

[F. No. AERA/20010/MYTP-IndoThai/GH/Jaipur/2011-12]

Airports Economic Regulatory Authority of India

Order No. 1/2016-17

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

Date of Order: 6th April, 2016

Date of Issue: 8th April, 2016

Service: Ground Handling Services
Service provider: IndoThai Airport Management Services Pvt. Ltd.
Airport: Jaipur and Lucknow.

In the matter of delay in submission of Multi Year Tariff Proposal (MYTP) for the 2nd Control Period (w.e.f. 01.04.2016) by IndoThai Airport Management Services Pvt. Ltd. (ITAMS) for ground handling services at Jaipur and Lucknow Airports.

In accordance with Direction No.04/2010-11 dated 10.01.2011 (in respect of "The Airports Economic Regulatory Authority of India (Terms and conditions for determination of tariffs for services provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft) Guidelines, 2011"), issued under Section 15 of the Act all Independent Service Provider(s) [ISP(s)] were required to submit to this Authority for its consideration, a Multi Year Tariff Proposal (MYTP) in the form and manner specified in the Guidelines.

2. The Authority vide letter dated 28.01.2016, informed the concerned ISPs that the 2nd Control Period shall commence from 1st April 2016 and the cut-off date for submission of the MYTP is 01.03.2016 (except for DIAL & MIAL). The Independent Service Providers/Airport Operators are required to submit to the Authority for its consideration a Multi Year Tariff Proposal in the form and manner as specified in the Guidelines. Further the Annual Tariff Proposal for 2016-17 would also require to be submitted along with the MYTP for the Authority's consideration.

3. The Authority further, vide aforesaid letter, inter-alia categorically informed the stakeholders that the approval of Authority to continue with the existing tariffs till the new tariffs are in place, shall only be granted in respect of the ISPs/Airport Operators who have submitted their tariff proposals for 2nd Control Period within the cut off dates. The tariffs of service providers, who do not submit their proposals by cut-off date, shall cease to exist.

4. Further, vide letter dated 25.02.2016, based on the request received from the various service providers during the online tariff familiarization programme held on 19.02.2016, the Authority decided to extend the cut-off date for submission of tariff proposal for the second control period to 10.03.2016 and reiterated that the



approval of Authority to continue with the existing tariffs till the new tariffs are in place, shall only be granted in respect of the ISPs/Airport Operators who have submitted their tariff proposals for 2nd Control Period within the cut-off dates and that the tariffs of service providers, who do not submit their proposals by cut-off date, shall cease to exist.

5. Indo Thai Airport Management Services Ltd. (ITAMS) providing ground handling services at Jaipur and Lucknow Airports, however, after repeated reminders, submitted the form with details for online registration and the user ID/password for online submissions of tariff proposal was created for ITAMS. However, ITAMS failed to submit the required MYTP for 2nd Control Period by the stipulated timeline, despite reminders issued time and again in this regard.

6. In view of ITAMS neither approaching the Authority with a request for extension of time line nor submitting their proposals, the Authority decided that there is no approved tariff in respect of the ground handling services provided by ITAMS at Jaipur and Lucknow airports with effect from 01.04.2016 and that charging of any tariff with effect from the said date is a contravention of the provisions of Section 13(1)(a) of the Act; and that continued charging of the tariff is a continuing contravention of the provisions of the Act.

7. Accordingly, vide Direction under Section 15 read with Section 13 of AERA Act, 2008 the Authority directed Indo Thai Airport Management Services Pvt. Ltd, to stop charging the tariff in respect of ground handling services relating to aircraft, passengers and cargo provided by them at Jaipur and Lucknow airports with effect from the said date.

8. Subsequent to the above, ITAMS has approached Authority vide letter dated 31.03.2016 submitting inter-alia that the procedure for obtaining User Id password for online tariff submission to Authority was initiated by ITAMS and they regret the delay in making submissions and not adhering to the time schedule fixed by the Authority. ITAMS has therefore requested for grant of extension of 30 days from the date of letter during which ITAMS has assured to complete all necessary paper works and submit tariff proposal for 2nd Control Period through online submissions as per Guidelines given by AERA. ITAMS has further requested to be allowed to charge the tariff in respect to ground handling services based on the previous approval of Authority for Jaipur and Lucknow Airports.

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9. The Authority has carefully considered the request made by ITAMS and decided to take a lenient view and thus 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) The time line for submitting the tariff proposals by ITAMS to the Authority for 2nd Control Period in respect of Jaipur and Lucknow Airports be extended upto 30.04.2016;



- (ii) In the meanwhile ITAMS may resume levy of earlier approved tariff for the ground handling services at the above mentioned airports;
- (iii) In case ITAMS fails to submit the tariff proposal by the extended time line of 30.04.2016, their tariff will cease to exist at the above mentioned airports w.e.f 01.05.2016.

**By the Order of and in the
Name of the Authority**


(Joy Kuriakose)
Deputy Chief

To,

**M/s Indo Thai Airport Management Services Pvt. Ltd.,
904-907, Time Tower,
M.G.Road, Sector-28,
Gurgaon – 122 002 (Haryana)
(Through: Shri Rakesh Jain, President)**

