

Annual Escalation factor to the extent of 60% of the variation in the Wholesale Price Index (WPI) for indexation of SOR and 100% of the variation in the Wholesale Price Index (WPI) for indexation of Performance Linked tariff under the Stevedoring and Shore handling Guidelines, 2016.

As per the Clauses 2.10. and Clause 3.5.5 of the Stevedoring and Shore handling Guidelines, 2016, 60% variation in WPI is to be considered for indexation of upfront tariff and the indexation of royalty in absolute terms respectively. Clause 7.1 of the said Guidelines stipulates that the operator can apply indexation in tariff at 100% of WPI variation instead of 60% variation in WPI on written confirmation by Major Port Trusts to the operator that it has achieved notified Performance Standards for each cargo.

2. The WPI occurring between the relevant dates was ascertained from the Ministry of Commerce and Industry, Government of India. 100% variation in WPI occurring between 1 January 2020 and 1 January 2021 works out to 0.55% and 60% variation in WPI occurring between 1 January 2020 and 1 January 2021 works out to 0.33%.

3. The annual indexation factor approved by the Authority effective from 1 April 2021 to 31 March 2022 under the Stevedoring and Shore handling Guidelines of 2016 is as follows:

- (i). Annual indexation of 0.33% at 60% of WPI for indexation of SOR as per Clause 2.10 and indexation of royalty in absolute terms as per Clause 3.5.5 of the Guidelines for Determination of Upfront Tariff for Stevedoring and Shore Handling Operations authorized by Major Port Trusts under Section 42 (3) of the Major Port Trusts Act 1963; and
- (ii). Annual indexation factor of 0.55% for indexation at 100% of WPI (instead of 0.33% given above) to arrive at Performance Linked Tariff as per Clause 7.1 of the Guidelines for Determination of Upfront Tariff for Stevedoring and Shore Handling Operations authorized by Major Port Trusts under Section 42 (3) of the Major Port Trusts Act 1963.