(Published in Part - III Section 4 of the Gazette of India, Extraordinary)

Tariff Authority for Major Ports

G.No.477 **New Delhi,** **18 October 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 the Mormugao Port Trust (MOPT) for revision of estate rental of 35 premises at MOPT for the period from 13 May 2021 to 12 May 2026 as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
No. TAMP/22/2021–MOPT

Mormugao Port Trust **- - -** **Applicant**

QUORUM:

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

O R D E R
(Passed on this 15th day of September 2021)

This case relates to the proposal received from the Mormugao Port Trust (MOPT) for revision of estate rental of 35 premises at MOPT for the period from 13 May 2021 to 12 May 2026.

2. The existing Scale of Rates (SOR) in respect of 36 premises of the MOPT was last revised by this Authority vide Order No. TAMP/32/2015-MOPT dated 27 February 2016. Subsequently, based on the proposal filed by the MOPT, an amendment Order No. TAMP/32/2015-MOPT dated 04 January 2017 was approved by this Authority revising the lease rentals for Headland Sada Shopping Complex. The validity of the Schedule of lease rent for 36 premises was for a period of five years from 13 May 2016 i.e. till 12 May 2021.

3. The Ministry of Ports, Shipping and Waterways (MOPSW), the then Ministry of Shipping (MOS), vide its letter dated 17 July 2015 issued Amended Land Policy Guidelines of 2014. Subsequently, MOPSW vide its letter dated 29 April 2019, has issued Clarification Circular (Land Management) No.1 of 2019-20 to ease the implementation of the Policy Guidelines dated 17 July 2015 (hereinafter termed as Policy Guidelines for Land Management 2015 (PGLM 2015)). Thereafter, the MOPSW has issued clarification circular No.1 & No.2 of 2019-20 dated 27 October 2020 and 05 November 2019 respectively to the Chairmen of all the Major Port Trusts.

4.1. Following the provisions of said PGLM-2015, the MOPT has filed a proposal for revision of the SOR for the 35 premises vide its letter No. FA/COST/125/2020/167 dated 24 March 2021 and vide another email dated 24 March 2021, the Port has furnished a copy of Valuation Report prepared by the valuer appointed by the port viz., M/s. Gurudutta Sanzgiri.

4.2. Subsequently, the MOPT vide another email dated 31 March 2021 has informed that the current proposal includes rates only for 35 premises as one of the structure i.e.V3 Shed located at Menezes Braganza Road, Baina, Goa has been demolished and no more in existence and hence the port has not included the said premise in the current proposal.

4.3. The main submissions made by MOPT in its proposal are summarized below:

(i). The lease rentals are to be fixed considering the five factors as stated under Clause 13(a) of the Policy Guidelines for Land Management (PGLM) 2015 viz. (1) State Govt. ready reckoner of land valuation, (2) Highest rate of actual relevant transactions in the last 3 years, (3) Highest accepted tender-cum-auction rate, (4) Valuation by approved valuer, (5) Any other relevant factor. Further, clause 13(b) of the PGLM 2015 states that the SOR determined in accordance with para 13(a) would in no case be less than 6% of the latest market value.

(ii). The port has appointed Mr. Gurudutta G. Sanzgiri, a Government Approved valuer for valuation of the premises through tendering process. The party has submitted the valuation report for all the 35 premises.

(iii). The comparative statement containing Market value of the premises as per the valuation report, current escalated SOR and the proposed SOR was placed before the Land Allotment Committee(LAC) for deliberation and decision to revise SOR.

(iv). The LAC comprising of Dy. Chairman, FA&CAO, CE and TM have approved the revised lease rates and have recommended sending of proposal to TAMP for notification of the revised rates after approval of the Board. The Committee has also decided that the rent so fixed will be escalated by 5% every year.
The MOPT has furnished copy of the LAC report dated 29 January 2021 and has also furnished a comparative statement showing Market value of land arrived under five factors.

(v). The reasons that weigh and warrant revision of SOR for the Port premises are given below:

(a). To recover the rising cost of maintenance of these structures by applying cost recovery principles;

(b). To generate adequate internal resources for creation and upgrading the existing Port structures and to provide efficient and cost-effective services to the Port Users.

4.4. The Board of Trustees of the Port, vide Board Resolution No. 80 dated 18 March 2021 has resolved the following:

(i). The proposed revision of Scale of Rates for Port's premises for submission to Tariff Authority for Major Ports for approval.

(ii). Authorize Chairman to make changes in the proposed rate based on the suggestions / feedback recommended by the users; and

(iii). The rent for premises shall be escalated by 5% per annum.

5. A comparative position of current and proposed Scale of Rates recommended by the LAC and approved by the MOPT Board for revision of estate rental of 35 premises furnished by MOPT is tabulated below:

Sr. No.	**Category**	**Lease rentals last approved vide Order dated 27.2.2016 read with amendment Order dated 04.01.2017 effective from 13.5.2016**	**Updated TAMP approved Lease rental per annum vide Order dated 27.2.2016 read with Order dated 04.01.2017@5% escalation as on 12.5.2021**	**Lease rental per annum @6% of Market Value of land recommended by LAC, approved by the MOPT Board and proposed by MOPT as on 13.5.2021**	**% Increase / decrease (3-2/2)**
		(1)	**(2)**	**(3)**	**(4)**
1.	Ground floor R.C.C. framed structure, building known as **V1 shed**, off. Menezes Braganza Road, Mormugao Port Trust, Baina (MOPT), at Goa.	75.00	91.00	103.00	13.19
2.	Basement+ground+upperground+first floor R.C.C framed structure, **100 bedded hospital building** near garbage treatment plant at Headland,Sada for MOPT at Goa	200.00	244.00	256.00	4.92
3.	Ground floor R.C.C framed structure, building known as **V2 shed**, opp Menezes Braganza Road, Mormugao Port Trust, Baina (MOPT), at Goa	75.00	91.00	96.00	5.49
4.	Ground floor R.C.C framed structure, building known as **T1 shed** (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, Vasco at Goa	75.00	91.00	96.00	5.49
5.	Ground floor R.C.C framed structure, building known as **T2 shed** (Transit Shed), Near Berth No.10, inside	75.00	91.00	105.00	15.38

	custom bound area, Mormugao Port Trust, at Goa				
6.	Ground floor R.C.C framed structure, building known as **T3 shed** (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, at Vasco-Goa	75.00	91.00	105.00	15.38
7.	Ground+2 upper floor, building which is known as **G.C.B building** near berth no.11 at Harbour, MOPT, Goa.	180.00	218.00	244.00	11.93
8.	Ground floor with balcony R.C.C framed structure, building known as **Sayantara Auditorium**, MOPT, Headland Sada, Vasco-Goa.	160.00	194.00	204.00	5.15
9.	Ground +2 upper floor building which is known as **old CME's office** building, MOPT at Jetty, Goa.	180.00	218.00	241.00	10.55
10.	Ground +2 upper floor R.C.C framed structure, building known as **Sports Academy**, MOPT at Baina, Goa.	275.63	334.00	351.00	5.09
11.	Ground+3+partly 4th upper floor R.C.C framed structure, building known as "**Old Administrative Building**" inside custom bound area at Harbour, MOPT, Vasco.	202.50	247.00	261.00	5.67
12.	Ground floor R.C.C framed structure, building known as **MOPT shopping complex at Harbour**, MOPT, Sada, Vasco, Goa.	140.00	170.00	317.00	86.47
13.	Three No's of Ground+1 upper floor R.C.C framed structure Commercial cum Residential building known as **MOPT Shopping Complex at Headland**, MOPT, Sada, Vasco.	260.00	316.00	332.00	5.06
14.	Ground floor R.C.C framed structure, building known as old **Primary Health Centre**, MOPT at Headland Sada, Goa.	180.00	218.00	250.00	14.68
15.	Ground floor R.C.C framed structure, building known as **Dr.Ambedkar Voacational centre** at Headland, MOPT, Goa.	180.00	218.00	267.00	22.48
16.	Ground floor R.C.C framed structure, known as **CHLD Community Building** at Headland, MOPT, Goa.	180.00	218.00	262.00	20.18
17.	Ground+2 upper floor R.C.C framed structure building known as **Port Users Building inside custom bound area**, Major Bunder, MOPT at Vasco, Goa.	367.00	445.00	609.00*	17.98
18.	Ground floor R.C.C framed structure, known as **'Old Power House" building** near berth No.11 at Harbour, Mormugao Port Trust, Vasco, Goa	135.00	164.00	172.00	4.88
19.	Ground floor load bearing structure, building known as **Sub Standard Quarters at Desterro**, Mormugao Port Trust (MOPT), Goa.	75.00	91.00	96.00	5.49
20.	Ground floor R.C.C framed structure, Building known as **Information Centre (SBI ATM)** at Headland, Mormugao Port Trust(MOPT), Goa.	390.00	476.00	500.00	5.04
21.	Ground +1 upper floor R.C.C framed structure, Building known as **HRD Centre**, Mormugao Port Trust (MOPT) at Headland, Goa	300.00	365.00	383.00	4.93
22.	Ground floor load bearing & Ground +1 upper floor R.C.C framed structure known as **Office Club Buildings**, near main bus- Stopat Headland, Mormugao Port Trust (MOPT) at Vasco, Goa.	225.00	273.00	287.00	5.13
23.	Flat No 191/1/4 on ground floor, building known as "**A" type Quarters** at Headland, Mormugao Port Trust (MOPT), Goa.	140.00	170.00	179.00	5.29

24.	Flat No 205 (2/2) on 1st floor, building known as "**B" type Quarters** at Headland, Mormugao Port Trust (MOPT), Goa.	140.00	170.00	179.00	5.29
25.	Ground floor R.C.C framed structure, building known as **D4 shed** (Transit Shed), Near Gate No.1, inside custom bound area, Mormugao Port Trust (MOPT) at Vasco, Goa.	75.00	91.00	105.00	15.38
26.	Flat No 148 on ground floor, building known as **"C" type Quarters** at Headland, Mormugao Port Trust (MOPT), Vasco, Goa.	140.00	170.00	179.00	5.29
27.	Flat No A on ground floor, building known as **"D" type Quarters** at Headland, Mormugao Port Trust (MOPT), Goa.	140.00	170.00	179.00	5.29
28.	Ground + 1 upper floor **bunglow for Head of Department** at Headland, Vasco Goa.	275.00	334.00	351.00	5.09
29.	**Developed land parcel, proposed used for C.F.S**, which is owned by 'Mormugao Port Trust', near AC plant, Ganesh Benzo Plast Tanks, at Bogda, Mormugao Port Trust (MOPT), Goa.	67.50	83.00	150.00	80.72
30.	Ground+3 upper floor building, R.C.C framed structure building known as **Cruise Business Centre** (Old CHLD Building) at Harbour, Mormugao Port Trust, Vasco , Goa.	202.50	247.00	259.00	4.86
31.	Ground floor R.C.C framed structure, building known as **Civil Engineering Maintenance Site Office** at Headland, Mormugao Port Trust(MOPT), Goa.	180.00	218.00	229.00	5.05
32.	Land with existing old structure which is known by **'Old MOPT Hospital Building'**, behind Sanjeevani Hospital and Anand Square Building, at Baina, Mormugao Port Trust (MOPT), Goa.	75.00	91.00	96.00	5.49
33.	Land with existing old structure which is known by **'Old Palace Hotel Building'**, inside custom bound area at Harbour, Mormugao Port Trust (MOPT), Goa.	100.00	122.00	128.00	4.92
34.	Developed land with existing building, which is known as **'MOPT Institute'**, adjacent to Swatantra Path, Next to Bank of Baroda, Mormugao Port Trust (MOPT), Vasco, Goa.	1,158.90	1,409.00	1,479.00	4.97
35.	Stilt + 6 Upper floor R.C.C framed Structure, building known as " **IOCL/Port Users Building**", inside custom bound area at Harbour, Mormugao Port Trust (MOPT) at Vasco, Goa	247.50	301.00	316.00	4.98

*** Earlier the MOPT proposed rate @ ₹ 525/- per sqm per month which is corrected by port vide its email dated 4 May 2021 @ ₹ 609/- per sqm per month.**

6. In accordance with the consultation process prescribed, a copy of MOPT proposal dated 24 March 2021 was circulated vide our letter dated 06 April 2021 to the concerned users/ user organisations as communicated by MOPT vide its letter dated 31 March 2021 seeking their comments. The comments received from the users/ user organisations were forwarded to MOPT as feedback information. The MOPT vide its emails dated 16 April 2021 and 04 May 2021 has furnished its reply.

7. A joint hearing in this case was held on 16 April 2021 through Video Conferencing. At the joint hearing, MOPT made a power point presentation of its proposal and forwarded a copy of the Power Point Presentation. The MOPT and the concerned users / user organizations have made their submissions.

8. At the joint hearing, Goa Custom Brokers Association (GCBA) vehemently opposed the rent proposed for the space occupied by the Association in the Old Administrative Building and

Cruise Business Centre. The MOPT, was, therefore, vide our letter dated 21 April 2021, requested to furnish its comments on the demand of the GCBA. The MOPT vide its email dated 06 May 2021 under cover of its letter No. FA/COST/125/2021/17 dated 06 May 2021 has responded. A summary of information / clarification sought by us and reply furnished by the MOPT thereon is tabulated below:

Sl. No.	Information/ Clarification sought by us	Reply furnished by the MOPT
1.	(i). At the joint hearing, Goa Custom Brokers Association (GCBA) vehemently opposed the rent proposed for the space occupied by the Association in the Old Administrative Building and Cruise Business Centre. The Association referred to a meeting held between the Association and the Chairman of the MOPT at the relevant point of time and demanded the agreed rate of ₹60/- per Sq. mtr. for the occupants retrospectively from the year 2012 based on a decision reportedly taken in the said meeting.	(i). Goa Customs Brokers Association (GCBA) had strongly opposed the rent proposed by the Port for the premises occupied by the Association in the Old Administrative Building and Cruise Business Centre. Based on their request to consider rent at ₹60/- per sq. mtr. for the Port premises occupied by association, Port has sent emails to GCBA giving opportunity to substantiate their submissions made in TAMP joint hearing dated 16 April 2021. GCBA reply is awaited. [MOPT has furnished copy of emails sent by MOPT to GCBA].
	(ii). In the context of recommending the market value of land / reserve price of port lands by the Land Allotment Committee / Board to TAMP, the then Joint Secretary (Ports), Ministry of Shipping (MOS) vide his d.o. letter No.PD-13017/2/2014-PDIV dated 08 July 2015 addressed to the port Chairmen has, among other things, stated that it is not mandatory that the LAC has to necessarily take the highest of the 5 factors given in the Land Policy Guidelines and can choose another factors with proper justification.	(ii). As per MOS letter dated 08 July 2015, it is not mandatory for the LAC to necessarily take the highest of the 5 factors given in the Land Policy Guidelines and it can choose another factor with proper justification. Keeping in mind the interest of the Port users, an opportunity has been provided to GCBA to justify the basis for considering the rent as ₹60/- per sq. mtr for the premises occupied at old Administrative Building and Cruise Business Centre by furnishing documentary evidence.
	(iii). The MOPT to furnish its comments on the demand of the GCBA and intimate whether it can review its proposal for rent for the old Administrative Building and Cruise Business Centre commonly applicable for all the allottees in the said two Buildings without reference to any particular allottee. If the port can review so, it may propose revised rental for the said two Buildings.	(iii). In the absence of documentary evidence, the Port is not in a position to provide proper justification and Port's proposal still stands.

9.1. Based on the preliminary scrutiny of the proposal, the MOPT was requested vide our letter dated 22 April 2021 to furnish information/ clarifications on a few points by 28 April 2021. The MOPT has furnished its reply on additional information/ clarification vide its email dated 04 May 2021. A summary of additional information/ clarification sought by us and reply furnished by the MOPT thereon is tabulated below:

Sl. No.	Information/ Clarification sought by us	Reply furnished by the MOPT
1.	**Valuation of land**	
(i).	Para 13 (a) of the Policy Guidelines for Land Management (PGLM) 2015 stipulates that the Land Allotment Committee (LAC) to be appointed by the Port Trust should normally take into account highest of the five factors listed in	As stipulated under para 13 (a) of the Policy Guidelines for Land Management (PGLM) 2015, the Land Allotment Committee (LAC) appointed by the Mormugao Port Trust has taken into account highest of the five factors

	the guidelines to determine the market value of the land. With reference to the valuation of land by MOPT, the following information / clarification is sought:	as listed in the guidelines to determine the market value of the land.
	(a). State Government ready reckoner of land values:	
	As per the statement of market value of land attached to the minutes of the LAC dated 29 January 2021, it is seen that the market value of land as per the State Government's Ready Reckoner is shown uniformly at ₹3500/- per sq. mtr for all the 35 structures. It is observed that market value of land under this method considered during the last revision in the year 2016 for 36 premises was also at the same level i.e. ₹3500/- per sq.mtr. The port to confirm that there is no change in the market value of land as per State Government's Ready Reckoner rate even after five years since the last revision.	It is confirmed that there is no change in the market value of land as per State Government's Ready Reckoner rate even after five years since the last revision. The gazette copy of the initial notification along with the subsequent gazette notifications for extension of the existing rates is enclosed as Annexure – I.
	(b). Highest Tender cum Auction rate for similar transactions:	
	As per the statement of market value of land attached to the minutes of the LAC dated 29 January 2021, it is seen that the market value of land under this method is shown as Not available for 32 structures. For 3 structures, viz at Sr.No.12, 13 & 17 i.e. MOPT shopping complex at Harbour, MOPT shopping complex at Headland and Port User's building inside custom bound area, the market value of land is given at ₹317/-, ₹317/- and ₹525 per square metre which is found to be lower than the State Government Ready Reckoner Rate. The MOPT, therefore, to examine and furnish the correct market value of land under this method for the said three structures and also furnish the basis for arriving at the market value of land under this method as the valuer's report does not cover this method.	In respect of the 3 structures listed at Sr.No.12, 13 & 17 i.e. MOPT shopping complex at Harbour, MOPT shopping complex at Headland and Port User's building inside custom bound area, the recent tendered rates i.e. Rs.317, Rs.317 & Rs.525/- per sq. mtr. per month respectively has been adopted as it is one of the factors under para 13(a) of the PGLM to arrive at the market value. However, in respect of the remaining 32 premises/ structures, none were recently tendered hence for such structures it was mentioned as tendered rates are not available in the statement of market value of land attached to the minutes of the LAC dated 29 January 2021. Further, the above stated rates are per sq. mtr. per month arrived @ 6% of the market valuation, whereas the State Government Ready Reckoner Rates for land are the valuation rates per sq. mtr. It is further informed that the rate mentioned in the proposed Scale of Rates against Sr. no. 17 (Ground+2 upper floor R.C.C framed structure building known as Port Users Building inside custom bound area, Major Bunder, MOPT at Vasco, Goa) is inadvertently written as ₹525/- instead of ₹609/- per Sq. mtr per month. Premises in the Port Users Building was leased to M/s. Flemingo (DFS) Pvt. Ltd. by Tender-cum-Auction Rate of ₹525/- per Sq. mtr. Per month from the month of November, 2017. As per the Tender Conditions, the rate was escalated by 5% per annum and the rate for

		the premises reached at ₹609/- per Sq. mtr. Per month w.e.f. November, 2020.
	(c). Rate arrived by Approved Valuer	
	(i). The basis of arriving at different cost of construction for each of the premises is neither explained in the proposal nor in the valuation report. Explain the basis thereof and also clarify the period to which the construction cost pertains to.	The port property includes various structures/ premises like storage sheds, office building, sports academy, market complex, residential quarters, transit sheds etc. The valuer has adopted Market value approach i.e. comparable sale transaction taking place in the area where property under valuation is situated. Further, for valuation purposes different cost of construction has been adopted depending on the make/built and material used for construction of the structure/ premises at the prevailing construction cost at the time of valuation.
	(ii). It is seen that the valuer, in its report, has arrived net composite value of structure taking prevailing market value of land for each structure plus salvage value of each structures which is seen to have been derived from the present replacement cost. When the structures are old, MOPT to clarify the reasons for taking the present replacement cost of structures. Please confirm it fits under the five methods given under the Land Policy Guidelines 2015. Also, confirm that the valuation of the structures considered by the approved valuer for arriving at proposed lease rent is representative enough in terms of physical features, development, facility, proximity to road etc.	The Premises/ structures have different replacement rate based on its classification as either Residential or Commercial or Industrial Shed. The net value of the structure has been arrived at by valuing the land at the prevailing market rate plus valuing the structure/ premises at the prevailing cost of construction (replacement cost) less depreciation. In case of old structures, which are in dilapidated condition, the land has been valued at the prevailing market rate whereas the structure has been valued at the salvage value. This is the general methodology adopted by the valuers for valuation of property. It is confirmed that the valuation of the structures considered by the approved valuer for arriving at proposed lease rent is representative enough in terms of physical features, development, facility, proximity to road etc.
	(d). Consolidated Statement of value of land The MOPT to furnish a consolidated comparative statement of valuation of Port structures under different methods along with detailed computation under the valuation by the approved valuer report as was furnished during the last revision which is attached as Annex – I to our Order dated 27 February 2016.	The consolidated comparative statement of valuation of Port structures under different methods along with detailed computation under the valuation by the approved valuer report is furnished.
2.	**<u>Scale of Rates:</u>**	
	(i).(a).The validity of existing lease rent for 36 premises at MOPT approved by this Authority vide Order No TAMP 32/2015- MOPT dated 27 February 2016 and 4 January 2017 expires on 12 May 2021. As per clause 13(c) of the Land Policy Guidelines 2015, the SoR has to be revised every five years i.e. in case of MOPT with effect from 13 May 2021. The port has, however, proposed the revised lease rent for 35 structures to be effective after expiry of 30 days from the date of notification of Order in the Gazette. As per the	(a) & (b). The existing SoR for lease rent for 36 premises at MOPT approved by the Authority vide Order No.TAMP/32/2015-MOPT dated 27 February 2016 and amendment Order No.TAMP/32/2015-MOPT dated 4 January 2017 is valid till 12th May 2021. The port seeks to implement the proposed SoR from 13th May 2021 onwards. Therefore, the following revised note to be incorporated under notes of the proposed Schedule of lease rent:

	proposal of the MOPT, the implementation of the revised rate may be beyond 12 May 2021 by the time the Order approved by is Authority is notified in the Gazette of India. So, the MOPT to confirm whether from 13 May 2021 till the revised lease rent comes into effect, the MOPT seeks to extend validity of the existing lease rent. The port to clarify in this regard.	*"The proposed rates shall come into force from 13th May 2021 and remain valid for a period of 5 years i.e. upto 12th May 2026 with an annual escalation of 5% after expiry of each year from the effective date of implementation of SoR and the escalated rates shall be considered as the prevailing Scheduled Rent for the concerned year. The rate so arrived is rounded off to nearest Rupee."*
	(b). The proposed schedule of lease rent for 35 structures includes a note stating that the rates provided in the Scale of Rates shall get automatically escalated by 2% per annum for land at I, II and III and 5% per annum for lease rentals for premises at IV after expiry of each year from the effective date of implementation of the Scale of rates. The escalated rates shall be considered as the prevailing Scheduled Rent for the concerned year. The rate so arrived is rounded off to nearest Rupee. The proposed note is not clear as there are no schedules I, II, III and IV in the proposal. The current proposal is filed by the MOPT independently for revision of lease rent for the 35 structures. To avoid any ambiguity, the MOPT to modify the proposed note to prescribe the applicable annual indexation for proposed lease rent schedule. For this purpose, if necessary, the MOPT may refer the note prescribed on annual escalation in Schedule of lease rent approved by this Authority in other Major Port Trusts like DPT, VOCPT, etc.	
	(c).The note in Schedule of rent of Other Major Port Trusts viz., DPT, VOCPT, etc. states that all the conditions governing the lease rental shall be as per the Policy Guidelines for Land Management 2015 read with Clarification/ Circulars issued / to be issued by the Ministry of Ports Shipping and Waterways (MOPSW) from time to time. The MOPT to incorporate this note in the proposed Schedule of lease rent.	(c). As proposed by TAMP, the following note is incorporated under notes in the proposed Schedule of lease rent: *"All the conditions governing the lease rentals shall be as per the Policy Guidelines for Land Management 2015 read with Clarification/ Circulars issued / to be issued by the Ministry of Ports Shipping and Waterways (MOPSW) from time to time".*

9.2 The consolidated comparative statement furnished by the MOPT alongwith its email dated 04 May 2021 included the monthly rent as per the approved valuer. Subsequently, MOPT vide its email dated 16 June 2021 has furnished revised consolidated comparative statement of market value of land including the lease rent proposed by the MOPT under the current proposal dated 24 March 2021.

9.3. Subsequently, the MOPT vide its email dated 10 May 2021 has clarified that the revised estate rentals for the 35 port structures/premises will be implemented with effect from 13 May 2021 and if the approved rates are less than the proposed rates then the difference would be refunded to the port users. The port has also furnished revised proposed SOR including the conditionalities governing the said SOR and a copy of trade notice dated 10 May 2021 issued to all the port users/agencies in this regard.

10. 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.

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

(i). The estate rental of 36 premises at Mormugao Port Trust (MOPT) was last revised by this Authority vide Order No. TAMP/32/2015-MOPT dated 27 February 2016. The said Order was notified in the Gazette of India vide Gazette No.133 dated 13 April 2016. Subsequently, based on the proposal filed by the MOPT, this Authority has passed an amendment Order No. TAMP/32/2015-MOPT dated 04 January 2017 revising the lease rentals approved by this Authority for Headland Sada Shopping Complex. The said amendment Order was notified in the Gazette of India on 21 March 2017 vide Gazette No.105. The validity of existing SOR is prescribed for a period of five years i.e. till 12 May 2021.

The current proposal filed by the MOPT is for revision of lease rent of 35 premises at MOPT following amended Land Policy Guidelines of 2014 i.e. Policy Guidelines for Land Management 2015 (PGLM 2015) issued by the Ministry of Ports, Shipping and Waterways(MOPSW). Since one of the structure i.e.V3 Shed located at Menezes Braganza Road, Baina, Goa is demolished and no more in existence, the port has proposed lease rates for 35 premises in the current proposal instead of 36 premises in the existing lease rent schedule approved by this Authority.

The MOPT proposal dated 24 March 2021 read with MOPT letter dated 31 March 2021 along with information / clarification furnished by the port during the processing of the case for revision of lease rental of 35 premises at MOPT for the period from 13 May 2021 to 12 May 2026 is taken up.

(ii). (a). Clause 13 of the Policy Guidelines for Land Management, 2015(PGLM 2015) lays down the procedure and the methodology to be adopted for determining the market value and the latest Scale of Rates of the port lands.

(b). The MOPT has constituted the LAC comprising of Dy. Chairman, FA&CAO, Chief Engineer and Traffic Manager complying with the provisions of the amended PGLM 2015.

(c). The MOPT has engaged Mr. Gurudutta G. Sanzgiri, a Government approved land valuer for assessing the market value of the 35 premises at MOPT as per Clause 13 (a)(iv) of PGLM 2015.

The LAC after going through the recommendations of the approved valuer and after considering the methodology prescribed under Clause 13(a) (i) to (v) of PGLM 2015 has recommended the market value and reserve price of the 35 premises at MOPT. Further, the proposal for fixing market value of land and reserve price in terms of annual lease rentals for 35 premises at MOPT has also been approved by the Board of Trustees of MOPT in its Board meeting held on 18 March 2021 based on the recommendation of the LAC.

Thus, the proposal filed by the MOPT which is supported with the copy of the Valuation Report of the approved valuer approved by the LAC constituted by the port recommending the market value of land and Reserve Price in terms of annual lease rent and which also has the approval of the MOPT Board is found to be in compliance with the provisions of PGLM 2015 for fixation of scale of rates of port premises and, therefore, relied upon for disposing of this case.

(iii). (a). Para 13(a) of the PGLM 2015 prescribes the methodology for determination of market value of the land based on the five factors prescribed therein. As per the said para, the LAC may normally take into account the highest of the factors mentioned therein, viz. (i). State Government ready reckoner of land values in the area if available for similar classification/activities, (ii). Highest rate of actual relevant transactions registered in the last three years in the Port's vicinity (the vicinity of the Port is to be decided by the respective Port Trust Boards), updated with an appropriate annual escalation rate to be approved by the Port Trust Board, (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, (iv). Rate arrived at by an approved valuer appointed for the purpose by the Port and (v). Any other relevant factor as is identified by the Port. Clause 13 (a) of PGLM 2015 also stipulate that in case the LAC is not choosing the highest factor, the reasons for the same have to be recorded in writing.

(b). The valuation report of the approved valuer states that the valuation is based on available documents including plans and structure area details given by the MOPT to assess the market value of 35 premises at MOPT.

(c). The valuation of 35 premises at MOPT considered by the LAC under the five methods prescribed in the Land Policy Guidelines is briefly explained hereunder:

(i). State Government ready reckoner rate:
Under the first option, the port has arrived at the State Govt. ready reckoner rate uniformly at ₹ 3500/- per sq. mtr for all the 35 structures. The port has confirmed that there is no change in the market value of land as per State Government's Ready Reckoner rate even after five years since the last revision.

(ii). Highest actual transaction rate:

Under this option, the LAC has considered the market value as nil citing the reason that the relevant transactions in port vicinity are not available.

(iii). Highest tender cum auction rate:

Under this option, the port has considered the market value as nil for 32 premises and for 3 structures, viz., MOPT shopping complex at Harbour, MOPT shopping complex at Headland and Port User's building inside custom bound area, the port has considered the lease rate based on the recent tender rates at ₹317/-, ₹317/- and ₹609 per square metre per month respectively which is stated to be arrived @ 6% of the market valuation

In respect of the remaining 32 premises/ structures, the port has confirmed that none of them were recently tendered and hence tendered rates are not available for the remaining 32 structures.

(iv). Rate arrived at by Approved valuer:

The valuer has generally arrived at the market value of the premises by taking value of the land at the prevailing market rate plus valuing the structure/ premises at the prevailing cost of construction i.e. replacement cost less depreciation. In case of old structures, which are in dilapidated condition, the land has been valued at the prevailing market rate whereas the structure has been valued at the salvage value. The MOPT has confirmed that the valuation of the structures considered by the approved valuer for arriving at proposed lease rent is representative enough in terms of physical features, development, facility, proximity to road etc.

(v). Any other factor identified by the port:

Under this option, the port has considered the updated lease rent as on 13 May 2021 by applying 5% escalation on existing SoR rate as on 12 May 2021 for all the 35 premises at MOPT.

The LAC, after detailed discussion in its meeting held on 29 January 2021 has recommended the market value of land and reserve price at 6% of the market value of land based on the highest market value assessed under all the factors for 35 premises at MOPT.

(d). The MOPT has furnished a consolidated comparative statement of valuation of Port structures under the above mentioned five methods.

After detailed discussions and deliberations the LAC in its meeting dated 29 January 2021 has recommended the highest of the factors as the market value of land for 35 premises at MOPT. A copy of statement of market value of land under the five factors and highest market value of land recommended by the LAC approved by the MOPT Board and proposed by the port furnished by MOPT is attached as **Annex-I**.

(e). The MOPT Board, vide its resolution dated 18 March 2021, has approved the recommendations of LAC in its meeting dated 29 January 2021.

(v). The proposal of the MOPT is based on the recommendation of the LAC and is approved by the Board of Trustees of the MOPT and complies with the provision of the Policy Guidelines for Land Management, 2015. That being so and in terms of Clause 13 (c) of the Land Policy Guidelines 2015, this Authority is inclined to approve the annual lease rent as proposed by the MOPT for 35 premises at MOPT for a period of five years from 13 May 2021 till 12 May 2026.

(vi). A comparative position of the lease rent approved by this Authority in the last tariff Order dated 27 February 2016 read with Order dated 4 January 2017 with effect from 13 May 2016, the indexed lease rent as on 12 May 2021 after applying applicable annual escalation factor of 5% and the reserve price in terms of annual lease rent as on 13 May 2021 as proposed by the MOPT, approved by this Authority along with impact of increase in terms of percentage is tabulated below:

(₹ / sq. mtr.)

Sr. No.	Zone/ Location	Lease rent approved in the last tariff Order dated 27.02.2016 read with Order dated 04.01.2017 and indexed lease rent as on 12.05.2021		Reserve Price in terms of annual lease rent recommended by the LAC, approved by MOPT Board and proposed by MOPT at 6% of the market value of land w.e.f. 13.05.2021 (per sq mtr /month)	Percentage increase over lease rent as on 12.05.2021
		Lease Rent per Sq. Mtrs. per annum as on 13.5.2016 (per sq mtr /month)	Indexed lease rent as on 12.5.2021 taking 5% escalation p.a. (per sq mtr /month)		
1	2		6	7	8
1.	Ground floor R.C.C. framed structure, building known as V1 shed, off. Menezes Braganza Road, Mormugao Port Trust, Baina (MPT), at Goa.	75.00	91.00	103.00	13.19
2.	Basement+ground+upperground+first floor R.C.C framed structure, 100 bedded hospital building near garbage treatment plant at Headland,Sada for MPT at Goa	200.00	244.00	256.00	4.92
3.	Ground floor R.C.C framed structure, building known as V2 shed, opp Menezes Braganza Road, Mormugao Port Trust, Baina (MPT), at Goa	75.00	91.00	96.00	5.49
4.	Ground floor R.C.C framed structure, building known as T1 shed (Transit Shed), Near Berth No.10, inside custom bound	75.00	91.00	96.00	5.49

	area, Mormugao Port Trust, Vasco at Goa				
5.	Ground floor R.C.C framed structure, building known as T2 shed (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, at Goa	75.00	91.00	105.00	15.38
6.	Ground floor R.C.C framed structure, building known as T3 shed (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, at Vasco-Goa	75.00	91.00	105.00	15.38
7.	Ground+2 upper floor, building which is known as G.C.B building near berth no.11 at Harbour, MPT, Goa.	180.00	218.00	244.00	11.93
8.	Ground floor with balcony R.C.C framed structure, building known as Sayantara Auditorium, MPT, Headland Sada, Vasco-Goa.	160.00	194.00	204.00	5.15
9.	Ground +2 upper floor building which is known as old CME's office building, MPT at Jetty, Goa.	180.00	218.00	241.00	10.55
10.	Ground +2 upper floor R.C.C framed structure, building known as Sports Academy, MPT at Baina, Goa.	275.63	334.00	351.00	5.09
11.	Ground+3+partly 4th upper floor R.C.C framed structure, building known as "Old Administrative Building" inside custom bound area at Harbour, MPT, Vasco.	202.50	247.00	261.00	5.67
12.	Ground floor R.C.C framed structure, building known as MPT shopping complex at Harbour, MPT, Sada, Vasco, Goa.	140.00	170.00	317.00	86.47
13.	Three No's of Ground+1 upper floor R.C.C framed structure Commercial cum Residential building known as MPT Shopping Complex at Headland, MPT, Sada, Vasco.	485.76	316.00	332.00	5.06
14.	Ground floor R.C.C framed structure, building known as old Primary Health Centre, MPT at Headland Sada, Goa.	180.00	218.00	250.00	14.68
15.	Ground floor R.C.C framed structure, building known as Dr.Ambedkar Voacational centre at Headland, MPT, Goa.	180.00	218.00	267.00	22.48
16.	Ground floor R.C.C framed structure, known as CHLD Community Building at Headland, MPT, Goa.	180.00	218.00	262.00	20.18
17.	Ground+2 upper floor R.C.C framed structure building known as Port Users Building inside custom bound area, Major Bunder, MPT at Vasco, Goa.	367.00	445.00	609.00	36.85
18.	Ground floor R.C.C framed structure, known as 'Old Power House" building near berth No.11 at Harbour, Mormugao Port Trust, Vasco, Goa	135.00	164.00	172.00	4.88
19.	Ground floor load bearing structure, building known as Sub Standard Quarters at Desterro, Mormugao Port Trust (MPT), Goa.	75.00	91.00	96.00	5.49
20.	Ground floor R.C.C framed structure, Building known as Information Centre (SBI ATM) at	390.00	476.00	500.00	5.04

	Headland, Mormugao Port Trust(MPT), Goa.				
21.	Ground +1 upper floor R.C.C framed structure, Building known as HRD Centre, Mormugao Port Trust (MPT) at Headland, Goa	300.00	365.00	383.00	4.93
22.	Ground floor load bearing & Ground +1 upper floor R.C.C framed structure known as Office Club Buildings, near main bus- Stopat Headland, Mormugao Port Trust (MPT) at Vasco, Goa.	225.00	273.00	287.00	5.13
23.	Flat No 191/1/4 on ground floor, building known as "A" type Quarters at Headland, Mormugao Port Trust (MPT), Goa.	140.00	170.00	179.00	5.29
24.	Flat No 205 (2/2) on 1st floor, building known as "B" type Quarters at Headland, Mormugao Port Trust (MPT), Goa.	140.00	170.00	179.00	5.29
25.	Ground floor R.C.C framed structure, building known as D4 shed (Transit Shed), Near Gate No.1, inside custom bound area, Mormugao Port Trust (MPT) at Vasco, Goa.	75.00	91.00	105.00	15.38
26.	Flat No 148 on ground floor, building known as "C" type Quarters at Headland, Mormugao Port Trust (MPT), Vasco, Goa.	140.00	170.00	179.00	5.29
27.	Flat No A on ground floor, building known as "D" type Quarters at Headland, Mormugao Port Trust (MPT), Goa.	140.00	170.00	179.00	5.29
28.	Ground + 1 upper floor bunglow for Head of Department at Headland, Vasco Goa.	275.00	334.00	351.00	5.09
29.	Developed land parcel, proposed used for C.F.S, which is owned by 'Mormugao Port Trust', near AC plant, Ganesh Benzo Plast Tanks, at Bogda, Mormugao Port Trust (MPT), Goa.	67.50	83.00	150.00	80.72
30.	Ground+3 upper floor building, R.C.C framed structure building known as Cruise Business Centre (Old CHLD Building) at Harbour, Mormugao Port Trust, Vasco , Goa.	202.50	247.00	259.00	4.86
31.	Ground floor R.C.C framed structure, building known as Civil Engineering Maintenance Site Office at Headland, Mormugao Port Trust(MPT), Goa.	180.00	218.00	229.00	5.05
32.	Land with existing old structure which is known by 'Old MPT Hospital Building', behind Sanjeevani Hospital and Anand Square Building, at Baina, Mormugao Port Trust (MPT), Goa.	75.00	91.00	96.00	5.49
33.	Land with existing old structure which is known by 'Old Palace Hotel Building', inside custom bound area at Harbour, Mormugao Port Trust (MPT), Goa.	100.00	122.00	128.00	4.92
34.	Developed land with existing building, which is known as	1,158.90	1,409.00	1,479.00	4.97

	'MPT Institute', adjacent to Swatantra Path, Next to Bank of Baroda, Mormugao Port Trust (MPT), Vasco, Goa.				
35.	Stilt + 6 Upper floor R.C.C framed Structure, building known as " IOCL/Port Users Building", inside custom bound area at Harbour, Mormugao Port Trust (MPT) at Vasco, Goa	247.50	301.00	316.00	4.98

As can be seen from the above table, the increase proposed by the MOPT in lease rent as on 13 May 2021 over the lease rent as on 12 May 2021 for most of the premises is around 5%, for a few premises it is in the range of 10% to 36 % and for two premises viz., Developed land parcel, proposed used for C.F.S, which is owned by MOPT and MOPT shopping complex at Harbour, it is 80.72% and 86.47% respectively. As regards the lease rent proposed by the port for developed land Parcel proposed to be used for CFS and MOPT shopping Complex, as per the consolidated statement of value of port structures and the proposed lease rent furnished by the MOPT, it can be seen that it is based on the highest of the five factors which is highest accepted tender for developed land parcel to be used for CFS at Sr.No.12 and rate arrived by the approved valuer is the highest among five factors for MOPT shopping Complex at Sr.No.29. The proposed lease rent arrived by the port is following the prescribed methodology in the PGLM 2015 for determination of market value of land and proposed lease rent, recommended by the LAC and approved by the Board of Trustees of the MOPT. The proposed lease rent for the 35 structures is hence approved.

(vii). (a). During the processing of the case, the Goa Customs Brokers Association (GCBA) vehemently opposed the rent proposed for the space occupied by the Association in the Old Administrative Building and Cruise Business Centre. Their contention was that the rate fixed by the Mormugao Municipal Council is ₹25 per sqm per month which now works out to ₹60 per sqm per month for the commercial area in Vasco da Gama and GCBA referring to a meeting held between the Association and the MOPT at the relevant point of time demanded the rate to be prescribed at agreed rate of ₹60/- per Sq. mtr. for the occupants retrospectively from the year 2012 .

On the comment of GCBA the MOPT made a point that the port had earlier in the year 2017 proposed lease rent @ ₹ 60/- per sq mtr per month upto an area of 40 sq mtrs for the Old Administrative Building and for Cruise Business Centre but the same was not approved by TAMP vide its Order dated 14 November 2017. In this regard, it is to state that this matter has been elaborately dealt with by this Authority in para 13(xiii) of the Order No.TAMP/38/2017-MOPT dated 14 November 2017. For the reasons stated in the said Order, this Authority held that the concessional rate proposed by MOPT to licensed Custom House Agents does not fit into the provisions stipulated for concession in the lease rent allowable to specific categories of allottees prescribed as per clause 11.2(g) and (h) of the amended Land Policy Guidelines, 2014 issued by the MOS and hence this Authority was not be in a position to prescribe the proposed rate. The said Order also states that the MOPT may chalk out appropriate ways and means in this regard following the provisions of the amended Land Policy Guidelines, 2014.

(b). In the current proposal, in view of the GCBA reiterating their request for reduced rate for these two premises at ₹60 per sqm per month, drawing reference to the letter dated 08 July 2015 of the MOPSW, this Authority requested MOPT to furnish its comments on the demand of the GCBA and intimate whether it can review its proposal for rent for the old Administrative Building and Cruise Business Centre commonly applicable for all the allottees in the said two Buildings without reference to any particular allottee.

In this regard, the MOPT has stated that as per MOS letter dated 08 July 2015, it is not mandatory for the LAC to necessarily take the highest of the 5 factors given in the Land Policy Guidelines and it can choose another factor with proper justification. Keeping in mind the interest of the Port users, an opportunity was provided by the MOPT to GCBA to justify the basis for considering the rent as ₹60/- per sq. mtr for the premises occupied at old Administrative Building and Cruise Business Centre by furnishing documentary evidence. Several reminders were sent by the port to the GCBA. But, in the absence of documentary evidence furnished by the GCBA to the MOPT, the Port has expressed its inability to provide proper justification for reduced rates and hence the port has proposed to retain the proposed rate as per its original proposal for the said premises. Pertinently, it can be seen from the table in para 11(vi) above, that the increase in the lease rent proposed by the port for the Old Administrative building is 5.67% and for Cruise Business Centre it is 4.86% over the prevailing lease rent as on 12 May 2021. The increase proposed is only to the extent of annual escalation. In view of the above position, and based on clarification of the port, and also recognizing the proposal of the port is following the PGLM 2015, recommended by the LAC and approved by the Board of Trustees of the port, this Authority approves the rates as proposed by the port for the Old Administrative Building and Cruise Business Centre as well.

However, in view of the objection raised by the GCBA, the MOPT may discuss the matter with the concerned stakeholder and, if necessary, file a revised proposal to TAMP for the said two premises.

(viii). Many of the users have mentioned about poor maintenance of structure by the port. The Port has clarified that internal maintenance is the responsibility of the allottees of space and external maintenance is port's responsibility. In view of the concern raised by the users, Port is advised to do the needful for proper maintenance of the structures.

(viii). As regards the request made by Flemingo (DFS) Pvt. Ltd. (FPL) to withdraw the MOPT proposal for increase in the lease rental for the premises at MOPT on account of Covid-19 pandemic, the MOPT has categorically stated that the revision of SoR will not affect license fee of M/s. Flemingo (DFS) Private Limited in view of the Tender conditions accepted by M/s FPL at the time of taking over the premises.

(ix). With respect to the request made by the Airport Authority of India Limited (AAIL) to continue the existing SOR and defer the SOR revision till the Covid-19 pandemic situation normalizes, as rightly stated by the MOPT, the port is bound by the Policy Guidelines for Land Management (PGLM), 2015. Further, as per PGLM, the SoR has to be revised every 5 years and deviation from the guidelines would result in non-compliance of the same. Both the port and this Authority are bound by the said guidelines issued by the MOPSW.

(x). (a). Clause 13 (c) of the PGLM 2015 gives flexibility to Ports to fix rate of annual escalation which should not be less than 2% with the approval of the Port Trust Board.

The port has proposed a note that the rates shall be escalated by 5% every year. Since the annual escalation in lease rent at 5% is approved by the Board and is found to be in line with the Policy Guidelines for Land Management 2015, the proposed note is approved. The first annual escalation @5% will be effective from 13 May 2022 on the revised rates in the Order approved by this Authority.

(b). The MOPT has incorporated the note prescribed in the Schedule of rent of Other Major Port Trusts viz., DPT, VPT, etc. stating that all the conditions governing the lease rental shall be as per the Policy Guidelines for Land Management 2015 read with Clarification/ Circulars issued / to be issued by the MOPSW from time to time. The said note is found to be in order.

(xi). (a). The proposal of the MOPT seeks approval of reserve price in terms of annual lease rent with effect from 13 May 2021 till 12 May 2026.

Section 49 of the Major Port Trusts Act, 1963 calls for fixation of rates from time to time. For fixation of lease rent, this Authority is bound by the Land Policy guidelines issued by the Government for arriving at the lease rental for Major Port Trusts land.

Clause 13 (c) of the amended Land Policy Guidelines of 2014 as well as Policy Guidelines for Land Management of 2015 (PGLM 2015) stipulate that the SOR will be revised every five years.

The lease rent approved by this Authority in the last tariff Order of February 2016 clearly mentions that the revised rates will be valid for a period of five years from the date it comes into effect. Thus, as per the said Order the revised lease rates was valid from 13 May 2016 till 12 May 2021. The position that the lease rentals for the structures at MOPT will be reviewed after expiry of five years i.e. from 13 May 2021 is in the knowledge of all the stakeholders. The MOPT has accordingly sought approval of the revised rates with effect from the date of expiry i.e. from 13 May 2021 for a period of five years till 12 May 2026

The port has proposed a note that proposed rates shall come into force from 13th May 2021 and remain valid for a period of 5 years i.e. upto 12th May 2026 with an annual escalation of 5% after expiry of each year from the effective date of implementation of SoR and the escalated rates shall be considered as the prevailing Scheduled Rent for the concerned year. The rate so arrived is rounded off to nearest Rupee. The proposed note is approved.

(b). The annual lease rent for 35 premises at MOPT approved by this Authority with effect from 13 May 2021 will be made applicable in case of the existing lessees / licensees subject to provision for periodic revision of rates agreed in the surviving lease agreements and in those cases of renewal/ allotment only if the respective lease agreement or letter of allotment, if no lease deed is still executed, explicitly provides for revision of lease rentals during the currency of the lease period.

12.1. In the result, and for the reasons given above, and based on a collective application of mind this Authority approves the revised lease rentals for 35 premises at MOPT alongwith the conditionalities attached as **Annex – II**.

12.2. The revised lease rent approved shall be effective from 13 May 2021 as proposed by the MOPT and shall remain valid for period of five years i.e. till 12 May 2026.

(T.S. Balasubramanian)
Member (Finance)

Annex – I

Comparative Statement of Valuation of 35 Port Structures at MOPT under five factors as per PGLM 2015 furnished by MOPT

(in ₹)

Sr. No.	Description Of Property	Built up area (Sq. mts)	Market Value of land as per State Govt. Reckoner Per Sq. Mtr. p.a.	Reserve Price for monthly lease rent @6% on Market Value as per State Govt. Reckoner	Relevant transact ions in port's vicinity Per Sq. Mtr. p.m	Highest rate of similar transac tions (Lease rent per sqm p.m)	Break up of valuation of Port structures by approved valuer for the built up area given in col.3			Market Value of Land and Port Structure As Per Approved Valuer Per Sq. Mtr.p.m	Reserve price for monthly lease rent @6% on valuation of structure by approved valuer.	Any Other Relevant factor (Lease rent per sqm p.m) after 5% escalation	Highest amongst 5 factors as per clause 13(a)	Proposed rent per sq. mtr. per month	Remarks
							Land (Value)	Premises/ Cost of Construction (Value)	Composite Value as on 04.11.2014						
1	2	3	4	5= Col 4 /12 *6%	6	7	8	9	10=Col 8 + Col 9	11= Col10/Col3/12	12=Col11*6%	13	14	15	16
1.	Ground floor R.C.C. framed structure, building known as V1 shed, off. Menezes Braganza Road, Mormugao Port Trust, Baina (MPT), at Goa.	2042	3,500	**18**	**0**	**0**	30,630,000	11,271,840	41,901,840	1,710	**103**	**96**	103	103	Valuation
2.	Basement+ground +upperground+first floor R.C.C framed structure, 100 bedded hospital building near garbage treatment plant at Headland, Sada for MPT at Goa	11839	3,500	**18**	**0**	**0**	260,458,000	269,929,200	530,387,200	3,733	**224**	**256**	256	256	Current rent/SoR rate after 5% escalation
3.	Ground floor R.C.C framed structure, building known as V2 shed, opp Menezes Braganza Road, Mormugao Port 0Trust, Baina (0MPT), at Goa	2042	3,500	**18**	**0**	**0**	30,630,000	5,758,440	36,388,440	1,485	**89**	**96**	96	96	Current rent/SoR rate after 5% escalation
4.	Ground floor R.C.C framed structure, building known as T1 shed (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, Vasco at Goa.	7822	3,500	**18**	**0**	**0**	117,330,000	9,386,400	126,716,400	1,350	**81**	**96**	96	96	Current rent/SoR rate after 5% escalation
5.	Ground floor R.C.C framed structure, building known as T2 shed (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, at Goa	5089	3,500	**18**	**0**	**0**	76,335,000	29,923,320	106,258,320	1,740	**105**	**96**	105	105	Valuation
6.	Ground floor R.C.C framed structure, building known as T3 shed (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, at Vasco-Goa	5089	3,500	**18**	**0**	**0**	76,335,000	29,923,320	106,258,320	1,740	**105**	**96**	105	105	Valuation
7.	Ground+2 upper floor, building which is known as G.C.B building near berth no.11 at Harbour, MPT, Goa.	2195	3,500	**18**	**0**	**0**	83,410,000	23,662,100	107,072,100	4,065	**244**	**229**	244	244	Valuation
8.	Ground floor with balcony R.C.C framed structure, building known as Sayantara Auditorium, MPT, Headland Sada, Vasco-Goa.	1289	3,500	**18**	**0**	**0**	15,468,000	2,320,200	17,788,200	1,150	**69**	**204**	204	204	Current rent/SoR rate after 5% escalation
9.	Ground +2 upper floor building which is known as old CME's office building, MPT at Jetty, Goa.	1926	3,500	**18**	**0**	**0**	80,892,000	11,787,120	92,679,120	4,010	**241**	**229**	241	241	Valuation
10.	Ground +2 upper floor R.C.C framed structure, building known as Sports Academy, MPT at Baina, Goa.	1074	3,500	**18**	**0**	**0**	45,108,000	13,242,420	58,350,420	4,528	**272**	**351**	351	351	Current rent/SoR rate after 5% escalation

Sr. No.	Description Of Property	Built up area (Sq. mts)	Market Value of land as per State Govt. Reckoner Per Sq. Mtr. p.a.	Reserve Price for monthly lease rent @6% on Market Value as per State Govt. Reckoner	Relevant transact ions in port's vicinity Per Sq. Mtr. p.m	Highest rate of similar transac tions (Lease rent per sqm p.m)	Break up of valuation of Port structures by approved valuer for the built up area given in col.3			Market Value of Land and Port Structure As Per Approved Valuer Per Sq. Mtr.p.m	Reserve price for monthly lease rent @6% on valuation of structure by approved valuer.	Any Other Relevant factor (Lease rent per sqm p.m) after 5% escalation	Highest amongst 5 factors as per clause 13(a)	Proposed rent per sq. mtr. per month	Remarks
							Land (Value)	Premises/ Cost of Construction (Value)	Composite Value as on 04.11.2014						
11.	Ground+3+partly 4th upper floor R.C.C framed structure, building known as "Old Administrative Building" inside custom bound area at Harbour, MPT, Vasco.	4666	3,500	**18**	**0**	**0**	163,310,000	79,905,250	243,215,250	4,344	**261**	**259**	261	261	Valuation
12.	Ground floor R.C.C framed structure, building known as MPT shopping complex at Harbour, MPT, Sada, Vasco, Goa.	872	3,500	**18**	**0**	**317**	11,336,000	1,046,400	12,382,400	1,183	**71**	**179**	317	317	Highest rate of similar tranaction i.e recent tendered rate
13.	Three No's of Ground+1 upper floor R.C.C framed structure Commercial cum Residential building known as MPT Shopping Complex at Headland, MPT, Sada, Vasco.	2185	3,500	**18**	**0**	**317**	124,545,000	15,732,000	140,277,000	5,350	**321**	**332**	332	332	Current rent/SoR rate after 5% escalation
14.	Ground floor R.C.C framed structure, building known as old Primary Health Centre, MPT at Headland Sada, Goa.	391	3,500	**18**	**0**	**0**	16,422,000	3,131,910	19,553,910	4,168	**250**	**229**	250	250	Valuation
15.	Ground floor R.C.C framed structure, building known as Dr. Ambedkar Vocational Centre at Headland, MPT, Goa.	537	3,500	**18**	**0**	**0**	24,165,000	4,430,250	28,595,250	4,438	**267**	**229**	267	267	Valuation
16.	Ground floor R.C.C framed structure, known as CHLD Community Building at Headland, MPT, Goa.	301.80	3,500	**18**	**0**	**0**	13,581,000	2,218,230	15,799,230	4,363	**262**	**229**	262	262	Valuation
17.	Ground+2 upper floor R.C.C framed structure building known as Port Users Building inside custom bound area, Major Bunder, MPT at Vasco, Goa.	516	3,500	**18**	**0**	**609**	21,672,000	6,501,600	28,173,600	4,550	**273**	**467**	609	609	Highest rate of similar tranaction i.e recent tendered rate
18.	Ground floor R.C.C framed structure, known as 'Old Power House" building near berth No.11 at Harbour, Mormugao Port Trust, Vasco, Goa.	816	3,500	**18**	**0**	**0**	12,240,000	9,792,000	22,032,000	2,250	**135**	**172**	172	172	Current rent/SoR rate after 5% escalation
19.	Ground floor load bearing structure, building known as Sub Standard Quarters at Desterro, Mormugao Port Trust (MPT), Goa.	503	3,500	**18**	**0**	**0**	6,036,000	-	6,036,000	1,000	**60**	**96**	96	96	Current rent/SoR rate after 5% escalation
20.	Ground floor R.C.C framed structure, Building known as Information Centre (SBI ATM) at Headland, Mormugao Port Trust(MPT), Goa.	22	3,500	**18**	**0**	**0**	1,100,000	385,000	1,485,000	5,625	**338**	**500**	500	500	Current rent/SoR rate after 5% escalation

Sr. No.	Description Of Property	Built up area (Sq. mts)	Market Value of land as per State Govt. Reckoner Per Sq. Mtr. p.a.	Reserve Price for monthly lease rent @6% on Market Value as per State Govt. Reckoner	Relevant transact ions in port's vicinity Per Sq. Mtr. p.m	Highest rate of similar transac tions (Lease rent per sqm p.m)	Break up of valuation of Port structures by approved valuer for the built up area given in col.3			Market Value of Land and Port Structure As Per Approved Valuer Per Sq. Mtr.p.m	Reserve price for monthly lease rent @6% on valuation of structure by approved valuer.	Any Other Relevant factor (Lease rent per sqm p.m) after 5% escalation	Highest amongst 5 factors as per clause 13(a)	Proposed rent per sq. mtr. per month	Remarks
							Land (Value)	Premises/ Cost of Construction (Value)	Composite Value as on 04.11.2014						
21.	Ground +1 upper floor R.C.C framed structure, Building known as HRD Centre, Mormugao Port Trust (MPT) at Headland, Goa	514	3,500	**18**	**0**	**0**	23,130,000	5,859,600	28,989,600	4,700	**282**	**383**	383	383	Current rent/SoR rate after 5% escalation
22.	Ground floor load bearing & Ground +1 upper floor R.C.C framed structure known as Office Club Buildings, near main bus-Stopat Headland, Mormugao Port Trust (MPT) at Vasco, Goa.	792	3,500	**18**	**0**	**0**	35,640,000	8,137,800	43,777,800	4,606	**276**	**287**	287	287	Current rent/SoR rate after 5% escalation
23.	Flat No 191/1/4 on ground floor, building known as "A" type Quarters at Headland, Mormugao Port Trust (MPT), Goa.	42	3,500	**18**	**0**	**0**	1,050,000	420,000	1,470,000	2,917	**175**	**179**	179	179	Current rent/SoR rate after 5% escalation
24.	Flat No 205 (2/2) on 1st floor, building known as "B" type Quarters at Headland, Mormugao Port Trust (MPT), Goa.	61	3,500	**18**	**0**	**0**	1,525,000	610,000	2,135,000	2,917	**175**	**179**	179	179	Current rent/SoR rate after 5% escalation
25.	Ground floor R.C.C framed structure, building known as D4 shed (Transit Shed), Near Gate No.1, inside custom bound area, Mormugao Port Trust (MPT) at Vasco, Goa.	3960	3,500	**18**	**0**	**0**	59,400,000	23,284,800	82,684,800	1,740	**105**	**96**	105	105	Valuation
26.	Flat No 148 on ground floor, building known as "C" type Quarters at Headland, Mormugao Port Trust (MPT), Vasco, Goa.	91	3,500	**18**	**0**	**0**	2,093,000	1,092,000	3,185,000	2,917	**175**	**179**	179	179	Current rent/SoR rate after 5% escalation
27.	Flat No A on ground floor, building known as "D" type Quarters at Headland, Mormugao Port Trust (MPT), Goa.	211	3,500	**18**	**0**	**0**	4,853,000	2,532,000	7,385,000	2,917	**175**	**179**	179	179	Current rent/SoR rate after 5% escalation
28.	Ground + 1 upper floor bunglow for Head of Department at Headland, Vasco Goa.	232	3,500	**18**	**0**	**0**	13,224,000	3,048,480	16,272,480	5,845	**351**	**351**	351	351	Current rent/SoR rate after 5% escalation
29.	Developed land parcel, proposed used for C.F.S, which is owned by 'Mormugao Port Trust', near AC plant, Ganesh Benzo Plast Tanks, at Bogda, Mormugao Port Trust (MPT), Goa.	19466	3,500	**18**	**0**	**0**	583,980,000	-	583,980,000	2,500	**150**	**87**	150	150	Valuation

Sr. No.	Description Of Property	Built up area (Sq. mts)	Market Value of land as per State Govt. Reckoner Per Sq. Mtr. p.a.	Reserve Price for monthly lease rent @6% on Market Value as per State Govt. Reckoner	Relevant transact ions in port's vicinity Per Sq. Mtr. p.m	Highest rate of similar transac tions (Lease rent per sqm p.m)	Break up of valuation of Port structures by approved valuer for the built up area given in col.3			Market Value of Land and Port Structure As Per Approved Valuer Per Sq. Mtr.p.m	Reserve price for monthly lease rent @6% on valuation of structure by approved valuer.	Any Other Relevant factor (Lease rent per sqm p.m) after 5% escalation	Highest amongst 5 factors as per clause 13(a)	Proposed rent per sq. mtr. per month	Remarks
							Land (Value)	Premises/ Cost of Construction (Value)	Composite Value as on 04.11.2014						
30.	Ground+3 upper floor building, R.C.C framed structure building known as Cruise Business Centre (Old CHLD Building) at Harbour, Mormugao Port Trust, Vasco, Goa.	1220	3,500	**18**	**0**	**0**	51,240,000	9,113,400	60,353,400	4,123	**247**	**259**	259	259	Current rent/SoR rate after 5% escalation
31.	Ground floor R.C.C framed structure, building known as Civil Engineering Maintenance Site Office at Headland, Mormugao Port Trust (MPT), Goa.	693	3,500	**18**	**0**	**0**	20,790,000	10,395,000	31,185,000	3,750	**225**	**229**	229	229	Current rent/SoR rate after 5% escalation
32.	Land with existing old structure which is known by 'Old MPT Hospital Building', behind Sanjeevani Hospital and Anandf Square Building, at Baina, Mormugao Port Trust (MPT), Goa.	2993	3,500	**18**	**0**	**0**	44,895,000	-	44,895,000	1,250	**75**	**96**	96	96	Current rent/SoR rate after 5% escalation
33.	Land with existing old structure which is known by 'Old Palace Hotel Building', inside custom bound area at Harbour, Mormugao Port Trust (MPT), Goa.	2207	3,500	**18**	**0**	**0**	33,105,000	-	33,105,000	1,250	**75**	**128**	128	128	Current rent/SoR rate after 5% escalation
34.	Developed land with existing building, which is known as 'MPT Institute', adjacent to Swatantra Path, Next to Bank of Baroda, Mormugao Port Trust (MPT), Vasco, Goa.	703	3,500	**18**	**0**	**0**	56,745,000	12,123,840	68,868,840	8,164	**490**	**1,479**	1,479	1,479	Current rent/SoR rate after 5% escalation
35.	Stilt + 6 Upper floor R.C.C framed Structure, building known as " IOCL/Port Users Building", inside custom bound area at Harbour, Mormugao Port Trust (MPT) 0at Vasco, Goa	1058.27	3,500	**18**	**0**	**0**	44,447,340	16,191,531	60,638,871	4,775	**287**	**316**	316	316	Current rent/SoR rate after 5% escalation

ANNEXURE - II

SCHEDULE OF ESTATE RENTALS FOR 35 PREMISES AT MORMUGAO PORT TRUST

Sr. No.	Description	Rent per Sq. Mtr. Per month or part thereof as on 13.05.2021 (in ₹)
1.	Ground floor R.C.C. framed structure, building known as V1 shed, off. Menezes Braganza Road, Mormugao Port Trust, Baina (MPT), at Goa.	103.00
2.	Basement+ground+upperground+first floor R.C.C framed structure, 100 bedded hospital building near garbage treatment plant at Headland, Sada for MPT at Goa	256.00
3.	Ground floor R.C.C framed structure, building known as V2 shed, opp Menezes Braganza Road, Mormugao Port Trust, Baina (MPT), at Goa	96.00
4.	Ground floor R.C.C framed structure, building known as T1 shed (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, Vasco at Goa.	96.00
5.	Ground floor R.C.C framed structure, building known as T2 shed (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, at Goa	105.00
6.	Ground floor R.C.C framed structure, building known as T3 shed (Transit Shed), Near Berth No.10, inside custom bound area, Mormugao Port Trust, at Vasco-Goa	105.00
7.	Ground+2 upper floor, building which is known as G.C.B building near berth no.11 at Harbour, MPT, Goa.	244.00
8.	Ground floor with balcony R.C.C framed structure, building known as Sayantara Auditorium, MPT, Headland Sada, Vasco-Goa.	204.00
9.	Ground +2 upper floor building which is known as old CME's office building, MPT at Jetty, Goa.	241.00
10.	Ground +2 upper floor R.C.C framed structure, building known asSports Academy, MPT at Baina, Goa.	351.00
11.	Ground+3+partly 4th upper floor R.C.C framed structure, building known as "Old Administrative Building" inside custom bound area at Harbour, MPT, Vasco.	261.00
12.	Ground floor R.C.C framed structure, building known as MPT shopping complex at Harbour, MPT, Sada, Vasco, Goa.	317.00
13.	Three No's of Ground+1 upper floor R.C.C framed structure Commercial cum Residential building known as MPT Shopping Complex at Headland, MPT, Sada, Vasco.	332.00
14.	Ground floor R.C.C framed structure, building known as old Primary Health Centre, MPT at Headland Sada, Goa.	250.00
15.	Ground floor R.C.C framed structure, building known as Dr.Ambedkar Voacational centre at Headland, MPT, Goa.	267.00
16.	Ground floor R.C.C framed structure, known as CHLD Community Building at Headland, MPT, Goa.	262.00
17.	Ground+2 upper floor R.C.C framed structure building known as Port Users Building inside custom bound area, Major Bunder, MPT at Vasco, Goa.	609.00
18.	Ground floor R.C.C framed structure, known as 'Old Power House" building near berth No.11 at Harbour, Mormugao Port Trust, Vasco, Goa.	172.00
19.	Ground floor load bearing structure, building known as Sub Standard Quarters at Desterro, Mormugao Port Trust (MPT), Goa.	96.00
20.	Ground floor R.C.C framed structure, Building known as Information Centre (SBI ATM) at Headland, Mormugao Port Trust(MPT), Goa.	500.00
21.	Ground +1 upper floor R.C.C framed structure, Building known as HRD Centre, Mormugao Port Trust (MPT) at Headland, Goa	383.00
22.	Ground floor load bearing & Ground +1 upper floor R.C.C framed structure known as Office Club Buildings, near main bus- Stopat Headland, Mormugao Port Trust (MPT) at Vasco, Goa.	287.00
23.	Flat No 191/1/4 on ground floor, building known as "A" type Quarters at Headland, Mormugao Port Trust (MPT), Goa.	179.00
24.	Flat No 205 (2/2) on 1st floor, building known as "B" type Quarters at Headland, Mormugao Port Trust (MPT), Goa.	179.00
25.	Ground floor R.C.C framed structure, building known as D4 shed (Transit Shed), Near Gate No.1, inside custom bound area, Mormugao Port Trust (MPT) at Vasco, Goa.	105.00

Sr. No.	Description	Rent per Sq. Mtr. Per month or part thereof as on 13.05.2021 (in ₹)
26.	Flat No 148 on ground floor, building known as "C" type Quarters at Headland, Mormugao Port Trust (MPT), Vasco, Goa.	179.00
27.	Flat No A on ground floor, building known as "D" type Quarters at Headland, Mormugao Port Trust (MPT), Goa.	179.00
28.	Ground + 1 upper floor bunglow for Head of Department at Headland, Vasco Goa.	351.00
29.	Developed land parcel, proposed used for C.F.S, which is owned by 'Mormugao Port Trust', near AC plant, Ganesh Benzo Plast Tanks, at Bogda, Mormugao Port Trust (MPT), Goa.	150.00
30.	Ground+3 upper floor building, R.C.C framed structure building known as Cruise Business Centre (Old CHLD Building) at Harbour, Mormugao Port Trust, Vasco , Goa.	259.00
31.	Ground floor R.C.C framed structure, building known as Civil Engineering Maintenance Site Office at Headland, Mormugao Port Trust (MPT), Goa.	229.00
32.	Land with existing old structure which is known by 'Old MPT Hospital Building', behind Sanjeevani Hospital and Anand Square Building, at Baina, Mormugao Port Trust (MPT), Goa.	96.00
33.	Land with existing old structure which is known by 'Old Palace Hotel Building', inside custom bound area at Harbour, Mormugao Port Trust (MPT), Goa.	128.00
34.	Developed land with existing building, which is known as 'MPT Institute', adjacent to Swatantra Path, Next to Bank of Baroda, Mormugao Port Trust (MPT), Vasco, Goa.	1,479.00
35.	Stilt + 6 Upper floor R.C.C framed Structure, building known as " IOCL/Port Users Building", inside custom bound area at Harbour, Mormugao Port Trust (MPT) at Vasco, Goa	316.00

NOTE: (i) The rates prescribed above shall come into force from 13th May 2021 and remain valid for a period of 5 years i.e. upto 12th May 2026 with an annual escalation of 5% after expiry of each year from the effective date of implementation of SoR and the escalated rates shall be considered as the prevailing Scheduled Rent for the concerned year. The rate so arrived is rounded off to nearest Rupee.

(ii) All the conditions governing the lease rental / license fee shall be as per the Policy Guidelines for Land Management, 2015 read with Clarification/Circular issued / to be issued by the Ministry of Shipping and Waterways (MoPSW), from time to time.

SUMMARY OF THE COMMENTS RECEIVED FROM THE PORT USERS / DIFFERENT USER ORGANISATIONS AND ARGUMENTS MADE IN THIS CASE DURING THE JOINT HEARING BEFORE THE AUTHORITY.

TAMP/22/2021-MOPT : Proposal received from the Mormugao Port Trust (MOPT) for revision of estate rental of 35 premises at MOPT

A summary of the comments received from users / users association and comments of MOPT thereon is given below:

Sl. No.	Comments received from the users/ user organisations	Reply received from the MOPT
1.	**Italab (Goa) Pvt. Ltd.(IGPL)**	
(i).	In Attachment 9 “List of users/ user associations/ lessees”, the area of our premises is mentioned as 128.98 m2. IGPL have recently reduced its premises area to 70.49 m2 as mentioned in our recent Lease Rent Invoice. Apart from that area discrepancy, IGPL have no objection to the proposal with respect to our premises.	As confirmed by MOPT Estate section and CDC section, the premises allotted to IGPL has been reduced to 70.49m2 from 128.98m2 w.e.f 01.09.2020. The necessary change will be incorporated.
(2).	**Goa Custom brokers Association (GCBA)**	
(i).	The rates proposed by MOPT, in the proposed scale of rates, in so far as, it pertains to our members @ ₹261/- per Sq. Mtr. for premises listed against Sr. No.11 i.e. ‘Old Administrative Building’ & @ ₹259/- per Sq. Mtr. for premises listed against Sr. No.30 i.e. ‘Cruise Business Centre’ is totally unacceptable to GCBA.	(a). As per the Policy Guidelines for Land Management, 2014 (PGLM) issued by the Ministry, the lease rentals have been fixed considering highest of the 5 factors as stated under clause 13(a) of the PGLM 2015 viz.(i).State Govt. ready reckoner of land valuation, (ii).Highest rate of actual relevant transactions in the last 3 years, (iii).Highest accepted tender-cum-auction rate, (iv).Valuation by approved valuer, (v).Any other relevant factors. (b). As per Clause 13(b) of the Land Policy guidelines, the SOR determined in accordance with para 13(a) would in no case be less than 6% of the latest market value. Accordingly, Port has considered 6% as lease rent on the market value of the land, which in case of Old Administrative Building was land valuation as given by the approved valuer appointed by the Port and; in case of Cruise Business Centre at escalated rate @5%, being highest amongst the 5 factors specified under clause 13(a) of PGLM, 2015. (c) The rate arrived at as per the PGLM, 2014 for the Old Administrative Building @ ₹261 is based on the valuation by approved valuer and for Cruise Business Centre @ ₹259 per sq. mtr. per month based on escalation of 5% per annum.
(ii).	The proposed rent is exorbitantly high and way above the prevailing market prices. To substantiate the above, please find herewith letter no. MMC/Per/CO/16-17/226 dated 23.11.2016 of Mormugao Muncipal Council addressed to us, enclosing therewith Notification No. 4/7/2002-DMA/Vol-IV/2779 of Government of Goa, Directorate of Muncipal Adminitration, Panaji, Goa. It can be observed that the rate fixed by the government for the lease of commercial premises is ₹ 25/- per sqm per month in the main city of Mormugao.	
(iii).	Even the existing rate imposed by Mormugao Port Trust (MOPT) is exorbitant and unrealistic, which will result in increase in our administrative cost, thereby causing us undue hardship, resulting in the imports & exports being expensive and incompetitive, which will clearly defeat the mission of “Ease of Doing Business”, embarked upon by our beloved Prime Minister Shri. Narendra Modi ji.	

(iv).	In the meeting called by the Chairman, MOPT on 18.4.2017 it was unanimously agreed by all present for the meeting including GCBA that a uniform rental of ₹ 60/- per sq.mtr. would be charged retrospectively from 2012 (i.e. from the date of increase) for all existing licensed custom brokers who are occupying premises in the Port Users Building and Cruise Business Centre (Old CHLD Office) irrespective of the area occupied by them. However, the same was not implemented and Mormugao Port Trust thereafter has conveyed that request for reduction of rate cannot be acceded to.	Port vide letter no. FA/B/3/2019/159 dated 24.10.2019 addressed to Ministry of Shipping(MOS) had addressed the issue pertaining to Goa Custom House Agents Association (GCHAA) for maintaining the rentals at ₹60/- per sq mtr per month for all licensed custom brokers, who are presently occupying premises in the Port Users Complex and Cruise Business Centre irrespective of the area occupied by them. Based on the request, MoPT had submitted a revised proposal to TAMP for charging rent @ ₹60/- per sq mtr per month upto an area of 40 sq mtrs and for an area more than 40 sq mtrs, rent will be charged as per the rate prescribed in the SOR for Estate Rentals. However, TAMP, vide its Order dated 14 November 2017, under para 13(xiii) has stated that "The concessional rate proposed by MOPT to license Custom House Agents does not fit into the provisions stipulated for concession in the lease rent allowable to specific categories of allottees prescribed as per clause 11.2 (g) and (h) of the amended PGLM, 2014 issued by MOS. Therefore, this authority is not be in a position to prescribe the proposed note". Hence, considering the estate rental, other than from the 5 factors mentioned at clause 13(a) of the PGLM, 2014 would result in deviation from Land policy guidelines and hence the stakeholders request cannot be considered.
(v).	Due to this exorbitant increase in estate rentals, many occupants of the above mentioned premises have already vacated and surrendered the premises. The only purpose of GCBA members occupying the existing premises of MOPT for their office is the close proximity to the customs and port, which they have to frequent on a daily basis for execution of their work, although there has been no maintenance of the buildings by MOPT in all these years.	No comments furnished by the MOPT.
(vi).	As you are aware that Goa is in a very bad economic crisis due to the stoppage in mining activities and GCBA members are struggling to get business to this port. This has adversely affected member's livelihood and GCBA members are finding it difficult to sustain. All members are operating at losses hoping to recover the same in the future if and when the trade increases. To add to the same, the COVID 19 pandemic has further severely affected our business. GCBA members shall be forced to close down their respective business if such unrealistic and exorbitant costs	No comments furnished by the MOPT.

	are imposed on them which will render their business unviable.	
(vii).	GCBA has, therefore, represented this matter for redressal to the Hon'ble Union Minister of Shipping vide letters dated 20 March 2018, 4 July 2019 and 11 March 2021	No comments furnished by the MOPT.
(viii).	GCBA once again reiterate that it is totally against the proposed increase in the Scale of Rates by Mormugao Port Trust. GCBA humbly prays that: a. The rentals for the office premises occupied by our members at the aforesaid premises should be reduced to ₹ 60/- per sq. mtr. per month retrospectively from 2012 i.e. from the time MOPT has been charging this exorbitant rate. b. Until a final decision is done, MOPT should be restrained from raising invoices at the existing or proposed rates. c. MOPT should be restrained from recovery of past dues until the final settlement of this matter. GCBA has attached the entire correspondence on this subject and humbly requests to do justice, so that the small fraternity of custom brokers in Goa survives.	No comments furnished by the MOPT.
(ix).	Kindly treat the above representation as a joint representation to GCBA letter under reference from the undermentioned organizations: 1. Goa Custom Brokers Association (formerly known as The Goa Custom House Agents Association) 2. Mario Furtado, Goa 3. Vikas Clearing & Forwarding, Goa 4. RBS Kundaikar, Goa 5. Furtado & Company, Goa 6. Kamat & Company, Goa 7. Keshav Narayan Kamat & Company, Goa 8. Mahamai Agencies, Goa 9. Siddhesh Kamat & Company, Goa 10. M.N. Banavalikar, Goa 11. J.A.F. Leitao & Sons, Goa 12. Major Space & Logistics, Goa	No comments furnished by the MOPT.
(3).	**Airport Authority of India Limited (AAIL)**	
	Due to prevailing Covid-19 pandemic situation and reduced footfall in turn the reduced cash flow is being faced by Airports Authority of India. The existing SOR shall be continued and SOR revision may be deferred till the situation normalizes.	The port is bound by the Policy Guidelines for Land Management (PGLM), 2014 and has to strictly comply with its provisions. As per PGLM, the SOR has to be revised every 5 years. Hence, the port has to implement the revised SOR from 13.05.2021 as deviation from the same would result in non-compliance of the PGLM guidelines. Therefore, request of AAIL to continue

		the existing SOR and defer revision of SOR cannot be considered by the Port.
(4).	**Flemingo (DFS) Pvt. Ltd. (FPL)**	
	(a). As per the proposal, there will be a 17.98% increase or escalation on the lease rental for the premises leased by FPL. Further, this escalation or increase is calculated on the escalated lease rental i.e. on ₹445 per sq.mt, instead of the present lease rental i.e. ₹367 per sq. m.	(a). The port is bound by the Policy Guidelines for Land Management (PGLM), 2014 and has to strictly comply with its provisions. As per PGLM, the market value is reckoned considering highest of the 5 factors as stated under clause 13(a). of the PGLM 2014 viz.(i). State Govt. ready reckoner of land valuation, (ii).Highest rate of actual relevant transactions in the last 3 years, (iii).Highest accepted tender-cum-auction rate, (iv).Valuation by approved valuer, (v).Any other relevant factors. The SOR has to be revised every 5 years. Therefore, the highest tendered rate of ₹525 per sq. mtr. per month which being highest amongst the all five factors has been proposed. This rate of ₹525 per sq. mtr. per month is arrived based on the tendered rate as quoted by FPL for the said premises.
	(b). FPL would therefore like to submit its objection as under:	
	(i). The travel retail industry was amongst the first to be impacted by the present pandemic caused due to outbreak of Covid-19 disease and subsequently, due to the lockdown and various instructions issued by the Customs, CISF and Port Trust, the duty free shop and MOPT stopped being operational or was unable to sell any item to the crew of the vessels for a substantial period of time.	(i).No comments furnished by the MOPT.
	(ii). Despite repeated requests, no relief or assistance was provided to us by the Ministry of Shipping for enabling us to neutralize the impact of covid-19 outbreak in India. It is for the said reason that not only were we required to make payment of the entire license fee but also an escalation charge of 5% in terms of the captioned agreement was made applicable. Kindly note that multiple government authorities and institutions have provided relief schemes, waivers and other similar assistance to the businesses who have suffered losses because of the outbreak of Covid-19. It is submitted that our sister concerns operating duty free outlets at the Airports operated by Airports Authority of India, have also been granted waiver and certain reductions in the license fee payable.	(ii). No comments furnished by the MOPT.
	(iii). There is a thin margin on the duty free items sold at the outlet. Additionally, we have numerous other fixed costs like administrative expense, finance cost, variable cost and operational cost. It	(iii). No comments furnished by the MOPT.

	is for the said reason that in the event there is an increase in the lease rent, we would practically be left with nothing. It would thus, severely impact our business as we would not be able to tackle the fixed costs.	
	(iv). The wrongful prejudice will be caused to Flemingo, if such proposal is passed by the Tariff Authority for Major Ports. Kindly note that in the process of allotting the duty free shop to Flemingo, the MOPT had accepted our financial bid and therefore, executed the captioned agreement. The said financial bid was made taking into account various aspects like customer traffic, fixed costs etc. and any change or modification in the same would cause additional undue financial burden. Moreover, considering the present situation, FPL would be unable to survive with such undue burden.	(iv). No comments furnished by the MOPT.
	(v). FPL requests MOPT to withdraw the proposal for increase in the lease rental for the premises at MOPT taking into account Covid-19 pandemic. FPL requests to defer any payment of escalation charges/ fee for a period of 3 years to enable FPL to negate the impact of Covid-19.	(v). As per para no.41.12(d) of the Tender conditions, which was accepted by M/s Flemingo (DFS) Private Limited at the time of taking over the premises, “The license fee will be escalated by an amount of 5% over the previous year’s fee irrespective of increase or decrease in SOR”. Hence, in view of above tender condition, the revision of SOR will not affect license fee of M/s. Flemingo (DFS) Private Limited.

2. A joint hearing in this case was held on 16 April 2021 through Video Conferencing. At the joint hearing, MOPT made a power point presentation of its proposal and forwarded a copy of the Power Point Presentation. The MOPT and the concerned users / user organizations have made following submissions at the joint hearing:

<u>Mormugao Port Trust (MOPT)</u>

(i). Makes a power point presentation of its proposal. Hard copy is made available.

(ii). Validity of existing rate structure is expiring on 12 May 2021.

(iii). As per Land Policy Guidelines(LPG), highest market value of five factors is to be considered and the rent has to be fixed at minimum 6% of market value. MOPT cannot consider any other factors apart from 5 factors.

(iv). MOPT appointed Government approved valuer. The valuer has submitted the valuation report for all the 35 premises.

(v). MOPT Board has approved the proposal for revision of rent of 35 premises at MOPT vide resolution dated 18 March 2021.

[MOPT shows a Comparative statement for 35 premises giving details of built up area of each building, current rate as on 12 May 2021, proposed rate applicable from 13 May 2021 onwards and percentage increase in rates. In built up area many persons are occupying the structure, as reported by MOPT.]

(vi). TAMP approved existing SOR with 5% escalation hence increase cannot be less than 5%.

(vii). For most of the premises increase will not be more than 5% escalation.

(viii). Inspection of premises was done by the valuer and the market value is determined considering present condition of property and depreciation of the property.

<u>Goa Custom Brokers Association</u>
<u>[Amit Kamat and K. K. Kamat and SONY]</u>

(i). We are concerned with Old Administrative building and Cruise Business Centre. Exorbitantly high rates are proposed by the port.

(ii). The rate fixed by the Mormugao Municipal Council is ₹25 per sqm which now works out to ₹60 per sqm for the commercial area in Vasco da Gama. Return is 2% to 3% not 6%.

(iii). Maintenance of premises is not done by the port and the buildings are in inhabitable state. Chief Engineer of the port says that port cannot repair the buildings. Why do they increase the rent? Only because of proximity to the customs and port, we have occupied the premises.

(iv). MOPT should earn revenue from cargo and not from estate rentals. Port should subsidise the rent. We will bring Cargo to the port. Otherwise progress will be hampered.

(v). Chairman decided in a meeting that ₹60 per sq. mtr. will be charged for the occupants from 2012. Restore the agreed rate of ₹60 per sqm retrospectively from the year 2012.

(vi). No infrastructure at port for cargo handling hence users are reluctant to operate at MOPT.

(vii). Valuer not visited the site. Keep joint inspection of premises.

(viii). Port cannot charge rate 5 times more than prevailing rate. We are not breaking even. We cannot survive.

(ix). Mumbai Port is giving concession to port users in Ballard Estate. Why not Mormugao Port? We are trying to get cargo for the port. Our

Association has supported the port to mobilise cargo. We are now paying the price.

Central Drugs Standard Control Organisation

(i). No maintenance is done by port. Windows are in bad condition. We have represented to the port. No use. Increase is not appropriate since Buildings are not maintained.

(ii). Whether the existing 75% concession to CDSCO will be continued. [Member(F), TAMP : As per the Land Policy Guidelines, the issue of granting concession and the quantum may be decided by the Port Trust Board].

Goa Chamber of Commerce and Industry
[Manu Thakkar, Hiralal]

(i). In COVID-19 situation it is not reasonable to impose any hike. Freeze the present rent.

(ii). Old Administrative Building is not in good condition.

(iii). For Custom Brokers Association rent should be at ₹60 per Sq. mtr.

Post office, Goa

(i). Postal service is not profitable service.

(ii). Post office was opened for employees of the port with nominal rent but now the rate is high.

The Airport Authority of India, Goa

(i). Premises are occupied for CISF personnel. We pay the rent regularly.

(ii). No maintenance of premises by the port.

(iii). Defer the escalation for some period in pandemic situation.

Mormugao Port Trust (MOPT)

(i). Concerns are appreciated but MOPT is a Government organization and has to follow the Policy Guidelines of Land Management. Estate rent is not ceiling rate. Board has no power to relax the rate.

(ii). In 2017, proposal was sent to TAMP for areas less than 40 sqm to charge at the rate of ₹60 per sqm. Since proposal was not in line with Land Policy Guidelines, TAMP has not approved. Port has no flexibility to charge lower rates. At the rate of ₹60 per sq. mtr. for 40 sq. mtrs., one cannot get accommodation for ₹2,400/-

(iii). As per Clause 13(b) of PGLM, lease rent has to be fixed at minimum 6% of market value. Port has no flexibility to adopt a lower rate. Land Policy Guidelines are applicable for all major ports. Only for Government departments like customs, we can give concession. Not for private parties.
[Customs Brokers Association: Port should not take refuge under Land Policy Guidelines; it should take up with the Government].

MOPT has not taken shelter of LPG but following the LPG and cannot go beyond LPG. The Customs Brokers Association can take up the issues in Land Policy with Government.

(iv). Estate rental is small portion of port revenue. So port is not earning from rent.

(v). Port does not have a choice. Wherever possible the increase is restricted to 5%.
[Member (F), TAMP: Port need not select highest of the five factors. Port can give reasons for not selecting the highest of five factors].

(vi). Internal maintenance is the responsibility of the allottees of space. External maintenance is port's responsibility

******