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पत्तन, पोत परिवहन और जलमार्ग मंत्रालय

MINISTRY OF PORTS, SHIPPING AND WATERWAYS

(सार्वजनिक निजी भागीदारी सेल/Public-Private-Partnership Cell)

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दिनांक/Dated: 06th मार्च/February, 2025

Public Notice No. PD-13/6/2023-PPP/e-357407/1

Ministry of Ports, Shipping & Waterways invites comments/suggestions on the Draft Migration of Tariff Guidelines, 2025 for Adoption of Market Determined Tariff for PPP Projects under Guidelines for Regulation of Tariff 2005, Guidelines for Upfront Tariff Setting for PPP Projects 2008, Guidelines for Determination of Tariff for Projects 2013 & Tariff Guidelines 2019 -Regarding.

The final Draft Migration of Tariff Guidelines, 2025 for Adoption of Market Determined Tariff for PPP Projects under Guidelines for Regulation of Tariff 2005, Guidelines for Upfront Tariff Setting for PPP Projects 2008, Guidelines for Determination of Tariff for Projects 2013 & Tariff Guidelines 2019, after stakeholder consultations are published/uploaded on the website of the Ministry.

2. This Ministry requested all concerned stakeholders, experts, and the general public to submit their suggestion/feedback on the said Draft Guidelines to this Ministry by 12.03.2025.

Enclosures: As above

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MIGRATION TARIFF GUIDELINES, 2025 FOR ADOPTION OF MARKET DETERMINED TARIFF FOR PPP PROJECTS UNDER GUIDELINES FOR REGULATION OF TARIFF 2005, GUIDELINES FOR UPFRONT TARIFF SETTING FOR PPP PROJECTS 2008, GUIDELINES FOR DETERMINATION OF TARIFF FOR PROJECTS 2013 AND TARIFF GUIDELINES 2019

Objective and Rationale

1.0 The market conditions for provision of Port services have undergone significant change since liberalization in the Port sector. The sector has since witnessed changing role of Major Port Authorities with introduction and increasing Public Private Partnerships at Major Ports and also increased competition from Minor/Non-Major Ports.

2.0 In this backdrop, the Ministry of Ports, Shipping and Waterways (MOPSW) decided to repeal the erstwhile Major Port Trusts Act 1963 and enact a new Legislation governing the management of Major Ports in India with a view to provide more autonomy and flexibility to Major Ports and to professionalize their governance. There were two fundamental tenets envisaged in the new legislation viz.

(a) Enabling transformation of Major Ports from 'service Port' model to 'landlord Port' model by allowing greater independence and agile governance to Port authorities. At the same time transitioning to increased role of Public Private Partnerships in business operations at Major Ports, to enable them to better respond to market forces.

(b) Powers to Port Authorities and PPP Concessionaires to fix tariff to allow price competitiveness with Minor/Non-Major Ports by removing the role of Tariff Authority for Major Ports (TAMP) in tariff fixation.

3.0 The Parliament of India enacted the revised Major Port Authorities Bill, 2020 to replace the Major Port Trusts Act, 1963. The Ministry of Law and Justice has published the Major Port Authorities Act, 2021 (MPA Act) in the Gazette of India vide Gazette no 3 dated 18 February 2021. The MPA Act came into force with effect from 03 November 2021 as per Gazette Notification No. 4143 dated 29 October 2021 by the MOPSW.

4.0 In furtherance of above-mentioned fundamental tenets, Section 27(1) of the MPA Act provided as follows: -

“27.(1) The Board of each Major Port Authority or the committee or committees constituted in this behalf by the Board in accordance with Section 14, may -

(a) frame scale of rates at which, and a statement of conditions under which, any services shall be performed or made available;

(b) frame scale of rates at which, and a statement of conditions under which, the access to and usage of the Port assets may be allowed by the Board;

(c) frame consolidated scale of rates for any combination of services specified in clause (a) or for any combination of such service or services with any user or permission to use or access to any Port assets as specified in clause (b);

(d) pass an order for refund of any amount overcharged by the Board in relation to the services provided to any person;

(e) pass an order for recovery of any rate or charge which is short-levied or erroneously refunded by the Board to any person under this Act; and

(f) frame different scales, fees, rates and conditions for different classes of goods and vessels under this section;

Provided that the fixation and implementation of such scales, fees, rates and conditions shall be in consonance with the norms as may be prescribed and shall-

- (i) not be with retrospective effect
- (ii) not be in derogation with the rules made by or directives of the Central Government in this behalf;
- (iii) not be inconsistent with the provisions of the Competition Act, 2002; and
- (iv) not be inconsistent with the provisions of any other law for the time being in force;

Provided that in case of Public Private Partnership Projects after the commencement of this Act, concessionaire shall fix the tariff based on market conditions and on such other conditions as may be notified:

Provided further that the revenue share and other conditions would be as per provisions of the specific concession agreement between the Board and the Public Private Partnership concessionaire appointed under the Public Private Partnership Project.

5.0 The above Article through the two Provisos, specifically and mandatory mandated all the existing and future Public Private Partnership concessionaires to fix the tariff prospectively based on market conditions, within the ambit of revenue share and other provisions agreed as per the respective Concession Agreements and with conditions as notified. It was thus mandatory to introduce a regime which enables compulsory migration of all PPP Projects/Concessionaires to a market determined tariff regime with conditions in line with the second proviso. In fact, the MP Act does not distinguish between PPP Concessionaires where CA was entered before the coming in effect of MP Act or PPP Concessionaires after the coming in effect of the MP Act. All PPP Concessionaires are to be given same treatment as far as market determined tariff is concerned. Also, the MP Act does not have any provision for regulation and determination of tariff for PPP Concessionaires by any other body/authority except by market determined tariff with conditions.

6.0 Subsequently, for the future Public Private Partnership projects, market determined tariff regime proposed under the provisions of the MPA Act was codified through:

(a) The Model Concession Agreement (MCA), 2021 which allowed for concessionaires to adopt market determined tariff and safeguarding Port authority interest by introducing Royalty payment linked with Minimum Guaranteed Throughput (MGT)

(b) Tariff Guidelines, 2021 dated 21 December 2021 for framing of scale of Rates for the Concession Agreements entered by the Major Port Authority with PPP Concessionaire after the Major Port Authorities Act, 2021.

Introduction of Tariff Guidelines 2021 and the revised MCA permitted the PPP projects awarded post the introduction of the referred MPA Act, to adopt market determined tariff.

7.0 In the current context, the tariff setting of the PPP Concessionaires operating at the MajorPorts are being governed under different sets of tariff guidelines issued by the Ministry of Ports, Shipping and Waterways (MOPSW) from time to time. The key regulations presently applicable for PPP projects at MajorPorts are as hereunder: -

(a)Tariff Guideline 2005 superseded by Tariff Guideline 2019: The PPP Projects bid out prior to 26 February 2008 were earlier governed by the Tariff Guidelines of 2005 issued by the then MSRTH. Effective 7 March 2019, they are now governed by the Tariff Guidelines 2019 issued by Ministry of Shipping (MOS).

(b)Tariff Guideline 2008: The PPP Projects which were bid out between 26 February 2008 and upto 30 July 2013 are governed under the Upfront Tariff Guidelines 2008 issued by then Ministry of Shipping, Road Transport and Highways (MSRTH).

(c)Tariff Guideline 2013: The PPP Projects which were bid out from 31 July 2013 till the MPA Act, 2021 came into force from 3 November 2021 fall under the purview of Reference Tariff Guidelines, 2013 issued by the then Ministry of Shipping.

8.0 The Current scenario

In the past, tariffs were regulated due to limited competitive landscape but the evolving market and competitive landscape necessitates deregulation: The original objective of introducing the tariff regulations in 2005 inter alia included safeguarding interest of users, while ensuring fair returns to the Port and encourage competition & efficiency. The long-term objective outlined in the Tariff Guideline 2005 was competitive pricing. The market and competitive landscape in the Indian Port sector has since witnessed a significant shift.

(a)Shift towards land-lord model: Previously, the MajorPort authorities were also the service providers to end users as well as concessioning authority. Thus, the tariff regulations played an important role in safeguarding the interest of both Port users and PPP operators. With the transition to land-lord Port model and increased private sector participation, the utility of tariff regulations (and fixation) in this context has diminished.

(b) Intra-Port parity and competition: *The tariff regulations 2019 (erstwhile 2005)/2008/2013 applicable to PPP/BOT projects have differing regulatory approach and they presently subsist at the Major Ports. Thereby, there is no level playing field amongst the PPP Concessionaires.*

(c) Competitiveness with respect to non-Major Ports: *Minor/Non-Major Ports have expanded rapidly and now have a substantial presence. The non-Major Ports presently account for about 45% of the traffic. There is no parity in the tariff regulation mechanism between the Major Ports and the Minor/non-Major Ports.*

(d) Need for consistent user experience in the current landscape: *With role of private sector in provision of Port services, improvement in transport infrastructure and enshrined tariff transparency at Major Ports, users now have opportunity and flexibility to avail services best suited to them commercially. Competitive forces allow for self-regulation of performance and tariffs. It is now essential to have uniform approach tariff setting allowing for consistent user experience.*

9.0 Thus, need was felt to address the disparity in differing regulations and tariff guidelines subsisting at Major Ports, in order to provide uniform user experience and ensuring level playing field for PPP operators by allowing them to play a greater role in determination of tariffs and better respond to competitive market forces. With this context, the matter relating to migration of existing PPP Concessionaires to market determined regime was discussed in the Chintan Baithak organised by MOPSW held in June 2022 at Coorg, Karnataka. Chairpersons of Major Port Authorities were present for the said Chintan Baithak amongst others. In the said Chintan Baithak, directions were issued to MOPSW to formulate new guidelines for migration of existing BOT Terminals to market-based tariff fixation which are in consonance with the MPA Act.

10.0 Chairpersons of Majority of Major Ports in a meeting held by MOPSW in May 2025, opined that providing an option to the existing PPP concessionaires governed by Tariff Guidelines of 2005, 2008, 2013 and 2019 to market determined tariff as has been done for the prospective bidders for new PPP Projects would be desirable as it would provide a level playing field to PPP Concessionaires who are presently governed under different guidelines

operating at MajorPorts. As per the signed Concession Agreements, PPP Concessionaires, however, are bound to pay revenue share/royalty as prescribed in the Concession Agreement to the MajorPort Authorities. Considering the procedural complexities involved in drafting a workable solution within the framework of existing rules and regulations, a detailed comprehensive study of whole issue, including legal financial and contractual aspects was found advisable.

11.0 In this backdrop, MOPSW vide O.M.No. PD-13/6/2025-PPP/e-357407, dated 09 May 2025, constituted a Committee under the Chairmanship of Chairman, V.O. ChidambaranarPort Trust (VOCPT) for deliberation regarding Migration of existing PPP Concessionaires to market driven tariff regime as prescribed in Tariff Guidelines 2021. The Chairmanship of the Committee was taken over by Chairman, JNPAuthority (JNPA) on Chairman VOCPA taking over as Secretary, MOPSW with Chairmen of Chennai Port Authority and Paradip Port Authority as members.

Based on detailed deliberation and consultation, the Committee outlined the following approach: -

- (a) All PPP Concessionaires operating under Guidelines for Regulation of Tariff 2005, Tariff Guidelines 2008 / Reference Tariff Guidelines 2013 or Tariff Guidelines 2019 should migrate to market determined tariff regime subject to conditions laid out in the tariff guidelines.*
- (b) The PPP Concessionaire shall be required to sign a Supplementary Agreement.*
- (c) The PPP Concessionaire on migration shall be free to fix tariffs/fee/scale of rates of the services while ensuring due transparency and competitive landscape.*
- (d) There shall be no change in Royalty per unit/MT/TEU/FEU etc. or Royalty on Revenue share basis as per the original Concession Agreement. Accordingly, the provisions of MPA Act 2021 would be adhered to.*
- (e) As an additional measure the Royalty as Revenue share of the MajorPort, should/would not go below what it would have got under the regime when tariff was fixed/determined as per the Tariff Guidelines. This would be done by converting the Revenue share to Royalty based on the Annual Revenue Requirement of the Project as determined earlier.*

- (f) *The concessions extended by the Central Government with regards to tariff for coastal cargo/ container, transshipment container, etc shall be applicable and other Policy/ directions issued by the Government or clarification in this regard shall be applicable.*
- (g) *The past disputes relating to tariff and other concession conditions may be resolved between the parties (MajorPort Authority and PPP Concessionaire).*

12.0 The Committee held wide ranging consultations and sought the comments and suggestions during the consultation process from PPP Concessionaires, IPPTA and IPA. Thereafter, considering these consultations by the Committee and the recommendations made by the Committee, the existing guidelines for tariff regulation have been reviewed and to give effect to the requirement of Article 27(1) which mandates the notification of the conditions for market determined tariff, the Government hereby issues the below-mentioned Migration Tariff Guidelines, 2025.

MIGRATION TARIFF GUIDELINES, 2025 FOR ADOPTION OF MARKET DETERMINED TARIFF FOR PPP PROJECTS UNDER GUIDELINES FOR REGULATION OF TARIFF 2005, GUIDELINES FOR UPFRONT TARIFF SETTING FOR PPP PROJECTS 2008, GUIDELINES FOR DETERMINATION OF TARIFF FOR PROJECTS 2013 AND TARIFF GUIDELINES 2019

13.0 PRELIMINARY

13.1 These Guidelines are issued to the MajorPort Authorities (MPA) and existing PPP Concessionaires governed under the erstwhile Guidelines for Regulation of Tariff 2005, Upfront Tariff Guidelines 2008, Reference Tariff Guidelines, 2013 and Tariff Guidelines, 2019. The list of the PPP Concessionaires operating in aforementioned Tariff Guidelines are provided as **Annexure-I** to this Guideline.

13.2 This Tariff Guidelines may be called as **“Migration of Tariff Guidelines, 2025 for adoption of Market Determined Tariff for PPP Projects under Tariff Guidelines 2005, Upfront Tariff Guidelines 2008, Reference Tariff Guidelines 2013 and Tariff Guidelines, 2019”**.

13.3 These Tariff Guidelines will be applicable to all the PPP Concessionaires who have entered into License Agreement/Concession Agreements (hereinafter referred to as **Concession Agreement**) with all Major Port Authorities (MPA) under the Major Port Authorities Act 2021 and with Kamarajar Port Limited (KPL) and are governed by erstwhile Tariff Guidelines 2005, Upfront Tariff Guidelines, 2008, Reference Tariff Guidelines, 2013 and Tariff Guidelines, 2019 (referred to as “**PPP Concessionaire**” hereinafter). Hereinafter, the term MPA will include KPL.

13.4 These Tariff Guidelines shall be valid prospectively from the date of publication in the Gazette of India and shall be applicable to the PPP Concessionaires from the date of signing of Supplementary Agreement, post migration to this Tariff Guideline in accordance with Para 25 of these Guidelines.

13.5 These Tariff Guidelines shall remain in force until reviewed or amended or modified or revoked.

13.6 Unless the context otherwise requires, various terms used herein will have the same definition as in the MPA Act 2021, and the Indian Ports Act 1908, as amended from time to time.

13.7 All PPP Concessionaires shall continue to abide by the provisions contained in the existing Concession Agreement entered into with the concerned MPA. Simultaneously, PPP Concessionaires will also abide by these Tariff Guideline, by way of a separate written Supplementary Agreement with the concerned MPA.

13.8 If any difficulty arises in giving effect to these Tariff Guidelines, MOPSW may in consultation with PPP Concessionaires governed under the erstwhile Tariff Guidelines of 2005, 2008, 2013, 2019 and MPAs make such orders, as may appear to be necessary for removing the difficulty.

13.9 For purposes of these Tariff Guidelines, the term 'Scale of Rates' shall mean the specific tariff rates along with conditionalities that are to be determined, informed and published by PPP Concessionaires as per market conditions in respect of the services authorized to be

rendered by the PPP Concessionaire as per the Concession Agreement signed between the MPA and the PPP Concessionaire.

14.0 SCALE OF RATES(SOR)

A. DETERMINATION OF SCALE OF RATES

14.1 Each PPP Concessionaire authorized by the MPA to provide services as set forth in their respective Concession Agreement shall frame its own SORs and statement of conditions based on the market conditions and other conditions as notified hereunder in these Tariff Guidelines. The PPP Concessionaire is at the liberty to frame SOR(s)/a consolidated SOR for any combination of services they perform/ provide to their users/ customers.

PROVIDED that; the services or combination of the services for which the SOR is framed shall be in consonance with the services as prescribed in the Concession Agreement and shall

- (i) not to be with retrospective effect;
- (ii) not be in derogation with the rules made by or directives of the Central Government in this behalf;
- (iii) not to be inconsistent with the provisions of the Competition Act, 2002 (12 of 2003);
and
- (iv) not be inconsistent with the provisions of any other law for the time being in force.

PROVIDED further that; the PPP Concessionaires shall abide by the para 22 of these Tariff Guidelines, 2025 as regards payment of royalty/revenue share by the PPP Concessionaire to the MPA.

14.2 The SOR along with conditionalities, for the services rendered shall be formulated by the individual PPP Concessionaire, in accordance with these Tariff Guidelines, 2025 as amended from time to time.

14.3 The PPP Concessionaire shall ensure that the SORs includes tariff for all the services rendered/ to be rendered by them within the scope of services prescribed in the Concession Agreement to ensure transparency and complete disclosure of applicable charges on Port users. The SORs may be categorized under the following broad categories –

- a) Vessel Related Charges/Berth Hire Charges (if chargeable by the PPP Concessionaire under the Concession Agreement)
- b) Cargo/ Container Handling Charges
- c) Storage Charges
- d) Other or Miscellaneous Charges

14.4 The PPP concessionaire shall be governed by the Policy/ directions issued by the MOPSW as regards concession in tariff for coastal cargo/ container, transshipment container, etc., while framing their SORs.

14.5 In future also, in case any discount or incentives are mandated by MOPSW under any applicable law to be applicable on certain types or natures of containers/cargo, the concession in tariff/SOR for such container/cargo types handled by PPP Concessionaires shall be subjected to the same level of discounts.

B. CURRENCY OF CONCESSION AGREEMENT AND OF RATES AND CONVERSION OF TARIFF

14.6 The Tariff for foreign laden vessels/cargo may be denominated either in INR or US dollar. All Tariff for coastal vessels/cargo shall be denominated only in INR. All US dollar denominated tariff set forth in the SORs will be recovered in Indian Rupees after conversion of charges in US dollar terms into its equivalent Indian Rupees at the current reference rate (as on the date of conversion) as notified by the Reserve Bank of India or the market buying rate notified by State Bank of India.

14.7 Alternatively, PPP Concessionaire may recover US dollar denominated tariff in US dollars after seeking approval of the Government and in compliance with the provisions of Foreign Exchange Management Act, 1999.

14.8 The day of entry of the vessel into Port limits shall be reckoned as the day for such conversion purposes in respect of Vessel Related Charges. In respect of Cargo/Container related charges, the day of entry of the vessel in the case of import containers/ cargo and the day of arrival of containers/ cargo into the Port in the case of export containers/ cargo shall be reckoned as the day for such conversion.

14.9A regular review of exchange rate shall be made once in 30 (thirty) days from the date of arrival in the cases of vessels staying in the Port for a period longer than 30 (thirty) days. The basis of billing shall change prospectively with reference to the appropriate exchange rate prevailing at the time of review.

C.REPORTING AND REVIEW OF SOR

14.10The PPP Concessionaire shall host the SORs as published rates/ tariff and applicable conditionalities on its website for transparency. The SORs/amendment/ revision in SORs as published by the PPP Concessionaire on the website including conditionalities shall be the ceiling level i.e. the maximum rates or charges or tariff chargeable.

14.11The PPP Concessionaire may annually review its SORs and the conditionalities. The PPP Concessionaire can modify, amend, increase, decrease, delete or add new tariff/ conditions and host the revised SORs along with conditionalities on its website in accordance with the procedure set forth in these Tariff Guidelines, 2025. Without prejudice to the aforementioned, the PPP Concessionaire can, if necessary, even during the year or during the annual review, change or stipulate revisions to the SORs based upon market conditions for existing cargo/ services provided by the PPP Concessionaire, rationalize existing tariff/ existing conditionalities and can fix tariff/charge/ conditionalities based upon market conditions for new cargo/ service as permissible within the scope of the Concession Agreement(s).

14.12The SORs and any revised/ modified SORs and conditionalities will come into effect only after expiry of 30 days prospectively from the date of first publishing of the SORs, revision/ modification of the SORs as the case may be on the website of the PPP Concessionaire.

14.13As a matter of abundant clarity, it is reiterated that the rates prescribed in the SORs hosted on the website of the PPP concessionaire shall remain the published rates for the particular PPP Concessionaire. No tariff or rates can be charged in excess of the said SORs. It is however clarified that the PPP concessionaire would be at liberty to offer rebates and discounts on the published SORs to its Port users/customers.

14.14 The PPP Concessionaire shall also intimate in writing the SORs as amended from time to time to the MPA and also issue trade notice.

15.0 The SORs of each PPP Concessionaire shall be decided subject to: -

- (i) Para 17 in respect of 'Vessel Related Charges/Berth Hire Charges';
- (ii) Para 18 in respect 'Cargo Related Charges';
- (iii) Para 19 in respect of 'Transshipment of Container Related Charges';
- (iv) Para 20 in respect of 'Storage Charges; and
- (v) Para 16 and 21 in respect of 'Status of vessel' and 'Other aspects' of these Tariff Guidelines 2025 as amended from time to time.

16.0 STATUS OF VESSEL

16.1 The status of the vessel for purposes of tariff determination will be borne out by its certification by the Customs or the Directorate General of Shipping. This shall be the deciding factor for its classification as 'coastal' or 'foreign-going/laden' for the purpose of levying various charges and, the nature of cargo or its origin will not be of any relevance for this purpose.

16.2 System of classification of 'vessel'

(a) A foreign going vessel of Indian flag having a General Trading Licence can convert to 'coastal run' on the basis of a Customs Conversion Order. Such vessel that converts into 'coastal run' based on the Customs Conversion Order at her first Port of call in Indian Port, will not require any further custom conversion is required, so long as it moves on the Indian Coast.

(b) A Foreign going vessel of foreign flag can convert to 'coastal run' on the basis of a Licence for Specified Period or Voyage issued by the Directorate General of Shipping and a Custom Conversion Order.

17.0 VESSEL RELATED CHARGES/BERTH HIRE CHARGES

17.1 This charge relates to the use by the vessel, of the Berth of PPP Concessionaire.

17.2.0 Concessional tariff will be prescribed for Coastal Vessels as per the Policy guidelines of the Government as amended from time to time.

17.2.1 As per the prevailing Coastal Concession Policy of the Government, in case of coastal vessels, the vessel related charges should not exceed 60% of the published SOR/charges for the corresponding SOR/charges for other (foreign going) vessels. Further, these SOR/charges should be denominated and collected in Indian Rupees only.

17.2.2 The status of a vessel as borne out by its certification is the relevant factor to decide whether the vessel is 'foreign going/laded' or 'coastal'.

17.3.0 Criteria for levy of Vessel Related Charges/Berth Hire Charges at Concessional Coastal rate

17.3.1 In cases of such conversion of vessel as set forth in para 16.2(a) and 16.2(b) above, coastal rates shall be chargeable by the load Port from the time the vessel starts loading coastal goods.

17.3.2 In cases of such conversion of vessel as set forth in para 16.2(a) and 16.2(b) above, coastal rates shall be chargeable till the vessel completes discharging operations at the last call of Indian Port. Immediately thereafter, foreign going rates shall be chargeable by the discharge Ports.

17.3.3 For dedicated Indian coastal vessels having a Coastal licence from the Directorate General of Shipping, no other document will be required to be entitled to coastal rate.

18.0 CARGO/CONTAINER RELATED CHARGES

18.1 This charge relates to handling of cargo/container from/to ship to shore transfer and transfer from/ to quay to/ from storage yard including wharfage.

18.2 Before classifying any cargo under “unspecified” category under the wharfage schedule, the relevant Customs classification should be referred by the PPP Concessionaire to find out whether the cargo could be classified under any of the specific categories mentioned in the wharfage schedule.

18.3 Concessional tariff for levy of Cargo/Container Related Charges will be prescribed for Coastal cargoes/ Containers as per the Policy guidelines of the Government as amended from time to time.

18.3.1 Presently, as per the Coastal Concession Policy of the Government, the cargo/container related charges for all coastal cargo/ containers, other than thermal coal and POL including crude oil, iron ore and iron ore pellets should not exceed 60% of the published SOR/charges for normal cargo/ container related charges. In case of cargo related charges, the concession should be allowed on all the relevant cargo handling SOR/charges for ship-shore transfer and transfer from/to quay to/from storage yard including wharfage.

18.4 Criteria for levy of Cargo/Container Related Charges at Concessional Coastal rate

18.4.1 Foreign going Indian Vessel having General Trading License issued for ‘worldwide and coastal’ operation should be accorded applicable coastal rates with respect to Cargo/Container Handling Charges i.e. ship to shore transfer and transfer from/ to quay to/from storage yard including wharfage in the following scenario:

- (i) Converted to ‘coastal run’ and carrying coastal cargo from any Indian Port and destined for any other Indian Port.
- (ii) Not converted* to ‘coastal run’ but carrying coastal cargo from any Indian Port and destined for any other Indian Port.

** The Central Board of Excise and Customs Circular no.15/2002-Cus. dated 25 February 2002 allows carriage of coastal cargo from one Indian Port to another Port in India, in Indian flag foreign going vessels without any custom conversion.*

18.4.2 In case of a foreign flag vessel converted to coastal run on the basis of a Licence for Specified Period or Voyage issued by the Directorate General of Shipping, and a Custom

Conversion Order, the coastal cargo/ container loaded from any Indian Port and destined for any other Indian Port should be levied at the rate applicable for coastal cargo/ container.

18.4.3 For the purpose of this concession, cargo/ container from a foreign Port which reaches an Indian Port 'A' for subsequent transshipment to Indian Port 'B' will also qualify insofar as the charges relevant for its coastal voyage. In other words, cargo/containers from/to Indian Ports carried by vessels permitted to undertake coastal voyage will qualify for the concession.

18.4.4 To exemplify, *in case a container from foreign Port reaches Indian Port 'A' for subsequent transshipment to Indian Port 'B', 50% of foreign going rate and 50% of coastal rate shall be applicable for vessels permitted to undertake coastal voyage.*

19.0 TRANSHIPMENT OF CONTAINER RELATED CHARGES

19.1 The handling charges for transshipment containers shall be concessional. Such published SOR/charges shall not exceed 1.5 times the handling SOR/charges for the normal handling operation in loading or unloading cycle. In case of transshipment of coastal containers, the concession in handling charges prescribed above shall be calculated with reference to the applicable handling SOR/charges (which are subject to the concessions specified in clause 18.6.1 above) for coastal containers for the normal handling operation in loading or unloading cycle.

20.0 STORAGE CHARGES

20.1 For Storage charges/Demurrage, free days allowed shall be exclusive of Customs notified holidays and Port/ terminal non-working days. The number of free days, may be fixed by individual PPP Concessionaire in its SOR. Once storage/demurrage charge starts accruing, no allowance will be made for the customs notified holidays and Port/ terminal non-working days.

20.2 Free Storage period for import cargo will commence from the day cargo is stored in the stacking yard and is calculated on first- in first- out basis. Similarly for export cargo it is determined from the day it reaches the stacking yard from the rake/vehicle.

20.3 Free Storage period for import containers shall commence from the day after the day of landing of the container and for export containers, the free period shall commence from the time the container enters the terminal.

20.4 The storage charges on abandoned FCL containers/ shipper owned containers shall be levied upto the date of receipt of intimation of abandonment in writing or 75 days from the day of landing of the container, whichever is earlier subject to the following conditions:

(i) The consignee can issue a letter of abandonment at any time.

(ii) If the consignee chooses not to issue such letter of abandonment, the container Agent/ MLO can also issue abandonment letter subject to the condition that,

(a) the Line shall resume custody of container along with cargo and either take back it or remove it from the Port premises; and

(b) the line shall pay all Port charges accrued on the cargo and container before resuming custody of the container.

(iii) The container Agent/ MLO shall observe the necessary formalities and bear the cost of transportation and destuffing. In case of their failure to take such action within the stipulated period, the storage charge on container shall be continued to be levied till such time all necessary actions are taken by the shipping lines for destuffing the cargo.

(iv) Where the container is seized/ confiscated by the Custom Authorities and the same cannot be de-stuffed within the prescribed time limit of 75 days, the storage charges will cease to apply from the day the Custom order release of the cargo subject to lines observing the necessary formalities and bearing the cost of transportation and de-stuffing. Otherwise, seized/ confiscated containers should be removed by the line/ consignee from the Port premises to the Customs bonded area and in that case the storage charge shall cease to apply from the day of such removal.

21.0 OTHER ASPECTS

21.1 Port Users (i.e., users or customers of the PPP Concessionaire) will not be required to pay charges for delays attributable to the PPP Concessionaire. For example, power failure, malfunction/ non function of crane or equipment provided by the PPP Concessionaire.

21.2 Interest Rate: Port users (i.e., users or customers of the PPP Concessionaire) can be subjected to interest on delayed payments and likewise the PPP concessionaire shall also pay interest on delayed refunds at the same rate. For this purpose, the rate of interest should be identical for amount receivable by the PPP concessionaire and payable by the PPP concessionaire to be calculated on simple interest basis and not exceeding the interest rate of delayed payment in the respective Concession Agreement.

21.3 The period for calculation of delay in payments by Port users (i.e., users or customers of the PPP Concessionaire) will be counted beyond 10 days after the date of raising the bills by the concerned PPP Concessionaire.

21.4 The delay in refunds by the PPP Concessionaire will be counted beyond 20 days from the date of completion of services or on production of all documents required from the Port users (i.e., users or customers of the PPP Concessionaire), whichever is late.

22.0 PAYMENT OF ROYALTY BY PPP CONCESSIONAIRES

22.1 The existing PPP Concessionaire under the erstwhile 2005, 2008, 2013 and 2019 Tariff Guidelines shall migrate and transit to these Tariff Guidelines, 2025 and frame their own SOR based on Market conditions (i.e. market based tariff). The PPP Concessionaire shall abide by the below mentioned conditions and sign a separate Supplementary Agreement with the respective MPA under the provisions of “Amendments, modifications or alterations” to the terms of the Concession Agreement or similar such provision in the Concession Agreement.

22.2 All PPP Concessionaires governed under the Tariff Guidelines of 2008/ 2013 and 2005/2019 Tariff Guidelines shall pay annual Royalty to the concerned Major Ports Authority and the amount shall be higher of in each category of 22.2.1, 22.2.2 or 22.2.3 below: -

22.2.1 IN CASE ROYALTY IS DETERMINED IN CONCESSION AGREEMENT AS PER UNIT/TONNE/TEU FOR EACH YEAR OF CA

(i) Royalty at per unit/tonne/ TEU in accordance with respective Concession Agreement based on/as per actual traffic.

(ii) Royalty at per unit/tonne/TEU as per the respective Concession Agreement based on/ as per the Minimum Guaranteed Traffic (MGT)/Minimum Guaranteed Cargo (MGC) (as the case may be), if applicable.

22.2.2. IN CASE ROYALTY IS DETERMINED IN CONCESSION AGREEMENT AS PER UNIT/TONNE/TEU FOR BASE YEAR WITH YEAR-WISE ESCALATION FOR EACH YEAR OF CONCESSION AGREEMENT

(i) Royalty at per unit/tonne/TEU rate escalated as per escalation formula in accordance with the respective Concession Agreement and based on/as per actual traffic.

(ii) Royalty at per unit/tonne/TEU rate escalated as per escalation formula in accordance with the respective CA and based on the Minimum Guaranteed Traffic (MGT)/Minimum Guaranteed Cargo (MGC) (as the case may be), if applicable.

22.2.3 IN CASE ROYALTY IS DETERMINED IN CONCESSION AGREEMENT AS REVENUE SHARE OF GROSS REVENUE FOR EACH YEAR OF CONCESSION AGREEMENT

The Royalty would be higher of: -

(i) Royalty in terms of Revenue share percentage as prescribed in the Concession Agreement on the actual revenue i.e., Actual revenue x Revenue share earned by the PPP Concessionaire.

(ii) Royalty estimated on 'ARR based Royalty per tonne/TEU' (ARRBR).

(a) For the PPP concessionaires governed under Tariff Guidelines 2008 and 2013, the ARRBR is to be arrived for 2025-2026. The ARRBR is the Annual Revenue Requirement (ARR) per tonne/TEU (ARR divided by optimum capacity as per TAMP order) x Revenue share of Gross Revenue as per Concession Agreement. The ARRBR will be escalated annually applying indexation @60% of the annual WPI for subsequent years. **The Royalty would be**

ARR based Royalty per tonne/TEU x actual Trafficor MGC/ MGT if applicable, whichever is higher.

(b)For the PPP concessionaires governed under Tariff Guidelines 2005 and 2019, the ARRBR is to be arrived for 2025-2026. For arriving at ARRBR, the average Annual Revenue Requirement (ARR) for the three years of 2021-2022, 2022-2023 and 2023-2024 is to be taken following the Tariff Guidelines 2019. The ARR would be escalated to the year 2025-2026 as per the escalation factor of TAMP. The ARR per tonne/TEU would be arrived at by dividing the indexed ARR by the average actual traffic handled for the years 2021-2022, 2022-2023 and 2023-2024. The ARRBR will be the ARR per tonne/TEU multiplied by the revenue share percentage as prescribed in the Concession Agreement. The ARRBR will be escalated annually applying indexation @60% of the annual WPI for subsequent years. **The Royalty would be ARR based Royalty per tonne/TEU x actual Trafficor MGC/ MGT if applicable, whichever is higher.**

22.3 It is made clear that references to TEU above, includes all kinds of containers i.e. FEU, Empty, Coastal, transshipment etc.

22.4 The rate of Royalty is provided in para 22.7.3. For any category of containers not mentioned in para 22.7.3, the rate of Royalty would be in the same proportion as the Tariff determined under the applicable Tariff Guidelines of the Project.

22.5 The above-mentioned ARRBR and all other issues would be worked/detailed out for each Public Private Partnership Project (PPP Concessionaire) by a committee of experts appointed by MOPSW.

22.6 Indian Ports Association (IPA) or such other Authority as authorized by MoPSW will publish the escalation factor (indexation @60% of the annual WPI) for the PPP Concessionaires on a yearly basis.

22.7 All PPP Concessionaires shall maintain all documents and supporting evidence relating to the details of cargo/ containers handled category wise, tariff charged and the amount collected and submit to the MPA within 15th day of the following month duly certified by its Internal Auditor/ authorized representative of PPP concessionaire. The MPA shall have the option to verify and audit the quantity of cargo/ TEUs handled, tariff charged and amounts of rates/ tariff received by the PPP Concessionaire.

22.8 For PPP Concessionaires, where there are existing policies of MOPSW for prescription of concessional tariff for coastal cargo/ container, transshipment container, etc., the Per tonne/ Per TEU royalty/ revenue share payment for such coastal cargo/ coastal container, transshipment container will be levied proportionate to that extent. The details are as follows:

-

22.8.1 Royalty rates for Coastal cargo/ Container entitled for Coastal concession in tariff for PPP concessionaires under Royalty model:As regards coastal containers or coastal cargo eligible for coastal concession in tariff as prevailing Government policy, the tariff of the coastal cargo/ container, should not exceed 60% of the tariff applicable to normal foreign cargo/ container. However, Royalty payable by the PPP Concessionaire to the Concessional Authority on coastal cargo or containers levied concessional tariff as per policy guidelines of the Government shall be at 60% of the Royalty payable towards normal foreign cargo/container.

22.8.2 Royalty Rates for Transshipment containers i.e. Foreign/ Coastal for PPP concessionaires under Royalty model: The Royalty for transshipment containers shall be concessional. Such Royalty shall be 1.5 times the Royalty for handling charges for the normal handling operation in loading or unloading cycle. In case of transshipment of coastal containers, the concession in handling charges prescribed above shall be calculated with reference to the applicable handling charges (which are subject to the concessions specified in clause 18.4 above) for coastal containers for the normal handling operation in loading or unloading cycle.

22.8.3 For the PPP concessionaires which are under Royalty model, the royalty payment, with reference to Para 22.8.1 and 22.8.2, is summarized below: -

If X is the Royalty payable by PPP Concessionaire for a Foreign Bound/Laden TEU, then

<i>Royalty payable</i>	<i>Containers of Length upto 20'</i>	<i>Containers of Length above 20' but upto 40'(FEU)</i>	<i>Containers of Length above 40'</i>
<i>Foreign Bound/Laden</i>	X	$1.5 * X$	$2 * X$
<i>Coastal Bound/Laden</i>	$0.6 * X$	$0.6 * 1.5 * X$	$0.6 * 2 * X$
<i>Transshipment for Foreign bound/laden</i>	$1.5 * X$	$1.5 * 1.5 * X$	$1.5 * 2 * X$
<i>Transshipment for Coastal bound/laden</i>	$0.6 * 1.5 * X$	$0.6 * 1.5 * 1.5 * X$	$0.6 * 1.5 * 2 * X$
<i>Empty Foreign bound/laden</i>	$0.8 * X$	$0.8 * 1.5 * X$	$0.8 * 2 * X$
<i>Empty Coastal bound/laden</i>	$0.6 * 0.8 * X$	$0.6 * 0.8 * 1.5 * X$	$0.6 * 0.8 * 2 * X$
<i>Transshipment for Empty Foreign bound/laden</i>	$0.8 * 1.5 * X$	$0.8 * 1.5 * 1.5 * X$	$0.8 * 1.5 * 2 * X$
<i>Transshipment for Empty Coastal bound/laden</i>	$0.6 * 0.8 * 1.5 * X$	$0.6 * 0.8 * 1.5 * 1.5 * X$	$0.6 * 0.8 * 1.5 * 2 * X$

22.9 In future also, in case any discount or incentives are mandated by MOPSW under any applicable law to be applicable on certain types or natures of containers/cargo, the Royalty payments for such container/cargo types handled by the PPP Concessionaires shall be subjected to the same level of discounts.

23.0 MANDATORY DISCLOSURES BY PPP CONCESSIONAIRES

23.1 All PPP Concessionaires shall furnish to respective MPA monthly, quarterly and annual reports on cargo traffic handled. For the container terminals, the PPP Concessionaire shall furnish to the MPA quarterly/ annual reports on container traffic handled.

23.2 The quarterly reports shall be submitted by the PPP Concessionaire to the respective MPA within a month following the end of each quarter. The Annual Reports and Audited Accounts shall be submitted by the PPP Concessionaire, within 180 days following the end of each of the financial year. Any other information which may be required by MPA shall also be furnished to them from time to time.

24.0 UNADJUSTED PAST PERIOD SURPLUS/DEFICIT, PAST PERFORMANCE ANALYSIS OF FIVE (5) PPP CONCESSIONAIRES GOVERNED BY ERSTWHILE TARIFF GUIDELINES 2005/2019 AND OTHER PAST PERIOD DISPUTES

24.1 Litigations are pending in the High Courts on the disputes concerning the past Tariff Orders passed by TAMP in case of the Scale of Rates of five the PPP Concessionaires viz. NSICT & GTIPL at JNPA; CCTPL & CITPL at CHPA and PSA SICAL at VOCPA. The surplus/ deficit over and above the admissible costs and permissible return, if any, arising during the period of litigation till the revised SOR approved by erstwhile TAMP under the Tariff Guidelines, 2019 came into effect will be subject to the orders of the respective Courts.

24.2 Alternatively, concerned MPA and the concerned PPP Concessionaires may resolve the disputes concerning the treatment of past period surplus/deficit arising during the period of litigation mutually as per the Dispute resolution mechanism envisaged in the Concession Agreement or any other applicable Legislation of the Government of India.

24.3 Provided further that, the above-mentioned tariff related disputes or any other tariff related disputes of any nature which are pending prior to implementation of these Guidelines may be resolved by the concerned MPA and the concerned PPP Concessionaires mutually as per the Dispute resolution mechanism envisaged in the Concession Agreement or any other applicable Legislation of the Government of India. It should be the endeavour of both MPAs and PPP concessionaires that all legacy disputes are resolved at the earliest.

25.0 SUPPLEMENTARY CONCESSION AGREEMENT

25.1 The PPP Concessionaires governed under erstwhile 2005, 2008, 2013 and 2019 Tariff Guidelines as listed in Annexure-I, shall migrate to these Tariff Guidelines, 2025 subject to the following:

(i) The PPP Concessionaire shall agree to unconditional acceptance of these Guidelines and the provision of para 22 of these Guidelines.

(iii)The PPP Concessionaire shall be governed by the market determined tariff without any financial consideration or change in other conditionsas per Concession Agreement.

25.2The concerned MPA and the PPP Concessionaire, shall agree on and execute a separate Supplementary Agreement in writing, within a period of 60days of the notification of these Guidelines, duly amending the respective Concession Agreement to the extent of provisions of these Tariff Guidelines, 2025 and incidental matters.

26.0 SPECIAL PROVISIONS

26.1 Notwithstanding anything above, if there are any special provisions regarding tariff and royalty payments in the concession agreement, the same shall be incorporated in the Supplementary Agreement to be entered between the concerned MPA and PPP concessionaire.

26.2 There are some Concession Agreements that do not provide for escrow account mechanisms for depositing the revenues earned by the PPP concessionaires. In all such cases,to maintain transparency in the revenue earnings, all receipts and expenditure, the PPP concessionaire shall open escrow account similar to the one applicable for PPP concessionaires under Model Concession Agreement 2021. The concerned MPAs and the PPP concessionaire shall ensure to incorporate suitable provision in the Supplementary Agreement in this regard.

26.3 It is further clarified that for the purposes of revenue, the PPP concessionaire shall submit a revenue certificate and audited account statement at the end of the accounting period.

(Issuing Officer)

Designation of Issuing officer

Annexure 1: List of PPP Concessionaire governed under the erstwhile Upfront Tariff Guidelines, 2008, Reference Tariff Guidelines, 2013 and Tariff Guidelines, 2019 (erstwhile Tariff Guidelines 2005)

GUIDING NOTE

Mathematical formulation of the royalty payment system for PPP Concessionaires, based on the text of Draft Tariff Migration Guidelines, 2025.

Core Variables:

- **Royalty:** The amount the PPP Concessionaire pays to the Major Ports Authority (MPA). This is the primary value we're calculating.
- **Actual Traffic (AT):** The actual volume of cargo/containers handled by the concessionaire, measured in tonnes, TEUs (Twenty-foot Equivalent Units), or other relevant units.
- **Minimum Guaranteed Traffic/Cargo (MGT/MGC):** A pre-agreed minimum volume specified in the Concession Agreement (CA). If actual traffic falls below this, the royalty is still calculated based on the MGT/MGC, if applicable.
- **ARR:** Annual Revenue Requirement. A key component for some royalty calculations, representing the revenue needed to cover costs and a reasonable return.
- **ARRBR:** Annual Revenue Requirement Based Royalty per tonne/TEU. A derived value used in specific royalty calculation scenarios for setting the floor of Royalty payments.
- **WPI:** Wholesale Price Index. Used for annual escalation (indexation) of the ARRB.
- **Revenue Share:** A percentage of the concessionaire's gross revenue, as defined in the CA, that is paid as royalty.
- **X:** A base royalty rate for a standard (foreign-bound/laden) 20' container. This is the foundation for calculating royalties on other container types.

Formulas and Calculations:

The royalty calculation depends on how the royalty was *originally determined* in the Concession Agreement. We have three main cases (22.2.1, 22.2.2, and 22.2.3), and within each, sub-case, the final royalty is the *highest* value calculated within the applicable sub-cases.

Clause (22.2.1) (Royalty Model where Royalty specified for full life of Concession period)

1. Royalty Determined Per Unit/Tonne/TEU:

- **(i) Royalty based on Actual Traffic:**

$$\text{Royalty} = \text{Royalty Rate Per Unit} * \text{AT}$$

Where Royalty Rate Per Unit is the rate specified in the CA.

- **(ii) Royalty based on MGT/MGC (if applicable):**

$$\text{Royalty} = \text{Royalty Rate Per Unit} * \text{MGT/MGC}$$

The final royalty for 22.2.1 is: MAX of (Royalty(i), Royalty(ii))

Clause (22.2.2)

2. Royalty Determined Per Unit/Tonne/TEU with Escalation(Royalty Model where Royalty specified in year 1 and then Escalation factor specified in CA):

- **(i) Royalty based on Actual Traffic with Escalation:**

$$\text{Royalty} = \text{Escalated Royalty Rate Per Unit} * \text{AT}$$

Where Escalated Royalty Rate Per Unit is calculated using the escalation formula from the CA. This formula is not provided in the text, but it would typically involve a base year rate and an inflation index.

- **(ii) Royalty based on MGT/MGC with Escalation (if applicable):**

$$\text{Royalty} = \text{Escalated Royalty Rate Per Unit} * \text{MGT/MGC}$$

The final Royalty for 22.2.2 is: MAX of (Royalty(i), Royalty(ii))

Clause (22.2.3)

3. Royalty Determined as Revenue Share (In Revenue share Model):

This is the most frequent case, with different calculations based on the Original Tariff Guidelines applicable to the concessionaire.

- **(i) Royalty based on Actual Revenue:**
Royalty = Revenue Share * Actual Revenue

- **(ii) Royalty based on ARRBR (Annual Revenue Requirement Based Royalty):**

This has two sub-cases based on the Tariff Guidelines:

- **(a) Tariff Guidelines 2008 & 2013:**

1. **Calculate ARRBR (for 2025-2026):**
ARRBR 2025 = (ARR 2025 / Optimum Capacity) * Revenue Share

Where Optimum Capacity is from the TAMP order.

2. **Escalate ARRBR for subsequent years:**
ARRBR Year = ARRBR (Year-1) * (1 + 0.6 * (WPI Year / WPI(Year-1)-1))

Simplified to:

$$\text{ARRBR Year} = \text{ARRBR (Year-1)} * (1 + 0.6 * \text{WPI Change})$$

Where WPI Change is the percentage change in WPI.

3. **Calculate Royalty:**
Royalty = ARRBR Year * MAX of (AT, MGT/MGC if applicable)

- **(b) Tariff Guidelines 2005 & 2019:**

1. **Calculate Average ARR (2021-2024):**

$$\text{Average ARR} = (\text{ARR 2021-22} + \text{ARR 2022-23} + \text{ARR 2023-24}) / 3$$

2. **Escalate Average ARR to 2025-2026:**

$$\text{ARR 2025} = \text{Average ARR} * \text{Escalation Factor}$$

The Escalation Factor will be as per TAMP.

3. **Calculate ARR per tonne/TEU:**

$$\text{ARR Per Unit} = \text{ARR 2025-26} / \text{Average Actual Traffic}$$

Where Average Actual Traffic is the average traffic from 2021-2024.

4. **Calculate ARRBR (for 2025-2026):**

$$\text{ARRBR 2025} = \text{ARR Per Unit} * \text{Revenue Share}$$

5. Escalate ARRBR for subsequent years (same as 2008/2013):

$$\text{ARRBR Year} = \text{ARRBR (Year-1)} * (1 + 0.6 * \text{WPI Change})$$

6. **Calculate Royalty (same as 2008/2013):**

$$\text{Royalty} = \text{ARRBR Year} * \text{MAX of (AT, MGT/MGC if applicable)}$$

The final royalty for 22.2.3 is: MAX of (Royalty (i), Royalty (ii))

Clause (22.8)(For Royalty Model cases):

Concessional Royalty Rates:

- **22.8.1 Coastal Cargo/Containers:** Royalty is 60% of the royalty for normal foreign cargo/containers. If X is the royalty for a foreign 20' container:
 - Coastal 20' Container Royalty = 0.6 * X
 - Coastal 40' Container Royalty = 0.6 * 1.5 * X

- Coastal >40' Container Royalty = $0.6 * 2 * X$
- **22.8.2 Transshipment Containers:** Royalty is 1.5 times the royalty for a *single* handling operation (loading OR unloading).
 - Foreign Transshipment 20' Container Royalty = $1.5 * X$
 - Foreign Transshipment 40' Container Royalty = $1.5 * 1.5 * X$
 - Foreign Transshipment >40' Container Royalty = $1.5 * 2 * X$
 - Coastal Transshipment: Apply the 0.6 factor *before* the 1.5 factor:
 - Coastal Transshipment 20' Container Royalty = $0.6 * 1.5 * X$
 - Coastal Transshipment 40' Container Royalty = $0.6 * 1.5 * 1.5 * X$
 - Coastal Transshipment >40' Container Royalty = $0.6 * 1.5 * 2 * X$

- **22.8.3 Empty Containers:**
 - * Foreign Empty 20' Container Royalty = $0.8 * X$
 - * Foreign Empty 40' Container Royalty = $0.8 * 1.5 * X$
 - * Foreign Empty >40' Container Royalty = $0.8 * 2 * X$
 - * Coastal Empty: Apply the 0.6 factor before the 0.8 Factor
 - * Coastal Empty 20' Container Royalty = $0.6 * 0.8 * X$
 - * Coastal Empty 40' Container Royalty = $0.6 * 0.8 * 1.5 * X$
 - * Coastal Empty >40' Container Royalty = $0.6 * 0.8 * 2 * X$

- **Transshipment of Empty Containers**

Foreign Transshipment Empty 20' Container Royalty = $0.8 * 1.5 * X$

Foreign Transshipment Empty 40' Container Royalty = $0.8 * 1.5 * 1.5 * X$

Foreign Transshipment Empty >40' Container Royalty = $0.8 * 1.5 * 2 * X$

Coastal Transshipment: Apply the 0.6 factor *before* the 0.8 and 1.5 factors:

- Coastal Transshipment Empty 20' Container Royalty = $0.6 * 0.8 * 1.5 * X$
- Coastal Transshipment Empty 40' Container Royalty = $0.6 * 0.8 * 1.5 * 1.5 * X$
- Coastal Transshipment Empty >40' Container Royalty = $0.6 * 0.8 * 1.5 * 2 * X$

- **Future Discounts:**

- Royalty Payment = Discounted Tariff * (Original Royalty / Original Tariff)

Summary

This set of formulas defines a system where royalty payments are determined by several factors, including the original concession agreement, actual or guaranteed traffic, annual revenue requirements, and specific concessions for coastal and transshipment cargo. It is a tiered system. The use of MAX () functions ensures the port authority receives the highest possible royalty based on the applicable rules. The annual escalation using WPI ensures that the royalty payments keep pace with inflation. The use of a base rate 'X' for a 20' foreign container provides a consistent and clear basis for calculating the other royalties.

As on 01.05.2023

Handling Tariff for projects awarded under Tariff Guidelines 2008, 2013 and 2019**A. CONTAINER TERMINAL**

Sr. No.	Basic details				Handling Tariff			
	Name of the operator	Port name	Date when Licence Agreement (LA) was entered	Royalty/ Revenue share payable by the terminal as per LA	20' Normal Container	20' ICD	20' Transhipment	Order details
I.	Tariff Guidelines, 2019 (erst while Tariff Guidelines, 2005)							
(i).	Nhava International Container Terminal Limited (NSICT)	Jawaharlal Nehru Port Authority (JNPA)	3-Jul-97	Royalty payable on per TEU basis, ranging from Rs.47/- per TEU	7119.13	7119.13	9211.76	TAMP No.TAMP/56/2019-NSICTPL dated 20 February 2020
(ii).	Gateway Terminals India Private Limited (GTIPL)	Jawaharlal Nehru Port Authority (JNPA)	10-Aug-2004	35.503% of Revenue Share	4424.94	4424.94	4904.38	Website
(iii).	Chennai Container Terminal Private Limited (CCTPL)	Chennai Port Authority (CHPA)	9-Aug-2001	37.128% of Gross Income	3726.87	3689.70	2592.66	TAMP No.TAMP/25/2020-CCTPL dated 28 October 2020
(iv).	Chennai International Terminals Private Limited (CITPL)	Chennai Port Authority (CHPA)	7-Mar-2007	45.801% of Revenue Share	3727.65	3690.50	2592.35	Website

(v).	Visakha Container Terminal Private Limited (VCTPL)	Visakhapatnam Port Authority (VPA)	11-Sep-2002	Royalty payable on per TEU basis, ranging from Rs.50/- per TEU to Rs.1500/- per TEU.	5404.00	7316.00	4310.00	TAMP No.TAMP/17/2020-VCTPL dated 08 September 2020
(vi).	PSA - SICAL Terminal Limited	V.O Chidambaram Port Authority (VOCPA)	15-Jul-1998	Royalty payable on per TEU basis, ranging from Rs.102/- per TEU to Rs.5178/- per TEU.	3607.60	0.00	3730.97	PSA SICAL continue to levy December 1999 Order as per High Court order, in view of pending litigation.
(vii).	India Gateway Terminal Private Limited (IGTPL)	Cochin Port Authority (COPA)	31-Jan-2005	33.3% of Gross Revenue	9182.04	9750.70	15958.14	TAMP No.TAMP/46/2019-IGTPL dated 20 February 2020
II. Reference Tariff Guidelines, 2013								
(viii).	Kandla International Container Terminal Pvt. Ltd.	Deendayal Port Authority (DPA)	29 February 2016	10.44% of the gross revenue	6045.68	7859.36	6045.65	TAMP No.TAMP93/2016-KPT dated 17.02.2017 (Original TAMP Order No. TAMP/15/2015-KPT dated 15.05.2015)

(ix).	Bharat Container Terminals Pvt. Ltd.	Mumbai Jawaharlal Nehru Authority (JNPA)	Port	6 May 2014	35.79% of the gross revenue	5646.13	7339.96	5646.13	TAMP Order No. TAMP/71/2017-December 27 (Original TAMP Order No. TAMP/29/2013-JNPT dated 13.08.2013)
(x).	Visakha Container Terminal Pvt. Ltd.	Visakhapatnam Port Authority (VPA)	Port	17 December 2014	11.044% of the gross revenue	4601.23	6398.21	5435.46	TAMP Order No. TAMP/32/2013-VPT dated 30.08.2013
(xi).	JSW Container Terminal Pvt. Ltd.	Mangalore New Mangalore Port Authority (NMMPA)	Port	27 January 2020	Rs. 951 Per TEU (subject to annual indexation)	4359.92	5686.86	4739.06	TAMP Order No. TAMP/69/2018-NMPT dated 18.01.2019
(xii).	Paradip International Cargo Private Limited	Paradip Port Authority (PPA)	Port	07 March 2015	11.044% of the gross revenue	5646.01	7339.81	5646.01	TAMP Order No. TAMP/10/2014-PPT dated 14.2.2014. (This Order has been revised on 19.2.2014)

Upfront Tariff Guidelines, 2008

III.							
(xiii).	Nhava Sheva (India) Gateway Terminals Private Limited	Jawaharlal Nehru Authority (JNPA) Port	19 June 2013	28.09% of the gross revenue	5627.59	7315.85	5627.58 TAMP Order No. TAMP/65/2014- JNPT dtd 16.03.2014 (Original TAMP Order No. TAMP/40/2008- JNPT dated 25.02.2009)
(xiv).	Dakshin Gateway Pvt. Ltd. Bharat Terminal	V.O Chidambaranar Port Authority (VOCPA)	4 September 2012	55.19% of the gross revenue subject to the Minimum Guaranteed Cargo as specified	4333.01	0.00	3627.64 TAMP Order No. TAMP/7/2014- VOCPT dated 14.02.2014 (Original TAMP Order No. TAMP/34/2008-TPT dated 16.10.2008)

B. COAL TERMINAL

Basic details				Handling Tariff						
Sr. No.	Name of the operator	Port name	Date when Licence Agreement (LA) was entered	Royalty/ Revenue share payable by the terminal as per LA	Coking Coal	Thermal Coal	Steam Coal	Other Coal	Other cargo	Order details
I.	Tariff Guidelines, 2019 (erst while Tariff Guidelines, 2005)									
(xv).	International Seaports (Haldia) Pvt Ltd., (ISHPL)	Syama Prasad Mookerjee Port Authority (SPMPA)	14-May-2002	At the percentage level of cargo handling charges as per SOR of the Licensor port. 1st 12 months 46.88% 2nd 12 months 51.31% 3rd 12 months 55.05% 4th 12 months 58.26% 5th 12 mths onwards 61.04%	354.35	0	0	0	0	TAMP Order No. TAMP/07/2020-ISHPL dated 08.09.2020.
(xvi).	Vizag Seaport Private Limited (VSPL)	Visakhapatnam Port Authority (VPA)	28-Nov-2001	17.11% of Berth hire and wharfage	247.49	224.57	247.49	0	0	TAMP Order No. TAMP/11/2020-VSPL dated 01.06.2020.
II.	Reference Tariff Guidelines, 2013									
(xvii).	Mangalore Coal Terminal Private Limited [Formerly M/s. Chettinad Mangalore Coal Terminal Private Limited, Chennai]	New Mangalore Port Authority (NMPA)	18 March 2016	31.00% of the gross revenue	0	349.23	0.00	349.23	89.17	TAMP Order No. TAMP/60/2015-NNPT dated 16.11.2015

(xviii).	Chennai Engineering Works Private Limited.	Radha Port Authority (VOCPA)	V.O.Chidambaram Port	13 January 2016	27.99% of the gross revenue	77.36	77.36	0.00	0	0	TAMP Order No. TAMP/40/2015-VOCPT dated 18.08.2015.
(xix).	Paradip Quay Terminal Ltd.	East Coal Pvt.	Paradip Port Authority (PPA)	02 May 2016	31.70% of the gross revenue	0	205.93	0	0	0	TAMP Order No. TAMP/12/2014-PPT dated 21.02.2014
(xx).	Kalinga International Coal Terminal Paradip Pvt. Ltd.		Paradip Port Authority (PPA)	04 August 2017	36.53% of the gross revenue	0	215.56	0	215.56	0	KICTPPL Website
III. Upfront Tariff Guidelines, 2008											
(xxi).	Vizag General Cargo Berth Pvt. Ltd		Visakhapatnam Port Authority (VPA)	10 June 2010	38.10% of the gross revenue	204.03	0	204.03	0	0	TAMP Order No. TAMP/58/2008-VPT dated 27.11.2009
(xxii).	Adani Mormugao Port Terminal Pvt. Ltd.		Mormua Port Authority (MOPA)	22 September 2009	20% of the gross revenue subject to the Minimum Guaranteed Cargo as specified	0	299.85	0.00	299.85	0	TAMP Order No. TAMP/23/2008-MOPT dated 07.08.2008

C. LIQUID TERMINAL

Basic details		Handling Tariff											Order details							
Sr. No.	Name of the operator	Port name	Date when Licence Agreement (LA) was entered	Royalty/ Revenue share payable by the terminal as per LA	POL (excl. crude) handled with marine unloading arm	POL (excl. Crude) handled with flexible hoses	Bunker fuel and POL	SKO, LDO	HSD, FO, CBFS, LSHSD	Motor Oil	Crude Oil	LPG	AFS	Base Oil	Refinery Intermediate C5 (PX Feed Stock)	Chemicals	Unenumerated	Other liquid cargo	Order details	
i. (xxiii).	Sharat Petroleum Corporation Limited (BPCL)	Jawaharal Nehru Port Authority (JNPA)	17-Aug-1999	20% of wharfrage charges applicable to Oil Industry and 50% of wharfrage charges applicable to other users.	0	0	0	62.04	95.88	152.29	84.61	207.27	191.78	95.88	191.78	191.78	236.92	101.53	78.96	TAMP Order No. TAMP/59/2019 BPCL dated 15.09.2021.
Reference Tariff Guidelines, 2013																				
ii. (xxiv).	Hooghly Oil and Gas Terminal Pvt. Ltd.	Syama Prasad Mookerjee Port Authority (SPMPA)	15 February 2018	15.00% of the Gross Revenue	102.97	93.22	0.00	0	0	0	0	247.11	0	0	0	127.11	0	186.44	0	TAMP Order No. TAMP/5/2016-KOPT dated 30.03.2016.
Upfront Tariff Guidelines, 2008																				
iii. (xxv).	AVR Infra Pvt. Ltd.	Visakhapatnam Port Authority (VPA)	16 August 2010	19.08% of the gross revenue	0	0	0	0	0	0	0	0	0	0	0	58.90	0	58.90	0	TAMP Order No. TAMP/17/2008-VPT dated 12.02.2009.
(xxvi).	Kandla Oil Terminal Pvt. Ltd	Deendayal Port Authority (DPA)	15 November 2013	27.50% of the gross revenue	0	0	42.21	0	0	0	0	0	0	0	0	0	0	146.55	0	TAMP Order No. TAMP/5/2013-KPT dated 22.02.2013. [Review vide Order dated 09.05.2013]

D. IRON ORE TERMINAL

D. IRON ORE TERMINAL						
Basic details					Handling Tariff	
Sr. No.	Name of the operator	Port name	Date when Licence Agreement (LA) was entered	Royalty/ Revenue share payable by the terminal as per LA	Iron Ore	Order details
I.	<u>Tariff Guidelines, 2019 (erst while Tariff Guidelines, 2005)</u>					
II.	<u>Reference Tariff Guidelines, 2013</u>					
(xxvii).	JSW Paradip Terminal Private Limited	Paradip Port Authority (PPA)	29 May 2015	21.00% of the gross revenue	259.39	TAMP Order No. TAMP/28/2014-PPT dated 05.06.2014.
III.	<u>Upfront Tariff Guidelines, 2008</u>					
(xxviii).	Essar Vizag Terminals Limited	Visakhapatnam Authority (VPA)	13 December 2013	31% of the gross revenue	168.70	TAMP Order No. TAMP/32/2010-VPT dated 29.11.2010

E. HMC CHARGES FOR CARGO (HMC OPERATOR)

Sr. No.	Basic details					Handling Tariff				
	Name of the operator	Port name	Date when Licence Agreement (LA) was entered	Royalty/ Revenue share payable by the terminal as per LA	Dry bulk cargo	Timber logs	Break bulk cargo	Steel and bagged cargo	Other break bulk cargo	Order details
I.	Tariff Guidelines, 2019 (erst while Tariff Guidelines, 2005)									
(xxix).	IFFCO Kisan Logistics Limited (IKLL)	Deendayal Port Authority (DPA)	07 February 2011	45.36 Lakhs p.a.		80.93	0			TAMP Order No. TAMP/59/2020-IKLL dated 13.05.2021
II.	Reference Tariff Guidelines, 2013									
(xxx).	Sea Port Shipping Pvt. Ltd.	V.O.Chidambaranar Port Authority (VOCPA)	01 March 2014	22.88% of the gross revenue	19.90		0			TAMP Order No. TAMP/60/2016-VOCPT dated 16.12.2016. (Commercial Operation commenced w.e.f. 13.04.2018)
(xxxi).	Global Port Solutions Pvt. Ltd.	Chennai Port Authority (CHPA)	31 August 2015	27.27% of the gross revenue	58.81		122.53	196.03		Order No. TAMP/20/2014-CHPT dated 30.6.2014
III.	Upfront Tariff Guidelines, 2008									
(xxxii).	IMCOLA Crane Company Private Limited (M/s IMC-PSTS Pvt. Ltd. Consortium, Chennai)	V.O.Chidambaranar Port Authority (VOCPA)	24 May 2013	26.55% of the gross revenue	42.57		83.45	133.59		TAMP Order No. TAMP/16/2010-TPT dated 23.07.2010. (Order No. TAMP/50/2011-VOCPT dated 19.01.2012)

F. MULTIPURPOSE TERMINAL

Sr. No.	Basic details				Handling Tariff										Order details			
	Name of the operator	Port name	Date when Licence Agreement (LA) was entered	Royalty/ Revenue share payable by the terminal as per LA	Coal (except thermal coal)	Thermal coal	Fertilizers, material	Metallurgical Coke / Coke (all types) / Charcoal	Iron Ore pellets, Sand, Fly Ash, Salt	Limestone, Dolomite, Pyroxenite, Olivine and all other dry bulk not specified and all types of one except iron ore; Sponge Iron, Pig Iron	Mill Scale, Magnesite, Granite, all types of scrap, Oil Cake; Bone & Bone Meal, Non-Ferrous metals of all kinds, Fire Bricks and other refractory materials, Fertilizer raw materials, MOP, Rock Phosphate, Soda, Sulphur, C.I. Goods	Tubes and pipes, Iron and Steel, Newsprint, HRC/CRC, Steel Slabs, Beams, Rails, Wheels, Sheets and bagged cargo.	Project cargo and machinery & spares (immobile units) of various shapes and sizes, all other cargo not specified above	Containers (' - per TEU) - other than over dimensional container		Car, any rubber tyre vehicle, earth moving equipment (Rs per unit)	Any other bulk cargo	
I. (xxxiii)	TNT International Logistics Limited (TMILL)	Syama Prasad Mookerjee Port Authority (SPMPA)	29-Jan-2002	All the percentage level of actual revenue earned by terminal, ranging from 10.511% to 10.855%	0	0	0	0	256.72	295.37	401.36	762.98	1239.33	5221.40	14092.89	0	TAMP Order No. TAMP/59/2019-TMILL dated 01 June 2020	
(xxxiv)	South West Port Limited (SWPL)	Mormua Port Authority (MOPA)	11-Apr-1999	16% of Cargo handling charges	238.32	238.32	0.00	341.44	343.73	288.84	0	343.73	0	0	0	331.13	TAMP Order No. TAMP/38/2019-SWPL dated 29 November 2019	
II.	Reference Tariff Guidelines, 2013																	
III. (xxxv)	Adani Kandi Bulk Terminal Pvt. Ltd.	Deendayal Port Authority (DPA)	27 June 2012	25.09% of the gross revenue	209.45	209.45	209.45	0	0	0	0	0	0	0	0	0	0	TAMP/42/2008-KPT dated 17.08.2010

G. OTHER BOT OPERATORS

Basic details					Remarks
Sr. No.	Name of the operator	Port name	Date when Licence Agreement (LA) was entered	Royalty/ Revenue share payable by the terminal as per LA	
I.	Tariff Guidelines, 2019 (erst while Tariff Guidelines, 2005)				
(xxxvi).	Buthello Travel	Mumbai Port Authority (MBPA)	Nov-09	40.00% of Revenue	Weigh bridge operator. Hence, no comparison is drawn.
(xxxvii).	Central Warehousing Corporation (CWC)	Deendayal Port Authority (DPA)	12-Feb-2002	Royalty payable on per TEU basis, ranging from Rs.100/- per TEU to Rs.814.40 per TEU.	CFS Operator at DPA. Tariff structure are not comparable. Hence, no comparison is drawn.
(xxxviii).	JNPA CFS and Buffer Yard	Jawaharlal Nehru Port Authority (JNPA)	Jul-05		CFS Operator at JNPA. Tariff structure are not comparable. Hence, no comparison is drawn.
(xxxix)	Indira Container Terminal Private Limited (ICTPL)	Mumbai Port Authority (MBPA)	23-Dec-2007	35.064% of Revenue	The terminal was originally designed for container handling. Due to delay in completion of the project container traffic as envisaged was not available. The project is in revival stage. As an interim measure, the ICTPL is allowed to levy tariff for the alternative cargo viz., RO-RO, Iron and steel and other bulk cargo as per MBPA tariff approved under TP, 2019.