

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 3220
(To be answered on the 4th August 2022)**

GUIDELINES FOR AIR CARGO SERVICE

3220. SHRI MALOOK NAGAR

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether there is any proposal to reduce the rates of air cargo services in the country;
- (b) if so, the details thereof;
- (c) whether the booking and collection of air cargo service is more complicated for common man as one cannot avail this service due to high rates and complicated process and if so, the details thereof; and
- (d) whether the Government proposes to revise the guidelines for booking/delivery of air cargo and if so, the details thereof?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(GEN. (DR) V. K. SINGH (RETD))

(a) & (b) As per Section 13 (1) (a) of Airports Economic Regulatory Authority of India (AERA) Act 2008, AERA determines tariff for Aeronautical Services of Major Airports. Under the AERA Act, 2008, tariff is determined for each Cargo Operator providing Cargo Services for a period of 5 years. As per the tariff determination process, the amount collectable by the Cargo Service Provider is determined in the form of its Revenue Requirement which is based on a detailed evaluation of return on the capital invested, operating expenses, taxation and depreciation etc. To recover the entitled Revenue Requirement, aeronautical charges consisting of Terminal Storage and Processing Charges, Screening and Certification Charges, X-Ray Machine usages Charges and Demurrage Charges etc. are approved by AERA. AERA maintains a balanced approach keeping interests of all the stakeholders in mind while finalizing the Aeronautical Charges. Freight charges are not established or fixed by the Government and are in the domain of airlines in the domestic as well as international sector based on the demand and supply.

(c) & (d) Few airlines have engaged booking agents at the city side to

facilitate booking of air cargo at the door steps of shipper. The shippers have the option to select the airlines on their own by comparing the rates for air carriage of domestic carriers. For international cargo, booking is done through International Air Transport Association (IATA) agents as they are the authorized agents of the airlines and the customer is free to select the agent by comparing the rates.

Air cargo booking process flow and documentation have become more customer-friendly especially with the introduction of e-Waybill and electronically generated Air Waybills (AWBs). Customers can now also track cargo online by logging in to the airlines website and track the location of their cargo.
