



TRAFFIC DEPARTMENT  
PARADIP PORT TRUST

OFFICE ORDER

No. TD/TM/GEN-42(VIII)/1161

Date: 27.04.2020

In exercising the power u/s 111 of the Major Port Trust Act, 1963, Ministry of Shipping vide letter No.PD-14033/4/2020-PD VII dated 21<sup>st</sup> April,2020, has directed to notify the remissions/ waivers / deferments to be extended to only port related activities, industries and commercial establishments excluding Captive User, Central or State Govt. entities, Local bodies, PSUs, CPSEs for specified periods as indicated below. Lockdown period is defined as 22.03.2020 to 03.05.2020. Accordingly, Paradip Port Trust notifies the following remissions/waivers/ deferments.

**A. FOR PORT USERS**

1. Storage Charges:

*As directed by Ministry of Shipping, Ports shall allow free storage time to all port users for the Lockdown Period.*

Accordingly, Lockdown Period shall be considered as free storage period as per clause 2.9 of Scale of Rates of Paradip Port Trust.

2. Lease rentals, license fees related charges:

*As directed by Ministry of Shipping, Ports shall allow deferment of April, May and June months, annual lease rentals/license fees on pro-rata basis, without any interest, if requested by lessee/licensee. This shall be applicable only for the annual lease rentals/ license fee to be received by port for the year 2020.*

Accordingly, the license fee payable as per Clause 2.12 of Scale of Rates, the Port Users can request for deferment of payment for the month of April, May and June, 2020 on pro-rata basis without any levy of interest for the annual lease rentals/license fee to be received by Paradip Port for the year 2020 on the request of lease/licensee.

The said deferred amount shall be paid by Port User after interest free period of three months (reckoned month to month i.e. the charges due in April 2020 shall be paid in month of August 2020).

**Note:**

*Any other annual lease rentals/license fees, inside or outside the prohibited area shall also entitle for the benefit of deferment of payment.*

3. Other Charges, penalties etc.:

*As directed by Ministry of Shipping, no penal charges, demurrages, detention charges, dwell time charges, anchorage charges, penal berth hire charges,*

*performance related penalties etc. are levied on any port user (traders, importer, exporters, shipping lines, concessionaires, licensees, CFS, etc.) for any delay in berthing, loading./ unloading operations or evacuation/arrival of cargo during the lock-down Period plus 30 days recovery period.*

Accordingly,

- (a) The Lockdown Period plus 30 days recovery period shall be considered as free period for calculation of dwell time charges on containers as per Clause 2.5 of Scale of Rates.
- (b) The Lockdown Period plus 30 days recovery period shall be considered as free for the calculation of storage period for demurrage in transit accommodation as per Clause 2.9 of Scale of Rates of Paradip Port Trust.
- (c) The Lockdown Period plus 30 days recovery period shall be considered as free period for the calculation of demurrage charges as per Clause 2.10 of Scale of Rates of Paradip Port Trust.
- (d) No demurrage charges shall be levied as per Clause 2.11 of Scale of Rates of Paradip Port Trust during the Lockdown Period plus 30 days recovery period.
- (e) No penal license fee as per Clause 2.13 of Scale of Rates of Paradip Port Trust shall be charged during Lockdown Period plus 30 days recovery period.

**Note:**

1. *Any other penal charges not specified above shall not be levied during the Lockdown Period plus 30 days recovery period.*
2. *Paradip Port Trust shall not levy any performance related penalties etc. on any port user for any delay in berthing, loading/ unloading operation or evacuation/arrival of cargo during the Lockdown Period plus 30 days recovery period.*

4. Additional Land for Storage:

*As directed by Ministry of Shipping, if requisite additional land is available within port area, the port shall make all efforts to provide the additional storage land to port users, on temporary basis, without any charges, rentals, fee etc. upto 30<sup>th</sup> June 2020 on 'as is where is' basis.*

Accordingly, Paradip Port Trust shall make all efforts to provide additional land, if available, within the port, to Port Users, on temporary basis, without any charges, rentals, fee etc. upto 30<sup>th</sup> June, 2020 on 'as is where is' basis.

**B. FOR PPP CONCESSIONAIRES**

1. Revenue share, royalty and equipment hire related charges:

Paradip Port Trust shall allow deferment of April, May and June, 2020 months' revenue, royalty and equipment hire charges without any interest on the request of the concessionaires. The said deferred amount shall be paid by concessionaire after interest free period of three months (reckoned month to month i.e. the charges due in April 2020 shall be paid in month of August, 2020).

Or

Alternatively, through six monthly equated installments at interest rate equal to RBI's 91-days Treasury Bill(Primary)yield rate (as on the due date of initially deferred amount) after expiry of interest free period.

2. Lease rentals, license fees related charges:

ParadipPort Trust shall allow waiver of lease rentals, license fees and similar charges for three months (April, May and June'2020) to the extent the volume of cargo dropped compared to monthly average cargo volume of last calendar year i.e. 1<sup>st</sup> Jan 2019 to 31<sup>st</sup> Dec 2019. For example the 'average monthly volume' is 10,000 TEUs based on the cargo handled by concessionaire from 1<sup>st</sup> Jan 2019 to 31<sup>st</sup> Dec 2019. If the cargo volume for the month of April,2020 is 6000 TEUs (i.e. drop of 40% by volume compared to last year's average monthly volume), Paradip Port Trust shall waive off 40% of lease rentals, license fees and similar charges for the month of April 2020. If such waived amount has already been received by Paradip Port Trust, adjustment of the same shall be provided in the forthcoming from concessionaire.

3. Minimum Guaranteed Throughput (MGT) obligations:

The MGT obligations (wherever existent in concessionaire agreements) shall be computed, for the respective year, without considering the Lockdown Period and cargo volume handled during said period.

4. Performance standard related obligations:

Paradip Port Trust shall not levy any penalty or charges for any shortfall in any performance standards such as gross berth output, transit storage dwell time, turnaround time for delivery store receipt operations, non-transshipment requirements etc. for the Lockdown Period plus 30 days recovery period.

5. Additional Land for storage:

Paradip Port Trust shall make all efforts to provide additional land, if available, within the port as additional storage area to PPP concessionaires, on temporary basis, without any charges, rentals, fee etc. upto 30<sup>th</sup> June,2020 on 'as is where is' basis.

**C. VESSEL RELATED CHARGES FOR SHIPPING LINES:**

1. Marine Due/Vessel related charges:

Paradip Port Trust shall allow interest free 60 days deferment of marine dues/ vessel related charges to Indian coastal vessels, as requested by vessel operators. Paradip Port Trust shall obtain requisite Bank Guarantee, as security, from coastal vessel operators for the same. Only deferment requests received by 30<sup>th</sup> May, 2020 shall be considered.

**D. FORCE MAJEURE FOR PPP PROJECTS:**

1. The period for completion of any Project under implementation in PPP mode or otherwise, shall be extended by Paradip Port Trust.
2. For PPP projects under implementation, Paradip Port Trust can permit waiver of all penal consequences on a case-to-case basis along with deferment of performance obligations as per relevant provisions of Concession Agreement.
3. The period of Force Majeure starts from the date of order of Ministry of Finance vide OM No.18/4/2020-PPD dated 19.02.2020 and will end when the Competent Authority so orders.

Traffic Manager  
Paradip Port Trust

Copy to:

1. All Importers/Exporters/Stevedores/ Shipping Agents, Paradip Port.
2. All Terminal Operators/PPP Operators, PPT.
3. All HoDs, PPT.
4. The P.S. to Chairman for kind information of Chairman, PPT.
5. The P.A. to Dy. Chairman for kind information of Dy. Chairman, PPT.