

Kiran Rambhia

किरण रांभिया

President - BCBA

अध्यक्ष - बी.सी.बी.ए.

BCBA/KR/109:210/2022



## Brihanmumbai Custom Brokers Association

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Date : 17.6.2022

Director (P&S, Tariff)

Airports Economic Regulatory Authority of India (AERA),

AERA Administrative Complex,

Safdarjung Airports, New Delhi – 110003

Dear Sir

Sub. : Comments on Consultation Paper No. 03/2022-23 dated 24.05.2022

We refer to the Consultation Paper No. 03/2022-23 dated 24.05.2022. We request you to kindly go through the following points and refrain from increasing any charges on import and export cargo at ACC Mumbai. Trade and Industry has been requesting for augmenting of Infrastructure, manpower, equipment, digitization at ACC Mumbai, however, inspite of repeated assurances, these factors have not been implemented. For any rate increase, the Custodian and the Air Cargo terminal operator need to create robust infrastructure first and thereafter, ask for any rate increase from trade and industry. The endeavour of Govt of India is to reduce logistics cost and due to lack of infrastructure at Mumbai Air cargo Complex, it is resulting in higher cost.

- Since 2006, after privatisation of Mumbai Airport, there has been no increase in general cargo handling capacity at ACC Mumbai till date. Import shed are the same since 1970's and the last import shed which was constructed was in 1995 during Airport Authority of India regime.
- For handling of import and export cargo, there is perineal congestion which has been reported at all forums with Ministry of Civil Aviation, Customs, and it takes anywhere between 3 – 6 hrs for entry of vehicles, load import cargo and off load export cargo.
- Considering the exponential increase in the trade volumes, there is shortage of handling equipment, manpower and off late, Custodians system is also operating slow for generation of gatepass.
- Lack of Infrastructure is causing delay in clearance, often damage to import cargo, and most importantly, substantial cargo is being handled through temporary make shift Chain link facility area (CLF) which was created as a stop gap measure to handle import and export cargo. For past, more than 1 decade, due to no investment in the infrastructure, this temporary shed is being operated to handle import and export cargo, causing difficulty and congestion to the trade.
- Whatever increase in capacity, primarily has been done for specialised cargo such as perishable, temp. sensitive, cold storage cargo.

MIAL has increased the rates as per the following details

- a) 2015 – 16 – Increase in THC & Demurrage charges vide Notification No 10/2015-16 dated 27.5.2015
- b) 2016 – 17 - Reduction in demurrage free period from 72 hrs to 48 hrs w.e.f 1.4.2017.

The above factors have ensured that revenue for the Custodian at ACC Mumbai has increased in a systematic manner past several years, besides increase in trade volumes at ACC Mumbai.

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*Any further increase without any commensurate increase in the infrastructure for the EXIM cargo, will be a step backwards and will be detrimental to the growth of Air Cargo at ACC Mumbai.*

*In view of the above, keeping the focus to generate more revenue by increasing the volumes at ACC Mumbai, we suggest that :*

- 1) Focus is required on separate storage and handling area for hazardous and dangerous cargo as per statutory guidelines in view of larger safety of humans working at ACC Mumbai*
- 2) We request that for each operation, i.e. from landing upto final delivery and vice – versa for exports, specific time lines be stipulated.*
- 3) Ministry of Civil Aviation should provide specific time bound schedule for providing robust infrastructure for handling import and export cargo at Mumbai.*

*At the same time, we appreciate the support given by Mr. Manoj Singh, Sr Vice President, MIAL and his team who have been working round the clock to support the trade inspite of challenges of infrastructure, shortage of space and manpower to serve the trade. Mumbai has tremendous capacity to become the Air Cargo hub of the region and we earnestly request the Authorities and Custodian to Mumbai to provide state of art, robust infrastructure in time bound manner.*

*We look forward to your co-operation in the matter in larger interest of EXIM Trade at ACC Mumbai.*

*Thanking you,*

*Yours faithfully,  
For Brihanmumbai Custom Brokers Association*

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