

3 ADDITIONAL PROPERTY DETAILS

3.1 Property Details

Table 3.1: Property Details	
Address	Haldia Dock II Land at JL No. 118, Shaluk Khali, JL No. 117, Rupnarayan Chak, District-Purba Medinipore, West Bengal
Land Area	162.84 Acres
Access Road	Metal Road connecting CESC Haldia Thermal Power Plant
Landmarks	CESC Haldia Thermal Power Plant
Current Status	Vacant
Proposed Use	Dock and Dock related industrial and sector specific allied services

3.2 Existing Use

As per the information provided by the client and as per our site inspection, the subject land parcel is vacant.

3.3 Location & Access

The subject property consists of a land parcel spread across two mouzas namely Shaluk Khali, Rupnarayan Chak. The land parcel is irregular in shape and currently it is vacant. The immediate surroundings of the subject site are primarily comprising of vacant land, agricultural field, water bodies, scattered residential clusters, industrial development and roadside retail activities. Prominent institution and organizations in the immediate vicinity are:

- Haldia Energy Limited
- Mitsubishi Chemicals Corporation
- Mahalaxmi Ennore Coke & Power Pvt Ltd
- Premise of East India Packaging
- Premise of Manaksia Limited
- Rupnarayan Chak Primary School
- Jhikurkhali Primary School

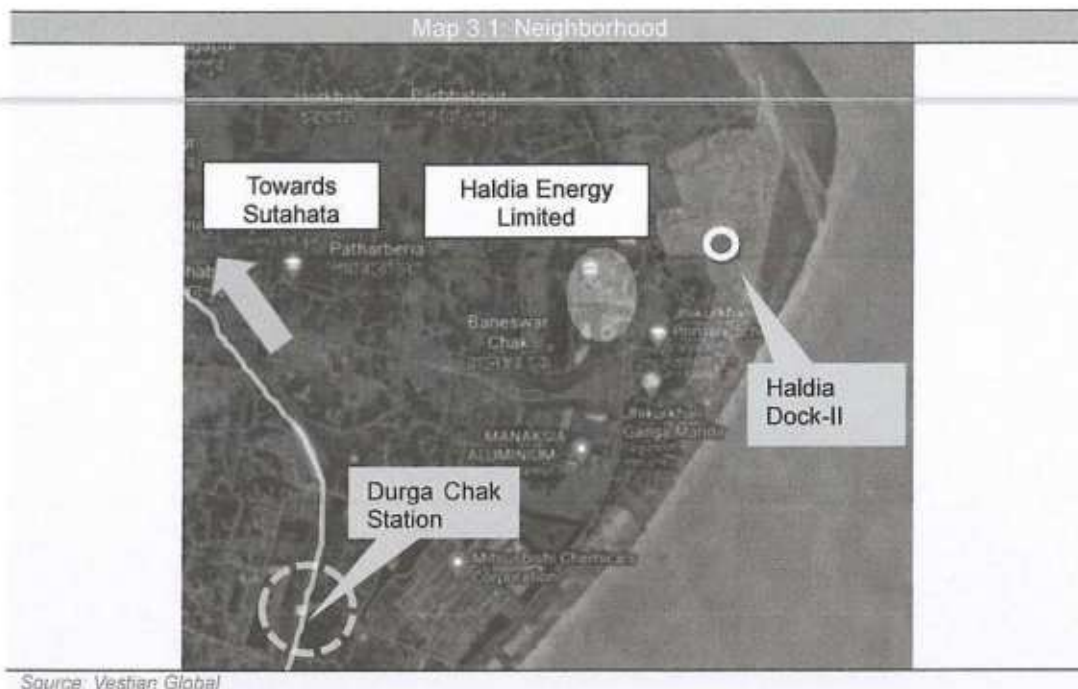
The general accessibility of the subject property is good. It is accessible through a Metal Road, which connects the site with Haldia Energy Limited. Durgachak Railway Station is located approximately 5.2 km away from the subject site and Sutahata is located approximately 9 km away

3.3 Neighborhood

The immediate surroundings of the subject site are primarily comprising of vacant land, agricultural field, water bodies, scattered residential clusters, industrial premises, and roadside retail activities.

Important destinations from subject property:

Destination	Distance (in km)
Durgachak Station	5.20
Sutahata	9.00
Premise of Haldia Energy Ltd	0.20
Haldia Township	18.00



3.4 Details of Site Measurements/ Areas

As per the information provided by the client, the subject includes one land parcel of total area admeasures 162.84 acres and is irregular in shape.

Land Parcel	Area (in Acre)
Haldia Dock II Land at JL No. 118, Shaluk Khali, JL No. 117, Rupnarayan Chak, District-Purba Medinipore, West Bengal	162.84

3.5 Property Title Particular

We have not been provided with the title document for the subject property and neither have we done a due diligence of the same and relied on the information provided by the client's representative in this respect.

We have assumed that the subject property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists. The client has provided only the area & usage of the subject land parcel and we have completely relied on information provided by him.

3.6 Environmental Issue

We have no knowledge of any environmental concerns or contamination of the subject site and surrounding sites. We are not qualified to assess environment concerns; it is therefore recommended that the client should seek professional advice from an expert.

3.7 Highest & Best Use

According to International Valuation Standards (IVS), Highest and Best Use (HABU) is defined as "The most probable use of property, which is physically possible, appropriately justified, legally permissible, financially feasible, and which results in the highest value of the property being valued."

The subject site is proposed to be used as Dock and Dock related industrial and sector specific allied services. We deem this as the "Highest and Best Use" of the subject properties.

4 VALUATION APPROACH

Our valuation is on the basis of Market Value which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

We have considered the following valuation approach to value the Property.

(I) Direct Comparison Approach

4.1 Direct Comparison Approach

This approach estimates the value of the subject property by comparing recent sales of similar interests in the land located in the surrounding area. By analyzing sales which qualify as "arms-length" transactions, between willing buyers and sellers, adjustments would be made for size, location, time, ownership, and other relevant factors when comparing such sales price against the subject property. This approach is commonly used to value standard properties when reliable sales evidence is available.

5 VALUATION APPROACH AND BACKGROUND

5.1 Review of Prevailing Rate of Rent

We have reviewed the prevailing rate of rent notified by TAMP vide G.No. 249, dated 3rd July 2018 for the subject 162.84 acres of land of Haldia Dock-II. The adopted rate of rent is 1417 per 100 sq.mt of land per month.

Under this circumstances HDC authority has instructed us to carry out fresh valuation of the subject land. We have assessed the location of the subject land in details and analysis all the aspects like location, approach road and accessibility, availability of public transport facility, surrounding development profile, current status & encroachment, size etc. We have analyzed the market transaction evidence of similar profiled area and mostly from the mouzas wherein the subject land is located to determine the fair market value.

We have considered the following valuation approach to value the Property.

(I) Direct Comparison Approach

5.2 Direct Comparison Approach

This approach is utilized to estimate the value of the subject site by comparing recent sales of similar interests in the land parcels located in the surrounding area. By analyzing sales which qualify as 'arms hand length' transactions, between willing buyers and sellers, adjustments can be made for size, location, time, amenities and other relevant factors when comparing such sales against the subject land parcel. This approach is commonly used to value standard premises when reliable sales evidence is available. This approach is based on the premise that a prudent and knowledge buyer will pay no more for a property than the cost to acquire an equally desirable substitute of similar utility.

5.3 Valuation Rational:

Our valuation is on the basis of Market Value which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion". The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

The approach as indicated in the Land Policy Guidelines 2014 and subsequent modification thereof for the land management by major ports issued by Ministry of Shipping, Govt. of India provided by the client as given below have been followed:-

- State Government's ready reckoner of land values in the area, if available for similar classification/ activities.
- Highest rate of actual relevant transactions registered in last three years in the Port's vicinity (the vicinity of the port is to be decided by the respective Port Trust Boards), with an appropriate annual escalation rate to be approved by the Port Trust Board.
- Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board.
- Rate arrived at by an approved valuer appointed for the purpose by the Port.
- Any other relevant factor as may be identified by the Port.

Based on the above-mentioned approach and rational we have estimated the fair market value of the subject land parcel as below;

- State Government Ready Reckoner is not available for the subject land parcel.
- No tender-cum-auction bid has taken place by Kolkata Port Trust in the subject location i.e., area adjacent to the subject property
- The transactions of neighboring land parcels referred to in the Valuation Report, were for free hold, developed land for non-industrial purpose.
- The rates of transactions so obtained have been enhanced by 2% p.a. to arrive at the current value, wherever required.

- As the individual value areas have several transactions of different magnitudes, rates of relevant transactions in 2019-22 in the vicinity of such areas, obtained from the Sub-registry offices have been used to derive the market rate to even out the inconsistencies in individual transactions.
- The subject land is proposed to be allotted on lease for specific Dock and Dock related services.

While arriving at a base market rate, following major factors have been applied to remove the inconsistencies between subject land and comparables:

Time Adjustment: This factor has been applied on the transaction value obtained from SRO, where actual transaction took place a year ago, in order to update the same on the date of valuation. It basically takes care of the time lag between the date of actual transaction and the date of valuation, if actual transaction took place more than a year ago from the date of valuation.

Ownership: This factor refers the type of ownership attached with the land. The subject site of Haldia Dock-II will be assigned on leasehold right basis for 30 years. Leasehold land parcels are priced lower than the freehold ones. Transaction of leasehold property is very rare and priced lower than freehold property. We have considered a fixed discount factor of 15%. The same factor was considered in SOR of HDC. The details have been given in Appendix V.

Land Use: It refers the permissible use of the site. The land price substantially depends on the usage. The land price having industrial usage remains on higher side in comparison to the land having residential usage. The subject site has mostly non-residential use (wherein the occupier has to comply with specific industrial usage permissible). We have reviewed the difference of land value between residential and industrial zones within same location from the online portal of Directorate of Registration and Stamp Revenue under Finance Department of West Bengal. The factor varies on an average of 16-17% depending on locality. We have considered a fixed premium of 17%.

Location & Access, Infrastructure: The factor refers to the general accessibility and approach of the comparable to the Subject Property. If the comparable has better approach and accessibility than the Subject Property, it is discounted in order to bring it at par with the Subject Property. A premium is added to the comparable if its approach and accessibility is inferior to the Subject Property.

The subject land is proposed to be developed as Dock and Dock related facilities including jetties, terminals, storage facilities, allied facilities of cargo evacuation etc. The subject land is meant for Industrial purpose and port related activities for which being situated beside the river is of prime important to integrate vessel handling facilities for cargo movement. The proposed project will include security with better access and infrastructure facilities, storage in terms of open and covered. There are no similar areas exist neither in the vicinity whereinsimilar land comparable may be compared to the subject zones. Hence, we have adjusted these aspects accordingly (considered premium of 15%) while comparing with lands adjacent to the subject site. The factor has been considered as per income tax guideline.

5.4 State Government Ready Reckoner

As per Land Policy Guidelines 2014, we have first assessed the state government ready reckoner which may be referred to evaluate the value of the subject land of Haldia Dock Complex-II. Unlike other adjacent states no ready reckoner is available in West Bengal. However, Directorate of Registration and Stamp Revenue under Finance Department of West Bengal has recently implemented online portal of market value of property for assessment of stamp duty and registration fees. This may be considered as government guideline value. However, it is more use as a tool to derive the stamp duty and registration fees for any possible transaction.

Haldia Dock-II	Highest Land Value as per Directorate of Registration and Stamp Revenue (in INR/Decimal)
Shalukkhali	99,225
Rupnarayanchak	44,446

5.5 Tender-Cum-Auction Rate of Port Land

As per Land Policy Guideline 2014, we have further assessed the highest accepted tender-cum-auction rate of Port land in recent past in the subject location. No successful tender-cum-auction has been taken places in the last more than 10 years to benchmark the value.

5.6 Registered Transaction in the Vicinity

As per Land Policy Guidelines 2014, we have collected land transaction instances registered in Sutahata Sub-Registry office in the vicinity of the subject property during 2019-2022. The following table shows the list of land transactions occurred in recent time within the mouzas wherein the subject land is located;

Police Station	Mouza	Plot No.	Land Area (in Decimal)	Land Use	Transacted Value (INR/Decimal)	Date	Deed Number
Sutahata	Shalukkhali	LR-00862, Khatian No. 02118	5.83	Residential	89,251	Dec-19	I-110609074/2019
Sutahata	Shalukkhali	LR-00862, Khatian No. 02591	2.00	Residential	89,250	Dec-20	I-110608044/2020
Sutahata	Shalukkhali	LR-00228, Khatian No. 00455	1.50	Residential	80,000	Feb-22	I-110602429/2022
Sutahata	Shalukkhali	LR-00415, Khatian No. 02618	1.19	Residential	70,000	Sep-20	I-110605603/2020
Sutahata	Parbatipur	LR-00464, Khatian No. 00533	1.50	Residential	100,000	Jul-21	I-110604976/2021
Sutahata	Parbatipur	LR-00450, Khatian No. 00535	1.89	Residential	72,451	Sep-20	I-110604992/2020
Sutahata	Parbatipur	LR-00450, Khatian No. 00535	4.27	Residential	72,451	Sep-20	I-110604994/2020
Sutahata	Rupnarayanchak	LR-00748, Khatian No. 00300	7.00	Residential	75,000	Dec-19	I-110608993/2019
Sutahata	Rupnarayanchak	LR-01180, Khatian No. 01822	5.00	Residential	40,000	Jun-21	I-110604791/2021
Sutahata	Begunberia	LR-00626, Khatian No. 02954	4.50	Residential	100,000	Apr-22	I-110604061/2022
Sutahata	Begunberia	LR-01209, Khatian No. 00484	6.00	Residential	85,000	Aug-21	I-110606371/2021
Sutahata	Begunberia	LR-01581, Khatian No. 02748	2.75	Residential	94,691	Dec-21	I-110611243/2021
Durgachak	Jhikurkhali	LR-00036, Khatian No. 01694	2.00	Residential	80,000	Feb-20	I-110601243/2020

We have reviewed these transactions based on size and usage. The size of most of these land transactions are too less to compare with the average land size of the subject property. However, we have selected the highest values of transaction of respective mouzas with having land size relatively comparable while referring these to our valuation assessment for the subject property described in section 6 of the chapter.

Mouza	Highest rate of actual transactions registered in last three years (In INR/Decimal)
Shalukkhali	89,251
Rupnarayanchak	75,000
Parbatipur	1,00,000
Begunberia	1,00,000
Jhikurkhali	80,000

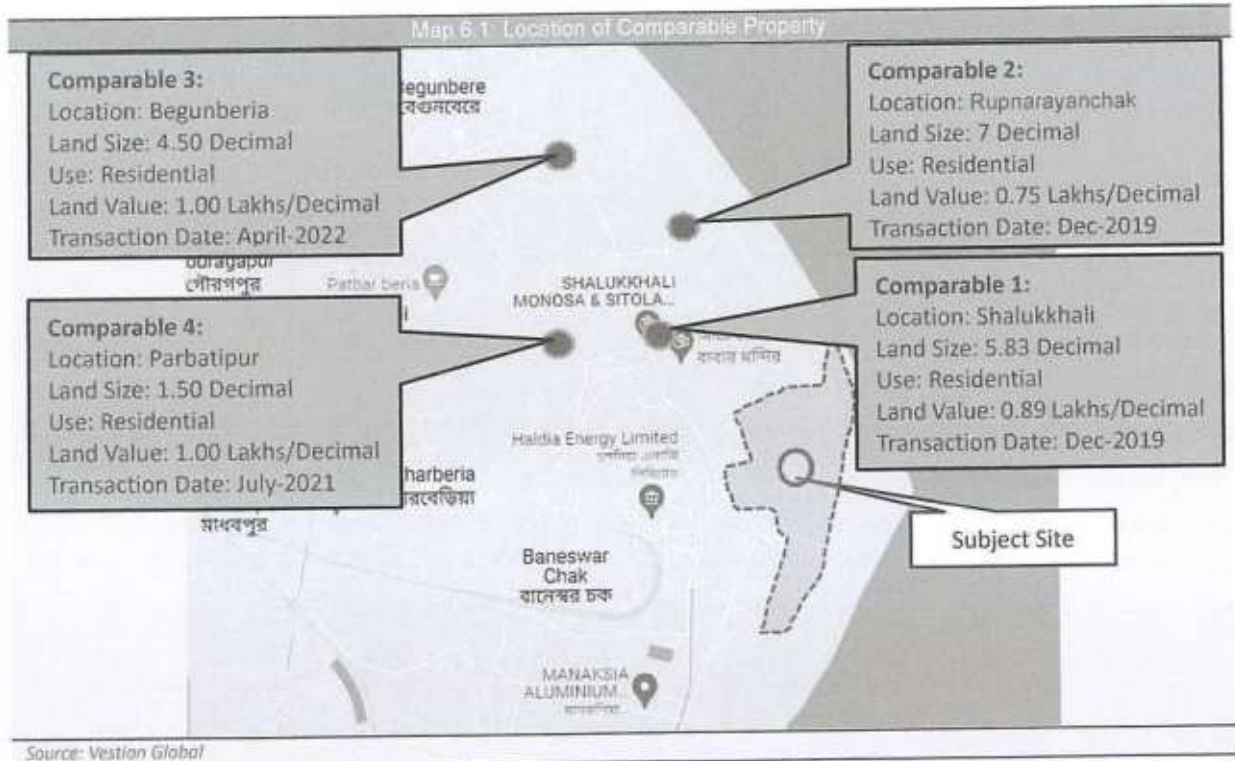
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6 VALUATION ANALYSIS

6.1 Land Comparable Matrix

Based on the market research and information obtained from Sub-registry office; the following table for relevant transacted for land parcels in the mouzas wherein it is located, has been collated.

The subject site is proposed to be used as Dock and Dock related purposes. Typically, the lands within HDC are given to various institution on long term lease for industrial, storage& warehousing purpose and institutional development. We have not seen any evidence of sale of HDC land parcel on freehold basis to any organization in decade. We reviewed land transaction activities in the immediate vicinity of the subject property. The location of different comparable with respect to the subject property is shown in the table below.



Transaction/Listing	Subject Property	Comparable -1	Comparable -2	Comparable -3	Comparable -4
Date of Transaction/Listing		Dec-19	Dec-19	April-22	July-21
Location	Haldia Dock-II	Shalukkhali (LR-00862, Khatian No. 02118)	Rupnarayanchak (LR-00748, Khatian No. 00300)	Begunberia (LR-00626, Khatian No. 02954)	Parbatipur (LR-00464, Khatian No. 00533)
Status	NA	Transacted	Transacted	Transacted	Transacted
Distance from Subject Site (Km.)	NA	1.0	1.0	1.5	1.5
Land Area (Decimal)	16,284	5.83	7.00	4.50	1.50
Land Use	Dock & Dock related	Residential	Residential	Residential	Residential
Current Status	Vacant	Vacant	Vacant	Vacant	Vacant
Total Transacted/Asking Price (INR per Decimal)	NA	89,251	75,000	1,00,000	1,00,000
Adjustments					
Listing Discount		0.00%	0.00%	0.00%	0.00%

Time	3.50%	3.50%	0.00%	2.00%
Size	-6.00%	-6.00%	-6.00%	-6.00%
Location & Access	15.00%	15.00%	15.00%	15.00%
Land Use	17.00%	17.00%	17.00%	17.00%
Ownership	-15.00%	-15.00%	-15.00%	-15.00%
Total Adjustment	14.50%	14.50%	11.00%	14.00%
Adjusted Unit Rates (INR per Decimal)	1,02,192	85,875	1,11,000	1,14,900

Adjustment Factors

Listing Discount: This factor refers to the discounting for negotiation / bargaining between the buyer and seller. In the subject case we have assumed that buyer has no other option except to buy the subject property for their very specific use i.e. expansion of existing industrial operation, the seller will allow marginal space for negotiation.

Time: This factor refers to the discounting/premiums for change in market rental values over a period of time.

Location & Access, Infrastructure: The factor refers to the general accessibility and approach of the comparable to the Subject Property. If the comparable has better approach and accessibility than the Subject Property, it is discounted to bring it at par with the Subject Property. A premium is added to the comparable if its approach and accessibility is inferior to the Subject Property.

The subject land is proposed to be developed as Dock and Dock related facilities including jetties, terminals, storage facilities, allied facilities of cargo evacuation etc. The subject land is meant for Industrial purpose and port related activities for which being situated beside the river is of prime important to integrate vessel handling facilities for cargo movement. The proposed project will include security with better access and infrastructure facilities, storage in terms of open and covered. There are no similar areas exist neither in the vicinity whereinsimilar land comparable may be compared to the subject zones. Hence, we have adjusted these aspects accordingly (considered premium of 15%) while comparing with lands adjacent to the subject site. The factor has been considered as per income tax guideline.

Area: The factor refers to the saleable area of the comparable. If the comparable measures more than the subject property, it is given a premium to bring it at par with the subject property since a bigger property fetches a lower unit price compared to a smaller one. Similarly, if the comparable measures less than the subject property, it is discounted with respect to the subject property.

Land Use: It refers the permissible use of the site. The land price substantially depends on the usage. The land price having industrial usage remains on higher side in comparison to the land having residential usage. The subject site has mostly non-residential use (wherein the occupier must comply with specific industrial usage permissible). We have reviewed the difference of land value between residential and industrial zones within same location from the online portal of Directorate of Registration and Stamp Revenue under Finance Department of West Bengal. The factor varies on an average of 17% depending on locality. We have considered a fixed premium of 17%.

Mouza	Police Station	Per Decimal Land Value		Difference Factor
		Residential (Bastu)	Industry Use	
Jhikurkhali	Durgachak	64,800	75,600	17%
Shalukkhali	Sutahata	85,050	99,225	17%
Rupnarayanpur	Sutahata	38,096	44,446	17%

Ownership: This factor refers the type of ownership attached with the land. The subject site of Haldia Dock-II will be assigned on leasehold right basis for 30 years. Leasehold land parcels are priced lower than the freehold ones. Transaction of leasehold property is very rare and priced lower than freehold property. We have considered a fixed discount factor of 15%. The same factor was considered in SOR of HDC. The details have been given in Appendix V.

After analyzing the transactions of similar property and considering the comparative assessment of the land parcels & adjustment factors we are of the opinion that the subject property could command the below capital value

Estimated Market Value of Land		
Estimated Unit Rates	1,03,200*	INR per Decimal
Add: land premium on account of cost incurred for Bank Protection & Earthen Dyke	24,800**	INR per Decimal
Total Estimated Unit Rate	1,28,000	INR per Decimal
Estimated Unit Rates	1,28,00,000	INR per Acre
Land Area	162.84***	Acre
Total Value	208,43,52,000	INR
Total Value (Round Off)	208,44,00,000	INR

* We have taken average of adjusted unit rates mentioned in the comparable assessment table to estimate unit rate of the subject land parcel.

**Infrastructure development cost being incurred on account of bank protection and earthen dyke, which translate into INR 24,800 per decimal over the subject land parcel. Details may be referred in Appendix-IV

*** Out of 162.84 acres, 112.25 acres has been acquired whereas the remaining 50.59 acres is taken on lease which commenced on 18th November 2010. The lease tenure of 50.59 acres is for 99 years which may be considered as lease in perpetual or equivalent of freehold.

6.2 Direct Comparison Approach Conclusion

The estimated Market Value of 162.84-acre land parcel located at Haldia Dock II Land at JL No. 118, Shaluk Khali, JL No. 117, Rupnarayan Chak, District-Purba Medinipore, West Bengal, as on 12th April 2022 is estimated as INR 208,44,00,000 (Indian Rupee Two Hundred Eight Crore Forty-Four Lakhs Only)

6.3 Suggested Land Value

As per Land Policy Guideline 2014, the land value has been reconciled and suggested as below.

Highest Land Value as per Directorate of Registration and Stamp Revenue (INR/Decimal)	Highest rate of actual transactions registered in last three years (INR/Decimal)	Land Value as per Highest updated realized Tender rate (INR/Decimal)	Estimated Land Value (INR/Decimal)	Suggested Land Value (INR/Decimal)
99,225	1,00,000	NA	1,28,000	1,28,000

6.4 Determination of Annual and Monthly Rent

As per the provision of SOR, annual yield of 6% has been considered while calculating the annual and monthly rent of the subject land parcel of Haldia Dock-II.







Based on estimated value of land and the considered yield for land we have estimated the annual and monthly rent of 100 sq.mt area as below.

Estimated Land Value (in INR/Decimal)	Estimated Land Value (in INR/100 Sq.mt)	Considered Annual Yield	Annual Rent	Monthly Rent
1,28,000	316,299	6%	18,978	1581

Existing SOR as per 2018 per 100 sq. mtrs. per month	Existing updated SOR 2022 per 100 sq. mtrs. per month (considering escalation @2% per annum)-X	Suggested Monthly Market Rent per 100 sq.mts-Y	Multiplier (Y/X)
1,417	1,564	1,581	1.01*

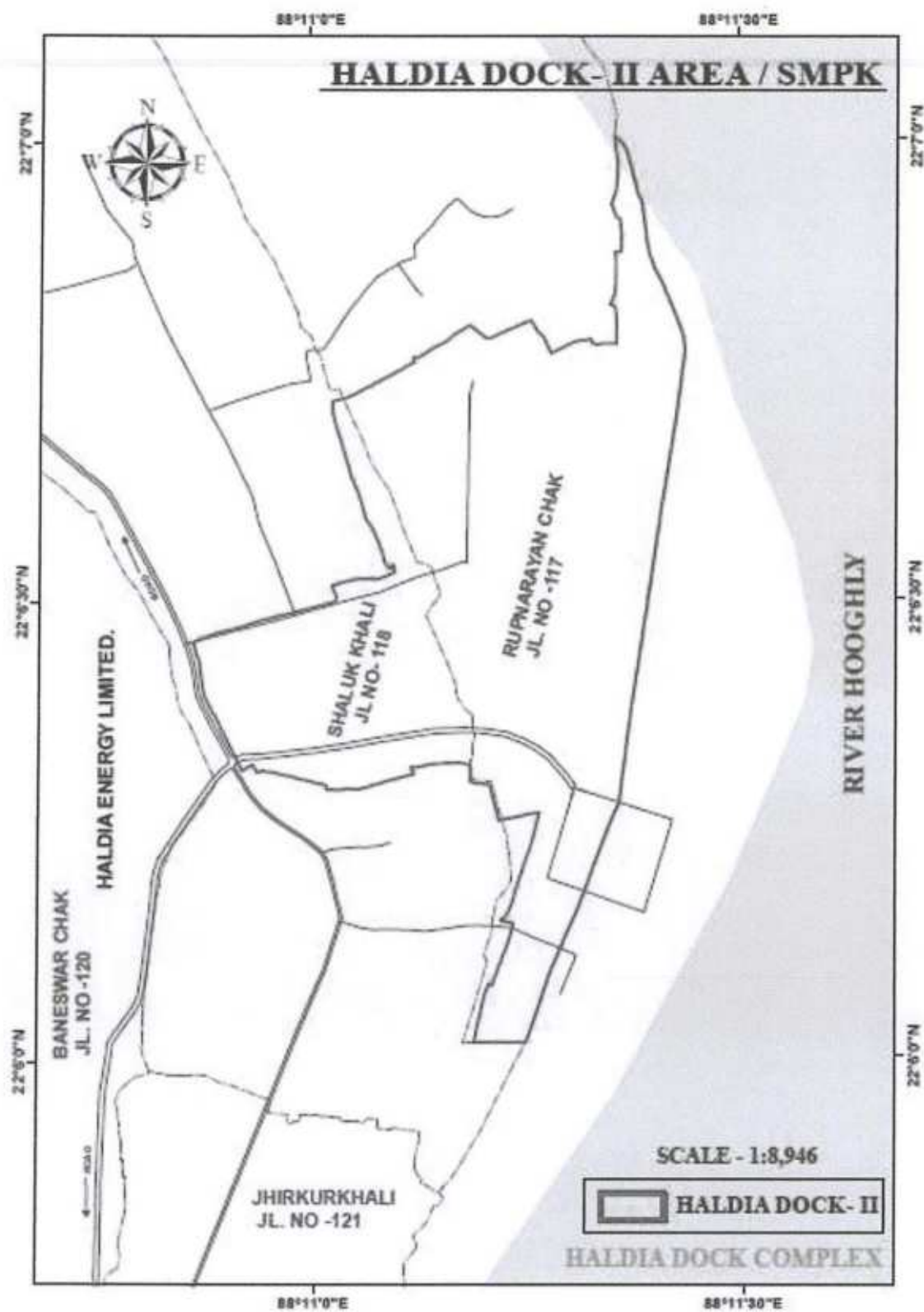
Land price in the subject micro-market has been mostly stagnant in last two years which is primarily due to subdued demand. The overall economic situation has been in rough patches. The current pandemic situation due to COVID-19, impacted the market further with limited transactions. We foresee the situation will not improve in short run.

Appendix I : Snapshots of the Subject Property

Snapshot of Property	
	
Subject Property	Access Road
	
Subject Property	Surrounding Development: Haldia Energy Ltd
	
Subject Property	Subject Property

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Appendix II : Site Layout



Appendix III : Registered Transactions



GOVERNMENT OF WEST BENGAL

OFFICE OF THE ADDITIONAL DISTRICT SUB REGISTRAR
SUTAHATA

P.O. - SUTAHATA :: DIST. - PURBA MEDINIPUR

Phone No. (03224) 282088

Memo No. 70

Date 20/04/2022

To
Sr. Dy. Manager (Admn.)
Haldia Dock Complex
Jawahar Tower
Haldia - 721607

Sub:- Market valuation and determination of monthly and annual
rate of rent of SMP, Kolkata properties at Haldia Dock-II.
Ref No. :- Ad/E/1032/SD/Shalukkhali/VI/118 dated April,13,2022.

Sir,

With reference to the subject noted above the undersigned is supplying the
last 3 years sale data for the Mouzas namely-

1. SHALUKKHALI
2. RUPNARAYANCHAK
3. PARBATIPUR
4. JHIKURKHALI
5. BEGUNABERIA

This is for your kind information and taking necessary action.

Yours faithfully,

ADSR, SUTAHATA, PURBA MEDINIPUR

Addl. Dist. Sub-Registrar
Sutahata, Purba Medinipur

Enclosure: As stated.

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Mouza- Shalukkhali

Dag No	Khatian No	Mouza Name	Dt of Registration	Land Area	Transaction Value	Deed No/Yr
LR-00862	02118	Shalukkhali	01.12.2019	5.83 decimal	5,20,600	I-110609074/2019
LR-00228	00455	"	07.02.2022	1.50 decimal	1,20,000	I-110602429/2022
LR-00862	02591	"	26.12.2020	2.00 decimal	1,78,500	I-110608044/2020
LR-00415	02618	"	10.09.2020	1.19 decimal	83,300	I-110605603/2020

Mouza- Parbatipur

Dag No	Khatian No	Mouza Name	Dt of Registration	Land Area	Transaction Value	Deed No/Yr
LR-00464	00533	Parbatipur	11.07.2021	1.50 decimal	1,50,000	I-110604976/2021
LR-00450	00533	"	10.09.2020	1.89 decimal	1,36,932	I-110604992/2020
LR-00450	00535	"	10.09.2020	4.27 decimal	3,09,148	I-110604994/2020

Mouza- Rupnarayanchak

Dag No	Khatian No	Mouza Name	Dt of Registration	Land Area	Transaction Value	Deed No/Yr
LR-00748	00300	Rupnarayanchak	13.10.2019	7 decimal	5,25,000	I-110608993/2019
LR-01180	01822	"	16.06.2021	5 decimal	2,00,000	I-110604791/2021

Mouza- Begunberia

Dag No	Khatian No	Mouza Name	Dt of Registration	Land Area	Transaction Value	Deed No/Yr
LR-00626	02954	Begunberia	24.04.2022	4.50 decimal	4,50,000	I-110604061/2022
LR-01209	00464	"	21.08.2021	6.00 decimal	5,10,000	I-110606371/2021
LR-01581	02748	"	14.12.2021	2.75 decimal	2,60,400	I-110611243/2021

Mouza- Jhikurkhali

Dag No	Khatian No	Mouza Name	Dt of Registration	Land Area	Transaction Value	Deed No/Yr
LR-00036	01694	Jhikurkhali	24.02.2020	2.00 decimal	1,60,000	I-110601243/2020


 Addl. Dist. Sub-Registrar
 Sutanuhata, Purba Medinipur

Appendix IV : Details of Infrastructure Investment Data and Application on land rate

Few Infrastructure development initiatives have been implemented especially on account of riverbank protection and earthen dyke. As data obtained from HDC, total investment against riverbank protection and earthen dyke is around INR 40.44 Crore has been made.

Infrastructure Cost being incurred	
i) Bank Protection-1 km (INR 7.99 Cr plus 18% GST)	INR 9.43 Cr
ii) Balance Bank Protection -1.5 km (INR 13.19 Cr (inflation adjusted) plus 18% GST)	INR 15.56 Cr
iii) Earthen Dyke (INR 13.09 Cr plus 18% GST)	INR 15.45 Cr
Total	INR 40.44 Cr

We have calculated the impact of this investment over the subject land parcel.

Infrastructure Cost being incurred and Impact on monthly rent and value of land	
Total Land Area (Acre)	162.84
Total Land Area (Sq.mt)	658,989
Total Cost for Bank Protection & Earthen Dyke	404,400,000
Total Cost on per Sq.mt land area	614
Total Cost on per 100 Sq.mt land area	61,367
Considered Yield per annum	6%
Annual Rent	3,682
Monthly Rent	306
Estimated Value (INR/Decimal)-Rounded	24,800

Appendix V : Ownership Adjustment

This factor refers the type of ownership attached with the land. The subject sites within Haldia Dock-II have leasehold right for 30 years. Leasehold land parcels are priced lower than the freehold ones. As leasehold transaction is very limited in the subject region, we have only referred freehold transaction using suitable adjustment factor.

We have referred several research reports of various international organization to derive the factor which may be adjusted while referring the freehold market comparable instances. While the factor depends on the years of tenure and other lease terms, the location of the property has its influence on this. While the international research report covers respective country, we have reviewed the same in Indian context.

Typically, the factor varies between 10 -20% in the region depending on micro-location and demand-supply situation. Further we have referred concept of reversion value of any asset with local condition. Reversion Value is the estimated value of an asset when it is sold at the end of the investment holding period i.e. lease tenure. It further refers the value of property at the expiration of a certain time period. Reversion value is calculated by multiplying **NOI (Annual Rent) with reversion multiplier**. Terminal Capitalization rate (Yield) of series of annual rent cash flow over the period lease term define the reversion multiplier.

Reversion Multiplier Formula: $(1/Yield) * (1 - 1/((1+Yield)^{Lease\ Tenure}))$

Reversion Value: $NOI * \text{Reversion Multiplier Formula}$

Using the following formula, we have estimated the discount factor between freehold value and leasehold value of one cottah of land.

Parameters	Figure
Freehold Land Value (INR/Cottah)	1,000,000
Considered Yield	6.0%
Monthly Rent	5,000
No. of Lease years	30
Reversion Multiplier formula	13.76
NOI (Annual Rent)	60,000
Leasehold Market Value (INR/Cottah)	825,890
Discount Factor	17.41%

The estimated discount remains **17.41%** against 30 years lease terms. It decreases when lease tenure increases and become close to 1% for 90 years lease terms.

We further assessed the difference of NPV of series of fixed annual payments (say rent) with an annual escalation of 2% and considered discount rate of 8%. The below table shows the year wise annual payment series.

Start of Year	Payment
1	1000
2	1020
3	1040
4	1061
5	1082
6	1104
7	1126
8	1149
9	1172
10	1195
11	1219
12	1243
13	1268
14	1294
15	1319
16	1346

J12

17	1373
18	1400
19	1428
20	1457
21	1486
22	1516
23	1546
24	1577
25	1608
26	1641
27	1673
28	1707
29	1741
30	1776
31	1811
32	1848
33	1885
34	1922
35	1961
36	2000
37	2040
38	2081
39	2122
40	2165
41	2208
42	2252
43	2297
44	2343
45	2390
46	2438
47	2487
48	2536
49	2587
50	2639
51	2692
52	2745
53	2800
54	2856
55	2913
56	2972
57	3031
58	3092
59	3154
60	3217
61	3281
62	3347
63	3414
64	3482
65	3551
66	3623
67	3695
68	3769
69	3844
70	3921
71	4000
72	4080

73	4161
74	4244
75	4329
76	4416
77	4504
78	4594
79	4686
80	4780
81	4875
82	4973
83	5072
84	5174
85	5277
86	5383
87	5491
88	5600
89	5712
90	5827
91	5943
92	6062
93	6183
94	6307
95	6433
96	6562
97	6693
98	6827
99	6963

We have calculated the NPV as below.

- NPV for 30 years terms: 13,667
- NPV for 99 years terms: 16,609

$$\text{Difference Factor} = (\text{NPV for 99 years term} - \text{NPV of 30 years terms}) / (\text{NPV of 99 years terms}) * 100\% \\ = 17.71\%$$

In general terms we consider any property having long term lease interest of 99 years can be considered as equivalent to freehold interest. The assessed difference factor in this above example comes around 17.71%.

Based on the above all considerations, we have considered a fixed discount factor of 15% for freehold comparable property to bring it at par with leasehold subject property. Moreover, the considered factor in the current SOR is 15% only.

Appendix VI : Caveats and Assumptions

1. DEFINITIONS

- 1.1 In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:
- 'Confidential Information'** means information that:
- (a) Is by its nature confidential.
 - (b) Is designed by Us as confidential.
 - (c) You know or ought to know is confidential.
 - (d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.
 - (e) You or Your affiliates provide to Us for the purposes of the Services.
- 'Currency Date'** means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.
- 'Fee'** means the amount agreed to be paid for the Services as set out in the Quotation.
- 'Parties'** means You or Us as the context dictates.
- 'Quotation'** means the written quote provided by Us in relation to the Services.
- 'Services'** means the valuation services provided pursuant to these terms and conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.
- 'The Property'** means the assets which are subject of our appointment as your advisor. This may include land, buildings, plant & equipment and other assets as described in the appointment agreement.
- 'We', 'Us', 'Our', 'Vestian'** means Vestian Global Workplace Services Pvt Limited.
- 'You', 'Your', 'Client'** means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.
- 'Professional Property Practice Standards'** refers to RICS Valuation - Professional Standards, or appropriate standards.

2. PERFORMANCE OF SERVICES

- 2.1 We have provided the Services in accordance with:
- a) The Terms and Conditions contained herein; or
 - b) As specifically instructed by You for the purpose of the Services; and
 - c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. CONDITION OF THE PROPERTY

- 3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.
- 3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licenses, permits, certificates, and authorizations have been obtained, except only where otherwise stated.
- 3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.
- 3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.
- 3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.
- 3.6 An internal inspection has been made, unless otherwise stated, no detailed on-site

measurements have been taken.

- 3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.
- 3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.
- 3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.
- 3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property

4. ENVIRONMENT AND PLANNING

- 4.1 We have obtained only verbal town planning information. It is your responsibility to check the accuracy of this information by obtaining a certificate under the appropriate legislation.
- 4.2 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show the site is contaminated, our valuation may require revision.

5. BUILDING AREAS

- 5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards
- 5.2 If you do not provide Us with a survey, We will estimate building areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.
- 5.3 Where such a survey is subsequently produced which differs from the areas estimated then You will refer the valuation back to Us for comment or, where appropriate, amendment

6. OTHER ASSUMPTIONS

- 6.1 Unless otherwise notified by You, we will assume:
 - (a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the title.
 - (b) All licenses and permits can be renewed and We have not made any enquiries in this regard.
- 6.2 Where third-party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors' reports, environmental audits, structural / dilapidation reports), we will rely upon the apparent expertise of such experts / specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.
- 6.3 Our services are provided on the basis that the Client has provided us, to the best of its knowledge, with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.
- 6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.
- 6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.
- 6.6 Our opinion about the market value of the property is free from any influence and/ or point of views of any other parties.

7. ESTIMATED SELLING PRICE

- 7.1 Where you instruct Us to provide an estimated selling price, You agree that the Services:
 - (a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.
 - (b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of title(s) or other enquiries as to encumbrances, restrictions or impediments on title(s); or other investigations which would be required for a formal valuation.

- (c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.
- 7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an estimated selling price.

8. CURRENCY OF VALUATION

- 8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.
- 8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.
- 8.3 Without limiting the generality of 8.2, You should not rely upon Our valuation:
- After the expiry of 3 months from the Currency Date;
 - Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. MARKET PROJECTIONS

- 9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.
- 9.2 Where Our Services include market projections such projections require the depend-ence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.
- 9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.
- 9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. YOUR OBLIGATIONS

- 10.1 You warrant that the instructions and subsequent information supplied by You, to the best of your knowledge, contain a full and frank disclosure of all information that is relevant to Our provision of the Services.
- 10.2 You warrant that all third-party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.
- 10.3 You authorize and license Us to incorporate Your intellectual property within Our report(s).
- 10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it / they had been a party to the original letter of instruction between us. Where we consent to such reliance, you agree to furnish the addressee with a copy of any reliance letter issued by Us and/or a copy of these terms and conditions.
- 10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;
- Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or
 - Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.
 - The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.
- 10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and relying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.

- 10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made for any consequential or punitive damages.
- 10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Vestian Global.
- 10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. CONFIDENTIALITY

- 11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose outlined in Our agreement for internal reference purposes, and/or the purposes as specified in the agreement, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly, neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.
- 11.2 If consent to disclose the Confidential Information is provided by Us, you agree to abide by any additional terms and conditions that We may apply to that disclosure.
- 11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.
- 11.4 Unless otherwise directed in writing by Client, Vestian Global retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. PRIVACY

- 12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organization other than Us.

13. SUBCONTRACTING

- 13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these terms and conditions, with Your consent.

14. LIMITATION OF VESTIAN LIABILITY

- 14.1 To the extent permissible under applicable laws, in no event shall Vestian Global be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.
- 14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (examples being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Vestian Global. Notwithstanding this, Vestian Global reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.
- 14.3 Neither Vestian nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons / judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billings pertain to court preparation, waiting and travel time,

document review and preparation (excludes valuation report) and all meetings related to court testimony.

- 14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.
- 14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.
- 14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error / offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to be held liable for an amount of three times Our contracted fee for the assignment per property.
- 14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.
- 14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, we are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.
- 14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.
- 14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work

15. ENTIRE AGREEMENT

- 15.1 No further agreement, amendment or modification of these terms and conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorized officers.
- 15.2 If there is inconsistency between these terms and conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.
- 15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated.

16. ANTI BRIBERY AND CORRUPTION MEASURES

- 16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.
- 16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets

Vestian Global Workplace Services Pvt. Ltd.

Investment and Consultancy Services
Suite K103, Ambuja Neotia, Eco Centre, 15th
Floor, Block EM, Salt Lake, Sector V, Kolkata,
West Bengal 700091
Tel: 91 33 4080 3100

Annex-VReport of the Constituted Committee for revision of Schedule of Rent for land of Syama Prasad Mookerjee Port, Kolkata (SMPK) at Haldia Dock-II

Date :10.08.2022 and 29.08.2022

Committee Members

- | | |
|---|---------------|
| 1. Shri A.K. Mehera, Dy. Chairman, HDC | : Chairperson |
| 2. Shri A Ganesan, General Manager (Engineering), HDC | : Member |
| 3. Shri Abhay Kumar Mahapatra, General Manager (Traffic), HDC | : Member |
| 4. Shri P.K. Das, General Manager (M&S), HDC | : Member |
| 5. Shri Abhijit Gupta, General Manager (Finance), HDC | : Member |

1. Tariff Authority for Major Ports (TAMP) vide Gazette No. 249 dated 03.07.2018 had notified the Schedule of Rent (SoR) for land of SMPK at Haldia Dock-II (HD-II) for a period of 05 years with retrospective effect from 13.04.2017 under the relevant provision of MPT Act, 1963 and amendment thereof (copy at Appendix-I). Validity of the said SoR for Haldia Dock-II has expired on 12.04.2022.
2. The Major Port Trust Act 1963 has since been repealed and replaced by The Major Port Authorities Act, 2021, provisions of which have come into force from 3rd November, 2021.

Also, the Major Port Authorities (Fixation & Implementation of Scale of Rates, Fees and Conditions) Rules, 2021 notified vide GSR No. 824(E) dated 22.11.2021 has prescribed the Rules with respect to framing of the SoR and conditionalities thereof.

3. As per Section-27 Sub-Section-1(b) of The Major Port Authorities Act, 2021, the Board of each Major Port Authority or the Committee or the Committees constituted in this behalf by the Board in accordance with Section-14, may, frame Scale of Rates at which, and the statement or conditions under which, the access to and usage of the port assets may be allowed by the Board.
4. Further, in terms of provision of Section 27 of The Major Port Authorities Act, 2021 and Section 4 of the Major Port Authorities (Fixation & Implementation of Scale of Rates, Fees and Conditions) Rules, 2021, SMPK Board constituted the Committee comprising the aforementioned members for framing of Scale of Rates at which and the Statement of conditions under which the access to usage of the port assets may be allowed by the Board.
5. For the purpose of revision of Schedule of Rent for land of SMPK at Haldia Dock-II, M/s. Vestian Global Workforce Services Pvt. Ltd. has been engaged on 06.04.2022 for undertaking market valuation and determination of rent for the land concerned to formulate the revised Schedule of Rent and charges along with conditionalities thereof. The same area of land at Haldia Dock-II as covered in last SoR notified by TAMP vide Gazette of India No. 249 dated 03.07.2018 has been considered for the purpose of present valuation and revision of SoR for Haldia Dock-II.
6. Considering HDC/SMPK was processing for revision of the SoR of Haldia Dock-II, SMPK Board vide Reso. No. R/78/HDC/ADMN/3/04/2022 dated 28.04.2022 approved for extension of the validity of the existing SoR for land of SMPK at HD-II for a period of 6

months w.e.f. 13.04.2022 to 12.10.2022 or till the effective date of implementation of revised SoR to be framed by the Board, whichever is earlier along with enhancement of the rates of existing SoR by 2% w.e.f. 13.04.2022 as per provision of existing SoR. It was further resolved that SoR for land of SMPK at HDC-II should ultimately be merged with the main Schedule of Rent for SMPK land & structures (copy at Appendix-II).

7. The Valuer engaged by SMPK submitted the Valuation Report with the suggested rate of rent for the Land of SMPK at Haldia Dock-II on 14.06.2022. Presentation on the Report so submitted was made by M/s Vestian Global Workforce Services Pvt. Ltd. before the constituted Committee during meeting of the Committee held on 10.08.2022. Based on the observations of the members and further inputs provided thereof, the Valuer has submitted the final Report on 26.08.2022. [Copy at Appendix-III].
8. Provisions for framing of SoR as per Major Port Authorities Act, 2021 are as under:
 - Section-27 of The Major Port Authorities Act, 2021 contains provisions regarding framing of SoR. [Extract at Appendix-IV]
 - Sections- 3 to 11 of The Major Port Authorities [Fixation & Implementation of Scale of Rates, Fees and Conditions] Rules 2021 [Extract at Appendix-V] stipulates the rules and methodology for framing of SoR & related aspects.
9. Relevant provisions in the Traffic Policy for Major Port Authorities Act, 2021 (after the MPA Act 2021 comes into force) are as under:
 - Clause - 4 : Procedure of Fixing the SoR :-
 - 4.1 The draft SoR, along with conditionalities governing them, for services rendered or facilities provided or for access to and usage of the port assets and Performance Standards shall be formulated by the Board of Major Port Authority or by Committee (s) so constituted by the Board of the Major Port Authority, in accordance with this Policy as amended from time to time.
 - 4.2 The Board of Major Port Authority or the Committee(s) so constituted by the Board while drawing the SoR may draw a comparison of the major tariff items for their ports and ascertain itself that the proposed tariff is comparable and competitive with neighbouring and competing ports.
 - 4.3 After obtaining approval of its Board, the Major Port Authority shall host the proposal, draft SoR along with the proposed Performance Standards and the cost formats in its website and invite comments of relevant stakeholders/users to be submitted within 15 days time.
 - 4.4 The Major Port Authority will also circulate the tariff proposal to the relevant stakeholders/users/user associations for their comments within 15 days.
 - 4.5 In case of receipt of objections from the users, Port Authority shall give an opportunity of hearing to the relevant stakeholders/users/user associations of the port, hearing/s on the matter or proposal shall be organized at the Office of the concerned Major Port

Authority. In case no objections are raised by users on the proposal, the port authority may not organize any hearing of users.

4.6 The committee so constituted shall finalize the draft SoR hosted on the website with or without any modification. In both the cases, the Scale of Rates and / or tariff finalized by the Committee shall be placed for seeking approval of the Board of the Major Port Authority.

4.7 Port Authority shall notify the SOR along with Performance Standards proposed by the Major Port authority within 75 days from the date of hosting the proposed SOR in its website. The revised Scale of Rates, amendments, corrigendum, new tariff item etc., approved by the Board of the Major Port Authority, shall be notified by the Major Port Authority in the State Gazette and the same shall also be hosted on the web site of the port and intimated to the concerned stake holders in writing / or by electronic mode.

4.8 SOR shall come into effect after expiry of 30 days from the date of notification in the State Gazette by the Major Port Authority.

- Clause-7.5: As regards Scale of Rates for Land and structures, the provisions prescribed for fixation of Scale of Rates under the Land Policy Guidelines issued by the Government from time to time shall apply.

10. Provisions as per prevailing Land Policy - Clarification Circular (Land Management) No.1 of 2019-20 circulated by MoPSW letter No. PD-13017/2/2014-PD.IV dated 29.04.2019 and letter No. PD-13017/2/2014-PD.IV(PD.III) dated 27.01.2021, inter alia contains as follows pertaining to Market value of land and SoR (Clause-13):-

a) Land Allotment Committee may normally take into account the highest of the factors mentioned herein below to determine the latest market value of Port land. In case the land allotment Committee is not choosing the highest factor, the reasons for the same have to be recorded in writing.

i) State Government's ready reckoner of land values in the area, if available for similar classification/activities.

ii) Highest rate of actual relevant transactions registered in last three years in the Port's vicinity (the vicinity of the Port is to be decided by the respective Port Trust Boards), with an appropriate annual escalation rate to be approved by the Port Trust Board.

iii) Highest accepted tender-cum-auction rate of port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board.

iv) Rate arrived at by an approved Valuer appointed for the purpose by the port.

v) Any other relevant factor as may be identified by the Port.

b) The Land Allotment Committee shall, while recommending the latest Market Value for any land would normally take into account the highest of the factors mentioned in Para 13(a) above. Reserve Price in terms of the annual lease rent would be latest SoR determined in accordance with Para 13(a) and 13(c) and would in no case be less than 6% of the latest market value recommended by the Port Trust.

c)The Port Trust Board will fix a rate of annual escalation which would not be less than 2% . SoR would be re-fixed once in every 5 years by TAMP.

11. As Dy. Chairman, HDC and all the HODs constituting the Land Allotment Committee at HDC are Chairperson/ Members of the Committee constituted by Board for determination of the SoR in terms of the MPA Act, 2021 and Rules thereof, the proposal for revision of SoR is not being separately dealt by the Land Allotment Committee.

12. Process of Valuation: The Committee noted that the Valuer has considered the following factors for determining the market value of land concerned in compliance with prevailing Land Policy Guidelines:

i) State Government's ready reckoner if Land values in the area if available for similar classification/activities.

In this regard, Valuer has submitted that unlike other adjacent States, no ready reckoner is available in West Bengal. However, Directorate of Registration and Stamp Revenue under Finance Dept. of West Bengal, has implemented an online portal of market value of property for assessment of stamp duty and registration fees. Such value for concerned Mouzas of Haldia Dock-II (comprising Mouzas Shalukkhali and Rupnarayanchak) have been considered as a Govt. Guideline Value.

ii) Actual relevant transaction registered in last 3 years in the Port's vicinity-

Relevant land transaction instances registered in Sutahata Sub-Registry office during the period of 2019-22 in the vicinity of Haldia Dock-II viz. at Mouzas Shalukkhali, Rupnarayanchak, Parbatipur, Begunberia & Jhikurkhali have been considered.

iii) Highest accepted tender-cum-auction rate of Port land for similar transactions-

No successful Tender-cum-auction has taken place for the land concerned in the last more than 10 years and hence not considered.

iv) Rate arrived by Valuer-

Estimation of the market value of the land has been done by the Valuer through Direct Sales Comparison Approach for land at Haldia Dock-II with adjustments based on size, land use, ownership, location and access, time, etc. The Committee also noted that the Valuer has factored in the investments already done and estimated for bank protection work, dyke creation etc. while considering the various adjustments factors to estimate the market value of land concerned.

13. Suggested land value : The Committee noted that the Valuer has determined the value of SMPK's land at Haldia Dock-II taking into account the highest of the factors mentioned under Para-12 of this proposal, in line with the prevailing Land Policy Guidelines.

In terms of the above, the value of the SMPK's land at Haldia Dock-II as determined by the Valuer is Rs.1,28,000/- per decimal.

14. The Annual rent for the land has been calculated by taking yield of 6% of the market value of the land in line with the prevailing Land Policy Guidelines.

Deliberations and Recommendations of Committee :

- i) The Committee has examined the Valuation Report submitted by the Valuer. The Committee noted that the Valuer has assessed the land value for Haldia Dock-II in compliance with the provisions of prevailing Land Policy Guidelines, as follows: -

Subject property	Highest Land value as per Directorate of Registration and Stamp Revenue (in INR/Decimal)	Highest rate of actual transactions registered in last three years (in INR/decimal)	Land value as per highest tender rate per decimal	Estimated land value/decimal by Valuer	Suggested land value per Decimal
Land under Haldia Dock-II	99,225/- (Shalukkhali)	1,00,000/- (Parbatipur, Begunberia)	Not applicable	1,28,000/-	1,28,000/-

- ii) The Committee also noted that the Valuer has considered the highest of the land values as mentioned in the above table for the purpose of estimating the Schedule Rent in line with prevailing Land Policy Guidelines.
- iii) The Committee also noted that the yield for fixation of rent as suggested by the Valuer (i.e. 6%) is in conformity with the prevailing Land Policy Guidelines and also as per the earlier approval of TAMP in respect of the current Rent Schedule for the land of SMPK under Haldia Dock-II.
- iv) Based on the above, the Valuer has estimated the annual and monthly rent as below:

Estimated Land Value (in INR/Decimal)	Estimated value (in INR/100 sq. mtr.)	Considered Annual Yield	Annual Rent (in INR per 100 sq. mtrs.)	Monthly Rent (in INR per 100 sq. mtrs. per month)
1,28,000/-	3,16,299/-	6%	18,978/-	1581/-

The Committee also observed that the monthly rent per 100 sq. mtrs. months derived is only 1% higher than the existing SoR rate with escalation of 2% per annum as detailed below:-

TAMP approved SoR of 2018 as on 12.04.2017 (INR per 100 sq. mtrs. per month)	Existing updated SoR 2022 considering escalation @2% per annum (INR per 100 sq. mtrs. per month)-X	Suggested monthly rent INR per 100 sq. mtrs-Y	Multiplier (Y/X)
1,417/-	1,564/-	1,581/-	1.01

- v) With respect to the Statement of Conditions of the proposed revised SoR, the Valuer has submitted that the SoR conditionalities for the land for Haldia Dock-II may be the same as considered for the proposed revised SoR for main SMPK land at Haldia Dock Complex (HD-I) & no new conditionalities have been proposed.

The Committee noted that the provisions contained under Annexure-VI of Committee Report dated 26.05.2022 & 13.07.2022 as considered for the proposed revised SoR for SMPK land and buildings at Haldia Dock Complex (HD-I) [for other than licensing of land/buildings inside Dock Interior Zone for storage of import/export cargo] covers all the conditionalities as prevailing in the existing SoR of Haldia Dock-II and therefore the same may be adopted for Haldia Dock-II.

The Committee further noted that in terms of Board Reso No. R/78/HDC/ADMN/3/04/2022 dated 28.04.2022, the SoR for land of SMPK at Haldia Dock-II should ultimately be merged with the main Schedule of Rent for land and buildings of SMPK at Haldia Dock Complex (HD-I).

In view of the above, the Committee opined that the provisions contained under Annexure-VI of Committee Report dated 26.05.2022 & 13.07.2022 as considered for the proposed revised SoR for SMPK land and buildings at Haldia Dock Complex (HD-I) [for other than licensing of land/buildings inside Dock Interior Zone for storage of import/export cargo] [which is presently being placed before Board for consideration & final approval] may be made applicable mutatis mutandis for the land at Haldia Dock-II.

- vi) Further, the prevailing Land Policy Guidelines [Clause-13(c) of the Clarification Circular (Land Management) NO. 1 of 2019-20 issued by the Government of India, Ministry of Shipping (Ports Wing) vide No. PD013017/2/2014-PD. IV dated 29.04.2019], inter alia contains that the SoR would be re-fixed once in every 5 years.

In this regard, the Committee noted that the last SoR for SMPK land at Haldia Dock-II notified by TAMP was effective from 13.04.2017 for 5 years i.e. upto 12.04.2022. Subsequently, Board has extended the validity of the SoR for further period upto 12.10.2022 or till the effective date of implementation of the revised SoR to be fixed by the Board, whichever is earlier.


In the premises, for the reason of proposed merging of two SoRs (for main SMPK land at HDC [HD - I] as well as Haldia Dock - II), the validity of SoR for HDC Dock - II may also be upto 06.04.2026 i.e. the already considered validity for the SoR of main SMPK land & structures at HDC (other than Haldia Dock-II).

15. After detailed deliberations and taking all the above into account, the Committee recommended the following:

- i) The Valuation Report submitted by M/s Vestian Global Workforce Services Pvt. Ltd. (the Valuer) for the land under Haldia Dock -II at Appendix-III may be accepted.
- ii) The proposed SoR rate for land of SMPK under Haldia Dock-II of Rs.1581/- per 100 sq. mtrs. per month may be approved.

Further, it may also be approved that the provisions contained under Annexure-VI of Committee Report dated 26.05.2022 & 13.07.2022 as considered for the proposed revised SoR for SMPK land and buildings at Haldia Dock Complex (HD-I) [for other than licensing of land/buildings inside Dock Interior Zone for storage of import/export cargo] [which is presently being placed before Board for consideration & final approval] may be made applicable mutatis mutandis for the land at Haldia Dock-II.


- iii) The proposed SoR for land of SMPK under Haldia Dock-II may be ultimately merged and incorporated in the proposed SoR for land & structures of SMPK at Haldia Dock Complex (HD-I).
- iv) The Valuation Report and proposed SoR for land of SMPK under Haldia Dock-II as recommended by the Committee may be placed before the Board for its consideration & approval for further uploading in the websites, intimation to the stakeholders and obtaining views / observations from the stakeholders.


(A. K. Mahapatra)
General Manager
(Traffic)


(A. Ganesan)
General Manager
(Engineering)


(A. Gupta)
General Manager
(Finance)


(P. K. Das)
General Manager
(M&S)


(A. K. Mehera)
Deputy Chairman

**Rent for Land and Buildings of Syama Prasad Mookerjee Port,
Kolkata at Haldia Dock Complex (other than licensing of land / buildings
Inside Dock Interior Zone for storage of import/export cargo)**

I. LANDS:

Sl No.	Description Land	Rent per 100 sq. mtrs. per month.
a)	Residential Zone	Rs.1829/-
b)	Industrial Zone	Rs. 1233/-
c)	i) Dock Interior Zone - Bare Land ii) Dock Interior Zone Hard Stand	Rs. 3002/- Rs. 4666/-
d)	Proposed Dock Interior Zone	Rs. 2334/-
e)	i) Dock Zone -Bare Land ii) Dock Zone-Hard Stand	Rs. 1752/- Rs. 3415/-
f)	i) Commercial Zone for Offices, Banks, Workshops, Repair Shops, cold storages. ii) Commercial Zone for Shops, Markets, Nursing Homes, Medical Clinics, Hotels & Restaurants (without Bar), Service Stations, Repair Shops (Automobile) Weighbridge iii) Commercial Zone for Cinema House, Hotel & Restaurant (with Bar) etc.	Rs.3599/- Rs. 4799/- Rs. 4895/-
g)	Kukrahati	Rs. 581/-
h)	Panskura	Rs. 593/-

NOTE: 1) If land is taken in a Zone other than Commercial Zone for the purposes as mentioned in (f)- (i), (ii), (iii) above, 50% of the difference in rent between that applicable for the respective zone and Commercial Zone depending upon the usage, shall be charged extra over the land rent for the respective zone as per approved Rent Schedule.

2) In the event of utilization of land for mixed purpose i.e. office-cum-residential, the rent chargeable shall be simple average of applicable rents for the specific usage.

II. BUILDINGS:

Sl No.	Zone, Location and other description	Rent per sq. mtr. per month.
a.	Pucca Roofed Structure	
	i) Residential Zone ii) Industrial Zone iii) Dock Interior Zone iv) Dock Zone v) Commercial Zone*	Rs. 96.23 Rs. 88.32 Rs. 106.18 Rs. 108.18 Rs. 121.70
b.	AC/CI Roofed Structure	
	i) Residential Zone ii) Industrial Zone iii) Dock Interior Zone iv) Dock Zone v) Commercial Zone* vi) Kukrahati	Rs. 70.95 Rs. 69.82 Rs. 82.21 Rs. 80.05 Rs. 98.93 Rs. 69.82
c.	Tower Building	Rs. 160.32
d.	Quarters/Dormitories	
	(i) Dormitories (Pacca Roofed)	Rs. 115.00
	(ii) "A" Type quarters	Rs. 139.00
	(iii) Modified "A" type quarters	Rs. 138.00
	(iv) "B" type quarters	Rs. 138.00
	(v) Modified "B" type quarters	Rs. 138.00
	(vi) "C" type quarters	Rs. 144.81
	(vii) "D" Type quarters	Rs. 180.03
	(viii) Officers Hostel	Rs. 141.00
e.	Market for perishable good	Rs. 71.36
f.	Retail Market	Rs. 86.83
g.	Shopping Centres at Durgachak	Rs. 69.91
h.	Shopping Centres at Chiranjibpur	Rs. 71.36
i.	Township market opposite to Makhan Babur Bazar	Rs. 49.55
j.	Township market Centre (near Helipad ground)	Rs. 69.82
k.	Goomties	Rs. 86.83

III. OTHER FEES

Sl. No.	Description	Rates
1.	Permission Fee (To be levied per day or part thereof)	
	i) For holding function on land for area occupied up to 40 sq. mtrs	Rs. 1150

	ii) If above occupation continues beyond 3 days	Rs. 1700
	iii) For holding function on land for area occupied above 40 sq. mtrs.	Rs. 1700
	iv) If above occupation continues beyond 3 days	Rs. 2260
2.	Rate of Rent/License Fee for the water bodies/water areas	50% of the corresponding rate of rent for the abutting land area
3.	Rate of License Fee for erection of hoarding on HDC land (To be levied per calendar year or part thereof)	
	i) For hoarding upto a maximum size of 10 sq. mtrs.	Rs. 3400/-
	ii) For hoarding of size above 10 Sq. mtrs.	Rs. 5635/-
4.	Way-Leave Permission	
	For laying pipelines carrying Crude Oil, POL Products and other liquid Cargo over or under the ground, telegraph cables, OFC lines, electric cables, telegraph lines etc., fees will be charged as follows: For the purpose of way leave charges, the area occupied by single pipelines shall be calculated based on the diameter and length of those pipelines. In case of multi-layer pipeline stacks, the physical area occupied by the multilayer pipeline stacks shall be considered and the respective users should be billed for pro-rata area on the basis of the diameter and length of their pipelines passing through that area. With respect to the area shared with road, rails, jetties, etc., the respective users shall be billed pro-rata for 50% of the concerned area assuming that they do not have exclusive possession of land and what they have is only 'Right of Way'. As far as underground pipes are concerned if the users establish that the possession of surface area above the underground cross-country pipelines is not physically with them, the area occupied by such pipelines shall be counted 50% of the product of diameter and length, for the purpose of levy of way leave charges. However, where there is a specific Central Act/Statute which govern such Right of Way permission, the provisions under the said Central Act/Statute shall override these guidelines. A case in point is the specific permission for Right of Way under the Indian Telegraph Act, 1885 and the Indian Telegraph Right of Way Rules 2016.	

	<p>For allowing overhead conveyors and high voltage transmission lines and electricity transmission towers, way-leave permission fee will be charged on the basis of the scheduled rent for the area coming in the alignment of the structure.</p> <p>For essential public utility lines where beneficiary is port or other statutory / local bodies , wayleave permission fees @ Rs 2252.33 per calendar year or part thereof may be recovered (arrived at by 2% escalation of current SoR).</p> <p>For laying of underground cables like optical fiber cable (OFCs), telephone cables, electric cables etc., having diameter up to 100 mm, area shall be calculated considering the minimum diameter 100 mm. For laying of underground cables having diameter more than 100 mm, area shall be calculated considering the actual diameter.</p>	
5.	For Durgachak Mini Market, license fee (per month per plot measuring about 13.936 sq. mtrs.)	Rs. 800/-
6.	Recovery of Hawker charges	
	For Bare Chatal	Rs. 2.50 per day per hawker
	For Hardstand Chatal	Rs. 2.50 per sq. meter per day per hawker
7.	Fees for Helipad Space (per day or part thereof per helipad)	Rs. 15,000/-
8.	Permission fee for construction/installation of microwave tower, antenna etc on land/building will be charged	Rs.34,000/- per 100 sqm. per month, subject to minimum Rs. 17,000 per location per month or part thereof
9.	Processing Fee: Processing fee (excluding applicable taxes) for scrutiny of proposals of new construction and addition/alteration of existing approved structures (except way leave related cases) on leasehold premises only. However, the following structures will be exempted from payment of the said processing fees-septic tank, water reservoir, cycle stand, pump room, Generator room, Bus stand and school.	Rs.5700 per proposal
10.	Lease Deed form and preparation cost	Rs.5700/- Per lease

11.	Re-survey Fee: (to be recovered from the lessee requiring re-demarcation of the plot after handing over possession of the land concerned)	
	i) Resurvey fee for the first acre or part thereof	Rs.5700/-
	ii) Resurvey fee for the land area beyond one acre	Rs.1200 per acre or part thereof

NOTES:

For allotment of land / building (other than licensing of land / building inside Dock Interior Zone for storage of import/export cargo)

I. LEASE

1. Lease of land /buildings shall be granted by inviting tender-cum-auction methodology through a competitive bidding process over and above the reserve price of such plots, which shall be the updated SoR notified by the Competent Authority, save and except in the following cases:
 - (i) For establishment of common utilities by local bodies like sewage plant, Government Schools and colleges and hospitals, bus terminus, cremation ground, water treatment plant etc. land can be allotted by the Port Trust on nomination basis provided, allotment is in the interest of the Port. The land allotted to such entities is to be used exclusively for the purpose for which it has been allotted and under no circumstance, the usage can be changed. No transfer/sub-letting of such lease will be permitted. Concession up to 75% on the annual lease rent arrived at on the basis of updated SoR may be granted to government schools and colleges. Concession in lease rent can be provided by the Port's Board as provided under para (iv) below for establishment of common utilities by local bodies like sewage plant, hospitals, bus terminus, cremation ground, water treatment plant etc. provided, they are in accordance with approved master plan of the city and the land is not required for the Port's own use.
 - (ii) Land can also be allotted on nomination basis to Government Departments, Statutory Local Bodies, Statutory Authorities/Autonomous Organizations under State/ Central Ministries, Central Public Sector Undertakings (CPSUs), State Public Sector Undertakings (SPSUs) and security agencies like State Police, CISF, Coast Guard and Navy, subject to the availability of land and on the basis of updated SoR.
 - (iii) In cases where any CPSU/SPSU/Statutory Authority enters into Joint Ventures (JV) with private party/parties and the said CPSU/SPSU/Statutory Authority

is the lead promoter and has the largest share-holding in the said JV, Port's Board may decide to allot land to them also on nomination basis with the approval of the Port's Board after incorporating appropriate safeguards provided:

- a. Before allotment, JV is formed.
 - b. The lead promoter (i.e. CPSU/SPSU /Statutory Authority, etc.) is to continue as lead promoter with more than 50% share till the expiry of lease.
 - c. If the share of lead promoter becomes equal to or less than 50% of the total share, it will be treated as a breach.
- (iv) Concession may be granted to security agencies and Government Departments only up to 50% of the annual lease rent. However, in respect of land to be allotted to Government departments which are essential to the functioning of the Port like Customs, electricity department, health department and for core security functions, concession up to 75% of the annual lease rental may be considered by the port. But such concession may be given for only small extent of land required for core operational purposes imperative for Port functioning and not otherwise. The issue of granting concession and the quantum may be decided on a case-to-case basis by the Port's Board, after recording the reasons in writing.

2. Period of Lease:

Leases may be granted upto a maximum cumulative period of 30 years by the Port's Board. Leases beyond 30 years for capital intensive investment like tank farms, refineries etc. may also be granted with the approval of the Central Govt.

3. Renewal of leases will be governed by the prevailing Land Policy Guidelines.

4. Methodology of granting leases through nomination: -

- a. The land may be leased by the port on nomination basis either on (i) Upfront basis on payment of one-time upfront amount for the entire lease period and a nominal lease rent of Re 1/- per sq. mtr. per year for the currency of the leased period or (ii) on Premium (annual rent basis).
- b. For land leased out on nomination on upfront basis, the upfront rent shall be calculated on the basis of Net Present Value (NPV) of annual lease rentals for the entire period of lease escalating the applicable rent as per prevailing SoR, annually by 2% and discounting annually by the rate of the longest-term G-sec rate as per the RBI Bulletin at the time of issuance of offer. In addition, Re. 1/- per sq. mtr. per year shall be charged as nominal annual rent every year or part thereof, during the entire period of lease. GST etc. as applicable shall be payable extra.
- c. For land leased out on nomination on annual lease rent basis, annual lease rent for the 1st year will be calculated based on the updated SoR. From the 2nd

year onwards, the rate of rent will be escalated in terms of provision under item-(III) (1) (ii) of this NOTES, based on which the annual rents will be calculated.

5. Methodology of granting leases other than through nomination

- a. The land may be leased by the port through tender-cum-auction either (i) on upfront basis on payment of one time upfront amount for the entire lease period and a nominal lease rent of Re 1/- per sq. meter per year for the currency of the lease period or (ii) on premium (annual lease rent) basis.
- b. For leases granted through tender cum auction methodology on upfront payment basis, upfront rent will be calculated on the basis of the Net Present Value (NPV) of annual lease rentals (at the quoted and accepted rate of rent) for the entire period of lease, escalating the applicable rent annually by 2% and discounting annually by the rate of the longest-term G-Sec rate as per the RBI Bulletin at the time of issuance of tender. In addition, a nominal lease rent of Re 1/- per sq. mtr. per year shall be charged as nominal annual rent every year or part thereof, during the entire period of lease.
- c. For leases granted through tender cum auction methodology on Premium (Annual lease rent) basis, Annual lease rent for the 1st year will be computed based on the highest accepted quoted amount towards land rent. In addition, GST etc. as applicable shall be payable. From the 2nd year onwards, the rate of rent will be escalated in terms of provision under item -(III) (1)(ii) of this NOTES, based on which the annual rents will be calculated.

Note: In both the cases as at item 5a & 5b above, the bidders will have to quote upfront payment / annual lease rent rates over & above the reserve price which shall be the updated SoR notified by the Competent Authority.

6. Transfer of leases

The lessee may be allowed to transfer the lease as per extant laws after obtaining prior approval of the SMPK Board provided transferee takes over all the liabilities of the original lessee/allottee. Such transfer shall be for the remaining duration of the lease and in accordance with the Land Use Plan of the Port. Before allowing such transfer, the SMPK shall recover-

(i) In case of leases granted on upfront basis

In case of those lands which were originally given on lease on upfront rental basis, the transfer as per the extant laws may be allowed subject to the transferee agreeing to pay the following:

- (a) An undertaking for payment of the upfront rental as calculated on pro-rata basis for the balance period; and
- (b) A fee equal to 50% of the pro-rata upfront rental payable up to the time of transfer.

(ii) In case of leases granted on annual lease rent basis transfer may be allowed subject to

- (a) An undertaking for payment of the annual lease rental for the balance period; and
- (b) A fee equivalent to 50% of the total lease rent payable by the original lessee upto the time of transfer
- (iii) Transfer of lease shall not be permitted where land was initially been allotted on nomination basis or at concessional rates of lease rent.
- (iv) In respect of cases where the transferors extract premium on the transfer of the lease, 50% of such premium is to be paid to SMPK.

7. Mortgage

SMPK will grant NOC for mortgaging of lease hold interest only in favour of reputed financial institutions / scheduled banks subject to SMPK retaining the first charge on them and recovery of fee as will be decided by the Board and other terms & conditions as per provisions of Land Policy Guidelines prevailing from time to time and directives of Central Government in the matter as applicable.

8. Sub-lease/ Subletting:

- (i) In case of all future long-term leases, existing leases where subletting has been prohibited explicitly & leases granted after 2014, no subletting will be allowed.
- (ii) The existing lease holder [other than cases referred under (i) above] may be allowed to sublet/partially sublet the leased premises from a prospective date to another party for the same purpose for which it was originally allotted, provided, the lease deed has enabling provision for the same. Also, purpose of such subletting shall be in accordance with the Land Use Plan and before allowing this, the Port shall recover 50% of the rent charged by the lessee from the sub-lessee or 50% of the updated SoR, whichever is higher, for the entire period of sub-lease, irrespective of the fact whether land was originally allotted on upfront basis or annual rental basis. It is clarified that the original lessee would continue to remain responsible for payment of lease rent and for adherence to the terms and conditions of the lease. It is further clarified that leased premises shall also include structures built on leased land for the purpose of recovering of subletting fees. Exemption from collecting subletting fees may be given in case of FTZ, SEZ, Multi Modal Logistic Parks, Mega Food Parks, Free Trade Warehousing Zones, etc. wherein the business model is based on subletting only. The issue of whether the business model is based on the subletting or no may be decided by the Board.
- (iii) No subletting will be allowed for leases granted on nomination basis.

9. Surrender of lease:

Leased land may be surrendered to SMPK any time after 2 years from commencement of lease unless otherwise anything to the contrary is mentioned in the covenants of the lease. For any surrender of lease, at least 6 (six) months' notices

will be required. If any lessee wants to surrender within first 2 years of commencement of lease, he will have to pay lease rent for 2 years. In case of surrender, the lessee will get refund of upfront rent paid for the unutilized portion of the lease, as per the following formula: -

The difference of

- NPV of original lease period and
- NPV of the enjoyed years of lease, calculated at the same base rate of rent and same G- Sec rate, as considered for calculation of NPV for the original lease period, at the time of allotment.

10. Change of use of leased land:

Change of use of leased land may be permitted on receipt of prior application, in case such change is in conformity with the Land Use Plan and the lease covenants and subject to payment of -

- i) Higher rate of rent for the new usage as per extant updated SoR, w.e.f. the date of change of purpose i.e. w.e.f. the date of issuance of permission letter or change of purpose actually started whichever is earlier (In case the existing rate is higher than the proposed rate of New Purpose, the existing rate will continue with annual escalation rent revision etc. as per lease covenants) and
- ii) Fees equivalent to lease rent (applicable as per [i] above) for 6 months and applicable GST

11. SMPK's right to resume possession and impose MGT

- a) SMPK shall have the right to resume possession of the leased land in public interest before expiry of leased period. In such cases, subject to availability of land, the lessee may at the discretion of the SMPK Board be given an option to relocate the activities in another suitable location to be offered by SMPK, as per the land use plan or refund of proportionate upfront rent if the land was leased on upfront basis.
- b) SMPK would have the option to prescribe Minimum Guaranteed Traffic / Minimum Guaranteed Revenue as conditions for fresh leases if deemed fit.

12. Mutation:

The following cases will be treated as cases of mutation and for granting such mutation, a fee equivalent to 5% of the 12 months' rent (excluding applicable taxes, Duties, Cesses) or Rs.20,000/- (excluding applicable taxes), whichever is higher, shall be recovered. In case, there are multiple plates in the name of one lessee, mutation charges are to be paid separately for each plate.

- (i). In case of death of a lessee, mutation to his legal heir or legal successor or representative.

- (ii). Mutation consequential to the order of the court or as per new Certificate of Incorporation as per Registrar of Companies.
- (iii). Mutation consequential to lessee becoming subject to laws of insolvency or liquidation
- (iv). Gratuitous mutation to any of the legal heirs due to old age, infirmity or some other valid reasons

13. The existing leases will be governed by the relevant covenants of the respective leases.

II. LICENSE

i. Inside Custom Bond area :

The land / buildings / structures inside custom bond area shall be allotted on license basis only, as per provisions framed and approved by Competent Authority from time to time.

ii. Outside Custom bond area:

License of land/ building outside Custom bound area can be allotted only for port related activities and for cases where it will not be feasible to make such allotments on lease basis. Such licenses will be granted normally through tender cum auction procedure. In cases where the tender cum auction is not possible, the land / buildings/ structures may also be allotted on license basis at the updated SoR rates. Besides, other methodology and conditions as applicable in case of licensing of land inside the Custom bond area will also be applicable.

III. Other Conditions

1. Escalation of Rates:

- (i) All the rates indicated in the SoR shall get automatically escalated by 2% per annum after expiry of one year from the effective date of implementation of this instant Rent Schedule and after every year thereafter, and the escalated rates shall be considered as the prevailing Scheduled Rent for the concerned year.
- (ii) The rate of rent of all future leases on annual basis / 5 years licence will get escalated every year from the date as would be notified in revised schedule of rent for land & buildings of SMPK at Haldia, by 2% of the rent payable in the preceding year or the scheduled rent then in force, whichever is higher.

During the tenure of the lease/ licence, if the scheduled rate of rent becomes higher than the rate of rent / licence fee at which rent / licence fees is being paid by the lessee/licensee, the scheduled rate of rent / licence fees will be applicable

straight-away from the date the scheduled rent/licence fees becomes applicable. Thereafter, the rent/licence fees will be escalated as per the provisions of the SoR prevailing at the relevant point of time.

- (iii) In case of existing monthly licenses and way-leave permissions, the escalation of license / way- leave permission fees will be guided by the respective terms of license / way-leave permission.
- (iv) The existing leases will be governed by the relevant covenants of the respective leases.

2. Payment of rent / license fees etc.:

- (i) The existing leases will be governed by the relevant covenants of the respective leases.
- (ii) In case of future lease of land / building on annual lease rent basis, licenses granted on 11 months basis as well as licenses initially granted for more than 11 months but upto 5 years, the annual rent / license fees will be paid by the lessees/licensees in advance.

In such cases, the rent / license fee, whether demanded or not, shall be paid by the licensees / lessees on or before the 15th day from the date of beginning of each year (reckoned from date of commencement of lease/license), / date of beginning of license period for which the advance rent / license fee etc. is due.

- (iii) For other cases of licenses, the license fee, whether demanded or not, shall be paid by the licensees on or before the 15th day of each month/year (reckoned from date of commencement of license), succeeding that for which the license fee is due.
- (iv) In case of way leave permission, the annual way leave permission fees / nominal annual way- leave permission fee, whether demanded or not, shall be paid by the concerned party on or before 15th day of the calendar year succeeding that for which permission fee etc. is due.
- (v) Any other dues shall be paid by the lessee / licensee / party concerned within fifteen days from the issue of payment notice.

3. Security Deposit:

All lessees/licensees shall deposit and/or maintain non-interest-bearing Security Deposit (SD) before grant of any lease/ license in the following manner, where, subsequent to lessee/licensee handing over of vacant, peaceful, unencumbered possession of the concerned land and/or structure to SMPK, SD, after adjusting dues of SMPK, if any, will be refunded to the concerned lessee/licensee: -

(i) **Long term lease on Annual Rent Basis:**

SMPK shall keep SD equivalent to two years' rent plus applicable tax component.

(ii) **Long term lease on upfront Basis:**

SMPK shall keep SD equivalent to two years' nominal rent @ Re 1/- plus applicable tax component.

(iii) **License initially granted up to 11 months:**

SMPK shall keep SD equivalent to three months' license fee plus applicable tax component for land/ structure/ quarters.

In case, licensee chooses to pay the total license fee for the license period in advance, S.D equivalent to only one month's license fee plus applicable tax component is to be deposited.

(iv) **License initially granted for more than 11 months but up to 5 years –**

Licensee would pay SD equivalent to 50% of the annual licence fee plus applicable tax component for land / structure.

In case, licensee chooses to pay the total license fee for the license period in advance, S.D equivalent to only one month's license fee plus applicable tax component is to be deposited.

4. Penal Charges for Encroachment :

Without prejudice to other appropriate action being taken, penal charges at 3 (Three) times the respective zonal rate of rent/license fee as per prevailing Schedule of Rent (SoR), will be recovered for encroachment of SMPK's land/building at Haldia for the first month of encroachment. For the period thereafter, the penal charges shall be recovered at 4 (Four) times the respective zonal rate of rent/license fee as per prevailing Schedule of Rent (SoR) for the encroached area.

Penal charge for encroachment will be without prejudice to the right and contentions of SMPK to take any other legal action against such encroachment.

5. Compensation

In the event of expiration/ termination/ determination of lease/ license and despite receiving the notice thereof or forfeiture of lease/license on account of change of user, assignment, etc, if the lessee /licensee continues to occupy the premises unauthorizedly, the lessee or the licensee shall be liable to pay compensation for wrongful use and occupation of the premises at **three (3) times** the annual lease rent/license fee based on the latest SoR, till the vacant possession is obtained

by the Port. In case of land allotted on upfront basis, the equivalent annual rent would be calculated on pro-rata basis.

6. Penal Interest:

- i) Simple Interest@12.00% per annum on the outstanding rent / License fee, upfront rent / Advance rent / license fees/ way leave permission fees, penal charges for encroachment/ unauthorized occupation, compensation, occupational charges, water charges and other demands (as indicated in bill/invoice/demand notice) will be recovered from the due date, if the same is not paid within one month of the due date. The aforesaid rate of interest would be applicable for all future leases, licenses and way-leave permission and other permissions.
- ii) The existing leases/ licenses/ way-leave permissions would be governed by the provisions of the respective leases/ licenses/ way-leave permissions in this regards.
- iii) In case of restoration of leases/licenses (earlier determined / terminated) as well as in case of compensation, where issuance of Bill/Invoice/Demand Notice were discontinued, the lessee/licensee/occupant will be liable to pay rent/license fee/compensation charges etc. along with applicable interest considering 15th day of each succeeding month due date for payment for the preceding month for the restored period of lease/license as well for the period under compensation.
- iv) The 'due date' for the purpose of levy of interest shall be the date as mentioned in the bill /invoice / Demand Notice concerned, excepting for the cases covered under sub clause-(iii) above.

7. Termination & imposition of penalty:

- a) In case the leased land is not used for the purpose for which it is granted, within two years of its allotment or as decided by the SMPK Board, the lease will be liable for termination and the possession of the land so allotted will be resumed by SMPK.
- b) If a lessee breaches / violates any provisions of Lease Agreement, the SMPK Board would reserve the right to impose appropriate penalty on the lessee or terminate the lease depending upon the nature / magnitude of breach / violation. Such penalty may be imposed after giving a reasonable opportunity to the lessee to present his case.

8. Other utilization of land :

- (i) When entering into a joint venture for improving Port connectivity or Port development with any public authority, land required for such projects, valued at the latest SoR may constitute the equity of the Port in such joint ventures.
- (ii) The Port shall not entertain any proposal for allotment of land to religious institutions or for religious purposes or to political institutions.

- (iii) In respect of PPP projects, the annual lease rent based on latest SoR with the approved rate of annual escalation would be indicated to the bidders at the bidding stage itself. In respect of existing PPP/BoT projects, allotment of land will be governed by the provisions of the Concession Agreement. With respect to land allotted for captive facilities, the lease rentals for the land allotted shall be recovered from the user as per the annual lease rental based on latest SoR, with the approved rate of annual escalation.

9. Other charges :

- (a) In addition to rent / license fee, the lessees / licensees will be required to pay the following:
- (i) Municipal tax etc. as applicable
 - (ii) Electricity charges / water charges at actuals plus 19.25% on the actual amount as overheads, if electricity / water is supplied from SMPK sources.
- (b) The lessees / licensees will also be required to pay and discharge all present and future rates, Taxes (GST), Cesses, taxes, duties, charges assessments, outgoings and premium in respect of policy of insurance against any risk whatsoever which are now or may at any time hereafter be assessed, charged or imposed upon or payable in respect of the demised land and / or any factory and / or building or structure erected by the lessees / licensees thereon or the owners or occupiers in respect thereof except the owners' share of municipal taxes in respect of the demised land.
- (c) In case of grant of way-leave permission, in addition to way-leave permission fee, supervision charge @15% of cost of laying of the pipelines / conveyers / cables etc. in the Port limit shall be paid by all the parties to SMPK. The charges would be applicable even if the supervision is done by a third party.

10. Applicability of Land Policy Guidelines.

In case there is any discrepancy/conflict between the above mentioned provisions of this instant Schedule of Rent with the Land Policy Guidelines prevailing at any point of time during the validity of this Schedule, the provision of Land Policy Guidelines will prevail.

11. The SoR under Annexure VI shall remain valid for a period upto 06.04.2026.