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**TARIFF AUTHORITY FOR MAJOR PORTS**

**G. No: 141**

**New Delhi, 14 October 2005**

**NOTIFICATION**

In exercise of the powers conferred by Section 48, 49 and 50 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 Kolkata Port Trust and the special rate fixed to meet the liability on account of arrears of salary, wages and pension as in the order appended hereto.

**( A.L. Bongirwar )  
Chairman.**

## **TARIFF AUTHORITY FOR MAJOR PORTS**

Case No: TAMP/ 80/2000-CPT

### **ORDER**

(Passed on this 6<sup>th</sup> day of October 2005)

This case relates to the extension of the validity of the existing Scale of Rates of KOPT and the 10% special rate fixed of the respective charges payable by the port users beyond 30 September 2005.

2. As stated earlier, the validity of the existing Scale of Rates of KOPT as well as the 10% special rate expire on 30 September 2005. The KOPT has filed a general revision proposal for revision of its Scale of Rates vide its proposal dated 22 July 2005. The proposal includes extension of special rate of 10% on applicable port charges till 31 March 2007. The said general revision proposal has been taken on consultation. The general revision proposal filed by the KOPT is being processed following the usual consultation process adopted and it will take some more time for the case to mature for final consideration. This Authority is, therefore, inclined to extend the validity of the existing Scale of Rates of KOPT beyond 30 September 2005.

3. 1. The KOPT has furnished a certificate of an independent auditor relating to the liability of the KOPT on account of arrears of salary, wages and retirement benefits arising out of various Government Orders issued till 31 December 2000 along with its general revision proposal filed before this Authority. The revised estimates of the total liability on account of arrears of salaries, wages, pension benefits and interest payable on bank loans obtained for releasing the arrears accrued to up 31 March 2001 is reported at Rs. 277.89 Crores. From the audited position furnished by the port in this regard, it is found that the port has discharged its liability to the extent of Rs. 250.74 Crores upto 30 June 2005 and a shortfall of Rs. 64.97 Crores between the total liability and the revenue generated and to be generated from 10% special rate for the said purposes is seen. It is noteworthy that the revenue generated from 10% special rate upto June 2005 is reported to be Rs. 212.92 Crores. It has further stated that Rs. 56.27 Crores is estimated to be realized out of the special rate up to 31 March 2006. The revue generated and to be generated from the special rate, the total revised liabilities accrued on account of arrears liabilities and the quantum of arrears liabilities already discharged have been certified by the Audit.

3.2. Since the KOPT has filed its general revision proposal the quantum and duration for special rate can be further assessed with reference to the revenue model to be considered. Till such time, considering the quantum of arrear liabilities reported by KOPT, this Authority is inclined to extend the 10% special rate on the applicable charges for a period beyond 30 September 2005 till the effective date of implementation of notification of the Order to be passed on the port's general revision proposal.

3.3. In the result, and for the reasons given above and based on the collective application of mind, this Authority extends the validity of the existing Scale of Rates of KOPT and the 10% special rate till the effective date of implementation of the Order to be passed on the general revision proposal filed by the KOPT.

**( A.L. Bongirwar )**  
**Chairman.**