

**Consultation Paper No. 07/2014-15**



**Airports Economic Regulatory Authority of India**

**Annual Tariff Proposal for Fourth Tariff Year  
(2014-15) submitted by Bird World wide Flight  
Services (India) Private Limited for providing Ground  
Handling Services at Cochin International  
Airport, Cochin.**

**New Delhi: 14<sup>th</sup> August, 2014**

**AERA Building  
Administrative Complex  
Safdarjung Airport  
New Delhi – 110 003**

The Authority had considered the Multi Year Tariff Proposal (MYTP) submitted by M/s Bird Worldwide Flight Services (India) Private Limited (BWFS) for the first control period commencing w.e.f. 01.04.2011, in respect of the tariff for the services provided for Ground Handling Services at Cochin International Airport, Cochin. The Authority had, after due stakeholder Consultation, issued a Multi Year Tariff Order (MYTO) No. 39/2011-12 dated 19.03.2012, ordering that the ground handling service at Cochin International Airport, Cochin, is “material but competitive” and hence the Authority would adopt “light touch approach” for determination of tariff for the first control period. Thereafter, the Authority, vide Order No. 34/2012-13 dated 21.01.2013 determined the tariffs for the first and second tariff years and vide Order No. 33/2013-14 dated 27.08.2013 determined the tariffs for third tariff year.

2. As per Clause 7.4 of the Authority’s Guidelines [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], after issuance of the MYTO, the service provider is to submit to the Authority its ATP(s), provided that an ATP would be submitted at least 75 days prior to the start of the Tariff Year. As per the clause 11.2 of the Guidelines, the ATP is required to be submitted in the form and manner as provided in Appendix AI.8.2 wherein it is mentioned that the ATP should be supported by:

- Form B and Form F14(b),
- Details of consultation with stakeholders
- Evidence of User Agreements clearly indicating the Tariff (s) proposed by the service Provider.

3. BWFS has now submitted its Annual Tariff Proposal (ATP) for fourth tariff year (i.e. 2014-15) for its ground handling services at Cochin International Airport, Cochin. BWFS has submitted the following:

- a) Form B
- b) Copy of a letter no. CIAL/COML/ADMN 16/10984 dated 23.04.2014 of Cochin International Airport Limited (CIAL) addressed to BWFS having ceiling rates notified by CIAL for the period w.e.f. 01.04.2014 to 31.03.2015 (in USD/INR) for rendering international and domestic ground handling operations.
- c) Form 14(b) for fourth tariff year (2014-15). In the Form 14 (b), BWFS has mentioned that the ceiling rates are excluding service tax and including concession fee and also that Exchange Rate of Rs. 63/- has been used to convert USD to INR.
- d) BWFS has further submitted that the ceiling rates for ground handling services given by CIAL for FY 2014-15, have remained the same as these were for financial year 2013-14 and considering the fact that the rates for FY 2013-14 are already approved, the tariff for fourth tariff year may also be approved.

4. It is observed that rates mentioned in USD in the ATP for fourth tariff year are same when compared to the rates determined for third tariff year by the Authority. However rates in rupees for scheduled international passenger aircrafts and

international scheduled Freighter aircrafts are more due to increase in exchange rates for USD in Rupees. In the third tariff year exchange rate used for USD was Rs. 56/- while in the current ATP exchange rates used, is Rs. 63/-.

5 The Authority has carefully considered the ATP for fourth tariff year submitted by BWFS and decided to make the following proposal for stakeholder consultation:

- (i) The Tariff(s), for Ground Handling Services provided by M/s Bird Worldwide Flight Services (India) Private Limited at Cochin International Airport, Cochin, for the fourth tariff year (w.e.f. 01.04.2014 to 31.03.2015) of the first control period are proposed to be as at **Annexure – I.**

6. In accordance with the provisions of Section 13(4) of the AERA Act, the proposal contained in para 5 above is hereby put forth for stakeholder consultation. To assist the stakeholders in making their submissions in a meaningful and constructive manner, necessary documents submitted by M/s Bird Worldwide Flight Services (India) Private Limited, are enclosed at **Annexure-II**. For removal of doubts, it is clarified that the contents of this Consultation Paper may not be construed as any Order or Direction of this Authority. The Authority shall pass an Order in the matter, in terms of the Provisions of the Act only after considering the submissions of the stakeholders in response hereto.

7. The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 5 above, latest by **28.08.2014** at the following address:

**Airports Economic Regulatory Authority of India,  
AERA Building,  
Administrative Complex,  
Safdarjung Airport,  
New Delhi- 110003  
Email: [alok.shekhar@aera.gov.in](mailto:alok.shekhar@aera.gov.in)  
Tel: 011-24695042  
Fax: 011-24695039**

**Alok Shekhar,  
Secretary**

**Bird Worldwide Flight Services (India) Private Limited**

**Maximum Rate to be paid by Scheduled Airlines for comprehensive ground handling at Cochin International Airport**

**Form 14(b) for Tariff Year 4 (FY2014-15)**

			Maximum Ground Handling Rates in INR for Tarrif Year 4					
S.No.	ICAO Code	Aircraft Type	Scheduled Passenger Aircraft			Scheduled Freighter Aircraft		
			Domestic	International		Domestic	International	
			Amt in INR	Amt in USD	Amt in INR	Amt in INR	Amt in USD	Amt in INR
1	Code B 1	Dornier	5,000	N.A.	N.A.	N.A.	N.A.	N.A.
2	Code B	CRJ , ATR 42	15,000	1,500	94,500	N.A.	N.A.	N.A.
3	Code C 1	ATR-72 , EMB 135	20,000	1,500	94,500	45,000	N.A.	N.A.
4	Code C 1	EMB 170	25,000	1,500	94,500	45,000	N.A.	N.A.
5	Code C	A319, A320, A321, B717, B737	35,000	2,500	157,500	75,000	1,800	113,400
6	Code D	A300, A310	56,300	4,100	258,300	90,000	3,200	201,600
7	Code E	A330, A340, B777, B747	105,000	4,800	302,400	110,000	3,800	239,400

**Notes:**

- 1 The above rates are excluding Service Tax and including Concession Fee.
- 2 Exchange rate of 63 is used to convert USD to INR





**Bird Worldwide Flight Services**

Mr. C V Deepak  
AERA Building  
Administrative Complex  
Safdarjung Airport  
New Delhi 110 003

**Subj.: Submission of ATP for 4th Tariff Year of Bird Worldwide Flight Services (India) Private Limited for its operations at Cochin International Airport, Cochin**

Dear Sir,

This is in reference to your letter dated 14<sup>th</sup> March 2014; we are herewith enclosing the following documents in connection with the cited subject matter:


- a. Form B
- b. Copy of Ceiling Rates issued by CIAL for the financial year 2014-15 for International and Domestic Passenger flights.
- c. Annual Tariff Proposal for Tariff Year 4 in Form 14(b). In the Ceiling Rates List for FY 2014-15, CIAL has not mentioned ceiling rates for Cargo Flights. Considering the fact that the ceiling rates for FY 2014-15 have not changed from FY 2013-14, the maximum rates mentioned in Form 14(b) for the FY 2014-15 are the same as were approved for FY 2013-14.

We would like to bring it to your notice that the ceiling rates given by CIAL for the financial year 2014-15 have remained same as they were for the financial year 2013-14. In view of the fact that the rates for FY 2013-14 are already approved, we place our request for extending the approval for FY 2014-15 at your earliest convenience.

Kindly do let us know in case any further information is required in this regard.

Yours sincerely

**for Bird Worldwide Flight Services (India) Private Limited**

  
Authorized Signatory

Place: New Delhi

Encl.: as above

**BIRD WORLDWIDE FLIGHT SERVICES (INDIA) PVT. LTD.**

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CP No. 07/2014-15/MYTP/BWFS/GH/CIAL/2011-12/Vol-I

Form B: (ref: Section A1.8 of Appendix I)

**BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA**

**AT NEW DELHI**

**Submission of Form B in connection with submission of ATP for 4<sup>th</sup> Tariff Years on behalf of Bird Worldwide Flight Services (India) Private Limited for its operations at Cochin International Airport, Cochin**

I, Sundeep Kr Jain, aged 47 years resident of C-78, Sector-47, Noida, U.P. acting in my official capacity as Head Corporate Finance in M/s Bird Worldwide Flight Services (India) Private Limited having its registered office at , E-9, Connaught House, Connaught Place, New Delhi -1100 01 do hereby state and affirm as under that:

- a) That I am duly authorized to act for and on behalf of M/s Bird Worldwide Flight Services (India) Private Limited in the matter of making this submission before the Airports Economic Regulation Authority of India, New Delhi('AERA');
- b) I am competent to make this submission before AERA;
- c) I am making this submission in my official capacity and the facts stated herein are based on official records;
- d) The Contents of the Annual Tariff Proposal submission which includes inter-alia
- (i) ~~Estimated Maximum Allowed Yield per Unit and the proposed detailed break up of Tariff(s) (in context to Estimated Maximum Allowed Yield per Unit where determined by the Authority) where the Authority has specified a price cap approach for the duration of the Control Period pursuant to Clause 3.2;~~


Or

Proposed detailed breakup of tariff(s) based on clause 11.2 where the Authority has specified a light touch approach for the duration of the Control Period, pursuant to clause 3.2.

- e) Justifications are fair and true to my knowledge and belief and nothing material has been concealed there-from.

Yours sincerely

**for Bird Worldwide Flight Services (India) Private Limited**

  
Authorized Signatory  
Place: New Delhi

