

INCENTIVE SCHEME TO THE TRADE TO IMPROVE THE PORT PERFORMANCE

It is to inform here that Ministry of Shipping has appointed M/s. Boston Consulting Group to study Benchmarking and capacity maturity assessment of Indian Ports to improve Port performances. M/s. Boston Consulting Group has suggested several initiatives and recommended to incentivise the scheme to the trade to achieve the Benchmark / Targets. Accordingly the Board of Directors of KPL has approved the following Benchmark and incentive Scheme to the trade.

1) Benchmark/Target for Coal Berth - 1 & 2:

#	Initiative	Metric	FY 15 baseline	Target	Target Date	Expected Finish Date
KPL 1.1	Improve productivity at existing coal terminals to increase cargo handling capacity and implement governance mechanism	Gross MT/hour	1,300	2,000	Apr-16	Sep-16

Incentive Schemes:

Average Berth Productivity of each vessel handling at CB1 & CB2	Concession on Composite tariff (Coastal & Foreign Trade)
Upto 1600 TPH	NIL
1,601 TPH to 1,800 TPH	2%
1,801 TPH to 2,000 TPH	3%
2,001 TPH and above	5%

2) Benchmark/Target for Ennore Tank Terminal Pvt Ltd:

#	Initiative	Metric	FY 15 baseline	Target	Target Date	Expected Finish Date
KPL 4.1	Improve productivity at liquid terminal through reduction in pigging and sampling time	Gross MT/hour	412	800	Dec-16	Dec-16

Incentive Schemes:

Average Berth Productivity of each POL vessels handling at MLT1	Concession on Port dues and Pilotage Charges (Coastal & Foreign Trade)
Upto 500 MT/hr	NIL
501 MT/hr to 650 MT/hr	5%
651 MT/hr to 800 MT/hr	10%
801 MT/hr and above	15%

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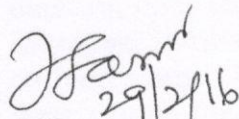
3) Benchmark/Target for Chettinad International Coal Terminal Pvt Ltd:

#	Initiative	Metric	FY 15 Baseline	Target	Target Date	Expected Finish Date
KPL 2.1	Requirement of additional cargo to fill capacity at Chettinad Terminal	mn MT	9.2	13.0	Apr - 16	Sep - 16

Incentive Schemes:

New Customers with parcel size	Concession on Port dues and Pilotage Charges (Coastal & Foreign Trade)
70,000 tonnes	5%
70,001 to 1,00,000 tonnes	10%
1,00,001 tonnes and above	15%

The Incentive Scheme will be valid up to 30.09.2016.


29/2/16
V. Krishnasamy
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For Kamarajar Port Limited