

(Published in Part – III Section 4 of the Gazette of India, Extraordinary)

**Tariff Authority for Major Ports**

**G.No.372**

**New Delhi,**

**24 September 2020**

**NOTIFICATION**

In exercise of the powers conferred by Section 48 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby fixes the wharfage charge for shipment of Kudremukh Iron Ore Company Limited (KIOCL) cargo including iron ore fines from Jetty No.8 by the KIOCL through the New Mangalore Port Trust during year 2018-19 as in the Order appended hereto.

**(T.S. Balasubramanian)**  
Member (Finance)

**Tariff Authority for Major Ports**  
**Case No.TAMP/21/2020-NMPT**

**New Mangalore Port Trust**

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**Applicant**

**QUORUM:**

- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. Rajat Sachar, Member (Economic)

**ORDER**

(Passed on this 7<sup>th</sup> day of September 2020)

This case relates to the proposal dated 23 April 2020 received from the New Mangalore Port Trust (NMPT) for fixation of final wharfage charge for shipment of Kudremukh Iron Ore Company Limited (KIOCL) cargo including iron ore fines from Jetty No.8 by the KIOCL through the NMPT during year 2018-19.

2. The wharfage rate for the iron ore/ pellets exported by the KIOCL through the NMPT is calculated annually with reference to actual expenditure following the methodology decided in the Inter-Secretarial meeting held on 27 May 1992 between the Secretary (Ministry of Surface Transport) and the Secretary (Steel). Accordingly, the following components are included for calculation of wharfage for shipment of iron ore or pellets of KIOCL from NMPT:

- (i). Share of operating expenditure of Traffic Department
- (ii). Dredging expenditure proportionate to the traffic handled
- (iii). Depreciation
- (iv). Share of Management and Administration overheads
- (v). Interest on Capital
- (vi). Return on Capital @ 6%

3. The proposal for fixation of wharfage rate of ₹42.365 per MT for KIOCL cargo including iron ore fines exported by KIOCL during the year 2018-19, follows the methodology agreed in the inter-Secretarial meeting. The statement of calculation of wharfage for the year 2018-19 submitted by NMPT has been accepted by KIOCL and a copy of the consent letter No.KIOCL/FAC/MR/10 dated 1 April 2020 of KIOCL is also made available by NMPT along with its proposal.

4. Since both the parties have undergone the process of mutual consultation between them and the correspondence exchanged between them reflects the views of both the parties, a separate hearing in this case is not considered necessary.

5. The proposed wharfage rate is based on agreed methodology. Since both the parties have agreed to the proposed wharfage rate, this Authority is inclined to approve the rate proposed by the NMPT.

6. Accordingly, based on a collective application of mind, this Authority approves the proposed wharfage rate for KIOCL cargo including iron ore fines exported by the KIOCL at Jetty No.8 of the NMPT during the year 2018-19 from New Mangalore Port at ₹42.365 PMT.

**(T.S. Balasubramanian)**  
Member (Finance)