

**Notice towards revision of Schedule of Rent for the land & buildings
of Syama Prasad Mookerjee Port, Kolkata under
Haldia Dock Complex.**

Board of Syama Prasad Mookerjee Port has approved the revision of Schedule of Rent of SMPK under HDC vide Reso. No. R/237/HDC/ADMN/3/09/2022 in its meeting held on 23.09.2022. Details of the approval along with revised Schedule of Rent is placed below for knowledge of all concerned. The Schedule of Rent will be effective from 26.10.2022.

Item No. A/01/HDC/ADMN/3/09/2022

(Part - I)

Sub: Proposal regarding Revision of Schedule of Rent (SoR) for the land and buildings of Syama Prasad Mookerjee Port, Kolkata (SMPK) at Haldia.

1. BACKGROUND: -

1.1 The Board of SMPK vide Reso. No. R/45/HDC/ADMN/3/03/2022 in its 2nd meeting held on 29.03.2022 accepted the Valuation Report with proposed draft SoR along with the Statement of Conditions (NOTES) as recommended by the constituted Committee for determination of the Schedule of Rent for the land and buildings of SMPK at Haldia. The Board further resolved that –

a) The proposed Schedule of Rent for land & buildings of SMPK at Haldia Dock Complex along with Statement of conditions (NOTES) be hoisted in SMPK website inviting comments from relevant stakeholders/users.

b) Further action be taken in terms of Clause-4 of the Tariff Policy for Major Port Authorities 2021 issued by Ministry, vide No. PD 14024/5/2020-PD-I(e343443) dated 03.11.2021.

1.2 In terms of above approval, the proposed draft SoR along with statement of conditions and Valuation Report had been uploaded in SMPK website on 30.03.2022 and all major stakeholders (lessees, licensees, Port users etc.) were intimated of the same

[during the period from 30.03.2022 to 01.04.2022] for obtaining comments/feedback on the proposal within 15 days (in terms of clause 4.4 of the Tariff Policy). Responses to the same were received over mail and letters from some stake holders.

1.3 Further, as also approved & in terms of Clause 4.5 of the Tariff Policy, a joint hearing on the proposal of Revision of SoR was held with the stakeholders on 05.05.2022 at SMPK Guest House at 93, Chowringhee Road, Kolkata- 20. On request from the stakeholders, Dy. Chairman and Chairperson of the Committee further allowed a time of 7 days for making their submissions in writing, if so required.

1.4 The various representations in respect of Valuation report and draft SoR made by different stakeholders as received by HDC/SMPK by mails/ letters as well those made during joint hearing have been examined by the Committee in its meetings held on 26.05.2022 and 13.07.2022.

1.5 The Committee, after detailed deliberations on the various representations and related issues and collective application of mind has given its observations / recommendations thereon as detailed under items 6 and 7 of the said Committee Report **(Appendix-I)(Pages 8 – 92)**. The Committee has also, in light of above, recommended the following on certain aspects of the draft SoR :

(i) Considering the substantial hike of the proposed rates as

compared to the existing SoR rates & representations received thereon, the Committee has recommended some moderation in the rates of "A", "modified A", "B", "modified B", Officer's hostel and Dormitories (which were derived upon House Rent Allowance foregone plus House Rent paid by employees and not on valuation approach) as detailed under item 6.4 of the said Committee Report.

(ii) Regarding the rates short term allotment of land for transit storage of cargo in Dock Interior Zone (custom bonded area) of HDC, the Committee has opined that in all major neighboring ports, the rate and conditionality governing allotment of land inside custom bonded area for storage of transit cargo is prescribed in the Scale of Rates and not in Rent Schedule. Also, this charge is essentially related to cargo handling services and such allotments (other than those for five years basis) are normally done at scheduled rent without going for tender/auction.

The Committee has, in light of above, opined that it may be appropriate to prescribe the said rates under the Scale of rates of SMPK which is presently under review.

The Committee has however noted that there may be a mismatch of date of implementation of the new Scale of Rates and that of proposed Rent Schedule for land and buildings of SMPK at Haldia. Therefore, to avoid any void in charges, the rates and conditionality governing short term allotment inside Custom bonded area for storage of transit cargo may be kept in the Rent

Schedule till 06.04.2023 or implementation of the new Scale of rates of SMPK, whichever is earlier.

Further, considering the representations received against the rates as well as the fact the competing major ports are charging a lower rate for such allotments, the Committee has recommended that the rates for such allotments may not be increased and kept as it is for the interim period.

(iii) Regarding charges to be levied for use of Helipads, the Committee observed that the provision of Helipads are a special nature of service not available in the vicinity Helipads and are being used by both Govt. & private stakeholders of Port, Central & State Governments as well as by Defense Authorities & political parties. After detailed deliberations, the Committee has also reconsidered the charges to be levied for use of Helipads as detailed as item 6.5 of the said Committee Report at **Appendix-I**.

(iv) The Committee has further recommended modification in some of the Statements of conditions (NOTES) of draft SoR for better clarity including provisions of prevailing Land Policy Guidelines, as detailed at item-7 of the said Committee Report (**Appendix-I**).

- 1.6 Based on observations / recommendations of the Committee as above & as detailed in the said Committee Report at **Appendix-I**, the constituted Committee has revised the draft Schedule of Rent for land and buildings / structures of SMPK at Haldia and the

Statement of conditions (NOTES) as at **Annexure-VI** of the Report of the Committee (**Appendix-I**). Further, the rates of land and covered space for transit storage of import / export cargo has been prescribed at **Annexure -VII of Appendix-I**.

The said Committee has recommended the revised SoR and NOTES as at **Annexure-VI** and **Annexure -VII** of the Report of the Committee (**Appendix-I**) for placement before the Board for approval. Upon obtaining approval of the Board, the same shall be notified in the State Gazette for implementation.

- 1.7 The last extended validity of the prevailing SoR is to expire on 30.09.2022.

2. **PROPOSAL:**

- 2.1 Acceptance to the recommendations of the constituted Committee towards revision of Schedule of Rent (SoR) for the land and buildings of Syama Prasad Mookerjee Port, Kolkata (SMPK) at Haldia as detailed in the report of the constituted committee at **Appendix-I**.
- 2.2 Approval to the recommended Schedule of Rent for the land and buildings of Syama Prasad Mookerjee Port, Kolkata (SMPK) at Haldia along with Statements of conditions (NOTES) as under **Annex-VI and Annex –VII** of the Committee Report at **Appendix-I**.

- 2.3 The approved Schedule of Rent (SoR) for the land and buildings of Syama Prasad Mookerjee Port, Kolkata (SMPK) at Haldia Dock Complex along with Statements of conditions (NOTES) may be notified in the State Gazette for implementation, hosted in SMPK website and suitably intimated to the concerned stakeholders in terms of Clause 4.7 of the Tariff Policy **(placed at Appendix-II)(Pages 93 – 95).**

3. **JUSTIFICATION:** -

- 3.1 Already detailed in Background notes under para-1 above.

4. **DECISION:** -

Approval to the proposal as at para-2 above.

The proposal was explained to the Trustees.

After discussion, the Members decided to approve the proposal.

Resolution No. R/237/HDC/ADMN/3/09/2022 : Members, after discussion, resolved to sanction the proposal for revision of the Schedule of Rent for the land and buildings of Syama Prasad Mookerjee Port, Kolkata (SMPK) at Haldia Dock Complex along with Statements of conditions (NOTES) as at para-2.1 & 2.2 of the agenda.

It was also resolved that the decisions of the Board regarding notification in the Calcutta Gazette and date of effect of the SoR, taken vide Resolution No. R/227/KDS/EST/3/09/2022 while dealing with the SoR of KDS, would also be applicable for the instant agenda.

Report of the Constituted Committee for revision of Schedule of Rent [SoR] for land and buildings of Syama Prasad Mookerjee Port, Kolkata (SMPK) at Haldia

Date of meeting : 26.05.2022 & 13.07.2022.

Members:

- | | |
|---|---------------|
| 1. Shri A.K. Mehera, Dy. Chairman, HDC | : Chairperson |
| 2. Shri A Ganesan, General Manager (Engineering), HDC | : Member |
| 3. Shri Abhay Kumar Mahapatra, General Manager (Traffic), HDC | : Member |
| 4. Shri P.K. Das, General Manager (M&S), HDC | : Member |
| 5. Shri Abhijit Gupta, General Manager (Finance), HDC | : Member |

1. The Committee in its meeting held on 16.03.2022 & 21.03.2022 (Annexure - I) had recommended as under: -
 - i) The Valuation Report submitted by M/s. Vestian Global Workforce Services Pvt. Ltd. (the Valuer) for the land and buildings of SMPK at Haldia Dock Complex at Annex-III may be accepted.
 - ii) The proposed draft Schedule of Rent (SoR) for land & buildings of SMPK at Haldia Dock Complex along with Statement of Conditions (NOTES) as at Annex-VI & VII respectively (collectively under Annexure-II) may be approved.
 - iii) The Valuation Report and proposed draft SoR along with the Statement of Conditions (NOTES) as recommended by the Committee may be placed before the Board for its consideration and approval.
2. Further to the recommendation of the Committee as at Para (1) above, the proposed draft SoR recommended by the Committee was considered by the Board of SMPK in its 2nd meeting held on 29.03.2022 and duly accepted along with the Valuation Report vide Reso. No. R/45/HDC/ADMN/3/03/2022 (Annexure-III). It was further resolved that-
 - a) The proposed Schedule of Rent for land & buildings of SMPK at Haldia Dock Complex along with Statement of conditions (NOTES) be hoisted in SMPK website inviting comments from relevant stakeholders/users.
 - b) Further action be taken in terms of Clause-4 of the Tariff Policy for Major Port Authorities 2021 issued by Ministry, vide No. PD 14024/5/2020-PD-I(e343443) dated 03.11.2021.
3. A comparison of the Draft SoR uploaded in website with that of the existing updated SoR made effective from 07.04.2022 has been given at Annexure-IV.
4. As approved, the proposed draft SoR along with statement of conditions and Valuation Report had been uploaded in SMPK website on 30.03.2022 and all major stake holders (lessees, licensees, Port users etc.) intimated of the same [during the period from 30.03.2022 till 01.04.2022] and requested to give for obtaining comments/feedback on the proposal within 15 days (in terms of clause 4.4 of the Tariff Policy). Responses to the same were received over mail and through post from some stake holders.
5. As per clause 4.5 of the Tariff Policy a joint hearing on the proposal of Revision of SoR was held with the stake holders on 05.05.2022 at SMPK Guest house at 93, Chowringhee



Road, Kolkata- 20. On request from the stake holders, Dy. Chairman and Chairperson of the Committee further allowed a time of 7 days for making their submissions in writing, if so required.

6. The various representations in respect of valuation report and draft SoR made by different stakeholders as received by HDC/SMPK by mails/ letters as well those made during joint hearing have been examined by the Committee.

Based on detailed deliberation and collective application of mind, observation/recommendations of the Committee are thereof are given below :-

6.1: With respect to representations received from stakeholders during Jt. Hearing on 5th May 2022 :

Sl No.	Name of Organization	Details of Representation made	Observations/ Recommendations of the Committee
1	Directorate of Plant Protection Quarantine & Storage.	Monthly Bill not made available in time resulting in delay in remittance and acquiring of interest	This is not an issue pertaining to revision of SoR. The matter may be taken up in appropriate forum.
2	MCPI Pvt. Ltd.	Indicated that he would come up with the comments of MCPI within 7 days.	Letter dated 09.05.2022 submitted. Observations of the Committee given under subsequent item.
3	Mercantile Marine Department (MMD)	<p>i) Indicated about not getting the 75% concession applicable for Govt. entities on the 2000 sq. mtrs. of land allotted to them</p> <p>ii) Requested for allowing more time for payment of bills to Govt. entities as they need to take sanction from their authorities on the bill amount.</p>	<p>i)a) The provision regarding concessional rent has come into force through the Policy Guidelines for Land Management (PGLM)-2014-15. The instant lease was granted to MMD in the year 2007 as per the then prevailing terms & conditions and hence, is binding on both the parties.</p> <p>b) Further, 75% concessions are applicable for core operational purposes.</p> <p>c) This issue was also raised in 2020 and reply to their letter was issued on 16.04.2020</p> <p>ii) It was informed that bills are available in the HDC,SMPK websites for taking quick action and the provision for levying interest on outstanding dues for delayed payment is governed by clause - A(III)(6)(ii) & (iv) under NOTES of Schedule of Rent applicable for all tenants given under Annex- VII of the proposed SoR.</p>

4	Indorama India Private Limited.	Requested for allotment of covered space under transit shed inside Dock on 6 months basis as done in case of open land in place of ship to ship allotment.	This is not an issue pertaining to revision of SoR. The matter may be taken up in appropriate forum.
5	Birla Carbon (I) Pvt Ltd.	Asked for clarification as to whether revision of rent would be applicable to the new lease after expiry of their present lease and on the way-leave permission	It was clarified that if they had made payment on upfront basis for the entire period of the lease, revised rates would not be applicable. Regarding existing way-leave, the terms & conditions of concerned way-leave permission would apply.
6	T.M. International Logistics Ltd.	Indicated that the transit storage rates were higher than neighboring ports like Paradeep Port	The representatives were requested to submit specific details of the rates and conditionalities imposed by the neighboring ports, for examination.
7	Shyam Metalics and Energy Ltd. Shyam SEL And Power Ltd.	Indicated that the transit storage rates were higher than the neighboring ports and stated Paradeep Port was charging Rs. 11/- per sq. mtr per month, HDC is charging Rs. 43/-	They were also informed that TMILL also levies similar rate for transit storage of cargo handled at their facility in HDC. No subsequent letter giving specific details as sought has been submitted on the issue.
8	West Bengal State Warehousing Corporation (WBSWC).	Asked for clarification as to whether this revision of rent will have any implication on their rent	This is not an issue pertaining to revision of SoR. However, it was clarified that as upfront payment for the entire period of lease had been made, there was no effect of revision of SoR on the lease of WBSWC.
9	Steel Authority of India Limited.	Indicated that in case of allotment of land in Dock Interior Zone for transit storage of cargo, one month Security Deposit remains blocked for 11 months period of license of a plot and in each case of allotment, fresh Security Deposit is required to be submitted. SAIL requested to formulate a suitable scheme for periodic rotation	It was explained that as the area allotted to different parties varies substantially, there is a practical difficulty in fixing any fixed Security Deposit and rotating the same. However, for any procedural simplification the matter may be referred to appropriate forum of HDC.

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		of Security Deposit to extend relief to the users.	
10	West Bengal Education Department	Requested for a soft copy of the proposed revision and enquired whether same was applicable on the land taken by education dept. for establishment of Haldia Govt. College.	In reply, the website link for availing the soft copy of the proposal was shown to them. It was also indicated that the lease concerned was on acquisition cost basis and that existing leases were to be governed by the covenants of concerned leases as per provision.

6.2: With respect to representations received from stakeholders by mail/letter on proposed SoR (other than for transit storage of import / export cargo in Dock Interior Zone of HDC/SMPK):

Sl No.	Company name and communication reference	Details of representation	Observations/Recommendations of the Committee			
1	Mercantile Marine Department (MMD) vide mail dated 05.05.2022* forwarded letter no. PD-13017/2/2019 -PD-V dated 20.09.2019 from Under Secretary Govt. of India MOS and also sent request vide letter dated 06.05.2022	<p>The request from MMD is to grant 75% concession on present land rent for the 2000 sq. mtrs of land allotted to them at HDC.</p> <p>Vide letter dated 06.05.2022, the request of MMD is to convert the original existing on upfront rental basis for the remaining period incorporating 75% concession as per letter of MOS dated 20.09.2019.</p>	<p>Already replied under Para-6.1 (3) above.</p> <p>The request for payment of the balance period on upfront basis is not an issue pertaining to revision of SoR. The same may be taken up in appropriate forum of HDC</p>			
2	TMILL vide Letter no. POH/TAMP/009/2022 dated 08.04.2022 indicated that the Industrial Zone (IZ) rate was on higher side which in turn has affected rent of Dock Interior Zone, estimated through interpolation taking IZ rate as base.		<p>The issue is pertaining to the methodology of Valuation of land in the IZ of HDC. The matter has been examined and as clarified by Valuer engaged by SMPK for the purpose, the following are mentioned:-</p> <table><tr><td>Location and</td><td>15 %</td><td>TMILL has assumed that the comparable are on National Highway but actually are situated on narrow local roads</td></tr></table>	Location and	15 %	TMILL has assumed that the comparable are on National Highway but actually are situated on narrow local roads
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For Reduction of rate of IZ and DIZ, the method of discounting of the values of three comparable plots of IZ have been derived by TMILL as below with the justification given beside :-			access	informal surrounding development profile and inadequate physical infrastructure. Thus, the comparable are substantially inferior on the parameter of location and access for which 15% premium has been added.																			
Location and access	0	Situated on NH and thus to be considered at par with the IZ land related to this criteria ownership	Ownership	- 15 %	i) 1 st method – reversion multiplier formula Reversion value is the estimated value of an asset when sold at the end of lease tenure. It is calculated by multiplying annual rent with reversion multiplier. Yield of series of annual rent flow over the lease period define the reversion multiplier :- Reversion Multiplier Formula: $(1/Yield) * (1 - 1/((1+Yield)^{lease Tenure}))$ Reversion Value: $NOI * Reversion Multiplier Formula$ Using the following formula, the discount factor between freehold value and leasehold value of one cottah of land has been estimated.																		
Ownership	- 2.5 %	Discount on freehold interest for 60-62 years is in the range of 18-17% and hence should be much higher for period of 30 years lease. Thus taking the midpoint of discount for 60 years and doubling the same for 30 years, the said discount has been derived																					
Based on above, TMILL proposed IZ rate as Rs 942 per 100 sm pm as against Rs 1233 per 100smpm, DIZ bare land rate – Rs 2293/- as against Rs 3002/- per 100 sm pm and DIZ hardstand Rs 3565/- as against Rs 4666/- per 100 sm pm.			<table><tr><th>Parameters</th><th>Figure</th></tr><tr><td>Freehold Land Value (INR/Cottah)</td><td>1,000,000</td></tr><tr><td>Considered Yield</td><td>6.0%</td></tr><tr><td>Monthly Rent</td><td>5,000</td></tr><tr><td>No. of lease years</td><td>30</td></tr><tr><td>Reversion Multiplier formula</td><td>13.76</td></tr><tr><td>NOI(Annual rent)</td><td>60,000</td></tr><tr><td>Leasehold Market Value (INR/Cottah)</td><td>825,890</td></tr><tr><td>Discount Factor</td><td>17.41%</td></tr></table> <p>The estimated discount remains 17.41% against 30 years lease</p>			Parameters	Figure	Freehold Land Value (INR/Cottah)	1,000,000	Considered Yield	6.0%	Monthly Rent	5,000	No. of lease years	30	Reversion Multiplier formula	13.76	NOI(Annual rent)	60,000	Leasehold Market Value (INR/Cottah)	825,890	Discount Factor	17.41%
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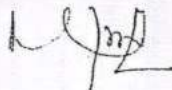
			<p>terms. It decreases when lease tenure increases and become close to 1% for 90 years lease terms.</p> <p>ii) 2nd method (NPV)- Annual escalation of 2% and discount rate of 8% applied on annual payment series start with Rs.1000</p> <p>NPV for 30 years' time- Rs. 13667 NPV for 99 years' time - Rs.16609 Difference Factor= (NPV for 99 years term-NPV of 30 years terms)/(NPV of 99 years terms)*100% = 17.71%</p> <p>Based on the above two methods the Valuer has considered a fixed discount factor 15% for free hold comparable property to bring it at par with leasehold property.</p> <p>Moreover, the above rate of discount factor was also considered by TAMP at the time of revision of rates in the last SoR.</p> <p>Considering above, the adjustment factor of Location & Access and Ownership as considered in Valuation Report, proposed rates of IZ remains as it is in proposed SoR.</p>
3	WBSWC vide Memo No. 415/C(III)-311(Pt)/swc dated 05.05.2022 for letter from GM(Admn.)	To consider non-enhancement of rate of proposed SoR for SPSUs like WBSWC.	This is not an issue pertaining to revision of SoR. The rate revision against any lease is governed by the terms of the lease. However, as upfront payment for the entire period of lease had been made, there was no effect of revision of SoR on the lease of WBSWC.
4	MCPI vide letter dated 09.05.2022	i) Expect that there would not be any revision of 2% this year.	i) Escalation provision of SoR is provided in proposed SoR under (A)(III) (1) of Statement of Conditions (NOTES).

		<p>ii) 340 mtrs pipeline of MCPI at OT-2 is crossing the road twice and about 70 mtrs on the jetty. But for such shared areas, 50% of rate has not been charged. Asked for refund of excess amount recovered.</p> <p>iii) Concession for underground pipelines is also there in the rent schedule which is not being extended to MCPI and hence the excess amount recovered may be refunded.</p> <p>iv) 15% of pipeline laying cost is very stiff and request is for reduction of the same to 5%.</p>	<p>ii) The OT-2 pipelines of MCPI referred to are crossing road twice for few meters thus having negligible impact.</p> <p>Re. pipeline on jetty, OT2 trestle is in single layer and there is no sharing of vertical space.</p> <p>iii) The matter is related to specific case and not related to revision of Schedule of Rent. Matter may be taken up in appropriate forum.</p> <p>iv) Policy Guidelines for Land Management, 2010 (PGLM) has stipulated for recovery of supervision charges @ 15% on the cost of the work (cost of the pipeline & laying) for way-leave permissions. PGLM -2014 (Amended 2015) also stipulates recovery of Supervision Charges in case of way-leave permissions.</p> <p>As such, Supervision Charge @15% on the cost of work has been proposed to be continued.</p>
5	Nepal Transit & Warehousing Co. Ltd.	Have requested to waive the applicability of revised schedule of rent on the lease of land under plate nos. 538 & 539 based on long standing cordial relation between NTWCL (being a Govt. owned company of Nepal) & SMPK.	<p>This is not an issue pertaining to revision of SoR.</p> <p>The rate revision against any lease is governed by the terms of the lease.</p>

6.3 (A): With respect to representations from stakeholders on proposed SoR in respect of rates for transit storage of cargo in DIZ (land & covered space):

Sl. No	Name of the Organisation Reference mail/letter	Details of representation	Observations/Recommendations of the Committee
1	Agarwal Coal Dated 28.04.2022	Rate for license fee (Basis per 100 sq. mtrs. per Month) for licensing of open/covered space inside Dock Interior Zone for storage of Import/export goods is very high and should be reduced by at least 50 - 60% In view of much lower, especially like Paradip, Vizag etc.	The committee observed that in all major neighbouring ports the rate and conditionality governing allotment of land inside custom bonded area for storage of transit cargo is prescribed in the Scale of Rates and not in Rent Schedule. It was also observed that this charge is essentially related to cargo handling services and such allotments (other than those for five years basis) are normally done at scheduled rent without going for tender/auction. It was accordingly opined that it may be appropriate to prescribe the said rates under the Scale of rates of SMPK which is presently under review. It was however noted that there may be a mismatch of date of implementation of
2	Global Cargo Dated 28.04.2022	Rate for license fee (Basis per 100 sq. mtrs. per Month) for licensing of open/covered space inside Dock Interior Zone for storage of Import/export goods is very high and should be reduced by at least 50 - 60%. In view of much lower, especially like Paradip, Vizag etc.	
3	Orissa Metaliks Pvt. Ltd. Dated 28.04.2022	Rate for license fee (Basis per 100 sq. mtrs. per Month) for licensing of open/covered space inside Dock Interior Zone for storage of Import/export goods, should be reduced by atleast 70 - 75%. In view of much lower, especially like Paradip, Vizag etc.	
4	Ripley & Co. Stevedoring & Handling Pvt. Ltd. Dated 28.04.2022	Rate for license fee (Basis per 100 sq. mtrs. per Month) for licensing of open/covered space inside Dock Interior Zone for storage of Import/export goods, should be reduced by atleast 70%. In view of much lower, especially like Paradip, Vizag etc.	
5	A M Enterprises Dated 28.04.2022	SoR as compared to other ECI ports and we also feel that increasing the rates further will only be detrimental to the interest of small importers like us and as handling agents, we are required to respond to party's query of such high rates which ultimately increases the landed costs. In view of this it would be better if the rates are reversed downwards by at least 35% to 40% to make it more viable and attractive for cargo imports by overall reduction in import cost. This will help boost imports instead when international market prices become favourable. Request you to consider some concession either in the form of discounts say about 70% or reduce the SOR rates by say about 30 % plus.	

6	Bihar Foundry & Castings Ltd. Dated 28.04.2022	Rent for land at Haldia port is very much on the higher side. At this moment it is difficult for us to pay any additional plot rent if same is increased. We agree to pay one third of the plot rent or otherwise 70% discount on plot rent. Kindly look into the matter.	the new Scale of Rates and that of proposed Rent Schedule. Therefore, to avoid any void in charges, the rates and conditionality governing short term allotment inside Custom bonded area for storage of transit cargo may be kept in the Rent Schedule till 06.04.2023 or implementation of the new Scale of rates of SMP,K whichever is earlier. Considering the representations received against the rates as well as the fact the competing major ports are charging a lower rate for such allotments, the committee recommended that the rates for such allotments may not be increased and kept as it is for the interim period
7	SAIL vide letter dated 28.04.2022 indicated that the plot rent for transit storage of cargo in Dock is on higher side. Dated 28.04.2022.	i) To consider further relief in remission scheme for storage of imported bulk cargo and to consider more competitive operational rates by introducing volume related discount wherever feasible to encourage larger importers to handle more volume through HDC. ii) One month SD is blocked for entire 11 months period of license of a plot and on each case of application, fresh SD is required to be submitted. The request is to formulate a suitable scheme for periodic rotation of SD to extend relief to the users.	
8	Mahalaxmi Group - Kolkata. Dated 28.04.2022	License fees at other ports viz. Dhamra, Gopalpur specially at Paradip and Vizag which are in close proximity to SMPK and competing in the similar zone, are much lower than that of prevailing rates of SMPK. As a result, we are losing business to them. Therefore, there is an urgent need to bring down the present rates (License fees basis per 100 sq. mts per month) by at least 50 %	
9	Saraogi Udyog Pvt. Ltd. Dated 28.04.2022	License fee (Basis per 100 sq. mtrs. per Month) for licensing of open/covered space inside Dock Interior Zone for storage of Import/export goods, should be reduced by at least 70% for us to mobilize more cargo volume through the Haldia Dock Complex. You must be aware that the rates at present in other major ports are much more lower, especially like Paradip, Vizag etc.	
10	Shyam Sel and power Ltd. Dated 28.04.2022	To rationalise short-term plot rentals and compensation thereof rather than revising it upward- to make it more competitive.	
11	Shyam Metals and Energy Ltd.	do	



	Dated 28.04.2022		
12	Sharp Ferro Alloys Limited. Dated 28.04.2022	We agree to pay one third of the plot rent or otherwise 30% discount on plot rent.	
13	Nilkanth Ferro Ltd. Dated 28.04.2022	50 to 60% discount on present plot rent	
14	TMILL Dated 28.04.2022	Monthly rent in Paradip Port is Rs.1200/100SQM/month for paved siding, Rs.900/100 SQM/Month for Paved non-siding and Rs.600/100SQM /Month for bare land inside custom bounded area and hence the rates at HDC may be considered for reduction.	
15	Global Enterprise Dated 28.04.2022	50 to 60% discount on plot rent	

6.4: Regarding representation received in respect of proposed rates of 'A' quarters.

Sl. No	Name of the Organisation Reference mail/letter	Details of representation	Observations of the Committee
	Letters given by individual occupants/joint application collectively placed at Annexure-V	Requested not to increase the monthly rent for quarters on the consideration that they are earning very low and have huge expenses on account of medical treatment, education etc.	The Committee observed that the representations received are from occupiers of 'A' type quarters only and based on individual humanitarian considerations. The proposed rate for A type quarters have been arrived at by adding House Rent Allowance foregone & House Rent paid by employees based on mean pay.

In this regard, the committee noted that the proposed rate of licence fee against 'A' type quarters were based on the following parameters: -

- Outgo of an employee for occupying one 'A' type quarters (House Rent Allowance foregone & House Rent paid) based on mean pay.

- ii. Provision of Clause 13(a) (v) of PGLM-2015 indicating that while determining market value of land and SoR, the Land Allotment Committee may, inter alia, take into account "any other relevant factor as may be identified by the Port".

This average outgo of an employee residing in a 'A' type quarter, has brought steep increase for 'A' modified 'A' type quarters (about 60%) in the rates as compared to the same derived through escalation of SoR and/or the rate derived by Valuer.

- Therefore, the Committee, considering the representations received and the proposed increase of 60% against that of market value, opined that some moderation in proposed licence fee may be considered as follows for 'A' type quarter:

Rs. [3730 (Existing Rent per unit/month as per SoR) + {5969 (proposed rent per unit per month) - 3730}/2] = Rs. 4850/- per month say Rs 5000/- per month (so that the rate translates into Rs. 139.00 per sq. mtr per month). Resultant increase over the existing rate per unit per month as per SoR is about 34%.

- Applying the same logic of increase of around 34%, the proposed rate of rent/license fee "modified A", "B", "modified B", Officer's hostel and Dormitories also have been reconsidered to Rs. 138/-, Rs. 138/-, Rs. 138/-, Rs. 141/- and Rs. 115/-, per sq. mtrs per month respectively.
- The committee after deliberation relating to the rates "C" & "D" type quarters, considered no change from the already proposed rates for the "C" & "D" type quarters as the proposed rates are only higher by 16% and 7% respectively.

6.5: Regarding charges to be levied for use of Helipad

- The committee observed that the valuer has calculated the valuation of the land based on investment made on creating the 3 Helipads. Accordingly, the monthly rent recoverable has been derived. Based on usage pattern of the helipads per month, the valuer has proposed the permission fee to be recovered for per use per Helipad as Rs 36,000/-.
- The said proposed rate of permission fee was uploaded in the websites and sent to the stakeholders for their observation and comments, if any. However, no repercussion of the stakeholders on the proposed rate of Helipad usage has been received.
- The Committee noted that no specific rate for such service is prescribed in the existing Rent Schedule but a charge of Rs 10,000/- per day is being recovered for use of helipad ground.
- It was also noted that the Helipads are being used by both Govt. & private stakeholders of Port, Central & State Governments as well as by Defence Authorities & political parties.
- The Committee noted that the rate per-use recommended by the valuer is the valuation of land and infrastructure for a month even though almost all users use the facility only for a day at a time. It was accordingly felt that raising the rate by 3.6 times and charging the valuation of the land per month for use of maximum one day may not be appropriate. In fact the rate per-use has been derived by the valuer considering a capacity utilization



of only 3.33%. At the same time, if the valuation of land derived by the valuer is converted on per day basis the rate will be abysmally low.

After discussion, it was felt that the facility should not be charged so high that it becomes prohibitive for the users and reduces its usage further as it would be counter productive. After discussion, the committee opined that the rate of Rs 15,000/- per helipad per day may be a reasonable rate for the service and recommended the same.

7) Observations of the Committee on some of the clauses of the proposed Statement of conditions (NOTES) to the SoR:

The Committee after detailed deliberations, recommended to modify some of the conditionalities of draft SoR for better clarity including provisions of prevailing Land Policy Guidelines.

Clause reference	Suggested Clauses already uploaded in Website.	Proposed modified Clauses upon further deliberation of the Committee
Permission for using Helipad space	Fees for Helipad space to be levied per usage	Fees for Helipad space would be charged per day or part thereof per Helipad
Escalation of rates	<p>(i) All the rates indicated in the SoR shall get automatically escalated by 2% per annum after expiry of one year from the effective date of implementation of this instant Rent Schedule and after every year thereafter, and the escalated rates shall be considered as the prevailing Scheduled Rent for the concerned year.</p> <p>(ii) Rate of all future leases on annual basis / 5 years licence will get escalated every year (each year shall be reckoned from the date of commencement of lease / licence i.e. date of handing over possession of the land concerned on observance of required formalities) by 2% (or such percentage as would be prevailing in subsequent revision of SoR during the tenure of the lease / licence), of the rent payable in the preceding period or will be the scheduled rent then in force, whichever is higher.</p> <p>During the tenure of the lease/ licence, if the scheduled rate of rent becomes higher than the rate of rent / licence fee at which</p>	<p>(i) No change.</p> <p>(ii) The rate of rent of all future leases on annual basis / 5 years licence will get escalated every year from the date as would be notified in revised schedule of rent for land & buildings of SMPK at Haldia, by 2% of the rent payable in the preceding year or the scheduled rent then in force, whichever is higher.</p> <p>No change.</p>

	<p>rent /licence fees is being paid by the lessee/licensee, the scheduled rate of rent / licence fees will be applicable straight-away from the date the scheduled rent/licence fees becomes applicable. Thereafter, the rent/licence fees will be escalated as per the provisions of the SoR prevailing at the relevant point of time:</p> <p>(iii) In case of existing monthly licenses and way-leave permissions, the escalation of license / way- leave permission fees will be guided by the respective terms of license / way-leave permission.</p> <p>(iv) The existing leases will be governed by the relevant covenants of the respective leases.</p>	<p>(iii) No change.</p> <p>(iv) No change</p>
Sub-Lease / Subletting	<p>(i) In case of all future long-term leases, existing leases where subletting has been prohibited explicitly & leases granted after 2014, no subletting will be allowed.</p> <p>(ii) The existing lease holder may be allowed to sublet/partially sublet the leased premises from a prospective date to another party for the same purpose for which it was originally allotted, provided, the lease deed has enabling provision for the same. Also, purpose of such subletting shall be in accordance with the Land Use Plan and before allowing this, the Port shall recover 50% of the rent charged by the lessee from the sub-lessee or 50% of the updated SoR, whichever is higher, for the entire period of sub-lease, irrespective of the fact whether land was originally allotted on upfront basis or annual rental basis. It is clarified that the original lessee would continue to remain responsible for payment of lease rent and for adherence to the terms and conditions of the lease. It is further clarified that leased premises shall also include structures built on leased land for the purpose of recovering of subletting fees. Exemption from collecting subletting fees may be given in case of FTZ, SEZ,</p>	<p>i) No change</p> <p>ii) The existing lease holder [other than cases referred under (i) above] may be allowed to sublet/partially sublet the leased premises from a prospective date to another party for the same purpose for which it was originally allotted, provided, the lease deed has enabling provision for the same. Also, purpose of such subletting shall be in accordance with the Land Use Plan and before allowing this, the Port shall recover 50% of the rent charged by the lessee from the sub-lessee or 50% of the updated SoR, whichever is higher, for the entire period of sub-lease, irrespective of the fact whether land was originally</p>


	Multi Modal Logistic Parks,	<p>allotted on upfront basis or annual rental basis. It is clarified that the original lessee would continue to remain responsible for payment of lease rent and for adherence to the terms and conditions of the lease. It is further clarified that leased premises shall also include structures built on leased land for the purpose of recovering of subletting fees. Exemption from collecting subletting fees may be given in case of FTZ, SEZ, Multi Modal Logistic Parks, Mega Food Parks, Free Trade Warehousing Zones, etc. wherein the business model is based on subletting only. The issue of whether the business model is based on subletting or not may be decided by the Board.</p> <p>iii) No change</p>
Change of use of leased land	<p>Change of use of leased land may be permitted on receipt of prior application, in case such change is in conformity with the Land Use Plan and the lease covenants and subject to payment of -</p> <p>i) Higher rate of rent for the new usage as per extant updated SoR, w.e.f. the date of change of purpose (In case the existing rate is higher than the proposed rate of New Purpose, the existing rate will continue with annual escalation rent revision etc. as per lease covenants) and</p>	<p>Change of use of leased land may be permitted on receipt of prior application, in case such change is in conformity with the Land Use Plan and the lease covenants and subject to payment of -</p> <p>i) Higher rate of rent for the new usage as per extant updated SoR, w.e.f. the date of change of purpose i.e. w.e.f. the date of issuance of permission letter or change of purpose</p>

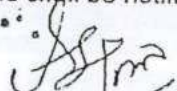
		actually started whichever is earlier (In case the existing rate is higher than the proposed rate of New Purpose, the existing rate will continue with annual escalation rent revision etc. as per lease covenants) and
	ii) Fees equivalent to lease rent (applicable as per [i] above) for 6 months and applicable GST	ii) No change
Penal charges for Encroachment	Without prejudice to other appropriate action being taken, penal charges at 3 (Three) times the respective zonal rate of rent/license fee as per prevailing Schedule of Rent (SoR), will be recovered for encroachment of SMPK's land/building at Haldia for the first month of encroachment. For the period thereafter, the penal charges shall be recovered at 4 (Four) times the respective zonal rate of rent/license fee as per prevailing Schedule of Rent (SoR) for the encroached area.	No change Added: Penal charge for encroachment will be without prejudice to the right and contentions of SMPK to take any other legal action against such encroachment.
Compensation	In the event of expiration/ termination/ determination of lease/ license and despite receiving the notice thereof or forfeiture of lease/license on account of change of user, assignment, etc, if the lessee /licensee continues to occupy the premises unauthorizedly, the lessee or the licensee shall be liable to pay compensation for wrongful use and occupation of the premises at three (3) times the annual lease rent/license fee based on the latest SoR, till the vacant possession is obtained by the Port. In case of land allotted on upfront basis, the equivalent annual rent would be calculated on pro-rata basis. This provision will be invoked irrespective of whether the same is contained in the Lease Deed / terms & conditions of License or not. (Deleted)	In the event of expiration/ termination/ determination of lease/ license and despite receiving the notice thereof or forfeiture of lease/license on account of change of user, assignment, etc, if the lessee /licensee continues to occupy the premises unauthorizedly, the lessee or the licensee shall be liable to pay compensation for wrongful use and occupation of the premises at three (3) times the annual lease rent/license fee based on the latest SoR, till the vacant possession is obtained by the Port. In case of land allotted on upfront basis, the equivalent annual rent would be calculated on pro-rata basis.

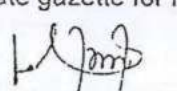
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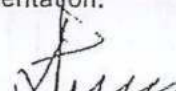
Security Deposit	SMPK shall keep SD equivalent to two years' rent plus 18% Administrative deposit.	SMPK shall keep SD equivalent to two years' rent plus plus applicable tax component.
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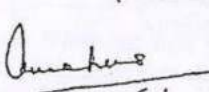
7. The Committee upon observing that the rate of interest prevailing at the time of notification of last SoR in 2017 has not changed per se as of now and thus proposes to keep the penal rate of interest unchanged @12% per annum.
8. The Committee also recommended that as the rates of land and buildings/structures for transit storage of import / export cargo have been proposed to be included in the Scale of Rates of HDC, SMPK after implementation of the new Scale of rates, the rates and conditionalities thereof may be put under a separate section with validity upto 06.04.2023 or implementation of the Scale of Rates , whichever is earlier.
9. Based on observations / recommendations, the Schedule of Rent for land and buildings / structures of SMPK at Haldia and the Statement of conditions (NOTES) have been revised as at Annexure-VI of this report. The rates of land and covered space for transit storage of import / export cargo is prescribed at Annexure -VII. Based on collective application of mind, the Committee recommends the said revised SoR and NOTES as at Annexure-VI and Annexure -VII for placement before the Board for approval. Upon obtaining approval of the Board, the same shall be notified in the State gazette for implementation.


(A. K. Mahapatra)
General Manager
(Traffic)


(A. Ganesan)
General Manager
(Engineering)


(A. Gupta)
General Manager
(Finance)


(P. K. Das)
General Manager (M&S)


(A. K. Mehera)
Deputy Chairman

Minutes of the Meeting of the constituted Committee held on 16.03.2022 & 21.03.2022 for revision of Schedule of Rent for lands and buildings of Syama Prasad Mookerjee Port, Kolkata (SMPK) at Haldia.

Members Present:

Shri A. K. Mehera, Dy. Chairman , HDC	: Chairperson
Shri A Ganesan, General Manager (Engineering),HDC	: Member
Shri Abhay Kumar Mahapatra, General Manager (Traffic), HDC	: Member
Shri P. K. Das, General Manager (M&S), HDC	: Member
Shri Abhijit Gupta, General Manager (Finance), HDC	: Member

Shri Chatterjee, SDM (Admn.) and other concerned officials of Administration Division, HDC were also present.

1	Background	<p>i). Tariff Authority for Major Ports (TAMP) vide Notification bearing No. TAMP/62/2016-KoPT dated 29.03.2017 published in Gazette of India Extraordinary (Part-III, Section -4) on 31.05.2017 vide Gazette No. 224, the Schedule of Rent (SoR) for land & buildings of SMPK for both KDS & HDC for a period of 05 years w.e.f. 07.04.2016 upto 06.04.2021, under the relevant provisions of MPT Act, 1963 & amendments thereof.</p> <p>ii) For the purpose of revision of Schedule of Rent for land & buildings of SMPK, M/s. Vestian Global Workforce Services Pvt. Ltd. (the Valuer) has been engaged in January 2021 for undertaking market valuation and determination of rent for SMPK properties (both land & structures) under Kolkata Dock System as well as Haldia Dock Complex.</p> <p>iii) Subsequently, as requested by SMPK, considering SMPK was processing the proposal for revision of SoR, TAMP extended validity of the existing SoR for land & buildings at KDS & HDC of SMPK from 07.04.2021 to 31.12.2021 or till the effective date of implementation of revised SoR.</p> <p>iv) The Major Port Trust Act 1963 has since been repealed and replaced by the Major Port Authorities Act, 2021 which has come into effect from 03.11.2021. As per Section-27, Sub-Section- 1. (b) of The Major Port Authorities Act, 2021, the Board of each Major Port Authority or the Committee or the Committees constituted in this behalf by the Board in accordance with Section-14, may frame Scale of Rates at which, and the statement of conditions under which, the access to and usage of the port assets may be allowed by the Board.</p> <p>v) Meanwhile, considering the process of revision of the said SoR of SMPK is still under finalization, Board vide Reso. R/501/HDC/ ADMN/ 3/ 01/2022 dated 28.01.2022 (copy at Annex-I) has further extended the validity of the Rent Schedules for land & buildings of SMPK of both KDS & HDC for the period upto 30.06.2022 or till the effective date of implementation of the revised SoR to be fixed by the Board, whichever is earlier.</p>
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2	Purpose	<p>i) Assess the valuation of SMPK's Land and Buildings at Haldia, Kukrahati and Panskura.</p> <p>ii) Preparation of Schedule of Rent for land & buildings of SMPK at Haldia Dock Complex including the statement of conditions thereof.</p>
3.	Provisions for framing of SoR as per Major Port Authorities Act, 2021.	<p>- Section-27 of The Major Port Authorities Act, 2021 contains provisions regarding framing of SoR. [Extract at Annex- IV].</p> <p>- Sections- 3 to 11 of The Major Port Authorities [Fixation & Implementation of Scale of Rates, Fees and Conditions] Rules 2021 [Copy at Annex- IV(A)] stipulates the rules and methodology for framing of SoR & related aspects.</p>

<p>Provisions as in the Tariff Policy for Major Port Authorities 2021 (after the MPA Act 2021 comes into force)</p>	<p>- <u>Clause-4 : Procedure of Fixing the SoR :</u></p> <p>4.1 The draft SOR, along-with conditionalities governing them, for services rendered or facilities provided or for access to and usage of the port assets and Performance Standards shall be formulated by the Board of Major Port Authority or by Committee(s) so constituted by the Board of the Major Port Authority, in accordance with this Policy as amended from time to time.</p> <p>4.2 The Board of Major Port Authority or the Committee(s) so constituted by the Board while drawing the SOR may draw a comparison of the major tariff items for their ports and ascertain itself that the proposed tariff is comparable and competitive with neighboring and competing ports.</p> <p>4.3 After obtaining approval of its Board, the Major Port Authority shall host the proposal, draft SoR along with the proposed Performance Standards and the cost formats in its website and invite comments of relevant stakeholders/ users to be submitted within 15 days time.</p> <p>4.4 The Major Port Authority will also circulate the tariff proposal to the relevant stakeholders/ users/ user associations for their comments within 15 days.</p> <p>4.5 In case of receipt of objections from the users, Port Authority shall give an opportunity of hearing to the relevant stakeholders/ users/ user associations of the port. Hearing/s on the matter or proposal shall be organized at the Office of the concerned Major Port Authority. In case no objections are raised by users on the proposal, the port authority may not organize any hearing of users.</p> <p>4.6 The Committee so constituted shall finalize the draft SoR hosted on the website with or without any modification. In both the cases, the Scale of Rates and/ or tariff finalized by the Committee shall be placed for seeking approval of the Board of the Major Port Authority.</p> <p>4.7 Port Authority shall notify the SOR along with Performance Standards proposed by the Major Port Authority within 75 days from the date of hosting the proposed SOR in its website. The revised Scale of Rates, amendments, corrigendum, new tariff item etc., approved by the Board of the Major Port Authority, shall be notified by the Major Port Authority in the State Gazette and the same shall also be hosted on the web site of the port and intimated to the concerned stake holders in writing/ or by electronic mode.</p> <p>- Clause-7.5 : As regards Scale of Rates for Land and Buildings, the provisions prescribed for fixation of Scale of Rates under the Land Policy Guidelines Issued by the Government from time to time shall apply.</p>
<p>4 Provision as contained in Clarification Circular (Land Management) No. 1 of 2019-20 as</p>	<p>: <u>Clause 13- Market Value of land and SoR:</u></p> <p>a) Land Allotment Committee may normally take into account the highest of the factors mentioned herein below to determine the latest market value of Port land. In case the land allotment Committee is not choosing the highest factor, the reasons for the same have to be recorded in writing.</p>

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<p>circulated by MoS vide letter No. PD-13017/2/20 14-PD.IV dated 29th April 2019 regarding way-leave permission for laying of pipeline & Ministry's letter No. PD-13017/2/20 14-PD-IV (PD.III) dated 27.01.2021.</p>	<p>i) State Government's ready reckoner of land values in the area, if available for similar classification/activities.</p> <p>ii) Highest rate of actual relevant transactions registered in last three years in the Port's vicinity (the vicinity of the Port is to be decided by the respective Port Trust Boards), with an appropriate annual escalation rate to be approved by the Port Trust Board.</p> <p>iii) Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board.</p> <p>iv) Rate arrived at by an approved Valuer appointed for the purpose by the Port.</p> <p>v) Any other relevant factor as may be identified by the Port.</p> <p>b) The Land Allotment Committee shall, while recommending the latest Market Value for any land would normally take into account the highest of the factors mentioned in Para 13(a) above. Reserve Price in terms of the annual lease rent would be latest SoR determined in accordance with Para 13(a) and 13(c) and would in no case be less than 6% of the latest market value recommended by the Port Trust.</p> <p>c) The Port Trust Board will fix a rate of annual escalation which would not be less than 2%. SoR would be re-fixed once in every 5 years by TAMP.</p>
<p>5 The assets considered for valuation by the Valuer engaged for preparing the revised SoR</p>	<p>∴ Same assets and zones covered in last SoR notified by TAMP vide order No. TAMP/62/2016-KoPT dated-29 March, 2017 notified in the Gazette of India on 31st May 2017 vide Gazette No. 224 (structure for Land and buildings of KoPT at Haldia including land at Kukrahati & Panskura) have been considered for the purpose of present valuation and revision of SoR for HDC.</p>
<p>6 Process of Valuation</p>	<p>I) For Land:</p> <p>M/s. Vestian Global Workforce Services Pvt. Ltd. (the Valuer) have considered value of land obtained from the following sources in compliance with prevailing Land Policy Guidelines:</p> <p>i) State Government's ready reckoner of Land values in the area if available for similar classification/ activities.</p> <p>In this regards, Valuer has submitted that unlike other adjacent States, no ready reckoner of land values is available in West Bengal. However, market values for each property as available in the online portal (market value of property for assessment of stamp duty and registration fees) of Directorate of Registration and Stamp Revenue under Finance Dept. of West Bengal has been considered as Government Guideline Value, to understand the trends of market value in and adjacent mouzas of HDC.</p> <p>ii) Actual relevant transaction registered in last 3 years in the Port's vicinity-</p>

		<p>Land transaction instances registered in Sutahata Sub-Registry Office in the vicinity (i.e. 5km from the respective zone boundary in terms of Reso. No. R/437/KDS/EST/3/11/2015 dated 25.11.2015) of HDC during the year of 2020-21.</p> <p>iii) Highest accepted tender-cum-auction rate of Port land for similar transactions-</p> <p>The highest accepted tender-cum-auction rates of SMPK land at Haldia occurred in recent past duly updated.</p> <p>iv) Rate arrived by Valuer-</p> <p>Estimation of the market value of the land by the Valuer through:-</p> <ul style="list-style-type: none"> - Direct sales comparison approach for land in the Industrial, Residential, Commercial Zones of HDC as well as SMPK land at Panskura and Kukrahati. - Interpolation method from the preceding SoR rates as well as based on accepted rates of tender-cum-auction in concerned zones of HDC in view of non-availability of comparable relevant transactions in the vicinity. <p>II) For Buildings & Structures</p> <ul style="list-style-type: none"> - Value of existing SMPK's Buildings and Structures at Haldia have been estimated based on the Depreciated Replacement Cost method. The prevailing Schedule of Rate of PWD have been considered to estimate the construction cost. - Value of land on which the concerned buildings are situated has been considered with addition of circulation area of 10% of area of the building. The depreciated replacement cost of the building is then added to this cost to arrive at the market value for computation of rate of rent for buildings & structures. <p>The detailed analysis in this regard is mentioned in the valuation Report Prepared by the Valuer as at Annex- III.</p>
7	Suggested Land Values	<p>The Valuer has determined the value of SMPK's land in different Zones at Haldia & at Kukrahati taking into account the highest of the factors as mentioned at para 4 & 6 of this proposal.</p> <p>In respect of SMPK land at Panskura, the Valuer has determined the value of SMPK land at Panskura taking into account the substantially low demand for the land due to various market driven factors including non-receipt of bids against tenders invited. In light of above, the Estimated Value by the Valuer has been considered as appropriate (and not the highest of the factors as mentioned at para 4 & 6 of this proposal).</p> <p>In terms of the above, the Valuer has determined the value of SMPK's land at Haldia under various Zones, Panskura & Kukrahati as under:-</p>

		Zones within HDC		Suggested land value per Decimal
		Residential		1,48,000
		Industrial		99,825
		Dock		1,41,682
		Commercial		
		Shop, Markets, Nursing Homes, Medical Clinic, Hotels & Restaurants (without bar) Service station, Repair Shops (automobiles), weighbridge etc.		3,88,424
		Cinema House, Hotel & Restaurant (with bar)		3,96,192
		Commercial Zone for Offices, Banks, workshops, Repair Shops, Cold storage		2,91,318
		Kukrahati		47,000
		Panskura		48,000
8.	Yield	<p>Land :-</p> <p>As per Land Policy Guidelines, the annual rent for land has been calculated @6% of the market value of the land.</p> <p>Building:-</p> <p>For estimation of annual rent for building, the valuer has considered an average annual yield of 9% across the built-up space of commercial, residential & warehouse/ store. This yield for buildings and covered spaces has been approved by TAMP in the last Rent Schedule.</p> <p>Details in this regard is mentioned in the Valuation Report prepared by the Valuer as at Annex- III.</p> <p>Other rates e.g. permission fee, way-leave permission fee, licence fee for open/ covered space inside Dock Interior Zone etc. have been computed based on Valuer's understanding, prevailing market conditions, Valuer's estimate of rate for various functions etc.</p>		
9.	SoR and Statement of Conditions proposed by Valuer	<p>Considering the above suggested market value of land, yield of 6% for the land and 9% for the buildings, the Valuer has suggested the proposed SoR as given under Table at page-30 & 34 of the Valuation Report.</p> <p>The Statement of Conditions of the proposed revised SoR (NOTES) has been prepared by the Valuer as at Appendix-IX of the report on the basis of the NOTES of the earlier SoR approved by TAMP & amendments thereof with certain additions / modifications in terms of provisions of the prevailing Land Policy Guidelines and approval of Board vide Reso. No. R/437/KDS/EST/3/11/2015 dated 26.11.2015.</p>		

Deliberations and Recommendations of Committee:-

- I. The Committee examined the Valuation Report submitted by the Valuer. Presentation on the Valuation Report was also made by the Valuer M/s. Vestian Global Workforce Services Pvt. Ltd. The Committee noted that the Valuer has, in compliance with the provisions of prevailing Land Policy Guidelines, assessed the land values for different zones of Haldia Dock Complex as follows:-

Zones within HDC	Highest Value as per Directorate of Registration and Stamp Revenue (in INR/Decimal)	Land as per actual transactions registered in last three years (in INR/Decimal)	Highest rate of actual transactions registered in last three years (in INR/Decimal)	Land Value as per Highest Tender rate per Decimal	Estimated land Value/Decimal by Valuer	Suggested land value per Decimal
Residential	1,02,611	1,36,750	1,43,304	1,48,000	1,48,000	1,48,000
Industrial	51,724	91,608	96,491	99,825	99,825	99,825
Commercial						
Shop, Markets, Nursing Homes, Medical Clinic, Hotels & Restaurants (without bar) Service station, Repair Shops (automobiles), weighbridge etc.	2,28,107	3,00,000	3,88,424	3,15,000	3,88,424	
Cinema House, Hotel & Restaurant (with bar)						3,96,192
Commercial Zone for Offices, Banks, workshops, Repair Shops, Cold storage						2,91,318
Dock	NA	NA	1,41,682	1,34,800	1,41,682	
Kukrahati	37,500	37,792	NA	47,000	47,000	
Panskura	56,000	70,000	NA	48,000	48,000	

- II. The Committee also noted that the Valuer as per the provisions of the Land Policy Guidelines have considered the highest of the land values provided in the above table for each of the zones for the purpose of estimation of the schedule of rent except for SMPK land at Panskura.

With respect to SMPK land at Panskura, the Valuer has determined the value of SMPK land at Panskura taking into account the substantially low demand for the land due to various market driven factors including non-receipt of bids against tenders invited at HDC. In light of above, the Estimated Value by the Valuer is considered as appropriate (and not the highest of the factors as mentioned at para 4 & 6 of this proposal).

7

- 163
- III. The Committee noted that in February' 2022, HDC has received a rate of Rs.1751.86 per 100 sq. mtrs. per month in recent tender. The rate proposed for Dock Zone is Rs.1751/- per 100 sq. mtrs. per month i.e. Re 1/- less. In the premises, the Committee opined that the rate for Dock Zone may be considered to be Rs. 1752/- per 100 sq. mtrs. per month.
- IV. The Committee also noted that the yield for fixation of rent as suggested by the Valuer (i.e. 6% for the land and 9% for the buildings/ structures) are in line with the prevailing Land Policy Guidelines and also earlier approval of TAMP in respect of the current Rent Schedule for land and buildings of SMPK at Haldia.
- V. With regards to the rate of rent for Quarters, the Committee noted that the rate of rent proposed for various types of quarters have been found to be substantially lower than the standard rent paid by employees in occupation of these type quarters plus House Rent Allowance (HRA)

The Committee opined that the rates of rent of the SoR at which the quarters are allotted on license mainly to non-employees should not be substantially less than the sum of standard rent paid by employees for occupation of these type quarters plus HRA. In light of above, the rates of rent for Quarters have been revised taking the higher of the rates calculated based on (i) standard rent plus HRA and (ii) rate suggested by Valuer. Detailed Calculation Sheet has been prepared and enclosed at Annex-VA & Annex-VB.

Considering this, the Committee recommended that the rates of rent for the following types of residential Quarters may be considered as under as against the rates suggested by the Valuer:-

Type of quarter	Rate as suggested by Valuer	Rate as per HRA plus Rent paid by employees	Rate as recommended by Committee	Multiplier (Col-IV / Col-III)
I	II	III	IV	V
'A' type	Rs. 3897 per month [i.e. Rs.108.24 per sq. mtr. per month]	Rs. 5969 per month [i.e. Rs.165.81 per sq. mtr. per month]	Rs. 5969 per month [i.e. Rs.165.81 per sq. mtr. per month]	1.60
Modified 'A' type	Rs. 4929 per month [i.e. Rs.108.24 per sq. mtr. per month]	Rs. 7551 per month [i.e. Rs.165.81 per sq. mtr. per month]	Rs. 7551 per month [i.e. Rs.165.81 per sq. mtr. per month]	1.62
'B' type	Rs. 6016 per month [i.e. Rs.108.24 per sq. mtr. per month]	Rs. 9285 per month [i.e. Rs.165.81 per sq. mtr. per month]	Rs. 9285 per month [i.e. Rs.165.81 per sq. mtr. per month]	1.62
Modified B type	Rs. 7036 per month [i.e. Rs.108.24 per sq. mtr. per month]	Rs. 10778 per month [i.e. Rs.165.81 per sq. mtr. per month]	Rs. 10778 per month [i.e. Rs.165.81 per sq. mtr. per month]	1.62
'C' type	Rs. 11110 per month [i.e. Rs.132.26 per sq. mtr. per month]	Rs. 12164 per month [i.e. Rs.144.81 per sq. mtr. per month]	Rs. 12164 per month [i.e. Rs.144.81 per sq. mtr. per month]	1.16
'D' type	Rs. 25024 per month [i.e. Rs.180.03 per sq. mtr. per month]	Rs. 17516 per month [i.e. Rs.126.01 per sq. mtr. per month]	Rs. 25024 per month [i.e. Rs.180.03 per sq. mtr. per month]	1.07

Officer's Hostel	Rs. 4266 per month [i.e. Rs.106.65 per sq. mtr. per month]	Rs. 6705 per month [i.e. Rs.167.63 per sq. mtr. per month]	Rs. 6705 per month [i.e. Rs.167.63 per sq. mtr. per month]	1.60
Dormitories	Rs. 613 per month [i.e. Rs.86.83 per sq. mtr. per month]	Rs. 967 per month [i.e. Rs.136.97 per sq. mtr. per month]	Rs. 967 per month [i.e. Rs.136.97 per sq. mtr. per month]	1.60

VI. Based on the details as above and the observations of the Committee, the proposed Schedule of Rent for land & buildings of SMPK at Haldia Dock Complex has been firmed up as at **Annex-VI**.

VII. With respect to the Statement of Conditions of the proposed revised SoR (NOTES) prepared by the Valuer, the Committee noted the following:

a) The NOTES prepared is on the basis of the NOTES of the earlier SoR approved by TAMP & amendments thereof with certain additions / modifications in terms of provisions of the prevailing Land Policy Guidelines and approval of Board vide Reso. No. R/437/KDS/EsST/3/11/2015 dated 26.11.2015.

b) Committee observed that the annual escalation of 2 % per annum as incorporated in the Statement of conditions (NOTES) of proposed SoR is in line with the prevailing Land Policy Guidelines.

c) The proposed SoR shall remain valid for a period of 3 years.

d) With regard to way-leave permission for essential utility services like water pipeline, LT electric line, the following clause may be incorporated :

For essential public utility lines where beneficiary is port or other statutory / local bodies , wayleave permission fees @ Rs. 2252.33 per calendar year or part thereof may be recovered (arrived at by 2% escalation of current SoR).

e) For grant of way-leave permission for OFC etc. the following clause may be incorporated :

For laying of underground cables like optical fibre cables (OFCs), telephone cables, electric cables etc., having diameter upto 100 mm, area shall be calculated considering the minimum diameter 100 mm. For laying of underground cables having diameter more than 100 mm, area shall be calculated considering the actual diameter.

In the premises, the Committee opines that based on the Statement of Conditions (NOTES) proposed by the Valuer and Incorporation observations of the Committee as above, the proposed Statement of Conditions (NOTES) prepared as at **Annex-VII** may be considered.

VIII. The Tariff Policy for Major Port Authorities 2021 (after the MPA Act, 2021 comes into force) issued by the Ministry of Ports, Shipping & Waterways vide No. PD-14024/5/2020-PD-I (e343443) dated 03.11.2021 inter alia contains that as regards Scale of Rates for Land and Buildings, the provisions prescribed for fixation of Scale of Rates under the Land Policy Guidelines issued by the Government from time to time shall apply (Clause-7.5 refers).


Further, the Clause-13 (c) of the Clarification Circular (Land Management) No. 1 of 2019-20 issued by the Government of India, Ministry of Shipping (Ports Wing) vide No. PD-13017/2/2014-PD.IV dated 29.04.2019 inter alia contains that the SoR would be re-fixed once in every 5 years.


The Committee noted that the last SoR notified by TAMP was effective from 07.04.2016 for 5 years i.e. upto 06.04.2021. Subsequently, TAMP / Competent Authority has extended the validity of the SoR for further period upto 30.06.2022.

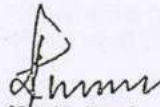
In the above premises, the Committee recommended that the validity of the proposed SoR may be considered for the period upto 06.04.2026.

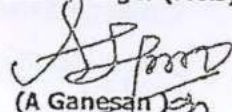
IX. After detailed deliberations and taking all the above into account, the Committee recommended the following:

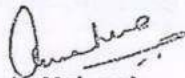
- i) The Valuation Report submitted by M/s. Vestian Global Workforce Services Pvt. Ltd. (the Valuer) for the land and buildings of SMPK at Haldia Dock Complex at Annex-III may be accepted.
- ii) The proposed Schedule of Rent for land & buildings of SMPK at Haldia Dock Complex along with Statement of conditions (NOTES) as at Annex-VI & VII respectively may be approved.
- iii) The Valuation Report and proposed SoR along with the Statement of conditions (NOTES) as recommended by the Committee may be placed before the Board for its consideration & approval.


(A. K. Mahapatra)
General Manager (Traffic)


(A. Gupta)
General Manager (Finance)


(R. K. Das)
General Manager (M&S)


(A. Ganesan)
General Manager (Engineering)


(A. K. Mehera)
Deputy Chairman

(Draft)

Rent for Land and Buildings of Syama Prasad Mookerjee Port, Kolkata at Haldia Dock Complex.

I. LANDS:

Sl No.	Description Land	Suggested Rent per 100 sq. mtrs. per month.
a)	Residential Zone	Rs.1829/-
b)	Industrial Zone	Rs. 1233/-
c)	i) Dock Interior Zone - Bare Land ii) Dock Interior Zone -Hard Stand	Rs. 3002/- Rs. 4666/-
d)	Proposed Dock Interior Zone	Rs. 2334/-
e)	i) Dock Zone -Bare Land ii) Dock Zone-Hard Stand	Rs. 1752/- Rs. 3415/-
f)	i) Commercial Zone for Offices, Banks, Workshops, Repair Shops, cold storages.	Rs.3599/-
	ii) Commercial Zone for Shops, Markets, Nursing Homes, Medical Clinics, Hotels & Restaurants (without Bar), Service Stations, Repair Shops (Automobile) Weighbridge	Rs. 4799/-
	iii) Commercial Zone for Cinema House, Hotel & Restaurant (with Bar) etc.	Rs. 4895/-
g)	Kukrahati	Rs. 581/-
h)	Panskura	Rs. 593/-

NOTE: 1) If land is taken in a Zone other than Commercial Zone for the purposes as mentioned in (f)- (i), (ii), (iii) above, 50% of the difference in rent between that applicable for the respective zone and Commercial Zone depending upon the usage, shall be charged extra over the land rent for the respective zone as per approved Rent Schedule.

2) In the event of utilization of land for mixed purpose i.e. office-cum-residential, the rent chargeable shall be simple average of applicable rents for the specific usage.

II. BUILDINGS:

Sl No.	Zone, Location and other description	Suggested Rent per sq. mtr. per month.
a.	Pucca Roofed Structure	
	i) Residential Zone	Rs. 96.23
	ii) Industrial Zone	Rs. 88.32
	iii) Dock Interior Zone	Rs. 106.18
	iv) Dock Zone	Rs. 108.18
	v) Commercial Zone	Rs. 121.70
b.	AC/CI Roofed Structure	
	i) Residential Zone	Rs. 70.95
	ii) Industrial Zone	Rs. 69.82
	iii) Dock Interior Zone	Rs. 82.21
	iv) Dock Zone	Rs. 80.05
	v) Commercial Zone	Rs. 98.93
	vi) Kukrahati	Rs. 69.82
c.	Tower Building	Rs. 160.32
d.	Quarters/Dormitories	
	(i) Dormitories (Pacca Roofed)	Rs. 136.97
	(ii) "A" Type quarters	Rs. 165.81
	(iii) Modified "A" type quarters	Rs. 165.81
	(iv) "B" type quarters	Rs. 165.81
	(v) Modified "B" type quarters	Rs. 165.81
	(vi) "C" type quarters	Rs. 144.81
	(vii) "D" Type quarters	Rs. 180.03
	(viii) Officers Hostel	Rs. 167.63
e.	Market for perishable good	Rs. 71.36
f.	Retail Market	Rs. 86.83
g.	Shopping Centres at Durgachak	Rs. 69.91
h.	Shopping Centres at Chiranjibpur	Rs. 71.36
i.	Township Market opposite to Makhan Babur Bazar	Rs. 49.55
j.	Township Market Centre (near Helipad ground)	Rs. 69.82

k. Goormties

Rs. 86.83

III. OTHER FEES

Sl. No.	Description	Rates
1.	Permission Fee (To be levied per day or part thereof)	
	i) For holding function on land for area occupied up to 40 sq. mtrs	Rs. 1150
	ii) If above occupation continues beyond 3 days	Rs. 1700
	iii) For holding function on land for area occupied above 40 sq. mtrs.	Rs. 1700
	iv) If above occupation continues beyond 3 days	Rs. 2260
2.	Rate of Rent/License Fee for the water bodies/water areas	50% of the corresponding rate of rent for the abutting land area
3.	Rate of License Fee for erection of hoarding on HDC land (To be levied per calendar year or part thereof)	
	i) For hoarding upto a maximum size of 10 sq. mtrs.	Rs. 3400/-
	ii) For hoarding of size above 10 Sq. mtrs.	Rs. 5635/-
4.	Way-Leave Permission	

For laying pipelines carrying Crude Oil, POL Products and other liquid Cargo over or under the ground, telegraph cables, OFC lines, electric cables, telegraph lines etc., fees will be charged as follows:

For the purpose of way leave charges, the area occupied by single pipelines shall be calculated based on the diameter and length of those pipelines. In case of multi-layer pipeline stacks, the physical area occupied by the multilayer pipeline stacks shall be considered and the respective users should be billed for pro-rata area on the basis of the diameter and length of their pipelines passing through that area. With respect to the area shared with road, rails, jetties, etc., the respective users shall be billed pro-rata for 50% of the concerned area assuming that they do not have exclusive possession of land and what they have is only 'Right of Way'. As far as underground pipes are concerned if the users establish that the possession of surface area above the underground cross-country pipelines is not physically with them, the area occupied by such pipelines shall be counted 50% of the product of diameter and length, for the purpose of levy of way leave charges. However, where there is a specific Central Act/ Statute which govern such Right of Way permission, the provisions under the said Central Act/ Statute shall override these guidelines. A case in point is the specific

permission for Right of Way under the Indian Telegraph Act, 1885 and the Indian Telegraph Right of Way Rules 2016.

For allowing overhead conveyors and high voltage transmission lines and electricity transmission towers, way-leave permission fee will be charged on the basis of the scheduled rent for the area coming in the alignment of the structure.

For essential public utility lines where beneficiary is port or other statutory / local bodies, wayleave permission fees @ Rs 2252.33 per calendar year or part thereof may be recovered (arrived at by 2% escalation of current SoR).

For laying of underground cables like optical fibre cables (OFCs), telephone cables, electric cables etc., having diameter upto 100 mm, area shall be calculated considering the minimum diameter 100 mm. For laying of underground cables having diameter more than 100 mm, area shall be calculated considering the actual diameter.

5. For Durgachak Mini Market, license fee(per month per plot measuring about 13.936 sq. mtrs.) Rs. 800/-
6. Recovery of Hawker charges
 - For Bare Chatal Rs. 2.50 per day per hawker
 - For Hardstand Chatal Rs. 2.50 per sq. meter per day per hawker
7. Fees for Helipad Space (To be levied per usage) Rs. 36,000/-
8. Permission fee for construction/installation of Microwave/Telephone tower, antenna etc. on land/building will be charged Rs.34,000/- per 100 sqm. per month, subject to minimum Rs. 17,000 per location per month or part thereof
9. Processing Fee: Processing fee (excluding applicable taxes) for scrutiny of proposals of new construction and addition/alteration of existing approved structures (except way leave related cases) on leasehold premises only. However, the following structures will be exempted from payment of the said processing fees-septic tank, water reservoir, cycle stand, pump room, Generator room, Bus stand and school. Rs.5700 per proposal
10. Lease Deed form and preparation cost Rs.5700/- Per lease
11. Re-survey Fee:
 - i) Resurvey fee for the first acre or part thereof to be recovered from the lessee requiring re-demarcation of the plot after handing over possession of the land concerned Rs.5700/-