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TARIFF AUTHORITY FOR MAJOR PORTS

G No.50

New Delhi,

10 February 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 Scale of Rates at 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

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Applicant

QUORUM

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

ORDER

(Passed on this 10th day of January 2014)

This 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 twice. This Authority has last extended the validity of the existing SOR of VPT till 31 December 2013 vide its Order dated 29 October 2013.

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

3.2. Subsequently, VPT vide its letter dated 18 December 2013 has pointed out that in view of latest development of signing of Concession Agreement with M/s.Essar, 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 has been advised vide our letter dated 31 December 2013 to update its proposal in view of signing the Concession Agreement with M/s.Essar and submit its updated proposal by 7 January 2014.

4. The VPT is yet to file its updated proposal. The updated proposal when received from the port will have to be examined. Hence, it will take some more time for the case to mature for consideration of this Authority.

5. In the meantime, the Government in Ministry of Shipping (MOS) has extended the validity of Tariff Guidelines, 2005 till 31 March 2014 or until further orders. As advised by the MOS, this Authority has extended the validity of Tariff Guidelines, 2005 vide its Order No.TAMP/21/2009-WS dated 20 December 2013 which is notified in the Gazette of India on 26 December 2013 vide G. No. 340.

6. The validity of the existing SOR expired on 31 December 2013. The VPT vide its letter dated 18 December 2013 has also requested to extend the validity of its SOR. Considering that the VPT is yet to file its updated proposal and recognising the time required for examining the updated proposal when received and for the case to mature for final consideration and also recognizing that the validity of the Tariff Guidelines, 2005 is extended till 31 March 2014, this Authority extends the validity of the existing SOR of the VPT from the date of its expiry till 31 March 2014 or till the effective date of implementation of the revised Scale of Rates, whichever is earlier.

7. 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)