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Tariff Authority for Major Ports

G.No.231

New Delhi,

11 June 2021

NOTIFICATION

In exercise of the powers conferred by Section 48 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby notifies the revised Scale of Rates disposing of the proposal received from the IFFCO Kisan Logistics Limited (IKLL) [formerly known as IFFCO Kisan Bazar and Logistics Limited (IKBLL)] for general revision of Scale of Rates (SOR) for the services rendered by it at its captive barge jetty at the Deendayal Port Trust (DPT) under Tariff Guidelines, 2019 as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/59/2020-IKLL

IFFCO Kisan Logistics Limited
Applicant

QUORUM:

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

ORDER

(Passed on this 13th day of May 2021)

This case relates to the proposal received from the IFFCO Kisan Logistics Limited (IKLL) [formerly known as IFFCO Kisan Bazar and Logistics Limited (IKBLL)] for general revision of Scale of Rates (SOR) for the services rendered by it at its captive barge jetty at the Deendayal Port Trust (DPT).

2.1. The IKLL under cover of its letter dated 06 November 2020 read with letter dated 05 December 2020 has filed its proposal for general revision of its SOR following Tariff Guidelines of 2019.

2.2. In accordance with the consultation process prescribed, a copy of the IKLL proposal dated 06 November 2020 read with letter dated 05 December 2020 was circulated to the users/user organisations seeking their comments.

2.3. A joint hearing in this case was held on 29 January 2021 through Video Conferencing. On scrutiny of the proposal, the IKLL was requested vide our letter dated 27 January 2021 to furnish information/ clarifications on a few points.

2.4. In response, the IKLL has furnished its reply on additional information/ clarification vide its letter dated 08 February 2021.

2.5. While furnishing the information / clarification, the IKLL has furnished the revised ARR computation and revised proposed SOR wherein the IKLL has proposed to prescribe the rate for Steel and bagged cargo and Timber logs based on the suggestion of the DPT.

3. Further, the DPT was also requested vide our letter dated 13 January 2021 to furnish information / clarification on a few points. In response, the DPT vide its letter dated 09 March 2021 has furnished the information / clarification sought by us.

4. With reference to the totality of information collected during the processing of the case, this Authority has passed a Speaking Order disposing of the proposal filed by the IKLL for general revision of its SOR for the services rendered by it at its captive barge jetty at the DPT under Tariff Guidelines, 2019.

5.1. The Speaking Order passed by this Authority is in the process of notification in the Gazette of India and it is likely to take some more time for notification. Since notification of the detailed Speaking Order will take some time, this Authority notifies the revised SOR of the IKLL which is attached as **Annex. As stated in the SOR at Note no.(x) under Section 2, the next annual indexation of SOR shall be from the date the revised SOR comes into effect. In short, annual indexation of 0.33 % announced by this Authority for the year 2021-22 should be applied to the revised SOR and then implemented.**

5.2. The Speaking Order passed by this Authority will be notified separately and communicated to the IKLL, the DPT and the relevant users/ user organisations in due course of time.

6.1. The revised SOR will come into force after expiry of 30 days from the date of notification of this Order notifying the SOR in the Gazette of India and shall be valid for a period of 3 years from the date the revised SOR comes into effect.

6.2. The existing SOR of IKLL is valid upto 31 March 2018. At the request of IKLL, the validity of existing SOR was last extended upto 31 March 2021 by the Authority. By the time the revised SOR comes into effect it may be around June 2021. Hence, the validity of the existing SOR may be deemed to have been extended from the date of expiry till the revised SOR comes into effect.

(T.S. Balasubramanian)
Member (Finance)

IFFCO KISAN LOGISTICS LIMITED
SCALE OF RATES

1. 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 Director General of Shipping / 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 Deendayal Port Trust [Formerly known as 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.

2. 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 user shall pay penal interest on delayed payments of any charge under this Scale of Rates. The rate of interest will be 15%. Likewise, the IKLL shall pay penal interest @ 15% per annum on delayed refunds.
 - (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).
 - (a). The cargo related charges for all coastal cargo, other than thermal coal, POL including crude oil, iron ore and iron pellets, should not exceed 60% of the normal cargo/ container related charges.
 - (b). In case of cargo related charges, the concessional rates should be levied on all the relevant handling charges for ship-shore transfer and transfer from/ to quay to/ from storage yard including wharfage.

- (c). Cargo from a foreign port, which reaches an Indian Port 'A' for subsequent transshipment to Indian Port 'B' will be, levied the concessional charges relevant for its coastal voyage. In other words, cargo from / to Indian ports carried by vessel permitted to undertake coastal voyage will qualify for the concession.
- (d). The charges for coastal cargo/ vessels shall be denominated and collected in "Indian Rupee".
- (iii). All charges worked out shall be rounded off to the next higher rupee on the grand total of the bill.
- (iv). Users will not be required to pay charges for delays beyond reasonable level attributable to the terminal operator.
- (v).
 - (a). 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.
 - (b). The terminal operator may also, if he 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.
 - (c). The terminal operator should, however, 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.
- (vi). For the purpose of calculating the dues the unit by weight shall be 1 tonne or 1000 kilograms, the unit by volume measurement shall be 1 cubic metre and the unit by capacity measurement for liquids in bulk shall be 1000 litres.
- (vii). In calculating the gross weight or measurement by volume or capacity of any individual item, fractions upto 0.5 shall be taken as 0.5 unit and fractions of 0.5 and above shall be treated as one unit, except where otherwise specified.
- (viii). Coastal goods transported between an Indian port on east coast and another Indian port on west coast or vice versa, by a vessel through the territorial waters of Sri Lanka, whether or not calling any port in Sri Lanka in between and without change of vessel in terms Notification No.38/2018-Customs (N.T.) dated 11 May 2018 of Central Board of Indirect Taxes and Customs shall be eligible for concession in vessel related charges and cargo related charges.
- (ix). Coastal goods transported between an Indian port on east coast and a river port in India or vice versa, by a vessel through a route passing through the Bangladeshi waters and without change of vessel in terms Notification No.38/2018-Customs (N.T.) dated 11 May 2018 of Central Board of Indirect Taxes and Customs shall be eligible for concession in vessel related charges and cargo related charges.
- (x). The SOR is subject to automatic annual indexation to inflation to the extent of 60% of the variation in Wholesale Price Index (WPI) announced by the Authority occurring between 1st January to 31st December of the relevant year. Such adjusted SOR will come into force from 1st May of the relevant year to 30th April of following year. **The 1st annual indexation i.e. for the year 2021-22 will however be applicable from the date this revised SOR comes into effect.** The indexed SOR by the IKLL to be intimated by the IKLL to the DPT, concerned users and to the Authority.

3. Cargo handling charges:

The cargo handling charges shall be payable on the manifested cargo by the importer / exporter or their representative / agent / person authorised by importer / exporter of the cargo at the rates specified below:

(Rates in ₹)				
Sr. No.	Commodity	Unit	Foreign Cargo	Coastal Cargo
(a).	Handling Charges - Other dry bulk	MT	70.63	42.37
(b).	Handling Charges - Steel and Bagged Cargo	MT	70.63	42.37
(c).	Timber Logs	MT	70.63	42.37

Note:

The handling charges prescribed above are only for unloading of the cargo from the Barge and loading on to trucks in respect of import cargo and vice-a-versa for export cargo.

4. Storage charges:

The storage charges for import / export cargo stored beyond the free period allowable shall be as under:

Sr. No.	Commodity	Unit	(Rate in ₹)
(a).	First 5 days	Per day / MT	Free
(b).	Storage Charges – 6 days to 10 days	Per day / MT	6.50
(c).	Storage Charges – 11 days to 15 days	Per day / MT	11.00
(d).	Storage Charges 16 days and above.	Per day / MT	14.00

Notes:

- Five free days shall be allowed and for computation of free period, customs notified holidays and Terminal's non-working days shall be excluded.
- Free period for imports shall be reckoned with from the date of complete discharge of vessel's cargo.
- Free period for exports shall commence from the date on which the cargo is brought in the transit / port area. The demurrage will cease from the day following the date of berthing of vessel.
- Storage charges shall be payable for all days including Terminal's non-working days and customs notified holidays for stay of cargo beyond the prescribed free days.
- Storage charges 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 reason attributable to the terminal operator.
