

**File No. AERA/20010/MYTP/Bharda/GH/Chennai/2011-12**

**Consultation Paper No. 7/2012-13**



**Airports Economic Regulatory Authority of India**

**Annual Tariff Proposal for Second tariff year of  
M/s Bhadra International India Pvt Ltd. for  
Ground Handling Services provided at Chennai  
Airport, Chennai**

**New Delhi: 18<sup>th</sup> June, 2012**

**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 tariff for the first year of the control period, (i.e. 2011-12) submitted by Bhadra in respect of their ground handling services provided at Chennai International Airport, Chennai. After due stakeholder consultation, the Authority passed a Multi Year Tariff Order (MYTO) No.29/2011-12 dated 05.12.2011 ordering that:

- (i) The services provided for ground handling facility by Bhadra at Chennai International Airport, are **“material but competitive”**. Hence the **Authority shall adopt a “light touch approach” for determination of tariff for the 1<sup>st</sup> Control Period w.e.f. 01.04.2011.**
- (ii) The Tariff for the Ground Handling Services provided by Bhadra at Chennai International Airport is determined w.e.f 01.04.2011.

2. M/s Bhadra International India Ltd. (Bhadra) vide its letter no. Nil dated 10.04.2012 have forwarded the Annual Tariff Proposal (ATP) for the second tariff year (01.04.2012-31.03.2013) of the first Control Period for the ground handling services provided at Chennai Airport, Chennai with tariff-rate card proposed for year 2012-13 wherein they have mentioned that they **‘would be maintaining the same rates with higher and lower end limits, as submitted for the first tariff year which has been duly approved by the Authority vide order no. 29/2011-12 dated 05.12.2011 for Chennai airport’.** **(Annexure I)**

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. In the instant case, Bhadra should have submitted their second year annual tariff proposal, is for the financial year 2012-13, starting w.e.f. 01.04.2012, by 16.01.2012.

3.2 As per clause A.1.8.2., 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 on a 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**

4.1 Bhadra have in their proposal for Second tariff year, have submitted the following:

- (a) Form B duly signed
- (b) Form 14 (b) duly stamped.

4.2 As already brought out vide para 3.1, Bhadra have in their submission indicated that they would be maintaining the rates that have been approved by the

Authority vide order no.29/2011-12 dated 05.12.2011 in respect of their ground handling services at Chennai International Airport, Chennai.

4.3 The tariffs for first tariff year for Ground handling service provided by Bhadra at Chennai airport, as determined by the Authority are placed at **Annexure-II**.

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

- (i) The tariffs for the second tariff year (i.e.2012-13), for Ground Handling services provided by M/s Bhadra International India Pvt Ltd. at Chennai Airport may be determined at the same rates as were applicable on 31.01.2012.i.e. those determined vide Authority Order no. 29 /2011-12 dated 05.12.2011.
- (ii) Tariff proposed as above will be maximum and will be effective from 01.04.2012.

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 **02.07.2012** 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: 011-24695042  
Fax: 011-24695039**

**Yashwant S. Bhawe  
Chairperson**



Bhadra International India Limited

Bhadra/AERA/Tariff-2/2011-12

Dated 10<sup>th</sup> April, 2012

Mr. C.V. Deepak,  
Officer on Special duty-II  
Airports Economic regulatory Authority of India  
AERA Building, Administrative Complex,  
Safdarjung Airport,  
New delhi-110 003

Sub: ATP for 2<sup>nd</sup> tariff year

Ref: Your office letter No. AERA/20010/MYTP/Bhadra /GH/Chennai/2011-12/2680 dated 14.03.2012

Dear Sir,

With reference to your letter under reference, we would like to inform that Bhadra International India Limited having commenced ground handling operations during the year 2011-12 would be maintaining the same rates with higher and lower end limits, as submitted for the 1<sup>st</sup> tariff year which has been duly approved by AERA vide its order No.29/2011-12 dated 5.12.2011 for Chennai Airport. (Copy enclosed). Relevant forms already submitted while determining the tariff for the first year is enclosed for your ready reference.

Kindly acknowledge receipt and convey us your kind approval for the 2<sup>nd</sup> tariff year early.

Thanking you,  
Yours faithfully,  
For Bhadra International India Limited

(Prem Bajaj)  
Managing Director  
Encl: a.a.



423  
Form B: (ref: Section A1.8 of Appendix 1)

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 BHADRA INTERNATIONAL INDIA LTD.

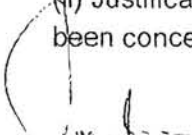
1, Prem Bajaj, aged 56 resident of New Delhi resident of B 4/62 Safdarjung Enclave New Delhi-29 acting in my official capacity as Managing Director in M/s Bhadra International India Ltd. having its registered office at B-4/62, 1<sup>st</sup> Floor, Safdarjung Enclave, New Delhi-110029 do hereby state and affirm as under that:

1. That I am duly authorized to act for and on behalf of M/s Bhadra International India 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 content of this submission which include inter alia (i) Estimated Maximum Allowed Yield per unit and the proposed detailed break up or Tariff(s) (in context to /estimated Maximum Allowed 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 tariff(s) based on clause 11.2 where 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.

  
(Prem Bajaj)

Managing Director

Place:

Date:



-424-

Bhadra International India Limited

Station Name:

Chennai

Form F14 (b): Annual Tariff Proposal for Tariff Year -t Format for providing information on Tariff(s) (ref: Section A1.8 of Appendix I)

Tariff Heading	Conditions of Tariff	Applicable Discount/ Surcharge	Estimated Units	Estimated Revenues
<b>A-International</b>	eg. Tariff per Flight In (INR)	eg. Discount If paid within 15 Days	eg. Number of ATMs	Tariff * Estimated Units (INR)
<b>a-Passenger Flights</b>		Airport royalty of 32.5% is included in the above rates.		
A320(Narrow Body) Upper limit	1,25,208			
A320(Narrow Body) lower limit	83,472		2070	17,28,12,916
A300/310 Upper limit	1,55,100			
A300/310 Lower limit	1,36,300	However service tax as applicable will be charged on the above rate additionally.	70	95,65,534
Wide Body(747/777) Lower Limit	1,73,900		947	16,47,58,077
Wide Body(747/777) Upper Limit	2,02,100			
<b>b-Freighter</b>				
Freighter Lower Limit	1,55,100		421	6,53,09,508
Freighter Upper Limit	2,11,500			
	<b>Total</b>		<b>3509</b>	<b>41,24,46,035</b>
<b>B-DOMESTIC</b>				
<b>a-Passenger Flights</b>				
Learjet, Jetstream, DH6, C560	12,600			
YAK40, CL60, F50,F27,F28,C750,AN24,ATR42,ATR7 2,HS748,HS125,DA90,G-2 to GB,TU 124,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,IL62,IL76,DC8, 787-3	54,000			
A340,B777,DC10,IL86,IL96,MD11,L10 11,B747,AN124	99,000			
<b>b-Freighter</b>				
Freighter A310	74,730			
Freighter ATR	21620			



## Annexure - II

### Bhadra International India Limited

#### Station Name: Chennai International Airport, Chennai

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

#### GPU Charges as and when requested by airline

<b>Equipment</b>	<b>Rate/hr-contracted Airline</b>	<b>Rate/hr – casual Airline</b>
Ground Power Unit – 140 KVA	Rs. 7,950/hr	Rs. 9,540/hr
Ground Power Unit – 90 KVA	Rs. 6,625/hr	Rs. 7,950/hr