

Airports Economic Regulatory Authority of India

Order No. 22/2013-14

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

Date of Order: 17th June, 2013

Date of Issue: 28th June, 2013

In the matter of Annual Tariff Proposal submitted by M/s Cambata Aviation Private Limited (Cambata) for third tariff year of the first control period for providing Ground Handling Services at CSI Airport, Mumbai.

The Authority had considered the Multi Year Tariff Proposal (MYTP) of the first control period of (i.e. 2011-12 to 2015-16) submitted by M/s Cambata Aviation Private Limited (Cambata) in respect of the tariff for the services provided for ground handling at CSI Airport, Mumbai and after due stakeholder consultation issued Multi Year Tariff Order (MYTO) No. 38/2011-12 dated 14.03.2012, ordering that the ground handling service being rendered by Cambata is "material but competitive" and the tariff for the same shall be determined under "light touch approach". Subsequently Cambata submitted their Annual Tariff Proposal (ATP) for the first and second tariff years which were considered by the Authority and after due stakeholder consultation, Annual Tariff Order (ATO) no. 40/2012-13 dated 25.02.2013 was issued, determining the tariff for the first tariff year (2011-12) and second tariff year (2012-13) of the first five year control period.

2. Thereafter, Cambata submitted their ATP for third tariff year (2013-14) on 29.03.2013.

3.1 The Authority considered the submission made by Cambata and issued Consultation Paper No. 7/2013-14 on 10.05.2013, wherein the ATP for third tariff year was put up for stakeholder consultation. The last date of submission of comments was 24.05.2013.

3.2 In response to the said Consultation Paper, comments have been received from Mumbai International Airport Pvt. Ltd. (MIAL). MIAL, in its comments, have stated the following:

".....we agree and support the Authority's proposal to approve the tariff for ground handling services provided at CSI Airport, Mumbai, for the third tariff year (01.04.2013 -31.03.2014) of the first control period as per Annexure 1 of the Consultation Paper. We understand that ceiling rates proposed in Annexure are exclusive of applicable Service Tax and the same will be charged extra.

It may be noted that Cambata has not entered into any agreement with MIAL for providing cargo back office functions at CSLA, Mumbai. Therefore, the cargo services provided by Cambata are subject to review and entering into necessary agreement, if any, and MIAL reserves its right not to allow Cambata to provide any service relating to Cargo back office operations at CSI Airport, Mumbai, which please note....."

3.3 It is observed that MIAL in its comments, have agreed to the Authority's proposal in the Consultation Paper to approve the tariff for ground handling services rendered at CSI Airport,



Mumbai for the third tariff years of the first control period. However for cargo back office functions, MIAL stated that this is subject to review and that it reserves its right not to allow Cambata to provide any service relating to cargo back office operations at CSI Airport, Mumbai. MIAL further stated that they understand that the rates are exclusive of applicable service tax.

3.4 The Authority noted the above and observed that as per their submissions, Cambata is providing certain services at Mumbai airport in respect of ground handling and some cargo back office functions. As per submissions – all these form part of the same ground handling agreements with its customers. Also, at Mumbai airport, cargo as well as ground handling services are material and competitive. Hence, the Authority has considered the tariff proposals in respect of ground handling and cargo back office functions provided by Cambata at CSI Airport, Mumbai.

ORDER:

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

- (i) Tariffs for ground handling and cargo back office functions services provided by M/s Cambata Aviation Private Limited at CSI Airport, Mumbai for the third tariff year (w.e.f. 01.04.2013 to 31.03.2014) of the first control period, are determined as at **Annexure - I.**
- (ii) These tariffs will be maximum tariff and will be effective from 01.04.2013.
- (iii) The Authority also clarifies that this determination is limited to the determination of tariffs for aeronautical services provided by M/s Cambata Aviation Private Limited at CSI Airport, Mumbai and should not be, construed as permission to render any aeronautical service at CSI Airport, Mumbai by any party and it does not confer any right/claim to Cambata for appointment as an aeronautical service provider at CSI Airport, Mumbai. Further, it is also decided that for this purpose, this Order will also not affect the rights of any parties in this matter.

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


(Ravi Pahwa)
Bench Officer

To,

**M/s Cambata Aviation Private Limited,
Corp. Off: T9 & 9A, 3rd Floor,
Vasant Square Mall,
Vasant Kunj,
New Delhi-110 070
(Through: Shri P. Bharani Kumar, Chief Financial Officer)**



Cambata Aviation Private Limited
Chhatrapit Shivaji International Airport, Mumbai

Maximum Tariff to be paid by Scheduled Airlines for ground handling services for Tariff Year - 3
(w.e.f. 01.04.2013 to 31.03.2014)

GROUND HANDLING OPERATIONS

Aircraft Type	Per Turnaround		Discount/Surcharge
	(IN USD)	(IN INR)	
	Maximum	Maximum	
A-300-600	2600	140,400	NIL
A-310	2200	118,800	NIL
A-320	1350	72,900	NIL
A-321	1350	72,900	NIL
A-330	2200	118,800	NIL
A-340	2600	140,400	NIL
B-737	1360	73,440	NIL
B- 747	2600	140,400	NIL
B-747-200	2600	140,400	NIL
B-747SP	2600	140,400	NIL
B-767	2230	120,420	NIL
B-777	2600	140,400	NIL
B747 - F	2600	140,400	NIL
A-310 - F	2300	124,200	NIL
MD11 - F	2600	140,400	NIL
A300-600	2300	124,200	NIL
A767 - F	2300	124,200	NIL
B777-200F	2250	121,500	NIL

Notes:

1. As per the agreement signed with all airlines tariffs are quoted in USD and for ATP purposes the same have been converted to INR at the average rate of 1USD = INR 54
2. Tariffs given above are inclusive of royalties payable to Airport Operators.



Cambata Aviation Private Limited
Chhatrapit Shivaji International Airport, Mumbai

**Maximum Tariff to be paid by Scheduled Airlines for ground handling services for Tariff Year - 3
(w.e.f. 01.04.2013 to 31.03.2014)**

CARGO DOCUMENTATION SERVICES

Aircraft Type	Cargo Documentation (per Flight Turnaround or Per Kg)		Cargo Unitizing (per Flight Turnaround or Per Kg)		Deliver Order Fees
	IN USD	IN INR	IN USD	IN INR	
					Per MAWB - Rs. 1200
B777	500	27,000 OR 3.30 Per Kg	350	18,900 OR 2.75 Per Kg	Per HAWB - Rs. 750
B747	350	18,900		Rs. 2.75 Per Kg	
A330/320	350	18,900 OR 3.30 Per Kg		Rs. 2.75 Per Kg	
B737	300	16,200		Rs. 2.75 Per Kg	
A310	500	27,000	0.05 cents	Rs. 2.75 Per Kg	
MD11	500	27,000		Rs. 2.75 Per Kg	
A300-600	500	27,000	0.05 cents	Rs. 2.75 Per Kg	
B767	350	18,900	350	18,900 OR 2.75 Per Kg	

Notes:

1. As per the agreement signed with airlines tariffs are quoted in USD OR Per Kg basis and for ATP purposes the same have been converted at the average rate of 1USD = INR 54
2. Tariffs given above are inclusive of royalties payable to Airport Operators.

