

[F.No. AERA/20010/MYTP/Celebi/C/Del/2011-12]

Airports Economic Regulatory Authority of India

Order No.11/2012-13

AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi - 110 003

Date of Order : 26th July, 2012

Date of Issue : 03rd August, 2012

In the matter of Annual Year Tariff Proposal (ATP) for the First and Second Tariff Year of the 1st Control Period submitted by M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd. (Celebi) for providing the cargo handling services at Cargo Terminal, IGI Airport, New Delhi

The Authority had considered the Multi Year Tariff Proposal (MYTP) submitted by M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd. (Celebi) in respect of cargo handling services rendered at IGI Airport, New Delhi and after due stakeholder consultation issued Order No. 14/2011-12 dated 07.10.2011 (i.e. MYTO) ordering that:

- (a) The services provided by Celebi, the Cargo facility Service provider at IGI Airport, New Delhi are "material but competitive". Hence the Authority will adopt a "light touch approach" for determination of tariff for the 1st Control Period w.e.f 01.04.2011.
- (b) Celebi, may submit the Annual Tariff Proposal for the first tariff year of the first control period for the consideration of the Authority within a period of 75 days of the issue of this Order in accordance with the Guidelines.

2.1 Pursuant to the issue of the MYTO, Celebi vide letter dated 21.12.2011 submitted their ATP for the first tariff year (2011-12). Further, vide letter dated 10.02.2012, Celebi also submitted their ATP for the second tariff year (2012-13).

2.2 The ATPs submitted by Celebi were put up for stakeholder consultation vide Consultation Paper No. 4/2012-13 issued on 17.05.2012 wherein the Authority proposed the following for stakeholder consultation:

- (i) "The Annual Tariff Proposal - for domestic and international cargo handling services for first tariff year (1.04.2011 to 31.3.2012), and for second tariff year (01.04.2012 to 31.03.2013) of the first control period may be tentatively decided to be approved.
- (ii) Tariff proposed as above will be maximum and demurrage free period shall be as per Government orders issued from time to time."

2.3 The last date for receipt of comments on the proposal in the Consultation Paper was 31.05.2012. In response, comments were received from Federation of Indian



Airlines (FIA), Airports Authority of India (AAI) and Delhi International Airport Ltd. (DIAL).

3.1 FIA, vide their letter no. nil dated 31.05.2012, inter-alia mainly have raised the following issues:

- a) CP No. 4 deals with vital aspects relating to the Cargo Facility which has a huge impact on the member airlines and to respond to the concerns 14 days time is not sufficient;
- b) Relevant documents have not been made available to the stakeholders on whom reliance has been placed to arrive at the decision for tentatively approving Celebi's proposal for tariff and allowing approximately the 33% increase;
- c) Authority has not considered the present economic realities and interests of consumers.
- d) FY 2011-12 has already passed and there cannot be any retrospective determination of tariff.
- e) Details of consultation with stakeholders and evidence of user agreements have not been made available to the stakeholders. FIA is not aware whether Form B and Form F12(b) were submitted by Celebi.
- f) By the proposed tariff proposal, the cost of operations will increase by approximately 33% which would push at least 40% of export from Delhi to alternative airports and other modes of Transport.
- g) The cargo market has not grown over the last few years. The domestic cargo tonnage by all carriers reflects a negative growth overall.
- h) Such negative growth would widen if the terminal operators increase the rates exorbitantly as the customers will move out and explore other modes of transport.

3.2 AAI vide their letter dated 20.06.2012, stated that proposal may be approved by AERA as per laid down Guidelines/norms.

3.3 DIAL in their submission dated 30.05.2012, supported the revision in the rates as per the tariff(s) proposed in the ATPs.

4. Vide letter dated 07.06.2012, the Authority requested Celebi to furnish their views/clarifications on the comments of FIA. In response, Celebi vide letter dated 12.06.2012, submitted their views/clarifications as under:

- a) All the relevant documents, as per the AERA Guidelines, have been submitted by Celebi in its MYTP submitted on 30.04.2011 which have been made available by the Authority to all stakeholder on its website.
- b) Celebi have not proposed a 33% hike in their proposed tariffs for FY 2012-13. The proposed hike in majority of the rates is based on the cumulative WPI inflation of two year period (starting the commencement of their operations, i.e., November 2009 at Delhi airport) which is around 18%. Further, the expected revenue (INR 328 Cr) in FY 2012-13 based on the proposed tariffs is well below the approved AER of INR 395 Cr.



- c) The Annual Tariff Proposal for FY 2011-12 was submitted on 21.12.2011 and it did not propose any change in the existing tariffs for the period FY 2011-12. Hence, there is no retrospective impact on the customers due to the Annual Tariff Proposal for FY 2011-12.
- d) Celebi have provided to AERA the minutes of meetings and email correspondences between Celebi and ACAAI and AOC. Paragraph 3.4, 3.5 and 3.6.e of the Consultation Paper No. 4/2012-13, refer to the same.
- e) As per Appendix AI. 8.2 of the AERA Guidelines, Celebi is required to submit Form 14 (b) and not Form 12 (b) as mentioned in FIA's comments. Form B and Form 14 (b) are the requirements for filing Annual Tariff Proposal which have been submitted by Celebi with its Annual Tariff Proposals and available in AERA's Consultation Paper No 4/2012-13.
- f) Regarding the user agreements, Celebi would continue to honour the existing long-term agreements which have been signed with various customers in the past and are valid for FY 2012-13. Any change in tariff would be undertaken through a mutual agreement between Celebi and customers. They have submitted a few User Agreements to the Authority with their MYTP submitted on 30.04.2011. Due to the sensitive nature of these documents, they had requested the Authority not to disclose these agreements in public domain.
- g) The proposed hike is based on the cumulative WPI inflation for two years which stands around 18% and not 33%. Celebi appreciate the concerns of FIA on total logistics cost for the shipper, it is to be noted that an 18% increase in the handling cost would increase the overall logistics cost by less than 1% which will be compensated by the investments being made by Celebi Delhi Cargo Terminal in infrastructure improvement for smoother processing, faster turnaround and better service levels and Celebi stand committed to the satisfaction of their customers.

5.1 The Authority has considered the comments received from FIA, AAI and DIAL. It is observed that DIAL have supported the revision in rates as proposed in the consultation paper, while AAI have stated that the ATPs for first and second year are to be decided by the Authority as per the laid down Guidelines/norms.

5.2 As regards the comments of FIA, the Authority observes that:-

- 5.2.1 FIA in their comments, have not specified/listed out the documents related to the ATPs which are not available in the Consultation Paper. Instead the ATP submitted by Celebi had been uploaded alongwith the documents which were annexed to the Consultation Paper No. 04/2012-13 dated 17.05.2012. The Consultation Paper was uploaded on the Authority's website (www.aera.gov.in).
- 5.2.2 Regarding the increase in tariffs, Celebi has clarified that the proposed hike is 18% and not 33% as claimed by FIA. 18% increase is based on the cumulative WPI inflation of two year period starting from the date of operations (November, 2009) and their expected revenue (INR 328 Cr) in FY 2012-13 based on the proposed tariffs is below the aggregate revenue requirement of Rs 395 crore. Celebi has further stated that 18% increase



would increase the overall logistics cost by less than 1% which will be compensated by investments in infrastructure improvement by Celebi.

- 5.2.3 Further, it had been decided to determine the tariffs in respect of Cargo Services provided by Celebi at Delhi Airport under 'Light Touch Approach' vide the MYTO. The MYTO was issued after following a consultation process by the Authority through the consultation paper No 16/2011-12 dated 27.8.2011. At the time of the stakeholder consultation in the matter of Celebi's MYTP, there were no comments from any stakeholder, except Air India, whose observations were addressed by the Authority in the MYTO. Hence, at ATP stage the tariffs are to be determined under light touch approach.
- 5.2.4 Regarding the rates for 1st tariff year (FY 2011-12), Celebi have submitted that they have not proposed any change in the then existing tariffs, and hence there will not be any retrospective impact on the customers.
- 5.2.5 Copies of Letters dated 21.12.2011, 10.02.2012 and 23.03.2012 which FIA has stated that they have not been made available, were annexed to the Consultation Paper no. 04/2012-13 dated 17.05.2012 and the enclosures of these letters viz. Form B and 14(b) were also uploaded separately. Some copies of Emails and correspondences exchanged between Celebi and their stakeholders were not uploaded as the same were marked confidential. However details of these users consultation by Celebi, were detailed at para 3.3 to 3.6 of the Consultation Paper.
- 5.2.6 Form 14(b) [not Form 12(b) as indicated by FIA] is required to be filed with ATP as per Clause 11.2 of the Guidelines: The said Form F14(b) as well as Form B submitted by Celebi were also uploaded with the Consultation Paper.
- 5.2.7 Regarding details of consultation with stakeholders, the same were considered in para 3.3 to 3.6 of the Consultation Paper. Regarding the consultation by the Authority as pointed out by FIA, it is mentioned that the very purpose of issuing Consultation Paper No. 04/2012-13 dated 17.05.2012 was for eliciting the views of the stakeholders, based on which the Authority would issue a final order. This fact has been stated in para 4 of the Consultation Paper.
- 5.2.8 The Authority has to determine the tariffs based on proposals submitted by ISPs in terms of the AERA Act and the Guidelines framed thereafter. As regards providing more time to submit the comments by stakeholders in respect of the consultation paper, FIA's request was examined & it was informed by the Authority vide letter dated 01.06.2012 that-

"The letter seeking extension for submission of comments has been received on the last day of the 15 day consultation period given by the Authority, while FIA was aware of the 15 day consultation period for the said paper. Hence the Authority is not inclined to extend the last date for submission of comments".



5.2.9 Comments of FIA and the clarifications/views furnished by Celebi and the observations thereon are tabulated at **Annexure-I**.

5.3 In brief, the Authority had considered the MYTP submitted by Celebi and considering the service being material but competitive the Authority had, after stakeholder consultation, issued MYTO ordering that the tariffs shall be determined under the "Light touch approach". Further it is also observed that DIAL have supported the revision in the charges and AAI have not offered any comments. In respect of the comments offered by FIA on increase in the tariffs, the same have been suitably addressed by Celebi.

ORDER:

6. Upon careful consideration of material available on record, as well as submissions made by stakeholders, the Authority, in exercise of powers conferred by Section 13(1)(a) of the Act, hereby orders that:

- (a) The charges for cargo handling services provided by M/s. Celebi Delhi Cargo Terminal Management India Pvt. Ltd. at IGI Airport, New Delhi for the first tariff year (i.e. 01.04.2011-31.03.2012) and second tariff year (i.e. 01.04.2012-31.03.2013) of the first control period are determined as per **Annexure – II**, w.e.f. 01.04.2011 and 01.04.2012 respectively.
- (b) Tariff proposed as above will be maximum and demurrage free period shall be as per Government Orders issued from time to time.

By the Order of and in the
Name of the Authority


(Capt. Kapil Chaudhary)
Secretary

To,

M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd.,
Import Building – III,
International Cargo Terminal,
Indira Gandhi International Airport,
New Delhi – 110037.
(Through: Shri Sanjay Khanna, Chief Executive Officer)



ANNEXURE-I

COMMENTS RECEIVED FROM FIA AGAINST CONSULTATION PAPER NO.04/2012-13 AND CLARIFICATIONS/VIEWS SUBMITTED BY CELEBI

| S.No | FIA'S COMMENTS | CLARIFICATIONS BY CELEBI | REMARKS |
|-------------|--|---|---|
| 1 | <p>All the relevant documents have not been made available to the stakeholders on which reliance has been placed to arrive at the decision for tentatively approving Celebi's proposal for tariff and allowing approximately 33% increase. It is submitted that the Authority is duty bound to provide all the documents referred to and relied upon by it and sufficient time ought to be provided to the stakeholder to respond.</p> | <p>All the relevant documents as per the AERA Guidelines have been submitted by Celebi in its MYTP submitted on 30.04.2011, ATP FY 2011-12 submitted on 21.012.2011 and ATP FY 2012-13 submitted on 10.02.2012 and 23.03.2012. The same has been made available by the Authority to all stakeholders on its website on a regular basis. These documents contain details of the proposed investments, rate of return and all other relevant data notified by AERA to determine the proposed tariff.</p> <p>- Celebi further stated that they would like to highlight to the Authority that they have not proposed a 33% hike in their proposed tariffs for FY 2012-13. The proposed hike in majority of the rates is based on the cumulative WPI inflation of two year period (starting the commencement of our operations, i.e., November 2009 at Delhi airport) which is around 18%. Further, the expected revenue (INR 328 Cr) in FY 2012-13 based on the proposed tariffs is well below the approved ARR of INR 395Cr.</p> | <p>FIA has not specified/listed out documents which are not available in the Consultation Paper. However at MYTP stage Celebi had submitted the following documents as required i.e. Form A, F1(a), F1(b), F2, F3, F4, F5, F6(a), F6(b), F7, F8(a), F8(b), F9, F10(b), F10(c), 10(d), F10(e), F11(a), F11(b), F11(c), F11(d), F11(e), F11(f), F11(g), F12(a), F 13(a) and F13(b) etc.</p> |



| S.No | FLA'S COMMENTS | CLARIFICATIONS BY CELEBI | REMARKS |
|------|--|--|---|
| 2. | <p>The Authority has failed to carry out a thorough prudence check which is an intrinsic and essential part of the process of tariff determination as evident from Section 13 of the AERA Act, 2008.</p> | <p>Para 2 & 3 : Celebi is not suitably positioned to comment on the questions raised by FLA on Authority's prudence on tariff determination process. Based on their interactions with the Authority, they believe the Authority has followed a transparent and rigorous process for tariff determination and they once again confirm their faith in abiding by the guidelines set by the Authority.</p> | <p>The Authority issued Order No. 5/2010-11 dated 02.08.2010 in the matter Regulatory Philosophy and Approach in the Economic Regulation of Services provided for Cargo Handling, Ground Handling and Supply of Fuel to the Aircrafts at major airports. Subsequently the Authority issued Direction No. 04/2010-11 dated 10.01.2011 wherein the Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Services Provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft) Guidelines, 2011, were also issued. These Orders/Directions were issued after extensive stakeholder consultation and now all the matters related to the economic regulation of the ISPs are dealt as per these Guidelines.</p> |
| | | | <p>As per the these Guidelines, The Authority issued the Order No. 14/2011-12 on 07.10.2011 in respect of the MYTP submitted by Celebi and wherein the Authority has decided to determine/approve the tariff under 'Light Touch Approach' for rendering cargo handling services at IGIA. The Order was issued after following the consultation process by the Authority and against the consultation paper (No</p> |



| S.No | FLA'S COMMENTS | CLARIFICATIONS BY CELEBI | REMARKS |
|------|---|--|---|
| 3 | While tentatively proposing such increase in tariff, Authority has not considered the present economic realities and interests of consumers. Authority being a creature of stature is under a duty to balance the interest of all the stakeholders and consumers, which it is mandated to do under the AERA Act. | Refer to clarification in respect of Sl. No. 2 above | 16/2011-12 dtd 27.8.11), there were no comments from any stakeholder excepting Air India. The Authority has acted as per its laid down Guidelines/policy. |
| 4. | The Annual Tariff Proposal for tariff year FY 2011-12 - It may be noted that FY 2011-12 has already passed and there cannot be any retrospective determination of tariff. | - It is to be noted that the Annual Tariff Proposal for FY 2011-12 was submitted on 21.12.2011 and it did not propose any change in the existing tariffs for the period FY 2011-12. Hence, there is no retrospective impact on the customers due to the Annual Tariff Proposal for FY 2011-12. | Celebi has not proposed any change in the tariff for tariff year 2011-12 hence it has no retrospective impact. |
| 5. | On the Annual Tariff Proposal for tariff year 2012-13, the Authority has not made available to the stakeholder the documents relied upon and referred to in the CP No. 4 being:- (a) Submissions of Celebi dated 21.12.2011, 10.02.2012, 23.03.2012 (b) Various communications exchanged between AOC and ACAAI etc. | - Celebi submitted the ATP FY 2011-12 on 21.12.2011 and ATP FY 2012-13 on 10.02.2012 and 23.03.2012. The same has been provided in the concerned Consultation Paper No 4/2012-13. Celebi has also provided to AERA the minutes of meetings and email correspondences between Celebi and ACAAI and AOC. Paragraph 3-4, 3-5 and 3.6.e of the Consultation Paper No. 4/2012-13 highlight the same | Copies of Letters dated 21.12.2011, 10.02.2012 and 23.03.2012 are already annexed to the consultation paper. Enclosures of these letters viz. Form B and 14(b) were uploaded separately. However some enclosures to these letters which were copies of Emails and other correspondences exchanged between Celebi and their stakeholders towards user consultation undertaken by Celebi, were not uploaded. These correspondences include the communications exchanged between |



| S.No | FIA'S COMMENTS | CLARIFICATIONS BY CELEBI | REMARKS |
|------|--|---|--|
| 6. | <p>It is observed by the Authority that Clause 11.2 of the Guidelines provide that the Annual Tariff Proposal is required to be submitted in the form and manner provided in Appendix AI.8.2 wherein it is mentioned that the Annual Tariff Proposal should be supported by:-</p> <p>(a) Form B and Form F12(b)</p> <p>(b) Details of consultation with stakeholders</p> <p>(c) Evidence of User Agreements clearly indicating the Tariff(s) proposed by the service provider.</p> <p>It is noteworthy that neither the details of consultation with stakeholders nor any evidence of user agreements has been made available to the stakeholders. FIA believes that no consultation process was conducted by the Authority.</p> | <p>- As per Appendix AI. 8.2 of the AERA Guidelines, Celebi is required to submit Form 14 (b) and not Form 12 (b) as mentioned in FIA's comments. Form 14 (b) was submitted by Celebi in its Annual Tariff Proposals and can be easily traced in AERA's Consultation Paper No 4/2012-13.</p> <p>- As already highlighted above, the evidence of stakeholders' consultation and justification for proposed tariffs have already been submitted to AERA. Regarding the user agreements, the Consultation Paper outlines (paragraph 3-3 of Consultation Paper No. 4/2012-13) that Celebi would continue to honour the existing long-term agreements which have been signed with various customers in the past and are valid for FY 2012-13. Any change in tariff would be undertaken through a mutual agreement between Celebi and customers. Celebi had submitted a few User Agreements to the Authority with their ATP submitted on 30.04.2011. Due to the sensitive nature of these documents, they had requested</p> | <p>AOC and ACAAI also. In fact in the letter dated 21.12.2012, copy of an Email exchanged by Celebi with the users, has been marked as confidential. Keeping in view that background/no clarifications from Celebi, the other communications were not uploaded.</p> <p>Form B and Form 14(b) [not Form 12(b) as indicated by FIA] as required to be filed with ATP as per Clause 11.2 of the Guidelines, were submitted by Celebi and formed part of the Consultation Paper.</p> <p>Regarding details of consultation with stakeholders, the same have been provided at para 3-3 to 3.6 in the Consultation Paper.</p> <p>Regarding consultation by the Authority, it is stated that the consultation paper no. 4/2012-13 dated 17.05.2012 has been issued by the Authority for this very purpose.</p> |



| S.No | FIA'S COMMENTS | CLARIFICATIONS BY CELEBI | REMARKS |
|------|---|--|---|
| 7. | <p>FIA is not aware whether Form B and Form F12(b) were submitted by Celebi as the same is not part of the CP No. 4.</p> | <p>the Authority not to disclose these agreements in public domain.</p> <p>- As mentioned earlier, Form F 12 (b) is not required as part of the Annual Tariff Proposal submission. Form B and Form F 14 (b) are the requirements for filing Annual Tariff Proposal and can easily be traced in the Consultation Paper No.4/20 12-13.</p> | <p>Form B and Form 14(b) [not Form 12(b) as indicated by FIA] are required to be filed as part of an ATP as per Clause 11.2 of the Guidelines. The same were submitted by Celebi and formed part of the Consultation Paper.</p> |
| 8. | <p>It is noteworthy that the tariff proposed by Celebi will severely affect the cost of operations of the member airlines. By the proposed tariff proposal, the cost of operations will increase by approximately 33%. Hence, such cost increase would push at least 40% of export from Delhi to alternative airports and other modes of Transport.</p> | <p>- The proposed hike is based on the cumulative WPI inflation for two years which stands around 18% and not 33%. While they do appreciate the concerns of FIA on total logistics cost for the shipper, it is to be noted that cargo handling is a very small component of the total logistics cost which consists of first mile transportation to airport, air cargo handling cost at airports, air transportation cost and last mile transportation to the customer. Air cargo handling cost at the airport contributes less than 5% of the total logistics cost of air cargo. Hence, an 18% increase in the handling cost would increase the overall logistics cost by less than 1%. This insignificant increase in total logistics cost will be more than compensated by the investments being made by Celebi Delhi Cargo Terminal in infrastructure improvement for smoother processing, faster turnaround and better service levels. They stand committed to the satisfaction of their customers.</p> | <p>The present determination is being undertaken by the Authority as per the Guidelines issued in this matter.</p> |



| S.No | FIA'S COMMENTS | CLARIFICATIONS BY CELEBI | REMARKS |
|-------------|--|---------------------------------|---|
| 9. | <p>Without prejudice to the rights of member airlines, it is submitted that the Authority must take note of the following:-</p> <p>(a) The cargo market has not grown over the last few years. The Domestic cargo tonnage by all carriers reflects a negative growth overall.</p> <p>(b) Such negative growth would widen if the terminal operators increase the rates exorbitantly as the customers will move out and explore other modes of transport.</p> | No comments offered by Celebi. | The Authority has to determine/approve the tariff proposal submitted by ISPs in terms of the AERA Act and the Guidelines framed thereunder. |
| 10. | <p>In addition to the above, it may be noted that the Authority must follow the principles of natural justice and provide adequate time to make submissions on the Consultation Paper. It has been held by the Hon'ble Supreme Court (Uma Nath Pandey vs. State of U.P reported as AIR 2009 SC 2375) that Natural justice is another name for common sense justice. The adherence to principles of natural justice is of supreme importance than quasi-judicial body embarks on determining disputes between the parties. The first and foremost principle is what is commonly known as audi alteram partem rule. It says that no one should be condemned unheard. Notice is the first limb of this principle. It must be precise and unambiguous. It should appraise the party determinatively the case he has to</p> | -No comments offered by Celebi. | The Authority has to determine/approve the tariff proposal submitted by ISPs in terms of the AERA Act and the Guidelines framed thereafter. As regards providing more time to submit the comments, it is submitted that FIA's request was received on 30.05.2012 while the last date of submission of comments was 31.05.2012. It was then observed by the Authority that FIA had not given enough time though they were aware of the proposal for 15 days. Hence, the request of FIA was rejected. |



| S.No | FIA'S COMMENTS | CLARIFICATIONS BY CELEBI | REMARKS |
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| | <p>meet. Time given for the purpose should be adequate so as to enable him to make his representation. In the absence of a notice of the kind and such reasonable opportunity, the order passed becomes wholly vitiated. Justice should not only be done but should manifestly be seem to be done.</p> | | |

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CELEBI DELHI CARGO TERMINAL MANAGEMENT INDIA PVT LTD
Form 14 (b) - Annual Tariff Proposal for tariff year 1 (FY 2011-12)

TARIFF FOR HANDLING INTERNATIONAL CARGO

| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|---|-------------------------------|--|---|-----------|---|-----------------------------|
| Tariff for Export Cargo handling | | | | | | |
| 1 | TERMINAL STORAGE & PROCESSING | General: 0.70, Minimum Charges 120 Special: 1.40, Minimum Charges 235 Valuable: 1.40, Minimum Charges 235 Hazardous/Perishable: 2.43, Minimum Charges 235 | per kg | PDA | General: 187,100 Perishable: 30,700 Hazardous: 2,200 valuable: 2,200 | 20.25 |
| 2 | DEMMURRAGE-General | 0.72, Minimum Charges 120 | per kg per day, Free Period of 24 hrs for Agent | PDA | | |
| 3 | DEMMURRAGE-Special | 1.43, Minimum Charges 235 | Per Kg per day, Free prerion of 48 Hrs for Airlines | Airlines | | |
| 4 | DEMMURRAGE-Valuable | 3.19, Minimum Charges 235 | per kg per day, Free Period of 24 hrs for Agent | PDA | General: 187,100 Perishable: 30,700 Hazardous: 2,200 Valuable: 2,200 | Airline: 9.63 PDA: 5.52 |
| 5 | X-RAY | 2.43, Minimum Charges 235 | per kg per day, Free Period of 24 hrs for Agent | PDA | | |
| 6 | PALLETIZATION | 3.19 | Per Kg per day, Free prerion of 48 Hrs for Airlines | Airlines | | |
| 7 | CONTAINERIZATION | 0.75 | Per Kg | Airlines | 222,300 | 15.47 |
| 8 | BULK CARGO-General | 2247 | Per Pallets | Airlines | 85,200 pallets | 19.15 |
| 9 | BULK CARGO-General | 807 | Per Container | Airlines | 51,800 containers | 4.18 |
| 10 | PALLETIZATION-20 Ft | 0.46 4494 | Per Kg | Airlines | 42,900 | 1.97 |
| 11 | DEMMURRAGE-General-NSO | 2.71 | per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines | NSO | | |
| 12 | DEMMURRAGE-Special-NSO | 5.46 | per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines | NSO | | |
| 13 | DEMMURRAGE-Valuable-NSO | 5.46 | per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines | NSO | | |
| 14 | RE-PACKING | 2% of Packages per shipping bill with a Minimum Charges of Rs.20 Per Airway Bill. | | PDA | | 3.94* |
| 15 | WEIGHT DIFFERENCE | Double the Applicable TSP IF 2 and upto 5% of declared Wt for variance above 5% penal charges will be leviable @5 Times of the applicable TSP | | PDA | | |
| 16 | PALLETIZATION - NSO | 3816 | per ULD | NSO | | |
| 17 | CONTAINERIZATION - NSO | 1366 | per ULD | NSO | | |
| 18 | BULK CARGO - NSO | 0.78 | per Kg | NSO | | |



Form 14 (b): Annual Tariff Proposal for tariff year 1 (FY 2011-12)

| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|----------------------------------|---|--|--|-----------------|---|-----------------------------|
| Tariff for Import Cargo handling | | | | | | |
| 1 | TERMINAL STORAGE & PROCESSING | General - 4.45, Minimum Charges 120 Special - 8.89, Minimum Charges 235 Valuable - 8.89, Minimum Charges 235 Hazardous/Perishable - 8.89, Minimum Charges 235 | Per Kg | PDA | General - 169,500 Special - 900 Valuable - 1,800 Hazardous/ Perishable - 12,900 | 89.45 |
| 2 | DEMURRAGE -General | 1.30, Minimum Charges 295 | Per Kg per day, Up to 120 Hrs, Free period of 72 hrs Between 120 hrs to 720 hrs per kg Beyond 720 hrs | PDA | General - 169,500 Special - 900 Valuable - 1,800 Hazardous/ Perishable - 12,900 | 110.91 |
| 3 | DEMURRAGE -Special | 2.60, Minimum Charges 580 | Per Kg per day, Up to 120 Hrs, Free period of 72 hrs Between 120 hrs to 720 hrs per kg Beyond 720 hrs | PDA | | |
| 4 | DEMURRAGE -Valuable | 5.20, Minimum Charges 1160 | Per Kg per day, Up to 120 Hrs, Free period of 72 hrs Between 120 hrs to 720 hrs per kg Beyond 720 hrs | PDA | | |
| 5 | DE-STUFFING CHARGES | 10.4 15.6 0.99 | per kg | PDA Airlines | 185,300 | 18.34 |
| 6 | DEMURRAGE -General | 1.60, Minimum Charges 638 Per Day | per kg per day, Free Period of 72 hrs | Airlines | | |
| 9 | DEMURRAGE -General-NSO | 2.71 - bulk, 1083 per ULD per day | per kg per day, Free Period of 72 hrs | NSO | | |
| 10 | DEMURRAGE -Valuable-NSO | 6.82 | per kg per day, Free Period of 72 hrs | NSO | | |
| 11 | DEMURRAGE - Perishable/Special/Hazardous-NSO | 4.51 | per kg per day, Free Period of 72 hrs | NSO | | 2.65 ^b |
| 12 | RE-PACKING | 2% of Packages per shipping bill with a Minimum Charge of Rs.20 per Airway Bill. | | PDA | | |
| 14 | DE-STUFFING CHARGES - NSO | 1.67 | per kg | NSO | | |



Form 14 (b) Annual Tariff Proposal for tariff year 1 (FY 2011-12)

| Sl. No. | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR cr) |
|----------------------------------|---|----------------------------|---|-----------|--------------------------|-----------------------------|
| 1 | TERMINAL STORAGE AND PROCESSING - General | 4.45, Minimum charges 120 | Per Kg | | | |
| 2 | TERMINAL STORAGE AND PROCESSING - Special | 8.89, Minimum charges 235 | Per Kg | | | |
| 3 | TERMINAL STORAGE AND PROCESSING - Valuable | 8.89, Minimum charges 235 | Per Kg | | | |
| 4 | TERMINAL STORAGE AND PROCESSING - Hazardous / Perishable | 8.89, Minimum charges 235 | Per Kg | | | |
| 5 | DEMURRAGE - General | 1.30, Minimum charges 295 | Per Kg per day, Up to 120 hrs, Free period of 72 hrs. | | | |
| | | 2.6 | Between 120 hrs. to 720 hrs. per kg. | | | |
| | | 3.9 | Beyond 720 hrs. | | | |
| 6 | DEMURRAGE - Special | 2.60, Minimum charges 580 | Per Kg per day, Up to 120 hrs, Free period of 72 hrs. | | | |
| | | 5.2 | Between 120 hrs. to 720 hrs. per kg. | | | |
| | | 7.8 | Beyond 720 hrs. | | | |
| 7 | DEMURRAGE - Valuable | 5.20, Minimum charges 1160 | Per Kg per day, Up to 120 hrs, Free period of 72 hrs. | | | |
| | | 10.4 | Between 120 hrs. to 720 hrs. per kg. | | | |
| | | 15.6 | Beyond 720 hrs. | | | |
| 8 | Sector Charges | 1.5 | Per Kg. | | | |
| 9 | Carting charges - Transshipment | 1.91, Minimum charges 129 | Per Kg. | | | |
| 10 | TP - destuffing Charges | .99, Minimum Charges 193 | Per Kg. | | | |
| Other Exceptional Charges | | | | | | |
| 1 | Bag handling charges | 1.4, Minimum charges 500 | per Kg. | | | |
| 2 | Segregation Charges | 500 | | | | |
| 3 | Gola charges | 50 | | | | |
| 4 | Rectification of declaration / marking / labelling of consignment on account of wrong declaration after Customs permission. | | | | | |
| 5 | Damaged shipments "not in ready to carriage" condition | Minimum charges : 500 | | | | |
| 6 | Consignment brought into warehouse without TSP | Maximum Charges : 2000 | | | | |
| 7 | Odd size consignment brought in close body trucks | | | | | |



Form 14 (b): Annual Tariff Proposal for tariff year 1 (FY 2011-12)

| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|--|--|---|---------------------------------|-----------|--------------------------|-----------------------------|
| TARIFF FOR HANDLING DOMESTIC CARGO | | | | | | |
| Tariff for handling inbound domestic cargo | | | | | | |
| 1 | Terminal Storage and Processing - General & Couriers | General - 0.6 Special - 1.2 | per kg | Airlines | 5300 ^d | |
| 2 | Handling Charges | 0.7 | per kg | Airlines | | |
| Tariff for handling outbound domestic cargo | | | | | | |
| 3 | Terminal Storage and Processing - General & Couriers | General - 0.6 Special - 1.2 | per kg | Airlines | 5300 ^d | |
| 4 | Handling Charges | 0.7 | per kg | Airlines | | |
| 5 | X-Ray | 0.65 | per kg | Airlines | | |
| Domestic cargo handling services | | | | | | |
| 6 | Storage charges | 0.7 | per kg, free period of 24 hours | Airlines | | 1.75 |
| 7 | Transshipment cargo & Offloaded cargo | 1 | per kg | Airlines | | |
| 8 | Demurrage charges | General - 0.6 Special - 1.2 | per kg | Airlines | | |
| 9 | DGR acceptance check | INR 1190/-per AWB subject to maximum of 20 pieces per AWE. Additional pieces will be charged @ INR 64/-per additional piece | | Airlines | | |
| 10 | Dry ice acceptance checklist | 595 | per AWB | Airlines | | |
| 11 | Live animal acceptance and handling | 1795 | per AWB | Airlines | | |
| 12 | Valuable handling | 637 | per AWB | Airlines | | |

| | |
|---------------------------------|---|
| Total Estimated Traffic | International Cargo - Export: 222,367 Import: 185, 314 Domestic Cargo - Inbound: 5,382 Outbound: 5,382 |
| Total Estimated Revenues | 303.47 |
| ARR in FY-12 as per MYTP | 347.60 |

Note:-

- Expected to contribute less than ~5% of total export revenue
- Expected to contribute less than ~2% of total import revenue
- Insignificant contribution to expected FY 2011-12 revenue
- In MYTP we assumed three quarters of domestic operations in FY-12. However domestic operations have not yet started and are expected to commence in January 2012. Therefore we have assumed domestic volumes for one quarter only in FY 12.



NSO
PDA
Non Scheduled Operator
Pre Deposit Account

| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|--|-------------------------------|--|--|--|---|-----------------------------|
| TARIFF FOR HANDLING INTERNATIONAL CARGO | | | | | | |
| | | Proposed | Revised | | | |
| 1 | TERMINAL STORAGE & PROCESSING | General: 0.90, Minimum Charges 160 Special: 1.65; Minimum Charges 280 Valuable: 1.65, Minimum Charges 280 Hazardous/Perishable: 2.45, Minimum Charges 240 1.00, Minimum Charges 170 1.65 | per kg per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prertion of 48 Hrs for Airlines per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prertion of 48 Hrs for Airlines per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prertion of 48 Hrs for Airlines per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prertion of 48 Hrs for Airlines | PDA PDA Airlines PDA Airlines PDA Airlines Airlines Airlines | General: 156,650 Perishable: 26,110 Hazardous: 1,865 valuable: 1,865 | 20.00 |
| 2 | DEMMURRAGE-General | General: 0.90, Minimum Charges 160 Special: 1.65; Minimum Charges 280 Valuable: 1.65, Minimum Charges 280 Hazardous/Perishable: 2.45, Minimum Charges 240 1.00, Minimum Charges 170 1.65 | per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prertion of 48 Hrs for Airlines | PDA Airlines | General: 156,650 Perishable: 26,110 Hazardous: 1,865 valuable: 1,865 | Airlines: 8.3 PDA: 6.4 |
| 3 | DEMMURRAGE-Special | 1.70, Minimum Charges 280 3.30 | per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prertion of 48 Hrs for Airlines | PDA Airlines | General: 156,650 Perishable: 26,110 Hazardous: 1,865 valuable: 1,865 | |
| 4 | DEMMURRAGE-Valuable | 2.85, Minimum Charges 275 3.30 | per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prertion of 48 Hrs for Airlines | PDA Airlines | General: 156,650 Perishable: 26,110 Hazardous: 1,865 valuable: 1,865 | |
| 5 | X-RAY | 0.90 Minimum Charges 120 | Per Kg | Airlines | 186,480 | 15.60 |
| 6 | Utilization | General: 1.50 Special: 2.10 | Per Kg | Airlines Airlines Airlines | | 27.30 |

Form 14 (G) Annual Tariff Proposal for tariff year 2 (FY 2012 - 13)



| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|---|---|---|---|-----------|--------------------------|-----------------------------|
| Tariff for other Export Cargo handling services | | | | | | |
| 7 | DEMMURRAGE-General-NSO | 2.71 | per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines | NSO | | |
| 8 | DEMMURRAGE-Special-NSO | 5.46 | per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines | NSO | | |
| 9 | DEMMURRAGE-Valuable-NSO | 5.46 | per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines | NSO | | |
| 10 | RE-PACKING | 2% of Packages per shipping bill with a Minimum Charges of Rs.20 Per Airway Bill. | | PDA | | |
| 11 | WEIGHT DIFFERENCE | Double the Applicable TSP IF 2 and upto 5% of declared Wt for variance above 5% penal charges will be leviable @5 Times of the applicable TSP | | PDA | | |
| 12 | PALLETIZATION - NSO | 3816 | per ULD | NSO | | |
| 13 | CONTAINERIZATION - NSO | 1366 | per ULD | NSO | | |
| 14 | BULK CARGO- NSO | 0.78 | per Kg | NSO | | |
| 15 | DGR/Live Animal Acceptance Fee | 2500 | Per TC | PDA | | 4.0 ^a |
| 16 | Overtime Fee for Truck Acceptance (between 1600-1800 hrs) | 30% | Per TC (% of the TSP charges) | PDA | | |
| 17 | ULD Cleaning Charges | 6000 | per ULD | Airlines | | |
| 18 | Dry Ice Acceptance Check | 700 | | | | |
| 19 | MOT Charges - as notified by Customs | 200 | per AWB | | | |
| 20 | Miscellaneous Activity Charges* | 1000 | per AWB | Airlines | | |
| 21 | Miscellaneous Packing Charges* | 100 | per packet | Airlines | | |
| 22 | Miscellaneous Packing Charges - Metal* | 200 | per AWB | Airlines | | |
| 23 | ULD Building-rebuilding Charges | 2.95 | | Airlines | | |
| 24 | ULD Customization | 2000 | per ULD | Airlines | | |
| 25 | SKID charges | 328 | per SKID | Airlines | | |

* Not covered elsewhere.



| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|--|--|--|---|-----------|--|-----------------------------|
| Tariff for Import Cargo handling | | | | | | |
| 1 | TERMINAL STORAGE & PROCESSING | General - 5.0, Minimum Charges 135 Special - 9.0, Minimum Charges 240 Valuable - 9.0, Minimum Charges 240 Hazardous/Perishable - 9.0, Minimum Charges 240 | Per Kg | PDA | General - 154,430 Special - 850 Valuable - 1,690 Hazardous/ Perishable - 11,810 | 90.10 |
| 2 | DEMURRAGE -General | 1.55, Minimum Charges 355 | Per Kg per day, Up to 120 Hrs, Free period of 72 hrs Between 120 hrs to 720 hrs per kg Beyond 720 hrs | PDA | | |
| 3 | DEMURRAGE -Special | 3.1, Minimum Charges 695 | Per Kg per day, Up to 120 Hrs, Free period of 72 hrs Between 120 hrs to 720 hrs per kg Beyond 720 hrs | PDA | General - 154,430 Special - 850 Valuable - 1,690 Hazardous/ Perishable - 11,810 | 120.40 |
| 4 | DEMURRAGE -Valuable | 6.15, Minimum Charges 1375 | Per Kg per day, Up to 120 Hrs, Free period of 72 hrs Between 120 hrs to 720 hrs per kg Beyond 720 hrs | PDA | | |
| 5 | DE-STUFFING CHARGES | 12.3 18.45 1.30 Minimum Charges 265 | per kg | Airlines | 168,780 | 20.30 |
| Tariff for other Import Cargo handling services | | | | | | |
| 6 | DEMURRAGE -General-NSO | 2.71 - bulk, 1083 per ULD per day | per kg per day, Free Period of 72 hrs | NSO | | |
| 7 | DEMURRAGE -Valuable-NSO | 6.82 | per kg per day, Free Period of 72 hrs | NSO | | |
| 8 | DEMURRAGE - Perishable/Special/Hazardous-NSO | 4.51 | per kg per day, Free Period of 72 hrs | NSO | | |
| 9 | RE-PACKING | 2% of Packages per shipping bill with a Minimum Charge of Rs.20 Per Airway Bill. | | PDA | | |
| 10 | Packing Charges | 12.5 | Per packet | | | |
| 11 | Storage Charge - Bulk Cargo | 1.95 | per kg per day | | | |
| 12 | Storage Charge - Loaded ULD | 775 | per kg per day | | | |
| 13 | Storage Charges - Valuable | 4.9 | per kg per day | | | |
| 14 | Storage Charges - Hazardous/ Perishables | 3.2 | per kg per day | | | |
| 15 | Storage Charge per Consgn/AWB | 270 | per day | NSO | | |
| 16 | DE-STUFFING CHARGES - NSO | 1.67 | per kg | | | |



Form 14 (b): Annual Tariff Proposal for tariff year 1 (F.Y. 2017-18)

| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|------|--|-------------------------------|--|-----------|--------------------------|-----------------------------|
| | Transshipment cargo | | | | | |
| 1 | TERMINAL STORAGE & PROCESSING - General | 5.00, Minimum Charges 135 | Per Kg | | | |
| 2 | TERMINAL STORAGE & PROCESSING - Special | 9.00, Minimum Charges 240 | Per Kg | | | |
| 3 | TERMINAL STORAGE & PROCESSING - Valuable | 9.00, Minimum Charges 240 | Per Kg | | | |
| 4 | TERMINAL STORAGE & PROCESSING - Hazardous/Perishable | 9.00, Minimum Charges 240 | Per Kg | | | |
| 5 | DEMURRAGE -General | 1.55, Minimum Charges 355 | Per Kg per day, Up to 120 Hrs, Free period of 72 hrs | | | |
| | | 3.1 | Between 120 hrs to 720 hrs per kg | | | |
| | | 4.6 | Beyond 720 hrs | | | |
| 6 | DEMURRAGE -Special | 3.1, Minimum Charges 695 | Per Kg per day, Up to 120 Hrs, Free period of 72 hrs | | | |
| | | 6.15 | Between 120 hrs to 720 hrs per kg | | | |
| | | 9.2 | Beyond 720 hrs | | | |
| 7 | DEMURRAGE -Valuable | 6.15, Minimum Charges 1375 | Per Kg per day, Up to 120 Hrs, Free period of 72 hrs | | | |
| | | 12.3 | Between 120 hrs to 720 hrs per kg | | | |
| | | 18.45 | Beyond 720 hrs | | | |
| 8 | Sector Charges | 1.5 | per kg | | | |
| 9 | Carting charges - Transshipment | 2.25, Minimum Charges 155 | per kg | | | |
| 10 | TP-destuffing charges | 1.30, Minimum Charges 265 | per kg | | | |



| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|--|--|---|-----------------------|-----------|--------------------------|-----------------------------|
| Other Exceptional Charges^c | | | | | | |
| 1 | Bag handling charges | 1.4 | per kg | | | |
| 2 | Segregation charges | 500 | | | | |
| 3 | Overtime Fee for Gate Pass Generation (between 1600-1800 hrs) | 500 | per gate pass | | | |
| 4 | Electricity Charge for RKN container | 1200 | per container per day | | | |
| 5 | Charges collect fee | 600 | Per AWB/HAWB | | | |
| 6 | Delivery Order Fee | 1200 | Per AWB/HAWB | | | |
| 7 | Ramp to Ramp Transfer | 500 | per ULD | | | |
| 8 | Equipment / Manpower Charges | 10 ton Forklift: 3000 05 ton forklift: 1500 03 ton forklift: 975 Crane: 6000 16 ton forklift: 6000 Additional Staff (Blue Collar): 500 Security: 1000 Gunman: 1500 | per hour | | | |
| 9 | Gola charges | 50 | | | | |
| 10 | Rectification of declaration / marking / labelling of consignment on account of wrong declaration after Customs permission | | | | | |
| 11 | Damaged shipments "not in ready to carriage condition" | Minimum charges: 500 Maximum charges: 2000 | | | | |
| 12 | Consignment brought into warehouse without TSP | | | | | |
| 13 | Odd size consignment brought in Close body trucks | | | | | |



| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|--|--|---|-----------------|-----------|--------------------------|-----------------------------|
| TARIFF FOR HANDLING DOMESTIC CARGO | | | | | | |
| Tariff for handling inbound domestic cargo | | | | | | |
| 1 | Terminal Storage and Processing - General & Couriers | General - 0.80 Special - 1.60 Couriers - 0.80 | per kg | Airlines | 30,440 ^d | |
| 2 | Handling Charges | 0.90 | per kg | Airlines | | |
| Tariff for handling Outbound domestic cargo | | | | | | |
| 3 | Terminal Storage and Processing - General & Couriers | General - 0.80 Special - 1.60 Couriers - 0.80 | per kg | Airlines | 30,440 ^d | |
| 4 | Handling Charges | 0.90 | per kg | Airlines | | |
| 5 | X-Ray | 0.90 | per kg | Airlines | | |
| Tariff for other domestic cargo handling services | | | | | | |
| 6 | Transshipment cargo & Offloaded cargo | 1 | per kg | Airlines | | |
| 7 | Demurrage charges | General - 0.8 Special - 1.6 Couriers - 0.8 | per kg | Airlines | | |
| 8 | DGR acceptance check | INR 1600/-per AWB subject to maximum of 20 pieces per AWE. Additional pieces will be charged @ INR 64/-per additional piece | | Airlines | | 13.1 |
| 9 | Dry ice acceptance checklist | 1000 | per AWB | Airlines | | |
| 10 | Live animal acceptance and handling | 1795 | per AWB | Airlines | | |
| 11 | Repacking | 2% of Packages per shipping bill with a Minimum Charges of Rs.20 Per Airway Bill. | per AWB | | | |
| 12 | Packing Charges | 12.5 | per packet | | | |
| 13 | Weight difference | Double the Applicable TSP IF 2 and upto 5% of declared Wt for variance above 5% penal charges will be leviable @5 Times of the applicable TSP | | | | |
| 14 | Unitization | 1.1 | per kg | | | |
| 15 | Miscellaneous Activity Charges* | 1000 | per AWB/ packet | | | |
| 16 | Miscellaneous Packing Charges* | 100 | per AWB/ packet | | | |
| 17 | Valuable handling | 637 | per AWB | Airlines | | |

* Not covered elsewhere.



| S No | Tariff heading | Price (INR) | Rate applied on | Levied on | Estimated units (Tonnes) | Estimated Revenues (INR Cr) |
|--------------------------|-------------------------|-------------|-----------------|-----------|--|-----------------------------|
| | Total Estimated Traffic | | | | International Cargo - Export: 186,480 Import: 168,780 Domestic Cargo - Inbound: 30,442 Outbound: 30,442 | 328.30 395.30 |
| Total Estimated Revenues | | | | | | 328.30 |
| ARR in FY-13 as per MTTP | | | | | | 395.30 |

Notes:

- a. Expected to contribute less than ~5% of total export revenue
- b. Expected to contribute less than ~2% of total import revenue
- c. Insignificant contribution to expected FY 2012-13 revenue
- d. Assuming full year of domestic operations in FY 2012 - 13

NSO
PDA
Non Scheduled Operator
Pre Deposit Account



सत्यमेव जयते

भा.वि.आ.वि.
AERA

