

# कोलकाता पत्तन न्यास KOLKATA PORT TRUST हल्दिया गोदी परिसर HALDIA DOCK COMPLEX यातायात विभाग Traffic Department





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No. GM(T)/13/GMT-849

Dated: 25.09.2019

## TRADE CIRCULAR

<u>Sub.</u>: Revised guidelines for allotment of land inside Dock Interior Zone, HDC for transit storage of cargo.

In partial supersession of previous Trade Circular issued vide No. TO(Sh&CH)/10/398 dated February 11, 2019 regarding the guidelines for short term allotment of land inside Dock Interior Zone, the Competent Authority of KoPT upon review of the existing guidelines, has approved revised guidelines for land allotment for transit storage of cargo.

The fresh allotments as well as renewal of all the licenses in respect of allotment of land in the Dock Interior Zone will be guided in terms of the attached revised guidelines with immediate effect.

Enclo.: As stated.

(K. Sazid Reza)

Deputy Manager (Sh & CH)
For General Manager (Traffic)-I/C

cc.: The President, Association of Shipping interest in Calcutta (ASIC), 6, Netaji Subhas Road, Kolkata – 700 001 (Fax: 033 4012 8989): For information please.

cc.: The President, Calcutta Customs House Agents' Association (CCHAA), 23, Sir R. N. Mukherjee Road, Kolkata – 700 001 : For information please.

cc.: All Importers / Exporters / C&F Agents/ Steamer Agents.

## REVISED GUIDELINES FOR ALLOTMENT OF LAND INSIDE DOCK INTERIOR ZONE

# 1. General principle:

- a. The instant guideline will cover all types of import/ export of dry bulk as well as break bulk cargo.
- b. Plots will be allotted primarily in favour of Importers/ Exporters. However, the plots may also be allotted to C & F Agent of Nepal Bound Cargo for a period of 330 days against an MGT commitment and to C & F Agent, Steamer Agent through tender-cum-auction for a period of 5 years as well as on ship-to-ship basis.
- c. Area will be allotted in multiple of 1,000 sq. mtrs. Vacant possession of the plots will also be taken back in multiple of 1,000 sq. mtrs. only.
- d. For dry bulk cargo, area will be allotted proportionate to storage factor and quantum of cargo to be mobilised.
- e. Upon determination of license, compensation shall be levied as per the rates specified in the Schedule of Rent.
- f. Allotment of plot for transit storage of break bulk cargo shall be done on ship-to-ship basis only and area to be allotted will be determined according to the nature and number of packages.
- g. In case of cargo sold on High Sea Sale basis, the High Sea Sale buyer may be allowed to take delivery of cargo from the plot allotted in favour of the original importer provided the importer declare the names of the High Sea Sale buyers along with the quantum of cargo sold in their favour prior to berthing of the ship at the working berth.
- h. Allotment/ renewal of plot shall be done only in case sufficient balance is available in the LCAN deposit to cover the bill amount for the entire duration of proposed allotment/ renewal of plots so that the said amount can be adjusted in advance from the LCAN account.
- i. If the Licensee is eligible for getting renewal/ extension of License, then they will be required to apply for renewal/ extension within the ongoing license period. In case the licensee fails to apply for further extension of license within the ongoing license period then for delayed application, interest will be levied @ 12% per annum from the date of expiry of the License till adjustment of the License Fees for the extended period from the LCAN account. However, if the Licensee fails to apply within 15 days from the expiry of the license, license will be considered as terminated and compensation charges will be levied for occupation beyond the original license period.
- j. In the event, any licensee of plots fails to qualify for getting renewal of license as per the following guidelines for any reason beyond their control, then the licensee may make an appeal before the Chairman for renewal of the license stating the reasons as to why they could not fulfil the required conditions. Chairman upon review of the appeal, may renew the license for a further period.

# 2. A. Allotment of land on ship-to-ship basis as well as cargo handled at deep draft locations under jurisdiction of KoPT for import cargo

## a. Initial allotment:

- i. Minimum allotment shall be 1,000 sq. mtrs.
- ii. Plot will be allotted for a period of 30 days for a consignment of up to 15,000 MT cargo.
- iii. Plot will be allotted for a period of 60 days for a consignment of more than 15,000 MT and upto 40,000 MT cargo.
- iv. Plot will be allotted for a period of 90 days for a consignment of more than 40,000 MT and upto 80,000 MT cargo.

- v. Plot will be allotted for a period of 120 days for a consignment of more than 80,000 MT.
- vi. Security Deposit equivalent to 1 months' applicable License Fee is payable and shall be adjusted from LCAN account of the licensee. License Fee towards entire period of license shall also be realised in advance from LCAN account of the licensee.

#### b. Renewal of license:

- i. The license of the plots allotted for transit storage of consignment up to 5,000 MT cargo shall not be renewed. In the event the licensee concerned is unable to relinquish occupation of the plot after evacuation of the consignment within the license period of 30 days, the license shall be terminated and compensation shall be levied for continued unauthorised occupation of the plot till such time the occupier hands over vacant possession of the plot.
- ii. In case of initial allotment for transit storage of more than 5,000 MT and upto 40,000 MT of import cargo, the license may be renewed for a further period of 30 days on request of the licensee, provided at least 50% of the initial allotted area is vacated and surrendered.
- iii. In case of initial allotment for transit storage of more than 40,000 MT and upto 80,000 MT of import cargo, the license may be renewed for a further period of 30 days on request of the licensee, provided at least 60% of the initial allotted area is vacated and surrendered.
- iv. In case of initial allotment for transit storage of more than 80,000 MT of import cargo, the license may be renewed for a further period of 60 days on request of the licensee, provided at least 60% of the initial allotted area is vacated and surrendered.
- v. In the event the licensee concerned is unable to relinquish occupation of the plot after evacuation of the consignment within the total license period of 30/60/90/120/180 days (including renewal period of 30/60 days), the license shall be terminated and compensation levied for continued unauthorised occupation of the plot till such time the occupier hands over vacant possession of the plot.
- vi. License Fee towards entire period of renewal shall be realised in advance from LCAN account of the licensee.

## 2. B. Allotment of land for export cargo

## a. Initial allotment:

- i. Minimum allotment shall be 1,000 sq. mtrs.
- ii. Plot will be allotted for a period of 60 days.
- iii. Security Deposit equivalent to 1 months' applicable License Fee is payable and shall be adjusted from LCAN account of the licensee. License Fee towards entire period of license shall also be realised in advance from LCAN account of the licensee.

# b. Renewal of license:

- i. In case of plot allotted for transit storage of declared consignment up to 5,000 MT cargo, license shall not be renewed. In the event the licensee concerned is unable to relinquish occupation of the plot within the license period of 60 days, the license shall be terminated and compensation shall be levied for continued unauthorised occupation of the plot till such time the occupier hands over vacant possession of the plot.
- ii. In the event of effecting shipment by the licensee during the original license period, the subsequent renewal of license shall be guided by the following conditions:

- a) If the shipment quantity is up to 5,000 MT within the original license period, then there will be no subsequent renewal of the plot.
- b) If the shipment quantity within original license period is more than 5,000 MT and up to 15,000 MT, then subsequent renewal will be allowed for a period of 30 days.
- c) If the shipment quantity within original license period is more than 15,000 MT, the license will be renewed for a period of 60 days.
- iii. In the event the licensee concerned is unable to relinquish occupation of the plot within the total license period (including renewal), the license shall be terminated and compensation shall be levied for continued unauthorised occupation of the plot till such time the occupier hands over vacant possession of the plot.

# 3. License of land for a period of 180 days

# a. Initial allotment

- i. Allotment will be done in favour of importers/ exporters only.
- ii. Allotment will be done only to the importer/ exporter who have mobilised minimum 2,00,000 MT dry bulk cargo through HDC (other than BOT berths) during the previous fiscal year.
- iii. Minimum allotted area shall be 3,000 sq. mtrs.
- iv. Security Deposit equivalent to 1 months' applicable License Fee is payable and shall be adjusted from LCAN account of the licensee. License Fee towards entire period of license shall also be realised in advance from LCAN account of the licensee.

#### b. Renewal of license:

- i. Renewal of license shall be allowed for a further period of 180 days only in the cases where the occupier has moved at least 1,00,000 MT dry bulk cargo through HDC during preceding period of license out of which minimum quantity of cargo @ 10 MT per sq. mtrs. has to be mobilised through the subject plot.
- ii. Renewal of license shall be allowed for minimum 3,000 sq. mtrs. plot.
- iii. In case of failure to mobilize required import/ export cargo as per clause b. i. the license will be terminated and the cargo lying in the plot has to be removed within a period of maximum 30 days failing which action will be taken for disposal of the cargo as per rules.
- iv. License Fee towards entire period of renewal shall be realised in advance from LCAN account of the licensee.

# 4. License of land for a period of 330 days

#### a. Initial allotment

- i. Allotment will be done in favour of importers/ exporters / C&F Agents for Nepal bound cargo on account of various Nepal bases importers only.
- ii. Allotment will be done only to the Indian importers/ exporters who have mobilised minimum 5,00,000 MT dry bulk cargo through HDC (other than BOT berths) during the previous fiscal year. In case of allotments to C&F Agents of Nepal bound cargo, there will be no such stipulation, however, an MGT commitment of 18 MT per sq.m. must be submitted by the applicant backed by Bank Guarantee equivalent to wharfage, on-board and cleaning charges of MGT applicable for all types of foreign coal as per the prevalent Scale of Rates. In case of failure to fulfil the MGT, the license will not be extended and the licensee will be required to pay the amount equivalent to the applicable wharfage, on-board and cleaning charges in respect of the shortfall quantity, failing which, the Bank Guarantee will be en-cashed for the said amount.

- iii. Minimum allotted area shall be 5,000 sq. mtrs.
- iv. Security Deposit equivalent to 1 months' applicable License Fee is payable and shall be adjusted from LCAN account of the licensee. License Fee towards entire period of license shall also be realised in advance from LCAN account of the licensee.

## b. Renewal of license:

- i. Renewal of license on account of Indian importers/ exporters of cargo shall be allowed for a further period of 330 days in the cases where the occupier has moved at least 4,60,000 MT dry bulk cargo through HDC during preceding period of license out of which minimum quantity of cargo @ 18 MT per sq. mtrs. has to be mobilised through the subject plot.
- ii. Renewal of license on account of the C&F Agents of Nepal Bound Cargo, shall be allowed for a further period of 330 days in the cases where the occupier has fulfilled the MGT commitment of 18 MT per sq. mtrs. The renewal of the license will be granted subject to fulfillment of the MGT and no Bank Guarantee will be required for renewal if MGT during the initial allotment is fulfilled.
- iii. Renewal of license shall be allowed for minimum 5,000 sq. mtrs. plot.
- iv. In case of failure to mobilize required cargo as per clause b. i & ii. the license will be terminated and the cargo lying in the plot has to be removed within a period of maximum 30 days failing which appropriate action, including disposal of cargo as per rules, shall be taken.
- v. License Fee towards entire period of renewal shall be realised in advance from LCAN account of the licensee.

# 5. License of plots allotted behind Berth No. 4.

a. Thermal Coal exported through mechanised ship-loaders at Berth No. 4, is having dedicated stacking area for transit storage of the said cargo. License of the plots concerned, including renewal thereof shall be granted for a period of 330 days.

# 6. <u>License of land for transit storage of Nepal/ Bhutan bound cargo.</u>

## a. Initial allotment:

- i. Plot will be allotted for a period of 30 days for a consignment of up to 15,000 MT cargo.
- ii. Plot will be allotted for a period of 60 days for a consignment of more than 15,000 MT cargo.

#### b. Renewal of license:

i. In case the licensee fails to evacuate the consignment within initial period of license, the license may be renewed on month-to-month basis as stipulated below.

SI.	Quantity of consignment	Maximum license
No.		period including
		renewal
(a)	Up to 15,000 MT	90 days
(b)	From 15,001 to 18,000 MT	120 days
(c)	From 18,001 to 20,000 MT	150 days
(d)	More than 20,000 MT	180 days

ii. In the event the licensee concerned is unable to relinquish occupation of the plot after evacuation of the consignment within the total license period of 90/ 120/ 150/ 180 days (including renewal period) as stated above, the license shall be terminated and compensation shall be levied for continued unauthorised occupation of the plot till such time the occupier hands over vacant possession of the plot.

\*Note: The license period of the plot for transit storage of Nepal bound cargo will be extended beyond 90 / 120 / 150 / 180 days (including renewal as the case may be) subject to the following conditions:

- (a) Forwarding Note, for cargo to be moved by rail, stacked in the licensed plot are required to be submitted after observing necessary Port and Customs formalities within 30 days of the last date of landing of the consignment. While filing Forwarding Note, the cargo quantity to be loaded per rake will be considered as 65 MT per wagon and each rake to be considered of 59 Box 'N'. However, if the importers / Cargo Handling Agents do not intend to take delivery of entire cargo by rake and preferred to take delivery partial cargo by road or if after filing of the Forwarding Notes / Indents covering the entire cargo, some cargo is left out in the plot for which indent cannot be filed as full rake is not required, then the same may be allowed to deliver by road and the entire road delivery to be completed within the valid license period. Only if the road delivery is completed within the valid license period, then further renewal of the license will be considered for non-availability of the rakes against which Indents have already been filed and such extension will be granted till loading of the last rake.
- (b) If it is found that even after compliance with the above requirements, some cargo is left out in the plot after completion of loading of all rakes for which Indents have been filed due to short composition in the rakes or due to inaccurate assessment during loading, then extension of license for another period of 30 days will be allowed from the day immediately after loading of the last rake as supply of part rake is not allowed and delivery of cargo by road to be allowed after amendment of documents by Customs which require considerable time.
- (c) However, such extension of license will not be applicable against the plots allotted for storage of Bhutan bound cargo as the Bhutan bound cargo is moved through trucks.

### 7. Allotment of land through tender-cum-auction for a period of 5 years

Specified bare land plots will be allotted in favour of importers/ exporters as well as C&F Agent and Steamer Agent for a period of 5 years through tender-cum-auction process. The area of each plot will be 5,000 sq. mtrs. and allotment of plot will be made against MGT of 12 MT per sq. mtrs. per annum, i.e. 60,000 MT cargo per plot and the MGT will be backed by commensurate Bank Guarantee equivalent to on-board and wharfage charges and GST thereof applicable for foreign coal as per prevailing Scale of Rates.

## 8. Allotment of undeveloped plots for a period of 180 days / 330 days

- i) Undeveloped plots will be allotted primarily to Indian Importers / Exporters for 180 days / 330 days and the minimum area of allotment will be 5000 sq.m. However, for Nepal cargo, plots will be allotted C&F Agents of Nepal bound cargo on account of various Nepal based importers for a period of 330 days only against MGT commitment of 10 MT per sq.m. backed by Bank Guarantee equivalent to wharfage, on-board and cleaning charges of MGT applicable for all types of foreign coal as per the prevalent Scale of Rates.
- ii) Performance against the MGT will be evaluated based on the cargo mobilized through the undeveloped plots @ 10 MT per sq.m. against the allotment for a period of 330 days and 6 MT per sq.m. against the allotment for a period of 180 days (for Importers / Exporters only).
- iii) The MGT shall commence after a period of 3 months from the date of handing over of possession of the undeveloped plot or till the cargo is mobilized through the said plot, whichever is earlier, to enable the licensee to develop the plot for storage of cargo.

- Accordingly, the MGT, as mentioned under item (iii) above, for the initial license period will be reduced proportionately. However, for the subsequent license periods as would be granted through renewals, the MGT will be equivalent to the total quantity applicable for 180 days / 330 days' period as the case may be.
- iv) The licensee of such plots shall furnish a Bank Guarantee equivalent to wharfage, on-board and cleaning charges of the MGT applicable for all types of foreign coal, as per the prevalent Scale of Rates, along with GST. However, for allotment of plots allotted C&F Agents for Nepal cargo, GST will not be applicable.
- v) The renewal of the license will be granted subject to fulfillment of the MGT and no Bank Guarantee will be required for renewal if MGT during the initial allotment is fulfilled.
- vi) If the licensee fails to fulfill the MGT during the initial allotment, then the licensee will be required to pay the amount equivalent to the applicable wharfage, on-board and cleaning charges including GST (other than Nepal cargo) in respect of the shortfall quantity, failing which, the Bank Guarantee will be en-cashed for the said amount.
- vii) In the event, the licensee fails to fulfill the MGT, license of the plot may be renewed further for similar period against specific request of the licensee and subject to payment of shortfall amount / encashment of Bank Guarantee and upon submission of the fresh Bank Guarantee (in case of encashment of the earlier BG) or renewal of the existing Bank Guarantee (in case the licensee pays the shortfall amount). <a href="However">However</a>, if the licensee fails to fulfill the MGT for consecutive 3 allotment periods, then license will not be renewed further.
- viii) The license fee will be paid from the date of handing over of the possession of the land which will also be reckoned as the date of commencement of the license period.
- ix) In the event, the Importers sell the cargo on High Sea Sale basis, the High Sea Sale buyer will also be allowed to store the cargo as well as take delivery of the same from the plot allotted in favour of the Importers and such cargo will also be eligible for consideration against MGT of the licensee.
- x) In the event during renewal of the license of the plot, if the rate of on board charge and wharfage as well as GST get revised, then the Bank Guarantee will be calculated at the revised rate and the licensee has to submit the Bank Guarantee accordingly.