

F. NO. AERA/20010/MYTP/AAI/AAICLAS/CC/Kolkata/CP-II/2018-19
Airports Economic Regulatory Authority of India
Order No. 04/2018-19

AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi – 110003.
Date of Issue: 14th May, 2018

Service: **Determination of Courier Cargo Service Tariff.**
Service provider: **AAI Cargo Logistics Service and Allied Company Ltd.**
(AAICLAS) (An AAI subsidiary).
Airport: **Kolkata Airport.**

Sub: Approval of tariff on ad-hoc basis till 30.09.2018.

- 1 As per Section 2(a) of the "The Airport Economic Regulatory Authority of India Act, 2008" any service for inter-alia providing "ground handling services relating to aircraft, passengers and cargo at an airport" or for the cargo facility at an airport"; or "for supplying fuel to the aircraft at an airport" is an aeronautical service. As per Section 13(1) of the Act, the Authority is required to determine the tariff for aeronautical services.
- 2 The Authority had issued the CGF Guidelines "[The Airports Economic Regulatory Authority of India (Terms and Conditions for Determining of Tariff for Services Provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft) Guidelines, 2011]" vide Direction NO. 4/2010-11 dated 10.01.2011. In terms of powers conferred on section 15 of the Act, all concerned service providers were also directed to act in accordance with the aforesaid CGF Guidelines.
- 3 In terms of Clause 7.1 of the above Direction No. 4/2010-11 dated 10.01.2011, Airports Economic Regulatory Authority of India for Service Provider(s) are required to, within two months of the date of the issue of said Guidelines, submit a Multi-Year Tariff proposal (MYTP) for the first control period in the form and manner specified in section AI.2 of Appendix 1 of the Guidelines. In case a new Service Provider is granted permission for providing regulated service(s) at a major airport, the Service provider is required to, within two months of the date of grant of such permission; submit to the Authority for its consideration, Multi-Year Tariff Proposal (MYTP) in accordance with these Guidelines.
- 4 AAI Cargo Logistics and allied Services Company Ltd. (AAICLAS) a 100% owned subsidiary of AAI vide their letter no. ED/CARGO/1351/2018/471 dated 09.04.2018 approached AERA with a request that an ad-hoc tariff may be approved as AAICLAS has decided to commence their International Courier Operations at Kolkata Airport. AAICLAS has submitted the proposed tariff card for the initial period pending submission of tariff proposal (MYTP/ATP), based on the approved tariff of Non-Major airports by AAI Board in its 153rd Board Meeting held on 18.04.2018. AAICLAS vide above



mentioned letter dated 09.04.2018 assured AERA that they would submit their tariff proposal at the earliest.

5 Authority's view

5.1 As per Section 13(1) of the Act, the Authority is required to determine the tariff for aeronautical services.

5.2 It was noted by the Authority that the proposed ATP submitted by the AAICLAS is based on the tariff approved by AAI Board in its 153rd Board Meeting held on 18.04.2013 for Non-Major airports. The proposed rates of AAICLAS when compared with AERA approved rates for Independent Service Providers at different major airports, providing similar type of courier services are found to be reasonable.

5.3 It was noted by the Authority that AAICLAS is yet to submit the Multi Year Tariff Proposal (MYTP) & Annual Tariff Proposal (ATP) to AERA for determination of Courier Cargo tariff and till the time the tariff is determined by AERA, AAICLAS may be allowed to charge according to the proposed rates on ad-hoc basis till 30.09.2018 to initiate their courier operations at Kolkata International Airport.

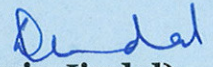
Order:

In view of the fact, that AAI Cargo Logistics and Allied Services Company Ltd. has to commence their International Courier Operations at Kolkata Airport, 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) M/s AAICLAS is allowed to charge as per **Annexure- I**, the proposed tariff on ad-hoc basis till 30.09.2018 or till the determination of tariffs for second control period whichever is earlier.
- (ii) These tariffs will be maximum tariffs and will be effective from the date of issue of this order.
- (iii) Any further levy of fee beyond 30.09.2018 without prior approval of Authority would be a contravention of the provisions of the Act, which is punishable under Section 38 of AERA Act.
- (iv) M/s AAICLAS is advised to submit their Tariff Proposal at the earliest for determination of tariff by AERA.

AERA

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


(Puja Jindal)
Secretary

To,

**AAI CARGO LOGISTICS & ALLIED SERVICES COMPANY LTD.
Belmen Hanger-1, Hanger Building,
Safdarjung Airport, New Delhi-110003.
(Through Shri B.K. Mehrotra, Chief Operating Officer)**



AAICARGO LOGISTIC & ALLIED SERVICES COMPANY LTD.

Annexure-I

For Air Courier Cargo Services for Kolkata Cargo Terminal.**Ad-hoc Tariff valid till 30.09.2018 applicable from the date of issue of Tariff order**

Charges	Inbound(Import)		Outbound(Export)	
	Rate per Kg.	Min. amount	Rate per Kg.	Min. amount
1) Courier cargo facilitation	Rs.10/-	Rs. 150/- per bag	Rs.10/-	Rs. 150/- per bag
2) X-ray charges	Re. 0.75 (If applicable)	Rs. 100/- per bag	Re. 0.75 (If applicable)	Rs. 100/- per bag

1)The free period admissible for inbound/outbound courier cargo is three(3) days. Thereafter, the demurrage charges are leviable as per following slabs:-

4th day to 10th day	Rs.2.00 per kg/day
11th day to 20th day	Rs.3.00 per kg/day
21st day to 30th day	Rs.4.50 per kg/day
Beyond 30 days	Rs.6.00 per kg/day

2)Minimum Demurrage Charges:

Export(Outbound)	Rs.150/- per consignment
Import(Inbound)	Rs.350/- per consignment

3)The delivery of the courier bags would be given during the working hours after the due approval of the customs authorities against AAI gates pass on collection of applicable charges.

4)The above rates are exclusive of statutory tax, which will be applicable on the above charges as per Govt. Regulations from time to time.

