

Computation of Annual Revenue Requirement under Policy for Determination of Tariff for Major Port Trusts, 2018					
Sl. No.	Description		Y1 (2015-16)	Y2 (2016-17)	Y3 (2017-18)
			Rs. in lakhs		
(1).	Total Expenditure (As per Audited Annual Accounts)	Note 1			
(i).	Operating expenses (including depreciation)	Annual A/cs	27,956.28	27,025.90	23,657.22
(ii).	Management & General Admn. Overheads	Annual A/cs	28,264.67	28,796.96	29,787.68
(iii).	Finance and Miscellaneous expenses (FME)	Annual A/cs	37,930.87	38,133.68	37,785.69
	Total Expenditure 1=(i)+(ii)+(iii)		94,151.82	93,956.54	91,230.59
	Average of Total Expenditure			93,112.98	
(2).	Less Adjustments:				
(i).	Estate related expenses (Note 1)				
	(a). Operating expenses (including depreciation)	Annual A/cs & C	1,798.13	2,056.10	1,884.28
	(b). Allocated Management & Administrative Overheads	Sheet M&GO	2,863.79	3,281.37	3,000.26
	(c). Allocated FME	Sheet FME&OE	2,438.82	2,901.09	3,009.60
	Subtotal 2 (i)=[(a)+(b)+(c)]		7,100.74	8,238.56	7,894.14
(ii).	Interest on loans	Sheet FME	13.48	0.98	-
(iii).	2/3rd of One time expenses, if any like arrears of wages, arrears of pension / gratuity, arrears of exgratia payment, etc. (list out each of the items)				
	(a).Wage revision arrears (Note 2)	Sheet FME	744.00	-	-
	(b).Ex-gratia payment to SVRS (Note 3)		-	-	-
	(c).Compensation paid to dependants of deceased employees (Note 3)		-	-	-
	Subtotal 2 (iii) = [(a)+(b)+(c)]		744.00	-	-
(iv).	2/3rd of the Contribution to the Superannuation Funds like Pension Fund, Gratuity Fund and Leave Encashment Fund (Note 4)				
	(a).Contribution to Pension Fund	Sheet FME	4,355.50	5,084.00	4,216.00
	(b).Contribution to Gratuity Fund	Sheet FME	1,100.50	1,488.00	1,302.00
	(c).Contribution to Leave Encashment Fund	Sheet FME	1,756.86	1,523.98	1,680.20
	Subtotal 2 (iii) = [(a)+(b)+(c)]		7,212.86	8,095.98	7,198.20
(v).	Management and General overheads over & above 25% of the aggregate of the operating expenditure and depreciation (Note 5)	Form 2	18,861.34	19,273.14	21,344.18
(vi).	Expenses relevant for tariff fixation of Captive Berth, if any governed under clause 2.10 of the Tariff Policy, 2018				
	(a). Operating Expenses		-	-	-
	(b). Depreciation		-	-	-
	(c). Allocated Management and Administrative Overheads		-	-	-
	(d). Allocated FME		-	-	-
	Subtotal 2 (vi) = [(a)+(b)+(c)+(d)]		-	-	-
	Total of 2 = 2 (i)+2 (ii)+2 (iii)+2 (iv)+2 (v)+ 2 (vi)		33,932.42	35,608.66	36,436.52
(3).	Total Expenditure after Total Adjustments (3 = 1-2)		60,219.40	58,347.88	54,794.07
	Average of Total Expenditure (Sl. No.1)			93,112.98	
	Average of Adjustments in Sl. No.2 (i), (ii), (iv) & (v)			35,073.05	
	Adjustments in Sl. No.2 (ii) & 2 (iii) (a) as per Note 2 (ii)			751.23	
(4).	Average Expenses of Sl. No. 3 = [Y1 + Y2 + Y3] / 3			57,288.70	
(5).	Capital Employed				
	(i). Net Fixed Assets as on 31.03.2018 (Y3) (As per Audited Annual Accounts)			57,330.77	

Sl. No.	Description		Y1 (2015-16)	Y2 (2016-17)	Y3 (2017-18)
			Rs. in lakhs		
	(ii). Add: Work in Progress as on 31.03.2018 (Y3) (As per Audited Annual Accounts)			17,345.07	
	(iii). Less: Net value of Fixed assets related to Estate activity as on 31.03.2018 as per Audited Annual Accounts.			13,750.05	
	(iv). Less : Net value of fixed assets, if any, transferred to BOT operator as on 31 March 2018 (Y3) as per Audited Accounts.			-	
	(v). Less : Net value of fixed assets as on 31 March 2018 (Y3) as per Audited Accounts relevant to be considered for captive berths, if any, under clause 2.10. of the Tariff Policy, 2015.			-	
	(vi). Add : Working Capital as per norms prescribed in clause 2.5. of the Working Guidelines	As per Form 4 & Note 4			
	(a). Inventory			192.99	
	(b). Sundry Debtors			1,613.04	
	(c). Cash			4,177.56	
	(d). Sum of (a)+(b)+(c)			5,983.59	
	(vii). Total Capital Employed [(i)+(ii)-(iii)-(iv)-(v)+(vi)(d)]			66,909.38	
(6).	Return on Capital Employed 8% on Sl. No. 5(vii)	Note (6)		5,352.75	
(7).	Annual Revenue Requirement (ARR) as on 31 March 2018 (Y3) [(4)+ (6)]			62,641.45	
(8).	Indexation in the ARR @ 100% of the WPI applicable for the year 2018-19 (Y4) i.e. @ 3.45% (Sl. No.7*1.0345)			64,802.58	
(9).	Ceiling Indexed Annual Revenue Requirement (ARR)			64,802.58	
(10).	Revenue Estimation at the Proposed indexed SOR within the Ceiling indexed ARR estimated at Sl No. 9 above	As per Form 3 & Note 5		60,385.11	

Notes:

- (1) Comprises Estate related expenses as per Annual Accounts and Warehousing related expenses under Cargo related activity as per Cost sheet.
- (2) Wage Revision Arrears of Rs.3400.00 lakhs reported in Annual Accounts for the year 2017-18 represents provision for the year 2017-18 towards increase in Pension due to consolidation of pension w.e.f. 1.1.2017 and it does not include arrears payment.
- (3) These expenses have been amortized over 5 years. Since the figures reflected in the Audited Annual Accounts is 1/5 of the actual expenses, no adjustment has been made.
- (4) Contribution to Superannuation Funds included under FME of Estate Activity, which averages around 7% of total FME has been excluded from the total actual contribution during the respective years.
- (5) Management & General Overheads relating to Estate has been excluded from the total Management & General Overheads during the respective years.
- (6) Return on Capital Employed (RoCE) has been calculated @ 8% instead of 16% as prescribed in TAMP Guidelines. Even at 8% RoCE, the Port is unable to achieve the ARR.

CERTIFICATE

It is certified that the information furnished in the above statement for determination of the Annual Revenue Requirement has been verified with reference to the Audited Annual Accounts of the respective years of the Port Trust and found to be in order.

<p style="text-align: center;">SD/-</p> <p style="text-align: center;">-----</p> <p>ADVISER & CHIEF ACCOUNTS OFFICER CHENNAI PORT TRUST</p> <p>Date 25 Jun 2019 Place Chennai</p>	<p>FINANCIAL</p> <p>-----</p>	<p style="text-align: center;">SD/-</p> <p style="text-align: center;">-----</p> <p>For GOPALSWAMY & Co. CHARTERED ACCOUNTANTS</p> <p>Date 25 Jun 2019 Place Chennai</p>
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