

[AERA/20010/MYTP/BWFS/GH/Del/CP-II/2016-17]

Airports Economic Regulatory Authority of India

Order No. 25/2018-19

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

Date of Issue: 12th October, 2018

**Service : Ground Handling Services.
Service Provider : M/s Bird Worldwide Flight Services (India) Private Limited
Airport : Indira Gandhi International Airport, New Delhi**

In the matter of Annual Tariff Proposal for third tariff year (FY 2018-19) of the second control period in respect of M/s Bird Worldwide Flight Services (India) Private Limited for providing Ground Handling Services at Indira Gandhi International Airport, New Delhi

M/s Bird Worldwide Flight Services (India) Private Limited (BWFS) is one of the ground handling agencies appointed by Delhi International Airport Private Limited (DIAL) for carrying out Ground Handling Service at Indira Gandhi International Airport, New Delhi. The Authority, vide its MYTO Order No. 25/2011-12 dated 21.10.2011, decided to adopt 'Light Touch Approach' in respect of the BWFS for its Ground Handling Services at IGI Airport for determination of tariffs for the first control period. Subsequently, the Authority determined the Annual tariff vide Order No. 47/2012-13 dated 30.01.2013 for the first tariff year (FY 2011-12), second tariff year (FY 2012-13), third tariff year (FY 2013-14) and fourth tariff year (FY 2014-15). The tariff for fifth tariff year (FY 2015-16) of the first control period was also determined by the Authority vide Order No. 33/2015-16 dated 11.09.2015.

2. The Authority vide Order No.08/2017-18 dated 02.08.2017 decided that the ground handling services provided by M/s BWFS will be regulated under 'light touch approach' during the second control period (01.04.2016 to 31.03.2021) and also decided to continue the levy of same tariff existing as on 31.03.2016 for the first and second tariff year of the second control period.

3. The Authority, vide Order No. 43/2017-18 dated 28.03.2018, allowed to continue levy of tariffs existing as on 31.03.2018, for a further period of six months w.e.f. 01.04.2018 or till determination of tariffs for the second control period whichever is earlier. The Authority vide Order no. 21/2018-19 dated 28.08.2018 has further allowed to continue the levy of the same tariff existing as on 30.09.2018 for a further period of six months w.e.f. 01.10.2018 or till determination of the tariff for the second control period whichever is earlier.



4. M/s BWFS, now, vide their letter no. nil dated 13.08.2018, has submitted the Annual Tariff Proposal for third tariff year (FY 2018-19) for the second control period. BWFS has also submitted copy of a letter from DIAL dated 22.02.2018 for revision in ceiling rates w.e.f. 01.04.2018 alongwith a copy of relevant clause of the Concession Agreement with DIAL for escalation in the tariff. BWFS has not proposed any increase in tariff in respect of Domestic Passengers Flights/cargo handling. However for the ground handling service of international passenger flights/cargo, BWFS has proposed about 17% increase in the rates in line with the terms/conditions stipulated in concession agreement with DIAL.

5.1 The Authority considered the submissions made by BWFS and issued a Consultation Paper No. 15/2018-19 dated 04.09.2018 wherein the Authority proposed that the tariff for the third tariff year (FY 2017-18) of the second control period for ground handling services rendered by BWFS at IGI Airport, New Delhi, may be continued/maintained at the same level as approved by the Authority vide order No. 33/2015-16 dated 11.09.2015 as per Annexure IV of the said consultation paper. The Authority sought written evidence based feedback, comments and suggestions from stakeholders on the above proposal latest by 25.09.2018. In response, none of the stakeholder has offered comments on the proposal of the above consultation paper. M/s BWFS also has not offered any comments on the proposal of the said consultation paper.

5.2 The Authority also noted from the proposal/submissions of M/s BWFS that the total revenues have grown. Return on Average RAB is high. Operating profit, though shows decrease by 9.5% in FY 2017-18 over previous year based on provisional figures but in FY 2016-17, it has growth of 35% over previous year. Volumes also show a reasonable growth. Considering all the above facts, the Authority has decided to maintain/continue the levy of tariffs existing as on 31.03.2018 for the third tariff year (FY 2018-19) of the second control period also which were determined vide order no. 33/2015-16 dated 11.09.2015 and further continued vide order no. 08/2017-18 dated 02.08.2017 for the first and second tariff year of the second control period.

ORDER

Upon careful consideration of the Material available on records, the Authority, in exercise of powers conferred upon it by Section 13(1)(a) of the AERA Act, 2008, hereby orders that:

- a) The Authority decided to allow M/s Bird Worldwide Flight Services (India) Private Limited, to continue/maintain the levy of tariff(s) existing as on 31.03.2018 for the third tariff year (FY 2018-19) of the second control period for ground handling services rendered by BWFS at IGI Airport, New Delhi as per **Annexure-I**.
- b) The tariff charges for Non-Schedule operations provided by M/s BWFS should not exceed the ceiling rates approved by AERA for its scheduled operations for its similar class of aircraft. M/s BWFS cannot handle aircraft for general aviation and fixed base operators as per the concession agreement entered with the airport operator.
- c) M/s Bird Worldwide Flight Services (India) Private Limited, should submit the Annual Tariff proposal (ATP) for FY 2019-20 with Annual Compliance Statements (ACS) for FY 2017-18 well in time as per the Guidelines.



d) Tariff determined as above will be maximum tariff to be charged. No other charge is to be levied over and above the approved tariff.

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


(Puja Jindal)
Secretary

To,

**M/s Bird Worldwide Flight Services (India) Private Limited,
E-9, Connaught House, Connaught Place, New Delhi- 110001
(Through Shri Gaurav Bhatia, Director)**

**Copy to: Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan,
Safdarjung Airport, New Delhi-110003**



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AERA

Annexure-I

Bird Worldwide Flight Services (India) Private limited, Indira Gandhi International Airport, New Delhi

Maximum Rate to be charged by Scheduled/Non Scheduled Aircrafts -International/Domestic (excluding General Aviation and Fixed Base Operators) for ground handling services for Tariff Year 3 (2018-19)

			Amount in INR					
S. No.	ICAO Code	Aircraft Type	Domestic Passenger Flights			International Passengers Flights		
			Terminal handling	Ramp handling	Full handling	Terminal handling	Ramp handling	Full handling
1	Code B	Single Engine Aircraft	3,800	8,900	12,700	13,900	41,800	55,800
2	Code C	A318,A319,A320,A321, B717,B727,B737, BBJ, MD81 to MD90, DC9, TU134, AN24, AN26, ATR42, ATR72, F27, F28, F50, F70, F100, YAK40, YAK42	3,200	7,600	10,800	23,500	69,700	93,200
3	Code D	A300-600, A310, B707 B727- 100,B757,B767, B787-300, DC8,DC10, MD11	4,400	12,700	17,100	30,400	122,700	153,100
4	Code E	A330-200, A330-300 A340,B747SP ,B747,B777, B787- 800,B787-900, IL96	19,000	38,000	57,000	35,500	144,500	1,79,900
5	Code F	A380	38,000	63,300	101,400	54,500	196,500	251,000

S.No.	ICAO Code	Domestic Cargo	International
		Freighter	Freighter
		Ramp handling	Ramp handling
1	Code B	N/A	N/A
2	Code C	57,400	76,700
3	Code D	101,200	135,000
4	Code E	119,200	158,900
5	Code F	162,100	216,100

Note:(I) applicable taxes/levies are extra.

*For Full handling of cargo freighter aircrafts, the maximum rates will be higher by maximum of 25% of the corresponding commercial passenger aircraft as stated in format above.

