File: AERA/20010/MTYP/CHIAL/CPII/2021-26 Tariff Order No. 02 / 2021-22



Airports Economic Regulatory Authority of India

IN THE MATTER OF ADHOC TARIFF FOR CARGO OPERATIONS AT CHANDIGARH INTERNATIONAL AIRPORT (CHIAL), CHANDIGARH (IXC),

DATE OF ORDER: 24.6.2021

AERA BUILDING ADMINISTRATIVE COMPLEX SAFDARJUNG AIRPORT NEW DELHI – 110 003



1. Background

- **1.1** Chandigarh International Airport Limited (CHIAL) was incorporated in 2010 as a company under the Companies Act, 2013 to build and operate a new terminal of international standards at the Chandigarh Airport. CHIAL is a joint venture company of the Airports Authority of India (AAI), Punjab Government through Greater Mohali Area Development Authority (GMADA) and Haryana Government through Haryana Urban Development Authority (HUDA) now called Haryana Shehri Vikas Pradhikaran (HSVP).
- **1.2** CHIAL started its operations from 19th October 2015. Chandigarh Airport is a Civil Enclave and is jointly operated by CHIAL, Indian Air Force (IAF) and Airport Authority of India (AAI). CHIAL operates the Passenger Terminal Building and Civil Apron while Indian Air Force (IAF) and Airport Authority of India (AAI) as per their internal arrangement provide major airside facilities and air navigation services at the airport.
- **1.3** CHIAL vide mail dated 16th April 2021 has submitted its proposals for Cargo operations at the Chandigarh Airport for 2nd control period. Further vide letter dated 07.05.2021 requested for approval of Ad-hoc Charges until the issuance of Multi Year Tariff Order for the Aeronautical services for the second control period. The Authority notes that the Cargo Operations are proposed to commence from July 2021.

2. Submission made by CHIAL

- **2.1** CHIAL has submitted the proposed rate card for the Cargo Operations vide its mail dated 16th April 2021. The rate card received from CHIAL is enclosed as Annexure 1.
- **2.2** In its submission, CHIAL has compared the rates proposed with the rates prevailing at other nearby airports viz. Lucknow and Jaipur and have justified that the proposed rates are competitive. Refer Annexure 2.



3. Authority's examination of submissions made by CHIAL

- **3.1** The Authority notes that CHIAL proposes to commence the Cargo Operations in July 2021.
- **3.2** As per the AERA Act 2008, and, the relevant guidelines/ directions issued thereunder from time to time, Cargo Operations are "*Aeronautical Services*" and the rates to be charged are to be determined by the Authority.
- **3.3** Authority notes that CHIAL has submitted its Multi Year Tariff Proposal for determination of charges for the Airport Operations in January 2021. The Authority has published the Consultation Paper vide CP No. 09/2021-22 dated 18.06.2021 to elicit the views of stakeholders.
- **3.4** In Order to ensure that there is no Regulatory Vacuum for collection of charges until the issuance of Multi Year Tariff Order for CHIAL for the Second control period, and, to commence the cargo operations at Chandigarh International Airport, the Authority decided to approve the ad-hoc tariff for Cargo services proposed by CHIAL with effect from the date of commencement of Cargo Operations.
- **3.5** This Order will cease to be effective on the date of implementation of Multi Year Tariff Order for CHIAL for the Second control period.
- **3.6** Revenues collected based on implementation of this Ad-hoc Tariff Order will be trued up at the time of determination of Tariff for the next control period.



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4. Order

Upon careful consideration of the material available on records, the Authority, in exercise of powers conferred by Section 13(1) (a) of the Airport Economic Regulatory Authority of India Act, 2008 hereby orders that:

- **4.1** CHIAL is permitted to levy the tariff for Cargo Operations as per Annexure-1 on an Ad-hoc basis, from the date of commencement of Cargo Operations at Chandigarh International Airport.
- **4.2** This Order will cease to be in operation from the date of implementation of Multi Year Tariff Order for the second control period of CHIAL by the Authority.
- **4.3** Revenues collected will be trued up at the time of determination of Aeronautical tariff for the third control period.
- 4.4 The tariffs determined herein are ceiling rates, exclusive of taxes, if any.
- 4.5 The Airport Operator shall ensure compliance of the Order

By the Order of and in the name of the Authority

(Col Manu Sooden) Secretary

To,

M/s Chandigarh International Airport Ltd New Civil Air Terminal, Chandigarh International Airport Jhurheri, Mohali-140306

(Through: Shri Ajay Kumar, Chief Executive Officer)

Copy to: Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan, Safdarjung Airport New Delhi-110003.



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5. List of Annexures

Annexure Number	Particulars
Annexure – 1	Cargo Tariff Card
Annexure – 2	Comparison of Rates with other Airports as submitted by CHIAL



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Annexure - 1: Cargo Tariff Rate Card as submitted by CHIAL

I. Export Cargo

(a) Terminal, Storage and Processing Charges:

S.no.	Particular	Rate per Kilogram Rs. / P	Minimum rate per consignment Rs. / P
1	General/Courier	0.75	100.00
2	Special/ Valuable	1.50	200.00
3	Perishable	0.75	100.00

(b) Demurrage Charges (Leviable from Shipper)

Same charges as applicable to Terminal, Storage and Processing Charges mentioned above. Note:

- a) The Demurrage free period shall be as per Government Orders issued from time to time and demurrage will be applicable thereafter.
- b) 20% discount in the Terminal, Storage and Processing charges will be granted to Exporters, who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to Custom Examination Area.
- c) Terminal, Storage and processing charges applicable to Newspaper consignments shall be 50% of the prescribed charges.
- d) Consignments of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
- e) Terminal, Storage and Processing charges are inclusive of Forklift charges wherever Forklift usage is involved. No separate Forklift charges will be levied.
- f) Special cargo consists of live animals, hazardous goods and valuable cargo.
- g) Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers cheques, diamonds (including diamonds for industrial use), diamond jewelry, jewelry & watches made of silver, gold platinum or items valued at US\$ 1000 and above.
- h) Charges will be levied on the 'gross weight' or the 'chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
- i) For mis declaration of weight above 2% and up to 5% of declared weight, penal charges @ double the applicable Terminal, Storage and Processing charges and for variation above 5%, the penal charges @ 5 times the applicable Terminal, Storage and Processing charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum Terminal, Storage and Processing charges. No penal charges will be leviable for variation up to and inclusive of 2%. This will not apply to valuable cargo.
- j) All Bills shall be rounded off to the nearest of Rs.5/-. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.



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k) Merchant over Time (MOT) charges @ Rs.200.00 per consignment for admitting cargo beyond normal working hours.

When the results of calculations are between / and	Rounded off amount will be Rs.
102.5 - 107.4	105
107.5 - 112.4	110

II. Import Cargo

(a) Terminal, Storage and Processing Charges:

	Particular	Rate per Kilogram ₨/ P	Minimum rate per consignment Rs. / P
1	General/Courier	2.50	100.00
2	Special/ Valuable	5.00	200.00
3	Perishable	2.50	100.00

(b) Demurrage Charges

Demurrage free period shall be as per Government Orders issued from time to time.

For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (05 working days). If clearance is affected after 120 hrs. (05 working days), demurrage will accrue for the entire period from the date / time of the arrival of the flight, as follows:-

S.No.	Type of Cargo	Period	Rate per Kilogram	Minimum rate per consignment
			Rs. / Per Day	(Rs. / P.)
1 General Cargo/Courie Cargo		Up to 120 hrs. (5 days working) including free period	1.44	300
	HAN.IG.	Between 120 hrs. and 720 hrs. (6 and 30 days)	2.88	300
	2 see 14 statements	Beyond 720 hrs. (30 days)	4.31	300
2	Special Cargo/ Valuable Cargo	Up to 120 hrs. (5 days working) including free period	2.87	600
		Between 120 hrs. and 720 hrs. (6 and 30 days)	5.73	600
		Beyond 720 hrs. (30 days)	8.6	600
3	Perishable Cargo	Up to 120 hrs. (5 days working) including free period	1.44	300
		Between 120 hrs. and 720 hrs. (6 and 30 days)	2.88	300
		Beyond 720 hrs. (30 days)	4.31	300

Note:

- a) Consignments of human remains, coffin including baggage of deceased & human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
- b) No separate Forklift charges will be levied.
- c) Charges will be levied on the 'gross weight' or the 'chargeable weight' of the consignment whichever is higher. Wherever the 'gross weight' and (or) volume weight is wrongly indicated on the Airway Bill and is actually found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight' or 'chargeable weight' whichever is higher.
- d) Special Import Cargo consists of cargo stored in cold storage, live animals and hazardous goods.
- e) Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheques, diamonds (including diamonds for industrial use), diamond jewelry, jewelry & watches made of silver, gold platinum or items valued at USD 1000 per Kg. & Above.
- f) All Bills shall be rounded off to the nearest of Rs.5/=. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

When the results of calculations are	Rounded off amount will be
between / and	Rs.
102.5 - 107.4	105
107.5 - 112.4	110

Notes:

- Minimum de-stuffing charges per IGM shall be Rs 100/=
- Minimum carting charges shall be Rs 100/= per CTM.
- All bills preferred by the handling company i.e. AAI shall be rounded off to the nearest higher of Rs 5.
- All charges by NSOs shall be on cash and carry basis.
- No free period may be allowed on second time handling /upliftment of export cargo from cargo terminal. Applicable charges (Storage) shall be levied.

III. Domestic Outbound Cargo Charges Leviable on Shippers/Consignor(s) etc.

ACTIVITY	AAI CHARGES	
	MINIMUM	PER KG
1. Standard Charges for processing & Handling (TSP charges inclusive of off-loading / Loading/ Shifting & Forklift Usage)	INR	INR
a) General Cargo	100	0.75
b) Special (AVI) #	200.00	1.50
c) PER/DGR/VAL	200.00	1.50
2. Demurrage Charges / Storage (per day)		
a) General Cargo	100.00	0.75
b) Special (AVI)#	200.00	1.50
c) PER/DGR/VAL(If cold storage is used)	200.00	1.50

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3. Courier Handling	200.00	1.00		
4. Amendment of Airway Bill	100.00 per AWB			
5. Return Cargo Charges	eturn Cargo Charges 100.00 per AWB			
6. Strapping Charges 10.00 per Bag				
7. In addition to the above, in the event of m Weight, following charges based on the difference v				
2% - 5% variation	2 times of excess	weight		
More than 5% (Not Applicable in VAL Cargo)	5 times of excess	5 times of excess weight		

Note:

- a) The Demurrage free period shall be as per Government Orders issued from time to time.
- b) The domestic cargo handling charges applicable to newspaper and TV reel consignments shall be 50% of the prescribed charges.
- c) Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
- d) The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
- e) As per IATA definition, Special cargo consists of cold storage, live animals, hazardous goods & valuable cargo.
- f) Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheques, diamonds (including diamonds for industrial use), diamond jewelry, jewelry & watches made of silver, gold platinum or items valued at USD 1000 per Kg. & above.
- g) Charges will be levied on the 'gross weight' or the chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
- h) For mis-declaration of weight above 2% and up to 5% of declared weight, penal charges @ double the applicable domestic cargo handling charges and for variation above 5%, the penal charges @5 times the applicable domestic cargo handling charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum domestic cargo handling Charges. No penal charges will be leviable for variation up to and inclusive of 2%. This will not apply to Valuable Cargo.
- i) All the Bills shall be rounded off to the nearest of Rs.5/-. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

When the results of calculations are between / and	Rounded off amount will be Rs.
102.5 - 107.4	105
107.5 - 112.4	110

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IV. Domestic Inbound Cargo Charges Leviable on Consignee(s) etc.

ACTIVITY	PROPOSED AAI CHARGES	
1.Standard Charges for processing & Handling (TSP charges inclusive of off-loading / Loading/ Shifting & Forklift Usage)	MINIMUM (INR)	PER KG. (INR)
a) General Cargo	100.00	0.75
b) Special (AVI)	200.00	1.50
c) PER/DGR/VAL	200.00	1.50
2. Demurrage Charges / Storage (per day)	S SALT ALL ON SALE &	
a) General Cargo	100.00	0.75
b) Special (AVI)	200.00	1.50
c) PER/DGR/VAL (If cold storage is used)	200.00	1.50
3. Courier Handling	200.00	1.00

Note:

- a) The Demurrage free period shall be as per Government Orders issued from time to time.
- b) 20% discount in the domestic cargo handling charges will be granted to the consignee/authorized representatives who opt for engaging their own loaders for loading cargo into their vehicles for delivery at designated areas from the airlines concerned.
- c) Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
- d) The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
- e) Charges will be levied on the 'gross weight' or the chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
- As per IATA definition, Special cargo consists of cargo stored in cold storage, live animals, valuable & hazardous goods.
- g) Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, traveller's cheques, diamonds (including diamonds for industrial use), diamond jewelry, jewelry & watches made of silver, gold platinum or items valued at US\$ 1000 and above.
- h) All the Bills shall be rounded off to the nearest of Rs.5/- . As per IATA Tact RuleBook Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

When the results of calculations are	Rounded off amount will be		
between / and	Rs.		
102.5 - 107.4	105		
107.5 - 112.4	110		

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V. Schedule of Charges leviable on Airlines for domestic cargo handling

Activity	AAI	
	Minimum per flight INR	Per KG (INR)
A) Unloading of incoming cargo loaded on trolley		1
(Bulk cargo handling)	100	0.50
B) Loading of outgoing cargo on trolley (Bulk Cargo		
handling)	100	0.50

VI. Validity period for Charges

The charges proposed for domestic cargo handling would be valid for a period of 5 years from the date of commencement of cargo operation. The approval of AERA would be obtained before implementation of the charges.

VII. CARGO - X-BIS SCREENING CHARGES

Cargo Revenue comprises of X-BIS screening Charges of Cargo Consignment. Proposed Cargo X-BIS Screening Charges rate is Rs. 1 per KG subject to minimum of Rs. 100 per consignment plus GST as applicable. Other Cargo Charges shall be examined separately, and separate proposal will be put up for tariff when the cargo terminal comes into operation.



Annexure - 2: Comparison of Rates with other Airports as submitted by CHIAL

Comparison of Cargo tariff rates with Lucknow & Jaipur Airport:

I. EXPORT CARGO:-

Description	Jaipur Airport		Luckno	ow Airport	Chandigarh (CHIAL) Airport			
	Rate per Kilogram	Minimum rate per cons.	Rate per Kilogram	Minimum rate per cons.	Rate per Kilogram	Minimum rate per cons.		
Terminal, Storage and Processing Charges:								
General/Courier	0.98	165	0.97	164	0.75	100		
Special/ Valuable	1.94	323/660	1.93	321	1.50	200		
Perishable	0.98	165	0.97	164	0.75	100		
Demurrage Charges:								
General/Courier	1.00	165	1.00	164	0.75	100		
Special/Valuable	1.98	323/660	1.97	321	1.50	200		
Perishable	1.00	165	1.00	164	0.75	100		

II. Import Cargo:-

Description	Jaipur Airport		Luckn	ow Airport	Chandigarh (CHIAL) Airport			
	Rate per Kilogram	Minimum rate per cons.	Rate per Kilogram	Minimum rate per cons.	Rate per Kilogram	Minimum rate per cons.		
Terminal, Storage and Processing Charges:								
General/Courier	6.55	178	6.5	177	2.5	100		
Special/Valuable	13.05	350/1056	12.97	348	5	200		
Perishable		Concilionates	CT-HOL	and the second of	2.5	100		

Description	Jaipur Airport		Lucknow Airport		Description	Chandigarh (CHIAL) Airport	
	Rate per Kilogram	Minimum rate per cons.	Rate per Kilogram	Minimum rate per cons.		Minimum rate per cons.	Rate per Kilogram
Demurrage	and man tamin	A State	all sure and		and a second	MULTER STR	
General Cargo/	Courier	and the second				A SHE NEED	
< 96 Hours	1.9	429	1.89	426	<120 hrs	1.44	300
96 hrs. and 720 hrs	3.79	429	3.76	426	120 hrs. and 720 hrs	2.88	300
>720 hrs	5.69	429	5.65	426	>720 hrs	4.31	300
Special Cargo/	/aluable		Margaret		State State State	A STATE OF A	
< 96 Hours	3.79/7.56	845/1690	3.76/7.51	839/1678	<120 hrs	2.87	600
96 hrs. and 720 hrs	7.56/15.14	845/1690	7.51/15.04	839/1678	120 hrs. and 720 hrs	5.73	600
>720 hrs	11.35/22.70	845/1690	11.28/22.55	839/1678	>720 hrs	8.6	600
Perishable Carg	0		Alexandra and a second				
< 96 Hours			1000		<120 hrs	1.44	300
96 hrs. and 720 hrs			-	-	120 hrs. and 720 hrs	2.88	300
>720 hrs	10000				>720 hrs	4.31	300

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III. Domestic Outbound:-

Description	Jaipur Airport		Lucki	now Airport	Chandigarh (CHIAL) Airport	
	Rate per Kilogram	Minimum rate per cons.	Rate per Kilogram	Minimum rate per cons.	Rate per Kilogram	Minimum rate per cons.
Terminal, Storag	ge And Processing	Charges:				
General Cargo	0.99	145	0.98	144	0.75	100
Special (AVI)	1.98	290	1.97	288	1.5	200
PER/DGR/VAL	1.98	290	1.97	288	1.5	200
Courier Handling		-	1	132	1	200
Demurrage Char	rges / Storage (per	day)	HUN .			And the second of
General Cargo	0.99	145	0.98	144	0.75	100
Special (AVI)	1.98	290	1.97	288	1.5	200
PER/DGR/VAL	1.98	290	1.97	288	1.5	200

IV. Domestic Inbound:-

Description	Jaipur Airport		Lucknow	w Airport	Chandigarh (CHIAL) Airport	
	Rate per Kilogram	Minimum rate per cons.	Rate per Kilogram	Minimum rate per cons.	Rate per Kilogram	Minimum rate per cons.
Terminal, Storage	And Processing (Charges:	A REAL PROPERTY OF			
General Cargo	0.99	145	0.98	144	0.75	100
Special (AVI)	1.98	290	1.97	288	1.5	200
PER/DGR/VAL	1.98	290	1.97	288	1.5	200
Courier Handling			1	132	1	200
Demurrage Charge	s / Storage (per	day)				
General Cargo	0.99	145	0.98	144	0.75	100
Special (AVI)	1.98	290	1.97	288	1.5	200
PER/DGR/VAL	1.98	290	1.97	288	1.5	200



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