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Tariff Authority for Major Ports

G No. 275 **New Delhi,** **21 October 2013**

NOTIFICATION

In exercise of the powers conferred by Section 48, 49 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from the Kandla Port Trust for notification of Reference tariff for Mega Container Terminal Project at Tuna-Tekra at Kandla Port Trust under PPP in pursuance of the Revised Guidelines for determination of Tariff for Projects at Major Ports, 2013, which were notified vide Notification No.TAMP/18/2013-Misc. dated 30 September 2013, as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/43/2013-KPT

Kandla Port Trust - - - **Applicant**

QUORUM:

(i). T. S. Balasubramanian, Member (Finance)
(ii). C. B. Singh, Member (Economic)

O R D E R
(Passed on 4th day of October 2013)

The Ministry of Shipping (MOS) under cover of its letter No.PR-14019/16/2012-PG dated 31 July 2013 has issued 'Guidelines for Determination of Tariff for Projects at Major Ports, 2013' under Section 111 of the Major Port Trusts Act, 1963 on 31 July 2013. In compliance of the policy directives issued by the (MOS) under Section 111 of the MPT Act, 1963, the said Guidelines were notified vide Notification No.TAMP/18/2013-Misc. in the Gazette of India on 8 August 2013, vide Gazette no.214. The said Guidelines are effective from 31 July 2013.

2. In this backdrop, the Kandla Port Trust (KPT) under cover of its letter dated 2 September 2013 had submitted a proposal for notification of Reference Tariff for Container Terminal project of KPT, under the Guidelines for Determination of Tariff for Port Projects at Major Ports, 2013.

3.1. The main points made by the KPT, in its proposal are summarized below:

(i). The port has submitted tariff proposal seeking approval for "Reference Tariff" and "Performance Standards" for its Mega Container Terminal project based on the "Guidelines for determination of Tariff for projects at Major Ports, 2013 issued by the MoS to the TAMP under Section 111 of the MPT Act, 1963 on 31st July 2013.

(ii). Since the RFP for the proposed project "Setting up of Mega Container Terminal at Tuna Tekra, Kandla Port on BOT basis under PPP model" will be issued after the date of issue of the new Guidelines for determination of Tariff for projects at Major Ports, 2013 ("new Guidelines"), the tariff arrangement for the proposed project is filed as per the new guidelines made effective from July 31, 2013. The tariff proposal for the proposed project comprises of proposed "Reference Tariff" and proposed "Performance Standards".

(iii). As per clause 2.2 of the Tariff Guidelines of 2013, the Reference Tariff will be the highest tariff fixed for that commodity in the concerned Major Port Trust under the 2008 Tariff Guidelines. However, Kandla Port Trust has not got any upfront tariff Order approved for container handling in its port under the 2008 Tariff Guidelines. Clause 2.4 of the new Guidelines stipulates that "In case no tariff has been fixed for a particular commodity in a particular Major Port Trust under the 2008 Guidelines, then TAMP will notify the highest Tariff under the 2008 Guidelines available for that commodity in the nearest Major Port Trust".

(iv). Hence, for the proposed project, the Reference Tariff is proposed considering the upfront tariff approved by TAMP under 2008 Guidelines for container terminal of Jawaharlal Nehru Port Trust (JNPT) vide Order No.TAMP/40/2008-JNPT dated 25 February 2009 which was notified in the Gazette of India No.34 dated 12 March 2009. Tariff as approved in the Notification subject to indexation have to be proposed along with performance standards as per the 2013 Guidelines.

(v). Accordingly, tariff approved in the aforesaid notification has been escalated by 19.27% i.e. annual escalation approved by TAMP till January 2013 for the tariffs approved with base WPI as on 1st January 2009. This is in line with provision stipulated in 2.2 of the 2013 Guidelines. Proposed Reference Tariff for the proposed project is attached.

(vi). Performance Standard can be referred from various sources like MCA (Model Concession Agreement) for Port Sector, norms prescribed in 2008 Guidelines, and also the norms considered in the upfront tariff order of JNPT from which the reference tariffs have been proposed for the Project. Norms/ Performance Standards as per these sources are given below with respect to three Parameters, i.e. Gross Berth Output, Transit Storage Dwell Time for Containers and Turnaround Time for receipt/ delivery operation.

Sr. No.	Description	Norms prescribed in 2008 Guidelines	(Indicative) Performance Standards as per Model Concession Agreement for Port Sector	Norms considered in upfront tariff Order No.TAMP/40/2008-JNPT dated 25 February 2009 for JNPT container terminal
1.	**Gross Berth Output**			
	Foreign Vessels	25 Moves/ Crane/ hour without specifying type of vessels	25 Moves/ Crane/ hour	25 Moves / Crane / hour without specifying type of vessels
	Coastal Vessels		17 Moves/ Crane/ hour	
2.	**Transit Storage Dwell Time for Containers**			
	Import	2 Days	5 Days	2 Days
	Export	4 Days	3 Days	4 Days
3.	**Turnaround Time for receipt / delivery operation**			
	Trailer for container (single operation)	Not Prescribed	2 hours	--
	Trailer for container (double operation)	Not Prescribed	2 hours	--
	Rake for ICD container (Single operation)	Not Prescribed	2 hours	--
	Rake for ICD container (Double operation)	Not Prescribed	2 hours	--

(vii). KPT proposes Performance Standards based on the performance norms considered in the Upfront Tariff Notification for Container Handling at JNPT except for the parameter Turnaround Time. Performance Standard for turnaround time for receipt/ delivery operation is proposed as per Performance Standards indicated in the Model Concession Agreement for Port Sector as this is the only source available for such Performance Standards. The KPT has further stated that the evaluation of the Performance of the Project Facilities and Services would be carried out in line with provisions of Model Concession Agreement.

3.2. The KPT has requested to approve the Reference Tariff proposal for its Mega Container Terminal project.

4. On scrutiny of KPT proposal dated 2 September 2013, a few gaps were observed in the proposal. The KPT was informed accordingly and the proposal dated 2 September 2013 was returned to the KPT vide our letter No.TAMP/26/2013-KPT dated 6 September 2013. The KPT was also requested to file a revised complete proposal for notification of Reference tariff for its Mega Container Terminal project.

5. In the meanwhile, the Ministry of Shipping (MOS) vide its letter No.PR-14019/16/2012-PG dated 9 September 2013 has issued Revised Guidelines for Determination of Tariff for Projects at Major Ports, 2013 by way of policy direction under Section 111 of the Major Port Trusts Act, 1963. These revised guidelines are effective from 9 September 2013.

6.1. The KPT under cover of its letter No.EG-DS/WK/4870/TARIFF(Pt.-I)/536 dated 20 September 2013 has addressed the queries raised by us and has also filed a revised proposal. A summary of queries raised and reply furnished by KPT is tabulated below:

Sr. No.	Queries of TAMP	Reply furnished by KPT
1.	The KPT has applied an indexation factor of 19.27% on the upfront tariff notified in March 2009 for Container Terminal of JNPT taking base year as 2009 (year of notification of	The observations have been complied and revised Reference Tariff Schedule applying an indexation factor of 26.15% is furnished.

	Order). As per para 9.1. of the JNPT Order of February 2009, the base year for applying indexation to an extent of 60% of the variation in Wholesale Price Index (WPI) is 1 January 2008. Therefore, the KPT is requested to furnish revised Reference Tariff Schedule applying the indexation factor of 26.15% (as per our communication to all the Major Port Trust vide our letter No.TAMP/12/2009-Misc dated 2 April 2013) taking base year as 1 January 2008. This is in line with the approach followed in recent Reference Tariff Order of JNPT Container Terminal.	
2.	Clause 2.2 of the guidelines of 2013 stipulates that the proposal from the concerned port shall contain the proposed Reference Tariff and "Performance Standards," as proposed by the Major Port Trust. TAMP has to notify both Reference Tariff and Performance Standards. However, it is seen that the proposal of KPT is not accompanied with Performance Standards to be notified by TAMP along with the Reference Tariff Schedule. The KPT is requested to furnish a Schedule for Performance Tariff to be notified by TAMP.	The Schedule for Performance Standards has been attached.
3.	The KPT in page 6 of its proposal has stated that the evaluation of the Performance of Project Facilities and Services would be carried out in line with the provision of Model Concession Agreement (MCA). Clause 2.6 of the Tariff Guidelines 2013 stipulates that the Reference Tariff and Performance Standards notified by TAMP shall be mentioned in the bid document and subsequently in the Concession Agreement in respect of PPP Projects of the port. Further, as per Clause 2.10 the evaluation of performance has to be with reference to Performance Standards mentioned in the Concession Agreement. The proposal of KPT stating that evaluation of performance would be carried out based on provision of MCA is not in line with the provision in 2013 guidelines.	Section 3.2 of the proposal containing the performance standards for subject project has been revised. The Reference tariff and Performance Standards as notified by TAMP will be mentioned in bidding documents as per Clause 2.6 of the Tariff Guidelines 2013. Moreover, as per Clause 2.10, the evaluation of performance will be with reference of Performance Standards mentioned in the Concession Agreement.
4.	In the proposed Reference Tariff under Schedule 3.3(D.) relating to Miscellaneous charges for shifting from one Hatch to Another Hatch or within the Same Hatch, the unit of levy is proposed as 'Rate per Hatch Cover. The unit of levy prescribed for this service in Schedule 3.3(D.) in the JNPT Order dated 25 February 2009 is 'Rate per TEU'. Since the KPT has adopted the JNPT upfront tariff Order for Container Terminal, it is requested to modify the unit of levy in line with the prescription in the JNPT Order.	The KPT has made necessary changes in the unit of levy.

6.2. The KPT has also submitted a modified proposal alongwith Reference tariff schedule and Performance Standards for its proposed container terminal project.

6.3. The KPT, in its modified proposal, has reiterated the submission made by it in its earlier proposal dated 2 September 2013 except the following modification in the light of our observation in letter dated 6 September 2013. The modification carried by KPT in the revised proposal vis-à-vis the earlier proposal is given below:

(i). Application of indexation factor of 26.15% on the tariff caps approved in the JNPT upfront Order dated 25 February 2009 instead of 19.27% indexation factor applied in the original proposal.

(ii). (a). As regards the Performance Standards, the KPT has submitted that as per the Clause 2.2 of the 2013 guidelines, Performance Standards are required to be proposed in the tariff proposal. The guidelines, however, do not prescribe the source/base to propose the Performance Standards. Hence, the KPT has stated that it has considered the Performance Standards based on the norms prescribed in 2008 guidelines. The KPT has also stated that the JNPT has also considered the same Performance Standards for Reference tariff notification under 2013 guidelines for its Container terminal project.

(b). The KPT has further stated that the Performance Standards for Turnaround time for receipt or delivery operations are not mentioned in the TAMP guidelines of 2008. The port has proposed the performance standards for this parameter based on the Model Concession Agreement.

(c). The KPT has stated that the Performance Standards proposed in the proposal will also be mentioned in the Bid Documents.

7. This Authority has passed an Order No.TAMP/40/2008-JNPT dated 25 February 2009 for fixation of upfront tariff for Development of Container Terminal at JNPT based on guidelines for upfront tariff setting for PPP Projects at Major Port Trust, 2008 which was notified in the Gazette of India vide notification No.34 dated 12 March 2009. Since no upfront tariff has been fixed under 2008 guidelines in KPT for Container Terminal, the KPT has adopted the upfront tariff fixed for the JNPT Container terminal following clause 2.2 of the revised guidelines of 2013. In the modified proposal, the KPT has applied indexation factor of 26.15% for arriving at the Reference Tariff for its proposed Container Terminal project.

8.1. Since the MOS has issued revised guidelines of 2013 and made it effective from 9 September 2013, the revised proposal filed by KPT has been processed following the revised guidelines of 2013.

8.2. With regard to the stipulation contained in clause 2.2 of the Revised tariff guidelines of 2013, the following points are relevant:

(i). As stipulated in the revised Guidelines of 2013, the KPT has filed the proposal for notification of Reference tariff for Container terminal and has furnished the proposed Reference Tariff and the Performance Standards.

(ii). Clause 2.2 of the revised Guidelines of 2013 stipulates that the Reference Tariff will be the highest tariff fixed for that commodity in the concerned Major Port Trust under the 2008 Tariff Guidelines. In case no tariff has been fixed for that commodity at that Major Port Trust or if the highest tariff fixed for a particular commodity in the concerned major Port Trust does not represent the project proposed to be developed, then concerned Major Port Trust can propose to TAMP any other tariff fixed under 2008 Tariff guidelines in any other major Port Trust which is representative enough for that commodity giving detailed and sufficient justification.

(iii). As rightly stated by KPT, no upfront tariff has been fixed for container handling services/ facilities in KPT under the 2008 Guidelines. Clause 2.2 of the 'Revised Guidelines for Determination of Tariff for Projects at Major Ports, 2013' allows Major Port Trust to adopt upfront tariff fixed for the Container terminal at any other Major Port Trust under 2008 guidelines. The KPT has considered the upfront tariff determined for container terminal at JNPT under the 2008 guidelines vide Order No. TAMP/40/2008-JNPT dated 25 February 2009 as the base to propose the Reference Tariff for the mega Container Terminal proposed at KPT. The proposal of KPT complies with Clause 2.2 of the revised guidelines of 2013.

(iv). (a). The Revised Guidelines of 2013 stipulate that while adopting the Reference tariff, the tariff set under the Tariff Guidelines, 2008 shall be escalated to the extent of 60% of WPI per annum, as provided in the said guidelines for the period between 1st January of the year as prescribed in the relevant tariff order of the Authority under 2008 guidelines and 1st January of the subsequent relevant year when the Reference Tariff for the particular project in question is being notified.

(b). The upfront tariff for the JNPT container terminal, which forms the basis for Reference tariff of container terminal at KPT, was notified in March 2009. Para 9.1. of the JNPT Order dated 25 February 2009 specifically states that the base year of Wholesale Price Index (WPI) for indexation in the upfront tariff rates approved in the said Order will be 1 January 2008. Therefore, in the instant case of KPT, the upfront tariff fixed for JNPT container terminal should be indexed with reference to the indexation factor occurring between the year 2008 and the year 2013.

(v). The KPT has applied the indexation factor of 26.15% on the tariff caps approved for the container terminal at JNPT vide Order dated 25 February 2009. This indexation factor is seen to be in line with the indexation factor communicated by us to all the Major Port Trusts vide our letter No.TAMP/12/2009-Misc dated 2 April 2013, to be applicable for tariff with base WPI as on 1 January 2008. The indexed Reference tariff determined by KPT, is found to be in order.

(vi). In the upfront tariff schedule of JNPT Order dated 25 February 2009, the general note relating to indexation is not prescribed. However, in the Tariff Order No.TAMP/29/2013-JNPT dated 13 August 2013 approving Reference Tariff for container terminal at JNPT, the general note relating to indexation has been prescribed in Reference tariff schedule which is in line with the approach prescribed in the 2013 Guidelines relating to indexation. The KPT has also proposed the general note as prescribed in the Reference Tariff Order of JNPT Container Terminal in its proposed Reference Scale of Rates. Therefore, following General Note in the Reference Tariff Schedule proposed by the KPT in line with the prescription in the Reference Tariff Order of JNPT Container Terminal is approved and incorporated as 'Chapter 4 – General note to Chapter 2 & 3' of the Reference Tariff Schedule.

"*The tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2013 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.***"**

(vii). The KPT has proposed the Berth hire charges in two decimals in the Reference Tariff schedule for Container terminal. As stated earlier, the KPT has adopted the upfront tariff as approved for JNPT Container terminal where the berth hire is prescribed in three decimals. Hence, the berth hire charges is corrected and prescribed in three decimals in line with the prescription in JNPT upfront and Reference Tariff Orders for Container terminal.

(viii). The KPT has proposed some amendments to the definition of the term "Port area" prescribed in the upfront tariff schedule of the JNPT container terminal. The KPT has proposed to define "Port area" means the custom bound area / Port operational Area of the Container Terminal. The definition of "Port area" is prescribed in the upfront tariff Orders for Container terminal at JNPT, NMPT and VPT. In all these cases the term "Port area" is defined as custom bound area / Port operational area of the Port. Even in the Reference Tariff Order recently approved for Container Terminal at JNPT vide Order No.TAMP/29/2013-JNPT dated 13 August 2013 the definition of term “Port area” is retained as prescribed in its upfront tariff schedule. That being so, the definition of the term “Port area” is retained as prescribed in the JNPT upfront tariff Order, JNPT Reference Tariff Order and in line with the prescription in the other upfront tariff Orders relating to Container Terminal.

(ix). The KPT has proposed to introduce definitions of terms ‘Foreign Container’ and ‘Coastal container’ at Schedule 1.1 – Definitions. The Foreign Container is defined as a Container transported/to be transported by vessel from/to Indian Port to/from Foreign Port. The Coastal Container is defined as a Container transported/to be transported by vessel from/to Indian Port to/from Indian Port. It may be relevant here to mention that definition of terms “Foreign Container” and “Coastal Container” are not prescribed in the upfront tariff Orders of any of the Container Terminal viz. JNPT, NMPT, VPT, CHPT, etc. for which this Authority has passed Order under 2008 guidelines. The definition of these terms are also not prescribed in the existing Scale of Rates of Major Port Trusts or Private Operators operating in Major Ports who are governed under 2005 guidelines. Since the definition of these terms are not prescribed in any of the Container terminals for which tariff is approved by TAMP, it is not possible to include the proposed definition only in the Reference Tariff Order of KPT Container Terminal. Common parlance followed at other Container Terminals/ Major Ports is to be followed at the KPT also.

(x). In Sr.No.9 of Schedule 3.2 for Dwell time charges for container stored in the port premises, the first slab is prescribed as ‘First 5 days’ and the second slab is prescribed as ‘5-15 days’ by the KPT instead of ‘6-15 days’ prescribed in the JNPT upfront tariff schedule. The second slab is corrected as ‘6-15 days’ in line with the prescription in the upfront tariff schedule of JNPT Container Terminal.

9.1. Subject to above, the Reference Tariff Schedule along with conditionalities governing the Reference Tariff has been modified.

9.2. The modified Reference Tariff Schedule is attached as **Annex - I** and the Performance Standards for the container terminal at Tuna Tekra at KPT as proposed by the KPT is attached as **Annex - II**.

9.3. In the result, and for the reasons given above, and based on a collective application of mind, this Authority approves the modified Reference Tariff Schedule and the Performance Standards for the container terminal at Tuna Tekra at KPT.

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

(T.S. Balasubramanian)
Member (Finance)

Annex - I

KANDLA PORT TRUST

REFERENCE TARIFF SCHEDULE FOR CONTAINER TERMINAL

CHAPTER 1 – DEFINITIONS & GENERAL TERMS & CONDITIONS

1.1. DEFINITIONS – GENERAL

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

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

(iii). **"FCL"** means Containers said to contain Full Container Load.

(iv). **"LCL"** means Containers said to contain Less than full Container Load (Container having cargo of more than one importer/exporter).

(v). **"Hazardous container"** means a Container containing hazardous goods as classified under IMO.

(vi). **"Import container"** means a container discharged from one vessel, stored in container yard and transported out through Road or Train.

(vii). **"Export container"** means a container arrived by road or Train, stored in container yard and loaded on the assigned vessel.

(viii). **"Port area"** means the custom bound area / Port operational Area of the Port.

(ix). **"Normal Container"** shall mean general type containers, not falling under special categories mentioned subsequently.

(x). **"Reefer Container"** shall mean a refrigerated container used for carriage of perishable goods with provision for electrical supply to maintain the desired temperature.

(xi). **"Hazardous Container"** shall mean a container containing hazardous goods as classified under IMO.

(xii). "Transhipment Container" shall mean a container, which is discharged from one vessel, stored in the yard and transported through other vessel.

(xiii). **"Over dimensional Container"** shall mean a container carrying over dimensional cargo beyond the normal size of standard container and needing special devices like slings, shackles, lifting beam etc. They also include damaged containers and other types which require special devices.

(xiv). **"Shut out Container"** shall mean a container which enters into the port as an export intake for a particular vessel (as indicated by the Vessel Identification Advice Number, i.e. VIA No.) and is not connected to the particular vessel for reasons whatsoever, then the container is termed to be a shutout container.

(xv). **"Back To Town Container"** shall mean a container entering the port for export but unable to be exported for whatever reason and taken back to town.

(xvi). "**VIAN**" means Vessel Identification Advise Number**.**

1.2. GENERAL TERMS & CONDITIONS

(i) (a). A foreign going vessel of Indian Flag having a General Trading Licence can convert to Coastal run on the basis of a Customs Conversion Order.

(b). A foreign going vessel of Foreign Flag can convert to coastal run on the basis of a Coastal Voyage Licence issued by the Director General of Shipping.

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

(d). In cases of such conversion coastal rates shall be chargeable only till the vessel completes coastal cargo discharging operations; immediately thereafter, foreign going rates shall be chargeable by the discharge ports.

(e). For dedicated Indian coastal vessels having a Coastal Licence from the Director General of Shipping, no other document will be required to be entitled to Coastal rates.

(ii). The status of the vessel, as borne out by its certification by the Customs or the Director General of Shipping, shall be the deciding factor for classifying into 'coastal' or 'foreign going' category for the purpose of levying vessel related charges; and, the nature of cargo or its origin will not be of any relevance for this purpose.

(iii). Vessel related charges shall be levied on Shipowners/Steamer Agents.

(iv). (a). The Vessel related charges for all Coastal vessels should not exceed 60% of the corresponding charges for other vessels.

(b). The container related charges for all Coastal should not exceed 60% of the normal container related charges.

(c). In case of container related charges, the concession is applicable on composite box rate. Where itemized charges are levied, the concession will be on all the relevant charges for ship-shore transfer, and transfer from / to quay to / from storage yard as well as wharfage on cargo and containers.

(d). For the purpose of this concession, container from a foreign port which reaches an Indian Port 'A' for subsequent transhipment to Indian Port 'B' will also qualify insofar as the charges relevant for its coastal voyage. In other words, cargo/containers from/to Indian Ports carried by vessels permitted to undertake coastal voyage will qualify for the concession.

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

(v). Interest on delayed payments / refunds:

(a). The user shall pay penal interest on delayed payments under this Scale of Rates. Likewise, the operator shall pay penal interest on delayed refunds.

(b). The rate of penal interest will be 2% above the Prime Lending Rate of State Bank of India (SBI). The penal interest rate will apply to both the operator and the port users equally.

(c). The delay in refunds will be counted only 20 days from the date of completion of services or on production of all the documents required from the users, whichever is later.

(d). The delay in payments by the users will be counted only 10 days after the date of raising the bills by the operator. This provision shall, however, not apply to the cases where payment is to be made before availing the services / use of Port Trust's properties as stipulated in the Major Port Trust Act and / or where payment of charges in advance is prescribed as a condition in this Scale of Rates.

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

(vii). (a). The rates prescribed in this Scale of Rates are ceiling levels; likewise, rebates and discounts are floor levels. The operator may, if he so desires, charge lower rates and / or allow higher rebates and discounts.

(b). The Operator may also, if it so desires, rationalize the prescribed conditionalities governing the application of rates prescribed in the Scale of Rates if such rationalization gives relief to the user in rate per unit and the unit rates prescribed in the Scale of Rates do not exceed the ceiling levels. Provided that the operator should notify the public such lower rates and / or rationalization of the conditionalities governing the application of such rates and continue to notify the public any further changes in such lower rates and / or in the conditionalities governing the application of such rates provided the new rates fixed shall not exceed the rates notified by the TAMP.

(viii). The users will not be required to pay charges for delays beyond a reasonable level attributable to the operator.

CHAPTER 2 – VESSEL RELATED CHARGES

2. Schedule of Berth Hire Charges

S. No.	Description	Rate per GRT per hour or part thereof (₹)	
		Foreign Vessel	Coastal Vessel
1	For Occupying the Berth	1.554	0.932

Notes:

(1). Vessels shall be permitted to occupy the berth for 2 hours after completion of cargo operation without attracting Penal berth hire charges.

(2). All the vessels shall commence cargo operations within 1 hour from the time the ship is brought along side the berth failing which penal berth hire charges shall be levied as prescribed in (4) below.

(3). Vessels idling the Terminal facilities due to not being ready to work even though the terminal is ready for its operation shall attract penal berth hire charges as prescribed in Note (4) below. For the purpose of levy of penal berth hire charges, idling shall mean suspension/stoppage for any reason of cargo handling operation continuously for more than two hours.

(4). Penal berth hire charges shall be levied as follows in addition to berth hire charges beyond 2 hours:

S. No.	Description	Rate Per GRT
1	Upto 6 hrs	₹ 12.62
2	above 6 hours but upto 12 hours	₹ 18.92
3	Above 12 hrs	₹ 37.85

(5). Penal berth hire charges mentioned above shall not be leviable if the idling of vessel is attributable to the terminal or port or due to adverse tidal conditions or bad weather and rain resulting in stoppage of operation.

(6). (a). There shall be a time limit beyond which berth hire shall not apply; berth hire shall stop 4 hours after the time of vessel signalling its readiness to sail. The time limit of 4 hours prescribed for cessation of berth hire shall exclude the ship's waiting period for want of favourable tidal conditions or on account of inclement weather or due to absence of night navigation facilities.

(b). There shall be a "penal berth hire" equal to one day's berth hire charges for a false signal.

(c). The Master / Agent of the vessel shall signal readiness to fail only in accordance with favourable tidal and weather conditions.

(d). The time limit of 4 hours prescribed for cessation of berth hire shall exclude the ship's waiting period for want of favourable tidal conditions.

(7). Berth hire charges shall not be levied for the period, when a vessel idles at berth due to breakdown of port equipment or power failure or any other reasons attributable to the operator.

CHAPTER 3 – CHARGES FOR SERVICES RENDERED TO CONTAINERS AND CONTAINERIZED CARGO

GENERAL TERMS AND CONDITIONS:

(i). A container originally declared as transhipment container, subsequently moved by rail or road will lose its identity as a transhipment container and shall be treated as a normal import container and prescribed charges as applicable shall be payable.

(ii). Containers less than and up to 20' will be reckoned as one TEU (Twenty Equivalent Unit) and more then 20' and up to 40' will be reckoned as one FEU (Forty Equivalent Unit) for the purpose of tariff.

(iii). All charges for containers more than 20' in length and upto 40' in length will be 150 per cent of the applicable charges prescribed.

(iv). Containers other than that of standard size requiring special devices/slings/handling will be charged twice the applicable rates. Such containers will also include damaged containers and any other type requiring special devices.

3.1. CHARGES FOR HANDLING AND MOVEMENT OF CONTAINERS:

The following consolidated charges for handling and movement of container shall be payable by the Shipping Lines or Agents of vessels or cargo agents for services rendered in respect of containers and containerised cargo passing through the port.

A. Normal Containers

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa	3755.04	3032.92	2253.03	1819.75
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	1877.52	1877.52	1877.52	1877.52

3	From Container yard to Truck or vice versa (direct delivery and export intake)	577.70	577.70	577.70	577.70

B. Reefer Containers

S.No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa	3755.04	3032.92	2253.03	1819.75
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	1877.52	1877.52	1877.52	1877.52
3	From Container yard to Truck or vice versa (direct delivery and export intake)	577.70	577.70	577.70	577.70

C. Hazardous Containers

S. No.	Description	Rate per TEU (in ₹)	
		Foreign Container	Coastal Container
		Loaded	Loaded
1	From Ship to container yard or vice versa	4694.65	2817.13
2	From Container yard to Railway flat or vice versa (ICD Container Rail only)	2346.48	2346.48
3	From Container yard to Truck or vice versa (direct delivery and export intake).	722.12	722.12

D. Transhipment Containers

S.No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	1 – 3000 TEUs	4332.74	3755.04	2599.64	2253.03
2	3001 – 6000 TEUs	4043.89	3466.20	2426.33	2079.72
3	6001 – 9000 TEUs	3755.04	3177.34	2253.03	1906.40
4	Thereafter.	3466.20	2888.49	2079.72	1733.10

Notes

(1). Rate is based on total TEUs brought by the Shipping Lines or agents in the same financial year.

(2). A container originally declared as transhipment container, subsequently moved by rail or road will lose its identity as a transhipment container and shall be treated as a normal import container and prescribed charges as applicable shall be payable.

E. Over Dimensional Cargo Containers

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa	7510.09	6065.83	4506.05	3639.50
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	3755.04	3755.04	3755.04	3755.04

3	From Container yard to Truck or vice versa (direct delivery and export intake)	1155.40	1155.40	1155.40	1155.40

Note: The consolidated charges as above include the following elements, viz. stevedoring, use of Gantry crane, use of transfer crane, wharfage on tare weight of containers, wharfage on containerized cargo, transportation and contribution towards railway infrastructure.

3.2. DWELL TIME CHARGES FOR CONTAINER, STORED IN THE PORT PREMISES:

Sl. No.	Particulars	Rate per container per day or part thereof (in ₹)		
		Upto 20' in length	Over 20' to upto 40' in length	Above 40' in length
1	Non-ICD/ CFS Import - loaded			
	First 2 days	Free	Free	Free
	3-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
2	Non-ICD/ CFS Import - Empty			
	First 2 days	Free	Free	Free
	3-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
3	Non-ICD/ CFS Export - Loaded			
	First 3 days	Free	Free	Free
	4-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
4	Non-ICD/ CFS Export - Empty			
	First 3 days	Free	Free	Free
	4-6 days	459.19	918.37	1377.56

	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	33273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
5	CFS Import loaded - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
6	CFS Import empty - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
7	CFS Export loaded - moved by road			
	First 3 days	Free	Free	Free
	4-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44
	Thereafter	1835.48	3670.97	5506.45
8	CFS Export empty - moved by road			
	First 3 days	Free	Free	Free
	4-6 days	459.19	918.37	1377.56
	7-9 days	546.23	1092.46	1638.69
	10-12 days	649.67	1299.35	1949.02
	13-15 days	772.04	1544.08	2316.11
	16-18 days	917.11	1834.22	2751.33
	19-22 days	1091.20	2182.40	3273.59
	23-26 days	1298.08	2596.17	3894.25
	27-30 days	1542.81	3085.63	4628.44

	Thereafter	1835.48	3670.97	5506.45
9	ICD Import and Export loaded or empty - moved by rail			
	First 5 days	Free	Free	Free
	6-15 days	917.11	1834.22	2751.33
	16-30 days	1835.48	3670.97	5506.45
	Thereafter	3670.97	7341.93	11012.90
10	Transhipment - Loaded			
	First 15 days	Free	Free	Free
	16-30 days	1835.48	3670.97	5506.45
	Thereafter	3670.97	7341.93	11012.90
11	Transhipment - Empty			
	First 7 days	Free	Free	Free
	8-15 days	1091.20	2182.40	3273.59
	Thereafter	3670.97	7341.93	11012.90

<u>Notes:</u>

(1). The total storage period for a container shall be reckoned from the day following the day of landing upto the day of shipment/delivery/date of removal of the container and includes Sundays and Holidays but excludes Custom notified holidays and port non working days.

(2). Transhipment containers subsequently changing the mode of dispatch locally or to the container freight station for destuffing/stuffing shall loose the concessional dwell time as prescribed in Item (4) above. Dwell time charges for such containers shall be recovered at par with import containers as prescribed in item no. 1 or 2 as applicable.

(3). Transhipment containers subsequently changing the mode of dispatch by rail to ICD shall be treated as other ICD containers for the purpose of levy of Dwell time charges fees and shall be charged at the rates in item (4) above. In such cases additional shifting charge will be applicable for movement of container to container yard to ICD yard.

(4). A container from foreign port landing at the container terminal for subsequent transhipment to an Indian Port on a coastal voyage or vice versa would be charged at 50% of the transhipment charges prescribed for foreign going vessels and 50% of that prescribed for coastal category.

(5). Normal import containers subsequently changing the mode of dispatch by rail to ICD will enjoy the free period applicable to normal import container only. In such cases additional shifting charges will be applicable for movement of container from container yard to ICD yard.

(6). The total storage period for a shutout container shall be calculated from the day following the day when the container has become shutout till the day of Shipment/ delivery.

(7). Over high and over dimensional containers shall attract thrice the normal applicable charges.

(8). Hazardous containers shall attract 1.25 times the normal applicable charges.

(9). In case of stuffing the containers inside the port, the dwell time charges will be applicable as follows:

(i). Prior to stuffing, dwell time charges as applicable to empty containers will be charged.

(ii). Free period and dwell time charges as applicable to loaded export containers will be charged from the day following the day of completion of stuffing and intimation to Port.

(10). In the case of auction containers, after the auction is over, the empty containers will attract the dwell time charges as empty containers from the following day the destuffing is completed.

(11). The storage charges shall not accrue for the period during which the Terminal is not in a position to deliver containers for reasons attributable to it when requested by the user.

(12). The storage charges on abandoned FCL containers/shipper owned containers shall be levied upto the date of receipt of intimation of abandonment in writing or 75 days from the day of landing of the container, whichever is earlier subject to the following:

(i). The consignee can issue a letter of abandonment at any time.

(ii). If the consignee chooses not to issue such letter of abandonment, the container Agent/MLO can also issue abandonment letter subject to the condition that,

(a) the Line shall resume custody of container along with cargo and either take back it or remove it from the port premises; and

(b) the line shall pay all port charges accrued on the cargo and container before resuming custody of the container.

(iii). The container Agent / MLO shall observe the necessary formalities and bear the cost of transportation and destuffing. In case of their failure to take such action within the stipulated period, the storage charge on container shall be continued to be levied till such time all the necessary actions are taken by the shipping lines for destuffing of cargo.

(iv). Where the container is seized/confiscated by the Custom Authorities and the same cannot be destuffed within the prescribed time limit of 75 days, the storage charges will cease to apply from the day the Custom order release of the cargo subject to lines observing the necessary formalities and bearing the cost of transportation and de-stuffing. Otherwise, seized/confiscated containers should be removed by the line/consignee from the port premises to the Customs bonded area and in that case the storage charge shall cease to apply from the day of such removal.

3.3 CHARGES FOR MISCELLANEOUS SERVICES RENDERED TO THE CONTAINER VESSELS:

A. Reefer Monitoring and Connection

Sl No	Description	Rate Per TEU (in ₹)			
		Foreign Going Vessel		Coastal Vessel (in ₹)	
		Loaded	Empty	Loaded	Empty
1	Additional charges per 4 hours or part thereof for electricity consumption and monitoring of reefer containers	281.66	281.66	281.66	281.66

Note:
Additional electricity charge at the prescribed rates will be applicable in case of Reefer Containers also

B. Other Services Rendered

Sl No	Description	Rate Per TEU (In ₹)			
		Foreign Going Vessel		Coastal Vessel	
		Loaded	Empty	Loaded	Empty
1	Shifting of containers from one yard to another yard within the terminal for customs inspection or any other purpose and subsequent loading of containers for delivery.	2432.46	2432.46	2432.46	2432.46
2	Additional service charges for stacking containers in designated yard for custom examination or for any other purpose by prior arrangement.	286.10	286.10	286.10	286.10

C. Opening of Hatch Cover and Replacing it

Sl No	Description	Rate per Hatch Cover (in ₹)	
		Foreign Going Vessels	Coastal Vessels
1	When placing it on the Quay	4225.48	2535.29
2	Without placing it on the Quay	1689.94	1013.97

Note: If only one operation is carried out, half of the hatch cover handling charges as above shall be levied.

D. One Hatch to Another Hatch or within the Same Hatch

Sl No	Description	Rate per TEU (in ₹)			
		Foreign Going Vessels		Coastal Vessels	
		Loaded	Empty	Loaded	Empty
(a)	Hatch to hatch shifting (involving 1 move only)	1408.30	1408.30	844.98	844.98
(b)	Other than (a) mentioned above	5633.77	5633.77	3380.26	3380.26

4. GENERAL NOTE TO CHAPTER- 2 AND 3:

The tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2013 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.

Annex – II

PERFORMANCE STANDARDS

Sr. No.	Performance Standard	
1.	**Gross Berth Output**	25 Moves / Crane / hour
2.	**Transit Storage Dwell Time for Containers**	
	Import	2 Days
	Export	4 Days
3.	**Turnaround Time for receipt / delivery operation**	
	Trailer for Containers (Single operation)	2 hours
	Trailer for Containers (Double operation)	4 hours
	Rake for ICD Containers (Single operation)	6 hours
	Rake for ICD Containers (Double operation)	12 hours
