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TARIFF AUTHORITY FOR MAJOR PORTS

G. No. 30

New Delhi, 15 February 2011

NOTIFICATION

In exercise of the powers conferred under Sections 48, 49 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal of the Kolkata Port Trust for general revision of its Scale of Rates as in the Order appended hereto.

(Rani Jadhav)
Chairperson

Tariff Authority for Major Ports
Case No. TAMP/6/2010 – KOPT

The Kolkata Port Trust

- - -

Applicant

ORDER

(Passed on this 29th day of November 2010)

This case relates to a proposal received from the Kolkata Port Trust (KOPT) for general revision of its Scale of Rates.

2.1. This Authority vide its Order dated 29 December 2006 disposed of the proposal received from the KOPT for general revision of its Scale of Rates (SOR). This Order was notified in the Gazette of India on 6 February 2007 vide Gazette No. 34. The revised SOR came into effect from 8 March 2007 after expiry of 30 days from the date of notification. This Authority prescribed validity of the revised SOR till 31 March 2009.

2.2. At the request of the KOPT, this Authority first extended the validity of the SOR till 30 September 2009 vide its Order dated 27 March 2009. Subsequently, this Authority vide its Order dated 23 October 2009 extended the validity of the Scale of Rates till 31 March 2010 subject to the condition that the surplus over and above the admissible cost and permissible return accruing to the KOPT after 1 April 2009 will be fully adjusted in the tariff to be fixed for the next cycle. In this backdrop, the KOPT has filed its proposal for general revision of its SOR.

3.1. The main points made by the KOPT in its general revision proposal dated 23 December 2009 are summarized below:

- (i). During the last revision, the rates were rationalized as far as possible, keeping the financial position of the port in mind. TAMP while approving the SOR had effected a reduction of 10% in all types of cargo and container related charges while notifying the SOR of the KOPT. Besides, the Special Rate of 10% was also discontinued due to fulfillment of the specific purpose for which the levy was approved.

(ii). Cargo and container related charges:

- (a). The principle of restoration of the said 10% reduction effected by TAMP has been followed in arriving at the proposed wharfage and onboard charges. In some cases, however, higher increase has been proposed considering the sensibility of the use of port infrastructure in general.

In case of POL, 10% restoration has been proposed which is necessitated due to underutilization of infrastructure due to shifting of crude handling from KOPT to Paradip Port with the commencement of operation of Haldia-Paradip Pipeline, even though the cost statement for the particular sub-activity may not call for such increase.

- (b). Some structural changes have been proposed in the wharfage and On-Board charges. In case of wharfage, the ad-valorem rate has been phased out as per tariff guidelines. Some regrouping of cargo has been made putting similarly placed cargo in one group.

In case of On-Board charges an attempt has been made to distinguish between cargo based on the type of handling. In case of low productivity cargo like Project Equipments, Machinery, higher rate has been proposed due to much higher manshift requirement.

- (c). Shore handling activity at Kolkata Dock System (KDS) involves various types of equipment as well as labour. Considering the substantial increase in the input cost and revenue to be generated, the shore handling rates have been proposed by restoration of 10% reduction effected by TAMP earlier and further increase thereafter by 50%.
- (d). The entire shore handling operation at HDC would be done by the contractor engaged for equipping berth No. 2 and 8. Rates of Shore handling charges have been proposed accommodating charges against all services to be rendered by the said contractor.
- (e). Composite box rate has been proposed covering wharfage, transfer between berth and yard, lift off at yard, and lift on for delivery or vice-versa along with appropriate rebate for services not rendered.
- (f). Rates for providing Mobile Harbour Crane (MHC) for bulk and break-bulk vessels as well as payloaders on board have been proposed considering the ad-hoc rate for providing MHC on board recently approved by the Board of KOPT as well as cost of deployment of pay loaders against bulk vessels.
- (g). A composite rate covering the despatch related services for both rail/ road bound cargo has been proposed including weighment charges to facilitate easier billing. A separate rate for weighment by Railway Weight Bridge has been included. The above rates have been included as "miscellaneous charges".
- (h). In the existing Scale of Rates, the cleaning charge has been included under "On-Board Charge" even though the activity is not an On-Board activity. Further, the cleaning is presently required for a number of cargo types, both at HDC and KDS.

Considering the above, cleaning charge has been included under "Miscellaneous Charge" and a number of cargoes, presently not there in the existing Scale of Rates have been included for levy of this charge. Considering the increase in the input cost, a rate of Rs.2 per tonne has been proposed as against Re.1.00 per tonne prescribed in the existing Scale of Rates.

- (i). A consolidated rate has been incorporated in the SOR for rail related services provided by port to CONCOR Terminal at Coal Dock Road of KDS.

(iii). Vessel related charges:

- (a). All the vessel related charges namely, Berth hire, Towage and Pilotage and Port Dues have been increased by 15% to recover part of the overall revenue deficit in the said activities. The miscellaneous charges have been increased at a higher rate considering general increase in input cost.
- (b). As per tariff guidelines, the rate applicable for a coastal vessel cannot be more than 60% of that for the corresponding foreign vessel. However, the existing rate for coastal vessels is much lower than the 60% of the rate applicable for corresponding foreign vessels which is not sustainable. Therefore, the coastal rate for all types of vessel related charges has been proposed at 60% of the rate applicable for foreign vessels, applying the foreign exchange rate of Rs.46.00 per US\$.
- (c). At HDC, pneumatic fenders have been procured at a considerable cost for safe berthing, double/ triple banking of vessels. The fenders would have to

tow to and fro when required, by use of small boats. Based on the inputs, a composite rate for hire of pneumatic fenders along with to and fro transport (within the present area under control of HDC) has been proposed. If the fenders are provided in case of double/ triple banking, the charge would be levied against the vessel which would be double banked and/ or triple banked.

- (d). Dry docking charges have been increased by 20%. The increase will not be applicable to KOPT vessels using the Dry Dock and the increase would be notional in nature. Accordingly, a discount of 20% against all dry dock charges for KOPT vessels will be applicable.
- (e). The ship breaking charges has been increased by 50% considering revenue requirement and cost involved. This activity did not have any positive growth inspite of taking various tariff incentive measures in the last SOR .
- (f). Some restructuring along with new rates have been proposed in respect of charges related to Inland vessels considering that larger barges are coming in the system due to restricted draught. These barges to a great extent may require the same facilities as for smaller ships.
- (g). Slipway hire charges have been increased by 10% considering the general escalation.

(iv). 10% Special Rate:

- (a). LIC has calculated that a corpus of Rs.1141.77 Crores will be required to meet the pension liability for about 27500 existing pensioners, who retired prior to 1.4.2004. An agreement has already been executed with LIC and during 2008-09, an amount of Rs.190 Crores has already been contributed. To meet the balance contribution of Rs.951.77 Crores, regular annual contribution of Rs.95 Crores should be generated by levy of 10% special rate on all services included in the Scale of Rates. The said requirement of Rs.951.77 Crores is, however, subject to change on the basis of revision of pension as well as dearness relief and value of the annuity to be further procured. It may not be possible for KOPT to meet the additional expenditure from internal resources. Once this fund is created, there would be no liability for pension payment to employees retired before 1 April 2004 and consequently, the same would reduce the Finance & Miscellaneous expenditure to considerable extent.
- (b). The shortfall of Rs.376.87 Crores in the superannuation fund and Gratuity Fund created to meet the pension liability of the employees who retired after 31 March 2004 is proposed to be met from internal resources of KOPT generated through revision of Scale of Rates.

(v). Scale of Rates:

- (a). Definition of "ad valorem" has been deleted.
- (b). In the definitions of Shore handling charges, the loading / unloading functions at Hook point for transfer to / from stack yard has been specifically included for more clarity.
- (c). With the appointment of contractor for equipping of Berth No. 2 and 8, various new types of charges like providing MHC for loading, unloading of vessel, dispatch related services for cargo delivery / receipt etc., have been included in the Scale of Rates.

- (d). Considering the practice being followed in all other major container ports / BOT terminals, the existing provision of payment of container charges by C&F agents in case of FCL containers has been amended. Accordingly, container related charges for all types of containers including FCL containers would be payable by Container Agent / Main Line Operators. The option of payment of the same by CFS / ICD operator has, however, been retained.

(vi). Others:

- (a). The Board of Trustees of KOPT has approved the proposal for general revision of the Scale of Rates in its Meeting held on 22 December 2009.
- (b). The Board of Trustees has also approved the KOPT's proposal for revision of Schedule of Rent for both KDS and HDC. The revenue implication arising out of the revision of Rent Schedule has been considered in the cost statements submitted for the general revision of the Scale of Rates.

3.2. The percentage increase sought by KOPT in its general revision proposal is given below:

- (i). 10% increase over the existing cargo / container related charges.
- (ii). 60% increase over the existing shore handling charges
- (iii). 15% increase over all the existing vessel related charges
- (iv). Ship-breaking charges has been increased by 50%
- (v). Slipway hire charges has been increased by 10%
- (vi). Cleaning Charge has been increased from the existing Re.1 / tonne to Rs.2 per tonne.
- (vii). 10% special rate on all services included in the SOR to meet the shortfall of around Rs.952 Crores in the corpus for liability for pension payment to employees retired before 1.04.2004.
- (viii). Port is contributing to superannuation fund and gratuity fund as per the provisions of Income Tax Act, 1961. Payments against pension liability are being met directly from the respective funds through LIC for the pensions retired after 31 March 2004. The aggregate of actuarial valuations of the superannuation fund as on 31 March 2009 and gratuity fund as on 31 March 2008 stands at Rs. 1412 Crores. The present fund position is Rs. 1035.13 Crores. The shortfall of Rs.376.87 Crores in the said funds is expected to be met from internal resources of KOPT generated through revision of Scale of Rates.

3.3. The KOPT has further submitted that wage revision of Port and Dock Workers is expected to be announced shortly. This will have an immediate annual impact of more than Rs.100.00 Crores at the present strength of more than 9000 employees and around 28000 pensioners. It has been stated by the port that it may not be possible for KOPT to meet the additional expenditure from the internal resources at the existing level of revenue. In consideration of the same, the Board of Trustees have requested TAMP to accord approval for an across the board ad-hoc increase of 10%, except Railway Board approved rates and Schedule of Rent, pending final decision of TAMP on the KOPT's proposal for revision of Scale of Rates.

4.1. The financial / cost implications as shown in the consolidated cost statement furnished by KOPT is summarized below along with the traffic projections:

(Rs. in Lakhs)

Particulars	Estimates at the existing level of tariff		
	2010-11	2011-12	2012-13
Cargo Traffic (in MMT) including container traffic	45.578	48.054	50.835
Container traffic (in TEUs)	5,20,000	5,50,000	5,80,000
Operating income	107503.91	112144.21	116779.95
Net surplus /(Deficit) after return.	-18109.61	-18903.40	-20616.25
Net Surplus / (deficit) as a percentage of operating income	-16.85%	-16.86%	-17.65%
Average Deficit	-17.12%		

4.2. An additional revenue to the tune of Rs.206.19 Crores, Rs.219.73 Crores and Rs.228.11 Crores is proposed to be generated during 2010-11, 2011-12 and 2012-13, respectively, with the proposed increase.

4.3. The KOPT has stated that it has noticed an error of omission at Clause S.3(v) of its proposed draft Scale of Rates, where the provision for option of payment of the container related charges by the CFS/ ICD Operators have not been incorporated. Thus, the KOPT has redrafted the Clause 3(v) and has requested to incorporate the following in the revised Scale of Rates:

"All charges related to Load / Empty Containers including storage charges thereon shall be levied on Container Agents / Mail Line Operators (MLO). However, in case of container from / to ICDs / Customs Notified CFS, the concerned ICD / CFS operator can also pay the port charges.

However, after de-stuffing or prior to stuffing, the cargo related charges, if any, shall be levied on the owner of the cargo or his Clearing & Forwarding Agent / Handling Agent."

5. As stated earlier, the validity of the SOR of KOPT was to expire on 31 March 2010. Since the KOPT has already filed its general revision proposal and recognising the time required for processing the case before its finalization, this Authority vide its Order dated 31 March 2010 has extended the validity of the existing SOR of the KOPT till 30 September 2010 subject to fully adjusting the additional surplus, if any, over and above the admissible cost and permissible return for the period post 1 April 2009 in the tariff to be determined.

6. In accordance with the consultative procedure prescribed, the KOPT proposal was forwarded to the BOT operators viz., TM International Logistics Limited (TMILL), International Seaports Haldia Private Limited (ISHPL) and to the concerned users/ user organisations for their comments. The comments received from TMILL and some of the users were forwarded to the KOPT as feedback information. The KOPT has responded to the comments of TMILL and the users.

7. The KOPT has again requested for approval for a special rate of 10% on the existing Scale of Rates of KOPT with immediate effect, in order to meet the extra financial burden resulting from revision of wages and salaries and pension and pensionary benefits of employees/ pensioners, till the new Scale of Rates comes into effect.

8.1. As the financial year 2009-10 was already complete, the KOPT was requested to update the cost statement with actuals for the year 2009-10. The KOPT was also requested to review the estimates for the years 2010-11 to 2012-13 based on the actuals for the year 2009-10.

8.2. At the request of KOPT, the KOPT was granted an extension of time upto 30 June 2010 to furnish the updated proposal. After a reminder, the KOPT furnished a revised proposal. A comparison of the key parameters in the Original proposal of KOPT filed in December 2009 and the revised proposal filed by KOPT in July 2010 is tabulated below:

(Rs. In Lakhs)

Particulars	As given by KOPT in December 2009			As given by KOPT in July 2010		
	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
Cargo Traffic (in MMT) including container traffic	45.578	48.054	50.835	47.143	48.054	50.835
Operating income	107503.91	112144.21	116779.95	106016.42	111910.61	116468.04
Net surplus /(Deficit) after return.	-18109.61	-18903.40	-20616.25	-18366.90	-17436.88	-19991.42
Net Surplus / (deficit) as a percentage of operating income	-16.85%	-16.86%	-17.65%	-17.32%	-15.58%	-17.16%
Average Deficit	-17.12%			-16.69%		

8.3. The financial / cost implications as shown by the activity-wise revised cost statement furnished by KOPT is summarized below:

(Rs. in Lakhs)

Particulars	Operating income (Rs.)				Net surplus /(Deficit) after return (Rs.)				Net Surplus / (deficit) as a percentage of operating income			Average Deficit
	2010-11	2011-12	2012-13	Total	2010-11	2011-12	2012-13	Total	2010-11	2011-12	2012-13	
Port as a whole	106016.42	112090.61	116468.04	334575.07	-18366.90	-17436.88	-19991.42	-55795.20	-17.32%	-15.58%	-17.16%	-16.69%
Cargo	48884.28	52893.17	55247.71	157025.16	-11811.88	-11821.23	-12942.73	-36575.84	-24.16%	-22.35%	-23.43%	-23.31%
Port & Dock	26573.00	27976.99	28970.44	83520.43	-16481.53	-15383.94	-16814.36	-48679.83	-62.02%	-54.99%	-58.04%	-58.35%
Railway	9387.19	9250.36	9820.50	28458.05	-2914.16	-3057.29	-3242.44	-9213.89	31.04%	-33.05%	-33.02%	-11.68%
Estate	21171.95	21970.09	22429.39	65571.43	12840.67	12825.58	13008.11	38674.36	60.65%	58.86%	58.00%	59.17%

9. Based on a preliminary scrutiny of the updated proposal furnished by KOPT, the KOPT was requested to furnish additional information/ clarifications on various issues. The KOPT has responded to our queries. While responding to our queries, the KOPT has updated its proposal in the light of the queries raised by us. The queries raised by us and reply of the KOPT are tabulated below:

Sl. No.	Our Queries	Reply of KOPT
A.	General	
(i).	For the reasons stated at Paragraph no. 11(xvii)(e) of the Order dated 29 December 2006, this Authority had approved the proposal of KOPT to have common rates for both systems at KOPT viz., Kolkata Dock System (KDS) and Haldia Dock Complex (HDC), provided the common rate structure does not burden the HDC at the cost KDS. If the common rate structure puts a burden on the HDC or KDS, the KOPT will be required to file a proposal for review of its common rate structure at any point of time during the revised tariff cycle. In this backdrop, it is essential to determine the cost position of both the systems separately. In view of the above, the KOPT to furnish the following cost	(The KOPT has furnished the cost statement of KDS and HDC as a whole as well as for the various activities and sub-activities carried out in KDS and HDC separately.) The uniform rates of two arms of Kolkata Port Trust, i.e. KDS and HDC enables each dock system to complement each other and thus to contribute to the total development of the port and better utilisation of the infrastructure. For this, KOPT as a corporate policy has decided to have common rate structure for KDS and HDC. The earlier difference in rate structure between KDS and HDC had created serious imbalances in traffic of two dock system, which not only acted as detriment to the Port finance but also affected quality of services. At the end of the day all liabilities including Tax liability are to be met by KOPT as a whole only. Further, it is also an acceptable fact that no serious representation has been made by the users of KOPT, either in writing or during the hearing taken by TAMP at Kolkata on 25.08.2010 about the common rates structure as KOPT as a whole.

	statements in the prescribed format: (a). KDS as a whole. (b). HDC as a whole. (c). Various activities under KDS. (d). Various activities under HDC.	
(ii).	KOPT has stated that its pricing strategy is cost based. KOPT may bring out the impact of the anticipated improvement in the productivity on the unit price.	The overall cost based pricing strategy adopted by KOPT is adapted to the sensitivity of each cargo class. TAMP is well aware of the draft condition of the navigational channel leading to Kolkata Port. With the lowering of draft, dead freighting of vessels has increased and due to handling of bottom cargo, productivity improvement is getting increasingly difficult. However, to mitigate the problem, various measures have been initiated. Some of the measures so adopted by KOPT since last revision are: (a). Awarding contract for equipping of two berths at HDC. Under the contract, Mobile Harbour Cranes along with shore handling equipments have been deployed by the contractor. Once the contract starts work, the productivity of the two berths is expected to go up substantially. (b). To reduce the bottleneck of storage area, substantial quantum of storage area is presently being developed both at KDS and HDC. (c). To meet the challenges posed by substantial growth of container traffic at KDS, equipment fleet strength have been increased by hiring. (d). The port has also initiated action for constructing jetties at HDC on river under PPP scheme as well as by KOPT. (e). KOPT has also initiated action for opening a second dock at Shalukhali, where better draft is available. (vi). A number of CFSs have come up on KOPT's land in the vicinity of KDS. With the Import containers moving to those CFSs, the dwell time of import containers in port has reduced drastically, from around 9.5 days it has come down to around 4.5 days The aforesaid actions are expected to result in improvement of productivity. Particularly, once the contractor engaged in equipping of Berths at HDC commences operation, the productivity of these two berths is expected to rise sharply. At present, due to dependence on ship's gear for loading/ unloading of cargo and complete dependence on private operators for shore support, who often operate with inadequate fleet, the productivity of vessels gets affected. The customer is forced to pay a substantial amount to these private operators for the service without any control over the quality of the service. The rates charged by these

		operators are also not regulated unlike Port charges and consequently, the charges levied by these operators are often arbitrary. KOPT, through the instant contract has envisaged providing the comprehensive services to the users. The total payout of a user as per proposed rates is close to the total charges presently being paid by the users to Port as well as private operators without having the benefit of MHCs. At nearly the same price, the users would get the benefit of higher productivity of Mobile Harbour Cranes and complete shore handling support. As per the contract condition, the contractor is required to provide productivity of 20,000.00 MT per day output.
(iii).	In respect of Sl.No.4 of Form -1, KOPT has furnished only a comparative position of existing rates and proposed rates. KOPT to furnish comparative position of existing conditionalities and proposed conditionalities to govern the proposed rates highlighting the changes, in conditionalities proposed, if any, with justification.	(The KOPT has furnished a statement showing comparative position in respect of the existing conditionalities and amended conditionalities alongwith justification.)
(iv).	The Cost statement furnished by KOPT reflects an average deficit of around 17% at the existing level of tariff for the years 2010-11 to 2012-13. However, in the statement furnished by KOPT to show the change in the average cost for typical port users as required at Sl. No. 5 of Form – 1, the KOPT has stated that with the proposed increase in the tariff of KOPT, the percentage increase in the bill value to the user will be in the range of 11% to 36% incase of cargo handling charges, 15% incase of vessel related charges of foreign vessels and in the range of 55% to 77% incase of vessel related charges of coastal vessels. In this regard, the KOPT to explain for the reasons for differential impact on different users as compared to the increase warranted by the deficit position in the cost statement.	In general, the pricing strategy adopted by KOPT is based on the intensity of usage of Port infrastructure, sensitivity of the cargo as well as deficit position of the respective services/ sub services. KOPT has proposed a moderate increase in rates of Crude & POL traffic by way of restoring the 10% reduction in rate effected by TAMP during last revision. After the proposed increase, the customers of Crude & POL traffic will be placed in the same footing as they were 10 years back. Moreover, the increase is necessitated due to under utilisation of infrastructure created by port for the said traffic and shifting of substantial crude from KOPT to Paradip Port with the commencement of operation of Haldia-Paradip pipeline. Accordingly, considering the general rise in prices during the intervening period, the rate proposed is reasonable. In case of TNEB, it may be mentioned that KOPT is maintaining a facility, which exclusively caters to the requirement of TNEB. The cargo throughput of TNEB has reduced sharply in recent years, resulting in idling of the facility. From 3.41 MMT of Thermal Coal handled during 2005-06, the cargo throughput has fallen steadily over the last five years and during 2009-10 only 1.49 MMT of Thermal Coal was handled on account of TNEB. As the facility caters to TNEB exclusively, this fall in cargo throughput increases per tonne handling cost. The higher rise in rates in percentage terms in case of Export Thermal Coal has been necessitated due to the above reasons. Regarding Iron Ore, the existing rates are considerably lower than that of other cargo and hence higher increase have been proposed to reduce the difference. In the matter it may also be mentioned that in the Scale of

		Rates approved by TAMP in 2001, the rate applicable for handling of Iron Ore was Rs.70.00 per MT. However, to attract the Iron Ore traffic, the Board had approved levy of a much lower rate. This rate was revised to Rs.45.00 per MT [Rs.18.00 (wharfage) + Rs 27.00 (onboard)] during the last revision of the Scale of Rates. In the proposed Scale of Rates, KOPT has proposed higher increase in rates for Iron Ore (in percentage terms) to reduce the difference between the rates applicable for handling Iron Ore with other Bulk Cargo. The higher increase in wharfage rate has been necessitated considering the extent of use of infrastructure facility by Iron Ore traffic. However, it may be mentioned that even with the proposed increase, the wharfage of Iron Ore has been pegged at around 56% of that of other dry bulk cargo. In case of vessel related charges applicable to coastal vessel, the existing rates are substantially lower than the policy mandate of 60% of the foreign rates and accordingly, KOPT has proposed rate which is 60% of the rates applicable to foreign vessel considering exchange rate of Rs.46.00 per US\$, in line with the Govt. policy. It may also be mentioned that the existing rates applicable to coastal vessels, which is substantially lower than 60% of the applicable foreign rate, is not sustainable for years together and at some point of time the rates have to be hiked to the level of 60% of the rate applicable to Foreign vessel. These corrective measures have to be taken at some stage to reduce increase in subsidisation of Coastal vessel at the cost of Foreign Vessel. The proposal to peg the rates applicable to coastal vessel at 60% of the foreign vessel, considering an exchange rate of Rs.46.00 per US\$, has resulted in higher level of increase in rates for coastal vessels (in percentage terms).
(v).	The revised tariff guidelines stipulate that tariff should be linked to benchmark of the levels of productivity. The KOPT at Sl. No. 6 of its Form – 1 has stated that it will be submitting the details relating to the current performance and targeted objectives for productivity enhancement measures, separately. It has, however, not furnished the details till date. The KOPT to furnish the requisite details at the earliest. Such benchmark in the level of productivity may be included in the Scale of Rates as a conditionality governing the respective tariff items.	The lower draft resulting in a lower parcel load of vessels calling at KOPT creates serious bottlenecks with regard to productivity, as productivity of handling bottom cargo is far less than that of top cargo. As mentioned earlier, the KOPT has adopted various measures to increase productivity since last revision of the Scale of Rates. However, the actual effect of such measures in increase in productivity, particularly those relating to equipping of berths would be evident after the contract runs for some time. At this stage it is difficult to include a conditionality governing tariff items particularly in view of the problems associated with lower parcel load of vessels. However, during the next revision, KOPT will make an endeavour to include such conditionality.
B.	<u>Comparison of actuals vis-à-vis estimates provided earlier:</u> Clause 2.13 of the tariff guidelines of 2005 requires this	

	Authority to review the actual physical and financial performance at the end of the prescribed tariff validity period with reference to the projections relied upon at the time of fixing the prevailing tariff. In this context and with reference to Form – 7 of the tariff proposal filed by KOPT, the KOPT to clarify/ furnish the following:																									
(i).	In the Form – 7, the KOPT has compared the estimates of the years 2007-08 and 2008-09 with the actuals for the said period. Though this Authority had fixed tariff for the years 2007-08 and 2008-09 by relying upon the estimates for the said years, the past period analysis carried out in the last Order included the year 2006-07 which was based on estimates. In view of the above, KOPT to revise the Form -7 by including the comparison of the actuals with estimates for the year 2006-07 also.	The KOPT has furnished the revised Form-7 with inclusion of the figures for the year 2006-07.																								
(ii).	This Authority had effected a reduction of 10% in the (then) proposed Scale of rates of KOPT with effect from 8 March 2007. The KOPT is, therefore, to reduce the estimated income at the proposed level of tariff for the period 8 March 2007 to 2008-09 to give effect to the across the board reduction of 10% effected from 8 March 2007.	The cost statement ‘at existing tariff’ submitted by KOPT has been drawn considering the rates approved by TAMP.																								
(iii).	As can be seen from the Cost statements for the years 2006-07 to 2009-10, it is seen that the KOPT has transferred 50% of the income received from the BOT operators during the year 2006-07 and 2007-08 and 100% of the income received from the BOT operators during the year 2008-09 and 2009-10 to the Escrow account. In this context, it may be relevant to recall that this Authority vide paragraph no.11(vii) of its Order dated 29 December 2006 has advised KOPT to create an Escrow account to transfer the accruals of the royalty/ revenue share received from the BOT operators to meet the infrastructure expenditure and furnish the details of the transaction in the	KOPT created Escrow account against the royalty receipt in the year 2007-08 only. During 2007-08, while creating the Escrow account, appropriate amount relating to 2005-06 and 2006-07 was transferred to the said Account. However, the KOPT has furnished the details relating to royalty receipt during the year 2005-06 and 2006-07. (The summary of the statement furnished by KOPT showing the Escrow a/c is summarized below: (Rs. In Lakhs) <table><tr><th>Particulars</th><th>2006-07</th><th>2007-08</th><th>2008-09</th><th>2009-10</th><th>2010-11</th><th>2011-12</th><th>2012-13</th></tr><tr><td>1.Revenue share transferred to Escrow A/c. (50% of royalty income upto 2007-08 and 100% of royalty income from 2008-09 onwards)</td><td>931.78</td><td>832.99</td><td>2540.8</td><td>1814.79</td><td>1709.85</td><td>1709.85</td><td>1709.85</td></tr><tr><td>2. Amount utilized/ proposed to be Utilised from Escrow a/c for creation of infrastructure</td><td>0.00</td><td>0.00</td><td>2640.00</td><td>800.00</td><td>800.00</td><td>500.00</td><td>500.00</td></tr></table>	Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	1.Revenue share transferred to Escrow A/c. (50% of royalty income upto 2007-08 and 100% of royalty income from 2008-09 onwards)	931.78	832.99	2540.8	1814.79	1709.85	1709.85	1709.85	2. Amount utilized/ proposed to be Utilised from Escrow a/c for creation of infrastructure	0.00	0.00	2640.00	800.00	800.00	500.00	500.00
Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13																			
1.Revenue share transferred to Escrow A/c. (50% of royalty income upto 2007-08 and 100% of royalty income from 2008-09 onwards)	931.78	832.99	2540.8	1814.79	1709.85	1709.85	1709.85																			
2. Amount utilized/ proposed to be Utilised from Escrow a/c for creation of infrastructure	0.00	0.00	2640.00	800.00	800.00	500.00	500.00																			

	Escrow account (to be) maintained. The KOPT has furnished such details in the Form-9 for the years 2007-08 onwards. The KOPT is, therefore, to furnish the details in Form – 9 for the years 2005-06 and 2006-07 also.	Note: (a). The KOPT has transferred 50% of the royalty amount earned by it from Berth no. 4A and 12 from the year 2002-03 to 2007-08 to the Escrow account. From the year 2008-09 onwards, KOPT has transferred 100% of the royalty amount earned by it from Berth no. 4A and 12 the Escrow account. (b). There is a difference in the amount stated to be utilized/ proposed to be utilised by KOPT from the Escrow a/c for creation of infrastructure during the years 2010-11 to 2012-13 as given in the above statement and that given in Form – 9 by KOPT. The statement mentioned above shows an amount of Rs.800 lakhs, Rs.500 lakhs and Rs.500 lakhs for the years 2010-11 to 2012-13 respectively, whereas the Form – 9 shows an amount of Rs.600 lakhs, Rs.600 lakhs and Rs.625 lakhs for the years 2010-11 to 2012-13 respectively.)																																																																					
(iv).	The KOPT appears to have excluded some component relating to cost towards River Dredging and Maintenance of river as reimbursed by Government from the Port & Dock Charges as given in the Annual Accounts for the years 2006-07 to 2009-10. However, the quantum of amount not covered by the Government reimbursement and considered in the cost statement is not clear. In this regard, the KOPT to furnish the year-wise details of expenditure incurred towards River Dredging and maintenance of river and the reimbursement sanctioned by the Government.	The amount of dredging expenditure disallowed by Govt Audit for Subsidy for the years 2006-07 to 2009-10 has been adjusted against Port Dues. (The KOPT has furnished a statement showing the expenditure incurred on River dredging and River maintenance for the years 2006-07 to 2009-10. The details of the dredging expenditure statement furnished by KOPT is summarized below: (Rs. In Lakhs) <table><tr><th rowspan="2">Particulars</th><th colspan="3">River dredging & Maintenance</th><th colspan="3">Maintenance dredging of Shipping Channel</th><th colspan="3">Total</th></tr><tr><th>Total Expenses</th><th>Certified by audit</th><th>Dis-allowed</th><th>Total Expenses</th><th>Certified by audit</th><th>Dis-allowed</th><th>Total Expenses</th><th>Certified by audit</th><th>Dis-allowed</th></tr><tr><td>2006-07</td><td>5009.18</td><td>3298.26</td><td>1710.91</td><td>33655.06</td><td>32661.36</td><td>993.68</td><td>38664.24</td><td>35959.62</td><td>2704.59</td></tr><tr><td>2007-08</td><td>5033.63</td><td>3550.69</td><td>1482.93</td><td>29069.75</td><td>26864.22</td><td>2205.53</td><td>34103.38</td><td>30414.91</td><td>3688.46</td></tr><tr><td>2008-09</td><td>6332.30</td><td>4280.72</td><td>2051.59</td><td>30279.76</td><td>28581.53</td><td>1698.23</td><td>36612.06</td><td>32862.25</td><td>3749.82</td></tr><tr><td>2009-10</td><td>10278.48</td><td>6659.67</td><td>3618.81</td><td>34848.13</td><td>31067.83</td><td>3780.30</td><td>45126.61</td><td>37727.50</td><td>7399.11</td></tr><tr><td>Total</td><td>26653.59</td><td>17789.34</td><td>8864.24</td><td>127852.7</td><td>119174.9</td><td>8677.74</td><td>154506.3</td><td>136964.3</td><td>17541.98</td></tr></table>	Particulars	River dredging & Maintenance			Maintenance dredging of Shipping Channel			Total			Total Expenses	Certified by audit	Dis-allowed	Total Expenses	Certified by audit	Dis-allowed	Total Expenses	Certified by audit	Dis-allowed	2006-07	5009.18	3298.26	1710.91	33655.06	32661.36	993.68	38664.24	35959.62	2704.59	2007-08	5033.63	3550.69	1482.93	29069.75	26864.22	2205.53	34103.38	30414.91	3688.46	2008-09	6332.30	4280.72	2051.59	30279.76	28581.53	1698.23	36612.06	32862.25	3749.82	2009-10	10278.48	6659.67	3618.81	34848.13	31067.83	3780.30	45126.61	37727.50	7399.11	Total	26653.59	17789.34	8864.24	127852.7	119174.9	8677.74	154506.3	136964.3	17541.98
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(v).	The sum of the depreciation figures under each of the heads viz., Cargo handling, Port & Dock, Railways, Estate and Management & administration Overheads as in the Annual Accounts for the years 2006-07 to 2008-09, matches with the amount of depreciation considered in the Cost statement for the years 2006-07 to 2008-09. However, the sum of depreciation under the above mentioned heads for the year 2009-10 as in the Annual Accounts is Rs.3298.70 lakhs, whereas the Cost statement reflects a figure of Rs.3431.56 lakhs. KOPT to explain the reason for the difference in the amount of depreciation and the difference to be reconciled.	The depreciation on the asset of KDS which was sold during the year could not be incorporated in the Form-4A. This is because as the concerned asset is no longer in the Block, the related depreciation on the same was also excluded. The difference in depreciation is solely due to the above. The reconciliation statement furnished by KOPT is given below: <table><tr><td>Depreciation as per Annual A/cs</td><td>Rs.3431.59 lakhs</td></tr><tr><td>Less: Amount adjusted in connection with depreciation of asset sold during the year.</td><td>Rs. 278.06 lakhs</td></tr><tr><td>Depreciation as in the Cost statement</td><td>Rs.3153.53 lakhs</td></tr></table>	Depreciation as per Annual A/cs	Rs.3431.59 lakhs	Less: Amount adjusted in connection with depreciation of asset sold during the year.	Rs. 278.06 lakhs	Depreciation as in the Cost statement	Rs.3153.53 lakhs																																																															
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(vi).	In its Cost statement, KOPT has considered an amount of Rs.12156.93 lakhs, Rs.12672.52 lakhs, Rs.16465.38 lakhs and Rs.19531.53 lakhs as Management & General Overheads for the years 2006-07 to 2009-10. However, Management & General Overheads as furnished in the Annual Accounts of the respective years less depreciation is Rs.12770.63 lakhs, Rs.13305.61 lakhs, Rs.17233.02 lakhs and Rs.20865.97 lakhs. The difference in the amount of Management & General Overheads shown in the Cost statement and Annual Accounts to be reconciled.	The reconciliation statement furnished by KOPT is summarized below: (Rs. In Lakhs) <table><tr><th></th><th>2006-07</th><th>2007-08</th><th>2008-09</th><th>2009-10</th></tr><tr><td>Expenses as per Annual Accounts</td><td>12992.90</td><td>13545.43</td><td>17540.37</td><td>21065.89</td></tr><tr><td>Less: Depreciation</td><td>222.27</td><td>239.82</td><td>307.35</td><td>332.81</td></tr><tr><td>Less: Expenses included in dredging subsidy</td><td>613.71</td><td>633.09</td><td>767.63</td><td>1078.92</td></tr><tr><td>Amount shown in Cost statement</td><td>12156.92</td><td>12672.52</td><td>16465.39</td><td>19654.16</td></tr></table>		2006-07	2007-08	2008-09	2009-10	Expenses as per Annual Accounts	12992.90	13545.43	17540.37	21065.89	Less: Depreciation	222.27	239.82	307.35	332.81	Less: Expenses included in dredging subsidy	613.71	633.09	767.63	1078.92	Amount shown in Cost statement	12156.92	12672.52	16465.39	19654.16																																			
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(vii).	KOPT has considered an amount of Rs.1720.12 lakhs, Rs.1034.18 lakhs, Rs.1333.44 lakhs and Rs.2408.21 lakhs as Finance & Miscellaneous Income for the years 2006-07 to 2009-10, in its Cost statement. The figures of the sub-heads under Finance & Miscellaneous Income in the Cost statement do not match with the figures of the sub-heads under Finance & Miscellaneous Income as shown in the Annual Accounts. The KOPT to explain the difference and reconcile. Also, Finance & Miscellaneous Income in the Annual Accounts for the years 2006-07 to 2009-10 reflects an item 'Prior period income'. The KOPT does not appear to have considered income under this item in the Cost statement. The reason for excluding the said income from the Cost statement to be explained.	Prior Period expenditure and Prior period income have not been considered in the cost statement following TAMP's guideline. The reconciliation statement furnished by KOPT in respect of KDS is summarized below: (Rs. In Lakhs) <table><tr><th></th><th>2006-07</th><th>2007-08</th><th>2008-09</th><th>2009-10</th></tr><tr><td>F & M Income as per Annual Accounts</td><td>2465.33</td><td>5297.03</td><td>3911.05</td><td>3506.70</td></tr><tr><td>Less: Interest on Investments</td><td>1383.25</td><td>707.07</td><td>1248.10</td><td>1328.95</td></tr><tr><td>Less: Income relating to previous year</td><td>123.86</td><td>3877.30</td><td>1872.39</td><td>331.23</td></tr><tr><td>Amount shown in Cost statement</td><td>958.22</td><td>712.66</td><td>790.56</td><td>1846.52</td></tr></table> The reconciliation statement furnished by KOPT in respect of HDC is summarized below: (Rs. In Lakhs) <table><tr><th></th><th>2006-07</th><th>2007-08</th><th>2008-09</th><th>2009-10</th></tr><tr><td>F & M Income as per Annual Accounts</td><td>10025.80</td><td>2667.50</td><td>4455.90</td><td>13334.43</td></tr><tr><td>Less: Interest on Fixed deposits</td><td>4976.57</td><td>1598.78</td><td>1947.99</td><td>3211.25</td></tr><tr><td>Less: Interest on Motor car loan</td><td>6.48</td><td>10.13</td><td>15.64</td><td>10.81</td></tr><tr><td>Less: Income relating to previous year</td><td>4258.98</td><td>694.11</td><td>1890.71</td><td>9349.47</td></tr><tr><td>Less: Income on penalties on contract</td><td>21.87</td><td>42.87</td><td>58.67</td><td>201.25</td></tr><tr><td>Amount shown in Cost statement</td><td>761.90</td><td>321.51</td><td>542.89</td><td>561.69</td></tr></table> (In spite of furnishing a Reconciliation statement, the sum total of the figures of the sub-heads under Finance & Miscellaneous Income in the Cost statement do not match with the figures of the sub-heads under Finance & Miscellaneous Income as shown in the Annual Accounts.)		2006-07	2007-08	2008-09	2009-10	F & M Income as per Annual Accounts	2465.33	5297.03	3911.05	3506.70	Less: Interest on Investments	1383.25	707.07	1248.10	1328.95	Less: Income relating to previous year	123.86	3877.30	1872.39	331.23	Amount shown in Cost statement	958.22	712.66	790.56	1846.52		2006-07	2007-08	2008-09	2009-10	F & M Income as per Annual Accounts	10025.80	2667.50	4455.90	13334.43	Less: Interest on Fixed deposits	4976.57	1598.78	1947.99	3211.25	Less: Interest on Motor car loan	6.48	10.13	15.64	10.81	Less: Income relating to previous year	4258.98	694.11	1890.71	9349.47	Less: Income on penalties on contract	21.87	42.87	58.67	201.25	Amount shown in Cost statement	761.90	321.51	542.89	561.69
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(viii).	In its Cost statement, KOPT has considered an amount of Rs.38269.33 lakhs, Rs.51383.57 lakhs, Rs.63648.99 lakhs and Rs.47717.41 lakhs as Finance & Miscellaneous Expenditure for the years 2006-07 to 2009-10. The figures of the sub-heads under	The KOPT has furnished a reconciliation statement in this regard, relating to KDS and HDC separately. Regarding onetime expenses like arrear salary, it may be mentioned that the arrear salary on account of wage revision has now been charged in the cost statement for the respective years.																																																												

	Finance & Miscellaneous Expenditure in the Cost statement do not match with the figures of the sub-heads under Finance & Miscellaneous Expenditure in the Annual Accounts. The KOPT to explain the difference. The KOPT to confirm that one time expenses such as arrears of wages/ pension, VRS compensation are not included under this head of expenditure in the Cost statement.	The reconciliation statement furnished by KOPT in respect of KDS is summarized below: (Rs. In Lakhs) <table><tr><th></th><th>2006-07</th><th>2007-08</th><th>2008-09</th><th>2009-10</th></tr><tr><td>F & M Expenses as per Annual Accounts</td><td>8831.16</td><td>12223.88</td><td>19612.74</td><td>17255.77</td></tr><tr><td>Less: Interest on Government loan</td><td>269.50</td><td>214.92</td><td>175.97</td><td>150.91</td></tr><tr><td>Less: Transaction relating to previous year</td><td>1189.51</td><td>491.17</td><td>1103.36</td><td>60.53</td></tr><tr><td>Less: Share of Dredging subsidy</td><td>763.25</td><td>797.63</td><td>903.76</td><td>1559.17</td></tr><tr><td>Less: Unamortised debt charges</td><td>0.00</td><td>0.00</td><td>0.00</td><td>38.59</td></tr><tr><td>Less: Arrear salaries/ wages distributed during 2006-07 to 2008-09</td><td>0.00</td><td>0.00</td><td>0.00</td><td>3519.07</td></tr><tr><td>Add: Contribution to superannuation fund</td><td>5896.00</td><td>9300.00</td><td>4750.00</td><td>2250.00</td></tr><tr><td>Add: Contribution to Gratuity fund</td><td>375.00</td><td>50.00</td><td>2374.50</td><td>250.00</td></tr><tr><td>Amount shown in Cost statement</td><td>12879.90</td><td>20070.16</td><td>24554.15</td><td>14427.51</td></tr></table> The reconciliation statement furnished by KOPT in respect of HDC is summarized below: (Rs. In Lakhs) <table><tr><th></th><th>2006-07</th><th>2007-08</th><th>2008-09</th><th>2009-10</th></tr><tr><td>F & M Expenses as per Annual Accounts</td><td>8277.50</td><td>8898.47</td><td>30336.38</td><td>24080.76</td></tr><tr><td>Less: Share of Interest on Loan</td><td>14.92</td><td>10.91</td><td>8.43</td><td>6.67</td></tr><tr><td>Less: Interest on Government loan</td><td>182.65</td><td>159.37</td><td>136.66</td><td>114.49</td></tr><tr><td>Less: Transaction relating to previous year</td><td>4.83</td><td>200.34</td><td>209.50</td><td>123.92</td></tr><tr><td>Less: Interest paid to contractors</td><td>0.00</td><td>15.96</td><td>1.68</td><td>0.00</td></tr><tr><td>Less: Dredging Expenditure</td><td>381.63</td><td>404.34</td><td>451.88</td><td>779.58</td></tr><tr><td>Less: Arrear Pay and allowances</td><td>0.00</td><td>0.00</td><td>3683.41</td><td>3541.38</td></tr><tr><td>Add: Contribution to Gratuity fund</td><td>1125.00</td><td>150.00</td><td>2374.50</td><td>750.00</td></tr><tr><td>Add: Contribution to superannuation fund</td><td>17688.00</td><td>27900.00</td><td>4750.00</td><td>6750.00</td></tr><tr><td>Add: Additional impact and pay due to wage revision</td><td>675.79</td><td>3087.40</td><td>3461.61</td><td>0.00</td></tr><tr><td>Amount shown in Cost statement</td><td>27182.26</td><td>39244.95</td><td>36430.93</td><td>27014.72</td></tr></table> (Inspite of furnishing a Reconciliation statement, the sum total of the figures of the sub-heads under Finance & Miscellaneous Expenses in the Cost statement do not match with the figures of the sub-heads under Finance & Miscellaneous Expenses as shown in the Annual Accounts.)		2006-07	2007-08	2008-09	2009-10	F & M Expenses as per Annual Accounts	8831.16	12223.88	19612.74	17255.77	Less: Interest on Government loan	269.50	214.92	175.97	150.91	Less: Transaction relating to previous year	1189.51	491.17	1103.36	60.53	Less: Share of Dredging subsidy	763.25	797.63	903.76	1559.17	Less: Unamortised debt charges	0.00	0.00	0.00	38.59	Less: Arrear salaries/ wages distributed during 2006-07 to 2008-09	0.00	0.00	0.00	3519.07	Add: Contribution to superannuation fund	5896.00	9300.00	4750.00	2250.00	Add: Contribution to Gratuity fund	375.00	50.00	2374.50	250.00	Amount shown in Cost statement	12879.90	20070.16	24554.15	14427.51		2006-07	2007-08	2008-09	2009-10	F & M Expenses as per Annual Accounts	8277.50	8898.47	30336.38	24080.76	Less: Share of Interest on Loan	14.92	10.91	8.43	6.67	Less: Interest on Government loan	182.65	159.37	136.66	114.49	Less: Transaction relating to previous year	4.83	200.34	209.50	123.92	Less: Interest paid to contractors	0.00	15.96	1.68	0.00	Less: Dredging Expenditure	381.63	404.34	451.88	779.58	Less: Arrear Pay and allowances	0.00	0.00	3683.41	3541.38	Add: Contribution to Gratuity fund	1125.00	150.00	2374.50	750.00	Add: Contribution to superannuation fund	17688.00	27900.00	4750.00	6750.00	Add: Additional impact and pay due to wage revision	675.79	3087.40	3461.61	0.00	Amount shown in Cost statement	27182.26	39244.95	36430.93	27014.72
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(ix).	Though the opening balance of the Gross Block of Fixed Assets as on 1 April 2009 as given in the Annual Accounts of the year 2009-10 matches with the Opening Gross Block as furnished in the Form – 4A, the Net Block of Assets as on 31 March 2010 as given in the Annual Accounts of the year 2009-10 does not match with the Closing Net Block as furnished in	The difference is primarily due to the fact that the assets valuing Rs.31.17 crores (approx) purchased out of Escrow fund (created from proceeds of Royalty receipt) has not been considered as Capital Employed as per tariff guidelines.																																																																																																														

	the Form – 4A. KOPT to reconcile the difference. It may be noted that there are slight variations in the amount of additions/deletions, depreciation figures of the Cost statement as compared to the actuals furnished in the Annual Accounts for the year 2009-10, which to be reconciled.											
(x).	As mentioned at Paragraph no. 11(iv)(f) of the Order dated 29 December 2006, the KOPT was advised to furnish a detailed account of the 10% special rate duly certified by the Auditors within a period of three months from the date of Notification of the Order passed by this Authority. It was also mentioned that the surplus available in this separate account even after the adjustment considered upto January 2007 will be adjusted in the next review of the tariff of KOPT. Accordingly, the KOPT under cover of its letter number Fin/182/B dated 28 June 2007 has furnished the audited report/certificate for the 10% special rate. As seen from the letter, the following position emerges: (Amt. in crores) <table><tr><td>Total revenue generated from 10% special levy as certified by the auditors for the period 2001-02 to 2006-07.</td><td>Rs.317.21</td></tr><tr><td>Total pension arrears liability</td><td>Rs.277.88</td></tr><tr><td>Excess collection from 10% special levy</td><td>Rs. 39.32</td></tr><tr><td>Excess collection estimated & adjusted during last tariff review & fixation</td><td>Rs. 26.70</td></tr><tr><td>Excess collection as per the report of auditor</td><td>Rs. 12.62</td></tr></table> The KOPT has considered the value of Annuity to be purchased for payment of pension/retirement benefits for the employees who retired before 31 March 2004 (Refer table in Form 3A). The KOPT to consider to adjust the excess collection of Rs.12.62 crores either in the value of Annuity to be purchased and show the balance value of the Annuity to be purchased in the Cost statement or adjust the excess collection with the future estimated deficit.	Total revenue generated from 10% special levy as certified by the auditors for the period 2001-02 to 2006-07.	Rs.317.21	Total pension arrears liability	Rs.277.88	Excess collection from 10% special levy	Rs. 39.32	Excess collection estimated & adjusted during last tariff review & fixation	Rs. 26.70	Excess collection as per the report of auditor	Rs. 12.62	The excess collection would be adjusted against the value of annuity to be purchased.
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Excess collection estimated & adjusted during last tariff review & fixation	Rs. 26.70											
Excess collection as per the report of auditor	Rs. 12.62											

(xi).	From the comparison of the traffic figures estimated during the last general revision of KOPT for the years 2006-07 to 2008-09 with the actual traffic for the years 2006-07 to 2008-09, it is seen that the KOPT has actually handled an additional traffic of around 30% during the years 2006-07 to 2008-09. Accordingly, as recorded at Paragraph no. 11(vi)(d) of the Order dated 29 December 2006, the additional surplus accrued to KOPT due to variation in traffic will be set off in terms of Clause 2.13 of the revised tariff guidelines.	The actual revenue from Cargo and Vessel activities of KOPT during 2006-07 to 2008-09 vis-à-vis that was relied upon by TAMP during last revision of Scale of Rates, it would be evident that the actual revenue was more by 12%, 13% and 4% during 2006-07, 2007-08 and 2008-09 respectively. As the difference between actual traffic handled vis-à-vis what was relied upon during last revision of Scale of Rates does not have financial impact of more than 20% in revenue terms, no adjustment of additional revenue accrued to KOPT due to variation of traffic appear to be required in terms of Clause-2.13 of the revised tariff guidelines.
(xii).	The KOPT was advised vide paragraph no.11(xiv)(b) of the Order dated 29 December 2006 to estimate depreciation in line with Clause 2.7.1. of the tariff guidelines while it submits its tariff proposal during the next review of its Scale of Rates. In this backdrop, KOPT to confirm that the depreciation for the years 2010-11 to 2012-13 is in line with the Clause 2.7.1 of the tariff guidelines.	The books of accounts of KOPT are not maintained as per the provisions of the Companies Act and accordingly, it is not possible for KOPT to estimate the depreciation on the basis of Companies Act.
(xiii).	The KOPT was advised vide paragraph no.11(xv)(a) of the Order dated 29 December 2006 to undertake the exercise of classifying its assets in line with Clause 2.9.7 and 2.9.8 of the revised tariff guidelines and furnish the details at the time of next review. The KOPT in its Form – 4A has classified its assets into business assets, business related assets and social obligation assets. In this regard, KOPT to furnish the details and the basis adopted by it to classify its assets into the above mentioned categories, keeping in view Clause 2.9.7 and 2.9.8 of the tariff guidelines.	The exercise of classification of assets as per order of TAMP has commenced. Accordingly, the assets have been classified as per the same process followed during last revision of Scale of rates.
(xiv).	The KOPT was advised vide paragraph no.11(xxvi) of the Order dated 29 December 2006 to initiate the process of rationalising the wharfage schedule. The steps taken by KOPT in this regard to be clarified.	As per order of TAMP, KOPT has already taken action to rationalise the wharfage schedule. The wharfage schedule has been restructured in the proposal for revision of the Scale of Rates. Ad-valorem rates have been dispensed with.
(xv).	This Authority while disposing the general revision proposal of KOPT vide Order dated 29	On board services to vessels are given by HDC. During the last few years, with the very few ageing pay loaders under its disposal, HDC was not able to provide pay

	December 2006 has advised KOPT at paragraph no.11(xLi) to propose rebate in the on-board handling charge based on the cost of providing equipment support when KOPT is not in a position to provide equipment support at HDC during the next review of its Scale of Rates. However, the KOPT in its proposed draft Scale of Rates appears to have deleted the relevant note prescribed under Section 5, which provides rebate in the on-board handling charge when KOPT is not in a position to provide equipment support. The reason for withdrawing the rebate to be clarified.	loaders on-board the vessels. Accordingly, KOPT is not in a position to supply pay loader to any vessel working at HDC excepting for the two berths, where contract of equipping have been awarded. It was accordingly considered to do away with the provision of the rebate for not providing pay loaders. It is mentioned that once the contractor appointed for equipping of two berths of HDC starts operation, KOPT will provide pay loaders to the vessels working at these two berths through the contractor and accordingly, a consolidated charge for providing MHC and pay loader on board have been proposed.
(xvi).	Similarly, this Authority at paragraph no.11(xLi) of the Order dated 29 December 2006 has advised KOPT to propose rebate in the shore handling charge based on the cost of rendering service during the next review of its Scale of Rates. However, the KOPT in its proposed draft Scale of Rates appears to have deleted the relevant note prescribed under Section 6, which provides rebate in the shore handling charge when KOPT provides only part of the services specified in the definition of 'Shore Handling Charge'. The reason for withdrawing the rebate to also be justified.	The provision relating to rebate of 50% of the shore handling charges in case of providing part services has not been withdrawn and retained as Note-(ii) of Section-6. Normally shore handling services are rendered as a whole and only in very rare circumstances a situation arises where KOPT is not in a position to provide part of the services covered under Shore handling charge. The rebate of 50% of charges has been included in the proposed Scale of Rates to deal with such rare circumstances. As KOPT does not maintain cost records of individual element of a service, it is not possible to propose cost based rebates at this stage. In view of the above position, TAMP is requested to consider and approve the proposal.
(xvii).	This Authority at paragraph no.11(L)(a) of the Order dated 29 December 2006 has directed KOPT to undertake an exercise to move towards single box rate for handling containers bearing in mind Clause 5.1.1. of the tariff guidelines. The KOPT at Section 11 of the proposed draft Scale of rates has proposed Composite box rates for containers. In this regard, the KOPT to furnish workings to justify the proposed Composite box with reference to cost of providing the service / cost of the facilities availed. Similarly, the KOPT to furnish workings to justify the rebate proposed under Section 12 based on cost details incase any of the basic container handling services covered under Composite box rate is not	Cost statement for Container handling activity has already been submitted to TAMP, which justifies the proposed consolidated rate. The manner in which KOPT has approached a single box rate has been elaborately clarified in reply to SCI's letter dated 27.02.2010 at page 8 of KOPT's response vide letter dated 30.08.2010. Regarding the rebates proposed by KOPT in cases where KOPT is not in a position to provide any service forming part of the composite box rate, the following position is submitted: (i). The rate for providing RMQC/ MHC and the rebate against non provision of the same is not comparable. This is because the rates for RMQC/ MHC are dependent on the cost of cranes, operating cost of running the same etc. The productivity of RMQC/ MHC is also substantially high. On the other hand, whenever RMQC/ MHC is not provided container loading/ unloading is done by use of Ship's Crane, whose productivity is far lower than that of RMQC/ MHC. (ii). The rebate against not providing other services like

	provided by the Port.	quay to shore transfer and lift on/ lift off have been proposed based on general market feed back of the rates applicable for providing such services.																												
(xviii).	This Authority at paragraph no.11(Lviii)(b)(i) of the Order dated 29 December 2006 has advised KOPT to prescribe berth hire charges depending on the cost of services / facilities provided at oil jetties and bulk handling berths at HDC and oil berths at KDS during the next review of its tariff. Therefore, KOPT to justify the proposed berth hire charges with workings based on the cost of services / facilities provided.	As per the present system of allocation of cost being followed at KOPT, the cargo handling facilities installed at berths are considered for determination of cargo handling charges. It is accordingly not possible to come up with a differential berth hire charges based on cost of such services at this stage.																												
C. 1.	<u>Financial/Cost Statement:</u> <u>Capacity:</u> The KOPT to furnish workings to arrive at the designed capacity of the port for the years 2010-11 to 2012-13. The KOPT to assess and furnish alongwith workings, the capacity of the KDS and HDC as well as major facilities separately for the years 2010-11 to 2012-13 considering the capital investment proposed to be made during these years and the productivity improvements expected to achieve.	The existing capacity of HDC and KDS determined as per formula adopted by Ministry is 46.70 MMT per annum and 20.26 MMT per annum as on 31 March 2009. This has been circulated by Ministry vide letter no-DW/ DTO-02/09 dated 28 th July 2009. However, the equipping of two berths at HDC is expected to add around 4 MMT of capacity per annum once the contractor commences work at these two berths.																												
2.	<u>Traffic:</u> With reference to estimation of traffic, KOPT to clarify the following: (i). Clause 2.5.1. of revised tariff guidelines stipulate that the traffic projections should be inline with the projections in the 5 year annual plan and current / expected growth. The KOPT may, therefore, furnish commodity-wise projections made in the MOU for the year 2009-10. Traffic projections contained in the Business Plan of the Port to be furnished. The basis of estimation of traffic for the years 2010-11 to 2012-13 to be explained.	The projection of traffic made in the draft MOU between Ministry of Shipping and Kolkata Port Trust for the year 2009-10 are given below: <table><tr><th>Category</th><th>Traffic Proj. (in '000 tonnes)</th></tr><tr><td>KDS</td><td></td></tr><tr><td>Liquid Bulk</td><td>4340</td></tr><tr><td>Dry Bulk</td><td>905</td></tr><tr><td>Container (No. of TEUs in '000)</td><td>5900 (305)</td></tr><tr><td>Break Bulk/Others</td><td>2265</td></tr><tr><td>Total-(A)</td><td>13410</td></tr><tr><td>HDC</td><td></td></tr><tr><td>Liquid Bulk</td><td>18110</td></tr><tr><td>Dry Bulk</td><td>21490</td></tr><tr><td>Container (No. of TEUs in '000)</td><td>2400 (130)</td></tr><tr><td>Break Bulk/Others</td><td>700</td></tr><tr><td>Total-(B)</td><td>42700</td></tr><tr><td>Total for KOPT(A+B)</td><td>56110</td></tr></table> The KOPT has furnished the Traffic projections, contained in the Business Plan of Kolkata Port, which shows the total KOPT traffic at 53 MT, 58 MT and 63 MT during the years 2010-11 to 2012-13. The estimation of traffic for the years 2010-11 to 2012-13 has primarily been done based on past performance, growth rates achieved and market related information.	Category	Traffic Proj. (in '000 tonnes)	KDS		Liquid Bulk	4340	Dry Bulk	905	Container (No. of TEUs in '000)	5900 (305)	Break Bulk/Others	2265	Total-(A)	13410	HDC		Liquid Bulk	18110	Dry Bulk	21490	Container (No. of TEUs in '000)	2400 (130)	Break Bulk/Others	700	Total-(B)	42700	Total for KOPT(A+B)	56110
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	(ii). The KOPT to furnish actual cargo and container traffic handled by it during the 1 st quarter of the financial year 2010-11.	Actual Cargo and Container traffic handled at Kolkata Port during the 1 st quarter of 2010-11 is furnished below; <table><tr><td>Cargo Traffic (in '000 tonnes)</td><td>10507</td></tr><tr><td>Container Traffic (in '000 tonnes)</td><td>2085</td></tr><tr><td>Number TEUs</td><td>125628</td></tr></table>	Cargo Traffic (in '000 tonnes)	10507	Container Traffic (in '000 tonnes)	2085	Number TEUs	125628
Cargo Traffic (in '000 tonnes)	10507							
Container Traffic (in '000 tonnes)	2085							
Number TEUs	125628							
	(iii). KOPT to explain the reasons for the sudden drop of around 15% in the overall total cargo traffic in the year 2009-10 as compared to the year 2008-09.	The traffic at Kolkata Port during 2009-10 has decreased by 14.38% as compared to 2008-09 primarily due to the following reasons; (a). Substantial volume of POL(Crude) traffic, earlier handled at HDC and KDS, has shifted to Paradip from 2009-10 with the commissioning of the Paradip-Haldia Crude Pipeline. During 2009-10 no POL(Crude) materialised at KDS against 2.715 million tonnes handled in 2008-09 and at HDC, POL (Crude) declined by 7.749 million tonnes in 2009-10 vis-a-vis 2008-09. (b). Decline in iron ore traffic is due to volatility of iron ore market. The volatility has been caused due to various Govt. guidelines relating to export of Iron Ore issued in the recent past and also due to decline in Chinese demand for iron ore. (c). Due to decline in draft at shipping channel leading to Haldia Dock Complex, the average parcel load of vessels visiting Haldia declined substantially leading to decline in traffic.						
	(iv). The reason for estimating a decrease in the traffic of Liquid Bulk including POL and Crude during the years 2010-11 to 2012-13 as compared to the actuals during the year 2009-10 to be explained.	While estimating the traffic for the years 2010-11 to 2012-13, no POL (Crude) traffic has been envisaged to materialise at KDS and substantial decline has been projected for HDC, considering the shift of substantial quantum of POL (Crude) traffic. It is also mentioned that the SBM of Paradip had faced certain technical problems resulting in lower utilisation of the Pipeline. It is expected that with time the said problems would be taken care of and consequently with fuller utilisation of Paradip-Haldia pipeline, the Crude Oil traffic may go down further. The reduction in Crude would lead to the decline of Liquid Bulk Cargo traffic during the years 2010-11 to 2012-13.						
	(v). The reason for around 7% reduction in the traffic of Iron Ore during the year 2010-11 as compared to the actual traffic of iron ore in the year 2009-10 and a further reduction of around 20% in iron ore traffic during 2011-12 as compared to the year 2010-11 to be justified. The reason for assuming no growth in iron ore traffic during the year 2012-13 as compared to the year 2011-12 to be clarified.	While projecting Iron Ore traffic, decline has been envisaged considering the sluggish demand of Iron Ore from China and fluctuating Iron Ore prices in the International market. During April-July 2010, there has been about 30% decline in Iron Ore traffic at KOPT as compared to the corresponding period of the previous year owing to government control on loading sites along with less demand from China. Almost all the Iron Ore exporting Indian Major Ports has experienced decline during April-July 2010 vis-a-vis April-July 2009. The fall registered by all Indian Major Ports during April-July 2010 is 10.53% as compared to corresponding period of the last year. The drop is mainly on account of sluggish demand from China, and ongoing investigation into illegal mining and exports in major producing states. The Govt. of India has also increased duty on Iron Ore exports, in order to meet domestic requirement for Steel Industry.						
	(vi). The reason for anticipating almost no growth in the traffic of General Cargo during the years 2010-11 to 2012-13 to be	With the growth of containerisation, more volume of General Cargo is likely to be containerised and thus almost no growth has been envisaged while estimating traffic for General Cargo for the years 2010-11 to 2012-						

	clarified.	2013. Traffic studies made in recent past by several consultants also do not hint on any significant increase in General cargo, during the years under consideration.												
	(vii). KOPT to list out the items handled/ proposed to handled under the head of 'General Cargo'.	Under the head "General cargo" the following has been considered - Coke, Sugar, Iron and Steel, Machinery, Manganese and other Ores, Limestone, Rapeseed, Scrap Iron, Soda Ash, Coal Tar pitch, Ammonium Nitrate, Salt, Fly Ash, Maize, Granite, Cement Clinker, general merchandise, Car and other vehicles, Excavators, Other General Cargo etc.												
	(viii). The reason for anticipating no growth in the container traffic during the year 2011-12 as compared to the year 2010-11 to be clarified.	In 2010-11, the estimated growth envisaged in container traffic is on a much higher side, which is the RDC target of the Ministry of Shipping. But, as the growth in container traffic is much less in comparison to the said target, no growth in container traffic has been estimated for the year 2011-12.												
	(ix). The reason for proposing separate rate for handling transshipment container in the proposed draft Scale of Rates to be clarified when the KOPT has not estimated any traffic of transshipment containers during the years 2010-11 to 2012-13.	This Authority has only recently passed an order on 9 th July 2010 on KOPT's proposal of 2008 for transshipment container rates. Because of non-availability of rates in the Scale of Rates, the container-cum-vessel operators working in Kolkata port have not so long taken serious initiatives for development of a transshipment route through the KOPT. No estimate of transshipment containers could be made at this stage in absence of feedback from the container-cum-vessel operators. However, TAMP is requested that to meet any unforeseen requirement, a separate rate for transshipment containers may be considered in accordance with Clause 5.5.1 of the tariff guidelines.												
3.	<u>Operating Income:</u>													
(i).	Note 3 to Form 2B of the prescribed formats for tariff proposal adopted by this Authority requires the major ports to provide detailed computation of income with reference to the estimated traffic. However, no such computation has been furnished by KOPT. KOPT to furnish detailed computation of income with reference to the estimated traffic at KOPT's existing Scale of Rates and the proposed Scale of Rates for all the years under consideration separately for each of the activities and sub-activities.	The KOPT has furnished the calculation pertaining to income projections for each of the main activities and sub-activities of KDS and HDC separately.												
(ii).	Apart from the general increase in rate proposed, the KOPT has also proposed introduction of some new tariff items/ facilities. The yearwise additional revenue implication arising from these new tariff items to be quantified item wise and furnished for all the years under consideration with workings.	From the statement furnished by KOPT, it is seen that the KOPT anticipates additional revenue implication from the proposed project of handling cargo at berth no. 2 and 8. The statement furnished by KOPT is summarized below: <table><tr><th>Particulars</th><th>2010-11</th><th>2011-12</th><th>2012-13</th></tr><tr><td>1. Cargo proposed to be handled (in lakhs MT)</td><td>46.90</td><td>70.00</td><td>70.00</td></tr><tr><td>2. Income proposed to be earned from use of MHC for loading/ unloading, Storage, weighment, on-shore services and despatch related services @ the proposed rate of Rs.159/- per MT (Rs. In Lakhs)</td><td>7457.10</td><td>11130.00</td><td>11130.00</td></tr></table>	Particulars	2010-11	2011-12	2012-13	1. Cargo proposed to be handled (in lakhs MT)	46.90	70.00	70.00	2. Income proposed to be earned from use of MHC for loading/ unloading, Storage, weighment, on-shore services and despatch related services @ the proposed rate of Rs.159/- per MT (Rs. In Lakhs)	7457.10	11130.00	11130.00
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1. Cargo proposed to be handled (in lakhs MT)	46.90	70.00	70.00											
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		3. Fender hire Charges @ US\$4.17 per hour and Rs.112.50 per hour (By assuming the deployment hours at 4000 per annum and with a usage rate of 60%, 65% and 70% for the years 2010-11 to 2012-13 respectively.) (Rs. In Lakhs)	51.88	52.90	56.44
(iii).	From the Form – 2B, it appears that the KOPT has considered different exchange rate for estimating the income for the years 2010-11 to 2012-13. In this regard, it to be noted that the exchange rate prevailing at the time of finalisation of the case will be applied for estimation of income for the years 2010-11 to 2012-13. The income estimates to be updated with reference to the current prevailing exchange rate.	As per Note-4 of Form-2, the Income projections should be made taking into account effect of foreign exchange fluctuations on income from dollar denominated tariff items. The different exchange rate had been adopted by KOPT for estimating income in terms of the said provision. However, inadvertently the exchange rate considered has been wrongly indicated in the cost statement forwarded earlier. The actual exchange rate considered has now been furnished in the revised Form-2, which may be considered. (The US\$ exchange rate as mentioned by KOPT in the Form – 2B is Rs.47/-, Rs.46.50 and Rs.46/- for the years 2010-11 to 2012-13 respectively.)			
(iv).	As stated earlier, the total cargo traffic estimated for the year 2010-11 is around 2% higher than the actual cargo traffic of the year 2009-10. However, the cargo handling income for the year 2010-11 reflects an increase of around 24% as compared to the actual income for the year 2009-10. KOPT to clarify the position.	The additional income estimated during 2010-11 is primarily the income expected to be earned from shore handling activities to be performed at HDC by way of equipping of two berths at HDC.			
(v).	(a). There is phenomenal increase in the estimated income from handling of coal by around 150% in the year 2010-11 as compared to the year 2009-10, when the coal traffic is estimated to increase by around 12%. This position is also noticed in the estimated income for the subsequent two years, 2011-12 and 2012-13. KOPT to clarify the position. (b). The KOPT has not estimated income from storage of coal for any of the years under consideration.	The additional income estimated during 2010-11 is primarily from the income expected to be earned from shore handling activities to be performed at HDC by way of equipping of two berths at HDC. It is also mentioned that at these two berths primarily coal traffic is expected to be handled and the proposed increase in income on account of coal is due to the same. Coal is handled at HDC where customers are allotted storage space on license basis and accordingly, no demurrage accrues on the cargo. The license fee income earned from such allotment of land is considered in the Estate Income.			
(vi).	The reason for around 20% reduction in the estimated storage income from containers during the years 2010-11 and 2011-12 as compared to the year 2009-10 to be explained.	The storage income on account of Container has been falling sharply due to transfer of container from port to various CFSs. To reduce congestion, KOPT had already adopted a policy of mandatory transfer of container from Port to CFS at KDS. In HDC even though no such policy has been adopted, customers are shifting containers to private CFS in increasing numbers to avoid demurrage.			
(vii).	(a). KOPT to clarify the reason for around 192% increase in the actual storage income from	The principal reason for increase in storage income in 2009-10 was due to the Govt. Policy of levy of penal demurrage rate for Sugar and Pulses.			

	general cargo realized in the year 2009-10 as compared to the actuals for the year 2008-09. (b). The sudden drop of around 38%, 57% and 66% in the estimated storage income from general cargo for the years 2010-11 to 2012-13 respectively as compared to the actuals for the year 2009-10 to be justified.	As the aforesaid policy direction notified by TAMP was apparently applicable upto 31.03.2010 only, the penal levy of demurrage rate has not been considered in the estimation for 2010-11 to 2012-13.
(viii).	The KOPT has stated that it has considered the Security Deposit of Rs.1.50 crores and Rs.10.00 crores received from TM International Logistics Limited (TMILL) and International Seaports Haldia Private Limited (ISHPL) respectively (Refer Form 9) as Royalty receipts in view of the dispute KOPT and TMILL/ISHPL. The KOPT to indicate the year in which the said receipts have been treated as Royalty receipts.	The proceeds from encashment of Bank Guarantees have been considered as Royalty received in the Financial Year 2008-09.
(ix).	KOPT to explain the reason for estimating around 3% reduction in vessel related income in the year 2010-11 as compared to the vessel related income for the year 2009-10, when the KOPT has estimated around 4% increase in the traffic of vessels during the year 2010-11.	The reduction in vessel related income is primarily due to the variation in exchange rate. During 2009-10 the average exchange rate was around Rs.47.50 per US\$ while considering the gradual firming up of Rupee, the vessel income for 2010-11 have been estimated considering exchange rate of Rs.47.00 per US\$. Further, there has been a trend of fall in size of vessels resulting in lower income per vessel.
(x).	When the average time spent by the vessels in the berth is expected to increase in the year 2010-11, the reason for around 11% reduction in the estimated income from berth hire during the year 2010-11 as compared to the year 2009-10 to be explained.	The primary reason for the reduction is due to the exchange rate of Rs.47.00 per US\$ considered for estimating income for 2010-11 vis-à-vis Rs.47.50 per US\$ prevailing during 2009-10. The recent trend of lower size vessel coming to the port has also affected the berth hire income. Further, as the parcel load of vessels have fallen due to falling draft, more number of vessels are expected to be handled at Berth No-4A, which has been licensed to ISHPL. KOPT does not earn Berth Hire against the vessels working at Berth No-4A.
(xi).	When the total number of vessels expected to be handled during the year 2010-11 is more as compared to the actual vessels handled during the year 2009-10, the reason for reduction in the estimated income from pilotage & towage in the year 2010-11 as compared to the actuals for the years 2009-10 to be clarified.	The primary reason for the reduction is due to considering an exchange rate of Rs.47.00 per US\$ for estimating income for 2010-11 vis-à-vis the average exchange rate of Rs.47.50 per US\$ prevailing during 2009-10. The recent trend of lower size vessels coming to the port has also affected the towage and pilotage income.
(xii).	(a). KOPT to explain the reason for the reduction in the estimated income from dry docking charges for the years 2010-11 to 2012-13	The reduction is primarily due to the fact that most of the four yearly special survey repair of KOPT vessels have been completed recently and hence these vessels would not be required to dry dock in the next three years.

	as compared to the actuals for the years 2008-09 and 2009-10. (b). As seen from the proposed draft Scale of rates, it is seen that the KOPT proposes to levy dry docking charges from the KOPT vessels. The notional income estimated on account of KOPT vessels and the treatment given to the income estimated from the dry docking of the KOPT vessels in the Cost statement to be furnished with detailed workings for the years 2010-11 to 2012-13.	(KOPT has furnished a statement showing the actual dry docking income for the years 2006-07 to 2009-10 vis-a-vis estimated dry docking income for the years 2010-11 to 2012-13. The statement furnished by KOPT is summarized below: (Rs. In Lakhs) <table><tr><th rowspan="2">Year</th><th colspan="3">On KOPT Vessels</th><th colspan="3">On Commercial Vessels</th><th rowspan="2">Total</th></tr><tr><th>K.P Dry Dock</th><th>N.S Dry Dock</th><th>Total</th><th>K.P Dry Dock</th><th>N.S Dry Dock</th><th>Total</th></tr><tr><td>2006-07</td><td>108.53</td><td>0.00</td><td>108.53</td><td>80.72</td><td>49.26</td><td>129.98</td><td>238.51</td></tr><tr><td>2007-08</td><td>311.20</td><td>0.00</td><td>311.20</td><td>195.25</td><td>84.10</td><td>279.35</td><td>590.55</td></tr><tr><td>2008-09</td><td>198.57</td><td>188.10</td><td>386.67</td><td>139.39</td><td>102.65</td><td>242.04</td><td>627.71</td></tr><tr><td>2009-10</td><td>135.34</td><td>139.14</td><td>274.48</td><td>152.50</td><td>196.41</td><td>348.91</td><td>623.39</td></tr><tr><td>2010-11</td><td>110.00</td><td>0.00</td><td>110.00</td><td>172.09</td><td>250.00</td><td>422.09</td><td>532.09</td></tr><tr><td>2011-12</td><td>110.00</td><td>0.00</td><td>110.00</td><td>178.09</td><td>250.00</td><td>428.09</td><td>538.09</td></tr><tr><td>2012-13</td><td>110.00</td><td>0.00</td><td>110.00</td><td>202.18</td><td>250.00</td><td>452.18</td><td>562.18</td></tr></table>	Year	On KOPT Vessels			On Commercial Vessels			Total	K.P Dry Dock	N.S Dry Dock	Total	K.P Dry Dock	N.S Dry Dock	Total	2006-07	108.53	0.00	108.53	80.72	49.26	129.98	238.51	2007-08	311.20	0.00	311.20	195.25	84.10	279.35	590.55	2008-09	198.57	188.10	386.67	139.39	102.65	242.04	627.71	2009-10	135.34	139.14	274.48	152.50	196.41	348.91	623.39	2010-11	110.00	0.00	110.00	172.09	250.00	422.09	532.09	2011-12	110.00	0.00	110.00	178.09	250.00	428.09	538.09	2012-13	110.00	0.00	110.00	202.18	250.00	452.18	562.18
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(xiii).	The actual operating income of KOPT as shown in the Cost statement for the years 2006-07 to 2009-10 excludes Government contribution for river dredging and maintenance. The KOPT to confirm that the said reimbursement has been excluded from the estimated vessel related income for the years 2010-11 to 2012-13 in the Cost statement. KOPT to furnish the details of total estimated dredging expenses and reimbursable amount for these three years.	No expense on account of disallowance of dredging subsidy has been considered in the cost statement of 2010-11 to 2012-13. The KOPT has furnished the details of estimated dredging expenditure for the years 2010-11 to 2012-13 and considers that the entire expenditure would be treated as allowable. The KOPT has stated that if any sum is disallowed, the same would be known only after completion of audit. (From the statement furnished by KOPT, it is seen that KOPT estimates an expenditure to the tune of Rs.61388.19 lakhs, Rs.64118.20 lakhs and Rs.66688.28 lakhs for the years 2010-11 to 2012-13 respectively towards river dredging and maintenance and dredging of shipping channel.)																																																																						
(xiv).	From the Cost statement furnished by KOPT for the Dredging activity, it is not clear as to the actual/ estimated amount reimbursed/ reimbursable by the Government for the years 2006-07 to 2012-13. It is also not clear as to how the deficit in the Dredging activity has been allocated to the various sub-activities. The KOPT to furnish the requisite information.	(KOPT has not furnished a specific reply to the query raised by us.)																																																																						
(xv).	The cost statement relating to the railway activity shows deficit in the existing arrangement, for all the years under consideration. In this context, KOPT to furnish / clarify / explain the following: (a). Steps taken to make the railway activity self-reliant.	It may be mentioned that Railway activity is generating substantial operating surplus and also contributing towards recovery of Management of General Overhead allocated to the said activity. Therefore, the said activity is not in deficit in true sense. Only because of allocation of Financial and Miscellaneous Expenses (FME) that the position is showing a deficit. In order to facilitate handling of more railway bound cargo, concrete steps have been taken to augment infrastrucre facility by way of procurement of new locomotives, laying of new tracks, modernisation of existing tracks etc. As fixed cost in any activity undertaken by port is over 80%, the increase in traffic would like to result in more contribution.																																																																						

	(b). Efforts made to review and revise the terminal charges with the approval of Railway Board.	Railway Authority has recently taken a policy decision to review the terminal charges every two years. As such, the last revision has been effected on 01 April 2009 and the same is valid upto 31 March 2011. Prior to this, the terminal charge was last revised on 01 April 2007.
	(c). The necessity for the port charges to cross-subsidise non-port bound cargo.	The question of cross subsidisation in the manner mentioned by TAMP does not arise in case of Railway activity which is showing operating surplus. Further, since Railway Operations are ancillary/ supporting service to port operation, its viability should be evaluated on the basis of operational surplus/ deficit. Any contribution to other fixed overheads of port is considered as additional benefit. Railway Operation related to Port is mainly for Import/ Export cargo. However, it may be mentioned that for effective utilisation of the already existing Railway infrastructure, siding holders are also being catered to as far as possible with the existing infrastructure for the purpose of generating additional revenue.
4.	<u>Operating Cost:</u>	KOPT has not adopted any different escalation factor for estimating operating cost. However, the variable expenses vary in relation to factors like number of vessels handled, cargo handled, railway traffic handled etc. The projection of such expenses has been made considering the variation in the independent variable on which such expense is related as well as the escalation factor of 3.76% notified by TAMP. Further, while estimating Salary expenditure normal increment (GI) of 3% p.a has been considered along with the escalation factor of 3.76% (which reflects in the rate of dearness allowance).
(i).	KOPT has adopted different escalation factors in the estimation of operating cost. As already communicated by us vide our letter No.TAMP/27/2005-Misc. dated 18 May 2010, an escalation factor of 3.76% per annum will be considered for the expenditure projections in the cost statement.	
(ii).	KOPT to furnish basis for allocation of all expenses covered under the head of 'Operating Expenses' and 'Depreciation' to the various activities and sub-activities alongwith workings.	The allocation of Operating Expenses and depreciation to various activities like Marine, Cargo, Railway and Estate is booked under cost centre of the respective activity and is as per Accounts. Further allocation of the said operating expenses and depreciation to sub-activities have been done as per the following principles: (a). Whenever any expense is identifiable to a specific sub-activity, the same is directly allocated to the said sub-activity; (b). In cases where such direct identification could not be made, the said expenses have been apportioned to sub-activities based on understanding on intensity of use.
(iii).	<u>Salaries and Wages:</u> (a). The National Tribunal Award of 2006 on manning scales has already been notified. Clause 2.6.2 of the tariff guidelines requires the port to regularly review and adjust the manning scales / datum. KOPT clarify whether the proposal of the KOPT is based on the revised manning scales. If not, KOPT to	KOPT is yet to implement the National Tribunal Award. However, very recently, KOPT has initiated action for implementing the award. The revised manning Scales/ datum are being worked upon and accordingly, at this stage it is not possible to modify the estimation of Salary and wage cost on the basis of the revised manning scale. However, it is mentioned that with virtually no recruitment over last 7-8 years taking place in KOPT and also with the retirements happening during the period, there has been considerable reduction in manning at KOPT and

	modify the estimation of salary and wage cost based on the revised manning scales awarded by National Tribunal in 2006.	accordingly, we do not anticipate any major difference in the Salary and wage expenditure after implementation of the revised manning Scale. In any case the results of implementation of revised manning scale would only be fully known upon full implementation of the award. In view of the above, TAMP is requested to consider the Salary & Wage cost as indicated by KOPT in the cost statement.
	(b). Furnish the existing manning scales for different services, the manning scale proposed to be followed by the KOPT and cost thereon for the traffic estimation made during the years 2009-10 to 2011-12.	As mentioned above, the revised manning scale has not yet been firmed up at KOPT.
	(c). In the Form – 3B submitted by the Port, it is shown that the salaries and wages for the year 2008-09 is Rs.17417.52 lakhs and Rs.22260.38 lakhs for the year 2009-10. On comparison with the Schedule 14 of the Annual Accounts, it is seen that the salaries and wages for the port is Rs.26521.44 lakhs and Rs.25972.48 lakhs for the year 2008-09 and 2009-10 respectively. KOPT to explain the reason for this difference and the differences to be reconciled.	The salary attributable to Management has been shown under Sr. No-B of Form-3B and not under Sr. No-A (I). Further a part of Salary relating to dredging activity which is reimbursable has also been excluded. This is the reason for the difference.
(iv).	<u>Power cost:</u> In the Form – 3B submitted by the Port, it is shown that the power cost for the year 2008-09 is Rs.1759.80 lakhs and Rs.1956.65 lakhs for the year 2009-10. On comparison with the Schedule 17 of the Annual Accounts, it is seen that the electricity cost for the port is Rs.1838.76 lakhs and Rs.2060.99 lakhs for the year 2008-09 and 2009-10 respectively. KOPT to explain the reason for this difference and the differences to be reconciled.	A part of Power cost is reflected in the Management & general Overhead under Sl. No-B of Form 3B. Further, a part of Power cost relating to dredging activity which is reimbursable has also not been included.
(v).	<u>Dredging Expenses:</u> (a). In the cost statement relating to dredging activity, it is seen that the 'General Expenses' constitute in the range of 92% to 96% of actual total operating expenditure for the said activity for years 2006-07 to 2009-10. Likewise, the said 'General Expenses' is found to be around 92% for each of the years 2010-11 to 2012-13, out of the estimated operating expenditure for the said activity	The pay out to Dredging Corporation of India against the dredging activity undertaken by them has been shown under 'General Expense.

	for the respective years. KOPT to furnish details for the items considered under 'General Expenses' alongwith workings.																																																													
	(b). The General Expenses in the cost statement of dredging activity for the year 2010-11 is estimated at around 33% more as compared to the actuals for the year 2009-10. KOPT to justify the steep increase in expenditure.	The increase is due to increase in cost of dredging done by Dredging Corporation of India.																																																												
(vi).	<u>Other expenses:</u> In each of the Cost statement pertaining to the various sub-activities, there is an item of expenditure 'Others'. KOPT to list out the items covered under this head of expenditure.	Fringe Benefit, Payments to be made to contractor engaged for equipping of berths and general expenses and general stores are the items shown under the head 'Others'.																																																												
(vii).	<u>Depreciation:</u> Depreciation is to be computed in line with Clause 2.7.1. of the revised guidelines and a detailed working for the estimated depreciation cost for the years 2009-10 to 2012-13 indicating details of assets, rate of depreciation, method followed and life norms adopted as per Companies Act to be furnished.	As KOPT does not follow the Companies Act, depreciation has been shown in the cost statement as per the accounting system followed at KOPT. The method is straight line method and the life norm of assets is as per the guidelines of the Ministry.																																																												
5.	<u>Management & General Administration Expenses:</u> (a). KOPT to list out the items covered under this head of expenditure.	The principle components are: 1) Store keeping; 2) Medical Expenses; 3) Labour & Industrial Relations; 4) Engineering & workshop overheads; 5) Accounting & Auditing; 6) Port Security & other expenses																																																												
	(b). KOPT to furnish basis for allocation of the said expenditure to the various activities and sub-activities alongwith workings.	(From the details furnished by KOPT, it is seen that in respect of KDS and HDC, the KOPT has adopted different percentages for allocation of various types of expenses falling under the head of Management and General Administration Overheads to the various activities and sub-activities for the years from the year 2006-07 to 2009-10. The percentages considered in KDS for the different years are given below: (a). For allocation of Store Keeping Expenses: <table><tr><th>Year</th><th>Cargo</th><th>Port & Dock</th><th>Railway</th><th>Estate</th></tr><tr><td>2006-07</td><td>26.93%</td><td>70.19%</td><td>2.86%</td><td>0.02%</td></tr><tr><td>2007-08</td><td>0%</td><td>0%</td><td>0%</td><td>0%</td></tr><tr><td>2008-09</td><td>25.89%</td><td>73.04%</td><td>1.01%</td><td>0.06%</td></tr><tr><td>2009-10</td><td>22.75%</td><td>75.71%</td><td>1.18%</td><td>0.36%</td></tr><tr><td>2010-11</td><td>27.27%</td><td>67.60%</td><td>5.10%</td><td>0.03%</td></tr><tr><td>2011-12</td><td>27.27%</td><td>67.60%</td><td>5.10%</td><td>0.03%</td></tr><tr><td>2012-13</td><td>27.27%</td><td>67.60%</td><td>5.10%</td><td>0.03%</td></tr></table> (b). For allocation of Engineering & workshop overheads <table><tr><th>Year</th><th>Cargo</th><th>Port & Dock</th><th>Railway</th><th>Estate</th></tr><tr><td>2006-07</td><td>52.53%</td><td>22.73%</td><td>4.93%</td><td>19.81%</td></tr><tr><td>2007-08</td><td>195.04%</td><td>91.86%</td><td>21.04%</td><td>-207.94%</td></tr><tr><td>2008-09</td><td>49.07%</td><td>34.16%</td><td>2.78%</td><td>13.99%</td></tr></table>	Year	Cargo	Port & Dock	Railway	Estate	2006-07	26.93%	70.19%	2.86%	0.02%	2007-08	0%	0%	0%	0%	2008-09	25.89%	73.04%	1.01%	0.06%	2009-10	22.75%	75.71%	1.18%	0.36%	2010-11	27.27%	67.60%	5.10%	0.03%	2011-12	27.27%	67.60%	5.10%	0.03%	2012-13	27.27%	67.60%	5.10%	0.03%	Year	Cargo	Port & Dock	Railway	Estate	2006-07	52.53%	22.73%	4.93%	19.81%	2007-08	195.04%	91.86%	21.04%	-207.94%	2008-09	49.07%	34.16%	2.78%	13.99%
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2009-10	33.80%	57.28%	1.41%	7.51%
2010-11	24.90%	59.66%	3.95%	11.49%
2011-12	25.44%	58.79%	4.04%	11.73%
2012-13	26.09%	57.73%	4.14%	12.04%

(c). For allocation of Security Charges

Year	Cargo	Port & Dock	Railway	Estate
2006-07	65%	10%	5%	20%
2007-08	65%	10%	5%	20%
2008-09	65%	10%	5%	20%
2009-10	65%	10%	5%	20%
2010-11	65%	10%	5%	20%
2011-12	65%	10%	5%	20%
2012-13	65%	10%	5%	20%

(d). For allocation of Medical Expenses and Labour & Industrial Relations

Year	Cargo	Port & Dock	Railway	Estate
2006-07	41.50%	49%	7.20%	2.30%
2007-08	0.00%	0.00%	0.00%	0.00%
2008-09	42.25%	48.28%	6.90%	2.57%
2009-10	43.06%	47.86%	6.56%	2.52%
2010-11	36.15%	55.59%	6.04%	2.22%
2011-12	36.02%	55.73%	6.03%	2.22%
2012-13	35.99%	55.77%	6.02%	2.22%

(e). For allocation of Residual Administration Expenses

Year	Cargo	Port & Dock	Railway	Estate
2006-07	44.61%	41.14%	6.43%	7.82%
2007-08	12.02%	0%	0%	87.98%
2008-09	45.08%	41.87%	5.98%	7.07%
2009-10	43.19%	45.41%	5.82%	5.58%
2010-11	42.99%	45.09%	5.79%	6.13%
2011-12	43.08%	45%	5.82%	6.10%
2012-13	43.16%	44.91%	5.85%	6.08%

The percentages considered in HDC for the different years are given below:

(a). For allocation of Store Keeping Expenses:

Year	Cargo	Port & Dock	Railway	Estate
2006-07	20.88%	60.45%	16.38%	2.29%
2007-08	27.16%	46.58%	25.11%	1.15%
2008-09	15.11%	44.63%	38.74%	1.52%
2009-10	23.66%	53.32%	21.15%	1.87%
2010-11	33.44%	39.24%	25.57%	1.75%
2011-12	33.44%	39.24%	25.57%	1.75%
2012-13	33.44%	39.24%	25.57%	1.75%

(b). For allocation of Engineering & workshop overheads

Year	Cargo	Port & Dock	Railway	Estate
2006-07	19.68%	40.66%	13.74%	25.92%
2007-08	30.61%	42.92%	14.08%	12.39%
2008-09	35.66%	32.32%	14.37%	17.65%
2009-10	30.22%	42.57%	21.03%	6.18%
2010-11	32.96%	35.87%	15.26%	15.91%
2011-12	43.76%	21.92%	10.34%	23.98%
2012-13	44.09%	21.64%	10.16%	24.11%

(c). For allocation of Security Charges

Year	Cargo	Port & Dock	Railway	Estate
2006-07	51%	23%	18%	8%
2007-08	51%	23%	18%	8%
2008-09	51%	23%	18%	8%
2009-10	51%	23%	18%	8%
2010-11	51%	23%	18%	8%
2011-12	51%	23%	18%	8%
2012-13	51%	23%	18%	8%

		(d). For allocation of Medical Expenses and Labour & Industrial Relations <table><tr><th>Year</th><th>Cargo</th><th>Port & Dock</th><th>Railway</th><th>Estate</th></tr><tr><td>2006-07</td><td>52.29%</td><td>31.96%</td><td>11.79%</td><td>3.96%</td></tr><tr><td>2007-08</td><td>52.20%</td><td>32.74%</td><td>11.43%</td><td>3.63%</td></tr><tr><td>2008-09</td><td>51.56%</td><td>33.38%</td><td>11.48%</td><td>3.58%</td></tr><tr><td>2009-10</td><td>49.06%</td><td>36.26%</td><td>11.19%</td><td>3.49%</td></tr><tr><td>2010-11</td><td>55.16%</td><td>28.83%</td><td>12.17%</td><td>3.84%</td></tr><tr><td>2011-12</td><td>55.39%</td><td>28.69%</td><td>12.11%</td><td>3.81%</td></tr><tr><td>2012-13</td><td>55.39%</td><td>28.69%</td><td>12.11%</td><td>3.81%</td></tr></table> (e). For allocation of Residual Administration Expenses <table><tr><th>Year</th><th>Cargo</th><th>Port & Dock</th><th>Railway</th><th>Estate</th></tr><tr><td>2006-07</td><td>32.80%</td><td>42.66%</td><td>8.69%</td><td>15.85%</td></tr><tr><td>2007-08</td><td>29.22%</td><td>50%</td><td>7.62%</td><td>13.16%</td></tr><tr><td>2008-09</td><td>30.82%</td><td>44.89%</td><td>10.26%</td><td>14.03%</td></tr><tr><td>2009-10</td><td>23.16%</td><td>50.89%</td><td>10%</td><td>15.95%</td></tr><tr><td>2010-11</td><td>51.63%</td><td>25.43%</td><td>10.91%</td><td>12.03%</td></tr><tr><td>2011-12</td><td>53.64%</td><td>26.37%</td><td>10.35%</td><td>9.64%</td></tr><tr><td>2012-13</td><td>53.14%</td><td>26.63%</td><td>10.64%</td><td>9.59%</td></tr></table>	Year	Cargo	Port & Dock	Railway	Estate	2006-07	52.29%	31.96%	11.79%	3.96%	2007-08	52.20%	32.74%	11.43%	3.63%	2008-09	51.56%	33.38%	11.48%	3.58%	2009-10	49.06%	36.26%	11.19%	3.49%	2010-11	55.16%	28.83%	12.17%	3.84%	2011-12	55.39%	28.69%	12.11%	3.81%	2012-13	55.39%	28.69%	12.11%	3.81%	Year	Cargo	Port & Dock	Railway	Estate	2006-07	32.80%	42.66%	8.69%	15.85%	2007-08	29.22%	50%	7.62%	13.16%	2008-09	30.82%	44.89%	10.26%	14.03%	2009-10	23.16%	50.89%	10%	15.95%	2010-11	51.63%	25.43%	10.91%	12.03%	2011-12	53.64%	26.37%	10.35%	9.64%	2012-13	53.14%	26.63%	10.64%	9.59%																		
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2012-13	55.39%	28.69%	12.11%	3.81%																																																																																																
Year	Cargo	Port & Dock	Railway	Estate																																																																																																
2006-07	32.80%	42.66%	8.69%	15.85%																																																																																																
2007-08	29.22%	50%	7.62%	13.16%																																																																																																
2008-09	30.82%	44.89%	10.26%	14.03%																																																																																																
2009-10	23.16%	50.89%	10%	15.95%																																																																																																
2010-11	51.63%	25.43%	10.91%	12.03%																																																																																																
2011-12	53.64%	26.37%	10.35%	9.64%																																																																																																
2012-13	53.14%	26.63%	10.64%	9.59%																																																																																																
6.	Finance & Miscellaneous Income: KOPT to furnish detailed working for the estimated Finance and Miscellaneous Income for the years 2010-11 to 2012-13. Also, furnish basis for allocation of the said income to the various activities and sub-activities alongwith workings.	The various types of income considered under Finance and Miscellaneous Income and the allocation thereof to the various activities as given by KOPT for KDS and HDC separately is summarized and tabulated below: With respect to KDS: (Rs. In Lakhs) <table><tr><th></th><th>2010-11</th><th>2011-12</th><th>2012-13</th></tr><tr><td>Profit on disposal of Capital assets</td><td>250.00</td><td>50.00</td><td>50.00</td></tr><tr><td>Sale of unserviceable materials</td><td>400.75</td><td>225.00</td><td>225.00</td></tr><tr><td>Recovery of overheads</td><td>1.30</td><td>1.30</td><td>1.30</td></tr><tr><td>Sundry receipts</td><td>181.58</td><td>132.08</td><td>132.08</td></tr><tr><td>Total F & M Income as in KDS Cost statement</td><td>833.63</td><td>408.38</td><td>408.38</td></tr><tr><td>Allocation to various activities</td><td></td><td></td><td></td></tr><tr><td>- Cargo</td><td>49.32%</td><td>47.64%</td><td>47.83%</td></tr><tr><td>- Port & Dock</td><td>14.51%</td><td>14.74%</td><td>14.79%</td></tr><tr><td>- Railways</td><td>3.52%</td><td>3.64%</td><td>3.60%</td></tr><tr><td>- Estate</td><td>32.65%</td><td>33.98%</td><td>33.78%</td></tr></table> With respect to HDC: (Rs. In Lakhs) <table><tr><th></th><th>2010-11 *</th><th>2011-12 *</th><th>2012-13 *</th></tr><tr><td>LPSC of Electricity</td><td>3.25</td><td rowspan="12">No breakup is made available by KOPT.</td><td rowspan="12">No breakup is made available by KOPT.</td></tr><tr><td>Interest on Estate Rentals</td><td>115.00</td></tr><tr><td>Recovery of Medical Treatment</td><td>1.45</td></tr><tr><td>Sale of unserviceable materials</td><td>135.00</td></tr><tr><td>Hire of sundry Equipments</td><td>6.25</td></tr><tr><td>Recovery of overheads</td><td>5.66</td></tr><tr><td>Rebate earned on bills</td><td>7.25</td></tr><tr><td>Sale of Tender Forms</td><td>2.60</td></tr><tr><td>Sundry receipts</td><td>100.27</td></tr><tr><td>Recovery of Transport charges</td><td>9.25</td></tr><tr><td>Recovery of Launch hire</td><td>0.45</td></tr><tr><td>Guest house Room Rent</td><td>2.15</td></tr><tr><td>Total F & M Income as in HDC Cost statement</td><td>388.59</td><td>311.00</td><td>311.00</td></tr><tr><td>Allocation to various activities</td><td></td><td></td><td></td></tr><tr><td>- Cargo</td><td>44.25%</td><td>47.07%</td><td>47.22%</td></tr><tr><td>- Port & Dock</td><td>31.17%</td><td>30.41%</td><td>30.20%</td></tr><tr><td>- Railways</td><td>11.94%</td><td>10.70%</td><td>10.98%</td></tr><tr><td>- Estate</td><td>12.64%</td><td>11.82%</td><td>11.59%</td></tr></table> * In respect of the years 2010-11, 2011-12 and 2012-13, no breakup of F & M income has been furnished by KOPT. However, for the year 2010-11, the breakup has been considered as given in the B.E 2010-11.		2010-11	2011-12	2012-13	Profit on disposal of Capital assets	250.00	50.00	50.00	Sale of unserviceable materials	400.75	225.00	225.00	Recovery of overheads	1.30	1.30	1.30	Sundry receipts	181.58	132.08	132.08	Total F & M Income as in KDS Cost statement	833.63	408.38	408.38	Allocation to various activities				- Cargo	49.32%	47.64%	47.83%	- Port & Dock	14.51%	14.74%	14.79%	- Railways	3.52%	3.64%	3.60%	- Estate	32.65%	33.98%	33.78%		2010-11 *	2011-12 *	2012-13 *	LPSC of Electricity	3.25	No breakup is made available by KOPT.	No breakup is made available by KOPT.	Interest on Estate Rentals	115.00	Recovery of Medical Treatment	1.45	Sale of unserviceable materials	135.00	Hire of sundry Equipments	6.25	Recovery of overheads	5.66	Rebate earned on bills	7.25	Sale of Tender Forms	2.60	Sundry receipts	100.27	Recovery of Transport charges	9.25	Recovery of Launch hire	0.45	Guest house Room Rent	2.15	Total F & M Income as in HDC Cost statement	388.59	311.00	311.00	Allocation to various activities				- Cargo	44.25%	47.07%	47.22%	- Port & Dock	31.17%	30.41%	30.20%	- Railways	11.94%	10.70%	10.98%	- Estate	12.64%	11.82%	11.59%
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7.	Finance & Miscellaneous Expenses: (a). KOPT to furnish detailed workings for the estimated Finance and Miscellaneous Expenditure for the years 2010-11 to 2012-13. Also, furnish basis for allocation of the said expenditure to the various activities and sub-activities alongwith workings.	The various types of expenses considered under Finance and Miscellaneous Expenditure and the allocation thereof to the various activities as given by KOPT for KDS and HDC separately is summarized and tabulated below: With respect to KDS: (Rs. In Lakhs) <table><tr><th></th><th>2010-11</th><th>2011-12</th><th>2012-13</th></tr><tr><td>Payment of pension</td><td>8591.51</td><td>8870.95</td><td>9385.05</td></tr><tr><td>Contribution to Superannuation Fund (For employees retiring on or after 1.4.2004)</td><td>2125.00</td><td>2000.00</td><td>1875.00</td></tr><tr><td>Contribution to Gratuity Fund (For employees retiring on or after 1.4.2004)</td><td>375.00</td><td>250.00</td><td>250.00</td></tr><tr><td>Other Expenses</td><td>329.05</td><td>347.86</td><td>367.66</td></tr><tr><td>Total F & M Expenses as in KDS Cost statement</td><td>11420.56</td><td>11468.81</td><td>11877.71</td></tr><tr><td>Allocation of Retirement benefits to various activities</td><td></td><td></td><td></td></tr><tr><td>- Cargo</td><td>36.15%</td><td>36.15%</td><td>36.15%</td></tr><tr><td>- Port & Dock</td><td>55.58%</td><td>55.58%</td><td>55.58%</td></tr><tr><td>- Railways</td><td>6.04%</td><td>6.04%</td><td>6.04%</td></tr><tr><td>- Estate</td><td>2.23%</td><td>2.23%</td><td>2.23%</td></tr><tr><td>Allocation of Other Expenses to various activities</td><td></td><td></td><td></td></tr><tr><td>- Cargo</td><td>42.99%</td><td>42.99%</td><td>42.99%</td></tr><tr><td>- Port & Dock</td><td>45.09%</td><td>45.09%</td><td>45.09%</td></tr><tr><td>- Railways</td><td>5.79%</td><td>5.79%</td><td>5.79%</td></tr><tr><td>- Estate *</td><td>6.13%</td><td>6.13%</td><td>6.13%</td></tr></table> * The percentage of allocation of Other Expenses to Estate activity as shown by KOPT in its statement is 55.12%, whereas the correct percentage is 6.13% as shown above. With respect to HDC: (Rs. In Lakhs) <table><tr><th></th><th>2010-11</th><th>2011-12</th><th>2012-13</th></tr><tr><td>Payment of pension</td><td>10587.55</td><td>10856.32</td><td>11485.35</td></tr><tr><td>Contribution to Superannuation Fund (For employees retiring on or after 1.4.2004)</td><td>6375.00</td><td>6000.00</td><td>5625.00</td></tr><tr><td>Contribution to Gratuity Fund (For employees retiring on or after 1.4.2004)</td><td>1125.00</td><td>750.00</td><td>750.00</td></tr><tr><td>Value of Annuity to be purchased</td><td>6000.00</td><td>4500.00</td><td>6000.00</td></tr><tr><td>Other Expenses</td><td>1183.00</td><td>1183.00</td><td>1183.00</td></tr><tr><td>Total F & M Expenses as in KDS Cost statement</td><td>25270.55</td><td>23289.33</td><td>25043.35</td></tr><tr><td>Allocation of Retirement benefits to various activities</td><td></td><td></td><td></td></tr><tr><td>- Cargo</td><td>55.16%</td><td>55.38%</td><td>55.38%</td></tr><tr><td>- Port & Dock</td><td>28.83%</td><td>28.69%</td><td>28.69%</td></tr><tr><td>- Railways</td><td>12.17%</td><td>12.11%</td><td>12.11%</td></tr><tr><td>- Estate</td><td>3.84%</td><td>3.82%</td><td>3.82%</td></tr><tr><td>Allocation of Other Expenses to various activities</td><td></td><td></td><td></td></tr><tr><td>- Cargo</td><td>45.04%</td><td>49.36%</td><td>49.12%</td></tr><tr><td>- Port & Dock</td><td>29.67%</td><td>26.94%</td><td>27.05%</td></tr><tr><td>- Railways</td><td>14.29%</td><td>12.69%</td><td>12.85%</td></tr><tr><td>- Estate</td><td>11%</td><td>11%</td><td>10.98%</td></tr></table>		2010-11	2011-12	2012-13	Payment of pension	8591.51	8870.95	9385.05	Contribution to Superannuation Fund (For employees retiring on or after 1.4.2004)	2125.00	2000.00	1875.00	Contribution to Gratuity Fund (For employees retiring on or after 1.4.2004)	375.00	250.00	250.00	Other Expenses	329.05	347.86	367.66	Total F & M Expenses as in KDS Cost statement	11420.56	11468.81	11877.71	Allocation of Retirement benefits to various activities				- Cargo	36.15%	36.15%	36.15%	- Port & Dock	55.58%	55.58%	55.58%	- Railways	6.04%	6.04%	6.04%	- Estate	2.23%	2.23%	2.23%	Allocation of Other Expenses to various activities				- Cargo	42.99%	42.99%	42.99%	- Port & Dock	45.09%	45.09%	45.09%	- Railways	5.79%	5.79%	5.79%	- Estate *	6.13%	6.13%	6.13%		2010-11	2011-12	2012-13	Payment of pension	10587.55	10856.32	11485.35	Contribution to Superannuation Fund (For employees retiring on or after 1.4.2004)	6375.00	6000.00	5625.00	Contribution to Gratuity Fund (For employees retiring on or after 1.4.2004)	1125.00	750.00	750.00	Value of Annuity to be purchased	6000.00	4500.00	6000.00	Other Expenses	1183.00	1183.00	1183.00	Total F & M Expenses as in KDS Cost statement	25270.55	23289.33	25043.35	Allocation of Retirement benefits to various activities				- Cargo	55.16%	55.38%	55.38%	- Port & Dock	28.83%	28.69%	28.69%	- Railways	12.17%	12.11%	12.11%	- Estate	3.84%	3.82%	3.82%	Allocation of Other Expenses to various activities				- Cargo	45.04%	49.36%	49.12%	- Port & Dock	29.67%	26.94%	27.05%	- Railways	14.29%	12.69%	12.85%	- Estate	11%	11%	10.98%
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	(b). KOPT to refer to the table for Note 8 given in Form 3A. In this regard, the KOPT to clarify the following: (i). The KOPT has estimated payment of pension/retirement benefits for the years 2008-09 to 2012-13 (Refer Sl. No. a of Table).	The amount shown under Sl. no (a) is the Pension/ Retirement benefit paid/ payable to pensioners by KOPT who are not covered by Pension Fund. On the other hand the amount shown under Sl. No (d) is the quantum of contribution made or proposed to be made for purchase																																																																																																																																				

	The KOPT has also estimated value of Annuity to be purchased covering employees who retired before 31 March 2004 (Refer Sl. No. d of Table). KOPT to clarify how the information given in Sl. No. d is different from the information furnished in Sl. No. a. (ii). The KOPT has estimated Value of Annuity to be purchased to cover employees who retired prior to 31 March 2004 (Refer Sl. No. d of Table). The KOPT to furnish Pension payment/ Retirement benefit that will be covered by the value of Annuity purchased/ to be purchased and the amount that may be left uncovered, if any. (iii). The treatment of return on the value of Annuity purchased/ to be purchased over the relevant Pension liability in the Cost statement also to be intimated.	of Annuity from KOPT's normal earnings. These two being different from each other are not comparable. However, it may be mentioned that due to improper understanding of the requirement of Form-3C the information furnished under Form-3C earlier was not proper and accordingly, KOPT has now revised the Form -3C. The same may be considered by TAMP. As KOPT has not yet been able to purchase annuity to cover all employees retired prior to 31.03.2004, KOPT is purchasing annuity as per revenue position. With the contributions made towards purchase of annuity, more and more employees are getting covered. For example, after contribution of Rs.190.00 crores and Rs.73.35 crores towards purchase of annuity in the year 2008-09 and 2009-10, around 2157 number of employees retired in between 01 February 2000 to 31 March 2004 have been covered and for that, an amount of Rs.17.13 crores on account of Pension liability has been saved in the year 2009-10. The return on the value of annuity purchased (Rs.14.00 crores in 2009-10) has been shown under FMI in the Annual Accounts but has not been considered in the cost statement as per the tariff guidelines.
	(c). KOPT to refer to Table below Forms 3A and Form 3C. With reference to liability towards specific year pension payment for the years 2009-10 to 2012-13, the amounts shown in the table under Form-3A [Refer row (a)] do not tally with the amounts shown in the table of Form 3C [refer sl.no. (iv) (a)]. KOPT to clarify the position and reconcile the difference. Further, it is to confirmed that the specific year pension payment are not drawn from the Pension Fund.	The amount shown under row (a) in the table under Form 3A is the payment made/ proposed to be made on account of Pension by KOPT while the amount shown under sr. No (iv) (a) of Form-3C indicates year wise contribution to Pension Fund (for employees retiring after 31 March 2004). These two amounts are not comparable. However, it may be mentioned that due to improper understanding of the requirement of Form-3C the information furnished under Form-3C earlier was not proper and accordingly, KOPT has now revised the Form -3C. The same may be considered by TAMP.
	(d). The KOPT has shown an amount of Rs.100 Crores each for the years 2009-10 and 2010-11 and Rs.90 Crores and Rs.85 Crores for the years 2011-12 and 2012-13 respectively towards contribution to Superannuation Fund and Gratuity Fund covering employees retired on or after 1 April 2004. This annual contribution is reported to bridge the gap to cover the balance amount required in the Pension Fund. In this connection the	The yearly contribution towards superannuation fund is dependent on availability of fund subject to a maximum of Rs.100000.00 per employee per year as allowed under Income Tax Act. The corpus to be created is based on actuarial valuation.

	KOPT to confirm whether the annual contribution is based on actuarial valuation.	
	(e). The KOPT has shown an actual amount of Rs.190 Crores for the year 2008-09 and Rs.73.35 Crores for the year 2009-10 towards value of Annuity purchased / to be purchased covering the employees retired before 31 March 2004. Likewise, the KOPT has estimated an amount of Rs.60 Crores, Rs.45 Crores and Rs.60 Crores for the years 2010-11 to 2012-13 respectively. In this regard, the amount shown in Form 3C for the years 2009-10 and 2011-12 are not matching with the amount shown in the table [refer row (d)] under Form 3A. KOPT to reconcile the difference.	In the Form-3A the annuity purchased during 2009-10 was wrongly shown as Rs.73.35 crores earlier. The form has now been rectified which may be considered. Similarly, the Form-3C has also been revised. Due to improper understanding of the requirement of Form-3C, the position was not reflected properly. The revised Form-3C now submitted may be considered.
8.	<u>Capital employed:</u> <u>Fixed Assets</u> (a). KOPT has proposed additions to the gross block during the years 2010-11 to 2012-13. The details of the additions to the gross block proposed during for the year 2010-11 to 2012-13 as given in Form – 4B do not match with the details of the additions as furnished in Form – 4A. Further, Form-4B is incomplete. The KOPT to furnish full details in Form 4B regarding additions to the gross block for the years 2010-11 to 2012-13 with justification for the proposed investments.	As per the prescribed Format of Form-4B the details of every additional item of investment exceeding Rs.5.00 crores added or proposed to be added to the gross block during a financial year is to be indicated. However, in case of Form-4A, all the assets irrespective of value is to be shown. Accordingly, the aggregate value of assets added to block as per Form -4B can not be identical. The assets proposed to be added in respect of HDC are all pertaining to Plan Capital Schemes duly approved by Ministry. KOPT has furnished the copies of Board Resolutions in the matter.
	(b). The present status in respect of additions proposed for the year 2010-11 to be furnished.	The KOPT has furnished the status of various Schemes/ Projects undertaken/ proposed to be undertaken at KDS & HDC separately as on 31 July 2010.
	(c). The status of action initiated in respect of additions proposed for the year 2011-12 to also be intimated.	The additions in respect of HDC proposed for 2011-12 are all continuing scheme.
	(d). It is to be noted that only completed and commissioned assets should alone be counted for capital employed. The work-in-progress shall not be taken into account. A confirmation in this regard to be furnished.	Confirmed.
	(e). It is to be confirmed that the capital outlay in the form of additions to the gross block of assets proposed for the years 2010-11 to 2012-13 is in line with	Confirmed.

	Five year plan envisaged by the Port.	
	(f). KOPT to furnish basis for allocation of the net block of assets to the various activities and sub-activities alongwith workings.	As per accounts maintained by KOPT, the assets are classified under five heads, i.e. Cargo, Vessel, Railways, Estate and Management. Accordingly the assets pertaining to Cargo, Vessel, Railways and Estate are directly identifiable from the Accounts itself. The assets falling under Management are reallocated to the four principle activities based on the nature of and use of the specific asset. The assets allocated to an activity is further reallocated to sub activities based on the following principle: (a). The assets, the usage of which can be identifiable to a sub activity are allocated to the said sub activity. (b). The assets, the usage of which is not directly identifiable to a sub activity has been apportioned to various sub activities based on the extent of use.
	(g). With reference to Form 9, the KOPT to furnish the items of the capital expenditure incurred or proposed to be incurred from the balance maintained in the Escrow Account. It is to be noted that as stipulated in Clause 2.8.3 of the tariff guidelines, the investment made out of the Escrow Account will not qualify for ROCE. Accordingly, KOPT to exclude the items of assets funded from the Escrow account for the purpose of calculating ROCE. The details of items of assets so excluded from the capital employed to be furnished year wise beginning from 2005-06 to 2012-13.	KOPT has procured Locomotives and Railway rolling Stocks out of the proceeds of the Escrow Account. The investment so made has not been considered in Net Block and accordingly no return against the same has been claimed as per tariff guidelines.
9.	<u>Working Capital:</u> The reason for not estimating working capital for the years 2009-10 to 2012-13 to be explained.	As per the extant tariff guidelines, the working capital of KOPT becomes negative and accordingly, no working capital has been considered. The primary reason for the above phenomenon is disallowing almost the entire dues from the Govt. and a substantial amount of Sundry Debtors from being considered as Current Assets.
D.	<u>Scale of Rates:</u>	
(i).	The KOPT has formulated its proposed Scale of Rates considering an increase in the existing tariff at KOPT. The additional services / facilities proposed to be provided to the users and the benefit of productivity improvements accruing to users justifying this hike to be listed out.	KOPT while formulating its proposed Scale of Rates has envisaged the following additional services/ facilities and the benefit of productivity improvements - (a). Introduction of shore handling services at two berth of HDC through contractors. KOPT presently does not undertake such services at HDC and users are completely dependent on private operators for shore support. The private operators often operate with inadequate fleet which affects the productivity of vessels. The customer is forced to pay a substantial amount to the private operators for the services, without any control over the quality of the service.

		(b). Introduction of MHC at two berths of HDC for vessels' work will increase the productivity of the bulk/ break-bulk vessel considerably. As per contract condition, the contractor is required to provide a productivity of 20000 MT per day output. This will reduce the vessel time at berth as well as the turn-around time of the vessels. (c). Computerised filing of documents/ requisitions would result in saving huge paper cost and reducing human interface between port and users. (d). Reduction in dwell time inside the port will result in savings of storage charges to the users in port.
(ii).	As stated earlier, the cost statement furnished by KOPT reflects on average deficit of around 17% at the existing level of tariff for the years 2010-11 to 2012-13. However, it is seen from the proposed draft Scale of Rates that the rates shown in the Scale of Rates increase at different percentages from the existing level of tariff. In this context, the KOPT to furnish a detailed working showing that the additional revenue for the respective years that would accrue to KOPT by application of proposed rates will match with the average deficit position of around 17% as shown by the port in the cost statement.	The reason for proposing different rates of increase in applicable charges have been explained earlier and hence not repeated.
(iii).	The KOPT to explain the reason for inserting the sentence 'and any other area as may be administratively decided', in the definition no. 2(vii) defining HDC.	KOPT is contemplating commencement of operation at various areas including Salukkhali. Some of the areas are yet to be taken over by KOPT and the operational control of the area is yet to be decided administratively. Therefore, the insertion has been made to take care of the situation when decided in future.
(iv).	The proposed note 3(xiii)(b) to be modified in line with clause 2.18.2 of the revised tariff guidelines and the rate of interest to be updated with the prevailing Prime Lending Rate of State Bank of India.	The rate of interest has been proposed at 2% plus the PLR of State Bank of India. However, with the recent RBI stipulation of replacing the PLR with Base Rate, the provision of the guidelines may require modification.
(v).	The KOPT appears to have introduced new cargo items in the Wharfage Schedule at Section 4.1. KOPT to furnish detailed working with cost elements considered to arrive at the proposed wharfage charge for each of the cargo items proposed to be introduced by KOPT.	It is clarified that no new cargo item as such has been introduced. However, in some cases due to use of generic terms in the existing Scale of Rates often difficulties are being faced at ground level in understanding and implementation. In the proposed Scale of Rates an attempt has been made to specify the items instead of use of generic terms to the extent possible. Further, doing away with ad valorem rate necessitated certain amendments, which has been done.
(vi).	The existing conditionality at Sl. no. 2 of Section 4.2. prescribes wharfage for coastal cargo at 60% of the rates specified for foreign cargo subject to a	The ad valorem rates for unspecified foreign cargo have been done away with and hence, the clause 'subject to a maximum of Rs.50 per tonne', which was inserted for dealing with coastal unspecified cargo has also been deleted.

	maximum of Rs.50 per tonne. In the proposed draft Scale of Rates, the KOPT has proposed to delete 'subject to a maximum of Rs.50 per tonne'. The reason for deleting the said clause from the existing conditionality to be explained.	
(vii).	The reason for deleting the existing conditionality at Section 4.11 which prescribes wharfage on unspecified cargo sold by auction/ tender is to be explained.	As the proposed Scale of Rates has specific Wharfage rates for all cargo including unspecified cargo and the ad valorem rates of unspecified cargo have been done away with, the instant clause which earlier dealt with unspecified cargo (as ad valorem is not available when sold by auction, tender or otherwise) has been deleted.
(viii).	The KOPT appears to have modified the existing Schedule 'On-board Handling Charges' proposed at Section 5.1. KOPT to furnish detailed working with cost elements considered to arrive at the proposed On-board Handling charge for each group of the cargo items proposed to be introduced by KOPT. The rates for the existing group of cargo item to be linked to the proposed rates for the proposed group of cargo items and confirm whether the cargo items under existing group are similar to the cargo items in proposed group.	The productivity of on board labour primarily depends on the nature of cargo. Accordingly, while framing the schedule of on board charge an attempt has been made to group cargos having similar nature of handling in one group. The first group deals with all types of dry bulk cargo. The group is similar to the group specified under S.5.1 (1) of the existing Scale of Rates. The Iron & Steel products have also been put under a separate group akin to the practice followed in the existing Scale of Rates [Ref: S.5.1 (2)]. However, all types of bagged cargo not specified and all types of liquids handled in drums have been clubbed with the said group. As the products does not come under the classification "Iron & Steel", there are problems at the ground level relating to classification of items and implementation of the existing Scale of Rates. To remove the problems, the various types of Iron & Steel Products as handled at KOPT has been specified to facilitate proper implementation at ground level. To facilitate automation, the bagged cargo presently classified under S.5.1 (3) has been specified under S.5.1 (2). The 'logs, Timber & Veneer' has been classified under a separate group akin to the existing Scale of Rates. Car/ Rubber Tyre Vehicles etc handled by use of slings have also been placed in one group as has been done in the existing Scale of Rates. Other General Imports/ Exports like Machineries, Equipments etc has been put under a separate group dealing with all types of cargo not specified. It may be mentioned that due to the nature of such cargo, the productivity of handling of the same is very low. For example, while the hook shift output of Coking coal in 2009-10 was 533 MT, the hook shift output of General Import/Exports was only 121 MT. The productivity of such cargo also depends on the type of the cargo and varies considerably. For example during 2008-09 the hook shift output of such cargo was only 85 MT. Considering the

		poor productivity of such cargo, a separate category has been specified under S.5.1 (6).
(ix).	Similarly, the KOPT appears to have modified the existing 'Shore Handling Charges' at Section 6.1. KOPT to furnish detailed working with cost elements considered to arrive at the proposed shore handling charge for each group of the cargo items/ services/ facilities proposed to be introduced by KOPT. The rates for the existing group of cargo items to be linked to the proposed rates for the proposed group of cargo items and confirm whether the cargo items under existing group are similar to the cargo item in proposed group.	In case of shore handling charges the structure of existing Scale of Rates has been kept as it is with the only exception of modification of the existing S.6.1 (6) dealing with all types of bulk cargo. In the existing Scale of Rates, the shore handling charges applicable for all types of dry bulk cargo excepting for Thermal Coal and Iron Ore is specific irrespective of the fact whether the cargo is required to be transported from a Berth to a storage area adjacent to the same berth or not. However, the transportation cost relating to transfer of cargo from a berth to the dedicated storage area of a berth and that for transportation of cargo from a berth to an area other than dedicated storage area of the berth is not similar. A differential rate to deal with transportation of cargo from a berth to area other than dedicated storage area of the berth has been proposed to take care of the additional cost of transportation.
(x).	The KOPT to confirm whether the revised manning scales / datum awarded by the National Tribunal in 2006, have been taken into account while determining the stevedoring cost pertaining to the 'On-board Handling Charges' proposed at Section 5.1. and 'Shore Handling Charges' prescribed at Section 6.1. of the proposed draft Scale of Rates. The KOPT may also furnish details as to when the Datum was revised.	The position of KOPT in the matter has been explained earlier and hence not repeated.
(xi).	The rationale behind introducing a new note (iv) under 'Note for Section 6' to be explained.	As has been pointed out earlier, the differential rate under S.6.1(7) has been proposed to take care of cost of additional transportation in case of transfer of cargo from a berth to an area other than dedicated storage area of a berth. It has been generally seen that the average lead distance between a Berth and the dedicated storage area of the same berth is 1 Km. Hence, in cases where the distance between the berth and the storage area other than dedicated storage area of the berth is 1 Km or less, it was considered that the extra rate should not be applicable. The note-(iv) to S.6 has been added to deal with such cases.
(xii).	The rationale behind introducing a new note (i)(b) under 'Note for Section 7' prescribing Last Landing Date (LLD) in respect of overside discharge to be explained.	The provision has been inserted to deal with cases of landing of cargo from barges/ boats/ flats/ any other vessels etc, at berth; the cargo on which was originally discharged overside as well as at anchorages to such barges/ flats/ boats/ any other vessel etc.
(xiii).	The new tariff item proposed at Sl.No.3 of Section 8.1 for levy of charges for transportation of cargo for which KOPT undertakes transportation within the Dock Interior Zone of HDC to be	The rate specified for transportation within dock interior zone at HDC has been kept at the same level of that of KDS as the nature of service is similar. The clause has been inserted to specify the rate for HDC instead of deriving the same from the rate applicable for transportation 'within the dock' specified under S.8.1(1) of

	justified with cost details.	the existing Scale of Rates, as in HDC the area is known by users as dock Interior Zone.
(xiv).	The new tariff item proposed at Sl.No.6 of Section 9 for unloading of dry bulk cargo from dumpers to be justified with cost details. KOPT to clarify, how this proposed tariff item is different from another proposed new tariff item in Sl. No.13 under Section 17.1 for levy of charges for use of MHC for unloading/ loading cargo.	The rate specified under S.9.1(6) deals with loading/ unloading of dry bulk cargo not covered under the definition of 'Shore handling charges' The rate has been derived from the applicable corresponding rate for break bulk cargo and pegged at 50% of the lowest slab rate applicable for break bulk cargo, considering the productivity of the equipments while handling of bulk cargo vis-à-vis break bulk cargo. The rate specified under Section-17.1 Sr.No-13 deals with loading/ unloading of cargo to/ from vessels, while the rate specified under S.9(6) deals with extra loading/ unloading of bulk cargo as a part of shore handling activity.
(xv).	Proposed note for 10% rebate in the composite box rate incase of import container containing cargo consigned to Nepal and Bhutan at note (i) under 'Note for Sections 11 and 12', may not be required since the tariff to be approved will be ceiling rates and the KOPT has the liberty to charge lower rates based on commercial consideration.	It is a fact that the rate approved by TAMP will be the rate and the KOPT has the liberty to charge lower rates based on commercial consideration. But KOPT intends to keep the note in the proposed SOR to give importers and exporters of these land-locked neighbouring countries a comfort feeling that KOPT cares for them. The entire group of cargo of these two countries are charged in the lowest slab in the existing Scale of Rates irrespective of the category. Therefore, considering the above position, this Authority is requested to include the proposed note for 10% rebate in the composite box rate in case of import container containing cargo consigned to Nepal and Bhutan.
(xvi).	The rates levied by the Calcutta Dock Labour Board (CDLB) are not within the regulatory purview of this Authority. The SOR to be notified by this Authority need not approve the arrangement proposed at Note (ii) under "Note for Sections 11 &12."	The Note proposed is not an arrangement. It is a clarification that the composite rate does not include charges of Dock Labour Board. Therefore, TAMP is requested to incorporate the Note.
(xvii).	The reference of "Note (i)" made in the note (iii) under note for Section 11 & 12 is not clear.	TAMP has correctly identified the inconsistency in the Note (iii). A wrong reference has been made in Note (iii). The phrase "Note (i)" is to be replaced by "Section 12.1". The error inadvertently made may please be excused and the Note may be rectified as submitted above.
(xviii).	The KOPT has prescribed charges for Transshipment Containers at section 13. KOPT to furnish detailed working with cost elements considered to arrive at the proposed charges for Transshipment Containers. The need for this tariff item in the absence of estimate traffic of transshipment containers to be explained.	TAMP may recall that after revision of last Scale of Rates of KOPT, as some transshipment of containers took place at KDS and representations for transshipment container rate were received from some container MLO-cum-vessel operators, a proposal was sent to TAMP in 2008 for Transshipment Container rates. The said proposal of Transshipment Container rate has been approved by TAMP recently vide order dated 9th July 2010 (Case No. TAMP/28/2008-KOPT). In absence of proper transshipment rate, it was often represented that this would jeopardise the development of a transshipment route through the KOPT. In the back drop of the above stated position, the rate for transshipment container has been proposed following the stipulation made in Clause 5.5.1 of the tariff guidelines of March 2005.

		<u>Calculation:</u> The composite handling rates for normal container rates- i) Foreign(Load)- Rs. 4500 ii) Coastal(Load)- Rs. 2700 iii) Foreign(Empty)- Rs. 2500 iv) Coastal(Empty)- Rs. 1500 Based on the above rates position of normal containers, the rates of transshipment containers have been calculated and proposed as submitted below. Transshipment charge where both legs are foreign Loaded- 1.5 times of (i) above = Rs. 6750 Empty- 1.5 times of (ii) above = Rs. 4050 Transshipment charge where one leg is coastal and other leg is foreign Loaded- 0.75 times- (a) of (i) above = Rs. 3375 (b) of (ii) above = <u>Rs. 2025</u> Rs. 5400 ===== Empty- 0.75 times- (a) of (iii) above = Rs. 1875 (b) of (iv) above = <u>Rs. 1125</u> Rs. 3000 ===== Transshipment charge where both legs are coastal Loaded- 1.5 times of (iii) above = Rs. 4050 Empty- 1.5 times of (iv) above = Rs. 2250																																																				
(xix).	The KOPT has proposed consolidated charges for movement of containers between Docks and off Dock CFS by rail at KDS at Section 15.1. KOPT to confirm whether the proposed services are covered under Section 42 read with Section 48 of the MPT Act. The KOPT to furnish detailed working with cost elements considered to arrive at the proposed charges, if the proposed services are covered under the relevant provisions of MPT Act.	The proposed consolidated charge primarily constitutes of Container composite Box rate, extra container handling charges, if any, and transport of the container loaded on wagon owned by the CFS within the Port Railway network with the help of Port Locomotives and accordingly, the same falls within the ambit of Section-42 read with Section-48 of the MPT Act. The approach taken in fixing the rate is tabulated below: (Amt. in Rs.) <table><tr><th>Sl. No</th><th>Particulars</th><th>20'</th><th>40'</th></tr><tr><td>A)</td><td>For container other than ICD</td><td></td><td></td></tr><tr><td>(i)</td><td>Where information will be received for such movement by wagon prior to landing/ receipt of containers in docks.</td><td></td><td></td></tr><tr><td></td><td>- Composite Box rate</td><td>4500</td><td>6750</td></tr><tr><td></td><td>- Local Haulage charge #</td><td>745</td><td>1490</td></tr><tr><td></td><td>Total</td><td>5245</td><td>8240</td></tr><tr><td></td><td>Rounded off to</td><td>5250</td><td>8250</td></tr><tr><td>(ii)</td><td>Where information will NOT be received for such movement by wagon prior to landing/ receipt of containers in docks.</td><td></td><td></td></tr><tr><td></td><td>- Composite Box rate</td><td>4500</td><td>6750</td></tr><tr><td></td><td>- Additional Handling Charge @</td><td>800</td><td>1200</td></tr><tr><td></td><td>- Local Haulage charge #</td><td>745</td><td>1490</td></tr><tr><td></td><td>Total</td><td>6045</td><td>9440</td></tr><tr><td></td><td>Rounded off to</td><td>6000</td><td>9440</td></tr></table>	Sl. No	Particulars	20'	40'	A)	For container other than ICD			(i)	Where information will be received for such movement by wagon prior to landing/ receipt of containers in docks.				- Composite Box rate	4500	6750		- Local Haulage charge #	745	1490		Total	5245	8240		Rounded off to	5250	8250	(ii)	Where information will NOT be received for such movement by wagon prior to landing/ receipt of containers in docks.				- Composite Box rate	4500	6750		- Additional Handling Charge @	800	1200		- Local Haulage charge #	745	1490		Total	6045	9440		Rounded off to	6000	9440
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(xx).	The reason for increasing the free days from the existing 3 days to 30 days incase of import containers containing relief commodities for Missionaries of Charity, Ramkrishna Mission and Bharat Sevashram Sangha at Section 16.3 to be clarified.	After the last revision of Scale of Rates of KOPT, the Board of Trustees of KOPT vide Resolution No. 83 dated 8.06.07 have approved increase of the free days for Missionaries of Charity, Ramkrishna Mission, Bharat Sevashram Sangha from 3 days to 30 days.																																																
(xxi).	The proposed storage slab structure at Section 16.6 (Storage charge on loaded import/ export/ transshipment container containing Hazardous-I cargo) and at Section 16.8 (Storage charge on loaded transshipment container, excepting those loaded with Hazardous –I cargo) to be justified with dwell time analysis.	No change in the storage charge has been proposed so far as normal transshipment container is concerned. In keeping with the tariff guidelines for containers containing Hazardous-I cargo a rate slab has been incorporated separately taking 1.25 times of the normal container. As transshipment containers are not being handled at KOPT regularly, separate dwell time data is not available.																																																
(xxii).	The reason for not prescribing any free days on cargo destuffed from container as proposed as Note 12 under 'Note for Section 16' to be explained.	As the load container is already having free period, no additional free period for cargo de-stuffed from the said container has been proposed except the day of de-stuffing.																																																

(xxiii).	The KOPT has introduced charges for the use of Port's Railway Weigh Bridge at Sl. No. 6(ii) and new tariff items at Sl. No. 13, 14, 15(a) and (b) and 16 towards use of MHC on board the vessel for loading/ unloading, heaping/ high heaping of dry bulk cargo, despatch related services and cleaning charges for handling of cargo under Section 17.1. In this regard, the KOPT to furnish/ clarify the following: (a). KOPT to clarify whether these equipment / services would be directly provided by KOPT or by outsourcing.	The services would be provided by outsourcing.									
	(b). KOPT to justify the proposed charge supported by detailed working with cost elements considered.	KOPT does not maintain sub-activity costing. However, the revenue projection indicated by KOPT includes revenue expected to be earned from the aforesaid activities and the cost indicated in the cost statement against individual sub services also includes estimated outgo on account of payments to the contractor engaged for equipping of berths as well as allocation of overhead as per prescribed formula. The final position as reflected from Form-5 (a) (iii) clearly indicates that the projected earning as per proposed Scale of Rates is within the permissible limit. Further, the rates proposed are comparable with rates of similar facilities provided by other terminals.									
	(c). The KOPT had earlier vide its letter no. Admn/7415/C/3 dated 2 December 2009 proposed the charges for the above said tariff items for approval. For the detailed observations conveyed, the proposal of KOPT was returned to the port with a request to file a comprehensive proposal formulated as per the relevant provision of the tariff guidelines of March 2005, vide our letter no. TAMP/57/2009-KOPT dated 1 January 2010. The KOPT to comply with the advice rendered earlier in this regard with respect to the tariff items now proposed by the port.	The proposal of KOPT dated 2 December 2009 was for adoption of certain rates on ad-hoc basis. TAMP had made certain specific observations against the proposal. However, due to various issues including protracted litigation, the commencement of work by the contractor engaged for equipping of the berths at HDC has been delayed. Only very recently, in pursuance of a directive of Ministry, KOPT has advised the contractor for settlement of issues relevant for issuing commissioning certificate. The rates earlier proposed by KOPT for adoption on ad-hoc basis have not accordingly been charged so far. The principle objection that was raised by TAMP against the earlier proposal was with regard to adoption of same charge for loading/ unloading of cargo by MHC applicable to Foreign and Coastal cargo. KOPT has duly considered the observation of TAMP and accordingly, KOPT would like to propose the following as clause proposed under S.17.1 Sr.No-13 in place of the clause proposed earlier: <table border="1" data-bbox="778 1697 1460 2000"> <thead> <tr> <th data-bbox="778 1697 847 1727">Sr.No</th><th data-bbox="847 1697 1246 1727">Description</th><th data-bbox="1246 1697 1460 1727">Rate in Rs. Per MT</th></tr> </thead> <tbody> <tr> <td data-bbox="778 1727 847 1861">13.</td><td data-bbox="847 1727 1246 1861"> Use of MHC with grabs and pay loaders on-board the vessel for loading/ unloading of cargo at any MHC Berth at HDC a) Foreign Cargo: </td><td data-bbox="1246 1727 1460 1861">Rs.52.00</td></tr> <tr> <td></td><td data-bbox="847 1861 1246 2000"> b) Coastal Cargo other than Crude Oil, POL & POL Products, Thermal Coal, Iron Ore and Iron Ore pallets. </td><td data-bbox="1246 1861 1460 2000">Rs.31.20</td></tr> </tbody> </table>	Sr.No	Description	Rate in Rs. Per MT	13.	Use of MHC with grabs and pay loaders on-board the vessel for loading/ unloading of cargo at any MHC Berth at HDC a) Foreign Cargo:	Rs.52.00		b) Coastal Cargo other than Crude Oil, POL & POL Products, Thermal Coal, Iron Ore and Iron Ore pallets.	Rs.31.20
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	b) Coastal Cargo other than Crude Oil, POL & POL Products, Thermal Coal, Iron Ore and Iron Ore pallets.	Rs.31.20									

		The aforesaid rates have been derived considering estimated handling of coastal cargo at 10% of the total cargo. Further, regarding the rates proposed earlier, TAMP had advised to submit cost statement. In case of the existing proposal of revision of Scale of Rates, the estimated earning against the aforesaid services as well pay out to the contractor as well as allocable overheads has been indicated in the cost statement under Form-5 (a) (iii) submitted to TAMP. The final position against each of the sub services specified in Form-5 (a) (iii) justifies the rates proposed.
(xxiv)	The rates proposed at Sl. No. 11(c) under Section 17.1. to be levied on wagon carrying loaded or unloaded containers at CONCOR CTKR Terminal to be justified with detailed workings.	(A). The Operational services given by port to wagons handled at CONCOR Terminal are as follows: (i). All inward rakes for CONCOR Terminal are received by port from Trunk Railways at its own interchange yard (EJC) on its own rail track and thereafter, the rakes are hauled and placed at the CONCOR Terminal by KOPT's own locomotive. (ii). Port with the help of its locomotive also undertake all rake movement between CONCOR Terminal and Port Container Terminal. (iii). In almost all cases, outward rakes from CONCOR Terminal are moved and hauled out by locomotives from Trunk Railway directly. (iv). Port locomotive is used for doing shunting of wagons inside the CONCOR Terminal. This is an additional service other than mentioned in 1st item above in para-4 (v). Port railway tracks at EJC yard is being used for holding rakes meant for CONCOR Terminal when there is space problem inside CONCOR Terminal. It is observed that 2 to 3 rakes on an average per day occupy port's rail tracks. (vi). Port locomotive is used for sorting and shunting of sick wagons and placement of the same at Sick line and subsequent clearance etc. (B). For all the services mentioned above, KOPT presently levies the following charges as per Board Resolution No. 79 dated 17.06.2005. (i). Local haulage Charge after granting the following concession- (a). 25% on domestic container (b). 50% on exim containers involving Amingaon & Birgunj ICD (c). 90% on exim containers involving ICDs at TKD, Dadree, Ludhiana, Dandherikalan, Jaipur, Kanpur, Bhadohi, Mirzapur, Fatwa, Jamshedpur, Baleswar, Nagpur, Raipur. (ii). For use of KOPT's railway tracks- a track utilisation charge.

		(iii). For additional services by KOPT's locomotives, other than the 1st item in para-4 above, Locomotive hire charge. (C). As CONCOR has requested KOPT to do away with the tedious calculation of the aforesaid 3 charges and to introduce a TEU rate, a consolidated rate of Rs.600/- per TEU handled at Container Terminal has been proposed by KOPT for providing all rail related services by the port railway system. The detailed working of the rate is furnished below :- <u>Facts & Figures considered:</u> (i). As services of locos for placement, withdrawal, re-positioning of wagon are the primary service that port railway renders to the CONCOR terminal, it was found to be logical to allocate the cost of operation on the basis of loco utilisation. (ii). Loco utilisation hour for CONCOR work in December 2008, January 2009 and February 2009 were 57.41 hrs., 56.07 hrs., and 71.17 hrs. Average comes to 61.55 hrs. (iii). On an average two sets of loco support are in service in KDS railway system. Total hours in a month comes to [2 x 30 x 24] = 1440 hrs. Considering 60% capacity utilisation, effective loco hrs worked out to 864. (iv). Operating Expense of railway operation for 2010-11, 2011-12 and 2012-13 are Rs.1668.96, Rs.1761.17 and Rs.1859.76 respectively as per Cost Statement for Railway Activity of KDS. Average comes to Rs.1763.30. (v). Allocated Management & General Overheads for 2010-11, 2011-12 and 2012-13 are Rs.717.11, Rs.759.57 and Rs.806.05 respectively as per Cost Statement for Railway Activity of KDS. Average comes to Rs.760.91, which is 43% of Operating Expense. (vi). Allocated FME after adjustment of FMI for 2010-11, 2011-12 and 2012-13 are Rs. 751.25, Rs. 784.09 and Rs. 815.11 respectively as per Cost Statement for Railway Activity of KDS. Average comes to Rs. 783.48, which is 44.43% of Operating Expense. (vii). Annual throughput at CONCOR Terminal is taken at 40000 TEUs. <u>Calculation:</u> $\frac{\text{Operating Expense for railway operation}}{\text{Total effective loco hrs.}} \times \frac{\text{Loco utilisation hrs for CONCOR}}{\text{CONCOR}}$ = Operating Expense for CONCOR on the basis of loco utilisation hrs. $\frac{\text{Operating Expense for CONCOR}}{\text{No. of TEUs estimated}} = \text{Operating Expense per TEU}$
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		Thus, the rate is worked out as follows :- $\frac{\text{Rs.1763.32 lakhs}}{864 \text{ hours}} \times 61.55$ $= \frac{\text{Rs.125.62 lakhs}}{40,000 \text{ TEUs}}$ Therefore, Operating Expense per TEU is - Rs.314 Add : Mgt. & Genl. Overhead (43% of OE) - Rs.135 FME after adjustment of FMI (44.43% of OE) - <u>Rs. 140</u> Total - <u>Rs.589</u> Add RoCE (13% of OE) - <u>Rs. 40</u> Total amount per TEU worked out to - Rs.629 Based on the above and CONCOR's contribution to port container traffic, a rate of Rs.600 per TEU has been proposed.
(xxv).	It is seen that the tariff items listed at Sl. No. 8, 9, 10 and 11 under Section 17.1 relate to levy of charges with respect to Railways. In this context, KOPT to furnish/ clarify the following:	
	(a). The services proposed to be rendered for the tariff items to be listed out.	Sl. No. 8 - Hire of Locomotive The services proposed to be rendered under this tariff item is in the form of port locomotive support - (i). for additional shunting requirement of the siding holders/ users other than hauling of wagons by port locomotive in connection with inward/outward movement covered under Haulage Charge approved by Railway Boards from time to time. (ii). for haulage of newly built wagons to stabling yard. Sl. No.9 - Stabling Charge The services proposed to be rendered under this tariff item is in the form of providing KOPT's own railway tracks i) for stabling of newly built wagons ii) for stabling of private wagons Sl. No.10 - Infringement, Local Haulage, and Wagon Hire/ Demurrage These are charges approved by Rly. Board from time to time for providing Port railway services- i) Infringement charge is levied in case of ODC movement by wagons. ii) Local Haulage is levied for inward/outward hauling of loaded wagons between interchange yard of KOPT and loading/unloading point of the wagons served by KOPT railway system.

		iii) Wagon demurrage/Hire Charge is levied as per the Notification of Railway Board from time to time for holding of wagons beyond free period for reasons attributable to siding holders/users. Sl. No. 11 Consolidated charge (a) and (b) is being levied at KDS after consolidating various charges like Siding Charge, Diversion Charge etc and to recoup some operational cost of railway activity of KDS since more than 15 years back. Had this charge was not introduced for user of port railways there would have been much more deficit in railway operation, burden of which might have to be passed on other users. (d) is a new charge and separately explained above.
	(b). KOPT to explain as to how the proposed services do not fall within the purview of the Railway Board for fixation of tariff. The availability of such rates in the existing Scale of Rates alone need not be the justification.	Rates under Sl. No.10 are fixed by the Railway Board. Other rates are related to various additional services required to be provided to users like shunting/ shifting of wagons with port locomotive, space for storing (stabling) of newly built/ pvt wagons on KOPT's rail track etc. Railway Board does not fix its rate based on the activity cost of port railway.
(xxvi).	(a). With reference to the new note proposed at (ii) under Section 17.1 the basis for the levy at double the rate for hire of floating crane if the crane is booked beyond normal shift norms to be furnished.	The existing Floating Crane C.V.Mahabahu is of 60 Ton Lifting capacity. Right now the vessel is non-propelled, for which the movement of the vessel is multi-tasked which involves operating cost at different areas. The sanctioned strength of the vessel is 34 persons and at present is manned by atleast 24 persons. This leads to a running operating cost by way of ship-keeping round-the-clock even if it is not booked. The present hike in the crane hire charges does not even replenish the operating cost for 8 hours especially after the new wage board. Normally, the rates for such type of crane should be framed on 'per lift' basis and not for '8 hours shift' but KOPT has proposed for moderate enhancement of rate, which is not market driven. Providing a floating crane of 30 Tonnes and above to a customer involving huge investment & operating cost is not high even @ Rs.80,000/- per 8 hours of operation.
	(b). The reason/ basis for exempting the wagons of CFS operators from levy of stabling of wagon charges on Port Railway Track for first three days to be furnished.	By encouraging the new concept of removal of containers to CFS by Wagons owned by CFS operator, instead of by trucks, the road congestion in city-port like Kolkata has reduced. As such, the port has considered the CFS operator's request for first three days exemption.
(xxvii).	It is seen that KOPT has proposed many changes in the existing PART – V pertaining to Charges for Dry Docks. The KOPT to furnish justification for each of the change proposed to be effected in the proposed Draft Scale of Rates. The KOPT to furnish the financial impact arising from each of the proposed modification along with workings.	The part-V i.e. the structure of Dry Docks charges have been drawn in line with the Schedule of Rates for Mumbai Port Trust. In Kolkata, we are having individual five Dry Docks for single vessel and normally bigger size vessels are dry docked sometimes. For smaller vessels dry docked at Kolkata, the proposed rate does not even meet the optimum income considering the size of the Dry Dock and dry docking of single vessel at a time. Even after the proposed rate revision, the deficit in the activity could not be entirely wiped out. The vessels coming to Kolkata Port are normally dry docked for a longer period thus affecting the revenue earning.

(xxviii).	KOPT to justify the rebate of 20% on dry dock charges of KOPT vessels as proposed at Section 20.11. The term "KOPT vessels" to be explained.	"KOPT vessels" means vessels like Pilot vessels, Tugs, Dredgers, Launches, Despatch vessels, Research vessels, Floating crane, Jet Dredgers etc. owned by Kolkata Port Trust.
(xxix).	The KOPT appears to have introduced charges for the supply of Electricity at Sl. No. 7 under Section 24.1. The proposed charges to be justified with workings.	The rate for supply of electricity is not a new introduction. In the existing Scale of Rates, the rate for supply of electricity has been specified under S.22.1 (7), which may be seen. The rate has however been upwardly revised considering the increase in electricity tariff as well as related costs.
(xxx).	Similarly, KOPT has introduced charges for the providing pneumatic fenders at Sl. No. 9 under Section 24.1. KOPT to justify the proposed charge furnishing working with cost elements considered to arrive at the proposed charge.	The acquisition cost of the pneumatic fenders has been capitalised in 2010-11. The various costs attributable to handling and maintenance of the fenders has been considered against the sub-service 'Berth Hire' under the Form-5 (b)(iii). The estimated earnings from the services have also been included under the said sub service. The final position in the cost statement justifies the rate proposed by KOPT.
(xxxi).	The KOPT to justify with cost details the proposed levy of additional 50% towards towage and pilotage on vessels which after visiting either KDS or HDC, is required to go back tot Sandheads before proceeding to other dock system for cargo/ container work.	As per S.25.1, the normal towage & pilotage service commences at Sand- head and completes at Sand-head. The Scale of Rates also provides for levy of shifting charges against movement of vessels from one dock system to another dock system under a single voyage. However, in some cases, the vessels after cargo operation at one Dock System visits other Dock system via Sand Head. As per provision of S.25.1, 200% Towage & Pilotage is to be levied against such vessels. However, as the vessel concerned is visiting another dock system for cargo operation under a single voyage and only due to various operational reasons the vessel had to go via Sand Head, KOPT has proposed a lower rate of 150% of Towage & Pilotage in such cases instead of 200%.
(xxxii).	The reason for altering the existing slab structure prescribed for stayal of vessel less than and more than 200 tonnes as proposed under Sl. No. 1 and 2 of Section 28.1 to be explained. The reason for introducing two new slabs to cover vessels of 1001 to1500 tonnes and that above 1500 tonnes is also to be explained.	In case of vessels of both the category, the cargo work should not take more than five days. However, it has been observed that the vessels (particularly small vessels) are using the dock as anchoring place on various pretexts. This is causing congestion inside docks. To discourage the above practice, KOPT has proposed penal rates for stayal beyond 5 days. The rates have been hiked progressively. However, the rate for stayal upto 5 days as applicable for vessels upto 1000 tonnes has been kept at the same level as that of existing Scale of Rates, to facilitate genuine cargo work. Further, due to draft constraints, more and more large sized inland vessels are visiting KOPT. These vessels use the infrastructure facilities to the same extent as that of corresponding coastal /foreign vessels. In consideration of the above, KOPT has proposed differential rate structure for Inland vessels of 1001-1500 tonnes and Inland vessels over 1501 tonnes.
(xxxiii).	KOPT to furnish the basis along with workings to arrive at the proposed Dock Toll charges introduced for the various slab structures.	Presently all Inland vessels above 15 tonnes are charged dock toll @ Rs.9.00 per tonne subject to a maximum of Rs.4000.00. The above provision was inserted considering the then existing smaller sized Inland vessels. However, due to draft restriction, more and more larges Inland vessels are visiting KOPT.

		The nature of services availed by a small Barge of less than 500 tonnes is substantially different from the nature of services availed by a bigger barge of say 1500 tonnes. In fact with the increasing size of the Inland barges, sometimes separate lock movement is also required for entry/ exit of such large barges. Considering the above factors the Dock toll rates has been prescribed under few slabs based on the size of the Inland barges so that barges of larger size and capacity is charged at a higher rate than those of smaller size and capacity.
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10.1. A joint hearing in this case in reference was held on 25 August 2010 at the KOPT premises in Kolkata. The KOPT made a power point presentation of its revised proposal. At the joint hearing, KOPT and the concerned users/ organisation bodies have made their submissions.

10.2. At the joint hearing, the KOPT was requested to furnish some information / clarification. The KOPT has responded. The information sought by us during the joint hearing and reply of the KOPT thereon are tabulated below:

Sl. No.	Additional information / clarification	Reply of KOPT
(i).	KOPT response on the comments of many user associations on the KOPT proposal in reference are not found to be focussedly addressing the issues raised by them. The KOPT to review its response already furnished and forward a comprehensive response addressing the issues raised by the users.	(The KOPT has responded to some of the comments of the users associations. These comments have been inserted alongwith the users comments at the respective relevant places.)
(ii).	The KOPT has proposed a levy of 10% to meet the pension liability. In this regard, the KOPT to furnish a detailed proposal supported by relevant facts, figures and justification. It is noteworthy that the KOPT has agreed that the pension levy, if approved, may be restricted to a three year period in the first instance.	The KOPT has proposed to imposition a special rate on the new Scale of Rates to be approved for the purpose of discharging the pension liabilities. The Board of Trustees for the Port of Kolkata has approved the proposal for imposition of such levy. It is essential to elaborate the scheme adopted by KOPT to discharge the liabilities to fresh order from time to time given by competent authority like Government of India, Settlement of Pay & Allowance, payment of Revised Pension etc. The preamble to the issue with specific is given below: (i). The pensioners drawing pension from Kolkata Port Trust vis-a-vis from the fund maintained by a separate set of Trustees and through LIC, who is responsible to maintain the said fund and discharging its obligation. (ii). For the sake of understanding, it is necessary to consider that there are broadly two groups of pensioners : (a). Pensioners who have retired prior to 01.04.2004 and (b). Pensioners who have retired after that date.

		(iii). KOPT have engaged Life Insurance Corporation as an agent for discharging all obligations relating to the pensioners under Group-(ii) above. For the sake of fresh contribution to the funds , KOPT is to contribute to the fund each year. In order to get Income Tax benefit on the contribution made to any funds as admissible expenditure under section 36(1)(IV) of I.T. Act, it is necessary to open separate fund. It may be necessary to inform further that in terms of the Income Tax Act, 1961 as per Section-10(20) of the said Act , Major Port Trusts in India were excluded from the Tax net as the character of the Major Ports were in the group of “Local Authority”. (iv). By an amendment to the Section the Major Ports were excluded from the definition of “Local Authority” from the Assessment Year 2003-2004 and accordingly, were excluded from the benefit that the Ports were enjoying. (v). According to the Income Tax Act, the Fund Management may be done by LIC of India or any other insurer as defined in Clause No.28(B)(B) of Section-2 of the Act. (vi). In view of the above, the two funds were created, Super-annuation Fund and Gratuity fund for discharging the obligation towards the employees who have retired from 01.04.2004 onwards directly by LIC. The corpus required to meet the liability was calculated through Actuarial Valuation by LIC is Rs.1419.13 Crores. The said valuation is required to be refreshed regularly with the normal increase in the D.A. Relief and other pensionery benefits. (vii). As already stated the fund is managed by LIC on the basis of deeds executed with them with due approval of the Income Tax Authority. For the Internal Administration a separate Trust has been created. The number of employees on roll as on 01.04.2004 nearly, 11,700 are all covered. (viii). Now, the issue still left out is to discharge the obligations to nearly 27,000 Pensioners, Family Pensioners etc. retired prior to 01.04.2004, for payment of pension and other retirement benefits each month. The accounts submitted by KOPT may kindly be referred, especially Point No.7 Para-b and Form Nos.3A and 3C attached with the reply being sent separately. (ix). As stated earlier since there was no fund for covering the liabilities towards the pensioners retired prior to 01.04.2004, so long the payments were made from the internal resources of Kolkata Port Trust. A similar Scheme has been taken up by
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		KOPT for procurement of annuity in line with Vishakhapatnam Port Trust, to raise the fund to be maintained by LIC. It is understood that VPT has been allowed by TAMP to operate the scheme as mentioned with imposition of special rates. (x). The technical reasons for not utilising the funds already created, for the purpose to discharge the obligation arising for payment of pension etc., to the pensioners retired prior to 01.04.2004, is that the approved Superannuation fund and Gratuity Fund could only be utilised. for those employees who were on roll as on date of creation of Trust Deed i.e.01.04.2004. (xi). Therefore, opening an Annuity Scheme was necessary. (xii). As may be seen from the accounts that already contribution has been made by KOPT in the said Annuity Scheme. The amount already deposited as a chargeable expenditure to the revenue has covered 2,157 number of employees retired between February, 2002 and March, 2004. An amount of Rs.17.13 Crores on account of Pension Liability of those ex-employees has been taken as the expenditure was made out of the fund of the Internal Resources KOPT directly. Moreover, on the balance of the fund left out, an amount of Rs.14 Crores as interest has also been received by KOPT. The said amount has been shown under FMI. It is submitted that with the further contribution to the scheme will cover more number of pensioners. (xiii). However, before creating such scheme, LIC had made an Actuarial Valuation which required a corpus of Rs.1141 Crores to be built up through regular contribution by KOPT so that no payment is required to be made towards pension etc.of the employees retired prior to 31.03.2004. (xiv). It is now necessary to support the proposal as to why 10% special rates have been asked for imposition on the rates proposed for cargo handling activities and also the vessel related activities. It may further seen that at that proposed Tariff which includes proposal for increase in rates, leaves no contribution to practically discharge the liability in favour of the pensioners retired prior to 01.04.2004. The average payments per year on account of pension etc. to those employees retired from 1.4.2004 is nearly Rs.200 Crores. (xv). As already indicated above that as KOPT has no fund for discharging the obligations arose prior to 01.04.2004 the Annuity Scheme through LIC has to be continued by imposing special rates @ 10% for a period of 3 years at the first instance on the basis of income from Cargo and Vessel Handling
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		Activities as proposed. The said imposition would generate an amount of Rs.93.05 crores, Rs.98.63 crores and Rs.102.84 crores respectively during the currency of the proposed period i.e. upto 2012-13. Therefore, it will be still insufficient to cover the proposed contribution, as may kindly be seen from the table given in Form No.-3A and 3C. As such, KOPT has to contribute the balance amount through the proposed revision of rates. (xvi). 10% special rate on the General SoR may be allowed at least for a period of 3 years .
(iii).	As advised already, it is reiterated that the KOPT may file a detailed separate proposal for fixing rates for the services at berth nos. 2 and 8 of Haldia Dock Complex (HDC).	TAMPs observation vide letter dated 1 January 2010 was in relation to the proposal of KOPT for levy of certain charges on ad-hoc basis, as some of the services to be rendered by KOPT at two berths of HDC through outsourcing was not covered in the existing Scale of Rates. However, due to various reasons the contractor engaged by KOPT for the purpose could not commence work and only very recently, in pursuance of a directive of Ministry, KOPT has advised the contractor for settlement of issues relevant for issuing commissioning certificate. As the contractor has not commenced work as yet, the rates proposed earlier for adoption on ad-hoc basis has not been charged to any customer. However, the contractor is now expected to start work within a short while. On the other hand, while submitting the proposal of general revision of Scale of Rates, the issue of these additional services has been included in the structure of the proposed General Scale of Rates. The estimated income arising from various additional services rendered at these two berths at the proposed rate has duly been considered in the cost statement against the sub services and the estimated cost towards pay out to the contractor and allocation of overhead thereon following the formula prescribed by TAMP, has been considered in the cost statement. Further clarifications in the matter as has been sought by TAMP vide letter dated 10 August 2010 has also been furnished. It may also be mentioned that considering the observation of TAMP under cover of their letter dated 1 January 2010 against charges proposed for providing MHC support, KOPT has now revised and proposed differential rate for levy of such charge for 'Foreign' and 'Coastal' cargo in the General Scale of Rates.

10.3. In addition to the above, the KOPT has made the following further submissions:

- (i). While filing the cost statement in July 2010, the Salary and related expenditure pertaining to prior period (2006-07 to 2009-10) was considered as per Accounts. In the Accounts of 2006-07 and 2007-08 no specific provision for revision of pay and allowances due from 01 January 2007 were made. A part of provision in this regard was first made in the year 2008-09 and the balance in 2009-10. Consequently, the accounts of 2008-09 and 2009-10 contain arrear salary. As the

final orders relating to revision of pay and allowances has since been received the arrear salary component of the cost statement pertaining to 2008-09 and 2009-10 has now been adjusted in the cost statement of respective years and the cost statements have been redrawn and are submitted accordingly.

- (ii). The Govt. Audit has very recently finished their work on scrutiny and certification for Dredging Subsidy for the year 2009-10 and the amount being disallowed by the Govt. Audit has now been charges as cost in the revised cost statement are furnished.
- (iii). The pneumatic fenders procured at HDC were erroneously not included as asset due to wrong posting in 2009-10. The same has now been considered in 2010-11.

10.4. The financial / cost implications as shown by the revised cost statements furnished by KOPT is summarized below:

Sr. No	Particulars	Operating Income (Rs. in crores)				Net Surplus(+)/ Deficit(-) (Rs. in crores)				Net Surplus(+)/ Deficit(-) as a % of operating Income			Average Surplus/ Deficit %
		2010-11	2011-12	2012-13	Total	2010-11	2011-12	2012-13	Total	2010-11	2011-12	2012-13	
1.	Port as a whole	1060.16	1119.11	1164.68	3343.95	-184.15	-174.79	-200.27	-559.21	-17.37%	-15.62%	-17.20%	-16.73%
	Cargo	488.84	528.93	552.48	1570.25	-118.08	118.16	-129.39	-365.63	-24.16%	-22.34%	-23.42%	-23.32%
	Port & Dock	265.73	279.77	289.70	835.20	-165.36	-154.31	-168.56	-488.23	-62.23%	-55.16%	-58.18%	-58.52%
	Railway	93.87	92.51	98.21	284.59	-29.13	-30.56	-32.41	-92.10	-31.03%	-33.04%	-33.00%	-32.36%
	Estate	211.72	217.89	224.29	653.91	128.42	128.26	130.08	386.76	60.65%	56.86%	58.00%	58.50%
2.	KDS as a whole	388.39	386.52	402.51	1177.42	-147.14	-177.67	-195.17	-519.98	-37.88%	-45.97%	-48.49%	-44.11%
	Cargo	191.56	184.15	192.51	568.22	-51.48	-74.28	-80.38	-206.14	-26.88%	-40.35%	-41.76%	-36.33%
	Port & Dock	56.35	56.99	59.54	172.87	-168.22	-175.65	-187.68	-531.55	-298.50%	-308.21%	-315.20%	-307.30%
	Railway	13.67	14.08	14.50	42.25	-20.40	-21.89	-23.63	-65.92	-149.27%	-155.49%	-162.97%	-155.91%
	Estate	126.82	131.30	135.96	394.08	92.96	94.17	96.52	283.65	73.30%	71.72%	70.99%	72.00%
3.	HDC as a whole	671.77	732.59	762.17	2166.53	-37.01	2.88	-5.10	-39.23	-5.51%	0.39%	-0.67%	-1.93%
	Cargo	297.29	344.78	359.97	1002.04	-66.60	-43.88	-49.01	-159.49	-22.40%	-12.73%	-13.61%	-16.25%
	Port & Dock	209.38	222.78	230.16	662.32	2.86	21.34	19.12	43.32	1.37%	9.58%	8.31%	6.42%
	Railway	80.20	78.43	83.71	242.35	-8.73	-8.67	-8.78	-26.18	-10.88%	-11.06%	-10.49%	-10.81%
	Estate	84.90	86.59	88.33	259.82	35.46	34.09	33.56	103.11	41.76%	39.37%	38.00%	39.71%

11. Some of the user organisations have furnished their additional comments during and after the joint hearing. The comments received from them were forwarded to the KOPT as feedback information. The KOPT has furnished its comments on some of the user organizations.

12. At the joint hearing held on 25 August 2010, the KOPT was advised to take further action on the identified points and to make a presentation of its proposal alongwith necessary clarifications. Accordingly, the KOPT made a presentation of its proposal on 20 September 2010. The KOPT was requested to furnish further information/ clarifications on the proposal. The KOPT has responded. The reply of the KOPT is summarized below:

(i). **Capacity of Port excluding that of BOT Berths:**

	[In MMT]						
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Capacity Shown in Form 2A	61.40	65.76	65.76	65.76	68.45	70.95	71.20
Capacity excluding BOT Berths	57.17	61.53	61.53	61.53	64.22	66.72	66.97

(ii). **Traffic of KOPT excluding that of BOT Berths:**

	[In MMT]						
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Cargo Handling Quantity as Shown under Form-2A	55.049	57.329	54.220	46.295	47.143	48.054	50.835
Cargo excluding BOT	50.869	53.259	50.589	41.976	43.643	44.754	47.635

(iii). **Non consideration of Royalty claimed from BOT operators but not paid by them as Income:**

The position in the matter is appended below:

Berth No-4A:

In case of license of Berth No-4A, KOPT has raised bills on the licensee M/s International Seaports (Haldia) Pvt. Ltd. (ISHPL) claiming royalty on cargo handling charges earned but not shared, royalty on Berth Hire Charges and royalty on demurrage income along with interim interest thereon. KOPT has also claimed remittance of the entire amount of Special rate recovered by the licensee along with interest. After the licensee disputed the said claims, KOPT made an endeavour to include the said claims in the arbitration between KOPT and ISHPL, which has already commenced for settling the disputes raised by the licensee against KOPT's bills claiming differential royalty, arising out of considering 14 May 2004 as the date of commencement of commercial operation by ISHPL, instead of the actual commencement date of 07 December 2003. However, KOPT's counsel had subsequently withdrawn the said claims from the said Arbitration, after ISHPL disputed the inclusion.

Later, KOPT had referred the disputes raised by ISHPL against KOPT's claims as aforesaid as well as all other subsisting disputes in the matter, to Arbitration. KOPT had also appointed its Arbitrator and requested ISHPL to appoint their Arbitrator. However, ISHPL did not agree to KOPT's decision to refer the matter to Arbitration. To resolve the issue KOPT has since approached Hon'ble High Court. The matter is presently sub-judice. Accordingly, the process of Arbitration has not commenced till date, pending appointment of Arbitrator by ISHPL.

In the above perspective, the realization of the bills raised by KOPT claiming royalty and interests as aforesaid has become uncertain and accordingly, even in the Annual Accounts KOPT has not included the said claims as receivable.

The said amounts which is in excess of Rs 180.00 crores, has not accordingly been shown as receivable under Form-9. At a later stage, if the said amount is realized by KOPT, the same would be appropriately reflected in the Accounts and to TAMP.

Berth No-12:

In case of Berth No-12 of HDC licensed to TM International Logistics Ltd (TMILL), contrary to the declaration made, TMILL did not operate as Special Purpose Company and instead they had formed a general purpose company and maintained consolidated accounts for the company as a whole. Further, they also started issuing consolidated bills to their customers which made identification of the revenue earned from the permitted activities nearly impossible. After the issue was raised with TMILL, they had submitted the segregated accounts of Berth No-12 of HDC identified by their statutory auditors and based on the said identification the Independent Auditor of the project had determined the royalty payable by TMILL. As TMILL did not pay the amount determined by the Independent Auditors, KOPT raised bills claiming the same.

TMILL however, did not liquidate the bills and referred the matter to dispute resolution. The disputes raised by TMILL have since been referred to Arbitration and the Arbitration process has since commenced.

In the perspective, the realization of the said claims has now become dependent on the outcome of the decision of the Arbitrators and accordingly, KOPT has not shown the same as receivable under Form-9. At a later stage, if the said amount is

realized by KOPT, the same would be appropriately reflected in the Accounts and to TAMP.

(iv). **Reason for proposing increase in rate of Crude / POL inspite of the said sub service being surplus:**

Crude/ POL handling activity, due to the basic nature of the services involved, generates surplus and to that extent, cross subsidizes other sub services. Further, due to lesser manpower involvement in the handling activity, the distribution of the Finance & Miscellaneous Overhead to such activity is also minimal, as the formula prescribed by TAMP mandates distribution of Retirement Benefits booked under Finance & Miscellaneous Overhead on the basis of Salary cost less overtime. The position of allocation of Finance Miscellaneous Expenditure less Finance Miscellaneous Income of 2009-10 and 2011-12 to 2012-13 (at proposed tariff) as reflected in the cost statement of KOPT submitted in September 2010 would make the position more clear:

[Rs in Lacs]				
Sub Service/ Allocation of (FME-FMI)	2009-10	2010-11	2011-12	2012-13
Liquid Bulk	256.30	310.04	300.22	325.23
Iron Ore	3230.08	3371.31	3087.73	3328.70
Coal	5979.47	6379.28	5999.78	6453.98
Container	4922.38	4222.38	4329.28	4558.66
General Cargo	4291.86	3645.38	3577.88	3781.76

The cost statement also reveals that all the sub services under Cargo Handling Service excepting General Cargo are generating operating Surplus even after allocation of Management & general Overhead but are becoming deficit after allocation of Finance & Miscellaneous Overhead.

It is accordingly, the manner of allocation of Finance & Miscellaneous Overhead which to a large extent determines the extent of surplus/ deficit of individual sub services.

However, KOPT has only proposed a nominal increase of around 10% in the rates of Liquid Bulk cargo, considering the fact that at the proposed rate, the customers of Liquid Bulk cargo would be placed in the same position as they were almost ten years back. It is also pertinent to mention that even though the Crude Oil traffic has reduced substantially due to diversion to Pipelines, KOPT has only proposed levy of the same rate that was applicable when KOPT handled over 24 MMT of Liquid Bulk traffic a year. Consequently, the proposed increase in rates of Liquid Bulk cargo would not lead to higher cross subsidization even on per MT basis, when compared with the position prevailing prior to last revision of the Scale of Rates.

(v). **Number of Shifting between KDS and HDC via Sand head:**

A general scrutiny of available records reveals that a total 54 vessels had shifted between KDS and HDC via Sand head during 2009-10, of which, 23 were Container vessels and 31 Non container vessels.

(vi). **Details of Income estimated to be earned from services rendered by outsourcing through tender for supply, operation and Maintenance of different cargo handling equipment at Berth No-2 and 8 of HDC vis-à-vis cost**

As per the order placed on M/s ABG Haldia Bulk Terminal Pvt. Ltd, for supply, operation and Maintenance of different cargo handling equipment at Berth No-2 and 8 of HDC, the contractor would supply, operate and maintain Mobile Harbour Cranes and Pay loaders for on-board operation and Dumpers, Pay Loaders etc for various shore handling operation. They will also provide, operate and maintain

weighbridges. The responsibility towards commercial functioning including levy of charges, accountal as well as supervision would however, continue to rest with KOPT. As the entire handling operation from unloading to final delivery is to be supervised and accounted for by KOPT, the level of supervision required for smooth functioning of the entire operation would be very high.

The average direct cost (in case the cargo is required to be stored at the dedicated storage of the unloading berth in case of imports and vice versa in case of exports) towards payment to contractor against handling at Berth No-2 would be Rs 79.00 per MT [Loading/ unloading- Rs 49.00 per MT + Transfer of Cargo from Berth to quay- Rs 15.00 per MT, Storage & stacking at Storage area- Rs 5.00 per MT, Aggregation and evacuation- Rs 10.00 per MT] and that at Berth No-8 is Rs 69.00 per MT [Loading/ unloading- Rs 49.00 per MT + Transfer of Cargo from Berth to quay- Rs 9.00 per MT, Storage & stacking at Storage area- Rs 4.00 per MT, Aggregation and evacuation- Rs 7.00 per MT]. For additional transportation (transportation between a berth and storage area other than in the dedicated storage area of the berth) the contractor has been quoted Rs 10.00 per MT per Km and Rs 3.00 per MT per Km, in respect of Berth No-2 and Berth No-8 respectively. Beside the above, the contractor is entitled to Fuel escalation as per prescribed formula and general price escalation @ 5% or the rise in wholesale price index whichever is lower in every two years.

The charges applicable for services of 'loading at quay, transportation from quay to storage area and loading for delivery or vice versa', the existing Rates has been increased by around 10%, which is a nominal increase and a provision of levy of higher rate has been made to take care of cost of additional transportation required for movement of cargo between berth and any storage area other than the dedicated storage area of a berth, when the lead distance is more than 1 Km. In case of handling of Coking coal, Non Coking coal and Limestone, which are expected to be the major cargo to be handled at these two berths, a rate of Rs 90.00 per MT has been proposed for the said services for movement of cargo between a berth and dedicated storage area of the same berth and Rs 120.00 per MT in case of movement of cargo between berth and any storage area other than the storage area of the berth provided the lead distance is more than 1 Km.

In totality, in case of foreign Coking and non- coking coal and Lime stone (which are expected to be the major cargo to be handled at these berths), KOPT has proposed levy of Rs 161.00 [Rs 52.00+ Rs 90.00+ Rs 10.00+ Rs 9.00] against the aforesaid services to be provided through outsourcing for Rail Bound cargo and Rs 158.00 per MT [Rs 52.00+ Rs 90.00+ Rs 10.00+ Rs 6.00] against Road bound cargo. The normal On board charges and Wharfage charges shall also be applicable as usual.

While proposing the rates for the new services, KOPT has followed the principle of allocation of overhead as laid down by TAMP. The cost statement of various Sub Services of Cargo handling services in general and sub service 'Coal' in particular may be seen. However, even without the detailed calculation as has been indicated in the cost statements, if the annual accounts of KOPT for 2009-10 is seen, it would be evident that Management & General Overhead of KOPT is about 47.98 % of the direct cost while the Finance & Miscellaneous Overhead [FME less FMI] is about 55.79 % of the direct cost. The two types of overhead taken together are about 103.77 % of the direct cost. At the said percentage, the allocable overhead to the aforesaid activities is coming to Rs 81.98 per MT in case of Berth No-2 and Rs 71.60 per MT in case of Berth No-8.

After allocation of overhead at the aforesaid percentage, the applicable rate for said services for handling at Berth No-2 is coming to Rs 160.98 per MT and that for handling at Berth No-8 is coming to Rs 140.60 per MT. It may also be mentioned that in addition to the direct cost of Rs 79.00 per MT and Rs 69.00 per MT for Berth No-2 and Berth No-8 respectively, the contractor is entitled to fuel

escalation and general escalation. While there is a cap for general escalation, the fuel escalation is dependent on price of diesel and the rate of diesel has increased substantially after the last date of submission of the price bid, which in turn would lead to higher pay out to the contractor.

(vii). **Justification of rate proposed for providing Mobile Harbour Cranes:**

KOPT has proposed levy of Rs 52.00 per MT for providing Mobile Harbour Crane and pay loaders for loading/ unloading operation in case of foreign cargo and Rs 31.20 per MT for coastal cargo. The contractor engaged for the work has quoted a rate of Rs 49.00 per MT against the aforesaid services. The proposed rates are based on the rates for similar services of other ports / private terminals as well as rates presently being paid by the importers/ exporters to various private agencies for similar services at KOPT.

The proposed rate is even lower than what would be permitted as per norms applicable for fixation of upfront tariff. The workings furnished by KOPT in this regard are given below:

(a). **Rate for deployment of MHC:**

Particulars	Workings	Amount (in Rs.)
No. of MHC to be deployed		3 nos.
Cost of two new MHC and five grabs (Rs.)		405000000
Cost of one second hand MHC		120000000
Total capital cost of MHC		525000000
<u>Direct Operating cost</u>		
' – Fuel/ power	70 ltrs per hour @ Rs.40 per litre for 4000 hours	22400000
' – Maintenance	5% of capital cost	26250000
' – Insurance	1% of capital cost	5250000
' - Other Expenses	5% of capital cost	26250000
' - Depreciation	10.34% Straight Line Method	54285000
Total		134435000
Return on Capital employed	16% of capital cost	84000000
Total cost + Return		218435000
Cargo handling capacity per annum		4000000
Rate per MT		54.61

(b). **Rate for deployment of Payloaders inside Hatch:**

Particulars	Workings	Amount (in Rs.)
No. of payloaders		4 nos.
Cost of four payloaders	Rs.1900000/- per pay loader	7600000
<u>Direct Operating cost</u>		
' – Fuel/ power	10 ltrs per hour @ Rs.40 per litre for 4000 hours	6400000
' – Maintenance	5% of capital cost	380000
' – Insurance	1% of capital cost	76000
' - Other Expenses	5% of capital cost	380000
' - Depreciation	10.34% Straight Line Method	785840
Total		8021840
Return on Capital employed	16% of capital cost	1216000
Total cost + Return		9237840
Cargo handling capacity per annum		4000000
Rate per MT		2.31

The total charges for deployment of MHC and pay loaders works out to Rs.56.92 per MT. Considering a foreign/ coastal ratio of 90:10, the allowable rate for foreign cargo works out to Rs.59.29 per MT and the rate allowable for coastal cargo works out to Rs.35.57 per MT.

(viii). **Contractual provision of Penalty/ incentive for MHC output achieved at Berth No. 2 & 8 of HDC**

Penalty provision

Ship berth day output actually achieved per vessel basis	Amount payable as percentage of accepted rate
From 18000 tonnes to 19999 tonnes	90%
From 16000 tonnes to 17999 tonnes	80%
From 14000 tonnes to 15999 tonnes	60%
Less than 14000 tonnes	40%

Incentive provision

In case the successful tenderer achieves ship berth day productivity more than Minimum Level of Productivity (MLP), in any vessel then he will be paid incentive at 10% of the accepted rate only on the additional cargo which will be handled as a consequence of ship berth day output to be achieved by the successful tenderer over and above the MLP. The additional cargo on which incentive will be paid be computed as follows:

Total cargo loaded/unloaded - $\frac{(\text{MLP} \times \text{Vessel Operation Time})}{24}$

24

(ix). **Gate Delivery/ Receiving Charge:**

KOPT has not proposed any change in the nomenclature of the charge from what have been approved by TAMP while notifying the existing Scale of Rates.

The storage area inside dock is maintained by KOPT for furtherance of its core business of handling import and export cargo through the two dock systems. As per TAMP's approval, the Gate Delivery/ receiving charge is leviable on cargo, which are received by KOPT inside its own operational area but delivered without attracting any Wharfage charge, where KOPT's involvement in the process of documentation, clerkage, security, lighting arrangement in the area etc. are unavoidable. As per provision of the extant Scale of Rates, Gate Delivery / Receiving charge on cargo on which wharfage is not levied subject to the further condition that such charges would be levied when KOPT provides the services with reference to the cargo handled by it.

It may also be mentioned that the charge is somewhat penal in nature to discourage users from using the precious storage area for any purpose other than for import/ export through the two dock systems under exclusive control of KOPT.

As per the license agreement, for any cargo handled at a BOT berth, all cargo handling services from landing till delivery and vice-versa including storage of the cargo are to be provided by the concerned operator with its own resources. While the same is fully complied with by one BOT operator at KOPT, it is a different matter for the other BOT operator where TMILL initially deliberately delayed acceptance of the additional storage area offered to them and tried to use the storage area under control of KOPT for furtherance of its business, so that, they do not have to immediately bear the additional cost of development of the storage area and cost towards lease rent etc. In fact, this led to levy of tariff for such receiving/delivery services rendered by KOPT as per the TAMP approved rate.

The relationship between the Board and such person authorized by Board under Section-42(3) is not that of principal and agent; their relationship is governed by the statutory conditions.

Both M/s. TMILL and M/s. ISHPL had confirmed that they have submitted required application to the Customs Authority for declaring them custodian. In view of the above, it is evident that TMILL and ISHPL are custodians of the area licensed to them, while KOPT is the custodian of area under control of KOPT.

Further, after the levy of the said charge was disputed by one party, namely M/s Tata Steel Ltd, KOPT had referred the matter to Shri A. K. Ganguli, Sr. Advocate, Supreme Court of India for opinion. The Sr. Counsel, after detailed examination of the entire issue and after physical inspection of the operations involved had opined that KOPT is fully justified in demanding payment of such charges as specified under the Scale of Rates. Subsequently, when Tata Steel Limited did not liquidate the bills raised by KOPT in this regard, KOPT filed a money suit (CS No-279/2007 Kolkata Port Trust vs. Tata Steel Ltd) to recover the amount. The money suit is presently pending to be decided by the Honb'le Court.

(x). **Common rate structure of HDC and KDS**

KDS and HDC are two constituent elements of a single port system, i.e. Kolkata Port Trust. The aim is to maximise the overall surplus of the Kolkata Port Trust, so that the liabilities of KOPT as whole could be met. As such uniform tariff has been set for KDS and HDC so that both the dock systems work as complementary to each other. To some extent the demand for the services at KDS and HDC are inter-dependent as Kolkata Port Trust is a multi draft port and tariff fixed for one dock system will have effect on the demand of the other. The common structure of tariff is required for proper utilization of the capacities of Kolkata Port as a whole. There should not be any competition between two facilities because of differential tariff setting, as it would work as detriment to the facilities created at KDS and HDC. Competition should be out of efficiency in operation and not tariff.

It is further submitted that after introduction of the common rate structure during last revision no major customer has voiced any grievance against the same and accordingly, it may be taken that the trade at large has also accepted the same.

(xi). **Details of additional income out of proposed revision of Scale of Rates:**

The calculation for KDS and HDC showing the additional income from revision of existing rates as well as additional income accruing from new items would be shown to the officials TAMP.

(xii). **Estimate of Salary & Wages expenditure:**

The estimate of Salary & wages expenditure for 2010-11 has been made as per BE. Initially for projecting Salary & wages expenditure for 2011-12 and 2012-13 a total 6.75 % increase was projected considering the normal increment of 3% and 3.75% increase over and above the same considering the normal rise in DA. However, during the discussion at TAMP's office TAMP had informed that any increase over and above the norm of 3.75% would have to be substantiated in details. Accordingly, the entire calculation was re-visited. The following position is revealed:

Particulars	[Rs in Lacs]		
	2010-11 (As per Budget)	2011-12	2012-13
Salaries and Wages as projected in the Cost Statement	39427.50	42139.15	45025.12
Salary & Wages with 3.75% increase	39427.50	40906.03	42440.00
Difference between the above two	-	1233.12	2585.12

In this connection TAMP is aware that in the revision of Pay & Allowances of the Officers Ministry has sanctioned a cafeteria allowance with a maximum limit of 50%. This was not originally considered in the cost statements. The additional cost involvement towards cafeteria allowance is likely to be near similar, if not more, than the difference between the Salary & Wages expenditure shown in the cost statement and that with 3.75% increase. Accordingly, the Salary & Wages Expenditure shown in the cost statement may be accepted.

(xiii). **Reconciliation of the Salary & Wage expenditure indicated in the cost statement of 2006-07 to 2009-10 vis-à-vis Annual Accounts:**

The KOPT has furnished a reconciliation statement showing expenditure of Salary & Wages as booked in the cost statement and that in the Annual Accounts.

(xiv). **Treatment of contribution to Pension Fund, Gratuity Fund and purchase of Annuity:**

During the discussion with TAMP, it was understood that TAMP will not allow inclusion of any cost towards creation of Pension Funds, in whatever name called, in case such contribution is towards past liability. In the above perspective, the following is submitted for consideration of TAMP:

(a). **Contribution to Superannuation fund:**

KOPT has proposed that following contribution to be made to Superannuation fund as cost:

2010-11: Rs 85.00 crores
2011-12: Rs 80.00 crores
2012-13: Rs 75.00 crores

In the matter it may be mentioned that KOPT has endeavoured to cover the pension liability for employees retired/ to retire after 01.04.2004 through this fund. As already mentioned earlier, the pension of all employees retired after 01.04.2004 are being paid by LIC directly. Accordingly, the contribution proposed to be made by KOPT to Superannuation fund and shown in the cost statement is to meet the fund gap as well as for the required regular replenishment to take care of the DA rise and increments', annual servicing cost of existing employees, etc. Considering the provision of Income Tax Act, KOPT has proposed contribution of Rs 1.00 Lacs per employee per year in order to avoid perquisite tax liability on the existing employee of KOPT. This is a cost incurred/ to be incurred to take care of the future pension liability of existing employees and accordingly, it is not a cost of meeting any past liability.

In view of the above, TAMP is requested to consider the same as cost as indicated by KOPT in the cost statement.

(b). **Gratuity Fund:**

Presently gratuity fund is fully funded at present. The proposed contribution towards the fund is to take care of the increase in the liability of gratuity due to revision of pay, normal increments, annual servicing cost of existing employees, etc. As this is also not against any past liability, TAMP may consider the same as cost as prayed by KOPT.

(c). Purchase of Annuity:

KOPT has opted to purchase annuity to cover the pension liability of employees retired prior to 01.04.2004. KOPT has considered the following as cost towards purchase of annuity during 2010-11 to 2012-13 in the cost statement:

2010-11: Rs 60.00 crores
2011-12: Rs 45.00 crores
2012-13: Rs 60.00 crores

As the cost of purchase of annuity is against liability of pension of employees retired earlier, this may be considered to be contribution towards past liability and the same may accordingly be taken out from cost statement. The said cost would have to be recovered through Special Rate, in such case.

If the cost towards purchase of annuity is taken out from the cost statement, the ROCE adjusted Surplus will be Rs.245.64 Crores for 2010-2011 to 2012-2013 at the proposed tariff level.

The ROCE adjusted surplus / deficit position of 2006-07 to 2009-10, even after taking out the cost of Purchase of Annuity from the Finance Miscellaneous Expenditure will be (-)Rs.601.68 Crores

It may also be mentioned that KOPT has also purchased annuity worth Rs 190.00 crores during 2008-09 and Rs.86.13 crores during 2009-10 from the internal accruals without levy of any Special Rate. Even though the tariff guidelines permits adjustment of such cost against previous period surplus; in absence of any ROCE adjusted surplus, the same cannot be resorted to.

In the perspective, as the projected surplus of Rs.245.64 crores (for three years) at proposed tariff is far less than the ROCE adjusted deficit position of previous years, no reduction in the proposed rate appears to be called for at this stage. TAMP is accordingly requested to approve the proposal of KOPT.

13. Subsequently, the KOPT has furnished further additional information/ clarification. The information furnished by KOPT is given below:

(i). Capital Employed for during 2006-07 to 2008-09 (In Lakh Rs.):

The detailed working of classification of fixed assets into three categories namely, Business Assets, Business related Assets and Social Obligation Assets could be done at HDC for 2009-10 onwards. Prior to that such detailed classification was not available. Accordingly, for classification of fixed assets of 2006-07, 2007-08 and 2008-09, the rational taken by TAMP during last revision of the Scale of Rates [Ref: Para-11 (xv) (a) of the order] has been adopted and the same is reflected below:

KDS

Asset Type	2006-07	2007-08	2008-09
Business Assets	16363.99	17319.74	18467.48
Business Related Assets	1231.70	1303.64	1390.03
Social Obligation Assets	0.00	0.00	0.00
	17595.69	18623.38	19857.51

HDC

Asset Type	2006-07	2007-08	2008-09
Business Assets	47223.45	50644.19	50263.23
Business Related Assets	3672.93	3938.99	3909.36
Social Obligation Assets	1574.11	1688.14	1675.44
Total	52470.49	56271.32	55848.03

Regarding further sub classification of fixed assets to services and sub services for the past period as has been asked for by TAMP, it may be mentioned that the said exercise has not been done earlier as the same was not required to be done as per the formats prescribed by TAMP. Further, as the period concerned has already elapsed and the final cost position of KOPT reflects considerable overall deficit, the said exercise may not be insisted at this belated stage, since preparation of the same would take some time and in turn, would delay the entire process further.

- (ii). The description "Misc income including 50% royalty" used has been taken from the description used in the prescribed format. However, KOPT has transferred 100% of royalty to Escrow A/C during 2009-10 and proposes transfer of 100% royalty to Escrow Account during 2010-11, 2011-12 and 2012-13. Accordingly, if considered appropriate, the description used may be amended as "Misc income including royalty not transferred to Escrow Account".
- (iii). It is confirmed that that the actual/ estimated container traffic indicated by KOPT in Form-2A is exclusive of traffic handled by the BOT Operators.
- (iv). Increase on cost of 'Fuel' and 'Others' attributable to Cargo handling Activity:

- (a). Fuel Cost attributable to Cargo Handling Activity:

The reasons for increase in Fuel cost are as follows:

- (i). The number of cargo handling equipment were out of operation during most part of 2009-10 due to various contractual problem, as a result there was lower fuel consumption during 2009-10. This is expected to be resolved and consequently, the fuel consumption is expected to increase considerably.
 - (ii). The Container Traffic is expected to increase by around 11% in 2010-11 vis-à-vis that of 2009-10, requiring more use of RTYGs, which consumes Fuel.
 - (iii). Expected to procure additional equipment during 2010-11, which would increase fuel consumption.
 - (iv). With partial deregulation of Diesel, the price of Fuel has increased and the same is expected to increase further with total deregulation of Diesel price being considered by the Govt.
 - (v). The prices of various types of Lubricating Oils used in RTYGs and RMQs have increased by more than 25% over the last year.
- (b). Other Expenses attributable to Cargo Handling Activity:

The main reason for increase in other expenses under Cargo activity is due to payment to contractor engaged for equipping of Berth No-2 and 8 at Haldia Dock Complex of KOPT. During 2009-10 no payment was made to the contractor as the contractor could not commence work. However, the contractor has already commenced work in September 2010 and an estimated expenses amounting to Rs 35.76 crores in this account has been shown under 'Others' in 2010-11. This is

the primary reason for increase in other expenses attributable to Cargo Handling Activity in 2010-11 vis-à-vis 2009-10.

(vi). Reduction in expenses like Salary, Power, Repairs and others relating to Port & Dock activity:

Dredging expenditure includes expenses towards Salary, Power, and Repairs & Maintenance etc. The Govt. Audit has already submitted their draft audit certificate of Dredging Expenditure for year 2009-10, wherein they have disallowed a part of Dredging Expenditure claimed by KOPT, which includes Salary, Power, Repair & maintenance etc. Considering the same, the amount so disallowed has been charged to Port and Dock activities in the cost statement of 2009-10. However, it may be appreciated that no pre estimation of disallowance of Dredging Expenditure for 2010-11 by Govt. Audit could be estimated at this stage and hence, the entire dredging cost of 2010-11 is considered in the Cost Sheet relating to Dredging activity for reimbursement by Govt. of India. Accordingly, no cost towards disallowance of dredging expenditure has been booked in the cost statement of Port & Dock Activity for the year 2010-11. This has resulted in reduction in the said expenses in 2010-11 vis-à-vis that of 2009-10.

(vii). Increase in the Management & General Overhead:

The main component of Management & General Overhead are expenses on account of Security and Medical facilities. The reason for increase in the Management & General Overhead of 2010-11 vis-à-vis that of 2009-10 are as follows:

- (a). There is substantial increase in Security related cost due to implementation of sixth pay commission pay revision for CISF employees, additional induction of number of CISF personnel due to implementation of ISPS code, procurement security related equipment etc.
- (b). Substantial increase in cost of Medical facilities, Auditing and other expenses.

(viii). Estimation of Finance & Miscellaneous Income:

The primary reason for the lower estimated Finance & Miscellaneous income of 2010-11 vis-à-vis 2009-10 is due to fall in income relating to Sale/disposal of Capital assets/unserviceable materials/unclaimed goods. In this connection, it may be intimated that in 2009-10 considerable amount was fetched on this account due to disposal of KOPT dredger vessel "Churni".

(ix). Provision towards payment of arrear Pay & Allowances:

In the updated cost statement furnished to TAMP in August 2010, KOPT has considered the following costs towards arrear Pay & Allowances:

2006-07: Rs 17.92 crores
2007-08: Rs 79.31 crores
2008-09: Rs 72.29 crores

It may be mentioned that initially no provision for arrear Pay & Allowances was made in the Accounts drawn for 2006-07 and 2007-08. During 2008-09 a provision for the said increase was first made, conservatively taking 15% increase in Pay & Allowances. Thereafter, on award pay revision for employees, the balance provision pertaining to the year 2006-07 to 2008-09 has been made in the year 2009-10.

However, after publication of award of Pay Revision for both Staffs and Officers, appropriate provision for the same has been considered and the said expenses has been allocated to the respective year for preparation of Cost Statement.

(x). Excess Provision towards Dredging Subsidy:

Since 2002-03, KOPT used to provide in the accounts the actual amount released by the Govt. of India as income from Dredging Subsidy for that particular year. However, from the year 2009-10, the system of booking of income on account of Dredging Subsidy has been changed from cash basis to accrual basis. As a result, a sum of Rs. 3.72 crores which was accounted in excess during the past years has been adjusted in the year 2009-10. The aforesaid amount has not been considered in the cost statement.

(xi). Details of Prior Period Income & Expenses:

Income

(In lakh Rs.)

Particulars	2006-07	2007-08	2008-09	2009-10
Write-back of excess provision/ expense	4378.01	4571.42	3737.42	701.91
Dredging subsidy receivable				8978.75
Misc. Credits pertaining to previous year	4.83		25.69	
	4382.84	4571.42	3763.11	9680.66

Expenses

(In lakh Rs.)

Particulars	2006-07	2007-08	2008-09	2009-10
Misc. Expense pertaining to previous periods	1194.34	648.11	1312.85	60.52
	1194.34	648.11	1312.85	60.52

- (xii). The statement showing additional income from the proposed new tariff items is furnished as Annexure-I. As stated in our letter dated 4.10.2010, the calculation for KDS and HDC showing the additional income from revision of existing rates would be shown to the officials of TAMP when KOPT officials involved in preparation of Cost Statement would be required to visit your office. As the calculation have been made through various linked work sheets, it is very difficult to send the same.

14.1. The KOPT has subsequently furnished the following details relating to its proposal for levy of Special rate for payment of pension to the employees who retired prior to 1 April 2004:

Sl. No.	Details	Rupees in Crores
1.	Actuarial value of annuity fund as on 1.4.2009 (A)	1,141.77
2.	Amount contributed to the fund till 1.4.2010	241.14
3.	Interest accrual to fund credited to fund	12.86
	Sub total:	254.00
4.	Total cost towards purchase of annuity indicated by KOPT in the cost statement (Form-3A)	276.14
5.	Fund already available for purchase of annuity (B)	276.14
6.	Fund required to meet the actuarial value (A) – (B)	865.63
7.	Adjustment of excess special rate received earlier as confirmed by KOPT vide letter dated 6.9.2010	12.62
8.	Net fund requirement to be met by levy of special rate	853.01

Note: Interest of Rs.14 crores paid by LIC has not been credited to the fund and accordingly, the balance available with the fund has been reduced to the extent.

14.2. The details of additional revenue estimated to be received from the levy of new rates equipping berth no. 2 and 8 as furnished by KOPT are as follows:

Details	Particulars
Estimated quantity of cargo to be handled per year	7000000 MT
Proposed new rates in the Scale of Rate	
(i). Loading / unloading with Mobile Harbour Crane *	50 per MT
(ii). Storage at stacking area (heaping & high heaping charge	10 per MT
(iii). Despatch related services for rail borne cargo including weighments	9 per MT
(iv). Despatch related services for road bound cargo with all weighments	6 per MT
Sub Total of rates considering rail dispatch	69 per MT
Estimated income from new rates	4830 lakhs
Pay out to the contractor for aforesaid services (on the basis of average of rates of berth no.2 and berth no.8)	53.50 per MT
Total pay out to the contractor	3745 lakhs
Incremental revenue from the new rates	1085 lakhs

* Foreign rate : Rs.52.00 per MT
Coastal rate : Rs.31.20 pr MT

14.3. The details of the Income projections from the cargo activity at the existing level of tariff (excluding liquid berth, container, demurrage and income from new rates relating to berth no. 2 and 8 at HDC) for the years 2010-11 to 2012-13 furnished by KOPT are summarised and tabulated below:

Year	Rs. in Lakhs
2010-11	16594.23
2011-12	19081.79
2012-13	20042.96

15. 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>

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

- (i). The existing Scale of Rates of the Kolkata Port Trust (KOPT) was notified by this Authority in December 2006 with the initial validity upto 31 March 2009. The proposal of KOPT to have common rates for both systems at KOPT viz., Kolkata Dock System (KDS) and Haldia Dock Complex (HDC) was approved, provided the common rate structure does not burden the HDC at the cost of KDS. The levy of the 10% special rate introduced from the year 2001-02 to meet the liability accrued upto 31 March 2000 on account of arrears of salary, wages and retirement benefits arising out of various Government Orders, was discontinued from 1 February 2007.

Subsequently, the validity of the Scale of Rates of KOPT was extended, from time to time, the last extension being till 30 September 2010 subject to fully adjusting the additional surplus, if any, over and above the admissible cost and permissible return accruing to the KOPT for the period post 1 April 2009 in the tariff to be determined.

- (ii). The KOPT filed its proposal for general revision of its Scale of Rates in December 2009. This proposal was taken up for consultation with the relevant users. During the processing of the case, since the financial year 2009-10 was already over, the KOPT was requested to update the cost statements with actuals for the year

2009-10. The KOPT was also requested to review the estimates for the years 2010-11 to 2012-13 based on the actuals for the year 2009-10. In response, the KOPT furnished a revised proposal in July 2010. Subsequently, as decided at the joint hearing, the KOPT under cover of its letter dated 6 September 2009 has updated its proposal in the light of the queries raised by us. It is noteworthy that the KOPT furnished the requisite information promptly and without any reservation throughout the proceedings of the case. The updated cost statements furnished by KOPT under cover of its letter dated 6 September 2010 alongwith the further submissions made by KOPT under cover of its letters dated 6 September 2010, 30 September 2010 and 13 October 2010, are considered for the purpose of our analysis.

- (iii). (a). In line with Clause 2.8.3 of the tariff guidelines, this Authority in the tariff Order of December 2006, had directed KOPT to create and maintain a separate Escrow account with reference to the royalty/ revenue share received by it from the BOT operators. The KOPT was advised to transfer 50% of the royalty to the Escrow account. From the details of the Escrow account furnished by KOPT, it is seen that KOPT has transferred royalty/ revenue share income to the Escrow account from the year 2002-03 onwards.
- (b). In this regard, it is relevant to note that the tariff guidelines of 2005 have come into effect from 31 March 2005. Accordingly, the guidelines which accentuates the creation and transfer of revenue share to Escrow account is applicable from the financial year 2005-06 onwards. As such, the question of KOPT transferring its royalty income to the Escrow account from the year 2002-03 to 2004-05 does not arise. There cannot be any retrospective application of the provision contained in the tariff guidelines for the period prior to the issue of the tariff guidelines. Moreover, the amount so stated to have been transferred by KOPT to the Escrow account would have already been considered as the operating income for the port as a whole for the respective years.
- (c). With reference to the year 2005-06, in the last tariff Order, 50% of the royalty income for the year 2005-06 was applied towards infrastructure expenditure and the balance 50% was taken as operating income. Therefore, the question of KOPT now transferring 50% of its royalty income during the year 2005-06 to the Escrow account also does not arise.
- (d). The KOPT has reported about dispute between the port and the BOT operators viz., TMILL and ISHPL, on the quantum of revenue share receivable from the said BOT operators. It is stated by the port that its claim of amount receivable on this account from ISHPL is more than Rs.180 crores. The amount receivable from TMILL is not made known. The disputes have reportedly been referred to arbitration and the realisations of the claims of KOPT on this account from the BOT operators are dependent upon the outcome of the arbitration proceedings. Therefore, the KOPT has not reckoned with the receivables based on its claims either in its Accounts or Cost statements. Based on the undertaking given by the KOPT that if its claim in this regard is realized by it from the BOT operators at a later stage, it would be appropriately reflected in its accounts and it will report the position to this Authority, the revenue share as claimed by KOPT receivable is not considered in this analysis. The actual royalty receipt as reflected in the Annual accounts for the years 2006-07 to 2009-10 and the estimated royalty receipt for the years 2010-11 to 2012-13 as furnished by KOPT are considered in this analysis.

- (e). During the years 2006-07 and 2007-08, KOPT has transferred 50% of the royalty/ revenue share to the Escrow account. During the years 2008-09 to 2012-13, the KOPT has transferred/ proposed to transfer 100% of royalty/ revenue share to the Escrow account. Since KOPT was advised in the tariff Order of December 2006 to transfer 50% of the royalty income to Escrow account, the transfer to the Escrow account is recognized to the extent of 50% only for the years 2006-07 to 2009-10, during the period which the KOPT has operated the facilities based on the tariff approved in December 2006.
- (f). For the years 2010-11 to 2012-13, the entire revenue share receipts aggregating to around Rs.51 crores are proposed to be transferred to Escrow account by the port. The tariff guidelines of 2005 envisage transfer of minimum 50% royalty/ revenue share to the Escrow account. Though a major port has the liberty to transfer 100% of its royalty/ revenue share to the Escrow account, it may have to be seen whether the transfer of the entire 100% royalty/ revenue share to the Escrow account is essential, keeping in view the proposed capital expenditure for infrastructure development and funds made available to the port by way of allowing return on capital employed. As can be seen from the later part of the analysis, the KOPT has envisaged total capital expenditure to the tune of Rs.212 crores during the years 2010-11 to 2012-13, whereas the maximum permissible return on capital employed to be allowed to KOPT in the current tariff revision exercise works out to the tune of around Rs.384 crores. Since the return is more than sufficient to meet its proposed capital expenditure of Rs.212 crores during the current tariff validity cycle, there does not appear to be a need to transfer entire royalty/ revenue share receipts to Escrow account. Since a minimum 50% of the royalty/ revenue share receipt is to be transferred to the Escrow account as per the tariff guideline and keeping in view the fact that only 50% of the royalty/ revenue share receipt was transferred to Escrow account in the past, we have recognised transfer of 50% of the royalty/ revenue share receipt to the Escrow account and the balance 50% has been considered as income of the port in this analysis.
- (g). The KOPT has furnished yearwise balance of the Escrow account and the yearwise details of the amount utilized/ proposed to be utilised from the Escrow account for creation and modernization of port infrastructure. The actual inflows and outflows for the years 2006-07 to 2009-10 and estimated position for the years 2010-11 to 2012-13 alongwith the Interest on Investment of Escrow account funds are tabulated below:

(Rs. In Lakhs)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
1. Opening balance	0.00	931.78	1867.27	643.52	785.16	1091.13	1416.98
2.(a) Transfer of 50% Revenue share from the year 2006-07 to 2012-13.	931.78	832.99	1270.42	907.40	854.93	854.93	854.93
2.(b)Interest on investments	0.00	102.50	145.83	34.24	51.04	70.89	92.04
3. Total (2a + 2b)	931.78	935.49	1416.25	941.64	905.97	925.85	947.03
4. Withdrawal for creation of infrastructure assets	0.00	0.00	2640.00	800.00	600.00	600.00	625.00
5.Closing Balance (1 + 3 – 4)	931.78	1867.27	643.52	785.16	1091.13	1416.98	1739.01

The interest on investments has been calculated by maintaining the same rate of interest as considered by KOPT in its calculations.

- (iv). Clause 2.13 of the tariff guidelines of 2005 mandates review of the actual physical and financial performance of the port at the end of the prescribed tariff validity

period with reference to the projections relied upon at the time of fixing the prevailing tariff.

The last review of the Scale of Rates of KOPT was done in December 2006. Though tariff was fixed the years 2007-08 and 2008-09 by relying upon the estimates for the said years, the past period analysis carried out in the last review exercise included the year 2006-07 which was based on estimates. It is, therefore, necessary to compare the estimates for the years 2006-07 also with that of the actuals for the year 2006-07. In addition, the KOPT has continued to operate its facilities during the year 2009-10 at the level of tariff approved in December 2006. Hence the actuals for the year 2009-10 are also considered as part of the past period, to analyse the past performance of KOPT.

- (v). The aggregate of the actual traffic handled by KOPT during the three year period from 2006-07 to 2008-09 works out to 154.70 million tonnes as against the estimated traffic of 150.26 million tonnes, registering marginal positive variation of 2.95%.
- (vi). To derive the actual operating income from Cargo handling activity for the years 2006-07 to 2009-10, KOPT has considered the Cargo handling income as given in its Annual accounts of the respective years excluding 50% revenue share receipts from BOT Contracts for 2006-07 and 2007-08 and the entire revenue share receipts for 2008-09 and 2009-10. For the reasons stated in the earlier paragraph, since only 50% of revenue share receipts are transferred to Escrow account during the years 2006-07 to 2009-10, balance 50% is considered as a part of Operating income for the respective years.

The operating expenditure pertaining to Cargo handling activity as furnished by KOPT for the years 2006-07 to 2009-10 reflects the position shown in the audited Annual accounts of the port for the respective years.

- (vii). The actual operating income from the Port and Dock facility considered by KOPT for the years 2006-07 to 2009-10 is exclusive of the dredging subsidy received by it from the Government for the respective years. KOPT receives dredging subsidy from the Government of India by way of reimbursement of expenditure relating to river dredging and maintenance activity. In line with the approach adopted in the earlier tariff Orders of KOPT, only such items of expenditure which have not been reimbursed by the Government is to be included in the Cost statement for the years 2006-07 to 2012-13. The KOPT has considered an amount of Rs.10733.95 lakhs, Rs.12162.34 lakhs, Rs.13507.32 lakhs and Rs.14431.90 lakhs as operating expenditure of port and dock facility for the years 2006-07 to 2009-10, in its Cost statement, which, inter alia, includes the expenditure related to the dredging activity, which is not reimbursed by the Government.
- (viii). In respect of the Estate and Railway activities for the years 2006-07 to 2009-10, the KOPT has considered, the operating income and operating expenditure as given in the Annual accounts of the respective years.
- (ix). For the year 2009-10, though the sum total of the activity wise depreciation as reported in the Annual Accounts was Rs.3298.70 lakhs, the Cost statement reflected a higher figure of Rs.3431.56 lakhs. To a query in this regard, the KOPT has clarified that the difference has arisen on account of not excluding depreciation pertaining to an asset of KDS which was sold during the year. Since the concerned asset is no longer in the Block of assets, the related depreciation also needs to be excluded. Accordingly, the sum total of the depreciation under each of the heads mentioned earlier at Rs.3298.70 lakhs as in the Annual Accounts has been considered as depreciation for the year 2009-10, in the Cost statement.

- (x). In its Cost statement, KOPT has considered an amount of Rs.12156.93 lakhs, Rs.12672.52 lakhs, Rs.16465.38 lakhs and Rs.19531.53 lakhs as Management & General Overheads for the years 2006-07 to 2009-10, as compared to the figures in the Annual Accounts of the respective years of Rs.12770.63 lakhs, Rs.13305.61 lakhs, Rs.17233.02 lakhs and Rs.20865.97 lakhs. The figures shown in the cost statement are found to be lower as compared to the position reflected in the Annual Accounts. The amount excluded by KOPT in its Cost statement for all the years relates to the amount covered by the Dredging subsidy as clarified by the port. Therefore, the amount furnished by KOPT in its Cost statement is considered.
- (xi). The KOPT has reported Rs.1720.12 lakhs, Rs.1034.18 lakhs, Rs.1333.44 lakhs and Rs.2408.21 lakhs as Finance and Miscellaneous Income for the years 2006-07 to 2009-10 respectively in the Cost statement. The KOPT has excluded Interest on general reserve funds, interest on staff advances and prior period income as shown in the Annual Accounts for the years 2006-07 to 2009-10 to arrive at the figure pertaining to Finance & Miscellaneous Income in the Cost statement, for the respective years. While exclusion of interest element from the Finance and Miscellaneous Income is found to be in order, since interest cost is not considered as an item of cost, we have considered prior period income as part of Finance and Miscellaneous Income in line with the approach adopted by this Authority, for the purpose of this analysis.
- (xii). The KOPT has considered Rs.40062.16 lakhs, Rs.59315.11 lakhs, Rs.60985.07 lakhs and Rs.41194.39 lakhs as Finance and Miscellaneous expenses for the years 2006-07 to 2009-10 respectively in the Cost statement. In line with the general approach adopted by this Authority, Interest on loans as reported in the Annual Accounts has been excluded. Since the amount indicated towards purchase of Annuity, arrear retirement benefits, purchase of annuity for pensioners, excess provision for dredging subsidy, bad and doubtful debts are in the form of provisions, they have been excluded from the actual Finance and Miscellaneous expenditure in the Cost statement for the years 2006-07 to 2009-10. Since the prior period income is considered as part of Finance and Miscellaneous income, prior period expenditure is also considered as part of Finance and Miscellaneous Expenditure.
- (xiii). For the years 2006-07, 2007-08 and 2008-09, the closing block of assets as shown in the annual accounts for the respective years has been considered as net block of assets. As stipulated in the tariff guidelines, balance maintained in Escrow Account should be utilised for the purpose of creation and/ or modernization of the port infrastructure facilities. The investment to the tune of Rs.31.17 crores in the year 2009-10 has been stated to have been funded from the Escrow account for procurement of railway locomotives. Accordingly, the closing value of assets as reported in the Annual accounts for the year 2009-10 has been reduced by Rs.31.17 crores, for the purpose of allowing return.
- (xiv). The KOPT has not calculated working capital based on clause 2.9.9 of the tariff guidelines for the years 2006-07 to 2009-10. The current assets in terms of Debtors, Inventory and Cash balances are worked out by us as per the norms stipulated in the guidelines. The items of current liabilities corresponding to the current assets are considered as reflected in the Annual accounts. The figures of working capital so derived turns out to be negative. As a result, the working capital is considered as NIL.
- (xv). During the last general revision of KOPT in December 2006, though the KOPT had pleaded its inability to provide the classification of assets, it had mentioned that the business assets, business related assets and social obligation assets formed 90%, 7% and 3% respectively of the total net block of assets, which was relied upon for the purpose of allowing return. For the past period analysis, the

same percentages are considered for a like to like comparison for the purpose of allowing return.

- (xvi). The designed capacity of the port (excluding BOT berths) as furnished by KOPT is 57.17 lakh tonnes for the year 2006-07 and 61.53 lakh tonnes each for the year 2007-08 to 2009-10. Taking into account the actual traffic handled by KOPT (excluding traffic of BOT berths) during the said years, the actual capacity utilization of the port works out to 88.98%, 86.56%, 82.22% and 68.22% during the years 2006-07 to 2009-10 respectively. Since the capacity utilization is more than 60%, the Return on Capital employed is calculated @ 15% for business assets and 7.40% for business related assets for the years 2006-07 to 2009-10 as considered in the last general revision Order. The social obligation assets do not attract any return as per the guidelines.

- (xvii). (a). A summary of the comparison of the actuals vis-à-vis the estimates considered in the last tariff Order is tabulated below:

Particulars	Aggregate for the years 2006-07 to 2008-09 in absolute terms (Rs. in lakhs)		Variation in %
	Estimates as per tariff Order	Actuals	
Traffic (in million tonnes)	150.263	154.697	2.95%
Operating Income	246355.01*	272675.85	10.68%
Total Expenses (including depreciation)	161549.72	145510.33	-9.93%
Surplus before Return (Average)	10361.73	24582.27	137.24%
Capital Employed (Average)	72185.33	73555.47	1.89%
Return on Capital Employed (Average)	10118.94	10311.01	1.90%

* The operating income estimates are updated to reflect the 10% reduction effected in the then proposed cargo handling charges of KOPT with effect from March 2007.

- (b). The KOPT has achieved actual surplus of Rs.29675.88 lakhs, Rs.28131.31 lakhs and Rs.15939.63 lakhs aggregating to Rs.73746.82 lakhs for the years 2006-07 to 2008-09. The average of the actual surplus is seen to be Rs.24582.27 lakhs. If the average actual surplus is seen as a percentage of average actual capital employed of Rs.73555.47 lakhs for the said three years, it works out to 33.42%. The above details are given in the following table:

Particulars	2006-07	2007-08	2008-09	Average
Actual Surplus before Return earned by KOPT	29675.88	28131.31	15939.63	24582.27
Actual Capital Employed	70066.18	74894.70	75705.54	73555.47
Actual Return earned on capital employed	42.35%	37.56%	21.05%	33.42%

As brought out earlier, in the last general revision Order, maximum return of 15% was allowed for the years 2006-07 to 2008-09. The actual return achieved by the KOPT during the said three years is found to be 33.42%, as shown in the above table. Therefore, as per clause 2.13 of the tariff guidelines, there is a case for adjustment of the surplus earned during the period 2006-07 to 2008-09 in the current tariff cycle.

- (c). The validity of the existing Scale of Rates of KOPT has been extended beyond 31 March 2009, subject to the condition that the surplus over and above the admissible cost and permissible return accruing to KOPT for the period after 1 April 2009 will be set-off fully, in the tariff to be fixed for the next cycle. As seen from the Cost statement, the KOPT has earned an additional surplus to the tune of Rs.9937.50 lakhs over and above the admissible cost and permissible return, during the year 2009-10.

- (d). A summary of the surplus for the past period is given below:

Rs. in lakhs

Aggregate of additional net surplus earned by KOPT for the years 2006-07 to 2008-09.	2006-07	19854.00	42813.79
	2007-08	17632.57	
	2008-09	5327.22	
Additional Net Surplus earned in the year 2009-10			9937.50
Total Surplus			52751.29

The adjustment of the past surplus assessed for the years 2006-07 to 2009-10 to the tune of Rs.52751.29 lakhs is discussed in the later part of this analysis dealing with the proposed Pension Levy.

- (xviii). The traffic estimates as furnished by KOPT (excluding the traffic related to BOT berths), is 43.64 million tonnes, 44.754 million tonnes and 47.635 million tonnes each for the years 2010-11 to 2012-13 respectively.

The Traffic projections contained in the Business Plan furnished by KOPT for the above mentioned three years is 53 Million tonnes, 58 million tonnes and 63 million tonnes respectively. The Budget estimates for the year 2010-11 as furnished by KOPT also reflect a total traffic to the tune of 52.49 million tonnes. Even when the actual quarterly traffic figure of 12.60 million tonnes is considered proportionately for the entire year, the traffic for the year 2010-11 works out to around 50.368 million tonnes. In this backdrop, the traffic estimates considered by KOPT in the Cost statement for the years 2010-11 to 2012-13 appear to be on a lower side.

The KOPT has reasoned that the reduction in traffic is on account of drop in estimated traffic of iron ore and Liquid bulk. Sluggish demand of Iron Ore from China and fluctuating Iron Ore prices in the International market reportedly has led to KOPT anticipating a decline in iron ore traffic. According to KOPT, during April-July 2010, there has been about 30% decline in Iron Ore traffic at KOPT as compared to the corresponding period of the previous year. Further, with the commissioning of the Paradip-Haldia Crude Pipeline, the KOPT anticipates further shifting of the Liquid bulk cargo to Paradip.

No growth has been envisaged by KOPT while estimating traffic for General Cargo for the said years. According to KOPT, with the growth of containerisation, more volume of General Cargo is likely to be containerised and thus no growth is anticipated in general cargo.

In this context, it is relevant to mention here that none of the user/ user organizations has commented on the traffic forecasts made by KOPT. In this backdrop, the traffic forecasts for the years 2010-11 to 2012-13 as furnished by KOPT is relied upon for the purpose of this analysis. This Authority, however, finds it reasonable to adjust fully the additional surplus, if any, arising in the context of variation in estimated traffic. Nevertheless, it is relevant to clarify that the entire additional surplus will be considered for adjustment, only if the variation in the estimated and actual performance is more than + / - 20%, as stipulated in clause 2.13 of the tariff guidelines of March 2005.

- (xix). The Cargo handling income estimates furnished by KOPT is inclusive of a sum of Rs.3142.30 lakhs, Rs.4690.00 lakhs and Rs.4690.00 lakhs towards the estimated revenue from the new services like use of MHC for loading/ unloading, heaping/ high heaping of cargo, despatch related services including weighment at Berth no. 2 and 8 of HDC for the years 2010-11 to 2012-13 respectively. Revenue from this activity is estimated by considering traffic of 4.69 million tonnes, 7 million tonnes and 7 million tonnes proposed to be handled at Berth no. 2 and 8 during the years 2010-11 to 2012-13 as stated by KOPT.

It is relevant to note that the income estimates computed at the existing level of tariff are generally considered for the purpose of tariff fixation. As such, to consider the income proposed to be generated from the proposed tariff items alongwith the income estimates at the existing level of tariff is not correct. In view of the above, the income pertaining to KOPT for rendering new services at berth no. 2 and 8 is excluded from the figure of cargo handling income pertaining to the years 2010-11 to 2012-13. Nonetheless, the revenue from this activity is considered to decide the rates to be fixed for the new activity.

For the reasons stated in the earlier part of this analysis, 50% of the estimated royalty/ revenue share receipts is considered as Income in the cargo handling activity. Accordingly, a sum of Rs.854.93 lakhs each is added to the cargo handling income estimated by the KOPT for the years 2010-11 to 2012-13.

Thus, the estimated Cargo handling income works out to Rs.46596.41 lakhs, Rs.49058.10 lakhs and Rs.51412.64 lakhs for the years 2010-11 to 2012-13 respectively, which is considered in the Cost statement.

- (xx). The KOPT has stated that it has considered a Foreign Exchange rate of Rs.47.00 per US\$, Rs.46.50 per US\$ and Rs.46.00 per US\$ each for the years 2010-11 to 2012-13 to estimate the dollar denominated vessel related income. In respect of the income estimates from dollar denominated tariff items the exchange rate prevailing at the time of analysis of the case, is considered uniformly for estimation of income from dollar denominated tariff items, for all the years under consideration.

In our analysis, since the major part of the financial year 2010-11 is already over, and since the actual dollar exchange rate is known, the vessel related income from the foreign going vessels for the period from April 2010 to September 2010 is estimated based on the average exchange rate of Rs.46.08 per US\$ obtained for the said period. For the period thereafter, an exchange rate of Rs.45.05 per US\$ is considered as prevailing at the time of concluding the analysis of this case. The exchange rate of Rs.45.05 per US\$ is also considered for determining the vessel related income from the foreign going vessels for the years 2011-12 and 2012-13. Thus, the modified operating income related to Port & Dock activity considered in the Cost statement is Rs.25928.55 lakhs, Rs.27326.42 lakhs and Rs.28527.52 lakhs for the years 2010-11 to 2012-13 respectively.

- (xxi). The operating income estimates for the years 2010-11 to 2012-13 relating to Estate activity and Railway activity are relied upon as furnished by KOPT.
- (xxii). The total estimated operating income for KOPT as a whole works out to Rs.1022.30 crores, Rs.1065.70 crores and Rs.1113.35 crores for the years 2010-11 to 2012-13 respectively.
- (xxiii). The estimates of operating expenses for the years 2010-11 to 2012-13 are discussed as given below:
 - (a). As discussed in the earlier part of the analysis, the actual salary expenses for the year 2009-10 includes the impact arising out of the implementation of the wage revision of Class III and IV employees. The estimates of salary expenses for the years 2010-11 to 2012-13 are moderated by applying an escalation factor of 3.76% over the estimates of the respective previous years taking the actuals for the year 2009-10 as base.
 - (b). In respect of estimation of expenditure towards Power, Fuel and Repairs and maintenance for the years 2010-11 to 2012-13, the KOPT has considered various escalation factors. We have moderated the estimates on these items by applying an escalation factor of 3.76% over the

estimates of respective previous years, taking the actuals for the year 2009-10 as base.

- (c). Apart from the above said heads of operating expenses, the expenditure estimates also include 'other expenses' which relate to Fringe Benefit, Payments to be made to contractor engaged for equipping of berth no. 2 and 8, general expenses and general stores. It is seen that there is a substantial increase of around 108% in the Other costs pertaining to the cargo activity for the year 2010-11 as compared to the year 2009-10. The reason for the phenomenal increase is on account of KOPT including expenditure related to rendering new services at berth no. 2 and 8 of HDC. Since estimated income on account of the new services proposed to be rendered at berth no. 2 and 8 has been excluded, as explained earlier, the expenses corresponding to rendering of such new services is also to be excluded from the expenditure estimation for the years 2010-11 to 2012-13.

As per the details of payments to be made to contractor furnished by the KOPT for the services rendered by him at berth no. 2 and 8, the total amount payable to the contractor works out to Rs.79/- per MT at Berth no. 2 and Rs.69/- per MT at berth no. 8. The cost of Rs.79/- per MT for Berth no. 2 includes Rs.15/- per MT for existing service of transfer of cargo between the berth and the dedicated storage area and Rs.10/- per MT for existing service of aggregation of cargo at the dedicated storage area. Likewise, the cost of Rs.69/- per MT for Berth no. 8 includes Rs.9/- per MT for existing service of transfer of cargo between the berth and the dedicated storage area and Rs.7/- per MT for existing service of aggregation of cargo at the dedicated storage area. The cost of rendering these two existing services at Berth no. 2 and 8 works out to Rs.41/- per MT and the average cost works out to Rs.20.50 per MT. Thus, the operating expenses related to cargo activity for the years 2010-11 to 2012-13 consist of the escalated component of the actual expenses for the year 2009-10 and also the effect of the expenses incurred by KOPT for rendering existing services at berth no. 2 and 8 calculated at Rs.20.50 per MT.

- (d). As stated earlier, only such items of expenditure relating to dredging which are not to be reimbursed by the Government is to be included in the Cost statement for the years 2010-11 to 2012-13. In this regard, the KOPT has stated that no expense on account of dredging is estimated to be not covered by the dredging subsidy during the years 2010-11 to 2012-13. The KOPT has further stated that if any sum is disallowed, the same would be known only after completion of audit. Thus, the KOPT has not considered the estimated dredging expenses for the years 2010-11 to 2012-13 as cost in the Cost statement for the said years.
- (e). The KOPT has considered different escalation factors in estimation of operating cost relating to railway activity and estate activity for the years 2010-11 to 2012-13. The actual operating cost relating to these activities for the year 2009-10 is taken as base and escalated by 3.76% per annum, taking the respective previous year as base, for moderating the estimates for the years 2010-11 to 2012-13.
- (f). It is relevant to mention here that the KOPT reportedly holds the vessel interests responsible for the damages caused to the vessel and port properties. The suggestion made by the ASIC in this regard that the KOPT should take suitable insurance cover to take care of such liabilities which will assist the KOPT to mitigate the cost of damages to its properties. The KOPT may consider the suggestion made by ASIC in this regard.

(xxiv). Tariff guidelines of 2005, require computation of depreciation on straight line method following the life norms adopted as per the Companies Act in case of major ports. As such, this Authority vide its tariff Order of December 2006 had advised KOPT to estimate depreciation in line with Clause 2.7.1. of the tariff guidelines while it submits its tariff proposal during the next review of its Scale of Rates. In reply to a query in this regard, the KOPT has stated that it is not possible for KOPT to estimate depreciation on the basis of Companies Act. Thus, the depreciation shown in the cost statement has been calculated by KOPT following the straight line method and the life norm of assets as per the guidelines of the Ministry. In this regard, it is relevant to note that some of the major ports like Mormugao Port Trust (MOPT), Jawaharlal Nehru Port Trust (JNPT) calculate depreciation based on the Companies Act. In such a scenario, the reason for KOPT to not estimate depreciation based on the Companies Act is not clear. As such, the KOPT is urged to comply with the tariff guidelines for computing the depreciation while formulating its next tariff review/ revision proposal. In the meanwhile, the depreciation estimated by the port in the current tariff cycle is relied upon and considered in the analysis, subject to verification with actuals, during the next review of tariff of KOPT.

(xxv). The principal components forming part of Management and General Overheads are Store keeping, Medical Expenses, Labour & Industrial Relations, Engineering & workshop overheads, Accounting & Auditing and Port Security & other expenses. In addition, as stated by KOPT, the Management and General Overheads also includes salary expenses of its Class I and II officers. The estimates of Management and General Overheads for the year 2010-11 are moderated applying the escalation factor of 3.76% over the actuals for the year 2009-10.

Reportedly, the revision of pay and allowances of Class I and II officers of major ports is announced by the Government in July 2010. As such, the KOPT may not have considered the impact arising out of pay revision of Class I and II officers, in its estimates. Since the revision of pay and allowances of Class I and II officers of major ports has already been announced by the government, it is necessary to capture the impact on this account. In the officer level meeting held in October 2010, the KOPT has indicated that an estimated amount of Rs.10 crores per annum would be necessary to meet the revised pay and allowances of its officers including cafeteria approach approved by the Government. This aspect is taken into account while determining the estimates of Management and General Overheads for the year 2010-11. The estimates for the years 2011-12 and 2012-13, are moderated applying the annual escalation factor of 3.76% over the estimates of the respective previous years.

(xxvi). The Finance and Miscellaneous Income for the years 2010-11 to 2012-13 as estimated by KOPT comprise of Profit on disposal of Capital assets, Sale of unserviceable materials, Recovery of overheads and Sundry receipts. It is seen that the Finance and Miscellaneous Income estimated for the year 2010-11 is less as compared to the actuals for the year 2009-10. To a query in this regard, the KOPT has clarified that the port realized a considerable amount in the year 2009-10 from disposal of its dredger vessel. It has further clarified that the primary reason for the lower level of estimation of Finance and Miscellaneous income for the year 2010-11 is due to anticipated fall in the income relating to disposal of capital assets, unserviceable materials and unclaimed goods. Based on the clarifications furnished by KOPT, the estimates of Finance and Miscellaneous income for the years 2010-11 to 2012-13 are relied upon in this analysis.

(xxvii). The estimates of Finance and Miscellaneous Expenditure as given by KOPT at Rs.366.91 crores, Rs.347.58 crores and Rs.369.21 crores for the years 2010-11 to 2012-13 respectively is seen to be substantially high when compared with the modified actuals for the year 2009-10 at Rs.177.23 crores. From the list of items forming part of the Finance and Miscellaneous Expenditure, it is seen that the

KOPT has envisaged to contribute to superannuation fund and gratuity fund aggregating to Rs.100 crores, Rs.90 crores and Rs.85 crores respectively for the years 2010-11 to 2012-13; whereas the actual Finance and Miscellaneous Expenditure for the year 2009-10 does not include such contributions.

The KOPT has reported that the corpus required to meet the liability towards superannuation fund and gratuity fund is based on actuarial valuation. The annual contribution towards superannuation fund and gratuity fund as estimated by the KOPT is considered in this analysis. However, the KOPT is advised to furnish the details of the actual contribution made by it to the superannuation fund and gratuity fund each during the years 2010-11 to 2012-13, at the time of next general revision of KOPT, for verification.

Another item forming part of estimated Finance and miscellaneous Expenditure for the years 2010-11 to 2012-13 is purchase of annuity to meet the pension liability of the port in respect of the employees who retired prior to 1 April 2004. Since the KOPT has proposed a separate levy to cover the pension liability in respect of the employees who retired prior to 1 April 2004, which is dealt with separately in the later part of this analysis, the amount estimated towards purchase of annuity is excluded from the estimated finance and miscellaneous expenditure for the years 2010-11 to 2012-13.

(xxviii). The KOPT has proposed the additions to its gross block of assets in respect of KDS and HDC for the years 2010-11 to 2012-13 to the tune of Rs.75.18 crores, Rs.60.90 crores and Rs.75.73 crores respectively. The summary of the proposed additions to the gross block of assets are as follows:

		(Rs. In Crores)		
	Items	2010-11	2011-12	2012-13
(i).	Civil works	44.32	37.86	27.40
(ii).	Flotilla & Floating crafts	0.85	--	23.00
(iii).	Railway & Rolling stock	8.00	6.45	7.25
(iv).	Cranes & Vehicles	--	4.18	4.82
(v).	Plant & Machinery	16.30	7.53	7.26
(vi).	Installation of water electricity and fire fighting.	5.50	4.18	5.12
(vii).	Office equipments/ Furniture & Fittings	0.21	0.70	0.88
		-----	-----	-----
		75.18	60.90	75.73
		=====	=====	=====

With reference to the present status in respect of the additions proposed for the year 2010-11, the KOPT has furnished the status of various schemes/ projects undertaken/ proposed to be undertaken at KOPT as of July 2010. The status shows that the KOPT has incurred a total capital expenditure of Rs.13.47 crores as of July 2010. With reference to the action initiated in respect of additions proposed for the year 2011-12, the KOPT has stated that the additions proposed in respect of HDC are all continuing scheme. The response of KOPT with regard to additions proposed at KDS for the year 2011-12 is silent. In spite of a query, the port has not furnished the details regarding the impact of the additional investments on reduction in unit operating costs, additional traffic/ business generated/ projected and improvement in efficiency. Considering that the additions to the gross block of assets proposed for the years 2010-11 to 2012-13 is in line with Five year plan envisaged by the Port, as confirmed by it in response to a query raised in this regard, and subject to verification of estimated additions with reference to actuals, the estimated additions are relied upon in this analysis.

- (xxix). Estimation of current assets following the norms prescribed in the tariff guidelines of 2005 and taking into account the projections of current liability estimated by KOPT, the working capital of KOPT becomes negative. As a result no working capital has been considered by KOPT in its cost statements.
- (xxx). With reference to the additions in respect of Railway and Rolling Stock during the years 2010-11 and 2011-12, the KOPT proposes to utilize the balance in the Escrow account to the tune of Rs.800 lakhs and Rs.500 lakhs for procurement of locomotives and upgradation/ augmentation of railway yards and facilities. As such, in line with the stipulation in the tariff guidelines of 2005, the KOPT has not claimed return on the assets proposed to be funded from the Escrow account. The position in respect to the Capital Employed is given in the following table for the purpose of allowing return:

(Rs. in lakhs)

Sr. No.	Particulars	2009-10 (Actuals)	2010-11 (Estimates)	2011-12 (Estimates)	2012-13 (Estimates)
A	Capital Employed at the end of the year	80819.83	84585.57	86739.11	90082.30
B	Utilisations from Escrow A/c				
(i)	Assets funded from Escrow A/c during the year	3117.17	800.00	500.00	----
(ii)	Cumulative utilisation	3117.17	3917.17	4417.17	4417.17
	Less: Depreciation on assets funded from Escrow A/c				
(iii)	Depreciation during the year	0.00	93.52	117.52	132.52
(iv)	Cumulative depreciation	0.00	93.52	211.04	343.56
(v)	Written Down Value of assets funded from Escrow A/c (ii) - (iv)	3117.17	3823.65	4206.13	4073.61
C	Balance capital employed qualifying for return [A-B (v)]	77702.66	80761.92	82532.97	86008.68

- (xxxi). Clause 2.9.7 and 2.9.8 of the tariff guidelines of March 2005 stipulates classification of port assets into business assets, business related assets and social obligation assets. This Authority in its Order of December 2006 while relying upon the percentage of business assets, business related assets and social obligation assets of the total assets of the port furnished by KOPT, had advised KOPT to undertake the exercise of classifying its assets in line with Clause 2.9.7 and 2.9.8 of the revised tariff guidelines and furnish the details at the time of next review. Now, the KOPT has stated to have classified the assets as per the guidelines at HDC from the year 2009-10 onwards. At HDC, the business assets, business related assets and social obligation assets work out to 95.60%, 3.66% and 0.74% respectively of the total assets at HDC. It has, however, not furnished the details and the basis adopted by it to classify its assets into the above mentioned categories. The proportion of these categories of assets is relied upon for the purpose of allowing return in respect of the assets at HDC.

The assets at KDS are yet to be classified into the requisite groups. Therefore, the proportion of 90%, 7% and 3% relating to business assets, business related assets and social obligation assets, as was considered in the last review, are considered for the purpose of allowing return. The KOPT is advised to classify all its assets at KDS as per the stipulation contained in the tariff guidelines of 2005 during the next review of its tariff.

- (xxxii). The designed capacity of the port (excluding the berths operated by the BOT operators) as furnished by KOPT is 64.22 MMTs for the year 2010-11, 66.72 MMTs for the year 2011-12 and 66.97 MMTs for the year 2012-13. Taking into account the estimated traffic proposed to be handled by KOPT during the said years, the capacity utilization of the port works out to 67.95%, 67.08% and 71.13% for the years 2010-11 to 2012-13 respectively.

As per clause 2.9.10 of tariff guidelines of March 2005, maximum permissible return will be allowed for capacity utilisation of 60% and above. Since the estimated capacity utilisation is more than 60%, the KOPT is eligible for maximum permissible return. The port has computed the Return on capital employed at 16%

for business assets and at 7.40% on business related assets. Since the rate of return fixed for the year 2010-11 is 16% for business assets and 8.4% for business-related assets, maximum permissible return of 16% for business assets and 8.40% for business related assets are considered for all the years 2010-11 to 2012-13. No return is allowed on social obligation assets as per the tariff guidelines.

- (xxxiii).(a). In the light of the analysis given above, the cost statements for the HDC, KDS and port as a whole and also for the different main activities under each of the system have been modified. The modified cost statements are attached as **Annex-I (a) to (o)**. The summarised position of the results disclosed by the financial/ cost statements are tabulated below:

Sr. No	Particulars	Operating Income (Rs. in crores)				Net Surplus(+)/ Deficit(-) (Rs. in crores)				Net Surplus(+)/ Deficit(-) as a % of operating Income			Average Surplus/ Deficit %
		2010-11	2011-12	2012-13	Total	2010-11	2011-12	2012-13	Total	2010-11	2011-12	2012-13	
1.	Port as a whole	1030.84	1074.25	1121.90	3226.99	-85.28	-74.81	-65.65	-225.74	-8.27%	-6.96%	-5.85%	-7.03%
	Cargo	465.96	490.58	514.13	1470.67	-49.11	-45.62	-39.66	-134.39	-10.54%	-9.30%	-7.71%	-9.18%
	Port & Dock	259.29	273.26	285.28	817.83	-155.96	-147.48	-150.04	-453.48	-33.89%	-24.94%	-27.17%	-28.67%
	Railway	93.87	92.50	98.21	284.58	-17.44	-21.53	-19.44	-58.41	-18.58%	-23.27%	-19.80%	-20.55%
	Estate	211.72	217.90	224.29	653.91	137.23	139.81	143.49	420.53	64.82%	64.16%	63.98%	64.32%
2.	KDS as a whole	387.02	385.10	401.53	1173.66	-121.08	-143.39	-151.39	-415.86	-31.29%	-37.24%	-37.70%	-35.41%
	Cargo	191.56	184.15	192.51	568.22	-39.46	-58.52	-60.41	-158.39	-20.61%	-31.78%	-31.38%	-27.92%
	Port & Dock	54.98	55.57	58.56	169.11	-163.46	-167.73	-175.94	-507.13	-297.32%	-301.82%	-300.43%	-299.86%
	Railway	13.67	14.08	14.50	42.25	-17.24	-18.08	-19.10	-54.42	-126.19%	-128.45%	-131.75%	-128.79%
	Estate	126.82	131.30	135.96	394.08	99.08	100.94	104.07	304.09	78.13%	76.88%	76.54%	77.18%
3.	HDC as a whole	643.82	689.15	720.37	2053.34	35.81	68.58	85.74	190.13	5.56%	9.95%	11.90%	9.14%
	Cargo	274.41	306.43	321.62	902.46	-9.64	12.90	20.75	24.01	-3.51%	4.21%	6.45%	2.38%
	Port & Dock	204.31	217.69	226.71	648.71	7.50	20.26	25.90	53.66	3.67%	9.30%	11.42%	8.13%
	Railway	80.21	78.43	83.71	242.35	-0.19	-3.45	-0.34	-3.98	-0.25%	-4.40%	-0.41%	-1.68%
	Estate	84.90	86.59	88.33	259.83	38.15	38.87	39.43	116.45	44.93%	44.89%	44.64%	44.82%

- (b). In view of the deficit position depicted by the cost statements for the port as a whole at the existing level of tariff, there is a case for upward revision of tariff.
- (c). As can be seen from the above statements, the KOPT would be in deficit to the tune of around Rs.225.74 crores during the years 2010-11 to 2012-13 at the existing level of tariff.
- (d). The port and dock facilities depicts a huge deficit of around Rs.453.48 crores which works out to around 29% of the operating income. Considering the position that the KOPT has sought an increase of 15% over the existing vessel related charges, the existing vessel related charges is increased by 15%. Considering the time involved in the procedure for notification of the Order in this case, the financial impact on account of revision in the Scale of rates is considered for the period from January 2011 to March 2013. The additional revenue estimated to be generated from increase in the vessel related charges for the period from January 2011 to March 2013 works out to Rs.93.50 crores.
- (e). As discussed in the initial part of this analysis, the KOPT has proposed rates for providing new services like use of MHC for loading/ unloading (Rs.52/- per MT for foreign cargo and Rs.31.20 for coastal cargo), heaping/ high heaping of cargo (Rs.10/- per MT), despatch related services including weighment (Rs.9/- if cargo is dispatched by rail and Rs.6/- per MT if cargo is dispatched by road) at Berth no. 2 and 8 of HDC. We have not gone into the itemwise cost of rendering the above said new services. Based on the rates proposed by KOPT, and also taking into account the expenses related to rendering the new services at berth no. 2 and 8 at the rate of Rs.58.50 per MT (Rs.79/- per MT – Rs.20.50 per MT = Rs.58.50 per MT), additional revenue from rendering new services at berth no. 2 and 8 works out to Rs.15.50 per MT. Considering the estimated traffic to be handled at berth no. 2 and 8 for the period from January 2011 to March 2011, 2011-12 and 2012-13 at 17.50 lakh tonnes,

70 lakh tonnes each for the years 2011-12 and 2012-13, additional income to the tune of Rs.24.41 crores will accrue.

- (f). The KOPT has proposed an increase of 10% over its existing cargo and container related charges. The cargo handling activity including containers however depicts an average deficit of around 9%. In view of the additional income arising out of rendering new services at berth no. 2 and 8, as explained in the preceding paragraph, the deficit of 9% will go down to 8%. With 8% increase in the existing cargo related charges, excluding liquid bulk and storage charges, the estimated additional income will be Rs.61.68 crores for the period from January 2011 to March 2013.
- (g). In the existing arrangement, itemized rates have been prescribed for handling containers at HDC and KDS for ICD and non-ICD containers. The difference in the rates prescribed for ICD and non-ICD containers is Rs.900/- per TEU in case of HDC. On the other hand, the said difference is Rs.1604/- per TEU at KDS as per the workings furnished by KOPT. The difference in the rates for ICD and non-ICD containers at KDS is on the higher side as compared to the difference obtaining at HDC. As per the composite box rates proposed by KOPT for handling ICD and non-ICD containers, the differential in the rates is seen to be Rs.1000/- per TEU. If the proposed differential of Rs.1000/- per TEU is maintained at KDS, the additional income on this account works out to Rs.1.88 crores per annum, which will be Rs.4.23 crores for the period from January 2011 to March 2013.
- (h). Out of the total estimated deficit of Rs.225.74 crores for the port as a whole, the increase in tariff granted in the current tariff revision will cover Rs.183.82 Crores. This will leave a deficit of around Rs.41.92 crores uncovered. Since the validity of the existing railway terminal charges at KOPT expires in March 2011 as reported by KOPT, the railway charges are due for review by the Railway authorities. When reviewed, the railway activity may also generate additional revenue during the year 2011-12 and 2012-13. Further, the port should launch cost reduction and control measures to reduce the uncovered gap.
- (xxxiv). (a). As discussed in the earlier part of the analysis, the past surplus assessed for the years 2006-07 to 2009-10 works out to Rs.52751.29 lakhs. The adjustment of past surplus is to be examined in the backdrop of KOPT requesting for a special levy to discharge its liability towards payment of pension to its retired employees. The KOPT has made a mention that this Authority will not allow inclusion of any cost towards creation of pension fund in whatever name it is called, in case such contribution is towards past liability. It is clarified that while normal expenditure towards pension either by way of annual contribution to pension fund or by way of actual payment is allowed as pass through in fixation of tariff, any abnormal liability to augment Pension Fund should be accounted against a special levy.

As stipulated in Clause 2.5.2 of the tariff guidelines, a special rate for a limited period is prescribed to meet liabilities, if it is found that the accumulated surpluses/ reserves other than specifically earmarked funds or provisions made cannot adequately cover the liability. In the case of Visakhapatnam Port Trust (VPT) vide Order dated 11 May 2006 passed by this Authority to dispose of its general revision proposal, the entire past surplus available was applied to meet the pension fund liability. While disposing of another general revision proposal filed by Tuticorin Port Trust (TPT) vide Order dated 14 July 2008, the shortfall in the pension fund liability was allowed to be covered by the entire surplus pertaining to past period. Adopting the same approach in this case also, the past surplus of Rs.527.51 crores is considered as a source available to the KOPT for

partially meeting the pension fund liability and the residual liability is allowed to be met from the special levy.

- (b). There are broadly two groups of pensioners; one group of pensioners who have retired prior to 1 April 2004 and the other group who have retired after 31 March 2004. The KOPT has already created fund for discharging its obligation towards the employees who have retired after 31 March 2004. The annual contribution to the said fund has been considered in the cost statement as pass through, in the future projections of expenditure upto the year 2012-13.
- (c). The actuarial valuation of pension liability for the employees who have retired before 1 April 2004 as assessed by the Life Insurance Corporation of India (LIC) is Rs.1141.17 crores as on 1 April 2009. As stated by KOPT, it has already contributed Rs.241.14 crores to the fund till 1 April 2010. The KOPT further proposes contributing another Rs.22.14 crores to the fund aggregating to Rs.276.14 crores. Incidentally, it is seen from the audited Annual Accounts of KOPT for the years 2008-09 and 2009-10 that the KOPT has made provision of Rs.190 crores for contribution to the pension fund during the year 2008-09, and has already contributed Rs.51.14 crores and kept a provision for contribution to the extent of Rs.35 crores during the year 2009-10 aggregating to Rs.86.14 crores. The figures mentioned in the Annual Accounts aggregate to Rs.276.14 crores.

Further, the KOPT has agreed to credit the excess collection from levy of 10% special rate approved earlier to meet the wage arrear liability amounting to Rs.12.62 crores. Thus, the net fund requirement to be met by levy of a special rate works out to Rs.853.01 crores, as tabulated below:

(Rs. in crores)

1.	Actuarial valuation of Pension liability as on 1 April 2009 as per LIC report.	1141.77
2.	Less: Contribution to the fund during the years 2008-09 and 2009-10.	276.14
3.	Less: Adjustment of excess collection of 10% special levy	12.62
4.	Balance Pension fund to be recovered. (1 – 2 – 3 – 4)	853.01

- (d). The KOPT has proposed to augment the pension fund through 10% special rate over a period of 10 years. As brought out earlier, an additional past surplus of Rs.527.51 Crores is available with KOPT. If the contribution of Rs.276.14 Crores made in the years 2008-09 and 2009-10 is excluded, as it would have been met from the surplus, a sum of Rs.251.37 Crores is still available out of the total past surplus of Rs.527.51 Crores. That being so, the residual sum after adjustment of full past surplus to be provided by imposing a special levy works out to Rs.601.64 Crores. If this sum of Rs.601.64 Crores is assumed to be realized over a period of 3 tariff cycles, the annual realization will be Rs.72.92 Crores. It is relevant to mention here that the KOPT may realize approximately an additional income of about Rs.40 Crores per annum from its proposed revision of estate rentals, for which the KOPT has filed a separate proposal. The KOPT further may realise additional royalty from the BOT operator due to increase in rates granted in the cargo related charges which is estimated to be around Rs.1.37 Crores per annum. Even if 50% of this additional royalty is utilized to meet the expenditure towards infrastructure development, the KOPT is left with a sum of Rs.68.50 lakhs per annum. Considering the anticipated additional accruals from estate rentals and royalty, the gap to be met from the special levy works

out to Rs.32.24 Crores per annum. For the period from January 2011 in the current tariff cycle, the amount to be recovered comes to Rs.72.55 Crores.

After increase granted over the existing cargo / container related charges and vessel related charges the total estimated operating income of the port for the period from January 2011 to March 2013 works out to Rs.1784.17 Crores. If the sum of Rs.72.55 Crores is to be recovered towards pension fund during the corresponding period, then the pension levy at around 4.07% on the revised cargo/ container and vessel related charges will be necessary. Thus, for the present, the KOPT is authorised to charge a special rate of 4% in the current tariff cycle and the position will be reviewed at the time of the next revision of its Scale of Rates. The KOPT may also augment the pension fund position from the tariff increase to be granted to it, as volunteered by the port.

- (e). It may appear that the special rate is an additional burden to the users. It has to be recognised that the special levy will be for a limited period. Once the fund is fully built up, the expenditure towards payment of pension will be met from the pension fund corpus directly. Thereafter, there will be relief to the users to that extent since the annual pension expenditure at actuals will be higher than the annual contribution to the fund, which will progressively reduce the tariff burden.
 - (f). The KOPT shall apply the revenue generated through this special rate for the specified purpose. For this purpose, the KOPT is advised to maintain a separate account in this regard and furnish the audited details for scrutiny at the time of next review of its Scale of Rates.
 - (g). The KOPT may levy the special on the various charges (to be) notified in the Scale of Rates for cargo related activity, container related activity, miscellaneous services, services related to ship breaking and Dry docking, vessel related activity and slipway hire charges. As a measure of abundant caution, it is stated that the special rate is leviable only on the cargo / container / vessels handled by the KOPT. The special rate is not leviable by the BOT operators on the traffic handled by them.
 - (h). The royalty payable by the BOT operators to the KOPT is based on the rates prescribed in the Scale of Rates of KOPT, as stipulated in the respective License Agreement entered by them with KOPT. Since the levy of special rate is to meet the shortfall in the specific fund, it is made abundantly clear that the special rate will not form part of royalty / revenue share receivable by the KOPT from the BOT operators at the KOPT.
- (xxxv). This Authority had approved in the Order of December 2006, the proposal of KOPT to have common rates for both systems at KOPT viz., KDS and HDC, provided the common rate structure does not burden the HDC at the cost KDS. As can be seen from the cost position, the HDC cross subsidises KDS. The KOPT has sought to argue for continuation of the common rate structure on the ground that the KDS and HDC enables to complement each other and contributes to the total development of the port and better utilisation of the infrastructure. It is the position of the KOPT that the then existing differential rate structure at HDC and KDS had created serious imbalances in the traffic of two systems which has acted as detriment to port finance. Based on the above argument advanced by the KOPT and also since there is no objection from the users to the proposal to continue with the common rates, this Authority is inclined to allow continuance of the common rate structure.
- (xxxvi). (a). In line with Clause 4.2.2 of the tariff guidelines of 2005 which requires the ports to phase out the advalorem rates, the KOPT was advised in the

Order of December 2006 to initiate the process of rationalising the wharfage schedule. The KOPT deserves to be complimented for completely phasing out the advalorem rates from its tariff schedule. Since the Scale of Rates proposed by KOPT does not prescribe advalorem rates, there is no need to define the term 'advalorem' in the Scale of rates.

- (b). The KOPT has replaced the existing advalorem rates for levy of wharfage with a rate of Rs.200/- per tonne. Though the port was requested to furnish detailed working with cost elements for arriving at the proposed rates of wharfage including the rate of Rs.200/- per tonne, the requisite details are not made available to us. Since the action taken by the port is in the right direction of phasing out the advalorem rate, the proposed rate of Rs.200/- per tonne is approved.
- (xxxvii). The KOPT contemplates to commence operation at various areas, some of which are yet to be taken over by KOPT. Since the operational control of the such areas is yet to be decided administratively, the KOPT has proposed to insert the sentence 'and any other area as may be administratively decided' in the definition no. 2(vii) defining HDC, to take care of the situation in future. The Scale of Rates is decided based on the estimated operation in the next three year period in which no additional area of operation is proposed. The port trust is at liberty to approach this Authority, at any point of time, as and when there is a need for modification of the Scale of Rates to cover the additional areas.
- (xxxviii). The KOPT has introduced a new definition 'Over dimensional containers' at Section 2(xviii). As seen from the traffic estimates furnished by KOPT, the KOPT has not estimated traffic of over dimensional containers (ODC). The KOPT has, however, mentioned that even if the volume of ODC is very low, the facility for handling such container is to be maintained by port. The definition proposed by KOPT is in line with the definition for ODC as prescribed in the Scale of Rates of other container handling terminals viz., Chennai Container Terminal Limited (CCTL), Nhava Sheva International Container Terminal Limited (NSICT) etc. In view of the above, the definition of 'Over dimensional containers' as proposed by KOPT is approved.
- (xxxix). The condition in the existing Scale of Rates of KOPT specifies the user groups who are authorised to pay port charges for the services rendered by the KOPT in relation to handling of cargo/ containers. The KOPT has proposed to enlarge the scope of the existing condition at Section 3 (iii) to include the owners of cargo or their clearing and forwarding agent/ handling agents also for payment of equipment hire charges for the equipment used for landing / shipment of cargo / container or for any other purpose by the vessel. Since it is in relation to vessel, the phrase "owners of the cargo or their Clearing & Forwarding Agents / Handling Agents as the case may be" is slightly modified to state that "Importers / Exporters or their Agents in case of chartered vessels as the case may be".
- (XL). In the existing arrangement the responsibility to pay the port charges for FCL containers lies with the owner of the cargo or his Agents. However, in certain circumstances, the port can recover such charges from container agents / MLOs if the container agent / MLO applies for destuffing of FCL container in the absence of importer / exporter arranging delivery or shipment of the containers.

However, by a proposed amendment to the existing conditionality, the port intends to shift the responsibility of paying cargo related charges solely to the vessel operators. The administrative problems cited by KOPT can be overcome by strengthening the system. The existing arrangement is a step towards keeping the contentious THC under a check. Hence, this Authority is not inclined to approve the proposed amendment and the existing conditionality may continue.

- (XLi). In line with clause 2.18.2 of the tariff guidelines, the proposed note 3(xiii)(b) has been modified to reflect the prevailing Prime Lending Rate of State Bank of India at 12.25 %.
- (XLii). The KOPT has proposed to introduce a conditionality at Section 3(xvi) to enable the levy of cargo related charges on the gross weight of the consignment. The proposed conditionality is on similar lines as found in the scale of Rates of other major ports viz., Chennai Port Trust (CHPT), Mumbai Port Trust (MBPT), Jawaharlal Nehru Port Trust (JNPT) and hence is approved.
- (XLiii). As stated by KOPT, on account of use of generic terms, it often faces difficulties at ground level in understanding and implementation of the existing Scale of Rates. On account of this, the KOPT has stated to have made an attempt to rationalize the wharfage schedule by specifying the items instead of using the generic terms to the extent possible in the proposed Scale of Rates. Also, since the KOPT has dispensed with the advalorem rates, it has necessitated certain amendments to the existing Scale of rates. This has resulted in regrouping of cargo by KOPT, where similarly placed cargo has been put in one group in the proposed Wharfage Schedule. This has also resulted in KOPT listing out some new tariff items in the said schedule. Similarly, the KOPT has attempted to rationalize the Schedule relating to On-board handling charges. Since the productivity of on board labour primarily depends on the nature of cargo, the KOPT has made groups wherein cargo having similar nature of handling is reported to have been placed in the same group.

Any effort to simplify and rationalize the Scale of Rates is to be appreciated. However, the effect of rationalization should not result in any unintended tariff burden on certain segments. Moreover, the KOPT has not quantified the financial impact on account of the proposed rationalisation in the Wharfage schedule and Schedule relating to On-board handling charges. As such, this Authority is not in a position to approve the rationalization, as proposed by KOPT in the Wharfage schedule and Schedule relating to On-board handling charges. The existing Wharfage Schedule structure and Schedule relating to On-board handling charges will continue unaltered.

However, the KOPT is advised to come up with a separate proposal for rationalizing its Wharfage Schedule and Schedule relating to On-board handling charges alongwith revenue impact analysis on different commodities. The KOPT may undertake this exercise in such a manner to maintain revenue neutral position.

- (XLiv). The existing conditionality at Sl. no. 2 of Section 4.2. prescribes wharfage for coastal cargo at 60% of the rates specified for foreign cargo subject to a maximum of Rs.50 per tonne. In the proposed arrangement, the KOPT has proposed to delete 'subject to a maximum of Rs.50 per tonne'. In reply to a query in this regard, the KOPT has stated that since the advalorem rates for unspecified foreign cargo have been done away with, the clause 'subject to a maximum of Rs.50 per tonne', which was inserted for dealing with coastal unspecified cargo has also been deleted. Based on the explanation furnished by KOPT, the proposal of KOPT to delete the clause 'subject to a maximum of Rs.50 per tonne', is approved.
- (XLv). For the reasons stated in the preceding paragraph, the deletion of conditionality at Section 4.11 which prescribes wharfage on unspecified cargo sold by auction/ tender, is also approved.
- (XLvi). In the existing Scale of Rates, a note below the Schedule relating to On-board handling charges, prescribes an additional rate of Re.1/- per tonne towards cleaning charges for handling coking coal, all types of coke, limestone, sulphur, rock phosphate and cement in bulk. Now, the KOPT has stated that since cleaning

is not an On-Board activity it has proposed to shift the prescription of cleaning charge under 'Miscellaneous Services'. The KOPT has not only proposed to enlarge the scope of the existing provision so as to include all types of ore and finished fertilizers, clinkers, sugar, mill scale, pulses, and any other dry bulk cargo, but has also increased the rate to Rs.2/- per tonne. SAIL has argued that cleaning charge is incidental to 'On-board activity' and hence should not be charged separately.

It is relevant to note that the KOPT during the proceedings relating to its last general revision in December 2006 had then proposed to include some more cargo items to the then existing list of cargo items on which the cleaning charge would be levied. At that time, this Authority in the Order of December 2006 has categorically stated that since the KOPT had been handling the cargo proposed to be covered for levy of cleaning charge even before the review of its tariff without any additional levy towards cleaning charge, the then existing charges would therefore cover the service of cleaning also. As such, the then proposed extension of the then existing provision to cover all types of coal, finished fertilizer and all types of scraps was not approved.

On the same grounds, the existing On-board charges in respect of all types of ore and finished fertilizers, clinkers, sugar, mill scale, pulses, and any other dry bulk cargo would already have included cleaning charge. The KOPT has not proposed to reduce the 'On-board charges' so as to exclude the component relating to Cleaning charge. As a result, this Authority is not in a position to accord approval to the proposal of KOPT to bring additional cargo items within the ambit of levy of cleaning charges.

(XLvii).The KOPT in its proposed draft Scale of Rates has proposed to delete the note prescribed under Section 5, which provides for rebate in the on-board handling charge of coking coal when KOPT is not in a position to provide equipment support. When KOPT was asked to clarify the reason for withdrawing the rebate, it has stated that it has old pay loaders, and hence it is not in a position to supply pay loader on-board to any vessel working at HDC except for the two berths, where contract of equipping have been awarded at HDC. It is understood that the existing on-board handling rate of Rs.27/- per tonne prescribed for coking coal is with relation to HDC providing equipment support. Thus, when KOPT is not in a position to provide pay loaders, the KOPT is correct in deleting the note prescribing the rebate. However, at the same time, the base rate of Rs.27/- per tonne prescribed for coking coal which interalia includes the component relating to providing equipment support, should also be reduced by Rs.2.50 per tonne, being the rebate allowed in the event KOPT does not provide any equipment assistance.

Thus, in addition to the proposed deletion of the conditionality prescribing rebate as proposed by the port, the existing rate for coking coal is also reduced by Rs.2.50 per tonne and the general increase of 8% is given on such reduced rate.

(XLviii).In the existing arrangement, under the Schedule of shore handling charge, differential rates are prescribed for tipping by wagon tippler incase of thermal coal and iron ore. Similarly, differential rates are prescribed for manual unloading incase of thermal coal and iron ore. However, in the proposed Scale of rates, the KOPT has proposed to have a common rate for tipping by wagon tippler incase of thermal coal and iron ore and common rate for manual unloading incase of thermal coal and iron ore, on the ground that operation involved in these two categories of cargo for either tipping by wagon tippler or by manual unloading is the same. The KOPT has not furnished any workings/ details to justify the prescription of a common rate for thermal coal and iron ore. Also, it is not clear whether the productivity for wagon tipping incase thermal coal and iron ore or productivity for manual unloading incase thermal coal and iron ore will be similar. In the absence of requisite details, this Authority is not in a position to approve a common rate for tipping by wagon tippler incase of thermal coal and iron ore and

common rate for manual unloading incase of thermal coal and iron ore. Nevertheless, it is relevant to mention here that since the expenses relating to manual unloading or tipping by wagon tippler incase of thermal coal and iron ore have already been captured in the Cost statement, no hardship is caused to the KOPT on account of non-prescription of common rate for tipping by wagon tippler incase of thermal coal and iron ore and common rate for manual unloading incase of thermal coal and iron ore. The existing arrangement with differential rates will continue, subject to the general increase effected in the cargo related charges.

- (XLix). In the Schedule relating to Shore handling charges, there is a rate prescribed for shore handling of dry bulk cargo (not covered in the Schedule) landed from or shipped/ to be shipped through Mechanical System. Now the KOPT has proposed to consider the existing levy to be made applicable when the cargo landed at a berth is stored at the dedicated storage area of the same berth. At the same time, the KOPT has also proposed to charge a higher rate when the cargo landed at a berth is stored in any other storage area other than the dedicated storage area of the same berth. It appears that the basis for the proposed higher rate is to defray the expenses to cover the distance between the area where the cargo has landed and the area where the cargo is transported for storage. From the proposed rates for this activity, the difference between the lower rate and higher rate is seen to be Rs.30/- per tonne, presumably to cover a distance a 3 kms. Further, the higher rate is not leviable when the distance between the berth and storage area other than the dedicated berth is one km or less as per the new note proposed in this regard.

From the copy of the document furnished by KOPT with regard to outsourcing of transfer of cargo between the berth and the storage area other than the dedicated storage area of the same berth as applicable at Berth no. 2 and 8, it is seen that a rate of Rs.10/- per tonne is payable in respect of Berth no. 2 and a rate of Rs.3/- per tonne is payable in respect of Berth no.8 and, the average works out to Rs.6.50 per tonne. If the distance between the berth and storage area is considered as 2 kms, the cost payable by the KOPT to the contractor for transportation will be Rs.13/- per tonne, which is the additional direct cost payable by the port for transportation of cargo between the berth and the storage area other than the dedicated storage area of the same berth. Accordingly, after effecting the general increase of 8% in the existing shore handling rate of Rs.81/- per tonne for certain bulk cargo and taking into account the additional cost of transportation of Rs.13/- per tonne, the rate works out to Rs.100.48 per tonne which is prescribed for other dry bulk cargo when stored at any area other than the dedicated storage area of the same berth. Based on the rates applicable for berth no. 2 and 8, the KOPT has proposed to cover the transportation to be undertaken at all berths. Since the contractual provision is applicable only in respect of Berth no. 2 and 8 as communicated by KOPT under cover of its letter dated 29 October 2010, the rates approved for other dry bulk cargo when stored at any area other than the dedicated storage area of the same berth is made applicable only at Berth no. 2 and 8 of HDC and only when the transportation is undertaken either by KOPT or by a private party on behalf of KOPT.

Acceding to the proposed arrangement to all other berth is not possible as the additional revenue and cost details are not made available.

Since the rate approved will be payable irrespective of the distance covered, the proposed note as referred above, is not relevant and hence is deleted.

- (L). This Authority in the Order of December 2006 had advised KOPT to propose rebate in the shore handling charge based on the cost of rendering service during the next review of its Scale of Rates. However, the KOPT in its proposed draft Scale of Rates has proposed to continue with the existing arrangement of prescribing rebate as a percentage of the charges instead of proposing rebate based on cost of rendering services on the ground that KOPT does not maintain

cost records of individual element of a service. It has pleaded its inability to propose cost based rebates at this stage. It has further stated that normally shore handling services are rendered as a whole and only in very rare circumstances a situation arises where KOPT is not in a position to provide part of the services covered under Shore handling charge. In the absence of requisite details, the existing arrangement is allowed to continue.

- (Li). In respect of the activity of tipping of thermal coal wagon and iron ore wagon by Wagon Tippler, when the shore handling services are provided in full or in part, the applicable shore handling charges are leviable for the said services in addition to tipping charge prescribed in the Scale of rates. Since the provision relating to applicability of charges is automatic, the KOPT has found the provision to be superfluous and hence proposed deletion of the same, which is agreed.
- (Lii). In the existing arrangement for levy of shore handling charges, a provision exists to allow 30% rebate in the specified rates incase the manual unloading/ loading of thermal coal wagon is done at the option of the port. The KOPT has not justified the deletion of this provision. The existing provision will continue.
- (Liii). For levy of demurrage on cargo, the existing Scale of rates defines last Landing Date (LLD) as the date on which a vessel completes her import discharge at quayside. The port has proposed to include a provision to cover barges/ boats/ flats/ any other vessels at berth incase of overside discharge as well as discharge at the anchorage/ mooring/ buoy on to boats/ barges/ flats/ any other vessels. Since the proposed provision is to deal with the cases of landing of cargo from barges/ boats/ flats/ any other vessels at berth as clarified by KOPT, the proposed provision is inserted.
- (Liv). The KOPT has proposed a new tariff item at Sl.No.3 of Section 8.1 for levy of charges for transportation of cargo for which KOPT undertakes transportation within the Dock Interior Zone of HDC. The KOPT has stated that the rate proposed for transportation within dock interior zone at HDC is the same as the existing rate prescribed for KDS as the nature of service is similar. The KOPT has proposed to specify the rate for HDC instead of deriving the same from the rate applicable for transportation 'within the dock' specified for KDS, as in HDC the area is known by users as dock Interior Zone.

Presuming the amendment is to correctly reflect the terminology used by Trade as reported by the port and since no user has objected to the proposed rate, the proposed insertion is approved. However, instead of inserting the tariff item at Sl.No.3 of Section 8.1, the existing Sl.No.1 of Section 8.1 is modified so as to cover transportation within the Dock Interior Zone of HDC also.

- (Lv). The KOPT levies charges on break bulk cargo for which KOPT undertakes any loading/ unloading/ restacking not covered under Shore handling charges. The KOPT has proposed a new tariff item for unloading of dry bulk cargo from dumpers at Rs.15/- per tonne, alongwith a note to govern the proposed rate. The proposed rate of Rs.15/- per tonne is found to be 50% of the lowest slab rate applicable for break bulk cargo considering the productivity of the equipments while handling of bulk cargo vis-à-vis break bulk cargo, as stated by the port. Since the proposed rate is not derived based on cost details and also since the details regarding the productivity of the equipments while handling of bulk cargo vis-à-vis break bulk cargo are not furnished, it is not found possible to justify the proposed rate based on productivity parameters.
- (Lvi). (a). Different rates for handling non-ICD containers at HDC and KDS are prescribed in the existing Scale of Rates. At KDS, the rate is dependent upon the category of containerised cargo. This Authority in the Order of December 2006 had directed KOPT to undertake an exercise to move towards single box rate for handling containers bearing in mind Clause

5.1.1. of the tariff guidelines. Adhering to the advice given by this Authority, the KOPT has now proposed Composite box rates for handling non-ICD containers at Rs.4500/- per TEU both at HDC and KDS.

- (b). The KOPT has furnished workings to show that if the existing itemized rates are consolidated, the consolidated rate works out to Rs.3324/- per TEU at HDC and Rs.3780/- per TEU at KDS. As against these consolidated rates, the reason for proposing a common composite box rate and that too at Rs.4500/- per TEU is not clear. In that case, differential box rates at HDC and KDS may have to continue. The rate of Rs.3324/- per TEU in case of HDC and the rate of Rs.3780/- per TEU in case of KDS are revised upwards to the extent of the general increase of 8% effected in the container related charges.
- (c). As brought out earlier, the difference in the rates prescribed for ICD and non-ICD containers is seen to be Rs.900/- per TEU in case of HDC and Rs.1604/- per TEU at KDS. As per the composite box rates proposed by KOPT for handling ICD and non-ICD containers, the differential in the rates is seen to be Rs.1000/- per TEU. The rates for ICD containers are prescribed by maintaining the differential of Rs.1000/- per TEU as proposed by KOPT. Incidentally, the additional revenue arising out of the impact of maintaining the differential of Rs.1000/- per TEU between ICD and non-ICD containers has already been taken into account while determining the general increase to be effected in the container related charges, as stated earlier.
- (d). As stated earlier, though the KOPT has not estimated traffic of ODC's, the port intends to maintain the facility for handling ODC's. As a result, the KOPT has introduced rates for handling loaded and empty ODC's. The KOPT has proposed a premium of 66.67% to handle ODCs over the rates proposed by it for handling normal containers.

In this regard, it is relevant to note that unlike hazardous containers, the tariff guidelines of 2005 do not prescribe any rate differential to be maintained between the rates for handling normal containers and ODC's. However, from the Scale of Rates of other major container terminals (except Jawaharlal Nehru Port Trust (JNPT), Nhava Sheva International Container Terminal Limited (NSICT) and Gateway Terminals India Private Limited (GTIPL)), it is seen that the rates for handling ODCs is 25% higher than the rates applicable for handling normal containers. In view of the above, a premium of 25% is approved for handling ODC's over the composite box rates approved for the normal non-ICD containers.

- (e). In line with the stipulation made at Clause 5.1.1. of the tariff guidelines of 2005 prescription of composite box rate is accompanied by prescription of rebate to be allowed if any of the individual services are not provided by the port. Accordingly, the KOPT has proposed rebates to be allowed when a corresponding service forming part of the composite service is not provided by KOPT. The rebates proposed to be allowed for the services not rendered by the port like, transfer from ship to shore, transportation from shore to yard and lift on/ lift off of the containers.

From the rebates proposed, it appears that the rebates proposed by the port have been drawn to reflect the market conditions prevailing at the port area. The KOPT has not furnished any basis or workings to arrive at the proposed rebate. However, in the backdrop of approving composite box rates, prescription of rebates for services not rendered by KOPT becomes inevitable. In view of the above, the rebates as proposed by the port have been moderated to maintain the differential proposed to be maintained by KOPT between its proposed composite box rate and the

proposed rebate slabs. Notwithstanding, the KOPT is advised to propose rebates based on cost of not rendering the respective services at the time of next review of tariff.

- (f). In the Schedule prescribing charges for miscellaneous services rendered to container/ container vessel, there exists a rate which prescribes a rate of Rs.630 per TEU for shifting containers on board via quay head. In the proposed Scale of Rates, the KOPT has proposed a new rate for shifting containers on board without quay head where port labour is deployed. The KOPT has not brought out any explanation for introducing a new rate. Also, the additional income arising out of the proposed new rate has also not been quantified by the port. As such, the proposal of KOPT to introduce a new rate for shifting containers on board without quay head where port labour is deployed is not approved.
- (Lvii). The KOPT has Proposed a note prescribing 10% rebate in the composite box rate incase of import container containing cargo consigned to Nepal and Bhutan. Since the tariff approved will be ceiling rates, the KOPT has the liberty to charge lower rates based on commercial consideration. When this position was brought to the notice of KOPT, the port has clarified that it intends to keep the note in the proposed SOR to give importers and exporters of these land-locked neighbouring countries a comfort feeling that KOPT cares for them. Considering the above position, the proposed note is approved.
- (Lviii). The rates levied by the Calcutta Dock Labour Board (CDLB) are not within the regulatory purview of this Authority. As such, the proposed provision to levy additional charge fixed by the CDLB, where deployment of CDLB labour is envisaged is not notified.
- (Lix). The KOPT has proposed rebates on the composite box rates when the basic container handling services covered under the composite box rate is not provided by the port. The rate of proposed rebates are modified with reference to the modifications made in the composite box rates by maintaining the proportion as proposed by the port.
- (Lx). It is recalled that this Authority vide its Order dated 9 July 2010 has prescribed charges for transshipment containers when both legs are foreign, both legs are coastal and when one of the leg is foreign and one of the leg is coastal. The charges prescribed vide the Order dated 9 July 2010 has been updated to reflect the general increase effected in the container related charges. The rates approved for handling non-ICD Loaded and Empty transshipment containers are tabulated below:

Sr. No.	Categories	Total existing Charge for handling normal foreign container	Rate related to lifting of container from container yard to truck	Rate relevant for determining the rate for transshipment containers	Charge for normal foreign container after effecting 8% increase	Transhipment rates if both legs are foreign	Transshipment rates if both legs are coastal	Transshipment rates if one leg is foreign and one leg is coastal
	1	2	3	4 = 2 - 3	5 = Col 4 * 1.08	6 = Col 5* 1.5 times	7 = Col 6 * 60%	8 = (Col 5*75%) + (Col 5*75%* 60%)
I	At KDS							
(a)	Loaded	3780.00	148.50	3631.50	3922.02	5883.03	3592.82	4706.42
(b)	Empty	1501.50	148.50	1353.00	1461.24	2191.86	1315.12	1753.49
II	At HDC							
(a)	Loaded	3324.00	148.50	3175.50	3429.54	5144.31	3086.59	4115.45
(b)	Empty	1749.00	148.50	1600.50	1728.54	2592.81	1555.69	2074.25

- (Lxi). The KOPT has proposed consolidated charges for movement of containers between Docks and off Dock Container Freight Station (CFS) by rail at KDS. It has been reported by Balmer Lawrie and Company Limited (BLCL) that it operates a CFS which is associated to KDS. The facility mentioned by BLCL is creation of dedicated facilities for movement of containers between Docks and CFS by CFS operators own pool of wagons using port railway facilities, as reported by the KOPT.

Responding to a query in this regard, the KOPT has stated that the proposed consolidated charge primarily constitutes Container composite Box rate, additional container handling charges, if any, and transport charges of the container loaded on wagon owned by the CFS within the Port Railway network with the help of Port Locomotives. Based on the above nature of services, the KOPT contends that the proposed services fall within the ambit of Section-42 read with Section-48 of the Major Port Trust Act, 1963.

The rates proposed by KOPT for the said service, *inter alia*, includes local haulage charges notified by the railway authorities. This Authority cannot include a rate to be notified by another rate fixing Authority. Another item considered by KOPT in the proposed rates is additional handling charge at Rs.800/- per TEU. This additional charge of Rs.800/- per TEU is towards lift on from the truck/ trailer, transportation to railway stack yard and lift off at the stack yard. The KOPT has stated that for the said additional services, the rates specified in its Scale of rates are leviable. The rates specified in the existing Scale of rates are Rs.324/- per TEU for lift on/ lift off and Rs.360/- per TEU for transportation between two berths, which works out to Rs.684/- per TEU as against the amount of Rs.800/- per TEU considered by KOPT. The difference between the two amounts remains unexplained. Considering the position that the operation of movements of containers between Docks and the facility of BLCL is yet to be established as seen from the response of KOPT, the KOPT is advised to review the proposed rates in the light of the observation made by us and come up with a proposal for approval of the rates for the services envisaged by the port, with details of investment and cost position alongwith proposal for reduction of rate in some other relevant tariff item to maintain revenue neutral position, since the said services will generate additional revenue to the port.

- (Lxii). The KOPT has proposed to increase the free days from the existing 3 days to 30 days incase of import containers containing relief commodities for Missionaries of Charity, Ramkrishna Mission and Bharat Sevashram Sangha. The major port has liberty to prescribe the number of free days, as stipulated in Clause 4.5 of tariff guidelines of 2005. As such, the proposed modification in the existing storage slab structure in respect of this tariff item is approved.
- (Lxiii). The KOPT has introduced a new storage slab structure for levy of storage charges for loaded import/ export/ transshipment containers containing Hazardous-I cargo. Since the proposed provision is in line with the Clause 5.7.3 of the tariff guidelines of 2005 which stipulates 25% premium to handle hazardous containers, the proposed provision is approved.
- (Lxiv). The KOPT has introduced a new conditionality by which it proposes not to allow any free days on cargo destuffed from container except the day of de-stuffing. In this regard, the CCHAA has requested for a minimum 3 days free period for the de-stuffed cargo. To a query raised by us in this regard and with reference to the plea of CCHAA, the KOPT has stated that it does not encourage de-stuffing of container inside the port and also since the loaded container is already having 3 days free period, no additional free period for cargo de-stuffed from the said container is required. Going by the judgement of the port on how to utilise its operational area, the proposed note is approved.
- (Lxv). The KOPT has proposed a new tariff item for use of port's railway weigh bridge at Rs.5/- per tonne for empty wagon and Rs.200/- per tonne for a loaded wagon. Inspite of a query in this regard, the KOPT has not furnished cost details and workings in support of the proposed rate. Considering the position that the facility is yet to be installed as conveyed by KOPT, the KOPT is advised to come up with a proposal for approval of the rate for the services envisaged by the port, with details of investment and cost position alongwith proposal for reduction of rate in some other relevant tariff item to maintain revenue neutral position, since the said service will generate additional revenue to the port.

(Lxvi). With reference to the existing tariff for levy of Gate delivery/ receiving charge on cargo on which wharfage charge is not levied, the TMILL has sought clarification on the applicability of this charge and nature of service rendered by the port. The conditionality governing the application of the rate already prescribed in the existing Scale of rates of KOPT stipulates that the said charge is leviable when the KOPT provides the service with reference to the cargo handled by it. With regard to the nature of service rendered by KOPT, the port has reported its involvement in documentation and clerkage in respect of the cargo received by it, and security and lighting arrangement in the area. The provision prescribed in the Scale of rates does not appear to be ambiguous.

(Lxvii). The KOPT has introduced a new rate of Rs.600/- per 20' container and Rs.1400/- per 40' container to be levied on wagon carrying containers loaded or unloaded at CONCOR CTKR Terminal on Coal Dock Road of KDS. The CONCOR has however, requested to prescribe a rate of Rs.400/- per TEU.

The KOPT has furnished workings to justify the proposed rate of Rs.600/- per TEU. According to KOPT, the direct cost related to rendering the service to CONCOR works out to Rs.589/- per TEU. Considering a return of 13% on the operating expenses, the KOPT has considered a return of Rs.40/- per TEU and the aggregated rate works out to Rs.629/- per TEU and it has proposed a rate of Rs.600/- per TEU.

As per the information furnished by KOPT, it is seen that the KOPT levies local haulage charge, charge for use of KOPT's railway tracks and use of port locomotives. In the officers level meeting held in October 2010, the KOPT has stated that the aggregate of the existing itemized rates for the services mentioned above is more than the proposed rate of Rs.600/- per TEU.

The estimated cost considered by KOPT for this service constitutes operating expenses, allocated management and general overheads and allocated finance and miscellaneous expenses. Since we have moderated the cost estimates of KOPT as explained in the earlier part of the analysis, the operating expenses, overheads and finance and miscellaneous expenses considered by KOPT in its calculation have accordingly been reworked. The moderated estimated cost for rendering the service following the approach adopted by KOPT works out to Rs.527/- per TEU. Since return on capital employed is already allowed for the port as a whole, the question of allowing a separate return for the service as considered by KOPT does not arise. As such, the rate is prescribed at Rs.525/- per 20' container. Since Clause 5.4 of the tariff guidelines of 2005 stipulate prescription of rate for 40' container at 1.5 times the rate for 20' container, the rate for the 40' container is prescribed at Rs.787.50.

The conditionality governing the proposed rate specifies that no other charges shall be levied for rail related services provided by KOPT, which is approved.

(Lxviii). The KOPT has proposed to introduce a new note to levy double the existing rate for hire of floating crane if the crane is booked beyond normal shift hours. Similarly, for providing crane services, Scissors lift and Air Compressor services for repair and other work at the dry dock, the port has proposed to levy twice the prescribed rates, if the said equipments are required beyond the normal hours, on the ground that the KOPT has to bear overtime expenses when the equipment is booked beyond the normal shift hours.

Since the ports are expected to render service, round the clock, this Authority is generally not in favour of recognising overtime charges. Moreover, the basic charges are recovered by KOPT from these tariff items even in the extended hours of working. In view of this position, this Authority is not inclined to approve the proposal of KOPT for levy of twice the prescribed charges for working beyond

the normal working hours. It is relevant to mention here that this Authority has earlier rejected the proposal of Visakhapatnam Port Trust (VPT) to levy overtime charges in May 2006 and in another separate proposal filed by VPT for recovery of overtime charges from floating cranes.

- (Lxix).(a). As brought out in earlier part of this note, the KOPT has proposed to introduce charges at berth No. 2 and 8 of HDC for use of Mobile Harbour Crane (MHC) and pay loader on board the vessel for handling of cargo, heaping & high heaping of cargo at storage area, dispatch related services including weighments for rail bound cargo and road bound cargo. The KOPT has engaged contractors to provide these services on its behalf and sought approval for the following charges:

Sr. No.	Description of Service	Rate
(i).	Use of MHC with grabs and pay loaders on-board the vessels for loading / unloading at MHC berths of HDC.	Rs. 52.00 per tonne for foreign cargo; Rs. 31.20 per tonne for coastal cargo
(ii).	Charges for Heaping / high heaping of cargo at HDC	Rs. 10.00 per tonne
(iii).	(a). Despatch related services for rail borne cargo handled through MHC Berths at HDC	Rs. 9.00 per tonne
	(b). Despatch related services for road bound cargo handled through MHC berths at HDC	Rs. 6.00 per tonne

- (b). It is relevant to mention here that this Authority has recently fixed ceiling rates following normative approach for use of MHC for common application without reference to individual service providers at the Paradip Port Trust (PPT) and Tuticorin Port Trust (TPT) vide Orders dated 30 December 2009 and at New Mangalore Port Trust (NMPT) and Visakhapatnam Port Trust (VPT) vide Orders dated 16 June 2010. The ceiling rates so fixed for the average daily crane performance for benchmark level of productivity of 12,500 tonnes is around Rs. 37 per tonne at PPT and TPT and around Rs. 33 per tonne at NMPT and VPT for foreign cargo and the rates for coastal cargo have been prescribed at 60% of the rates prescribed for foreign cargo.
- (c). It is a fact that the rates proposed by KOPT for MHC for handling foreign cargo and coastal cargo are higher than the rates prescribed at PPT, TPT, NMPT and VPT. It has to be recognized that the rates fixed at the above mentioned major ports are on stand alone basis for use of MHC whereas the KOPT's proposed deployment of MHC at HDC is as part of bouquet of services apart from supply of MHCs for handling cargo at berth No. 2 and 8. The KOPT vide its letter dated 4 October 2010 has conveyed the imposition of contractual provision governing the incentive for better performance and penalty for lower performance.
- (d). (i). The contractual rate payable to the contractor by KOPT for use of MHC is Rs. 49/- per tonne both at Berth No.2 & 8. Taking into account the impact of concessional tariff for coastal cargo as per Government policy the KOPT has proposed a rate of Rs. 52 per tonne for foreign cargo and Rs. 31.20 per tonne for coastal cargo.
- (ii). The KOPT has contracted to pay a charge for storage / stacking of cargo at Rs. 5 per tonne at Berth No. 2 and at Rs. 4 per tonne at Berth No. 8. The KOPT has proposed a rate of Rs. 10 per tonne in this regard.

- (iii). The contract copy furnished by the KOPT mentions a rate of Rs. 10 at Berth No. 2 and Rs. 7 at Berth No. 8 for evacuation of cargo by rail / road including all required on-shore operations. The KOPT has proposed a rate of Rs. 9 per tonne for rail bound cargo and Rs. 6 per tonne for Road bound cargo in the nomenclature of despatch related services.
- (e). The estimated cost position for the coal handling activity, excluding the proposed outsourcing of coal handling at Berth No. 2 & 8 shows a deficit of Rs. 8096.33 lakhs for the period from January 2011 to March 2013. The additional income from the Berth No. 2 & 8 estimated to be realized from the outsourced activity works out to Rs. 24.41 Crores for handling of 17.50 lakh tonnes for three months in the current financial year and 70 lakh tonnes each for the financial years 2011-12 and 2012-13. This additional income is expected to reduce the deficit in the ibid sub-activity to the tune of Rs. 5655.33 lakhs.
- (f). Rates have been prescribed in the existing Scale of Rates of International Seaports Haldia Private Ltd., (ISHPL), a BOT operator at HDC, for handling coking coal. The aggregate of the rates approved for handling coking coal at KOPT works out to Rs. 225 per tonne plus 4% pension levy which is comparable with aggregate of the existing rates of around Rs. 239 per tonne prescribed in the Scale of Rates of ISHPL.

In view of the above position, this Authority is inclined to approve the rates for use of MHC, Heaping/ high heaping of cargo, despatch related services and the provision governing the incentive for better performance and penalty for lower performance.

- (Lxx). The port has proposed to exempt the wagons of CFS operators from levy of stabling of wagon charges on Port Railway Track for first three days. As stated by KOPT, by encouraging the new concept of removal of containers to CFS by Wagons owned by CFS operator, instead of by trucks, the road congestion in city-port like Kolkata has reduced. As such, the port has considered the CFS operator's request for first three days exemption from levy of stabling of wagon charges. The proposed note is approved.
- (Lxxi). The existing Scale of Rates of KOPT prescribe rates for issue/ renewal of dock permit for watchman on board the vessel. In this regard, when the ASIC pointed out that the watchman pool has ceased to exist since March 2007, the KOPT has agreed to delete the said item from the list. Hence the existing provision is deleted.
- (Lxxii). In the existing arrangement, slab wise hire charges are prescribed for dry dock. The vessels which occupy the dry dock for any period are covered by the prescription made for levy of hire charges. The existing charges are prescribed in such a manner that the vessels will attract hire charges for occupancy of dry dock during 1st 10 days, from 11th day to 30th day and beyond 30 days. KOPT has proposed to levy hire charges for overstay of vessel at double the rate incase the vessel occupies the dry dock beyond the period for which the dry dock has been allotted. Recognising that the proposed provision would encourage the users to adhere to operational schedule which will ensure better utilization of the facility, the proposed provision is approved.
- (Lxxiii). The KOPT envisages to charge cancellation fee of US\$ 25 for foreign going vessels and Rs.1000/- for coastal vessels, if a vessel which requisitioned for allotment of dry dock but is not ready to dock at the specified time and the vessel gives advance cancellation notice of 2 days. If no such advance intimation is given, the port proposes to recover 5% additional charges on the rates prescribed for occupation of dry dock for 1st 10 days for the period the vessel did not actually

occupy the dry dock. Recognising that sudden cancellation of booking of dry dock will result in idling of facilities and the proposed provision being in the nature of penal measure which will discourage booking of dry dock without any plan on the part of the users, the proposed note is approved.

- (Lxxiv).(a). If a vessel requires laying of special keel blocks due to their configuration at the time of dry dock, additional dry dock hire charges are leviable at the prescribed rates. The existing Scale of Rates stipulates that two days additional hire charges at prescribed rates are leviable when there is change from standard layout. If the KOPT has to meet specific requirements of vessel booking the dry dock for laying the said keel block, five days additional hire charges at prescribed rates are leviable. In the proposed modification to the existing arrangement, the KOPT has rationalised the provision whereby the additional hire charges are leviable irrespective of the position whether any change from the standard layout is required or whether any specific requirement of the vessel is to be met. The additional hire charges payable by the vessel will directly depend upon the time taken for laying of special keel block, as against the existing arrangement of having to pay a fixed amount. The modified note is approved.
- (b). Incase the work of laying of special keel block is undertaken by outside agents, the additional hire charge, referred in the preceding charge is not leviable. Since the vessel occupies the dry dock facility of the port during the laying of special keel block by the outside agency, it is reasonable that such vessel should pay the dry dock hire charges for occupancy of dry dock. Therefore, the proposed new provision to govern this aspect is approved.
- (Lxxv). KOPT presently makes available the services of cranes of different capacities as listed in the existing provision for repair and other work at the dry dock and recovers the prescribed charges from the concerned users. The port has proposed to add 'Scissors lift' and 'Air Compressor' to the existing list and proposed new rates. The proposed new rates are not justified with workings nor the financial impact of the proposed rates are furnished, despite a request made to the port in this regard. In the absence of requisite information, this Authority is not in a position to approve the proposed rates for 'Scissors lift' and 'Air Compressor'.
- (Lxxvi). KOPT has proposed to increase the Dry docking charges by 20%. It, however, does not intend to apply the increase on KOPT vessels like Pilot vessels, Tugs, Dredgers, Launches, Despatch vessels, Research vessels, Floating crane, Jet Dredgers etc, that use the dry dock facility. As such, it has proposed a discount of 20% against all dry dock charges for KOPT vessels. The rates approved by this Authority are ceiling levels and therefore, it is not necessary for this Authority to approve any discount to be allowed to any particular segment
- (Lxxvii).The KOPT has stated to have procured pneumatic fenders at HDC for safe berthing, double/ triple banking of vessels and it has proposed hire charges of US\$ 4.17 per fender per hour for vessels engaged in foreign trade and a rate of Rs.112.50 per fender per hour for vessels engaged in coastal trade. Though the KOPT has quantified the additional income estimated to be earned from hiring out fenders at Rs.51.88 lakhs, Rs.52.90 lakhs and Rs.56.44 lakhs each for the years 2010-11 to 2012-13, it has however not furnished the workings to arrive at the proposed rates, inspite of a query in this regard and a general reminder during the presentation of the proposal made by the port in the office of this Authority on 20 September 2010 to furnish financial implication on all new tariff items with workings. The basis for considering the deployment hours at 4000 per annum and a usage factor of fenders at 60%, 65% and 70% for the years 2010-11 to 2012-13 respectively remain unexplained. In the absence of details

of the cost elements forming part of the proposed rate, this Authority is not in a position to approve the rates proposed by KOPT for hiring out pneumatic fenders. The KOPT is advised to come up with a separate proposal for fixing hire charges for pneumatic fenders proposing reduction in some other relevant tariff item so as to maintain revenue neutral position.

- (Lxxviii). As per the existing Scale of Rates, towage and pilotage of vessels is leviable for piloting the vessel from Sandheads to either KDS or HDC either directly or via any other point during inward journey and back to Sandheads either directly or via any other point during outward journey. The KOPT has proposed to levy additional 50% towards towage and pilotage on vessels which after visiting either KDS or HDC, is required to go back to Sandheads before proceeding to other dock system for cargo/ container work. As clarified by KOPT in response to a query raised by us in this regard to justify the additional levy, the normal towage & pilotage service commences at Sandhead and completes at Sandhead. However, in some cases as stated by the KOPT, the vessels after cargo operation at one Dock System visits other Dock system via Sandhead. The KOPT contends that 200% Towage & Pilotage is to be levied against such vessels as per the existing provision. However, as clarified by the KOPT, the vessel visits another dock system for cargo operation under a single voyage. It appears that there are operational reasons due to which the vessel has to visit another dock system via Sandhead. In this backdrop, the KOPT has proposed a lower rate of 150% of Towage & Pilotage in such cases instead of 200%, which is approved.
- (Lxxix). The KOPT has proposed to expand the scope of the definition of 'Port Convenience' so as to treat the shifting of a container ship at KDS from MHC berth to a non-MHC berth or shifting of a ship from one MHC berth to another MHC berth due to breakdown of MHC. The KOPT has also proposed to treat the shifting of a container ship from one non-CPY berth to a CPY berth for taking exports aggregated at CPY at KDS, as shifting for port convenience. Since the vessels shifted for port convenience are not chargeable, the notes proposed by KOPT in this regard is approved.
- (Lxxx). The existing arrangement for levy of charges for stayal of inland and non-propelled vessel prescribes charges in slab structure. In respect of vessels of less than 200 tonnes, the rates are prescribed in such a way that they are leviable in a progressive manner for stay upto 10 days, 11th day to 20th day and 21st day onwards. In respect of vessels of 200 tonnes and above, a single rate is leviable, irrespective of duration of stay of vessel. The KOPT has proposed to prune the duration of the stay of vessel maintaining the existing progressive rate structure in case of vessels of less than 200 tonnes. Incase of vessels more than 200 tonnes, the KOPT has introduced three new slabs viz., 200 tonnes to 1000 tonnes, 1001 to 1500 tonnes and above 1500 tonnes. To a query in this regard, the port has, *inter alia*, stated that though the cargo work in respect of these vessels should not take more than five days, the vessels are using the dock as anchoring place on various pretexts, thus causing congestion inside docks. In that case, additional revenue may accrue to the port due to truncated period of stay. The additional revenue that may accrue to the port in this regard is not made available to us, inspite of a request made to the port during the presentation made by it in the office of this Authority. In the absence of the financial implication arising out of the proposed modification in the existing slab structure, this Authority is not inclined to approve the proposed slab structure.
- (Lxxxi). As stated in the earlier part of the analysis, the rates for providing new services like use of MHC for loading/ unloading, heaping/ high heaping of cargo and despatch related services including weighment at Berth no. 2 and 8 of HDC as proposed by KOPT is approved. Subsequently, the KOPT has proposed an incentive scheme for better performance and a penalty scheme

under performance for MHC output to be achieved at Berth No. 2 and 8 of HDC. However, the KOPT has not furnished the basis on which it has proposed the said incentive/ penalty scheme.

Clause 5.9. of the tariff guidelines of 2005 calls for linking tariff to the benchmark levels of productivity, providing incentive for better performance and disincentive for performance below the benchmark levels. The performance linked tariff will encourage private service providers to maintain higher efficiency level in order to enhance his returns due to higher rates prescribed. Such efficiency improvement will also benefit users due to faster turn around of vessel.

The KOPT has proposed incentive for better performance and penalty for under performance of MHC. We have not gone into the merits and demerits of the proposed scheme. It appears from the submission made by KOPT that the incentive/ penalty scheme proposed by it flows from the contractual provision. Therefore, the incentive/ penalty scheme as proposed by the port is incorporated in the Scale of rates suitably.

- (Lxxxii). The KOPT has stated that since the existing rate for Coastal vessels is much lower than 60% of the rate applicable for corresponding 'foreign' vessels, it is not sustainable. In view of the above, the 'coastal' rate for all types of vessel related charges has been proposed by KOPT at 60% of the rate applicable for foreign vessels, applying the foreign exchange rate considered by it for the purpose of estimation of vessel related income.

It is relevant to note that the tariff guidelines of 2005 prescribe concessional tariff for coastal cargoes/ containers/ vessels. The coastal cargo/ container/ vessel related charges should not exceed 60% of the normal cargo/ container/ vessel related charges. Importantly, the revised guidelines do not permit restatement of coastal rates with reference to prevailing exchange rate at the time of each general revision of Scale of Rates. The objective of this clause is to ensure that the coastal vessels are not burdened on account of fluctuation in the exchange rate due to such restatement. The KOPT in the workings related to vessel related income at the existing level of tariff has considered the income from the coastal vessels also at the existing coastal rates. In view of this position, the existing coastal vessel rates are maintained subject to the general decision on increase of 15% in the vessel related charges.

16.1. In the result, and for the reasons give above, and based on a collective application of mind, this Authority approves the revised Scale of Rates of the KOPT which is attached as **Annex-II**.

16.2. A special levy of 4% on all the cargo and vessel related charges is approved to meet the pension liability in respect of employees who have retired prior to 1 April 2004, and shall be in force till 31 March 2013. The approval accorded shall automatically lapse thereafter unless specifically extended by this Authority. The pension fund position and the special rate introduced now will be reviewed at the time of next tariff review. The port is advised to maintain a separate account in this regard and furnish the audited details for scrutiny at the time of the next review.

16.3. The tariff guidelines stipulate that the tariff approved by this Authority will come into effect 30 days from the notification of the Order in the Gazette. Since the estimates of cost and financial position of KOPT has been considered upto 31 March 2013, the tariff approved now shall remain in force till 31 March 2013. The approval accorded will automatically lapse thereafter unless specifically extended by this Authority.

16.4. The tariff of the KOPT has been fixed relying on the information furnished by the port and based on assumptions made as explained in the analysis. If this Authority, at any time, during the prescribed tariff validity period, finds that the actual position varies substantially from the estimations considered or there is deviation from the assumptions accepted herein, this Authority

may require the KOPT to file a proposal ahead of the schedule to review its tariff and to setoff fully the advantage accrued on account of such variations in the revised tariff.

16.5. In this regard, the KOPT is requested furnish a report of the actual physical and financial performance within 15 days of completion of each quarter of a year i.e. for the period ending on 30 June, 30 September, 31 December and 31 March of each of the years in the same format in which the cost statement for the tariff proposals are filed. The report should also be accompanied with the reasons for variation from the estimates relied upon for fixing the tariff in force. If a variation of (+)/(-)20% is observed between the actual and the estimates for two consecutive quarterly period, TAMP will call upon the KOPT to submit its proposal for an ahead of schedule review. If the KOPT fails to file a tariff proposal within the time limit to be stipulated by TAMP, this Authority may proceed *suo motu* to review the tariff.

16.6. The validity of the existing tariff approved in December 2006 is deemed to have been extended till the effective date of implementation of the revised tariff notified in the Gazette of India.

(Rani Jadhav)
Chairperson

KOLKATA PORT TRUST

Consolidated Cost statement for the years 2010-11 to 2012-13

(Rupees in Lakhs)

Sr.N o.	Particulars	Actuals				Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
	Cargo Traffic (in Million Metric Tonnes)	50.85	53.26	50.59	41.98	43.643	44.754	47.635	43.643	44.754	47.635
I	Operating Income										
	(i) Cargo & Container Handling income	44058.71	48993.73	47028.60	40438.97	48884.28	52893.17	55247.71	46596.41	49058.10	51412.64
	(ii) Vessel related income	20091.33	21977.47	25655.54	27456.10	26573.00	27976.99	28970.44	25928.55	27326.42	28527.52
	(iii) Railway Income	5275.58	6671.89	7677.51	9141.02	9387.19	9250.36	9820.50	9387.19	9250.36	9820.50
	(iv) Estate Income	13921.29	14864.55	16459.65	19881.90	21171.95	21790.09	22429.39	21171.95	21790.09	22429.39
	Total (i to iv)	83346.91	92507.64	96821.295	96917.985	106016.42	111910.61	116468.04	103084.09	107424.963	112190.045
II	Operating cost (excl depreciation)										
	(i) Cargo Handling & storage	11058.34	12579.31	14604.87	18292.01	24403.63	27545.08	28869.26	19941.24	21182.38	21978.84
	(ii) Port and dock facilities	10733.97	12162.33	13507.32	20639.39	15757.89	16836.51	17841.24	15757.89	16350.39	16965.16
	(iii) Railway Activity	2556.49	2905.79	3972.83	4502.28	4997.96	5216.13	5551.85	4671.57	4847.22	5029.47
	(iv) Estate Activity	2896.19	2670.22	3217.57	3888.83	4141.24	4317.41	4503.84	4035.05	4186.77	4344.19
	Total (i to iv)	27244.99	30317.65	35302.59	47322.51	49300.72	53915.13	56766.19	44405.74	46566.76	48317.67
III	Depreciation	2967.31	3119.09	3139.19	3298.70	3751.90	3936.03	4229.92	3751.90	3936.03	4229.92
IV	Management & General Administration Overheads	12156.92	12672.52	16465.39	19787.06	22885.03	24085.49	25363.51	21531.05	22340.62	23180.63
V	Operating Surplus / (Deficit) (I) – (II) – (III) – (IV)	40977.69	46398.38	41914.125	26509.715	30078.77	29973.96	30108.42	33395.40	34581.56	36461.83
VI	Finance & Miscellaneous Income (FMI)	5968.36	5557.49	5026.09	12013.23	1222.22	719.38	719.38	1222.22	719.38	719.38
VII	Finance & Miscellaneous Expenses (FME)	17270.17	23824.56	31000.59	17723.70	36691.11	34758.14	36921.11	30691.11	30060.87	30503.70
VIII	FMI Less FME (VI) - (VII)	-11301.81	-18267.07	-25974.50	-5710.47	-35468.89	-34038.76	-36201.73	-29468.89	-29341.487	-29784.322
IX	Surplus Before Interest and Tax (V) + (VIII)	29675.88	28131.31	15939.63	20799.25	-5390.12	-4064.80	-6093.31	3926.51	5240.07	6677.51
X	Capital Employed	70066.18	74894.70	75705.54	77702.66	83785.57	86239.11	89582.30	80761.92	82532.97	86008.68
	- Business Assets	63059.56	67405.23	68134.99	69620.68	80015.69	82427.58	85608.89	75865.97	77477.87	80604.81
	- Business Related Assets	4904.63	5242.63	5299.39	5657.39	3495.11	3554.45	3734.02	3756.55	3869.81	4113.82
	- Social Obligation Assets	2101.99	2246.84	2271.17	2424.59	274.77	257.08	239.39	1139.40	1185.29	1290.04
XI	Return on Capital employed	9821.88	10498.74	10612.40	10861.75	13024.45	13414.13	13934.56	12454.10	12721.52	13242.33
	- Business Assets	9458.93	10110.78	10220.25	10443.10	12802.52	13188.42	13697.43	12138.55	12396.46	12896.77
	- Business Related Assets	362.94	387.95	392.15	418.65	221.93	225.71	237.13	315.55	325.06	345.56
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
XII	Net Surplus / (Deficit) (IX) - (XIII)	19854.00	17632.57	5327.22	9937.50	-18414.57	-17478.93	-20027.87	-8527.60	-7481.45	-6564.82
XIII	Net Surplus / (Deficit) as a % of operating income (XIV / I in %)					-17.37%	-15.62%	-17.20%	-8.27%	-6.96%	-5.85%
XIV	Average Net Surplus / (Deficit) as a % of operating income					-16.73%			-7.03%		

HALDIA DOCK COMPLEX											
Consolidated Income & Cost statement											
(Rs. In Lakhs)											
Sr.No.	Particulars	Actuals				Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
	Traffic (In MMTs)	38.273	39.518	38.161	28.931	33.043	34.369	36.245	24.853	24.069	26.045
I	Operating Income										
	(i) Cargo/ Container Handling income	28663.10	29821.44	29597.14	21056.74	29728.68	34478.43	35996.60	27440.81	30643.36	32161.53
	(ii) Vessel related income	16917.37	18050.00	21031.50	21531.18	20937.66	22277.85	23016.11	20430.77	21769.12	22671.27
	(iii) Railway Income	4369.65	5506.73	6345.00	7575.53	8020.65	7842.82	8370.73	8020.65	7842.82	8370.73
	(iv) Estate Income	5662.60	5582.68	6477.73	8323.66	8490.14	8659.94	8833.14	8490.14	8659.94	8833.14
	Total (i to iv)	55612.72	58960.85	63451.37	58487.11	67177.13	73259.04	76216.58	64382.37	68915.23	72036.66
II	Operating cost (excl depreciation)										
	(i) Cargo Handling & storage	4389.19	5228.42	5938.43	7272.73	12008.78	14510.89	15150.31	8507.62	9318.87	9669.26
	(ii) Port and dock facilities	5653.62	6940.50	6953.27	11288.37	7185.90	7767.84	8242.20	7185.90	7456.09	7736.44
	(iii) Railway Activity	1595.37	1919.98	2823.41	3017.08	3329.00	3454.96	3692.08	3130.52	3248.23	3370.36
	(iv) Estate Activity	1726.17	1504.33	1859.89	2464.92	2373.64	2471.86	2574.40	2557.60	2653.77	2753.55
	Total (i to iv)	13364.35	15593.23	17575.00	24043.10	24897.32	28205.55	29658.99	21381.65	22676.96	23529.61
III	Depreciation	2125.79	2187.95	2231.33	2436.96	2567.09	2646.98	2714.92	2567.09	2646.98	2714.92
IV	Management & General Administration Overheads	5153.64	5504.24	7085.18	8449.27	9318.16	9796.73	10302.11	9109.82	9452.35	9807.75
V	Operating Surplus/ (Deficit) (I) – (II) – (III) - (IV)	34968.94	35675.43	36559.86	23557.78	30394.56	32609.78	33540.56	31323.81	34138.94	35984.38
VI	Finance & Miscellaneous Income (FMI)	2643.59	1727.73	2046.30	2801.96	388.59	311.00	311.00	388.59	311.00	311.00
VII	Finance & Miscellaneous Expenses (FME)	11717.85	15763.16	18518.96	11622.96	25270.55	23289.33	25043.35	19270.55	18680.77	18813.69
VIII	FMI Less FME (VI) - (VII)	-9074.26	-14035.43	-16472.66	-8821.00	-24881.96	-22978.33	-24732.35	-18881.96	-18369.77	-18502.69
IX	Surplus Before Interest and Tax (V) + (VIII)	25894.68	21640.00	20087.19	14736.78	5512.60	9631.45	8808.21	12441.85	15769.17	17481.68
X	Capital Employed	52470.49	56271.32	56118.03	55702.38	58916.24	59675.28	59461.35	56790.07	57110.73	57089.31
	- Business Assets	47223.44	50644.19	50506.23	49820.63	56887.22	57723.20	57956.40	54291.31	54597.85	54577.38
	- Business Related Assets	3672.93	3938.99	3928.26	4117.39	1754.25	1695.00	1625.56	2078.52	2090.25	2089.47
	- Social Obligation Assets	1574.11	1688.14	1683.54	1764.59	274.77	257.08	239.39	420.25	422.62	422.46
XI	Return on Capital employed	7355.31	7888.11	7866.63	7777.78	9213.35	9343.35	9318.67	8861.20	8911.24	8907.90
	- Business Assets	7083.52	7596.63	7575.93	7473.09	9101.96	9235.72	9215.43	8686.61	8735.66	8732.38
	- Business Related Assets	271.80	291.49	290.69	304.69	111.39	107.63	103.24	174.60	175.58	175.52
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	97.59%	93.34%	89.49%	71.20%	67.85%	67.79%	71.49%	67.85%	67.79%	71.49%
XIII	ROCE adjusted for capacity utilization	7355.31	7888.11	7866.63	7777.78	9213.35	9343.35	9318.67	8861.20	8911.24	8907.90
XIV	Net Surplus / (Deficit) (IX) - (XIII)	18539.37	13751.89	12220.57	6958.99	-3700.75	288.10	-510.46	3580.65	6857.93	8573.78
XV	Net Surplus / (Deficit) as a % of operating income (XIV/ I in %)					-5.51%	0.39%	-0.67%	5.56%	9.95%	11.90%
XVI	Average Net Surplus / (Deficit) as a % of operating income (XVI / I in %)					-1.93%			9.14%		

KOLKATA DOCK SYSTEM											
Consolidated Income & Cost statement for the port											
(Rs. in Lakhs)											
Sr. No.	Particulars	Actuals				Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
	Traffic (In MTs)	12.596	13.741	12.428	13.045	14.100	13.685	14.590	14.100	13.685	14.590
I	Operating Income										
	(i) Cargo/ Container Handling income	15395.61	19172.29	17431.46	19382.23	19155.60	18414.74	19251.11	19155.60	18414.74	19251.11
	(ii) Vessel related income	3173.97	3927.47	4624.04	5924.92	5635.34	5699.14	5954.33	5497.77	5557.30	5856.25
	(iii) Railway Income	905.93	1165.16	1332.51	1565.49	1366.54	1407.54	1449.77	1366.54	1407.54	1449.77
	(iv) Estate Income	8258.69	9281.87	9981.92	11558.24	12681.81	13130.15	13596.25	12681.81	13130.15	13596.25
	Total (i to iv)	27734.20	33546.79	33369.93	38430.88	38839.29	38651.57	40251.46	38701.72	38509.73	40153.38
II	Operating cost (excl depreciation)										
	(i) Cargo Handling & storage	6669.15	7350.89	8666.44	11019.28	12394.85	13034.19	13718.95	11433.60	11863.51	12309.58
	(ii) Port and dock facilities	5080.35	5221.83	6554.05	9351.02	8571.99	9068.67	9599.04	8571.99	8894.30	9228.72
	(iii) Railway Activity	961.11	985.80	1149.42	1485.19	1668.96	1761.17	1859.76	1541.03	1598.98	1659.10
	(iv) Estate Activity	1170.02	1165.90	1357.68	1423.91	1767.60	1845.55	1929.44	1477.45	1533.00	1590.64
	Total (i to iv)	13880.63	14724.42	17727.59	23279.40	24403.40	25709.58	27107.19	23024.08	23889.78	24788.04
III	Depreciation	841.51	931.13	907.86	861.74	1184.81	1289.05	1515.00	1184.81	1289.05	1515.00
IV	Management & General Administration Overheads	7003.29	7168.28	9380.20	11337.79	13566.87	14288.76	15061.40	12421.23	12888.27	13372.87
V	Operating Surplus / (Deficit) (I) – (II) – (III) – (IV)	6008.77	10722.96	5354.28	2951.95	-315.79	-2635.82	-3432.13	2071.60	442.63	477.47
VI	Finance & Miscellaneous Income (FMI)	3324.77	3829.76	2979.79	9211.27	833.63	408.38	408.38	833.63	408.38	408.38
VII	Finance & Miscellaneous Expenses (FME)	5552.32	8061.40	12481.63	6100.74	11420.56	11468.81	11877.71	11420.56	11380.10	11690.01
VIII	FMI Less FME (VI) - (VII)	-2227.55	-4231.64	-9501.84	3110.53	-10586.93	-11060.43	-11469.33	-10586.93	-10971.72	-11281.63
IX	Surplus Before Interest and Tax (V) + (VIII)	3781.22	6491.32	-4147.56	6062.48	-10902.72	-13696.25	-14901.46	-8515.33	-10529.09	-10804.15
X	Capital Employed	17595.69	18623.38	19587.51	22000.05	24869.33	26563.83	30120.95	23971.85	25422.25	28919.36
	- Business Assets	15836.12	16761.04	17628.76	19800.05	23128.47	24704.38	28012.49	21574.66	22880.02	26027.43
	- Business Related Assets	1231.70	1303.64	1371.13	1540.00	1740.86	1859.45	2108.46	1678.03	1779.56	2024.36
	- Social Obligation Assets	527.87	558.70	587.63	660.00	0.00	0.00	0.00	719.16	762.67	867.58
XI	Return on Capital employed	2466.56	2610.63	2745.78	3083.97	3811.10	4070.78	4615.89	3592.90	3810.29	4334.43
	- Business Assets	2375.42	2514.16	2644.31	2970.01	3700.56	3952.70	4482.00	3451.95	3660.80	4164.39
	- Business Related Assets	91.15	96.47	101.46	113.96	110.54	118.08	133.89	140.95	149.48	170.05
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	70.37%	72.09%	63.22%	53.04%	52.33%	52.49%	53.44%	52.33%	52.49%	53.44%
XIII	RoCE adjusted for capacity utilization	2466.56	2610.63	2745.78	3083.97	3811.10	4070.78	4615.89	3592.90	3810.29	4334.43
XIV	Net Surplus / (Deficit) (IX) - (XIII)	1314.65	3880.69	-6893.33	2978.51	-14713.82	-17767.03	-19517.35	-12108.23	-14339.38	-15138.59
XV	Net Surplus / (Deficit) as a % of operating income (XIV/I in %)					-37.88%	-45.97%	-48.49%	-31.29%	-37.24%	-37.70%
XVI	Average Net Surplus / (Deficit) as a % of operating income (XIV/I in %)					-44.11%			-35.41%		

KOLKATA PORT TRUST
Cost statement for Cargo handling activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Liquid Bulk including POL & Crude	8284.29	8524.09	8839.09	8284.29	8524.09	8839.09
	- Iron Ore	3920.94	3511.27	3566.12	3920.94	3511.27	3566.12
	- Coal	10197.85	13978.03	14681.45	7055.55	9288.03	9991.45
	- Container Income	19925.11	19916.17	20999.71	19925.11	19916.17	20999.71
	- General Cargo	5797.82	6216.61	6365.32	5797.82	6216.61	6365.32
	- Other Income	758.27	747.00	796.02	758.27	747.00	796.02
	- 50% Royalty Income from BOT Operators	0.00	0.00	0.00	854.43	854.93	854.93
	Total	48884.28	52893.17	55247.71	46596.41	49058.10	51412.64
II	Operating Expenses						
	- Salary & Wages	11543.00	12400.51	13289.46	10783.76	11189.22	11609.94
	- Power	745.76	772.53	803.28	740.01	767.83	796.70
	- Fuel	447.34	472.18	499.65	249.20	258.57	268.29
	- Repairs & Maintenance	3270.84	3414.5	3569.68	3014.23	3127.56	3245.16
	- Others	8396.69	10485.36	10707.19	5154.05	5839.20	6058.75
	Total	24403.63	27545.08	28869.26	19941.24	21182.38	21978.84
III	Depreciation	1519.41	1660.91	1792.58	1519.41	1660.91	1792.58
IV	Allocated share of Management and General overheads	10284.18	11268.29	11884.45	9182.02	9527.26	9885.49
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	12677.06	12418.89	12701.42	15953.74	16687.54	17755.73
VI	Allocated share of FMI	583.11	340.93	342.21	583.11	340.93	342.21
VII	Allocated share of FME	18519.68	17639.32	18794.15	15238.32	15063.57	15283.10
VIII	FMI Less FME (VI) - (VII)	-17936.57	-17298.39	-18451.94	-14655.21	-14722.64	-14940.89
IX	Surplus / deficit (V) + (VIII)	-5259.51	-4879.50	-5750.52	1298.53	1964.90	2814.84
X	Capital Employed for the activity	41575.98	44046.45	45634.83	40075.59	42153.55	43814.36
	- Business Assets	40548.86	42960.55	44508.39	37911.39	39841.02	41379.44
	- Business Related Assets	958.41	1021.64	1066.59	1705.86	1815.84	1906.05
	- Social Obligation Assets	68.71	64.26	59.85	458.34	496.68	528.87
XI	Return on Capital employed	6548.66	6938.55	7189.06	6209.11	6527.09	6780.82
	- Business Assets	6487.81	6873.69	7121.34	6065.82	6374.56	6620.71
	- Business Related Assets	60.85	64.86	67.72	143.29	152.53	160.11
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	70.95%	71.78%	75.65%	70.95%	71.78%	75.65%
XIII	RoCE adjusted for Capacity utilization	6548.66	6938.55	7189.06	6209.11	6527.09	6780.82
XIV	Net surplus / (Deficit) (IX) - (XIII)	-11808.17	-11818.05	-12939.58	-4910.59	-4562.20	-3965.98
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/II in %)	-24.16%	-22.34%	-23.42%	-10.54%	-9.30%	-7.71%
XVI	Average Net Surplus / (Deficit) as a % of Operating Income	-23.31%			-9.18%		

KOLKATA PORT TRUST
Cost statement for Port & Dock activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Port dues	5998.14	6448.24	6659.88	5844.57	6293.66	6555.24
	- Berth Hire & Mooring Hire	4018.29	4073.05	4238.54	4122.61	4181.23	4392.91
	- Dry Docking	532.09	538.11	562.20	532.09	538.11	562.20
	- Pilotage & Towage	14091.57	14776.17	15277.41	13758.78	14437.39	15062.07
	- Others (Fresh water & Misc.ch.)	1932.91	2141.42	2232.41	1670.49	1876.02	1955.12
	Total	26573.00	27976.99	28970.44	25928.55	27326.42	28527.53
II	Operating Expenses						
	- Salary & Wages	9746.51	10393.43	11059.95	9746.51	10112.98	10493.23
	- Power	399.85	450.38	480.18	399.85	414.88	430.48
	- Fuel	1038.70	1184.76	1277.58	1038.70	1077.76	1118.28
	- Repairs & Maintenance	2767.65	2905.04	3027.87	2767.65	2871.71	2979.69
	- Others	1805.18	1902.90	1995.66	1805.18	1873.05	1943.48
	Total	15757.89	16836.51	17841.24	15757.89	16350.39	16965.16
III	Depreciation	1651.59	1680.20	1821.46	1651.59	1680.20	1821.46
IV	Allocated share of Management and General overheads	8031.25	7953.88	8342.03	8421.62	8738.27	9066.83
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	1132.27	1506.40	965.71	97.45	557.56	674.08
VI	Allocated share of FMI	242.09	154.77	154.32	242.09	154.77	154.32
VII	Allocated share of FME	12934.99	12210.30	12894.42	11202.75	10849.44	11021.63
VIII	FMI Less FME (VI) - (VII)	-12692.90	-12055.53	-12740.10	-10960.66	-10694.67	-10867.31
IX	Surplus / deficit (V) + (VIII)	-11560.63	-10549.13	-11774.39	-10863.21	-10137.11	-10193.23
X	Capital Employed for the activity	32072.11	31492.37	32817.37	30914.69	30138.98	31508.46
	- Business Assets	30492.20	29910.27	31102.25	28727.31	27975.20	29162.64
	- Business Related Assets	1511.21	1517.84	1655.51	1624.81	1602.70	1725.45
	- Social Obligation Assets	68.70	64.26	59.86	562.58	561.09	620.37
XI	Return on Capital employed	4974.74	4882.03	5081.50	4732.85	4610.66	4810.96
	- Business Assets	4878.77	4785.64	4976.36	4596.37	4476.03	4666.02
	- Business Related Assets	95.97	96.39	105.14	136.48	134.63	144.94
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	68.87%	67.73%	71.40%	70.95%	71.78%	75.65%
XIII	RoCE adjusted for Capacity utilization	4974.74	4882.03	5081.50	4732.85	4610.66	4810.96
XIV	Net surplus / (Deficit) (IX) - (XIII)	-16535.37	-15431.16	-16855.89	-15596.07	-14747.77	-15004.19
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/I in %)	-62.23%	-55.16%	-58.18%	-33.89%	-24.94%	-27.17%
XV	Average Net Surplus / (Deficit) as a % of Operating Income	-58.52%			-28.67%		

KOLKATA PORT TRUST
Cost statement for Railway Activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Haulage	4958.12	4857.22	5167.39	4958.12	4857.22	5167.39
	- Terminal charges	3539.19	3466.92	3688.50	3539.19	3466.92	3688.50
	- Others	889.88	926.22	964.61	889.88	926.22	964.61
	Total	9387.19	9250.36	9820.50	9387.19	9250.36	9820.50
II	Operating Expenses						
	- Operation and Maintenance of Locomotives, Wagons, etc.	1506.31	1571.79	1669.45	1299.89	1348.77	1399.48
	- Maintenance of Permanent Way, Signal and Interlocking Facilities	978.92	1018.87	1087.63	886.83	920.17	954.77
	- Operation and maintenance of Stations, Yards and Sidings	1540.34	1616.12	1724.95	1428.31	1482.01	1537.74
	- Administration & General expenses	972.39	1009.35	1069.82	1056.53	1096.25	1137.47
	Total	4997.96	5216.13	5551.85	4671.56	4847.21	5029.46
III	Depreciation	457.80	468.03	482.73	457.80	468.03	482.73
IV	Allocated share of Management and General overheads	2076.41	1999.26	2110.70	1977.58	2051.94	2129.09
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	1855.02	1566.94	1675.22	2280.25	1883.18	2179.22
VI	Allocated share of FMI	75.75	48.16	48.86	75.75	48.16	48.86
VII	Allocated share of FME	3881.43	3626.06	3871.25	3145.20	3060.45	3101.56
VIII	FMI Less FME (VI) - (VII)	-3805.68	-3577.90	-3822.39	-3069.45	-3012.29	-3052.70
IX	Surplus / deficit (V) + (VIII)	-1950.66	-2010.96	-2147.17	-789.20	-1129.10	-873.49
X	Capital Employed for the activity	6405.86	6916.26	7216.22	6174.69	6619.03	6928.35
	- Business Assets	5797.71	6319.21	6625.93	5825.18	6244.34	6528.21
	- Business Related Assets	539.47	532.77	530.45	272.41	292.03	310.41
	- Social Obligation Assets	68.68	64.28	59.84	77.10	82.66	89.73
XI	Return on Capital Employed	961.88	1044.91	1093.86	954.91	1023.63	1070.59
	- Business Assets	927.62	1011.08	1060.17	932.03	999.09	1044.51
	- Business Related Assets	34.26	33.83	33.69	22.88	24.53	26.07
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	68.87%	67.73%	71.40%	68.87%	67.73%	71.40%
XIII	RoCE adjusted for Capacity utilization	961.88	1044.91	1093.86	954.91	1023.63	1070.59
XIV	Net surplus / (Deficit) (IX) - (XIII)	-2912.54	-3055.87	-3241.03	-1744.11	-2152.73	-1944.08
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/II in %)	-31.03%	-33.04%	-33.00%	-18.58%	-23.27%	-19.80%
XVI	Average Net Surplus / (Deficit) as a % of Operating Income	-32.35%			-20.55%		

KOLKATA PORT TRUST
Cost statement for Estate activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Rent from land	10393.99	10713.70	11045.52	10393.99	10713.70	11045.52
	- Rent from Building, Sheds & Godowns	3252.31	3417.26	3590.59	3252.31	3417.26	3590.59
	- Others	7525.65	7659.13	7793.28	7525.65	7659.13	7793.28
	Total	21171.95	21790.09	22429.39	21171.95	21790.09	22429.39
II	Direct Expenses						
	- Estate Maintenance	1300.81	1354.94	1412.10	1283.16	1331.41	1381.47
	- Administration and General Expenses	2840.43	2962.47	3091.74	2751.89	2855.36	2962.72
	Total	4141.24	4317.41	4503.84	4035.05	4186.77	4344.19
III	Depreciation	123.08	126.86	133.13	123.08	126.86	133.13
IV	Allocated share of Management and General overheads	2493.19	2864.06	3026.33	1949.84	2023.15	2099.22
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	14414.44	14481.76	14766.09	15063.98	15453.31	15852.85
VI	Allocated share of FMI	321.27	175.52	173.99	321.27	175.52	173.99
VII	Allocated share of FME	1355.01	1282.46	1361.24	1104.83	1087.41	1097.41
VIII	FMI Less FME (VI) - (VII)	-1033.74	-1106.94	-1187.25	-783.56	-911.89	-923.42
IX	Surplus / deficit (V) + (VIII)	13380.70	13374.82	13578.84	14280.42	14541.42	14929.43
X	Capital Employed for the activity	3731.64	3784.05	3913.65	3596.95	3621.41	3757.51
	- Business Assets	2546.35	2460.86	2374.86	3402.09	3417.31	3534.51
	- Business Related Assets	438.56	423.75	406.39	153.48	159.24	171.92
	- Social Obligation Assets	68.68	64.28	59.84	41.39	44.86	51.08
XI	Return on Capital Employed	539.17	548.64	570.14	557.23	560.15	579.96
	- Business Assets	407.42	393.74	379.98	544.33	546.77	565.52
	- Business Related Assets	27.85	26.92	25.81	12.89	13.38	14.44
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	68.87%	67.73%	71.40%	68.87%	67.73%	71.40%
XIII	RoCE adjusted for Capacity utilization	539.17	548.64	570.14	557.23	560.15	579.96
XIV	Net surplus / (Deficit) (IX) - (XIII)	12841.53	12826.18	13008.70	13723.19	13981.27	14349.47
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/II in %)	60.65%	58.86%	58.00%	64.82%	64.16%	63.98%
XVI	Average Net Surplus / (Deficit) as a % of Operating Income	59.17%			64.32%		

HALDIA DOCK COMPLEX
Cost statement for Cargo handling activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Liquid Bulk including POL & Crude	7429.42	7609.95	7892.80	7429.42	7609.95	7892.80
	- Iron Ore	3920.94	3511.27	3566.12	3920.94	3511.27	3566.12
	- Coal	10197.85	13978.03	14681.45	7055.55	9288.03	9991.45
	- Container Income	4809.21	5345.91	5702.30	4809.21	5345.91	5702.30
	- General Cargo	3168.37	3822.22	3931.36	3168.37	3822.22	3931.36
	- Other Income	202.89	211.05	222.57	202.89	211.05	222.57
	- 50% Royalty Income from BOT Operators	0.00	0.00	0.00	854.43	854.93	854.93
	Total	29728.68	34478.43	35996.60	27440.81	30643.36	32161.53
II	Operating Expenses						
	- Salary & Wages	5514.10	5976.47	6444.03	5276.35	5474.74	5680.59
	- Power	284.10	304.51	335.26	267.23	277.28	287.71
	- Fuel	143.21	156.60	172.21	116.41	120.79	125.33
	- Repairs & Maintenance	2178.64	2280.39	2390.29	1467.48	1522.65	1579.91
	- Others	3888.73	5792.92	5808.52	1380.15	1923.41	1995.73
	Total	12008.78	14510.89	15150.31	8507.62	9318.87	9669.26
III	Depreciation	1,147.00	1,219.82	1,279.25	1,147.00	1,219.82	1,279.25
IV	Allocated share of Management and General overheads	4173.80	4824.16	5073.77	3247.30	3369.40	3496.09
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	12399.10	13923.56	14493.27	14538.88	16735.26	17716.93
VI	Allocated share of FMI	171.96	146.38	146.88	171.96	146.38	146.88
VII	Allocated share of FME	13820.28	12828.48	13797.04	10538.92	10289.94	10364.96
VIII	FMI Less FME (VI) - (VII)	-13648.32	-12682.10	-13650.16	-10366.96	-10143.56	-10218.08
IX	Surplus / deficit (V) + (VIII)	-1249.22	1241.46	843.11	4171.92	6591.70	7498.85
X	Capital Employed for the activity	34149.57	35504.98	36203.51	32917.18	33979.15	34759.28
	- Business Assets	33642.29	35016.97	35737.27	31468.82	32484.07	33229.87
	- Business Related Assets	438.57	423.75	406.39	1204.77	1243.64	1272.19
	- Social Obligation Assets	68.71	64.26	59.85	243.59	251.45	257.22
XI	Return on Capital Employed	5410.60	5629.61	5743.76	5136.21	5301.92	5423.64
	- Business Assets	5382.75	5602.71	5717.95	5035.01	5197.45	5316.78
	- Business Related Assets	27.85	26.91	25.81	101.20	104.47	106.86
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	67.85%	67.79%	71.49%	67.85%	67.79%	71.49%
XIII	RoCE adjusted for Capacity utilization	5410.60	5629.61	5743.76	5136.21	5301.92	5423.64
XIV	Net surplus / (Deficit) (IX) - (XIII)	-6659.82	-4388.15	-4900.65	-964.30	1289.79	2075.21
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/II in %)	-22.40%	-12.73%	-13.61%	-3.51%	4.21%	6.45%
XVI	Average Net Surplus / (Deficit) as a % of Operating Income	-16.25%			2.38%		

HALDIA DOCK COMPLEX
Cost statement for Port & Dock activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Port dues	4843.22	5280.25	5439.59	4722.37	5159.48	5358.33
	- Berth Hire & Mooring Hire	3156.09	3201.09	3327.54	3065.18	3112.40	3267.03
	- Pilotage & Towage	11267.86	11920.49	12293.86	10972.73	11621.21	12090.80
	- Others (Fresh water & Misc.ch.)	1670.49	1876.02	1955.12	1670.49	1876.02	1955.12
	Total	20937.66	22277.85	23016.11	20430.77	21769.12	22671.28
II	Operating Expenses						
	- Salary & Wages	3162.24	3387.98	3605.24	3162.24	3281.14	3404.51
	- Power	284.10	333.10	362.90	284.10	294.78	305.87
	- Fuel	793.17	929.98	1013.20	793.17	822.99	853.94
	- Repairs & Maintenance	1828.44	1934.18	2023.60	1828.44	1897.19	1968.52
	- Others	1117.95	1182.60	1237.26	1117.95	1159.98	1203.60
	Total	7185.90	7767.84	8242.20	7185.90	7456.09	7736.44
III	Depreciation	896.10	896.75	897.28	896.10	896.75	897.28
IV	Allocated share of Management and General overheads	2768.27	2426.69	2546.68	3637.60	3774.37	3916.29
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	10087.39	11186.57	11329.95	8711.17	9641.90	10121.27
VI	Allocated share of FMI	121.12	94.57	93.92	121.12	94.57	93.92
VII	Allocated share of FME	7295.76	6660.15	7164.66	5563.52	5342.22	5382.42
VIII	FMI Less FME (VI) - (VII)	-7174.64	-6565.58	-7070.74	-5442.40	-5247.65	-5288.50
IX	Surplus / deficit (V) + (VIII)	2912.75	4620.99	4259.21	3268.77	4394.25	4832.77
X	Capital Employed for the activity	16748.83	15862.33	14972.80	16144.40	15180.64	14375.50
	- Business Assets	16241.57	15374.32	14506.55	15434.04	14512.70	13742.98
	- Business Related Assets	438.56	423.75	406.39	590.88	555.61	526.14
	- Social Obligation Assets	68.70	64.26	59.86	119.47	112.34	106.38
XI	Return on Capital employed	2626.51	2486.80	2346.87	2519.08	2368.70	2243.07
	- Business Assets	2598.66	2459.89	2321.05	2469.45	2322.03	2198.88
	- Business Related Assets	27.85	26.91	25.82	49.63	46.67	44.20
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	67.85%	67.79%	71.49%	67.85%	67.79%	71.49%
XIII	RoCE adjusted for Capacity utilization	2626.51	2486.80	2346.87	2519.08	2368.70	2243.07
XIV	Net surplus / (Deficit) (IX) - (XIII)	286.24	2134.19	1912.34	749.69	2025.55	2589.70
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/I in %)	1.37%	9.58%	8.31%	3.67%	9.30%	11.42%
XV	Average Net Surplus / (Deficit) as a % of Operating Income	6.42%			8.13%		

HALDIA DOCK COMPLEX
Cost statement for Railway Activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	(i) Haulage	4596.74	4485.00	4784.00	4596.74	4485.00	4784.00
	(ii) Terminal charges	3286.20	3206.34	3420.10	3286.20	3206.34	3420.10
	(iii) Others	137.71	151.48	166.63	137.71	151.48	166.63
	Total	8020.65	7842.82	8370.73	8020.65	7842.82	8370.73
II	Direct Operating Expenses						
	- Operation and Maintenance of Locomotives, Wagons, etc.	897.63	931.59	995.54	844.11	875.85	908.78
	- Maintenance of Permanent Way, Signal and Interlocking Facilities	847.18	879.23	939.57	796.67	826.62	857.71
	- Operation and maintenance of Stations, Yards and Sidings	907.99	942.35	1007.02	853.86	885.97	919.28
	- Administration & General expenses	676.20	701.79	749.95	635.88	659.79	684.60
	Total	3329.00	3454.96	3692.08	3130.52	3248.23	3370.36
III	Depreciation	409.64	415.44	422.86	409.64	415.44	422.86
IV	Allocated share of Management and General overheads	1359.30	1239.69	1304.65	1435.35	1489.32	1545.31
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	2922.71	2732.73	2951.14	3045.14	2689.83	3032.19
VI	Allocated share of FMI	46.40	33.29	34.16	46.40	33.29	34.16
VII	Allocated share of FME	3100.83	2827.10	3041.44	2364.60	2267.66	2284.87
VIII	FMI Less FME (VI) - (VII)	-3054.43	-2793.81	-3007.28	-2318.20	-2234.37	-2250.71
IX	Surplus / deficit (V) + (VIII)	-131.72	-61.08	-56.14	726.94	455.46	781.49
X	Capital Employed for the activity	4964.25	5359.08	5443.95	4785.10	5128.77	5226.78
	- Business Assets	4457.01	4871.05	4977.72	4574.56	4903.11	4996.80
	- Business Related Assets	438.56	423.75	406.39	175.13	187.71	191.30
	- Social Obligation Assets	68.68	64.28	59.84	35.41	37.95	38.68
XI	Return on Capital employed	740.97	806.28	822.25	746.64	800.26	815.56
	- Business Assets	713.12	779.37	796.44	731.93	784.50	799.49
	- Business Related Assets	27.85	26.91	25.81	14.71	15.77	16.07
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	67.85%	67.79%	71.49%	67.85%	67.79%	71.49%
XIII	RoCE adjusted for Capacity utilization	740.97	806.28	822.25	746.64	800.26	815.56
XIV	Net surplus / (Deficit) (IX) - (XIII)	-872.69	-867.36	-878.39	-19.70	-344.81	-34.07
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/I in %)	-10.88%	-11.06%	-10.49%	-0.25%	-4.40%	-0.41%
XVI	Average Net Surplus / (Deficit) as a % of Operating Income	-10.81%			-1.68%		

HALDIA DOCK COMPLEX
Cost statement for Estate activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Rent from land	6786.10	6921.82	7060.26	6786.10	6921.82	7060.26
	- Rent from Building, Sheds & Godowns	29.90	30.50	31.11	29.90	30.50	31.11
	- Others	1674.14	1707.62	1741.77	1674.14	1707.62	1741.77
	Total	8490.14	8659.94	8833.14	8490.14	8659.94	8833.14
II	Direct Expenses						
	- Estate Maintenance	864.03	899.78	937.11	931.00	966.00	1002.32
	- Administration and General Expenses	1509.61	1572.08	1637.29	1626.60	1687.76	1751.22
	Total	2373.64	2471.86	2574.40	2557.60	2653.77	2753.55
III	Depreciation	114.35	114.97	115.53	114.35	114.97	115.53
IV	Allocated share of Management and General overheads	1016.79	1306.19	1377.01	789.57	819.26	850.06
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	4985.36	4766.92	4766.20	5028.62	5071.94	5114.00
VI	Allocated share of FMI	49.11	36.76	36.04	49.11	36.76	36.04
VII	Allocated share of FME	1053.68	973.60	1040.21	803.50	780.94	781.45
VIII	FMI Less FME (VI) - (VII)	-1004.57	-936.84	-1004.17	-754.39	-744.18	-745.41
IX	Surplus / deficit (V) + (VIII)	3980.79	3830.08	3762.03	4274.22	4327.76	4368.59
X	Capital Employed for the activity	3053.59	2948.89	2841.09	2943.39	2822.16	2727.75
	- Business Assets	2546.35	2460.86	2374.86	2813.88	2697.99	2607.73
	- Business Related Assets	438.56	423.75	406.39	107.73	103.29	99.84
	- Social Obligation Assets	68.68	64.28	59.84	21.78	20.88	20.19
XI	Return on Capital Employed	435.27	420.66	405.79	459.27	440.35	425.62
	- Business Assets	407.42	393.74	379.98	450.22	431.68	417.24
	- Business Related Assets	27.85	26.91	25.81	9.05	8.68	8.39
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	67.85%	67.79%	71.49%	67.85%	67.79%	71.49%
XIII	RoCE adjusted for Capacity utilization	435.27	420.66	405.79	459.27	440.35	425.62
XIV	Net surplus / (Deficit) (IX) - (XIII)	3545.52	3409.42	3356.24	3814.95	3887.41	3942.96
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/I in %)	41.76%	39.37%	38.00%	44.93%	44.89%	44.64%
XVI	Average Net Surplus / (Deficit) as a % of Operating Income	39.71%			44.82%		

KOLKATA DOCK SYSTEM
Cost statement for Cargo handling activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Liquid Bulk including POL & Crude	854.87	914.14	946.29	854.87	914.14	946.29
	- Container Income	15115.90	14570.26	15297.41	15115.90	14570.26	15297.41
	- General Cargo	2629.45	2394.39	2433.96	2629.45	2394.39	2433.96
	- Other Income	555.38	535.95	573.45	555.38	535.95	573.45
	Total	19155.60	18414.74	19251.11	19155.60	18414.74	19251.11
II	Operating Expenses						
	- Salary & Wages	6028.90	6424.04	6845.43	5507.39	5714.47	5929.34
	- Power	461.66	468.02	468.02	472.77	490.55	508.99
	- Fuel	304.13	315.58	327.44	132.79	137.79	142.97
	- Repairs & Maintenance	1092.20	1134.11	1179.39	1546.75	1604.91	1665.25
	- Others	4507.96	4692.44	4898.67	3773.90	3915.79	4063.03
	Total (i to ix)	12394.85	13034.19	13718.95	11433.60	11863.51	12309.58
III	Depreciation	372.41	441.09	513.33	372.41	441.09	513.33
IV	Allocated share of Management and General overheads	6110.38	6444.13	6810.68	5934.72	6157.86	6389.40
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	277.96	-1504.67	-1791.85	1414.87	-47.72	38.81
VI	Allocated share of FMI	411.15	194.55	195.33	411.15	194.55	195.33
VII	Allocated share of FME	4699.40	4810.84	4997.11	4699.40	4773.63	4918.14
VIII	FMI Less FME (VI) - (VII)	-4288.25	-4616.29	-4801.78	-4288.25	-4579.08	-4722.81
IX	Surplus / deficit (V) + (VIII)	-4010.29	-6120.96	-6593.63	-2873.38	-4626.80	-4684.01
X	Capital Employed for the activity	7426.41	8541.47	9431.32	7158.41	8174.40	9055.08
	- Business Assets	6906.57	7943.58	8771.12	6442.57	7356.96	8149.58
	- Business Related Assets	519.84	597.89	660.20	501.09	572.21	633.86
	- Social Obligation Assets	0.00	0.00	0.00	214.75	245.23	271.65
XI	Return on Capital employed	1138.06	1308.94	1445.30	1072.90	1225.18	1357.18
	- Business Assets	1105.05	1270.97	1403.38	1030.81	1177.11	1303.93
	- Business Related Assets	33.01	37.97	41.92	42.09	48.07	53.24
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	52.33%	52.49%	53.44%	52.33%	52.49%	53.44%
XIII	RoCE adjusted for Capacity utilization	1138.06	1308.94	1445.30	1072.90	1225.18	1357.18
XIV	Net surplus / (Deficit) (IX) - (XIII)	-5148.35	-7429.90	-8038.93	-3946.28	-5851.98	-6041.18
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/II in %)	-26.88%	-40.35%	-41.76%	-20.60%	-31.78%	-31.38%
XV	Average Net Surplus / (Deficit) as a % of Operating Income	-36.33%			-27.92%		

KOLKATA DOCK SYSTEM
Cost statement for Port & Dock activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Port dues	1154.92	1167.99	1220.29	1122.20	1134.18	1196.91
	- Berth Hire & Mooring Hire	1082.54	1094.81	1143.83	1057.43	1068.83	1125.88
	- Dry Docking	532.09	538.11	562.20	532.09	538.11	562.20
	- Pilotage & Towage	2865.79	2898.23	3028.01	2786.05	2816.18	2971.26
	Total	5635.34	5699.14	5954.33	5497.77	5557.30	5856.25
II	Operating Expenses						
	- Salary & Wages	6584.27	7005.45	7454.71	6584.27	6831.84	7088.72
	- Power	115.75	117.28	117.28	115.75	120.10	124.62
	- Fuel	245.53	254.78	264.38	245.53	254.76	264.34
	- Repairs & Maintenance	939.21	970.86	1004.27	939.21	974.52	1011.17
	- Others	687.23	720.30	758.40	687.23	713.07	739.88
	Total	8571.99	9068.67	9599.04	8571.99	8894.30	9228.72
III	Depreciation	755.49	783.45	924.18	755.49	783.45	924.18
IV	Allocated share of Management and General overheads	5262.98	5527.19	5795.35	4784.02	4963.90	5150.54
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	-8955.12	-9680.17	-10364.24	-8613.72	-9084.34	-9447.19
VI	Allocated share of FMI	120.97	60.20	60.40	120.97	60.20	60.40
VII	Allocated share of FME	5639.23	5550.15	5729.76	5639.23	5507.22	5639.21
VIII	FMI Less FME (VI) - (VII)	-5518.26	-5489.95	-5669.36	-5518.26	-5447.02	-5578.81
IX	Surplus / deficit (V) + (VIII)	-14473.38	-15170.12	-16033.60	-14131.98	-14531.36	-15026.00
X	Capital Employed for the activity	15323.28	15630.04	17844.82	14770.29	14958.34	17132.95
	- Business Assets	14250.63	14535.95	16595.70	13293.26	13462.50	15419.66
	- Business Related Assets	1072.65	1094.09	1249.12	1033.92	1047.08	1199.31
	- Social Obligation Assets	0.00	0.00	0.00	443.11	448.75	513.99
XI	Return on Capital employed	2348.23	2395.23	2734.63	2213.77	2241.96	2567.89
	- Business Assets	2280.10	2325.75	2655.31	2126.92	2154.00	2467.15
	- Business Related Assets	68.11	69.47	79.32	86.85	87.96	100.74
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	52.33%	52.49%	53.44%	52.33%	52.49%	53.44%
XIII	RoCE adjusted for Capacity utilization	2348.23	2395.23	2734.63	2213.77	2241.96	2567.89
XIV	Net surplus / (Deficit) (IX) - (XIII)	-16821.61	-17565.35	-18768.23	-16345.75	-16773.32	-17593.89
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/I in %)	-298.50%	-308.21%	-315.20%	-297.32%	-301.82%	-300.43%
XVI	Average Net Surplus / (Deficit) as a % of Operating Income	-307.30%			-299.86%		

KOLKATA DOCK SYSTEM
Cost statement for Railway Activity

(Rs. In Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	(i) Haulage	361.38	372.22	383.39	361.38	372.22	383.39
	(ii) Terminal charges	252.99	260.58	268.40	252.99	260.58	268.40
	(iii) Others	752.17	774.74	797.98	752.17	774.74	797.98
	Total	1366.54	1407.54	1449.77	1366.54	1407.54	1449.77
II	Direct Operating Expenses						
	- Operation and Maintenance of Locomotives, Wagons, etc.	608.68	640.20	673.91	455.79	472.92	490.71
	- Maintenance of Permanent Way, Signal and Interlocking Facilities	131.74	139.64	148.06	90.16	93.55	97.06
	- Operation and maintenance of Stations, Yards and Sidings	632.34	673.76	717.91	574.45	596.05	618.46
	- Administration & General expenses	296.20	307.57	319.88	420.64	436.46	452.87
	Total	1668.96	1761.17	1859.76	1541.03	1598.98	1659.10
III	Depreciation	48.18	52.62	59.89	48.18	52.62	59.89
IV	Allocated share of Management and General overheads	717.11	759.57	806.05	542.24	562.62	583.78
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	-1067.71	-1165.82	-1275.93	-764.91	-806.68	-853.00
VI	Allocated share of FMI	29.35	14.87	14.70	29.35	14.87	14.70
VII	Allocated share of FME	780.60	798.96	829.81	780.60	792.78	816.70
VIII	FMI Less FME (VI) - (VII)	-751.25	-784.09	-815.11	-751.25	-777.91	-802.00
IX	Surplus / deficit (V) + (VIII)	-1818.96	-1949.91	-2091.04	-1516.16	-1584.59	-1654.99
X	Capital Employed for the activity	1441.61	1557.18	1772.27	1389.59	1490.26	1701.57
	- Business Assets	1340.70	1448.16	1648.21	1250.63	1341.23	1531.41
	- Business Related Assets	100.91	109.02	124.06	97.27	104.32	119.11
	- Social Obligation Assets	0.00	0.00	0.00	41.69	44.71	51.05
XI	Return on Capital employed	220.91	238.63	271.61	208.27	223.36	255.03
	- Business Assets	214.51	231.71	263.71	200.10	214.60	245.03
	- Business Related Assets	6.41	6.92	7.88	8.17	8.76	10.01
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	52.33%	52.49%	53.44%	52.33%	52.49%	53.44%
XIII	RoCE adjusted for Capacity utilization	220.91	238.63	271.61	208.27	223.36	255.03
XIV	Net surplus / (Deficit) (IX) - (XIII)	-2039.87	-2188.54	-2362.65	-1724.43	-1807.95	-1910.03
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/II in %)	-149.27%	-155.49%	-162.97%	-126.19%	-128.45%	-131.75%
XVI	Average Net Surplus / (Deficit) as a % of Operating Income	-155.91%			-128.79%		

KOLKATA DOCK SYSTEM
Cost statement for Estate activity

(Rs. Lakhs)

Sr. No.	Particulars	Estimates at the existing level of tariff as given by KOPT			Estimates at the existing level of tariff as moderated by TAMP		
		2010-11	2011-12	2012-13	2010-11	2011-12	2012-13
I	Operating Income						
	- Rent from land	3607.89	3791.88	3985.26	3607.89	3791.88	3985.26
	- Rent from Building, Sheds & Godowns	3222.41	3386.76	3559.48	3222.41	3386.76	3559.48
	- Others	5851.51	5951.51	6051.51	5851.51	5951.51	6051.51
	Total	12681.81	13130.15	13596.25	12681.81	13130.15	13596.25
II	Direct Expenses						
	- Estate Maintenance	436.78	455.16	474.99	352.16	365.40	379.14
	- Administration and General Expenses	1330.82	1390.39	1454.45	1125.29	1167.60	1211.50
	Total	1767.60	1845.55	1929.44	1477.45	1533.00	1590.64
III	Depreciation	8.73	11.89	17.60	8.73	11.89	17.60
IV	Allocated share of Management and General overheads	1476.40	1557.87	1649.32	1160.26	1203.89	1249.16
V	Operating Surplus/ Deficit (I) – (II) - (III) - (IV)	9429.08	9714.84	9999.89	10035.37	10381.37	10738.85
VI	Allocated share of FMI	272.16	138.76	137.95	272.16	138.76	137.95
VII	Allocated share of FME	301.33	308.86	321.03	301.33	306.47	315.96
VIII	FMI Less FME (VI) - (VII)	-29.17	-170.10	-183.08	-29.17	-167.71	-178.01
IX	Surplus / deficit (V) + (VIII)	9399.91	9544.74	9816.81	10006.20	10213.66	10560.84
X	Capital Employed for the activity	678.03	835.14	1072.54	653.56	799.25	1029.75
	- Business Assets	630.57	776.69	997.46	588.21	719.32	926.78
	- Business Related Assets	47.46	58.45	75.08	45.75	55.95	72.08
	- Social Obligation Assets	0.00	0.00	0.00	19.61	23.98	30.89
XI	Return on Capital employed	103.90	127.98	164.35	97.96	119.79	154.34
	- Business Assets	100.89	124.27	159.59	94.11	115.09	148.28
	- Business Related Assets	3.01	3.71	4.77	3.84	4.70	6.05
	- Social Obligation Assets	0.00	0.00	0.00	0.00	0.00	0.00
XII	Capacity Utilization	52.33%	52.49%	53.44%	52.33%	52.49%	53.44%
XIII	RoCE adjusted for Capacity utilization	103.90	127.98	164.35	97.96	119.79	154.34
XIV	Net surplus / (Deficit) (IX) - (XIII)	9296.01	9416.76	9652.46	9908.24	10093.87	10406.51
XV	Net Surplus / (Deficit) as a % of Operating Income (XIV/II in %)	73.30%	71.72%	70.99%	78.13%	76.88%	76.54%
XVI	Average Net Surplus / (Deficit) as a % of Operating Income	72.00%			77.18%		

KOLKATA PORT TRUST
SCALE OF RATES
GENERAL

S.1	<u>Short title of Commencement</u>	
	The Scale of Tolls, Dues and Rates set out herein shall be called 'SCALE OF RATES' of the Kolkata Port Trust and charges shall be levied by Kolkata Port Trust in terms of provisions of the Scale of Rates.	
S.2	<u>Definition</u>	
	In this Scale of Rates, unless the context otherwise requires, the following definitions shall apply.	
	(i)	'Board' shall have the same meaning as assigned to it in the Major Port Trust Act, 1963.
	(ii)	'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 license issued by the competent authority.
	(iii)	'Day' in respect of Kolkata Dock System shall mean the period starting from 6.30 am of a day and ending at 6.30 am on the next day. 'Day' in respect of Haldia Dock Complex shall mean the period starting from 6 am of a day and ending at 6 am on the next day.
	(iv)	'Demurrage' shall mean charges payable for storage of cargo within Port premises beyond free period as specified in the Scale of Rates and shall not include the cargo stored at the area allotted to a port user on license /lease basis for storage of cargo.
	(v)	'Foreign Going Vessel' shall mean any vessel other than coastal vessel, Inland vessel, boat and flat.
	(vi)	'Full Container Load (FCL)' shall mean a container having cargo of a single Importer/Exporter.
	(vii)	'Haldia Dock Complex (HDC)' shall mean the Oil Jetties, Other Jetties, Wharves and Berths at Haldia and River Moorings at Haldia Anchorages.
	(viii)	'Hazardous I' shall mean the cargo categorized as Hazardous-I in the list of Hazardous Cargo adopted by the Board from time to time.
	(ix)	'IWT Cargo'/'IWT Container' shall mean cargo/container, carried by Inland Vessel / barge/ boat/ flat through Inland Waterways but shall not include lighterage cargo/container.
	(x)	'Inland Vessel' shall mean any vessel registered as such under the provision of the Inland Vessels Act, 1917. Note: The charges leviable on 'Inland Vessels' will also be applicable on vessels operating through riverine route between Bangladesh and KOPT under protocol.
	(xi)	'Kolkata Dock System (KDS)' shall mean Netaji Subhash Dock, Kidderpore Dock, Sandhead, Saugor, River Anchorages, River Moorings, Budge-Budge Petroleum Wharves, Inland Vessel's Wharves and all other establishments of KOPT, excepting those specifically under Haldia Dock Complex.
	(xii)	'Kolkata Port Trust (KoPT)' shall mean the corporate entity and will include Kolkata Dock System and Haldia Dock Complex.

	(xiii)	'Less than a Container Load (LCL)' shall mean a container having cargo of more than one Importer /Exporter.
	(xiv)	'Lighterage Cargo'/ 'Lighterage Container' shall mean cargo/ container which the foreign going vessel/coastal vessel off-load/load at any river anchorage/mooring/ virtual jetty/ Sandhead into/ from smaller vessels/ Barges.
	(xv)	'Month' shall mean 30 consecutive calendar days including holidays unless otherwise specified.
	(xvi)	'On Board handling Charges' shall mean charges on Cargo/ Commodity/ Article / Package/ Container for rendering on board services by the port in the form of supply of manpower for loading / unloading operation.
	(xvii)	'Overside Discharge/Shipment' shall mean the operation of unloading/loading of cargo ex/into vessel without passing through the quay at the time of discharge /shipment operation.
	(xviii)	'Over Dimensional Container' shall mean a container carrying over dimensional cargo beyond the normal size of standard containers and needing special devices like slings, shackles, lifting beam, etc.. Damaged Containers (including boxes having corner casting problem) and Container requiring special devices for lifting will also be classified as Over Dimensional Container.
	(xix)	'Shore Handling Charges' shall mean charges on Cargo/Commodity/Article/ Package/Container for rendering shore services by the port in the form of supply of labour with/without equipment for transportation of cargo from hook point to stacking point (including loading at hook point), unloading of the same at the stacking point and subsequent loading for delivery, or vice-versa and in case of mechanical receiving of cargo shall also include charges for tipping of wagon by Wagon Tippler.
	(xx)	'Shut out' cargo shall mean export cargo left in the Port having not been shipped on board the vessel for which it was received in Port premises.
	(xxi)	'TEU' shall mean Twenty Feet Equivalent Unit of container.
	(xxii)	'Transshipment' shall mean transfer of cargo/container from a sea going vessel/barge to another sea going vessel/barge for destination to other Port/Ports.
	(xxiii)	'Wharfage' shall mean the basic dues recoverable on all cargo/ container landed or shipped or transshipped within the port limit and approaches or passing through the declared landing stage of the port, whether portage was provided by the port or not and shall include hooking/unhooking operation on shore, where necessary.
	(xxiv)	'Week' shall mean 7 (seven) consecutive calendar days including holidays.

S.3	General Principles of Assessment	
	(i)	The minimum weight/measurement chargeable shall be 1 tonne/1 CBM although the gross weight/measurement may be less than 1 tonne/1 CBM. In case where the charge is on weight basis and the gross weight is not an exact multiple of 100 Kgs, the same will be rounded of to the next higher multiple of 100 Kgs. Where the gross CBM includes decimals, the same should be rounded of to the next higher whole unit of CBM.
	(ii)	Rates applicable for a period/unit other than weight shall be applicable to the part of a period/unit thereof.

	(iii)	Unless otherwise specified, if port equipment is used for landing/shipment of cargo / container from/into vessel or for any other purpose by the vessel, equipment charges specified in Section 17.1 shall be levied on the vessel agent/ vessel owner/ Importers / Exporters or their Agents in case of chartered vessels as the case may be.	
	(iv)	Cargo Related Charges shall be levied on the owners of the cargo or their Clearing and Forwarding Agents / Handling Agents except where specified otherwise, or in cases where Ship Owners/Steamer Agents agree to pay such charges.	
	(v)	In case of FCL container, except the containers from/to ICDs/Customs Notified CFS, the charges related to container and the containerised cargo including the on-board (also for use of equipment if any), shore handling and storage charges thereon shall be levied on the owner of the cargo or his Clearing & Forwarding Agent/Handling Agent. However, port may recover such charges from Container Agents/ Main Line Operators (MLO) if the Container Agents/ Main Line Operators (MLO) applies for destuffing of FCL container in absence of Importer/Exporter arranging delivery/shipment of the container. In case of LCL container, empty container and container from / to ICDs / Customs Notified CFS, the charges related to container and containerized cargo including the on-board (also for the use of equipment, if any) shore handling and storage charges thereon shall be levied on the Container agents / Main Line Operators (MLO)s. However, incase of container from / to ICDs / Customs Notified CFS, the concerned CFS / ICD operator can also pay the port charges. However, after de-stuffing or prior to stuffing, the cargo related charges, if any, shall be levied on the owner of the cargo or his Clearing & Forwarding Agent / Handling Agent.	
	(vi)	(a)	Vessel related charges shall be levied on the Ship Owners/Steamer Agents. Wherever rates have been denominated in US Dollar terms, the charge shall be recovered in Indian Rupees after conversion of US currency to Indian Rupee at the Reserve Bank of India's reference rate. The date of entry of vessel into port limit shall be reckoned as the date for such conversion.
		(b)	Container related charges denominated in US dollar terms shall be collected in equivalent Indian Rupees based on the Reserve Bank of India Reference Rate prevalent on the date of entry of the vessel in case of import containers; and on the date of arrival of the containers into port, in case of export containers.
	(vii)	(a)	The Vessel related charges for all Coastal vessels should not exceed 60% of the corresponding charges for other vessels.
		(b)	The cargo /container related charges for all Coastal cargo/containers, other than thermal coal, POL including crude oil, Iron Ore and Iron pallets, should not exceed 60% of the normal cargo/container related charges.
		(c)	In case of cargo related charges, the concessional rates should be levied on all the relevant handling charges for ship-shore transfer and transfer from/to quay to/from storage yard including wharfage.
		(d)	In case of container related charges, the concession is applicable on composite box rate. Where itemized charges are levied, the concession will be on all the relevant charges for ship-shore transfer, and transfer from /to quay to/from storage yard as well as wharfage on cargo and containers.

		(e)	For the purpose of this concession, cargo / container from a foreign port which reaches an Indian Port 'A' for subsequent transshipment to Indian Port 'B' will also qualify insofar as the charges relevant for its coastal voyage. In other words, cargo/containers from / to Indian Ports carried by vessels permitted to undertake coastal voyage will qualify for the concession.
		(f)	The charges for coastal cargo/ containers/ vessels shall be denominated and collected in Indian Rupee.
	(viii)		In all cases where charges are levied in US Dollar terms, the exchange rate shall be reviewed once in every 30 days from the date of applicable exchange rate adopted initially in respect of storage charge for containers staying inside the Port for more than 30 days or in respect of vessel related charges for vessels staying in the Port for more than 30 days. In such cases, the basis of billing shall change prospectively with reference to the appropriate exchange rate prevailing at the time of review.
	(ix)		Samples, Catalogues and other articles for which Shipping Companies charge no freight and on which no Customs duty is payable, diplomatic mail bags, crew baggage and all goods meant for KOPT's use shall be exempted from payment of all cargo related charges.
	(x)		No charge shall be levied on stores/ provisions supplied on board KoPT crafts/vessels.
	(xi)		No demurrage shall be charged for the days during which delivery cannot be effected due to strike by the Port employees provided the concerned Importer or his Authorized Agent files the complete delivery documents on payment of all Port charges prior to commencement of the strike.
	(xii)	(a)	Berth hire shall stop 4 hours after the time of the vessel signaling its readiness to sail. The time limit prescribed for cessation of berth hire shall exclude the ship's waiting time for want of favorable tidal conditions or on account of inclement weather or due to absence of night navigation facilities.
		(b)	There shall be penal berth hire equal to berth hire charges of one days berth hire charge for a false signal.
	(xiii)		Interest on delayed payments / refunds:
		(a)	The user shall pay penal interest on delayed payments under this Scale of Rates. Likewise, the KOPT shall pay penal interest on delayed refunds.
		(b)	The rate of penal interest will be 14.25 %. The penal interest rate will apply to both the KOPT and the port users equally.
		(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 KOPT. This provision shall, however, not apply to the cases where payment is to be made before availing the services / use of Port Trust's properties as stipulated in the Major Port Trust Act and / or where payment of charges in advance is prescribed as a condition in this Scale of Rates.
	(xiv)		Before classifying any cargo under "unspecified category" or otherwise for determination of the nature of cargo, the relevant Customs classification shall be referred to, in order to find out whether the cargo can be classified under any of the specified categories mentioned in the schedules.

	(xv)	(a)	A foreign going vessel of Indian flag having a General Trading License can convert to coastal run on the basis of a Customs Conversion Order.
		(b)	A foreign going vessel of foreign flag can convert to coastal run on the basis of a Coastal Voyage License issued by the Director General of Shipping.
		(c)	For dedicated Indian coastal vessels having a Coastal License from the Director General of Shipping, no other document will be required by her to be entitled for coastal rates.
		(d)	The status of the vessel, as borne out by its certification by the Customs or Director General of Shipping, shall be the deciding factor for its classification as 'Coastal' or 'Foreign-going' for the purpose of levy of vessel related charges; and, the nature of cargo or its origin will not be of any relevance for this purpose.
		(e)	The corresponding vessel related rates should be applied depending on the status of the vessel at the time of the incidence of such charge.
	(xvi)		For all types of cargo, cargo related charges shall be levied on the gross weight of the consignment.
	(xvii)		For the purpose of charging, Shipper's Own Containers will be at par with the Marine Freight Containers
	(xviii)		Users will not be required to pay charges for delays beyond a reasonable level attributable to the KoPT.
	(xix)	(a)	Wherever a specific tariff for a service/cargo is not available in the notified Scale of rates, the KoPT can submit a suitable proposal to TAMP
		(b)	Simultaneously with the submission of proposal, the proposed rate can be levied on an ad hoc basis till the rate is finally notified.
		(c)	The ad hoc rate to be operated in the interim period must be derived based on existing notified tariffs for comparable services/ cargo; and, it must be mutually agreed upon by the Port/ Terminal and the concerned user(s).
		(d)	The final rate fixed by the TAMP will ordinarily be effective only prospectively. The interim rate adopted in an ad hoc manner will be recognised as such unless it is found to be excessive requiring some moderation retrospectively.
	(xx)	(a)	The rates prescribed in this Scale of Rates are ceiling levels; likewise, rebates and discounts are floor levels. The KOPT may, if it so desires, charge lower rates and/ or allow higher rebates and discounts.
		(b)	The KOPT may also, if it so desires, rationalize the prescribed conditionality governing the application of rates prescribed in the Scale of Rates if such rationalization 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)	Provided that the KOPT should notify the public such lower rates and / or rationalization of the conditionality governing the application of such rates and continue to notify the public any further changes in such lower rates and / or in the conditionality governing the application of such rates provided the new rates fixed shall not exceed the rates notified by the TAMP.

PART-I
Charges on Break-bulk and Bulk Cargo

S.4	<u>Wharfage:</u>	
S.4.1	Wharfage on Foreign cargo landed/shipped at any places within Kolkata port Trust shall be levied at the following rates, except where specified otherwise: -	
Sl. No.	Description	Rates in Rupees per tonne or part thereof (unless other unit is specified)
Liquids/ Gas handled through pipeline		
1.	Crude Oil;	76.50
2.	POL/POL Products, CBFS or nay other liquid/ gas having a flash point of 23°C (73.4°F) and above and not specified below, ship's bunker	76.50
3.	POL/POL Products or any other liquid /Gas having a flash point of less than 23°C (73.4°F), and not specified below;	112.50 85.50
	(a) For quantity upto 50000 tonnes per Financial Year	
	(b) On the incremental quantity handled above 50000 tonnes per Financial Year	
4	LPG, Naphtha, Butadiene, Butane, Butene, Benzene, Py Gas, Propane, Hexane and N-Hexane	85.50
5.	Vegetable Oils	45.00
6	Molasses	27.00
7	Acids, Fatty acid, Mineral Oil, Tallow, Alcohols	58.50
Liquids handled other than through pipeline		
8.	All liquids including ship's bunker	76.50
Cargo handled through mechanical system		
9.	Export Iron Ore	38.88
10.	Export Thermal Coal	43.74
11.	All types of Coal not specified, Fertilizer; Fertilizer Raw materials, Soda Ash and all other Dry Bulks	87.48
Cargo handled other than through mechanical system		
12	Salt, Fly Ash	19.44
13	Iron Ore, Sand	19.44
14	Limestone, Bitumen, Pig Iron, Sponge Iron and other Ferrous metal, All types of Coal/ Coke/Ore/other dry bulk cargo not specified.	38.88
15	Wheat, Rice, Sugar, Pulses, Rapeseed, Cereals and their products, Bulgur wheat, Corn Soya blend, Milk powder, Seeds of all kinds, Soda (Caustic or Ash), Cement, Clinker, Newsprint, Gypsum, Slag.	48.60

Sl. No.	Description	Rates in Rupees per tonne or part thereof (unless other unit is specified)
16	Mill Scale, Magnesite, Granite, All types of scraps, Oil cake, Bone & Bone meal, Bran, Fire bricks and other Refractory materials, Mica block/flake/spitting/waste/scrap/powder, Non-ferrous metals of all kinds except Ingots of Zinc/Aluminium/Copper/Lead, C.I.Goods, Rock phosphate, Sulphur & Other Fertilizer raw materials, Finished Fertiliser, Asphalt pitch (including Coal Tar pitch). Lead concentrate, Carbon black, Jute, Gunnies, Jute products/waste/caddies/twist/cuttings, Hemp, Cotton, Cotton yarn/twist/waste/cuttings, Other vegetable fibres, Raw wool, Synthetic Resin, Asbestos raw /fibre, Synthetic yarn/rags, Cotton piece goods, Waste paper, Wood pulp, Plywood, Shellac, Seedlac, Glass sheet, Glass ware/products, Porcelain ware/products, Hides & Skins, Hosiery goods. Garment, Polymer and other chemicals in bag, Ship's store, Dunnage, Leather and its products, Project Material, Project Equipment, Machinery and Spares.	68.04
17	Iron and Steel, Pipes & Tubes.	58.32
18	Log, Timber, Veneer	102.06 per CBM or part thereof
19	Car, Any rubber tyred vehicle, Cargo moving equipment, Earth-moving equipment	3888.00 per unit
20	All other cargo not covered above	200.00

Note: The lower rate specified in S.4.1, Sl. No. 1 (b) and 3(b) shall be allowed by way of refund against claim lodged by the Importer/Exporter after close of a Financial Year. The same shall be calculated separately for each Dock System not considering the quantity handled at the other Dock System. The claim should be accompanied by details of quantity-handled vessel wise as well as payment particulars.

S.4.2	Wharfage on Coastal cargo landed/shipped at/ from any place within Kolkata port Trust shall be levied at the following rates, except where specified otherwise:-	
Sl. No.	Description	Rates in Rupees per tonne or part thereof
1	Crude oil, POL and POL products, Thermal Coal, Iron Ore and Iron Ore pellets	Same as the rates for Foreign Cargo as specified at S.4.1
2	All other cargo	60% of the rates for Foreign Cargo as specified at S.4.1.
S.4.3	For Transshipment cargo handled at berth, wharfage is payable at 75% of the applicable rate for landing and 75% of the applicable rate for subsequent shipment. The applicable rates shall be the rates specified at S.4.1 or S.4.2 depending on whether the same is foreign or coastal at the time of discharge/shipment as per definition under S.2.	
	For Transshipment cargo handled at Sandheads/Virtual Jetty/any other anchorage point/ mooring, wharfage shall be levied at the rate of Rs.19.44 per tonne or part thereof irrespective of the nature & description of the cargo.	

S.4.4	For Crude Oil/POL/POL product discharged at Sandheads /Virtual Jetty/any other anchorage point/ mooring, for subsequent landing at berth or vice-versa in case of shipment, only one full wharfage shall be levied, even if the cargo operation takes place at both the dock systems. Each dock system in such cases shall realize 50% of the applicable wharfage.															
S.4.5	For discharge/shipment of cargo at Sandheads / Virtual Jetty / any other anchorage point/ mooring, other than the cargo specified at S.4.4, 90% of wharfage as specified at S.4.1 or S.4.2, as the case may be, shall be realised for discharge/ shipment at such point. In addition, if such cargo is carried by barge / boat / flat or any other vessel for unloading/loading at any berth/jetty/declared Inland Vessel Wharves belonging to port, wharfage shall be realised for such discharge/shipment at the following rates: <table><tr><th>Sl. No.</th><th>Place of operation</th><th>Rates in Rs. Per tonne or part thereof</th></tr><tr><td>1.</td><td>Berth/ jetty meant for handling sea-going vessel</td><td></td></tr><tr><td></td><td>a) Iron Ore</td><td>4.86</td></tr><tr><td></td><td>b) All other Cargo</td><td>19.44</td></tr><tr><td>2.</td><td>Declared Inland Vessel Wharves of KOPT</td><td>4.86</td></tr></table>	Sl. No.	Place of operation	Rates in Rs. Per tonne or part thereof	1.	Berth/ jetty meant for handling sea-going vessel			a) Iron Ore	4.86		b) All other Cargo	19.44	2.	Declared Inland Vessel Wharves of KOPT	4.86
Sl. No.	Place of operation	Rates in Rs. Per tonne or part thereof														
1.	Berth/ jetty meant for handling sea-going vessel															
	a) Iron Ore	4.86														
	b) All other Cargo	19.44														
2.	Declared Inland Vessel Wharves of KOPT	4.86														
S.4.6	On IWT cargo loaded/unloaded at any Berth / Jetty/ declared Inland Vessel Wharves belonging to port, wharfage shall be realised at the following rates: <table><tr><th>Sl. No.</th><th>Place of operation</th><th>Rates in Rs. Per tonne or part thereof (unless specified otherwise)</th></tr><tr><td>1.</td><td>Berth/jetty meant for handling sea-going vessel</td><td>50% of wharfage as specified at S.4.1</td></tr><tr><td>2.</td><td>Declared Inland Vessel Wharves of KoPT</td><td></td></tr><tr><td></td><td>a) Fly Ash</td><td>9.72</td></tr><tr><td></td><td>b) All Other cargo</td><td>19.44</td></tr></table>	Sl. No.	Place of operation	Rates in Rs. Per tonne or part thereof (unless specified otherwise)	1.	Berth/jetty meant for handling sea-going vessel	50% of wharfage as specified at S.4.1	2.	Declared Inland Vessel Wharves of KoPT			a) Fly Ash	9.72		b) All Other cargo	19.44
Sl. No.	Place of operation	Rates in Rs. Per tonne or part thereof (unless specified otherwise)														
1.	Berth/jetty meant for handling sea-going vessel	50% of wharfage as specified at S.4.1														
2.	Declared Inland Vessel Wharves of KoPT															
	a) Fly Ash	9.72														
	b) All Other cargo	19.44														
S.4.7	Wharfage shall be levied separately by each dock system for cargo operation within their system, unless otherwise specified in this Scale of Rates.															
S.4.8	On shutout cargo /stock cargo, which are taken back from Port premises, 50% of wharfage shall be levied. In addition, if labour and / or equipment are / is supplied by port for handling of cargo, on-board handling charges and/ or shore handling charges, as the case may be, shall be levied. No additional wharfage shall be levied on shutout cargo if the same is subsequently shipped without being removed from port premises.															
S.4.9	Due to some operational reason if any cargo is landed from a vessel for subsequent shipment by the same vessel, consolidated wharfage shall be levied @ Rs.97.20 per tonne or part thereof.															
S.4.10	On liquid cargo transferred through pipeline between HDC and KDS or from any other point to KDS/HDC or vice-versa, 50% of the wharfage shall be levied at the dock system where it is so transferred.															

5	On board handling charges:	
S.5.1	For supply of manpower by KoPT, for handling of foreign cargo on board the vessel/ barge for loading/ unloading operation, charges at the following rates shall be levied on the Vessel Agents or Importer /Exporter or his Clearing Forwarding Agent/Handling Agent :	
Sl.No.	Description	Rates in Rupees per tonne or part thereof, unless other unit is specified
1	Coking Coal	26.46
2	All types of Coal, Coke and Ore, Limestone, Other Dry Bulk cargo not specified discharged/shipped by use of Grab/Magnet. (other than cargo specified at Sl. No. 1 above) ;	29.16
Sl.No.	Description	Rates in Rupees per tonne or part thereof, unless other unit is specified
3	Iron and Steel, Pipes & Tubes,	77.76
4	All other cargo except those specified at Sl. No. 1, 2, 3, 5 & 6	38.88
5	Log ; Timber ; Veneer ;	24.30 per CBM
6	Car, any rubber tyred vehicle, cargo moving equipments or earth moving equipments when discharged/ shipped by use of slings.	48.60 per unit
S.5.2	For supply of manpower by KoPT, for handling of Coastal cargo other than Crude oil, POL and POL products, Thermal Coal, Iron Ore and Iron Ore pellets on board the vessel / barge for loading/ unloading operation; charges at the rate of 60% of the rates specified at S.5.1 shall be levied on the Vessel Agents or Importer/Exporter or his Clearing Forwarding Agent/Handling Agent. For Crude oil, POL and POL products, Thermal Coal, Iron Ore and Iron Ore pellets the rates shall be same that of foreign cargo.	
Note for Section 5:		
(i)	On board handling charge is not leviable in cases where wharfage is realised on cargo for handling through pipeline or for handling through mechanical system, as KoPT does not provide on board labour /equipment against such vessels.	
(ii)	For shifting of cargo on board without passing through the quay, 1.5 times of the applicable On board handling charges shall be levied.	

S.6	<u>Shore handling charge:</u>		
S.6.1	Charges shall be levied at the following rates for rendering shore handling services to foreign cargo as specified in the definition of 'Shore Handling Charges' at S.2 (xix) and for such other services as specified below.		
SL No.	Description	Rates in Rupees per tonne or part thereof	
		Labour only	Labour & Equipment
1.	Bag cargo and packages (where handling is entirely done manually, by using handcart only, if necessary.)	24.30	-
2.	Iron & Steel, Pipes & Tubes	19.44	116.64
3.	All other break bulk cargo for which rates otherwise not specified– (per Pkg. Or Unit weight)		
	i) Less than 5 tonne	19.44	38.88
	ii) 5 tonne to less than 10 tonne	19.44	72.90

	iii)	10 tonne to less than 20 tonne	19.44	145.80
	iv)	20 tonne to less than 40 tonne	19.44	194.40
	v)	40 tonne and above	19.44	388.80
4.	i)	Tippling of Thermal Coal wagon by Wagon Tippler	43.74	
	ii)	Manual unloading of Thermal Coal Wagon -	29.16	
	iii)	Transfer of Thermal Coal (other than through mechanical system), from unloading point to Stack point, including loading at unloading point and unloading at Stack point.	38.88	43.74
	iv)	Transfer of Thermal Coal (other than through mechanical system), from stack point/ unloading point to Hook point, including loading at stack point/ unloading point and unloading at hook point as well as heaping of cargo for vessel feeding.	53.46	58.32
SL No.	Description		Rates in Rupees per tonne or part thereof	
			Labour only	Labour & Equipment
5.	i)	Tippling of Iron ore wagon by Wagon Tippler	38.88	
	ii)	Manual unloading of Iron Ore Wagon	38.88	
	iii)	Transfer of Iron Ore (other than through mechanical system), from unloading point to Stack point, including loading at unloading point and unloading at Stack point.	43.74	48.60
	iv)	Transfer of Iron Ore (other than through mechanical system), from stack point/ unloading point to Hook point, including loading at stack point/ unloading point and unloading at hook point as well as heaping of cargo for vessel feeding.	53.46	63.18
6.	i)	All types of dry bulk cargo not specified above (other than the cargo landed from or shipped/ to be shipped through Mechanical System) (Other than Berth no. 2 and 8 of HDC)	68.04	87.48
	ii)	All types of dry bulk cargo not specified (other than the cargo landed from or shipped/ to be shipped through mechanical system) at berth no. 2 and 8 of HDC, when the cargo landed at a berth is stored at any area (within the dock), other than the dedicated storage area of the same berth, and finally delivered there from, or vice versa (in case of Exports); without requiring second transportation and / or extra loading/ unloading and when the transportation is undertaken by KOPT or by any private party on behalf of KOPT.	68.04	100.48
7.	Logs, Timber, Veneer		19.44 per CBM	38.88 per CBM
S.6.2	For supply of KoPT's manpower with/without equipment for shore handling of Coastal cargo, other than Crude oil, POL and POL products, Thermal Coal, Iron Ore and Iron Ore pellets, charges at the rate of 60% of the rates specified at S.6.1 shall be levied. For Crude oil, POL and POL products, Thermal Coal, Iron Ore and Iron Ore pellets, the rates shall be same as that of foreign cargo			

Note for Section 6.		
i)	Port reserves the right to supply / not to supply labour/equipment for shore handling operation other than in case of tipping of wagon.	
ii)	In case of Sr. no-1, 2, 3 and 7 of S.6.1, if the Port provides only part of the services specified in the definition of 'Shore Handling Charge' under S.2(xix), 50% of the specified shore handling charges shall be levied. This clause shall not be applicable for not providing Tipping, which is a stand alone service.	
iii)	No Shore handling charge shall be levied where port provides none of the services specified in the definition of 'shore handling charge' under S.2(xix) and where wharfage is realized on cargo for handling through pipeline.	
iv)	In case the manual unloading of Thermal Coal wagon and/or manual loading of Thermal Coal is done at the option of the Port, a rebate of 30% in the rates specified under Sl. No. 4 (ii), (iii) and (iv) shall be allowed.	
S.7	<u>Demurrage on Cargo:</u>	
S.7.1	Demurrage shall be levied on Import cargo (other than containerised cargo) after allowing a demurrage-free period as specified below: -	
Sl. No.	Description	Demurrage-free period
1.	Hazardous-I cargo	Actual date of landing
2.	All other cargo except those mentioned at Sl. No. 1, 3 & 4	3 days after the last landing date of the vessel / barge from which the cargo is discharged.
3.	Non-hazardous cargo using port equipment for delivery; Non-hazardous cargo for Nepal and Bhutan;	6 days after the last landing date of the vessel / barge from which the cargo is discharged
4.	Cargo imported by voluntary / relief organization like Missionaries of Charity, Bharat Sevashram Sangha, Ramkrishna Mission, CARE, CRS, WFP and others as may be accepted by Kolkata Port Trust from time to time on the basis of certification by the Appropriate Govt. Authority of Central Govt./State Govt. and Govt. of Nepal/ Bhutan or their local Consulate General.	30 days after the last landing date of the vessel / barge from which the cargo is discharged
Note for Section-7:		
i)	a) Last Landing Date (LLD) is the date on which a vessel completes her import discharge at quay side. b) In case of over-side discharge as well as discharge at anchorage/ mooring/ buoy on to boats/ barges/ flats / any other vessels; the date of completion of unloading at quay by each such boat / barge/ flat / any other vessel shall be the LLD of the cargo carried by that particular boat / barge/ flat /vessel. c) However, KoPT may declare any other date as such LLD for cargo already discharged from the vessel when the vessel is not doing cargo operation work for more than 24 hours for any fault/ reason not attributable to Port. In such cases, a vessel may have more than one LLD.	
ii)	For the purpose of calculation of free time, Customs notified holidays and the KoPT's non-working days shall be excluded. Sundays shall not be excluded for the purpose of calculation of free time unless Customs notified holidays and the KoPT's non-working days fall on Sundays. After demurrage charge begins to accrue, no allowance would be made for Customs notified holidays or KoPT's non-working days.	

S.7.2	Demurrage on Import cargo (except log, timber, veneer) shall be levied after the expiry of demurrage free period at the following rates: -			
Sl. No.	Type of cargo	Rate in Rupees per tone per day or part thereof		
		For the first 15 days	16 th day onwards	
1.	Hazardous – I	153.00 per tonne	180.00 per tonne	
2.	All other cargo	36.00 per tonne	54.00 per tonne	
S.7.3	Demurrage on Import log, timber, veneer shall be levied after the expiry of demurrage free period at the following rates: -			
Sl. No.	Type of cargo	Rate in Rupees per CBM per day or part thereof		
		For the first 7 days.	8 th to 14 th day	From 15 th day onwards
1.	Log, Timber, Veneer	5.40	10.80	16.20
S.7.4	No demurrage shall be levied on export/stock cargo, except Hazardous-I category, if such cargo is shipped within 30 days from the date of receipt. However, from the 31 st day, demurrage on such cargo shall be levied @ Rs.36.00 per tonne per week or part thereof from the date of receipt till the date of shipment.			
S.7.5	Export cargo of Hazardous-I category shall be received only for direct shipment. In case such cargo is not shipped on the date of receipt, demurrage shall be levied at rate of Rs.153/- per tonne per day or part thereof from the day following the date of receipt upto the date of shipment or removal from port premises.			
S.7.6	Demurrage shall be levied on shutout cargo/stock, other than Hazardous I cargo, @ Rs.9.00 per tonne per day or part thereof, from the date of receipt of cargo, upto the date of removal of cargo from the port premises without being shipped. In case shutout cargo is shipped by any subsequent vessel provision of S.7.4 shall apply.			
S.7.7	On cargo / commodity which is received neither as import nor as export nor as stock for shipment, demurrage shall be levied @ Rs.36.00 per tonne per day or part thereof from the date of receipt upto the date of removal of the cargo from the port premises.			
S.7.8	On uncleared / Customs confiscated cargo, sold by auction or tender or private agreement or in any other manner, demurrage shall be levied at the rates specified at S.7.2 or S.7.3, as the case may be, after allowing free time of 10 days after the date the cargo is made available for delivery.			
S.7.9	The demurrage on cargo shall not accrue for the period during which the KoPT is not in a position to deliver cargo for reasons attributable to the port when requested by the user.			

S.8	<u>Transportation:</u>	
S.8.1	The following charges shall be levied on cargo, for which KOPT undertakes any transportation (excluding loading and/or unloading) not covered under 'Shore Handling Charge'.	
Sl.No.	Description	Rate in Rs. per tonne or part thereof.
1.	Within one dock of KDS or Within Dock Interior Zone of HDC	34.02
2.	From one dock enclosure to another dock enclosure of KDS within Kolkata Dock System.	48.60
S.9	<u>Loading /Unloading/Re-stacking charge</u>	
S.9.1	The following charges shall be levied on cargo, for which KoPT shall undertake any loading / unloading / re-stacking not covered under 'Shore Handling Charge' at S.2 (xix)	

Sl.No.	Description	Rate in Rs. per tonne or part thereof.
1.	Article/package weighing less than 1 tonne	19.44
2.	Article / package weighing 1 tonne. & above but less than 10 tonne	38.88
3.	Article/package weighing 10 tonne & above but less than 20 tonne	48.60
4.	Article/package weighing 20 tonne & above but less than 40 tonne	97.20
5.	Article/package weighing 40 tonne & above	243.00

S.10	<u>Rebate:</u>		
S.10.1	At HDC, rebate on wharfage shall be allowed in the following cases:-		
	(a)	If any consignee/ consignor handles Crude Oil more than 6.50 million tonnes per financial year, on-board and wharfage charges shall be levied @ Rs.76.50 per tonne on first 6.50 million tones and Rs.67.50 per tonne on quantity beyond 6.50 million tonnes.	
	(b)	If a Vessel discharges more than 25000 tonnes of coking coal/ limestone/ fertilizer/ raw material for fertilizer in a single call at HDC, a rebate of 10% shall be allowed on Wharfage charge on quantity exceeding 25000 tonnes.	
	(c)	If a Vessel loads more than 25000 tonnes of Thermal Coal in a single call at HDC, a rebate of 10% shall be allowed on Wharfage charges on quantity exceeding 25000 tonnes.	
S.10.2	At KDS Importer/ Exporter shall be granted a rebate on wharfage on the basis of each of the cargo handled by them through KDS as mentioned below, during a financial year.		
Sl. No.	Type of Cargo	Tonnage handled	Quantum of Rebate on applicable wharfage
(a).	Coking Coal, Sugar, Pulses, Wheat, Rice, Jute and Jute products, Iron & Steel, Log, Sulphur, Rock Phosphate, Finished Fertiliser, Vegetable Oil, C.I Goods, LPG	Upto 75000 tonnes 75001 to 100000 tonnes Above 100000 tonnes	NIL 10% 15%
(b).	Crude Oil, POL and its products	Upto 4000000 tonnes 4000001 to 7500000 tonnes Above 7500000 tonnes	NIL 10% 15%
Note: The above said rebate shall be granted in the form of refund of wharfage at the end of every financial year (i.e. 1 st April to 31 st March) on submission of documents by the Importers/ Exporters in support of the throughout achieved.			

PART – II

CHARGES ON CONTAINER AND CONTAINERISED CARGO

S.11	<u>Composite box rate for container</u>					
S.11.1	Composite box-rate for container (other than specified ICDs) covering wharfage and basic container handling services of ship to shore transfer, movement between berth and yard, lift off at yard and subsequent lift on for delivery or vice versa shall be levied at the following rates:					
	Sl. No.	Category	Rate in Rupees per TEU			
			KDS		HDC	
			Foreign	Coastal	Foreign	Coastal
	1.	Load Container other than Over Dimensional Container	4082.40	2449.44	3589.92	2153.95
	2.	All Over Dimensional Load Container	5103.00	3061.80	4487.40	2692.44
	3.	Empty Container	1622.16	973.29	1888.92	1133.35
S.11.2	Composite box-rate for all ICD container (except Cossipore ICD) covering wharfage and basic container handling services of ship to shore transfer, movement between berth and yard, lift off at yard and subsequent lift on for delivery or vice versa shall be levied at the following rates:					
	Sl. No.	Category	Rate in Rupees per TEU			
			KDS		HDC	
			Foreign	Coastal	Foreign	Coastal
	1.	Load Container other than Over Dimensional Container	3082.40	1849.44	2589.92	1553.95
	2.	All Over Dimensional Load Container	3853.00	2311.80	3237.40	1942.44
S.11.3	Composite box-rate for IWT container, including Bangladesh moving through IWT mode, covering wharfage and basic container handling services of ship to shore transfer, movement between berth and yard, lift off at yard and subsequent lift on for delivery or vice versa shall be levied at the following rates:					
	Sl. No.	Category	Rate in Rupees per TEU			
	1.	Load Container other than Over Dimensional Container	1864.62			
	2.	All Over Dimensional Load Container	2330.78			
	3.	Empty Container	1281.42			

S.12	<u>Rebate:</u>					
S.12.1	In case any of the basic container handling services covered under the Composite box-rate is not provided by the port, rebate(s) at the following rates shall be allowed on the composite box-rate of Foreign Containers for use of ship's crane for ship to shore transfer, use of party hired trailer for movement between berth and yard, lift-off at yard and use of party hired equipment for lift- on at yard for delivery or vice versa.					
	Type of Service		Rate of rebate in rupees per TEU			
			KDS		HDC	
			Loaded	Empty	Loaded	Empty
	(a)	For ship to shore transfer by ship's crane	680.40	259.55	598.32	302.23

	(b)	For movement between berth and yard by trailer hired by the party.	104.33	74.62	91.72	86.89
	(c)	For lift off / lift on at yard during the process of landing/shipment by equipment hired by the party.	158.76	81.11	139.61	94.45
	(d)	For lift on/ lift off at yard during delivery/receiving by equipment hired by the party.	181.44	97.33	159.55	113.34
Note for sections S.11 & S.12						
(i)	In case of Import container containing cargo consigned to Nepal and Bhutan a 10% rebate shall be allowed on the Composite box-rate for container specified at S.11.1 and S.11.2.					
(ii)	If the shutout export loads container or container received without shipment paper is taken delivery instead of being shipped, rebate as provided under S.12.1 above for the services not rendered shall be allowed subject to a maximum of 60% in total of the Composite box-rates specified above. In addition, for any extra handling services, relevant charges as specified at S. 14.					
(iii)	If the containerised export cargo is destuffed and taken delivery as break-bulk, 50% of Wharfage as specified at S.4 shall be levied. In addition, all other charges shall be levied on such container for the operations actually undertaken for such cargo and container.					
(iv)	For anchorage discharge and subsequent landing of containers at Docks or vice versa, Composite box rate as specified at S.11.1 and S.11.2 shall be levied only once.					
(v)	In case of Coastal Containers, the rates of rebate shall be 60% of the rates specified at S.12.1 for Foreign Containers.					

S.13	<u>Charges for Transshipment container</u>					
S.13.1	In case of Normal Transshipment container, consolidated charge at the following rates shall be levied:					
	Sr. No.	Particulars	KDS		HDC	
			Loaded (Rs. per TEU)	Empty (Rs. per TEU)	Loaded (Rs. per TEU)	Empty (Rs. per TEU)
	1.	Transshipment rates if both legs are foreign	5883.03	2191.86	5144.31	2592.81
	2.	Transshipment rates if both legs are coastal	3592.82	1315.12	3086.59	1555.69
	3.	Transshipment rates if one leg is foreign and one leg is coastal	4706.42	1753.49	4115.45	2074.25
Note:	(i). The above rates include wharfage, ship to shore transfer, transportation from quay to container yard including lift-off at the yard and subsequent transportation from container yard to quay including lift on at yard and shore to ship transfer.					
	(ii). In case any of the services is not rendered by port, 75% of the rate of rebates specified at S.12.1 shall be allowed.					

S.14	<u>Charges for Miscellaneous Services rendered to container/container vessel.</u>	
S.14.1	For the services not covered under S.11, S.12 & S.13 miscellaneous charges on loaded/ empty container shall be levied at the following rates:-	
Sl. No.	Services	Rate in Rs. per TEU
1.	Shifting of containers on board via quay head	680.40
	Note: For use of port equipment additional charge as specified at Sl. No. 5 and 8, as the case may be, shall be levied	

2.	Transportation / shifting of container by port equipment for operation not included in any charge under S. 11 and S.12 –		
	a)	Within same Berth / Yard	291.60
	b)	Between two berths / Yards	388.80
3.	Supply of power to Reefer Container		145.80 per 4 hrs or part thereof
4.	Lift on/ Lift off / Restacking by port equipment not included in the services mentioned at S.11 and S.12 or any other services under S.14		349.92
5.	Use of Port Equipment (other than Mobile Harbour Crane/ Rail Mounted Quay Crane) for ship/ barge to shore discharge or vice versa or for any other on-board operation.		466.56
6.	Stuffing / De-stuffing:		
	(i). Where operation inside & outside container is done by port:-		
	(a) Where CDLB gang is required to be booked.		2916.00
	(b) Where CDLB gang is not required to be booked and operation inside and outside is done by Port labour.		291.60
	(ii). Where operation inside container is done by agencies other than by port: -		
	(a) Operations outside container are carried out by port.		972.00
	(b) Operations outside the container are done by agencies other than Port		121.50
	(iii). Where only operation inside the container is done by port (in part or full)		145.80
7.	For services provided to Container loaded with Hazardous -I cargo including deployment of fireman in addition to other charges.		972.00
8.	Use of Rail Mounted Quay Crane (RMQC)/ Mobile Harbour Crane (MHC) for any other operation other than the services covered under S.11 and S.13.		810.00
9.	Use of Mobile Harbour Crane (MHC) / Rail Mounted Quay Crane (RMQC)/ any other port equipments for opening of Hatch Cover and replacing it.		2160.00

Note for Sections 11, 12, 13 & 14

i)	Charges / Rebates for handling of containers above 20' and upto 40' in length shall be 1.5 times the rates specified at S.11, S.12, S.13 & S.14 . Charges / Rebates for handling of container above 40' shall be 2 times the rates specified at S.11, S.12, S.13 & S.14
ii)	The rates specified under S.11.2 shall also be applied to containers carried by Railway from/to destinations other than ICDs, which are landed/ shipped through KoPT.
iii)	If only one operation is carried out, half of the Hatch cover handling charge rates specified at S.14, Sl. No.9 shall be levied.

S.15 Storage charge on container and containerised cargo.

S.15.1	Storage charge on loaded import container other than those specified at S.15.2, S.15.3, S.15.5, S.15.6 and S.15.8 shall be levied at the following rates: -		
	Period	US \$ per TEU per day or part thereof	Coastal rates in Rs. Per TEU per day or part thereof
	First 3 days after the day of landing	Free	Free
	From the 4 th day to 9 th day	2.25	100.39
	From the 10 th day to 15 th day	4.50	200.79

	From the 16 th day to 20 th day	6.75	301.18
	From the 21 st day to 30 th day	13.50	602.37
	From the 31 st day onwards	27.00	1204.74
S.15.2	Storage charge on loaded import container containing relief commodities, except for Missionaries of Charity, Ramkrishna Mission and Bharat Sevashram Sangha, shall be levied at the following rates: -		
	Period	US \$ per TEU per day or part thereof	Coastal rates in Rs. Per TEU per day or part thereof
	First 3 days after the day of landing	Free	Free
	From the 4 th day to 9 th day	2.25	100.39
	From the 10 th day to 15 th day	4.50	200.79
	From the 16 th day to 20 th day	5.40	240.95
	From the 21 st day to 30 th day	6.75	301.18
	From the 31 st day onwards	9.00	401.58
	Note: Relief commodities for the purpose of S.16.2 shall mean the cargo imported by voluntary /relief organization like CARE, CRS, WFP and others, as may be accepted by Kolkata Port Trust from time to time on the basis of certification by the appropriate Govt. Authority of Central Govt./State Govt. or Govt. of Nepal/Bhutan or their local Consulate General.		
S.15.3	Storage charge on loaded import container, containing relief commodities for Missionaries of Charity, Ramkrishna Mission, Bharat Sevashram Sangha, shall be levied at the following rates: -		
	Period	US \$ per TEU per day or part thereof	Coastal rates in Rs. Per TEU per day or part thereof
	First 30 days after the day of landing	Free	Free
	From the 31 st day onwards	9.00	401.58
S.15.4	Storage charge on loaded export / stock containers, excepting ICD containers (other than that from Cossipore and container loaded with Hazardous –I cargo) shall be levied at the following rates:		
	Period	US \$ per TEU per day or part thereof	Coastal rates in Rs. Per TEU per day or part thereof
	First 10 days after the day of receiving / stuffing	Free	Free
	From the 11 th to 15 th day	2.25	100.39
	From 16 th day onwards	3.15	140.55
S.15.5	Storage charge on loaded import/export ICD container, excepting that for Cossipore and those loaded with Hazardous –I cargo, shall be levied at the following rates:		
	Period	US \$ per TEU per day or part thereof	Coastal rates in Rs. Per TEU per day or part thereof
	First 20 days after the day of landing.	Free	Free
	From the 21 st day to 30 th day	2.25	100.39
	From the 31 st day onwards	4.50	200.79
S.15.6	Storage charge on loaded import/ export/ transshipment container containing Hazardous-I cargo shall be levied at the following rates: -		
	Period	US \$ per TEU per day or part thereof	Coastal rates in Rs. Per TEU per day or part thereof
	First day of actual landing/receiving	Free	Free
	From the 2 nd day to 9 th day	2.8125	125.48
	From the 10 th day to 15 th day	5.625	250.98
	From the 16 th day to 20 th day	8.4375	376.47
	From 21 st day to 30 th day	16.875	752.96
	From the 31 st day onwards	33.75	1505.92

S.15.7	Storage charge on empty containers shall be levied at the following rates: -		
	Period	US \$ per TEU per day or part thereof	Coastal rates in Rs. Per TEU per day or part thereof
	First 3 days after the day of landing/ receiving/ destuffing	Free	Free
	From the 4 th day to 9 th day	2.25	100.39
	From the 10 th day to 15 th day	4.50	200.79
	From the 16 th day to 20 th day	6.75	301.19
	From the 21 st day to 30 th day	9.00	401.58
	From the 31 st day onwards	13.50	602.37
S.15.8	Storage charge on loaded transshipment container, excepting those loaded with Hazardous –I cargo, shall be levied at the following rates.		
	Period	US \$ per TEU per day or part thereof	Coastal rates in Rs. Per TEU per day or part thereof
	First 20 days after the day of landing.	Free	Free
	From the 21 st day to 30 th day	2.25	100.39
	From the 31 st day onwards	4.50	200.79

Note for Section 15:

1.	For the purpose of calculation of free period, Customs notified holidays and the KOPT's non-working days shall be excluded. Sundays shall not be excluded for the purpose of calculation of free time unless Customs notified holidays and the KOPT's non-working days fall on Sundays. After storage charge begins to accrue, no allowance would be allowed for Customs notified holidays or KOPT's non-operational days.
2.	On container above 20' and upto 40' in length, storage charge shall be levied @ 2 times the rates specified at S.16 and on containers above 40' in length, storage charges shall be levied at @ 3 times the rates specified at S.15.
3.	The day of landing of import load and empty container / transshipment container (except container loaded with Hazardous-I cargo) shall be the last landing date of the vessel by which the container is imported under a single call to a specific Dock System. For container with Hazardous-I cargo the date of landing for the purpose of Storage charge shall be the actual date of landing.
4.	Last Landing Date (LLD) is the date on which the vessel completes her import discharge at a specific Dock System. However, KOPT may declare any other date as such LLD for container already discharged from the vessel, when the vessel is not doing cargo operation work in the working berth for more than 24 hours for any fault/ reason not attributable to port. In such cases, a vessel may have more than one LLD.
5.	Free dwell-time (storage) period for import containers shall commence from the day after the day of landing of the containers and for export containers the free period shall commence from the time containers enter the terminal.
6.	In case of export load container, which has been stuffed inside the docks, the date of commencement of stuffing with export cargo shall be reckoned as the first day to ascertain rate as per S.15.4.

7.	In case, loading of import load container for the purpose of delivery cannot be done by KOPT within 24 hours from the time of entry of the truck/trailer, as indicated in the entry gate pass (EGP) at KDS /issuance of Loading Order at HDC or such other documents as may be decided by KOPT from time to time, 75% rebate on the storage charge shall be allowed for the period during which such containers are not loaded beyond the said 24 hours. The aforesaid rebate shall be allowed provided the container is being loaded from the area where only port equipment is used exclusively. Such rebate shall not apply when importer applies for advance loading prior to submission of complete delivery documents.			
8.	The Storage charges on abandoned FCL container/Shipper Owned containers shall be levied upto the date of receipt of intimation of abandonment in writing or 75 days from the date of landing of the container whichever is earlier subject to the following conditions: -			
(a)	(i)	The consignee can issue a letter of abandonment at any time; OR		
	(ii)	If the consignee chooses not to issue such letter of abandonment, the container Agent/MLO can also issue abandonment letter subject to the conditions that,		
		(a)	the Line/MLO shall resume the custody of container along with cargo and either take back it or remove it from the port premises; and	
		(b)	the Line/MLO shall pay all port charges accrued on the cargo and container before resuming custody of the container.	
(b)	The container agent/MLO shall observe the necessary formalities and bear the cost of transportation and de-stuffing. In case of their failure to take such action within the stipulated period, the storage charge on container shall be continued to be levied till such time all necessary actions are taken by the shipping lines/MLO for de-stuffing the cargo or removal of the load container from the port premises.			
(c)	Where the container is seized/confiscated by Customs Authorities and the same cannot be de-stuffed within the prescribed time limit of 75 days, the storage charges will cease to apply from the day the Customs order release of the cargo, subject to the line's observing the necessary formalities & bearing the cost of transportation and destuffing. Otherwise, seized/confiscated containers should be removed by the Line / Consignee from the port premises to the Customs' bonded area and in that case the storage charge shall cease to apply from the day of such removal.			
9.	No free storage period shall be allowed for export load container / stock container / empty container received at docks but subsequently taken back without being shipped. For such containers, the first slab rate applicable for the respective type of the container shall be applicable from the date of receipt of the container itself and the subsequent slab rates would be applicable as specified thereafter, till the date of removal from port premises.			
10.	No free storage period shall be allowed for export load container received at docks if subsequently de-stuffed and the cargo is taken back from port premises. For such containers the highest rate specified at S.15.4 shall apply from the date of receiving till the date of de-stuffing and on cargo the rate specified at S.7.6 shall be applied from the date following the date of de-stuffing till the date of delivery.			
11.	If during the course of stayal of a Container inside Dock Premises any change in status of the Container from Load to Empty or vice versa is effected, the free period for the said Container shall be calculated for each stage separately.			
12	The cargo, on de-stuffing from container, will not enjoy any free period excepting the day of de-stuffing and demurrage shall be levied on the cargo as per the rate provided under S.7.2 and S.7.3, as the case may be, from the day after the date of de-stuffing.			
13.	No storage charge shall accrue for the period during which the KOPT is not in a position to deliver containers for reasons attributable to it when requested by the user.			

PART-III

MISCELLANEOUS CHARGES

S.16	Miscellaneous charges	
S.16.1	Charge at the following rates shall be levied for miscellaneous services: -	
Sl. No.	Description	Rate in Rupees.
1.	Issue of duplicate short landing certificate / Out -Turn Report or any certificate or amendment.	43.20 per certificate/ report/ amendment.
2.	a) Gazette & Advertisement cost of sale.	108.00 per publication.
	b) Cost of sale of berthing list/movement/ gate notice to the trade.	2.16 each. Monthly subscription Rs.43.20 each. Yearly subscription Rs.486/- each.
Sl. No.	Description	Rate in Rupees.
3.	Supply of tally staff for tallying loading / unloading of wagon at siding.	216.00 per axle.
4.	Supply of staff for escorting lorry.	432.00- per shift per head.
5.	Deployment of extra labours (on requisition by port users).	324.00 per shift per labour
6.	Use of Port's Road Weigh bridge	4.32 Per ton subject to a minimum of Rs.21.60 for an empty vehicle and Rs.43.20 for a loaded vehicle.
7.	Gate delivery / receiving charge on cargo on which Wharfage charge is not levied. Note: Gate delivery / receiving charge is leviable when the KoPT provides the service with reference to the cargo handled by it.	24.30 per ton.
8.	Hire of Locomotive	2500.00 per hour or part thereof subject to a minimum of Rs.10000.00.
9.	Stabling charge on non-commissioned wagon or wagon owned by party other than Indian Railway.	12.00 per axle per day. For haulage of such wagon locomotive hire charge shall be levied as specified under Sl. No. 8.
10.	Infringement, Local Haulage, Terminal Charge and Wagon Hire/Demurrage charge.	Rate as notified by the Rly. Board from time to time shall be levied.
11.	Consolidated charge on rail borne cargo on wagons arriving in KDS Rly. System.	
	(a) On wagon not carrying containers, loaded or un-loaded at berths / sheds inside the docks/ jetty.	12.00 per ton on the marked carrying capacity of the wagon
	(b) On wagon not carrying containers, loaded or un-loaded at sidings or places outside the Docks.	35.00 per ton on the marked carrying capacity of the wagon.
	(c) On wagon carrying containers loaded or unloaded at CONCOR CTKR Terminal on Coal Dock Road of KDS.	Rs.525/-per 20' container Rs.787.50 per 40' container

12.	Hiring charge for each of the following port Equipment: -		
	a)	Mobile / wrecking Crane	3240.00 Per shift or part thereof
	b)	Forklift	1080.00 - do -
	c)	Shore Crane	1296.00 - do -
	d)	Tractor	540.00 - do -
	e)	Trailer:	
		Upto 10 MT SWL	540.00 - do -
		Above 10 MT SWL	810.00 - do -
	f)	Pay loader:	
		Upto 1 Cu.m capacity	2700.00 -do-
		Above 1 Cu.m capacity	5400.00 - do -
	g)	Hand Truck	27.00 - do -.
	h)	Air Compressor	1350.00 - do -.
	i)	Bull Dozer 10 MT and above	7560.00 - do -
	j)	Bull Dozer less than 10 MT	3780.00 - do -
	k)	Cantilever Crane	21600.00 - do -
	l)	Floating Crane (above 30 tonne capacity)	32400.00 per equipment per shift or part thereof
	m)	Toplift Truck / Reach Stacker	14040.00 - do -
	n)	Spreader (20 Ft.)	1620.00 per spreader per shift or part thereof
	o)	Use of fire fighting apparatus and equipment excluding use of fire floats.	2160.00 per hour plus consumables at cost.

13.	Use of MHC with grabs and pay loaders on board the vessel, for loading / unloading at Berth no. 2 and 8 of HDC. Notes: (a). The prescribed rate is a base rate for achieving a Minimum Level Productivity (MLP) of 20000 MT per day. (b). If productivity more than the MLP is achieved, then the user will pay an additional 10% of the base rate only on the additional cargo handled over and above the MLP. The additional cargo on which additional levy of 10% will be levied be computed as follows: Total cargo loaded/ unloaded - $(MLP \times Vessel\ Operation\ Time)$ 24 (c). If a productivity less than the MLP is achieved, then the following rates will be levied: <table><tr><th>Ship berth day output actually achieved per vessel basis</th><th>Amount payable as percentage of base rate</th></tr><tr><td>From 18000 tonnes to 19999</td><td>90%</td></tr><tr><td>From 16000 tonnes to 17999</td><td>80%</td></tr><tr><td>From 14000 tonnes to 15999</td><td>60%</td></tr><tr><td>Less than 14000 tonnes</td><td>40%</td></tr></table>		Ship berth day output actually achieved per vessel basis	Amount payable as percentage of base rate	From 18000 tonnes to 19999	90%	From 16000 tonnes to 17999	80%	From 14000 tonnes to 15999	60%	Less than 14000 tonnes	40%	52.00 per MT for foreign cargo 31.20 per MT for coastal cargo
Ship berth day output actually achieved per vessel basis	Amount payable as percentage of base rate												
From 18000 tonnes to 19999	90%												
From 16000 tonnes to 17999	80%												
From 14000 tonnes to 15999	60%												
Less than 14000 tonnes	40%												
14.	Heaping/ high heaping of Dry Bulk Cargo at storage area / Hook Point relating to the cargo handled at Berth no. 2 and 8 of HDC.		10.00 per MT										
15.	a)	Despatch related services for rail borne cargo handled through Berth no. 2 and 8 of HDC, including cleaning, trimming, labelling, lime spraying and weighments.	9.00 per MT										
	b)	Despatch related services for road bound cargo, handled through Berth no. 2 and 8 of HDC including weighments	6.00 per MT										
16.	Cleaning charge for handling of Coking coal, all types Coke, Lime stone, Sulphur, Rock phosphate, Cement and Pulses		1.08 per MT										
Note: i) In case of wagon carrying containers loaded or unloaded at CONCOR CTKR Terminal on Coal Dock Road at KDS, except the Consolidated charges specified at 11(c), no other charges shall be levied for the rail related services provided by KoPT. ii) In case of stabling of wagons of CFS operators on port railway track, no stabling charge shall be levied for the first three days of continuous stabling. iii) The rate specified under sr. no- 14 shall be levied on the total quantity landed/ shipped by a vessel, when such services are provided by KoPT. iv) The rate specified under sr. no-16 shall be levied on the total quantity landed/ shipped by a vessel.													
S.16.2	For haulage of wagon to any Railway weighbridge for weighment/ re-weighment, locomotive hire charge, as specified under SI.No.8 of S.16.1, shall be levied. This is in addition to re-weighment charge as fixed by the Railway Board from time to time.												

S.16.3	In case a wagon after arriving at Kolkata dock Railway system is re-booked without unloading, Consolidated charge, as specified under SI No. 11 of S.16.1, shall be levied only once.
S.16.4	On wagon carrying export cargo unloaded at places other than berth/shed inside the Dock/Jetty and if shipped subsequently through KDS, Consolidated charges as specified at 11(a) shall be levied, provided the exporter/his agent submit documents in support of such shipment which is acceptable to KOPT.
S.16.5	For vessel engaged in Coastal trade between Andaman and KOPT, a rebate of 50% shall be allowed on the Shore crane hire charge specified at S.16.1, SI. 12(c).
S.16.6	Where Surveyor/Valuer is appointed by KOPT for valuation of any cargo for the purpose of sale, the cost of such valuation shall be recovered from the Importer or his Clearing Agent if the cargo is taken delivery by them prior to sale.

S.17	Permit & Licenses:	
S.17.1	Charges shall be levied at the following rates for issue /renewal of permits/license for entering into or operating at Docks, Jetties, Wharves and Ghats, where applicable:	
Sl. No.	Description	Rate in Rupees
1.	Dock Permit per person	5.40 per daily permit (maximum 12 hrs. validity). 145.80 per monthly permit 405.00 per quarterly permit 172.80 per biennial permit
2.	Dock Permit per vehicle/ trailer and circular permit for vehicle carrying ship's gear and stores (inclusive of overnight stayal).	27.00 per daily permit 2160.00 per annual permit
3.	Dock Permit for mobile crane/ Reach Stacker/ Toplifter/Dumper/Payloader (inclusive of overnight stayal)/	108.00 per daily permit 9720.00 per annual permit
5.	Dock Permit for Fork-lift / Container carrying trailer or any other handling equipment (inclusive of overnight stayal)	64.80 per daily permit 5832.00 per annual permit
6.	Dock Permit for cart (inclusive of overnight stayal).	10.80 per daily permit 1188.00 per annual permit
7.	Permit for Hawkers / Vendors.	810.00 per annual permit
8.	Ship personnel permit book (consisting of 50 permits).	540.00 per book
9.	Clearing & Forwarding Agency License	216.00 per licence for 1 month 2332.80 per licence for 1 year 5832.00 per licence for 3 years 7776.00 per licence for 5 Years
10.	Jetty Sircar's / Cooper License (inclusive of Dock entry).	129.60 per licence for 1 month 1166.40 per licence for 1 year 2808.00 per licence for 3 years 3888.00 per licence for 5 years
11.	Ship Repairing/Ship Chandling/Ship Survey/ General on Board services (GOS)/Ship Breaking License.	2376.00 per licence per year.

Sl. No.	Description	Rate in Rupees
12.	Stevedoring License / Handling Agents Licence.	10800.00 per licence for 2 years.
13.	Licence for occupation of Panda seats at KDS.	32.40 per monthly licence.
14.	Licence for occupation of 1 Sq.mtr. of space or for temporary construction at any place in the Inland Vessel Wharves at KDS.	6.48 per day. 291.60 per quarter.
15.	Licence for occupation of 1 Sq.mtrs. of space or for temporary construction at any place in the Inland Vessel Wharves at HDC.	5.40 per day. 162.00 per quarter.
16.	Permit for using Truck Terminal at HDC/ KDS per truck/ lorry/ trailer.	16.20 per daily permit.

S.17.2	In case of damage/loss, charge for issue of duplicate /triplicate permit/ licence shall be levied at 50% of the rate applicable for the original. For permit issued free of cost such charge shall be 25% of the rate provided for similar permit/licence at section 17.1
S.17.3	For any amendment in permit/licence, amendment charge as mentioned at Section 17.1, Sl. No. 1 shall be levied.
S.17.4	In case of licenses issued under Sl. No. 10 & 11 of Section 17.1, the application for renewal shall be submitted at least one month before the date of expiry of the licence. Application received after the period specified above, shall be liable to an additional fee of 25% of the original.

P A R T – IV

CHARGES RELATED TO SHIP BREAKING

S.18	<u>Ship Breaking Charges</u>	
S.18.1	For Ship breaking activities in KOPT, Ship breaking charges @ Rs.138/- per LDT shall be levied.	
Notes:		
1.	LDT for the purpose of levy of charges under any clause of this Part of the Scale of Rates shall means the LDT of the vessel declared at the time of obtaining ship-breaking permission from KOPT.	
2.	The rates includes charges for occupation of ship breaking berth along with adjacent land area (including beaching area) of 3250 Sq.m. for the specified period as mentioned below:	
i)	For Vessel upto 2000 LDT	35 days
ii)	For Vessel of 2001 LDT to 3000 LDT	40 days
iii)	For Vessel of 3001 LDT to 5000 LDT	50 days
iv)	For Vessel of 5001 LDT to 8000 LDT	60 days
v)	For Vessel of 8001 LDT and above	70 days
3.	The number of days mentioned at Note-2 shall commence from the day following the day on which KOPT grants specific permission for ship breaking of the vessel for which application has been made or the day, on which the vessel is placed at the nominated ship breaking berth, whichever is later.	

S.18.2	If any ship-breaking berth is under the occupation of a ship breaker and he brings in any ship before completion of ship breaking of the earlier vessel, then that ship breaker shall have the priority over the others in respect of allocation of that particular berth for the vessel he so brings in. The number days in such cases shall be calculated in the same manner as has been stated in the S.18.1, Note-3.	
S.18.3	The charges for additional land area, other than the quantum of area specified at S.18.1, Note-2 shall be levied extra as per relevant land schedule.	
S.18.4	In cases, no additional land area at Off 29 KPD berth is available; the period specified at S.18.1, Note-2 shall be increased by 10 days.	
S.18.5	Separate charges shall be levied for supply of port equipment, supply of electricity by port, deployment of port fire service and port fire personnel.	
S.18.6	If breaking of a vessel is extended beyond the period specified at S.18.1 or S.18.4, as the case may be, charges at the following rates shall be levied extra for the period of extension.	
		Rate in Rupees per LDT per day
i)	For vessel upto 2000 LDT	12.65
ii)	For vessel of 2001 LDT to 3000 LDT	11.50
iii)	For vessel of 3001 LDT to 5000 LDT	9.20
iv)	For vessel of 5001 LDT to 8000 LDT	8.05
v)	For vessel of 8001 LDT and above	6.90

S.18.7	For completion of ship-breaking before the period specified in S.18.1 and S.18.4 above, a rebate @ 0.5% of the rate specified at S.18.1 above shall be allowed for each day of saving subject to maximum of 10% of the rates.	
S.18.8	Vessel arriving at Kolkata Port for the purpose of dismantling only is exempted from the payment of Port Dues and Towage & Pilotage charge.	
S.18.9	For the period vessel is awaiting breaking, the Berth Hire and Mooring Hire, as the case may be, shall be levied at the following rates:-	
i)	For the first 5 days -	15% of the rates specified at S.21.1 or S.22.1
ii)	For the next 10 days -	10% of the rates specified at S.21.1 or S.22.1
iii)	Thereafter -	5% of the rates specified at S.21.1 or S.22.1

Note:	Vessel awaiting breaking shall mean and include the period a vessel is awaiting breaking after discharge of cargo/dis-embarkation of passenger and in case of a vessel which arrives in ballast for breaking, the period of waiting in the river mooring, dock mooring or in any berth including ship breaking berth till the day on which KOPT grant specific permission for ship breaking of the vessel or the day on which the vessel is placed at the nominated ship breaking berth, whichever is later.	
S.18.10	The Ship Breaking charges calculated on the LDT declared at the time of obtaining permission shall be paid in advance before commencement of the ship breaking. Additional charges, if any shall be paid immediately on raising of the bills.	
S.18.11	Taxes, Duties, etc. as may be levied by the State or Central Govt. or any legal/Statutory Authority from time to time, shall be have to be paid extra.	
S.18.12	Ship Breakers shall be granted a rebate at the following rates on the rate specified at S.18.1 for undertaking ship breaking at KOPT-	
Upto 10000 LDT per annum		Nil
10001 to 25000 LDT per annum		5%
25001 to 40000 LDT per annum		10%
Above 40000 LDT per annum		15%

PART-V

CHARGES FOR DRY DOCKS

S.19	Dry Dock Charges					
S.19.1	Charges for Docking & Undocking					
Size of vessel	1 & 2 N.S. Dry Dock		1 & 2 K. P. Dry Dock		3 K.P. Dry Dock	
	Foreign going vessel	Coastal Vessel	Foreign going vessel	Coastal Vessel	Foreign going vessel	Coastal Vessel
	US Dollar	Rupees	US Dollar	Rupees	US Dollar	Rupees
Upto 1000 GRT	3450	92363.40	3450	92363.40	3450	92363.40
Above 1000 GRT	3450 + 805 for every additional 1000 GRT or part thereof	92363.40+ 17250 for every additional 1000 GRT or part thereof	3450 + 805 for every additional 1000 GRT or part thereof	92363.40+ 17250 for every additional 1000 GRT or part thereof	3450 + 805 for every additional 1000 GRT or part thereof	92363.40 + 17250 for every additional 1000 GRT or part thereof

S.19.2	Dry Dock Hire Charges						
i)	During first 10 days of occupancy of vessel (per day or part thereof): -						
		1 & 2 N.S. Dry Dock		1 & 2 K. P. Dry Dock		3 K.P. Dry Dock	
	Size Of vessel in GRT	Foreign going vessel	Coastal Vessel	Foreign going vessel	Coastal Vessel	Foreign going vessel	Coastal Vessel
		US \$	Rupees	US \$	Rupees	US \$	Rupees
	Upto 1000	1150	25300	1035	24150	1035	23000
	1001 to 2000	1265	27600	1150	26450	1035	24725
	2001 to 3000	1380	29900	1265	28750	1035	25300
	3001 to 4000	1495	34500	1380	32200	1035	25875
	4001 to 5000	1610	39100	1495	35650	1035	26450
	5001 to 10000	1840	43700	1610	40250	1035	27600
	10001 & above	2070	48300	1725	44850	1035	28750
ii)	From 11 th to 30 th day of occupation: 125% of rates as stated in S.19.2 (i) for per day or part thereof.						
iii)	Beyond 30 th days of occupation: 150% of rates as stated in S.19.2 (i) for per day or part thereof.						
iv)	If the vessel has requisitioned for a dry dock but it is not ready to dock at the time specified according to the docking programme, no charges shall be leviable provided an intimation of cancellation/ postponement of dry docking is given (excluding the day of docking) 2 days in advance of the specified time of docking. A cancellation fee of US\$ 25 / Rs.1000.00 will be recovered in such cases in case of Foreign /Coastal respectively. However, if no such intimation is given 5% additional charge shall be recovered calculated on the rates applicable during the first 10 days of occupation for the period the vessel did not actually occupy the dry dock.						
S.19.3	In case of vessel requiring laying of Special Keel Block due to their configuration, extra rental charges at the rates prescribed under S.19.2 (i) above will be recovered for the period required for laying and removal of such special keel blocks. The rental charges for occupation of dry docks as above will be recoverable as per the period groups applicable.						
	Note: For laying of Special Keel Blocks by outside agency, the prescribed rate as specified at S.19.3 will not be applicable since the service is not provided by the Port. However, dry dock charges as specified at S.19.2 will be applicable during the work of laying Special Keel Blocks by outside agency.						
S.19.4	Charges for each operation of re-docking or part of such activity are to be paid as per Docking & Undocking rates prescribed in S.19.1.						

S.19.5	Charges for removal or repositioning of each block:	
	For Foreign going Vessel	US\$ 86.25
	For Coastal Vessel	Rs.2300.00

S.19.6	The period of vessel's occupation of a dry dock counts from the time the Caisson is placed in position after she enters the dry dock, upto the time she vacates the dry dock.			
S.19.7	In case a vessel is detained in No.2 N.S.Dry Dock owing to No.1 N.S.Dry Dock being occupied by another vessel, appropriate mooring hire charges as per S.22.1, Sl.No.1 shall be levied instead of usual dry dock hire charges for the period the vessel is so detained.			
S.19.8	When more than one vessel are using the same dry dock as a common operation facility a rebate of 25% of the rate specified under S.19.2 above shall be allowed for each vessel. This rebate shall also be applicable when a dry dock is shared with a KOPT vessel.			
S.19.9	Services of dry dock crane may be made available for repair and other work at the following rates: -			
	Sl. No.	Crane capacity	Foreign going vessel Rate in US \$ per 8 hours shift or part thereof	Other than Foreign going vessel Rate in Rs. per 8 hours shift or part thereof
	1.	25 Tonne	172.50	3450.00
	2.	7 Tonne	69.00	1846.90
	3.	Upto 6 Tonne	34.50	923.45
	Note: Crane facility is strictly as per availability and shall have no bearing on dry dock occupancy or hire charges.			
S.19.10	Vessel shall pay for the electricity supplied to it by the KOPT at actual.			
S.20	Concession in Vessel related charges under Part VI of Scale of Rates			
S.20.1	Vessel arriving only for Dry Docking shall pay Port Dues, Towage & Pilotage and Berth Hire / Mooring Hire at 25 % of the applicable rates as specified at Part VI of the Scale of Rates. However, for such vessel upto 1000 GRT, no Berth Hire/ Mooring Hire shall be levied for the first 20 days from the date of arrival at the berth, dock buoys, river mooring and river anchorages. Similarly no Pilotage shall be levied if the vessel upto 1000 GRT enters or leaves the port without requiring the services of river pilots in terms of the exemption granted under the provision of Section 31 of the Indian Ports Act, 1908.			
S.20.2	Vessel availing of Dry Dock facilities after cargo discharge/passenger disembarkation shall pay Berth Hire/ Mooring Hire at 25% of the applicable rates as specified at Part VI of the Scale of Rates from the shift following the shift when the vessel is ready for Dry Docking.			
S.20.3	Shifting charge, if applicable for shifting of vessel shall be levied at 25% of the applicable rates as specified at Part VI of the Scale of Rates.			

P A R T – VI

VESSEL RELATED CHARGES FOR VESSEL ENGAGED IN FOREIGN TRADE & VESSEL ENGAGED IN COASTAL TRADE

S.21	<u>Berth Hire</u>		
S.21.1	Berth hire on vessel at Dock berth/River side jetty shall be levied at the following rates:		
	Sl. No.	Description of vessel	Rate per hour per GRT
	1.	Vessel engaged in Foreign trade and except as specified at Sl. No. 4	0.2875 Cents subject to a minimum of \$6.90 per hour
	2.	Vessel engaged in Coastal trade other than those plying between Andaman and KOPT and except as specified at Sl. No. 4	Re.0.0437 subject to a minimum of Rs.103.50 per hour

	3.	Vessel engaged in Coastal trade between Andaman and KOPT	Re.0.031 subject to a minimum of Rs.31.05 per hour
	4.	In case of Exhibition Vessel 50% of the rates specified at Sl. No. 1 & 2 above, as the case may be, shall be levied.	
	Note:		
	i)	If any vessel does not work against its booking for work on Holiday due to reasons not attributable to port, the Berth Hire for the shifts in which it does not work against such booking shall be levied at twice the rates specified at S.21.1.	
	ii)	Whenever, a vessel is double/triple banked with another Sea-going vessel occupying a berth, the vessel so double / triple banked will be charged at the rate of 50% of the Berth Hire charges specified above provided the vessel is in non-working condition.	
	iii)	For fishing trawler occupying barge jetty/anchorage jetty at HDC or any other riverside jetty or landing stage or moorings Rs.14.375 per hour shall be levied.	
	iv)	In case a vessel idles due to non-availability or breakdown of the port equipment or power failure at KOPT or any other reasons attributable to the KOPT, rebate equivalent to berth hire charges accrued during the period of idling of vessel shall be allowed.	

S.21.2	<u>Priority / Ousting priority charges.</u>		
	Charges for according 'Priority/Ousting Priority' berthing for vessels shall be levied at the following rates in addition to berth hire charges as per S.21.1 of the Scale of Rates.		
	Priority Berthing:	A charge equivalent to 75% of berth hire charges calculated for the total period of actual stay at the berth subject to a minimum of one day's berth hire charge.	

	Ousting priority berthing:	A charge equivalent to 100% of berth hire charges calculated for the total period of actual stay at the working berth and shifting charges at the rates under S.24.10 for 'Shifting In' and 'Shifting Out' of the vessels ousted.	
	Note	The above charges (Priority/ Ousting Priority) shall not be leviable for the following categories: -	
	i)	Vessels carrying defense cargo, hired directly by Defense Authority (Defense Authority certifies to that extent).	
	ii)	Defense vessels coming on goodwill visits.	
	iii)	Vessels hired for the purpose of Antarctica expedition by Department of Ocean Development.	
	iv)	Any other vessel for which the Ministry of Shipping has granted special exemption.	
	v)	The fee for according 'Priority/Ousting Priority' is not leviable on the vessels, which carry a specified cargo and are berthed at the berth reserved for handling that type of cargo as per general policy. However, whenever 'Priority'/'Ousting Priority' is accorded to any vessel within the category of specified cargo or otherwise, the port shall collect the fee for according 'Priority'/'Ousting Priority' as the case may be. The fee for according 'Priority/Ousting Priority' is leviable if an exclusive facility has been given on any berth to particular user. The fee shall also be leviable if any other vessel is berthed by according 'Priority/Ousting Priority' at a berth where exclusive facility has been given to a particular user.	
	vi)	The fee for according 'priority'/'ousting priority' is not leviable on the vessels where though the necessary directions have been issued for according 'Priority/Ousting Priority', but on arrival such vessels are berthed in normal course on their turn.	
	vii)	The fee for according 'Priority'/'Ousting Priority' is not leviable on the vessels which are berthed at the berth leased on long term basis with the approval of the Government and are on account of lessee. However, the fee shall be leviable if any vessel on account of any other user is berthed at the leased berth by according 'Priority/Ousting Priority'.	

S.22	Mooring/ Anchorage			
S.22.1	When vessel is moored/ anchored at dock buoy/ river mooring or any other mooring/ anchorage in KDS/ HDC charges at the following rates shall be levied: -			
	Sl. No.	Description of vessel and place of occupancy.	Rate per GRT per hr. or part thereof for vessel engaged in foreign trade (in U.S currency)	Rate per GRT per hr. or part thereof for vessel engaged in coastal trade (in Rupees)
	1.	Vessel moored at any dock buoy.	0.138 cents	Rs.0.023
	2.	Vessel moored at any river mooring/any other mooring	0.069 cents	Rs.0.0115
	3.	Vessel anchored at any river anchorage or any other anchorage.	0.040 cents	Rs.0.00575
S.23	Miscellaneous:			
S.23.1	Charges shall be levied at the following rates for miscellaneous services to vessels.			
	Sl. No	Services	Vessel engaged in foreign Trade (in US Dollars).	Vessel engaged in Coastal Trade (in Rupees).
	1.	Hire of launch for special job on requisition.	115 per hour.	2990.00 per hour.
	2.	Hire of Fire Float	1150 per day	29900.00 per day.
	3.	Hire of Skin Diver/Gas Mask Diver	11.50 per hour	299.00 per hour.
	4.	Hire of Dress Diver	230 per hour	5980 per hour.
	5.	Additional labour deployed for diving related work	3.45 per man hour	86.25 per man hour
	6.	Supply of Fresh water:-		
		a) Through pipeline	6.44 per 1000 litres	172.50 per 1000 litres
		b) Through water barge	8.05 per 1000 litres.	215.05 per 1000 litres.
	7.	Supply of electricity	0.2875 per unit plus installation charge of Rs.34.50	5.75 per unit plus installation charge of Rs.575.00
	8.	Additional charges on vessel carrying passengers.	-----	5750.00 per complete voyage or 2875.00 for each leg.
S.23.2	Charges for cancellation of any requisition under S.23.1 (1 to 5) shall be levied at the rate of 10% of the charge applicable for the particular service.			
S.23.3	Charges for treatment of ballast-water from P.O.L. tanker / other vessels handled at KOPT shall be levied at the following rates:			
		Vessel size	Vessel engaged in Foreign Trade (in US Dollar)	Vessel engaged in Coastal Trade (in Rupees)
		Vessel upto 5000 GRT	552.00 per vessel	14375.00 per vessel
		Vessel above 5000 GRT upto 20000 GRT.	1035.00 per vessel.	27025.00 per vessel
		Vessel above 20000 GRT	5175.00 per vessel	135125.00 per vessel
S.23.4	Charges for cancellation of any requisition under S.23.3 shall be levied at the rate of 20% of the charge applicable for the particular service.			
S.24	Towage & Pilotage of Vessels			
S.24.1	Charges for piloting a vessel from Sand heads to any point in Kolkata Dock System or Haldia Dock Complex either directly or via any other point during inward journey and back to Sandheads either direct or via any other point during outward journey shall be levied at the following rates: -			

	Sl. No	Particulars	For GRT upto 30000	For GRT above 30000 and upto GRT 60000	For GRT above 60000 GRT
	1	Vessel engaged in Foreign Trade	74.003 cents subject to a minimum of 1610 dollars	22200.90 dollars + 59.202 cents per GRT on 30001 to 60000 GRT	39961.50 dollars + 51.801 cents per GRT on GRT above 60000
	2	Vessel engaged in Coastal Trade	Rs.13.662 per GRT subject to a minimum of Rs.29900 /-	Rs.409860.00 + Rs.10.9296 per GRT on 30001 to 60000 GRT	Rs.737748/- + Rs.9.5634 per GRT on GRT above 60000
	3	Coastal vessel plying between Andaman and KOPT only	Rs.13.029 per GRT subject to a minimum of Rs.13156/-	Rs.390733.20 + Rs.10.419 per GRT on 30001 to 60000 GRT	Rs.703251.45 + Rs.9.108 per GRT on GRT above 60000
S.24.2	Vessel availing of pilotage from Sandheads to Virtual Jetty or Saugor/ Diamond Harbour Anchorage or any other river anchorage below Diamond Harbour and back only but not requiring pilotage to any other point in Kolkata Dock System or Haldia Dock Complex shall be allowed a rebate of 25% in rate specified in S.24.1 above.				
S.24.3	Vessel availing of pilotage from Sandheads to Haldia Anchorage and back only but not requiring pilotage to any other point in Kolkata Dock System or Haldia Dock Complex shall be allowed a rebate of 20% in pilotage rate specified in Section 24.1.				
S.24.4	50% of the rates at S.24.1 shall apply to inward or outward journey.				
S.24.5	Vessels which enters or leaves the port without requiring the services of River pilots in terms of dispensation granted by Director, Marine Dept. under the provision of Section 31 of the Indian Ports Act, 1908 shall be allowed a rebate of 30% of the above rates, including the minimum charge, for the inward or outward journey, as the case may be.				
S.24.6	In case of LASH vessels the above rates are inclusive of charge for berthing and fleeting of barges.				
S.24.7	For piloting a fishing trawler/ foreign barge/coastal barge including their towing tug/launch, if any, charges shall be levied @ 50% of the rates specified under S. 24.1 or S.24.4, as the case may be.				
S.24.8	When a vessel calls both at Kolkata Dock System and Haldia Dock Complex in the same voyage, charge for inward journey shall be levied by the dock system where the vessel calls first and charge for outward journey shall be levied by the other dock system.				
S.24.9	For movement of vessels between HDC and Budge Budge/ Saugor/ Diamond Harbour / Roychowk or any point of KDS, which is not forming a part of inward or outward journey as stated in S.24.1, Towage & Pilotage at the rate of 40% of the rates specified under S. 24.1 shall be levied for each movement by the dock system from where journey commences.				
S.24.10	Where any vessel, after visiting either KDS or HDC, is required to go back to Sandheads before proceeding to other dock system for cargo / container work; the towage & pilotage shall be levied at the rate of 1.5 times of the rate specified under S.24.1 for the entire voyage. The aforesaid additional 50% towage & pilotage shall be levied by the dock system where the vessel visits finally via Sandheads.				

24.11	Shifting Charge			
	For shifting of vessel, other than for port convenience, charges shall be levied at the following rates:-			
	Sl. No.	Nature of Shifting	Rate per GRT for each shifting	
			Vessel engaged in Foreign Trade (in US Dollars)	Vessel engaged in Coastal Trade (in Rupees)
	a)	Within KDS or within HDC only	11.5 cents subject to a minimum of 115 US dollar	2.875 subject to a minimum of Rs.2875.00
	b)	Between KDS and HDC	13.8 cents subject to a minimum of 138.00 US dollar	3.45 subject to a minimum of Rs.3450.00
	Note:			
	i) In case of shifting of vessel from KDS to HDC or vice-versa, which forms part of inward / outward journey as stated in S. 24.1, charges shall be levied as specified above and each dock system shall levy 50% of the charge.			
	ii) No charges shall be levied for shifting of vessel due to port convenience.			
	Port Convenience for the above purpose shall mean the following-			
	i)	Shifting(s) of a double-banked ship to facilitate sailing and/or shifting of the ship alongside the berth.		
	ii)	Shifting(s) of ship from one working berth to another location to accommodate ship having ousting priority as the shifting charges are borne by the other ship. The same would also be considered for 'Port Convenience' if the incoming ship is exempted from paying priority charge unless the ship in question was not idling at berth without doing any cargo handling operation.		
	iii)	Shifting of ship from one working berth to other location to accommodate ship having MOU priority, unless the shifted ship also qualifies for priority under the same MOU under which the other ship was accorded priority.		
	iv)	Shifting of a ship coming with MOU priority and allotted a different berth other than the berth covered by MOU, due to occupation of the MOU berth by other vessel (excepting vessel getting priority under the same MOU), from the allotted berth to the MOU berth.		
	v)	Shifting of ship from one working berth to other location to accommodate ship having cargo priority. Cargo Priority means priority for berthing vessels carrying the specified cargo to be handled at the specific berth.		
	vi)	Shifting(s) of a ship to accommodate another vessel having priority at the adjacent berth and unless the vessel shifts, another vessel cannot be berthed at the adjacent berth due to length or other similar technical restriction.		
	vii)	Shifting(s) of a ship from one berth/location to another for undertaking dredging, repair & maintenance of berth or any other similar works of the port.		
	viii)	Shifting(s) of ship from one berth/location to another for rearranging working ships' position to accommodate other ship in between.		
	ix)	Shifting(s) of ship that cannot work due to inclement weather condition for placement of another workable ship in her place at Port's option.		
	x)	Shifting(s) of a ship from berth to waiting location after completion of cargo work if the sailing cannot be done due to non-availability of suitable tide or due to Port's inability to provide Pilot, provided that the agent as per stipulation does the booking of Pilot.		
	xi)	Shifting(s) of a waiting ship (including shiftings of ships called on neaping priority, but excluding vessels on distress as per request of the agent) to a working berth.		

	xii)	Shifting of a container ship at KDS from a MHC berth to a non-MHC berth due to breakdown of MHC.
	xiii)	Shifting of a container ship from non-CPY berth to a CPY berth for taking exports aggregated at CPY, at KDS.
	xiv)	Shifting of a ship from one MHC berth to another MHC berth, due to breakdown of MHC.

S.24.12	If the booking of a pilot is cancelled by the Agent / Ship owner / Charterer less than 24 hours before the appointed time of hauling out from berth/buoy/river mooring/anchorage, a charge of 241.50 US dollars or Rs.6302/- per cancellation shall be levied on vessels engaged in Foreign Trade and Coastal Trade respectively. No cancellation charge for pilot booking shall be levied if sailing is cancelled due to non-availability of pilots/ tugs or for lock gate being out of commission or for any reasons attributable to Port.
S.24.13	For piloting a vessel undergoing trials, a charge of Rs.11500/- shall be levied for trials above and upto Garden Reach and Rs.28750/- per trial below Garden Reach.
S.24.14	For mother vessel doing lighterage operation at Sandheads an all-inclusive charge (including anchorage charge but except Port Dues as per Section 25) of 5.75 Cents per GRT in case of Foreign going vessel or Rs.1.54 per GRT in case of coastal vessel shall be levied. For daughter vessel proceeding to other port with cargo discharged at Sandhead from mother vessel, the aforesaid rate shall also apply.
S.24.15	The rates under S.24.1, S.24.4, S.24.9 & S.24.12 are inclusive of services of tugs/ launches and mooring/ unmooring of vessels and turning if necessary except when services of additional tugs or launches is provided against specific requisition of the Shipowner/ Agent/ Charterer.

S.24.16	For use of the Kolkata Port Trust Tugs/ Despatch vessel/ Survey vessel/ Anti pollution vessel etc., on requisition by the Ship-owner/Agent/ Charterer, charges shall be levied at the following rates:-			
	Sl. No.	Description	Vessel engaged in Foreign Trade rate (in US dollars)	Vessel engaged in Coastal Trade (in Rupees)
	i)	Vessel not exceeding 1,000 IHP.	230 dollars per hour subject to a minimum of 690 dollars per operation.	5980.00 per hour subject to a minimum of 17940.00 per operation.
	ii)	Vessel exceeding 1,000 IHP.	287.50 dollars per hour subject to a minimum of 862.50 dollars per operation.	7475.00 per hour subject to a minimum of 22425.00 per operation.
Note:	The period shall be counted from the time the vessel leaves for the operation till it comes back or deployed for another work, whichever is earlier.			
S.24.17	An additional charge of 25% shall be levied when Kolkata Port Trust tug/vessel is deployed for salvage operation.			
S.24.18	Ship owners/Agent of vessels shall be required to pay the actual Insurance premium plus 20% whenever Kolkata Port Trust tug/vessel is deployed on requisition for towage assistance/salvage operation. In such cases claims for damages shall not be made against the hirer in case of accident.			

S.25	<u>Port Dues</u>	
S.25.1	Port dues shall be levied on Sea going vessels entering the Port of Kolkata at the following rates. The dues are payable on each entry of the same vessel into the port.	
Sl. No.	Description of vessel	Rate per GRT
i)	Vessel engaged in Foreign trade	34.50 Cents
ii)	Vessels engaged in Coastal trade other than those plying between Andaman and KOPT.	Rs.9.2345

iii)	Vessel engaged in Coastal trade between Andaman and KOPT (in Indian Currency)	Rs.5.336
iv)	Vessel entering in ballast and not carrying Passengers.	75% of the respective rates specified at Sl. No. (i), (ii) & (iii) above.
v)	Vessel entering for but not discharging or taking any cargo or Passenger therein (with the exception of such unshipment and /or re-shipment as may be necessary for purposes of repair)	50% of the respective rates specified at Sl. No. (i), (ii) & (iii) above.
vi)	Vessels attending at Sandheads for lighterage operation.	25% of the respective rates specified at Sl. No. (i), (ii) & (iii) above.

Note:-

i)	For 'Oil tankers' with segregated ballast, the reduced gross tonnage that is indicated in the "Remarks" column of its international Tonnage Certificate will be taken to be its gross tonnage for the purpose of levy of Port dues.
ii)	LASH Vessel making a "Second Call" to pick up empty LASH barges shall not be charged any Port dues.
iii)	In case of vessel visiting both KDS and HDC 50% of the applicable port dues shall be payable both at KDS and HDC.

P A R T – VII

VESSEL RELATED CHARGES FOR INLAND VESSEL AND NON- PROPELLED VESSEL

S.26	The rates under this chapter shall apply to –		
	i)	All Inland Vessels and Non- propelled vessels (excluding vessel classified as foreign OR coastal).	
	ii)	All barges / boats / flats / motor launches working at Virtual Jetty / Saugor (excluding vessel classified as foreign OR coastal).	
S.27	Stayal Charge on vessels		
S.27.1	Stayal charge shall be levied on vessels at the following rates for occupying berth/ jetty/dock buoy/or any other point at Kidderpore Dock-I, Kidderpore Dock-II, Netaji Subhas Dock, Budge Budge Oil jetty, Haldia Oil Jetty, Haldia Docks-		
	Sl. No.		Rate in Rupees
	1.	On vessel of less than 200 tonnes -	
		i) Upto 10 days from the date of entry	28.75 per vessel per day or part thereof
		ii) 11 th to 20 th day	57.50 per vessel per day or part thereof
		iii) 21 st day onwards	172.50 per vessel per day or part thereof
	2.	On vessel of 200 tonnes and above	0.69 per tonne per day or part thereof
S.28.2	Stayal charge shall be levied at the following rates on vessels for occupying declared riverside IVW of KOPT-		
	Sl. No.	Description	Rate in Rupees.
	1.	On Non-propelled vessel	
		i) Upto 4 tonne capacity	17.25 per vessel per day or part thereof
		ii) Above 4 tonne capacity	46.00 per vessel per day or part thereof
	2.	On propelled vessel	80.50 per vessel per day or part thereof
S.28.3	Stayal charge shall be levied on vessels other than Tourist/ Ferry launch @ Rs.28.75 per day for occupying any other riverside jetty/river mooring/riverside landing stage belonging to KOPT.		

S.28.4	Tourist/ Ferry launch using riverside jetty belonging to KOPT shall be charged Rs.172.50 per visit per day.		
S.29	Dock Toll		
S.29.1	Dock Toll charge shall be levied at the following rates on the vessels for entry inside the impounded docks.		
	Sl. No	Capacity	Rates in Rupees
	1.	Upto 15 tonnes	230.00 per vessel per entry
	2.	Above 15 tonnes	10.35 per tonne, subject to a minimum of 230.00 per vessel and maximum of Rs.4600.00.

S.30	Miscellaneous Charges on Non-propelled Vessel		
S.30.1	Registration fees shall be levied @ Rs.97.75 per tonne, subject to a minimum of Rs.575/- and maximum of Rs.11500/- per craft.		
S.30.2	Annual licence fee shall be levied @ Rs.17.25 per tonne, subject to a minimum of Rs.345/- and maximum of Rs.11500/- per craft.		
S.30.3	Charges for extension of annual license shall be levied @ 25% of the annual licence fees per month.		

S.30.4	Other charges on non-propelled vessel shall be levied at the following rates: -		
	Sl. No.	Services	Rate in Rupees.
	1.	Majhi licence/ licence plate for passenger craft/ duplicate licence.	115.00 per issue
	2.	Endorsement of change of ownership on certificate of Registry & Licence.	575.00 per issue
	3.	Issue of duplicate certificate of Registry	345.00 per issue
	4.	Fees for Surveying at owner's workshop: -	
		a) Within port limit	Rs.17.25 per tonne subject to a minimum of Rs.575/- & maximum of Rs.1150/- per visit
		b) Outside port limit	Rs.34.50 per tonne subject to a minimum of Rs.2300/- and maximum of Rs.5750/- per visit
	Sl. No.	Services	Rate in Rupees.
	5.	Fees for Special inspection and issuance of certificate	
		i) Inspection if carried out within Port limit	
		a) For plying upto Haldia	1150.00
		b) For carrying explosives	1150.00
		Inspection if carried out outside Port limit	
		a) For plying upto Haldia	5750.00
		b) For carrying explosives	5750.00
	6.	Fees for scrutiny and approval of drawing and plans for new construction.	2300.00 per craft
	7.	Fee for Inspection during construction/ reconstruction by the process of cannibalisation or for providing technical advice.	
		Within Port limit	
		a) Wooden/non-metallic boat	575.00
		b) Steel / metallic boat	1150.00

		Outside Port limit	
	a)	Wooden/non-metallic boat	2300.00
	b)	Steel / metallic boat	5750.00
	8.	Supply of Manjhi Book	28.75 per copy
	9.	Supply of instruction book for guidance and rules of construction/re-construction and survey.	230.00 per copy
	10.	Charges for Re-registration	
	a)	Wooden/non-metallic boat	345.00 per craft
	b)	Steel / metallic boat	1150.00 per craft
Note:	If the Special Inspection Survey and the Annual licensing survey are carried out on the same date, Survey fees for annual licensing survey will not be applicable.		

S.30.5	Penalty for non-renewal of licence as per Rule 83 (2) of Kolkata Port Rules, 1994 shall be levied at double the rate of annual licence fee (for the expired period) from the date of expiry of the licence, subject to minimum of 1 month charge.
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S.31	Towage & Pilotage for inland vessels and non-propelled crafts
S.31.1	If a vessel requires services of port for towage & pilotage, 50% of the rates specified at S.24.1 for coastal vessel (other than for Andaman) shall be levied. Similarly for shifting also, where port provides services, 50% of the rates specified at S.25.11 for coastal vessel shall be levied.
S.31.2	If a vessel does not require the services of port as mentioned at S.31.1, Dock Toll charge as specified at section S.29.1 shall be levied.
S.31.3	If any vessel covered under this Part of the Scale of Rates avails any of the services for which no rate has been specified in this Part, the rate applicable for coastal vessel shall apply.

Note for Part-VII of Scale of Rates	
Tonne in respect of vessel under this Part of Scale of Rates shall mean Registered Tonne or Gross Registered Tonne of the vessel unless otherwise specified. In cases, where Registered Tonne or Gross Registered Tonne is not available and only measurement in Cubic Metre is available, for the purpose of realization of charges conversion factor shall be 1 Cu. Mt. = 0.36 Register Tonne.	

P A R T – V I I I

SLIPWAY HIRE CHARGES

S.32	Slipway hire charges			
S.32.1	Charges for hire of slipways with back up adjacent land at North Workshop Complex shall be levied at the following rates: -			
	Period	Rate in Rupees per day		
		Slipway No. 1	Slipway No. 2	Slipway No. 3
	i) 1 st to 10 th day	1944.00	1134.00	1269.00
	ii) 11 th day onwards	1836.00	1080.00	1215.00

S.32.2	Charges for hire of slipways without back up adjacent land at North Workshop Complex shall be levied at the following rates: -			
	Period	Rate in Rupees per day		
		Slipway No. 1	Slipway No. 2	Slipway No. 3
	1 st to 10 th day	1539.00	756.00	810.00
	11 th day onwards	1458.00	729.00	756.00

Note for S.32.1 & S.32.2:

All other charges including electricity and water shall be realised as per Scale of Rates.

PART – IX

SPECIAL RATE

1. To meet the pension liability in respect of employees of KOPT who have retired prior to 1 April 2004, a special rate as a percentage of various charges notified in the Scale of rates under Part – I to Part – VIII shall be levied for a period of 2 years and 3 months commencing from 1 January 2011 to 31 March 2013.
2. The special rate to be levied during the period from 1 January 2011 to 31 March 2013 shall be 4% of the respective charges payable by the port users.
3. The KOPT shall apply the revenue generated through this special rate only for the specified purpose. For this purpose, the KOPT shall maintain a separate account covering the receipts and payments in this regard.
