

[F. No. AERA/20010/MYTP/Cambata/Del/2011-12/Vol - I]

Airports Economic Regulatory Authority of India

Order No. 27/2015-16

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

Date of Order: 21st August, 2015

Date of Issue: 25th August, 2015

Service: Ground Handling Services
Service provider: M/s Cambata Aviation Pvt. Ltd. (Cambata)
Airport: IGI Airport, New Delhi.

Determination of tariff for the 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, the Authority had considered the Multi Year Tariff Proposal (MYTP) submitted by Cambata Aviation Pvt. Ltd. (Cambata) for the first control period commencing 01.04.2011 in respect of Ground Handling Services at IGI Airport, New Delhi. After due stakeholder consultation, the Authority issued Multi Year Tariff Order (MYTO) No. 35/2011-12 dated 14.03.2012 wherein, inter-alia, it was decided that the service provided for ground handling services, is "material but competitive", hence "light touch approach" be adopted for determination of tariff for the 1st Control period. Pursuant to issue of above, the Authority considered the Annual Tariff Proposal (ATP) for the first, second, third and fourth tariff year and after due stakeholder consultation, determined the tariffs vide ATO(s) no. Order No. 39/2012-13 dated 19.02.2013, Order No. 23/2013-14 dated 28.06.2013 and Order No. 02/2015-16 dated 08.04.2015 for respective tariff years.

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3. Cambata, vide letter dated 24.06.2014 and 13.07.2015 submitted ATP for tariff year 2015-16 and Annual Compliance for tariff year 2011-12, 2012-13 and 2013-14 duly certified by an independent Chartered Accountant. However, copy of audited final account has not been submitted by Cambata.

4. Cambata further submitted that:

"...As per the agreement signed with all airlines our tariffs are quoted in USD and for ATP purposes the same have converted to INR at the average rate of 1 USD=INR 64

the tariff given above are inclusive of royalties payable to Airport Operators."

5. The Authority, vide letter dated 23.07.2015 requested Cambata to furnish the justification for increase proposed in the 5th tariff year by 03.08.2015 failing which it was informed that the Authority shall approve continuation of existing tariffs upto 31.03.2016 i.e. for the remaining period of 1st Control Period. However, there has been no response from Cambata till date.

6. The Authority noted the following:

- (i) Cambata has not submitted justification for increase proposed in the fifth tariff year till date.
- (ii) Less than one year is left for completion of the 1st Control Period, which is set to expire on 31.03.2016 and process for determination of tariff involving stakeholder consultation will take approx. 2-3 months and thus benefits of revised tariff may be available for less than 6 months from the date of order.

ORDER

7. 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) Cambata Aviation Pvt. Ltd would continue to levy tariffs in respect of Ground Handling Services at IGI Airport, New Delhi for the remaining period of the current control period at the same level as was approved vide Authority's Order No. 02/2015-16 dated 08.04.2015 for the fourth tariff year (**Annexure-I**).



- (ii) Cambata Aviation Pvt. should submit the MYTP and ATP for the 2nd Control Period well in time as per the Guidelines by incorporating the actual financials of 2014-2015.

By the Order of and in the
Name of the Authority

Alok Shekhar

(Alok Shekhar)
Secretary

To,

Cambata Aviation Pvt. Ltd.,
T9 & 9A, 3rd Floor,
Vasant Square Mall,
Vasant Kunj,
New Delhi – 110070
(Through: Shri Bharani Kumar, Chief Financial Officer)

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AERA



Cambata Aviation Private Limited
Indira Gandhi International Airport, New Delhi

GROUND HANDLING SERVICES

Annual Tariff for 2014-15 - Ceiling rates			
Aircraft Type	Per Turnaround		Discount / Surcharge
	(IN USD) Maximum	(IN INR) Maximum	
A-310	2,552	153,100	NIL
A-320	1,553	93,200	NIL
A-321	1,553	93,200	NIL
A-330	2,998	179,900	NIL
A-340	2,998	179,900	NIL
B-737	1,553	93,200	NIL
B-767	2,070	111,780	NIL
B-777	2,998	179,900	NIL
B-777	2,648	158,900	NIL
B747- F	2,648	158,900	NIL
A-310- F	2,250	135,000	NIL
MD11 - F	2,250	135,000	NIL
A300 F	2,250	135,000	NIL
B757	1,553	93,200	NIL

Note:

- (i) Tariffs are quoted in USD and the average rate conversion is @1USD = INR 60
(ii) Tariffs are inclusive of royalties payable to Airport Operators.

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AERA



Cambata Aviation Private Limited
Indira Gandhi International Airport, New Delhi

CARGO DOCUMENTATION SERVICES

Annual Tariff 2014-15 - Ceiling rates			
Aircraft Type	Per Turnaround		Discount / Surcharge
	(IN USD) Maximum	(IN INR) Maximum	
A-320	200	12,000	NIL
A-321	200	12,000	NIL
A-330	300	18,000	NIL
A-340	300	18,000	NIL
B-737	150	9,000	NIL
B-767	250	15,000	NIL
B-777	300	18,000	NIL
B-777 F	300	18,000	NIL
B747- F	300	18,000	NIL
A300-600	300	18,000	NIL
A300 F	300	18,000	NIL
B757	150	9,000	NIL
Delivery Order Charges	0	1,400	Per Master AWB
Delivery Order Charges	0	1,000	Per Master AWB

Note:

- (i) Tariffs are quoted in USD and the average rate conversion is @1USD = INR 60
- (ii) Tariffs are inclusive of royalties payable to Airport Operators.

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