

Consultation Paper No. 1/2013-14



Airports Economic Regulatory Authority of India

**Annual Tariff Proposal for the third tariff year in
respect of Ground Handling Services rendered by
Bhadra International India Pvt. Ltd at Chennai,
Kolkata and Thiruvananthapuram International
Airports**

New Delhi: 1st April, 2013

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

The Authority had considered the Multi-Year Tariff Proposal (MYTP), for the first control period along with the tariff for the first year of the control period, (i.e. 2011-12) submitted by Bhadra International India. Ltd, (Bhadra) in respect of the ground handling services provided at Chennai, Kolkata and Thiruvananthapuram International Airport. After due stakeholder consultation, the Authority issued Multi Year Tariff Orders (MYTO) No. 29/2011-12 dated 28.11.2011, 30/2011-12 dated 05.12.2011 and 08/2012-13 dated 19.06.2012 in respect of Chennai, Kolkata and Thiruvananthapuram International Airport respectively, and decided to adopt light touch approach for determination of tariffs for the services provided by Bhadra at these airports, for the first control period.

2. Bhadra vide its letter no. Nil dated 19.02.2013 has requested the Authority “to kindly consider and approve the same rates as proposed by Bhadra for the first tariff year of the first control period for the 3rd tariff year also in respect of all the four airports namely Chennai, Kolkata and Trivandrum and Calicut Airport” for the ground handling services provided at these airports (**Annexure-I**). The Authority has issued a separate Consultation Paper for approval of the tariff at Calicut Airport vide Consultation Paper No. 43/2012-13 dated 11.03.2013.

3.1 As per para 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 Multi Year Tariff Order, the service provider shall submit the Annual Tariff Proposal at least 75 days prior to the start of tariff year.

3.2 As per clause A.I.8.2., of the Appendix to the Guidelines for Regulated Service(s) deemed either ‘not material’ or ‘material but competitive’ or ‘material and not competitive’ but where the Authority is assured of the reasonableness of the existing User Agreement(s), the Service Providers(s) shall submit, for the consideration of the Authority, an Annual Tariff Proposal for review of Tariff(s) to be charged in the following Tariff Year of the Control Period, in the specified Form B and Form F14 (b). The Tariff(s), as proposed by the Service Provider in the Annual Tariff Proposal, shall be on non- discriminatory basis, with reference to conditions of Tariff(s), volume of the discount, rationale behind giving the discount and such other factors as may be relevant.

4 It is observed that Bhadra have, in their submission, indicated that they would be maintaining the rates that have been approved by the Authority in respect of their ground handling services Chennai, Kolkata and Thiruvananthapuram International Airport. The tariff(s) for the first and second tariff year for Ground handling service provided by Bhadra (i.e. **Annexure-II**) at these airports were determined after due stakeholder consultation by this Authority.

5. The Authority has carefully considered the tariff proposal submitted by Bhadra International India Limited for Ground Handling Services being provided at Chennai, Kolkata and Thiruvananthapuram International Airport and decided to make the following proposal for stakeholder consultation:

- (i) The tariff(s) for the third tariff year (2013-14) for ground handling services provided by Bhadra International Indian Limited at Chennai,

Kolkata and Trivandrum airports are tentatively decided to be the maximum rates as were determined vide the Authority's Order No.36/2012-13 dated 29.01.2013, 27/2012-13 dated 22.11.2012, and 41/2012-13 dated 26.02.2013. **(Annexure II, collectively)**

6. In accordance with the provisions of Section 13(4) of the AERA Act, the proposal contained in para 5 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 I & II**. For removal of doubts; it is clarified that the contents of this Consultation Paper may not be construed as any Order 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.

7. The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 5 above, **latest by 15.04.2013** at the following address:

Capt. Kapil Chaudhary (Retd.)
Secretary,
Airports Economic Regulatory Authority of India,
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi- 110003
Email: kapil.chaudhary@aera.gov.in
Tel: 011-24695042
Fax: 011-24695039

Yashwant S. Bhave
Chairperson



Bhadra International India Limited

Bhadra/AERA-tariff/2012-13/
Dated 19th February, 2013

To,

Shri.C.V.Deepak,
OSD-II,
Airports Economic Regulatory Authority of India,
Aera Building, Administrative Complex,
Safdarjung Airport,
New Delhi-110003.

Sub: **Submission of Annual tariff Proposal for the 3rd Tariff year of the first control period in respect of Ground Handling Services at Chennai and Kolkata Airport and for Trivandrum and Calicut Airports.**

Dear Sir,

We are In receipt of your letter No.F.No.AERA/20019/CGF-G/2010-11(Vol.V)/3158 dated 14th February,2013 seeking submission of Annual Tariff proposal for the 3rd tariff year in respect of ground handling services being provided for passenger and freighter aircrafts at Chennai and Kolkata Airports.

In this regard we wish to inform you that there is going to be no change in the tariff structure already approved by AERA for the first tariff year in respect of the airports at Chennai and Kolkata Airports.

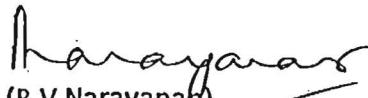
We would also like to confirm that the Annual tariff proposal as approved by AERA for the first tariff year of the first control period in respect of Trivandrum and Calicut Airports will continue to be the same for the 3rd tariff year of the first control period as well.

You are therefore requested to kindly consider and approve the same rates as proposed by Bhadra for the first tariff year of the first control period for the 3rd tariff year also in respect of all the four airports namely Chennai, Kolkata, Trivandrum and Calicut Airport.

Thanking you,

Yours faithfully,

For Bhadra International India Limited


(R.V.Narayanan)
Vice president-Str.Planning

000012

Annexure -II

Bhadra International India Limited: - Annual Tariff Proposal for Ground Handling Services for Third Tariff Year 2013-14 at

Chennai International Airport, Chennai

Tariff Heading	Conditions of Tariff
A-International	Maximum Tariff per Flight in (INR)
a-Passenger Flights	
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-Freighter	
Freighter Lower Limit	1,55,100
Freighter Upper Limit	2,11,500
B-Domestic	
a- Passenger Flights	
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-Freighter	
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.7,950/hr	Rs.9,540/hr
Ground Power Unit- 90KVA	Rs.6,625/hr	Rs.7,950/hr

Bhadra International India Limited: - Annual Tariff Proposal for Ground Handling Services for Third Tariff Year 2013-14 at

NSCBI Airport, Kolkata

Tariff Heading	Conditions of Tariff
A-International	Maximum Tariff per Flight in (INR)
a-Passenger Flights	
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-Freighter	
Freighter Lower Limit	1,55,100
Freighter Upper Limit	2,11,500
B-Domestic	
a- Passenger Flights	
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-Freighter	
Freighter A310	74,730
Freighter ATR	21,620

Bhadra International India Limited: - Annual Tariff Proposal for Ground Handling Services for Third Tariff Year 2013-14 at

Thiruvananthapuram International Airport

Tariff Heading	Conditions of Tariff
A-International	Maximum Tariff per Flight in (INR)
a-Passenger Flights	
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-Freighter	
Freighter Lower Limit	1,55,100
Freighter Upper Limit	2,11,500
B-Domestic	
a- Passenger Flights	
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-Freighter	
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