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TARIFF AUTHORITY FOR MAJOR PORTS

G. No. 24

New Delhi, 29January, 2004

NOTIFICATION

In exercise of the powers conferred by Sections 48, 49 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby approves the proposal of the Mumbai Port Trust for revision of vessel related charges and revision of charges for supply of chipping and painting labour as in the order appended hereto.

(A.L. Bongirwar)
Chairman

Tariff Authority for Major Ports
Case No. TAMP/96/2002-MBPT

The Mumbai Port Trust (MBPT)

Applicant

ORDER

(Passed on this 9th day of January 2004)

This case relates to a proposal received from the Mumbai Port Trust (MBPT) for revision of vessel related charges and revision of charges for supply of chipping and painting labour.

2.1. The MBPT has made the following submissions in its proposal:

(i). TAMP advised MBPT in November 2001 to carry out a comprehensive review of all its Scale of Rates.

(ii). (a). The following rates have been revised in the recent past.

- (aa). Demurrage and other charges in the Docks
- (ab). Charges at Bunders
- (ac). Charges at Marine Oil Terminal and Pir Pau and
- (ad). Wharfage charges.

(b). Hence, there is no need to review these rates at present as according to TAMP's Order the revision has to be done once in two years.

(iii). The following services are at present in deficit and need to be revised upwards:

- (a). Crane vessel (floating crane)
- (b). Charges on containers
- (c). Container handling equipment.
- (d). Berthing and mooring at docks.
- (e). Composite towage and pilotage charges and
- (f). Port conservancy.

(iv). However, revision of rates for crane vessel, charges on containers and container handling equipment has not been proposed for the following reasons:

Crane Vessel

The floating crane will fully depreciate by 2005-06. The quantum of upward revision to neutralise the deficit in the service will be substantial to discourage its use. The MBPT will assess whether its service needs to be provided in the pattern of cargo traffic handled by port at present. Till such time no revision of charge is proposed.

Containers and Container handling equipments

Introduction of Box rate for containers is being examined and as such the revision of charges for containers and container handling equipments has not been proposed at present.

(v). The MBPT has proposed revision of rates in respect of the following services:

- (a). Berthing and mooring at docks.
- (b). Composite towage and pilotage charges and
- (c). Port conservancy.

- (vi). The MBPT has also proposed revision of rates for supply of chipping and painting labour.

2.2. The MBPT has advanced the following arguments in support of its proposal for upward revision of rates:

A. Berthing and Mooring services

- (i). The deficit in the berthing and mooring services at docks was 169% for 2000-01. This calls for revision of charges upward by 169%. Considering the declining traffic at MBPT and as the charges at JNPT have remained unchanged it may not be advisable to revise the berth hire charges at this juncture.
- (ii). Presently, berth hire charge is common for all berths. TAMP had directed to prescribe berth hire charges for different berths depending on the different type of facilities provided / services rendered at each berth. If different rates are prescribed for different berths, berths having higher rates would remain under utilised and can lead to bunching of vessels. However, as the facilities provided at all the three docks are not identical, berth hire charge is proposed dock-wise with one rate for berths in Indira Dock and another rate for the Prince's and Victoria Docks (P & V Docks). In fact, dock-wise berth hire was in vogue till 31 October 1997.
- (iii). In the case of offshore supply vessels and vessels which are not engaged in conveyance of cargo of the port, the services need not be rendered in deficit and concessions need not be granted as it will not be playing any role in increasing the cargo traffic. In respect of these vessels the existing charges are proposed to be revised upwards by 139% without considering the escalation factor.

B. Pilotage and Towage

- (i). The pilotage and towage service is in deficit by 119% even after exclusion of the proportionate amount of special Voluntary Retirement Scheme. Considering the declining traffic the rates for these services are proposed to be revised upwards by 25% in respect of vessels visiting docks and by 10% in respect of vessels visiting by the Marine Oil Terminal (MOT) and Pir Pau berths.
- (ii). Since 1999 some services such as Bollard Pull Test and Garbage Reception Facility have been rendered by port for which charges have been fixed with the sanction of the Chairman but have not been incorporated in the Scale of Rates. It is now proposed to incorporate charges for such services in the Scale of Rates.
- (iii). The table of mooring fees from the Scale of Rates is proposed to be deleted as the facility of mooring at anchorage has not been utilised by any of the vessels calling at MBPT for the last six years.

C. Port Dues

- (i). The port dues have not been revised ever since it has been prescribed in US dollars except that the basis of charge was converted from NRT to GRT in the year 1994. The proposal for revision of port dues was rejected by the TAMP in November 2001 saying that the expenditure incurred on maintenance dredging will need to be considered as a deferred revenue expenditure and written off over the number of years for which benefit lingers on. Thus the analysis has been reworked spreading the expenditure on dredging of the main channel for the next three years. Further, with a view to bringing down the overall deficit in

other services rendered by the MBPT by cross-subsidisation, it is proposed to revise port dues by 15%.

D. Rates for coastal vessels

The rates for coastal vessels have to be fixed at 70% of those of foreign-going vessels. There is no Government decision for fixation of rates of coastal vessels at 70% of those for foreign-going. There is only recommendation of a committee appointed by the Government in 1985 for fixation of rates for coastal vessels at $66\frac{2}{3}$ to 75% of those for foreign-going vessels. In case the rates for coastal vessels are fixed at 70% of those of foreign-going vessels, the increase in the rates of coastal vessels will be more than 300%. In fact, the Government's thrust has been for promoting coastal shipping. The coastal traffic would not be able to bear the proposed increase of over 300%. The P & V Docks are ideal for coastal shipping and there are facilities in P & V Docks which are under utilised. Therefore, the increase in rates of port dues, pilotage, tug assistance, towage, mooring and other services rendered under port of Mumbai pilotage, tug assistance, towage, mooring and other services fees order, 2002 for coastal vessels is proposed to be limited to 100%.

E. Rate for supply of chipping and painting labour

At present a rate of Rs.525/- per labour / per shift is levied for supply of chipping and painting labour. As per accounts of 2000-01 the cost per man-shift is approximately Rs.1270/-. When the rate of Rs.525/- was fixed the chipping and painting employers Associations had filed a writ petition against the revision. Courts judgement on the writ petition is awaited. Considering that the MBPT is incurring heavy losses in maintaining this work force, it is proposed to revise these charges to Rs.630/- per labour per shift and to recover the overtime wages on actuals in addition to normal charges whenever any labour is required to work beyond normal working hours.

3.1. In accordance with the consultative procedure prescribed, the MBPT proposal was forwarded to concerned user organisations for their comments.

3.2. A copy each of the comments received from the users was forwarded to the MBPT for comments/information. In response, the MBPT has furnished its observations.

4.1 Based on a preliminary scrutiny of the proposal, the MBPT was requested to furnish additional information / clarification on various points vide our letter dated 20 June 2003. The MBPT furnished information vide its letter dated 13 August 2003. The MBPT was again requested to furnish additional information / clarification vide our letter dated 26 September 2003 on certain points which arose from the information furnished by the MBPT. The MBPT was also requested to furnish certain information / clarification as decided at the joint hearing vide our letter dated 30 June 2003.

4.2. The MBPT has furnished the following additional information / clarification to the queries raised by us:

I. MBPT letter dated 13 August 2003

A. Financial / Cost Statements

(i). The following cost statements are furnished in the prescribed proforma:

(a). The cost statements for the estate and railway activity for the years 2000-01, 2001-02 and 2002-03 are given in the prescribed formats.

- (b). Projections for 2004-05 based on traffic projections, inflation and other factors are given in the prescribed formats enclosed.
 - (c). Amended cost statement taking into account actuals for the year 2002-03 is given in the prescribed format enclosed.
 - (d). The income estimates in BE 2003-04 include additional income from the proposed revision. The income for the year 2003-04 at the existing tariff is indicated in the prescribed format enclosed.
- (ii). The number of vessels indicated in the cost statements is arrived considering past trend in vessel traffic and likely increase due to taking over of stevedoring service. The cargo traffic projected for the five year plan is as under:

<u>Year</u>	<u>Traffic in million tones</u>
2003-04	28.00
2004-05	29.50
2005-06	30.44

- (iii). Number of ships shown for port dues and towage and pilotage are the total number of ships called at the port which have paid port dues and towage and pilotage charges. However, number of ships shown for berth hire charges are the ships berthed at the Indira and Princes & Victoria Docks only. It does not include number of ships berthed at Jawahar Dweep, Pir Pau or vessels engaged in stream operations. Number of ships reckoned for port dues and pilotage are, therefore, more than the number of ships reckoned for berth hire charges.
- (iv). If the rates for rendering services to coastal vessels are prescribed at 70% of the rates prescribed for foreign-going vessels the estimated additional income will be Rs.12.98 crores.
- (v).
 - (a). The net block has been apportioned to various activities and sub-activities on the basis of the activities / sub-activities for which they pertain to. Working capital has been apportioned on actual basis wherever possible. In some cases the current assets and the current liability are apportioned on the basis of income / expenditure of services as the case may be.
 - (b). There are no assets pertaining to the services covered under the comprehensive revision likely to be completed and commissioned during the years 2003-04 and 2004-05.
 - (c). It is confirmed that the assets which are decommissioned / disposed are excluded from the capital employed figure while computing the ROCE.
- (vi). The assessed capacity of port is 30.5 million tonnes. The cargo projected for 2003-04 is 28.00 million tones and for 2004-05 is 29.50 million tonnes.
- (vii). (a). The basis of apportionment of common costs is as under:

Types of Expenditure	Basis of Apportionment
Maintenance Dredging	Location-wise / activity-wise
Residual Management and General overheads	Direct cost of each service
Finance and Miscellaneous	Salaries and wages of each service
Labour Welfare and Medical	Number of employees of each service

- (b). For the purpose of arriving at the cost of rendering the service the departmental overheads and the expenses of Legal, Accounts and Secretary and Planning and Research Departments are apportioned to the services at the ratio of direct cost of the service. Expenditure on Stores Department is apportioned on the basis of value of stores consumed, expenditure of labour welfare and medical department is apportioned on the basis of number of employees. Expenditure on engineering department is apportioned based on the cost of repairs and maintenance. Financial and miscellaneous expenditure is apportioned based on the ratio of salaries and wages of each service. Port conservancy entails comparatively less staff expenditure. As such, these expenses have correctly been apportioned to the service port conservancy and it is not on lower side.
- (viii). The observation made by the TAMP about double counting of loan is correct. Corrected cost statement eliminating double counting is furnished.
- (ix). The working capital for the year 2003-04 and 2004-05 has been estimated at the same level as that for 2002-03.
- (x). The sub-items mentioned as others under the Current Assets are the advances granted to the employees and to Municipal Corporation, Accrued interest and other deposits lodged by the MBPT. These are being the current assets of the port same has been included for arriving at the working capital. Since the MBPT funds are blocked during the course of its business we feel it has rightly been considered as current asset.
- (xi). It is true that the service port conservancy is self supporting. However, it is not correct to say that vessels calling at JNPT are required to cross-subsidise the deficit. As per the agreement entered into between the MBPT and the JNPT the cost of maintaining the common user channel and the related navigational aids was to be shared by both parties equally. The estimated cost of maintaining the main channel is Rs.15.89 crores in the year 2002-03. Port Dues received from vessels calling at JNPT is just enough to meet half of the expenditure only. As per the protocol agreement between JNPT and MBPT, the MBPT has to undertake other activities like removal of wreck, inquiring into the marine casualties etc., for such activities the reserve needs to be build up.

(B). Scale of Rates

Section (IV) Composite Berth Hire Charges

- (i). It is reiterated that except at a few berths, services rendered at all the berths are common. The exceptions are only in respect of the capacity of cranes and covered sheds. It was apprehended by the Board of Trustees that if different rates for different berths are prescribed vessels agents may opt for allotment of berth of lower rates and berth having higher rates may remain under-utilised. In addition prescribing different rates for group of berths will also add to documentation and other work for the purpose of billing. Further vessels are shifted many times from one berth to another berth for various reasons and in such cases prescribing berth wise rates may complicate the billing system.
- (ii). The local crafts are the boats, barges and crafts plying within harbour limits and covered under Inland Vessels Act, 1917. the rates prescribed in US \$ are applicable to the foreign boats, crafts and barges.

Port Dues

At MBPT the number of vessels visiting the port more than once in a month are not many. As such prescribing the levy on per entry basis may yield negligible

increase. In case TAMP desires it may prescribe the Port Dues on each entry basis without altering the rates prescribed for once in the same month.

Pilotage and Towage

- (i). The pilotage and towage fees are prescribed according to the distances covered, tugs used etc. In case of tankers higher tonnage pilots are required. As such the fees prescribed for movement with tug assistance and without tug assistance varies depending on the distances between the locations of movement.
- (ii). The composite towage and pilotage rates were fixed way back in 1988. Situation of vessel traffic then was such that vessels used to wait in stream for getting berth for discharging cargo. In other words it was the inability of the port in providing berth on arrival of vessels. Majority of vessels calling at the port were to anchor at the stream and subsequently they had to be brought to docks to discharge cargo. Situation has now changed. Many times berths are vacant awaiting vessels. Nowadays vessels opt to discharge cargo at mid-stream and carry cargo to other ports or through barges to the MBPT. Since such vessels are not engaged in conveyance of the cargo to the MBPT it was decided not to give any concession as there is no reason why the MBPT should render service to such vessels at a loss and hence the rates are proposed to be fixed to cover the cost. In some cases after completing the import operations, vessels used to occupy the berth completing the import operations, vessels used to occupy the berth awaiting export cargo. In such cases vessels opt to await in stream. As such it was proposed to cover the deficit fully.
- (iii). The term composite towage and pilotage fees itself is self explanatory. We feel the definition clarifying the terms is not required.
- (iv). The Nhava Sheva cross line and Dharamtar cross line fall within the limit of Mumbai Port. All these ports are falling within the inner limits of the MBPT.
- (v). In the case of vessels / barge visiting JNPT Uran, Dharamtar or Mara enters the MBPT water limits at BFL and leaves MBPT Port cross line. This traversing is treated as one full cycle for recovery of charges.
- (vi). The need for vesting such powers to the Chairman arises because certain services which are not the regular activity of the port are required to be rendered on receipt of requisition at a short period. Such services cannot be standardised and rates prescribed therefor. Charges recoverable vary depending on the staff deployed and equipment utilised, the scale of pay of the staff deployed etc.

Provisions at Item No. b (iii) at table VI was incorporated with a view that in near future if MBPT decides to hire out / purchase any new tug to attend the vessels on fire the rates will be depending on the capacity of tug purchased or hired and rate at which it is hired. As such it may not be advisable to prescribe the rate now.

- (vii). It is the responsibility of the port to attend the vessel on fire by providing fire fighting service. The charges provided at table V(a) are not for providing fire fighting facilities. It is infact for deployment of additional tugs if felt necessary depending on the situation.
- (viii). The provisions proposed at item (c) Table - V and item (b) Table -VI gives discretionary powers to the Deputy conservator / Chairman to determine when the tug is required to attend a vessel at Jawahar Dweep and Pir Pau. Circumstances in which such attendance is necessary cannot be definitely

specified. It varies from time to time depending on the configuration of the vessel, size of the vessel, weather condition etc., Deputy Conservator is the appropriate authority who can assess on the spot the position correctly and take action accordingly. We feel these clauses need to be prescribed in the Scale of Rates.

- (ix). (a). The attendance and detention fee for Master Pilots and Pilots were worked out on the basis of actual scale of pay and allowances of pilots prevailing in the year 1999 and were converted into US \$.
- (b). Provision at clause (vi) (a) below Table V has been prescribed to cover the services if any rendered beyond port limits by the Master Pilots and pilots. Normally such service is indented by the coastguard / navy or any vessel which is in distress and SOS is received. Charges towards boarding lodging and traveling will depend on the craft used for traversing to the place of distress from shore and distance at which the service is rendered. In such a situation MBPT TA Regulation cannot be applied for recovering the charges.
- (x). At present the MBPT is not supplying water through water boats. In case in near future if it is decided to undertake this service, to enable MBPT to recover some charges the provision is being proposed to be retained in the Scale of Rates. One of the main activities of port is to provide towage and pilotage services to the vessels calling at Mumbai port for which rates have been prescribed at tables I to III. All other services for which rates have been prescribed in other tables are the ancillary services connected to the shipping movements and these can be termed as sub-activities. Maintaining separate cost of these services will not be possible. As such we do not subscribe to the views that supply of water to vessels in stream to be considered as sub-activity of port dues.
- (xi). The charges prescribed at Table IX are leviable only if services are rendered to the vessels.
- (xii). For rendering services the normal contingent of staff is specified at note (2) below Table X. Additional charges are recoverable only if additional staff is deployed. In such circumstance, additional charges recoverable would depend upon the scale of pay and the period for which the service is rendered. Hence the provision that the Chairman be empowered to sanction such charges. The need for vesting such powers to the Chairman arises because certain services which are not regular activity of the port are required to be rendered on receipt of requisition at a short period. Such services cannot be standardised and charges prescribed. The charges recoverable vary depending upon the services rendered and the circumstance thereof. Recovery of charges will also depend on Scale of Pay of the staff deployed.
- (xiii). As stated by the TAMP review of categorisation of floating crafts for the purpose of levy of licence fees has been made. Since there is no change in the types of boats operating in the harbour it is felt that modifications at present are not required. Regarding prescribing licence fees on annual basis at 8 times the monthly rate as existing in the Bunder Scale of Rates it is stated that majority of the Boats / trawlers covered under the Bunder Scale of Rates which are subjected to 8 monthly charge for making payment on annual basis are fishing trawlers and fishing in mid sea is officially not allowed during monsoon season. Whereas the crafts covered under the Table XII are normally operating 12 months in a year and hence no concession is proposed.

- (xiv). The working showing fixation of hire charges for dock tugs is indicated below:

Working of hire rates for dock tugs

		Based on a conventional dock tug (in Rs.)	Based on an AM & VS Dock tug (in Rs.)
Capital cost		1,22,26,215	1,86,52,805
Estimated Life		20	15
(i).	Depreciation	61,311	12,43,520
(ii).	Operation and Maintenance of tug	63,04,041	65,93,954
(iii).	18½% Return on capital	2,26,850	34,50,769
Total expenditure in a year [(i) + (ii) + (iii)]		65,92,202	1,12,88,243
Monthly expenditure		5,49,350	9,40,687
Per day expenditure (Assuming 26 days working in a month)		21,129	36,180
Therefore per shift of 8 hours		7,043	12,060
Say		7,000	12,000

The rate indicated at item No.(b) of table XIII is the average rate of existing charges

- (xv). As desired the working showing fixation of rates for Bullard Pull Test is indicated below:

Hourly rate for	In Rs.
1 Dock Tug	1,508.00
1 Doctor	157.00
1 Dock Master	202.00
2 Pilots	738.00
Total	2,605.00

Since the job is of specified nature and requires the services of highly skilled personnel the rate has been prescribed at Rs.5,000/- for coastal vessels and US \$ 238 for foreign going vessel though the total expenses excluding financial and miscellaneous expenses and other expenses is Rs.2605. A statement showing the working of fixation of Garbage Reception facility charges also furnished.

- (xvi). Regarding the submission dated 25 June 2003 made by the MSSLOA it is stated that the clarification on the points raised by the Association have been furnished to the TAMP on earlier occasions. The TAMP thereafter under its Order No.TAMP/6/2000-MBPT dated 14 February 2001 had directed not to recover licence fees for water conveyance separately on vessels which are registered under the Bunders and paying licence fees under Section I of the BSRs. The Association has not raised any new points. As such no comments are now offered on the submission of the Association dated 25 June 2003. Further the Association has already filed a writ against the rate of licence fees levied at present by the MBPT. As such the matter is subjudice.
- (xvii). A statement indicating the actual labour cost of chipping and painting at present is furnished. The existing rate of Rs.525/- per labour per shift was fixed with effect from 1 June 1999. Then the deficit in the service rendered by ex-BDLB was 90% when compared with their income. Separate working sheet was not prepared then. The then existing rate of Rs.325 per labour per shift

was raised to Rs.525/- in phased manner after discussing the proposal with port users.

II. MBPT letter dated 17 October 2003

A. Financial / Cost Statements

- (i). Break-up of Rs.12.98 crores of additional income if the rates for coastal vessels are prescribed at 70% of the rates prescribed for foreign going vessels is as under:

Towage & Pilotage	Rs.8,94,48,986/-
Port Dues	Rs.4,03,97,882/-
Total	Rs.12,98,46,868/-

- (ii). Details of the estimated cost of maintaining the main channel in the year 2002-03 are given below:

		Rs. in crores
Operating expenditure		
(i).	Dredging	8.41
(ii).	Others	1.96
Departmental overheads		0.84
Management overheads		2.01
Depreciation		0.54
Pension, Gratuity, PLR		1.20
		14.96
+ Escalation @ 6.22%		0.93

The actual revenue received from JNPT as port dues in 2002-03 was Rs.10.74 crore. The income for 2003-04 is estimated at 12.57 crores and at Rs.13.32 crores for 2004-05

B. Scale of Rates

- (i). We are of the view that the rate of berth hire should be uniform irrespective of availability of covered sheds etc., and should not be differentiated based on facilities and services provided. Equipment and storage facilities provided at berths are not uniform and they vary from berth to berth. Even the equipment provided at a berth are not fixed to that berth or may not be designated or used for the vessel at that berth. The MBPT quaylines are linear and cranes can be shifted to adjacent berths depending upon the requirement. In case a vessel with cargo not requiring storage facility arrives at the port and if a covered shed is only available, we may not be in a position to levy lesser rate for not availing of this facility. Charges for any facility extended to the cargo is recovered separately. At MBPT all the berths are functioning as multi purpose berths. Allocation of berths is considered based on the factors like draft availability of sufficient quayline, width etc., which determines where a vessels is to be berthed and not the facilities available at a particular berth. At MBPT almost all the sheds of Indira Dock are provided with the wharf crane. The service berth hire is in deficit by 140%. This clearly indicates that this service is recovering the cost only partially. Thus the cost of providing wharf crane service is not being recovered, though it is included as cost while fixing the berth hire rates. Any further reduction in charges will affect the port finances adversely.
- (ii). (a). The pilotage is charged for the movement of vessels in the category of off-shore supply vessels from Sea to Dock and Dock to Sea under item (D) of Table-I of Port of Mumbai, pilotage tug assistance, towage, mooring and other services fees order 1998.

- (b). Distances between Sea / MFL to Stream and Stream to Nhava Sheva Cross Line or Dharamatar Cross Line are not same. Distance between Sea / MFL and Nhava Sheva cross line is approximately 12.7 nautical miles whereas the distance between sea / MFL and Dharamatar cross line is approximately 11.2 nautical miles. Location of the stream is considered as middle portion of the port consisting of designated steam anchorage area and the navigational channels of Mumbai Port.
- (c). The MPL (Nhava Sheva Cross Line) and Dharamatar cross line are the lines notified as Eastern Port limit of Mumbai Port. Nhava Sheva and Dharamatar are the Ports adjacent to the Mumbai Port outside its Eastern Port Limits. This port limit is declared and notified vide Government of India (Ministry of Shipping and Transport Wing) vide Notification No.PW/PGL-12/82(IV) dated 28 May 1982.
- (iii). JNPT, Uran, Belapur, Mora, Trombay and Dharamatar Ports are adjacent ports outside the Eastern Mumbai Port limit. The vessel/ barges visiting these ports enter MBPT water limits at BFL and leaves MBPT at cross line of MBPT Eastern Limits between these ports and Mumbai Port. It means that on one end of MBPT, vessels / barges enter and at other end the vessel / barges levels the port. Entire traversing of the vessel / barge through Mumbai Port water limits completes its voyage in MBPT limits. Hence fresh entry of the vessel / barge from these ports has to be treated as fresh arrival of the vessel. The distances involved in the movement mentioned in the note and normal inward / outward movement are not same and are as per the each location where vessels / barges intend to proceed.
- (iv). On an average the increase in wages per year is of 5% as per the trend. Accordingly, while prescribing the charges with the approval of the Chairman in the year 2000 the escalation in wages has been considered at 5% each for 3 years i.e., 15.76% in all. As such the escalation in cost is taken at Rs.119/- i.e., 15.76% of Rs.755/- i.e., one day wages.
- (v). Hire rates for harbour tugs was already incorporated in the Scale of Rates way back in 1985. Hire charges for Dock Tugs is now proposed to be incorporated in Scale of Rates. These rates have already been fixed with approval of the Chairman in the year 2000.
- (vi). Statement indicating details of expenditure of Chipping and Painting workers for the year 2002-03:

(In Rs.)

A.	Operating Expenditure			
	(i).	Salaries and wages	2,78,07,097	
	(ii).	Overtime	3,60,00	
	(iii).	Other employee related expenditure	1,65,000	
				2,83,32,097
B.	Management and General Administration			
	(i).	Salary and overtime	16,74,373	
	(ii).	Water charges	86,000	
	(iii).	Repairs and Maintenance	1,79,000	
	(iv).	Other Expenditure	2,02,000	
				21,41,373
C.	Finance and Miscellaneous Expenditure			
	(i).	Pension and Gratuity	91,49,910	
	(ii).	PLR	10,74,000	
				1,02,23,910
	Total Expenditure			4,06,97,380

5.1. A joint hearing in this case was held on 25 June 2003 at the office of this Authority. At the joint hearing, the MBPT and the concerned users have made their submissions.

5.2. As decided at the joint hearing, the MBPT was requested to take further actions on the following points:

- (i). Furnish its reply to the various points raised in our office letter dated 20 June 2003.
- (ii). (a). Item-wise financial implications of its proposal including the additional revenue on account of revised coastal vessel rates and reduction in berth hire charges proposed at Princes and Victoria Docks.
(b). Actual labour cost of supply of labour for chipping and painting activities both at the time of fixing the existing rates and at present. An analysis of escalation in various cost elements of the corresponding rate since the last revision should also be furnished.
- (iii). The issue of the Jawaharlal Nehru Port Trust (JNPT) bound vessels cross-subsidising at an enhanced rate for the deficit in the vessels related activity of the MBPT was also discussed with the MBPT officials. The MBPT assured to examine this issue and furnish its comments. The MBPT also agreed to examine the feasibility of introducing a separate port dues structure, if found necessary, for the JNPT bound vessels so as to keep the burden on them at the existing levy.

5.3. (i). The MBPT furnished its reply to the various queries raised in our letter dated 20 June 2003. The reply furnished by the MBPT is narrated under paragraph 4.2. I.

- (ii). (a). The MBPT furnished the details of additional income if the rates for coastal vessel are prescribed at 70% of the rates prescribed for foreign-going vessel. The details furnished by the MBPT have been reproduced at paragraph No.4.2. II A. (i) above.
(b). The MBPT also furnished statement indicating details of expenditure of Chipping and Painting workers which have been furnished at paragraph No.4.2. II B. (vi) above.
- (iii). The MBPT did not agree that the vessels calling at JNPT are required to cross-subsidise the deficit. It stated that the cost of maintaining the common user channel and the related navigational aids was to be shared by both parties equally. Half of the port dues recovered from vessels calling at JNPT is just enough to meet half of the expenditure. The MBPT did not propose any separate port dues structure for vessels calling at JNPT through MBPT waters.

6.1. The MBPT vide its letter dated 26 August 2003 has filed a separate proposal for revision of composite berth hire charges and pier dues. This proposal has been registered as a separate tariff case and the case is in the consultation process.

6.2. In the backdrop of Indian Rupee appreciating in value against US dollar, the MBPT vide its letter dated 25 November 2003 has requested to revise upward the proposed charges prescribed in US dollar in respect of composite towage & pilotage charges and port dues by 6% and composite berth hire charges and pier dues also by 3%. The points made by the MBPT in this connection are summarised below:

- (i). The proposal for upward revision of port dues, composite towage & pilotage charges and review of berth hire charges was registered under TAMP letter dated 31 December 2002.

- (ii). Services rendered to the foreign going vessels are prescribed in US dollars in the proposal.
- (iii). Indian Rupee is appreciating against US dollar which has resulted in less income to the port from the services rendered to the foreign-going vessels.
- (iv). Since the date of proposal for upward revision the US dollar has depreciated by 6%.
- (v). Financial implication to the port is Rs.3 crores approximately in respect of composite towage & pilotage charges and port dues.
- (vi). The deficit in this service in the year 2002-2003 is 62% and the deficit will raise to 70%.
- (vii). Charges prescribed in US dollars in respect of composite towage & pilotage charges and port dues be revised upward by 6%.
- (viii). The rates proposed for composite berth hire charges and pier dues also need to be enhanced by 3% for similar reasons.

6.3. The MBPT was requested to furnish workings in respect of depreciation of US \$ and loss of income an account of the depreciation to justify the proposed additional increase of 6% in port dues and pilotage activities alongwith certain additional information / clarifications.

6.4. The MBPT vide its letter dated 30 December 2003 has responded and made the following points:

A. Financial statements / cost statements

- (i). Additional income expected to be realised on account of revision of rate of berth hire charges for off-shore supply vessels and vessels which are not engaged in conveyance of cargo is as follows:

Year 2003 – 2004	Rs.1.02 crore
Year 2004 – 2005	Rs.1.02 crore

- (ii). Additional income on account of maintaining disparity in coastal tariff at 70% of the rates for foreign-going vessels for the two years is as follows:

Year 2003 – 2004	Rs.10.94 crore
Year 2004 – 2005	Rs.12.36 crore

- (iii). The forecast of vessel traffic for the years 2003-04 and 2004-05 is as under:

	2003	2004
Foreign-going	2935	3111
Coastal	2215	2347
Total	5150	5458

B. Other Information

- (i). Operating cost of composite towage and pilotage

Actual salary & wages for the year 2002-03 Rs.12.72 Crore

Estimated Salary & wages **2003-04** **2004-05**

Rs.13.51cr. Rs.14.35 cr.

With a view to eliminate restrictive practices followed by the workmen, working of tug on weekly off day, utilisation of tugs in any of the areas of the port operating without waiting for full compliment of staff and avoiding delay in shift change over and down time of craft have been made. To further increase availability of tugs, MBPT has hired two 45 BP harbour tugs at Rs.1,19,015 per tug per day. The fuel cost of running these hired tugs has to be borne by the port. The issue of rationalisation of manning scales has been referred to the National Tribunal and its award is awaited.

(ii). Utilisation of cranes

The low utilisation of wharf cranes are due to the following reasons:

- (a). Declining traffic
- (b). Average unit load has increased to more than 6 tons against the existing wharf cranes of 3 tons and 6 tones capacity.
- (c). Many vessels calling at the port operate with their own on board equipment.
- (d). Wharf cranes have become very old.

(iii). Berth hire charges

- (a). There are no wharf cranes provided at Princess & Victoria Docks. As far as Indira Dock is concerned, there are no wharf cranes at berth Nos.1 to 6 ID. Other berths are provided with wharf cranes which can be shifted from one adjacent berth to another berth depending on requirement. BPS berth is not provided with wharf crane but is provided with container handling Quayside Gantry Crane (QGC).
- (b). Reasonable justifications have already been given as to why differential berth hire charges commensurate with facilities and services provided at various berths cannot be adopted at Mumbai Port. The service berthing and mooring at docks is rendered in deficit for last few years. Cost statement of 2002-03 for this service shows a deficit of 89% when receipts are compared with total cost without considering the return on capital employed. Even the barest minimum cost is not recovered on this service. Having differential berth hire charges for crane / non-crane berths or reducing the rates for non-crane berths is not advisable on account of this huge deficit. Granting of rebate or prescribing a lesser rate in respect of crane and non-crane berths can be considered only if the present rate of recovery is sufficient to cover the cost of the service fully.
- (c). The BPX berth is reserved for container handling which is open to sea. That being so, average siltation of this berth is much more as compared to other berths at Indira Dock Basin. Consequently, the incidents of expenditure on maintenance dredging at this berth is much more than other berths. This berth being open to sea vessels berthing at this berth requires to spend less time for berthing / unberthing activity as compared to the vessels being berthed at other berths at India Dock Basin. Considering all these points in the past Berth Hire Charges for occupation of this berth was prescribed at a higher rate than the rates prescribed for other berths. However, as per the directives issued by the empowered committee constituted by the Ministry in 1985 for rationalisation of port tariff, uniform berth hire charges were prescribed with effect from 5 May 1988. Quay cranes provided at BPX are specialised and capital intensive equipment and

the cranes at other berths are less expensive. Therefore charges for utilisation of quay cranes are now recovered separately.

- (iv). Exchange rate on the date of proposal i.e., (8.10.2000) was 1 US \$ = Rs.48.03. The exchange rate on 19 November 2003 was 1 US \$ = Rs.45.24. This shows that US dollar has depreciated by 6% since the date of our proposal.

6.5. The Mumbai Ship to Shore Launch Owners Association (MSSLOA) filed a Writ Petition before the Hon'ble High Court of Bombay in the year 2003 against the MBPT and others in the matter of license fee levied by the MBPT for water conveyance. The Government of India in the Ministry of Shipping vide letter No.PR-14019/32/2003-PG dated 3 October 2003 informed us that the High Court directed the petitioners to approach the Central Government for necessary relief under the provision of Section 54 of MPT Act and accordingly the MSSLOA has represented to the Central Government to modify or cancel TAMP's Order dated 14 February 2001. The MOS has sought the comments of this Authority on this issue. All factual information available on record in this regard have been furnished by us vide our letter dated 31 October 2003.

7. The proceedings relating to consultation in this case are available on records at the office of this Authority. An excerpt of the comments received and arguments made by the concerned parties will be sent separately to the relevant parties. These details are also available at our website www.tariffauthority.org.

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

- (i). This proposal is for revision and, to a limited extent rationalisation, mainly of vessel related charges and rate for supply of chipping and painting workers. It is another piecemeal revision proposal from the Mumbai Port Trust even after this Authority in its order dated 5 November 2001 relating to revision of port dues at the Mumbai Port Trust had categorically advised the Port to formulate its proposal for comprehensive review of its Scale of Rates for all activities. In fact, the Mumbai Port Trust had also subsequently vide its letter dated 4 January 2002 assured that a comprehensive proposal for review of Scale of Rates for all the services rendered by the Port would be submitted by the second week of February 2002. Changing its earlier stand, the Mumbai Port Trust has now decided only to formulate a proposal for those services which are reportedly in deficit on the ground that review of rates which have been revised in the recent past would not be necessary at this juncture. This approach of the Mumbai Port Trust does not appear to be a rational one. Firstly, it is to be understood that a comprehensive review of Scale of Rates need not necessarily result only in upward revision of all tariff. Secondly, a comprehensive proposal gives an opportunity to assess the total impact of the revision at one go. As pointed out by the Oil Industry, the piecemeal revision approach followed by the Port gives rise to frequently changing the cost factors from the point of view of port users. Further, a comprehensive proposal also precludes overlap of allocation of costs between various activities besides providing a platform to the port to adjust the tariff levels depending on the changes in business environment. Incidentally, all the major port trusts except the Mumbai Port Trust have come forward with a comprehensive proposal for review of their respective Scale of Rates by this Authority in the last six years. There is no reason why such a comprehensive exercise could not be undertaken by the Mumbai Port Trust. It will be better if the Mumbai Port Trust atleast now initiates action in this direction without coming forward with any further piecemeal revision proposal.
- (ii). The MANSA and some other users have made reference to dollar denominations of some of the tariff items and the effect of automatic revision due to depreciation of Indian currency vis-à-vis US dollar. For the purpose of cost analysis, revenue generated out of dollar denominated tariff items is

considered in Indian rupee after applying corresponding exchange rate prevailing at the material point of time. As pointed out by the Mumbai Port Trust, the cost escalation due to inflation is also relevant besides, of course, the drop in volumes.

- (iii). With reference to re-statement of the rates for coastal vessels, the Mumbai Port Trust has proposed to limit any increase on account of re-statement to 100%. The Port has also made an observation that there is no Government decision for fixation of rates of coastal vessels at 70% of those on foreign going vessels. Users have raised objection even to limiting the increase in the coastal vessel rates to the proposed level of 100%.

It is to be noted that the issue of prescribing concessional rates for coastal vessels was not introduced by this Authority on its own. Based on the recommendations of the Directing Group set up by the Ministry of Shipping in 1984, the major ports were allowing concessional tariff to coastal vessels vis-à-vis foreign-going vessels. During the regulatory review of tariff at different ports, it has come to the notice of this Authority that the differential in rates between foreign-going vessel and coastal vessels are much higher than the level recommended by the Directing Group. It was, therefore, decided by this Authority that the disparity, which had widened due to depreciation of Indian rupee vis-à-vis US dollar since the last revision, should be restored to the level of 30% at the time of tariff revision so as to fall in line with recommendations of Directing Group. This Authority has been making such adjustment at the time of the review/revision of tariffs at other ports and considering the estimated additional income on account of such adjustment of tariff. Even though such re-statement of rates of coastal vessels entails substantial increase in the rates wherever revision/review is being undertaken after a long time, this method has been applied by this Authority uniformly at all other ports and there does not appear to be any reason to deviate from this approach in the case of Mumbai Port Trust. It is noteworthy that such re-statement is necessary to ensure that burden more than the level recommended by the Directing Group set up by Ministry of Shipping is not passed on to foreign-going vessels and/or rates for other services are increased to cover the deficit this account.

The Mumbai Port Trust, however, feels that the under-utilised facilities in the P&V Docks can be ideally made available for coastal shipping and a steep increase in coastal vessel rates may not subserve this purpose. It is noteworthy that the rates approved by this Authority at all the major port trusts are only the ceiling levels, as per the Government policy, and the port trust has the flexibility to operate at a lower rate, if it so desires. In view of this flexibility available, the Mumbai Port Trust can, at its discretion, reduce the rates for coastal vessels. For the purpose of this analysis we have, however, considered the revenue impact of re-statement of coastal vessel rates to the maximum permissible level and hence prescribed the unit rates for the coastal vessels in the Scale of Rates at that level too.

Accordingly, the additional income on account of maintaining the disparity in coastal vessel rates at 70% of the rates for foreign going vessels as estimated by the Mumbai Port Trust at Rs.10.94 crores for 2003-04 and Rs.12.36 crores for 2004-05 has been considered in the cost statement.

- (iv). In view of the present trend of inflation, this Authority has been allowing annual escalation of 6% in the tariff revision proposals of other ports which are decided recently. The projection of expenditure have been moderated accordingly in this case also.
- (v). The MANSAs has commented on the cost of excess staff that is built into the tariff. While this Authority has been recognizing the ground realities relating to the labour issues in the port trusts, it has always held that the cost of surplus

labour should be spread over all the activities of the port. For doing so, an analysis of the surplus labour position and a comprehensive proposal encompassing all the activities of the port are necessary. Both are absent in this case. The Mumbai Port Trust has, however, indicated that it has taken various steps to eliminate restrictive practices followed by the workmen. In any case, the issue relating to manning scales is under the consideration of the National Tribunal set up for this purpose.

- (vi). The details of utilization of cargo handling equipment furnished in the Administration Report of the Mumbai Port Trust for the year 2001-02 show that the utilization of wharf cranes is around 20%. Against the available fleet of 51 electric wharf cranes, the maximum number of wharf cranes to be supplied is 17 each in the first and second shifts and 9 in the third shift. The Port has attributed low utilization of wharf cranes to the general declining trend of traffic in the last few years. Further, with the increase in the average unit load, ships do not use wharf cranes of 3 and 6 tonne capacities and prefer to operate with their own on-board equipment. Given the technological changes in shipping, the port should review the need to maintain the high fleet strength of wharf cranes of lower capacity with a view to curtail the cost incurred on them. The management and general overheads for the years 2003-04 and 2004-05 are about 34% of the operating costs for the respective years. Reduction in overheads needs to be achieved to provide cost efficient operation.
- (vii). The Port has included accrued interest, House Building Advance and advances to BDLB as part of current assets while estimating working capital. Interest income on investments and House Building Advance is not considered in the tariff revision exercise. Advances to BDLB are from the balance of revenue reserves. These items should not, therefore, form a part of the current assets for arriving at the working capital. If these items are excluded, working capital estimate will be a negative figure. It has, however, been taken as 'nil' for the purpose of this analysis.
- (viii). One of the objections raised by MANSA is about the Mumbai Port Trust not making any investment to improve any of the services and facilities. The Mumbai Port Trust has, however, pointed out that it has recently acquired new tugs of 45 B.P. and engage private tugs also on hire to provide efficient services besides installing the Vessel Traffic Management System. The Port has also pointed out the various improvements made in turn around time, pre-berthing detention and shift output.

The Port has confirmed that the assets that are fully depreciated/decommissioned/disposed off have been excluded from the capital employed. It has further confirmed that one-time payment relating to VRS is not included in the estimates. The Port has projected an additional investment of Rs.215 crores in the year 2004-05 but has stated that no additional investment is proposed in the services for which tariff revision is under consideration at this juncture. The Port has not, however, categorically spelt the improvement in performance or increase in efficiency expected to accrue due to the proposed additional investment.

The value of the gross block of assets indicated for the Port as a whole does not tally with the aggregate of gross blocks of assets shown under different main activities. Reconciliation Statement in this regard furnished by the Port indicates that the assets pertaining to management and administrative function are not apportioned to the relevant main activities but included in the statement drawn up for the port as a whole. The position reported by the Port is considered without any modification in this analysis.

- (ix) The maximum permissible return on capital employed allowed in the case of major port trusts at present comprises of the interest rate at which Govt. of

India loans are available to the port trusts plus 3% to each of the two mandatory funds. Since the lending rate of loan by the Government available to the Major Port Trusts has been revised to 11.5% from this year, the maximum permissible return on capital employed is 17.5% as against 18.5% considered by the Port in the cost statement. Necessary corrections have been made in the cost statement accordingly.

The Port has indicated that against the assessed capacity of 30.5 MT, the cargo traffic estimated to be handled is 28 MT for the year 2003-04 and 29.5 MT for the year 2004-05. The capacity utilization accordingly works out to 91.80% for 2003-04 and 96.72% for 2004-05. The maximum permissible return on capital of 17.5% has been moderated with reference to the capacity utilization factor as has been generally done in the other tariff cases.

Necessary corrections in the cost statement have been made to ensure that interest on loans is not double counted as separate item of expenditure and account as part of ROCE.

- (x). Subject to the analysis given above, the financial cost statements have been amended. The modified cost statements are attached as **Annex - I (a) to (e)**. The summarized position of the results disclosed by the financial / cost statements for the years 2003-04 and 2004-05 is presented in the table given below.

Sr. No.	Activities	Surplus /Deficit after ROCE 2003-04 (Rs. in crores)	Surplus/Deficit as percentage of operating income	Surplus /Deficit after ROCE 2004-05 (Rs. in crores)	Percentage of operating income
1.	Port as a whole	(-) 313.14	(-) 67.04	(-) 365.24	(-) 76.04
2.	Vessel-related charges (Only in respect of the three sub-activities mentioned below)	(-) 67.22	(-) 56.60	(-) 67.14	(-) 54.00
	(a). Pilotage	(-) 21.44	(-) 43.21	(-) 19.22	(-) 36.10
	(b). Port dues	(+) 12.83	(+) 42.89	(+) 13.95	(+) 43.80
	(c). Berth hire	(-) 58.62	(-) 149.50	(-) 61.87	(-) 157.80

- (xi). Subsequent to its initial proposal and even after the Joint Hearing in this case was over, the Mumbai Port Trust has requested to allow an additional increase of 6% over and above the initially proposed rates in the case of pilotage charges and port dues and 3% in the berth hire charges on account of reduction in income due to appreciation of Indian rupee against US dollar. The Port has pointed out that its estimates were based on a exchange rate of one US dollar equal to Rs.48.03 whereas the dollar has depreciated and the exchange rate presently is around US dollar= Rs.45.24. It has further quantified the estimated financial implication of the fluctuation in the exchange rate on Rs.3 crores approximately in the towage and pilotage charges and port dues. This implication has been duly considered in the modified cost

statement prepared by us. The reduction of Rs.3 crores in revenue when compared to the operating income of the concerned activities of pilotage and port dues is about 3% which is allowed over and above the initially proposed increase in rates.

In the case of berth hire, the Port has subsequently submitted a separate proposal for adjustment in rates consequent to the introduction of hourly rates w.e.f. 1.6.03. This proposal is being dealt with as a separate tariff case. Since the question relating to increase in the unit rate of berth hire is under scrutiny as a part of that proceedings, it is not relevant here to allow any increase in the base rates only to compensate the reduced revenue on account of appreciation of Indian rupee vis-à-vis US dollar.

- (xii). The total cost of chipping and painting labour inclusive of management and general overheads and Pension/Gratuity/PLR is reported as Rs.406.97 lakhs per annum for the total man-shifts in a year of 43781. This gives a cost of Rs.930 per man-shift. The Port proposes to revise the existing rate of Rs.525/- per labour per shift to Rs.630/- per labour per shift. In addition, overtime charges at actuals are also to be recovered.

In view of the cost position reported, this Authority has no reservation in approving the rate proposed by the Mumbai Port Trust. It is true that the Chipping and Painting Employers' Association has filed a Writ Petition in the Hon'ble High Court of Mumbai in 1998 against the rates of Rs.525 fixed by the Mumbai Port Trust then. The Mumbai Port Trust has informed that the Hon'ble High Court has not passed any interim order in this case restraining the Port from effecting any revision. The Chipping and Painting Employers' Association has also not reported about any order passed by the High Court. That being so, the proposed increase in rate sought by the Mumbai Port Trust based on the cost position cannot be denied merely because the concerned users have filed a Writ Petition in the High Court. By way of abundant caution, the Mumbai Port Trust may take action to inform the High Court about the revision of the existing rate of Rs.525/- and implement the revised rates with the permission of the Hon'ble High Court.

- (xiii). The overall financial position for the Port and the vessel related activity for the years 2003-04 and 2004-05 disclose deficits. In view of this position, from the cost point of view, the revision in rates proposed by the Port is justified. Within the vessel related activity Port conservancy shows surplus. In order to keep the impact of increase in tariff to the minimum, the Port has proposed to revise the rates of Port dues also to distribute the quantum of increase overall available charging areas. Since the burden of increase of items of vessel related charges falls on the vessels visiting the Port there may not be any objection to revise the port dues as proposed by the Mumbai Port Trust except in the case of vessels traversing to other ports through the common channel for the reasons explained in the subsequent part of the analysis.

The increase in rates proposed by MBPT and that approved by this Authority are given below:

Sr. No.		MBPT Proposal	Approval by TAMP
I	Beth hire for off shore supply vessels	139%	139%
II	Composite Towage & Pilotage		
	(i). Vessels visiting docks	25% + 6%	28%
	(ii). Vessels visiting MOT and Pir Pau berths	10% + 6%	13%
III	Port Dues	15% + 6%	18%

- (xiv). The proposed increase in port dues will affect the vessels going to JNPT and to the minor port of Dharamtar also; because they have to pass through the common access channel falling within the MBPT limits. These vessels at present pay 50% of the prescribed port dues based on the provision prescribed in Sec. 50B of the M.P.T. Act which reads as follows:

“50B: Port dues of vessels not discharging or taking any Cargo: -
When a vessel enters a port, does not discharge or taking any cargo or passengers therein (with the exception of unshipment and reshipment as may be necessary for the purpose of repair), she shall be charged with a port dues at a rate to be determined by the Authority and not exceeding half the rate with which she would otherwise being chargeable”.

The issue of such vessels paying 50% of port dues at the MBPT tariff has been analyzed extensively in the Order passed by this Authority on 5 November 2001 on the proposal of the MBPT for revision of port dues. It was suggested that a separate fee for users of the common channel should be prescribed since usage of the common access channel by the vessels calling at the JNPT would be regular feature. Alternatively, it was also advised by this Authority that the MBPT could seek from the JNPT reimbursement of expenditure incurred on the common user channel, instead of covering such expenditure through levy of port dues. It is noteworthy that a separate agreement relating to the procedure to be followed for using the common user channel was signed between MBPT and JNPT in 1989 and clause 18 of this agreement provides for a review after sufficient experience is gathered in implementation. Even after 14 years and significant growth in volumes of traffic / activity at JNPT, this agreement is not yet reviewed. The details furnished by the MBPT show that income from the port dues of JNPT bound vessels is estimated to be around 13.32 Crores as against the annual cost of maintaining the common channel of Rs. 15.89 Crores. Even if the rate of port dues is revised upwards as proposed by MBPT, despite the fact that the activities port conservancy is in revenue surplus, there does not appear to be any justification for requiring the vessels visiting some other port which are not going to avail the pilotage and berthing services of MBPT to contribute more for reducing deficits in the pilotage and berthing activities of the MBPT.

It has to be recognized that section 50 B of the M.P.T. Act prescribes levy of port dues at 50% in the specified cases as a maximum limit. In order to ensure that the increase in port dues at the MBPT approved to reduce the deficit in other vessel related activities of the port is not passed on to the vessels entering the MBPT limit but, carrying out cargo operation at some other port, it may be necessary to reduce the existing 50% port dues payable by such vessels to 42.50% of port dues in such cases to maintain a revenue neutral position in such cases.

- (xv). Existing Scale of Rates provides for levy of port dues once in a month in case of foreign-going vessels. The port was advised to consider change in the frequency of levy of port dues on a per entry basis in line with similar provisions at other major port trusts with suitable adjustments in the unit rates. The port has agreed to alter the basis of levy to per entry without altering the unit rate since the number of vessels visiting the port more than once a month is not much. Incidentally, a similar advice was rendered by this Authority while processing the proposal of the MBPT for revision of port dues in November 2001 and a similar reply was given by the MBPT. In the absence of supporting data furnished by the port to analyse the implication of conversion of basis of charging, this Authority did not allow any change in the method of charging. The same position applies even now.

- (xvi). As mentioned earlier, the Mumbai Port Trust has submitted a separate proposal for adjustment of berth hire charges reportedly to off-set the drop in revenue due to introduction of hourly berth hire charges. In this proposal, the Port has only proposed to rationalize the existing berth hire charges and revise upward charges for off-shore supply vessels and vessels which are not engaged in conveyance of cargo of the Port. As pointed out by the Mumbai Port Trust in reply to one of the comments of MANSA, the instant proposal was submitted prior to this Authority ordering hourly berth hire rates commonly at all the major ports. Since hourly berth hire charges are already been introduced, the revised schedule of berth hire charges is now prescribed with hourly rates.

In the existing arrangement, same composite berth hire charges are levied at all the berths in the docks of Mumbai Port Trust. This Authority has already advised the MBPT to prescribe berth hire charges for different berths depending on the facilities provided/services rendered at such berths. This does not mean that individual berths should have separate berth hire charges. What is envisaged is grouping of berths depending on the facilities available. It is true that the berths in the docks of Mumbai Port Trust are multi-purpose berths and the problems expressed by the Mumbai Port Trust in prescribing differential berth hire rates appear to be genuine. Further, none of the users have expressed any serious reservation to the rationalization of berth hire charges for different docks proposed by the Mumbai Port Trust. That being so, the proposal of the Mumbai Port Trust to have two berth hire charges for two groups of docks is approved. Incidentally, the Mumbai Port Trust has proposed to retain the existing charges for the Indira Dock Group and reduce the existing rates for Princess and Victoria Docks.

Generally, at other ports differential berth hire charges are prescribed for crane and non-crane berths. The reasons given by Mumbai Port Trust for not having such differential rate are reasonable given the huge cost deficit disclosed by the berthing and mooring activity. Since the present berth hire charges do not fully cover the cost of services, extending any rebate for any non-crane berth is not relevant. In any case, the rates for Princes and Victoria docks where no wharf cranes are provided have been proposed to be at a lower level. The Port may, however, as a next step, attempt to prescribe separate berth hire charges for those berths where cranage is levied separately or as a part of handling charges.

- (xvii). Since the services of berthing is in deficit, the Port does not want to extend any concessions to off-shore supply vessels and to those vessels which are not directly contributing towards the cargo traffic of the Port. This stand of the Port is not unreasonable given the huge cost deficit in the concerned activity. The proposed upward revision of berth hire charges by 139% in the case of off-shore supply vessels and vessels which are not engaged in conveyance of the cargo of the port is, therefore, approved. In any case, even in the normal cases, the increase would be nearly of this order due to restatement of coastal vessel rates. The Port has confirmed that the additional income to be generated on this account is duly included in its cost statement.
- (xviii). With reference to berth hire charges, MANSA has made certain objections and suggestions. The point made by MANSA about the proposed increase of minimum GRT for charging berth hire from 300 to 1000 appears to be misplaced as the Mumbai Port Trust has confirmed that the practice of charging berth hire for a minimum of 1000 GRT is in vogue for more than 15 years now and it is not a new provision proposed to be introduced newly.

It is a common Order of this Authority that berth hire should stop 4 hours after the vessel signals its readiness to sail. The request of the MANSA is to make available a competent officer of the Mumbai Port Trust round-the-clock to accept such signal for sailing. The Mumbai Port Trust has not raised any

specific reservation to implement this suggestion of MANSA. The Mumbai Port Trust is advised to ensure that a competent officer is on duty round-the-clock to accept vessel/agents signalling readiness to sail. Reportedly, this procedure is already in vogue at the JNPT.

It is a common prescription that one day's berth hire is levied as a penalty when a vessel raises a false signal of readiness to sail. This prescription is applicable at all the major port in the country and there does not appear to be any new development at the Mumbai Port Trust warranting reduction of the penalty to 4 hours as suggested by the MANSA.

The time limit of 4 hours prescribed for cessation of berth hire excludes, the delay in sailing of a vessel due to tidal/weather conditions etc. The suggestion of MANSA that such delay is beyond the control of the vessel and hence berth hire should not be levied. This Authority has always held that users should not be made responsible for the delay caused/attributable to ports. A time limit for cessation of berth hire was prescribed by this Authority with the intention of not passing on any burden on the user for the delay caused by the port in providing outward pilotage and towage services. Delay in sailing on account of tide, weather conditions etc. cannot in any case be attributable to a port. The suggestion of MANSA in this regard is not, therefore, accepted.

- (xix). The MANSA has made a request about not levying lighterage dues on vessels discharging/receiving cargoes after anchorage when vessels discharge cargo in anchorage for subsequent discharge at Mumbai Port Trust dock/bunder. The Mumbai Port Trust has already included a provision for exempting such vessels from payment of lighterage dues.
- (xx). The Oil Industry has represented that the Port is revising charges for oil tankers frequently. The Port has replied that the facilities at Jawahar Dweep and Pir Pau are modernized and upgraded at a considerable capital cost pier dues and wharfage POL were revised by 25% and 37% respectively in 2001 when cost deficit in the services were much higher. This time also the pilotage/towage for vessels visiting Jawahar Dweep / Pir Pau are proposed to be increased by only 10% when the activity shows higher deficit. As pointed out by the Mumbai Port Trust, after completion of upgradation and modernization of Jawahar Dweep jetties and other matching facilities, Oil Industry will be able to derive full benefits of increased discharge rate.
- (xxi). The issue of levy of licence fee for water conveyance has been strongly agitated by the Mumbai Ship to Shore Launch Owners' Association (MSSLOA) which mainly represents launches operating from the Ballard Pier. One of their main grievances is that the flexibility in doing different operations available for launches operating at other places is not available to them. According permission for carrying out any specific operation and regulating such operations within the port area are the functions of the Mumbai Port Trust and these are not for this Authority to interfere.

In February 2001, while disposing of a representation filed by the MSSLOA , this Authority provided relief to them by ordering that vessels paying licence fee for water conveyance need not pay licence fee for use of bunders which was also levied additionally earlier. In that proceedings, this Authority decided to review categorization of floating crafts for the purpose of levy of licence fee and bunder charges at the time of the next general revision of Mumbai Port Trust tariffs. In this proposal, the Mumbai Port Trust has not come out with any analysis for review of the categorization of floating crafts for the purpose of charging the license fee. The Port has however, proposed not to increase the license fee for two categories – Catamaran, hovercrafts, etc. and boats and launches plying from the Ballard Pier jetty.

The MSSLOA has filed a Writ Petition in the High Court of Bombay against the existing licence fee for water conveyance (Rs.50/- per GRT per month) and it is understood that the Hon'ble High Court has directed the petitioners to approach the Central Government for necessary relief under Section 54 of the MPT Act. Till disposal of the representation by the Government, it is advisable to maintain status-quo with reference to the launches operating from Ballard Pier which incidentally is the proposal of the Mumbai Port Trust also.

- (xxii). The cost statement for composite towage and pilotage discloses a deficit of around 39%. As against the general increase of 25% proposed for this service, the port has proposed increases to the extent of 119% in pilotage service without tug assistance for stream operations. Likewise, it has proposed 170% increase in pilotage for port trust Dock to either Naval Dock or Mazgaon Dock or Darukhana Dock or Bunders or *vice versa* without tug assistance.

In reply to a query, the port has clarified that in the past vessels had to wait in stream because of port's inability to provide a berth on arrival of the vessel. Situation has now changed and many times berths are vacant awaiting vessels. Some vessels opt to discharge cargo midstream and carry cargo to other ports or through to MBPT berths and the MBPT has stated that it need not suffer deficit in giving service to such vessels which do carry cargo to MBPT. The argument of the port is reasonable. Since average deficit in the pilotage and towage sub-activity as adjusted now is about 39%, increase is limited to 39%.

- (xxiii). Pilotage fee shall cover services of pilot and provision of required number of tugs / launches for inward and outward movement and one shifting within the same dock system / basin at the request of the vessel. The definition of pilotage fee has been included in the Scale of Rates.
- (xxiv). The port has revised the definition of 'coastal vessel' in accordance with the general prescription made by this Authority in respect of other major ports which is approved.
- (xxv). In the prescription of charges for movement of vessels in the category of off-shore supply vessels, the port has indicated the category of off-shore supply vessels as "supply vessels', survey vessels and specific support vessels etc.," which is approved.

To levy fees and charges for pilotage on ships / vessels of war for any additional movement from sea to stream or stream to dock or stream to stream or dock to dock, the port has proposed additional 50% of charges prescribed for such pilotage in addition to charges leviable for normal sea to dock and dock to sea movement. Likewise it has proposed twice the rates prescribed for pilotage on ships / vessels of war for cold move of Naval vessels. These conditionalities are approved.

- (xxvi). Note 6 to tables I to IV prescribing powers to the Chairman of MBPT to fix rates for services not specified in the relevant table is not in accordance with tariff setting arrangements envisaged in the MPT Act. This provision is, therefore, deleted.
- (xxvii). Item (a) under Table V prescribes charges for a tug attending a vessel on fire. Item (b) under Table VI provides charges for a fire-float or any other craft attending a vessel on fire or otherwise, in stream or at Jawahar Dweep and Pir Pau. Firefighting is the responsibility of the port and a separate charge for fighting a fire need not be levied; cost of firefighting establishment forms part of the concerned activities. The port has accepted that firefighting is the responsibility of the port and has added that this charge is for deployment of

additional tug, if felt necessary, depending on the situation. If the port feels additional tug is necessary for firefighting there should be no extra charge; only if the vessel on fire requisitions services of additional tug, fire float or any other craft, extra charges should become payable. The conditionality has been amended accordingly.

- (xxviii). Item (c) under table V provides for additional charges for attendance of a tug at Jawahar Dweep / Pir Pau when such attendance is thought necessary by the Deputy Conservator. Such unguided discretionary provisions are not desirable and the port was requested to prescribe circumstances in which such attendance may be necessary. The port has stated that circumstances vary from time to time depending on the size and configuration of the vessel, weather conditions etc. and that the Deputy Conservator can assess position on the spot and take appropriate decision. If safety of the vessel and the port property and hazard to navigation are the concern, it is for the port to take appropriate action and cover the cost through charges for port conservancy. If the vessel requisitions services of additional tug extra charges should become payable.

The charges for attendance of a tug on a vessel at Jawahar Dweep / Pir Pau shall, therefore, become payable only if the vessel requisitions services of additional tug. The relevant conditionality is suitably modified.

- (xxix). The port has proposed to increase the charges for attendance of Master Pilot/Pilot beyond the limits of the port when needed in unavoidable circumstances from \$ 10.45 to \$ 142.50 (Rs.4788) plus boarding / lodging / traveling expenses to which he is entitled at the rates to be fixed from time to time. The port has clarified that such service is rendered to navy/coastguard or vessels in distress at their request in emergencies and the charges towards boarding, lodging and traveling will depend upon the craft used for traversing to the place of distress from shore and distance at which service is rendered. The port has stated that the charges have been worked out on the basis of scale of pay and allowances of pilots prevailing in the year 1999 and converted into USD and have furnished the detailed computation thereof. The amount worked out is Rs.2400 per day. At the current exchange it works out to US \$ 52.631 per day. Further, the discretionary powers proposed to be vested on the Chairman to collect boarding, lodging and traveling expenses to which the Master Pilot or Pilot is entitled cannot be approved and the clause has, therefore, been suitably modified to enable the port to collect such charges at actuals.
- (xxx). Table VIII provides charges for supply of water to shipping by water boats. In reply to a query the port has clarified that all the services for which charges have been prescribed in Tables IV to XV of the pilotage scale of rates are ancillary services connected with the shipping movements. At present it is not supplying water to shipping by water boats; however it has proposed to retain the rates in the tariff to enable recovery of charges in case service is rendered in future. Users have represented that rates for ancillary services not provided by the port should not be increased as this gives handle to the private service providers to increase their charges with reference to the revised charges of the port. In this backdrop, the provisions relating to water supply by water boats is deleted from the Scale of Rates. If and when MBPT starts providing this service, it can approach this Authority for prescribing a suitable rate therefor.
- (xxxi). The port has added additional conditionalities in the form of notes governing the rates for fire services salvage operation. The conditionalities are in the nature of giving more clarity. It is however, to be further clarified that these charges are payable only when requisitioned by the user. A suitable additional condition has been added in this regard.

(xxxii). Table X provides for charges for services of Diving team as specified therein. Notes 4 & 6 thereunder provide that additional charges payable when extra employees in certain categories and additional plant are deployed shall be as fixed by the Chairman (MBPT). This provision is not in accordance with the tariff setting arrangements envisaged in the MPT Act. The respective conditionalities are, therefore, deleted.

Likewise the discretionary power proposed to be vested on the Chairman (MBPT) to fix fees for diving team for work outside port limits is deleted for reasons stated above.

(xxxiii). The port has explained that the facility of mooring at anchorage has not been utilised by any of the vessels calling at MBPT port for the past six years. It does not expect any vessel to require this service in the absence of any Anchor Hoy vessels. In this backdrop, the proposal of the MBPT to delete the existing table of mooring fees from its Scale of Rates is approved.

(xxxiv). The power proposed to be vested on the Deputy Conservator to alter the rates of salvage fees on articles salvaged within the port limits is not in line with the tariff setting arrangements envisaged in the MPT Act. The proposed conditionality is, therefore, deleted.

(xxxv). The port has categorised its fleet of harbour tugs and dock tugs in terms of the capacity of the tugs while fixing the charges leviable for miscellaneous jobs other than towage job. With regard to the calculation of charges for hire of conventional dock tugs and AM& VS dock tugs for miscellaneous jobs, the MBPT has prescribed hire charges of its tugs on the basis of average rate of existing charges. After allowing the rate of return at 17.5% for reasons stated earlier and correcting the error in the calculation, the revised rate has been arrived. While doing so, the present exchange rate has been applied as against a much lower conversion rate adopted by the port. The proposed rates have been modified accordingly.

(xxxvi). The port has not furnished details showing how charges for garbage reception facilities have been worked out. However, no user has specifically commented about reasonableness or otherwise of these charges. These are approved.

(xxxvii). While revising the Scale of Rates, general definition of terms, common prescriptions, etc. made by this Authority and included in other ports Scale of Rates have been suitably inserted at appropriate places.

(xxxviii). In line with the direction issued by the Government under Section 111 of the Major Port Trusts Act, 1963 the rates approved will be ceiling level and the rebates/discounts will be at the floor level. The MBPT will have the flexibility to charge lower rate if it so desires based on the commercial judgement of the port.

(xxxix). The revised Scale of Rates approved will remain valid for period of two years from the date of notification of the Order. This Authority may, however, entertain general revision proposal from the MBPT ahead of schedule.

9. In the result, and for the reasons given above, and based on a collective application of mind, this Authority approves the following:

- (i). To delete the existing Section-IV – composite berth hire charges and substitute therefor the revised Section-IV – composite berth hire charges of the MBPT as per **Annex - II**.
- (ii). To delete the existing schedule of port dues and substitute the revised schedule of port dues as per **Annex - III**.

- (iii). To delete the existing schedule of composite towage, pilotage and other fees order and substitute the revised schedule as per **Annex - IV**.

10. The revised rates and conditionalities shall come into force after expiry of thirty days from the date of publication of the Order in the Gazette of India. Further, the revised rate for supply of Chipping and Painting workers is subject to the MBPT informing the Hon'ble Bombay High Court and obtaining its permission to implement the revised rate.

(A.L. Bongirwar)
Chairman

**CONSOLIDATED COST STATEMENT FOR
THE PORT AS A WHOLE**

Sr. No.	Particulars	2000-01	2001-02	2002-03	2003-04	2004-05
I	Operating Income					
	(I) Cargo handling and Storage	27466.6	25431.6	24663.82	24902.6	25345.87
	(ii) Port and Dock	15493.9	14956.8	16336.17	17170.5	17686.8
	(iii) Railway	311.59	308.07	291.44	300	300
	(iv) Rentable Land & Building	3088.55	3356.17	4192.78	3538	3538
	(v) Additional income by maintaining disparity in coastal vessel tariff.				1094	1236
	(vi) Additional income from foreign exchange fluctuations					
	Total	46360.6	44052.6	45484.21	47005.1	48106.67
	Drop in income due to depreciation of US Dollar reported by the Port				300	300
	Total Operating Income				46705.1	47806.67
II	Operating Cost					
	Cargo handling	14039.1	12078.2	11735.73	12439.9	13186.26
	Port & Dock	12068.7	9983.61	9288.38	9845.68	10436.42
	Railway	1440.91	1110.4	1118.91	1186.04	1257.2
	Rentable Land & Building	1319.65	1324.19	2259.47	2395.03	2538.73
	Total Operating Cost	28868.4	24496.4	24402.49	25866.6	27418.61
	General facilities					
	Cargo Handling	3227.52	2167.56	3002.64	3002.64	3002.64
	Port & Dock	0.02	1.87	0.95	0.95	0.95
	Railway					
	Rentable Land & Building	10.42	11.19	9.69	9.69	9.69
	Total General Facilities	3237.96	2180.62	3013.28	3013.28	3013.28
	Depreciation					
	Cargo handling	2534.33	2673.18	2661.15	2661.15	3075.6
	Port & Dock	1859.79	1832.19	1851.01	1851.01	2380.81
	Railway	71.99	74.38	124.82	124.82	124.82
	Rentable Land & Building	129.97	90.16	103.56	103.56	103.56
	Total Depreciation	4596.08	4669.91	4740.54	4740.54	5684.79
	Finance & Misc.Exp.					
	Cargo handling	8715.81	15257.4	9863.39	15596.1	15596.1
	Port & Dock	3840.07	6958.66	3908.44	6179.94	6179.94
	Railway	760	1199.95	740.38	1170	1170
	Rentable Land & Building	284.12	483.95	287.79	453.96	453.96
	Total Finance & Misc. Exp.	13600	23900	14800	23400	23400
	Ex-gratia payment/PLB					

	Performance reward					
	Total-II	50302.4	55246.9	46956.31	57020.4	59516.68
III	Surplus (I - II)	-3941.8	-11194.3	-1472.1	-10315.3	-11710
IV	Allocated Management & General overheads.					
	Cargo handling	6444.4	5509.08	5528.51	5860.22	6211.83
	Port & Dock	4691.49	3949.17	3827.18	4056.81	4300.21
	Railway	1069.35	737.27	743.09	787.67	834.93
	Rentable Land & Building	906.43	806.65	884.21	937.26	993.49
	Total Allocated Mgmt.& Genl.Overheads	13111.7	11002.2	10982.99	11642	12340.46
V	Net Surplus (III - IV)	-17053	-22196.5	-12455.1	-21957.3	-24050.5
VI	Interest on Loan	971.42	869.45			
VII	Net surplus after interest	-18025	-23065.9	-12455.1	-21957.3	-24050.5
VIII	Capital Employed	63384	64216	63382	58245	73698
IX	Return at 17.5% for 2003-04, 2004-05				10192.9	12897.15
X	Capacity utilisation				91.80%	96.72%
XI	Return on Capital Employed linked to Capacity Utilisation				9357.05	12474.12
XII	Net Surplus / Deficit after returns				-31314.4	-36524.6
XIII	Surplus / Deficit as percentage of (I)				(-) 67.04%	(-) 76.40%
XIV	Average Surplus/Shortfall				(-)71.72%	

(Rs.in lakhs)

COST STATEMENT FOR PORT & DOCK FACILITIES

Sr.No.	Particulars	2000-01	2001-02	2002-03	Without Change	
					2003-04	2004-05
I	Operating Income					
	Composite Towage & Pilotage	4818.51	4461.65	4995.03	4396.02	4659.7
	Port Dues	2841.73	2792.42	2905.2	2764.59	2914.5
	Berth Hire	4064.99	4341.4	3983.57	3920.88	3920.8
	Additional income by maintaining disparity in coastal tariff.				1094	123
	Total	11725.23	11595.47	11883.8	12175.49	12731.2
	Proportionate drop in income due to depreciation of US dollar reported byMBPT				300	30
	Total-1	11725.23	11595.47	11883.8	11875.49	12431.2
II	Operating Cost					
	Operating Cost					
	Composite Towage & Pilotage	3559.07	3114.6	2597.95	2759.54	2931.1
	Port Dues	1162.81	1055.29	1036.7	1101.18	1169.6
	Berth Hire	3839.17	3848.96	3559.79	3781.21	4016.
	General facilities					
	Composite Towage & Pilotage					
	Port Dues					
	Berth Hire	0.02	1.55			
	Depreciation					
	Composite Towage & Pilotage	857.89	810.73	819.31	819.31	819.3
	Port Dues	51.29	49.98	54.17	54.17	54.1
	Berth Hire	289.74	341.08	347.67	347.67	347.6
	Finance & Misc.Exp.					
	Composite Towage & Pilotage	1141.09	2160.64	1084.76	1715.22	1715.2
	Port Dues	106.54	195.43	119.8	189.54	189.5
	Berth Hire	1875.27	3414.23	1994.65	3154.32	3154.3
	Total-II	12882.89	14992.49	11614.8	13922.16	14397.
III	Surplus (I - II)	-1157.66	-3397.02	269	-2046.67	-1966.2
IV	Allocated Management & General overheads.					
	Composite Towage & Pilotage	1435.63	1281.94	1146.3	1217.6	1293.3
	Port Dues	317.1	246.67	284.8	302.51	321.3
	Berth Hire	1831.82	1712.09	1633.93	1735.56	1843.5
	Total-IV	3584.55	3240.7	3065.03	3255.67	3458.1
V	Net Surplus (III - IV)	-4742.21	-6637.72	-2796.03	-5302.34	-5424.4
VI	Interest on Loan	971.42	869.45			
VII	Net surplus after interest	-5713.63	-7507.17	-2796.03	-5302.34	-5424.4
VIII	Capital Employed for 2003-04, 2004-05					
	Composite Towage & Pilotage		5324	4518	3699	288
	Port Dues		449	438	384	33
	Berth Hire		5567	5105	4757	440
	Total-VII		11340	10061	8840	761
IX	Return at 17.5% for 2003-04, 2004-05				1547	1333.3
X	Capacity utilisation				91.80%	96.72%
XI	Return on Capital Employed linked to Capacity Utilisation				1420.14	1289.5
XII	Net Surplus / Deficit after returns				(-)6722.48	(-)6714.00
XIII	Surplus / Deficit as percentage of (I)				(-)56.60%	(-)54.00%

COST STATEMENT FOR COMPOSITE TOWAGE & PILOTAGE

Sr.No.	Particulars	2000-01	2001-02	2002-03	Without Change	
					2003-04	2004-05
I	Operating Income					
	Composite Towage & Pilotage	4430.19	4071.01	4545.01	4001	4241.06
	Double Banking & Lighterage dues	65.33	67.61	126.14	72.66	77.02
	Sundry Charges	322.99	323.03	323.88	322.36	341.7
	(v) Additional income by maintaining disparity in coastal vessel tariff.				753	852
	Total	4818.51	4461.65	4995.03	5149.02	5511.78
	Proportionate drop in income due to depreciation of US dollar				187.13	187.68
	Total-I	4818.51	4461.65	4995.03	4961.89	5324.1
II	Operating Cost					
	Operating Cost	3559.07	3114.6	2597.95	2759.54	2931.19
	General facilities					
	Depreciation	857.89	810.73	819.31	819.31	819.31
	Finance & Misc.Exp.	1141.09	2160.64	1084.76	1715.22	1715.22
	Total-II	5558.05	6085.97	4502.02	5294.07	5465.72
III	Surplus (I - II)	-739.54	-1624.32	493.01	-332.18	-141.62
IV	Allocated Management & General overheads.					
		1435.63	1281.94	1146.3	1217.6	1293.33
V	Net Surplus (III - IV)	-2175.17	-2906.26	-653.29	-1549.78	-1434.95
VI	Interest on Loan	184.14	164.39			
VII	Net surplus after interest	-2359.31	-3070.65	-653.29	-1549.78	-1434.95
VIII	Capital Employed		5324	4518	3699	2880
IX	Return at 17.5% for 2003-04, 2004-05				647.32	504
X	Capacity utilisation				91.80%	96.72%
XI	Return on Capital Employed linked to Capacity Utilisation				594.23	487.46
XII	Net Surplus / Deficit after returns				(-)2144.01	(-)1922.41
XIII	Surplus / Deficit as percentage of (I)				(-)43.21%	(-)36.10%
XIV	Average Surplus/Shortfall				(-) 39.65%	

COST STATEMENT FOR PORT DUES

Sr.No.	Particulars	2000-01	2001-02	2002-03	Without Ch 2003-04
I	Operating Income				
	Port Dues	2547.47	2497.46	2549.8	2500.0
	Anchorage	101.31	112.75	82.29	100.0
	Fees for Water Conveyance	133.34	115.03	164.27	90.0
	Miscellaneous	59.61	67.18	108.84	67.5
	Additional income by maintaining disparity in coastal vessel tariff.				34.0
	Proportionate drop in income due to depreciation of US dollar				
	Total-I	2841.73	2792.42	2905.2	3105.5
	Proportionate drop in income due to depreciation of US dollar				112.8
					2992.7
II	Operating Cost				
	Operating Cost	1162.81	1055.29	1036.7	1101.1
	General facilities				
	Depreciation	51.29	49.98	54.17	54.1
	Finance & Misc.Exp.	106.54	195.43	119.8	189.5
	Total-II	1320.64	1300.7	1210.67	1344.8
III	Surplus (I - II)	1521.09	1491.72	1694.53	1647.8
IV	Allocated Management & General overheads.				
		317.1	246.67	284.8	302.5
V	Net Surplus (III - IV)	1203.99	1245.05	1409.73	1345.3
VI	Interest on Loan	40.21	35.89		
VII	Net surplus after interest	1163.78	1209.16	1409.73	1345.3
VIII	Capital Employed		449	438	380.0
IX	Return at 17.5% for 2003-04, 2004-05				67.0
X	Capacity utilisation				91.80%
XI	Return on Capital Employed linked to Capacity Utilisation				61.6%
XII	Net Surplus / Deficit after returns				1283.6
XIII	Surplus / Deficit as percentage of (I)				42.89%
XIV	Average Surplus/Shortfall				43.35%

COST STATEMENT FOR BERTH HIRE

Sr.No.	Particulars	2000-01	2001-02	2002-03	Without Change	
					2003-04	2004-05
I	Operating Income					
	Berth Hire Charges	3998.31	4273.24	3862.69	3800	3800
	Other Income	66.68	68.16	120.88	120.88	120.88
	Total-I	4064.99	4341.4	3983.57	3920.88	3920.88
II	Operating Cost					
	Operating Cost	3839.17	3848.96	3559.79	3781.21	4011.21
	General facilities	0.02	1.55			
	Depreciation	289.74	341.08	347.67	347.67	347.67
	Finance & Misc.Exp.	1875.27	3414.23	1994.65	3154.32	3154.32
	Total-II	6004.2	7605.82	5902.11	7283.2	7516.17
III	Surplus (I - II)	-1939.21	-3264.42	-1918.54	-3362.32	-3597.29
IV	Allocated Management & General overheads.					
		1831.82	1712.09	1633.93	1735.56	1843.93
V	Net Surplus (III - IV)	-3771.03	-4976.51	-3552.47	-5097.88	-5441.22
VI	Interest on Loan	54.41	48.55			
VII	Net surplus after interest	-3825.44	-5025.06	-3552.47	-5097.88	-5441.22
VIII	Capital Employed		5567	5105	4757	4757
IX	Return at 17.5% for 2003-04, 2004-05				832.47	771.22
X	Capacity utilisation				91.80%	96.7%
XI	Return on Capital Employed linked to Capacity Utilisation				764.2	746.22
XII	Net Surplus / Deficit after returns				-5862.08	-6187.22
XIII	Surplus / Deficit as percentage of (I)				-149.50%	-157.8%
XIV	Average Surplus/Shortfall				(-) 153.65%	

SECTION - IV

A. Composite berth hire charges

Berth hire charges on vessels, boats and barges berthed at Indira Dock and its harbour wall, including Ballard Pier Extension, Prince's & Victoria Docks and its harbour walls shall be payable by Masters or Owners or Agents or Charterers of such vessels, boats and barges at the following rates:-

SI. No.	Vessels berthed at	Rate per GRT for per hour or part thereof	
		Coastal Vessel (in Rs.) (ceiling rate)	Foreign-going vessel (in US \$) (ceiling rate)
1.	Indira dock & its harbour walls, Ballard Pier and Ballard Pier Extension	0.094	0.0059
2.	Prince's & Victoria Docks and its harbour walls	0.073	0.0046

Notes:

1. For the purpose of levy of the above charges
 - (i). the minimum GRT for any vessel will be taken as 1000 and
 - (ii). the term 'vessel' will include the Boats, Barges and craft of GRT of 1000 and above.
2. The berth hire shall be leviable from the time a vessel takes the berth till the time it leaves the berth.
3.
 - (i). There shall be a time limit beyond which berth hire shall not apply, berth hire shall stop 4 hours after the time of vessel signaling its readiness to sail.
 - (ii). There shall be a 'penal berth hire' equal to one day's berth hire charges for a false signal.
 - (iii). The Master / Agents of the vessel shall signal readiness to sail only in accordance with favourable tidal and weather conditions.
 - (iv). The time limit of 4 hours prescribed for cessation of berth hire shall exclude the ship's waiting period for want of favourable tidal conditions.
4. Sundays and Docks Holidays declared under Docks Bye-Law No.118 will be treated as normal working days for levy of the above charges and no separate charge will be levied.
5. Every Boat and country craft of less than 1000 GRT and pleasure yacht and a lash barge entering the Docks shall be levied berth hire charges of Rs.4.25 / US \$ 0.3375 per hour or part thereof for the first 200 GRT or part thereof and Rs.2.12 / US \$ 0.1687 per hour or part thereof for every additional 100 GRT or part thereof in respect of costal / foreign-going vessels respectively. This concessional rate will be admissible to local craft, boats and barges except off shore supply vessels whether self propelled or not and plying in foreign and

coastal trade. The concessional rates shall also be admissible to lash barges and pleasure yacht irrespective of their tonnage. Each barge will be separately charged berth hire charges treating each as a distinct vessel. However, when the barges make use of wharf crane, the composite berth hire charges as prescribed at (1) above shall be levied.

6. Off shore supply vessels falling in the category of coastal vessels berthed at any berth in Docks or Harbour Wall shall be levied berth hire charges of Rs.0.224 per GRT per hour or part thereof. All the off shore supply vessels will be subjected to this rate irrespective of the GRT of the vessels and will not be entitled for concessional levy as at (5) above.
7. Definitions and General Terms and conditions prescribed in the Scale of Rates for pilotage, towage, etc., shall also govern levy of composite berth hire charges.

B. Charges for supply of chipping and painting workers payable by the indentors

Rs.630/- per labour per shift plus overtime wages on actuals.

PORT DUES

SCHEDULE

SI. No.	Vessels chargeable	Rate of Port Dues per GRT		Due how often chargeable in respect of same vessels
		In Rs. (ceiling rate)	US \$ (ceiling rate)	
1. (a).	Foreign going vessels of 3000 tons and upwards (except fishing boats)	-	0.1955	Once in the same month.
(b).	Foreign going vessels of Ten tons and upwards but less than 3000 tons (except fishing boats)	-	0.138	Once in the same month.
(c).	Tugs, boats, ferry boats and river boats, whether propelled by steam or other mechanical means arriving from ports outside India	-	0.138	Once between the 1 st January and 30 th June and once between 1 st July and 31 st December in each year
2. (a).	Coastal vessels of 3000 tons and upwards (except fishing boats)	6.240	-	Once in the same month
(b).	Coastal vessels of Ten tons and upwards but less than 3000 tons (excepts fishing boats)	4.404	-	Once in the same month
(c).	Coastal vessels such as tugs, boats, whether propelled by steam or other mechanical means	4.404	-	Once between 1 st January and 30 th June and once between 1 st July and 31 st December in each year
3. (a).	A vessel entering the Port in ballast and not carrying passengers –			
(i).	But taking in any cargo or passengers at the port OR	75% of the Port Dues		Once in the same month
(ii).	But sailing from the Port without taking any passenger or cargo OR	50% of the Port Dues		Once in the same month
(iii).	For the purpose or repairs, dry docking, taking in bunkers, provision of water or for change of crew or for discharging any sick member of the crew and sailing from the Port without taking in any passenger or cargo	50% of the Port Dues		Once in the same month

	(iv). A LASH vessel making a 'second call' to pick up empty and / or laden fleeting LASH barges shall be treated as a vessel entering a port but not discharging or taking any cargo or passengers therein as described in Section 50 B of the Major Port Trusts Act, and shall not be charged any Port Dues.	NIL	—
(b).	A vessel, which, having paid 3/4 th Port dues, leaves port but again enters the port with cargo or passengers or for any other purpose within the month for which payment was made	25% of the port Dues	Once in the same month
4.	A vessel which enters the Port but does not discharge or take in any cargo or passenger (with the exception of such unshipment and re-shipment of cargoes may be necessary for purpose of repairs)	42.5% of the Port Dues	Once in the same month
5.	Telegraph vessels	50% of the Port Dues	Once in the same month
6.	Pleasure Yacht or any vessel which having left the Port is compelled to re-enter by stress of weather or in consequence of having sustained any damage, either with or without stress of weather	No Port Dues	
7.	A vessel in distress with cargo on board brought into harbour in tow	Full Port Dues	Once in the same month
8.	A vessel in distress with no cargo on board brought into harbour in tow	75% of the Port Dues	

Notes:

- (1). The vessels visiting JNPT, if for any reasons the same vessels visit MBPT, 57.5% of the Port Dues recoverable as per the above schedule shall be levied. However, vessels plying exclusively between MBPT and JNPT for carriage of cargo shall be levied full Port Dues as per the above Schedule. Vessels paying full port dues at the MBPT need not pay 42.5% of the MBPT port dues at the JNPT.
- (2). The month for levy of charges under these Schedules shall be reckoned as 1st day (inclusive) of one month to the 1st day (exclusive) of the next month or from the 2nd day (inclusive) of one month to the 2nd day (exclusive) of the next month and so on e.g. 2nd of January (inclusive) to 2nd of February (exclusive).
- (3). For oil tankers with segregated ballast the reduced Gross Tonnage that is indicated in 'Remarks' column of its International Tonnage Certificate will be taken as its Gross Tonnage for the purpose of levying Port dues.
- (4). Definitions and General Terms and Conditions prescribed in the Scale of Rates for pilotage, towage etc., shall also govern levy of Port Dues.

SCALE OF RATES

1.1. Definitions

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

- (i). 'Coastal Vessel' shall mean any vessel exclusively employed in trading between any port or place in India to any other port or place in India having valid coastal licence issued by the competent authority.
- (ii). 'Foreign-going Vessel' shall mean any vessel other than Coastal vessel.
- (iii). 'GRT' means Gross Registered Tonnage of vessel as per the Ship's Registry or the International Tonnage Certificate issued by the competent authorities.
- (iv). 'Vessel' includes any thing made for the conveyance mainly by water of human being or of goods and a caisson.
- (v). 'Pleasure Yacht' means a ship howsoever propelled which is exclusively used for pleasure cruises and does not carry any passengers on a commercial basis.
- (vi). 'Telegraph Vessel' means a vessel equipped with machinery and gears for lifting, examining and laying sub-marine cables for overseas communications.

1.2. General Terms and Conditions

- (i). 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 its classification as 'coastal' or 'foreign-going' 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.
- (ii).
 - (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.
 - (b). A foreign going vessel of Foreign Flag can convert to coastal run on the basis of a Coastal Voyage Licence issued by the Director General of Shipping.
 - (c). In cases of such conversion, coastal rates shall be chargeable by the load port from the time the vessel starts loading coastal goods.
 - (d). In cases of such conversion coastal rates shall be chargeable only till the vessel completes coastal cargo discharging operations; immediately thereafter, foreign-going rates shall be chargeable by the discharge ports.
 - (e). 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.
- (iii).
 - (a). Vessel related charges shall be levied on shipowners / steamer agents. Wherever rates have been denominated in US dollar terms the charges shall be recovered in Indian Rupees after conversion of US currency to its equivalent Indian Rupees at the market buying rate

notified by the Reserve Bank of India, State Bank of India or its subsidiary or any other Public Sector Banks as may be specified from time to time. The date of entry of the vessel into the port limit shall be reckoned with as the day for such conversion.

- (b). A regular review of exchange rate shall be made once in thirty days from date of arrival of the vessels in cases of vessels staying in the port for more than thirty days. In such cases, the basis of billing shall change prospectively with reference to the appropriate exchange rate prevailing at the time of review.
- (iv). Interest on delayed payments / refunds:
 - (a). The user shall pay penal interest on delayed payments under this Scale of Rates. Likewise, the MBPT shall pay penal interest on delayed refunds.
 - (b). The rate of penal interest will be 18% p.a. The penal interest will apply to both the MBPT 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 MBPT. 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.
- (v).
 - (a). Wherever a specific tariff for a service/cargo is not available in the notified Scale of Rates, the MBPT can submit a suitable proposal to this Authority.
 - (b). Simultaneously with the submission of proposal, the proposed rate can be levied on an ad hoc basis till the rate is finally notified by this Authority.
 - (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 and the concerned user.
 - (d). The final rates fixed by this Authority 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.
- (vi). The rates prescribed in the Scale of Rates are ceiling levels; likewise, rebates and discounts are floor levels. The Port Trust may, if it so desires, charge lower rates and/ or allow higher rebates and discounts.

The Port Trust may also, if it so desires, rationalise the prescribed conditionalities governing the application of rates prescribed in the Scale of Rates if such rationalisation gives relief to the user in rate per unit and the unit rates prescribed in the Scale of Rates do not exceed the ceiling levels.

Provided that the Port Trust should 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 this Authority.

- (vii). The minimum charges recovered in any bill shall be Rupees Ten (Rs.10/-) only.
- (viii). All charges worked out shall be rounded off to the next higher rupee on the grand total of each bill.

2.1. Fees and charges for Pilotage, Tug Assistance, Towage, and other services

2.1.1. Fees and Charges for Pilotage, Tug Assistance, Towage etc, on the Gross Registered Tonnage of vessels including Government vessels or vessels hired by Government and the vessels belonging to Coast Guard but excluding (a) vessels/tankers proceeding to or from Jawahar Dweep or Pir Pau and (b) Indian and Foreign vessels commissioned as Naval Vessels.

Sl. No.	Nature of Movements	Rate per GRT	
		Coastal vessel (in Rs.) (ceiling rate)	Foreign-going Vessel (in US \$) (ceiling rate)
(A)	IN RESPECT OF VESSELS MANOEUVERING WITH MAIN ENGINES		
1.	(a). Sea to Dock and dock to sea with tug assistance	10.78	0.3379
	(b). Sea to Dock and dock to sea without tug assistance	9.80	0.3072
2.	(a). Sea to Stream and Stream to Sea with tug assistance	9.80	0.3072
	(b). Sea to Stream and Stream to Sea without tug assistance	1.95	0.0612
3.	Stream to Dock and dock to Stream (Dock includes Naval Dock, Mazgaon Dock, Darukhana, Bunders etc.)-		
	(a). For movement of vessels without tug assistance	1.95	0.0612
	(b). For movement of vessels with tug assistance	10.33	0.3238
4.	(a). One Port Trust Dock to another Port Trust Dock with tug assistance	4.94	0.1549
	(b). One Port Trust Dock to another Port Trust Dock without tug assistance	3.26	0.1024
	(c). Port Trust Dock to either Naval Dock or Mazgon Dock or Darukhana or Bunders or vice versa with tug assistance	5.31	0.1664
	(d). Port Trust Dock to either Naval Dock or Mazgon Dock or Darukhana or Bunders or vice versa without tug assistance	1.33	0.0417
5.	(a). Stream to Stream (without tug assistance)	0.97	0.0306
	(b). Stream to Stream (with tug assistance)	5.31	0.1664

6.	Dock to Jawahar Dweep/Pir Pau or vice versa with Tug Assistance	7.19	0.2253
(B)	Charges per harbour tug for mooring a vessel which has dragged her anchors	3.14	0.0986
(C).	Charges for the movement of vessels in the category of off-shore supply vessels: (supply vessels, survey vessels and specific support vessels etc.)		
	(a). Sea to Dock and Dock to Sea	8.53	0.2675
	(b). For movement other than movement specified at '(a)' above.	1.79	0.0563
Sl. No.	Nature of Movements	Rate per GRT	
		Coastal vessel (in Rs.) (ceiling rate)	Foreign-going Vessel (in US \$) (ceiling rate)
(D).	For tugs boats, passenger boats, fishing trawlers, self-propelled barges, dumb barges lash barges, pleasure yacht and country crafts etc.		
	(a). Sea to Dock and Dock to Sea	3.59	0.1126
	(b). Sea to Stream and Stream to Sea	2.24	0.0704
	(c). Stream to Dock and Dock to Stream	2.24	0.0704
	(d). Stream to Stream	2.24	0.0704

Notes:

- (1). Charges for movement without main engines in operation shall be levied at twice the rates payable as per 'A', 'C' or 'D' in the schedule above, as the case may be.
- (2). In respect of items A1 to A3 above where the vessel has made (i) only inward entry into stream / Dock or (ii) only outward exit from Dock / Stream to Sea, half the applicable rate will be charged.
- (3). Any additional movement will be charged separately as per charges prescribed for the movement.
- (4). Supply vessels/tugs going to MFL/MPL (Nhava Sheva Cross line) shall be treated as leaving Mumbai Port and going to sea and next arrival of the vessel shall be treated as fresh voyage.
- (5). Tugs working as supply vessels shall be treated as supply vessels for levy of charges.
- (6). Vessels traversing from Sea to other Ports situated within port limits through MBPT waters shall be treated as Sea/MFL to stream as arrival and from Stream to inner Port MBPT cross line as departure and fresh arrival from the same route will be treated as fresh voyage for purpose of levy of MBPT charges.

2.1.2. Fees and Charges for Pilotage, Tug Assistance, Towage etc. on vessels/tankers proceeding to or from Jawahar Dweep / Pir Pau.

Sl.	Nature of Movements	Rate per GRT
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No.		Coastal vessel (in Rs.) (ceiling rate)	Foreign-going Vessel (in US \$) (ceiling rate)
(A)	IN RESPECT OF TANKERS MANOEUVRING WITH MAIN ENGINES		
1.	Sea/Stream to Jawahar Dweep/Pir Pau and Jawahar Dweep/Pir Pau to Sea/Stream with tug assistance	19.44	0.6091
2.	(a.) Sea to Stream and Stream to Sea without tug assistance	1.95	0.0612
	(b.) Sea to Stream and Stream to Sea with tug assistance	13.70	0.4294
Sl. No.	Nature of Movements	Rate per GRT	
		Coastal vessel (in Rs.) (ceiling rate)	Foreign-going Vessel (in US \$) (ceiling rate)
3.	Jawahar Dweep/Pir Pau to Dock or vice versa, Jawahar Dweep to Pir Pau or vice versa	7.19	0.2253
4.	(a.) Stream to Stream without tug assistance	0.97	0.0306
	(b.) Stream to Stream with tug assistance	6.13	0.1921
(B)	Charges per harbour tug for mooring a tanker which has dragged her anchors	3.17	0.0994

Notes:

- (1). Charges on tankers which are required to be manoeuvred without main engines in operation shall be levied at twice the rates prescribed at (A) above.
- (2). In respect of items A1 to A3 above where the vessel has made (i) Only inward entry into Stream / Jawahar Dweep / Pir Pau or (ii) Outward exit from Stream / Jawahar Dweep / Pir Pau to sea half of the applicable rate will be charged.

2.1.3. Fees and charges for Pilotage, Tug Assistance and Towage, etc. on ships / vessels of war

Class of ship/vessel	Charges per vessel	
	Coastal vessel (in Rs.) (ceiling rate)	Foreign-going Vessel (in US \$) (ceiling rate)
Battle ships, Battle Cruisers and Aircraft carriers	128088.58	4012.800
Cruisers, Monitors	64044.29	2006.400
Sloops Destroyers and other War ships	32022.14	1003.200

Notes:

- (1). The charges on Ships/vessels mentioned above which are not classified / commissioned as Naval vessels shall be levied as per the charges specified in schedule 2.2.1.
- (2). Charges on Tugs, Launches, Craft and other Boats of Navy shall be levied as per the charges specified in schedule 2.2.1.
- (3). The above charges are for both inward/outward movement from Sea / Stream to dock or vice versa. For single movement of either inward or outward entry half the above charges will be charged.
- (4). Any additional movement from Sea to Stream or Stream to Dock or Stream to Stream or Dock to Dock half the above charges shall be leviable in addition to normal Sea to Dock and Dock to Sea Movement.
- (5). Charges on Naval vessels which are required to be maneuvered without their main engine in operation shall be levied at twice the rates prescribed in the above schedule.

2.1.4. Charges on Vessels/Barges/Boats for arranging alongside other vessel for working of cargo in mid-stream (Double Banking)

Sl. No.	Nature of Movements	Rate per GRT	
		Coastal vessel (in Rs.) (ceiling rate)	Foreign-going Vessel (in US \$) (ceiling rate)
(a).	Double Banking with tug assistance	6.94	0.2176
(b).	Double Banking without tug assistance	4.90	0.1536
(c).	Lighterage dues on Mother Vessels discharging/receiving cargo – On Foreign-going vessels and Coastal vessels lighterage dues respectively at the rate of US Dollar 0.0043 and Rs.0.13 per GRT for a period of one hour or part thereof shall be levied from the time it is anchored/occupies the place in stream for working cargo. Anchorage charges shall be levied during the period vessel is not working cargo. The lighterage dues shall not be levied on the vessels engaged in mid-stream discharge for (1) Vessel which discharges part Cargo for reducing the draft of the vessel for calling at the Docks/Pier Mumbai Port Trust and if subsequently calls at Docks or Piers of Mumbai Port, (2) Vessels which discharge entire cargo into barges for subsequent discharge at Docks/Bunders of Mumbai Port and sail out from Stream and the discharged cargo is subsequently brought at Docks/Bunders and (3) Mother Vessels which receive cargo brought by the barges loaded from the MbPT Docks/Bunders.		

General Notes to schedules 2.1.1. to 2.1.4.

- (1). Pilotage fee shall cover services of the port's pilot (s); and provision of required number of tugs / launches for inward and outward movement and one shifting within the same dock system / basin at the request of the users.
- (2). Charges leviable according to GRT will be levied on a minimum of 1000 GRTs.
- (3). For piloting a tug in tow of another barge or barges, charges at the above rates shall be levied on the aggregate Gross Registered Tonnage of the tug and the barge or barges in tow.
- (4). Vessels which come within the definition of – 'Coastal Vessels' and for which regular berths have been provided at the Dock Harbour Wall shall not be charged all inclusive rate when such vessels are piloted

direct from their berths to the open sea or vice versa, by their licensed Masters. In all other cases the usual all inclusive rates shall be charged on such vessels.

- (5). For intercepting a vessel outside the Pilot Station but within the Port's limit at the request of the Masters/Owners or Agents of the vessels, a composite charge of Rs.3640.41 in case of coastal vessel US \$ 114.048 in case of foreign-going vessels will be levied.
- (6). Shifting from one berth to another berth or from berth to Dry Dock or vice versa in the same Dock with or without tug assistance or maneuvering with main engine or without main engine will be allowed free of charge. Similarly, shifting from one berth to another at Jawahar Dweep / Pir Pau and turnaround movement at the same berth will also be allowed free of charge, except as in Sl. No. A (3) of schedule 2.1.2. However shifting of vessels between docks on the request of Agents shall be charged as per Sl. No. 4(a) of Schedule 2.1.1.

Explanations:

- (a). Indira Dock Channel : Indira Dock Channel is at a bearing of 305° degree with true meridian. The Channel is 2621 meters long, measures from Ballard Pier steps along the Centre line of the channel. A length of 609 meters, measured along the Centre line constitutes the entrance channel to the Dock and the remaining length of 2012 meters of the Channel forms the Approach Channel to the Dock.
- (b). Prince's & Victoria Docks Channel : The Prince's & Victoria Docks Channel is at a bearing of 281° degree with true meridian and is 975 meters long, measured from the Prince's Dock Entrance lock gate along the Centre line of the channel. A length of 457 meters, measured from Prince's Dock along the Centre line of the channel constitutes the entrance channel and the remaining length of 518 meters of the channel forms the Approach Channel to the Docks.
- (c). The Ballard Pier and Ballard Pier Extension and Harbour Wall Indira Dock will be treated as part of the Indira Dock.

2.1.5. Charges for attendance, cancellation and detention for a harbour tug

Sl. No.		Rate	
		Coastal Vessel (ceiling rate)	Foreign-going vessel (ceiling rate)
(a).	Attendance by Tug for a vessel on fire for every hour or part thereof per tug	Rs.5876.34	US \$ 184.096
(b).	Detention charges for every half an hour or part thereof per tug for cancellation of a tug after it is ordered to tow a vessel and goes alongside [period to be computed from the time the tug leaves its station to the time it returns thereto] or charges for detention of a tug by reasons of a vessel not being ready or any other cause after it has gone alongside a vessel, when the tug is not cancelled	Rs.4269.61	US \$ 133.760
(c).	Attendance of a tug on a vessel at Jawahar Dweep / Pir Pau for every 24 hours or part thereof per tug	Rs.53400.88	US \$ 1672.960

Notes:

- (1). Charges for attendance by a tug for a vessel on fire will be payable only if the vessel on fire requisitions services of additional tug.
- (2). The charges for attendance of a tug on a vessel at Jawahar Dweep / Pir Pau shall become payable only if the vessel requisitions services of additional tug.

2.1.6. Attendance and Detention Fees for Master Pilots and Pilots –

- (a). When a Master Pilot/Pilot is required to attend a vessel beyond the limits of the Port, in circumstances of unavoidable necessity, a separate fee of Rs.2400 / US \$ 52.63157 shall be charged in respect of coastal / foreign-going vessels for every six hours or part thereof from the time the vessel goes beyond the limits of the Port till the time the Pilot returns to Mumbai. Further, the boarding and loading and traveling expenses to which the master pilot or pilot is entitled shall be recoverable from the Masters / Owners or Agents of the vessel at actuals.
- (b). Attendance and Detention fees for pilot in case of cancellation of movement of the vessel inside the Port limits:

	<u>Coastal Vessel</u> (ceiling rate)	<u>Foreign-going vessel</u> (ceiling rate)
When the movement of the vessel is cancelled after the boarding of the pilot on the vessel due to ship's fault and if the vessel does not move from its anchoring/berthing point.	Rs.2400 Per act	US \$ 52.6316 Per act

2.1.7. Charges for Fire Float Vessels, Anchor Hoy Salvage Vessel, Water Boat and any other suitably equipped craft except a Tug within Port limits:

Sl. No.	Job Description	Charges per hour or part thereof	
		Coastal vessel (Rs.) (ceiling rate)	Foreign-going Vessel (US \$) (ceiling rate)
(a).	For examining, lifting, laying or re-laying moorings or buoys or recovering anchors or cables or any miscellaneous work	2247.16	70.400
(b).	For attending a vessel on fire or otherwise, in Stream or at Jawahar Dweep and Pir Pau by		
	(i). F.F.vessel	539.32	16.896
	(ii). Any other craft	As may be fixed from time to time by the Chairman	
(c).	For Salvage Services	2674.12	83.776

Note: Charges for attendance by Fire Float vessel or any other craft for a vessel on fire will be payable only if the vessel on fire requisitions services of additional Fire Float or any other craft.

2.1.8. Charges for hire of Launches and Tank Barges

Sl. No.		Rate	
		Coastal Vessel (in Rs.) (ceiling rate)	Foreign-going vessel (in US \$) (ceiling rate)
(a).	Launches	337.07	10.560
		per hour or part thereof per launch	
(b).	Tank Barges for Discharge of ballast water containing oil in terms of Clause 53 of Mumbai Port Rules	40.26	1.2613
		per hour or part thereof per Tank Barge	

CONDITIONS:

- (1). Requisition in writing for Tank Barge must be submitted not less than 12 hours before the time at which the Tank Barge is required.
- (2). All oil contained in the ballast water will become the absolute property of the Mumbai Port Trust.
- (3). Hire charges for one day will be levied, if the barge is requisitioned and not utilized.

2.1.9. MBPT Fire Services Salvage Charges

Sl. No.		For first 8-hours or part thereof	
		Coastal vessel (in Rs.) (ceiling rate)	Foreign-going Vessel (In US \$) (ceiling rate)
(a).	For hire of Trailer Pump and/or Ballast Pump	1078.64	33.792
(b).	For attendance of staff-		
	Fire Officer or Section Leader-in-charge	539.32	16.896
	Motor Driver/Pump Operator each	426.96	13.376
	Sub-Section Leader each	426.96	13.376
	Fireman each	337.07	10.560

Notes:

- (1). 12.5 per cent of the above charges will be levied for each subsequent hour or part thereof.
- (2). The chargeable period will be counted from the time of placement of equipments and personnel till the time the withdrawal of equipment and personnel in case of containers operation.
- (3). In case of more than one operation in a calendar day the charge will be levied considering all the operations on continual basis taking into account total number of actual working hours in each operation.

- (4). However if the commencement of the second operation starts in next calendar day, it will be considered as fresh operation for the purpose of charging.
- (5). These charges are payable only when the services are requisitioned by the user.

2.1.10. Divers Fees:

For work within Port Limits on any day

Particulars	Fees	
	Coastal vessel (in Rs.) (ceiling rate)	Foreign-going Vessel (In US \$) (ceiling rate)
Charges for a shift of four hours or part thereof of a normal diving team inclusive of hire charges of diving equipments	10696.52	335.104

Notes:

- (1). The diving period for the purpose of billing shall be calculated from the time team leaves the base in Indira Dock / P&V Docks till it returns to the base.
- (2). Normal diving team consists of:
- | <u>Category</u> | <u>No. of</u> |
|--------------------------------------|---------------|
| <u>employees</u> | |
| (i). Jr. Foreman Diver | 1 |
| (ii). Asstt.Foreman Diver/Diver Gr.I | 2 |
| (iii). Sarang | 1 |
| (iv). Tindal | 1 |
| (v). Linesman | 2 |
| (vi). Lascar | 12 |
- (3). If an extra Diver is employed and additional charge of Rs.426.96 / US \$ 13.376 per employee for a shift of four hours or part thereof shall be charged for coastal / foreign-going vessels, respectively.
- (4). Equipment used for normal diving operation
- | | |
|-----------------------|------------|
| (i). Diving boat | 1 No. |
| (ii). Diving dresses | 2 Nos. |
| (iii). Diving helmets | 2 Nos. |
| (iv). Diving Pumps | 2 Nos. |
| (v). Air Hose | 300 R. Ft. |
- (5). For deployment of additional employee plant and gear, additional charges will be recovered. Towing and crane charges shall also be charges separately.

2.1.11. Salvage Fees on articles salvaged within the limits of Port:

- (a). Where no risk of life is involved in salvaging, a charge of 15 per cent on the value of the articles in addition to the actual cost of salvage of articles shall be payable. 10 per cent of charge will be paid to salvors.

- (b). Where risk of life is involved a charge of 30 per cent on the value of articles in addition to the actual cost of salvage of the articles shall be payable. 10 per cent of the charge will be paid to salvors.
- (c). Customs Duty and Municipal Octroi must be paid by the owners or purchasers of salvaged articles.

2.1.12. Examination and Licence Fees

- I. Examination and Licence Fees for Special Pilots / Licenced Master of Coastal Vessels, Barges, tugs etc.

Sl. No.	Particulars	Fees (in Rs.) (ceiling rate)
(1).	Examination Fee	140.80
(2).	Licence Fee / Renewal Fee / Issue of Duplicate Licence	28.16

- II. Licence Fees for Water Conveyance

Sl. No.	Particulars	Rate per GRT per month (in Rs.) (ceiling rate)
(1).	Catamarans, Hovercraft and Speed-Boats	30
(2).	Boats, Craft, Barges and launches plying from the Ballard Pier Jetty	50
(3).	Barges engaged in loading/discharging of cargo in mid-stream and plying beyond the limits of Port of Mumbai for conveyance of cargo	30
(4).	Boats, Barges, Launches and Craft (except Fishing Trawlers/Boats) other than those Mentioned above	25

Notes:

- (1). These charges will be recoverable from the vessels / ships / barges manoeuvring piloted with their licensed Master (Pass pilots) but will not be recoverable from craft or launches belonging to Customs, Indian Navy, Coast Guard, Central or any provincial Government and Surveyors.
- (2). Licence fee for water conveyance shall not be levied separately on vessels which are registered under the bunders and paying licence fee under section I of Scale of Rates charged at Bunders.

2.1.13. The hire charges for harbour tugs and dock tugs leviable for miscellaneous jobs other than towage jobs.

Sl. No.	Category of Tugs	Hire rate for per hour or part thereof (inclusive of operational cost)
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		Coastal vessel (in Rs.) (ceiling rate)	Foreign-going Vessel (In US \$) (ceiling rate)
(a).	Harbour Tugs upto 22 BP	5337.02	167.20000
(b).	Harbour Tugs from 23 BP to 32 BP	10673.72	334.39000
(c).	Harbour Tugs from 33 BP to 45 BP	16010.62	501.5856
(d).	Conventional Dock Tugs	1017.63	31.8807
(e).	AM & VS Dock Tugs	1328.31	41.6140

2.1.14. Charges for carrying out Bollard Pull Test

	Coastal vessel (ceiling rate)	Foreign-going vessel (ceiling rate)
Charges for carrying out Bollard Pull Test	Rs.9496.20	US \$ 297.500

Note:

Applicable charges specified in schedules 2.2.1., 2.2.2, and 2.2.3. for the movement of vessels will be levied separately.

2.1.15. Charges for Garbage Reception facility

Charges for Garbage Reception Facility during vessel's stay at Jawahar Dweep & Pir Pau	Rs.937.50 per day or part thereof
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