

(Published in Part - III Section 4 of the Gazette of India, Extraordinary)
TARIFF AUTHORITY FOR MAJOR PORTS

G.No.146

New Delhi,

5 May 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

QUORUM

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

ORDER

(Passed on this 28th day of April 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 31 March 2015 vide Order dated 2 January 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. Joint hearing on the proposal was held on 20 September 2013. The additional information / clarification sought from the VPT vide our letter dated 8 August 2013 had been furnished by the port on 19 November 2013.

3.2. The VPT, vide its letters dated 14 August 2014, 2 September 2014 and 3 September 2014, had subsequently filed its revised proposal. The revised proposal of the VPT was also taken on consultation with concerned users.

3.3. Subsequently, the VPT vide its another letter dated 10 December 2014 had submitted a proposal for introduction of a levy to recover the cost of Capital Dredging and had requested for inclusion in its Scale of Rates. The said proposal also had been circulated to the users / user organisations seeking their comments.

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 formulated draft working guidelines and circulated to all Major Port Trusts for their comments. The draft working guidelines to operationalise the Tariff Policy, 2015 is to be firmed up in consultation with all Major Port Trusts. 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, has expired on 31 March 2015, the VPT vide its letter dated 30 March 2015 has stated that notification of working guidelines is pending and it may take time for submission of revised proposal. In view of this, the VPT has requested to extend the validity of the existing SOR till the effective date of implementation of the revised SOR in accordance with the new Tariff Policy, 2015 announced by MOS when sent and approved by this Authority.

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 30 September 2015 or till the effective date of implementation of the revised Scale of Rates, whichever is earlier.

6.3. 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)