

NOTIFICATION

In exercise of the powers conferred by Section 49 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby approves the proposal of the Calcutta Port Trust for extension of the validity of the existing schedule of rates for the lands and buildings of the Calcutta Port Trust at Haldia as in the Order appended hereto.

(**S. Sathyam**)

Chairman

Tariff Authority for Major Ports

Case No.TAMP/103/2001-CPT

The Calcutta Port Trust (CPT) - - - Applicant

ORDER

(Passed on this 22nd day of November 2001)

This Authority had passed an Order on 29 October 1999 revising the rates of rent for land and buildings of the Calcutta Port Trust (CPT) at Haldia. The Order was notified in the Gazette of India on 2 December 1999. The revised rates of rent for the lands and buildings of the CPT at Haldia were approved as an interim arrangement for two years pending receipt of certain information from the CPT on the points indicated in the Order. The validity of the revised rate of rent will, therefore, expire on 1 December 2001.

2.1. The CPT has now proposed to continue with the existing schedule of rents for the lands and buildings of

the CPT at Haldia for a further period of one year from 2 December 2001.

2.2. The CPT has made the following points in support of its proposal:

- (i). The CPT has 6300 acres of land for the dock system as well as for the port based industries / storages and other associated facilities. The Land Management Policy is primarily oriented towards creation of port based and port related facilities which in turn forms a dedicated cargo base for the port. The port also allots land for providing associated infrastructure like school, college, roads, water supply, market complex, garage, petrol pump, hotel, etc., to ensure a sustained growth of industrial and economic activities on port owned land.
- (ii). Land Management Policy including the existing Rent Structures approved by the Authority have been found to be working well in attracting port based investment, creation of cargo storage facilities, etc., on port owned land which in turn is increasing its cargo volume as well as capacity utilisation and profitability.
- (iii). Any upward revision of the existing Rent Structures at this point of time may be detrimental to the interests of the port to exploit its land infrastructure for generating additional traffic through setting up of port related activities and facilities. This is more so because at this juncture, the port is striving hard to attract additional traffic by rationalising its tariff structure in the face of stiff competition being faced from other neighbouring ports including the emerging private port in the vicinity of Haldia and the land rent is playing a vital role in deciding the overall port cost to the trade.
- (iv). Further enhancement in rent may also invite objections / resistance from the existing lessees / licensees who only 2 years back have adjusted themselves to the enhanced rate of rent for carrying out their activities.
- (v). The Haldia Development Authority and Haldia Municipality are also allotting land adjoining to port owned land at Haldia for industrial and storage purpose at a lower rate of rent. This also points towards a fact that in case of increase in the scheduled rent, the port may suffer in adding to its land revenue through

fresh allotment.

- (vi). The required details as sought for by the Authority in its Order dated 29 October 1999 are being worked out by the CPT and the same would be furnished in due course.

3. Since collection of the requisite information from the CPT would have delayed further consideration of the case, this Authority approved the revision as an interim arrangement for two years pending receipt of information from the CPT. The CPT has now sought extension of the existing rent schedule for lands and buildings at Haldia for a further period of one year mainly on the ground that any upward revision of the existing rent structure at this point of time may be detrimental to the interest of the port to exploit its land infrastructure for generating additional traffic through setting up of port related activities and facilities. In addition, the CPT has also stated that the required details as sought for in the Order of this Authority dated 29 October 1999 are being worked out and the same will be furnished in due course. Implied in this request of the CPT is the apprehension that the rates may go up further if the lease rentals are recalculated as per the methodology suggested. And, for the stated reasons, the CPT does not want to burden the users with another hike in rates within a span of two years and jeopardise the growth in traffic. This being the commercial judgement of the CPT, this Authority does not have any objection to accept the request of the CPT to continue with the interim arrangement for one more year.

4. In the result, and for the reasons given above, this Authority decides to extend the validity of the existing schedule of rate of land and buildings of the CPT at Haldia for a further period of one year with effect from 2 December 2001.

(S. Sathyam)

Chairman

[[List of Ports](#) | [List of Orders](#)]