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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 22

New Delhi,

18 January 2017

NOTIFICATION

In exercise of the powers conferred by Section 48 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 Bharat Petroleum Corporation Limited in the Jawaharlal Nehru Port Trust as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/68/2012-BPCL

The Bharat Petroleum Corporation Limited

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Applicant

QUORUM

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

ORDER

(Passed on this 4th day of January 2017)

This case relates to the extension of the validity of the existing Scale of Rates of the Bharat Petroleum Corporation Limited (BPCL) in the Jawaharlal Nehru Port Trust (JNPT).

2. The existing Scale of Rates (SOR) of BPCL was last approved by this Authority vide Order No. TAMP/68/2012-BPCL dated 4 August 2014. This Order was notified in the Gazette of India on 19 August 2014. The said Order prescribed a tariff validity till 31 March 2016.

3. The validity of the SOR of BPCL was extended at the request of the BPCL vide Order dated 21 June 2016 and 25 October 2016, the last extension being till 31 December 2016 for the reasons stated in the respective Orders.

4. In this backdrop, now, the BPCL vide its letter no. BPCL/JNP/OPS dated 20 December 2016 has requested to grant extension of validity of rates till 31 March 2017 on the following grounds:

- (i). It is understood that the new tariff would not be approved, till about mid or end February' 2017. It is imperative that invoices be prepared for all vessels berthed and cargo unloaded/loaded from this jetty/ location.
- (ii). All our invoicing is done through SAP. Invoices cannot be prepared back dated as the system does not accept such invoicing.
- (iii). The rate for wharfage charges and different services needs to be updated individually in SAP.
- (iv). Above all, approval has to be sought from finance for updating these rates, without which ERP will not update the rates.

5. The BPCL vide its letter dated 29 July 2016 has filed a proposal for general revision of its Scale of Rates (SOR). The proposal has been taken up on consultation. A Joint hearing on the case in reference was also held on 10 October 2016. Additional information/ clarification arising from the BPCL proposal was sought from BPCL and the BPCL has responded vide its letters dated 27 October 2016, 28 November 2016 and 5 December 2016. The submissions of BPCL are under scrutiny to finalise the case.

6. Based on the request made by BPCL for the reasons cited by it and considering that it may take some more time to finalise the case and for the new rates to

come into effect, this Authority is inclined to extend the validity of the existing SOR of BPCL upto 31 March 2017 or till the effective date of implementation of the revised SOR, whichever is earlier.

7. If any additional surplus over and above the admissible cost and permissible return emerges for the period post 1 April 2016, during the review of its performance, such additional surplus will be set off fully in the tariff to be determined.

(T.S. Balasubramanian)
Member (Finance)