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Tariff Authority for Major Ports

G No. 32 **New Delhi,** **14 February 2012**

NOTIFICATION

In exercise of the powers conferred by Sections 48, 49 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal received from the V.O. Chidambaranar Port Trust for (a) adopting the upfront tariff approved by this Authority for container terminal at berth no.8 along with other charges and (b) to approve levy for supply of labour at Tuticorin Port Trust Cargo Handling Labour Pool for handling containers at berth no.8 as a make shift arrangement as in the Order appended hereto.

(Rani Jadhav)
Chairperson

Tariff Authority for Major Ports

Case No. TAMP/7/2011-TPT

V.O. Chidambaranar Port Trust - - - Applicant

O R D E R

(Passed on this 19th day of January 2012)

This case relates to the proposal dated 8 December 2010 received from the V.O. Chidambaranar Port Trust (VOCPT) proposing to adopt the upfront tariff approved by this Authority for container terminal at berth no.8 for carrying out the container handling operations at that berth as a stop-gap arrangement till alternative arrangements are made for conversion of berth no.8 into container terminal or till normalcy is restored at berth no.7 operated by PSA SICAL Terminals Limited (PSA SICAL).

2.1. The main submissions made by the VOCPT vide its letter dated 8 December 2010 are summarised below:

(i). The tendering process under PPP mode for the project, “Conversion of VIII berth into Container Terminal”, is in progress and pre-qualification process is on. However, the process is subject to outcome of the petition filed by PSASICAL before the Hon’ble Supreme Court of India.

(ii). (a). The performance of the Container Terminal at berth No VII, currently operated by PSASICAL is not satisfactory compared to the performances in the earlier years and the said terminal is facing several operational problems.

(b). Out of 3 quay cranes available at the terminal, only 2 quay cranes are in working condition and the third one is on maintenance. While, out of 8 transfer cranes available in the terminal, only 5 transfer cranes are effectively used. Moreover, PSASICAL is restricting handling of few vessels by allotting only window berthing and not accepting the adhoc call vessels.

(iii). (a). PSASICAL recently issued a circular to the Container Operators and the Tuticorin Ship Agents Association stating that the “TCT will not be able to accept adhoc calls due to non-availability of free berthing windows, as all vessels who have been allocated berthing windows are back on schedule”.

(b). This has resulted in detention of many container vessels for a long period and hence VOCPT convened a meeting with the representatives of PSASICAL and the users during September and October, 2010 and discussed the operational issues.

(c). As PSASICAL are not accepting categorically the so called non-window berthing vessels, the trade has requested the port to allow handling of such container vessels in the 8th berth, as conversion of the 8th berth as Container Terminal project is also approved, to avoid diversion of the trade from Tuticorin Port.

(d). As such, in order not to lose the container traffic at the port, the Tuticorin Port is constrained to accept the request of the trade for makeshift arrangement of handling containers in the said 8th berth in the interest of maritime trade.

(iv). A meeting was convened by the VOCPT on 30 November 2010 along with the Tuticorin Ship Agents Association and CHA and it has been made clear to the Agents that unless the port gets an amount not less than the royalty that is being paid by PSASICAL, it is not possible to berth the vessels at berth no.8, even if it entails losing the trade to other ports to avoid future audit or any objections with respect to any revenue loss.

(v). After detailed discussions among themselves, the Agents agreed to pay the charges as mentioned below. In this connection, the VOCPT has furnished a copy of the minutes of the meeting held on 30 November 2010, which is signed by all the agents.

(a). The upfront tariff notified by TAMP for container terminal at VOCPT (berth no.8) + wharfage at the rates notified in the Scale of Rates the Tuticorin Port Trust + Gang charges (Labour charges) + TPTCHLP Levy (Labour levy) + other charges, as applicable for the services rendered, if any.

(b). They also agreed to remit the balance charges for the vessels already handled in VIII berth as stop-gap arrangement in the last 2 months based on the above calculation.

(vi). The Board of Trustees of the VOCPT considered the agenda in this regard in its special meeting held on 6 December 2010. After detailed discussions and deliberations, the Board of Trustees unanimously resolved, *inter alia*, as follows:

(a). To charge upfront tariff approved by TAMP for Container Terminal approved at VOCPT (conversion of berth no.8 into Container Terminal) + Wharfage as per the Scale of Rates of VOCPT + Gang charges + TPTCHLP Levy + any other charges.

The proposed arrangement will apply to the vessels already handled and also for vessels to be handled in future as has been already agreed by the port users in the meeting held on 30 November 2010.

(b). The Board of Trustees further resolved that, the stop-gap arrangement may be continued till alternative arrangements are made for conversion of berth no.8 into container terminal or till the time normalcy in operation of 7th berth is restored, whichever is earlier.

2.2. The port has further submitted that the above rates are being collected as an interim measure with the consent of users to ensure smooth flow of handling containers. This is purely a temporary arrangement till alternative arrangements are made for conversion of berth no.8 into container terminal or till the time normalcy in operation of 7th berth is restored, whichever is earlier. Citing the above position, the VOCPT has sought the orders of this Authority in this regard. The port has informed that the above position is also brought to the information of the Ministry of Shipping vide its letter dated 7 December 2010.

3.1. Subsequently, the VOCPT vide its letter dated 4 January 2011 has filed a separate proposal seeking approval of levy for supply of labour from TPTCHLP for container handling operations at berth no.8. Apart from reiterating its submissions made in its earlier letter dated 8 December 2010, the VOCPT has made the following points in its proposal.

(i). One of the components the agents agreed to pay in the tariff arrangement proposed as a stop gap is the TPTCHLP levy.

(ii). Accordingly, the TPTCHLP Levy Finance Committee discussed the levy to be collected for handling containers at berth no. VIII and decided to retain the following rates approved by the Finance Committee in 1998 alongwith ₹6/- per box towards Pension Fund Levy for handling containers in the port with effect from 1.10.2010:

Levy for Container Operation	Levy Amount	Pension Fund Levy	Total Container Levy/ Per box
(a). For Stevedoring – Loaded	₹145.00 per Box	₹6/- per Box	₹151.00
(b). For Shore Loaded	₹100.00 per Box	₹6/- per Box	₹106.00
(c). Total	**₹245.00 per Box**	**₹12/- per Box**	**₹257.00**
(d). For Stevedoring - Empty	₹30.00 per Box	₹6/- per Box	₹36.00

(e). For Shore - Empty	₹25.00 per Box	₹6/- per Box	₹31.00
(f). Total	**₹55.00 per Box**	**₹12/- per Box**	**₹69.00**

(iii). The VOCPT has also submitted that this service is a new service considering the fact that the handling of containers at berth no.7 by PSASICAL is without CHLP levy. The CHLP levy for container handling is a new tariff item and the proposed rate is adopted as an interim rate with consent of users.

3.2. In this backdrop, the port has requested to consider the proposed CHLP levy for container handling as a part of the proposal already filed by VOCPT separately for revision of existing levy for supply of labour from TPTCHLP.

4. Since the proposal of the VOCPT seeking approval of rate for TPTCHLP levy for handling of containers at berth no.8 is linked to its proposal dated 8 December 2010 seeking approval of tariff arrangement for handling containers at berth no.8 and is only a temporary resort both these proposals of the VOCPT are dealt together.

5. In accordance with the consultation process prescribed, the proposals dated 8 December 2010 and 4 January 2011 were circulated to the users/ user organisations seeking their comments. Shipping Corporation of India Limited has furnished their comments. No other users/ user organisations have furnished their comments. The comments received from the Shipping Corporation of India Limited has been forwarded to the VOCPT as feedback information. The VOCPT has furnished its comments on the points made by the user.

6.1. A joint hearing in this case was held on 29 March 2011 at the V.O. Chidambaranar Port Trust (VOCPT) premises. The VOCPT made a power point presentation of its proposal. At the joint hearing, VOCPT and the concerned users/ organisation bodies have made their submissions.

6.2. At the joint hearing, the Tuticorin Custom House Agents' Association filed their written submissions. The VOCPT vide letter dated 27 May 2011 has furnished its remarks on the written submissions made by Tuticorin Custom House Agents' Association (TCHAA) at the joint hearing.

6.3. It was agreed at the joint hearing that the VOCPT would furnish information on the following points by 15 April 2011:

(i). Comparative position of the tariff proposed to be collected vis-à-vis tariff presently collected by PSA SICAL for container handled at Berth No.7 alongwith services not offered at berth no. 8.

(ii). The nature of 'other charges' and 'gang charges' proposed to be collected and the basis thereof.

(iii). Details of container traffic handled and income already collected by VOCPT from the proposed arrangement based on consent from relevant user associations and the estimated position for the future period upto which the proposed stop gap arrangement may continue.

(iv). The tariff arrangement proposed by the VOCPT is a deviation from the tariff guidelines of 2005. Approval from the Ministry, if any, obtained by the VOCPT for the deviation from the guidelines may be furnished.

(v). The actual services provided and cost involved in handling the containers by the VOCPT for services offered at berth No 8 may be furnished.

(vi). As regards the CHLP levy for on board stevedoring and on shore operation, the rates proposed are adopted from the circular issued by Tuticorin Stevedores Association in 1998. These rates are not approved by the Authority. The proposal of the port to fix cargo handling levy also does not include the rates for supply of labour for container handling. Therefore, the rates may be proposed with reference to the cost involved for deployment of labour from the VOCPT, if any, for container handling operations.

6.4. With reference to the points discussed at the joint hearing, the VOCPT has vide letter dated 27 April 2011 furnished additional information / clarifications which is summarised below:

(i). A statement containing comparative position of the tariff proposed to be collected and tariff presently collected by PSA SICAL is furnished.

(ii). In addition to TPT CHLP Labour levy as indicated, the CHLP is collecting worked wages and piece rate wages based on the actual labour deployment for handling container vessels. On the basis of existing arrangement these charges are being collected as stop gap arrangement.

(iii). The details of container traffic handled and income already collected for the period from 29.9.2010 to 31.3.2011 under the present stop gap arrangement is furnished below:-

Name of User Association	No. of vessels	Total TEUS	Total Income (₹ in Lakhs)	Earnings per TEU (in Rupees)	
Tuticorin Ship Agents Association	34	22,458	₹498.63	Gross Earnings	2,220/-
				Less: Related Expenditure	320/-
				Net Earnings	1,900/-

The net earnings from M/s.PSA SICAL Terminals Ltd., is ₹1896/-

Handling cost per TEU at VII Berth

Sl. No.	Description	Amount (₹ in Lakhs)	
1.	Capital cost of VII Berth (₹ in Lakhs)	3140.12	1,570.06
2.	VII Berth Electrification	113.06	113.06
	Depreciation: (as per Companies Act)		
3.	(i). Depreciation @ 3.34% on 50% of berth cost	52.44	
	(ii). Depreciation @ 1.63% on Electrification	1.84	
		54.28	54.28
4.	**ROCE @ 16% on S.No.1 to 2**		269.30
5.	**Total (S.No.3 to 4)**		**323.58**
6.	Current handling capacity at 7th Berth (in Lakh tonnes) (2010-11)		77.76
7.	Handling cost per tonne (in Rupees) S.No.(5)/(6)		4
8.	Handling cost per TEU (in Rupees) [S.No.(7) x 17.5 tonnes]		73
9.	Royalty received from PSA SICAL		1969
10.	Net Earnings from PSA SICAL (9) – (8)		1896

Handling cost per TEU at VIII Berth

Sl. No.	Description	Amount (₹ in Lakhs)		
1.	Capital cost of VIII Berth (₹ in Lakhs)	2714.19	1,357.10	**50.00%**
2.	VIII Berth Electrification	44.25	44.25	
	Depreciation: (as per Companies Act)			
3.	(i). Depreciation @ 3.34% on 50% of berth cost	45.33		
	(ii). Depreciation @ 1.63% on Electrification	0.72		
		46.05	46.05	
4.	**Repairs & Maintenance cost**			
	Civil Structures (S.No.1) @ 1%	13.57		
	Electrification work @ 7.5%	3.32		
		16.89	16.89	
5.	Man Power cost		38.36	
6.	Management & Gen Overheads [35% on Opr. Expre S.No.(3) to (5)]	101.30	35.45	

7.	**ROCE @ 16% on S.No.1 to 2**		224.22	
8.	**Grand Total (S.No.3 to 7)**		**360.97**	
9.	Current handling capacity at 8th Berth (in Lakh tonnes) (2010-11)		19.72	2220
				320
10.	Handling cost per tonne (in Rupees) S.No.(8)/(9)		18	**1900**
11.	Handling cost per TEU (in Rupees) (S.No.(10) x 17.5 tonnes)		320	

As far as the estimated position for the future period is concerned, it is expected that the same trend will continue for the future period also.

(iv). The Ministry of Shipping has been apprised the development i.e., collection of charges based on upfront tariff approved by the Authority for VIII Berth as short term arrangement. The decision of the Government in this regard is awaited.

(v). For handling containers at VIII Berth, the provision of landing place, Top Lift Truck facilitating handling of containers as the non availability of cranes at VIII Berth and Gang services are provided. As far as cost involved, the average handling cost per TEU is ₹320/- including TLT services. The average CHLP Labour cost involved per TEU for the 34 vessels handled at VIII Berth is ₹528/-.

(vi). The rates as per circular issued by Tuticorin Stevedores Association in 1998 was in vogue till 20.12.1999. Since 21.12.1999 when M/s.PSA SICAL Terminals Ltd., started its operations, the rates as per the above mentioned circular ceased to exist. However in the current scenario, to handle the non window container vessels at VIII Berth, in addition to worked wages and piece rate wages, CHLP Labour levy based on the rates of the previous circular is collected and proposed as a stop gap arrangement.

7. The proceedings relating to consultation in this case are available on records at the office of this Authority. An excerpt of the arguments made by the concerned parties at the joint hearing will be sent separately to the relevant parties. These details will also be made available at our website http://tariffauthority.gov.in.

8. With reference to the above proposal of the VOCPT seeking approval of tariff arrangement for temporary measure for handling containers at berth no.8, the following points are brought out:

(i). Containers at the VOCPT are handled by the terminal operator, PSA SICAL Terminals Limited. The VOCPT has brought out that the terminal operator PSA SICAL has restricted handling of container vessels at berth No.7 allotted to them in the recent past. The operator is accepting only few vessels allotted for window berthing and not accepting adhoc call vessels. That being so, the port has sought approval of the proposed tariff arrangement as an interim measure combining the rates approved by this Authority in the upfront tariff Order, wharfage rate for container as per the Scale of Rates of the VOCPT and TPTCHLP levy for which rate is newly proposed by the port now.

(ii). Upfront tariff approved by this Authority vide Order No.TAMP/34/2008-TPT dated 16 October 2008 for container terminal at VOCPT to be developed on PPP basis follows the upfront tariff guidelines of 2008. Clause 1.3.2. of the 2008 guidelines clarifies that the Major Port Trusts and Private terminals operating thereat where bidding is over prior to announcement of the 2008 guidelines, would continue to be governed by the tariff guidelines of 2005. The proposal of the VOCPT to adopt the upfront tariff approved by this Authority for container terminal at VOCPT for berth No.8 is therefore not in compliance with the 2008 guidelines.

The infrastructure, capital cost and the operating cost, capacity considered in the upfront tariff fixation of the container terminal may not be fully relevant for the services proposed to be offered by the VOCPT as a stop gap arrangement.

(iii). The existing Scale of Rates of the VOCPT approved in August 2008 prescribes individual tariff items such as wharfage charge for containers, charges for handling containers by mechanical means, etc., and separate charges for reefer containers and storage charge on containers and demurrage on containerized cargo. As stated by the VOCPT, the rates in their SOR are not comprehensive for handling containers and hence a different tariff arrangement is proposed.

The VOCPT is governed by the tariff guidelines of 2005 for services provided by the port. Tariff guidelines of 2005 requires tariff fixation following the cost plus method. The proposal is not purely based on the cost plus model for the services to be provided by the port. The instant proposal filed by the VOCPT picks some tariff items (i.e. wharfage on container) from the existing SOR and some from the upfront tariff Order.

The proposal of the port is mooted in order to ensure that the container tariff is not diverted to other ports and at the same time to ensure that the port does not incur revenue loss by way of not earning royalty from those containers which otherwise the PSA SICAL would have handled.

9.1. Bringing out the background of the proposal filed by VOCPT, a reference was made to the Ministry of Shipping (MOS) on 19 January 2011 highlighting the following position:

(i). The proposal filed by the VOCPT does not fit either into the 2005 guidelines applicable for the existing Major Port Trusts and Private Terminals operating thereat or 2008 guidelines where upfront tariff is fixed by the Authority for projects to be bid by the bidders.

(ii). The VOCPT is governed by the tariff guidelines of 2005 for services provided by the port. Tariff guidelines of 2005 require tariff fixation following the cost plus method. The proposal of VOCPT is not purely based on the cost plus model for the services to be provided by the port. The instant proposal filed by the VOCPT includes some tariff items (i.e. wharfage on container) from the existing SOR and comprehensive handling rate from the upfront tariff Order. Upfront tariff is not applicable to port trust operation. Even otherwise upfront tariff for container handled is a comprehensive rate covering wharfage, on board handling, etc. But, the port wants separate charges in addition to upfront tariff.

(iii). The proposal filed by the VOCPT is in the backdrop of an extraordinary situation faced by the port and to mitigate any hardship to trade due to possible diversion of container traffic from the port and has been formulated with the primary objective of protecting the revenue of port, which, though not explicitly mentioned, is primarily in the nature of royalty receipts from PSA SICAL, had these containers been handled by them.

9.2. In the light of the position explained above, the MOS was requested to examine the deviations proposed by the VOCPT from the tariff guidelines and advice in the matter at the earliest.

10. After regular follow up and reminders, the Ministry of Shipping (MOS) vide its letter No.PR-14019/5/2011-PG dated 2 January 2012 addressed to Chairman (VOCPT) and copy to TAMP conveyed its decision that the deviations in the proposal of V.O. Chidambaranar Port Trust from standard tariff guidelines of 2008 or 2005 cannot be accepted.

11. As brought out earlier, the proposal of the port is to adopt upfront tariff (comprehensive handling rate) as approved by this Authority vide Order No.TAMP/34/2008-TPT dated 16 October 2008 for container terminal at VOCPT to be developed on PPP basis along with other tariff items viz. wharfage on container from the existing SOR, gang charges and TPT CHLP labour charges based on the circular issued by Tuticorin Stevedores Association in 1998.

The VOCPT is governed by the tariff guidelines of 2005 for services provided by the port. Tariff guidelines of 2005 require tariff fixation following the cost plus method. The proposal of VOCPT is not purely based on the cost plus model for the services to be provided by the port. Clause 1.3.2. of the 2008 guidelines clarifies that the Major Port Trusts and Private terminals operating thereat where bidding is over prior to announcement of the 2008 guidelines, would continue to be governed by the tariff guidelines of 2005. The proposal of the VOCPT to adopt the upfront tariff approved by this Authority for container terminal at VOCPT for berth No.8 is not in compliance with the 2008 guidelines. The rates proposed by the VOCPT are not cost based rate following the tariff guidelines of 2005. Even the rate proposed for TPTCHLP is based on some circular issued by Tuticorin Stevedores Association in 1998 and not a cost based rate.

12. In view of the above position and recognising that the Ministry of Shipping has also rejected the deviations in the proposal of V.O. Chidambaranar Port Trust from the tariff guidelines of 2008 or 2005, the said proposal of the VOCPT cannot be processed further for approval. Consequently, regularisation of the proposed tariff arrangement implemented by the VOCPT for the interim period does not arise. The VOCPT is advised to file a fresh proposal with detailed cost calculation and in compliance with the tariff guidelines of 2005 which will be treated afresh and the billings done by the port so far should be adjusted according to the tariff to be approved.

13. In the result, and for the reasons given above, and based on a collective application of mind, this Authority decides to close the proceedings initiated based on the proposals dated 8 December 2010 and 4 January 2011 filed by the VOCPT. The revised proposal when received from the port will be processed afresh.

(Rani Jadhav)
Chairperson

SUMMARY OF THE COMMENTS RECEIVED FROM THE PORT USERS / DIFFERENT USER ORGANISATIONS AND ARGUMENTS MADE IN THIS CASE DURING THE JOINT HEARING BEFORE THE AUTHORITY

F. No.TAMP/7/2011-TPT - **Proposal from the V.O. Chidambaranar Port Trust for (a) adopting the upfront tariff approved by the Authority for container terminal at berth no.8 along with other charges and (b) to approve levy for supply of labour at Tuticorin Port Trust Cargo Handling Labour Pool for handling container at berth no.8 as a make shift arrangement.**

A summary of relevant comments received from the Shipping Corporation of India Limited with regard to subject proposal and reply of V.O. Chidambaranar Port Trust (VOCPT) thereon is tabulated below:

Sl. No.	Comments of users / user organisations	Reply of VOCPT
1.	**Shipping Corporation of India Limited**	
	We are agreeable for adopting the upfront tariff approved by the Authority for Container terminal at berth 8 along with other charges, at the same time, we disagree to approve levy for supply of labour at Tuticorin Port Trust Cargo Handling Labour Pool for handling containers at berth no.8 as it would increase the terminal handling charge, much higher than that of the THC charged by terminal operator operating at berth 7.	Rebate is extended for handing container at 8th towards the non provision of mechanical handing equipment whereas relevant labour levy is also collected for supply of labour by TPTCHLP for supply of labour for handling containers at 8th berth.

2. A joint hearing in this case was held on 29 March 2011 at the V.O. Chidambaranar Port Trust (VOCPT) premises. The VOCPT made a power point presentation of its proposal. At the joint hearing, VOCPT and the concerned users/ organisation bodies have made the following submissions:

V.O. Chidambaranar Port Trust (VOCPT)

(i). Explain the background of the problems with PSA SICAL terminal.

(ii). Port also explains that it has become not possible to hand over berth no.8 under PPP in view of the case pending before the Hon'ble Supreme Court.

(iii). The arrangement is adhoc, only for a temporary period say, upto October 2011. We have informed the Government also. We will handle vessels at berth no. 8, only when PSA SICAL berth is occupied by a working vessel and another container vessel is waiting at anchorage.

(iv). Our intention is to ensure royalty receipt notionally receivable from PSA SICAL should be maintained even from the containers are handled at berth No. 8.

(v). We have handled only around 20,000 TEUs so far out of the total volume of 4.60 lakh TEUs handled in the year 2010-11.

(vi). Container traffic growth at all other ports is around 12% in 2010-11. But, here it is around 6%.

(vii). If trade has any objection to tariff, we will cancel the ad hoc arrangement. The adhoc arrangement is a general contravention of the licence agreement with PSA SICAL, still we pursued this option only to ensure that the trade don't suffer.

(viii). We have to ensure that our recovery is more than the royalty of ₹1966/- per TEU.

(ix). The capacity of PSA SICAL is around 4.75 lakh TEUs and they have handled around 4.40 lakhs TEUs in FY 2010-11.

Tuticorin Ship Agents' Association

(i). Slowing down of operations by PSA SICAL has diverted containers to other ports. The arrangement made by the port arrested the diversion.

Container Shipping Lines Association (India)

(i). The land side cost levied under ad-hoc arrangement is about 30% more than PSA SICAL. This is despite the fact that port does not provide any handling facility.

(ii). More rebate for services not provided should be allowed.

(iii). VOCPT may ensure that vessels need not wait for atleast 24 hours, before berthing at no. 8.
(VOCPT explains that it is because of the provisions of the LA with PSA SICAL).

Tuticorin Custom House Agents Association

(i). PSA SICAL capacity as accepted in last tariff order is 3.6 lakhs TEUs. Therefore, it is already handling more than capacity.
(Port clarifies, the capacity of PSA SICAL is 4.75 lakhs TEUs for 2010-11 as per the assessment of Government).

(ii). Port proposal is only to make good notional royalty loss. TAMP may over rule this notional calculation and the apprehension of the port about possible audit objection of "anticipated revenue loss".

3. A summary of the written submissions made by Tuticorin Custom House Agents' Association (TCHAA) at the joint hearing and remarks of the port thereon are tabulated below:

Sl. No.	Written submissions made by TCHAA at the joint hearing	Remarks of the port
(i).	The adhoc rates fixed during the meeting held on 30.11.2011 organised by the Chairman, VOC Port Trust, is translated as the proposal to compensate the royalty amount being received from PSA SICAL.	
(ii).	In this context, it may be mentioned that the trade is saddled with huge cost in terms of additional Terminal Handling Charges directly or indirectly. Further, the free time for import is only 2 days as per the 8th berth tariff. However, the amount collected by the Port authorities is more than the 8th berth tariff. Besides the collection of additional 8th berth tariff, wharfage dues as per the scale of rages and charges for TPTCHLP gang booking have also been made mandatory. By virtue of these collections, the operational cost is increased very much to the stevedores, causing impact on the THC. The Exim trade is burdened with reduced free time for Import/Export as well as increased THC.	The free period for the import of containers at the rate of two days is fixed as per 8th berth upfront tariff fixed by the Authority.
(iii).	It has also furnished the financial implications of the proposed tariff. The port is presently collecting additional tariff as indicated at Sl. No. 2.1.C, which amounts to two times, not required to be levied. Quite apart from this, the port is also collecting wharfage dues as per the port's scale of rates.	As deliberated by the port in the joint hearing held on 29 March 2011 to protect the royalty earning if the containers were handled at 7th berth and also to protect the trade without hindrance, the port has proposed for the collection of transportation from yard to truck/ vice versa and wharfage charges for handling the containers at 8th berth.

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