



NEW MANGALORE PORT AUTHORITY

Finance Department
Panambur, Mangalore-575010

No. NMPA/FIN/REV/5164

Date: 05.09.2022

NOTICE

Sub: Proposal for General Revision of Scale of Rates (SOR)-Reg

The Scale of Rate (SOR) for Port Services was approved by TAMP Vide Order No. TAMP/78/2018-NMPT dated 24th July 2019 and notified

in the Official Gazette vide No. 294 dated 21st August 2019. The SOR was implemented w.e.f 20/09/2019. As per the Order, the SOR and Performance Standards are valid for a period of 3 Years from the effective date of implementation of the order. Therefore, the SOR is due for revision w.e.f. 20th September 2022.

Rule 4 of the Major Port Authorities (Fixation and Implementation of Scale of Rates, Fees & Conditions) Rules 2021, the Board may constitute committee for the purpose of determining the Scale of Rates, Fees and conditions under Rule 3. Rule-3 specifies the Board of each Major Port Authority may from time to time, Frame a Scale of Rates and a statement of conditions that would apply. Accordingly the Board of NMPA vide Resolution No-103/2021-22 approved the committee consisting of Dy. Chairperson, FA & CAO, Deputy Conservator, Traffic Manager, Chief Engineer (Civil) and Chief Mechanical Engineer.

The Committee deliberated the proposal in terms of the Tariff Policy 2021, the working guidelines and the following points;

1. The Ceiling Indexed Annual Revenue Requirement (ARR) is Rs **510.32** Crores & Revenue Estimation at the present rates of tariff works out to Rs 446.16 Crores.
2. The charges levied by neighboring ports, viz Mormugao and Cochin are compared and observed that, the charges of New Mangalore Port is competitive to the both the Ports even after the proposed increase.
3. The Committee is of the opinion that recovery of complete ARR requires substantial increase in charges, which may affect the cargo throughput and cost competitiveness.
4. The Tariff so revised is subject to indexation w.e.f 01.05.2023 as per Clause 2.8.1 and 2.8.2 of Tariff Policy. Such adjustment of SOR will be made every year and the adjusted SOR will come into force from 1st May of the relevant year to 30th April of the following year.
5. Discontinue RCH deployment and levy of charges in view of shortage of required manpower.

The committee after detailed deliberations made the following recommendations;

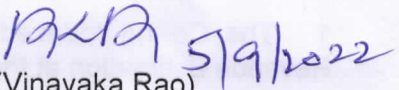
1. The RCHW Levy for Cargo handling operations to be discontinued.
2. To increase the Vessel Related Charges by 15% over the current SOR
3. To increase the Cargo Related Charges by 5% over the current SOR
4. Indexation of revised SoR w.e.f. 1.5.2023 as per Clause 2.81 & 2.82 of the Tariff Policy
5. Changes in conditionalities as proposed in the draft SOR.

At the proposed increase in SoR, the revenue earnings would be ₹492.13 Crores at the traffic level of 2021-22. There would be a short fall in revenue to the extent of ₹18.20 Crores in comparison with the Annual revenue requirement.

MOPSW vide Order No-PD-14024/5/2020-PD-1(e343443) Dtd. 03 November 2021 issued the Tariff policy for Major Port Authorities along with working guidelines. As per SI No:4.3 the draft SOR along with the proposed Performance Standards and cost formats are to be circulated to the users / hosted in the website along with cost formats and invite comments of Stakeholders/ Port Users/Users Association.

Comments of all Port users are hereby invited on the proposed revision of Scale of Rates proposal of New Mangalore Port Authority.

The comments if any, may be submitted to the undersigned either through letter or through email to facao@nmpt.gov.in on or before **20th September 2022**. The comments, received from the Port users / Stakeholders will be placed before the Committee and for final recommendations to the Board. Thereafter the approved Scale of Rates will be notified as per the Major Port Authority (Fixation and Implementation of Scale of Rate) Rules, 2021.


(Vinayaka Rao)

Financial Adviser & Chief Accounts Officer

Enclosures: (1) Proposed draft Scale of Rates
(2) Form no.1 to 6