Tariff Authority for Major Ports

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 approves the proposal of the Chennai Port Trust for inclusion of the rate of the crane charges for handling pine-wood in its Scale of Rates as in the Order appended hereto.

( S. Sathyam )
Chairman

The Chennai Port Trust (CHPT) - - - Applicant

ORDER
(Passed on this 1st day of January 2002)

This Authority had passed an Order on 5 November 2001 in case No.TAMP/66/2001-CHPT relating to a representation submitted by M/s. Gupta Global Exim Pvt. Limited about fixation of wharfage for soft timber logs on a ‘per Cubic Meter’ basis at the Chennai Port Trust (CHPT). This Authority then modified Item 88 of the Wharfage schedule in the Scale of Rates of the CHPT to include wharfage for pine-wood. The Order of this Authority modifying the Scale of Rates was notified in the Gazette of India Extraordinary (Part III Section 4) on 20 November 2001 vide Gazette No.300.

2. With reference to the above Order, the CHPT has now submitted a proposal for inclusion of crane charges for handling pine-wood in the Scale of Rates of the CHPT. In its proposal, the CHPT has made the following points:

(i). On the basis of a representation received from M/s. Gupta Global Exim Pvt. Limited, the Authority passed an Order amending the Scale of Rates of the CHPT by including wharfage for pine wood irrespective of the form in which it comes and of its end use.

(ii). In the joint hearing on the representation of M/s. Gupta Global Exim Pvt. Limited held on 5 October 2001, it was discussed only about the wharfage charges being levied on the timber logs, match wood and timber in other forms and on the wharfage to be levied on the new cargo of pine logs/wood to be imported from New Zealand.

(iii). The Authority passed its Order before receiving a proposal from the CHPT for amendment of both the wharfage and crane charges in the Scale of Rates for import of new cargo of pine logs/wood.

(iv). Since the crane charges for handling the timber is separately provided in the Scale of Rates of the CHPT, and as when the wharfage, for pine logs/wood is amended, the crane charges for handling the pine logs/wood are also required to be amended simultaneously in the Scale of Rates.
It is proposed to amend Item No.1 (ii) (c) in Scale A-General, Chapter III, Book-I of the Scale of Rates of the CHPT as given below:

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Classification for purposes of this Scale</th>
<th>Rs. Ps.</th>
<th>Charge</th>
</tr>
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<tbody>
<tr>
<td>1 (ii) (c)</td>
<td>Timber including pine-wood irrespective of the form in which it comes and of its endues but excluding other logs as specified in item ii (a) and (b) as above</td>
<td>38.60</td>
<td>Per Cubic metre per hoist</td>
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3. Since the CHPT has not proposed any increase in crane charges for timber and proposed to adopt the lowest of the existing crane charges for pine-wood, consultation with users was found not necessary in this case.

4. With reference to the totality of information available in this case, the following position emerges:

(i). The CHPT levies wharfage and cranage separately on timber traffic. The residual entry in the wharfage schedule applicable for timber has already been modified to include ‘pine-wood’. The cranage schedule also contains a residuary entry; and, the proposal is to elaborate it in tune with the prescription made under wharfage schedule.

(ii). The proposal is not for any increase in cranage charges. It seeks application of the lowest of the existing charges for pine-wood. Further, this proposal is made only to bring internal consistency in the Scale of Rates. That being so, this Authority is inclined to approve the proposal of the CHPT.

(iii). It is true that a corresponding change in cranage should have been done along with the change made in the wharfage schedule. Neither the CHPT nor the users consulted in the earlier proceeding pointed out the inter-relationship between the wharfage and cranage schedules for timber. Admittedly, this aspect has also escaped our attention.

(iv). The understanding of the CHPT about the tariff setting process is not correct. This Authority need not wait for a Port Trusts’ proposal to effect any change in the Scale of Rates. Besides Port Trusts’s proposals, this Authority can decide suo motu as well as pass appropriate orders on representation from users. Before deciding the representation made by M/s. Gupta Global Exim Pvt. Ltd. about wharfage on pine-wood, the CHPT was consulted. Although it did not make any written submission, despite a reminder, the CHPT did participate in the joint hearing set up in that case. At the joint hearing, the CHPT did not indicate that it would submit a formal proposal. That being so, the case was decided based on the records available and information provided. This being the factual position, the CHPT cannot rake up an issue about deciding a case without its proposal.

(v). The wharfage schedule for timber was amended vide this Authority’s Order dated 5 November 2001. This Order was notified in the Gazette of India on 20 November 2001 and hence the amendment came into effect from that date. Since the instant proposal is for levy of an other component of handling charges and it is being approved to bring in internal consistency in the Scale of Rates, it now becomes necessary to amend the crane charges schedule, as proposed by the CHPT, with retrospective effect from the date of amendment of the relevant wharfage schedule.
5. In the result, and for the reasons given above, this Authority approves the following modification of Item No.1 (ii) (c) in Chapter III-Charges for Cranes and Fork Lift Trucks; Scale A-General of the Scale of Rates of the CHPT:

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6. This Order will come into effect retrospectively from 20 November 2001.

(S. Sathyam)
Chairman