

[F.No. AERA/20010/MYTP/DCSC-IGI/2011-12]

Airports Economic Regulatory Authority of India

Order No. 1/2012-13

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

Date of Order: 19th March, 2012

Date of Issue: 2nd April, 2012

In the matter of Annual Year Tariff Proposal (ATP) for 1st Control Period submitted by M/s Delhi Cargo Service Centre Pvt. Ltd. (DCSC) for providing Cargo Handling Services at IGI Airport, New Delhi.

The Authority had, after considering the MYTP submitted by Delhi Cargo Service Centre Ltd. (DCSC) in respect of cargo service at IGI Airport, New Delhi and pursuant to the stakeholder consultation issued a Multi Year Tariff Order No. 13/2011-12 dated 07.10.2011 ordering that:

- (i) The services provided by M/s Delhi Cargo Service Centre Pvt. Limited, 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 1st Control Period w.e.f. 01.04.2011.
- (ii) Approved the tariff for the cargo services provided by DCSC at IGI Airport, Delhi, with effect from the date of commencement of operations by DCSC (international cargo operations).

2. The Authority, by way of a separate Order No. 16/2010-11 dated 24.03.2011, approved the tariff leviable by DCSC at its common user Domestic Cargo Terminal at IGI Airport, New Delhi w.e.f. 01.05.2010 to 30.11.2011.

3. DCSC vide submission dated 16.11.2011 and subsequent submission dated 20.01.2012 submitted their Annual Tariff Proposal (ATP) for the balance period in the 1st tariff year of Control Period w.e.f. 01.12.2011 to 31.03.2012 for their domestic cargo handling operation at IGI Airport, New Delhi and for the 2nd tariff year of Control Period (01.04.2012 to 31.03.2013).

4. The Authority has carefully considered the proposal submitted by DCSC. DCSC have submitted a proposal for approval of their tariff for the period 01.12.2011 to 31.03.2012, in respect of its domestic cargo handling services at its common user domestic cargo terminal, IGI Airport, New Delhi. The tariff card and structure sought for approval is different from the tariff and structure approved by the Authority vide Order No. 16/2011-12 wherein approval for the period 01.05.2010 to 30.11.2011 was accorded. Further, DCSC have also submitted the ATPs for the second tariff year of Control Period w.e.f. 01.04.2012 in respect of both domestic and international cargo services.



5. In respect of the ATPs now submitted by DCSC, the Authority has already issued a Consultation Paper for stakeholder consultation on the proposals contained therein.

6. However, it was noted that in respect of the tariff for domestic cargo services as determined vide Order No. 16/2010-11 dated 24.03.2011 (which were valid only upto 30.11.2011), a ATP for the balance period (i.e. 01.12.2011 to 31.03.2012) has been received but the same cannot be approved until stakeholder consultation is complete. Thus, it would appear that w.e.f. 01.12.2011 there is apparently a tariff vacuum in respect of the domestic cargo services provided by DCSC at the common user domestic cargo terminal at IGI Airport, New Delhi. Hence for the time being, pending final determination of tariff for domestic cargo service provided by DCSC at the common user domestic cargo terminal at IGI Airport, New Delhi for the period 01.12.2011 to 31.03.2012, the tariff as was determined for the period upto 30.11.2011 may be continued till 31.05.2012, so as to ensure smooth operations.

7. ORDER

Upon careful consideration of material available on record, the Authority, in exercise of powers conferred by Section 13(1)(a) of the Act, hereby orders that:

- (i) Pending final determination of tariffs for the 1st tariff year (i.e. 2011-12) w.e.f. 01.12.2011, the tariff, as determined vide Order No. 16/2010-11 dated 24.03.2011 is decided to be valid for the period 01.12.2011 to 31.05.2012 for the present during the inter-regnum.

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


**(Capt. Kapil Chaudhary)
Secretary**

To

**M/s Delhi Cargo Service Centre Private Limited
A-294/1, Road No. 6, NH-8,
Mahipalpur Extension,
New Delhi-110037
(Through: Shri Radharaman Panicker, Managing Director & CEO)**

