

Consultation Paper No. 40/2017-18



Airports Economic Regulatory Authority of India

TO CONSIDER THE MULTI YEAR TARIFF PROPOSAL FOR THE 2nd CONTROL PERIOD(01.04.2016 TO 31.03.2021) AND ANNUAL TARIFF PROPOSAL OF M/S GUJARAT STATE EXPORT CORPORATION LIMITED (M/S GSEC) FOR PROVIDING CARGO HANDLING SERVICES AT SARDAR VALLABHBHAI PATEL INTERNATIONAL (SVPI) AIRPORT, AHMEDABAD.

03rd January, 2018

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

M/s Gujarat State Export Corporation Limited (M/s GSEC) submitted, online on 10th March 2016, their Multi Year Tariff Proposal (MYTP) for the 2nd control period (01.04.2016 to 31.03.2021) and Annual Tariff Proposal (ATP) for determination of cargo handling tariff at Sardar Vallabhbhai Patel International Airport, Ahmedabad. They have also submitted the signed copies of the proposal and following are the salient features of the proposal:

1	Name of the ISP	M/s Gujarat State Export Corporation Ltd.(M/s GSEC)
2	Service	Cargo Handling Service.
3	Airport	Sardar Vallabhbhai Patel International Airport, Ahmedabad
4	(i) Proposal under consideration (ii) Whether Justification for proposed increase in tariffs provided?	(i) a) MYTP for the 2 nd control period w.e.f. 01.04.2016 to 31.03.2021 b) ATP for the 2 nd control period (ii) Yes. M/s GSEC has submitted the following justifications vide letter dated 28 th August 2017 for the increase in tariffs: “We have been holding on to existing tariffs since 15.01.2008. Till the 4 th year of 1 st control period, we volunteered to maintain the rates following requests from trade. Subsequent tariff changes were not approved by AERA citing some objections from FIEO despite user agreements signed by relevant stakeholders-cargo agents & freight forwarders.”
5	Year of Last Revision of rates with % (+/-).	Tariff was last approved in the year 2012-13 vide order no. 42/2012-13, dt. 01.03.2013. (Annexure-I)
6	Regulatory Approach in first control period.	Authority Adopted-‘Light Touch Approach’ for the 1 st control period vide order no.09/2011-12 dt. 23.09.2011 as the service was “not material”
7	(i) Tariff Comparison for M/s GSEC- Existing Rates Vs Proposed Rates.	(i) On a comparison of the existing tariff and proposed tariff (1 st , 2 nd and 3 rd Tariff Year) for the 2 nd control period, it is observed that the increase in the proposed tariff is in the range of 8%-54%. Whereas the increase proposed for 4 th and 5 th tariff year ranges between 20%-25%. (Annexure-II)

	(ii) Tariff Comparison M/s GSEC vs. M/s Cargo Service Centre (CSC).	(ii) As per order no.36/2015-16 dated 21.10.2015, the tariff rates for M/s GSEC and M/s CSC is same.(Annexure-III)
8	(i) Annual Compliance Statement (ACS) with key parameters Revenue, Expenditure, Operating Profit and CAPEX etc. 	

10	Evidence of Stakeholder Consultation done by M/s GSEC with reference to their proposed MYTP-ATP submitted to AERA.	<table><tr><td>1. List of Stakeholders</td></tr><tr><td>2. Meeting Notice</td></tr><tr><td>3. Minutes of the meeting with the attendance sheet of the participants.</td></tr><tr><td>4. Comments of the Stakeholders</td></tr><tr><td>5. Redressal of stakeholder's concerns, if any</td></tr></table>	1. List of Stakeholders	2. Meeting Notice	3. Minutes of the meeting with the attendance sheet of the participants.	4. Comments of the Stakeholders	5. Redressal of stakeholder's concerns, if any	No stakeholder consultation held for the 2 nd control period. M/s GSEC vide letter dated 28 th Aug 2017 stated that “We had reached an agreement with stakeholders in December 2013 (copy attached). We are seeking tariff change proposed and agreed in 2013 negotiations and therefore we do not see any need for an updated stakeholder consultation.” Further copies of the minutes of the stakeholder consultation meeting held in the year 2013 have been submitted to AERA which is annexed herewith. (Annexure VI)																	
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11	(i) Concession Period (ii) License Fee	01.06.2009 to 31.05.2019 As per the license agreement, M/s GSEC must pay the following to Airport Authority of India in the 2 nd control period: (i) License Fees: <table><tr><th colspan="2">Period</th><th rowspan="2">Rate (per m² p.a.)</th><th rowspan="2">Amount* (Rs Lakhs)</th></tr><tr><th>From</th><th>To</th></tr><tr><td>01.06.15</td><td>31.05. 16</td><td>1,630</td><td>81.50</td></tr><tr><td>01.06.16</td><td>31.05. 17</td><td>1,750</td><td>87.50</td></tr><tr><td>01.06. 17</td><td>31.05.18</td><td>1,880</td><td>94.00</td></tr><tr><td>01.06.18</td><td>31.05.19</td><td>2,020</td><td>101.00</td></tr></table> *The rates are indicative and subject to change as per rate finalized by AAI (ii) Royalty of 13% of the Gross Turnover (GTO) (Annexure VII)		Period		Rate (per m ² p.a.)	Amount* (Rs Lakhs)	From	To	01.06.15	31.05. 16	1,630	81.50	01.06.16	31.05. 17	1,750	87.50	01.06. 17	31.05.18	1,880	94.00	01.06.18	31.05.19	2,020	101.00
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12	Examination of the proposal as per the parameters provided in the CGF guidelines, 2011.	<table><tr><th>Parameter</th><th>Status</th></tr><tr><td>1. Materiality Index (MI)</td><td>Not Material (2.38%).</td></tr><tr><td>2. Competition</td><td>Competitive. M/s CSC is providing similar services in SVPI Airport.</td></tr></table>	Parameter	Status	1. Materiality Index (MI)	Not Material (2.38%).	2. Competition	Competitive. M/s CSC is providing similar services in SVPI Airport.																	
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		3. Reasonableness of user agreements.	Reasonableness of the user agreements cannot be ascertained because copies of the user Agreements have not been provided by M/s GSEC. M/s GSEC has not entered into any agreement with the users (airlines) of its services as confirmed vide e-mail dt.28.12.2017.
13	Remarks :	<p>i) M/s GSEC has submitted the MYTP for the 2nd control period and ATP for 2nd control period proposing an increase in the tariffs. The increase in the tariff rates range from 8%-54% for T1-T3. Whereas the increase proposed for 4th and 5th tariff year ranges between 20%-25%. As per 'Form F9- Formats for forecast and actual roll forward regulatory asset base', M/s GSEC projected capital expenditure of Rs.9.32 crores in the 2nd control period. On a review of the ACS of year 2016-17 it is observed that capital expenditure of Rs2.87 crs has been incurred in the year 2016-17.</p> <p>Projected Data:</p> <p>ii) On a review of the projected data furnished by M/s GSEC it is observed that revenue is expected to grow by 20% in the 2nd control period but earnings before interest and tax (EBIT) will decline by 23% on account of 52% increase in operating expenditure.</p> <p>iii) As per the projected volume data for the 2nd control period furnished in Form F12 (a) "Historical & projected cargo volumes in tonnes", cargo volume is projected to increase by 11% p.a. in the 2nd control period from 30,166 tonnes in 2015-16 to 33,626 tonnes in 2020-21.</p>	

2.1 As stipulated in Clause 3 of the guidelines, the Authority shall follow a three stage process for determining its approach to the regulation of regulated service-

- (i) 'Materiality' as per Clause 4;
- (ii) 'Competition' as per Clause 5; and
- (iii) Reasonability of User Agreement(s) as per Clause 6.

- 2.2 The materiality index for service provided for cargo handling facility at a major airport A shall be defined as:

$$\text{Materiality Index (MI}_c\text{)} = \frac{\text{Cargo volume at major airport A}}{\text{Total cargo Volume at Major Airports}} \times 100$$

Where the MI_c, as calculated above is 2.5% or more at a major airport, the service shall be deemed 'material'.

- 2.3 As per clause 5.1 of the guidelines, 2011, where a Regulated Service is being provided at a major airport by two or more Service Providers, it shall be deemed 'competitive' at that airport.
- 2.4 As per Clause 6 of the guidelines, 2011, the Authority shall consider the existing User Agreement(s) as reasonable provided that:
- (i) *"The Service Provider submits existing User Agreement(s) between the Service Provider and all the User(s) of the Regulated Service(s), clearly Indicating the tariff(s) that are agreed to between the Service Provider and the User(s) of the Regulated Service(s) and*
 - (ii) *The User(s) of the Regulated Service(s) have not raised any reasonable objections or concerns in regard to the existing User Agreement(s) which have not been appropriately addressed".*
- 2.5 As per Clause 3.2 (i) of the guidelines, wherever the regulated service provided is 'not material', the Authority shall determine Tariff(s) for service Provider (s) based on a 'light touch approach' for the duration of the control period, according to the provisions of chapter V.
- 2.6 In terms of Clause 7.3 of the Guidelines, the Authority shall upon due consideration of the MYTP and stakeholder consultations thereon and after obtaining such additional information, as it may consider necessary, make a MYTO for a Control Period.
- 2.7 As per Clause 11.2, the ATP is required to be submitted in the manner and form provided in AI.8.1 of Appendix I and should be supported by the following documents:
- 2.7.1 Form B and Form 14(b)
 - 2.7.2 Details of consultation with stakeholders
 - 2.7.3 Evidence of User Agreements clearly indicating the Tariff proposed by the Service Provider.

3 Examination

- 3.1 The cargo handling service rendered by M/s GSEC at SVPI Airport, Ahmedabad is an "aeronautical service" in terms of section 2(a) of the Airports Economics Regulatory Authority of India Act, 2008 (Act) whereas under section 13 (1)(a) of the Act, the Authority is required to determine tariff for aeronautical services.
- 3.2 The Materiality Index (MI) for cargo handling services at SVPI Airport, Ahmedabad is 2.38% based on the cargo volume statistics for the FY 2014-15 and hence, is deemed as 'not material'. In case the service provided is not material, the tariff may be determined under 'Light Touch Approach'

- 3.3 With respect to competition, M/s CSC is providing similar services in Ahmedabad international Airport and as per order no.36/2015-16 dated 20th Oct 2015, the tariff rates for M/s GSEC and M/s CSC is same. Hence the regulated service is “competitive”.
- 3.4 A stakeholder consultation meeting was held on 13th December 2013 and 17th February 2013 whereby approval for tariff increase was sought from Ahmedabad Custom House Agents’ Association (ACHAA). The association approved the rate increase in the tariff meeting held on 17th February 2013, subject to approval of AERA.
- 3.5 M/s GSEC has submitted license agreement with Airport Authority of India (AAI) but no user agreement has been submitted because as per the email dated 28.12.2017 M/s GSEC has not entered into agreements with the airlines.
- 3.6 **Financial Data:**
Cargo Volume is projected to grow by 11% p.a. in the 2nd control period. Revenue and expenditure is projected to grow by 20% and 52%, respectively, in the 2nd control period.
- 3.7 M/s GSEC in their Annual Tariff Proposal have submitted Form-B and Annual Tariff Proposal (Form 14(b)) along with the submission. The proposed increase in tariff for 1st, 2nd and 3rd Tariff Year of the 2nd control period is in the range of 8%-54%. Whereas the increase proposed for 4th and 5th tariff year ranges between 20%-25%.
- 3.8 Total capital expenditure planned in the 2nd control period is Rs 9.32 crores of which 2.87 crores of capex has been incurred in 2016-17.

4 Proposal

The Authority after careful consideration of the MYTP for the 2nd control period and the ATP submitted by M/s GSEC makes the following proposal for stakeholder consultation:

- 4.1 Cargo Handling Service being provided by M/s GSEC is “not Material”. Therefore the Authority proposes to adopt ‘Light Touch Approach’ for determination of tariffs for the 2nd control period w.e.f. 01.04.2016 to 31.03.2021.
- 4.2 Since financial year 2016-17 is already over, the Authority allows the continuation of the tariff as on 31st March 2016 for the year 2016-17 (T1).
- 4.3 As only about 3 months are left in the FY 2017-18, allow the continuation of the tariff as on 31st March 2016 for the year 2017-18(T2) also.
- 4.4 Consider the Annual Tariff Proposal (ATP) for 2nd control period. In view of the good financial performance of M/s GSEC, the Authority has proposed not to allow any tariff increase for the tariff year 2018-19(T3) and allow the continuation of the tariff as on 31st March 2016 for the year 2018-19(T3) also.

- 4.5 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 as annexures to the consultation paper. 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.

The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 4 above, latest by **24.01.2018** at the following address:

**Secretary,
Airports Economic Regulatory Authority of India,
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi- 110003.
Email: puja.jindal@nic.in
Tel: 011-24695042
Fax: 011-24695039**

**(S. Machendranathan)
Chairperson**

[F.No. AERA/20010/MYTP-GSEC/C/AHD/2011-12]

Airports Economic Regulatory Authority of IndiaOrder No. 42/2012-13AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi - 110 003Date of Order: 15th February 2013Date of Issue: 1st March 2013

In the matter of Annual Tariff Proposal submitted by Gujarat State Export Corporation Limited for the services of Cargo Facility provided at SVP International Airport, Ahmedabad pursuant to stakeholder consultation.

The Authority had issued a Multi-Year Tariff Order (MYTO) No. 09/2011-12 dated 14.09.2011 in respect of Gujarat State Export Corporation (GSEC) for providing Cargo Facility at SVP International Airport, Ahmedabad wherein the Authority had ordered that GSEC be regulated under "light touch approach" during the first control period of 5 years commencing 01.04.2011 and that GSEC may submit its 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. Gujarat State Export Corporation Ltd. (GSEC) submitted the Annual tariff proposal (ATP) and thereafter, vide letter dated 15.09.2012, informed that:

"We have been holding consultations with end users on the proposed revised tariff. We are unable to reach an agreement and have, therefore, decided to withdraw the proposed tariff for 1st Control period".

✓ 3. The Authority considered the proposal submitted by GSEC and issued Consultation Paper No. 27/2012-13 on 22.11.2012 for stakeholder consultation wherein it proposed that with effect from 01.04.2011, the tariffs for cargo services provided by GSEC at SVP International airport, Ahmedabad are tentatively decided to be determined for the first control period (i.e. 01.04.2011 to 31.03.2016) at the same rates as were prevailing on 31.3.2011.

4. In response to the Consultation Paper, no comments have been received from the stakeholders.


1st Tariff order

ORDER:

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

- (i) The tariff(s) for Cargo Facility services provided by Gujarat State Export Corporation Ltd at Sardar Vallabhbhai Patel International Airport, Ahmedabad for the first control period (i.e., w.e.f. 01.04.2011 to 31.03.2016) are determined at the same rates as were prevailing as on 31.03.2011, i.e. as at **Annexure I**.

By the Order of and in the
Name of the Authority


[Capt. Kapil Chaudhary (Retd.)]
Secretary

To,

Gujarat State Export Corporation Limited,
2nd Floor, Gujarat Chamber's Building,
Ashram Road, Ahmedabad-380009,
Gujarat,
(Through: Shri Samir Mankad, Director)



Gujarat State Export Corporation Ltd		
Tariffs for the First Control Period w.e.f. 01.04.2011 to 31.03.2016 for Cargo Services provided at SVP International Airport, Ahmedabad		
Sr. No.	Tariff Heading	Conditions of Tariff
(i)	Exports	
1	General Cargo	Rs. 0.70 per Kg (Minimum Rs. 110)
2	Perishable & cold storage cargo	Rs. 1.75 per Kg. (Minimum Rs. 200)
3	DGR cargo, Valuable cargo, Silver & Live animals	Rs. 2.00 per Kg (minimum Rs. 250)
4	Diamond	As per the \$ tariff list
5	Gold, Gold Plain Jewellery & precious stone etc.	Rs. 50 per Kg. (Minimum Rs. 1100)
6	X-ray Charges	Rs. 1.50 per Kg.
	Working Hours	1030 Hrs to 2000 Hrs.
7	Overtime Charges	Rs. 300/- per S.B. or AWB
8	Amendment Charges	Rs. 175/- per shipping bill
9	Miss-declaration	Upto 2% wt. diff. - No charge 2 to 5% wt diff.- 2 times Above 5% wt. diff. -5 times
10	Free period	1 working day (24 Hours) from ATA at Godown
(ii)	DEMURRAGE **	
1	General Cargo	Rs. 110/- per day
2	Perishable & cold storage cargo	Rs. 200/- per day
3	DGR cargo, Valuable cargo, Silver & Live animals	Rs. 250/- per day
	Diamond	Handling * Day
	Gold, Gold Plain Jewellery & precious stone etc.	Handling * Day
(iii)	Import	
1	General Cargo	Rs. 4.25 per Kg (Minimum Rs. 120)
2	Perishable & cold storage cargo, DGR cargo, Valuable cargo, Silver & Live	Rs. 8.00 per Kg. (Minimum Rs. 220)
3	Diamond	As per the \$ tariff list
4	Gold Plain or studded with precious/semi precious stone etc.	Rs. 50.00 per Kg. (Minimum Rs. 1000)
	Working Hours	1030 Hrs. to 2000 Hrs.
5	Overtime Charges	Rs. 300/- per S.B. or AWB
6	Free period	Free period would be 72 Hours (3 Working Days), Start from ATA of the cargo at Godown

Gujarat State Export Corporation Ltd

Tariffs for the First Control Period w.e.f. 01.04.2011 to 31.03.2016 for Cargo Services provided
at SVP International Airport, Ahmedabad

Sr. No.	Tariff Heading	Conditions of Tariff
(iv)	Demurrage (Import)	Demurrage Charges
1	General Cargo	Up to 120 hours including free period. Rs. 1.30 per Kg. per day (Minimum Rs. 225/-) Between 120 to 720 hours. Rs. 2.60 per Kg. per day (Minimum Rs. 225/-) Beyond 720 hours. Rs. 3.90 per Kg. per day (Minimum Rs. 225/-)
2	Perishable Cold Storage, Hazardous Cargo	Up to 120 hours including free period. Rs. 3.25 per Kg. per day (Minimum Rs. 350/-) Between 120 to 720 hours. Rs. 4.50 per Kg. per day (Minimum Rs. 350/-) Beyond 720 hours. Rs. 6.25 per Kg. per day (Minimum Rs. 350/-)
3	Valuable & Silver Cargo	Up to 120 hours including free period. Rs. 4.50 per Kg. per day (Minimum Rs. 500/-) Between 120 to 720 hours. Rs. 8.50 per Kg. per day (Minimum Rs. 500/-) Beyond 720 hours. Rs. 12.00 per Kg. per day (Minimum Rs. 500/-)
4	Gold, Diamond & Jewellery	After stipulated free period of 72 hrs Rs. 50/- per Kg. per day on 4th and 5th day on non-cumulative basis. From 6th day onwards the charge will be levied on cumulative basis from the date & time of actual arrival of cargo
(v)	Demurrage	
1	General Cargo	Up to 120 Hrs. incl. free period of Rs. 1.30 per day (Minimum Rs. 225/-) Between 120 to 720 hrs. Rs. 2.60 per Kg. per day (Minimum Rs. 225/-) Beyond 720 hrs. (30 days) Rs. 3.90 per Kg. per day (Minimum Rs. 225/-)
2	Diamond	Handling * day (Mini 500)
3	Perishable, Cold Storage cargo, DGR cargo & Live animal	Up to 120 Hrs. including free period of Rs. 3.25 per Kg. per day (Minimum Rs. 350/-) Between 120 to 720 hrs. Rs. 4.50 per Kg. per day (Minimum Rs. 350/-) Beyond 720 hrs. (30 days) Rs. 6.25 per Kg. per day (Minimum Rs. 350/-)
4	Valuable & Silver Cargo	Up to 120 Hrs. including free period of Rs. 4.50 per Kg. per day (Minimum Rs. 500/-) Between 120 to 720 hrs. Rs. 8.50 per Kg. per day (Minimum Rs. 500/-) Beyond 720 hrs. (30 days) Rs. 12.00 per Kg. per day (Minimum Rs. 500/-)
5	Gold Plain or studded with precious/semi precious stone etc.	Up to 120 Hrs. including free period of Rs. 50.00 per Kg. per day (Minimum Rs. 1000/-) Between 120 to 720 hrs. Rs. 50.00 per Kg. per day (Minimum Rs. 1000/-) Beyond 720 hrs. (30 days) Rs. 50.00 per Kg. per day (Minimum Rs. 1000/-)

Gujarat State Export Corporation Ltd

Tariffs for the First Control Period w.e.f. 01.04.2011 to 31.03.2016 for Cargo Services provided
at SVP International Airport, Ahmedabad

Sr. No.	Tariff Heading	Conditions of Tariff
(vi)	Miscellaneous Charges	
1	Inspection /Repacking Charges	-
	Bonding & Hand over Charges	Rs. 1.00 per Kgs from Bonded truck
2	Fork Lift Charges	001 to 250 kgs Rs. 75/-, 251 to 500 kgs Rs. 100/-, 501 to 1000 kgs Rs. 150/-, 1001 & more kgs Rs. 200/-
	All bills to be rounded off	Nearest Rs. 1/-
3	Duplicate Copy	Rs. 200 per document
	Parking Charge	-
(vii)	Courier Charges (Export)	
1	Handling Charges	Rs. 4 per kg.
2	X-ray Charges	Rs. 4 per kg.
(viii)	Courier Charges (Import)	
1	Handling Charges	Rs. 6 per kg.
2	X-ray Charges	Rs. 4 per kg.
(ix)	Polished Diamonds and Jewellery (Import)	
	Value Ranges (US Dollars)	Handling Charges in INR
1	1 to 50,000	525
2	50,001 to 1,00,000	770
3	100,001 to 150,000	875
4	150,001 to 200,000	910
5	200,001 to 250,000	980
6	250,001 to 300,000	1050



TARIFF COMPARISON (EXISTING v/s PROPOSED)

ANNEXURE -II

Gujarat State Export Corporation Ltd									
Tariffs for the 1st control period w.e.f 01.04.2011 to 31.03. 2016 for Cargo Services Provided at SVP International Airport, Ahmedabad			Proposed (1st, 2nd and 3rd TY)	Proposed (4th & 5th TY)	% Change in rate per kg (1st, 2nd and 3rd TY) (%)	% change in minimum charge (1st, 2nd and 3rd TY)	% Change in rate per kg (2nd amendment) (%) (4th & 5th TY)	% change in minimum charge (4th & 5th TY)	Remarks
Sl No.	Tariff Heading	Existing Conditions of tariff							
(i) Exports									
1	General Cargo	Rs 0.70 per Kg (Minimum Rs 110)	Rs 1.00 per Kg (Minimum Rs 120)	Rs 1.20 per Kg (Minimum Rs 150)	42.86	9.09	20	25	
	Newspaper and TV Reel consignmen	Rs 0.70 per Kg (Minimum Rs 110)	Rs 0.70 per Kg (Minimum Rs 110)	Rs 0.60 per Kg (Minimum Rs 110)	No change	Rate has reduced	(14.29)	No change	
2	Perishable & Cold Storage Cargo	Rs 1.75 per Kg (Minimum Rs 200)	Rs 2.25 per Kg (Minimum Rs 250)	Rs 2.70 per Kg (Minimum Rs 300)	28.57	13.64	20	20	
3	DGR Cargo, Valuable Cargo, Silver and Live animals	Rs 2.00 per Kg (Minimum Rs 250)	Rs 2.25 per Kg (Minimum Rs 250)	Rs 2.70 per Kg (Minimum Rs 300)	12.50	20.00	20	20	
	Hazardous/Dangerous Goods	Rs 2.00 per Kg (Minimum Rs 250)	Rs 2.65 per Kg (Minimum Rs 250)	Rs 3.20 per Kg (Minimum Rs 300)	32.5	No change	20.75	20	
4	Diamond	As per the S Tariff list	As per the S Tariff list	As per the S Tariff list					No change as per the tariff card submitted
5	Gold, Gold Plain Jewellery & Precious Stone etc	Rs 50.00 per Kg (Minimum Rs 1100)	Rs 50.00 per Kg (Minimum Rs 1100)	Rs 50.00 per Kg (Minimum Rs 1100)	No change	No change	No change	No change	
6	X Ray Charges	Rs 1.50 per Kg	Rs 2.00 per Kg(Minimum Rs 110)	Rs 2.50 per Kg(Minimum Rs 130)	33.33	Cannot be compared	25	18.18	
7	Overtime Charges	Rs 300 per S.B. or AWB	Rs 300 per S.B. or AWB	Rs 300 per S.B. or AWB	No change	No change	No change	No change	No change as per the tariff card submitted
8	Amendment Charges	Rs 175 per shipping bill	Rs 175 per shipping bill	Rs 175 per shipping bill	No change	No change	No change	No change	No change as per the tariff card submitted
9	Miss declaration	Upto 2% wt diff. No charge.	Upto 2% wt diff. No charge.	Upto 2% wt diff. No charge.					No change as per the tariff card submitted
		2-5% wt diff.-2 times	2-5% wt diff.-2 times	2-5% wt diff.-2 times					No change as per the tariff card submitted
		Above 5% wt diff.-5 times	Above 5% wt diff.-5 times	Above 5% wt diff.-5 times					No change as per the tariff card submitted
(ii) Demurrage									
1	General Cargo	Rs 110 per day	Rs 1.00 per Kg(Minimum Rs 120)	Rs 1.20 per Kg(Minimum Rs 150)	The format of tariff is different.	The format of tariff is different.	20	25	
	Newspaper and TV Reel consignments		Rs 0.70 per Kg (Minimum Rs 110)						
2	Perishable & Cold Storage Cargo,	Rs 200 per day	Rs 2.25 per Kg(Minimum Rs 250)	Rs 2.70 per Kg(Minimum Rs 300)	The format of tariff is different.	The format of tariff is different.	20	20	
3	DGR Cargo, Valuable Cargo, Silver and Live animals	Rs 250 per day	Rs 2.25 per Kg(Minimum Rs 250)	Rs 2.70 per Kg(Minimum Rs 300)	The format of tariff is different.	The format of tariff is different.	20	20	
	Hazardous/Dangerous Goods		Rs 2.65 per Kg (Minimum Rs 250)	Rs 3.20 per Kg (Minimum Rs 300)	The format of tariff is different.	The format of tariff is different.	20.75	20	
	Diamond	Handling*day	Rs 50.00 per Kg (Minimum Rs 1100)		The format of tariff is different.	The format of tariff is different.	Cannot be compared		
	Gold Plain or studded with precious/semi precious stone etc.	Handling*day	Rs 50.00 per Kg (Minimum Rs 1100)		The format of tariff is different.	The format of tariff is different.	Cannot be compared		
(iii) Import									
1	General Cargo	Rs 4.25 per kg (Minimum Rs 120)	Rs 5.00 per kg (Minimum Rs 120)	Rs 6.00 per kg (Minimum Rs 150)	17.65	No change	20.00	25.00	
	Newspaper and TV Reel consignments		Rs 4.60 per Kg (Minimum Rs 220)	Rs 5.50 per Kg (Minimum Rs 260)	8.24	Cannot be compar	19.57	18.18	The item was not part of the tariff card in the 1st control period. It is hence assumed that this item is covered under general cargo and
2	Perishable & Cold Storage Cargo, DGR Cargo, Valuable Cargo, Silver and Live animals	Rs 8.00 per kg (Minimum Rs 220)	Rs 9.20 per kg (Minimum Rs 220)	Rs 11 per kg (Minimum Rs 260)	15.00	No change	19.57	18.18	

3	Diamond	As per S tariff list	As per S tariff list	As per S tariff list					No change as per the tariff card submitted
4	Gold Plain or studded with precious/semi precious stone etc.	Rs 50.00 per kg (Minimum Rs 1000)	Rs 50.00 per kg (Minimum Rs 220)	Rs 50.00 per kg (Minimum Rs 220)	No change	No change	No change	No change	
5	Overtime Charges	Rs 300 per S.B. or AWB			The new tariff card doesnot include this	The new tariff card doesnot include this item	The new tariff card doesnot include this item	The new tariff card doesnot include this item	
Tariffs for the 1st control period w.e.f 01.04.2011 to 31.03. 2016 for Cargo Services Provided at SVP International Airport, Ahmedabad			Proposed (1st, 2nd and 3rd TY)	Proposed (4th & 5th TY)	% Change in rate per kg (1st, 2nd and 3rd TY) (%)	% change in minimum charge (1st, 2nd and 3rd TY)	% Change in rate per kg (2nd amendment) (%) (4th & 5th TY)	% change in minimum charge (4th & 5th TY)	Remarks
SI No.	Tariff Heading	Existing Conditions of tariff							
	X ray Charges		Rs 2.00 per kg		33.33	NA	NA	NA	The old tariff card did not include X ray charges under Import so x ray charges are
(iv)	Demurrage (Import)	Demurrage Charges		Rs 2.00 per Kg (Minimum Rs 320)					
1	General Cargo	Upto 120 hours including free period. Rs 1.30 per kg per day (Minimum Rs 225)	Rs 1.65 per Kg (Minimum Rs 225)		26.92	No change	NA	NA	
		Between 120 to 720 hours. Rs 2.60 per kg per day (Minimum Rs 225)	Rs 3.10 per Kg (Minimum Rs 225)		19.23	No change	NA	NA	
		Beyond 720 hours Rs 3.90 per kg per day (Min Rs 225)	Rs 4.6 per Kg (Minimum Rs 225)		17.95	No change	NA	NA	
2	Perishable, cold storage, Hazardous Cargo	Upto 120 hours including free period. Rs 3.25 per kg per day (Minimum Rs 350)	Rs 3.25 per Kg (Minimum Rs 350)	Rs 4.00 per Kg (Minimum Rs 420)	No change	No change	23.08	20	
		Between 120 to 720 hours. Rs 4.50 per kg per day (Minimum Rs 350)	Rs 6.10 per Kg (Minimum Rs 350)		35.56	No change	NA	NA	
		Beyond 720 hours. Rs 6.25 per kg per day (Min Rs 350)	Rs 9.2 per Kg (Minimum Rs 350)		47.20	No change	NA	NA	
	Newspaper and TV Reel consignments		Rs 2.20 per Kg (Minimum Rs 110)	Rs 2.70 per Kg (Minimum Rs 140)	Cannot be compared		22.72/27.27		
	Live Animals		Rs 3.25 per Kg (Minimum Rs 350)		Cannot be compared		Cannot be compared		
3	Valuable & Silver Cargo	Upto 120 hours including free period. Rs 4.50 per kg per day (Minimum Rs 500)	Rs 6.10 per Kg (Minimum Rs 500)		35.56	No change	Cannot be compared		
		Between 120 to 720 hours. Rs 8.50 per kg per day (Minimum Rs 500)	Rs 12.40 per Kg (Minimum Rs 500)		45.88	No change	Cannot be compared		
		Beyond 720 hours Rs 12 per kg per day (Min Rs 500)	Rs 18.50 per Kg (Minimum Rs 500)		54.17	No change	Cannot be compared		
4	Gold, Diamond & Jewellery	After Stipulated free period of 72 hours Rs 50 per kg per day on 4th & 5th day on non cumulative basis. From 6th day onwards the charge will be levied on cumulative basis from the date and time of actual arrival of cargo	Rs 50 per Kg (Minimum Rs 1100)		Cannot be compared		Cannot be compared		
(v)	Demurrage								
1	General Cargo	Upto 120 hours including free period. Rs 1.30 per kg per day (Minimum Rs 225)							
		Between 120 to 720 hours. Rs 2.60 per kg per day (Minimum Rs 225)							
		Beyond 720 hours Rs 3.90 per kg per day (Min Rs 225)							
2	Diamond	Handling*day (Mini 500)							
3	Perishable, Cold Storage Cargo, DGR	Upto 120 hours including free period. Rs 3.25 per kg per day (Minimum Rs 350)							
		Between 120 to 720 hours. Rs 4.50 per kg per day (Minimum Rs 350)							
		Beyond 720 hours. Rs 6.25 per kg per day (Min Rs 350)							

4	Valuable & Silver Cargo	Upto 120 hours including free period. Rs 4.50 per kg per day (Minimum Rs 500)							
		Between 120 to 720 hours. Rs 8.50 per kg per day (Minimum Rs 500)							
		Beyond 720 hours Rs 12 per kg per day (Min Rs 500)							
5	Gold Plain or studded with precious	Upto 120 hours including free period: Rs 50 per kg per day (Minimum Rs 1000)							
		Between 120 to 720 hours. Rs 50 per kg per day (Minimum Rs 1000)							
		Beyond 720 hours Rs 50 per kg per day (Min Rs 1000)							
(vi)	Miscellaneous Charges								
1	Inspection/repacking charges								
Tariffs for the 1st control period w.e.f 01.04.2011 to 31.03. 2016 for Cargo									
Sl No.	Tariff Heading	Existing Conditions of tariff	Proposed (1st, 2nd and 3rd TY)	Proposed (4th & 5th TY)	% Change in rate per kg (1st, 2nd and	% change in minimum charge	% Change in rate per kg (2nd amendment)	% change in minimum charge	Remarks
	Bonding & Hand over Charges	Rs 1 per kg from bonded truck							
2	Fork lift charges	001 to 250 kgs Rs 75/-, 251 to 500 kgs Rs 100/-, 501 to 1000 kgs Rs 150/-, 1001 and more kgs Rs 200	NIL						
	All bills to be rounded off								
	Duplicate copy	Rs 200 per document							
	Parking charge								
(vii)	Courier Charges (Export)								
1	Handling Charges	Rs 4 per kg							
2	X Ray Charges	Rs 4 per kg							
(viii)	Courier Charges (Import)								
1	Handling Charges	Rs 6 per kg							
2	X Ray Charges	Rs 4 per kg							
(ix)	Value Ranges (US dollars)								
1	1 to 50,000	525							
2	50001-100000	770							
3	100001-150000	875							
4	150001-200000	910							
5	200001-250000	980							
6	250001-300000	1050							
C1.1	Courier Cargo facilitation		Rs 6 per Kg (Minimum Rs 200)	Rs 8 per Kg (Minimum Rs 250)	Cannot be compared				
C1.2	X Ray Charges		Rs 4 per Kg (Minimum Rs 200)	Rs 6 per Kg (Minimum Rs 250)	Cannot be compared				
C1.3	Demurrage Charges								
	-Free Period		Rs 3 per Kg		Cannot be compared				
	4th day to 10th day		Rs 3 per Kg		Cannot be compared				
	11th day to 20th day		Rs 3 per Kg		Cannot be compared				
	21st day to 30th day		Rs 3 per Kg		Cannot be compared				
	Beyond 30 days		Rs 3 per Kg		Cannot be compared				
C2	Outcoming courier charges-International								
C2.1	Courier Cargo facilitation		Rs 4 per Kg (Minimum Rs 100)	Rs 5 per Kg (Minimum Rs 225)	Cannot be compared				
C2.2	X ray charges		Rs 4 per Kg (Minimum Rs 100)	Rs 5 per Kg (Minimum Rs 225)	Cannot be compared				
C2.3	Demurrage charges								
	-Free Period		Rs 3 per Kg		Cannot be compared				
	4th day to 6th day		Rs 2 per Kg		Cannot be compared				
	Beyond 6 days		Rs 2 per Kg		Cannot be compared				
D	Transshipment Cargo/Carling								
D1	Transshipment charges-international to international								
	General Cargo		Rs 2 per Kg	Rs 3 per Kg	Cannot be compared				
	Special Cargo/DGR/Perishable/Pharma		Rs 3 per Kg	Rs 4 per Kg	Cannot be compared				
D2	Transshipment charges-international to domestic								
D2.1	General Cargo		Rs 1.5 per Kg (Minimum Rs 120)		Cannot be compared				
D2.2	Special/Sensitive Cargo		Rs 3 per Kg (Minimum Rs 250)		Cannot be compared				
D2.3	DGR/Valuable/Perishable/Pharma		Rs 3 per Kg (Minimum Rs 250)		Cannot be compared				
D2.4	Documentation fee								
D3	Transshipment charges-domestic to domestic								

D3.1	General Cargo								
D3.2	Special/Sensitive Cargo								
D3.3	DGR/Valuable/Perishable/Pharma								
D3.4	Documentation fee								

[F. No. AERA/20010/MYTP-CSC/C/AMD/2011-12/Vol-I]

Airports Economic Regulatory Authority of IndiaOrder No. 36/2015-16

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

Date of Order: 20th October, 2015Date of Issue: 21st October, 2015

Subject:- Approval of ad-hoc Tariff for the period upto 31.03.2016 in respect of Cargo Service Center India Pvt. Ltd. for Perishable and General Cargo at Sardar Vallabhbhai Patel International Airport (SVPI) Ahmedabad.

Cargo Service Centre India Pvt. Ltd., a company registered under the Companies Act, 1956 at Mumbai and having its registered office at 301-303, Rangoli, Sahar, Andheri (E), Mumbai - 400 099 (*herein under referred to as (CSC)*) has been awarded a concession by Gujrat Agro Industries Corporation Limited (*herein under referred to as "GAICL"*) on 04.07.2015 for operation, maintenance and management of Centre for perishable cargo as well as general cargo at Sardar Vallabhbhai Patel International Airport (SVPIA) Ahmedabad.

2. CSC vide letter dated 19.08.2015, submitted the MYTP and ATP for the partial year of 2015-16 from 01.09.2015 to 31.03.2016 of the first control period in respect of Perishable and General Cargo at SVPI Airport, Ahmedabad. CSC requested that the approval from the Authority will enable commencement of operations at the terminal and offer seamless cargo handling services to the trade and submitted as follows;

"CSC India plans to start operations from the first week of September 2015 and is submitting this MYTP and ATP for the approval of the Authority. CSC India understands that the approval process would take time and thus request Authority to allow CSC to charge the user agreed charges annexes herewith and marked as Annexure 12 till the time authority approves the tariff. Any adjustment in terms of tariff will be affected once the Authority releases the approved tariff to be levied".

3. As a proof of user consultation, CSC has submitted the copies of user agreements with certain airlines. CSC has also furnished a copy of the award letter issued by Gujrat Agro Industries Corporation (GAIC) Ltd. for operation, maintenance and management of Center for Perishable Cargo as well as General cargo and the agreement dated 03.10.2015 finalised between GAIC and CSC in this regard. CSC submitted that the following are their competitors:

- a) Gujarat State Export Corporation Ltd- Cityside Activities
- b) Cargo Service Centre Indian Pvt. Ltd - Both Sets of Activities
- c) Cambata Aviation - Airside Activities

Order No. 36/2015-16



Handwritten signature and date: 21/10/15

4. Further to the above, CSC vide letter dated 23.09.2015 requested for ad-hoc approval of Authority to levy tariff at par with the rates prevailing at CSI Airport, Mumbai and stated that CSC is ready to commence operations for providing cold chain and general air cargo services at SVP International Airport, Ahmedabad and sought for an approval from the Authority for ad-hoc tariff based on the approved tariff of CSI Airport, Mumbai. CSC has given justification that the tariff of the Centre for Perishable Cargo (CPC) at Mumbai is based on monthly tonnage of above 3500 MT/month as compared to the business potential of around 700 MT/month in SVPI, Ahmedabad. Further, CSC stated that GSEC that operates a CPC terminal is not having full suite of perishable cargo and thus, no comparison is drawn with the tariff of GSEC.

5. The aforesaid request of CSC was considered and the following noted by the Authority:

- i) GAICL had invited proposals for selection of operation, maintenance and management agency in accordance with revised CPC policy of AAI, based on which the bid of Cargo Service Center India Pvt. Ltd. (CSC) accepted and letter of intent (LoI) issued.
- ii) The agreement dated 3rd Oct. 2015 between GAIC Ltd. and CSC, inter-alia, indicates vide clause 6.2 that CSC shall have the freedom to fix the charges and rates for customers for different services to be provided at the facility subject to approval of AERA.
- iii) Letter dated 30.07.2015 from AAI to M/s. GAIC indicates inter-alia the approval of AAI Board regarding grant of NOC/permission to GAICL for engagement of O&M agency by entering into a fresh supplementary licence agreement for sharing revenue for balance period of existing licence upto 14.05.2016.
- iv) The analysis of MYTP/ATP submitted by CSC for the period upto 31/03/2016 (i.e. end of 1st Control Period) would be subsequently put forth for stakeholder consultation before issue of order.

ORDER

6. The Authority, in exercise of powers conferred by Section 13(1)(a) of the Airports Economic Regulatory Authority of India Act, 2008, hereby orders that:

- i) In order to facilitate CSC to commence operations at Ahmedabad Airport, Cargo Service Centre India Pvt. Ltd. is permitted purely on ad-hoc basis to levy tariff in respect of perishable and general cargo handling at Sardar Vallabhbhai Patel International Airport (SVPIA) Ahmedabad for the remaining period of the current control period i.e. upto 31.03.2016 or till the ATP is finalized whichever is earlier, at the same level, as was approved vide Authority's Order No. 20/2014-15 dated 04.03.2015 for Gujrat State Export Corporation Ltd (GSEC Ltd.) for the tariff year 2014-15. The approved tariff card of GSEC Ltd. is placed as **Annexure I**.

Order No. 36/2015-16



[Signature] Contd. - 3/

- 3 -
- ii) As the tariff for Handling Charges that is Palletisation/Unitisation is not available in the approved GSEC Ltd. Tariff card, the tariff rate of Rs. 1.89 per Kg. approved vide Order no. 31/2015-16 dated 28.08.2015 for AISATS, Bangalore is being allowed to be levied by CSC for the period as mentioned in (i) above.

By the Order of and in the
Name of the Authority



(Joy Kuriakose)
Deputy Chief

To,

Cargo Service Center India Pvt. Ltd.,
301-303, Rangoli, Opp. Air Cargo Complex,
Sahar, Andheri (E),
Mumbai-400099,
(Through: Shri. Harish Shetty, Chief Financial Officer)

Order No. 36/2015-16



Tariffs for the First Control Period w.r.f. 01.04.2011 to 31.03.2016 for Cargo Services provided at SVT International Airport, Ahmedabad		
Sr. No.	Tariff Heading	Conditions of Tariff
(i)	Exports	
1	General Cargo	Rs. 1.70 per Kg (Minimum Rs. 110)
2	Perishable & cold storage cargo	Rs. 1.75 per Kg. (Minimum Rs. 200)
3	DGR cargo, Valuable cargo, Silver & Live animals	Rs. 2.00 per Kg (minimum Rs. 250)
4	Diamond	As per the \$ tariff list
5	Gold, Gold Plain Jewellery & precious stone etc.	Rs. 50 per Kg. (Minimum Rs. 1100)
6	X-ray Charges	Rs. 1.50 per Kg.
	Working Hours	1030 Hrs to 2000 Hrs.
7	Overtime Charges	Rs. 300/- per S.B. or AWB
8	Amendment Charges	Rs. 175/- per shipping bill
9	Miss-declaration	Upto 2% wt. diff. - No charge 2 to 5% wt diff. - 2 times Above 5% wt. diff. - 5 times
10	Free period	1 working day (24 Hours) from ATA at Godown
(ii)	DEMURRAGE	
1	General Cargo	Rs. 110/- per day
2	Perishable & cold storage cargo	Rs. 200/- per day
3	DGR cargo, Valuable cargo, Silver & Live animals	Rs. 250/- per day
	Diamond	Handling * Day
	Gold, Gold Plain Jewellery & precious stone etc.	Handling * Day
(iii)	Import	
1	General Cargo	Rs. 4.25 per Kg (Minimum Rs. 120)
2	Perishable & cold storage cargo, DGR cargo, Valuable cargo, Silver & Live	Rs. 8.00 per Kg. (Minimum Rs. 220)
3	Diamond	As per the \$ tariff list
4	Gold Plain or studded with precious/semi precious stone etc.	Rs. 50.00 per Kg. (Minimum Rs. 1000)
	Working Hours	1030 Hrs. to 2000 Hrs.
5	Overtime Charges	Rs. 300/- per S.B. or AWB
6	Free period	Free period would be 72 Hours (3 Working Days), Start from ATA of the cargo at Godown

Order No. 36/2015-16

Order No. 36/2015-16

Sr. No.	Tariff Heading	Conditions of Tariff
(iv)	Demurrage (Import) *	Demurrage Charges
1	General Cargo	Up to 120 hours including free period. Rs. 1.30 per Kg. per day (Minimum Rs. 225/-) Between 120 to 720 hours. Rs. 2.60 per Kg. per day (Minimum Rs. 225/-) Beyond 720 hours. Rs. 3.90 per Kg. per day (Minimum Rs. 225/-)
2	Perishable Cold Storage, Hazardous Cargo	Up to 120 hours including free period. Rs. 3.25 per Kg. per day (Minimum Rs. 350/-) Between 120 to 720 hours. Rs. 4.50 per Kg. per day (Minimum Rs. 350/-) Beyond 720 hours. Rs. 6.25 per Kg. per day (Minimum Rs. 350/-)
3	Valuable & Silver Cargo	Up to 120 hours including free period. Rs. 4.50 per Kg. per day (Minimum Rs. 500/-) Between 120 to 720 hours. Rs. 8.50 per Kg. per day (Minimum Rs. 500/-) Beyond 720 hours. Rs. 12.00 per Kg. per day (Minimum Rs. 500/-)
4	Gold, Diamond & Jewellery	After stipulated free period of 72 hrs Rs. 50/- per Kg. per day on 4th and 5th day on non-cumulative basis. From 6th day onwards the charge will be levied on cumulative basis from the date & time of actual arrival of cargo
(v)	Demurrage **	
1	General Cargo	Up to 120 Hrs. incl. free period of Rs. 1.30 per day (Minimum Rs. 225/-) Between 120 to 720 hrs. Rs. 2.60 per Kg. per day (Minimum Rs. 225/-) Beyond 720 hrs. (30 days) Rs. 3.90 per Kg. per day (Minimum Rs. 225/-)
2	Diamond	Handling * day (Mini 500)
3	Perishable, Cold Storage cargo, DGR cargo & Live animal	Up to 120 Hrs. including free period of Rs. 3.25 per Kg. per day (Minimum Rs. 350/-) Between 120 to 720 hrs. Rs. 4.50 per Kg. per day (Minimum Rs. 350/-) Beyond 720 hrs. (30 days) Rs. 6.25 per Kg. per day (Minimum Rs. 350/-)
4	Valuable & Silver Cargo	Up to 120 Hrs. including free period of Rs. 4.50 per Kg. per day (Minimum Rs. 500/-) Between 120 to 720 hrs. Rs. 8.50 per Kg. per day (Minimum Rs. 500/-) Beyond 720 hrs. (30 days) Rs. 12.00 per Kg. per day (Minimum Rs. 500/-)
5	Gold Plain or studded with precious/semi precious stone etc.	Up to 120 Hrs. including free period of Rs. 50.00 per Kg. per day (Minimum Rs. 1000/-) Between 120 to 720 hrs. Rs. 50.00 per Kg. per day (Minimum Rs. 1000/-) Beyond 720 hrs. (30 days) Rs. 50.00 per Kg. per day (Minimum Rs. 1000/-)

Order No. 36/2015-16

Sr. No.	Tariff Heading	Conditions of Tariff
(vi)	Miscellaneous Charges	
1	Inspection / Repacking Charges	-
	Bonding & Hand over Charges	Rs. 1.00 per Kgs from Bonded truck
2	Fork Lift Charges	001 to 250 kgs Rs. 75/-, 251 to 500 kgs Rs. 100/-, 501 to 1000 kgs Rs. 150/-, 1001 & more kgs Rs. 200/-
	All bills to be rounded off	Nearest Rs. 1/-
3	Duplicate Copy	Rs. 200 per document
	Parking Charge	-
(vii)	Courier Charges (Export)	
1	Handling Charges	Rs. 4 per kg.
2	X-ray Charges	Rs. 4 per kg.
(viii)	Courier Charges (Import)	
1	Handling Charges	Rs. 6 per kg.
2	X-ray Charges	Rs. 4 per kg.
(ix)	Polished Diamonds and Jewellery (Import)	
	Value Ranges (US Dollars)	Handling Charges in INR
1	1 to 50,000	525
2	50,001 to 1,00,000	770
3	100,001 to 150,000	875
4	150,001 to 200,000	910
5	200,001 to 250,000	980
6	250,001 to 300,000	1050

Order No. 36/2015-16

ANNEXURE IV

COMPARATIVE STATEMENT OF ACS FOR THE TARIFF YEAR 1 TO 5 OF 1st CONTROL PERIOD and TARIFF YEAR 1 OF THE 2nd CONTROL PERIOD

GSEC-AHMEDABAD

Rs.crs

Sl No.	Performance Report for the years	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
1	Regulated revenue :	12.49	11.54	16.25	17.64	20.86	23.65
2	Regulated Services-Cargo Handling	12.49	11.54	16.25	17.64	20.86	23.65
3	Revenue from other than Regulated Services	2.49	2.84	1.19	1.43	1.22	1.37
4	Total Revenue (2+3)	14.98	14.38	17.44	19.07	22.08	25.02
5	Expenditure:						
6	Operating Expenditure	7.42	7.01	9.60	11.28	13.22	14.59
7	Finance Cost	-	-	-	-	-	-
8	Depreciation	0.73	0.90	0.87	0.87	1.75	1.60
9	Total Expenditure (6+7+8)	8.15	7.91	10.47	12.15	14.96	16.19
10	Operating Profit (4-9)	6.83	6.47	6.97	6.92	7.11	8.83
11	Capital Expenditure	4.61	0.90	1.35	0.42	1.93	2.87

Note: RAB figures have not been provided by M/s GSEC. Hence the details of the same are not included above.

GSEC Limited
Balance Sheet as at 31st March, 2012

Particulars	Note No.	Amount in Rs.	
		As at 31st March, 2012	As at 31st March, 2011
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	64,500,000.00	64,500,000.00
(b) Reserves and surplus	2	107,435,619.35	92,407,276.00
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	3	7,858,705.00	1,666,396.00
(b) Deferred tax liabilities (Net)		417,224.00	307,791.00
(c) Other long term liabilities	4	21,046,431.44	17,243,489.44
(d) Long-term provisions			
4 Current liabilities			
(a) Short term borrowings	5	369,315,428.85	126,720,286.00
(b) Trade payables	6	55,278,188.72	142,643,377.73
(c) Other current liabilities	7	57,806,288.80	41,347,058.25
(d) Short-term provisions	8	8,574,908.00	9,293,509.99
TOTAL		692,232,794.15	496,124,184.40
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	9	128,888,991.36	94,482,359.00
(ii) Intangible assets			
(iii) Capital work-in-progress		1,953,492.00	
(iv) Intangible assets under development			
(b) Non-current investments	10	30,230,075.00	596,700.00
(c) Deferred tax assets (net)			
(d) Long-term loans and advances	11	54,637,460.57	49,976,332.81
(e) Other non-current assets			
2 Current assets			
(a) Current investments	12	4,730,598.85	1,906,410.00
(b) Inventories	13	102,667,375.00	26,722,395.00
(c) Trade receivables	14	150,714,579.28	177,511,219.90
(d) Cash and cash equivalents	15	85,938,249.05	43,023,427.17
(e) Short-term loans and advances	16	131,056,941.85	100,783,428.34
(f) Other current assets	17	1,415,031.19	1,121,912.18
TOTAL		692,232,794.15	496,124,184.40
Significant Accounting Policies & Notes on Financial Statements	23		

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR & ON BEHALF OF
BOARD OF DIRECTORS

FOR BJS & ASSOCIATES
Chartered Accountants

Firm Registration No. 113268W

BIPIN J. SHAH

Partner

Membership No. 10712

VIRAL B. MEHTA
Company Secretary

RAKESH R. SHAH

Chairman & Managing Director.

SAMIR H. MANKAD

Whole Time Director

DATE : 18.08.2012

PLACE : AHMEDABAD

DATE : 18.08.2012

PLACE : AHMEDABAD



GSEC Limited
Profit and Loss Statement for the year ended 31st March, 2012

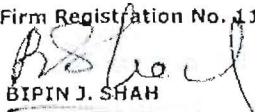
Amount in Rs.

Particulars	Note No.	2011-12	2010-11
I. Revenue From Operations			
Sale of products		1,871,658,690.00	2,261,489,375.00
Sale of services		155,685,097.00	151,335,356.00
Other operating revenues		1,296,791.00	466,384.00
Less:			
Excise duty			
II. Other income	18	51,906,581.13	27,981,845.00
III. Total Revenue (I + II)		2,080,547,159.13	2,441,272,960.00
IV. Expenses:			
Cost of Trading goods sold		1,936,146,606.28	2,302,183,277.00
Changes in Inventories of Stock-in Trade	19	75,944,979.72	21,498,381.00
Employee benefits expense	20	18,578,071.99	16,830,577.00
Finance costs	21	26,482,201.94	17,832,753.00
Depreciation and amortization expense		15,644,991.16	11,310,289.00
Other expenses	22	129,001,141.13	86,515,009.00
Total expenses		2,049,908,032.78	2,413,173,524.00
V. Profit before exceptional and extraordinary items and tax (III-IV)		30,639,126.35	28,099,436.00
VI. Exceptional items			
VII. Profit before extraordinary items and tax (V - VI)		30,639,126.35	28,099,436.00
VIII. Extraordinary items			
IX. Profit before tax (VII- VIII)		30,639,126.35	28,099,436.00
X. Tax expense:			
(1) Current tax		8,000,000.00	9,800,000.00
(2) Deferred tax		109,433.00	581,869.00
(3) Short Provision For Last Years			110,977.00
XI. Profit (Loss) for the period from continuing operations (IX-X)		22,529,693.35	18,992,282.00
XII. Profit/(loss) from discontinuing operations			
XIII. Tax expense of discontinuing operations			
XIV. Profit/(loss) from Discontinuing operations (After tax) (XII-XIII)			
XV. Profit (Loss) for the period (XI + XIV)		22,529,693.35	18,992,282.00
XVI. Earnings per equity share (in Rs.) :		3.49	2.94

AS PER OUR ATTACHED REPORT OF EVEN DATE

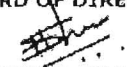
FOR & ON BEHALF OF
BOARD OF DIRECTORS

FOR BJS & ASSOCIATES
Chartered Accountants
Firm Registration No. 113268W


BIPIN J. SHAH
Partner

Membership No. 10712


VIRAL B. MEHTA
Company Secretary


RAKESH R. SHAH
Chairman & Managing Director.


SAMIR H. MANKAD
Whole Time Director

DATE : 18.08.2012
PLACE : AHMEDABAD

DATE : 18.08.2012
PLACE : AHMEDABAD



GSEC Limited
Balance Sheet as of 31st March, 2013



GSEC
LIMITED

(Amount Rs. in Lacs)

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	755.00	645.00
(b) Reserves and Surplus	2	1,374.49	1,074.36
2 Share Application Money Pending Allotment		-	-
3 Non-current Liabilities			
(a) Long-term Borrowings	3	28.67	78.59
(b) Deferred tax Liabilities (Net)		-	4.17
(c) Other Long-term Liabilities	4	182.39	210.48
(d) Long-term Provisions		-	-
4 Current Liabilities			
(a) Short-term Borrowings	5	2,215.00	3,693.15
(b) Trade Payables	6	5,015.01	552.78
(c) Other Current Liabilities	7	902.31	578.05
(d) Short-term Provisions	8	84.82	85.75
TOTAL		10,557.69	8,922.31
II. ASSETS			
Non-current Assets			
1 (a) Fixed Assets			
(i) Tangible Assets	9	1,211.91	1,288.88
(ii) Intangible Assets		-	-
(iii) Capital Work-in-progress		-	19.55
(iv) Intangible Assets under development		-	-
(b) Non-current Investments	10	418.42	302.30
(c) Deferred tax Assets (Net)		6.62	-
(d) Long-term Loans and Advances	11	295.08	546.37
(e) Other Non-current Assets		-	-
2 Current Assets			
(a) Current Investments	12	-	47.30
(b) Inventories	13	15.01	1,026.67
(c) Trade Receivables	14	6,265.93	1,507.15
(d) Cash and Cash Equivalents	15	797.11	859.39
(e) Short-term Loans and Advances	16	1,531.72	1,310.55
(f) Other Current Assets	17	15.91	14.15
TOTAL		10,557.69	8,922.31
Significant Accounting Policies & Notes on Financial Statements	23		

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR BJS & ASSOCIATES

Chartered Accountants

Firm Registration No. 113268W

B. Shah
BIPIN J. SHAH
Partner
Membership No. 10712



DATE : 20.07.2013
PLACE : AHMEDABAD

FOR & ON BEHALF OF
BOARD OF DIRECTORS

R. Shah
RAKESH R. SHAH
Chairman & Managing Director.

S. Mankad
SAMIR H. MANKAD
Whole Time Director

V. Mehta
VIRAL B. MEHTA
Company Secretary

DATE : 20.07.2013
PLACE : AHMEDABAD

GSEC Limited
Statement of Profit and Loss for the year ended 31st March, 2013

(Amount in Rs. in Lacs)


Particulars	Note No.	2012-13	2011-12
I. Revenue From Operations			
Sale of Products		22,495.16	18,716.59
Sale of Services		1,538.94	1,556.05
Other Operating Revenues		6.51	12.97
Less:			
Excise Duty			
II. Other Income	18	234.51	519.08
III. Total Revenue (I + II)		24,275.12	20,805.49
IV. Expenses:			
Cost of Trading Goods Sold		21,209.00	10,361.47
Changes in Inventories of Stock-in Trade	19	1,018.63	-759.45
Employee Benefits Expense	20	197.90	185.77
Finance Costs	21	348.97	264.82
Depreciation and Amortization Expense		189.46	150.45
Other Expenses	22	1,016.25	1,290.03
Total Expenses		23,880.51	20,499.09
V. Profit before Exceptional and Extraordinary Items and Tax (III-IV)		294.61	306.39
VI. Exceptional Items		-	-
VII. Profit before Extraordinary Items and Tax (V - VI)		294.61	306.39
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		294.61	306.39
X. Tax Expense:			
(1) Current Tax		-100.00	-80.00
(2) Deferred Tax		11.63	-1.09
(3) Short Provision for Last Years		-0.09	-
XI. Profit (Loss) for the period from Continuing Operations (IX-X)		206.15	225.30
XII. Profit/(Loss) from Discontinuing Operations		-	-
XIII. Tax Expense of Discontinuing Operations		-	-
XIV. Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII)		-	-
XV. Profit (Loss) for the Period (XI + XIV)		206.15	225.30
XVI. Earnings per Equity Share (in Rs.) :		2.73	3.49

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR BJS & ASSOCIATES

Chartered Accountants

Firm Registration No. 113288W


BIPIN J. SHAH

Partner


Membership No. 10712



DATE : 20.07.2013

PLACE : AHMEDABAD

FOR & ON BEHALF OF
BOARD OF DIRECTORS


RAKESH R. SHAH

Chairman & Managing Director.


SAMIR H. MANKAD

Whole Time Director


VIRAL B. MEHTA

Company Secretary

DATE : 20.07.2013

PLACE : AHMEDABAD

(Amount Rs. In Lacs)

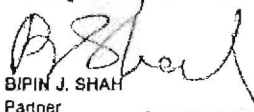
Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	755.00	755.00
(b) Reserves and surplus	2	1,513.37	1,374.49
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	3	34.67	28.67
(b) Deferred tax liabilities (Net)		0.91	-
(c) Other Long term liabilities	4	213.63	182.39
(d) Long-term provisions		-	-
4 Current liabilities			
(a) Short-term borrowings	5	2,777.93	2,215.00
(b) Trade payables	6	2,318.08	5,015.01
(c) Other current liabilities	7	900.29	902.31
(d) Short-term provisions	8	96.26	84.82
TOTAL		8,610.14	10,557.69
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	9	1,376.49	1,211.91
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	10	444.14	418.42
(c) Deferred tax assets (net)		-	6.62
(d) Long-term loans and advances	11	274.19	295.06
(e) Other non-current assets		-	-
2 Current assets			
(a) Current investments		-	-
(b) Inventories	12	46.10	15.01
(c) Trade receivables	13	3,355.07	6,265.93
(d) Cash and cash equivalents	14	969.16	797.11
(e) Short-term loans and advances	15	2,141.50	1,531.72
(f) Other current assets	16	3.49	15.91
TOTAL		8,610.14	10,557.69
Significant Accounting Policies & Notes on Financial Statements	22		

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR & ON BEHALF OF
BOARD OF DIRECTORS

FOR BJS & ASSOCIATES
Chartered Accountants
Firm Registration No. 113268W

RAKESH R. SHAH
Chairman & Managing Director.


BIPIN J. SHAH
Partner
Membership No. 10712


VIRAL B. MEHTA
Company Secretary


SAMIR H. MANKAD
Whole Time Director

DATE : 06.08.2014
PLACE : AHMEDABAD

DATE : 06.08.2014
PLACE : AHMEDABAD



For GSEC Limited

SAMIR H. MANKAD
Whole Time Director

GSEC Limited
Profit and Loss Statement for the year ended 31st March, 2014

(Amount Rs. in Lacs)

Particulars	Note No.	2013-14	2012-13
I. Revenue From Operations			
Sale of products		33,219.14	22,495.16
Sale of services		1,871.72	1,538.94
Other operating revenues		7.56	6.51
Less:			
Excise duty			
II. Other Income	17	231.41	234.51
III. Total Revenue (I + II)		35,329.84	24,275.12
IV. Expenses:			
Cost of Trading goods sold		32,936.62	21,209.00
Changes in Inventories of Stock-in Trade	18	-31.09	1,018.93
Employee benefits expense	19	214.22	197.90
Finance costs	20	384.02	348.97
Depreciation and amortization expense		171.86	189.45
Other expenses	21	1,302.70	1,016.26
Total expenses		34,978.33	23,980.51
V. Profit before exceptional and extraordinary items and tax (III-IV)		351.50	294.61
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		351.50	294.61
VIII. Extraordinary items		-	-
IX. Profit before tax (VII- VIII)		351.50	294.61
X Tax expense:			
(1) Current tax		-114.00	-100.00
(2) Deferred tax		-7.53	11.63
(3) Short Provision For Last Years		-2.77	-0.09
XI Profit (Loss) for the period from continuing operations (IX-X)		227.20	206.15
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (After tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		227.20	206.15
XVI Earnings per equity share (In Rs.):		3.01	2.73

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR & ON BEHALF OF
BOARD OF DIRECTORS

FOR BJS & ASSOCIATES
Chartered Accountants
Firm Registration No. 113268W

BIPIN J. SHAH
Partner

Membership No. 10712

VIRAL B. MEHTA
Company Secretary

RAKESH R. SHAH
Chairman & Managing Director.

SAMIR H. MANKAD
Whole Time Director

DATE : 06.08.2014
PLACE : AHMEDABAD

DATE : 06.08.2014
PLACE : AHMEDABAD



(Amount Rs.)

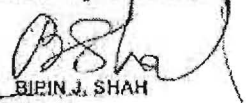
Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	75,500,000.00	75,500,000.00
(b) Reserves and surplus	2	153,386,467.56	151,336,408.54
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	3	760,149.00	3,467,084.00
(b) Deferred tax liabilities (Net)		-	91,000.00
(c) Other Long term liabilities	4	12,714,251.00	21,362,577.54
(d) Long-term provisions		-	-
4 Current liabilities			
(a) Short-term borrowings	5	176,519,965.85	277,793,425.31
(b) Trade payables	6	39,587,356.56	231,807,648.37
(c) Other current liabilities	7	17,688,153.85	90,029,080.07
(d) Short-term provisions	8	1,132,719.00	9,626,245.00
TOTAL		477,289,062.82	861,013,448.83
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	9	124,223,339.89	137,649,202.96
(ii) Intangible assets		-	-
(iii) Capital work in progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	10	50,719,508.29	44,413,692.37
(c) Deferred tax assets (net)		6,064,530.71	-
(d) Long-term loans and advances	11	22,184,679.70	27,419,130.09
(e) Other non-current assets		-	-
2 Current assets			
(a) Current investments	12	35,000,000.00	-
(b) Inventories	13	7,142,246.00	4,609,614.54
(c) Trade receivables	14	69,984,000.97	335,507,449.05
(d) Cash and cash equivalents	15	64,236,948.56	96,915,544.58
(e) Short-term loans and advances	16	97,128,254.76	214,149,630.57
(f) Other current assets	17	605,553.94	349,184.67
TOTAL		477,289,062.82	861,013,448.83
Significant Accounting Policies & Notes on Financial Statements	22		

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR & ON BEHALF OF
BOARD OF DIRECTORS

FOR BJS & ASSOCIATES
Chartered Accountants
Firm Registration No. 143268W

RAKESH R. SHAH
Chairman & Managing Director


BIPIN J. SHAH
Partner
Membership No. 10712


VIRAL B. MEHTA
Company Secretary


SAMIR H. MANKAD
Whole Time Director

DATE : 22.08.2015
PLACE : INDORE

DATE : 22.08.2015
PLACE : INDORE



GSEC Limited

Profit and Loss Statement for the year ended 31st March, 2015

(Amount Rs.)

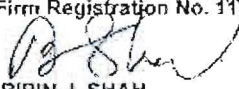
Particulars	Note No.	2014-15	2013-14
I. Revenue From Operations			
Sale of products		2,338,165,738.21	3,321,914,096.73
Sale of services		207,117,369.00	187,171,894.00
Other operating revenues		916,146.00	756,353.00
Less:			
Excise duty			
II. Other income	17	45,791,791.61	23,141,175.20
III. Total Revenue (I + II)		2,591,991,044.82	3,532,983,518.93
IV. Expenses:			
Cost of Trading goods sold		2,343,587,257.47	3,293,661,503.58
Changes in Inventories of Stock-in Trade	18	-2,532,631.46	-3,108,530.84
Employee benefits expense	19	26,216,471.53	21,422,950.00
Finance costs	20	26,210,110.45	38,401,227.28
Depreciation and amortization expense		34,519,070.97	17,186,478.62
Other expenses	21	141,621,213.62	130,269,836.30
Total expenses		2,569,621,492.58	3,497,833,464.94
V. Profit before exceptional and extraordinary items and tax (III-IV)		22,369,552.24	35,150,053.99
VI. Exceptional items		18,000,000.00	-
VII. Profit before extraordinary items and tax (V - VI)		4,369,552.24	35,150,053.99
VIII. Extraordinary items		-	-
IX. Profit before tax (VII- VIII)		4,369,552.24	35,150,053.99
X. Tax expense:			
(1) Current tax		-7,000,000.00	-11,400,000.00
(2) Deferred tax		6,155,735.00	-753,000.00
(3) Short Provision For Last Years		-1,475,229.00	-276,846.33
XI Profit (Loss) for the period from continuing operations (IX-X)		2,050,058.24	22,720,207.66
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (After tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		2,050,058.24	22,720,207.66
XVI Earnings per equity share (in Rs.) :		0.27	3.01

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR & ON BEHALF OF
BOARD OF DIRECTORS

FOR BJS & ASSOCIATES
Chartered Accountants
Firm Registration No. 118268W

RAKESH R. SHAH
Chairman & Managing Director.


BIPIN J. SHAH
Partner
Membership No. 10712


VIRAL B. MEHTA
Company Secretary


SAMIR H. MANKAD
Whole Time Director

DATE : 22.08.2015
PLACE : INDORE

DATE : 22.08.2015
PLACE : INDORE



GSEC Limited
Balance Sheet as at 31st March, 2016

(Amount Rs. In Lacs)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	755.00	755.00
(b) Reserves and Surplus	2	1,694.40	1,533.87
2 Non current liabilities			
(a) Long-Term Borrowings	3	189.61	7.60
(b) Deferred Tax Liabilities (Net)			
(c) Other Long Term Liabilities	4	0.89	127.14
3 Current liabilities			
(a) Short-Term Borrowings	5	1,467.33	1,765.20
(b) Trade Payables	6	2,789.35	395.87
(c) Other Current Liabilities	7	363.83	176.89
(d) Short-Term Provisions	8	60.50	11.33
TOTAL		7,320.92	4,772.90
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets			
(i) Tangible Assets	9	1,497.35	1,242.23
(ii) Intangible Assets			
(b) Non-Current Investments	10	303.89	507.20
(c) Deferred Tax Assets (Net)		82.16	60.65
(d) Long-Term Loans and Advances	11	187.42	221.85
(e) Other Non-Current Assets			
2 Current Assets			
(a) Current Investments	12		350.00
(b) Inventories	13	10.02	71.42
(c) Trade Receivables	14	3,080.13	699.84
(d) Cash and Bank Balance	15	718.71	642.37
(e) Short-Term Loans and Advances	16	1,435.44	971.28
(f) Other Current Assets	17	5.60	6.06
TOTAL		7,320.92	4,772.90
Significant Accounting Policies	23		
The accompanying notes are integral parts of the Financial Statements			

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR & ON BEHALF OF BOARD OF DIRECTORS

FOR BJS & ASSOCIATES
Chartered Accountants
Firm Registration No. 113268W

BIPIN J. SHAH
Partner
Membership No. 10712

DATE : 26.08.2016
PLACE : AHMEDABAD

CHINTAN PATEL
Company Secretary

RAKESH R. SHAH
Chairman & Managing Director
DIN : 00421920

SANIR H. MANKAD
Whole Time Director
DIN : 00421878

DATE : 26.08.2016
PLACE : AHMEDABAD

GSEC Limited
Profit and Loss Statement for the year ended 31st March, 2016

(Amount Rs. in Lacs)

Particulars	Note No.	2015-16	2014-15
I. Revenue From Operations			
Sale of Traded Goods (Gross)		28,892.66	23,381.66
Less : Excise Duty			
Sale of Trading Goods (Net)		28,892.66	23,381.66
Sale of Services		2,373.21	2,071.17
Other Operating Revenues		6.66	9.16
II. Other Income	18	544.03	457.92
III. Total Revenue (I + II)		31,816.57	25,919.91
IV. Expenses:			
Purchase of Traded Goods		29,152.56	23,435.87
Changes in Inventories of Stock-in Trade	19	61.40	-25.32
Employee Benefits Expense	20	322.13	333.79
Finance Costs	21	205.01	262.10
Depreciation and Amortization Expense		269.41	345.19
Other Expenses	22	1,526.92	1,344.58
Total Expenses		31,537.43	25,696.21
V. Profit Before Exceptional Items And Tax (III-IV)		279.14	223.70
VI. (Add)/Less : Exceptional Items	24 (v)		180.00
VII. Profit Before Tax (V - VI)		279.14	43.70
VIII. Tax Expense.			
(1) Current Tax		90.00	70.00
(2) Deferred Tax		-21.52	-61.55
(3) Tax Adjustment of Earlier Years		4.68	14.75
IX Profit for the Year (VII-VIII)		205.97	20.50
X Earnings Per Equity Share (in Rs.) :		2.73	0.27
Significant Accounting Policies	23		
The Accompanying Notes are Integral Parts of the Financial Statements			

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR & ON BEHALF OF BOARD OF DIRECTORS

FOR BJS & ASSOCIATES
Chartered Accountants
Firm Registration No. 113268W

B. J. Shah
BIPIN J. SHAH.
Partner
Membership No 10712

C. M. Patel
CHINTAN PATEL
Company Secretary

DATE : 26.08.2016
PLACE : AHMEDABAD

Rakesh R. Shah
RAKESH R. SHAH
Chairman & Managing Director.
DIN : 00421920

Samir H. Mankad
SAMIR H. MANKAD
Whole Time Director
DIN : 00421878

DATE : 26.08.2016
PLACE : AHMEDABAD

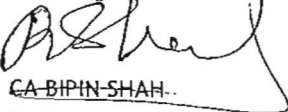
GSEC LIMITED
CIN:U52100GJ1965PLC001347
Balance Sheet as at 31st March,2017

(₹ in Lacs)

Particulars	Notes	31st March,2017	31st March, 2016
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	755.00	755.00
(b) Reserves and Surplus	2	1,913.60	1,694.40
2 Non-current liabilities			
(a) Long-Term Borrowings	3	180.57	189.61
(b) Deferred Tax Liabilities (Net)			0.00
(c) Other Long Term Liabilities	4	18.84	0.89
3 Current liabilities			
(a) Short-Term Borrowings	5	1,339.61	1,467.33
(b) Trade Payables	6	838.40	2,789.35
(c) Other Current Liabilities	7	345.11	363.83
(d) Short-Term Provisions	8	41.90	60.50
TOTAL		5,433.03	7,320.92
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	1,628.34	1,497.35
(ii) Intangible Assets		0.00	0.00
(b) Non-Current Investments	10	303.89	303.89
(c) Deferred Tax Assets (Net)		80.06	82.16
(d) Long-Term Loans and Advances	11	208.63	187.42
(e) Other Non-Current Assets		0.00	0.00
2 Current Assets			
(a) Current Investments	12	255.00	-
(b) Inventories	13	10.02	10.02
(c) Trade Receivables	14	857.58	3,080.13
(d) Cash and Bank Balance	15	1,022.71	718.71
(e) Short-Term Loans and Advances	16	1,050.43	1,435.44
(f) Other Current Assets	17	16.38	5.80
TOTAL		5,433.03	7,320.92
Significant Accounting Policies	24		
The accompanying notes are integral parts of the Financial Statements			

AS PER OUR ATTACHED REPORT OF EVEN DATE

For BJS & Associates
Chartered Accountants
Firm Registration No. 113268W


CA BIPIN SHAH
Partner
Membership No. 10712

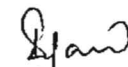


DATE : 26.08.2017
PLACE : AHMEDABAD

For and on behalf of Board of Directors of
GSEC Limited


RAKESH SHAH
Chairman & Managing Director
DIN:00421920


CHINTAN PATEL
Company Secretary
M. No. A29326
DATE : 26.08.2017
PLACE : AHMEDABAD


SAMIR MANKAD
Whole Time Director
DIN : 00421878

GSEC Limited
CIN:U52100GJ1965PLC001347
Profit and Loss Statement for the year ended 31st March, 2017

(₹ in Lacs)

Particulars	Notes	2016-17	2015-16
I. Revenue From Operations			
Sale of Traded Goods (Gross)		33260.17	28892.66
Less : Excise Duty		0.00	0.00
Sale of Trading Goods (Net)		33260.17	28892.66
Sale of Services		2975.17	2373.21
Other Operating Revenues	18	202.51	156.66
II. Other Income	19	166.24	394.03
III. Total Revenue	(I+II)	36604.09	31816.56
IV. Expenses:			
Purchase of Traded Goods		33234.39	29152.56
Changes in Inventories of Stock-in Trade	20	(0.00)	61.40
Employee Benefits Expense	21	370.08	322.13
Finance Costs	22	235.31	205.01
Depreciation and Amortization Expense		246.85	269.41
Other Expenses	23	2183.42	1526.92
Total Expenses		36270.05	31537.43
V. Profit Before Exceptional Items And Tax	(III-IV)	334.04	279.14
VI. Exceptional Items		0.00	0.00
VII. Profit Before Tax	(V - VI)	334.04	279.14
VIII. Tax Expense:			
(1) Current Tax		112.70	90.00
(2) Deferred Tax		2.11	(21.52)
(3) Tax Adjustment of Earlier Years		0.02	4.68
IX. Profit for the Year	(VII-VIII)	219.21	205.97
X. Earnings Per Equity Share (in ₹)		2.90	2.73
Significant Accounting Policies	23		

The Accompanying Notes are Integral Parts of the Financial Statements
AS PER OUR ATTACHED REPORT OF EVEN DATE

For BJS & Associates
Chartered Accountants
Firm Registration No. 113268W

CA BIPIN J SHAH
Partner
Membership No. 10712



For and on behalf of Board of Directors of
GSEC Limited

RAKESH SHAH
Chairman & Managing Director
DIN:00421920

SAMIR MANKAD
Whole Time Director
DIN : 00421878

CHINTAN PATEL
Company Secretary
M: No. A29326
DATE : 26.08.2017
PLACE : AHMEDABAD

DATE : 26.08.2017
PLACE : AHMEDABAD

GSEC

ANNEXURE-VI

૧૭૧/સચિવ(પર)
૩૧/૮/૧૭

28th August 2017

The Secretary
Airports Economic Regulatory Authority of India
AERA Building, Administrative Block
Safdarjung Airport
NEW DELHI - 110 003

આરોગ્ય વિભાગના સચિવ(પર)ને વિનંતીપૂર્વક મોકલવામાં આવેલ
સહાયતા પત્રિકા, નં. ૧૭૧/૨૦૧૭ - ૧૧૦૦૦૩

મિત્ર

સંદર્ભ નં. ૧૧૧૭૫

તારીખ ૩૧/૮/૨૦૧૭

" Without Prejudice "

Dear Sir,

Sub: Justification for Multi Year Tariff Proposal for determination of Tariff
For cargo handling by GSECLimited – Air Cargo Service
Provider at Ahmedabad International Airport.

Dear Sir/Madam

As advised, we are sending justification for tariff change :-

Following issues may please be considered while considering our tariff proposal.

1. We have been holding on to existing tariff since 15th January 2008. Till the 4th year of first control period, we volunteered to maintain the rates following requests from trade. Subsequent tariff changes were not approved by AERA citing some objections from FIEO despite user agreements signed by relevant stakeholders – Cargo agents and freight forwarders
2. We had reached an agreement with stakeholders in December 2013 (copy attached) . We are seeking tariff change proposed and agreed in 2013 negotiations and therefore we do not see any need for an updated stakeholder consultation.
3. Ahmedabad is falling under "non material" category as per AERA guidelines and competitive as there are two custodians of cargo for international operations. As such we could be treated under "light touch" approach.

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મુકેશ
મુ. સુદાન
૩૧/૮/૧૭

GSEC Limited

2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380 009.

Tel. +91-79-2655 4100, Fax : +91-79-2658 4040, E-mail : info@gsecl.co.in, Visit us : www.gsecl.co.in

CIN No. U52100GJ1965PLC001347



4. The tariff proposed is either equivalent or less than comparable tariffs at airports close to ur volume of operations – In any case not HIGHER than any of comparable airports.

In view of above , we request you to approve tariff as proposed.

Samir Mankad

CEO & Executive Director

GSEC Limited

2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380 009.
Tel.-+91-79-2655 4100, Fax : +91-79-2658 4040, E-mail : info@gsecl.co.in, Visit us : www.gsecl.co.in
CIN No. U52100GJ1965PLC001347

-265-

old minutes of
the meeting

A 2013

MINUTES

OF THE FIRST ROUND OF CONSULTATION FOR INCREASE IN TARIFF OF CARGO OPERATIONS AT AHMEDABAD AIRPORT BETWEEN GSEC LIMITED AND THE AHMEDABAD CUSTOM HOUSE AGENTS' ASSOCIATION (ACHAA) HELD ON THURSDAY, THE 13TH DECEMBER, 2013 AT 11.00 A.M. AT "BOARD ROOM", GSEC LIMITED, 1ST FLOOR, UDHYOG BHAVAN, ASHRAM ROAD, AHMEDABAD - 380009

PRESENT:

- | | | |
|-------------------------|---|-----------------------------------------------------------|
| 1. Shri Kartik Pancholi | - | ACHAA(AHMEDABAD CUSTOM HOUSE AGENTS' ASSOCIATION (ACHAA)) |
| 2. Shri Satyen Desai | - | ACHAA |
| 3. Shri Pinakin Pandya | - | ACHAA |
| 4. Shri Samir Shah | - | ACCAI |
| 5. Shri Samir Mankad | - | Whole-time Director - GSEC Limited |

IN ATTENDANCE:

- | | | |
|---------------------|---|--------------------------|
| 1. Shri Viral Mehta | - | Secretary - GSEC Limited |
|---------------------|---|--------------------------|

The meeting started with a presentation by GSEC Limited on its operations infrastructure development and details of various cost input increases since the last revision.

Few highlights of the presentation were -

GSECL has added 2000 sq mtr in imports warehouse and 3500 sq mtrs in exports warehouse and is experiencing no space constraint now. Total Capital expenditure in last two years has been about Rs 5 Crores.

400 Sq mtrs of cold room space has been added. new cargo lifts, fork lifts, stackers have been procured. GSECL has three screening machines of different capacities and an ETD machine.

There has been a steep increase in inputs like wages (100%), electricity (50%), revenue share payable to AAI from (6.5% to 13%), rent to AAI (77%) and diesel (40%).

Shri Pinakin Pandya asked few questions regarding the comparison made on the cargo traffic on the basis of revenue and tonnage which were answered by Shri Samir Mankad.

The consideration and rationale behind the proposed increase in the Air Cargo Services tariff were discussed.

Shri Satyen Desai asked about the last tariff appraisal. In reply, Shri Mankad said the last appraisal was made in the year 2008.

Shri Samir Mankad also presented the comparative data of the current tariff of various Air Cargo custodians like Bangalore, Hyderabad, Mumbai and Delhi.

Shri Samir Shah and Shri Kartik Pancholi raised various questions about the comparison data like minimum rates, demurrage rates of other custodians and source of the data presented. Shri Mankad replied to the queries satisfactorily.

It was also explained and agreed that there should be a scope for comparing other custodians of the size of Ahmedabad as the comparison of the operations of Ahmedabad with other metros like Delhi, Mumbai etc would not be justifiable. Though the volume of cargo is much higher, Bangalore and Hyderabad would be a closer comparison over other metro airports.

Samir Mankad, to a query confirmed that the revised tariff would not be changed for at least two years.

Shri Samir Mankad justified the suggested tenure with the argument that there has been no revision in tariff since 2008 i.e. 5 years and there is a very long procedure for revising the tariff. However, Shri Mankad said that the period can be ascertained and agreed upon by mutual consultation after approaching AERA. Shri Satyen Desai stipulated to keep the period flexible. Shri Mankad agreed to that. Shri Pinakin Pandya suggested including a clause in Agreement with respect to keep the period open for modification with the mutual consent.

Shri Samir Mankad also presented the proposed facilitation to be provided with at the Ahmedabad Air Cargo Complex like –

- (i) Establishment of the separate Area for pharma products with complete temperature controlled facility from receipt to handover to airlines.
- (ii) Installation of more X-ray machines and other machineries for smooth operation.
- (iii) Increasing the Cold Storage facility.

Members from trade wished to discuss in their respective forums about the tariff revision proposal and revert back to GSECL. Shri Mankad agreed to that and at the same time requested to take the matter as early as possible. Other members acknowledged the same and agreed to do the needful as early as possible.

Members advised Shri Mankad to provide the soft copy of the presentation and other details for detailed research on the part of the Association

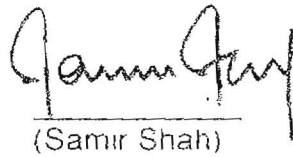
Samir Mankad thanked the office bearers for their valuable time and inputs and reiterated GSECL's commitment to serve the fraternity in the most efficient manner

Ahmedabad

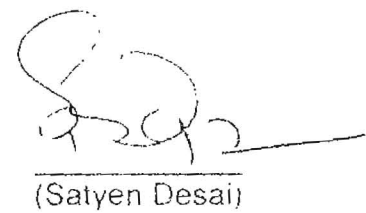
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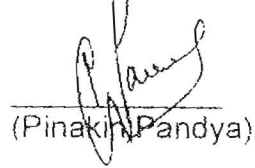
(Kartik Pancholi)



(Samir Shah)



(Satyen Desai)



(Pinakin Pandya)



(Samir Mankad)

MINUTES

OF THE SECOND ROUND OF CONSULTATION FOR INCREASE IN TARIFF OF CARGO OPERATIONS AT AHMEDABAD AIRPORT BETWEEN GSEC LIMITED AND TRADE ASSOCIATIONS HELD ON MONDAY THE 17TH FEBRUARY, 2013 AT 12.150 P.M. AT "BOARD ROOM", GSEC LIMITED, 1ST FLOOR, UDHYOG BHAVAN ASHRAM ROAD AHMEDABAD - 380009

PRESENT:

- | | | |
|-------------------------|---|-----------------------------------------------------------|
| 1. Shri Kartik Pancholi | - | ACHAA(AHMEDABAD CUSTOM HOUSE AGENTS' ASSOCIATION (ACHAA)) |
| 2. Shri Satyen Desai | - | ACHAA |
| 3. Shri Pinakin Pandya | - | ACHAA |
| 4. Shri Samir Shah ... | - | ACCAI |
| 5. Shri Samir Mankad | - | Whole-time Director - GSEC Limited |

IN ATTENDANCE:

- | | | |
|-----------------------|---|-------------------------------------------|
| 1. Shri Sandip Chavda | - | General Manager (Operations) GSEC Limited |
|-----------------------|---|-------------------------------------------|

The meeting began with various service related issues which the members of association had conveyed to their office bearers. A few issues taken up were :-

1. Printers in the CMC service center - Trade members had raised the issue of non-availability of printer and delay in printing frequently. GSECL has recently bought one more heavy duty printer and felt that this should not be happening frequently. It was decided to keep a daily log of machine down time for a few months to ascertain the frequency.

2. Charges for amendment of Rs 150 were discussed. GSECL explained the reason to charge as a deterrent to some parties carting cargo under wrong AWB number and subsequent issues related to shipment. Members felt that it should be eliminated or reduced. GSECL agreed to study the pattern of charges and see if this can be reduced for some minor amendments.


3. Some trade members had expressed reservation on charging of valuable cargo. GSEC Limited confirmed that the charges are levied for cargo above US\$ 1000 per Kg only. If the importer informs in advance, the valuable cargo will be kept in valuable storage area. Since most of the cargo comes in console form, the value is known only after assessment. But GSEC Limited expressed inability to give choice to importers whether the cargo should be classified as valuable or general irrespective of the value. Since the cargo liability would be determined on the basis of assessable value only, such discretion can not be allowed to be exercised. The office bearers agreed to this.

4. On the issue of crane hiring for heavy cargo, the office-bearers expressed concern on delay in hiring of crane. GSECL confirmed that if the advance notice is given one day earlier, the crane can be made available. On the same day, because of traffic restriction on heavy vehicle movement, the crane can not come before late evening. It was decided to approach traffic police for special permission for day time travel of crane.

5. Handling charges for cargo cleared from tarmac (such as airplanes), was discussed. GSECL clarified that they are open to offer special rates if AAI agrees since they have a revenue sharing agreement with them.

After discussing all these issues, tariff discussions were held at length. In the end, the office bearers agreed to following proposal of tariff for GSEC Limited's air cargo complex, Ahmedabad subject to approval of AERA. All members gave their consent for forwarding the proposal to AERA for approval.

The proposed revised tariff is attached at Annexure-I



(Kartik Pancholi)



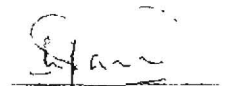
(Samir Shah)



(Satyen Desai)



(Pinaki Pandya)



(Samir Mankad)



License Agreement for allotment of land to M/s. GSEC, Ahmedabad for operating International Air Cargo Complex at SVPI Airport, Ahmedabad.

THIS AGREEMENT made this 3rd day of June of Two Thousand Eleven between the Airports Authority of India, a body corporate constituted by the Central Government under the Airports Authority of India (Act 55 of 1994) having its Corporate Office at Rajiv Gandhi Bhavan, Sardarjung Airport, New Delhi-3, hereinafter called the 'Authority' for brevity sake (which term shall, unless excluded by or is repugnant to the context, be deemed to include its Chairman, or Member, Executive Directors, Airports Directors, Officers or any of them specified by the Chairman in this behalf, and shall also include its successors and assigns) of the one part,

And

M/s. GSEC Ltd. established under the Companies Act, 1956 and having its Registered Office at 2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380 009 on the other part hereinafter called the 'Licensee' for brevity sake.

The Authority, hereby grants to the licensee the license and Authority during the continuance of the license to occupy the plot of land at SVPI Airport, Ahmedabad measuring an area approximately 5600 Sq. mtr. as delineated and marked on sketch drawing attached to this license (**Annexure - I**) on terms and conditions as stated hereinafter.

That the license for the said facility shall be valid for the period of 10 years from 01.06.2009 to 31.05.2019 unless terminated earlier on account of the following

- (a) By giving 180 days notice in writing to either side without assigning any reason
- (b) Terminated by AAI on as short notice on account of unsatisfactory performance. The term 'short notice' denote a period of clear 30 days.
- (c) Termination on expiry of specified time period allotted for unresolved internal dispute resolution

2. That in consideration, licensee shall pay to the Authority an annual license fee on or before 45 days from the date of expiry of the previous year as under with service tax as applicable from time to time.

Period	Rate (per Sq. mt p.a.)	Amount	Remarks
01.06.2009 to 31.05.2010	1140	57,00,000/-	-
01.06.2010 to 31.05.2011	1140	57,00,000/-	As per policy of rationalization of license fee
01.06.2011 to 31.05.2012	1220	61,00,000/-	Provisional as per policy of rationalization of license fee
01.06.2012 to 31.05.2013	1310	65,50,000/-	The rate is indicative and subject to change as per rate finalized by AAI
01.06.2013 to 31.05.2014	1410	72,00,000/-	-do-
01.06.2014 to 31.05.2015	1515	75,75,000/-	-do-
01.06.2015 to 31.05.2016	1630	81,50,000/-	-do-
01.06.2016 to 31.05.2017	1750	87,50,000/-	-do-
01.06.2017 to 31.05.2018	1880	94,00,000/-	-do-
01.06.2018 to 31.05.2019	2020	101,00,000/-	-do-

3. The license fee should be paid in form of RTGS under intimation to AAI, Ahmedabad.
4. In addition to the license fee as mentioned in Point No. 2, the licensee will be liable to pay to AAI royalty as follows :

Period	Percentage of GTO
01.06.2009 to 31.12.2010	4.5%
01.01.2011 to 31.12.2019	13%

The above royalty be paid by the licensee on half-yearly basis provisionally

The actual royalty will be computed and adjusted on submission of GTO figure duly certified by the Chartered Accountant.

5. The licensee shall make their own arrangement for water and electricity. The necessary NOC will be issued by AAI on request. In the event AAI is providing the facility of water and electricity, the licensee shall pay all charges towards consumption of electricity and water as may be due as determined by the Authority and at the rate(s) fixed by it from time to time. Such charges shall be paid within the date (s) specified in the bill (s). The Licensee shall have to provide his own meter (s) for the purpose in which Licensee shall be