



-106-  
875/13(2)/2011/1294

भारतीय विमानपत्तन प्राधिकरण  
AIRPORTS AUTHORITY OF INDIA

ANNEXURE - III

No. ED/Cargo/1351/13(2)/2011/1294

Dated: 07.07.2011

Shri Sandeep Prakash,  
Secretary,  
Airports Economic Regulatory Authority of India,  
AERA Building, Administrative Complex, Safdarjung Airport,  
NEW DELHI-110 003.

OSD/S

875/13

DEM (R)

May pls collate  
responses rec'd on  
the CP &  
put up

Sub: AAI Comments / Suggestions in respect of Consultation Paper No. 8/2011-12 dated 22.06.2011.

Sir,

Please refer to your letter No. AERA/200010/MYTP-KSIE Calicut/C2011-12/664 dated 22.06.2011, wherein comments / suggestions have been sought from AAI in respect of Para-3 of Consultation Paper No. 8/2011-12 circulated by AERA vide reference No. AERA/20011/MYTP-KSIE/Calicut/C/2011-12 dated 22.06.2011.

(A)  
7/7/11

The said Consultation Paper provides the Multi Year Tariff Proposal for the First Control Period submitted by Kerala State Industrial Enterprises Limited for the services provided for Cargo Facility at Calicut International Airport, Calicut.

The Consultation Paper has been examined by AAI and following comments / suggestions are submitted on the said proposal submitted by M/s. KSIE Ltd.

An MOU between AAI and KSIE Ltd. was entered on 05.08.2002 for cargo handling operations at Calicut Airport. As per the said MOU, the KSIE Ltd., customs appointed custodian at Calicut Airport, will utilize the buildings and other facilities provided by AAI for handling / processing of export cargo and other allied activities, on 25:75 revenue sharing between AAI and KSIE Ltd respectively. It has since been revised to 30:70 revenue sharing between AAI and KSIE Ltd while extending the said MOU for further period of 5 (five) years w.e.f. 17.08.2007 to 16.08.2012.

Further, KSIE Ltd. will be responsible to collect all export and allied charges from the exporters, airlines, agents, etc.

A copy each of the MOU and the letter of acceptance from M/s. KSIE Ltd. in respect of renewal of MOU is enclosed for your perusal.

Thanking you,

Yours faithfully,

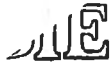
Encl: As above.

7/7/11

[V.K. Monga]  
Executive Director (Cargo)

By hand - 107-

16



# KERALA STATE INDUSTRIAL ENTERPRISES LTD.

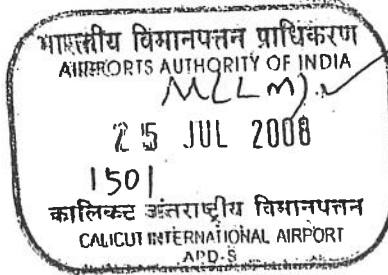
(A Government of Kerala Undertaking)

St. Joseph's Press Buildings, Cotton Hill  
Thiruvananthapuram-695 014, Kerala, India

Telephone : 2326913, 2326947  
2324159  
2320208 (MD direct)  
Fax : 0471-2334590  
E-mail : info@ksie.net

No.ACC/04(7)/418

The Airport Director,  
Airports Authority of India,  
Calicut International Airport,  
Calicut Airport P.O.



21/07/2008

Dear Sir,

- Sub:- Renewal of MOU between AAI & KSIE – furnishing of Letter of Acceptance –  
Ref:- 1) Your letter No. AAI/CL/LM/CARGO/1131 dated 30/04/2008.  
2) Our letter No. ACC/232 dt. 7/6/08.  
3) Item No.171.03(9) of the minutes of the 171<sup>st</sup> meeting of the Board of Directors of KSIE Ltd.

With reference to the above, we hereby convey our acceptance for the extension of the MOU dated 5<sup>th</sup> August, 2002 entered into between AAI and KSIE Ltd for arrangements regarding outbound cargo handling at Calicut Airport, for a further period of five years with effect from 17/8/2007 to 16/8/2012 subject to the following conditions:

1. The gross earnings from the export and allied activities undertaken from the above facility shall be shared between AAI and KSIE in the ratio of 30 : 70 respectively as against 25 : 75 mentioned in clause 10 of the MOU.
2. All other terms and conditions shall remain the same for the extended period.
3. This letter of acceptance shall be part and parcel of the MOU dated 5/8/2002.

Please acknowledge receipt of this letter of acceptance.

Thanking you,



Yours faithfully,  
For KERALA STATE INDUSTRIAL ENTERPRISES LTD.,

(M.D. JOSEMON)  
MANAGING DIRECTOR

Trivandrum Air Cargo Terminal  
(ISO 9001:2000 Certified)  
Trivandrum-695 008  
Tel: 0471-2501016, 2501031  
Fax : 2504870

Calicut Air Cargo Complex  
(ISO 9001:2000 Certified)  
Kariapur-673 647  
Tel: 0483-2710044, 2711765  
Fax : 2713206

E-com portal  
www.keralarcargo.com

~~21~~ 14. 15

MEMORANDUM OF UNDERSTANDING BETWEEN AIRPORTS  
AUTHORITY OF INDIA / KERALA STATE INDUSTRIAL  
ENTERPRISES LTD. FOR ARRANGEMENTS REGARDING  
OUTBOUND CARGO HANDLING AT CALICUT AIRPORT

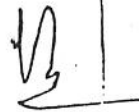
---

This Memorandum of Understanding is executed on 5th day of August 2002 between Airports Authority of India, a body constituted under Airports Authority of India Act 1994, having their Corporate Office at Rajiv Gandhi Bhavan, Safdarjung Airport, New Delhi-110003 (hereinafter referred to as AAI) and Kerala State Industrial Enterprises Ltd. (A Govt. of Kerala Undertaking) (hereinafter referred to as KSIE) having its Registered Office at St. Joseph's Press Buildings, Cotton Hill, Thiruvananthapuram-695 014, Kerala.

Whereas AAI has created building and other facilities for handling, processing of export cargo and allied activities at Calicut Airport.

And whereas KSIE who are Customs appointed Custodian at Calicut are desirous of utilising the said facility created at Calicut Airport, on revenue sharing basis.

108



Now, therefore, both the parties have agreed to execute this MOU and abide by the following: -

1) That AAI will place the above referred Air cargo facility at the Calicut Airport at the disposal of KSIE for handling, processing of Export cargo and other allied functions.

2) That all manpower required for export operations and allied functions at the Air Cargo Complex shall be provided by KSIE.

3) Necessary marketing efforts shall be done by KSIE in association with airlines and trade bodies for achieving higher quantum of exports.

4) KSIE shall arrange all equipments required for cargo handling including weighment mechanism and other facilities on need basis.

5) KSIE shall pay power, electricity and water charges, as per actual bills raised by AAI.

6) Necessary power connection including emergency power supply with metering facility shall be provided by AAI.





- 7) No entry fee shall be charged by AAI to KSIE for vehicles engaged by KSIE in cargo handling operations.
  
- 8) KSIE shall be permitted to install necessary communication facility in the export area for cargo handling operations.
  
- 9) It shall be the responsibility of KSIE to collect all export and allied charges from the exporters / airlines / agents etc.
  
- 10) That the Gross earnings from the export and allied activities undertaken from the above said facility shall be shared between AAI and KSIE in the ratio of 25: 75 respectively.
  
- 11) The share of 25% from the gross earnings shall be remitted to Airport Director, AAI, Calicut Airport, by KSIE by 10<sup>th</sup> of the succeeding month.
  
- 12) For the purpose of calculation of share of AAI, KSIE shall supply a certified and audited statement of monthly transactions showing gross earnings undertaken at the above said facility.

UK



13) The facility shall be used only for bonafide cargo handling activities. No new activity shall be undertaken by KSIE from the said facility without prior approval of AAI.

14) Above arrangement shall be under the control of Airport Director, AAI, Calicut Airport, who shall be the nodal authority.

15) In the event of any dispute or difference relating to the interpretation and application of the provision of the contracts, such disputes or difference shall be referred by either party to the arbitration of one of the Arbitrators in the Department of Public Enterprises to be nominated by the Secretary to the Government of India, incharge of the Bureau of Public Enterprises.

The above arrangement shall come into operation from 17<sup>th</sup> August 2002. This will be for a period of five years and may be extended after review.

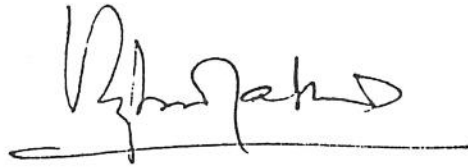

W

W

In witness whereof the parties hereto set and subscribed their respective hands the day and year first hereinabove written.

For Airports Authority of India

For Kerala State Industrial Enterprises limited

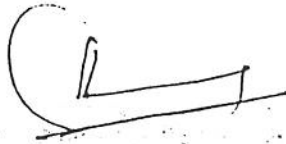


**K. Ramalingam**  
Member (Planning & Operations)

**Dr. Verghese Mathew**  
Chairman & Managing Director

WITNESS

WITNESS



**Dinesh Kumar**  
General Manager, Cargo  
AAI

**George Koshy**  
General Manager (ACC)  
KSIE