

C.17(1.4)/2149

2013.01.02

The Chairman
Competition Commission of India
Hindustan Times House
18-20, Kasturba Gandhi Marg
New Delhi 110001

Dear Sir,

Preliminary Information Report Regarding Air Cargo Cartels

Greetings from CUTS!

Enclosed is a [preliminary information report](#) filed by CUTS regarding air cargo cartels affecting Indian consumers with a request for suo moto action. As explained herein, CUTS highlights that allegedly anti-competitive cartels have been formed by domestic airlines as well as international airlines, carrying cargo to and from India, to overcharge cargo freight, in the garb of fuel surcharge, which adversely affect Indian consumers and hamper economic development of the country and therefore such activities need to be investigated by the CCI.

In the report we have also listed the steps taken by various countries in to put a check on air cargo cartels and urge CCI to implement timely measure to curb the practice. The lack of any serious action in India on part of CCI to inhibit air cargo transport cartelization has boosted confidence of cargo airlines and is not helping in restricting the menace. Additionally, please note that internationally, the fuel price volatility is hedged to a certain extent as the fuel surcharges are benchmarked to an index, which is not the case in India and may be introduced.

In light of the above we request that CCI, under Section 19 of the Competition Act, 2002, to undertake a detailed investigation in this regard. We have also enclosed the [letter dated November 29, 2012](#) sent by the Express Industry Council of India (EICI) to CCI highlighting the issue.

Kindly acknowledge receipt of this letter and oblige.

Thanking You,

Yours Sincerely,



Pradeep S. Mehta
Secretary General