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Tariff Authority for Major Ports

G No.310

New Delhi,

26 November 2013

NOTIFICATION

In exercise of the powers conferred by Section 48 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby amends the general note to schedule (2) to (5) incorporated in Scale of Rates of M/s.Vizag General Cargo Berth Private Ltd. for mechanized handling of coking and steam coal at the General Cargo Berth at VPT approved vide Order No.TAMP/58/2008-VPT dated 11 January 2013 notified on 4 February 2013 vide Gazette no.26 as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/58/2008-VPT

QUORUM:

- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. C.B. Singh, Member (Economic)

ORDER

(Passed on 15th day of November 2013)

This Authority has passed an Order No.TAMP/58/2008-VPT dated 11 January 2013 approving the Scale of Rates (SOR) in case of Vizag General Cargo Berth Private Limited (VGCBL) for mechanized handling of coking and steam coal at the General Cargo Berth at VPT. This Order has been notified in the Gazette of India on 4 February 2013 vide G.No.26.

2. The Scale of Rates approved in the said Order dated 11 January 2013 prescribes, *inter alia*, the following General note under Schedule 6 for automatic adjustment in tariff caps for every subsequent years in line with the provisions of clause 2.8. of 2008 guidelines:

6. GENERAL NOTE TO SCHEDULE (2) TO (5) ABOVE:

The tariff caps will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2009 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31st March of the following year.

3. In order to bring in more clarity that the automatic annual indexation at 60% of WPI to be applied by the BOT operator during the subsequent years has to be with reference to the original upfront tariff Order notified for Vizagapatnam Port Trust which is already indicated in the bid document and not with reference to the indexed tariff notified on 4 February 2013 in the name of the VGCBL, this Authority replaces the existing General note to Schedule (2) to (5) prescribed under Schedule 6 in the SOR of VGCBL approved vide Order No.TAMP/58/2008-VPT dated 11 January 2013 with the following:

6. “GENERAL NOTE TO SCHEDULE (2) TO (5) ABOVE:

The tariff caps prescribed in the Scale of Rates of Vizag General Cargo Berth Private Limited takes into consideration the upfront tariff approved by the Authority vide Order No.TAMP/58/2008-VPT dated 27 November 2009 and applying indexation to the extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2009 and 1 January of the relevant year. For the subsequent years as well, upfront tariff approved in the Order No.TAMP/58/2008-VPT dated 27 November 2009 will be indexed to inflation but only to an extent of 60% of the variation in Wholesale Price Index (WPI) occurring between 1 January 2009 and 1 January of the relevant year. Such automatic adjustment of tariff caps will be made every year and the adjusted tariff caps will come into force from 1 April of the relevant year to 31 March of the following year.”

(T.S. Balasubramanian)
Member (Finance)