

AMENDMENT FOR IMPLEMENTATION OF STEVEDORING CUM SHORE HANDLING POLICY, 2017 AT KPL's GENERAL CARGO BERTH

Competent authority has accorded for an amendment to the Stevedoring cum Shore handling policy, 2017 at Kamarajar Port as per the guidelines of Ministry of Shipping, Govt. of India.

- 1. Amended Stevedoring cum Shore handling policy, 2017 is with effect from 09.09.2017.**
- 2. Royalty charges have been revised from 20% to 7.5% of margin amount as opined by the trade for Stevedoring and Shore handling operations at KPL.**

The ceiling tariff has been formulated for Stevedoring and Shore handling operations at KPL under the category of automobiles and Project cargo. The royalty charges at 7.5% of margin amount for Stevedoring and Shore handling operations shall be paid to KPL from the ceiling tariff provided below.

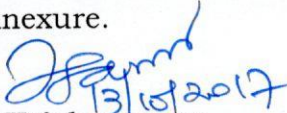
Ceiling tariff:

Automobiles:			
Sl. No.	Cargo Category	Stevedoring cost in Rs. Per Vehicle	Shore handling cost in Rs. Per Vehicle
1	Cars	297	152
2	Trucks / Buses	953	766
3	Heavy Vehicles	1218	1062
4	Mafi	2070	1714
Project cargo:			
Sl. No.	Cargo Category	Stevedoring cost in Rs. Per Tonne	Shore handling cost in Rs. Per Tonne
1	Project cargo and machineries	172	175

Royalty charges fixed at 7.5% of margin from the Ceiling tariff:

Automobiles:			
Sl. No.	Cargo Category	Stevedoring cost in Rs. Per Vehicle	Shore handling cost in Rs. Per Vehicle
1	Cars	4	2
2	Trucks / Buses	12	10
3	Heavy Vehicles	15	13
4	Mafi	26	21
Project cargo:			
Sl. No.	Cargo Category	Stevedoring cost in Rs. Per Tonne	Shore handling cost in Rs. Per Tonne
1	Project cargo and machineries	2	2

The amended Stevedoring cum Shore handling policy, 2017 of KPL is attached as Annexure.


V. Krishnasamy,
General Manager (Operations)
for Kamarajar Port Limited

KAMARAJAR PORT LIMITED
AMENDED STEVEDORING CUM SHORE HANDLING POLICY,
2017

Notification

The stevedoring cum shore handling Policy approved by the competent authority is notified as under

1. Short title and commencement.

- (1) This policy may be called the "Kamarajar Port Limited Stevedoring cum shore Handling Policy, 2017".
- (2) They shall come into force on the date of this notification.

2. Definitions:-

In these regulations, unless the context otherwise requires,

- i. "Act" means the Indian Port Act, 1908;
- ii. "Board" means the Board of Directors of Kamarajar Port Limited constituted under the Companies Act;
- iii. "Chairman cum Managing Director (CMD)" means Chairman cum Managing Director of the Port;
- iv. "Form" means form Annexed to this Policy,
- v. "Port" means Kamarajar Port Limited
- vi. "Performance Norm Policy" is the Policy or Guidelines issued by the Competent Authority to arrive at the operational performance standards to be achieved by the Stevedoring and Shore Handling Agent.
- vii. "Stevedoring and Shore Handling License" is the License issued by the CMD as per the provisions of this Policy to perform the activities covered under the Policy.
- viii. "Stevedore and Shore handling Agent" is an authorized agent for loading and unloading and storage of cargo in any form on board the vessels in Port, arranging and receiving the cargo to /from the hook point, intermodal Transport from wharf to stack yard and vice-versa and also receiving and delivering of cargo from / to wagons / trucks.
- ix. "General Manager (Operations)" means the officer in charge of the cargo operation of Kamarajar Port Limited and includes the Chief Manager (Traffic) and assistants to the General Manager (Operations)



Handwritten signature in blue ink.

and any other Officers acting under the authority of the General Manager (Operations) or the CMD.

- x. "Nodal officer" is the officer nominated by General Manager (Operations) for monitoring Stevedoring cum Shore handling operations and tariff.

3. Scope

1. The Stevedoring cum Shore Handling Policy shall cover the following activities:-

The Stevedoring activities cover the activities on board involving workmen, extending to hooking for export (loading) cargo and unhooking of import (unloading) cargo or whatever practice prevalent in port. The Shore Handling includes arranging and receiving the cargo to /from the hook point, intermodal Transport from wharf to stack yard and vice-versa and also receiving and delivering of cargo from / to wagons / trucks.

2. The CMD may issue Stevedoring and Shore Handling license for a period of Three years, on application, to firms or consortium of firms to act as Stevedores and Shore Handling Agent at the Port to perform the work of the Stevedoring and Shore Handling Activities specified under Sub Sec 3 of (1) above.

- i. No Stevedore and Shore Handling Agent shall be allowed to work on board any vessels and on shore in the Port except under a license issued by the CMD under this Policy.
- ii. The license shall be valid for a period of 3 years from the date of issuance of license.
- iii. The license will be renewed strictly on the basis of achieving minimum guaranteed throughput/prescribed performance of **50,000 M.T or 5,000 nos.** of automobiles per annum, or as fixed from time to time. There will not be any automatic renewal of the license. License may be renewed on application made three months prior to expiry of the license.

4. Stevedoring and Shore Handling Charges

1. Board Shall Notify the normative Tariff for Stevedoring and Shore Handling Activities separately for Mechanized and Manual operations based on the guidelines issued by Ministry of



Shipping/Tariff Authority for Major Ports. This Tariff shall be ceiling Tariff.

2. All port customers will be notified on the ceiling tariffs set for Stevedoring and Shore Handling activities. The tariff will be displayed on the Port website.
3. The Port will appoint a Nodal Officer responsible for monitoring of Stevedoring and Shore Handling Tariffs. The Officer will be responsible for handling all complaints on violation of Stevedoring and Shore Handling ceiling Tariff.
4. The Port will issue licenses to Stevedoring and Shore Handling Agents who apply for such license and meets all the requirements stipulated in this Policy.
5. The Port shall charge a royalty as the license fee for the Stevedoring and Shore Handling licenses. The Port shall fix a Metric Tonne royalty rate to be paid to the Port by all Agents. No discrimination will be made among the Stevedoring and Shore Handling Agents on the royalty and the license fee.
6. Stevedoring and Shore Handling Agents have to charge the rates to their principal, not exceeding the ceiling Tariff notified by the Board.

5. Issue of License for Stevedores & Shore Handling Agents

Kamarajar Port Limited shall host the Stevedoring and Shore handling Policy in the website and any eligible firm or the lead firm in the case of consortium of firms which fulfils the eligibility criteria can apply for license at any time online along with requisite documents. The Stevedoring & Shore Handling license shall be issued by the Port, in case the firm fulfills the following criteria:

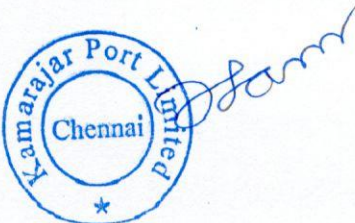
- (i) It shall be a company registered under the Companies Act or a partnership Firm or any other Legal entity.
- (ii) It Shall deposit a Security amount of at least Rs.5,00,000/- (Rupees five lakhs only) to meet any contingency which shall be refunded without interest after adjusting the claims, if any, when the license ceases to operate
- (iii) The Stevedores and Shore Handling Agent shall undertake to provide equipment/gear required for both the operations as specified by the Port.



- (iv) The Stevedores and Shore Handling Agent shall undertake to employ at least 6 Supervisory personnel with minimum two years of cargo handling/stowage experience for undertaking both the functions. Their detailed profiles have to be enclosed along with the application.
- (v) The fee for issue of license shall be on payment of a minimum application fee of Rs.50, 000 (Fifty thousand only), which may be revised from time to time by the Port.

6. Validity / Renewal of License

- (i) The license will be valid for a period of Three years from the date of issuance of License.
- (ii) The daily performance report capturing productivity achieved by the Stevedoring agent in the prescribed format shall be submitted by the Stevedoring & Shore Handling agent to the General Manager (Operation) or his authorized representative online. The CMD of the Port will review the performance of Stevedoring & Shore Handling agent every month. The agent is required to comply with the performance standard prescribed for handling various cargos.
- (iii) Compliance of terms and conditions of the license issued to the agents, safety norms followed by the agents will be monitored by General Manager (Operations) and a report will be submitted to the CMD
- (iv) If the General Manager (Operations) finds any default on the part of Stevedoring & Shore Handling agent, he shall cause to issue warning in the event of first default and in the event of second default, the license of the Stevedoring & Shore Handling agent shall be liable to be cancelled, apart from levying penalties.
- (v) At the end of three years, the license shall be renewed strictly on the basis of above mentioned performance reports.
- (vi) Application as per the prescribed proforma of the Port for renewal of Stevedoring & Shore Handling license shall be made at least three months before the expiry of the license.



- (vii) If the Stevedore & Shore Handling agent fulfils the required conditions and is eligible for renewal but awaiting safety clearance before expiry of the license period, Port may permit the Stevedoring operation by executing an Indemnity bond.

7. Migration to the new Stevedoring and Shore Handling Policy

The new Stevedoring & Shore Handling Policy will come into effect in this Port from the date of Notification of this Policy. The existing Stevedoring Agents will have to switch over to the new Stevedoring & Shore Handling Scheme from that date and charge the ceiling tariff rate fixed. If they do not switch over to the new scheme, the license shall be terminated by the Port by giving due notice.

8. Duties and responsibilities:-

Every stevedores and Shore Handling Agents, shall ensure the safe and efficient handling as per the Stevedoring & Shore Handling Licensing Policy during the currency of license issued to them by the Port, keeping in view of the following basic criteria:

- (a) Stevedore & Shore handling agents shall comply with applicable safety norms in relation to such operations and with the applicable statutes regarding labour.
- (b) Stevedore and Shore Handling Agent shall indemnify the Board against all third party claims arising out of such operations.
- (c) Whenever casual workers are deployed, the Stevedore and Shore Handling agents should ensure that such workers are covered by the insurance Policy.
- (d) If any gear, plant or any other property of the Board is damaged in the course of Stevedoring and Shore Handling operation the Stevedores and Shore Handling agent shall compensate the Board for such loss or damage.
- (e) Stevedore and Shore Handling agent shall deploy necessary equipment as indicated by the Port in the license.
- (f) Stevedore and Shore Handling agent shall achieve the performance norms fixed by the Port.
- (g) The Stevedore and Shore Handling agencies shall publish their tariff along with break up in their web sites



9. Cancellation/Suspension of License

(a) The Port may at any time suspend or cancel the license issued to a Stevedore and Shore Handling Agent for violation of any of the terms of license or for any reasons listed below:

- i. The firm does not achieve the performance norms issued by the Port for an average over a period of 3 months.
- ii. The firm is found to be charging higher than the ceiling tariff notified for Stevedore & Shore Handling activities in the Port.
- iii. The CEO of the stevedoring and Shore Handling firm has been convicted by the Court of any offence involving moral turpitude and sentenced in respect, thereof to imprisonment for not less than six months, and a period of five years has not elapsed from the date of expiry of the sentence.
- iv. Violation of safety regulations and mandatory Dock Safety measures.
- v. Adopting improper and unsafe handling methods.
- vi. Misrepresentation or misstatement of material facts.
- vii. Firm adjudged insolvent or going into liquidation.
- viii. Transfer of the stevedoring operations or sublet of the license to any other individual or parties.
- ix. Violation of security related rules & instructions like ISPS code compliance.
- x. Any misconduct which in the opinion of the CMD warrant such cancellation or suspension.
- xi. Indulging in illegal/corrupt practices.
- xii. Manipulation of records or other documents to suppress the quantum of operation carried out or charges levied, if they come to notice of KPL.

(b) Provided that no such license shall be cancelled or suspended as the case may be until the holder of the license has been given a reasonable opportunity for showing cause why his license should not be cancelled or suspended as the case may be.

10. Appeal:-

Any person aggrieved by any order relating to cancellation / suspension / refusal of issue of license, may prefer and appeal in writing to the CMD of the Port or any other higher Authority, as the case may be, within 30 days of the communication of the order appealed against.



11. Performance Norms:

Productivity norms for the Stevedore and Shore Handling Agents shall be calculated on the basis of "Performance Norm Policy" by the Port. Performance based penalty and incentives will be enforced in accordance with the "Performance Norm Policy".

The daily performance report capturing productivity achieved by the Stevedoring agent in the prescribed format shall be submitted by the Stevedoring & Shore Handling agent to the General Manager (Operation) or his authorized representative online. The CMD of the Port will review the performance of Stevedoring & Shore Handling agent every month.

The monthly performance summary capturing productivity achieved by the respective agents will be published on the Port website to ensure transparency to the customers.

Licenses of agents who do not meet productivity norms for an average over a period of 3 months can be revoked by the Port.

12. Change in the name of the firm

The Stevedore and Shore handling agent holding valid license shall communicate to the port in writing any changes in the management of the agent's firm including the Directors, Managing directors, Partners, authorized signatories, changes in the consortium and any other changes which has bearing on the conduct of the activities of the license, immediately, with supporting documents.

13. Training, Use of Modern Technology.

The Personnel deployed in Stevedoring & Shore Handling activities shall be trained in modern methods of cargo handling for improving the productivity, efficiency and safety on a periodical basis and the certificate shall be submitted to the Port along with the details of the personal at the time of application for issue of license.



**Chairman cum Managing Director
Kamarajar Port Limited**

**KAMARAJAR PORT LIMITED
AMENDED STEVEDORING CUM SHORE HANDLING POLICY,
2017**

General conditions

1. The tariff prescribed are ceiling levels for the activities mentioned in point No. 3.1 under Scope of the policy.
2. The tariffs are for handling cargo meant for export and import. If the cargo to be handled is coastal, only 60% of the charges prescribed will apply.
3. The performance norms to be achieved remain the same for handling both foreign and coastal cargoes.
4. The tariff prescribed will be indexed to inflation, but only to 60% of the Wholesale Price Index (WPI) occurring between 1 January and 31 December of the relevant year. Such automatic adjustment of the tariff cap will be made every year and adjusted tariff cap will come into effect from 1 April of the relevant year till 31 March of the following year. However the operator is entitled for 100% WPI indexation instead of 60% from the second year of operation on achievement of performance standards for each of the commodities notified along with the tariff. For this purpose, the Operator will approach the Port within 30 days of the completion of the financial year of operation along with details of cargo wise average performance standard achieved by him. The Stevedoring and Shore Handling Operator can apply the 100% indexation only after the written approval received from the Port.



Annexure-II

The Ceiling tariff for Stevedoring and Shore handling operations at KPL for the category of Automobiles and Project cargo are given below:

Automobiles:			
Sl. No.	Cargo Category	Stevedoring cost in Rs. Per Vehicle	Shore handling cost in Rs. Per Vehicle
1	Cars	297	152
2	Trucks / Buses	953	766
3	Heavy Vehicles	1218	1062
4	Mafi	2070	1714
Project cargo:			
Sl. No.	Cargo Category	Stevedoring cost in Rs. Per Tonne	Shore handling cost in Rs. Per Tonne
1	Project cargo and machineries	172	175

Royalty charges fixed at 7.5% of margin from the Ceiling tariff are given below:

Automobiles:			
Sl. No.	Cargo Category	Stevedoring cost in Rs. Per Vehicle	Shore handling cost in Rs. Per Vehicle
1	Cars	4	2
2	Trucks / Buses	12	10
3	Heavy Vehicles	15	13
4	Mafi	26	21
Project cargo:			
Sl. No.	Cargo Category	Stevedoring cost in Rs. Per Tonne	Shore handling cost in Rs. Per Tonne
1	Project cargo and machineries	2	2



Annexure-III

Performance Norms

Productivity norms for break bulk cargo and automobiles

Sl. No.	Cargo	Productivity norms for Stevedoring	Productivity norms for Shore/yard handling
1	Project and Machineries a) Cargo for specific projects, often with OOG specifications and handled through specialized means such as: Project material, Project equipment, Railway coaches and wagons, All types of project cargo including over dimensional consignment, etc. b) All types of Machinery and machinery products that are of varying weights and dimensions such as: Machinery and Spares, Machinery parts, Military Goods, Arms, Ammunition, Explosives and Defense Stores, Tank and Tank parts, Arms, Ammunitions, Explosives, Defense Stores and Defense equipment / machinery.	250 tons per shift	250 tons per shift
2	Cars This includes the passenger cars of any CC, LCV, SUV, Sports vehicle and other vehicles of similar types	1000 cars per shift	500 cars per shift
3	Trucks/Buses This includes the trucks of all kinds such as dumpers, six or more wheeled trucks, buses ferrying passengers, luxury coaches and similar types	140 trucks per shift	60 trucks per shift
4	Heavy vehicles This include heavy duty crawlers, tractors, mobile heavy equipments such as cargo handling equipments and similar types	150 vehicles per shift	30 vehicles per shift
5	Mafi This include the loaded trucks with prime movers and similar vehicles	30 numbers per shift	10 numbers per shift

