

**Sub : Fixation of rates as per PGLM Policy
for proposed Jetty at Karanja inside
Port Limit- Reg.
Approval by Land Allotment
Committee thereof.**

The Estate Manager has stated that the Land Allotment Committee meeting was held on 7.10.2021 for consideration of rates as per Policy Guidelines for Land Management for proposed Jetty at Karanja inside Port limit.

2. The EM has further stated that in the subject matter, by letter dated 29.10.2015 addressed to the Chairman, Navy has requested for the proposed jetty at Karanja for “Augmenting of berthing facilities at Mumbai”. The location of the proposed jetty is inside the MbPT limits and close to existing PIM jetty (constructed in 1960) at Karanja. They have also stated that the proposed jetty would be adjacent to existing ammunition jetty at Karanja. Both structures will be within 1.2 km radius and will not affect the operations of MbPT. New jetty once commissioned will augment the berthing facility for Naval minor war vessels and barges/crafts.

3. The EM has informed that the subject area falls under the jurisdiction of Dy. Conservator/Traffic Department who are the custodians of the area. The said area is at a distance of 2.7 km. from Uran and as per ONGC’s request to lay pipeline at Uran, the valuation has been done for the area at Uran. The Land Allotment Committee meeting held on 7.10.2021 for consideration of the said Valuation Report for Uran and to adopt the rates for the subject area at Karanja.

4. The EM has stated that since it is a fresh allotment to be done by the DC, MbPT from 2021 onwards there is no need for discounting to arrive at the rate as on 1.10.2017. The rate arrived at Rs.5740 per sq.m. as on 31.7.2019 can be further increased by 4% every October till 2022. Accordingly, the rate for the year 2021 can be worked out as Rs.6456.72 per sq.m. as on 7.10.2021 up to October 2022 can be made applicable. No separate valuation has been carried out for the subject land at Karanja. As LAC has already approved SoR for land at Uran which is in the same vicinity being 2.7 km from the proposed jetty, the same may be made applicable for the proposed jetty at Karanja.

5. Hence, it is for the consideration of the LAC to adopt the fair market value of the land and SoR for the under water land applied for the Uran area to subject area at Karanja. It is the discretion of the LAC to give the concession for the Government Body with Port related activity from 50% to 75% as per clause 11.2(G) of the PGLM Policy.

6. The work of valuation of Uran area was allotted to Shri.A.V. Pendse who is Valuer on MbPT's panel, under work order dated 18.6.2019. The Valuer had been requested to calculate Fair Market Value for fixing the Special Way Leave Charges for offshore intake channel and outfall pipeline at ONGC Uran off Nagaon beach, Tahsil Uran, Dist. Raigad. of SoR 2017-22 in terms of PGLM, 2015.

7. The rates applicable to Land and underwater land at Uran as given by Valuer which can also be applied to Land at Karanja being close are as follows:

Sl. No.	Factors	Description/ Comments of Valuer (Value of land and Basin)	Rate in Rs. Per sq. mtr.	The Fair Market Value of the land per sq. mtr. in Rs. as per Ready Reckoner
1.	State Govt. Ready Reckoner of land values in the area Rate for water basin is 50% of the rate of land	N.A. land in Nagaon Village for proposed channels (For ONGC) Rates for Basin (50% for underwater land)		3,700 1,850
2.	Highest rate of actual relevant transaction registered in last 3 years in the Port's vicinity, with an appropriate annual escalation rate to be approved by the Port.	There are No such transactions occurred in land 3 year for Dock land by the MbPT.	---	---
3.	Highest accepted Tender Cum Auction Rate of Port land for similar transactions, updated on the basis of annual escalation rate approved by the Port.	There are No such transactions of land in the vicinity have occurred for basin area.	---	---

4.	Rate arrived at by an approved Valuer appointed for the purpose by the port (year 2017)	In respect of proposed channels (For ONGC) Considering 6% return on investment per annum. Rental value of basin is Rs.344.40 per sq. mtr. per annum.	Rs.57.4 per month Rs. 28.70 per month	11,480 as on 31.7.2019 5,740 as on 31.7.2019
5.	Any other relevant factor as may be identified by the port	No such factor identified by Port.	---	---

8. The EM has stated that the Valuation Report in respect of the subject plot at Karanja is not available, however since the area is 2.7 km from the Uran area, the Values/Rates given by Valuer as shown above in the tabular form and which are already approved by LAC may be applied to the subject plot.

9. Accordingly, the matter was submitted to LAC and they were requested to consider 1 factor out of all 5 factors and give final recommendations to Fair Market Land Value for SOR 2021-22 as per the details given in para 6 above.

10. The After considering all these relevant facts, the LAC has decided-

- (i) To adopt land rate given by Valuer in respect of Land allotted to ONGC at Uran be applied for the period from 1.10.2019 to 30.9.2022 as **Rs. 11,480 per sq.m.** for FSI 1 for fixation of Schedule of Rate (SoR) for land and **Rs.5,740 per sq. m.** for basin.
- (ii) Based on the land rate the SoR at 6% p.a. return on land value for FSI 1 per sq. mtr. per month would be Rs.478.33 as on 2019.
- (iii) The above SOR shall be applicable for the period from 1.10.2019 to 30.09.2022 with 4% annual increase every October and this rate will be applicable to all plots which falls under the subject Ready Reckoner Zone.

The Chairman has approved the LAC report on 8.10.2021.

11 The EM has stated that due to urgency of the matter it was decided to submit above proposal for TAMP approval to SoR 2021 to 2022 for the subject zone as approved by LAC subject to ex-post-facto sanction of the Board.

12 The EM has stated that -

- (a) A copy of LAC report with Chairman's approval dated 8.10.2021 to place the matter before Board for Board's ex-post-facto approval is at **Annexure**.
- (b) In view of para 10 above, the rate for the year 2021 is Rs.6456.72 per sq.mtr. up to October 2022
- (c) Further action in accordance with para 4(b,c,d) and para 5 of TR No.122 dated 3.8.2021 will be taken after receiving approval of TAMP to the said SoR, the actual quantum of compensation/rentals/upfront premium as per applicable SoR will be worked out on the basis of the factor recommended by the committee and corresponding to the actual consumed FSI on each plot in the respective RR zone. However, the issue pertaining to the Dy. Conservator, MbPT and it is a new allotment and not the existing lease, as per the request from Dy. Conservator, MbPT this department has moved the Board proposal.

13. The Estate Manager has requested the Board's ex-post-facto approval to the Land Allotment Committee's recommendations as brought out in para 10 and action as proposed in para 12(a), 12 (b) and 12 (c) above.

14. The Draft Board Resolution, as approved by the Chairman, is submitted for the favour of Trustees' sanction by circulation. On sanction by the Trustees, the same will be placed before the Board for formal approval.

Resolution No. Board's approval is accorded to the Land Allotment Committee's Recommendations as brought out in para 10 and action as proposed by Estate Manager in para 12(a), 12 (b) and 12 (c) of the note.

C6/Ag 22 Oct. 2021/Karanja-SOR-circulation