TARIFF AUTHORITY FOR MAJOR PORTS

G. No. 46

New Delhi,

2 February, 2016

# **NOTIFICATION**

In exercise of the powers conferred by Sections 48 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from Mumbai Port Trust (MBPT) for fixation of Reference tariff for the use of Floating Crane at Port Lighterage Anchorage (PLA), under the Guidelines for Determination of Tariff for Projects at Major Ports, 2013, as in the Order appended hereto.

> (T.S. Balasubramanian) Member (Finance)

# Tariff Authority for Major Ports Case No. TAMP/62/2015-MBPT

The Mumbai Port Trust

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#### Applicant

# <u>ORDER</u>

(Passed on this 13<sup>th</sup> day of October 2015)

This case deals with the proposal received from the Mumbai Port Trust (MBPT) for fixation of Reference tariff for the use of Floating Crane at Port Lighterage Anchorage (PLA) under the Guidelines for Determination of Tariff for Projects at Major Ports, 2013.

2.1. The Ministry of Shipping (MOS) under cover of its letter No.PR-14019/16/2012-PG dated 31 July 2013 has issued 'Guidelines for Determination of Tariff for Projects at Major Ports, 2013 under Section 111 of the Major Port Trusts Act, 1963 on 31 July 2013. In compliance of the policy directives issued by the (MOS) under Section 111 of the MPT Act, 1963, the said Guidelines were notified vide Notification No. TAMP/18/2013-Misc. in the Gazette of India on 8 August 2013, vide Gazette no.214. The said Guidelines were made effective from 31 July 2013.

2.2. Subsequently, the MOS issued revised Guidelines for Determination of Tariff for Projects at Major Ports, 2013 under Section 111 of the Major Port Trusts Act and made it effective from 9 September 2013. The said revised guidelines were notified in the Gazette of India on 30 September 2013 vide Gazette No. 254.

3.1. The Mumbai Port Trust (MBPT) under cover of its letter dated 26 August 2015 had submitted a proposal with the approval of its Board of Trustees for fixation of Reference tariff for the use of Floating Crane at Port Lighterage Anchorage (PLA) under the revised Guidelines for Determination of Tariff for Projects at Major Ports, 2013. In this regard, the MBPT had proposed to adopt the tariff of Floating Crane approved for Kandla Port Trust (KPT).

3.2. The MBPT in its proposal has stated that, to increase the productivity in lighterage operations, it intends to issue license to the operators through competitive bidding to operate floating cranes on common user basis in Port Lighterage Anchorage (PLA) area. In this regard, it was not clear whether the arrangement envisaged by the MBPT would be governed u/s 42(3) of the MPT Act. The MBPT was requested to clarify the position.

3.3. Further, on a scrutiny of the proposal dated 26 August 2015, it was seen that the MBPT did not submit the Performance standards and the Scale of rates, which are required to be filed along with the proposal.

3.4. Accordingly, the MBPT was requested vide our letter dated 02 September 2015 to furnish all requisite information / clarification.

4.1. In this backdrop, the MBPT vide its letter dated 10 September 2015 clarified that it intends to operate Floating Crane at PLA through private operators as per BOT Concession Agreement as governed under Section 42(3) of the MPT Act. Further, the MBPT vide the said letter furnished the Performance Standards and the Scale of Rates and made a request to notify the tariff under the Revised Guidelines for Determination of tariff for projects at Major Ports, 2013.

4.2. Clause 2.2 of the Reference Tariff Guidelines of 2013, *inter alia*, stipulates that while adopting the Reference tariff, the tariff set under the Tariff Guidelines, 2008 shall be escalated to the extent of 60% of WPI per annum as provided in the said Guidelines for the period between 1<sup>st</sup> January of the year as prescribed in the relevant tariff Order of TAMP under 2008 Guidelines and 1<sup>st</sup> January of the subsequent relevant year when the Reference Tariff for the particular project in question is being notified. However, with regard to the draft Scale of Rates furnished by MBPT vide its above mentioned letter, it was seen that the MBPT proposed the rate for use of Floating Crane at the Outer Tuna Buoy (OTB) as has been prescribed in the Upfront tariff schedule for the Barge handling facilities at Tuna, Kandla (fixed vide Order No. TAMP/6/2013-KPT dated 22 February 2013) without applying the applicable escalation factor.

4.3. Also, a General note with regard to the indexation of tariff caps to inflation prescribed in the KPT Scale of Rates was not found proposed in the draft SOR furnished by MBPT. Further, the MBPT was seen to have reproduced the optimal capacity calculation as

reflected in the KPT Order No. TAMP/6/2013-KPT dated 22 February 2013 and was not seen to propose the performance standards in the Performance standards schedule.

4.4. Therefore, the MBPT was once again requested vide our letter dated 16 September 2015 to furnish draft Scale of rates reflecting the indexed reference tariff, to prescribe the general note in the draft Scale of rates and to furnish the Performance Standards which will enable the operator to seek the Performance linked tariff as per 2013 guidelines.

4.5. In this connection, the MBPT has responded vide its letter No. FA/ACC/205/4183 dated 28 September 2015 and furnished the Revised draft Scale of Rates by applying an indexation factor @11.21% on upfront tariff approved for operation of floating crane at OTB at KPT vide TAMP Order No. TAMP/6/2013-KPT dated 22 February 2013 alongwith Performance Standard. Subsequently, the port has requested to notify the proposed Reference Tariff Schedule and Performance Standards in terms of Revised Guidelines for Determination of Tariff for Project at Major Ports, 2013.

5.1. The main points made by MBPT in its proposal dated 26 August 2015 are summarized below:

- (i). About 13 million tonnes of cargo is discharged / loaded annually in the PLA and inner harbor of Mumbai Port by lighterage operations. The mother ships with their own gear unload cargo into the barges banked alongside. The discharging and loading operations in Port Lighterage Anchorage (PLA) are feasible only in fair weather season i.e. between October to May. In monsoon, due to high swells in the outer harbour, the lighterage operations become difficult and so it takes place in the inner harbor. These operations take place with ship's own gear.
- (ii). With a view to increase the productivity in lighterage operations, and thereby making the discharging / loading operations cost-effective and also to encourage the importers / exporters to bring gearless ships to Mumbai Port, MBPT intends to issue license to the operators through competitive bidding to operate floating cranes on common user basis in PLA area in fair weather season i.e. from October to May.
- (iii). A number of Floating Cranes are successfully operating at KPT. The cargo profile and other physical conditions are more or less similar in MBPT and KPT and; therefore, the model adopted by KPT is suitable for MBPT too.
- (iv). Therefore, MBPT proposes to adopt tariff for handling dry cargo by floating crane approved by TAMP at KPT. The rates approved by TAMP vide Order No. TAMP/6/2013-KPT dated 22 February 2013 for KPT for handling cargo by floating cargo at Outer Tuna Buoy of KPT are as under:

SI.	Commodity	Rate (in ₹. Per tonne)	
No.		Foreign	Coastal
1	All types of dry bulk	25.13	15.08
2	Steel	47.15	28.29
3	Timber	75.48	45.29

Note:

The Tariff caps will be indexed to inflation but only to an extent of 60% of the variation in wholesale Price Index (WPI) occurring between 1 January 2012 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into from 1<sup>st</sup> April of the relevant year to 31<sup>st</sup> March of the following year.

(v). As per para 2.2 of Revised Guidelines for Determination of Tariff for Project at Major Ports 2013, in case no tariff has been fixed for a particular commodity in a particular Major Port Trust under the 2008 Guidelines, then the concerned port can propose to TAMP any other tariff fixed under the 2008 Guidelines in any other Major Port Trusts. Hence, TAMP's approval is requested for adopting the tariff for handling dry bulk cargo by floating crane at KPT for the operations of floating cranes at MBPT. (vi). The Board vide TR No 42 of 13 August 2015 has approved the proposal for fixation of tariff for handling dry bulk cargo by floating crane at PLA.

5.2. The details of the Reference Tariff and Performance Standards as proposed by MBPT vide its letter dated 28 September 2015 are given below:

## (i). Scale of Rates

Tariff for handling cargo by floating crane at Port Lighterage Anchorage:

SI. No.	Commodity	Rate in ₹. per tonne	
		Foreign	Coastal
1	All types of dry bulk cargo	27.95	16.77
2	Steel	52.44	31.46

\* Tariff for cargo handling by floating crane includes the following defined scope of work: Unloading of the cargo from the mother vessel to barge at PLA and vice versa. Stevedoring charges shall be separately borne by the user / vessel owner and the amount of stevedoring charges shall be paid to the licensed stevedores.

#### Note:

If a self – geared vessel uses the floating crane at PLA for unloading/loading of cargo, then it has to pay the charges of floating crane for the cargo handled through floating crane. To make it clearer there should be Master's Certificate which clearly notifies that this much amount of cargo shall be handled through floating crane only at PLA.

# (ii). **Performance Standards:**

Licensee shall endeavor to handle dry bulk cargo and other cargo per day by deployment of 25T floating crane as detailed below:

- (a). All types of Dry Bulk Cargo 10920 tonnes per weather working day
- (b). Steel and other break bulk 5820 tonnes per weather working day

6. Thereafter, with regard to the draft Performance standards, the MBPT vide its letter dated 7 October 2015 has stated that the Performance standards prescribed by KPT for operation of floating crane at OTB are acceptable to MBPT for operations of floating crane at PLA at the MBPT.

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

- (i) With a view to increase the productivity in lighterage operations and by making the discharging / loading operations cost-effective and also to encourage the importers/ exporters to bring gearless ships to Mumbai Port, the MBPT intends to issue license to operators to operate floating crane to handle dry bulk cargo at port on common user basis. Accordingly, in pursuance of the Reference Tariff Guidelines, the MBPT has filed the proposal under reference for notification of Reference tariff for Floating Crane at Port Lighterage Anchorage (PLA). The MBPT has furnished the proposed Reference Tariff Schedule and the Performance Standards. The proposal of the MBPT has the approval of its Board of Trustees.
- (ii). Clause 2.2. of the Revised Tariff Guidelines of 2013, announced by the Government for fixation of Reference Tariff, *interalia*, stipulates that the Reference Tariff will be the highest tariff fixed for that commodity in the concerned Major Port

Trust under the 2008 Tariff Guidelines. In case no tariff has been fixed for a commodity at a major port trust or if the highest tariff fixed for a particular commodity in the concerned major port trust does not represent the project proposed to be developed, then concerned major port trust can propose to this Authority any other tariff fixed under 2008 tariff guidelines in any other major port trust, which is representative enough for that commodity giving detailed and sufficient justification.

- (iii). Thus, in line with the stipulation contained in clause 2.2 of the Reference Tariff Guidelines, as brought out above, the MBPT on the ground that it does not have a tariff for use of Floating Crane and since reportedly there are number of Floating Cranes operating successfully at Kandla Port Trust (KPT) and the cargo profile and other physical conditions at KPT appears to be more or less similar in MBPT, the MBPT has proposed adoption of upfront tariff notified by this Authority vide Order No. TAMP/6/2013-KPT dated 22 February 2013, for handling of cargo by Floating Crane at Outer Tuna Buoy (OTB) from the Upfront tariff Schedule prescribed for upgradation of Barge Handling facilities at Tuna Port, at KPT.
- (iv). With regard to the upfront tariff order of KPT that has been taken as base by MBPT, it is relevant here to mention that based on a proposal received from KPT, this Authority, vide the above referred Order, has approved the upfront tariff for handling all types of dry bulk cargo, break bulk cargo like steel and timber at the Barge handling facilities at Tuna, Kandla.

Further, since the proposal of KPT then was for upgradation of the Barge handling facilities at Tuna, Kandla, the upfront tariff schedule as notified vide the above referred Order, prescribes upfront tariff comprehensively under the head of viz. Berth hire charges, Cargo handling charges, tariff for handling cargo by Floating Crane at OTB, Storage charges and Miscellaneous charges.

However, since the MBPT has envisaged only use of a Floating Crane at PLA, the MBPT in its Reference Tariff Schedule has proposed to adopt only the upfront tariff for handling cargo by Floating Crane as approved in the case of KPT. Further, on the ground that the MBPT does not envisage any handling of Timber at PLA, it has adopted only the rate of 'All types of dry bulk cargo' and 'steel' from KPT Order. Based on the justification furnished by the Port that the cargo profile (except timber) and physical conditions are more or less similar in MBPT and KPT, this Authority is inclined to approve the proposal of the MBPT to adopt the upfront tariff of KPT as prescribed in the above referred Order.

(v). The Revised Guidelines of 2013 stipulate that while adopting the Reference tariff, the tariff set under the Tariff Guidelines of 2008 shall be escalated to the extent of 60% of WPI per annum, as provided in the said guidelines for the period between 1st January of the year as prescribed in the relevant tariff order of this Authority under 2008 guidelines and 1st January of the subsequent relevant year when the Reference Tariff for the particular project in question is being notified.

The Upfront Tariff Schedule of KPT specifically states that the base year of Wholesale Price Index (WPI) for indexation in the reference tariff rates approved in the said Order will be 1 January 2012. Accordingly, the MBPT has applied the indexation factor of 11.21% on the tariff caps approved for the Floating Crane at KPT. This indexation factor is seen to be the indexation factor as communicated by us to all the Major Port Trusts to be applicable for reference tariff fixed in the year 2015 with base WPI as on 1 January 2012.

The indexed reference tariff for floating crane at the proposed facility as derived by the MBPT based on the indexation factor as applicable for the year 2015, is found to be in order.

(vi). In the proposed reference tariff schedule, the MBPT has prescribed all the definitions and the general terms and conditions forming part of the KPT Reference tariff Schedule to the extent they are relevant to prescription of tariff for the use of Floating Crane. Thus, some definitions and some conditionalities governing the levy of cargo handling charges, storage charges and berth hire charges as prescribed in the KPT upfront tariff schedule have rightly not been proposed by the MBPT in its proposed reference tariff schedule. The definitions and conditionalities as proposed by the MBPT in its Reference Tariff Schedule are approved.

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

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

Therefore, the definition of Coastal Vessel as proposed by the MBPT has been modified in line with the above mentioned definition of 'Coastal Vessel'.

- (viii). The Note no. (iv) mentioned in Section 1.2 General Terms and Conditions of the proposed Reference Tariff Schedule by MBPT is with regard to payment of rebate equivalent to berth hire charges to the concessionaire for the period, when a barge idles due to breakdown or non-availability of the shore based facilities of Terminal or any other reasons attributable to Terminal. Since this note pertains to levy of berth hire charges and since no berth hire charge is proposed in the draft Reference Tariff Schedule the prescription of the said note is not found to be relevant and hence is deleted.
- (ix). Clause 2.2 of the revised tariff guidelines of 2013 requires this Authority to prescribe the Reference Tariff along with the Performance Standards. Though the revised guidelines of 2013 do not require this Authority to go into the Performance Standards proposed by the port it may not be unreasonable to assume that the ports would propose reasonable and achievable Performance Standard.

With regard to the performance standards as brought out earlier, the MBPT has stated that the Performance Standards prescribed in the case of operation of Floating Crane at OTB are acceptable to MBPT.

In this regard, it is relevant to mention here that the tariff Order of KPT which has been taken as base by MBPT, does not prescribe any Performance Standards, as the KPT proposal was disposed based on the stipulations contained in the 2008 Upfront Tariff Guidelines. The stipulation of prescription of Performance Standards so as to enable the operator to seek upward revision upto 15% over the indexed reference on his eligibility, arises from the provisions of 2013 Reference Tariff Guidelines. Nevertheless, this Authority, while disposing the Reference Tariff cases, has always strived to prescribe Performance Standards, based on output (handling) rate considered in the optimal quay capacity calculation. In line with this position, the Performance Standards in respect of the Floating Crane at MBPT are prescribed based on the output (handling) rate considered in the optimal quay capacity calculation of the Floating Crane in the case of KPT. Further, since the Reference Tariff Schedule proposes prescription of Reference Tariff for handling of all types of Dry Bulk cargo and Steel only, the prescription of Performance Standards is restricted to the said two tariff items only. Thus, the Performance Standards are prescribed at 22776 tonnes per weather working day in respect of all types of Dry Bulk cargo and 12144 tonnes per weather working day in respect of Steel, which were considered as handling rates for calculation of optimum capacity of the Floating Crane at OTB of KPT.

(x). The MBPT in its proposed Performance Standards has stated that the licensee shall endeavor to handle dry bulk cargo and steel per day by deployment of 25T floating crane. In this regard, it is relevant to mention here that no such indication of the capacity of Floating Crane is available in the tariff order of KPT. Therefore, it is not felt appropriate to indicate the capacity of Floating Crane in the Performance Standard Schedule of MBPT. Hence, the indication of the capacity of the Floating Crane proposed by MBPT is deleted.

8.1. Subject to above, the Reference Tariff Schedule along with conditionalities governing the Reference Tariff has been modified.

8.2. The modified Reference Tariff Schedule is attached as **Annex–I** and the Performance Standards is attached as **Annex–II**.

8.3. In the result, and for the reasons given above, the modified Reference Tariff Schedule for the Floating Crane at Port Lighterage Anchorage at MBPT is approved along with the Performance Standards.

8.4. As per clause 2.5 of the Revised Tariff Guidelines 2013, the Reference Tariff and Performance Standards notified by this Authority shall be mentioned in the bid document and subsequently in the Concession Agreement in respect of PPP Projects. Accordingly, the MBPT is advised to incorporate the Reference Tariff and Performance Standards, in the bid document and subsequently in the Concession Agreement in respect of PPP Projects.

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

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

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

9.3. On receipt of the proposal, this Authority will seek the views of the MBPT on the achievement of Performance Standards as outlined in para 5 of the tariff guidelines of 2013, within 7 days of receipt.

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

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

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

9.7. From the third year of operation, the Performance Linked Tariff proposal from the PPP operator shall be automatically notified by this Authority subject to the achievement of

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

9.8. In the event any user has any grievance regarding non-achievement by the PPP operator of the Performance Standards as notified by this Authority, he may prefer a representation to this Authority which, thereafter, shall conduct an inquiry into the representation and give its finding MBPT. The MBPT will be bound to take necessary action on the findings as per the provisions of the respective Concession Agreement.

9.9. Within 15 (fifteen) days of the signing of the Concession Agreement, the concerned operator will forward the Concession Agreement to this Authority which will host it on its website.

9.10. The PPP operator shall furnish to this Authority quarterly reports on cargo traffic, ship berth day output, average turnaround time of ships, average pre-berthing waiting time as well as the tariff realized for each berth. The quarterly reports shall be submitted by the PPP operator within a month following the end of each quarter. Any other information which is required by this Authority shall also be furnished to them from time to time.

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

(T.S. Balasubramanian) Member (Finance)

#### REFERENCE TARIFF SCHEDULE FOR OPERATION OF FLOATING CRANE AT PORT LIGHTERAGE ANCHORAGE AREA (PLA) AT MUMBAI PORT TRUST

#### 1.1. DEFINITIONS

In this Scale of Rates unless the context otherwise requires, the following definitions shall apply:

- (i). "Coastal vessel" shall mean any vessel exclusively employed in trading between any port or place in India to any other port or place in India having a valid coastal licence issued by the Competent Authority / Director General of Shipping.
- (ii). **"Foreign-going vessel"** shall mean any vessel other than Coastal vessel.
- (iii). "Port" shall mean Mumbai Port Trust.
- (iv). "Per day" means per calendar day or part thereof
- (v). "TAMP" shall mean the Tariff Authority for Major Ports constituted under Section 47A of the Major Trusts Act, 1963.
- (vi). "Tonne" shall mean one metric tonne or 1,000 kilograms or one cubic metre.

## 1.2. GENERAL TERMS & CONDITIONS

- (i). Interest on delayed payments / refunds.
  - (a) The user shall pay penal interest on delayed payments under this Scale of Rates. Likewise, the terminal operator shall pay penal interest on delayed refunds.
  - (b) The rate of penal interest will be 2% above the prime lending rate of the State Bank of India.
  - (c) The delay in refunds will be counted only 20 days from the date of completion of services or on production of all the documents required from the users, whichever is later.
  - (d) The delay in payments by the users will be counted only 10 days after the date of raising the bills by the terminal operator. This provision shall, however, not apply to the cases where payment is to be made before availing the services where payment of charges in advance is prescribed as a condition in the scale of rates.
- (ii). All charges worked out shall be rounded off to the next higher rupee on the grand total of the bill.
- (iii). Users will not be required to pay charges for delays beyond reasonable level attributable to terminal operator.
- (iv). (a). The rates prescribed in the Scale of Rates are ceiling levels: likewise, rebates and discounts are floor levels. The terminal operator may, if he so desire, charge lower rates and / or allow higher rebates and discounts.
  - (b). The terminal operator may also, if he so desire, rationalise the prescribed conditionalities governing the application of rates prescribed in the Scale of Rates if such rationalisation gives relief to the user in rate per unit and the unit rates prescribed in the Scale of Rates do not exceed the ceiling levels.

(c). The terminal operator should, however, notify the public such lower rates and / or rationalisation of the conditionalities governing the application of such rates and continue to notify the public any further changes in such lower rates and / or in the conditionalities governing the application of such rates provided the new rates fixed shall not exceed the rates notified by the TAMP.

# 2. TARIFF FOR HANDLING CARGO BY FLOATING CRANE AT PORT LIGHTERAGE ANCHORAGE:

SI. No.	Commodity	Rate in ₹. per tonne	
		Foreign	Coastal
1	All types of dry bulk cargo	27.95	16.77
2	Steel	52.44	31.46

\* Tariff for cargo handling by floating crane includes the following defined scope of work: Unloading of the cargo from the mother vessel to barge at PLA and vice versa. Stevedoring charges shall be separately borne by the user / vessel owner and the amount of stevedoring charges shall be paid to the licensed stevedores.

# Note:

If a self – geared vessel uses the floating crane at PLA for unloading / loading of cargo, then it has to pay the charges of floating crane for the cargo handled through floating crane. To make it clearer there should be Master's Certificate which clearly notifies that this much amount of cargo shall be handled through floating crane only at PLA.

# 3. General Note to Section 2

The tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2015 and 1 January of the relevant year. Such automatic adjustment of tariffs caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.

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# <u>Annex-II</u>

# PERFORMANCE STANDARDS

I. Licensee shall endeavor to handle dry bulk cargo and steel per day by deployment of Floating Crane as detailed below:

- (a). All types of Dry Bulk Cargo 22776 tonnes per weather working day
- (b). Steel and other break bulk 12144 tonnes per weather working day

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