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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 219

New Delhi,

9 June 2015

NOTIFICATION

In exercise of the powers conferred under Section 48 and 49 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby amends the Note no. 9 under Section 2.16 – Port Dues in the Scale of Rates of Mumbai Port Trust with regard to proposal received from Mumbai Port Trust, as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/23/2013-MBPT

Mumbai Port Trust

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Applicant

QUORUM

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

ORDER

(Passed on this 15th day of May 2015)

This Authority has passed an Order dated 2 January 2015, notifying the Scale of Rates in case No.TAMP/23/2013-MBPT relating to the proposal received from the Mumbai Port Trust (MBPT) for general revision of its Scale of Rates (SOR). This Order has been notified in the Gazette of India Extraordinary (Part III Section 4) on 19 January 2015 vide Gazette No.19. The revised Scale of Rates has been communicated to the MBPT and the concerned users vide our letter dated 20 January 2015.

2. In this backdrop, the MBPT vide its letter dated 01 April 2015 has, interalia, made the following submission:

- (i). The MBPT vide its letter No. FA/ACC/201/10196 dated 11 November 2014, a copy of TR No. 130 of 5 September 2014 had requested TAMP to delete the note at Sr. No. 9 under section 2.16 port dues, chapter II, vessel related charges of proposed SOR (forwarded to TAMP on 20 June 2013) and replace the same by revised proposed notes at Sr. No. 9.
- (ii). It is seen that the said amendments is not approved in the revised SOR. Justification for exclusion of the same is also not given in the detailed Order. The position may be clarified.

3.1. With regard to the submissions made by MBPT as brought out above, the matter has been examined and analysed with reference to the submissions made by the MBPT during the proceedings relating to its general revision of its Scale of Rates.

3.2. The Note no. 9 under Section 2.16 – Port Dues in the existing Scale of Rates of MBPT is reproduced below:

“No port dues shall be levied on the vessels re-entering the port after being forced to go out of the port limits before completing its discharge / loading, when naval exercise is undertaken.”

3.3. In its initial proposal of August 2013 as well as in the revised proposal of September 2014, the MBPT in its then proposed draft Scale of Rates had not proposed to make any changes in the above mentioned note and had, thus, proposed to retain the above mentioned note.

3.4. However, subsequently, the MBPT vide its letter dated 11 November 2014 had, interalia, made the following submissions:

- (a). Board of Trustees vide TR No.130 of 05.09.2014 has accorded sanction for proposal for amending the provision in Scale of Rates for recovery of re-entry of Port dues where the vessels are required to move out for reasons not attributable to the vessel agents and vessels. A Copy of the Board Resolution has been furnished by the Port.

- (b). The note at Sr.No.9 under Section 2.16 Port Dues, Chapter II, Vessel Related Charges of proposed SOR, forwarded to TAMP on 20.07.2013 for approval may be deleted and replace the same with the following:

“No port dues shall be levied on the vessels re-entering the port after being forced to move out of the port limits before completing its discharge/ loading operation and in the same voyage when,

- (a). If the Naval exercise is undertaken i.e. for safety consideration and vessel is shifted to outer anchorage.
- (b). If the Vessel is shifted to outer anchorage to accommodate another passenger vessel.
- (c). No suitable deep draft anchorage is available for the vessel after entering the port and forced to go to at outer anchorage.
- (d). If the vessel was forced to move out due to dredging work carried out at respective berth or channel.
- (e). If the Vessel is moved to outer anchorage due to operational difficulties such as non-availability of MBPT floating crafts required for shipping operation or change of tide or non-functioning of lock gates etc.
- (f). If the Vessel is shifted to outer anchorage as deep draft anchorage was not available.
- (g). Any other operational reasons for safety consideration which are not attributable to the vessel.”

3.5. However, this aspect was inadvertently not dealt with in the general revision proposal of MBPT.

4.1. From the copy of the Board Note furnished by the MBPT, it is seen that based on the objections raised by the Mumbai and Nhava Sheva Ship Agents Association (MANSA) before the MBPT, a proposal was placed by MBPT before its Board to amend the provisions of SOR as regards norms for recovery of Port Dues on re-entry of vessel in such a way that additional port dues are not recovered in all cases where the vessels were required to be moved out for reasons not attributable to the vessel agent and vessel. The Board is seen to have accorded approval to the above mentioned modification, so as to grant exemption from port dues for re-entry of vessels moved out of the port limits for port's convenience.

4.2 The proposed modification gives clarity in the levy of port dues incase of re-entry of vessels. The proposed modification would be in the interest of the trade. In view of this position and based on the justification furnished by the MBPT, this Authority is inclined to approve the modification to the Note no. 9 under Section 2.16 – Port Dues, as proposed by the MBPT.

5. In the result, and for the reasons given above, and based on a collective application of mind, this Authority accords approval to replace the existing note no. 9 under Section 2.16 – Port Dues in the existing Scale of Rates of MBPT with the following note:

- “9. No port dues shall be levied on the vessels re-entering the port after being forced to move out of the port limits before completing its discharge/ loading operation and in the same voyage when,
- (a). If the Naval exercise is undertaken i.e. for safety consideration and vessel is shifted to outer anchorage.
 - (b). If the Vessel is shifted to outer anchorage to accommodate another passenger vessel.

- (c). No suitable deep draft anchorage is available for the vessel after entering the port and forced to go to at outer anchorage.
- (d). If the vessel was forced to move out due to dredging work carried out at respective berth or channel.
- (e). If the Vessel is moved to outer anchorage due to operational difficulties such as non-availability of MBPT floating crafts required for shipping operation or change of tide or non-functioning of lock gates etc.
- (f). If the Vessel is shifted to outer anchorage as deep draft anchorage was not available.
- (g). Any other operational reasons for safety consideration which are not attributable to the vessel.”

(T.S. Balasubramanian)
Member (Finance)