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Tariff Authority for Major Ports

G.No.506

New Delhi,

19 November 2020

NOTIFICATION

In exercise of the powers conferred by Section 48 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby extends the validity of the existing schedule of Upfront tariff for Stevedoring and Shore Handling Charges and the Performance Standards of the Cochin Port Trust (COPT) approved by this Authority vide earlier Order No.TAMP/81/2016-COPT dated 21 July 2017 as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

TARIFF AUTHORITY FOR MAJOR PORTS
Case No.TAMP/81/2016-COPT

Cochin Port Trust(COPT)

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Applicant

QUORUM

- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. Rajat Sachar, Member (Economic)

ORDER

(Passed on this 28th day of October 2020)

This case relates to a proposal filed by Cochin Port Trust (COPT) for extension of the validity of the existing schedule of Upfront tariff for Stevedoring and Shore Handling Charges and the Performance Standards of the COPT.

2. This Authority vide its Order No.TAMP/81/2016-COPT dated 21 July 2017 has, based on the proposal of COPT and after following due consultation process with stakeholders and after holding joint hearing, approved the subject proposal received from COPT. This Order was notified in the Gazette of India on 11 September 2017 vide Gazette No.349. The notified Order came into effect from 11 October 2017 and validity is prescribed for a period of 3 years i.e. 10 October 2020.

3.1. The COPT vide its e-mail dated 16 October 2020 has forwarded its letter No.FD/Costing/Stevedoring/2016 dated 15 October 2020 requesting to extend the validity of rates fixed by TAMP for a further period of 2 years (approved by this Authority vide Order No.TAMP/81/2016-COPT dated 21 July 2017).

3.2. The main submissions made by the COPT for seeking of extension of the validity of the existing schedule of Upfront tariff for Stevedoring and Shore Handling Charges and the Performance Standards of the COPT are summarised below:

- (i). Looking to the changes in the Stevedoring Policy, an Industrial Dispute was filed by the 5 major unions of COPT, which was pending before the Regional Labour Commissioner (RLC), Cochin over the implementation of the new Stevedoring Policy. Hence, the new rates could not be implemented even after notification of COPT (Licensing of Stevedoring and Shore Handling) Regulations, 2019 (Regulation).
- (ii). The ID raised by the Trade Unions before the RLC ended as failure of conciliation on 12 August 2020. Hence, a Trade Notice dated 27 August 2020 has been issued to all the existing Stevedores to switch over to the new Regulation with a changeover period of 60 days i.e. by 25 October 2020 as per Clause No.4 of the Regulation. Therefore, the effective date of implementation of normative tariff for stevedoring and shore handling operations in COPT would be only from 25 October 2020.
- (iii). As per Para 13(xix) of the TAMP's Order, the normative tariff for stevedoring and shore handling operations will come into effect after expiry of 30 days from the date of notification of the Order in the Gazette. As per the Clause 2.3 of the Guidelines for Determination of Upfront Tariff for Stevedoring and Shore Handling Operations authorized by Major Port Trusts under Section 42(3) of the Major Port Trusts Act, 1963 issued by TAMP vide Gazette No.407 dated 15 November 2016, the validity of the caps tariff as approved by the TAMP is for a period of 3 years only. Thus, the present rates are valid upto 10 October 2020 only.

- (iv). Considering the fact that COPT could implement the new Stevedoring Policy with effect from 25 October 2020 only and the validity of upfront tariff fixed by TAMP vide Order dated 21 July 2017 will expire on 11 October 2020, approval of TAMP is requested to extend the validity of rates fixed by TAMP for a further period of 2 years. A revised proposal for revision will be submitted to TAMP as per the Guidelines issued by Ministry well before the expiry of 2 years.
4. The validity of the existing schedule of Upfront tariff for Stevedoring and Shore Handling Charges and the Performance Standards of the COPT is expired on 10 October 2020. Based on the submissions made by the COPT, this Authority is inclined to extend the validity of the existing schedule of Upfront tariff for Stevedoring and Shore Handling Charges and the Performance Standards of COPT approved by this Authority vide Order No.TAMP/81/2016-COPT dated 21 July 2017 from the date of its expiry for a period of two years i.e. till 10 October 2022 subject to Board of Trustees of COPT approves the extension of the validity of the existing schedule of Upfront tariff for Stevedoring and Shore Handling Charges and the Performance Standards for a further period of two years.
5. In the result, and for the reasons given above, and based on a collective application of mind, this Authority extends the validity of the existing schedule of Upfront tariff for Stevedoring and Shore Handling Charges and the Performance Standards of COPT approved by this Authority vide Order No.TAMP/81/2016-COPT dated 21 July 2017 from the date of its expiry for a period of two years i.e. till 10 October 2022 subject to Board of Trustees of COPT approves the extension of the validity of the existing schedule of Upfront tariff for Stevedoring and Shore Handling Charges and the Performance Standards for a further period of two years. The validity shall automatically lapse unless specifically extended by this Authority.

(T.S. Balasubramanian)
Member (Finance)