



THE AIR CARGO AGENTS ASSOCIATION OF INDIA

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ACAAI/AERA-14/31/2011

July 8, 2011

Shri Sandeep Prakash
Secretary
Airports Economic Regulatory Authority of India (AERA)
AERA Building
Administrative Complex
Safdarjung Airport
New Delhi - 110003
Email: sandeep.prakash@aero.gov.in; sandeep.moca@nic.in

Dear Sir,

Sub : Consultation Paper on BOBBA Menzies, Bangalore

Mga (DK)

P.L. Spk.

This has reference to para 2.2 of the consultation paper No.04/2011-12 uploaded on your website. ACAAI would like to bring to your immediate attention the factual position on the assessment of materiality and competition as follows:

(h)
13/7/11

AI SAT and MABB are the only two terminal operators providing the Import and Export cargo handling facilities like filing of B/E & S/B kind of documents with customs.

BLUE DART CARGO is an EXCLUSIVE TERMINAL of BLUE DART to handle their Blue Dart flight shipments from where no other CHA or FF can file B/E & S/B to clear the shipments at this terminal. Similarly, ECIS is handling only the EXPRESS CARGO-COURIER MODE shipments where CHA and FF activities are negligible.

Therefore, under these circumstances, to justify it falling under the category of MATERIAL BUT COMPETITIVE may not be correct and it falls under the assessment of MATERIAL only.

ACAAI urges to set parameters and the conditionality which needs to be followed to lay down the terminal charges for the users.

ACAAI also wishes to highlight the problems being faced at AI SATS & Menzies warehouse at Bangalore which please find as an attachment to this letter.

Notwithstanding the above, absence of benchmarking of performance is creating huge difficulties to users. The communication to this effect has already been forwarded by Bangalore region to AI & BOBBA. As per AERA guidelines tariff is for 5 years and the

Competition

Benchmarking of performance

13/8

rate increase is being sought only after 2 years which appears unreasonable. However, prior to approving of rates, performance parameters must be established. It is noticed that there has been no new facilities created or proposed to justify the increase in rates. It may also be added that the volume growth in traffic had led to higher revenues which neutralizes the increase in an operating cost.

Last but not the least, we regret for the delayed response to this Consultation paper and ACAAI is confident that AERA will assess and approve the proposal, in an unbiased manner including laying down the user charges as per the facilities which exist.

Thanking you,


Bharat Thakkar
Vice President
For President

Copy To : Shri Yashwant S. Bhawe
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**PROBLEMS BEING FACED AT AISATS & MENZIES WAREHOUSES -
BANGALORE**

Both the Terminals:

1. The delay in releasing the Export EP copy wherein no officer is available to attend the same.
2. OOC print out gets delayed & at times when print out is not received, the same is need to be applied for reprint permission causing delay.
3. There is undue delay in cancellation of Bonds as the old Bonds are often untraceable.
4. In case of weight amendment the concerned dealing persons demand speed money to do corrections. The money demand is also being experienced almost for every activity.
5. Shortage of Manpower & equipment at both warehouses of loading export shipments & delay in providing shipments for examinations & delivery of Import shipments especially in morning sessions.
6. Custodians collect the difference in amount when weight is found higher than declared. However no credit is given on weight found less than declared.
7. Supervisors found to be ineffective in arranging manpower & other important activities.
8. Preference of delivery given to specific CHAs by the loaders & forklift operators, rather than on first come first serve basis.

Menzies:

1. Availability of one employee only for billing & entering the CTM during the morning sessions causes delay.
2. Submission of documents at 7 pm entails overtime charges due to delay in generation of gate pass. Therefore it needs to be extended up to 10 pm.
3. Insufficient space to load import cargo as parcels are not replaced on completion of examination causing space constraint.
4. Lack of power backup disturbs the working during frequent power failures.
5. Frequent failures of lifts due to its poor maintenance.

AI SATS:

1. Delay in clearance of basement parcels at AI SATS due to non availability of forklifts.
2. The visitors pass is not issued to importer / Exporter without accompanied by specific CHA, even after the identity of the person in attendance is verified with the ID Card.
3. Shortage of bins for export cargo causing delay in offloading the cargo.