

**Consultation Paper No. 6/2015-16**



**Airports Economic Regulatory Authority of India**

**Annual Tariff Proposal for the Fourth and Fifth Tariff  
Year in respect of Cambata Aviation Pvt. Ltd. for  
providing Ground Handling services at CSI  
Airport, Mumbai.**

**New Delhi: 28<sup>th</sup> August, 2015**

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

## **1 Background**

1.1 The Authority had considered the Multi Year Tariff Proposal submitted by Cambata Aviation Pvt. Ltd (Cambata) for first control period commencing w.e.f 01.04.2011, in respect of tariff determination for Ground Handling Service at CSI Airport, Mumbai. The Authority had, after due Stakeholder Consultation, issued a Multi Year Tariff Order(s) (MYTO) No. 38/2011-12 dated 14.03.2012 ordering that the services provided for the ground handling services by Cambata Aviation Pvt. Ltd are “material but competitive” and hence, the Authority shall adopt a “light touch approach” for determination of tariff for the 1<sup>st</sup> Control period w.e.f. 01.04.2011.

1.2 Pursuant to issue of above, the Authority also determined the tariff(s) for the first & second and third tariff years for this airport vide ATO(s) No. 40/2012-13 dated 25.02.2013 and , 22/2013-14 dated 28.06.2013 respectively.

1.3 As per Clause 7.4 of the Authority’s CGF Guidelines [Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Services Provided for Ground Facility, Ground Handling and Supply of fuel to the Aircraft) Guidelines, 2011], after issuance of the Multi Year Tariff Orders, the service provider shall submit to the Authority its ATP(s), provided that the Annual Tariff Proposal at least 75 days prior to the start of the Tariff Year.

1.4 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.

## **2 Submissions made by Cambata:**

2.1 Cambata, vide letter dated 24.06.2015 and 13.07.2015 (**Annexure - I**) submitted ATP for tariff year 2015-16 and Annual Compliance Statements duly certified by an independent Chartered Accountant. However, copy of audited final account has not been submitted by Cambata. Cambata further submitted that as per the agreement signed with all airlines their tariffs are quoted in USD and for ATP purposes the same have been converted to INR at the average rate of 1 USD=INR 64. Further the tariffs given are inclusive of royalties payable to Airport Operators.

2.2 The Authority noted that vide letter dated 23.07.2015, Cambata had been requested to furnish the justification for increase proposed in the 4<sup>th</sup> and 5<sup>th</sup> tariff year failing which it was said that the Authority would approve continuation of existing tariffs upto 31.03.2016 i.e. for the remaining period of 1<sup>st</sup> Control Period. No reply has been received from Cambata.

2.3 The Authority further noted that Cambata had proposed increase in tariff year 2014-15 and 2015-16 as compared to earlier approved tariff for tariff year 2013-14. But there is no user agreement and evidence of stakeholder consultation along with its submission.

2.4 After careful consideration of matter, the Authority decided that, though Cambata has not complied with the requirements of ATP as per the Guidelines, the ATP submitted by Cambata be put forth for stakeholder consultation, as a similar proposal of Celebi Nas, the competitor of Cambata providing ground handling services at CSI airport, was also being put forth for stakeholder consultation for a proposed increase.

### **3 Authority's Proposal:**

3.1 The Authority has carefully considered the tariff proposal submitted by Cambata Aviation Pvt. Ltd for providing Ground Handling Service at CSI Airport, Mumbai and has decided to make the following proposal for stakeholder consultation:

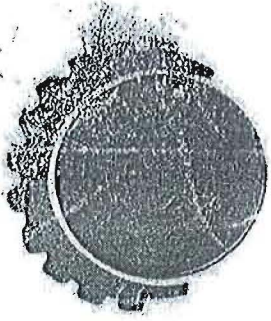
- (i) The tariff (s) for the fifth tariff year ( i.e. 2015-16) of the first control period, submitted by Cambata Aviation Pvt. Ltd for Comprehensive Ground Handling Service at CSI Airport, Mumbai w.e.f. 01.04.2015, is proposed as at **Annexure – II**.

4 In accordance with the provisions of Section 13(4) of the AERA Act, the proposal contained in para 3.1 above is hereby put forth for stakeholder consultation. To assist the stakeholders in making their submissions in a meaningful and constructive manner, necessary documents are enclosed as **Annexure I** and **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, only after considering the submissions of the stakeholders in response hereto and by making such decision fully documented and explained in terms of the provisions of the Act.

5 The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 3.1 above, latest by **07.09.2015** at the following address:

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

**S. Machendranathan,  
Chairperson.**



# CAMBATA AVIATION PVT. LTD.

Regd. Off.: T9 & 9A, 3rd Floor, Vasant Square Mall, Vasant Kunj,  
New Delhi-110070 Phone : +91-11-40000260-64  
www.cambataavia.com

BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA

AT NEW DELHI

SUBMISSION OF PROPOSAL FOR DETERMINATION OF ANNUAL TARIFF FOR AND ON  
BEHALF OF:

M/S. CAMBATA AVIATION PRIVATE LTD- MUMBAI BRANCH

I P. Bharani Kumar aged 49 years resident of Delhi- India acting in my official capacity as Authorized Signatory of M/s. Cambata Aviation Private Ltd having its registered office at T 9/9A, Vasant Square Mall, Vasant Kunj, New Delhi-110 070 do hereby state and affirm as under that:

1. That I am duly authorized to act for and on behalf of M/s. Cambata Aviation Private Ltd in the matter of making this submission before the Airports Economic regulatory Authority of India, New Delhi ('the Authority');
2. I am competent to make this submission before the Authority;
3. I am making this submission in my official capacity and the facts stated herein are based on official records;
4. The contents of this submission which include 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 break-up of Tariffs(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 and

(II) Justifications are correct and true to my knowledge and belief and nothing material has been concealed there from.

P. Bharani Kumar  
Authorized Signatory  
Place: New Delhi  
Date: 24<sup>th</sup> June 2015

RECEIVED  
AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA  
NEW DELHI

4/31  
24/6/15





CAMBATA AVIATION PVT LTD

MUMBAI


GROUND HANDLING OPERATIONS

Form F14 (b) - Annual Tariff Proposal for Tariff Year-5 (2015-16)

Aircraft Type	Per Turnaround		Discount/Surcharge
	(IN USD)	(IN INR)	
	Maximum	Maximum	
A-300-600	2584	165,390	NIL
A-310	2197	140,590	NIL
A-330	2584	165,390	NIL
A-340	2584	165,390	NIL
A-380	3518	225,170	NIL
B-737	1248	79,900	NIL
B-747SP	2584	165,390	NIL
B-767	2197	140,590	NIL
B-777	2584	165,390	NIL
B747-F	2843	181,970	NIL
A-310-F	2415	154,530	NIL
MD11-F	2843	181,970	NIL
A300-600	2843	181,970	NIL
A767-F	2415	154,530	NIL
B777-200 F	2843	181,970	NIL

## Notes:

1. Please note that as per the agreement signed with all airlines our tariffs are quoted in USD and for ATP purposes the same have been converted to INR at the average rate of 1USD = INR 64
2. Our tariffs given above are inclusive of royalties payable to Airport Operators.






**CAMBATA AVIATION PVT LTD**  
**MUMBAI**

Form F14 (b) - Annual Tariff Proposal for Tariff Year-5 (2015-16)					
REGULATED SERVICES- CARGO DOCUMENTATION					
Aircraft Type	Cargo Documentation (per Flight Turnaround or Per Kg)		Cargo Unitizing (per Flight Turnaround or Per Kg)		Deliver Order Fees
	In USD	In INR	In USD	In INR	
B777	450	28,800	400	25,600 OR 2.33 Per Kg	Per MAWB- Rs. 1320
B747		22,000		22,000 OR 3.16 Per Kg	Per HAWB- Rs. 825
A330/320				Rs 3.50 per Kg	
B737	200	12,800		Rs 3.25 per Kg	
A310	0	*	0.05 cents	Rs 3.25 per Kg	
MD11	0	*		Rs 3.25 per Kg	
A300-600	0	*	0.05 cents	Rs 3.25 per Kg	
B767	425	27,200	375	24,000 OR 3.25 Per Kg	

**Notes:**

1. Please note that as per the agreement signed with airlines our tariffs are quoted in USD OR Per Kg basis and for ATP purposes the same have been converted at the average rate of 1 USD=INR 64
2. Our tariffs given above are inclusive of royalties payable to Airport Operators.

*[Handwritten Signature]*

