



Airports Economic Regulatory Authority of India

TO CONSIDER THE MULTI YEAR TARIFF PROPOSAL AND ANNUAL TARIFF PROPOSAL (FY.2018-19 to FY.2020-21) FOR THE SECOND CONTROL PERIOD IN RESPECT OF M/s MUMBAI CARGO SERVICE CENTER COLD CHAIN SOLUTIONS PRIVATE LIMITED (MCSCCCPL) FOR PROVIDING COLD CHAIN CARGO HANDLING SERVICES AT CHHATRAPATI SHIVAJI INTERNATIONAL AIRPORT,MUMBAI.

New Delhi: 31st January, 2019

**AERA Building
Administrative Complex
Safdarjung Airport.
New Delhi.**

1. Brief Background:

- 1.1 M/s Mumbai Cargo Service Center Cold Chain Solutions Private Limited (herein under referred to as “MCSCCCPL”) is one of the Cargo Handling agencies appointed by Mumbai International Airport Ltd. (MIAL) for carrying out Cold Chain Services in Cargo Handling (CH) at Chhatrapati Shivaji International Airport, Mumbai (CSIA) vide Agreement dated 25.05.2017.
- 1.2 M/s MCSCCCPL is a new entrant in Cold Chain Services in Cargo Handling at Chhatrapati Shivaji International Airport, Mumbai (CSIA). They had started their operations at Chhatrapati Shivaji International Airport, Mumbai (CSIA) from 1st November, 2017. The Authority vide letter no. AERA/20010/MYTP/MCSCCS/CP-II/2016-17/13084 dated 29.08.2017 approved ad-hoc tariff based on the approved tariff of M/s CSC Cold Chain Solution Pvt. Ltd. for the period 01.09.2017 to 30.09.2017. The Authority vide the following Orders allowed AOs/ISPs to continue with the existing tariff till the determination of tariffs for Second Control period:
 - a) Order No. 12/2017-18 dated 29th September, 2017.
 - b) Order No. 43/2017-18 dated 28th March, 2018.
 - c) Order No. 21/2018-19 dated 28th September, 2018.

2. MYTP/ATP/ACS Submissions made by M/s MCSCCCPL for 2nd control period.

M/s MCSCCCPL submitted their MYTP/ATP for FY 2018-19, FY 2019-20 & FY 2020-21 vide Letter dated 25.11.2018 received at AERA office on 03.12.2018. Further, M/s MCSCCCPL submitted the following documents for the determination of MYTP/ATP for Second Control Period:

- a) Audited Balance Sheet for FY 17-18. (**Annexure I**)
- b) Audited Annual Compliance Statement (ACS) for FY2017-18 (**Annexure II**).
- c) The Concession Agreement entered with MIAL.
- d) Key User Agreements for examination of the Authority.
- e) The evidence/minutes of the stakeholder consultation conducted on 12.01.2018 for the proposed tariff (**Annexure III**).
- f) ARR calculation (**Annexure IV**)

3. Principles for Determination of Aeronautical Tariff under “Light Touch Approach”.

- 3.1 The Authority vide its 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 and 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”).

3.2 In accordance, to above mentioned AERA Guidelines and Directions the following procedure is followed:

a) Stage 1: **Materiality:**

$$\text{Materiality Index (MIg)} = \frac{\text{Cargo Volume at Mumbai Airport}}{\text{Total Cargo Volume at major airports}} \times 100$$

$$\begin{aligned}\text{The materiality index at Mumbai Airport} &= 694260/2489139 \\ &= 27.89\%\end{aligned}$$

The percentage share of Cargo Handling for CSIA, Mumbai for the FY 2014-15 is 27.89% which is more than 2.5% Materiality Index (MIg) for the above subject service. Hence the regulated service is deemed as '**Material**' for the second control period.

b) Stage 2: **Competition:** As per the information available the following Cargo operators are operating cold chain services at Chhatrapati Shivaji International Airport, Mumbai (CSIA).

a) M/s Air India Air Transport Service Limited (AIATSL).

b) M/s Mumbai Cargo Service Centre Cold Chain Solution Limited.

Hence in the instance case, there are two Cold Chain Cargo Handling service providers; therefore the service is deemed '**Competitive**'.

c) Stage 3: **Reasonableness of existing User Agreement(s):** M/s MCSCCCPL has submitted the valid User Agreements for Mumbai Airport. Till date none of the Users has complained on the Cargo Handling services of MCSCCCPL.

3.3 M/s MCSCCCPL has submitted the copy of Concession Agreement with MIAL for the scrutiny of Authority.

3.4 M/s MCSCCCPL has submitted documentary evidence of conducting the stakeholder consultation with the users on the proposed ATP.

4. Authority's Examination on the proposal.

4.1 The services rendered by M/s MCSCCCPL for providing Cargo Handling facility at Mumbai Airport are aeronautical services in terms of section 2(a) of the Airports Economic Regulatory Authority of India Act, 2008 (Act) and under section 13 (1)(a) of the Act, the Authority is required to determine tariff for aeronautical services.

4.2 M/s MCSCCCPL started their Cargo Handling Operations from 1st November, 2017 and submitted the Annual Compliance Statement (ACS) for the tariff year FY2017-18(Audited) for Second control period. MCSCCCPL has submitted the MYTP/ATP for the FY 2018-19, FY 2019-20 & FY2020-21 of second control period. M/s MCSCCCPL has also submitted evidence of stakeholder consultation meeting for the proposed ATP. (Annexure-III)

4.3 M/s MCSCCCPL has proposed an increase of 30% in FY2018-19, 24% in 2019-20 and 6% in FY2020-21 in the components of the proposed ATP from the existing

tariff.(Annexure-V)

4.4 Based on the ACS submission by MCSCCCPL a comparative scenario of revenue, cost and return on average RAB for the FY2017-18(Audited) is prepared and annexed as **“Annexure-VI”**. The Authority observed the following parameters in the financials as submitted by MCSCCCPL:

- a) Return on Average RAB for FY 2017-18 stands negative.
- b) The turnover/profit % earned in FY2017-18 is -4%.

1.5 The Authority observed that M/s MCSCCCSPL incurred losses in FY2017-18(Audited).

5. Proposal

The Authority, after careful consideration of the MYTP and ATP for FY 2018-19, makes the following proposal for stakeholder consultation:

5.1 The service for Cold Chain Cargo handling being provided by M/s MCSCCCPL at Chhatrapati Shivaji International Airport, Mumbai (CSIA) is **“Material and Competitive”**. Therefore the Authority proposes to adopt **“Light Touch Approach”** for determination of tariffs for the FY 2018-19 to FY 2020-21 of 2nd control period.

5.2 Considering the facts stated at para 4.3 & 4.4 and as there is only 2 months left in FY2018-19, it is proposed to allow M/s MCSCCCPL to charge the existing tariff for the residual period of FY2018-19. It is noted a steep hike in rate is required to offset/recover the ARR in the balance 2 years i.e. FY2019-20 & FY2020-21 of the Second Control Period. To avoid steep hike in tariff and to even out the hike, 25% increase in tariff is proposed each for FY2019-20 & FY2020-21 (Year on Year). The proposed tariff card is attached as **“Annexure- VII”**. The shortfall created or excess revenue generated due to the above mentioned determined tariff would be carried forward/adjusted in next control period after true up.

5.3 Tariff proposed as above will be tariff to be charged. No other charge is to be levied over and above the proposed tariff. In case the agency/ISP provides any discount to the customer without consent of AERA, the same will not be taken into account for true up.

5.4 M/s MCSCCCPL should not exceed the tariff charges for its Non-Schedule Operations as approved by AERA for its schedule operations for similar class of aircraft.

5.5 In accordance with the provisions of Section 13(4) of the AERA Act, the proposal contained in para 4 above is hereby put forth for stakeholder consultation. To assist the stakeholders in making their submissions in a meaningful and constructive manner, necessary documents are enclosed as annexures to the consultation paper. 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 terms of the provisions of the Act.

6. The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 4 above, latest by **21st February, 2019** at the following address:

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

Tel: 011-24695040

Fax: 011-24695039

**Email-chairperson@aera.gov.in
gita.sahu@aera.gov.in**

**(S. Machendranathan)
Chairperson**

MUMBAI CARGO SERVICE CENTER COLD CHAIN SOLUTIONS PRIVATE LIMITED
Balance Sheet as at 31st March, 2018

Particulars	Note No.	Training Unit Rupees	PCT Mumbai Rupees	Amounts in Rs. As at 31st March, 2018 Rupees
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	2	-	4,68,00,000	4,68,00,000
Branch Account		48,65,302	-48,65,302	-
(b) Reserves and surplus	3	-11,35,094	-84,23,245	-95,58,339
		37,30,208	3,35,11,453	3,72,41,661
2 Non-current liabilities				
(a) Long-term borrowings	4	-	43,09,11,504	43,09,11,504
		-	43,09,11,504	43,09,11,504
3 Current liabilities				
(a) Short-term borrowings		-	-	-
(b) Trade payables	5			
Dues to Micro and Small Enterprises		3,706	51,95,916	51,99,622
Dues to Others		15,11,400	6,43,47,800	6,58,59,200
(c) Other current liabilities	6	-	24,00,000	24,00,000
(d) Short-term provisions	7	15,15,106	7,19,43,716	7,34,58,822
TOTAL		52,45,314	53,63,66,672	54,16,11,987
B ASSETS				
1 Non-current assets				
(a) Fixed assets				
(i) Tangible assets	8	43,59,504	1,61,165	45,20,669
(ii) Intangible assets		-	-	-
(iii) Capital work-in-progress	9	-	2,07,39,795	2,07,39,795
(iv) Intangible assets under development		43,59,504	2,09,00,960	2,52,60,464
(b) Non-current investments		-	-	-
(c) Long-term loans and advances	10	8,70,000	40,01,02,000	40,09,72,000
		52,29,504	42,10,02,960	42,62,32,464
2 Current assets				
(a) Trade receivables	11	-	3,46,98,392	3,46,98,392
(b) Cash and cash equivalents	12	-	3,75,24,537	3,75,24,537
(c) Short-term loans and advances	13	15,811	4,31,40,783	4,31,56,593
		15,811	11,53,63,712	11,53,79,523
TOTAL		52,45,314	53,63,66,672	54,16,11,987

Significant Accounting Policies

As per our report attached of even date

For Yashpal Kumar & Co.
Chartered Accountants
Firm Reg no : 111733W

Yashpal Kumar
Proprietor
Membership No 34404
Place : Mumbai
Date : 21st September 2018



For and on behalf of the Board of Directors of
MUMBAI CARGO SERVICE CENTER COLD CHAIN SOLUTIONS PRIVATE LIMITED

Tushar Jani
Director
Place : Mumbai

Khushroo Dubash
Director



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MUMBAI CARGO SERVICE CENTER COLD CHAIN SOLUTIONS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 16TH MARCH 2017 (BEING THE INCORPORATION DATE) TO 31ST MARCH, 2018

Particulars	Note No.	Training Unit Rupees	PCT Mumbai Rupees	Amounts in Rs. For The period ended Mar 31, 2018 Rupees
REVENUE				
Revenue from operations	14	-	13,93,41,173	13,93,41,173
Other income	15	-	1,298	1,298
Total Revenue		-	13,93,42,471	13,93,42,471
Expenses				
Employer benefits expense	16	-	2,60,85,294	2,60,85,294
Finance costs	17	-	2,37,84,618	2,37,84,618
Depreciation and amortisation expense	18	64,130	30,115	94,245
Other expenses	19	10,70,964	9,54,65,690	9,65,36,664
Total Expenses		11,35,094	14,53,65,716	14,65,00,810
Profit before exceptional and extraordinary items and tax		-11,35,094	-60,23,245	-71,50,339
Exceptional items		-	-	-
Profit before extraordinary items and tax		-11,35,094	-60,23,245	-71,58,339
Extraordinary items		-	-	-
Profit before tax		-11,35,094	-60,23,245	-71,58,339
Tax expenses:				
Current tax		-	24,00,000	24,00,000
(Excess) /Short provision of tax relating to earlier years		-	24,00,000	24,00,000
Profit for the year		-11,35,094	-84,23,245	-95,58,339
Earnings Per Share of Rs.10/-each				
Basic				-2.04
Diluted				-2.04
Significant accounting policies	1			

For Yashpal Kumar & Co.
Chartered Accountants
Firm Reg no : 111733W

For and on behalf of the Board of Directors of
MUMBAI CARGO SERVICE CENTER COLD CHAIN SOLUTIONS PRIVATE LIMITED

Yashpal Kumar
Proprietor
Membership No 34404
Place : Mumbai
Date : 21st September 2018

Tushar Jani
Director

Khushroo Dubash
Director

Place : Mumbai



All figures in Crores

Mumbai Cargo Service Center Cold Chain Solutions Pvt Ltd.	
Form F 16: Performance report for the Tariff Year (ref: Section A1.9 of Appendix I)	
Particulars	Audited for the Tariff Year (FY 2017-18)
Total Revenue from Regulated Service (1)	13.93
Total revenue from services other than Regulated Services (2)	-
Operating Expenditures (3)	14.53
Depreciation (4)	0.00
Total Expenditure (3) + (4) = (5)	14.54
Regulatory Operating Profit (1) + (2) - (5) = (6)	(0.60)
Capital Expenditure (7)	-0.02
Opening RAB (8)	-
Disposals/ Transfers/Adjustments (9)	-
Closing RAB (8) + (7) - (4) - (9) = (10)	0.02
Average RAB (8) + (10)/2 = (11)	0.01
Total Volume (Cargo/ Fuelthroughput/ ATM (12) (in MT)	24,371
Actual yield per unit (1/12)	5,717

Verified :

For M/s Pranshu Agarwal & Associates

Chartered Accountants

FRN : 023514C

CA Pranshu Agarwal

Prop

Mem No. 432979

For Annual Tariff Yr 2017-18

All figures in Crores

Mumbai Cargo Service Center Cold Chain Solutions Pvt Ltd.	
Form F 17: Revenue from Regulated Services recovered during the Tariff year (ref: Section A1.9 of Appendix 1)	
Particulars	Provisional for the Tariff Year (FY 2017-18)
Revenues from Handling	13.93
Total Revenues from Tariff(s) for Regulated Services	13.93

Verified :

For M/s Pranshu Agarwal & Associates

Chartered Accountants

FRN : 023514C

CA Pranshu Agarwal

Prop

Mem No. 432979

For MUMBAI CARGO SERVICE CENTER COLD
CHAIN SOLUTIONS PVT. LTD.

Authorised Signatory

For Annual Tariff Yr 2017-18

All figures in Crores

Mumbai Cargo Service Center Cold Chain Solutions Pvt Ltd.	
Form F 18: Revenue from Services other than Regulated Services recovered during Tariff year (ref: Section A1.9 of Appendix 1)	
Particulars	Provisional for the Tariff Year (FY 2017-18)
Revenues from Terminal License fees	-
Revenues from Other Income	-
Total Revenues from services other than Regulated Services	-

Verified :

For M/s Pranshu Agarwal & Associates

Chartered Accountants

FRN: 023514C

CA Pranshu Agarwal

Prop

Mem No. 432979

For Annual Tariff Yr 2017-18

** All figures in Crores

Mumbai Cargo Service Center Cold Chain Solutions Pvt Ltd.	
Form F 19: Operating Expenditure incurred during the Tariff year (ref: Section A1.9 of Appendix 1)	
Particulars	Actual for the Tariff Year (FY 2017-18)
Payroll costs	2.61
Finance Cost	2.38
Administrative and General Costs	2.46
Utilities & outsourcing costs	0.46
Concession fees	5.84
Repair and Maintenance costs	0.42
Other Outflows/ Inflows	0.37
Total operating Expenditure	14.53

Verified :

For M/s Pranshu Agarwal & Associates

Chartered Accountants

FRN: 023514C

CA Pranshu Agarwal

Prop

Mem No. 432979

For MUMBAI CARGO SERVICE CENTER COLD
CHAIN SOLUTIONS PVT. LTD.

Authorised Signatory

Extracts of the Stakeholders Consultation Meeting for Annual Tariff Proposal(ATP) by Mumbai Cargo Service Center Cold Chain Solution Pvt. Ltd. At PCT on 12th Jan 2018/1430 Hrs.

List of Attendees

Trade:

1. Mr. T.A. Varghese- President, ACAA
2. Mr. Bala Ayer- Hon Sec, ACAA
3. Mr. Ketan A. Desai- Member Managing Committee, BCBA
4. Mr. Kaushal Thakkar- Member Managing Committee, BCBA
5. Mr. C Batross- Jet Freight Logistics, Head of Pricing & Sales
6. Mr. G C Poojari- Manager, Ops, Jet Freight Logistics
7. Mr. Rajesh William- Manager Ops, Consolidated Freight.

MIAL:

1. Mr. Nandan Kanchan- Sr. Manager, Ops

CSC:

1. Mr. Harish Shetty-CFO, CSC
2. Mr. Avinash Razdan-CFO, CSC
3. Mr. Deep Arora- General Manager, Ops
4. Mr. Pramod Pereira- AGM, Quality/Contracts
5. Mr. Vivek Rungta- Manager, Finance
6. Mr. Paresh Kundu- DM, Ops
7. Mr. Premal Parekh- DM, Ops

Meeting was chaired by Harish Shetty-CFO, Avinash Razdan-CFO and Deep Arora- GM, Ops.

1. Mr. Harish Shetty opened the meeting by welcoming the trade and thanking them for taking sometime out from their busy schedule and attending the same.
He then introduced Mr. Avinash Razdan, Mr. Deep Arora and the rest of the CSC staff present at the meeting to the august body.
Mr. Harish informed everybody about the concession agreement given to CSC by MIAL to operate manage, maintain existing CPC facility and expansion of new facility for a period till May 32.
He further explains the objectives of the meeting to all present.
2. Mr. Deep Arora took over and explained in detail the upcoming expansion project along with the existing structure of the facility.
He told the trade that once the extension would be done there would be separate section for the pharmaceuticals and perishable.
He explained the process flows of cargo in both the sections.
He also informed the trade about the mezzanine floor which would store pharma shipments.
He highlighted the increase in space, handling capacity and subsequent benefits of the extended terminals to the trade.



For Mumbai Cargo Service Center Cold Chain Solutions Pvt. Ltd.

[Signature]

Authorized Signatory

He informed the trade that this would state of the art terminal which would be capable of handling 12000 tons per month.

He said that truck waiting time would be minimize due to the additional number of truck docks at the pharma and perishable sections.

He also spoke about the online carting order and shipment tracking facility which would be available for the trade.

He briefed the trade that all facilities for agents, customs, quarantine and MCSC operations would be on the ground floor which would be accessible for both sections.

He also briefed being the Regulated Agent status awarded by BCAS.

3. Post this Mr. Harish Shetty presented proposed Tariff rate chart for TSP and Handling charges to the trade.

He also informed the trade about the envisaged cost of the project which is to the tune of approximately Rs. 65 Crores.

4. The members of the trade was pleased with the expansion project and its benefits to the trade. They had a few queries:

- a. They wanted to know if they could have an export bonding facility/storage area in the terminal.
- b. Would MCSC accept DGR-HAZ material from the pharma terminal- to which Mr. Deep replied that MCSC would look into the same.
- c. They were worried due to increase in tonnage they could face issues with truck management- to which Mr. Nandan explained that MIAL security who do truck would come out with appropriate solutions for smooth flow of trucks.
- d. Mr. Bala requested for a copy of proposed minutes and tariff so that the same could be discussed internally within the ACAAI and BCBA for their consent. Mr. Harish Shetty replied them that a email would be sent with the minutes and tariff proposal Mr. Harish Shetty requested them to revert within seven days.

5. As they were no further questions the refreshments were served to all and the meeting was adjourned with vote of thanks to the Chair.

Deep Arora
GM OPS

For Mumbai Cargo Service Center Cold Chain Solutions Pvt. Ltd.



Authorized Signatory

Mumbai Cargo Service Center Cold Chain Solution Private India Limited

Figures in Crore

Details related to expected Expenditure , Tonnage ,Revenue & Yeild related to three years (FY 19 -FY 21)

			2017-18	2018-19	2019-20	2020-21
			Audited	Projected	Projected	Projected
EXPENSES (Amount)						
A	Concession Fees	0.32	4.46	14.56	19.00	21.20
	MAG			10.80	16.75	16.75
	Total Concession Fee		4.46	14.56	19.00	21.20
B	Personnel Expenses	1.00	2.61	7.51	8.64	10.97
B.1	Fixed Concession fee		1.38	3.46	3.72	4.00
B.2	License Fees		0.37	0.94	1.02	1.09
B.3	Finance Cost		2.38	3.84	3.22	1.99
B.4	Admin Cost		3.34	9.61	11.06	14.04
B.5	Depreciation		0.00	0.59	4.31	4.36
B.6	Share Holder Expectation @16%	0.16	0.00	3.18	6.46	6.62
B.7	Provision for Taxes	0.30	0.24	0.95	1.94	1.98
C	Accumulated Losses			0.84	-	-
C.1	Business Loss (17-18)			0.84		
					-	
D	Total Expenses (excl Concession Fee)		10.32	30.94	40.37	45.05
E	Revenue Requirement (Ex Terminal License Fee & Other Income)		13.93	45.50	59.37	66.26
E.1	Terminal License Fee & Other Income					
F	Profit / (Loss)		(0.84)	-	-	-
G	Projected Tonnage		24,371	61,415	64,486	67,710
G.1	Growth in Tonnage			5%	5%	5%
I	Yield		5,717	7,409	9,206	9,785
I.1	Growth in Rates			30%	24%	6%

For MUMBAI CARGO SERVICE CENTER COLD
CHAIN SOLUTIONS PVT. LTD.


Authorised Signatory

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Annexure - V

Form (14b)

Annual Tariff Proposal for Tariff Year 2018-19, 2019-20 & 2020-21

City Side Tariff Proposal

(Land side charges to be collected from agents/freight forwarders)

TARIFF FOR TERMINAL STORAGE AND PROCESSING CHARGES (TSP), DEMURRAGE AND OTHER CHARGES AT PERISHABLE

CARGO TERMINAL MANGED AND OPERATED BY MUMBAI CARGO SERVICE CENTER COLD CHAIN SOLUTION PVT LTD

S. No	Charges	Unit	Fy 2018-19		Fy 2019-20		Fy 2020-21		Remarks
			Rate	Remarks	Rate	Remarks	Rate	Remarks	
1.TSP Charges									
1.1	Non Horticulture product required temperature control	Per Kg	2.08	Rs / Kg subject to minimum of Rs. 250 per AWB	2.58	Rs / Kg subject to minimum of Rs. 250 per AWB	2.73	Rs / Kg subject to minimum of Rs. 250 per AWB	Charges include unloading from trucks at truck docks
1.2	Horticulture product like Fruits, Vegetable and Flowers	Per Kg	1.04	Rs / Kg subject to minimum of Rs. 170 per AWB	1.29	Rs / Kg subject to minimum of Rs. 170 per AWB	1.37	Rs / Kg subject to minimum of Rs. 170 per AWB	Charges include unloading from trucks at truck docks
2. Demurrage Charges									
2.1	Demurrage/Storage Charges beyond 24 Hrs free period	Per Kg	2.08	Rs / Kg / Day subject to minimum of Rs. 250 per AWB	2.58	Rs / Kg / Day subject to minimum of Rs. 250 per AWB	2.73	Rs / Kg / Day subject to minimum of Rs. 250 per AWB	Demurrage free period shall be as per government order issued from time to time
3.Optional Charges									
3.1	Special Handling (Pharmaceutical, to maintain product temperature on request	Per AWB	2600	Rs / AWB	3224	Rs / AWB	3417	Rs / AWB	
3.2	Back to town	Per Kg	50% of TSP Charges	Rs / Kg subject to minimum of Rs. 50 per AWB	50% of TSP Charges	Rs / Kg subject to minimum of Rs. 50 per AWB	50% of TSP Charges	Rs / Kg subject to minimum of Rs. 50 per AWB	If not cleared within 24 hours of intimation, demurrage charges will be applicable

Note:

1. TSP Charges is inclusive of forklift use inside the terminal. No additional forklift charges will be levied.

2. Charges will be on the "gross weight" or the "chargeable weight" of consignment, whichever is higher. Whenever 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.

3. For misdeclaration of weight above 2% and upto 5% of declared weight penal charges double the applicable TSP charges will be levied. For variation above 5%, the penal charges will be five times the applicable TSP charges of the differential weight. No penal charges will be there for variation upto and inclusive of 2%. This will not apply to Valuable Cargo

4. While it is our intention not to allow any other agencies to operate inside the facility, in case for special reason exporters wants to engage their own labour, discount of 5% will be granted in TSP charges for offloading the cargo from truck and putting on customs examination area, and on pallets.

5. All Invoices will be rounded off to nearest Rs.%. As per IATA Tact Rule book Clause-5.7.2, rounding off procedure, when rounding off unit is 5.

For example:

When the results of calculation are between/and	Rounded off amount will be
102.5 - 107.4	105
107.5 - 112.4	110

For MUMBAI CARGO SERVICE CENTER COLD
CHAIN SOLUTIONS PVT. LTD.

Authorised Signatory

6. In case of premium service request, such service shall be provided at a premium of 25 % over normal handling rates.

7. Demurrage free period shall be as per government order issued from time to time, which will not attract any demurrage charges.

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Annex (14b)

Annual Tariff Proposal for Tariff Year 2018-19, 2019-20 & 2020-21

Air Side Tariff Proposal

MAXIMUM TARIFF FOR VARIOUS ELEMENTS OF CARGO HANDLING FOR AIRLINES CUSTOMERS AT PERISHABLE CARGO TERMINAL
MANAGED AND OPERATED BY MUMBAI CARGO SERVICE CENTER COLD CHAIN SOLUTION PRIVATE LIMITED

S. No	Charges	Unit	Fy 2018-19		Fy 2019-20		Fy 2020-21	
			Rate	Remarks	Rate	Remarks	Rate	Remarks
1	Export Handling per Kg for Horticulture, Sea food and meat products including fruits, Vegetable and flowers	Per Kg	3.90	Subject to Minimum Chargeable weight of 500 Kgs per flight	4.84	Subject to Minimum Chargeable weight of 500 Kgs per flight	5.13	Subject to Minimum Chargeable weight of 500 Kgs per flight
2	Export Handling per Kg for all other products including Pharmaceuticals and Vaccine	Per Kg	2.93	Subject to Minimum Chargeable weight of 500 Kgs per flight	3.63	Subject to Minimum Chargeable weight of 500 Kgs per flight	3.84	Subject to Minimum Chargeable weight of 500 Kgs per flight
3	Demurrage: Perishable Cargo Storage beyond demurrage free period after acceptance	Per Kg	1.95	Subject to Minimum Chargeable weight of 100 Kgs per AWB *** Demurrage free period shall be as per government order issued from time to time	2.42	Subject to Minimum Chargeable weight of 100 Kgs per AWB *** Demurrage free period shall be as per government order issued from time to time	2.56	Subject to Minimum Chargeable weight of 100 Kgs per AWB *** Demurrage free period shall be as per government order issued from time to time
4	X-Ray screening and or physical examination incl	Per Kg	2.54	Subject to Minimum Chargeable weight of 500 Kgs per flight	3.14	Subject to Minimum Chargeable weight of 500 Kgs per flight	3.33	Subject to Minimum Chargeable weight of 500 Kgs per flight
5	Miscellaneous Charges (None of the above)	Per Kg	3.90	Subject to minimum charge of INR 1500 per AWB	4.84	Subject to minimum charge of INR 1500 per AWB	5.13	Subject to minimum charge of INR 1500 per AWB
6	Full HAWB data capture per HAWB	Per AWB	34	Per AWB	42	Per AWB	44	Per AWB
7	Dry Ice check list charges	Per AWB	910	Per AWB	1128	Per AWB	1196	Per AWB
8	DGR acceptance fee	Per AWB	1820	Per AWB	2257	Per AWB	2392	Per AWB
9	DGR-Fee, in case shipment above 20 pieces	Per Additional Unit	65	Per Additional Unit	81	Per Additional Unit	85	Per Additional Unit
10	Special Handling (Pharmaceutical, to maintain product temperature on request by shipper/airline)	Per Unit	2600	Per Unit	3224	Per Unit	3417	Per Unit
11	ULD cleaning/unit	Per Unit	6500	Per Unit	8060	Per Unit	8544	Per Unit

For MUMBAI CARGO SERVICE CENTER COLD
CHAIN SOLUTIONS PVT. LTD.
[Signature]

Note :

- Demurrage will be applicable to Airlines if custom cleared cargo is stored in the warehouse beyond the free period in case of export cargo
- Handling rates provided above are inclusive of handling services including physical handling, document handling and IT handling
- Charges will be on "Gross Weight" or the "Chargeable Weight" of consignment, whichever is higher. Where ever 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.
- In case of premium service request, such service shall be provided at a premium of 25% over normal handling rates.
- Miscellaneous Charges includes special service requests from the customers other than the services already mentioned in the above tariff chart.

Mumbai Cargo Service Center Cold Chain Solutions Pvt. Ltd.

Annual Compliance Statement

Rs. in Crs.

Sl. No.	Performance report for the years	2017-18
1	Regulated revenue:	
2	Regulated Service	13.93
3	Other than Regulated Services	0
4	Total Revenue{(2)+(3)}	13.93
5	Operating Expenditure	14.53
6	Depreciation	0
7	Total Expenditure{(5)+(6)}	14.53
8	Operating Profit{(4)-(7)}	-0.60
9	Capital Expenditure	0.02
10	Opening RAB	0
11	Disposals/ Transfers	0
12	Depreciation	0
13	Closing RAB{(9+10-11-12)}	0.02
14	Average RAB{(10+13)/2}	0.01
15	Return on Average RAB {(8)/(14)}	-60%
16	profit margin{(8/4)}	-4%
17	Total Volume(MT)	24,371
	Actual Yield Per Unit{(1)/(17)}- In Rs	5716

Mumbai Cargo Service Center Cold Chain Solution Pvt. Ltd
City Side

Existing Rates

Proposed Rates

25%

25%

[Amount in RS.]

S.No	Charges	Unit		FY2018-19	FY2019-20	FY2020-21	Remarks
1. TSP Charges							
1.1	Non Horticulture Product required temperature control	Per Kg	1.60	1.60	2.00	2.50	Rs./ Kg subject to minimum of Rs.250 per AWB
1.2	Horticulture Product like fruits, Vegetable and Flowers	Per Kg	0.80	0.80	1.00	1.25	Rs./ Kg subject to minimum of Rs.170 per AWB
2. Demurrage Charges							
2.1	Demurrage/Storage Charges beyond 24 Hrs free period	Per Kg	1.60	1.60	2.00	2.50	Rs./ Kg/Day subject to minimum of Rs.250 per AWB
3. Optional Charges							
3.1	Special Handling (Pharmaceutical) to maintain product temperature on request	Per AWB	2000	2000	2500	3125	Rs/AWB
3.2	Back to town	Per Kg	50% of TSP Charges	50% of TSP Charges	50% of TSP Charges	50% of TSP Charges	Rs./ Kg subject to minimum of Rs.50 per AWB

Notes:

- 1 TSP Charges is inclusive of forklift use inside the terminal. No additional forklift charges will be levied.
- 2 Charges will be on the "gross weight" or the "chargeable weight" of consignment, whichever is higher. Whenever 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.

- 3 For misdeclaration of weight above 2% and upto 5% of declared weight penal charges double the applicable TSP charges will be levied. For variation above 5%, the penal charges will be five times the applicable TSP charges of the differential weight. No Penal charges will be there for variation upto and inclusive of 2%. This will not apply to valuable Cargo.
- 4 While it is our intention not to allow any other agencies to operate inside the facility, in case for special reason exporters wants to engage their own labour, discount of 5% will be granted in TSP charges for offloading the cargo from truck and putting on customs examination area, and on pallets.
- 5 All invoices will be rounded off to nearest Rs.%. As per IATA Tact Rule book Clause-5.7.2, rounding off procedure, when rounding off unit is 5.

For example:

When the results of calculation are between/and	Rounded off amount will be
102.5 - 107.4	105
107.5 - 112.4	110

- 6 In case of premium service request, such service shall be provided at a premium of 25% over normal handling rates.
- 7 Demurrage free period shall be as per government order issued from time to time, which will not attract any demurrage charges.
- 8 Service Tax and any other statutory indirect taxes shall be levied extra as per government notifications.
- 9 Packing/repacking charges shall be levied @ 2% of packages per shipping bill with a minimum of Rs. 34.50/-per airway bill. Packing/repacking charges will be Rs. 17.25/-per packet.
- 10 MOT charges will be levied Rs. 230/-per AWB
- 11 Terminal receipt cancellation charges will be Rs. 115 per Terminal receipt.

Mumbai Cargo Service Center Cold Chain Solution Pvt. Ltd
Air Side

Existing Rates

Proposed Rates

25%

25%

[Amount in RS.]

S.No	Charges	Unit		FY2018-19	FY2019-20	FY2020-21	Remarks
1	Export Handling per Kg for Horticulture, sea food and meat products including fruits, vegetable and flowers	Per Kg	3.00	3.00	3.75	4.69	Subject to minimum Chargeable weight of 500 Kgs per Flight
2	Export Handling per Kg for all other products including Pharmaceuticals and vaccine	Per Kg	2.25	2.25	2.81	3.52	Subject to minimum Chargeable weight of 500 Kgs per Flight
3	Demurrage: Perishable Cargo Storage beyond demurrage free period after acceptance	Per Kg	1.50	1.50	1.88	2.34	Subject to minimum Chargeable weight of 100 Kgs per AWB *** Demurrage free period shall be as per government order issued from time to time
4	X-Ray screening and or physical examination incl	Per Kg	1.95	1.95	2.44	3.05	Subject to minimum Chargeable weight of 500 Kgs per Flight
5	Miscellaneous Charges (None of the above)	Per Kg	3.00	3.00	3.75	4.69	Subject to minimum charge of INR 1500 per AWB
6	Full HAWB data capture per HAWB	Per AWB	26.00	26.00	32.50	40.63	Per AWB
7	Dry Ice check list charges	Per Kg	700	700	875	1093.75	Per AWB
8	DGR acceptance fee	Per Kg	1400	1400	1750	2187.50	Per AWB
9	DGR-Fee,in case shipment above 20 pieces	Per Additional Unit	50	50	62.50	78.13	Per Additional Unit
10	Special Handling (Pharmaceutical, to maintain product temperature on request by shipper/airline)	Per Unit	2000	2000	2500	3125.00	Per Unit
11	ULD cleaning/unit	Per Unit	5000	5000	6250	7812.50	Per Unit

Note:

- 1 Demurrage will be applicable to Airlines if custom cleared cargo is stored in the warehouse beyond the free period in case of export cargo.
- 2 Handling rates provided above are inclusive of handling services including physical handling, document handling and IT handling.
- 3 Charges will be on "Gross Weight" or the "Chargable Weight" of consignment, whichever is higher. Where ever 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 In case of premium service request, such service shall be provided at a premium of 25% over normal handling rates.
- 5 Miscellaneous Charges includes special service requests from the customers other than the services already mentioned in the above tariff chart.
- 6 Service Tax and any other statutory indirect taxes shall be levied extra as per government notifications.