[F. No. AERA/20010/MYTP/Cambata/GH/Ahmd/2011-12/Vol - I] <u>Airports Economic Regulatory Authority of India</u> <u>Order No. 30/2015-16</u>

AERA Building, Administrative Complex, Safdarjung Airport, New Delhi - 110003

(SVP),

Date of Order: 21st August, 2015 Date of Issue: 28th August, 2015

Service:

Ground Handling Services

Service provider:

M/s Cambata Aviation Pvt. Ltd. (Cambata)

Airport:

Sardar Vallabhai Patel International Airport

Ahmedabad.

Determination of tariff for the Fourth and Fifth (2015-16) tariff year of the first control period.

This Authority, vide Direction No. 04/2010-11 dated 10.01.2011, had issued the Guidelines [The 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] prescribing procedures, terms and conditions for determination of tariff for the above mentioned regulated services being provided by Independent Service Provider(s). As per the Guidelines, the service providers are required to submit Multi Year Tariff Proposal (MYTP) for the five year control period and Annual Tariff Proposal (ATP) for individual tariff years of the Control Period.

- 2. Accordingly, the Authority had considered the Multi Year Tariff Proposal (MYTP) submitted by Cambata Aviation Pvt. Ltd. (Cambata) for the first control period commencing 01.04.2011 in respect of Ground Handling Services at SVP International Airport, Ahmedabad. After due stakeholder consultation, the Authority issued Multi Year Tariff Order (MYTO) No. 32/2011-12 dated 05.12.2011 wherein, inter-alia, it was decided that the service provided for ground handling services, is "not material", hence "light touch approach" be adopted for determination of tariff for the 1st Control period. Pursuant to issue of above, the Authority considered the Annual Tariff Proposal (ATP) for the first, second and third tariff year and after due stakeholder consultation, determined the tariffs vide ATO(s) no. Order No. 43/2012-13 dated 01.03.2013 and Order No. 32/2013-14 dated 08.08.2013 for respective tariff years.
- 3. Cambata, vide letter dated 24.06.2014 and 13.07.2015 submitted ATP for tariff year 2015-16 and Annual Compliance for tariff year 2011-12, 2012-13 and 2013-14 duly certified by an independent Chartered Accountant. However, copy of audited final account has not been submitted by Cambata.
- 4. Cambata further submitted that:
 - "i. ...As per the agreement signed with all airlines our tariffs are quoted in USD and for ATP purposes the same have converted to INR at the average rate of 1 USD=INR 64.
 - 2. The tariff given above are inclusive of royalties payable to Airport Operators."



- 5. The Authority, vide letter dated 23.07.2015 requested Cambata to furnish the justification for increase proposed in the 5th tariff year by 03.08.2015 failing which it was informed that the Authority shall approve continuation of existing tariffs upto 31.03.2016 i.e. for the remaining period of 1st Control Period. However, there has been no response from Cambata till date.
- 6. The Authority noted the following:
 - (i) Cambata has not submitted justification for increase proposed in the fifth tariff year till date.
 - (ii) Less than one year is left for completion of the 1st Control Period, which is set to expire on 31.03.2016 and process for determination of tariff involving stakeholder consultation will take approx. 2-3 months and thus benefits of revised tariff may be available for less than 6 months from the date of order.

ORDER

- 7. Upon careful consideration of material available on record, the Authority, in exercise of powers conferred by Section 13(1)(a) of the Airports Economic Regulatory Authority of India Act, 2008, hereby orders that:
 - (i) Cambata Aviation Pvt. Ltd. to continue levy of tariffs in respect of Ground Handling Services at SVP International Airport, Ahmedabad for the remaining period of the current control period at the same level as was approved vide Authority's Order No. 32/2013-14 dated 08.08.2013 for the third tariff year. (Annexure I).
 - (ii) Cambata Aviation Pvt. Ltd. may submit the MYTP and ATP for the 2nd Control Period well in time as per the Guidelines by incorporating the actual financials of 2014-2015.

By the Order of and in the Name of the Authority

> (Alok Shekhar) Secretary

To,

Cambata Aviation Pvt. Ltd., T9 & 9A, 3rd Floor, Vasant Square Mall, Vasant Kunj, New Delhi – 110070

(Through: Shri Bharani Kumar, Chief Financial Officer)



Annexure-I

CAMBATA AVIATION PVT LTD SARDAR VALLABHHAI PATEL INTERNATIONAL AIRPORT, AHMEDABAD

Annual Tariff for Tariff Year - 3(2013-14)

Aircraft Type	Tariff Per Turnaround Flt. US\$		Tariff Per Turnaround Flt. INR	Airport Royalty	
A330	\$	2,500	135,000	Inclusive	
B737-800	\$	1,450	78,300	Inclusive	
A321	\$	900	48,600	Inclusive	
A320	\$	1,750	94,500	Inclusive	

2. CARGO DOCUMENTATION SERVICES									
A/c Type	Exp/Imp	Exp Cargo	Delivery Order	Break Bulk Fees	Import Cargo	Service Charge	DGR Ship-ment	Royalty	
	Cgo Doc-Per Flt	Unitizing/ Bulk Handl.	Fees per MAWB- INR	Per MAWB	Delivery Scvs.	Per Flt.	\$ 100 mm (1) (4)		
3737-800	USD 70 OR INR3780	INR 2.25 PER KILO	1,300		INR 2.25 PER KILO	INR 625		Inclusive	
A-320/321		USD 0.07 cent or INR = 3.75 per kg	950 950	INR 300,00	USD 0.07 cent or INR = 3.75 perkg	Inr 450.00	USD-105 per AWB OR INR = 5670 per AWB		

Note: As per the agreement signed with airlines tariffs are quoted in USD OR INR Per Kg basis and converted at the average rate of 1 USD=INR 54

Order No. 30/2015-16

Page 3 of 3