

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:4880
ANSWERED ON:23.04.2015
KANDLA PORT TRUST
Chavda Shri Vinod

Will the Minister of SHIPPING be pleased to state:

- (a) whether any unauthorised occupation/construction and salt making has been reported for the Kandla Port Trust land and if so, the steps taken in this regard;
- (b) whether the Government has received any complaint regarding over-valuation of plots or change in rules and if so, the details thereof;
- (c) the guidelines prepared for valuation of allotment contracts for plots of Kandla Port for producing salt;
- (d) whether e-Auction system has been introduced for the land under the jurisdiction of Kandla port where the salt is produced and if so, the benefits of the said system; and
- (e) whether complaints have been received from local traders in this regard and if so, the action taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI PON. RADHAKRISHNAN)

(a)&(b): There was unauthorized occupation/ encroachment on salt land which has since been removed and all salt lands are now free from any encroachment. There have been litigations challenging the Tariff Orders issued by Tariff Authority for Major Ports (TAMP) fixing the lease rentals for salt lands. Subsequently, the Tariff Orders issued by TAMP have been upheld by the Hon'ble High Court of Gujarat.

(c)to(e): Some representations have been received regarding the lease rentals proposed by Kandla Port for the salt lands claiming that the proposed rates are disproportionate and exorbitant. However, the Land Policy Guidelines 2014 provide that, land shall be leased through tender -cum -auction method through competitive bidding process over the reserve price of such plots which shall be worked out by the Land Allotment Committee of the Port and approved by the Port Trust Board and by Tariff Authority for Major Ports (TAMP). Therefore, representations have been disposed of keeping in view the Land Policy Guidelines, 2014.

The Land Allotment Committee may normally take into account the highest of the values mentioned below:-

- i. State Government's ready reckoner of land values in the area.
- ii. Highest rate of actual relevant transactions registered in last three years in the Port's vicinity with an appropriate annual escalation rate to be approved by the Port Trust Board.
- iii. Highest accepted tender-cum-auction rate of Port land for similar transactions, updated on the basis of the annual escalation rate approved by the Port Trust Board.
- iv. Rate arrived at by an approved valuer appointed for the purpose by the Port.
- v. Any other relevant factor as may be identified by the Port.

Kandla Port Trust had proposed the lease rentals as per the above guidelines and the proposal has been approved by TAMP.

During tender cum auction, e-auction system is adopted by the Major Ports to finalise the successful bidder.