

Airports Economic Regulatory Authority of India

Order No. 02/2017-18

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

Date of Issue: 11th May, 2017.

Service : Cargo Handling Services
Service provider: M/s Delhi Cargo Service Center India Pvt. Limited
(DCSC).
Airport : IGI Airport, New Delhi.

In the matter of Multi Year Tariff Proposal for the second control period and Annual Tariff Proposal for the 1st tariff year(FY.2016-17) of the second control period submitted by M/s Delhi Cargo Service Center India Pvt. Limited (DCSC) for providing cargo handling services at IGI Airport, New Delhi.

1. The Authority vide its Multi-Year Tariff Order (MYTO) Order No. 13/2011-12 dated 07.10.2011, decided to adopt '**Light Touch Approach**' for determination of the tariffs for the first control period in respect of DCSC as the Cargo Service was assessed as "**Material but Competitive**". Subsequently, the Authority also determined the annual tariffs for first tariff year (FY.2011-12) & second tariff year (FY. 2012-13) in respect of DCSC vide its Order No.05/2012-13 dated 21.05.2012. The Authority vide its Order No. 30/2013-14 dated 31.07.2013 determined the tariffs for the third tariff year (FY. 2013-14) and vide Order No. 18/2014-15 dated 06.02.2015 determined the tariff for the fourth tariff year (FY. 2014-15). Further, the Authority vide its Order No. 39/2015-16 dated 04.11.2015 determined the tariff for the fifth tariff year (FY.2015-16) of the first control period.
2. The Authority vide its Order No.50/2015-16 dated 31.03.2016 allowed the AOs/ISPs to continue the levy of tariffs existing as on 31.03.2016 up to 30.09.2016 or till the determination of tariffs for the second control period, whichever is earlier. The Authority vide its Order No. 11/2016-17 dated 29.09.2016 extended the levy of tariffs as on 31.03.2016 up to 31.03.2017 or till the determination of tariffs for the second control period, whichever is earlier. The Authority vide its Order No. 19/2016-17 dated 31.03.2017 further extended the levy of tariffs as on 31.03.2016 up to 30.09.2017 or till the determination of tariffs for the second control period, whichever is earlier.



3. M/s DCSC submitted their online Multi Year Tariff Proposal (MYTP)/ATP for the second control period of five years commencing from 01.04.2016 to 31.03.2021 for determination of tariffs for the cargo handling services provided by them at IGI Airport, New Delhi. DCSC has sought an increase of 7% in tariffs for the first tariff year (FY. 2016-17) of the 2nd control period. M/s DCSC also provided the Annual Compliance Statements (ACS) for the first control period.
4. As per Clause 4.3 of the CGF Guidelines, 2011 for the regulated service(s) provided for cargo facility at the major airports, the Authority considers that :
- a. Materiality of the service is linked to the cargo volume at the major airport. The materiality shall be assessed based on cargo volume in Metric Tonnes (MT) at the major airport as a percentage of cargo volume in MT at all major airports. Based on the Cargo Statistics for the FY. 2014-15, the percentage share of cargo volume for IGI Airport is **27.98%** which is greater than **2.5%** Materiality Index threshold limit fixed for the subject service. Hence the service is deemed '**material**'.
 - b. As per the information furnished by DCSC, in Form F1 (b) on the Competition Assessment, M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd. is also providing similar cargo handling services at IGI Airport, New Delhi. Hence, the cargo services at IGI Airport, Delhi are '**Competitive**'.
 - c. As per Clause 3.2 of the Guidelines, based on the assessment of materiality and competition, when such regulated service is deemed 'material but competitive', the Authority shall determine tariff(s) for the service provider(s) based on a 'Light Touch Approach' for the duration of the Control Period. Hence the regulated service being provided by DCSC at IGI Airport, New Delhi is 'material but competitive' and shall come under the '**Light Touch Approach**' for tariff determination.
5. The Authority considered the submissions made by DCSC and issued the Consultation Paper No. 05/2016-17 dated 16.02.2017 and vide Public Notice No. 10/2016-17 organised the Stakeholder Consultation Meeting on 28th Feb, 2017. Subsequently, Minutes of the Stakeholders Consultation Meeting were uploaded in the public domain on 17th March, 2017.
6. M/s DCSC vide their letter dated 28.03.2017 conveyed AERA that they inadvertently left out the tariff card of Airside Domestic Cargo Handling while filing MYTP/ATP for the 2nd Control Period. M/s DCSC requested AERA to include the Airside Domestic Tariff Card in the final Tariff Order for FY 2016-17. The Authority considered the submission made by DCSC and issued a public notice no. 03/2017-18 informing all the stakeholders operating at IGI Airport, Delhi of the Airside Domestic Tariffs inadvertently left out by DCSC in their earlier MYTP/ATP submissions for the 2nd control period and sought their comments on the aforementioned public notice.
7. The Authority in its 173rd meeting held on 28.04.2017 considered the comments received from stakeholders on the consultation paper and the public notice issued by the Authority and decided to allow 7% increase in tariffs sought by DCSC for first tariff year (FY.2016-17). Further, Authority decided to extend the levy of tariffs of FY.2016-17 for the second tariff year (FY. 2017-18) as the first tariff year is already over.



ORDER

Upon careful consideration of material available on record, as well as submissions made by the stakeholders, the Authority, in exercise of powers conferred by Section 13(1)(a) of the AERA Act, 2008 hereby orders that:

- (i) The services provided by M/s Delhi Cargo Service Center India Pvt. Limited (DCSC), 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 2nd Control Period (FY. 2016-17 to FY. 2020-21).
- (ii) The tariffs for the first tariff year (FY. 2016-17) of the second control period for cargo handling services provided by M/s Delhi Cargo Service Center India Pvt. Limited (DCSC) at IGI Airport, New Delhi are determined as per **Annexure-I** and will continue at same level for second tariff year i.e. for FY 2017-18. The levy of tariffs shall be effective from the date of issue of order.
- (iii) The Authority advises M/s Delhi Cargo Service Center India Pvt. Limited (DCSC) at IGI Airport, New Delhi to improve service quality & other facilities as indicated by the stakeholders, keep proper complaint register and other records, and maintain transparency in their operations.
- (iv) Tariff determined 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**


(Ramendra Pratap Shukla)
Deputy Chief.

To

**M/s Delhi Cargo Service Center Private Ltd.,
Cargo Terminal 2, Gate No. 6, Air Cargo Complex,
IGI Airport, New Delhi - 110 037
(Through: Shri Avinash Razdan, V.P & C.F.O)**

**Copy to: Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan,
Safdarjung Airport New Delhi-110003.**

Order No. 02/2017-18 dated 11.05.2017



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Delhi Cargo Service Center Private Limited - IGI Airport , New Delhi
Tariff- Domestic Cargo
Form 14(b) - Domestic Cargo

Type of Cargo		Tariff	
		2016-17 & 2017-18	
		Maximum Rate in Rupees per Kilogram	Minimum rate Rupees per AWB
Domestic Outbound Cargo Terminal Storage And Processing Charges			
1) General Cargo		0.91	54
2) Special Cargo		2.14	107
Domestic Outbound Cargo Demurrage Charges			
		Per Day Per Kg	Per Day
1) General Cargo		1.07	54
2) Special Cargo		2.41	54
Domestic Inbound Cargo Terminal Storage And Processing Charges			
1) General Cargo		0.80	54
2) Special Cargo		1.93	107
Domestic Inbound Cargo Demurrage Charges			
		Per Day Per Kg	Per Day
1) General Cargo	beyond free period and upto 5 days	1.07	54
1) General Cargo	beyond 5 days and upto 15 days	1.61	54
2) Special Cargo	beyond free period and upto 5 days	2.68	54
2) Special Cargo	beyond 5 days and upto 15 days	3.75	54
Domestic Outbound Cargo Handling Charges			
1) General Cargo		1.18	54
2) Special Cargo		1.87	856
Domestic Inbound Cargo Handling Charges			
1) General Cargo		1.07	54
2) Special Cargo		1.66	856
Domestic Cargo Handling for Transfer			
1) General Cargo		1.44	0
2) Special Cargo		1.44	0
Domestic Outbound Cargo Handling-full handling inclusive of document handling and data management			
1) General Cargo		1.61	268
2) Special Cargo		2.25	856
Domestic Inbound Cargo Handling-full handling inclusive of document handling and data management			
1) General Cargo		1.44	268
2) Special Cargo		2.14	856
Domestic Security Handling			
If Inclusive of X-Ray/Physical Examination		2.41	268
If Exclusive of X-Ray/Physical Examination		1.34	107
Other Charges			
Handling of Shipper Build ULD or handling of full ULD for delivery to Consignee-per kg		50% of Applicable Handling Charges	N.A
Miscellaneous Charges (None of the above)-(maximum tariff @ per kg and minimum charge @ per AWB)		1.87	856
DRY Ice checklist Charges-per AWB		642	N.A
DGR Acceptance fee-per AWB		1,284	N.A
Live Animal Acceptance Check and delivery-per AWB		1,070	N.A
Valuable & Vulnerable escort service to and fro aircraft to terminal-per AWB		682	N.A
DGR-fee, in case shipment above 20 pieces-per additional unit		54	N.A



Notes :-

1 Consignment of human remains, coffins including baggage of deceased, & Human eyes will be exempted from the perview of TSP charge.

2 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.

3 Special cargo consists of perishable and temperature sensitive products, live animals, hazardous goods, valuables and/or any other such cargo which requires/have special handling/storage instructions and Valuable cargo (VAL)**

**Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, traveler's cheque, diamonds (including diamonds of industrial use), diamond jewellery & watches made of silver, gold, platinum and items valued at USD 1000 per kg & above

6 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.

7 While it is our intention not to allow any other agencies to operate inside the facility, in case for special reason exporters want 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.

8 All invoices will be rounded off to nearest Rs. 5. As per IATA Tariff Rule book Clause - 5.7.2, rounding off procedure, when rounding

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

9 In case of premium service request, such service shall be provided at a premium of 25% over normal handling rates.

10 For special Cargo consisting of perishable & temperature sensitive products the TSP charges for special cargo will only be applicable if temperature control facility is made available other wise general cargo tariff will be applied for such products.

11 Demurrage will be applicable to airlines if customs cleared cargo is stored in the warehouse beyond the free period in case of exports cargo.

12 In case of import cargo, demurrage will be applicable in case the segregation of import cargo is not completed due to airline fault.

13 Handling rates provided above are inclusive of scope of handling services including physical handling, document handling and IT handling.

14 Handling rates will vary depending on whether the document handling fees are collected by the airline or DCSC.



Delhi Cargo Service Center Private Limited - IGI Airport , New Delhi
Tariff- International Cargo
Form 14 (b) International Cargo

Sl. No.	Type of Cargo	Tariff	
		Maximum Rate in Rupees per Kilogram	Minimum rate Rupees per AWB
A.	Export Cargo		
A1.	Terminal, Storage and Processing Charges		
A1.1	General	1.12	112
A1.2	Special Cargo		
a.	- Pharma items	2.89	289
b)	- Live Animals	2.25	225
c)	- Hazardous/ Dangerous Goods	2.25	225
d)	- Valuable Goods**	2.25	225
e)	- Perishable	2.89	289
f)	- Newspaper and TV reel consignments	2.25	225
g)	- Human remains, Coffin including unaccompanied baggage of Deceased and Human Eyes etc.	Nil	Nil
A2.	X-Ray Charges		
A2.1	X-Ray Machine charges (City side)	1.23	123
	X-Ray Machine charges (Air side)	1.23	1070
A2.2	X-Ray Certification charges (City side)	2.14	214
	X-Ray Certification charges (Air side)	2.14	1070
A2.3	Certification for Dangerous goods(City side)	2.14	214
	Certification for Dangerous goods(Air side)	2.14	1070
A3.	Demurrage Charges----Export Cargo	Per Day Per Kg	Per Day
A3.1	General (City side)	1.40	140
	General (Air side)	1.61	N.A
A3.2	Special Cargo		
a	Pharma items (City side)	3.62	362
	Pharma items (Air side)	2.68	N.A
b)	Live Animals(City side)	3.62	362
	Live Animals(Air side)	2.68	N.A
c)	Hazardous/ Dangerous Goods(City side)	3.62	362
	Hazardous/ Dangerous Goods(Air side)	2.68	N.A
d)	Valuable Goods**(City side)	3.62	362
	Valuable Goods**(Air side)	6.42	N.A
e)	Perishable(City side)	3.62	362
	Perishable(Air side)	2.68	N.A
f)	Newspaper and TV reel consignments(City side)	3.62	362
	Newspaper and TV reel consignments (Air side)	2.68	N.A
g)	- Human remains, Coffin including unaccompanied baggage of Deceased and Human Eyes etc.	Nil	Nil
A4.	Cargo Handling Charges		
A4	Palletisation/ Containerisation/Unitisation/Staffing Charges		
A4.1	General	2.25	1070
A4.2	Special Cargo		
a.	- Pharma items	2.68	1070
b)	- Live Animals	2.68	1070
c)	- Hazardous/ Dangerous Goods	2.68	1070
d)	- Valuable Goods**	2.68	1070
e)	- Perishable	2.68	1070
f)	- Newspaper and TV reel consignments	2.68	1070
g)	- Human remains, Coffin including unaccompanied baggage of Deceased and Human Eyes etc.	Nil	Nil
B.	Import Cargo		
B1.	Terminal, Storage and Processing Charges		
B1.1	General	6.05	321
B1.2	Special Cargo		
a.	- Pharma items	10.43	535
b)	- Live Animals	10.43	535
c)	- Hazardous/ Dangerous Goods	10.43	535
d)	- Valuable Goods**	10.43	535
e)	- Perishable	10.43	535



f)	- Newspaper and TV reel consignments	10.43	535
g)	- Human remains, Coffin including unaccompanied baggage of Deceased and Human Eyes etc.	Nil	Nil
B2.	Cargo Handling Charges		
B2.	DePalletisation/ Destaffing/DeContainerisation/DeUnitisation Charges		
B2.1	General	1.87	1070
B1.2	Special Cargo		
a.	- Pharma items	2.41	1070
b)	- Live Animals	2.41	1070
c)	- Hazardous/ Dangerous Goods	2.41	1070
d)	- Valuable Goods**	2.41	1070
e)	- Perishable	2.41	1070
f)	- Newspaper and TV reel consignments	2.41	1070
g)	- Human remains, Coffin including unaccompanied baggage of Deceased and Human Eyes etc.	Nil	Nil
B3.	Demurrage Charges---Import Cargo	Per Day Per Kg	Per Day
B3.1	General (upto 5 days)	1.87	375
	(5 to 30days)	3.75	375
	(beyond 30days)	5.62	375
	Air side	1.61	N.A
B3.2	Special Cargo		
a.	Pharma items(upto 5 days)	3.75	749
	(5 to 30days)	7.49	749
	(beyond 30days)	11.24	749
	Air side	3.21	N.A
b)	Live Animals(upto 5 days)	3.75	749
	(5 to 30days)	7.49	749
	(beyond 30days)	11.24	749
	Air side	3.21	N.A
c)	Hazardous/ Dangerous Goods(upto 5 days)	3.75	749
	(5 to 30days)	7.49	749
	(beyond 30days)	11.24	749
	Air side	3.21	N.A
d)	Valuable Goods**(upto 5 days)	7.49	1498
	(5 to 30days)	13.91	1498
	(beyond 30days)	20.33	1498
	Air side	6.42	N.A
e)	Perishable(upto 5 days)	3.75	749
	(5 to 30days)	7.49	749
	(beyond 30days)	11.24	749
	Air side	3.21	N.A
f)	Newspaper and TV reel consignments (upto 5 days)	3.75	749
	(5 to 30days)	7.49	749
	(beyond 30days)	11.24	749
	Air side	3.21	N.A
g)	- Human remains, Coffin including unaccompanied baggage of Deceased and Human Eyes etc.	Nil	Nil

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S.No.	Charges	Tariff
		2016-17 & 2017-18
1. Terminal, Storage and Processing (TSP) charges		
	Export	Special Cargo- Project / Heavy Cargo Rs 3.21 per kg subject to minimum of Rs 3210 per AWB
	Import	Special Cargo- Project / Heavy Cargo Rs 11.77 per kg subject to minimum of Rs 11,770 per AWB
2. Other Charges (if chargeable to shipper) - Services on Demand only		
2.1	Export	Special Handling (Pharmaceutical, to maintain product temperature on request) Rs 2140 / Pallet Strapping charges Rs 18/- per package DRY Ice Checklist charges Rs 1070 per AWB DGR Acceptance fee Rs 2140 per AWB Live Animal export acceptance charges Rs 2140 per AWB Export Perishable Temperature Check as per CHM Rs 161 per AWB Full HAWB data capture charges Rs 54 per AWB subject to minimum INR 535/- DGR-fee, in case shipment above 20 pieces Rs 54 per additional unit Express Services Rs 140 / Kg subject to minimum of Rs 140 per AWB or 25% more than the TSP rate for the category the cargo falls under (whichever is higher) Back to Town 50 % of applicable TSP charges Delivery order fees Rs 2140 per MAWB HAWB issuance charge Rs 1391 per HAWB
2.2	Import	Express Services Rs 7.55 per kg subject to minimum of Rs 535 per AWB or 25% more than the TSP rate for the category the cargo falls under (whichever is higher) Strapping and Repacking charges Rs 18/package
2.3	General	Shrink Wrap of ULD Rs 2140 per ULD inclusive of material Shrink Wrap of Euro pallet Rs 321 per Euro pallet/skid Airsides Cool Container Rs 2140 per ULD per one way trip Minimum charges of Rs 54/- per AWB Packing/Repacking charges will Rs 16 per package Packing Assistance Rs 1070/- per AWB Repacking with new wooden skid Rs 535 per skid Miscellaneous Charges (None of the above) Rs 2.68 per kg (subject to minimum Rs 535 per AWB)
2.4	Import General Cargo (for first slab of 10 days)	Storage Charge Rs 26.75 per kg
	Import General Cargo (beyond first 10 days and for every slab of 10 days)	Storage Charge Rs 29.96 per kg
2.5	Import Perishable Cargo (for first slab of 10 days)	Storage Charge Rs 55.64 per kg
	Import Perishable Cargo (beyond first 10 days and for every slab of 10 days)	Storage Charge Rs 60.99 per kg
3	Cargo Handling for Transfer Cargo	Air Side Charges Rs 235 per Kg
4	Handling of Shipper Build ULD or handling of Full ULD for delivery to Consignee	Air Side Charges 50% of applicable handling charges
5	Miscellaneous Charges (None of the above)	Air Side Charges Rs 2.68 per kg (subject to minimum Rs 1070 per flight)
6	Dry Ice Checklist (per AWB)	Air Side Charges Rs 1070 per AWB
7	DGR Acceptance fee (per AWB)	Air Side Charges Rs 2140 per AWB
8	Live Animal Acceptance Check and delivery (per AWB)	Air Side Charges Rs 2140 per AWB
9	Export Perishable Temperature check (per AWB)	Air Side Charges Rs 161 per AWB
10	Valuable escort services to & fro to the aircraft (per AWB)	Air Side Charges Rs 1177 per AWB
11	Full HAWB data capture charges (per AWB)	Air Side Charges Rs 54 per AWB
12	ULD cleaning charges per unit	Air Side Charges Rs 5350 per unit
13	DGR fee- in case shipment above 20 pieces per unit	Air Side Charges Rs 54 per additional unit
14	Special Handling(Pharmaceutical, temperature) per unit	Air Side Charges Rs 2140 per unit
15	Charges collect fees (per AWB)	Air Side Charges 10% of collectable amount (subject to minimum of Rs 535)
16	Delivery Order fees (per MAWB)	Air Side Charges Rs 2140 per MAWB
17	HAWB delivery charges (per MAWB)	Air Side Charges Rs 1391 per MAWB

Notes :

1. Consignment of human remains, coffins including baggage of deceased & Human eyes will be exempted from the per view of TSP charge.
2. TSP charges is inclusive of forklift use inside the terminal. No additional forklift charges will be levied.
3. 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.



- 4 Special Cargo (Odd size and heavy cargo) are such cargo which requires/have special handling /storage instructions. It also includes heavy cargo in which any single individual piece having gross weight or volume weight of 1 ton or above.
- 5 Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelor's cheque, diamonds (including diamonds of industrial use), diamond jewellery & watches made of silver, gold, platinum and items valued at USD 1000 per kg & above.
- 6 Demurrage free period shall as per Government Order issued from time to time.
- 7 While it is our intension 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.
- 8 All invoice 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.

When the results of calculations are between / and	Rounded off amount will be
102.5 - 107.5	105
107.5 - 112.5	110

- 9 In case of premium service request, such service shall be provided at a premium of 25% over normal handling rates.
- 10 Special cargo consists of perishable and temperature sensitive products, live animals, hazardous goods, valuable and/or any other such cargo which requires/have special handling/storage instructions.
- 11 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 live - time.
- 12 Miscellaneous Charges includes special service requests from the customers other than the services already mentioned in the above tariff chart.
- 13 Demurrage will be applicable to airlines if customs cleared cargo is stored in the warehouse beyond the free period in case of export cargo.
- 14 In case of import cargo, demurrage will be applicable in case the segregation of import cargo is not completed due to airline fault.
- 15 Handling rates provided above are inclusive of scope of handling including physical handling, document handling.
- 16 Handling rates will vary depending on whether the document handling fees are collected by the airline or DCSC.

सत्यमेव जयते



भा.वि.आ.वि.प्रा.
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