

MUMBAI PORT TRUST

TRAFFIC DEPARTMENT

No.: TM/G/1-1/33

of 2015-16 Date : 14th December 2016

CIRCULAR

The Secretary General, Mumbai & Nhava Sheva Ship
Intermodal Agents Association
All Ship Owners / Shipping Agents / Oil Companies/Container Operators
All Public Sector Undertakings / Govt. Companies
The Secretary, Sailing Vessels Association
The Secretary, Inland Vessel & Barge Owners Association
The Secretary, Federation of All Indian Sailing Vessels Association
The Director Group of Mumbai Barge Owners &
Small Ship Owners Association
The Indian Barge Owners Association
Shipping Corporation of India Ltd.

Sir,

Sub : Enhancement of Bank Guarantee amount
for Vessel Agents / Port users.

Vessel Agents desirous of operating in Mumbai Port are presently required to submit Bank Guarantee of Rs.2 lakh and Rs.50000/- for registration to operate foreign going vessels and coastal vessels respectively, basically to secure due payments to the Port on account of shortfall of charges for services rendered to the vessels. The amount of Bank Guarantee is in force from 1992 for foreign going vessels and from year 2000 for coastal vessels respectively.

2. As per procedure in vogue, Vessel Agents are required to initially lodge deposit towards stay of vessels at berth on basis of self assessment and bills are raised after sailing of the vessels and any shortfall in bills are to be settled within 10 days, failing which interest is leviable. On perusal of the bills, it is observed that Vessel Agents regularly handling foreign vessels / coastal vessels are billed for an amount of Rs. One crore and above on yearly basis. Thus Bank Guarantee of Rs.2 lakhs /Rs.50,000/- is very meagre and not sufficient enough for recovery of shortfall in case of default by Vessel Agent.

3. In the meeting held on 3.11.2016 with Port users, during Vigilance Awareness week, the issue was discussed and the Vessel Agents had agreed that Bank Guarantee of Rs.2 lakhs / Rs.50,000/- is insufficient to meet any deficit of payments and suggested that Bank Guarantee amount be increased suitably.

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4. In view of the above, and considering the present billing pattern, Bank Guarantee to be submitted by Vessel Agents for foreign going vessel, container vessel and container lines is revised as under with a validity period of 3 years and above, with immediate effect :

- (i) Foreign going vessels – Bank Guarantee of Rs.15 lakhs.
- (ii) Coastal vessels - Bank Guarantee of Rs.5 lakhs.
- (iii) Container Lines - Bank Guarantee of Rs.2 lakhs.

5. You are therefore, requested to inform all your members to substitute their existing Bank Guarantee/s with Bank Guarantee/s of abovesaid revised amount / period by 31.12.2016.

Yours faithfully,

SD/-
(P. P. PHANSEKAR)
SR. DY. TRAFFIC MANAGER(HO)