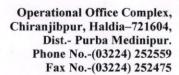


ऑपरेशनल ऑफिस कंप्लेक्स, चिरंजीबपुर, हल्दिया-721604, जिला-पूबे मेदिनीपुर. दूरभाष सं.-(03224) 252559 फैक्स सं.-(03224) 252475 SYAMA PRASAD MOOKERJEE PORT, KOLKATA हल्दियागोदीपरिसर HALDIA DOCK COMPLEX शिपिंगएंडकार्गोहेंडलिंगप्रभाग T.O.(Sh & CH) Division





Dated: 17.05.2021





No. TO(Sh&CH)/10/1164

TRADE CIRCULAR

Sub : Remissions on the compensation charges as well as on the License fees on the Land allotted to the customers in the Dock Interior Zone of HDC.

It is hereby informed that the Tariff Authority for Major Ports (TAMP) vide Gazette Notification no. 162 dated 12.04.2021 has allowed remissions on the compensation charges as well as on the license fees on the Land allotted to the customers in the Dock Interior Zone at Haldia Dock Complex (HDC). The said order of TAMP will be effective from 12.05.2021. The notification of TAMP is enclosed. The same is also available in the website of TAMP.

The remission on License Fees of land shall be applicable on all new allotments whose date of possession will be on and after 12.05.2021.

In addition, for all existing licenses of developed/undeveloped plots allotted for 180 days, 330 days and plots allotted for storage of export cargo, the remission on license fees will be effective from the commencement of subsequent renewal of the license period on or after 12.05.2021.

The plots which are already allotted on license basis through Tender cum Auction process for a period of 5 years where the provision of allowing remission subject to approval of TAMP, was mentioned in the Tender document, shall also be eligible to get the remission. In those cases, the cargo mobilized after 12.05.2021 shall be considered against the benchmark MGT per year for deciding the eligibility of rebate and remission shall be applied only against license fees applicable for the balance period of the 1st year, from 12.05.2021. For subsequent years, the rebate may be allowed in normal course.

The remission on compensation charges shall be applicable on plots which are presently under compensation as well as those which will be put under compensation on and from 12.05.2021. Compensation charges @ 5 times will be levied on existing plots which are already under compensation for more than 60 days instead of existing rate of 10 times of License fees. Similarly, the existing rate of 5 times compensation charges will prevail for the plots which are under unauthorized occupation for more than 30 days. Again, if the plots which are under unauthorized occupation for a period upto 30 days, on & from 12.05.2021, 3 times compensation charges will be levied for subsequent period of 30 days.

The validity of the remission shall remain co-terminus with the validity of the existing Schedule of Rent of SMP, Kolkata, which is due to be extended for further 6 months w.e.f. 07.04.2021 or till implementation of the new Schedule of Rates whichever is earlier, with the approval of TAMP. Decision of TAMP in this matter to be complied with by all concerned.

All are requested to take note of the same.

(S. Chakrabarti) Sr. Dy. Manager (Sh & CH)

Distribution: Importers/ Exporters/ C&F Agents/Handling Agents.

Copy to: EA to Deputy Chairman, for favour of information of Deputy Chairman.

Copy to: General Manager (Traffic) / General Manager (Finance)I/C: for information please.

Copy to : Deputy Manager (Sh&CH) : for information please.

(Published in Part - III Section 4 of the Gazette of India, Extraordinary) Tariff Authority for Major Ports

G.No. 162 New Delhi, 12 April 2021

NOTIFICATION

In exercise of the powers conferred by Section 49 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from Syama Prasad Mookerjee Port (SPMP) [Erstwhile Kolkata Port Trust (KOPT)] for allowing remissions on the compensation charges as well as on the license fees on the Land allotted to the customers in the Dock Interior Zone at Haldia Dock Complex (HDC), as in the Order appended hereto.

(T.S. Balasubramanian)

Member (Finance)

Tariff Authority for Major Ports

Case No. TAMP/60/2020-SPMP (KOPT)

Syama Prasad Mookerjee Port (SPMP)

Applicant

QUORUM

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- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. Sunil Kumar Singh, Member (Economic)

ORDER

(Passed on this 16th day of March 2021)

This case relates to a proposal received from Syama Prasad Mookerjee Port (SPMP) [Erstwhile Kolkata Port Trust (KOPT)] for allowing remissions on the compensation charges as well as on the license fees on the Land allotted to the customers in the Dock Interior Zone at Haldia Dock Complex (HDC).

- 2.1. It may be recalled that the SPMP vide its letter dated 29 September 2016 forwarded a proposal for revision of Schedule of Rent for the Lands and Buildings of KOPT at Kolkata and Haldia. After following the consultation process and joint hearing, this Authority has passed an Order No. TAMP/62/2016-KOPT dated 29 March 2017 for revision of Schedule of Rent for the Lands and Buildings of KOPT at Kolkata and Haldia. This Order was notified in the Gazette of India on 31 May 2017 vide Gazette No 224. The revised Rent Schedules has come into effect from 07 April 2016 and shall remain valid for a period of 5 years i.e. upto 06 April 2021.
- 2.2. In this connection, the SPMP vide its letter No. GM(T)/38/GMT-977 dated 20 November 2020 has filed its proposal for allowing remissions on the compensation charges as well as on the license fees on the Land allotted to the customers in the Dock Interior Zone at HDC.
- 3.1. The SPMP has made the following submissions:
 - (i). Due to ongoing pandemic situation, the logistics chain related to businesses including traders, importers, exporters, port operators, shipping lines, transporters etc. are facing huge challenge in maintaining their businesses due to lower trade volume as well as cash flow issues. In view of this extraordinary situation and after considering the difficulties faced by the Trade, the Board of Trustees of SPMP has decided to propose relaxation in the compensation charges for wrongful use and occupation of land inside the Dock Interior Zone at HDC beyond License Period, for approval of TAMP.
 - (ii). The proposed relaxation is shown in a tabular chart which is as follows:

(a).

(a).			ı		
Relevant	Provision in the existing		Proposed	Reasons	
Section in	SOR				
the existing					
SOR					
HDC	After the expir		After the expir	ry/ termination/	The highest slab of
conditionaliti	determination/ f	orfeiture of the	determination/	10 times of	
es under	License, if	the Licensee	License, if	the Licensee	Compensation
Annexure –	continues to	occupy it	continues to		charges for
VII in the	unauthorisedly,			the Licensee	unauthorized
Schedule of		ble to pay		able to pay	occupation of land
Rent for	compensation for	•	•	or wrongful use	beyond the
Land &	•	ation at the	and occupation	License period, is	
Building of	0	s till vacant		t possession is	considered by the
Kolkata Port	possession is o		obtained:	licensee to be too	
Trust at	First 30	3 times the	First 60	3 times the	high and on many
Haldia at	days	rate as per	days	rate as per	occasions they
Section B,	prevailing			prevailing	have abandoned
Note 11		SOR		SOR.	their residual cargo
	Next 30	5 times the	For futher	5 times the	in order to avoid
	days	rate as per	period	rate as per	paying high
		prevailing	beyond 60	prevailing	compensation
	SOR.		days	SOR.	charges.
	Continued 10 times the				
	unauthorized rate as per				
	occupation	prevailing			
	beyond 60	SOR.			
	days				
I			l		

- (iii). The following is to be added as SI. No. 16 of Para 'B' under 'HDC Conditionalities' in the Rent Schedule:
 - 16. In case license of Land inside Dock Interior Zone for storage of cargo for a period upto 11 months, allotted on License, remission against license fees shall be extended as follows:

(A). For allotment of Land on Ship to Ship basis for Import Cargo

Cargo quantity imported from a ship	Period of License of Land for storage of cargo as per existing Land Policy Guideline at HDC.	Actual Time taken by the licensee to vacate the plot from the date of initial allotment.	Proposed % of Remission on the applicable license fees.	
From 15000 MT upto 25000 MT	90 days	Upto 30 days From 31 days to 45 days Beyond 45 days	30% 15% Nil	
From 25001 MT upto 40000 MT	90 days	Upto 45 days From 46 days to 67 days Beyond 67 days	30% 15% Nil	
From 40001 MT upto 80000 MT	120 days	Upto 60 days From 61 days to 90 days Beyond 90 days	30% s 15% Nil	
Above 80001 MT	180 days	Upto 90 days From 91 days to 135 days Beyond 135 days	30% 15% Nil	

(B). For allotment of developed land for 180 days (Import and Export)

Actual Cargo mobilization through the concerned plot during the License period of 180 days.	Proposed % of Remission on the license fees for the entire License Period.
From 12 MT per sq. mtr. to 15 MT per sq. mtr.	15%
Above 15 MT per sq. mtr.	30%

(C). For allotment of developed land for 330 days (Import and Export)

Actual Cargo mobilization through the concerned plot during the License period of 330 days.	Proposed % of Remission on the license fees for the entire License Period.		
From 22 MT per sq. mtr. to 27 MT per sq. mtr.	15%		
Above 27 MT per sq. mtr.	30%		

(D). Allotment of Common Users land for Export Cargo

Actual Cargo mobilization during initial License period (2 months) or each subsequent renewals (2 months)	Proposed % of Remission on the license fees		
From 14 MT per sq. mtr. to 20 MT per sq. mtr. during subsequent extension of license period	15%		
Above 20 MT per sq. mtr. during subsequent extension of license period	30%		

Note: Remission scheme is applicable subject to minimum allotment of 3,000 sq. mtrs. of plot and minimum shipment of 30,000 M.T. of Cargo.

(E). For allotment of undeveloped land for 330 days (Import and Export)

Cargo mobilization through the concerned plot	Proposed % of Remission on the license fees
From 12 MT per sq. mtr. to 15 sq. mtr.	15%
Above 15 MT per sq. mtr.	30%

(F). For allotment of undeveloped land for 180 days (Import and Export)

Cargo mobilization through the concerned plot	Proposed % of Remission on the license fees			
From 8 MT per sq. mtr. to 10 sq. mtr.	15%			
Above 10 MT per sq. mtr.	30%			

- (iv). The approval of the Board of Trustees of SPMP is furnished by SPMP.
- (v). Further, the appropriate Authority of SPMP has decided to propose remission on the license fees on the extant fees offered by the bidder in case of allotment of undeveloped Land through Tender cum Auction for 5 years as SI. No. 17 as shown below:
 - 17. Incase license of Land inside Dock Interior Zone for storage for cargo for a period upto 5 years, allotted on license through tender cum auction basis, remission against license fees shall be extended as follows:

Cargo mobilization through the concerned plot in one year (365 days)	Proposed % of Remission on the license fees on the extant fees offered by the bidder.		
More than 13 MT per sq. mtr. upto 16.5 MT per sq. mtr.	15%		
More than 16.5 MT per sq. mtr.	30%		

- (vi). The approval of the Chairman of KOPT with reference to the above provision, is furnished by KOPT.
- (vii). Providing of remission of license fees of land to the deserving licensees based on their evacuation and mobilization performances, providing relaxation in compensation charges shall be beneficial for the customers who in turn are expected to increase cargo throughout through HDC, which is turn will also increase the revenue generation of the port in the present pandemic situation where the overall trade has got badly affected.
- (viii). It is requested to approve the above stated remissions and relaxations proposed by HDC on the compensation charges as well as on the License fees on the Land allotted to the customers in the Dock Interior Zone of HDC. The subject remissions and relaxations shall be effective upto the validity of the existing Schedule or Rent for Land and Buildings of Kolkata Port Trust at Haldia i.e. 06.04.2021.
- 3.2. Some information/ clarification was sought from SPMP vide letter dated 01 December 2020. In this regard, the SPMP vide its e-mail dated 09 December 2020 has made its submissions. The information sought from SPMP and the response of SPMP thereon is tabulated below:

SI. No.	Information sought from SPMP	Response of SPMP
(i).	It is noted that the SPMP has sought approval of its Board of Trustees, without routing its proposal through the Land Allotment Committee (LAC).	Land Allotment Committee (LAC) has been constituted to examine and recommend proposals for allotment of land and does not have any jurisdiction or role in framing charges, extending remissions / benefits, etc. These are administratively decided upon concurrence of Finance Department. In the instant case, the proposal was approved by Chairman and subsequently by the Board of SMP, Kolkata. In view of the same, instant proposal has not been routed through the LAC.
(ii).	A list of users / user associations / lessees to be consulted in reference, to be furnished.	The list of users / users association / lessees who may be consulted regarding the instant proposal is furnished.

- 4. In accordance with the consultation procedure prescribed, a copy of the SPMP proposal dated 20 November 2020 and 09 December 2020 was forwarded to Users/ User Organizations/ Lessees (as per the list furnished by SPMP) vide letter dated 23 December 2020 for seeking their comments. In response, one of the users i.e. Steel Authority of India Limited (SAIL) vide its e-mail dated 05 January 2021 has furnished its comments. The comments furnished by SAIL were forwarded to SPMP for its comments. After a reminder dated 22 January 2021, the SPMP has responded vide its email dated 25 January 2021.
- 5. On a preliminary scrutiny of the proposal, it was seen that additional information/ clarification was required from SPMP on few points. Accordingly, additional information/ clarification was sought from SPMP. After reminders dated 22 January 2021, 04 February 2021 and 19 February 2021, the SPMP vide its e-mail dated 23 February 2021 has responded. The information sought from SPMP and the reply of SPMP thereon is tabulated below:

SI. No.	Information/ Clarification sought from SPMP	Reply of SPMP
A.	Compensation for wrongful use and unauthorized Occupation:	
(i).	The SPMP has stated that the highest slab of 10 times of compensation charges for	

SI. No.	Information/ Clarification sought from SPMP	Reply of SPMP			
	unauthorized occupation of land beyond license period is considered by the licensee to be too high and on many occasions, the licensees have abandoned their residual cargo in order to pay high compensation charges.				
(ii).	In this regard, the SPMP to furnish details of the number of users/ licensees who have occupied the land unauthorisedly beyond license period for first 30 days, first 60 days and more than 60 days beyond license period in the last three years in the following format: Year	The number of cases where the users have occupied the land beyond the License period for first 30 days, first 60 days and more than 60 days beyond the license period in the last 3 years is shown in the prescribed format: Year			
(iii).	The SPMP to furnish the rationale for considering the reduction of compensation from existing 5 times to 3 times in case of unauthorized occupation from 31 days to 60 days, and existing 10 times to 5 times in case of beyond 60 days. The analysis made by the SPMP for proposing the above relaxation of compensation for unauthorized occupation to be furnished.	The users in various Trade Meets have compared the cost of storage of cargo incurred by them at different neighboring ports such as Dhamra and Paradip. Since the license fees of SMP, Kolkata is higher than the other neighboring ports stated above, the users are inclined to take their vessels to the ports which are more economical to them. As a result, some Haldia bound cargo have already shifted to the neighboring Ports. This situation is a threat for SMP, Kolkata. In order to retain the existing customers, the appropriate Authority of SMP, Kolkata approved to reduce the penalty provisions as well as introduce incentives schemes for the benefit of the customers. Reduction of penalty rate will ensure that the users who required more time to evacuate cargo from the port due to their business requirement, are not penalized heavily. This reduction of penalty will also facilitate them to evacuate the entire cargo from the Dock and not leave a portion of it in the plot in order to escape from paying huge compensation.			
В.	Allotment of land on Ship to Ship basis for Import Cargo				
(i).	It is seen that the SPMP, in order to encourage the customers to improve the evacuation and for gainful utilization of land, has proposed a scheme for incentivizing the licensees to vacate the licensed plots before the stipulated license period by way of providing certain percentage of remission to the license fees for various categories based on the quantity imported, period of license and	Out of about 25 MMT of Import dry bulk cargo which are required to be stored in the Dock Interior Zone (DIZ) per annum, around 40% of the said cargo is delivered by road for which the evacuation rate of cargo is very slow at HDC. Even though there is an availability of about 9,27,000 sq. mtrs. of plot for storage of Import and Export cargo inside the DIZ at HDC, yet there is acute scarcity of storage area due to long occupation. Therefore, in order to reduce the days of occupation of land and for maximum utilization of the available storage, the said incentive scheme has been proposed. It is also understood that if SMP, Kolkata had proposed for remission of License fees of plot for storage of cargo in general without keeping any performance parameter, then many of the less performing port users would have further delayed the evacuation process.			

SI. No.	Information/ Clarification sought from SPMP	Reply of SPMP					
(ii).	Actual time taken to vacate the plot. In this regard, the SPMP to	An analysis of the remission to the licensee that may obtain against various parcel size and area of plot is given in the table below considering the evacuation rate is just enough to be eligible for the					
	furnish analysis carried on the benefits to be accrued to the port vis-à-vis remission to be is granted to the licensees for each of the category of license on account of the proposed scheme and basis of arriving the	Cargo quantity Imported from a ship	Area allotted in sq. mtrs.	Actual time taken to surrender the plot	Time saved from schedule time of surrender	Remission gained by the licensee	Benefit for HDC by re- allotting surrendered plot to another user
	percentage of remission for the each of the category of license.	25000 MT	8,000 (Hard Stand)	45 days	45 days (90 days - 45 days)	15% of (License fees of 8000 sq. mtrs. x 45 days x ₹71.11 per month per sq. mtrs.) i.e. ₹8,53,320= ₹1,27,998/-	Additional revenue of ₹16,25,000/- from additional 12500 MT (½ * of 25,000) cargo @ ₹130/- per MT approx (on board + wharfage + differential MHC + Cleaning charges for coal) *Note: Being 45 days saved out of 90 days is ½ of the time saved.
		40000 MT	12,000 (Hard stand)	67 days	23 days (90 days - 67 days)	15% of (License fees of 12000 sq. mtrs. x 67 days x ₹71.11 per month per sq. mtrs.) i.e. ₹19,05,748/-=₹2,85,862/-	Additional revenue of ₹13,00,000/-from additional 10000 MT (1/4 of 40,000) cargo @ ₹130/- per MT approx. (on board + wharfage + differential MHC + Cleaning charges for coal)
							23 days saved out of 90 days is 1/4 th of the time saved.
		80000 MT	24,000 (Hard Stand)	90 days	30 days (120 days - 90 days)	15% of (License fees of 24000 sq. mtrs. x 90 days x₹71.11 per month per sq. mtrs.) / 30 days i.e. ₹51,19,920= ₹7,67,988/-	Additional revenue of ₹26,00,000/- from additional 20000 MT (1/4 * of 80,000) cargo @ ₹130/- per MT approx (on board + wharfage + differential MHC + Cleaning charges for coal)

SI. No.	Information/ Clarification sought from SPMP			Repl	y of SPMF)		
		1,20,000 MT	30,000 (Hard Stand)	135 days	45 days (180 days - 135 days)	15% (License of 30000 mtrs. x days x ₹7·per months sq. mtrs.) days ₹95,99,85 =₹14,39,9	30 sa 12 1//m of Acrees sq. 135 1.11 35 1.11 35 1.0 per 0/- 778/- MT (o) why diff MM CI check sa 18 1/-	ved out of 0 days is 4 of the ne saved. Iditional venue of 9,00,000/- m diditional 000 MT '4* of 20,000) rgo @ 30/- per T approx. In board + harfage + ferential HC + eaning arges for all)
C.	Alletment of developed land							
C.	Allotment of developed land for 180 days / 330 days (both import and exports)							
(i).	The SPMP, for the gainful utilization of the land has proposed an incentive scheme to the licensees of developed land in the form of remissions, if the actual quantity of cargo per sq. meter mobilized during the license period is more than benchmark quantity of cargo per	The Benchi per sq. mtr. to perform proposal fo The actual at the deve days during	and for a beyond ravailing achieven bloped last	330 days in the Bench the benefinent of quant for the financial states of the states o	s 18 MT per chmark qualit of incential antity of callicense per	er sq. mtr antity as ve. argo per seriod of 1	The u specifi sq. mtr. 80 days	sers have ed in the mobilized
	sq. meter mobilized during the license period (as per the MGT	For 180 da						
	provisions). In this regard, the SPMP to furnish the details of the actual achievement of quantity of	Existing Licensee / Users	Area / in sq. mtrs.	allotme		al mobiliz of cargo		
	cargo per sq. meter mobilized at the developed land for the license period of 180 days and 330 days separately during the last three				Yr. 2017- 18 in M.T		Yr. 2019- 20 in M.T	Yr. 2021 (till Jan'21) in M.T
	years 2017-18, 2018-19 and 2019-20.	Electrostee Castings Ltd.	10000	08/05/20	018 N.A.	30.48	32.86	24.61
		Adani Enterprise	10000			N.A.	5.71*	10.05
		Co. Stevedoring and Handling Pvt. Ltd.				N.A.	6.65	38.99
		* The users	could ut	ilize the pl	ot only for	1.5 month	ns or les	SS.
		For 330 da	ys allotn	nent:				

SI. No.	Information/ Clarification sought from SPMP			Reply	of SPMP		
	<u> </u>	Existing Licensee / Users	Area in sq. mtrs.	Date of allotment		oilization of o	
					Yr. 2017-18 in M.T	Yr. 2018-19 in M.T	Yr. 2019-20 in M.T
		Steel Authority of India Ltd.	82000	29/06/2018	Not applicable	27.71	29.83
		Tata Steel	63000	20/03/2016	24.49	19.85	20.52
		Tata Steel	6000	16/07/2016	20.07	18.16	24.82
		Tata Steel Tata Steel	7000 5000	04/12/2016 31/12/2016	Not available Not	27.72	19.16
		Tata Steel	3000	31/12/2010	available	23.44	20.03
(ii).	Basis of arriving proposed mobilization of quantity per sq. meter and the percentage of remission for the each of slabs. The analysis carried on the	providing th	e incenti d schem	ng at the p ve vis-à-vis t e is detailed nent:	he remissio	n to be grai	
	benefits to be accrued vis-à-vis remission to be granted for each of the slabs on account of the	Catego allotr		availing	ation for minimum ission		Benefit of Port Users mission
	proposed scheme to be furnished.	developed p	olot for 18	mtrs. the to mobili 36000 MT for gett remission fees. For a plot mtrs. the to mobilize 45000 MT for gett remission fees.	in 180 days ting 15% of license of 3000 sq. users need e more than in 180 days	mobilizes 3 he will be 6000 MT cargo. C net cargo charges o ₹130/- per I (on board - + differenti Cleaning) earned is 3 where a remission a	MT per sq. the user 36000 MT, mobilizing Ts more Considering o related of coal @ MT approx. + wharfage al MHC + the benefit
		For 330 day Catego allotr	ory of	Qualific	ation for minimum		ers from
		For allot developed p days		of For a plot mtrs. the to mobili 110000 M days for gremission fees For a plot mtrs. the to mobilize 1,35,000 days for g	of 5000 sq. users need ize atleast MT in 330 getting 15% of license of 5000 sq. users needs a more than MT in 330 getting 30% of license	plot is 18 I mtrs. If mobilizes \$\frac{9}{20000}\$ M cargo. Conet cargo charges oo ₹130/- per I (on board - + differentic Cleaning) earned is ₹\frac{9}{2000}\$ where a remission a	GT for the MT per sq. the user 90000 MT, mobilizing Ts more Considering o related of coal @ MT approx. + wharfage al MHC + the benefit

SI. No.	Information/ Clarification sought from SPMP		Re	ply of SP	MP		
1101		* For higher m					of port as
D.	Similar details and analysis as sought at para C (ii), (iii) and (iv) may also be provided in case of the following schemes also;	well as the rem					
(i).	Allotment of Common Users land	Allotment of Co			export car	go:	
	for Export cargo	Name of licensee / user	Possession Date	Area (in sq. mtrs.)		nt of expo per sq. mti	
				,	Yr-17- 18	Yr-18- 19	Yr-19- 20
		Access Developers Pvt. Ltd.	01/03/2020	1000	N.A.	13.65	N.A.
		Bonai Industrial Co. Ltd.	20/03/2019	2000	N.A.	N.A.	79.5
		Bonai Industrial Co. Ltd.	13/08/2019	2000	N.A.	N.A.	1.50
		Bonai Industrial Co. Ltd.	06/04/2017	1000	25.55	N.A.	N.A.
		Bonai Industrial Co. Ltd.	31/08/2017	2000	22.73	N.A.	N.A.
		Disha Realcon Pvt. Ltd.	27/02/2019	1000	N.A.	3.72	59.13
		Disha Realcon Pvt. Ltd.	27/02/2018	1000	N.A.	8.46	N.A.
		Disha Realcon Pvt. Ltd.	26/09/2017	3000	15.82	9.34	N.A.
		Disha Realcon Pvt. Ltd.	13/12/2017	1000	16.21	N.A.	N.A.
		Disha Realcon Pvt. Ltd.	29/12/2018	2000	N.A.	18.24	9.82
		Feegrade & Co. Pvt. Ltd.	20/03/2019	2000	N.A.	N.A.	100.08
		Ghanashyam Mishra & Sons Pvt. Ltd.	06/08/2019	2000	N.A.	N.A.	8.97
		Ghanashyam Mishra & Sons Pvt. Ltd.	20/03/2019	2000	N.A.	N.A.	7.27
		Ghanashyam Mishra & Sons Pvt. Ltd.	10/05/2019	2000	N.A.	N.A.	16.41
		Ghanashyam Mishra & Sons Pvt. Ltd.	21/10/2019	1000	N.A.	N.A.	10.78
		Jindal Steel & Power Ltd.	30/01/2020	5000	N.A.	N.A.	4.00
		Jindal Steel & Power Ltd.	21/09/2017	2000	17.69	N.A.	N.A.
		Jakhodia Minerals	26/09/2019	2000	N.A.	N.A.	10.12
		JSW Steel Ltd.	08/06/2019	2000	N.A.	N.A.	48.71

SI. No.	Information/ Clarification sought from SPMP		Re	ply of SP	MP		
		JSW Steel Ltd.	09/05/2019	3000	N.A.	N.A.	43.55
		JSW Steel Ltd.	24/02/2017	2000	24.71	N.A.	N.A.
		JSW Steel Ltd.	11/02/2018	1000	8.00	N.A.	N.A.
		JSW Steel Ltd.	30/11/2016	2000	27.84	N.A.	N.A.
		JSW Steel	24/12/2016	4000	13.12	3.75	N.A.
		JSW Steel Ltd.	02/08/2017	2000	34.83	N.A.	N.A.
		JSW Steel	19/11/2017	3000	9.54	6.38	N.A.
		Ltd. JSW Steel	06/01/2018	1000	7.62	N.A.	N.A.
		Ltd. JSW Steel	01/04/2018	4000	N.A.	10.00	N.A.
		Ltd. JSW Steel	17/04/2018	6000	N.A.	11.01	N.A.
		Ltd. JSW Steel	11/12/2017	1000	10.71	N.A.	N.A.
		Ltd. Kaypee	03/03/2017	2000	11.54	N.A.	N.A.
		Enterprises Kaypee Enterprises	10/10/2017	2000	7.76	N.A.	N.A.
		Enterprises Kaypee Enterprises	15/11/2017	2000	4.85	N.A.	N.A.
		K.K.	20/02/2018	3000	6.25	N.A.	N.A.
		Enterprises Kai International	25/04/2019	2000	N.A.	N.A.	7.77
		Pvt. Ltd.	01/06/2019	2000	N.A.	N.A.	39.63
		International Pvt. Ltd.	01/06/2019	2000	IN.A.	N.A.	39.03
		Kai International	27/05/2019	2000	N.A.	N.A.	28.55
		Pvt. Ltd.	30/05/2019	1000	N.A.	N.A.	50.07
		International Pvt. Ltd.	30/03/2019	1000	IN.A.	N.A.	30.07
		Kai International	30/06/2019	2000	N.A.	N.A.	10.27
		Pvt. Ltd. Mahaprabhu	18/07/2019	2000	N.A.	N.A.	9.84
		Resources Pvt. Ltd.	10/07/2019	2000	IN.A.	N.A.	3.04
		Mariya Exim Pvt. Ltd.	28/06/2019	1000	N.A.	N.A.	4.80
		Mariya Exim	29/05/2019	2000	N.A.	N.A.	9.78
		Mahashakti Forgoing Pvt	24/06/2019	2000	N.A.	N.A.	11.15
		Ltd Mahalaxmi &	23/02/2020	2000	N.A.	N.A.	11.90
		Co. Mahalaxmi &	20/01/2020	3000	N.A.	N.A.	7.19
		Om Jaibalajee Ispat Ltd.	09/05/2019	2000	N.A.	N.A.	8.95
		Om Jaibalajee Ispat Ltd.	12/06/2019	1000	N.A.	N.A.	1.95
		Orissa Metaliks Pvt. Ltd.	30/07/2019	3000	N.A.	N.A.	10.77

SI. No.	Information/ Clarification sought from SPMP	Reply of SPMP					
		Orissa Metaliks Pvt.	06/08/2019	5000	N.A.	N.A.	9.58
		Ltd. Orissa Metaliks Pvt.	10/07/2017	6000	17.61	N.A.	N.A.
		Ltd. Orissa Metaliks Pvt.	22/08/2017	1000	19.89	N.A.	N.A.
		Ltd. Orissa Metaliks Pvt.	30/10/2017	2000	13.86	N.A.	N.A.
		Ltd. Orissa Metaliks Pvt.	19/10/2017	1000	1.93	N.A.	N.A.
		Ltd. Parag Vinimoy Pvt.	20/12/2019	1000	N.A.	N.A.	5.67
		Ltd. Parag Vinimoy Pvt.	24/06/2019	2000	N.A.	N.A.	17.55
		Ltd. Parag Vinimoy Pvt.	24/07/2019	3000	N.A.	N.A.	3.00
		Ltd. Rosemary Sponge & Ispat Pvt. Ltd.	11/06/2019	2000	N.A.	N.A.	27.41
		Rosemary Sponge & Ispat Pvt. Ltd.	09/07/2019	2000	N.A.	N.A.	14.19
		Rungta Sons Pvt. Ltd.	16/08/2019	2000	N.A.	N.A.	1.75
		Rungta Sons Pvt. Ltd.	20/03/2019	2000	N.A.	N.A.	48.92
		Rungta Mines Ltd.	02/11/2016	2000	N.A.	13.67	N.A.
		Rungta Mines Ltd.	27/09/2019	4000	N.A.	N.A.	20.00
		Rungta Mines Ltd.	11/10/2019	4000	N.A.	N.A.	26.50
		Rungta Mines Ltd.	15/01/2019	10000	N.A.	N.A.	4.40
		Rungta Mines Ltd.	27/09/2019	4000	N.A.	N.A.	4.30
		Rungta Mines Ltd.	23/10/2018	2000	N.A.	29.71	112.5
		Rungta Mines Ltd.	23/11/2018	3000	N.A.	14.96	63.10
		Rungta Mines Ltd.	26/08/2019	4000	N.A.	N.A.	31.12
		S. M. Niryat Pvt. Ltd.	16/01/2020	3000	N.A.	N.A.	13.83
		S. M. Niryat Pvt. Ltd.	29/03/2019	2000	N.A.	N.A.	49.70
		S. M. Niryat Pvt. Ltd.	27/04/2019	2000	N.A.	N.A.	100.41
		S. M. Niryat Pvt. Ltd.	30/05/2019	3000	N.A.	N.A.	33.31
		S. M. Niryat Pvt. Ltd.	25/04/2019	1000	N.A.	N.A.	15.78
		S. M. Niryat Pvt. Ltd.	05/03/2019	2000	N.A.	2.50	18.29
		S. M. Niryat Pvt. Ltd.	04/11/2019	3000	N.A.	N.A.	6.46

SI.	Information/ Clarification	Reply of SPMP							
No.	sought from SPMP	Coi	00/00/0	040	0000	1	<u>, </u>	NI A	7 70 1
		Sai Resources Pvt. Ltd.	09/06/2		2000	N.		N.A.	7.70
		Subhra Chemicals	11/11/2	2019	2000	N.	Α.	N.A.	7.58
		Swati Concast & Power Pvt. Ltd.	27/05/2	019	1000	N.	A.	N.A.	19.33
		Swati Concast & Power Pvt. Ltd.	11/05/2		2000	N.		N.A.	6.50
		Swati Concast & Power Pvt. Ltd.	11/05/2	.019	1000	N.	Α.	N.A.	21.66
(ii).	Allotment of undeveloped land for	Undeveloped	plots (180) day	s) Bench	nmark C	Quantit	y: 6 MT /	sq. mtrs.
	180 days (both import and exports)	Existing Licensee / Users	Area in mtrs.		Date of			mobilizat of cargo mtr.	
						1	r-17- 8 in MT	Yr-18- 19 in MT	Yr-19- 20 in MT
		Rungta Mines Ltd.	10000)	15/01/20)19 N	N.A.	5.29	7.19
(iii).	Allotment of undeveloped land for 330 days (both import and exports)	Undeveloped mtrs. Existing Licensee / Users	Area in sq. mtrs.	D	ate of otment	Ac quanti	tual m	obilization	n of sq. mtr.
						Yr-17- in M		Yr-18-19 in MT	Yr- 19-20 in MT
		Rawment Resources Pvt. Ltd.	10000		01/2019	Not applica	ble	5.29*	7.19
		Ripley & Co Stevedoring and Handling Pvt. Ltd.	15000	14/	11/2018	Not applica		4.94*	12.29
		Orissa Metaliks Pvt. Ltd.	15000	16/	11/2018	Not applica		28.37*	12.58
		Shyam Sel & Power Ltd.	10000	12/0	04/2019	Not applica		Not applicable	4.07
		* The users co							i.
(iv).	License of land inside Dock	Allotment thro						5 years. nobilization	f
	Interior Zone for storage of cargo for a period upto 5 years.	Existing Licensee / Users	Area in sq. mtrs		Date of allotment	qu	antity	of cargo p mtr.	er sq.
						in	17-18 MT	Yr-18- 19 in MT	Yr-19- 20 in MT
		Shyam Ferro Alloys Limited	5000	1	2/09/2018		lot icable	10.06*	26.80
		Shyam Sel & Power Ltd.	5000	1	2/09/2018		lot icable	9.88*	15.26

SI. No.	Information/ Clarification sought from SPMP	Reply of SPMP					
		Rawmet Resources Pvt. Ltd.	8000	16/09/2018	Not applicab	6.76*	8.18
		Oswal Minerals Ltd.	5000	16/09/2018	Not applicab	1.71*	6.28
		Sharp Ferro Alloys Ltd.	4000 ould utiliz	16/09/2018 e the plot only f	Not applicab or 6 mon		20.40
		The basis of Allotment of undeveloped	arriving Common plot for 1 Tender cu	at the propose users land for 80 and 330 da um Auction for 5	d schem Export ys, allotn years, is	ne to incent Cargo, Allo nent of und	otment of eveloped ow:
				availing remission	on F	Port Users emission	from
		For allotme common use for export car months	ers land	For a plot of 30 mtrs. the users to mobilize a 42000 MT in 2 m for getting remission of li fees.	needs that least Later that least Later that least Later that least Later that later tha	However, exporter postficiently to remission, postion from	existing uideline. if the performs avail the port will cargo
				For a plot of 30 mtrs. the users to mobilize more 60000 MT in 2 m for getting remission of li fees.	needs e e than roonths for some cense	even after remission on ees.	license
		For allotme undeveloped 330 days		For a plot of 50 mtrs. the users to mobilize a 60000 MT in 330 for getting remission of lifees	needs patleast no days no 15% hocense 1	mobilizes 600 ne will be m 10000 MTs cargo. Cor net cargo rel	per sq. ne user 2000 MT, nobilizing more nsidering lated on
				For a plot of 50 mtrs. the users to mobilize more 75000 MT in 330 for getting remission of lifees	needs a a ce than volume of the than volume of the than seed of the than than the the than the than the than the than the the the than the the than the the than the the the than the	amount wi ₹3,77,727/- (a	board + fferential hing) the hed is where as emission ill be pprox.)
		For allotme undeveloped 180 days		For a plot of 50 mtrs. the users to mobilize a 40000 MT in 180 for getting remission of lifees.	needs patleast no days no 15% hocense no	mobilizes 400 ne will be m 10000 MTs cargo. Cor net cargo	per sq. ne user 200 MT, sobilizing more nsidering related
				For a plot of 50 mtrs. the users to mobilize more 50000 MT in 180 for getting remission of lifees.	needs te than () days to cense than ()	charges on	approx. vharfage MHC + benefit 00,000/- 15%

SI.	Information/ Clarification	Reply of SPMP			
No.	sought from SPMP				
No.	sought from SPMP	For allotment of undeveloped land through Tender Cum Auction for 5 years	For a plot of 3000 sq. mtrs. the users needs to mobilize atleast 39000 MT in 12 months for getting 15% remission of license fees. For a plot of 3000 sq. mtrs. the users needs to mobilize 49500 MT in 12 months for getting 30% remission of license fees.	be ₹2,05,785/- (approx.) No MGT provision has been kept. However, if the user performs sufficiently to avail the remission, port will gain from cargo handling charges even after allowing remission on license fees.	
		as well as the remission			
E.	The SPMP has not proposed any methodology for calculating the actual achievement of quantity of cargo per sq. meter mobilized for a plot during the license period, which to be furnished, and include as a conditionality in the proposed Scale of Rates (SOR).	after completion of the quantity will be stored the achievement will be to evacuate the entire. For computing the carguantity mobilized through Import Final Draft Survey Remission. For Export Cargo: HDC maintains stock licensees of plots updain each plot under their m from a particular plot of cargo shipped from from the Final Draft Suand every vessel.	ne vessel's discharge. in the plot allotted to the computed considering cargo from the plot. argo mobilization per bugh a particular plot do or Export, which will be conside a port, will be conside a possession. The cart will be computed on the that particular plot who are posted to the computed on the cart will be cart will b	he Draft Survey Report The total discharge ne concerned user and g the total time required sq. m area the total uring the license period e ascertained from the red for computing the every plot, which the f cargo stored by them go mobilization per sq. ne basis of the quantum ich will be ascertained pletion of work of each	
F.	The SPMP to confirm that the remissions to be granted on account of the proposal to be approved by the Authority does not have linkage to Section 53 of the Major Port Trust Act, 1963.	Section 53 of MPT Act rates or charges on a vessels from the pay respect thereof accord the whole or any portio it does not have any p	any goods or vessels ment of any rate or a ing to any scale in force on of such rate or charg rovisions for exemption as of land. Hence the	exemption, remission of or class of goods or any charge leviable in e under this Act or remit e so levied. Therefore, n, remission of rates or remission proposed by 53 of the MPT Act.	

- 6. In view of the outbreak of COVID 19 and in pursuance of the Ministry of Shipping (MOS) letter No. 11053/30/2020-Coord. dated 16 April 2020 to hold virtual meetings, a joint hearing on the case in reference was held on 20 January 2021 through Video Conferencing. At the joint hearing, SPMP made a brief power point presentation of its proposal. The SPMP and the users/ user organizations/ Lessees have made the submissions during the joint hearing.
- 7. The proceedings relating to consultation in this case are available on records at the office of this Authority. An excerpt of the comments received and arguments made by the concerned parties will be sent separately to the relevant parties. These details will also be made available at our website http://tariffauthority.gov.in.

- 8. With reference to the totality of information furnished by the SPMP the following position emerges:
 - (i). The Rent Schedule for the lands and buildings of Syama Prasad Mookerjee Port (SPMP) [Erstwhile Kolkata Port Trust (KOPT)] was last approved by this Authority vide Order No.TAMP/62/2016-KOPT dated 29 March 2017 following the provisions of the Land Policy Guidelines for Major Port Trusts, 2014, as amended in July 2015. The said Rent Schedule has come into effect from 7 April 2016 and is valid for a period of 5 years i.e. upto 6 April 2021.

In this backdrop, on the ground that the logistics chain related to businesses including traders, importers, exporters, port operators, shipping lines, transporters etc. are facing huge challenge in maintaining their business due to lower trade volume as well as cash flow issues on account of the ongoing pandemic situation, the SPMP has come up with a proposal seeking approval for allowing remissions on the compensation charges as well as on the license fees on the Land allotted to the customers in the Dock Interior Zone at Haldia Dock Complex (HDC) of SPMP. The proposal of the port has the approval of its Board of Trustees.

- (ii). In this connection, it is relevant here to mention that the Land Policy Guidelines of 2014 does not specifically mandate to prescribe any remission or incentive scheme to be granted by port in case of licence fees. However, reference is drawn to the Berthing Policy, 2016, issued by Ministry of Ports, Shipping & Waterways (MOPSW) [erstwhile Ministry of Shipping] wherein the Major Port Trusts are directed to prescribe the performance norms and grant incentives / penalty in accordance with the provisions contained in the ibid policy to encourage the port users for deriving higher productivity and achieving reduction in the turnaround time and effective utilisation of port's resources. Similarly, the proposal of SPMP in reference is to encourage the lessees for the faster evacuation of the cargo and thereby encourage optimum utilization of its land resources.
- (iii). The proposal of the port was received in November 2020. Thereafter, additional information/ clarification has been furnished by the Port in February 2021. The said proposal alongwith the additional information/ clarification furnished by the Port is considered in the analysis.
- (iv). The SPMP has proposed to relax the compensation charges to be payable by the lessees for unauthorized occupation of land beyond the license period. The port has furnished statistics for the last three years, which reveals that the cargo continues to occupy the land even beyond the license period. Accordingly, the proposal of the port envisages reduction in the compensation charges for the period of occupation between 31-60 days from existing 5 times to 3 times of the prevailing SOR. Likewise, for the period of occupation beyond 60 days, the port has proposed to reduce the compensation charges from the existing 10 times to 5 times of the prevailing SOR.

The reason for the proposed relaxation is reported to be instances where the residual cargo is abandoned by the lessees, so as to avoid payment of high compensation charges by them to SPMP for unauthorized occupation, beyond the licence period. Moreover, given that the license fees of SPMP is higher than the other neighboring ports, the SPMP has reported to have experienced a shift of cargo / vessels to the neighboring ports. Thus, in order to retain the existing customers and to ensure that the users who required more time to evacuate cargo from the port due to their business requirement, are not penalized heavily, the port has come up with the proposal to relax the compensation charges.

Considering that the Board of Trustees of SPMP has approved the proposal and also since the users have expressed their support to the reduction in the compensation

charges for unauthorized occupation, this Authority is inclined to approve the proposed modification in the existing Rent Schedule.

(v). The SPMP has introduced certain percentage of remissions on the applicable license fees to the licensees who surrender their plots early or mobilize more cargo during the specific license period.

The SPMP has stated that though there is an availability of about 9,27,000 sq. mtrs. of plot for storage of Import and Export cargo inside the Dock Interior Zone (DIZ) at HDC, yet there is acute scarcity of storage area due to long occupation, since the lessees have the tendency to continue to make use of the plot for the period for which it has been allotted and delay the evacuation process. The proposed remission of license fees based on their evacuation and mobilization performances is reported to encourage the deserving licensees to improve the evacuation process, thereby resulting in increased cargo throughout through HDC and thereby resulting in increased revenue generation to the port.

The port has also furnished workings to support that the amount of remission to be granted to the lessees of plots, would enable the port to comparatively generate more revenue due to availability of space on account of faster turnaround.

In view of the above and considering that the Board has approved the proposal, this Authority is inclined to incorporate the provisions relating to remissions against license fees for the allotment of land on license basis inside the Dock Interior Zone for storage of cargo, as proposed by the Port.

- (vi). Incidentally, though the Steel Authority of India (SAIL) has welcomed the proposal of the Port, it has also stated that the scheme appears to be an incentive scheme for increasing imports by the port rather than rendering remission to the lessees. In this regard, the port has categorically stated that the proposed scheme of allowing remission in license fees is indeed an incentive scheme through which the users, who mobilizes more volume of cargo, will be benefitted under the scheme. The port has stated that the proposal will enable the port to have a better roll over of the plots by way of providing incentives so that holding of plots by non-performers can be discouraged.
- (vii). While furnishing additional information/ clarification, the SPMP has proposed a methodology for calculating the actual achievement of quantity of cargo per sq. meter mobilized in a plot during the license period, separately for both import cargo and the export cargo. The prescription of the said methodology in the Scale of Rates would avoid any ambiguity and would give clarity to the users as to the method to be adopted by the port for calculation of the quantum of cargo that has been mobilized in a plot during the license period. The proposed methodology is in tandem to the remissions proposed by SPMP. In view of the above, this Authority approves incorporation of the methodology as proposed by the Port.
- (viii). Orders of this Authority generally come into effect prospectively after expiry of 30 days from the date of Gazette Notification unless otherwise different arrangement is specifically mentioned in the respective tariff Orders. Accordingly, this Authority is inclined to grant approval to modify the existing note at SI. No 11 and introduce new note no. 16 and 17 in the Rent Schedule for allotment of land and buildings of SPMP at HDC prospectively after the expiry of 30 days from the date of Notification of the Order (to be passed) in the Gazette of India.
- 9.1. In the result, and for the reasons given above and based on a collective application of mind, this Authority approves the following:

(i). To Replace the existing Note at Sr. No. 11 in the Para-B "For licensing of land / covered space inside Dock Interior Zone for transit storage of import / export cargo" under the 'HDC Conditionalities' in the existing Rent Schedule for allotment of land and buildings of SPMP at HDC with the following:

11.	After the expiry/termination/ determination continues to occupy it unauthorizedly, the lice for wrongful use and occupation at the footained: -	ensee shall be liable to pay compensation
	First 60 days	3 times the rate as per prevailing SOR
	Continued unauthorized occupation beyond 60 days	5 times the rate as per prevailing SOR

(ii). To incorporate the following two Notes at Sr. No. 16 and Sr. No. 17 in the Para-B "For licensing of land / covered space inside Dock Interior Zone for transit storage of import / export cargo" under the 'HDC Conditionalities' in the existing Rent Schedule for allotment of land and buildings of SPMP at HDC:

6.		Description	on				
Ο.	In case license of land inside Dock Interior Zone for storage of cargo for a period up to						
	11 months, allotted on license, remission against license fees shall be extended a						
	follows:						
	A) For allotment of Land						
	Cargo Quantity	Initial license		Proposed % of			
		period +	vacate the	remission on the			
		extension	plot	license fees			
	From 15000 MT upto	90 days	30 days	30%			
	25000 MT		45 days	15%			
	From 25001 MT upto	90 days	45 days	30%			
	40000 MT	400 1	67 days	15%			
	From 40001 MT upto	120 days	60 days	30%			
	80000 MT	400 dese	90 days	15%			
	Above 80000 MT	180 days	90 days	30%			
			135 days	15%			
	From 12 MT per sq. mtr. to	n 15 MT ner sa mtr	on the	license fees			
		J 10 WIT POT 39. THU.		15%			
	Above 15 MT per sq. mtr.	5 TO WIT PET 54. IIII.		15% 30%			
	C) For allotment of deve	loped land for 330 c		30%			
	C) For allotment of deve	loped land for 330 c	plot Propos	30%			
	C) For allotment of deve	loped land for 330 c	plot Propos	30% d Export) sed % of Remission			
	C) For allotment of deve	loped land for 330 c	plot Propos	30% I Export) sed % of Remission license fees			
	C) For allotment of develor Cargo mobilization through From 22 MT per sq. mtr. to Above 27 MT per sq. mtr. D) For allotment of communications are communications and communications are communications and communications are communications are communications.	loped land for 330 cugh the concerned po 27 MT per sq. mtr.	plot Proposion the	30% d Export) sed % of Remission license fees 15% 30%			
	C) For allotment of deve Cargo mobilization throu From 22 MT per sq. mtr. to Above 27 MT per sq. mtr.	loped land for 330 cugh the concerned po 27 MT per sq. mtr.	Plot Proposition on the Export Cargo Plot Proposition	30% d Export) sed % of Remission license fees 15%			
	C) For allotment of develor Cargo mobilization through From 22 MT per sq. mtr. to Above 27 MT per sq. mtr. D) For allotment of communications are communications and communications are communications and communications are communications are communications.	loped land for 330 can land the concerned of 27 MT per sq. mtr. mon users land for ugh the concerned of the	Export Cargo plot Propos on the	30% d Export) sed % of Remission license fees 15% 30% sed % of Remission			

E) For allotment of undeveloped land for 330 days (Import and Export)

Proposed % of Remission on the license fees

15%

30%

Cargo mobilization through the concerned plot

From 12 MT per sq. mtr. to 15 MT per sq. mtr.

Above 15 MT per sq. mtr.

F) For allotment of undeveloped land for 180 days (Import and Export)				
Cargo mobilization through the concerned plot Proposed % of Rem on the license fees				
From 8 MT per sq. mtr. to 10 MT per sq. mtr.	15%			
Above 10 MT per sq. mtr.	30%			

For Import Cargo:

The import quantity will be ascertained from the Draft Survey Report after completion of the vessel's discharge. The total discharge quantity will be stored in the plot allotted to the concerned user and the achievement will be computed considering the total time required to evacuate the entire cargo from the plot.

For computing the cargo mobilization per sq. m area the total quantity mobilized through a particular plot during the license period either through Import or Export, which will be ascertained from the Final Draft Survey Report, will be considered for computing the remission.

For Export Cargo:

HDC maintains stock records of each and every plot, which the licensees of plots updates with the volume of cargo stored by them in each plot under their possession. The cargo mobilization per sq. m from a particular plot will be computed on the basis of the quantum of cargo shipped from that particular plot which will be ascertained from the Final Draft Survey Report after completion of work of each and every vessel.

17. Incase license of land inside the Dock Interior Zone for storage of cargo for a period upto 5 years, allotted on license through tender cum auction basis, remission against license fees shall be extended as follows:

Cargo mobilization through the concerned plot in one year (365 days)	Proposed % of Remission on the license fees on the extant fees offered by the bidder.
More than 13 MT per sq. mtr. upto 16.5 MT per sq. mtr.	15%
More than 16.5 MT per sq. mtr.	30%

9.2. The SPMP is directed to suitably incorporate the above provisions in its Schedule of Rent.

9.3. The said charges shall come into effect after expiry of 30 days from the date of Notification of the Order passed in the Gazette of India and its validity shall remain co-terminus to the validity of the existing Schedule or Rent of SPMP i.e. upto 06 April 2021.

(T.S. Balasubramanian)

Member (Finance)

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SUMMARY OF THE COMMENTS RECEIVED FROM A USER AND THE ARGUMENTS MADE IN THIS CASE DURING THE JOINT HEARING BEFORE THE AUTHORITY.

(KOPT)

TAMP/60/2020-SPMP : Proposal received from Syama Prasad Mookerjee Port (SPMP) [Erstwhile Kolkata Port Trust (KOPT)] for allowing remissions on the compensation charges as well as on the license fees on the Land allotted to the customers in the Dock Interior Zone at Haldia Dock Complex (HDC).

The comments received from one of the users i.e. Steel Authority of India Limited (SAIL) and comments of SPMP thereon are tabulated below:

SI. No.	Comments received from Steel Authority Of India Limited (SAIL)				Reply of SPMP
(a).	SAIL has been a regular importer of bulk cargo (Coking Coal & Limestone) through Haldia port. During the year, the pandemic has impacted severely particularly during the Q-1 & Q-2 affecting steel production by 40-50% and in turn disrupted procurement of imported raw materials. Due to nature of operation at SPMP, SAIL have been predominantly allotted developed plots on long term (330 days & 180 days) suitable for evacuation by rail. The proposed remission scheme is tabulated as follows:				The proposed scheme of allowing remission in license fees is indeed an incentive scheme through which the users, who mobilizes more volume of cargo, will be benefitted under the scheme. However, the scheme does not provide any benefit to non-performers. Such proposal has been raised by HDC, SMP Kolkata to have a better roll over of the plots so that holding of plots
	Allotment Category	Eligibility for allocation 18 MTs/Sq	Remission Slab (1st) 22-27	Remission Slab (2 ^{nd)}) 27 mts/Sq	by non-performers can be discouraged by way of providing incentives. On the contrary, by allowing blanket discount /
	(Developed)	mtr	Mts/Sq Mtr (15% remission)	mtr and above 30% remission	remission on the license fees will only encourage the non-performer to hold the plots for longer period, which is detrimental to the interest of the Port
	180 days (Developed)	10 MTs/Sq mtr	12-15 MTs/Sq Mtr (15 % remission)	15 mts/Sq mtr and above 30% remission	and better performing Port users like SAIL.
(b).	From the above, it may be observed that HDC has offered to give remission under the present category subject to fulfillment at a higher level by the importer. The scheme appears to be an incentive scheme for increasing import rather than rendering remission for lesser fulfillments under pandemic where 10 months have already elapsed out of usual allotment period of 330 days. It is felt that HDC to consider remission of 30% plot rent irrespective of fulfillment of cargo handling. HDC is collecting Security Deposit against allotment of each plot for storage to the tune of 1				The contention of SAIL has got no relevance with the instant proposal.
	month rent which is held back throughout the tenure of the plot allotment. This is causing burden particularly on the user like SAIL having taken a				However, the request of SAIL is under active examination by the appropriate authority of SMP, Kolkata.

SI. No.	Comments received from Steel Authority Of India Limited (SAIL)	Reply of SPMP
	large area of storage plot. It is felt that HDC should consider a fixed amount towards security to reduce burden on the users and same should be rotated periodically. A suitable scheme may be formulated accordingly to extend relief to the users.	

2. In view of the outbreak of COVID – 19 and in pursuance of the Ministry of Shipping (MOS) letter No. 11053/30/2020-Coord. dated 16 April 2020 to hold virtual meetings, a joint hearing on the case in reference was held on 20 January 2021 through Video Conferencing. At the joint hearing, SPMP made a brief power point presentation of its proposal. The SPMP and the users/ user organizations/ Lessees have made the following submissions during the joint hearing:

HDC, SPMP

- (i). Land has been allotted to various importers/ exporters in the Dock Interior Zone of HDC. The highest slab of 10 times of Compensation charges for unauthorized occupation of land is considered to be very high and on many occasions, the importers/ exporters have abandoned their residual cargo, so as to avoid paying high compensation charges.
- (ii). Considering the difficulties faced by the Trade due to the ongoing pandemic situation, it has been decided to relax the compensation charges for wrongful use and occupation of land beyond the license period. Thus, for an unauthorized occupation, instead of levying 3 times/ 5 times/ 10 times of the SOR during 1st 30 days/ next 30 days/ continued unauthorized occupation respectively, it has been decided to levy 3 times/ 5 times of the SOR during 1st 60 days/ continued unauthorized occupation respectively.
- (iii). Further, it has been decided to give remission on the applicable license fees in the range of 15% to 30%, when the licensee vacates the plot early as compared to the period for which License has been allotted Land for storage of cargo.
- (iv). At present the evacuation rate at HDC is slow due to which there is an acute shortage of storage area inside the Dock. The remission is proposed so that it would encourage importers for quick evacuation of cargo and early surrender of storage area. This will enable the port to roll over the storage area, thereby enabling catering to the requirement of more no. of vessels. This will generate more revenue to the Port.

Global Enterprises

- (i). From when will the remission begin?
 - HDC We propose to implement these provisions prospectively after receipt of approval from TAMP.

TMILL

- (i). We have already entered into licence agreement with HDC. It is still on. How will the benefit of remission be passed on to us?
 - HDC The provision relating to remission will be considered only when you come for renewal of the licence agreement. It cannot be made applicable in the payment of rentals as per the current licence agreement.)

SAIL

- (i). It is a welcome step.
- (ii). However, we need to highlight that HDC is collecting Security Deposit against allotment of each plot for storage to the tune of 1 month rent which is held back throughout the tenure of the plot allotment. This is causing burden who have taken a large area of storage plot. The HDC should consider a fixed amount towards security and periodically rotate the same. This will reduce burden on the users.
 - HDC We have received similar requests from other users as well. We are examining it. Nevertheless, this aspect has no bearing on the subject proposal in reference.

Shyam Sel & Power Limited

- (i). The scheme appears to be an incentive scheme for increasing imports.
 - HDC If you perform and mobilise more cargo, you will get the remission.

AME Group

(i). We have no comments.

HDC, SPMP

(i). We will respond to TAMP's gueries and users comments within a week.

Dy. Chairman, HDC

(i). The basic intention of the proposal is to get more cargo to the port. We seek co-operation and support from TAMP. TAMP Order will help the port.
