

**14. Land Allotment/SoR Committee  
Recommendation for Revision  
of SoR, 2022-2027.**

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The Estate Manager has stated that this proposal is related to revision of Scale of Rates (SOR) of Mumbai Port land for the period from 1.10.2022 to 30.9.2027 effective from 1.6.2023.

**1. BACKGROUND:**

1.1. The EM has stated that the revision of SoR in Mumbai Port is governed by the provisions of Policy Guidelines for Land Management at Major Port, 2015 (PGLM 2015) issued by the Ministry of Shipping, Govt. of India, the applicability of which was extended to the Township area of Mumbai Port by Clarification Circular dated 14<sup>th</sup> May 2018. Earlier PGLM 2015 was applicable for all Major Ports except for the Township areas of Kandla, Mumbai and Kolkata Port and it was stated in the policy that a separate policy would be formulated for the Township areas of Kandla, Mumbai and Kolkata Port. However, as the policy formulation was taking time, the applicability of PGLM 2015 was extended to the Township areas of the above ports subject to certain conditions, *inter alia*, such as no new residential/real estate development should be undertaken, etc.

1.2. As per para 13 of PGLM 2015, for the purpose of determination of SoR and reserve price, there are five factors to be considered to arrive at Fair Market Value of land and the highest of the five factors has to be adopted for the purpose of determination of SoR/Reserve price. In case the highest factor is not considered, the reason for the same is to be recorded in writing by the Port. Further as per para 13(c) of PGLM, the SOR has to be revised every five years. As per PGLM 2015, the SoR has to be recommended by the Land Allotment Committee and approved by the Board and send to TAMP for its approval and notification. TAMP approves and notifies the rates after completing the process of consultation with the stakeholders. The SoR in respect of Mumbai Port for the period 2017-2022 was accordingly revised through the LAC route and approved by the Board and forwarded to TAMP for approval. The TAMP approved and notified the SOR by following the consultation process with the stakeholders. The SoR has become due for further revision on 1.10.2022, however considering the time required in appointment of Valuer, obtaining reports, detailed deliberations required, etc. the applicability of SoR 2017-2022 was extended initially for a period of 6 months and further for a period of two months i.e. till 31<sup>st</sup> May 2023 with the approval of the Board.

1.3. While carrying out revision for the period 2017-2022, a panel of valuers were appointed who recommended the land values for various zones, which were then directly adopted to arrive at the highest of the five factors as prescribed in Para 13 of PGLM 2015. It was observed that there was no uniformity in the methodology adopted by empanelled valuers while recommending the FMV. The various factors considered in valuation such as availability of infrastructure, land use constraints, DP Regulations, encumbered land, litigations, leasehold plot, etc. are valued by considering different percentages by different valuers which makes the valuation valuer-specific and lacks uniformity in valuation of various zones.

1.4. The revision of rent in the past in Mumbai Port used to be on ad-hoc basis with percentage increase over the existing rent. The revision of rent based on scientific valuation of land was for the first time done by Mumbai Port in the year 1982 under TR No.232 of 1982 based on fair market value of land as on 1.1.1980 with the rate of return for residential zones being at 12% per annum and for industrial/commercial zone at 15% per annum. The entire exercise of valuation of land, was done by a single valuer firm i.e. M/s.Kirloskar Consultants Ltd. who divided the Port estates into 36 zones. The Valuer had recommended applying the recommended adjustment factor to the fair market value for encumbered land, which was however, not accepted. The revision was applicable for a period of 5 years from 1.10.1982. The revision of rent in respect of the Structures owned by the Port was done under TR No.273 of 1987 with the return on land value being as per Kirloskar Consultants Report and return on depreciated cost of construction being at 15% per annum and was to be effective from 1.10.1987. The entire revision of rent was struck down by the Bombay High Court by order dated 4.10.1990 holding it to be arbitrary and capricious. In the appeal filed by the Board, the Division Bench of the Chief Justice and Justice Sukumaran expressed a view that the matter should be put to an end and it was suggested that they will fix a cut off date and number of years at the expiry of which they will direct the Respondents to pay the increase in rent at certain percentage to be decided by them so that permanently at fixed interval of years BPT will get automatic increase in rent at the percentage fixed by them. Their Lordships however suggested that some formula may be suggested by the Trustees and/or Counsel to enable them to arrive at a percentage of rent to be fixed by them which can then be made applicable to other tenant of BPT also who are not parties in the present appeal by giving notice under Order 1 Rule 8 of CPC. This is how the compromise proposals came to be formulated and approved by the Board under TR No.253 of 1991 which besides rationalising the rent revision also provided for regularisation of breaches and liberalised the aspect of user permissible. The compromise proposal was ratified by the Bombay High Court Bench by judgement dated

11/12.3.1993. The rents fixed under the compromise proposals were valid till 30.9.2012. The order of the High Court however was challenged by way of SLP in the Supreme Court, which then remanded the matter back to Bombay High Court for review, the review and further challenge culminated in the judgement of the Supreme Court dated 13.1.2004 upholding the compromise proposal with the rate of return w.e.f. 1.4.1994 being modified to 10% per annum in respect of non-home occupations and 8% for home occupations. The rate of return for home occupations however was revised to 3% per annum as was originally under the compromise proposals by clarificatory judgement dated 9.1.2006. The Supreme Court while upholding the compromise proposals has resolved the dispute with regard to the rent only for the period upto 31.3.2000 as the issue of applicability of Maharashtra Rent Control Act, 1999 to the Port property was pending adjudication. The compromise proposals in the interim were further liberalised and rationalised under various Trustees Resolutions, and the same has been summarised under TR No.31 dated 10.3.2004 under which the Supreme Court Judgement was adopted for implementation with the rent as per the compromise proposals being continued for the period upto 30.9.2012. The summarised compromise proposal is at \***Annexure I**. Though there were legal challenges to the valuation carried out by Kirloskar Consultants Ltd. and adopted by the Board, in the long run the land values as recommended by the Valuer was applied over a deferred period with modification in the rate of the return as was held by the Hon. Supreme Court while upholding the compromise proposals formulated by the Board. There was a provision in the compromise proposal that 'notwithstanding fixation of rent for a period of 20 years, for good and sufficient reason the Board can review and revise the rates. In terms of the said provision, the Board under TR 127 dated 22.8.2006, inter alia, decided to revise the rate of rent for Corporations and Companies having paid up capital above 1 crore which entities are exempted under Section 3(1)(b) of Maharashtra Rent Control Act. by linking it to 6% per annum return on market value of land as per Stamp Duty Ready Reckoner for the year 2006. The said revision is under challenge before the Bombay High Court. The revision effected from 1.10.2012 and 1.10.2017 are also under challenge in the Bombay High Court by way of about 93 Writ Petitions as of now.

It is also observed that all major ports did valuation of their land through single Valuer firm. In the circumstance, with the Chairperson's approval dated 27.7.2022, it was decided to appoint a single Valuer.

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\* Printed as Annexure I

## 2. Objectives:

Land Allotment/SoR Committee has been formed with the following objective:

- (i) Analyse the past revisions;
- (ii) Overcome the obstacles in implementation of revised SoR and recovery;
- (iii) Study the market trends and conditions with regard to land values, rate of return prevailing, methodology adopted by other ports and recommend the best possible return within the provisions of the PGLM 2015 and Major Port Authorities Act, 2021.
- (iv) Promote trade and business with generation of employment through setting up of new business opportunities in the available land area at competitive rates with an aim to achieve the objectives of MIV 2030 and Vision 2047;
- (v) Promote warehousing facilities at competitive rate to improve logistics in line with the PM Gati Shakti National Master Plan for Multi-modal connectivity for integrated and seamless connectivity for movement of people, goods and services from one mode of transport to another.

## 3. SWOT Analysis of MbPA land

The EM has stated as under:

### **Strength:**

- (i) Owner of Premium South Mumbai land
- (ii) Includes two main business centres of Mumbai, a Business Centre at Ballard Estate and a Business Centre cum Tourist Destination at Colaba.
- (iii) The growth of the city of Mumbai in the last 150 years is mainly attributable to the Port which has contributed greatly to the development of settlements and business around it.
- (iv) Premier Port of India amongst all the Major Ports.
- (v) There is huge scope for development as the land is under developed.

### **Weakness:**

- (i) About 1/3<sup>rd</sup> of its land (275 Ha) is under lettings with many of them under litigation with 1117 No. of suits/proceedings pending in various courts for eviction and recovery of dues,
- (ii) Since the lands under lettings are high value lands, the lessees do not easily vacate the land at the end of the tenure and involve the port in multiple litigation right upto the highest court and consequently eviction gets delayed.

- (iii) The land is underdeveloped in majority of the areas as the major activities involved are industrial or small scale workshop.
- (iv) About 70% of the land is under CRZ.
- (v) Port infrastructure constraints and cargo evacuation through city roads is difficult.

**Opportunities:**

1. Vacant land can be developed on the basis of Smart City concept.
2. The large land bank can be offered for development based on the Land Use Plan at the latest rate which can generate good revenue for the port and also promote trade and business with generation of employment through setting up of new business opportunities at competitive rates, with an aim to achieve the objectives of MIV 2030 and Vision 2047. The objective of Vision 2047 for Mumbai Port are as follows:
  - (i) Global Cruise Tourism Hub with World Class Cruise Facilities, Domestic Cruise Destinations and Island Tourism Circuits
  - (ii) Providing the best Urban Water Transport facilities to Mumbai
  - (iii) Hybrid Port as a hub for Lighterage & Liquid Cargo Handling
  - (iv) Thriving Ship Building/Ship Repair Ecosystem with next gen capabilities
  - (v) Green fuels driving Green Port Operations
  - (vi) Technology Enabled Smart Port for Seamless, Efficient Operations & Maintenance
  - (vii) A Hub for Research, Innovation, Consultancy and Skill Development in the Port and related Sectors
3. Development of Commercial Centres/Eastern Water front/ hotels/Marina/Car Export Facility/Art & Cultural Centre can be permitted on Port land which can generate revenue.
4. Promote warehousing facilities at competitive rate to improve logistics in line with the PM Gati Shakti National Master Plan for Multi-modal connectivity for integrated and seamless connectivity for movement of people, goods and services from one mode of transport to another.

5. Cargo evacuation through sea/river route could be explored.
6. Commissioning of Mumbai Trans Harbour Link (MTHL) could open up potential for faster movement of cargo and developments in Sewree area.
7. Proposed Metro 11 will improve the connectivity of Port area with the City

**Threats:**

1. About 110 Hectares of MbPA land of vacant plots of varying sizes scattered all over Estates and prone to encroachment;
2. Judicial challenge to the rent revision which hinders revenue generation. There are already 93 Writ Petition in Bombay High Court challenging the revision effected for the period 2012-2017 and 2017-2022
3. High SOR leads to non-responsive bids at tendering (e.g. Digvijay Plot at Sewree, Marina Project) and consequently restricts revenue generation.
4. High SOR leads to unrest and agitation amongst the users.
5. High SoR has in the past lead to surrender the MbPA land in the occupations of Food Corporation of India (FCI), Central Warehousing Corporation (CWC), State Trading Corporation (STC), Maharashtra Small Scale Industries Development Corporation (MSSIDC) which are into warehousing business. Similarly, Corporates like Castrol have surrendered their land and Colgate Palmolive & Castrol have shown desire to surrender further land. HPCL has also surrendered 10 hectare of land post the last revision. BPCL have also given indication to shift some of their activity/installation to the interiors and surrender of such land.
6. Availability of Warehouses in Bhiwandi area (at about 50 kms distance) at a very cheap rate and the competition from Jawaharlal Nehru Port where the rates of SoR for land are extremely low compared to the rate at Mumbai Port.
7. Commissioning of Mumbai Trans Harbour Link (MTHL) could also lead to shifting of activities to the hinterland.
8. Many of the leases granted under the compromise proposals are due for expiry in March 2024 and high SoR could pose difficulty in renewing these leases besides the leases expired earlier.

#### 4. Provisions of MPA Act 2021 for revision of SoR

**The EM has stated as under:**

4.1. Earlier the Major Ports were governed by the Major Port Trusts Act, 1963. On promulgation of the Major Port Authorities Act, 2021, with its effective date being 3<sup>rd</sup> November 2021, the Major Port Trusts Act, 1963 stands repealed. The revision of SoR 2022-2027 effective from 1.6.2023 is thus required to be done as per the Section 27 (1)(b) and 22(2) of the Major Port Authorities Act, 2021. Under Clause 7.5 of Tariff Policy for Major Port Authorities, 2021 and Rule No.4 of Major Port Authorities (Master Plan and Application of Funds from Non Port related Use) Rules,2021, the Board is empowered to frame scale of rates at which and a statement of conditions under which, the access to, and usage of the port assets may be allowed by the Board in consonance with the norms prescribed. **The norms for fixation of Scale of Rates are governed by the Land Policy Guidelines** issued by the Government from time to time.

4.2 As per Section 14 of the Major Ports Authorities Act, 2021 and the **Rule 4 of Major Port Authorities (Fixation and Implementation of Scale of Rates, Fees and Conditions) Rules, 2021**, the Board, by BR No. 45 dated 16.3.2022, Constituted the Land Allotment/SOR Committee to prepare SoR 2022-27 headed by the Dy. Chairperson with 5 HODs as members, as under:

- (i) **Shri. Adesh Titarmare, Deputy Chairperson – Chairperson of the Committee**
- (ii) **Shri. Bhabatosh Chand, Deputy Conservator – Member**
- (iii) **Shri. Manas Mandal, Chief Mechanical Engineer – Member**
- (iv) **Shri. B S Shinde, Traffic Manager - Member**
- (v) **Smt. P M Dabolkar, FA&CAO (I/c) – Member**
- (vi) **Shri. A P B Mattoo, Chief Engineer(I/c) - Member**

#### 5. Provision of PGLM 2015

5.1 The EM has further stated that as per the Para 13 (c) of the Policy Guidelines for Land Management by Major Ports (PGLM) 2015, issued by the Government of India, the SOR would be re-fixed once in every 5 years by this Authority.

### **Market Value of land and SoR:**

- (a) Land Allotment Committee may normally take into account the highest of the factors mentioned herein below to determine the latest market value of Port land. In case the Land Allotment Committee is not choosing the highest factor, the reasons for the same have to be recorded in writing.
  - (i) State Government's ready reckoner of land values in the area, if available for similar classification/ activities.
  - (ii) Highest rate of actual relevant transactions registered in last three years in the Port's vicinity (the vicinity of the Port is to be decided by the respective Port Trust Boards), with an appropriate annual escalation rate to be approved by the Port Trust Board.
  - (iii) Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board.
  - (iv) Rate arrived at by an approved Valuer appointed for the purpose by the Port.
  - (v) Any other relevant factor as may be identified by the Port.
- (b) The Land Allotment Committee shall, while recommending the latest Market Value for any land would normally take into account the highest of the factors mentioned in Para 13 (a) of PGLM, 2015. Reserve Price in terms of the annual lease rent would be latest SoR determined in accordance with Para 13(a) and 13 (c) and would in no case be less than 6% of the latest market value recommended by the Port Trust.
- (c) The Port would make a proposal as outlined in para 13(a) to TAMP for fixing the latest SoR of the land. The TAMP would notify the latest SoR of the land after following due process of consultation with stake holders within 45 days of receipt of the proposal. The Board will fix a rate of annual escalation which would not be less than 2%. SoR would be refixed once in every 5 years by TAMP.

*(With the repeal of the Major Port Trusts Act, 1963 and the coming into force of the Major Port Authorities Act, 2021, the fixation of SoR is exclusively within the purview of the Board)*

(d) **Reserve Price for Auction:**

The reserve price should be the latest SoR with due escalation for all leases within and outside the Custom Bonded Area.

**6. Selection of Valuer**

6.1. The EM has further stated that Estate Division floated RFP for engaging IBBI registered Valuer in asset category of 'Land and Buildings' for undertaking Ready Reckoner Zone-wise valuation and determination of Fair Market Value of Immovable Properties (Land & Buildings) of MbPA letout lands falling in 41 RR Zones as per RR 2022-23 as per the Term of Reference (**\*Annexure-II**) of Tender No.EM/01/2022 in August 2022. Work order was issued to the lowest bidder, Value Add Consultant (L-1) on 17.11.2022. However, Value Add Consultant has not accepted the Work Order and withdrew their bid on 12.12.2022 with a request to cancel the work order. Due to the time bound nature of work, Tender Committee met on 15.12.2022 and recommended to issue work order at (L-1)'s rate to Shri Avinash Pendse, Architect and IBBI registered Valuer who has around 40 years of experience in the field of Valuation and who was the next lowest bidder (L-2). Shri. Pendse has done valuation of various Central and State Government departments, PSUs such as BARC, Oil Companies, Banks, Coal India Limited, adjudicator in High Court of Mumbai, etc. He was president of PAVI which is Registered Valuers Organisation. Work order was accordingly issued to Shri. Pendse on 15.12.2022.

6.2. As per Tender/RFP conditions, Shri Pendse was required to submit draft RR Zone wise valuation report based on the sample plots within 60 days from the date of submission of Performance Security i.e. 30.12.2022. In addition to 41 RR Zones, by work order dated 15.2.2023 issued with the approval of Chairperson, 4 more additional zones in which small pockets of land without tenancies which were also required to be considered in Revision of SoR was also awarded to Shri. Avinash Pendse.

6.3. For the reasons brought out above, there has been a delay in finalisation of the Valuation Reports.

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\* Printed as Annexure II

## 7. Deliberations of Land Allotment/SoR Committee:

7.1 Land Allotment/SoR Committee headed by Dy. Chairperson along with other committee members and Shri. G.A. Shirsat, Estate Manager (I/c) met on 24.1.2023, 31.1.2023, 8.2.2023, 15.2.2023, 24.2.2023, 27.2.2023, 14.3.2023 and 15.3.2023 and deliberated in detail on methodology adopted for earlier revision of SoR 2017-22, studied SoR revisions carried out by Kolkata, JNPA, Cochin, Kandla and Chennai ports for lands outside custom bond areas, Market Research reports on rentals and sale published by National Housing Bank, CREDAI, Colliers, Knight Frank, 99 Acre, Global Property Guide and Cushman Wakefield and various parameters involved in revision of SoR. All these meetings were also attended by Shri. Avinash Pendse, Valuer. The gist of inferences drawn during the deliberations are as follows:

- (i) **Earlier Revision of SoR 2017-22:** The methodology adopted for revision of SoR 2017-22 was examined and it was observed by the Committee that there is no uniformity in the methodology adopted by Valuers for determining FMV based on the sale instances of 2017-18.
- (ii) **Market Research reports on rentals and sale:** Committee studied various reports on land values and rentals in Mumbai region published by National Housing Bank, CREDAI, Colliers, Knight Frank, 99 Acre, Global Property Guide and Cushman Wakefield and it was observed that
  - a. Land rental rates in Mumbai have declined from June 2020 onwards due to Covid-19 and post Covid-19. (NHB, Residex and Cushman Wakefield quarterly [Q-4] reports from 2018-22). FMV derived by Valuer for revision of SoR, 2017-22 was based on the sale instances when the market conditions were at the peak and present sale instances are lower than the sale instances of 2017-18 to 2019-20.
  - b. There is decline in Ready Reckoner rates of Mumbai when compared to Ready Reckoner rates of 2017 and 2022.
  - c. Average Rental yield on Residential properties in Mumbai is 3.19% and in Mumbai Harbor (i.e.) Eastern Water front area is 3.06% which is almost half of the annual rate of return prescribed as per PGLM 2015.

**(iii) Study of revision of SoR of various Ports**

a. Kolkata Port revised SoR in October 2022 based on the report submitted by Valuer, Vestian. Highest Land. SoR rate of Kolkata is Rs.271 per sq.m. per month. Factors such as location and access quality adjustment, time adjustment, size of the plot, Ownership, structures etc. were considered by valuer for arriving FMV with discounting or enhancement based on the following factors for calculation of rent based on SoR and fee chargeable for various services

- Plot Abutting to one or more roads or railway serving - 15% to 20% above base rent
- Non industrial uses – 35% above base rent
- Petrol retail outlets, weigh bridge – 3.5 times of base rent
- Compensation/Penal Charges for u/a occupation – 3 times of base rent
- Low lying land (low tide) or Water bodies – 50% of base rent
- Penal interest – 14.25% p.a. simple interest
- Annual escalation – 2.5% based on the NHB Residex
- Mortgage – 1% of land cost or 1 % loan amount whichever is higher
- Subletting – 35% above base rent (if allowed)
- Change of use –Rent as per SoR for new usage
- Way leave charges- 50%
- Erection of towers – in case of land SoR, in case of structure Rs. 28,000/- per location per month
- Mutation charges- 5% of the 12 months' rents or 20000/- whichever is higher
- Security deposits – 2 years rent + 18% Administrative Deposits
- Encroachments- 3 times for the first month, thereafter 4 times
- Application fees – Rs.3400 per 100 SqM or Rs.23,000 whichever is higher (10% per annum escalation)
- Processing fees – Rs.10,000 per proposal (10% per annum escalation)
- Other charges (electricity & water) – 19.25% in case supplied by SMPK

- b. Cochin Port revised SoR in November 2021 based on the report submitted by Ravi Associates. Highest Land SoR rate of Cochin is Rs.59.41 per sq.mtr. per month. Board has passed resolution to adopt the sale instances of surrounding revenue village areas since there is no transactions within the Port lands. Valuer stated that ready reckoner rates of surrounding areas which are freehold properties and has frequent transactions cannot be compared with the Port lands which are leasehold properties and doesn't have any transactions. Valuer derived FMV based on the annual Cost Inflation Index (CII) from 2016-17 to 2021-22.
- c. JNPA revised SoR in July 2020 based on the report submitted by valuer, Kanti Karamsey &Co. Highest Land SoR rate of JNPA is Rs.168 per sq.m. per month. Discounting factors such as 20% for large size of the plot, 20-25% for leasehold nature, 10% for FSI, 10% for accessibility in rural areas is considered by valuer for arriving at FMV. The following are the factors considered for calculation of rent based on SoR
- Land inside custom bond area is 20% higher than the base SoR;
  - Adjustment factor considered for Residential is 70% discount;
  - Adjustment factor considered for Commercial is 50% discount;
  - Adjustment factor considered for Warehouses/ storage is 40% discount;
  - Adjustment factor considered for Other Port related activities is 70% discount.
- d. (i) Kandla Port (Deendayal Por Authority) revised SoR for allotment of Port land outside the custom bond area of Kandla Port for leasing purpose for Development of Industrial Zone in SIPC".
- (a) The lease rent approved shall be deemed to have come into force from 28<sup>th</sup> September 2017.

- (b) Zone Annual lease rent for allotment of land admeasuring a total area of 845.02 acres for development of Industrial zone in Smart Industrial Port City in Kandla is Rs.54 per sq. mtr. per annum i.e. **Rs.4.50 per sq.mtr. per month with annual escalation of 2% per annum and valid for 5 years.**
  - (ii) Lease rent/Reserve price for Salt Land of Deendayal Port Authority is Rs.25,415 per annum per acre i.e. **52 paise per sq. mtr. per month as on 4.7.2020 with 2% annual escalation and valid for 5 years**
- e. Chennai Port revised SoR in January 2023. Highest Land SoR rate of Chennai Port is Rs.450/- per sq.mtr. per month for paved land (Hardened with WBM surface, Bitumen, concrete Paver block) at Rajaji Salai and for unpaved land oblique of Royapuram Bridge at Rajaji Salai is Rs.310 per sq.mtr. per month.
- (iv)
  - (a) The Land Allotment/SoR Committee during its deliberation observed that out of all RR Zones, the rate discovered in tender are available for RR Zone 3/36B and 2/23A which are within the compounded area of Victoria Dock though outside the notified custom bond area and inside Indira Dock within the custom notified area respectively, and for RR Zone 10/80A.
  - (b) The Land Allotment/SoR Committee had detailed deliberations on 14<sup>th</sup> March 2023 and 15<sup>th</sup> March 2023 with regard to the waterfront areas in RR Zone 3/36B and 2/23A where there was vast difference in the rates discovered in tender and the rate arrived at by the Valuer based on sale instances, especially for the reason that the rate discovered in tender was for specific waterfront usage and the rate arrived at by the Valuer was based on actual sale instances for the user which are different from the user for which the rates are discovered under tender.

- (c) RR 3/36B covers substantial area of land with water front and potential for commercial development and comprises of Domestic Cruise Terminal (DCT) area, Marina, Ro-Ro Pax., smart parking area as also plot vacated by STC plot and MbPA workshop area, besides some tenancies. In this area some rates have been discovered through tender such as for 14 VD, DCT, 'M' Shed and food trucks at Ro-Ro Pax terminal. The rates discovered in tender are Rs.1,713 per sq.m. per month for the purpose of placing food trucks at Ro-Ro Pax terminal, Rs.1,587 per sq.m. per month for 'M' shed, Rs.809 per sq.m. per month for DCT and Rs.712 per sq.m. per month for 14 V.D. These rates have been made available by CE's department and Traffic department. The rates based on sale instances arrived at by the valuer is Rs.417.57 per sq.m. per month. The past attempts made to monetize workshop and STP plot based on the existing SoR rates of 2017-2022 has not been successful. In respect of Workshop area even after applying 50% concession the monetisation did not materialise. There was no response to invitation of Expression of Interest (EOI) of STC plot. The land falling in this zone have the following two potentials:
- (i) The workshop land and the STC land can be allotted for port related activities as also other similar plots;
  - (ii) The land in the DCT and marina area can be commercially exploited.
- (d) The Committee was, therefore, of the view that three different rates needs to be adopted based on the rates discovered in tender for port related activities and commercial activities, and the rates recommended by the Valuer based on the sale instances for existing lettings. Thus, the rates applicable for port related activities in tender would be the average of the rates based on rates discovered in tender which is Rs.712 per sq.m. per month and Rs.809 per sq.m. per month i.e. Rs.760.50 per sq.m. per month. For commercial utilization of the water front area of DCT, marina area etc., the rate would be the average rate discovered in tender i.e. average of Rs.1,587 per sq.m. per month and Rs.1,713 per sq.m. per month which works out to Rs.1650 per sq.m. per month. As regards the existing lettings, the rate applicable would be Rs.417.57 per sq.m. per month based on the sale instances as recommended by the Valuer.

- (e) The Land Allotment/SoR Committee also deliberated on the rates to be adopted for the RR Zone 2/23A i.e. Indira Dock / BPX. There are two rates discovered in the tender at Indira Dock. One is the rate quoted for allotment of stall for duty free liquor shop which is Rs.4,358 per sq.m. per month. The other is rate at which Mumbai International Cruise Terminal (MICT) has been offered for operation and maintenance. There is also a rate which the Coast Guard has agreed for allotment of berths in ID which is @ Rs.706 per sq. mtr. per month. The rates discovered for duty free liquor shops is the rate applicable for structure and for premium location and limited clientele for a specific purpose directly related to cruise tourism and therefore cannot be adopted for application in general for the entire area. Similarly, the rate discovered for MICT is also on the lower side as it is on PPP basis with the operator required to pump in huge investment with a view to promote cruise activities and therefore the rate cannot be adopted. Also MICT area is in the process of being denotified from the Custom Bound area. The Committee was, therefore, of the view that the rates for port related use and commercial use as suggested for VD i.e. RR 3/36 B should be extended to be adopted for RR Zone 2/23A for port related activities within Indira Dock i.e. Rs.760.50 per sq.m. per month for Port related activity and Rs.1650 per sqm per month for Commercial activity. As regards the existing lettings, the rate applicable would be Rs.975.60 per sq.m. per month based on the sale instances as recommended by the Valuer.
- (f) As regards the rate discovered in tender for RR Zone 10/80A, the rate quoted was for licensing of an area of about 50 sq. mtrs. on 3 years licence for supply of potable water to ships/crafts/barges, etc through underground pipeline in Mumbai Harbour. The Committee deliberated on the matter and decided that since the licensing was for a specific usage/purpose the same cannot be applied for the entire zone.

8. **Valuation Methodology proposed by the Valuer processed by Estate and approved by Land Allotment/SoR Committee:**

The Estate Manager has stated that after detailed deliberations, Committee recommended the following methodology for preparation for SoR 2023-27.

- (i) Valuation of 3 sample plots in each RR Zone shall be done by the Valuer. Average of 3 plots shall be the FMV for determination of SoR for the said RR zone. Following criteria for sampling of plot as per TOR and as suggested by Valuer based on his experience and expertise was adopted for the purpose of valuation based on availability:
  - (a) Plot abutting the main road.
  - (b) Plot abutting 2 or more roads.
  - (c) Plot within 1000 mtrs radius of major infrastructure such as Railway station, Bus station, Express way/freeway or any other available infrastructure facility in the zone if available.
  - (d) At least 1 Residential plot, 1 Non-Home plot.
  - (e) At least 1 Plot with Pucca structure, 1 plot with Semi Pucca structure and 1 Open plot.
  - (f) At least 1 plot having area more than 4000 SqM, 1 plot having 1000-4000 SqM, 1 plot having 350-1000 SqM, 1 plot having 100-350 SqM and 1 Plot <100 SqM.
  - (g) Similar type of plots to be selected within the RR Zone, in case any category of plot/s is/are not available within the RR Zone.

The plots shortlisted by the valuer in each RR Zone to arrive at FMV of various RR Zones based on the above criteria and approved by the Committee is at **\*Annexure-III**.

- (ii) Valuation to be done as per para 13 of PGLM 2015 and to be considered by Land Allotment/SOR Committee while determining FMV.
- (iii) Taking into consideration the provision of Para 13 (b) of PGLM 2015, the annual Rate of return on FMV shall be 6% for determining the SoR (Rs. per sq.m per month)

- (iv) Taking into consideration the provision of Para 13 (c) of PGLM 2015, Annual escalation shall be 2% on previous year rent in every October.
- (v) After deliberation, Committee decided application of Factors affecting FMV of land as detailed in **\*Annexure-IV** with a ceiling on adjustment factor or appreciation being limited to 30%. The land value derived from sale instances of built up structures is after deduction of construction cost, profits, charges and other expenses to arrive at FMV.
- (vi) Based on the rationale for grant of concession in rate for Home occupations under the Compromise Proposals as upheld by the Supreme Court by judgement dated 13.1.2004 read with Judgement dated 9.1.2006 (rate of return of 10% for Non-Home occupations and 3% return for Home occupations) and the concession of 70% in rate applied by JNPA and as it covers only about 5% of the total lettings (12 number are pure residential and about 132 are mixed user lettings i.e. both home (residential) and non-home (commercial) out of about 2748 lettings), rate for home occupations would be @ 75% of the SoR.
- (vii) LAC to consider application of factors on SoR for fixation of reserve price for fresh allotments as specified in para 11.
- (viii) The present SoR 2017-22 would stand extended for the period upto 31.5.2023 or till finalization of new SoR 2023-27.
- (ix) Revised SoR, 2022-27 will be effective from 1.6.2023 to 30.9.2027.
- (x) FMV of RR Zone is the average value of sample plots identified for valuation in respective zones.
- (xi) The SoR 2022-27 in respect of Port Authority owned buildings/structures would be based on the principles adopted during the revision of SoR 2017-2022 as approved and notified by TAMP.
- (xii) Special way leave charges are to be calculated at 6% return per annum based on land values as per Ready Reckoner 2022-23.

- (xiii) The Service charge was last revised in the year 1992. Revision of Service Charge will be effective from 1.6.2023 to be calculated on the basis of past methodology adopted while revising the Service Charges earlier, i.e. the average annual expenditure on 'Estate Maintenance & General Facilities' after excluding the expenditure incurred on maintenance of Port Authority office buildings, sheds, godowns, guest houses, etc. for the period 2019-2020, 2020-2021 and 2021-2022.
- (xiv) The charges for temporary use of Port Authority land/structures under Bye Law No.9 of the General Bye Law was last revised in the year 1986. The rate, inter alia, for use of land to the **South of Blue Gate of Indira Dock** with prior permission being Rs.1.00/2.00 per sq. mtr. per day for initial 15 days and Rs.1.25/2.50 per sq. mtr. per day for the period beyond 15 days and Rs.7.50 for use without prior permission or after notice of removal is given. Similarly for use of **Port structures to the south of Blue Gate** the rate with prior permission being Rs.1.25/2.50 per sq. mtr. per day for initial 15 days and Rs.1.50/3.00 per sq. mtr. per day for the period beyond 15 days and Rs.9.00 for use without prior permission or after notice of removal is given. **For use of land to the North of Blue Gate** with prior permission being Rs.0.50/1.00 per sq. mtr. per day for initial 15 days and Rs.0.75/1.50 per sq. mtr. per day for the period beyond 15 days and Rs.4.50 for use without prior permission or after notice of removal is given. Similarly for use of **Port structures to the North of Blue Gate** the rate with prior permission being Rs.0.75/1.50 per sq. mtr. per day for initial 15 days and Rs.1.00/2.00 per sq. mtr. per day for the period beyond 15 days & Rs.6.00 for use without prior permission or after notice of removal is given (The details are at **(\*Annexure V)**). Though the same was revised by the Board and submitted to the Government for approval on a few occasions, the same did not achieve finality. In the light of MPA Act, the issue has been reviewed and revision proposed. Revision of Charges applicable for temporary use of Port land and structures would be effective 1.6.2023 to 30.9.2027 with 2% annual escalation, based on the following methodology:

- (a) Authorised Use (with prior permission)
- i. **For land area:**  
25% more than the 50% of average SoR 2023-27 for all RR Zones as proposed in para 9 above.
  - ii. **For covered area/PT structures:**  
6% return per annum X (80% of Cost of PT structure as given in the TABLE -1 based on the type of the building/structure) to be added to the Charges applicable for temporary use of land as (i) above.
- (b) Unauthorised Use (without prior permission): 3 times of charges as mentioned above.

(xv) SoR may be reviewed by the Board, if there is any change in Policy Guidelines issued by MoS from time to time.

(xvi) Factors for fixation of Reserve price for fresh allotments and renewal of expired leases for various purposes such as Ship repair, Port Cargo related, Educational institutions, Social Welfare Institutions, Health Facility, Public utility, Security, No Development Zone (NDZ), Fish based units, fair, Exhibitions, Non-commercial activities, Startups, Warehousing, etc., could be reviewed by the Board from time to time.

**9. The EM has stated that the SoR recommended by LAC/SoR Committee for land based on the FMV proposed by the Valuer are as under:**

Sl.No	RR Zone 2022-23	RR Division	Location	Proposed FMV for SoR 2022-23 in Rs. Per sqm.	Proposed SoR per sqm. p.m. @6% return per annum effective from 1.6.2023 Rs. Ps.
1	1/3B	Colaba	COLABA CAUSEWAY ROAD	281708.00	1408.54
2	1/3C	Colaba	OUTSIDE COLABA COLONY	284518.00	1422.59

Sl.No	RR Zone 2022-23	RR Division	Location	Proposed FMV for SoR 2022-23 in Rs. Per sqm.	Proposed SoR per sqm. p.m. @6% return per annum effective from 1.6.2023 Rs. Ps.
3	1/4A	Colaba	PILOT BUNDER	247830.00	1239.15
4	1/6B	Colaba	SASOON DOCK NEAR GATE	248535.00	1242.68
5	1/6C	Colaba	APPOLO RECLM & SASOON DOCK	227194.00	1135.97
6	2/9A	Fort	MODY BAY	195730.00	978.65
7	2/12A	Fort	DHANRAJ MAHAL	221400.00	1107.00
8	2/13B	Fort	G.P.O. YELLOWGATE P.D'MELLO RD	195933.00	979.67
9	2/22A	Fort	BALLARD ESTATE	201948.00	1009.74
10	2/23A	Fort	INDIRA DOCKS / BPX		
			Commercial Activities	330000.00	1650.00
			Port Related Activities	152100.00	760.50
			Existing Lettings	195120.00	975.60
11	2/34A	Fort	INDIRA DOCKS (NORTH)	170730.00	853.65
12	3/35C	Princess Dock	ELPHINSTONE ESTATE (TPS)	85690.00	428.45
13	3/35D	Princess Dock	MANSON ROAD	80980.00	404.90
14	3/36A	Princess Dock	VICTORIA DOCK (VD)	142400.00	712.00
15	3/36B	Princess Dock	P&V DOCKS & UPTO WORKSHOP		
			Commercial Activities	330000.00	1650.00
			Port Related Activities	152100.00	760.50
			Existing Lettings	83513.00	417.57
16	7/64B	Cumbala Hill	CUMBALA HILL (CHAIRMAN BUNGLOW)	596770.00	2983.85

Sl.No	RR Zone 2022-23	RR Division	Location	Proposed FMV for SoR 2022-23 in Rs. Per sqm.	Proposed SoR per sqm. p.m. @6% return per annum effective from 1.6.2023 Rs. Ps.
17	7/66G	Cumbala Hill	CUMBALA HILL (ABUTTING TO ROAD)	596770.00	2983.85
18	10/78G	Mazgoan	EKTA NAGAR	103560.00	517.80
19	10/78H	Mazgoan	AREA BTN LINK RD & P.D'MELLO RD	93043.00	465.22
20	10/79B	Mazgoan	REAY ROAD GHODAPDEO	82810.00	414.05
21	10/79C	Mazgoan	COTTON DEPOT (SOUTH)	70980.00	354.90
22	10/80A	Mazgoan	DARUKHANA/MDL	88960.00	444.80
23	11/84J	Parel Sewri	COTTON GREEN KALACHOWKEY	111350.00	556.75
24	11/84H	Parel Sewri	SEWRI (WEST)	115844.00	579.22
25	11/84I	Parel Sewri	SEWRI B.D.D.CHAWL	119450.00	597.25
26	11/85B	Parel Sewri	COTTON DEPOT / COAL DEPOT UPTO HAY BUNDER	76788.00	383.94
27	11/85C	Parel Sewri	PART COTTON DEPOT & RCD	71558.00	357.79
28	11/86B	Parel Sewri	SEWRI (E)/STP/SEWRI FORT	77748.00	388.74
29	13/97A	Worli	WORLI	229040.00	1145.20
30	14/101C	Dadar Naigoan	WADALA EAST - OIL COMPANIES	69470.00	347.35
31	14/101D	Dadar Naigoan	WADALA EAST - COLONIES	74930.00	374.65
32	15/105F	Salt Pan	SALT PAN	74400.00	372.00
33	16/110A	Matunga	WADALA NORTH, RAVALI JUNCTION	160230.00	801.15
34	17/116A	Mahim	MAHIM	149570.00	747.85
35	17/119	Mahim Bunder	MAHIM BUNDER	144933.00	724.67

Sl.No	RR Zone 2022-23	RR Division	Location	Proposed FMV for SoR 2022-23 in Rs. Per sqm.	Proposed SoR per sqm. p.m. @6% return per annum effective from 1.6.2023 Rs. Ps.
36	90/419D	Mahul	MAHUL	22880.00	114.40
37	96/436E	Anik	PIRPAU	64480.00	322.40
38	99/463A	Borla	GOVANDI	156350.00	781.75
39	100/471C	Deonar	GOVANDI	156350.00	781.75
40	JD Island	Jawahar Dweep	Jawahar Dweep	24628.00	123.14
41	26/81	Titwala	TITWALA	23400.00	117.00
42	Karanja	Karanja	Karanja	2780.00	13.90
43	124/574	Palm Acres	Mulund	102240.00	511.20
44	22/140A	Bandra Quarters	Bandra (West)	311160.00	1555.80
45	Thal	Thal	Thal- Alibaug	5160.00	25.80
46	Kanhoji Angre	Kanhoji Angre	Alibaug	5160.00	25.80

- A map showing various Ready Reckoner Zones is at **\*Annexure VI.**
- A detailed summary of Valuation Reports submitted by Valuers is at **\*Annexure VII.**
- A Comparative Chart showing the comparison of Fair Market Value (FMV) of land with SDRR rates, abutting SDRR rates, TAMP approved SoR as on 2023 and percentage variation, is at **\*Annexure VIII.**

Notes:

- SoR is applicable for the period 1.10.2022 to 30.9.2027 effective from 1.6.2023.
- Annual escalation of 2% every October would be applicable on the SoR. First such escalation will be on 1.10.2023.
- This SoR is applicable to all Expired leases, Fifteen Monthly leases, Monthly Tenancies, Licenses & Leave Licenses.

- (iv) The Reserve Price i.e. upfront premium or annual rent for renewal of expired leases and fresh allotments as per PGLM 2015 shall be based on this SoR.
- (v) The above rates are for FSI 1.00 which would be the minimum chargeable and actual quantum of Rent/compensation will be worked out on the base rate and factor as may be recommended by the committee appointed for the purpose of applicability of FSI.
- (vi) SoR rates are exclusive of all Taxes (GST, Municipal Taxes, etc.), Service Charges, Penalties, and Interest etc. Same are separately payable by lessees/ tenants/ licensees, as may be applicable.
- (vii) The above rates are applicable for Non–Home Occupations. For existing Home occupations as on MbPA record, the rates would be 75% of the SoR. The rate for Mixed user being in the proportion of respective use.
- (viii) The rate applicable for Fish based user would be 50% of SoR.
- (ix) Rate for water bodies is applicable at 50% of the SoR rates of abutting land.
- (x) These rates are not applicable to occupations given on nominal rent basis.
- (xi) If any of the area outside custom bonded and bundar area in the respective RR Zone is used for Dock related use, then for such limited area the Dock Scale of Rates (DSR) would be applicable with recommendation of LAC and after approval of Board and not the above SoR.
- (xii) The applicable MCGM cesses will be billed separately over and above the SoR rates for monthly tenants and licenses for tenures less than 1 year or wherever applicable.
- (xiii) Whether demanded or not, rent/compensation/ license fee for a month would have to be paid by the tenants/lessees/ licensees/ occupants on or before the 15th day of each succeeding month and delayed payment of rent/compensation would attract levy of interest in term of Board's policy from time to time. The rate of interest chargeable at present is 15% per annum.
- (xiv) Board may review this SoR for implementation in terms of the Policy Guidelines issued by Ministry or Government from time to time.

10. The Estate Manager has stated that **SoR for Port Authority owned buildings/structure would be as follows:**

The base lease rentals as on 1.6.2023 for the Port Authority Building/ Structures will be calculated based on the following formula:

Lease Rentals as on 1.6.2023 per sqm per month= Approved Land Lease Rentals applicable for the zone per sq.m per month+[6% X (80% of Cost of PT structure as given in the TABLE -1 based on the type of the building/structure X Percentage value after depreciation as given in TABLE-2 of based on age of the Building and type of building)/ 12]

**TABLE – 1**  
**Cost of new construction as per types of construction**  
**(based on Stamp Duty Reckoner, Mumbai 2022-23)**

Sl.No	Type of Construction	Cost per Sq.Mtr. (Built-up) in Rs.
A)	<b>R.C.C. Construction</b> R.C.C. slabs, Brick / Concrete wall, joint with cement mortar, cement plastered wall, tiles flooring	30250
B)	<b>Other Pukka Construction</b> Load bearing Structure, R.C.C slab, Brick wall, cement plastered, kaccha or cement flooring	24544
C)	<b>Semi/Half Pukka Construction</b> Load bearing structure, wall made of brick or stone with mud, Shahbad floor, mud or other type of flooring, roof other than slab	17325
D)	<b>Kaccha Construction</b> Wall of Mud bricks, Mud Gilav, with roof of clay tiles/asbestos or tin	11117

Notes:

- 1) RCC Construction – RCC Frame structure, RCC slab, Brick/Concrete wall, joint with cement mortar, cement plastered wall, tiles flooring.
- 2) Other Pucca Construction – Load bearing structure, RCC slab, Brick wall, inside and outside plaster, kaccha or cement flooring.

- 3) Semi/Half Pukka Construction – Load bearing structure, wall made of brick or stone with mud, Shahbad floor, mud or other type of flooring roof other than slab.
- 4) For Industrial shed less than 9 meter in Height 75% rate of RCC construction rate should be considered and for Industrial Shed more than 9 meter in Height 100% rate for RCC construction rate should be considered.
- 5) For construction upto Jota (plinth) level 20% of new construction cost as per above table is to be considered.
- 6) For construction upto stilt parking slab level 30% of new construction cost as per above table is to be considered.

**TABLE-2**

**Depreciation rates of Buildings**

(As per Stamp Duty Ready Reckoner, Mumbai, 2022-23)

Completed age of building in year	Value in percent after Depreciation	
	RCC structure / other Pukka Structures	Cessed Building, Half or Semi Pukka Structure & Kachha structure
0 to 2 years	100%	100%
Above 2 & upto 5 years	95%	95%
Above 5 years	After initial 5 year for every year 1% deprecation is to be considered. However maximum deduction available as per this shall be 70% of market value rate.	After initial 5 year for every year 1.5% deprecation is to be considered. However maximum deduction available as per this shall be 85% of market value rate.

**Notes:**

1. Lease Rentals for let out structures constructed/owned by MbPA i.e. P.T. Structures will be calculate based on the above rates by using this formula “Approved Lease Rentals applicable of the zone + 6% X (80% of Depreciated cost of PT structure based on age of the Building and type of building)/12”
2. Type of construction and percentage of depreciation based on age of structure will be considered for calculation of PT structure rentals as given in Table-1 and Table 2 respectively.

3. The above lease rentals with annual escalation shall be for the period 01.10.2022 to 30.09.2027 and shall be effective for the period 01.06.2023 to 30.09.2027.
4. The lease rent is subject to an increase @ 2% p.a. and the first such increase shall be effective from 1<sup>st</sup> October 2023.
5. Rent will be worked out on the basis of actual Built- Up Area, subject to minimum of FSI 1.00.
6. Above rates are exclusive of all Taxes (GST, Municipal Taxes, etc.), Service Charges, Penalties, and Interest etc. Same are separately payable by lessees/ tenants/ licensees, as may be applicable.
7. The rates are applicable to all the Expired Leases, Monthly Tenancies, Fifteen Monthly Leases and Licenses falling in the respective Ready Reckoner Zones.
8. These rates are not applicable to occupations given on nominal rents to public bodies and for public amenities.
9. If any of the area outside custom bonded and bundar area in the respective RR Zone is used for Port related use, then for such limited area, the Dock Scale of Rates (DSR) can be made applicable with recommendation of LAC and after approval of Board. This decision will be taken on case to case basis.
10. Whether demanded or not, rent/ compensation/ license fee for a month would have to be paid by the tenants/ lessees/ licensees/ occupants on or before the 15th day of each succeeding month and delayed payment of rent/compensation would attract levy of interest in term of Board's policy from time to time. The rate of interest chargeable at present is 15% per annum.
11. The EM has further stated that to **facilitate new business opportunity, the factors for fixation of Reserve Price for fresh allotment based on usage would be as follows:**
  - i) Commercial/Office – 110% of SoR;
  - ii) Residential- 100% of SoR;
  - iii) Industrial / Warehousing – 80% of SoR (For Port Authority structures - 100% of the said rate for Ground floor, 90% for first floor, 80% for second floor, 50% third floor and beyond);

- iv) Petrol Pump/Service station/LPG, CNG Station – 70% of SoR;
- v) Educational Institutions: 50% of SoR for those run by Govt. and 100% of SoR for those run by other than Govt.;
- vi) Health Facilities & Public Utilities run by Government Organisations and local bodies – 50% of SoR;
- vii) Open Ground, Sports complex, (only 10% of construction is allowed) – 40% of SoR for open area only;
- viii) Parking – 40% of SoR;
- ix) Open plot for Commercial Activities where no construction is allowed – 40% of SoR for open area only ;
- x) Startups – 50% of SoR in identified location & 25% of SoR for Incubation Centre for Startups;
- xi) Fish based / related activities – 50% of SoR;
- xii) For setting up of Environment Friendly Bio-fuel facility – 30% of SoR;
- xii) In case of non-responsive bids, Land Allotment Committee may lower the Reserve Price by 10% at a time (including terms and conditions thereof), for sufficient reasons to be recorded in writing;
- xiii) In case a higher rate is discovered in a successful auction of land/building, the said rate would become the base rate for subsequent bids for land/building falling in the said Ready Reckoner Zone for similar use/classification.

## **12. Special Way Leave charges:**

The EM has further stated that the Land Policy Guidelines does not prescribe any specific methodology for determination of Way Leave charges. In the absence of any specific methodology for determining Way Leave charges in the Land Policy Guidelines, Committee has relied on the past revisions and the approach notified by the TAMP to determine the Way Leave charges vide Gazette No. 535 dated 5.11.2021, based on the Market Value of land as per the State Government Ready Reckoner 2022-23. It is however, observed that the SoR based on 6% return per annum on the Stamp Duty Ready Reckoner for the year 2022-2023 works out to less than the rates as per the existing SoR for the period, 2017-2022 with 4%

escalation in majority of the zones. It was therefore, decided to adopt the higher of the rates as per 6% per annum return on land values as per SDRR for the year 2022-23 or the SoR for the period 2017-22 with 4% escalation.

**SoR recommended by LAC / SoR Committee based on land value as per Stamp Duty Ready Reckoner 2022-23 for Way Leave permissions for the period from 01.10.2022 to 30.09.2027 effective from 01.06.2023:**

Sl. No	RR Zone 2022-23	RR Division	Location	RR 2022-23 Land Value per sqm.	Proposed SoR per sqm. p.m. @ 6% return per annum effective from 1.6.2023 Rs. Ps.
(A)	(B)	(C)	(D)	(E)	(F)
1	1/3B	Colaba	COLABA CAUSEWAY ROAD	267850.00	1339.25
2	1/3C	Colaba	OUTSIDE COLABA COLONY	229670.00	1148.35
3	1/4A	Colaba	PILOT BUNDER	147830.00	739.15
4	1/6B	Colaba	SASOON DOCK NEAR GATE	220860.00	1104.30
5	1/6C	Colaba	APPOLO RECLM & SASOON DOCK	192050.00	960.25
6	2/9A	Fort	MODY BAY	142690.00	713.45
7	2/12A	Fort	DHANRAJ MAHAL	221400.00	1107.00
8	2/13B	Fort	G.P.O. YELLOWGATE P.D'MELLO RD	176390.00	881.95
9	2/22A	Fort	BALLARD ESTATE	107650.00	538.25
10	2/23A	Fort	INDIRA DOCKS / BPX	104890.00	524.45
12	3/35C	Princess Dock	ELPHINSTONE ESTATE (TPS)	85690.00	428.45
13	3/35D	Princess Dock	MANSON ROAD	80840.00	404.20
14	3/36A	Princess Dock	VICTORIA DOCK (VD)	90430.00	452.15
15	3/36B	Princess Dock	P&V DOCKS & UPTO WORKSHOP	64860.00	324.30

Sl. No	RR Zone 2022-23	RR Division	Location	RR 2022-23 Land Value per sqm.	Proposed SoR per sqm. p.m. @ 6% return per annum effective from 1.6.2023 Rs. Ps.
(A)	(B)	(C)	(D)	(E)	(F)
16	7/64B	Cumbala Hill	CUMBALA HILL (CHAIRMAN BUNGLOW)	219770.00	1098.85
17	7/66G	Cumbala Hill	CUMBALA HILL (ABUTTING TO ROAD)	336000.00	1680.00
18	10/78G	Mazgoan	EKTA NAGAR	61830.00	309.15
19	10/78H	Mazgoan	AREA BTN LINK RD & P.D'MELLO RD	40650.00	203.25
20	10/79B	Mazgoan	REAY ROAD GHODAPDEO	75510.00	377.55
21	10/79C	Mazgoan	COTTON DEPOT (SOUTH)	31310.00	156.55
22	10/80A	Mazgoan	DARUKHANA/MDL	36060.00	180.30
23	11/84J	Parel Sewri	COTTON GREEN KALACHOWKEY	88970.00	444.85
24	11/84H	Parel Sewri	SEWRI (WEST)	62980.00	314.90
25	11/84I	Parel Sewri	SEWRI B.D.D.CHAWL	96800.00	484.00
26	11/85B	Parel Sewri	COTTON DEPOT / COAL DEPOT UPTO HAY BUNDER	37090.00	185.45
27	11/85C	Parel Sewri	PART COTTON DEPOT & RCD	45080.00	225.40
28	11/86B	Parel Sewri	SEWRI (E)/STP/SEWRI FORT	35080.00	175.40
29	13/97A	Worli	WORLI	144370.00	721.85
30	14/101C	Dadar Naigoan	WADALA EAST - OIL COMPANIES	42230.00	211.15
31	14/101D	Dadar Naigoan	WADALA EAST - COLONIES	74930.00	374.65
32	15/105F	Salt Pan	SALT PAN	53800.00	269.00
34	17/116A	Mahim	MAHIM	141790.00	708.95

Sl. No	RR Zone 2022-23	RR Division	Location	RR 2022-23 Land Value per sqm.	Proposed SoR per sqm. p.m. @ 6% return per annum effective from 1.6.2023 Rs. Ps.
(A)	(B)	(C)	(D)	(E)	(F)
35	17/119	Mahim Bunder	MAHIM BUNDER	95970.00	479.85
36	90/419D	Mahul	MAHUL	22880.00	114.40
37	96/436E	Anik	PIRPAU	47210.00	236.05
38	99/463A	Borla	GOVANDI	69290.00	346.45
39	100/471C	Deonar	GOVANDI	156350.00	781.75
40	JD Island	Jawahar Dweep	Jawahar Dweep	-	-
41	26/81	Titwala	TITWALA	8600.00	43.00
42	Karanja	Karanja	Karanja	2780.00	13.90
43	124/574	Palm Acres	Mulund	59950.00	299.75
44	22/140A	Bandra Quarters	Bandra (West)	282910.00	1414.55
45	Thal	Thal	Thal- Alibaug	3350.00	16.75
46	Kanhoji Angre	Kanhoji Angre	Alibaug	5160.00	25.80

**SoR recommended by LAC/SoR Committee for Special Way Leave Rates for the pipelines laid on TRESTLE at Pir Pau for the period from 01.10.2022 to 30.09.2027 effective from 1.6.2023 to 30.9.2027.**

Sl, No,	Period	Rate per sq. mtr. Per month for 300 mm dia pipeline laid at old Pir Pau Jetty and First Chemical Berth (Rs.)	Rate per sq. mtr. Per month for 300 mmdia pipeline laid at Second Chemical Berth (Rs.)
1.	1.06.2023 to 30.09.2023	265.49	309.57
2.	1.10.2023 to 30.09.2024	270.80	315.76
3.	1.10.2024 to 30.09.2025	276.21	322.08
4.	1.10.2025 to 30.09.2026	281.74	328.52
5.	1.10.2026 to 30.09.2027	287.37	335.09

Notes:

- (i) Special Way Leave charges for land are calculated as per the Board's policy from time to time based on 6% per annum return on the land values as per the Stamp Duty Ready Reckoner for the year 2022-23 and would be applicable for the period from 01.10.2022 to 30.09.2027 effective from 1.6.2023 to 30.9.2027.
- (ii) Way leave fees will increase annually by 2% every October. First such 2% increase will be effected from 1.10.2023.
- (iii) Formula for calculation of Way Leave fee would be as follows:

**(a) Way Leave Fee per sq.m.per month on land**

$$= \text{length of pipeline} \times \frac{\text{External dia including insulation} + 600}{\text{mm} \ 1000 \ \text{mm}} \times \text{Rate applicable}$$

(subject to a minimum of width one meter)

**(b) Way Leave Fee per month applicable for pipeline on trestle**

$$= \text{length of pipeline} \times \frac{\text{External dia in mm including insulation}}{300 \ \text{mm}} \times \text{Rate applicable}$$

**(c) Way Leave Fee per month for Marine Loading Arm**

$$= \text{Length of loading Arm on Trestle} \times \frac{\text{External dia including insulation}}{300 \ \text{mm}} \times \text{Rate applicable}$$

+ (Area of base plate + Area of Control Panel & Hydraulic Power Pack) X Rate applicable

- (iv) SoR rates are exclusive of all Taxes (GST, Taxes, etc.), Penalties, and Interest, etc. Same are separately payable by lessees, as may be applicable.
- (v) The Special Way Leave fee for Optical Fibre Cable will be applicable as per the above rates but taking the width subject to a minimum of half a meter for computation of area instead of 1 mtr.

- (vi) In the event of failure to achieve Minimum Guarantee Throughput (MGT) wherever applicable, the user should compensate the port by paying additional wharfage charges for the shortfall quantity.
- (vii) **Transfer** – The Way Leave permission are not transferable. In case of specific requirement/request of the user, the Board has discretion to grant or reject such request. The cases of past transfers, billed Arrears and the differential dues on account of the prevailing SoR at the time of transfer if applicable, shall be paid by the transferee. In addition, transfer fee equivalent to 12 months' way leave fee as per prevailing SoR would be leviable where prior permission is sought and the unauthorized assignment/transfer of way leave permissions in the past due to merger, amalgamation, etc. be regularized by levy of 24 months revised way leave fee as per prevailing SoR.
- (viii) In case of multi-layer stacks, the physical area occupied by the multilayer pipelines/ conveyor stacks shall be considered and the respective users shall be billed accordingly.
- (ix) Other aspect related to Right of Way permission will be dealt with as per Policy approved by the Board from time to time.
- (x) Charges for way leave for occupation of air space, underground, seabed and below seabed will be 50% of above rate. License fee for water area would be 50% of the license fee of abutting land. The way leave fee for over-ground service shall be based on full rate.
- (xi) The re-fixation of the Way Leave from 1.6.2023 would be subject to maximum of 150% of the Way Leave charges as on 31.5.2023.
- (xii) In case, the prevalent way leave fee is higher than the rate worked out on the above lines, the higher prevalent rate will be continued till the rate as per the current SoR exceeds the said rate, whereafter it would be subject to 2% increase p.a.
- (xiii) Wherever stamp duty RR values are not available, land values obtained by the Valuer will be considered.
- (xiv) Whenever there are existing agreement/MoU which are still subsisting, the agreement conditions will be prevalent over the new conditions. Whenever there are conflicts, such specific cases will be dealt on case to case basis with LAC recommendations and approval of the Board.

- (xv) Rates for way leave fee on trestle (i.e. trestle of OPP, FCB and SCB) applicable for the period from 1.10.2017 to 30.9.2022 as approved by the Board TR No.109 dated 20.8.2019 would continue to apply for the period from 01.10.2022 to 30.09.2027 effective from 01.06.2023 with 2% annual escalation. The said rates will be revised every 5 years or as decided by the Board from time to time.
- (xvi) The charges such as Supervision, Security Deposit, agreement charges, etc. on land and trestle (i.e. trestle of OPP, FCB, SCB and TCB) will be applicable as approved by the Board vide TR 109 of 2019 from 01.10.2022 to 30.09.2027 effective from 01.06.2023 to 30.09.2027, and will be revised every five years or as decided by the Board from time to time.
- (xvii) Rate applicable for loop length of pipeline on trestle – The rate for loop length of pipeline laid on trestle are taken at 60% of Special Way Leave fee rate of respective trestle in accordance with TR No.257 dated 27.3.2015.
- (xviii) Wherever, there is limited space/limited width of land available and multiple contenders in such cases the allotment of Right of Way leave will be by the tender-cum-auction on the basis of MGT or cargo related Way Leave or Special Way Leave fees for Non-Cargo related occupations. Any fresh grant of Way Leave on new terms for the pipelines to be laid on the trestle of OPP, FCB & SCB at Pir Pau will be with Board's approval.
- (xix) Way Leave/ Special Way Leave fee, whether demanded or not, shall be paid by the lessees/ tenants/ licensees on or before the 15th day of each month succeeding that for which Way Leave / Special Way Leave fee is due. Delayed payment of rent/compensation would attract levy of interest in term of Board's policy from time to time. The rate of interest chargeable at present is 15% per annum.
- (xx) In case of the Ready Reckoner zones not covered in the above table, the rates applicable will be as per prevailing Ready Reckoner zone, in which Way Leave falls.

### **13. Service Charges:**

The EM has stated that the Service Charges were last revised in the year 1992 and is presently levied @ 50 paise per sq.m. per month of the let out area and is against the expenses incurred towards maintenance of roads, passages, lighting, etc. and other facilities provided on the roads/footpaths abutting the let out plots. On the basis of the average annual expenditure on 'Estate Maintenance & General Facilities'

after excluding the expenditure incurred on maintenance of Port Authority office buildings, sheds, godowns, guest houses, etc., the Revised Service Charge applicable to let out plots for the period 01.10.2022 to 30.09.2027 effective from 01.06.2023 to 30.9.2027 would be Rs.2.00 per sq. mtr. per month of the let out plot area. (The working of Service charges is shown in the Calculation sheet at (\*Annexure IX)

**14. Charges for temporary use of Port Authority land/structures:**

The EM has further stated that charges for temporary use of Port Authority land/structures for the period 01.10.2022 to 30.09.2027 effective from 01.06.2023 with 2% annual escalation in every October would be as follows:

a)	Land area with prior permission	Rs. 16.00 per sqm per day for initial 90 days.
b)	Land area without prior permission	Rs. 48.00 per sqm per day
c)	Covered or structure area with prior permission	Rs. 20.00 per sqm per day for initial 90 days and two times the said amount for the subsequent 90 days.
d)	Covered or structure area without prior permission	Rs. 60.00 per sqm per day

(The working of **Charges for temporary use of Port Authority land/structures** are shown in the Calculation sheet at (\*Annexure X)

The said rate shall be for **temporary use of Port Authority land/structures** with prior permission in writing of the Traffic Manager or Estate Manager or any other officer empowered by the Board for the time being and the levy of the charges may be done by the respective department. For **use of Port Authority land/structures** without prior permission or after expiry of the permission granted, the charges applicable would be three times the said rate. **Permission for temporary use of Port Authority land/structures** shall be granted for a maximum period of 90 days only at a time and for the period beyond 90 days the user would be liable to pay the charges at twice the rate for a period upto further maximum period of 90 days. The charges shall be levied on storage of all goods/materials or rubbish or making any other temporary use of any such land or building for which no scale of charges is otherwise provided. Permission granted for temporary use of premises shall not be deemed to create a tenancy or other like interest in favour of the occupant, who will be liable to be evicted at any time without notice. The Authority is under no liability whatsoever in respect of any goods

stored, or encroachments made on their premises and may remove them without incurring any liability and without prejudice to their rights to recover the charges or any equivalent amount by way of compensation or for wrongful use and occupation of the Authority's premises.

Note:

- i. Permission for temporary use of Port Authority land/structure shall be granted for a maximum period of 90 days only and shall be levied on storage of all goods/materials or rubbish or making any other temporary use of any such land or building for which no scale of charges is otherwise provided. In case of exigencies the permission can be extended for a period of further 90 days but at twice the rate applicable for the initial 90 days.
- ii. Activities such as art exhibitions, cultural programme, fairs, social gatherings, etc. which involve utilization of space for limited period, these can be permitted at 10% of the rate applicable for temporary use of land with prior permission provided the space to be used is vacant.
- iii. A nominal rate of Rs.100/-per day or such amount as may be revised by the Board from time to time may be charged for temporary use of land for public celebration of Religious festivals.
- iv. Permission granted shall be for temporary use of land or building only. Permission shall not be deemed to create a tenancy or other like interest in favour of occupant, who will be liable to be evicted at any time without notice.
- v. The Port Authority is under no liability whatsoever in respect of any goods stored or encroachments made on their premises and may remove them without incurring any liability and without prejudice to their rights to recover the abovementioned charges or any equivalent amount by way of compensation or for wrongful use and occupation of the Port Authority premises.
- vi. Any unauthorised occupation or encroachment on Port Authority land, Roads, Footpaths, vacant land, Building, structure without due approval would be liable to be removed on expiry of 12 hours' notice in terms of the provisions of Bye Law No.9 of the MbPA General Bye Law at it exists today or such other regulations as would be framed under the provisions of Major Port Authorities Act, 2021, and the charges towards such unauthorised storage and expenses so incurred on removals would be liable to be recovered from the unauthorised occupant.

- vii. Use of Port Authority land/structure for any activity involving beautification of the Port area/assets or enhancement of the brand value of the Port could also be permitted at a nominal charges of Rs.100/- per annum for such period as may be decided by the Board provided the space to be used is vacant. Any such permission will be with the approval of the Board.

15. The EM has stated that the Land Allotment/SOR Committee examined in detail the past revisions, the market trends in the land values and rentals, the methodology adopted in the revision of SOR 2017-22, the methodology adopted by the other Major Port while carrying revision in respect of their land under the provisions of PGLM 2015, etc. The Market Research reports on rentals and sale obtained from sources who are considered experts in the field indicates that the rates post 2017-2018 has either stabilised or even undergone reduction in many places and one of the reason for the same being the Covid-19 pandemic and the consequent global recession. There has also been change in the work culture with adoption of work from home culture among Corporates resulting in reduction in requirement of office spaces. Even the land rates as per the latest Stamp Duty Ready Reckoner for the year 2022-2023 in the vicinity of MbPA area indicates a decline. The land area owned by the Port are comparatively less developed than the land area in the immediate vicinity or other parts of the city and taking into account the constraints in transfers/developments in the leased land, the land area under the Port commands lower market rate as compared to the rates of the land in the vicinity, except for the areas of Colaba and Mody Bay Estate/Ballard Estate. Many of the public corporations such as Food Corporation of India (FCI), Central Warehousing Corporation, State Trading Corporation (STC) and MSSIDC which were involved in warehousing business have surrendered their land in the past as the rates had become uneconomical. Post the revision of SoR 2012 and 2017, HPCL has surrendered about 10 hectares of land and even BPCL has indicated that they intend to surrender their land. The commissioning of MTHL may lead to shifting of business to the hinterland based on easy connectivity and affordability, which could lead to further decline in land values. There is, therefore, a need to come up with a rational SoR structure which the business can afford. Taking all these factors into consideration, the SOR for the year 2023-2027 have undergone a downward revision based on the existing market conditions and market trends.

16. The EM has further stated that for the reasons brought out in para 6 above, the process of valuation of MbPA land is delayed and the target of implementation of new SoR by 31.3.2023 was not possible. Land Allotment/SOR Committee during its meetings on 24/27.2.2023 reviewed the timelines prepared for implementation of

SoR by Estate Division. After receipt of valuation reports from the Valuer, period of 90 days is required to achieve/complete the task of implementation of SoR which includes 15 days for verification of Valuation Reports by FA and EM, 20 days for obtaining suggestions, objections from stakeholders, 20 days for obtaining Board's approval before and after stakeholder consultations, 7 days for gazette notification and 30 days' mandatory period after gazette notification. Valuer, based on the inputs received from Land Allotment/SoR committee had promised to complete the valuation process by 3.3.2023. Therefore, Land Allotment/SoR committee during deliberation felt that the process of SoR implementation can be completed by 31.5.2023.

17. The EM has stated that the officials of Estate Department i.e. Shri Girish A. Shirsat, Estate Manager, Shri K.E. Sunilkumar, Sr. Asstt. Estate Manager, Shri Mahesh S. Mohite, Asstt. Estate Manager Gr. I, Shri Gurram Ranga Naresh, Asstt. Estate Manager Gr. I, Shri Vinod Karvande, Asstt. Exe. Engineer, Shri Dilip Kolekar, Asstt. Traffic Manager Gr.I. have been involved in the entire process of formulation of the draft SoR commencing from the invitation of bids for appointment of Valuer, examining the report of the valuer, assisting the Land Allotment/SoR Committee members with background of past revisions, market trend in real estate, trend in the Stamp Duty Ready Reckoner rates, highlighting the provisions of PGLM, 2015, provisions of MPA Act, 2021 and the rules laid under the same, methodology followed by other Major Ports, litigation involved in past revisions, attending the Land Allotment/SoR Committee meetings, etc. The team of officer from FA&CAO's Department who have verified and audited the reports submitted by the Valuer, Shri Pendse are Shri A.B. Bhalekar, Dy.CAO and Smt. Pauline Bernard, Accounts Officer and team of auditors, Shri Dilip Shekdar, Advisor (Planning) and Shri P.H. Salvi, Chief Law Officer (I/C) have also participated in the deliberations of the Land Allotment/SoR Committee.

18. The Land Allotment/SOR committee after detailed deliberations has made the following recommendations for adoption:

- (a) SoR applicable for land owned by Mumbai Port Authority for the period from 01.10.2022 to 30.09.2027 effective from 1.6.2023 to 30.9.2027 as proposed in para 9 above.
- (b) SoR applicable for buildings and structures owned by Mumbai Port Authority for the period from 01.10.2022 to 30.09.2027 effective from 1.6.2023 to 30.9.2027 as proposed in para 10 above.

- (c) The factors for fixation of Reserve Price for Fresh allotment based on usage would be as proposed in para 11 above.
- (d) SoR applicable for special way leave for the period from 01.10.2022 to 30.09.2027 effective from 1.6.2023 to 30.9.2027 as proposed in para 12 above.
- (e) The Service charges of Rs.2 per sq.mtr. per month would be applicable for the period from 01.10.2022 to 30.09.2027 effective from 1.6.2023 as proposed in para 13 above.
- (f) SoR applicable for storage and temporary use of land/building for the period from 01.10.2022 to 30.09.2027 effective from 1.6.2023 onwards as proposed in para 14 above.
- (g) SoR may be reviewed by the Board, if there is any change in Policy Guidelines issued by MoS from time to time.
- (h) Due care has been taken to cover all aspects. In case however, if any issue remains to be covered or has remained to be dealt with under this report, the Board would have the power to issue clarification within the framework of PGLM and MPA Act, 2021.

19. The EM has stated that the proposed SoR, 2023-2027 as recommended by Land Allotment/SoR committee after approval of the Board would be published and circulated for comments of the stakeholders and the process involved would be as follows:

- (i) Notice will be published on MbPA website and in local newspapers, emailed to available lessees and associations and circulated through relevant WhatsApp groups.
- (ii) The stakeholders will be requested to provide comments and observations via a Google form and QR code as per the draft **within 15 days of publication.** (\*Annexure XI)
- (iii) Thereafter a Video Conference will be conducted for gathering comments and observations from MbPA Stakeholders.
- (iv) The reply / justification after stakeholder meeting will be again published on the website with the approval of Land Allotment/SoR committee.

- (v) If there is any change proposed pursuant to stakeholders comments, such change will be placed before the Board for its approval. If there is no change in the SoR or such amended SoR as would be approved by the Board after stakeholders meeting, will be notified in the State Gazette and after 30 days implemented w.e.f. 01.06.2023.

20. A copy of the LAC/SoR Committee's recommendations dated 16.3.2023 with Chairman's approval thereon dated 16.3.2023 and approval to place the same before the Board for approval is at **\*Annexure XII.**

21. The Estate Manager has requested the Board's approval to:

- (i) LAC/SoR Committee's recommendations for revision of SoR for the period 01.10.2022 to 30.09.2027 effective from 1.6.2023 to 30.9.2027 as per Annexure 'XII'
- (ii) The rates as summarised in Annexure 'VII' as recommended by Valuer Shri Avinash Pendse and adopted by LAC/SoR Committee as per the provisions of PGLM 2015 guidelines.
- (iii) Paras 18 and 19 of the above note.

22. The Board's approval is requested to the Estate Manager's proposal at para 21 above.

***Note of discussions at the Board meeting held on 27<sup>th</sup> March 2023***

Estate Manager explained the proposal. He further informed that the CLO (I/c.) by his letter dated 27.3.2023 has clarified as follows:

- (i) In terms of Para 13(c) of the PGLM Guidelines which inter-alia states that "The Port Board will fix the rate of annual escalation which would be not be less than 2%. SoR would be refixed every 5 years by TAMP".

Since the earlier SoR was valid till 30.9.2022, which was extended upto 31.5.2023 vide BR No. 278 dated 6.3.2023 to bring more clarity in validation of SoR in terms of PGLM guidelines.

It may be mentioned that this new SoR is valid from 01.10.2022 to 30.9.2027 effective from 1.6.2023.

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\* Printed as Annexure XII

- (ii) CLO has further referred to Section 27(1)(b), Section 22(2) of Major Port Authority Act, 2021 and the Rule No. 4 of Major Port Authorities (Master Plan and Application of Funds from Non Port related use) Rules, 2021 framed thereunder which also needs to be incorporated in the Board Note.
- (iii) CLO's letter dated 27.3.2023 (**\*Annexure XIII**) is taken on the record for the purpose of incorporating the above points in Board Note and for the purpose by inviting remarks/comments from the tenants, lessees and stakeholders to the proposed SoR 2022-2027.

Thereafter, Estate Manager (I/c) made a detailed presentation (**\*Annexure XIV**) before the Board explaining the various aspects of the revision, provisions of PGLM, the detailed deliberations held, study of past revisions, revision methodology followed by other Ports, the rate of return (6%) and the annual escalation (2%) being proposed, the market conditions, etc.

On a query from Shri P.K. Agrawal, whether the annual increase in the SoR can be brought below 2%, Dy. Chairperson stated that as per Para 13(c) of PGLM, 2015 the annual escalation cannot be below 2% and therefore the escalation cannot be brought down below 2%.

Shri P.K. Roy while inviting attention to Item No.15 of the note in Para 9 below the SoR table, enquired whether the effect of such review would only have prospective or also to leases granted in terms of the present SoR. The note reads as follows:

*“The Board may review this SoR for implementation in terms of the policy guidelines issued by the Ministry or Government from time to time”.*

Chairperson clarified that any lease granted and contract entered into would not be open for review and the review would only be effective prospectively in cases where the contracts have expired.

Estate Manager explained that the SoR has been prepared as far as possible based on ground realities with a view to make it acceptable to the trade and reduce prospective litigation. None of the SoR rates are below the Stamp Duty Ready Reckoner rates. He further stated that the SoR so revised is almost on an average 50% of rates as per the previous SoR for the period 2017-2022. The factors taken into consideration are that the land rates post covid pandemic have come down, there has been change in work culture with Corporates resorting to work from home, the past attempt of the Port to monetize lands at SoR rates have not been fruitful.

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\* Printed as Annexure XIII & XIV

On a query from Shri P.K. Roy, on the issue of appointment of Valuer, regarding the reason for a single valuer was selected for valuation of all zones and why it could not be awarded to multiple valuers, the Estate Manager explained that the previous revision for the year 2017-2022 was carried out by appointing multiple valuers and it was observed that there was no uniformity in method adopted and the factors taken into consideration were valued differently by different valuers. He also pointed out that the other Major Ports namely JNPA, KoPA and Cochin have carried out valuation with the help of a single valuer while preparing the SoR.

Continuing, the Estate Manager stated that a lot of deliberation had taken place before deciding to go for a single valuer so that there is uniformity in methodology and valuation factors adopted by the valuer. The Estate Manager introduced Shri Pendse, who is engaged in valuation work and, has 40 years of experience in the valuation field as he has made valuation for many government bodies, banks, PSUs and is empaneled by Bombay High Court. Valuer, Shri Pendse who was present during the Board meeting also explained that valuation is a highly subjective matter and when multiple valuers are appointed there are chances that for the same property they may come up with different valuation by adopting the same factors and criteria.

The Dy. Chairperson stated that the presentation (PPT) made by the Estate Manager would be treated as part of the proceedings of the Board Meeting.

After some discussions, Board accorded approval to the Estate Manager's proposal to –

- (i) LAC/SoR Committee's recommendations for revision of SoR for the period from 1.10.2022 to 30.9.2027 (effective from 1.6.2023) as per Annexure XII.
- (ii) the rates as summarized in Annexure 'VII' as recommended by Valuer Shri Avinash Pendse and adopted by LAC/SoR Committee as per the provisions of PGLM 2015 guidelines.
- (iii) paras 18 and 19 of the above note.

**Resolution No.296**  
**27.03.2023**

Board accorded approval to the Estate Manager's proposal to –

- (i) LAC/SoR Committee's recommendations for revision of SoR for the period from 1.10.2022 to 30.9.2027 (effective from 1.6.2023) as per Annexure XII.
- (ii) the rates as summarized in Annexure 'VII' as recommended by Valuer Shri Avinash Pendse and adopted by LAC/SoR Committee as per the provisions of PGLM 2015 guidelines.
- (iii) paras 18 and 19 of the above note.

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