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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 87

New Delhi,

06 March 2019

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 extends the validity of the existing Scale of Rates of the TM International Logistics Limited operating at the Kolkata Port Trust as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/08/2016-TMILL

The TM International Logistics Limited

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QUORUM

Applicant

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

ORDER

(Passed on this 26 day of February 2019)

This case relates to the extension of the validity of the existing Scale of Rates of the TM International Logistics Limited (TMILL) operating at the Kolkata Port Trust (KOPT).

2.1. The existing Scale of Rates (SOR) of TMILL was approved by this Authority vide Order No. TAMP/8/2016- TMILL dated 17 September 2016. This Order was notified in the Gazette of India on 10 October 2016 vide Gazette No. 369. The Order prescribed a tariff validity till 31 March 2019.

2.2. Subsequently, the TMILL had filed an application dated 22 November 2016 for review of the Order dated 17 September 2016, in accordance with terms of provisions of clause 3.3.1. of the tariff guidelines of March 2005. This Authority vide its Order no. TAMP/83/2016-TMILL dated 21 July 2017 disposed of the Review application filed by TMILL. The Review Order prescribed a tariff validity till 31 March 2019.

3. In this connection, the TMILL has filed a proposal dated 8 January 2019 for general revision of its Scale of Rates for the three year tariff cycle from 1 April 2019 to 31 March 2022, based on the Tariff Guidelines 2005. The TMILL has projected an average deficit of 12.66% at the existing level of tariff for the year 2019-20 to 2021-22 and has sought 12% increase over the existing level of tariff. The proposal has been taken on consultation with the Licensor port KOPT as well as the relevant stakeholders. A joint hearing on the case in reference was also held on 19 February 2019 in Kolkata. The proposal is under scrutiny for seeking additional information/ clarification from TMILL.

4. In the meanwhile, the TMILL vide its letter no. TMILL/072/18-19 dated 20 February 2019 has stated that since revision of Scale of Rates of TMILL may take some more time and considering that the existing tariff is valid till 31 March 2019, it has requested to extend the validity of its existing Scale of Rates till the time the new rates are approved.

5.1. Since the validity of the existing tariff of TMILL will expire on 31 March 2019 and considering the time required for processing the proposal filed by the TMILL and in order to avoid a vacuum in the tariff, it is felt appropriate to extend the validity of the existing tariff of TMILL beyond 31 March 2019.

5.2. Accordingly, this Authority extends the validity of the existing tariff of TMILL for a period of 3 months i.e. from 01 April 2019 to 30 June 2019 or till the revised rates fixed based on the proposal filed by TMILL comes into force, whichever is earlier.

5.3. If any additional surplus over and above the admissible cost and permissible return emerges for the period post 01 April 2019, 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)