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TARIFF AUTHORITY FOR MAJOR PORTS

G.No. 312

New Delhi,

16 August 2018

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 Visakhapatnam Port Trust (VPT) for modification in the existing conditionalities relating to Levy of Road Stead Charges at VPT as in the Order appended hereto.

(T.S. Balasubramanian)
Member (Finance)

Tariff Authority for Major Ports
Case No. TAMP/40/2018-VPT

Visakhapatnam Port Trust

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Applicant

QUORUM

- (i). Shri. T.S. Balasubramanian, Member (Finance)
- (ii). Shri. Rajat Sachar, Member (Economic)

ORDER

(Passed on this 31st day of July 2018)

This case relates to proposal received from Visakhapatnam Port Trust (VPT) dated 17 April 2018 for modification in the existing conditionalities relating to Levy of Road stead charges at VPT.

2.1. This Authority had vide Order No.TAMP/9/2016-VPT dated 21 June 2016 passed an Order relating to general revision proposal of VPT along with the revised Scale of Rates. The revised SOR and Performance Standards approved by this Authority vide Order No.TAMP/9/2016-VPT dated 21 June 2016, was notified vide Gazette No.305 dated 22 July 2016. Subsequently, a speaking order was notified vide Gazette No.320 dated 10 August 2016. The SOR came into force after expiry of 30 days from the date of notification of the Scale of Rates and Performance Standards in the Gazette of India i.e. from 21 July 2016. The validity of SOR is prescribed till 31 March 2019.

2.2. The VPT in the said proposal has given the following background for filing the proposal for modification in existing conditionalities relating to levy of road stead charges at VPT:

- (i). Visakhapatnam Steamship Agents Association (VSAA) has been continuously requesting VPT to re-look into the matter of levy of Road stead charges at VPT, and accordingly the matter was discussed with the VSAA in various Trade meetings and also in the Port working committee meetings.
- (ii). After detailed discussion with VSAA, mutual consensus was arrived on the issue of rationalising the various clauses, wording in existing SOR for levy of Road stead charges and to clarify on the operation of the same. A copy of minutes of meeting held by VPT with trade in this regard is furnished.
- (iii). Accordingly, the matter was placed before the VPT Board for its approval. VPT Board in order to cater to the need expressed by the Shipping fraternity and to face stiff competition for sustainable growth of cargo/ vessels at VPT and keeping in view some of the past procedure of levying Road stead charges, in VPT the Board of Trustees of VPT in its meeting held on 31-1-2018 resolved and approved the modified proposed notes.

2.3. The Board has approved to implement the same on adhoc basis as per Clause 1.2 (XV) (b) of general terms and conditions of existing SOR from the date of Board approval pending approval of TAMP. [The VPT has not forwarded copy of the Board approval cited in the proposal.]

3.1. Hence, in view of the above, TAMP's approval and Notification is requested to implement the aforementioned rationalisation as per Clause 1.2 (XV) (b) of general terms and conditions of existing of SOR, which was implemented on Adhoc basis from the date of Board Approval i.e. from 31-1-2018.

3.2. Draft notification to be approved and notified by the TAMP replacing the Section 2.3.5 of the existing SOR of VPT is as below:

"2.3.5. Road stead charges

Road stead charges as mentioned below are leviable for the vessels stayal at roads:

Description	Rate per GRT per hour or part thereof	
	Foreign going vessels (in US\$)	Coastal vessels (in ₹)
First 48 hrs	Free	Free
After 48 hrs and up to 240 hrs	0.000098	0.0026
241 hrs to 480 hrs	0.000146	0.0040
481 hrs onwards	0.001470	0.0392

Notes:

- (a). The Steamer Agent has to specifically mention the requirement of the berth in the check list submitted for berthing.
- (b). No Road Stead Charges will be levied for the vessels stay at roads with an exemption upto 1st 48 hours before berthing on 1st arrival, irrespective of readiness of vessel.
- (c). In case of iron ore vessel (Mechanical Handling) no road Stead Charges shall be levied at the time of initial arrival to roads, if the vessel is waiting for the berth. If the berth is ready and vessel is not ready, then 3 times penal charges shall be levied duly extending 48 hours exemption.
- (d). No road stead charges shall be levied on Mother / Daughter tanker meant for transshipment of POL at anchorage / Berths.
- (e). In case of vessel which is ready in all respects and waiting for want of berth, one time Road Stead Charges will be levied as per the schedule even after expiry of 48 hours of free time. In case when berth (s) is vacant (i.e. the specific berth as above) and vessel is not ready to occupy that berth, Road Stead Charges will be levied after expiry of 48 hours of free time @ Three (3) times Road Stead Charges as per the slab in the SOR.
- (f). In case an Importing Vessel after completion of discharge re-anchors / shifts to roads for carrying out loading operation, one time (1) Road Stead Charges are applicable from the time of re-anchoring / shifting upto a period of 48 hrs. Thereafter clause (e) of the above shall apply after expiry of 48 Hrs from the time of re-anchoring / shifting.
- (g). Vessels shifted to roads for continuing of loading / unloading for want of cargo / non availability of space to discharge full cargo, shifting due to poor performance or at agents request, three (3) time Road Stead Charges shall be levied from the time of re-anchorage / shifting till readiness without extending 48 Hrs exemption and the second slab rate will be applied from hour one to 240 Hrs. and next slab thereafter.
- (h). Vessels shifted / ousted to accommodate ousting priority vessels to road as per port policy or vessel shifted due to emergency / cyclonic condition shall attract only normal Road Stead Charges as per the slab rate.
- (i). Whenever vessel shifts to roads / goes to another berth for up-topping or lightening the vessel stayal at roads shall be charged without extending 48 Hrs exemption and second slab rate will be applied from hour one to 240 Hrs and next slabs thereafter.
- (j). Once vessel sailed from port and drop anchor at anchorage, for any reason whatever, one (1) time Road Stead Charges will be levied upto the actual time of departure furnished by Marine Department.”

4. While acknowledging the proposal, the VPT was requested vide our letter dated 17 May 2018 to furnish a comparative position of existing notes relating to levy of Road stead charges approved by this Authority vide Order No.TAMP/9/2016-VPT dated 21 June 2016 juxtaposed to the proposed conditions and reasons for modifications for each of them. The VPT

was also requested to furnish the additional revenue from the proposed modification and confirm it is well within the estimated ARR in the said Order which was left uncovered. The response of VPT was not received, despite reminder dated 19 June 2018.

5. In accordance with the consultative procedure prescribed, a copy of the proposal of VPT dated 17 April 2018 was forwarded vide our letter dated 17 May 2018 to the concerned users/ user organisations seeking their comments. We have not received any comments from any users/ user organisations. However, the concerned users/ user organisations have made their submissions at the joint hearing held on 18 June 2018 at the VPT premises. The VPT also made its submissions at the joint hearing.

6. As agreed at the joint hearing, the VPT was requested vide our letter dated 3 July 2018 to take action on the following points:

- (i). At the joint hearing, the VPT has stated that the port has issued circular to trade after discussion with the trade. The VPT was requested to forward a copy of the said circular issued to the trade to TAMP.
- (ii). At the joint hearing, the VPT has stated that Nav Shipping and Marine Services (NSMS) has suggested some modifications in the proposed note (e). In this regard, port has agreed to send the modified note (e) to TAMP. The VPT to send the modified note immediately.
- (iii). Further, the port was also requested to furnish information sought by us on a few points vide our letter dated 17 May 2018 within a week's time. Response of VPT is awaited.

7. With reference to the action point no.6(ii) above, the VPT vide its letter dated 28 June 2018 has furnished modified clause (e) and requested to replace the clause (e) as below:

Clause (e): In case of vessel waiting for berth, One time Road stead charges will be levied after expiry of 48 hours of free time, as per schedule in the SOR till such time berth is vacant. However, in case when berth(s) is vacant (i.e. the specific or similar berth)/ offered by the Port and vessel is not ready to occupy that berth/s three (3) times Road stead charges will be levied as per the schedule in the SOR from the time berth(s) is / are vacant.

8.1. The VPT was again reminded vide our letter dated 20 July 2018 to forward a copy of Trade Circular issued by VPT as the same is not yet received. Also, the port was requested to forward a copy of Board Resolution approved on the subject proposal, as it was not attached with the subject proposal. The VPT was once again requested to furnish information sought by us at point no.4 of our letter dated 17 May 2018. Citing that the case is being taken up for finalization, the VPT was requested to furnish the requisite information positively by 25 July 2018. The VPT has, however, not responded despite reminder.

8.2. Having registered the VPT proposal in reference as a separate "tariff case", it is not found possible to keep the case pending indefinitely. This Authority has, therefore, decided to proceed to finalise this case based on the available information and relying of the submissions made by the VPT in its proposal.

9. Despite specific request to VPT to furnish notes under Road Stead Charges as approved by this Authority vide Order dated 21 June 2016 juxtaposed with proposed notes and reason for modification, the VPT has not responded. In the absence of requisite comparison from VPT, the comparison of existing Road Stead Charges approved by this Authority in the existing SOR of VPT at schedule 2.3.5 and the amendments in the said schedule sought now by the VPT is done by us and is tabulated hereunder with brief remarks.

Sr. No.	Road Stead Charges Tariff approved by this Authority vide Order no.TAMP/9/2016-VPT dated 21 June 2016.	Proposed amendment in schedule 2.3.5 proposed by VPT vide its letter dated 17 April 2018.	Brief Remarks of TAMP
	2.3.5 Road Stead charges	2.3.5. Road stead charges	

Road stead charges as mentioned below are leviable for the vessels stay at roads with an exemption up to first 48 hrs. before berthing on her first arrival at the roads.

Description	Rate per GRT per hour or part thereof	
	Foreign going vessels (in US \$)	Coastal vessel (in ₹)
First 48 hrs.	Free	Free
After 48 hrs. and up to 240 hrs.	0.000098	0.0026
241 hrs. to 480 hrs.	0.000146	0.0040
481 hrs. onwards	0.001470	0.0392

Notes:

1. In case of Iron ore and pellets vessels loaded through mechanical system, no road stead charges shall be levied at the time of initial entry.
2. No road stead charges shall be levied on mother / daughter tanker meant for transshipment of POL at anchorage.
3. Road stead charges to be exempted for Mother and Daughter Tanker carrying out Transshipment operations at Berths.

Road stead charges as mentioned below are leviable for the vessels stay at roads:

Description	Rate per GRT per hour or par thereof	
	Foreign going vessels (in US\$)	Coastal vessels (in ₹)
First 48 hrs	Free	Free
After 48 hrs and up to 240 hrs	0.000098	0.0026
241 hrs to 480 hrs	0.000146	0.0040
481 hrs onwards	0.001470	0.0392

Notes:

- (a). The Steamer Agent has to specifically mention the requirement of the berth in the check list submitted for berthing.
- (b). No Road Stead Charges will be levied for the vessels stay at roads with an exemption upto 1st 48 hours before berthing, on 1st arrival, **irrespective of readiness of vessel.**
- (c). In case of iron ore vessel (Mechanical Handling) no road Stead Charges shall be levied at the time of initial arrival to roads, if the vessel is waiting for the berth. If the berth is ready and vessel is not ready, then 3 times penal charges shall be levied duly extending 48 hours exemption.
- (d). No road stead charges

The exemption clause of 48 hours is shifted from title to note no.(b) with slight modification (which is highlighted bold).

No change in rates.

1. New note no. (a) is proposed. The proposed note (a) is operational and administrative matter and need not form part of the conditions notified by this Authority. With regards to existing note 1, VPT has proposed modified note no.(c).]
2. The exemption of 48 hours is shifted from title as a separate note no (b).
3. Existing note 2 and 3 are clubbed and single note no. (d) is proposed.
4. New note proposed. Iron ore vessel also brought under the ambit of Road Stead Charges as stated by VPT.
5. Existing notes 2 and 3 are clubbed

	<p>4. The above charges are applicable only when the vessel is waiting for want of berth/berths.</p> <p>5. In case of vessel waiting for reason other than specified in 4 above i.e. for want of berth/berths, the charges applicable are 3 times of the charges mentioned above.</p>	<p>shall be levied on Mother / Daughter tanker meant for transshipment of POL at anchorage / Berths.</p> <p>(e). Note (e) proposed in original proposal by VPT</p> <p>“In case of vessel <u>which are ready in all respects and</u> waiting for want of berth, one time Road Stead Charges will be levied as per the schedule even after expiry of 48 hours of free time. In case when berth (s) is vacant (i.e. the specific berth as above) and vessel is not ready to occupy that berth, Road Stead Charges will be levied after expiry of 48 hours of free time @ Three (3) times Road Stead Charges will be levied as per the slab in the SOR.”</p> <p>Revised note (e) proposed by port after joint hearing</p> <p>(f). “In case of vessel waiting for berth, One time Road stead charges will be levied after expiry of 48 hours of free time, as per schedule in the SOR <u>till such time berth is vacant</u>. However, in case when berth(s) is vacant (i.e. the specific or similar berth)/ offered by the Port and vessel is not ready to occupy that berth/s three (3) times Road stead charges will be levied as per the schedule in the SOR <u>from the time berth(s) is are vacant</u>.”</p> <p>(g). In case an Importing Vessel after completion of discharge re-anchors / shifts to roads for carrying out loading operation, one time (1) Road Stead Charges are applicable from the time of re-anchoring / shifting upto a period of 48 hrs. Thereafter clause (e) of</p>	<p>and given as a single note no.(d)</p> <p>6. (i)Notes (e) is stated to be after detailed discussion by VPT with VSAA and trade.</p> <p>As regards note (e) the VPT has vide its letter dated 28.6.2018 proposed modified note no (e). The modified note is based on the point made by NSMS to VPT. The modified note appears is to make it more explicit and to remove ambiguity.</p> <p>7. Notes (f) to (i) are newly proposed notes by VPT. The proposed notes are stated to be after detailed discussion by VPT with VSAA and trade and discussed in Working Committee meeting by VPT. The notes are stated to have been approved by the Board of Trustees of VPT w.e.f 31 January 2018 on adhoc basis.</p>
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		<p>the above shall apply after expiry of 48 Hrs from the time of re-anchoring / shifting.</p> <p>(h). Vessels shifted to roads for continuing of loading / unloading for want of cargo / non availability of space to discharge full cargo, shifting due to poor performance or at agents request, three (3) time Road Stead Charges shall be levied from the time of re-anchorage / shifting till readiness without extending 48 Hrs exemption and the second slab rate will be applied from hour one to 240 Hrs. and next slab thereafter.</p> <p>(i). Vessels shifted / ousted to accommodate ousting priority vessels to road as per port policy or vessel shifted due to emergency/ cyclonic condition shall attract only normal Road Stead Charges as per the slab rate.</p> <p>(j). Whenever vessel shift to roads/ goes to another berth for up-topping or lightening the vessel stayal at roads shall be charged without extending 48 Hrs exemption and second slab rate will be applied from hour one to 240 Hrs and next slabs thereafter.</p> <p>(k). Once vessel sailed from port and drop anchor at anchorage, for any reason whatever, one (1) time Road Stead Charges will be levied upto the actual time of departure furnished by Marine Department.</p>	
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10. The proceedings relating to consultation in this case are available on records at the office of this Authority. An excerpt of the arguments made by the concerned parties will be sent separately to the relevant parties. These details will also be made available at our website <http://tariffauthority.gov.in>.

11. With reference to totality of information collected during the processing of this case, the following points emerges:

- (i). The existing SOR approved by this Authority vide Order No.TAMP/9/2016-VPT dated 21 June 2016 prescribes Road Stead charges in Schedule 2.3.5. of the SOR. The proposal of the VPT is for modification in the existing conditionalities prescribed in the said Schedule 2.3.5 relating to Road Stead Charges. The VPT has not sought any modification in the rates for road stead charges or free period.
- (ii). The existing schedule prescribes slab wise road stead charges (i.e. anchorage charge) for vessels stay at roads with an exemption up to first 48 hours before berthing on her first arrival at the anchorage. The existing schedule prescribes five conditionalities under the Schedule 2.3.5. The VPT, based on the request made by the Visakhapatnam Steamship Agents Association (VSAA), has relooked into the existing conditionalities relating to Road Stead charges and has discussed the matter with the trade and also in the Port working committee meetings. The port has proposed modifications in the existing conditionalities and proposed a few new notes. As against the existing 5 conditionalities, the port has proposed 10 conditionalities. The proposed modifications are reportedly after detailed discussion with VSAA and with mutual consensus arrived on the issue of rationalising the various clauses and wordings in existing SOR for levy of Road stead charges. The VPT, in order to cater to the need expressed by the Shipping fraternity and to face stiff competition for sustainable growth of cargo/ vessels at VPT, has proposed the mutually agreed proposal for consideration of this Authority. This Authority, therefore, takes up the proposal filed by VPT.
- (iii). (a). In the absence of the VPT providing the requisite comparison of existing Road Stead Charges and the conditionalities governing the rate vis-à-vis the proposed conditionality and reasons for the proposed modifications, the comparison of same is done at our end and has been brought out in the para 9 along with brief remarks. The same is not reiterated here for the sake of brevity.
- (b). The proposed note no. (a) states that the Steamer Agent has to specifically mention the requirement of the berth in the check list submitted for berthing. The proposed note appears to be an operational and administrative matter and need not form part of the conditions to be notified by this Authority. Consequent to this, the subsequent proposed notes (b) to (j) are renumbered as (a) to (i) while prescribing the revised schedule.
- The proposed note (b) and (d) are approved based on the remarks given against the said notes in the table at para 9 above.
- (c). In the existing SOR, in case of Iron ore and pellets vessels loaded through mechanical system, no road stead charges is leviable at the time of initial entry. The VPT in the proposed note no.(c) has proposed to bring the iron ore vessels (mechanical handling) also under the ambit of levy of road stead charges. As per the proposed note (c) in case of iron ore vessel (Mechanical Handling,) no road Stead Charges shall be levied at the time of initial arrival to roads, if the vessel is waiting for the berth. If the berth is ready and vessel is not ready, then 3 times penal charges shall be levied duly extending 48 hours exemption. None of the users have objected the proposed note. The free period of 48 hours also is as per the existing arrangement. Moreover, the proposed modification is reportedly after consultation with the trade. Relying the position reported by the port and recognising that none of the users have objected the proposed note, the same is approved.
- (d). The existing note 4 states that the Road stead charges are applicable only when vessel is waiting for want of berth. The existing note 5 states that in case vessel is waiting for reason other than note no.4 i.e. for want of berth/ berths, the charges applicable are 3 times of the prescribed road stead charges. As against the said notes, the port has proposed modified note (e).

As regards note (e), the note proposed in the original proposal was that in case of vessel which is ready in all respects and waiting for want of berth, one time Road Stead Charges will be levied as per the schedule even after expiry of 48 hours of free time. In case when berth (s) is vacant (i.e. the specific berth as above) and vessel is not ready to occupy that berth, Road Stead Charges will be levied after expiry of 48 hours of free time @ Three (3) times Road Stead Charges will be levied as per the slab in the SOR.

The VPT has subsequently proposed to modify the earlier proposed note (e) vide its letter dated 28 June 2018 in view of the point made by the user Nav Shipping and Marine Services (NSMC) to the port. In the modified note, the port proposes to levy one time Road stead charges in case of vessel waiting for berth after expiry of 48 hours of free time, as per schedule in the SOR till such time berth is vacant. However, in case when berth(s) is vacant (i.e. the specific or similar berth)/ offered by the Port and vessel is not ready to occupy that berth/s three (3) times Road stead charges will be levied as per the schedule in the SOR from the time berth(s) is vacant. The modification done by VPT based on the point made by NSMS appears to make the earlier proposed provision more explicit. The modified note proposed by VPT vide its letter dated 28 June 2018 is, therefore, approved.

- (e). The VPT has proposed new notes (f) to (j). The newly proposed notes relate to levy of road stead charges for (a) Importing Vessel after completion of discharge re-anchors / shifts to roads for carrying out loading operation, (b). Vessels shifted to roads for continuing of loading / unloading for want of cargo / non availability of space to discharge full cargo, shifting due to poor performance or at agents, (c). Vessels shifted / ousted to accommodate ousting priority vessels (d) vessel shifted to roads/ goes to another berth for up-topping or lightening the vessel and (e). Vessel once sailed from port and drop anchor at anchorage. The existing SOR do not prescribe specific notes for levy of road stead charges for above movement of vessel. Relying on the position reported by the VPT that the proposed modifications are based on the discussion by the port with the trade and that the Board of Trustees of the VPT has approved the modifications in the conditionalities governing road stead charges and also that the port has implemented it by issuing a trade circular and there has been no adverse comment from any users/ user association on these proposed notes, this Authority is inclined to approve the newly proposed notes (f) to (j) as proposed by the port.
- (iv). (a). The VPT has implemented the current proposal on adhoc basis w.e.f. 31 January 2018. The VPT has also issued the trade circular in this respect. The Board of Trustees of VPT has also reportedly approved to implement the proposed notes on adhoc basis in its meeting held on 31 January 2018. Despite request, the port has not forwarded a copy of the Board approval of the VPT. This Authority, therefore, relies on the position reported by the VPT in this regard.
- (b). Ordinarily, the approval given by this Authority has prospective effect after expiry of 30 days from the date of notification of the Order in the Gazette. It is understood that the port has already issued the trade circular to implement the proposed notes on adhoc basis from 31 January 2018. This Authority has taken note of this position.

Further, since the VPT has already implemented the proposed notes, the modified conditionalities are allowed to continue till the validity of the SOR i.e. 31 March 2019.

- (v). The VPT was requested to furnish additional revenue from the proposed modification and confirm that it is well within the estimated ARR. The VPT, however, till finalisation of this case has not furnished its response, despite reminder.

It is relevant to state that in the last general revision of the SOR of VPT under the Tariff Policy, 2015, the total Annual Revenue Requirement (ARR) for port estimated by this Authority is ₹86,551.22 lakhs considering 8% ROCE proposed by VPT. The revenue estimated at the proposed Scale of Rates is ₹72,848.40 lakhs leaving uncovered revenue of ₹13,702.82 lakhs. In view of the above position and in the absence of requisite information on additional revenue from the proposed modification from VPT, it is not unreasonable to presume that additional impact from the proposed modifications in the conditionalities of the Road Stead charges shall be within the uncovered ARR of ₹137.02 crores.

12.1. In the result, and for the reasons given above, and based on a collective application of mind, this Authority approves to replace the existing Schedule 2.3.5 Road Stead Charges in the existing SOR of VPT under Section-2 Vessel Related Charges, under 2.3 Berth Hire approved by this Authority vide Order No.TAMP/9/2016-VPT dated 21 June 2016 with the following:

- (i). Schedule 2.3.5 – Road Stead Charges in the existing Scale of Rates of VPT under Section- 2 Vessel related charges, under 2.3 Berth Hire is replaced with the following:

“Schedule 2.3.5 Road Stead Charges:

Road stead charges as mentioned below are leviable for the vessels stay at roads:

Description	Rate per GRT per hour or part thereof	
	Foreign going vessels (in US\$)	Coastal vessels (in ₹)
First 48 hrs	Free	Free
After 48 hrs and up to 240 hrs	0.000098	0.0026
241 hrs to 480 hrs	0.000146	0.0040
481 hrs onwards	0.001470	0.0392

Notes:

- (a). No Road Stead Charges will be levied for the vessels stay at roads with an exemption upto 1st 48 hours before berthing on 1st arrival, irrespective of readiness of vessel.
- (b). In case of iron ore vessel (Mechanical Handling) no road Stead Charges shall be levied at the time of initial arrival to roads, if the vessel is waiting for the berth. If the berth is ready and vessel is not ready, then 3 times penal charges shall be levied duly extending 48 hours exemption.
- (c). No road stead charges shall be levied on Mother / Daughter tanker meant for transhipment of POL at anchorage / Berths.
- (d). In case of vessel waiting for berth, One time Road stead charges will be levied after expiry of 48 hours of free time, as per schedule in the SOR till such time berth is vacant. However, in case when berth(s) is vacant (i.e. the specific or similar berth)/ offered by the Port and vessel is not ready to occupy that berth/s three (3) times Road stead charges will be levied as per the schedule in the SOR from the time berth(s) is/ are vacant.
- (e). In case an Importing Vessel after completion of discharge re-anchors / shifts to roads for carrying out loading operation, one time (1) Road Stead Charges are applicable from the time of re-anchoring / shifting upto a

period of 48 hrs. Thereafter clause (d) of the above shall apply after expiry of 48 Hrs from the time of re-anchoring / shifting.

- (f). Vessels shifted to roads for continuing of loading / unloading for want of cargo / non availability of space to discharge full cargo, shifting due to poor performance or at agents request, three (3) time Road Stead Charges shall be levied from the time of re-anchorage / shifting till readiness without extending 48 Hrs exemption and the second slab rate will be applied from hour one to 240 Hrs. and next slab thereafter.
- (g). Vessels shifted / ousted to accommodate ousting priority vessels to road as per port policy or vessel shifted due to emergency / cyclonic condition shall attract only normal Road Stead Charges as per the slab rate.
- (h). Whenever vessel shifts to roads / goes to another berth for up-topping or lightening the vessel stayal at roads shall be charged without extending 48 Hrs exemption and second slab rate will be applied from hour one to 240 Hrs and next slabs thereafter.
- (i). Once vessel sailed from port and drop anchor at anchorage, for any reason whatever, one (1) time Road Stead Charges will be levied upto the actual time of departure furnished by Marine Department.”

12.2. The validity of the modified conditionalities forms part of the existing SOR of VPT and hence will remain valid till validity of existing SOR of VPT i.e. till 31 March 2019.

13. The VPT is directed to amend the existing SOR suitably.

(T.S. Balasubramanian)
Member (Finance)

ARGUMENTS MADE IN THIS CASE DURING THE JOINT HEARING BEFORE THE AUTHORITY

F.No. TAMP/40/2018-VPT - Proposal received from Visakhapatnam Port Trust (VPT) for modification in the existing conditionalities relating to Levy of Road Stead Charges at VPT.

A joint hearing on this case in reference was held on 18 June 2018 at Visakhapatnam Port Trust (VPT) premises. At the joint hearing, the VPT and the concerned users/ user organisations have made the following submissions:

Visakhapatnam Port Trust (VPT)

- (i). The proposal for modification in the notes relating to road stead charged is filed after consultation with trade.
- (ii). We have issued circular to trade after discussion with the trade.

Visakhapatnam Port Trust (VPT)- Traffic Manager

- (i). The existing note 4 states that the Road stead charges are applicable only when vessel is waiting for want of berth.
- (ii). We had earlier taken a view that even if vessel is not ready, we used to charge penal berth hire charge irrespective of whether port berth is vacant or not. Penal charges at 3 times the prescribed road stead charge was collected after 48 hours before berthing from 1st arrival of vessel.
- (iii). We are now rectifying this by making a few amendments in the existing notes.
- (iv). We now propose to bring iron ore vessel also under the purview of Road stead charges.

Nav Shipping and Marine Services

- (i). The VPT has issued a circular to the trade. In the circular, as regards the readiness of vessel considered by VPT at note (e) we have suggested some modification in the language to the port.
[VPT - Traffic Manager: NSMS has suggested some modification in the language on the proposed note (e). We agree with it. We will send the modified version.]
