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TARIFF AUTHORITY FOR MAJOR PORTS

G No. 299

New Delhi,

20 November 2013

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
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 29th day of October 2013)

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. Subsequently, the validity of the existing SOR of KPT was extended by this Authority till 30 September 2013 vide its Order dated 9 May 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 of reminders dated 21 May 2013, 05 July 2013 and 25 July 2013. Joint hearing was scheduled on 14 June 2013. The KPT, however, vide its letter dated 11 June 2013 stated that it expects changes in the original proposal based on actuals of 2012-13 and felt that joint hearing should be held on the updated proposal when filed by the Port. Hence, the joint hearing scheduled on 14 June 2013 was cancelled at the request of the KPT.

3.2. Subsequently, 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.

3.3. 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. This will take some time. The KPT has, therefore, requested to allow it to collect the existing rate till the revised rates are approved by this Authority.

4. The KPT is yet to file its revised proposal as agreed by the Port. Response of the port on the queries raised is also awaited. Revised updated proposal when received may involve further consultation, if necessary, and further scrutiny as well. Subsequently, a joint hearing will have to be set up on the updated proposal when received from the port. In view of the above position, it will take time for the case to mature for consideration of the Authority.

5. The validity of the existing SOR of KPT expired on 31 March 2013. Recognising the time required for the case to mature for consideration of the Authority after revised updated proposal from KPT, this Authority extends the validity of the existing SOR of the KPT from the date of its expiry till 31 December 2013 or till the effective date of implementation of the revised Scale of Rates, whichever is earlier.

6. 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)