

Consultation Paper No. 4 /2012-13



Airports Economic Regulatory Authority of India

**Annual Year Tariff Proposal submitted by Celebi
Delhi Cargo Terminal Management India
Private Limited for providing Cargo Facility at
Cargo Terminal, IGI Airport, New Delhi**

New Delhi: 17th May, 2012

**AERA Building
Administrative Complex
Safdarjung Airport
New Delhi – 110 003**

The Authority had after considering the Multi Year Tariff Proposal submitted by Celebi Delhi Cargo Terminal Management India Private Limited (Celebi), for the first control period of 5 years commencing w.e.f. 01.04.2011, for providing cargo handling services at IGI Airport, New Delhi and pursuant to stakeholder consultation issued a Multi Year Tariff Order No. 14/2011-12 dated 7.10.2011 vide which the Authority had ordered that:

- a) The services provided by Celebi Delhi Cargo Terminal Management Pvt. Ltd., 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.
- b) Celebi Delhi Cargo Terminal Management Pvt. Ltd, may submit the Annual Tariff Proposal for the first tariff year of the first control period for the consideration of the Authority within a period of 75 days of the issue of this Order in accordance with the Guidelines.

2.1 Pursuant to the MYTO issued by the Authority, Celebi have submitted their Annual Tariff Proposals (ATP) for the first and second tariff year of the first control period of 5 years commencing w.e.f. 01.04.2011, for providing cargo handling services at IGI Airport, New Delhi vide their submissions dated 21.12.2011, 10.02.2012 and 23.03.2012.

2.2 Celebi vide letter dated 21.12.2011 submitted their ATP for the 1st tariff year. Celebi have submitted that for the time already lapsed in the current year FY 2011-12 (to which this ATP pertains), they continued to levy the existing historical tariffs for handling international cargo. Further, as per the Guidelines, they were required to submit ATP for the following year FY 2012-13 at least 75 days prior to start of the Tariff Year, that is, latest by 16.01.2012. Considering the short time gap between submissions of the ATP(s) for the 1st and 2nd tariff years, Celebi would like to continue with the existing tariffs for international cargo handling for the remaining period of FY 2011-12 (since lapsed) and requested the Authority to exempt them from furnishing proofs of stakeholder consultation process for international cargo tariff which have been in existence for more than five years.

2.3 Celebi, vide letter dated 10.02.2012, submitted their ATP for FY 2012-13 wherein they have stated that the proposed tariffs for FY 2012-13, are in accordance with the approved MYTP for the first control period and that the expected revenues in FY 2012-13 from the proposed tariffs are well below the Aggregate Revenue Requirement (ARR) for FY 2012-13 as per the approved MYTP.

2.4 Further, vide letter dated 23.03.2012 Celebi submitted their revised ATP based on their discussions with stakeholders, wherein they have revised the rates submitted vide their earlier reference dated 10.02.2012.

3.1 As per the clause 11.2 of the Guidelines, the ATP is required to be submitted in the form and manner as provided in Appendix A1.8.2 wherein it is mentioned that the ATP should be supported by:

- Form B and Form F14(b),
- Details of consultation with stakeholders
- Evidence of User Agreements clearly indicating the Tariff(s) proposed by the service Provider.

3.2 Celebi have furnished Form B and Form 14(b) having ATPs for first and second tariff year of the first control period.

3.3 Further, they have submitted that they have undertaken stakeholder consultation process and addressed concerns raised by stakeholders for the proposed tariffs for FY 2012-13 and provided evidence of the same with the ATP for FY 2012-13. They have also stated that they would continue to honor the existing long-term agreements which have been signed with various customers in the past and are valid for FY 2012-13 and that the existing tariffs and other terms and conditions for such existing contracts would continue to remain valid for FY 2012-13 unless mutually agreed by Celebi and the customer to revise the same.

3.4 Celebi have further furnished evidence of stakeholder consultation held in support of their ATP, details are as hereunder:

- (i) Celebi have submitted copy of emails exchanged between the AOC and ACAAI.
- (ii) Celebi have vide their email dated 10.02.2012, justified the concerns raised by Lufthansa on the proposed rate structure.
- (iii) ACAAI, however have not agreed to the proposal. They have stated that any proposal for tariff revision should involve all stakeholders and since Celebi is acting for DIAL, such proposal should either be routed through DIAL to AERA or Celebi have a specific approval from AERA to fix and revised tariffs.
- (iv) ACAAI have highlighted issues on the Capex, returns, improvement to infrastructure, addition to manpower etc and stated that any proposal would need to be presented to AERA with justification and be justified and supported by the parameters mentioned above.
- (v) ACAAI have stated that there should be an opportunity created by AERA on the basis of Celebi's presentation by sharing data and details provided by Celebi with stakeholders for their views/arguments which will be followed by a joint meeting.

3.5 Celebi have clarified as under:

"Accordingly, it is as per the guidelines of AERA that Celebi has reached out to ACAAI and other customers for holding a stakeholder consultation for its proposed tariffs for FY 12-13.

As for ACAAI's contention that tariff revision should be based on justifications related to return on investments proposed, expected return on investments, operating expenses, improvement to infrastructure, additions to manpower/equipment, etc., we kindly wish to state as below:

Proposed tariff revision is based on the factors highlighted above with the main target to encourage the efficient utilization of our resources, and corresponding cargo handling systems and processes. Celebi has estimated its tariffs in complete alignment with AERA's guidelines which prescribe a tariff estimation methodology based on capital investments, fair rate of return, operating expenses, depreciation and taxation.

Celebi would like to recapitulate that it had submitted its Multi Year Tariff Proposal (MYTP) for the 5 year control period FY 12 – FY 16 on 30th April 2011 which was subsequently put up on AERA's website for any consultation and was duly approved by AERA

The MYTP details out the proposed investments, rate of return, and all other relevant data notified to AERA by the time, have been actually deployed for determining the proposed tariff list.

Consequently as per your comments and requirements, the Annual Tariff Proposal for FY 12-13 is in line with the approved MYTP, for the tariffs to be

related with inflation-linked increases while still the expected revenues are well below those which were approved as justified revenues (Aggregate Revenue Requirement) by AERA.

As per your remarks, the cargo handling charges have not been revised since last 7 years thus not reflecting the cost increases of today and for Celebi to process the modernization and upgrade of the Terminal, systems and facilities, it is left with no option but to revise the tariffs for its financial viability.”

3.6 The Authority vide letter dated 22.03.2012, requested Celebi to furnish the details/update on further developments on consultation with ACAAI for further consideration of the Authority. In response, Celebi vide letter dated 10.04.2012 submitted the following:

- a) Celebi had a meeting with Air Cargo Agents Association of India (ACAAI) officials on 23.01.2012, in which they explained the rationale of the proposed increases, given the investment for ongoing modernization and that the prices having remained unchanged for over seven years. ACAAI appreciated the infrastructure improvements in the terminal and discussed this in their management committee meeting on 27.01.2012 in Pune.
- b) Celebi had responded to ACAAI's concerns in which they had explained their rationale and justification for the proposed tariffs for FY 2012-13. Copy of the response sent to ACAAI has been enclosed by Celebi.
- c) Celebi have held meetings with ACAAI and Delhi Customs Clearing Agents Association (DCCAA) on 16.02.2012 and 15.03.2012 as a part of their monthly co-ordination meetings. The issue of proposed tariffs for FY 2012-13, has not been raised by the stakeholders in either meeting. Minutes of the said meetings have been enclosed by Celebi.
- d) Celebi have further stated that the users have not sought any further clarifications, hence they understand that the matter stands resolved and has requested the Authority to approve the tariffs proposed in their Annual Tariff Proposal (ATP) for FY 2012-13.
- e) Celebi have furnished the following documents/information in support of above:
 - i. Response to ACAAI on queries on the proposed tariffs for FY 2012-13- Copy of Email dated 02.04.2012 sent to ACAAI, having replies to the queries of ACAAI.
 - ii. Minutes of the CAFAC meeting held on 16.02.2012 and 15.03.2012, by DIAL wherein ACAAI and DCCAA were requested to forward the agenda items at the earliest. Celebi has stated that the issue of proposed tariff for FY 2012-13 has not been raised by these stakeholders.

4. The Authority carefully considered the proposal submitted by Celebi and decided to make the following proposal for stakeholder consultation:

- (i) The Annual Tariff Proposal – for domestic and international cargo handling services for first tariff year (1.04.2011 to 31.3.2012), and for second tariff year (01.04.2012 to 31.03.2013) of the first control period may be tentatively decided to be approved, as at **Annexure – I**.
- (ii) Tariff proposed as above will be maximum and demurrage free period shall be as per Government orders issued from time to time.

5. In accordance with the provisions of Section 13(4) of the AERA Act, the proposal contained in para 4 above is hereby put forth for stakeholder consultation. To assist the stakeholders in making their submissions in a meaningful and constructive manner, necessary documents are enclosed (**Annexure –II**). For removal of doubts, it is clarified that the contents of this Consultation Paper may not be construed as any Order or Direction of this Authority. The Authority shall pass an Order, in the matter, only after considering the submissions of the stakeholders in response hereto and by making such decision fully documented and explained in terms of the provisions of the Act.

6. The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 4 above, latest by **31.05.2012** at the following address:

**Capt. Kapil Chaudhary,
Secretary,
Airports Economic Regulatory Authority of India,
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi- 110003
Email: kapil.chaudhary@aera.gov.in
Tel: 011-24695042
Fax: 011-24695039**

**Yashwant S. Bhawe
Chairperson**

CELEBI DELHI CARGO TERMINAL MANAGEMENT INDIA PVT LTD

Form 14 (b): Annual Tariff Proposal for tariff year 1 (FY 2011-12)

S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)
TARIFF FOR HANDLING INTERNATIONAL CARGO						
<i>Tariff for Export Cargo Handling</i>						
1	TERMINAL STORAGE & PROCESSING	General: 0.70, Minimum Charges 120 Special: 1.40, Minimum Charges 235 Valuable: 1.40, Minimum Charges 235 Hazardous/Perishable: 2.43, Minimum Charges 235	per kg	PDA	General: 187,100 Perishable: 30,700 Hazardous: 2,200 valuable: 2,200	20.25
2	DEMMURRAGE-General	0.72, Minimum Charges 120 1.60	per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free period of 48 Hrs for Airlines	PDA Airlines	General: 187,100 Perishable: 30,700 Hazardous: 2,200 Valuable: 2,200	Airline: 9.63 PDA: 5.52
3	DEMMURRAGE-Special	1.43, Minimum Charges 235 3.19	per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free period of 48 Hrs for Airlines	PDA Airlines		
4	DEMMURRAGE-Valuable	2.43, Minimum Charges 235 3.19	per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free period of 48 Hrs for Airlines	PDA Airlines		
5	X-RAY	0.75	Per Kg	Airlines		
6	PALLETIZATION	2247	Per Pallets	Airlines	85,200 pallets	19.15
7	CONTAINERIZATION	807	Per Container	Airlines	51,800 containers	4.18
8	BULK CARGO-General	0.46	Per Kg	Airlines	47,900	1.97
10	PALLETIZATION-20 ft	4494	Per Pallets	Airlines	500 pallets - 20 ft	0.23
<i>Tariff for other cargo handling services</i>						
11	DEMMURRAGE-General-NSO	2.71	per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines	NSO		
12	DEMMURRAGE-Special-NSO	5.46	per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines	NSO		
13	DEMMURRAGE-Valuable-NSO	5.46	per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines	NSO		
14	RE-PACKING	2% of Packages per shipping bill with a Minimum Charges of Rs.20 Per Airway Bill		PDA		3.94 ⁴
15	WEIGHT DIFFERENCE	Double the Applicable TSP IF 2 and upto 5% of declared Wt for variance above 5% penal charges will be leviable @5 Times of the applicable TSP		PDA		
16	PALLETIZATION - NSO	3816	per ULD	NSO		
17	CONTAINERIZATION - NSO	1356	per ULD	NSO		
18	BULK CARGO- NSO	0.78	per Kg	NSO		



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ANNEXURE - I

Form 14 (b): Annual Tariff Proposal for tariff year 1 (FY 2011-12)

S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)
Tariff for Import Cargo handling						
1	TERMINAL STORAGE & PROCESSING	General - 4.45, Minimum Charges 120 Special - 8.89, Minimum Charges 235 Valuable - 8.89, Minimum Charges 235 Hazardous/Perishable - 8.89, Minimum Charges 235	Per Kg	PDA	General - 169,500 Special - 900 Valuable - 1,800 Hazardous/ Perishable - 12,900	89.45
2	DEMURRAGE -General	1.30, Minimum Charges 295	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs	PDA	General - 169,500 Special - 900 Valuable - 1,800 Hazardous/ Perishable - 12,900	110.91
		2.6	Between 120 hrs to 720 hrs per kg			
		3.9	Beyond 720 hrs			
3	DEMURRAGE -Special	2.60, Minimum Charges 580	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs	PDA		
		5.2	Between 120 hrs to 720 hrs per kg	PDA		
		7.8	Beyond 720 hrs	PDA		
4	DEMURRAGE -Valuable	5.20, Minimum Charges 1160	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs	PDA		
		10.4	Between 120 hrs to 720 hrs per kg	PDA		
		15.6	Beyond 720 hrs	PDA		
5	DE-STUFFING CHARGES	0.99	per kg	Airlines	169,500	18.34
Tariff for other Import Cargo handling services						
6	DEMURRAGE -General	1.60, Minimum Charges 638 Per Day	per kg per day, Free Period of 72 hrs	Airlines		
9	DEMURRAGE -General-NSO	2.71 - bulk, 1083 per ULD per day	per kg per day, Free Period of 72 hrs	NSO		
10	DEMURRAGE -Valuable-NSO	6.82	per kg per day, Free Period of 72 hrs	NSO		
11	DEMURRAGE - Perishable/Special/Hazardous-NSO	4.51	per kg per day, Free Period of 72 hrs	NSO		2.65 ^a
12	RE-PACKING	2% of Packages per shipping bill with a Minimum Charge of Rs.20 Per Airway Bill.		PDA		
14	DE-STUFFING CHARGES - NSO	1.67	per kg	NSO		

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S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)
Tariff for handling Trans-shipment cargo						
1	TERMINAL STORAGE & PROCESSING - General	4.45, Minimum Charges 120	Per Kg			
2	TERMINAL STORAGE & PROCESSING - Special	8.89, Minimum Charges 235	Per Kg			
3	TERMINAL STORAGE & PROCESSING - Valuable	8.89, Minimum Charges 235	Per Kg			
4	TERMINAL STORAGE & PROCESSING - Hazardous/Perishable	8.89, Minimum Charges 235	Per Kg			
5	DEMURRAGE -General	1.30, Minimum Charges 295	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs			
		2.6	Between 120 hrs to 720 hrs per kg			
		3.9	Beyond 720 hrs			
6	DEMURRAGE -Special	2.60, Minimum Charges 580	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs			
		5.2	Between 120 hrs to 720 hrs per kg			
		7.8	Beyond 720 hrs			
7	DEMURRAGE -Valuable	5.20, Minimum Charges 1160	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs			
		10.4	Between 120 hrs to 720 hrs per kg			
		15.6	Beyond 720 hrs			
8	Sector Charges	1.5	per kg			
9	Carting charges - Transshipment	1.91, Minimum Charges 129	per kg			
10	TP -destuffing charges	99, Minimum Charges 193	per kg			
Other Exceptional Charges						
1	Bag handling charges	1.4 Minimum charge 500	per kg			
2	Segregation charges	500				
3	Gola charges	50				
4	Wrong Marking/Labeling					
5	Damaged shipments "not in ready to carriage condition"					
6	Wrong declaration of consignment	Minimum charges: 500				
7	Consignment brought into warehouse without TSP	Maximum charges: 2000				
8	Odd size consignment brought in Close body trucks					



S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)	
TARIFF FOR HANDLING DOMESTIC CARGO							
Tariff for handling Inbound domestic cargo							
1	Terminal Storage and Processing - General & Couriers	General - 0.6 Special - 1.2	per kg	Airlines	5300 ^d	1.75	
2	Handling Charges	0.7	per kg	Airlines			
Tariff for handling Outbound domestic cargo							
3	Terminal Storage and Processing - General & Couriers	General - 0.6 Special - 1.2	per kg	Airlines	5300 ^d		
4	Handling Charges	0.7	per kg	Airlines			
5	X-Ray	0.65	per kg	Airlines			
Tariff for handling domestic cargo handling services							
6	Storage charges	0.7	per kg, free period of 24 hours	Airlines			
7	Transshipment cargo & Offloaded cargo	1	per kg	Airlines			
8	Demurrage charges	General - 0.6 Special - 1.2	per kg	Airlines			
9	DGR acceptance check	INR 1190/-per AWB subject to maximum of 20 pieces per AWE. Additional pieces will be charged @ INR 64/-per additional piece		Airlines			
10	Dry ice acceptance checking	595	per AWB	Airlines			
11	Live animal acceptance and handling	1795	per AWB	Airlines			
12	Valuable handling	637	per AWB	Airlines			
Total Estimated Traffic					International Cargo - Export: 222,367 Import: 185,314 Domestic Cargo - Inbound: 5,382 Outbound: 5,382		
Total Estimated Revenues						303.47	
ARR in FY-12 as per MYTP						347.60	

- a. Expected to contribute less than 15% of total export revenue
- b. Expected to contribute less than 2% of total import revenue
- c. Insignificant contribution to expected FY 2011-12 revenue
- d. In MYTP we assumed three quarters of domestic operations in FY-12. However domestic operations have not yet started and are expected to commence in January 2012. Therefore we have assumed domestic volumes for one quarter only in FY 12.

NSO
POA

Non Scheduled Operator
Pre Deposit Account



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S No	Tariff heading	Price (INR)		Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)
TARIFF FOR HANDLING INTERNATIONAL CARGO							
Tariff for Export Cargo handling		Proposed	Revised				
1	TERMINAL STORAGE & PROCESSING	General: 0.90, Minimum Charges 160 Special: 1.65, Minimum Charges 280 Valuable: 1.65, Minimum Charges 280 Hazardous/Perishable: 2.45, Minimum Charges 240	General: 0.90, Minimum Charges 160 Special: 1.65, Minimum Charges 280 Valuable: 1.65, Minimum Charges 280 Hazardous/Perishable: 2.45, Minimum Charges 240	per kg	PDA	General: 156,650 Perishable: 26,110 Hazardous: 1,865 valuable: 1,865	20.00
2	DEMMURRAGE-General	1.00, Minimum Charges 170 1.65	1.00, Minimum Charges 170 1.65	per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prerion of 48 Hrs for Airlines	PDA Airlines	General: 156,650 Perishable: 26,110 Hazardous: 1,865 valuable: 1,865	Airline: 8.3 PDA: 6.4
3	DEMMURRAGE-Special	1.70, Minimum Charges 280 3.30	1.70, Minimum Charges 280 3.30	per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prerion of 48 Hrs for Airlines	PDA Airlines		
4	DEMMURRAGE-Valuable	2.85, Minimum Charges 275 3.30	2.85, Minimum Charges 275 3.30	per kg per day, Free Period of 24 hrs for Agent Per Kg per day, Free prerion of 48 Hrs for Airlines	PDA Airlines		
5	X-RAY	0.90 Minimum Charges 120	0.90 Minimum Charges 120	Per Kg	Airlines		
6	Unitization	General: 1.50 Special: 2.10	General: 1.30 Special: 2.10	Per Kg	Airlines Airlines		27.30



S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)
Tariff for other Export Cargo Handling services						
7	DEMMURRAGE-General-NSO	2.71	per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines	NSO		
8	DEMMURRAGE-Special-NSO	5.46	per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines	NSO		
9	DEMMURRAGE-Valuable-NSO	5.46	per kg per day, Free Period of 24 hrs for Agent and 48 hours for airlines	NSO		
10	RE-PACKING	2% of Packages per shipping bill with a Minimum Charges of Rs.20 Per Airway Bill.		PDA		
11	WEIGHT DIFFERENCE	Double the Applicable TSP IF 2 and upto 5% of declared Wt for variance above 5% penal charges will be leviable @5 Times of the applicable TSP		PDA		
12	PALLETIZATION - NSO	3816	per ULD	NSO		
13	CONTAINERIZATION - NSO	1366	per ULD	NSO		
14	BULK CARGO- NSO	0.78	per Kg	NSO		4.0 ^a
15	DGR/Live Animal Acceptance Fee	2500	Per TC	PDA		
16	Overtime Fee for Truck Acceptance (between 1600-1800 hrs)	30%	Per TC (% of the TSP charges)	PDA		
17	ULD Cleaning Charges	6000	per ULD	Airlines		
18	Dry Ice Acceptance Check	700				
19	MOT Charges	200	per AWB			
20	Miscellaneous Activity Charges	Case to case basis	per AWB	Airlines		
21	Miscellaneous Packing Charges	Case to case basis	per packet	Airlines		
22	Miscellaneous Packing Charges - Metal	Case to case basis	per AWB	Airlines		
23	ULD Building-rebuilding Charges	2.95		Airlines		
24	ULD Customization	2000	per ULD	Airlines		
25	SKID charges	328	per SKID			



S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)
Tariff for Import Cargo handling						
1	TERMINAL STORAGE & PROCESSING	General - 5.0, Minimum Charges 135 Special - 9.0, Minimum Charges 240 Valuable - 9.0, Minimum Charges 240 Hazardous/Perishable - 9.0, Minimum Charges 240	Per Kg	PDA	General - 154,430 Special - 850 Valuable - 1,690 Hazardous/ Perishable - 11,810	90.10
2	DEMURRAGE -General	1.55, Minimum Charges 355 3.1 4.6	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs Between 120 hrs to 720 hrs per kg Beyond 720 hrs	PDA	General - 154,430 Special - 850 Valuable - 1,690 Hazardous/ Perishable - 11,810	120.40
3	DEMURRAGE -Special	3.1, Minimum Charges 695 6.15 9.2	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs Between 120 hrs to 720 hrs per kg Beyond 720 hrs	PDA PDA PDA		
4	DEMURRAGE -Valuable	6.15, Minimum Charges 1375 12.3 18.45	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs Between 120 hrs to 720 hrs per kg Beyond 720 hrs	PDA PDA PDA		
5	DE-STUFFING CHARGES	1.30 Minimum Charges 265	per kg	Airlines		
Tariff for other Import Cargo handling services						
6	DEMURRAGE -General-NSO	2.71 - bulk, 1083 per ULD per day	per kg per day, Free Period of 72 hrs	NSO	2.8	
7	DEMURRAGE -Valuable-NSO	6.82	per kg per day, Free Period of 72 hrs	NSO		
8	DEMURRAGE - Perishable/Special/Hazardous-NSO	4.51	per kg per day, Free Period of 72 hrs	NSO		
9	RE-PACKING	2% of Packages per shipping bill with a Minimum Charge of Rs.20 Per Airway Bill.		PDA		
10	Packing Charges	12.5	Per packet			
11	Storage Charge - Bulk Cargo	1.95	per kg per day			
12	Storage Charge - Loaded ULD	775	per kg per day			
13	Storage Charges - Valuable	4.9	per kg per day			
14	Storage Charges - Hazardous/ Perishable	3.2	per kg per day			
15	Storage Charge per Consgn/AWB	270	per day			
16	DE-STUFFING CHARGES - NSO	1.67	per kg	NSO		



S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)
Tariff for handling Transshipment cargo						
1	TERMINAL STORAGE & PROCESSING - General	5.00, Minimum Charges 135	Per Kg			
2	TERMINAL STORAGE & PROCESSING - Special	9.00, Minimum Charges 240	Per Kg			
3	TERMINAL STORAGE & PROCESSING - Valuable	9.00, Minimum Charges 240	Per Kg			
4	TERMINAL STORAGE & PROCESSING - Hazardous/Perishable	9.00, Minimum Charges 240	Per Kg			
5	DEMURRAGE -General	1.55, Minimum Charges 355	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs			
		3.1	Between 120 hrs to 720 hrs per kg			
		4.6	Beyond 720 hrs			
6	DEMURRAGE -Special	3.1, Minimum Charges 695	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs			
		6.15	Between 120 hrs to 720 hrs per kg			
		9.2	Beyond 720 hrs			
7	DEMURRAGE -Valuable	6.15, Minimum Charges 1375	Per Kg per day, Up to 120 Hrs, Free period of 72 hrs			
		12.3	Between 120 hrs to 720 hrs per kg			
		18.45	Beyond 720 hrs			
8	Sector Charges	1.5	per kg			
9	Carting charges - Transshipment	2.25, Minimum Charges 155	per kg			
10	TP -destuffing charges	1.30, Minimum Charges 265	per kg			



S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)
1	Bag handling charges	1.4 Minimum charge 500	per kg			
2	Segregation charges	500				
3	Overtime Fee for Gate Pass Generation (between 1600-1800 hrs)	500	per gate pass			
4	Electricity Charge for RKN container	1200	per container per day			
5	Charges collect fee	600	Per AWB/HAWB			
6	Delivery Order Fee	1200	Per AWB/HAWB			
7	Ramp to Ramp Transfer	500	per ULD			
8	Equipment / Manpower Charges	10 ton Forklift: 3000 05 ton forklift: 1500 03 ton forklift: 975 Crane: 6000 16 ton forklift: 6000 Additional Staff (Blue Collar): 500 Security: 1000 Gunman: 1500	per hour			
9	Gola charges	50				
10	Wrong Marking/Labeling					
11	Damaged shipments "not in ready to carriage condition"					
12	Wrong declaration of consignment	Minimum charges: 500				
13	Consignment brought into warehouse without TSP	Maximum charges: 2000				
14	Odd size consignment brought in Close body trucks					



S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)	
TARIFF FOR HANDLING DOMESTIC CARGO							
Tariff for handling inbound domestic cargo							
1	Terminal Storage and Processing - General & Couriers	General - 0.80 Special - 1.60 Couriers - 0.80	per kg	Airlines	30,440 ^d	13.1	
2	Handling Charges	0.90	per kg	Airlines			
Tariff for handling outbound domestic cargo							
3	Terminal Storage and Processing - General & Couriers	General - 0.80 Special - 1.60 Couriers - 0.80	per kg	Airlines	30,440 ^d		
4	Handling Charges	0.90	per kg	Airlines			
5	X-Ray	0.90	per kg	Airlines			
6	Transshipment cargo & Offloaded cargo	1	per kg	Airlines			
7	Demurrage charges	General - 0.8 Special - 1.6 Couriers - 0.8	per kg	Airlines			
8	DGR acceptance check	INR 1600/-per AWB subject to maximum of 20 pieces per AWE. Additional pieces will be charged @ INR 64/-per additional piece		Airlines			
9	Dry ice acceptance checklist	1000	per AWB	Airlines			
10	Live animal acceptance and handling	1795	per AWB	Airlines			
11	Repacking	2% of Packages per shipping bill with a Minimum Charges of Rs.20 Per Airway Bill.	per AWB				
12	Packing Charges	12.5	per packet				
13	Weight difference	Double the Applicable TSP IF 2 and upto 5% of declared Wt for variance above 5% penal charges will be leviable @5 Times of the applicable TSP					
14	Unitization	1.1	per Kg				
15	Miscellaneous Activity Charges	Case to case basis	per AWB/ packet				
16	Miscellaneous Packing Charges	Case to case basis	per AWB/ packet				
17	Valuable handling	637	per AWB	Airlines			



S No	Tariff heading	Price (INR)	Rate applied on	Levied on	Estimated units (Tonnes)	Estimated Revenues (INR Cr)
Total Estimated Traffic					International Cargo - Export: 186,480 Import: 168,780 Domestic Cargo - Inbound: 30,442 Outbound: 30,442	
Total Estimated Revenues						328.30
ARR in FY-13 as per MYTP						395.30

- a. Expected to contribute less than ~5% of total export revenue
- b. Expected to contribute less than ~2% of total import revenue
- c. Insignificant contribution to expected FY 2012-13 revenue
- d. Assuming full year of domestic operations in FY 2012 - 13

NSO
PDA

Non Scheduled Operator
Pre Deposit Account





1. Covering Letter

21 December 2011

Capt. Kapil Chaudhary
Secretary
Airports Economic Regulatory Authority of India
AERA Building, Administrative Complex
Safdarjung Airport, New Delhi – 110003

Dear Madam,

Sub: Submission of Annual Tariff Proposal for FY 2011-2012 for Celebi Delhi Cargo Terminal Management (I) Pvt Ltd

- 1.1 As per directions in the Terms and Conditions for Determination of Tariff for Services Provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft Guidelines 2011 ('Guidelines') issued under Section 15 of The Airports Economic Regulatory Authority of India Act, 2008, we, Çelebi Delhi Cargo Terminal Management (I) Pvt. Ltd. ('Çelebi'), had submitted our Multi Year Tariff Proposal ('MYTP') for the control period starting 1 April 2011 and ending 31 March 2016 to AERA on 30 April 2011 for our cargo facility at the Indira Gandhi International Airport (IGIA), New Delhi.
- 1.2 AERA in its Order No. 14/2011-12 issued on 7 October 2011 in response to our MYTP decided to adopt a "light touch approach" for regulation of our services. AERA also directed Çelebi to submit its Annual Tariff Proposal (ATP) for first tariff year (FY 2011-12) of the control period for consideration of the Authority within 75 days of issue of the Order.
- 1.3 Please find enclosed our Annual Tariff Proposal (ATP) for the tariff year FY 2011-12 as per the Order and Guidelines issued by AERA.
- 1.4 Çelebi would like to bring to Authority's attention that for the time already lapsed in the current year FY 2011-12 (to which this ATP pertains) Çelebi has continued to levy the existing historical tariffs for handling international cargo.
- 1.5 We understand that as per Section 7.4 of the Guidelines, Çelebi would have to submit Annual Tariff Proposal for the following year FY 2012-13 at least 75 days prior to start of the Tariff Year, that is, latest by 16 January 2012. Considering the short time gap between submissions of Annual Tariff Proposals for FY 2011-12 and 2012-13, Çelebi would like to continue with the existing tariffs for international cargo handling for the remaining period of FY 2011-12. Hence we request the Authority to kindly exempt us from furnishing proofs of stakeholder consultation process for international cargo



tariffs in this Annual Tariff Proposal as we propose to continue with the historical tariffs which have been in existence for more than five years.

- 1.6 Çelebi plans to submit revised tariffs for international cargo handling for FY 2012-13 in the concerned ATP to be submitted before 16 January 2012. We intend to undertake stakeholders' consultation process and provide evidence of the same while submitting the revised tariffs in Annual Tariff Proposal for FY 2012-13.
- 1.7 In addition, we expect to start handling domestic cargo in the last quarter (Jan-March) of FY 2011-12 and would like to propose the prevailing market prices for the same. We have undertaken stakeholder consultation with our prospective customers for our proposed domestic cargo handling tariffs. An evidence of a stakeholder consultation for our proposed tariffs for domestic cargo handling has been appended with this Annual Tariff Proposal.
- 1.8 For the proposed tariffs for international and domestic cargo handling, the estimated revenues for FY 2011-12 are expected to be less than the Aggregate Revenue Requirement (ARR) projected in our MYTP for the same year. Please refer to appended Form 14B for details.
- 1.9 We hope that AERA would accept and approve our tariffs proposed in this Annual Tariff Proposal for FY 2011-2012.

Thanking you,

Yours sincerely,

For Çelebi Delhi Cargo Terminal Management India Pvt Ltd

Murat Bas

Chief Executive Officer

Email: murat.bas@celebi.com.tr

Tel: +91 11 47630900



2. Form B: (ref: Section A1.8 of Appendix I)

**BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA
AT NEW DELHI**

**SUBMISSION OF PROPOSAL FOR DETERMINATION OF ANNUAL TARIFF FOR
AND ON BEHALF OF:**

Çelebi Delhi Cargo Terminal Management India Pvt. Ltd
International Cargo Terminal,
Indira Gandhi International Airport,
New Delhi – 110037

I, Murat Bas, aged 47 years, resident of Pyramid Towers, Plot 33-34, Road M2, DLF City II, Gurgaon, Haryana acting in my official capacity as Chief Executive Officer in Çelebi Delhi Cargo Terminal Management India Pvt. Ltd having its registered office at Room 23, Import Building 3, International Cargo Terminal, IGI Airport, New Delhi – 110037 do hereby state and affirm as under that:

1. That I am duly authorized to act for and on behalf of Çelebi Delhi Cargo Terminal Management India Pvt. Ltd in the matter of making this submission before the Airports Economic Regulation Authority of India, New Delhi ('the Authority');
2. I am competent to make this submission before the Authority;
3. I am making this submission in my official capacity and the facts stated herein are based on official records;
4. The contents of the Annual Tariff Proposal submission which include inter alia

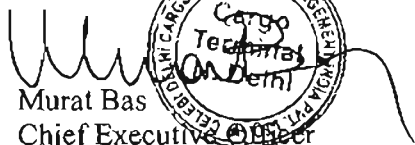
~~(i) Estimated Maximum Allowed Yield per Unit and the proposed detailed break-up of Tariff(s) (in context to Estimated Maximum Allowed Yield per Unit where determined by the Authority) where the Authority has specified a price cap approach for the duration of the Control Period, pursuant to Clause 3.2;~~

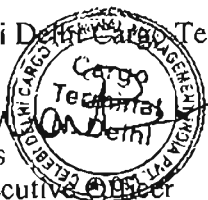
OR

Proposed detailed break-up of Tariff(s) based on Clause 11.2 where the Authority has specified a light touch approach for the duration of the Control Period, pursuant to Clause 3.2, and

(ii) Justifications, are correct and true to my knowledge and belief and nothing material has been concealed there from.

For Çelebi Delhi Cargo Terminal Management India Pvt Ltd


Murat Bas
Chief Executive Officer



Place: New Delhi
Date: 21 December 2011



10 February 2012

Capt. Kapil Chaudhary
Secretary
Airports Economic Regulatory Authority of India
AERA Building, Administrative Complex
Safdarjung Airport, New Delhi – 110003

Handwritten notes:
ODT
DGMLR
13/01/12
AGM (ARIS)
May pls put up on file as discussed.

Dear Madam,

Sub: Submission of Annual Tariff Proposal for FY 2012-2013 for Çelebi Delhi Cargo Terminal Management (I) Pvt Ltd

- 1.1 As per directions in the Terms and Conditions for Determination of Tariff for Services Provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft Guidelines 2011 ('Guidelines') issued under Section 15 of The Airports Economic Regulatory Authority of India Act, 2008, we, Çelebi Delhi Cargo Terminal Management (I) Pvt. Ltd. ('Çelebi'), had submitted our Multi Year Tariff Proposal ('MYTP') for the control period starting 1 April 2011 and ending 31 March 2016 to AERA on 30 April 2011 for our cargo facility at the Indira Gandhi International Airport (IGIA), New Delhi.
- 1.2 AERA in its Order No. 14/2011-12 issued on 7 October 2011 in response to our MYTP decided to adopt a "light touch" approach for regulation of our services.
- 1.3 AERA also directed Çelebi to submit its Annual Tariff Proposal (ATP) for first tariff year (FY 2011-12) of the control period for consideration of the Authority within 75 days of issue of the Order. Pursuant to the order, Çelebi had submitted its Annual Tariff Proposal (ATP) for the tariff year FY 2011-12 on 21 December 2011 as per the Order and Guidelines issued by AERA.
- 1.4 In accordance with Section 7.4 of the Guidelines, Celebi is pleased to submit its Annual Tariff Proposal for the second tariff year, FY 2012-13, of the control period to the Authority along with this letter. Please find enclosed Form B and Form 14(b) prescribed in the Guidelines along with evidcncc of stakeholders' consultation.
- 1.5 Çelebi would like to bring to Authority's attention that till FY 2011-2012, Çelebi has been continuing with the prevailing tariffs at the time of taking over as the custodian of the cargo terminal in 2009. These historical tariffs have not been revised for more than five years.
- 1.6 The proposed tariffs for FY 2012-13 are in accordance with the approved MYTP for the control period FY 2012-16. The expected revenues in FY 2012-13 from the proposed tariffs are well below the Aggregate Revenue Requirement (ARR) for FY 2012-13 as per the approved MYTP. Please refer to appended Form 14B for details.

Handwritten notes:
15/2/12
Soft copy of submission has been emailed
15/2/12
OSD-11/203
14/02/12



ÇELEBI DELHI CARGO TERMINAL MANAGEMENT INDIA PVT. LTD.
www.celebidelhicargo.in

2. Form B: (ref: Section A1.8 of Appendix I)

BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA

AT NEW DELHI

**SUBMISSION OF PROPOSAL FOR DETERMINATION OF ANNUAL TARIFF FOR
AND ON BEHALF OF:**

Çelebi Delhi Cargo Terminal Management India Pvt. Ltd
International Cargo Terminal,
Indira Gandhi International Airport,
New Delhi – 110037

I, Murat Bas, aged 47 years resident of Pyramid Towers, Plot 33 – 34, Road M2, DLF City II, Gurgaon, Haryana acting in my official capacity as Chief Executive Officer in Çelebi Delhi Cargo Terminal Management India Pvt. Ltd having its registered office at Room 23, Import Building 3, International Cargo Terminal, IGI Airport, New Delhi – 110037 do hereby state and affirm as under that:

1. That I am duly authorized to act for and on behalf of M/s Çelebi Delhi Cargo Terminal Management India Pvt. Ltd in the matter of making this submission before the Airports Economic Regulation Authority of India, New Delhi ('the Authority');
2. I am competent to make this submission before the Authority;
3. I am making this submission in my official capacity and the facts stated herein are based on official records;
4. The contents of the Annual Tariff Proposal submission which include inter alia

~~(i) Estimated Maximum Allowed Yield per Unit and the proposed detailed break up of Tariff(s) (in context to Estimated Maximum Allowed Yield per Unit where determined by the Authority) where the Authority has specified a price cap approach for the duration of the Control Period, pursuant to Clause 3.2;~~

OR

Proposed detailed break-up of Tariff(s) based on Clause 11.2 where the Authority has specified a light touch approach for the duration of the Control Period, pursuant to Clause 3.2, and

(ii) Justifications, are correct and true to my knowledge and belief and nothing material has been concealed there from.

For Çelebi Delhi Cargo Terminal Management India Pvt Ltd



Murat Bas
Chief Executive Officer

Place: New Delhi
Date: 10 February 2012



ÇELEBI DELHI CARGO TERMINAL MANAGEMENT INDIA PVT. LTD.

www.celebidelhicargo.in

23rd March, 2012

Capt. Kapil Chaudhary
Secretary
Airports Economic Regulatory Authority of India
AERA Building, Administrative Complex
Safdarjung Airport, New Delhi – 110003

Dear Madam,


Sub: Submission of Annual Tariff Proposal for FY 2012-2013 for Çelebi Delhi Cargo (W)
Terminal Management (I) Pvt Ltd 23/3/12

- 1.1 Further to our letter dated 10th February, 2012 and with reference to our discussion on 22.03.2012 on the captioned subject we wish to state as under :-
- 1.2 Based on our discussion with stakeholders/clients and in order to address their concern on the proposed tariff, we would like to revise the rate given in our Annual Tariff Proposal submitted to your office on 10th February, 2012. This is being done to provide just and fair rationale for proposed revision in tariff. Revised Annual Tariff Proposal for FY 2012-13 is enclosed with this letter both in hard and soft copies
- 1.3 We hope that AERA would accept and approve our revised tariffs proposed in this Annual Tariff Proposal for FY 2012 – 13.

Thanking you,

Yours sincerely,

For Çelebi Delhi Cargo Terminal Management India Pvt Ltd


Murat Bas

Chief Executive Officer

Email: murat.bas@celebi.com.tr

Tel: +91 11 47630900



Enclosures:

1. Form B
2. Form 14(b)