



KOLKATA PORT TRUST HALDIA DOCK COMPLEX



GM(T)/51/GMT-931

Date: 28.04.2020

TRADE CIRCULAR

Sub: Exemptions / Waivers / remissions on various Port Charges due to the lock down to prevent the outbreak of COVID-19 pandemic.

Ref: Trade Circular issued vide GM(T)/51/925 dated 05.04.2020

Earlier, as conveyed by MOS vide its communication PD-13/33/2020/PPP/e-339106 dated 24.03.2020, Kolkata Port Trust, Haldia Dock Complex has already directed that the COVID-19 pandemic shall be considered as a natural calamity and has considered invocation of Force Majeure. The said order stands as it is. The period of Force Majeure will end when the Competent Authority so orders.

Now in compliance of the further policy direction issued by Government of India in the Ministry of Shipping (MOS) under Section 111 of the Major Port Trusts Act, 1963 (38 of 1963), as conveyed by MOS vide its communication PD-14033/4/2020-PD VII dated 21.04.2020, it is hereby intimated that the following remission shall be granted by Kolkata Port Trust, Haldia Dock Complex:

1. Remission of Charges to Port Users:

- i) Free storage time shall be allowed for the lock down period from 22 March 2020 to 3rd May 2020 and accordingly, the said period will be treated as Demurrage Free period as per S.7 and S.15 of the Scale of Rates for all types of Cargo and containers respectively.
- ii) No penal charges, demurrages, detention charges, dwell time charges, anchorage charges, penal berth hire charges, performance related penalties etc. would be levied on any port user (traders, importer, exporter, shipping lines, concessionaires, licensees, CFS etc.) for any delay in berthing, loading/unloading operation or evacuation/arrival of cargo during lock down period from 22 March 2020 to 3rd May 2020 plus 30 days' recovery period.

Accordingly,

- a) The Lock down period from 22 March 2020 to 3rd May 2020 plus 30 days' recovery period shall be considered as 'free period' for the purpose of computation of demurrage on all types of cargo as per S.7 of the Scale of Rates.
- b) The Lock down period from 22 March 2020 to 3rd May 2020 plus 30 days' recovery period shall be considered as 'free period' for the purpose of

computation of demurrage on all types of Containers as per S.15 of the Scale of Rates.

- c) Penal Berth Hire charge for non-achievement of benchmark pumping rate/ delayed sailing due to reasons attributable to vessel as per S. 21.5 & S.21.6 shall not be levied against vessels hauled out during the Lock-down period i.e. from 22nd March 2020 to 3rd May 2020 plus 30 days' recovery period.
- d) No Penal Berth Hire Charge shall be levied for failure to achieve performance norm for handling cargo at Berth No. 10 as per Berthing Policy against vessels hauled out from the berth during the Lock-down period i.e. from 22nd March 2020 to 3rd May 2020 plus 30 days' recovery period.
- e) Even if the License of land /covered shed inside Dock allotted for transit storage of import / export cargo has expired or expires in future and the licensee continues to occupy the premises unauthorisedly, the period of such continued occupation of land/covered shed from 22nd March 2020 to 3rd May 2020 plus 30 days' recovery period shall not be treated as unauthorized occupation for the purpose of levy of compensation charge as per Schedule of Rent of Kolkata Port Trust and only normal license fee shall be levied for the period.

2. Remission of Charges to PPP Concessionaires:

- i) If requested by the concessionaire Kolkata Port Trust, Haldia Dock Complex will allow deferment of April 2020, May 2020 and June 2020's royalty/ revenue share without any interest. The said deferred amount shall be paid by the concessionaire after the interest free period of three months (reckoned month to month i.e. royalty/revenue share due in May 2020 shall be payable in the month of September 2020, OR alternatively, through six monthly equated instalments at interest rate equal to RBI's 921 days Treasury Bill (Primary) yield rate (as on the due date of the initially deferred amount) after expiry of interest free period.
- ii) Kolkata Port Trust, Haldia Dock Complex shall allow waiver of lease rentals, licence fees and similar charges for three months (April, May and June 2020) to the extent the volume of cargo dropped compared to monthly average cargo volume of last calendar year i.e. 1st Jan 2019 to 31st Dec 2019. For example, the 'average monthly volume' is 10,000 TEUs based on the cargo handled by concessionaire from 1st Jan 2019 to 31st Dec 2019. If the cargo volume for the month of April 2020 is 6000 TEUs (i.e. drop of 40% by volume compared to last year's average monthly volume), the ports shall waive off 40% of lease rentals, licence fees and similar charges for the month of April 2020. If such waived amount has already been received by Port, adjustment of the same shall be provided in the forthcoming from concessionaire.
- iii) The MGT obligations shall be computed, for the current period, without considering the Lockdown Period and cargo volume handled during said period.

- iv) Kolkata Port Trust, Haldia Dock Complex shall not levy any penalty or charges for any shortfall in any performance standards such as gross berth output, transit storage dwell time, turnaround time for delivery store receipt operations, non-transshipment requirements etc. for the Lockdown Period from 22 March 2020 to 3rd May 2020 plus 30 days' recovery period.

3. Vessel related charges from Shipping Lines

Kolkata Port Trust, Haldia Dock Complex shall allow interest free 60 days' deferment of Marine Dues / Vessel Related Charges as per Sections S. 21, 22, 23, 24 & 25 of Scale of Rates to Indian Coastal Vessels, if requested by vessel operators. Ports shall obtain requisite Bank Guarantee, as security, from coastal vessel operators for the same. Only deferment requests received by 30th May 2020 shall be considered.


4. Other remissions due to Force Majeure:

In view of the situation arising because of the COVID-19 pandemic the following remissions shall be applicable in Kolkata Port Trust, Haldia Dock Complex:

- (i) The period for completion of any project under implementation in PPP mode or otherwise, shall be extended by a period of Force Majeure.
- (ii) For PPP projects under implementation, The Concessionaire may approach Kolkata Port Trust, Haldia Dock Complex for waiver of any penal consequence. The same may be permitted on a case to case basis along with deferment of performance obligations as per relevant provisions of Concession Agreement.
- (iii) The period of Force Majeure starts from 19th March 2020 and will end when the competent Authority so orders.
5. The order of MOS vide its communication PD-14033/4/2020-PD VII dated 21.04.2020 supersedes the earlier order of MOS vide No- PD-14300/4/2020-PD VII dated 31.03.2020.

The remissions / waivers stipulated in this order shall be extended to only port related activities, industries and commercial establishments. This order is not applicable on any captive user, Central or State Govt. entities, local bodies, PSUs, CPSEs. The aforesaid waiver / remission of charges is to be implemented strictly by all Port users, PPP concessioners, CFS, ICD, Shipping Lines.

The instant Trade Circular is applicable for Kolkata Port Trust, Haldia Dock Complex.


28/04/20

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cc.: The President, The 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, R. N. Mukherjee Road, Kolkata – 700 001 (Fax: 033-2215 9387): For information please.

cc.: Web Portal of Kolkata Port Trust (<http://www.kolkataporttrust.gov.in>).

cc: Importers / Exporters / Vessel Agents / Barge Operators / MLOs / Handling Agents / C&F Agents / CFS Operators / TMILL / ISHPL / Cargo and container handling contractors: For information please.