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Tariff Authority for Major Ports

G.No.390

New Delhi,

8 December 2015

NOTIFICATION

In exercise of the powers conferred under Sections 48, 49 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby extends the validity of the existing Scale of Rates of the Kandla Port Trust as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports

Case No.TAMP/61/2009-KPT

The Kandla Port Trust

Applicant

ORDER

(Passed on this 10th day of November 2015)

This Order relates to the extension of the validity of the existing Scale of Rates of the Kandla Port Trust (KPT).

2. The existing Scale of Rates (SOR) of the KPT was last approved by this Authority vide Order No. TAMP/61/2009-KPT dated 18 January 2011 which was notified in the Gazette of India on 22 February 2011. The Order prescribed the validity of the SOR till 31 March 2013. This Authority has extended the validity of SOR of KPT on couple of occasions; the last extension being till 30 September 2015 vide Order dated 28 April 2015.

3. The KPT had filed its proposal for revision of its SOR vide its letter no. FA/COST/1021-R (2012-13)/509 dated 2 September 2014 formulated under 2005 guidelines. The proposal was taken up for consultation with the relevant stakeholders. The comments received from users/ user organization were forwarded to the Port as feedback information. The joint hearing in the subject case was to be scheduled.

4.1. In the meantime, the Ministry of Shipping (MOS), vide its letter No. 8(1)/2014-TAMP dated 13 January 2015 has issued the new "Policy for determination of Tariff for Major Port Trusts, 2015" which was notified in the Gazette of India vide Gazette No. 30 dated 27 January 2015 by this Authority. The new "Policy for determination of Tariff for Major Port Trusts, 2015" has come into effect from 13 January 2015.

4.2. The tariff fixation process envisaged in the new Tariff Policy of 2015 for Major Port Trust by MOS, is significantly different from the tariff fixation method stipulated in the Tariff Guidelines of 2005. Hence, the proposal filed by KPT could not be processed under 2005 guidelines. In view of this, this Authority vide its Order dated 13 February 2015 has closed the KPT proposal dated 2 September 2014 for general revision of its Scale of Rates. The KPT was advised to file a revised proposal in accordance with the new Tariff policy of 2015 announced by the MOS.

5. As per Clause 1.5 of Tariff Policy, 2015, this Authority has notified the working guidelines to operationalise the Tariff Policy, 2015 in consultation with all Major Port Trusts in the Gazette of India on 4 June 2015 vide Gazette No.207. However, the KPT is yet to file its proposal following new Tariff Policy, 2015.

6.1. The KPT vide its letter dated 20 October 2015 has stated that the Revised Proposal as per new Policy for determination of Tariff for major Port Trusts, 2015 is under finalisation and after approval of Board of Trustees of KPT in its ensuing meeting and same shall be sent to TAMP. In view of this, the KPT has requested to extend validity of existing SOR. The proposal when received from KPT will have to be processed following the new Tariff Policy, 2015.

6.2 In view of above position, this Authority extends the validity of the existing SOR of KPT from the date of its expiry till 31 March 2016 or till the effective date of implementation of the revised Scale of Rates, whichever is earlier. The KPT is directed to file its proposal for general revision of its SOR by 31 December 2015.

6.3. The treatment of additional surplus, if any, accruing to KPT for the period beyond 1 April 2013 will be governed by the new Tariff Policy for Major Port Trusts, 2015.

(T.S. Balasubramanian)
Member (Finance)