

(Published in Part - III Section 4 of the Gazette of India, Extraordinary)
TARIFF AUTHORITY FOR MAJOR PORTS

G.No.150

New Delhi,

5 May 2015

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 tariff for the services rendered by the Central Warehousing Corporation at the Container Freight Station in the Kandla Port Trust as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/35/2010-CWC

The Central Warehousing Corporation

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Applicant

QUORUM

- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. Chandra Bhan Singh, Member (Economic)

ORDER

(Passed on this 28th day of April 2015)

This case relates to the extension of the validity of the existing Scale of Rates of the Central Warehousing Corporation (CWC) for the services rendered by it at the Container Freight Station in the Kandla Port Trust.

2. The existing Scale of Rates (SOR) of CWC was last approved by this Authority vide Order No. TAMP/35/2010-CWC dated 06 January 2012 which was notified in the Gazette of India on 01 March 2012. The Order prescribed the validity of the SOR till 31 March 2014. This Authority has extended the validity of the existing SOR of the CWC initially till 30 June 2014 vide Order dated 4 April 2014. Subsequently this Authority, had extended the validity of SOR of CWC on couple of occasions; the last extension being till 31 March 2015 vide Order dated 2 January 2015.

3. While extending the validity of its existing SOR vide Order dated 2 January 2015, this Authority had granted time till 31 March 2015 to the CWC to file its proposal for revision of its SOR. The CWC has not filed the proposal for revision of its SOR so far.

4.1. The CWC, vide its e-mail dated 24 March 2015, has stated that the position as intimated to this Authority vide their letter dated 12 February 2014, 16 June 2014 and 9 December 2014 still prevails i.e. presently there is no Container Terminal Operator at KPT and hence no IMPEX vessel is reporting at KPT resulting virtually nil business at CWC-CFS Kandla Port. Without any IMPEX container traffic at port, the tariff proposal will not be justifiable. The CWC has further stated that the KPT had earlier floated EOI for appointment of Container Terminal Operator which has been scrapped and they have floated fresh Global Invitation/RFQ dated 18 March 2015. The finalisation of the same may take time possibly 5 to 6 months and hence there will be no container business at KPT/CWC-CFS Kandla Port up to September 2015 / October 2015.

4.2. In view of the above, the CWC has requested to extend the validity of the existing SOR beyond 31 March 2015 and has also requested to grant time upto 30 September 2015 to file its proposal.

5.1. From the submissions made by the CWC, there does not appear to be any change in the position relating to impex container traffic then prevailing at the KPT while extending the Scale of Rates of CWC vide Order dated 2 January 2015 and now. In view of the extraordinary situation prevailing at the KPT, as brought out by the CWC in its e-mail dated 24 March 2015, this Authority extends the validity of the existing SOR of the CWC from the date of its expiry till 30 September 2015 or the effective date of implementation of the revised SOR, whichever is earlier.

5.2. In view of the submission made by the CWC, this Authority also grants time till 30 September 2015 to CWC to file its proposal for revision of its SOR.

6. If any additional surplus over and above the admissible cost and permissible return emerges for the period post 1 April 2014, during the review of its performance, such additional surplus will be set off fully in the tariff to be determined.

(T.S. Balasubramanian)
Member (Finance)