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TARIFF AUTHORITY FOR MAJOR PORTS

G. No. 208

New Delhi

4 June 2015

NOTIFICATION

In exercise of the powers conferred under Section 48 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the proposal of the Paradip Port Trust (PPT) for fixation of cargo handling charge for use of transhipper assets provided by licensee at Paradip Port Anchorage, as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/46/2014 – PPT

The Paradip 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 case relates to a proposal received from the Paradip Port Trust (PPT) for fixation of cargo handling charge for use of transhipper assets provided by licensee at Paradip Port Anchorage.

2.1. The PPT vide its letter dated 11 September 2014 has submitted its proposal for fixation of cargo handling charge for use of transhipper assets provided by licensee at Paradip Port Anchorage. The proposal was registered as a tariff case and processed by following the usual consultation procedure prescribed. The proposal was scrutinized and additional information and clarification were sought from PPT vide our letter dated 10 December 2014. As a part of consultation procedure, a joint hearing in this case in reference was held on 15 December 2014 at the PPT premises.

2.2. During the discussion that took place during the joint hearing, it emerged that the PPT may have to further fine tune its proposal with regard to the type of assets envisaged to be deployed to carry out the operations and the cost of the transhipper. The PPT had also agreed to examine and propose performance linked tariff. In this context, the PPT agreed to review its proposal in consultation with stakeholders. Accordingly, at the request of PPT, the PPT was given two weeks' time to review and furnish its revised proposal. The above position was communicated to the PPT vide our letter dated 19 December 2014.

2.3. In response, the PPT vide its email dated 26 December 2014 made a request to allow them 15 day's time to submit their revised proposal, as it required consultation with Stakeholders. The request made by PPT was acceded to and the PPT was given time upto 12 January 2015 to file its revised proposal. This position was communicated to the PPT vide our letter dated 30 December 2014.

2.4. Thereafter, the PPT vide its letter dated 20 January 2015 requested to keep its subject proposal in abeyance till its further communication on the ground that the revised modalities for selection of licensee and fixation of tariff has not yet been approved in-principle.

2.5. When we did not hear from PPT subsequently, we have vide our letter dated 04 March 2015 requested the PPT to communicate the present status of formulation of its revised proposal. The PPT was also requested to indicate a date by which it envisaged the submission of its revised proposal.

3. In this regard, the PPT vide its letter dated 21 March 2015 has made the following submissions:

- (i). An exclusive berth is required for berthing of daughter vessels in the proposed lighterage operation through transhipper assets without which the proposition may not be economically viable.
- (ii). Since PPT has no spare berth and since occupancy of all berths is more than 90% at present, the proposal for lighterage operation in Port anchorage has been kept on hold for time being.

- (iii). Therefore, the PPT proposal for fixation of cargo handling charges for use of transhipper assets provided by the licensee at Paradip Port Anchorage may not be taken up.
4. In view of the difficulties expressed by the PPT to go ahead with the proposal, the case in reference is closed as withdrawn. The revised proposal will be processed afresh, when filed by the PPT.
5. In the result, and for the reasons given above this Authority decides to close this case as withdrawn.

(T.S. Balasubramanian)
Member (Finance)