(Published in Part - III Section 4 of the Gazette of India, Extraordinary)

Tariff Authority for Major Ports

G No. 198 **New Delhi,** **24 July 2013**

NOTIFICATION

In exercise of the powers conferred by Sections 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 review of upfront tariff fixed vide Order No.TAMP/5/2013-KPT dated 22 February 2013 for the Oil jetty to be developed for handling liquid cargo and ship bunkering terminal at old Kandla on Build, Operate and Transfer (BoT) basis in pursuance of the guidelines for upfront tariff setting at Major Ports which was notified vide Notification No.TAMP/52/2007-Misc. dated 26 February 2008, as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/5/2013-KPT

Kandla Port Trust **- - - - -** **Applicant**

QUORUM

(i). Shri. T.S. Balasubramanian, Member (Finance)
(ii). Shri. Chandra Bhan Singh, Member (Economic)

O R D E R
(Passed on this 9th day of May 2013)

This case relates to a proposal received from the Kandla Port Trust (KPT) for review of upfront tariff fixed in February 2013 for the Oil jetty to be developed to handle liquid cargo and ship bunkering terminal at old Kandla on Build, Operate and Transfer (BOT) basis.

2. This Authority has passed an Order dated 22 February 2013 on the subject proposal. This Order has been notified in the Gazette of India on 6 May 2013 vide Gazette no. 125. As is the practice with regard to the upfront tariff fixation cases, a copy of the English version of the Order was forwarded to KPT and the Ministry of Shipping (MOS) earlier, under cover of our letter dated 22 February 2013.

3. In this backdrop, the KPT vide its letter dated 4 May 2013 has made the following submissions:-

(i). The upfront tariff approved vide TAMP Order dated 22 February 2013 is based on the estimated project cost of ₹234.91 crores. This cost includes upfront fee of ₹1.41 crores, to be collected from the Concessionaire for the partially filled / reclaimed land area, to be handed over to the Concessionaire for tank farm.

(ii). During the appraisal of the project by the Department of Economic Affairs (DEA) under Ministry of Finance, the Ministry of Shipping has proposed for following changes in the Draft Concession Agreement (DCA).

(a). Definition of Debt Due.
(b). Definition of Supporting Project Infrastructure
(c). Competing facilities
(d). Provision proposed by the Port under Article 9.1(b) of the DCA regarding charging one time upfront fee (₹1.41 crores) from the Concessionaire towards the value of the existing land filling/ reclamation done in the port assets should be deleted.

(iii). The impact of removal of upfront fee for already filled up land area would affect the capital and the operating cost of the storage activity of the POL and Liquid Storage Tank Farm only. Essentially, the change is related to the capital cost value of upfront fee of ₹1.41 crores i.e. basic value of ₹.1.34 crores plus 5% miscellaneous as per TAMP guidelines. However, since certain operating costs are being calculated based on the percentage of capital cost, the operating costs are also getting affected. Based on the proposed modification to the capital costs and the operating costs, the upfront tariff for storage activity of POL and Liquid Storage Tank Farm would undergo a change.

(iv). As suggested by the MOS, by deleting the upfront fee of ₹1.41 crores, there is a marginal change in the upfront tariff of storage only, as given below:

Particulars	**As per approved tariff (₹ per MT per day)**	**As proposed now (₹ per MT per day)**
Liquid tank farm	6.31	6.21
Bunker fuel tank farm	7.21	7.21
	As per approved tariff (₹ per MT per month)	**As proposed now (₹ per MT per month)**
Liquid tank farm	189.42	186.31
Bunker fuel tank farm	216.33	216.33

(v). During the review meeting of the PPP projects by the Ministry on 25 April 2013, it has been directed to issue LOA of the subject works latest by 30 June 2013. Also, after approval of the modified upfront tariff by TAMP, port is required to issue amendment to bidding document to the bidders. Hence, it is requested to convey the approval of the proposed modified tariff at the earliest.

4.1. With regard to the upfront fee, para 13(ix)(c)(i)(a)(iii) of the Order dated 22 February 2013 is relevant, which is reproduced below:

> **"**The civil capital costs for POL and other liquid storage tank farm is inclusive of an amount of ₹1.34 crores considered by the KPT towards recovery by KPT from the concessionaire upfront towards existing reclamation of land resulting from demolition of 240 port quarters. The KPT has also stated that the land area of 5.5 hectares on which the Tank farm is envisaged to be developed by the concessionaire is presently partly reclaimed. Since the said partly developed area could reduce the cost of the total filling to be borne by the Concessionaire, the KPT has reported to have considered an amount of ₹1.34 crores as Upfront value. It is understood from KPT that the value of ₹1.34 crore considered by KPT represents the current market value for the cost of filling up of the reclaimed land already incurred at the time of construction of the said 240 quarters on the reclaimed land. The cost of ₹1.34 Crores for the reclaimed area is reported to have been worked out by considering the prevailing Market Rates. This position is relied upon.**"**

4.2. For the reasons stated above, an amount of ₹1.34 crores considered by the KPT towards recovery by KPT from the concessionaire upfront towards existing reclamation of land was taken into account in the estimation of Capital Civil Cost of POL and other Liquid Storage Tank Farm.

4.3. Further, it is relevant to mention here that the Upfront tariff guidelines of 2008 stipulate estimating Miscellaneous capital cost @ 5% of the total of the estimated civil and equipment. Accordingly, 5% of the amount of ₹1.34 crores, has also been built in the capital civil cost estimation of storage activity of POL & Other Liquid Storage Tank Farm, aggregating to around ₹1.41 Crores.

4.4. In addition, operating costs like Repairs and maintenance cost at 1% of the civil assets, Insurance cost and other expenses at 1% of the gross fixed assets and depreciation at 3.34% of civil capital costs, have been estimated as per the norms prescribed in the upfront tariff guidelines of 2008.

5.1. Given that the KPT has now proposed for exclusion of the upfront fee of ₹1.34 crores from the civil capital cost estimation, based on the direction of the Government, the exclusion needs to be considered in the fixation of the upfront storage charge relating to the Tank Farm for storage of POL & other liquid.

5.2. The proposed exclusion of the upfront fee of ₹1.34 crores from the civil capital cost estimation would have a bearing on the capital costs as well as the operating costs which have been estimated as a percentage of the civil capital costs.

6.1. In view of the position brought out in the preceding paragraphs, the Cost statement forming part of the tariff Order dated 22 February 2013 is modified to reflect the revised position. The modified Cost statement is attached as **Annex-I**. As can be seen from the Cost statement and also as brought out by the KPT, incorporation of the above changes in the Cost statement has led to a change in the storage charges for storage of POL & other Liquid in the Tank Form fixed vide tariff Order of February 2013. The revised upfront tariff is attached as **Annex-II**.

6.2. A comparative position between the upfront storage charges for the POL & Other Liquid Storage Tank Farm fixed vide the tariff Order of February 2013 and the upfront tariff approved now by this Authority is tabulated and given below:

Particulars	**As per approved tariff (₹ per MT per day)**	**As proposed now (₹ per MT per day)**
Liquid tank farm	6.31	6.21
	As per approved tariff (₹ per MT per month)	**As proposed now (₹ per MT per month)**
Liquid tank farm	189.42	186.31

7. In the result, and for the reasons given above, and based on a collective application of mind, this Authority approves the revised Scale of rates for the Oil jetty at the Kandla Port Trust which is attached as Annex-II, in supersession of the earlier Scale of Rates approved vide Order No. TAMP/5/2013-KPT dated 22 February 2013.

(T.S. Balasubramanian)
Member (Finance)

UPFRONT TARIFF CALCULATION FOR THE OIL JETTY TO BE DEVELOPED AT KANDLA PORT TRUST.

Sr. No.	Particulars	Revised proposal of February 2013 read with KPT letter dated 4 May 2013	Estimates modified by TAMP
I	**Optimal capacity**		
(a)	Percentage Share of Liquid cargo:		
	- Bunker Fuel, POL (S1)	36.12%	36.12%
	- Other Liquids (S2)	63.88%	63.88%
(b)	Handling rate of Liquid cargo per day:		
	- Bunker Fuel, POL (P1)	24000	24000
	- Other Liquids (P2)	7200	7200
(c)	Optimal Quay Capacity = 0.7*((S1*P1)+(S2*P2))*365	**3390015**	**3390015**
	Optimal Capacity in million tonnes / annum	**3.39**	**3.39**
II	**Capital Cost**		
			₹ in crores
A.	**Cargo Handling Activity:**		
(a)	**Civil costs**		
	Temporary Fencing Wall (Barbed Wire)	0.16	0.16
	Ancillary Civil Infrastructure Facilities	10.00	10.00
	Approach Bridge (Size: 450 m x 10 m)	18.61	18.61
	Approach Bridge Connecting Platform (Size: 114 m x 10 m)	5.79	5.79
	Fire House (Size: 10 m x 15 m)	1.33	1.33
	HMT (Size: 7 m x 7 m)	2.25	2.25
	Crew Office (Size: 12 m x 10 m)	0.81	0.81
	Miscellaneous cost @ 5%	1.95	1.95
	(a)	40.90	40.90
(b)	**Equipment costs**		
	Marine Loading & Unloading Arm	12.00	12.00
	Pipe Line cost from Jetty Terminal to Tank Farm (Approx. 1.25 Km length) including ancilliary items	30.29	30.29
	Pipe Line cost from Jetty Terminal to Bunker Storage Farm (Approx. 1.00 Km length) including ancilliary items	8.68	8.68
	Miscellaneous cost @ 5%	2.55	2.55
	(b)	53.52	53.52
	Total capital costs for the cargo handling activity	**94.42**	**94.42**
B.	**Berthing activity:**		
	5 nos Berthing Dolphins (Size: 24 m x 15 m)	23.15	23.15
	4 nos Connecting Platform (Size: 45 m x 15 m)	13.31	13.31
	Capital Dredging (Apportioned for BOT Operator)	15.75	15.75
	250 T Bollards	0.50	0.50
	3 Cell Fender	2.03	2.03
	Ladder	0.03	0.03
	Miscellaneous cost @ 5%	2.74	2.74
	Total capital costs for the berthing activity	**57.51**	**57.51**
C.	**Storage activity:**		
(i)	**POL & Other Liquid Storage Tank Farm**		
(a)	**Civil costs**		
	Development of Tank Farm (Rs.1.34 Crores as Upfront Value for existing Land Reclamation included earlier by KPT, has been removed as proposed by the KPT subsequently based on the direction of MOS received by the KPT)	37.87	36.53
	Boundary wall	2.49	2.49
	Buildings, sewerage, water supply etc	4.74	4.74
	Miscellaneous Charges @ 5%	2.26	2.19
	(a)	47.36	45.95
(b)	**Mechanical Costs**		
	Mechanical Cost for Development of Tank Farm	8.89	8.89
	Fire fighting equipments	7.06	7.06
	Miscellaneous Charges	0.80	0.80
	(b)	16.75	16.75
	Total capital costs for the POL & Other Liquid Storage Tank Farm	**64.11**	**62.71**
(ii)	**Bunker Fuel Storage Tank Farm**		
(a)	**Civil costs**		
	Development of Tank Farm	7.66	7.66
	Boundary wall	1.11	1.11
	Buildings, sewerage, water supply etc	4.74	4.74
	Miscellaneous Charges @ 5%	0.68	0.68
	(a)	14.19	14.19

(b)	**Mechanical Costs**		
	Mechanical Cost for Development of Tank Farm	2.53	2.53
	Fire fighting equipments	1.93	1.93
	Miscellaneous Charges	0.22	0.22
	(b)	4.68	4.68
	Total capital costs for the Bunker Fuel Storage Tank Farm	**18.87**	**18.87**
D	**Total capital cost of the project (A + B + C)**	**234.91**	**233.50**
III	**Operating Cost**	**₹ in crores**	
A	**Cargo handling activity:**		
	(a). Power cost	0.24	0.24
	(KPT - 1.05 hectares of land * 240000 units per hectare @ Rs.9.38 per unit) (TAMP - 1.05 hectares of land * 240000 units per hectare @ Rs.9.38 per unit)		
	(b). Repair & Maintenance		
	- Civil works (1% on civil costs)	0.41	0.41
	- Equipment cost (2% on Equipment costs)	1.07	1.07
	(c). Insurance (1% on Gross fixed assets)	0.94	0.94
	(d). Depreciation		
	- Civil works (3.34% on civil costs)	1.37	1.37
	- Equipment cost (10.34% on Equipment costs)	1.30	1.30
	- Pipelines cost (13.91% on Pipeline costs)	5.69	5.69
	(e). License Fee		
	(KPT - For jetty - 10508 sq. mtrs of land * Rs.39.94 per sq.m * 12 months + for Water front - 13110 sq.mtrs. * Rs.19.97 per sq.m * 12 months) (TAMP - For jetty - 10508 sq. mtrs of land * Rs.39.94 per sq.m * 12 months + for Water front - 13110 sq.mtrs. * Rs.19.97 per sq.m * 12 months)	0.82	0.82
	(f). Other Expenses (1% of Gross fixed assets)	0.54	0.94
	Operating Cost for cargo handling activity	**12.37**	**12.78**
B.	**Berthing activity:**		
	(a). Repairs & Maintenance Charge (1% on captial cost for berth excl. dredging)	0.42	0.42
	(b). Depreciation (3.34% of total capital cost of berthing activity)	1.92	1.92
	(c). Insurance (1% of total capital cost of berthing activity)	0.58	0.58
	(d). Maintenance Dredging (10% of the capital dredging cost)	1.58	1.58
	Operating cost for the berthing activity	**4.49**	**4.49**
C.	**Storage activity:**		
(i)	**POL & Other Liquid Storage Tank Farm**		
	(a). Power cost	1.01	1.01
	(KPT - 4.5 hectares of land * 240000 units per hectare @ Rs.9.38 per unit) (TAMP - 4.5 hectares of land * 240000 units per hectare @ Rs.9.38 per unit)		
	(b). Repair & Maintenance		
	- Civil works (1% on civil costs)	0.47	0.46
	- Equipment cost (2% on Equipment costs)	0.34	0.33
	(c). Insurance (1% on Gross fixed assets)	0.64	0.63
	(d). Depreciation		
	- Civil works (3.34% on civil costs)	1.58	1.53
	- Equipment cost (10.34% on Equipment costs)	0.77	0.77
	- Storage tank cost (13.91% on Pipeline costs)	1.30	1.30
	(e). License Fee	2.16	2.16
	(KPT - 45000 sq. mtrs of land * Rs.39.94 per sq.m * 12 months) (TAMP - 45000 sq. mtrs of land * Rs.39.94 per sq.m * 12 months)		
	(f). Other Expenses (1% of Gross fixed assets)	0.57	0.63
	Operating cost for the POL & Other Liquid Storage Tank Farm	**8.84**	**8.82**
(ii)	**Bunker Fuel Storage Tank Farm**		
	(a). Power cost	0.23	0.23
	(KPT - 1 hectare of land * 240000 units per hectare @ Rs.9.38 per unit) (TAMP - 1 hectare of land * 240000 units per hectare @ Rs.9.38 per unit)		
	(b). Repair & Maintenance		
	- Civil works (1% on civil costs)	0.14	0.14
	- Equipment cost (2% on Equipment costs)	0.09	0.09
	(c). Insurance (1% on Gross fixed assets)	0.19	0.19
	(d). Depreciation		
	- Civil works (3.34% on civil costs)	0.47	0.47
	- Equipment cost (10.34% on Equipment costs)	0.21	0.21
	- Storage tank cost (13.91% on Pipeline costs)	0.37	0.37
	(e). License Fee	0.48	0.48
	(KPT - 10000 sq. mtrs of land * Rs.39.94 per sq.m * 12 months) (TAMP - 10000 sq. mtrs of land * Rs.39.94 per sq.m * 12 months)		
	(f). Other Expenses (1% of Gross fixed assets)	0.17	0.19
	Operating cost for the Bunker Fuel Storage Tank Farm	**2.35**	**2.37**

Sr. No.	Particulars	Revised proposal of February 2013	Estimates modified by TAMP
IV	**Estimated Revenue Requirement & upfront tariff**		
A.	**Cargo handling activity:**		
(i).	**Estimated Revenue Requirement**		
	(a). Total Operating Cost	12.37	12.78
	(b). Return on capital Employed @ 16%	15.11	15.11
	(c). Total Revenue requirement from liquid handling activity	**27.48**	**27.89**
(ii).	**Apportionment of Revenue Requirement**		
	(a). Liquid Handling Charges (KPT - 100% of ARR, TAMP - 95% of ARR)	27.48	26.49
	(b). Miscelleneous Charge (KPT - 0% of ARR, TAMP - 5% of ARR)	0.00	1.39
	(c). Total Revenue requirement from liquid handling activity	**27.48**	**27.89**
(iii).	**Liquid Handling charge**		
	(a). Liquid Handling Charge		
	- Revenue Requirement (₹ in crores) (excluding back handlign operations)	27.40	26.42
	- Capacity (Million Metric Tonnes per annum)	3.39	3.39
	- Per tonne handling rate (in Rs.)		
	- Bunker Fuel, POL	**32.45**	**31.29**
	- Other liquid	**112.68**	**108.64**
	(b). Miscelleneous Charge		
	- Revenue Requirement (₹ in crores)	0.00	1.39
	- Capacity (Million Metric Tonnes per annum)	0.00	3.39
	- Miscellenous Charge (₹ per tonne)	**0.00**	**4.11**
	(c). Rate for back handling operations	**16.23**	**15.65**
B.	**Storage activity:**		
(i).	**POL & Other Liquid Storage Tank Farm**		
	Estimated Revenue Requirement		
	(a). Total Operating Cost	8.84	8.82
	(b). Return on capital Employed @ 16%	10.26	10.03
	(c). Total Revenue requirement from storage activity	**19.09**	**18.85**
	Capacity of Tank Farm in KL	132000	132000
	No. of operating days	365	365
	Optimal utilisation	70%	70%
	Storage charge per tonne per day (in Rupees)	**6.29**	**6.21**
	Storage charge per tonne per month (in Rupees)	**188.72**	**186.31**
(ii).	**Bunker Fuel Storage Tank Farm**		
	Estimated Revenue Requirement		
	(a). Total Operating Cost	2.35	2.37
	(b). Return on capital Employed @ 16%	3.02	3.02
	(c). Total Revenue requirement from storage activity	**5.37**	**5.39**
	Capacity of Tank Farm in KL	32500	32500
	No. of operating days	365	365
	Optimal utilisation	70%	70%
	Storage charge per tonne per day (in Rupees)	**7.19**	**7.21**
	Storage charge per tonne per month (in Rupees)	**215.60**	**216.33**
C.	**BERTH HIRE CHARGES**		
	(a) Operating cost	4.49	4.49
	(b) Return on capital Employed @ 16%	9.20	9.20
	(c)Total Revenue requirement from Berthing services	**13.69**	**13.69**
	Berth hire Charge (Rate per GRT per hour) in ₹ for foreign going vessels	**0.57**	0.57
	Berth hire Charge (Rate per GRT per hour) in ₹ for coastal vessels	**0.34**	**0.34**

Berth Hire Calculation:

Sr. No.	Particulars	Unit	As given by KPT	As modified by us
i.	No. of Vessel	No.	1	1
ii.	Average GRT of the Vessel	Tonnes	40625	40625
iii.	No. of hours at the jetty	Tonnes	6132	6132
iv.	Total GRT hours (ii * iii)	GRT hours	249112500	249112500
	- Foreign (90%)	GRT hours	224201250	224201250
	- Coastal (10%)	GRT hours	24911250	24911250
v.	Revenue Requirement	Rs. in crores	13.69	13.69
vi.	Berth hire charge for foreign going vessels	Rs. per GRT per hour	0.57	0.57
vii.	Berth hire charge for coastal vessels	Rs. Per GRT per hour	0.34	0.34

Annex - II

KANDLA PORT TRUST

UPFRONT TARIFF SCHEDULE FOR THE OIL JETTY TO HANDLE LIQUID CARGO AND SHIP BUNKERING TERMINAL AT OLD KANDLA

Definitions

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

i. **"Coastal Vessel"** means 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 license issued by the competent authority

ii. **"Foreign Vessel"** means any vessel other than a coastal vessel

iii. **"Free period"** shall mean the period during which cargo shall be allowed storage free of demurrage charges/ground rent and this period shall exclude Customs notified holidays and Terminal's non-operating days

iv. **"Port"** shall mean Kandla Port Trust

v. **"Per day"** means per calendar day unless otherwise stated

vi. **"TAMP"** shall mean the Tariff Authority for Major Ports constituted under Section 47A of the Major Trusts Act, 1963.

vii. **"Tonne"** shall mean one metric tonne or 1,000 kilograms or one cubic metre.

1.1. General Terms and Conditions

i. Interest on delayed payments / refunds:

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

b) The rate of penal interest will be 2% above the Prime Lending Rate of the State Bank of India.

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

d) The delay in payments by the users will be counted only 10 days after the date of raising the bills by the Terminal operator. This provision shall, however, not apply to the cases where payment is to be made before availing the services where payment of charges in advance is prescribed as a condition in this Scale of Rates.

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

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

iv. In case a Oil Vessel idles due to breakdown or non-availability of the shore based facilities of Oil Terminal or any other reasons attributable to Terminal, rebate equivalent to berth hire charges payable to the concessionaire accrued during the period of idling of vessels shall be allowed by Concessionaire.

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

vi. (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.

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

(b). The cargo related charges for all coastal cargo other than crude including POL, Iron ore and Iron pellets and thermal coal should not exceed 60% of the normal cargo related charges.

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

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

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

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

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

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

2. **Berth Hire Charges:**

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

Foreign going Vessels	₹0.57 per GRT per hour
Coastal Vessels	₹0.34 per GRT per hour

Notes:

i. The period of berth hire shall be calculated from the time vessel occupies the berth.

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

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

3. **Cargo Handling Charges:**

3.1 **Calculation of Tariff for the handling of Liquid cargo at Oil Jetty at Old Kandla Port**

The liquid cargo handling charges at Oil Jetty shall be payable on the manifested cargo directly by the importer of cargo at the rates specified below:

Description / Cargo	Tariff in ₹ per MT
Bunker Fuel and POL (Both foreign and coastal)	31.29
Other Liquid (Foreign traffic)	108.64
Other Liquid (Coastal traffic)	65.18

Note:
The cargo handling charges shall include the cargo loading or unloading charges (as the case may be), transportation through pipelines, wharfage, etc.

i. unloading of the cargo from vessels and transfer of the same up to the point of storage and loading on to trucks/tankers in respect of import cargo and

ii. unloading of the cargo from the trucks/tankers at the storage tank farm in respect of export cargo, transfer of the cargo to the loading point, loading onto the vessels and barges.

iii. Tariff for Bunker Fuels to be handled at back side of the Jetty through barges would be charged at 50% of the above rate applicable for “Bunkering Fuel and POL” category.

4. **Storage Charges:**

The storage charges for the cargo stored in the tank farm shall be as below:

(A) For Import & Export

	(Rate in ₹ per MT per day)
Liquid Tank Farm	6.21
Bunker Fuel Tank Farm	7.21

(B) For Import & Export

Description / Cargo	(Rate in ₹ per MT per Month)**Tariff**
Liquid Tank Farm	186.31
Bunker Fuel Tank Farm	216.33

Note:

i. No free days shall be allowed for any type of cargo.

ii. The demurrage charges on hazardous liquids shall be levied at 1.25 times the normal rates specified in above schedule.

iii. Storage charges shall be payable for all days including Terminal's nonworking days and Customs notified holidays for stay of cargo.

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

5. Miscellaneous Charges

A rate of ₹4.11 per MT is to be levied towards Cleaning of the area in the event of spillage, leakage.

6. General Note to Section 2 to 5 Above

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 2012 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.

-- - -- -