

Consultation Paper No. 7/2013-14



Airports Economic Regulatory Authority of India

**Annual Tariff Proposal for Third Tariff Year (2013-14)
submitted by Cambata Aviation Private Limited for
Ground Handling Services at CSI Airport, Mumbai.**

New Delhi: 10th May, 2013

**AERA Building
Administrative Complex
Safdarjung Airport
New Delhi – 110 003**

The Authority had considered the Multi Year Tariff Proposal (MYTP) submitted by M/s Cambata Aviation Private Limited (Cambata) for the first control period commencing w.e.f. 01.04.2011, 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 services rendered by Cambata at CSI Airport, Mumbai, is “material but competitive” and hence the Authority will adopt a ‘light touch approach’ for determination of tariff for the first control period w.e.f. 01.04.2011. Thereafter, the Authority, vide Order No. 40/2012-13 dated 25.02.2013, determined the tariffs for the first and second tariff years (2011-12 and 2012-13) of the first control period.

2.1 As per Clause 7.4 of the Authority’s Guidelines [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], after issuance of the MYTO, the service provider shall submit to the Authority its Annual Tariff Proposals (ATPs), provided that an ATP shall be submitted at least 75 days prior to the start of the Tariff Year. As per the clause 11.2 of the Guidelines, ATP is required to be submitted in the form and manner as provided in Appendix AI.8.2 wherein it is mentioned that the ATP should be supported by:

- Form B and Form F14(b),
- Details of consultation with stakeholders
- Evidence of User Agreements clearly indicating the Tariff (s) proposed by the service Provider.

2.2 Cambata, have now submitted their ATP for third tariff year (i.e. 2013-14). Cambata have submitted Form B and Form 14 (b) - ATP for Ground Handling Operations & Cargo Documentation Services for rendering ground handling services at CSI Airport, Mumbai. In the conditions of tariff [Form 14 (b), for third tariff year for ground handling services and cargo documentation services, Cambata has mentioned the following:

“ 1. Please note that as per the agreement signed with all airlines our 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. Our tariffs given above are inclusive of royalties payable to Airport Operator. ”

3. The Authority has carefully considered the ATP submitted by M/s Cambata Aviation Private Limited and decided to make the following proposal for stakeholder consultation:

- (i) The Tariff for Ground Handling Services Provided by Cambata at CSI Airport, Mumbai, for the third tariff year (w.e.f. 01.04.2013 to 31.03.2014) of the first control period may be tentatively decided to be determined, as per INR rates, as at **Annexure-I**, which will be maximum rates.

(ii) The charges for cargo back office functions, being performed by Cambata are tentatively decided to be determined, as per the INR rates, as at **Annexure- II**, which will be maximum rates.

4. In accordance with the provisions of Section 13(4) of the AERA Act, 2008, the proposal contained in para 3 above is hereby put forth for stakeholder consultation. To assist the stakeholders in making their submissions in a meaningful and constructive manner, necessary documents are enclosed as **Annexure-III**. For removal of doubts; it is clarified that the contents of this Consultation Paper may not be construed as any or Direction of this Authority. The Authority shall pass an Order, in the matter, only after considering the submissions of the stakeholders in response hereto and by making such decision fully documented and explained in terms of the provisions of the Act.

5. The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 3 above, **latest by 24.05.2013** at the following address:

Capt. Kapil Chaudhary
Secretary
Airports Economic Regulatory Authority of India
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi- 110003
Email: kapil.chaudhary@aera.gov.in
Tel: 011-24695040
Fax: 011-24695039

Yashwant S.Bhave
Chairperson

CAMBATA AVIATION PVT LTD
MUMBAI
GROUND HANDLING OPERATIONS

Form F14 (b) - Annual Tariff Proposal for Tariff Year-3 (2013-14)

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
B777-200 F	2250	121,500	NIL

Notes:

1. Please note that as per the agreement signed with all airlines our 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. Our tariffs given above are inclusive of royalties payable to Airport Operators.

P. Bhat

**CAMBATA AVIATION PVT LTD
MUMBAI**

Form F14 (b) - Annual Tariff Proposal for Tariff Year- 3(2013-14)

REGULATED SERVICES- CARGO DOCUMENTATION

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	
B777	500	27,000 OR 3.30 Per Kg	350	18,900 OR 2.75 Per Kg	Per MAWB- Rs. 1200
B747	350	18,900		Rs 2.75 per Kg	Per HAWB- Rs. 750
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. Please note that as per the agreement signed with airlines our tariffs are quoted in USD OR Per Kg basis and for ATP purposes the same have been converted at the average rate of 1 USD=INR 54
2. Our tariffs given above are inclusive of royalties payable to Airport Operators.

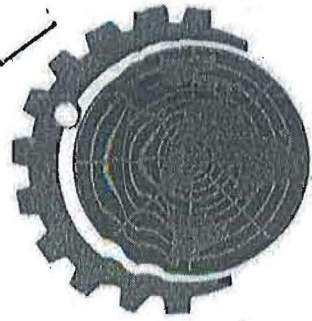
P. Ghosh

-20-

Annexure - II

CAMBATA AVIATION PVT. LTD.

Corp. Off. : T9 & 9A, 3rd Floor, Vasant Square Mall, Vasant Kunj,
New Delhi-110070 Phone : +91-11-4000260-264



BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA

AT NEW DELHI

SUBMISSION OF PROPOSAL FOR DETERMINATION OF ANNUAL TARIFF FOR AND ON
BEHALF OF:

M/S. CAMBATA AVIATION PRIVATE LTD- MUMBAI BRANCH

I P. Bharani Kumar aged 46 years resident of Delhi- India acting in my official capacity as Chief Financial Officer in M/s. Cambata Aviation Private Ltd having its registered office at T 9/9A, Vasant Square Mall, Vasant Kunj, New Delhi-110 070 do hereby state and affirm as under that:

1. That I am duly authorized to act for and on behalf of M/s. Cambata Aviation Private Ltd in the matter of making this submission before the Airports Economic regulatory Authority of India, New Delhi ('the Authority');
2. I am competent to make this submission before the Authority;
3. I am making this submission in my official capacity and the facts stated herein are based on official records;
4. The contents of this submission which include inter alia

~~(I) Estimated Maximum Allowed Yield per unit and the proposed detailed break-up of Tariff(s) (in context to Estimated Maximum Allowed Yield per unit where determined by the Authority) where the Authority has specified a price cap approach for the duration of the Control Period, pursuant to clause 3.2;~~

OR

Proposed detailed break-up of Tariffs(s) based on clause 11.2 where the Authority has specified a light touch approach for the duration of the Control Period, pursuant to Clause 3.2 and

(II) Justifications are correct and true to my knowledge and belief and nothing material has been concealed there from.

.....
P. Bharani Kumar
Chief Financial Officer.

Place: New Delhi

Date: 29th March 2013