

Airports Economic Regulatory Authority of India

Order No. 36/2015-16

AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi - 110003

Date of Order: 20th October, 2015

Date of Issue: 21st October, 2015

Subject:- Approval of ad-hoc Tariff for the period upto 31.03.2016 in respect of Cargo Service Center India Pvt. Ltd. for Perishable and General Cargo at Sardar Vallabhbhai Patel International Airport (SVPI) Ahmedabad.

Cargo Service Centre India Pvt. Ltd., a company registered under the Companies Act, 1956 at Mumbai and having its registered office at 301-303, Rangoli, Sahar, Andheri (E), Mumbai – 400 099 (*herein under referred to as (CSC)*) has been awarded a concession by Gujrat Agro Industries Corporation Limited (*herein under referred to as "GAICL"*) on 04.07.2015 for operation, maintenance and management of Centre for perishable cargo as well as general cargo at Sardar Vallabhbhai Patel International Airport (SVPIA) Ahmedabad.

2. CSC vide letter dated 19.08.2015, submitted the MYTP and ATP for the partial year of 2015-16 from 01.09.2015 to 31.03.2016 of the first control period in respect of Perishable and General Cargo at SVPI Airport, Ahmedabad. CSC requested that the approval from the Authority will enable commencement of operations at the terminal and offer seamless cargo handling services to the trade and submitted as follows;

"CSC India plans to start operations from the first week of September 2015 and is submitting this MYTP and ATP for the approval of the Authority. CSC India understands that the approval process would take time and thus request Authority to allow CSC to charge the user agreed charges annexes herewith and marked as Annexure 12 till the time authority approves the tariff. Any adjustment in terms of tariff will be affected once the Authority releases the approved tariff to be levied".

3. As a proof of user consultation, CSC has submitted the copies of user agreements with certain airlines. CSC has also furnished a copy of the award letter issued by Gujrat Agro Industries Corporation (GAIC) Ltd. for operation, maintenance and management of Center for Perishable Cargo as well as General cargo and the agreement dated 03.10.2015 finalised between GAIC and CSC in this regard. CSC submitted that the following are their competitors:

- Gujarat State Export Corporation Ltd- Cityside Activities
- Cargo Service Centre Indian Pvt. Ltd – Both Sets of Activities
- Cambata Aviation – Airside Activities



Handwritten signature and date: 21/10/15

4. Further to the above, CSC vide letter dated 23.09.2015 requested for ad-hoc approval of Authority to levy tariff at par with the rates prevailing at CSI Airport, Mumbai and stated that CSC is ready to commence operations for providing cold chain and general air cargo services at SVP International Airport, Ahmedabad and sought for an approval from the Authority for ad-hoc tariff based on the approved tariff of CSI Airport, Mumbai. CSC has given justification that the tariff of the Centre for Perishable Cargo (CPC) at Mumbai is based on monthly tonnage of above 3500 MT/month as compared to the business potential of around 700 MT/month in SVPI, Ahmedabad. Further, CSC stated that GSEC that operates a CPC terminal is not having full suite of perishable cargo and thus, no comparison is drawn with the tariff of GSEC.

5. The aforesaid request of CSC was considered and the following noted by the Authority:

- i) GAICL had invited proposals for selection of operation, maintenance and management agency in accordance with revised CPC policy of AAI, based on which the bid of Cargo Service Center India Pvt. Ltd. (CSC) accepted and letter of intent (LoI) issued.
- ii) The agreement dated 3rd Oct. 2015 between GAIC Ltd. and CSC, inter-alia, indicates vide clause 6.2 that CSC shall have the freedom to fix the charges and rates for customers for different services to be provided at the facility subject to approval of AERA.
- iii) Letter dated 30.07.2015 from AAI to M/s. GAIC indicates inter-alia the approval of AAI Board regarding grant of NOC/permission to GAICL for engagement of O&M agency by entering into a fresh supplementary licence agreement for sharing revenue for balance period of existing licence upto 14.05.2016.
- iv) The analysis of MYTP/ATP submitted by CSC for the period upto 31/03/2016 (i.e. end of 1st Control Period) would be subsequently put forth for stakeholder consultation before issue of order.

ORDER

6. 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) In order to facilitate CSC to commence operations at Ahmedabad Airport, Cargo Service Centre India Pvt. Ltd. is permitted purely on ad-hoc basis to levy tariff in respect of perishable and general cargo handling at Sardar Vallabhbhai Patel International Airport (SVPIA) Ahmedabad for the remaining period of the current control period i.e. upto 31.03.2016 or till the ATP is finalized whichever is earlier, at the same level, as was approved vide Authority's Order No. 20/2014-15 dated 04.03.2015 for Gujrat State Export Corporation Ltd (GSEC Ltd.) for the tariff year 2014-15. The approved tariff card of GSEC Ltd. is placed as **Annexure I**.



- ii) As the tariff for Handling Charges that is Palletisation/Unitisation is not available in the approved GSEC Ltd. Tariff card, the tariff rate of Rs. 1.89 per Kg. approved vide Order no. 31/2015-16 dated 28.08.2015 for AISATS, Bangalore is being allowed to be levied by CSC for the period as mentioned in (i) above.

By the Order of and in the
Name of the Authority



(Joy Kuriakose)
Deputy Chief

To,

Cargo Service Center India Pvt. Ltd.,
301-303, Rangoli, Opp. Air Cargo Complex,
Sahar, Andheri (E),
Mumbai-400099,
(Through: Shri. Harish Shetty, Chief Financial Officer)

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AERA



Gujarat State Export Corporation Ltd		
Tariffs for the First Control Period w.e.f. 01.04.2011 to 31.03.2016 for Cargo Services provided at SVP International Airport, Ahmedabad		
Sr. No.	Tariff Heading	Conditions of Tariff
(i)	Exports	
1	General Cargo	Rs. 0.70 per Kg (Minimum Rs. 110)
2	Perishable & cold storage cargo	Rs. 1.75 per Kg. (Minimum Rs. 200)
3	DGR cargo, Valuable cargo, Silver & Live animals	Rs. 2.00 per Kg (minimum Rs. 250)
4	Diamond	As per the \$ tariff list
5	Gold, Gold Plain Jewellery & precious stone etc.	Rs. 50 per Kg. (Minimum Rs. 1100)
6	X-ray Charges	Rs. 1.50 per Kg.
	Working Hours	1030 Hrs to 2000 Hrs.
7	Overtime Charges	Rs. 300/- per S.B. or AWB
8	Amendment Charges	Rs. 175/- per shipping bill
9	Miss-declaration	Upto 2% wt. diff. - No charge 2 to 5% wt diff. - 2 times Above 5% wt. diff. - 5 times
10	Free period	1 working day (24 Hours) from ATA at Godown
(ii)	DEMURRAGE **	
1	General Cargo	Rs. 110/- per day
2	Perishable & cold storage cargo	Rs. 200/- per day
3	DGR cargo, Valuable cargo, Silver & Live animals	Rs. 250/- per day
	Diamond	Handling * Day
	Gold, Gold Plain Jewellery & precious stone etc.	Handling * Day
(iii)	Import	
1	General Cargo	Rs. 4.25 per Kg (Minimum Rs. 120)
2	Perishable & cold storage cargo, DGR cargo, Valuable cargo, Silver & Live	Rs. 8.00 per Kg. (Minimum Rs. 220)
3	Diamond	As per the \$ tariff list
4	Gold Plain or studded with precious/semi precious stone etc.	Rs. 50.00 per Kg. (Minimum Rs. 1000)
	Working Hours	1030 Hrs. to 2000 Hrs.
5	Overtime Charges	Rs. 300/- per S.B. or AWB
6	Free period	Free period would be 72 Hours (3 Working Days), Start from ATA of the cargo at Godown

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Tariffs for the First Control Period w.e.f. 01.04.2011 to 31.03.2016 for Cargo Services provided at SVP International Airport, Ahmedabad

Sr. No.	Tariff Heading	Conditions of Tariff
(iv) Demurrage (Import) ^{***}		
		Demurrage Charges
1	General Cargo	Up to 120 hours including free period. Rs. 1.30 per Kg. per day (Minimum Rs. 225/-)
		Between 120 to 720 hours. Rs. 2.60 per Kg. per day (Minimum Rs. 225/-)
		Beyond 720 hours. Rs. 3.90 per Kg. per day (Minimum Rs. 225/-)
2	Perishable Cold Storage, Hazardous Cargo	Up to 120 hours including free period. Rs. 3.25 per Kg. per day (Minimum Rs. 350/-)
		Between 120 to 720 hours. Rs. 4.50 per Kg. per day (Minimum Rs. 350/-)
		Beyond 720 hours. Rs. 6.25 per Kg. per day (Minimum Rs. 350/-)
3	Valuable & Silver Cargo	Up to 120 hours including free period. Rs. 4.50 per Kg. per day (Minimum Rs. 500/-)
		Between 120 to 720 hours. Rs. 8.50 per Kg. per day (Minimum Rs. 500/-)
		Beyond 720 hours. Rs. 12.00 per Kg. per day (Minimum Rs. 500/-)
4	Gold, Diamond & Jewellery	After stipulated free period of 72 hrs Rs. 50/- per Kg. per day on 4th and 5th day on non-cumulative basis. From 6th day onwards the charge will be levied on cumulative basis from the date & time of actual arrival of cargo
(v) Demurrage ^{***}		
1	General Cargo	Up to 120 Hrs. incl. free period of Rs. 1.30 per day (Minimum Rs. 225/-)
		Between 120 to 720 hrs. Rs. 2.60 per Kg. per day (Minimum Rs. 225/-)
		Beyond 720 hrs. (30 days) Rs. 3.90 per Kg. per day (Minimum Rs. 225/-)
2	Diamond	Handling * day (Mini 500)
3	Perishable, Cold Storage cargo, DGR cargo & Live animal	Up to 120 Hrs. including free period of Rs. 3.25 per Kg. per day (Minimum Rs. 350/-)
		Between 120 to 720 hrs. Rs. 4.50 per Kg. per day (Minimum Rs. 350/-)
		Beyond 720 hrs. (30 days) Rs. 6.25 per Kg. per day (Minimum Rs. 350/-)
4	Valuable & Silver Cargo	Up to 120 Hrs. including free period of Rs. 4.50 per Kg. per day (Minimum Rs. 500/-)
		Between 120 to 720 hrs. Rs. 8.50 per Kg. per day (Minimum Rs. 500/-)
		Beyond 720 hrs. (30 days) Rs. 12.00 per Kg. per day (Minimum Rs. 500/-)
5	Gold Plain or studded with precious/semi precious stone etc.	Up to 120 Hrs. including free period of Rs. 50.00 per Kg. per day (Minimum Rs. 1000/-)
		Between 120 to 720 hrs. Rs. 50.00 per Kg. per day (Minimum Rs. 1000/-)
		Beyond 720 hrs. (30 days) Rs. 50.00 per Kg. per day (Minimum Rs. 1000/-)

Tariffs for the First Control Period w.e.f. 01.04.2011 to 31.03.2016 for Cargo Services provided at SVP International Airport, Ahmedabad

Sr. No.	Tariff Heading	Conditions of Tariff
(vi)	Miscellaneous Charges	
1	Inspection /Repacking Charges	-
	Bonding & Hand over Charges	Rs. 1.00 per Kgs from Bonded truck
2	Fork Lift Charges	001 to 250 kgs Rs. 75/-, 251 to 500 kgs Rs. 100/-, 501 to 1000 kgs Rs. 150/-, 1001 & more kgs Rs. 200/-
	All bills to be rounded off	Nearest Rs. 1/-
3	Duplicate Copy	Rs. 200 per document
	Parking Charge	-
(vii)	Courier Charges (Export)	
1	Handling Charges	Rs. 4 per kg.
2	X-ray Charges	Rs. 4 per kg.
(viii)	Courier Charges (Import)	
1	Handling Charges	Rs. 6 per kg.
2	X-ray Charges	Rs. 4 per kg.
(ix)	Polished Diamonds and Jewellery (Import)	
	Value Ranges (US Dollars)	Handling Charges in INR
1	1 to 50,000	525
2	50,001 to 1,00,000	770
3	100,001 to 150,000	875
4	150,001 to 200,000	910
5	200,001 to 250,000	980
6	250,001 to 300,000	1050