



AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA

**IN THE MATTER OF
DETERMINATION OF TARIFF FOR BRIDGE MOUNTED EQUIPMENT SERVICES(BMES)
AT KEMPEGOWDA INTERNATIONAL AIRPORT, BENGALURU IN RESPECT OF
M/S CELEBI AIRPORT SERVICES INDIA PRIVATE LIMITED (CASI)
FOR THE THIRD CONTROL PERIOD
(FY 2021-22 TO FY 2025-26)**

Date of Issue: 04/02/ 2022

AERA Building
Administrative Complex
Safdarjung Airport
New Delhi – 110003

STAKEHOLDERS' COMMENTS

The Authority is aware of the fact that the Aviation Sector has been undergoing unprecedented turbulence and uncertainty on account of the COVID 19 PANDEMIC and the associated lockdown situation in the major cities around the world has resulted in restrictions in air travel, both domestic and international. While there was a little relief for a very short while, spread of infection through delta and a new 'Variant of Concern' named Omicron/Deltacron has started impacting afresh, inter alia, the air traffic movements. The Authority has released this Consultation Paper after examining the impact of COVID 19 PANDEMIC on the various assumptions stipulated in the Multi Year Tariff Proposal ('MYTP') submitted by the ISP. Accordingly, the Authority's opinion on the various aspects forming part of the tariff determination process have been explained in detail in this Consultation Paper.

Thus, in accordance with the provisions of Section 13(4) of the AERA Act, the written comments on Consultation Paper No. 31/2021-22 dated 04thFebruary,2022 are invited from the Stakeholders, preferably in electronic form, at the following address:

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Last Date for submission of Stakeholders' comments	03/03/2022
Last Date for submission of counter comments	14/03/2022

Comments will be posted on AERA's website www.aera.gov.in

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List of Abbreviations:

AERA / Authority	Airports Economic Regulatory Authority of India
ATM	Air Traffic Movement
BIAL	Bangalore International Airport Limited
BME	Bridge Mounted Equipment
CAPEX	Capital Expenditure
CASI	Celebi Airport Services India Pvt. Ltd.
CGF	Cargo, Ground Handling & Fuel Throughput
FEGP	Fixed Electrical Ground Power
GHA	Ground Handling Agencies
GHS	Ground Handling Service
GPU	Ground Power Unit
INR/₹	Indian Rupees
ISP	Independent Service Provider
KIA	Kempegowda International Airport
MYTP	Multi-Year Tariff Proposal
MYTO	Multi-Year Tariff Order
NCAP	National Civil Aviation Policy
OPEX	Operating Expenditure
O&M	Operation and Maintenance
PBIDT	Profit Before Interest, Depreciation and Tax
PCA	Pre-Conditioned Air
P&L	Profit & Loss
SCP	Second Control Period
SPV	Special Purpose Vehicle
SPRH	Service Provider Right Holder
TCP	Third Control Period
USD	United States Dollar
YoY	Year on Year
GSE	Ground Support Equipment

CHAPTER 1: BACKGROUND

- 1.1. On 20th December 2020 Bangalore International Airport Limited (BIAL) had floated Request for Proposal (RFP) inviting proposal from interested parties/agencies to invest, procure, supply, install, commission, operate, maintain, and manage the Bridge Mounted Equipment (“BME Services”) at the Kempegowda International Airport, Bengaluru (“KIA”) for 12 years with the objective to enhance the efficiency of the aircraft on ground at the Airport by using fixed and mobile electric powered BME.
- 1.2. In response to the RFP, Celebi NAS Airport Services India Private Limited (“CelebiNAS”) has been granted the right to provide BME Services to airlines at Terminal 1 & 2 of the Airport in phases for a period of 12 years commencing from the BME Services Commencement Date of Phase 1 i.e. 1st January 2022.
- 1.3. CelebiNAS was incorporated in December 2008 and was engaged in providing Ground Handling Services at Chhatrapati Shivaji International Airport (CSIA), Mumbai under the Concession Agreement signed with Mumbai International Airport Limited (MIAL). It has started providing BME Services at CSIA, Mumbai since 2016. In the year 2021, CelebiNAS has been engaged by BIAL through a competitive bidding process to provide BME Services at the KIA, Bengaluru.
- 1.4. As per the provisions of the CGF Guidelines 2011, CelebiNAS has submitted the Multi Year Tariff Proposal (‘MYTP’) seeking approval of Tariffs for providing BME Services at KIA for the Third Control Period (FY 2021-22 to FY 2025-26) on 20th September, 2021.
- 1.5. CelebiNAS, vide an email dated 1st February 2022, informed the following:

“The Concession Agreement has been novated to another group company i.e. Celebi Airport Services India Pvt Ltd (CASI) who is already providing Ground Handling services at Bengaluru Airport. An agreement between Bengaluru International Airport Ltd, CNAS & CASI has been executed yesterday (31st January, 2022) for this amendment.”

“There will be no change in the MYTP proposal except this change. Therefore, it is requested you to kindly issue the tariff order in name of Celebi Airport Services India Pvt Ltd.”

- 1.6. In this regard, CelebiNAS has provided the following:
 - i. Copy of Certificate of Incorporation pursuant to change of name from Celebi Ground Handling Delhi Private Limited to Celebi Airport Services India Pvt Ltd
 - ii. Copy of Security Clearance in the name of Celebi Airport Services India Pvt Ltd
 - iii. Shareholding pattern:
 - a) Celebi Hava Servisi Anonim Sirketi, Istanbul, Turkey (99.90%); and
 - b) Celebi Havacilik Holding Anonim Sirketi, Istanbul, Turkey (0.10%)

- 1.7. In view of the above information as detailed in paras 1.5 and 1.6 above, the Authority proposes to consider the Multi Year Tariff Proposal ('MYTP') submitted by CelebiNAS on 20th September, 2021 for determination of Tariff in favour of "Celebi Airport Services India Pvt Ltd (CASI)" for providing BME Services at KIA, Bengaluru for the Third Control Period (FY 2021-22 to FY 2025-26).

For the purpose of Tariff determination process, the information/ documents submitted by CelebiNAS will be deemed to be submitted by CASI.

1.8. Phasing Plan

- 1.8.1. As per Schedule VIII (Phasing Plan) of the Service Provider Right Holder Agreement (Agreement) between the BIAL and the CASI, the BME Services Commencement Date of Phase 1 was 1st January 2022. As per the Agreement dated 20th August 2021 submitted by CASI, the Phasing Plan for BME Services was as under:

Table 1: Phasing Plan submitted by CASI.

Phasing Plan	Terminal No.	As per Agreement dated 20 Aug 2021 - Schedule II		
		Testing & Trials of BME	Operational Readiness	Expected Terminal Opening
Phase 1	1	10-Dec-21	15-Dec-21	01-Jan-22
Phase 2A	2 (Domestic Pier)	10-Mar-22	15-Mar-22	01-Apr-22
Phase 2B	2 (Int'l Pier)	30-Dec-22	15-Mar-23	01-Apr-23

- 1.8.2 However, later on, the phasing plan was revised by CASI based on Amendment to Agreement which is dated 4th October, 2021 and accordingly the revised plan is proposed as under:

Table 2: Revised Phasing Plan submitted by CASI

As per Amendment to the Agreement dt 4 Oct, 2021 - Clause 1.1			Revenue Commencement date (expected)
Phasing Plan	Testing & Trials of BME	Operational Date	
Phase 1	10-Feb-22	50% - 15 Jan & 50% - 15 Feb 2022	01-Mar-22
Phase 2A	25-Mar-22	31-Mar-22	01-Apr-22
Phase 2B	30-Dec-22	15-Mar-23	01-Apr-23

1.9 Applicability of BME Services and the Regulatory Policies

- 1.9.1 BME, which consists of external Pre-Conditioned Air (PCA) units and Fixed Electrical Ground Power (FEGP) units, runs on electric power, and takes over the functions of the aircraft auxiliary power unit (APU), while the aircraft is on ground. The electricity powered units can thus provide the required energy to the aircraft to enable the operations on ground and maintain ambient temperature in the aircraft which is a necessity for passenger comfort.

- 1.9.2** Availability of BME Services at the Airport will provide an option to the airlines to use this service instead of keeping Aircraft's APU on or using diesel run ground power & cooling unit. This will provide huge savings on ATF (Aviation Turbine Fuel) and more importantly majorly reduce carbon emission and reduce noise pollution caused by the APU and other Diesel-powered units thus enabling a more environment friendly operation and enhancing the quality and safety of the ground operations.
- 1.9.3** Provision of BME Services is in line with various regulatory policies such as National Green Aviation Policy (Draft), DGCA Civil Aviation Requirement (Section 10 – Aviation Environmental Protection) and guidelines issued by global bodies like ICAO & IATA that focus on reduction in carbon footprint and greenhouse gas emissions.
- 1.9.4** The Whitepaper on National Green Aviation Policy dated 11 March 2019 issued by Ministry of Civil Aviation, Government of India, recommends the installation & use of BME in its Clauses 8.5 – 8.6 as under:
- 1.9.4.1** Clause 8.5: All the new green field airports should be provisioned with Bridge Mounted Equipment (BME), with Fixed Electrical Ground Power Units (FEGPU) and Pre Conditioned Air (PCA) supply provisions, with appropriate cost recovery mechanism. All existing airports should explore the possibilities of installing such facilities.
- 1.9.4.2** Clause 8.6: All airlines should use the BME facilities if the option of using such facility is available in Airports as a preferred choice for meeting on gate power and conditioned air requirements.

CHAPTER 2: METHODOLOGY FOR TARIFF DETERMINATION

2.1. Principles for Determination of Aeronautical Tariff

- 2.1.1. 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 and 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 Guidelines”).
- 2.1.2. As stipulated in the Guidelines, the Authority shall follow a three-stage procedure for determining its approach to the regulation of Regulated Service(s) as under:
- 2.1.2.1. Stage 1: The Authority shall first assess “Materiality” according to provisions of Clause 4;
- 2.1.2.2. Stage 2: The Authority shall then assess “Competition” according to provisions of Clause 5; and
- 2.1.2.3. Stage 3: The Authority shall then assess the existing User Agreement(s), according to provisions of Clause 6.
- 2.1.3. Accordingly, the Authority has done the assessment at the three stages as under:

Stage I: Materiality Assessment:

$$\text{Materiality Index (MI}_G\text{)} = \frac{\text{Int. Aircraft Movement at KIA Bengaluru}}{\text{Total Intl. Aircraft Movement at Major Airports}} \times 100$$

$$\begin{aligned} \text{The Materiality Index at KIA Bengaluru} &= 30311/438049 \\ &= 6.92\% \end{aligned}$$

The percentage share of Ground Handling for KIA, Bengaluru for the FY 2019-20 is 6.92% which is more than 5% Materiality Index (MI_G) for the above subject service. Hence the regulated service is deemed as ‘**Material**’ for the Third Control Period.

Stage-II: Competition Assessment:

- 2.2. CASI is the only service provider proposed to commence BME Services at Kempegowda International Airport, Bengaluru. Therefore, in the instant case, the BME Services at KIA is Non-Competitive.

Stage-III: Reasonability of User Agreement:

- 2.3. Presently, CASI has not submitted User Agreements with any airlines along with their MYTP.
- 2.4. Presently, CASI has no other business at KIA except BME Services. Therefore, other income, if any in future, will be considered for cross subsidizing BME tariff by adopting Single Till methodology.

- 2.5. Based on the analysis of above facts, the Authority proposes to determine Tariff for the Third Control Period by adopting ‘Price Cap Approach’ under Single Till.
- 2.6. As per the Guidelines for determination of Tariff under Price Cap Approach, the formula for determining Aggregate Revenue Requirement (ARR) is as follows:

$$ARR = \sum_{t=1}^5 (ARR_t) \text{ and}$$

$$ARR_t = (FRoR \times RAB_t) + D_t + O_t + T_t - NAR_t$$

Where

‘t’ is the Tariff Year in the Control Period;

ARR_t is the Aggregate Revenue Requirement for year ‘t’;

FRoR is the Fair Rate of Return for the control period;

RAB_t Is the Regulatory Asset Base for the year ‘t’;

D_t is the Depreciation corresponding to the RAB for the year ‘t’;

O_t is the Operation and Maintenance Expenditure for the year ‘t’, which includes all expenditures incurred by the Airport Operator(s) including expenditure incurred on statutory operating costs and other mandate operating costs;

T_t is the corporate tax for the year ‘t’ paid by the airport operator on the aeronautical profits; and

NAR_t is the revenue from services other than aeronautical services for the year ‘t’

2.7. **The Authority’s Proposal for Tariff Determination in respect of CASI for the Third Control Period.**

- 2.7.1. Based on the material before it and its analysis, the Authority proposes to adopt “**Price Cap Approach**” on Single Till Basis for Tariff determination of M/s CASI for the Third Control Period.

CHAPTER 3: TRAFFIC VOLUME FORECAST

- 3.1. CASI is offering Bridge Mounted Equipment services which are rendered to the aircrafts using the Aerobridge facilities. Therefore, CASI has projected Aircraft Movements at the Airport for the Third Control Period as tabulated below. The aircraft movements as a percentage of movements handled in the year FY 2019-20 which was a pre Covid year is also shown.

Table 3: Projection for Aircraft Movements submitted by CASI for KIA, Bengaluru

FY	Domestic		International	
	A/C Landings (In nos.)	As % of FY 2019-20	A/C Landings (In nos.)	As % of FY 2019-20
2019-20	100510		12656	
2021-22	63319	63%	7080	56%
2022-23	87870	87%	9803	77%
2023-24	113065	112%	14182	112%
2024-25	127763	127%	16303	129%
2025-26	144372	144%	17984	142%

3.2. The Authority's Analysis on Traffic Volume Forecast

- 3.2.1. The Authority notes that the traffic volume projected by CASI for KIA, Bengaluru is different from the Volume Forecast adopted by the Authority for Third Control Period in respect of KIA Bengaluru vide Tariff Order No. 11/2021-22 dated 28 August 2021. A comparison of the Traffic Volume Forecast projected by CASI with the Traffic Volume already adopted by the Authority vide the above-mentioned Order for KIA, Bengaluru is given below:

Table 4: Aircraft Movements projected by CASI as compared to those adopted at KIA, Bengaluru (Domestic).

Domestic	As submitted by CASI		As per Tariff Order No. 11/2021-22
FY	A/C Landings (In nos.)	As % of FY 2019-20	As % of FY 2019-20
2019-20	100510		
2021-22	63319	63%	59%
2022-23	87870	87%	107%
2023-24	113065	112%	123%
2024-25	127763	127%	142%
2025-26	144372	144%	160%

Table 5: Aircraft Movements projected by CASI as compared to those adopted by KIA, Bengaluru (International)

International FY	As submitted by CASI		As per Tariff Order No. 11/2021-22 (%)
	A/C Landings (in Nos.)	As % of FY 2019-20	
2019-20	12656		
2021-22	7080	56%	36%
2022-23	9803	77%	78%
2023-24	14182	112%	92%
2024-25	16303	129%	102%
2025-26	17984	142%	111%

3.2.2. The above forecasts are for total air traffic movement at the KIA, Bengaluru. However, CASI has estimated the number of aircrafts which will avail the aerobridges services based on the airline-wise aerobridge usage ratio, which is as under:

Table 6: Estimated Number of Aircrafts to avail the Aerobridge Services as submitted by CASI.
(Figures in Nos.)

FY	Estimated No. of Aircrafts to avail Aerobridges (Domestic)	As % of ATM	Estimated No. of Aircrafts to avail Aerobridges (International)	As % of ATM
2021-22	4290	6.78	1117	15.78
2022-23	25739	29.29	6704	68.39
2023-24	75050	66.38	11943	84.21
2024-25	94784	74.19	15110	92.68
2025-26	95206	65.94	16499	91.74

- 3.3. The Authority observes that the growth rates adopted by CASI for Aircraft Movements are more in the case of international aircraft movements and less growth rates in case of domestic aircraft movements when compared to the volume adopted in case of KIA, Bengaluru.
- 3.4. The Authority also notes that the base figure adopted for FY 2019-20 by CASI is different from the Aircraft Movements published by AAI. Hence, the base figure for ATM for FY 2019-20 has been taken as per the figure (i.e. 14500) considered in the Tariff Order No. 11/2021 for the Third Control Period at KIA, Bengaluru.
- 3.5. Regarding the traffic volume forecast for domestic, the Authority proposes to accept the same as submitted by CASI. However, regarding international traffic forecast, in view of the new “Variant of Concern” named Omicron and also a further new strain named Deltacron, which are spreading 5 to 6 times faster than earlier version of virus throughout the globe, the Authority, after taking into a holistic view of the situation and the probable impact on the international traffic because of restrictions on air travel by the countries, proposes to consider a lower forecast as adopted in the Tariff Order No. 11/2021-22 for the Third Control Period at KIA, Bengaluru.

- 3.6. Regarding the reduction of growth rate in number of aircrafts using the aerobridge services in FY 2025-26, CASI, upon enquiry, clarified that the number of aerobridges remains the same throughout the Control Period, whereas there is a constant growth in the number of aircrafts movement year on year, thereby resulting into reduction in ATM (%) availing aerobridge facility particularly in FY 2025-26, on account of saturation.
- 3.7. The Authority notes that the revenue projected by CASI is based on the phase-wise availability of services, year-wise, airline-wise aerobridge usage ratio, type of aircrafts, FEGP (Fixed Electric Ground Power) ratio or PCA (Pre-Conditioned Air) usage ratio, number of hours the aircrafts are availing the service and the proposed FEGP and PCA charges. Since the Authority has revised the ATM (International) figures than those given by CASI, resultantly the revenue has also undergone a change which is given in Table 34. This will be subject to true-up during the determination of tariff in the next Control Period.
- 3.8. The services being new at KIA, Bengaluru, it is difficult to estimate the numbers of aircrafts which will avail the BME services. CASI has also confirmed that the airlines shall have options either to choose BME services or avail the power and air from their APUs. Therefore, the number of aircrafts availing aerobridge services is subject to true-up during the tariff determination for the next Control Period.
- 3.9. In view of the facts stated above, the Authority proposes to adopt the traffic volume for the Third Control Period as tabulated below:

Table 7: Traffic Volume proposed to be adopted by the Authority for the Third Control Period at KIA, Bengaluru.

FY	Domestic		International	
	Aircraft Landings (In nos.)	As % of FY 2019-20	Aircraft Landings (In nos.)	As % of FY 2019-20
2019-20	100510		14500	
2021-22	63319	63%	5220	36%
2022-23	87870	87%	11310	78%
2023-24	113065	112%	13340	92%
2024-25	127763	127%	14790	102%
2025-26	144372	144%	16095	111%

- 3.10. While the number of aircrafts availing aerobridges facility at domestic terminal is proposed to be adopted as submitted by CASI, the number of aircrafts availing aerobridges facility at international terminal has been proposed to be reduced in proportion to reduction proposed in total ATM shown at Table-7. However, the same is subject to true-up in the next Control Period.

Table 8: Number of Aircrafts to avail Aerobridge Services proposed to be adopted by the Authority for the Third Control Period.

Figures in Nos.)

FY	Estimated No. of Aircrafts to Avail Aerobridges Facility (Domestic)	As % of ATM	Estimated No. of Aircrafts to Avail Aerobridges Facility (International)	As % of ATM
2021-22	4290	6.78%	824	15.78%
2022-23	25739	29.29%	7735	68.39%
2023-24	75050	66.38%	11235	84.22%
2024-25	94784	74.19%	13707	92.68%
2025-26	95206	65.94%	14766	91.74%

3.11. The Authority's Proposal regarding Traffic Volume for the Third Control Period:

Based on the material before it and based on its analysis, the Authority proposes the following regarding Traffic Volume:

- 3.11.1. The Authority proposes to consider the Traffic Volume (Aircraft Movements) as per Table 7 and Traffic Volume to avail Aerobridges as per Table no. 8.
- 3.11.2. The Authority proposes to true-up Traffic Volume for the Third Control Period during the Tariff determination for the next Control Period.

CHAPTER 4: CAPITAL EXPENDITURE

- 4.1. CASI has projected a total capital expenditure of ₹6909.71 lakhs which includes Ground Handling Equipment, Software and Security Deposit. CASI has included the Security Deposit payable to the Airport Operator in terms of the Agreement, in the Capital Expenditure. Accordingly, they have calculated the Regulated Asset Base and Return on RAB. The details of capital expenditure vis-à-vis number of BME Units proposed to be commissioned as projected by CASI are tabulated below:

Table 9: Capital Expenditure as projected by CASI for the Third Control Period.

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
BME Units -Fixed Electric Ground Power	795.95	262.50				1058.44
BME Units -Pre-Conditioned Air	3432.70	865.16				4297.46
Software	140.00					140.00
Security Deposit	175.00	175.00	116.56	651.38	295.47	1413.41
Total	4543.65	1302.65	116.56	651.38	295.47	6909.71

Table 10: BME Units proposed to be commissioned by CASI

Particulars	No. of Units				
	Phase 1 & 2A (FY 2021-22)			Phase 2B (FY 2022-23)	
	Phase 1 (A)	Phase 2A (B)	Total (C)	Phase 2B (D)	Grand Total (C+D)
BME Units - Fixed Electric Ground Power (FEGP)	24	14	38	12	50
BME Units - Pre-Conditioned Air (PCA)	18	14	32	8	40
Total	42	28	70	20	90

4.2. Authority's Analysis on Capital Expenditure

- 4.2.1. The Authority notes that CASI is a new entrant to commence the BME services at the Airport and needs significant investment in BME Assets as per the specifications laid down in Schedule II of the Concession Agreement to start the operation.
- 4.2.2. The Authority sought a confirmation from CASI regarding commissioning of BME Equipment in the proposed timeline. CASI has submitted that they will commission the required equipment as proposed in their CAPEX proposal as per provision in the Agreement with BIAL. Further CASI has also submitted a copy of the Supply Contract, Transportation & ITC Agreement, Invoices and also the relevant Bill of Entries. However, on account of the trend in the decline of the air traffic movement because of the prolonged pandemic with multiple new variants of the Covid Virus, namely, Omicron, Deltacron and also 'twindemic' (Covid and Influenza), the

Authority proposes to shift 40% of Capex of FY 2022-23 amounting to ₹451.06 Lakhs to the FY 2023-24

- 4.2.3. The Authority also noted that CASI is already providing BME Services at CSIA, Mumbai since 2016; therefore, CASI was advised to give a comparative statement of the cost of equipment procured in 2016 with that in 2021. Based on the figures submitted by CASI, the total capex cost per unit has increased by 5.48% over the cost per unit in 2016, which appears to be reasonable considering a gap of five years. CASI has also confirmed that in 2016, BME Units were procured through competitive bidding. The per unit cost of the BME units procured in FY 2021-22 in comparison with the unit cost of the procurement in 2016, as submitted by CASI is tabulated as under:

Table 11: Comparison of the Per Unit Cost of the BME Units procured by CASI in 2016 for services for MIAL and in FY 2021-22

(Amount in Euro)			
Particulars	Cost per unit in 2016 For MIAL	Cost per unit in FY 2021-22 For BIAL	Increase (+)/Decrease (-) in FY 2021-22
FEGP Units	23000	18000	-22%
PCA – Narrow Body	70474	76786	+9%
PCA – Wide Body	81724	90007	+10%
Total Unit Cost	175198	184793	+5.48%

- 4.2.4. While submitting the MYTP, CASI has considered the estimated EURO to INR conversion rate as ₹90/- per EURO for converting the value of equipment, while actual rate of foreign exchange (FE) at the time of import was ₹87.21/- and ₹86.75/- per EURO for two batches of procurement respectively. However, the impact on account of the difference shall be trued up in the next Control Period.
- 4.2.5. Regarding Security Deposit, the Authority has decided that the Security Deposit will be allowed a nominal rate of return to cover the inflation as done in cases of other ISPs/AOs. Accordingly, it is proposed to exclude the Security Deposit from the proposed capital expenditure.
- 4.2.6. Accordingly, the revised capital expenditure proposed to be considered by the Authority for the Third Control Period is tabulated below:

Table 12: Revised Capital Expenditure proposed to be considered by the Authority for the Third Control Period

(Amount in ₹ Lakhs)						
Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
BME Units -Fixed Electric Ground Power	795.95	157.50	105.00			1058.44
BME Units -Pre-Conditioned Air	3432.70	519.10	346.06			4297.86
Software	140.00					140.00
Total	4368.65	676.60	451.06	0.00	0.00	5496.30

- 4.2.7. It is also observed that CASI has not yet conducted the consultation with stakeholders. As per para AI.2 of Appendix I read with Clause 7.1 of Direction 04/2010-11 of AERA (CGF) Guidelines 2011, ISPs are required to submit documented evidence that consultation with stakeholders have been undertaken, along with their MYTP submission. The Authority, therefore, expects that CASI conduct the consultation with stakeholders at the earliest in compliance with the AERA Guidelines on the matter.
- 4.2.8. The Authority, in order to ensure timely capitalization of the capital expenditure in the CAPEX proposed by CASI for the Third Control Period, proposes to reduce (readjust) 1% of the non-capitalised equipment cost from ARR/Target Revenue in the True-up exercise for the next control period as readjustment, in case any particular equipment is not commissioned as per the proposed Capex timeline. This is proposed to protect the interest of the stakeholders and also to encourage ISPs to commission/capitalize the proposed equipment as per the Capex plan.
- 4.2.9. In case, delay in commissioning/capitalizing of the equipment proposed for the Third Control Period is due to any reason beyond the control of CASI, and is properly justified, the same would be considered by the Authority while truing up the actual cost at the time of Tariff Determination exercise for the next Control Period.
- 4.2.10. Upon enquiry of likely installation & capitalization of assets proposed to be procured in FY 2021-22, CASI has confirmed, vide email dated 11th January 2022, that the equipment have arrived and the installation/ commissioning work is undergoing. CASI has also confirmed that the capitalization will happen in FY 2021-22.

4.3. **Authority's Proposals regarding Capital Expenditure for the Third Control Period:**

Based on the material before it and its analysis, the Authority proposes the following regarding Capital Expenditure:

- 4.3.1. The Authority proposes to consider the Capital Expenditure as per Table no.12.
- 4.3.2. The Authority proposes to true-up the Capital Expenditure for the Third Control Period during the Tariff determination for the next Control Period.
- 4.3.3. The Authority also proposes to reduce (adjust) 1% of the non-capitalised equipment cost from ARR/Target Revenue in the true-up exercise for the next Control Period in case any particular equipment is not commissioned as per the proposed timeline.

CHAPTER 5: REGULATORY ASSET BASE AND DEPRECIATION

5.1. CASI has only two types of depreciable assets in their books which are Ground Handling Equipment and Computer software.

5.2. The year wise depreciation as submitted by CASI is tabulated below:

Table 13: Depreciation as projected by CASI for the Third Control Period

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
BME Units	76.38	390.33	390.33	390.33	390.33	1637.70
Computer Software	7.00	28.00	28.00	28.00	28.00	119.00
Total	83.38	418.33	418.33	418.33	418.33	1756.70

5.3. Authority's Analysis on Depreciation

5.3.1. The Authority notes that CASI has only two types of depreciable assets as submitted in their MYTP. Ground Handling Equipment has been depreciated at 7.29% while the period of concession is 12 years. The asset is proposed to be depreciated considering the life of the project i.e. 12 years. The Order no.35/2017-18 dated 12th January 2018 states that "Where assets are developed/constructed/put in to use, they should be depreciated over the available lease period or the useful life prescribed whichever is less." Further, as 40% of the Capex proposed by CASI has been shifted to FY 2023-24, depreciation has been re-worked out considering the correct rates (based on the available life of the asset till the Agreement) considering the year of capitalization proposed by the Authority.

5.3.2. The Authority notes that the other asset "Computer software" has been treated as intangible asset and has been depreciated / amortized over a period of 5 years.

5.3.3. In view of above, the Depreciation is proposed to be considered by the Authority as per Table 14 below:

Table 14: Depreciation proposed to be considered by the Authority for the Third Control Period

(Amount in ₹ Lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Depreciation on Addition to BME Units in FY 2021-22	88.10	352.39	352.39	352.39	352.39	1497.65
Depreciation on Addition to BME Units in FY 2022-23		61.51	61.51	61.51	61.51	246.04
Depreciation on Addition to BME Units in FY 2023-24			45.11	45.11	45.11	135.32
Depreciation on Addition to Software in FY 2021-22	7.00	28.00	28.00	28.00	28.00	119.00
<u>Total Depreciation</u>	95.10	441.90	487.00	487.00	487.00	1998.00

5.4. **Regulatory Asset Base**

5.4.1 CASI has calculated the RAB after including Security Deposit as part of RAB. The RAB for the Third Control Period as submitted by CASI is tabulated below:

Table 15: Regulatory Asset Base as submitted by CASI for the Third Control Period

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Opening RAB		4460.27	5344.60	5042.83	5275.88	
Additions	4543.65	1302.65	116.56	651.38	295.47	6909.71
Depreciation	83.38	418.33	418.33	418.33	418.33	1756.70
Closing RAB	4460.27	5344.60	5042.83	5275.88	5153.02	
Average RAB	2230.14	4902.43	5193.71	5159.36	5214.45	

5.5. **Authority's Analysis on Regulatory Asset Base:**

5.5.1 The Authority notes that CASI has included the Security Deposit paid/payable to the Airport Operator, in terms of the Agreement in the RAB and has claimed Return on RAB as per the FRoR worked out. The Authority had taken a consistent view while determining tariff in respect of other ISPs/AOs that the Security Deposit is not being used for the purpose of business of the ISPs/AOs. Therefore, a nominal return of 5% has been considered on Security Deposit to cover the inflation. The Authority proposes to adopt its consistent approach and proposes to allow a return of 5% on Security Deposit in case of CASI.

5.5.2 Accordingly, the revised RAB proposed to be adopted for the tariff determination is tabulated below:

Table 16: Revised Regulatory Asset Base proposed to be considered by the Authority for the Third Control Period.

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Opening RAB (A)		4273.55	4508.26	4472.31	3985.31	
Additions (B) (Ref Table-12)	4368.65	676.60	451.06			5496.31
Depreciation (C) (Ref Table-14)	95.10	441.90	487.00	487.00	487.00	1998.00
Closing RAB (D)	4273.55	4508.26	4472.31	3985.31	3498.31	
Average RAB (E)=(A+D)/2	2136.78	4390.90	4490.29	4228.81	3741.81	

5.5.3 The Authority notes that as per para 14.6 of the Agreement with BIAL, CASI has to provide an interest-free refundable deposit of ₹3.5Crore as Security Deposit. The Agreement also provides that 'the Security Deposit shall be revised on a yearly basis starting from the second Accounting Year till the end of the term' considering (a) an amount equivalent to 12 (twelve) months of the Airport Operator Fee (i.e. 24% of Gross Revenue) of the previous Accounting Year' or 'INR 3.5 Crores (Rupees Three Crores and Fifty Lakhs only)', whichever is higher. CASI has stated that the first year's Security Deposit of ₹3.5Crores has been deposited in two equal installments in

the first two years, as agreed with BIAL. The Security Deposit and the Return on Security Deposit proposed to be considered for the tariff determination for the Third Control Period, based on the Agreement between CASI and BIAL, are tabulated below:

Table 17: Return on Security Deposit proposed to be considered by the Authority for the Third Control Period

Particulars	(Amount in ₹ lakhs)				
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Gross Revenue as per CASI (A)	162.00	1944.00	4658.09	5889.21	6093.58
24% on Previous Year's Gross Revenue (B)	0.00	38.88	466.56	1117.94	1413.41
Minimum SD Payable (C)	175*	350.00	350.00	350.00	350.00
SD Payable (Higher of B and C)= (D)	175	350.00	466.56	1117.94	1413.41
Return on SD @5% on D	8.75	17.50	23.33	55.90	70.67

*SD applicable for the 1st year i.e. ₹ 350 lakhs is payable in two installments of ₹ 175 lakhs each.

5.6. Authority's Proposals regarding Depreciation and RAB for the Third Control Period:

Based on the material before it and its analysis, the Authority proposes the following regarding Depreciation and RAB:

- 5.6.1. The Authority proposes to consider Depreciation as per Table no.14.
- 5.6.2. The Authority proposes to consider RAB as per Table no.16.
- 5.6.3. The Authority proposes to consider nominal rate of return of 5% on Security Deposit as per Table no. 17.
- 5.6.4. The Authority proposes to true-up Depreciation, RAB and Security Deposit for the Third Control Period during the Tariff determination for the next Control Period.

CHAPTER 6: FAIR RATE OF RETURN (FROR)

6.1. CASI has projected capital of ₹2700.00 lakhs and a borrowing of ₹4500.00 lakhs for the Third Control Period. CASI has assumed a return on Equity at 18% and Cost of Debt at 8.10%. The Fair Rate of Return claimed is 11.81%. The details of FRoR as submitted by CASI is tabulated below:

Table 18: FRoR for the Third Control Period as submitted by CASI.

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Debt	4500	4500	4500	4500	4500
Equity	2700	2700	2700	2700	2700
Debt + Equity	7200	7200	7200	7200	7200
Cost of Debt	8.10%	8.10%	8.10%	8.10%	8.10%
Cost of Equity	18%	18%	18%	18%	18%
Gearing	62.50%	62.50%	62.50%	62.50%	62.50%
Fair Rate of Return	11.81%	11.81%	11.81%	11.81%	11.81%

6.2. Authority's Analysis on Fair Rate of Return

Debt and Cost of Debt

6.2.1. The Authority notes that CASI has submitted that the loan amounting ₹4500 lakhs is to be disbursed in two years i.e. ₹3273.42 Lakhs in FY 2021-22 and ₹1226.58 Lakhs in FY 2022-23. For calculation of FRoR, CASI has considered the debt as ₹4500 Lakhs in each of the five years of the Control Period, without accounting for the repayments made as submitted by them in Form no. F 6(a)(i) of MYTP.

The repayments made during the Control Period are ₹375 lakhs in FY 2022-23, ₹900 Lakhs each in FY 2023-24, 2024-25 and 2025-26. Therefore, the outstanding loan figures have been revised as shown in Table 19 below and considered accordingly while working out the FRoR in Table 20.

Table 19: Outstanding Loan at the end of each year in Control Period and Interest thereon

(Amount in ₹ Lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Loan Disbursed (A)	3273.42	1226.58	-	-	-
Repayments (B)	-	375.00	900.00	900.00	900.00
Outstanding Loan (A-B) = C	3273.42	4125.00	3225.00	2325.00	1425.00

Equity and Cost of Equity

6.2.2. The Authority notes that CASI has assumed a cost of equity at 18% as against the Cost of equity considered by the Authority in case of other ISPs/AOs at 14%.

6.2.3. Considering the above changes, the revised FRoR proposed to be considered for the Third Control Period is worked out as under:

Table 20: Revised FRoR proposed to be considered by the Authority for the Third Control Period
(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Debt	3273	4125	3225	2325	1425
Equity	2700	2700	2700	2700	2700
Total	5973	6825	5925	5025	4125
Gearing	55%	60%	54%	46%	35%
Return on Equity	14%	14%	14%	14%	14%
Cost of Debt	8.10%	8.10%	8.10%	8.10%	8.10%
FRoR					
On Debt	4.44%	4.90%	4.41%	3.75%	2.80%
On Equity	6.33%	5.54%	6.38%	7.52%	9.16%
Total	10.77%	10.43%	10.79%	11.27%	11.96%
Average FRoR	11.04%				

6.3. The average FRoR works out to 11.04% which is being used for calculating the return on RAB and Discounting Factor in calculation of ARR.

6.4. Authority's Proposal regarding FRoR for the Third Control Period

Based on the material before it and its analysis, the Authority proposes the following regarding FRoR for the Third Control Period.

- 6.4.1. The Authority proposes to revise the Cost of Equity to 14%.
- 6.4.2. The Authority proposes to adopt the Cost of Debt as 8.10%
- 6.4.3. The Authority proposes to adopt the revised FRoR as per Table no.20.
- 6.4.4. The Authority also proposes to true-up FRoR for the Third Control Period during the Tariff determination for the next Control Period.

CHAPTER 7: OPERATING EXPENSES

7.1. CASI has proposed to start Commercial operations at KIA, Bengaluru on 15.01.2022. As per MYTP submission, the level of operations will increase gradually in phases. The expenses for the year FY 2021-22 are projected only for 3 months. The operating expenses as projected by CASI for the Third Control Period are tabulated below:

Table 21: Operating Expenses as proposed by CASI for the Third Control Period:

(Amount in ₹ lakhs)

Particulars	FY 2021-22 (3months)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Salaries & Wages	44.91	204.39	338.46	327.54	351.63	1266.93
Admin Expenses:						159.44
-Insurance Cost		11.58	23.41	28.34	29.16	
-IT related Expenses	1.41	11.25	16.44	18.45	19.40	
Repair & Maintenance		109.93	109.93	164.89	228.65	613.40
Power & Fuel	35.23	429.37	1159.78	1531.41	1650.95	4806.74
Concession Fee	111.50	466.56	1117.94	1413.41	1462.46	4571.87
Licence Fee/Rent	4.63	18.53	19.46	20.43	21.46	84.51
Total	197.68	1251.61	2785.42	3504.47	3763.71	11502.89

7.2. Authority's Analysis on Operating Expenses:

7.2.1. Salaries & Wages

7.2.1.1 The Authority notes that CASI has projected the growth rate in the Salaries and Wages as 13.78% in FY 2022-23 (worked out after annualizing the 3 months figure of FY 2021-22), 66% in FY 2023-24, (-)3% in FY 2024-25 and 7% in FY 2025-26 over the previous year.

Table 22: Year-wise Employee Cost as per submission of CASI for the Third Control Period.

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Salaries	44.91	204.39	338.46	327.54	351.63
No. of Manpower	40	59	96	87	88
Cost per Employee	4.49	3.46	3.53	3.76	4.00
Growth rate		-22.86%	1.75%	6.80%	6.13%

7.2.1.2 The Authority sought clarification regarding the rationale of increase in the cost of Salaries & Wages. CASI has clarified that:

7.2.1.3 The employee cost per employee for the year FY 2021-22 is higher because of recruitment of senior level staff in the beginning of the operations and training cost which needs to be spent in the first year as confirmed by CASI.

7.2.1.4 The initial manpower of 40 in 2021-22 is for the Phase 1 which will be only at Terminal 1. From FY 2022-23 – Terminal 2 (Dom) will also start and therefore staff count will increase to 59. From FY 2023-24 – terminal 2 (Intl) will start which will require more manpower and will increase the total count to 96. Therefore, the manpower is showing increase from 40 to 96 in 3 years. After that CASI expects to bring some efficiency in the operations which will help in reducing the manpower from 96 to 87 and further increased to 88.

7.2.1.5 The Authority notes that increase in Salaries and Wages are mainly because of increase in manpower. The Authority observes that in FY 2022-23 and FY 2023-24, total manpower deployment is 59 and 96 respectively and then reduced to 87 in FY 2024-25 whereas the total numbers of aerobridges in operation in the corresponding years are 32(FY 2022-23) at Terminal 1 and Terminal 2 (Domestic), and 41 (with additional 9 aerobridges at Terminal 2 (International) in FY 2023-24 onwards.

7.2.1.6 The Authority notes that there is anticipated decline in the air traffic movement (more in the international ATM) on account of the much faster spread of a new “Variant of Concern”, namely, Omicron around the world and a further emerging new variant named Deltacron, being followed by twindemic situation (Covid and Influenza) and also travel restriction imposed by the GoI. In addition to there being no historical data available for the staff cost for the first-time BME services at KIA, Bengaluru, and no clear rationale/justification, the number of employees appears to be on higher side and is therefore proposed to be pegged at 40 in the FY 2021-22, 55 in the FY 2022-23 and 88 in the FY 2023-24, FY 2024-25 and FY 2025-26. Accordingly, the Authority proposes the manpower cost as per Table 23 below:

Table 23: Per Employee Staff Cost Proposed to be Considered by the Authority for the Third Control Period

(Amount in ₹ lakhs)						
Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Salaries & Wages	44.91	190.53	310.20	331.30	351.63	1228.57
No. of manpower	40	55	88	88	88	
Cost per Employee	4.49	3.46	3.53	3.76	4.00	
Growth rate		-22.86%	1.75%	6.80%	6.13%	

7.2.2 **Administration Expenses:**

7.2.2.1 The Authority notes that Administration Expenses consists of IT related expenses and Insurance.

7.2.2.2 The Authority notes that IT related expenses have increased to 8 times in FY 2022-23, 46% more in FY 2023-24, 12% in FY 2024-25 and 5% in FY 2025-26 over the previous year. CASI clarified that IT expenses are related to the expenses to be incurred on software license fees, AMC of BME billing software and rental for IT set up. The expenses in FY 2021-22 are only considered for 1.5 months as the operational dates are 15 January 2022 & 15 February 2022. In FY 2022-23, the expenses will increase to ₹ 11.25 lakhs with full year of operations for Terminal 1 & Terminal 2 (Domestic). In FY 2023-24, operations for Terminal 2 (Intl) will also start which will require additional IT software license for staff, higher IT rental, higher AMC

cost. From FY 2024-25 onwards, the increase is pertaining to price hike and some additional requirement on all these.

7.2.2.3 The Authority observes that the growth in expenditure is less than the growth in revenue for the corresponding period. Therefore, it is proposed to adopt the IT related expenses as projected by CASI.

7.2.2.4 Insurance expenses are projected only from FY 2022-23. The increase in FY 2023-24 is 102%, in FY 2024-25 is 21% and in FY 2025-26 is 3% over the previous year. CASI has clarified that Insurance is related to the insurance premium to be paid for Aviation Operators Liability (AOL) & Equipment insurance. AOL insurance premium increases to some extent with the increase in the no. of flights on which Company is expected to provide services. In FY 2022-23, the AOL & Equipment insurance will be only for the BME units which will get installed in Terminal 1 & Terminal 2 (Dom). From FY 2023-24, AOL & Equipment insurance will start for BME units to be installed on Terminal 2 (Intl) as well. The increase in units and higher no. of flights are leading to increase in the insurance cost significantly in FY 2023-24 compared to FY 2022-23.

7.2.2.5 The Authority observes that the growth in expenditure is less than the growth in revenue for the corresponding period. Therefore, it is proposed to adopt the IT Insurance expenses as projected by CASI.

7.2.3 **Repair & Maintenance Expenses:**

7.2.3.1 Repair and Maintenance expenses have been projected at 2% of Gross Block in FY 2022-23 and FY 2023-24, 3% of Gross Block in FY 2024-25 and 4% of Gross Block in FY 2025-26. Therefore, the increase over the previous year comes to 50% in FY 2024-25 and 39% in FY 2025-26 over the previous year. CASI clarified that Repair & Maintenance cost is on the purchase of spare parts, preventive maintenance of BME units on periodic intervals, repairing on normal wear & tear. The expense will increase over the period with the equipment becoming old and with the usage. The expense has been considered @ 2% of the equipment value for FY 2022-23 & FY 2023-24 and to be increased @ 3% & 4% of equipment value in FY 2024-2025 and FY 2025-2026 respectively with the usage.

After examining the Supply Contract for the equipment, the Authority observes that the Supplier provides Warranty for the equipment for 24 months. However, the consumables are excluded from the Warranty. Hence, considering the installation of new equipment and the Warranty clause in the Supply Contract, the Authority proposes to limit the R & M expenses to 0.5% of the Gross Block for the first two years of Warranty i.e. FY 2022-23 and FY 2023-24, then 2% of the Gross Block for the FY 2024-25, and 3% of the Gross Block for the FY 2025-26 as tabulated hereunder:

Table 24: Repair & Maintenance Expenses proposed to be considered by the Authority for the Third Control Period.

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Capex		4905.25	5356.30	5356.30	5356.30
R&M in %		0.5%	0.5%	2%	3%
R&M Amount		24.53	26.78	107.13	160.69

7.2.4 **Power & Fuel:**

7.2.4.1 Power and Fuel has increased by 204.69% in FY 2022-23, increased by 170% in FY 2023-24, 32% in FY 2024-25 and by 8% in FY 2025-26 over the previous year due to increase in the aircrafts handled. CASI has clarified that the BME units are being run on electricity therefore the expenses increase along with no. of flights to be served. The expense in FY 2021-22 is only for 1-2 month of operations. From FY 2022-23, the operations will start in Terminal 1 & Terminal 2 (Dom) which will lead to increase in the expenses. From FY 2023-24, the expenses will again increase with the start of Terminal 2 (Intl) and expected price hike.

7.2.4.2 The Authority observes that the revenue projected by CASI has increased by 200% in 2022-23, by 140% in 2023-24, by 26% in 2024-25 and by 3% in 2025-26 over the previous year. Since the revenue has direct relationship with the aircraft movements handled, it is proposed to adopt the same growth rates for Power and Fuel expenses also.

7.2.5 **Concession Fess:**

7.2.5.1 The Authority observes that the Concession Fee has been calculated at 24% of Gross Revenue or Minimum Annual Guarantee amount, whichever is higher, as per para 14.1.1 read with Schedule IX: Financial Plan of the Agreement, as tabulated below:

Table 25: Concession Fee submitted by CASI.

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Concession Fees %age of Gross Revenue (A)	24%	24%	24%	24%	24%
Revenue (B)	162.00	1,943.99	4,658.09	5,889.21	6,093.58
Concession Fees on Revenue (A) x (B) = (C)	38.88	466.56	1,117.94	1,413.41	1,462.46
Minimum Annual Guarantee as per Concession Agreement (D)	111.50	445.90	605.09	1,159.32	1,239.82
Higher of (C) and (D) = (E)	111.50	466.56	1,117.94	1,413.41	1,462.46

However, after considering the revised estimated Revenue as per Table-34, the Concession Fee undergoes a change. The Authority proposes to consider the Concession Fees as per Table below:

Table 26: Concession Fees proposed to be considered by the Authority for the Third Control Period

(Amount in ₹ lakhs)					
Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Concession Fees (Airport Operator Fee) in %age of Gross Revenue (A)	24%	24%	24%	24%	24%
Revised Revenue (B)	162.00	1518.26	3637.97	4599.47	4759.09
Concession Fees on Revenue (A) x (B) = (C)	38.88	364.61	873.11	1104.58	1142.91
Minimum Annual Guarantee as per Concession Agreement (D)	111.50	445.90	605.09	1,159.32	1,239.82
Higher of (C) and (D) = (E)	111.50	445.90	873.11	1159.32	1239.82

7.2.6 Licence Fees/Rent:

7.2.6.1 The Authority notes the CASI has considered License Fees in respect of Ops Office (20 sqm), Maintenance Area (100 sqm) and Parking Area for mobile units (150 sqm). ISP has escalated the Licence Fee by 5% once per year as per Agreement. However, as per Implementation Methodology Statement under Schedule II – Business Plan & BME Equipment Plan of the Agreement, ***“As Celebi is already an incumbent Ground Handling service provider in Bangalore, current rental areas such as Office areas, Maintenance area will be utilized in synergy with the new BME operations. Hence, Celebi assumes only additional apron parking areas will be necessary”***. In view of above, the Authority proposes to restrict to the Rental Expenses in respect Apron Parking area only i.e. to ₹14.77 Lakhs (in place of ₹84.51 Lakhs, which included ₹15.68 Lakhs and ₹54.06 Lakhs for Operational Office and Maintenance Area respectively). The Revised License Fees proposed by the Authority for Third Control Period is tabulated hereunder:

Table 27: Licence Fee proposed to be considered by the Authority for the Third Control Period.

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Parking Area (sqm)	150	150	150	150	150
Rate per sqm per month with 5% escalation once per year as per Schedule I-A of the Agreement. (in ₹)	179.90	179.90	188.90	198.34	208.26
Licence Fees (in ₹Lakhs)	0.81	3.24	3.4	3.57	3.75

7.2.6.2 The revised Operating Expenses proposed to be considered by the Authority for the Third Control Period are given below:

Table 28: Operating Expenses proposed to be considered by the Authority for the Third Control Period.

(Amount in ₹ lakhs)						
Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Salaries & Wages (Refer Table-23)	44.91	190.53	310.20	331.30	351.63	1228.57
Admn Expenses (Refer Table-21)	1.41	22.83	39.85	46.79	48.56	159.44
Repair & Maintenance (Refer Table-24)		24.53	26.78	107.13	160.69	319.13
Power & Fuel	35.23	422.76	1030.49	1298.42	1337.37	4124.27
Concession Fee (Refer Table-26)	111.50	445.90	873.11	1159.32	1239.82	3829.65
Licence Fee/Rent (Refer Table-27)	0.81	3.24	3.4	3.57	3.75	14.77
Total	193.86	1109.79	2283.83	2946.53	3141.82	9675.84

7.3 **Authority's Proposal regarding Operating Expenses for the Third Control Period**

Based on the material before it and based on its analysis, the Authority proposes the following: regarding Operating Expenses for the Third Control Period.

7.3.1 The Authority proposes to adopt the revised Operating Expenses as per Table no. 28.

7.3.2 The Authority also proposes to true-up Operating Expenses for the Third Control Period during the Tariff determination for the next Control Period.

CHAPTER 8: OTHER REVENUE

8.1. CASI has not projected any “Other Revenue” during the Third Control Period. The BME services are being offered as a separate service for the Third time and the operations are yet to start. Therefore, it is very difficult to foresee whether any Other Income will be generated or not.

8.2. Authority’s Analysis on Other Income

8.2.1. The Authority notes that the tariff determination for BME services is being done for the Third Control Period. The generation of other income will depend on so many factors like profitability, cash generation etc. It will be very difficult to foresee the future generation of Other Revenue. Therefore, the Authority proposes to consider Other Income/Revenue as “NIL” for the Third Control Period. The Authority also proposes to true-up Other Revenue during the tariff determination for the next Control Period.

8.3. Authority’s Proposal regarding Other Income for the Third Control Period

Based on the material before it and based on its analysis, the Authority proposes the following regarding Other Revenues for the Third Control Period:

8.3.1. The Authority proposes to adopt the Other Income/Revenue as “NIL” for the Third Control Period.

8.3.2. The Authority also proposes to true-up Other Revenues for the Third Control Period during the Tariff determination for the next Control Period.

CHAPTER 9: PROFITABILITY AND INCOME TAX

9.1. CASI has projected that for the first two years (FY 2021-22 and FY 2022-23) of operation the company will be making losses. Therefore, the income tax will be applicable from the third year of operation i. e. FY 2023-24. The details of year wise income tax as projected by CASI is given below:

Table 29: Income Tax as projected by CASI for the Third Control Period

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Income Tax	-54.31	-12.30	286.56	434.24	439.04	1093.23

9.2. Profitability of CASI for the Third Control Period

9.2.1. Based on the projected revenue and projected expenditure, M/s CASI has submitted their projected Profit and Loss summary for the Third Control Period as follows:

Table-30: P&L Summary submitted by CASI for the Third Control Period.

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Revenue	162.00	1944.00	4658.09	5889.21	6093.58	18746.88
Revenue from regulated services	162.00	1944.00	4658.09	5889.21	6093.58	
Revenue from other than regulated services	-	-	-	-	-	
Operating Expenditure	197.68	1251.60	2785.42	3504.48	3763.70	11502.88
Payroll Costs	44.91	204.39	338.46	327.54	351.63	
Administrative & General Costs	1.41	22.83	39.85	46.79	48.56	
Utilities & Outsourcing Costs	35.23	429.37	1159.78	1531.41	1650.95	
Other Outflows	116.13	485.09	1137.40	1433.85	1483.91	
Repair & Maintenance Costs	-	109.93	109.93	164.89	228.65	
Earnings before depreciation, interest & taxation (EBDIT)	(35.68)	692.39	1872.67	2384.73	2329.88	
Depreciation and Amortisation	83.38	418.33	418.33	418.33	418.33	1756.7
Earnings before interest & taxation (EBIT)	(119.06)	274.06	1454.34	1966.40	1911.55	5606.35
Total Interest and Finance Charges	96.72	322.93	315.85	241.18	167.26	1143.94
Profit/Loss before tax Provision for tax	(215.78)	(48.87)	1138.49	1725.23	1744.29	4608.01
Provision for taxation & Deferred Tax (Income)/Expenses	(54.31)	(12.30)	286.56	434.24	439.04	1159.84
Profit/Loss after taxation	(161.47)	(36.57)	851.94	1290.99	1305.25	3250.14

9.3. Authority's Analysis regarding Profitability:

9.3.1. The Revenue projected by CASI has been reviewed and the Authority observes that the same would undergo a change to the lower side because of decrease in the projected ATM, projected number of aircrafts to avail aerobridges, and changes proposed by the Authority in various building blocks of ARR. The revised Profitability of CASI for the Third Control Period is given below:

Table-31: P&L Summary proposed to be considered by the Authority for the Third Control Period.

(Amount in ₹ lakhs)						
Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Estimated Revenue (Refer Table-34)	162.00	1518.26	3637.97	4599.47	4759.09	14676.78
Revenue from Regulated Services	162.00	1518.26	3637.97	4599.47	4759.09	14676.78
Revenue from other than Regulated Services	-	-	-	-	-	-
Operating Expenditure (Refer Table-28)	193.86	1109.79	2283.83	2946.53	3141.82	9675.84
Earnings before Depreciation, Interest & Taxation (EBDIT)	-31.86	408.46	1354.13	1652.94	1617.27	5000.95
Depreciation (Refer Table-14)	95.10	441.90	487.00	487.00	487.00	1998.00
Earnings before Interest & Taxation (EBIT)	-126.96	-33.43	867.13	1165.94	1130.26	3002.95
Total Interest and Finance Charges	96.72	322.93	315.85	241.18	167.26	1143.94
Profit/(Loss) Before Tax	-223.68	-356.36	551.28	924.76	963.00	1859.01
Tax @ 25.17%	0.00	0.00	0.00	225.51	242.37	467.88
Profit/Loss after taxation	-223.68	-356.36	551.28	699.25	720.64	1391.13

9.4. Authority's Analysis on Income Tax

9.4.1. The Authority notes that the income tax becomes payable from fourth year of operations as the CASI will start generating profits from fourth year. The losses incurred in the first two years have been carried forward in the next profit-making year for the purpose of calculation of tax. The Income Tax being a statutory payment, it will be as per the book profits accounted by the service provider.

9.4.2. The Authority also notes that the Income Tax will be subject to true-up in the Tariff Determination for the next Control Period.

9.4.3. The Income Tax proposed to be considered for the Third Control Period is given below:

Table 32: Income Tax proposed to be considered by the Authority for the Third Control Period
(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Income Tax	0.00	0.00	0.00	225.51	242.37	467.88

9.5. **Authority's Proposal regarding Income Tax for the Third Control Period**

Based on the material before it and its analysis, the Authority proposes the following, regarding Income Tax.

- 9.5.1. The Authority proposes to consider Income Tax as per Table no.32.
- 9.5.2. The Authority also proposes to true-up Income Tax during the Tariff determination for the next Control Period.

CHAPTER 10: AGGREGATE REVENUE REQUIREMENT.

10.1. CASI has calculated the ARR recoverable for the Third Control Period as given below:

Table 33: ARR as Calculated by CASI for the Third Control Period.

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Average RAB	2230.14	4902.43	5193.71	5159.36	5214.45	
FRoR	11.81%	11.81%	11.81%	11.81%	11.81%	
Return on RAB	263.38	578.98	613.38	609.32	615.83	2680.89
Depreciation	83.38	418.33	418.33	418.33	418.33	1756.70
Opex	197.68	1251.60	2785.42	3504.48	3763.70	11502.88
Tax	(54.31)	(12.30)	286.56	434.24	439.04	1093.23
ARR	490.13	2236.61	4103.69	4966.37	5236.90	17033.70

10.2 CASI has projected the Revenue for the Third Control Period as per form F13(a) as given below:

Table 34: Revenue from Regulated Services as projected by CASI for the Third Control Period

(Amount in ₹ lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Revenue from Regulated Services as per CASI	162.00	1943.99	4658.09	5889.21	6093.58	18746.87

10.3. CASI has proposed the Tariff Rate Card for the Third Control Period as per Annexure-I.

10.4. Authority's Analysis on Aggregate Revenue Requirement (ARR) for the Third Control Period

10.4.1. The Authority notes that the rates in the Tariff Rate Card proposed by CASI for BME Services at KIA, Bengaluru are 10% higher than the rates for similar services being provided by CASI at Chhatrapati Shivaji Maharaj International Airport, Mumbai.

10.4.2. After analysis of various regulatory building blocks for the computation of ARR for the Third Control Period, the Authority proposes as below:

- To consider the Average RAB in accordance with Table 16
- To consider the FRoR as per Table 20
- To consider the Return on Security Deposit as per Table 17
- To consider the Depreciation as per Table 14
- To consider the Opex as per Table 28
- To consider the Income Tax as per Table 32

10.4.3. The Authority, based on its analysis on the different regulatory building blocks as above, proposes the following computation of ARR for the Third Control Period as given below:

Table 35: ARR proposed to be considered by the Authority for the Third Control Period**(Amount in ₹ lakhs)**

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
Average RAB (Refer Table 16) (A)	2136.78	4390.90	4490.29	4228.81	3741.81	
Fair Rate of Return (Refer Table 20) (B)	11.04%	11.04%	11.04%	11.04%	11.04%	
Return on Average RAB (C) = (A*B)	235.90	484.76	495.73	466.86	413.10	2096.34
Opex (Refer Table 28) (D)	193.86	1116.84	2283.83	2946.52	3141.82	9675.83
Depreciation (Refer Table 14) (E)	95.10	441.90	487.00	487.00	487.00	1998.00
Tax (Refer Table 32) (F)	0.00	0.00	0.00	225.51	242.37	467.88
Return on Security Deposit (Refer Table-17) (G)	8.75	17.50	23.33	55.90	70.67	176.15
ARR (H) = Sum(C:G)	533.61	2053.95	3289.89	4181.79	4354.96	14414.19
Discount Rate	11.04%	11.04%	11.04%	11.04%	11.04%	
PV Discount	1	0.9	0.81	0.73	0.66	
PV of ARR @ 11.04% (I)	533.61	1849.73	2668.23	3054.39	2864.61	10970.57
Revenue Projected by CASI (Refer Table-34) (J)	162.00	1943.99	4658.09	5889.21	6093.58	18746.87
PV of Revenue Projected by CASI (K) = (J*B)	162.00	1750.71	3777.89	4301.49	4008.25	14000.34
% Tariff Decrease proposed	0.00%	21.90%	0.00%	0.00%	0.00%	
Revenue after Tariff Decrease (L)	162.00	1518.26	3637.97	4599.47	4759.09	14676.78
PV of Revenue after Tariff Decrease (M)	162.00	1367.31	2950.53	3359.46	3130.44	10969.74

10.4.4. Based on the detailed analysis and approach on each building block, the Authority notes that the ARR recoverable computed as above results in one time decrease of 21.90% on the proposed Tariff Rate Card for BME services submitted by CASI. The revised tariff rate card attached at Annexure –II for Stakeholders’ Consultation.

10.5. **Authority’s Proposal regarding ARR for the Third Control Period**

Based on the material before it and its analysis, the Authority proposes the following, regarding Aggregate Revenue Requirement:

10.5.1. The Authority proposes to consider ARR as per Table no.35 for the Third Control Period.

10.5.2. The Authority also proposes to true-up ARR during the Tariff determination for the next Control Period.

10.5.3. The Authority proposes to consider the Tariff Rate as per Annexure-II.

CHAPTER 11: SUMMARY OF AUTHORITY'S PROPOSAL

The below mentioned summary provides the Authority's proposals relating to relevant chapters regarding the tariff determination of CASI proposed to provide BME Services at KIA, Bengaluru for Stakeholder Consultation purpose:

Chapter	Para	Summary of Authority's Proposals	Page No.
Chapter No.2	2.7.1	The Authority proposes to adopt "Price Cap Approach" on Single Till Basis for Tariff determination of M/S CASI for Third Control Period.	11
Chapter No. 3	3.11.1	The Authority proposes to consider the Traffic Volume (Aircraft Movements) as per Table 7 and Traffic Volume to avail Aerobridges as per Table no. 8.	15
	3.11.2	The Authority proposes to true-up Traffic Volume for the Third Control Period during the Tariff determination for the next control period.	
Chapter No. 4	4.3.1	The Authority proposes to consider the Capital Expenditure as per Table no.12	18
	4.3.2	The Authority proposes to true-up Capital Expenditure for the Third Control Period during the Tariff determination for the next control period.	
	4.3.3	The Authority also proposes to reduce (adjust) 1% of the non-capitalised equipment cost from ARR/Target Revenue in the true-up exercise for the next Control Period in case any particular equipment is not commissioned as per the proposed timeline.	
Chapter No. 5	5.6.1	The Authority proposes to consider Depreciation as per Table no.14	21
	5.6.2	The Authority proposes to consider RAB as per Table no.16	
	5.6.3	The Authority proposes to consider nominal rate of return of 5% on Security Deposit as per Table no. 17.	
	5.6.4	The Authority proposes to true-up Depreciation, RAB and Security Deposit for the Third Control Period during the tariff determination for the next Control Period.	
Chapter No. 6	6.4.1	The Authority proposes to revise the Cost of Equity to 14%	23
	6.4.2	The Authority proposes to adopt the Cost of Debt as 8.10%	
	6.4.3	The Authority proposes to adopt the revised FRoR as per Table no.20	

	6.4.4	The Authority also proposes to true-up FRoR for the Third Control Period during the Tariff determination for the next Control Period.	
Chapter No. 7	7.3.1	The Authority proposes to adopt the revised Operating Expenses as per Table no. 28.	29
	7.3.2	The Authority also proposes to true-up Operating Expenses for the Third Control Period during the Tariff determination for the next Control Period.	
Chapter No. 8	8.3.1	The Authority proposes to adopt the Other Income/Revenue as “NIL” for the Third Control Period.	30
	8.3.2	The Authority also proposes to true-up Other Revenues for the Third Control Period during the Tariff determination for the next Control Period.	
Chapter No. 9	9.5.1	The Authority proposes to consider Income Tax as per Table no.32	33
	9.5.2	The Authority also proposes to true-up Income Tax during the Tariff determination for the next Control Period.	
Chapter No. 10	10.5.1	The Authority proposes to consider ARR as per Table no.35 for the Third Control Period.	35
	10.5.2	The Authority also proposes to true-up ARR during the Tariff determination for the next Control Period.	
	10.5.3	The Authority proposes to consider the Tariff Rates as per Annexure-II.	

CHAPTER 12: STAKEHOLDERS' CONSULTATION

- 12.1 In accordance with the provisions of Section 13(4) of the AERA Act, the proposals contained in Chapter 11 is hereby put forth for stakeholders' consultation. To assist the stakeholders in making their submissions in a meaningful and constructive manner, necessary annexures are enclosed to the Consultation Paper.
- 12.2 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 the Tariff Order in terms of the provisions of the Act.
- 12.3 The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposals made in Chapter 12 above, latest by 03rd March, 2022

Secretary,
Airports Economic Regulatory Authority of India
AERA Building, Administrative Complex
Safdarjung Airport, New Delhi -110003
Tel: 011-24695044-47, Fax: 011-24695048
Email: satish.kr@aera.gov.in;
Copy to: secretary@aera.gov.in; director-ps@aera.gov.in;
rd.vishwakarma@govcontractor.in

(Chairperson)

ANNEXURE-I**Tariff Rates for Bridge Mounted Equipment Services proposed by CASI for the Third Control Period at KIA, Bengaluru**

FY 2021-22	Services	FEGP (per hour in INR)		PCA (per hour in INR)	
Domestic	Code C		2,750		4,130
	Code D		3,300		4,400
	Code E		3,850		4,680
International	Code C	Single Cable	6,330	Upto 60 Ton	6,440
		Double Cable	7,650	Between 61 Ton - 90 Ton	7,180
	Code D	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code E	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code F	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650	Upto 91 Ton to 120 Ton	8,280
				Above 120 Ton	9,600

FY 2022-23	Services	FEGP (per hour in INR)		PCA (per hour in INR)	
Domestic	Code C		2,750		4,130
	Code D		3,300		4,400
	Code E		3,850		4,680
International	Code C	Single Cable	6,330	Upto 60 Ton	6,440
		Double Cable	7,650	Between 61 Ton - 90 Ton	7,180
	Code D	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code E	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code F	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650	Upto 91 Ton to 120 Ton	8,280
				Above 120 Ton	9,600

FY 2023-24	Services	FEGP (per hour in INR)		PCA (per hour in INR)	
Domestic	Code C		2,750		4,130
	Code D		3,300		4,400
	Code E		3,850		4,680
International	Code C	Single Cable	6,330	Upto 60 Ton	6,440
		Double Cable	7,650	Between 61 Ton - 90 Ton	7,180
	Code D	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code E	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code F	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650	Upto 91 Ton to 120 Ton	8,280
				Above 120 Ton	9,600

FY 2024-25	Services	FEGP (per hour in INR)		PCA (per hour in INR)	
Domestic	Code C		2,750		4,130
	Code D		3,300		4,400
	Code E		3,850		4,680
International	Code C	Single Cable	6,330	Upto 60 Ton	6,440
		Double Cable	7,650	Between 61 Ton - 90 Ton	7,180
	Code D	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code E	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code F	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650	Upto 91 Ton to 120 Ton	8,280
				Above 120 Ton	9,600

FY 2025-26	Services	FEGP (per hour in INR)		PCA (per hour in INR)	
Domestic	Code C		2,750		4,130
	Code D		3,300		4,400
	Code E		3,850		4,680
International	Code C	Single Cable	6,330	Upto 60 Ton	6,440
		Double Cable	7,650	Between 61 Ton - 90 Ton	7,180
	Code D	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code E	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650		
	Code F	Single Cable	6,330	Upto 90 Ton	7,180
		Double Cable	7,650	Upto 91 Ton to 120 Ton	8,280
				Above 120 Ton	9,600

ANNEXURE-II

Tariff Rates proposed by the Authority in respect of Celebi Airport Services India Pvt. Ltd. for Bridge Mounted Equipment Services at KIA, Bengaluru for The Third Control Period (FY 2021-22 to FY 2025-26) for Stakeholders' Consultation

Revised Tariff proposed to be effective from 01.04.2022

FY 2022-23	Services	FEGP (per hour in ₹)		PCA (per hour in ₹)	
Domestic	Code C		2,148		3,226
	Code D		2,577		3,436
	Code E		3,007		3,655
International	Code C	Single Cable	4,944	Upto 60 Ton	5,030
		Double Cable	5,975	Between 61 Ton - 90 Ton	5,608
	Code D	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975		
	Code E	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975		
	Code F	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975	Upto 91 Ton to 120 Ton	6,467
				Above 120 Ton	7,498

FY 2023-24	Services	FEGP (per hour in ₹)		PCA (per hour in ₹)	
Domestic	Code C		2,148		3,226
	Code D		2,577		3,436
	Code E		3,007		3,655
International	Code C	Single Cable	4,944	Upto 60 Ton	5,030
		Double Cable	5,975	Between 61 Ton - 90 Ton	5,608
	Code D	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975		
	Code E	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975		
	Code F	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975	Upto 91 Ton to 120 Ton	6,467
				Above 120 Ton	7,498

FY 2024-25	Services	FEGP (per hour in ₹)		PCA (per hour in ₹)	
Domestic	Code C		2,148		3,226
	Code D		2,577		3,436
	Code E		3,007		3,655
International	Code C	Single Cable	4,944	Upto 60 Ton	5,030
		Double Cable	5,975	Between 61 Ton - 90 Ton	5,608

	Code D	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975		
	Code E	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975		
	Code F	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975	Upto 91 Ton to 120 Ton	6,467
				Above 120 Ton	7,498

FY 2025-26	Services	FEGP (per hour in ₹)		PCA (per hour in ₹)	
Domestic	Code C		2,148		3,226
	Code D		2,577		3,436
	Code E		3,007		3,655
International	Code C	Single Cable	4,944	Upto 60 Ton	5,030
		Double Cable	5,975	Between 61 Ton - 90 Ton	5,608
	Code D	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975		
	Code E	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975		
	Code F	Single Cable	4,944	Upto 90 Ton	5,608
		Double Cable	5,975	Upto 91 Ton to 120 Ton	6,467
				Above 120 Ton	7,498

महोदय

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
सफदरजंग एयरपोर्ट, नई दिल्ली-110003



AIRPORT SERVICES INDIA PVT LTD

प्राप्त

डायरी नं०

16373

तारीख

29/11/2021

Date: 20 September 2021

To,

The Secretary

Airports Economic Regulatory Authority of India

AERA Building, Administrative Complex

Safdarjung Airport, New Delhi – 110003

निदेशक (नि० एवं सां०)

24
28.11

ASIM (SC)

Dear Sir / Ma'am,

Sub: Submission of Multi-Year Tariff Proposal (MYTP) for FY 2021 – FY 2026 for Celebi NAS Airport Services India Private Limited for its Bengaluru station.

Company has been awarded contract to invest, procure, supply, install, commission, operate, maintain and manage Bridge Mounted Equipment at Kempegowda International Airport, Bengaluru by Bengaluru International Airport Limited (BIAL) for 12 years. The contract has been signed on 20 August, 2021 (copy enclosed).

Please find enclosed the MYTP for third control period for your approval. We trust you would maintain confidentiality of the documents submitted for MYTP.

Thanking you,

Yours sincerely,

For Celebi NAS Airport Services India Pvt. Ltd

Cem Sensoz

Chief Executive Officer

Email: cem.sensoz@celebinas.in

Tel: +91 11 2560 1191



2. Enclosures

#	Form Number	Description
Supporting documents for MYTP FY 2021 - FY 2026 (Forms and Calculations)		
Srl	Form's No	Name of Forms
1	Form 1 a	Historical and proposed aggregate revenue requirement
2	Form 1 b	Competition Assessment (Sec AL3)
3	Form F 3	Historical & Projected Profit & Loss Account
4	Form F 6 (a) (i)	Loan Master
5	Form F 6 (a) (ii)	Loan Details
6	Form F 6 (b)	Summary Statement of Interest and Finance Charges
7	Form F 7	Format for Identifying Initial Regulatory Asset Base
8	Form F 8 a	Format for providing asset wise information of stakeholders contributions
9	Form F 8 b	Format for providing proposed exclusions from RAB
10	Form F 9	Formats for Forecast and Actual Roll Forward RAB
11	Form F 10 a	Capital projects completed before current review for Roll - Forward of RAB
12	Form F 10 b	Capital Expenditure projected plan - 10 year Master
13	Form F 10 c	Year wise Capital Expenditure Financing Plan for next 10 years
14	Form F 10 d	Summary Statement of Expenses Capitalised
15	Form F 10 e	Additional Capital Projects Summary
16	Form 11(a)	Employee Strength (ref: AI.4 of Appendix I)
17	Form 11(b)	Payroll related Expenditures and Provisions (ref: AI.5 of Appendix I)
18	Form 11(c)	Administration and General Expenditure (ref: AI.5 of Appendix I)
19	Form 11(d)	Repair & Maintenance Expenditure (ref: AI.5 of Appendix I)
20	Form 11(e)	Utilities & Outsourcing Expenditure (ref: AI.5 of Appendix I)
21	Form 11(f)	Other Outflows (ref: AI.5 of Appendix I)
22	Form 11(g)	Current Assets & Liabilities (ref: AI.5 of Appendix I)
23	Form F 12 b	Historical Aircraft Movements
24	Form F 12 c	Projected Aircraft Movements
25	Form 13(a)	Historical Tariffs and Revenue from Regulated Services (ref: AI.7 of Appendix I)
26	Form 13(b)	Historical and Projected Revenues from services other than Regulated Services (ref: AI.7 of Appendix I)
27	Form 14(b)	Price List
28	Annexure 1	Calculation of ARR
29	FRoR	
30	Forecast RAB	
31	Yield Per unit	

CELEBI NAS AIRPORT SERVICES INDIA PRIVATE LIMITED

www.celebiaviation.com

Corp. & Regd. Off: E8 - 3016, Level 3, Terminal 2, Chhatrapati Shivaji Maharaj International Airport, Andheri (East), Mumbai - 400 099.

Tel: +91-22-6685 9377 Fax: +91-22-6685 9388 CIN: U63033MH2008FTC188882



Form A

BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA AT NEW DELHI

SUBMISSION OF MULTI YEAR TARIFF PROPOSAL FOR AND ON BEHALF OF:

M/s Celebi NAS Airport Services India Pvt. Ltd
E8-3016, Level 3, New T2,
Chhatrapati Shivaji Maharaj International Airport
Andheri East
Mumbai – 400099

I, **Cem Sensoz**, aged 50 years, resident of Villa No. 126B, ITC Laburnum, Block A, Sushant Lok Phase – I, Gurgaon acting in my official capacity as **Chief Executive Officer** in Celebi NAS Airport Services India Private having its registered office at E8-3016, Level 3, New T2, Chhatrapati Shivaji Maharaj International Airport, Andheri East, Mumbai – 400099, India do hereby state and affirm as under that:

1. That I am duly authorized to act for and on behalf of M/s Celebi NAS Airport Services India Pvt Ltd for the Bengaluru station, 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 are correct and true to my knowledge and belief and nothing material has been concealed therefrom.

Signature



Place: Mumbai
Date: 20 September 2021



CELEBI NAS AIRPORT SERVICES INDIA PRIVATE LIMITED

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Form 1a Historical and proposed aggregate revenue requirement

Sl no.	Aggregate revenue requirement	last available audited year	Financial year before Tariff year	Tariff year 1	Tariff year 2	Tariff year 3	Tariff year 4	Tariff year 5
		2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	Aggregate revenue requirement	-	-	49,018,415	223,673,107	410,380,966	496,649,745	523,702,124



Form 1b Competition Assessment (Sec AL3)

SI No.	Details of Competitive Facilities
1	Air India SATS Airport Services India Private Limited
2	Globe Ground India Private Limited



Form F 3 Historical & Projected Profit & Loss Account

S. No.	Particulars	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	Revenue	-	-	16,199,948	194,399,376	465,808,752	588,921,324	609,357,608
	Revenue from regulated services	-	-	16,199,948	194,399,376	465,808,752	588,921,324	609,357,608
	Revenue from other than regulated services	-	-	-	-	-	-	-
2	Operating Expenditure	-	-	19,768,083	125,160,368	278,541,546	350,448,032	376,369,907
	Payroll Costs	-	-	4,491,036	20,439,088	33,845,834	32,754,337	35,163,266
	Administrative & General Costs	-	-	140,625	2,282,670	3,985,097	4,678,916	4,855,566
	Utilities & Outsourcing Costs	-	-	3,523,057	42,936,690	115,977,771	153,141,307	165,095,007
	Other outflows	-	-	11,613,365	48,509,310	113,740,234	143,384,557	148,391,437
	Repair & Maintenance Costs	-	-	-	10,992,611	10,992,611	16,488,916	22,864,630
3	Earning before depreciation, interest & taxation (EBDIT)	-	-	(3,568,135)	69,239,007	187,267,206	238,473,292	232,987,701
	Depreciation and Amortisation	-	-	8,337,970	41,832,794	41,832,794	41,832,794	41,832,794
4	Earning before interest & taxation (EBIT)	-	-	(11,906,105)	27,406,213	145,434,412	196,640,497	191,154,906
	Total Interest and Finance Charges	-	-	9,671,644	32,293,250	31,585,020	24,117,525	16,726,275
5	Profit/Loss before tax	-	-	(21,577,749)	(4,887,037)	113,849,392	172,522,972	174,428,632
	Provision for taxation & Deffered Tax (Income)/Expense	-	-	(5,431,120)	(1,230,067)	28,655,892	43,424,032	43,903,687
6	Profit/Loss after taxation	-	-	(16,146,630)	(3,656,970)	85,193,500	129,098,940	130,524,945
7	Balance carried to balance sheet	-	-	(16,146,630)	(3,656,970)	85,193,500	129,098,940	130,524,945



Form F 6 (a) (i)

Loan Master

Particulars	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Secured Loan - At the beginning of the year	-	-	-	327,342,420	412,500,000	322,500,000	232,500,000
Disbursement	-	-	327,342,420	122,657,580	-	-	-
Repayment during the year	-	-	-	(37,500,000)	(90,000,000)	(90,000,000)	(90,000,000)
Interest payment during the year	-	-	9,446,644	31,393,250	30,685,020	23,217,525	15,826,275
Outstanding at the end of the year	-	-	327,342,420	412,500,000	322,500,000	232,500,000	142,500,000
Cash Credit facility - At the beginning of the year	-	-	-	-	-	-	-
Disbursement	-	-	-	-	-	-	-
Repayment during the year	-	-	-	-	-	-	-
Interest payment during the year	-	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-	-
Unsecured Loan - At the beginning of the year	-	-	-	-	-	-	-
Payment received during the year including interest accrued	-	-	-	-	-	-	-
Repayment during the year	-	-	-	-	-	-	-
Interest payment during the year	-	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-	-



Form F 6 (a) (ii)

For every Loan (actual/proposed, secured/unsecured) the following information should also be provided/indicated

SR. NO.	Description	Existing Loan	Proposed Loan	Working Capital
1	Particulars			
2	Source		Banks	
3	Type of Loan (PS/WC)		Term Loan	
4	If PS, then indicate the Project/ Apportionment to a project			
5	Total Loan Amount Sanctioned (in Cr.)		45.00	
6	Loan Tenure		6 years	
7	Interest Type (Fixed/ Floating)		Floating	
8	If Fixed interest , rate of Interest %			
9	Base Rate, if Floating Interest (in %)		7.25	
10	Margin, if floating Interest (in %)		0.85	
11	Are there any Caps/ Floor?			
12	If above is yes, specify Caps/floor			
13	Moratorium Period		1 year	
14	Moratorium effective from		1 Nov, 2021	
15	Repayment Period		5 years	
16	Repayment Start Date		1 Nov, 2022	
17	Repayment Frequency		Monthly	
18	Arrangement Fees		4,500,000	
19	Outstanding Loan			
20	Other terms			



Form F 6 (b) Summary Statement of Interest and Finance Charges

S.No.		Particulars	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	1	Interest Charges on Government Loans, Bonds and Advances	-	-	-	-	-	-	-
	2	Interest on long term Loans	-	-	9,446,644	31,393,250	30,685,020	23,217,525	15,826,275
		Secured	-	-	9,446,644	31,393,250	30,685,020	23,217,525	15,826,275
		Total Interest on Loans (1+2)	-	-	9,446,644	31,393,250	30,685,020	23,217,525	15,826,275
B		Cost of raising finance and bank charges on project loans	-	-	225,000	900,000	900,000	900,000	900,000
C		Grand Total of Interest and Finance Charges (A+B)	-	-	9,671,644	32,293,250	31,585,020	24,117,525	16,726,275
D		Less: Interest & Finance Charges Capitalised	-	-	-	-	-	-	-
E		Net Total of Interest & Finance Charges on Project related loans	-	-	9,671,644	32,293,250	31,585,020	24,117,525	16,726,275
F		Interest on Working Capital Loans	-	-	-	-	-	-	-
G		Other Interest Charges (Provide headwise details)	-	-	-	-	-	-	-
		Interest on Unsecured Loan	-	-	-	-	-	-	-
		Interest to Supplier for delay in payment of Equipments	-	-	-	-	-	-	-
		Interest on Service Tax	-	-	-	-	-	-	-
		Interest on TDS	-	-	-	-	-	-	-
H		Total Interest and Finance Charges chargeable to P&L account (E+F+G)	-	-	9,671,644	32,293,250	31,585,020	24,117,525	16,726,275

1

2



Form F 7 Format for Identifying Initial Regulatory Asset Base

As on 31, March, 2021

Asset Name	Original	Accumulated Depreciation	Net Book Value
Leasehold improvement	-	-	-
Ground handling equipments	-	-	-
Plant & machinery	-	-	-
Furnitures and fixtures	-	-	-
Vehicles	-	-	-
Office Equipment	-	-	-
Computers	-	-	-
Computer Software	-	-	-
Security Deposit	-	-	-
Grand Total	-	-	-



Form F 8 a	Format for providing asset wise information of stakeholders contributions
	NIL



Form F 8 b	Format for providing proposed exclusions from RAB
	NIL



		Depreciation Rates	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Opening RAB		-	-	-	446,027,196	534,459,763	504,282,818	527,588,274
	Leasehold Improvements		-	-	-	-	-	-	-
	Ground Handling Equipments		-	-	-	415,227,196	488,959,763	449,926,968	410,894,174
	Plant & Machinery		-	-	-	-	-	-	-
	Furniture & Fixtures		-	-	-	-	-	-	-
	Vehicles		-	-	-	-	-	-	-
	Office Equipments		-	-	-	-	-	-	-
	Computers		-	-	-	-	-	-	-
	Intangible Assets - Computer Software		-	-	-	13,300,000	10,500,000	7,700,000	4,900,000
	Security Deposit		-	-	-	17,500,000	35,000,000	46,655,850	111,794,101
B	Additions - WIP Capitalisation		-	-	454,365,166	130,265,361	11,655,850	65,138,250	29,547,017
	Leasehold Improvements		-	-	-	-	-	-	-
	Ground Handling Equipments		-	-	422,865,166	112,765,361	-	-	-
	Plant & Machinery		-	-	-	-	-	-	-
	Furniture & Fixtures		-	-	-	-	-	-	-
	Vehicles		-	-	-	-	-	-	-
	Office Equipments		-	-	-	-	-	-	-
	Computers		-	-	-	-	-	-	-
	Intangible Assets - Computer Software		-	-	14,000,000	-	-	-	-
	Security Deposit		-	-	17,500,000	17,500,000	11,655,850	65,138,250	29,547,017
C	Disposals/ Transfers		-	-	-	-	-	-	-
	Leasehold Improvements		-	-	-	-	-	-	-
	Ground Handling Equipments		-	-	-	-	-	-	-
	Plant & Machinery		-	-	-	-	-	-	-
	Furniture & Fixtures		-	-	-	-	-	-	-
	Vehicles		-	-	-	-	-	-	-
	Office Equipments		-	-	-	-	-	-	-
	Computers		-	-	-	-	-	-	-
	Intangible Assets - Computer Software		-	-	-	-	-	-	-
	Security Deposit		-	-	-	-	-	-	-
D	Depreciation Charge		-	-	8,337,970	41,832,794	41,832,794	41,832,794	41,832,794
	Leasehold Improvements		-	-	-	-	-	-	-
	Ground Handling Equipments	8.33%	-	-	7,637,970	39,032,794	39,032,794	39,032,794	39,032,794
	Plant & Machinery		-	-	-	-	-	-	-
	Furniture & Fixtures		-	-	-	-	-	-	-
	Vehicles		-	-	-	-	-	-	-
	Office Equipments		-	-	-	-	-	-	-
	Computers		-	-	-	-	-	-	-
	Intangible Assets - Computer Software	20%	-	-	700,000	2,800,000	2,800,000	2,800,000	2,800,000
	Security Deposit		-	-	-	-	-	-	-
E	Closing RAB (A+B-C-D)		-	-	446,027,196	534,459,763	504,282,818	527,588,274	515,302,497
	Leasehold Improvements		-	-	-	-	-	-	-
	Ground Handling Equipments		-	-	415,227,196	488,959,763	449,926,968	410,894,174	371,861,379
	Plant & Machinery		-	-	-	-	-	-	-
	Furniture & Fixtures		-	-	-	-	-	-	-
	Vehicles		-	-	-	-	-	-	-
	Office Equipments		-	-	-	-	-	-	-
	Computers		-	-	-	-	-	-	-
	Intangible Assets - Computer Software		-	-	13,300,000	10,500,000	7,700,000	4,900,000	2,100,000
	Security Deposit		-	-	17,500,000	35,000,000	46,655,850	111,794,101	141,341,118
F	Average RAB		-	-	223,013,598	490,243,479	519,371,290	515,935,546	521,445,386

- Fixed assets are valued at cost. Cost of an asset comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- Depreciation is provided using the straight line method based on the useful lives of the assets estimated by the management



Form F 10 a	Capital projects completed before current review for Roll - Forward of RAB
	Same as in Form F7



Form F 10 b Capital Expenditure projected plan - 10 year Master

SR. NO.	PROJECT NAME	PROJECT TYPE	F.Y. before Tariff Year 1	Tariff Year 1	Tariff Year 2	Tariff Year 3	Tariff Year 4	Tariff Year 5	Tariff Year 6	Tariff Year 7	Tariff Year 8	Tariff Year 9	Tariff Year 10
			2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
1	N.A.	Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-
2	N.A.	Ground Handling Equipments	-	422,865,166	112,765,361	-	-	-	-	-	-	-	-
3	N.A.	Plant & Machinery	-	-	-	-	-	-	-	-	-	-	-
4	N.A.	Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-
5	N.A.	Vehicles	-	-	-	-	-	-	-	-	-	-	-
6	N.A.	Office Equipments	-	-	-	-	-	-	-	-	-	-	-
7	N.A.	Computers	-	-	-	-	-	-	-	-	-	-	-
	N.A.	Intangible Assets - Computer	-	-	-	-	-	-	-	-	-	-	-
8	N.A.	Software	-	14,000,000	-	-	-	-	-	-	-	-	-
9	N.A.	Security Deposit	-	17,500,000	17,500,000	11,655,850	65,138,250	29,547,017	-	-	-	-	-
		TOTAL	-	454,365,166	130,265,361	11,655,850	65,138,250	29,547,017	-	-	-	-	-



PROJECT DETAILS	Tariff Year 1		Tariff Year 2		Tariff Year 3		Tariff Year 4		Tariff Year 5	
	2021-22	AMOUNT	2022-23	AMOUNT	2023-24	AMOUNT	2024-25	AMOUNT	2025-26	AMOUNT
TOTAL CAPEX PLANNED	INTERNAL ACCRUAL	454,365,166	INTERNAL ACCRUAL	130,265,361	INTERNAL ACCRUAL	11,655,850	INTERNAL ACCRUAL	65,138,250	INTERNAL ACCRUAL	29,547,017
	EQUITY INFUSED	127,022,746	EQUITY INFUSED	7,607,781	EQUITY INFUSED	11,655,850	EQUITY INFUSED	65,138,250	EQUITY INFUSED	29,547,017
	USER CONTRIBUTION	-	USER CONTRIBUTION	-	USER CONTRIBUTION	-	USER CONTRIBUTION	-	USER CONTRIBUTION	-
	TOTAL DEBT	327,342,420	TOTAL DEBT	122,657,580	TOTAL DEBT	-	TOTAL DEBT	-	TOTAL DEBT	-
		454,365,166		130,265,361		11,655,850		65,138,250		29,547,017
PROJECT DETAILS	Tariff Year 6		Tariff Year 7		Tariff Year 8		Tariff Year 9		Tariff Year 10	
	2026-27	AMOUNT	2027-28	AMOUNT	2028-29	AMOUNT	2029-30	AMOUNT	2030-31	AMOUNT
TOTAL CAPEX PLANNED	INTERNAL ACCRUAL	4,904,708	INTERNAL ACCRUAL	2,552,055	INTERNAL ACCRUAL	3,186,841	INTERNAL ACCRUAL	1,884,138	INTERNAL ACCRUAL	1,884,138
	EQUITY INFUSED	4,904,708	EQUITY INFUSED	2,552,055	EQUITY INFUSED	3,186,841	EQUITY INFUSED	1,884,138	EQUITY INFUSED	1,884,138
	USER CONTRIBUTION	-	USER CONTRIBUTION	-	USER CONTRIBUTION	-	USER CONTRIBUTION	-	USER CONTRIBUTION	-
	TOTAL DEBT	-	TOTAL DEBT	-	TOTAL DEBT	-	TOTAL DEBT	-	TOTAL DEBT	-
		4,904,708		2,552,055		3,186,841		1,884,138		1,884,138



Form F 10 d	Summary Statement of Expenses Capitalised
	NIL



Form F 10 e	Additional Capital Projects Summary
	NIL



Form 11(a)

Employee Strength (ref: AI.4 of Appendix I)

SR. NO.	Particulars with detailed breakup	As on 31st March, 2020	As on 31st March, 2021	As on 31st March, 2022	As on 31st March, 2023	As on 31st March, 2024	As on 31st March, 2025	As on 31st March, 2026
A	Department wise full time employees							
	Airport Director	-	-	-	-	-	-	-
	ATC/Operations	-	-	40	59	96	87	88
	Communications	-	-	-	-	-	-	-
	Human Resource (HR)	-	-	-	-	-	-	-
	Official Language	-	-	-	-	-	-	-
	Finance	-	-	-	-	-	-	-
	Terminal Management Housekeeping	-	-	-	-	-	-	-
	Engineering	-	-	-	-	-	-	-
	Commercial	-	-	-	-	-	-	-
	Land Management	-	-	-	-	-	-	-
	Security	-	-	-	-	-	-	-
	Mt Workshop	-	-	-	-	-	-	-
	Fire	-	-	-	-	-	-	-
	Medical	-	-	-	-	-	-	-
	Cargo	-	-	-	-	-	-	-
	Other 1 (Head office)	-	-	-	-	-	-	-
	Total Full Time Employees	-	-	40	59	96	87	88
B	Department wise part time contractual Employees							
	Department 1	-	-	-	-	-	-	-
	Department 2	-	-	-	-	-	-	-
	Department 3	-	-	-	-	-	-	-
	Department 4	-	-	-	-	-	-	-



Form 11(b) Payroll related Expenditures and Provisions (ref: AI.5 of Appendix I)

4m?

355%

66%

-3%

7%

SR. NO.	Particulars with detailed breakup	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Salaries & Wages	-	-	4,193,505	19,084,998	31,603,547	30,584,362	32,833,699
B	PF Contributions	-	-	297,531	1,354,090	2,242,286	2,169,975	2,329,566
C	Medical Expenses	-	-	-	-	-	-	-
D	Overtime	-	-	-	-	-	-	-
E	Staff Welfare Fund	-	-	-	-	-	-	-
F	Others	-	-	-	-	-	-	-
1	Grand Total	-	-	4,491,036	20,439,088	33,845,834	32,754,337	35,163,266
2	Employee Expenses Capitalized	-	-	-	-	-	-	-
3	Net Employee Expenses (1)-(2)	-	-	4,491,036	20,439,088	33,845,834	32,754,337	35,163,266

40

59

96

87

88

Increase in Payroll Expenditure over the years has been assumed @ 6.6% considering 2.6% over the forecasted CPI inflation @ 4% every year



44,91,036
1,40,625
35,23,057
81,54,718

1,16,13,365
81,54,718
1,97,68,083

2356

Form 11(c) Administration and General Expenditure (ref: AI.5 of Appendix I)

SR. NO.	Particulars with detailed breakup	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Administration Charges							
	Directors Sitting Fees	-	-	-	-	-	-	-
	Rates & Taxes	-	-	-	-	-	-	-
	Lease/Rent	-	-	-	-	-	-	-
	Rates & Taxes	-	-	-	-	-	-	-
	Communication Expenses	-	-	-	-	-	-	-
	Advertisement	-	-	-	-	-	-	-
	Office Maintenance	-	-	-	-	-	-	-
	Printing & Stationery	-	-	-	-	-	-	-
	Allocated Overhead Expenses	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
B	Legal Charges/Auditor's Fees							
	Auditor's Fees	-	-	-	-	-	-	-
	Legal Charges	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
C	Consultancy/Advisory Expenses							
	Consultancy/Technical/Other Professional Charges	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
D	Other Charges							
	Land Lease	-	-	-	-	-	-	-
	Insurance Costs	-	-	-	-	162.1-	211-	31-
	During Construction Period	-	-	-	-	-	-	-
	During Operation Period	-	-	-	1,157,670	2,341,414	2,833,864	2,915,609
	IT related Expenses	-	-	140,625	1,125,000	1,643,683	1,845,052	1,939,957
	Recruitment and Training Charges	-	-	-	-	-	-	-
	Bank Charges - BG Commission	-	-	-	7001-	464-	124-	52
	Miscellaneous Expenses (sales commission & fx loss)	-	-	-	X8	-	-	-
	Interest on short term loans	-	-	-	-	-	-	-
	Travel	-	-	-	-	-	-	-
	Office Expenses	-	-	-	-	-	-	-
	Certification Expenses	-	-	-	-	-	-	-
	Total	-	-	140,625	2,282,670	3,985,097	4,678,916	4,855,566
E	Grand Total	-	-	140,625	2,282,670	3,985,097	4,678,916	4,855,566
F	Administration & General expenses capitalised	-	-	-	-	-	-	-
G	Net A&G expenses (E)-(F)	-	-	140,625	2,282,670	3,985,097	4,678,916	4,855,566



During

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Form 11(d) Repair & Maintenance Expenditure (ref: AI.5 of Appendix I)

SR. NO.	Particulars with detailed breakup	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Plant and Machinery	-	-	-	10,992,611	10,992,611	16,488,916	22,864,630
1	Grand Total	-	-	-	10,992,611	10,992,611	16,488,916	22,864,630



Form 11(e) Utilities & Outsourcing Expenditure (ref: A1.5 of Appendix I)

SR. NO.	Particulars with detailed breakup	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Utilities Costs							
	Power Costs	-	-	3,313,057	39,756,690	111,317,771	148,175,030	159,897,982
	Water Costs							
	Other > Mention all the applicable heads	-	-	210,000	3,180,000	4,660,000	4,966,277	5,197,025
	Fuel Expenses							
	Cleaning expenses							
	Communication Expenses			210,000	1,680,000	2,160,000	2,160,000	2,246,400
	Equipment hire expenses							
	Others			-	1,500,000	2,500,000	2,806,277	2,950,625
	Total	-	-	3,523,057	42,936,690	115,977,771	153,141,307	165,095,007
B	Department-wise Outsourcing Costs				12*	2.7*	1.32*	8.4.
	Airfield Services & Facilities	-	-	-	-	-	-	-
	Terminals	-	-	-	-	-	-	-
	Surveillance	-	-	-	-	-	-	-
	Cleaning	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-
1	Grand Total	-	-	3,523,057	42,936,690	115,977,771	153,141,307	165,095,007
2	Utilities and Outsourcing expenses capitalised	-	-	-	-	-	-	-
3	Net Utilities and Outsourcing expenses (1)-(2)	-	-	3,523,057	42,936,690	115,977,771	153,141,307	165,095,007



4

Form 11(f) Other Outflows (ref: AI.5 of Appendix I)

SR. NO.	Particulars	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Concession fees	-	-	11,150,000	46,655,850	111,794,101	141,341,118	146,245,826
B	License Fees	-	-	463,365	1,853,460	1,946,133	2,043,440	2,145,612
1	Grand Total	-	-	11,613,365	48,509,310	113,740,234	143,384,557	148,391,437



h

Form F 12 b Historical Aircraft Movements

Year	Domestic (Landing)	International (Landing)	Total
2013-14	-	-	-
2014-15	-	-	-
2015-16	-	-	-
2016-17	-	-	-
2017-18	-	-	-
2018-19	-	-	-
2019-20	-	-	-



Form F 12 c Projected Aircraft Movements

Year	Domestic (Landing)			International (Landing)		
	Optimistic	Most Likely	Conservative	Optimistic	Most Likely	Conservative
2021-22	4,719	4,290	3,861	1,229	1,117	1,006
2022-23	28,313	25,739	23,165	7,375	6,704	6,034
2023-24	82,556	75,050	67,545	13,137	11,943	10,748
2024-25	104,263	94,784	85,306	16,621	15,110	13,599
2025-26	104,726	95,206	85,685	18,149	16,499	14,849
2026-27	104,399	94,908	85,417	17,958	16,326	14,693
2027-28	105,162	95,602	86,042	17,961	16,328	14,695

Int

Dom

44%

26%

79%

75%

100%

95%

109%

95%

108%

102%

Int

30311

15155

Dom

200048

100024

Landing

2019-20

Airport
vs
Handling



Form 13(a)

Historical Tariffs and Revenue from Regulated Services (ref: A1.7 of Appendix I)

SR. NO.	Particulars	2019-2020		2020-21		2021-22		2022-23		2023-24		2024-25		2025-26	
		Per Unit Tariff	Revenues	Per Unit Tariff	Revenues	Per Unit Tariff	Revenues	Per Unit Tariff	Revenues	Per Unit Tariff	Revenues	Per Unit Tariff	Revenues	Per Unit Tariff	Revenues
1	Revenues from Regulated Services	-	-	-	-	2,996	16,199,948	5,992	194,399,376	5,355	465,808,752	5,359	588,921,324	5,455	609,357,608
	Ground Handling - Scheduled flights	-	-	-	-										
	Total Revenue		-		-		16,199,948		194,399,376		465,808,752		588,921,324		609,357,608



Form 13(b)**Historical and Projected Revenues from services other than Regulated Services (ref: AI.7 of Appendix I)**

SR. NO.	Name of the customer	Particulars with detailed breakup	2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A		Revenue from services other than Regulated Services							
1		Revenue from.....	-	-	-	-	-	-	-
2		Revenue from.....	-	-	-	-	-	-	-
3		Revenue from.....	-	-	-	-	-	-	-
		Total 'A'	-	-					
B		Other Revenues							
1		Interest Income	-	-	-	-	-	-	-
2		Others	-	-	-	-	-	-	-
		Total 'B'	-	-	-	-	-	-	-
		Total Revenues (A+B)	-	-	-	-	-	-	-



Price List - Bridge Mounted Equipment Services

FY 21-22					
	Services	FEGP (per hour in INR) *	PCA (per hour in INR)*		
Domestic	Code C		2,750		4,130
	Code D		3,300		4,400
	Code E		3,850		4,680
International	Code C	Single Cable	6,330	60T	6,440
		Double Cable	7,650	90T	7,180
	Code D	Single Cable	6,330	90T	7,180
		Double Cable	7,650		
	Code E	Single Cable	6,330	90T	7,180
		Double Cable	7,650		
	Code F	Single Cable	6,330	90T	7,180
				120T	8,280
		Double Cable	7,650	120T for A380 series	9,600

FY 22-23					
	Services	FEGP (per hour in INR) *	PCA (per hour in INR)*		
Domestic	Code C		2,750		4,130
	Code D		3,300		4,400
	Code E		3,850		4,680
International	Code C	Single Cable	6,330	60T	6,440
		Double Cable	7,650	90T	7,180
	Code D	Single Cable	6,330	90T	7,180
		Double Cable	7,650		
	Code E	Single Cable	6,330	90T	7,180
		Double Cable	7,650		
	Code F	Single Cable	6,330	90T	7,180
				120T	8,280
		Double Cable	7,650	120T for A380 series	9,600

FY 23-24					
	Services	FEGP (per hour in INR) *	PCA (per hour in INR)*		
Domestic	Code C		2,750		4,130
	Code D		3,300		4,400
	Code E		3,850		4,680
International	Code C	Single Cable	6,330	60T	6,440
		Double Cable	7,650	90T	7,180
	Code D	Single Cable	6,330	90T	7,180
		Double Cable	7,650		
	Code E	Single Cable	6,330	90T	7,180
		Double Cable	7,650		
	Code F	Single Cable	6,330	90T	7,180
				120T	8,280
		Double Cable	7,650	120T for A380 series	9,600

FY 24-25					
	Services	FEGP (per hour in INR) *	PCA (per hour in INR)*		
Domestic	Code C		2,860		4,300
	Code D		3,430		4,580
	Code E		4,000		4,870
International	Code C	Single Cable	6,580	60T	6,700
		Double Cable	7,960	90T	7,470
	Code D	Single Cable	6,580	90T	7,470
		Double Cable	7,960		
	Code E	Single Cable	6,580	90T	7,470
		Double Cable	7,960		
	Code F	Single Cable	6,580	90T	7,470
				120T	8,610
		Double Cable	7,960	120T for A380 series	9,980

FY 25-26					
	Services	FEGP (per hour in INR) *	PCA (per hour in INR)*		
Domestic	Code C		2,860		4,300
	Code D		3,430		4,580
	Code E		4,000		4,870
International	Code C	Single Cable	6,580	60T	6,700
		Double Cable	7,960	90T	7,470
	Code D	Single Cable	6,580	90T	7,470
		Double Cable	7,960		
	Code E	Single Cable	6,580	90T	7,470
		Double Cable	7,960		
	Code F	Single Cable	6,580	90T	7,470
				120T	8,610
		Double Cable	7,960	120T for A380 series	9,980

* FEGP - Fixed Electric Ground Power
PCA - Pre - Conditioned Air Cool

Note : All the above mentioned prices are excluding government taxes & levies such as Goods & Service Tax (GST) etc.



FROR

Particulars		2019-2020	2020-21	Tariff Year 1	Tariff Year 2	Tariff Year 3	Tariff Year 4	Tariff Year 5
				2021-22	2022-23	2023-24	2024-25	2025-26
Debt	D	-	-	450,000,000	-	-	-	-
Equity	E	-	-	270,000,000	-	-	-	-
Debt + Equity	C	-	-	720,000,000	-	-	-	-
Cost of Debt	Kd	0.00%	0.00%	8.10%	8.10%	8.10%	8.10%	8.10%
Cost of Equity	Ke	0.00%	0.00%	18.00%	18.00%	18.00%	18.00%	18.00%
Individual year gearing	G	0.00%	0.00%	62.50%	62.50%	62.50%	62.50%	62.50%
Weighted Average Gearing	WG							
Weighted Average Cost of Debt	Rd							
Weighted Average Cost of Equity	Re							
Fair rate of return				11.81%				



Yield Per unit

Particulars		2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Aggregate Revenue requirement	ARR	-	-	49,018,415	223,673,107	410,380,966	496,649,745	523,702,124
Estimated Volume	VE	-	-	5,407	32,444	86,993	109,895	111,705
PV of ARR	PV (ARR)	-	-	43,839,834	178,909,357	293,573,017	317,752,361	299,662,602
Total PV (ARR)		1,133,737,170						
Total VE		346,444						
Y=Total PV (ARR)/Total VE		3,273						

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Annexure 1 - Calculation of ARR

Particulars		2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
RAB for Calculating ARR	RAB	-	-	223,013,598	490,243,479	519,371,290	515,935,546	521,445,386
Fair Rate of Return applied to the RAB	FRoR	11.81%	11.81%	11.81%	11.81%	11.81%	11.81%	11.81%
Depreciation	D	-	-	✓ 8,337,970	41,832,794	41,832,794	41,832,794	41,832,794
Operation & Maintenance Expenditure	O	-	-	✓ 19,768,083	125,160,368	278,541,546	350,448,032	376,369,907
Tax	T	-	-	(5,431,120)	(1,230,067)	28,655,892	43,424,032	43,903,687
Revenues from services other than regulated services	NAR	-	-	-	-	-	-	-
ARR		-	-	49,018,415	223,673,107	410,380,966	496,649,745	523,702,124



Forecast RAB

Particulars		2019-2020	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Opening RAB	OR	-	-	-	446,027,196	534,459,763	504,282,818	527,588,274
Commissioned Assets	CA	-	-	454,365,166	130,265,361	11,655,850	65,138,250	29,547,017
Depreciation	DR	-	-	(8,337,970)	(41,832,794)	(41,832,794)	(41,832,794)	(41,832,794)
Disposals/Transfers	DI	-	-	-	-	-	-	-
Closing RAB	CR	-	-	446,027,196	534,459,763	504,282,818	527,588,274	515,302,497
RAB	RA= (OR + CR)/2	-	-	223,013,598	490,243,479	519,371,290	515,935,546	521,445,386





सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies
4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019

Certificate of Incorporation pursuant to change of name
[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): U63090DL2009PTC196128

I hereby certify that the name of the company has been changed from CELEBI GROUND HANDLING DELHI PRIVATE LIMITED to CELEBI AIRPORT SERVICES INDIA PRIVATE LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name CELEBI GROUND HANDLING DELHI PRIVATE LIMITED.

Given under my hand at New Delhi this Fifteenth day of March two thousand eighteen.

DS Ministry of
Corporate Affairs -
(Govt of India) 23

Digitally signed by DS Ministry of Corporate Affairs -
(Govt of India) 23
DN: c=IN, o=Ministry of Corporate Affairs - (Govt of
India), ou=DS, email=ds@nic.in, cn=DS
at Delhi, serial=DS AIRPORT SERVICES INDIA PRIVATE LIMITED
Ministry of Corporate Affairs - (Govt of India) 23
Reason: I am in the possession and custody of this
document
Date: 2018.03.15 18:53:44 +05'30'

SANJAY BOSE

Registrar of Companies

RoC - Delhi

Mailing Address as per record available in Registrar of Companies office:

CELEBI AIRPORT SERVICES INDIA PRIVATE LIMITED

ROOM NO. CE-01, IMPORT BUILDING 2, INTERNATIONAL CARGO TERMINAL, IGI
AIRPORT, NEW DELHI, West Delhi, Delhi, India, 110037



2. All
Secur
BCAS



LIST OF SHAREHOLDERS AS ON 31.12.2021

Sr. No.	Name and Address of the Shareholders	No. of shares held	% of shareholding
1	Celebi Hava Servisi Anonim Sirketi Tayakadin Mahallesi, Nuri Demirag caddesi, Bina NO:39 Arnavutkoy, 34277, Istanbul, Turkey	24,40,557	99.90%
2	Celebi Havacilik Holding Anonim Sirketi Anel Is Merkezi Saray Mah. Site Yolu Sok. No:5 Kat:7,9,10 Umraniye 34768 Istanbul, Turkey	2,443	0.10%
	Total	24,43,000	100.00%

For Celebi Airport Services India Private Limited

**SHAILENDER
CHAUDHARY**

Digitally signed by SHAILENDER CHAUDHARY
DN: c=IN, o=Personal, title=S344,
pseudonym=2b8d26d9fec1865d2f420449a92ceb5a185b8431db
8b0bf1f59484dd2dae1fa4, postalCode=121008, st=Haryana,
serialNumber=6eb9b28f6840e70b0ce8b455101f61d4549b46b9
d868f929a908f75d1513c5cd, cn=SHAILENDER CHAUDHARY
Date: 2022.01.24 18:03:27 +05'30'

Shailender Chaudhary
Legal Head

Date: 24.01.2022

CELEBI AIRPORT SERVICES INDIA PRIVATE LIMITED

www.celebiaviation.com

Regd. Office: Room No. CE-01, Import Building 2, International Cargo Terminal, IGI Airport, New Delhi - 110037
Tel.: +91 11 2560 1300/1310 Fax: +91 11 2560 1320 CIN:U63090DL2009PTC196128



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