

Airports Economic Regulatory Authority of India

Order No. 17/2012-13

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

Date of Order: 11th September, 2012

Date of Issue: 20th September, 2012

In the matter of Annual Year Tariff Proposal for the Second Tariff Year of the First Control Period submitted by Cargo Service Centre India Private Limited for providing the cargo handling services for Perishable Cargo Handling Services at Cargo Terminal, CSI Airport, Mumbai.

The Authority had issued a Multi-Year Tariff Order (MYTO) No. 5/2011-12 dated 27.07.2011 wherein the Authority decided to adopt 'light touch approach' for determination of tariff for the 1st Control Period and also determined the Tariff proposal (ATP) for the period w.e.f. 16.05.2011 to 31.03.2012 for the service provided for perishable cargo facility by Cargo Service Centre (CSC) at CSI Airport, Mumbai.

2. Pursuant to the issue of MYTO, CSC submitted their Annual Tariff Proposal (ATP) for the second tariff year (2012-13). Further CSC, also submitted its ATPs for subsequent tariff years i.e. third tariff year (2013-14), fourth tariff year (2014-15), fifth tariff year (2015-16) and tariff year-2016-17 (first tariff year of the second control period) for consideration and approval of the Authority

3. The ATPs submitted by CSC were put up for stakeholder consultation vide Consultation Paper No. 12/2012-13 issued 06.08.2012 wherein the Authority proposed the following for stakeholder consultation:

- (i) The Annual Tariff Proposal for second tariff year (01.04.2012 to 31.03.2013) of the first control period submitted by M/s Cargo Service Centre for cargo handling services provided at CSI Airport, Mumbai, may be tentatively decided to be approved;
- (ii) As the Annual Tariff Proposal for third, fourth and fifth tariff year, submitted by Cargo Service Centre, are not supported by user consultation evidence which is required to be submitted as part of ATP hence Annual Tariff Proposals for third, fourth and fifth tariff years will not be considered at this stage;
- (iii) Tariff year 2016-17 is beyond the current control period. ATP for the same will be considered in relevant control period;
- (iv) Tariff proposed will be maximum and demurrage free period shall be as per Government orders issued from time to time.



4. The last date for receipt of comments on Consultation Paper No. 12/2012-13 was 20.08.2012. In response to the proposal contained in the Consultation Paper, comments have been received from Mumbai International Airport Private Limited (MIAL) and Airports Authority of India (AAI).

5. MIAL vide their letter dated 18.08.2012 have stated that MIAL appreciates and supports Authority's decision to adopt "Light Touch Approach" for tariff determination for the first Control Period for the services provided by Cargo Service Centre (CSC) at Perishable Cargo Terminal, CSI Airport, Mumbai in view of the fact that the services at CSI Airport are material and competitive. MIAL further stated that they are in agreement with the proposal of the Authority to approve the Annual Tariff Proposal for 2012-13 filed by CSC for its economic and viable operation.

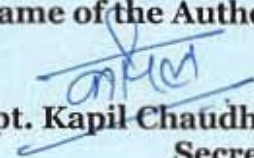
6. AAI vide letter dated 03.09.2012, have stated that MIAL as an airport operator and custodian controls the cargo operations at CSI Airport, Mumbai. Cargo Service Centre (CSC) is a concessionaire appointed by MIAL through a tendering process to design, develop, manage and operate the second perishable cargo terminal at Mumbai Airport.

ORDER:

7. 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 Tariff for perishable cargo facility provided by M/s. Cargo Service Centre India Private Limited at Chhatrapati Shivaji International Airport, Mumbai for the second tariff year (i.e. 01.04.2012-31.03.2013) of the first control period, w.e.f. 01.04.2011, are determined as at **Annexure - I**.
- (b) These tariffs will be maximum and demurrage free period shall be as per Government Orders issued time to time.

By the Order of and in the
Name of the Authority


(Capt. Kapil Chaudhary)
Secretary

To,

M/s Cargo Service Centre India Private Limited,
B-201, Polaris, Off Marol Maroshi Road,
Andheri East,
Mumbai-400059
(Through: Shri Radharamanan Panicker, Chief Executive Officer)



TARIFF FOR TERMINAL STORAGE AND PROCESSING CHARGES (TSP) AT NEW PERISHABLE CARGO TERMINAL
BUILT, MANAGED AND OPERATED BY CARGO SERVICE CENTER INDIA PVT LTD AT MUMBAI AIRPORT
EFFECTIVE FROM 1ST APRIL, 2012 AND VALID TILL 31ST MARCH, 2013

S.No.	Charges	Rate		Remarks
1. TSP Charges				
1.1.	Non Horticulture product requiring temperature control	1.85	Rs / Kg subject to minimum of Rs.180 per AWB	Charges include unloading from trucks at truck docks
1.2	Horticulture product like Fruits, Vegetable and flowers	1.05	Rs / Kg subject to minimum of Rs.100 per AWB	
2. Demurrage Charges				
2.1.	Demurrage/Storage Charges beyond 24 hrs free period	1.60	Rs / Kg / Day subject to minimum of Rs.160 per AWB	Demurrage free period shall be as per government order issued from time to time.
3. Optional Charges				
3.1	Special Handling (Pharmaceutical, to maintain product temperature on request)	2,000.00	Rs / AWB	
3.2	Back to Town	50 % of TSP charges	Rs / Kg subject to minimum of Rs.50 per AWB	If not cleared within 24 hrs of intimation, demurrage charges will be applicable

Note

- TSP charges is inclusive of forklift use inside the terminal. No additional forklift charges will be levied.
- Charges will be on the "gross weight" or the "chargeable weight" of consignment, whichever is higher. Wherever the "gross weight" and (or) volume weight is wrongly indicated on the AWB and is actually found more, charges will be levied on the "actual gross weight" or the "actual volumetric weight" whichever is higher.
- For misdeclaration of weight above 2% and upto 5% of declared weight penal charges double the applicable TSP charges will be levied. For variation above 5%, the penal charges will be five times the applicable TSP charges of the differential weight. No penal charges will be there for variation upto and inclusive of 2%. This will not apply to Valuable Cargo.
- While it is our intention not to allow any other agencies to operate inside the facility, in case for special reason exporters wants to engage their own labour, discount of 5% will be granted in TSP charges for offloading the cargo from truck and putting on custom examination area, and on pallets.
- All invoices will be rounded off to nearest Rs.5. As per IATA Tact Rule book Clause-5.7.2, rounding off procedure, when rounding off Unit is 5.

For Example:

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

- In case of premium service request, such service shall be provided at a premium of 25% over normal handling rates.
- Demurrage free period shall be as per government order issued from time to time, which will not attract any demurrage charges.



Annexure - I

Annexure 1(II)
Form- 14(b)-2
Air Side Tariff

MAXIMUM TARIFF FOR VARIOUS ELEMENTS OF CARGO HANDLING FOR THE AIRLINE CUSTOMERS AT NEW PERISHABLE CARGO
TERMINAL BUILT MANAGED AND OPERATED BY CARGO SERVICE CENTER INDIA PVT LTD AT CSI AIRPORT, MUMBAI

EFFECTIVE 1st APRIL 2012 AND VALID TILL 31st MARCH 2013

S. No.	Charges	Price	Currency	Price Driver	Remarks
1.	Export handling per kg for Horticulture, Sea food and meat products including fruits, vegetable and flowers.	3.00	INR	Per KG	subject to a minimum chargeable weight of 500 kgs per flight
2.	Export handling per kg for all other product including Pharmaceuticals and Vaccines	2.25	INR	Per KG	subject to a minimum chargeable weight of 500 kgs per flight
3.	Perishable cargo storage beyond demurrage free period after acceptance	1.50	INR	Per KG	-subject to minimum chargeable weight of 100 kgs per AWB -Demurrage free period shall be as per Government orders issued from time to time.
4.	X-ray screening/physical examination	1.95	INR	Per KG	subject to a minimum chargeable weight of 500 kgs per flight
5.	Miscellaneous Charges (None of the above)	3.00	INR	Per KG	subject to minimum charge of INR 1000 per awb
6.	Full HAWB data capture per HAWB	26.00	INR	Per AWB	
7.	DRY Ice Checklist charges	700.00	INR	Per AWB	
8.	DGR Acceptance fee	1400.00	INR	Per AWB	
S. No.	Charges	Price	Currency	Price Driver	Remarks
9.	DGR-fee, in case shipment above 20 pieces	50.00	INR	Per Additional Unit	
10.	Special Handling (Pharmaceutical, to maintain product temperature on request by shipper/ airline)	2000.00	INR	Per Unit	
11.	ULD cleaning/unit	5000.00	INR	Per Unit	

Note:

- Demurrage will be applicable to airlines if custom cleared cargo is stored in the warehouse beyond the free period in case of export cargo.
- Handling rates provided above are inclusive of scope of handling services including physical handling, document handling and IT handling.
- Charges will be on the "gross weight" or the "chargeable weight" of consignment, whichever is higher. Wherever the "gross weight" and (or) volume weight is wrongly indicated on the AWB and is actually found more, charges will be levied on the "actual gross weight" or the "actual volumetric weight" whichever is higher.
- In case of premium service request, such service shall be provided at a premium of 25% over normal handling rates.
- Miscellaneous Charges includes special service requests from the customers other than the services already mentioned in the above tariff chart.
- Demurrage free period shall be as per Government orders issued from time to time.

