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TARIFF AUTHORITY FOR MAJOR PORTS

G No.52

New Delhi,

10 February 2014

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 Scale of Rates at 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

QUORUM

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

ORDER

(Passed on this 10th day of January 2014)

This 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 prescribes the validity of the SOR till 31 March 2013. This Authority has extended the validity of SOR of KPT twice. This Authority has last extended the validity of the existing SOR of KPT till 31 December 2013 vide its Order dated 29 October 2013.

3.1. The proposal filed by the KPT vide its letter dated 3 January 2013 for revision of SOR is taken on consultation. A detailed questionnaire has been issued to the port on 17 April 2013 seeking additional information / clarification. Reply of the KPT is awaited in spite several reminders. At the request of KPT vide its letter dated 11 June 2013, joint hearing scheduled on 14 June 2013 was cancelled. Later, the KPT vide its letter dated 7 August 2013 submitted that it is updating the cost statements based on Annual Accounts for the year 2012-13 and it will take time for obtaining consent of the trade and approval of its Board. In the meantime, the KPT vide its letter dated 4 October 2013 has submitted that its revised proposal for revision of the SOR is under consideration and is being discussed with the trade to arrive at the consensus before finalization.

3.2. Subsequently, the KPT vide its letter dated 26 November 2013, *inter alia*, stated that the port is placing the revised final general revision proposal before its Board in the ensuing Board Meeting and vide its letter dated 23 December 2013 has submitted that the proposal filed by it is under consideration and is being discussed with the trade to arrive at consensus before finalization. In view of that the port has requested to allow it to continue to collect the rates at the existing rate till the revised rates are approved by TAMP. The KPT has, however, not specified the date by which it will file its revised proposal.

4. The Authority has decided to allow KPT time upto 15 February 2014 to file its revised proposal for general revision of its SOR. The decision of the Authority is already communicated to KPT vide our letter No. TAMP/73/2012-KPT dated 20 January 2014. This revised updated proposal when received from KPT may, if necessary, involve further consultation with stakeholders, and also require further scrutiny of the revised proposal to be filed by the KPT. In view of the above position, it will take time for the case to mature for consideration of the Authority on receipt of the revised proposal from KPT.

5. In the meantime, the Government in Ministry of Shipping (MOS) has extended the validity of Tariff Guidelines, 2005 till 31 March 2014 or until further orders. As advised by the MOS, this Authority has extended the validity of Tariff Guidelines, 2005 vide its Order No. TAMP/21/2009-WS dated 20 December 2013 which is notified in the Gazette of India on 26 December 2013 vide G. No. 340.

6. Recognising the time required for the case to mature for consideration of the Authority after receipt of the revised updated proposal from KPT and recognizing that the validity of the Tariff Guidelines 2005 is extended till 31 March 2014, this Authority extends the validity of the existing SOR of the KPT from the date of its expiry till 31 March 2014 or till the effective date of implementation of the revised Scale of Rates, whichever is earlier.

7. If any additional surplus over and above the admissible cost and permissible return emerges for the period post 1 April 2013, 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)