

[F. No. AERA/20010/MYTP/AISATS/C/BIAL/2011-12]

Airports Economic Regulatory Authority of India

Order No. 1 /2014-15

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

Date of Order: 18th March, 2014

Date of Issue : 24th April, 2014

In the matter of determination of revised Tariff for Domestic Cargo, w.e.f 01.02.2014 of Third Tariff Year (2013-14) in respect of Air India SATS Airports Services Private Limited for providing Cargo Services at Kempegowda International Airport, Bengaluru.

The Authority had considered the Multi Year Tariff Proposal (MYTP), submitted by Air India SATS Airport Services Private Limited (AISATS), for Cargo services provided at Kempegowda International Airport, Bengaluru, for the first control period commencing w.e.f. 01.04.2011. After due stakeholder consultation, the Authority issued a Multi-Year Tariff Order (MYTO) No. 22/2011-12 dated 29.09.2011 wherein it was decided to adopt "light touch approach" for determination of tariff(s) for the first control period. The Authority also determined the Annual Tariff for the first tariff year in the above order. Thereafter, the Authority approved the Annual Tariff Proposals (ATP) for the second and third tariff years vide Order No. 44/2012-13 dated 15.02.2013 and Order no. 31/2013-14 dated 08.08.2013 respectively.

2. AISATS submitted a proposal for revision in their domestic cargo tariff vide letter no.2013/L/CHQ/MKT/0020/AERA dated 20.09.2013 for Cargo Handling at Kempegowda International Airport, Bengaluru wherein increase in tariffs, for all components for Domestic Cargo only, was proposed. AISATS requested the Authority to issue an interim order approving the tariff rate increase for Domestic Cargo services effective from 01.02.2014.

3. The Authority had considered the proposal submitted by AISATS and issued Order no. 37/2013-14 dated 18.02.2014 determining the tariffs for Terminal, Storage and Processing Charges both inbound and outbound domestic cargo services for the third tariff year effective from 01.02.2014 subject to separate accounting and final tariff determination post stakeholder consultation process and also consequential refund action by AISATS, if any, for difference in revenue in case the final rates are less than the proposed rates. Simultaneously, the Authority issued a Consultation Paper No. 23/2013-14 on 18.02.2014 for stakeholders' consultation. The last day of receipt of comments was 05.03.2014.



4. In response to the proposal contained in the consultation paper, no comments have been received from the stakeholders.

ORDER

5. Upon careful consideration of material available on record, the Authority in exercise of powers conferred by Section 13 (1) (a) of the Airport Economic Regulatory Authority of India Act, 2008, hereby passes an order that:

- (i) Revised tariff of Terminal, Storage and Processing Charges both inbound and outbound domestic cargo services provided by M/s Air India SATS Airports Services private Limited (AISATS) at Kempegowda International Airport, Bengaluru, are determined for the third tariff year (w.e.f 01.02.2014 to 31.03.2014) of the first control period, as at **Annexure – I**.
- (ii) These tariffs may be considered to be the maximum rates effective from 01.02.2014.
- (iii) For demurrage charges, the free period may be considered to be governed as per the instructions of Govt. of India issued from time to time.

**By the Order of and in the
Name of the Authority**


(Alok Shekhar)
Secretary

To

**M/s Air India SATS Airport Services Private Limited,
A-301, Business Square,
Andheri - Kurla Road,
Chakala Andheri - E
Mumbai - 400069
(Through: Shri Nilang Shah, Assistant Vice-President-Commercial)**



Air India SATS Airports Services private Limited
Revised Annual Tariff for Tariff Year 3

Annexure-I

RATES TO BE PAID FOR DOMESTIC CARGO

S.N.	LIST OF CHARGES	Revised FY 2013-14	
		EFFECTIVE 1 st February 2014	
		Tariff Year 3	
		MINIMUM RATE in INR	RATE PER KG in INR
B) DOMESTIC CARGO			
OUTBOUND CARGO			
1	TERMINAL, STORAGE AND PROCESSING CHARGE (TSP) - (Per shipping bill)		
a)	General Cargo	105	0.72
b)	Special Cargo (AVI)	210	2.26
c)	PER/DGR/VAL cargo	210	2.26
2	* DEMURRAGE / STORAGE CHARGE (rate per Kg per day)		
a)	General Cargo	131	0.72
b)	Special Cargo (AVI)	210	2.26
c)	PER/DGR/VAL cargo	210	2.26
3	COURIER HANDLING CHARGE	105	0.72
4	PACKING / REPACKING/STRAPPING CHARGE	6/- per Carton/Bag	
5	RETURN CARGO CHARGE	105 per AWB	
6	AIR WAY BILL AMENDMENT CHARGE	105 per AWB	
INBOUND CARGO			
1	TERMINAL, STORAGE AND PROCESSING CHARGE (TSP) - (per Bill of Entry)		
a)	General Cargo/Unaccompanied Baggage	131	1.21
b)	Special Cargo (AVI)	210	2.32
c)	PER/DGR/VAL cargo	210	2.32
2	* DEMURRAGE/STORAGE CHARGE (rate per Kg per 24 hours)		
a)	General Cargo	210	1.38
b)	Special Cargo (AVI)	263	2.43
c)	PER/DGR/VAL cargo	263	2.43
3	COURIER HANDLING CHARGE	131	1.21
4	AIR WAY BILL AMENDMENT CHARGE	105 per AWB	
5	PACKING / REPACKING/STRAPPING CHARGE	6/- per Carton/Bag	

Note : Applicable for international and domestic handling

- 1 Consignments of Human Remains, Coffins, Unaccompanied Baggage of the deceased and Human Eyes will be exempted from the purview of TSP and Demmurrage charges
 - 2 TSP charge applicable to Newspaper and TV reel consignments shall be at 50% of the applicable charge
 - 3 TSP charges are inclusive of forklift used for loading/offloading the cargo to/from truck and putting cargo on custom area for examination.
 - 4 Charges will be levied on the Gross Weight or Chargeable Weight whichever is higher. Where there is a mis-declaration of gross weight or chargeable weight, the actual gross weight or the actual chargeable weight will be used for the charges whichever is higher.
 - 5 The free period for export cargo is 24 hours for examination and processing. Free period for import cargo is 72 hours from flight Actual Time of Arrival (ATA). Cargo cleared beyond 72 hours of flight ATA will be charged demurrage on a 24 hour basis for the duration exceeding the free storage period. Cargo cleared beyond 120 hours will be charged on a 24 hour basis from flight ATA including the first 72 hours.
 - 6 All billing will be round off to the nearest INR 5/- as per IATA Tact rule.
 - 7 Special Cargo (AVI) consist of Live Animals and Day old chicks.
 - 8 VAL Cargo includes gold bullion, currency notes, shares, share coupons, traveller's Cheques, diamonds (including diamonds for industrial use), diamond jewellery, watches of silver-gold-platinum and items valued at USD 1000/Kg and above.
 - 9 All charges mentioned above are excluding taxes which will be charged at prevailing rates.
 - 10 All charges mentioned above include the concession fees charged by the airport operator.
 - 11 No outside labor will be allowed to handle cargo in Air India SATS Airfreight Terminal.
- * Demurrage charges shall be as per the GOI instructions issued from time to time.

