

**Order No. 09/2016-17**

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

**Date of Order: 19<sup>th</sup> August, 2016**  
**Date of issue: 23<sup>rd</sup> August, 2016**

**Service : Cargo and Ground Handling Services**  
**Service provider : Air India.**  
**Airport : Chennai and Mumbai Airports – Cargo**  
**Ahmedabad, Calicut, Chennai, Cochin,**  
**Kolkata, Mumbai, and Guwahati – Ground**  
**Handling.**

**IN THE MATTER OF DELAY IN SUBMISSION OF MULTI YEAR TARIFF PROPOSAL (MYTP) FOR THE 2<sup>ND</sup> CONTROL PERIOD W.E.F 01.04.2016 BY AIR INDIA FOR CARGO AND GROUND HANDLING SERVICES AT MAJOR AIRPORTS .**

In accordance with the letter dated 28.01.2016 of AERA, the Independent Service Providers/Airport Operators of major airports were required to submit to the Authority for its consideration a Multi-Year Tariff Proposal in the form and manner as specified in the Direction no. 04/2010-11 dated 10.01.2011, and also the Annual Tariff Proposal.

2. Air India which provides ground handling services at the airports of Ahmedabad, Calicut, Chennai, Cochin, Kolkata, Mumbai and Guwahati airports did not submit the MYTP for the first control period though it had sought several extensions for submitting the proposal.

3. In view of these facts the Authority had approved/determined tariff w.e.f, 01.04.2011 in respect of Ground Handling Services being rendered by Air India at above mentioned airports vide Order No.04/2015-16 dated 12/05/2015 and in respect of Cargo Services at Chennai and Mumbai Airports vide Order No. 05/2015-16 dated 13.05.2015 thereby allowing Air India to continue to charge tariff as prevalent on 01.09.2009 for the remaining part of the first control period viz. upto 31.03.2016 and ordered that Air India may submit their tariff proposal for the 2nd Control Period starting 01.04.2016, well in time, as per the Guidelines of the Authority.

4. Subsequently Air India, vide letter dated 01.04.2016 indicated that their subsidiary company Air India Air Transport Services Ltd. (AIATSL), which is providing cargo and ground handling services is in the process of compiling various statements and thus requested AERA to grant time upto 30.09.2016 to submit the data both for ground handling and cargo handling which was considered by





Authority and tariffs extended upto 31.05.2016 vide Order no. 02/2016-17 dated 08.04.2016.

5. Air India again vide letter dated 31/5/2016 requested AERA for a maximum period of extension upto 30<sup>th</sup> June 2016 for submission and also requested that AIATSL be permitted to continue to provide services so that there is no disruption in operations at the said airports. This was agreed to, and the Authority vide its Order no. 08/2016-17 dated 22.06.2016 approved that the time line for submitting the tariff proposals by Air India for 2<sup>nd</sup> Control Period in respect of ground handling services at Ahmedabad, Calicut, Chennai, Cochin, Kolkata, Mumbai, Guwahati and cargo services at Chennai and Mumbai airports be extended upto 30.06.2016. It was further decided that in the meanwhile, Air India may continue to levy earlier approved tariff for the ground handling and cargo services at the above mentioned airports.

6. Air India has now made the tariff submissions for ground handling/cargo services at the concerned airports, which are under consideration of the Authority.

### **Order**

7. In order to avoid any regulatory vacuum, it is ordered that for providing ground handling & Cargo services at above mentioned airports Air India may continue to charge tariffs as prevalent on 31.03.2016, upto 30.09.2016 or till determination of tariff for 2<sup>nd</sup> Control Period whichever is earlier. This is in line with the extension granted to all Airport Operators/ISPs at major airports vide order No. 50/2015-16 issued on dated 31.03.2016.

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

  
**(Puja Jindal)**  
**Secretary**

**To,**

**Air India,  
Airline House,  
113, Gurudwara Rakabganj Road,  
New Delhi – 110001.  
(Through: Shri Ashwani Lohani, Chairman & Managing Director)**

