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Tariff Authority for Major Ports

G No. -126

New Delhi,

8 June 2011

NOTIFICATION

In exercise of the powers conferred by 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 received from the VO Chidambaranar Port Trust (VOCPT) seeking approval of fee for cargo handling operations carried out at the anchorage as in the Order appended hereto.

(Rani Jadhav)
Chairperson

Tariff Authority for Major Ports
Case No. TAMP/51/2008-TPT

VO Chidambaranar Port Trust

- - -

Applicant

ORDER

(Passed on this 2nd day of May 2011)

This case relates to a proposal dated 9 September 2008 received from the VO Chidambaranar Port Trust (VOCPT) [earlier, Tuticorin Port Trust] seeking approval of fixation of fee for cargo handling operations carried out at the anchorage.

2.1. The salient points made by the VOCPT in the proposal are as follows:

- (i). The Tuticorin Port has been handling the vessels upto 10.7 metres draught inside the harbour. Vessels having draught of more than 10.7 metres have started calling at the port and the port handles such vessels at anchorage.
- (ii). The port had decided initially to handle such deep draught vessels which carry coal, food grains and pulses alone. Such vessels anchored in the outer harbour are permitted for lighterage operations upto the permissible draught and then berthed for further unloading.
- (iii). The present Scale of Rates approved by the TAMP prescribes Anchorage fees in Schedule 2.7.1. However, there are no such rates for cargo handling operations being carried out at anchorage.
- (iv). Hence, in the larger interest of the port and user community, the port has framed certain terms and conditions for the lighterage operations at anchorage and circulated it vide Port's Trade Notices dated 5 July 2006 and 22 March 2007 after getting concurrence of the port users in the meeting held on 6 March 2007. It has furnished copy of the minutes of the meeting dated 6 March 2007.

2.2. Accordingly, the port has proposed to introduce the following provisions in its Scale of Rates:

- (i). Insert the following under Chapter II – Vessel Related Charges Schedule 2.7:-

Fee for Anchorage Operations:

The following charges shall be levied for the lighterage operations in respect of the vessels at anchorage:

Sl. No.	Particulars	Ceiling Rates
(i).	Fee for lighterage operations in respect of any vessel in anchorage in the port waters within the notified port limits.	25% of berth hire charges relevant to the vessel from the date of commencement of anchorage operations to date of completion.

The port has also proposed following conditions governing the proposed rates:

- (a). The facility is available to deep draught vessels carrying coal, food grains and pulses arriving with a draught of more than 10.7 metres which after lightening to a draught of 10.7 or 9.3 metres, as the case may be, will be handled at the berth.
- (b). The facility is subject to the Steamer Agent obtaining Environmental Clearance and furnishing Mercantile Marine Department's Certificate regarding safety of vessels used for lighterage and carrying passengers.

- (c). The barges carrying lightered cargo will be permitted to be berthed at Zone 'A' only subject to availability of berth.
- (d). The lightered cargo can be handled in Zone 'B' also subject to payment of vessel related charges and wharfage charges as per the Scale of Rates of the port in respect of vessels / barges carrying such lightered cargo to Zone 'B'.
- (e). For pulses and food grains if the berth no.8 is occupied and port could not allot berth to the vessel, anchorage operations would be allowed till the vessel reaches 9.3 m draught or till such time that berth no.8 is available whichever is earlier.
- (f). The barges used for lightering the cargo if berthed in 'Eastern Arm' and lash jetty for handling of lightered cargo, the berth hire will be at 80% of the normal rate.
- (ii). The following clause may be inserted under para 4 as sub serial no.(v) under notes given to Chapter III – 3.1 Schedule of Wharfage Dues.
- (v). *Cargo transshipment fee @ ₹ 3/- per tonne will be collected for cargo handled at the anchorage.*

2.3 The port has subsequently, vide its letter dated 3 July 2009 clarified the following:

- (i). The fee proposed for lightering at the anchorage proposed is based on the Anchorage fee already approved by this Authority vide Order No.TAMP/80/2003-TPT dated 15 March 2004.
- (ii). This Authority while revising the Scale of Rates vide its Order No.TAMP/15/2006-TPT dated 14 July 2008 prescribed Anchorage fee under Clause 2.7.1. Schedule of Anchorage charges at the rate of 25% of berth hire charges excluding 20% crane element in the revised Scale of Rates.
- (iii). On the above basis, for the purpose of clarity, the following charges be inserted on lighterage operations:

Sl. No.	Particulars	Rate per GRT per hour or part thereof	
		Coastal vessels (in ₹)	Foreign-going vessels (in US\$)
1.	Upto and inclusive of 3,000 GRT	0.0151 (subject to a minimum of ₹ 29.75)	0.00058 (subject to a minimum of US \$ 1.14)
2.	3,001 to 10,000 GRT	0.0099 (subject to a minimum of ₹ 45.37)	0.00038 (subject to a minimum of US \$ 1.74)
3.	10,001 to 15,000 GRT	0.0130	0.00050
4.	15,001 to 20,000 GRT	0.0161	0.00062
5.	20,001 to 25,000 GRT	0.0219	0.00084
6.	25,001 to 30,000 GRT	0.0240	0.00092
7.	30,001 GRT and above	0.0260	0.00100
8.	Double Banking	In respect of a vessel which is double banked with another vessel occupying a berth it will be charged half of the anchorage charges specified in the above schedule.	

3. In accordance with the consultation process prescribed, the proposal of the VOCPT was circulated to the concerned users / user organisations seeking their comments. The comments received from the concerned users / user organisations have been forwarded to the VOCPT as feedback information. The VOCPT has furnished its remarks on the comments made by the users / user organisations.

4. Based on a preliminary scrutiny of the proposal, the VOCPT was requested to furnish additional information / clarifications vide our letter dated 29 November 2010. The VOCPT has furnished its reply vide letter dated 31 January 2011. A summary of the queries raised by us and the clarifications furnished by the VOCPT are tabulated below:

Sl. No.	Queries raised by us	Reply received by VOCPT																															
(i).	Schedule 2.7.1. of the existing Scale of Rates prescribes two set of anchorage fee (a) for stay of vessel in any area inside the harbour basin and (b) for stay of vessel in any area outside the harbour but within the port limits. The port has proposed the existing anchorage fee to continue in its general revision proposal which is being processed separately. When the existing Scale of Rates already prescribes anchorage fee, it is not clear why separate anchorage fee for lighterage operation is to be prescribed and that too when the rates proposed are same as in the existing/ proposed SOR.	The rate available in the existing SOR is meant for Anchorage fee for stay of vessels inside and outside Harbour Basin to avoid idle occupation by vessels in Port waters within the notified port limits. But this is a proposal for fixing a tariff for lighterage operations i.e., for handling of cargo at Anchorage. The stipulation of anchorage fees for lighterage operation is only to make it clear.																															
(ii).	(a). Clause 2.17.1 to 2.17.3. of the tariff guidelines stipulates conditions allowing port trusts to levy adhoc rates for a new tariff or service which is not available in notified Scale of Rates till the rates is finally. As per the said clause, ad hoc rate to be operated in the interim period must be derived based on existing notified tariffs for comparable services/cargo. In this context, please clarify how the proposed rate of ₹ 3 per tonne towards cargo transshipment fee for cargo handled at anchorage is derived by the port. (b). Furnish the details of service provided by the port for lightening of cargo at the anchorage and the cost of providing such services to justify the rate proposed.	For handling cargo operation at Anchorage transshipment fee at ₹ 3/- per tonne has been proposed towards using Port's water front having deep draft and the port has to maintain the anchorage. It is token charge towards usage of anchorage to facilitate handling of big parcel size vessels with draft more than 10.7 mtrs. The Port is facilitating for handling cargo at Anchorage.																															
(iii).	(a). The number of vessels anchored in outer harbour for lighterage operations, quantum of cargo lightered, the revenue earned vessel and cargo related income from the said service may be furnished for the past period (since its implementation).	<p>A. Traffic details</p> <table border="1" data-bbox="847 1420 1390 1565"> <thead> <tr> <th colspan="2">Particulars</th> <th>2007-08</th> <th>2008-09</th> <th>2009-10</th> </tr> </thead> <tbody> <tr> <td rowspan="2">(i). Vessels which lightened cargo at the anchorage</td> <td>No. of vessels</td> <td>22</td> <td>63</td> <td>68</td> </tr> <tr> <td>GRT</td> <td>8,13,424</td> <td>19,05,661</td> <td>21,29,576</td> </tr> <tr> <td colspan="2">(ii). Quantum of cargo transshipped (in tonnes)</td> <td>2,25,736</td> <td>5,91,946</td> <td>6,34,924</td> </tr> </tbody> </table> <p>B. Income details</p> <p style="text-align: right;">(₹ in lakhs)</p> <table border="1" data-bbox="847 1655 1390 1789"> <thead> <tr> <th>Particulars</th> <th>2007-08</th> <th>2008-09</th> <th>2009-10</th> </tr> </thead> <tbody> <tr> <td>(i). Vessel related income from vessels which lightered cargo at anchorage</td> <td>53.48</td> <td>148.72</td> <td>165.06</td> </tr> <tr> <td>(ii). Cargo handling income from levy of proposed cargo transshipment fee</td> <td>6.77</td> <td>17.76</td> <td>19.05</td> </tr> </tbody> </table>	Particulars		2007-08	2008-09	2009-10	(i). Vessels which lightened cargo at the anchorage	No. of vessels	22	63	68	GRT	8,13,424	19,05,661	21,29,576	(ii). Quantum of cargo transshipped (in tonnes)		2,25,736	5,91,946	6,34,924	Particulars	2007-08	2008-09	2009-10	(i). Vessel related income from vessels which lightered cargo at anchorage	53.48	148.72	165.06	(ii). Cargo handling income from levy of proposed cargo transshipment fee	6.77	17.76	19.05
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	<p>(b). The actual number of vessels which carried out lighterage operations, quantum of cargo lightened and the vessel/ cargo income earned in the current year till 31 October 2010 with projections from November 2010 to 31 March 2011 and for the next two years viz. 2011-12 and 2012-13 may also furnished in the above format.</p>	<p>A. Traffic details</p> <table border="1" data-bbox="847 219 1390 427"> <thead> <tr> <th colspan="2">Particulars</th> <th>2010-11 (upto Oct'10)</th> </tr> </thead> <tbody> <tr> <td rowspan="2">(i). Vessels which lightened cargo at the anchorage</td> <td>No. of vessels</td> <td>44</td> </tr> <tr> <td>GRT</td> <td>13,82,305</td> </tr> <tr> <td colspan="2">(ii). Quantum of cargo transshipped (in tonnes)</td> <td>4,54,691</td> </tr> </tbody> </table> <p>B. Income details</p> <p style="text-align: right;">(₹ in lakhs)</p> <table border="1" data-bbox="847 517 1390 725"> <thead> <tr> <th>Particulars</th> <th>2010-11 (upto Oct'10)</th> </tr> </thead> <tbody> <tr> <td>(i). Vessel related income from vessels which lightened cargo at anchorage</td> <td>105.77</td> </tr> <tr> <td>(ii). Cargo handling income from levy of proposed cargo transshipment fee</td> <td>13.64</td> </tr> </tbody> </table> <p>It is expected that the same trend will be continued for the period beyond October 2010 of 2010-11 and for the next two years viz. 2011-12 and 2012-13.</p>	Particulars		2010-11 (upto Oct'10)	(i). Vessels which lightened cargo at the anchorage	No. of vessels	44	GRT	13,82,305	(ii). Quantum of cargo transshipped (in tonnes)		4,54,691	Particulars	2010-11 (upto Oct'10)	(i). Vessel related income from vessels which lightened cargo at anchorage	105.77	(ii). Cargo handling income from levy of proposed cargo transshipment fee	13.64
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(iv).	<p>Please confirm that the revenue impact of the proposed tariff is captured in the cost statement filed for the general revision of Scale of Rates which is being processed separately. The treatment for this item may be shown separately in the relevant cost statements while addressing the queries raised vide our letter No.TAMP/9/2010-TPT dated 15 October 2010 on the general revision proposal of the VOCPT.</p>	<p>Yes the revenue earned by means of lighterage fee has been considered in the cost statement filed for general revision of Scale of Rates proposal.</p>																	

5. A joint hearing in this case was held on 29 March 2011 at the VO Chidambaranar Port Trust (VOCPT) premises in Tuticorin. The VOCPT made a power point presentation of its proposal. At the joint hearing, VOCPT and the concerned users/ organisation bodies have made their submissions:

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

7. With reference to the totality of the information collected during the processing of the case, the following position emerges:

- (i). The instant proposal of the VO Chidambaranar Port Trust (VOCPT) mainly arises as vessels carrying coal, food grains and pulses arriving at port with a draught of more than 10.7 metres cannot be directly handled at the berths due to draft restriction and hence they need to be lightened at the anchorage upto permissible draft and then berthed for further unloading.
- (ii). In this regard, the VOCPT has proposed two tariff items:
 - (a). Anchorage fee on vessels lightened at anchorage
 - (b). Cargo Transshipment fee of ₹ 3 per tonne for cargo handled at anchorage.

The VOCPT has also proposed conditionalities governing the proposed tariff.

- (iii). With reference to item (ii) (a) above, the existing Scale of Rates of the VOCPT approved by this Authority vide Order No.TAMP/15/2006-TPT dated 14 July 2008 already prescribes anchorage fee under Schedule 2.7.1 for stay of vessel in any area inside the harbour basin and for stay of vessel in any area outside the harbour but within the port limits in the existing Scale of Rates. The port has proposed to levy the anchorage fee applicable for stay of vessel inside the harbour basin on vessels carrying out lighterage operations at anchorage. The VOCPT has clarified that separate schedule of anchorage fees for vessel carrying out lighterage operation is proposed only to give a clear position. Since the existing Scale of Rates already prescribes anchorage fee for vessels anchored, the same can continue to apply for vessels anchored for lighterage operations inside the harbour basin or outside the harbour basin, as the case may be. It is, therefore, not found necessary to introduce a separate schedule of anchorage fee for lighterage operations as proposed by the port.
- (iv). (a). The other tariff item proposed by the port is ₹ 3 per tonne towards cargo transshipment fee.
- (b). From the position obtaining at some of the Major Port Trusts it is observed that fee, if any, collected for cargo handling at anchorage is either adjusted or in some cases reduced wharfage / port charges are levied for subsequent handling of the lightered cargo at port's berth. The VOCPT has, however, not proposed any adjustment or reduction in the wharfage rate when the cargo lightered at the anchorage is subsequently brought by barges and handled at the port's berth. Notwithstanding the above position, it has to be recognized that the proposed rate by the VOCPT at ₹ 3 per tonne for lighterage operations is reportedly to meet the expenditure incurred by the port to adhere to various environmental measures which are mandated by Pollution Control Board. Moreover, the rate proposed by the VOCPT for lighterage, prima facie, appears to be nominal in comparison to the rates prescribed for lighterage at the other ports cited above. Further, lighterage operations at the anchorages of some other major Ports in respect of some commodities involve transshipment to other neighbouring ports, which is not the case in respect of VOCPT. Though, there can be an argument that the expenditure to maintain anchorage and environmental measures are covered in the overall expenditure of the port, it is relevant to state that the additional revenue generated/ proposed to be generated from the proposed levy is recognized by the port in the overall cost statement filed for general revision of its Scale of Rates.

Moreover, it is relevant to state that most of the user associations like the Tuticorin Ship Agents' Association, Tuticorin Port Handling Agents Association, Tuticorin Custom House Agents' Association, All India Chamber of Commerce and Industries have endorsed the proposal of the VOCPT and confirmed that the proposal of the VOCPT is after consulting the respective user associations.

User associations while endorsing the proposal have, however, made an observation that the VOCPT has not incurred any extra capital expenditure for the cargo handling operations at anchorage and that the fees collected through this operation will be additional revenue to the port. As already stated earlier, the VOCPT has confirmed that the additional revenue earned / likely to be earned by the port from proposed lighterage operation is already captured in the cost statement filed for general revision of Scale of Rates of the port.

Since the proposed rate of ₹ 3 per tonne towards cargo transshipment has the consent of users/ user associations, this Authority is inclined to approve the proposed rate. The revenue implication is already factored in the general revision proposal and the said proposal will be processed

separately following the cost plus formula prescribed in tariff guidelines of 2005. Hence the users/ user association would not be put in any disadvantageous position.

- (v). (a). The VOCPT has also proposed various conditions governing the proposed rates for handling cargo at anchorage. The first condition stipulates that facility is available to deep draught vessels carrying coal, food grains and pulses arriving with a draught of more than 10.7 metres which after lightening to a draught of 10.7 or 9.3 metres, as the case may be, will be handled at the berth. The port has not explained in the proposal as to why the lightening facility is proposed to be offered only to vessels carrying specific cargo viz. coal, food grains and pulses.

The third and fourth conditions proposed by the VOCPT states that barges carrying lightered cargo will be permitted to be berthed at Zone 'A' subject to availability of berth; and lightered cargo can be handled in Zone 'B' subject to payment of vessel related charges and wharfage applicable for barges carrying such lightered cargo to Zone 'B'. The condition proposed at (5) states that if berth no.8 is occupied, anchorage operations would be allowed till the vessel reaches 9.3 m draught or till such time that berth no.8 is available whichever is earlier.

All these conditions proposed by the VOCPT mainly relate to allowing vessel to be berthed at berths /or anchorage facility by the port depending on their availability. Positioning of vessels at anchorage or berth is an operational matter to be decided by the port using the discretion available to them and not a tariff related issue. It is, therefore, not found necessary to prescribe these conditions in the Scale of Rates. As regards the condition proposed about levy of charges prescribed in the Scale of Rates for Zone B area obviously, if a vessel is berthed at Zone B it will automatically be governed by the relevant conditions prescribed in the Scale of Rates for Zone B and hence it is not necessary to prescribe a separate condition in this regard as proposed by the VOCPT.

- (b). The note number (2) proposed by the VOCPT stating that the facility is subject to the Steamer Agent obtaining Environmental Clearance and furnishing Mercantile Marine Department's Certificate regarding safety of vessels used for lighterage and carrying passengers is an operational matter and not related to tariff and, therefore, not included in the SOR.
- (c). The last note stipulates levy of 80% of berth hire if the barges used for lightening the cargo are berthed in 'Eastern Arm' and lash jetty for handling of lightered cargo. It is relevant to state here that note no.3 prescribed in the existing Scale of Rates of VOCPT under Schedule 2.4.2. relating to berth hire prescribes rebate of 20% of the applicable berth hire, if a vessel is handled at additional berth, finger jetty, shallow water berths or any other non crane berths. Hence if a vessel is berthed in any of the non-crane berths, it will be governed by the existing provision prescribed in the relevant schedule in the Scale of Rates of the VOCPT and hence separate condition proposed by the port need not be incorporated.
- (vi). It has been reported that the port has implemented the proposed rates from the year 2007-08 after obtaining concurrence of port users in the meeting held in March 2007. The port has furnished statistics of number of such vessels handled at the anchorage along with the revenue implications thereof of implementation of the proposed rates from the year 2007-08 to 2010-11 (upto October 2010).

Clause 2.17.1 to 2.17.3 of the tariff guidelines stipulates whenever a specific tariff for services / cargo is not available in the notified Scale of Rates, the port can submit the proposal and levy the rate on an adhoc basis till the rate is finally notified. For this purpose, the adhoc rate must be derived based on the existing

notified tariffs for comparable services / the port and the concerned users must mutually agree upon cargo and it. The proposed rate were implemented by the VOCPT after obtaining the consent of the trade which is supported by the documentary evidence in the form of minutes of the meeting attended by the trade and the subsequent comments received from the user associations confirming this position.

Clause 2.17.4. of the tariff guidelines of 2005 permits this Authority to recognize the interim rate adopted in an ad-hoc manner retrospectively if its not found to be excessive. Since the proposed rate is implemented with the consent of the trade and the same is approved and also that the revenue impact is considered in the general revision proposal as confirmed by the port, the rate implemented by the port on adhoc basis is recognized.

8. In the result, and for the reasons given above, this Authority approves incorporation of the following rate in the existing Scale of Rates of the VOCPT:

The following clause is inserted as note 5 under notes under 3.1- Schedule of Wharfage Dues under Chapter III – Cargo Related Charges of the existing Scale of Rates of the VOCPT. Consequently, the existing note numbers (5) to (13) are renumbered as (6) to (14).

“(5). Cargo transshipment fee @ ₹ 3/- per tonne will be collected for cargo handled at the anchorage.”

(Rani Jadhav)
Chairperson

SUMMARY OF THE COMMENTS RECEIVED FROM THE PORT USERS / DIFFERENT USER ORGANISATIONS AND ARGUMENTS MADE IN THIS CASE DURING THE JOINT HEARING BEFORE THE AUTHORITY

F. No.TAMP/51/2008 -TPT - Proposal from the VO Chidambaranar Port Trust for fixation of fee for cargo handling operations at anchorage.

A summary of comments received from the concerned users / user organisations and comments of the VO Chidambaranar Port Trust (VOCPT) thereon are tabulated below:

Sl. No.	Comments of users / user organisations	Comments of VOCPT
1.	Indian Chamber of Commerce and Industry	
	Our port has traditionally been an anchorage port and hence in order to cater to the increasing requirement for anchorage discharge, the port may keep the anchorage fee at a minimum i.e. 10% of berth hire and also add more cargoes like rock phosphate in the basket for anchorage discharge.	The proposed lighterage fees of 25% is comparable to existing anchorage fees already approved by TAMP. Hence the question of reduction does not arise.
2.	Tuticorin Ship Agents' Association	
(i).	The rates are already fixed by the port after consulting the respective user associations and thereafter collected from the users. The rates proposed by VOCPT are acceptable to us provided all the guidelines of TAMP for considering the tariff have been met with by the VOCPT, in terms of the ROCE etc.,	Factual
(ii).	No capital expenditure is being incurred by the Tuticorin Port in connection with the said operation and therefore, it will be an additional revenue to the port. In this context, it should be relevant to point out that most of the rates being collected by the port are very high when compared to those prevailing in the neighbouring ports. Wharfage dues for certain commodities, equipment entry fee, annual licence fee etc., are some of the examples. With the additional revenue being generated by virtue of the subject tariff, Tuticorin port could give a fresh thinking for reducing the rates for those services indicated above. Kindly advise the VOCPT to do the needful in the matter of reduction, which will help the trade during this recession period.	The fees levied is for purpose of using Port's water front having deep draft. Port maintains the channel and basin. Hence, revenue generated is to go to meet the cost of port related facilities. Port charges (Vessel related) have already been reduced overall by 5% for Port Dues, Pilotage and Berth Hire charges and additional 10% on pilotage fees. Next revision is due in March, 2010. Hence no more reduction is possible now.
3.	Tuticorin Custom House Agents' Association	
(i).	The tariff for anchorage operations will be mainly applicable for ship / steamer agents and for stevedores who handle cargo at the anchorage. It may be added that the rates were already fixed by the port after consulting the respective user associations and thereafter collected from the users. The rates proposed by VOCPT are	Factual

	acceptable to us provided all the guidelines of TAMP for considering the tariff have been met with by the VOCPT, in terms of the ROCE etc.,	
(ii).	<p>No capital expenditure is being incurred by the Tuticorin Port in connection with the said operation and therefore, it will be an additional revenue to the port. In this context, it should be relevant to point out that most of the rates being collected by the port are very high when compared to those prevailing in the neighbouring ports. Wharfage dues for certain commodities, equipment entry fee, annual licence fee etc., are some of the examples. With the additional revenue being generated by virtue of the subject tariff, Tuticorin port could give a fresh thinking for reducing the rates for those services indicated above.</p> <p>Kindly advise the VOCPT to do the needful in the matter of reduction, which will help the trade during this recession period.</p>	As furnished vide Sl.No.2(ii) above.
4.	Tuticorin Port Handling Agents Association	
	They have reiterated the submissions made by Tuticorin Custom House Agents' Association.	As furnished vide Sl.No.3 above.
5.	All India Chamber of Commerce and Industries	
(i).	As stated in the VOCPT's proposal dated 9 September 2008, the rates for lighterage operations at anchorage have been already fixed by the port after consulting with the respective user associations, and have been collected from the users. Therefore, the rates proposed by the VOCPT are OK with us, provided, the VOCPT strictly adheres to the guidelines of TAMP for considering the tariff, in terms of the ROCE etc.	Factual.
(ii).	<p>Since VOCPT need not incur any extra capital expenditure for the said cargo handling operations at anchorage, the fees collected through this operation will be additional revenue to the port. We request that part of the benefit of this additional revenue may please be passed on to the port users through reduction in the rates collected by the port for other services, most of which are very high when compared to the rates collected by neighbouring ports.</p> <p>We hope that you will understand our genuine request and advise the VOCPT to reduce its rates for various services, which will give some relief to the port users, who are passing through rough weather because of the economic slowdown worldwide.</p>	As furnished vide Sl.No.2(ii) above.

2. A joint hearing in this case was held on 29 March 2011 at the VO Chidambaranar Port Trust (VOCPT) premises. The VOCPT made a power point presentation of its proposal. At the joint hearing, VOCPT and the concerned users/ organisation bodies have made the following submissions:

VO Chidambaranar Port Trust

- (i). Anchorage charge @ 25% of berth hire is already approved. Cargo transshipment fee is levied mainly to cover various environmental measures, which are mandatorily to be undertaken to satisfy the requirement of Pollution Control Board.
- (ii). When our second capital dredging project is completed by October 2011, the need for operations at anchorage may reduce but cannot be discontinued fully.

Tuticorin Ship Agents Association and other users present

- (i). We agree with the proposal.
