

MEMORANDUM OF UNDERSTANDING
BETWEEN
KAMARAJAR PORT LIMITED
AND
CHENNAI PORT TRUST
YEAR: 2020-21



MARCH 2021

MEMORANDUM OF UNDERSTANDING

BETWEEN

KAMARAJAR PORT LIMITED

AND

CHENNAI PORT TRUST

YEAR: 2020-21

MISSION

Provide Port Services of International Standards

VISION

Develop Kamarajar Port as a mega port with world class facilities to become the Eastern gateway Port of India.

OBJECTIVE

To meet the demand of EXIM trade, KPL has undertaken capacity addition, dredging and connectivity projects. The port looks forward to complete them without time and cost overruns.

ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF THE MOU:

The performance of Kamarajar Port Limited will be periodically monitored by the Chairman cum Managing Director, KPL **and by Chennai Port Trust Board**. KPL will also indicate reasons for shortfall, if any, in the achievements of these targets and the steps being taken to make good the shortfall / slippage.



25/3/21

SUNIL PALIWAL, IAS
Chairman-cum-Managing Director
Kamarajar Port Limited



25/3/21

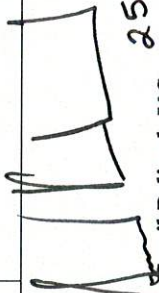
P. RAVEENDRAN, IRTS
Chairman
Chennai Port Trust


KAMARAJAR PORT LIMITED- MOU 2020-21

Sl.No	Financial Performance Criteria	Unit	Marks	Current Year	Best in 5 years	MOU Target for the year 2020-21					Improvement (%)
						Exc 100%	V.G. 80%	Good 60%	Fair 40%	Poor 20%	
A	Compulsary Parameters										
1	Turnover										
	Revenue from Operations	Rs. In Crore	10	680.00	707.98	900.00	825.00	780.00	740.00	700.00	21.32%
2	Operating Profit / Loss										
	CPSEs with operating profit (Profit / Surplus before Tax excluding other Income, Extraordinary and Exceptional Items):- Operating profit / surplus as a percentage of Revenue from operations (net).	%	20	56.54	72.81	60	58	56	54	53	1.72%
3	Return on Investment:										
	Profit Earning CPSEs with no accumulated losses PAT or Surplus / Average Net Worth	%	20	15.33	35.26	15	14	13	12	11	-9.63%
B	Optional Parameters		50								
1	Capacity Utilisation										
	Throughput	MTPA	10	34.00	34.50	45.00	41.25	39.00	37.00	35.00	21.32%
5	Any Production efficiency parameters										
a	Berth Productivity (Coal)	TPD	5	31037	31037	33000	32000	31000	30000	29000	
b	Berth Productivity (POL)	TPH	5	625	625	775	750	725	700	675	
9	CAPEX (Rs. Crore)										
	CAPEX (Rs. Crore)	Rs. in Cr	5	125.00	545.65	275	250.00	225	200	175	
10	Percentages of value of CAPEX contracts / projects running / completed during the year without time / cost overrun to total value of CAPEX contracts running / completed during the year (%)										
	CAPEX projects enclosed as Annexure-1	%	5	90	90	100	95	90	85	80	5.56%
14	Reduction in claims against the Company not acknowledged as debt over the previous year (%)	%	10	63.41	34.98	10	8	7	5	3	-87.38%

KAMARAJAR PORT LIMITED- MOU 2020-21

Sl.No	Financial Performance Criteria	Unit	Marks	Current Year	Best in 5 years	MOU Target for the year 2020-21					Improvement (%)
						Exc 100%	V.G. 80%	Good 60%	Fair 40%	Poor 20%	
15	HR Parameters										
a	Achievement of HR parameters of continuous nature as per list given below (No. of parameters)	Nos	5			6	5	4	3	2	
i	Online submission of ACR/APAR in respect of all executives (E0 & above) along with compliance of prescribed timelines w.r.t writing of ACR/APAR										
ii	Online Quarterly vigilance clearance updation for Senior executives (E5 and above)										
iii	Holding of DPC without delay for Executives (E0 & above level)										
iv	Talent Management & career progression by imparting at least 1 week training of at least 10% Executives (E0 & above) in Centre of Excellence within India e.g. IITs, IIMs, NITs, ICAI, etc.										
v	Regular updation of Online Human Resource Management System (HRMS)										
vi	Review of employee performance on the lines of FR 56(j) & its implementation and submitting a compliance report to Board of Directors at the end of the year										
b	Capability development programs for executives to build their technical & managerial competencies for higher positions with special focus on Web learning programs (No. of programs)	Nos	5			5	4	3	2	1	
	Total (B)		50								
	Total (A) + (B)		100								


 Sunil Paliwal, IAS
 Chairman-cum-Managing Director
 Kamarajar Port Limited


 P. Raveendran, IRTS
 Chairman
 Chennai Port Trust

PART A
TREND ANALYSIS (PART-A)

Sl. No.	Financial Performance Criteria	Unit	Target v/s Actual	2014-15	2015-16	2016-17	2017-18	2018-19	Current Year	
									Actual upto Sep 19	Estimated upto Mar-20
1	Revenue from operations - Gross	Rs.								
	Revenue from Operations - Net	Crore	566.44	617.31	620.14	630.98	707.98		320.96	680.00
		MoU	500.00	560.00	650.00	680.00	680.00		390.00	780.00
2	a. Profit before Tax		425.82	445.88	480.09	423.58	343.85		205.99	408.00
	b. Other Incomes	Rs.	31.07	26.54	20.36	7.31	9.18		23.82	25.00
	c. Extraordinary / Exceptional Items	In	17.67	0.30	-66.60	-6.48	88.41		0.00	1.50
	d. Prior Period items	crore								
	e. Operating Profit / Loss (a-b+/-c+/-d)		412.42	419.64	393.13	409.79	423.08		182.17	384.50
		MoU	308.00	390.00	455.00	449.00	448.80			
			72.81	67.98	63.39	64.95	59.76		56.76	56.54
3	a. PAT	Rs.	336.57	350.72	472.40	394.18	340.36		188.35	360.00
	b. Net Worth at year end	In	1063.74	1288.09	1851.48	2044.94	2240.84		2377.01	2456.84
	c. Average Net worth	crore	954.48	1175.92	1569.79	1948.21	2142.89		2308.93	2348.84
	d. PAT / Net Worth	%	31.64	27.23	25.51	19.28	15.19		7.92	14.65
		MoU	25.72	26.03	28.00	21.00	17.00			
	e. Paid-up Share Capital		300.00	300.00	300.00	300.00	300.00		300.00	300.00
	f. GoI Share		200.00	200.00	200.00	200.00	200.00		200.00	200.00
	g. Reserves and surplus		763.74	988.09	1551.48	1725.51	1921.02		2077.01	2156.84
			35.26	29.83	30.09	20.23	15.88		8.16	15.33
4	Total Expenses	Rs.	154.02	197.67	227.01	221.19	284.90		138.79	295.50
5	Total Incomes	In	597.51	643.85	640.50	638.29	717.16		344.78	705.00
6	Total expenses / Total Incomes	%	25.78	30.70	35.44	34.65	39.73		40.25	41.26
7	Details of other incomes									
	a. Interest	Rs.	23.69	20.66	2.52	0.02	0.45		1.92	2.67
	b. Dividend	In	-	-	-	-	-		0.77	1.57
	c. Other Incomes	crore	31.07	26.54	17.84	7.29	8.73		20.53	20.76
	d. Total		54.76	47.20	20.36	7.31	9.18		23.22	25.00
			23.69	20.66						
8	a. Cash and Bank Balance and equivalent		287.61	241.23	6.71	32.63	31.84		123.53	50.00
	b. Investment in mutual funds		-	-	-	-	-		-	-
	c. Investment in shares other than subsidiary / JVs)		-	-	-	-	-		-	-
	d. Total (a+b+c)		287.61	241.23	6.71	32.63	31.84		123.53	50.00
	e. Cash credit / Over-draft loan / Short-Term loan		-	-	-	-	-		-	-
	f. Balance in Current account		14.59	33.56	6.13	32.63	31.84		123.53	50.00
9	Dividend paid / declared for the year, excluding Dividend Tax		96.00	105.00	138.00	120.00	120.00		120.00	120.00

Note: Trend would be given for actual figures for preceding five years (audited) and estimates of current year i.e., previous year to the year in respect of which targets are being negotiated.

PART B
TREND ANALYSIS

Sl. No.	Financial Performance Criteria	Unit	Target v/s Actual	2014-15	2015-16	2016-17	2017-18	2018-19	Current Year	
				2014-15	2015-16	2016-17	2017-18	2018-19	Actual upto Sep-19	Estimated upto Mar-20
1	Capacity Utilization in respect of each product									
	Throughput	MTPA	Actual Mou	30.25 28.00	32.21 31.00	30.02 34.50	30.45 34.00	34.50 34.00	15.76 19.00	34.00 38.00
2	Production efficiency parameters									
i	Reduction in average turnaround time (Port + Non Port A/c) over previous year (%)		Actual MOU					47.27	47.50	45.00 42.54
3	CAPEX (Rs. Crore)		Actual MOU	61.45 -	298.18 180.00	545.65 300.00	328.70 400.00	154.10 275.00	26.00 270.00	125.00 270.00
4	CAPEX contracts / projects running / completed without time / cost overrun to total value of	%	Actual MOU	- -	- -	90 90	90 90	75 95	85.03 95.00	85.03 95.00
5	Trade Receivables (net)	Rs. In crore	Actual MOU	49.83 -	59.19 -	24.35 -	28.37 -	30.38 -	51.95 -	51.95 -
6	Trade receivables (Net) as number of days of RO (Gross)	Days	Actual MOU	32.11 -	35.00 -	14.33 -	16.41 21.00	15.66 20.00	28.84 -	36.21 -
7	Claims against the Company not acknowledged raised by:									
	Central Government Departments	Rs. In crore		0.68	0.68	0.68	0.68	20.36	0.68	0.68
	State Governments / Local Authorities			-	-	96.97	1.21			
	CPSEs			0	-					
	Others			247.9	212.31	190.29	185.33	163.83	66.71	66.71
	Total		Actual % red	248.58 1.14%	212.99 14.32%	287.94 -35.19%	187.22 34.98%	184.19 1.62%	67.39 63.41%	67.39 63.41%

Note: Trend would be given for actual figures for preceding five years (audited) and estimates of current year i.e., previous year to the year in respect of which targets are being negotiated.

KAMARAJAR PORT IMITED
Budgeted Estimates 2020-21 & Revised Estimates 2019-20

Particulars	2018-19 (Audited)	Budget Estimates 2019-20	Budget Estimates Up to Sep-19	Acutal upto Sep 18	Acutal upto Sep 19 (provisional & Unaudited)	Revised Estimates 2019-20 (RE)	Budgeted Estimates 2020-21 (BE)
Types of cargo & volume:							
- TNEB Thermal Coal	17.37	17.00	8.50	8.17	7.12	15.00	17.00
- Other Cargo	2.18	3.75	1.88	1.05	1.09	2.20	2.50
BOT operations :							
- POL (M/s. ETTPL)	4.83	4.25	2.13	2.44	2.43	4.85	4.50
- Common user Coal (M/s. CICTPL)	7.67	8.50	4.25	4.39	2.95	5.90	7.00
- Container Terminal (M/s Adani)	1.10	2.00	1.00		1.35	2.50	6.50
- Multi Cargo Terminal	1.32	0.50	0.25	0.52	0.63	1.20	1.25
- SIOTL Coal Terminal						0.05	2.00
- LNG Terminal	0.03				0.19	0.30	0.50
Throughput (Million Tonne)	34.50	36.00	18.00	16.57	15.76	32.00	41.25
A. Income from services							
	(Rupees in Crores)						
- TNEB Thermal Coal	255.68	270.00	100.00	105.94	94.95	250.00	276.00
- Other Cargo	50.89	48.00	24.00	24.53	23.17	47.00	50.00
- Vessel Related Charges	163.18	155.00	77.50	74.85	90.47	160.00	185.00
- Estate Income	32.15	30.00	15.00	15.14	16.24	33.00	35.00
BOT operations :							
- POL (M/s. ETTPL)	49.50	50.00	25.00	24.87	24.62	48.00	50.00
- Common user Coal (M/s. CICTPL)	133.57	130.00	65.00	76.36	52.62	104.75	125.00
- Container Terminal (M/s Adhani)	7.71	32.00	16.00	0.01	10.01	19.00	50.00
- Multi Cargo Terminal	13.76	4.00	7.00	4.69	7.23	14.00	20.00
- SIOTL Coal Terminal						0.50	20.00
- LNG Terminal					0.92	1.75	9.00
Other Services	1.54	1.00	0.50	0.59	0.73	2.00	5.00
Income from services (A)	707.98	720.00	330.00	326.98	320.96	680.00	825.00
Operating Expenditure							
- Operations Expenses	42.40	55.00	25.50	18.68	21.76	45.00	50.00
- Revenue share to TANGEDCO	19.87	20.00	12.00	13.18	12.31	20.00	20.00
- Power, Fuel & Water charges	10.58	12.00	6.00	5.90	4.24	12.00	15.00
- Repairs & Maintenance	9.82	12.00	6.00	3.85	3.71	11.00	24.00
- Maintenance dredging							20.00
-Establishment Expenses	19.84	22.00	11.00	7.99	9.98	20.00	24.00
-Security Expenses	10.43	16.00	8.00	7.20	5.09	15.00	18.00
Administration expenses	22.14	27.50	13.75	9.62	14.20	30.00	36.00
Depreciation & Exp written off	46.68	47.00	23.50	19.58	25.55	51.00	54.00
Total Expenses	181.76	211.50	105.75	86.00	96.84	204.00	261.00
Operating Surplus	526.22	508.50	224.25	240.98	224.12	476.00	564.00
Less : Finance Cost							
- ChPT	27.25	36.00	18.00	12.36	14.07	28.00	26.00
- Tax Free Bonds	39.25	39.00	19.50	19.60	19.54	39.50	39.50
- Forex loan & Others	36.64	30.00	15.00	43.55	8.34	24.00	24.00
	103.14	105.00	52.50	75.51	41.95	91.50	89.50
Operating Profit	423.08	403.50	171.75	165.47	182.17	384.50	474.50
Add: Other Income							
Income from short term investments	3.95	2.00	1.00	1.57	3.45	5.00	3.00
Misc. Income	5.23	1.00	0.50	1.04	20.37	20.00	2.00
Other Income	9.18	3.00	1.50	2.61	23.82	25.00	5.00
Profit Before Taxes, EOT & Prior (PBTEP)	432.26	406.50	173.25	168.08	205.99	409.50	479.50
Less : Exception & Extra ordinary items	88.41	15.00	7.50	80.46		1.50	15.00
Profit Before Tax (PBT)	343.85	391.50	165.75	87.62	205.99	408.00	464.50
G. Adjusted Corporate Tax	3.49	34.50	17.25	10.78	17.64	48.00	79.50
Profit after Tax (PAT)	340.36	357.00	148.50	76.84	188.35	360.00	385.00

KAMARAJAR PORT LIMITED
CAPITAL EXPENDITURE

S.No.	Name of Scheme / Programme	Estimated / Awarded Cost	Up to Last Financial Year	BE 2019-20	UP TO SEPT 19	RE 2019-20	BE 2020-21
1	Dredging Schemes						
a	Capital Dredging - Phase iv a	90.00	1.50	100.00	0.00	38.50	50.00
b	Capital Dredging - LNG	48.36	42.94	9.00	5.42	5.42	
c	Capital Dredging for Container Terminal Phase-II	60.00					45.00
	Sub Total (A)	198.36	44.44	109.00	5.42	43.92	95.00
2	Rail Connectivity						
a	Connectivity to Proposed Iron Ore Coal Terminal	70.00	59.38	5.00	0.00	1.00	0.00
b	Rail Connectivity – Container Terminal	40.00	34.50	3.00	4.00	5.50	0.00
c	Extension of Railway line in the Holding Yard no. 1 including Balance RUB,OHE,S&T and allied bridge works	40.00	22.00	15.00	4.00	12.00	6.00
d	Southern Rail Link Connectivity (Doubling)	75.00	40.82	10.00	0.00	0.00	10.00
	Sub Total (B)	235.00	156.78	42.50	8.00	18.50	16.00
3	Road Connectivity						
a	Construction of internal roads, truck parking bays, rest shelter inside the port	50.26	6.97	25.00	2.68	30.00	13.29
b	Construction of 2 lane concrete road connecting terminals	25.00	-	5.50	0.00	0.00	5.00
	Sub Total(C)	75.26	6.97	30.50	2.68	30.00	18.29
4	Buildings / Yards						
a	Customs Building	3.00	1.90	0.50	0.00	0.40	0.70
b	CISF office building	1.50		0.57	0.00	0.00	0.20
c	Parking yard for Cars & Project Cargo for GCB II	50.00	1.30	10.00	0.00	0.00	0.00
d	Construction of Railway Platform for Holding Yard II	41.00	1.39	5.00	0.27	0.58	
e	Construction of Container Scanner Room & Scanner	24.00	3.45	1.00	7.35	20.00	
f	Illumination works for Parking yard and Container scanner	2.00			1.45	1.50	0.50
g	Coastal Employment Unit- Pre-project activities (Consultancy charges & Infra development)	75.00	0.70	2.00	0.59	2.00	20.00
h	Construction of CISF barracks	25.00	-	10.40	0.15	0.30	10.00
i	Construction of pass section & laboratory building	1.70	-	1.70	0.00	0.00	1.00
	Sub Total(D)	223.20	8.74	31.17	9.80	24.78	32.40
5	Investments						
a	Southern Port Access Road	195.00	40.00	25.00	0.00	0.00	75.00
b	Northern Port Access Road	250.00	-	2.00	0.00	1.00	1.00
	Sub Total(F)	445.00	40.00	27.00	0.00	1.00	76.00
6	Miscellaneous						
a	Movable Fixed Assets and Software	-	-	5.00	0.10	6.80	12.31
	Sub Total (I)	147.50	0.00	25.00	0.10	6.80	12.31
	Total	2133.05	905.98	300.00	26.00	125.00	250.00

Details of Projects for CAPEX monitoring for the MoU 2020-21

Sl.No	Name of Project	Estimated /Awarded Cost (Rs. Cr)	Scheduled Completion as per Agreement	Mile Stone for 2020-21	
				Physical (in %)	Financial (Rs. Cr)
1	Capital Dredging-Phase-IV a	90.00	To be awarded	100%	50.00
2	Southern Rail Connectivity (Doubling)	75.00	30.6.2021	75%	10.00
3	Southern Port Access Road	195.00	31.07.2022	40%	75.00
	TOTAL				135.00