

Subject: Regarding issue of Consultation Paper No. 08/2018-19 dated 29.06.2018 in respect of Celebi Delhi Cargo.

Date: 07/20/18 06:42 PM

From: ACAAI Head Office <headoffice@acai.in>

To: puja.jindal@nic.in

Cc: jaimon.skaria@gov.in,

"Activair Airfreight India P.Ltd. Mr. C K Govil" <cmd@activair.in>,
 "Aroscan Cargo Trade Pvt. Ltd Mr. T.A. Varghese-Bom" <aroscan@vsnl.com>,
 "D.Wamadeo & Co. - Mr. Varghese" <varghese@dwamadeo.com>,
 "Delta Airfreight - Mr. Sunil Arora" <sunil@deltaairfreight.com>,
 "Galaxy Freight P.Ltd. - Mr. Afzal Malbarwala" <afzal@galaxyfreight.com>,
 "C.T.C. Air Carriers - Mr. Vikram Kumar" <vikram.ctcair@gmail.com>,
 "Vipin Vohra" <vvohra@continentalgroup.com>,
 "Rahat Continental P.L. - Mr. Rahat Sachdeva" <r.sachdeva@rahatcontinental.c>,
 "S.A. Consultants - Mr. Ashwini Sharma" <a.sharma@sagroupindia.com>,
 "Skyways Air Services P.Ltd.-Mr.S.L.Sharma" <sls@skyways-group.com>,
 "S.A. Consultants & Fwdrs P.L. - Mr. Ashish Asaf" <ashish@sagroupindia.com>
 "Aargus Global Log.P.Ltd. - Mr. Mahesh Trikha" <mahesh.trikha@aargusglobal>

3145/सचिव (ऐर)।
 23/7/18

To,

Secretary
 Airports Economic Regulatory Authority of India
 AERA Building, Administrative Complex
 Safdarjung Airport
 New Delhi-110003

D
 23/7

A. Saxena

Dear Sir/Madam,

Sub: AERA Consultation Paper No. 8/2018-19 – Observations of The Air Cargo Agents Association of India (ACAAI)

Please refer to the email dated 2nd July 2018 below from Mr. Jaimon Skaria, Sr. Manager (Finance) regarding Consultation Paper (CP) No. 08/2018-19 dated 29.06.2018 in respect of the Annual Tariff Proposal for Tariff Year 2 to Tariff Year 5 (01.04.2017-18 to 01.04.2020-21) of the second control period (01.04.2016-31.03.2021) of M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd. for providing Cargo Handling services at Cargo Terminal, IGI Airport, New Delhi.

As the leading trade Association which is involved in the promotion of the growth and facilitation of air cargo in India, and being as a prime user of the facilities at the Cargo Terminal operated by Celebi at Delhi Airport, **The Air Cargo Agents Association of India (ACAAI) would like to record our observations and opinions as below on the subject Consultation Paper.**

The CP as proposed consists of existing charges which are already being levied and some new charges which are proposed to be levied after approval.

Existing Charges:

Export

1) Terminal Storage and Processing (Sr. No.1) : This charge is sought to be increased from the present levels by 25% and an additional 10% every year for the remaining period. **It is proposed from ACAAI's side that after the first increase, each additional increase annually should be through a consultative process between the trade bodies and the Airport Operator. The Airport Operator should inform the trade about the improvements in the facilities and services which are being provided to justify the proposed increase in the tariffs.**

Secondly, there is a provision for "Express Delivery" charges @25% more than the current tariff. **The CP does not specify the difference between Normal Delivery and Express Delivery. The time parameters for normal delivery and its SOP should be clearly defined. The difference between normal delivery and express delivery should also be defined to justify the excess charges.**

2) Repacking Charges (Sr. No.9): Since 98% of all shipments are being processed under RMS and only 2% shipments are examined, the levy of across the board repacking charges for all air waybills is unjustified. This aspect is already under consultation and active consideration with the management of Celebi and can be decided mutually.

Import

3) HAWB Deconsolidation Charges (Sr.No.10) : This charge is existing at the Rate of Rs.250+GST per HAWB for imports and has already been a subject of debate and consultation with Celebi. **We propose that the charge may presently be frozen at this level pending mutual agreement on this issue. Any changes should be undertaken in joint consultation with the trade, airlines, Airport Operator and the Custodian.**

4) New Charges not existing in previous Tariff sheets

There are some new heads of charges which have not been part of the previous approved AERA rates and have been added in this CP as below:

- 1. **HAWB Consolidation charges for Export (Sr. No.15)**
- 2. **Miscellaneous Activity Charges for Export (Sr. No.17)**
- 3. **Customs Facilitation fees for export (Sr. No.27)**
- 4. **Miscellaneous Activity Charges for Imports (Sr. No.13)**
- 5. **Customs Facilitation fees for Import (Sr. No.15)**

It has been observed and even reported to Celebi that the imposition of such new charges cannot be arbitrarily imposed upon the trade. In respect of that objection, we have received an assurance from Celebi that any new charges which are presently not in force shall only be levied on the trade after a process of due consultation and justification for the same.

Any such new charges in the tariff that are sought to be imposed by Celebi even after approval from AERA should be in consultation with the trade, who will actually bear the brunt of such charges.

5). Charges for AFS Shipments

There is no mention of the rates and charges which will be levied for export and import shipments which are processed at Air Freight Stations (AFSs). **Since all the clearance processes and loading/unloading activities for such shipments are done at the AFSs, the normal TSC charges should not be levied for such shipments. It is requested that the charges which are levied at Chennai Airport for shipments received at the airport from AFSs, viz. 50% of the normal TSP charges, may be levied at Delhi Airport for all shipments which are received from AFSs.**

A dedicated sterile area should be provided at Delhi Airport for the storage of built-up ULDs which are received from AFSs until despatch on the designated flights.

ACAAI would appreciate favourable consideration of the above comments for inclusion in the approved tariff.

Thanking you,

Yours faithfully,

For The Air Cargo Agents Association of India

T.J. Thomas

Executive Director

The Air Cargo Agents Association of India
 28-B, Nariman Bhavan
 Nariman Point, Mumbai - 400 021
 Tel : 022-22021923/22025584
 Fax: 022-22824029
 Website : www.acaai.in

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