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भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
सफदरजंग एयरपोर्ट, नई दिल्ली-110003



Sh. Karri-N.
30/08/19

Date: 30.08.2019

To,

The Chairperson
Airports Economic Regulatory Authority
AERA Building, Administrative Complex
Safdarjung Airport, New Delhi-110003

Sub: Comments on Consultation Paper No. 04/2019-20 bearing F.No. AERA/20010/ EICI/C/MUM/CP-II/ 16-17-Vol I w.r.t. MYTP of Express Cargo Handling Services (Courier Handling Services) at Mumbai

Sir,

Please find below our comments on the above captioned Consultation Paper No 4/2019 that has been uploaded on your website:

1. There are two major concerns with regard to the situation at Mumbai International Airport with regard to international express clearance services which need urgent attention for resolution:
 - a. The rate charged by MIAL to the not-for-profit industry association, EICI as the terminal operator are extremely high compared to other major airports of India and these are increasing significantly although there is no investment needing any increase by MIAL. Thus, the cost for EICI is rising significantly which as an industry association are getting passed on to the users like us while with increasing volume the congestion is only increasing compared to the situation that existed prior to privatisation of Mumbai airport.
 - b. Business continuity of exporters and international courier companies is at risk as EICI, the only multi-user express cargo Custodian to whom MIAL has provided space at Mumbai airport is reportedly running the risk of discontinuing operation as AERA's position both on the pricing for MIAL to EICI and EICI's for its customers.

We are concerned if the Express Terminal at Mumbai shuts down exports and imports will get slower by 2-3 days on most of the major trade lanes of India. We understand that the present Consultation paper appears to suffer from certain issues which need to be suitably addressed as listed below:

- The Customs cost recovery charges which were always a pass through appear to have been added to the income of EICI for calculation of the tariff but the amount to be paid by EICI to Customs have not been

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taken into account. This appears to be a discrepancy which needs to be addressed

- The rates charged by MIAL to EICI which get passed on express service providers keep rising with increasing congestion without a cap that can encourage them to ensure sufficient size of facility for air express segment.
- MIAL has neither provided sufficient space EICI nor to any other Express Cargo Custodian so there is absolute monopoly situation from MIAL with regard to express clearance facility.

We are writing to you to kindly take note of this to ensure that such a situation does not arise where the Express Terminal is shutdown as it will gravely impact our operations and the Indian exporters, MSMEs whose business competitiveness is dependent on the existence of speedy international express transportation services.

Thanking you,

For DHL Express (I) Pvt. Ltd.

Dinkar Singh
Head – Regulatory Affairs India

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