

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण  
Airports Economic Regulatory Authority of India

**आदेश संख्या 11/2022-23**

**Order No. 11/2022-23**

ऐरा भवन/AERA Building  
प्रशासनिक कॉम्प्लेक्स/Administrative Complex  
सफदरजंग हवाईअड्डा/Safdarjung Airport  
नई दिल्ली/New Delhi – 110003

जारी करने की तारीख: 30 जून, 2022/Date of Issue: 30 June, 2022

सेवा/Service	: कार्गो हैंडलिंग सेवाएं/ Cargo Handling Services
सेवा प्रदाता/Service provider	: एएआईसीएलएस/AAICLAS
हवाईअड्डा/Airport	: मंगलुरु अंतरराष्ट्रीय हवाईअड्डा/ Mangaluru International Airport
हवाईअड्डा प्रचालक/Airport Operator	: मंगलुरु इंटरनेशनल एयरपोर्ट लिमिटेड/ Mangaluru International Airport Limited

मैसर्स एएआई कार्गो लॉजिस्टिक्स एंड एलाइड सर्विसेज कंपनी लिमिटेड द्वारा मंगलुरु अंतरराष्ट्रीय हवाई अड्डा, मंगलुरु में प्रदान की जाने वाली अंतर्देशीय कार्गो हैंडलिंग सेवाओं के लिए तदर्थ टैरिफ निर्धारित करने के मामले में

**In the matter of Determination of Ad-hoc Tariff for Domestic Cargo Handling Services provided by M/s AAI Cargo Logistics and Allied Services Company Limited at Mangaluru International Airport, Mangaluru.**

**AAICLAS Submission**

1. AAI Cargo Logistics and Allied Services Company Limited (AAICLAS) is a wholly owned subsidiary of Airports Authority of India (AAI) performing Aviation Cargo Business in India. AAI demerged and corporatized its cargo department into a functionally and administratively independent organization named as "AAICLAS," and incorporated on 11<sup>th</sup> August, 2016. Presently, AAICLAS is providing Cargo Services at 17 major airports, including Mangaluru International airport.

2. M/s AAICLAS, vide letter dated 02.06.2022, informed the Authority that Cargo Service Center Ltd. (CSC) had operated the Domestic Cargo Terminal at Mangaluru airport from 26.06.2015 to 25.06.2020 under the leasing agreement with AAICLAS. Subsequently, M/s AAICLAS took over the Domestic Cargo Terminal at Mangaluru airport and started providing Domestic Cargo Services with the Tariff Rates as applicable to AAI's Non-Major Airports as per letter no. AV-16026/159/2015-ER dated 19.05.2016 issued by the Ministry of Civil Aviation (MoCA).





3. Consequent to declaration of Mangaluru International Airport as a "Major Airport" in terms of Airports Economic Regulatory Authority of India Act, 2008, vide MoCA notification dated 10.01.2020, M/s AAICLAS has informed that the preparation of MYTP is under process and will be submitted to the Authority shortly for determination of regular Aeronautical Tariff for Cargo Services at Mangaluru International Airport.

4. M/s AAICLAS, in the meantime, seeks an interim Tariff for its Domestic Cargo Operations at Mangaluru Airport, based on the prevailing Tariff approved for Non-Major Airports by MoCA.

#### **Authority's Analysis**

5. The Authority notes that AAI Cargo Logistics and Allied Services Company Limited (AAICLAS) is a wholly owned subsidiary of Airports Authority of India (AAI) and operating in Aviation Cargo Business in India. AAICLAS has got the required Bureau of Civil Aviation Security (BCAS) approval for its Domestic Cargo Operation at the Mangaluru International Airport, Mangaluru vide BCAS letter dated 03.02.2022. The BCAS Security clearance is valid for a period of 5 years from the date of issue of Security Programme i.e. up to 02.02.2027.

6. The Authority notes that M/s AAICLAS is currently operating at Domestic Cargo Terminal at Mangaluru International Airport, with the Tariff Rates applicable for Non-Major Airports as per letter no. AV-16026/159/2015-ER dated 19.05.2016 issued by MoCA.

7. The Authority, having examined the request of AAICLAS, notes that submission of Multi Year Tariff Proposal (MYTP) for the determination of regular Tariff for Domestic Cargo Services at Mangaluru airport from the ISP is expected shortly. However, regulatory process for determination of regular Tariff for the proposed Cargo Services at Mangaluru airport, including issuances of Consultation Paper & Tariff Order will take some time. Therefore, the Authority, in the interim, decides to allow M/s AAICLAS, to levy the prevailing tariff as per MoCA approval vide letter no. AV-16026/159/2015-ER dated 19.05.2016, on ad hoc basis, as per Annexure-I, up to 31.03.2023, or, till the determination of regular Tariff for Cargo Handling Services, whichever is earlier.

#### **Order**

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

- (i) M/s AAICLAS is allowed to levy, on Ad-hoc basis, Tariff for Domestic Cargo Handling Services at Mangaluru International Airport, Mangaluru as per **Annexure-1** for a period up to **31.03.2023**, or, till the determination of regular Tariff for Domestic Cargo Handling Services for the First Control Period, whichever is earlier.
- (ii) Tariff approved, as above, will be the maximum Tariff to be charged from the Users of the Cargo Handling Services. No other charges are to be levied over and above the approved Tariff.
- (iii) The Tariff determined herein above is excluding of applicable taxes, if any.



(iv) 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**

**Shri Ajay Bhardwaj, Chief Executive Officer,  
AAICLAS, AAICLAS Complex, Delhi Flying Club Road,  
Safdarjung Airport, New Delhi-110003**

**Copy to:**

- 1) Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi - 110003.
- 2) Chairman, Airports Authority of India, Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi - 110003.
- 3) Shri Nirav Shah, Chief Airport Officer, Mangaluru International Airport Ltd., Mangaluru.





**Annexure-I**

**Approved Ad-hoc Tariff for M/s AAICLAS providing Domestic Cargo Handling Services  
at Mangaluru International Airport, Mangaluru  
(For the period up to 31.03.2023)**

**(I) - CHARGES LEVIABLE ON SHIPPERS / CONSIGNOR(S) ETC. ON DOMESTIC  
OUTBOUND CARGO**

S.No.	ACTIVITY	AAI CHARGES	
		INR PER KG PER DAY	MINIMUM (INR) PER AWB
1	Standard Charges for processing & handling (TSP charges inclusive of off-loading/Loading/ Shifting & Forklift usage)		
a)	General Cargo	0.96	141.00
b)	Special (AVI) #	1.92	281.00
c)	PER/DGR/VAL*	1.92	281.00
2	Demurrage Charges/Storage		
a)	General Cargo	0.96	141.00
b)	Special (AVI) #	1.92	281.00
c)	PER/DGR/VAL*	1.92	281.00
3	Courier Handling	1.28	153.00
4	Carting charges for outbound / inbound domestic cargo moved on AAICLAS provided vehicle/truck at Port Blair Airport only	0.24	320 per single trip
5	Amendment of Airway Bill	128.0 per AWB	
6	Return Cargo Charges	128.0 per AWB	
7	Strapping Charges	12.77 per Bag	
8	In addition to the above, penal charges applicable for mis-declaration of weight as below:		
a)	Up to & inclusive of 2 percentage	No penal charges (this is not applicable for VAL Cargo)	
b)	2-5% variation	2 times of excess weight	
c)	More than 5%	5 times of excess weight	

**NOTES:**

- The free period for outbound domestic cargo shall be 12 hours for examination/processing by the shipper/consignor/authorized representative etc. and 12 hours for Airlines at SHA.
- 10% discount in the domestic cargo handling charges will be granted to the shippers/consignors who opt for engaging their own manpower for offloading cargo from their vehicles at Truck Dock and shifting to the examination/storage area before handing over to the airlines concerned, wherever it is applicable.
- 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. No XBIS / ETD charges leviable on these shipments.
- The domestic cargo handling charges are inclusive of forklift charges wherever forklift usage is involved. No separate forklift charges will be levied.
- #As per IATA definition, Special cargo consists of cold storage, live animals, hazardous goods & valuable cargo.
- \*Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheques, diamonds (including diamonds for industrial use), diamond jewellery, jewellery & watches made of silver, gold platinum and items valued at USD 1000 per Kg. & above.





7. 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.
8. 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%. No weight deviation permissible in VAL cargo.
9. XBIS usage charges INR 1.00 per kg subject to minimum of INR 150.00 per shipment. The same is applicable at 50% per kg subject to minimum of INR 100.00 per ODC shipment where physical checks with the help of ETDs are facilitated. However, in random check cases in ETDs by airlines after scanning through XBIS, no charges to be levied for usage of ETDs.
10. Any other agencies operating at airport utilizing AAICLAS equipment like Forklift, Tractor and any other equipment shall be charged separately.
11. All bills shall be rounded up to the nearest higher of Rupee 1.00. (Eg. 1.25 = 2.00; 3.85 = 4.00)
12. The Tariff Rates indicated herein above are excluding of all applicable taxes, if any.
13. Tariff determined as above will be maximum Tariff to be charged from the Users of the Cargo Handling Services. No other charges to be levied over and above the approved Tariff.

**(II) - CHARGES LEVIABLE ON SHIPPERS / CONSIGNOR(S) ETC. ON DOMESTIC INBOUND CARGO**

S.No.	ACTIVITY	AAI CHARGES	
		INR PER KG PER DAY	MINIMUM (INR) PER AWB
1.	Standard Charges for processing & handling (TSP charges inclusive of off-loading/Loading/Shifting & Forklift usage)		
a)	General Cargo	0.96	141.00
b)	Special (AVI) #	1.92	281.00
c)	PER/DGR/VAL*	1.92	281.00
2.	Demurrage Charges/Storage (per day)		
a)	General Cargo	0.96	141.00
b)	Special (AVI) #	1.92	281.00
c)	PER/DGR/VAL*	1.92	281.00
3.	Courier Handling	1.28	153.00

**NOTES:**

1. The free period for inbound domestic cargo shall be one working day for processing/delivery by the consignee/authorized representative etc.
2. 10% discount in the domestic cargo handling charges will be granted to the consignee/authorized representative who opts for engaging their own manpower for loading cargo into their vehicles for delivery at designated areas from the airlines concerned, wherever it is applicable.
3. Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the purview of domestic cargo handling & demurrage charges. No XBIS / ETD charges leviable on these shipments in case it is screened.



4. The domestic cargo handling charges are inclusive of forklift charges wherever forklift usage is involved. No separate forklift charges will be levied.
5. 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.
6. #As per IATA definition, Special cargo consists of cargo stored in cold storage, live animals, valuable & hazardous goods.
7. \*Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheques, diamonds (including diamonds for industrial use), diamond jewellery, jewellery & watches made of silver, gold platinum & items valued at US\$ 1000 and above.
8. Any other agencies operating at airport utilizing AAICLAS equipment like Forklift, Tractor and any other equipment shall be charged separately.
9. All bills shall be rounded up to the nearest higher of Rupee 1.00. (Eg. 1.25 = 2.00; 3.85 = 4.00)
10. The Tariff Rates indicated herein above are excluding of all applicable taxes, if any.
11. Tariff determined as above will be maximum Tariff to be charged from the Users of the Cargo Handling Services. No other charges to be levied over and above the approved Tariff.

**(III) - SCHEDULE OF CHARGES LEVIABLE ON AIRLINES FOR DOMESTIC CARGO HANDLING INCLUDING WHERE RA FACILITATION IS PROVIDED BY AAICLAS**

ACTIVITY	PER KG. (INR)	MINIMUM PER FLIGHT (INR)
Unloading of incoming cargo loaded on trolleys (Bulk cargo handling)	0.79	105.00
Loading of outgoing cargo on trolleys (Bulk cargo handling)	0.79	105.00
Loading of Container/Pallet	1.40	263.00
De-stuffing of Container/Pallet	1.40	263.00

**NOTES:**

- a. All bills shall be rounded up to the nearest higher of Rupee 1.00.
- b. The Tariff Rates indicated herein above are excluding of all applicable taxes, if any.
- c. Tariff determined as above will be maximum Tariff to be charged from the Users of the Cargo Handling Services. No other charges to be levied over and above the approved Tariff.

**Example**

- (i) TSP = INR 263.59 (Actual Calculated Amount)
- (ii) GST @ 18% of (i) = INR 47.45 (Actual Calculated Amount)
- (iii) Total Amount (i)+(ii) = INR 311.04 (Actual Calculated Amount)
- (iv) Bill Amount = INR 312/- (rounded up to nearest higher Rupee 1.00)

**(IV) REGULATED AGENT FACILITATION**

Applicable for Export & Domestic Outbound cargo. Applicable when RA security program is executed with approval of BCAS.

S. No.	Particulars	Charges (INR)
a)	(i) X-ray machine usage charges	INR 1 per kg, subject to minimum of INR 150/- per





		shipment / AWB
	(ii) Use of ETD for ODC	INR 0.50 per kg subject to minimum of INR 100/- per shipment / AWB
	Screening & Certification charges	
b)	(i) Export	INR 1.50 per kg, subject to minimum of INR 150/- per shipment
	(ii) Domestic outbound	INR 1.32 per kg, subject to minimum of INR 120/- per shipment
c)	Security Services for escorting of Cargo from Cargo Terminal to Aircraft and vice versa and handing over to the Airlines representative (For both Scheduled Airlines and Non-scheduled Airlines)	INR 0.10 per kg, subject to minimum of INR 1,000/- per flight (subject to negotiation based on type of Aircraft & Load)

#### **NOTES**

1. All bills preferred by the handling company shall be rounded off to the next higher of Rupee 1/-.
2. The Tariff Rates indicated herein above are excluding of all applicable taxes, if any.
3. Tariff determined as above will be maximum Tariff to be charged from the Users of the Cargo Handling Services. No other charges to be levied over and above the approved Tariff.

