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Tariff Authority for Major Ports

G.No.395 **New Delhi,** **8 December 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 Visakhapatnam Port Trust as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports

Case No.TAMP/13/2009-VPT

The Visakhapatnam Port Trust ------ Applicant

O R D E R

(Passed on this 17th day of November 2015)

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

2. The existing Scale of Rates (SOR) of the VPT was last approved by this Authority vide Order No. TAMP/13/2009-VPT dated 18 February 2011 which was notified in the Gazette of India on 31 March 2011. The Order prescribed the validity of the SOR till 31 March 2013. This Authority has extended the validity of existing SOR of VPT on couple of occasions; the last extension being till 30 September 2015 vide Order dated 28 April 2015.

3.1. The proposal filed by the VPT vide its letters dated 8 February 2013 along with its letter dated 22 March 2013 under the tariff guidelines of 2005 was taken on consultation with the concerned users / user associations.

4.1. In the meantime, the Ministry of Shipping (MOS), vide its letter No. 8(1)/2014-TAMP dated 13 January 2015 issued the new “Policy for determination of Tariff for Major Port Trusts, 2015” which was notified in the Gazette of India vide Gazette No. 30 dated 27 January 2015 by this Authority. The new “Policy for determination of Tariff for Major Port Trusts, 2015” has come into effect from 13 January 2015.

4.2. The tariff fixation process envisaged in the new Tariff Policy of 2015 for Major Port Trust by MOS, is significantly different from the tariff fixation method stipulated in the Tariff Guidelines of 2005. Hence, the proposal filed by VPT could not be processed under 2005 guidelines. In view of this, this Authority vide its Order dated 13 February 2015 had closed the VPT proposal for general revision of its Scale of Rates. The VPT has been advised to file a revised proposal in accordance with the new Tariff policy of 2015 announced by the MOS.

5. As per Clause 1.5 of Tariff Policy, 2015, this Authority has notified the working guidelines to operationalise the Tariff Policy, 2015 in consultation with all Major Port Trusts in the Gazette of India on 4 June 2015 vide Gazette No.207. Further, the VPT is yet to file its proposal following new Tariff Policy, 2015. The proposal when received from the VPT will have to be processed following the new Tariff Policy, 2015.

6.1. Since, the extended validity of the existing SOR of VPT, was to expire on 30 September 2015, the VPT vide its letter dated 28 September 2015 has stated that preparation of final accounts for 2014-15 was completed and submitted to Audit for its Report. As the audit report for the year 2014-15 is yet to be received from C&AG, preparation of the SOR proposal in accordance with new Tariff Policy, 2015 may take some more time. In view of this, the VPT has requested to grant time upto 31 December 2015 to file the SOR revision proposal or till the date of finalisation of SOR, whichever is earlier.

6.2. In view of the request made by the VPT, this Authority extends the validity of the existing SOR of VPT from the date of its expiry till 31 March 2016 or till the effective date of implementation of the revised Scale of Rates, whichever is earlier. As regards License (Storage) fee for open space prescribed at Sl. No. 2, under section 6 – charges for License (Storage) fee in the existing Scale of Rates, this Authority extends the validity of this tariff item till revised license fee being approved by this Authority in a separate Order based on the separate proposal of VPT comes into effect.

6.3. In view of the submission made by the VPT, this Authority grants time till 31 December 2015 to VPT to file its proposal for revision of its SOR. The VPT is advised to file its proposal within the extended time limit without fail.

6.4. The treatment of additional surplus, if any, accruing to the VPT for the period beyond 1 April 2013 will be governed by the new Tariff Policy for Major Port Trusts, 2015.

(T.S. Balasubramanian)
Member (Finance)