

[F. No. AERA/20010/MYTP/AISATS/GH/Del/2012-13]

Airports Economic Regulatory Authority of India

Order No. 34/2015-16

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

Date of Order: 11th September, 2015

Date of Issue: 21st September, 2015

Service: Ground Handling Services
Service provider: M/s Air India SATS Airport Services Pvt. Ltd. (AISATS)
Airport: IGI Airport, New Delhi.

Determination of tariff for the 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 Air India SATS Airport Services Pvt. Ltd. (AISATS) for the first control period commencing 01.04.2011 in respect of Ground Handling Services at IGI Airport, New Delhi. After due stakeholder consultation, the Authority issued Multi Year Tariff Order (MYTO) No 36/2013-14 dated 12.12.2013 vide which the Authority ordered that ground handling service provided by AISATS is "material but competitive" and hence tariff shall be determined under "Light Touch Approach" for the first control period. Along with the MYTO, the Authority also determined the tariff for the first, second, third and fourth tariff years.

3. AISATS, vide letter dated 05.06.2015 submitted Annual Tariff Proposal (ATP) for the fifth tariff year, but the Annual Compliance Statement (ACS) of the previous tariff year i.e. FY 2014-15 is yet to be submitted by the service provider.

4. The Authority, vide letter dated 17.06.2015 requested AISATS to furnish the justification for increase proposed in the 5th tariff year by 25.06.2015 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 AISATS till date.



5. The Authority noted the following:

- (i) AISATS has not submitted the proof of stakeholder consultation and justification for increase in domestic tariff for the fifth tariff year.
- (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, benefit of revised tariff may be available for less than 6 months from the date of order.

ORDER

6. 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) Air India SATS Services Pvt. Ltd. would continue to levy tariffs in respect of Ground Handling Services at IGI Airport, New Delhi for the remaining period of the current control period at the same level as was approved vide Authority's Order No. 36/2013-14 dated 12.12.2013 for the fourth tariff year (**Annexure – I**).
- (ii) Air India SATS Service Pvt. Ltd. should submit the MYTP and ATP for the 2nd Control Period well in time as per the Guidelines after incorporating the actual financials of 2014-2015.

By the Order of and in the
Name of the Authority



(Satish Sachdeva)
US (F&A)

To,

Air India SATS Airport Service Pvt. Ltd.,
B – 1101 & 1102,
Lotus Corporate Park,
Off. Western Express Highway,
Goregaon (East),
Mumbai – 400 063.

(Through: Shri Kalpesh Kumar Singh, Assistant Vice President - Commercial)



AIR INDIA SATS AIRPORT SERVICES PRIVATE LIMITEDINDIRA GANDHI INTERNATIONAL AIRPORT, NEW DELHIMAXIMUM RATES TO BE PAID BY SCHEDULED AIRLINES FOR COMPREHENSIVE
GROUND HANDLING FOR TARIFF YEAR - 4 (w.e.f 01.04.2014 to 31.03.2015)

Table - 1

Sl. No.	Aircraft Types/ Category	Domestic Flight		
		Pax Terminal Services	Ramp Handling	Full Handling (Pax + Ramp)
1.	Code B	3,800	8,900	12,700
2.	Code C	3,200	7,600	10,800
3.	Code D	4,400	12,700	17,100
4.	Code E	19,000	38,000	57,000
5.	Code F	38,000	63,300	101,400

Table - 2

Sl. No.	Aircraft Types/ Category	International Flight		
		Pax Terminal Services	Ramp Handling	Full Handling (Pax + Ramp)
1.	Code B	13,900	41,800	55,800
2.	Code C	23,500	69,700	93,200
3.	Code D	30,400	122,700	153,100
4.	Code E	35,500	144,500	179,900
5.	Code F	54,500	196,500	251,000

Table - 3

Sl. No.	Aircraft Types/ Category	Domestic Flight	International Flight
		Cargo Ramp Handling	Cargo Ramp Handling
1.	Code B	0	0
2.	Code C	57,400	76,700
3.	Code D	1,01,200	1,35,000
4.	Code E	1,19,200	1,58,900
5.	Code F	1,62,100	2,16,100

Note: The above are ceiling rates as per Schedule F of the concession agreement executed between DIAL and AISATS.

