



KAMARAJAR PORT LIMITED

(Erstwhile Ennore Port Limited)

(A Mini Ratna Government of India Undertaking)



CORPORATE PLAN 2020-21

CORPORATE PLAN

1. Introduction

Kamarajar Port Limited (KPL) (erstwhile Ennore Port Limited), the 12th Major Port under Ministry of Shipping, Government of India is situated in the east coast and 24km North of Chennai Port. The Port which was looked upon initially as a mono commodity coal port dedicated to handling Thermal Coal requirements of Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) formerly Tamilnadu Electricity Board (TNEB), has over the period developed as a multi cargo port. It has a distinction of being the only corporate port amongst the Major Ports administered by the Central Government and commenced operations from June 2001.

The Port was started in 2001 to serve the coal requirements of thermal power plants of TNEB and has over the period developed as a multi cargo port with present capacity of 36 Million Tons of dry bulk, break bulk & liquid bulk, 800,000 TEUs of Container and 250,000 numbers of automobile.

2. Port Management Model

In a radical departure from the prevalent practice of declaring the newly developed major ports as Major Port Trusts under the Major Port Trusts Act, 1963, the Govt of India (GOI) decided to establish the new port of Ennore as a separate autonomous entity in line with the liberalized economic process launched by it. Accordingly Ennore Port was incorporated as a company in October, 1999 under the Indian Companies Act, 1956 and is come to be known as Ennore Port Limited (EPL). Later on, the company was renamed as 'Kamarajar Port Limited in 2014.

As a corporate port, the Kamarajar Port has chosen to function on "Landlord" concept whereby the Port will provide the basic infrastructure like dredged basin / channel, road and rail infrastructure, aids to navigation, fire fighting facilities, utilities, water and power supply etc. and manage the resources. Development and operation of cargo handling terminals will be through captive and private sector participation on PPP-BOT model.

3. Management and Organization

The port has basically the following major four functional divisions such as Corporate strategy & Business Development, Operations, Marine Services and Finance. Management is provided through a Board of Directors consisting of 8 Directors as follows:

- Chairman-cum-Managing Director
- Two whole time functional Directors
- Two ex-officio Government nominated Directors , viz.,
 - Joint Secretary (Ports), Ministry of Shipping
 - Chairman, Chennai Port Trust
- Three non-official Independent Directors

4. Vision and Mission of Kamarajar Port

Vision

Develop Kamarajar Port as a mega port with world class facilities to become the Eastern gateway Port of India.

Mission

Provide Port Services of International Standards.

5. Port Strategy

The various strategies adopted by KPL seek to address the following aspects so that KPL remains strong to face emerging changes with confidence:

Development Strategy

- ❖ Develop cargo handling terminals through private sector participation with a view to bring in various required resources at the shortest time.
- ❖ Finance the required capital dredging and essential road and rail connectivity works.
- ❖ Develop in-house manpower to achieve optimum and effective core strength.
- ❖ Outsource specialized expertise as and when required.
- ❖ Monitor and co-ordinate the activities among the BOT operators, KPL and interfacing Departments/Agencies to maintain the time frame.
- ❖ Continuous market studies and updates for future development and operations.
- ❖ Co-ordinate with State and Central Government departments to improve access roads and rail connectivity.

- ❖ Act as an enthusiastic business facilitator.

Commercial Strategy

- ❖ To ensure proper mix of cargo so as to have even dependence on all sectors of economy.
- ❖ Maximize utilization and revenue earnings of the existing dedicated coal berths of TNEB, BOT operator's terminals such as Marine liquid, Common User coal Terminal & Iron Ore Terminal and a own Car export terminal cum General cargo berth.
- ❖ Optimal utilization of land and water front.
- ❖ Form joint ventures/Strategic partnership with stakeholders to increase port throughput and connectivity.
- ❖ To explore new Ports for Joint Venture / Strategic partnership.

Financial Strategy

- ❖ Mobilize private sector funding for developing cargo terminals.
- ❖ Mobilize funds for development / expansion from market borrowings through loans and bonds.
- ❖ Invest in Joint Venture Companies / activities developed by State / Central/Railway/NHAI for augmenting the road and rail connectivity to and from the Port.

6. Multi-purpose facilities available in the Port to enable the loading and/or unloading of cargoes

Kamarajar Port has adequate cargo handling facilities capable of serving the varied needs of the maritime industry. The first phase of the Port development with an investment of Rs.1000 crores created a protected port basin, two coal wharves to accommodate two panamax size vessels of 280M length each and a depth of (-) 15 m alongside with approach channel and port basin of (-) 16m and (-) 15.5 m respectively. Of late, the Port has expanded its capacity at an investment of Rs. 1210 crores by developing a Liquid Cargo handling Terminal, Common User Coal Terminal and Iron Ore Terminal on BOT under PPP mode and developed with its own investment a General Cargo Berth for handling automobile exports and general merchandise and has created a depth of (-) 15 m alongside the berths of three BOT projects and (-) 12 m alongside the General Cargo Berth. During 2017-18, the port has commissioned the Container Terminal (Phase-1, Stage-1) of 8,00,000 TEUs handling capacity and 2 Million Tonnes of Multi cargo terminal under PPP mode. During 2018-19, IOCL LNG terminal of 5 MTPA capacity was

7.2 Marine Liquid Terminal-I of 3 MTPA

In November 2004 a concession agreement was signed with Ennore Tank Terminals Private Ltd. (ETTPL) for a 30 year BOT of a marine liquid terminal. The operator has developed a terminal with a cargo handling capacity of 3 MTPA. Cargo being handled comprises of POL, LPG, CBFS, chemicals and others. The terminal was commissioned in January, 2009. Further to meet the demand in the Trade, the BOT operator developed a additional storage tanks, installation of LPG handling equipment as a second Phase at an investment of Rs.167 Crores. In order to mitigate the congestion problem of vessels, the Licensee M/s ETTPL has initiated the laying of additional dock lines and installation of Marine unloading arms thereby reducing the vessel waiting time and the work has completed.



Fig. 3 - Berthing the Liquid Vessel at Marine Liquid Jetty



Fig. 4 - View of Tank Terminal

7.3 Common User Coal Terminal (10 MTPA)

KPL has signed a concession agreement for a second terminal for handling coal to the consumers other than TNEB, on a 30 year BOT basis, in September 2006 with the project company Chettinad International Coal Terminal Pvt. Ltd. The operator has developed a terminal with a cargo handling capacity of 8 MTPA. The terminal was commissioned by January 2011.

Further to handle the capsized vessel, the BOT operator extended the berth length by 22.5 m to accommodate cape size vessels. The present capacity of the Terminal is 10 MTPA.



Fig. 5 - Unloading operation at Non-TNEB Coal Jetty

7.4 Modification of Iron Ore Terminal on as is where is basis to also handle common user coal

KPL has signed an agreement for an iron ore terminal on a 30 years BOT basis in September 2006 with the project company SICAL Iron ore Terminal Limited (SIOTL). The BOT operator has developed a first phase of 6 MTPA during 2010-11. However, due to ban on export of Iron Ore, the terminal was never put into use. A decision with respect to Modification of existing Iron Ore Terminal on “as is where is” to also handle Common User Coal, is being contemplated. After obtaining necessary approvals from Government, KPL initiated action for re-bidding process and Letter of Intent was issued on 02.06.2016 for the quoted revenue share of 52.524%. License Agreement was signed on 11.07.2016 between KPL and SIOTL.

KPL has granted the Zero date for Modification of Iron Ore terminal work from 20.07.2018. The modification work has commenced during

2018 and revised date of completion is Jan/ Feb 2020. After completion, Terminal capacity is 12MTPA.



Fig. 6 - Iron Ore Jetty, ship loader and Conveyor System

7.5 General Cargo Berth cum Automobile Export Terminal

Kamarajar Port has set up a berth for car exports and for other general cargo, at a cost of Rs. 140 crores. This berth will be able to accommodate the world's largest car carrier of capacity of 8,000 cars. Further it has a parking area of 2,00,000sq.m with an expansive car parking yard for 13500 cars which is the largest facility in any Indian Port.

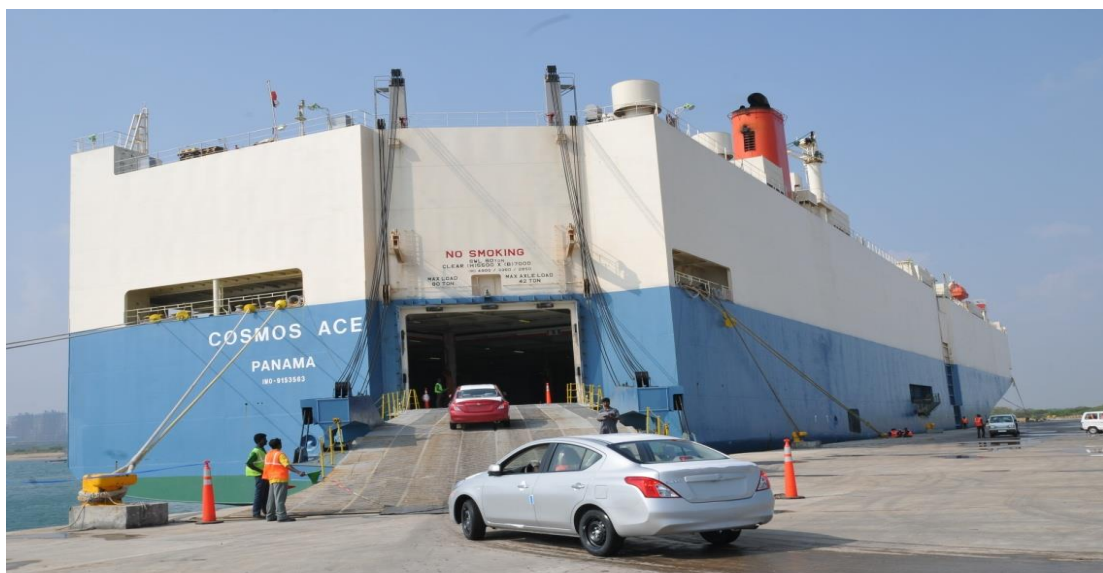


Fig. 7 - Car exports at General Cargo Berth



Fig. 8 - Car parking yard

7.6 Development of Container Terminal

With a view to facilitate development of world class terminal facilities well suited to meet the present and future needs of the trades, Kamarajar Port has decided to develop the container terminal of Quay length of 730 m in straight line on DBFOT basis.

On Global Bidding process, M/s Adani Port and SEZ Ltd declared as successful bidder by Port authority on 14th Feb 2014. Concession Agreement was signed on 1.3.2014 with M/s Adani Ennore Container Terminal Private Limited for development of Container Terminal at an estimated cost of Rs 1270 Crores with 1.40 Million TEUs per annum capacity in two phases. The concessionaire has completed the construction of first phase (400m quay) of 0.8 Million TEUs capacity terminal and the commercial operations of Container Terminal began from 29.10.2017.



Fig. 9 – Container Terminal (Phase-I)

7.7 Development of Multi Cargo Terminal

In order to cater to the EXIM traffic of Bulk and Project Cargos like Turbine & Generators, windmill etc., imports of Fertilizer/ wooden logs Port has initiated for development of Multi Purpose Cargo Terminal for handling dry, bulk and project cargoes other than Coal, Iron Ore, POL and Automobile units, on DBFOT basis.

After Global bidding, Concession Agreement has been signed on 28.3.2014 with M/s Chettinad International Bulk Terminal Private Limited (CIBTPL) for Development of Multi cargo Terminal at an estimated cost of Rs. 151 Crores with 2 MTPA capacity and the commercial operations of Multi Cargo Terminal began from 05.08.2017.



Fig. 10 – Multi Cargo Terminal

7.8 Liquefied Natural Gas (LNG) Import Terminal

IOCL had identified Ennore as a possible location for a LNG terminal and had carried out a Feasibility Study for setting up the LNG Terminal with re-gasification facilities. IOC's Board of Directors has accorded approval for setting up of LNG Terminal of 5 MTPA capacities at an estimated cost of Rs.5151 crores at Kamarajar Port.

The Cabinet had approved the allotment of land to the JV led by M/s. IOCL for development of LNG Terminal at Kamarajar Port. Concession Agreement has been signed on 31.07.2015 with the SPV Company M/s. Indian Oil LNG Pvt. Ltd. Construction work commenced during August 2015. The project has been commercially operationalised in February 2019

7.9 Construction of two more dedicated berths for TANGEDCO.

Considering the expansion of the existing thermal power plants of and new TANGEDCO, TANGEDCO - NTPC JV project, TANGEDCO had requested KPL to establish additional coal berths. KPL initiated action and awarded the contract for construction of additional two coal berths at a own investment of Rs.500 Crore. The proposed coal berth to accommodate capsized vessel of 18 m draft and handling capacity of 9MTPA each.

As per the Business model adopted by KPL, TANGEDCO is investing, operating and maintaining all top side facilities like shore unloaders, conveyor system, etc. The Berth construction of Coal Berth-3 and 4 has been completed by KPL during November 2017 and May 2018 respectively. KPL has handed over Coal Berth No 4 and Coal Berth-3 to TANGEDCO during August 2018 and June 2019 respectively for installation of Top loading facilities. Installation of unloading arms in Coal Berth 4 under progress.



Fig. 11 – Coal Berth-3



Fig. 12 – Coal Berth-4

8. The physical performance of the Port during the previous five years and current year is tabulated below.

(In Million Tonnes)

Cargo handled	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (Till Sep)
Coal	15.13	17.00	16.36	16.71	17.37	7.12
Non-TNEB Coal	9.22	8.61	6.74	6.46	7.67	2.95
POL	3.32	3.99	4.17	4.44	4.83	2.43
Iron Ore	-	-	-	-	-	-
Multi Cargo	-	-	-	0.16	1.32	0.63
Container	-	-	-	0.05	1.10	1.35
Other cargo (Automobile)	2.58	2.61	2.75	2.63	2.18	1.09
LNG	-	-	-	-	0.03	0.19
Total	30.25	32.21	30.02	30.45	34.50	15.76

9. BUSINESS DEVELOPMENT

9.1 Under Implementation additional Liquid Cargo Handling.

In order to meet the growing traffic demands, Kamarajar Port has initiated action for creating additional terminal facilities viz., Construction of IOCL Captive Jetty, Development of Marine Liquid Terminal-II on DBFOT basis for handling additional cargo of 6.00 MTPA with an investment of Rs.858 Crores.

9.1.1 Captive Oil Jetty by IOCL

To meet the growing demand of POL, LPG products and Lube Oil Base stock (LOBS) in bulk in Tamil Nadu and neighbouring states, IOCL is proposing to build a Captive jetty at KPL and the proposed jetty is expected to achieve a capacity of 3 MTPA of LPG, POL and LOBS.

KPL and IOCL signed the Concession Agreement with IOCL on 09.06.2016 for construction of Captive jetty at an investment of Rs.465 crores. Pre-project activities are in progress and works are expected to commence during 2020-21. Commissioning by end of 2023-24.

9.1.2 Development of Marine Liquid Terminal-2

To meet the export/Import demand of oil industry, KPL has initiated actions for development of 2nd Marine Liquid Terminal consists of berth and tankage Terminal by DBFOT mode at an investment of Rs.393 Crores. The capacity of the Terminal is 3 MTPA. After

competitive bidding, KPL issued Letter of Award (LoA) to Consortium of BPCL-HPCL on 14.02.2018. SPV Company has been incorporated and Concession Agreement between KPL and Consortium of BPCL-HPCL to be entered. Due to litigation initiated by existing BOT operator of MLT-1, further process put on hold.

9.2 Port-Led Industrialization

The Government of India (GoI), via the Sagarmala Programme, is seeking to generate port-led economic growth to boost manufacturing in India. To achieve this goal, Sagarmala has envisaged Coastal Economic Units (CEU) comprising industrial estate projects with a demarcated boundary that house industrial clusters.

As per the directives of Ministry of Shipping, KPL has expedited the Development of North Tamil Nadu Coastal Employment Unit (CEU) around Kamarajar Port. KPL intends to follow the Port Led Industrialization program under Sagarmala and set up an industrial park in port area of 186 acres. Consultants have submitted the Master Plan and Business Plan for the CEU during Jan 2019 and June 2019 respectively. KPL is in the process of leasing out of land to the potential investors/ unit holders through e-auctioning.

The location of the CEU development is shown in Fig.14.



Fig.14 – Land parcels earmarked for Coastal Employment Unit (CEU)

10. Connectivity

10.1 General

For the efficient performance of a port, the effective internal network of road and rail as well as external connectivity to the national highway and trunk railway routes are essential to ensure faster receipt and evacuation of cargo. Accordingly, the existing situation at KPL and their proposals are described in the following sub sections.

Internal Rail Road Network of Kamarajar Port

10.2 Internal Network

10.2.1 Road Network

The existing road from coal berth links the Port Access Road through the Port Main Gate. The Port Access Road joins the NCTPS road which in turn joins the TPP road. This is being widened to four lanes and will continue to be the main link for the next few years.

a) North-South Road

This road connects the proposed container terminal and multi cargo terminal to the western and northern gates of the port. The length of the road is 2.6 kms. Construction of 4 lane concrete road completed during 2018.

b) Construction of Internal Road, Truck Parking Bays, Rest shelter etc inside the port

This road improvement (2 lane to 4 lane) from West Gate of KPL to North Break water entry and road improvement leading to South Break water, New road to GCB and Construction of Truck parking bays and Rest shelters etc. KPL awarded the work during March 2018 for Rs.51 Crores and expected completion date is 31.03.2020.

External roads in immediate vicinity

(i) Kattupalli Road

Kattupalli road that has a length of about 3.8 km has developed for evacuation of liquid cargo and car carriers with two lane bitumen road. Till the completion of Northern Port Access Road, the present Kattupalli road is being widened for handling the projected volume of traffic.

(ii) Access Road to Iron Ore / Coal Stackyard

The existing BOT Operator of CICTPL under the CSR activity developed a two lane concrete road from the Stackyard to the Port Access Road. The trucks carrying the coal from the stackyard are being evacuated through this road.

(iii) Road Connecting NCTPS Road to Iron ore/ Coal Stackyards

The road provides connectivity to coal and iron ore yards and recently KPL developed as a concrete road. The road stretch between NCTPS road and northern end of the coal yard is about 6 km long. This road crosses the existing railway track for which RUB has been planned and construction work is in progress.



Fig-15-Internal Road and Rail network

10.2.2 Rail Network

a) Holding Yards I & II

Presently Kamarajar Port is connected by rail to the mainline at Attipattu and Attipattu Pudunagar Stations located in the Chennai – Gudur section of the Southern Railway on the Chennai – Delhi/Kolkata route. The southern connectivity takes off from Attipattu Pudunagar Railway Station. The northern connectivity takes off from Attipattu Railway Station. These two lines merge at the Apex Point and run as a single line to the NCTPS Yard.

The siding was developed and is being used by TNEB for dispatch of thermal coal by rail from NCTPS to their power plants located at Mettur and Ennore. KPL developed the railway facilities connecting the stackyards of the coal and iron ore terminals to the existing NCTPS railway line. Subsequently, KPL has developed two more R&D lines on the Northern side of the existing NCTPS Yard.

b) Railway layout and operations at the coal and iron ore yards

The planning and rail operations are being executed by the respective BOT operators.

c) Connectivity to the Container & Multi cargo Terminals

An independent railway line is proposed for the ongoing container terminal and multi cargo terminal. These lines take off from the one line branch of NCTPS line to KPL premises. The work has been commissioned by 30.05.2017 and OHE works completed.

d) Southern Rail Connectivity

The Southern Rail Connectivity project (i.e. doubling of railway line between holding yard No.1 at Ch: 2240m (Bridge No.5) to entry of Container Terminal Rail yard of KPL is proposed to ease out the congestion in the rail traffic (present and projected as part of augmentation of existing rail network) especially from the newly constructed CTRY of KPL. KPL has signed agreement with IPRCL (Implementing agency) during March 2018 for approval of DPR and Implementation of the project on deposit basis.

The Proposed Length of rail alignment is 2.75 kms which includes construction of two Major bridges. The Estimated Project cost in DPR is Rs.75.00 Crores. Works will be commenced after obtaining of CRZ Clearance.

10.3 External Connectivity

The external road and rail connectivity to the National Highways and the railway trunk routes are shown in the figure hereunder.



Fig-16-External Rail Connectivity to Kamarajar Port

a) Proposed Northern Port Access Road

The Government of India conveyed in-principle approval for inclusion of New 4 lane road to provide direct connectivity to Kamarajar Port from NH-5 under NHDP Phase-VII in 2004. A new 4 lane road is proposed from Kamarajar Port to Thatchur on NH-5 and a link to TPP Road.

Government of Tamil Nadu has taken the project from NHAI during January 2012. Alignment has been finalized. This is one of the components of Chennai Peripheral road alignment which is now planning stage of State Government. Due to continuous follow up and requests by KPL, Chief Secretary conducted a meeting and took certain decisions.

Tamil Nadu Road Development Corporation Ltd (TNRDC) is the implementing Agency for the Northern Port Access road.

NPAR to be developed in two stages.

- Stage 1 – Spur Road starts from Port to TPP Road near Minjur - length 10.4 Km
- Stage 2 – Starts from the Spur Road to Thatchur on NH-5 – length - 15.4km

The total land to be acquired is 244.76 Hectares. Govt. of Tamil Nadu commenced the land acquisition process on 30.09.2016 by issuing notice to the village. 15(2) notifications under the provisions of Tamil Nadu Highways Act, 2001 have been published.

b) Proposed Southern Port Access Road

Considering the increasing road traffic movement of import / export of cargoes, KPL has envisaged interest for widening of the existing two lane road starting from Vallur Junction (TPP road) to Kamarajar Port Main entrance to four lane road as Southern Port Access Road (SPAR) Connectivity. The total length of the road is 7.1 kms i.e., 4.8kms length of North Chennai Thermal Power Station (NCTPS) road (Phase-1) and 2.3kms length of Port Access Road (Phase-2).

KPL appointed TNRDC as the Implementing Agency on deposit basis and signed the Contract Agreement during March 2018. The estimated project cost is Rs.195 Crores. TNRDC processed and obtained CRZ clearance for the project from Tamil Nadu State Coastal Zone Management Authority (TNSCZMA) on 12.02.2018.

TNRDC initiated tender process and awarded the work for Phase-2 during November 2018 and work is expected to get completed by May 2020. TNRDC to call for tenders for Phase-1 during Nov 2019 and presently utility shifting works is in progress.

Liquid Bulk

It has been assessed by the BOT Operators that they will be handling 4.50 million tonnes for the year 2020-21.

General Cargo/Automobile

It has been assessed that around 2.50 million tones of automobile exports will be handled for the year 2020-21.

Container

The BOT operator commissioned the Container Terminal (Phase-1) on 09.06.2017 and commenced the commercial operations during October 2017. The expected traffic for 2020-21 is 3.50 Million Tonnes.

Multi Cargo Terminal

The BOT operator commissioned the Multi Cargo Terminal on 09.06.2017 and commenced the commercial operations during August 2017. The expected traffic for 2020-21 is 1.25 Million Tonnes.

LNG Terminal

The Captive developer commissioned the LNG Terminal on 26.02.2019 and commenced the commercial operations. The expected traffic for 2020-21 is 0.50 Million Tonnes.

12. Summary of Traffic Forecast by Commodity

(in Million Tonnes)

Commodity	2020-21	2021-22	2022-23
Coal for TNEB	18.00	19.00	20.00
CICTPL – Common User Coal	9.00	10.00	10.00
Iron Ore, Modification to handle coal also	2.00	5.00	7.00
Liquid Bulk	4.50	4.50	4.85
General Cargo (Cars)	2.50	2.75	3.00
Container	3.50	6.00	8.50
Multi Cargo	1.25	1.50	1.65
LNG	0.50	1.25	2.00
Total	41.25	49.00	57.00

13. Investment in Infrastructure Projects

13.1 Capacity Enhancement Projects

❖ Construction of Container Terminal phase-I (Stage-II)

As per the Concession Agreement signed with AECTPL on 15.03.2014, the Concessionaire M/s Adani Port and SEZ Ltd to commence the second stage (330 quay length) of Container Terminal Phase-I at an estimated cost of Rs 558.00 Crores and 6,00,000 TEU handling capacity.

The Investment on Capacity Enhancement Projects is shown below:

S.No	Project	Investment cost (Rs. in Cr.)
1.	Construction of Container Terminal phase-I (Stage-II, 330m quay length) at KPL on DBFOT basis	558.00
	Total	558.00

13.2 Capital Dredging:

- Capital Dredging Phase-4 a – As per the Concession Agreement entered with SIOTL on 11.07.2016, KPL has to carry out the associated capital dredging alongside the SIOTL berth upto a depth of (-) 18m CD. Further maintenance dredging for maintaining the dredging depth near CB1, CB-2, MLT-1 and GCB berth area and sand trap is required.
Accordingly, KPL has invited tender for Capital Dredging Phase-4a on 22.7.19 for estimated value of Rs.153.50 Crores and the work likely to be completed by June/July 2020.
- Capital Dredging Phase-V to provide 16mtr depth at the berth face of RoRo Berth cum GCB-2, IOCL Captive jetty, MLT-2 and Container Terminal Phase-1 (Stage-2) in synchronization with the berth construction. Preparation of DPR will be taken by end of 2020-21 in synchronization with respective berth construction.

The investment on Dredging projects is shown below.

S.No	Project	Investment cost (Rs. in Cr.)
1.	Dredging plan Phase-IV (a) - Capital and Maintenance Dredging at Kamarajar Port-Reg.	155.00
2.	Capital Dredging Phase V for Providing water depth of -16m CD for the proposed MLT-2, Container Terminal (Phase-I, Stage-II) and IOCL captive jetty berths at KPL	250.00
	Total	403.50

13.3 Road Connectivity

KPL investment on development of roads in the next five years is shown below.

S.No	Road	Length in KMs	Cost (Rs.in Cr.)
1.	Widening the existing southern connectivity from two lane to four lane	7.1	195.00
2	Widening and concreting road connectivity inside/outside the Port	10	60.00
	Total		255.00

13.4 Rail Connectivity

KPL investment on rail connectivity in the next five years is shown below:

S.No	Project	Investment cost (Rs. in Cr.)
1.	Rail Connectivity between Kamarajar Port and mainlines of Indian Railways to coal / iron ore stack yards (Balance works) including electrification and signalling works.	25.00
2.	Doubling the existing rail connectivity from Holding Yard 1 to Container Terminal	75.00
	Total	100.00

14. Summary of Investments Costs

KPL investments amount to Rs.1316.50 crores in the next five years is shown below:

S.No	Project	Investment cost (Rs. in Cr.)
1.	Capacity Enhancement Projects (BOT)	558.00
2.	Capital Dredging	403.50
3.	Road Connectivity	255.00
4.	Rail Connectivity	100.00
	Total	1316.50

15. Financial Performance

The audited financial results of Kamarajar port for the last five years are as detailed below –

(Rs. in Crores)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 Till Sep 19 (Provisional & unaudited)
Income from Services	566.44	617.31	620.14	630.98	707.98	324.24
Other Income	31.07	26.54	20.36	7.31	9.18	23.22
Total Income	597.51	643.85	640.50	638.29	717.16	347.46
Operating Expenditure	58.77	103.04	127.31	127.03	135.08	76.39
Depreciation	18.05	19.08	21.89	30.39	46.68	25.00
Finance cost	77.20	75.56	77.81	63.77	103.14	46.45

Total Expenditure	630.98	630.98	630.98	630.98	284.90	147.84
Profit before Exceptional items and Tax (PBT)	443.49	446.17	413.49	417.10	432.26	199.62
Exceptional items	17.67	0.29	-66.60	-6.48	88.41	
Profit Before Tax(PBT)	425.82	445.88	480.09	423.58	343.85	199.62
Tax provision/ Deferred tax	89.25	95.16	7.68	29.40	3.49	34.25
Profit after Tax (PAT)	336.57	350.72	472.41	394.18	340.36	165.37

16. Dividend

Kamarajar Port has declared and paid its maiden dividend @ 15% of Profit after Tax (PAT) for the financial year 2008-2009 and since then the Company is regular in declaring dividend to stakeholders.

During the last Financial Year ended 31.03.2019, the Company declared and paid interim dividend @15% on paid up capital amounting to Rs.45crores during Feb'2019 and final dividend @25% on paid up capital amounting to Rs.75 crores. In total, 40% dividend for FY18-19 amounting to Rs.120 Crores and applicable dividend distribution tax has been paid.

17. MOU Performance

Kamarajar Port signed MOU with Department of Shipping for the first time in the financial year 2006-07 and achieved “very good” grading. However, from the Financial year 2007-08, the Company achieved “EXCELLENT” grade continuously till 2015. During the year 2016-17, KPL has achieved “GOOD” rating and for FY 2017-18, the Company achieved “VERY GOOD” rating. MOU rating for 2018-19 is yet to be finalized.

18. SWOT Analysis

STRENGTH

- Guaranteed captive cargo and income from TANGEDCO (formerly TNEB) as coastal based power stations are developed and operated by TANGEDCO and its associates adjacent to the Port.
- As per the policy adopted by the Port company, not only the captive users TANGEDCO and its associates made substantial investments by installing top side facilities like fully mechanized unloading equipments, conveyors, etc., but also operation and

maintain the unloading system resulting in assured cargo throughput and income to the Company.

- Landlord Model wherein cargo operations are vested with the private operators who bring capital and efficiency in operations.
- Deep draft port facilitates berthing of large size and new generation vessels resulting in reduced freight rate and saving in time.
- Proximity to National Highways and Indian Railways mainlines providing excellent connectivity to hinter land.
- Fully mechanized cargo handling operations.
- Enough back up land for storage of cargo.

WEAKNESS

- The captive User TNEB and the BOT operators are responsible for day to day cargo handling operations. Hence EPL's role is limited in volume / throughput to be handled.
- Movement of Iron ore from Bellary-Hospet region was banned by the Government of Karnataka. Consequently export from this region is totally affected.
- The development of common infrastructure facilities like capital dredging, road & rail connectivity is vested with KPL for which huge amount of funds are raised from the market with no government assistance / grant.
- Raising of fresh funds on the strength of port assets is limited on account of BOT performances.

OPPORTUNITIES

- Market demand for Coal to feed Thermal Power Stations and Industries.
- Market demand for Containerized traffic.
- Port is surrounded by a member of Container Freight Stations and Industries.
- Thinly populated neighbourhood area and availability of large tracts of land to trigger further port based developments.

THREAT

- No clear-cut policy on development of non-major ports particularly licensing of non-major port to private in the vicinity of major ports by the State Government which results in uneven playground by Public Sector Ports.
- Development of new ports at Kattupalli (adjacent to KPL) by L&T and at Krishnapatnam (150km from KPL).

19. Environment Protection and Sustainable Development

Kamarajar Port strives for the protection of environment by taking preventive measures as a part of its operation. Port has an environment programme that involves Environment Assessment, Monitoring and Protection. The following measures are already in place.

- (a) Sampling and testing of various parameters for marine water, ambient air, ground water and noise levels undertaken at regular intervals.
- (b) In order to contain dust pollution and spillage, shore based unloading equipments such as grab unloaders and mobile hoppers are installed for unloading of coal from the ships which is transported to the stackyards by closed conveyors. Dust suppression measure by spraying of water is adopted at each transfer tower, stackyard and at wagon and truck loading stations.
- (d) State of Art facility is available for unloading of POL,LPG and chemicals at the Marine Liquid Terminal with the storage area fully protected with firefighting installations.
- (f) Port has taken up a massive plantation with rich biodiversity for the development of green belt in about 50 hectares of port area.
- (g) The northern beach is regularly nourished by using dredged materials. Further nourishment is in progress in the current dredging project.
- (h) An oil spill contingency plan prepared as per the National Oil Spill Disaster Contingency Plan (NOS-DCP) is in place.
- (i) In order to create awareness on an environment issue, port actively conducts and participates in programmes like, World Environment Day, Coastal Cleanup Day, etc.

20. Corporate Governance

The Department of Public Enterprises (DPE) has issued Guidelines on Corporate Governance. KPL strongly supports the principles of Corporate Governance which involves Board, employees, shareholders and other stakeholders. The management and employees of the Company are committed to uphold the core values of transparency, integrity, honesty and accountability. The company is regular in submitting the quarterly grading report containing the compliance status of Corporate Governance with reference to guidelines issued by the DPE.

In addition, the Company is regular in submitting the annual evaluation report on compliance of Guidelines of Corporate Governance in the prescribed form.

21. Corporate Social Responsibility

Kamarajar Port Limited as a part of its Corporate Social Responsibility is undertaking a lot of developmental work in its neighborhood villages. Kamarajar Port Limited has contributed funds for executing infrastructure development works under CSR and Sustainability initiatives for the year 2017-18 through District Administration, Thiruvallur, imparted skill development training in various trades for livelihood enhancement of residents of local villages and contributed funds to “Swatch Bharath Kosh”

- ❖ Total value of CSR projects incurred in the FY 2018-19 is Rs.4.69 Crores towards Construction of class rooms, promoting ecological conservation and environmental sustainability activities etc.
- ❖ Budget outlay for CSR projects for the FY 2019-20 is Rs.21.04 Crores which includes the unspent 12.73 Crores for FY 2018-19. Works are in progress and CSR works for 2020-21 will be carried out as per the CSG Guidelines issued by GOI.

22. Port Development Plan

22.1 Business Plan

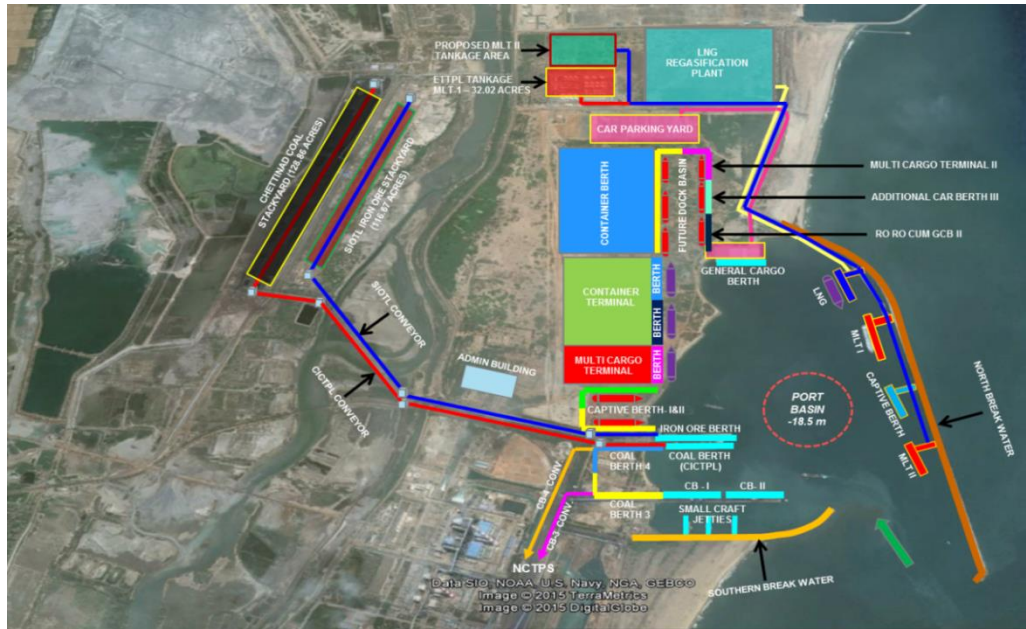
Business plan for Kamarajar Port was prepared for the period of 20 years from 2007-08 by HPC Hambarg Consulting GMHB, Germany with the guidance of Port of Rotterdam in 2006.

22.2 Master Plan

Ministry of Shipping has initiated important strategic imperatives to realize India’s economic aspirations. The overall objective of the project is to evolve a model of port-led development, whereby Indian ports become a major contributor to the country’s GDP.

In order to meet the objectives, Indian Port Association (IPA) appointed the consortium of McKinsey and AECOM as Consultant to prepare the National Perspective Plan as part of the Sagarmala Programme. Accordingly, Master Plan of KPL has been prepared taking into consideration of the future traffic and the benchmarking and operational improvements.

The Consultant highlighted the shelf of new projects and phasing, i.e., ongoing projects, projects to be completed by the year 2020 and projects to be completed by year 2035. The Consultant mentioned in the Master Plan that the existing harbour basin would be able to handle about 158.6 MTPA cargo of different commodities. The Port Master Plan / Layout after completion of the projects in 2035 is shown as below:



23. Conclusion

The slogan of KPL is that Kamarajar Port is the **“India’s Port of the Millennium”**. The slogan has been adopted in the light of the fact that Kamarajar Port came into existence in 2001 at the dawn of the New Millennium. The Vision, Mission and Corporate Planning are aimed at making this Port as the new generation port with a modern outlook and excellent service to the seaborne EXIM trade so that it would live up to its declared slogan of India’s Port of the Millennium.

