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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 47 New Delhi, 10 February 2015

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 Paradip Port Trust as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports

Case No.TAMP/62/2009-PPT

QUORUM

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

O R D E R

(Passed on this 2nd day of January 2015)

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

2. The existing Scale of Rates (SOR) of the PPT was last approved by this Authority vide Order No. TAMP/62/2009-PPT dated 25 March 2011 which was notified in the Gazette of India on 23 May 2011. The Order prescribed the validity of the SOR till 31 March 2013. This Authority has extended the validity of SOR of PPT on couple of occasions; the last extension being till 31 December 2014 vide Order dated 30 September 2014.

3. The PPT has filed its proposal for revision of the existing SOR on 27 August 2012 which was registered as tariff case and taken on consultation. The proposal has been internally scrutinized and joint hearing in this case was held on 25 February 2013.

4.1. When the case was being firmed up for final consideration of this Authority, the PPT, vide its communication dated 30 October 2013, submitted that the financial year 2012-13 was already over and the actual figures for the year 2012-13 are available which may have to be considered since the cargo mix estimated to be handled has undergone a change and the oil cargo has increased substantially. Moreover, due to severe cyclone on 12 October 2013, port has suffered damages to its properties which is estimated to be around ₹82.71 crores. The PPT has stated that if its request to Government of India for a grant to restore the damages caused is not considered, the PPT will have to meet the restoration cost from its internal resources which will affect its internal resources.

4.2. In view of the above position, the PPT had sought three months' time to submit a revised proposal for general revision of its SOR. For the reasons stated by PPT, the port was allowed time till 31 January 2014 to file its revised proposal. Since the proposal was not received, the PPT was reminded to file its revised proposal vide our letter dated 17 February 2014. Correspondence were exchanged with PPT advising port to file its revised proposal. While extending the validity of the existing SOR till 30 September 2014, the PPT was again advised to file its revised proposal by 31 August 2014 under the applicable tariff guidelines of 2005. The revised proposal from PPT is still awaited. The PPT is, therefore, advised to file its revised proposal following applicable tariff guidelines.

5. In the meantime, the extended validity of the existing SOR of PPT expired on 31 December 2014. Recognising that the PPT is yet to file its revised proposal and it will take time for the case to mature for final consideration after receipt of the revised proposal (to be) filed by the PPT, this Authority extends the validity of the existing SOR of the PPT from the date of its expiry till 31 March 2015 or till the effective date of implementation of the revised Scale of Rates, whichever is earlier.

6. If any additional surplus over and above the admissible cost and permissible return accrues to the PPT post 1 April 2013, during the review of its performance, such additional surplus will be fully adjusted in the tariff to be fixed for the next cycle.

(T.S. Balasubramanian)
Member (Finance)