

**NEW MANGALORE PORT AUTHORITY  
CIVIL ENGINEERING DEPARTMENT  
ESTATE OFFICE**

No:CE/EE(C)/EST/SOR-REV/2020-21

Date: 05.02.2022

SUB: REVISION OF SCALE OF RATE FOR PORT ESTATE – PUBLIC  
COMMENTS INVITED.

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The TAMP vide notification No. TAMP/43/2017-NMPT dated 19.03.2018 had notified the Scale of rate (SoR) for allotment of Port Premises on Lease/License basis for the period from 20.02.2017 to 19.02.2022 under the powers conferred to it under Section 49 of the Major Port Trust Act 1963. The validity of the TAMP notified SoR will be expiring on 19.02.2022 and due for revision w.e.f 20.02.2022. As per the Policy Guidelines for Land Management (PGLM) 2015 for Major Ports issued by the Ministry, the SoR for Port Estate has to be revised once in every five years.

For assessing the latest Market Value of land in the Port vicinity, the Port has appointed M/s Adroit Technical Services Private Limited (ATSPL), New Delhi as Valuator through e-tendering process. Accordingly the Valuator M/s Adroit Technical Services has submitted the final Valuation report on 10.11.2021 based on methodology prescribed under clause 13(a) of PGLM 2015. Details are enclosed as Annexure-1.

Based on the Valuation report, detailed proposal for revision of SoR is framed for the period 2022-27 along with terms & conditions by Estate Division, Civil Engg. Department (Annexure-2). The committee constituted by Board after detailed deliberations on the market value of land, recommends the SoR for port estate as detailed in Annexure-3.

As PGLM 2015, summary of Valuation report as detailed in **Annexure-1** & proposal on revision of SoR detailed in **Annexure 2 & 3** are invited for comments from all Port users/Stake holders. The comments, if any may be

referred to the email IDs (i) [prahalathan.m@nmpt.gov.in](mailto:prahalathan.m@nmpt.gov.in) and (ii) [shashidhar.koppad@nmpt.gov.in](mailto:shashidhar.koppad@nmpt.gov.in) on or before **21.02.2022**. The comments, received from the Port users/Stakeholders will be compiled and placed before the Committee constituted by the Board of New Mangalore Port for evaluation/final decisions thereafter with approval of Board same would be notified as per the Major Port Authority (Fixation and Implementation of Scale of Rate) Rules 2021.

Sd/-

**Asst.Estate Manager-Gr-I**

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4.10.1 Valuation Summary

Zone	Port Vicinity/ Villages	Government Ready Reckoner Rate (INR/ Acre)		Land Rate as per Auction Rate (INR/Acre/Year)	Rate as of actual transaction registered (INR/Acre)		Highest Recommended Value (INR/Acre)
		Individual Highest	Highest		Individual Highest	Highest	
Panambur	1.1 Panambur Colony	4,04,68,600			4,50,00,000		
	1.2 Custom Bound Area	4,04,68,600	4,45,15,460	NA	NA	4,85,00,000	4,85,00,000
	1.3 Bykampady	4,45,15,460			4,85,00,000		
Marshaling Yard	2.1 Kulai	4,04,68,600			NA		
	2.2 Bykampady Meenakaliya Road	3,23,74,880	4,04,68,600	1,64,60,680	4,50,00,000	4,50,00,000	4,50,00,000
Commercial Yard	3.1 Panambur Along NH-66	4,04,68,600			4,50,00,000		
	3.2 Padukody	2,42,81,160	4,04,68,600	3,65,46,060	NA	4,50,00,000	4,50,00,000
Thannirbhavi	4.1 Thannirbhavi	3,43,98,310	3,43,98,310	5,76,57,071	3,90,00,000	3,90,00,000	5,76,57,071
Kudupu	5.1 Kudupu	3,39,93,624			4,52,17,391		
	5.2 Padavu	5,26,09,180	5,26,09,180	NA	NA	4,52,17,391	5,26,09,180
Bondel	6.1 Mudushudde	1,05,21,836			3,10,00,000		
	6.2 Padushedde	1,25,45,266			NA		
	6.3 Pachanady	2,02,34,300	2,63,04,590	NA	2,28,66,667	3,27,54,717	3,27,54,717
	6.4 Marakada	2,63,04,590			3,27,54,720		
	6.5 Thiruvail	2,22,57,730			2,60,00,000		



ANNEXURE-1



#### 4.11 Factors affecting capital value

Zone	Highest Recommended Value (INR/ Acre)	Discount/ Premium	Revised Recommended Value (INR/Acre)
Panambur Village	4,85,00,000	-35%	3,15,25,000
Marshalling Yard	4,50,00,000	-35%	2,92,50,000
Commercial Yard	4,50,00,000	-20%	3,60,00,000
Thannirbavi	5,76,57,071	-20%	4,61,25,657
Kudupu	5,26,09,180	-10%	4,73,48,262
Bondel	3,27,54,717	0%	3,27,54,717

There are various factors which directly or indirectly affect the land value are described as:

- Physical attributes:** These include quality of location, topography, climate, availability of water, sewer lines, etc. More and better facilities are attributed to a higher price of land. Panambur Village, Marshalling Yard and Commercial Yard are located far from the Mangalore city centre. And Kudupu and Bondel are located in the nearby vicinity to city centre. Hence, Panambur village, marshalling yard, commercial yard, and Thannirbavi rates will be altered by considering the location factor and premium is provided for the Kudupu and Bondel zone as it is located near to the city centre. For the physical attributes, general practice for discounting/ premium is considered between 8% and 12%. We have considered 10% as an average as discounting for Panambur Village, Marshalling Yard, Commercial Yard, and Thannirbavi and 10% premium for Bondel Zone keeping in mind for the development in nearby future.
- Accessibility to economic activities:** The more easily economic activity is accessible, the more is the value of the land. For example, most of the metropolitan cities have the maximum land values at the center, or at the central business district of the city. This is because of the nearness to the economic activities and workplace. This factor affecting land value is the sole most important factor which led to the development of various land price models in urban economics. CBD area is the most accessible market area and thus usually houses the most expensive businesses and services. For the accessibility to economic activities, general practice for discounting/ premium is considered between 10% and 15%. We have considered 15% as an average as a premium for the commercial yard and Thannirbavi as other commercial activities such as retail shops, commercial offices, etc. are taking place in this locality. And 10% premium for Kudupu and Bondel Zone keeping in mind for the development in nearby future.
- Land Size:** The land size plays a very important role that impacts on the property rates. It is difficult to lease the property having the larger area as compared to the smaller land parcels, which directly impacts the lease rent of the property. Since, the area of the Panambur, Kudupu and Bondel zone is 1,837.74, 296.45 and 156.24 acres respectively; it will be most difficult to lease out the area under Panambur Zone as major area under the ownership NMPT for under this zone. For the land size, general practice for discounting/ premium is considered between 5% and 10%. We have considered 10% discount for the Panambur Village, Marshalling Yard, Commercial Yard, Thannirbavi and 5% discount for the Kudupu and Bondel Zone.



The ongoing and expected contraction of production and consumption due to COVID- 19 let to a slowdown in maritime trade, reducing shipping demand and port traffic and turnover. The response strategy of container shipping alliances, i.e., stopping services on certain routes or cancelling port calling, makes the supply of shipping services more unstable. In parallel, the COVID- 19 related restrictions, have caused port congestions and delays in cargo loading/ unloading, undermining region's maritime supply chain and connectivity.

India, home to 12 major ports, has already reported a drop in cargo handling traffic in this financial year. Impacted by COVID-19 pandemic, India's top 12 ports witnessed a considerable decline in cargo traffic for the ninth straight month in December to 478 million tonnes (MT), according to ports apex body IPA. Cargo traffic at 12 major ports that are under the control of the Centre dropped by 8.80 per cent to 477.75 million tonnes (MT) during April-December this fiscal compared to 523.84 MT in the same period last financial year. According to the Indian Ports Association, the provisional traffic handled at these ports during April 2020 to March 2021 fell 4.59% year on year to 672.6 million mt. Considering the current Covid-19 Scenario, 15% discounting is considered for Panambur Village, Marshalling Yard, Commercial Yard, Thannirbavi, Kudupu and Bondel Zone.

The above-mentioned statistics are a clear indication of a declining trend of port asset usability due to the economic stress imposed by the pandemic. Under these circumstances considering the highest value from the above-mentioned methodologies will ultimately result in further reduction of marketability of the port assets. Therefore, we understand that the highest values assessed in the above sections are not the true reflection of the current market condition. Thus, we are applying certain subjective discounts based on the physical parameters like proximity to the port, current usage (like commercial spaces, container depot, residential, etc.) to assess the fair value of specified assets. Additional premium is provided for the Bondel and Kudupu zone for the proximity to the Mangalore city and keeping in mind for the development in the nearby future.





## **PROPOSAL**

**REVISION OF SCALE OF RATES OF PORT  
LAND FOR THE PERIOD OF FIVE YEARS  
FROM 2022-2027  
AT  
NEW MANGALORE PORT AUTHORITY**

**January 2022**

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**Estate Division  
Civil Engineering Department  
NEW MANGALORE PORT AUTHORITY, Panambur  
Mangalore  
(Karnataka)**

# **NEW MANGALORE PORT AUTHORITY**

Civil Engineering Department  
Estate Division

## **REVISION OF SCALE OF RATES OF PORT LAND FOR THE PERIOD OF FIVE YEARS FROM 2022-2027**

### **1. INTRODUCTION**

TAMP vide notification No. TAMP/43/2017-NMPT dated 19.03.2018 had notified the Scale of rate for allotment of Port Premises on Lease/License basis for the period from 20.02.2017 to 19.02.2022 under the powers conferred to it under Section 49 of the Major Port Trust Act 1963. As the validity of the Scale of rate (SoR) will be expiring on 19.02.2022, the Authority has proposed to revise the Scale of Rates (SoR) as per the methodology prescribed in Policy Guidelines for Land Management (PGLM) 2015 for Major Ports issued by the Ministry vide letter No.PD-13017/2/2014-PD.IV dt. 17.07.2015. As per the said Guidelines the SoR has to be revised once in every five years.

The proposal for revision of lease rentals will be placed before the Board of New Mangalore Port in accordance with provisions of Major Port Authorities Act, 2021 for approval. After approval of the SoR/Tariff, the same will be notified through the Gazette and thereafter the revised SoR will be effective from 30days of such notification for allotment of Port Estate on Long Term Lease, Short Term License, grant of Right of Way permission etc.

### **2. SALIENT FEATURES OF THE PORT ESTATE:**

The Port has acquired various parcels of land since 1964-1974 from Tannirbavi, Panambur, and Bykampady villages in Mangalore Taluk in Dakshina Kannada District. The Port has two land parcels at Bondel and Kudupu in Mangalore Taluk located about 7 and 11 kms respectively from port limits which are as Green belts & are presently not used for any Port related activities. Total area available with the Port is 926.90 Hectares as detailed below:



Sl.No.	Location	Land in Hectares	Use of land
1	Tannirbavi, Panambur and Baikampady	743.71	Port
2	Kudupu	63.22	Quarrying Stones
3	Bondel	119.97	Quarrying Stones

Out of the total land area of 743.71 Hectares stated at Sl No.1, 228.65 Hectares of land area exists inside the security compound wall and water lagoon area is 129.50 Hectares. The area outside the compound wall is 385.56 Hectares. The area under Port utilization inside as well as outside the security compound wall is 180.96 Hectares. As per the zonal plan the Port Estate has been classified into following 7 categories;

Sl No	Description	Sl No	Description
(i)	<b>Panambur village</b>	(iv)	Commercial yard
(i)a	<b>Panambur Village</b> - For EXIM cargo on License basis Vessel to Vessel	(v)	Tannirbavi
(ii)	Custom Bound	(vi)	Kudupu
(iii)	Marshalling yard	(vii)	Bondel

### 3. METHODOLOGY FOLLOWED FOR REVISION

As per the Clause No 13(a) of the said Policy Guidelines for Land Management - 2015, the Scale of Rates for the Port land has to derived as per the following procedure:

#### 3.1 Latest Market value of land and Scale of Rates (SoR)

3.1.1.To arrive at the Latest Market Value of Port Land, normally the highest of the factors mentioned herein below shall be taken into account. In case the highest factor is not chosen, the reasons for the same has to be recorded:-

- State Governments ready reckoner of land values in the area, if available for similar classification/activities

- ii. Highest rate of actual relevant transactions registered in last 3 years in the port's vicinity 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 transaction, updated on the basis of the annual escalation rate approved by the Port Trust Board.
- iv. Rate arrived by an approved valuer appointed for the purpose by the Port
- v. Any other relevant factors as may be identified by the Port.

### **3.2 Deriving the Scale of Rate (SoR)**

3.2.1. SoR shall be arrived based on 6% of the "Latest Market Value" of the Land.

3.2.2. SoR shall be escalated at the rate not less than 2% per annum and SoR shall be revised every five years.

For the purpose of ascertaining the latest Market Value of land in the vicinity of the Port area, the Authority has appointed M/s Adroit Technical Services Private Limited (ATSPL) as Valuator through e-tender process. Accordingly the Valuator M/s Adroit Technical Services vide email dated 11.11.2021 has submitted the final Valuation report as per the clause 13(a) of the Policy Guidelines for Land Management 2015. The revised SoR has been worked out duly considering other relevant factors for the Port land with that considering 6% of the value of the land in the approved Zonal Plan.

#### **4. The Scale of Rates notified by the TAMP for the period 2017-2022 are as follows:**

Sl No	Zone	SoR in Rs/Sqm/Month for the base year 20.02.2017 to 19.02.2018		
		Open space	Paved Space	Covered Space
1	Panambur	29.802	45.972	80.61
1(a)	Panambur-For EXIM cargo on License basis Vessel to Vessel	24.83		
2	Custom Bound Zone ( incl.10% Surcharge)	27.31	50.57	88.67
3	Marshalling Yard	29.724	45.822	80.316

SI No	Zone	SoR in Rs/Sqm/Month for the base year 20.02.2017 to 19.02.2018		
		Open space	Paved Space	Covered Space
4	Commercial Yard	81.32	117.31	194.41
5	Tannirbavi	49.67	76.62	134.35
6	Kudupu	53.13	90.93	171.92
7	Bondel	40.03	66.28	122.53

**Notes :** (i) The SoR undergo an escalation @ 2% (compoundable) per annum from 20 February 2018 till 19 February 2022.

## 5. EXCERPTS FROM LAND VALUATION REPORT -2021

In order to determine the Latest Market value of land in the Port vicinity, the Port has carried out the valuation of Port land through the Qualified Independent Valuer, arrived values in acres which had been converted into Hectares. As per the procedure laid down in the Policy Guidelines for Land Management -2015, the latest market value of the Port land shall be determined taking into account the highest amongst those applicable factors mentioned in the clause 13(a) of Land Policy Guideline 2015. The Valuer has arrived at the latest Market Value of land considering the highest amongst the following applicable factors:-

- (i) The ready reckoner issued by the Karnataka Government for Mangalore region,
- (ii) The land values of recent transactions registered in the Sub-Registrar Office (SRO), Mangalore, in the last three years.
- (iii) The tender cum Auction rate of Port land

### 5.1 FINAL VALUATION SUMMARY – HIGHEST/LATEST MARKET VALUE OF LAND

Zone	Port Vicinity/ Villages	Government Ready Reckoner Rate (INR/ Hectares)		Land Rate as per Auction Rate (INR/ Hectares e/Year)	Rate as of actual transaction registered (INR/ Hectares)		Highest/ Latest Market Value as per PGLM-2015 (INR/ Hectares)
Panambur	1.1 Panambur Colony	9,99,99,934	10,99,99,927	NA	11,11,97,250	11,98,45,925	11,98,45,925

Zone	Port Vicinity/ Villages	Government Ready Reckoner Rate (INR/ Hectares)		Land Rate as per Auction Rate (INR/ Hectares e/Year)	Rate as of actual transaction registered (INR/ Hectares)		Highest/ Latest Market Value as per PGLM-2015 (INR/ Hectares)
	1.2 Custom Bound Zone	9,99,99,934			NA		
	1.3 Bykampady	10,99,99,927			11,98,45,925		
Marshaling Yard	2.1 Kulai	9,99,99,934			NA		
	2.2 Meenakaliya Road	7,99,99,947	9,99,99,934	3,08,83,200	11,11,97,250	11,11,97,250	11,11,97,250
Commercial Yard	3.1 Panambur Along NH-66	9,99,99,934	9,99,99,934	8,61,88,800	11,11,97,250	11,11,97,250	11,11,97,250
	3.2 Padukody	5,99,99,960			NA		
Thannirbhavi	4.1 Thannirbhavi	8,49,99,944	8,49,99,944	5,16,09,600	9,63,70,950	9,63,70,950	9,63,70,950
Kudupu	5.1 Kudupu	8,39,99,945	12,99,99,914	NA	11,17,34,434	11,17,34,434	12,99,99,914
	5.2 Padavu	12,99,99,914			NA		
Bondel	6.1 Mudushudde	2,59,99,983	6,49,99,957	NA	7,66,02,550	8,09,38,551	8,09,38,551
	6.2 Padushedde	3,09,99,980			NA		
	6.3 Pachanady	4,99,99,967			5,65,04,678		
	6.4 Marakada	6,49,99,957			8,09,38,551		
	6.5 Thiruvail	5,49,99,964			6,42,47,300		

## 6. FACTORS AFFECTING CAPITAL VALUE

India, home to 12 major ports, has reported a drop in cargo handling traffic in this financial year. Impacted by COVID-19 pandemic, India's top 12 ports witnessed a considerable decline in cargo traffic for the ninth straight month in December 2020 to 478 million tonnes (MT). According to Port's apex body IPA, the Cargo traffic at 12 major ports dropped by 8.80 per cent to 477.75 million tonnes (MT) during April-December this fiscal compared to 523.84 MT in the same period last financial year. According to the Indian Ports Association, the provisional traffic handled at these ports during April 2020 to March 2021 fell 4.59% year on year to 672.6 million MT. The above-mentioned statistics are a clear indication of a declining trend of port asset usability due to the economic stress imposed by the pandemic. Under these circumstances considering the highest Market Value of the Land based on Clause 13 of the Policy Guidelines for Land Management -2015 may ultimately

result in further reduction of marketability of the port assets. Therefore, the highest Market value of the Land assessed in the above sections may not be the true reflection of the current market condition. Thus, the Valuer has applied certain appropriate discounts/premium based on the following parameters to assess the fair value of specified assets.

a) **COVID-19 Pandemic :**

It is globally observed that the adverse affect of COVID - 19 pandemic has slow down the maritime trade, reducing shipping demand, Port traffic and Turnover. Further, the COVID - 19 related restrictions, has badly affected the logistic chain and disrupted associated production and consumption chain. Considering the current Covid-19 Scenario, the Valuer has considered 15% discount factor for Panambur Village, Marshalling Yard, Commercial Yard, Thannirbavi, Kudupu and Bondel Zone.

b) **Physical attributes:** These include quality of location, topography, availability of water, sewer lines, etc. More and better facilities are attributed to a higher price of land. For the physical attributes, general practice for discounting/ premium is considered between 8% and 12%. The Valuator has considered 10% as an average discounting factor for Panambur Village, Marshalling Yard, Commercial Yard, and Thannirbavi and 10% premium for Bondel Zone keeping in mind for the development in nearby future.

c) **Accessibility to economic activities:** The more easily economic activity is accessible, the more is the value of the land. For the accessibility to economic activities, general practice for discounting/ premium is considered between 10% and 15%. The Valuer has considered 15% as an average premium for the commercial yard and Thannirbhavi and 10% premium for Kudupu and Bondel Zone keeping in mind for the development in nearby future.

d) **Land Size:** The land size plays a very important role that impacts on the property rates. It is difficult to lease the property having the larger area as compared to the smaller land parcels, which directly impacts the lease rent of the property. For the land size, general practice for discounting/ premium is considered between 5% and 10%. The Valuer has considered

10% discount for the Panambur Village, Marshalling Yard, Commercial Yard, Thannirbhavi and 5% discount for the Kudupu and Bondel Zone.

The discounts/premium applicable to various Zones are tabulated below:

Discount factor considered to derive the proposed SoR for the cycle period 2022-27, the base year from 2022 to 2023.					
Location	Physical Attributes	Accessibility to economic activity	Land Size	Covid-19	Net Discount factor
Panambur Village	10%		10%	15%	35%
Marshalling Yard	10%		10%	15%	35%
Commercial Yard	10%	-15%	10%	15%	20%
Tannirbhavi	10%	-15%	10%	15%	20%
Kudupu	0%	-10%	5%	15%	10%
Bondel	-10%	-10%	5%	15%	0%

**Note:- (-) indicates premium, (+) indicates Discounts**

- 6.1 The Latest Market Value of the Port land derived after applying the net discount factor over the Market Value of Port Land arrived based on Clause 13 of the Policy Guidelines for Land Management -2015 is tabulated below :-

Zone	Highest Market Land Value as per PGLM- Clause 13 (INR/ Hectares) Rs.	Net discount factor	Discounted Highest Market Land Value (INR/ Hectares) Rs.
Panambur	11,98,45,925	35%	7,78,99,851
Marshaling Yard	11,11,97,250	35%	7,22,78,213
Commercial Yard	11,11,97,250	20%	8,89,57,800
Thannirbhavi	9,63,70,950	20%	7,70,96,760
Kudupu	12,99, 99,914	10%	11,69,99,923
Bondel	8,09,38,551	0%	8,09,38,551

6.2 Based on the above discounted Market Value of Port Land the SoR is arrived duly considering 6% rate of return on land Value & updated SoR as detailed below:

A.The SoR of the Port land for the Base year 2022

Sl No	Zone	SoR for Open area based on discounted Highest Market Land Value in (Rs/Sqm/month)				Updated SoR as on 20.02.202 2 based on TAMP SoR 2017- 22 Rs.	Highest rates among (F) &(G) Rs.
		Discounted Land Value in Rs. / Hectares	Land Value Rs/Sqm	SoR Rs./ Sqm/ Year (6% Of Land value)	SoR for the base year 2022 based on discounte d Highest Market Land Value		
A	B	C	D = C/10,000	E= 6% of D	F = E/12	G	H
1	Panambur Village	7,78,99,851	7789.99	467.4	38.95	32.91	38.95
2	Marshalling yard	7,22,78,213	7227.83	433.67	36.14	32.81	36.14
3	Commercial yard	8,89,57,800	8895.78	533.75	44.48	89.78	89.78
4	Tannirbavi	7,70,96,760	7709.67	462.58	38.55	54.84	54.84
5	Kudupu	11,69,99,923	11699	701.94	58.49	58.66	58.66
6	Bondel	8,09,38,551	8093.85	485.63	40.47	44.20	44.20

## 7. REVISION OF SOR FOR PAVED AREA AND COVERED SPACE

Proposed SoR for Paved area & Covered area:

Location	For open area, Rs/ sq. meter/ month	Paved Area in Rs/Sqm/Month		Covered area in Rs/Sqm/Month	
	Basic Rate	Development Cost	Total	Development Cost	Total
	A	B	A+B	C	A+C
				Sheet	Sheet
Panambur Village	38.95	16.19	55.14	76.11	115.06
Marshalling Yard	36.14	16.19	52.33	76.11	112.25
Commercial Yard	89.78	N/A	N/A	N/A	N/A
Tannirbavi	54.84	N/A	N/A	N/A	N/A
Kudupu	58.66	N/A	N/A	N/A	N/A
Bondel	44.20	N/A	N/A	N/A	N/A

Note: \*For Covered area-RCC roof rate will be considered 10% on the Sheet roof, Since limited structures of RCC roof in the Port area apart from Market complex at Panambur Zone and Godowns at Marshalling Yard Zone.

## 8. REVISION OF SOR FOR CUSTOM BOUND ZONE.

The SoR of the Custom Bound Zone is revised as per the following methodology:

- The updated SoR for Open space in the custom bond zone for the period from 20.2.2022 to 19.02.2023 is Rs.30.16/Sqm/month; including 10% surcharge.
- The percentage increase in SoR for open area in the Panambur village is 18.35%, for paved area is 8.61% and for covered area is 29.28% (Sheet) (Ref.Table 8.1 below).
- The SoR for Custom bond zone is revised as per the percentage increase in the SoR in Panambur Zone.



8.1 The comparative statement of SoR of the period 2017- 2022 and 2022-2027 is as detailed below:

Zone	For open areas per sq. meter per month (Rs.)			For paved areas per sq. meter per month(Rs.)			For covered area per sq. meter per month(Rs.)		
	Updated SoR from TAMP rates	Work ed out SoR for base year 2022	% incre ase in rate	Updated SoR from TAMP rates	Worke d out SoR for base year 2022	% increas e in rate	Update d SoR from TAMP rates	Worked out SoR for base year 2022	% increase in rate
	As on 20.02. 2022			As on 20.02. 2022			As on 20.02. 2022	Sheet	Sheet
Panambur	32.91	38.95	18.35	50.77	55.14	8.61	89.00	115.06	29.28
Custom Bound Zone (incl 10% Surcharge)	30.16	35.70	18.35	55.85	60.66	8.61	97.89	126.55	29.28
Marshalling Yard	32.81	36.14	10.15	50.58	52.33	3.46	88.67	112.25	26.59
Commercial Yard	89.78	89.78	0	129.52	N/A	N/A	214.66	N/A	N/A
Tannirbavi	54.84	54.84	0	84.59	N/A	N/A	148.34	N/A	N/A
Kudupu	58.66	58.66	0	100.40	N/A	N/A	189.82	N/A	N/A
Bondel	44.20	44.20	0	73.19	N/A	N/A	135.28	N/A	N/A

Note :

Further above SoR is not applicable for Cruise Terminals.

## 9. PROPOSED REVISED SCALE OF RATES

(A).It is proposed to place before the Committee appointed by Board the following basic rates for the next revision for the period 2022-27.

Proposed SoR for the Base year of 2022-23				
Zone	Open area (Rs/Sqm/Month) or part thereof	Paved Area (Rs/Sqm/Month) or part thereof	Covered area (Rs/Sqm/Month) or part thereof	
			Sheet	RCC
Panambur	38.95	55.14	115.06	126.57
Panambur-For EXIM cargo on License basis	35.70	60.66	126.55	139.21
Custom Bound Zone	35.70	60.66	126.55	139.21
Marshalling Yard	36.14	52.33	112.25	123.48
Commercial Yard	89.78	N/A	N/A	N/A
Tannirbhavi	54.84	N/A	N/A	N/A
Kudupu	58.66	N/A	N/A	N/A
Bondel	44.20	N/A	N/A	N/A

**Conditions:**

- (i). The rates prescribed shall be applicable with effect from 30 days of such notification.
  - (ii). N/A indicates not applicable, since in the respective zones of Paved/Coved area no construction existed, however if any development in future escalated rent on development over the land rent shall be applied.
  - (iii). The lease rent shall bear an escalation @ 2% (compoundable) per annum from the anniversary of effective date.
  - (iv). In the First floor RCC covered area rate will be 90% of the Ground floor area.
  - (v). The rate proposed for open space for EXIM Cargo in custom bond area will apply for areas leased in the commercial zone where EXIM cargo is stored, on vessel to vessel basis, till the area is leased out for commercial purposes
  - (vi). Security Deposit equivalent to one month's licence fee shall be applicable for Short term allotments on license upto 11 months. In case of lease of land, refundable Security Deposit of equivalent to two years lease rental will be applicable. The Security Deposit shall be refunded without interest after the land is vacated fully after adjusting any amount that may be due to the NMPA.
- (B). Way leave charges for laying of pipelines/ service conduits etc.** : The rate for open area as applicable to the location given in the table above for the

area occupied by the pipelines / service conduits/Conveyors etc.

**Note to Schedule B above:**

- (i). For the purpose of way leave charges, the area occupied by single pipelines should 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 should 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 should be billed pro-rata for 50% of 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 should be counted 50% of the product of diameter and length, for the purpose of levy of way leave charges.
- (ii). The terms and conditions for issuance of Right of Way Permission for laying Pipelines/ conveyors etc., will be governed by the Policy of the Board and as amended from time to time.

**(C). Water Area Charges:**

50% of the license fee for the land abutting to the waterfront for construction of jetties, submarine pipeline, etc. and will be charged as a way leave permission. For submarine pipeline, the water area charges will be for the area occupied by the pipeline and the area should be arrived at based on the note to (ii) under schedule B above.

**General Conditions:**

- (i). All the conditions / notes stated herein shall apply to the extent they are not inconsistent with the conditions prescribed in the Policy Guidelines for Land Management -2015 and subsequent clarifications issued to it from time to time by the Government of India. In case of disagreement, the conditions prescribed by the Government in the Land Policy guidelines shall prevail.
- (ii). **Allotment:**

Persons requiring allotment of land/ space for storage of their goods outside the security compound wall or within the security compound wall of New Mangalore Port Authority (NMPA) on monthly license basis may apply in writing to NMPA for a license in the form prescribed by the NMPA from time to time. But it shall be at the discretion of the NMPA to allot or refuse to allot such space/ land no subletting of the licensed premises shall be allowed.

(iii). **Licensee's Responsibility:**

In applying for land/ space for storage of goods/ cargo, the applicants for land/ space shall accept all risks and responsibility for goods so stored/ stocked. The locking by the NMPA or sheds partly or wholly allotted to the licensees whether inside or outside the security compound wall shall not be regarded as making the NMPA a bailee of the goods so stores unless a receipt in this regard is passed by the NMPA to them. The occupation of land/ space in open or under cover shall be reproduced in the license deed/ permit/ agreement.

Encroachment or unauthorized occupation of the NMPA's land and stacking of goods/ cargo on the NMPA's Railway track, plants, equipment, approach road etc., causing obstruction to the movement of traffic by the licensee will involve a liability to pay penal rate as specified below in addition to the cost of rectifying damages caused to the NMPA's properties. If the licensee fails to remove the goods from the encroached area in spite of notice to do so, the goods will be removed elsewhere by the NMPA at the risk and the cost of the licensee and penal license fee at the following rate shall be levied on the land occupied by the goods so removed.

- (a). Three times the normal license fee till vacant possession is obtained by the port or any other Land Policy Guidelines notified by Government time to time.

(iv). **Other Conditions:**

- (a). Goods stored under the license deed/ permit/ agreement shall be at the entire risk and responsibility of the licensees. NMPA will not in any way take responsibility for pilferage, theft, fire or loss thereof. The licensees shall post their own watch to safeguard the goods stored at their allotted space and to prevent any unauthorized occupation of such land/ space by others.

- (b). The Licensee shall not construct or put up any permanent structure, buildings, erection or convenience or canteens on the land/ space occupied under the license deed/ permit. The licensee shall restore the land/ space to its original condition at the time of termination of the license permit and if the licensee fails, NMPA will arrange for such restoration at the cost risk and responsibility of the licensee.
- (c). The license fees or charges shall be paid from the date of receipt of the allotment letter by the licensee or occupation of the land/ space by the licensee, whichever is earlier, in accordance with the rates prescribed in the NMPA's Scale of Rates. The license fee shall be remitted for each calendar month for subsequent period in advance to the NMPA i.e. before 1<sup>st</sup> of every month. In case the payment is not received before the due date, penal interest at SBI (MCLR) + 2% per annum revised from time to time on the accumulated arrears in addition to the license fee. [Penal interest is subject change as per the guidelines issued from time to time by Competent Authority] [MCLR-Marginal Cost Lending Rate].
- (d). The licensee shall vacate the land/ space occupied by them if the license permit is not renewed at the latest. In case the licensee fails to hand over the land/ space in vacant possession on the date of expiry of the license/ permit granted after removing of such structures or construction put up, NMPA shall have the right to remove such structures and the goods stored in such land/ space to any other alternative land/ open or covered space in any part of the Port's premises at the cost and risk and responsibility of licensees and in addition, penalty license fee at the following rates shall be levied on the space occupied by the goods so removed.
  - (i). Three times the normal license fee till vacant possession is obtained by the port or any other Land Policy Guidelines notified by Government time to time.
  - (ii). Terms and conditions as stipulated in the allotment order/ lease/ license deed.
- (e). The permit shall lapse automatically at the expiry of the calendar month for which it has been issued. The license shall be up to a maximum period of Four (4) months on vessel to vessel basis for storage of EXIM Cargo (both

inside & outside Security Compound wall) and Six (6) months for coastal movement of cargo and license fee is levied as per the notified schedule of Rates. There shall be no provision for renewal of licence. The occupation of land/ premises exceeding 4 months on vessel to vessel basis for storage of EXIM Cargo (both inside & outside Security Compound wall) and Six (6) months for coastal movement of cargo, without subsequent allotment shall be treated as unauthorized occupation and compensation 3 times the normal license fee shall be paid by the occupant and charges will attract penal interest at the rate of SBI (MCLR)+2% per annum (or) as per the lease/ license deed/ allotment orders. On the accumulated arrears and shall be paid in addition to the license fee. In any case the license fee should not accumulate for more than 15 days from the date when advance license fee become payable. [Penal interest subject change as per the guidelines issued from time to time by Competent Authority]

- (f). No licensee shall convert the space allotted to him/ them into private bonded areas except with the written permission of the NMPA. Failure to obtain the prior written permission from the NMPA shall attract levy of penalty as per prevailing Guidelines time to time.

(g). **Security Deposit:**

- (i). Security deposit equivalent to one month's license fee shall be applicable for vessel to vessel for license upto 11 months. The Security Deposit without interest shall be refunded after the land is vacated fully after adjusting any amount that may be due to the NMPA.
- (ii). In case of lease of land other than those mentioned at (a) above, refundable Security Deposit of equivalent to two years lease rental will be applicable.
- (iii). The Security Deposit shall be refunded without interest after the land is vacated fully after adjusting any amount that may be due to the NMPA.
- (iv). In case, the security deposit is not refunded within 20 days from the date when land/ space is finally vacated and production of documents by the licensee, the NMPA shall pay penal interest at

SBI Marginal Cost of Fund based Lending Rate (MCLR) + 2% per annum as revised from time to time on such delayed refunds.

- (h). NMPA shall have the right at any time to resume the possession of the land/ space wholly or partly which is required by the Port/ not occupied by the licensee, in which event the proportionate reduction in license fee will be allowed. In any case, the NMPA shall give a notice period of 7 days in case license is for less than four months for EXIM Cargo and six months for Coastal movement cargo. In case of unauthorized occupation or encroachment or on normal expiry of the license tenure, no such notice shall be issued and the port shall resume the land/ space required by the Port immediately. In case of such a resumption or possession of land, the licensee shall not be entitled to claim any compensation on account of such resumption or possession or to remove and take away improvements, if any, made by him on the land.
- (i). The licensee shall have the right to appeal against resumption of the land to the Board of the New Mangalore Port Authority within a period of 30 days from the date of receipt of the Order appealed against and the decision of the Board of NMPA is final in this regard.
- (j). The licensee / allottee shall agree to comply with all rules or directions issued by NMPA from time to time. Should the licensee neglect to comply with the rules or directions, the NMPA may terminate the license.
- (k). The licensee / allottee shall agree that all payments and expenses of whatever sort due to the Port in respect of land/ space allotted to the licensee, shall be recoverable at the rates prescribed in the Scale of Rates of NMPA.
- (l). The licensee / allottee shall comply with all rules and regulations that may from time to time be issued by the local authorities or the inspector of Explosives, the Department of Explosive, Commissioner of Customs and Government of India or whosoever concerned in relation to the storage of goods under the license/ permit.

**Annexure-3**

**NEW MANGALORE PORT AUTHORITY  
CIVIL ENGINEERING DEPARTMENT  
ESTATE OFFICE**

Proposed SoR for the next revision for the period 2022-27.

Proposed SoR for the Base year of 2022-23				
Zone	Open area (Rs/Sqm/Month) or part thereof	Paved Area (Rs/Sqm/Month) or part thereof	Covered area (Rs/Sqm/Month) or part thereof	
			Sheet	RCC
Panambur	38.95	55.14	115.06	126.57
Panambur-For EXIM cargo on License basis	35.70	60.66	126.55	139.21
Custom Bound Zone	35.70	60.66	126.55	139.21
Marshalling Yard	36.14	52.33	112.25	123.48
Commercial Yard	89.78	N/A	N/A	N/A
Tannirbhavi	54.84	N/A	N/A	N/A
Kudupu	58.66	N/A	N/A	N/A
Bondel	44.20	N/A	N/A	N/A

**Conditions:**

- (i). The rates prescribed shall be applicable with effect from 30 days of such notification.
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- (v) In the First floor RCC covered area rate will be 90% of the Ground floor area.



- (v). The rate proposed for open space for EXIM Cargo in custom bond area will apply for areas leased in the commercial zone where EXIM cargo is stored, on vessel to vessel basis, till the area is leased out for commercial purposes
- (vi). Security Deposit equivalent to one month's licence fee shall be applicable for Short term allotments on license upto 11 months. In case of lease of land, refundable Security Deposit of equivalent to two years lease rental will be applicable. The Security Deposit shall be refunded without interest after the land is vacated fully after adjusting any amount that may be due to the NMPA.
- (B). **Way leave charges for laying of pipelines/ service conduits etc.** : The rate for open area as applicable to the location given in the table above for the area occupied by the pipelines / service conduits/Conveyors etc.

**Note to Schedule B above:**

- (i). For the purpose of way leave charges, the area occupied by single pipelines should 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 should 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 should be billed pro-rata for 50% of 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 should be counted 50% of the product of diameter and length, for the purpose of levy of way leave charges.
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Encroachment or unauthorized occupation of the NMPA's land and stacking of goods/ cargo on the NMPA's Railway track, plants, equipment, approach road etc., causing obstruction to the movement of traffic by the licensee will involve a liability to pay penal rate as specified below in addition to the cost of rectifying

damages caused to the NMPA's properties. If the licensee fails to remove the goods from the encroached area in spite of notice to do so, the goods will be removed elsewhere by the NMPA at the risk and the cost of the licensee and penal license fee at the following rate shall be levied on the land occupied by the goods so removed.

- (a). Three times the normal license fee till vacant possession is obtained by the port or any other Land Policy Guidelines notified by Government time to time.

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- (a). Goods stored under the license deed/ permit/ agreement shall be at the entire risk and responsibility of the licensees. NMPA will not in any way take responsibility for pilferage, theft, fire or loss thereof. The licensees shall post their own watch to safeguard the goods stored at their allotted space and to prevent any unauthorized occupation of such land/ space by others.
- (b). The Licensee shall not construct or put up any permanent structure, buildings, erection or convenience or canteens on the land/ space occupied under the license deed/ permit. The licensee shall restore the land/ space to its original condition at the time of termination of the license permit and if the licensee fails, NMPA will arrange for such restoration at the cost risk and responsibility of the licensee.
- (c). The license fees or charges shall be paid from the date of receipt of the allotment letter by the licensee or occupation of the land/ space by the licensee, whichever is earlier, in accordance with the rates prescribed in the NMPA's Scale of Rates. The license fee shall be remitted for each calendar month for subsequent period in advance to the NMPA i.e. before 1<sup>st</sup> of every month. In case the payment is not received before the due date, penal interest at SBI (MCLR) + 2% per annum revised from time to time on the accumulated arrears in addition to the license fee. [Penal interest is subject change as per the guidelines issued from time to time by Competent Authority] [MCLR-Marginal Cost Lending Rate].
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the land/ space in vacant possession on the date of expiry of the license/ permit granted after removing of such structures or construction put up, NMPA shall have the right to remove such structures and the goods stored in such land/ space to any other alternative land/ open or covered space in any part of the Port's premises at the cost and risk and responsibility of licensees and in addition, penalty license fee at the following rates shall be levied on the space occupied by the goods so removed.

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  - (ii). Terms and conditions as stipulated in the allotment order/ lease/ license deed.
- (e). The permit shall lapse automatically at the expiry of the calendar month for which it has been issued. The license shall be up to a maximum period of Four (4) months on vessel to vessel basis for storage of EXIM Cargo (both inside & outside Security Compound wall) and Six (6) months for coastal movement of cargo and license fee is levied as per the notified schedule of Rates. There shall be no provision for renewal of licence. The occupation of land/ premises exceeding 4 months on vessel to vessel basis for storage of EXIM Cargo (both inside & outside Security Compound wall) and Six (6) months for coastal movement of cargo, without subsequent allotment shall be treated as unauthorized occupation and compensation 3 times the normal license fee shall be paid by the occupant and charges will attract penal interest at the rate of SBI (MCLR)+2% per annum (or) as per the lease/ license deed/ allotment orders. On the accumulated arrears and shall be paid in addition to the license fee. In any case the license fee should not accumulate for more than 15 days from the date when advance license fee become payable. [Penal interest subject change as per the guidelines issued from time to time by Competent Authority]
- (f). No licensee shall convert the space allotted to him/ them into private bonded areas except with the written permission of the NMPA. Failure to obtain the prior written permission from the NMPA shall attract levy of penalty as per prevailing Guidelines time to time.

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  - (ii). In case of lease of land other than those mentioned at (a) above, refundable Security Deposit of equivalent to two years lease rental will be applicable.
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  - (iv). In case, the security deposit is not refunded within 20 days from the date when land/ space is finally vacated and production of documents by the licensee, the NMPA shall pay penal interest at SBI Marginal Cost of Fund based Lending Rate (MCLR) + 2% per annum as revised from time to time on such delayed refunds.
- (h). NMPA shall have the right at any time to resume the possession of the land/ space wholly or partly which is required by the Port/ not occupied by the licensee, in which event the proportionate reduction in license fee will be allowed. In any case, the NMPA shall give a notice period of 7 days in case license is for less than four months for EXIM Cargo and six months for Coastal movement cargo. In case of unauthorized occupation or encroachment or on normal expiry of the license tenure, no such notice shall be issued and the port shall resume the land/ space required by the Port immediately. In case of such a resumption or possession of land, the licensee shall not be entitled to claim any compensation on account of such resumption or possession or to remove and take away improvements, if any, made by him on the land.
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- (j). The licensee / allottee shall agree to comply with all rules or directions issued by NMPA from time to time. Should the licensee neglect to comply with the rules or directions, the NMPA may terminate the license.
- (k). The licensee / allottee shall agree that all payments and expenses of whatever sort due to the Port in respect of land/ space allotted to the licensee, shall be recoverable at the rates prescribed in the Scale of Rates of NMPA.
- (l). The licensee / allottee shall comply with all rules and regulations that may from time to time be issued by the local authorities or the inspector of Explosives, the Department of Explosive, Commissioner of Customs and Government of India or whosoever concerned in relation to the storage of goods under the license/ permit.

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