

(Published in Part - III Section 4 of the Gazette of India, Extraordinary)  
**Tariff Authority for Major Ports**

**G No. 196**

**New Delhi,**

**03 August 2010**

**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 disposes of the proposal received from the Central Warehousing Corporation for fixation of tariff for fumigation services rendered at its Container Freight Station in Kandla Port Trust as in the Order appended hereto.

**(Rani Jadhav)**  
Chairperson

**Tariff Authority for Major Ports**  
Case No. TAMP/49/2007-CWC

Central Warehousing Corporation

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Applicant

**ORDER**

(Passed on this 9<sup>th</sup> day of July 2010)

This case relates to the proposal dated 30 August 2007 received from the Central Warehousing Corporation (CWC) seeking approval of the rates for rendering fumigation and Disinfestation Extension Service Scheme (DESS) services at its Container Freight Station (CFS) at the Kandla Port Trust (KPT).

2. This Authority had last approved the Scale of Rates (SOR) of the CWC – CFS at Kandla on 28 June 2007. While disposing of the tariff revision proposal of the CWC, it was observed that the Annual Accounts and income estimates reflected income from the fumigation charges though no tariff was approved in its earlier SOR. The CWC had not proposed tariff for this service in its proposal. The CWC had argued that it was mandatory under the statute to provide this service and that it was a recognized fumigation agency to render this service.

This Authority observed that its sanction would be essential for levying tariff for this service since the CWC is operating the CFS based on the Licence Agreement granted under the Major Port Trusts Act, 1963. The CWC was, therefore, advised to file its proposal for fixation of tariff for fumigation and dess services latest by 31 August 2007.

3. In this backdrop, the CWC has filed the subject proposal. The tariff proposed by the CWC for this service is as follows:

Particulars	20' Container	40' Container
Fumigation charges with Methyl Bromide	Rs.1200/-	Rs.2250/-
Fumigation charges with Al. Phosphide	Rs.400/-	Rs.800/-

**Notes:**

- (i). The above tariff is also subject to change in case of price fluctuation (chemical) consumable etc. +5%.
- (ii). Service tax / Any other tax as levied by Central / State Government to Local Bodies will be charged extra.

4. In accordance with the consultative procedure prescribed, the proposal of CWC was forwarded to the Kandla Port Trust and the concerned users / user organisations seeking their comments. We have not received any comments from any users / user organisations except KPT and Kandla Port Stevedores' Association (KPSA) despite a reminder. The comments received from KPSA was forwarded to CWC as feedback information. The CWC has not furnished any remarks on the comments of KPSA.

5. Based on a preliminary scrutiny of the proposal, the CWC was requested to furnish additional information/clarifications on various points vide our letter dated 7 September 2007. The CWC has furnished its reply vide letter dated 10 October 2007. A summary of the queries raised by us and the reply furnished by CWC is tabulated below:

Sl. No.	Queries raised by us	Reply furnished by CWC		
(i).	Furnish the cost details to justify the rates proposed.	The cost details to justify the rates proposed for fumigation are given below: <b>Fumigation charges with Methyl Bromide</b>		
		<b>Particulars Dosage of Methyl Bromide</b>	<b>20' container 48 grams above upto 60 grams per CBM</b>	<b>40' container 48 grams above upto 60 grams per CBM</b>
		No. of M.Br. cans of 680 gram each to be used and rate	3 cans @ Rs.210 each	6 cans @ Rs.210 each

		<table border="1"> <tr> <td>Cost of chemical</td> <td>Rs.630</td> <td>Rs.1260</td> </tr> <tr> <td>Estt. Cost – Tech. Persons etc.</td> <td>Rs.120</td> <td>240</td> </tr> <tr> <td>Labour Charges</td> <td>Rs.100</td> <td>200</td> </tr> <tr> <td>Depreciation on equip.</td> <td>Rs.150</td> <td>150</td> </tr> <tr> <td>CWC's margin</td> <td>Rs.150</td> <td>300</td> </tr> <tr> <td>Income Tax element</td> <td>Rs.50</td> <td>100</td> </tr> <tr> <td>Proposed Tariff per container</td> <td>Rs.1200</td> <td>2250</td> </tr> <tr> <td>Existing tariff</td> <td>Rs.990</td> <td>1790</td> </tr> </table> <p><b>Fumigation charges with Al. Phosphide</b></p> <table border="1"> <thead> <tr> <th>Particulars Dosage of Al. Phosphide</th> <th>20' container 240 grams per TEU</th> <th>40' container 480 grams per FEU</th> </tr> </thead> <tbody> <tr> <td>Qty. of Al. Phosphide to be used</td> <td>240 grams</td> <td>480 grams</td> </tr> <tr> <td>Cost of Al. Phosphide @ Rs.300/- per Kgs.</td> <td>Rs.72.00</td> <td>Rs.144.00</td> </tr> <tr> <td>Estt. Cost in– Tech.Person etc.</td> <td>Rs.100.00</td> <td>Rs.200.00</td> </tr> <tr> <td>Labour Charges</td> <td>Rs.50.00</td> <td>Rs.100.00</td> </tr> <tr> <td>Safety Equipments</td> <td>Rs.25.00</td> <td>Rs.50.00</td> </tr> <tr> <td>CWC's margin</td> <td>Rs.128.00</td> <td>Rs.231.00</td> </tr> <tr> <td>Income Tax Element</td> <td>Rs.25.00</td> <td>Rs.80.00</td> </tr> <tr> <td>Proposed Tariff per container</td> <td>Rs.400.00</td> <td>Rs.800.00</td> </tr> <tr> <td>Existing Tariff</td> <td>Rs.300.00</td> <td>Rs.600.00</td> </tr> </tbody> </table>	Cost of chemical	Rs.630	Rs.1260	Estt. Cost – Tech. Persons etc.	Rs.120	240	Labour Charges	Rs.100	200	Depreciation on equip.	Rs.150	150	CWC's margin	Rs.150	300	Income Tax element	Rs.50	100	Proposed Tariff per container	Rs.1200	2250	Existing tariff	Rs.990	1790	Particulars Dosage of Al. Phosphide	20' container 240 grams per TEU	40' container 480 grams per FEU	Qty. of Al. Phosphide to be used	240 grams	480 grams	Cost of Al. Phosphide @ Rs.300/- per Kgs.	Rs.72.00	Rs.144.00	Estt. Cost in– Tech.Person etc.	Rs.100.00	Rs.200.00	Labour Charges	Rs.50.00	Rs.100.00	Safety Equipments	Rs.25.00	Rs.50.00	CWC's margin	Rs.128.00	Rs.231.00	Income Tax Element	Rs.25.00	Rs.80.00	Proposed Tariff per container	Rs.400.00	Rs.800.00	Existing Tariff	Rs.300.00	Rs.600.00
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(ii).	The basis for proposing escalation in the proposed rate with variation in the rate of consumable may be indicated. The base rate of consumable considered in the proposed rate may also be indicated.	The escalation in proposed rates for Fumigation is based on the hike in the rates of chemicals and consumables used in the course of fumigation, besides increase in establishment cost and labour charges.																																																						
(iii).	Indicate the rate collected by the CWC for rendering fumigation service and also the number of containers for which this service was rendered during the last three years.	<p>The requisite details during the last three years is given below:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>No. of Con.fuml. with Al.Ph.</th> <th>Rates/charges</th> <th>No. of Con.fuml. with M . Br.</th> <th>Rates/Charges</th> </tr> </thead> <tbody> <tr> <td>2004-05</td> <td>735</td> <td>Rs.300.00 per TEU and Rs.600.00 per FEU at Normal doses of Al.Phosphide</td> <td>466</td> <td>Rs.550.00 per TEU and Rs.1100.00 per FEU at normal Doses of M.Br.</td> </tr> <tr> <td>2005-06</td> <td>4762</td> <td>-----do-----</td> <td>2190</td> <td>-----do-----</td> </tr> <tr> <td>2006-07</td> <td>6078</td> <td>-----do-----</td> <td>7035</td> <td>NSPM rates Rs.990.00 per TEU with M.Br. dosage of 24 gram to 48 gram M3 and Rs.1790.00 per FEU with M.Br. dosage of 21 gram / 18 gram / M3. These rates increased due to the cost of equipment purchased as per NSPM requirement.</td> </tr> </tbody> </table>	Year	No. of Con.fuml. with Al.Ph.	Rates/charges	No. of Con.fuml. with M . Br.	Rates/Charges	2004-05	735	Rs.300.00 per TEU and Rs.600.00 per FEU at Normal doses of Al.Phosphide	466	Rs.550.00 per TEU and Rs.1100.00 per FEU at normal Doses of M.Br.	2005-06	4762	-----do-----	2190	-----do-----	2006-07	6078	-----do-----	7035	NSPM rates Rs.990.00 per TEU with M.Br. dosage of 24 gram to 48 gram M3 and Rs.1790.00 per FEU with M.Br. dosage of 21 gram / 18 gram / M3. These rates increased due to the cost of equipment purchased as per NSPM requirement.																																		
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6. On scrutiny of the information furnished, the CWC was requested to furnish additional clarification / information on few more points vide our letter dated 18 December 2007. After regular follow up, the CWC has furnished its reply vide letter dated 27 April 2010. A summary of the queries raised by us and the clarifications furnished by the CWC are tabulated here below:

Sl. No.	Queries raised by us	Reply furnished by CWC																														
(i).	(a). Furnish documentary evidence for the years 2006-07 as well as 2007-08 to substantiate the unit cost of the chemicals, namely Methyl Bromide and Al. Phosphide, considered for arriving at the proposed fumigation charge.	A copy of ARC dated 22 November 2006 for Aluminium Phosphide. and 26 July 2008 for Methyl Bromide (M.Br.) is furnished as a documentary evidence to substantiate the unit cost of these chemicals.																														
	(b). The actual consumption of Methyl Bromide and Al. Phosphide for fumigating 20' and 40' containers during the years 2007-08 (upto November 2007) with detailed breakup of number of 20' and 40' containers may be furnished to substantiate the per unit consumption of chemicals considered for arriving of the proposed fumigation charge.	The actual consumption of Methyl Bromide and Al. Phosphide for fumigation of 20' and 40' containers during the year 2007-08, (upto November, 2007) is as under:-  <table border="1"> <thead> <tr> <th rowspan="2">Sl. No.</th> <th rowspan="2">Year</th> <th colspan="2">Containers fumigated with MBr</th> <th rowspan="2">Qty. of M.Br. Cans of 680 gm &amp; 454 gm</th> <th colspan="2">Container fumigated with Alp</th> <th rowspan="2">Qty. of Al. Phosphide (in Kgs)</th> </tr> <tr> <th>20'</th> <th>40'</th> <th>20'</th> <th>40'</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>April-07 to Nov.07</td> <td>650</td> <td>56</td> <td>1213 Cans of 680 gram each &amp; 266 cans of 454 gram each</td> <td>3031</td> <td>7</td> <td>730.800 Kgs.</td> </tr> </tbody> </table>	Sl. No.	Year	Containers fumigated with MBr		Qty. of M.Br. Cans of 680 gm & 454 gm	Container fumigated with Alp		Qty. of Al. Phosphide (in Kgs)	20'	40'	20'	40'	1	April-07 to Nov.07	650	56	1213 Cans of 680 gram each & 266 cans of 454 gram each	3031	7	730.800 Kgs.										
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(ii).	(a). With reference to the details furnished in the Annexure-II to your letter dated 10 October 2007, furnish detailed breakup of income received from levy of fumigation charges from 20' and 40' containers duly reconciling with the actual income reported in the Annual Accounts for the years 2004-05 and 2005-06. Also, furnish such details for the actual income received from the fumigation charges for the year 2006-07.	Detailed breakup of income received from the fumigation charges of 20' and 40' container for the year 2004-05, 2005-06 and 2006-07 is as under:  <table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Year</th> <th>Container fumigated 20'</th> <th>Amount collected (Rs.)</th> <th>Container fumigated 40'</th> <th>Amount collected (Rs.)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>2004-05</td> <td>887</td> <td>379100/-</td> <td>157</td> <td>189200/-</td> </tr> <tr> <td>2.</td> <td>2005-06</td> <td>5704</td> <td>2271110/-</td> <td>624</td> <td>917900/-</td> </tr> <tr> <td>3.</td> <td>2006-07</td> <td>6991</td> <td>2936600/-</td> <td>561</td> <td>832590/-</td> </tr> <tr> <td></td> <td><b>TOTAL</b></td> <td><b>13582</b></td> <td><b>5586810/-</b></td> <td><b>1342</b></td> <td><b>1939690</b></td> </tr> </tbody> </table>	Sl. No.	Year	Container fumigated 20'	Amount collected (Rs.)	Container fumigated 40'	Amount collected (Rs.)	1.	2004-05	887	379100/-	157	189200/-	2.	2005-06	5704	2271110/-	624	917900/-	3.	2006-07	6991	2936600/-	561	832590/-		<b>TOTAL</b>	<b>13582</b>	<b>5586810/-</b>	<b>1342</b>	<b>1939690</b>
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(b). Furnish estimated fumigation income likely to be earned during the years 2007-08 to 2009-10 duly indicating the estimated number of 20' and 40' containers likely to be fumigated with Methyl Bromide and Al. Phosphide at the prevailing rates as well as proposed rates.	The actual income from the fumigation of year 2007-08, 2008-09 and 2009-10 is as under:  <table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Year</th> <th>No. of Container fumigated 20'</th> <th>Amount collected (Rs.)</th> <th>No. of Container fumigated 40'</th> <th>Amount collected (Rs.)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>2007-08</td> <td>5503</td> <td>2116650/-</td> <td>237</td> <td>399290/-</td> </tr> <tr> <td>2.</td> <td>2008-09</td> <td>982</td> <td>303870/-</td> <td>5</td> <td>4190/-</td> </tr> <tr> <td>3.</td> <td>2009-10</td> <td>6823</td> <td>1786205/-</td> <td>0</td> <td>0</td> </tr> <tr> <td></td> <td><b>TOTAL</b></td> <td><b>13308</b></td> <td><b>4206725/-</b></td> <td><b>242</b></td> <td><b>403480/-</b></td> </tr> </tbody> </table>	Sl. No.	Year	No. of Container fumigated 20'	Amount collected (Rs.)	No. of Container fumigated 40'	Amount collected (Rs.)	1.	2007-08	5503	2116650/-	237	399290/-	2.	2008-09	982	303870/-	5	4190/-	3.	2009-10	6823	1786205/-	0	0		<b>TOTAL</b>	<b>13308</b>	<b>4206725/-</b>	<b>242</b>	<b>403480/-</b>	
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(iii).	(a). The cost statement considered by the Authority while revising the Scale of Rates (SOR) of the CWC in June 2007 considered the Market Facilitation (MF) payments for the services outsourced and management and administration overheads which included salaries and wages of employees deployed by the CWC apart from other cost elements. In view of this, please confirm and establish that the estimated of cost towards deployment of technical personnel and labourers deployed for offering fumigation services are not duplicated and were not considered in the general revision of the SOR. Also, please furnish detailed breakup of the technical personnel and labourers deployed for offering this service.	Detailed break-up of technical personnel and labourers deployed for offering the fumigation services during past three years.  <table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Year</th> <th>No. of technical personnel deployed</th> <th>No. of labourers deployed</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>2007-08</td> <td>02</td> <td>818</td> </tr> <tr> <td>2.</td> <td>2008-09</td> <td>02</td> <td>407</td> </tr> <tr> <td>3.</td> <td>2009-10</td> <td>02</td> <td>703</td> </tr> </tbody> </table>	Sl. No.	Year	No. of technical personnel deployed	No. of labourers deployed	1.	2007-08	02	818	2.	2008-09	02	407	3.	2009-10	02	703														
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	(b). Furnish actual labour charges and cost of technical staff for rendering fumigation services in the past three years.	Two technical staff were deployed exclusively for the fumigation services and was not used to carry out other CFS operation. It is mentioned that present salary of two Technical personnel is approx. Rs.75000/- per month. The actual cost of technical staff and actual labour charges for the past three years are furnished as under:  <table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Year</th> <th>No. of Technical staff</th> <th>Establishment cost of technical staff</th> <th>No. of labourers</th> <th>Rate per hour</th> <th>Total Amount (Rs.)</th> <th>Total Expenditure (Rs.)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>2007-08</td> <td>2</td> <td>540000</td> <td>818</td> <td>150</td> <td>122700</td> <td>662700</td> </tr> <tr> <td>2.</td> <td>2008-09</td> <td>2</td> <td>620000</td> <td>407</td> <td>150</td> <td>61050</td> <td>681050</td> </tr> <tr> <td>3.</td> <td>2009-10</td> <td>2</td> <td>720000</td> <td>703</td> <td>150</td> <td>105450</td> <td>825450</td> </tr> <tr> <td></td> <td>TOTAL</td> <td>6</td> <td>1880000</td> <td>1928</td> <td>450</td> <td>289200</td> <td>2169200</td> </tr> </tbody> </table>	Sl. No.	Year	No. of Technical staff	Establishment cost of technical staff	No. of labourers	Rate per hour	Total Amount (Rs.)	Total Expenditure (Rs.)	1.	2007-08	2	540000	818	150	122700	662700	2.	2008-09	2	620000	407	150	61050	681050	3.	2009-10	2	720000	703	150	105450	825450		TOTAL	6	1880000	1928	450	289200	2169200
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	(c). If the fumigation services are outsourced, copies of agreement entered with the contractors may be furnished.	No fumigation services are outsourced from the private agencies during the year 2004-05 to 2009-10.																																								
(iv).	(a). Confirm that the capital employed considered in the tariff revision of June 2007 did not include the assets pertaining to fumigation service.	Yes, the capital employed considered in the tariff revision of June 2007 did not include the assets pertaining to fumigation services.																																								
	(b). Furnish details of equipment deployed by CWC for offering fumigation service as well as the safety equipment, if any, considered for arriving at the proposed fumigation charges.	List of equipment/safety equipments deployed for offering fumigation services at CFS/KPT is furnished.																																								
	(c). Since return on capital employed @ 16% adjusted to capacity utilisation was allowed by the Authority while revising the SOR of CWC in June 2007, the basis for considering the margin of CWC for fixation of the proposed fumigation charges may be explained.	As the technical personnel were deployed exclusively for fumigation purpose, CWC margin has been taken in the proposed fumigation charges.																																								
	(d). As the 16% return on capital employed allowed by the Authority is post tax, income tax element may not be considered for the purpose of fixation fumigation charges.	Income tax element has been deleted as desired.																																								

7. The proceedings relating to consultation in this case are available on records at the office of this Authority. An excerpt of the comments received will be sent separately to the relevant parties. These details will also be made available at our website <http://tariffauthority.gov.in>.

8. This Authority while approving the Scale of Rates of the CWC in its Order dated 28 June 2007 has stated that there is no doubt about authorisation granted by the relevant authority in the Government of India to CWC to offer the fumigation service, but, as far as tariff is concerned it needs the sanction of this Authority as the CWC is operating the CFS based on a licence granted under the Major Port Trusts Act, 1963. The proposal of the CWC is in pursuance of the said direction of this Authority.

9.1. One of the main points made by Kandla Port Stevedores Association (KPSA) is that fumigation is not a port service and hence approval of the proposed rate by CWC may not be considered.

The mandate of this Authority is to determine tariff and conditions with reference to the services offered by the Major Port Trusts or any other person authorised under Section 42 of the Major Port Trusts Act at or in relating to the port or port approaches. As the license granted by the KPT to the CWC for offering CFS service is under Section 42 of the Major Port Trusts Act, there is no doubt that fixing tariff for fumigation service provided by the CWC within the major port trusts falls under the jurisdiction of this Authority. This position was clarified in the last tariff revision of CWC. It is relevant to mention here that this Authority has vide in its Order No.TAMP/21/2006-CCTL dated 28 March 2007 approved tariff for fumigation of tobacco container in Scale of Rates of the Chennai Container Terminal Limited (CCTL) also.

9.2. The KPSA has alleged that the CWC does not permit other fumigation agencies to undertake CFS job. In this context, it is relevant to mention that during the last revision of the Scale of Rates, the CWC in its letter No.CWC/RO-Ahd/Busi/CFS-KPT-TAMP/2007 dated 3 May 2007 while responding to the queries raised by us, has stated that it is authorised under Warehousing Act 1962 but, in the CFS the users are free to get fumigation service from any authorised agency. It has reiterated that the fumigation is carried out by various other agencies in the premises in terms of L/C extended by Exporter. Even the Kandla Port Trust has endorsed that the rates proposed are reasonable considering the charges levied by private agencies. From the position reported by the CWC in the last tariff revision and the submission made by the KPT, it is presumed that the users have the option of availing the fumigation service from any other authorised agencies.

9.3. Since there has been no adverse comments from any users / user associations except KPSA which has been addressed above and also considering the submissions made by the Kandla Port Trust that the proposed rates are reasonable considering the charges levied by other private agencies offering the fumigation services in that area, joint hearing in this case was not felt necessary.

10.1. The CWC has proposed the differential rate for fumigation service based on the chemicals used for offering the service and taking into consideration the other cost elements involved for offering the service. Fumigation with Methyl Bromide is proposed at Rs.1200 for a 20' container and Rs.2250 for a 40' container; and fumigation with Aluminium Phospide is proposed at Rs.400 / Rs.800 for a 20'/ 40' container respectively. The KPT has reported that the rates proposed are reasonable. The rates initially proposed by the CWC include the income tax element, which the CWC agreed subsequently to exclude. Accordingly, the charges for fumigation is approved at Rs.1150 per 20' container and Rs.2150 for a 40' container for fumigation with Methyl Bromide and Rs.375 and Rs.720 for a 20'/40' container for fumigation with Aluminium Phospide. A note is inserted to state that it will be an optional service to be offered at the request of the user.

10.2. As already brought out earlier, the fumigation charges is already being collected by the CWC at Rs.990 and Rs.300 for a 20' container for fumigation with Methyl Bromide and Aluminium Phospide respectively. At the rate approved, the increase in the existing tariff collected by CWC works out to around 16% to 25%. Considering even the highest income from fumigation service reported by the CWC in the year 2006-07 at Rs.37.69 lakhs, the additional income from the tariff approved will only be Rs.7.5 lakhs per annum. The income from revised fumigation charges will be considered in the income estimation while reviewing the Scale of Rates of the CWC which is already due for revision.

11. The CWC has proposed a note providing for escalation in the rate in case the price of the relevant chemicals increases by 5%. The KPSA has objected the proposed condition. It has to be recognised that the rates approved by this Authority are subject to review once in three years. In the review / revision process undertaken, the cost items are allowed to be escalated annually based on the Whole Sale Price Index and the relevant cost items are also adjusted for traffic as per the provision stipulated in the tariff guidelines. In case the CWC apprehends that the usual annual escalation allowed based on the WPI will not cover the increase in the cost of chemicals used for fumigation, then it may with proper justification based on the past trend come up with a suitable proposal for prescription of a formula for annual escalation in the rate prescribed with reference to the base rate adopted in the cost calculation.

12. While revising the last Scale of Rates in June 2007, the CWC was allowed to collect the rate for fumigation service subject to the condition that the CWC file its proposal for fixation of fumigation charges by 31 August 2007. The CWC has filed the proposal within the stipulated date. Clause 2.17.4 of the tariff guidelines stipulates that the final rates approved by this Authority will have prospective effect but at the same time allows this Authority to ratify the rate collected by the port/ operator on ad hoc basis if it is not found excessive. Since the rates reportedly collected by CWC for fumigation service is lower than the rates approved, the charges collected by the CWC for fumigation service are ratified. The rates now approved will have prospective effect 30 days after the notification of the Order in the Gazette of India.

13. The CWC has proposed a note stating that service tax and any other tax by Central / State Government will be levied extra. Taxes as applicable are leviable extra. Such note is not being prescribed in the Scale of Rates of other Major Ports / terminal as it is not a tariff item. Even the existing Scale of Rates of CWC does not prescribe a separate note in this regard. Hence, the proposed note is not prescribed only for this service.

14. In the result and for the reasons given above, and based on collective application of mind, this Authority approves insertion of the following item as Sr. No. (18) under C - General Operations in Chapter - II Container/ Cargo Handling & Transportation Charge in the existing Scale of Rates of the CWC:

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Sl. No.	Description of Operations	Rate (in Rs.)	
		20' container	40' container
C. (18).	<b>General Operations</b>		
	(a). Fumigation Charges with Methyl Bromide	1150.00	2150.00
	(b). Fumigation Charges with Aluminium Phosphide	375.00	720.00
	<b>Note:</b> This will be an optional service provided at the request of the relevant user.		

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**(Rani Jadhav)**  
Chairperson

**SUMMARY OF THE COMMENTS RECEIVED FROM THE PORT USERS / DIFFERENT USER ORGANISATIONS**

**F. No.TAMP/49/2007-CWC - Proposal from the Central Warehousing Corporation for fixation of tariff for fumigation services rendered at its Kandla Container Freight Services**

A summary of the comments received from the Kandla Port Stevedores' Association (KPSA) and Kandla Port Trust (KPT) are as follows:

<b>Sl.No.</b>	<b>Comments of KPT and users / user organisations</b>
1.	<b>Kandla Port Stevedores' Association</b>
(i).	We have ascertained on scrutiny of the facts, that CWC, Kandla do not permit other Fumigation agencies to undertake job in CFS.
(ii).	Jurisdiction of TAMP for approval of tariff is based on CWC-KPT agreement. The request made by CWC may kindly be considered under Section 42 of MPT Act, where Government of India have defined various services, which can be rendered by Port Trust or some-one authorised by Port Trust. The services of fumigation is not a port services, hence need not be considered and/or given cognizance to the request made CWC.
(iii).	The proposed note that rate is subject to change in case of price fluctuation (Chemical) consumable etc., is not a term at which tariff can be approved. In the present marketing era, CWC should compete with the other agencies and as a market trend fittest will survive, be allowed to be prevailed instead CWC encashing monopoly status earned by them on account of CWC-KPT agreement.
(iv).	The other agencies are attending Methyl Bromide fumigation at much lower rates than the rates quoted by CWC. The users should be given option to use any agencies who are competitive and dependable for job. If the charges are approved as tariff, the users will not have any other option and will be forced to bow-down to exploitation.
2.	<b>Kandla Port Trust</b>
	The rates proposed by CWC appears reasonable going by the charges levied by private fumigation companies for similar work.