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TARIFF AUTHORITY FOR MAJOR PORTS

G. No. : 79

New Delhi, 10 April 2007

NOTIFICATION

In exercise of the powers conferred by Sections 48, 49 and 50 of the Major Port Trusts Act, 1963 (38 of 1963), the Tariff Authority for Major Ports hereby disposes of the representation dated 18 December 2006 made by Jawaharlal Nehru Port Trust (JNPT) regarding levy of berth hire charges at the BPCL jetty of JNPT as in the Order appended hereto.

(A.L. Bongirwar)
Chairman

Tariff Authority for Major Ports
Case No.TAMP/48/2005-JNPT

The Jawaharlal Nehru Port Trust

Applicant

ORDER

(Passed on this 28th day of March 2007)

This Authority had passed an Order on 28 September 2006 in case No.TAMP/48/2005-JNPT relating to the proposal from the Jawaharlal Nehru Port Trust for general revision of its Scale of Rates. This Order was notified in the Gazette of India Extraordinary (Part III Section 4) on 31 October 2006 vide Gazette No.162.

2. The JNPT vide its letter dated 18 December 2006 has represented regarding berth hire charges applicable for the vessels calling at the Jetty operated by Bharat Petroleum Corporation Limited (BPCL) at JNPT. The main points made by JNPT are summarised below:

- (i). The Berth Hire Schedule prescribed at Clause 2.3. of the JNPT Scale of Rates is not clear regarding the rate for Berth hire charges to be applicable for vessels handled at BPCL Liquid Cargo Jetty.
- (ii). Prior to the September 2006 revision, the rate applicable to Bulk and Multipurpose Berths was applied to vessels handled at BPCL Liquid Cargo Jetty.
- (iii). JNPT will charge berth hire charges for vessels berthing at the same revised rate as applicable to the Container berth.

3.1. In the general revision proposal, JNPT had proposed same rates of berth hire for Container berths, Bulk Berths, Multi purpose Berths and landing jetty. To a query raised in this regard during the relevant proceedings before this Authority, JNPT vide its letter dated 11 September 2006 had, interalia, proposed to delete the entries in the Schedule 2.3. of the Scale of Rates relating to the rates of berth hire charges prescribed for break bulk berths and multi purpose berths on the ground that the bulk berth and multi purpose berth have ceased to exist. In this backdrop, the relevant entries were deleted from the Scale of Rates of JNPT notified in October 2006.

3.2. In the pre-revised Scale of Rates of JNPT, a uniform berth hire rate was prescribed for Container berths, Bulk Berths and Multi purpose Berths. Now, the port has stated that the berth hire rate applicable for bulk berth/ multipurpose berth was made applicable to vessels handled at BPCL jetty. In the revised Scale of Rates approved in September 2006, the (then) existing rate of berth hire applicable for Container berth was considered for prescription in the new arrangement as proposed by JNPT subject to the adjustment for reduction in rates approved in the Order dated 28 September 2006. That being so, this Authority is inclined to approve the proposal of JNPT to apply the rate of berth hire prescribed for Container berth for the vessels handled at BPCL Jetty. The JNPT is, however, advised to formulate its proposal for prescribing a separate berth hire rate for the liquid cargo jetty based on the capital and operating cost incurred and the facilities provided thereat.

4. In the result, and for the reasons given above and based on a collective application of mind, this Authority approves the proposal of JNPT to levy berth hire charges at the revised rate applicable at Container berths to the vessels handled at BPCL Jetty. The JNPT is directed to incorporate the following note below Section 2.3. Schedule of Berth Hire Charges in its notified Scale of Rates:

“Note: The rates prescribed for Container Berth will also apply to vessels handled at BPCL Jetty.”

(A.L. Bongirwar)
Chairman