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**TARIFF AUTHORITY FOR MAJOR PORTS**

**G No. 6**

**New Delhi,**

**11 January 2011**

**NOTIFICATION**

In exercise of the powers conferred under Sections 48 and 49 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal of the Chennai Port Trust (ChPT) for fixation of rate for handling of Coal through New Semi-mechanised Closed Coal Conveyor System as in the Order appended hereto.

**( Rani Jadhav )**  
Chairperson

**Tariff Authority for Major Ports**  
**Case No. TAMP/34/2009 – CHPT**

The Chennai port Trust

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Applicant

**ORDER**

(Passed on this 10<sup>th</sup> day of November 2010)

This case relates to a proposal received from the Chennai Port Trust (ChPT) for fixation of rate for handling of Coal through New Semi-mechanised Closed Coal Conveyor System.

2.1 The ChPT vide its letter dated 11 September 2009 filed a proposal for fixation of rate at Rs.20/- per MT for handling of Coal through New Semi-mechanised Closed Coal Conveyor System. The ChPT also informed that it would be operating the proposed rate on ad hoc basis as per the provision contained in its Scale of Rates (SOR).

2.2 Since the proposal filed by the ChPT was not in the format prescribed for fixation of tariff of Equipment and the draft SOR did not contain conditionalities governing the levy of proposed rates, it was returned to ChPT, along with some queries, vide our letter dated 25 September 2009 with a request to resubmit the proposal with requisite details. The port was also advised to follow the provisions in the SOR of ChPT for deriving the ad hoc rate for the service which stipulate that the ad hoc rate must be derived based on the existing notified tariff for comparable services and it must be mutually agreed upon by the port and concerned users.

3. In response, the ChPT vide its letter No.T2/14130/2009/FR dated 31 July 2010 filed a revised proposal in the prescribed format along with reply to the queries raised by us vide our letter dated 25 September 2009, requesting this Authority to fix a rate of Rs.44/- per MT. The revised proposal was registered as a 'tariff case' and circulated to the concerned users for their comments by 19 September 2010. We have not received comments from any of the users so far. Joint hearing in this case was, therefore, not set up.

4.1. Incidentally, the ChPT filed a proposal for general revision of its Scale of Rates (SOR) in September 2008. Subsequently, the ChPT filed revised proposal for general revision of its SOR during August 2009 and updated it in June 2010.

4.2. In response to our queries raised with reference to the port's initial proposal for fixation of tariff for operating the semi-mechanised coal conveyor

system, the ChPT, inter-alia, stated that the income arising out of this facility has been included in the income estimates of the proposal submitted for general revision of SOR at Rs.20/- per MT. Though the ChPT filed a separate proposal for this activity, it has included the income and expenses relating to this activity in its updated proposal of June 2010 for general revision of its SOR referred.

4.3. The general revision proposal filed by the ChPT has been finalised. The actual income for the year 2009-10 and estimated income for the years 2010-11 to 2012-13 arising out of this facility have been considered along with the actual and estimated expenses for operating this facility for the respective years in the comprehensive assessment of the financial / cost position of the port as a whole made in the general revision exercise. Since the actual and estimated financial / cost position considered in the general revision proposal include both income and expenditure pertaining to semi-mechanised coal handling system from the year 2009-10 onwards, a rate for this facility is also prescribed in the SOR at Rs.20/- per MT at par with the rate considered in income estimation.

5. In view of the above position, the separate proposal filed by the ChPT for fixation of rate for semi-mechanised coal conveyor system has become superfluous and, therefore, the case is closed.

**( Rani Jadhav )**  
Chairperson