**VIZAG SEAPORT PRIVATE LIMITED**

**SCALE OF RATES**

# SECTION - 1

**1.1. Definitions - General**

In this Scale of Rates unless the context otherwise requires, the following definitions shall apply:

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| (1). | “VPT” means Visakhapatnam Port Trust (VPT). |
| (2). | “VSPL” means Vizag Seaport Private Limited, a Company incorporated in India, its successors and assignees. |
| (3). | "Coastal vessel" means any vessel exclusively employed in trading between any port or place in India to any other port or place in India having a valid coastal licence issued by the competent authority. |
| (4). | "Foreign-going vessel” means any vessel other than coastal vessel. |
| (5). | "Day" shall mean the period starting from 6.00 A.M. of a day and ending at 6.00 A.M. on the next day. |
| (6). | “Hirer” shall mean all users of any of the appliances provided by VSPL. |
| **1.2.** | **General Terms & Conditions** |
| (1). | Status of a vessel as borne out by its certification issued by the Customs or Director  General of Shipping is the relevant factor for deciding whether the vessel is ‘foreign-going’ or ‘coastal’. Foreign going vessels permitted to undertake coastal voyages and the cargo/container carried by them will also qualify for the concession in respect of such permissible voyages. |

(2). (i). A foreign-going vessel of Indian Flag having a General Trading License can convert to Coastal run on the basis of a Customs Conversion Order.

(ii). A foreign-going vessel of Foreign Flag can convert to coastal run on the basis of Coastal Voyage License issued by the Director General of Shipping.

(iii). In cases of such conversion, coastal rates shall be chargeable by the load port from the time the vessel starts loading coastal goods.

(iv). In case of such conversion coastal rates shall be chargeable only till the vessel completes coastal cargo discharging operations; immediately thereafter, foreigngoing rates shall be chargeable by the discharge ports.

(v). For dedicated Indian coastal vessels having a Coastal License from the Director General of Shipping, no other document will be required to be entitled to coastal rates.

(3). Berth hire charges shall be levied on ship owners / steamer agents. Wherever rates have been denominated in US dollar terms, the charges shall be recovered in Indian Rupees after conversion of US currency to its equivalent Indian Rupees at the Market Buying rate notified by the Reserve Bank of India, State Bank of India or its associates or any other Public Sector Banks as may be specified from time to time. The day of entry of the vessel into the port limit shall be reckoned as the day for such conversion.

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| (4). | A regular review of exchange rate shall be made once in thirty days from the date of arrival of the vessels in cases of vessels staying in the VSPL for more than thirty days. In such cases the basis of billing shall change prospectively with reference to the appropriate exchange rate prevailing at the time of review. |
| (5). | No refund shall be made if the amount refundable is less than `100/-. This limit shall also be applied for supplementary claims for under charges. |
| (6). | For the purpose of calculating the dues, the unit by weight shall be 1 tonne or 1,000 kilograms, the unit by volume measurement shall be 1 cubic metre and the unit by capacity measurement for liquids in bulk shall be 1,000 litres. |
| (7). | In calculating the gross weight or measurement by volume or capacity of any individual item, fractions upto 0.5 be taken as 0.5 unit and fractions of 0.5 and above be treated as one unit, except where otherwise specified. |
| (8). | Interest on delayed payments / refunds  (i). The user shall pay penal interest on delayed payments of any charge under this Scale of Rates. The rate of interest will be 15.85%.    (ii). Likewise, the VSPL shall pay penal interest @ 15.85% per annum on delayed refunds.    (iii). The delay in payments by the users will be counted only 10 days after the date of raising the bills by the VSPL. This provision shall, however, not apply to the cases where payment is to be made before availing the services as stipulated in the Major Port Trusts Act and/or where payment of charges in advance is prescribed in this Scale of Rates.    (iv). The delay in refunds will be counted only 20 days from the date of completion of services or on production of all the documents required from the users, whichever is later. |
| (9). | All charges worked out shall be rounded off to the next higher rupee on the grand total of each bill. |
| (10). | All goods landed within the limits of the VSPL shall be assessed on import application and the fees shall be paid before the goods are removed. |
| (11). | All goods intended for shipment shall be assessed on export application and the fees shall be paid before the goods are shipped. |
| (12). | (i). The vessel related charges for all coastal vessels should not exceed 60% of the corresponding charges for other vessels.    (ii). The cargo related charges for all coastal cargo, other than thermal coal, POL including crude oil, Iron Ore and iron pellets, should not exceed 60% of the normal cargo related charges.  (iii). In case of cargo related charges, the concessional rates should be levied on all the relevant handling charges for ship-shore transfer and transfer from/to quay to/from storage yard including wharfage.  (iv). Cargo from a foreign port which reaches an Indian Port ‘A’ for subsequent transhipment to Indian Port ‘B’ will be levied the concession charges relevant for its coastal voyage. In other words, cargo from / to Indian Ports carried by vessels permitted to undertake coastal voyage will qualify for concession. |

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| (13). | System of classification of vessel for levy of Vessel Related Charges (VRC)  (i). A foreign going vessel of Indian flag having a General Trading Licence can convert to coastal run on the basis of a Customs Conversion Order. Such vessel that converts into coastal run based on the Customs Conversion Order at her first port of call in Indian Port, no further custom conversion is required, so long as it moves on the Indian Coast.    (ii). A foreign going vessel of foreign flag can convert to coastal run on the basis of a Licence for Specified Period or voyage issued by the Director General of Shipping and Custom Conversion order. | |
| (14). | Criteria for levy of vessel related charges (VRC) at Concessional Coastal rate and foreign rate  (i). In cases of such conversion, coastal rates shall be chargeable by the load port from the time the vessel starts loading coastal goods.    (ii). In cases of such conversion coastal rates shall be chargeable till the vessel completes discharging operations at the last call of Indian Port; immediately thereafter, foreign going rates shall be chargeable by the discharge ports.    (iii). For dedicated Indian coastal vessels having a Coastal licence from the Director General of Shipping, no other document will be required to be entitled to coastal rates. | |
| (15). | Criteria for levy of Cargo Related Charges (CRC) at Concessional Coastal rate | |
|  | (i). | Foreign going Indian vessel having General Trading License issued for ‘worldwide and coastal’ operation should be accorded applicable coastal rates with respect to Handling Charges (HC) i.e. ship to shore transfer and transfer from/ to quay to/ from storage yard including wharfage in the following scenario:-  (a). Converted to coastal run and carrying coastal cargo from any Indian Port and destined for any other Indian Port.    (b). Not Converted\* to coastal run but carrying coastal cargo from any Indian Port and destined for any other Indian Port.  \*The Central Board of Excise & Customs - Circular No 15/2002-Cus dated 25th February 2002 allows carriage of coastal cargo from one Indian Port to another Indian Port in India, in Indian flag foreign going vessels without any Custom Conversion. |
|  | (ii). | In case of Foreign flag vessels converted to coastal run on the basis of a License for Specified period or voyage issued by the Director General of Shipping and a Custom Conversion Order, the coastal cargo/ container loaded from Indian Port and destined from any other Indian Port should be levied at the rate applicable for coastal cargo / container. |
| (16). | In case of damages to crafts, berths, fenders, bollards and other shore equipments, tools and plants, the hirer shall deposit anticipated amount for all such charges for damages as assessed by the VSPL immediately on receipt of the demand, pending determination of the actual charges. In case of total loss, the hirer shall deposit the book value or market value of the crafts or appliances or properties of the VSPL whichever is higher. The VSPL shall refund the cost of damage received from the insurance company on admittance of its claim to the hirer from whom the cost of damage of the equipment was recovered, along with interest as applicable. | |
| (17). | Users will not be required to pay charges beyond a reasonable level attributable to the VSPL. | |

(18). In order to decongest the ports and encourage exporters / importers to utilize the port services beyond regular hours, lower charges may be levied for cargo and vessels related services as well as special discount may be offered in port charges for the services rendered after regular hours.

[This condition is incorporated in pursuance to the MOS letter No.PD/14033/101/2015PD.V dated 3 February 2016 based on which a common adoption Order

No.TAMP/14/2016-Misc dated 16 February 2016 is approved by the Authority]