



Airports Economic Regulatory Authority of India

**Annual Tariff Proposal for Second and Third
Tariff Year in respect of Bhadra International
India Limited for providing Ground Handling
Services at Kozhizode International Airport,
Calicut**

New Delhi : 11th March, 2013

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

The Authority had considered the Multi-Year Tariff Proposal for the first control period along with the Annual Tariff Proposal (ATP) for the first tariff year of the control period, (i.e. 2011-12) submitted by Bhadra International India Limited (Bhadra) in respect of Ground Handling services provided at Kozhikode International Airport, Calicut and issued the Multi Year Tariff Order (MYTO) No.9/2011-12 dated 12.06.2012 ordering that the services provided for ground handling at Kozhikode International Airport by Bhadra International India Limited, are "not material" and hence adopted 'light touch approach' for determination of tariff during the first control period of 5 years commencing 01.04.2011. The Authority also determined the tariff for the first tariff year (i.e. 2011-12), for ground handling services provided by Bhadra at Kozhikode International Airport, Calicut.

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 Provider(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 for 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.

3. Bhadra, vide their letter dated 19.02.2013 submitted that the Annual Tariff Proposal as approved by AERA for the first tariff year of the first control period in respect of Calicut Airport will continue to be the same for the third tariff year of the first control period. **(Annexure - I)**

4. The Authority observed that as per para 7.9 chapter II of the Guidelines in the event that the Service Provider(s) fails to submit the said Multi Year Tariff Proposal, an Annual Tariff Proposal, an Annual Compliance Statement or such other document or information that the Authority may have required the Service Provider(s) to submit within the specified period, or extension thereto, if any, the Authority may make such order as it deems appropriate.

5. The Authority observed that the tariffs in respect of ground handling services provided by Bhadra at Kozhikode International Airport are to be determined under Light Touch Approach as per the MYTO. Tariffs for the first tariff year were determined accordingly. Now, Bhadra has proposed to maintain the same rates (as were levied during 1st tariff year) during the 3rd tariff year. It was also noted that during the 2nd tariff year also, Bhadra was levying the same rates.

6. In view of above, the Authority has considered the proposal of Bhadra and has decided to make the following proposals for stake holder consultation:-

- (i) The tariffs for the 2nd tariff year (2012-13) and 3rd tariff year (2013-14) for Ground Handling services provided by Bhadra International India Ltd. at Kozhikode International Airport, Calicut are tentatively decided to be the maximum rates as were determined vide Authority's Order no. 9/2012-13 dated 12.06.2012. **(Extracted out as Annexure- II)**

7. In accordance with the provisions of Section 13(4) of the AERA Act, the proposal contained in para 6 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.

8. The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 6 above, **latest by 25.03.2013** 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@era.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.

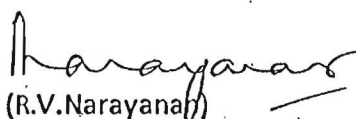
We would also like to confirm that the Annual tariff proposal as approved by AERA for the first tariff year of the first control period in respect of Trivandrum and Calicut Airports will continue to be the same for the 3rd tariff year of the first control period as well.

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

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Bhadra International India Limited**Station Name: Kozhikode International Airport, Calicut**

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	Maximum Rate/hr- contracted Airline	Maximum Rate/hr – casual Airline
Ground Power Unit – 140 KVA	Rs. 7,909/hr	Rs. 9,409/hr
Ground Power Unit – 90 KVA	Rs. 6,590/hr	Rs. 7,909/hr