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ISO 9001:2015, ISO 14001:2015 &  
ISO 45001:2018 and ISPS compliant Port

வ.உ.சிதம்பரனார் துறைமுக ஆணையம்  
वी.ओ. चिदम्बरनार पत्तन प्राधिकरण  
V.O.Chidambaranar Port Authority  
(Ministry of Ports, Shipping & Waterways, Government of India)  
Administrative Office, Harbour Estate, Tuticorin -628 004  
Tamilnadu

Fax : 91-461-2362232  
Email id : secretary@vocport.gov.in  
Website : www.vocport.gov.in

File No: TRA-MARS/10/2025-Traffic (comp No: 7283)-D-730

Date: 11.08.2025

### Trade Notice

**Sub:** MGT-based incentive scheme for coastal clinkers – Reg

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The following Minimum Guaranteed Throughput (MGT)-based Incentive Scheme for coastal clinker cargo handled at the Port operated berths shall be implemented with immediate effect:

Sl.No	Minimum Guarantee Tonnage -Coastal Clinker (MT)	Port Charges
1	2,50,000 - 5,00,000	125
2	5,00,001 - 7,50,000	110
3	More than 7,50,000	95

#### **Terms and conditions:**

- The scheme shall be applicable for Coastal clinker cargo (in exclusive clinker carrying coastal vessels) handled in the Port operated berths and shall not be applicable for multi cargo carrying vessels.
- The scheme shall be valid for a period of 10 years. User can join in the scheme at any time. The scheme shall be made effective from the first day of the month, from which the first vessel is berthed by a User and the year will be reckoned from the 1<sup>st</sup> of that month.
- The Port charges mentioned in the table above include Cargo Related Charges such as Wharfage, Stevedoring & Shore Handling Royalty, Pollution Cess, Hopper Charges and Vessel Related Charges such as Port Dues, Pilotage, Berth Hire Charges and Additional Berth Hire Charges (Dredging levy) if any. Harbour Mobile Crane deployment charges, if any, shall be borne by the Users.
- The Port charges shall be subjected to annual indexation based on the WPI. Second Financial Year (2026-27) of the scheme will be considered as the base year for indexation and indexation will be applied from the third Financial Year (2027-28)

Illustration on application of indexation:

Financial Year	2025-26 Year 1	2026-27 Year 2	2027-28 Year 3	2028-29 Year 4	2029-30 Year 5
Port Charges (Rs)	125	125	131.25	144.38	151.60
Indexation rate (Assumption)	NA	NA	5%	10%	5%

- v. Charges will be levied based on the committed MGT, If the customer fails to achieve the MGT quantity at the end of every MoU year, they shall pay compensation for the shortfall quantity and the methodology of the concession proposed is as detailed in point No. vi
- vi. Illustration on applicability of rates:-

Scenario	MGT Committed Quantity (MT)	Handled Quantity (MT)	Port Charges
1	3,00,000	3,00,000	Rs.125/MT for the handled quantity i.e., (3,00,000 MT X Rs.125)
2	3,00,000	5,50,000	Rs 125/MT for 5,00,000 MT and Rs.110/MT for the remaining quantity of 50,000 MT. (5,00,000MT X Rs.125 + 50,000MT X Rs.110)
3	3,00,000	7,60,000	Rs 125/ MT for 500000 MT and Rs.110/MT for 2,50,000 MT and Rs 95/MT for the remaining quantity of 10,000 MT (5,00,000 MT X Rs.125 + 2,50,000 MT X Rs.110 + 10,000 MT X Rs.95)
<b>Penalty scenario</b>			
4	3,00,000	2,00,000 (Not even achieved base slab)	Actual Port charges as per SoR for the handled quantity i.e., 2,00,000 MT & Rs.125/MT for the shortfall quantity (3,00,000 MT – 2,00,000 MT) ie, (1,00,000 MT X Rs.125)
5	3,00,000	2,60,000 (exceeded Minimum slab)	Rs.125/MT for the handled quantity ie., 2,60,000 MT & Rs.125/MT for the shortfall quantity (3,00,000 MT – 2,60,000 MT) ie., (40,000 MT X Rs.125)
6	6,00,000	3,00,000 (exceeded Minimum slab)	Rs.110/MT shall be payable from the beginning of the year as the MGT is declared as 6,00,000. However, at the end of the year, the port shall be compensated @Rs.110/MT for the shortfall quantity (6,00,000 MT – 3,00,000 MT) i.e., (3,00,000 MT X Rs.110)

- vii. The Stay at Berth of the vessels under the MGT scheme shall also be subject to the prevailing conditions in the port's SoR. Accordingly, If Berth stay is more than 5% beyond the stipulated time in productivity norms, actual Berth Hire Charges shall be collected for overstay of the vessel at the berth.
- viii. If vessels under the MGT scheme convert from coastal run to foreign run, the difference in vessel related charges shall be payable from the time of such conversion.
- ix. The customers who desire to avail this scheme shall execute the MoU in duplicate with VOCPA, guaranteeing volume of Coastal clinker (import & export) for the MGT year.
- x. The Customers shall submit a Bank Guarantee (BG) equivalent to the sum where the MGT volume is multiplied by Rs.125/- plus GST. (The amount Rs 125/MT shall be subject to indexation as per the WPI mentioned in earlier paras)



- xi. The BG shall be drawn in favour of the FA&CAO, VOC Port Authority, payable at Tuticorin branch of any scheduled bank.
- xii. BG shall be valid for three months and with a claim period of six months from the date of expiry of the MoU. If the customer prefers to continue in the scheme, the Bank Guarantee may be extended to subsequent MoU years, subject to the achievement of MGT of that particular MoU Year. Extension of BG should have a validity of three months and a claim period of six months from completion of the committed MoU year.

For instance, if the customer has opted MGT scheme in April, 2026 and prefers to continue the scheme from April 2027, the extension of the BG shall be valid till 30.06.2028 with a claim period up to 30.09.2028 and the same can be extended for subsequent years also.

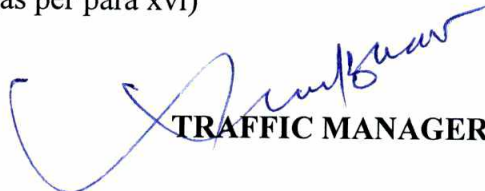
- xiii. For accounting of the tonnage handled, consignee name in the Bill of Coastal Goods (BoCG) shall only be reckoned.
- xiv. The cargo/vessels handled under this MGT scheme shall not be eligible for any other concessions at present or future.
- xv. Anchorage charges shall not be applicable only when the vessel is ready and berth is not available.
- xvi. In the event of discontinuation of NCB II operations by VOCPA, the Customers have the option either to continue in the MoU and achieve the balance MGT quantity in the Port operated berths or to discontinue from the scheme and the MGT for that completed period of the MGT year will be calculated on pro-rata basis for closure of the scheme.

For instance if the event occurs after 9 months from the commencement of the MGT year, the MGT will be revised to 75% (9/12) of the actual MGT.

- xvii. If the customer opts for this MGT scheme for a period exceeding one year and subsequently wishes to discontinue during the committed MGT period, the customer shall be permitted to exit the scheme, subject to customer having achieved the committed MGT for the specific MGT year in which the discontinuation occurs.

For instance, If customer opt for this scheme for five years, and wishes to discontinue the scheme during the second MGT year, they shall achieve the MGT for the second MGT year and discontinue from the scheme from third MGT year or pay the compensation to the port as clarified earlier.

- xvii. If the customer desires to discontinue during a year and fails to achieve the MGT for that year, penalty will be applicable as per para vi.
- xviii. If the port desires to withdraw from the scheme due to any developmental requirements or policy changes it shall be free to do so by giving a 90 days notice to the customer with whom an MOU is entered. No compensation shall be liable to be payable by the port on this account and MGT computed on pro-rata basis (as per para xvi)

  
**TRAFFIC MANAGER**

**Minimum Guaranteed Throughput (MGT)-based Incentive Scheme for Coastal Clinkers handled at the Port operated berths**

**Memorandum of Understanding (MoU)** (in duplicate)

To

The Traffic Manager

VOC Port Authority

Tuticorin - 628 004

Ref: VOCPA Trade Notice No: TRA-MARS/10/2025-Traffic (comp No: 7283) dated \_\_\_\_\_

1. We, M/s ..... having GST No. \_\_\_\_\_, hereby guarantee to handle \_\_\_\_\_ MT of Coastal clinkers.
2. We hereby furnish an irrevocable Bank Guarantee (BG) in favour of the FA&CAO, VOC Port Authority for the amount specified in the Trade Notice amounting to Rs...../- (Rupees in words) towards MGT.
3. We hereby agree that in the event of failure to achieve the MGT, we shall remit the applicable charges for the shortfall volume as per the Trade Notice; and in the event of non-payment, VOCPA shall be free to encash the BG for equivalent sum, without any prior notice.
4. We have read and understood the Trade Notice referred above and undertake to abide by all the terms and conditions, therein.

Name of Signatory & Designation

with signature and seal of the customer with address

Acknowledgement:

VOCPA hereby accepts the MOU of M/s ----- for the "MGT- based Incentive Scheme for Coastal Clinkers" as per the Trade Notice No: \_\_\_\_\_

**Minimum Guaranteed Throughput (MGT)-based Incentive Scheme for Coastal Clinkers handled at Port operated berths**

**Proforma Bank Guarantee**

To

The FA & CAO

VOC Port Authority

Tuticorin – 628 004

Bank Guarantee No.----- Amount of Guarantee-----

Date of issue----- Date of Expiry-----

Last Date of Lodgement of claim : (3 months from expiry of Bank Guarantee)

We, .....(Name of Bank) a scheduled bank having its registered office at .....(Address) with Indian Financial System (IFSC No.....) and Branch at.....(Address) (hereinafter referred as the Bank) at the request of M/s.....do hereby unconditionally and irrevocably undertake to offer VOC Port Authority (VOCPA) an amount not exceeding Rs.....(Rupees in words) towards Minimum Guaranteed Throughput (MGT) of ----- MT with respect to the MGT-based Incentive Scheme for coastal clinkers as per VOC Port Trade Notice No: \_\_\_\_\_

The conditions under which the Bank Guarantee shall be encashed are as under:

1. Non-payment of charges for the shortfall volume in the event of failure to achieve the MGT in the Scheme period shall entitle VOCPA to encash the Bank Guarantee, as per the Trade Notice..
2. The Bank hereby undertakes to pay the amount due and payable under this Guarantee without any delay and demur or protest, merely on a demand from VOCPA. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the bank under this Bank Guarantee.
3. The Bank undertakes to pay to the Beneficiary, money so demanded, notwithstanding, any dispute or disputes raised by MGT provider (s) in any suit or proceeding pending before any Court or Tribunal relating thereto, our liability under this present Guarantee being absolute and unequivocal. The payment so made by us under this Guarantee shall be a valid



discharge of our liability for payment thereunder. Our liability to pay is not dependent or conditional on the Beneficiary proceeding against the MGT provider (s).

4. That, this Guarantee shall remain in force up to and including date \_\_\_\_\_ (as applicable) and any demand in respect thereof should reach the Bank not later than such date.
5. That, this Guarantee shall not be discharged by any change in the constitution of .....(name of MGT provider) or of the Bank.
6. That, this Guarantee shall be payable on submission of a request letter for revocation at .....branch with Code No. ....and IFSC No..... at Tuticorin.
7. The liability of the Bank is restricted to a maximum of Rs.....(Rupees in words).
8. That, the Guarantee shall remain in force until \_\_\_\_\_ (as applicable).
9. The Bank is liable to pay the Guaranteed amount or part thereof under the Bank Guarantee if VOCPA serves upon the Bank a written claim or demand on or before \_\_\_\_\_ (i.e. three months from the date of expiry of \_\_\_\_\_) (as applicable).

Dated, the .....Day of ..... .

(Signature of authorized person of the Bank)

Signature of Witness

(name and address of Witness)

Name of Signatory & Designation with

Seal of the Bank with Address.