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IMC/0/NO 523



INDIAN
MERCHANTS'
CHAMBER

(Established in 1907)

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April 28, 2015

The Secretary

Airports Economic Regulatory Authority of India
AERA Bldg.
Administrative Complex
Safdarjung Airport
New Delhi – 110 003

Dear Sir,

Sub: Response to the Consultation Paper No.2/2015-16 dated 7th April 2015 (CP), for Multi Year Tariff Proposal (MYTP) and Annual Tariff Proposal (ATP) For the 5th Tariff Year in respect of Concor Air Ltd., for providing International Cargo Handling Services at CSI Airport, Mumbai

Ref: Consultation Paper No.2/2015-16 dated 7th April 2015

*28/4/15
OS. II
April 28
Replied
11/5*
We refer to the above Consultation Paper for Multi Year Tariff Proposal (MYTP) and Annual Tariff Proposal for the 5th Tariff Year in respect of Concor Air Limited, who is providing Cargo Handling Services at CSI Airport, Mumbai.

Over the past 3 years, we have noticed, a dramatic change for the better in the Air Cargo Handling Infrastructure, that has been developed to handle the growing volumes of cargo at CSIA.

We are confident, that MIAL can do much better and create a world class Cargo Handling Facility at CSIA.

We have been informed and it has been proven at various Joint Meetings at CSIA, wherein all the Stakeholders were present, that the Cargo Handling Tariffs had not been revised upward for the past 10 years, which came as a shock to the House.

We have been given to understand, that MIAL has sought an upward revision of 15%, which may not seem to be steep, due to the tariffs not being hiked or revised upward for the past decade, but the Free Period, which was 10 days was reduced to 7 days, then 5 days and, ultimately now only 72 hours from the time the Aircraft lands at CSIA, has largely resulted in recovery of huge amounts as Cargo Handling Charges, in addition the cargo volumes handled at CSIA going up by more than 500%.

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GROWTH with GOVERNANCE

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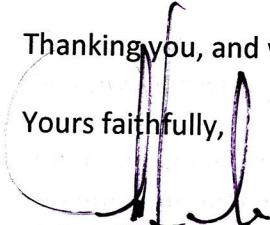
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We, as the Industry, would like to take a pragmatic approach and accordingly support the upward revision of 15% desired by MIAL. However, the only rider that we would like to attach to the same is, that the 72 hours Free Period granted to the Industry, should commence only after the cargo has been physically received by the Custodian i.e. MIAL and not commence once the Aircraft lands at CSIA, Mumbai.

We were pleasantly astonished with amazement and happiness to see the manner in which MIAL has developed the T2 Passenger Terminal. Likewise, we sincerely hope that MIAL would now also develop the Cargo Terminal, to meet with the expectations of the Industry and to be recognized globally as second to none.

Thanking you, and with kind regards,

Yours faithfully,


Mark S. Fernandes

Chairman

Shipping & Ports Committee