

[F. No. AERA/20010/MYTP/KSIE/TVM/C/2011-12]

Airports Economic Regulatory Authority of India

Order No. 13/2012-13

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

Date of Order: 24<sup>th</sup> July, 2012  
Date of Issue: 6<sup>th</sup> August, 2012

**In the matter of Annual Tariff Proposal for Second Tariff year submitted by Kerala State Industrial Enterprises Limited in respect of Cargo Services being provided at Thiruananthapuram International Airport, Thiruananthapuram**

The Authority had considered the Multi Year Tariff Proposal (MYTP) for the 1<sup>st</sup> Control Period (i.e., 2011-12 to 2015-16) submitted by Kerala State Industrial Enterprises Limited (KSIEL) for the Cargo Services being provided at Thiruananthapuram International Airport, Thiruananthapuram and issued Order No. 04/2011-12 dated 27.07.2011 ordering to adopt light touch approach for determination of tariffs. Thereafter, the Authority had issued an Order No. 37/2011-12 dated 14.03.2012 determining tariffs for 1<sup>st</sup> tariff year (i.e. 2011-12) of the current control period under light touch approach.

2. Thereafter, KSIEL, vide letter no. ACC/60/(2)105 dated 19.04.2012, submitted as under:

- (i) The tariff approved by the Authority vide order no. 37/2011-12 dated 14.03.2012 for cargo service provided at Air Cargo terminal, Thiruananthapuram by KSIEL could be made effective from 30.03.2012 only instead of 15.03.2012 after allowing some deductions in the rates with respect to Export Cargo Terminal charges and Import Cargo Warehousing charges, from the maximum rates approved by the Authority. This was necessitated at the interference of the State Government in the wake of protest from the stakeholders.
- (ii) The Board of Directors of KSIEL discussed that since the tariff applicable for the first Tariff year 2011-12 is being implemented only with effect from 30.03.2012 there is no scope for further revision with effect from 01.04.2012, and requested for approval of the Authority to continue the same tariff notified by the Company for the 1<sup>st</sup> Tariff Year during the year 2012-13 and be exempted from submitting any fresh ATP for the second tariff year.





3. The Authority considered the matter in detail and based on the submissions made by KSIEL, issued Consultation paper No.6/2012-13 for considering the ATP for second tariff year on 18.06.2012, with 14 days response time. In the Consultation Paper, the Authority made the following proposal for stakeholder consultation:

*“The charges determined by the Authority vide Order No. 37/2011-12 dated 14.03.2012 in respect of Cargo services provided by M/s Kerala State Industrial Enterprises Ltd., at Thiruananthapuram International Airport may be approved for second tariff year w.e.f. 01.04.2012, or such other prospective date as the Authority may finally decide.”*

4. In response comments were received from KSIEL vide letter dated 26.06.2012, Government of Kerala vide their letter dated 11.07.2012 and AAI vide letter dated 17.07.2012.

- (i) KSIEL submitted that in respect of Import Cargo Warehousing charges and Export Cargo Terminal charges the company had allowed some concessions in the rates approved by the Authority for the first tariff year and the same rates are continuing now”.
- (ii) Government of Kerala submitted that the proposal submitted by Kerala State Industrial Enterprises Limited is to allow them to continue the tariff implemented with AERA approval for the year 2011-12 during the current year 2012-13 also since there is no scope for any further revision at this juncture.
- (iii) AAI has submitted that since the cargo services being rendered by M/s KSIE at Trivandrum Airport is “not material”, AERA may adopt a “light touch approach” while deciding the tariff for the second tariff year w.e.f. 01.04.2012.

5. In view of the above facts, it is noted that:

- (i) The Authority while considering the MYTP of KSIEL, in respect of the Cargo handling services at Thiruananthapuram International Airport, Thiruananthapuram, had after due stakeholder consultation, issued an Order for determining the tariff for the above services being rendered by KSIEL under “light touch approach” as the services were deemed “not material”.
- (ii) The Annual tariff proposal for the 1<sup>st</sup> tariff year (2011-12) was also approved under light touch approach.
- (iii) KSIEL does not propose to revise its tariff for the second tariff year i.e. 2012-13 and proposes to continue with the tariff as approved by the Authority for the year 2011-12.
- (iv) Stakeholders have agreed to the proposal.



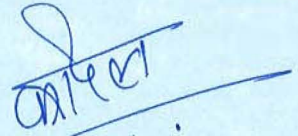


**ORDER:**

Upon careful consideration of material available on record, 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) The tariff for the cargo services provided by Kerala State Industrial Enterprises Limited (KSIEL) at Thiruananthapuram International Airport, Thiruananthapuram is determined, as at **Annexure- I**, w.e.f. 01.04.2012 for the Second tariff year 2012-13.

By the Order of and in the  
Name of the Authority

  
(Capt. Kapil Chaudhary)  
Secretary

To

M/s Kerala State Industrial Enterprises Limited,  
St. Joseph's Press Buildings,  
Cotton Hill,  
Thiruananthapuram,  
Kerala – 695 014  
(Through: Shri Febi Varghese, Managing Director)





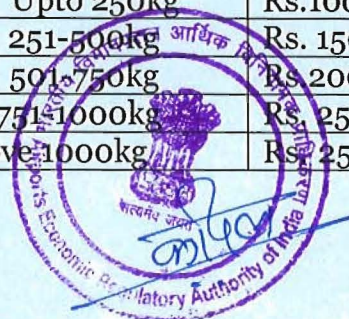
**Annexure - I****Air Cargo Complex Trivandrum KSIE Limited**

Sl No.	Tariff heading	Conditions of Tariff Maximum Rate in (INR)
<b>A</b>	<b>EXPORT CARGO</b>	
I	Terminal charges	
1	Terminal charges- Perishable Cargo	Rs.0.45 per kg subject to minimum Rs. 100/- per consignment
2	Terminal charges- General Cargo	Rs.0.70 per kg subject to minimum Rs. 120/- per consignment
3	News paper	Rs. 0.45 per kg subject to minimum Rs. 100/- per consignment
4	Terminal charges-Valuable Cargo	Rs. 5/- per kg per day, subject to a minimum of Rs. 1000/- per consignment
II	Demurrage charges*	Rs. 0.50/- per kg per day beyond 36 hours subject to a minimum of Rs. 100/- per consignment
III	Export Transhipment Cargo	Rs. 0.50 per Kg for perishable and general cargo and Rs. 1/- per kg for valuable cargo, in addition to TC/ Demurrage charges
IV	X- ray Screening charges	a ) Rs. 1/- per kg for perishable cargo and Rs. 1.50 per kg for general cargo wherever screening and security certification is done by the concerned Airline
V	Facilitation charge (paid by Airlines)	b. Rs. 0.20/kg
VI	Forklift Charges	As per rates fixed for import cargo
<b>B</b>	<b>IMPORT CARGO</b>	
1	Warehousing / Demurrage charges*	
i	Unaccompanied Baggage/Commercial	
	Ist Week (1 to 7 days)	1st week – Minimum Rs. 145/- per package upto 50 kg and Rs 55/- for every additional 50 Kg or part thereof
	IIInd Week (8 to 14 days)	2nd week – 65 paise per Kg per day from the date of arrival subject to minimum charges
	IIIrd Week (15 to 21 days)	3rd week – 80 paise per Kg per day from the date of arrival subject to minimum charges
	IVth Week onwards (from 22nd day onwards)	4th week onwards – Rs 1/- per Kg per day from the date of arrival subject to minimum charges





Sl No.	Tariff heading	Conditions of Tariff Maximum Rate in (INR)
ii	<b>Commercial Cargo</b>	
	1 <sup>st</sup> week (1 to 7 days)	1 <sup>st</sup> week – Minimum Rs. 120/- per package upto 50 kg and Rs 45 for every additional 50 Kg or part thereof
	IIInd week (8 to 14 days)	2 <sup>nd</sup> week – 65 Paise per Kg per day from the date of arrival subject to minimum charges
	IIIrd Week (15 to 21 days)	3 <sup>rd</sup> week – 80 paise per Kg per day from the date of arrival subject to minimum charges
	IVth Week onwards (from 22 <sup>nd</sup> day onwards)	4 <sup>th</sup> week onwards – Rs 1/- per Kg per day from the date of arrival subject to minimum charges
ii	<b>Valuable Cargo</b>	
	(Gold, Silver, Currency, Jewellery etc requiring locker facility)	
	1 <sup>st</sup> Week (1 to 7 days)	Rs 5/- per day subject to minimum of Rs. 1000/- per consignment
	8 <sup>th</sup> day onwards	8 <sup>th</sup> day onwards – Rs 10/- per Kg per day from the date of arrival subject to Rs 1500/- per consignment
II	Cooling Chamber charges	Rs 1.40 per Kg per day subject to minimum Rs. 250/- per day per consignment, in addition to demurrage charges as applicable
III	Refrigerator/Deep Freezer Charges	Rs. 100/- upto one week and Rs. 150/- per week or part thereof above one week per consignment, in addition to demurrage charges
IV	<b>Charges for handling Transshipment Cargo</b>	
1	Handling charges for out-bound TP cargo destined to CACC	Rs. 2.50 per kg
2	<b>Charges for out-bound TP Cargo destined to other places</b>	RS. 2.50 per kg
i	Handling charges at TACT	Rs. 2.50 per kg
ii	Storage charges per kg for maximum 3 days	Rs. 2.00 per kg
iii	Total	Rs. 4.50 per kg
iv	Charges beyond 3 days	Rs. 0.50/kg/day in addition to Rs. 4.50 as per item (iii) above
3	<b>Handling charges for in-bound TP Cargo</b>	Rs. 2.00/- kg
V	<b>Forklift charges</b> Upto 250kg (per piece)	Rs.100/-
	251-500kg	Rs. 150/-
	501-750kg	Rs. 200/-
	751-1000kg	Rs. 250/-
	Above 1000kg	Rs. 250/- + Rs. 100 for every 250 kg or





Sl No.	Tariff heading	Conditions of Tariff Maximum Rate in (INR)
		part thereof
C	Cooling Chamber charges	Rs. 1.40 per kg per day subject to minimum Rs. 250/- per day per consignment, in addition to demurrage charges as applicable
D	Refrigerator/ Deep Freezer charges	Rs. 100/- upto one week and Rs. 150/- per week of part thereof above one week per consignment, in addition to demurrage charges

\* Demurrage free period shall apply as per government orders issued from time to time.

भा.वि.आ.वि.प्रा.  
AERA

