## JAWAHARLAL NEHRU PORT TRUST

## **Scale of Rates**

## **Gazette No.257 Dated 28.06.2017**

#### UPFRONT TARIFF FOR STEVEDORING AND SHOREHANDLING SERVICES

#### 1. Definition:

- (i). "Coastal vessel" shall mean any vessel exclusively employed in trading between any port or place in India to any other port or place in India having a valid coastal licence issued by the Directorate General of Shipping/ Competent Authority.
- (ii). "Foreign-going vessel" shall mean any vessel other than coastal vessel.
- (iii). 'Stevedoring' includes loading and unloading and stowage of cargo in any form on board the vessels in Port.
- (iv). 'Shore handling' includes arranging and receiving the cargo to/from the hook point, inter modal transport from wharf to stack yard and vice-versa and also receiving and delivering of cargo from/to wagons /trucks.
- (v). 'Stevedore' is an authorized agent for loading and unloading and anchorage of cargo in any form on board the vessels in ports and to whom the licence has been given under regulations.
- (vi). 'Shore handling agent' is an authorized agent for arranging the receiving the cargo to/ from the hook point, intermodal transport from wharf to stock yard and vice-versa and also receiving and delivering of cargo from/ to wagons/ trucks.

# 2. Upfront Tariff rates for Providing On board Stevedoring and Shore Handling Services for handling of Break Bulk cargos by the Licensed Stevedoring and Shore Handling agencies:

Sr. No	Commodity Group	Basis of Charge	Per Shift Productivity (Tonnes)	Stevedoring Charges in ₹	Shore Handling Charges in ₹
1	Bagged cargo	Per Ton	400	103	207
2	Jumbo bags	Per Ton	500	64	346
3	Iron & steel-coils and slabs	Per Ton	1333	48	169
4	Iron & steel – pipes, tubes, plates	Per Ton	400	159	409
5	Project cargo, Machinery and machinery products	Per unit	70	295	1195
6	Motor vehicles other than through RORO	Per unit	30	689	84

#### Notes:

- (i). Stevedoring & Shore Handling Agencies who have been issued license by JNPT can only undertake to perform these activities at JNPT.
- (ii). The licensed Stevedoring & Shore Handling Agency has to make all necessary arrangements (such as manpower, bringing equipment's, gears, shackles, hooks, slings ,heavy lifting beams, chain slings ,etc.) for carrying out safe and efficient Stevedoring & Shore Handling operations.
- (iii). Lashing and Unlashing of cargo on board the vessel shall be the responsibility of vessel agent. The above rates do not include lashing and unlashing charges.

- (iv). Shore handling charges are applicable only for the cargo which is off loaded and stored in JNPT premises before loading /delivery of cargo. These are not applicable to cargo directly loaded from/discharged on consignee /shipper truck.
- (v). The receipt/ delivery of cargo in/ from JNPT is considered the responsibility of shipper/ consignee or their representative.
- (vi). The List of Commodities included under each group is attached herewith. Any other Break Bulk cargo/commodity, which is not included in this list, that cargo / commodity will be categorised in any of the above group based on the nature, physical characteristics and the method of handling of the cargo.
- (vii). The above Tariff caps will be indexed to inflation only to an extent of 60% of the variation in the Wholesale Price Index (WPI) occurring between 1<sup>st</sup> January and 31<sup>st</sup> December of the relevant Year. Such Automatic adjustment of tariff cap will come in to effect from 1<sup>st</sup> April of the relevant year till 31<sup>st</sup> March of the following year. However, the agency would be entitled to 100% WPI indexation instead of 60% WPI indexation, from the second year of operation, on achievement of performance standards prescribed by JNPT. The list of Performance Standards prescribed by JNPT is attached herewith. An illustration showing determination of indexed up front tariff and performance linked tariff is for a commodity is given under;

Assumed Upfront Tariff (2016-17)

₹ 100/ tonne

Indexed Tariff (assumed inflation of WPI @ 10% per annum)

Year	Indexed Upfront Tariff ( 60% of WPI)	Performance linked Tariff at 100% of the WPI indexation on the achievement of Performance Standards
2016-17	106.00	110.00
2017-18	112.36	121.00
2018-19	119.10	133.10

For this purpose, the Operator shall approach the JNPT within 30 days of completion of financial year of operation along with details of cargo wise average Performance standard achieved for each cargo for both stevedoring and shore handling operations.

The JNPT shall ascertain the achievement of performance standards claimed to have been achieved by the operator by engaging Consultant if required in one month's time.

The operator can apply 100% indexation instead of 60% on written confirmation by the JNPT to the operator that it has achieved the Performance Standards notified along with the upfront tariff.

In the event the JNPT confirms that the operator has not achieved the Performance Standards as notified by TAMP in previous 12 months, the operator will not be entitled for 100% WPI indexation. The operator will continue to levy the tariff with 60% indexation as prescribed at clause 2.10. of the normative tariff guidelines, 2016.

- (viii). The status of the vessel, as borne out by its certification by the Customs or the Director General of Shipping, shall be the deciding factor for classifying into 'coastal' or 'foreign-going' category for the purpose of levying vessel related charges; and, the nature of cargo or its origin will not be of any relevance for this purpose.
- (ix). System of classification of vessel for levy of Vessel Related Charges (VRC)
  - (a). A foreign going vessel of Indian flag having a General Trading Licence can convert to coastal run on the basis of a Customs Conversion Order. Such vessel that converts into coastal run based on the Customs Conversion Order at her first port of call in Indian Port, no further custom conversion is required, so long as it moves on the Indian Coast.

- (b). A Foreign going vessel of foreign flag can convert to coastal run on the basis of a Licence for Specified Period or voyage issued by the Director General of Shipping and a custom conversion order.
- (iii). Criteria for levy of Vessel Related Charges (VRC) at Concessional Coastal rate and foreign rate
  - (a). In cases of such conversion, coastal rates shall be chargeable by the load port from the time the vessel starts loading coastal goods.
  - (b). In cases of such conversion coastal rates shall be chargeable till the vessel completes discharging operations at the last call of Indian Port; immediately thereafter, foreign going rates shall be chargeable by the discharge ports.
  - (c). For dedicated Indian coastal vessels having a Coastal licence from the Director General of Shipping, no other document will be required to be entitled to coastal rates.
- (iv). Criteria for levy of Cargo Related Charges (CRC) at Concessional Coastal rate
  - (a). Foreign going Indian Vessel having General Trading License issued for 'worldwide and coastal' operation should be accorded applicable coastal rates with respect to Handling Charges (HC) i.e. ship to shore transfer and transfer from/ to quay to/ from storage yard including wharfage in the following scenario:
    - (i). Converted to coastal run and carrying coastal cargo from any Indian Port and destined for any other Indian Port.
    - (ii). Not converted\* to coastal run but carrying coastal cargo from any Indian Port and destined for any other Indian Port.
      - \* The Central Board of Excise and Customs Circular no.15/2002-Cus. dated 25 February 2002 allows carriage of coastal cargo from one Indian port to another port in India, in Indian flag foreign going vessels without any custom conversion.
  - (b). In case of a Foreign flag vessel converted to coastal run on the basis of a Licence for Specified Period or voyage issued by the Director General of Shipping, and a Custom Conversion Order, the coastal cargo/ container loaded from any Indian Port and destined for any other Indian Port should be levied at the rate applicable for coastal cargo/ container.
- (v). All the charges shall be denominated in Indian Rupees.
- (vi). This tariff is not applicable for BOT/ BOOT operators or any other arrangement for private sector participation who are governed by the Tariff Guidelines of 2005, 2008 and 2013.
- (vii). This tariff is applicable uniformly to the entire port where the stevedoring and shore handling operations are carried out by private agencies or firms.
- (viii). (a). The tariff notified is ceiling level.
  - (b). The rates prescribed in the Scale of Rates are ceiling levels; likewise, rebates and discounts are floor levels. The authorized agent may, if he so desires, charge lower rates and/or allow higher rebates and discounts.
  - (c). The authorized agent may also, if he so desire rationalise the prescribed conditionalities governing the application of rates prescribed in the Scale of Rates if such rationalisation gives relief to the users in rate per unit and the unit rates prescribed in the Scale of Rates do not exceed the ceiling level.
  - (d). The authorized agent should, however, notify the public such lower rates and/ or rationalisation of the conditionalities governing the application of such rates and continue to notify the public any further changes in such lower rates and/or in the conditionalities governing the application of such rates provided the new rates fixed shall not exceed the rates notified by the TAMP.
- (ix). The authorized agent shall charge only for services provided by him. No notional booking of labour and other similar notional charges would be permitted.

- (x). If any new cargo is to be handled which is not notified/ not included in the list, then the port may categorise that cargo under any one of the cargo categories based on the nature, physical characteristics and the method of handling that cargo.
- (xi). Services for other miscellaneous activities and also the handling charges for specific cargoes when Port takes custody of cargo as per Section 42 of MPT Act shall continue to be levied by Port as per TAMP notified SOR.
- (xii). All the operators shall furnish to the Major Port Trust and TAMP annual reports on cargo traffic, ship berth day output, per shift output within a month following the end of financial year in respect of stevedoring/ shore handling operations licensed by the port. Any other information which may be required by TAMP shall also be furnished to them from time to time.
- (xii). TAMP shall publish on its website all such information received from operators and Major Port Trusts. However, TAMP shall consider a request from any operator or Major Port Trust about not publishing certain data/ information furnished which may be commercially sensitive. Such requests should be accompanied by detailed justification regarding the commercial sensitiveness of the data/ information in question and the likely adverse impact on their revenue/ operation of upon publication. TAMP's decision in this regard would be final.
- (xiii). The performance norms prescribed for various commodities shall be the minimum that should be achieved by the operator. These performance norms shall be incorporated in the bid documents.
- (xiv). The performance actually achieved by the operator shall be monitored by both the Port and the TAMP on a quarterly basis. In the event of any shortfall in achieving the performance prescribed, the Port will initiate action on the operator as per the terms contained in the agreement entered into with the operator by the Port.
- (xv). In the event any user has any grievance regarding non-achievement by the operator of the Performance Standards as notified by the TAMP, he may prefer a representation to TAMP which, thereafter, shall conduct an inquiry into the representation and give its finding to the concerned Major Port Trust. The Major Port Trust will be bound to take necessary action on the findings as per the provisions of the contract conditions of the Agreement.
- (xvi). In calculating the gross weight or measurement by volume or capacity of any individual item, fractions upto 0.50 shall be taken as 0.50 unit and fractions of 0.50 and above shall be treated as one unit, except where otherwise specified.
- (xvii). Users will not be required to pay charges for delays beyond reasonable level attributable to the operator.
- (xviii). As per coastal policy direction issued by the MOS and notified by this Authority vide Order No.TAMP/4/2004-Genl. dated 7 January 2005 and 15 March 2005 -
  - (a). The cargo/container related charges for all coastal cargo/containers, other than thermal coal, POL (including crude oil), iron ore and iron ore pellets, should not exceed 60% of the corresponding charges for normal cargo/container related charges.
  - (b). 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.
  - (c). In case of container related charges, the concession is applicable on composite box rate. Where itemised 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.

(As and when there is a change in the policy direction issued by the MOS on the coastal concession policy, the same will be communicated to the port.)

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### BREAK BULK CARGO - LIST OF COMMODITIES INCLUDED UNDER EACH GROUP

SI. No.	Commodity Group	Details of cargo
1	Bagged cargo	All cargo in bags of various weights (25, 50, 60 kg, etc.) that are manually handled such as: Cashew Nuts, Cashew Kernels, Tamarind Seed, Cement, Rice, Wheat and other food grains, Salt, Sugar, Candy or cube, Soda Ash, etc.
2	Jumbo Bags	All cargo in bags of various weights (0.5, 1.0, 1.5 MT) that are handled only by hooking the bags to slings; and include cargo in boxes, cartons, barrels, drums or rolls such as: Wood Pulp in boxes, Processed wood such as Boards, Poles, Plywood, News Print, Oil-Animal or Vegetables in barrels, Rubber-Raw, Rubber-Manufactured, Synthetic Resin, Paper, paper products and newsprint, Asphalt and Bitumen in barrels, etc.
3	Iron and steel- coils	All Iron and steel coils of varying weights and dimensions: Include all Metal Products and Asbestos of similar nature.
4	Iron and steel- pipes, tubes, plates and slabs	All Iron and steel pipes, tubes, plates and slabs of varying weights and dimensions:Include all Metal Products and Asbestos of similar nature such as:Iron and Steel Materials, Aluminum Products, Alumina Billets, Steel Pipe, Aluminum Ingots, Asbestos, etc.
5	Project Cargo, Machinery and machinery parts	Cargo for specific projects, often with OOG specifications and handled through specialized means such as:Project material, Project equipment, Railway coaches and wagons, All types of project cargo including over dimensional consignment, etc.  All types of Machinery and machinery products that are of varying weights and dimensions such as:Machinery and Spares, Machinery parts, Military Goods, Arms, Ammunition, Explosives and Defense Stores, Tank and Tank parts, Arms, Ammunitions, Explosives, Defense Stores and Defense equipment / machinery.
6	Motor vehicles other than thru RORO	All motor vehicles handled using Shackles, Hooks, Chain Slings and Heavy Lifting Beams such as:Any rubber tyred vehicle; Cargo moving equipment; Earth-moving equipment, Powered two wheeled vehicles, Auto Rickshaws and other three wheeled vehicles including their chassis on wheels, Motor cars, Jeeps, Vans and Tourist Caravans, Motor vehicles like buses, dumpers, lorries, tractors, trucks, & trawlers, Locomotives, Vehicles not specified above and parts and accessories of conveyances, tubes and all earth moving equipment like Excavators, Pay loaders Bulldozers, Dozers, Poclaimers, FLTs, TLTs, Reach Stackers, etc.

## Performance Standards for Break Bulk Cargo

Sr.	Commodity Group	Per Shift Productivity
No.		(Tonnes)
1.	Bagged Cargo	400
2.	Jumbo Bags	500
3.	Iron & Steel- Coils & Slab	1333
4.	Iron & Steel- Pipes, tubes, plates	400
5.	Project Cargo, Machinery and	70
	Machinery Products (units)	
6.	Motor Vehicles other than through	30
	RORO (units)	