

Airports Economic Regulatory Authority of India

Order No. 22/2012-13

**AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi - 110 003**

Date of Order : 29th October, 2012

Date of Issue : 6th November, 2012

In the matter of Annual Tariff Proposal for the Second Tariff year of the First Control Period submitted by Air India SATS Airport Service Pvt Ltd. for providing Ground Handling Services at Rajiv Gandhi International Airport, Hyderabad.

The Authority had considered the Multi-Year Tariff Proposal, along with the tariff for the first year of the control period(ie. 2011-12 to 2015-16) submitted by Air India SATS Airport Services Private Limited (AISATS) in respect of ground handling services provided at Rajiv Gandhi International Airport, Hyderabad. After due consideration of the proposal and stakeholder submissions pursuant to the consultation, the Authority issued a Multi-Year Tariff Order (MYTO) No.12/2011-12 dated 29.09.2011 ordering that the services provided for ground handling facility by AISATS at Rajiv Gandhi International Airport, Hyderabad are "non-material but competitive" and hence, the Authority shall adopt a "light touch approach" for determination of tariff for the first Control Period w.e.f.01.04.2011, for the Ground Handling Services provided by AISATS at Rajiv Gandhi International Airport, Hyderabad.

2. AISATS, vide their letter No. NIL dated 14.06.2012, submitted their ATP for the second year. AISATS submitted that the maximum tariffs proposed are same as approved by Authority for first tariff year vide order no. 12/2011-12 dated 04.10.2011 for Rajiv Gandhi International Airport, Hyderabad.

3. The Authority considered the ATP submitted by AISATS and issued a Consultation Paper No.14/2012-13 on 13.08.2012 for considering the ATP for second tariff year.

4.1 In response, comments have been received from GMR Hyderabad International Airport Limited and Menzies Bobba Ground Handling Services .

4.2 *GHIAL have stated that "After going through the Consultation Paper No. 14/2012-13 was issued on 13.08.2012, we support the tariff proposal submitted by*



AISATS and request the Authority to approve the same as proposed by AISATS for the financial year 2012-13”.

4.3 Menzies Bobba Ground Handling Services have stated that: “We are pleased to inform you that we are fine with the Annual Tariff Proposal for 2nd tariff year (i.e.2012-13) of the current control period submitted by M/s AISATS in r/o ground handling services provided at Rajiv Gandhi International Airport, Hyderabad”

ORDER:

5. Upon careful consideration of material available on record, the Authority, in exercise of powers conferred by Section 13(1)(a) of the Airport Economic Regulatory Authority of India Act, 2008, hereby orders that:

- (i) The tariff for the Ground Handling facility provided by Air India SATS Airports Services Private Limited at Rajiv Gandhi International Airport, Hyderabad is determined as per **Annexure –I** for the Second Tariff year (2012-13) w.e.f. 01.04.2012.

By the Order of and in the Name
of the Authority


(Capt. Kapil Chaudhary)
Secretary

To

M/s Air India SATS Airport Services Private Limited,
Maintenance Centre, Gate No. 2,
Rajiv Gandhi International Airport,
Shamshabad-500409
(Through: Shri Gopi Bala, Vice-President)



ANNEXURE - I

MAXIMUM RATES TO BE PAID BY SCHEDULED AIRLINES FOR
COMPREHENSIVE GROUND HANDLING

S/N	ICAO Code	Aircraft Types	Maximum Ground Handling Rate in INR			
			Scheduled Passenger Aircraft		Scheduled Freighter Aircraft	
			Domestic Flight	International Flight	Domestic Flight	International Flight
1	CODE B	Single Engine Aircraft	10,000	28,000	NA	NA
2	CODE C	A318, A319, A320, A321, B717, B727, B737, BBJ, MD81 to MD 90, DC9, TU 134, TU134A, AN24, AN26, ATR 42, ATR72, F27, F28, F50, F70, F100, YAK 40, YAK 42	13,400	73,000	45,000	1,09,500
3	CODE D	A300-600, A310 B707, B727-100, B757, B767, B787-300, DC8, DC10, MD11	21,440	1,10,000	78,000	1,21,000
4	CODE E	A330-200, A330-300, A340 B747SP, B747, B777, B787-800, B787-900 IL96	45,000	1,40,000	94,000	1,65,000
5	CODE F	A380	80,000	1,98,000	1,27,900	2,37,600

Notes:

- 1) To achieve the projected ARR only maximum ground handling rates have been suggested for Airlines as user agreements will be entered into with each Airline based on the IATA AHM 810 STANDARD GROUND HANDLING AGREEMENT 2004 or 2008 (SGHA).
- 2) The rates with each Airline will be negotiated based on services required form SGHA service items (usage of equipment and manpower), flight frequency, service level agreement, credit period and liability and indemnity requirement.
- 3) These rates may be revised, where external economic / financial factors warrant a review. However, any change will be in consultation with the relevant authorities and related stakeholders.
- 4) All charges mentioned above exclude taxes which will be charged at the prevailing rates.

