As per the clauses 2.8, 2.9 and 3.2 of the Tariff Policy, 2015, the Authority is required to announce the indexation factor considering the WPI occurring between 1 January 2017 and 1 January of the relevant year i.e. 1 January 2018 so as to enable the Major Port Trusts to index their SOR subject to achievement of Performance Standards committed by Major Port Trusts under the Tariff Policy, 2015.

2. The WPI occurring between the relevant dates was ascertained from the Ministry of Commerce & Industry, Government of India. The average of monthly WPI for the period January 2017 to December 2017 which is taken as average WPI as on 1.1.2018 is found to be lower than the average monthly WPI as on 1.1.2017. That being so, the escalation factor at variation in the WPI of the said two period is negative.

2.2 Clause 2.8. of the Tariff Policy, 2015 stipulates that the SOR will be indexed annually to inflation to the extent of 100% variation in WPI for the relevant period prescribed therein. Since, the variation in the WPI as on 1 January 2017 and 1 January 2018 is working out to negative, the Authority has announced Nil escalation factor for the year 2018-19 for the Major Port Trusts.

3. The Major Port Trusts are, therefore, requested not to consider any indexation factor for the year 2018-19 to index their Scale of Rates (SOR).