

Proposed policy for allotment of bareland on license inside Dock Interior Zone for a period 6 months / 11 months in order to cater to the increased demand in the allotment of plots for accommodating additional cargo.

The following guidelines for allotment of bareland inside dock interior zone are proposed to be introduced:

- 1) Bare land plots will be allotted primarily to Indian Importers / Exporters. The period of allotment will be for 6 months / 11 months. The bare land plot will be suitably developed by the licensee at his cost and arrangements.
- 2) For availing this facility, the licensee shall give a commitment of mobilizing through HDC minimum of 2 lakh MT/ 5 lakh MT of cargo (hereinafter referred to as MGT) by way of import / export or in combination of both during 6 months' / 11 months' period respectively.
- 3) The MGT shall commence after a period of 3 months from the date of handing over of possession of the undeveloped plot to enable the licensee to develop the plot for storage of cargo. Accordingly, the MGT, as mentioned under item (2) 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 quantity mentioned at item (2) above.
- 4) The licensee of such plots shall furnish a Bank Guarantee equivalent to wharfage and on-board charges of the MGT applicable for all types of foreign coal along with GST.
- 5) The renewal of the license will be granted subject to fulfillment of the MGT and submission of fresh Bank Guarantee or renewal of the existing Bank Guarantee.
- 6) If the licensee fails to fulfill the MGT, then the licensee will be required to pay the amount equivalent to the applicable wharfage and on-board charges including GST in respect of the shortfall quantity, failing which, the Bank Guarantee will be en-cashed for the said amount.
- 7) 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). **However, if the licensee fails to fulfils the MGT for consecutive 3 allotment periods, then license will not be renewed further.**

- 8) The license fee will be paid from the handing over of the possession of the land which will also be reckoned as the date of commencement of the license period.
- 9) Apart from the Importers / Exporters, other Indian port users (herein after referred as traders), who are authorized to mobilize Dry Bulk Cargo on behalf/account of or in the name of various Indian Importers / Exporters, will also be allotted bare land plot on license basis for a period 6 months / 11 months subject to the following:
 - (i) For such allotment, traders shall declare, at the time of application for land, the name of the Indian Importers / Exporters on whose account/behalf they will mobilize and store cargo at the said plot. The Importers / Exporters so declared by the traders will also have to give a declaration that they will mobilize and store cargo in the plot of the concerned trader.
 - (ii) The general conditions as stated against item (1) to (8) above will be applicable for the traders.
 - (iii) The MGT will be calculated on the basis of total cargo mobilized through the said plot only on account of those Importers / Exporters as well as the licensee himself.
 - (iv) If more than one trader indicates the name of the same Importers / Exporters, for getting allotment of land for storage of cargo, then the Importers / Exporters have to indicate their preferences on account of which trader and at which plot they will be storing the cargo. This declaration has to be given at the time of declaration of the vessel and no change or amendment in the declaration will be allowed thereafter.
 - (v) No addition / modification in the name of Importers / Exporters will be normally allowed after allotment of plot or during subsequent renewals. However in case, such licensees proposes for amendment in the name of the Importers / Exporters or inclusion of additional Importers / Exporters for operational necessity, Chairman, KoPT at his sole discretion may allow such inclusion or amendment subject to payment of Rs. 5 lakhs for each amendment / addition. Further, in case of inclusion of additional Importers / Exporters, additional MGT backed by Bank Guarantee will be required to be submitted

- for each addition @ 10,000 MT per month or part thereof. The licensee shall agree to the decision of Chairman, KoPT in this regard.
- (iv) The licensees shall indemnify KoPT that KoPT shall not be responsible for any dispute that may arise between the licensee and the different Exporters / Importers in respect of cargo stored at the plots concerned.
- 10) The plot allotted in favour of any Indian Importer / Exporter can be utilized for storage of cargo on account of their Indian sister concern / Group Companies subject to the following:
- (i) The licensee (Importer / Exporter) shall furnish the details of the Group Companies or sister concerns at the time of application for land duly supported by Certificate from the Company Secretary of the licensee as well as Group Companies / sister concerns establishing their relationship.
 - (ii) The MGT shall be 3 lakh / 6 lakh MT for license period of 6/11 months.
 - (iii) The performance against MGT will be determined on the basis of total cargo mobilized through the said plot on account of the licensee and their group companies/ sister concerns.
 - (iv) No addition / modification in the name of Group Companies / Associate Companies will be allowed after allotment of plot or during subsequent renewals. However in case, such licensee proposes for inclusion of additional group companies / sister concerns or modification in the name of group companies / sister concerns, Chairman, KoPT at his sole discretion may allow the same subject to payment of Rs. 5 lakhs for each amendment / addition. Further, in case of inclusion of additional group companies / sister concerns additional MGT backed by Bank Guarantee will be required to be submitted for each addition @ 10,000 MT per month or part thereof. The licensee shall agree to the decision of Chairman, KoPT in this regard.
 - (v) The licensees shall indemnify KoPT that KoPT shall not be shall not be responsible for any dispute that may arise between the licensee and its group companies/sister concerns parties in respect of cargo stored at the plots concerned.
 - (vi) The general conditions as at items 3 to 8 above will also be applicable.
- 11) 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.

- 12) 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 bg accordingly.
- 13) The minimum area for allotment will be 5,000 sq.m. However, the total area to be allotted will be determined on the basis of 10 MT per sq.m. for 6 months period and 18 MT per sq.m. for 11 months. Thus, for 6 months license, the maximum area to be allotted will be 20,000 sq.m. and for 11 months' license, the maximum area to be allotted will be 28,000 sq.m. (rounded to the next '000 sq.m.). However, in the event the licensee is allowed to store cargo account Group Companies / Associated Companies, the maximum area to be allotted will be 30,000 sq.m. if the period of allotment is for 6 months and incase of 11 months' license, the maximum area to be allotted will be 34,000 sq.m. (rounded to the next '000 sq.m.). If any licensee requires additional land for 6 months / 11 months, then additional MGT backed by Bank Guarantee will be required.

The existing Land Policy Guidelines provides for allotment of land inside Dock Interior Zone, for storage of EXIM cargo for a period of 6 months / 11 months, on license basis, without recourse to tender. However, the said policy does not stipulate to whom the plots will be allotted. It further states that the modalities for such allotment will be decided by the respective ports. Accordingly, to ensure proper utilization of the plots and maximize the cargo volume, the instant policy is being proposed. This will reduce the requirement of multiple plots by small Importers / Exporters and will lead to optimization of the plot inventory.