

AERA/20010/MYTP/AIATSL/GH/Calicut/CP-II/2016-17
Airports Economic Regulatory Authority of India

AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi –110 003.

Date: 22.11.2019

Public Notice No. 14/2019-20


Sub: Comments/Submissions received from stakeholders on Consultation Paper No. 09/2019-20 dated 17.10.2019 in the matter of determination of Annual Tariff Proposal (ATP) for FY2019-20 & FY2020-21 for Ground Handling Operations in respect of M/s Air India Air Transport Services Limited (AIATSL) at Kolkata, Mumbai, Guwahati, Cochin, Ahmedabad & Calicut International Airports.

Attention of all concerned is invited to Consultation Paper No. 09/2019-20 dated 17.10.2019 issued by the Authority in the matter of determination of Annual Tariff Proposal (ATP) for FY2019-20 & FY2020-21 for Ground Handling Operations in respect of M/s Air India Air Transport Services Limited (AIATSL) at Kolkata, Mumbai, Guwahati, Cochin, Ahmedabad & Calicut International Airports for the Second Control Period vide which the Authority had sought written comments from the stakeholders by 08.11.2019. In response thereof, the Authority has received comments from only one stakeholder:

Sl. No.	Stakeholder Details
1.	M/s Bhadra International (India) Pvt. Ltd.

The comments / submissions received, as above, are attached for information of all concerned.

Encl: As above.


(Geetha Sahu)
A.G.M. (Fin.)
22.11.19

Dr. Karvi. N.
30/10/19
AZM (F) - 1



Bhadra International (India) Pvt. Ltd.

Dated: 28th October 2019

To
The Secretary,
Airports Economic Regulatory Authority of India,
AERA Building,
Administrative Complex,
Safdarung Airport,
New Delhi-110003

शुद्धि क्र. 14385
दिनांक 30/10/19

Kind attention: Ms. Geeta Sahu, AGM (Finance)-Tariff

Sub: Comments on Consultation paper No. 09/2019-20

Madam,

We have gone through the proposal of AERA on the submissions of Messrs. AIATSL for approval of 2% hike over their existing tariff for providing ground handling services at various airports as indicated in your consultation paper No.09/2019-20 dated 17.10.2019.

In this regard, your kind attention is drawn to para 5.2 and 5.3 of your proposal considering to approve 2% hike in comprehensive tariff for the financial years 2019-20 and 20-21. Before the same is agreed to, the following needs to be taken into consideration:-

- a) In Annexure II (page Nos.32 to 37 of your proposal), in the details of Actual expenditure- from balance sheet of AIATSL for the years 2016-17,2017-18, and 2018-19, no where the details of "concession fees /royalty paid & Percentage to be paid to the Airport Operators has been indicated, whereas all other details under " heads of expenditure " have been provided. This information is important, to determine as to what

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percentage of the expenditure is taken by AIATSL as "pass through" in recovering from the airlines while entering into the Standard Ground Handling Agreement(SGHA). We are sure AERA must have gone through the details of SGHAS entered by them with various airlines by AIATSL, while considering the proposed 2% hike.

- b) Such a break up of royalty paid to the Airport Operator will also help to analyse whether AIATSL is in compliance in meeting the stipulations made in the latest AAI Ground Handling Regulations 2018 wherein they are required to match with the rates of royalty paid by the lowest bidder /concessionaire operating at AAI Airports.

We will be grateful if the above points are considered and the stakeholders are informed, before the proposed 2% hike in tariff is considered for approval by AERA.

Best regards,

Thanking you,

Yours faithfully,

Prem Bajaj

Chairman and Managing Director