

परामर्श पत्र संख्या 12/2022-23/Consultation Paper No. 12/2022-23



सत्यमेव जयते

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
Airports Economic Regulatory Authority of India

मैसर्स सैलेबी डेलही कार्गो टर्मिनल मैनेजमेंट इंडिया प्राइवेट लिमिटेड
(सी.डी.सी.टी.एम.आई.पी.एल.) द्वारा इंदिरा गांधी अंतरराष्ट्रीय हवाईअड्डा, दिल्ली में प्रदान
की जाने वाली कार्गो हैंडलिंग सेवाओं के लिए तृतीय नियंत्रण अवधि (वित्त वर्ष 2021-22
से वित्त वर्ष 2025-26) के लिए टैरिफ निर्धारित करने के मामले में

IN THE MATTER OF
DETERMINATION OF TARIFF FOR CARGO HANDLING SERVICES FOR
M/s CELEBI DELHI CARGO TERMINAL MANAGEMENT INDIA PVT. LTD.
(CDCTMIPL) AT INDIRA GANDHI INTERNATIONAL AIRPORT, DELHI
FOR THE THIRD CONTROL PERIOD
(FY 2021-22 TO FY 2025-26)

जारी करने की तारीख : 14/ नवम्बर, 2022/
Date of Issue: 14/November, 2022

ऐरा भवन/AERA Building
प्रशासनिक कॉम्प्लेक्स/Administrative Complex
सफदरजंग हवाईअड्डा/Safdarjung Airport
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STAKEHOLDERS' COMMENTS

The Authority is aware of the fact that the Aviation Sector is recovering reasonably well after undergoing turbulence & uncertainty on account of the COVID 19 PANDEMIC around the world. The pandemic had resulted in restrictions on air travel, both domestic and international. Now, with the decline in Covid cases and after easing of restrictions relating to air travel (w.e.f. 28.03.2022), the Aircraft Traffic has started improving.

In this background, the Authority has released this Consultation Paper, after examining the impact of COVID 19 PANDEMIC on the various assumptions stipulated in the Multi-Year Tariff Proposal ('MYTP') submitted by the CDCTM, particularly the projection of Cargo Volume including the Cargo Volume proposed to be received in the form of ULDs/ BUPs from approved Air Freight Station (AFS). Accordingly, the Authority's proposals on the various aspects of the Tariff determination process have been explained in detail in each chapter in this Consultation Paper.

Thus, in accordance with the provisions of Section 13(4) of the AERA Act, the written comments on Consultation Paper No. 12/2022-23 dated 14.11.2022 are invited from the Stakeholders, preferably in electronic form, at the following address:

Director (P&S, Tariff)
Airports Economic Regulatory Authority of India (AERA),
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| | |
|---|-------------------|
| Last Date for submission of Stakeholders' comments | 05/12/2022 |
| Last Date for submission of counter comments | 14/12/2022 |

Comments and Counter Comments will be posted on AERA's website www.aera.gov.in

For any clarification/information, Director (P&S, Tariff) may be contacted at Telephone No. +91-11-24695048

TABLE OF CONTENTS

| | |
|---|----|
| CHAPTER 1: INTRODUCTION | 6 |
| CHAPTER 2: PRINCIPLES FOR DETERMINATION OF “AERONAUTICAL TARIFF” | 8 |
| CHAPTER 3: CARGO VOLUME PROJECTIONS | 10 |
| CHAPTER 4: REGULATORY ASSET BASE (RAB) AND DEPRECIATION | 14 |
| CHAPTER 5: OPERATING & MAINTENANCE EXPENDITURE | 22 |
| CHAPTER 6: AIR FREIGHT STATION (AFS) | 26 |
| CHAPTER 7: AGGREGATE REVENUE REQUIREMENT (ARR) | 32 |
| CHAPTER 8: REVENUE FROM OPERATIONS, PROFITABILITY & TAXATION | 36 |
| CHAPTER 9: SUMMARY OF AUTHORITY’S PROPOSALS | 40 |
| CHAPTER 10: STAKEHOLDERS’ CONSULTATION | 41 |
| ANNEXURE - I AFS POLICY DOCUMENT ISSUED BY MOCA | 42 |
| ANNEXURE - II SUMMARY OF DELEBRATIONS HELD BY THE AUTHORITY WITH VARIOUS STAKEHOLDERS ON MOCA’S AFS POLICY | 53 |
| ANNEXURE-III SUPPORTING DOCUMENTS IN RESPECT OF CAPEX PROPOSED BY CDCTM | 55 |
| ANNEXURE - IV TARIFF RATE CARD SUBMITTED BY CDCTM FOR THE THIRD CONTROL PERIOD | 81 |
| ANNEXURE - V TARIFF RATE CARD PROPOSED BY THE AUTHORITY FOR CDCTM FOR THE THIRD CONTROL PERIOD | 96 |

List of Tables

| Sr. No. | Particulars | Page No. |
|----------------|--|-----------------|
| 1 | Summary of Shareholding Structure of CDCTM | 6 |
| 2 | Actual Cargo volume handled at IGIA, Delhi Airport and actual Tonnage handled by CDCTM during 2 nd Control Period | 10 |
| 3 | Cargo Volume projected by CDCTM for the 3 rd Control Period | 10 |
| 4 | Additions to RAB proposed by CDCTM for the 3 rd Control Period | 14 |
| 5 | Breakup of projected Capital Expenditure as submitted by the ISP for FY 2022-23 to FY 2025-26 of the Third Control Period | 14 |
| 6 | Depreciation proposed by CDCTM for the Third Control Period | 19 |
| 7 | RAB for the Third Control Period submitted by CDCTM | 19 |
| 8 | Average RAB as proposed by the Authority for the Third Control Period | 20 |
| 9 | Return on Security Deposit proposed by the Authority for the Third Control Period | 21 |
| 10 | Actual Operating & Maintenance Costs for the last three years as submitted by CDCTM | 22 |
| 11 | Operating & Maintenance Expenditure projected by CDCTM for the Third Control Period | 22 |
| 12 | Concession Fees computed by the Authority for CDCTM for the Third Control Period | 25 |
| 13 | OPEX proposed by the Authority in respect of CDCTM for the Third Control Period | 25 |
| 14 | AFS Cargo Tonnage proposed by CDCTM for the Third Control Period | 27 |
| 15 | AFS Cargo Tonnage as a percentage (%) of total International Cargo Volume in respect of CDCTM, for the Third Control Period | 30 |
| 16 | Aggregate Revenue Requirement as per CDCTM for the 3 rd Control Period | 32 |
| 17 | FRoR as per CDCTM submission for the Third Control Period | 32 |
| 18 | FRoR calculated by the Authority in respect of CDCTM for the Third Control Period | 33 |
| 19 | ARR proposed to be considered for CDCTM by the Authority for the Third Control Period | 34 |
| 20 | Profitability Statement of CDCTM for the Third Control Period | 36 |
| 21 | AFS Cargo Volumes & TSP charges proposed by the Authority for the Third Control Period | 37 |
| 22 | Revenue from Regulated Services and Yield/ MT computed by the Authority in respect of CDCTM for the Third Control Period | 38 |
| 23 | Projected Revenue & Profitability Statement computed by the Authority in respect of CDCTM for the Third Control Period | 38 |

List of Abbreviations

| | |
|--------------------|--|
| AERA/ AUTHORITY | Airports Economic Regulatory Authority of India |
| AFS | Air Freight Station |
| ASRS | Automated Storage and Retrieval System |
| ARR | Aggregate Revenue Requirement |
| ATP | Annual Tariff Proposal |
| ACS | Annual Compliance Statement |
| BCAS | Bureau of Civil Aviation Security |
| BUP | Built-Up-Pallet |
| CAPEX | Capital Expenditure |
| CAGR | Compounded Annual Growth Rate |
| CDCTM | Celebi Delhi Cargo Terminal Management India Pvt. Ltd. |
| CGF | Cargo, Ground Handling & Fuel Throughput |
| CTO | Cargo Terminal Operations |
| DIAL | Delhi International Airport Limited |
| DCSC | Delhi Cargo Service Centre |
| FRoR | Fair Rate of Return |
| IGIA | Indira Gandhi International Airport |
| ISP | Independent Service Provider |
| MYTP | Multi-Year Tariff Proposal |
| MT | Metric Ton |
| OPEX | Operating Expenditure |
| O&M | Operation and Maintenance |
| PAT | Profit After Tax |
| PBT | Profit Before Tax |
| RAB | Regulatory Asset Base |
| ULD | Unit Load Device |
| YoY | Year on Year |

CHAPTER 1: INTRODUCTION

1.1 Background

- 1.1.1 Celebi Delhi Cargo Terminal Management India Pvt. Ltd. hereinafter referred as “CDCTM” was founded in June, 2009 after Celebi Hava Servisi A.S. was awarded the concession by Delhi International Airport Limited (DIAL) in April, 2009 for providing cargo handling services at Indira Gandhi International Airport (IGIA), Delhi. As per the concession, CDCTM was entrusted to develop, finance and modernize the existing cargo terminal for a period of 25 years.
- 1.1.2 CDCTM has been operating the brownfield cargo terminal for more than 13 years with a clientele base of around 46 international and one major domestic scheduled carrier namely Indigo, thereby holding around 60% of market share in International Cargo & 37% in Domestic Cargo.
- 1.1.3 Bureau of Civil Aviation Security (BCAS) has granted security clearance to CDCTM on 22.07.2020. The Security clearance is valid for a period of 5 years from the date of issue of security clearance or the period of validity of contract with the Airport Operator, whichever is earlier.
- 1.1.4 The shareholding structure of the CDCTM is given as below:

Table-1: Summary of Shareholding Structure of CDCTM

| Name of Shareholder | Equity Holding (%) |
|-------------------------------------|---------------------------|
| Celebi Hava Servisi A.S. | 74 |
| Delhi International Airport Limited | 26 |
| TOTAL | 100 |

1.2 Brief on past Tariff approvals:

- 1.2.1 The Authority, vide Order no. 24/2015-16 dated 24.06.2015 determined Tariff for the First Control Period (FY 2014-15 to FY 2015-16) of Celebi Delhi Cargo Terminal Management India Pvt. Ltd. providing cargo handling services at Indira Gandhi International Airport, Delhi.
- 1.2.2 The Authority, vide Order no. 03/2019-20 dated 22.04.2019 determined Tariff for the Second Control Period (FY 2016-17 to FY 2020-21) of Celebi Delhi Cargo Terminal Management India Pvt. Ltd. providing cargo handling services at Indira Gandhi International Airport, Delhi.
- 1.2.3 The Authority vide Order no. 67/2020-21 dated 25.03.2021 extended the then prevailing Tariff as on 31.03.2021 for the period up to 30.09.2021. Subsequently, the Authority vide Order no. 18/2021-22 dated 15.09.2021 extended the prevailing Tariff applicable as on 30.09.21 for the period up to 31.03.2022.
- 1.2.4 The Authority, vide Order no. 46/2021-22 dated 17.03.2021 extended the Tariff prevailing as on 31.03.2022 for the period up to 30.09.2022. Thereafter, the Authority, vide Order no. 24/2022-23 dated 23.09.2022 further extended the Tariff prevailing as on 30.09.2022 for the period up to 31.03.2023, or, till the determination of regular Tariff, whichever is earlier.

1.3 **MYTP Submission:**

1.3.1 As per the provisions of the Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft (CGF) Guidelines, 2011, CDCTM has submitted the Multi Year Tariff Proposal ('MYTP') on 26.08.2022 for the Third Control Period (FY 2021-22 to FY 2025-26) for determination of Tariff in respect of Cargo Handling Services, including the proposal for Cargo to be received in the form of BUP/ ULD from authorized AFS, being provided at Indira Gandhi International Airport, Delhi. After examining the MYTP submitted by the CDCTM, various clarifications/ additional information relating to regulatory building blocks etc. were sought from time to time from the Cargo Operator. The ISP considering AERA observations on MYTP and discussions thereon, submitted revised MYTP vide email dated 27.10.2022.

1.3.2 As per the MYTP submission, CDCTM has proposed the following % age Tariff increase for Third Control Period:

- 12% increase in Tariff for FY 2022-23
- 6% increase in Tariff for FY 2023-24
- 7% increase in Tariff for FY 2024-25
- 6% increase in Tariff for FY 2025-26

CHAPTER 2: PRINCIPLES FOR DETERMINATION OF “AERONAUTICAL TARIFF”

2.1 The Authority vide Order No. 12/2010-11 dated 10.01.2011 and Direction No. 04/2010-11 issued on 10.01.2011 finalized its approach in the matter of Regulatory Philosophy and Approach in Economic Regulation of the Services provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft at the major airports. Accordingly, the Authority issued the Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Services provided for Cargo Facility, Ground Handling and supply of Fuel to the Aircraft) Guidelines, 2011 (“the Guidelines”).

2.2 **Stage I: Materiality Assessment:**

In accordance with the above mentioned AERA Guidelines and Directions, the following procedure is adopted for determination of Materiality Index of Regulated Service:

$$\text{Materiality Index (MI}_c\text{)} = \frac{\text{Cargo Volume at Delhi Airport}}{\text{Total Cargo Volume at all Major Airports}} \times 100$$

$$\begin{aligned}\text{The Materiality Index for Delhi Airport} &= 955858/3228862 \times 100 \\ &= \mathbf{29.60\%}\end{aligned}$$

The percentage share of Cargo Handling for Indira Gandhi International Airport, Delhi for the FY 2019-20 is 29.60%, which is higher than Materiality Index (MI_C) of 2.5% for the above subject service. Hence, the regulated service is deemed “**Material**” for the Third Control Period.

2.3 **Stage II: Competition Assessment:**

As per clause 5.1 of the abovesaid Guidelines, if Regulated Service is provided at a Major Airport by two or more Service Providers, it shall be deemed “Competitive” at that airport.

It is observed from Form F1 (b) (Competition Assessment) submitted by CDCTM that M/s Delhi Cargo Service Centre Pvt. Ltd. (DCSC) is also rendering similar services at IGIA, Delhi. Hence in the instant case the regulated service is deemed “**Competitive**”.

2.4 As per Clause 3.2 (ii) of the Guidelines, wherever the Regulated Service provided is ‘**Material but Competitive**’, the Authority shall determine Tariff(s) for Service Provider(s) based on a ‘**Light Touch Approach**’ for the duration of the Control Period, as per the provisions of chapter V of the Guidelines. However, the Authority reserves the right to review materiality assessments, competition assessments and the reasonableness of the User Agreements within the Control period and issue such direction or make such orders as it may consider necessary.

2.5 As per clause 11.2 of the CGF Guidelines, 2011, the ATP is required to be submitted in the manner and form provided in AI 8.2 of Appendix-I to the guidelines and should be supported by the following:

- a) Form B and Form 14 (b) (Proposed Tariff Card);
- b) Details of Consultation with Stakeholders;
- c) Evidence of User Agreement(s), if any, between the Service Provider and the User of Regulated Service(s) clearly indicating the Tariff proposed by the Service Provider.

2.6 CDCTM submitted all the documents in accordance with CGF Guidelines as stated in Para 2.6 above, except the minutes of Stakeholders' Consultation Meeting, as the ISP is yet to conduct the Stakeholders Consultation Meeting. The Authority advises the ISP to conduct Stakeholders' Consultation meeting at the earliest as per CGF Guidelines, 2011.

2.7 **Authority's Proposal regarding principle for determination of Tariff for the 3rd Control Period**

Based on the material before it and based on its analysis, the Authority considers that the Cargo Handling Service provided by CDCTM at IGIA, Delhi is '**Material but Competitive**'. Therefore, the Authority proposes to determine the Tariff for the 3rd Control Period based on '**Light Touch Approach**'.

CHAPTER 3: CARGO VOLUME PROJECTIONS

3.1 Historical Cargo Volume handled at IGIA, Delhi and Cargo Tonnage handled by the ISP during 2nd Control Period

3.1.1 The Historical Cargo Volume handled at Delhi Airport as per AAI statistics available on AAI's website and the share of Cargo Volume handled by CDCTM at IGIA, Delhi during 2nd Control Period is given below:

Table 2: Actual Cargo volume handled at IGIA, Delhi Airport and actual Tonnage handled by CDCTM during 2nd Control Period

(in MT)

| Particulars | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | CAGR for 4 Years up to FY 2019-20 |
|--|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|--|
| Cargo Volume handled at Delhi Airport | | | | | | | |
| Dom. | 2,98,357 | 3,11,612 | 3,90,975 | 3,52,694 | 2,72,542 | 3,21,207 | 6% |
| Intl. | 5,59,062 | 6,51,420 | 6,51,973 | 6,03,164 | 4,64,889 | 6,03,136 | 3% |
| Total | 8,57,419 | 9,63,032 | 10,42,948 | 9,55,858 | 7,37,431 | 9,24,343 | 4% |
| YoY % Change | - | 12% | 8% | -8% | -23% | 25% | |
| Actual Cargo Volume handled by CDCTM | | | | | | | |
| Domestic | 46,250 | 1,24,926 | 1,29,092 | 1,00,502 | 59,589 | 66,537 | 29.53% |
| YoY % change | - | 170% | 3% | -22% | -41% | 12% | |
| International | 3,18,459 | 3,67,594 | 3,49,874 | 3,21,671 | 2,74,506 | 2,97,661 | 0.34% |
| YoY % change | - | 15% | -5% | -8% | -15% | 8% | |
| Total (Dom. + Intl.) | 3,64,709 | 4,92,520 | 4,78,966 | 4,22,173 | 3,34,095 | 3,64,198 | 5.00% |
| YoY % change | - | 35% | -3% | -12% | -21% | 9% | |
| Cargo Volume of ISP as a % of Total Cargo Volume handled at IGIA, Delhi | | | | | | | |
| Domestic | 16% | 40% | 33% | 28% | 22% | 21% | |
| International | 57% | 56% | 54% | 53% | 59% | 49% | |
| Total | 43% | 51% | 46% | 44% | 45% | 39% | |

Dom. = Domestic; Intl. = International

3.2 Cargo Volumes projection by CDCTM for the Third Control Period:

3.2.1 As per the MYTP submission of CDCTM, the projected Cargo Volume including that of the Cargo Volume to be received in the form of Built-Up-Pallets/ Unit Load Devices (refer Chapter 4) from AFS, Delhi for 3rd Control Period as submitted by CDCTM is given below:

Table 3: Cargo Volume projected by CDCTM for the 3rd Control Period

(in MT)

| Particulars | 3 rd Control Period | | | | |
|--|--------------------------------|---------------|---------------|---------------|---------------|
| | FY 2021-22 (Actual) | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 |
| DOMESTIC | | | | | |
| Domestic Cargo Volume (A) | 66,537 | 66,537 | 76,178 | 81,511 | 78,495 |
| Normal % age growth in Cargo Tonnage (B) | | 14.49% | 7.00% | 7.00% | 7.00% |

| Particulars | 3 rd Control Period | | | | |
|--|--------------------------------|-----------------|-----------------|-----------------|-----------------|
| | FY 2021-22 (Actual) | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 |
| Growth in Cargo Volume as per (B) above..... (C) | | 9,641 | 5,332 | 5,706 | 5,495 |
| Gross Cargo Volume (D) = (A+C) | | 76,178 | 81,511 | 87,216 | 83,989 |
| Anticipated % drop in Cargo Tonnage due to establishment of Jewar International Airport (E) | | | | 10% | 20% |
| Drop in Cargo Tonnage due to establishment of Jewar International Airport as per (E) above(F) | | | | 8,722 | 16,798 |
| Projected Net Domestic Cargo Volume (G) = (D-F) | 66,537 | 76,178 | 81,511 | 78,495 | 67,192 |
| YoY % change in Domestic Cargo Volumes | - | 14% | 7% | -4% | -14% |
| | | | | | |
| INTERNATIONAL | | | | | |
| Cargo Volume (H) | 2,97,661 | 2,97,661 | 2,99,123 | 2,98,738 | 2,64,488 |
| Normal % age Growth in Cargo assumed over previous year (I) | - | 2.50% | 4.00% | 4.00% | 4.00% |
| Incremental Cargo Volume as per (I) above.....(J) | - | 7,442 | 11,965 | 11,949 | 11,636 |
| Gross Cargo Volume (K) = (H+I) | | 3,05,103 | 3,11,088 | 3,10,687 | 2,75,068 |
| Anticipated drop in Market Share percentage (%) due to Competition (L) | | 1.96% | 2.97% | 2.87% | 2.69% |
| Estimated % drop in Tonnage due to construction of new Cargo Village (M) | | | 1% | 2% | 2% |
| Estimated % drop in Tonnage due to establishment of new Greenfield Airport i.e. Jewar International Airport at Noida (N) | | | | 10% | 20% |
| Total % age drop in Cargo Volumes anticipated due to increase in competition (O) = (L+M+N) | | 1.96% | 3.97% | 14.87% | 24.69% |
| Total drop in Cargo Tonnage as per (O) above.....(P) | | 5,980 | 12,350 | 46,199 | 67,914 |
| Projected Cargo Volume excluding AFS Cargo Volume (Q) = (K-P) | 2,97,661 | 2,97,923 | 2,93,938 | 2,59,448 | 2,01,861 |
| AFS Cargo Volume(R) | - | 1,200 | 4,800 | 5,040 | 5,292 |
| Projected Net International Cargo Volume (S) = (Q+R) | 2,97,661 | 2,99,123 | 2,98,738 | 2,64,488 | 2,07,153 |
| YoY % change in Intl. Cargo | - | 0.49% | -0.13% | -11.46% | -21.68% |
| Total Net Cargo Volume Projection (Dom. + Intl.) (G+S) | 3,64,198 | 3,75,301 | 3,80,248 | 3,42,983 | 2,74,345 |
| YoY % change in Total Cargo Volume | - | 3% | 1% | -10% | -20% |

Dom. = Domestic; Intl. = International

3.2.2 As per ISP's submission, Cargo Volumes for the Third Control Period have been projected considering the actual cargo volume of FY 2021-22 as a base year. Further, the ISP has also taken into account the actual Cargo Volumes handled during first five months of FY 2022-23 & anticipated increase in market competition etc. Following major factors have been considered by CDCTM while projecting Cargo Volume, including that of the AFS Cargo, for the Third Control Period:

- a) **Market Competition:** At the time of award of concession for Cargo Handling Services at IGIA, Delhi, CDCTM was the sole service provider. However, in 2012, second Cargo Operator at IGIA namely DCSC also commenced cargo handling operations from its new greenfield cargo terminal and since then, there has been steady drop in market share of ISP, particularly in international cargo handling. Over the past 10 years CDCTM's market share has reduced by 20%. The intense competitive environment is a major factor resulting in lower cargo volume for the Third Control Period.
- b) **Construction of New Cargo Village:** DIAL (Airport Operator) is coming up with its own new Cargo Village Complex as part of its airport development plan, which is likely to erode the market share of the ISP, resulting in further reduction in the cargo volumes from FY 2023-24 onwards.
- c) **Establishment of new Greenfield Airport i.e Jewar International Airport, Noida (UP):** As per the ISP, upcoming new Greenfield Airport at Jewar, Noida (UP) is likely to compete with Delhi airport for its Cargo business.

3.3 Authority's Examination on projected Cargo Volumes for the Third Control Period:

3.3.1 The Authority, based on the trend analysis as indicated in Table 2 above, notes that the total Cargo Volumes at IGIA, Delhi during the first three Tariff Years of the Second Control period registered a positive growth rate (12% increase in FY 2017-18 and 8% in FY 2018-19). However, for the last two Tariff Years of the Second Control Period witnessed significant drop in Cargo Volumes @ 8% and 23% for the FY 2019-20 and FY 2020-21 respectively. The Authority observed that overall, Cargo Volumes handled at IGIA, Delhi during the first four years of Second Control Period increased from 857419 MT (FY 2016-17) to 955858 MT (FY 2019-20) with a CAGR of 4% (International @ 3% & Domestic @ 6%). During FY 2020-21, Cargo Volumes at IGIA, Delhi sharply dropped due to Covid Pandemic.

3.3.2 The Authority notes that, the CDCTM recorded an increase in Total Cargo Volume in first four years of Second Control Period at a CAGR of 5% from 364709 MT (FY 2016-17) to 422173 MT (FY 2019-20). For FY 2020-21, total Cargo Volumes handled by the ISP dropped significantly @ 21% over FY 2019-20 due to Covid Pandemic.

In line with the overall increase in Cargo Volumes at IGI Airport, the total Domestic Cargo Volumes in respect of ISP for first four years of the Second Control Period increased at much higher rate of CAGR @ 29.53% as compared to International Cargo handled by the ISP, which increased at a nominal CAGR of 0.34% during the same period.

3.3.3 The Authority notes that due to market competition, the ISP (who was sole cargo operator up to 2012) over the years has lost a significant share of Cargo handling to its competitor, due to competitive environment. As per historical statistics, the ISP was able to maintain lead in International Cargo Handling with market share between 53% to 59% (upto FY 2020-21). Whereas, for FY 2021-22, ISP held around 21% market share in Domestic Cargo segment and 49% market share for International Cargo.

As regard to drop in market share during FY 2021-22, CDCTM vide email dated 27.10.2022 clarified that during Covid pandemic in FY 2020-21, cargo handling of most of the freighter aircrafts came to ISP, which resulted in increase in market share for international cargo. However, same was normalized in the next FY 2021-22 and consequently their international market share dropped to 49% from 59% and overall market share dropped by 6%.

3.3.4 As regard to Cargo Volume projection for the Third Control Period, the Authority notes that during the FY 2021-22 (first tariff year of current control period), total Cargo Volumes handled by the ISP increased by 9% as compared to FY 2020-21. Further, with the improvement in pandemic situation in current FY 2022-23 and after lifting of restrictions on air-travel earlier in March, 2022 etc., Cargo Volumes as per ISP is projected to increase nominally at 3% as compared to FY 2021-22.

3.3.5 However, from FY 2023-24 onward, impact of competitive market conditions is reflecting on the Cargo Volume projections for remaining years of the Control Period. The Authority notes that as per ISP Cargo Volumes projected for FY 2023-24 is likely to be adversely impacted by the construction of new Cargo Village by the DIAL & other factors leading to increased competitive environment (as mentioned in para 3.2.2). As a result, there is a projected marginal drop (0.13%) in International Cargo Volumes. Overall, for FY 2023-24, total Cargo Volumes are expected to increase marginally by 1% over previous year.

3.3.6 The Authority further notes that, Cargo Volumes projected for the last two Tariff Years of the Third Control Period are projected to decrease due to likely market competition from new Greenfield International Airport at Jewar, Noida, which is expected to be operational in FY 2024-25.

The Authority is aware that the new Greenfield Airport is being developed as multi-modal Cargo Logistics Hub in Noida and considering its proximity to existing airport, it is likely to compete with IGIA's Cargo business. As per ISP's assumption, last two tariff years of the Control period i.e FY 2024-25 & FY 2025-26 will witness significant drop in Cargo Volumes by 10% & 20% respectively.

3.3.7 The Authority also notes that the ISP also proposed Cargo Volume to be received in the form of BUP/ULD from the approved AFS during the Third Control Period.

3.3.8 The Authority notes that the Total Cargo Volume Projections for the Third Control Period (17,37,075 MT) are lower by 17% than the actual Total Cargo Volumes (20,92,463 MT) handled by the ISP in Second Control Period, due to various factors like impact of Covid Pandemic on economy & civil aviation sector in particular, construction of new Cargo Village by the DIAL & anticipated increase in market competition with the establishment of new Greenfield Airport at Jewar Airport, Noida (U.P.) etc. In view of the above factors, the Authority proposes to consider the Cargo Volumes including the AFS Cargo for the Third Control Period as projected by the ISP as per Table 3.

3.4 **Authority's Proposal regarding Cargo Volume for the 3rd Control Period:**

Based on the material before it and based on its analysis, the Authority proposes to consider the Cargo Volume including the Cargo Volume of AFS projected by CDCTM for the Third Control Period as per Table 3.

CHAPTER 4: REGULATORY ASSET BASE (RAB) AND DEPRECIATION

4.1 CDCTM submission on Capital Expenditure for the Third Control Period

4.1.1 CDCTM has projected a total Capital Expenditure (CAPEX) of ₹ 219.04 crores for development of Cargo Infrastructure, procurement of Cargo Equipment and Automated Storage and Retrieval System (ASRS) during the Third Control Period (FY 2021-22 to FY 2025-26). The details of Capital Expenditure planned by CDCTM for Third Control Period are given below:

Table 4: Additions to RAB proposed by CDCTM for the 3rd Control Period

(₹ in crores)

| Assets | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Infrastructure Improvements | 0.73 | 70.51 | 12.30 | 80.63 | 0.69 | 164.86 |
| Office Equipment | 0.20 | 0.25 | 0.25 | 0.50 | 0.25 | 1.45 |
| Computers & Peripherals | 0.50 | 0.98 | 1.36 | 0.92 | 1.46 | 5.22 |
| Furniture & Fittings | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 1.25 |
| Plant & Machinery | 6.24 | 6.12 | 10.51 | 11.46 | 9.62 | 43.95 |
| Intangible assets | 0.31 | 1.00 | 1.00 | 0.00 | 0.00 | 2.31 |
| Total | 8.23 | 79.11 | 25.67 | 93.76 | 12.27 | 219.04 |

4.1.2 Out of total CAPEX of ₹ 219.04 crores planned for the Third Control Period, major portion of capital expenditure is earmarked for schemes under infrastructure improvements (₹ 164.86 crores) and procurement of Equipment/ Plant & Machinery (₹ 43.95 crores). The ISP had already incurred a sum of ₹ 8.23 crores in FY 2021-22.

CDCTM has submitted the breakup of the CAPEX projected for remaining years of Third Control Period (FY 2022-23 to FY 2025-26) as under:

Table 5: Breakup of projected Capital Expenditure as submitted by the ISP for FY 2022-23 to FY 2025-26 of the Third Control Period

(₹ in Crores)

| Particulars | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--|---------------|---------------|---------------|---------------|-------|
| Infrastructure Improvement | | | | | |
| - Construction of new Cargo warehouse & shifting of facilities due to construction of new Cargo Village by Airport Operator. | 50.00 | | | | 50.00 |
| - Rooftop Repair | 20.00 | | | | 20.00 |
| - Roof Top Epoxy | | 3.50 | | | 3.50 |
| - ASRS | | | 80.00 | | 80.00 |
| - New Domestic Terminal Extension | | 3.50 | | | 3.50 |
| - New Chiller Plant | | 5.00 | | | 5.00 |

| Particulars | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--|-----------------------|-----------------------|-----------------------|-----------------------|---------------|
| - Other Misc. Works | 0.51 | 0.30 | 0.63 | 0.69 | 2.14 |
| Total | 70.51 | 12.30 | 80.63 | 0.69 | 164.14 |
| Plant & Machinery | | | | | |
| - Dual View X-Ray Machines | 4.20 | 4.16 | 3.06 | 1.69 | 13.11 |
| - ETD | | 1.04 | 0.58 | 0.32 | 1.94 |
| - ETV | | 5.00 | | | 5.00 |
| - New Traction battery for MHEs | 1.39 | 0.27 | 1.03 | 0.26 | 2.95 |
| - Forklifts/Stacker | | | 6.61 | 7.06 | 13.67 |
| - Other misc. plant & Machinery | 0.52 | 0.04 | 0.19 | 0.28 | 1.03 |
| Total | 6.12 | 10.51 | 11.46 | 9.62 | 37.70 |
| Office Equipment | 0.25 | 0.25 | 0.50 | 0.25 | 1.25 |
| Computer & Peripherals | | | | | |
| - Desktops | 0.47 | 0.47 | 0.47 | 0.47 | 1.88 |
| - Laptops | 0.09 | 0.09 | 0.09 | 0.09 | 0.35 |
| - HHT (Hand Held Terminal device) | | 0.59 | | | 0.59 |
| - Checkpoint firewall | | | | 0.30 | 0.30 |
| - Access Points | | | | 0.30 | 0.30 |
| - Network Equipment-Switches | 0.26 | | | | 0.26 |
| - Other Computers & Peripherals | 0.17 | 0.21 | 0.36 | 0.30 | 1.05 |
| Total | 0.98 | 1.36 | 0.92 | 1.46 | 4.72 |
| Furniture & Fittings | 0.25 | 0.25 | 0.25 | 0.25 | 1.00 |
| Intangible Asset | 1.00 | 1.00 | | | 2.00 |
| | | | | | |
| Total CAPEX proposed (FY 2022-23 to FY 2025-26) | 79.12 | 25.67 | 93.76 | 12.27 | 210.81 |

4.1.3 CDCTM submitted the following justifications/ requirements for major capital schemes proposed during the Third Control Period:

(i) **Capital Works proposed under Infrastructure Improvements**

- a) **Replacement of Rooftop Sheets** – Celebi Cargo Terminal is spread over 80,000 sqm and is more than 35 years old. Roof top sheets across the terminal are quite old & corroded, resulting in frequent water leakage throughout the terminal. This hampers routine operation and results in damage of cargo, therefore, complete rooftop sheets replacement along with valley gutters/ drainages, and concrete work (wherever applicable) is planned at a cost of ₹ 23.50 crores during FY 2022-23 & FY 2023-24.
- b) **Construction of new Cargo Warehouse Building including shifting of facilities** – Airport Operator (DIAL) is building its own new Cargo Village Complex in front of Celebi's Cargo

Terminal. CDCTM has some facilities like chiller plant, pump room, public amenities, staff canteen located in designated area, where new cargo village is proposed. Consequently, the above facilities are required to be relocated. In view of the above, ISP is constructing a new Cargo Warehouse Building, wherein above referred facilities/ utilities will be relocated. Above CAPEX scheme is proposed at an estimated cost of around ₹ 50 crores with tentative completion in FY 2022-23.

- c) **Automated Storage and Retrieval System (ASRS)** – As a further step towards modernization, Automated Storage and Retrieval System (ASRS) has been planned which will help in real time inventory control, prevention of accidents due to manual handling of cargo and increase in capacity of terminal by further adding approx. 7000 rack locations. The fully automated storage and retrieval facility will be developed at an estimated cost of ₹ 80 crores in FY 2024-25.

(ii) **Plant & Machinery**

- a) **Dual X-Ray Machines** –ISP submitted that in compliance of security requirements of BCAS, all screening at airport needs to be done via Dual View X-Ray machines. Therefore, systematic replacement of existing X-Ray machines is planned in a phased manner, resultantly CAPEX of around ₹ 13.11 crores is proposed for this scheme during the Third Control Period.

- b) **Other Equipment** – The ISP vide email dated 26.09.2022 stated that 12 ETDs, 1 ETV and forklifts/ stackers, which have completed their useful lives, need to be replaced during the current Control Period. ISP further stated that in addition to above, traction batteries are also required to be procured for smooth running of forklifts, reach trucks, stacker etc.

The total CAPEX planned under Plant & Machinery amounts to ₹ 24.59 crores.

- (iii) **Computer & Peripherals** – CDCTM in its submission stated that 390 desktops and 54 laptops are completing their useful lives; hence, are required to be replaced during the current Control Period (CAPEX ₹ 4.72 crores).

- (iv) **Miscellaneous** –CAPEX on other misc. items including furniture and fittings, intangible assets (SAP software) etc. is also proposed for smooth and efficient Operations at Cargo Terminal (CAPEX ₹ 14.89 crores).

4.2 **Authority's Examination on Additions to RAB**

4.2.1 The Authority notes that out of total CAPEX projected for the Third Control Period, the ISP has allocated a sum of ₹ 8.23 crores for FY 2021-22. The Authority sought confirmation of actual CAPEX incurred for FY 2021-22, the ISP vide email dated 26.09.2022 submitted the copies of invoices relating to the total CAPEX of ₹ 8.23 crores incurred in FY 2021-22.

4.2.2 The Authority notes that CDCTM has proposed a major portion of CAPEX on schemes under infrastructure improvements, which include construction of new cargo warehouse building and shifting of facilities which are currently located at an area where Airport Operator has proposed its new Cargo Village Complex, Replacement of Rooftop of Cargo Terminal & ASRS.

Apart from CAPEX under Infrastructure Improvements, other major allocation of CAPEX proposed by ISP is related to procurement of Equipment/ Plant & Machinery. The Authority's observations in respect of CAPEX proposed under these schemes are as under:

- a) The Authority notes that existing Cargo Terminal is quite old structure, which was originally built by AAI prior to handing over of the IGI Airport to DIAL under PPP. As per the ISP, rooftop of Cargo Terminal is corroded due to which the water leaks at many places and this hamper the day-to-day work at Cargo Terminal, particularly during rainy season. ISP has already started work on this scheme.

The Authority sought justification for estimated cost proposed for replacement of Rooftop of Cargo Building. Wherein, CDCTM vide email dated 17.10.2022 submitted a copy of purchase order amounting to ₹ 22.60 crores (including taxes) along with a copy of agreement with M/s V North Construction relating to replacement of rooftop (refer **Annexure III**). Further, ISP vide email dated 26.09.2022 submitted the quotation of M/s Savin Delta Products Pvt. Ltd. relating to cost of rooftop epoxy in respect of existing Cargo Terminal along with copy of Board resolution passed in the CDCTM Board Meeting held on 30.09.2022 approving the CAPEX pertaining to replacement of rooftop of Terminal.

- b) The Authority notes from the submission of ISP that the various facilities such as chiller plant, pump room, public amenities and staff canteen etc. are situated at the area which is required to be vacated for construction of Cargo Village. Since, the stated facilities are essential for smooth operations; therefore, the Authority feels that CAPEX proposed on shifting of facilities is necessary to avoid disruption in smooth functioning of Cargo Terminal.

The Authority sought further details of CAPEX proposed for construction of new Cargo Warehouse Building wherein, various facilities/ utilities (which are currently located at the area earmarked by Airport Operator for new cargo village complex) are proposed to be relocated. The ISP in its response vide email dated 01.11.2022 informed that new Cargo Warehouse is proposed to be constructed as their various facilities like chiller plant, pump room, staff canteen, etc. are located at a place where Airport Operator has proposed new cargo village complex.

ISP informed that proposed Cargo Warehouse Building will consist of Basement floor, Ground floor, 1st floor, Mezzanine floor and Terrace. The new building will also house ASRS facility. Floor wise details of proposed facilities are as under:

Basement Floor:

- 2 raw water Tanks, 2 treated water tanks, 2 fire tanks total (950 KL)
- Fire Pump Room
- Water treatment plant
- RO Plant
- Maintenance room
- Chiller plant room
- LT Panel room

Ground Floor:

- IT Server Room
- ASRS Control Room
- Staff canteen
- Kitchen

In phase-1 Basement, Ground floor with roof will be constructed and Mezzanine/ First floor will be constructed during ASRS project.

ISP has also submitted breakup of estimated cost relating to construction of new Cargo Warehouse and shifting of various facilities as per **Annexure III**.

- c) The Authority notes that CDCTM has proposed a CAPEX of ₹ 80 crores for ASRS, which as per ISP will have number of benefits like increase in storage capacity by approx. 7000 racks, improved operating efficiency, saving in time and cost, prevention of accidents while handling cargo manually and also put in place real time inventory controls at Cargo Terminal. The Authority feels that ASRS will increase overall efficiency of Cargo handling & reduce dwell time for Cargo Handling. With the implementation of ASRS resulting in improvement in operating efficiency, CDCTM will be able to offer better services to their clients at competitive rates, which will enable the ISP to face increased competition & retaining its market share.

The Authority sought details of estimated cost relating to ASRS facility. The ISP in its response vide email dated 26.09.2022 submitted working for estimated cost in respect of ASRS along with quotation of M/s ALS Logistics Solutions totaling to ₹ 84.39 crores (refer **Annexure III**).

- d) ISP in its submission stated that Dual view X-Ray machines at Cargo Terminal are being installed in compliance of BCAS' AVSEC Circular no. 11/2017 dated 04.08.2017. As the proposed CAPEX is towards compliance of Security Requirements of BCAS, the Authority proposes to consider CAPEX (₹ 13.11 crores) on Dual view X-Ray Machines as proposed by the ISP.

In addition to CAPEX on X-Ray machines, ISP has proposed to replace the existing equipment/assets, which have completed their normal lifespan, such as 12 nos. ETDs, 1 ETV and Forklifts/Stackers. The Authority feels that replacement of Equipment/ Machines which have completed with normal lifespan is required to avoid disruption in normal operations. Further, as the equipment age, it requires more repairs & maintenance, hence in order to maintain smooth and efficient operations and to avoid higher R&M cost on old equipment, such equipment/machines need to be replaced. Apart from the above, the Authority proposes to consider procurement of traction batteries for smooth running of forklifts, reach trucks, stacker, etc. as proposed by the ISP.

- e) The Authority further observes that CDCTM has proposed CAPEX on other miscellaneous items, such as furniture fittings, Computers & Peripherals, Software etc. The Authority notes that Computers/ Laptops & Peripherals are proposed by ISP as a replacement of old assets, which have completed their normal lifespan. In this regard, ISP stated that proposed CAPEX on miscellaneous items is also necessary for smooth functioning of day-to-day office work & cargo handling operations.

4.2.3 On the basis of examination of proposed CAPEX and considering the clarifications & justifications submitted by CDCTM, as detailed above, the Authority proposes to consider Additions to RAB as proposed by CDCTM for the 3rd Control Period as per Table 4.

4.3 **CDCTM submission on Depreciation for the Third Control Period:**

CDCTM has computed the depreciation for the 3rd Control Period as given in Table below:

Table 6: Depreciation proposed by CDCTM for the Third Control Period

(₹ in crores)

| Depreciation | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|-----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Infrastructure Improvements | 9.10 | 12.31 | 16.74 | 21.22 | 25.79 | 85.17 |
| Office Equipment | 0.29 | 0.34 | 0.39 | 0.49 | 0.54 | 2.04 |
| Computers & Peripherals | 0.98 | 0.50 | 1.30 | 1.44 | 1.50 | 5.73 |
| Furniture & Fittings | 0.16 | 0.19 | 0.23 | 0.26 | 0.30 | 1.14 |
| Plant & Machinery | 5.52 | 6.13 | 7.18 | 8.45 | 9.65 | 36.93 |
| Intangible assets | 1.04 | 1.20 | 0.04 | 0.08 | 0.43 | 2.79 |
| Total | 17.08 | 20.67 | 25.88 | 31.95 | 38.21 | 133.78 |

4.4 Authority's Analysis on Depreciation:

4.4.1 The Authority notes that CDCTM in its MYTP submission has claimed ₹ 133.78 crores as depreciation, considering useful life of all components of RAB as per Order no. 35/2017-18 (except Infrastructure improvement, where the useful life is considered as 13 years, as the concession period is ending on 2034). CDCTM has proposed to depreciate the infrastructure improvements (during leasehold period) by the end of concession period, irrespective of the date of commissioning of assets.

4.4.2 The Authority notes that the useful life of assets adopted by CDCTM for computing depreciation on the Opening RAB and the Additions to RAB during the Third Control Period is as per the AERA Order no. 35/2017-18 dated 12.01.2018.

4.4.3 The Authority proposes to consider the Depreciation proposed by CDCTM as stated in Table 6.

4.5 CDCTM submissions on Regulatory Asset Base (RAB):

Based on the financial data submitted by CDCTM, the computation of Opening, Closing and Average RAB for the 3rd Control Period is given in the Table below:

Table 7: RAB for the Third Control Period submitted by CDCTM

(₹ in crores)

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--------------------|---------------|---------------|---------------|---------------|---------------|--------|
| Opening RAB | 332.75 | 323.77 | 403.71 | 403.50 | 465.31 | |
| + Additions | 8.23 | 100.61* | 25.67 | 93.76 | 12.26 | 240.53 |
| (-) Disposals | 0.13 | - | - | - | - | 0.13 |
| (-) Depreciation | 17.08 | 20.67 | 25.88 | 31.95 | 38.21 | 133.78 |
| Closing RAB | 323.77 | 403.71 | 403.50 | 465.31 | 439.37 | |
| Average RAB | 328.26 | 363.74 | 403.61 | 434.41 | 452.34 | |

*Includes SD amounting to Rs. 19 crores paid to Airport Operator & Capitalization of WIP of second control period amounting to Rs. 2.49 crores.

4.6 Authority's Analysis on Average RAB and Security Deposit (SD):**A. Average RAB:**

4.6.1 The Authority notes that the CDCTM in its MYTP submission for the Third Control Period has included the amount of Security Deposit (SD) submitted by it to Airport Operator in Opening RAB. As per ISP they have paid SD amounting to ₹ 186.36 crores to Airport Operator up to FY 2021-22. Further as per MYTP submission, additional SD amounting to ₹ 19 crores has also been paid to Airport Operator in FY 2022-23 and same has also been included in Additions to RAB (in FY 2022-23). Total amount of Security Deposit paid to the Airport Operator for the Third Control Period (as per ISP) is ₹ 205.36 crores (₹ 186.36 crores + ₹ 19 crores).

4.6.2 The Authority, proposes to consider the opening RAB, additions to RAB (after exclusion of SD) and Average RAB for the Third Control Period as per the Table given below:

Table 8: Average RAB as proposed by the Authority for the Third Control Period

(₹ in crores)

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------------|
| Opening RAB | 146.38 | 137.41 | 198.35 | 198.14 | 259.95 | |
| + Capital Additions | 8.23 | 81.61* | 25.67 | 93.76 | 12.26 | 221.53 [#] |
| (-) Disposals | 0.13 | - | - | - | - | 0.13 |
| (-) Depreciation | 17.08 | 20.67 | 25.88 | 31.95 | 38.21 | 133.78 |
| Closing RAB | 137.41 | 198.35 | 198.14 | 259.95 | 234.01 | |
| Average RAB | 141.90 | 167.88 | 198.25 | 229.05 | 246.98 | |

*Include capitalization of WIP (relating to Second Control Period) amounting to ₹ 2.49 crores in FY 2022-23.

[#] Total addition during Third Control Period i.e. ₹ 221.53 crores (₹ 219.04 crores + ₹ 2.49 crores).

B. Security Deposit

4.6.3 The Authority notes that as per Concession Agreement, ISP is required to pay interest free Security Deposit to the Airport Operator and SD is required to be reset, from time to time, depending upon level of Gross Revenue. As per ISP's submission, at the end of every financial year, the amount of SD shall be reset to ₹ 120 crores + 25% of the Gross Revenue, when the Gross Revenue exceeds ₹ 240 crores.

4.6.4 The Authority sought confirmation regarding SD paid (as on date) to the Airport Operator. In response thereto, the ISP vide email dated 11.10.2022 furnished copies of two emails from Airport Operator to the ISP wherein DIAL has confirmed as under:

- SD amounting to ₹ 186.36 crores held by DIAL for ISP as on 31.12.2021.
- SD amounting to ₹ 205.36 crores held by DIAL for ISP as on 30.06.2022.

4.6.5 The Authority notes that the ISP has considered SD as part of RAB. The SD as per the Authority can't be construed as part of RAB because it doesn't represent any Asset which can be used for business operations; therefore, SD need to be segregated from the RAB. However, the Authority notes that though the ISP has considered SD as part of RAB and computed Return on SD @ 5%.

4.6.6 In view of the above, the Authority proposes to exclude SD from RAB and consider 5% Return on SD as proposed by the ISP as per Table 9. The Authority notes that the rate of Return on SD proposed by the ISP is consistent with the AERA's approach regarding Rate of Return on Security Deposit for ISPs.

4.6.7 The projected Security Deposit and Return on SD for the Third Control Period proposed by the Authority for CDCTM as given below:

Table 9: Return on Security Deposit proposed by the Authority for the Third Control Period

(₹ in crores)

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------|
| Security Deposit | 186.36 | 205.36 | 205.36 | 205.36 | 205.36 | |
| Return on SD @ 5% | 9.32 | 10.27 | 10.27 | 10.27 | 10.27 | 50.39 |

4.7 Authority's Proposals regarding Additions to RAB, Depreciation, Regulatory Asset Base (RAB) & Return on Security Deposit

Based on the material before it and based on its analysis, the Authority proposes the following for the 3rd Control Period:

- 4.7.1 To consider Additions to RAB for the 3rd Control Period as per Table 8.
- 4.7.2 To consider the Depreciation for the 3rd Control Period as per Table 6.
- 4.7.3 To consider Average RAB for the 3rd Control Period as per Table 8.
- 4.7.4 To consider the Return on Security Deposit as per Table 9.

CHAPTER 5: OPERATING & MAINTENANCE EXPENDITURE

- 5.1 As provided in Clause 9.4 of the Guidelines mentioned in Direction No. 04/ 2010-11, the Operation and Maintenance (O&M) Expenditure shall include all expenditures incurred by the Service Provider(s) including expenditure incurred on security operating costs, other mandated operating costs and statutory operating costs.
- 5.2 Operation and Maintenance Expenditure submitted by CDCTM has been segregated into the following categories:
- Payroll Costs;
 - Admin and General Expenses;
 - Utility and Outsourcing Costs;
 - Concession Fees and
 - Repair and Maintenance Expenditure
- 5.3 CDCTM has submitted the following component-wise actual Operation & Maintenance (O&M) costs incurred during the 2nd Control Period:

Table 10: Actual Operating & Maintenance Costs for the last three years submitted by CDCTM
(₹ in crores)

| | Particulars | 2019-20 | 2020-21 | 2021-22 |
|-------------------------------------|----------------------------|---------------|---------------|---------------|
| A | Payroll Costs | 58.18 | 50.69 | 53.67 |
| B | Admin & General Expenses | 74.71 | 72.13 | 75.62 |
| C | Repairs & Maintenance Exp. | 12.13 | 7.46 | 10.81 |
| D | Utilities Exp. | 66.91 | 63.26 | 70.24 |
| E | Concession Fee | 184.69 | 210.49 | 212.34 |
| Total (A+B+C+D+E) | | 396.62 | 404.03 | 422.68 |
| YoY % increase in Total OPEX | | - | 2% | 5% |

- 5.4 The Authority notes from the historical figures of 2nd Control Period given above that total OPEX in FY 2020-21 increased by just 2% over FY 2019-20 and 5% increase in FY 2021-22 over the preceding year.
- 5.5 Operating & Maintenance Expenditure projected by CDCTM for the 3rd Control Period is given in Table below:

Table 11: Operating & Maintenance Expenditure projected by CDCTM for the Third Control Period

| Particulars | (₹ in Crores) | | | | | Total | YoY % Increase | | | |
|--|---------------|---------------|---------------|---------------|---------------|----------------|----------------|--------------|--------------|---------------|
| | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
| Payroll Cost (A) | 53.67 | 60.61 | 67.30 | 73.50 | 79.28 | 334.35 | 12.93% | 11.04% | 9.21% | 7.86% |
| Admin & General Expenses (B) | 75.62 | 87.16 | 94.84 | 101.79 | 109.10 | 468.51 | 15.26% | 8.83% | 7.33% | 7.18% |
| Repair & Maintenance Expenditure (C) | 10.81 | 12.37 | 13.61 | 14.97 | 16.46 | 68.22 | 14.43% | 10.00% | 10.00% | 10.00% |
| Utilities Expenses (D) | 70.24 | 78.58 | 87.79 | 92.63 | 92.55 | 421.79 | 11.87% | 11.73% | 5.51% | -0.09% |
| Concession Fees (E) | 212.34 | 203.00 | 193.39 | 175.17 | 145.55 | 929.46 | -4.40% | -4.73% | -9.42% | -16.91% |
| Total Operation and Maintenance Expenditure (A+B+C+D+E) | 422.68 | 441.71 | 456.94 | 458.06 | 442.94 | 2222.33 | 4.50% | 3.45% | 0.25% | -3.30% |

5.6 **Authority's Examination on O&M expenses for the Third Control Period:**

- 5.6.1 The Authority examined the Operating Expenditure for the Third Control Period as submitted in Form F3 (P&L) and notes that the Total OPEX for FY 2021-22 increased by 6.57% as compared to the Total OPEX of FY 2019-20 (pre-Covid year). The Authority further notes that the overall OPEX projected in the Table 11 for FY 2022-23 to FY 2024-25 increases in the range of 0.25% to 4.50%. Whereas, the total OPEX for FY 2025-26 is projected to decrease by 3.30% over preceding year.

The Authority has reviewed various components of OPEX, including growth rates considered by the ISP, for projected OPEX for the Third Control Period. The Authority's analysis on various components of OPEX is given as under:

- 5.6.2 **Payroll Cost** – The Authority notes that the payroll cost incurred in FY 2021-22 (₹ 53.67 crores) is lower by 8% as compared to actual payroll expenses incurred in FY 2019-20 (₹ 58.18 crores) and projected payroll expenses for FY 2022-23 are higher by 4% as compared to actual payroll cost of FY 2019-20. Thereafter, CDCTM has proposed YoY increase in Payroll costs ranging between 8% to 13% for the remaining tariff years of the Third Control Period.

The Authority notes from the submission of CDCTM that the Cargo Terminal Operations (CTO) work is a specialized job, which requires skilled and trained manpower. As per the ISP, in order to check employee attrition rate, annual increase in the salary component for on-roll employees and outsourced employees is required and the same are as per industry practice.

Further, the ISP vide email dated 04.11.2022 stated that majority of training and staff welfare expenses were deferred in 2021-22 due to pandemic situation. There are certain trainings which are mandatorily required by Airlines and cannot be deferred further. Similarly, all staff welfare activities were on hold during last year. As per company's norms, winter uniforms need to be distributed every alternate year, accordingly expenses on uniform have been considered resulting in increased payroll expenses in FY 2022-23. Other than the above, increase in payroll expenses in FY 2022-23 are also due to small increase in number of manpower and on account of annual increments (around 10% p.a.).

The Authority notes that the ISP is required to comply with statutory compliances relating to periodic increase in minimum wages and other statutory components like EPF, ESI etc. Considering the above including justifications submitted, the Authority feels that the YoY increase in payroll expenses projected for the Third Control Period by the ISP seems reasonable.

- 5.6.3 **Administrative & General Expenses** – The Authority notes from Form F11(c) that licenses fees is a major cost head under this category. The Authority observes from the CDCTM's submission that it is required to pay Land License fee on approx. 80000 sqm. area received from the Airport Operator, with minimum escalation of 7.5% on YoY basis. However, the Authority notes that in FY 2022-23, license fee is projected to increase by 11% over the FY 2021-22 as against normal escalation of 7.5%. A clarification thereof was sought from the ISP. CDCTM, vide email dated 15.09.2022 informed that the Domestic Cargo Terminal at IGIA, Delhi was built by the Airport Operator in FY 2016-17 and subsequently leased to the ISP for a period of 5 years. The aforesaid lease agreement was renewed at higher rate in FY 2021-22, hence, a variance of 11% is appearing in FY 2022-23 over FY 2021-22.

The Authority further notes that CDCTM has projected an increase of 7% to 9% YoY basis from FY 2023-24 onward. For FY 2022-23, ISP projected an increase of 15.26% over FY 2021-22. The Authority sought clarification from CDCTM regarding projected increase in Administrative and General Expense in FY 2022-23. The ISP in its response stated that municipal corporation has proposed increase in base value of property tax by 120% approx. over prevailing base value rates, which is likely to result in significant increase in property tax. ISP further stated that expenses on other component of

Administrative Charges like consultancy fees, legal fees & IT infrastructure, Travel expenses etc. are expected to increase from FY 2022-23 onward, after significant recovery in business environment post Covid. During Covid period, expenses on these items were kept at bare minimum levels.

Considering the above and taking into account the impact of annual general inflation and annual escalation in license fee, the Authority feels that projected YoY increase in Administrative and General Expenses for the Third Control Period is reasonable.

- 5.6.4 Repair and Maintenance (R&M) Expenditure** –The Authority notes that CDCTM has proposed an increase in repair and maintenance expenditure by 10% YoY from FY 2023-24 onwards over preceding year. The ISP vide email dated 15.09.2022 stated that the Cargo Terminal is more than 35 years old and requires significant repair and maintenance to keep it functional in efficient manner. The ISP further stated that there are 33 X-Ray machines, 127 forklifts/ stacker/ reach trucks, 3 ETV, 10 volumetric scanner, 13 dollies etc. which also require regular maintenance including overhauling and inventory of critical spares is maintained to deal with breakdowns. Further, the Authority notes that R&M expenses in FY 2022-23 is increasing by 14% over FY 2021-22. Accordingly, the Authority sought clarification on % increase proposed for FY 2022-23. The ISP vide email dated 04.11.2022, conveyed that most of the repairs required in FY 2021-22 were deferred due to pandemic situation. Such repairs are planned to be taken up in current FY 2022-23, hence resulting in higher R&M cost in FY 2022-23.

The Authority, considering the age of Cargo building, which requires regular repairs & maintenance and taking into account impact of general inflation on labour component of repairs, spares, transportation cost etc., feels that projected increase in Repair and Maintenance expenses for Third Control Period is reasonable.

- 5.6.5 Utilities Expenses** – The Authority notes that CDCTM has proposed an increase in utility expenses ranging between 6% to 12% from FY 2022-23 to FY 2024-25. Upon enquiry by the Authority regarding proposed increase in Utility Expenses, CDCTM has stated that supply of electricity & water charges is based on industrial rates, and their rates are decided by DIAL. As per the ISP, Utility charges increases every year. Further, the new construction projects like construction of new warehouse building, including shifting of facility will also consume substantial water and electricity and same has been factored while projecting utility expenses in FY 2022-23/ FY 2023-24.

The Authority further observes from the Table 11 that the utility expenses during FY 2024-25 are projected to increase at lower rate (5.51%) as compared to preceding year. Whereas, for FY 2025-26 the ISP has projected a marginal decrease of 1% in expenses as compared to FY 2024-25. The Authority feels the utility expenses projected for FY 2024-25 and FY 2025-26 are in line with the anticipated drop in projected cargo handling by the ISP. Considering the above, the Authority feels that Utility expenses projected for the Third Control Period by the ISP is reasonable.

- 5.6.6 Concession Fees** – As per CDCTM submission, ISP is required to pay concession fee @ 36% of Gross Revenue to the Airport Operator (DIAL). In addition, ISP is also required to share 45% of its Revenue earned from screening of Cargo to DIAL. The Authority notes that Concession Fees payable to the Airport Operator is linked to the projected Revenue of the Cargo Service Provider. The Authority, after the review and analysis of various regulatory building blocks, has recomputed the ARR and Projected Revenue for the Third Control Period in respect of CDCTM. Accordingly, the Authority proposes to consider Concession Fees, based on Projected Revenue calculated by the Authority, for the Third Control Period as per Table given below:

Table 12: Concession Fees computed by the Authority for CDCTM for the Third Control Period

(₹ in crores)

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|---|----------------|---------------|---------------|---------------|---------------|----------------|
| Revenue from Regulated Services | 511.26 | 483.06 | 479.21 | 423.51 | 331.82 | 2228.86 |
| Revenue from Non-Regulated Services | 71.84 | 67.04 | 64.48 | 62.09 | 59.85 | 325.29 |
| Revenue from AFS Volume | - | 0.14 | 0.57 | 0.60 | 0.63 | 1.93 |
| Total Revenue computed by the Authority (refer Table 23).....(A) | 583.10 | 550.24 | 544.26 | 486.19 | 392.29 | 2556.07 |
| Concession Fee @36.48% of (A) | 212.34* | 200.73 | 198.55 | 177.36 | 143.11 | 932.08 |

*As per actual figures for FY 2021-22.

5.6.7 Based on review and analysis of operating cost projected by the ISP in its MYTP, the Authority proposes to consider OPEX for CDCTM for the Third Control Period as per Table given below:

Table 13: OPEX proposed by the Authority in respect of CDCTM for the Third Control Period

(₹ in crores)

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Payroll Cost (A) | 53.67 | 60.61 | 67.30 | 73.50 | 79.28 | 334.35 |
| License Fees escalated by 7.5% (B) | 39.96 | 44.31 | 47.63 | 51.20 | 55.04 | 238.14 |
| Admin & General Expenses (C) | 35.66 | 42.85 | 47.22 | 50.69 | 54.34 | 230.76 |
| Repair & Maintenance Expenditure (D) | 10.81 | 12.37 | 13.61 | 14.97 | 16.46 | 68.22 |
| Utilities Expenses (E) | 70.24 | 78.58 | 87.79 | 92.63 | 92.55 | 421.79 |
| Concession Fee (F)* | 212.34 | 200.73 | 198.55 | 177.36 | 143.11 | 932.08 |
| Total OPEX (sum of A to F) | 422.68 | 439.44 | 462.10 | 460.36 | 440.79 | 2225.36 |

*As per the ARR computed by the Authority

5.7 Authority's Proposal relating to OPEX for Third Control Period

Based on the material before it and based on its analysis, the Authority proposes to consider the OPEX projected by CDCTM for the Third Control Period as per Table 13.

CHAPTER 6: AIR FREIGHT STATION (AFS)

6.1 Introduction

6.1.1 Ministry of Civil Aviation (MoCA), in order to strengthen Air Cargo Logistics Infrastructure in the Country, issued Policy guidelines on 'Air Freight Station' (AFS) in October, 2014 to create an off-airport common user facility equipped with fixed installations of minimum requirements and offering services for handling International Air Cargo in the form of Air Freight Stations with a mandate to enable the Cargo Industry as follows:

- i. Off-Airport common user facility equipped with fixed installations of minimum requirements and offering services for handling and temporary storage of import/ export goods, loaded and empty Unit Load devices (ULDs) and cargo in bulk/loose for outright export
- ii. Create an enabling environment for promoting International Air Cargo operations by reaching out to hinterland regions of the country besides de-congesting the congested Air Cargo terminals in some gateway International Airports that face high dwell time.
- iii. Authorizing some of the ICDs to cater to the International Air Cargo operations, the existing facilities in these ICDs, could be fully utilized.

The Policy document also emphasized the following primary functions to be performed at Air Freight Station

- a. Receipt of Export cargo for processing and to make the cargo "Ready for Carriage" condition, including Unit Load Device (ULD), building of export cargo and scanning of Cargo. While ULDs will be the ideal mode of handling cargo for and from AFS, export/import consignments both in palletized /ULD and bulk, loose form shall also be facilitated
- b. Transit operations by Road to and from serving Airport
- c. All Customs related requirements for import and exports including inspection of cargo wherever required
- d. Unitization of Cargo
- e. Temporary storage of Cargo and Unit Load Device (ULDs)
- f. Re-building of ULDs of export cargo
- g. De-Stuffing of Import Cargo
- h. Storage, Examination, Packing and Delivery of Import Cargo
- i. Auction/Disposal of 30 days old uncleared Import Cargo
- j. Maintenance and Repair of ULDs.

6.1.2 The policy guidelines governing Air Freight Station would be common and binding on all stakeholders concerned in the supply chain of International Air Cargo operations such as Airlines, Air Cargo Terminal operators, Airport Operators, Freight Forwarders / Customs Brokers, Exporters / Importers and all regulatory organizations. AFS Policy document issued by MoCA vide OM no. AV.13011/03/2013-ER dated 28th October, 2014 is placed at **Annexure-I**.

6.1.3 Subsequent to notification of above policy by the Govt. of India, the above matter, including modalities for effective implementation/ rollout of AFS policy, had been deliberated with the stakeholders from time to time. In this regard, Special Secretary (Logistics), Ministry of Commerce took meeting of concerned stakeholders on 18.02.2020 for operationalization of AFS policy, wherein representatives of Delhi CTOs, Airport Operator, IGI Airport, Delhi & Delhi AFS Operator (CCPL) were also present. As per the minutes of meeting, inter-alia, SOP for handling of AFS Cargo was agreed with process

flow. Further, it was agreed that AERA determined rates (TSP rates) will be made applicable for AFS Cargo handling.

- 6.1.4 Thereafter, MoCA vide letter no. AV-13011/03/2013-ER dated 11th April, 2022 to the Authority conveyed that ‘the matter regarding the determination of TSP charges to be charged from AFS by DIAL/CTOs be referred to AERA for appropriate order as per the provisions of the AERA Act, 2008.

6.2 AFS Cargo Volumes proposed by CDCTM for the 3rd Control Period

- 6.2.1 CDCTM vide email dated 13.10.2022 submitted projected AFS Cargo Volume of around 1200 MT (for last quarter only) for FY 2022-23 and for FY 2023-24, ISP has considered AFS Cargo at 4800 MT. Thereafter, ISP has considered an increase of 5 % YoY basis for the rest of the Control Period as given in the table below:

Table 14: AFS Cargo Tonnage proposed by CDCTM for the Third Control Period

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 |
|---------------------------|---------------|---------------|---------------|---------------|---------------|
| AFS Cargo Tonnage (in MT) | - | 1200 | 4800 | 5040 | 5292 |
| YoY Change (%) | - | - | 300% | 5% | 5% |

- 6.2.2 CDCTM, as part of its MYTP/ATP submission, has proposed a separate Tariff Rate Card for International Cargo Services pertaining to Air Freight Station (AFS) at Indira Gandhi International Airport (IGIA), Delhi.
- 6.2.3 The Cargo Operator has proposed a discount of 10% for AFS Cargo in the applicable TSP Charges.
- 6.2.4 The ISP also proposed a separate AFS charges, in case they are required to run dedicated AFS Cargo Handling facility within Cargo Terminal. However, CDCTM has not proposed any separate CAPEX or OPEX w.r.t. dedicated AFS Cargo facility.

6.3 Authority’s Examination on AFS Cargo for the 3rd Control Period

- 6.3.1 The Authority has examined the CDCTM’s proposal for handling Built-Up Pallets pertaining to AFS, and drawn inferences from the AFS Policy Guidelines issued by the Ministry of Civil Aviation, vide OM No. AV. 13011/13/2013-ER dated 28th October, 2014, having wider mandate to strengthen and develop the Air Cargo Logistic Infrastructure in the country.
- 6.3.2 Subsequent to MoCA’s communication, vide its letter no. AV-13011/03/2013-ER dated 11th April, 2022, the Authority deliberated the subject matter in a series of meetings with stakeholders and regulatory bodies. These included Bureau of Civil Aviation Security (BCAS), Customs, Cargo Terminal Operators (CTOs), Airport Operator (DIAL), AFS Operator and Bureau of Airlines Representatives (BAR) to better understand the concept of AFS and get insight of globally accepted practices in respect of AFS.

The key inputs & feedback received by AERA in the aforesaid meetings, with various Air Cargo Industry Forums on the MoCA’s AFS Policy, including the aspect of cargo handling charges to be levied to AFS Cargo are placed at **Annexure-II**.

- 6.3.3 Further, in order to have better understanding and an insight of Air Cargo Handling procedure/mechanism at Cargo Terminals & to assess the infrastructure available at the Delhi AFS, AERA team

along with cargo expert from AAICLAS visited the facilities of AFS Operator (Continental Carriers) and both the CTOs at IGIA, Delhi, in June, 2022.

6.3.4 AERA team during their visit to the AFS Facility observed that pursuant to operationalization of AFS facility, some of cargo handling activities, which in normal course are performed by the CTOs at their Cargo Terminals, will get shifted to AFS (in respect of Cargo to be processed at AFS) like activities relating to:

- (i) Acceptance of Cargo from shippers/agents
- (ii) Weighing and measurement of Cargo
- (iii) Palletization, Unit Load Device (ULD) built-up for export cargo
- (iv) X-Ray scanning of Export Cargo & compliance of BCAS & Customs regulatory norms.

These processes/activities will be done at the AFS facility itself and thereafter, Export Cargo (in form of BUPs/ULDs), after security & Customs' clearance will be transported in secured bonded trucks to Airport (Cargo Terminals) for further processing and loading of cargo into the aircrafts.

6.3.5 The AERA team, after visiting the facilities of AFS Operator & Cargo Terminal Operators and onsite interactions with the Service Providers feels that after operationalization of AFS policy, there would be certain activities, which will be done at AFS facility itself like X-ray scanning of Cargo & palletization/ULD built-up etc. However, there will be bunch of other activities which will continued to be undertaken by the CTOs at their terminals for AFS Cargo.

A gist of activities/processes to be undertaken by the CTO in case of Export Cargo coming from AFS and applicability of charges thereon, is given below:

| S. No. | Activity/ Process in Export Cargo Handling at CTO | GEN Cargo | AFS Cargo | Applicability of TSP charges on AFS |
|--------|--|-----------|-----------|-------------------------------------|
| 1 | Acceptance of Cargo (in case of AFS Cargo, CTO will deal with Pallets/ULDs) | ✓ | ✓ | TSP Charges Levied |
| 2 | Screening of Cargo | ✓ | × | No charges to AFS |
| 3 | Warehousing of Cargo | ✓ | ✓ | Charges included in TSP |
| 4 | Palletization of Cargo | ✓ | × | No charges to AFS |
| 5 | Release of Cargo to Airlines' ground handling agencies | ✓ | ✓ | Charges included in TSP |

6.3.6 The Authority is of the view that in respect of AFS Cargo, CTOs will mainly be dealing with BUPs / ULDs and handling of the same at city-side of Cargo Terminals will be comparatively less cumbersome & cost-effective as compared to dealing & processing general cargo coming in loose packets from

different shippers/agents. The CTOs are expected to save on processing time and lower manpower deployment resulting in cost savings in AFS Cargo Handling as can be seen from the followings:

- i. CTOs will be required to perform fewer activities for processing of AFS Cargo (coming in form of Pallets/ULDs with Security & Customs clearances) at their terminals as compared to handling General Cargo. At the same time, there would be some activities which will continue to be undertaken by CTO for processing of AFS export cargo, just as they are being done for general cargo, like activities relating to “Acceptance of Cargo” on city-side. However, the effort & intensity of such activities are likely to be considerably lower. For instance, unloading and processing a BUP/ULD of 2MT may be done in one go, whereas in case of general cargo, unloading and processing of 2000 Kg. of loose cargo may take multiple cycles of the same process of activities, though the activities performed may appear exactly the same. There will be some saving of time while handling the AFS Cargo, starting from the unloading at the Truck dock area itself.
- ii. Further, as the AFS Cargo will arrive in palletized form/ULDs with security clearance, therefore CTO will not be required to X-ray scan of export Cargo, which is otherwise required as per extant BCAS norms and is a time-consuming exercise. AFS Cargo is likely to be held at Cargo Terminal for shorter duration, as compared to general cargo, due to lesser processing involved, thereby CTO is expected to save time and reduce processing time/ transaction time on processing of AFS Cargo.
- iii. As CTOs will mainly be dealing with Pallets/ ULDs in case of AFS Cargo, the Authority feels that CTOs will be required to deploy lower manpower for handling AFS Cargo as against general cargo coming in loose packets from various agents/ shippers. This is expected to result in cost savings on labour component for CTO.

Considering the above, the Authority feels that in case of AFS Cargo handling, CTOs are expected to undertake fewer activities or similar activities with less intensity at their Terminals vis-à-vis handling of General Cargo directly accepted from Customers/Shippers. Therefore, taking into account cost savings on account of lower manpower deployment and less time for processing of AFS Cargo, it may not be justified to levy full TSP charges to AFS Cargo, as significant activities pertaining to export cargo will be performed at AFS’ facility itself thereby AFS Cargo deserves to be charged lower as compared to general cargo.

- 6.3.7 At the same time, the Authority doesn’t agree with the views of AFS Operator that no/ less activities are to be performed by CTOs for processing AFS Cargo. The Authority notes that even in the case of AFS Cargo, there are certain activities, like acceptance of Built-up-Pallet/ ULDs at Cargo Terminal (city-side), unloading of Pallets/ULDs from trucks at truck dock area, moving cargo to storage racks/ security hold area, transporting of cargo from built-up station/ SHA to Cargo release bay, shifting ULDs from release bay to Ground Handler’s dollies, digital messages to customer’s airlines etc., which are still required to be performed at Cargo Terminal. Therefore, the Authority feels that CTOs are entitled to levy TSP charges to AFS Operators, but not to the extent normally charged to general cargo.
- 6.3.8 The Authority notes from Table-15 that ISP has considered negligible share of AFS Cargo in the overall International Cargo Volumes projected for the Third Control Period as can be seen from the table below:

Table 15: AFS Cargo Tonnage as a percentage (%) of total International Cargo Volume in respect of CDCTM for the Third Control Period

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| International Cargo Tonnage (in MT) (Refer Table 3) | 2,97,661 | 2,99,123 | 2,98,738 | 2,64,488 | 2,07,153 |
| AFS Cargo Tonnage (in MT) | - | 1200 | 4800 | 5040 | 5292 |
| AFS Cargo as a %age of International Cargo | - | 0.40 | 1.61 | 1.91 | 2.55 |

6.3.9 The Authority observes that the projected AFS volume forms just 1% to 3% of total International Cargo Volume projected for FY 2022-23 to FY 2025-26. The Authority feels that the AFS facility is still a new concept in the Indian aviation sector and it will take a while for its acceptance in International Air Cargo Logistics chain. Considering the above, the volumes projected by the ISP for AFS Cargo seems reasonable.

6.3.10 The Authority observes that ISP has considered increase in market competition from various quarters resulting in lower Cargo Volumes projections during the Third Control Period. The Authority feels that considering the increase in competition, the ISP should tap additional Cargo Volumes expected to come from AFS Operators, so as to maintain its market share.

6.3.11 The Authority notes that CDCTM in its Tariff Rate Card has mentioned two different rates for AFS Cargo Handling. ISP, in its first proposal for AFS Cargo, has proposed lower charges with 10% discount in applicable TSP Charges (as against full TSP charges for General Cargo).

The ISP in its alternate proposal has proposed higher TSP charges (39% in FY 2022-23) for AFS Cargo, considering provision of separate dedicated AFS Cargo handling facility. However, the ISP has not submitted any separate CAPEX/ OPEX for the dedicated AFS Cargo handling facility under its second scenario.

6.3.12 The Authority notes that handling 'Pallets from AFS' requires less activities on the part of CTO and same can be handled with little modifications/additions in current infrastructure (viz. slave dollies/scissor lifts etc.). Therefore, CDCTM proposing higher TSP charges for AFS Cargo, on account of dedicated AFS Cargo handling facility, is not justified/ feasible at this juncture, due to very low volume expected from AFS Cargo during the Third Control Period. Therefore, the Authority proposes not to consider dedicated facility for AFS Cargo during the Third Control Period.

Considering the above, and noting that ISP has not submitted any calculations/ justifications for proposing higher TSP charges applicable to AFS cargo, the Authority proposes not to consider higher TSP charges (under dedicated AFS Cargo Handling facility) during the Third Control Period.

However, the Authority may revisit the issue relating to dedicated facility for AFS Cargo during the next Control Period, or even earlier, based on Annual Compliance Statement (ACS) to be submitted by the ISP, if AFS cargo volumes picks up & there is sizeable demand for AFS Cargo, justifying requirement for dedicated facility.

6.4 Authority's examination regarding TSP Charges on AFS Cargo

- 6.4.1 The Authority notes that in case of AFS Cargo handling, Cargo Terminal Operators are expected to perform fewer activities/ similar activities with less intensity (refer para 6.3.6 & 6.3.7) thereby saving on time and cost of manpower deployment.
- 6.4.2 The Authority is conscious of MoCA's policy initiative on AFS, which has larger national intent to strengthen and develop air cargo logistics in the country and same is expected to reduce the bottlenecks in air-cargo logistics and help in ease of doing business, particularly for exporters. AERA supports the progressive step taken by the Govt. and feels that AFS Cargo need to be incentivized by way of lower charges vis-à-vis rates applicable to general cargo.
- 6.4.3 Considering the above and taking note of inputs received through extensive deliberations on the issue, the Authority proposes 30% lower TSP charges for BUPs/ ULDs pertaining to AFS Cargo, including Perishable/ Pharmaceuticals/ Special/ Valuable/ Hazardous Cargo etc., as compared to normal approved TSP charges applicable to other than AFS Cargo.
- 6.4.4 The Authority invites specific views/ comments of the Stakeholders on the proposals of the Authority regarding lower TSP charges proposed for AFS Cargo, particularly considering that AFS is a relatively new concept in Indian Civil Aviation. The Authority shall consider the views/ suggestions received from the Stakeholders during the consultation process before issuing the Tariff Order.
- 6.4.5 The impact of lower TSP charges for AFS Cargo proposed by the Authority, on ARR computations for Third Control Period, is discussed in subsequent chapters relating to ARR & Revenue of this Consultation Paper.

6.5 Authority's Proposal regarding TSP Charges on AFS Cargo

Based on the material before it and its analysis, the Authority proposes 30% lower TSP charges for AFS Cargo, including Perishable/ Pharmaceuticals/ Special/ Valuable/ Hazardous Cargo etc., as compared to normal approved TSP charges applicable to other than AFS Cargo, for the Third Control Period (w.e.f. 01.01.2023 to 31.03.2025).

CHAPTER 7: AGGREGATE REVENUE REQUIREMENT (ARR)

7.1 ARR projected by CDCTM for the Third Control Period

7.1.1 As per MYTP submission, CDCTM has projected Aggregate Revenue Requirement (ARR) for the Third Control Period and proposed following % increase in Tariff Rates:

- i. 12% Tariff increase in FY 2022-23
- ii. 6% Tariff increase in FY 2023-24
- iii. 7% Tariff increase in FY 2024-25
- iv. 6% Tariff increase in FY 2025-26.

Table 16: Aggregate Revenue Requirement as per CDCTM for the 3rd Control Period

(₹ in Crores)

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--|---------------|---------------|---------------|---------------|---------------|----------------|
| Regulatory Asset Base (A) | 141.90 | 167.88 | 198.25 | 229.05 | 246.98 | |
| FRoR (B) | 15.21% | 15.25% | 15.46% | 15.06% | 15.29% | |
| Return on RAB (C) = (A*B) | 21.58 | 25.60 | 30.65 | 34.49 | 37.76 | 150.09 |
| Security Deposit (D) | 186.36 | 205.36 | 205.36 | 205.36 | 205.36 | |
| Rate of Return on SD (%) (E) | 5% | 5% | 5% | 5% | 5% | |
| Return on SD (F) = (D*E) | 9.32 | 10.27 | 10.27 | 10.27 | 10.27 | 50.39 |
| OPEX (G) | 422.68 | 441.71 | 456.94 | 458.06 | 442.94 | 2222.33 |
| Depreciation (H) | 17.08 | 20.67 | 25.88 | 31.95 | 38.21 | 133.79 |
| Tax (I) | 35.42 | 22.58 | 10.86 | - | - | 75.94 |
| Aggregate Revenue Requirement (C+F+G+H+I) | 506.08 | 520.83 | 534.60 | 534.77 | 529.18 | 2625.46 |

7.1.2 As per its ARR projection, CDCTM submitted Tariff card for the Third Control Period as per **Annexure-IV**.

7.1.3 The Authority notes from the ARR Table above that ISP has not indicated Present Value (PV) of ARR computed and not shown PV of Revenues at current rates & after Tariff increase.

7.1.4 CDCTM in its submission considered Cost of Equity as 16% and Cost of Debt as 9% and computed the FRoR as follows:

Table 17: FRoR as per CDCTM submission for the Third Control Period

| Financial Year | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | |
|---|---------------|---------------|---------------|---------------|---------------|---------|
| Equity (₹ in crores) (A) | 400.16 | 444.94 | 455.37 | 439.41 | 390.83 | |
| Debt (₹ in crores) (B) | 51.01 | 53.2 | 38.36 | 67.97 | 44.25 | 254.79 |
| Total (Debt + Equity) (₹ in crores) (C) = (A+B) | 451.17 | 498.14 | 493.73 | 507.38 | 435.08 | 2385.50 |
| Gearing | 11.3% | 10.7% | 7.8% | 13.4% | 10.2% | |
| Pre-tax cost of Debt | 9% | 9% | 9% | 9% | 9% | |
| Post-tax cost of Equity | 16% | 16% | 16% | 16% | 16% | |
| FRoR | 15.21% | 15.25% | 15.46% | 15.06% | 15.29% | |

7.2 Authority's Examination on ARR for the Third Control Period:

- 7.2.1 The Authority has computed ARR for CDCTM in respect of Third Control Period taking into account FRoR worked out below.
- 7.2.2 ISP in its submission has considered YoY FRoR ranging between 15.1% to 15.5% for the Third Control Period, with a mix of Cost of Equity @ 16% and Cost of Debt @ 9%.
- 7.2.3 The Authority, for the purpose of computation of FRoR, has considered the Cost of Debt @ 9% as proposed by the ISP and proposes to consider Cost of Equity @ 14% for the Third Control Period, which is consistent with the AERA's approach in respect of Cost of Equity considered in the case of other ISPs. Accordingly, the Authority proposes to consider FRoR @ 13.47% for computation of Return on RAB in respect of CDCTM for the Third Control Period as per Table given below:

Table 18: FRoR calculated by the Authority in respect of CDCTM for the Third Control Period

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--|---------------|---------------|---------------|---------------|---------------|---------|
| Equity (₹ in crores) (A) | 400.16 | 444.94 | 455.37 | 439.41 | 390.83 | |
| Debt (₹ in crores) (B) | 51.01 | 53.2 | 38.36 | 67.97 | 44.25 | 254.79 |
| Total (Debt + Equity) (₹ in crores) (C) = (A+B) | 451.17 | 498.14 | 493.73 | 507.38 | 435.08 | 2385.50 |
| Gearing (G) = (B/C) | 11.30% | 10.70% | 7.80% | 13.40% | 10.20% | |
| Cost of Equity (K _e) | 14% | 14% | 14% | 14% | 14% | |
| Cost of Debt (K _d) | 9% | 9% | 9% | 9% | 9% | |
| Weighted Average Gearing (WG) = $\{\sum_{T=1}^5 (C \cdot G) / \sum_{T=1}^5 C\}$ | 10.68% | | | | | |
| FRoR = $\{(WG \cdot K_d) + (1 - WG) \cdot K_e\}$ | 13.47% | | | | | |

- 7.2.4 The Authority, while computing ARR for CDCTM in respect of Third Control Period, has considered the AFS Cargo Volumes based on submission of ISP. As regard to volume attributing to AFS facility, the Authority notes that AFS concept is new to Indian Aviation Sector and it will take time to establish the market for AFS. The Authority notes that the MoCA's AFS policy has a wider national intent to strengthen Air Cargo Logistics Infrastructure in the Country. In order to create an enabling environment for developing Air Cargo logistics, the Authority feels that the concept of AFS needs to be incentivized.

Considering the above and taking into account that CTO in case of AFS Cargo is required to perform fewer activities as compared to General Cargo because AFS Cargo will be received in palletized/ ULD form with prior Security Clearance, the Authority proposes 30% lower TSP charges for BUPs/ ULDs pertaining to AFS Cargo, including Perishable/ Pharmaceuticals/ Special/ Valuable/ Hazardous Cargo etc., as compared to normal approved TSP charges applicable to other than AFS Cargo.

7.2.5 The Authority, after review and analysis of various regulatory building blocks, as discussed in previous chapters, including AFS Cargo Volumes, computed Aggregated Revenue Requirement for CDCTM in respect of Third Control Period as per Table given below:

Table 19: ARR proposed to be considered for CDCTM by the Authority for the Third Control Period

(₹ in Crores)

| Particulars | FY 2021-22 | FY 2022-23 (First 9 months) | FY 2022-23 (Next 3 months) | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|---|---------------|--------------------------------------|-------------------------------------|---------------|---------------|---------------|----------------|
| Average RAB (Refer Table 8) | 141.90 | 167.88 | 167.88 | 198.25 | 229.05 | 246.98 | |
| Return on RAB @ 13.47% (A) | 19.11 | 16.93 | 5.64 | 26.70 | 30.85 | 33.27 | 132.51 |
| O&M Expenses (B) (Refer Table 13) | 210.34 | 179.04 | 59.68 | 263.55 | 282.99 | 297.68 | 1293.27 |
| Concession Fees (C) (Refer Table 13) | 212.34 | 150.55 | 50.18 | 198.55 | 177.36 | 143.11 | 932.08 |
| Depreciation (D) (Refer Table 6) | 17.08 | 15.50 | 5.17 | 25.87 | 31.95 | 38.21 | 133.78 |
| Tax @ 25.168% (E) (Refer Table 23) | 34.94 | 16.19 | 5.40 | 13.11 | 0.00 | 0.00 | 69.64 |
| Security Deposit | 186.36 | 205.36 | 205.36 | 205.36 | 205.36 | 205.36 | |
| Return on SD @ 5% (F) (Refer Table 9) | 9.32 | 7.70 | 2.57 | 10.27 | 10.27 | 10.27 | 50.39 |
| Aggregate Revenue Requirement (A+B+C+D+E+F) = (G) | 503.13 | 385.90 | 128.63 | 538.05 | 533.43 | 522.53 | 2611.67 |
| Discount Rate @ 13.47% | 0.1347 | 0.1347 | 0.1347 | 0.1347 | 0.1347 | 0.1347 | |
| PV Factor | 1.13 | 1.00 | 1.00 | 0.88 | 0.78 | 0.68 | |
| PV of ARR (H) | 570.90 | 385.90 | 128.63 | 474.18 | 414.30 | 357.66 | 2331.57 |
| Proposed Revenue at current Tariff (Excluding revenue from AFS as per Table 22).....(i) | 511.26 | 362.40 | 120.66 | 479.21 | 423.51 | 331.82 | 2228.86 |
| AFS revenue with proposed TSP rates for AFS Cargo at current Tariff (Refer Table 21).....(ii) | - | - | 0.14 | 0.57 | 0.60 | 0.63 | 1.94 |
| Revenue from Non-Regulated Services (refer Table 20).....(iii) | 71.84 | 50.28 | 16.76 | 64.48 | 62.09 | 59.85 | 325.29 |
| Total Revenue.....(iv) = (i + ii + iii) | 583.10 | 412.68 | 137.56 | 544.26 | 486.19 | 392.29 | 2556.08 |
| PV of Total Revenue | 661.64 | 412.68 | 137.56 | 479.65 | 377.61 | 268.51 | 2337.65 |

7.2.6 The Authority has computed PV of ARR as ₹ 2,331.57 crores in respect of CDCTM for the 3rd Control Period as indicated in the Table above.

7.2.7 The Authority, considering the ARR computation as per the above Table, notes that PV of Revenues at current Tariff rates is more than PV of ARR; therefore, proposes not to consider Tariff increase/decrease for CDCTM at this juncture.

7.2.8 The Tariff Rates (prevailing on 31.03.2021), as approved by the Authority vide Order no. 03/2019-20 dated 22.04.2019 for the Second Control Period, which have been extended by AERA, from time-to-time on ad-hoc basis, are proposed to continue up to the end of FY 2024-25 (tariff year 4 of the Third Control Period). However, the Authority proposes to revise Tariff Rate Card (including TSP charges applicable to AFS Cargo) applicable w.e.f. **01.01.2023 to 31.03.2025** as per **Annexure-V**.

7.2.9 The Authority, is aware that Civil Aviation Sector is still not fully recovered from the adverse impact of Covid pandemic. Further, the Authority feels that at this juncture, it is difficult to realistically assess

the volumes likely to be generated from AFS Cargo. Further, there are no historical data/ trend line to assess the impact of increase in market competition from various quarters viz. establishment of new Cargo village and new Greenfield Airport at Jewar (Noida) International Airport on the Cargo Volume projected by the ISP in a realistic manner.

- 7.2.10 Before deciding on the ATP for FY 2025-26, the Authority proposes to review the actual figures of the Third Control Period up to FY 2024-25 as per the ACS to be submitted by the ISP. The Authority expects that by the end of FY 2024-25, there will be adequate data relating to performance of AFS, new Cargo Village and initial impact of new Greenfield Airport at Jewar on the IGI Airport's cargo business.

7.3 Authority's Proposals regarding Aggregate Revenue Requirement

Based on the material before it and based on its analysis, the Authority proposes the following regarding ARR and Tariff for the Third Control Period as under:

- 7.3.1 To consider the FRoR in respect of CDCTM for the Third Control Period as per Table 18.
- 7.3.2 To consider the ARR in respect of CDCTM for the Third Control Period as per Table 19.
- 7.3.3 To consider Revised Tariff Rate Card (including TSP charges applicable to AFS Cargo) w.e.f. **01.01.2023 to 31.03.2025** as per **Annexure-V**.

CHAPTER 8: REVENUE FROM OPERATIONS, PROFITABILITY & TAXATION

8.1 CDCTM Submissions on the projected Profitability for the Third Control Period

8.1.1 CDCTM submitted Profitability Statement for the Third Control Period after considering revised Tariff as proposed by it as per the following table:

Table 20: Profitability Statement of CDCTM for the Third Control Period

(₹ in crores)

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--|---------------|---------------|---------------|---------------|----------------|----------------|
| Revenue from Regulated Services (A) | 511.26 | 489.44 | 465.66 | 418.08 | 339.15 | 2223.59 |
| Revenue from Non-Regulated Services* (B) | 71.84 | 67.04 | 64.48 | 62.09 | 59.85 | 325.30 |
| Total Revenue (C) = (A+B) | 583.1 | 556.48 | 530.14 | 480.17 | 399.00 | 2548.89 |
| Total Operating Expenditure (D) | 422.68 | 441.71 | 456.94 | 458.06 | 442.94 | 2222.33 |
| EBITDA (C-D) | 160.42 | 114.77 | 73.20 | 22.11 | -43.94 | 326.56 |
| Depreciation | 17.08 | 20.67 | 25.87 | 31.95 | 38.21 | 133.78 |
| EBIT | 143.34 | 94.10 | 47.33 | -9.84 | -82.15 | 192.78 |
| Interest & Finance Cost | 4.48 | 4.36 | 4.19 | 4.67 | 5.14 | 22.84 |
| PBT | 138.86 | 89.74 | 43.14 | -14.51 | -87.29 | 169.94 |
| Tax @ 25.168% | 35.42 | 22.58 | 10.86 | 0 | 0 | 68.86 |
| PAT | 103.44 | 67.16 | 32.28 | -14.51 | -87.29 | 101.08 |
| % PAT to Revenue | 17.74% | 12.07% | 6.09% | -3.02% | -21.88% | 3.97% |

*Revenue from Non-Regulated Services include rental income, interest on term deposits and dividend from mutual funds, etc.

8.2 Authority's Examination regarding Revenue from Operations, Profitability and Taxation:

8.2.1 The Authority notes that as per Section 115BAA introduced by the Government of India through the Taxation (Amendment) Ordinance, 2019 on 20.09.2019, which provides option to a Domestic company to pay tax at lower rate of 22% (plus applicable surcharge and cess, where the total turnover for Previous Year 2017-18 does not exceeds ₹ 400 Crore), as opposed to normal tax rate of 30%/ 25% (plus applicable surcharge and cess), w.e.f. Assessment Year 2020-21 subject to other precedent conditions.

8.2.2 The Authority further notes that the ISP is charging tax @ 25.168% on the net profit and the Authority proposes to consider same rate for its own computation of Profitability Statement for the ISP.

8.2.3 The Authority in line with MoCA's AFS policy has proposed separate TSP charges for AFS Cargo, based on AFS Cargo Volume, activities to be undertaken by AFS Operators & CTOs and considering the prevailing TSP charges applicable to General Cargo etc. (as on 30.09.2022), w.e.f. 01.01.2023 for International Export & Import Cargo originated from/destined to approved AFS as per table given below:

Table 21: AFS Cargo Volumes & TSP charges proposed by the Authority for the Third Control Period

| Particulars | FY 2022-23 (for 3 months) | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|---|------------------------------|-------------|-------------|-------------|-------------|
| AFS Cargo Volume (in MT) (a) | 1200 | 4800 | 5040 | 5292 | 16332 |
| Prevailing TSP charges/kg (in ₹/kg) (b) | 1.69 [#] | 1.69 | 1.69 | 1.69 | |
| TSP charges/Kg for AFS Cargo (30% lower charges than TSP charges applicable on general cargo) proposed by the Authority [in ₹/kg] (c) | 1.18 | 1.18 | 1.18 | 1.18 | |
| Revenue from AFS Cargo at normal rates as applicable to General Cargo (₹ in crores) (d) = {(a)*(b)}/ 10000 | 0.20 | 0.81 | 0.85 | 0.89 | 2.76 |
| Revenue from AFS Cargo after considering lower TSP charges (₹ in crores) = {(a)*(c)}/ 10000 | 0.14 | 0.57 | 0.60 | 0.63 | 1.94 |

[#] As per the Authority's Order no. 03/2019-20 dated 22.04.2019 for the Tariff approved up to 31.03.2021, which has been further extended from time to time up to 31.03.2023 (currently Interim Order no. 24/2022-23 dated 23.09.2022 is applicable).

8.2.4 The Authority notes from the Profitability Statement that the Revenue of CDCTM is decreasing YoY and the clarification thereof was sought from the ISP. The ISP in its response stated that their demurrage yield is projected to decrease from FY 2022-23 onwards due to following factors:

- In FY 2021-22, demurrage yield from Import and Export was high due to Covid restrictions and lockdown for part of the year, resulting in delay in clearance of Cargo which led to increase in demurrage revenue. However, as Civil Aviation Sector is recovering from the impact of Covid pandemic, the exceptional non-recurring high demurrage yield during Pandemic period is not likely to sustain in remaining part of the Third Control Period, therefore, there is a decrease in projected revenues from FY 2022-23 onwards.
- Further, in the past one and a half year, the revenue from demurrage charges has also been on higher side on account of piece level X-ray screening of Cargo, which was mandated by BCAS, resulting in higher dwell time for clearance of Cargo. However, as per CDCTM, such practice is not likely to continue for long. In addition, the Customs department is focusing on reduction in Cargo processing time and swift clearance of Cargo, resulting in less dwell time.

- c) ISP also anticipates loss in demurrage revenue after the construction of new Cargo Village by the Airport Operator, where Customs bonded Warehouse facility will be provided, wherein cargo agents can built/ de-stuff and store their pallets pre and post Customs clearance.
- d) CDCTM vide email dated 06.10.2022 submitted projected yield of ₹ 12875/ MT at current rates for the FY 2022-23 (based on actual figures for first five months).

8.2.5 The Authority notes from the above submission of ISP that due to development of new Cargo Village and expected faster clearance of Cargo by Customs department will result in reduction in processing time for Cargo clearance. Therefore, in the coming years there will be a progressive decrease in dwell time for clearance of Cargo, resulting in lower demurrage charges. The Authority, considering the above factors, proposes to reduce revenue yield by 2% YoY basis starting from FY 2022-23 onwards.

8.2.6 Considering the above, including AFS Cargo Volumes, Revenue from Regulated Services and Yield per MT considered by the Authority for the Third Control period is as under:

Table 22: Revenue from Regulated Services and Yield/ MT computed by the Authority in respect of CDCTM for the Third Control Period

| Particulars | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|---|----------------|---------------------------|---------------|---------------|---------------|----------------|
| Total Cargo Volume (refer Table 3) (A) | 3,64,198 | 3,75,301 | 3,80,248 | 3,42,983 | 2,74,345 | |
| Yield (₹/MT) considered by the Authority for the Third Control Period (B) | 14,038* | 12,875[#] | 12,603 | 12,348 | 12,095 | |
| Total Revenue from Regulated Services (₹ in crores) (C) = (A*B) | 511.26 | 483.20 | 479.78 | 424.11 | 332.45 | 2230.80 |
| Revenue from AFS Cargo (₹ in crores) (refer Table 21)(D) | - | 0.14 | 0.57 | 0.60 | 0.63 | 1.94 |
| Revenue from Regulated Services at current Tariff rate (₹ in crores).....E=(C-D) | 511.26 | 483.06 | 479.21 | 423.51 | 331.82 | 2228.86 |

*Actual Yield for FY 2021-22

[#] Yield for FY 2022-23 (based on first 5 months) submitted by the ISP.

8.3 Based on the review of various regulatory building blocks and computation of ARR for the 3rd Control Period by the Authority for CDCTM, the projected Revenue and Profitability statement is given below:

Table 23: Projected Revenue & Profitability Statement computed by the Authority in respect of CDCTM for the Third Control Period

| (₹ in crores) | | | | | | |
|--|----------------|---------------|---------------|---------------|---------------|----------------|
| Particulars | FY 2021-22* | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
| Revenue from Regulated Services (excluding AFS Revenue) | 511.26 | 483.06 | 479.21 | 423.51 | 331.82 | 2228.86 |
| Revenue from Non-Regulated Services (refer Table 20) | 71.84 | 67.04 | 64.48 | 62.09 | 59.85 | 325.30 |
| AFS Revenue (refer Table 21) | - | 0.14 | 0.57 | 0.6 | 0.63 | 1.94 |
| Total Revenue (A) | 583.1 | 550.24 | 544.26 | 486.19 | 392.29 | 2556.08 |
| Total Operating Expenditure (B) (Refer Table 11) | 422.68 | 439.44 | 462.10 | 460.36 | 440.79 | 2225.36 |

| Particulars | FY 2021-22* | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | Total |
|--|----------------|---------------|---------------|---------------|---------------|---------------|
| EBITDA (A-B) | 160.42 | 110.80 | 82.16 | 25.83 | -48.50 | 330.72 |
| Depreciation (<i>Refer Table 6</i>) | 17.08 | 20.67 | 25.87 | 31.95 | 38.21 | 133.78 |
| EBIT | 143.34 | 90.13 | 56.29 | -6.12 | -86.71 | 196.94 |
| Interest & Finance Cost (<i>Refer Table 20</i>) | 4.48 | 4.36 | 4.19 | 4.67 | 5.14 | 22.84 |
| PBT | 138.86 | 85.77 | 52.10 | -10.79 | -91.85 | 174.10 |
| Tax @ 25.168% | 34.94 | 21.58 | 13.11 | - | - | 69.64 |
| PAT | 103.92 | 64.18 | 38.99 | -10.79 | -91.85 | 104.46 |
| % PAT to Revenue | 18% | 12% | 7% | -2% | -23% | 4% |

*Actual figures for the FY 2021-22

8.4 From the above table, the Authority notes that last two tariff years of the Control Period are showing negative profitability for the ISP and the same is mainly due to increased depreciation during later part of the Control Period & estimated drop in market share of ISP on account of upcoming new greenfield Airport at Jewar, Noida etc. leading to lower Cargo Volumes. However, CDCTM is expected to earn reasonable Profit After Tax (PAT) of ₹ 104.46 crores for the Third Control Period.

8.5 Authority's Proposals regarding Revenue for the Third Control Period

Based on the material before it and based on its analysis, the Authority proposes to consider Total Revenue for the Third Control Period as per Table 23.

CHAPTER 9: SUMMARY OF AUTHORITY'S PROPOSALS

The below mentioned summary provides the Authority's proposals relating to relevant chapters regarding the tariff determination of CDCTM providing Cargo Handling Services at Indira Gandhi International Airport, Delhi for Stakeholder Consultation purpose:

| Chapter | Para | Summary of Authority's Proposal | Page No. |
|----------------------|--------------|--|-----------------|
| Chapter No.2 | 2.7 | The Authority considers that the Cargo Handling Service provided by CDCTM at IGIA, Delhi is ' Material but Competitive '. Therefore, the Authority proposes to determine the Tariff for the 3 rd Control Period based on ' Light Touch Approach '. | 9 |
| Chapter No.3 | 3.4 | The Authority proposes to consider the Cargo Volume including the Cargo Volume of AFS projected by CDCTM for the Third Control Period as per Table 3. | 13 |
| Chapter No. 4 | 4.7.1 | The Authority proposes to consider Additions to RAB for the 3 rd Control Period as per Table 8. | 21 |
| | 4.7.2 | The Authority proposes to consider the Depreciation for the 3 rd Control Period as per Table 6. | |
| | 4.7.3 | The Authority proposes to consider Average RAB for the 3 rd Control Period as per Table 8. | |
| | 4.7.4 | The Authority proposes to consider the Return on Security Deposit as per Table 9. | |
| Chapter No. 5 | 5.7 | The Authority proposes to consider the OPEX projected by CDCTM for the Third Control Period as per Table 13. | 25 |
| Chapter No. 6 | 6.5 | The Authority proposes 30% lower TSP charges for AFS Cargo, including Perishable/ Pharmaceuticals/ Special/ Valuable/ Hazardous Cargo etc., as compared to normal approved TSP charges applicable to Other than AFS Cargo, for the Third Control Period (w.e.f. 01.01.2023 to 31.03.2025). | 31 |
| Chapter No. 7 | 7.3.1 | The Authority proposes to consider the FRoR in respect of CDCTM for the Third Control Period as per Table 18. | 35 |
| | 7.3.2 | The Authority proposes to consider the ARR in respect of CDCTM for the Third Control Period as per Table 19. | |
| | 7.3.3 | The Authority proposes to consider Revised Tariff Rate Card (including TSP charges applicable to AFS Cargo) w.e.f. 01.01.2023 to 31.03.2025 as per Annexure V. | |
| Chapter No. 8 | 8.5 | The Authority, proposes to consider Total Revenue for the Third Control Period as per Table 23. | 39 |

CHAPTER 10: STAKEHOLDERS' CONSULTATION

- 10.1 In accordance with the provisions of Section 13(4) of the AERA Act, the proposals contained in Chapter 9 above is hereby put forth for Stakeholders' consultation. To assist the Stakeholders in making their submissions in a meaningful and constructive manner, necessary annexures to Consultation Paper (**Annexures-I to V**) are also enclosed.
- 10.2 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 here to and by making such decision fully documented and explained in the tariff order in terms of the provisions of the Act.
- 10.3 The Authority welcomes written evidence-based feedback, comments and suggestions from Stakeholders on the various proposals made in Chapter 9 above, latest by **05/12/2022**.

Secretary

Airports Economic Regulatory Authority of India
AERA Building, Administrative Complex
Safdarjung Airport, New Delhi -110003
Tel: 011-24695044-47, Fax: 011-24695048

(Chairperson)

No. AV. 13011/03/2013-ER

**Government of India
Ministry of Civil Aviation**

**“B” Block, Rajiv Gandhi Bhawan,
New Delhi, dated 28th October, 2014**

OFFICE MEMORANDUM

Subject: Policy Guidelines on Air Freight Station.

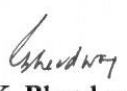
One of the recent initiatives undertaken by the Ministry of Civil Aviation pertains to strengthening of Air Cargo Logistics infrastructure in the country. In that context, creation of off-airport common user facility for handling International Air Cargo in the form of Air Freight Stations initiative has pursued. The competent authority has finalized the Policy Guidelines on Air Freight Station after extensive consultations with stakeholders and with the related Ministries/Departments in Government of India.

2. Air Freight Station (AFS) is an Off-airport Common User Facility equipped with fixed installations of minimum requirements and offering services for handling and temporary storage of import and export cargo etc. AFS is the counter part of Inland Container Depot (ICD) for Maritime Cargo. This initiative of AFS will create an enabling environment for promoting International Air Cargo operations by reaching out to hinterland regions of the country besides de-congesting the congested Air Cargo terminals in some gateway International Airports that face high dwell time.

3. The Application form for permission to set up Air Freight Station is also enclosed with the Policy Guideline.

4. These policy guidelines governing Air Freight Station would be common and binding on all stakeholders concerned in the supply chain of International Air Cargo operations such as Airlines, Air Cargo Terminal operators, Airport Operators, Freight Forwarders / Customs Brokers, Exporters / Importers and all regulatory organisations.

5. This is for information and further necessary action.


(U.K. Bhardwaj)

Under Secretary to the Govt. of India
Tele: 2461 0359

Encl.: As above.

Cont..

To

1. Shri Nripendra Mishra, Principal Secretary to Prime Minister, Prime Ministers' Office, South Block, Raisina Hill, New Delhi – 110001
2. Shri Shaktikanta Das, Secretary (Revenue), Ministry of Finance, Deptt. of Revenue, North Block, New Delhi.
3. Shri Rajeev Kher, Secretary, Department of Commerce, Udyog Bhawan, New Delhi.
4. Shri Ashok Lavasa, Secretary, Ministry of Environment & Forests, Indira Paryavaran Bhavan, Jor Bagh Road, New Delhi - 110 003
5. Shri Lov Verma, Secretary, Deptt. of Health & Family Welfare, Nirman Bhawan, C-Wing, New Delhi - 110001
6. Shri Ashish Bahaguna, Secretary, Ministry of Agriculture & Cooperation, Krishi Bhawan, New Delhi-110001
7. Shri Vijay Chhibber, Secretary, Ministry of Road Transport & Highways, Transport Bhawan, Sansad Marg, New Delhi-110001
8. Shri Vishwapati Trivedi, Secretary, Ministry of Shipping, Transport Bhawan, Sansad Marg, New Delhi-110001
9. Shri Arun Kumar Panda, Joint Secretary (Drugs Quality Control), Ministry of Health & Family Welfare, Nirman Bhawan, New Delhi.
10. Smt. J.M. Shanti Sundharam, Chairperson, Central Board of Excise & Customs, Deptt. of Revenue, Ministry of Finance, North Block, New Delhi.
11. Dr. Prabhat Kumar, Director General, Directorate General of Civil Aviation, Opp. Safdarjung Airport, New Delhi.
12. Shri Sudhir Raheja, Chairman, Airports Authority of India, 'C' Block, Rajiv Gandhi Bhawan, New Delhi.
13. Shri Alok Shekhar, Secretary, Airports Economic Regulatory Authority, AERA Building, Administrative Complex, Safdarjung Airport, New Delhi- 110 003
14. Shri Arunendra Kumar, Chairman, Railway Board, Rail Bhawan, New Delhi
15. Shri B.B. Dash, Joint Commissioner of Security, Bureau of Civil Aviation Security, Janpath Bhawan, New Delhi.
16. Shri Arvind Bhatnagar, Director (International Marketing & Operations), Container Corporation of India Ltd. CONCOR Bhawan, C-3 Mathura Road, Opposite Apollo Hospital, New Delhi-110076
17. Shri T.K. Doshi, Director (Marketing & Corporate Planning), Central Warehousing Corporation, 4/1, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi-110016

Cont..

18. Shri Ujjwal Day, Associate Director, Federation of India Airlines, I-1734, First Floor, Chittaranjan Park, New Delhi-110019.
19. Shri S.L. Sharma, President, Air Cargo Agents Association of India, 28-B, Nariman Bhavan, Nariman Point, Mumbai-400 021.
20. Shri Amit Kamat, Honorary Secretary, Federation of Freight Forwarders' Associations in India, 311-313, Mahinder Chambers, W.T. Patil Marg, Chembur, Mumbai-400 071.
21. Shri Vipin Jain, Chairman, BAR-India Cargo Committee, C/o Lufthansa Cargo AG, Room No. 202-204, Cargo Complex, Export Building, IGI Airport, New Delhi- 110 037.
22. Shri Pradeep Panicker, President, Air Cargo Forum India, Room No. 25, Ground Floor, Project Office, New Udaan Bhawan, Opposite T-3, IGI Airport, New Delhi-110037.
23. Shri S. Raghavan, Secretary, The Southern India Chamber of Commerce and Industry, Indian Chamber Buildings, No. 6, Esplanade, Chennai-600108
24. Shri Tushar Jani, Chairman, Cargo Handlers Association of India, 201, Navratan Building, 69, P. D'Mello Road, Mumbai-400009
25. Shri Satyan Nayar, Secretary General, APAO, 710, 7th Floor, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi -110001.
26. Shri Arvind M. Nayak, President, DACCAI, 5c/105-Mittal Industrial Estate Andheri Kurla Road, Andheri East, Mumbai-400 059.
27. Managing Director, Delhi International Airport (P) Limited (DIAL) New Udaan Bhawan, Opp. Terminal-3, Indira Gandhi International Airport, New Delhi - 110037
28. Managing Director, Mumbai International Airport (P) Limited (MIAL), Charapati Shivaji International Airport, 1st Floor, Terminal 1B, Santacruz (E), Mumbai-200 099.
29. Managing Director, Cochin International Airport (P) Limited (CIAL), Kochi Airport P.O., Ernakulam-682111 (Kerala).
30. Managing Director, Hyderabad International Airport Limited (HIAL), Rajiv Gandhi International Airport, Project Office, Shamshabad, Hyderabad-500 409
31. Managing Director, Bangalore International Airport Limited (BIAL), Devanahalli, Administrative Block, Kempegawda International Airport, Bangalore-560 300
32. All International Airlines
33. The Press Trust of India Limited, PTI Building, 4, Parliament Street, New Delhi - 110 001.

Contd.../-

Copy to:

1. PS/OSD to HMCA
2. PS/OSD to HMoS
3. PPS to Secretary
4. AS & FA
5. All JSs/EA

F.No. AV.13011/3/2013-ER
Ministry of Civil Aviation

Date: 28th October 2014

Policy Guidelines on Air Freight Station (AFS)

1.01 Concept of Air Freight Station

Air Freight Station (AFS) is an off-Airport common user facility equipped with fixed installations of minimum requirements and offering services for handling and temporary storage of import/export goods loaded and empty Unit Load Devices (ULDs) and cargo in bulk / loose for home consumption, warehousing, temporary admissions, re-export, temporary storage for onward transit and outright export. In the case of Express Companies, there could be a dedicated AFS for express cargo or they can also make use of AFS meant for general cargo or ICD to handle air cargo. This initiative of AFS will create an enabling environment for promoting International Air Cargo operations by reaching out to hinterland regions of the country besides de-congesting the congested Air Cargo terminals in some gateway International Airports that face high dwell time. By also specially authorising some of the ICDs to cater to the International Air Cargo operations, the existing facilities in these ICDs, could be fully utilised. These policy guidelines governing Air Freight Station would be common and binding on all stakeholders concerned in the supply chain of International Air Cargo operations such as Airlines, Air Cargo Terminal operators, Airport Operators, Freight Forwarders / Customs Brokers, Exporters / Importers and all regulatory organisations.

1.02 Functions of AFS

The primary functions of AFS are summed up as under:-

- a. Receipt of Export Cargo for processing and to make the cargo "Ready for Carriage" condition including ULD (Unit Load Device) building of export cargo and scanning of cargo. While ULDs will be the ideal mode of handling cargo for and from AFS, export / import consignments both in palletised / ULD and bulk, loose form shall also be facilitated.

- b. Transit operations by road to and from serving Airport.
- c. All Customs related requirements for import and exports including inspection of cargo wherever required.
- d. Unitization of Cargo.
- e. Temporary storage of cargo and Unit Load Device (ULDs).
- f. Re-building of ULDs of Export Cargo.
- g. De-stuffing of Import Cargo.
- h. Storage, Examination, Packing and Delivery of Import Cargo.
- i. Auction / disposal of 30 days old uncleared Import Cargo.
- j. Maintenance and repair of Unit Load Devices

In a nut shell, all Export and Import cargo clearance including customs related activities like assessment, examination, payment of duties etc. would be provided at the AFS, as is done in any other Customs station. Besides the customs authorities, other cross-border regulatory agencies such as Plant Quarantine office, Drug Controller's office etc., would also be accommodated by the respective AFS enterprise in the same premises. This may include, for example, space for establishment of laboratory for immediate inspection and the area should be well lit.

1.03 Location of AFS

Greenfield AFS facility can be located anywhere in India subject to fulfilment of all regulatory requirements contained in these guidelines. Setting up of AFS at the existing ICDs which are already notified by Customs would also be permitted.

1.04 Pre-requisites for establishing AFS

A. Space requirement

- I. AFS can be set up exclusively for handling export cargo or import cargo and can also be for both exports and imports. Land requirements for export or import are dependent on quantum of cargo expected to be handled. International standards for throughput efficiency at cargo terminals in general is measured in terms of tonnage handled per square metre linked to the volume of cargo handled in that terminal in a year.

- II. Based on the covered area available for air cargo at most of the international cargo terminals in Tier-II cities and taking into account the stakeholders feedback on this issue, the minimum area of covered space required for exports shall be atleast One thousand Square metre and if imports are also proposed to be handled in the same AFS then another one thousand square metre of covered space should be provided.
 - III. As far as existing ICDs seeking additional authorisation as AFS is concerned, they may allocate additional space for handling AFS cargo as per traffic requirement.
 - IV. Entities intending to put up AFS shall submit proof of ownership of required amount of appropriate land free from encumbrances or lease deed of the premises in which AFS is proposed to be setup.
- B. Workload requirement
- I. The establishment of an AFS would take into account the feasibility of the project in terms of the projected air cargo to be handled.
- C. Other requirements
- I. Since AFS will be a Customs notified area, it will be governed by the Handling of Cargo in Customs Areas Regulations, 2009 (as amended) which prescribes various requirements including basic infrastructure etc. in great detail. This regulation is exhaustive and mandatorily to be followed by all Customs notified operators. Therefore, it is not proposed to elaborate requirements of infrastructure etc. further in this Guideline.
 - II. It is important to ensure that the design and layout shall be in accordance with the flow of export and import of cargo and shall take into account the initial volume of business, the estimated volume in the near future and the facilities the exporter / importers would require.
 - III. Ideally, facilities in AFS shall contain the scope for expansion in future as and when volume of trade grows. An important facility at AFS that is required particularly for export cargo is the scanning equipments and trained screeners for operating that facility. If export cargo activity is not proposed to be handled at an AFS, the requirement of scanning facility is not applicable. If it is proposed to include perishables, then requirement as per Plant Quarantine Directorate shall be made applicable.
 - IV. Approval of proposals for setting up AFS shall take into account the credibility of the promoter from the viewpoint of financial status, legal compliance etc.

D. Regulatory environment governing AFS

- I. Greenfield AFS or ICDs specially recognized to handle air cargo under these Guidelines shall comply with (i) the policy Guidelines of MoCA and advisories of Inter-Ministerial Committee (IMC) of D/o Commerce that may be issued from time to time on various matters connected with AFS (ii) Handling of Cargo in Customs Area Regulations, 2009 (as amended) (iii) Bureau of Civil Aviation Security (BCAS) regulations governing security of Export cargo. Further, the Customs staff at Greenfield AFS shall be posted on cost recovery basis, as per staffing norms to be determined by the CBEC on the basis of the workload.
- II. The required IT / EDI support is essential for AFS operations. Therefore, the Central Board of Excise and Customs (CBEC) / Directorate of Systems, CBEC and the Jurisdictional Commissioner of Customs concerned shall ensure that the same is made available.
- III. The CBEC shall ensure that the jurisdictional Commissioners of Customs issue public notices laying down uniform Customs procedures at AFSs.
- IV. Airport operators and Air Cargo Terminal Operators shall accept palletised ULDs for bulk cargo in the case of exports from an approved AFS facility and facilitate its transfer to the airside. They shall not insist on levying full TSP charges on consignments / cargo meant for / received from AFS (particularly in respect of ready for carriage conditions export cargo) for its transfer from land to air-side and vice-versa since no value addition is contemplated at the airport terminal. AERA while approving TSP charges shall give a break-up of Transit, Storage and Processing Charges.
- V. Air Cargo terminal operator at the concerned airport shall identify and allocate some space for handling of built ULDs / consignments meant for / received from an AFS and provide direct access to sterile area in the ease of exports.
- VI. In instances where existing ICDs are specially recognized for handling air cargo under these Guidelines, no additional Customs cost recovery charges shall be levied on this account.
- VII. Scanning operations of export cargo moving from AFS shall be completed at AFS itself and necessary guidelines shall be issued by BCAS in this regard keeping in view the overall purpose and the benefits of moving the international trade operations to the hinterland away from the international airports.
- VIII. Given the expected nature of growth of AFS and the choice available to exporters and importers, the charges applicable for various operations to be carried out by AFS operator shall be determined by the market forces and are thus forborne.

Page 4 of 7

- E. Procedures for approval of AFS and its implementation
- I. Proposals for setting up of AFS will be considered by the Inter-Ministerial Committee notified by D/o Commerce (for approving ICDs/CFSs) based on application to be made by the entity proposing to set up the facility and in keeping with the Guidelines for setting up of AFS issued by MoCA in this regard.
 - II. The application will be accompanied by a feasibility report containing the business plan of the entity. Upon acceptance and approval of the application by the IMC, Letter of Approval (LoA) will be issued by the D/o Commerce. This shall be valid for a period of one year and further extension for one more year will be considered by the IMC if there is valid justification for extension. If operations are not commenced within the extended period, the LoA issued to that entity is deemed to have become invalid. LoA is subject to cancellation in the event of any abuse or violation or breach of conditions of LoA.
 - III. A copy of the LOA shall be endorsed to Member (Computerization)/DG, Systems, CBEC for factoring in the financials and the load involved in EDI connectivity, well in time. A copy of the LOA shall also be endorsed to DG, HRD, CEBC and Commissioner of Customs concerned.
 - IV. Once the infrastructure is ready, the CBEC shall within 30 days thereof notify the AFS under Section 7 of Customs Act, 1962. Thereafter, approvals under Section 8 and Section 45 of Customs Act, 1962 specifying Customs area for loading and unloading of imported / export goods and appointment of custodian shall be immediately issued by Jurisdictional Commissioner of Customs subject to confirming the sanction of staff.
 - V. CBEC, Directorate of System and the concerned Jurisdictional Commissioner shall, upon notification of AFS as a Customs Station, ensure that the required number of sanctioned officials are posted to that station. They shall also ensure EDI connectivity to the AFS without any delay.
 - VI. BCAS shall decide and communicate their approval for the security arrangements of the AFS entity within 30 days of receipt of the application from the applicant entity.
 - VII. As soon as the business is commenced by the AFS, IMC of D/o Commerce and Ministry of Civil Aviation will be notified of the same and the AFS operator shall periodically furnish the details of exports and imports that have taken place on a quarterly basis to both D/o Commerce and Ministry of Civil Aviation.

Application form for permission to set up Air Freight Station

(Read the guidelines carefully before filling up)

1. Name of the Organisation proposing to set up AFS :
Address with Telephone/Fax/E-mail/Mobile
Number (give details)
2. Status of the applicant Organisation :
3. Whether it is a Greenfield facility or is it an :
application for specially recognizing an existing ICD
for handling air cargo under these Guidelines?
Give details.
4. Whether the proposed AFS is for :
(i) Exports (all items) only
(ii) Exports (excluding perishables) only
(iii) Imports only
(iv) For (i) & (iii) above
(v) For (ii) & (iii) above
5. Place (address) where the AFS is proposed to be :
set up
6. Location of the site with distance from nearest :
International/Customs Airport
(Enclose a map showing location and links to airports)
7. Whether land space for the setting up of AFS :
already acquired, if so,
(a) Area of land (in sq. meters)
(b) Area covered (in sq. meters)
(c) Whether owned/hired/on lease
(d) If not, how the land is proposed to be acquired
(e) Area in Open for circulation in yard, paved /
unpaved area
8. Address of Customs Commissionerate having :
jurisdiction over the proposed AFS
9. Names of Freight Forwarders, Carriers etc. willing :
to operate from/to this proposed AFS

- | | <u>Available</u> | <u>Proposed to create</u> |
|--|------------------|---------------------------|
| 10. Infrastructural facilities | : | |
| (i) Weighment facility | | |
| (ii) Gatehouse & Security | | |
| (iii) Accommodation for office | | |
| (iv) Parking area | | |
| (v) Equipments (give details) | | |
| | Exports (MT) | Imports |
| 11. Volume of cargo proposed to be handled in initial years | : | |
| 12. Special Cargo, if any, proposed to be handled. e.g. Dangerous Goods, pharma, perishables | : | |
| 13. Availability of appropriate facilities to handle special cargo mentioned above | : | |
| 14. Experience, if any, of the applicant in Air Cargo Logistics operations | : | |
| 15. Financial health of the applicant (give details) | : | |
| 16. Logistics movement of cargo to and fro proposed AFS and Gateway airports (give details) | : | |
| 17. Time limit required for operationalising the AFS | : | |
| 18. Authorised Signatory | : | |
| (Name, Designation, Address, Telephone-Mobile & Landline number, Fax Number and E-mail ID.) | | |

Declaration:

Information furnished above and in enclosures attached to this application are true and correct to the best of my knowledge.

Authorised Signatory

Name:
Designation :
Seal :
Date :

Summary of deliberations held by the Authority with various stakeholders on MoCA's AFS Policy

The views of Stakeholders regarding the modalities for implementation of MoCA's AFS Policy and related TSP charges to be levied on AFS Cargo are as follows:

- a) **Cargo Terminal Operators and Airport Operator** – The representatives of Cargo Terminal Operators (CTOs) and AO (DIAL) during their meeting with AERA have emphasized that they have to perform certain activities, irrespective of the nature of cargo, whether in loose packets or Built-Up-Pallets (BUPs) as is the case in AFS. CTOs further stated that current Terminal Infrastructure, with slight modifications, can cater to the AFS Cargo. As per the CTOs, as there isn't much difference in handling of Cargo pertaining to AFS, therefore, AFS are required to pay TSP charges as applicable to general cargo. However, CTOs stated that in case of AFS Cargo, no palletization charges will be levied to AFS, as Cargo will be received at Cargo Terminal in form of BUPs/ULDs.
- b) **AFS Operator** – AFS Operator (M/s Continental Carriers Pvt. Ltd.) highlighted that since the required activities for International Cargo handling will be carried out at the AFS, in such a scenario, Terminal Storage and Processing (TSP) Charges should not be levied by the CTOs and the Shipper should not be burdened by charging twice for the same activities. However, to clear the impasse, AFS Operator offered to pay 50% of the applicable TSP charges to the CTOs, as against the demand of full/normal TSP charges by AO/CTOs. AFS Operator further clarified that if due to Customs or BCAS requirements, the pallets are opened for examination or screened again, all applicable charges in such scenario shall be borne by the AFS operator.
- c) **Bureau of Airlines Representatives (BAR)** – During the deliberations with BAR, a presentation was given to the Authority on the Cargo Handling at Hongkong Airport, where concept similar to AFS is operational. On the aspect of levying TSP charges by CTOs on ULDs/BUPs originating from/destined to AFS, BAR submitted that:
 - (i) There is a difference in handling 'loose parcel/cargo from customers' and 'pallets/ULDs from AFS';
 - (ii) Receiving loose parcel and getting it ready for loading in the aircraft involves lot more activities before moving to Security Hold Area;
 - (iii) On the contrary, 'pallets from AFS' will be straight away moved to the 'Security Hold Area' for warehousing/further processing. Handling 'Pallets from AFS' warrants less activities on the part of CTO & same can be handled with little modifications (viz. lazy dollies etc.) in the present Terminal infrastructure. Therefore, levying full TSP charges to AFS Cargo may not be justified.
 - (iv) However, considering that even in case of AFS Cargo, there are certain activities that will still be undertaken at Cargo Terminal, it would be reasonable to levy lower TSP charges on the AFS, and such charges may be reviewed in future depending on the volumes generated by the AFS etc.
- d) **Views of Bureau of Civil Aviation Security & Customs** - The representatives of Customs' department during their meeting with the AERA on 28.06.2022 stated that their department is ready with required facilities at the AFS, Delhi (M/s Continental Carriers Pvt. Ltd.). Whereas, the

representative of BCAS stated that AFS Operator is required to comply with all the requirements of BCAS relating to Regulated Agent (RA) certification. Further, it was informed that en-route security of bonded trucks from AFS facility to Cargo Terminal and vice-versa is a concern and same is required to be addressed by the AFS Operator as per requirements of RA certification.

Supporting documents relating to cost estimates for CAPEX proposed by the ISP for the Third Control Period

A- Purchase Order of M/s V North Construction for Rooftop Replacement amounting to ₹ 22.60 crores

|  | | | | | | | | | |
|--|------------|--|----------|-----|--|----------|------------------------------|---------------|--|
| PURCHASEORDER | | | | | | | | | |
| Doc. Date Sep 30, 2022 Purch.doc. 4500113237 V North Constructions 52-1/16-3A, NTR Nagar, Vijayawada 520008 ANDHRA PRADESH INDIA GST No. 37AAV6V6048G1ZH PAN No. AAV6V6048G Tel: 08978904525 Fax: Mail rahul@vnorth.in Contact Person: / | | | | | Page:1/3 Release Date Oct 7, 2022 Celebi Delhi Cargo Terminal Management India Pvt Ltd. ROOM NO. CE-05, FIRST FLOOR, IMPORT BUILDING II, INTERNATIONAL CARGO TERMINAL, IGI AIRPORT, NEW DELHI. PIN 110037 GST No. 07AADCC6885B1ZO PAN No. AADCC6885B Tel: +91-11-47630900 Fax: +91-11-47630999 Mail vinay.yadav@celebiaviation.in Contact Person: VINAY YADAV | | | | |
| LINE | Material | Material description | Quantity | Uom | Net Price | Crcy per | Net Value | Plant Name | |
| 0001 | 3121000049 | Basic Con., Other Works Repair | 1 | PC | 191,560,691 | INR 1 | 191,560,691 | Delhi Airport | |
| | | | | | | | Input GST-Inter-SO- 18% | | |
| | | | | | | | Total Freight/Other Amount | 0.00 | |
| | | | | | | | IGST | 34,480,924 | |
| | | | | | | | CGST | 0.00 | |
| | | | | | | | SGST | 0.00 | |
| | | | | | | | Total Amount Tax/ other inc. | 226,041,615 | |
| DELIVERY TERMS | | 1. Materials, equipments and Manpower shall be deploved within 2 months from PO and advance. 2. Submit shopfloor drawing in 10 days from date of advance. 2. 40% work shall be completed within 3-4 months. 3. 40% work shall be completed within 4-5 months. 4. 20% work shall be completed within 5-5 months. 5. Completion of project shall not exceed 6 months from advance payment date. Payable immediately Due net | | | | | | | |
| PAYMENT TERMS | | | | | | | | | |
| TAX | | The prices are exclusive of the taxes including GST. Further, the taxes are to be stated in invoice and invoice shall fulfill all the requirement of GST laws. | | | | | | | |
| WARRANTY & INSURANCE TERMS | | 1. All insurances (for Manpower , Material, Machine, space etc) shall be in V North scope. 2. All work permission for completing work shall be in V North scope. 3. All type of passes (for Manpower , Material, Machine, space etc) shall be in V North scope. 4. All other terms as per agreement. | | | | | | | |
| LETTER OF GUARANTEE | | 1. V North shall provide all Guarantee letter for this PO. | | | | | | | |
| G3.ISH.(++),03.AML.(++),90.ARZ.(++),04.KAM.(++),99.MUR.(++),18.DAV.(++) | | | | | | | | | |
|   | | | | | | | | | |



PURCHASE ORDER

| | | |
|---|-----------------------------|--|
| Doc. Date Sep 30, 2022 | Page:2/3 | Release Date Oct 7, 2022 |
| Purch.doc. 4500113237 | | |
| V North Constructuions | | Celebi Delhi Cargo Terminal Management India Pvt Ltd. |
| 52-1/16-3A, NTR Nagar, Vijayawada | | ROOM NO. CE-05, FIRST FLOOR, IMPORT BUILDING II, |
| 520008 ANDHRA PRADESH | | INTERNATIONAL CARGO TERMINAL, IGI AIRPORT, NEW |
| INDIA | | DELHI. PIN 110037 |
| GST No.37AAV6048G1ZH PAN No. AAVFV6048G | GST No.07AADCC6885B1ZO | PAN No.AADCC6885B |
| Tel: 08978904525 | Tel: +91-11-47630900 | |
| Fax: | Fax: +91-11-47630999 | Mail vinay.yadav@celebiaviation.in |
| Contact Person: / | Contact Person: VINAY YADAV | |

| LINE | Material | Material description | Quantity | Uom | Net Price | Crcy per | Net Value | Plant Name |
|------|---------------------------|---|----------|-----|-----------|----------|-----------|------------|
| | INSPECTION & SAMPLE TERMS | 1. Regular monitoring shall be submitted to Celebi by V North. 2. Work completion certificate shall be jointly signed by Celebi representative and V North team. 3. V North team follow Celebi representative instruction along with BOQ for quality of work. 4. Other inspection terms shall be follow as mentioned in agreement. | | | | | | |
| | PENALTY TERMS | The SERVICE PROVIDER accepts and agrees to pay to the COMPANY an amount equivalent to 0.5 % per week of the Consideration for such delay as liquidated damages until actual completion of the Construction Project. The SERVICE PROVIDER in addition agrees and accepts to indemnify and hold the COMPANY harmless from any penalty/ liquidated damage imposed upon the COMPANY by any third party including the governmental and administrative authorities (which shall be interpreted extensive enough so as to cover any airport and legal authorities such as courts and execution offices) for the reason of delay in delivering the Construction Project on the Project Completion Date. | | | | | | |
| | NOTES | 1. Work shall be completed as per detail signed agreement for this PO. 2. PO price is included labour Cess. 3. GST shall be applicable as per PO copy. 4. Tata Bluescope sheeting shall be provided by V North. Payment Terms: 1. 50% advance with agreement against BG / Corporate guarantee. 2. 20% approved shopfloor plan 3. 10% upon 40% work completed and approved by Celebi. 4. 10% upon 40% work completed and approved by Celebi. 5. 10% upon 20% work completed and approved by Celebi against 10% PBG / Corporate guarantee for Defect Liability Period (DLP) for 15 months. | | | | | | |
| | PAYMENT CLAUSE | 1. Vendor is responsible to comply with all the provisions of the GST Law. 2. In case of non - compliance with the GST law a) The Company shall withhold the entire invoice payment until the non - compliance is corrected and the Company is able to avail the corresponding GST input tax credits. b) In case the payment is already made, the Vendor shall compensate the Company for the amount of eligible input tax credit including interest and penalty in any. | | | | | | |

G3.ISH.(++),03.AMI.(++),90.ARZ.(++),04.KAM.(++),99.MUR.(++),18.DAV.(++)



PURCHASE ORDER

| | | | | |
|--|--------------|--|--------------|-------------|
| Doc. Date | Sep 30, 2022 | Page:3/3 | Release Date | Oct 7, 2022 |
| Purch.doc. | 4500113237 | | | |
| V North Constructuions | | Celebi Delhi Cargo Terminal Management India Pvt Ltd. | | |
| 52-1/16-3A, NTR Nagar, Vijayawada | | ROOM NO. CE-05, FIRST FLOOR, IMPORT BUILDING II, | | |
| 520008 ANDHRA PRADESH | | INTERNATIONAL CARGO TERMINAL, IGI AIRPORT, NEW | | |
| INDIA | | DELHI. PIN 110037 | | |
| GST No. 37AAV6V6048G1ZH PAN No. AAV6V6048G | | GST No. 07AADCC6885B1ZO PAN No. AADCC6885B | | |
| Tel: 08978904525 | | Tel: +91-11-47630900 | | |
| Fax: | | Fax: +91-11-47630999 | | |
| Mail rahul@vnorth.in | | Mail vinay.yadav@celebiaviation.in | | |
| Contact Person: / | | Contact Person: VINAY YADAV | | |

| LINE | Material | Material description | Quantity | Uom | Net Price | Crcy per | Net Value | Plant Name |
|-----------------|----------|---|----------|-----|-----------|----------|-----------|------------|
| | | 1. BG / Corporate guarantee shall be submitted within 7 days from PO and agreement signed date. 2. PBG / Corporate guarantee shall be submitted before 15 days from submitting final invoice for final payment. Below annexures are integral part of this PO#4500113237 ANNEXURE 1-PAYMENT SCHEDULE ,ANNEXURE 2-SCOPE OF WORK, ANNEXURE 3 - HEALTH, SAFETY AND ENVIRONMENT (HSE) POLICY, ANNEXURE 4 – QUALITY POLICY, ANNEXURE 5 – SECURITY POLICY, ANNEXURE-6:JOB WORK COMPLETION TIMELINE, ANNEXURE 7-PROJECT CHARTER, ANNEXURE-8 BOQ WITH AGREED COST, ANNEXURE 9- BILL OF QTY | | | | | | |
| ADDITIONAL DOC. | | | | | | | | |

G3.ISH.(++),03.AMI.(++),90.ARZ.(++),04.KAM.(++),99.MUR.(++),18.DAV.(++)



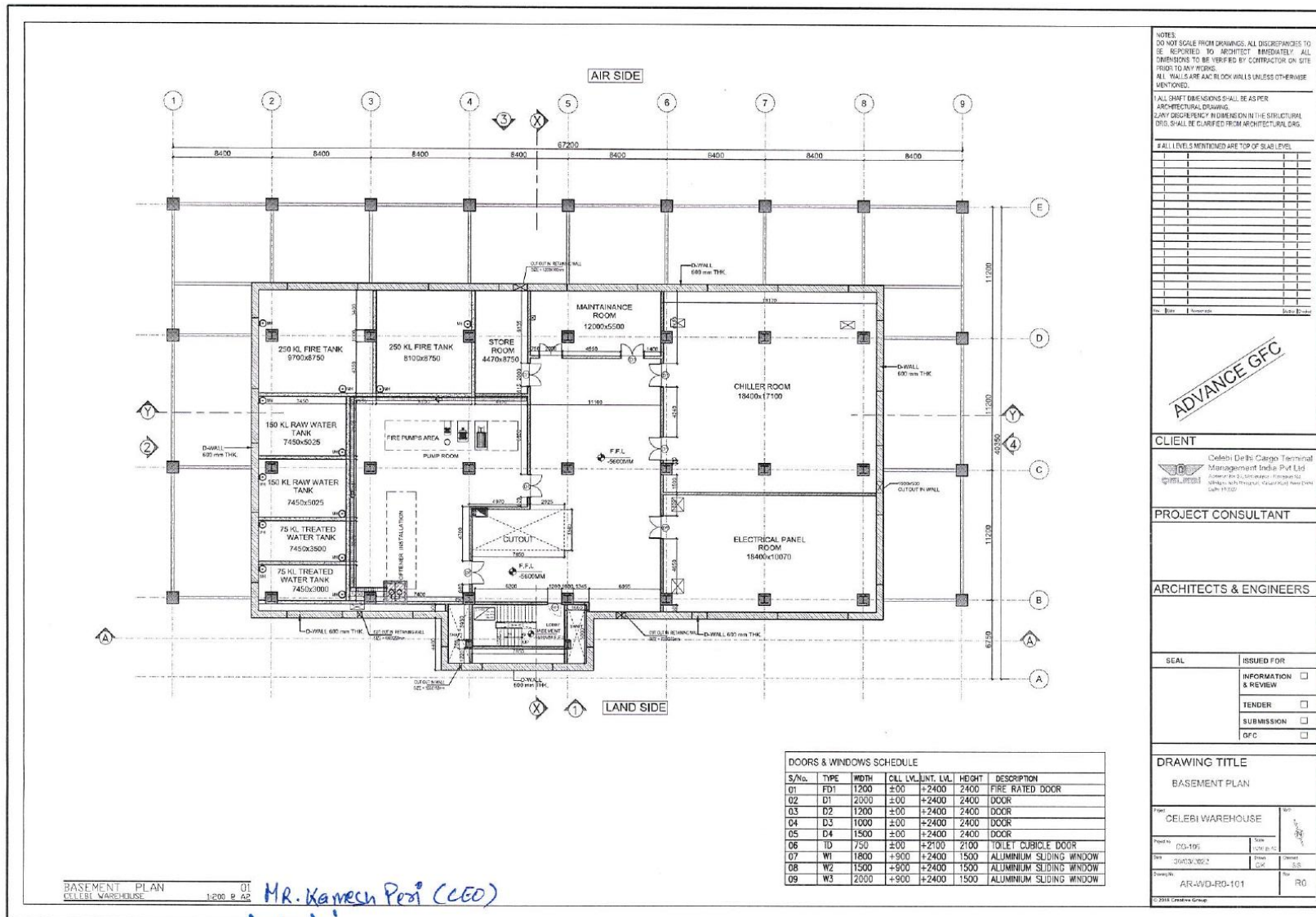
B- Estimated cost of construction of new Cargo Warehouse and Shifting of various Facilities

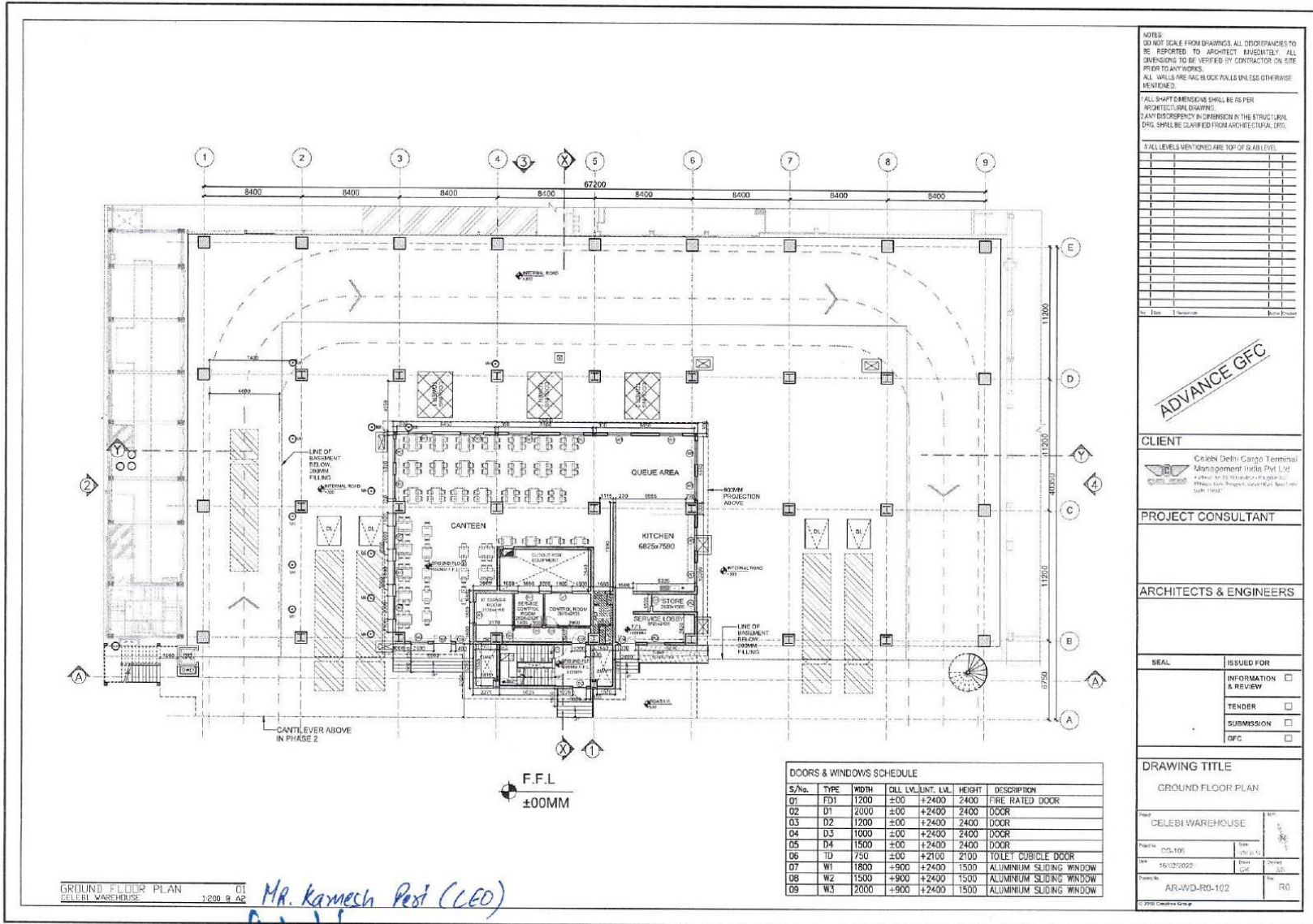
| S. No. | DESCRIPTION | Estimated Cost (Amount in ₹) | Details |
|----------|---------------------------------|---------------------------------|---|
| A | CIVIL WORKS | | |
| 1 | EARTH WORK | 1,27,53,852 | The site has to be prepared for construction of the basement, as such earthwork of approx. 13000 sqm Earth work will be carried out in excavation by mechanical means (Hydraulic excavator)/manual means over areas (exceeding 30 cm in depth, 1.5 m in width as well as 10 Sqm on plan) including getting out and disposal of excavated earth with lead upto 50m and lift upto 1.5 m, as per requirement at site . |
| 2 | CONCRETE WORK | 54,54,644 | Foundation has been designed accordance to IS 456: 2000(2016). Analysis and design of raft/combined/ isolated foundation has been done by safe and design of isolated footing, retaining wall base . The foundation has been designed by considering max allowable gross SBC of (19.5T/sqm net pressure + surcharge) at founding level as per soil investigation report. The foundations are having a depth of maximum 1.25m below FFL of the basement. |
| 3 | REINFORCED CEMENT CONCRETE WORK | 7,42,92,896 | The cement used for RCC work in the sub structure & super structure will be OPC (Grade 43 and 53) confirming to IS: 8112-1989 and 12269-1987. All RCC works will be mechanically vibrated to produce dense, sound and durable concrete as per specifications. The water quality used in all stages of construction shall strictly confirm to IS: 456-2000 |
| 4 | DIAPHRAGM WALL | 11,03,09,333 | The Diaphragm wall is a structural concrete wall constructed in deep trench excavation using specialist equipment and an under-slurry technique . The D wall is made up of individual panels joined together to create a single continuous wall. It withstands the lateral forces of earth, as well as structural loads. Diaphragm wall will be constructed at site to hold the earth, enabling the truck movement during the entire Construction work so that the tenants-DHL, APEDA & Pharma will have clear & seamless access for continuing their operations. |
| 5 | MASONRY WORK | 46,03,721 | Brick work with common burnt clay FPS non modular bricks of class designation 7.5 in foundation and plinth The works include providing and laying autoclaved aerated cement blocks masonry with 100 mm upto 300mm thick AAC blocks in super structure above plinth level up to floor V level in cement mortar 1:4 (1 cement : 4 coarse sand). This includes providing and placing in position 2 Nos 6 mm dia M.S. bars at every third course of masonry work. Provision of RCC band at sill level and lintel level with approved block laying polymer modified adhesive mortar has been catered for . |
| 6 | DOOR & WINDOW RELATED WORK | 40,09,466 | Providing wood work in frames of doors, windows, clerestory windows and other frames, wrought framed and fixed in position with hold fast lugs or with dash fasteners of required dia & length (hold fast lugs or dash fastener shall be paid for separately).This also includes provisioning of Fire Metal doors Providing and fixing of approved make 120mins Hollow metal fire rated doors tested and certified design as per IS 3614 part-2 & BS 476 part-20 & 22 at CBRI, Roorkee for its stability and integrity. Galvanized steel sheet to be used should be confirming to IS 277. Recommended fire door design should be similar to earlier test evidence from CBRI, Roorkee with or without vision lite for maximum fire rating of 2hrs. Doors should be finished in Thermosetting Powder Coating with film thickness of 60 microns approx. in desired RAL Shades. The manufacturer company shall be a member of IGBC and ISO 9001-2015 certified. |

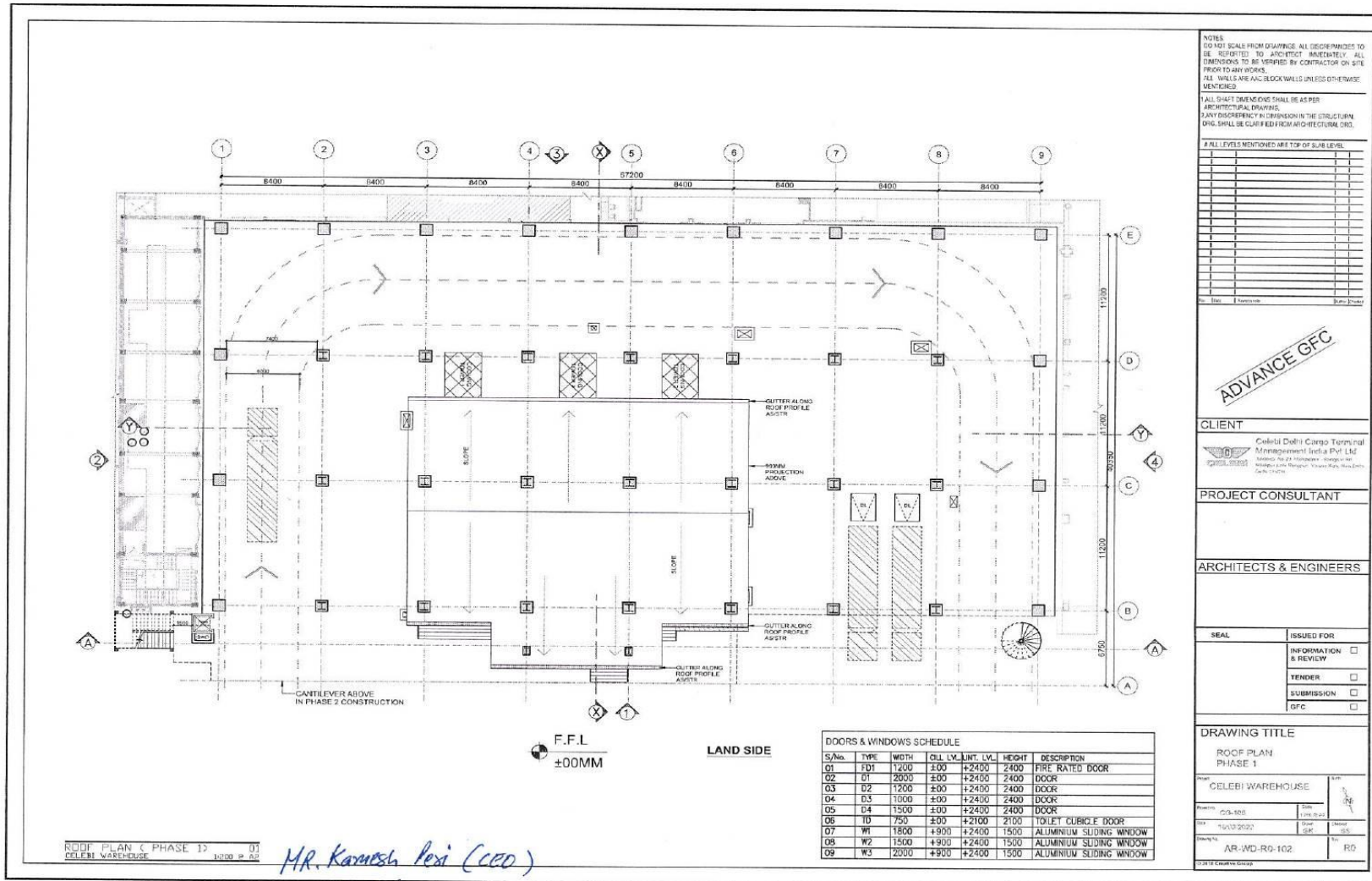
| S. No. | DESCRIPTION | Estimated Cost (Amount in ₹) | Details |
|--------|----------------|---------------------------------|--|
| 7 | STEEL WORK | 46,90,773 | Structural steel encased column shall be in high tensile steel with a yield stress of E450 MPa conforming to IS: 2062. Structural steel beam shall be built up section high tensile steel with yield stress of E450 MPa and UB/rolled section shall be E250/E350 Mpa conforming to IS: 2062. Deck sheet shall be TR-60 of 1mm thick with yield stress of E350 MPa with minimum 275 gsm galvanization of Corus/Jindal make. 8 P a g e Shear studs shall have yield stress of E350 MPa. Dia of 19/22/25mm shall be used based on the modular requirements of beam spans / spacing/ forces etc. High strength bolts shall be Grade 8.8 conforming to IS: 4000. |
| 8 | FLOORING | 5,31,38,909 | Providing and fixing 18 mm thick gang saw cut, mirror polished, pre-moulded and pre-polished, machine cut for kitchen platforms, vanity counters, window sills, facias and similar locations of required size, approved shade, colour and texture laid over 20 mm thick base cement mortar 1:4 (1 cement : 4 coarse sand), joints treated with white cement, mixed with matching pigment, epoxy touch ups, including rubbing, curing, moulding and polishing to edges to give high gloss finish etc. complete at all levels. , to include granite, vitrified tiles and ceramic tiling work. |
| 9 | CURTAIN WALL | 6,82,500 | Curtain wall is being provided to provide a partition between the operational area and the work area. Work includes designing, fabricating, testing, installing and fixing in position Curtain Wall with Aluminum Composite Panel Cladding, with open grooves for linear as well as curvilinear portions of the building , for all heights and all levels etc. including: (a) Structural analysis & design and preparation of shop drawings for pressure equalization or rain screen principle as required, proper drainage of water to make it watertight including checking of all the structural and functional design. (b) Providing, fabricating and supplying and fixing panels of aluminum composite panel cladding in pan shape in metallic colour of approved shades made out of 4mm thick aluminum composite panel material consisting of 3mm thick FR grade mineral core sandwiched between two Aluminum sheets (each 0.5mm thick). The aluminum composite panel cladding sheet shall be coil coated, with Kynar 500 based PVDF Lumiflon based fluoropolymer resin coating of approved colour and shade on face # 1 and polymer (Service) coating on face # 2 as specified using stainless steel screws, nuts, bolts, washers, cleats, weather silicone sealant, backer rods etc. |
| 10 | FINISHING | 1,04,75,368 | Finishing walls with cement plaster of 1:3 of 6mm upto 18mm to include textured exterior paint of required shade, Fire retardant paint, epoxy paint OR enamel paint as per the surface. |
| 11 | WATER PROOFING | 1,18,10,987 | Includes supplying and installing ≥ 1.2 mm thick self-adhesive HDPE membrane, having puncture resistance of ≥ 900 N as per ASTM E 154, Tensile strength of 25 Mpa as per ASTM D412, Elongation of $>400\%$ as per ASTM D 412, Resistance to hydrostatic head > 60 M as per ASTM D 5385, Peel adhesion to concrete >1500 N/m as per ASTM D903, 45 Days UV Exposure test-Pass, thickness of bare HDPE shall not be less than 0.8mm and conforming to IS 16471:2017 requirements of UG waterproofing structures, as per manufacturer's recommendation. Waterproofing is also being provided to raft footing, retaining walls, junctions of stitched slabs, toilets / sunken toilets, water retaining structures and food grade epoxy coating for potable water tanks. |
| I | SUB-TOTAL | 28,02,22,446 | |

| S. No. | DESCRIPTION | Estimated Cost (Amount in ₹) | Details |
|----------|------------------------------|---------------------------------|--|
| B | MEP & OTHER WORKS | | |
| 1 | MAKESHIFT CANTEEN | 1,65,86,430 | The Canteen of approx. 430 sqm will be shifted on the Ground Floor of the New Construction in Phase I. The Canteen will be a temporary structure made in Aluminum Partition panels for easy dismantling and reuse at a later stage when PHASE II will be constructed. Canteen (PHASE II) proposed on cantilever at First Floor level, away from the ASRS operational area. This work will be taken up separately, as part of the Phase II of the Project. |
| 2 | CCTV | 1,28,32,351 | CCTV system – shall be used for surveillance of Entry / Exit points/corridors at strategic locations to cover entire premises and monitoring personal movement. Fiber cable -It is proposed to install Fiber cable for Telephone, Data and Cable TV wiring connections are proposed to be provided in the control & server room all other telecom/ low voltage equipment/ system proposed for the new Building will be housed in the ground floor |
| 3 | FAS & PA System | 25,82,865 | Addressable Fire Alarm & Detection System – Shall be provided as per NBC, for all the areas of the warehouse. Public Address System - shall be installed within buildings and outside the building, for basement AC plant room, Substation room, Plumbing Pump room, horn type wall mounted speaker shall be provided. |
| 4 | INTERNAL ELECTRICAL WORK | 99,31,113 | Electrical panels are being provided for the basement as well as the GF for the Canteen and the Control Room areas. The Panel at the Basement will provide electrical connectivity to the WTP, Fire Pumps, Chiller Plant, FAS, Lighting, CCTV etc. Works include the routing of LT cable, termination & cable tray as required, installation of earthing system, installation of lighting protection system, internal electrification with lighting fixtures, ceiling & exhaust fans, sockets, DB etc., installation of ELV SYSTEM at the new proposed building. |
| 5 | EXTERNAL ELECTRICAL WORK | 2,80,80,747 | Providing outdoor lighting with pole or with brackets at the surrounding area of new proposed building, to synchronize with and augment the existing external electrification works at the Cargo Complex. |
| 6 | HVAC WORKS | 3,09,84,624 | The Existing Services (HVAC Chiller Plant Room, Cooling Towers and Under Ground Fire tank and pump room) in DIAL Property to be shifted in the Basement of the New Construction in PHASE I. The major equipment of the AC Plants are as follows a. Three (3) nos. 275 TR Water cooled chillers. b. Primary, Secondary & Condenser water pumps. c. Cooling towers d. Associated electrical panels e. Associated power & control cabling termination dismantling & terminating at new AC plant room location. |
| 7 | FIRE FIGHTING | 1,52,09,556 | The equipment's of PHE & Fire Fighting Plant Room are as follows – Fire Fighting pumps. Plumbing pumps Associated electrical panels Associated power & control cabling termination dismantling & terminating at new PHE & FF Pump room. Rerouting of incoming cable from the existing Sub Stations as required as per site conditions. |

| S. No. | DESCRIPTION | Estimated Cost (Amount in ₹) | Details |
|------------------------|---------------------|---------------------------------|---|
| 8 | PLUMBING | 48,15,122 | <p>From existing line the Potable water source will first enter into fire compartment of UG tank.</p> <p>The overflow of fire compartment will enter into the Potable raw water compartment.</p> <p>Existing water treatment plant is used to treat the source water in basement of new canteen block & ware house.</p> <p>The water treated through Potable Water Treatment Plant shall be stored in treated water compartment in new canteen block & ware house at basement level.</p> <p>From, Centralized UG tank, potable water will be pumped to the terrace level overhead tank through existing dedicated mono-block pumping system which is to be used in new canteen block & ware house at basement level.</p> <p>At centralized level, adjoining to the U.G. tank, a plant room is proposed which will accommodate with existing system like mono-block pumping systems, fire pumps, water treatment plant and valves, piping & other accessories shall be installed as new items.</p> <p>The Plant room is also to be constructed below ground to have positive suction to all pumps.</p> <p>Centrifugal Water Transfer Pump from existing source is proposed to feed potable water over head tank. Potable water is supplied to utility through gravity from overhead tank</p> |
| II | SUB TOTAL | 13,60,22,808 | |
| C | SUB TOTAL I & II | 41,62,45,254 | |
| D | SGST | 3,74,62,073 | |
| E | CGST | 3,74,62,073 | |
| GRAND TOTAL (C+D+E) | | 49,11,69,400 | |







C- Quotation and breakup of cost projected by ISP for ASRS facility

ISP vide email dated 04.11.2022 also submitted the breakup of project cost in respect of ASRS facility as per table below:

| Particulars | Currency | Amount | Remarks |
|--|-----------------|---------------------|--|
| ASRS quotation (dated 08.04.2019) | USD | 71,04,333* | |
| Inflation @ 10% | USD | 7,10,433 | Though cost increase of Steel/Aluminum globally is 38% in last 1 year and more than 50% in last 3 years, for cost estimate we have assumed just 10% as total inflation for 5 years (2019-20 to 2024-25). |
| Custom Duty @ 32% | USD | 25,00,725 | |
| International Freight, Custom broker charges, domestic transportation @ 3% | | 2,34,443 | |
| Total Amount in USD | USD | 1,05,49,935 | |
| Exchange rate | INR | 80 | |
| Total Amount in INR | INR | 84,39,94,760 | |

*Quotation in respect of estimated cost for ASRS facility received on 08.04.2019 by ISP from M/s ALS Logistic Solutions as below:



COMMERCIAL QUOTATION

FOR

MATERIAL HANDLING SYSTEM

**DEVELOPMENT OF THE AUTOMATED SHIPMENT &
RETRIEVAL SYSTEM ('ASRS') IN CELEBI CARGO
TERMINAL COMPLEX AT INDIRA GANDHI
INTERNATIONAL AIRPORT ("NEW DELHI")**

CDCTMIPL, PROCUREMENT DEPARTMENT
Celebi Delhi Cargo Terminal Management India Pvt. Ltd.
Room No. CE-05, First Floor, Import-2 Building, IGI Airport
New Delhi, India

Document Q-CG-CEL-ND-20022019
08.04.2019, Revision 02



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 1 of 15



CONTENTS

| | | |
|-----------------|---|------------------|
| <u>1</u> | <u>GENERAL</u> | <u>4</u> |
| <u>2</u> | <u>LAYOUT</u> | <u>5</u> |
| <u>3</u> | <u>INTERFACE LIST BUILDING / LOGISTIC</u> | <u>6</u> |
| <u>4</u> | <u>PRICES AND COMMERCIAL CONDITIONS</u> | <u>8</u> |
| 4.1 | PRICING TABLE | 8 |
| 4.1.1 | Price Schedule of the Base Bid with double deep storage locations, 6 aisles, 6 ASRM, 9 storage levels | 8 |
| 4.1.2 | Price Schedule Option Cladding at ASRS Structure | 10 |
| 4.1.3 | Personnel Costs | 10 |
| 4.2 | COMMERCIAL CONDITIONS | 11 |
| 4.3 | PAYMENT TERMS BY CONFIRMED AND IRREVOCABLE L/C | 11 |
| <u>5</u> | <u>PROJECT TERMS & CONDITIONS</u> | <u>12</u> |
| 5.1 | CHANGE IN LAW | 12 |
| 5.2 | CLIENT TO PROVIDE THE FOLLOWING SERVICES (FREE OF CHARGE) | 12 |
| 5.3 | DELIVERY TIME: | 13 |
| 5.4 | LIQUIDATED DAMAGES AND RETENTIONS | 13 |
| 5.5 | AWARD OF TENDER | 13 |
| 5.6 | VARIATIONS TO CONTRACT | 13 |
| 5.7 | WARRANTY | 13 |
| 5.8 | MAINTENANCE | 14 |
| 5.9 | INSURANCE | 14 |
| 5.10 | QUALIFICATIONS | 14 |
| 5.11 | ADDITIONAL TERMS | 15 |
| <u>6</u> | <u>ANNEXES</u> | <u>15</u> |
| 6.1 | ALS DRAWING REF. CEB-ALS-Q-19-001 REV03 (TENDER DRAWING) | 15 |
| 6.2 | PROJECT SCHEDULE | 15 |
| 6.3 | ALS PROJECT REFERENCES | 15 |



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 2 of 15



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ALS Logistic Solutions – Dubai, U.A.E

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|----------------|-------------|----------------|--------------|--|
| 0 | 20.02.2019 | Walid Khoury | all | Commercial Descriptions |
| 1 | 20.03.2019 | Walid Khoury | all | Commercial Descriptions |
| 2 | 08.04.2019 | Walid Khoury | all | Revised design as per Client requirement |

Proprietary Note:

This technical or commercial proposal or quotation includes data that shall not be disclosed outside the customer organisation and shall not be duplicated or used - in whole or in part - for any purpose other than to evaluate this proposal or quotation. The data subject to this restriction applies to all pages of this proposal.



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 3 of 15



1 General

Dear Sir,

We are pleased to submit to you our commercial offer for the supply of Material Handling System for the Development of the Automated Shipment & Retrieval System ('ASRS') In Celebi Cargo Terminal Complex at Indira Gandhi International Airport ("New Delhi"), India.

The submittal is based on the following email correspondences:

- RFQ and tender documents from Mr. Ishwar Chand dated 18th January 2019.
- Tender Clarifications No. 1 and 2 received on 31st January 2019
- Tender Clarifications No. 3 received on 03rd February 2019
- Post Tender Clarifications received via email on 06th March 2019
- Revised Tender Design Clarifications received via email on 15th March 2019
- Revised Tender Design Clarifications received via email on 28th & 29th March 2019

The equipment's' commercial details are described in this offer. We hope that our offer finds your acceptance and that the described equipment meets your requirements.

In case of any uncertainties or any necessary additional material/documentation, please do not hesitate to contact us on the address below:

Contact Address



Walid Khoury

Managing Director

Address: Office No. 1106, 11th Floor
Jumeirah Bay X2, Cluster X, JLT
Dubai, United Arab Emirates

E-mail: Walid.Khoury@als.aero

Tel No: +971 4 2869617

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Website: www.als.aero

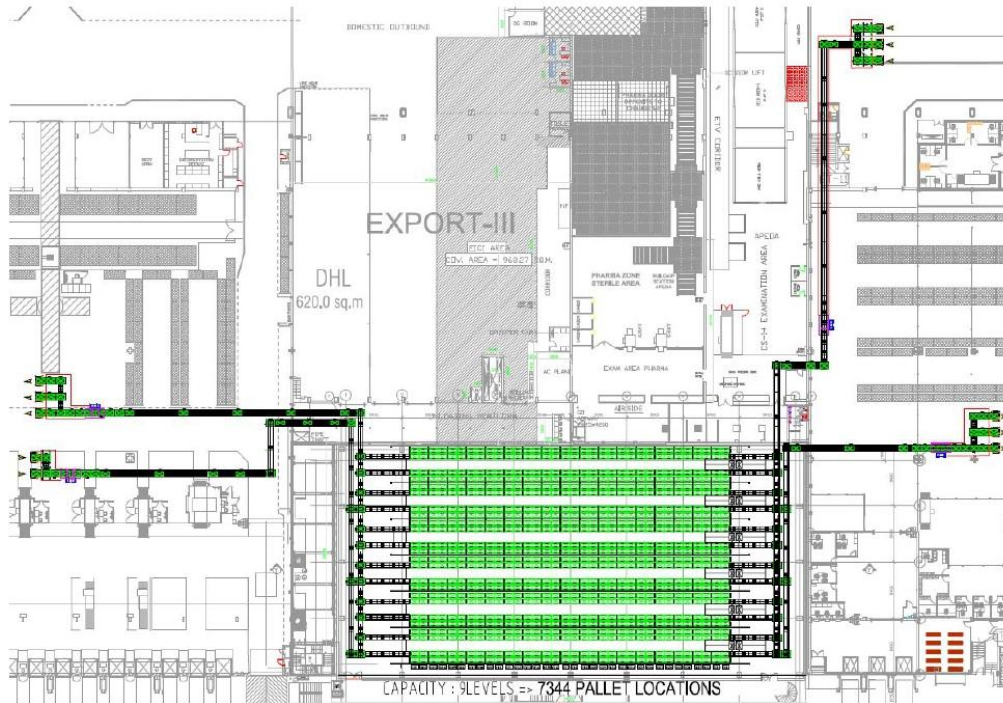


Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 4 of 15

2 LAYOUT



Main Offer as per Client Requirement



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 5 of 15

3 Interface list Building / Logistic

| No. | ITEM | ALS (Supply) | Buildings works |
|-----|---|--------------|-----------------|
| 1 | Floor Slab according to FEM 9.831 and FEM 9.832 | | X |
| 2 | Modify floor slab to meet load requirements if necessary. | | X |
| 3 | Creation of general and detailed drawings for Racking system. | X | |
| 4 | Static calculations for high-bay racking systems EURO CODE 03. | X | |
| 5 | Auditing documentation of steel rack construction. | | X |
| 6 | Floor loads calculation. | X | |
| 7 | Confirmation of floor loads. | | X |
| 8 | High-bay rack design and rack design calculation. | X | |
| 9 | High-bay racking-system, including measurement report. | X | |
| 10 | Drilling in floor for rack anchors, which are fixed to the floor? | X | |
| 11 | Diameter of reinforcement bars in drilling area of the anchor holes should not exceed 8 mm | X | |
| 12 | Diameter more than 8 mm thru the reinforcement bars will be extra charge of 20 EURO per hole. | | X |
| 13 | Protection against chemical additives in concrete slab, if it necessary. | | X |
| 14 | End stops on rack locations. | X | |
| 15 | Leveling racking Construction. | X | |
| 16 | Grouting with non-shrinking mortar. | X | |
| 17 | Fencing-off of aisles in rear and front, including doors. | X | |
| 18 | Structure for roof support – rack supported building. | | X |
| 19 | Equipment ground. | | X |
| 20 | Multiple grounding connections at each rack row and crane aisle | | X |
| 21 | Measurements regarding the grounding of rack construction and Rail equipment. | | X |
| 22 | Connection of the racking system and the Rail equipment of stacker cranes to the building ground. | | X |
| 23 | Creation of necessary surface roughness for groundings of AS/RS bottom crane rail supports. | | X |
| 24 | Bottom Rail for AS/RS cranes and buffer system | X | |
| 25 | Top rails for AS/RS cranes and buffer system | X | |
| 26 | Safety equipment for AS/RS cranes. | X | |
| 27 | Sprinkler system – design and auditing documentation with local authorities. | | X |
| 28 | Sprinkler system – installation and mounting. | | X |
| 29 | Hangers for fire suppression, including sprinkler brackets | | X |
| 30 | Design high-bay rack structure to support fire suppression system with racking systems. | X | |
| 31 | Design high-bay rack to accommodate sprinkler requirements (vertical clearances, etc.) | X | |
| 32 | Modify roof drain system according to rack drawings, in order to minimize the loss of pallet locations. | | X |
| 33 | Aisle lightning on all levels. | | X |
| 34 | Lightning of mezzanines. | | X |
| 35 | Emergency exit lightning including emergency power | | X |

| | | | |
|----|--|---|---|
| 36 | Protection of rack aisle outer limits to be properly protected and to extend as high as necessary. Protection options include netting, fencing, and/or cladding. Specification for each area to be mutually agreed upon with costumer. | | X |
| 37 | Conveyors elements including, conveyor lifts, lifting tables, etc. | X | |
| 38 | In feed stations including maximum weight and profile check | | X |
| 39 | Safety equipment (fencing, around ASRS) | X | |
| 40 | Design and installation of conveyors as required to allow fire control doors in fire separation walls to operate and close. | | X |
| 41 | Fire doors and high speed doors if they are required. | | X |
| 42 | Netting under conveyors to protect personnel | | X |
| 43 | Conveyor walk-overs for service and maintenance | X | |
| 44 | Servis platform inside the Rack construction. | | X |
| 45 | AC power supply for all workstations and Bidders peripheral devices like network hubs, clearing stations, etc. (a single-phase voltage of 220-230 V AC; 4 outlets per workstation). | | X |
| 46 | Each UPS system requires a direct connection to a dedicated AC Branch Circuit. | | X |
| 47 | Server rooms and control rooms. With Cooling system. | | X |
| 48 | Server room for data processing and telephone components/modem (air conditioned). | | X |
| 49 | WCS software | X | |
| 50 | Network for the WCS (for logistics scope of supply). | | X |
| 51 | Network for costumerWCS. | | X |
| 52 | UPS FOR WMS, MFCS,-PC. | | X |
| 53 | Plant-wide network. | | X |
| 54 | All computers and hardware for operation of New ASRS. | | X |
| 55 | Data writing of peripheral devices. | | X |
| 56 | Dedicated fiber optic backbone connecting both server rooms | | X |
| 57 | Provision of high voltage site supply and high voltage (low voltage packaged sub stations). | | X |
| 58 | High voltage power supply to Bidder control panels including connection to Bidders main disconnect (three-phase voltage of 380-400 V AC). | | X |
| 59 | Low voltage power supply to Bidders control panels including connection to Bidder's main disconnect (single-phase voltage of 220-230 V AC). | X | |
| 60 | Wiring from control panels to all machines, motors, sensors and panels controlled and installed. | X | |
| 61 | Control panels/cabinets for ASRS. | X | |
| 62 | Cabling for signal exchange to fire door controls (including wiring from the conveyor control system to the fire door control system. | | X |
| 63 | Installation insurance. | | X |
| 64 | Final cleaning of the entire rack construction. | X | |
| 65 | Waste Disposal. | | X |
| 66 | Unloading Trucks with forklift. | | X |
| 67 | Mechanization for installation. | X | |
| 68 | Removing of the rainwater and dast from the base plate. | | X |
| 69 | Internet on the site. | | X |

4 Prices and Commercial Conditions

4.1 Pricing Table

4.1.1 Price Schedule of the Base Bid with double deep storage locations, 6 aisles, 6 ASRM, 9 storage levels Position of Delivery

| Item | Service Position / Equipment | Quantity | Total Price (USD) | Remarks |
|----------|--|------------|-------------------|-------------------------------------|
| A | Automated Storage and Retrieval System (ASRS) | | | |
| 1 | Storage Rack with maximum height of 15.8 meter: In the ASRS with connected by conveyor, should be stored <u>double deep</u> plastic in-house pallets with the dimensions of 1.2 m x 0.8 m and a load capacity of 1.2 ton per IHP. The rack system consists of <u>9 storage levels and 6 aisles</u> : Storage levels as follows: 1 level 1.65 m height & 1.2 tons, 2 levels 1.35 m height & 1.0 tons, 5 levels 1.15 m height & 0.4 tons and 1 level 0.6 m height & 0.3 tons Total 7344 pallet locations. | Lot | \$735,134 | |
| 2 | Bottom Rails | 6 | \$79,200 | |
| 3 | Top Guiding Rails | Lot | Included | |
| 4 | 6 Automatic Storage and Retrieval Machines (ASRM) in 6 aisles | 6 | \$2,088,240 | Double deep, single mast crane |
| 4a | 6 Automatic Storage and Retrieval Machines (ASRM) with back up motor for slow retrieval function | NA | Not Included | not possible with single mast crane |
| B | Conveyor Distribution System | | | |
| 5 | The IHP roller conveyor decks | 57 | \$316,597 | |
| 5a | IHP Roller Conveyor decks with length of 1.5 meter | 39 | | |
| 5b | IHP Roller Conveyor decks with length of 2.7 meter | 2 | | |
| 5c | IHP Roller Conveyor decks with length of 4.05 meter | 4 | | |
| 5d | IHP Roller Conveyor decks with length of 4.5 meter | 1 | | |
| 5e | IHP Roller Conveyor decks with length of 3.6 meter | 1 | | |
| 5f | IHP Roller Conveyor decks with length of 2.05 meter | 2 | | |
| 5g | IHP Roller Conveyor decks with length of 8.0 meter | 8 | | |
| 6 | The IHP chain conveyor decks | 166 | \$694,635 | |
| 6a | IHP Chain Conveyor decks with length of 1.7 meter | 8 | | |
| 6b | IHP Chain Conveyor decks with length of 5.0 meter | 1 | | |
| 6c | IHP Chain Conveyor decks with length of 4.5 meter | 2 | | |
| 6d | IHP Chain Conveyor decks with length of 4.0 meter | 19 | | |
| 6e | IHP Chain Conveyor decks with length of 3.5 meter | 3 | | |
| 6f | IHP Chain Conveyor decks with length of 3.0 meter | 11 | | |
| 6g | IHP Chain Conveyor decks with length of 2.5 meter | 15 | | |
| 6h | IHP Chain Conveyor decks with length of 1.5 meter | 102 | | |
| 6i | IHP Chain Conveyor decks with length of 8.0 meter | 4 | | |
| 6j | IHP Chain Conveyor decks with length of 6.0 meter | 1 | | |
| 7 | RA Conveyor deck | 49 | \$315,194 | |
| 8 | Turn Table | 0 | NA | |

| | | | | |
|--|--|--------------|--------------------|--|
| 9 | 1.2 tonnes weighing scales and contour check devise in conveyor decks integrated | 5 | \$146,376 | |
| 10 | IHP Twin Hoist with back up motor | 4 | \$181,410 | |
| 12 | Optional 2x single hoist | 8 | \$344,627 | Optional, not included in total price |
| C IT and other Items | | | | |
| 13 | IHP 1.2m x 0.8m with provision to stack a frames | 6820 | \$431,365 | min. qty requested by client |
| 14 | Stackable frames on all 4 sides of IHP | 1400 | \$241,500 | with mesh frames on 3 sides only; 1 side should be open for loading/ unloading |
| 14a | 100 x stackable frame with a height of 1.5m | 100 | | |
| 14b | 200 x stackable frame with a height of 1.2 m | 200 | | |
| 14c | 1,000 x stackable frame with a height of 1.0 | 1000 | | |
| 14d | 100 x stackable frame with a height of 0.4 | 100 | | |
| 15 | 4 x Funnels for Empty IHPs | 4 | \$8,814 | |
| 16 | Ram Protection | 11 | \$12,604 | |
| 17 | Fence (quantity in meter) | approx. 190m | \$34,889 | Fence Height 2m with 10 doors |
| 18 | MHS IT System Software | Lot | \$144,000 | Barcode scanners & printers are excluded |
| 19 | Control System, PLC | Lot | \$649,750 | |
| 20 | Construction Management | Lot | \$730,419 | |
| Total Price Equipment | | | \$6,810,126 | |
| D Shipping and Customs | | | | |
| 21 | Shipping & Delivery | | \$294,207 | |
| 22 | Customs DDP | Lot | by Client | |
| TOTAL PROJECT PRICE - DAP New Delhi (excluding customs duties, VAT, or any local taxes) | | | \$7,104,333 | |

| | | |
|----------|---|-----------|
| E | Maintenance and Spare Parts | |
| 1 | Maintenance 2 years after hand over in operation (Maintenance technician on site (24/7/365) and hotline support (IT/Control System) available 24/7/365) | \$115,056 |
| 2 | Cost of spare parts for 2 years after hand over in operation | \$99,440 |
| 3 | Maintenance for 3 years after 24 month defect liability period | \$190,425 |
| 4 | Cost of spare parts for 3 years after 24 month defect liability period | TBA |

SCHEDULE 1 Summary

The following total prices in USD for the Material Handling System should be given without options:

| | |
|--|--------------------|
| Sum of the Equipment: | \$7,104,333 |
| Maintenance Contract (2 years): | \$115,056 |
| Spar Part Offer (2 years): | \$99,440 |
| Overall Price: | \$7,318,829 |



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 9 of 15



4.1.2 Price Schedule Option Cladding at ASRS Structure

Position of Delivery of optional bid

| Item | Service Position / Equipment | Quantity | Total Price (USD) | Remarks |
|------|--|----------|-------------------|---|
| A | Cladding | | | |
| 1 | Cladding system must be designed keeping cantilever structure as shown in attached section drawing. Design parameters are given in attached drawing. | Lot | Not in ALS Scope | Provided time frame is not sufficient to get quote from our suppliers. We will gather the price and advise later. |

4.1.3 Personnel Costs

In the following table, daily rates in US Dollar (USD) for personnel of the contractor involved in the execution of the project should be given.

| Item | Position in the Project | Daily Rate (USD) |
|------|----------------------------|------------------|
| 1 | Project Director | \$1,196 |
| 2 | Project Manager | \$1,087 |
| 3 | Site Manager | \$978 |
| 4 | Technical Project Manager | \$978 |
| 5 | Quality Manager | \$978 |
| 6 | Commercial Manager | \$978 |
| 7 | System Design Engineer | \$978 |
| 8 | Mechanical Design Engineer | \$815 |
| 9 | Software Engineer IT | \$815 |
| 10 | Software Engineer PLC | \$815 |
| 11 | Electrical Engineer | \$685 |
| 12 | Commissioning Engineer | \$685 |
| 13 | Mechanical Installer | \$685 |
| 14 | Electrician | \$685 |



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 10 of 15



4.2 Commercial Conditions

- **Delivery Term:** DAP New Delhi Port (Incoterms 2010), All Prices are in USD excluding import duties, VAT, Withholding taxes, income taxes, etc. and it applies to ALS General Terms and Conditions for Sales and Delivery.
- Certification, testing, and any other third party inspection (if required) are not included in this offer. Fees related to these requirements will be charged back to the Client as per actual costs.
- **All sub-structures to fix the conveyors are excluded in ALS scope (must be provided by the main contractor).**
- **Validity of Quotation:** our quote is valid for 90 days
- A close coordination with the client's Engineer/Client will be done by ALS to ensure a smooth installation.
- Civil & Electrical works are not included in the above quotation. ALS will provide with all the necessary interface information.
- All expenses related to Factory Acceptance Test (FAT), if required, will be at the client's cost.

4.3 Payment Terms by Confirmed and Irrevocable L/C

- 20% down payment on order confirmation against bank guarantee/bond
- 5% after arrival of Racks on site
- 25% against receipt of shipping documents
- 30% after installation
- 15% against Handover certificate
- 5% After 24 months Defect Liability period or against guarantee

NB: - All payments must be released in 30 days from invoice submission date.

All Bank Charges incurred in opening the LC including Advising Bank charges, Remittance charge and or Payment charges (inside and outside India) are on Customer's account.



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 11 of 15

5 Project Terms & Conditions

5.1 Change in Law

- The Contract Price and Contractual Schedule shall be adjusted to any increase or decrease in cost or time resulting from a change in the governing laws, including the introduction of new laws from any kind and the repeal or modification of existing laws or in the judicial or governmental interpretation of such laws coming into effect after the Effective Date of the Contract.
- If, as a result of these changes in the laws or its interpretation, the Contractor suffers or incurs additional cost or increased time, the Contractor shall give notice to the client to adjust the contract by granting:
 - a) An extension of time for any such delay, if completion will be delayed and/or;
 - b) Payment of any such cost, which shall be included in the adjusted Contract Price.

5.2 Client to provide the following services (Free of Charge)

- All government or other approvals, if necessary;
- Third party checking, approvals or any certificate (if required);
- All expenses related to Factory Acceptance Test (FAT), if required, will be at the client's cost.
- Free Water, and power supply necessary for the installation and commissioning;
- All necessary security passes, work permits or any other personal documentation for ALS and its subcontractors' staff, free of charge, to allow easy and unrestricted access to site.
- Welding permission, free of charge, if required and/or provision of fire protection measures for welding during the installation process;
- Secured storage space for all materials and equipment, temperature controlled area for the electrical or IT parts, and Site supervision during non-working periods;
- Lighted, clean building free of works in the proximity of ALS installation areas, Cleaning of building site and Civil Works;
- Unlimited working hours;
- Garbage containers for the disposal of packaging or small-sized material; Removal and carting away of discarded materials;
- A responsible and authorized person on site shall be appointed by the client prior to start of installation and shall be available every day;
- Calibration fees for weighing scales and provision of test weights, ULDs, Pallets, Bins, Totes or any load units, Dollies, Forklifts or any other lifting equipment required by operator for installation, testing and commissioning purposes.
- Provision of pallets, ULDs, bins, totes, cars, certified loads for weight testing or any kind of loading units used in the client's facility for storage.
- Sanitary facilities (wash rooms and toilets);
- For the installation purpose, 3 phase (220V) stable Electrical power of 50KVA, on movable SMDBs, reaching all the locations in the working area is needed;
- Provision of power /network points (near to ALS system) by client or main contractors per the project requirement.
- For commissioning, we require permanent Electrical Power 3 phase 415V + stable power enough to run the entire system to be terminated at our control panel;



- Forklift and any kind of lifting equipment with driver for installation purposes during the entire installation period as well as for offloading process of various material;
- Regardless of the warehouse dimensions and surrounding conditions on site, directly adjacent to the installation area, there must be enough room for pre-assembly and the storage of material; Any delays that occurs as a result of absence of the installation area or lay down area will result in extra cost or extension of time claimed by ALS;
- All necessary areas free from foreign materials during the entire installation period.

5.3 Delivery Time:

In general, delivery time starts from the confirmed order, the receipt of advance payment as well as approved manufacturing schedule and technical clarifications; we will submit our detailed project schedule upon the successful award of the contract.

Note: Extension of time due to any reason which is not an ALS responsibility: ALS will submit an Extension of Time claim for all costs that ALS has incurred due to the delay in project completion for which ALS is not directly responsible.

Indicative Schedule:

Approx. 11 months from the confirmation of drawings, technical clarifications, and receipt of advance payment.

5.4 Liquidated Damages and Retentions

ALS has not made any allowance for liquidated damages or any other penalties.

5.5 Award of Tender

In the event of ALS being awarded this contract, this letter of conditions along with supporting documents shall form part of the contract document and agreement, and in the event of any ambiguity between the letter of tender and the contract documents, the terms of this document package shall prevail.

5.6 Variations to Contract

ALS shall not be bound by variations, waivers or additions to the scope of the contract or terms and conditions except if agreed and confirmed by both parties in writing.

Any additional work which was not in ALS Offer will be considered as a variation work. No Variation work will be done by ALS without proper written request and approval to offer.

5.7 Warranty

All equipment offered are guaranteed against defects due to faulty workmanship or materials for a period of 24 months from the date of commissioning, or supply and installation where the Company so contracts, providing, however, this is subject that the equipment is correctly installed, operated and maintained in accordance with the instructions issued by ALS. Warranty does not cover any damage caused by accidents, misuse or abuse, or if the product is not properly and duly maintained, nor does it include any freight charges. In case delays occur during the installation that are not an ALS responsibility, an offer for the extension of the warranty will be issued by ALS to the client for approval to revive the warranties.

Availability and warranty can only be fulfilled, if the demanded preventive maintenance is carried out by competent and authorized technicians. However, a set of necessary spare and wear parts has to be available at the Client's premises.



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 13 of 15



At least two services are to be performed on the ALS' delivery scope during the warranty period each one after maximum 800 operating hours at the latest.

All works regarding warranty will be done by ALS' crew or authorized specialists. Therefore checklists are used, which essentially lead through the maintenance work. The lists include information how to inspect, service and grease the relevant components like: rollers, bearings and as well as instructions, how to do adjustments on elements like chains.

The costs mentioned there include all expenses like allowances, outlays for traveling (flight tickets) and for overnight-stays, but are based on normal working time. Any overtime and time spent on Saturday, Sunday and public holidays are not considered. Such costs will be charged additionally, based on our actual rates.

Some support by the Client is expected to carry out the maintenance works efficiently. Special equipment like lifting- and hydraulic jacks, fork lift trucks, and other tools that may be of use to do jobs like changing bearings, should be offered if possible and/or available.

5.8 Maintenance

ALS can provide an offer for the Corrective and Preventative Maintenance. A detailed maintenance schedule will be provided upon agreement is made for Maintenance.

5.9 Insurance

ALS maintains standard policies of insurance for Contractor All Risk, Marine Transit (in case ALS is responsible for the shipment) and the tendered price assumes that these existing policies shall be applicable and acceptable under the terms of the contract to be agreed between ALS and the Principal.

5.10 Qualifications

1. ALS does not price unnecessary risk in the offers and relies on working with clients in a co-operative manner to provide the best value for money; accordingly, ALS's offer is contingent upon the qualifications contained within the entire offer.
2. The tendered price is based on the following assumptions and qualifications:
 - Site security and safety should be ensured by Client.
 - Hoardings and site segregation being provided by Client including provision of traffic management and other warehouse (airside or landside) traffic or public management measures.
 - Building approvals and all necessary occupancy requirements being provided by Client giving consideration to the Owner's layout provided in tender documents.
 - Payments being made in accordance with the Payment Terms in the tender offer without provision of any security in excess of the Performance Security as stated herein. Delayed payments by the client will be subject to accrued interest which will be according to ALS' banks rates.
 - Training to be undertaken by ALS Site Supervisor and/or Commissioning Engineers while those personnel are scheduled to be on-site.
 - Reasonable access to construction power outlets supplied by others.
3. The tendered price assumes a Defects Liability Period of 24 months from the time when the equipment is taken over or started to be operated by the client.
4. For clarification purposes, with respect to the application of any Force Majeure provisions in the contract to be agreed between ALS and the Principal, a Force Majeure event may take



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 14 of 15



place at or away from the site including any local or worldwide events that may delay any activity on the project, any weather-related event including weather at sea that delays shipment of equipment or any other activities. Delays caused by Force Majeure will entitle ALS to an extension of time and additional cost.

5. Companies within the ALS Group do not provide uncapped indemnities; Importantly, we will have no liability under any contract provisions for: (a) indirect, consequential, economic or special loss, damage, cost or expense; (b) loss, damage, cost or expense suffered or incurred to the extent that it arises from the acts or omissions of a party or employee outside ALS; or (c) loss, damage, cost or expense if and to the extent that it can be recovered from a third party, including under an insurance policy.
6. Renewal of any bonds or guarantees: Any costs incurred for the extension or amendments of the Bank Guarantee or bonds for reasons not attributed to ALS will be charged back to the client on cost plus basis.

5.11 Additional Terms

- *Non-Solicitation of Employees and Contractors.* During the term of this Agreement and for two (2) years following the last day on which ALS Logistic Solutions performs services for the client under this Agreement, client will not, directly or indirectly, employ or offer employment to any employee of ALS Logistic Solutions or contractors provided by ALS Logistic Solutions, or assist any related corporation, affiliate or third party in doing so, even if the Agreement is terminated or even if the employment of any of ALS employees is terminated.

A full compensation of all direct and indirect damages caused to ALS Logistic Solutions should be made the client if this non-solicitation clause is infringed.

- Some project specification requesting additional features, which was not part of the standard ALS supply. This has to be clarified prior to pricing.
- ALS team will work in close coordination and will follow safety regulations by the Client's safety officer.
- Either party may terminate this contract by written notice to the other within 30 days if that other party:
 - a) *commits a breach of this contract and, in the case of a breach capable of remedy, he fails to remedy the breach within 14 days of being required to do so in writing; or*
 - b) *becomes insolvent, or has a liquidator, receiver, manager or administrative receiver appointed;*

A penalty of a value amounting to three (3) months full payments if the contract is terminated for any reasons other than clauses (a) and (b).

- The entire project deliverables will remain on ALS' property until the final payment is made to ALS.

6 Annexes

6.1 ALS Drawing Ref. CEB-ALS-Q-19-001 Rev03 (Tender drawing)

6.2 Project Schedule

6.3 ALS Project References



Cargo Handling Equipment
Commercial Quotation
08.04.2019

Air Cargo Handling Systems
Our Ref: Q-CG-CEL-ND-20022019
Revision 02

ALS Logistic Solutions
Dept.: Sales
Author: AP
Page 15 of 15

TARIFF RATE CARD PROPOSED BY CELEBI DELHI CARGO TERMINAL MANAGEMENT INDIA PRIVATE LIMITED FOR PROVIDING CARGO HANDLING SERVICES AT INDIRA GANDHI INTERNATIONAL AIRPORT, DELHI

I. (A) Tariff for Export Cargo Handling

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|-------------------------------|--|--|----------|----------|----------|----------|-----------------|---------------------------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| Terminal Storage & Processing | General | 1.69 | 1.90 | 2.01 | 2.15 | 2.28 | Per Kg | Pre Deposit Account (PDA) |
| | General Minimum Charges | 332.00 | 371.84 | 394.15 | 421.74 | 447.05 | | |
| | Special | 3.37 | 3.78 | 4.00 | 4.28 | 4.54 | | |
| | Special Minimum Charges | 575.00 | 644.00 | 682.64 | 730.42 | 774.25 | | |
| | Valuable | 3.37 | 3.78 | 4.00 | 4.28 | 4.54 | | |
| | Valuable Minimum Charges | 575.00 | 644.00 | 682.64 | 730.42 | 774.25 | | |
| | Hazardous | 5.04 | 5.64 | 5.98 | 6.40 | 6.78 | | |
| | Hazardous Minimum Charges | 493.00 | 552.16 | 585.29 | 626.26 | 663.84 | | |
| | Pharmaceutical/ Perishable | 5.04 | 5.64 | 5.98 | 6.40 | 6.78 | | |
| | Pharmaceutical/Perishable Minimum Charges | 492.00 | 551.04 | 584.10 | 624.99 | 662.49 | | |
| | AFS Cargo | 1.52 | 1.71 | 1.81 | 1.94 | 2.05 | | |
| | AFS Cargo Minimum Charges | 332.00 | 371.84 | 394.15 | 421.74 | 447.05 | | |
| | AFS Cargo (Dedicated Terminal) | 2.35 | 2.64 | 2.79 | 2.99 | 3.17 | | |
| | AFS Cargo Minimum Charges (Dedicated Terminal) | 513.00 | 574.56 | 609.03 | 651.67 | 690.77 | | |
| | Express Delivery*: 25% more than the rate for the category the cargo falls under. Minimum Charges: 25% more than the minimum charge for the category the cargo falls under. | | | | | | | |

| | | | | | | | | |
|---|-----------------|--|--------|--------|--------|--------|--|----------|
| Demurrage-General | | 2.06 | 2.06 | 2.44 | 2.61 | 2.77 | Per Kg per day, Free Period of 12 hrs for Agent | PDA |
| | Minimum Charges | 347 | 388.64 | 411.96 | 440.80 | 467.24 | | |
| | | 2.50 | 2.80 | 2.96 | 3.17 | 3.36 | Per Kg per day, Free Period of 36 Hrs for Airlines | Airlines |
| Demurrage-Special | | 3.49 | 3.91 | 4.15 | 4.44 | 4.70 | Per Kg per day, Free Period of 12 hrs for Agent | PDA |
| | Minimum Charges | 575.00 | 644.00 | 682.64 | 730.42 | 774.25 | | |
| | | 4.99 | 5.59 | 5.93 | 6.34 | 6.72 | Per Kg per day, Free Period of 36 Hrs for Airlines | Airlines |
| Demurrage-Valuable | | 5.84 | 6.54 | 6.93 | 7.42 | 7.86 | Per Kg per day, Free Period of 12 hrs for Agent | PDA |
| | Minimum Charges | 567.00 | 635.04 | 673.14 | 720.26 | 763.48 | | |
| | | 4.99 | 5.59 | 5.93 | 6.34 | 6.72 | Per Kg per day, Free Period of 36 Hrs for Airlines | Airlines |
| Demurrage-Perishable / Pharmaceutical | | 3.49 | 3.49 | 3.91 | 4.15 | 4.44 | Per Kg per day, Free Period of 12 hrs for Agent | PDA |
| | Minimum Charges | 575.00 | 575.00 | 644.00 | 682.64 | 730.42 | | |
| | | 4.99 | 4.99 | 5.59 | 5.93 | 6.34 | Per Kg per day, Free Period of 36 Hrs for Airlines | Airlines |
| X-Ray Machine Charges | | 1.51 | 1.69 | 1.80 | 1.92 | 2.04 | Per Kg | Airlines |
| | Minimum Charges | 182.00 | 203.84 | 216.07 | 231.20 | 245.07 | | |
| X-Ray Screening & Certification Charges | | 1.51 | 1.69 | 1.80 | 1.92 | 2.04 | Per Kg | Airlines |
| | Minimum Charges | 182.00 | 203.84 | 216.07 | 231.20 | 245.07 | | |
| Unitization | General | 1.97 | 2.20 | 2.33 | 2.50 | 2.65 | Per Kg | Airlines |
| | Special | 1.97 | 2.20 | 2.33 | 2.50 | 2.65 | | |
| | Bulk | 1.13 | 1.27 | 1.35 | 1.44 | 1.53 | | |
| Express Unitization | | 25% more than the rate for the category the cargo falls under. | | | | | Per Kg | Airlines |
| Documentation and supervision services | | 2.42 | 2.71 | 2.87 | 3.07 | 3.26 | Per Kg | Airlines |

* Cargo Acceptance & Loading within 4 hours from ETD for RFC (ready for carriage) AWBs.

TSP and Demurrage Charges are applicable on Gross Weight or Chargeable weight, whichever is higher.

^ Applicable for unitization of containers within 2 hours of departure and for unitization of pallets within 3 hours of departure.

(B) Tariff for Other Export Cargo Handling Services (for both Scheduled and Non-scheduled operators)

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|--|---|--|-----------|-----------|-----------|-----------|-----------------|---------------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| Repacking | Minimum Charges per Airway Bill | 2.06 | 2.06 | 2.44 | 2.61 | 2.77 | | PDA |
| | Packaging / Re-packaging charges per package (lots of 50) per shipping bill | 347 | 388.64 | 411.96 | 440.80 | 467.24 | | PDA |
| Weight Difference | For the weight difference of more than 2% and up to 5% of the declared weight, penal charges double the applicable TSP charges will be levied. For variation above 5% of the declared weight, the penal charges will be 5 times the applicable TSP charges of the differential weight. No penal charge will be levied for variation up to and inclusive of 2% of the declared weight. This will not be applicable for valuable cargo | | | | | | | |
| DGR/Live Animal Acceptance Fee | | 5,127.00 | 5,742.24 | 6,086.77 | 6,512.85 | 6,903.62 | Per Checklist | PDA |
| DGD Preparation and Acceptance Fee | | 10,255.00 | 10,255.00 | 11,485.60 | 12,174.74 | 13,026.97 | Per Checklist | PDA |
| Pet Assistance | | 1,898.00 | 1,898.00 | 2,125.76 | 2,253.31 | 2,411.04 | Per Checklist | PDA |
| ULD Cleaning Charges | | 9,075.00 | 9,075.00 | 10,164.00 | 10,773.84 | 11,528.01 | Per ULD | Airlines |
| HAWB Consolidation Charges | | 1,095.00 | 1,095.00 | 1,226.40 | 1,299.98 | 1,390.98 | Per HAWB | PDA |
| Dry Ice Acceptance Check | | 1,331.00 | 1,331.00 | 1,490.72 | 1,580.16 | 1,690.77 | Per AWB | PDA |
| Miscellaneous Activity Charges* | | 1,513.00 | 1,513.00 | 1,694.56 | 1,796.23 | 1,921.97 | Per HAWB | Airlines/ PDA |
| Miscellaneous Packing Charges* | | 151.00 | 151.00 | 169.12 | 179.27 | 191.82 | Per Packet | Airlines |
| Miscellaneous Packing Charges - Metal* | | 303.00 | 303.00 | 339.36 | 359.72 | 384.90 | Per AWB | Airlines |
| ULD Building - rebuilding Charges | | 1.97 | 1.97 | 2.20 | 2.33 | 2.50 | Per Kg | Airlines |
| ULD Customization | | 3,796.00 | 4,251.52 | 4,506.61 | 4,822.07 | 5,111.40 | Per ULD | PDA |
| SKID charges | | 628.00 | 703.36 | 745.56 | 797.75 | 845.62 | Per SKID | PDA |
| Empty Pallet Stack | | 908.00 | 1,016.96 | 1,077.98 | 1,153.44 | 1,222.64 | Per Stack | Airlines |
| Withdraw Shipment (X-RAY) | | 1.51 | 1.69 | 1.80 | 1.92 | 2.04 | Per Kg | PDA |
| | Minimum Charges | 182.00 | 203.84 | 216.07 | 231.20 | 245.07 | Per Kg | PDA |

| | | | | | | | | |
|----------------------------------|--|------|------|------|------|------|----------------|-----|
| Withdraw Shipment (Demurrage) | | 2.50 | 2.80 | 2.96 | 3.17 | 3.36 | Per Kg per day | PDA |
| Facilitations Fee | | 0.42 | 0.50 | 0.58 | 0.68 | 0.79 | Per Kg | PDA |

**Not Covered Elsewhere*

Notes:

1. Consignment of human remains, coffins including baggage of deceased & Human eyes will be exempted from the purview of TSP and demurrage charges
2. TSP charges are inclusive of forklift use inside the terminal. No additional forklift charges will be levied
3. Charges will be levied on "gross weight" or the "chargeable weight" of the consignment, whichever is higher. Wherever the "gross weight" and (or) volume weight is wrongly indicated on the AWB and is actually found more, charges will be levied on the "actual gross weight" or the "actual volumetric weight" whichever is higher.
4. Special cargo consists of perishable and temperature sensitive products, live animals, hazardous goods, valuables and/or any other such cargo which requires/has special handling/storage instructions
5. Cargo from AFS also considered as Special Cargo
6. Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheque, diamonds (including diamonds for industrial use), diamond jewelry & watches made of silver, gold, platinum and items valued at USD 1000 per kg and above.
7. All invoices will be rounded off to nearest of Rs. 5/- as per IATA TACT Rule book vide Clause No. 5.7.2, rounding off procedure, when rounding off Unit is 5.

II. (A) Tariff for Import Cargo Handling

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|--------------------------------------|---|--|----------|----------|----------|----------|---|-----------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| Terminal Storage & Processing | General | 10.25 | 10.25 | 11.49 | 12.17 | 13.03 | Per Kg | PDA |
| | General Minimum Charges | 280.00 | 280.00 | 313.60 | 332.42 | 355.69 | | |
| | Special | 18.45 | 18.45 | 20.67 | 21.91 | 23.44 | | |
| | Special Minimum Charges | 499.00 | 499.00 | 558.88 | 592.41 | 633.88 | | |
| | Valuable | 18.45 | 18.45 | 20.67 | 21.91 | 23.44 | | |
| | Valuable Minimum Charges | 499.00 | 499.00 | 558.88 | 592.41 | 633.88 | | |
| | Hazardous | 18.45 | 18.45 | 20.67 | 21.91 | 23.44 | | |
| | Hazardous Minimum Charges | 499.00 | 499.00 | 558.88 | 592.41 | 633.88 | | |
| | Pharmaceuticals/ Perishable | 18.45 | 18.45 | 20.67 | 21.91 | 23.44 | | |
| | Pharmaceuticals/ Perishable Minimum Charges | 499.00 | 499.00 | 558.88 | 592.41 | 633.88 | | |
| | Express Delivery* : 25% more than the rate for the category the cargo falls under. Minimum Charges: 25% more than the minimum charge for the category the cargo falls under. | | | | | | | |
| Demurrage-General | | 3.16 | 3.54 | 3.75 | 4.02 | 4.26 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | PDA |
| | Minimum Charges | 734.00 | 822.08 | 871.40 | 932.40 | 988.35 | Between 96 hrs to 696 hrs per kg | |
| | | 6.35 | 7.11 | 7.54 | 8.07 | 8.55 | Beyond 696 hrs | |
| | | 9.44 | 10.57 | 11.20 | 11.99 | 12.71 | | |
| Demurrage-Special | | 6.35 | 7.11 | 7.54 | 8.07 | 8.55 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | PDA |
| | Minimum Charges | 1,429.00 | 1,600.48 | 1,696.51 | 1,815.26 | 1,924.18 | Between 96 hrs to 696 hrs per kg | |
| | | 12.60 | 14.11 | 14.96 | 16.00 | 16.97 | Beyond 696 hrs | |
| | | 18.86 | 21.12 | 22.39 | 23.96 | 25.40 | | |
| Demurrage-Valuable | | 12.60 | 14.11 | 14.96 | 16.00 | 16.97 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | PDA |
| | Minimum Charges | 2,821.00 | 3,159.52 | 3,349.09 | 3,583.53 | 3,798.54 | Between 96 hrs to 696 hrs per kg | |
| | | 25.18 | 28.21 | 29.90 | 31.99 | 33.91 | Beyond 696 hrs | |
| | | 37.81 | 42.35 | 44.89 | 48.03 | 50.92 | | |
| Demurrage-Perishable/ Pharmaceutical | | 12.60 | 14.11 | 14.96 | 16.00 | 16.97 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | PDA |
| | Minimum Charges | 2,821.00 | 3,159.52 | 3,349.09 | 3,583.53 | 3,798.54 | Between 96 hrs to 696 hrs per kg | |
| | | 25.24 | 28.27 | 29.97 | 32.07 | 33.99 | | |

| | | | | | | | | |
|--|-----------------|--------|--------|--------|--------|--------|----------------|----------|
| | | 37.81 | 42.35 | 44.89 | 48.03 | 50.92 | Beyond 696 hrs | |
| De-Stuffing Charges | | 1.97 | 2.20 | 2.33 | 2.50 | 2.65 | Per Kg | Airlines |
| | Minimum Charges | 401.00 | 449.12 | 476.07 | 509.39 | 539.96 | | |
| Documentation and Supervision Services | | 2.42 | 2.71 | 2.87 | 3.07 | 3.26 | Per Kg | Airlines |

*Cargo Delivery within 4 hours from ATA or TOR whichever is later (subject to Customs clearance)

TSP and Demurrage Charges are applicable on Gross Weight or Chargeable weight, whichever is higher.

(B) Tariff for Other Import Cargo Handling Services (for both Scheduled and Non-scheduled Operators)

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|--------------------------------|-----------------|--|----------|----------|----------|----------|-----------------|--------------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| Packing Charges | | 25.61 | 28.68 | 30.40 | 32.53 | 34.48 | Per Packet | PDA |
| Delivery Order Charges | | 2,375.00 | 2,660.00 | 2,819.60 | 3,016.97 | 3,197.99 | Per MAWB | Airlines/PDA |
| | | 1,187.00 | 1,329.44 | 1,409.21 | 1,507.85 | 1,598.32 | Per HAWB | Airlines/PDA |
| HAWB Deconsolidation Charges | | 302.50 | 338.80 | 359.13 | 384.27 | 407.32 | Per HAWB | PDA |
| Pet Assistance | | 1,898.00 | 2,125.76 | 2,253.31 | 2,411.04 | 2,555.70 | Per Checklist | PDA |
| Offloading (Destuff Cargo) | | 2.16 | 2.42 | 2.57 | 2.75 | 2.91 | Per Kg | Airlines |
| | Minimum Charges | 401.00 | 449.12 | 476.07 | 509.39 | 539.96 | Per Kg | Airlines |
| Miscellaneous Activity Charges | | 1,815.00 | 2,032.80 | 2,154.77 | 2,305.60 | 2,443.94 | Per HAWB | Airlines |
| Post Delivery Holding Charges | | 3.63 | 4.07 | 4.31 | 4.61 | 4.89 | Per Kg per day | PDA |
| Facilitations Fee | | 0.42 | 0.47 | 0.50 | 0.54 | 0.57 | Per Kg | PDA |

Notes:

1. Consignment of human remains, coffins including baggage of deceased & Human eyes will be exempted from the purview of TSP and demurrage charges
2. TSP charges is inclusive of forklift use inside the terminal. No additional forklift charges will be levied
3. Charges will be levied on "gross weight" or the "chargeable weight" of the consignment, whichever is higher. Wherever the "gross weight" and (or) volume weight is wrongly indicated on the AWB and is actually found more, charges will be levied on the "actual gross weight" or the "actual volumetric weight" whichever is higher.
4. Special cargo consists of perishable and temperature sensitive products, live animals, hazardous goods, valuables and/or any other such cargo which requires/has special handling/storage instructions.
5. Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheque, diamonds (including diamonds for industrial use), diamond jewelry & watches made of silver, gold, platinum and items valued at USD 1000 per kg and above.
6. All invoices will be rounded off to nearest of Rs. 5/- as per IATA TACT Rule book vide Clause No. 5.7.2, rounding off procedure, when rounding off Unit is 5.

Demurrage Charges:

1. The 'Free Period' would be 48 hours.
2. Calculation of free period would start from segregation time reflected in ICEGATE till generation of the Gate Pass.
3. Prevailing business hours remain unchanged.
4. Number of hours applicable for demurrage will be calculated as time between segregation time reflected in ICEGATE and the "Time of Issue of Gate pass". Each 24 hrs cycle will be 01 day and any part thereof will be counted as full day.

5. *After expiry of the stipulated free period, next 48 hours will be charged on 'per kg per day non-cumulative basis', inclusive of holidays, provided the consignment is cleared within 96 hours from segregation time reflected in ICEGATE.*
6. *After expiry of the stipulated free period i.e., 48 hrs, if the total time between segregation time reflected in ICEGATE and generation of the Gate Pass exceeds 96 hrs, Demurrage Charges will be levied on cumulative basis inclusive of holidays from the date and segregation time reflected in ICEGATE.*
7. *The tariff charged will be applicable as per the tariff prevailing at the time of invoicing.*

III. Tariff for handling Transshipment Cargo

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|---|-----------------|--|----------|----------|----------|----------|--|--|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| Demurrage-General | | 3.16 | 3.54 | 3.75 | 4.02 | 4.26 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | Airlines (Applicable on International to Domestic TP) |
| | Minimum Charges | 734.00 | 822.08 | 871.40 | 932.40 | 988.35 | Between 96 hrs to 696 hrs per kg | |
| | | 6.35 | 7.11 | 7.54 | 8.07 | 8.55 | Beyond 696 hrs | |
| | | 9.44 | 10.57 | 11.20 | 11.99 | 12.71 | | |
| Demurrage-Special | | 6.35 | 7.11 | 7.54 | 8.07 | 8.55 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | Airlines (Applicable on International to Domestic TP) |
| | Minimum Charges | 1,429.00 | 1,600.48 | 1,696.51 | 1,815.26 | 1,924.18 | Between 96 hrs to 696 hrs per kg | |
| | | 12.60 | 14.12 | 14.96 | 16.01 | 16.97 | Beyond 696 hrs | |
| | | 18.85 | 21.12 | 22.38 | 23.95 | 25.39 | | |
| Demurrage- Valuable | | 12.60 | 14.11 | 14.96 | 16.00 | 16.97 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | Airlines (Applicable on International to Domestic TP) |
| | Minimum Charges | 2,821.00 | 3,159.52 | 3,349.09 | 3,583.53 | 3,798.54 | Between 96 hrs to 696 hrs per kg | |
| | | 25.19 | 28.21 | 29.91 | 32.00 | 33.92 | Beyond 696 hrs | |
| | | 37.81 | 42.35 | 44.89 | 48.03 | 50.91 | | |
| Demurrage- Pharmaceutical/ Perishable | | 12.60 | 14.11 | 14.96 | 16.00 | 16.97 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | Airlines (Applicable on International to Domestic TP) |
| | Minimum Charges | 2,821.00 | 3,159.52 | 3,349.09 | 3,583.53 | 3,798.54 | Between 96 hrs to 696 hrs per kg | |
| | | 25.19 | 28.21 | 29.91 | 32.00 | 33.92 | Beyond 696 hrs | |
| | | 37.81 | 42.35 | 44.89 | 48.03 | 50.91 | | |
| Demurrage-General | | 12.60 | 14.11 | 14.96 | 16.00 | 16.97 | Per Kg per day, Free period of 36 hours for Airlines | Airlines, (Applicable on International to International & Domestic to International TP) |
| Demurrage-Special | | 2,821.00 | 3,159.52 | 3,349.09 | 3,583.53 | 3,798.54 | Per Kg per day, Free period of 36 hours for Airlines | |
| Demurrage-Valuable | | 25.19 | 28.21 | 29.91 | 32.00 | 33.92 | Per Kg per day, Free period of 36 hours for Airlines | |
| Demurrage- Pharmaceutical/ Perishable | | 37.81 | 42.35 | 44.89 | 48.03 | 50.91 | Per Kg per day, Free period of 36 hours for Airlines | |
| Sector Charges | | 2.27 | 2.54 | 2.69 | 2.88 | 3.05 | Per Kg | |
| Quick Ramp Transfer | | 3.63 | 4.07 | 4.31 | 4.61 | 4.89 | Per Kg | |

| | | | | | | | | |
|--|-----------------|--------|--------|--------|--------|--------|---------|----------|
| Carting charges - Transshipment | | 3.40 | 3.81 | 4.04 | 4.32 | 4.58 | Per Kg | Airlines |
| | Minimum Charges | 234.00 | 262.08 | 277.80 | 297.25 | 315.09 | | |
| Ramp to Ramp Loose (Incoming Loose and Outgoing Loose) | | 182.00 | 203.84 | 216.07 | 231.20 | 245.07 | Per AWB | |
| Ramp to Ramp Loose (Incoming Loose and Outgoing Loose) | | 182.00 | 203.84 | 216.07 | 231.20 | 245.07 | Per AWB | |
| TP De-stuffing Charges | | 1.97 | 2.20 | 2.33 | 2.50 | 2.65 | Per Kg | |
| | Minimum Charges | 401.00 | 449.12 | 476.07 | 509.39 | 539.96 | Per Kg | |

Note: TSP and Demurrage Charges are applicable on Gross Weight or Chargeable weight, whichever is higher.

IV. Other Exceptional Charges (for both Scheduled and Non-Scheduled operators)

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|--|------------------------------------|--|-----------|-----------|-----------|-----------|-----------------------|-----------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| Bag handling Charges | | 2.37 | 2.66 | 2.82 | 3.02 | 3.20 | Per Kg | Airlines |
| | Minimum Charges | 847.00 | 948.64 | 1,005.56 | 1,075.95 | 1,140.50 | Per Kg | |
| Segregation charges (All amendments / HAWB feeding / Re- weight of import consignments/ HAWB Deconsolidation) | | 1,030.00 | 1,153.60 | 1,222.82 | 1,308.41 | 1,386.92 | Per HAWB | PDA |
| Overtime Fee for Gate Pass Generation | | 1,030.00 | 1,153.60 | 1,222.82 | 1,308.41 | 1,386.92 | Per gate pass | PDA |
| Electricity Charge for RKN container | | 2,196.00 | 2,459.52 | 2,607.09 | 2,789.59 | 2,956.96 | Per Container per day | Airlines |
| Electricity Charge for RKN container | | 2,196.00 | 2,459.52 | 2,607.09 | 2,789.59 | 2,956.96 | Per AWB/ HAWB | PDA |
| Charges collect fee | | 953.00 | 1,067.36 | 1,131.40 | 1,210.60 | 1,283.24 | Per AWB/ HAWB | PDA |
| Ramp to Ramp Transfer | | 756.00 | 846.72 | 897.52 | 960.35 | 1,017.97 | Per ULD | Airlines |
| Equipment/ Manpower Charges | 10 ton Forklift | 4,538.00 | 5,082.56 | 5,387.51 | 5,764.64 | 6,110.52 | Per Hour | Airlines |
| | 05 ton forklift | 2,269.00 | 2,541.28 | 2,693.76 | 2,882.32 | 3,055.26 | | |
| | 03 ton forklift | 1,475.00 | 1,652.00 | 1,751.12 | 1,873.70 | 1,986.12 | | |
| | Crane | 9,075.00 | 10,164.00 | 10,773.84 | 11,528.01 | 12,219.69 | | |
| | 16 ton forklift | 9,075.00 | 10,164.00 | 10,773.84 | 11,528.01 | 12,219.69 | | |
| | Additional Staff (Blue Collar) | 756.00 | 846.72 | 897.52 | 960.35 | 1,017.97 | | |
| | Security | 1,513.00 | 1,694.56 | 1,796.23 | 1,921.97 | 2,037.29 | | |
| | Gunman | 2,269.00 | 2,541.28 | 2,693.76 | 2,882.32 | 3,055.26 | | |
| Gola Charges | | 98.00 | 109.76 | 116.35 | 124.49 | 131.96 | | PDA |
| Wrong Marking/ Labeling | Minimum Charges Maximum Charges | 1,044.00 | 1,169.28 | 1,239.44 | 1,326.20 | 1,405.77 | Per AWB | PDA |
| Damaged shipments "not in ready to carriage condition" | | 4084.00 | 4,574.08 | 4,848.52 | 5,187.92 | 5,499.20 | Applicable TC charges | |

| | | | | | | | | |
|---|--|----------|----------|----------|----------|----------|----------------------------|--------------|
| Security Escort Service (Within the Airport) | | 1,898.00 | 2,125.76 | 2,253.31 | 2,411.04 | 2,555.70 | Per Manhour or part hereof | Airline/ PDA |
| Cool Dolly Charge | | 2,851.00 | 3,193.12 | 3,384.71 | 3,621.64 | 3,838.93 | Per Dolly per Trip | |

Notes:

1. Consignment of human remains, coffins including baggage of deceased & human eyes will be exempted from the purview of TSP and demurrage charges.
2. TSP charges is inclusive of forklift use inside the terminal. No additional forklift charges will be levied.
3. Charges will be levied on "gross weight" or the "chargeable weight" of the consignment, whichever is higher. Wherever the "gross weight" and (or) volume weight is wrongly indicated on the AWB and is actually found more, charges will be levied on the "actual gross weight" or the "actual volumetric weight" whichever is higher.
4. Special cargo consists of perishable and temperature sensitive products, live animals, hazardous goods, valuables and/or any other such cargo which requires/has special handling/storage instructions.
5. Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheque, diamonds (including diamonds for industrial use), diamond jewelry & watches made of silver, gold, platinum and items valued at USD 1000 per kg and above.
6. All invoices will be rounded off to nearest of Rs. 5/- as per IATA TACT Rule book vide Clause No. 5.7.2, rounding off procedure, when rounding off Unit is 5.

V. (A) Tariff for Inbound Domestic Cargo

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|--|---|--|----------|----------|----------|----------|-----------------|-----------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| Terminal Storage and Processing - General & Couriers | General | 1.53 | 1.71 | 1.81 | 1.94 | 2.06 | Per Kg | PDA |
| | Special | 3.03 | 3.39 | 3.59 | 3.84 | 4.07 | | |
| | Couriers | 1.53 | 1.71 | 1.81 | 1.94 | 2.06 | | |
| | Minimum Charges per AWB | 37.81 | 42.35 | 44.89 | 48.03 | 50.92 | | |
| | Express Delivery* : 25% more than the rate for the category the cargo falls under. Minimum Charges: 25% more than the minimum charge for the category the cargo falls under. | | | | | | | |
| Handling Charges | | 1.36 | 1.52 | 1.62 | 1.73 | 1.83 | Per Kg | Airlines |
| Documentation & Supervision Charges | | 2.42 | 2.71 | 2.87 | 3.07 | 3.26 | | |

* TOR to delivery within 45 minutes

(B) Tariff for Outbound Domestic Cargo

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|--|---|--|----------|----------|----------|----------|-----------------|-----------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| Terminal Storage and Processing - General & Couriers | General | 1.53 | 1.71 | 1.81 | 1.94 | 2.06 | Per Kg | PDA |
| | Special | 3.03 | 3.39 | 3.59 | 3.84 | 4.07 | | |
| | Couriers | 1.53 | 1.71 | 1.81 | 1.94 | 2.06 | | |
| | Minimum Charges per AWB | 37.81 | 42.35 | 44.89 | 48.03 | 50.92 | | |
| | Express Delivery* : 25% more than the rate for the category the cargo falls under. Minimum Charges: 25% more than the minimum charge for the category the cargo falls under. | | | | | | | |
| Handling Charges | | 1.36 | 1.52 | 1.62 | 1.73 | 1.83 | | Airlines |
| Documentation & Supervision Charges | | 2.42 | 2.71 | 2.87 | 3.07 | 3.26 | | |
| X-Ray Machine Charges | | 1.51 | 1.69 | 1.80 | 1.92 | 2.04 | | |
| | Minimum Charges | 145.00 | 162.40 | 172.14 | 184.19 | 195.25 | | |
| X-Ray Screening & Certification Charge | | 1.51 | 1.69 | 1.80 | 1.92 | 2.04 | | |

* within 2.5 hours prior to departure.

(C) Tariff for Other Domestic Cargo Handling Services

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|---------------------------------------|--|--|----------|----------|----------|----------|--|---------------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| Transshipment cargo & Offloaded cargo | | 1.51 | 1.69 | 1.80 | 1.92 | 2.04 | Per Kg | Airlines |
| Demurrage charges | General | 1.36 | 1.52 | 1.62 | 1.73 | 1.83 | Per Kg per day. Free period of 24 hrs. | Airlines/ PDA |
| | Special | 2.71 | 3.03 | 3.21 | 3.44 | 3.65 | | |
| | Couriers | 1.36 | 1.52 | 1.62 | 1.73 | 1.83 | | |
| DGR acceptance check | Per AWB subject to maximum of 20 pieces per AWE. | 2,420.00 | 2,710.40 | 2,873.02 | 3,074.14 | 3,258.58 | | Airlines |
| | Additional pieces will be charged per additional piece | 97.00 | 108.64 | 115.16 | 123.22 | 130.61 | | |
| Dry ice acceptance checklist | | 1,513.00 | 1,694.56 | 1,796.23 | 1,921.97 | 2,037.29 | Per AWB | Airlines |
| Live animal acceptance and handling | | 2,715.00 | 3,040.80 | 3,223.25 | 3,448.88 | 3,655.81 | per AWB | Airlines |
| Unitization | | 1.66 | 1.86 | 1.98 | 2.11 | 2.24 | per Kg | Airlines |
| Miscellaneous Activity Charges* | | 1,513.00 | 1,694.56 | 1,796.23 | 1,921.97 | 2,037.29 | per AWB/ packet | Airlines |
| Miscellaneous Packing Charges* | | 151.00 | 169.12 | 179.27 | 191.82 | 203.32 | per AWB/ packet | Airlines |
| Valuable handling | | 963.00 | 1,078.56 | 1,143.27 | 1,223.30 | 1,296.70 | per AWB | Airlines |
| Withdraw Shipment (Demurrage) | | 1.31 | 1.46 | 1.55 | 1.66 | 1.76 | Per Kg | PDA |
| | Minimum Charges | 30.00 | 33.60 | 35.62 | 38.11 | 40.40 | | |
| Packing Charges - Small | | 2.42 | 2.71 | 2.87 | 3.07 | 3.26 | per piece | PDA |
| Packing Charges - Medium | | 3.63 | 4.07 | 4.31 | 4.61 | 4.89 | per piece | PDA |
| Packing Charges - Large | | 8.47 | 9.49 | 10.06 | 10.76 | 11.41 | per piece | PDA |

* Not covered elsewhere.

VI. Tariff for EICI Terminal

| | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | | | | | Rate applied on | Levied On |
|--|-----------------|--|----------|----------|----------|----------|---------------------------------|---------------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | | |
| X-RAY Machine Charges | | 1.69 | 1.90 | 2.01 | 2.15 | 2.28 | Per Kg | Airlines/ PDA |
| X-RAY Screening & Certification Charge | | 1.69 | 1.90 | 2.01 | 2.15 | 2.28 | Per Kg | |
| Handling Charges - Outbound | | 2,216.00 | 2,481.92 | 2,630.84 | 2,814.99 | 2,983.89 | Per Ton , Up to 1000 Tons | |
| | | 2,148.00 | 2,405.76 | 2,550.11 | 2,728.61 | 2,892.33 | Per Ton for more than 1000 Tons | |
| | Minimum Charges | 182.00 | 203.84 | 216.07 | 231.20 | 245.07 | | |
| Handling Charges - Inbound | | 1,588.00 | 1,778.56 | 1,885.27 | 2,017.24 | 2,138.28 | Per Ton | |
| | Minimum Charges | 182.00 | 203.84 | 216.07 | 231.20 | 245.07 | | |
| Access Control | | 2.42 | 2.71 | 2.87 | 3.07 | 3.26 | Per Kg | Airlines |

TARIFF RATE CARD PROPOSED BY THE AUTHORITY FOR CELEBI DELHI CARGO TERMINAL MANAGEMENT INDIA PVT. LTD.
PROVIDING CARGO HANDLING SERVICES, INCLUDING AFS CARGO, AT IGIA, DELHI FOR THE THIRD CONTROL PERIOD
[FY 2022-23 (W.E.F. 01.01.2023) TO FY 2024-25] FOR STAKEHOLDERS CONSULTATION

I. (A) Tariff for Export Cargo Handling

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|---|--|---|-----------------|---------------------------|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | Terminal Storage & Processing (other than AFS Cargo) | General | 1.69 | Per Kg | Pre Deposit Account (PDA) |
| | | General Minimum Charges | 332.00 | | |
| | | Special | 3.37 | | |
| | | Special Minimum Charges | 575.00 | | |
| | | Valuable | 3.37 | | |
| | | Valuable Minimum Charges | 575.00 | | |
| | | Hazardous | 5.04 | | |
| | | Hazardous Minimum Charges | 493.00 | | |
| | | Pharmaceutical/ Perishable | 5.04 | | |
| | | Pharmaceutical/Perishable Minimum Charges | 492.00 | | |
| | | Express Delivery*: 25% more than the rate for the category the cargo falls under. Minimum Charges: 25% more than the minimum charge for the category the cargo falls under. | | | |
| 2 | Terminal Storage & Processing (for AFS Cargo) | General | 1.18 | Per Kg | Air Freight Station (AFS) |
| | | Minimum Charges - General | 232.40 | | |
| | | Special | 2.36 | | |
| | | Minimum Charges – Special | 402.50 | | |
| | | Valuable | 2.36 | | |
| | | Minimum Charges – Valuable | 402.50 | | |
| | | Hazardous | 3.53 | | |
| | | Minimum Charges – Hazardous | 345.10 | | |
| | | Pharmaceuticals/ Perishable | 3.53 | | |
| | | Minimum Charges - Pharmaceuticals/ Perishable | 344.40 | | |

| | | | | | |
|----|---|--|--------|--|----------|
| | | Express Delivery*: 25% more than the rate for the category the AFS Cargo falls under. Minimum Charges: 25% more than the minimum charge for the category the AFS Cargo falls under. | | | |
| 3 | Demurrage-General | | 2.06 | Per Kg per day, Free Period of 12 Hrs for Agent | PDA |
| | | Minimum Charges | 347 | | |
| | | | 2.50 | Per Kg per day, Free Period of 36 Hrs for Airlines | Airlines |
| 4 | Demurrage-Special | | 3.49 | Per Kg per day, Free Period of 12 Hrs for Agent | PDA |
| | | Minimum Charges | 575.00 | | |
| | | | 4.99 | Per Kg per day, Free Period of 36 Hrs for Airlines | Airlines |
| 5 | Demurrage-Valuable | | 5.84 | Per Kg per day, Free Period of 12 Hrs for Agent | PDA |
| | | Minimum Charges | 567.00 | | |
| | | | 4.99 | Per Kg per day, Free Period of 36 Hrs for Airlines | Airlines |
| 6 | Demurrage-Perishable / Pharmaceutical | | 3.49 | Per Kg per day, Free Period of 12 Hrs for Agent | PDA |
| | | Minimum Charges | 575.00 | | |
| | | | 4.99 | Per Kg per day, Free Period of 36 Hrs for Airlines | Airlines |
| 7 | X-Ray Machine Charges | | 1.51 | Per Kg | Airlines |
| | | Minimum Charges | 182.00 | | |
| 8 | X-Ray Screening & Certification Charges | | 1.51 | Per Kg | Airlines |
| | | Minimum Charges | 182.00 | | |
| 9 | Unitization | General | 1.97 | Per Kg | Airlines |
| | | Special | 1.97 | | |
| | | Bulk | 1.13 | | |
| 10 | Documentation and supervision services | | 2.42 | Per Kg | Airlines |

* Cargo Acceptance & Loading within 4 hours from ETD for RFC (ready for carriage) AWBs.

Notes:

1. Demurrage charges indicated above are also applicable to Cargo pertaining to approved AFS.
2. Free period applicable to demurrage charges will be 12 hrs. for Agents & 36 hrs. for Airlines or as per Govt. of India Orders in this regard, issued from time to time.
3. TSP and Demurrage Charges are applicable on Gross Weight or Chargeable weight, whichever is higher.

(B) Tariff for Other Export Cargo Handling Services (for both scheduled and Non-scheduled operators)

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|--|---|---|-----------------|---------------|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | Repacking | Minimum Charges per Airway Bill | 37.95 | | PDA |
| | | Packaging / Re-packaging charges per package (lots of 50) per shipping bill | 18.97 | | PDA |
| 2 | Weight Difference | For the weight difference of more than 2% and up to 5% of the declared weight, penal charges double the applicable TSP charges will be levied. For variation above 5% of the declared weight, the penal charges will be 5 times the applicable TSP charges of the differential weight. No penal charge will be levied for variation up to and inclusive of 2% of the declared weight. This will not be applicable for valuable cargo | | | |
| 3 | DGR/Live Animal Acceptance Fee | | 5,127.00 | Per Checklist | PDA |
| 4 | DGD Preparation and Acceptance Fee | | 10,255.00 | Per Checklist | PDA |
| 5 | Pet Assistance | | 1,898.00 | Per Checklist | PDA |
| 6 | ULD Cleaning Charges | | 9,075.00 | Per ULD | Airlines |
| 7 | HAWB Consolidation Charges | | 1,095.00 | Per HAWB | PDA |
| 8 | Dry Ice Acceptance Check | | 1,331.00 | Per AWB | PDA |
| 9 | Miscellaneous Activity Charges* | | 1,513.00 | Per HAWB | Airlines/ PDA |
| 10 | Miscellaneous Packing Charges* | | 151.00 | Per Packet | Airlines |
| 11 | Miscellaneous Packing Charges - Metal* | | 303.00 | Per AWB | Airlines |
| 12 | ULD Building-rebuilding Charges | | 1.97 | Per Kg | Airlines |
| 13 | ULD Customization | | 3,796.00 | Per ULD | PDA |
| 14 | SKID charges | | 628.00 | Per SKID | PDA |
| 15 | Empty Pallet Stack | | 908.00 | Per Stack | Airlines |

| | | | | | |
|----|-------------------------------|-----------------|--------|----------------|-----|
| 16 | Withdraw Shipment (X-RAY) | | 1.51 | Per Kg | PDA |
| | | Minimum Charges | 182.00 | Per Kg | PDA |
| 17 | Withdraw Shipment (Demurrage) | | 2.50 | Per Kg per day | PDA |
| 18 | Facilitations Fee | | 0.42 | Per Kg | PDA |

**Not Covered Elsewhere*

Notes:

1. Consignment of human remains, coffins including baggage of deceased & Human eyes will be exempted from the purview of TSP and demurrage charges
2. TSP charges are inclusive of forklift use inside the terminal. No additional forklift charges will be levied
3. Charges will be levied on "gross weight" or the "chargeable weight" of the consignment, whichever is higher. Wherever the "gross weight" and (or) volume weight is wrongly indicated on the AWB and is actually found more, charges will be levied on the "actual gross weight" or the "actual volumetric weight" whichever is higher.
4. Special cargo consists of perishable and temperature sensitive products, live animals, hazardous goods, valuables and/or any other such cargo which requires/has special handling/storage instructions
5. Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheque, diamonds (including diamonds for industrial use), diamond jewelry & watches made of silver, gold, platinum and items valued at USD 1000 per kg and above.
6. All invoices will be rounded off to nearest of Rs. 5/- as per IATA TACT Rule book vide Clause No. 5.7.2, rounding off procedure, when rounding off Unit is 5.

II. (A) Tariff for Import Cargo Handling

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|---|---|---|-----------------|-----------|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | Terminal Storage & Processing (for other than AFS Cargo) | General | 10.25 | Per Kg | PDA |
| | | General Minimum Charges | 280.00 | | |
| | | Special | 18.45 | | |
| | | Special Minimum Charges | 499.00 | | |
| | | Valuable | 18.45 | | |
| | | Valuable Minimum Charges | 499.00 | | |
| | | Hazardous | 18.45 | | |
| | | Hazardous Minimum Charges | 499.00 | | |
| | | Pharmaceuticals/ Perishable | 18.45 | | |
| | | Pharmaceuticals/ Perishable Minimum Charges | 499.00 | | |
| | | Express Delivery* : 25% more than the rate for the category the cargo falls under. Minimum Charges: 25% more than the minimum charge for the category the cargo falls under. | | | |
| 2 | Terminal Storage & Processing (for AFS Cargo) | General | 7.18 | Per Kg | AFS |
| | | General Minimum Charges | 196.00 | | |
| | | Special | 12.92 | | |
| | | Special Minimum Charges | 349.30 | | |
| | | Valuable | 12.92 | | |
| | | Valuable Minimum Charges | 349.30 | | |
| | | Hazardous | 12.92 | | |
| | | Hazardous Minimum Charges | 349.30 | | |
| | | Pharmaceuticals/ Perishable | 12.92 | | |
| | | Pharmaceuticals/ Perishable Minimum Charges | 349.30 | | |
| | | Express Delivery* : 25% more than the rate for the category the AFS Cargo falls under. Minimum Charges: 25% more than the minimum charge for the category the AFS Cargo falls under. | | | |

| | | | | | |
|---|---|-----------------|----------|--|----------|
| 3 | Demurrage-General | | 3.16 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | PDA |
| | | Minimum Charges | 734.00 | | |
| | | | 6.35 | Between 96 hrs to 696 hrs per kg | |
| | | | 9.44 | Beyond 696 hrs | |
| 4 | Demurrage-Special | | 6.35 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | PDA |
| | | Minimum Charges | 1,429.00 | | |
| | | | 12.60 | Between 96 hrs to 696 hrs per kg | |
| | | | 18.86 | Beyond 696 hrs | |
| 5 | Demurrage-Valuable | | 12.60 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | PDA |
| | | Minimum Charges | 2,821.00 | | |
| | | | 25.18 | Between 96 hrs to 696 hrs per kg | |
| | | | 37.81 | Beyond 696 hrs | |
| 6 | Demurrage-Perishable/ Pharmaceutical | | 12.60 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | PDA |
| | | Minimum Charges | 2,821.00 | | |
| | | | 25.24 | Between 96 hrs to 696 hrs per kg | |
| | | | 37.81 | Beyond 696 hrs | |
| 7 | De-Stuffing Charges | | 1.97 | Per Kg | Airlines |
| | | Minimum Charges | 401.00 | | |
| 8 | Documentation and Supervision Services | | 2.42 | Per Kg | Airlines |

**Cargo Delivery within 4 hours from ATA or TOR whichever is later (subject to Customs clearance)*

Notes:

1. TSP and Demurrage Charges are applicable on Gross Weight or Chargeable weight, whichever is higher.
2. Demurrage charges indicated above are also applicable to Cargo pertaining to approved AFS.
3. Calculation of free period would start from segregation time reflected in ICEGATE till generation of the Gate Pass.
4. The 'Free Period' would be 48 hours or as per Govt. of India Orders in this regard, issued from time to time.
5. Prevailing business hours remain unchanged.
6. Number of hours applicable for demurrage will be calculated as time between segregation time reflected in ICEGATE and the "Time of Issue of Gate pass". Each 24 hrs cycle will be 01 day and any part thereof will be counted as full day.
7. After expiry of the stipulated free period, next 48 hours will be charged on 'per kg per day non-cumulative basis', inclusive of holidays, provided the consignment is cleared within 96 hours from segregation time reflected in ICEGATE.
8. After expiry of the stipulated free period i.e., 48 hrs, if the total time between segregation time reflected in ICEGATE and generation of the Gate Pass exceeds 96 hrs, Demurrage Charges will be levied on cumulative basis inclusive of holidays from the date and segregation time reflected in ICEGATE.
9. The tariff charged will be applicable as per the tariff prevailing at the time of invoicing.

(B) Tariff for Other Import Cargo Handling Services (for both Scheduled and Non-scheduled Operators)

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|--------------------------------|-----------------|---|-----------------|--------------|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | Packing Charges | | 25.61 | Per Packet | PDA |
| 2 | Delivery Order Charges | | 2,375.00 | Per MAWB | Airlines/PDA |
| | | | 1,187.00 | Per HAWB | Airlines/PDA |
| 3 | HAWB Deconsolidation Charges | | 302.50 | Per HAWB | PDA |
| 4 | Pet Assistance | | 1,898.00 | Per Checklist | PDA |
| 5 | Offloading (Destuff Cargo) | | 2.16 | Per Kg | Airlines |
| | | Minimum Charges | 401.00 | Per Kg | Airlines |
| 6 | Miscellaneous Activity Charges | | 1,815.00 | Per HAWB | Airlines |
| 7 | Post Delivery Holding Charges | | 3.63 | Per Kg per day | PDA |
| 8 | Customs Facilitations Fee | | 0.42 | Per Kg | PDA |

MAWB = MASTER AIR WAYBILL; HAWB =HOUSE AIR WAYBILL

Notes:

1. Consignment of human remains, coffins including baggage of deceased & Human eyes will be exempted from the purview of TSP and demurrage charges
2. TSP charges is inclusive of forklift use inside the terminal. No additional forklift charges will be levied
3. Charges will be levied on "gross weight" or the "chargeable weight" of the consignment, whichever is higher. Wherever the "gross weight" and (or) volume weight is wrongly indicated on the AWB and is actually found more, charges will be levied on the "actual gross weight" or the "actual volumetric weight" whichever is higher.
4. Special cargo consists of perishable and temperature sensitive products, live animals, hazardous goods, valuables and/or any other such cargo which requires/has special handling/storage instructions.
5. Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheque, diamonds (including diamonds for industrial use), diamond jewelry & watches made of silver, gold, platinum and items valued at USD 1000 per kg and above.
6. All invoices will be rounded off to nearest of Rs. 5/- as per IATA TACT Rule book vide Clause No. 5.7.2, rounding off procedure, when rounding off Unit is 5..

III. Tariff for handling Transshipment Cargo

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|---------------------------------------|-----------------|---|--|--|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | Demurrage-General | | 3.16 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | Airlines (Applicable on International to Domestic TP) |
| | | Minimum Charges | 734.00 | | |
| | | | 6.35 | Between 96 hrs to 696 hrs per kg | |
| | | | 9.44 | Beyond 696 hrs | |
| 2 | Demurrage-Special | | 6.35 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | |
| | | Minimum Charges | 1,429.00 | | |
| | | | 12.60 | Between 96 hrs to 696 hrs per kg | |
| | | | 18.85 | Beyond 696 hrs | |
| 3 | Demurrage- Valuable | | 12.60 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | |
| | | Minimum Charges | 2,821.00 | | |
| | | | 25.19 | Between 96 hrs to 696 hrs per kg | |
| | | | 37.81 | Beyond 696 hrs | |
| 4 | Demurrage-Pharmaceutical/ Perishable | | 12.60 | Per Kg per day, Up to 96 Hrs, Free period of 48 hrs | |
| | | Minimum Charges | 2,821.00 | | |
| | | | 25.19 | Between 96 hrs to 696 hrs per kg | |
| | | | 37.81 | Beyond 696 hrs | |
| 5 | Demurrage-General | | 12.60 | Per Kg per day, Free period of 36 hours for Airlines | Airlines, (Applicable on International to International & Domestic to International TP) |
| 6 | Demurrage-Special | | 2,821.00 | Per Kg per day, Free period of 36 hours for Airlines | |
| 7 | Demurrage-Valuable | | 25.19 | Per Kg per day, Free period of 36 hours for Airlines | |
| 8 | Demurrage- Pharmaceutical/ Perishable | | 37.81 | Per Kg per day, Free period of 36 hours for Airlines | |
| 9 | Sector Charges | | 2.27 | Per Kg | |
| 10 | Quick Ramp Transfer | | 3.63 | Per Kg | |

| | | | | | |
|----|--|-----------------|--------|---------|----------|
| 11 | Carting charges - Transshipment | | 3.40 | Per Kg | Airlines |
| | | Minimum Charges | 234.00 | | |
| 12 | Ramp to Ramp Loose (Incoming Loose and Outgoing Loose) | | 182.00 | Per AWB | |
| 13 | TP De-stuffing Charges | | 1.97 | Per Kg | |
| | | Minimum Charges | 401.00 | Per Kg | |

Notes:

1. TSP and Demurrage Charges are applicable on Gross Weight or Chargeable weight, whichever is higher.
2. The 'Free Period' would be 36/ 48 hours to Airlines or as per Govt. of India Orders in this regard, issued from time to time.

IV. Other Exceptional Charges (for both Scheduled and Non-Scheduled operators)

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|--|------------------------------------|---|----------------------------|--------------|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | Bag handling Charges | | 2.37 | Per Kg | Airlines |
| | | Minimum Charges | 847.00 | Per Kg | |
| 2 | Segregation charges (All amendments / HAWB feeding / Re-weight of import consignments/ HAWB Deconsolidation) | | 1,030.00 | Per HAWB | PDA |
| 3 | Overtime Fee for Gate Pass Generation | | 1,030.00 | Per gate pass | PDA |
| 4 | Electricity Charge for RKN container | | 2,196.00 | Per Container per day | Airlines |
| 5 | Charges collect fee | | 953.00 | Per AWB/ HAWB | PDA |
| 6 | Ramp to Ramp Transfer | | 756.00 | Per ULD | Airlines |
| 7 | Equipment/ Manpower Charges | 10 ton Forklift | 4,538.00 | Per Hour | Airlines |
| | | 05 ton forklift | 2,269.00 | | |
| | | 03 ton forklift | 1,475.00 | | |
| | | Crane | 9,075.00 | | |
| | | 16 ton forklift | 9,075.00 | | |
| | | Additional Staff (Blue Collar) | 756.00 | | |
| | | Security | 1,513.00 | | |
| | | Gunman | 2,269.00 | | |
| 8 | Gola Charges | | 98.00 | | PDA |
| 9 | Wrong Marking/ Labeling | Minimum Charges Maximum Charges | 1,044.00 | Per AWB | PDA |
| 10 | Damaged shipments "not in ready to carriage condition" | | 4084.00 | Applicable TC charges | |
| 11 | Security Escort Service (Within the Airport) | | 1,898.00 | Per Manhour or part hereof | Airline/ PDA |
| 12 | Cool Dolly Charge | | 2,851.00 | Per Dolly per Trip | |

Notes:

1. Consignment of human remains, coffins including baggage of deceased & human eyes will be exempted from the purview of TSP and demurrage charges.
2. TSP charges is inclusive of forklift use inside the terminal. No additional forklift charges will be levied.

3. *Charges will be levied on "gross weight" or the "chargeable weight" of the consignment, whichever is higher. Wherever the "gross weight" and (or) volume weight is wrongly indicated on the AWB and is actually found more, charges will be levied on the "actual gross weight" or the "actual volumetric weight" whichever is higher.*
4. *Special cargo consists of perishable and temperature sensitive products, live animals, hazardous goods, valuables and/or any other such cargo which requires/has special handling/storage instructions.*
5. *Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheque, diamonds (including diamonds for industrial use), diamond jewelry & watches made of silver, gold, platinum and items valued at USD 1000 per kg and above.*
6. *All invoices will be rounded off to nearest of Rs. 5/- as per IATA TACT Rule book vide Clause No. 5.7.2, rounding off procedure, when rounding off Unit is 5.*

V. (A) Tariff for Inbound Domestic Cargo

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|--|-------------------------|---|-----------------|-----------|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | Terminal Storage and Processing - General & Couriers | General | 1.53 | Per Kg | PDA |
| | | Special | 3.03 | | |
| | | Couriers | 1.53 | | |
| | | Minimum Charges per AWB | 37.81 | | |
| 2 | Handling Charges | | 1.36 | | Airlines |
| 3 | Documentation & Supervision Charges | | 2.42 | | |

(B) Tariff for Outbound Domestic Cargo

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|--|-------------------------|---|-----------------|-----------|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | Terminal Storage and Processing - General & Couriers | General | 1.53 | Per Kg | PDA |
| | | Special | 3.03 | | |
| | | Couriers | 1.53 | | |
| | | Minimum Charges per AWB | 37.81 | | |
| 2 | Handling Charges | | 1.36 | | Airlines |
| 3 | Documentation & Supervision Charges | | 2.42 | | |
| 4 | X-Ray Machine Charges | | 1.51 | | |
| | | Minimum Charges | 145.00 | | |
| 5 | X-Ray Screening & Certification Charge | | 1.51 | | |

(C) Tariff for Other Domestic Cargo Handling Services

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|---------------------------------------|--|--|--|---------------|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | Transshipment cargo & Offloaded cargo | | 1.51 | Per Kg | Airlines |
| 2 | Demurrage charges | General | 1.36 | Per Kg per day. Free period of 24 hrs. | Airlines/ PDA |
| | | Special | 2.71 | | |
| | | Couriers | 1.36 | | |
| 3 | DGR acceptance check | Per AWB subject to maximum of 20 pieces per AWE. | 2,420.00 | | Airlines |
| | | Additional pieces will be charged per additional piece | 97.00 | | |
| 4 | Dry ice acceptance checklist | | 1,513.00 | Per AWB | Airlines |
| 5 | Live animal acceptance and handling | | 2,715.00 | per AWB | Airlines |
| 6 | Unitization | | 1.66 | per Kg | Airlines |
| 7 | Miscellaneous Activity Charges* | | 1,513.00 | per AWB/ packet | Airlines |
| 8 | Miscellaneous Packing Charges* | | 151.00 | per AWB/ packet | Airlines |
| 9 | Valuable handling | | 963.00 | per AWB | Airlines |
| 10 | Withdraw Shipment (Demurrage) | | 1.31 | Per Kg | PDA |
| | | Minimum Charges | 30.00 | | |
| 11 | Packing Charges - Small | | 2.42 | per piece | PDA |
| 12 | Packing Charges - Medium | | 3.63 | per piece | PDA |
| 13 | Packing Charges - Large | | 8.47 | per piece | PDA |

* Not covered elsewhere.

VI. Tariff for EICI Terminal

| S. No. | | | Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable | Rate applied on | Levied On |
|--------|---|-----------------|--|---------------------------------|---------------|
| | | | From 01.01.2023 to 31.03.2025 | | |
| 1 | X-RAY Machine Charges | | 1.69 | Per Kg | Airlines/ PDA |
| 2 | X-RAY Screening & Certification Charges | | 1.69 | Per Kg | |
| 3 | Handling Charges - Outbound | | 2,216.00 | Per Ton Up to 1000 Tons | |
| | | | 2,148.00 | Per Ton for more than 1000 Tons | |
| | | Minimum Charges | 182.00 | | |
| 4 | Handling Charges - Inbound | | 1,588.00 | Per Ton | |
| | | Minimum Charges | 182.00 | | |
| 5 | Access Control | | 2.42 | Per Kg | Airlines |