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TARIFF AUTHORITY FOR MAJOR PORTS

G. No. 140 **New Delhi,** **19 May 2014**

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)

O R D E R
(Passed on this 4th day of April 2014)

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 prescribes the validity of the SOR till 31 March 2013. This Authority has extended the validity of SOR of VPT on couple of occasions. This Authority has last extended the validity of the existing SOR of VPT till 31 March 2014 vide its Order dated 10 January 2014.

3.1. The proposal filed by the VPT vide its letters dated 8 February 2013 along with its letter dated 22 March 2013 has been taken on consultation with the concerned users / user associations. The additional information / clarification sought from the VPT vide our letter dated 8 August 2013 has been furnished by the port on 19 November 2013. Joint hearing on the proposal was held on 20 September 2013.

3.2. Subsequently, the VPT vide its letter dated 18 December 2013 has stated that in view of latest development of signing of Concession Agreement with BOT operator, the traffic, income estimates and deficit estimates, in its proposal may undergo a change. In view of the above position brought out by the VPT having an impact on its general revision proposal, the VPT was advised vide our letter dated 31 December 2013 to update its proposal and submit it by 7 January 2014. The VPT requested for further extension up to 20 February 2014 to file its revised proposal. The VPT, therefore, was allowed time up to 20 February 2014 to file its revised proposal.

3.3. The VPT has subsequently, vide its letter dated 2 April 2014 citing that the financial year 2013-14 is over, sought time up to 30 June 2014 to file its revised proposal updating the estimates of 2013-14 with actual traffic, income and expenditure for 2013-14. It has also requested to extend the validity of the existing SOR till 30 June 2014 or till the date of finalization of SOR, whichever is earlier. In view of the submissions made by the VPT, the port has been granted time till 30 June 2014 to file its revised proposal updating with 2013-14 actuals. The VPT has also been informed that no further extension of time will be granted to file its revised proposal.

4. The revised updated proposal when received from the port will have to be examined internally and, if necessary, involve consultation with the concerned stakeholders. In view of that, it will take some more time for finalization of the case.

5. The validity of the existing SOR of the VPT has expired on 31 March 2014. Considering the time sought by the VPT to file its revised updated proposal, this Authority extends the validity of the existing SOR of the VPT from the date of its expiry till 30 June 2014.

6. If any additional surplus over and above the admissible cost and permissible return emerges for the period post 1 April 2013, during the review of its performance, such additional surplus will be set off fully in the tariff to be determined.

(T.S. Balasubramanian)
Member (Finance)