



KOLKATA PORT TRUST  
TRAFFIC DEPARTMENT

No.Tfc/355/Land Policy

Dated : 11.06.2019

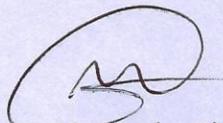
CIRCULAR

Sub : Policy for Medium Term License allotment upto 11 months inside the Customs bound area of KDS for transit storage of **NEPAL** cargo.

The Policy for Medium Term License allotment upto 11 months inside the Customs bound area of KDS as approved by the Competent Authority for transit storage of NEPAL cargo is enclosed.

Fresh allotments as well as renewals of the licenses of NEPAL cargo inside the Customs bound area of KDS shall be guided in terms of the said Policy with immediate effect.

The existing policy for short term allotment of shed/yard license for storage of cargo inside the Customs bound area of KDS for one month (30 days) shall however continue.

  
(Capt. Himanshu Shekhar)  
Traffic Manager

Encl : As stated

**Policy for Medium Term License allotment upto 11 months inside the Dock: Nepal Cargo**  
**(4 Pages)**

1. The Policy will cover all types of import/export of dry bulk and break-bulk cargo.
2. (a) Plots will be allotted in favour of importers/ exporters for a period of upto 11 months, without any ceiling limit on land area.  
(b) However, the plots may also be allotted in favour of Clearing and forwarding agents for a period of 11 months with a ceiling limit of 3000 sq. Meters per agency.
3. At 2.5 Tons/sq. Meter, 1000 sq. of space can hold 2500T (approx. two barge capacity) of bulk cargo which typically takes at least 10 days for evacuation. Hence, for a period of 11 months, a handling of about 91,000 Tons can be obtained from 1000 sq. meters of area. With a utilization factor of 50%, the realistic handling per 1000 sq. meters will be 45600 Tons. Hence, for allotment of license upto 11 months,
  - i. Minimum allotment shall be 500 sq. meters and allotments will be in multiple of 500 sq. Meters.
  - ii. Minimum period of allotment shall be 60 days (for a guaranteed tonnage of 5000 T per 500 sq.m).
  - iii. Minimum Guaranteed tonnage (MGT) by the importer/exporter/party shall be 25,000 Tons for every 500 sq. Meters for 11 months (330 days).
4. As per Scale of Rates, S.10.2, at KDS Importer/ Exporter shall be granted a rebate on wharfage on the basis of each of the cargo handled by them through KDS as mentioned below, during a financial year. All other cargo where MGT commitment is given shall also avail this rebate.

Type of Cargo	Tonnage handled	Quantum of Rebate on applicable wharfage
Coking Coal, Sugar, Pulses, Wheat, Rice, Jute and Jute products, Iron & Steel, Log, Sulphur, Rock Phosphate, Finished Fertilizer, Vegetable Oil, C.I Goods, LPG	Upto 75000 tonnes	NIL
	75001 to 100000 tonnes	10%
	Above 100000 tonnes	15%

The above said rebate shall be granted in the form of refund of wharfage at the end of every financial year (i.e. 1st April to 31st March) on submission of documents by the Importers/ Exporters in support of the throughput achieved.

5. For Importers of Coal and Limestone,
  - i. If an importer achieves a combined cargo MGT of 0.5 million Tons per year, the handling at the anchorage shall be charged at 50% of the wharfage instead of 90% as per Scale of Rates. This rebate shall also be granted in the form of refund at the end of every financial year on submission of documents by the Importers/Exporters in support of the throughput achieved. The rebate shall be applicable on the entire volume of the cargo.
  - ii. 25% upfront rebate will be provided in the CDLB charges applicable for vessel cargo (non-barge cargo).
6. Chairman/Dy.Chairman (K) may grant allotment of license upto 11 months without MGT/Cargo Commitment if the activity is vital to Port Operations, aids in Port activities or opens new avenues of trade, on the basis of the recommendation by Traffic Manager.
7. Fresh license shall be allowed for a period of upto 11 months further only if the occupier has removed/evacuated at least 50% of MGT per 500 sq. Meters of allotted license area for 11 months. For License period less than 11 months apportioned tonnage per 500 sq. Meters will be the renewal criteria. The request for renewal should be given at least 15 days before the expiry of the license period.
8. In case of failure to renew the license as per (7), the license shall be determined and the cargo lying in the plot has to be removed within a period of maximum 60 days failing which action will be taken for disposal of the cargo as per Rules. The license will attract compensation charge @ 1 times after expiry of license.
9. The Licensee has to pay the total license fee towards the initially granted license period, in advance. One month's License fee (plus all taxes) is to be deposited as Security Deposit. This is applicable in both cases of 2 months and 11 months.
10. Failure to honour the MGT will deprive the party of the concessions mentioned at (5)(i) for Coal and Limestone. Additionally, the Security Deposit will also be forfeited. For other cargo, only Security Deposit will be forfeited.

### Terms and Conditions

1. Subletting/underletting/parting/transfer/assignment of the license space shall not be allowed under any circumstances. The licensee shall be required to utilize the allotted land for the purpose of storage of cargo only. No change in purpose of utilization that is storage will be allowed.
2. The license is terminable on 7 days' notice on either side. No claim for any compensation for such termination of license will be entertained.
3. The security deposit will be released after completion of the license period subject to fulfillment of MGT and/or adjustment of dues and damages if any.
4. The license fee will be charged from the date of allotment of the yard.
5. In addition to payment of license fee as per SOR, licensee shall pay all applicable taxes.
6. Encroachment or unauthorized occupation of land and Railway tracks, etc. by licensee will involve a liability to pay a penalty at the rate of three times the scheduled license fee, in addition to the cost of rectification of damages caused to Port properties.
7. If the licensee fails to remove cargo from the encroached area in spite of notice to do so, the licensee will be evicted and the cargo will be auctioned as per MPT act and license fee will be recovered.
8. Rate of license fee shall get automatically escalated from 7<sup>th</sup> April every year as per SoR. Licensee has to bear the license fee if SoR is revised.
9. The licensee shall not cause any damage to Port Properties. If any damage is caused, the licensee shall be liable to make good the damages at his own cost and arrangement to the satisfaction of KoPT.
10. The licensee shall agree to comply with all rules and directions issued by KoPT from time to time.
11. Cargo stored under license shall be at the entire risk and responsibility of licensee. Placards should be placed in the plot displaying the name of the occupant and the area of the plot.
12. The licensee shall have to comply with all stipulations and requisitions which may from time to time may be made by Govt. or any other statutory

authority. The licensee shall obtain all statutory clearances required during the license period. KoPT would not take any responsibility in the matter.

13. The licensee shall not construct any building, erection or convenience on the allotted land.
14. The licensee shall follow safety norms as may be prescribed by competent authority and take all necessary measures for ensuring safety of men, materials and machines.
15. The Licensee has to take all necessary measures to cover/secure the cargo and follow anti-pollution and environmentally friendly measures. Failure to observe the environmental and safety norms can lead to penalties including cancellation of license.

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