

फा. सं. ऐरा/20010/एमवाईटीपी/बी.डब्ल्यू.एफ.एस.एम.पी.एल./जीएच/मुम्बई/सी-III/2021-26
File No. AERA/20010/MYTP/BWFSMPL/GH/Mumbai/CP-III/2021-26

आदेश संख्या 33/2022-23

Order No. 33/2022-23



भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
Airports Economic Regulatory Authority of India

मैसर्स बर्ड वर्ल्डवाइड फ्लाइट सर्विसेज मुम्बई प्राइवेट प्राइवेट लिमिटेड (बी.डब्ल्यू.एफ.एस.एम.पी.एल.)
द्वारा छत्रपति शिवाजी महाराज अंतरराष्ट्रीय हवाईअड्डा
(सीएसएमआईए), मुम्बई में प्रदान की जाने वाली ग्राउंड हैंडलिंग सेवाओं
के लिए तृतीय नियंत्रण अवधि (वित्त वर्ष 2021-22 से वित्त वर्ष 2025-26)
के लिए टैरिफ निर्धारित करने के मामले में/

**IN THE MATTER OF DETERMINATION OF TARIFF
FOR GROUND HANDLING SERVICE PROVIDED BY
M/S BIRD WORLDWIDE FLIGHT SERVICES MUMBAI PRIVATE LIMITED (BWFSMPL)
AT CHHATRAPATI SHIVAJI MAHARAJ INTERNATIONAL AIRPORT (CSMIA), MUMBAI
FOR THE THIRD CONTROL PERIOD
(FY 2021-22 TO FY 2025-26)**

जारी करने की तारीख : 29/12/2022/

Date of Issue: 29/12/2022

ऐरा भवन/AERA Building
प्रशासनिक कॉम्पलेक्स/Administrative Complex
सफदरजंग हवाईअड्डा/Safdarjung Airport
नई दिल्ली/New Delhi – 110003



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List of Abbreviations:

ACU	Air Conditioning Unit
AERA / Authority	Airports Economic Regulatory Authority of India
AOC	Airline Operators Committee
ATM	Air Traffic Movement
ATP	Annual Tariff Proposal
BAOA	Business Aircraft Operators Association
BCBA	Brihanmumbai Custom Brokers Association
BWFSMPL	M/s Bird Worldwide Flight Services Mumbai Private Limited
CAPEX	Capital Expenditure
CASIPL	Celebi Airport Services India Pvt. Ltd.
COD	Commercial Operation Date
CGF	Cargo, Ground Handling & Supply of Fuel
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
GA	General Aviation
GGIPL	Globe Ground India Pvt. Ltd.
INR/ ₹	Indian Rupees
ISP	Independent Service Provider
LoI	Letter of Intent
MIAL	Mumbai International Airport Limited
MYTP	Multi-Year Tariff Proposal
OPEX	Operating Expenditure
O&M	Operation and Maintenance
PAT	Profit After Tax
P&L	Profit & Loss
SGHA	Standard Ground Handling Agreement
YoY	Year on Year



CHAPTER 1: INTRODUCTION

- 1.1 M/s Bird Worldwide Flight Services Mumbai Private Limited (BWFSMPL) is one of the Ground Handling agencies appointed by Mumbai International Airport Ltd (MIAL) for carrying out Ground Handling Services (GHS) at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai. M/s Mumbai International Airport Limited (MIAL) through a competitive bidding process selected the Consortium of Bird Worldwide Flight Service (India) Pvt. Ltd. and Globe Ground India Pvt. Ltd. as the successful bidder to undertake Ground Handling Operations at CSMIA, Mumbai.
- 1.2 In accordance with the requirement of RFP, a Special Purpose Vehicle (SPV) named “M/s Bird Worldwide Flight Services Mumbai Private Limited” (BWFSMPL) was incorporated for the purpose of performing, implementing, and executing the Ground Handling Services at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai for a period of around ten years effective from 11.02.2016 and valid till 31.03.2026. BWFSMPL commenced their commercial operation from 15th July, 2016 at CSMIA, Mumbai.

The shareholding pattern of the BWFSMPL is given as below:

Table 1: Summary of Shareholding Structure of BWFSMPL at CSMIA, Mumbai:

Name of Shareholder	No. of Equity Shares	Equity Holding (%)
Bird Worldwide Flight Services (India) Private Limited.	7,60,000	76%
Globe Ground India Private Limited.	2,40,000	24%
TOTAL	10,00,000	100%

- 1.3 The Authority, vide Order No. 16/2018-19 dated 27.08.2018 determined the Tariff for the Ground Handling Services provided by M/s BWFSMPL at Mumbai airport under “Light Touch Approach” for the Third, Fourth & Fifth Tariff years of the Second Control Period (FY 2016-17 to FY 2020-21).
- 1.4 Thereafter, the Authority issued the following interim Orders for extension of approved Tariff for BWFSMPL in respect of Ground Handling Services provided at CSMIA, Mumbai.
- Order No. 67/2020-21 dated 25.03.2021 from 01.04.2021 up to 30.09.2021;
 - Order No. 18/2021-22 dated 15.09.2021 from 01.10.2021 up to 31.03.2022;
 - Order No. 46/2021-22 dated 15.03.2022 from 01.04.2022 up to 30.09.2022;
 - Order No. 24/2022-23 dated 23.09.2022 from 01.10.2022 up to 31.03.2023.
- 1.5 Bureau of Civil Aviation Security granted the security clearance to BWFSMPL on 27.07.2021, which shall be valid for a period of five years, from the date of issue of security clearance or the period of validity of contract with the Airport Operator, whichever is earlier.
- 1.6 As per the provisions of the AERA (CGF) Guidelines 2011, BWFSMPL submitted the Multi-Year Tariff Proposal (‘MYTP’) for the Third Control Period (FY 2021-22 to FY 2025-26) on 08.03.2022 for determination of Tariff in respect of Ground Handling Services provided at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai.
- 1.7 The Authority, after initial scrutiny of the MYTP/ ATP submissions of BWFSMPL observed some deficiencies/information gaps, over which clarifications/details were sought from BWFSMPL from time to time. After regular follow-up and several meetings/ discussions, BWFSMPL submitted the revised MYTP for the Third Control Period on 04.08.2022.



- 1.8 The Authority, carefully examined the MYTP for the Third Control Period submitted by the BWFSMPL in respect of Ground Handling Services provided at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai and issued its Consultation Paper (CP) No. 09/2022-23 dated 17.08.2022, inviting suggestions/comments from the Stakeholders on the various proposals of the Authority with the following timelines:
- *Date of Issue of the Consultation Paper: 17th August, 2022.*
 - *Date for submission of written comments by Stakeholders: 9th September, 2022.*
 - *Date for submission of counter comments: 16th September, 2022.*
- 1.9 The Authority received comments from M/s SpiceJet Ltd., M/s Business Aircraft Operators Association (BAOA) and M/s Brihanmumbai Custom Brokers Association (BCBA) on the various proposals of the Authority in the Consultation Paper No. 09/2022-23 and the same were uploaded on the AERA's website vide Public Notice no. 14/2022-23 dated 12.09.2022. The Authority, in response to Public Notice no. 14/2022-23 dated 12.09.2022, received counter comments from BWFSMPL on 14.09.2022.
- 1.10 The Authority examined the comments of M/s SpiceJet Limited, M/s Business Aircraft Operators Association (BAOA), M/s Brihanmumbai Custom Brokers Association (BCBA) & counter comments of BWFSMPL and after considering all the relevant aspects of the proposal has finalized this Tariff Order.

Stakeholders' Comments

M/s SpiceJet's Comment on Review of Tendering Process:

- 1.11 In its comment on reviewing of tendering process, M/s SpiceJet has referred to para nos. 1.2 of the CP and requests the Authority *"to ensure that Airport Operator does not take the decision to award concession agreements solely on the revenue share being offered. Basing decisions solely on highest revenue share being offered breeds inefficiencies and tends to disproportionately increase the cost."*

BWFSMPL response on M/s SpiceJet's comment on Review of Tendering Process:

- 1.12 In response of SpiceJet's Comment on review of tendering process, BWFSMPL has submitted that *"This is a Global Practice. We need to follow the Guideline and instruction prescribed by the regulatory bodies. Therefore, SpiceJet should raise this observation with appropriate forum/regulatory bodies."*

Authority's view on the Stakeholders' Comment regarding Review of Tendering Process:

- 1.13 As regard to comment of M/s SpiceJet's on review of tendering process and response of BWFSMPL thereon, the Authority notes that Concession Fee/ Revenue Share paid by the ISP to Airport Operator is in accordance with the concession agreement executed between the Service Provider and the Airport Operator. Further, as per AERA's regulatory approach, the Revenue Share paid by the ISPs to the Airport Operator is treated as aeronautical revenue. Hence, such Revenues directly help in subsidizing the Aeronautical Tariff, levied by Airport Operators to the Airlines. Further, the Authority is of the view that bidding process to award such contracts, based on which ISP pays Revenue Share to Airport Operator, is a non-regulatory issue and such matters may be dealt between the stakeholders at the appropriate forum.

CHAPTER 2: PRINCIPLES FOR DETERMINATION OF AERONAUTICAL TARIFF

- 2.1. The Authority vide its Order No. 12/2010-11 dated 10.01.2011 and Direction No. 04/2010-11 issued on 10.01.2011 finalized its approach in the matter of Regulatory Philosophy and Approach in Economic Regulation of the Services provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft at the Major Airports. Accordingly, the Authority issued 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 ("the CGF Guidelines").

Stage I: - MATERIALITY ASSESSMENT:

- 2.2. In accordance with the above Guidelines and Directions, the following procedure is adopted for the determination of the Materiality Index of Regulated Service:

$$\text{Materiality Index (MI}_G\text{)} = \frac{\text{Int. Aircraft Movements at Mumbai Airport}}{\text{Total Intl. Aircraft Movements at Major Airports}} \times 100$$

$$\begin{aligned}\text{The Materiality Index for Mumbai Airport} &= 75994/420772 \\ &= 18.06\%\end{aligned}$$

- 2.3. The percentage share of Ground Handling for Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai for FY 2019-20 is 18.06%, which is more than 5% Materiality Index (MI_G) for the subject service. Hence, the regulated service is deemed as '**Material**' for the Third Control Period.

Stage II: - COMPETITION ASSESSMENT:

- 2.4. As per the information furnished by BWFSMPL on competition Assessment Form F1 (b), M/s AI Airports Service Limited (AIASL) and M/s Celebi NAS Airport Services India Pvt. Ltd. (Celebi NAS) are the other service providers rendering similar services at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai. Since, there are three Ground Handling agencies including BWFSMPL at Mumbai Airport, the regulated service at CSMIA, Mumbai is deemed as '**Competitive**'.
- 2.5. As per Clause 3.2 (ii) of the Guidelines, wherever the Regulated Service provided is 'Material but Competitive', the Authority shall determine Tariff(s) for Service Provider(s) based on a '**Light Touch Approach**' for the duration of the Control Period, as per the provisions of chapter 'V' of the Guidelines. Further, as per clause 11.2 of the CGF Guidelines, the ATP is required to be submitted in the manner and form provided in AI 8.2 of Appendix-I to the guidelines and should be supported by the following:
- Form B and Form 14 (b) (Proposed Tariff Card);
 - Details of Consultation with Stakeholders;
 - Evidence of User Agreement(s), if any, between the Service Provider(s) and the User(s) of Regulated Service(s) clearly indicating the Tariff(s) that are proposed by the Service Provider and agreed to by User(s).
- 2.7. The Authority noted that BWFSMPL had submitted the required documents as stated in Para 2.5 above, except minutes of stakeholders' meeting, as the Stakeholders' Consultation meeting is yet to be conducted by the ISP in accordance with AERA's (CGF) Guidelines, 2011. It is noted that



the ISP has not conducted the stakeholders' consultation meeting and submitted the 'Minutes' of the Stakeholder Consultation Meeting till now, leading to avoidable delay in issuance of the final tariff order. The Authority, therefore directs the ISP to conduct and submit the 'Minutes' of the Stakeholders meeting within two weeks from the date of issuance of this Tariff Order.

Authority's Decision regarding Methodology of Tariff Determination of BWFSMPL:

- 2.8. Based on the material before it and its analysis, the Authority decides to consider the Tariff determination exercise of BWFSMPL, providing Ground Handling Services at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai, under the **"Light Touch Approach"** for the Third Control Period, as the regulated service is deemed to be **'Material but Competitive'**.



CHAPTER 3: AIRCRAFT TRAFFIC (FLIGHTS TO BE HANDLED)

BWFSMPL Submission on Projected Aircraft Traffic (Flights to be Handled) for the Third Control Period as a part of MYTP:

- 3.1. Actual Aircraft Traffic (nos. of landings) handled by Mumbai Airport and percentage of flights handled by BWFSMPL (out of total number of landings) during FY 2019-20 (pre-Covid year) to FY 2021-22 is given below:

Table 2: Aircraft Traffic handled at Mumbai Airport and number of flights handled by BWFSMPL during FY 2019-20 to FY 2021-22

Year	Total number of Landings at CSMIA, Mumbai			Actual number of Landings (Flights) handled by BWFSMPL at Mumbai			Percentage (%) of Flights handled by BWFSMPL		
	Domestic.	Intl.	Total	Domestic.	Intl.	Total	Domestic.	Intl.	Total
2019-20	1,14,341	37,997	1,52,338	12,945	8,473	21,418	11.32%	22.30%	14.06%
2020-21	46,099	11,833	57,932	4,676	2,834	7,510	10.14%	23.95%	12.96%
2021-22	75,641	17,452	93,093	8,219	3,663	11,882	10.87%	20.99%	12.76%

- 3.2. As per the MYTP submitted by BWFSMPL, Aircraft Traffic (Flights to be handled) for the Third Control Period (FY 2021-22 to FY 2025-26) is given below:

Table 3: Projected Aircraft Traffic (Flights to be handled) submitted by BWFSMPL for the Third Control Period at CSMIA, Mumbai.

Year	Domestic (No. of Landings)	International (No. of Landings)	Total	YoY % increase in total nos. of Landings	As a % of FY 2019-20		
					Domestic	International	Total
2019-20	12,945	8,473	21,418	--	--	--	--
2020-21	4,676	2,834	7,510	-65%	36%	33%	35%
2021-22	8,219	3,663	11,882	58%	63%	43%	55%
2022-23	8,900	4,968	13,868	17%	69%	59%	65%
2023-24	11,294	7,400	18,694	35%	87%	87%	87%
2024-25	12,394	8,211	20,605	10%	96%	97%	96%
2025-26	13,502	9,102	22,604	10%	104%	107%	106%
TOTAL (FY 2021-22 to FY 2025-26.)	54,309	33,344	87,923				

Authority's Examination regarding Aircraft Traffic (Flights to be handled) for the Third Control Period at Consultation Stage:

- 3.3. The Authority noted that Covid-19 had impacted the Civil Aviation Sector, including Ground Handling Service Providers, during FY 2020-21 & FY 2021-22. As per the statistics available at AAI website, the total Aircraft Traffic (Domestic and International) at Mumbai Airport during FY 2021-22 had reached to 61% of the pre-Covid level (FY 2019-20). Further, the total Aircraft Traffic for the month of June, 2022 reached to 89% Aircraft Traffic of corresponding month of pre-Covid period (FY 2019-20) at CSMIA, Mumbai.
- 3.4. The Authority observed that as per the ISP submission, actual Aircraft Tariff handled by them during FY 2021-22 was 55% of Aircraft Traffic handled in FY 2019-20 (Pre Covid).



After the improvement in pandemic situation and easing of travel restrictions, the ISP estimated gradual recovery in the Aircraft Traffic and projected to achieve 65% Aircraft Traffic in FY 2022-23 & 87% in FY 2023-24 of FY 2019-20 (pre Covid). From FY 2024-25 onward, ISP projected a growth rate around 10% in Aircraft Traffic Volume.

- 3.5. The Authority noted that BWFSMPL projected Aircraft Traffic projection for FY 2022-23 on conservative basis, wherein Aircraft Traffic volume projected to reach 65% of pre-Covid level. In this regard the Authority sought clarification from ISP. BWFSMPL, in its response, vide email dated 03.08.2022, submitted that one of their clients for Domestic Flights stopped taking Ground Handling Services from them. However, ISP further informed that they expect to add new clients in near future.
- 3.6. As per ISP projection, total Flight to be handled by them at CSMIA, Mumbai will reach pre-Covid level during FY 2025-26.
- 3.7. BWFSMPL submitted that Aircraft movements projected by them are as per the business plan made by their management and forecast of aircraft traffic numbers were arrived at after considering the developments in the aviation industry, market share & other ground realities etc.
- 3.8. The Authority, mindful of the adverse impact caused by Covid-19 pandemic in Civil Aviation sector, taking notes of clarifications/ justifications in respect of Aircraft Traffic submitted by the ISP and considering the market competition among the three Ground Handling Service Providers, including BWFSMPL at Mumbai Airport, felt that the Aircraft Traffic projected by BWFSMPL for the Third Control Period seems reasonable.

Stakeholders' Comments

- 3.9. During the stakeholders' consultation process, the Authority received no comments/ views from stakeholders in respect of Traffic Volume (flights to be handled) for the Third Control Period.

Authority's Analysis regarding Aircraft Traffic for the Third Control Period:

- 3.10. The Authority, considering the impact of Covid Pandemic on the Civil Aviation Sector including Ground Handling Services and taking into account market competition due to the presence of two other service provider namely Celebi NAS Airport Services India Pvt. Ltd. and AI Airport Services Limited (AIASL), feels that Aircraft Traffic projected by BWFSMPL for FY 2021-22 to FY 2025-26 of the Third Control Period is reasonable. Therefore, the Authority decides to maintain the same view on Aircraft Traffic as taken at Consultation Stage.

Authority's Decision regarding Traffic Volume for the Third Control Period:

- 3.11. Based on the material before it and its analysis, the Authority decides to consider the Aircraft Traffic (Flights to be handled) submitted by BWFSMPL for the Third Control Period as per Table 3.

CHAPTER 4: CAPITAL EXPENDITURE

BWFSMPL's Submission on Capital Expenditure for the Third Control Period as a part of MYTP

4.1. BWFSMPL projected a total Capital Expenditure (CAPEX) of Rs. 986.78 lakhs for the procurement of various assets for the Third Control Period (FY 2021-22 to FY 2025-26). The year wise and asset wise Capital Expenditure submitted by ISP for Third Control Period is given as below:

Table 4: Capital Expenditure submitted by BWFSMPL for the Third Control Period.

(₹ in Lakhs)						
Particulars	2021-22*	2022-23	2023-24	2024-25	2025-26	TOTAL
Plant & Machinery	46.72	336.06	215.99	125.65	96.80	821.23
Office Equipment	0.35	0.00	0.00	0.00	0.00	0.35
Vehicles	0.00	0.00	7.55	150.10	7.55	165.20
TOTAL	47.07	336.06	223.54	275.75	104.35	986.78

*Actual CAPEX incurred in FY 2021-22

4.2. BWFSMPL submitted a detailed breakup of the capital expenditure of ₹ 986.78 lakhs for the Third Control Period as given below:

Table 5: Breakup of Capital Expenditure as submitted by BWFSMPL for the Third Control Period.

Year	Particulars	Qty	Rate (₹) per Qty	Amount (₹)	Asset Class
2021-22	Push Back Tractor - Draw Pull Bar of 12000 DaN	1	37.53	37.53	Ground Handling Equipment
	Towbar Universal	1	3.99	3.99	
	Chocks (12), Marshalling torches (10 pairs*5), Head set (2), By Pass pin for A320/B737 (2), Safety cones (12), Vacuum cleaners (3), Firex (2)	1	5.20	5.20	
	Mobile Phone	11	0.03	0.35	Office Equipment
	TOTAL FOR FY 2021-22			47.07	
2022-23	Diesel Baggage TUG - 25T Tow Capacity	3	35.15	105.45	Ground Handling Equipment
	Towbar Universal	2	4.04	8.08	
	Passenger Step - 2200-5300mm height	2	9.73	19.47	
	Baggage Conveyor Belt - 5 M Boom Length	2	5.78	11.56	
	Push Back Tractor - Draw Pull Bar of 21000 DaN	1	119.22	119.22	
	Baggage trolleys	20	1.80	36.00	
	Container Dollies	20	1.81	36.27	
	TOTAL FOR FY 2022-23			336.06	



2023-24	Diesel Baggage TUG - 25T Tow Capacity	2	35.15	70.30	Ground Handling Equipment
	Towbar Universal	2	4.94	9.88	
	Baggage Conveyor Belt - 5 M Boom Length	2	5.78	11.56	
	GPU-60 KVA Single cable	1	33.90	33.90	
	Baggage trolleys	25	1.80	45.00	
	Container Dollies	25	1.81	45.33	
	Vehicle ramp	1	7.55	7.55	Vehicles
TOTAL FOR FY 2023-24				223.54	

2024-25	Diesel Baggage TUG - 25T Tow Capacity	2	35.15	70.30	Ground Handling Equipment
	Towbar Universal	2	4.94	9.88	
	Baggage Conveyor Belt - 5 M Boom Length	2	5.78	11.56	
	GPU-60 KVA Single cable	1	33.90	33.90	
	Coaches	2	75.05	150.10	
					Vehicles
TOTAL FOR FY 2024-25				275.75	

2025-26	Diesel Baggage TUG - 25T Tow Capacity	2	35.15	70.30	Ground Handling Equipment
	Towbar Universal	2	4.94	9.88	
	Baggage Conveyor Belt - 5 M Boom Length	2	5.78	11.56	
	Vehicle GSE Maintenance	1	7.55	7.55	Vehicles
	Chocks (12), Marshalling torches (10 pairs*5), Head set (2), By Pass pin for A320/B737 (2), Safety cones (12), Vacuum cleaners (3), Firex (2)	1	5.05	5.05	Ground Handling Equipment
TOTAL FOR FY 2025-26				104.35	
GRAND TOTAL				986.78	

Authority's Examination regarding CAPEX for the Third Control Period at Consultation Stage:

- 4.3. The Authority noted that BWFSMPL projected a total of ₹ 986.78 lakhs for the Third Control Period. Out of total projected CAPEX of ₹ 986.78 lakhs for the Third Control Period, ISP proposed to incur ₹ 821.23 lakhs on Ground Handling Equipment, ₹ 165.20 lakhs on vehicles, and ₹ 0.35 lakhs on Office Equipment.
- 4.4. BWFSMPL further submitted that they had incurred ₹ 47.07 lakhs in FY 2021-22 on purchase of Ground Handling Equipment. BWFSMPL vide mail dated 14.07.2022 provided the copies of the invoices regarding actual CAPEX incurred in FY 2021-22 and stated that the CAPEX projected for the remaining period of Third Control Period will be incurred as per the proposed schedule.
- 4.5. Considering the submission/clarifications submitted by BWFSMPL as discussed in para 4.3 & 4.4 above, the Authority noted that most of the proposed CAPEX is towards purchase of Equipment & Machinery, which is essential for smooth and safe Ground Handling operations at the Airport.



Therefore, the Authority proposed to consider the CAPEX as submitted by BWFSMPL (as per Table 4) for the Third Control Period.

Stakeholders' Comments

M/s SpiceJet's Comments on Deferment of Capital Expenditure (Regulatory Asset Base) for the Third Control Period:

- 4.6. In its comments on Capital Expenditure for the Third Control Period, M/s SpiceJet has referred para 4.1 & 4.2 and Table 4 & 5 along with Table 3 and 3.4 & 3.5 of the CP, and submitted that *"As projected by IATA and CAPA it will take around one (1) - two (2) years for the flight operations to reach to its pre COVID-19 peak levels, if subsequent variants of COVID-19 do not further impact the recovery. In this situation, and as BWFSMPL has itself has projected that they would reach traffic levels of pre-Covid levels (2019-20) only by 2025-26, it is unlikely that additional capex equipment would be required in addition to the existing inventory, unless as a replacement for damaged/worn-out equipment. In order to support the airlines to continue and sustain its operations, all non-essential CAPEX proposed by BWFSMPL should be put on hold/deferred to the Fourth Control Period, unless deemed critical from a safety or security compliance perspective.*
- 4.7. *Without prejudice to the above, in case BWFSMPL wants to make capital expenditure, then it should be at no additional expense to the airlines until the project is completed and put to use. Similarly, if any proposed Capex projects can be deferred from the Third Control Period to the Fourth Control Period, same should be considered by AERA."*

BWFSMPL response on M/s SpiceJet's Comments regarding deferment of Capital Expenditure for the Third Control Period:

- 4.8. In response of SpiceJet Comments on Capital Expenditure, BWFSMPL has submitted that *"BWFS is required to induct ground handling equipment that are acceptable to its customer airlines which are audited in detail by these customers before signing SGHA. BWFS is committed to provide world class ground handling services, to meet service levels expected by the airlines and the airport operator for better passenger service experience."*
- 4.9. BWFSMPL has further submitted that *"there are regulatory requirements, in relation to equipment, which every ground handling entity has to follow.*
- Hence, BWFS cannot compromise on safety, security, efficiency and continuity of its operations and service delivery. BWFS is mature enough to understand that every additional spend will impact its costs. Therefore, all such decisions are taken with a balanced approach."*

Authority's Analysis on the Stakeholders' Comments regarding Capital Expenditure for the Third Control Period:

- 4.10. In respect to M/s SpiceJet comments and BWFSMPL response thereon, the Authority notes that BWFSMPL projected a total Capital Expenditure of ₹ 986.78 lakhs for the Control Period, out of which ISP shall incurred ₹ 821.23 lakhs on Ground Handling Equipment which is essential to maintain the age of Ground Handling Equipment as per requirements of Agreement with Airport Operator & User Airlines and to comply with the regulatory requirements. It would be unreasonable to expect quality Services from the Service Provider, if the required CAPEX on Equipment & allied facilities are not allowed.
- 4.11. In view of the above and considering the importance of Capex proposed for Ground Handling Equipment & allied infrastructure from efficiency, safety and regulatory perspective, as highlighted by



the ISP, the Authority decides to maintain the same view on Capital Expenditure as taken at Consultation stage.

Authority's Decisions regarding CAPEX for the Third Control Period:

4.12. Based on the material before it and its analysis, the Authority decides to consider the CAPEX for the Third Control Period as per Table 4.



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CHAPTER 5: OPERATING EXPENDITURE AND PROFITABILITY

BWFSMPL submission on Operating Expenditure for the Third Control Period as a part of MYTP

- 5.1. As provided in Clause 9.4 of the Guidelines mentioned in Direction No. 04/ 2010-11, the Operation and Maintenance (O&M) Expenditure shall include all expenditures incurred by the Service Provider(s) including expenditure incurred on security operating costs, other mandated operating costs and statutory operating costs.
- 5.2. Operation and Maintenance Expenditure submitted by BWFSMPL had been segregated into the following categories:
- Payroll Costs;
 - Administration and General Expenses;
 - Utility and Outsourcing Cost;
 - Repair and Maintenance;
 - Concession Fees;
- 5.3. As per the MYTP submission, Revenue, Operating Expenditures (OPEX) and Profitability in respect of BWFSMPL for the Third Control Period (FY 2021-22 to FY 2025-26) is as under:

Table 6: Revenue and Operating Expenditure submitted by BWFSMPL for Third Control Period.

(₹ in lakhs)

Particulars	2019-20	Third Control Period					Total*	CAGR (%)	YoY% Change			
		2021-22	2022-23	2023-24	2024-25	2025-26			2022-23	2023-24	2024-25	2025-26
Revenue (A)	13746.80	7964.29	8972.43	12498.66	13479.26	14676.77	57591.41	17%	13%	39%	8%	9%
Payroll Costs (i)	6375.65	3724.26	4250.07	5945.50	6532.21	7212.16	27664.20	18%	14%	40%	10%	10%
Administrative and General Costs (ii)	1783.43	1293.67	1394.96	1637.45	1746.11	1866.28	7938.47	10%	8%	17%	7%	7%
Utilities and Outsourcing costs (iii)	382.42	275.23	313.76	435.38	471.12	513.85	2009.35	17%	14%	39%	8%	9%
Repair and Maintenance Costs (iv)	256.21	264.04	280.50	296.97	316.04	336.32	1493.87	6%	6%	6%	6%	6%
Concession Fees (v)	2025.67	2100.00	2100.00	2188.03	2337.79	2509.44	11235.26	5%	0%	4%	7%	7%
Total OPEX (B) = (i+ii+iii+iv+v)	10823.38	7657.21	8339.29	10503.33	11403.27	12438.05	50341.14	13%	9%	26%	9%	9%
PBIDT (A-B)	2923.42	307.08	633.14	1995.33	2075.99	2238.72	-	-	-	-	-	-
Interest & Finance Cost	315.09	250.24	280.32	298.30	281.70	249.22	-	-	-	-	-	-
Depreciation	571.90	580.83	582.20	596.51	569.67	574.01	-	-	-	-	-	-
Profit Before Tax (PBT)	2036.43	-523.99	-229.38	1100.52	1224.62	1415.50	-	-	-	-	-	-
Taxation	58.85	0.00	0.00	65.38	308.22	356.28	-	-	-	-	-	-
Profit After Tax (PAT) (C)	1977.58	-523.99	-229.38	1035.14	916.40	1059.22	-	-	-	-	-	-
Net Profit Margin (C/A)	14.38%	-6.58%	-2.56%	8.28%	6.80%	7.22%	-	-	-	-	-	-

*Total FY 2021-22 to FY 2025-26.

Authority's Examination regarding Operating Expenditure for the Third Control Period at Consultation stage:

- 5.4. The Authority examined the Operating Expenditure for the Third Control Period as submitted in Form F3 (P&L) and noted that the total Operating Expenditure for FY 2021-22 (₹ 7657.21 lakhs) is lower by 29% & for FY 2022-23 (₹8339.29 lakhs) by 23% over the actual Operating Expenditure incurred



by BWFSMPL in FY 2019-20 (₹10823.38 lakhs). The Authority observed that total Operating Expenditures projected to increase by 9% on YoY basis, except for FY 2023-24.

The Authority noted that for FY 2023-24, the Aircraft tariff is projected to increase by 35% and Revenue by 39%. Considering the significant increase in Aircraft Traffic & Revenue, the Authority felt that 26% increase projected in total Operating Expenditure for FY 2023-24 is reasonable.

The Authority had examined the category-wise operating expenditure as under:

- 5.5. **Payroll Costs:** The Authority noted that the payroll cost projected for FY 2021-22 (₹ 3724.26 lakhs), FY 2022-23 (₹ 4250.07 lakhs) and FY 2023-24 (₹ 5945.50 lakhs) are lower by 42%, 33% & 7% respectively over the actual payroll cost incurred in FY 2019-20 (₹ 6375.65 lakhs).

The Authority observed that YoY increase in the payroll cost projected by the ISP from FY 2022-23 onwards ranges between 10% to 14%, except for FY 2023-24, wherein 40% increase was projected over preceding year. The Authority noted that 40% increase projected in pay roll cost for FY 2023-24 was commensurate with the 39% increase projected in Revenues. Further, considering the projected increase in Aircraft traffic by 35% in FY 2023-24 and taking into account the impact of annual increase in salaries and minimum wages, the 40% increase in payroll costs seems reasonable.

In context of projected increase in payroll costs, the ISP vide mail dated 05.08.2022 submitted that Payroll Costs for FY 2021-22, FY 2022-23 and FY 2023-24 were lower/ expected to be lower, as against actual payroll expenses incurred in FY 2019-20 due to Covid pandemic /post Covid impact on Aircraft Traffic. However, ISP expects Payroll cost to reach their normal levels (pre Covid) from FY 2024-25 onward.

- 5.6. **Administrative and General Costs:** The Authority noted that the Administrative & General Costs projected for FY 2021-22 (₹ 1293.67 lakhs), FY 2022-23 (₹ 1394.96 lakhs) and FY 2023-24 (₹ 1637.45) were lower by 27%, 22% & 8% respectively over the actual Administrative & General Costs incurred by the ISP in FY 2019-20 (₹ 1783.43 lakhs).

The Authority observed that the ISP projected YoY increase in the Administrative & General Costs by 7% to 8% from FY 2022-23 onward, except for FY 2023-24, wherein 17% increase over preceding year is projected. Considering the projected increase in Aircraft traffic & Revenue by 35% & 39% respectively in FY 2023-24 and taking into account the impact of annual inflation, the 17% increase in Administrative & General Costs seems reasonable.

Further, BWFSMPL vide mail dated 04.08.2022 submitted that YoY increase in Administration & General Costs had been projected after factoring the increase in communication, travelling, marketing and others Administration expenses on account of annual inflation and YoY increase in the number of Flights projected to be handled during the Third Control Period.

- 5.7. **Utility and Outsourcing Costs:** The Authority noted that the Utility and Outsourcing cost projected for FY 2021-22 (₹ 275.23 lakhs) and FY 2022-23 (₹ 313.76 lakhs) were lower by 28% & 18% respectively over the actual Utility and Outsourcing cost for FY 2019-20 (₹ 382.42 lakhs).

The Authority observed that the ISP projected YoY increase in the Utility and Outsourcing Costs in the range of 8% to 14% from FY 2022-23 onward, except for FY 2023-24, wherein 39% increase was projected over preceding year. Considering the projected increase in Aircraft traffic by 35% & 39% increase in Revenues for FY 2023-24 and taking into account impact of general annual inflation, the Authority felt that increase of 39% in Utility and Outsourcing Costs for FY 2023-24 seems reasonable.

Further, BWFSMPL vide mail dated 04.08.2022 submitted that Utility and Outsourcing costs had been projected after factoring the increase in Fuel, Water & Electricity charges due to annual inflation.



ISP also submitted that Utility and Outsourcing Costs are directly linked with the nos. of flights to be handled; therefore, the Utility and Outsourcing Cost increases in proportion to increase in the number of flights to be handled.

- 5.8. **Repair and Maintenance Costs:** The Authority noted that ISP projected 6% YoY increase in Repair and Maintenance Costs during the Third Control Period.

In this regard, the ISP vide mail dated 04.08.2022 submitted that R&M costs include expenses related to Spares, Consumables & Lubes/Oil etc. and the R & M expenses had been projected considering the regular maintenance of equipment, to keep it in proper operational state.

- 5.9. **Concession Fees/Revenue sharing:** BWFSMPL submitted that they have to share a percentage of their Gross Revenues with the Airport Operator, in accordance with the Concession Agreement executed between the ISP and the Airport Operator. As per concession agreement, ISP, has to pay Airport Operator, a higher of following two amounts:

- Revenue Share Percentage of Actual Gross Revenue from International & Domestic Flight Handling.
- Minimum Annual Guarantee Amount (MGA) as per the Concession Agreement.

The Authority further observed from the Projected P&L Statement (Table 6) that BWFSMPL is likely to suffer loss of Rs 229.38 lakhs in FY 2022-23. However, ISP is expected to earn reasonable profits after tax (PAT) in the range of 6.80% to 8.28%, from FY 2023-24 onward during Third Control Period.

Stakeholders' Comments

M/s SpiceJet's Comments on Operating Expenditure for the Third Control Period.

M/s SpiceJet has referred to para nos. 5.2 to 5.4 (v) and & Table 6 of CP and submitted the following comments:

- 5.10. *"It may be noted that across various industries, instead of cost escalations, all the costs have been renegotiated downwards substantially. It may also be noted that cost incurred by BWFSMPL impacts the airlines, as such cost is passed through or borne mostly by the airlines. In order to ensure that there is no adverse impact/increase in the tariff, we request AERA to kindly put on hold any increase in operational expenditure by BWFSMPL not related to safety or security. Further, we submit that:*

*(i) **Payroll Costs:** The Y-o-Y increase after 2023-24 may please not be more than approx. 6%, in line with recent proposals of AERA in other consultation papers.*

*(ii) **Administrative & General Cost, Utility & Outsourcing Costs and Repair & Maintenance Cost:** The Y-o-Y increase after 2023-24 may please not be more than approx. 5%, in line with recent proposals of AERA in other consultation papers."*

Abolishment of Royalty Charges/ Concession Fee:

- 5.11. In its comments on Royalty Charges/Concession Fee for the Third Control Period, M/s SpiceJet has referred para nos. 5.2, 5.4 (v) & Table 6 of CP and submitted that *"Any attempt to award the contracts by the airport operator on highest revenue share basis should be discouraged as it breeds inefficiencies and tends to disproportionately increase the cost. It is general perception that service providers have no incentive to reduce their expenses, as most of any such increase would be passed on to the airlines/stakeholders through the tariff determination mechanism process and indirectly airlines would be forced to bear these additional costs. There needs to be a mechanism for incentivizing the parties for increasing efficiencies and cost savings and not for increasing the royalty for the airport operator.*



- 5.12. *As you are aware, royalty is in the nature of market access fee, charged (by any name or description) by the airport operator under various headings without any underlying services. These charges are mostly passed on to the airlines by the airport operator or other services providers. It may be pertinent to note that market access fee by any name or description is not practiced in most of the global economies, including European Union, Australia etc. Sometimes it is argued by the airport operators that 'Royalty' on 'Aero Revenues' helps in subsidizing the aero charges for the airlines, however royalty in 'Non-Aero Revenues' hits the airlines directly without any benefit.*
- 5.13. *In view of the above, we urge AERA to abolish such royalty which may be included in any of the cost items."*

M/s BAOA Comment on Royalty/Concession Fees for the Third Control Period.

- 5.14. *In its comment on Royalty/Concession Fees for the Third Control Period, M/s BAOA has submitted that "Since FROR for most public airports is being allowed at an average of about 15%, 'authority' is, therefore, requested not to permit any additional 'royalty' on GH charges, being an aeronautical service at public airports."*

BWFSMPL response on M/s SpiceJet comments regarding OPEX for the Third Control Period:

BWFSMPL has submitted the following counter comments in response to SpiceJet comments:

- 5.15. *"We feel that the observations made by SpiceJet Ltd are very generic in nature, lacks any substance and indicates that observer is unsure and unaware of the facts/ground realities. we are a ground handling company of proven track record. We are providing ground handling services at major airports in India from approximately 15 years and have sufficient control over our operational expenditure.*
- 5.16. *We also want to highlight that ground handling services cannot be provided without incurring substantial investments which contribute in the total charges. Ground handling services are provided by a team of trained and qualified staff under sufficient supervisions, followed globally.*
- 5.17. *Regarding salary of the staff, we pay our staff according to the "minimum wages" published by the regulator twice a year. There is no scope of material savings in the per head salary cost without compromising on quality and safety aspects of the total service package.*
- 5.18. *The observation made by SpiceJet Ltd. on Administrative & General Cost, Utility & outsourcing costs and Repair & Maintenance Cost (Refer 5.2, 5.3, 5.4 and Table 6 of CP). Please notes that the operating expenses are increasing in line with inflation and volumes.*
- 5.19. *Further, we have continued to maintain our quality and safety certifications to ensure compliances with the regulations and to meet the required service standards by the airline customers. Therefore, all our costs are justified and well controlled."*

BWFSMPL response on M/s SpiceJet comments regarding Abolishment of Royalty Charges/Concession fee for the Third Control Period:

- 5.20. *In response of SpiceJet Comment on Concession Fee, BWFSMPL has submitted that "the observations made by SpiceJet Ltd. is nowhere close to reality on ground. It is more than 15 years that the Airports Authority of India (AAI) is continuously privatizing Indian airports. All these Airport Concessions carry revenue share. Such private appointees (as Airport Operator for a defined concession period), further issue concessions on the basic parameters of AAI. As a result, ground handling concessions also attract concession fees. This method is prevalent at all the airports in India, be it under AAI or a concessioner Airport Operator. The revenues earned by airport operators are reviewed by AERA to ascertain that the airport charges are meeting AERA guidelines"*



- 5.21. *Therefore, concession fees paid by airlines to a ground handling agency is revenue of the airport operator, contributing in lowering of other airport charges, paid by the airlines to the airport operator. In a hypothetical situation if the concession fees is nil, the airport charges will be higher than the airport charges payable by the airlines in the other situation where concession fees is applied on ground handling charges.*
- 5.22. *In nutshell, the royalty on the Ground Handling Services is considered as Aero Revenue for the Airport Operator and hence it directly helps to reduce other Aero Charges which the airport operator recovers from the airlines. We have tried giving reasons on the observations made by SpiceJet. However, SpiceJet should raise this observation at appropriate forum/ with appropriate regulatory bodies."*

Authority's Analysis regarding Stakeholders' comments on the Operating Expenditure for the Third Control Period:

- 5.23. As regard to M/s SpiceJet's comments on projected increase in total Operating Expenditure, the Authority notes that total Operating Expenditure projected by the ISP for FY 2021-22, FY 2022-23 & FY 2023-24 are lower by 29%, 23% & 3% respectively over the actual Operating Expenditure incurred by BWFSMPL during pre-Covid Year i.e. FY 2019-20. The Authority further notes that from FY 2024-25 onward, ISP has projected 9% YoY increase in the total OPEX, which is commensurate with 8% & 9% increase in projected Revenues for FY 2024-25 & FY 2025-26 (refer para 5.4).
- 5.24. As regard to comments of the Stakeholder on Pay Roll Costs, the Authority notes that payroll costs projected by the ISP for FY 2021-22, FY 2022-23 & FY 2023-24 are lower by 42%, 33% & 7% respectively as compared to actual payroll cost incurred by BWFSMPL during pre-Covid Year i.e. FY 2019-20. Thereafter, ISP has projected 10% YoY increase for FY 2024-25 and FY 2025-26 of the Third Control Period.

The Authority observes that payroll costs for the first three Tariff Years (FY 2021-22 & 2022-23) are lower as compared to FY 2019-20 on account of lower aircraft traffic volumes due to the Covid-19 impact and cost control measures undertaken by the ISP. Now, with the substantial recovery in Aircraft Traffic post pandemic; the payroll & other related expenses are expected to reach their normal levels. Considering the significant increase in projected aircraft traffic and taking into account the annual escalation in salaries & increase in minimum wages, notified by the Govt. Authorities from time to time, The increase in payroll costs projected by the ISP seems reasonable.

- 5.25. In respect of M/s SpiceJet's comments on Administrative & General Expenditure projected by the ISP for the Third Control Period, the Authority notes that Administrative & General Expenses projected by the ISP for FY 2021-22, FY 2022-23 & FY 2023-24 are lower by 27%, 22% & 8% respectively over the actual Administrative & General Expenses incurred by BWFSMPL during pre-Covid Year i.e. FY 2019-20.

The Authority observes that YoY increase considered by the ISP in Admin. & General Expenses from FY 2022-23 onward ranges between 7% to 8%, except for FY 2023-24, where projected increase is 17%. The projected increase in Admin. & General expenses for FY 2023-24 is much lower than the projected increase in Revenue (39%) & Aircraft Traffic (35%). Considering the projected YoY increase in Aircraft Traffic & Revenues projected by the ISP and taking into account the impact of general inflation, the YoY increase considered by the ISP from FY 2022-23 onward seems reasonable.

- 5.26. The Authority observes that Utility & Outsourcing costs projected by the ISP for FY 2021-22 & FY 2022-23 are lower by 28% & 18% respectively over the actual Utility & Outsourcing costs incurred by BWFSMPL during pre-Covid Year i.e. FY 2019-20. From FY 2023-24 onward, ISP has projected YoY increase ranging between 8% to 9% in the Utility & Outsourcing Cost, except for FY 2023-24, wherein 39% increase is projected over preceding year.

The Authority notes that Utility & Outsourcing costs are lower in the first two years of the Control Period as compared to FY 2019-20 (pre-Covid year), due to Covid-19 impact on aircraft traffic volumes and cost cutting measures undertaken by the ISP. Now, with the substantial improvement in pandemic situation, reflecting increase in aircraft traffic; the Utility & Outsourcing costs are also expected to rise and reach its normal levels. Further, Electricity & Fuel expenses are mainly linked to the number of Flights handlings, with the projected increase in number of flights to be handled, these expenses will also increase. Considering the significant increase in projected aircraft traffic and taking into account the impact of annual inflation on Utilities costs (Electricity & Water charges, Diesel cost etc.), the increase in Utility & Outsourcing costs for FY 2023-24 considered by the ISP seems reasonable.

- 5.27. As far as projected YoY increase in R&M Expenses is concerned, the Authority notes that ISP has projected 6% YoY increase in Repair & Maintenance costs for the Third Control Period. Considering annual inflation, increase in the cost of labour components & cost of spares, transport cost etc., the projected increase in R&M Expenses seems reasonable.
- 5.28. In respect of M/s. SpiceJet & BAOA's comments regarding Royalty Charges/ Concession Fee payable by the ISP to the Airport Operator, the Authority notes that Concession Fee paid by the ISP to the Airport Operator is as per the Concession Agreement executed between the Service Provider and the Airport Operator. Further, as per AERA's regulatory approach, the Revenue Share /Royalty paid by the ISPs to the Airport Operator is treated as aeronautical revenue. Hence, such Revenues directly help in subsidizing the Aeronautical Tariff levied by Airport Operators to the Airlines. Further, the Authority is of the view that bidding process to award such contracts, based on which ISP pays Revenue Share to Airport Operator, is a non-regulatory issue and such matters may be dealt between the stakeholders at the appropriate forum.
- 5.29. As regard to M/s SpiceJet's submission to the AERA that any increase in operational expenses not related to the safety or security may be put on hold, the Authority feels that considering significant increase in aircraft traffic projected by the ISP for the Third Control period after Covid pandemic, it is not practically feasible to put on hold operating expenses as suggested by the SpiceJet.

The Authority is conscious of the fact that Operating Costs are linked to the level of aircraft traffic handled by the Service Provider and OPEX includes variable costs like Utility Costs (Electricity / Water & Fuel etc.) which increases with increase in number of flight handlings. Further, other operating expenses like payroll expenses (salary increments), land rentals etc. increase on annual basis.

In view of the above, the Authority decides to maintain the same view on Operation and Maintenance Expenditure projected by the ISP for the Third Control Period as taken at Consultation Stage.

Authority's decision regarding Operation and Maintenance Expenses for the Third Control Period:

- 5.30. Based on the material before it and its analysis, the Authority decides to consider OPEX for the Third Control Period as per Table 6.

CHAPTER 6: ANNUAL TARIFF PROPOSAL

BWFSMPL Submissions on Annual Tariff Proposal for the Third Control Period

6.1 BWFSMPL submitted a Tariff proposal for Ground Handling Services in respect of Scheduled Operations at CSMIA, Mumbai for the Third Control Period (2022-23 to FY 2025-26) as per Table given below:

Table 7: Proposed Tariff Rates for Scheduled Flights submitted by BWFSMPL for the Third Control Period.

(Rates in ₹)

A/C	2022-23			2023-24			2024-25			2025-26		
	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full
Domestic Passenger Flight												
Code B	4100	12400	16500	4500	13400	17800	4900	14400	19100	5300	15500	20500
Code C	8500	25500	34000	9200	27500	36600	9900	29500	39200	10600	31600	42000
Code D	13700	41300	55000	14800	44400	59200	15900	47600	63400	17100	51000	67900
International Passenger Flight												
Code C	36000	88000	124000	38700	94600	133300	41500	101300	142700	44500	108400	152700
Code D	51200	153800	205000	55100	165400	220400	59000	177000	235900	63200	189400	252500
Code E	60500	181500	242000	65100	195200	260200	69700	208900	278500	74600	223600	298000
Code F	84500	253500	338000	90900	272600	363400	97300	291700	388900	104200	312200	416200
Domestic Cargo Flight												
Code C	N/A	63300	N/A	N/A	68100	N/A	N/A	73300	N/A	N/A	78800	N/A
Code D	N/A	111600	N/A	N/A	120000	N/A	N/A	129000	N/A	N/A	138700	N/A
Code E	N/A	131500	N/A	N/A	141400	N/A	N/A	152100	N/A	N/A	163600	N/A
Code F	N/A	178800	N/A	N/A	192300	N/A	N/A	206800	N/A	N/A	222400	N/A
International Cargo Flight												
Code C	N/A	103200	N/A	N/A	111000	N/A	N/A	119400	N/A	N/A	128400	N/A
Code D	N/A	181200	N/A	N/A	194800	N/A	N/A	209500	N/A	N/A	225300	N/A
Code E	N/A	212300	N/A	N/A	228300	N/A	N/A	245500	N/A	N/A	264000	N/A
Code F	N/A	290600	N/A	N/A	312400	N/A	N/A	335900	N/A	N/A	361100	N/A

Notes:

- Any flight where either its arrival or departure are international, will also be considered as an International Flight for the purposes of applying above rates.
- The above rates are for basic Handling Services.
- The above rates are exclusive of GST and any other applicable Government taxes.

6.2 BWFSMPL proposed the following % increase in the Tariff rates on YoY basis from FY 2022-23 onward for Scheduled Flights at CSMIA, Mumbai as stated in the table below:

Table 8: Percentage (%) increase in Tariff for different categories of Scheduled Flights for the Third Control Period.

A/C	2022-23			2023-24			2024-25			2025-26		
	Tariff Year 2			Tariff Year 3			Tariff Year 4			Tariff Year 5		
	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full
Domestic Passenger Flight												
Code B	N/A	N/A	N/A	9%	8%	7%	8%	7%	7%	8%	7%	7%
Code C	N/A	17%	7%	8%	8%	7%	7%	7%	7%	7%	7%	7%
Code D	N/A	8%	7%	8%	8%	7%	7%	7%	7%	7%	7%	7%
International Passenger Flight												
Code C	N/A	2%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Code D	N/A	1%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Code E	N/A	1%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Code F	N/A	2%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%



Domestic Cargo Flight												
Code C	N/A	N/A	N/A	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A
Code D	N/A	N/A	N/A	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A
Code E	N/A	N/A	N/A	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A
Code F	N/A	N/A	N/A	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A
International Cargo Flight												
Code C	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A
Code D	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A
Code E	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A
Code F	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A	N/A	7%	N/A

6.3 BWFSMPL also submitted a separate Tariff Rate Card for Non-Scheduled Operation(s) as per the table given below: -

Table 9: Proposed Tariff Rates for Domestic and International Non-Scheduled & General Aviation Flights submitted by BWFSMPL for the Third Control Period.

(Rates in ₹)

Financial Year	2022-23		2023-24		2024-25		2025-26	
A/C Category	Domestic	Intl.	Domestic	Intl.	Domestic	Intl.	Domestic	Intl.
MTOW								
0-5000	23500	45000	25145	48150	26905	51521	28788	55127
5001-10000	30000	82500	32100	88275	34347	94454	36751	101066
10001- 20000	36500	131250	39055	140438	41789	150269	44714	160788
20001- 35000	61500	150000	65805	160500	70411	171735	75340	183756
35001- 40000	63000	168750	67410	180563	72129	193202	77178	206726
40001- 50000	63000	187500	67410	200625	72129	214669	77178	229696
50001- 100000	85000	243750	90950	260813	97317	279070	104129	298605
100001 -200000	225335	461250	241108	493538	257986	528086	276045	565052
200001- 300000	515052	543750	551106	581813	589683	622540	630961	666118
300001 and above	618062	656250	661326	702188	707619	751341	757152	803935

Notes:

- The above rates are for basic Handling Services.
- The above rates are exclusive of GST and any other applicable Government taxes.

Authority's Examination regarding Annual Tariff Proposal at Consultation Stage:

- 6.4 BWFSMPL proposed 7% YoY Tariff increase (comprehensive services) for Schedule Flights from FY 2022-23 to FY 2025-26 of the Third Control Period.
- 6.5 The Authority noted that BWFSMPL proposed a separate Tariff for Non-Schedule and General Aviation Flights. In this regard, the Authority is of the view that the Tariff for Domestic Non-Schedule and General Aviation Operations should not be more than the Tariff of relevant Domestic Schedule Flights for similar class of Aircraft(s). However, the Authority proposed to consider the separate Tariff in case of International "Non-Schedule & General Aviation Operations" only (Refer Table 8).
- 6.6 The Authority also noted that in case of Non-Schedule Flights and General Aviation Operations, BWFSMPL proposed 7% YoY increase in Tariff for FY 2023-24 to FY 2025-26 of the Third Control Period.
- 6.7 Further, BWFSMPL should ensure compliance of Standardization of Ground Handling Equipment at



CSMIA, Mumbai, in accordance with the directives issued by Ministry of Civil Aviation vide its letter no. AV-24011/10/2021-AAI-MOCA dated 27.10.2022.

Stakeholders' Comments

M/s SpiceJet Comments on Annual Tariff Proposal (ATP) for the Third Control Period.

- 6.8 In its comments on Annual Tariff Proposal (ATP) for the Third Control Period, M/s SpiceJet has referred para nos. 6.1 to 6.5 & Table 7 to 9 of the CP and submitted that *"the proposed rates of tariff are very high, especially for the scheduled passenger flights and especially in the back drop of COVID-19. It is in the interest of all the stakeholders not to implement such high tariffs in order to encourage middle class people to travel by air, which will help in sharp post COVID-19 recovery of aviation sector. In addition, as no reason for proposing higher tariff for International Non-Scheduled and General Aviation Flights, while we recommend that tariff for the International Non-Scheduled and General Aviation Flights be not more than those of International Scheduled flights."*

M/s BAOA Comments on Annual Tariff Proposal (ATP) for the Third Control.

M/s BAOA has submitted the following comments on the Annual Tariff Proposal (ATP) proposed by the ISP for the Third Control Period and requests to the Authority "to consider the following charges/modifications, with the required justifications-

- 6.9 BAOA has referred para no 6.6 of CP and submitted that *"The YoY increase has been proposed at 7%, which is on the higher side keeping in mind the average inflation rate and other related economic factors. Therefore, it is requested to consider YoY of 5% as has been done for other major airports, like Thiruvananthapuram.*

Annexure I of CP – The heading of comprehensive charges for GH services for NSOP/GA should also include, separately and additionally, the option of itemized charges as per the list approved by the authority. The smaller aircraft, of the NSOP/GA category especially the ones below 5700 kgs (AUW), have limited ground handling or, in some cases, no requirement for GH services. It has been experienced that these small aircraft end up paying disproportionately high GH charges, as 'comprehensive charges' approved by AERA in their category (up to 5000 kgs), compared to even the actual operating cost of the flight, including fuel/landing/parking cost. This situation requires immediate correction and rationalization by way of AERA prescribing itemized GH charges, as an additional option along with comprehensive charges, for aircraft below 5700 kgs (AUW) and, up to 9-seater capacity, many aircraft in this category need only marshalling and standard vehicle for limited movement in and out of the apron area.

These itemized charges are already provided in AERA's orders for aeronautical services at Chandigarh/Goa/Mangalore. 'Authority' is requested to reconcile the actual requirements of 'ground handling' for these smaller aircraft (below 5700 kgs AUW) and, additionally, authorize aeronautical tariff at CSMIA as per itemized 'GH services' requirements on an actual case-to-case basis, keeping affordability and practicality in view. Further, especially for domestic operations of small aircraft, the tariff should be decided in different weight categories (like up to 2999 kgs, 3000 to 7999 kgs etc), as already being done in some AERA's orders, rather than the category of codes B, C and so on.

As per CP 09/2022-23, the requirement of three Ground Handling service providers is being fulfilled through GH services being provided by ALASL, Celebi NAS & BWFSMPL. However, all three GH agencies should be encouraged to offer competitive rates, lower than GH charges approved by AERA. This would lend credence to the actual availability of competitive pricing for GH services, especially for NSOP/GA aircraft. The aim should be to treat GH charges, approved by AERA at CSMIA, as the 'MRP' and competitors (three of them) further give incentives to operators through individually



offered discounts based on usage.

Comments on Annex II: The proposed GH charges for 'International operations' need to match with similar charges at other international airports of the countries which are also members of ICAO. This is keeping in line with the general guidelines of ICAO to levy aeronautical charges at reasonable rates and comparable to domestic operations of aircraft in the similar category. Further, there are many Indian multinational corporate houses having foreign registered aircraft, in the name of these Indian companies, for efficiently carrying out their business operations in India and abroad. These foreign registered aircraft, of Indian multinational companies, should be given special discounted rates when operating from their own nation's public airports, as compared to the GH tariff applied at these airports on foreign registered aircraft of other nations' multinational companies."

M/s Brihanmumbai Custom Brokers Association (BCBA) Comments on Annual Tariff Proposal (ATP) for the Third Control Period.

- 6.10 In its comments on Annual Tariff Proposal (ATP) for the Third Control Period, M/s Brihanmumbai Custom Brokers Association (BCBA) has submitted that *"Right from landing of the Cargo, i.e. flight checking, segregation, forwarding and delivery of cargo and vice-versa for exports, there should be specific time limit fixed with Custodian. At present the time limit being projected are not actual, and they need to be captured in EDI System on real time basis and monitored.*

There is need to create robust infrastructure at ACC Mumbai. The present infrastructure was created decades ago and to cater to the present cargo volumes, we need better infrastructure. Due to frequent breakdown of Customs EDI system and ICEGATE, it is resulting delay in entire process of clearance. We request that Custom Authorities should also be part of stakeholder consultation process and time limit needs to set for Assessment and other activities. Likewise of PGA's such as ADC, PQ, AQ, FSSAI, Textile Committee etc., we request that specific time limit for issuance of NOC should be prescribed. It is taking anywhere between 2-7 days for NOC from PGA.

The flight segregation time and inward date which is being reflected is not accurate and there is urgent need to provide this information on real time basis. We are enclosing submission made regarding the same."

BWFSMPL response on SpiceJet comments regarding Annual Tariff Proposal for the Third Control Period:

- 6.11 In response of SpiceJet Comments on Annual Tariff Proposal, BWFSMPL has submitted that *"The observation made are of very generic and lacks substance to support this observation. SpiceJet has to understand that these rates are maximum rates and SpiceJet has option of discussing and negotiating. SpiceJet also has option of choosing other service provider or do self-handling in case negotiated prices are not suitable to them."*

BWFSMPL response on BAOA comments regarding Annual Tariff Proposal for the Third Control Period:

- 6.12 In response of BAOA Comments on Annual Tariff Proposal, ISP has submitted that *"We appreciate the efforts made by BAOA in compilation of these observations. However, we are neither the concessionaire at CSMIA, Mumbai for provision of services to GA Aircrafts nor a regulatory body governing such processes and procedures. Therefore, we request BAOA to raise these observations at appropriate forum/ with regulatory bodies.*

BWFSMPL response on BCBA comments regarding Annual Tariff Proposal for the Third Control Period:

- 6.13 In response of BAOA Comments on Annual Tariff Proposal, ISP has submitted that *"We appreciate*



the efforts made by BCBA in compilation of these observations. However, we are neither the concessionaire for provision of these services nor a regulatory body governing such processes and procedures. Therefore, we request BCBA to raise these observations at appropriate forum/ with regulatory bodies.”

Authority’s Analysis regarding Stakeholders’ comments on Annual Tariff Proposal for the Third Control Period:

- 6.14 As regard to the comments of M/s SpiceJet and BAOA on the proposed increase in Tariff rates, the Authority has noted the submission of M/s BWFSMPL that actual Tariffs rates that would be charged to airlines will be different from the ceiling Tariff approved by the Authority, as the Tariff rates are negotiable and is decided bilaterally between Airlines and ISP.
- 6.15 As regard to M/s BAOA comments that YoY increase in Tariff rates should not be more than 5%, the Authority feels that 7% YoY increase proposed by the ISP in Tariff Rates from FY 2023-24 onward is reasonable considering the annual increase in operating costs, due to factors like projected increase in Aircraft Traffic volume, annual escalations in salaries & wages, annual escalation in land/ space rentals, increase in admin. & general expenses and Utilities costs on account of annual inflation etc.
- 6.16 With respect of BAOA’s comments suggesting similar rates of GHS for international flights comparable to rates at international airports in other countries, the Authority is of the view that it is not appropriate to compare Tariff rates of international airports in India with Airports in other countries, as Airports/ Service Providers operating at different airports across countries operate on different economic and regulatory context. Further, service providers in different airports may have different business models in terms of Traffic volume, Investment levels and Operating Costs etc.; accordingly, Tariff rates differ country to country and airport to airport.
- 6.17 As far as BAOA’s comment relating to discount in tariff rates for foreign registered aircraft(s) operated by Indian multi-national companies, the Authority is of the view that Tariff rates approved by the AERA are ceiling rates, such matters may be mutually discussed and negotiated between Service Provider & User airlines/aircraft Operators.
- 6.18 The Authority notes that BCBA comments are related to Cargo operation (Cargo Custodian) at CSMIA, Mumbai which is not concerned to this tariff order. Stakeholder is advised to take up his issues with concerned Service Provider/Airport Operator.
- 6.19 Further, as regards to the BAOA comments on the various issues discussed above, BWFSMPL vide mail dated 03.10.2022 informed that they are not authorized to provide Ground Handling Services to General Aviation (GA) Flights at CSMIA, Mumbai International Airports. However, in accordance with MoCA’s directive vide letter no. AV-24032/184/2022-AAI-MOCA dated 23rd September, 2022 regarding provision of Item-wise charges in respect of Ground Handling Services at Major Airport for Non-Scheduled Operators Permit (NSOP) and General Aviation (GA), BWFSMPL vide mail dated 31.10.2022 has submitted a separate Tariff Rate Card for Item-wise Charges for Scheduled and Non-Scheduled Operators, including General Aviation (as per Annexure III). In this regard, the Authority decides that the tariff rates for General Aviation Flights shall only be applicable, if BWFSMPL is authorized by the Airport Operator to handle General Aviation Flights at CSMIA, Mumbai.
- 6.20 Considering the investments made/projected by the ISP on Ground Handling Equipment and allied facilities and factoring in periodic increase in the minimum wages rates, annual escalation in salaries, rentals, impact of general inflation on operating expenditure, the Authority feels that BWFSMPL has required adequate revenues to meet the projected increase in operating expenses. Further, as per the profitability statement (Table 6), the ISP with the proposed Tariff increase is expected to earn a

nominal profit only, ranging between 6.80% to 8.28%.

- 6.21 The Authority notes that at CSMIA, Mumbai, there are three players [including BWFSMPL] providing Ground Handling Services and it is expected that market competition will help in keeping Tariff of Ground Handling Services at reasonable levels for the end Users.

Considering the above and taking into accounts counter comments of ISP, the Authority decides to adopt the Tariff Rates cards for Scheduled Flights (Domestic & International), International Non-Scheduled Flights & Item-wise charges for Scheduled & Non-Scheduled Operators (including GA) for the Third Control period as per **Annexures (I, II & III)**.

Authority's Decisions regarding Tariff rates for the Third Control Period:

Based on the material before it and its analysis, the Authority decides the following about Tariff structure and Annual Tariff Proposal for the Third Control Period:

- 6.22 The Authority decides to adopt the Tariff Rates for Ground Handling Services provided by BWFSMPL in respect of Scheduled Flights (Domestic & International), International Non-Scheduled & General Aviation Flights and Item wise Tariff Rate card for Scheduled & Non-Scheduled Operators (including GA) for the Third Control Period as per **Annexures (I, II & III)**.
- 6.23 The Authority decides that the Tariff Rates indicated in **Annexures (I, II & II)** shall be maximum Tariff to be charged. No other charge is to be levied over and above the approved Tariff Rates.
- 6.24 The Authority decides that Tariff for Domestic Non-Scheduled & General Aviation Flights, including item wise Charges for GHS, shall not exceed the approved Tariffs for relevant Domestic Scheduled Flights for similar class of Aircraft(s).
- 6.25 The Authority decides that in case of payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and rate as on 15th of the month will be applicable for the second fortnight.
- 6.26 The Authority also decides that BWFSMPL shall ensure compliance towards Standardization of Ground Handling Equipment at CSMIA, Mumbai in accordance with the directives issued by Ministry of Civil Aviation vide its letter no. AV-24011/10/2021-AAI-MOCA dated 27.10.2022.



CHAPTER 7: SUMMARY OF AUTHORITY'S DECISIONS

The Summary of Authority's decisions (given under each chapter) regarding the Tariff determination of BWFSMPL, for the Third Control Period is as under:

Chapter	Para	Summary of Authority's Decisions	Page No.
Chapter No.2	2.8	Based on the material before it and its analysis, the Authority decides to consider the Tariff determination exercise of BWFSMPL for providing Ground Handling Services at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai under the "Light Touch Approach" for the Third Control Period, as the regulated service is deemed to be 'Material but Competitive' .	08
Chapter No. 3	3.11	The Authority decides to consider the Aircraft Traffic (Flights to be handled) submitted by BWFSMPL for the Third Control Period as per Table 3.	10
Chapter No. 4	4.12	The Authority decides to consider the CAPEX for the Third Control Period as per Table 4.	14
Chapter No. 5	5.30	The Authority decides to consider OPEX for the Third Control Period as per Table 6.	20
Chapter No. 6	6.22	The Authority decides to adopt the Tariff Rates for Ground Handling Services provided by BWFSMPL in respect of Scheduled Flights (Domestic & International), International Non-Scheduled & General Aviation Flights and Item wise Tariff Rate card for the Third Control Period as per Annexures (I, II & III) .	26
	6.23	The Authority decides that the Tariff Rates indicated in Annexures (I, II & III) shall be maximum Tariff to be charged. No other charge is to be levied over and above the approved Tariff Rates.	
	6.24	The Authority decides that Tariff for Domestic Non-Scheduled & General Aviation Flights, including item wise Charges, shall not exceed the approved Tariffs for relevant Domestic Scheduled Flights for similar class of Aircraft(s).	
	6.25	The Authority decides that in case of payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and rate as on 15 th of the month will be applicable for the second fortnight.	
	6.26	The Authority also decides that BWFSMPL shall ensure compliance towards Standardization of Ground Handling Equipment at CSMIA, Mumbai in accordance with the directives issued by Ministry of Civil Aviation vide its letter no. AV-24011/10/2021-AAI-MOCA dated 27.10.2022.	



CHAPTER 8: ORDER

Upon careful consideration of the material available on record, as well as submission made by BWFSMPL, the Authority, in exercise of powers conferred upon it by Section 13(1)(a) of the AERA Act, 2008, hereby orders that:

- (i) The Ground Handling services being provided by M/s Bird Worldwide Flight Services Mumbai Private Limited (BWFSMPL) at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai is **"Material but Competitive"** for the Third Control Period. Therefore, the Authority decides to adopt **'Light Touch Approach'** for determination of Tariff for the Third Control Period (FY 2021-22 to FY 2025-26).
- (ii) The Authority decides that the Tariff Rates indicated in **Annexures (I, II & III)** shall be maximum Tariff to be charged. No other charge is to be levied over and above the approved Tariff Rates.
- (iii) The Authority decides that Tariff for Domestic Non-Scheduled Flights & General Aviation, including Item-wise Charges for GHS, shall not exceed the approved Tariff for relevant Domestic Scheduled Flights for similar class of aircraft(s).
- (iv) The Authority decides that in case of payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and rate as on 15th of the month will be applicable for the second fortnight.
- (v) The Tariff determined herein above is excluding of applicable taxes, if any.
- (vi) The Tariff Order shall be made effective from **16.01.2023**.
- (vii) M/s BWFSMPL shall maintain the separate accounts for its Ground Handling Operations at Mumbai Airport and at the end of each tariff year submit Annual Compliance Statement (ACS), including annual audited accounts, as per AERA CGF Guidelines, 2011 (clause 11.4).
- (viii) The Airport operator shall ensure the compliance of the Order.

By the Order of and in the Name of the Authority

(Col Manu Sooden)
Secretary

To,

Shri Sandeep Kumar Jain (CCO),
Bird Worldwide Flight Services (Mumbai) Pvt Ltd,
E-9 Connaught House, Connaught Place,
New Delhi-110001.

Copy to:

- 1 Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi-110003.
2. Shri. Prakash Tulsiani, Chief Executive Officer, Mumbai International Airport Limited, CSMIA, 1st Floor, Terminal-1, Santacruz East, Mumbai-400099.



ANNEXURE-I**APPROVED TARIFF RATE CARD FOR BWFSMPL PROVIDING GROUND HANDLING SERVICES AT CHHATRAPATI SHIVAJI MAHARAJ INTERNATIONAL AIRPORT (CSMIA), MUMBAI.**

Maximum rates to be levied for Domestic* and International Scheduled Flights in respect of Ground Handling Services for the Third Control Period (FY 2021-22 to FY 2025-26)

REVISED TARIFF RATES ARE EFFECTIVE FROM 16.01.2023

(Rates in ₹)

A/C	2022-23			2023-24			2024-25			2025-26		
	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full
Domestic Passenger Flight												
Code B	4100	12400	16500	4500	13400	17800	4900	14400	19100	5300	15500	20500
Code C	8500	25500	34000	9200	27500	36600	9900	29500	39200	10600	31600	42000
Code D	13700	41300	55000	14800	44400	59200	15900	47600	63400	17100	51000	67900
International Passenger Flight												
Code C	36000	88000	124000	38700	94600	133300	41500	101300	142700	44500	108400	152700
Code D	51200	153800	205000	55100	165400	220400	59000	177000	235900	63200	189400	252500
Code E	60500	181500	242000	65100	195200	260200	69700	208900	278500	74600	223600	298000
Code F	84500	253500	338000	90900	272600	363400	97300	291700	388900	104200	312200	416200
Domestic Cargo Flight												
Code C	N/A	63300	N/A	N/A	68100	N/A	N/A	73300	N/A	N/A	78800	N/A
Code D	N/A	111600	N/A	N/A	120000	N/A	N/A	129000	N/A	N/A	138700	N/A
Code E	N/A	131500	N/A	N/A	141400	N/A	N/A	152100	N/A	N/A	163600	N/A
Code F	N/A	178800	N/A	N/A	192300	N/A	N/A	206800	N/A	N/A	222400	N/A
International Cargo Flight												
Code C	N/A	103200	N/A	N/A	111000	N/A	N/A	119400	N/A	N/A	128400	N/A
Code D	N/A	181200	N/A	N/A	194800	N/A	N/A	209500	N/A	N/A	225300	N/A
Code E	N/A	212300	N/A	N/A	228300	N/A	N/A	245500	N/A	N/A	264000	N/A
Code F	N/A	290600	N/A	N/A	312400	N/A	N/A	335900	N/A	N/A	361100	N/A

* Tariff for Domestic Scheduled Flights is also applicable to Domestic "Non-Scheduled & General Aviation flights".

Notes:

- Above Tariff Rates are excluding of all applicable taxes.
- Tariff determined shall be the maximum Tariff to be charged. No other charge is to be levied over and above the approved Tariff Rates.
- For payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and rate as on 15th of the month will be applicable for the second fortnight.
- Any flight where either its arrival or departure are international, will also be considered as an International Flight for the purposes of applying above rates.
- Tariff for General Aviation Flights shall only be applicable, if ISP is authorized by the Airport Operator to handle General Aviation Flights at CSMIA, Mumbai.



ANNEXURE II**APPROVED TARIFF RATE CARD FOR BWFSMPL PROVIDING GROUND HANDLING SERVICES
AT CHHATRAPATI SHIVAJI MAHARAJ INTERNATIONAL AIRPORT (CSMIA), MUMBAI.**

Maximum rates to be levied for International "Non-Scheduled & General Aviation Flights" in respect of
Ground Handling Services for the Third Control Period (FY 2021-22 to FY 2025-26)

REVISED TARIFF RATES ARE EFFECTIVE FROM 16.01.2023

(Rates in ₹)

Financial Year	2022-23	2023-24	2024-25	2025-26
A/C Category	International	International	International	International
MTOW				
0-5000	45000	48150	51521	55127
5001-10000	82500	88275	94454	101066
10001- 20000	131250	140438	150269	160788
20001- 35000	150000	160500	171735	183756
35001- 40000	168750	180563	193202	206726
40001- 50000	187500	200625	214669	229696
50001- 100000	243750	260813	279070	298605
100001 -200000	461250	493538	528086	565052
200001- 300000	543750	581813	622540	666118
300001 and above	656250	702188	751341	803935

Notes:

- Above Tariff Rates are excluding of all applicable taxes.
- Tariff determined shall be the maximum Tariff to be charged. No other charge is to be levied over and above the approved Tariff Rates.
- For payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and rate as on 15th of the month will be applicable for the second fortnight.
- Tariff for General Aviation Flights shall only be applicable, if ISP is authorized by the Airport Operator to handle General Aviation Flights at CSMIA, Mumbai.



ANNEXURE-III**APPROVED TARIFF RATE CARD FOR BWFSMPL PROVIDING GROUND HANDLING SERVICES
AT CHHATRAPATI SHIVAJI MAHARAJ INTERNATIONAL AIRPORT (CSMIA), MUMBAI.****TARIFF RATES ARE EFFECTIVE FROM 16.01.2023****(A) - Maximum Tariff for Item-wise Charges in respect of Domestic* & International Scheduled Flights
for FY 2022-23 to FY 2025-26 of the Third Control Period.**

(Rates in ₹)

Sl. No.	SERVICES	UNIT	2022-23		2023-24		2024-25		2025-26	
			Dom.	Intl.	Dom.	Intl.	Dom.	Intl.	Dom.	Intl.
1	Air Conditioning Unit (NB)	Per Hour	14,500	18,500	15,515	19,795	16,601	21,181	17,763	22,663
2	Air Conditioning Unit (WB)	Per Hour	18,479	29,209	19,773	31,254	21,157	33,441	22,638	35,782
3	Air Starter Unit (NB)	Per Start	18,000	25,800	19,260	27,606	20,608	29,538	22,051	31,606
4	Air Starter Unit (WB)	Per Start	21,900	29,000	23,433	31,030	25,073	33,202	26,828	35,526
5	Aircraft Disinfection - Freighter Aircrafts	Per service	9,700	11,500	10,379	12,305	11,106	13,166	11,883	14,088
6	Aircraft Disinfection - Pax Aircraft Code - C	Per service	12,800	17,500	13,696	18,725	14,655	20,036	15,681	21,438
7	Aircraft Disinfection - Pax Aircraft Code - D/E	Per service	16,500	24,000	17,655	25,680	18,891	27,478	20,213	29,401
8	Aircraft Disinfection - Pax Aircraft Code - F	Per service	19,000	35,000	20,330	37,450	21,753	40,072	23,276	42,877
9	Aircraft marshalling	Per service	3,200	4,250	3,424	4,548	3,664	4,866	3,920	5,206
10	Ambulift	Per flight leg	13,750	18,500	14,713	19,795	15,742	21,181	16,844	22,663
11	Apron Transport (Passenger)	Per Trip	11,000	18,000	11,770	19,260	12,594	20,608	13,475	22,051
12	Arrange non-scheduled Crew Hotel Accommodation	Per flight	5,000	7,500	5,350	8,025	5,725	8,587	6,125	9,188
13	Air Traffic Control payment services	Per flight	4,250	6,250	4,548	6,688	4,866	7,156	5,206	7,657
14	Baggage ID	Per Service	3,000	4,500	3,210	4,815	3,435	5,152	3,675	5,513
15	Baggage/Cargo cart	Per Hour	1,850	2,500	1,980	2,675	2,118	2,862	2,266	3,063
16	Ballast Bags refill	Per refill-per bag	3,000	4,200	3,210	4,494	3,435	4,809	3,675	5,145
17	Blue collar staff	Per staff per hour	2,250	3,000	2,408	3,210	2,576	3,435	2,756	3,675
18	Brake Cooling Service	Per flight	12,500	16,500	13,375	17,655	14,311	18,891	15,313	20,213
19	Cabin loading/unloading NB	Per hour	12,750	16,750	13,643	17,923	14,597	19,177	15,619	20,519



20	Cabin loading/unloading WB	Per hour	14,750	19,500	15,783	20,865	16,887	22,326	18,069	23,888
21	Cargo Supervision services	Per flight	8,500	8,500	9,095	9,095	9,732	9,732	10,413	10,413
22	Container/Pallet Dolly	Per Hour	1,500	2,750	1,605	2,943	1,717	3,148	1,838	3,369
23	Container/Pallet Dolly 20 FT	Per Hour	3,450	4,500	3,692	4,815	3,950	5,152	4,226	5,513
24	Conveyor belt	Per Hour	6,500	9,500	6,955	10,165	7,442	10,877	7,963	11,638
25	Crew Transport	Per Trip	6,250	7,500	6,688	8,025	7,156	8,587	7,657	9,188
26	Deportee/ In-admissible PAX handling	Per Passenger	3,500	4,600	3,745	4,922	4,007	5,267	4,288	5,635
27	Direct crew through airport facilities	Per Service	2,500	3,750	2,675	4,013	2,862	4,293	3,063	4,594
28	Excess Baggage Fee (% of collection)	As per collection	10% of Collection	10% of Collection	10% of Collection	10% of Collection	10% of Collection	10% of Collection	10% of Collection	10% of Collection
29	Exterior Cleaning - NB	Per Service	20,000	28,000	21,400	29,960	22,898	32,057	24,501	34,301
30	Exterior Cleaning - WB	Per Service	26,000	40,000	27,820	42,800	29,767	45,796	31,851	49,002
31	Forklift (3 Tons)	Per Hour	6,500	8,250	6,955	8,828	7,442	9,445	7,963	10,107
32	Full body suit PPE	Per suit	1,800	2,500	1,926	2,675	2,061	2,862	2,205	3,063
33	Ground Power Unit	Per Hour	17,000	21,900	18,190	23,433	19,463	25,073	20,826	26,828
34	Headset service	Per Flight	1,800	3,000	1,926	3,210	2,061	3,435	2,205	3,675
35	Interior Deep Cleaning - NB	Per Service	8,000	9,500	8,560	10,165	9,159	10,877	9,800	11,638
36	Interior Deep Cleaning - WB	Per Service	9,750	14,750	10,433	15,783	11,163	16,887	11,944	18,069
37	Interior Turn Cleaning - NB	Per Service	7,500	9,500	8,025	10,165	8,587	10,877	9,188	11,638
38	Interior Turn Cleaning - WB	Per Service	9,500	13,500	10,165	14,445	10,877	15,456	11,638	16,538
39	Lower Deck Loader	Per hour	13,500	21,500	14,445	23,005	15,456	24,615	16,538	26,338
40	Manual Check-In	Per Passenger	7,500	11,000	8,025	11,770	8,587	12,594	9,188	13,475
41	Middle Deck Loader	Per hour	15,000	22,750	16,050	24,343	17,174	26,046	18,376	27,870
42	Operational Flight Plan Print Out	Per service	1,800	2,500	1,926	2,675	2,061	2,862	2,205	3,063
43	Passenger Step (mobile-NB)	Per Hour	3,500	5,000	3,745	5,350	4,007	5,725	4,288	6,125
44	Passenger Step (mobile-WB)	Per Hour	3,750	7,250	4,013	7,758	4,293	8,301	4,594	8,882
45	Pushback for narrow body aircraft	Per Push	13,850	18,350	14,820	19,635	15,857	21,009	16,967	22,480
46	Pushback for wide body aircraft	Per Push	23,250	30,000	24,878	32,100	26,619	34,347	28,482	36,751
47	Stationary (Boarding card & Tags)	Per Flight	4,500	8,500	4,815	9,095	5,152	9,732	5,513	10,413
48	Tail stand	Per Hour	6,750	8,750	7,223	9,363	7,728	10,018	8,269	10,719
49	Toilet truck	Per Service	10,500	14,000	11,235	14,980	12,021	16,029	12,863	17,151
50	Tow Bar	Per Use	3,700	7,250	3,959	7,758	4,236	8,301	4,533	8,882



51	Towing of narrow body aircraft	Per Tow	25,000	33,000	26,750	35,310	28,623	37,782	30,626	40,426
52	Towing of wide body aircraft	Per Tow	32,000	42,900	34,240	45,903	36,637	49,116	39,201	52,554
53	Transit w/o visa pax	Per Passenger	5,500	7,800	5,885	8,346	6,297	8,930	6,738	9,555
54	Trestle (standard size - 4ft)	Per Hour	5,000	6,600	5,350	7,062	5,725	7,556	6,125	8,085
55	Tugs	Per Hour	2,700	4,000	2,889	4,280	3,091	4,580	3,308	4,900
56	Unit Load Device Storage	Per ULD/per day	450	750	482	803	515	859	551	919
57	Unaccompanied Minor Handling	Per UM	3,500	5,000	3,745	5,350	4,007	5,725	4,288	6,125
58	Vacuum Cleaner	Per Hour	3,500	5,000	3,745	5,350	4,007	5,725	4,288	6,125
59	VIP Vehicle (Innova Range)	Per trip	10,500	15,750	11,235	16,853	12,021	18,032	12,863	19,294
60	VIP Vehicle (Luxury - Mercedes/ BMW / AUDI range)	Per trip	15,000	24,500	16,050	26,215	17,174	28,050	18,376	30,014
61	VIPs	Per Passenger	4,750	6,250	5,083	6,688	5,438	7,156	5,819	7,657
62	Water truck	Per Service	9,500	12,000	10,165	12,840	10,877	13,739	11,638	14,701
63	Water Uplift	Per Ltr.	5	7	5	7	6	8	6	9
64	Wheel Chair	Per Service	3,200	4,200	3,424	4,494	3,664	4,809	3,920	5,145
65	White collar staff	Per staff per hour	2,500	3,500	2,675	3,745	2,862	4,007	3,063	4,288

*Item Wise charges for Domestic Scheduled Flights is also applicable to Domestic "Non-Scheduled flights and General Aviation".

WB= Widebody Aircraft; NB Narrow Body Aircraft

Dom. = Domestic; Int. = International

Notes:

- Above Tariff Rates are excluding of all applicable taxes, if any.
- Tariff determined shall be the maximum Tariff to be charged. No other charge is to be levied over and above the approved Tariff Rates.
- For payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and the rate as on the 15th of the month will be applicable for the second fortnight.



(B) - Item wise charges for International "Non-Scheduled Operators & General Aviation".

(Rates in ₹)

S. No.	SERVICES	UNIT	2022-23	2023-24	2024-25	2025-26
			Intl.	Intl.	Intl.	Intl.
1	Air Conditioning Unit (NB)	Per Hour	19,425	20,785	22,240	23,796
2	Air Conditioning Unit (WB)	Per Hour	30,669	32,816	35,113	37,571
3	Air Starter Unit (NB)	Per Start	27,090	28,986	31,015	33,186
4	Air Starter Unit (WB)	Per Start	30,450	32,582	34,862	37,303
5	Aircraft Disinfection - Freighter Aircrafts	Per service	14,500	15,515	16,601	17,763
6	Aircraft Disinfection - Pax Aircraft Code - C	Per service	19,000	20,330	21,753	23,276
7	Aircraft Disinfection - Pax Aircraft Code - D/E	Per service	26,500	28,355	30,340	32,464
8	Aircraft Disinfection - Pax Aircraft Code - F	Per service	38,500	41,195	44,079	47,164
9	Aircraft marshalling	Per service	6,250	6,688	7,156	7,657
10	Ambulift	Per flight leg	19,425	20,785	22,240	23,796
11	Apron Transport (Passenger)	Per Trip	18,900	20,223	21,639	23,153
12	Arrange non-scheduled Crew Hotel Accommodation	Per flight	7,875	8,426	9,016	9,647
13	Air Traffic Control payment services	Per flight	6,563	7,022	7,513	8,039
14	Baggage ID	Per Service	4,725	5,056	5,410	5,788
15	Baggage/Cargo cart	Per Hour	2,625	2,809	3,005	3,216
16	Ballast Bags refill	Per refill-per bag	4,410	4,719	5,049	5,402
17	Blue collar staff	Per staff per hour	3,150	3,371	3,606	3,859
18	Brake Cooling Service	Per flight	17,325	18,538	19,835	21,224
19	Cabin loading/unloading NB	Per hour	17,588	18,819	20,136	21,545
20	Cabin loading/unloading WB	Per hour	20,475	21,908	23,442	25,083
21	Cargo Supervision services	Per flight	8,925	9,550	10,218	10,934
22	Container/Pallet Dolly	Per Hour	2,888	3,090	3,306	3,537
23	Container/Pallet Dolly 20 FT	Per Hour	4,725	5,056	5,410	5,788
24	Conveyor belt	Per Hour	9,975	10,673	11,420	12,220
25	Crew Transport	Per Trip	10,000	10,700	11,449	12,250
26	Deportee/In-admissible handling	Per Passenger	4,830	5,168	5,530	5,917
27	Direct crew through airport facilities	Per Service	3,938	4,213	4,508	4,824
28	Excess Baggage Fee (% of collection)	As per collection	10% of Collection	10% of Collection	10% of Collection	10% of Collection
29	Exterior Cleaning - NB	Per Service	29,400	31,458	33,660	36,016
30	Exterior Cleaning - WB	Per Service	42,000	44,940	48,086	51,452
31	Forklift (3 Tons)	Per Hour	9,200	9,844	10,533	11,270
32	Full body suit PPE	Per suit	2,750	2,943	3,148	3,369
33	Ground Power Unit	Per Hour	22,995	24,605	26,327	28,170
34	Headset service	Per Flight	3,200	3,424	3,664	3,920
35	Interior Deep Cleaning - NB	Per Service	9,975	10,673	11,420	12,220
36	Interior Deep Cleaning - WB	Per Service	15,488	16,572	17,732	18,973
37	Interior Turn Cleaning - NB	Per Service	9,975	10,673	11,420	12,220



38	Interior Turn Cleaning - WB	Per Service	14,175	15,167	16,229	17,365
39	Lower Deck Loader	Per hour	22,575	24,155	25,846	27,655
40	Manual Check-In	Per Passenger	11,550	12,359	13,224	14,149
41	Middle Deck Loader	Per hour	23,888	25,560	27,349	29,263
42	Operational Flight Plan Print Out	Per service	2,625	2,809	3,005	3,216
43	Passenger Step (mobile-NB)	Per Hour	5,250	5,618	6,011	6,431
44	Passenger Step (mobile-WB)	Per Hour	7,613	8,145	8,716	9,326
45	Pushback for narrow body aircraft	Per Push	19,268	20,616	22,059	23,604
46	Pushback for wide body aircraft	Per Push	31,500	33,705	36,064	38,589
47	Stationary (Boarding card & Tags)	Per Flight	8,925	9,550	10,218	10,934
48	Tail stand	Per Hour	9,188	9,831	10,519	11,255
49	Toilet truck	Per Service	14,700	15,729	16,830	18,008
50	Tow Bar	Per Use	7,800	8,346	8,930	9,555
51	Towing of narrow body aircraft	Per Tow	34,650	37,076	39,671	42,448
52	Towing of wide body aircraft	Per Tow	45,045	48,198	51,572	55,182
53	Transit w/o visa pax	Per Passenger	8,190	8,763	9,377	10,033
54	Trestle (standard size - 4ft)	Per Hour	6,930	7,415	7,934	8,490
55	Tugs	Per Hour	4,200	4,494	4,809	5,145
56	Unit Load Device Storage	Per ULD/per day	1,150	1,231	1,317	1,409
57	Unaccompanied Minor Handling	Per UM	5,250	5,618	6,011	6,431
58	Vacuum Cleaner	Per Hour	5,250	5,618	6,011	6,431
59	VIP Vehicle (Innova Range)	Per trip	16,538	17,695	18,934	20,259
60	VIP Vehicle (Luxury - Mercedes/ BMW / AUDI range)	Per trip	25,725	27,526	29,453	31,514
61	VIPs	Per Passenger	6,563	7,022	7,513	8,039
62	Water truck	Per Service	12,600	13,482	14,426	15,436
63	Water Uplift	Per Ltr.	7	7	8	9
64	Wheel Chair	Per Service	4,200	4,494	4,809	5,145
65	White collar staff	Per staff per hour	4,250	4,548	4,866	5,206

WB= Widebody Aircraft; NB Narrow Body Aircraft

Notes:

- Above Tariff Rates are excluding of all applicable taxes, if any.
- Tariff determined shall be the maximum Tariff to be charged. No other charge is to be levied over and above the approved Tariff Rates.
- For payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and the rate as on the 15th of the month will be applicable for the second fortnight.
- Item wise charges for GHS for General Aviation Flights shall only be applicable, if ISP is authorized by the Airport Operator to handle General Aviation Flights at CSMIA, Mumbai.

