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TARIFF AUTHORITY FOR MAJOR PORTS

G.No.268

New Delhi

28 June 2016

NOTIFICATION

In exercise of the powers conferred under Sections 48, 49 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby extends the validity of the existing Scale of Rates of the Chennai Port Trust as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No.TAMP/11/2013-CHPT

QUORUM

- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. Rajat Sachar, Member (Economic)

ORDER

(Passed on this 21st day of June 2016)

This Order relates to the extension of the validity of the existing Scale of Rates of the Chennai Port Trust (CHPT).

2. The existing Scale of Rates (SOR) of the CHPT was last approved by this Authority vide Order No. TAMP/11/2013-CHPT dated 4 August 2014 which was notified in the Gazette of India on 17 September 2014. The Order prescribed the validity of the SOR till 31 March 2016.

3. Based on the request made by CHPT vide its letter of December 2015, this Authority had extended the validity of SOR of CHPT upto 30 June 2016 vide Order No. TAMP/11/2013-CHPT Dated 30 March 2016 which was notified in the Gazette of India on 25 April 2016 vide Gazette No. 150.

4. The CHPT has filed its proposal following the Tariff Policy and working guidelines 2015, vide its letter No. A.O. (SOR)/10611/2015/FR dated 4 April 2016 and it is under process as per the usual consultation procedure following the new Tariff Policy and Working Guidelines, 2015

5. The MOS vide its letter dated 17 September 2015 had issued a direction to this Authority partially modifying the coastal concession policy issued by the (then) MSRTH in January 2005. As per the letter dated 17 September 2015 of the MOS, vessel related charges and container related charges for coastal vessels and coastal containers should take into account the exchange rate fluctuation of Indian Rupee vis-à-vis the US \$ so that vessel related charges for all coastal vessels and the container related charges for all coastal containers should not exceed 60% of the corresponding charges. This direction of the MOS was communicated by this Authority by passing an Order dated 5 October 2015. However, the MOS vide its subsequent letter dated 11 May 2016 has directed to keep its earlier direction dated 17 September 2015 in abeyance. Therefore, this Authority has passed an Order dated 19 May 2016 to keep its Order dated 5 October 2015 also in abeyance.

6.1. In this connection, the CHPT vide its e-mail dated 24 May 2016 has stated that while submitting its general revision proposal in April 2016, the income estimation from coastal vessels has been calculated based on the Order dated 5 October 2015 passed by this Authority and requested us to confirm whether the general revision proposal submitted by it on 04 April 2016 needs to be modified, based on the temporary abeyance Order of this Authority dated 5 October 2015 or whether to wait for further orders from this Authority.

6.2. In this context, we have vide our letter dated 25 May 2016 advised the CHPT to review its proposal based on the Order dated 19 May 2016 of this Authority and file its revised proposal immediately following the Tariff Policy, 2015 and Working Guidelines.

7.1. Now, the CHPT vide its letter dated 15 June 2016 has made the following submissions :

- (i). The proposal dated 4.4.2016 for General revision of Scale of Rates has been placed before the Board Trustees of Chennai Port Trust in the meeting held on 27.5.2016. The Board vide B.R.No.29 dated 27.5.2016 has ratified the proposal sent to TAMP on 4.4.16 and also approved to modify the proposal based on TAMP orders / users comments.

- (ii). Action is being taken to revise the proposal as per TAMP order and Board directions. Considering that there will be revenue reduction on account of restoring old practice of levy of vessel related charges for coastal vessels and also taking into consideration comments received from the users, the proposal is being reviewed and the revised proposal will be submitted on or before 30.6.2016.
- (iii). Further, since the validity of the existing Scale of Rates is expiring on 30.6.2016, TAMP is requested to extend the validity of the existing Scale of Rates upto 30.9.2016 or till the implementation of the revised Scale of Rates, whichever is earlier.

8. In view of the above submissions made by the CHPT and considering that the revised proposal to be filed by CHPT may have to be scrutinized and it would take some more time after the receipt of proposal from the CHPT, for the case to mature for final disposal and recognizing that the extended validity of the existing SOR of CHPT expires on 30 June 2016, this Authority extends the validity of the existing SOR of CHPT beyond 30 June 2016 for another period of three months i.e. up to 30 September 2016 or till the effective date of implementation of the revised SOR, whichever is earlier. The CHPT is advised to file its proposal positively by 30 June 2016, as agreed by it.

(T.S. Balasubramanian)
Member (Finance)