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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 203 **New Delhi,** **15 July 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 disposes of the proposal filed by the Kandla Port Trust for revision of its existing Scale of Rates as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports

Case No.TAMP/73/2012-KPT

QUORUM

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

O R D E R

(Passed on this 4th day of July 2014)

This Order relates to the proposal filed by the Kandla Port Trust (KPT) for revision of its existing Scale of Rates (SOR).

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 dated 18 January 2011 prescribed validity of the SOR till 31 March 2013.

3.1. The KPT has filed its proposal for revision of its SOR which is registered as tariff case on 16 January 2013 and is taken on consultation with the relevant stakeholders. On preliminary scrutiny of the proposal a detailed questionnaire is issued to the port on 17 April 2013 seeking additional information/ clarification. 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.

3.2. Subsequently, the KPT, vide its letter dated 26 November 2013, *inter alia*, stated that the port has reformulated its proposal updating financial results of 2012-13 and circulated it to users for consultation. After seeking approval of its Board, the KPT had agreed to submit its revised proposal after seeking approval of its Board in the ensuing meeting. In view of that the port had requested not to close the case.

3.3. Considering the request of the KPT, this Authority decided to grant time till 15 February 2014 to KPT to file its proposal and had also advised the port to confirm that the revised proposal (to be) filed is in consultation with the Joint Secretary (Ports) as per direction of the Secretary (Shipping) recorded in the Minutes of the Meeting dated 15 April 2013 of the Consultative Committee of the Members of the Parliament forwarded by KPT vide its letter dated 26 November 2013.

3.4. The KPT now, vide its letter dated 16 May 2014, while attaching the minutes of the meeting of its Board of Trustees held on 24 March 2014, has requested this Authority to keep in abeyance its proposal for revision of its SOR. It has also simultaneously requested to extend the validity of its existing SOR.

3.5. With reference to the request of the KPT for extending the validity of its existing SOR, this Authority has passed a separate Order No.TAMP/61/2009-KPT dated 04 July 2014.

4.1. With reference to the request of the KPT to keep in abeyance its proposal for revision of its SOR, it is noteworthy that this Authority is mandated under the Major Port Trusts Act, 1963 to determine tariff of Major Port Trusts and Private Terminals operating thereat for both cargo and vessel related services provided by the Major Port Trusts from time to time. As per clause 3.1.8. of the 2005 tariff guidelines, tariff fixed by this Authority is to be reviewed every three years. The proposal dated 3 January 2013 filed by the KPT for revision of the existing SOR was processed following the usual consultation process and additional information/clarification was also sought from the port. The KPT has, however, not furnished the relevant information/clarification sought so far despite reminders. Even the joint hearing set up on the subject proposal in June 2013 was cancelled at the request of the KPT.

4.2. The KPT has not furnished additional information / clarification sought vide our letter dated 17 April 2013 nor has the port filed revised / updated proposal for revision of its SOR. The existing proposal filed by KPT for revision of its SOR is registered as a tariff case in January 2013 and is pending for more than one and half year. It is relevant to state here on the earlier occasion as well, this Authority had acceded to the request made by the KPT not to close its case. The KPT was granted time till 15 February 2014 to file its proposal. But, the KPT has not yet filed its revised proposal. The KPT has now requested to keep its proposal in abeyance without indicating any specific time frame to file its proposal. Since the proposal is received as a “tariff case”, it will not be appropriate to keep the proposal pending indefinitely. In any case, the revised proposal (to be) filed by the KPT will have to be based on 2013-14 actuals and this will require fresh consultation with all the concerned stakeholders and will also require fresh scrutiny of proposal. Hence, it is found appropriate to close the case for want of revised proposal from KPT. Fresh proposal when received shall be treated afresh. The KPT has not specified any time frame for filing its revised updated proposal. Since the SOR of KPT is already overdue for revision and fresh proposal is yet to be filed by KPT, this Authority hereby advises the KPT to file its fresh proposal for general revision of its SOR based on 2013-14 actuals latest by 31 August 2014 which will be treated afresh.

5.1. In view of the reasons given above this Authority decides to close the proposal of the KPT for general revision of its Scale of Rates registered as case no. TAMP/73/2012-KPT on 16 January 2013 for want of revised proposal from the KPT. The fresh proposal when received from the KPT shall be treated afresh.

5.2. The KPT is directed to file its fresh proposal based on 2013-14 actuals latest by 31 August 2014.

(T.S. Balasubramanian)
Member (Finance)