

Ref No: CELEBI/DEL/CEO/2018/11/200

Dated: 9th November, 2018

To,
The Chairman,
Airports Economic Regulatory Authority of India (AERA),
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi – 110003

Subject: Request for tariff order for FY 2019-20 and FY 2020-21 of Celebi Delhi Cargo Terminal Management India Private Limited (Celebi).

Reference: Order no. 17 / 2018-19 dated 29th August, 2018 by AERA.

Dear Sir,

We would like to thank your good office for the Order no. 17 / 2018-19 dated 29th August, 2018.

As per clause 8.3 of the said order, AERA directed Celebi to consult the trade bodies and submit proposals for tariff revision in FY 2019-20 and FY 2020-21.

Pursuant to the same, Celebi had conducted a user consultation meeting with trade bodies on 1st October, 2018 and the presentation made by Celebi along with minutes of meeting is enclosed for your kind perusal. The proposed increase by Celebi is 30% for FY 2019-20 and 17% for FY 2020-21. All details including expenses and capex were discussed in details and we believe that our claims are justified. Subsequent discussions were held and the trade bodies mentioned that 15% for FY 2019-20 and 10% for FY 2020-21 are acceptable to them. In this regard, minutes of meeting with ACCAI (The Air Cargo Agents Association of India) and DCCAA (Delhi Customs Clearing Agents Association) dated 29th October, 2018 is enclosed.

All supporting documents and minutes of meetings are submitted and we would request AERA to consider Celebi's request on tariff increase appropriately. We would therefore sincerely submit to AERA for considering and approving our tariffs for FY 2019-20 and FY



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2020-21 at the earliest, to enable us to implement the same from 1st April, 2019 and 1st April, 2020 respectively.

Thanking you for your consideration.

Yours Sincerely,

For Celebi Delhi Cargo Terminal Management (I) Private Limited


Ramesh Mamidala
Chief Executive Officer



Ref No: CELEBI/DEL/CEO/2019/01/189

Dated: 11th January, 2019

To,
The Chairman,
Airports Economic Regulatory Authority of India (AERA),
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi – 110003

Subject: Request for tariff order for FY 2019-20 and FY 2020-21 of Çelebi Delhi Cargo Terminal Management India Private Limited (Celebi).

Dear Sir,

We would like to thank your good office for the Order No. 17 / 2018-19 dated 29th August 2018.

As per directions in the Terms and Conditions for Determination of Tariff for Services Provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft Guidelines 2011 ('Guidelines') issued under Section 15 of The Airports Economic Regulatory Authority of India Act, 2008, please find enclosed our Annual Tariff Proposal ('ATP') for the 4th and 5th tariff year of the second control period i.e. FY 2019-20 and FY 2020 - 21. In accordance with Section 7.4 of the Guidelines, Form B and Form 14(b) along with evidence of stakeholder consultation have been enclosed as part of the ATP.

- Celebi is fully committed to provide seamless experience to users of the cargo terminal. Celebi has infused significant capital investment to renovate and modernize the complete infrastructure of the brown field terminal in the past and has brought several state-of-the art equipment. It has continued to enhance the operational efficiency of the existing processes and systems to reduce the cargo turn-around time which has resulted in a significant time and cost savings for its customers.

Celebi operates in a highly competitive environment and faces challenges in retaining customers and in expanding operations. We have focused on providing efficient and modern cargo services to our users. Our initiatives have been supported by our customers who have benefited from quicker turnarounds, a seamless experience and increased competitiveness.

Major investments: Celebi has invested ~ ~ INR 450 Crores in last 8 years (i.e. till Sep, 2018) including security deposit of INR 169 Crores towards improvement of cargo handling facilities at the terminal.



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Key investments areas:

- *Facility Development*
- *Equipment and Machinery*
- *Process Improvements through Technology Upgradation*

Major investments in facility development in last 8 years:

- ✓ *Re-engineering of Warehouse Layout – including 6 – level racking system*
- ✓ *Integrated terminal with export – import domestic and express operations (under one roof)*
- ✓ *State of the art Export Pharma Logistics Center with processing capacity of 200 MT per day*
- ✓ *State of the art Center of Perishable Cargo*
- ✓ *Fully equipped public transaction lobbies*
- ✓ *Import cold storage expansion with additional processing capacity of 200 MT*
- ✓ *Security and Fire Safety Equipment*
- ✓ *New fully automated domestic terminal*

Major investments in equipment and machinery in last 8 years:

- ✓ *Installation of 10 TLX Machines with automated weight and volumetric scanners*
- ✓ *Elevated Transfer Vehicles (ETV) with 276 storage positions*
- ✓ *Elevated ULD built-up work stations*
- ✓ *Introduction of battery operated equipment*
- ✓ *TSA compliant X-Ray machines including Dual Vision machines – 2 new dual view X-ray machines procured and installed in July, 2018 and further 2 new dual-view X-ray machines to be procured and installed by early 2019*
- ✓ *TSA compliant desktop Explosive Trace Detector (ETD)*



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- ✓ Installation of more than 450 CCTV cameras
- ✓ Cool Dolly – 2 numbers cool dollies in operational mode

Key initiatives for process improvements in last 8 years:

- ✓ 1st Terminal in India to become E-freight/E-AWB Compliant recognized by IATA
- ✓ 100% EDI capability for paperless transactions
- ✓ Introduction of mobile application to facilitate business transactions
- ✓ Implementation of Queue Management System
- ✓ Export Truck Slot Management for staggered and synchronized acceptance of cargo
- ✓ Achieving regulated agent status enabling screening and certification activity
- ✓ Took over export screening (international & domestic) – More certified screeners and additional ETDs have been added
- ✓ SAP Implementation
- ✓ New cargo management software (CARGOCEL) implemented

Celebi has planned investment of INR 115 Cr in the current control period (2017 - 2021) excluding any increase in security deposit. Key capital investment for the next control includes:

- ✓ Automated Storage and Retrieval System (ASRS) – INR 34 Crores including relocation of facilities (Benefits of ASRS are Higher stock keeping capacity, Protection of stored goods, Automation of storage and retrieval process, Prevention of accident, Real-time inventory control, Faster and more reliable operation of warehouse, Negligible missing cargo (UTL) etc.)
- ✓ New Domestic Terminal – INR 18 Crores
- ✓ Additional X-ray Machines & ETD – INR 25 Crores
- ✓ LED & Sky shade – INR 2 Crores
- ✓ New Forklifts – INR 16 Crores
- ✓ ULD Storage Racks – INR 3 Crores



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- ✓ *Additional Euro pallets – INR 3 Crores*
- ✓ *Tabs and electronic gadgets – INR 3 Crores*
- ✓ *CARGOCEL & SAP – INR 6 Crores (the old ICMS system has been replaced by CargoCEL. Key highlights are Integrated with different systems and data sources (such as DIAL web portal, airline systems, custom systems, banks and freight agents), Extended mobile applications (mobility) for easy accessibility, Better planning and SLA management capabilities etc.*
- ✓ *Additional Infrastructure Development – INR 5 Crores*

These investments will benefit customers by further improving operational efficiency and streamlining business processes at the cargo terminal. The investments undertaken by Celebi would help in improving efficiency, increase handling capacity and enhance customer experience at the cargo terminal, thereby, helping India compete with leading cargo hubs globally. In addition to above investments, Celebi is committed in creating an eco-friendly cargo hub at Delhi Airport through push for development of solar power plant at the terminal.

While Celebi has remained committed to achieve its vision of creating a modern cargo hub at Delhi Airport, it has not been able to recover its investments due to low tariffs in a competitive environment.

Owing to **CELEBI 's commitment to green initiative**, Celebi Delhi Cargo Terminal is in process of installing a 3.7 MW Solar Power Plant as an alternative source of power. 1st Phase of 2 MW commenced operations from 26th February 2017. 2nd Phase of Solar Power Plant is in progress for 1.7 MW and is expected to commence operations from 1st April 2019.

We would request you to consider the following:

- **Shortfall of INR 94 crore in the first control period needs to be recovered:** The intense competition in cargo operations at Delhi Airport has deterred Celebi from levying tariffs which would have been permissible under the regulatory approach during the first control period. In the past, Celebi has requested AERA to approve lower tariffs in order to minimize impact on our customers and with the aim that this low recovery in the initial years would get compensated in future years. At the same time, Celebi has invested a significant amount (INR 450 crore) towards modernization of the terminal and for ensuring efficient operations.

As a result, Celebi has a revenue shortfall of ~INR 94 crore (as on 1 April 2018) in the first control period which needs to be recovered during the second control period. Any reduction in the proposed increase and delay in approval of tariffs would have a considerable impact on the viability of operations and put Celebi under undue financial stress.



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INR crore	2012	2013	2014	2015	2016
Permissible aero revenues (based on ARR calculation for 1 st control period using actual financials) (1)	253.2	255.4	252.9	308.0	307.9
Actual aeronautical revenues (2)	267.2	253.2	236.8	280.2	276.9
Aero revenue shortfall (-ve) vis-à-vis ARR as per actuals (2-1)	13.9	-2.2	-16.1	-27.8	-31.0
Present value of shortfall (as on 1 April 2018)	~INR 94 crore				

- **Revenue in first two years of second control period is lower by INR 350 crore as compared to our MYTP projections:** Celebi has submitted MYTP to the regulator on 10 March 2016. In the MYTP, Celebi has projected following revenues in 2017 and 2018 for it to generate a return under the regulatory framework. However, the actual revenue of Celebi has been lower than the MYTP projections.

INR crore	FY 17*	FY 18*
Revenue projections under MYTP for second control period (1)	518.1	525.1
Actual aeronautical revenues (2)	302.7	390.8
Shortfall (-ve) in actual revenue vis-à-vis MYTP (2-1)	-215.4	-134.3

* based on actual financials of FY 2016-17 & FY 17-18.

- **Average net profit margin of 3.8% in last 7 years showing financial stress:** As a result of the lower cargo volume at the airport, competition and lower tariff, Celebi has not been able to generate sufficient returns on its investments.

Parameter	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18
Revenues (INR crore)	280.3	268.2	269.7	317.0	313.9	345.5	440.8
Net Profit	10.1	3.9	0.3	20.1	15.0	13.8	29.0
Net Profit Margin (%)	3.6%	1.5%	0.1%	6.3%	4.8%	4.0%	6.6%

- **Loss of our investors' confidence:** The foreign investor confidence in the Indian airport sector is at a low which is evident from the lack of investment in any of the major airport related projects in the country. Celebi is one of the few projects which has attracted foreign investments in the airport sector. However, the competition and low tariffs have resulted in a precarious financial condition of Celebi and the investors have received only 5% return on their investment till date. This is further eroding our investors' confidence in the aviation sector in India.
- **Minimal impact on total logistics costs:** Celebi would like to bring to notice that airport cargo handling costs are a small proportion of the total logistics cost. The proposed



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increase in the handling cost would increase the overall total logistics cost by around 1% which will be compensated by investments being made by Celebi in infrastructure improvement for smoother processing, faster turnaround and better service levels. While the proposed increase will have minimal impact on total logistics cost, the same increase is critical for financial viability of Celebi.

- **No return on Security Deposit till March 2019:**

Kindly refer to Consultation Paper No. 08/2018-19 dated 29th June 2018, wherein view of stakeholders were invited towards return on security deposit. It was mentioned that the Company has requested the Authority to consider interest free security deposit paid to DIAL as part of RAB and provide return on it. The year wise Security Deposit is as under:

2017-18	- Rs. 169 crores
2018-19	- Rs. 178 crores
2019-20	- Rs. 192 crores
2020-21	- Rs. 205 crores

Even though none of the stake holders objected to consider return on such huge amount of interest free security deposit, which was mandatory to receive the concession, no return was allowed in the final Order no. 17/2018-19 dated 29th August 2018.

The impact of interest on security deposit for first three years of second control period (i.e., upto March 2019) is approx. Rs. 63 crores considering 14% return (which is equal to the return considered by AERA for determining ARR).

- **Shortfall in ARR:**

The estimated shortfall in ARR is approx. Rs. 92 crores and Rs. 58 Crores for FY19-20 and FY20-21 respectively.

It may also be pertinent to mention here that post our initial discussion with the trade, there is a change in CISF regulation which may lead to increase in cost for Celebi. We might require to deploy at least 60 additional security staff at the city side access control due to change in CISF policy at the airport. The cost of this additional deployment is close to Rs. 2 Crores per annum, which is not considered in our workings.

- **Considering all the factors as mentioned above, the increase required to meet the shortfall in FY 2019-20 is as under:**



Particulars	Revised Tariff after considering all impacts (Rs. Crores)	Remarks
Shortfall during 1st control period	94	Deferred
Shortfall during initial two years of 2nd control period	350	Deferred
Shortfall during first three years of second control period on account of return on security deposit @ 14%	63	Deferred
Increase on account of shortfall in ARR (Aggregate Revenue Requirement)	92	Proposed to be recovered
Total Increase	600	
Tariff increase required (Considering base revenue of Rs. 452 crores)	194%	

Celebi is aware that such an increase in tariffs will affect the stakeholders as well as erode Celebi's competitive advantage. Therefore, Celebi proposes to recover only the shortfall during FY 19-20 and FY 20-21.

The proposed recovery is shown below:

S. No	Recovery head	Remarks
1.	Shortfall during 1 st control period	INR 94 crore (as on 1 April 2018) proposed to be recovered during second control period is being deferred for recovery later.
2.	Shortfall during initial two years of 2nd control period as compared to MYTP submission	Rs. 350 crores – Deferred and propose to seek AERA's approval later for recovery.
3.	Shortfall during first three years of second control period on account of return on security deposit @ 14%	Rs. 63 crores – Deferred and propose to seek AERA's approval later for recovery.
4.	Increase on account of shortfall in ARR (Aggregate Revenue Requirement)	Rs. 92 crores for FY 19-20 and Rs. 58 crores for FY 20-21 is proposed to be recovered now.
	Total Recovery (1+2+3+4)	INR 150 crores (92 crores in FY 19-20 & Rs. 58 Crores in FY 20-21)

The total increase required is INR 92 crores and Rs. 58 Crores in FY 2019-20 and FY 2020-21 respectively. This would require an increase of around 30% and 17% on tariff rates.





As per clause 8.3 of AERA's Order No. 170/2018-19 dated 29th August 2018, AERA directed Celebi to consult the trade bodies and submit proposals for tariff revision in FY 2019-20 and FY 2020-21.

Pursuant to the same, Celebi had conducted a user consultation meeting with trade bodies on 1st October 2018 and the presentation made by Celebi along with minutes of meeting is enclosed for your kind perusal. The proposed increase by Celebi is 30% for FY 2019-20 and 17% for FY 2020-21. All details including expenses and capex were discussed in details and we believe that our claims are justified. Subsequent discussions were held and the trade bodies mentioned that 15% for FY 2019-20 and 10% for FY 2020-21 are acceptable to them. In this regard, minutes of meeting with ACCAI (The Air Cargo Agents Association of India) and DCCAA (Delhi Customs Clearing Agents Association) dated 29th October 2018 is enclosed vide Annexure I.

All supporting documents and minutes of meetings are being submitted and we would request AERA to consider Celebi's request on tariff increase appropriately. We would therefore sincerely submit to AERA for considering and approving our tariffs for FY 2019-20 and FY 2020-21 at the earliest, to enable us to implement the same from 1st April, 2019 and 1st April, 2020 respectively.

Thanking you for your consideration.

Yours Sincerely,

For Celebi Delhi Cargo Terminal Management (I) Private Limited

Ramesh Mamidala
Chief Executive Officer



Enclosed:

- Annexure I – MOM User Consultation
- Annexure II – Presentation User Consultation
- Annexure III – Form 14(b) - Proposed Tariff Card
- Annexure IV – Form B

MEETING	User (Stakeholder) Consultation & Interaction Meeting with DCCAA, DACAAI, ACAAI, FIEO & BAR on Proposed Tariff Revision (ATP) of Celebi Delhi Cargo Terminal Management India Pvt. Ltd ("CELEBI")			
	Date	01 st October 2018	Place	Celebi VC Room, Import 2 Building
	President - DCCAA	Mr. P. S. Atree		
	DCCAA	Mr. Gurvinder Singh		
	DCCAAI	Mr. R. P. Shukla		
	DCCAAI	Mr. Ravijeet Sehrawat		
	Chairman - ACAAI	Mr. Vikram Kumar		
	SAUDIA CARGO	Mr. K. N. Pandey		
	QATAR AIRWAYS	Mr. Binay Jha		
	AIR INDIA	Mr. Parveen Kumar		
	AIR INDIA	Mr. M. S. Unni		
	AIR INDIA	Ms. Madhulika Babbal		
	AIR INDIA	Mr. P. Kujur		
	SHANDONG AIR	Mr. Jayaraman		
	CELEBI	Mr. Ramesh Mamidala		
	CELEBI	Mr. Amitava Kundu		
	CELEBI	Mr. Tansu Cigeroglu		
	CELEBI	Mr. Raja Gupta		
	CELEBI	Ms. Ankita Saxena		
	FIEO	Regret		
INTRODUCTION				
The meeting was held to discuss CELEBI's Annual Tariff Proposal for FY 2019-20 & FY 2020-21.				
<ul style="list-style-type: none"> • CELEBI made a presentation covering below mentioned areas: <ul style="list-style-type: none"> ➤ Major investments made by CELEBI ➤ Process Improvements through technology upgradation 				



- ✓ Capital investments for control period (FY 2017-2021)
- ✓ New Products Launched/Planned
- ✓ Annual Tariff Proposal for FY 2019-20 & FY 2020-21
- ✓ Need for Incremental Demurrage

- Celebi presented the developments that it has done in the terminal during the past years of operations with specific mention of the additional developments done during the last one year.
- CELEBI also presented its committed capital investment plan of INR 115 crore during current control period of FY 2017-2021 in various areas which will and is already benefiting customers by improving operational efficiency and streamlining business processes at the cargo terminal.
- CELEBI further mentioned the specific details of various projects such as New Cargo Handling Software (CargoCEB) which has already been rolled out in domestic & international operations. CELEBI also highlighted the updated status of other major committed investments such as Automated Storage and Retrieval System (ASRS) which will augment capacity immensely and bring in further operational excellence. Similarly, CELEBI also updated the progress of 2nd Phase of Solar Power Plant Installation.
- Trade Partners sought clarification on the increase in tariff that CELEBI proposed last time and the increase which CELEBI intends to propose this time. CELEBI clarified that 25% increase in tariff is already approved by AERA for FY 2018-19 which was effective w.e.f 15th September, 2018. However Celebi is still facing a huge shortfall in ARR considering delay in application of increase in FY 2018-19 (15th Sep, 2019 as compared to the earlier planned 01st April, 2018), non-consideration of Return on Security Deposit etc. Celebi also mentioned that consideration of 10% increase YOY for FY 2019-20 & FY 2020-21 was done based on assumptions made by AERA. However Celebi presented the various contributory factors leading to requirement of tariff increase in FY 2019-20 & 2020-21. Combining all the factors presented, Celebi presented that it requires an increase of 200% over and above the current tariff. However in order to minimize the impact on trade Celebi is only considering the shortfall in ARR which is leading to a requirement of 30% increase for FY 2019-20 & 17% increase in FY 2020-21.
- Celebi also highlighted that it has a security deposit of INR 169.23 Crores on which no return has been factored by AERA while computing the 10% proposed increase for FY 2019-20 & FY 2020-21. Celebi discussed the above with the trade and considered in their proposed increase in tariff.
- CELEBI presented a slide on Need for Incremental Demurrage and proposed revised rates for the slabs beyond 96 Hours in order to discourage storage of cargo beyond 96 hours. CELEBI explained that this initiative is to reduce dwell times and to promote a culture wherein we encourage clearing the shipments within the stipulated time frames. However the demurrage charges applicable between 48 hours (free period) & 96 hours will be revised as per proposed ATP and in line with approval received from AERA. Trade Partners suggested to keep this on hold for the time being. CELEBI agreed to the suggestion and will review the same at a later period.



- Trade Partners appreciated the investments that CELEBI has incurred and the operational efficiencies that has been brought in the terminal and further acknowledged the rationale behind the proposed increase (given the investment incurred by CELEBI in the past and proposed investment).
- The meeting ended on a positive note with mutual appreciation of support extended by both parties.
- Going forward, as per procedures laid down by AERA, CELEBI will file the ATP in line with the proposed increase.

Concluding comments: Overall, the meeting was a fruitful discussion, wherein Trade Partners appreciated the commitment shown by CELEBI for creating an ideal infrastructure for conducting business. Trade Partners appreciated the proposed investment plans of CELEBI positively and acknowledged the rationale behind the proposed increase. Going forward CELEBI, will file the ATP for FY 2019-20 & 2020-21.

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MEETING	Folow up Meeting on Proposed Tariff Revision (ATP) of Celebi Delhi Cargo Terminal Management India Pvt. Ltd ("CELEBI")	
	Date	29 th October 2018
	President - DCCAA	Mr. P. S. Atree
	Chairman - ACAAI	Mr. Vikram Kumar
	CELEBI	Mr. Ramesh Mamidala
	CELEBI	Mr. Raja Gupta

INTRODUCTION

This is in continuation to the User Consultation meeting held with trade pertaining to CELEBI's Annual Tariff Proposal for FY 2019-20 & FY 2020-21.

- Based on the justifications provided by CELEBI, a rate increase of 30% & 17% was proposed for FY 2019-20 & FY 2020-21 during the User Consultation Meeting held on 01st October, 2018. The same was calculated considering the delay in approval of new tariffs in FY 2018-19 (Applied w.e.f. 15th September, 2018 as against 01st April 2018), impact of security deposit, shortfall in ARR combined with the various investments done and committed by CELEBI.
- However, during the meeting, ACAAI & DCCAA raised certain queries pertaining to the presented cost factors.
- During the follow up meeting, CELEBI explained the related cost factors and further justified its requirement for increase in tariffs in line with the figures presented in User Consultation Meeting held on 01st October, 2018.
- Trade acknowledged the explanations made by CELEBI, however mentioned that 15% increase for FY 2019-20 & 10% increase for FY 2020-21 is an acceptable level of increase.
- However CELEBI mentioned that considering its projected level of costs, the requested increase by CELEBI is justified.
- It was also discussed that CELEBI will keep improving the infrastructure as already mentioned earlier in the PPT.
- The meeting ended on a positive note with mutual appreciation of support extended by both parties.

Concluding comments: Overall, the meeting was a fruitful discussion, wherein Trade Partners appreciated the commitment shown by CELEBI for creating an ideal infrastructure for conducting business. Trade Partners appreciated the proposed investment plans of CELEBI positively and acknowledged the rationale behind the proposed increase.



**Annual Tariff Proposal - FY 2019-
20 & FY 2020-21
User Consultation**

Dated: 01st October, 2018



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INTRODUCTION

- **Second control period starts from FY 2016-17**
- **Annual Tariff Proposal (ATP) will be submitted for FY 2019-20 & FY 2020-21**





MAJOR INVESTMENTS FROM THE LAST 8 YEARS

- Celebi has invested ~ ~ INR 450 Crores in last 8 years (i.e. till Sep, 2018) including security deposit of INR 169 Crores towards improvement of cargo handling facilities at the terminal.
- Key investments areas:
 - Facility Development
 - Equipment and Machinery
 - Process Improvements through Technology Upgradation
- These investments have resulted in significant improvement in customer experience and increase in operational efficiency at the cargo terminal





MAJOR INVESTMENTS IN FACILITY DEVELOPMENT

➤ Major investments in facility development in last 8 years:

- *Re-engineering of Warehouse Layout – including 6 – level racking system*
- *Integrated terminal with export – import domestic and express operations (under one roof)*
- *State of the art Export Pharma Logistics Center with processing capacity of 200 MT per day*
- *State of the art Center of Perishable Cargo*
- *Fully equipped public transaction lobbies*
- *Import cold storage expansion with additional processing capacity of 200 MT*
- *Security and Fire Safety Equipment*
- *New fully automated domestic terminal*





CELEBI MAJOR INVESTMENT IN EQUIPMENTS & MACHINERY

➤ Major investments in equipments and machinery in last 8 years:

- Installation of 10 TLX Machines with automated weight and volumetric scanners
- Elevated Transfer Vehicles (ETV) with 276 storage positions
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- Introduction of battery operated equipments
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- TSA compliant desktop Explosive Trace Detector (ETD)
- Installation of more than 450 CCTV cameras
- Cool Dolly – 2 numbers cool dollies in operational mode





CELEBI

PROCESS IMPROVEMENTS THROUGH TECHNOLOGY UPGRADATION

➤ **Key initiatives for process improvements in last 8 years:**

- *1st Terminal in India to become E-freight/E-AWB Compliant recognized by IATA*
- *100% EDI capability for paperless transactions*
- *Introduction of mobile application to facilitate business transactions*
- *Implementation of Queue Management System*
- *Export Truck Slot Management for staggered and synchronized acceptance of cargo*
- *Achieving regulated agent status enabling screening and certification activity*
- *Took over export screening (international & domestic) – More certified screeners and additional ETDs have been added*
- *SAP Implementation*
- *New cargo management software (CARGOCEL) implemented*



CELEBI

KEY CERTIFICATIONS



ISO 9001:2008
Year - 2010



ISO 14001:2004
Year - 2014



OHSAS 18001:2007
Year - 2014



RA3



GDP



ISAGO



TAPA

Quality management System - ISO 9001:2008
Environmental Management System - ISO 14001:2004
Occupational Health and Safety Management System - OHSAS 18001:2007

RA3 certification for enhanced security measures

GDP Certification for Export/Import Pharma Facilities

ISAGO Certification

TAPA





CAPITAL INVESTMENTS FOR THE CONTROL PERIOD (2017-21)

- Celebi has planned investment of INR 115 Cr in the current control period (2017 - 2021) excluding any increase in security deposit.
- Key capital investment for the next control include:
 - Automated Storage and Retrieval System (ASRS) – INR 34 Crores including relocation of facilities
 - New Domestic Terminal – INR 18 Crores
 - Additional X-ray Machines & ETD – INR 25 Crores
 - LED & Sky shade – INR 2 Crores
 - New Forklifts – INR 16 Crores
 - ULD Storage Racks – INR 3 Crores
 - Additional Euro pallets – INR 3 Crores
 - Tabs and electronic gadgets – INR 3 Crores
 - CARGOCEL & SAP – INR 6 Crores
 - Additional Infrastructure Development – INR 5 Crores
- These investments will benefit customers by further improving operational efficiency and streamlining business processes at the cargo terminal



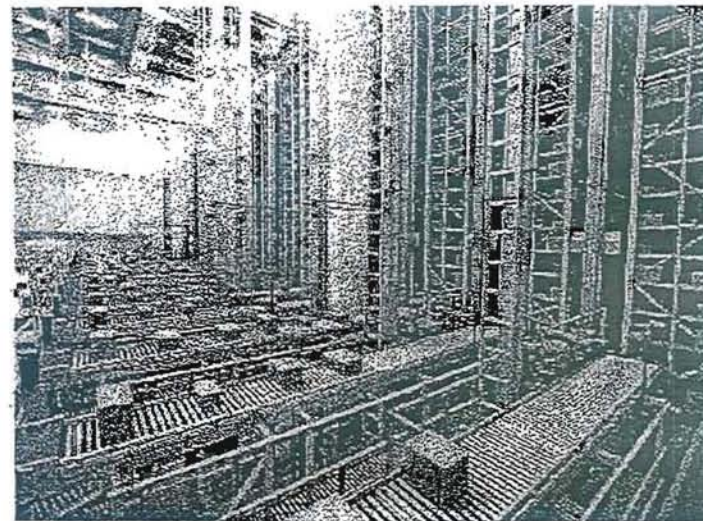


AUTOMATED STORAGE AND RETRIEVAL SYSTEM (ASRS)

➤ Celebi aims at building a world class storage facility with modern amenities

Benefits of ASRS are as under:

- Higher stock keeping capacity
- Protection of stored goods
- Automation of storage and retrieval process
- Prevention of accident
- Real-time inventory control
- Faster and more reliable operation of warehouse.
- Negligible missing cargo (UTL)



Disclaimer: This picture has been downloaded from the internet and is only being used only for presentation purposes

Update

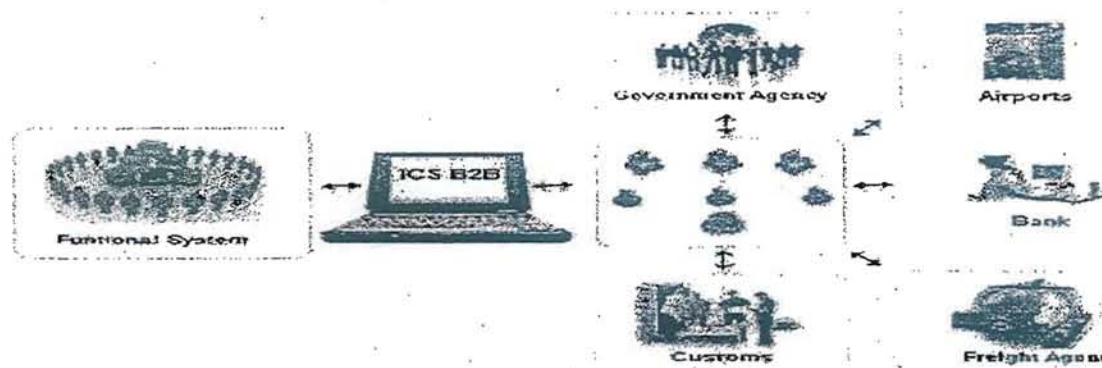
- CAPEX planned
- Design finalized
- Vendor on Board in Oct, 2018
- Planned Go live in July/Aug'19

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CELEBI

CARGO HANDLING SOFTWARE



Key Highlights

- Integrated with different systems and data sources (such as DIAL web portal, airline systems, custom systems, banks and freight agents)
- Extended mobile applications (mobility) for easy accessibility
- Better planning and SLA management capabilities

Update

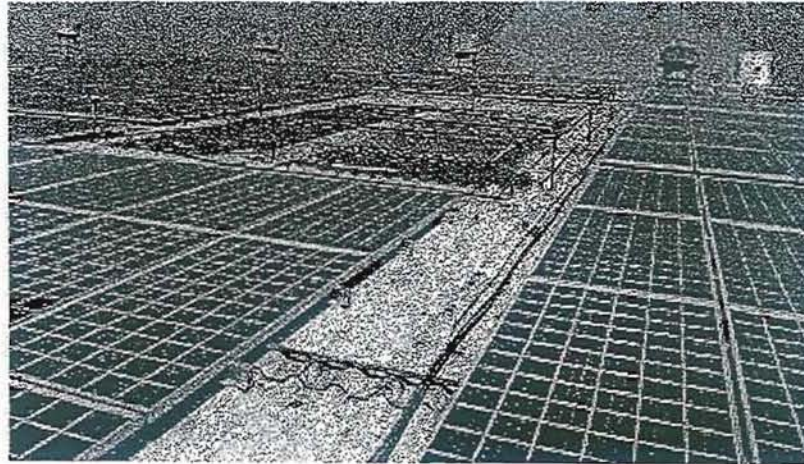
- Complete Go live done on 09th June, 2018
- Second Phase Go Live planned in Dec, 2018





SOLAR POWER PLANT – GREEN ENERGY

- Owing to CELEBI 's commitment to green initiative, Celebi Delhi Cargo Terminal is in process of installing a 2 MW Solar Power Plant as an alternative source of power, which can be a breakthrough for the industry.
- It will also help Celebi in reducing its carbon footprint.



Update

- 1st Phase of 2 MW Fully implemented
- Go Live done for Phase 1 on 26th Feb, 2017
- 2nd Phase of Solar Power Plant in Progress – 1.7 MW





NEED FOR TARIFF INCREASE

- Against our proposal of 33% increase w.e.f 1st Apr'18, AERA approved 25% increase w.e.f 15th Sep'18. This has resulted in actual realization of tariff increase to the tune of 13.54 % (25% x 6.5 months / 12 months).
- The Security Deposit as on date is INR 169.23 Crores with expected rate of return @ 14% (which is equal to the rate of return considered by AERA on RAB - Regulatory Asset Base).

The shortfalls which may be considered for ARR (Aggregate Revenue Requirement) are as follows :

1. Shortfall of revenue of INR 94 Crores (as on 01st April, 2018) during the first control period
2. Revenue for first 2 years of second control period is lower by INR 371 Crores as compared to MYTP projection.
3. Impact of return on security deposit for the past 3 years of second control period – INR 63 Crores
4. Increase on account of shortfall in ARR– INR 92 Crores in FY 2019-20
5. Aggregate of the above sums up to Rs. 620 Crs.

The 10% increase proposed by AERA for FY 19-20 and FY 20-21 in its consultation paper, was based on their internal calculation, without considering impact of the above points.





NEED FOR TARIFF INCREASE

- Considering all the factors as mentioned in the previous slide, the increase required to meet the shortfall in FY 2019-20 is depicted below:

Particulars	Revised Tariff after considering all impacts	In Rs. Crores	
		Celebi's Proposal	Remarks
Shortfall during 1st control period	94		Deferred
Shortfall during initial two years of 2nd control period	371		Deferred
Shortfall during first three years of second control period on account of return on security deposit @ 14%	63		Deferred
Increase on account of shortfall in ARR (Aggregate Revenue Requirement)	92	92	Proposed to be recovered
Total Increase	620	92	
Tariff increase	200%	30%	
Revenue estimates based on tariff increase		543	
Base Estimates of Revenues	451.83		





NEED FOR TARIFF INCREASE

However in order to minimize the impact of cost on trade we are deferring the below from our rate increase calculation:

- Impact of return on security deposit for the past 3 years of second control period has not been considered – INR 63 Crores
- Revenue for first 2 years of second control period is lower by INR 371 Crores as compared to MYTP projection. The same has also not been considered.
- Shortfall of revenue of INR 94 Crores as on 01st April, 2018 during the first control period has also not been considered





CELEBI

PROPOSED TARIFF INCREASE

Rs. In Crores

Particulars	2017-18 (Actual)	2018-19 (Estimated)	2019-20	2020-21
Volume (in MT)	540,785	546,013	570,153	584,471
AERA Proposed Tariff increase		25% increase w.e.f 15th Sep'18	30% increase w.e.f 1st Apr'19	17% increase w.e.f 1st Apr'20
Total Revenue	440.84	451.83	543.45	602.22
ARR - Aggregate Revenue Requirement	436.48	460.46	562.15	603.08
Cumulative Shortfall	(4.36)	8.64	18.70	0.86





CELEBI TARIFF INCREASE PROPOSAL

Considering the points mentioned in previous slides we propose the below:

- 30% increase in tariff for FY 2019-20 w.e.f 01st April, 2019
- 17% increase in tariff for 2020-21 w.e.f 01st April, 2020





NEED FOR INCREMENTAL DEMURRAGE

CELEBI DELHI CARGO TERMINAL MANAGEMENT INDIA PVT. LTD.

Form 14 (b): Annual Tariff Proposal for tariff year 3 (FY 2019- 20)

S No	Tariff heading	Price (INR)	Price (INR)	Rate applied on	Levied on
		Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable	Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable		
TARIFF FOR HANDLING INTERNATIONAL CARGO					
		Existing Rates	Proposed Rates		
Tariff for Import Cargo handling					
1	DEMURRAGE -General	2.61, Minimum Charges 606	As per ATP proposal	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		5.25	10.50	Between 96 hrs to 696 hrs per kg	
		7.80	15.60	Beyond 696 hrs	
2	DEMURRAGE -Special	5.25, Minimum Charges 1181	As per ATP proposal.	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		10.41	20.82	Between 96 hrs to 696 hrs per kg	PDA
		15.59	31.18	Beyond 696 hrs	PDA
3	DEMURRAGE -Valuable	10.41 Minimum Charges 2331	As per ATP proposal	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		20.81	41.62	Between 96 hrs to 696 hrs per kg	PDA
		31.25	62.50	Beyond 696 hrs	PDA
4	DEMURRAGE - Pharmaceutical/ Perishable	10.41 Minimum Charges 2331	As per ATP proposal	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		20.86	41.72	Between 96 hrs to 696 hrs per kg	PDA
		31.25	62.50	Beyond 696 hrs	PDA

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NEED FOR INCREMENTAL DEMURRAGE

- Warehouse is considered to be a processing facility
- In line with trade body initiative to reduce dwell times, we intend to promote a culture wherein we encourage to clear the shipments within the stipulated time frames.
- The above will support the initiative of trade to reduce dwell times.
- In line with the same we intend to revise the rates for the slabs beyond 96 Hours to discourage storage of cargo beyond 96 hours.
- However the demurrage charges applicable between 48 hours (free period) & 96 hours will be revised as per proposed ATP.





THANK YOU



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S No	Tariff heading	Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable	TARIFF FOR HANDLING INTERNATIONAL CARGO					Rate applied on	Annexure - III Levied on
			FY 18-19 Approved Tariff	FY 19-20	FY 20-21	FY 19-20	FY 20-21		
Particulars									
Tariff for Export Cargo handling									
1	TERMINAL STORAGE & PROCESSING	General	1.40	1.82	2.13	30%	17%	Per Kg	PDA (Pre Deposit Account)
		General Minimum Charges	274	356	417	30%	17%		
		Special	2.79	3.62	4.24	30%	17%		
		Special Minimum Charges	475	618	722	30%	17%		
		Valuable	2.79	3.62	4.24	30%	17%		
		Valuable Minimum Charges	475	618	722	30%	17%		
		Hazardous	4.16	5.41	6.33	30%	17%		
		Hazardous Minimum Charges	407	529	619	30%	17%		
		Pharmaceutical/Perishable	4.16	5.41	6.33	30%	17%		
		Pharmaceutical/Perishable Minimum Charges	406	528	618	30%	17%		
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	DEMMURRAGE-General	Minimum Charges	1.70	2.21	2.59	30%	17%	Per Kg per day, Free Period of 12 hrs for Agent	PDA
			2.06	2.68	3.14	30%	17%	Per Kg per day, Free Period of 36 Hrs for Airlines	Airlines
3	DEMMURRAGE-Special	Minimum Charges	2.89	3.75	4.39	30%	17%	Per Kg per day, Free Period of 12 hrs for Agent	PDA
			4.13	5.36	6.27	30%	17%	Per Kg per day, Free Period of 36 Hrs for Airlines	Airlines
4	DEMMURRAGE-Valuable	Minimum Charges	4.83	6.27	7.34	30%	17%	Per Kg per day, Free Period of 12 hrs for Agent	PDA
			4.13	5.36	6.27	30%	17%	Per Kg per day, Free Period of 36 Hrs for Airlines	Airlines
5	DEMMURRAGE-Perishable / Pharmaceutical	Minimum Charges	2.89	3.75	4.39	30%	17%	Per Kg per day, Free Period of 12 hrs for Agent	PDA
			4.13	5.36	6.27	30%	17%	Per Kg per day, Free Period of 36 Hrs for Airlines	Airlines
6	X-RAY Machine Charges	Minimum Charges	1.25	1.63	1.90	30%	17%	Per Kg	Airlines
			150	195	228	30%	17%	Per Kg	Airlines
7	X-RAY Screening & Certification Charges	Minimum Charges	1.25	1.63	1.90	30%	17%	Per Kg	Airlines
			150	195	228	30%	17%	Per Kg	Airlines
8	Unitization	General	1.63	2.11	2.47	30%	17%	Per Kg	Airlines
		Special	1.63	2.11	2.47	30%	17%		Airlines
		Bulk	0.94	1.22	1.43	30%	17%		Airlines
9	Express Unitization						per Kg	Airlines	
10	Documentation and supervision services		2.00	2.60	3.04	30%	17%	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									
Tariff for other Export Cargo handling services (for both scheduled and Non-scheduled operators)									
9	RE-PACKING	Minimum Charges per Airway Bill	31.36	40.77	47.70	30%	17%		PDA
		Packaging / Re-packaging charges per package (lots of 50) per shipping bill	15.68	20.38	23.84	30%	17%		



S No	Tariff heading	Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable	TARIFF FOR HANDLING INTERNATIONAL CARGO					Rate applied on	Annexure - III Levied on
			FY 18-19 Approved Tariff	FY 19-20	FY 20-21	FY 19-20	FY 20-21		
10	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				30%	17%		PDA
11	DGR/Live Animal Acceptance Fee		4,238	5,509	6,445	30%	17%	Per Checklist	PDA
12	DGD Preparation and Acceptance Fee		8,475	11,018	12,890	30%	17%	Per Checklist	PDA
13	Pet Assistance		1,569	2,039	2,386	30%	17%	Per Checklist	PDA
14	ULD Cleaning Charges		7,500	9,750	11,408	30%	17%	per ULD	Airlines
15	HAWB Consolidation Charges		905	1,177	1,377	30%	17%	Per HAWB	PDA
16	Dry Ice Acceptance Check		1,100	1,430	1,673	30%	17%	Per AWB	PDA
17	Miscellaneous Activity Charges*		1,250	1,625	1,901	30%	17%	per HAWB	Airlines/ PDA
18	Miscellaneous Packing Charges*		125	163	190	30%	17%	per packet	Airlines
19	Miscellaneous Packing Charges - Metal*		250	325	380	30%	17%	per AWB	Airlines
20	ULD Building-rebuilding Charges		1.63	2.11	2.47	30%	17%	Per Kg	Airlines
21	ULD Customization		3,138	4,079	4,772	30%	17%	per ULD	PDA
22	SKID charges		519	674	789	30%	17%	per SKID	PDA
23	Build Up Unit (BUP) Acceptance		750	975	1,141	30%	17%	Per BUP	Airlines
24	Empty Pallet Stack		750	975	1,141	30%	17%	Per Stack	Airlines
25	Withdraw Shipment (X-RAY)		1.25	1.63	1.90	30%	17%	Per Kg	PDA
		Minimum Charges	150	195	228	30%	17%	Per Kg	PDA
26	Withdraw Shipment (Demurrage)		2.06	2.68	3.14	30%	17%	Per Kg Per Day	PDA
27	Customs Facilitations Fee		0.35	0.46	0.53	30%	17%	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 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.



S No	Tariff heading	Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable						Rate applied on	Annexure - III Levied on
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TARIFF FOR HANDLING INTERNATIONAL CARGO

Particulars	FY-18-19	FY 19-20	FY 20-21	FY-19-20	FY 20-21		
	Approved Tariff			30%	17%		

- 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.
- 5. 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.

For Example:

When the results of calculations are between / and							
102.5 – 107.4							
107.5 – 112.4							

Tariff for import Cargo handling									
1	TERMINAL STORAGE & PROCESSING	General	8.48	11.02	12.89	30%	17%	Per Kg	PDA
		General Minimum Charges	231	301	352	30%	17%		
		Special	15.25	19.83	23.20	30%	17%		
		Special Minimum Charges	413	536	627	30%	17%		
		Valuable	15.25	19.83	23.20	30%	17%		
		Valuable Minimum Charges	413	536	627	30%	17%		
		Hazardous	15.25	19.83	23.20	30%	17%		
		Hazardous Minimum Charges	413	536	627	30%	17%		
		Pharmaceutical/Perishable	15.25	19.83	23.20	30%	17%		
		Pharmaceutical/Perishable Minimum Charges	413	536	627	30%	17%		
		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	DEMURRAGE -General		2.61	3.40	3.97	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		Minimum Charges	606	788	922	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			5.25	6.83	7.99	30%	17%	Between 96 hrs to 696 hrs per kg	
			7.80	10.14	11.86	30%	17%	Beyond 696 hrs	
3	DEMURRAGE -Special		5.25	6.83	7.99	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		Minimum Charges	1,181	1,536	1,797	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			10.41	13.54	15.84	30%	17%	Between 96 hrs to 696 hrs per kg	
			15.59	20.26	23.71	30%	17%	Beyond 696 hrs	
			10.41	13.54	15.84	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
DEMURRAGE -Valuable	Minimum Charges	2,331	3,031	3,546	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA	
		20.81	27.06	31.66	30%	17%	Between 96 hrs to 696 hrs per kg	PDA	
		31.25	40.63	47.53	30%	17%	Beyond 696 hrs	PDA	
		10.41	13.53	15.83	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA	
	Minimum Charges	2,331	3,031	3,546	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA	
5	DEMURRAGE -Pharmaceutical / Perishable		10.41	13.53	15.83	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		Minimum Charges	2,331	3,031	3,546	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA



S No	Tariff heading	Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable						Rate applied on	Levied on
TARIFF FOR HANDLING INTERNATIONAL CARGO									
	Particulars		FY 18-19	FY 19-20	FY 20-21	FY 19-20	FY 20-21		
		Approved Tariff				30%	17%		
			20.86	27.12	31.73	30%	17%	Between 96 hrs to 696 hrs per kg	PDA
			31.25	40.63	47.53	30%	17%	Beyond 696 hrs	PDA
6	DE-STUFFING CHARGES		1.63	2.11	2.47	30%	17%	Per kg	Airlines
		Minimum Charges	331	431	504	30%	17%	Per kg	Airlines
7	Documentation and supervision services		2.00	2.60	3.04	30%	17%	per Kg	Airlines

*Cargo Delivery within 4 hours from ATA or TOR which ever is later (subject to Customs clearance)
TSP and Demurrage Charges are applicable on Gross Weight or Chargeable weight, whichever is higher.

Tariff for other Import Cargo handling services (for both scheduled and Non-scheduled operators)									
8	Packing Charges		21.16	27.51	32.19	30%	17%	Per packet	PDA
9	Delivery Order Charges		1,963	2,551	2,985	30%	17%	Per MAWB	Airlines / PDA
			981	1,276	1,492	30%	17%	Per HAWB	Airlines / PDA
10	HAWB Deconsolidation Charges		250	325	380	30%	17%	Per HAWB	PDA
11	Pet Assistance		1,569	2,039	2,386	30%	17%	Per Checklist	PDA
12	Offloading (Destuff Cargo)		1.79	2.32	2.72	30%	17%	Per Kg	Airlines
		Minimum Charges	331	431	504	30%	17%	Per Kg	Airlines
13	Miscellaneous Activity Charges*		1,500	1,950	2,282	30%	17%	per HAWB	Airlines
14	Post Delivery Holding Charges		3.00	3.90	4.56	30%	17%	per kg per day	PDA
15	Customs Facilitations Fee		0.35	0.46	0.53	30%	17%	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.

For Example:									
	When the results of calculations are between / and								
	102.5 – 107.4								
	107.5 – 112.4								

- 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.



		TARIFF FOR HANDLING INTERNATIONAL CARGO					Annexure - III	
S No	Tariff heading	Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable					Rate applied on	Levied on
Particulars		FY 18-19 Approved Tariff	FY 19-20	FY 20-21	FY 19-20	FY 20-21		
Tariff for handling Transshipment cargo					30%	17%		
1	DEMURRAGE -General	2.61	3.40	3.97	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Airlines
	Minimum Charges	606	788	922	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Applicable on International to Domestic TP
		5.25	6.83	7.99	30%	17%	Between 96 hrs to 696 hrs per kg	
		7.80	10.14	11.86	30%	17%	Beyond 696 hrs	
2	DEMURRAGE -Special	5.25	6.83	7.99	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Airlines
	Minimum Charges	1,181	1,536	1,797	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Applicable on International to Domestic TP
		10.42	13.54	15.84	30%	17%	Between 96 hrs to 696 hrs per kg	
		15.58	20.26	23.70	30%	17%	Beyond 696 hrs	
3	DEMURRAGE -Valuable	10.41	13.54	15.84	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Airlines
	Minimum Charges	2,331	3,031	3,546	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Applicable on International to Domestic TP
		20.82	27.06	31.66	30%	17%	Between 96 hrs to 696 hrs per kg	
		31.25	40.62	47.53	30%	17%	Beyond 696 hrs	
4	DEMURRAGE -Pharmaceutical / Perishable	10.41	13.54	15.84	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Airlines
	Minimum Charges	2,331	3,031	3,546	30%	17%	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Applicable on International to Domestic TP
		20.82	27.06	31.66	30%	17%	Between 96 hrs to 696 hrs per kg	
		31.25	40.62	47.53	30%	17%	Beyond 696 hrs	
5	DEMURRAGE -General	2.06	2.68	3.14	30%	17%	Per Kg per day, Free period of 36 hours for Airlines	Airlines,
6	DEMURRAGE -Special	4.13	5.36	6.27	30%	17%	Per Kg per day, Free period of 36 hours for Airlines	Applicable on International to
7	DEMURRAGE -Valuable	4.13	5.36	6.27	30%	17%	Per Kg per day, Free period of 36 hours for Airlines	International & Domestic to
8	DEMURRAGE -Pharmaceutical / Perishable	4.13	5.36	6.27	30%	17%	Per Kg per day, Free period of 36 hours for Airlines	International TP
9	Sector Charges	1.88	2.44	2.85	30%	17%	Per kg	Airlines
10	Quick Ramp Transfer	3.00	3.90	4.56	30%	17%	Per Kg	Airlines
11	Carting charges - Transshipment	2.81	3.66	4.28	30%	17%	Per kg	Airlines
	Minimum Charges	194	252	295	30%	17%		
12	Ramp to Ramp Loose (Incoming Loose and Outgoing Loose)	150	195	228	30%	17%	Per AWB	Airlines
13	Ramp to Ramp Loose (Incoming Loose and Outgoing Loose)	150	195	228	30%	17%	Per AWB	Airlines
14	TP -destuffing charges	1.63	2.11	2.47	30%	17%	Per kg	Airlines
	Minimum Charges	331	431	504	30%	17%	Per kg	Airlines
TP and Demurrage Charges are applicable on Gross Weight or Chargeable weight, whichever is higher.								
Other Exceptional Charges (for both scheduled and Non-scheduled operators)								
1	Bag handling charges	1.96	2.55	2.98	30%	17%	Per kg	Airlines
	Minimum Charges	700	910	1,065	30%	17%		



S No	Tariff heading	Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable						Rate applied on	Annexure - III Levied on
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TARIFF FOR HANDLING INTERNATIONAL CARGO

Particulars	FY 18-19	FY 19-20	FY 20-21	FY 19-20	FY 20-21	Rate applied on	Levied on	
	Approved Tariff			30%	17%			
2 Segregation charges (All ammendments / HAWB feeding / Re-weight of import consignments/ HAWB Deconsolidation)	851	1,106	1,294	30%	17%	Per HAWB	PDA	
3 Overtime Fee for Gate Pass Generation (between 1600-1800 hrs)	851	1,106	1,294	30%	17%	Per gate pass	PDA	
4 Electricity Charge for RKN container	1,815	2,360	2,761	30%	17%	per container per day	Airlines	
5 Charges collect fee	788	1,024	1,198	30%	17%	Per AWB/HAWB	PDA	
6 Ramp to Ramp Transfer	625	813	951	30%	17%	Per ULD	Airlines	
7 Equipment / Manpower Charges	10 ton Forklift	3,750	4,875	5,704	30%	17%	Per hour	Airlines
	05 ton forklift	1,875	2,438	2,852	30%	17%		
	03 ton forklift	1,219	1,584	1,854	30%	17%		
	Crane	7,500	9,750	11,408	30%	17%		
	16 ton forklift	7,500	9,750	11,408	30%	17%		
	Additional Staff (Blue Collar)	625	813	951	30%	17%		
	Security	1,250	1,625	1,901	30%	17%		
8 Gola charges	81	106	124	30%	17%		PDA	
9 Wrong Marking/Labeling	863	1,121	1,312	30%	17%	Per AWB		
10 Damaged shipments "not in ready to carriage condition"	Minimum charges Maximum charges	3,375	4,388	5,133	30%	17%	Applicable TC Charge	PDA
11 Security Escort Service (Within the Airport)	1,569	2,039	2,386	30%	17%	Per Manhour or part hereof	Airline / PDA	
12 Cool Dolly Charge	2,356	3,063	3,584	30%	17%	Per Dolly per trip	Airline / 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,
 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.

For Example:

When the results of calculations are between / and							
102.5 – 107.4							
107.5 – 112.4							

TARIFF FOR HANDLING DOMESTIC CARGO

Tariff for handling inbound domestic cargo							
General	1.26	1.64	1.92	30%	17%	Per kg	PDA
Special	2.50	3.25	3.80	30%	17%		
Couriers	1.26	1.64	1.92	30%	17%		
Minimum Charges per AWB	31.25	40.63	47.53	30%	17%		



S No	Tariff heading	Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable						Rate applied on	Levied on
TARIFF FOR HANDLING INTERNATIONAL CARGO									
	Particulars		FY 18-19	FY 19-20	FY 20-21	FY 19-20	FY 20-21		
			Approved Tariff			30%	17%		
	Couriers								
2	Handling Charges		1.13	1.46	1.71	30%	17%	Per kg	Airlines
3	Documentation and supervision services		2.00	2.60	3.04	30%	17%	per Kg	Airlines
* TOR to delivery within 45 minutes									
Tariff for handling Outbound domestic cargo									
1	Terminal Storage and Processing - General & Couriers	General	1.26	1.64	1.92	30%	17%	Per kg	PDA
		Special	2.50	3.25	3.80	30%	17%		
		Couriers	1.26	1.64	1.92	30%	17%		
		Minimum Charges per AWB	31.25	40.63	47.53	30%	17%		
2	Handling Charges		1.13	1.46	1.71	30%	17%	Per kg	Airlines
3	Documentation and supervision services		2.00	2.60	3.04	30%	17%	per Kg	Airlines
4	X-RAY Machine Charges		1.25	1.63	1.90	30%	17%	Per kg	Airlines
5	X-RAY Screening & Certification Charge	Minimum Charges	120	156	183	30%	17%	Per Kg	Airlines
			1.25	1.63	1.90	30%	17%	Per Kg	Airlines
* within 2.5 hours prior to departure									
Tariff for other domestic cargo handling services									
1	Transshipment cargo & Offloaded cargo		1.25	1.63	1.90	30%	17%	Per kg	Airlines
2	Demurrage charges	General	1.13	1.46	1.71	30%	17%	Per Kg per day. Free period of 24 hrs	Airlines/PDA
		Special	2.24	2.91	3.40	30%	17%		
		Couriers	1.13	1.46	1.71	30%	17%		
3	DGR acceptance check	Per AWB subject to maximum of 20 pieces per AWE.	2,000	2,600	3,042	30%	17%		Airlines
		Additional pieces will be charged ..per additional piece	80	104	122	30%	17%		
4	Dry ice acceptance checklist		1,250	1,625	1,901	30%	17%	per AWB	Airlines
5	Live animal acceptance and handling		2,244	2,917	3,413	30%	17%	per AWB	Airlines
6	Unitization		1.38	1.79	2.09	30%	17%	per Kg	Airlines
7	Miscellaneous Activity Charges*		1,250	1,625	1,901	30%	17%	per AWB/ packet	Airlines
8	Miscellaneous Packing Charges*		125	163	190	30%	17%	per AWB/ packet	Airlines
9	Valuable handling		796	1,035	1,211	30%	17%	per AWB	Airlines
10	Withdraw Shipment (Demurrage)		1.08	1.40	1.64	30%	17%	Per Kg	PDA
		Minimum Charges	25	33	38	30%	17%		
11	Packing Charges - Small		2.00	2.60	3.04	30%	17%	per piece	PDA
12	Packing Charges - Medium		3.00	3.90	4.56	30%	17%	per piece	PDA
13	Packing Charges - Large		7.00	9.10	10.65	30%	17%	per piece	PDA
* Not covered elsewhere									
Tariff for EIC Terminal									
1	X-RAY Machine Charges		1.40	1.82	2.13	30%	17%	Per Kg	Airlines / PDA
2	X-RAY Screening & Certification Charge		1.40	1.82	2.13	30%	17%	Per Kg	Airlines / PDA
3	Handling Charges - Outbound		1,831	2,381	2,785	30%	17%	Per Ton, Up to 1000 Tons	Airlines / PDA
		Minimum Charges	150	195	228	30%	17%	Per Ton for more than 1000 Tons	Airlines / PDA



Form B: (ref: Section A1. 8 of Appendix I)
BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA

AT NEW DELHI

SUBMISSION OF PROPOSAL FOR DETERMINATION OF ANNUAL TARIFF FOR AND ON
BEHALF OF:

Çelebi Delhi Cargo Terminal Management India Pvt. Ltd
CE- 05, First Floor, Import Building - II
International Cargo Terminal,
IGI, New Delhi - 110037

I, **Ramesh Mamidala**, aged 50 years resident of K1604, Mahindra Aura, New Palam Vihar, Sector 110A, Choma (62), Gurgaon, Haryana - 122017 acting in official capacity as **Chief Executive Officer** in Çelebi Delhi Cargo Terminal Management India Pvt. Ltd having its registered office at **CE - 05, First Floor, Import Building - II, International Cargo Terminal, IGI Airport, New Delhi - 110037** do hereby state and affirm as under that:

1. That I am duly authorized to act for and on behalf of Çelebi Delhi Cargo Terminal Management India Pvt. Ltd in the matter of making this submission before the Airports Economic Regulation Authority of India, New Delhi ('the Authority');
2. I am competent to make this submission before the Authority;
3. I am making this submission in my official capacity and the facts stated herein are based on official records;
4. The contents of the Annual Tariff Proposal submission which include inter alia
 - i. Proposed detailed break-up of Tariff(s) based on Clause 11.2
 - ii. Justifications, are correct and true to my knowledge and belief and nothing material has been concealed there from.


Ramesh Mamidala
Chief Executive Officer

Place: New Delhi

Date: 11th January, 2019

Ref No: CELEBI/DEL/CFO/2019/01/104

Dated: 15th January, 2019

To,
The Chairman,
Airports Economic Regulatory Authority of India (AERA),
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi – 110003

Subject: Request for tariff order for FY 2019-20 and FY 2020-21 of Çelebi Delhi Cargo Terminal Management India Private Limited (Çelebi).

Ref: CELEBI/DEL/CEO/2019/01/189 dated 15th January,2019.

Dear Sir,

Pursuant to our above referred letter, we would like to draw your attention towards Quick Ramp Transfer (QRT) charges, which is an arrangement to promote Transshipment Cargo movement in the airport, wherein a dedicated facility has been created and customised to process Transshipment Cargo. The facility is operated by a third party appointed by airport operator, which has a cost attributed to it. Airlines place the request for processing through either of the cargo terminals and in turn is being serviced by the third party on behalf of us which ensures a more dedicated approach to handle Transshipment Cargo. Our current approved rate for the product is insufficient to cover all costs including cost of operations, supervisory cost, sales & marketing cost, administrative cost and concession fee. Hence, we would request to consider QRT rate to be maintained at INR 3.90 per kg (as proposed in our ATP filing) along with the proposed annual increase which will support us to maintain operational sustainability and will promote the growth of Transshipment Cargo Ex-Delhi.

Thanking you for your consideration.

Yours Sincerely,

18/01/19
For Çelebi Delhi Cargo Terminal Management (I) Private Limited


Amitava Kumar
Chief Financial Officer



[F.No. AERA/20010/MYTP/Celebi/C/Delhi/CP-II/2016-17/Vol-II]

Airports Economic Regulatory Authority of India

Order No. 17/2018-19

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

Date of Issue: 29th August, 2018

Service : Cargo Services
Service provider : M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd.,
Airport : Indira Gandhi International Airport, New Delhi.

In the matter of Annual Tariff Proposal for Tariff Year 2 to Tariff Year 5 (01.04.2017-18 to 01.04.2020-21) of the second control period (01.04.2016-31.03.2021) of M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd. for providing Cargo Handling services at Cargo Terminal, IGI Airport, New Delhi.

The Authority considered the Multi Year Tariff Proposal (MYTP) and Annual Tariff Proposal (ATP) submitted by M/s Celebi Delhi Cargo Terminal Management India (Celebi) for 2nd control period of 5 years commencing w.e.f. 01.04.2016 and after due stakeholder consultation, issued Multi Year Tariff Order (MYTO) No. 16/2016-17 dated 14.02.2017 wherein the Authority decided to adopt 'Light Touch Approach' and determined Tariffs for the period 01.04.2016 to 31.03.2017.

2.1 The Authority allowed the M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd. to continue the levy of tariffs existing as on 31.03.2017 up to 30.09.2018 from time to time vide following Orders:

- i) Order No. 19/2016-17 dated 31.03.2017,
- ii) Order No. 12/2017-18 dated 29.09.2017,
- iii) Order no. 43/2017-18 dated 28.03.2018.

2.2 As per clause 7.4 of the Authority's Guidelines [Airports Economic Regulatory Authority of India (Terms and Condition for determination of tariff for services provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft) Guidelines, 2011], after issuance of the MYTO, the service provider shall submit to the Authority its ATP (s), provided that an ATP shall be submitted at least 75 days prior to the start of the Tariff Year. As per the clause 11.2 of the Guidelines, the ATP is required to be submitted in the form and manner as provided in Appendix AI 8.2 wherein it is mentioned that the ATP should be supported by:



- Form B and Form F14 (b),
- Detail of consultation with stakeholders
- Evidence of User Agreements clearly indicating the Tariff(s) proposed by the service provider.

3. M/s Celebi Delhi Cargo Terminal Management India Private Limited (Celebi) has submitted its ATP for Tariff year 2 (2017-2018) and Tariff year 3 (2018-2019) vide submissions dated 17.10.2017 and 17.01.2018. Further ATP for Tariff year 4 (2019-20) and Tariff year 5 (2020-2021) were submitted vide submission dated 11.04.2018. M/s Celebi Delhi has also submitted the Annual Compliance Statement (ACS) for the FY 2016-17 duly certified by chartered accountant, audited financial statement for the FY 2016-17, projected statement of profit & loss for the FY 2017-18, copy of the user agreements and license agreement vide letter dated 17.01.2018.

3.1 On a review of the existing approved tariff rates of M/s Celebi Delhi with the proposed tariff rates for Tariff year 2 and Tariff year 3, it has been observed that Celebi has proposed for a 33% increase for most of their tariffs except for a few items such as export cargo unitization, export cargo ULD building – rebuilding, import cargo de-stuffing etc. for which they have proposed 100% increase. Further Celebi proposed 15% increase year on year for 2019-20 and 2020-21.

4. The Authority has carefully considered the ATP for third, fourth and fifth tariff years submitted by Celebi and issued the Consultation Paper No. 08/2018-19 dated 29.06.2018 proposing the following for stakeholder's consultation:

- To allow Celebi to continue the levy of tariffs existing as on 31.03.2017 for the Second Tariff year (2017-18) of Second Control Period.
- The Authority proposes 25% increase in existing tariff for 2018-19 (excluding the effect of return on security deposit) and further 10% increase year on year for 2019-20 and 2020-21.
- Tariff proposed as above will be maximum and demurrage free period shall be as per Government orders issued from time to time.

5. Stakeholders' Comments

Apparel Export Promotion Council expressed that the garment industry works on very low margin and proposed 25% increase in tariff will add up the cost significantly. Hence requested AERA to continue the tariff existing as on 31.03.2017 in the case of M/s Celebi.

Air Cargo Agents Association of India (ACAAI): ACAAI has expressed the following observations on the Consultation Paper:

- After initial increase of 25%, further increase in tariff year on year should be through a consultative process between trade bodies and the operator.



- (ii) There is a provision of express delivery charges @ 25% more than the current tariff. The CP does not specify the difference between normal delivery and express delivery, the same may be defined to justify the excess charge.
- (iii) Repacking Charges: Since 98% of all shipments are being processed under RMS and only 2% shipments are examined, the levy of across the board repacking charges for all air waybills is unjustified. This aspect is already under consultation and active consideration with the management of Celebi and can be decided mutually.
- (iv) House Airway Bill (HAWB) Deconsolidation Charges is existing at the rate of Rs. 250+GST per HAWB for imports and has already been a subject of debate and consultation with Celebi. The proposed charge may presently be frozen at this level pending mutual agreement on this issue. Any charges should be undertaken in joint consultation with the trade, airlines, Airport Operator and the Custodian.
- (v) The new charges which are presently not in force shall be levied after consultation with trade bodies.
- (vi) The charges for AFS shipments are not mentioned in the CP. They proposed to levy 50% of the TSP charges for AFS shipments as levied at Chennai Airport.

6. Views of Celebi Cargo on stakeholders comments

6.1 Regarding the comments of ACAAI for the proposed increase for the FY -2019-20 and 2020-21 Celebi submitted that increase is nominal and justified considering the revenue requirement. Celebi also stated that they will closely work with trade bodies before implementing the same. Regarding the express delivery charges Celebi stated that this charge is already an existing charge and there is clear cut timeline for faster delivery.

The methodology regarding the repacking charges is as per the laid down process and Celebi has been following the same. Celebi also stated that they are in discussion with trade bodies and shall reach an amicable solution mutually.

6.2 Regarding HAWB Deconsolidation charge, Celebi agreed to keep at the current level and revision will be discussed with trade bodies before implementation. Celebi also agreed to discuss the new charges with trade bodies before implementation.

6.3 Regarding AFS shipments: Celebi stated that these shipment also go through the same processing activities when brought in the terminal, hence regular charges are applicable.

6.4 Regarding the request of AEPC to continue the current tariff Celebi submitted that their proposal should be considered on merit and revenue requirement basis.

6.5 Further M/s Celebi stated that the terminal charges as percentage of the total airfreight for exporters and shippers are extremely insignificant. Hence the proposed increase in tariff does not lead to any significant transactional cost to the industry.



7. **Authority's views on stakeholders comments:**

7.1 The Authority noted that ACCAI is in concurrence with the proposed increase of 25% for FY 2018-19 however AEPC suggested to continue the existing tariff as on 31.03.2017. However the Authority is of the view that the 25% increase was proposed in Consultation Paper considering the revenue requirement of M/s Celebi as against the 33% increase proposed by M/s Celebi. Hence, considering the revenue requirement the Authority decides to increase the tariff by 25% as proposed in consultation paper.

7.2 Regarding the comment of ACCAI that the increase in tariff for FY 2019-20 and 2020-21 shall be through a consultative process between trade bodies and the operator, the Authority noted that M/s Celebi has also submitted that they will work with trade bodies before implementing the increase in tariff. Hence the Authority is of view that M/s Celebi may consult with users and submit a revised proposal for FY 2019-20 and 2020-21.

7.3 Regarding other comments of ACCAI, M/s Celebi expressed that they will discuss with trade bodies and come to an amicable solution. The view of M/s Celebi seems reasonable and hence accepted.

7.4 Regarding the charges for AFS shipments, the Authority notes that there is no clarity on the type of services to be provided by cargo operator at airport. Hence, the Authority decides not to determine the charges for AFS shipments till there is clarity on the services that should be provided by the airport cargo operator for the shipment from AFS.

7.5 The Authority advises M/s Celebi to discuss with trade bodies and obtain Concurrence of regulator before implementation of new charges proposed to be introduced.

7.6 The Authority noted that M/s Celebi has agreed to keep the HAWB Deconsolidation charges at the current level as suggested by ACCAI and any upward revision will be discussed with trade bodies before implementation. Further M/s Celebi clarified that this charge shall be collected for physical segregation of cargo at HAWB level and delivery order charge and HAWB Deconsolidation charges shall not be charged simultaneously. Hence the Authority decides to keep the HAWB Deconsolidation charges at the rate of Rs.250/-per HAWB.



ORDER

8. Upon careful consideration of the material available on record, as well as submissions made by the stakeholders, the Authority, in exercise of powers conferred upon it by Section 13(1)(a) of the AERA Act, 2008 hereby orders that:

- 8.1 The Authority has decided to allow M/s Celebi Cargo to continue the levy of tariffs existing as on 31.03.2017 for the Second Tariff year (2017-18) of Second Control Period.
- 8.2 Tariff for the tariff year 13, i.e. FY 2018-19 of the second control period for Cargo Services provided by M/s Celebi Delhi Cargo Terminal Management India Pvt Ltd at IGI Airport Delhi is determined as stated at Annexure – I.
- 8.3 M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd. shall discuss with trade bodies and submit proposals for tariff revision in 2019-20 and 2020-21.
- 8.4 Regarding shipments from AFS, a separate proposal may be submitted for consideration of AERA.
- 8.5 The levy of new tariffs shall be effective from **15.09.2018**.

By the Order of and in the
Name of the Authority

भा.वि.आ.वि.प्रा.


(Puja Jindal)
Secretary

To

AERA
M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd.
CE 05, First Floor,
Import Building 2,
International Cargo Terminal,
IGI Airport, New Delhi - 110 037
(Through: Shri Ramesh Mamidala, Chief Executive Officer)

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



F. No. AERA/20010/MYTP/Celebi/C/Del/CP-II/2016-17/Vol-I

Consultation Paper No. 08/2018-19



Airports Economic Regulatory Authority of India

To Consider the Annual Tariff Proposal for Tariff Year 2 to Tariff Year 5 (01.04.2017-18 to 01.04.2020-21) of the second control period (01.04.2016-31.03.2021) of M/s Celebi Delhi Cargo Terminal Management India Pvt. Ltd. for providing Cargo Handling services at Cargo Terminal, IGI Airport, New Delhi.

New Delhi: 29th June, 2018

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

The Authority had, after due Stakeholder Consultation, issued Multi Year Tariff Order (MYTO) No. 16/2016-17 dated 14.02.2017, ordering that the cargo handling service rendered by Celebi at IGI Airport, New Delhi, is “material but competitive” and hence the Authority will adopt “light touch approach” for determination of tariff for the second control period w.e.f. 01.04.2016-31.03.2021. The Authority also determined the tariff for 1st tariff year of the 2nd control period accordingly. Further the tariffs prevailing as on 31.03.2017 is extended upto 30.09.2018 vide various orders issued by AERA from time to time.

2. As per clause 7.4 of the Authority’s Guidelines [Airports Economic Regulatory Authority of India (Terms and Condition for determination of tariff for services provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft) Guidelines, 2011], after issuance of the MYTO, the service provider shall submit to the Authority its ATP (s), provided that an ATP shall be submitted at least 75 days prior to the start of the Tariff Year. As per the clause 11.2 of the Guidelines, the ATP is required to be submitted in the form and manner as provided in Appendix AI 8.2 wherein it is mentioned that the ATP should be supported by:

- Form B and Form F14 (b),
- Detail of consultation with stakeholders
- Evidence of User Agreements clearly indicating the Tariff(s) proposed by the service provider.

3. M/s Celebi Delhi Cargo Terminal Management India Private Limited (Celebi) has submitted its ATP for Tariff year 2 (2017-2018) and Tariff year 3 (2018-2019) vide submissions dated 17.10.2017 and 17.01.2018. Further ATP for Tariff year 4 (2019-20) and Tariff year 5 (2020-2021) were submitted vide submission dated 11.04.2018. M/s Celebi Delhi has also submitted the Annual Compliance Statement (ACS) for the FY 2016-17 duly certified by chartered accountant, audited financial statement for the FY 2016-17, projected statement of profit & loss for the FY 2017-18, copy of the user agreements and license agreement vide letter dated 17.01.2018.

4. On a review of the existing approved tariff rates of M/s Celebi Delhi with the proposed tariff rates for Tariff year 2 and Tariff year 3, it has been observed that Celebi has proposed for a 33% increase for most of their tariffs except for a few items such as export cargo unitization, export cargo ULD building – rebuilding, import cargo de-stuffing etc. for which they have proposed 100% increase. Further Celebi proposed 15% increase year on year for 2019-20 and 2020-21.

5. In support of the proposed increase in tariff, Celebi submitted that:

- a) Celebi has invested INR 420 crores upto Dec’ 17, but has not received adequate return on its investment. By March’ 18 this investment will be approx. Rs. 500 crores.
- b) Celebi has been unable to declare adequate dividend inspite of its promoters continuing to invest funds. In its last eight years of operation since commencement of business, Celebi has declared only 5% dividend.
- c) Celebi has a shortfall of INR 94 core (as on 1 April, 2018) during first control period which needs to be recovered.

- d) Revenue for first two years of second control period are lower by INR 349 crore as compared to our MYTP projections.
 - e) Celebi had an average net profit margin of 3.4% in the last six years showing financial stress when compared with reasonably expected net profit margin of 15%.
 - f) Celebi faces an additional burden due to an unexpected 46% increase in minimum wages as notified by the Government in Jan'17.
 - g) In addition to unexpected increase in minimum wages, costs have increased due to inflationary impact.
 - h) Celebi operates in a highly competitive environment as a result of which it has not increased airside tariffs since 2012.
 - i) The skewed risk return profile has resulted in a loss of investors' confidence.
 - j) While the proposed increase will impact the overall logistics costs of shipper and consignees, by only around 1%, it would help Celebi to overcome the potential financial stress.
6. The Authority observed the following from the submissions of M/s Celebi:
- i. M/s Celebi Delhi earned a profit of 20.14 crores for FY 2017-18 compare to the profit of Rs. 9.59 crores for FY 2016-17. The net profit margin for FY 2017-18 is 4% compare to 3% for FY 2016-17.
 - ii. The proposed investment (excluding security deposit)during FY 2018-19 Rs.55.52 crores, FY 2019-20 Rs.12 crores & FY 2020-21 Rs. 12 crores.
 - iii. Proposed to introduce Customs Facilitation Fee @ Rs. 0.35 per kg on international export & import cargos.
 - iv. It is observed from the agreement with airlines, M/s Celebi is charging less than the tariff approved by AERA.
 - v. The volume of cargo increased by 31% in 2017-18 compare to 2016-17 and the regulated revenue increased by 29 %.
 - vi. M/s Celebi has conducted the user consultation meeting on 09.10.2017 and it is observed from the minutes of the meeting that BAR has requested for a review of the proposed increase in tariff.
7. The Authority has estimated the following revenue requirement for FY 2018-19 to 2020-21 based on the various submissions of M/s Celebi Delhi Cargo.

		2017-18 (Actual)	2018-19 (in Crores)	2019-20 (in Crores)	2020-21 (in Crores)
Volume in MT	1	540785	546013	570153	584471
Aero Revenue	2	432.26	453.60	495.40	528.87
Non Aero Revenue	3	8.58	9.44	10.38	11.42
Total Revenue	4	440.84	463.04	505.78	540.29
Operating Expenditure	5	218.12	234.95	258.57	280.44
Concession Fee	6	159.77	166.69	182.08	194.50
Depreciation	7	18.36	21.49	22.29	23.14
Total Expenditure	8	396.25	423.13	462.94	498.08
Profit	9	44.59	39.90	42.84	42.21
Tax @ 34.944%	10	15.32	13.94	14.97	14.75
Opening RAB	11	174.19	181.64	210.15	199.86
CAPEX Addition	12	25.81	50.00	12.00	12.00
Dep + Disposal	13	18.36	21.49	22.29	23.14
Closing RAB	14	181.64	210.15	199.86	188.72
Average RAB	15	177.92	195.90	205.01	194.29
Return on Average RAB @ 14%	16	24.91	27.43	28.70	27.20
ARR (8+10+22)	17	436.48	464.50	506.61	540.03
Short Fall (17-4)	18	-4.36	1.47	0.83	-0.26

8. M/s Celebi has included CSR expenses and Provision for doubtful debts in the proposed operating expenditure, however, the Authority has excluded the same from operating expenditure for calculating the ARR as per the table above. The Authority has also observed that 25% increase in tariff for FY 2018-19 and further 10% increase year on year is required to match the ARR as against the 33% for FY2018-19, and 15 % for 2019-20 & 2020-21 sought by M/s Celebi.

9. M/s Celebi has requested the Authority to consider interest free security deposit paid to DIAL as part of RAB and provide return on it. The year wise status of Security Deposit as submitted by M/s Celebi is given below:

2017-18 – Rs. 169 crores
2018-19 – Rs. 178 crores
2019-20 – Rs. 192 crores
2020-21 – Rs. 205 Crores

The Authority proposes to consider the view of stakeholders before taking a final decision on the return to be provided on security deposit.

10. The Authority has carefully considered the ATP for third, fourth and fifth tariff years submitted by Celebi and decided to make the following proposal for stakeholder consultation.

- (i) The Authority proposes to allow Celebi to continue the levy of tariffs existing as on 31.03.2017 for the Second Tariff year (2017-18) of Second Control Period.
- (ii) The Authority proposes 25% increase in existing tariff for 2018-19 (excluding the effect of return on security deposit) and further 10% increase year on year for 2019-20 and 2020-21 to meet the revenue requirement of M/s Celebi Delhi Cargo as stated in table at para 7 above. The proposed tariff card is attached as “**Annexure I**”.
- (iii) Tariff proposed as above will be maximum and demurrage free period shall be as per Government orders issued from time to time.

11. In accordance with the provisions of section 13(4) of the AERA Act, the proposal contained in para 10 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 at **Annexure – II**. For removal of doubts, it is clarified that the contents of this Consultation Paper may not be construed as any Order or Direction of the Authority. The Authority shall pass an Order, in the matter, only after considering the submissions of the stakeholders in response hereto and making such decision fully documented and explained in terms of the provisions of the Act.

12. The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 7 above, latest by **20.07.2018** at the following address:

**Secretary,
Airports Economic Regulatory Authority of India,
AERA Building,
Administrative Complex,
Safdarjung Airport,
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**(S. Machendranathan)
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CELEBBI DELHI CARGO TERMINAL MANAGEMENT INDIA PVT. LTD.

Form 14 (b): Annual Tariff Proposal for tariff year 4 (FY 2019 - 20) and tariff year 5 (FY 2020-21)

S No	Tariff heading	Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable				Rate applied on	Levied on
TARIFF FOR HANDLING INTERNATIONAL CARGO							
	Particulars	Existing Rates	Proposed Rates (Rs.) FY 19-20 FY 20-21				
Tariff for Export Cargo handling							
1	TERMINAL STORAGE & PROCESSING	General	1.40	1.54	1.69	Per Kg	PDA (Pre Deposit Account)
		General Minimum Charges	274	301	332		
		Special	2.79	3.07	3.37		
		Special Minimum Charges	475	523	575		
		Valuable	2.79	3.07	3.37		
		Valuable Minimum Charges	475	523	575		
		Hazardous	4.16	4.58	5.04		
		Hazardous Minimum Charges	407	448	493		
		Pharmaceutical/Perishable	4.16	4.58	5.04		
		Pharmaceutical/Perishable Minimum Charges	406	447	492		
		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	DEMMURRAGE-General	Minimum Charges	1.70	1.87	2.06	Per Kg per day, Free Period of 12 hrs for Agent	PDA
			287	315	347	Per Kg per day, Free Period of 36 Hrs for Airlines	Airlines
3	DEMMURRAGE-Special	Minimum Charges	2.89	3.18	3.49	Per Kg per day, Free Period of 12 hrs for Agent	PDA
			475	523	575	Per Kg per day, Free Period of 36 Hrs for Airlines	Airlines
4	DEMMURRAGE-Valuable	Minimum Charges	4.83	5.31	5.84	Per Kg per day, Free Period of 12 hrs for Agent	PDA
			469	516	567	Per Kg per day, Free Period of 36 Hrs for Airlines	Airlines
5	DEMMURRAGE-Perishable / Pharmaceutical	Minimum Charges	2.89	3.18	3.49	Per Kg per day, Free Period of 12 hrs for Agent	PDA
			475	523	575	Per Kg per day, Free Period of 36 Hrs for Airlines	Airlines
6	X-RAY Machine Charges	Minimum Charges	1.25	1.38	1.51	Per Kg	Airlines
			150	165	182	Per Kg	Airlines
7	X-RAY Screening & Certification Charges	Minimum Charges	1.25	1.38	1.51	Per Kg	Airlines
			150	165	182	Per Kg	Airlines
8	Unitization	General	1.63	1.79	1.97	Per Kg	Airlines
		Special	1.63	1.79	1.97		Airlines
		Bulk	0.94	1.03	1.13		Airlines
9	Express Unitization				per Kg	Airlines	
10	Documentation and supervision services		2.00	2.20	2.42	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

Form 14 (b): Annual Tariff Proposal for tariff year 4 (FY 2019 - 20) and tariff year 5 (FY 2020-21)

S No	Tariff heading	Price (INR)			Rate applied on	Levied on
		Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable				
Tariff for other Export Cargo handling services (for both scheduled and Non-scheduled operators)						
9	RE-PACKING	Minimum Charges per Airway Bill	31.36	34.50	37.95	PDA
		Packaging / Re-packaging charges per package (lots of 50) per shipping bill	15.68	17.24	18.97	
10	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				PDA
11	DGR/Live Animal Acceptance Fee		4,238	4,661	5,127	Per Checklist PDA
12	DGD Preparation and Acceptance Fee		8,475	9,323	10,255	Per Checklist PDA
13	Pet Assistance		1,569	1,726	1,898	Per Checklist PDA
14	ULD Cleaning Charges		7,500	8,250	9,075	per ULD Airlines
15	HAWB Consolidation Charges		905	996	1,095	Per HAWB PDA
16	Dry Ice Acceptance Check		1,100	1,210	1,331	Per AWB PDA
17	Miscellaneous Activity Charges*		1,250	1,375	1,513	per HAWB Airlines/ PDA
18	Miscellaneous Packing Charges*		125	138	151	per packet Airlines
19	Miscellaneous Packing Charges - Metal*		250	275	303	per AWB Airlines
20	ULD Building-rebuilding Charges		1.63	1.79	1.97	Per Kg Airlines
21	ULD Customization		3,138	3,451	3,796	per ULD PDA
22	SKID charges		519	571	628	per SKID PDA
23	Build Up Unit (BUP) Acceptance		750	825	908	Per BUP Airlines
24	Empty Pallet Stack		750	825	908	Per Stack Airlines
25	Withdraw Shipment (X-RAY)		1.25	1.38	1.51	Per Kg PDA
		Minimum Charges	150	165	182	Per Kg PDA
26	Withdraw Shipment (Demurrage)		2.06	2.27	2.50	Per Kg Per Day PDA
27	Customs Facilitations Fee		0.35	0.39	0.42	Per Kg PDA
<i>*Not covered elsewhere</i>						
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.						
For Example:						
		When the results of calculations are between / and	Rounded off amount will be			
		102.5 – 107.4	105			
		107.5 – 112.4	110			

S No	Tariff heading	Price (INR)			Rate applied on	Levied on	
		Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable					
Tariff for Import Cargo handling							
1	TERMINAL STORAGE & PROCESSING	General	8.48	9.32	10.25	Per Kg	PDA
		General Minimum Charges	231	254	280		
		Special	15.25	16.78	18.45		
		Special Minimum Charges	413	454	499		
		Valuable	15.25	16.78	18.45		
		Valuable Minimum Charges	413	454	499		
		Hazardous	15.25	16.78	18.45		
		Hazardous Minimum Charges	413	454	499		
		Pharmaceutical/Perishable	15.25	16.78	18.45		
		Pharmaceutical/Perishable Minimum Charges	413	454	499		
		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	DEMURRAGE -General		2.61	2.87	3.16	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		Minimum Charges	606	667	734	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			5.25	5.78	6.35	Between 96 hrs to 696 hrs per kg	
			7.80	8.58	9.44	Beyond 696 hrs	
3	DEMURRAGE -Special		5.25	5.78	6.35	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		Minimum Charges	1,181	1,299	1,429	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			10.41	11.45	12.60	Between 96 hrs to 696 hrs per kg	
			15.59	17.15	18.86	Beyond 696 hrs	
4	DEMURRAGE -Valuable		10.41	11.45	12.60	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		Minimum Charges	2,331	2,564	2,821	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			20.81	22.89	25.18	Between 96 hrs to 696 hrs per kg	
			31.25	34.38	37.81	Beyond 696 hrs	
5	DEMURRAGE -Pharmaceutical / Perishable		10.41	11.45	12.60	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	PDA
		Minimum Charges	2,331	2,564	2,821	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			20.86	22.95	25.24	Between 96 hrs to 696 hrs per kg	
			31.25	34.38	37.81	Beyond 696 hrs	
6	DE-STUFFING CHARGES		1.63	1.79	1.97	Per kg	Airlines
		Minimum Charges	331	364	401	Per kg	Airlines
7	Documentation and supervision services		2.00	2.20	2.42	per Kg	Airlines

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

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

S No	Tariff heading	Price (INR)			Rate applied on	Levied on	
		Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable					
Tariff for other Import Cargo handling services (for both scheduled and Non-scheduled operators)							
8	Packing Charges		21.16	23.28	25.61	Per packet	PDA
9	Delivery Order Charges		1,963	2,159	2,375	Per MAWB	Airlines / PDA
			981	1,079	1,187	Per HAWB	Airlines / PDA
10	HAWB Deconsolidation Charges		250	275	302.5	Per HAWB	PDA
11	Pet Assistance		1,569	1,726	1,898	Per Checklist	PDA
12	Offloading (Destuff Cargo)		1.79	1.97	2.16	Per Kg	Airlines
		Minimum Charges	331	364	401	Per Kg	Airlines
13	Miscellaneous Activity Charges*		1,500	1,650	1,815	per HAWB	Airlines
14	Post Delivery Holding Charges		3.00	3.30	3.63	per kg per day	PDA
15	Customs Facilitations Fee		0.35	0.39	0.42	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.							
For Example:							
			When the results of calculations are between / and		Rounded off amount will be		
			102.5 – 107.4		105		
			107.5 – 112.4		110		
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.							

S No	Tariff heading	Price (INR)			Rate applied on	Levied on	
		Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable					
Tariff for handling Transshipment cargo							
1	DEMURRAGE -General		2.61	2.87	3.16	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Airlines Applicable on International to Domestic TP
		Minimum Charges	606	667	734	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			5.25	5.78	6.35	Between 96 hrs to 696 hrs per kg	
			7.80	8.58	9.44	Beyond 696 hrs	
2	DEMURRAGE -Special		5.25	5.78	6.35	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Airlines Applicable on International to Domestic TP
		Minimum Charges	1,181	1,299	1,429	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			10.42	11.46	12.60	Between 96 hrs to 696 hrs per kg	
			15.58	17.14	18.85	Beyond 696 hrs	
3	DEMURRAGE -Valuable		10.41	11.45	12.60	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Airlines Applicable on International to Domestic TP
		Minimum Charges	2,331	2,564	2,821	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			20.82	22.90	25.19	Between 96 hrs to 696 hrs per kg	
			31.25	34.37	37.81	Beyond 696 hrs	
4	DEMURRAGE -Pharmaceutical / Perishable		10.41	11.45	12.60	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	Airlines Applicable on International to Domestic TP
		Minimum Charges	2,331	2,564	2,821	Per Kg per day, Up to 96 Hrs, Free period of 48 hrs	
			20.82	22.90	25.19	Between 96 hrs to 696 hrs per kg	
			31.25	34.37	37.81	Beyond 696 hrs	
5	DEMURRAGE -General		2.06	2.27	2.50	Per Kg per day, Free period of 36 hours for Airlines	Airlines, Applicable on International to International & Domestic to International TP
6	DEMURRAGE -Special		4.13	4.54	4.99	Per Kg per day, Free period of 36 hours for Airlines	
7	DEMURRAGE -Valuable		4.13	4.54	4.99	Per Kg per day, Free period of 36 hours for Airlines	
8	DEMURRAGE -Pharmaceutical / Perishable		4.13	4.54	4.99	Per Kg per day, Free period of 36 hours for Airlines	
9	Sector Charges		1.88	2.06	2.27	Per kg	Airlines
10	Quick Ramp Transfer		3.00	3.30	3.63	Per Kg	Airlines
11	Carting charges - Transshipment		2.81	3.09	3.40	Per kg	Airlines
		Minimum Charges	194	213	234		
12	Ramp to Ramp Loose (Incoming Loose and Outgoing Loose)		150	165	182	Per AWB	Airlines
13	Ramp to Ramp Loose (Incoming Loose and Outgoing Loose)		150	165	182	Per AWB	Airlines
14	TP -destuffing charges		1.63	1.79	1.97	Per kg	Airlines
		Minimum Charges	331	364	401	Per kg	Airlines
<i>TSP and Demurrage Charges are applicable on Gross Weight or Chargeable weight, whichever is higher.</i>							

S No	Tariff heading	Price (INR)			Rate applied on	Levied on	
		Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable					
Other Exceptional Charges (for both scheduled and Non-scheduled operators)							
1	Bag handling charges		1.96	2.16	2.37	Per kg	Airlines
		Minimum Charges	700	770	847		
2	Segregation charges (All amendments / HAWB feeding / Re-weight of import consignments/ HAWB Deconsolidation)		851	936	1,030	Per HAWB	PDA
3	Overtime Fee for Gate Pass Generation (between 1600-1800 hrs)		851	936	1,030	Per gate pass	PDA
4	Electricity Charge for RKN container		1,815	1,997	2,196	per container per day	Airlines
5	Charges collect fee		788	866	953	Per AWB/HAWB	PDA
6	Ramp to Ramp Transfer		625	688	756	Per ULD	Airlines
7	Equipment / Manpower Charges	10 ton Forklift	3,750	4,125	4,538	Per hour	Airlines
		05 ton forklift	1,875	2,063	2,269		
		03 ton forklift	1,219	1,341	1,475		
		Crane	7,500	8,250	9,075		
		16 ton forklift	7,500	8,250	9,075		
		Additional Staff (Blue Collar)	625	688	756		
		Security	1,250	1,375	1,513		
		Gunman	1,875	2,063	2,269		
8	Gola charges		81	89	98		PDA
9	Wrong Marking/Labeling		863	949	1,044	Per AWB	
10	Damaged shipments "not in ready to carriage condition"	Minimum charges					PDA
		Maximum charges	3,375	3,713	4,084	Applicable TC Charge	
11	Security Escort Service (Within the Airport)		1,569	1,726	1,898	Per Manhour or part hereof	Airline / PDA
12	Cool Dolly Charge		2,356	2,592	2,851	Per Dolly per trip	Airline / 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							
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.							
For Example:							
		When the results of calculations are between / and			Rounded off amount will be		
			102.5 – 107.4		105		
			107.5 – 112.4		110		

Form 14 (b): Annual Tariff Proposal for tariff year 4 (FY 2019 - 20) and tariff year 5 (FY 2020-21)

S No	Tariff heading	Price (INR) Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable				Rate applied on	Levied on
TARIFF FOR HANDLING DOMESTIC CARGO							
Tariff for handling Inbound domestic cargo							
1	Terminal Storage and Processing - General & Couriers	General	1.26	1.39	1.53	Per kg	PDA
		Special	2.50	2.75	3.03		
		Couriers	1.26	1.39	1.53		
		Minimum Charges per AWB	31.25	34.38	37.81		
2	Handling Charges		1.13	1.24	1.36	Per kg	Airlines
3	Documentation and supervision services		2.00	2.20	2.42	per Kg	Airlines
* TOR to delivery within 45 minutes							
Tariff for handling Outbound domestic cargo							
1	Terminal Storage and Processing - General & Couriers	General	1.26	1.39	1.53	Per kg	PDA
		Special	2.50	2.75	3.03		
		Couriers	1.26	1.39	1.53		
		Minimum Charges per AWB	31.25	34.38	37.81		
2	Handling Charges		1.13	1.24	1.36	Per kg	Airlines
3	Documentation and supervision services		2.00	2.20	2.42	per Kg	Airlines
4	X-RAY Machine Charges		1.25	1.38	1.51	Per kg	Airlines
		Minimum Charges	120	132	145	Per kg	Airlines
5	X-RAY Screening & Certification Charge		1.25	1.38	1.51	Per Kg	Airlines
* within 2.5 hours prior to departure							

Form 14 (b): Annual Tariff Proposal for tariff year 4 (FY 2019 - 20) and tariff year 5 (FY 2020-21)

S No	Tariff heading	Price (INR)			Rate applied on	Levied on	
		Maximum rate per applicable unit; Subject to Minimum Charge wherever applicable					
Tariff for other domestic cargo handling services							
1	Transshipment cargo & Offloaded cargo		1.25	1.38	1.51	Per Kg	Airlines
2	Demurrage charges	General	1.13	1.24	1.36	Per Kg per day. Free period of 24 hrs	Airlines/PDA
		Special	2.24	2.46	2.71		
		Couriers	1.13	1.24	1.36		
3	DGR acceptance check	Per AWB subject to maximum of 20 pieces per AWE.	2,000	2,200	2,420		Airlines
		Additional pieces will be charged ..per additional piece	80	88	97		
4	Dry ice acceptance checklist		1,250	1,375	1,513	per AWB	Airlines
5	Live animal acceptance and handling		2,244	2,468	2,715	per AWB	Airlines
6	Unitization		1.38	1.51	1.66	per Kg	Airlines
7	Miscellaneous Activity Charges*		1,250	1,375	1,513	per AWB/ packet	Airlines
8	Miscellaneous Packing Charges*		125	138	151	per AWB/ packet	Airlines
9	Valuable handling		796	876	963	per AWB	Airlines
10	Withdraw Shipment (Demurrage)		1.08	1.19	1.31	Per Kg	PDA
		Minimum Charges	25	28	30		
11	Packing Charges - Small		2.00	2.20	2.42	per piece	PDA
12	Packing Charges - Medium		3.00	3.30	3.63	per piece	PDA
13	Packing Charges - Large		7.00	7.70	8.47	per piece	PDA
<i>* Not covered elsewhere</i>							
Tariff for EICI Terminal							
1	X-RAY Machine Charges		1.40	1.54	1.69	Per Kg	Airlines / PDA
2	X-RAY Screening & Certification Charge		1.40	1.54	1.69	Per Kg	Airlines / PDA
3	Handling Charges - Outbound		1,831	2,014	2,216	Per Ton, Up to 1000 Tons	Airlines / PDA
			1,775	1,953	2,148	Per Ton for more than 1000 Tons	Airlines / PDA
		Minimum Charges	150	165	182		Airlines / PDA
4	Handling Charges - Inbound		1,313	1,444	1,588	Per Ton	Airlines / PDA
		Minimum Charges	150	165	182		Airlines / PDA
5	Access Control		2.00	2.20	2.42	Per kg	Airlines