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Tariff Authority for Major Ports

G.No. 369

New Delhi,

20 September 2017

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 approves the proposal received from New Mangalore Port Trust for implementation of Berthing Policy for Dry Bulk Cargo for fixation of Anchorage charges, Performance Standards for dry bulk cargo and incentives and penalties linked to Performance Standards as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/97/2016-NMPT

New Mangalore Port Trust

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Applicant

QUORUM

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

ORDER

(Passed on this 21st day of July 2017)

This case relates to the proposal received from New Mangalore Port Trust (NMPT) for implementation of Berthing Policy for Dry Bulk Cargo for fixation of Anchorage charges, Performance Standards for Dry Bulk cargo and incentives and penalties.

2. The Ministry of Shipping (MOS) under cover of its letter dated 16 June 2016 has forwarded the Berthing Policy for Dry Bulk Cargo for Major Ports, 2016 and has requested all the Major Port Trusts to take action.

3. In pursuance of the said Policy issued by the MOS, the NMPT vide its letter No.NMPT/DTM/Estt./BP/2016 dated 23 December 2016 has filed the proposal for implementation of Berthing Policy for Dry Bulk Cargo for fixation of Anchorage charges, incentives and penalties.

4.1. The main points made by NMPT in its proposal dated 23 December 2016 are summarised below:

- (i). As per the Berthing Policy, port shall calculate performance norms for berths handling dry bulk cargo as their major cargo, incentives and penalties to be paid/levied on the basis of norms, rerating of berth capacity and anchorage charges. The Policy provides approach for calculating Performance Norms and Guidelines for levy of Anchorage charges and imposition of penalties rewarding incentives for dry bulk cargo. Based on the approach given in the above Policy the NMPT has formulated the current proposal for implementation of Berthing Policy.
- (ii). As on date, the port has 15 operational berths, the details of which are given in the table below:

Sl. No.	Berth	Length in meters	Depth in meters	Cargo handled
1	Berth No. 1	125	7	Break bulk
2	Berth No. 2	198	10.5	Break bulk
3	Berth No. 3	198	10.3	Break bulk
4	Berth No. 4	198	9.5	Break bulk / Liquid ammonia / Phos: acid
5	Berth No. 5	198	9.5	Break bulk/ Cement/ Edible oil
6	Berth No. 6	198	9.5	Break bulk
7	Berth No: 7	198	9.5	Break bulk
8	Berth No. 8	300	12.5	Iron ore (Mech) (KIOCL)
9	Berth No. 9	330	10.5	POL/LPG
10	Berth No. 10	320	14	Crude/POL
11	Berth No. 11	320	14	Crude/POL
12	Berth No. 12	320	12.5	POL/ Chemicals
13	Berth No. 13	350	14	Liquid cargo
14	Berth No. 14	350	14	Multipurpose
15	Berth No. 15	350	14	Coal (UPCL)

- (iii). The port handled a total traffic of 35.58 Million tons during the year 2015-16. The details of the cargo handled from 2011-12 to 2015-16 is given in the table below:
(in million tons)

Commodity	2011-12	2012-13	2013-14	2014-15	2015-16

POL, Crude & Product	22.245	24.301	24.647	22.972	23.931
Iron ore	3.036	2.616	3.123	1.555	0.506
Fert. Finished	0.804	0.519	0.454	0.649	0.732
Fert. Raw Material	0.021	0.017	0.050	0.055	0.079
Coal Thermal	1.390	2.553	2.928	2.726	3.319
Coal Coking	2.632	4.358	5.420	5.452	3.050
Container	0.645	0.692	0.747	0.921	1.105
Container (In 1000 TEUs)	(45)	(48)	(50)	(63)	(76)
Others	2.168	1.980	1.996	2.236	2.860
Total	32.941	37.036	39.365	36.566	35.582

The above table indicates that the crude and POL traffic is more or less remained the same over the five year period. The iron ore traffic and fertilizer has been declining; but the coal traffic is steadily increasing. There is appreciable growth in container traffic.

- (iv). Statement showing dry bulk cargo handled during 2013-14 to 2015-16 is as follows, indicating the berths where such dry bulk cargo is handled:

(In tonnes)

Sr. No.	Cargo	2013-14	2014-15	2015-16	Handled at berth numbers
1	Finished fertiliser	4,54,286	6,49,272	7,32,476	2,3,4,6,7,8,14
2	Fertiliser Raw material	49,663	82,360	79,320	2,3,7,14
3	Food grains	FG 1,17,250	Maize 6600	Cattle feed 10,000 Wheat 27,000	2,3,4
4	Coal	54,20,386	54,51,942	30,50,198	2,3,6,7,8,14,15
5	Iron ore, Iron ore pallets, Bentonite, Bauxite, Copper, Concentrate, Zinc ore	IOF 16,57,552 GYP 2,46,320 Bent. 40,275	IOF 8,19,530 IOF (JSW) 1,55,995 IOL 82,500 GYP 3,40,872 Bent. 41,764 Bauxite 84,100	IOF 1,28,940 GYP 3,30,178 Bent. 60,000 Laterite 17,664	2,3,6,7,8,14
6	Lime stone, Dolomite, Clinker, Clay, sand and other similar dry bulk	LS 55,110 Soda ash 3,250	LS 27,500 Soda ash 2,859	Soda ash 7,629	1,2,3,8
	Total	80,44,092	77,36,016	44,43,405	

The major volume of dry bulk is handled at Berth Nos.8, 14 & 15. The captive Berth Nos.8 & 15 for KIOCL and M/s.Udupi Power Corporation Ltd. (UPCL) respectively are having mechanized handling facilities. Further, the volume of dry bulk cargo handled at Berth Nos. 2, 3, 4, 5, 6 & 7 is not significant. The Berth No.14 is presently handling dry bulk cargo as major cargo.

- (v). As per the Berthing Policy, performance norms for Dry Bulk cargo incentive and penalties and Anchorage charges are worked out as under:

- (a). **Performance Norms for berths handling dry bulk as their major cargo:**

The performance norms for unloading of dry bulk cargo have been worked out as per the approach given in the above Policy. The Performance Norms worked out is furnished.

As regards loading of dry bulk cargo, berthing policy provides method for calculation for mechanized loading. NMPT is presently having mechanized loading facility only at captive berth of KIOCL at Berth No.8. Therefore, the performance norms for loading of dry bulk cargo is not worked out.

In order to monitor the performance of the Dry bulk vessels, formats have been devised for seeking information from the vessel Agents and Stevedores.

A note is proposed stating that the performance norms are worked out on the basis of size of the grab and density of the cargo which may change with the changes in the parameter.

(b). **Re-rating of Berth capacity:**

It is proposed to rerate capacity of berth No.14 which is handling dry bulk cargo as major cargo. As per the last 3 years statistics, the average berth occupancy of B.No.14 (new berth no.8) was 75% and the cargo handled was coal (87%), Fertilizer (5%), IOF (4%) and Gypsum (4%). The existing capacity of Berth No.14 is 6.6 MMT per annum. The capacity of the Berth has been re-rated as per the Berthing Policy which works out to 6.9 MMT per annum is as follows:

Sr. No.	Particulars	Private HMC (104 MT)				Ship crane			
		Coal	Fertilizer	IOF	Gypsum	Coal	Fertilizer	IOF	Gypsum
(i).	Norms (supermax vessel)	13800	13000	26400	14600	3900	3700	9500	6600
(ii).	No. of Cranes	2				4			
(iii).	Base norm	27600	26000	52800	29200	15600	14800	38000	26400
(iv).	Avg. Occupancy of berth	75%				75%			
(v).	Days	274				274			
(vi).	Target Usage	70%				30%			
(vii).	Target Volume	85%	5%	5%	5%	85%	5%	5%	5%
(viii).	Capacity of Crane for each cargo	4499628	249340	506352	280028	1088978	60773	156038	108405
(ix).	Total Capacity of Berth	6949541							

(c). **Anchorage charges:**

As per the guidelines, it is proposed to prescribe following free waiting period and levy anchorage charges:

- (i). Free waiting period of 48 hours for vessels during which no anchorage charges will be levied.
- (ii). To levy 10% of Berth hire charges on vessel for a period of above 48 hours and up to 96 hours post expiry of the free period.
- (iii). To levy 30% of Berth hire charges on vessel for a period of above 96 hours and up to 144 hours post expiry of the free period.

Note: As per the Guidelines the Ports are to charge high anchorage charge comparable to the daily charter rates of the vessel for post a waiting period of 96-144 hrs. However, it will not be possible to prescribe anchorage charges on the above basis as daily charter rates of the vessel is not available with the Port and the same may not be disclosed by the vessel owner/ charter party and therefore, a flat rate of 30 % of berth hire charges is proposed.

- (iv). To levy 50% of Berth hire charges on vessel for a period of above 144 hours post expiry of the free period.

- (v). Anchorage charges for coastal vessels will be levied on the applicable berth hire charges prescribed for coastal vessel.

Note: Port can exempt vessels from paying anchorage charges in exceptional circumstances including but not limited to lapses in Port provided services (e.g. crane or equipment failure, unavailability of pilot etc.) causing waiting of vessels. Chairman of the Port Trust or an equivalent authority may approve of any waivers in anchorage charges. The above exemptions include non-availability of dedicated Berth.

It is suggested that, anchorage charges may be exempted if the required berth to the vessel is not available particularly on account of non-availability of Berth No.14 where deep draft dry bulk cargo vessels are handled and the berth is the only deep draft berth available in NMPT having facilities to handle Panamax gearless vessels or the vessels having cranes declared as gearless vessels as per the charter party agreement.

(d). **Incentive and Penalties:-**

Incentives and penalties are proposed as per guidelines.

- (vi). The proposed productivity norms for dry bulk cargo, incentive / disincentive linked on performance norm for dry bulk cargo and anchorage charges proposed by NMPT are given as under:

(a). **Productivity Norms for dry bulk cargo:**

Sr. No.	Commodity	Density (MT/m)	Grab CBM	Berth day output (MT per day)								
				104 T HMC (Two nos.)			64 T HMC (Two nos.)			Ship Crane (Four nos.)		
				Pana max	Super max	Handy max	Pana max	Super max	Handy max	Panam ax	Super max	Handy max
1.	Thermal Coal	0.85	32	28737	27540	26978	14369	13770	13489	16165	15491	15175
2.	Coking coal	0.85	32	28737	27540	26978	14369	13770	13489	16165	15491	15175
3.	Pet coke	0.88	32	29752	28512	27930	14876	14256	13965	16735	16038	15711
4.	Met coke	0.81	32	27385	26244	25708	13693	13122	12854	15404	14762	14461
5.	Urea	0.80	32	27047	25920	25391	13523	12960	12696	15214	14580	14282
6.	DAP	0.80	32	27047	25920	25391	13523	12960	12696	15214	14580	14282
7.	MOP	1.10	20	23243	22275	21820	18595	17820	17456	20919	20048	19638
8.	Sulphur	1.12	20	23666	22680	22217	18933	18144	17774	21299	20412	19995
9.	Gypsum	1.44	20	30428	29160	28565	24342	23328	22852	27385	26244	25708
10.	Limestone	1.52	20	32118	30780	30152	25695	24624	24121	28906	27702	27137
11.	Bentonite	0.96	32	32456	31104	30469	16228	15552	15235	18257	17496	17139
12.	Rock Phosphate	1.28	20	27047	25920	25391	21638	20736	20313	24342	23328	22852
13.	Fertiliser	0.80	32	27047	25920	25391	13523	12960	12696	15214	14580	14282
14.	Iron Ore	2.60	20	54939	52650	51576	43951	42120	41260	39556	37908	37134
15.	Food Grain	0.60	32	20285	19440	19043	10143	9720	9522	11410	10935	10712

(b). **Incentives and Penalties on berth hire charges based on performance norm for dry bulk cargo vessels:**

Following incentive or penalties will be levied in case of lower or higher stay of ship as compared to stipulated time.

Sr. No.	Description	Incentive	Penalties
1	Ship stays within 5% (higher or lower) of stipulated time	NIL	NIL
2	Ship stay more than 5% higher than the stipulated time	NA	No. of additional hours * 3 * berth hire charges per hour or part thereof.
3	Ship stay more than 5% lower than the stipulated time	No. of additional hours saved * 1 * berth hire charges per hour or part thereof.	NA

(c). **Anchorage charges for dry bulk cargo vessels:**

Sr. No.	Period	Anchorage charges
1	Upto 48 Hours	Free
2	Above 48 hours and upto 96 hours	10% of applicable berth hire charges
3	Above 96 hour and upto 144 hours	30% of applicable berth hire charges
4	Above 144 hours	50% of applicable berth hire charges

Note: Port can exempt vessels from paying anchorage charges in exceptional circumstances including but not limited to lapses in port provided services (e.g. crane or equipment failure, unavailability of pilot, unavailability of dedicated berth etc.) causing waiting of vessels. Chairman of the Port Trust or an equivalent authority will require approving of any waivers in anchorage charges.

4.2. The proposal for prescription of performance norms for dry bulk cargo and incentives and penalties on the basis of performance norms for Dry bulk cargo vessel and fixation of anchorage charges have been approved by the Board in its 6th Board meeting vide Agenda item No.9 dated 02 December 2016 subject to approval from TAMP. [A copy of the Board's approval is also forwarded by the NMPT].

5. In accordance with the consultative procedure prescribed, a copy of the NMPT proposal dated 23 December 2016 was circulated vide our letter dated 03 January 2017 to the concerned users/ user organizations seeking their comments. The comments received from the users / user organizations on the subject proposal was forwarded to NMPT from time to time as feedback information. The NMPT has responded to their comments.

6. A joint hearing in this case was held on 20 March 2017 at the NMPT premises. The NMPT made a brief Power Point presentation of its proposal. At the joint hearing, the NMPT and the concerned users/ user organizations have made their submissions.

7.1. As agreed at the joint hearing, the NMPT and Association of New Mangalore Port Stevedores (ANMPS) were requested vide our letter dated 23 March 2017 to take action on the following points arising out of joint hearing proceedings:

- (i). ANMPS furnished its written comments which was forwarded to NMPT with request to furnish its comments immediately.
- (ii). At the joint hearing, Mangalore Port Stevedores Association (MPSA) and Kudremukh Iron Ore Company Limited (KIOCL) have objected to the daily output considered for determination of performance norms for various bulk cargo items stating that they are quite on higher side. As agreed at the joint hearing, the NMPT was requested to examine the matter and review the performance norms within the framework of Berthing Policy.
- (iii). The Stevedores Association agreed to assist the NMPT to review the performance norms. The NMPT was requested to review and file a revised proposal by 30 March 2017, if any.

7.2. With reference to the second and third of points of action referred above at para 7.1, the NMPT vide its letter dated 15 April 2017 has examined performance norms in consultation with ANMPS and KIOCL. Based on the inputs received from ANMPS and KIOCL, the performance norms have been revised by the port, considering following changes in the parameters:

- (i). The grab size of ship crane is considered as 12/8 CBM instead of 15 CB considered earlier, since the vessels calling at the port are normally having 12/8 CBM.
- (ii). The Picking factor is considered in the range of 60-90% based on the commodity instead of uniform picking factor of 90% considered earlier. The picking factor varies from 80-90% at top level to 30-35% at bottom level and depends upon the type commodity.

- (iii). No. of hook cycle has been changed due to constraint in space at berth for discharging of cargo to the shore, distance between stack yard and berth, availability of number of tippers and other equipment with stevedores. Further, the dry bulk cargo vessel generally visiting the port is of more than 15 years old and the performance of ship cranes are not upto the level.
- (iv). The NMPT has furnished detailed working for arriving at the proposed performance norms.
- (v). Since the level of penalty and incentive has bearing on performance norms which are now proposed to be revised on lower side, it is stated that the financial impact of the same is not available and, therefore, it is requested to lower the incentive to be given on achievement of performance. It is proposed to give incentive of 10% of berth hire charges for number of hours saved in case where actual berth stay is more than 5% lower than the stipulated time.

(vi). The Performance norms proposed by NMPT are given as under:

Sr. No.	Commodity	104T HMC (Two Nos.)	64 T MHC (Two Nos.)	Ship Crane (Four Nos.)
1	Coal	21800	13800	9700
2	Pet Coke	16400	9800	9300
3	Met Coke	11300	7700	7700
4	Urea	11600	7400	6600
5	DAP/SOP	11600	7400	6600
6	MOP	12900	9000	8400
7	Sulphur	12000	8600	7200
8	Gypsum and other Ores and minerals	15400	9600	9200
9	Limestone/Dolomite	15000	10100	9000
10	Bentonite	12900	8800	7300
11	Rock Phosphate and other FRM	12600	9200	8200
12	Other Finished Fertilizer	11600	7400	6600
13	Iron Ore Fines	21600	17300	14000
14	Food Grains	10400	5900	4600

[The NMPT in its original proposal had proposed separate performance norms for different types of vessels viz. handy max, panamax and supermax. In the revised proposal, the port has not proposed different performance norms for different types of vessels.]

- (vii). The Incentive and Penalty Scheme and anchorage charges are proposed as proposed by NMPT in its original proposal and hence not reiterated.

7.3. With reference to the first point of action referred above at para 7.1, the ANMPS has, vide its letter dated 06 April 2017 furnished its comments which was forwarded to NMPT vide our letter dated 19 April 2017 for its response. The NMPT vide its letter dated 21 April 2017 has furnished its response on the comments/ views of ANMPS.

8. Subsequently, NMPT vide its letter dated 23 May 2017 has furnished following clarification in continuation to its letter dated 15 April 2017 on a few points relating to its proposal:

- (i). The proposed Performance norms shall be applicable to the dry bulk cargo handling at various berths of NMPT except dry bulk cargo handled by Captive user at the following berths:
 - (a). Berth no.5 is a captive berth for handling cement and edible liquid cargo. The performance norms shall not be applicable to captive users of cement i.e. M/s. Ultra Tech Cement / M/s. Ambuja Cement as handling of the cement at the berth is governed by MOU / license agreement between port and above companies having MGT. Edible cargo is handled through pipelines.
 - (b). Berth no.8 is a captive berth of M/s. KIOCL. The berth is also used by other port users when not utilized by M/s. KIOCL. The proposed performance

norms shall not apply if iron ore is handled by M/s.KIOCL. However, the Performance Norms will be applicable if the dry bulk cargo including Iron ore is handled by other port users viz. registered Stevedoring and Shore handling agents of NMPT.

(c). Berth no.15 is a captive berth of BOT operator M/s.UPCL. The handling of dry bulk cargo i.e. coal at this berth is governed by License agreement between port and M/s.UPCL.

(ii). In the revised proposal, incentive is proposed at 10% of berth hire charges for number of hours saved incase where actual of vessel at berth is more than 5% lower than the stipulated time. It is clarified that pursuant to the joint hearing held on 20 March 2017 and as per the feedback given by port users i.e. Stevedores and KIOCL, the performance norms have been revised. Since financial implication is yet to be known, it is proposed to consider above incentive to be given on achievement of performance norms which may be revised subject to outcome of review of performance norms after one year.

9. On preliminary scrutiny of the revised proposal of the NMPT dated 15 April 2017, the NMPT was requested vide our letter dated 29 May 2017 to furnish requisite information / clarification on few points. The NMPT vide its letter dated 03 June 2017 has furnished its response to the information / clarification sought by us. A summary of the information / clarification sought by us and reply furnished by NMPT thereon is tabulated below:

Sl. No.	Information / clarifications sought by us	Reply furnished by NMPT						
(i).	The Berthing Policy indicates Performance Norms for seven broad dry bulk cargo categories. As against that, the NMPT has proposed Performance Norms for 14 dry bulk cargo items. It prima facie appears from the proposal of NMPT that the port has followed the classification of cargo based on the cargo classification furnished in the Stevedores and Shore handling guidelines issued by the MOS as there is no classification of cargo in the Berthing Policy in respect of individual cargo items. The port to confirm the position. The port to also confirm under which category Bentonite is grouped by the port for applying the norms prescribed in the Berthing policy. Under the Stevedoring and Shore Handling Guidelines, Bentonite is categorised under Iron Ore, Iron Ore Pellets, Bentonite, Bauxite, Copper Concentrate, Led and Zinc Ore.	NMPT has considered those commodities in proposal which are handled at the port. As per the approach given in the guidelines issued by the MOS, the performance norm is directly proportional to the density of dry bulk cargo. Hence, the Performance Norms proposed for the commodities handled at NMPT cannot be grouped together as the density of dry bulk cargo varies from commodity to commodity. It is further clarified that Bentonite cannot be grouped with Iron Ore. Iron ore is heavier cargo having density of 2.0 than Bentonite having density of 0.96 and therefore the performance norms for Iron Ore is higher than Bentonite.						
(ii).	The berthing policy has prescribed few parameters for calculation of the Performance norms. On perusing the proposal it is seen that following are the deviation in parameters considered by the NMPT from the norms prescribed in the Berthing Policy. The port to furnish the basis for the parameters (highlighted Bold) proposed by port for arriving at performance norms and explain the reasons for deviation (highlighted Bold) from the parameters prescribed in Berthing Policy. The NMPT is requested to justify basis for different parameters (highlighted bold) adopted by the NMPT as given in the above tables for each of the items and also furnish reasons for deviation from the prescribed norms for each of the items:							
(a).	Density of the Commodities: <table border="1" data-bbox="319 1937 949 2054"> <thead> <tr> <th>Commodity</th> <th>As per Berthing Policy</th> <th>Proposed by NMPT</th> </tr> </thead> <tbody> <tr> <td>Coal</td> <td></td> <td></td> </tr> </tbody> </table>	Commodity	As per Berthing Policy	Proposed by NMPT	Coal			As stated above the performance norms of the commodity depends upon its density. Further, it is clarified that petroleum coke (Pet coke) is considered to be heavier than the steam coal
Commodity	As per Berthing Policy	Proposed by NMPT						
Coal								

Pet Coke	0.85	0.88
Met Coke	0.85	0.78
Fertilizers		
MOP	0.80	1.10
Sulphur	0.80	1.12
Rock Phosphate	0.80	1.28
Gypsum (and other Ores and minerals)	1.12	1.44
Limestone / Dolomite	0.70	1.52
Bentonite	2.00	0.96

whereas Metallurgical Coke is lighter than steam coal and accordingly density have been considered. Similarly, in fertilizer category MOP, FRM Sulphur and Rock Phosphate are heavier than Urea. The commodities appearing in the same group in the Stevedoring and Shore handling guidelines are of different density and therefore cannot be grouped for the purpose of calculation of performance norms.

(b). Size of Grab:

Commodity	As per Berthing Policy			Proposed by NMPT		
	[100] MT HMC	[60] MT HMC	Ship crane	[104] MT HMC	[64] MT HMC	Ship crane
Coal						
Coal	35	22	12	35	16	12
Pet Coke	35	22	12	35	16	12
Met Coke	35	22	12	35	16	12
Fertilizers						
Urea	35	22	12	35	16	12
DAP/SOP	35	22	12	35	16	12
MOP	35	22	12	20	16	12
Sulphur	35	22	12	20	16	12
Rock Phosphate and other FRM	35	22	12	20	16	12
Other Finished Fertilizer	35	22	12	35	16	12
Gypsum and other Ores and minerals	28	18	10	20	16	12
Limestone / Dolomite	35	22	12	20	16	12
Iron Ore Fines	20	12	8	20	16	8
Food Grains	35	22	12	35	16	12
Bentonite	20	12	8	35	16	12

The size of grab for 104 MT MHC and ship crane is matching with the berthing policy. However, 64 MT capacity port MHC has 16 tonne grab and therefore same considered.

(c). Grab picking factor:
The grab picking factor has been considered by NMPT for 104 MT HMC in the range of 60% to 65%, for 64 MT HMC in the range of 65% to 90% and for ship cranes in the range of 60% to 70%, for all commodities. The stepwise illustration for calculation of performance norms for coking coal as indicated in the Berthing Policy, considers picking factor at 90%. The Berthing Policy does not indicate picking factor for other cargo items. The port to give reasons and basis for grab picking factor considered by it.

The picking factor of the cargo decreases from top level to bottom level of grab in the hatch. It also varies with the type of commodities handled. The picking factor is maximum at top level i.e. 85 to 90% and decreases to 32 to 35% at bottom level.

(d). Cycles per hour for full load and partial load operations:

Sr. No.	Commodity	As per Berthing Policy						Proposed by NMPT					
		[100] MT HMC		[60] MT HMC		Ship crane		[104] MT HMC		[64] MT HMC		Ship crane	
		Full Load	Partial Load	Full Load	Partial Load	Full Load	Partial Load	Full Load	Partial Load	Full Load	Partial Load	Full Load	Partial Load
A. Coal													
1	Coal	30	20	30	20	18	12	30	20	30	20	18	14
2	Pet Coke	30	20	30	20	18	12	20	16	20	16	18	14
3	Met Coke	30	20	30	20	18	12	16	12	20	16	16	10
B. Fertilizers													
4	Urea	30	20	30	20	18	12	16	12	20	16	14	8
5	DAP/SOP	30	20	30	20	18	12	16	12	20	16	14	8
6	MOP	30	20	30	20	18	12	20	20	16	12	14	8

The cycle per hour has been adopted considering the various parameter involved in cargo handling operation such as space constraints at berth, distance of storage area for berth, availability of equipment and tippers with stevedores for evacuation of cargo from berth, type and nature of cargo, condition of ship cranes etc. For instance, coal is discharged on jetty and transported to

	7	Sulphur	30	20	30	20	18	12	20	16	16	12	10	8	<p>stack yards which are within one km distance whereas Iron is transported to KIOCL storage area which is more than 3 km away from jetty and thus Iron ore vessels have lower no. of hook cycle as compared to Coal vessels. Further, Iron ore vessels are very old vessels and productivity of ship cranes are lower as compared to coal vessels. The commodities like fertilizers (urea, DAP, SOP etc.) require covered storage area and space constraint is experienced particularly at time of bunching of vessels and the above cargo required to be transported and stored at godowns outside the port premises therefore has lower hook cycle. Similarly food grains which also require covered storage area has lower hook cycle due to constraint in storage space. The commodities like MOP, Sulphur, and Rock Phosphate has lower hook cycle as the evacuation of cargo is slower due to nature of cargo and distance of stack yard.</p> <p>An elaborate discussion was held with Agents / KIOCL and stevedores in the backdrop of conclusion of the Joint hearing conducted by the TAMP wherein the parameters with reference to hook cycle was discussed.</p>
	8	Rock Phosphate and other FRM	30	20	30	20	18	12	20	16	16	12	10	8	
	9	Other Finished Fertilizer	30	20	30	20	18	12	16	12	20	16	14	8	
	10	Gypsum and other Ores and minerals	30	20	30	20	18	12	20	16	16	12	10	8	
	11	Limestone / Dolomite	30	20	30	20	18	12	20	16	16	12	10	8	
	12	Iron Ore Fines	30	20	30	20	18	12	20	20	20	20	18	14	
	13	Food Grains	30	20	30	20	18	12	20	16	20	16	14	8	
	14	Bentonite (No Norms)	30	20	30	20	18	12	16	12	20	12	14	8	
(iii).	In the original proposal, the port had proposed different performance norms for different types of vessels. Whereas in the final revised proposal, though the port has computed different performance norms for different types of vessels (Panamax, Supermax, Handy Max), the port has finally proposed performance norms arrived for supermax size of vessel as guiding factor as per the vessels arriving at the port. Since the performance norms vary for different type of vessel as evident from the calculation of the port and also that berthing policy prescribes norms for different types of vessels, the reasons for proposing uniform norms across all types of vessels to be explained, with justification.		The most of the dry bulk cargo vessels handled at NMPT is of supermax size. Therefore, performance norms has been worked out for supermax size vessels.												
(iv).	As regards, captive berth handled by UPCL, the point made by the Authority in its general revision Order No TAMP/22/2015-NMPT dated 27 February 2016 at para 18 (d) (ii) is reiterated for relevant action by the port which does not appeared to have been taken. The relevant extract from the said para is reproduced below: <i>"It is relevant to state here that the said Concession Agreement at clause 9.2.(vi).(b) allows UCPL to utilise the captive terminal for handling coal cargo for other users. Neither the NMPT nor the UPCL have approached this Authority as regards the tariff arrangement for levy of charges in the event the UPCL utilises the captive terminal for handling coal cargo for other users. The tariff to be levied by the Major Port Trust or operator authorised by the Major Port Trust to render services to any user even if it is a captive berth user will require approval of this</i>		M/s. UPCL has not been handling coal cargo for other users. Further it is clarified that the licensee has not approached port for seeking permission for the same under relevant clause of concession agreement and therefor proposal for tariff fixation has not been initiated by NMPT.												

	<p><i>Authority as per the statute. That being so, it is the sole responsibility of the NMPT being the licensor port, to ensure that tariff, if any, to be levied by the UPCL for service rendered to other user has the approval of this Authority as required under the statute and the NMPT is directed to suitably advise the UPCL in this regard to file a proposal following the approach adopted in IFFCO Kisan Bazar Logistics Ltd. Vide Order No.TAMP/55/2013-KPT dated 15 January 2016 atleast three months prior to UPCL envisaging to handle third party cargo. By way of abundant caution, it is clarified that tariff, if any, being levied by UPCL for third party cargo for services if any, rendered by them does not have the approval of this Authority. “</i></p>	
(v).	<p>During the last general revision proposal of the NMPT the port has stated that two berths are captive berths i.e. Berth No 8 to KIOCL and Berth no 15 to UPCL. In the current proposal and by email dated 23 May 2017, the port has stated that berth no 5 is also captive berth for handling cement and edible liquid cargo, apart from Berth no.8 and 15. The port to confirm whether the tariff levied for cargo handled at the berth No 5 by captive users is as per the Scale of Rates approved by the Authority.</p>	<p>The tariff levied for cargo handled at Berth no.5 by captive users is as per the SOR approved by the TAMP. Since they are pipeline oriented operation, structures are built on the berth, wherein there shall be constraint for handling of general cargo / dry bulk cargo vessels.</p>

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

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

- (i). The Ministry of Shipping (MOS) has issued the Berthing Policy for Dry Bulk Cargo for Major Ports in June 2016 and have directed all the Major Port Trusts to implement the norms with actual incentives and penalties. The policy lays down standardized guidelines for all major ports to compute performance norms for different dry bulk commodities, taking into account the infrastructure available at ports. The Policy also lays down penalties and incentive structures to be instituted by all major ports based on the performance norms calculated. The Policy requires all major ports to adapt these guidelines for their own specific ports and institute penalties and incentives tied to the performance norms as part of the overall berthing policy. The Policy also describes a method for re-rating capacity of berths as well as guidelines for levying anchorage charges to reduce turn-around time.
- (ii). (a). In this backdrop, the NMPT has come up with a proposal in 23 December 2016 seeking approval of Performance Norms based Incentive and Penalty scheme for dry bulk cargoes and also in respect of anchorage charges.

Subsequently, based on inputs received from the Association of New Mangalore Port Stevedores (ANMPS), Mangalore Port Stevedores Association (MPSA) and Kudremukh Iron Ore Company Limited (KIOCL), the port has modified the Performance Standards for dry bulk cargo proposed by it in the original proposal as the above said organisations felt that Performance Norms proposed on the original proposal are quite on higher side. The NMPT vide its letter dated 15 April 2017 has revised the Performance Standards in consultation with ANMPS and KIOCL and has also modified the incentive level. In the revised proposal, the NMPT has moderated the Performance Standards for dry bulk cargo from the level proposed by it in the Original proposal. The incentive linked to the performance norms in the revised proposal is proposed at 10% of the berth

hire charge as against 1 X of the berth hire charge for actual berth stay lower than 5% of the stipulated time.

- (b). As regards the point made by the Association of New Mangalore Port Stevedores (ANMPS) that the Berthing Policy for Dry bulk cargo for New Mangalore Port Trust (NMPT) has not been formulated after any consultation with the Stakeholders, the NMPT has clarified that the Berthing Policy for dry bulk cargo for Major Ports 2016 has been framed by the MOS after following due consultation process and it was in the website of the MOS.

As regards the point made by ANMPS and Mangalore Steamer Agents Association (MSAA) that they were not consulted by port while framing the current proposal, it is relevant to state that the Berthing Policy does not stipulate consultation with users /user associations by Port Trust while filing a proposal under Berthing Policy. The proposal filed by the NMPT has, however, been taken on consultation by this Authority as per the prescribed consultation process with stakeholders including ANMPS. In fact as brought out above, the NMPT based on the inputs received from the some of the users / user associations including ANMPS has made some modifications and filed a revised proposal dated 15 April 2017.

- (iii). (a). The port has 15 berths. The port has clarified that the proposed Performance norms shall be applicable to dry bulk cargo handling at various berths of NMPT except for dry bulk cargo handled by Captive users at the following berths:

(i). Berth no.5 is a captive berth for handling cement and edible liquid cargo. The performance norms shall not be applicable to captive users of cement i.e. M/s. Ultra Tech Cement / M/s.Ambuja Cement as handling of the cement at the berth is governed by MOU / license agreement between port and above companies having MGT. Edible cargo is handled through pipelines.

(ii). Berth no.8 is a captive berth of M/s. KIOCL. The proposed performance norms shall not apply to iron ore handling by M/s.KIOCL. The berth is also used by other port users when not utilized by M/s. KIOCL. Hence the port has clarified that the Performance Norms will be applicable if the dry bulk cargo including Iron ore is handled by other port users viz. registered Stevedoring and Shore handling agents of NMPT.

(iii). Berth no.15 is a captive berth of BOT operator M/s.UPCL. The handling of dry bulk cargo i.e. coal at this berth is governed by License agreement between port and M/s.UPCL and hence not proposed to be covered under this proposal.

- (b). The KIOCL has requested to exempt their inward traffic of iron ore fines handled at captive berth no.8 from performance norms and connected penalties. The KIOCL imports cargo (both foreign and coastal) i.e. Iron ore fines which are handled by NMPT at Berth no.6, 7, 8 and 14. The NMPT has stated that iron ore fines being dry bulk cargo come under purview of berthing policy. Even KIOCL has admitted that when the berth no.8 dedicated as captive berth to KIOCL is not vacant, the iron ore fine of KIOCL is handled by the port at other port berths. The port has also stated that other cargo is also being handled by the NMPT at berth no.8, when dedicated berth no.8 is vacant Thus, the proposal of NMPT is to apply the proposed Performance Norms and the linked incentive / penalty scheme to dry bulk cargo handled by NMPT other than the captive cargo handled by KIOCL at berth no.8. The proposal of NMPT to apply Berthing Policy to dry bulk cargo at various berths including dry bulk cargo handled by NMPT other than KIOCL cargo at berth No.8 excluding dry bulk cargo handled by captive berths No.5 and 15 appear to be appropriate and hence accepted.

Thus, in short, incentive / penalty scheme is not applicable for captive berthing facility at berths nos.5, 8 and 15 which are governed by separate agreements except in case of berth No 8 wherein it will apply for dry bulk cargo handled by the NMPT at the said berth other than captive iron ore fines handled by the KIOCL at the said berth.

The Berthing Policy issued by MOS is for dry bulk cargo. It is not for liquid cargo and for break bulk cargo. Hence, the proposal of NMPT of not proposing Performance Norms for break bulk and liquid cargo is in line with the Berthing Policy.

In view of the above submissions made by the port and recognizing that the proposal mainly aims at improving the productivity at the port above the benchmark level and incentivize the vessel for improved performance and penalize if performance is below the proposed performance level, the revised proposal of the port dated 15 April 2017 along with the information/clarification furnished by the port for prescription of penalty/incentive linked to the productivity levels to comply with the Berthing Policy issued by MOS, is taken up for consideration.

(iv). Before analyzing the parameters considered by NMPT for arriving at the proposed performance norms, it is relevant to state that Berthing Policy indicates performance norms for seven broad dry bulk cargo category. The NMPT has proposed Performance norms for 14 dry bulk cargo commodities. The NMPT has also confirmed that it has considered those commodities in the proposal which are handled at the port. The port has strongly argued on scientific basis that Performance Norms proposed for the commodities handled at NMPT cannot be grouped together as the density of dry bulk cargo varies from commodity to commodity. The NMPT intends to introduce productivity norms and penalty/incentive linked to productivity norms in respect of 14 dry bulk cargo commodities handled at NMPT berths viz. Coal, Pet Coke, Met Coke, Urea, DAP/SOP, MOP, Sulphur, Gypsum and other ores and minerals, Limestone/ Dolomite, Bentonite, Rock Phosphate and other Fertilizer Raw Material (FRM), Other Finished Fertilizer, Iron Ore Fines, and Food Grains. Relying on the reasons cited by the port that density of commodity handled by the port vary commodity wise, the proposal of the port for productivity norms for each of the fourteen dry bulk cargo handled by the port is considered as proposed by the port.

(v). Clause 4.1 of the Berthing Policy prescribes guidelines for calculation of performance norms. As per the said policy, the variables to be considered for calculation of performance norms are Density of the commodity, Grab size, Grab picking factor for full/ partial cargo operation, Number of cycles per hour, Non-working time per shift, % of total cargo that is covered by full-load or partial-load operation and Vessel profile. The NMPT has arrived at Performance norms in respect of various dry bulk cargo following the broad parameters prescribed in the Berthing Policy as discussed below:

(a). Cargo Density factor :

As per the approach given in the guidelines issued by the MOS, the performance norm is directly proportional to the density of dry bulk cargo. Density of the Commodities prescribed in the Berthing Policy and that considered by NMPT is tabulated below:

Sr. No.	Commodity	As per Berthing Policy*	Proposed by NMPT
A.	Coal *	0.85	
1	Coal	0.85	0.85
2	Pet Coke	0.85	0.88
3	Met Coke	0.85	0.78
B.	Fertilizers *	0.80	

4	Urea	0.80	0.80
5	DAP/SOP	0.80	0.80
6	MOP	0.80	1.10
7	Sulphur	0.80	1.12
8	Other Finished Fertilizer	0.80	0.80
9	Rock Phosphate and other FRM	0.80	1.28
10	Gypsum and other Ores and minerals	1.12	1.44
11	Limestone / Dolomite	0.70	1.52
12	Iron Ore Fines	2.00	2.00
13	Food Grains	0.60	0.60
14	Bentonite (No specific Norms)	--	0.96

* The Berthing Policy specifies density norm for broad cargo group and not for individual cargo commodity for which NMPT has proposed Performance Norms. The density of norm given in column 4 in the above table for individual commodity is based on the norm specified in the Berthing Policy for the broad cargo group for the purpose of comparison.

It is seen from the above table that port has followed the density norms prescribed in the Berthing Policy except for a few items.

The density of Coal, Urea, DAP/SOP, Other Finished Fertilizer, Iron Ore Fines, and Food Grains considered by the Port is as prescribed in the Berthing Policy. In respect of Pet Coke, Met Coke, MOP, Sulphur, Gypsum & other ores & minerals, Limestone/ Dolomite and Rock Phosphate & other FRM, the density prescribed in the Berthing Policy based on the broad cargo group are 0.85, 0.85, 0.80, 0.80, 1.12, 0.70 and 0.80 respectively. When the port was requested to explain the reasons for deviation in the density norm, the NMPT has clarified that the performance norms of the commodity depends upon its density. The NMPT has further clarified that petroleum coke (Pet coke) is considered to be heavier than the steam coal whereas Metallurgical Coke is lighter than steam coal and accordingly density have been considered. Similarly, in fertilizer category, MOP, FRM Sulphur and Rock Phosphate are heavier than Urea. The port has stated that the commodities appearing in the same broad cargo group have different density and therefore cannot be grouped for the purpose of calculation of performance norms. Based on clarification furnished by the NMPT and recognizing that it is in the best judgment of the port, the density of the commodities as considered by NMPT is relied upon.

(b). Grab size for different equipments:

Clause 7.1. of the Berthing Policy stipulates that all major ports will have to use the approach detailed in the Policy adapting it based on their existing infrastructure to calculate performance norms for different dry bulk cargo commodities. The port has proposed separate performance norms for 104 tonne HMC, 64 tonne HMC and for ship cranes based on cargo handling operations of dry bulk cargo carried out at its port based on the existing infrastructure for handling dry bulk cargo at the port. Accordingly, the size of grab considered by NMPT is also for the three different types of equipment. The normative size of grab prescribed in Berthing Policy vis-à-vis that considered by the NMPT are tabulated below:

Commodity	As per Berthing Policy			Proposed by NMPT		
	100 T HMC	60T HMC	Ship crane	104 MT HMC	64 MT HMC	Ship crane
Coal						
Coal	35	22	12	35	16	12

Pet Coke	35	22	12	35	16	12
Met Coke	35	22	12	35	16	12
Fertilizers						
Urea	35	22	12	35	16	12
DAP/SOP	35	22	12	35	16	12
MOP	35	22	12	20	16	12
Sulphur	35	22	12	20	16	12
Rock Phosphate and other FRM	35	22	12	20	16	12
Other Finished Fertilizer	35	22	12	35	16	12
Gypsum and other Ores and minerals	28	18	10	20	16	12
Limestone / Dolomite	35	22	12	20	16	12
Iron Ore Fines	20	12	8	20	16	8
Food Grains	35	22	12	35	16	12
Bentonite	--	--	--	35	16	12

(i). Grab size for ship crane:

The KCCI and MSAA have submitted that handling equipments at NMPT are restricted due to limited returns. Hence, the availability of grabs is severely affected and that presently, vendors at NMPT have grabs of 5 to 10 CBM only for cargo operations.

Based on the submissions made by KIOCL, MSAA and ANMPS, the NMPT has, in its revised proposal, considered the Size of Grab of ship crane at 12 CBM in line with the Berthing Policy norms in respect of all commodities except for Iron Ore at 8 CBM instead of 15 CBM considered by the port earlier citing that the vessel calling at the port normally have grab size of 12 CBM / 8 CBM.

(ii). Grab Size for 104 tonnes HMC:

It is seen that for a few commodities, the port has considered the size of grab as 20 CBM as against 35 CBM specified in the guidelines for 100T HMC. The port has not explained the reasons for deviations, despite request.

(iii). Grab size for HMC of 64 tonnes:

The port has clarified that 16 CBM is considered as per the size of grab available with the port.

As the port is the best judge of the operations carried out at its port and recognising that clause 7.1. of the berthing Policy allows the port to use the approach detailed in the Policy adapting it based on their existing infrastructure to calculate performance norms and also recognising that this exercise of working out productivity norms in scientific manner following the Berthing Policy, the grab size as taken into account by NMPT in respect of these commodities is relied upon.

(c). Grab picking factor:

The grab picking factor has been considered for 104 tonnes HMC in the range of 60% to 65%; and, for 64 MT HMC in the range of 65% to 90% and for ship cranes in the range of 60% to 70%, by NMPT for all commodities. The stepwise illustration for calculation of performance norms for coking coal as indicated in the Berthing Policy considers picking factor at 90%. The Berthing Policy does not indicate grab picking factor for individual commodities. The NMPT has stated that the picking factor is considered in the range of 60% to 90% based on the commodity instead of uniform picking factor of 90% in its revised proposal. The picking factor varies from 80% to 90% at top level to 30% to 35% at bottom level and depends upon commodity. The port has confirmed that the picking factor of the cargo decreases from top level to bottom level of grab in the hatch and also varies with the type of commodities handled. The picking factor is maximum at top level i.e. 85 to 90% and decreases to 32 to 35% at bottom level. In view of the above clarification furnished by the port, the grab picking factor is considered as considered by the NMPT, in the absence of picking factor for various commodities in the Berthing Policy.

(d). Cycles per hour for full load and partial load operations:

Sr. No.	Commodity	As per Berthing Policy				Proposed by NMPT					
		100 MT HMC		Ship crane		104 MT HMC		64 MT HMC		Ship crane	
		Full Load	Partial Load	Full Load	Partial Load	Full Load	Partial Load	Full Load	Partial Load	Full Load	Partial Load
A.	Coal										
1	Coal	30	20	18	12	30	20	30	20	18	14
2	Pet Coke	30	20	18	12	20	16	20	16	18	14
3	Met Coke	30	20	18	12	16	12	20	16	16	10
B.	Fertilizers										
4	Urea	30	20	18	12	16	12	20	16	14	8
5	DAP/SOP	30	20	18	12	16	12	20	16	14	8
6	MOP	30	20	18	12	20	20	16	12	14	8
7	Sulphur	30	20	18	12	20	16	16	12	10	8
8	Rock Phosphate and other FRM	30	20	18	12	20	16	16	12	10	8
9	Other Finished Fertilizer	30	20	18	12	16	12	20	16	14	8
10	Gypsum and other Ores and minerals	30	20	18	12	20	16	16	12	10	8
11	Limestone / Dolomite	30	20	18	12	20	16	16	12	10	8
12	Iron Ore Fines	30	20	18	12	20	20	20	20	18	14
13	Food Grains	30	20	18	12	20	16	20	16	14	8
14	Bentonite	--	--	--	--	16	12	20	12	14	8

Norms on cycles / hour for 60T HMC are not specified in the Berthing Policy.

HMC:

In the event of deployment of HMC, the Policy prescribes 30 cycles/ moves per hour incase of Full load operations and 20 cycles/ moves per hour

incase of Partial load operations for all dry bulk cargo for handling by 100T HMC. No norms for cycles / hour are specified in the Berthing Policy of 60 T HMC.

The NMPT has considered the average cycles per hour for both 104 T and 64 T HMC in range of 30 to 16 for full load for all commodities and in range of 20 to 12 for partial load.

Ship Crane:

In the event of deployment of ship cranes, the Policy prescribes 18 cycles/ moves per hour incase of Full load operations and 12 cycles/ moves per hour incase of Partial load operations for all dry bulk cargo. The NMPT has considered the average crane cycles per hour in range of 18 to 10 for full load and 14 to 8 for partial load for all the dry bulk cargo.

The NMPT has clarified that the cycle per hour has been adopted considering the various parameter involved in cargo handling operation such as space constraints at berth, distance of storage area from berth, availability of equipment and tippers with stevedores for evacuation of cargo from berth, type and nature of cargo, condition of ship cranes etc. For instance, coal is discharged on jetty and transported to stack yards which are within one km distance whereas Iron ore is transported to KIOCL storage area which is more than 3 km away from jetty and thus Iron ore vessels have lower no. of hook cycle as compared to Coal vessels for handling by HMC. Further, Iron ore vessels are very old vessels and productivity of ship cranes are lower as compared to coal vessels.

The commodities like fertilizers (urea, DAP, SOP etc.) require covered storage area and space constraint is experienced in particularly at the time of bunching of vessels and the above cargo requires to be transported and stored at godowns outside the port premises. Therefore, these commodities have lower hook cycle.

Food grains which also require covered storage area has lower hook cycle due constraint in storage space.

The commodities like MOP, Sulphur, and Rock Phosphate have lower hook cycle as the evacuation of cargo is slower due to nature of cargo and distance of stack yard. The port has stated that the proposed hook cycle is after elaborate discussion held by the port with Agents / KIOCL and stevedores.

Clause 7.1 of the Berthing Policy allows the port to adapt the approach prescribed in the Berthing Policy which includes cycles / hour for calculation of performance norms based on the existing infrastructure at the port.

In view of the above position, the deviation proposed by the NMPT in cycles per hour from the normative level is relied upon and accepted at this juncture. However, the NMPT is advised to carry out analysis to assess the requirement for upgradation of infrastructure (grab size, crane type etc.) as required under clause 7.1 of the Berthing Policy.

(e). Working Hours:

With regard to number of working hours, the Policy requires considering typically 0.5 hour per shift towards idle time, translating to number of working hours of 22.5 per day. At the same time, the Policy also stipulates that initially, ports can use 1 hour idle time per shift for calculation of norms. The NMPT has considered 22.5 working hours in a day, which is as per the norm, is considered in the analysis.

- (f). Port has arrived at productivity level for three vessel categories viz. handy max, panamax and supermax as per the Berthing Policy. However, citing that dry bulk cargo is mostly handled by supermax vessel, the NMPT has, in the final revised proposal, proposed performance standards arrived by it for supermax vessels. Further, the performance norms arrived by NMPT for supermax vessel for full load and partial load has been averaged in the ratio of 60:40 as prescribed in A1.4 of the Berthing Policy by the NMPT. The performance norms arrived by the NMPT following the approach prescribed in the Berthing Policy has been rounded off by NMPT to next 100 T per day.
- (g). The Statement showing calculation of how the various parameters as discussed above, culminates into the proposed performance norms by NMPT for the various commodities is attached as **Annex - I (a), (b) and (c)**.
- (vi). (a). Subject to above analysis, berth day output arrived by the NMPT following the methodology prescribed in the Berthing Policy and proposed by NMPT is as follows:

(in tonnes / day)

Sr. No.	Commodity	Proposed by NMPT		
		104 MT HMC (2 Nos.)	64 MT HMC (2 Nos.)	Ship crane (4 Nos.)
A.	Coal			
1	Coal	21800	13800	9700
2	Pet Coke	16400	9800	9300
3	Met Coke	11300	7700	7700
B.	Fertilizers			
4	Urea	11600	7400	6600
5	DAP/SOP	11600	7400	6600
6	MOP	12900	9000	8400
7	Sulphur	12000	8600	7200
8	Rock Phosphate and other FRM	12600	9200	8200
9	Other Finished Fertilizer	11600	7400	6600
10	Gypsum and other Ores and minerals	15400	9600	9200
11	Limestone / Dolomite	15000	10100	9000
12	Iron Ore Fines	21600	17300	14000
13	Food Grains	10400	5900	4600
14	Bentonite (No Norms)	12900	8800	7300

Based on the reasoning furnished by the port in respect of various parameters, this Authority is inclined to prescribe the Performance norms, as proposed by the Port as given in the above table.

- (b). The productivity arrived at by the NMPT in the table above is seen to be lower than the productivity stipulated in the Berthing Policy in respect of 104T HMC, 64T HMC and ship crane. The Policy at Clause 4.1.3 (c) directs the ports to ensure that the berth productivity is not reduced because of inefficiency of the ship cranes. However, at the same time, Clause 7.2 of the Policy regarding rolling out of Performance Norms encourages to roll out performance norms in a phased manner during the first year to reach the target levels. The ports are required to review the performance norms every quarter in the first year until target norms are achieved. Harmonious reading of the above said two clauses lead to a position that reduced performance norms will not be encouraged except for the first year of implementation of the Policy. That being so, the performance norms as proposed by the port is approved for the first year only.

Thus, the berth day productivity per vessel per day arrived above by NMPT will be applicable for determination of penalty / incentive for the 1st year.

- (vii). Clause 8.4 of the Berthing Policy prescribes exclusion of few items for computing actual performance achieved by each ship for the purpose of calculating penalty / incentive. The said clause stipulates that any stoppages because of reasons other than those prescribed in the Berthing Policy are not to be excluded for calculation of performance norms, unless specifically approved by Board of the Port. One exclusion prescribed in the Berthing Policy but not proposed by the port is foreign material in manual shifting of cargo to MCHP for Paradip Port Trust. It is seen that this condition of exclusion prescribed in the Berthing Policy is relating to Paradip Port Trust. Further, non-inclusion of the said condition has the approval of the Board of Trustees of the NMPT. Hence, the proposal of the NMPT in this regard is accepted.

It is seen that the exclusion condition prescribed in the Berthing Policy relating to shifting of ships between berths on account of port has been partially incorporated by the port. The point that port is required to maintain a record of a historical data of the frequency of such cases, without any specific reasons is not incorporated by the port. The proposed note is incorporated in toto as prescribed in the berthing Policy instead of partial incorporation by the port.

The NMPT has proposed incentives and penalties with regard to the aforesaid performance norms as discussed in the subsequent paragraphs.

- (viii). (a). Clause 8.2 of the Berthing Policy stipulates that in case if a ship stay is within 5% (higher or lower) of the stipulated time for that commodity, then no penalty /incentive will be levied / paid. In cases where actual berth stay is more than 5% higher than the stipulated time, the Berthing Policy prescribes penalty at 3X of the berth hire for number of additional hours spent at berth.

The incentive prescribed is 1X of the berth hire in cases where actual berth stay is more than 5% lower than the stipulated time. The Policy further prescribes that, ports should maintain penalty of at least 5% of the total cost per metric tonne to ensure adherence to norms.

- (b). The NMPT has proposed nil penalty/ incentive if the variation in the actual stay of vessel is within 5% (higher or lower) taking into consideration the proposed performance standards. In other words, if a ship stays within 5% (higher or lower) of the stipulated time for that commodity, then no penalty /incentive is proposed to be levied/paid. In case where actual berth stay is more than 5% higher than the stipulated time, number of additional hours spent at berth will be penalized at 3Xberth hire. The above provisions are as per the prescription in the Berthing Policy and hence accepted.

- (c). As regards the incentive, the Berthing Policy prescribes incentive at one time the berth hire if the actual stay of vessel is more than 5% lower than the allowable berthing time. In the initial proposal the port had proposed the incentive in line with the Berthing Policy. In the revised proposal, the port has moderated incentive and proposed it at 10% of berth hire charges for number of hours saved incase where actual of vessel at berth is more than 5% lower than the stipulated time. The NMPT has clarified that pursuant to the joint hearing held on 20 March 2017 and as per the feedback given by port users i.e. Stevedores and KIOCL, the performance norms have been revised i.e. reduced from the performance norms proposed in the original proposal. The port has stated that since financial implication is yet to be known, it is proposed to consider above incentive to be given on achievement of performance norms which may be revised subject to outcome of review of performance norms after one year.

Based on the reasoning furnished by the port, this Authority is inclined to approve the incentive scheme as well as the penalty scheme as proposed

by the port for initial period of one year from the date of implementation of the Order passed by this Authority for the reasons stated in subsequent paragraphs for truncating the validity period.

- (ix). (a). Clause 6 of the Berthing Policy prescribes Guidelines for levy of Anchorage charges. Clause 6.2 of the Berthing Policy requires the Ports to create multiple slabs rates for anchorage charges based on time of waiting of vessels in anchorage. The guidelines require the Major Ports to provide a free waiting period for vessels (not exceeding 48 hours) during which no anchorage charges will be levied and that thereafter, a normal anchorage charge ranging from 10% to 25% of the berth hire charges is to be levied on the vessel for a period of 48-96 hours and higher anchorage charges for a waiting period of 96-144 hours. The guidelines stipulate that Anchorage charges should not be higher than 50% of the berth hire charges at any point of time.

In this regard, anchorage charges proposed by NMPT are as follows:

Sr. No.	Period	Anchorage charges
1	Upto 48 Hours	Free
2	Above 48 hours and upto 96	10% of applicable berth hire charges
3	Above 96 hour and upto 144	30% of applicable berth hire charges
4	Above 144 hours	50% of applicable berth hire charges

As against anchorage charge of 10% to 25% for the slab 48-96 hours, the NMPT has proposed anchorage charge at 10% of the berth hire charges. The Berthing Policy allows the port to propose higher anchorage charge for vessel waiting at anchorage from 96 hours to 144 hours subject to maximum of 50% of the berth hire charge. The NMPT has proposed anchorage charge at 30% of berth hire charges for the slab 96 hours to 144 hours and 50% beyond 144 hours stay. The percentage of anchorage levy proposed by the Port is seen to be in line with the guidelines on levy of anchorage charges stipulated in Clause 6.2 of the Berthing Policy and hence approved as proposed by the port.

ANMPS has requested not to fix anchorage at NMPT since the port is not giving service at anchorage as being done in the other ports, moreover vessel is waiting at anchorage only for suitable berths. The request of ANMPS is not in line with the Berthing Policy which is aimed to reduce pre-berthing detention time.

- (b). The port has prescribed a note that port can exempt vessels from paying anchorage charges in exceptional circumstances including but not limited to lapses in port provided services (e.g. crane or equipment failure, unavailability of pilot, unavailability of dedicated berth etc.) causing waiting of vessels. Chairman of the Port Trust or an equivalent authority will require approving of any waivers in anchorage charges. The proposed note is in line with Berthing Policy and hence approved as proposed by the port.
- (x). (a). The Kanara Chamber of Commerce and Industry (KCCI) and the MSAA have submitted that the privately owned 104 MT capacity MHC's are more than 7 years old and are prone to wear and tear and as a result the performance is reduced due to regular break down of the MHC's. As regards, port owned 64 MT capacity MHC, the KCCI and MSAA have pointed out that HMC is 3 years old and their performance squarely depends upon their maintenance.

In this regard, the port has confirmed that the private crane operator of two 104 MT capacity HMC has been instructed by the port to carry out preventive maintenance on regular basis whenever they have not been requisitioned for cargo handling operation so as to minimize breakdowns

during the operation. As per the terms and conditions of the tender, if the crane fails beyond the stipulated hours, the penalty will be applicable.

As regards the port owned HMC, the port has confirmed that the maintenance is carried out regularly through outsourcing. Thus, the port has addressed the concern of KCCI and MSAA. It is the sole responsibility of the concerned port trust being licensor port to ensure that the equipment deployed by Licensee is well maintained so as to achieve the prescribed performance norms.

- (b). The KIOCL has stated that most of the Indian flag vessels available in the market for their coastal movement are more than 15 years of age. These aged vessels and their gear may not be able to meet the new performance norms. The KIOCL has requested to consider the age factor of vessel gear and revise the performance norms accordingly. In this regard, as stated by the NMPT there is no parameter / factor for age of vessel prescribed in Berthing Policy for computing Performance norms. However, the NMPT has agreed to allow KIOCL to utilize the services of HMC available at NMPT for achieving the proposed higher level productivity / performance.
- (c). The ANMPS has stated that the norms for Stevedores/ Steamer Agents vary from Port to Port based on local Port conditions. The usual way to fix indicative norms is to take the average of last three years actual performance in each cargoes / ships. The Berthing Policy has provided approach for computing the normative productivity of loading /unloading operations of dry bulk cargo which is applicable common to all Major Ports. The point made by ANMPS to consider average of last three years actual performance for arriving at the Performance norms is not in line with the Berthing Policy. As already stated earlier, the NMPT has, in its revised proposal, moderated the Performance standards for various commodities in consultation with KIOCL and ANMPS.
- (d). The KCCI and MSAA have submitted that the policy does not specify as to who will collect incentives and penalties and from whom. Their contention is that cargo operation is being handled by stevedores and whether prescribed norms will be achieved or not will depend upon the resources they employ while handling a vessel. Hence, KCCI and MSAA have contended that in all fairness, the incentives due or penalty payable should be on account of stevedores.

As per the berthing policy, penalties / incentives are to be levied on the basis of performance achieved and penalties / incentives are linked to berth hire charges which are paid by the vessel agents. Further, as per clause 8.1. of the Berthing Policy the objective of Performance Linked penalty/ incentive is to reward or penalize the vessel / customer. That being so, penalties / incentives linked to performance achieved will be levied / paid from / to vessel agents.

- (e). One another point made by the MPSA and ANMPS as regards the proposed note of exclusion of maximum 30 minutes per party for interim draft survey is that the draft survey is done by third party which takes 2 hours. Hence 30 minutes considered by NMPT is not sufficient. Users cannot be penalized for delay on account of third party as Users do not have control over them. The KCCI and MSAA have also made similar submissions. Berthing policy provides maximum time of 30 minutes per party for interim draft survey and the same is incorporated which is in line with Berthing Policy. Further, clause 8.4. at point six, states that port should ensure that in case of multi-party consignments, common surveyors are appointed so as to reduce time lost during interim draft surveys.
- (xi). Clause 5.1. of the Berthing Policy requires all major ports to use the productivity norms and re-rate the capacity of the berth. The port has re-rated the capacity of

berth no.14 which is handling dry bulk cargo as major cargo at 69,49,541 tonnes (i.e. 6.9 million tonnes) per annum.

- (xii). As regards the observation made by this Authority in the general revision Order No TAMP/22/2015-NMPT dated 27 February 2016 of NMPT at para 18 (d) (ii) relating to captive berth handled by UPCL, the NMPT has clarified that the UPCL has not been handling coal cargo for other users and also that the licensee has not approached the port for seeking permission for the same under relevant clause of concession agreement and therefore the port has not initiated any proposal for tariff fixation for the other users at Berth no.15.
- (xiii). The port has not quantified the financial impact of the proposed tariff arrangement. Given that the proposal of the port is in the nature of levy of penalties/ incentive on account of over stayal of vessel/ early evacuation of berth and is dependent on the performance of the ship, it is not possible for the port to ascertain the financial impact of the proposed tariff arrangement.
- (xiv). As stated earlier, Clause 7.2 of the Berthing Policy encourages the Ports to roll out performance norms in a phased manner during the first year to reach the target levels achievable for each commodity given the infrastructure available at the berths. The NMPT is advised to review the performance norms set by itself on quarterly basis in the first year until target norms are reached. In the event of upgradation of infrastructure at the facilities, leading to an improvement in the performance norms approved by this Authority, the port is advised to come up with a proposal to give effect to the improved performance norms. Further, since the port is expected by the Policy to reach the target levels achievable for each commodity in the first year, it is found appropriate to approve the validity of the proposal for a period of one year from the date the Order approved comes into effect, as stated earlier.
- (xv). If any error apparent on the face of record or for any other justifiable reasons, the NMPT may approach this Authority for review giving adequate justification / reasoning within 30 days of notification of the Order in the Gazette of India. If port users / user association have any issue they may approach the port.

12.1. In the result, and for the reasons given above, and based on a collective application of mind, this Authority approves the proposal of NMPT for fixation of Anchorage charges, Incentives and Penalties alongwith the Performance norms for implementation of Berthing Policy 2016 issued by MOS as follows:

“Incentive and Penalty Scheme based on Performance Norms

1. **Performance Norms:** **(Tonnes/ day)**

Sr. No.	Commodity	104T HMC (Two Nos.)	64 T MHC (Two Nos.)	Ship Crane (Four Nos.)
1	Coal	21800	13800	9700
2	Pet Coke	16400	9800	9300
3	Met Coke	11300	7700	7700
4	Urea	11600	7400	6600
5	DAP/SOP	11600	7400	6600
6	MOP	12900	9000	8400
7	Sulphur	12000	8600	7200
8	Gypsum and other Ores and minerals	15400	9600	9200
9	Limestone/Dolomite	15000	10100	9000
10	Bentonite	12900	8800	7300
11	Rock Phosphate and other FRM	12600	9200	8200
12	Other Finished Fertilizer	11600	7400	6600
13	Iron Ore Fines	21600	17300	14000
14	Food Grains	10400	5900	4600

2. **Incentive/ Penalty:**

Based on the performance norm for the commodity-infrastructure combination fixed from time to time, the duration of ship's stay in hours will be stipulated by the port on ship to ship basis. For each ship, actual berth stay will be calculated based on "end of inward pilotage" to sailing time. The actual berth stay will be compared with stipulated berth stay for the ship-commodity combination. Following incentive or penalties will be levied in case of lower or higher stay of ship as compared to stipulated time.

Sr. No.	Description	Incentive	Penalties
(i)	Ship stays within 5% (higher or lower) of stipulated time	---NIL--	---NIL--
(ii)	Ship stays more than 5% higher than the stipulated time	---NA--	No. of additional hours X 3 X berth hire charges per hour or part thereof.
(iii)	Ship stays more than 5% lower than the stipulated time	No. of additional hours saved X 10% X berth hire charges per hour or part thereof.	---NA--

Note:

- (i). In computing actual performance achieved by each ship for the purpose of calculating penalty/ incentive any stoppage of operations on account of port-related or weather-related issues will be discounted. Such exclusions will be limited to:
 - (a). Break-down/non-availability of port provided equipment at berth.
 - (b). Weather related stoppages.
 - (c). Shifting of ships between berths on account of port. Port is required to maintain a record of a historical data of the frequency of such cases.
 - (d). Any delays in sailing post vessel readiness to sail on account of port i.e. pilot/tug unavailability, tidal conditions.
 - (e). Draft surveys within the prescribed norms for ships. As a guideline maximum 30 minutes per party for interim draft survey should be allowed. Any additional time incurred in draft surveys will be considered in berth stay. Ports should also make all attempts to ensure that in case of multi-party consignments, common surveyors are appointed so as to reduce time lost during interim draft surveys.

Any stoppages because of other reasons are not to be excluded for calculation of performance norms, unless specifically approved by Board.

3. Anchorage charges for Dry Bulk Cargo Vessels:

Sr. No.	Period	Anchorage Charges
1	Upto 48 Hours	Free
2	Above 48 hours and upto 96 hours	10% of applicable berth hire charges
3	Above 96 hour and upto 144 hours	30% of applicable berth hire charges
4	Above 144 hours	50% of applicable berth hire charges

Note: Port can exempt vessels from paying anchorage charges in exceptional circumstances including but not limited to lapses in port

provided services (e.g. crane or equipment failure, unavailability of pilot, unavailability of dedicated berth etc.) causing waiting of vessels. Chairman of the Port Trust or an equivalent authority will require approving of any waivers in anchorage charges.

4. The performance and penalty/ incentive norms as specified above will be effective after expiry of 30 days from date of notification of the Order in the Gazette of India and will remain valid for one year.”

12.2. The above provisions shall come into effect after expiry of 30 days from the date of notification of the Order passed in the Gazette of India and will remain valid for one year.

(T.S. Balasubramanian)
Member (Finance)

Calculation of Performance Norms for Dry Bulk Cargo for 104T HMC(Two Nos.), as proposed by NMPT and considered by TAMP

tonnes / vessel / day

Sr. No.	Comodity	Density (Tonnes/m3)	Grab CBM	Grab Pick %	Quantity /lift	Cycle/hour		Quantity/Hour		Hours per day	Quantity per day		Berth day output per crane			Performance Norms for Supermax	
						Full Load	Part Load	Full Load	Part Load		Full Load	Part Load	Panamax	Supermax	Handymax	Performance Norms	Performance Norms after rounding off
1	Coal	0.85	35.00	0.65	19.34	30.00	20.00	580.13	386.75	22.50	13052.81	8701.88	11350.27	10877.34	10655.36	21755	21800
2	Pet Coke	0.88	35.00	0.65	20.02	20.00	16.00	400.40	320.32	22.50	9009.00	7207.20	8380.47	8190.00	8097.98	16380	16400
3	Met Coke	0.78	35.00	0.65	17.75	16.00	12.00	283.92	212.94	22.50	6388.20	4791.15	5807.45	5636.65	5554.96	11273	11300
4	Urea	0.80	35.00	0.65	18.20	16.00	12.00	291.20	218.40	22.50	6552.00	4914.00	5956.36	5781.18	5697.39	11562	11600
5	DAP	0.80	35.00	0.65	18.20	16.00	12.00	291.20	218.40	22.50	6552.00	4914.00	5956.36	5781.18	5697.39	11562	11600
6	MOP	1.10	20.00	0.65	14.30	20.00	20.00	286.00	286.00	22.50	6435.00	6435.00	6435.00	6435.00	6435.00	12870	12900
7	Sulphur	1.12	20.00	0.65	14.56	20.00	16.00	291.20	232.96	22.50	6552.00	5241.60	6094.88	5956.36	5889.44	11913	12000
8	Gypsum	1.44	20.00	0.65	18.72	20.00	16.00	374.40	299.52	22.50	8424.00	6739.20	7836.28	7658.18	7572.13	15316	15400
9	Limestone	1.52	20.00	0.60	18.24	20.00	16.00	364.80	291.84	22.50	8208.00	6566.40	7635.35	7461.82	7377.98	14924	15000
10	Bentonite	0.96	35.00	0.60	20.16	16.00	12.00	322.56	241.92	22.50	7257.60	5443.20	6597.82	6403.76	6310.96	12808	12900
11	Rock Phosphate	1.28	20.00	0.60	15.36	20.00	16.00	307.20	245.76	22.50	6912.00	5529.60	6429.77	6283.64	6213.03	12567	12600
12	Fertilizer	0.80	35.00	0.65	18.20	16.00	12.00	291.20	218.40	22.50	6552.00	4914.00	5956.36	5781.18	5697.39	11562	11600
13	Iron Ore Fines	2.00	20.00	0.60	24.00	20.00	20.00	480.00	480.00	22.50	10800.00	10800.00	10800.00	10800.00	10800.00	21600	21600
14	Food Grain	0.60	35.00	0.60	12.60	20.00	16.00	252.00	201.60	22.50	5670.00	4536.00	5274.42	5154.55	5096.63	10309	10400

Type of Crane: Port MHC Capacity : 104 MT
Type of Operation : Unloading
Type of Vessel: Panamax x Superma Handy Max
Parcel Size 70000 60000 50000
% of full load 0.7 0.6 0.55
% of Partial Load 0.3 0.4 0.45

Sample working for arriving at Performance Norms for supermax: $\frac{60000 \text{ (parcel size)}}{\{[0.60 \text{ (i.e. \% of full load)} \times 60000] / 13052.81 \text{ (i.e.full load qty. / day)} + [0.40 \text{ (i.e. \% of partial load)} \times 60000] / 8701.88 \text{ (i.e.partial load qty. / day)}\}} = 21,755$

Performance norms are arrived as given in sample working for all commodities for 104 MT MHC, 64MT MHC and Ship crane.

rounded off to 21,800

Calculation of Performance Norms for Dry Bulk Cargo for 64 T MHC (Two Nos.), as proposed by NMPT and considered by TAMP

tonnes / vessel / day

Sr. No.	Comodity	Density (Tonnes/m ³)	Grab CBM	Grab Pick %	Quantity /Hour	Cycle/hour		Quantity/Hour		Hours per day	Quantity per day		Berth day output per crane			Performance Norms for Supermax	
						Full Load	Part Load	Full Load	Part Load		Full Load	Part Load	Panamax	Supermax	Handymax	Performance Norms	Performance Norms after rounding off
1	Coal	0.85	16.00	0.90	12.24	30.00	20.00	367.20	244.80	22.50	8262.00	5508.00	7184.35	6885.00	6744.49	13770	13800
2	Pet Coke	0.88	16.00	0.85	11.97	20.00	16.00	239.36	191.49	22.50	5385.60	4308.48	5009.86	4896.00	4840.99	9792	9800
3	Met Coke	0.78	16.00	0.75	9.36	20.00	16.00	187.20	149.76	22.50	4212.00	3369.60	3918.14	3829.09	3786.07	7658	7700
4	Urea	0.80	16.00	0.70	8.96	20.00	16.00	179.20	143.36	22.50	4032.00	3225.60	3750.70	3665.45	3624.27	7331	7400
5	DAP	0.80	16.00	0.70	8.96	20.00	16.00	179.20	143.36	22.50	4032.00	3225.60	3750.70	3665.45	3624.27	7331	7400
6	MOP	1.10	16.00	0.80	14.08	16.00	12.00	225.28	168.96	22.50	5068.80	3801.60	4608.00	4472.47	4407.65	8945	9000
7	Sulphur	1.12	16.00	0.75	13.44	16.00	12.00	215.04	161.28	22.50	4838.40	3628.80	4398.55	4269.18	4207.30	8538	8600
8	Gypsum	1.44	16.00	0.65	14.98	16.00	12.00	239.62	179.71	22.50	5391.36	4043.52	4901.24	4757.08	4688.14	9514	9600
9	Limestone	1.52	16.00	0.65	15.81	16.00	12.00	252.93	189.70	22.50	5690.88	4268.16	5173.53	5021.36	4948.59	10043	10100
10	Bentonite	0.96	16.00	0.80	12.29	20.00	12.00	245.76	147.46	22.50	5529.60	3317.76	4608.00	4365.47	4253.54	8731	8800
11	Rock Phosphate	1.28	16.00	0.70	14.34	16.00	12.00	229.38	172.03	22.50	5160.96	3870.72	4691.78	4553.79	4487.79	9108	9200
12	Fertilizer	0.80	16.00	0.70	8.96	20.00	16.00	179.20	143.36	22.50	4032.00	3225.60	3750.70	3665.45	3624.27	7331	7400
13	Iron Ore Fines	2.00	16.00	0.60	19.20	20.00	20.00	384.00	384.00	22.50	8640.00	8640.00	8640.00	8640.00	8640.00	17280	17300
14	Food Grain	0.60	16.00	0.75	7.20	20.00	16.00	144.00	115.20	22.50	3240.00	2592.00	3013.95	2945.45	2912.36	5891	5900

Type of Crane:	Port MHC	Capacity : 64MT	
Type of Operation :	Unloading		
Type of Vessel:	Panamax	Superma	Handy
Parcel Size	70000	60000	50000
% of full load	0.7	0.6	0.55
% of Partial Load	0.3	0.4	0.45

Calculation of Performance Norms for Dry Bulk Cargo for Ship Crane (Four Nos.), as proposed by NMPT and considered by TAMP

tonnes / vessel / day

Sr. No.	Comodity	Density (Tonnes / m3)	Grab CBM	Grab Pick %	Quantity /lift	Cycle/hour		Quantity/Hour		Hours per day	Quantity per day		Berth day output per crane			Performance Norms for Supermax	
						Full Load	Part Load	Full Load	Part Load		Full Load	Part Load	Panamax	Supermax	Handymax	Performance Norms	Performance Norms after rounding off
1	Coal	0.85	12.00	0.65	6.63	18.00	14.00	119.34	92.82	22.50	2685.15	2088.45	2473.16	2409.75	2379.25	9639	9700
2	Pet Coke	0.88	12.00	0.60	6.34	18.00	14.00	114.05	88.70	22.50	2566.08	1995.84	2363.49	2302.89	2273.74	9212	9300
3	Met Coke	0.78	12.00	0.70	6.55	16.00	10.00	104.83	65.52	22.50	2358.72	1474.20	1998.92	1902.19	1857.26	7609	7700
4	Urea	0.80	12.00	0.70	6.72	14.00	8.00	94.08	53.76	22.50	2116.80	1209.60	1728.00	1628.31	1582.65	6513	6600
5	DAP	0.80	12.00	0.70	6.72	14.00	8.00	94.08	53.76	22.50	2116.80	1209.60	1728.00	1628.31	1582.65	6513	6600
6	MOP	1.10	12.00	0.65	8.58	14.00	8.00	120.12	68.64	22.50	2702.70	1544.40	2206.29	2079.00	2020.71	8316	8400
7	Sulphur	1.12	12.00	0.65	8.74	10.00	8.00	87.36	69.89	22.50	1965.60	1572.48	1828.47	1786.91	1766.83	7148	7200
8	Gypsum	1.44	12.00	0.65	11.23	10.00	8.00	112.32	89.86	22.50	2527.20	2021.76	2350.88	2297.45	2271.64	9190	9200
9	Limestone	1.52	12.00	0.60	10.94	10.00	8.00	109.44	87.55	22.50	2462.40	1969.92	2290.60	2238.55	2213.39	8954	9000
10	Bentonite	0.96	12.00	0.65	7.49	14.00	8.00	104.83	59.90	22.50	2358.72	1347.84	1925.49	1814.40	1763.53	7258	7300
11	Rock Phosphate	1.28	12.00	0.65	9.98	10.00	8.00	99.84	79.87	22.50	2246.40	1797.12	2089.67	2042.18	2019.24	8169	8200
12	Fertilizer	0.80	12.00	0.70	6.72	14.00	8.00	94.08	53.76	22.50	2116.80	1209.60	1728.00	1628.31	1582.65	6513	6600
13	Iron Ore Fines	2.00	8.00	0.60	9.60	18.00	14.00	172.80	134.40	22.50	3888.00	3024.00	3581.05	3489.23	3445.06	13957	14000
14	Food Grain	0.60	12.00	0.65	4.68	14.00	8.00	65.52	37.44	22.50	1474.20	842.40	1203.43	1134.00	1102.21	4536	4600

Type of Crane:

Type of Operation :

Type of Vessel:

Parcel Size

% of full load

% of Partial Load

Ship Crane**Unloading**

Panamax

Superma Handy

x Max

70000 60000 50000

0.7 0.6 0.55

0.3 0.4 0.45

**SUMMARY OF THE COMMENTS RECEIVED FROM THE PORT USERS /
DIFFERENT USER ORGANISATIONS AND ARGUMENTS MADE IN THIS CASE
DURING THE JOINT HEARING BEFORE THE AUTHORITY**

TAMP/97/2016-NMPT	:	Proposal received from New Mangalore Port Trust for implementation of Berthing Policy for Dry Bulk Cargo for fixation of Anchorage charges, incentives and penalties.
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The summary of comments received from the New Mangalore Port Trust (NMPT) and the users / user associations are tabulated below:

Sl. No.	Comments of the users / user organisations	Reply furnished by NMPT
1.	Indian National Ship-owners Association (INSA)	
(i).	No comments to offer.	
2.	Kudremukh Iron Ore Company Ltd. (KIOCL)	
(i).	<p>KIOCL Limited is a major pellet manufacturer in India and serving the steel Industry for last 4 decades by Supplying Iron ore pellets. Our pellet plant is located within premises of 'New Mangalore Port with a captive berth no. 8 and mechanized loading facilities for pellets dispatch. This captive berth is also used for discharging of raw material i.e. iron ore fines required for production of pellets after closure of our mines at Kudremukh. When our captive berth is not free, the discharge of our raw material is carried out in other berths of NMPT.</p> <p>Being a captive berth, KIOCL is paying wharfage charges annually for outgoing Iron Ore Pellets to NMPT as per the guidelines laid down in the Minutes of Meeting (MOM) held under the chairmanship of Secretary (SFT) on 27.05.1992 at New Delhi. Wharfage rate includes interest on capital provided by Central Govt. for the construction of berth, return on capital and depreciation, whether KIOCL transacts any movement or not at captive berth no.8.</p> <p>KIOCL is recovering only variable cost since closure of its captive mines and our market depends upon Chinese steel market and global steel prices. We are incurring huge amount on logistics and port charges. Any move in increasing port charges, penalties may lead to unviable business operations.</p> <p>In view of the above, we humbly request to exempt our inward traffic handled at captive berth no.8 from performance norms and connected penalties, etc.</p>	<p>M/s. KIOCL import cargo (both foreign coastal) i.e. Iron ore fine are handled by NMPT at Berth no.6, 7, 8 and 14.</p> <p>The Iron ore fines being dry bulk cargo comes under purview of berthing policy.</p>
(ii).	Our raw material requirement is mainly met through coastal movement by ship. We observe that most of the Indian flag vessels available in the market for our coastal movement are more than 15 years of age. These aged vessels and their	As regards KIOCL comments of age of Indian Flag Coastal Vessel more than 15 years it is stated that there is no parameter / factor for age of vessel considered in Berthing Policy for computing Performance norms. However,

	gear may not be able to meet the new performance norms. This age factor of vessel gears is not considered while in arriving the performance norms. Hence we humbly request TAMP to consider the age factor of vessel gear and revise the performance norms accordingly.	M/s.KIOCL may utilize the services of HMC available at NMPT for higher productivity / performance.
3.	Association of New Mangalore Port Stevedores (ANMPS)	
(i).	The Berthing Policy for Dry bulk cargo for NMPT has not been formulated after any consultation with the Stake –holder at this Port and hence for the assumptions in the policy we are not responsible and we have doubts on its practicability.	The Berthing Policy for dry bulk cargo for Major Ports 2016 has been framed by the MOS after following due consultation process.
(ii).	The norms for Stevedores/ Steamer Agents varies from Port to Port based on local Port conditions. The usual way to fixing indicative norms is to take the average of last three years actual performance in each cargoes / ships.	The Berthing Policy has provided approach for computing the normative productivity of loading /unloading operations of dry bulk cargo. The Berthing Policy is common to all Major Ports.
(iii).	The fixing of penalties / incentives should be based on these actually achieved outputs in the immediate past at NMPT.	The Penalties/ Incentives are being fixed as per the guidelines of Berthing Policy based on the performance norms calculated as per the approach given in the guidelines.
(iv).	Fixation of penalties / incentives based on impractical assumptions will not be fair given that ship- handling is a complicated business. The Infrastructure available in the Port, labour gangs provided / available, the weather conditions, the godown space inside the Port, the condition maintenance of the ship being worked, etc. are all varied requirements.	As per the policy weather related stoppages are excluded in computing actual performance achieved by the Ship for the purpose of calculating penalty / incentive. The stoppages of operation on account of Non- availability / breakdown of Port Provided Equipment at berth is also excluded.
(v).	In case of lack of Port facilities like cranes & Equipment's, godowns, etc. how the Stevedores / Steamer agents are responsible.	
(vi).	The Independent Surveys including draft survey are done by third parties and hence their working periods and timings cannot be the responsibility of the Stevedores / Steamer Agents. We cannot therefore be penalized for third party delays on which we do not have any control.	As Per the Policy maximum 30 minutes per party for interim draft survey is allowed. Any additional time incurred in draft survey will be considered in berth stay.
(vii).	While the Stevedores/ Steamer Agents are being made responsible for high norms in handling various cargoes there is no fixing of matching norms/ datum's for Port labour gangs and Port equipment's to perform to these standards. For e.g.	----
(a).	In Bagged cargo the norms fixed for Stevedores are 300MT / Hook /Port labour gang.	
(b).	In jumbo bags, port /TAMP have fixed output of 560 MT / Hook/Port labour gang while only 350 MT is achievable.	The issue pertains to break bulk cargo which is not under preview of Berthing Policy.
(c).	In iron/Steel coils norms fixed are 1360 MT / Hook while only 500 MT / Hook is achievable.	
(d).	Fertilizers, Food Grains, Cooking Coal norms fixed for 3,400 MT for 64 tonne cranes whereas it	The performance norm for dry bulk cargo is fixed as per the approach given in the Berthing Policy

	is possible only 1700 MT to 1800 MT and also for 104 tonne MHC 2,250MT only.	
	<p>From the above, it is clear that high norms fixed for various cargoes are not practical and are fixed without proposer consultations and feedback with the stevedores as well as the labour working at the port and the equipment operators at the port.</p> <p>No stevedores / steamer agents will ever delay even an minute any ship working in the port especially since they are bound by time – bound contracts and also have to pay with demurrage on ships / wagon, etc. The system is self-balancing and has so worked always.</p> <p>Hence we propose that the issue of fixed norm be discussed in the above scenario and only then the resultant penalties be taken up.</p> <p>We request TAMP / Port not to fix anchorage charges at NMP since port is not giving service at anchorage as being done in other ports, moreover vessel is waiting at anchorage only for suitable berth.</p>	
4.	Kanara Chamber of Commerce and Industry (KCCI) & Mangalore Steamer Agents Association (MSAA)	
(i).	We refer to the Joint Hearing held at NMPT board room on 20.03.2017 and subsequent meetings with port officials on the subject matter. This policy is conceived after finalization of standardized guidelines for all major ports to compute performance norms for different dry bulk commodities. It is very important to note that the Policy is formulated on Pan India basis and while implementing at each port, the local infrastructure available at that port, needs to be taken into consideration. We submit herewith following facts:	No comments offered by port.
(ii).	Immovable Infrastructure -Berths:	
	<p>Berth No.1-Commissioned on 11.01.1975 Berth No.2-Commissioned on 11.01.1975 Berth No.3-Commissioned on 11.01.1975 Berth No.4-Commissioned on 11.01.1975 Berth No.5-Commissioned on 01.02.1984 Berth No.6-Commissioned on 07.11.1989 Berth No.7-Commissioned on 07.11.1989 Berth No.8-Commissioned on 15.08.1980 Berth No.14-Commissioned on 14.02.2006</p> <p>It may be noted that at the time of commissioning of berth No.1 to 7, the port had only 2 shifts of cargo operations in a day i.e. from 0600 hrs to 2200 hrs. The entire cargo operation used to be carried out manually without the help of any shore cranes. These berths were designed and constructed for manual handling of cargoes and for 3 tons rail mounted wharf cranes with limited productivity and hence, requirement of sufficient back up area was not envisaged.</p>	<p>The berths handling dry bulk cargo i.e. Berth no. 1 to 8 & 14 are having sufficient load bearing capacity. Dumping of dry bulk cargo is allowed at general cargo berths except at berth no.8, which is having mechanized handling facility for loading of iron ore pellets and captive berth for KIOCL.</p> <p>However, the stevedores and shore handling agents shall evacuate the cargo from the jetty as soon as possible and ensure that the height of stacked cargo on jetty does not cross the permissible height.</p> <p>Performance norms are worked as per the policy and infrastructure and equipment available in the port.</p>

	<p>Berth No.8 was constructed exclusively for mechanized iron ore pellets / concentrate loading and hence, the berth was built accordingly. It is to be noted that the same berth which was designed for mechanized loading of cargoes, is now being used for manual loading/discharge operations only to avoid waiting period at anchorage.</p> <p>Berth No.14 was designed to handle deep draft vessels drawing 14 m. However, the concept of 'dumping the cargo on the jetty' was not thought of as it is perceived to be closer to coal stack yard. <i>It is evident from above that all these berths have limited load bearing capacity rather low load Density (MT/Sq mtr) and hence, stevedores do not have the luxury of dumping the cargo on the jetty to expedite the cargo operation.</i></p>	
(iii).	<p>Movable Infrastructure (Mobile Harbour Cranes):</p>	
	<p>NMPT is equipped with 2 privately owned and 2 port owned mobile harbour cranes (MHC). The privately owned 104 mt capacity MHC's are more than 7 years old and is prone to wear and tear and as a result the performance is reduced due to regular break down of the MHC's. The port owns 64 mt capacity MHC's 3 years old and their performance squarely depends upon their maintenance. The private MHC's uses 30 CBM grabs and whereas Port MHC's uses 16 and/or 20 cbm grabs. For some of cargoes like Rock Phosphate etc., receivers are still employing old vessels for freight benefit. Such vessels cannot be discharged using 30 CBM grabs due to limitation in hatch size. <u>Hence, the performance of these old cranes cannot be compared with that of brand new cranes.</u></p>	<p>The private crane operator of two 104 tonnes capacity HMC has been instructed to carry out preventive maintenance on the regular basis whenever they have not been requisition for cargo handling operation so as to minimize breakdowns during the operation. As per the terms and conditions of the tender, if the crane fails beyond the stipulated hours the penalty will be applicable.</p> <p>The maintenance of port owned HMC is carried out regularly through outsource.</p> <p>The grab size of 35 CBM and 20 CBM considered for private 100 tonnes HMC as per policy and for port HMC 16 CB is considered as per the size of grab available with the port.</p>
(iv).	<p>Movable Infrastructure(Grabs):</p>	
	<p>The dry bulk cargo share at NMPT has reduced drastically post stoppage of iron ore export. Presently, the percentage is less than 8%. For this very reason, flow of investment in the field of positioning handling equipments at NMPT is restricted due to limited returns. Hence, the availability of grabs is severely affected. Presently, vendors at NMPT has grabs of 5 to 10 CBM only for cargo operations. <u>The grab capacity is very crucial in attaining higher productivity. Non-availability of higher capacity grabs to be considered for computing performance norms.</u></p>	<p>The grab size of 12 & 8 CBM is considered as per the policy.</p>
(v).	<p>Movable Infrastructure (other handling equipments):</p>	
	<p>Due to uncertainty in dry bulk handling business, some active stevedores have procured few cargo handling equipments such as trucks, dumpers,</p>	<p>The comments submitted by the KCCI / MSAA are genuine. However, as per the policy it is binding on the stevedores and shore handling</p>

	<p>pay loaders, hoppers etc. They are not willing to invest in this field as owning and maintaining those equipments is financially not viable.</p> <p><u>The non-availability of sufficient handling equipments also restricts the cargo handling operation.</u></p>	<p>agents to provide the said equipment to attain the desired productivity levels.</p>
(vi).	<p>Immovable Infrastructure (Godowns):</p>	
	<p>NMPT does not have sufficient covered godown space available for clean cargoes. Very few godowns are available outside NMPT premises for exim cargoes. As a result, handling of fertilisers, food grains, sugar etc. is sever affected. Even with full supplement of handling equipments, higher discharge rate cannot be achieved for all cargoes. Discharge rate of cargoes mentioned above need to be restricted owing to lack of covered godown space.</p>	<p>The port has transit sheds / overflow sheds for storage of food grains, fertilizers, sugar etc. however, due to bunching of vessels, sometime the constraint of space is experienced, but the port users are allowed to construct temporary shed as an alternative arrangement.</p>
(vii).	<p>Labour gangs:</p>	
	<p>NMPT has only 9 general cargo berths. If all the berths are occupied with ships, the port cannot supply requisite labour gangs to all ships due to non-availability of suitable categories of labour required in the Labour Gang.</p> <p>Stevedores engaging their own labourer is not a good proposition due to various civil and criminal liability aspects. Firstly, the stevedore will have to pay per tonne levy to the port for entire cargo handled irrespective of whether cargoes handled by dock labourers or shore private labourers. Secondly, if any accident were to happen on board during cargo operation, the entire liability will be on the stevedores. One such accident and the concerned stevedore will slip into annals of history let alone criminal prosecution and the consequences thereof.</p> <p><u>Hence, non-availability of requisite labour gangs to be considered. Competent and skilled labour is a must.</u></p>	<p>No. of gangs indented by stevedores are generally provided except on extraordinary circumstances during bunching of vessels. As per the new stevedoring and shore handling policy, the stevedore and shore handling agents can deploy their own manpower if port is unable to supply labour.</p>
(viii).	<p>Monsoons:</p>	
	<p>The West Coast is one of the major contributors of Monsoon rains. Mangalore is one such area where good rains are recorded for almost 6 months in a year. This intermittent rain restricts the stevedores to dump the cargoes such as Fertilizers, food grains etc. on to the jetty.</p> <p><u>Hence, not only weather related stoppages, even the resultant delays in handling cargoes should also be computed.</u></p>	<p>There is a provision in berthing policy to exclude weather related stoppage while calculating the stay period of vessels.</p>
(ix).	<p>Draft Survey:</p>	
	<p>Initial draft survey commences only after customs inward clearance at berth and it lasts for about 1 and half hours. Similarly, final draft survey also requires 1 and half hours after completion of cargo operation.</p> <p>In the event of part discharge, the draft survey time required may be increased as interim draft</p>	<p>The berthing policy provides maximum 30 minutes per party for interim draft survey.</p>

	<p>checks need to be carried to ascertain only manifested quantity is discharged.</p> <p>If the shipment has multiple consignees, the interim draft survey after completion of each parcel requires about 1 hour.</p> <p>The stevedores has no role in appointment of surveyors and normally importers / exporters do not appoint common surveyors due to conflict of interests.</p>	
(x).	Shifting of vessel:	
	<p>Shifting of ships between berths for all purposes to be allowed. In order to prepare for shifting, the vessel need to stop cargo operation 1 hour prior pilot boarding for securing cranes/grabs etc. And after completion of shifting, the vessel need to prepare for cargo operation which requires about 1 hour.</p> <p><u>Hence, not only actual time lost for shifting the vessel, the time lost for preparing the vessel for shifting and resuming cargo operation also needs to be considered.</u></p>	<p>As per note 2 (c) of Clause 2.2. of SOR of NMPT, for shifting of vessels as port convenience for berth no.14 to other berths for accommodating waiting vessels those could not be berthed at any other berths due to draft constraints no shifting charges to be levied, the terms and condition of SOR is adhered to.</p> <p>As per berthing policy, the time period of shifting of vessel between berths on account of port is excluded while computing actual performance achieved by the vessel.</p>
(xi).	Anchorage charges:	
	<p>At NMPT all cargoes are being handled at berths only. The anchorage is being used only for safe anchorage for vessels waiting berth. There is no lighterage activity at anchorage. The NMPT does not provide any additional services to the vessels waiting at anchorage apart from VTMS facility, the cost for which is already included in the Pilotage charges.</p> <p><u>Hence, levying of anchorage charges to be deleted from the scope of berthing policy for dry bulk cargoes as this waiting does not attribute to the performance norms of a vessel in any way.</u></p>	<p>As per the berthing policy anchorage charges are to be levied for the purpose of reducing pre-berthing delay and hence the overall turnaround time of the vessels.</p>
(xii).	Incentives / Penalties on berth hire charges:	
	<p>The policy does not specify that the incentives and penalties will be paid/collected to/from whom? The cargo operation is being handled by stevedores and whether prescribed norms will be achieved or not will depend upon the resources they employ while handling a vessel. Hence, in all fairness, the incentives due or penalty payable should be on account of stevedores.</p>	<p>As per the berthing policy penalties / incentives to be levied / given on the basis of performance achieved and applied on berth hire charges are paid by the vessel agents, the penalties / incentives will be levied / paid from / to vessel agents.</p>
(xiii).	<p>Provision to be made for an idle berth to facilitate repairs and to accommodate a vessel in an emergency. Naval vessels can also be accommodated at same berth. It may be noted that an idle berth can earn a lot of money to the port authority. In addition to the revenue aspect, the port can extend value added service by providing this idle berth for arrested vessel, detained vessel by PSC, to carry out minor repair etc. In the event of any dispute in partly discharged grain vessels, the vessel cannot be shifted to anchorage due to stability issue. Such</p>	<p>Port provides berth to accommodate vessel in emergency. Also port provides berths to vessels for non-cargo related activities such as bunkering, water supply and minor repairs etc. However, such facilities are extended only when there is no requirement of berth by cargo vessels.</p> <p>As per berthing policy, the time period of shifting of vessel between berths on account of port s excluded while computing actual performance achieved by the vessel. Further,</p>

	vessels can always be shifted to idle berth without blocking the productive berth. Similarly, many vessels arrive for 2 berth discharge. After completion at first berth, if direct shifting is not available to second berth, the vessel may have to be shifted to anchorage. Such vessels can also be accommodated at this idle berth.	any delays in sailing post vessel readiness to sail on account of port i.e. pilot / tug unavailability, tidal conditions are also excluded.
(xiv).	In view of above stated facts, we urge you to accept the proposal sent by NMPT which was sent following joint meetings with NMPT officials and users on 11.04.2017.	

2. A joint hearing in this case was held on 20 March 2017 at the NMPT premises. The NMPT made a brief Power Point presentation of its proposal. At the joint hearing, the NMPT and the concerned users/ user organizations have made the following submissions:

New Mangalore Port Trust

(Chairman)

- (i). Berthing Policy was in the website for 6 months. Policy was issued. We have to implement it.
- (ii). Power point presentation is made by NMPT. Hard copy is given.
- (iii). We have 15 berths. Berth No.14 is the multipurpose berth. Dry bulk cargo is handled as major cargo at Berth No.14. Major volume of dry bulk cargo is handled at Berth No.8 and 15. But, they are mechanized and operated by KIOCL and UPCL. Volume of dry bulk cargo at berth 2, 3, 4, 5, 6 and 7 is not significant. Therefore, we propose to rerate berth no.14 as per the Berthing Policy.

Mangalore Port Stevedores Association

- (i). We have not been consulted for framing the proposal.
- (ii). Stakeholders at this port were not consulted while formulating the Berthing Policy. We are not responsible for the assumption made in the Berthing Policy.
- (iii). Average of performance achieved in the last 3 years should be taken for each cargo. Penalty/ incentive should be based on these actual performance.
- (iv). We cannot be held responsible for lack of port facilities like cranes, equipment, godowns and expect to pay penalty.

- (v). Draft survey is done by third parties. It takes 2 hours. 30 minutes insufficient. We cannot be penalised for third party delay. We don't have any control over them.
- (vi). We are expected to perform high. Port labour and equipment lack norms/ datum.
- (vii). High norms fixed for various cargo are not practical. We were not consulted.
- (viii). Steamer agents and Stevedores will not delay ship working. They are bound by time limits specified in the contract. Existing system is self-balancing and works well.
- (ix). Norms may be discussed before finalising the penalties.
- (x). We request not to fix anchorage charges since port is not giving any service thereat. Vessel waits at anchorage for suitable berth.

New Mangalore Port Trust

(Consultant)

- (i). Inputs, like crane capacity, grab size, etc. are put into calculation and productivity is determined. If there is any error or do not fit such reality, it can be pointed out to us and TAMP. We will look into them.

KIOCL

- (i). Berth day output using 2 Mobile Harbour Cranes of 104 tonnes of around 52,000 tonnes for iron ore fines cannot be achieved. The actual berth day output is only 22,000 tonnes. Every ship will end up paying penalty.

New Mangalore Port Trust

(Chairman)

- (i). Within the policy, we are ready to hear the stakeholder. We are open. Tomorrow have a discussion with Traffic Manager.

3. As decided at the joint hearing, the ANMPS has, vide its letter dated 06 April 2017 furnished its comments which was forwarded to NMPT vide our letter dated 19 April 2017 for its response. The NMPT vide its letter dated 21 April 2017 has furnished its response on the comments/ views of ANMPS. A summary of the comments received from the ANMPS and reply furnished by the NMPT are summarized below:

Sl. No.	Comments of the users / user organisations	Reply furnished by NMPT
1.	Association of New Mangalore Port Stevedores (ANMPS)	
(i).	Berthing Policy is formulated on a pan – India basis and the productivity should be based on port – to – port basis taking into account the infrastructure available locally at those ports.	Performance has been proposed as per policy by considering infrastructure available in the port.
(ii).	NMPT is more prone to monsoon rains for almost 8 months and hence cargo dumping on the limited space available at the berth / jetty is restricted. Continuous rains cause reduction in outputs in monsoon. Certain cargoes like food grains / fertilizers cant be dumped at all.	There is provision in berthing policy to exclude weather related stoppage while calculating the stay period of vessels.
(iii).	NMPT is having only 2 nos. of 104 tonnes private HMC, aged more than 7 years and hence their performance is reduced.	Performance norms for private HMC have been worked out as per policy.
(iv).	NMPT owns 2 nos. 64 tonnes HMC which are about 3 years old and whose performance depends on their maintenance.	Performance norms for port HMC have been worked out as per policy.
(v).	The scoping levels of the HMC is maximum at the top of the hatch at 85% and much lower as the cargo level goes down in the hatches, averaging about 45-55% on the whole. This is much less than the handling capacity taken into consideration while formulating standardized guidelines.	Average picking factor has been considered based on the commodity while calculating performance norms.
(vi).	The handling capacity of each of these HMC is restricted by the grab used. For 104 tonnes HMC uses 30 CBM grab and while 64 tonnes HMC uses 16/20 CBM grabs.	The grab size of 35 CBM and 20 CBM considered for private 100 tonnes HMC as per policy. For port HMC 16 CBM is considered as per the size of grab available with the port.
(vii).	For ship cranes, private grabs available are only of capacity 5 CBM to 10 CBM.	The grab size of 12 & 8 CBM is considered as per the policy.
(viii).	Since for dry bulk cargoes mainly old ships call at this port, their effective crane lifting capacities are much lower than the S.W.L., thus reducing the crane output levels.	The dry cargo vessels are generally 10 to 15 years old. While calculating the performance norms the number of hook cycle per hour has been considered based on the performance of the ship cranes on old vessels.
(ix).	Most of the Dry bulk cargo jetties are built for manual handling and for 3 tonnes shore crane capacity and hence cannot take the stress / strain of such heavy performance norms.	Performance norms are worked as per the policy and infrastructure and equipment available in the port. However, the port has facilities of 64 MT HMC (2nos.) which can be crawled and positioned in 1-7 berths and also private HMC (2nos.) are available at berth no.14 where dry bulk cargo is handled and the berths have sufficient load bearing capacity.
(x).	Most of the jetties do not have sufficient back-up areas for cargo dumping storage causing bottlenecks in evacuation.	Sufficient covered are / back up area is available.
(xi).	Equipments for cargo handling like pay loader, high stackers, dumpers trucks are in short supply due to insufficient manual / semi – mechanical cargoes available for handling at this port. The total percentage of such cargoes handled by stevedores is only 8% of the total	The comments submitted by the stevedore association are genuine. However, as per the policy it is binding on the stevedores to provide the said equipment to attain the desired productivity levels.

	port cargo traffic. Hence owning / maintenance of these equipments is un-viable.	
(xii).	Godwons for storage of fertilizers, food grains, sugar, etc. is insufficient at this port. Outside godwons beyond port premises are also very limited for EXIM cargoes.	The port has transit, sheds / overflow sheds for storage of food grains, fertilizer, sugar etc. However due to bunching of vessels, sometime the constraint of space is experienced, however the port users are allowed to construct temporary shed as an alternative arrangement.
(xiii).	Port pool labour is very much reduced from a strength of 1400 labours to 300. At present the availability of suitable categories of labour required in the gangs are not sufficient for deploying the required gangs to meet the performance norms fixed in the berthing policy.	No. of gangs indented by stevedoring are generally provided except on extraordinary circumstances during bunching of vessels. As per the new stevedoring and shore handling policy, the stevedore and shore handling can deploy their own manpower if port is unable to supply labour.
(xiv).	Initially draft survey commenced only after customs clearance at berth and it lasts for a minimum of 1 ½ hours. Similarly final draft survey requires 1 ½ hours for the same reason. In the event of port- discharge cargo the survey time is increased beyond 1 ½ hours. Interim surveys also required about 1 hour per party each time, as the vessel is obliged to deliver the manifested quantity. Appointment of surveyors is the prerogative of the importers / exporters. Common surveyors are beyond our previews.	The berthing policy provides maximum 30 minutes per party for interim draft survey.
(xv).	Port works on 3 shifts basis, but the labour gangs take time to report at the ship/ shore working places.	Gang deployed for work from RCHW, NMPT report for duty in time.
(xvi).	Shifting of ships between berths should be allowed for port convenience and cargo handling convenience.	As per note 2 (c) of clause 2.2. of SOR of NMPT, for shifting of vessels at port convenience for berth no.14 to other berths for accommodating waiting vessels those could not be berthed at any other berths due to draft constraints no shifting charges to be levied. The terms and condition of SOR is adhered to.
(xvii).	Working with more than two gangs using ship's cranes is not possible on regular basis due to limited infrastructure facility and evacuation issues for certain cargoes like fertilizers, food grains, sugar etc.	4 no. of hook is considered for ship cranes as per policy.
(xviii)	NMPT does not handle any cargo at the anchorage nor does it provide any other additional services to vessels waiting at anchorage apart from VTMS facility, which is already included in pilotage charges. Hence we request that no anchorage charges be levied on ships at anchorage.	As per the berthing policy anchorage charges are to be levied for the purpose of reducing pre-berthing delay and hence the overall turnaround time of the vessels.
