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Tariff Authority for Major Ports

G.No. 191

New Delhi,

22 May 2018

NOTIFICATION

In exercise of the powers conferred by Sections 48, 49 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from M/s. Paradip International Cargo Terminal Private Limited for notification of the Scale of Rates for the Multipurpose Cargo Berth developed on Design, Build, Finance, Operate and Transfer (DBFOT) basis under PPP model to handle clean cargo including containers at Paradip Port Trust, as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority 2018 for Major Ports
Case No. TAMP/17/2018-PICTPL

M/s Paradip International Cargo Terminal Private Limited

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Applicant

QUORUM:

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

O R D E R

(Passed on this 24th day of April 2018)

This case relates to the proposal received from M/s. Paradip International Cargo Terminal Private Limited (PICTPL) for notification of the Scale of Rates for the Multipurpose Cargo Berth developed on Design, Build, Finance, Operate and Transfer (DBFOT) basis under PPP model to handle clean cargo including containers at Paradip Port Trust (PPT).

2. This Authority had passed an Order no. TAMP/10/2014-PPT dated 19 February 2014 fixing Reference tariff for Development of Multipurpose Berth at PPT to handle Containers and clean cargo. This Order has been notified in the Gazette of India on 4 March 2014 vide Gazette no.78. This Authority vide its Order no. TAMP/10/2014-PPT dated 19 March 2014 issued an Addendum approving reduced level of storage charges and the berth hire charges as proposed by the PPT based on the proposal of PPT. This Addendum has been notified in the Gazette of India on 19 May 2014 vide Gazette no.139.

3. A concession Agreement was signed by PPT with Paradip International Cargo Terminal Private Ltd (PICTPL) on 07 March 2015 for the Development of Multipurpose berth to handle clean cargo including containers on DBFOT basis on PPP model for a period of 30 years.

4.1. In this backdrop, we are in receipt of a proposal from PICTPL for notification of indexed tariffs in its name, as it proposes to commence operations at the Multipurpose Berth which has been developed to handle clean cargo including containers at PPT.

4.2. The submissions made by PICTPL in its proposal are summarized below:

- (i). TAMP passed Order bearing no. TAMP/10/2014-PPT dated 19 February 2014 and 19 March 2014 fixing Reference tariff for the Project involving development of Multipurpose Berth to handle clean cargo including containers at PPT, based on the Guideline for determination of Tariffs for Projects at Major Ports, 2013.
- (ii). Subsequently, after conclusion of bidding process, PPT awarded the concession to the successful bidder viz. International Cargo terminals and Infrastructure Private Limited (Formerly United Liners Agencies India Private Limited). A concession Agreement was signed by Paradip Port Trust with Paradip International Cargo Terminal Private Ltd (PICTPL) which is the SPV set up by the successful bidder on 07 March 2015 for the Development of Multipurpose berth to handle clean cargo including containers for a period of 30 years.
- (iii). The Concession Agreement envisages completion of the project in 36 months. However, it is proposed to commission the Project by the third week of March 2018.
- (iv). PICT has inducted the necessary equipment envisaged under the Concession Agreement. The work relating to the construction of the berth is nearing completion. Works relating to back-up yard, Rail connectivity and Rail Siding Facilities and other ancillary activities have been completed. The Concessions Authority is responsible for dredging and they had engaged Dredging Corporation of India for completing the dredging work. The dredging activities are in full swing. The entire project is likely to be completed by the second week of March 2018. PICTPL intends to commence the commercial operations by the third week of March 2018. The independent Engineer is being approached for furnishing the requisite Completion Certificate in this regard.

- (v). Under Chapter 5 of the TAMP Order dated 19 March 2014, the tariff caps will be indexed to inflation but only to an extent of 60% of the variation in the Wholesale price Index (WPI) occurring between 1 January 2013 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.
- (vi). The annual indexation factor announced by Authority for each of the years from 2014-15, 2015-16, 2016-17 and 2017-18 under Reference Tariff Guidelines, 2013 is as follows:

Year	Annual Indexation Factor
2014-15	3.78%
2015-16	2.29%
2016-17	Nil
2017-18	1.2%

The reference tariffs contained in the TAMP's notification dated 19 March 2014 have been revised taking into account the above indexation factors. A draft notification incorporating the indexed tariffs for the year 2017-18 has been prepared and is furnished by PICTPL.

- (vii). While preparing the above draft notification, it is proposed to rectify certain omissions in the tariff notification issued by TAMP in Order dated 19 March 2014. In the Chapter 3, the handling charges for Iron & Steel Products and Aluminum ingots, Pig Iron, Finished Fertilizers, Food grains and Sugar have been prescribed.

Under the provisions of the Concession Agreement, the Terminal is required to handle all clean cargo. The commodities mentioned above are only illustrative in nature going by the definition of Clean Cargo as contained in Articles 1.1 the Concession Agreement, as reproduced below:

'Clean Cargo' means non-hazardous and dust free cargo including Iron and Steel products, aluminum ingots, pig iron, finished fertilizers, food grains, sugar (both raw and finished), containerized cargo but excluding hazardous and dusty cargo like iron ore, thermal coal, chrome ore, chrome concentrate, charge chrome, ferro chrome, silicon manganese ore, coking coal, hard coke, fertilizer raw materials and other cargo of similar nature.

It can be seen that the definition of clean cargo is an inclusive definition and Article 1.3 (d) of the Concession Agreement which deals with interpretations, clarifies that the words 'include' and 'including' are to be construed without limitation.

- (viii). The possibility of handling clean cargo other than commodities mentioned in the TAMP's notification cannot be ruled out. As it is not possible to envisage all the clean commodities and specify tariffs for them, the purpose can be served if a tariff is specified for 'any other clean cargo'. It is suggested that the highest tariff specified in the notification which is for iron & steel products can be prescribed for this category. Storage charges are already prescribed in terms of 'All types of multipurpose cargo'. Therefore there is no need to prescribe a separate rate for any other clean cargo. As far as performance standards are concerned, the same rate prescribed for iron & steel products may be specified for 'any other clean cargo'.
- (ix). There is one more category called 'project cargo' which also comes under the categorization of 'clean cargo'. However, the tariff for project cargo cannot be categorized under 'any other clean cargo' as the tariffs for project cargo are mentioned in terms of 'freight tons' rather than 'tons'. A freight ton is defined in terms of the weight of the cargo measured in tons or the volume of the package measured in cubic meters, whichever is higher. Heavy/ oversized machinery/ equipment like Boilers, Rail Wagon, Heavy Transformers, Wind mills etc. come under the definition

of 'project cargo. Project cargo comes in different sizes and shapes. Handling of project cargo needs special skill and expertise. It is therefore, suggested that the highest tariff available in the tariff notification prescribed for iron & steel may be shown against 'project cargo' and unit shown as freight tons. As far as storage charges are concerned, the category of project cargo may be added in the Table and the same tariffs as prescribed for 'All types of multipurpose cargo' with the unit shown as 'freight tons' rather than 'tons' may be shown as explained above. In respect of Gross Berth Output, as the handling operations in respect of project cargo need lot of care and skill, by its very nature, the operations are time consuming. The productivity figures will be low and vary from package to package depending on the dimensions. Therefore, it may not be possible to prescribe a uniform performance parameter for this category. However, an output of 500 freight tons may be prescribed.

(x). In addition to above changes, there are corrections to be carried out in the notification which might have occurred due to over sight. These relate to the scope of handling charges prescribed and prescribing weightage in case of a shortfall in meeting the prescribed standard in respect on Gross Berth Output in respect of containers and Multipurpose cargo. These are explained below:

(i). There is a Note under table containing the Handling Charges for Multipurpose cargo under Chapter 3 to the following effect:

“Note:

The handling charges prescribed above is a composite charge for (i) unloading of the cargo from vessel including stevedoring and transfer of the same up to the point of storage, storage at the stack yard up to a free period of 5 days and loading on to trucks in respect of import cargo and (ii) unloading of the cargo from the trucks at the stack yard, storage at the stack yard up to a period of 15 days, transfer to cargo to the loading point and loading onto the ship including stevedoring. This composite charge includes wharfage and supply of labour, wherever, necessary.”

This Note mentions that the rates prescribed are composite charges including stevedoring charges, transfer to the stack yard, storage at the stack yard and loading onto trucks in case of import cargo and vice versa in case of export cargo. The above description does not talk of loading/unloading onto rakes. Actually, this needs to be mentioned as the project envisages rail loading and the scope of the Project includes construction of rail link and rail sidings. This seems to be an omission. It is therefore suggested that the Note may be changed to read as under:

“Note:

The handling charges prescribed above is a composite charge for (i) unloading of the cargo from the vessel including stevedoring and transfer of the same up to the point of storage, storage at the stack yard up to a free period of 5 days loading on to trucks/ rakes in respect of import cargo and (ii) unloading of the cargo from the trucks/ rakes at the stack yard, storage at the stack yard up to a period of 15 days, transfer the cargo to the loading point and loading onto the ship including stevedoring. This composite charge includes wharfage and supply of labour, wherever necessary.”

(ii). In performance standards, a weightage of 10% each has been mentioned against shortfalls in meeting the prescribed performance in respect of Transit Storage Dwell Time and Turnaround time for receipt/delivery operation. No weightage has been mentioned in respect of Gross berth Output. It is therefore, proposed to prescribe a weightage of 80% for shortfall in Gross Berth Output.

(xi). In the view of the above position, PICTPL has requested this Authority to notify the indexed tariffs for PICTPL for the year 2017-2018 so that PICTPL can start implementing the indexed tariff approved by this Authority.

5.1. A copy of PICTPL's proposal dated 26 February 2018 was forwarded to the Licensor Port, PPT vide our letter dated 08 March 2018 requesting PPT to furnish its comments on the proposal of PICTPL more particularly with regard to the following aspects of the Scale of Rates of PICTPL –

- (i). Proposal of the PICTPL to include prescription of handling charges, storage charges and performance standards for Project cargo and any other clean cargo, keeping in view that the Chapter 3- Cargo Related Charges of the Appendix 12 to the concession Agreement does not prescribe charges for Project cargo and any other clean cargo.
- (ii). Proposal of PICTPL to prescribe a provision enabling loading/ unloading onto rakes, in the note below the handling charges, keeping in view that such a prescription was not envisaged by PPT while filing the proposal in the year 2014.
- (iii). Prescription of a weightage of 80% for shortfall in Gross Berth Output, under Performance Standards.

5.2. The PPT was also requested to indicate the date/ likely date of commencement of commercial operation by the PICTPL at the facility and was also requested to furnish a copy of the Completion Certificate issued by the Independent Engineer and a copy of the License Agreement entered between PPT and PICTPL.

5.3. After a reminder dated 2 April 2018, the PPT vide its email dated 5 April 2018 has made the following submissions:

- (i). The PPT has signed a Concession Agreement with M/s PICTPL for development of Multipurpose Berth to handle clean cargo including containers at PPT on BOT basis.
- (ii). The copy of the provisional certificate of completion issued by the Independent Engineer RITES is furnished by PPT.
- (iii). The likely date of commencement of commercial operations is 25 April 2018.
- (iv). On M/s PICTPL's proposal submitted to TAMP for notification of indexed tariff on account of commencement of commercial operations, following facts are submitted by PPT:
 - (a). Before commencement of commercial operations, M/s PICTPL is required to approach TAMP for notification of SCR containing ceiling rates applicable to his operations, as required under MPT Act.
 - (b). However, two of the items listed viz. "Project Cargo" and "Any other clean cargo" were not covered in the upfront tariff Order notified vide TAMP Order bearing No. TAMP/10/2014-PPT dated 19.02.2014 and 19.03.2014. As such, the notification for the indexed tariffs may be done as per the general guidelines.

6.1. From the Provisional Completion Certificate dated 29 March 2018 issued by the independent Engineer i.e. by M/s RITES, it is seen that the independent Engineer has certified that the Project can be safely and reliably placed in the commercial service of the users and is provisionally declared fit for entry into commercial service with effect from 29 March 2018.

6.2. The Provisional Certificate is also appended with a Punch list listing about some incomplete/ deficient construction works, which is reported by the Engineer to be completed by PICTPL within 90 days of issue of the Provisional Completion Certificate or any extension granted thereof.

6.3. When the PPT was requested vide our letter dated 4 April 2018 to furnish its comments on the Provisional Certificate, the PPT has suggested to notify the indexed tariff, as brought out earlier.

7. The PICTPL was also requested vide our letter dated 08 March 2018 to indicate the date/ likely date of commencement of commercial operation at the facility and to furnish the copy of the Completion Certificate issued by the Independent Engineer. In this regard, the PICTPL vide its e-mail dated 09 March 2018 has inter alia stated that the likely date of commencement of commercial operations is 31 March 2018. Subsequently, the PICTPL vide its letter dated 30 March 2018 has forwarded to us a copy of the Provisional Completion Certificate dated 29 March 2018.

8.1. As per Section 48 read with Section 42(4) of the Major Port Trusts (MPT) Act, 1963, any person authorised by the Major Port Trusts to render services can levy tariff based on the Scale of Rates (SOR) notified by this Authority. That being so, the BOT operators governed under the tariff guidelines 2013 who have been authorised by Major Port Trust under Section 42(3) of the MPT Act 1963, need to get the indexed SOR notified in their name well before the commencement of operations.

8.2. As per General note at Chapter 5 in the reference tariff schedule for the Multipurpose Cargo Berth approved by this Authority vide Order No. TAMP/10/2014-PPT dated 19 February 2014, tariff caps will be indexed to inflation to an extent of 60% of the variation in the WPI occurring between 1 January 2013 and 1 January of the relevant year.

8.3. The base year for the reference tariff and the corresponding annual escalation for the year 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 has been announced by this Authority and communicated to all the Major Port Trusts including PPT. Accordingly, the annual indexation factor announced by this Authority is as under:

Year	Annual Indexation Factor
2014-15	3.78%
2015-16	2.29%
2016-17	NIL
2017-18	1.20%
2018-19	NIL
Cumulative	7.43% *

[* 103.78% x 102.29% x 101.2% - 100=7.43%]

8.4. Thus in short, the PICTPL has come up for notification of Scale of Rates in its name, in the event of it proposing commencement of operations.

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

- (i). This Authority has passed an Order no. TAMP/10/2014-PPT dated 19 February 2014 fixing Reference tariff for Development of Multipurpose Berth at Paradip Port Trust (PPT) to handle Containers and clean cargo. This Order has been notified in the Gazette of India on 4 March 2014 vide Gazette no.78. Thereafter, based on the proposal of the PPT, which had emanated based on the advice of the Standing Finance Committee (SFC), this Authority vide its Order no. TAMP/10/2014-PPT dated 19 March 2014 issued an Addendum reducing the storage charges and the berth hire charges, as proposed by the PPT. This Addendum has been notified in the Gazette of India on 19 May 2014 vide Gazette no.139.
- (ii). The PPT has entered into Concession Agreement (CA) with M/s. Paradip International Cargo Terminal Private Limited (PICTPL) for development of Multipurpose Berth at PPT to handle Containers and clean cargo on Design, Build, Finance, Operate and Transfer (DBFOT) basis on 07 March 2015 for a period of 30 years.
- (iii). As brought out earlier, as per Section 48 read with Section 42(4) of the Major Port Trusts (MPT) Act, 1963, the Scale of Rates leviable by any person authorised by the Major Port Trusts to render services requires to be notified by this Authority. That being so, the BOT operators governed under the tariff guidelines 2013, who

have been authorised by Major Port Trust under Section 42(3) of the MPT Act 1963, need to get the indexed SOR notified in their name before the commencement of operations. Accordingly, the PICTPL has approached this Authority with a request to notify the Scale of Rates in its name, since it envisages commencement of its commercial operations. In this connection, the licensor port PPT has also confirmed that the PICTPL is likely to commence the operations from 25 April 2018. The copy of the Provisional Completion Certificate dated 29 March 2018 issued by the independent Engineer i.e. by M/s RITES, as forwarded by PPT as well as PICTPL, certifies that Project can be safely and reliably placed in the commercial service of the users and is provisionally declared fit for entry into commercial service with effect from 29 March 2018.

- (iv).
 - (a). With reference to the indexation of the reference tariff fixed vide Order dated 19 February 2014, it is relevant here to mention that the General Note in the Scale of Rates (SOR) approving the reference tariff states that the tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2013 and 1 January of the relevant year. The general note explicitly states that the base year for WPI escalation has to be 1 January 2013.
 - (b). As brought out earlier, the applicable cumulative escalation factor to be applied on the base tariff of 2013 to arrive at the indexed SOR as in the year 2018 is 7.43%. Though the PICTPL has submitted its proposal by taking into account the cumulative indexation factor as of the year 2017, considering that the indexation factor as announced by this Authority for the year 2018 being 'NIL', the cumulative indexation factor of 2017 at 7.43% is valid for the year 2018-19 also. Accordingly, the PICTPL has arrived at the proposed rates by applying the applicable cumulative escalation factor of 7.43% on the reference tariff caps notified in February 2014. The proposed rates furnished by PICTPL after applying the indexation factor of 7.43% have been verified and found to be correct.
- (v). While fixing the Reference tariff for the said project in February 2014, based on the proposal of PPT then, tariff has been prescribed for handling various types of containers as well as for handling clean cargo viz., Iron & Steel products and Aluminium Ingots, Pig iron, Finished fertilizers, Food grains and Sugar. On the ground that the definition of clean cargo as given in the Concession Agreement (CA) is an inclusive definition and since Article 1.3 (d) of the CA clarifies that the words 'include' and 'including' are to be construed without limitation, the PICTPL has proposed to include two more cargo groups i.e. 'Project cargo' and 'Any other clean cargo' in addition to the five cargo items as approved vide Order of 2014. The PICTPL has proposed to incorporate the provision relating to said new cargo groups under handling charges, storage charges and performance standards.

In this regard, it is to state that the Clause 2.8 of the reference tariff guidelines based on which reference tariff has been fixed for the PPT, stipulates invitation of bids for award of PPP projects and evaluation of the same based on the then prevailing Reference tariff. The reference tariff is subject to review only to the extent of annual indexation or performance linked indexation. The Reference Tariff Guidelines do not provide for review of Reference tariff from time to time on intervention by this Authority after award of the Project.

Thus, proposal of the PICTPL for inclusion of two more cargo groups i.e. 'Project cargo' and 'any other clean cargo' in addition to the five cargo items i.e. Iron and Steel Products and Aluminum ingots, Pig Iron, Finished fertilizers, Food Grains, and Sugar, as approved vide Order of 2014, is seen to be beyond the scope of the Tariff Order dated 19 February 2014 read with the Addendum dated 19 March 2014.

Since the Guidelines have been issued to this Authority by the Ministry of Shipping (MOS) as a policy direction under Section 111 of the Major Port Trusts Act, 1963, permission is being sought from the MOS, for inclusion of two more cargo i.e. 'Project cargo' and 'any other clean cargo' in the Scale of Rates of PICTPL. It is

noteworthy that on a similar footing, when an operator at Jawaharlal Nehru Port Trust (JNPT) viz., Bharat Mumbai Container Terminal Private Limited (BMCTPL) had approached this Authority for notification of Scale of Rates for the 4th Container Terminal at JNPT and since the BMCTPL had also sought tariff for additional services to be rendered at the 4th Container Terminal, the matter was referred to the MOS.

However, considering that the PICTPL envisages to commence its operations from 25 April 2018, it is not felt appropriate to await the permission from the MOS, to notify the Scale of Rates for PICTPL. Therefore, this Authority is inclined to notify the Scale of Rates for PICTPL, based on the Reference tariff as approved in February/ March 2014 with the applicable indexation factor, at this juncture, subject to the two amendments relating to incorporation of provision relating to loading/ unloading onto rakes and balance weightage of 80% to the gross berth output, as being discussed in the succeeding paragraphs.

- (vi). The PICTPL has proposed incorporation of provision relating to loading/ unloading onto rakes in addition to trucks in its proposed Scale of Rates on the ground that the project envisages rail loading and the scope of the Project includes construction of rail link and rail sidings. In this regard, it is to state that the upfront tariff of the multipurpose project of Deendayal Port Trust (DPT) (formerly Kandla Port Trust (KPT)), which had been adopted by PPT in the year 2014 for prescription of Reference tariff for its project, had taken into account the cost of laying of railway tracks. Further, the handling rates prescribed for containers in the Reference tariff Order of PPT in February 2014, prescribes charges for handling various types of ICD containers from container yard to Railway flat or vice versa, storage charges for 'ICD Import and Export loaded or empty - moved by rail'. Considering that capital cost towards laying of railway tracks has been factored in the DPT Order, which in turn has been adopted by the PPT in the year 2014, and since the project of PICTPL also envisages loading/ unloading through rail, it is felt appropriate to incorporate provision relating to loading/ unloading onto rakes in addition to trucks, in the note relating to the cargo handling charges, as proposed by the PICTPL. In this regard, it is to explicitly state that the said incorporation is not a new tariff prescription but only a reflection of capital cost considered and service to be covered under handling of cargo.
- (vii). With regard to the proposal of PICTPL to prescribe a weightage of 80% for shortfall in Gross Berth Output, it is to state that vide the Order of February 2014 for the project under reference, the performance standards have been prescribed in respect of the following:
- (a). Gross berth output per day for the various cargo groups.
 - (b). Transit storage dwell time for clean cargo in the import and export cycle.
 - (c). Turnaround time for receipt/ delivery operation.

In respect of performance standards as indicated at (b) and (c) above, weightage incase of a shortfall in meeting the prescribed performance has been prescribed at 10% each. However, weightage incase of a shortfall in meeting the performance standard for gross berth output has not been explicitly prescribed. Since the weightage incase of a shortfall in meeting the prescribed performance as indicated at (b) and (c) above has been prescribed at 10% each thus aggregating to 20%, the balance weightage of 80% will have to be applied to the gross berth output only. Accordingly, this Authority is inclined to explicitly indicate the said provision in the performance standards as requested by PICTPL. Incidentally, this provision is already incorporated in the Concession Agreement entered into between PPT and PICTPL at Appendix 15. In this regard, it is to explicitly state that the said incorporation is not a new tariff prescription but only a reflection of a balance figure.

- (viii). This Authority vide Order dated 19 February 2014 has notified the SOR alongwith Performance Standard as proposed by PPT as per the Reference Tariff Guidelines. Therefore, the performance standard as approved by this Authority in the Order dated 19 February 2014 is also notified alongwith the Scale of Rates of PICTPL.

For the reasons as brought out earlier, the Performance standards in respect of Project cargo and any other cargo, as proposed by the PICTPL, is not incorporated in the Performance Standards to be notified.

- (ix). The Government of India in the Ministry of Shipping (MOS) under cover of its letter No. PT-11033/51/2014-PT dated 11 November 2014 has forwarded a copy of the guidelines on priority berthing of coastal vessels at Major Port issued vide letter No. PT-11033/51/2014-PT dated 4 September 2014 to this Authority. Accordingly, this Authority vide its Order no. TAMP/52/2014-Genl. dated 28 November 2014 has, inter alia, approved the replacement of definition of 'Coastal Vessel' prescribed in the existing SOR of all the Major Port Trusts as follows:

"Coastal vessel" shall mean any vessel exclusively employed in trading between any port or place in India to any other port or place in India having a valid coastal license issued by the Director General of Shipping/ Competent Authority."

Therefore, the definition of Coastal Vessel as proposed by the PICTPL is slightly modified with the above mentioned definition of 'Coastal Vessel' to reflect the position contained in MOS letter dated 11 November 2014.

- (x). All the other conditionalities governing the application of the rates as approved in the Scale of Rates of the Order dated 19 February 2014 are retained subject to the following:

(a). This Authority, in view of the clarification sought by the V.O. Chidambaranar Port Trust regarding levy of concessional charges for coastal cargo/ container has passed an Order No. TAMP/53/2015-VOCPT dated 29 September 2015 regarding system of clarification of vessels for levy of vessel related charges and the time of incidence of vessel related charges and cargo related charges at concessional coastal rate based on the recommendations of Directorate General (DG) Shipping. The provisions approved in the said Order were further amended vide Order No. TAMP/53/2015-VOCPT dated 26 November 2015. The said Order passed is for common adoption by all the Major Port Trusts. Subsequent to the said Order, the DG Shipping vide its letter no. SD-9 CHART(309)/2016 dated 20 May 2016 has issued further clarification on the provision approved in the 26 November 2015 Order. This Authority has accordingly passed a clarificatory Order slightly amending the provision prescribed in para 9A (ii) and 10(ii) of the Order dated 26 November 2015. The amended provisions approved by this Authority in the said Order is updated accordingly, in the Scale of Rates of PICTPL as note no. (ii), (iii) and (iv) in place of note no. (ii) under General terms and conditions notified vide Order dated 19 February 2014. The subsequent note nos. are consequently renumbered.

(b). The General note to Chapter (2) and (3) proposed by PICTPL states that the tariff caps will be indexed to inflation but only to the extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2013 and 1 January of the relevant year. Since the Scale of Rates for PICTPL is being notified in the year 2018, it is felt appropriate to prescribe that the tariff caps will be indexed to inflation but only to the extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2018 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year. This general note is in line with the prescription in the Scale of Rates of other BOT operators governed under 2013 guidelines who have commenced the operations.

10.1. In the result, and for the reasons given above, and based on the collective application of mind, approval is accorded to the notification of indexed Scale of Rates and

Performance Standards for the Multipurpose Cargo Berth in the name of PICTPL operating at PPT attached as **Annex- I** and **Annex- II** respectively.

10.2. The Scale of Rates notified for PICTPL will come into force from the date of commencement of commercial operations by PICTPL.

10.3. The PICTPL is expected to perform at least at the performance norms brought out in the Concession agreement.

11.1. From the date of Commercial Operation (CoD) till 31st March of the same financial year, the tariff would be limited to the indexed Reference Tariff relevant to that year, which would be the ceiling. The aforesaid Reference Tariff shall be automatically revised every year based on an indexation as provided in para 2.2 of the guidelines of 2013 which will be applicable for the entire concession period.

However, the PICTPL is free to propose a tariff along with Performance Standards (the "Performance Linked Tariff") from the second year of operation onwards, over and above the indexed Reference Tariff for the relevant financial year, at least 90 days before the 1st April of the ensuing financial year. Such Performance Linked Tariff shall not be higher than 15% over and above the indexed Reference Tariff for that relevant financial year (and this will be the Tariff Cap). The Performance Linked Tariff would come into force from the first day of the following financial year and would be applicable for the entire financial year.

11.2. The proposal shall be submitted by PICTPL to this Authority along with a certificate from the independent engineer appointed under the Concession Agreement of the Project indicating the achievement of Performance Standards in the previous 12 months as incorporated in the Concession Agreement or for the actual number of months of operation in the first year of operation as the case may be.

11.3. On receipt of the proposal, this Authority will seek the views of the PPT on the achievement of Performance Standards as outlined in para 5 of the Tariff Guidelines of 2013, within 7 days of receipt.

11.4. In the event of PICTPL not achieving the Performance Standards as incorporated in the Concession Agreement in previous 12 months, this Authority will not consider the proposal for notifying the Performance Linked Tariff for the ensuing financial year and the PICTPL shall be entitled to only the indexed Reference Tariff applicable for the ensuing financial year.

11.5. After considering the views of the PPT, if this Authority is satisfied that the Performance Standards as incorporated in the Concession Agreement have been achieved, it shall notify the performance linked tariff by 15th of March to be effective from 1st of April of the ensuing financial year.

11.6. While considering the proposal for Performance Linked Tariff, this Authority will look into the Performance Standards and its adherence by the Operator. This Authority will decide on the acceptance or rejection of the Performance Linked Tariff proposal based on the achievement or otherwise of the Performance Standards by the PICTPL. Determination of indexed Reference Tariff and Performance Linked Tariff will follow the illustration shown in the Appendix attached to the Tariff Guidelines of 2013.

11.7. From the third year of operation, the Performance Linked Tariff proposal from the PICTPL shall be automatically notified by this Authority subject to the achievement of Performance Standards in the previous 12 months period as certified by the Independent Engineer. The PICTPL, for the Performance Linked Tariff from the third year onwards, will submit the Performance Linked Tariff proposal along with the achievement certificate from the independent engineer by 1st March and this Authority shall notify by 20th March, the Performance Linked Tariff to be effective from the ensuing financial year.

11.8. In the event any user has any grievance regarding non-achievement by the PPP operator of the Performance Standards as notified by this Authority, he may prefer a representation to this Authority which, thereafter, shall conduct an inquiry into the representation and give its finding

to the PPT. The PPT will be bound to take necessary action on the findings as per the provisions of the respective Concession Agreement.

11.9. The PICTPL shall furnish to this Authority, quarterly reports on cargo traffic, ship berth day output, average turnaround time of ships, average pre-berthing waiting time as well as the tariff realized at the berth. In addition, quarterly reports shall also be provided on average moves per crane hour and average dwell time for containers. The quarterly reports shall be submitted by the PICTPL within a month following the end of each quarter. Any other information which may be required by this Authority shall also be furnished to them from time to time.

11.10. If any question arises requiring clarifications or interpretation of the Scale of Rates and the statement of conditionalities, the matter shall be referred to this Authority and its decision in this regard will be binding on the PICTPL.

11.11. The actual performance of the PICTPL shall be monitored by this Authority. If any complaint regarding quality of service is received, this Authority shall enquire into such allegation and forward its findings to the PPT. If any action is to be taken against the PICTPL, the PPT shall initiate appropriate action in accordance with the provisions of the relevant Concession Agreement.

11.12. This Authority shall publish on its website all such information received from PICTPL. However, this Authority shall consider a request from PICTPL about not publishing certain data/ information furnished which may be commercially sensitive. Such requests should be accompanied by detailed justification regarding the commercial sensitiveness of the data/information in question and the likely adverse impact on their revenue/ operation of upon publication. This Authority's decision in this regard would be final.

(T.S. Balasubramanian)
Member (Finance)

PARADIP INTERNATIONAL CARGO TERMINAL PRIVATE LIMITED

SCALE OF RATES FOR THE MULTIPURPOSE CARGO BERTH.

CHAPTER 1 – DEFINITIONS & GENERAL TERMS & CONDITIONS

1.1. DEFINITIONS – GENERAL

- (i). **“Coastal vessel”** shall mean any vessel exclusively employed in trading between any port or place in India to any other port or place in India having a valid coastal license issued by the Director General of Shipping/ Competent Authority.
- (ii). **“Foreign-going vessel”** shall mean any vessel other than Coastal vessel.
- (iii). **“FCL”** means Containers said to contain Full Container Load.
- (iv). **“LCL”** means Containers said to contain Less than full Container Load (Container having cargo of more than one importer/exporter).
- (v). **“Hazardous container”** means a Container containing hazardous goods as classified under IMO.
- (vi). **“Import container”** means a container discharged from one vessel, stored in container yard and transported out through Road or Train.
- (vii). **“Export container”** means a container arrived by road or Train, stored in container yard and loaded on the assigned vessel.
- (viii). **“Port area”** means the custom bound area / Port operational Area of the Port.
- (ix). **“Normal Container”** shall mean general type containers, not falling under special categories mentioned subsequently.
- (x). **“Reefer Container”** shall mean a refrigerated container used for carriage of perishable goods with provision for electrical supply to maintain the desired temperature.
- (xi). **“Transshipment Container”** shall mean a container, which is discharged from one vessel, stored in the yard and transported through other vessel.
- (xii). **“Over dimensional Container”** shall mean a container carrying over dimensional cargo beyond the normal size of standard container and needing special devices like slings, shackles, lifting beam etc. They also include damaged containers and other types which require special devices.
- (xiii). **“Shut out Container”** shall mean a container which enters into the port as an export intake for a particular vessel (as indicated by the Vessel Identification Advice Number, i.e. VIA No.) and is not connected to the particular vessel for reasons whatsoever, then the container is termed to be a shutout container.
- (xiv). **“Back to Town Container”** shall mean a container entering the port for export but unable to be exported for whatever reason and taken back to town.”
- (xv). **“VIAN”** means Vessel Identification Advise Number.

(xvi). "Per day" means per calendar day unless otherwise stated.

1.2. GENERAL TERMS & CONDITIONS

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

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

- (v). Vessel related charges shall be levied on Ship-owners/Steamer Agents.
- (vi).
 - (a). The Vessel related charges for all Coastal vessels should not exceed 60% of the corresponding charges for other vessels.
 - (b). The container related charges for all Coastal containers should not exceed 60% of the normal container related charges.
 - (c). In case of container related charges, the concession is applicable on composite box rate. Where itemized charges are levied, the concession will be on all the relevant charges for ship-shore transfer, and transfer from / to quay to / from storage yard as well as wharfage on cargo and containers.
 - (d). For the purpose of this concession, container from a foreign port which reaches an Indian Port 'A' for subsequent transshipment to Indian Port 'B' will also qualify insofar as the charges relevant for its coastal voyage. In other words, cargo/containers from/to Indian Ports carried by vessels permitted to undertake coastal voyage will qualify for the concession.
 - (e). The charges for coastal containers / vessels shall be denominated and collected in Indian Rupee.
- (vii). Interest on delayed payments / refunds:
 - (a). The user shall pay penal interest on delayed payments under this Scale of Rates. Likewise, the operator shall pay penal interest on delayed refunds.
 - (b). The rate of penal interest will be 2% above the Prime Lending Rate of State Bank of India (SBI). The penal interest rate will apply to both the operator and the port users equally.
 - (c). The delay in refunds will be counted only 20 days from the date of completion of services or on production of all the documents required from the users, whichever is later.
 - (d). The delay in payments by the users will be counted only 10 days after the date of raising the bills by the operator. This provision shall, however, not apply to the cases where payment is to be made before availing the services / use of Port Trust's properties as stipulated in the Major Port Trust Act and / or where payment of charges in advance is prescribed as a condition in this Scale of Rates.
- (vi). All charges worked out shall be rounded off to the next higher rupee on the grand total of each bill.

CHAPTER 2 – CONTAINER RELATED CHARGES

2.1. GENERAL TERMS AND CONDITIONS:

- (i). A container originally declared as transshipment container, subsequently moved by rail or road will lose its identity as a transshipment container and shall be treated as a normal import container and prescribed charges as applicable shall be payable.
- (ii). Containers less than and up to 20' will be reckoned as one TEU (Twenty Equivalent Unit) and more than 20' and up to 40' will be reckoned as one FEU (Forty Equivalent Unit) for the purpose of tariff.
- (iii). All charges for containers more than 20' in length and up to 40' in length will be 150 per cent of the applicable charges prescribed.

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

2.2. CONTAINER RELATED CHARGES.

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

a. Handling Charges

Normal Containers

Sl. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa	4034.04	3258.27	2420.43	1954.96
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	2017.02	2017.02	2017.02	2017.02
3	From Container yard to Truck or vice versa (direct delivery and export intake)	620.62	620.62	620.62	620.62

Reefer Containers

Sl. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa	4034.04	3258.27	2420.43	1954.96
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	2017.02	2017.02	2017.02	2017.02
3	From Container yard to Truck or vice versa (direct delivery and export intake)	620.62	620.62	620.62	620.62

Hazardous Containers

Sl. No.	Description	Rate in ₹	
		Foreign Container	Coastal Container
		Loaded	Loaded
1	From Ship to container yard or vice versa	5043.46	3026.44
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	2520.82	2520.82
3	From Container yard to Truck or vice versa (direct delivery and export intake)	775.77	775.77

Transshipment Containers

S. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	1 – 3000 TEUs	4654.66	4034.04	2792.79	2420.43
2	3001 – 6000 TEUs	4344.35	3723.74	2606.61	2234.24
3	6001 – 9000 TEUs	4034.04	3413.42	2420.43	2048.05
4	Thereafter.	3723.74	3103.10	2234.24	1861.87

Notes

- (i). Rate is based on total TEUs brought by the Shipping Lines or agents in the same financial year.
- (ii). A container originally declared as transshipment container, subsequently moved by rail or road will lose its identity as transshipment container and shall be treated as a normal import container and prescribed charges as applicable shall be payable.

Over Dimensional Cargo Containers

Sl. No.	Description	Rate per TEU (in ₹)			
		Foreign Container		Coastal Container	
		Loaded	Empty	Loaded	Empty
1	From Ship to container yard or vice versa	8068.09	6516.52	4840.85	3909.91
2	From container yard to Railway flat or vice versa (ICD Container Rail only)	4034.04	4034.04	4034.04	4034.04
3	From Container yard to Truck or vice versa (direct delivery and export intake)	1241.25	1241.25	1241.25	1241.25

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

b. Dwell time charges for container, stored in the port premises:

Sl. No	Particulars	Rate per container per day or part thereof (In ₹)		
		Upto 20' in length	Over 20' upto 40' in length	Above 40' in length
1	Non-ICD/ CFS Import – loaded			
	First 2 days	Free	Free	Free
	3-6 days	493.31	986.60	1479.91
	7-9 days	586.81	1173.63	1760.44
	10-12 days	697.94	1395.89	2093.83
	13-15 days	829.40	1658.81	2488.20
	16-18 days	985.25	1970.50	2955.75
	19-22 days	1172.28	2344.55	3516.82
	23-26 days	1394.53	2789.07	4183.59
	27-30 days	1657.44	3314.89	4972.33
	Thereafter	1971.86	3943.72	5915.58
2	Non - ICD/ CFS Import - Empty			
	First 2 days	Free	Free	Free
	3-6 days	493.31	986.60	1479.91
	7-9 days	586.81	1173.63	1760.44
	10-12 days	697.94	1395.89	2093.83
	13-15 days	829.40	1658.81	2488.20
	16-18 days	985.25	1970.50	2955.75
	19-22 days	1172.28	2344.55	3516.82
	23-26 days	1394.53	2789.07	4183.59
	27-30 days	1657.44	3314.89	4972.33
	Thereafter	1971.86	3943.72	5915.58
3	Non - ICD/ CFS Export - Loaded			
	First 3 days	Free	Free	Free
	4-6 days	493.31	986.60	1479.91
	7-9 days	586.81	1173.63	1760.44
	10-12 days	697.94	1395.89	2093.83

Sl. No	Particulars	Rate per container per day or part thereof (In ₹)		
		Upto 20' in length	Over 20' upto 40' in length	Above 40' in length
	13-15 days	829.40	1658.81	2488.20
	16-18 days	985.25	1970.50	2955.75
	19-22 days	1172.28	2344.55	3516.82
	23-26 days	1394.53	2789.07	4183.59
	27-30 days	1657.44	3314.89	4972.33
	Thereafter	1971.86	3943.72	5915.58
4	Non - ICD/ CFS Export - Empty			
	First 3 days	Free	Free	Free
	4-6 days	493.31	986.60	1479.91
	7-9 days	586.81	1173.63	1760.44
	10-12 days	697.94	1395.89	2093.83
	13-15 days	829.40	1658.81	2488.20
	16-18 days	985.25	1970.50	2955.75
	19-22 days	1172.28	2344.55	3516.82
	23-26 days	1394.53	2789.07	4183.59
	27-30 days	1657.44	3314.89	4972.33
	Thereafter	1971.86	3943.72	5915.58
5	CFS Import loaded - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	493.31	986.60	1479.91
	7-9 days	586.81	1173.63	1760.44
	10-12 days	697.94	1395.89	2093.83
	13-15 days	829.40	1658.81	2488.20
	16-18 days	985.25	1970.50	2955.75
	19-22 days	1172.28	2344.55	3516.82
	23-26 days	1394.53	2789.07	4183.59
	27-30 days	1657.44	3314.89	4972.33
	Thereafter	1971.86	3943.72	5915.58
6	CFS Import empty - moved by road			
	First 2 days	Free	Free	Free
	3-6 days	493.31	986.60	1479.91
	7-9 days	586.81	1173.63	1760.44
	10-12 days	697.94	1395.89	2093.83
	13-15 days	829.40	1658.81	2488.20
	16-18 days	985.25	1970.50	2955.75
	19-22 days	1172.28	2344.55	3516.82
	23-26 days	1394.53	2789.07	4183.59
	27-30 days	1657.44	3314.89	4972.33
7	CFS Export loaded - moved by road			
	First 3 days	Free	Free	Free
	4-6 days	493.31	986.60	1479.91
	7-9 days	586.81	1173.63	1760.44
	10-12 days	697.94	1395.89	2093.83
	13-15 days	829.40	1658.81	2488.20
	16-18 days	985.25	1970.50	2955.75
	19-22 days	1172.28	2344.55	3516.82
	23-26 days	1394.53	2789.07	4183.59
	27-30 days	1657.44	3314.89	4972.33
8	CFS Export empty- moved by road			
	First 3 days	Free	Free	Free
	4-6 days	493.31	986.60	1479.91
	7-9 days	586.81	1173.63	1760.44
	10-12 days	697.94	1395.89	2093.83
	13-15 days	829.40	1658.81	2488.20
	16-18 days	985.25	1970.50	2955.75

Sl. No	Particulars	Rate per container per day or part thereof (In ₹)		
		Upto 20' in length	Over 20' upto 40' in length	Above 40' in length
	19-22 days	1172.28	2344.55	3516.82
	23-26 days	1394.53	2789.07	4183.59
	27-30 days	1657.44	3314.89	4972.33
9	ICD Import and Export loaded or empty - moved by rail			
	First 5 days	Free	Free	Free
	6-15 days	985.25	1970.50	2955.75
	16-30 days	1971.86	3943.72	5915.58
	Thereafter	3943.72	7887.44	11831.16
10	Transshipment - Loaded			
	First 15 days	Free	Free	Free
	16-30 days	1971.86	3943.72	5915.58
	Thereafter	3943.72	7887.44	11831.16
11	Transshipment - Empty			
	First 7 days	Free	Free	Free
	8-15 days	1172.28	2344.55	3516.82
	Thereafter	3943.72	7887.44	11831.16

Notes:

- (i). The total storage period for a container shall be reckoned from the day following the day of landing upto the day of shipment/delivery/date of removal of the container and includes Sundays and Holidays but excludes Custom notified holidays and port non-working days.
- (ii). Transshipment containers subsequently changing the mode of dispatch locally or to the container freight station for destuffing/stuffing shall lose the concessional dwell time as prescribed in Item (4) above. Dwell time charges for such containers shall be recovered at par with import containers as prescribed in item no. 1 or 2 as applicable.
- (iii). Transshipment containers subsequently changing the mode of dispatch by rail to ICD shall be treated as other ICD containers for the purpose of levy of Dwell time charges fees and shall be charged at the rates in item (4) above. In such cases additional shifting charge will be applicable for movement of container to container yard to ICD yard.
- (iv). A container from foreign port landing at the container terminal for subsequent transshipment to an Indian Port on a coastal voyage or vice versa would be charged at 50% of the transshipment charges prescribed for foreign going vessels and 50% of that prescribed for coastal category.
- (v). Normal import containers subsequently changing the mode of dispatch by rail to ICD will enjoy the free period applicable to normal import container only. In such cases additional shifting charges will be applicable for movement of container from container yard to ICD yard.
- (vi). The total storage period for a shutout container shall be calculated from the day following the day when the container has become shutout till the day of Shipment/delivery.
- (vii). Over high and over dimensional containers shall attract thrice the normal applicable charges.
- (viii). Hazardous containers shall attract 1.25 times the normal applicable charges.

- (ix). In case of stuffing the containers inside the port, the dwell time charges will be applicable as follows:
- (a). Prior to stuffing, dwell time charges as applicable to empty containers will be charged.
 - (b). Free period and dwell time charges as applicable to loaded export containers will be charged from the day following the day of completion of stuffing and intimation to Port.
- (x). In the case of auction containers, after the auction is over, the empty containers will attract the dwell time charges as empty containers from the following day the destuffing is completed.
- (xi). The storage charges shall not accrue for the period during which the Terminal is not in a position to deliver containers for reasons attributable to it when requested by the user.
- (xii). The storage charges on abandoned FCL containers/shipper owned containers shall believe up to the date of receipt of intimation of abandonment in writing or 75 days from the day of landing of the container, whichever is earlier subject to the following:
- (a). The consignee can issue a letter of abandonment at any time.
 - (b). If the consignee chooses not to issue such letter of abandonment, the container Agent/MLO can also issue abandonment letter subject to the condition that,
 - (i). the Line shall resume custody of container along with cargo and either take back it or remove it from the port premises; and
 - (ii). the line shall pay all port charges accrued on the cargo and container before resuming custody of the container.
 - (c). The container Agent / MLO shall observe the necessary formalities and bear the cost of transportation and destuffing. In case of their failure to take such action within the stipulated period, the storage charge on container shall be continued to be levied till such time all the necessary actions are taken by the shipping lines for destuffing of cargo.
 - (d). Where the container is seized/confiscated by the Custom Authorities and the same cannot be destuffed within the prescribed time limit of 75 days, the storage charges will cease to apply from the day the Custom order release of the cargo subject to lines observing the necessary formalities and bearing the cost of transportation and de-stuffing. Otherwise, seized/confiscated containers should be removed by the line/consignee from the port premises to the Customs bonded area and in that case the storage charge shall cease to apply from the day of such removal.

c. Charges for miscellaneous services rendered to the container vessels:

Reefer Monitoring and Connection

Sl.No	Particulars	Rate in ₹	
		Foreign going Vessel	Coastal Vessel

		Loaded	Empty	Loaded	Empty
1	Additional charges per 4 hours or part thereof for electricity consumption and monitoring of reefer containers	302.59	302.59	302.59	302.59

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

Other Services Rendered

Sl. No.	Particulars	Rate in ₹			
		Foreign going Vessel		Coastal Vessel	
		Loaded	Empty	Loaded	Empty
1	Shifting of containers from one yard to another yard within the terminal for customs inspection or any other purpose and subsequent loading of containers for delivery.	2613.19	2613.19	2613.19	2613.19
2	Additional service charges for stacking containers in designated yard for custom examination or for any other purpose by prior arrangement.	307.36	307.36	307.36	307.36

Opening of Hatch Cover and replacing it

Sl. No.	Particulars	Rate in ₹	
		Foreign going Vessel	
		Loaded	Empty
1	When placing it on the Quay	4539.43	2723.66
2	Without placing it on the Quay	1815.50	1089.31

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

One Hatch to another Hatch or within the Same Hatch

Sl. No	Description	Rate per TEU (₹)			
		Foreign going	Coastal	Foreign going	Coastal
		Loaded	Empty	Loaded	Empty
1	Hatch to hatch shifting (involving 1 move only)	1512.94	1512.94	907.76	907.76
2	Other than (a) mentioned above	6052.36	6052.36	3631.41	3631.41

CHAPTER 3 – CARGO RELATED CHARGES

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

a. Handling Charges

Sl. No.	Commodity	Unit	Rate in ₹ (Foreign)	Rate in ₹ (Coastal)
1	Iron & Steel products and Aluminium Ingots	Ton	480.48	288.29

2	Pig iron	Ton	426.84	256.10
3	Finished fertilizers	Ton	256.38	153.83
4	Food grains	Ton	256.38	153.83
5	Sugar	Ton	192.18	115.32

Note:

The handling charges prescribed above is a composite charge for (i) unloading of the cargo from the vessel including stevedoring and transfer of the same up to the point of storage, storage at the stack yard up to a free period of 5 days and loading on to trucks/ rakes in respect of import cargo and (ii) unloading of the cargo from the trucks/ rakes at the stack yard, storage at the stack yard up to a period of 15 days, transfer the cargo to the loading point and loading onto the ship including stevedoring. This composite charge includes wharfrage and supply of labour, wherever necessary.

b. Storage charges after free period:

The storage charges for the cargo stored in the stack yard beyond the free period allowed shall be as below:

Import/ Export Cargo

(Rate in ₹ per MT per day or part thereof)

Sl. No	Commodity	Rate for 1 st – 10 th day after free period	Rate for 11 th – 20 th day after free period	Rate for 21 st day onwards after free period
1	All types of Multipurpose cargo	2.61	5.23	7.84

Notes:

- (i). Five free days for import cargo and fifteen free days for export cargo shall be allowed. For the purpose of calculation of free period, Customs notified holidays and Terminal's non- working days shall be excluded.
- (ii). Storage charges shall be payable for all days including Terminal's non- working days and Customs notified holidays for stay of cargo beyond the prescribed free days.
- (iii). Storage charge on cargo shall not accrue for the period when the terminal operator is not in a position to deliver / ship the cargo when requested by the user due to reasons attributable to the terminal operator.

c. Miscellaneous charges

Sl. No.	Commodity	Unit	Rate in (₹)
1	All types of Multipurpose cargo	Per Ton	21.09

The miscellaneous charges prescribed above is a composite charge for provision of all miscellaneous services such as sweeping of cargo on the wharf, weighment of cargo, dust suppression etc.

CHAPTER 4 - VESSEL RELATED CHARGES.

a. **Berth Hire Charges**

Sl. No	Vessels	Rate per GRT per hour or part thereof	
		Foreign Going Vessel (in ₹)	Coastal Vessel (in ₹)
1	All Vessels	0.62	0.365

Notes:

- (i). The period of berth hire shall be calculated from the time vessel occupies the berth.
- (ii). Berth hire includes charges for services rendered at the berth, such as occupation of berth, rubbish removal, cleaning of berths, fire watch, etc.
- (iii). No berth hire shall be levied for the period when the vessel idles at its berth for continuous one hour or more due to breakdown of terminal operator's equipment or power or for any other reasons attributable to the terminal operator.
- (iv). (a). Berth hire shall stop 4 hours after the time of vessel signaling its readiness to sail.
(b). The time limit of 4 hours prescribed for the cessation of berth hire shall exclude the ship's waiting time for want of favorable tide conditions, inclement weather, and due to lack of night navigation.
(c). The master/ agent of the vessel shall signal readiness to sail only in accordance with favorable tidal and weather conditions.

b. **Penal Berth Hire Charges**

Sl.No	Description	Rate per GRT in ₹
1	Up to 6 hrs.	13.56
2	above 6 hours but up to 12 hours	20.33
3	Above 12 hrs.	40.66

Notes:

- (i). The Penal berth hire charges as mentioned above shall be levied in addition to berth hire charges beyond 2 hours.
- (ii). Penal berth hire charges mentioned above shall not be leviable if the idling of vessel is attributable to the terminal or port or due to adverse tidal conditions or bad weather and rain resulting in stoppage of operation.
- (iii). (a). There shall be a time limit beyond which berth hire shall not apply; berth hire shall stop 4 hours after the time of vessel signaling its readiness to sail. The time limit of 4 hours prescribed for cessation of berth hire shall exclude the ship's waiting period for want of favorable tidal conditions or on account of inclement weather or due to absence of night navigation facilities.
(b). There shall be a "penal berth hire" equal to one day's berth hire charges for a false signal.
(c). The Master / Agent of the vessel shall signal readiness to fail only in accordance with favourable tidal and weather conditions.

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

CHAPTER 5 - GENERAL NOTE

The tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2018 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.

PERFORMANCE STANDARDS**a. Containers**

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

b. Multipurpose Cargo

Cargo Category	Indicative Norms
Iron & Steel products and Aluminium Ingots	4000 tonnes per day
Pig Iron	4505 tonnes per day
Finished Fertilisers	10000 tonnes per day
Food Grains	10000 tonnes per day
Sugar	7500 tonnes per day

Weightage in case of a shortfall in meeting the prescribed performance standard for Gross Berth Output will be 80%.

Transit Storage Dwell Time

The Transit Storage Dwell Time of Break Bulk cargo shall be calculated in the same manner as calculated for container in the terminal. The Transit Storage Dwell Time for Break Bulk Cargo is the sum of time of each unit of cargo that remains in the Port in a month divided by the number of cargo units handled during that month in the terminal. To further clarify, the time the break bulk cargo remains in the port will commence from the date and time of landing till the date and time of exit from the Port in case of import and for export from the date and time the cargo entered the Port area till the date and time of the shipment.

Import

S.No	Description	Transit Storage Dwell Time
1	Other Clean Cargo (at stack yard)	10 days after date of completion of vessel's discharging operation

Export

S.No	Description	Transit Storage Dwell Time
1	Other Clean Cargo (at stack yard)	10 days after date of completion of vessel's discharging operation

Weightage in case of a shortfall in meeting the prescribed performance standard will be 10%

Turn around Time for receipt/delivery operation:

The Turnaround Time for receipt/delivery operation shall be the sum of time taken for loading/unloading of cargo divided by the number of trucks/trailers/rakes deployed, as the case may be, in a month. Further, in case the truck/trailer/rake does both unloading and loading operations on a single entry into the terminal, the time allocated shall be doubled for those trucks/trailers/rakes.

S.No	Description	Time
1	(i) Truck for conventional cargo (Single operation)	4 hours
2	(ii) Truck for conventional cargo (Double operation)	8 hours

Weightage in case of a shortfall in meeting the prescribed performance standard will be 10%

Performance Evaluation and calculation of liquidated damages:

Performance evaluation shall be made on a quarterly review of the reports furnished by the Concessionaire and/or the records of the Concessionaire and/or by an enquiry by the Concessioning Authority. The Concessionaire shall be liable to pay liquidated damages determined at the rate of 1% (one per cent) of the Gross Revenue of the respective quarter for every shortfall of 10% (ten per cent) in the average performance which shall be assessed in the following manner.

Each Performance Standard is calculated as an average in the manner indicated above. The actual average performance vis-à-vis a standard will be evaluated against the prescribed standard. The shortfall will be computed as a percentage of the prescribed standard. The shortfall in respect of each performance standard will have a weightage assigned to it. The overall shortfall in average performance shall be assessed as the aggregate of the weighted shortfalls in respect of each of the performance standards. For example, if there is a shortfall in Gross Berth Output by x%, Transit Storage Dwell Time by y% and Turn round time for receipt/delivery operations by z% and the weightage assigned to such shortfalls is 0.7, 0.2 and 0.1 respectively, then the overall shortfall in average performance will be (0.7x + 0.2 y + 0.1 z)%.
