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# THE AIR CARGO AGENTS ASSOCIATION OF INDIA

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ACAAI/AERA/39/2012

July 13, 2012

**Shri Yashwant S Bhave,**  
**Chairman,**  
**Airports Economic Regulatory Authority of India,**  
**AERA Building,**  
**Administrative Complex,**  
**Safdarjung Complex,**  
**New Delhi 110 003.**

*Handwritten notes and signatures:*  
ASD-0  
18/7/12  
20929/2012/09  
18/7/2012  
AGM (S&T)  
Mazumdar  
20/7/12

Dear Sir,

**Sub: Consultation Paper No.10/2012-13**

We have gone through your Consultation Paper 10/ 2012-13 which relates to ATP for Menzies Bobba Ground Handling Services Pvt. Ltd for providing Ground Handling Services at Rajiv Gandhi International Airport, Shamshabad, Hyderabad.

This is made available in AERA web site seeking comments and suggestions latest by the 13<sup>th</sup> July 2012.

Air Cargo Agents Association of India is the sole body recognized on a national basis dealing with air cargo activities of the country and it was our efforts that paved way for inclusion of cargo in AERA.

We would take this opportunity to once again stress that we should be included as a part of your consultation process and be in the loop for receiving any order or proposal of AERA. We are confident that this would be noted and we become an integral part of your consultations.

On the proposal in your Consultation Paper 10/2012-13, we limit our comments and suggestions to cargo activity.

1. The proposal appears to be for passengers / handling of passenger aircrafts,
2. On going through the proposal we find that it repeatedly refers to passenger handling,
3. We rely on Page 21/ 61 where there is a reference to cargo-
- 4.

*www.etihadairways.com*

*The National Airline of the United Arab Emirates*

*From: Sudha Prasad [mailto:sudha.prasad@menziesbcbba.com]*

*Sent: Sunday, November 14, 2010 12:03 PM*

*To: Peter Hewett*

*Cc: Paul Smith (HYD); Suresh Pillai; Airport Manager (HYD)*

*Subject: RE: CPI Increase Effective OUn, 2011*

*Dear Peter,*

*Regret delay in responding.*

*Handwritten notes:*  
19/7  
AGM (S&T)

We would very much understand the requirement for minimizing cost impact, and you can be assured our support for mutual cost adjustments will be extended at all times. You will agree that in the recent past, we have taken that initiative and reduced WCHR charges and thus giving a very effective cost reduction tool to start with.

CPI increase is implemented majorly to cover the overhead costs for which we have no control (explanation covered in my previous mail). We seek your understanding, that CPI is only a minimum increase and when you consider this increase in USD, the impact will be negligible. Would like to reiterate our revenues are only through Ground Handling Services which are in no way dynamic but fixed unlike on the Cargo front where there are additional revenues through shippers/terminal charges etc., and our costs continue to spiral with double digit inflation.

As you are aware in HYD, Menzies Bobba Ground Handling Services and HMA CPL are two separate companies and we gain no benefit with rising Cargo volumes, it will in turn involve extra resources on the ramp side with no extra revenue for MBGH'S.

In view of above concerns, of course from both parties, may we mutually agree for an acceptable minimal CPI rate ... ?

We thank you very much for your understanding and look forward to hearing from you soon.

Warm regards

CP No. 10/2012-13/MYTP/Menzies/GH/HIAL/2011-12 Page 21 of 61

5. From a reading of this, it is clear that the proposal is not referring or related to cargo activities and hence there should not be any impact to cargo in terms of cost.
6. Earlier AERA issued order on revision of charges for Indira Gandhi International Airport increasing charges for the following activities:
  - i. Landing Parking and Housing charges,
  - ii. User Development Fee,
  - iii. CUTE Counter Charges and
  - iv. Fuel throughput Charges.(Copy of extract from the Orders of AERA attached).
7. These charges as per the Order of AERA are applicable only to passenger and are not extendable to cargo as cargo has a completely different classification and category (TSP Charges).
8. If these charges are collected from cargo, the very purpose of a TSP is defeated and Airlines derive double benefit.
9. Cathay Pacific and Lufthansa decided to and have started collecting Airport Charges quoting the order of AERA as the reason.
10. ACAAI has taken up and is pursuing this with both the Airlines and seeks the clarification from AERA if such charges can be passed on to cargo activities.

11. It is also to be noted that the charges so collected are totally disproportionate to the charge levied by AERA.
12. We do not want a repeat of the same situation if finally AERA decided to increase rates at Rajiv Gandhi International Airport, Shamshabad, Hyderabad for passenger activities.
13. Hence when the order is issued AERA may make a specific mention that this is not applicable for cargo activities which are specifically covered in TSP.
14. When TSP comes for revision (which we understand is already in process), the notified rate will be applicable for cargo.

These are our observations and we would like to link this Consultation Paper to your order on Indira Gandhi International Airport to have clarity on the applicability of charges levied for other activities to cargo.

Thanking you,

Yours faithfully,

  
**Bharat Thakkar**  
**President**

Encls.: As above



**CATHAY PACIFIC**

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Fax : (91-11)47658096/97  
www.cathaypacificcargo.com

19 June 2012

Airport Landing Charges At Delhi

Dear Business Partner,

I am sure, you would know by now that Delhi Airport has increased operational charges making Delhi airport one of the most expensive airports in the world.

Charges in almost all areas has been increased, landing charges have gone up close to 125%. Landing / parking charge of a flight constitutes a major part of our operating expense. Such a huge increase in charge is not possible for us to absorb completely.

Therefore we are left with no choice but to introduce an Airport Landing Charge so that we are able to recover some part of this increased cost.

This charge would be applicable on the gross weight for all import & export shipment effective flight date 6<sup>th</sup> July 2012.

The charges are as follows –

Import Shipment – INR 2.60 / kg + Service Tax – to be collected at the time of delivery order issuance.

Export Shipment – INR 2.60 / kg to be mentioned as Airport Landing Charges and added in the due carrier column of the MAWB

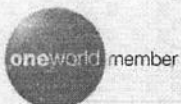
Minimum Charge (Imports and Exports) – INR 250 per AWB.

We appreciate your support and assure you of our best services always.

Best regards

Ashish Kapur

Regional Cargo Manager – S. Asia, Middle East and Africa



# *Indira Gandhi International Airport*

*Airport Charges-effective FY 2013-14 from April 1<sup>st</sup> 2013*

## **Contents**

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### **Airport Charges**

1. **Landing, Parking and Housing charges**
2. **User Development Fee (UDF)**
3. **CUTE Counter charges**
4. **Fuel Throughput charges**

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At Indira Gandhi International Airport (IGIA/DEL/VIDP), Route navigation and facilitation charges 'RNFC' and TNLC charges are payable to Airports Authority of India (AAI). Landing charges, Housing charges, Parking charges, Cute Counter charges, User Development Fee (UDF) and Fuel throughput charges (FTP) are payable to Delhi International Airport Private Limited (DIAL). Airport Development Fee (ADF) is payable in accordance with AERA Order No. 28/2011-12 dated 14.11.2011 in addition to the above stated charges.



### 1. Landing, Parking & Housing charges

#### 1.1. Landing Fee per single landing

Weight of Aircraft	Rate Per Landing-International Flight	Rate Per Landing-Other than International Flight
Upto 100 MT	Rs. 589.61 per MT	Rs. 301.55 per MT
Above 100 MT	Rs. 58,961/- + Rs 792.36 per MT in excess of 100 MT	Rs. 30,155/- + Rs 405.26 per MT in excess of 100 MT

**Note:**

- a) Charges shall be calculated on the basis of next Metric Tonne (MT) (i.e. 1,000 kgs.) of the aircraft.
- b) A surcharge of 25% will be levied on landing charges for supersonic aircraft.
- c) A minimum fee of INR 10,700/- shall be charged per single landing for all types of aircraft/helicopter flights, including but not limited to domestic landing, international landing and general aviation landings.
- d) Weight of the aircraft means maximum takeoff weight (MTOW) as indicated in the Certificate of Airworthiness filed with Director General Civil Aviation (DGCA).
- e) All domestic legs of International routes flown by Indian operators will be treated as domestic flights as far as air side airport user charges are concerned, irrespective of the flight number assigned to such flights.

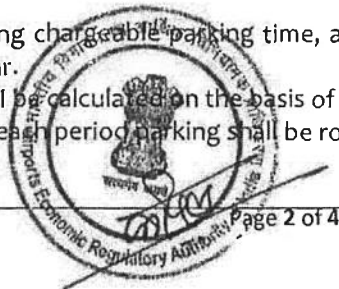
#### 1.2. Housing and Parking Charges

The Housing charges and Parking charges are as under:

Weight of Aircraft	Parking charges Rate per MT per hour	Housing charges Rate per MT per hour
Upto 100 MT	INR 14.15 per MT	INR 28.31 per MT
Above 100 MT	INR 1,415/- +INR 18.74 per MT per hour in excess of 100 MT	INR 2,831/- +INR 37.49 per MT per hour in excess of 100 MT

**Note:**

- a) No parking charges shall be levied for the first two hours. While calculating free parking period, standard time of 15 minutes shall be added on account of time taken between touch down time and actual parking time on the parking stand. Another standard time of 15 minutes shall be added on account of taxing time of aircraft from parking stand to take off point. These periods shall be applicable for each aircraft irrespective of actual time taken in the movement of aircraft after landing and before takeoff.
- b) For calculating chargeable parking time, any part of an hour shall be rounded off to the next hour.
- c) Charges shall be calculated on the basis of next MT.
- d) Charges for each period parking shall be rounded off to nearest Rupee.



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- e) Whilst in-contact stands, after free parking, for the next two hours Parking charges shall be levied. After this period, the Housing charges shall be levied.

## 2. User Development Fee (UDF)

The User Development Fee per passenger shall be payable as under:

Rate per passenger	International flight		
	Short haul (Upto 2,000 Kms)	Medium haul (Above 2,000 upto 5,000 Kms)	Long haul (More than 5,000 Kms)
For ticket issued in Indian Rupee (INR)			
Departing	565.43 INR	895.26 INR	1,130.85 INR
Arriving	461.77 INR	741.16 INR	932.95 INR
For ticket issued in foreign currency			
Departing	11.16 USD	17.67 USD	22.32 USD
Arriving	9.11 USD	14.63 USD	18.42 USD

Rate per passenger	Domestic flight	
	Short haul (Upto 500 Kms)	Long haul (More than 500 Kms)
For ticket issued in Indian Rupee (INR)		
Departing	245.02 INR	490.04 INR
Arriving	207.32 INR	414.65 INR
For ticket issued in foreign currency		
Departing	4.84 USD	9.67 USD
Arriving	4.09 USD	8.18 USD

### Note:

- a) In respect of the tickets issued in foreign currency, the UDF shall be levied in US Dollars.
- b) UDF will be charged at the rate based on the origin/final destination for arriving/departing passengers respectively.
- c) **Collection charges:** If the payment is made within 15 days of receipt of invoice, then collection charges at INR 3.00 per arriving passenger and Rs. 2.50 per departing passenger shall be paid by DIAL. No collection charges shall be paid in case the airline fails to pay the UDF invoice to DIAL within the credit period of 15 days or in case of any part payment. To be eligible to claim this collection charges, the airlines should have no overdue on any other account with DIAL.
- d) **Transit/Transfer passengers:** A passenger is treated in-transit/transfer only if the onward journey is within 24 hrs from the time of arrival into Delhi and the onward



travel is part of same ticket. In case 2 separate tickets are issued (one for arrival and one for departure), the passenger would not be treated as a transfer passenger. Transfer passenger does not include passenger on return journey.

**3. CUTE Counter charges**

The Cute Counter charges per departing flight shall be payable as under:

Charge per departing flight	
International	Domestic
INR 1,500/-	INR 500/-

**4. Fuel Throughput charges (FTP)**

The Fuel Throughput charges shall be payable as under:

Charge per Kl of fuel
INR 688.17 w.e.f 1 <sup>st</sup> April, 2013

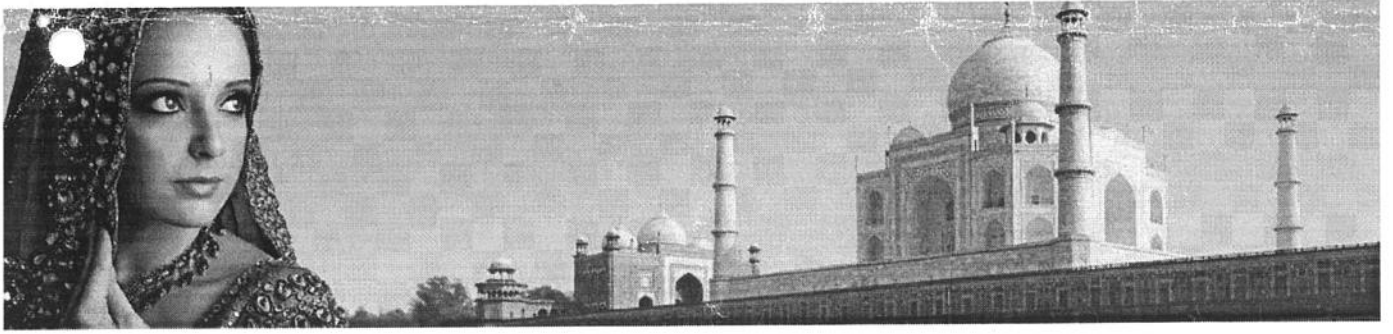
**5. General Condition**

For all the above charges, credit period allowed by Airport Operator is 15 days.

भा. वि. आ. वि. प्रा.







New Delhi, 06th June, 2012

## Introduction of Airport charges at Delhi

Dear Business Partner,

As you are aware that Delhi International Airport Limited has increased airport charges effective 15<sup>th</sup> May, 2012 which is having a major cost impact on our cargo handling at Delhi airport.

We would like to inform you that we are compelled to share this increase on all export and import shipment effective 01<sup>st</sup> July, 2012 at the following rate.

<b>Airport Charge</b>	<b>Rate Applicable on Gross Weight</b>
Export	INR. 3.00 per kg on MAWB for all cargo accepted eff 01 <sup>st</sup> July, 2012
Import	INR. 3.00 per kg on all cargo arriving eff 01 <sup>st</sup> July, 2012
Minimum Charge	INR. 50.00 per AWB for Export and Import shipments inclusive of all taxes.

The above charges will be shown on export airway bill as airport charge and will be added with other charges in due carrier column.

We thank you once again for your continuous support and assure you of our best services at all times,

Best regards

**Lufthansa Cargo AG**  
Carsten Hernig  
Regional Director  
South Asia, Middle East & Pakistan

**Lufthansa Cargo AG**  
Vishwjeet Thanik  
General Manager - Cargo  
Northern India