

Board formed to fix tariff at major ports

The ports, shipping, and waterways ministry (MoPSW) has notified the rules for setting up the Major Ports Adjudicatory Board, which will take over as the nodal body for tariff setting and public-private-partnership (PPP) dispute resolution for all major ports. In its gazette notification, the ministry said the board would now take over the functions of the Tariff Authority for Major Ports (TAMP), which is a centralised authority to regulate all tariffs, related to both vessel and cargo, and rates for lease of properties in respect of Major Port Trusts and the private operators located therein.

The adjudicatory board, the proposal for which was envisioned in the Major Ports Authorities Act of 2021, will have the same powers vested in a civil court. It will be empowered to adjudicate cases of stressed PPP projects

referred to it by the central government or major port authorities.

Major ports refer to those owned by the central government.

The members of the board will be appointed by the recommendation of a committee comprising the Chief Justice of India (or his nominee), secretary of MoPSW, and secretary of the department of personnel and training.

Sector experts expect the tariff-fixing process to become slightly more convenient following the establishment of the board, as centralisation of powers, which was earlier a concern with several private operators, may be partly resolved. Tariff-fixing at ports has typically been a contentious issue, with disputes between operators and government regulators stalling projects for years.

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