

Airports Economic Regulatory Authority of India

Order No. 31/2013-14

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

Date of Order : 1st August, 2013

Date of Issue: 8th August, 2013

In the matter of determination of Tariff for the Third Tariff Year of the First Control Period in respect of M/s Air India SATS Airport Service Pvt Ltd. for providing Cargo Services at Bengaluru International Airport, Bengaluru.

This Authority, vide Direction No. 4/2010-11 dated 10.01.2011, had issued the Guidelines [The Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Services provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft), Guidelines, 2011"] prescribing procedures, terms and conditions for determination of tariff for the above mentioned regulated services being provided by Independent Service Provider(s). As per the Guidelines, the service providers are required to submit Multi Year Tariff Proposal (MYTP) for the five-year control period and Annual Tariff Proposal (ATP) for individual tariff years of the Control Period. Accordingly, M/s Air India SATS Airport Services Pvt Ltd (AISATS) submitted its MYTP for first control period commencing 01.04.2011 in respect of cargo services provided at Bengaluru International Airport, Bengaluru. The Authority had considered the MYTP and ATP submitted by AISATS. After due stakeholder consultation, the Authority issued 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 for the first control period. Subsequently, the tariff for the first (FY 2011-12) and second (FY 2012-13), tariff years of the first control period were determined vide Order No. 44/2012-13 dated 15.02.2013.

2.1 These said determinations were subject to the Order of the Hon'ble AERA Appellate Tribunal in Appeal no. 12/2011 filed by Bangalore International Airport Ltd. (BIAL) wherein it has ordered that:

"It is made clear that even if any final order is passed by the respondent - Airports Economic Regulatory Authority, the same shall not be given effect to without leave of this Court."

2.2 The appeal filed by BIAL has been disposed off on 03.05.2013 (amended vide order dated 10.05.2013), wherein the Hon'ble Appellate Tribunal ordered that:



“.....We had by our order dated 19th October, 2011, directed that the tariff so decided in case of the three services mentioned in the earlier paragraph would not be implemented unless the leave is obtained from this Tribunal. In view of the disposal of this appeal, that order would stand 'withdrawn' and in the result the implementation of tariff may now commence.”

3. AISATS submitted its ATP for the third tariff year 2013-14. The Authority considered the submission made by AISATS and issued Consultation Paper No. 16/2013-14 on 10.07.2013, wherein this ATP for third year was put up for stakeholder consultation. No comments have been received in response to the said Consultation paper.

ORDER:

4. 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 orders that:

- (i). The tariffs for the third tariff year (w.e.f. 01.04.2013 to 31.03.2014) of the first control period, for cargo facility services provided by M/s Air India SATS Airport Services Private Limited, at Bengaluru International Airport, Bengaluru is determined as at **Annexure-I**.
- (ii). These tariffs are the maximum rates effective from 01.04.2013.
- (iii). For demurrage charges on export/import cargo, the free period will 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**


[Capt. Kapil Chaudhary (Retd.)]
Secretary

To,

**M/s Air India SATS Airport Services Private Limited,
Airlines House,
113, Gurdwara Rakabganj Road,
New Delhi-110 001
(Through: Mr. Kwa Tjun Kyet, Head Marketing)**



Air India SATS Airport Services (P) Ltd.
Tariff (s) for Cargo Services at Bengaluru International Airport, Bengaluru
Annual Tariff for Tariff Year 3 (2013-14)

MAXIMUM RATES TO BE PAID BY FREIGHT FORWARDER FOR INTERNATIONAL CARGO: EFFECTIVE 1 APRIL 2013

S.N.	LIST OF CHARGES	FY 2013-14	
		MINIMUM RATE in INR	RATE PER KG in INR
A) INTERNATIONAL CARGO			
EXPORT CARGO			
1	TERMINAL, STORAGE AND PROCESSING CHARGE (TSP) – (per shipping Bill)		
a)	General Cargo	125.00	1.05
b)	Special Cargo (AVI)	250.00	1.58
c)	PER/DGR/VAL cargo	250.00	2.73
2	CUSTOMS CARGO SERVICE PROVIDER CHARGE (CCSP) – (per Shipping Bill)	25.00	0.65
3	DEMURRAGE / STORAGE CHARGE (rate per Kg per day)		
a)	General Cargo	136.50	0.84
b)	Special Cargo (AVI)	262.50	1.58
c)	PER/DGR/VAL cargo	262.50	2.73
4	COURIER HANDLING CHARGE	150.00	1.58
5	PACKING / REPACKING/STRAPPING CHARGE		5/- Per Carton/Bag
6	RETURN CARGO CHARGE		500.00 per AWB
7	AIR WAY BILL AMENDMENT CHARGE		100.00 per AWB
8	WEIGHT / VOLUME MIS-DECLARATION CHARGE		
a)	2-5% variation		2 times
b)	More than 5% variation		5 times
9	OVERTIME CHARGE (beyond customs working hours)		50 .00 per shipping bill
	VAL cargo		1000.00 per AWB
IMPORT CARGO			
1	TERMINAL, STORAGE AND PROCESSING CHARGE (TSP) --(per Bill OF Entry)		
a)	General Cargo/Unaccompanied Baggage	125.00	5.40
b)	Special Cargo (AVI)	250.00	10.80
c)	PER/DGR/VAL cargo	250.00	10.80
2	CUSTOMS CARGO SERVICE PROVIDER CHARGE (per HAWB)	25.00	1.85
3	DEMURRAGE / STORAGE CHARGE (rate per Kg per 24 hours)		
a)	General Cargo		
i)	Flight Actual Time of Arrival (ATA) plus 72 hours	No charge	
ii)	Cargo cleared between 72 hours and 120 hours	336.00	1.65
iii)	Cargo cleared between 120 hours and 720 hours	336.00	3.09
iv)	Cargo cleared after 720 hours	336.00	4.63
b)	Special cargo (AVI)		
i)	Flight Actual Time of Arrival (ATA) plus 72 hours	No charge	
ii)	Cargo cleared between 72 hours and 120 hours	625.00	3.09
iii)	Cargo cleared between 120 hours and 720 hours	625.00	6.17
iv)	Cargo cleared after 720 hours	625.00	9.26
c)	PER/DGR/VAL cargo		
i)	Flight Actual Time of Arrival (ATA) plus 72 hours	No charge	
ii)	Cargo cleared between 72 hours and 120 hours	1275.00	6.17
iii)	Cargo cleared between 120 hours and 720 hours	1275.00	12.4
iv)	Cargo cleared after 720 hours	1275.00	18.58
4	COURIER HANDLING CHARGE	200.00	6.06
5	AIRWAYBILL AMENDMENT CHARGE		100 Per AWB
6	TRANSHIPMENT CHARGE		
a)	General Cargo	125.00	1.98
b)	PER/DGR/VAL/AVI Cargo	235.00	1.98
	Documentation charges		100.00 per AWB
7	OVERTIME CHARGE (beyond customs working hours)		
a)	General Cargo		200/- per Bill of Entry
b)	VAL cargo		1000/- per AWB
8	PACKING /REPACKING/STRAPPING CHARGE		5/- Per Carton



Air India SATS Airport Services (P) Ltd.

Tariff (s) for Cargo Services at Bengaluru International Airport, Bengaluru

NOTE:

- 1 Consignments of Human Remains, Coffins, Unaccompanied Baggage of the deceased and Human Eyes will be exempted from the purview of TSP and Demurrage 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 For Consolidation on Transshipment cargo, TSP charges will be levied to all types of Cargo, in addition to Transshipment Charges mentioned above.
- 10 All charges mentioned above are excluding taxes which will be charged at prevailing rates.
- 11 All charges mentioned above include the concession fees charged by the airport operator.
- 12 No outside labor will be allowed to handle cargo in Air India SATS Airfreight Terminal.

*: Demurrage free period will be as per Government instructions issued from time to time.



Air India SATS Airport Services (P) Ltd.
Tariff (s) for Cargo Services at Bengaluru International Airport, Bengaluru
Annual Tariff for Tariff Year 3 (2013-14)

MAXIMUM RATES TO BE PAID BY FREIGHT FORWARDER FOR DOMESTIC CARGO: EFFECTIVE 1 APRIL 2013

S.N.	LIST OF CHARGES	FY 2013-14 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	100.00	0.65
b)	Special Cargo (AVI)	200.00	2.15
c)	PER/DGR/VAL cargo	200.00	2.05
2	DEMURRAGE / STORAGE CHARGE (rate per Kg per day)		
a)	General Cargo	125.00	0.65
b)	Special Cargo (AVI)	200.00	2.05
c)	PER/DGR/VAL cargo	200.00	2.05
3	COURIER HANDLING CHARGE	100.00	0.65
4	PACKING / REPACKING/STRAPPING CHARGE		5/- per Carton/Bag
5	RETURN CARGO CHARGE		100/AWB
6	AIR WAY BILL AMENDMENT CHARGE		100/AWB
INBOUND CARGO			
1	TERMINAL, STORAGE AND PROCESSING CHARGE (TSP) - (per Bill of Entry)		
a)	General Cargo/Unaccompanied Baggage	125.00	1.10
b)	Special Cargo (AVI)	200.00	2.10
c)	PER/DGR/VAL cargo	200.00	2.10
2	DEMURRAGE/STORAGE CHARGE (rate per Kg per 24 hours)		
a)	General Cargo	200.00	1.25
b)	Special Cargo (AVI)	250.00	2.20
c)	PER/DGR/VAL cargo	250.00	2.20
3	COURIER HANDLING CHARGE	100.00	0.65
4	AIR WAY BILL AMENDMENT CHARGE		100 per AWB
5	PACKING / REPACKING/STRAPPING CHARGE		5.00 per carton



Air India SATS Airport Services (P) Ltd.
Tariff (s) for Cargo Services at Bengaluru International Airport, Bengaluru

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 Demurrage 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 free period will be as per Government intructions issued from time to time.



Air India SATS Airport Services (P) Ltd.
Tariff (s) for Cargo Services at Bengaluru International Airport, Bengaluru

Annual Tariff for Tariff Year 3 (2013-14)

MAXIMUM RATES TO BE PAID BY AIRLINES FOR CARGO HANDLING : EFFECTIVE 1 APRIL 2013

S.N.	LIST OF CHARGES	Unit	FY 2013-14 Tariff Year 3
A) INTERNATIONAL CARGO			
EXPORT CARGO			
1	Handling Charges		
1.1	General Cargo		
1.1.1	Palletisation / Containerisation	Per Kg	1.89
1.1.2	Bulk Cargo	Per Kg	1.22
1.2	Valuable Perishable, Hazardous Cargo & Live Animals etc.		
1.2.1	Palletisation / Containerisation	Per Kg	3.78
1.2.2	Bulk Cargo	Per Kg	2.31
1.3	Express & Courier Cargo		
1.3.1	Palletisation / Containerisation	Per Kg	4.73
1.3.2	Bulk Cargo	Per Kg	2.89
2	Storage Charges		
2.1	General Export Cargo	Per Kg	1.79
2.2	Valuable Perishable, Hazardous Cargo & Live Animals etc.	Per Kg	4.31
3	Electronic Data submission for Customs	Per flight	135.00
IMPORT CARGO			
1	Handling Charges	Per Kg	
1.1	General Cargo		
1.1.1	Palletisation / Containerisation	Per Kg	1.89
1.1.2	Bulk Cargo	Per Kg	1.22
1.2	Valuable Perishable, Hazardous Cargo & Live Animals etc.		
1.2.1	Palletisation / Containerisation	Per Kg	3.78
1.2.2	Bulk Cargo	Per Kg	2.31
1.3	Express & Courier Cargo		
1.3.1	Palletisation / Containerisation	Per Kg	4.73
1.3.2	Bulk Cargo	Per Kg	2.89
2	Storage Charges		
2.1	General Export Cargo	Per Kg	1.79
2.1.1	Subject to a minimum of	Per IGM	241.50
2.2	Valuable Perishable, Hazardous Cargo & Live Animals etc.	Per kg per day or part thereof	4.31
2.2.1	Subject to a minimum of	per AWB per day or part thereof	241.50
3	Electronic Data submission for Customs	Per flight	135.00
TRANSHIPMENT CHARGES			
1	Carting charges for transshipment of import/export cargo	Per kg per day or part thereof	2.1
1.1	Subject to minimum of	Per kg per day or part thereof	168.00
X-RAY SCREENING EXPORT CARGO			
1	X-Ray charges with Certification	Per Kg	2.21
1.1	Subject to minimum of	Per consignment	105.00



Air India SATS Airport Services (P) Ltd.
Tariff (s) for Cargo Services at Bengaluru International Airport, Bengaluru

OUTBOUND CARGO			
1	Handling Charges		
1.1	General Cargo		
1.1.1	Palletisation / Containerisation	Per Kg	1.89
1.1.2	Bulk Cargo	Per Kg	1.16
1.2	Valuable Perishable, Hazardous Cargo & Live Animals etc.		
1.2.1	Palletisation / Containerisation	Per Kg	3.78
1.2.2	Bulk Cargo	Per Kg	2.31
1.3	Express & Courier Cargo		
1.3.1	Palletisation / Containerisation	Per Kg	4.73
1.3.2	Bulk Cargo	Per Kg	2.89
2	Storage Charges		
2.1	General Export Cargo	Per Kg	1.79
2.2	Valuable Perishable, Hazardous Cargo & Live Animals etc.	Per Kg	4.31
IMPORT CARGO			
1	Handling Charges	Per Kg	
1.1	General Cargo		
1.1.1	Palletisation / Containerisation	Per Kg	1.89
1.1.2	Bulk Cargo	Per Kg	1.16
1.2	Valuable Perishable, Hazardous Cargo & Live Animals etc.		
1.2.1	Palletisation / Containerisation	Per Kg	3.78
1.2.2	Bulk Cargo	Per Kg	2.31
1.3	Express & Courier Cargo		
1.3.1	Palletisation / Containerisation	Per Kg	4.73
1.3.2	Bulk Cargo	Per Kg	2.89
2	Storage Charges		
2.1	General Export Cargo	Per Kg	1.79
2.1.1	Subject to a minimum of	Per IGM	241.50
2.2	Valuable Perishable, Hazardous Cargo & Live Animals etc.	Per kg per day or part thereof	4.31
2.2.1	Subject to a minimum of	per AWB per day or part thereof	241.50
X-RAY SCREENING EXPORT CARGO			
1	X-Ray charges with Certification	Per Kg	2.21
1.1	Subject to minimum of	Per consignment	105.00

1 To achieve the projected ARR only maximum cargo handling rates have been suggested for Airlines as user agreements will be entered into with each Airline based on the IATA AHM 810 STANDARD GROUND HANDLING AGREEMENT 2004 or 2008 (SGHA).

2 The rates with each Airline will negotiated based on services required from SGHA service items (usage of equipment and manpower), throughput, service level agreement, credit period and liability and indemnity requirement.

3 All charges mentioned above exclude taxes which will be charged at the prevailing rates.

4 No outside labor will be allowed to handle cargo in Air India SATS Airfreight Terminal.

