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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 140

New Delhi

07 April 2017

NOTIFICATION

In exercise of the powers conferred under Section 48 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes the proposal received from the Kandla International Container Terminal Private Limited (KICTPL) for notification of its Scale of Rates for upgradation, operation and maintenance of Container Terminal at berth nos.11 and 12 at Kandla Port basis as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

TARIFF AUTHORITY FOR MAJOR PORTS
Case No.TAMP/93/2016-KPT

Kandla International Container Terminal Private Limited ... Applicant

QUORUM:

- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. Rajat Sachar, Member (Economic)

ORDER

(Passed on the 17th day of February 2017)

This case relates to the proposal received from the Kandla International Container Terminal Private Limited (KICTPL) for notification of its Scale of Rates for upgradation, operation and maintenance of Container Terminal at berth nos.11 and 12 at Kandla Port Trust (KPT).

2. Before bringing out the submissions made by the KICTPL in its proposal dated 7 December 2016, it is relevant here to mention that this Authority had passed an Order No.TAMP/15/2015-KPT dated 15 May 2015 and 30 July 2015 fixing reference tariff for Development, Operation and Maintenance of Container Terminal at Berth Nos.11 and 12 at KPT on Public Private Partnership (PPP) based on the proposal of KPT to adopt the Upfront Tariff approved by this Authority vide Order No. TAMP/29/2013-JNPT dated 13 August 2013 for container terminal at Jawaharlal Nehru Port Trust (JNPT) for fixation of reference tariff for the subject project following Clause 2.2. of the Tariff Guidelines of 2013.

3.1. The Kandla International Container Terminal Private Limited (KICTPL) vide its letter dated 7 December 2016 has requested this Authority to notify its Scale of Rates. The main points made by KICTPL are summarized below:

- (i). The TAMP has approved Reference Tariff for handling containers at berth nos.11 and 12 of KPT vide its Order no.TAMP/15/2015-KPT dated 15 May 2015 and 30 July 2015 under the Guidelines for Determination of Tariffs for Projects at major ports, 2013. KPT had proposed to adopt the reference tariff for the project based on the upfront tariffs approved for the container handling facility at JNPT for its 4th container terminal under upfront tariff Guidelines 2008 which was approved by the Authority vide Order No.TAMP/29/2013-JNPT dated 13 August 2013.
- (ii). Subsequently, after conclusion of the bidding process, KPT awarded the concession to the successful bidder viz., KICTPL. A Concession Agreement was signed by KPT with KICTPL which is the Special Purpose Vehicle (SPV) set up by the successful bidder on 29-2-2016 for the Development, Operation and Maintenance of the Container Terminal on PPP basis for a period of 30 years. On completion of conditions precedent under Article 3 of the Concession Agreement by both the parties, KPT issued the Letter of Award of concession to KICT on 12-9-2016. The Concession Agreement envisages completion of the project in two phases. Phase I of the Project was to be completed within 6 months from the date of Award of the Project and Phase II in another six months thereafter. Phase I of the Project envisages completion of the following activities:

Milestone Date	Activity/level of completion of Project	
By the end of 6 Months from Date of Award of Concession Phase - I	Completion of following facilities:	
	Container Stack Yard	4 Ha
	RMQC	1 Nos.
	Tractor Trailer – Yard	6 Nos.
	RTGC	2 Nos.
	Reach Stacker	1 Nos.
Ancillary facilities like the Terminal Building, Work Stations, Internal Road Infrastructure, Drainage System, fire-fighting systems, power supply, water supply, communication system etc. to the required extent of Phase I.		

- (iii). KICT has initiated action for the repair and refurbishment of the RMQCs and RTGCs and has also undertaken developing the container yard and other ancillary activities envisaged in Phase I. The construction activities of Phase I are likely to be completed by the third week of December 2016 and KICT intends to commence the commercial operations by 21 December 2016.
- (iv). Under clause 2.9.1 of the Guidelines of 2008, before commencement of commercial operations, the private operator shall approach TAMP for notification of SOR containing ceiling rates applicable to his operations, as required under Section 48 of the Major Port Trusts Act 1963 (MPT Act).
- (v). As per clause 2.8 of the Guidelines for upfront Tariff setting for PPP Projects at Major Port Trusts, 2008, Tariff caps will be indexed to inflation to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2008 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. Approved upfront tariff in the JNPT 4th Container Terminal project was escalated by 35.08% by KPT as per the escalation announced by TAMP for upfront tariffs approved with base WPI as on 1 January 2008, by taking the escalation applicable till 31-3-2015. The rates notified by TAMP on 15-5-2015 by adopting the 35.08% of the indexation on the rates of the JNPT are as follows:

Sr. No.	Description	Rate per TEU (in ₹)			
		Foreign containers		Coastal containers	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa.	4020.86	3247.62	2412.52	1948.57
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	2010.42	2010.42	2010.42	2010.42
3	From Container yard to Truck or vice versa (direct delivery and export intake)	618.60	618.60	618.60	618.60

- (vi). Under para 16.2 of the Tariff Order dated 15-5-2015, from the date of Commercial Operation (CoD) till 31st March of the same financial year, the tariff would be limited to the indexed Reference Tariff relevant to that year, which would be the ceiling. The aforesaid Reference Tariff shall be automatically revised every year based on an indexation as provided in para 2.2 of the tariff guidelines of 2013 which will be applicable for the entire license period.
- (vii). Under TAMP's Order No. TAMP/12/2009-Misc dated 11 April 2016, TAMP had stated that the average of monthly WPI for the period January 2015 to December 2015 which is taken as average WPI as on 1.1.2016 is found to be lower than the average monthly WPI as on 1.1.2015. That being so, the escalation factor at variation in the WPI of the said two period is negative. Since, the variation in the WPI as on 1 January 2015 and 1 January 2016 is working out to negative, the Authority is not in a position to approve any escalation factor for the year 2016-17. The Major Port Trusts were therefore advised to consider NIL indexation factor for the year 2016-17 while computing the ARR for drawing the indexed SOR for fixation of tariff under Tariff Policy, 2015.
- (viii). By adopting the above advice, no escalation has been proposed in the Tariff Orders issued by TAMP on 15-5-2015 and 30-7-2015.
- (ix). TAMP is accordingly requested to notify the rates for the financial year 2016-17 commencing from the date of Phase I commercial operations of the Terminal.
- (x). While doing so, one correction may be carried out in the TAMP's order dated 15-5-2015. This relates to Clause D of para 3.3 - Charges for Miscellaneous services rendered to the Container Vessels. In the Table D relating to charges for moving

containers from one hatch to another or within the same hatch, the heading of column 3 has been mentioned as 'Rate per Hatch Cover (in ₹)'. This should read as 'Rate per TEU (in ₹)'.

3.2. On initial scrutiny of the proposal, it was noticed that the proposal of KICTPL for notification of its Scale of Rates was not accompanied with the following documents:

- (i). Proposed Scale of Rates (SOR) complete in all respects along with the conditionalities.
- (ii). Performance Standards.
- (iii). A copy of the completion certificate issued by the Independent Engineer.

3.3. Accordingly, the KICTPL was requested, vide our letter dated 23 December 2016, to furnish the requisite documents/information immediately. The KICTPL was also requested to forward a copy of proposed SOR and performance standards to KPT also for its comments.

4.1. It is seen from the KICTPL letter dated 7 December 2016 that the KICTPL has to complete the project in two phases. Phase I of the Project was to be completed within 6 months from the date of Award of the Project and Phase II in another six months thereafter. The KICTPL has intimated that the construction activities of Phase I are likely to be completed by the third week of December 2016 and KICT intends to commence the commercial operations by 21 December 2016.

4.2. In this regard, it is relevant here to submit that, the reference tariff for Container Terminal at berth nos.11 and 12 at KPT, approved by this Authority vide its Order No.TAMP/15/2015-KPT dated 15 May 2015 and 30 July 2015 based on the proposal filed by the KPT to adopt the tariff of 4th Container Terminal of JNPT under Tariff Guidelines 2013 is for the project facility as a whole and not for a phased manner development of the project. However, the KICTPL has, vide its letter dated 7 December 2016, requested for notification of SOR for phase – I itself.

4.3. The KPT, being the concessioner port, was, therefore, vide our letter dated 23 December 2016 requested to confirm whether the proposal of KICTPL seeking notification of SOR on completion of phase – I of the project is in order. The KPT was also requested to furnish a copy of the completion certificate issued by the Independent Engineer in this regard. This was followed by a remainder dated 13 January 2017. Further, the KPT was requested to furnish its comments on receipt of the proposed draft SOR and performance standards from KICTPL at the earliest.

5.1. In response to our letter dated 23 December 2016, the KICTPL has, vide its email dated 26 December 2016, informed that they are forwarding the requisite information on 26 December 2016 to KPT. The KICTPL has also forwarded the copy of proposed draft SOR and Performance Standards along with its letter addressed to KPT to us.

5.2. The main submissions made by the KICTPL to KPT vide its letter dated 26 December 2016 are given below:

- (i). As per the instructions of TAMP, Proposed SOR complete in all respects and performance standards are sent herewith.
- (ii). The Independent Engineer has been addressed for issue of the Completion Certificate.
- (iii). Under clause 2.8 of the Guidelines for upfront Tariff setting for PPP Projects at Major Port Trusts, 2008 issued by the TAMP, Tariff caps will be indexed to inflation to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2008 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. Under clause 2.9.1 of these Guidelines, before commencement of commercial operations, the private operator shall approach TAMP for notification of SOR containing ceiling rates applicable to his operations, as required under Section 48 of the Major Port Trusts Act 1963.

- (iv). Under TAMP's letter No.TAMP/12/2009-Misc dated 11 April 2016, TAMP has stated that the average of monthly WPI for the period January 2015 to December 2015 which is taken as average WPI as on 1 January 2016 is found to be lower than the average monthly WPI as on 1 January 2015. That being so, the escalation factor at variation in the WPI of the said two period is negative. Since, the variation in the WPI as on 1 January 2015 and 1 January 2016 is working out to negative, the Authority is not in a position to approve any escalation factor for the year 2016-17. The Major Port Trusts were therefore advised to consider NIL indexation factor for the year 2016-17 while computing the ARR for drawing the indexed SOR for fixation of tariff under Tariff Policy, 2015.
- (v). While preparing the draft SOR from the date of commencement of Phase I of the commercial operations of the Terminal till 31 March 2017, no escalation have been proposed.
- (vi). One correction has, however, been carried out in the TAMP's Order dated 15 May 2015. This relates to Clause D of para 3.3-Charges for Miscellaneous services rendered to the Container Vessels. In the table D relating to charges for moving containers from one hatch to another or within the same hatch, the heading of column 3 has been mentioned as 'Rate per Hatch cover (in ₹)'. This should be read as 'Rate per TEU (in ₹)' and accordingly, requested the KPT to convey its concurrence / comments urgently to TAMP.

5.3. The proposed SOR as forwarded by KICTPL is as follows:

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	4020.86	3247.62	2412.52	1948.57
2	From Container yard to Railway flat or vice versa(ICD Container Rail only)	2010.42	2010.42	2010.42	2010.42
3	From Container yard to Truck or vice versa (direct delivery and export intake).	618.60	618.60	618.60	618.60

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	4020.86	3247.62	2412.52	1948.57
2.	From Container yard to Railway flat or vice versa(ICD Container Rail only)	2010.42	2010.42	2010.42	2010.42
3.	From Container yard to Truck or vice versa (direct delivery and export intake).	618.60	618.60	618.60	618.60

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	5026.98	3016.55
2.	From Container yard to Railway flat or vice versa(ICD Container Rail only)	2512.58	2512.58
3.	From Container yard to Truck or vice versa (direct delivery and export intake).	773.24	773.24

D. Transshipment Containers

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1.	1-3000 TEUs	4639.44	4020.86	2783.66	2412.52
2.	3001 - 6000 TEUs	4330.15	3711.57	2598.09	2226.94
3.	6001 - 9000 TEUs	4020.86	3402.26	2412.52	2041.36
4.	Thereafter	3711.57	3092.97	2226.94	1855.78

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	8041.72	6495.23	4825.03	3897.14
2.	From Container yard to Railway flat or vice versa(ICD Container Rail only)	4020.86	4020.86	4020.86	4020.86
3.	From Container yard to Truck or vice versa (direct delivery and export intake).	1237.18	1237.18	1237.18	1237.18

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

Sl. No.	Particulars	Rate per container per day or part thereof (in ₹)		
		Up to 20' in length	Over 20' to up to 40' in length	Above 40' in Length
1.	Non-ICD/ CFS Import - loaded			
	First 2 days	Free	Free	Free
	3-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
2.	Non-ICD/ CFS Import - Empty			
	First 2 days	Free	Free	Free
	3-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33

Sl. No.	Particulars	Rate per container per day or part thereof (in ₹)		
		Up to 20' in length	Over 20' to up to 40' in length	Above 40' in Length
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
3.	Non-ICD/ CFS Export - Loaded			
	First 3 days	Free	Free	Free
	4-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
4.	Non-ICD/ CFS Export - Empty			
	First 3 days	Free	Free	Free
	4-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
5.	CFS Import loaded - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
6.	CFS Import empty - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09

Sl. No.	Particulars	Rate per container per day or part thereof (in ₹)		
		Up to 20' in length	Over 20' to up to 40' in length	Above 40' in Length
	Thereafter	1965.41	3930.83	5896.24
7.	CFS Export loaded - moved by road			
	First 3 days	Free	Free	Free
	4-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
8.	CFS Export empty - moved by road			
	First 3 days	Free	Free	Free
	4-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
9.	ICD Import and Export loaded or empty - moved by rail			
	First 5 days	Free	Free	Free
	5-15 days	982.03	1964.06	2946.09
	16-30 days	1965.41	3930.83	5896.24
	Thereafter	3930.83	7861.66	11792.48
10.	Transshipment- loaded			
	First 15 days	Free	Free	Free
	16-30 days	1965.41	3930.83	5896.24
	Thereafter	3930.83	7861.66	11792.48
11.	Transshipment- Empty			
	First 7 days	Free	Free	Free
	8-15 days	1168.44	2336.88	3505.33
	Thereafter	3930.83	7861.66	11792.48

3.3. CHARGES FOR MISCELLANEOUS SERVICES RENDERED TO THE CONTAINER VESSELS:

A. Reefer Monitoring and Connection

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Going Vessel		Coastal Vessel	
		Loaded	Empty	Loaded	Empty
1.	Additional charges per 4 hours or part thereof for electricity consumption and monitoring of reefer containers	301.59	301.59	301.59	301.59

Note:

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

B. Other Services Rendered

S. 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.	2604.65	2604.65	2604.65	2604.65
2.	Additional service charges for stacking containers in designated yard for custom examination or for any other purpose by prior arrangement.	306.35	306.35	306.35	306.35

C. Opening of Hatch Cover and replacing it

S. No.	Description	Rate per Hatch Cover (in ₹)	
		Foreign Going Vessel	Coastal vessel
1.	When placing it on the Quay	4524.60	2714.76
2.	Without placing it on the Quay	1809.57	1085.75

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

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Going Vessel		Coastal vessel	
		Loaded	Empty	Loaded	Empty
(a).	Hatch to hatch shifting (involving 1 move only)	1507.99	1507.99	904.79	904.79
(b).	Other than (a) mentioned above	6032.58	6032.58	3619.55	3619.55

5.4. The proposed Performance Standards as forwarded by KICTPL is as follows:

Sr. No	Parameter	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

5.5. Since, the KICTPL has stated to have addressed the Independent Engineer for issue of completion certificate, the KICTPL was, vide our letter dated 13 January 2017 requested to furnish the same.

6. In this regard, the KICTPL has, vide its letter dated 23 January 2017, forwarded a copy of the provisional completion certificate dated 10 January 2017 issued by the Independent

Engineer, M/s. TCRC Infra Services Pvt. Ltd. The KICTPL has also stated that the KPT has vide its letter dated 23 January 2017, submitted its comments confirming that KICTPLs proposed SOR is in line with Appendix 12 of the Concession Agreement and the performance standards proposed by the KICTPL is also in line with the Concession Agreement. The KICTPL has also forwarded a copy of the KPT's letter dated 23 January 2017 addressed to TAMP.

7. In response to our letter dated 23 December 2016 and reminder dated 13 January 2017, the KPT has, vide its letter dated nil January 2017, furnished its comments. A summary of the information/ clarifications sought by us and the information/ clarification furnished by KPT is juxtaposed below:

Sl. No.	Information/clarifications sought by us	Information/clarifications of the KPT
1.	The Authority has, vide its Order no.TAMP/15/2015-KPT dated 15 May 2015 and 30 July 2015 disposed of the Reference Tariff proposal filed by the KPT for handling containers at berth nos.11 and 12 under Tariff Guidelines, 2013, based on the proposal of KPT to adopt the upfront tariffs approved for the container handling facility at JNPT for its 4th container terminal under upfront tariff Guidelines 2008 which was approved by the Authority vide Order No.TAMP/29/2013-JNPT dated 13 August 2013.	No comments furnished
2.	The KICTPL has requested for notification of SOR for phase – I commercial operation. The reference tariff approved by the Authority in the said Orders for Container Terminal at berth nos.11 and 12 at KPT, is for the project facility as a whole and not for a phase wise development. The KPT, being the concessioner port is therefore, requested to confirm whether the proposal of KICTPL seeking notification of SOR on completion of phase – I of the project is in order.	It is to state that the proposal submitted by concessionaire for notification of SOR is in line with Clause 4 (ii) of Appendix 12 of the Concession Agreement read with TAMP letter No.TAMP/12/2009-Misc. dated 12 April 2016. Clause 4 (ii) of Appendix 12 of the Concession Agreement in reproduced below. Appendix 12 in the Tariff Schedule: “(ii) From the date of Commercial Operation (COD) till 31 March of the same financial year, the tariff would be limited to the indexed Reference Tariff relevant to that year, which would be the ceiling. The aforesaid Reference Tariff shall be automatically revised every year based on an indexation as provided in para 2.2 of the Tariff Guidelines 2013 which will be applicable for the entire license period”.
3	The KPT is requested to furnish its immediate response on the proposal of KICTPL to enable us to initiate action. The KPT is also requested to furnish a copy of the completion certificate issued by the Independent Engineer in this regard.	Copy of Provisional Completion Certificate issued by the Independent Engineer, M/s. TCRC Infra Services Pvt. Ltd. along with the Punch List of Balance Work for RTGCs is enclosed, which is as per Article 6.7(d) of the Concessionaire Agreement and the same reproduced as under: “(d). The Independent Engineer may, at the request of the Concessionaire, issue a provisional certificate of completion substantially in the form set forth in Appendix 10 (the “Provisional Certificate”) if the Tests are successful and the Project can be safely and reliably placed in commercial operation through certain works or things forming part thereof are outstanding and not yet complete.....”
4.	The KICTPL has not forwarded proposed draft SOR and the Performance Standards notified for the project. The KICTPL has been requested to furnish the complete proposed draft SOR and the Performance Standards to KPT as well as to TAMP. The KPT is requested to furnish its comments on receipt of the proposed draft SOR and the Performance Standards from KICTPL at the earliest.	No comments furnished

8. As per the Concession Agreement between the Board of Trustees of KPT and the KICTPL, the KPT has awarded the project of Development, Operation and Maintenance of Container Terminal at Berth Nos.11 and 12 at KPT on PPP mode to KICTPL. The Concession Agreement with KPT has been signed on 29 February 2016 and the agreement is valid for a period of 30 years from the date of award of concession.

9.1. As per Clause 2.9.1. of the Tariff Guidelines of 2008 for fixation of upfront tariff, the private operator shall approach the Authority for notification of Scale of Rates containing ceiling rates applicable to his operations before commencement of commercial operations as required under Section 48 of MPT Act and as per Clause 2.9.2. of tariff guidelines of 2008, the Scale of Rates to be framed by TAMP shall be in line with the tariff caps prescribed for the port and included in the bid document subject to indexation explained in Clause 2.8. Such Scale of Rates and statement of conditions shall be notified by the Authority in the Gazette of India as required by the Major Port Trusts Act, 1963.

9.2. As per clause 2.8 of the guidelines for upfront tariff setting for PPP Projects at Major Ports, 2008, the Tariff Caps are to be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2008 and 1 January of the relevant year, and the adjusted tariff will come into force from 1 April of the relevant year to 31 March of the following year.

9.3. As per clause 4 [General Note to Schedule (i) and (ii)] of the Scale of Rates of the upfront tariff Order dated 15 May 2015 and 30 July 2015 fixing upfront tariff for the facility in reference, tariff caps have to be indexed to inflation to an extent of 60% of the variation in the WPI occurring between 1 January 2015 and 1 January of the relevant year.

9.4. The base year for the upfront tariff and the corresponding annual escalation with effect from 1 April 2016 were already communicated to all the Major Port Trusts including KPT vide our letter No. TAMP/12/2009-Misc. dated 12 April 2016.

Accordingly, the escalation factor to be applied in the case in reference is NIL as per our letter dated 12 April 2016 read with clause 4 of the Scale of Rates.

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

- (i). This Authority has passed an Order No.TAMP/15/2015-KPT dated 15 May 2015 disposing of the proposal filed by the Kandla Port Trust (KPT) for fixation of Reference Tariff for handling containers at berth nos.11 and 12 of KPT under the Guidelines for Determination of Tariffs for Projects at major ports, 2013 which were notified in the Gazette of India Extraordinary (Part III Section 4) on 22 June 2015 and 12 August 2015 vide Gazette Nos.226 and 275 respectively.
- (ii). Subsequently, this Authority has passed an Order No.TAMP/15/2015-KPT dated 30 July 2015 disposing of the review application filed by the KPT to review the Order dated 15 May 2015.
- (iii). As stated earlier, the KPT has awarded the project of Development, Operation and Maintenance of Container Terminal at Berth Nos.11 and 12 at Kandla Port on PPP mode to Kandla International Container Private Limited (KICTPL) and entered into a Concession Agreement on 29 February 2016 for a period of 30 years.
- (iv). As brought out earlier, Clause 2.9.1. of the Tariff Guidelines of 2008 for fixation of upfront tariff requires the private operator to approach this Authority for notification of the Scale of Rates containing ceiling rates applicable to his operations before commencement of commercial operations. Accordingly, the KICTPL has approached this Authority with a request to notify the Scale of Rates as required under the Tariff Guidelines of 2008.
- (v). This Authority has, vide its Order No.TAMP/15/2015-KPT dated 15 May 2015 and 30 July 2015 approved the reference tariff for the subject proposal in reference. The reference tariff approved by this Authority in the said Orders for Container terminal at Berth Nos.11 and 12 at Kandla Port is for the project facility as a whole. However, the KICTPL has approached with a request for notification of

SOR for Phase – I commercial operation. When the proposal was referred to KPT, the Licensor port, the KPT, has stated that the subject proposal submitted by the concessionaire for notification of SOR is in line with the Clause 4(ii) of the Appendix 12 of the Concession Agreement read with TAMP notification No. TAMP/12/2009-Misc dated 12 April 2016. Clause 4(ii) of the Appendix 12 of the Concession Agreement prescribes applicability of indexation to reference tariff for the entire license period. The KPT has not furnished its specific comments on the applicability of the reference tariff fixed for the entire project as a whole to the phase – I of commercial operations except quoting the Clause 4(ii) of the Appendix 12 of the Concession Agreement with regard to indexation of reference tariff. It is relevant here to mention that development of subject project in a phased manner was not brought to the notice of this Authority by KPT at the time of processing of its proposal for notification of Reference Tariff which culminated into tariff Orders dated 15 May 2015 and 30 July 2015. This Authority is not a party to the Concession Agreement entered into by the KPT and KICTPL. The procedure for notification of the Scale of Rates in the name of the operator before commencement commercial operations is not prescribed in the Reference Tariff fixation guidelines of 2013. Therefore, if recourse is taken to the Guidelines for upfront tariff fixation notified in the year 2008, which are still relevant for the purposes of 2013 Reference Tariff Guidelines, the private operator can approach this Authority before commencement of commercial operation for notification of Scale of Rates containing ceiling rates applicable to his operations as per clause 2.9.1 of the tariff guidelines as required under Section 48 of the Major Port Trusts Act, 1963. Accordingly, the KICTPL has approached this Authority for notification of the Scale of Rates as required by clause 2.9.1. This Authority is required to notify the Scale of Rates in the Gazette of India as mandated by the clause 2.9.2 of the Tariff Guidelines of 2008.

The KICTPL has forwarded a copy of the Independent engineer's provisional certificate for commencement of the commercial operation. The KPT has also furnished a copy of the provisional Completion Certificate issued by the Independent Engineer of the subject project and certified that the provisional Completion Certificate is as per the Article No.6.7 (d) of the Concession Agreement, which is reproduced here under:

“(d). The Independent Engineer, at the request of the Concessionaire, issue a provisional certificate of completion substantially in the form set forth in Appendix 10 (“the Provisional Certificate”) if the Tests are successful and the Project can be safely and reliably placed in commercial operation though certain works or things forming part thereof are outstanding and not yet complete.....”.

As per Clause 2.9.2. of the Tariff Guidelines of 2008, the Scale of Rates to be framed by this Authority for the private operator should be in line with the tariff caps prescribed for the Port and included in the bid document, subject to indexation. Article 8.1 of the Concession Agreement (C.A.) entered between the KPT and KICTPL governs levy of the tariff for container terminal at Berth Nos.11 and 12 as per the Concession Agreement. As per Article 8.1 of the C.A., the Concessionaire i.e. KICTPL shall be entitled to recover tariff from the users of the Project Facilities and Services as per the Tariff Notification annexed as Appendix-12. It is seen that Appendix-12 appended to C.A. gives reference to the Notification details of the Upfront Tariff approved by this Authority vide Order No. TAMP/15/2015-KPT dated 15 May 2015 and 30 July 2015.

The KPT has confirmed that the proposal submitted by KICTPL is in order as per the Concession Agreement entered into with KICTPL by KPT. Further, the independent engineer of the subject project M/s. TCRC Infra Services Pvt. Limited has, in his Provisional Completion Certificate, certified that the Phase I of the project can be safely and reliably placed in commercial service of the users thereof, and in terms of agreement, the project is provisionally declared fit for entry into commercial operation on 2 January 2017.

Relying on the position reported by KICTPL and KPT and keeping in view the provision of 2008 Tariff Guidelines brought out above and placing reliance on the Independent Engineer's Certificate that the Terminal is fit for commercial operation, this Authority is inclined to consider the proposal of KICTPL for notification of the Scale of Rates approved in May 2015 and July 2015 without any modification due to NIL indexation for the period 1 January 2015 to 31 December 2015 as communicated to all the Major Ports vide letter dated 12 April 2016, including KPT.

- (vi). With reference to the indexation of the reference tariff fixed vide Order dated 15 May 2015 and 30 July 2015 as required under Clause 2.8. of the 2008 Guidelines, it is noteworthy that the KICTPL, while filing of its draft proposed SOR, has not applied escalation factor. In this regard, it is relevant to mention that the general note to schedule (2) and (3) of Scale of Rates (SOR) approved in the reference tariff order dated 15 May 2015, state that the tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2015 and 1 January of the relevant year. Since the general note explicitly states the base year for WPI escalation has to be 1 January 2015, Nil escalation factor considered by KICTPL to arrive at the indexed Scale of Rates taking the base as 1 January 2015 based on the applicable escalation factor announced by this Authority vide letter no.TAMP/12/2009-Misc. dated 12 April 2016 is found to be in order.
- (vii). It is seen that the tariff items notified vide Order of May 2015 and July 2015 have been subjected to change in view of the application of applicable escalation factor. For the subsequent years as well, the indexation to the extent of 60% of the WPI occurring between January 2015 and January of the relevant year has to be with reference to the tariff approved vide Order no. TAMP/15/2015-KPT dated 15 May 2015 and 30 July 2015 and not with reference to the indexed Scale of Rates to be approved. The General note 4 (i) to Schedule (2) to (4) proposed by KICTPL retaining the general note approved in the Order dated 15 May 2015 and 30 July 2015 is, therefore, suitably modified clarifying this position. This is in line with the prescription made in the Scale of Rates of other BOT operators governed under 2008 guidelines who have commenced the operations.
- (viii). As stated earlier, while submitting the proposal the KICTPL has proposed one correction in the tariff approved vide Order dated 15 May 2015 and 30 July 2015 with regard to Clause D of para 3.3 - Charges for Miscellaneous services rendered to the Container Vessels. In the Table D relating to charges for moving containers from one hatch to another or within the same hatch, the heading of column 3 has been mentioned as 'Rate per Hatch Cover (in ₹)'. The KICTPL has proposed to read the said clause as 'Rate per TEU (in ₹)'.

In this regard, the KPT has also endorsed the views of the KICTPL and requested to consider the change proposed by the KICTPL in the heading of column 3.

In this regard, it is relevant here to mention that as stated earlier the proposal of KPT was to adopt the Upfront tariff approved by this Authority vide Order No.TAMP/29/2013-JNPT dated 13 August 2013 for container terminal at JNPT, for fixation of reference tariff for the proposed project following Clause 2.2 of the Tariff Policy guidelines 2013. Accordingly, this Authority has approved the reference tariff as per the proposal of KPT. The tariff prescribed for the Miscellaneous services rendered for moving containers from one hatch to another or within the same hatch, the heading of column 3 has been mentioned as 'Rate per Hatch Cover (in ₹)', which was proposed by the KPT and approved by this Authority at the relevant point of time. However, it is also relevant here to mention that the tariff prescribed for the similar services in the other container terminals operating at various major ports also is per TEU basis only. Even the tariff approved for the ABG Kandla Container Terminal Pvt. Ltd., (earlier

concessionaire of the same project) and the reference tariff adopted by the KPT of JNPT 4th Container Terminal is also per TEU basis only. Hence, the request for change in the heading from 'Rate per Hatch Cover (in ₹)' to 'Rate per TEU (in ₹)' is found to be inline with the tariff prescribed for similar services providing by the other container terminal operators at various Major Port Trusts. Hence, the proposal of the KICTPL to change the heading from 'Rate per Hatch Cover (in ₹)' to 'Rate per TEU (in ₹)' under Clause D of para 3.3 - Charges for Miscellaneous services rendered to the Container Vessels is approved.

- (ix). All the other conditionalities governing the application of the rates as approved in the Scale of Rates of the Orders dated 15 May 2015 and 30 July 2015 are retained subject to the following.
- (a). The Government of India in the Ministry of Shipping (MOS) undercover of its letter No.PT-11033/51/2014-PT dated 11 November 2014 has forwarded a copy of the guidelines on priority berthing of coastal vessels at Major Port issued vide letter No.PT-11033/51/2014-PT dated 4 September 2014 to this Authority. Accordingly, this Authority vide its Order No.TAMP/52/2014-Genl. dated 28 November 2014 has, *inter alia*, approved the replacement of definition of 'Coastal Vessel' prescribed in the existing SOR of all the Major Port Trusts as follows:
- “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 Director General of Shipping/ Competent Authority.*
- Therefore, the definition of Coastal Vessel proposed by the KICTPL has been modified in line with the above mentioned definition of 'Coastal Vessel'.
- (b). It is relevant to state here that this Authority in view of the clarification sought by the V.O. Chidambaranar Port Trust regarding levy of concessional charges for coastal cargo/ container has passed an Order No.TAMP/53/2015-VOCPT dated 29 September 2015 based on the recommendations of Directorate General (DG) Shipping. The provisions approved in the said Order were further amended vide Order No.TAMP/53/2015-VOCPT dated 26 November 2015. The said Order passed is for common adoption by all the Major Port Trusts. Subsequent to the said Order, the DG Shipping vide its letter no.SD-9 CHART(309)/2016 dated 20 May 2016 has issued further clarification on the provision approved in the 26 November 2015 Order. This Authority has accordingly passed a clarificatory Order slightly amending the provision prescribed in para 9A (ii) and 10(ii) of the Order dated 26 November 2015. The amended provisions approved by this Authority in the recent Order has been updated accordingly, in the Scale of Rates of KICTPL.
- (x). As per clause 3.8.5 of the 2008 guidelines, if any question arises requiring clarifications or interpretation of the Scale of Rates and the statement of conditions, the matter shall be referred to this Authority and its decision in this regard will be binding on the operator.
- (xi). The KICTPL is expected to perform at least at the performance standards / norms brought out in the bid documents / Concession Agreement. The actual performance of the KICTPL will be monitored by this Authority. If any complaint regarding quality of service is received, this Authority enquires into such allegation and forward its findings to the KPT. If any action is to be taken against the KICTPL, the KPT shall initiate appropriate action in accordance with the provisions of the Concession Agreement.

- (xii). During the commercial operation at the terminal, within 15 days from the end of every quarter, the KICTPL is directed to submit to this Authority through the KPT a report containing the physical and financial performance at berth Nos.11 and 12 during the preceding three months.

10.2. In the result, and for the reasons given above and based on collective application of mind, this Authority approves the Scale of Rates and Performance Standard for the Berth Nos.11 and 12 of Kandla Port for container handling facility on BOT basis at Kandla Port Trust (KPT) to be operated by the KICTPL at KPT attached as **Annex – I** and **Annex – II**.

10.3. The Scale of Rates notified for KICTPL will come into force from the date of commencement of commercial operations by KICTPL at KPT.

(T.S. Balasubramanian)
Member (Finance)

KANDLA INTERNATIONAL CONTAINER TERMINAL PRIVATE LIMITED

CHAPTER 1 – DEFINITIONS & GENERAL TERMS & CONDITIONS

1.1. DEFINITIONS – GENERAL

- (i). **“Coastal vessel”** shall mean any vessel exclusively employed in trading between any Terminal or place in India to any other Terminal or place in India having a valid coastal license issued by the Competent Authority/ Director General of Shipping.
- (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). **“Transshipment 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 Advice Number.

1.2. GENERAL TERMS & CONDITIONS

- (i). 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.
- (ii). System of classification of vessel for levy of Vessel Related Charges (VRC)
 - (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. Such vessel that converts into coastal run based on the Customs Conversion Order at her first port of call in Indian Port, no further custom conversion is required, so long as it moves on the Indian Coast.
 - (b). A Foreign going vessel of foreign flag can convert to coastal run on the basis of a Licence for Specified Period or Voyage issued by the Director General of Shipping and a custom conversion order.
- (iii). Criteria for levy of Vessel Related Charges (VRC) at Concessional Coastal rate and foreign rate:
 - (a). In cases of such conversion, coastal rates shall be chargeable by the load port from the time the vessel starts loading coastal goods.
 - (b). In cases of such conversion coastal rates shall be chargeable till the vessel completes discharging operations at the last call of Indian Port; immediately thereafter, foreign going rates shall be chargeable by the discharge ports.
 - (c). 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.
- (iv). Criteria for levy of Cargo Related Charges (CRC) at Concessional Coastal rate
 - (a). Foreign going Indian Vessel having General Trading License issued for 'worldwide and coastal' operation should be accorded applicable coastal rates with respect to Handling Charges (HC) i.e. ship to shore transfer and transfer from/ to quay to/ from storage yard including wharfage in the following scenario:
 - (i). Converted to coastal run and carrying coastal cargo from any Indian Port and destined for any other Indian Port.
 - (ii). Not converted* to coastal run but carrying coastal cargo from any Indian Port and destined for any other Indian Port.

* The Central Board of Excise and Customs Circular no.15/2002-Cus. dated 25 February 2002 allows carriage of coastal cargo from one Indian port to another port in India, in Indian flag foreign going vessels without any custom conversion.
 - (b). In case of a Foreign flag vessel converted to coastal run on the basis of a Licence for Specified Period or Voyage issued by the Director General of Shipping, and a Custom Conversion Order, the coastal cargo/ container loaded from any Indian Port and destined for any other Indian Port should be levied at the rate applicable for coastal cargo/ container.
- (v). Vessel related charges shall be levied on Ship owners /Steamer Agents.

- (vi).
 - (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 containers 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 transshipment 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.
- (vii). 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.
- (viii). All charges worked out shall be rounded off to the next higher rupee on the grand total of each bill.
- (ix).
 - (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.
- (x). The users will not be required to pay charges for delays beyond a reasonable level attributable to the operator.

CHAPTER 2 – VESSEL RELATED CHARGES

Vessel Related Charges shall be collected by Kandla Port Trust as per the terms and conditions of Scale of Rates of KPT as revised from time to time.

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

GENERAL TERMS AND CONDITIONS:

- (i). A container originally declared as transshipment container, subsequently moved by rail or road will lose its identity as a transshipment 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 than 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 up to 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 damage 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	4020.86	3247.62	2412.52	1948.57
2	From Container yard to Railway flat or vice versa (ICD Container Rail only)	2010.42	2010.42	2010.42	2010.42
3	From Container yard to Truck or vice versa (direct delivery and export intake).	618.60	618.60	618.60	618.60

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	4020.86	3247.62	2412.52	1948.57
2.	From Container yard to Railway flat or vice versa (ICD Container Rail only)	2010.42	2010.42	2010.42	2010.42
3.	From Container yard to Truck or vice versa (direct delivery and export intake).	618.60	618.60	618.60	618.60

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	5026.98	3016.55
2.	From Container yard to Railway flat or vice versa (ICD Container Rail only)	2512.58	2512.58
3.	From Container yard to Truck or vice versa (direct delivery and export intake).	773.24	773.24

D. Transshipment Containers

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1.	1-3000 TEUs	4639.44	4020.86	2783.66	2412.52
2.	3001 - 6000 TEUs	4330.15	3711.57	2598.09	2226.94
3.	6001 - 9000 TEUs	4020.86	3402.26	2412.52	2041.36
4.	Thereafter	3711.57	3092.97	2226.94	1855.78

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 transshipment container, subsequently moved by rail or road will lose its identity as a transshipment 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	8041.72	6495.23	4825.03	3897.14
2.	From Container yard to Railway flat or vice versa(ICD Container Rail only)	4020.86	4020.86	4020.86	4020.86
3.	From Container yard to Truck or vice versa (direct delivery and export intake).	1237.18	1237.18	1237.18	1237.18

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 ₹)		
		Up to 20' in length	Over 20' to up to 40' in length	Above 40' in Length
1.	Non-ICD/ CFS Import - loaded			
	First 2 days	Free	Free	Free
	3-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
2.	Non-ICD/ CFS Import - Empty			
	First 2 days	Free	Free	Free
	3-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
3.	Non-ICD/ CFS Export - Loaded			
	First 3 days	Free	Free	Free
	4-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69

Sl. No.	Particulars	Rate per container per day or part thereof (in ₹)		
		Up to 20' in length	Over 20' to up to 40' in length	Above 40' in Length
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
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	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
4.	Non-ICD/ CFS Export - Empty			
	First 3 days	Free	Free	Free
	4-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
5.	CFS Import loaded - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
6.	CFS Import empty - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
7.	CFS Export loaded - moved by road			
	First 3 days	Free	Free	Free
	4-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24
8.	CFS Export empty - moved by road			
	First 3 days	Free	Free	Free
	4-6 days	491.69	983.38	1475.07
	7-9 days	584.90	1169.79	1754.69
	10-12 days	695.66	1391.32	2086.99
	13-15 days	826.69	1653.38	2480.07
	16-18 days	982.03	1964.06	2946.09
	19-22 days	1168.44	2336.88	3505.33
	23-26 days	1389.97	2779.95	4169.92
	27-30 days	1652.03	3304.06	4956.09
	Thereafter	1965.41	3930.83	5896.24

Sl. No.	Particulars	Rate per container per day or part thereof (in ₹)		
		Up to 20' in length	Over 20' to up to 40' in length	Above 40' in Length
9.	ICD Import and Export loaded or empty – moved by rail			
	First 5 days	Free	Free	Free
	5-15 days	982.03	1964.06	2946.09
	16-30 days	1965.41	3930.83	5896.24
	Thereafter	3930.83	7861.66	11792.48
10.	Transshipment- loaded			
	First 15 days	Free	Free	Free
	16-30 days	1965.41	3930.83	5896.24
	Thereafter	3930.83	7861.66	11792.48
11.	Transshipment- Empty			
	First 7 days	Free	Free	Free
	8-15 days	1168.44	2336.88	3505.33
	Thereafter	3930.83	7861.66	11792.48

Notes:

- (1). The total storage period for a container shall be reckoned from the day following the day of landing up to 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). Transshipment 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). Transshipment 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 transshipment to an Indian Port on a coastal voyage or vice versa would be charged at 50% of the transshipment 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 de-stuffing 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 up to 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

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Going Vessel		Coastal Vessel (₹)	
		Loaded	Empty	Loaded	Empty
1.	Additional charges per 4 hours or part thereof for electricity consumption and monitoring of reefer containers	301.59	301.59	301.59	301.59

Note:

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

B. Other Services Rendered

S. 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	2604.65	2604.65	2604.65	2604.65

	inspection or any other purpose and subsequent loading of containers for delivery.				
2.	Additional service charges for stacking containers in designated yard for custom examination or for any other purpose by prior arrangement.	306.35	306.35	306.35	306.35

C. Opening of Hatch Cover and replacing it

S. No.	Description	Rate per Hatch Cover (in ₹)	
		Foreign Going Vessel	Coastal vessel
1.	When placing it on the Quay	4524.60	2714.76
2.	Without placing it on the Quay	1809.57	1085.75

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

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Going Vessel		Coastal vessel	
		Loaded	Empty	Loaded	Empty
(a).	Hatch to hatch shifting (involving 1 move only)	1507.99	1507.99	904.79	904.79
(b).	Other than (a) mentioned above	6032.58	6032.58	3619.55	3619.55

4. GENERAL NOTES:

- (i). The Reference Tariffs will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2015 and 1 January of the relevant year. Such automatic adjustment of Reference Tariffs will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.
- (ii). From the date of Commercial Operation (CoD) till 31st March of the same financial year, the tariff would be limited to the indexed Reference Tariff relevant to that year, which would be the ceiling. The aforesaid Reference Tariff shall be automatically revised every year based on an indexation as provided in para 2.2 of the tariff guidelines of 2013 which will be applicable for the entire licence period.

However, the Licensee would be free to propose a tariff along with Performance Standards (the "Performance Linked Tariff") from the second year of operation onwards, over and above the indexed Reference Tariff for the relevant financial year, at least 90 days before the 1st April of the ensuing financial year. Such Performance Linked Tariff shall not be higher than 15% over and above the indexed Reference Tariff for that relevant financial year (and this will be the Tariff Cap). The Performance Linked Tariff would come into force from the first day of the following financial year and would be applicable for the entire financial year.
- (iii). The proposal shall be submitted to TAMP along with a certificate from the independent engineer appointed under the Concession Agreement of the Project indicating the achievement of Performance Standards in the previous 12 months as incorporated in the Licence Agreement or for the actual number of months of operation in the first year of operation as the case may be.
- (iv). On receipt of the proposal, TAMP will seek the views of the Kandla Port Trust on the achievement of Performance Standards as outlined in para 5 of the tariff guidelines of 2013, within 7 days of receipt.
- (v). In the event of Licensee not achieving the Performance Standards as incorporated in the Licence Agreement in previous 12 months, TAMP will not consider the proposal for notifying the Performance Linked Tariff for the ensuing financial year and the Licensee shall be entitled to only the indexed Reference Tariff applicable for the ensuing financial year.

- (vi). After considering the views of the Kandla Port Trust, if TAMP is satisfied that the Performance Standards as incorporated in the Concession Agreement have been achieved, it shall notify the performance linked tariff by 15th of March to be effective from 1st of April of the ensuing financial year.
- (vii). While considering the proposal for Performance Linked Tariff, TAMP will look into the Performance Standards and its adherence by the Licensee. TAMP will decide on the acceptance or rejection of the Performance Linked Tariff proposal based on the achievement or otherwise of the Performance Standards by the Licensee. Determination of indexed Reference Tariff and Performance Linked Tariff will follow the illustration shown in the Appendix attached to the tariff guidelines of 2013.
- (viii). From the third year of operation, the Performance Linked Tariff proposal from the Licensee shall be automatically notified by TAMP subject to the achievement of Performance Standards in the previous 12 months period as certified by the Independent Engineer. The Licensee, for the Performance Linked Tariff from the third year onwards, will submit the Performance Linked Tariff proposal along with the achievement certificate from the independent engineer by 1st March and TAMP shall notify by 20th March, the Performance Linked Tariff to be effective from the ensuing financial year.
- (ix). The tariff caps prescribed in the Scale of Rates of Kandla International Container Terminal Private Limited (KICTPL) take into consideration the upfront tariff approved by the Authority vide TAMP/15/2015-KPT dated 15 May 2015 and TAMP/15/2015-KPT dated 30 July 2015 and applying NIL indexation. For the subsequent years as well, reference tariff approved in the Order TAMP/15/2015-KPT dated 15 May 2015 and TAMP/15/2015-KPT dated 30 July 2015 will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2015 and 1 January of 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.

Performance Standards

Sr. No	Parameter	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
