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TARIFF AUTHORITY FOR MAJOR PORTS

G.No.67

New Delhi, 6 May 2005

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 disposes of the proposal received from the Visakha Container Terminal Private Limited for extension of the validity of its existing Scale of Rates as in the Order appended hereto.

(A.L. Bongirwar)
Chairman

TARIFF AUTHORITY FOR MAJOR PORTS
Case No. TAMP/19/2005 - VCTPL

Visakha Container Terminal Private Limited - - -

Applicant

ORDER

(Passed on this 25th day of April 2005)

This Authority vide its Order dated 10 September 2003 had fixed the tariff to be levied by the Visakha Container Terminal Private Limited (VCTPL) for its Container Terminal at the Visakhapatnam Port Trust (VPT).

2. Based on the request of the VCTPL to approve the tariff for period of one year only, this Authority in the said Order had prescribed the validity of the Scale of Rates (SOR) till 31 March 2005 so that the tariff can be reviewed at the end of the financial year with reference to actual position.

3.1. In this backdrop, the VCTPL has filed a proposal for extension of its prevailing SOR till 31 March 2006. The VCTPL has stated that the actual traffic handled by it has not been at the level envisaged at the time of filing its initial proposal, the cost of diesel/power has increased by more than 10% and 20% respectively in comparison to the unit price assumed in its initial tariff application. Further, the dollar rate has depreciated drastically against Indian Rupees assumed at the time of its initial tariff application.

3.2. In view of this position, it has proposed to continue with existing tariff subject to conversion of the existing dollar denominated tariff into rupee terms considering the exchange rate as 1 US \$ = Rs. 48/- as assumed at the time of its initial tariff application. It has also proposed an upward revision in the stevedoring and transportation charges of transshipment container on the ground that the existing rate for transshipment container is concessional.

4. Following the usual consultative process, the proposal of the VCTPL was forwarded to the concerned users seeking their comments.

5. Subsequently, in view of the revised guidelines for tariff fixation announced by the Ministry of Shipping, Road Transport and Highways (MSRTH), the VCTPL has withdrawn its earlier proposal and agreed to file a fresh proposal before 30 April 2005 with reference to the tariff of its terminal.

6.1. In view of the above position, and based on a collective application of mind, this Authority decides to close this case as withdrawn. The VCTPL is advised to file a fresh proposal along with requisite cost statements giving projections for three years in line with the revised guidelines and also to review its Scale of Rates to ensure its compliance with the revised guidelines. The new proposal to be submitted by the VCTPL will be considered afresh.

6.2. The validity of the existing Scale of Rates of the VCTPL is extended for a period of three months from 1 April 2005 to 30 June 2005.

(A.L. Bongirwar)
Chairman