

Airports Economic Regulatory Authority of India

Order No. 30/2020-21

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

**Date of Issue: 31<sup>st</sup> July, 2020.**

**Service : Courier Cargo Handling Services.  
Service Provider: M/s Cargo Service Center India Pvt. Ltd.(CSC).  
Airport : Chhatrapati Shivaji Maharaj International Airport (CSMIA).**

**Subject: In the Matter of approval for tariff for handling International Courier Cargo to M/s CSC (On interim basis).**

1. This Order is regarding approval of interim tariff for international Courier Cargo service by new agency i.e. M/s CSC on interim basis.
2. MIAL, vide its letter dated 26<sup>th</sup> June, 2020 informed AERA that the existing service provider for Courier Cargo Services is not willing to operate the Mumbai Express Terminal at CSMIA. Accordingly, MIAL has discontinued/terminated the present arrangement between both the parties, and intimated M/s EICI of termination of present arrangement and handover/takeover of the licensed Premises from EICI vide MIAL letter No. MIAL/Cargo/2020-21/6815 dated 22<sup>nd</sup> June, 2020.
3. MIAL, vide its letter no. MIAL/VPR/2020-21/05 dated 28<sup>th</sup> July, 2020 (**Annexure-I**) has informed AERA that, the Principal Commissioner of Customs, APSC, Mumbai Zone III has appointed MIAL as the custodian for the goods import and export through courier at CSMIA, Mumbai with effect from 1<sup>st</sup> August, 2020 under intimation that, M/s EICI will continue its international courier handling services till 31<sup>st</sup> July, 2020. Further, MIAL submitted that they have engaged M/s CSC as regulated agent with effect from 1<sup>st</sup> Aug, 2020 for a period of one (1) year for operating Courier Cargo Operations at CSMIA to avoid any gap or disruption in services and to ensure continuity of operations.
4. M/s CSC vide their letter no. CSC/ICT/2020-21/2 dated 30<sup>th</sup> July, 2020 (**Annexure-II**) has requested the Authority to extend the existing tariff approved for EICI for its Courier Cargo Operations till 31<sup>st</sup> March, 2021.

Further M/s CSC has requested the Authority to allow them to charge Custom Cost Recovery Charges (CCRC) as per AERA Order No. 26/2017-18 dated 30<sup>th</sup> Nov, 2017.

5. **Authority's view:**

- a) The Authority examined all the letters/proposal received from M/s MIAL and M/s CSC. It is of the view that the International Cargo Service has to be continued to avoid any difficulty to the customer and an interim arrangement needs to be made by the Airport operator. M/s MAIL and its appointed Regulatory agency M/s Cargo Service Center has requested to allow them to continue charging the same rate as was approved for M/S EICI for Mumbai Airport on interim basis.
- b) The Authority after careful examination is of a view that, the new agency can be allowed to charge the existing tariff determined for M/s EICI for the next three (3) months i.e. till 31<sup>st</sup> Oct, 2020 to avoid any disruption in Courier Cargo Services at CSMIA, Mumbai on interim basis. M/s CSC/MIAL should submit all the documents including agreement and arrangement with Custom Department in accordance with AERA Guidelines 2011 for further continuation of the tariff.
- c) Further, the Authority do not agree with M/s CSC or MIAL to charge Customs Cost Recovery charges from users (as per order no.15/2019-20 dated 13.11.2019 issued by the Authority) in absence of any agreement with the Custom Department. The Regulated agency/ MIAL should impress upon Custom Department to provide service, free of custom recovery cost, as being done at other Airports.

**ORDER**

In view of the above, since to avoid any disruption of Courier Cargo services and for the wellbeing of trade, the Authority, in exercise of powers conferred by Section 13 (1) of the Airports Economic Regulatory Authority of India Act 2008, hereby orders that:-

1. M/s CSC is allowed to charge Courier Cargo Tariff in accordance to the tariff determined vide order no.15/2019-20 dated 13.11.2019, on interim basis, for a period of 03 (Three) months w.e.f 01.08.2020 to 31.10.2020 or till the determination of fresh tariffs for the Fifth Tariff Year of the Second Control Period, whichever is earlier.
2. The agency is not permitted to collect any Customs Cost Recovery Charge from the users.  
MIAL/Regulated agency will submit all documents including agreement and arrangement with Custom Department within the period of two month, in case, the service and arrangement are required to be continued beyond three months.



4. The Order will be effective from the date of issue of this order.
5. The Airport Operator may ensure compliance of the Order.

By the Order of and in the  
Name of the Authority



(Col. Manu Sooden)  
Secretary.

To,

Cargo Service Center Pvt. Ltd.  
301-303, Rangoli, Opp. Air Cargo Complex,  
Sahar, Andheri (E),  
Mumbai-400099

Copy to: -Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan,  
New Delhi – 110003.



भा.वि.आ.वि.प्रा.

AERA



MIAL/ VPR/ 2020-21/ 05

28<sup>th</sup> July, 2020

The Chairperson,  
The Airports Economic Regulatory Authority of India,  
AERA Building, Administrative Complex,  
Safdarjung Airport,  
New Delhi 110 003

Sir,

**Sub: Continuation of existing charges approved by the Authority for handling international courier at CSMI Airport, Mumbai by the new agency on termination of present arrangement with Express Industry Council of India (EICI).**

**Ref: Our earlier letter MIAL/VPR/2020-21/04 dated 26<sup>th</sup> June, 2020 and AERA letter no. AERA/20010/MYTP/MIAL/CP-III/2018-19/7010 dated 22<sup>nd</sup> July, 2020**

In continuation of our earlier letter referred above, we wish to inform the Authority that Principal Commissioner of Customs, APSC, Mumbai Zone III has appointed Mumbai International Airport Limited (MIAL) as the Custodian for the goods imported through courier mode and for export of goods through courier mode at CSMIA, Mumbai vide Public Notice No.13/ 2020-21 dated 27<sup>th</sup> July, 2020 (copy enclosed) with effect from 1<sup>st</sup> August, 2020.

M/s EICI shall be providing the international courier handling services at Courier Terminal at CSMIA only till close of business on 31<sup>st</sup> July, 2020.

M/s Cargo Service Center India Pvt. Ltd. (CSC) is already engaged in the courier terminal as Regulated Agent and in order to ensure continuity of operations at International Courier Terminal at CSMI Airport, Mumbai, CSC has been nominated to take over the operations of International Courier Terminal with effect from 1<sup>st</sup> August 2020 vide our letter MIAL/Cargo/ICT/ 2020-21/ 6847 dated 27<sup>th</sup> July, 2020 (copy enclosed).

In order that there is no gap or disruption in services, the Authority is kindly requested to allow continuation of existing charges approved vide Order no. 15/ 2019-20 dated 13<sup>th</sup> November, 2019 for rendering international courier services by EICI, which would now be performed by CSC with effect from 1<sup>st</sup> August, 2020.



We have also advised CSC to approach the Authority with related documents/ proposal for approval of tariff on ad-hoc or regular basis.

We shall be glad to provide any other information as required by the Authority.

Thanking you,  
Yours Sincerely

For Mumbai International Airport Ltd.,

(Sanjiv Bhargava)  
Vice President - Regulatory

Cc : To Mr. Tushar Jani, M/s Cargo Service Center India Pvt. Ltd. :  
for information and further necessary action.





## CARGO SERVICE CENTER

No.: CSC/ICT/2020-21/2

30<sup>th</sup> July, 2020

To,

The Chairperson,  
The Airports Economic Regulatory Authority of India,  
AERA Building, Administrative Complex,  
Safdarjung Airport, New Delhi 110 003.

Sir,

**Sub: Continuation of existing charges approved by the Authority for handling international courier at CSMI Airport, Mumbai and Custom Cost recovery charges**

**Ref: Our Letter no. : CSC/ICT/2020-21/1 dated 29<sup>th</sup> July, 2020.**

In response to your email dated 29<sup>th</sup> July 2019 we wish to submit as under;

- We request you to endorse the existing tariff in favour of Cargo Service Center India Pvt Ltd ("CSC") from 1<sup>st</sup> August, 2020 till 31<sup>st</sup> March, 2021.
- CSC will submit MYTP for the Third Control period and ATP on or before 15<sup>th</sup> January 2021.

In addition to above, we wish to additionally request the Authority that Addl. Commissioner, APSC vide its letter no. APSC/CUS/SO/CC/157/2020-21 dated 9<sup>th</sup> July, 2020 (Point 4), has indicated to charge Custom Cost recovery charges for the International Courier Terminal from 1<sup>st</sup> August, 2020. (Refer enclosed document 1). As such we request the authority to allow us to charge Custom recovery charges as per order number 26/2017-18 dated 30<sup>th</sup> November, 2017 which is tabled below:

Nature of Charge	Rate
<b>Imports</b>	
Customs Charges	Rs. 5.75 per kg
<b>Exports</b>	
Customs Charges	Rs. 1.50 per kg

We, further, submit that any short/excess recovery will be adjusted in the ensuing tariff period with the Authority as per the AERA guidelines.

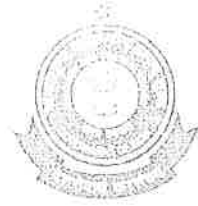
Thanking you,

Yours Sincerely

For Cargo Service Center India Pvt Ltd

Jatin Furia( AGM Finance)





OFFICE OF THE COMMISSIONER OF CUSTOMS (II)  
 (AIRPORT SPECIAL CARGO COMMISSIONERATE)  
 (ADMIN., 5th Floor, AVAS CORPORATE POINT,  
 MAKWANA LANE, ANDHERI-KURLA ROAD, ANDHERI (E), MUMBAI - 400 059)

(By Hand Delivery/E Mail. TOP PRIORITY/IMMEDIATE)

F No APSC/CUS/50/CC/157/2020-21

Date: 09/07/2020

To:

The Managing Director,  
 M/s Mumbai International Airport Ltd  
 Mumbai

Re:

Sub: Application of M/s MIAL for appointment as Custodian and Customs Cargo Services Provider under the provisions of the Customs Act, 1962 and Rules and Regulations made thereunder at the International Courier Terminal, CSMI Airport, Mumbai -reg.

Ref: (1) Your Letter No. MIAL/Cargo/115/19-20/6818 dtd. 25.06.2020

(2) Record of Discussion at Meeting chaired by the Chief Commissioner of Customs Mumbai Zone III on 25.06.2020, as issued from F. No. S/II-40(15)/CCO III/Custodian/Tech III/2020-21

1. Your kind attention is invited to the above mentioned Application, the provisions of Section 45 and Section 141 of the Customs Act, 1962, the Handling of Cargo in Customs Area Regulations, 2009 (HCCAR, 2009) and the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010.
2. This Office is informed about the exit of the incumbent M/s Express Industry Council of India (EICI) and the reversion of the premises, on which the International Courier Terminal at the Customs Airport at Mumbai is situated, to your possession with effect from 1<sup>st</sup> August 2020.
3. As per the above stated Application M/s Mumbai International Airport Limited (MIAL) have applied to operate, at the said International Courier Terminal, as Custodian and Customs Cargo Services Provider under the provisions of law cited above.
4. In terms of Regulation 5 of the HCCAR, 2009, as prescribed therein, M/s Mumbai International Airport Ltd. (MIAL) shall have to provide the following:
  - (A) Infrastructure, equipment and adequate manpower for loading, unloading, stacking, handling, stuffing and de-stuffing of containers, storage, dispatch and delivery of containers and cargo etc., including :
    - (a) standard pavement for heavy duty equipment for use in the operational and stacking area;
    - (b) free of cost or rent fully furnished office accommodation for Customs, Customs Electronic Data Interchange (EDI) Service Centre, with required amenities and facilities and residential accommodation and transportation facilities for customs staff;
    - (c) premises for user agencies with basic amenities and facilities;
    - (d) storage facility, separately for imported, export and transshipment goods;
    - (e) gate complex with separate entry and exit;
    - (f) adequate parking space for vehicles;
    - (g) boundary wall;
    - (h) internal service roads;
    - (i) electronic weigh-bridge and other weighing and measuring devices,
    - (j) computerized system for location and account of goods, and processing of documents;
    - (k) adequate air-conditioned space and power back up, hardware, networking and other equipment for secure connectivity with the Customs Automated system; and for exchange of information between Customs Community Partners;
    - (l) facilities for auction, including by e-auction, for disposal of uncleared, unclaimed or abandoned cargo.

- (m) facilities for installation of scanning equipment;
  - (n) security and access control to prohibit unauthorized access into the premises;
  - (o) such other equipment or facilities as the Board or Principal Commissioner of Customs or Commissioner of Customs, as the case may be, may specify having regard to the screening, examination, custody and handling of imported or export goods in a customs area from time to time; and
  - (p) safe, secure and spacious premises for loading, unloading, handling and storing of the cargo for the projected capacity and for the examination and other operations as may be required in compliance with any law for the time being in force;
  - (B) Insurance for an amount equal to the average value of goods likely to be stored in the customs area based on the projected capacity, and for an amount as the Commissioner of Customs may specify having regard to the goods which have already been insured by the importers or Exporters;
  - (C) An Undertaking to bear the cost of the Customs officers posted, at such customs area, on cost recovery basis, by the Commissioner and shall make payments at such rates and in the manner prescribed, unless specifically exempted by an order of the Government of India in the Ministry of Finance;
  - (D) Execute a bond equal to the average amount of duty involved on the imported goods and ten per cent of value of export goods likely to be stored in the customs area during a period of ten days and furnish a bank guarantee or cash deposit equivalent to ten per cent of such duty; Provided that the condition of furnishing of bank guarantee or cash deposit shall not be applicable to ports notified under the Major Ports Act, 1962 (38 of 1963) or to the Central Government or State Governments or their undertakings or to the Customs Cargo Service provider authorised under Authorised Economic Operator Programme;
  - (E) Execute a separate bond for an amount equal to ten per cent of value of export goods with a bank guarantee for an amount equal to ten per cent of the value of the bond, towards the export goods transported from the customs area to any other customs area for export or transshipments, as the case may be; Provided that the condition of furnishing of bank guarantee shall not be applicable to ports notified under the Major Ports Act, 1962 (38 of 1963) or to the Central Government or State Governments or their undertakings or to the customs cargo service provider authorised under Authorised Economic Operator Programme;
  - (F) An Undertaking to comply with the provisions and abide by all the provisions of the Act and the rules, regulations, notifications and orders issued thereunder;
  - (G) An Undertaking to indemnify the Commissioner of Customs from any liability arising on account of damages caused or loss suffered on imported or export goods, due to accident, damage, deterioration, destruction or any other unnatural cause during their receipt, storage, delivery, dispatch or otherwise handling.
5. In terms of Regulation 6 of the HCCAR, 2009 M/s Mumbai International Airport Authority Ltd. (MIAL) shall have to undertake the following prescribed responsibilities:
- (a) keep a record of imported goods, goods brought for export or transshipments, as the case may be, and produce the same to the Inspector of Customs or Preventive officer or Examining officer as and when required;
  - (b) keep a record of each activity or action taken in relation to the movement or handling of imported or export goods and goods brought for transshipment;
  - (c) display or make available in any other manner, information of process or movement or handling of imported or export goods and goods brought for transshipment;
  - (d) demarcate separate areas for unloading of imported goods for their storage with respect to the category of importers, nature of goods, place of destination, mode of transportation or any other criterion as the Commissioner of Customs may specify having regard to the custody and handling of imported goods in a customs area;
  - (e) demarcate separate areas for loading of export goods for their storage with respect to categories of exporters, nature of goods, examined and sealed containers or other criterion as the Commissioner of Customs may specify having regard to the custody and handling of export goods in a customs area;
  - (f) not permit goods to be removed from the customs area, or otherwise dealt with, except under and in accordance with the permission in writing of the Superintendent of Customs or Appraiser;
  - (g) not permit any export cargo to enter the customs area without a shipping bill or a bill of export having been filed with the Deputy Commissioner or Assistant Commissioner of Customs;
  - (h) not permit any import cargo to enter the customs area or be unloaded therein without the import report or the import manifest having been filed with the Deputy Commissioner or Assistant Commissioner of Customs;



- (i) be responsible for the safety and security of imported and export goods under its custody;
- (ii) be liable to pay duty on goods pilfered after entry thereof in the customs area;
- (k) be responsible for the secure transit of the goods from the said customs area to any other customs area at the same or any other customs station in accordance with the permission granted by the Deputy Commissioner or Assistant Commissioner of Customs;
- (l) subject to any other law for the time being in force, shall not charge any rent or demurrage on the goods seized or detained or confiscated by the Superintendent of Customs or Appraiser or Inspector of Customs or Preventive officer or examining officer, as the case may be;
- (m) dispose off in the manner specified and within a time limit of ninety days, the imported or export goods lying unclaimed, uncleared or abandoned : Provided that the period of ninety days may be extended by the Commissioner of Customs by such further period as may be allowed, on sufficient cause being shown for delay in the disposal;
- (n) not make any alteration in the entry or exit points or boundary wall without the permission of the Commissioner of Customs;
- (o) shall bear the cost of the customs officers posted by the Commissioner of Customs on cost recovery basis and shall make payments at such rates and in the manner specified by the Government of India in the Ministry of Finance unless specifically exempted by an order of the said Ministry;
- (p) shall observe the Central Government holidays as followed by the jurisdictional Customs formations and in case of any variation in the working days, intimate the same to Commissioner of Customs and the trade, at least seven days in advance;
- (q) abide by all the provisions of the Act and the rules, regulations, notifications and orders issued thereunder;
- (r) shall not lease, gift, sell or sublet or in any other manner transfer any of the premises in a customs area; or sub-contract or outsource functions permitted or required to be carried out by it in terms of these regulations to any other person, without the written permission of the Commissioner of Customs; and
- (s) shall publish and display at prominent places including its website or webpage the schedule of charges for the various services provided by it in relation to the imported goods or export goods in the customs area.
6. As mandated by the CBIC, M/s MIAL shall have to comply with the "CBIC Partner Connectivity Protocol - Solution for CBIC field formations managed by Custodians (under the HCCAR, 2009) requiring IT infrastructure and connectivity with CBIC Data Centre" and shall have to execute a Non Disclosure Agreement (NDA) and submit IT & Connectivity Infrastructure Checklist in Annexure 6 and IP Request Form in Annexure 6A, as required therein.
7. As discussed in the said Meeting Chaired by the Chief Commissioner of Customs Mumbai Zone III on 25.06.2020, this Office has taken cognizance of your AEO status as well as your status as Custodian for other functions within the jurisdiction of Chief Commissioner of Customs Mumbai Zone III.
8. You are requested to submit, as soon as possible and by 15.07.2020, the insurance, Bonds and Undertakings as mandated and detailed at paragraph (4)(B) to (4)(G) above as well as an Undertaking to discharge the responsibilities listed at paragraph (5) above.
9. As M/s EICI is exiting on 31.07.2020 and the premises is reverting to M/s MIAL, it is of utmost importance that, the appointment of Custodian and Customs Cargo Services Provider is made before such date, so as to ensure seamless transition and continuous functioning of the said International Courier Terminal.
10. This Office shall take immediate necessary steps for such appointment, as soon as the requirements listed at paragraph (8) above are fulfilled by M/s MIAL.
11. This issues with the approval of the Commissioner of Customs, APSC.

Yours sincerely,

  
(Pankaj Kumar) 9/7/2020

Addl. Commissioner, APSC

Copy for kind information to:

1. The Chief Commissioner of Customs Mumbai Zone III
2. The Commissioner of Customs (General) Mumbai Zone III