

(Published in Part - III Section 4 of the Gazette of India, Extraordinary)
Tariff Authority for Major Ports

G No.6

New Delhi, 7 January 2013

NOTIFICATION

In exercise of the powers conferred under Sections 48 and 49 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby extends the validity of the existing handling charge for Coking Coal and Steam Coal at OB1 to facilitate uninterrupted operations during construction phase of General Cargo Berth (GCB) at Outer Harbour of Visakhapatnam Port Trust as in the Order appended hereto.

(Rani Jadhav)
Chairperson

Tariff Authority for Major Ports
Case No. TAMP/47/2011 - VPT

Visakhapatnam Port Trust

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Applicant

QUORUM:

- (i). Smt. Rani Jadhav, Chairperson
- (ii). Shri. T.S. Balasubramanian, Member (Finance)

ORDER

(Passed on this 17th day of December 2012)

This Authority vide its Order no.TAMP/58/2008-VPT dated 27 November 2009 has passed an Order disposing the proposal received from the Visakhapatnam Port Trust (VPT) to fix upfront tariff for the mechanised handling of coking coal and steam coal at its General Cargo Berth (GCB) of VPT.

1.2. In this context, the VPT has reported to have entered into Concession Agreement with the Concessionaire in June 2010. To facilitate uninterrupted operation of cargo and to retain the cargo, that may otherwise get diverted to nearby ports during the construction phase of GCB, the VPT and the Concessionaire have mutually agreed to construct a Conveyor system at Ore Berth-1 (OB-1) at the cost of the Concessionaire to handle cargo at OB-1 during the phase wise strengthening of GCB. Accordingly, the VPT had come up with a proposal for prescription of rate for handling coking coal and steam coal by the VPT on a temporary basis, till the time the construction of GCB is completed.

2.1. In this connection, this Authority has passed an Order No.TAMP/47/2011-VPT dated 8 August 2012 approving the proposal of VPT to fix handling charge for Coking Coal and Steam Coal at OB1 to facilitate uninterrupted operations during construction phase of General Cargo Berth (GCB) at Outer Harbour of Visakhapatnam Port Trust as a temporary arrangement. This Order has been notified in the Gazette of India Extraordinary (Part III Section 4) on 29 August 2012 vide Gazette No.183.

2.2. Since the port had reported that the GCB is likely to be re-commissioned by July/August 2012, the validity of the rate of ₹10.53 per tonne for handling facility provided at OB-I for handling Coking Coal and Steam Coal was prescribed till 31 August 2012. Conditionality to this effect has been inserted in the Scale of Rates of VPT.

3. In this backdrop, the VPT vide its letter dated 16 October 2012 has stated that since the overall physical progress of the GCB project is 90%, the validity of the Order dated 8 August 2012 may be extended till 30 April 2013. Since the construction phase of General Cargo Berth (GCB) is not yet over and keeping in view the position that the operation of Outer Berth 1 (OB-1) may have to be continued to facilitate uninterrupted operations during the construction phase of GCB, this Authority is inclined to accede to the request of the VPT to extend the validity of the Order dated 8 August 2012 till 30 April 2013.

4. The VPT is advised to furnish a Cost statement for the facility to reflect the operation carried out at OB-1 separately from 11 August 2011 till 31 August 2012 and for the period from 1 September 2012 to 30 April 2013. Additional surplus, if any, accrued to VPT during the period of operation at OB-1 from 11 August 2011 to 31 August 2012 would be quantified and adjusted as per clause 2.13 of the tariff guidelines and the additional surplus accruing to the VPT for the period from 1 September 2012 to 30 April 2013 would be quantified and adjusted fully while analysing the Cost position for the port as a whole during the next review of tariff of VPT, which is due in April 2013.

5. It may be noted that no further request for extension of validity of the rate beyond 30 April 2013 would be entertained, unless a well analysed proposal reflecting the cost position for the operations carried out at OB-I is received from VPT latest by 31 January 2013 in the event of delay in the commencing of GCB project beyond 30 April 2013.

(Rani Jadhav)
Chairperson