# AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA MINUTES OF THE STAKE HOLDERS CONSULTATION MEETING

#### HELD ON 10.01.2017 AT 10:00 AM

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CONSULTATION PAPER NO. 02/2016-17 DATED 20.12.2016 TO CONSIDER THE MULTI YEAR TARIFF PROPOSAL AND ANNUAL TARIFF PROPOSAL FOR THE SECOND CONTROL PERIOD IN RESPECT OF M/S CELEBI DELHI CARGO TERMINAL MANAGEMENT INDIA PVT. LIMITED (CELEBI) FOR PROVIDING CARGO HANDLING SERVICES AT IGI AIRPORT, NEW DELHI

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A Stakeholder Consultation meeting was convened by the Authority on 10.11.2017 at 10.00 AM in the Conference Room, first floor, AERA Building, Administrative Complex, Safdarjung Airport, New Delhi to elicit the views of the stakeholders on the Consultation Paper no. 02/2016-17 dated 20.12.2016 issued by the Authority to consider the Multi-year Tariff Proposal and Annual Tariff Proposal for the second control period in respect of M/s Celebi Delhi Cargo Terminal Management India Pvt. Limited (Celebi) for providing cargo handling services at IGI Airport, New Delhi. The list of participants is enclosed at **Annexure-I**.

 Chairman- AERA in the presence of Member-I and Member-II, welcomed the participants to the meeting and briefed them on the subject Consultation Paper. Further, the Chairman advised the stakeholders to give their written comments on or before 13<sup>th</sup> January, 2016.

The comments of various stakeholders are as follows:

# 3 Shri Ramesh Mamidala, Chief Executive Officer, Celebi.

- 3.1 Shri Ramesh Mamidala, CEO, Celebi made a presentation before the Authority covering the following areas with reference to their MYTP/ATP submissions for the second control period:
  - Key Investments undertaken by Celebi.
  - Improvement in operation and services.
  - Investment plans for next control period i.e 2nd CP(FY. 2016-17 to FY. 2020-21).
  - Need and benefits of proposed investments.
  - ➤ Key focus areas in FY. 2016-17.
  - > New Products launched/planned.
- 3.2 Shri Mamidala stated that their trade partners appreciated Celebi's investment plans and agreed to the rationale behind the proposed increase of 15% in city side tariffs for the FY.2016-17 sought by Celebi in their Annual Tariff Proposal. Shri Mamidala further stated that the trade partners requested Celebi to review the percentage of proposed increase and consider the best possible increase in line with the interest of both the parties. Shri Mamidala concluded by saying that Celebi on the request of trade community reviewed the tariffs and have proposed an increase of 12% in city side tariffs instead of the earlier proposed increase of 15%.

# 4. Shri Mukesh Hira, Hony. Joint Secretary, Delhi Customs Clearing Agents Association.

4.1 Shri Mukesh Hira, Hony. Joint Secretary, Delhi Customs Clearing Agents Association thanked the Authority for allowing him to express his views on the subject

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consultation paper. Shri Hira stated that he has to recheck whether the trade community supported the proposed increase of 12% in tariffs. He stated that demonetization of currency had an impact on every business and cargo business is also affected. In the present scenario, the exporters/importers and the CHAs are struggling hard to remain in business. Therefore, Shri Hira suggested that the proposed increase in tariffs by Celebi may be deferred for a reasonable time till the cargo community recovers from the slump in the cargo business.

- 5. Sh. Ashwani Sharma, Jt. GM(Cargo), AAI stated that he has no comments to offer.
- The Chairman asked that what should be the reasonable time to give the proposed increase as the same is required by the Celebi to undertake their investment plan, to which Shri Hira replied that it should be at least a year or so.
- 7. The Chairman thanked the participants for attending the stakeholder consultation meeting and assured that the Authority will consider the views of the stakeholders before arriving at a decision on the tariff proposal.

The meeting concluded with a vote of thanks to the Chair.

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For Secretary-AERA

## List of Participants:-

## Airports Economic Regulatory Authority Of India

- 1. Shri, S. Machendranathan, Chairperson- in Chair
- 2. Shri. N. Shankar, Member
- 3. Shri S. Samanta, Member
- 4. Shri P.C Jain, AGM (F)
- Shri. Rajesh Khanna, AGM (F)
  Shri. Mohit Kaushish, Manager (F)
- 7. Shri. Jaimon Sakaria, Manager (F)

### Celebi

- 8. Shri Ramesh Mamidala, CEO
- 9. Shri Ravi Bhatnager, CFO
- 10. Shri Raja Gupta, Manager

#### KPMG

- 11. Shri Ketan Lukhi
- 12. Shri Jodhbir Singh

#### AAI

13. Shri Ashwani Sharma, Jt. General Manager(Cargo)

### Delhi Customs Clearing Agents Association(DCCAA)

- 14. Shri Mukesh Hira, Hony. Jt. Secy.
- 15. Shri Vipin Jain, Management Committee Member