



महापत्तन प्रशुल्क प्राधिकरण
TARIFF AUTHORITY FOR MAJOR PORTS
पत्तन, पोत परिवहन और जलमार्ग मंत्रालय, भारत सरकार
Ministry of Ports, Shipping and Waterways, Government of India



No. TAMP/12/2009-Misc.
27 March 2025

To

1. The Chairmen, All Major Port Authorities.
2. Dakshin Bharat Gateway Terminal Private Limited.
3. Adani Mormugao Port Terminal Private Limited.
4. Nhava Sheva (India) Gateway Terminal Private Limited
5. Vizag General Cargo Berth Private Limited.
6. IMCOLA Crane Company Private Limited.
7. Adani Kandla Bulk Terminal Private Limited.
8. AVR Infra Private Limited.
9. Essar Vizag Terminal Limited.

Subject: Indexation of tariff caps fixed in the upfront tariff cases under 2008 guidelines for PPP Projects at the major port trusts with reference to the variation in Wholesale Price Index (WPI).

Sir,

As per Clause 2.8 of the Guidelines for upfront tariff setting for PPP Projects at Major Port Trusts, 2008, the tariff caps fixed by the Authority for handling various commodities or providing various services by private operators will have to be indexed to inflation to the extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2008 and 1 January of the relevant year. Accordingly, the Authority has been till date announcing the annual indexation factors for PPP Concessionaire governed under the said guidelines.

2.1. The Ministry of Law and Justice has published the Major Port Authorities (MPA) Act, 2021 in the Gazette of India on 18 February 2021. As per Gazette notification No 4143 dated 29 October 2021 published by the Ministry of Ports, Shipping and Waterways (MOPSW), the MPA Act, 2021 has come into force with effect from 3 November 2021.

2.2. As per Section 54 of the MPA Act 2021, the Central Government may constitute an Adjudicatory Board to discharge the powers and functions of the Adjudicatory Board other than tariff setting listed under Section 58 (1) of the ibid Act. TAMP is to discharge the functions of the Adjudicatory Board till constitution of the Adjudicatory Board.

2.3. The MOPSW vide its letter dated 3 November 2021 has already issued Tariff Policy 2021 for Tariff fixation of Major Ports and vide letter dated 21 December 2021, the MOPSW has also issued Tariff Guidelines, 2021 for future PPP concessionaires in exercise of the powers conferred under the MPA Act 2021.

2.4. As per the Tariff Policy 2021 for tariff fixation of Major Ports, the IPA has to intimate the annual indexation factor to all Major Port Authorities under the New Tariff Guidelines 2021.

2.5. The Tariff Guidelines applicable for the existing PPP Concessionaires governed by the Upfront Tariff Guidelines, 2008, Reference Tariff Guidelines, 2013 and Tariff Guidelines, 2019 under the MPA Act 2021 is yet to be issued from the MOPSW.

2.6. As you may be aware, TAMP has been till date announcing the annual indexation factors for PPP Concessionaire governed under the respective guidelines.

2.7. It is relevant here to state that as per Section 58(1) the MPA Act 2021, the Adjudicatory Board shall perform the functions listed in said section of the Act other than tariff setting. Clause (a) under Section 58(1) prescribes the following function to be carried out by the Adjudicatory Board:

“(a). the functions envisaged to be carried out by the erstwhile Tariff Authority for Major Ports arising from the Tariff Guidelines of 2005, 2008, 2013, 2018 and 2019 and tariffs orders issued by the said Authority.”

3.1. In view of the above position and as such, in the absence of the specific tariff guidelines for the existing PPP Concessionaires governed under the Upfront Tariff Guidelines 2008 after the MPA Act 2021 has come into force and recognizing that their SOR is due for annual indexation in the rate w.e.f. 1 April 2025 (in case of Upfront Tariff Guidelines, 2008), this Authority has decided to announce the annual indexation factor under the upfront tariff Guidelines 2008 for the year 2025-26.

3.2. Accordingly, indexation factors with reference to the variation in Wholesale Price Index (WPI) occurring between January 2024 and December 2024 has been worked out as per the Clause 2.8 of Upfront Tariff Guidelines, 2008. For this purpose, WPI for all commodities announced by the Government of India has been considered.

4.1. The WPI occurring between the relevant dates was ascertained from the Ministry of Commerce & Industry, Government of India. 60% of the variation in WPI occurring between 1 January 2024 and 1 January 2025 works out to 1.04% for the year 2025-26.

4.2. Further, following the methodology adopted for announcement of annual indexation factor for the year 2024-25, the indexation factor for indexing the tariff for the year 2025-26 under the Upfront tariff Guidelines 2008, will be as follows:

- (i). The (compounded) indexation factor announced by the Authority for the upfront tariff which is already frozen at the level announced for the year 2017-18 by our letter dated 23 March 2018 and shall continue as given below:

Tariff with base WPI as on	Indexation factor to be applied
1 January 2012	11.21%
1 January 2011	18.21%
1 January 2010	25.67%
1 January 2009	27.49%
1 January 2008	35.08%

- (ii). For the subsequent years, the annual indexation factor announced by the Authority for the year 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 over the then applicable indexed tariff are as follows:

Year	Annual indexation factor
2018-19	
(a). 01.04.2018-31.07.2018	Nil
(b). 01.08.2018 to 31.03.2019	2.07%
2019-20	2.56%
2020-21	1.13%
2021-22	0.33%
2022-23	6.46%
2023-24	7.27%
2024-25	Nil

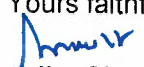
- (iii). For the year 2025-26, the annual indexation factor at 60% of the variation in WPI is 1.04% and it is to be applied for the year 2025-26 w.e.f. 1 April 2025 and will remain valid till 31.03.2026.

To cite an example, if the upfront tariff with base WPI 1 January 2008 is ₹100/- per tonne, then the indexed upfront tariff applying the compounded indexation factor upto the year 2017-18 at 35.08% would be ₹135.08 per tonne (i.e. 100×1.3508). For the year 2018-19, annual indexation factor as applicable at 2.07% is to be applied to the indexed tariff of ₹135.08 per tonne of the year 2017-18. This works out to be ₹137.88 (i.e. $₹135.08 \times 1.0207$). For the year 2019-20, annual indexation factor as applicable at 2.56% is to be applied to the indexed tariff of ₹137.88 per tonne of the year 2018-19. This works out to be ₹141.41 (i.e. $₹137.88 \times 1.0256$). For the year 2020-21, annual indexation factor as applicable at 1.13% is to be applied to the indexed tariff of ₹141.41 per tonne of the year 2019-20. This works out to be ₹143.01 (i.e. $₹141.41 \times 1.0113$). For the year 2021-22, annual indexation factor as applicable at 0.33% is to be applied to the indexed tariff of ₹143.01 per tonne of the year 2020-21 which works out to ₹ 143.48 (i.e. $₹143.01 \times 1.0033$). For the year 2022-23, annual indexation factor as applicable at 6.46% is to be applied to the indexed tariff of ₹143.48 per tonne of the year 2021-22. This works out to be ₹152.75 (i.e. $₹143.48 \times 1.0646$). For the year 2023-24, annual indexation factor as applicable at 7.27% is to be applied to the indexed tariff of ₹152.75 per tonne of the year 2022-23. This works out to be ₹163.85 (i.e. $₹152.75 \times 1.0727$). For the year 2024-25, Nil annual indexation factor is to be applied to the indexed tariff of ₹163.85 per tonne of the year 2023-24. This works out to be ₹163.85 (i.e. $₹163.85 \times 1.0000$) for the year 2024-25.

Since the annual indexation factor now announced for the year 2025-26 is 1.04, annual indexation factor is to be applied to the indexed tariff of ₹163.85 per tonne as on 31 March 2025. This works out to be ₹165.55 (i.e. $₹163.85 \times 1.0104$) per tonne to be applicable from 1 April 2025 to 31 March 2026.

5. Further, in respect of PPP Concessionaires whose indexed SOR is notified by the Major Port Authority after the MPA Act, 2021 has come into force w.e.f. 3.11.2021, the Major Port Authorities are requested to communicate the 1.04% annual indexation factor for the year 2025-26 as applicable for the period from 1 April 2025 and valid till 31 March 2026 to the concerned PPP Concessionaire with a copy endorsed to TAMP for information.

6. This issues with the approval of Competent Authority.

Yours faithfully,

(Anuradha Sharma)
Director