

MEMORANDUM OF UNDERSTANDING
BETWEEN
KAMARAJAR PORT LIMITED
AND
CHENNAI PORT TRUST
YEAR: 2021-22



SEPTEMBER 2021

MEMORANDUM OF UNDERSTANDING

BETWEEN

KAMARAJAR PORT LIMITED

AND

CHENNAI PORT TRUST

YEAR: 2021-22

MISSION

Provide Port Services of International Standards

VISION

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

OBJECTIVE


To meet the demand of EXIM trade, KPL has undertaken capacity addition, dredging and connectivity projects. The port looks forward to complete them without time and cost overruns.


KAMARAJAR PORT LIMITED- MOU 2021-22

Sl.No	Parameters	Unit	Marks	MOU Target for the year 2021-22				
				Exc 100%	V.G. 80%	Good 60%	Fair 40%	Poor 20%
A	Top-line, Bottom-line and Returns Perspective:							
1	Revenue from Operations	Rs.in Cr	10	860	820	780	740	700
2	Asset turn over ratio	%	5	25.50	24.50	23.50	22.00	21.00
3	EBITDA as a percentage of Revenue EBITDA: Earnings before Interest, Tax, Depreciation & Amortization excluding exceptional or extra-ordinary items	%	10	80	78	76	74	72
4	Return on Net Worth:	%	10	15.5	14.75	14.0	13.5	12.5
5	Return on Capital Employed: Total Capital Employed: Net worth + Non-Current Borrowings	%	5	20	19	18	17	16
	Total of (A)		40					
B	Physical Goals : Management of Receivables and Contracts and CAPEX							
1	Physical Output:							
a	Throughput	MTPA	10	43.00	41.90	39.00	37.00	35.00
b	Efficiency Parameters							
i	Average Vessel Turnaround Time	Hours	5	41.50	42.00	42.50	43.00	43.50
ii	Average Vessel Turnaround Time - Container	Hours	5	18	20	22	24	26
iii	Average Ship Berthday Output	Tonnes	5	25000	23500	22000	20500	19000
2	Managing contracts efficiently (Total value of contractual claims relating to work contracts pending at various courts (arbitration, courts etc) / Total value of work contracts not closed x 100	%	5	26	28	30	32	34
3	CAPEX (Rs.in Cr)							
a	CAPEX (Rs.in Cr)	Rs.in Cr	8	225	200	175	150	125
b	CAPEX achievement till end of 3rd quarter (31st December)	Rs.in Cr	2	168.75	150	131.25	112.5	93.75
	Total of (B)		40					

KAMARAJAR PORT LIMITED- MOU 2021-22

Sl.No	Parameters	Unit	Marks	MOU Target for the year 2021-22					
				Exc 100%	V.G. 80%	Good 60%	Fair 40%	Poor 20%	
C	Strategic projects of national Importance/ Export/ Import substitution/ Other parameters to be given by Ministry								
1	Strategic projects/ schemes of national importance (National Infrastructure Pipeline Projects)- NIP								
A	Capacity Addition Projects								
i	Construction of Automobile Export/Import Terminal-II - Award of Work	Date	5	30/9/2021	15/10/2021	31/10/2021	15/11/2021	30/11/2021	
ii	Construction of IOCL Captive Jetty on Captive user basis- Commencement of work	Date	5	15/8/2021	31/8/2021	15/9/2021	30/9/2021	15/10/2021	
B	Connectivity Projects (Physical Progress %)								
i	Augmentation-doubling of southern rail connectivity to KPL	%	5	100%	95%	90%	85%	80%	
ii	Development of Southern Port Access Road from Vallur to KPL	%	5	90%	85%	80%	75%	70%	
	Total of (C)		20						
	Total (A) + (B) + (C)		100						


Sunil Paliwal, IAS
 Chairman-cum-Managing Director
 Kamarajar Port Limited


P. Raveendran, IRTS 29/9/21
 Chairman
 Chennai Port Trust

TREND ANALYSIS

Sl.No	Parameters	YEAR					2020-21 (TARGET- V.G)	% Variation
		2016-17	2017-18	2018-19	2019-20	2020-21		
A.	Top-line, Bottom-line and Returns Perspective:							
1	Revenue from Operations (Rs. in Cr.)	620.14	630.98	707.98	703.18	581.09	820	41.11%
2	Asset turn over ratio (%)	22.48	19.76	20.93	21.40	17.57	24.50	39.41%
3	EBITDA as a percentage of Revenue (%)	100.92	82.42	56.51	79.13	75.62	78.00	3.15%
4	Return on Net Worth: (%)	25.61	20.27	15.88	10.83	12.62	14.75	16.84%
5	Return on Capital Employed: (%)	22.23	16.77	14.36	17.01	12.04	19.00	57.81%
B.	Physical Goals : Management of Receivables and Contracts and CAPEX							
1	Physical Output:							
a	Throughput (MTPA)	30.02	30.45	34.5	31.75	25.89	41.90	61.84%
b	Efficiency Parameters							
i	Average Vessel Turnaround Time (Hrs)	64.90	52.86	47.27	44.4	42.97	42.00	-2.26%
ii	Average Vessel Turnaround Time - Container (Hrs)	-	-	20.40	16.68	23.98	20	-16.60%
iii	Average Ship Berthday Output (Tonnes/Day)	22924	24590	24258	23421	21326	23500	10.19%
2	Managing contracts efficiently							
3	CAPEX (Rs in Cr.)							
a	CAPEX (Rs.in Cr)	545.65	328.7	154.1	100.81	94.57	200	111.48%

KAMARAJAR PORT IMITED
Revised Estimates 2020-21 & Budgeted Estimates 2021-22

Particulars	2019-20 (Audited)	Budgeted Estimates 2020-21 (BE)	Revised Estimates 2020- 21	Budgeted Estimates 2021- 22
Operating Expenses				
- Operating Cost	83.77	89.88	61.98	86.00
- Maintenance dredging	1.03	20.10	15.05	20.00
- Employee Cost	20.24	23.60	21.00	25.00
- Admin Expenses	39.74	53.54	43.62	46.25
- Depreciation & Amortization	52.12	54.00	52.00	58.00
Total Operating Expenses	196.90	241.12	193.65	235.25
Operating Surplus	506.27	563.88	324.35	584.75
Less : Finance Cost				
- ChPT	27.81	26.00	24.00	23.00
- Tax Free Bonds	39.20	39.50	39.25	40.00
	17.56	23.88	10.25	10.00
	84.57	89.38	73.50	73.00
Profit before other income & Extraordinary Item	421.70	474.50	250.85	511.75
Add: Other Income				
Income from short term investments	8.20	3.00	3.75	0.50
Misc. Income	22.30	2.00	0.75	0.50
Other Income	30.50	5.00	4.50	1.00
Profit Before Taxes, EOT & Prior (PBTEP)	452.20	479.50	255.35	512.75
Less : Exception & Extra ordinary items	4.23	15.00	0.35	2.75
Profit Before Tax (PBT)	447.97	464.50	255.00	510.00
Operating Ratio (%)	28.00%	29.95%	37.38%	28.69%
Cost per Tonne	62			56

KAMARAJAR PORT LIMITED
CAPITAL EXPENDITURE FOR 2021-22

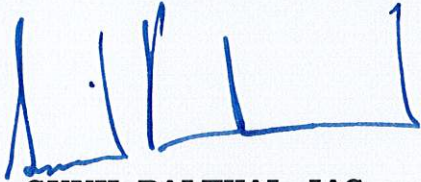
Rs.in Cr

S.No.	Name of Scheme / Programme	Estimated / Awarded Cost	RE 2020-21	Cum. UP TO MAR 21	BE 2021-22
1 - A	Dredging Schemes				
a	Capital Dredging - Phase iv a *	121.77	60.00	59.32	10.00
b	Capital Dredging for Container Terminal-II	60.00		0.98	
	Sub Total (A)	121.77	60.00	60.30	10.00
2 - B	Rail Connectivity				
a	Extension of Railway line in the Holding Yard no. 1	40.00	6.00	2.95	10.00
b	Southern Rail Link Connectivity (Doubling)	75.00	0.00	0.00	20.00
c	Upgradation of existing KPL/ NCTPS Railway lines	25.00			25.00
	Sub Total (B)	140.00	6.00	2.95	55.00
3 - C	Road Connectivity				
a	Construction of 2 lane concrete road connecting	25.00	5.00	0.00	10.00
b	Construction of Internal roads, truck parking yard etc	46.00	13.29	19.95	5.00
	Sub Total(C)	71.00	18.29	19.95	15.00
4 - D	Buildings /Miscellaneous works				
a	Service Buildings	6.20	1.90	0.23	0.00
b	Illumination works for yard and container scanner	2.00	0.50		2.00
c	Construction of CISF barracks	25.00	10.00	0.31	9.00
d	Construction of Training wall at Ennore creek*	150.00	-	-	25.00
e	North Break water rehabilitation*	88.00	-	-	10.00
f	Providing parking shed at New Gate Complex	0.35			0.35
g	Installation of STP, Seawater desalination plant and	22.00			5.00
	Sub Total(D)	287.35	12.40	0.54	51.35
5 - E	New Terminal				
a	Construction of RoRo cum GCB II (Retender)	188.13	15.00	0.00	15.00
	Sub Total(E)	188.13	15.00	0.00	15.00
5 - F	Investments				
a	Southern Port Access Road	195.00	75.00	10.00	45.00
b	Northern Port Access Road		1.00	0.00	
	Sub Total(F)	195.00	76.00	10.00	45.00
6 - G	Miscellaneous				
a	Software development/ migration		12.31	0.84	5.70
b	Miscellaneous assets				2.95
	Sub Total (G)	0.00	12.31	0.84	8.65
	Total	1003.25	200.00	94.57	200.00

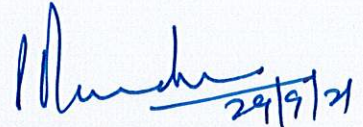
Note: * - Deferred Revenue Expenditure.

ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF THE MOU:

The performance of Kamarajar Port Limited will be periodically monitored by the Chairman cum Managing Director, KPL **and by Chennai Port Trust Board**. KPL will also indicate reasons for shortfall, if any, in the achievements of these targets and the steps being taken to make good the shortfall / slippage.



SUNIL PALIWAL, IAS
Chairman-cum-Managing Director
Kamarajar Port Limited



P.RAVEENDRAN, IRTS
Chairman
Chennai Port Trust