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**AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA
MINUTES OF THE STAKE HOLDERS CONSULTATION MEETING
HELD ON 28.02.2017 AT 03:00 PM**

**CONSULTATION PAPER NO. 05/2016-17 DATED 16.02.2017 TO
CONSIDER THE MULTI YEAR TARIFF PROPOSAL AND ANNUAL
TARIFF PROPOSAL FOR THE SECOND CONTROL PERIOD IN RESPECT
OF M/S DELHI CARGO SERVICE CENTRE PRIVATED LIMITED (DCSC)
FOR PROVIDING CARGO HANDLING SERVICES AT IGI AIRPORT, NEW
DELHI**

A Stakeholder Consultation meeting was convened by the Authority on 28.02.2017 at 03:00 PM in the Conference Room, first floor, AERA Building, Administrative Complex, Safdarjung Airport, New Delhi to elicit the views of the stakeholders on the Consultation Paper no. 05/2016-17 dated 16.02.2017 issued by the Authority to consider the Multi-year Tariff Proposal and Annual Tariff Proposal for the second control period in respect of M/s Delhi Cargo Service Centre Pvt. Limited (DCSC) for providing cargo handling services at IGI Airport, New Delhi. The list of participants is enclosed at **Annexure-I**. Chairman welcomed the participants to the meeting and briefed them on the subject Consultation Paper. Further, the Chairman advised the stakeholders to give their written comments on or before 3rd March, 2017.

2. The comments of various stakeholders are as follows:

a) DCSC

Chairman invited the representative of DCSC to briefly state their proposal to the gathering on which Shri Avinash Razdan, Vice-president and CFO, DCSC stated that they have no specific comments to offer and their proposal has already been submitted to the Authority.

b) Federation of Freight Forwarders' Association of India (FFFAI)

- i. Shri Vipin Vohra, Convenor-Air Freight Council, Federation of Freight Forwarders' Association of India (FFFAI) stated that they do not find any justification for increasing city side tariffs and suggested that the existing tariffs should continue for some more time. He also stated that there is no improvement in the warehouse infrastructure, equipment's, facilities for CHAs and the service levels at DCSC. Shri Vohra also informed about the concept of Air Freight Station (AFS) and streamlining of the levy of demurrage charges beyond the free period as per the Government directions. Shri Vohra also stated that 95% of the pilferage and theft cases go unreported as the exporters avoid cumbersome legal process which may affect their export shipments. There is no proper system for registering complaints and no complaint number is given to the complainant. He stated that the services of DCSC were found lacking.
- ii. Shri Venu Bangera, CEO, DCSC countered saying that DCSC is conducting proper user consultation process/trade meetings wherein all cargo infrastructure and service related issues are deliberated and appropriate

action is taken by DCSC to resolve the issues. On the issue of pilferage and theft complaints Shri Venu clarified that there are no specific complaints recorded with DCSC. Further, he also mentioned that DIAL organizes a trade meeting between cargo operators and the users for resolving the grievances.

c) Delhi Cargo Clearing Agents Association (DCCAA)

Shri Deepak. Kumar. Choudhary, Sub-Committee Member Exports and Shri Vipin Jain, Member from DCCAA stated that the Government is proposing to reduce the demurrage free period which shall benefit the cargo operator is in terms of extra demurrage charges. DCCAA stated that they do not support any increase in charges as service levels of DCSC are not up to the mark. They also stated that the facilities extended to CHAs at the cargo terminal are not proper.

3. Observation of the Authority

Chairman observed that DCSC has not made capital investments commensurate with projections earlier made by them in the first control period. He also stated that demurrage income of the cargo operator cannot be taken as a regular income. He further stated that based on submissions of DCSC and the comments of stakeholder, decision shall be taken by the Authority.

The meeting concluded with vote of thanks to the Chair.


(Puja Jindal)
Secretary

Encl: List of Participants "Annexure I"

Annexure-I**List of Participants:-****Airports Economic Regulatory Authority Of India**

1. Shri. S. Machendranathan, Chairperson- in Chair
2. Shri. N. Shankar, Member
3. Shri S. Samanta, Member
4. Shri P.C Jain, AGM (F)
5. Shri. Rajesh Khanna, AGM (F)
6. Shri. Mohit Kaushish, Manager (F)
7. Shri. Jaimon Sakaria, Manager (F)
8. Shri. Karri Narasimha, Sr.Suptd.(F)

DCSC

9. Shri Venu Bangera, CEO
10. Shri Avinash Razdan, CFO

DIAL

11. Shri Harsh Gulati, GM-(Regulatory)

DACCAI

12. Shri Amit Gulati, President
13. Shri R. P. Shukal, Secretary General

Delhi Customs Clearing Agents Association(DCCAA)

14. Shri D. K. Choudhry,
15. Shri Vipin Jain, Management Committee Member

EICI

16. Shri J. B. Singh
17. Shri Raj Bhushan, Legal Counsel