

Subject: **Comments of ACAAI regarding CP No.14/2018-19 dated 16.8.2018**

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Date: 09/03/18 03:11 PM

From: ACAAI Head Office <headoffice@acaai.in>

To,

**Secretary**

**Airports Economic Regulatory Authority of India**

**AERA Building, Administrative Complex**

**Safdarjung Airport**

**New Delhi-110003**

Dear Sir/Madam,

**Sub: AERA Consultation Paper No. 14/2018-19 dated 16.08.2018 – Observations of The Air Cargo Agents Association of India (ACAAI)**

Please refer to the email dated 17<sup>th</sup> August 2018 below from Mr. Jaimon Skaria, Sr. Manager (Finance) regarding Consultation Paper (CP) No. 14/2018-19 dated 16.08.2018 in the matter of Annual Tariff Proposal for the FY 2018-19, FY 2019-20 & FY 2020-21 in respect of M/s. Delhi Cargo Service Center Pvt. Ltd. (DCSC) for providing cargo handling services at Indira Gandhi International Airport, New Delhi. As the leading trade Association which is involved in the promotion of the growth and facilitation of air cargo in India, and as a prime user of the facilities at the Cargo Terminal operated by DCSC at IGI Airport, The Air Cargo Agents Association of India (ACAAI) would like to submit our observations and comments as below regarding the subject Consultation Paper.

The CP as proposed consists of existing charges which are already being levied and some new charges which are proposed to be levied after approval of this document.

**EXISTING CHARGES:**

**Export**

**1). Terminal Storage and Processing (Sr. No.A1,B1)** : This charge is sought to be increased from present levels by 25% and an additional 20% and 3% subsequent years for the remaining period. It is proposed by ACAAI that after the first increase, each additional increase annually should be consulted with the trade bodies and airport operator by informing them of the improvement in the facilities and services which are being provided and adequate justification for the increase should be provided.

Secondly, there is a provision for "Express Delivery" charges @25% more than the current tariff. **The CP does not specify the difference between Normal Delivery and Express Delivery. The time parameters for normal delivery and its SOP should be clearly defined. The difference between normal delivery and express delivery should also be defined to justify the excess charges.**

**2). Repacking Charges (Sr. No.2.1)**: Since 98% of all shipments are being processed under RMS and only 2% shipments are examined, the levy of across the board repacking charges for all air waybills is unjust.

This viewpoint is already under active consideration and consultation with the management of DCSC and can be decided mutually.

### **Import**

**3). HAWB Deconsolidation Charges (Sr.No.B4.1) :** This charge is existing at the rate of Rs.250+GST per H. .WB for imports and has already been a subject of debate and consultation with DCSC. We propose that the charge may presently be frozen at this level pending mutual agreement on this issue. Any changes should be undertaken in joint consultation with the trade, airlines, Airport Operator and Custodian.

### **NEW CHARGES:**

#### **4). New Charges not existing in previous Tariff sheets**

There are some new heads of charges which have not been part of previous approved AERA rates and have been added in this proposal as below:

- (i). Customs Facilitation fees (Sr. No.A7.1,B5.1)
- (ii). Full HAWB Data Capture Charges (Sr. No.2.1)
- (iii). General Miscellaneous Charges ( Sr. No.2.3)
- (iv). Miscellaneous Activity Charges (Sr. No.3.2)
- (v). Miscellaneous Packing Charges (Sr. No.3.3)
- (vi). Air Cargo Consolidation Fees (Sr. No.17)
- (vii). Segregation Charges (All Amendments) HAWB Feeding/Reweight of Import Console (Sr. No.19)
- (viii). HAWB Consolidation Fees (Sr. No.A6.1)

ACAAI has advised DCSC that such new charges cannot be arbitrarily imposed upon the trade. In this regard, ACAAI has received an assurance from DCSC that any new charges which are presently not in force shall only be levied from the trade after a process of due consultation and justification. If any of the above services are "on demand only", then the AERA proposal should clearly state so.

**Any such new charges in the tariff that are sought to be imposed by DCSC even after approval from AERA should be in consultation with the trade, who will have to actually bear the burden of such additional charges.**

#### **5). Charges for AFS Shipments**

There is no mention of the rates and charges which will be levied for export and import shipments which are processed at Air Freight Stations (AFSs). **Since all the clearance processes and loading/unloading activities for such shipments are done at the AFSs, the normal TSC charges should not be levied for such shipments. It is requested that the charges which are levied at Chennai Airport for shipments received at the airport from AFSs, viz. 50% of the normal TSP charges, may be levied at IGI Airport for all shipments which are received from AFSs.**

A dedicated sterile area should be provided at IGI Airport for the storage of built-up ULDs which are received from AFSs until despatch on the designated flights.

ACAAI would appreciate favourable consideration of the above comments for inclusion in the approved tariff.

Thanking you,

Yours faithfully,

For The Air Cargo Agents Association of India

T.J. Thomas

Executive Director

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