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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 468

New Delhi,

27 December 2016

NOTIFICATION

In exercise of the powers conferred under Section 48 of the Major Port Trusts Act, 1963 (38 of 1963), this Authority hereby disposes of the proposal received from the Kandla Port Trust (KPT) for fixation of reference tariff for up-gradation, Maintenance and Operation of existing barge jetty at Tuna, Kandla Port on Build Operate and Transfer (BOT) basis under Public Private Partnership (PPP) mode, as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
No. TAMP/21/2016-KPT

Kandla Port Trust (KPT)

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QUORUM:

Applicant

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

O R D E R

(Passed on this 17th day of November 2016)

This case relates to the proposal dated 15 March 2016 received from the Kandla Port Trust (KPT) for fixation of reference tariff for up-gradation, Maintenance and Operation of existing barge jetty at Tuna, Kandla Port on Build Operate and Transfer (BOT) basis under Public Private Partnership (PPP) mode for thirty years.

1.2. The proposal of KPT was registered as a tariff case and taken on consultation with the users/ user organisations.

2.1. Based on the preliminary scrutiny of the proposal, the KPT was requested to furnish additional information/ clarifications on various points vide our letter dated 21 April 2016. The KPT has not furnished its reply, despite reminders dated 06 May 2016 and 15 July 2016.

2.2. A joint hearing in this case was held on 20 April 2016 at the KPT premises. As agreed at the joint hearing, the KPT was requested vide our letter dated 26 April 2016 to take action on the following points arising out of joint hearing proceedings:

- (i). The KPT to examine the views of the users / user associations / prospective bidders recorded in the Notes on Arguments and suitably modify the proposal in the light of the comments / points made by the users / user associations/ prospective bidders and file a revised proposal by 05 May 2016.
- (ii). Simultaneously, the KPT to forward a copy of the revised proposal to all the users / user associations / prospective bidders who have been taken on consultation on the case in reference, for their comments within 3 days. The KPT to respond to the comments to be furnished by users / user associations / prospective bidders, within 3 days thereafter.

2.3. As there was no response from the KPT, the port was reminded vide our letters dated 06 May 2016 and 15 July 2016 to furnish additional information / clarification sought by us and the action to be taken flowing from the proceedings of the joint hearing.

3. The KPT vide its letter dated 05 May 2016 has stated that it has placed draft Feasibility Report of the subject project before the Board in its meeting held on 12 February 2016 for its approval. The Board constituted a sub-committee to give its recommendations on certain aspects of the project and the sub-committee submitted its recommendations to the Board in its meeting held on 29 March 2016. The KPT has further stated that the Board, after deliberations, decided to defer this matter to the next meeting for further deliberations and final decision. The KPT has also stated that they would be in a position to reply to the queries raised by TAMP only after the approval of the subject project by the Board of Trustees of KPT.

4.1. The KPT proposal has been registered as a 'tariff case' under reference tariff guidelines, 2013. The case is pending for disposal since March 2016 for want of information/clarification and revised proposal from KPT. The port has not furnished the revised

proposal and requisite information even after regular follow-up and reminders. The KPT has not given any time frame also by when it will furnish the requisite information.

4.2. Since the proposal of KPT is registered as a “tariff case”, it is not found appropriate for this Authority to keep the case pending indefinitely.

5. In view of the above position and also recognising that the case cannot be kept open indefinitely, this Authority decides to close the proposal dated 15 March 2016 of KPT for want of information sought from the port. The revised proposal as and when received from KPT will be treated afresh.

(T.S. Balasubramanian)
Member (Finance)