

कोलकाता पत्तन न्यास
KOLKATA PORT TRUST
हल्दिया गोदी परिसर
HALDIA DOCK COMPLEX
शिपिंग एंड कार्गो हैंडलिंग प्रभाग
Shipping & Cargo Handling Division





ISO 9001:2008 Certified by IRQS

> Operational Office Complex, Chiranjibpur, Haldia - 721604 Phone No. (03224) 252208 Fax No.(03224) 252475 Dist. Purba Medinipur

चिरंजीबपुर, हल्दिया - 721 604 दूरभाष सं. (03224) 252208 फैक्स सं. (03224) 252475 जिला - पूर्व मेदिनीपुर

No. MTO/G/104/Pt.IX/1901

Dated June 19, 2017

Trade Circular

Sub.: Introduction of Performance as well as Productivity/Incentive norms for handling Edible Oil through pipeline at HDC.

The average productivity of Crude Palm Oil and Soya Bean Oil is only 150 MT & 350 MT per hour respectively, which is far below the desired level. Due to such poor output, TRT of the Edible Oil vessels is also found to be high, which consequently affects the overall TRT of the vessels at HDC. The capacity utilization of the berths is also getting reduced due to the poor pumping rate of such vessels.

- 2. Accordingly, in order to increase the pumping rate as well as to reduce the TRT of the Edible Oil vessels and thereby to increase the capacity utilization of the berths, a meeting was convened with the major Edible Oil importers on 04.05.2017. In the said meeting, the importers have been advised to upgrade the necessary infrastructure through, installation of additional booster pumps, use of multiple manifolds, installation of high capacity air compressor etc. to increase the Pumping Rate for discharging the cargo.
- 3. After detailed deliberation in the meeting, it was decided that w.e.f. 01.08.2017 all stakeholders will have to ensure cargo discharge from the vessel at a Minimum Pumping Rate of 250 MT / per hour, for vessels carrying CPO/RBD Palm Oil and 450 MT / per hour for vessels carrying CDSBO/Sunflower Oil, failing which penal berth hire charges will be levied on such vessels. It was further proposed that in the event, the average pumping rate of the vessels exceeds the benchmark level, then incentives will be provided by KoPT.
- 4. Subsequently, the Board of Trustees in its meeting held on 31.05.2017 have approved the following performance based penalty/incentive norms for handling edible oil through pipeline at HDC:
 - (A) <u>Applicable Penal Berth Hire Charges for non-achieving minimum pumping rate</u> stipulated at para (3) above: -
 - i) If the working time of the vessel (considering hauled in time till completion of cargo work) exceeds the stipulated time based on the above productivity by 2 hours or less, then no penalty will be levied.
 - ii) If the working time of the vessel (considering hauled in time till completion of cargo work) exceeds the stipulated time based on the above productivity by more than 2 hours, then penalty will be levied @ 2 times of the normal berth hire charge for every additional hours or part thereof taken to complete the cargo operation of the vessel.

5. <u>Applicable Incentives for performance above the minimum pumping rate stipulated at para (3) above:</u>

In case the working time of the vessel (considering hauled in time till completion of cargo work) is lower than the stipulated time by more than 2 hours, then incentives will be paid @ 5% of the applicable berth hire charges for every additional hour saved. However, there will be no incentive for saving of time up to 2 hours.

For calculation of the stipulated working period in hours, the cargo tonnage will be divided by the Pumping Rate Norms and the same will be compared with the actual working period of the vessel to be ascertained from the operational records.

- 6. Further if any vessel is performing poorly and failing to achieve the Benchmark Productivity in two consecutive voyages due to reasons attributable to the vessel, then the said vessel will not be accepted by the Port and the same will be informed to the Trade.
- 7. For non-achievement of the performance, as stated above the penalty will be imposed on the vessel's owner / agent. Similarly, for achieving higher performance, the incentive will be paid at the proposed rate to the vessel's owner / agent.
- 8. The aforesaid norms will be effective from **01.08.2017** pending approval of TAMP and will remain valid for one year after which the same will be reviewed.

All the stakeholders present in the meeting held on 04.05.2017 had agreed for implementation of the above performance as well as Penalty Inventive Norms w.e.f. 01.08.2017 pending approval of the TAMP.

(A. K. Mahapatra)

Sr. Dy. Manager (Sh&CH)