

[F.No. AERA/20010/MYTP/Bhadra/GH/TVM/2011-12/]  
**Airports Economic Regulatory Authority of India**  
**Order No. 06/2015-16**

**AERA Building,  
Administrative Complex,  
Safdarjung Airport,  
New Delhi -110003**

**Date of Order: 06<sup>th</sup> May, 2015**  
**Date of Issue: 14<sup>th</sup> May, 2015**

**Service: Ground Handling Services**  
**Service provider: M/s Bhadra International (India) Private Limited**  
**Airport: Thiruvananthapuram International Airport,  
Thiruvananthapuram**

**Approval of tariff for the fourth (2014-15) and fifth (2015-16) tariff year of the first control period.**

This Authority, vide Direction No. 04/2010-11 dated 10.01.2011, had issued the Guidelines [The Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Services provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft), Guidelines, 2011] prescribing procedures, terms and conditions for determination of tariff for the above mentioned regulated services being provided by Independent Service Provider(s). As per the Guidelines, the service providers are required to submit Multi Year Tariff Proposal (MYTP) for the five year control period and Annual Tariff Proposal (ATP) for individual tariff years of the Control Period.

2. Accordingly, Bhadra International (India) Pvt. Ltd., (Bhadra) submitted their MYTP for first control period commencing 01.04.2011 in respect of ground handling services provided at Thiruvananthapuram International Airport, Thiruvananthapuram. The Authority issued Order No. 08/2012-13 dated 19.06.2012 vide which it ordered that the Authority shall adopt a "light touch approach" for the ground handling service provided by Bhadra at Thiruvananthapuram International Airport, Thiruvananthapuram for the first control period starting w.e.f 01.04.2011 and also determined the tariff for the 1<sup>st</sup> tariff year.

3. Subsequently, the Authority considered the Annual Tariff Proposal (ATP) for the second and third tariff year and after due stakeholder consultation, determined the tariffs vide ATO(s) no. 41/2012-13 dated 26.02.2013 for the second tariff year (2012-13); order no. 9/2013-14 dated 10.05.2013 for the third tariff year (2013-14) respectively.

4. Thereafter, Bhadra, vide their letter dated 21.07.2014 and 04.09.2014, submitted their ATP for the fourth tariff year (F.Y. 2014-15) of the first control period. Bhadra, in their submission, have indicated that they would be maintaining the tariff(s) for the 4<sup>th</sup>



and 5th tariff years based on the tariff(s) of the 3rd tariff year for their comprehensive ground handling services at certain airports, including Thiruvananthapuram International Airport, Thiruvananthapuram. Bhadra, in their submission, have indicated that “..... our rates for comprehensive ground handling will remain same for both 4<sup>th</sup> and 5<sup>th</sup> year...”.

5. The Authority considered this ATP and issued Consultation Paper No. 20/2014-15 on 27.03.2015 for stakeholders' consultation. The last date of receipt of comments was 10.04.2015. In response thereof, Air Passengers Association of India has responded vide email dated 10.04.2015.

“...We note that the GHS at Thiruvananthapuram International Airport, the service provider has submitted an Annual Tariff proposal for the 4<sup>th</sup> & 5<sup>th</sup> tariff year. We strongly believe that there should be minimum 3 service providers for GHF to create the right kind of competitive environment. AERA must insist on the Ministry in ensuring that there are at least 3 service providers in all major Airports.”

6. As regards the comments of the Air Passengers Association of India is concerned, the Authority notes that in terms of the provisions of the Airports Authority of India (General Management, Entry of Ground Handling Services) Regulations, 2007, at Thiruvananthapuram International Airport, the agencies that can perform ground handling functions include AAI or its JV, Subsidiary company of Air India and any other ground handling service provider selected through competitive bidding. In addition, any airline, other than the international airlines, can also perform self-handling. Thus though there is no hindrance in having at least three ground handlers at this Airport, the Authority is conscious of the fact that availability of that many service providers, and such decisions be best left to market forces.

7. Bhadra, vide letter dated 23.03.2015 and 06.04.2015, also forwarded Annual Compliance Statement and Audited Balance Sheets for the tariff years 2011-12, 2012-13 and 2013-14, which was noted by Authority. The Authority however observed that information provided in Annual Compliance statement is not certified by an independent auditor as per the requirement under para AI. 9.4 of Guidelines of Authority. It is, therefore advised, that henceforth the Independent Service Providers should submit information contained in Annual compliance statement duly certified by an independent auditor along with the audited annual accounts of the company to the Authority.

## **ORDER**

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

- (i). The ceiling rates for comprehensive ground handling activity (as defined per AIC 07/ 28.09.2007) rendered by Bhadra International (India) Pvt.



Ltd. at Thiruvananthapuram International Airport, Thiruvananthapuram for the remaining period of the 1<sup>st</sup> control period be determined at the same level as was determined vide Authority's Order No. 09/2013-14 dated 10.05.2013 i.e. **Annexure-I**.

**By the Order of and in the  
Name of the Authority**

*Alok Shekhar*  
**(Alok Shekhar)  
Secretary**

**To,**

**Bhadra International (India) Pvt. Ltd,  
42, Rani Jhansi Road,  
New Delhi -110055**

**(Through Shri Prem Bajaj, Chairman and Managing Director)**

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AERA



**Annexure -I**

**Bhadra International India Limited; - Annual Tariff Proposal for Third  
Tariff Year 2013-14**

**Station Name: Thiruvananthapuram International Airport**

Tariff Heading	Conditions of Tariff
<b>A-International</b>	Maximum Tariff per Flight in (INR)
<b>a-Passenger Flights</b>	
A320(Narrow Body)Upper Limit	1,25,208
A320(Narrow Body)Lower Limit	83,472
A300/310 Upper Limit	1,55,100
A300/310 Lower Limit	1,36,300
Wide Body(747/777)Lower Limit	1,73,900
Wide Body(747/777)Upper Limit	2,02,100
<b>b-Freighter</b>	
Freighter Lower Limit	1,55,100
Freighter Upper Limit	2,11,500
<b>B-Domestic</b>	
<b>a- Passenger Flights</b>	
Learjet, Jetstream, DH6, C560	12,600
YAK40, CL60, F50, F27, F28, C750, AN24, ATR42, ATR72, HS748, HS125, DA90, G-2 to GB, TU124, TU134, CRJ, EM4, CV580, BAC111, BE2	20,250
AN8, AN12, B737-100/200, IL18, DC9, MD82, F70, F100	36,000
A320, A321, B727, B737-500 to 800, C130, MD 83/87/88/90, TU154, TU104	45,000
B757, TU204, B707, C106	45,000
A310, A300, A330, B767, II62, IL76, DC8, 787-3	54,000
A340, B777, DC10, IL86, IL96, MD11, L1011, B747, AN124	99,000
<b>b-Freighter</b>	
Freighter A310	74,730
Freighter ATR	21,620

**GPU Charges as and when requested by airline**

Equipment	Rate/hr-contracted Airline	Rate/hr-casual Airline
Ground Power Unit-140KVA	Rs.7,909/hr	Rs.9,409/hr
Ground Power Unit-90KVA	Rs.6,590/hr	Rs.7,909/hr

