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TARIFF AUTHORITY FOR MAJOR PORTS

G No. 242

New Delhi,

19 August 2014

NOTIFICATION

In exercise of the powers conferred under Sections 48 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby notifies the revised Scale of Rates disposing of the proposal of the Bharat Petroleum Corporation Limited for general revision of its Scale of Rates as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

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

Bharat Petroleum Corporation Limited

- - -

Applicant

QUORUM

- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. Chandra Bhan Singh, Member (Economic)

ORDER

(Passed on this 4th day of August 2014)

This case relates to the proposal received from the Bharat Petroleum Corporation Limited (BPCL) for general revision of its Scale of Rates (SOR).

2. The BPCL has filed a proposal dated 16 October 2012 and 18 February 2013 for general revision of its Scale of Rates. The said proposal was taken on consultation with the Licensor port viz., Jawaharlal Nehru Port Trust (JNPT) and concerned users/ user organisations at the BPCL. The comments furnished by the users/ user organisations were forwarded to the BPCL as feedback information. The BPCL has responded to the comments of the users/ user organisations. The proposal of the BPCL was internally scrutinized in the office. The additional information/ clarifications were sought from the BPCL. The BPCL has responded to the additional information/ clarifications sought. While responding to our queries, the BPCL has furnished the revised cost statements. A joint hearing in this case was held on 30 August 2013 at the Office of this Authority. At the joint hearing, the BPCL, JNPT and the concerned users/ organisation bodies have made their submissions.

3. With reference to the totality of information collected during the processing of the case, this Authority has passed a speaking Order disposing of the proposal filed by the BPCL for general revision of its Scale of Rates. Considering the deficit position depicted by the cost statements for a period of 1 ½ years from 01 October 2014 to 31 March 2016, this Authority has accorded approval for an across the board increase of 43% in the existing Scale of Rates of BPCL.

4. The Order passed by this Authority is in the process of notification in the Gazette of India and it is likely to take some more time for notification. Since the tariff increase granted is based on the financial/ cost position of the BPCL for the period of 18 months from 01 October 2014 to 31 March 2016, this Authority desires that the revised Scale of Rates may come into force without waiting for notification of the Order. Therefore, this Authority notifies the revised Scale of Rates of the BPCL immediately which is attached as **Annex**. The revised Scale of Rates will come into force after expiry of 30 days from the date of notification but not before 1 October 2014. The Order passed by this Authority will be notified separately and communicated to the BPCL, JNPT and the relevant users/ user organisations in due course of time.

(T.S. Balasubramanian)
Member (Finance)

BPCL- IOCL LIQUID CARGO JETTY
JN-PORT, SHEVA, NAVI MUMBAI

SCALE OF RATES

CHAPTER - I

1.1. Definitions

In this Scale of Rates, unless the context otherwise requires, the following definitions shall apply:

- (i). **“Coastal vessel”** shall mean any vessel exclusively employed in trading between any port or place in India to any other port or place in India having a valid coastal licence issued by the competent authority.
- (ii). **“Foreign-going vessel”** shall mean any vessel other than Coastal vessel.
- (iii). **“Hazardous Chemicals”** mean and include the chemicals referred under Schedule I, Schedule II and Schedule III of Manufacture, Storage and import of Hazardous Chemicals Rules, 1989 framed under Environment (Protection) Act, 1986 and Rules, as applicable from time to time.
- (iv). **“Marine Loading Arm”** means by which liquid cargo is loaded to/ discharged from vessel used for petroleum products.
- (v). **“Vaporizer”** means by which liquid nitrogen is vaporized for use of pigging of dock lines after completion of cargo operation of class hazardous chemicals.
- (vi). **“Wharf Management”** means various services provided by BPCL – IOCL liquid cargo jetty during the cargo operation of vessel at the jetty.
- (vii). **“Compressor”** means equipment by which compressed air is supplied for pigging of dock lines after completion of cargo operation of vessel at jetty.
- (viii). **“Pigging”** means clearing/ emptying/ cleaning of dock lines before/after cargo operation using compressed air/ nitrogen/ water.

1.2. GENERAL TERMS & CONDITIONS

- (i).
 - (a). A foreign going vessel of Indian Flag having a General Trading Licence can convert to Coastal run on the basis of a Customs Conversion Order.
 - (b). A foreign going vessel of Foreign Flag can convert to coastal run on the basis of a Coastal Voyage Licence issued by the Director General of Shipping.
 - (c). In cases of such conversion, coastal rates shall be chargeable by the load port from the time the vessel starts loading coastal goods.
 - (d). In cases of such conversion coastal rates shall be chargeable only till the vessel completes coastal cargo discharging operations; immediately thereafter, foreign-going rates shall be chargeable by the discharge ports.
 - (e). For dedicated Indian coastal vessels having a Coastal Licence from the Director General of Shipping, no other document will be required to be entitled to Coastal rates.
- (ii). The status of the vessel, as borne out by its certification by the Customs or the Director General of Shipping, shall be the deciding factor for classifying into ‘coastal’ or ‘foreign-

going' category for the purpose of levying vessel related charges; and, the nature of cargo or its origin will not be of any relevance for this purpose.

- (iii).
 - (a). All dollar denominated tariff shall be recovered in Indian rupees after conversion of US currency to its equivalent Indian rupees at the market-buying rate notified by the Reserve Bank of India, State Bank of India or its associates or any public sector banks as may be notified from time to time.
 - (b). The date of entry of the vessel into the port limit shall be reckoned with as the day for such conversion.
 - (c). A regular review of exchange rate shall be made once in thirty days from date of arrival of the vessels in cases of vessels staying in the Port for more than thirty days. In such cases the basis of billing shall change prospectively with reference to the appropriate exchange rate prevailing at the time of review.
- (iv). For the purpose of calculating the dues the unit by weight shall be 1 tonne or 1,000 kilograms, the unit by volume measurement shall be 1 cubic metre and the unit by capacity measurement for liquids in bulk shall be 1,000 litres.
- (v).
 - (a). The Vessel related charges for all Coastal vessels should not exceed 60% of the corresponding charges for other vessels.
 - (b). The cargo related charges for all Coastal cargo, other than POL including crude oil, should not exceed 60% of the normal cargo related charges.
 - (c). In case of cargo related charges, the concessional rates should be levied on all the relevant handling charges for ship-shore transfer and transfer from / to quay to/ from storage area including wharfage.
 - (d). For the purpose of this concession, cargo from a foreign port which reaches an Indian Port 'A' for subsequent transshipment to Indian Port 'B' will also qualify insofar as the charges relevant for its coastal voyage. In other words, cargo from/to Indian Ports carried by vessels permitted to undertake coastal voyage will qualify for the concession.
 - (e). The charges for coastal cargo shall be denominated and collected in Indian Rupee.
- (vi). Interest on delayed payments / refunds:
 - (a). The user shall pay penal interest on delayed payments under this Scale of Rates. Likewise, the BPCL-IOCL liquid Cargo Jetty shall pay penal interest on delayed refunds.
 - (b). The rate of penal interest will be 16.75%. The penal interest rate will apply to both the BPCL-IOCL liquid Cargo Jetty and the port users equally.
 - (c). The delay in refunds will be counted only 20 days from the date of completion of services or on production of all the documents required from the users, whichever is later.
 - (d). The delay in payments by the users will be counted only 10 days after the date of raising the bills by the BPCL-IOCL liquid Cargo Jetty. This provision shall, however, not apply to the cases where payment is to be made before availing the services / use of the BPCL-IOCL liquid Cargo Jetty's properties as stipulated in the Major Port Trust Act and / or where payment of charges in advance is prescribed as a condition in this Scale of Rates.

- (vii). All charges worked out shall be rounded off to the next higher rupee on the grand total of each bill.
- (viii). In calculating the gross weight or measurement by volume or capacity of any individual item, fractions upto 0.5 shall be taken as 0.5 unit and fractions of 0.5 and above shall be treated as one unit, except where otherwise specified.
- (ix). The users will not be required to pay charges for delays beyond a reasonable level attributable to the BPCL-IOCL liquid Cargo Jetty.
- (x). In case a vessel idles due to non-availability or breakdown of the shore based facilities of the BPCL-IOCL liquid Cargo Jetty or any other reasons attributable to the BPCL-IOCL liquid Cargo Jetty, rebate equivalent to berth hire charges payable to JNPT accrued during the period of idling of vessel shall be allowed by the BPCL-IOCL liquid Cargo Jetty.
- (xi). (a). Wherever a specific tariff for a service/cargo is not available in the notified Scale of Rates, the BPCL-IOCL liquid Cargo Jetty can submit a suitable proposal to the TAMP.
- (b). simultaneously with the submission of proposal, the proposed rate can be levied on an ad hoc basis till the rate is finally notified.
- (c). The ad hoc rate to be operated in the interim period must be derived based on existing notified tariffs for comparable services/ cargo; and, it must be mutually agreed upon by the BPCL-IOCL liquid Cargo Jetty and the concerned user(s).
- (d). The final rate fixed by the TAMP will ordinarily be effective only prospectively. The interim rate adopted in an ad hoc manner will be recognised as such unless it is found to be excessive requiring some moderation retrospectively.

CHAPTER-II WHARFAGE CHARGES

Sr. No.	Tariff category	Foreign rate per metric tonne (in ₹)	Coastal rate per metric tonne (in ₹)
2.1. PETROLEUM PRODUCTS:			
(1)	Sko, LDO	45.35	45.35
(2)	HSD,FO, Base Oil, CBFS, AHE	70.08	70.08
(3)	Naphtha, MS	111.31	111.31
(4)	AFS	140.17	140.17
(5)	Crude Oil	61.85	61.85
2.2. CHEMICALS:			
(1)	MEG, Styrene, Butyl Acrylate, Crude Glycol, LAB, Xylene	140.17	84.10
(2)	Unenumerated chemicals	173.16	103.89
2.3. OTHER LIQUID CARGO:			
(1)	Edible Oil	74.22	44.53
(2)	Acid	140.17	84.10
(3)	Molasses	57.71	34.63

NOTES:

- (a) BPCL-IOCL liquid cargo jetty will provide only wharf facilities. Pumping in/out through pipelines shall be arranged by importers/exporters through tank farm operators registered with the JNPT.
- (b) Handling of liquid bulk cargo will normally be permitted through pipelines only.

- (c) Assessment of cargo shall be done on the basis of the description of the cargo as given in the bill of entry/coastal bill of lading in case of import cargo and shipping bill in the case of export cargo, that best fits the item description covered under the schedule.
- (d) Before classifying any cargo under unspecified category in the wharfage schedule, the relevant Customs classification shall be referred to find out whether the cargo can be classified under any of the specific categories mentioned in the schedules.
- (e) Wharfage dues shall be collected at the rates specified in the schedule on the basis of the manifested tonnage/measurement or volume of cargo given in the bill of entry/bill of lading/ coastal bill of lading in the case of import cargo and shipping bill/ bill of coastal goods in the case of export cargo.
- (f) The gross tonnage/measurement shall be reckoned with as specified in the related document such as out-turn report / intake certificate duly signed by central excise/ ullage certificate issued by ship's surveyor. In the absence of these details, the tonnage/measurement arrived at by actual test check by the BPCL-IOCL Liquid cargo jetty administration shall be taken as gross tonnage/measurement.
- (g) Requests for amendments in the import or export application or import general manifest or delivery order shall be accompanied by certificate duly signed by central excise/customs.

CHAPTER-III
MISCELLANEOUS CHARGES

Sr. No.	Particulars	Unit	Foreign rate	Coastal rate
3.1.	Wharfage Management charges –for the use of loading arm/ intermediate pipeline	per MT	₹ 8.81	₹ 5.28
3.2.	Loading Arm charges –for the use of the loading arm while handling petroleum cargo at the jetty.	per MT	₹ 9.78	₹ 5.86
3.3.	Pipeline charges - for the use of BPCL-IOCL Liquid Cargo Jetty's cross country pipeline.	per MT	₹ 53.75	₹ 32.25
3.4.	Compressor charges - for the use of BPCL-IOCL Liquid Cargo Jetty's compressor for pipeline blowing/ pigging operation	per hour	₹ 5375.37	₹ 3225.22
3.5.	Hard pigging charges - for the use of hard pig for pigging operation incase BPCL-IOCL Liquid Cargo Jetty's pipeline is used	per operation	₹ 38702.66	₹ 23221.60
3.6.	Foam pigging charges - for the use of foam pig for pigging operation incase BPCL-IOCL Liquid Cargo Jetty's pipeline is used	per operation	₹ 25801.78	₹ 15481.07
3.7.	Liquid nitrogen charges - for purchase of nitrogen for pigging operation incase of imports/ exports of class 'A' product.	per MT	₹ 43002.96	₹ 25801.78
3.8.	BPC vaporizer charges - for the use of BPCL-IOCL Liquid Cargo Jetty's nitrogen vaporizer	per operation	₹ 16126.11	₹ 9675.67
3.9.	Bunkering charges –for handling bunker fuel at the jetty.	per MT	₹ 42.90	₹ 25.74
3.10.	Water charges –for supply of fresh water to vessels.	per MT	\$5.14	₹ 124.60
3.11.	Charges for vessel overstay - due to user's fault beyond 2 hours after completion of operation	per hour	₹ 42900.00	₹ 25740.00
