maintainable.

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

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

(i). The lease rent for Kandla lands (categories A to G) of Deendayal Port Trust (DPT) was last revised by this Authority vide Order No.TAMP/24/2014-KPT dated 13 November 2014. The lease rent approved by this Authority was given effect retrospectively from 01 January 2014 as sought by the DPT and validity was prescribed for a period of five years i.e. till 31 December 2018. The said Order was notified in the Gazette of India vide Gazette No 350 dated 04 December 2014.

The current proposal filed by the DPT is for revision of lease rent of Kandla Lands for categories A to G and land from village Veera to Jungi (excluding salt land & SPIC land) applicable for the period from 01 January 2019 to 31 December 2023 following the Land Policy Guidelines of 2015 issued by the Ministry of Shipping.

(ii). (a). Before proceeding to analyse the case, it is relevant here to state that some users filed Special Civil Applications (SCAs)/ Writ Petitions before the Hon'ble High Court of Gujarat challenging the last revision of lease rent of Kandla land approved by this Authority vide Order dated 13 November 2014. During the processing of the present case various users/ lessees like the IOCL, HPCL, IFFCO, etc., have referred to the litigation in the Hon'ble High Court on the last revision of 13 November 2014.

In this regard, it is relevant here to state that the Hon'ble Single Judge of Hon'ble High Court of Gujarat has passed a Common Order in the Judgement dated 10 May 2019 disposing of various SCAs/ Writ Petitions filed by various petitioners challenging the Order passed by this Authority dated 13 November 2014. The operational part of the Judgement dated 10 May 2019 by the Hon'ble High Court of Gujarat is brought out in the earlier paragraphs and hence not reiterated for the sake of brevity. The Order of the Hon'ble High Court in para 80 (ii) has held that no interference is called for in the order dated 13.11.2014 passed by the TAMP and published vide the Notification dated 4.12.2014 under Section 49 of the said Act. The SoR framed by the TAMP shall be effective from 1.1.2014 as directed in the said order. The said order stands confirmed accordingly.

(b). As brought out by the DPT, few parties have filed appeal challenging the said Order of the Hon'ble High Court of Gujarat. The matter is pending in the Hon'ble High Court.

The current proposal of DPT is for revision of rate structure of Kandla land beyond the expiry of its validity period i.e. from 01 January 2019 onwards. There is no direction or order from the Hon'ble Court of Gujarat in the pending appeal filed by various lessees/ on the last tariff Order of November 2014 restraining this Authority from undertaking the statutory obligation of fixing the lease rents of DPT Lands for the period beyond the validity prescribed in the last Order i.e. beyond 31 December 2018. The DPT has confirmed that the Hon'ble High Court has not stayed implementation of the Order of this Authority dated 13 November 2014.

(c). Further, during the processing of this case, the oil companies viz. IOCL, BPCL and HPCL, after the joint hearing was held in this case on 26 June 2020, sought time to furnish further submissions which was allowed and after having furnished further written submissions vide their letters dated 10 and 11 July 2020 have filed SCAs challenging the proposal filed by the DPT dated 04 March 2020 and have also prayed before the Hon'ble High Court of Gujarat to restrain this Authority from approving the proposal dated 4 March 2020 filed by the DPT.

With respect to the Writ Petitions/ SCAs filed by IOCL, BPCL and HPCL in the High Court of Ahmedabad at Gujarat, there is no Order of the High Court restraining this Authority to process the DPT proposal dated 4 March 2020 and pass Order for revision of rates of Kandla land. This Authority, therefore, proceeds with the proposal of DPT dated 04 March 2020 for revision of rate structure of Kandla land for categories 'A' to 'G' and from village Veera to Jungi following Policy Guidelines for Land Management 2015 read with Clarification Circular (Land Management) No.1 of 2019-20 dated 29 April 2019 issued by the Ministry of Shipping.

(iii). M/s.Laxmi Motors have stated that the valuer has pointed out that the area of land allotted to them is township and township area does not fall under the jurisdiction of the TAMP.

The current proposal of DPT is for fixation of lease rent for Kandla land for categories A to G and Land from Village Veera to Jungi which includes Tuna, Kharirohar and Bachau (excluding salt land & SPIC land). It is pertinent to state that this Authority determines lease rent for the port land and not for the land allotted to individual lessee. As regards the point made by M/s.Laxmi Motors about jurisdiction of this Authority to fix lease rent for Township, reference is drawn to Section 49 of the Major Port Trusts Act, 1963 which mandates this Authority to fix the Scale of Rates and statement of conditions from time to time in respect of any property belonging to, or in the possession or occupation of the port trusts Board or any place within the limits of the port. Thus, fixation of rates for all the port land areas of the Major Port Trusts including Township area within the port limits falls under the ambit of this Authority as per the statute.

(iv). (a). Clause 13 of the Policy Guidelines for Land Management 2015 lays down the procedure and the methodology to be adopted for determining the market value and the latest Scale of Rates of the port lands.

(b). As per clause 11.2(e) of the revised PGLM 2015, a Land Allotment Committee (LAC) shall be constituted by the Port Trust Board consisting of Deputy Chairman of the Port, and Heads of Departments of Finance, Estate and Traffic. The DPT has constituted the LAC under the Chairmanship of Deputy Conservator & other members viz., Chief Engineer & Head of Department (Estate), Traffic Manager, Financial Advisor and Chief Accounts Officer.

(c). The DPT has engaged M/s.M.C.Jain, a Government approved land valuer for assessing the market value of the Kandla lands as per Clause 13 (a)(iv) of PGLM 2015. It is seen from the proposal of the DPT that the LAC had three meetings, on 27 November 2019, 29 November 2019 and 23 January 2020. The LAC in its final meeting held on 23 January 2020, after going through the recommendations of the approved valuer and after considering the methodology prescribed under Clause 13(a)(i) to (v) of PGLM 2015, has recommended the market value and reserve price in terms of annual lease rent for the Kandla Land for the Categories “A” to “G” and land from village Veera to Jungi(excluding Salt land and SPIC land). The Board of Trustees of DPT in its Board meeting held on 29 January 2020 has, based on the recommendation of the LAC, approved the market value of land and reserve price in terms of annual lease rent.

Thus, the proposal filed by the DPT which is supported with the copy of the Valuation Report of the approved valuer, report of the LAC constituted by the port recommending Reserve Price in terms of annual lease rent and which also has the approval of the DPT Board is found to be in compliance with the provisions of PGLM 2015 for fixation of scale of rates of port land and, therefore, relied upon for disposing of this case.

(v). (a). Para 13 (a) of the PGLM 2015 prescribes the methodology for determination of market value of the land based on the five factors prescribed therein. As per the said para, the LAC may normally take into account the highest of the factors mentioned therein, viz. (i). State Government ready reckoner of land values in the area if available for similar classification/activities, (ii). Highest rate of actual relevant transactions registered in the last three years in the Port’s vicinity (the vicinity of the Port is to be decided by the respective Port Trust Boards), updated with an appropriate annual escalation rate to be approved by the Port Trust Board, (iii). Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board, (iv). Rate arrived at by an approved valuer appointed for the purpose by the Port and (v). Any other relevant factor as may be identified by the Port. Clause 13(a) of PGLM 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing.

(b). The port has appointed a Government approved valuer to arrive at the proposed lease rent based on valuation of land under different methodology prescribed in the PGLM 2015. The valuation report of the approved valuer states that for DPT Land, fair market value measurement approach has been adopted. For this, valuation team has visited random site inside the DPT and has assessed the market value of land based on five factors prescribed in the Land Policy Guidelines.

As regards the point made by the Custom Brokers Association (erstwhile Kandla Port Custom House Agents Association (KPCHA) that the valuer firm appointed from Bhilai is not conversant with the local situation and that the valuation report does not reflect the factual position in so far as the location of land under valuation and its distance from port is concerned, it is to state that appointment of approved valuer falls under the domain of the port. The IOCL, BPCL have stated that approved valuer appointed by the DPT is not professionally qualified nor experienced in carrying out the valuation of gigantic and huge chunk of land and that stakeholders have not been involved for finalisation of the valuer.

In this regard, the DPT has clarified that, a Government approved land valuer was engaged by the DPT as per clause of 13(iv) of the land Policy Guidelines for assessing the market value of the Kandla land estate. The DPT has categorically stated that M/s.M.C.Jain is a reputed Government approved Land Valuer engaged through E-Tender after fulfilling the criteria mentioned in the tender. Further, as rightly pointed out by the DPT, the Land Policy guidelines of 2014 do not require the concerned port trust to consult the users for appointment of the approved valuer.

The valuation report shows that for the purpose of assessing the market value of land, factors like size, shape, frontage, locality and surroundings, amenities, connectivity, road width, etc. are to be applied. The Valuer has applied premium adjustment factor of 20% on the market value of the undeveloped land to arrive at the market value of the developed land based on the relevant factors.

Clarification Circular (Land Management) No.02 of 2018 dated 16 October 2018 and Clarification Circular (Land Management) No.1 of 2019-20 issued by the MOS vide No.PD-13017/2/204-PD.IV dated 29 April 2019 require classification/ categorisation of Port Land to be done as per National Industrial Classification (NIC), 2008 by the Major Port Trusts for the purpose of lease.

On a clarification sought by DPT, the approved valuer vide his letter dated 27 November 2019, has informed that DPT had already classified the categorization of land wherever possible as per the National Industrial Classification (NIC), 2008 i.e. Liquid storage tank & production of salt which occupies a major portion of land bank available with DPT. Remaining Valuation of Land Assets has been done considering the location of land and distance from Port Creek. In NIC, there are many categories and most of the categories are not existing in port land area. The approved valuer has concluded that since, most of the area is already covered and classified as per the NIC 2008 by DPT, hence the present categorization is found to be in order.

(c). The proposal of the DPT shows that the LAC has considered the market value of land assessed by the approved valuer under the five methods prescribed in the Land Policy Guidelines 2015. A copy of statement of market value of land and the proposed lease rent is attached as **Annex - I**. The valuation of DPT land under the five methods prescribed in the Land Policy Guidelines as obtained from the Valuation Report of the approved valuer is briefly explained hereunder:

(i). State Government ready reckoner rate:
Under the first option, since no Jantri Rate is available for category A to G of Kandla land, the port has considered the highest rate of ₹1100/- per sq.mt. for nearby village i.e. Kidana land for commercial purpose.

(ii). Highest actual transaction:
Under this option, the valuer has considered the highest relevant transaction during the years 2016 to 2019 for Categories of land A, C1, D3, D4 and G1 and updated it to the prevailing rate after applying 2% escalation p.a. on base rate. For other categories of land, no transaction have taken place.

(iii). Highest tender cum auction rate:
Under this option also the port has considered the rate of the highest tender cum auction rate received during the years 2016 to 2019 for Categories of land A, C1, D3, D4 and G1 and updated it to the prevailing rate after applying 2% escalation p.a. on base rate.

(iv). Rate arrived at by Approved valuer:
It is seen from the valuation report that the Valuer has considered the valuation of land under the five factors viz., State Government Guideline rate, GIDC Sale Rate, market value of land as considered in 2014 Order of TAMP updated after applying 2% annual escalation, highest auction rent rate and Railway lease rate for each category of land. For arriving at the market value of land, finally, the approved valuer has taken the indexed lease rent arrived by applying 2% annual increase for the year 2015, 2016, 2017 and 2018 and to arrive at the proposed lease rent as on 31.12.2018 and thereafter the valuer has applied 2% annual indexation to arrive at the lease rent as on 1.1.2019.

The market value of land is arrived applying reverse mechanism i.e. dividing the lease rent prevailing as on 1.1.2019 by 6% to arrive at market value of land as on 1.1.2019.

As per the LPG 2015, lease rent is to be arrived applying 6% of the market value of land. The approved valuer has arrived at lease rent as on 1.1.2019 applying 2% indexation on the lease rent as on 31.12.2018 and arrived at the market value of land by dividing the lease rent by 6%. An illustration is given in the succeeding paragraph.

Say for Category A: The lease rent approved by this Authority in November 2014 Order is ₹236.52 per sq. metre. This is escalated by 2% per annum applying 2% annual escalation factor till 31.12.2018 (i.e. ₹236.52 *1.02*1.02*1.02*1.02) = ₹256.02 as on 31.12.2018. For the current proposal for proposing lease rent, the approved valuer has applied 2% annual indexation as on 1.1.2019 and arrived at lease rent of ₹256.02 per sq. mtr. as on 1.1.2019. From this, the valuer has arrived market value of land of ₹4267/- per sq. metre dividing the proposed lease rent by 6% (256.02 / 0.06). The Valuation Report considers this value of land for undeveloped Land. For developed land, the approved valuer has applied 20% premium adjustment factor on it and has proposed the market value of land at ₹5222.76 per sq mtr.

This above approach has been followed by the approved valuer for arriving at market value of land for each category except for category of land at C1, F1, F2 and G1. For these four categories of land viz. C1, F1, F2 and G1, 2% annual escalation applied for other categories of land as on 1.1.2019 over the 31.12.2018 value is not applied by the approved valuer while arriving at the lease rent.

Say for Category C1, the lease rent approved by this Authority in November 2014 Order is ₹108/- per sq.metre This is escalated by 2% per annum applying 2% annual escalation factor till 31.12.2018 (i.e. ₹108*1.02*1.02* 1.02*1.02) = ₹116.90 per sq mtr and the valuer has proposed the same as on 1.1.2019. The market value of land is arrived by the valuer at ₹1948/- per sq. mtr. by dividing the lease rent by 6% (116.90/0.06).

It is seen that the valuation Report is silent and does not give any reasons for not applying 2% annual escalation for the year 2019 to arrive at the lease rent as on 1.1.2019 whilst the approved valuer has applied this annual escalation factor of 2% for the year 2019 for all the other categories of land.

The Port, while proposing the rate for C1, F1, F2 and G1 categories, has arrived at the proposed lease rent applying the 2% annual escalation for the year 1.1.2019 as well in line with the approach followed for other categories of land by the approved valuer.

As regards E category, the lease rent is arrived for the developed land. It is relevant to draw reference to the last revision of lease rent of DPT where in para 11(viii)(c) in the Order dated 13 November 2014, the port had considered the valuation of land for 'E' category alone based on "land with reclamation and with infrastructure" i.e. developed land as this area comes within the docks area and is developed by the DPT. In the current revision for Category E, the lease rent approved by this Authority in November 2014 Order at ₹350.16 per sq.metre per annum which was for developed land is taken as the base by the approved valuer. This is escalated by 2% per annum to arrive as lease rent till 31.12.2018 (i.e. ₹350.16*1.02*1.02*1.02 *1.02) = ₹379.02 per square metre/ annum. For the current revision, the lease rent as on 31.12.2018 is escalated by 2% on 1.1.2019 to arrive at the lease rent of ₹386.60 per square metre/ annum and the market value of land is arrived at ₹6443.33 per sq mtr as on 1.1.2019 by dividing the lease rent as on 1.1.2019 by 6%. The Valuation Report considers this value of land for Category E.

In case of villages Kidana, Veera, Mithirohar, Padana and Tuna, there are no separate lease rents approved by this Authority for land other than salt land at these villages. Hence, average rate of recent transaction is taken to arrive at present market rate in respect of above villages by the valuer. For Tuna village, instead of average rate of sale transactions in that village, the valuer has considered the average lease rate/s of two land parcels allotted by the DPT to M/s.Adani Kandla Bulk Terminal Pvt. Ltd. For village Veera, since no transaction rate is available, the valuer has arrived at the market value of land by taking same rate of State Government Ready Reckoner Rate/Jantri rate for village Veera.

(v). Any other factor identified by the port:

The approved valuer has not given valuation of land under this method.

Under this method, the LAC has recommended the lease rent for C1, F1, F2 and G1 after applying 2% annual escalation over the market value of (undeveloped) land and lease rent applicable as on 31 December 2018 arrived by the approved valuer.

As stated earlier, the approved valuer has not applied 2% annual indexation as on 1.1.2018 for these four categories of land whilst applying it for all other categories of land. Otherwise, the lease recommended by the LAC is at the level considered by the approved valuer.

(vi). (a). It is seen that the current proposal has gone through various stages of scrutiny by the LAC and the Board of Trustees of the DPT before filing the proposal to this Authority.

(b). LAC has had three meetings dated 27 November 2020, 29 November 2020 and 23 January 2020. As brought out earlier, the Land Allotment Committee at its meeting held on 27 November 2020 sought clarification from the valuer regarding classification/ categorization of land as per NIC 2008. The valuer, vide his letter 27 November 2019, has informed that DPT had already classified the categorization of land wherever possible as per the National Industrial Classification (NIC), 2008 i.e. Liquid storage tank & production of salt which occupies a major portion of land bank available with DPT. Remaining valuation of land assets has been done considering the location of land and distance from Port Creek. The LAC, after deliberation, has found the present categorization of land done by the approved valuer as per the NIC to be in order.

(c). LAC, in its meeting dated 29 November 2019 after going through the valuation report recommended a general increase @ 2% over the lease rent applicable as on 31 December 2018 for all categories of land except for categories A, D3, D4 and G1. The LAC, in its meeting dated 29 November 2019, proposed increase in the lease rent by 16.06%, 7.39%, 7.89% and 2.98% for A, D3, D4 and G1 categories of land respectively as against 2% increase proposed by the approved valuer for these categories of land.

(d). The DPT Board, in its meeting dated 6 December 2019, decided to conduct a detailed study of the proposal recommended by LAC in its meeting dated 29 November 2019.

(e). The LAC, in its meeting dated 23 January 2020, after conducting detailed study for the reasons brought out earlier, has felt that the land values arrived by a general increase @ 2% on updated TAMP approved rate of 2018 is a relevant factor among the factors mentioned in the para 13 of the amended LPG-2014, so that the business of the port is not affected in the long run and the port remains an attractive investment location to the port users.

The committee after detailed deliberations and considering the need to attract investments and sustain the current business of port, reviewed its earlier recommendation in respect of rate of categories A, D3, D4 and G1 with detailed justification in its meeting held on 23 January 2020 and recommended a general increase of 2% on market value of land and lease rent in the year 2018 for all the categories from A to G. The LAC has recommended lease rent @ 6% of the market value of land.

The above position reflects that the observation made by the Indian Oil Corporation that neither LAC nor Board have applied their mind and do not have independent view and that have relied on Valuation Report does not appear to be factually correct.

(f). Thus, in short the LAC has recommended a general increase of 2% on the market value of land considered in the tariff Order dated 13 November 2014 and updated it after applying 2% annual escalation to arrive at market value of land as on 1 January 2019 for all the categories from “A” to “G”. The DPT has in the current proposal sought lease rent for five new villages. Generally, the valuer has arrived at the present market value of these villages by considering the average of recent transaction rate in these villages. To arrive at the present market rate for villages Kidana, Mithirohar and Padana, the valuer has given sale transactions during the recent years in the respective area and has considered average rate of these transactions. In case of village Tuna, the valuer has, instead of average rate of sale transactions in that village, considered the average lease rate of two land parcels allotted by the DPT to M/s.Adani Kandla Bulk Terminal Pvt.Ltd. For village Veera, since no transaction rate is available, the valuer has arrived at the market rate by taking same rate of State Government Ready Reckoner Rate for that village. The LAC has recommended the market value of land for the five villages as proposed by the approved valuer. It is relevant here to mention that none of the users have raised any pointed objection to the lease rates proposed for these five villages by the DPT.

The LAC has recommended the lease rent @ 6% of the market value of land for all the categories of land and for the five villages as well.

(g). The DPT Board, vide its resolution dated 29 January 2020, has approved the market value of land and the lease rent recommended by the LAC in its meeting dated 23 January 2020.

(h). The DPT has furnished a statement showing details of rates as per five factors mentioned at Para 13(a) of the PGLM-2015.

(vii). The proposal of the DPT seeks approval of the market value of land and the reserve price in terms of annual lease rent. Clause 13(c) of the Land Policy Guidelines 2015 stipulates that the port shall file a proposal to this Authority for fixation of reserve price in terms of annual lease rent at the rate not less than 6% of the market value of land proposed by the port.

Thus, as per the Land Policy Guidelines of 2015 this Authority is only required to approve the annual lease rent and not the market value of land. The Board of Trustees of the DPT has approved the market value of land as well as the reserve price in terms of annual lease rent applying 6% on the market value of land in its meeting dated 29 January 2020.

The proposal of the DPT is based on the recommendation of the LAC and is approved by the Board of Trustees of the DPT and complies with the provision of the Policy Guidelines for Land Management, 2015. That being so and in terms of Clause 13(c) of the Land Policy Guidelines 2015, this Authority is inclined to approve the annual lease rent as proposed by the DPT for categories of land ‘A’ to ‘G’ and the villages Kidana, Veera, Mithirohar, Padana and Tuna (excluding Salt land & SPIC land). Annual lease rent shall serve as reserve price for inviting tender by the port.

(viii). A comparative position of the market value of land considered by this Authority in the last tariff Order dated 13 November 2014 for arriving at lease rent as of 1 January 2014, lease rent approved as of 01 January 2014, escalated lease rental applicable as on 31 December 2018 applying 2% annual escalation prescribed in the SOR, the market value of land and the annual lease rent as on 1 January 2019 as proposed by the DPT and (to be) approved by this Authority along with impact of increase in terms of percentage is tabulated below:

(in ₹)

Category	**Description of Category**	**Market value of land and lease rent approved in the last tariff Order of 13 November 2014 and indexed lease rent as on 31.12.2018**	**Market value of land and Reserve Price in terms of annual lease rent proposed by DPT w.e.f. 01.01.2019**	**Percentage increase over lease rent as**

		Market value of land considered in the last tariff Order to arrive at lease rent (per sq mtr.)	Lease Rent per Sq. Mtrs. per annum as on 1.1.2014 (per sq mtr /annum)	Indexed lease rent as on 31.12.2018 taking 2% escalation p.a. (per sq mtr / annum)	Market value of land (per sq. mtr)	Reserve Price in terms of annual lease rent at 6% of the market value of land (per sq mtr. /annum)	on 31.12.2018
1	2	3	4	5	6	7	8
A	Land having water front and up to half mile from the shore i.e. the west bank of Kandla creek	3942	236.52	256.02	4352.30	261.14	2%
B	Land within half mile from the bank of the creek and having no water front						
B1	Plots abutting on main road	3192	191.52	207.32	3524.50	211.47	2%
B2	Plots situated on internal roads	2873	172.38	186.60	3172.16	190.33	2%
C	Land beyond half a mile from the bank of the creek			0			
C1	Plots abutting on main road	1800	108	116.90	1987.35	119.24	2%
C2	Other plots	1500	90	97.42	1656.14	99.37	2%
D	Land outside the bunder area and outside the west gate both on north as well as on the south of National Highway						
D1	Plots directly abutting on NH-8A	3298	197.88	214.20	3641.40	218.48	2%
D2	Plots abutting on 1st 30 meter road parallel to NH-8A	2153	129.18	139.83	2377.11	142.63	2%
D3	Plots abutting on 2nd 30 meter road parallel to NH-8A	3089	185.34	200.62	3410.54	204.63	2%
D4	Plots abutting to KK road near zero point and railway crossing, 25 acres plot and other plots	2131	127.86	138.40	2352.80	141.17	2%
D5	Valuation of land to west gate of NH8A towards salt works of land without reclamation but with infrastructure.	2565	153.90	166.59	2832.00	169.92	2%
E	Land within the docks	5836	350.16	379.02	6443.42	386.60	2%
F	Land west of railway siding leading to Kandla Free Trade Zone and up to crossing of railway line						
F1	Plots situated on SEZ side from Kandla Railway Station	3430	205.8	222.77	3787.17	227.23	2%
F2	Plots situated on Ahmedabad side from Kandla Railway Station	6720	403.2	436.44	7419.50	445.17	2%
G	Land of Liquid Storage Tanks						
G1	Land situated from Eastern Bank of Kandla Creek to Western Bank of Nakti Creek	15086.13	905.17	979.78	16815.66	999.38	2%
G2	Land from West side of Nakti Creek to Kharirohar having existing Oil Terminals of IOCL, HPCL and BPCL.	9959.89	597.59	646.84	10996.33	659.78	2%
	Kidana Village **(New area)**				945	56.70	-
	Veera Village **(New area)**				208	12.48	-
	Mithirohar Village **(New area)**				2431	145.86	-
	Padana Village **(New area)**				472	28.32	-
	Tuna Village **(New area)**				665	39.90	-

With respect to the objection raised by the oil companies and many of the users/ user associations to the proposed increase of 2% in the existing lease rent by the DPT, the DPT has categorically stated that the most of the points raised by the oil companies pertain to previous revision of rates. The DPT had already furnished the comments while approving the revision of Market Value of land and Reserve Price in terms of Lease rent in respect of Kandla land during the revision of the last Order. This is also considered by this Authority in the November 2014 Order.

In the current proposal, considering the various aspects as mentioned in the LAC minutes, and to ensure that the business of the port is not affected in the long run and the port remains an attractive investment location to the Port Users, no hike in the present SOR rate is proposed by the DPT except bare minimum 2% annual escalation, which is as per the provision of the Land Policy Guidelines 2015.

The DPT has repeatedly stated that considering the condition of business, complaints and concerns of trade, the port has proposed bare minimum increase of 2% which is permissible as per land policy guidelines and the port cannot go down below 2%.

It is relevant here to state that as per clause 13(c) of the Land Policy Guidelines of 2015, the lease rent approved by this Authority is subject to annual escalation not less than 2% per annum.

Thus, prima facie DPT has proposed revised lease rent applying the applicable annual escalation of 2% on the lease rent applicable as on 31 December 2018 which even other wise the DPT is entitled on 1.1.2019.

(ix). With respect to the point made by KPCHA that the DPT proposal approved by its Board lacks in appropriate weightage in the interest of trade as nothing is considered/ brought on record is not factually correct. The proposal of the DPT along with the valuation Report of the approved valuer, Minutes of the three LAC Meetings and the approval of the Board of Trustees was circulated to the stake holders including the KPCHA. The report of the LAC gives adequate reasons and justification for proposed revision of lease rent at bare minimum 2%. The DPT proposal dated 4 March 2020 alongwith the annexures submitted by the port complies with the stipulations contained in Land Policy Guidelines, 2015.

(x). (a). During the current exercise in hand for fixation of lease rent for Kandla land for the period from 1 January 2019 onwards, most of the organization bodies/ lessees like Oil Companies viz., IOCL, BPCL, HPCL and other lessees like KLTTA, TOOA, KPKS, GCCI, Laxmi Motors, etc., have raised their objections on the market value of land and the reserve price proposed by the port and approved by this Authority in the last revision vide Order dated 13 November 2014 which is considered as the base for determination of lease rent in the current proposal filed by the DPT.

As regards the objections raised by the users/ user associations relating to the market value considered in the last Order approved by this Authority vide dated 13 November 2014 based on the proposal of the DPT following the then applicable Land Policy Guidelines, it is relevant to draw reference to para 11 (vii) , (viii) and (ix) of the speaking Order of November 2014 of this Authority which adequately deals with the objections raised by the users on the market value of land assessed by the port during the last revision of lease rent of the Kandla Land.

(b). Laxmi Motors and Kandla Port Karmachari Sangh have pointed out that the valuation report does not take into account the prevailing Jantri Rates of the nearby villages. The proposal of DPT states no Jantri Rate is available for Category A to G of Kandla land. The village Mithirohar is adjoining to the land of F2 Category. Valuation report considers Jantri Rates of Commercial Property at ₹1100/- per square metre which is for free hold. F2 category of land of DPT is lease hold not free hold land. The value of land is considered at ₹7274.00 per Sq. Mtr. which is much higher and unreasonable.

In this regard, it is to state that the valuation report states that port trust does not sell or purchase land. They give land only on lease or license basis. Hence, Janrti rate of nearby village i.e. Kidana for land for commercial purpose of ₹1,100-00 per square meters is shown as one of the options for all categories of land under this option by the valuer and DPT. As per clause 13(a) of PGLM 2015, LAC will normally take into account the highest of the five factors mentioned therein for valuation of land.

Another point made by Laxmi Motors is that there is no justification for splitting F category of land into two categories viz. F1 & F2 though they are in single straight line equal distance from Nakti Creek. It has also stated that overhead Bridge and Road is constructed which overshadows F2 Plot and this is not given consideration in the valuation considered in May 2019.

The DPT has clarified that the categorisation of F into F1 and F2 was done by the valuer and is applicable from 1999. The port has reiterated that there is no major increase sought in the rate previously approved by TAMP, except 2% annual escalation which is as per the provision of the Land Policy Guidelines, 2015.

The DPT has further stated that the port cannot accept the request made by TOOA and Laxmi Motors to charge lease rent as per the previous agreement with DPT since the contractual right on land allotted to TOOA and Laxmi Motors has already come to an end after expiry of lease on 21 January 2013 and 6 November 2013 respectively.

With reference to the current proposal, the DPT has clarified that the rates have been proposed as per methodology for determination of market value of land based on the five factors as prescribed at para 13(a) of PGLM 2015 which also provides that the LAC will normally take into account the highest of the factors mentioned therein and in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing. The DPT has further stated that considering various aspects, the port has proposed only 2% increase i.e. there is no increase in the rates approved by TAMP except 2% annual escalation which is as per the provisions of PGLM 2015.

Based on the recommendation of the LAC, the Board of DPT has approved the market value and the reserve price in terms of annual lease rent of Kandla lands on 29 January 2020. The proposal filed by the DPT complies with the stipulations in the PGLM 2015. There is no ground for this Authority not to rely and reject the proposal filed by the port.

(c). Oil Companies viz., IOCL, BPCL, HPCL and other lessees like Kandla Liquid Tank Terminal Association (KLTTA), Tanker Owners and Operators Association (TOOA), Gandhidham Chamber of Commerce and Industry (GCCI), Parker Agrochem Exports Limited (PAEL), Agencies & Cargo Care Ltd. (ACCL), Deepak Estate Agency (DEA) and Tejmalbhai & Company (TBC) have raised objection relating to categorization of Kandla lands made by the DPT during last revision.

In this regard, it is to state that in the current proposal, the DPT has not proposed for any new categorisation of land. The objections raised by the users as regards categorisation of land have been already dealt with by this Authority in the last tariff Order dated 13 November 2014.

As regards the points made by the IOCL, BPCL and HPCL about categorisation of land into G1 and G2 category, this matter is elaborately dealt with in para 11 (viii)(d)(iii), (iv) and (v) of Order 13 November 2014. The relevant para 11(viii) (d) (iv) and (v) of the said Order is reproduced below for ease of reference:

"(*iv*). *With reference to the objections raised by the oil industry for their recategorisation, the KPT has stated that as per Land Policy Guidelines 2014, the rates are to be fixed considering purpose also. But, no such provision linking rates to the purpose of the land to which in it is put to use appears to have been prescribed in the Land Policy Guidelines of 2014. However, the approach adopted by KPT to consider all the lessees, who have been allotted the land for 'Liquid Tanks' under G-2 category irrespective of distance is seen to be appropriate, as brought out below. The said categorisation of land is based on the valuation report given by the Government approved Land Valuer and that the land categorization is reportedly done in a scientific and methodical manner which has also been recommended by the LVC and approved by its Board. On perusing the land valuation report, it is seen that the land valuer has justified the reasons for categorising the land as G1 and G2. The main factors, amongst others, i.e. distance of land from jetty which impacts various factors are seen to have been considered in the valuation report. The Natki Creek is decided as the divider point between G1 and G2 category of land and a lower market value of land for G2 is assessed in comparison to value of land for G1. The market value of land for G1 and G2 considered by the LVC based on the various factors and recommended by the LVC is tabulated below for ease of reference though it is already brought out in earlier paragraphs bringing out the factual position:*

(**₹ per sq. mtr.**)

Sr. No.	**Description**	**Market value of land for G1 category**	**Market value of land for G2 category**
(a).	State Govt. Ready Reckoner (No rate for Kandla Port Lands are available. These rates are of surrounding villages of Kidana, Mithirohar)	₹1050/- per sq. mtr.	₹1050/- per sq. mtr (*)
(b).	Highest rate of actual relevant transactions	No Transactions in last 3 years	No Transactions in last 3 years

(c).	Highest accepted tender-cum-auction rates for similar transactions received in the year 2011 for G1 category ₹14216 per sq. mtr. with 2% escalation per year (14216*1.02*1.02*1.02) = ₹15086.13 per sq. mtr.	15,086.13	Nil
(d).	Rate arrived by approved valuer appointed by the Board	₹12,375/-	₹8170/-
(e).	Any other factors: The Board vide Resolution no. 74 dated 16 July 2013 approved weighted average rate of ₹10,523.18 per sq. mtrs. with 2% escalations every year.	₹10,523/-	9959.89 (derived based on valuation of land recommended for G1) [i.e. 15086.13/ 12,375 * 8,170]
(f).	**Market value of land proposed by the KPT based on the recommendation of the LVC and approved by its Board in the current proposal**	**15,086.13**	**9959.89**

[(*) *Though the report or LVC and the proposal of the Port shows the valuation of land for G2 at 1050 per sq. mtr., it is seen that at page 81 of the valuation report for this category of land, valuation of land based on Jantri rates is arrived at ₹1581 per sq. mtr.]*"

'(v). It is relevant here to state that for category G2, the steep increase cited by the oil industry arises mainly on account of categorisation of land by the KPT from C1 to G2. GCCI has also stated that the categorisation of land is not scientific and methodological manner and it done arbitrarily by the KPT. In this context it is relevant here to state that Para 13 of the Land Policy Guidelines of 2014 requires the Major Port Trusts to have a land use plan for the entire land further requiring to review the land use plan atleast once in every five years. Para 14 of the land policy guidelines stipulates that land can be allotted on the basis of the approved land use plan/ zoning. Categorisation of the Port Trust Land and its allotments is prerogative of the concerned Port Trust and it does not fall under the domain of this Authority. The port has certified that Land leased (Category Wise) is as per Port Land Use Plan. This Authority does not have any mandate to categorize the lands of the Major Port Trusts which is solely under the domain of the concerned Major Port Trusts as per Land Policy Guidelines of 2014. The lease rental approved by this Authority for categories A to G during the last tariff Order of March 2011 was also completely based on the proposal of the Port Trust. The KPT has confirmed that the market value of the land proposed for G2 is a realistic value and is representative enough in terms of layout, facilities, development, proximity, its commercial utilization, etc.

Relying on the clarification furnished by KPT and recognising that the market value of land proposed for sub-categories G1 and G2 is based on the recommendation of the LVC and approved by the KPT Board and also in view of the clarification furnished by the KPT, explaining the basis for categorisation, this Authority relied on the decision of the KPT and approves the market value of land as proposed by the KPT.'

Thus, at the cost of repetition it is reiterated that the matter relating to categorisation of land into G1 and G2 category raised by IOCL, BPCL and HPCL relates to the last tariff Order which has been elaborately dealt with in the last tariff Order dated 13 November 2014. In the current proposal, the DPT has not proposed for any new categorisation of land.

As already brought out in the last tariff Order, the mandate of this Authority is to fix the Scale of Rates and conditionalities governing the rates for the use of port trusts land. The lease rent for the Port trusts land is to be notified by this Authority following the applicable land policy guidelines. The matter relating to classification/categorisation of land is beyond the jurisdiction of this Authority. This matter falls under the domain of the concerned Major Port Trusts and this Authority would not like to interfere in the matters of classification/ categorisation of land of individual lessee/ licensee since it falls under the domain the DPT.

As regards the points made of Agencies & Cargo Care Limited (ACCL), Parker Agrochem Exports Limited (PAEL), Deepak Estate Agency (DEA) and Tejmalbhai & Company (TBC) regarding categorisation of land, it is reiterated that the points raised by them pertain to the last revision of lease rent approved by this Authority vide Order dated 13 November 201. The matter relating to classification/ categorisation of land is beyond the jurisdiction of this Authority.

(d). Oil Companies have stated that the DPT has violated the MOS directives regarding classification/ categorization of Port land to be done as per National Industrial Classification (NIC), 2008 and the categorisation as per NIC 2008 in the current proposal is incorrect. Oil Companies have stated that NIC code referred by the valuer is not found in NIC 2008.

As already stated earlier, in pursuance of the MOS clarification circular No.PD-25021/11/2015-VoCT dated 16.10.2018 which states that for the purpose of lease, classification/ categorisation of Port Land needs to be done as per the National Industrial Classification (NIC) 2008, the LAC sought clarification from the valuer regarding consideration of classification/ categorisation of Port Land as per National Industrial Classification (NIC), 2008.

The DPT has clarified that valuer vide his letter dated 27-11-2019 has informed that DPT had already classified the categorization of land wherever possible as per the National Industrial Classification (NIC), 2008. i.e. Liquid storage tank & production of salt which occupies a major portion of land bank available with DPT. Remaining of Valuation of Land Assets has been done considering the location of land and distance from Port Creek. In NIC, there are many categories and most of the categories are not existing in Port Land area. With NIC, the latest transaction rate of each category would not be available. Since, most of the area already covered and classified as per the NIC, 2008, hence, the present categorization is found to be in order. Further, National Industrial Classification (NIC), 2008, only provides classification/ purpose only.

The valuer has thus confirmed vide its letter dated 27 November 2019 that most of the land area is already covered and classified as per NIC 2008 and hence the present categorisation is in order. The LAC has accepted the clarification furnished by the valuer with respect to classification as per NIC 2008, in its report dated 23 January 2020 read with the report dated 29 November 2019. Since the LAC and DPT Board has accepted the classification/ categorisation as per the NIC furnished by the valuer, there is no reason for this Authority not to rely on the position reported by the DPT.

The DPT has denied the comments of the oil companies that port has blindly relied upon the Valuation report dated 07-05-2019. The DPT has pointed out that as per the report of the valuer the highest rate received during year 2016 through

E-Tender Cum-E-Auction amounting ₹3261.74 per sq. mtr./ per annum allotted for specific purpose i.e. Bitumen and ₹3260.57 per sq. mtrs/ per annum received through E-Tender Cum-E-Auction during 2016 in case of Liberty investments for smaller size of plot. Despite receiving these rates through e tender and considering the rate to be high, and also considering various aspects such as special focus on investment, dedicated cargo for the port to ensure sustainability of ports in the long run, to create employment opportunities at Kandla and to avoid diversion of liquid from Kandla, to nearby ports, the DPT has not sought any increase in the present lese rent, except 2% annual escalation which bare minimum as per the provision of the Land Policy Guidelines, 2015.

(xi). The Laxmi Motors has pointed out that the valuer appointed by DPT has not done the valuation of land on scientific method. It has referred to the land revision of CHPT where the appointed valuer had done valuation of land on scientific basis.

In this regard, it is to state that the DPT has appointed a government approved valuer who has furnished the valuation report as per the methodology prescribed in Land Policy Guidelines 2015. The DPT has followed the prescribed process in the Land Policy Guidelines 2015. The proposal is after recommendation of the LAC and based on the approval of the Board of Trustees of the DPT who after considering all the factors has proposed bare minimum increase of 2% in the lease rent as applicable as on 31 December 2018.

(xii). Some of the users like HPCL, IOCL and BPCL and other lessees have stated that the valuation report does not take into account the impact of COVID-19 pandemic and hence the proposal is invalid.

In this regard, the DPT has clarified that the revision is due from 01.01.2019 whereas the effect of COVID-19 has taken place during April 2020. However, due to COVID-19 pandemic and lockdown measures in India, the DPT had granted remissions/ waivers/ deferments of various charges during the lockdown period and beyond in compliance to MOS directives dated 21 April 2020. The DPT has also allowed deferment of April, May and June months annual lease rental/ license fees on pro-rata basis, for the period of 3 months without any interest, if requested by lessee/ licese.

It is relevant here to mention that the point made by the users is beyond the scope of the applicable Land Policy Guidelines which is binding on both the DPT and this Authority.

(xiii). The IOCL, HPCL and BPCL have stated that as per the Ministry's clarification dated 8 July 2015 it was not mandatory to take the highest value out of the five factors and a realistic value was required to be taken and the DPT has completely ignored these aspects in Valuation report and that the DPT has blindly relied upon the Valuation Report.

The DPT has clarified that considering various aspects such as special focus on investment, dedicated cargo for the port to ensure sustainability of ports in the long run, to create employment opportunities at Kandla and to avoid diversion of liquid from Kandla to nearby port, DPT has not increased present SOR rate except 2% annual escalation which is as per the provision of the PGLM 2015, despite the DPT having received highest rate i.e. ₹3261.40 per sqm/per annum during the year 2016 through E-tender cum E-auction.

(xiv). Food Corporation of India (FCI) has requested to give special concessionary rate because unlike other stakeholders, FCI does not have a mandate for profit.

With reference to the request of FCI, the DPT has stated that the point raised by the FCI vide letter dated 30-06-2020 was already clarified in the previous revision of rate approved by TAMP vide notification No.350 dated 04 December 2014 that Clause 11.2.(h) of the Land Policy Guidelines of 2014 envisages concession in lease rent upto 50% to Security agencies and Government departments and upto 75% to Government departments which are essential to the core functioning of the port like Customs, Electricity department, Health department and for core security functions with the approval of the Board of the concerned Port Trust. The Land Policy Guidelines, 2014 do not prescribe any concessional rent to Govt. Organization, which are not essential to core operational purpose of the Port, hence request of the FCI for concession of 50% in lease rent cannot be accepted.

It is relevant here to mention that the clause 11.2(h) of the then applicable Land Policy Guidelines of 2014 also exists in the Policy Guidelines for Land Management, 2015 (PGLM 2015) applicable in the current proposal of DPT dated 04 March 2020. The clarification furnished by the DPT is relied upon.

(xv). Indian Farmers Fertilizer Cooperative Limited (IFFCO) referring to the representation made by it to the Ministry of Shipping requested this Authority to exclude the land parcel of IFFCO from proposed revision. In this regard, it is to state that as per clause 13(c) of the Land Policy Guidelines 2015, the concerned Major Port Trust has to make a proposal following the Land Policy Guidelines and submit to this Authority. This Authority is statutorily mandated to fix and notify the Scale of Rates and conditionalities governing the rate for the use of property belonging to the Port including port land. This Authority is not empowered to exclude any category of land for which port has proposed revision in the lease rent.

(xvi). As regards the point made by KPKS for retrospective rectification of previous Order dated 13 November 2014 and the point made by the KLTTA to take cognizance of the ground realities and undo the wrong done in the revision made effective from 1.1.2014 and take corrective action to reverse the unfair increase imposed on Liquid tank storage operators since January 2014, it is to state that the validity prescribed for the lease rental for Kandla land approved by this Authority vide Order No.TAMP/24/2014-KPT dated 13 November 2014 has expired on 31 December 2018 and it is beyond the scope of Authority to reverse the lease rates approved vide the said Order. The Hon'ble High Court has also in the Judgement dated 10 May 2019 with reference to Writ Petitions filed by various users challenging the retrospective revision confirmed that tariff Order of 13 November 2014 is in order.

(xvii). (a). Clause 13(c) of the PGLM 2015 gives flexibility to Ports to fix rate of annual escalation which should not be less than 2% with the approval of the Port Trust Board.

The port has the proposed a note that the rates shall be escalated by 2% every year. Since the annual escalation in lease rent at 2% is approved by the Board and is found to be in line with the Policy Guidelines for Land Management 2015, the proposed note is approved as proposed by the DPT. The annual escalation @ 2% will be effective from 1 January 2020 on the revised rates in the Order approved by this Authority.

(b). The existing SoR prescribe a note that the other conditions governing the lease rental shall be as per the Land Policy Guidelines 2014 issued by the Ministry of Shipping, Government of India. The DPT, in the current proposal, has not included the said note. Since the DPT has not furnished any specific reason for deleting the existing note at Sr.No.3, the existing note is retained with slight modification to state that all the conditions governing the lease rental shall be as per the Policy Guidelines for Land Management 2015 read with Clarification Circular (Land Management) No.1 of 2019-20 dated 29 April 2019 issued by the Ministry of Shipping, Government of India and as is amended from time to time.

(xviii). (a). The proposal of the DPT seeks approval of annual lease rent with retrospective effect from 1 January 2019 till 31 December 2023. The OMCs viz., HPCL, IOCL and BPCL have made a point that the retrospective revision with effect from 1 January 2019 sought by the DPT in its proposal dated 4 March 2020 will cause a serious and irreparable prejudice.

Section 49 of the Major Port Trusts Act, 1963 calls for fixation of rates from time to time. For fixation of lease rent, this Authority is bound by the Land Policy guidelines issued by the Government for arriving at the lease rental for Major Port Trusts land.

Clause 13(c) of the Policy Guidelines for Land Management of 2014 as well as Land Policy Guidelines 2015 stipulate that the Scale of Rates will be revised every five years.

The lease rent approved by this Authority in the last tariff Order of November 2014 clearly mentions that the rates are effective from 1 January 2014 and will remain valid till 31 December 2018 and SOR will be reviewed after five years. The position that the lease rentals for the lands of DPT will be reviewed after expiry of five years i.e. from 1 January 2019 is in the knowledge of all the stakeholders. Even while extending the validity of lease rent of the DPT at the request of the DPT beyond its expiry, this Authority vide Orders dated 29 March 2019, 10 October 2019 and the last Order dated 20 February 2020 has categorically stated that this extension is only a provisional arrangement to avoid a vacuum and the revised rate when approved may have retrospective effect as proposed by the DPT. The DPT has accordingly sought approval to the revised rates retrospectively with effect from 01 January 2019 for a period of five years till 31 December 2023.

As stated earlier with reference to SCA(s)/ Writ Petitions filed by various petitioners before the Hon'ble High Court of Gujarat challenging, inter alia, retrospective revision in the lease rents approved by this Authority in the last revision vide Order dated 13 November 2014, the Hon'ble High Court of Gujarat in the Order dated 10 May 2019 has upheld the tariff Order of this Authority dated 13 November 2014 revising the lease rent of DPT with retrospective effect from 1.1.2014 for the reasons stated in the said Order. The Hon'ble High Court has held that the SoR framed by this Authority shall be effective from 1.1.2014 as directed in the said order.

In view of the clear Government guidelines in this regard, the proposal of DPT to consider revision of lease rents at Kandla land retrospectively with effect from 01 January 2019 is approved. In fact, it is relevant to mention here that this approach is being followed not only in the case of the DPT but also in the other Major Port Trusts like NMPT, VPT, MOPT, etc. while revising the lease rent or port land.

It is relevant here to state that this Authority while extending the lease rent beyond the original expiry on 31 December 2018 has as requested by the DPT allowed 2% annual escalation in the then prevailing lease rent applicable as per the Land Policy Guidelines till the final lease rent are approved by this Authority.

In the current proposal, the DPT has sought revision of lease rent seeking 2% increase over the rate applicable as on 31 December 2018 rate. That being so, the revised lease rent proposed by the port is the rate already in force in view of the 2% annual escalation in the lease rent accorded by this Authority as per the extension of the validity of the rates orders approved by this Authority till the revised rates are approved.

(b). In view of above, this Authority approves the proposal of the DPT seeking retrospective revision of reserve price in terms of annual lease rent with effect from 01 January 2019.

The annual lease rent for Kandla Lands approved by this Authority with retrospective effect from 01 January 2019 will be made applicable in case of the existing lessees/ licensees subject to provision for periodic revision of rates agreed in the surviving lease agreements and in those cases of renewal/ allotment only if the respective lease agreement or letter of allotment, if no lease deed is still executed, explicitly provides for revision of lease rentals during the currency of the lease period.

(xix). Para 13(c) of Land Policy Guidelines 2015, *inter alia*, stipulates that the SoR would be refixed once in every 5 years by TAMP. The port has proposed a note at Sr.No.1 which states that the validity of market value/ reserve price under the schedule of lease rent shall be from 01 January 2019 and remain valid till 31 December 2023. As brought out earlier, as per Para 13(c) of Land Policy Guidelines 2015, this Authority is required to notify only the latest SoR of the land. Therefore, the proposed note at Sr.No.1 prescribing the validity of SoR is slightly modified to that extent to state that the reserve price in terms of annual lease rent prescribed above shall come into force with effect from 01 January 2019 and remain valid till 31 December 2023.

15.1. In the result, and for the reasons given above, and based on a collective application of mind, this Authority approves the revised lease rentals of Kandla Lands of DPT for categories A to G and land from villages Veera to Jungi which includes Kidana, Veera, Mithirohar Padana and Tuna (excluding salt land & SPIC land) alongwith the conditionalities attached as **Annex-II**.

15.2. The revised lease rent shall be effective from 1 January 2019 as proposed by the DPT and shall remain valid for period of five years i.e. till 31 December 2023.

(T.S. Balasubramanian)
Member (Finance)

ANNEXURE- I

STATEMENT SHOWING THE DETAILS OF RATE AS PER THE FACTOR PROVIDED IN THE PGLM -2015

Cate-gory	Description of category	Market Value of land on 1.1.2014 as approved by TAMP vide Notification dated 350 dated 04-12-2014. (Rs. per sq. mtrs)	Reserve price in terms of lease rent @ 6% of market value of land w.e.f. 1.1.2014 (per sq. mtrs/per annum)	Market Value of land on 1.1.2018 (Rs./ sq. mtrs.)	Reserve price in terms of lease rent @ 6% of market value of land w.e.f. 1.1.2018 (Rs. per sq. mtrs/per annum)	State Government's ready reckoner of land values in the area, if available for similar classification/ activities.	Highest rate of actual relevant transactions registered in last three years in the Port's vicinity (the vicinity of the Port is to be decided by the respective Port Trust Boards), with an appropriate annual escalation rate to be approved by the Port Trust Board. (Rs. per sq. mtrs/per annum)	Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board. (Rs.per sq. mtrs/per annum)	Rate arrived at by an approved valuer appointed for the purpose by the Port				Any other relevant factor as may be identified by the Port. (per sq. mtrs/per annum)
									Un-develop Land (Rs./ sq. mtrs)	lease rent @ 6% of market value of land	Develop Land (Rs./ sq. mtrs)	lease rent @ 6% of market value of land	
A	**Land having water front and upto half mile from the shore i.e. the west bank of Kandla creek**	3942	236.52	4267.00	256.02	No Jantri Rate available for Kandla. However, the highest rate is 1100.00 M2 of nearby village i.e. Kidana for land for commercial purpose	**Rs. 297.14 (considering the 2% escalation per annum of Rs. 280/- i.e. Highest rate of 2016 for the purpose of barge beaching)**	Rs. 297.14 (considering the 2% escalation per annum of Rs. 280/- i.e. Highest rate of 2016 for the purpose of barge beaching)	4352.3	261.14	5222.76	313.37	
B	**Land within half mile from the bank of the creek and having no water front**												
B1	Plots abutting on main road	3192	191.52	3455.33	207.32		--	--	3524.5	211.47	4229.4	253.76	--
B2	Plots situated on internal roads	2873	172.38	3110.00	186.6		--	--	3172.16	190.33	3806.59	228.40	--
C	**Land beyond half a mile from the bank of the creek**												

Category	Description of category	Market Value of land on 1.1.2014 as approved by TAMP vide Notification dated 350 dated 04-12-2014. (Rs. per sq. mtrs)	Reserve price in terms of lease rent @ 6% of market value of land w.e.f. 1.1.2014 (per sq. mtrs/per annum)	Market Value of land on 1.1.2018 (Rs./ sq. mtrs.)	Reserve price in terms of lease rent @ 6% of market value of land w.e.f. 1.1.2018 (Rs. per sq. mtrs/per annum)	State Government's ready reckoner of land values in the area, if available for similar classification/ activities.	Highest rate of actual relevant transactions registered in last three years in the Port's vicinity (the vicinity of the Port is to be decided by the respective Port Trust Boards), with an appropriate annual escalation rate to be approved by the Port Trust Board. (Rs. per sq. mtrs/per annum)	Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board. (Rs.per sq. mtrs/per annum)	Rate arrived at by an approved valuer appointed for the purpose by the Port				Any other relevant factor as may be identified by the Port. (per sq. mtrs/per annum)
									Un-develop Land (Rs./ sq. mtrs)	lease rent @ 6% of market value of land	Develop Land (Rs./ sq. mtrs)	lease rent @ 6% of market value of land	
C1	Plots abutting on main road	1800	108	1948.33	116.9	No Jantri Rate available for Kandla. However, the highest rate is 1100.00 M2 of nearby village i.e. Kidana for land for commercial purpose	Rs. 1720.64 (considering the 2% escalation per annum of Rs. 1686.90/-i.e. Highest rate of 2018 for the purpose of petrol pump)	Rs. 1720.64 (considering the 2% escalation per annum of Rs. 1686.90/-i.e. Highest rate of 2018 for the purpose of petrol pump)	1948.33	116.90	2338	140.28	Rs. 119.24 (2% annual escalation of rate of 2018 of Rs. 116.9
C2	Other plots	1500	90	1623.67	97.42		--		1656.17	99.37	1987.4	119.24	
D	**Land outside the bunder area and outside the west gate both on north as well as on the south of National Highway**						--	--					--
D1	Plots directly abutting on NH-8A	3298	197.88	3570.00	214.2		--	--	3641.4	218.48	4369.68	262.18	--
D2	Plots abutting on 1st 30 meter road parallel to NH-8A.	2153	129.18	2330.50	139.83		--	--	2377.17	142.63	2852.6	171.16	--
D3	Plots abutting on 2nd 30 meter road parallel to NH-8A	3089	185.34	3343.67	200.62		Rs. 215.44/- (Highest rate of 2019 for port related activities)	Rs. 215.44/- (Highest rate of 2019 for port related activities)	3410.5	204.63	4092.6	245.56	--

Cate-gory	Description of category	Market Value of land on 1.1.2014 as approved by TAMP vide Notification dated 350 dated 04-12-2014. (Rs. per sq. mtrs)	Reserve price in terms of lease rent @ 6% of market value of land w.e.f. 1.1.2014 (per sq. mtrs/per annum)	Market Value of land on 1.1.2018 (Rs./ sq. mtrs.)	Reserve price in terms of lease rent @ 6% of market value of land w.e.f. 1.1.2018 (Rs. per sq. mtrs/per annum)	State Government's ready reckoner of land values in the area, if available for similar classification/ activities.	Highest rate of actual relevant transactions registered in last three years in the Port's vicinity (the vicinity of the Port is to be decided by the respective Port Trust Boards), with an appropriate annual escalation rate to be approved by the Port Trust Board. (Rs. per sq. mtrs/per annum)	Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board. (Rs.per sq. mtrs/per annum)	Rate arrived at by an approved valuer appointed for the purpose by the Port				Any other relevant factor as may be identified by the Port. (per sq. mtrs/per annum)
									Un-develop Land (Rs./ sq. mtrs)	lease rent @ 6% of market value of land	Develop Land (Rs./ sq. mtrs)	lease rent @ 6% of market value of land	
D4	Plots abutting to KK road near zero point and railway crossing, 25 acres plots and other plots	2131	127.86	2306.67	138.4	No Jantri Rate available for Kandla. However, the highest rate is 1100.00 M2 of nearby village i.e. Kidana for land for commercial purpose	Rs. 149.32 (considering the 2% escalation per annum of Rs. 137.95/-i.e. Highest rate of 2015	Rs. 149.32 (considering the 2% escalation per annum of Rs. 137.95/-i.e. Highest rate of 2015	2352.83	141.17	2823.4	169.40	--
D5	Valuation of land to the West Gate of NH-8A towards salt works of land without reclamation but with infrastructure	2565	153.9	2776.50	166.59		--	--	2832	169.92	3398.4	203.90	--
E	**Land within the docks**	5836	350.16	6317.00	379.02		--	--	5154.66	309.28	6443.33	**386.60**	--
F	**Land west of railway siding leading to Kandla Free Trade Zone and up to crossing of railway line**						--	--					--
F1	Plots situated on SEZ side from Kandla Railway Station	3430	205.8	3712.83	222.77		--	--	3712.83	222.77	4455.4	267.32	Rs. 227.23 (2% annual escalation of rate of 2018 of Rs. 222.77)
F2	Plots situated on Ahmedabad side from Kandla Railway Station	6720	403.2	7274.00	436.44		--	--	7274	436.44	8728.8	523.73	Rs. 445.17 (2% annual escalation of rate of 2018 of Rs. 436.44)
G	**Land of Liquid Storage Tanks**						--						
G1	Land situated from Eastern Bank of Kandla Creek to Western Bank of Nakti Creek	15086.13	905.17	16329.67	979.78	No Jantri Rate available for Kandla. However, the highest rate is 1100.00 M2 of nearby village i.e. Kidana for land for commercial purpose	Rs. 1031.21 (considering the 2% escalation per annum of Rs. 971.74/-i.e. Highest rate of 2016 for liquid storage tank	Rs. 1031.21 (considering the 2% escalation per annum of Rs. 971.74/-i.e. Highest rate of 2016 for liquid storage tank	16329.67	979.78	19595.6	1175.74	1008.94 (average rate received in E-Tender cum E-Auction during the period of 2015 to 2019 for liqud storage tank)
G2	Land from West side of Nakti Creek to Kharirohar having existing Oil Terminals of IOCL, HPCL and BPCL.	9959.89	597.59	10780.67	646.84		--		10996.33	659.78	13200	792.00	
	KIDANA					945.00			945.00	56.70	1134	68.04	--
	VIRA					208.00			208.00	12.48	249.6	14.98	--
	MITHIROHAR					2431.00			2431.00	145.86	2917.2	175.03	--
	PADANA					472.00			472.00	28.32	566.4	33.98	--
	TUNA					665.00			665.00	39.90	798	47.88	--

Annex - II

Schedule of reserve price for Kandla lands of Deendayal Port Trust (DPT)

(₹ per sq. mtr./ annum)

Sr. No.	Description of category	Reserve price in terms of lease rent w.e.f. 1.1.2019
A	**Land having water front and upto half mile from the shore i.e. the west bank of Kandla creek**	261.14
B	**Land within half mile from the bank of the creek and having no water front**	
B1	Plots abutting on main road	211.47
B2	Plots situated on internal roads	190.33
C	**Land beyond half a mile from the bank of the creek**	
C1	Plots abutting on main road	119.24
C2	Other plots	99.37
D	**Land outside the bunder area and outside the west gate both on north as well as on the south of National Highway**	
D1	Plots directly abutting on NH-8A	218.48
D2	Plots abutting on 1st 30 meter road parallel to NH-8A	142.63
D3	Plots abutting on 2nd 30 meter road parallel to NH-8A	204.63
D4	Plots abutting to KK road near zero point and railway crossing, 25 acres plots and other plots	141.17
D5	Valuation of land to the West Gate of NH-8A towards salt works of land without reclamation but with infrastructure	169.92
E	**Land within the docks**	386.60
F	**Land west of railway siding leading to Kandla Free Trade Zone and up to crossing of railway line**	
F1	Plots situated on SEZ side from Kandla Railway Station	227.23
F2	Plots situated on Ahmedabad side from Kandla Railway Station	445.17
G	**Land of Liquid Storage Tanks**	
G1	Land situated from Eastern Bank of Kandla Creek to Western Bank of Nakti Creek	999.38
G2	Land from West side of Nakti Creek to Kharirohar having existing Oil Terminals of IOCL, HPCL and BPCL.	659.78
	Kidana Village	56.70
	Veera Village	12.48
	Mithirohar Village	145.86
	Padana Village	28.32
	Tuna Village	39.90

NOTE:

(i). The reserve price in terms of annual lease rent prescribed above shall come into force with effect from 1 January 2019 and remain valid till 31 December 2023.

(ii). The reserve price in terms of annual lease rent prescribed above shall bear an escalation factor of 2% every year. The first annual escalation shall be on 1 January 2020.

(iii). The other conditions governing the lease rental / license fee shall be as per the Policy Guidelines for Land Management,2015 read with Clarification Circular (Land Management) No.1 of 2019-20 dated 29 April 2019 issued by the Ministry of Shipping, Government of India and as may be amended from time to time.

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<u>SUMMARY OF THE COMMENTS RECEIVED FROM THE PORT USERS/ ORGANISATION BODIES/PRIVATE TERMINALS / BOT OPERATORS AND ARGUMENTS MADE IN THIS CASE DURING THE JOINT HEARING BEFORE THE AUTHORITY</u>

F.No. TAMP/15/2020-DPT- Proposal from the Deendayal Port Trust for revision of rate structure of Kandla Lands at Kandla for categories 'A to G' and Land from Village Veera to Jungi which includes Tuna, Kharirohar and Bachau (excluding salt land & SPIC land) applicable for the period from 01 January 2019 to 31 December 2023.

1. A summary of comments received from users/ user organisaitons and reply of DPT thereon is tabulated below:

Sl. No.	Comments of the users/ user organisations	Reply furnished by DPT
1.	**Indian Oil Corporation Limited (IOCL) Hindustan Petroleum Corporation Limited (HPCL) Bharat Petroleum Corporation Limited (BPCL)**	
(i).	Deendayal Port Trust (DPT) has proposed revision of lease rent at the rate of 2% over the market value determined as per TAMP 2014.	(a). The most of the points raised by the Oil Manufacturing Companies (OMCs) pertain to previous revision of rate. DPT had already furnished the comments while approving the revision of Market Value of land and Reserve Price in terms of Lease rent in respect of Kandla land (other than salt land) for categories "A" to "G" of Deendayal Port Trust (DPT). The revision was last approved by TAMP vide Order No.TAMP/24/2014-KPT dated 13-11-2014, for the 5 years' period from 01-01-2014 to 31-12-2018. The above Order was notified in Gazette of India on 04-12-2014 vide Gazette No. 350. The rate approved by the TAMP has expired on 31-12-2018 and is due for revision from 01-01-2019 as per Policy Guidelines of Land Management, 2015 which provides for SoR to be re-fixed every five years. (b). The rate has been fixed as per the parameter provided in the Land Policy Guidelines, 2015. Para 13(a) of the Land policy guidelines of January 2014 prescribes the methodology for determination of market value of the land based on the five factors as prescribed therein. In terms of the said para of the PGLM, 2015, the Land Allotment Committee will normally take into account the highest of the factors mentioned therein. The Policy Guidelines on Land Management, 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing. (c). Considering the various aspects, the revised rate proposed is only after applying @ 2% annual indexation on updated TAMP
(ii).	DPT, despite being aware of the pending proceedings before the Hon'ble High Court of Gujarat relating to increase in lease rentals as well as re-categorization of lands from C1 to G2 category pursuant to TAMP 2014, has taken the market value as per TAMP 2014 and proposed increase at the rate of 2%.	

		approved rate of 2018. In other words, there is no increase in the rate approved by TAMP, except 2% annual escalation which is as per the provision of the Land Policy Guidelines, 2015.
(iii).	The revised scale of rates as well as re-categorization of lands from C1 to G2 category pursuant to TAMP 2014 is under challenge before the Hon'ble High Court of Gujarat on various grounds which are deemed to be reiterated in these objections.	(a). It is already clarified while approving the revision of rate of 2014 that revision of rates were carried out by DPT by following the procedure outlined in LPG-2014. DPT appointed a Government approved valuer which was selected through e-tender process. After physical verification and ground level survey, the valuer submitted a detailed report for valuation of A to G categories of land with several sub-categories. (b). The category 'G' i.e. land for Liquid Storage Tanks was sub-divided into two categories i.e. Category G1 and G2 considering the distance of liquid tank installations from oil jetties. The Land valuer had submitted report to the Land Valuation Committee suggesting rates for the subject lands, which was accepted by the Land Valuation committee and thereafter by the Board vide Resolution No. 203 dated 24.03.2014 and BR No.236 dated 10-06-2014.
(iv).	Additionally, the following are the objections on the proposal given by DPT: (a). DPT has taken base rates as per TAMP 2014, which in itself not in order. (b). For the earlier period, the method adopted by the valuer itself has been doubted as can be seen from the questionnaire and despite which such rental revisions have been accepted without justification. (c). Abnormal revision of rates from ₹87 to ₹597.59 ---- 700% increase in G2 category. (d). No opportunity of being heard has been provided on the question of valuation. (e). The earlier revision is itself against the very objective of Land Policy Guidelines, 2014 since there is evidently no great benefit or special dispensation being provided to OMC's. (f). Valuation is based on highest accepted tender in 2011 for G1 category, which was cancelled. Such incomplete bid for a single parcel of land cannot form the basis of valuation.	(i). As the rates proposed by DPT were based on the report of a professional valuer, and as the valuation was done as per the provisions of LPG – 2014, the TAMP approved the proposal of DPT vide Notification No.350 dated 04.12.2014. M/s. Indian Oil Corporation Ltd., Kandla, M/s. Bharat Petroleum Corporation Ltd., and M/s. Hindustan Petroleum Corporation Ltd., Kandla, have approached the Hon'ble High Court of Gujarat challenging the rate structure approved by TAMP, vide Notification No.106 dated 11.05.2011 and No.350 dated 04.12.2014. (ii). The High Court vide Order dated 10-05-2019 has confirmed the TAMP Order dated 350 dated 04-12-2014. However, the same was challenged by the respective parties by filling LPA in the High Court of Gujarat. The Hon'ble High Court has, however, not stayed implementation of the said Order dated 04-12-2014. The matter is still pending in the Hon'ble High Court.

	(g). No basis for taking the rental of G1 as basis for calculation of rentals for G2 category. (h). No exercise has been carried out with regard to facilities provided by the other ports vis-à-vis facilities provided by the DPT. (i). No comparison of rentals charged by other ports vis-à-vis DPT. (j). No development whatsoever, leave apart significant development has been carried out by DPT. All developments are carried out by OMC's. (k). Location advantage and host of other factors has not been considered by the DPT. (l). Total area of the plot and/or geographical location, rail road connectivity, proximity to the port and other relevant factors are not considered (IFFCO example – Tariff @ ₹442.80 per sqmtrs). (m). Three methods of valuation adopted namely (i). Gujarat Govt. guideline rates, (ii). Highest rate at which Gujarat Govt. allotted land in Shina, Kidana, Bharapur villages, and (iii). Annual letting value-Rental method and OMC's do not fall under the above categories, therefore, the very basis of calculation is wrong. (n). Valuation Report obtained by DPT is incorrect as the valuation is done in respect of vacant lands and not in respect of occupied / leased lands as that of OMC's. (o). Local Jantri rates for the land owned by the Government of Gujarat for similar purposes are much less than the proposal submitted by DPT. Local Jantri rates are ₹1,050/- per sq. mtr for G2 category against which rate of ₹9959.89 was considered as base for calculation of tariff which figure is almost 10 times the Jantri rate. (p). The cost of developing a plot is directly proportional to its size, a factor which has not been considered while proposing the revised rates of rent. (q). Lands allotted to OMC's were originally vacant and uneven, which were developed	(iii). It is relevant here to state that the Hon'ble High Court has not granted any stay on the Order of TAMP dated 4th December 2014 in the Writ Petition/ SCA(s) filed by lessees/ users including IFFCO and HPCL. Further, the SCA / Writs Petitions filed by the HPCL, IFFCO and other lessees relate to the last revision of the Kandla Lands which had a validity period upto 31 December 2018. The current exercise in hand is for revision of rate structure of Kandla land beyond the expiry of its validity prescribed in the last tariff Order. (iv). As regards the submission made by the M/s. IOCL, M/s. BPCL and M/s. IOCL that approved valuer appointed by the DPT is not professionally qualified nor experienced in carrying out the valuation of gigantic and huge chunk of land and that stakeholders have not been involved for finalisation of the valuer, it is clarified that a Government approved land valuer was engaged by the DPT as per clause of 13(iv) of the land Policy Guidelines for assessing the market value of the Kandla land. The M/s. M.C.Jain is a reputed Government approved Land Valuer engaged through E-Tender after fulfilling the criteria mentioned in the tender. Further, the Land Policy guidelines of 2014 do not require the concerned port trust to consult the users for appointment of the approved valuer. (v). In this regard, it is informed that bid rate submitted in Auction - 2011 has been accepted by the Board vide Resolution No. 213 dated 13-06-2011. The justification for increase of the market rate has been further authenticated by e-tender cum e-auction process carried out by DPT by keeping the Reserve Price as per the revised rate i.e. ₹905.17 per sq. mtr / per year (G1 category). In the said e-Tender-cum-e-Auction process, the Deendayal Port Trust was not only able to successfully auction the new tank farm plots; but, was also able to get premium over and above the market rate. As per the Land Policy Guidelines, 2004 under clause No. 5.3(i)(e) & Land Policy Guidelines, 2011 under clause No. 6.3(1)(e) already provided for fixing of SoR according to the purpose of land use which is reproduced as under:- "SoR should vary in accordance with the purpose of land use. The committee should recommend to the competent

	by OMC's. The initial rent being ₹0.75 per Sqmtrs has now been increased to ₹597 per Sqmtrs without any rational basis and losing sight of the fact that DPT has not contributed to the development of the land in any manner whatsoever. (r). On the aspect of market value, the factors enumerated in Clause 13(a) of the relevant Policy Circulars have not been adhered to. Though the Jantri price and the land sale price were very much available, the valuer ignored the same on a spacious observation that the same were on a lower side. This cannot be the criteria for arriving at the land value. Apart from the same, under letter dated 08.07.2015, the Joint Secretary, Ministry of Shipping has also asserted that in all cases, it is not necessary to take the highest value out of the factors enumerated in Clause 13 of the Policy guidelines. Therefore, the market valuation adopted by DPT in 2014 was irrational and faulty.	authority, varying SoR in accordance with the end use as reflected in Land Use Plan."
(v).	(a). The Land Allotment Committee (LAC) of DPT in the meeting held on 29 November 2019 observed as under: (i). The committee has taken note of the DO letter no.PD-13017/2014-PD.IV dated 08.07.2015 which stated while determining the latest market value of the land, it is not mandatory that LAC has to necessarily take the highest of the 5 factors given in the Land Policy Guidelines but can choose another factor with proper justification and also commented that representation has been received that in some ports high market values have been fixed by mechanical and inappropriate application of Land Policy Guidelines. It further states therein that it is important that while choosing the market value as per provisions of policy guidelines on Land management 2015, due care is taken to choose the relevant factor which captures the realistic market value of the land. Mechanical and in appropriate application of the land policy guidelines may lead to inflated and unrealistic market value which results in poor response to tender cum auctions and subsequently, loss of business to the port.	No separate comments furnished by DPT.
	(b). From the above, it can be seen that the LAC has referred to Circular dated 08.07.15 issued by Ministry of Shipping which provides for taking into consideration the highest rate of actual relevant transactions registered in the last three (3) years in the port's vicinity for	

	determining the latest market value. The said circular also provides that similarly highest accepted tender cum auction of port land for similar transactions means tender-cum-auction done for land of similar sizes, and similar use. (c). The valuer while arriving at the market value has not taken into consideration the aforementioned factors. Therefore, DPT's reliance on such Valuer's report is fallacious and contrary to the Circular dated 08.07.2015 issued by the Ministry of Shipping.	
(vi).	Re-categorization : From 'C1' to 'G2' (a). Unilateral classification and re-categorization is arbitrary and illegal. (b). Classification of Category-G (for Liquid Tankers) considering the use of land is against the Land Policy 2014. (c). Land Policy of 2014 does not provide for fixation of Scale of Rates in accordance with the purpose of land use. (d). No provision of linking rates to the purpose of land to which it is put to use appears to have been prescribed in the Land Policy Guidelines of 2014. (e). No physical change or any improvement in condition of plots allotted between the period of notification of TAMP 2011 and TAMP 2014. (f). OMC's objections to the unscientific method of land categorization is not considered by DPT.	No comments furnished by DPT.
(vii).	IOCL, BPCL and HPCL therefore hereby lodge their objections against the proposal made by DPT and humbly request that personal hearing may kindly be given to enable them to explain effectively the shortcomings of proposal made by DPT.	No comments furnished by DPT. [Opportunity of hearing was provided to all stake holders including HPCL, IOCL and BPCL in the joint hearing held on 26 June 2020 where they represented their points].
2.	**Laxmi Motors**	
(i).	Laxmi Motors have come up with following objections concerning to the Category F2: Laxmi Motors see that the valuation report does not take into account about the prevailing Jantri Rates of the nearby villages. For example, village Mithirohar is adjoining to the land of F2 Category. As per the valuation report, Jantri Rates of Commercial Property is ₹1,100-00 (Rupees Eleven Hundred) per	(a). Before the TAMP had approved rate from 1999, only one category had been fixed from 05-07-1994 for land west of railway siding leading to Kandla Free Trade Zone and upto crossing of railway line and rate had been fixed for ₹16/- per sq. mtrs/per annum for that area. Land Valuer R.B. Shah & Associates had carried out the valuation of land and

	square meters. And not forgetting the fact that the rate of ₹1,100-00 per sq.mtr is of freehold land (which vest absolute ownership). Whereas, the F2 category land is not freehold and it is leasehold. Therefore, the market rate of ₹7274.09 for F2 category is farfetched and not the ground reality.	suggested "F" category in two sub category, i.e. plots situated on SEZ side from Kandla Railway Station (F1 category) and plots situated on Ahmedabad side from Kandla Railway Station (F2 category. Accordingly, rate has been revised from 07/1999. Subsequently, Land Valuer K.M. Thacker & Associates had carried out the valuation of above land and no change has been made in category "F". However, there is difference of rate in sub-categories "F1" category & "F2" category for which they have given detailed justification. (b). Most of the points raised by the M/s. Laxmi Motors, Gandhidham pertains to previous revision of rate. DPT had already furnished the comments while approving the revision of Market Value of land and Reserve Price in terms of Lease rent in respect of Kandla land (other than salt land) for categories "A" to "G" of Deendayal Port Trust (DPT) applicable for the period from 01.01.2014 to 31.12.2018. The revision was last approved by TAMP vide Order TAMP/24/2014-KPT dated 03.10.2014, for the 5 years' period from 01.01.2014 to 31.12.2018. The above Order was notified in Gazette of India on 04.12.2014 vide Gazette No. 350. The rate approved by the TAMP has expired on 31.12.2018 and is due for revision from 01.01.2019 as per Policy Guidelines of Land Management, 2015 which provides for SoR to be re-fixed every five years.
(ii).	Further, the valuation is said to have been carried in May 2019, however the valuation report does take into account the ground reality which is causing hindrance to any development of F2 Category land. The central government (NHAI) has constructed overbridge upon the National Highway (four lane highway from Ahmedabad to Kandla) which adjoining to the F2 category land and the construction has overshadowed the land and structure of the F2 category and the land is no more useful for hotel, showroom purpose etc. Due to the overbridge, the road adjoining to F2 land has become service road and therefore entire local traffic and vehicles entering into Gandhidham are diverted on the service road causing heavy traffic and pollution. Therefore, the construction of the overbridge has severally devalued the charm and market price of the F2 category land. For this additional reason, the market	The rate has been fixed as per the parameter provided in the Land Policy Guidelines, 2015. Para 13(a) of the Land policy guidelines prescribes the methodology for determination of market value of the land based on the five factors as prescribed therein. In terms of the said para of the PGLM, 2015, the Land Allotment Committee will normally take into account the highest of the factors mentioned therein, viz. (i). State Government ready reckoner of land values in the area if available for similar classification / activities, (ii). Highest rate of actual relevant transactions registered in the last three years in the Port's vicinity with an appropriate annual escalation rate to be approved the Port Trust Board, (iii). Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board, (iv). Rate arrived at by an approved valuer appointed for the purpose by

	rate of ₹7274.09 cannot be termed as fair market value. (photo of overbridge attached)	the Port and (v). Any other relevant factor as may be identified by the Port. The Policy Guidelines on Land Management, 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing. Considering the various aspects, the revised rate proposed is increased only @ 2% on updated TAMP approved rate of 2018. In other words, there is no major increase in the rate previously approved by TAMP, except 2% annual escalation which is as per the provision of the Land Policy Guidelines, 2015.
(iii).	It is submitted while fair market all the factor affecting the market value should be considered. However, the present valuation does not take into account any of the factors and merely relies on the previous TAMP approved rate, which is not proper and healthy practice.	The revision of rate Kandla Land w.e.f 01.01.2014 were carried out by DPT by following the procedure outlined in LPG-2014. DPT appointed a Government approved valuer which was selected through e-tender process. After physical verification and ground level survey, the valuer submitted a detailed report for valuation of A to G categories of land with several sub-categories. M/s. Laxmi Motors, Gandhidham has approached the Hon'ble High Court of Gujarat challenging the rate structure approved by TAMP, vide Notification No.106 dated 11.05.2011 and No.350 dated 04.12.2014. The High Court vide Order dated 10-05-2019 has confirmed the TAMP Order No. 350 dated 04-12-2014. However, the same was challenged by the respective parties by filling LPA in the High Court of Gujarat. The Hon'ble High Court has, however not stayed implementation of the said Order dated 04-12-2014. The matter is still pending in the Hon'ble High Court.
(iv).	Moreover, the present epidemic of Covid-19 which has shaken the economy of the world in general and of Indian in particular. Considering the downpour of the economic situation, the proposed rate market rate of ₹7274.09 cannot be said to be fair on the contrary such valuation is very harsh on the citizen and businessmen.	The lease period of the land admg. 2000 sq. mtrs allotted to M/s. Laxmi Motors, Gandhidham had expired. Hence contractual right had ended after expiry of lease i.e. on 06-11-2013. The request of above party to charge lease rent as per the previous agreement cannot be accepted. In view of the above, it is observed that the market value of land of ₹3787.17 per sq. mtr and lease rent @ 6% of market value of land i.e. ₹227.23 per sq. per/per annum applicable from 01.01.2019 for "F1" category i.e. "Plots situated on SEZ side from Kandla Railway Station" and market value of land of ₹7419.50 per sq. mtr. and lease rent @ 6% of market value of land i.e. ₹445.17 per sq. per/per annum applicable from 01.01.2019 for "F2"

		category i.e. Land from "Plots situated on Ahmedabad side from Kandla Railway Station" considering 2% annual escalation on rate as applicable for 2018 under both the F1 & F2 category which was recommended by the LAC and approved by the Board are found to be reasonable.
(v).	With utmost respect Laxmi Motors agree that land is one of the resources of the Government and the resource should fetch fair return to the government. However, Laxmi Motors find that the report states that the valuation shall be made by considering the highest factor to determine the market value. Laxmi Motors respectfully submit that instead of seeking fair return on the lease-hold land, DPT is seeking profit making like a private landlord. Being the undertaking of the Central Government, one of the ancillary objects of DPT should be to increase employment by allotting the land (which are not in the near vicinity of the port operation and not directly related to the port operation/activities).	No comments furnished by DPT.
(vi)	DPT valuer M/s. M. C. Jain & Associates, in salient features of land, category, land use plan at Page No. 429 has mentioned as under against 'F' Category: - Most of land allotted to private party - Automobile Showroom - Township area Valuer has rightly mentioned that this area is Township Area which is correct as Laxmi Motors is paying all the Municipal Tax viz. Property Tax, Education Tax, Water & Sanitation Tax, etc. to Gandhidham Municipality. If this area belongs to Township, TAMP is not having Jurisdiction to fix the rate as it does not relates to Shipping activity.	No comments furnished by DPT.
(vii).	While fixing the rate of F2 category, valuer has stated that no bid is received on scheduled date when DPT put to auction one plot in this area measuring 15000 Sq. Mtr. Even after extending the date upto 07/03/2019 no response is received and hence present rate fixed by TAMP is taken into consideration [page No. 472 of valuation report] that too by escalating the rate by 20% being developed land which is incorrect and unreasonable. It is but natural that when no response is received on floating of Tender, the reserved price is very high and required to be brought down drastically if participants are required. Therefore, Laxmi Motors request that rate should be brought down to	No separate comments furnished by DPT.

	Jantri Rate level which are fixed very scientific way by Government of Gujarat.	
(viii).	Category F which was subsequently bifurcated in F1 & F2 category is that of land in single state strip of 4900 Mtrs. with equal distance from creek (Old Nakti & New Nakti Creek) and hence should reasonably carry same rate. During 2009 to 2013 the rate of F1 was higher compared to F2 which was reverse in 2014 by enhancing rate of F2 to practically double of F1 without any valid reason or any considerable development. This required to be reviewed particularly when F2 area is now overshadowed by construction of Railway Crossing Bridge.	No comments furnished by DPT.
(ix).	Under its letter dated 24/07/2018, Laxmi Motors have approached TAMP for erroneously fixing the rate of F2 category and have submitted eleven reasons to substantiate their stand. The said letter was forwarded to Chairman, DPT, by TAMP under TAMP letter No. TAMP/24/2014KPT dated 07/09/2018. So far neither TAMP nor DPT has given any reply to our above letter. The main submission of M/s. Laxmi Motors in its letter dated 24 July 2018 are as follows: (i). Introduction of new Category-F1 & F2 by DPT has resulted in a whopping increase and (ii). DPT's demand of retrospective rent increase. Now TAMP is again repeating the mistake by accepting the faulty base of earlier rates fixed by it for F2 category. Before considering the rate of F2 category, TAMP may give consideration to their earlier submission. [*Since both the issues call for action from DPT if any, a copy of Laxmi Motors letter dated 24 July 2018 was forwarded by TAMP to DPT for appropriate action.]*	No comments furnished by DPT.
(x).	Therefore, considering all the facts and reality as stated above, Laxmi Motors object to the valuation of ₹7,274-00 per sq.mtr. as fair market value as proposed by DPT. Instead, Laxmi Motors proposes that present market rate of ₹1,100-00 which is the rate of the commercial property of nearby village of Mithirohar should be considered as fair market value of the F2 category. However, Laxmi Motors feel that the market rate of the freehold land cannot be used for the lease hold land, but due to short time period granted for study and gathering necessary information etc., Laxmi Motors requests to consider ₹1,100-00 as the fair market value of F2 Category.	No comments furnished by DPT.

3.	**The Tanker Owners & Operators Association (TOOA)**	
(i).	The Tanker Owner & Operators Association (TOOA) has stated that they have made a detailed correspondence in last 7 months regarding the unjustifiable hike in Lease Rent with the Shipping Ministry as well DPT. The rent charges are too high and it has already affected to very existence of the Trade and Industry.	Most of the points raised by the M/s. The Tanker Owners & Operators Association, Gandhidham pertains to previous revision of rate. DPT had already furnished the comments while approving the revision of Market Value of land and Reserve Price in terms of Lease rent in respect of Kandla land (other than salt land) for categories "A" to "G" of Deendayal Port Trust (DPT) applicable for the period from 01.01.2014 to 31.12.2018. The revision was last approved by TAMP vide Order TAMP/24/2014-KPT dated 13.11.2014, for the 5 years' period from 01.01.2014 to 31.12.2018. The above Order was notified in Gazette of India on 04.12.2014 vide Gazette No. 350. The rate approved by the TAMP has expired on 31.12.2018 and is due for revision from 01.01.2019 as per Policy Guidelines of Land Management, 2015 which provides for SoR to be re-fixed every five years.
(ii).	Presently, TOOA have possessed the land admeasuring 11,983 Sq. Mtr on the east of NH No.8 A since 10/09/1980. TOOA have protested the unjustifiable hike to the DPT and represented their genuine issue to the port authority; but, it has not addressed properly.	The rate has been fixed as per the parameter provided in the Land Policy Guidelines, 2015. Para 13(a) of the Land policy guidelines prescribes the methodology for determination of market value of the land based on the five factors as prescribed therein. In terms of the said para of the PGLM, 2015, the Land Allotment Committee will normally take into account the highest of the factors mentioned therein. The Policy Guidelines on Land Management, 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing. Considering the various aspects, the revised rate proposed is increased only @ 2% on updated TAMP approved rate of 2018. In other words, there is no major increase in the rate previously approved by TAMP, except 2% annual escalation which is as per the provision of the Land Policy Guidelines, 2015.
(iii).	TOOA, the non-trade organization is totally unable to afford the rent imposed on the lease holders. TOOA suggest that it should be not exceeding to ₹104/- per Sq. Mtr. Our Prime Minister is encouraging the Trade and Industry by giving a mega package in this unprecedented Covid 19 pandemic situation to boost the economy.	While approving the revision of rate of 2014 that revision of rates were carried out by DPT by following the procedure outlined in LPG-2014. DPT appointed a Government approved valuer which was selected through e-tender process. After physical verification and ground level survey, the valuer submitted a detailed report for valuation of A to G categories of land with several sub-categories. M/s. The Tanker Owners & Operators Association, Gandhidham has approached

		the Hon'ble High Court of Gujarat challenging the rate structure approved by TAMP, vide Notification No.106 dated 11.05.2011 and No.350 dated 04.12.2014. The High Court vide Order dated 10-05-2019 has confirmed the TAMP Order No. 350 dated 04-12-2014. However, the same was challenged by the respective parties by filling LPA in the High Court of Gujarat. The Hon'ble High Court has, however not stayed implementation of the said Order dated 04-12-2014. The matter is still pending in the Hon'ble High Court. It is relevant here to state that the Hon'ble High Court has not granted any stay on the Order of TAMP dated 4th December 2014 in the Writ Petition / SCA(s) filed by lessees / users including IFFCO and HPCL. Further, the SCA / Writ Petitions filed by the HPCL, IFFCO and other lessees pertaining to the last revision of the Kandla Lands which had a validity period upto 31 December 2018. The current exercise in hand is for revision of rate structure of Kandla land beyond the expiry of its validity prescribed in the last tariff Order.
(iv).	TAMP is requested to kindly review the rent policy and issue the directives to the DPT accordingly.	The land admeasuring 11,983 sq. mtrs allotted to M/s. The Tanker Owners & Operators Association had expired. Hence contractual right had ended after expiry of lease i.e. on 21-01-2013. The request of above party to charge lease rent as per the previous agreement cannot be accepted. The DPT has reiterated its comments that considering 2% annual escalation on rate as applicable for 2018 under both the F1 & F2 category which was recommended by the LAC and approved by the Board are found to be reasonable.
(v).	The Tank Owners & Operators Association (TOOA) is a non trading association. DPT allotted us 11983 Sqm. Land for construction of offices for our single road tanker owners / operators in 1982 at ₹2.70/- per Sqm / per year on 30 years lease.	No comments furnished by DPT
(vi).	There is no facility of drainage / water supply and other basic facilities provided by DPT or Nagarpalika	No comments furnished by DPT
(vii).	At the time of allotment there was no category of our allotted plots. DPT has subsequently bifurcated this land in two categories i.e. F-1 & F-2 for which DPT or TAMP never called TOOA for bifurcation of single strip of land into two categories.	No comments furnished by DPT

(viii).	TOOA has paid regular port lease rent upto 23 July 2014 at the rate of ₹104.661/sq mtr/annum. After increase of huge ground rent from ₹104.662 from 01.01.2014 to 31.03.2015 from ₹403.72 to ₹411.26. TOOA has written lot of letters to the Chairman DPT to the Shipping Ministry and to the chairman TAMP during these 6 years. But, have not received any reply / answer to their correspondence / representation for their ground rent grievances. *[Copy of TOOA letter dated 8 October 2018, bringing out similar issues pointed out by Laxmi Motors related to categorization of land and retrospective revision in rates, is forwarded to DPT vide our letter No.TAMP/24/2014-KPT dated 24 October 2018 for specific comments of DPT. The DPT has not responded]*	No comments furnished by DPT.
(ix).	On 01.11.2018 TOOA made representation before the Indian Port Association committee headed by Shri Anant Bose,Chairman during their personal visit to DPT on the above increase of ground rent of their land and e-mailed them letter dated 12.06.2020 protesting the unjustifiable hike of the DPT.	No comments furnished by DPT
(x).	At the time of allotment of land and 70 offices constructed on it, it was just connected to the main national highway 8A but after construction of four lane and fly over near, our offices are on isolated service road. Because of this, many of the members of the association have shifted their offices to other free hold land area.	No comments furnished by DPT
(xi).	Valuer has at page no. 426 considered land F as township area. TAMP has to consider rate related to Shipping activity and not of township. Also, among various methods higher factor is considered by the valuer while deciding valuation. Hence, authorities have acted like private landlord.	No comments furnished by DPT
(xii).	During March,2019 DPT floated some plots on bid but no bid was received during that period which clearly shows that rate decided by TAMP are on higher side and bid was cancelled.	
(xiii).	Plot OF F1 & F2 are on single straight strip of 4900 mtrs on east of national highway 8A equal distance from 'Creek' (Otd & New Nakti). During 2009 to 2013 the rate of F-1 was higher compare to F2 rate which was subsequently reversed in 2014 - 2019 showing rate of F1 lower than rate of F2 without any valid reason or personal hearing.	No comments furnished by DPT

(xiv).	TAMP have given increase with retrospective effect. The Hon'ble Gujarat High Court, Ahmedabad has disallowed rate increase with retrospective effect which is known to port authority very well.	No comments furnished by DPT
(xv).	(a). As per rate fixed by TAMP in 2011, the increase in rent was 492% which is not fair practice. (b). No Lease Holder was given chance of hearing for such hike. (c). Under the definition of 'State' such hike is unreasonable. (d). Directorate of Income-Tax has given guidelines for valuation of immovable property-2009 which stipulate the points for considering valuation viz.: I. Size, Shape, Frontage, Locality, Surrounding Amenities, Facilities, Road Connectivity, Road width, etc. which was not given consideration by valuer. II. 15% variation should be given for situation benefit. III. Lease Hold and Free Hold has 25% adjustment factor. (e). Because of construction of 4 lane road there is change in the situation which is not given consideration. (f). Normally rent is decided based on what trade can bear which is not given consideration. (g). On survey no. 155(1) of village Kidana Golai between 2006 to 2008 land was given to six parties by the Government of Gujarat at lease rent between INR 15.00 to INR 25.00 per Sq. Mtr. for Godowns and Industrial use. The rent rate was derived by the State Government on scientific basis. (h). DPT has received this land free of cost and not spent any money for its development. Being land in municipal area, maintenance is looked after by Gandhidham Municipality for which payment is made by Lessee. (j). There is no justification for splitting F category into two categories vis. F1 & F2 though they are in single straight line equal distance from Nakti Creek.	
(xvi).	Earlier Valuer fixed by DPT has considered highest rate of village 20 KM away from Kandla Land apparently having no base or connection. Even if considered reasonable, the distance of F1 & F2 is equal and should have similar rate.	No comments furnished by DPT
(xvii).	Plot of our "Tanker Association" is 800 Mtrs away from Gandhidham Railway Station, Practically, at similar distance from Gandhidham Railway Station on south side under F1 category cargo petrol pump land given by DPT on lease has fixed lease rent at	No comments furnished by DPT

	₹218.40 as compared to rate for their association at 6 times higher.	
(xviii).	The land of village Kidana situated on back side of F1 category and village Mithi road on the other side of F2 having much less Jantri rate compared to the rates decided by DPT. Kidana area is just between the port land Gujarat Government of Collector of Kutch-Bhuj allotted about 18000 Sqm. @ ₹19 per Sqm to 74.64 per Sqm / Per annum which is situated just back side of the Gandhidham Railway Good side and near to the Hindustan Petroleum oil installation.	No comments furnished by DPT
(xix).	During the period of last 10 years, no land has been auctioned by the DPT in this particular area of east of area national highway no. 8A at such higher rate. No bidder comes forward to purchase such higher rent.	No comments furnished by DPT
(xx).	The TAMP in Order dated 25.03.2011 has fixed the rent of lease hold plots in F1 & F2 was as under. F1 = 100.20 Per Sqm / Per Year F2 = 94.80 Per Sqm / Per year Then, how in the year of 2014 the rate of F1 reduced and rate of F2 was increased as under F1 = 205.80 Per Sqm F2 = 403.20 Per Sqm We don't know how this type of changes took place without any reason or legal reason. In above both cases from 01.01.2014 market value was considered Rs6720/- per Sqm which is totally unreasonable and abnormal. Because during this period no auction of any plot took place at this rate and hence the higher value cannot be applicable to this area.	No comments furnished by DPT
(xxi).	TOOA has reiterated the comment of KLTTA bringing out a para from the Judgment of Hon'ble Supreme Court in Jamshed Wadia v/s Bombay Trust.	No comments furnished by DPT
4.	**The Kandla Liquid Tank Terminal Association (KLTTA)**	
(i).	It is a settled law of this Land that permits revision of rents (and specially to sitting tenants / lessees) by public authorities - only on the basis of inflation, costs of maintenance, payment of taxes and costs of administration - and on no other basis. Whereas, the land lease rate revision w.e.f. Jan 1st 2014 has been done on the basis of highest market value derived as per clause 18 of land policy 2014, which is impermissible in law, as such fixation has not been done by considering 'what the trade can bear'.	The revision of Market Value of land and Reserve Price in terms of Lease rent in respect of Kandla land (other than salt land) for categories "A" to "G" of Deendayal Port Trust (DPT) was last approved by TAMP vide Order TAMP/24/2014-KPT dated 13-11-2014, for the 5 years' period from 01-01-2014 to 31-12-2018. The above Order was notified in Gazette of India on 04-12-2014 vide Gazette No. 350. The rate approved by the TAMP has expired on 31-12-2018 and is due for revision from 01-01-2019 as per Policy Guidelines of

		Land Management, 2015 which provides for SoR to be re-fixed every five years.
(ii).	The principle/ratio enunciated by the Hon'ble Supreme Court (in Jamshed Hormusji Wadia Vs the Board of Trustees of the Port of Mumbai & Anr (2004(3)SCC 214)) whilst dealing with the status of MbPT as Landlord, and whilst considering its right to charge any rent from its lessees as it pleases is still relevant and needs to be considered while fixing the rates. The KLTA has reproduced para No.18 of the said Judgement as done by the Laxmi Motors.	The rate has been fixed as per the methodology provided in the Land Policy Guidelines, 2015.
(iii).	Even if they assume that the mechanism prescribed in clause 18(a) of land policy 2014 for determining the lease rates of existing lessees is permissible in law, the basis adopted for arriving at revised rate of INR 905.17 per sq. m. p.a. is in violation of the very clause 18 of land policy 2014 for following reasons: (a). The plots of the liquid terminals were categorized under category 'A' to 'F' since inception based on their physical location. In 2011, DPT had tendered plots for liquid storage business and the highest bid received was INR 14,216 per sq. m. At 6% of market value and 2% YoY escalation, this highest rate translated to lease rent of INR 905.17 per sq. m. p.a. w.e.f. Jan 2014. The plot for which highest bid was received in 2011 did not fall in categories 'A' to 'F' and therefore, a new category G1 was created not only to accommodate this rate, but specifically for all 3rd party liquid terminals, overlooking the historical categorization on the basis of physical location. This appears to have been done for the sole purpose of somehow covering all the 3rd liquid terminals under the highest rate, which is arbitrary and unfair. LPG 2014 does not provide any such guidance to create category specific for a purpose/business. (b). That the rates were fixed at a higher rate considering construction of another Oil Jetty which would increase the quick clearance of cargo. This was also clarified during the pre-bid meeting held at the time of allotment of 19 new plots. However, till date the Oil Jetty has not come up with the result, the Terminal Operators had to bear the extra cost for delay in clearance of cargo, etc.	No comments furnished by DPT

	(c). The DPT is having a large tract of land and should not earn their revenue by inflating the market rates. In spite of having large areas, the Port could allot only 17 Nos. plots since 2014 out of which 3 plots have been surrendered and in other cases the construction work has not been completed. The efforts of DPT to auction 4 Nos. plots in 2018 also did not yield any result in spite of extending the dates by 8 times. In addition to above, the TAMP should also consider the existence of other tank operators in the nearby land which is allotted by the Govt. of Gujarat at Jantry rates. Thus, the huge variation in the rates of land needs to be looked into and a level playing field provided, so that more No. of operators will come forward. Presently, the overall tank capacity is 25,26,103 KL against which only 40 to 50% capacity is utilized. (d). That even after auction of the plots on the basis of latest reserve price, the Port Trust is charging the lease rent by escalating the rent quoted/derived through auction by 2% every year, which is not provided either in the Tender conditions, Land Policy Guidelines or in the TAMP policy guidelines. Thus, the Operators are required to pay a higher rent than what they have agreed to at the time of tender disregarding the Land Policy guidelines. This aspect needs to be considered while fixing the SoR. (e). That the DPT has not proposed the rate of interest that is chargeable for late payment of its dues. However, they are continuing to recover the rate of 18%, which is even more than the maximum rate provided under the Tariff Policy guidelines.	
(iv).	The land lease rates charged by DPT to BLTT operators is as high as 2 to 2.5 times of rates as compared to other Indian Major Ports as also in the international ports like Port of Rotterdam, Singapore that offer world class port infrastructure and efficient operations like roads, parking, demurrage free operations, high vessel turnaround time etc as compared to Deendayal port.	Considering the various aspects such as special focus on investment, dedicated cargo for the port to ensure sustainability of ports in the long run, to create employment opportunities at Kandla and to avoid diversion of liquid from Kandla, to nearby ports and only a few tenders/auctions are carried out in the last three years pertaining to general leases (other than salt land) and those are for different sizes of plots for different purposes. The rate determined through tenders is basically depended on various factors, such as availability of infrastructure such as rail and road connectivity; develop land, demand and supply, purpose, similar usage of land, size of the plot etc. Therefore, the rates obtained through E-Auction for those specific plots do

		not reflect the realistic value of the remaining lands. If the highest of the factors is considered, it will result in poor response to tender cum auction and subsequently loss of business to the port. Therefore, it would be appropriate to choose the relevant factor which captures the realistic market value of land to enable port to sustain business. Accordingly, DPT has revised land values arrived by a general increase @ 2% on updated TAMP approved rate of 2018 as a relevant other factor among the factors mentioned in the para 13 of the amended LPG-2014, so that the business of the port is not affected in the long run and the port remains an attractive investment location to the Port Users. Further, as per the provision of Land Policy Guidelines, the land is required to be put to E-Tender cum E-Auction for allotment of land, in case of expired leases not having renewal clause and vacant lands. Since, updated TAMP rate is kept as Reserve Price, considering the open competitive bidding process, DPT will automatically receive realistic market value of specific land through E-Tender Cum E-Auction. In view of the above, it is observed the market value of land of ₹16,656.26 per sq. mtr and lease rent @ 6% of market value of land i.e. ₹999.38 per sq. per/per annum applicable from 01.01.2019 for “G1” category i.e. “Land situated from Eastern Bank of Kandla Creek to Western Bank of Nakti Creek” and market value of land of ₹10,996.28 per sq. mtr. and lease rent @ 6% of market value of land i.e. ₹659.78 per sq. per/per annum applicable from 01.01.2019 for “G2” category i.e. Land from West side of Nakti Creek to Kharirohar having existing Oil Terminals of IOCL, HPCL and BPCL considering 2% annual escalation on rate as applicable for 2018 under both the G1 & G2 category which was recommended by the LAC and approved by the Board are found to be reasonable.
(v).	The present economic scenario of the country do not permit any increase in the land rates. KLTTA therefore request to consider and revise the rates in line with the present economic conditions and revert the rates to pre-2014, by switching over to earlier classification, so that the Liquid Tank Terminal Operators can carry on their business at Kandla.	As per clause 18(c) of the land policy guidelines of 2014, the Port Trust Board will fix a rate of annual escalation which would not be less than 2%. SoR would be refixed once in every 5 years by TAMP.

(vi).	Kandla Liquid Tank Terminal Association (KLTTA) is also passing through the financial crisis due to the Pandemic Covid 19 situation and it will take another 3-5 years for the economy to flourish. Now a days throughout the world, the land value and lease rents have come down steeply and the business are also facing financial crunch. Under such circumstances, request of KLTTA is not to make any revision at present and looking to the economy, the rates should be brought to pre 2014 level.	No comments furnished by DPT
(vii).	Apart from this, the KLTTA, has reiterated the comments furnished by it earlier which has been brought out in earlier paragraphs and requested the TAMP to take cognizance of the ground realities and undo the wrong done in the revision made from 01.01.2014 and will take corrective action to reverse the unfair increase imposed on the liquid tank storage operators since January, 2014. The KLTTA have been relentlessly protested against the whopping 900% + increase in land lease rates, but in spite of study by the IPA Committee, etc. no tangible results have so far come out.	
5.	**M/s. Indian Farmers Fertilizer Cooperative Limited (IFFCO)**	
(i).	M/s. Indian Farmers Fertilizer Cooperative Limited (IFFCO) submit that the land parcels in the possession of IFFCO are not supposed to be subjected to revision by TAMP from time to time.	No comments furnished by DPT
(ii).	IFFCO has already represented to Secretary, Ministry of Shipping and Chairman, Deendayal Port Trust vide its letters dated 07 November 2019 and 09 March 2020 respectively. Copies of the said representation are attached for our ready reference. IFFCO had two rounds of discussions with DPT in ceased of the matter. Hence, IFFCO earnestly request the TAMP to exclude the land parcel of IFFCO detailed in its representation from the purview of the proposed revision.	No comments furnished by DPT
6.	**Kandla Port Karmachari Sangh (KPKS)**	
(i).	Gujarat State Govt. has its own Jantri rates based on valuation report for village viz. Mithirohar, in case of F2 category Plot which is ₹.1100.00 per sq. meter of free hold land. Rate of lease hold shall be less than free hold. In existing case, it is considered ₹.7274.00 sq. meter which is much higher and unreasonable.	(i). DPT has already clarified that comparison with rate structure of State Government cannot be considered by the DPT as per the provision of Land Policy Guidelines approved by the Cabinet which has to be followed in toto. The rate has been fixed as per the parameter provided in the Land Policy Guidelines, 2015. Para 13(a) of the Land

	In fact, somewhere in 2019 when land were categorized in various categories like F1, F2 etc. the trade could not find to bid for land for industrial purpose and even when SPIC scheme was introduced except one bidder i.e. Emami, no one came forward to bid for any piece of land because of non-viable industrial rates to bid, uneconomical, unaffordable etc. Therefore, port administration could not succeed in getting sufficient bidders.	policy guidelines prescribes the methodology for determination of market value of the land based on the five factors as prescribed therein. In terms of the said para of the PGLM, 2015, the Land Allotment Committee will normally take into account the highest of the factors mentioned therein, viz. (i). State Government ready reckoner of land values in the area if available for similar classification / activities, (ii). Highest rate of actual relevant transactions registered in the last three years in the Port's vicinity with an appropriate annual escalation rate to be approved by the Port Trust Board, (iii). Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board, (iv). Rate arrived at by an approved valuer appointed for the purpose by the Port and (v). Any other relevant factor as may be identified by the Port. The Policy Guidelines on Land Management, 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing. (ii). It is observed that only a few tenders/ auctions are carried out in the last three years pertaining to general leases (other than salt land) and those are for different sizes of plots for different purpose. The rate determined through tenders is basically depended on various factors, such as availability of infrastructure such as rail and road connectivity; developed land, demand and supply, purpose, similar usage of land, size of the plot etc. Therefore, the rates obtained through E-Auction for those specific plots do not reflect the realistic value of the remaining lands. If the highest of the factors is considered, it will result in poor response to tender cum auction and subsequently loss of business to the port. Therefore, it would be appropriate to choose the relevant factor which captures the realistic market value of land to enable port to sustain business. Accordingly, it is felt that the land values arrived by a general increase @ 2% on updated TAMP approved rate of 2018 is a relevant factor among the factors mentioned in the para 13 of the amended LPG-2014, so that the business of the port is not affected in the long run and the port remains an attractive investment location to the Port Users. Further, as per the provision of Land Policy Guidelines, the land is required to be put to E-Tender cum
(ii).	Among various methods, higher factor is given consideration while deciding valuation which has given the impression that, port administration has acted like Private landlord. It is also matter of fact that, in March 2019 no bid was received which shows that, old TAMP rates were on very higher side and the same were not affordable by the bidders.	

<table>
<tr><td></td><td></td><td>E-Auction for allotment of land, in case of expired leases not having renewal clause and vacant lands. Since, updated TAMP rate is kept as Reserve Price, considering the open competitive bidding process, DPT will automatically receive realistic market value of specific land through E-Tender Cum E-Auction.

(iii). Accordingly, a review of the rate previously recommended by LAC at its meeting held on 29-11-2019 has been made in the case of categories A, D3, D4 and G1, wherein, there has been an increase in the rate of more than 2% as compared to rate of previous year. The LAC at its meeting held on 23-01-2020 after detailed deliberation had recommended a general increase of 2% on the previous updated TAMP approved rate of 2018 in respect of all the categories “A” to “G”. In other words, there is no major increase in the rate previously approved by TAMP, except 2% annual escalation which is as per the provision of the Land Policy Guidelines, 2015.</td></tr>
<tr><td>(iii).</td><td>Plot of F1 & F2 on Single Straight Strip of 4900 Mtr., equal distance from “Creek” (Old & New Nakti). During 2009 to 2013 F1 was higher compared to F2 rate which were subsequently reversed in 2014-2019 without any valid reason.</td><td rowspan="4">(i). In this connection, it is submitted that before the TAMP had approved rate from 1999, only one category had been fixed from 05-07-1994 for land west of railway siding leading to Kandla Free Trade Zone and upto crossing of railway line and rate had been fixed for ₹16/- per sq. mtrs/per annum for that area.

(ii).Land Valuer R.B. Shah & Associates had carried out the valuation of land and suggested “F” category in two sub category, i.e. plots situated on SEZ side from Kandla Railway Station (F1 category) and plots situated on Ahmedabad side from Kandla Railway Station (F2 category). Accordingly, rate has been revised from July 1999.

(iii). Subsequently, Land Valuer K.M. Thacker & Associates had carried out the valuation of above land and no change has been made in category “F”. However, there is a difference of rate in sub-categories “F1” category & “F2” category for which they have given detailed justification. The justification given for “F2” category rate is re-produced as under:
“Valuation of land of F2 category”:
Plots situated on Ahmedabad side from Kandla Railway Station.:-
Land towards the east of National highway from Gandhidham railway station to Ahmedabad upto Mithirohar railway crossing.</td></tr>
<tr><td>(iv).</td><td>Port administration has never reviewed this matter of higher rates because they are functioning on the advise / instructions from Central / Govt., Ministry of Shipping. They have no free hand to take decision / review based on market support. Therefore, in last 60 years, port administration could not attract the business community / industries to bid for any piece of land (eg. Last 15 plots bid tank farm developers could not successfully do the business, because of land rates i.e. huge premium and thereafter every year increase in rental, which is not seen on the land of Gujarat State Govt.</td></tr>
<tr><td>(v).</td><td>Central Govt. in last many years has revised land policies every 5 years and with the efforts of the Indian Port Association and due consideration given by the Hon’ble Ministers of Shipping. But, ground reality so far Deendayal Port is concerned is still no one is ready to bid for any land at Kandla.</td></tr>
<tr><td>(vi).</td><td>In view of the above facts, we as stake holder represent to protect the interest of Port Trust, as land is not to keep it on hold / idle because it is meant for Industrial growth, Employment opportunities. The existing TAMP Order</td></tr>
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	dated 5 May 2011 which was given effect since 2007 and thereafter, such revision orders needs to be realistic approach, so that, Industries can come forward to participate in bids and can avail the opportunity to get land for the Industrial Growth.	This area is opposite to the development of Gandhidham township area of section-9, ward-12B and 10B(commercial) having renowned hotels like Gokul, Hotel Natraj etc. towards the west of National Highway 8A. Here most of the lands are with railway. Only the first front street of eastern side is with Kandla Port Trust. Most of the land is allotted to private party as follows: Transport Nagar, Noori Masjid, S.T. Bus Stand, Truck Owners Association, Sindhi Dharam Shala, Laxmi Motors etc. These lands have been allotted for 30 years lease. Jantry value of Sector-9 (Govt. Guideline rate) is ₹23,500 given for 99 years lease. Actual market rate of this area is 16,000 per sq. mtr. Commercial Plots situated opposite S.T. Station upto collector road, Ward-12A has Stamp duty value ₹7,800/- per sq. mtrs. Development of plots on the rear side of railway land has remained stagnant during last few years. This strip is suitable basically for transportation, Automobile showrooms etc. Since the National Highway is converted in 6 lane, all the lands are abutting towards service road and does not have direct approach from National Highway. Though there is no flyover at Railway Station and proposed flyover at Mithirohar crossing, 50% of frontage is of F2 category. Hence, this area is easily accessible from under the bridge from Gandhdiham Township side." (iv).In view of the above, it is observed that the market value and lease rent @ 6% of market value in respect of categories "A" to "G" applicable from 01.01.2019, considering 2% annual escalation on the rate as applicable for 2018 which was recommended by the LAC and approved by the Board are found to be reasonable.
7.	**Custom Brokers Association (Formerly known as Kandla Port Custom House Agents Association-KPCHAA)**	
(i).	The proposal from Port Trust was submitted in time, but for finalization and / or approval is not the correct time, considering pandemic Covid-19 have placed entire nation in economical crisis. Any increase / revision of rate is danger to trade. No new entrepreneur will come forward to take port land on leasehold basis. The proposal needs to be differed for atleast 02 years.	The revision is due from 01-01-2019 and whereas, effect of COVID-19 taken place during April-2020. However, due to COVID 19 pandemic and lockdown measures in India, MOS vide letter No. PD-14033/4/2020-PD VII dt. 21-04-2020, has directed all Major Port Trusts for Exemption / Remission /waiver/deferments of charges to port users and PPP Concessionaires, accordingly, DPT had granted remissions/waivers/deferments of various charges during the Lockdown

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<tr><td></td><td></td><td>period and beyond as the case may be vide circular No. FA/COST/COVID-19/2020/148 dated 23-04-2020. DPT vide above circular also allowed deferment of April, May and June months , annual lease rental/license fees on pro-rata basis, for the period of 3 months, without any interest, if requested by lessee/licensee.</td></tr>
<tr><td>(ii).</td><td>The proposal is based on valuation report from a firm from Bhilai, who are not conversant with the local situation, even location of land under valuation and its distance from Port, Veera, Bhachau and Jangl are far from port i.e. distance from port is about 50 kms. Whereas Valuation report is prepared treating distance within 20 kms from Port. Thus, report is lacking in factual position.</td><td rowspan="6">(i). It is clarified that a Government approved land valuer was engaged by the DPT as per clause of 13(iv) of the land Policy Guidelines for assessing the market value of the Kandla land estate. The M/s. M.C.Jain is a reputed Government approved Land Valuer engaged through E-Tender after fulfilling the criteria mentioned in the tender. Further, the Land Policy guidelines of 2014 do not require the concerned port trust to consult the users for appointment of the approved valuer. LPG Guideline does not provide for valuer to be local. Also members of LAC consists of members as provided in clause 11.2 (e) of LPG.

(ii). The rate has been fixed as per the parameter provided in the Land Policy Guidelines, 2015. Para 13(a) of the Land policy guidelines prescribes the methodology for determination of market value of the land based on the five factors as prescribed therein. In terms of the said para of the PGLM, 2015, the Land Allotment Committee will normally take into account the highest of the factors mentioned therein, viz. (i). State Government ready reckoner of land values in the area if available for similar classification / activities, (ii). Highest rate of actual relevant transactions registered in the last three years in the Port's vicinity with an appropriate annual escalation rate to be approved the Port Trust Board, (iii). Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board, (iv). Rate arrived at by an approved valuer appointed for the purpose by the Port and (v). Any other relevant factor as may be identified by the Port. The Policy Guidelines on Land Management, 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing.

(iii). Considering the various aspects such as special focus on investment, dedicated cargo for the port to ensure sustainability of ports in</td></tr>
<tr><td>(iii).</td><td>While considering fair market value of the land, State Government Jantri is taken into account. Jantri is one time levy on freehold property which is available for transfer or sale by State Government. Whereas, leasehold rights involve compensation thereof in terms of monthly rent of the property build by the lessee by investing his own money. Hence lease charges should be less than prevailing rent of the area. Usually Jantri rate is higher than prevailing rent of the area. Hence, for valuation of leasehold land Jantri method will not be a fair approach.</td></tr>
<tr><td>(iv).</td><td>The fair market value of the land as accepted by Railway (Semi Govt.) seems to have been worked out on factual position then prevailing and yet not changed. The same can be treated as fair market assessment of land.</td></tr>
<tr><td>(v).</td><td>The fair market rate assessed at 20% more is not for transactions / tender.</td></tr>
<tr><td>(vi).</td><td>The Land Allotment Committee (LAC) have considered the valuation report and recommended for approval by the Board. None of the committee members are from trade, for fair market value of the land, local trade body representatives should be included in such committee, if committee is to consider valuation.</td></tr>
<tr><td>(vii).</td><td>The LAC meeting dated 27.11.2009, para 1, page 209 have rightly commented that "mechanical and inappropriate application of land policy guidelines may lead to inflated and unrealistic market value which result in poor response to tender-cum-auction and subsequently loss of business".

The valuation needs to be done by a local valuer and local trade representative needs</td></tr>
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	to be given representation in the committee before accepting valuation report and/or submission of proposal. Also, proposal to be discussed with local trade bodies to arrive at fair market value of the land for lease charges/rent. (p.212) of the meeting – The rates approved earlier by TAMP are objected by the users and matter is pending under litigation. (p.213) – The average rates of recent transactions taken to arrive at present market rate in respect of above villages by the valuer is found reasonable, is a presumption drawn by the Committee. The presumption can not take place of factual transactions. Had the factual transactions been considered, the reference for same is necessary in report. Thus the valuation report is not based on then (year 2019) prevailing market rates.	the long run, to create employment opportunities at Kandla and to avoid diversion of liquid cargo from Kandla, to nearby ports and only a few tenders/auctions are carried out in the last three years pertaining to general leases (other than salt land) and those are for different sizes of plots for different purpose. Accordingly, no hike in the present SOR except 2% annual escalation as per the provision of Land Policy guideline have been proposed by the DPT, so that the business of the port is not affected in the long run and the port remains an attractive investment location to the Port Users.
(viii).	The aim of government guidelines for allotment of land seems to have been left over. The revision of the land policy should be such that ports get maximum long term cargo as well as create employment opportunity (PD-1317/5/2019-PD V dated 03.12.2019). Whereas, Committee, have confirmed that no bid was received despite extension of time limit. The Lessees have left the plot finding the lease rent impracticable / economically not viable after paying initial payment. Litigations from users / lessees are pending in courts, because of unreasonable revision etc. (confirmed in minutes). Hence, care to be taken to obtain factual fair market value of land and its lease amount as well.	
(ix).	The Board have passed proposal because there is no revision of rates, only escalation of 2% as per TAMP guidelines is requested. Hence valuation report, its base etc, nothing is considered / brought on record discussed, hence it is lacking in appropriate /weightage in the interest of trade.	No specific comments furnished by DPT
8.	**Food Corporation of India**	
(i).	Food Corporation of India (FCI) is a subsidy based organization. They purchase foodgrain at minimum price and sale at Central Issue Price which is much lower. The gap between purchase and sale price and the cost of distribution and storage together form a part of India's food subsidy. Therefore, for Organization like FCI, there should be given special concessionary rate because unlike other stakeholders, FCI does not have a	The point raised by the M/s. Food Corporation of India vide letter dated 30-06-2020 already clarified in the previous revision of rate approved by TAMP vide nonfiction No. 350 dated 04/12/2014 that as per clause 11.2.(h) of the land policy guidelines of 2014, envisages concession in lease rent upto 50% to security agencies and government departments and upto 75% to government departments which are essential to the core

	mandate for profit. Further more, they believe that PSUs and other assets of national importance should be given concession and such organization should not be viewed a source of profit. The land policy should be conclusive and inclusive to ensure continued presence of National Assets since they boost the feeling of Nationalism amongst the local public.	functioning of the port like Customs, electricity department, health department and for core security functions with the approval of the Board of the concerned Port Trust. The Land Policy Guidelines, 2014 do not prescribe any concessional rent to Govt. Organization, which are not essential to core operational purpose of the Port, hence request of the FCI for concession of 50% in lease rent cannot be accepted.
(ii).	The role of FCI has grown many folds and the importance of FCI has been acknowledged during the ongoing covid 19 pandemic. Hence, FCI being an important organization ensuring food security to the nation, they request to grant 50% concession in the annual lease rent.	

2.1. Subsequently, Laxmi Motors, vide its email dated 24 June 2020 has reiterated its comments made in its e-mail dated 12 June 2020. It has also reiterated its comments made earlier by its letter dated 24 July 2018 regarding the rates fixed for tariff cycle earlier to the tariff cycle of January 2019 to December 2023. It has made the following additional submissions:

(i). Other Ports like Chennai Port Trust have revised the rate scientifically by giving consideration to various activities related to shipping which are as under:

(a). Index of Tonnage Handled during respective period.
(b). Gross Revenue Generated during respective period.
(c). Index of Land Value during respective period.
(d). RBI cost inflation Index during respective period.

DPT valuer has not given consideration to above vital factors while revising the rate.

(ii). By fixing higher rate, Traffic will be diverted to other port. Valuer of Chennai Port Trust has given consideration to this issue while fixing the rate. By fixing higher rate by DPT on one side some of the traffic particularly that of Liquid Commodity is diverted to nearby Private Port viz. Mundra, Dahej & Pipavav Ports and on other side no one bids when plot is put to auction by DPT during past 20 years.

(iii). For fixing higher rate, DPT has not given reply to any lease holder, whenever reason for such higher rate is asked by lease holder. The reply given by DPT is to pay first for the asked money, afterwards they will give the reply.

(iv). Other Ports have reduced the rate whenever Port Users have represented about same like Kolkata Port Trust has reduced the rate for Dhobi Talov Container Yard. Similar rate revision was considered by Chennai Port Trust on lower side when it was represented by Port Users.

(v). Because of fixation of higher rate, some plot holders have vacated the plots and handed over to DPT. Such plots were subsequently put for auction by DPT but have no buyer because of higher rate. Those lease holders who have spent handsome amount in development of the plot according to their use have gone for litigation and as on today about 29 cases are pending with High Court of Gujarat and others are with lower/trial court.

(vi). Hon'ble Supreme Court of India in Jamshed Hormusji Wadia vs Bombay Port Trust & others [2004(3)SSC 214] while dealing with the status of MBPT as landlord and considering its right to charge any rate from the lessee as it pleases, the Hon'ble Supreme Court of India ultimately decided the following:

"18. In our opinion in the field of contract the state and its instrumentalities ought to so design their activity as would ensure fair competition and non-discrimination. They can augment their resources but the object should be to serve the public cause and to do public good by resorting to fair and reasonable method. The state and its instrumentalities, as the landlord have the liberty of revising the rate so as to compensate themselves against loss caused by inflationary tendencies. They can and rather must also save themselves from negative balances caused by the cost of maintenance and payment of taxes and cost of administration. The state as landlord need not necessarily be a benevolent and good charitable Samaritan. The felt need for expanding and stimulating its own activity or other activities in the public interest having once arisen, the state need not hold it hands from seeking eviction of its lessee. However, the state cannot be seen to be indulging in rack-renting, profiteering and indulging in whimsical or unreasonable eviction or bargains.

It is further noteworthy that at Para No. 32 of 36 of the said judgment in Wadia's case, the Hon'ble Supreme Court also specifically rejected the cross objection filed by the Mumbai Port Trust who sought to urge that "there is no legal bar on the port trust in charging rent which may be necessary even equal market rent" as being not maintainable and devoid of merits.

A copy of the comments furnished by Laxmi Motors vide its email dated 24 June 2020 was forwarded vide email dated 26 June 2020 to DPT for comments. No response was received from DPT till this case was taken up for finalisation.

2.2. Laxmi Motors has made the following submissions vide its email dated 02 July 2020 which was forwarded to DPT vide email dated 7 July 2020 for its comments. The DPT vide its letter dated 24 August 2020 has furnished its reply. A summary of comments received from users and reply of DPT thereon are tabulated below:

Sl.No.	Comments of the Laxmi Motors	Reply furnished by DPT
(i).	During the VC it was apprised to participants that once the rates are decided, it cannot be lowered down during next revision of rate. In our opinion there is no bar on revising the rate on lower side after considering ground reality. Land Policy Guidelines of Ministry of Shipping, Government of India, does not prohibit revision of rate on lower side as it cannot be one-way traffic. Major Ports which are meant for International Trade, has to reconsider its earlier decision in order to be in the trade particularly during present day globalization when we have to compete cheap market of China and other countries.	(i). Most of the points raised by the M/s. Laxmi Motors, Gandhidham pertains to previous revision of rate. DPT had already furnished the comments while approving the revision of Market Value of land and Reserve Price in terms of Lease rent in respect of Kandla land (other than salt land) for categories "A" to "G" of Deendayal Port Trust (DPT) applicable for the period from 01.01.2014 to 31.12.2018. The revision was last approved by TAMP vide Order TAMP/24/2014-KPT dated 13.11.2014, for the 5 years' period from 01.01.2014 to 31.12.2018. The above Order was notified in Gazette of India on 04.12.2014 vide Gazette No. 350. (ii). DPT has already furnished comments on the submission from M/s.Laxmi Motors, Gandhidham vide letter dated 02/07/2020 on the above mentioned subject. (iii). It is already clarified that rate has been fixed as per methodology provided in the Policy Guidelines on Land Management, 2015. There are different factors from one
(ii).	TAMP is getting the proposal from various major ports and other relevant feedback. For example: while revising the rate by Chennai Port Trust which was done scientifically by giving consideration to Index of Tonnage handled, Gross Revenue Generated, Index of Land Value and RBI Cost Inflation Index. While receiving the proposal from DPT for the period 2014~2019 it was totally on unscientific basis by considering the rate of village 20 Kms. away from Kandla Land which is having no relevance. It is not	

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<td>understood that why TAMP has not given consideration to this basic aspect while accepting the proposal of DPT.</td>
<td rowspan="2">Major Port to other Major Port for fixing the market value of land. The rate arrived at by an approved valuer appointed for the purpose is one the factor among the five factors for assessing the Market value/ reserve price. The rate has been fixed as per the parameter provided in the Land Policy Guidelines, 2015. Para 13(a) of the Land policy guidelines prescribes the methodology for determination of market value of the land based on the five factors as prescribed therein. In terms of the said para of the PGLM, 2015, the Land Allotment Committee will normally take into account the highest of the factors mentioned therein, viz. (i). State Government ready reckoner of land values in the area if available for similar classification / activities, (ii). Highest rate of actual relevant transactions registered in the last three years in the Port's vicinity with an appropriate annual escalation rate to be approved the Port Trust Board, (iii). Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board, (iv). Rate arrived at by an approved valuer appointed for the purpose by the Port and (v). Any other relevant factor as may be identified by the Port. The Policy Guidelines on Land Management, 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing.

Considering the various aspects, there is increase in the rate previously approved by TAMP, except 2% annual escalation which is as per the provision of the Land Policy Guidelines, 2015.

M/s. Laxmi Motors, Gandhidham has approached the Hon'ble High Court of Gujarat challenging the rate structure approved by TAMP, vide Notification No.106 dated 11.05.2011 and No.350 dated 04.12.2014.

The High Court, vide Order dated 10-05-2019, has confirmed the TAMP Order No. 350 dated 04-12-2014. However, the same was challenged by the respective parties by filling LPA in the High Court of Gujarat. The Hon'ble High Court has, however, not stayed on implementation of the said Order dated 04-12-2014. The matter is still pending in the Hon'ble High Court.</td>
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<td>(iii).</td>
<td>While fixing the rate of F1 & F2 category, approved Valuer mentioned that because there is no buyer of this land, valuer has considered earlier rate fixed by TAMP. Here one thing which need consideration is that earlier rate fixed were on very higher side and challenged by practically all stake holders being not fixed on scientific base and only on the basis of one location of particular village which is 20 Kms. away from Kandla Land. If there is no buyer of land in particular category, the better alternate for valuer was to consider Jantri Rate of adjoining area of Gujarat Government Land which is INR 1100.00 per Sq. Mtr. as mentioned by valuer himself. Instead of considering this Jantri Value which is decided by State Government on scientific basis, the rate considered by earlier valuer without any scientific approach was taken into consideration. Present Jantri Rate is INR 1100.00 per Sq. Mtr. but the rate was considered INR 7200.00 per Sq. Mtr. as per old rate of TAMP that is practically Seven Times which is totally unreasonable.

If the prevailing Jantri Rate is considered, which is most appropriate, the rate of lease rent chargeable w.e.f. 01/01/2014 for our plot shall be 403.20 x 1100.00 ÷ 7274.00 = INR 60.97 per Sq. Mtr. which is most reasonable rate as per actual prevailing market rate.
Further, Hon'ble Supreme Court in its Judgment 2004(3)SSC2(4) suggested that Port Trust has liberty to raise the lease rent so as to compensate themselves against loss caused by inflationary tendency and to save themselves from negative balance caused by the cost of maintenance and payment of Taxes and cost of administration. Laxmi Motors was allotted with plot of land in the year 1983 with initial lease rent as INR 2.70 per Sq. Mtr. Even considering 20 time rise in 30 years above lease rent with consideration to all the factors suggested by Supreme Court, the reasonable rate work-out shall be INR 54.00 per Sq. Mtr.

Further, as brought-out in our earlier submission that Government of Gujarat in the year 2008 has allotted various commercial plot in nearby areas of Kidana Golai that is fag end of F1 category for Warehousing and other commercial activity on lease rent of INR</td>
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	25.00 per Sq. Mtr. with plot area of 18000 to 19000 Sq. Mtr. at Survey No. 155/1 of Village Kidana to various commercial organizations. Even considering rise to double level in five years that is upto 2013, the rate shall be INR 50.00 per Sq. Mtr. which is almost same suggested by us. Thus, considering all factors, the reasonable market rate shall be between INR 60.00 to INR 70.00 per Sq. Mtr. w.e.f. 01/01/2014 and not INR 436.44 Sq. Mtr. as proposed by DPT.	It is relevant here to state that the Hon'ble High Court has not granted any stay on the Order of TAMP dated 4th December 2014 in the Writ Petition / SCA(s) filed by lessees/ users including M/s.Laxmi Motors, Gandhidham.
(iv).	Approved Valuer while fixing the rate of F1 & F2 category mentioned in its report that piece of land in these categories when put for auction, there was no buyer and DPT has not received any response. This itself speaks that rate considered by DPT as reserved price according to present rate is on much higher side and therefore required to be revised on lower side so that buyer can show their interest. By revising the rate upward side, DPT is turning position from bad to worst.	In this connection, it is submitted that before the TAMP had approved rate from 1999, only one category had been fixed from 05-07-1994 for land west of railway siding leading to Kandla Free Trade Zone and upto crossing of railway line and rate had been fixed for ₹16/- per sq. mtrs/per annum for that area. Land Valuer R.B. Shah & Associates had carried out the valuation of land and suggested "F" category in two sub category, i.e. plots situated on SEZ side from Kandla Railway Station (F1 category) and plots situated on Ahmedabad side from Kandla Railway Station (F2 category. Accordingly, rate has been revised from 07/1999. Subsequently, Land Valuer K.M. Thacker & Associates had carried out the valuation of above land and no change has been made in category "F". However, there is difference of rate in sub-categories "F1" category & "F2" category for which they have given detailed justification for "F2" category rate which is re-produced as under:- "Valuation of land of f2 category:- Plots situated on Ahmedabad side from Kandla Railway Station.:- Land towards the east of National highway from gandhidham railway station to Ahmedabad upto Mithirohar railway crossing. This area is opposite to the development of gandhidham township area of section-9, ward-12B and 10B(commercial) having renowned hotels like Gokul, Hotel Natraj etc. towards the west of National Highway 8A. Here, most of the lands are with railway. Only the first front street of eastern side is with Kandla Port Trust. Most of the land is allotted to private party as follows:- Transport Nagar, Noori Masjid, S.T. Bus Stand, Truck Owners Association, Sindhi Dharam Shala, Laxmi Motors etc. These lands have been allotted for 30 years lease. Jantry value of Sector-9 (Govt.

		Guideline rate) is ₹23,500 given for 99 years lease. Actual market rate of this area is 16,000 per sq. mtr. Commercial Plots situated opposite S.T. Station upto collector road, ward-12 A has stamp duty vaue ₹7,800/- per sq. mtrs. Development of plots on the rear side of railway land has remain stagnant during last few years. This strip is suitable basically for transportation, Automobile showrooms etc. Since the National Highway is converted in 6 lane, all the lands are abutting towards service road and does not have direct approach from National Highway. Though there is no flyover at Railway Station and proposed flyover at Mithirohar crossing, 50% of frontage of F2 category. Hence, this area is easily accessible from under bridge from Gandhdiham Township side."
(v).	If they consider ground reality the land between Railway Crossing (Gandhidham) viz. Fag End of F2 category land to Village Bhachau (*belongs to Gujarat Government*) is fully occupied with various activities i.e. Warehouse, Workshop, Small Factories, Commercial Organizations, etc. while land of DPT which is only 3 Kms. away from Nakti Creek with fabulous location alongside National Highway 8/A having no buyer which shows crystal clear fact that rate fixed by DPT is on very higher side and required to be lowered down to have utility and earning of Revenue from this land. Upward Revision shall further deteriorate the situation.	No comments furnished by DPT
(vi).	Because of fixing of abnormally higher rate by TAMP for the period 2014~2019, most of the stake holders have returned the land to DPT or have approached to various legal forum for seeking justice. As many as thirty firms have approached Hon'ble High Court of Gujarat against the decision of TAMP, many of them were Government PSUs. The matter is not finalized and ultimate sufferer are stake holders who has to spend fabulous amount on fighting the litigation which is definitely the National Loss.	No comments furnished by DPT
(vii).	COVID-19 has shaken the economy and INR 7274.00 per Sq. Mtr. is very high rate considering the fact that effect of COVID-19 has lowered down the asset rate by more than 30% in almost all the metros. On declaration of revised rate for 2014~2019, many stake holders were shocked and had made-up their mind to handover the plot or approach appropriate	The revision is due from 01-01-2019 and whereas, effect of COVID-19 has taken place during April-2020. However, due to COVID 19 pandemic and lockdown measures in India, MOS vide letter No. PD-14033/4/2020-PD VII dt. 21-04-2020, has directed all Major Port Trusts for Exemption/ Remission/ waiver/ deferments of charges to port users and PPP Concessionaires. Accordingly, DPT had granted remissions/ waivers/ deferments

	legal forum for seeking justice. Now after outbreak of COVID-19 the position has turned worst and it is feared that if rates are not lowered down, stake holders shall return their land to DPT.	of various charges during the Lockdown period and beyond as the case may be vide circular No. FA/COST/COVID-19/2020/148 dated 23-04-2020. DPT vide above circular also allowed deferment of April, May and June month's annual lease rental/ license fees on pro-rata basis, for the period of 3 months, without any interest, if requested by lessee/ licensee. In view of the above, it is observed that the market value of land of ₹3787.17 per sq. mtr and lease rent @ 6% of market value of land i.e. ₹227.23 per sq. per/per annum applicable from 01.01.2019 for "F1" category i.e. "Plots situated on SEZ side from Kandla Railway Station" and market value of land of ₹7419.50 per sq. mtr. and lease rent @ 6% of market value of land i.e. ₹445.17 per sq. per/per annum applicable from 01.01.2019 for "F2" category i.e. Land from "Plots situated on Ahmedabad side from Kandla Railway Station" considering 2% annual escalation on rate as applicable for 2018 under both the F1 & F2 category which was recommended by the LAC and approved by the Board are found to be reasonable.
(viii).	Para No. 5(b) of Land Policy Guidelines 2014 specifically advised Major Ports to fix the rates so as to encourage Private Enterprises in functioning of Major Ports. It is difficult to understand how private participants will be encouraged if rate of land is fixed Seven Times Higher than that of market rate as ultimately private operator has to survive in competitive market. With present practice of port as well as TAMP there is no possibility of implementation of this guideline.	No comments furnished by DPT

2.3. Further, Agencies & Cargo Care Limited (ACCL), Parker Agrochem Exports Limited (PAEL), Deepak Estate Agency (DEA), Tejmalbhai & Company (TBC) have expressed grievance as regards categorization of land from Category 'A' to category 'G1' received during processing of this case. A copy each of the comments of ACCL, PAEL, TBC and DAE was forwarded to DPT for comments vide our emails dated 30 June 2020 and 20 July 2020. In response, DPT vide its email dated 24 August 2020 has furnished its comments. A summary of comments received from users and reply of DPT thereon are tabulated below:

Sl. No.	**Comments of the ACCL [PAEL, DEA & TBC have furnished comments similar to ACCL]**	**Common reply furnished by DPT**
(i).	ACCL developed and invested in its infrastructure of the 3 plots allotted by DPT considering 60 years lease period.	The most of the points raised by above parties pertains to the renewal of leases expired during the year 2008 and not relevant with revision of rates.
(ii).	Initially there was no category of land until the year 2009. DPT started raising lease rental bills under category "A" from 2008 till 2013 with	

	2% escalation per annum. ACCL had paid all the lease rental bills from 2008 to 2013 accordingly.	(i). The most of the points raised by the above parties pertains to previous revision of rate. DPT had already furnished the comments while approving the revision of Market Value of land and Reserve Price in terms of Lease rent in respect of Kandla land (other than salt land) for categories "A" to "G" of Deendayal Port Trust (DPT). The revision was last approved by TAMP vide Order TAMP/24/2014-KPT dated 13-11-2014, for the 5 years' period from 01-01-2014 to 31-12-2018. The above Order was notified in Gazette of India on 04-12-2014 vide Gazette No. 350. The rate approved by the TAMP has expired on 31-12-2018 and is due for revision from 01-01-2019 as per Policy Guidelines of Land Management, 2015 which provides for SoR to be re-fixed every five years. (ii). M/s. IMC & M/s. Kesar etc. have approached the Hon'ble High Court of Gujarat challenging the rate structure approved by TAMP, vide Notification No.106 dated 11.05.2011 and No.350 dated 04.12.2014 and for change of categorization. The High Court vide Order dated 10-05-219 has confirmed the TAMP Order dated 350 dated 04-12-2014. However, the same was challenged by the respective parties by filling LPA in the High Court of Gujarat. The Hon'ble High Court has, however, not stayed implementation of the said Order dated 04-12-2014. The matter is still pending in the Hon'ble High Court. It is relevant here to state that the Hon'ble High Court has not granted any stay on the Order of TAMP dated 4th December 2014 in the Writ Petition/ SCA(s) filed by lessees/ users including IFFCO and HPCL. Further, the SCA / Writ Petitions filed by the HPCL, IFFCO and other lessees relate to the last revision of the Kandla Lands which had a validity period upto 31 December 2018. The current exercise in hand is for revision of rate structure of Kandla land beyond the expiry of its validity prescribed in the last tariff Order.
(iii).	In the year 2014, DPT issued bills with exorbitant increase in lease rent (900%) i.e. from ₹119.00 to ₹905.17 per sq. mtr. per annum by shifting us from category "A' to category "G-1" arbitrarily. The percentage increase in lease rent from the year 2008 to 2014 is 16700% which is unjustifiable. ACCL's fundamental question still remains unanswered is that why was its category changed from "A" to "G-1"?	
(iv).	Now, DPT has once again appointed M/s.M.C. Jain and Associates, an agency to finalise valuation of Kandla land in the year 2018 who submitted its report and ACCL is surprised to note that their land is shown under category "G-1" whereas in the previous valuation report it was classified under Category "A".	(i). The above parties raised the issue regarding change of categorization from "A" to "G". In this regard, it is already clarified while approving the revision of rate of 2014 that revision of rates were carried out by DPT by following the procedure outlined in LPG-2014. The category 'G' i.e. land for Liquid Storage Tanks was sub-divided into two categories i.e. Category G1 and G2 considering the distance

		of liquid tank installations from oil jetties. The Land valuer had submitted report to the Land Allotment Committee (LAC) suggesting rates for the subject lands, which was accepted by the Land Valuation committee and thereafter by the Board vide Resolution No. 203 dated 24.03.2014 and BR No.236 dated 10-06-2014. On the receipt of the proposal, the Tariff Authority had conducted public hearing with all the stakeholders including representatives of Tank Farm Owners Associations. During the public hearing, the representatives of tank farm owners/ operators and their associations strongly protested against the rates proposed for 'G' category of land, as they were paying only ₹80/- per sq. mtr/per year to ₹100/- per sq. mtr/per year (prevailing updated SOR rate) as against ₹905.17 per sq.mtr/per year proposed by Kandla Port. However, as the rates proposed by DPT were based on highest rate received in Auction in the 2011, the TAMP approved the proposal of KPT vide Notification No.350 dated 04.12.2014 and the Reserve Price for G-1 category of land was fixed as ₹905.17 per sq. mtr/per year. (ii). Further, as regards, the rate for land falling under category 'G' (i.e. Liquid Storage Tank purpose), the justification for increase of market rate has been further authenticated by e-tender cum e-auction process carried out by DPT by keeping the Reserve Price as per the revised rate i.e. ₹905.17 per sq. mtr / per year (G1 category). In the said e-Tender-cum-e-Auction process, the Deendayal Port Trust was not only able to successfully auction the new tank farm plots but was also able to get premium over and above the market rate. (iii). It is denied that concerned authorities have misguided the Board and TAMP that the increase in lease rent is only 85% as compared with "G" category rate of previous revision. (iv). In view of the above, it is observed that the market value and lease rent @ 6% of market value in respect of categories "A" to "G" applicable from 01.01.2019, considering 2% annual escalation on rate as applicable for 2018 which was recommended by the LAC and approved by the Board are found to be reasonable.

3. A joint hearing in this case was held on 26 June 2020 through Video Conferencing. At the joint hearing, DPT made a power point presentation of its proposal and forwarded a copy of the Power Point Presentation. The DPT and the concerned users / user organizations / lessees have made the following submissions at the joint hearing:

Deendayal Port Trust (DPT)

(i). The validity of last revision of Kandla land was till 31.03.2018.

(ii). The DPT appointed a Government approved valuer.

(iii). The approved valuer has given complete Valuation Report of Kandla Land excluding salt land and SIPC land on 7.5.2019.

(iv). LAC has recommended general increase of 2% on the existing tariff except for categories of land at C1, F1, F2 and G1.

(v). Presently, there are no separate rate approved by TAMP for villages Kidana, Veera, Mithirohar, Padana and Tuna. Market value of land for these villages are arrived based on average rate of recent transaction. Lease rent is proposed at 6% of the market value of land for these villages.

(vi). The Board of Trustees of DPT has approved the revised rates as recommended by the LAC. We request TAMP to approve Market Rates and SoR.

Deendayal Port Trust (DPT)
[Chairman]

(i). Minimum possible increase as per Land Policy is proposed by the port.

(ii). As per LPG, 2014, at least 2% annual escalation is permissible. Increase proposed in the lease rent is 2% which is the bare minimum. We cannot go down below 2%.

Indian Oil Corporation Limited (IOCL)
(Manish Bhatt, Senior Advocate)

(i). Neither LAC nor Board has applied their mind. They do not have independent view. They have relied on Valuation Report.

(ii). Minutes of Meeting of LAC dated 27 November 2019 seeks clarification on National Industrial Classification (NIC). Valuer gives clarification on the same day. He has not seen categorization as per NIC. Categorisation as per NIC, 2008 is incorrect.

(iii). We know Valuation Report could not take note of COVID-19 factor while recommending the proposed lease rent. Report is prior to COVID-19. Valuer has not considered the direction of the Joint Secretary (Ports) that lease rent need not be based on the highest valuation of land. Rate should be based on 2020 Market Value. Not of 2019 Market Value. Revisit Valuation Report.

(iv). G1 and G2 categorisation of land is incorrect. Only part of land is used for storage tank. Whereas, the rate arrived for land allotted to storage tank is applied to entire plot of land at G1 and G2 rates. Court case is pending in Gujarat High Court. Issue is with regard to categorization and rate increase.
[Chairman, DPT : Only retrospective issue is pending]

(v). IOCL spent ₹346 lakhs for benefit of environment. This aspect not considered while arriving at the proposed lease rent.

(vi). Tariff objective should be for sustainable development of port traffic.

(vii). In present situation, proposed increase should not be done.

(viii). Even 2% hike is going to have catastrophical impact. Land Policy Guidelines allows concession upto 50% to PSUs.

(ix). Apply 2% hike after 1 January 2021. Not prior to 1 January 2021.

(x). These are the comments of IOCL, HPCL and BPCL. Further, permit all the 3 oil companies to give written submission. Please give 15 days time.

Laxmi Motors

(i). We have given written submission.

(ii). The land allotted to us categorized as F2 by DPT is equidistant from Railway station as the land allotted to a Petrol Pump categorized as F1.

(iii). There is no justification for splitting F category into two categories viz. F1 & F2 though they are in single straight line equal distance from Nakti Creek. Prior to 2013, F was a single category of land.

(iv). Earlier during 2009 to 2013, lease rate for F1 land was high, whereas, F2 was lower. In the subsequent, revision in 2014-2019 this was reversed without any valid reason.

(v). Due to fixation of higher rate, some plot holders have vacated the plots and handed over to KPT. Such plots were subsequently put for auction by KPT but have no buyer because of higher rate. This means the rate should be lowered.

(vi). Valuer appointed by DPT has not done the valuation of land on scientific method. The CHPT had appointed valuer who had done valuation of land on scientific basis on four parameters viz. Index of Tonnage Handled, Gross Revenue Generated, Index of Land Value and RBI cost inflation Index.

(vii). What is the basis for taking value of land of a village which is 20 kms away from Gandhidham for arriving at lease rent for DPT land at Kandla.

(viii). In Kolkatta Port Trust, users of Dhobi Talav represented the port to reduce the rent. The KOPT has brought down the lease rent at the request of the users. Even the Chennai port on the request of users has reduced the lease rent.

(ix). Land Policy Guidelines, 2014 states that rate should be fixed to encourage private participation. But, DPT rates are so high that it does not encourage private parties.

Gandhidham Chamber of Commerce and Industry (GCCI)

(i). We will give detail comments in a week's time separately.

(ii). COVID-19 issue is not considered in land valuation done by the DPT in 2019.

(iii). Reliance on Jantri Rates may not be realistic.

(iv). Presently, land value is going down.

(v). We cannot bear the proposed increase.

Kandla Port Karmachari Sangh

(i). Why DPT is not coming with realistic, bearable and affordable lease rent?

(ii). If this is done, all land of DPT could be put to use.

Kandla Liquid Tank Terminal Association
[Mr. Deepak Dalvi]
(i). We oppose the proposed increase.

(ii). It does not take into account the present situation.

(iii). State Authorities are giving relaxation on lease rent. DPT has not given any such relaxation.

(iv). When valuation was done, the present situation of Covid 19 was not considered.

(v). There have been no takers for storage tank land parcels after the last revision. In this scenario, proposed increase is not reasonable.

(vi). There was increase of around 900% last time due to categorization of land.

(vii). Industry cannot accept the proposed increase.

(viii). We have made detailed submission. We will make further submission after the joint hearing.

(ix). DPT should revert to previous categorization pre 2014. Further, there should be no increase.

(x). Consult us in the concluding process.

Food Corporation of India (FCI)
[Shri Ishwarchand Meena, DM]

(i). FCI is subsidy based organization. DPT should, therefore, consider to grant relaxation in lease rent for FCI which is a Government organization.

(ii). There should be separate category for PSUs like FCI with concession in rates as our mandate is to serve the nation.

Indian Farmer Fertilizer Cooperative Limited (IFFCO)
[Shri O.P. Dayama SGM]

(i). We have made representation to the MOS and to DPT.

(ii). We had two rounds of discussion with the DPT. DPT is ceased of the matter.

(iii). Request TAMP to exclude land parcel allotted to IFFCO from the proposed purview of revision.

Deendayal Port Trust (DPT)
[Chairman]

(i). It is mandatory for DPT to have minimum 2% increase. We could have proposed more increase. This is least possible increase of 2% proposed by the port. The proposal filed by the DPT is as per the Land Policy Guidelines issued by the MOS. Considering the condition of business, complaints and concerns of trade, we have proposed 2% increase. It is not possible to look into any reduction.

(ii). There are huge outstanding amount from the oil companies.

Indian Oil Corporation Limited (IOCL)

(i). The question is 2% increase proposed by the port is on what? It is on the prevailing lease rentals which are already high.

Gandhidham Chamber of Commerce and Industry (GCCI)

(i). Policy should be framed such that there are no litigations and it is a win-win for both users and port.
[Member (Finance), TAMP:Land Policy Guidelines are issued by the Government. The Guidelines are binding on both TAMP and DPT and have to be followed.]

4. With reference to the points of action decided at the joint hearing, the HPCL, IOCL, BPCL and Gandhidham Chamber of Commerce and Industry (GCCI) have furnished written submissions, a copy of which were forwarded to DPT for their comments. A summary of the written submissions made by IOCL, HPCL, BPCL and GCCI and comments furnished by DPT thereon is tabulated below:

Sl. No.	Written submissions	Comments furnished by DPT
1.	**Hindustan Petroleum Corporation Limited (HPCL) Indian Oil Corporation (IOCL) Bharat Petroleum Corporation Limited (BPCL)**	
(i).	The present objections are filed without prejudice to its rights and contentions to challenge the said proposal on the ground that the same is not in conformity with the provisions of Section 49 of the Major Port Trusts Act, 1963 as also on the ground that the said request / proposal made by the DPT is in flagrant violation of the Clarifications dated 17.7.2015 on policy guidelines for land management 2014 issued by the Ministry of Shipping, as also the said Ministry's letter / clarifications dated 8.7.2015 and 29.4.2019 as will be elaborated herein after. The said proposal is also fallacious and untenable since it does not take into account COVID factor.	(i). The most of the points raised by the OMCs pertains to previous revision of rates. DPT had already furnished the comments while approving the revision of Market Value of land and Reserve Price in terms of Lease rent in respect of Kandla land (other than salt land) for categories "A" to "G" of Deendayal Port Trust (DPT). The revision was last approved by TAMP vide Order TAMP/24/2014-KPT dated 13-11-2014, for the 5 years period from 01-01-2014 to 31-12-2018. The above Order was notified in Gazette of India on 04-12-2014 vide Gazette No. 350. (ii). It is denied that the above proposal is not in consonance with the provisions of section 49 of the Act as also the Policy guidelines and subsequent circular issued by MoS. The rate has been fixed as per the parameter provided in the Land Policy Guidelines, 2015. Para 13(a) of the Land policy guidelines of January 2014 prescribes the methodology for determination of market value of the land based on the five factors as prescribed therein. In terms of the said para of the PGLM,2015, the Land Allotment Committee will normally take into account the highest of the factors mentioned therein, viz. (i). State Government ready reckoner of land values in the area if available for similar classification/activities, (ii). Highest rate of actual relevant transactions

		registered in the last three years in the Port's vicinity with an appropriate annual escalation rate to be approved the Port Trust Board, (iii). Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board, (iv). Rate arrived at by an approved valuer appointed for the purpose by the Port and (v). Any other relevant factor as may be identified by the Port. The Policy Guidelines on Land Management, 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing. Considering the various aspects as mentioned in the LAC minutes, no hike in the present SOR rate, except 2% annual escalation, which is as per the provision of the Land Policy Guidelines 2015, has been proposed, so that the business of the port is not affected in the long run and the port remains an attractive investment location to the Port Users. (iii). M/s. Indian Oil Corporation Ltd., Kandla, M/s. Bharat Petroleum Corporation Ltd., and M/s. Hindustan Petroleum Corporation Ltd., Kandla, have approached the Hon'ble High Court of Gujarat challenging the rate structure approved by TAMP, vide Notification No.106 dated 11.05.2011 and No.350 dated 04.12.2014. The High Court vide Order dated 10-05-219 is confirmed the TAMP Order dated 350 dated 04-12-2014. However, the same was challenged by the respective parties by filling LPA in the High Court of Gujarat. The Hon'ble High Court has, however, not stayed implementation of the said Order dated 04-12-2014. The matter is still pending in the Hon'ble High Court. It is relevant here to state that the Hon'ble High Court has not granted any stay on the Order of TAMP dated 4th December 2014 in the Writ Petition/ SCA(s) filed by lessees/ users including IFFCO and HPCL. Further, the SCA / Writs Petitions filed by the HPCL, IFFCO and other lessees relate to the last revision of the Kandla Lands which had a validity period upto 31 December 2018. The current exercise in hand is for revision of rate structure of Kandla land beyond the expiry of its validity prescribed in the last tariff Order.
(ii).	HPCL submits that one of the major factors on the basis of which the site at Kandla was selected for the said industry was to promote and generate opportunities of employment in the backward area in the district of Kutch at the time of establishment of the industry and, therefore, land was offered to HPCL at the time of establishment of the industry	No comments furnished by DPT

<table>
<tr><td></td><td>at the rate at which the industry and the business was viable.</td><td></td></tr>
<tr><td>(iii).</td><td>A perusal of the Annexures attached to the DPT proposal would go to show that DPT has blindly relied upon the Valuation report dated 7.5.2019. In the first instance, neither the Valuation Report dated 7.5.2019 nor the impugned proposal dated 4.3.2020 takes into consideration the impact due to COVID-19 Pandemic. Thus, in the first instance, on the aspect of taking the market value, neither the Valuer nor the DPT has taken into consideration the said impact and on this ground alone, the proposal can be said to be invalid. It is submitted that HPCL has suffered huge negative impact on sales volume due to the COVID Pandemic which can be demonstrated with facts and figures as under:
<table><tr><th>Product</th><th>Period 22.03.2019 to 25.06.2019</th><th>Period 22.03.2020 to 25.06.2020</th><th>Remarks</th></tr><tr><td>MS</td><td>4314 KL</td><td>3413</td><td>-20.8 %</td></tr><tr><td>HSD</td><td>35236 KL</td><td>27556</td><td>-21.8 %</td></tr></table></td><td>No comments furnished by DPT</td></tr>
<tr><td>(iv).</td><td>That at the outset, the said proposal is not in consonance with the provisions of Section 49 of the Act as also the Policy guidelines and the Circulars issued by the Ministry of Shipping and, therefore, the said proposal is not required to be acted upon in the first instance.</td><td>Reply furnished by DPT at Sr.No.(i) above.</td></tr>
<tr><td>(v).</td><td>That DPT has solely relied upon the Valuation Report which in turn has not carried out any independent exercise and has solely relied upon the land rates as per TAMP 2014 with its escalations as applicable. In this process, the Valuer as well as the DPT have completely misdirected themselves in ignoring the fact that subsequent to TAMP 2014, the Ministry has issued policy guidelines for land management 2014. Thus, in the first instance, exercise for arriving at the market rate of the land was required to be carried out as per the said policy guidelines and neither the Valuer nor the DPT were authorized to blindly rely upon the market rates arrived at in TAMP 2014. Moreover the rates arrived under TAMP 2014 itself are challenged by HPCL and the matter is Sub-Judice before the High Court of Gujarat. Therefore, the Valuer and DPT ought not to have derived their valuation of the said land solely on the rates which are under litigation.</td><td rowspan="2">As per the Land Policy Guidelines, 2004 under clause No. 5.3(i)(e) & Land Policy Guidelines, 2011 under clause No. 6.3(1)(e) already provided for fixing of SoR according to the purpose of land use which is reproduced as under:- “SoR should vary in accordance with the purpose of land use. The committee should recommend to the competent authority, varying SoR in accordance with the end use as reflected in Land Use Plan.” The valuer vide his letter dated 27-11-2019 has informed that DPT had already classified the categorization of land wherever possible as per the National Industrial Classification (NIC), 2008. i.e. Liquid storage tank & production of salt which occupies a major portion of land bank available with DPT. Remaining of Valuation of Land Assets has been done considering the location of land and distance from Port Creek. In NIC, there are many categories and most of the categories are not existing in Port Land area. With NIC, the latest transaction rate of each category would not be available. Since, most of the area already covered and classified as per the NIC, 2008, hence, the present categorization is found to be in order. Further, National Industrial Classification (NIC), 2008, which only provides classification/purpose only.</td></tr>
<tr><td>(vi).</td><td>Annexure II to the proposal is the clarification dated 17.7.2015 issued by the Ministry of Shipping. Paragraph 13 of the said clarificatory letter enumerates as to how the land allotment committee is required to determine the latest market value of the port land. The said paragraph also mandates that five factors have to be taken</td></tr>
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	into consideration for determining the latest market value.	In view of the above and considering various aspect such as special focus on investment, dedicated cargo for the port to ensure sustainability of ports in the long run, to create employment opportunities at Kandla and to avoid diversion of liquid from Kandla, to nearby ports, DPT has not increased in the present SOR rate, except 2% annual escalation which is as per the provision of the Land Policy Guidelines, 2015, despite the DPT had received highest rate received during year 2016 through E-Tender Cum-E-Auction amounting Rs.3261.4 per Sq. Mtr./per annum for Bitumen and further the rate amounting to ₹3260.57 per sq. mtrs/per annum received through E-Tender Dum-E-Auction during 2016 in case of Liberty investments.
(vii).	Annexure III to the proposal is letter dated 8.7.2015 issued by the Ministry of Shipping. The Ministry of Shipping has clarified that out of the five factors enumerated in arriving at the market value, it is not mandatory to take the highest of the five factors. Paragraph 4.1 to 6 being relevant are reproduced here under :- "4.1 Para 18 of the Land Policy Guidelines stipulates that the State Govt.'s ready reckoner should be considered only if available for similar classification / activities. It is therefore essential that the Land Allotment Committee or the Board satisfies itself that only the appropriate ready reckoner rate for similar activity is taken. 4.2 Highest rate of actual relevant transactions registered in the last 3 years in the Port's vicinity is another factor which has been mentioned for determining the latest market value of Port land. Here actual transactions means transactions for equivalent size of land parcels and for similar usage of land. 4.3 Similarly highest accepted tender cum auction of Port land for similar transactions means that tender-cum-auction done for land of similar sizes, and similar use. 5. Hence it is important that while choosing the market value as per para 18 of the Land Policy Guidelines 2014, due care is taken to choose the relevant factor which captures the realistic market value of the land. Mechanical and inappropriate application of the Land Policy Guidelines may lead to inflated and unrealistic market value which results in poor response to	It is denied that DPT has blindly relied upon the Valuation report dated 07-05-2019. It is observed that the valuer in its report dated 17/05/2019 has mentioned that the highest rate received during year 2016 through E-Tender Cum-E-Auction amounting ₹3261.74 per sq. mtr./per annum is very high as this land was allotted for specific purpose i.e. Bitumen and further the rate amounting to ₹3260.57 per sq. mtrs/per annum received through E-Tender Cum-E-Auction during 2016 in case of Liberty investments is very high due to smaller size of plot. The revision is due from 01-01-2019 and whereas, effect of COVID-19 taken place during April-2020. However, due to COVID 19 pandemic and lockdown measures in India, MOS vide letter No. PD-14033/4/2020-PD VII dt. 21-04-2020, has directed all Major Port Trusts for Exemption/ Remission/waiver/deferments of charges to port users and PPP Concessionaires, accordingly, DPT had granted remissions /waivers /deferments of various charges during the Lockdown period and beyond as the case may be vide circular No.FA/COST/COVID-19/2020/148 dated 23-04-2020. DPT vide above circular also allowed deferment of April, May and June months , annual lease rental/license fees on pro-rata basis, for the period of 3 months, without any interest, if requested by lessee/licensee. In view of the above, it is observed that the market value and lease rent @ 6% of market value in respect of categories "A" to "G" applicable from 01.01.2019, considering 2% annual escalation on rate as applicable for 2018 which was recommended by the LAC and approved by the Board are found to be reasonable.

	tender-cum-auctions and subsequently loss of business to the Port. 6. I shall be grateful if TAMP could sanitize their officers and ensure that proper proposals in line with the letter and spirit of the Land Policy Guidelines are sent by the Ports to TAMP. This letter issues with the approval of the Competent Authority."	
(viii)	The proposal is thus in breach of the Ministry's letter dated 8.7.2015.	No specific comments furnished by DPT
(ix).	Annexure IV to the proposal contains the clarification dated 29.4.2019 issued by the Ministry of Shipping. In respect to paragraph relating to arriving at the market value of the land, the Ministry has clarified as under :- "**<u>Issue 13 (c)(i)</u>** :- It has been brought to the notice of the Ministry that the present classification of the port lands and the fixation of SoR thereof is not uniform within and across the major ports leading to complications and disputes. This impacts the realization of revenue for the ports. How does the Port Land need to be classified/categorized ? **<u>Clarification 13(c)(i)</u>** :- For the lease, classification /categorization of Port Land needs to be done as per National Industrial Classification (NIC), 2008." It is submitted that land leased by Visakhapatnam to various authorities is ₹ 287.04 per sqm.	No specific comments furnished by DPT
(x).	Thus, the clarification / categorization was required to be done as per National Industrial Classification (NIC) 2008. It is submitted that the Valuation Report which has been accepted by the DPT is not at all in consonance with NIC 2008. Thus, even on this count, Ministry's decision has been violated by the DPT while giving the impugned proposal.	No specific comments furnished by DPT.
(xi).	As per the above referred clarification given by the Ministry, the classification / categorization of Port land was required to be done as per NIC 2008. The Valuer has made reference to certain grouping under the NIC 2008 which is summarized by HPCL.	No specific comments furnished by DPT.
(xii).	As per the Grouping, only the area occupied by the storage tanks should be categorized and given a particular heading. As against the same, in the Valuation Report and the categorization of port land carried out by the valuer / DPT, entire area of a particular plot has been categorized as for storage tanks and accordingly, higher lease rentals have been demanded under G-2. The correct position as per NIC 2008 would be as per the working given below(HPCL has attached copy of Annexure A).	No specific comments furnished by DPT.

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<tr><th>S. No.</th><th>Land Use Type</th><th>Area (in sq.m)</th><th>% of Plot Area</th><th>Total Plot Area (in sq.m)</th><th>Category as per TAMP</th><th>Rate as per TAMP as on 01.01.2019 (₹ per sq.m per annum)</th><th>Valuation Report Category Sr. No.</th><th>NIC Code used by DPT</th></tr>
<tr><td>1</td><td>Area occupied by Liquid Storage Tanks</td><td>9295</td><td rowspan="5"></td><td rowspan="5">91567</td><td rowspan="5">G2</td><td rowspan="5">659.78</td><td rowspan="5">74</td><td rowspan="5">Group 473</td></tr>
<tr><td>2</td><td>Open Space (including Roads)</td><td>37612</td></tr>
<tr><td>3</td><td>Area occupied empty space around the Product Tanks</td><td>37920</td></tr>
<tr><td>4</td><td>Area occupied by TT Filing Gantries & Pump House, Fire Pump House and Pipelines</td><td>4882</td></tr>
<tr><td>5</td><td>Area occupied by Admin Bldg., Lab, Canteen, Rest Rooms, Electrical Facilities & MCC Rooms, Control Room, Security cabin etc.</td><td></td></tr>
</table>
[The BPCL and IOCL have furnished similar statement pertaining to their leased area. IOCL has included a note stating that NIC code for its area referred by valuer is not found in NIC 2008]
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<td>(xiii).</td>
<td>It is therefore submitted that since the proposal which is based on Valuer’s report is not in consonance with the NIC 2008 itself, such untenable proposal cannot be put forth by the DPT in the first instance.</td>
<td>No specific comments furnished by DPT</td>
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<td>(xiv).</td>
<td>It is submitted that the proposal has also been given in a hot haste as can be seen from the Annexures V to VII to the proposal. It is submitted that as per Annexure V i.e. minutes of the Land Allotment Committee dated 27.11.2019, clarification was sought for from the Valuer as to whether the Valuation Report complied with NIC 2008. Under the minutes of meeting dated 27.11.2019 of the Land Allotment Committee (Annexure V to the proposal), while taking note of NIC 2008, the Committee observed that the Government approved Valuer had not taken into account the clarification regarding classification / categorization as per NIC and, therefore, clarification in that regard may be sought. On the same day i.e. 27.11.2019, (Annexure VI to the proposal), the Valuer without ascertaining the factual position, replied that since most of the area already covered and classified, categorization of land wherever possible was as per NIC. Thus, based on the so-called clarification, the Land Allotment Committee in the meeting dated</td>
<td>No specific comments furnished by DPT</td>
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	29.11.2019 (Annexure VII to the proposal), immediately resolved to give the proposal. It can thus be seen that in the first instance, there is hot haste and without any cogent clarification with regard to categorization as per NIC, the Valuer's report was accepted by the Land Allotment Committee.	
(xv).	Secondly, as can be seen from the alleged clarification dated 27.11.2019 given by the Valuer, in his opinion, DPT had classified as per NIC whereas the land allotment committee of the DPT itself puts the burden on the Valuer to classify the land as per NIC 2008. It thus becomes abundantly clear that without classification / categorization being carried out as per NIC 2008, the impugned proposal has been given by the DPT.	No comments furnished by DPT.
(xvi).	That in so far as the Valuation report is concerned, in the firfst instance, no opportunity of hearing or clarifying the position has been afforded. Since the proposal relies only upon the Valuation report which in itself is defective on the ground of opportunity not being given, reliance placed on subjudiced rates as also not in consonance with the clarifications issued by the Ministry of Shipping, the same could not have been acted upon.	Reply furnished by DPT at Sr.No.(iii). above..
(xvii).	As per the Ministry's clarification dated 8.7.2015, it was not mandatory to take the highest value out of the five factors and a realistic value was required to be taken. These factors have been completely ignored both in the Valuation Report as also in the proposal of DPT.	No comments furnished by DPT.
(xviii).	In the Valuation Report which is Annexure I to the proposal, it has been specifically noted that the growth of the DPT was minimal compared to Paradip, Mormugao Ports etc. despite which no discounting factor has been applied.	No comments furnished by DPT.
(xix).	In the Valuation Report, it has been noted that the revenue of DPT was 601.73 Crores, but thereafter, figures relating to expenditure have not been elaborated so as to justify any increase.	No comments furnished by DPT.
(xx).	That no concession has been offered to the public sector undertakings as per Clause 11 (h) of the Clarifications dated 17.7.2015 on the Policy Guidelines read with further clarifications of the Ministry dated 29.4.2019.	No comments furnished by DPT.
(xxi).	That in any view of the matter, as per the Land Policy Guidelines, the objective should be sustained development of Port Traffic whereas no such considerations have been given in the impugned proposal. This despite the fact that it has been noted in the minutes of the meeting of the Land Allotment Committee dated 29.1.2019 that various lessees had surrendered lease due to non-viability.	No comments furnished by DPT.

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<tr><td>(xxii).</td><td>That the proposal though dated 4.3.2020 proposes to give a retrospective determination from 1.1.2019 which will cause serious and irreparable prejudice.</td><td>No comments furnished by DPT.</td></tr>
<tr><td>2.</td><td>Indian Oil Corporation Limited (IOCL) and Bharat Petroleum Corporation Limited have reiterated the comments of HPCL. The BPCL and IOCL have furnished a statement giving details of area and the NIC code used by the DPT/valuer pertaining to their leased area. IOCL has included a note stating that NIC code for its area referred by valuer is not found in NIC 2008]</td><td>DPT has, vide its letter dated 24 August 2020, furnished common reply in response to HPCL, BPCL and IOCL's comments as brought out above.</td></tr>
<tr><td>3.</td><td>Gandhidham Chamber of Commerce and Industry (GCCI)</td><td></td></tr>
<tr><td>(i).</td><td>The Gandhidham Chamber of Commerce and Industry (GCCI) as the leading organization of the Trade and Industry of the Gandhidham-Kandla Comples are of strong opinion that the present Land Policy is wrongly formulated resulting in question on long term sustainability of the business of this Complex.</td><td rowspan="6">(i). The most of the points raised by the Gandhidham Chamber of Commerce & Industry pertains to previous revision of rate. DPT had already furnished the comments while approving the revision of Market Value of land and Reserve Price in terms of Lease rent in respect of Kandla land (other than salt land) for categories "A" to "G" of Deendayal Port Trust (DPT). The revision was last approved by TAMP vide Order TAMP/24/2014-KPT dated 13-11-2014, for the 5 years' period from 01-01-2014 to 31-12-2018. The above Order was notified in Gazette of India on 04-12-2014 vide Gazette No. 350. The rate approved by the TAMP has expired on 31-12-2018 and is due for revision from 01-01-2019 as per Policy Guidelines of Land Management, 2015 which provides for SoR to be re-fixed every five years.

(ii). The rate has been fixed as per the parameters provided in the Land Policy Guidelines, 2015. Para 13(a) of the Land policy guidelines of January 2014 prescribes the methodology for determination of market value of the land based on the five factors as prescribed therein. In terms of the said para of the PGLM, 2015, the Land Allotment Committee will normally take into account the highest of the factors mentioned therein. The Policy Guidelines on Land Management, 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing.

(iii). Considering the various aspects, the revised rate proposed is only after applying @ 2% annual indexation on updated TAMP approved rate of 2018. In other words, there is no increase in the rate approved by TAMP, except 2% annual escalation which is as per the provision of the Land Policy Guidelines, 2015.</td></tr>
<tr><td>(ii).</td><td>GCCI had called a joint meeting with all its Member Associations who have all strongly objected to the proposal of 2% hike by the DPT. In fact, looking to the present and upcoming economic scenario, GCCI strongly suggests that currently existing charges be reduced by at least 20-30% to be competitive to attract and maintain business.</td></tr>
<tr><td>(iii).</td><td>GCCI requests TAMP to kindly look into the matter and issue the directives to the DPT to withdraw the proposed hike of rates and formulate a new policy with reduction of 20-30% in the best interest of business development and interest of the nation.</td></tr>
<tr><td>(iv).</td><td>Present Land Policy should be reviewed and formulate new policy considering state Government land rates of surrounding area. At the time of formulation new policy, the opinion of stake holders should be considered.</td></tr>
<tr><td>(v).</td><td>While fixing the land rates, State Government land rates, Railways land rates should be referred and considered. Rate should be encouraging for long survival of port connected business activities. The new policy should be flexible, with liberal terms & conditions and reasonable rates.</td></tr>
<tr><td>(vi).</td><td>The valuation of Land shall be conducted on basis of the Guidelines of Gujarat Government vide their Resolution No. JNM/39 10/35 19/A1 [Appendix]. It is unfair to avoid these guidelines as it has deliberately been implemented for encouraging Trade and Business of the State. The valuation should also be consider the current rate of rent charged by the Lease Holders. Last valuation has taken in 2Ol4 on basis of the same but this time it has not been considered by the valuer. The recent valuation has not considered the same.</td></tr>
</table>

(vii).	In 2014, at the time of rate revision, DPT has considered the prevailing rent of charged by lease holders. Now, these charges have gone down 70% and the occupancy shows downtrend by 80%. Hence, the same criteria needs to be considered in fixing the rates. Also, it is not viable/feasible that one outsider party/agency come to Kandla for valuation without knowing the geography, local factors, market value, State Jantry, rate of Railway Land and current land transactions etc.	It is already clarified while approving the previous revision of rate in 2014 that revision of rates were carried out by DPT by following the procedure outlined in LPG-2014. DPT appointed a Government approved valuer which was selected through e-tender process. After physical verification and ground level survey, the valuer submitted a detailed report for valuation of A to G categories of land with several sub-categories.
(viii).	Under this policy, the stake holders and some PSUs were allotted land and subsequently more than 500% hike has imposed on them which is totally unjustifiable. They have vacated and surrendered the land mainly due to higher lease rent. Recently, a well-known PSU- NDDB has scrapped their tank farm and surrendered the land bearing a huge financial loss. The same case happened with FCI and other PSUs. Port should be a facilitator and policy should be to develop port activities and not earn big money from land.	Considering the various aspects such as special focus on investment, dedicated cargo for the port to ensure sustainability of ports in the long run, to create employment opportunities at Kandla and to avoid diversion of liquid cargo from Kandla, to nearby ports and only a few tenders/auctions are carried out in the last three years pertaining to general leases (other than salt land) and those are for different sizes of plots for different purpose. Accordingly, DPT has revised land values arrived by a general increase @ 2% on updated TAMP approved rate of 2018 as a relevant other factor among the factors mentioned in the para 13 of the amended LPG-2014, so that the business of the port is not affected in the long run and the port remains an attractive investment location to the Port Users. In view of the above, it has observed that the market value and lease rent @ 6% of market value in respect of categories “A” to “G” applicable from 01.01.2019, considering 2% annual escalation on rate as applicable for 2018 which was recommended by the LAC and approved by the Board are found to be reasonable.
(ix).	On one hand, the Hon'ble CM of Gujarat has initially offered a land on token basis to attract industrialists from China, Japan and US. Recently, constituted High Power Committee headed by Shri Hasmukh Adhia has also suggested the same in his Final Report dated 12.06.2020. On another hand, the DPT has proposed the hike on already unbearable rates. The data considered for valuation by the Agency, may not be the factual condition referring to the prevailing Market Scenario, Geographical Distances, State Jantry, Rate of surrounding Railway Land and current land transactions. These should be considered while valuation	
(x).	There is a growing resentment among the entire stake holder's spectrum about the wrong and unilaterally categorisation of land/plots without any statistical/ practical parameters. It should be immediately withdrawn.	
(xi).	Valuation should be on public domain and stake holders’ real concerns should be addressed in the best interest of the sustainability of the	

	development. Presently, DPT has conducted auctions twice but no party has come forward. Moreover, more than 3 plots have been surrendered despite of losing their huge deposit money. Hence, DPT and TAMP must have to reformulate the entire Land Policy.	
(xii).	The property is an asset and its rates are depending on the demand. Whereas the rates of lease and rent are not an asset and it is not attracting the demand/supply. This point need to be considered while revision of lease rent	No comments furnished by DPT.

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