

फा. सं. ऐरा/20010/एमवाईटीपी/इंडोथाई/जीएच/कोलकाता /सीपी-III/2021-26
F. No. AERA/20010/ MYTP/IndoThai/GH/Kolkata/CP-III/2021-26

परामर्श पत्र संख्या 24/2023-24
Consultation Paper No. 24/2023-24



सत्यमेव जयते

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
Airports Economic Regulatory Authority of India

मैसर्स इंडोथाई कोलकाता प्राइवेट लिमिटेड (आई.के.पी.एल.) की नेताजी सुभाष चन्द्र बोस अंतर्राष्ट्रीय हवाईअड्डा, कोलकाता में प्रदान की जा रही ग्राउंड हैंडलिंग सेवाओं के लिए प्रथम नियंत्रण अवधि के लिए (वित्त वर्ष 2023-24 से वित्त वर्ष 2027-28) टैरिफ निर्धारित करने के मामले में

IN THE MATTER OF DETERMINATION OF TARIFF IN RESPECT OF THE GROUND HANDLING SERVICES FOR M/s INDOTHAI KOLKATA PRIVATE LIMITED (IKPL) AT NETAJI SUBHASH CHANDRA BOSE INTERNATIONAL AIRPORT, KOLKATA FOR THE FIRST CONTROL PERIOD (FY 2023-24 TO FY 2027-28)

जारी करने की तारीख : 13.01.2024

Date of Issue: 13.01.2024

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STAKEHOLDERS' COMMENTS

The Authority has released this Consultation Paper, after considering various assumptions stipulated in the Multi-Year Tariff Proposal ('MYTP') submitted by the M/s IndoThai Kolkata Private Limited (IKPL) in respect of Netaji Subhash Chandra Bose International Airport, Kolkata. Accordingly, the Authority's proposals on the various aspects 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, 2008, the written comments on Consultation Paper No. 24/2023-24 dated 13.01.2024 are invited from the Stakeholders, preferably in electronic form, at the following address:

Director (P&S, Tariff),
Airports Economic Regulatory Authority of India (AERA),
AERA Administrative Complex,
Safdarjung Airport, New Delhi – 110003, India.
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Last date for submission of Stakeholders' Comments	02.02.2024
Last date for submission of Counter Comments	09.02.2024

Comments and counter comments will be posted on AERA's website: www.aera.gov.in

For any clarification/information, Director (P&S, Tariff) may be contacted at
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List of Abbreviations:

AERA / Authority	Airports Economic Regulatory Authority of India
AIASL	AI Airport Services Limited
ATM	Air Traffic Movement
ATP	Annual Tariff Proposal
BCAS	Bureau of Civil Aviation Security
CAPEX	Capital Expenditure
COD	Commercial Operations Date
CGF	Cargo Facility, Ground Handling & Supply of Fuel to the Aircraft
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
GHA	Ground Handling Agencies
GHS	Ground Handling Services
INR/₹	Indian Rupees
IKPL	IndoThai Kolkata Private Limited
ISP	Independent Service Provider
ITAMSPL	IndoThai Airport Management Services Private Limited
LOIA	Letter of Intent to Award
MAG	Minimum Annual Guarantee
MoM	Minutes of Meeting
MTOW	Maximum Take Off Weight
MYTP	Multi-Year Tariff Proposal
NSCBIA	Netaji Subhash Chandra Bose International Airport
NSOP	Non-Scheduled Operation
OPEX	Operating Expenditure
O&M	Operation and Maintenance
PAT	Profit After Tax
P&L	Profit & Loss
RAB	Regulatory Asset Base
SPV	Special Purpose Vehicle
Y-o-Y	Year on Year

CHAPTER 1: INTRODUCTION

- 1.1 M/s IndoThai Airport Management Services Pvt. Ltd. (ITAMSPL) was awarded Concession to provide Ground Handling Services at Netaji Subhash Chandra Bose International Airport, Kolkata (NSCBIA) by the Airport Operator i.e., Airports Authority of India (AAI), vide Letter of Intent to Award (LOIA) dated 11.01.2021.
- 1.2 As per the LOIA, a Special Purpose Vehicle (SPV) was required to be formed by the M/s ITAMSPL within 30 days from the date of issuance of LOIA, for entering into concession agreement with AAI and implementing the Concession to provide ground handling services at Netaji Subhash Chandra Bose International Airport, Kolkata. Accordingly, a SPV namely M/s IndoThai Kolkata Private Limited (IKPL), was incorporated under the Indian Companies Act, 2013 on 08.02.2021.
- 1.3 The Airport Operator (AAI) and M/s IKPL (Special Purpose Vehicle) entered into a Concession Agreement on 16.07.2021, for a provision of Ground Handling Services at Netaji Subhash Chandra Bose International Airport, Kolkata for a period of 10 years from the ‘Commercial Operations Date’ (COD) i.e., 01.04.2022. The Concession term is further extendable for a period of one year at the sole discretion of AAI.
- 1.4 The shareholding structure of the M/s IndoThai Kolkata Pvt. Ltd., as informed by the ISP, is tabulated as below:

Table-1: Shareholding Structure of M/s IKPL, Kolkata:

Name of Shareholder	No. of Shares	Shareholding (%)
M/s IndoThai Airport Management Services Private Limited	9,900	99%
Shyam Sunder Malani	100	1%
Total	10,000	100%

- 1.5 M/s IndoThai Kolkata Private Limited was granted security clearance vide Bureau of Civil Aviation Security (BCAS) letter dated 05.07.2021, which is valid for a period of five years from the date of issuance of security clearance or the period of validity of contract with the Airport Operator, whichever is earlier.
- 1.6 Upon receipt of request from M/s IndoThai Airport Management Services Pvt. Ltd. vide letter dated 24.09.2021, the Authority, vide its Order No. 26/2021-22 dated 15.11.2021, allowed M/s IndoThai Kolkata Pvt. Ltd. to levy and collect, on Ad-hoc basis, tariff for Ground Handling Services at Netaji Subhash Chandra Bose International Airport, Kolkata for the period from 01.12.2021 to 31.03.2022. Subsequently, Ad-hoc tariff has been extended by the Authority vide following orders:
- (i) Order No. 46/2021-22 dated 17.03.2022 – extended the Ad-hoc tariff up to 30.09.2022;
 - (ii) Order No. 24/2022-23 dated 23.09.2022 – extended the Ad-hoc tariff up to 31.03.2023;

- (iii) Order No. 42/2022-23 dated 23.03.2023 – extended the Ad-hoc tariff up to 30.09.2023;
- (iv) Order no. 20/2023-24 dated 27.09.2023 - further extended the Ad-hoc Tariff (as on 30.09.2023) for the period from 01.10.2023 up to 31.03.2024, or, till the determination of regular Tariff for the ISP, whichever is earlier.

- 1.7 As per the provisions of 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 (CGF Guidelines), M/s IndoThai Kolkata Private Limited (IKPL) submitted the Multi Year Tariff Proposal ('MYTP') for determination of regular Tariff pertaining to the First Control Period, in respect of Ground Handling Services being provided by the ISP at Netaji Subhash Chandra Bose International Airport, Kolkata.
- 1.8 M/s IKPL, initially submitted the MYTP/ ATP for the First Control Period on 29.09.2023. Subsequently, the ISP based on AERA observations on various aspects of the MYTP, submitted the revised MYTP on 14.12.2023 to the Authority for the First Control Period from FY 2023-24 to FY 2027-28.
- 1.9 The Authority, after having examined the MYTP submission of the M/s IndoThai Kolkata Private Limited in detail and taking into account the additional information/clarifications furnished by the ISP, has issued this Consultation Paper for stakeholders' consultation.

CHAPTER 2: PRINCIPLES FOR THE DETERMINATION OF TARIFF FOR THE AERONAUTICAL SERVICES

- 2.1 The Authority, vide Order No. 12/2010-11 dated 10.01.2011, finalized its approach in the matter of Regulatory Philosophy and Approach in Economic Regulation of the Services provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft at the Major Airports. Accordingly, the Authority issued the Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Services provided for Cargo Facility, Ground Handling and supply of Fuel to the Aircraft) Guidelines, 2011 (“CGF Guidelines”), vide its Direction No. 04/2010-11 dated 10.01.2011.
- 2.2 In accordance with the above mentioned AERA CGF Guidelines, the following procedure is adopted for the determination of the Materiality Index of the Regulated Service as per clause 4.4 of the Guidelines:

STAGE I: MATERIALITY ASSESSMENT:

$$2.3 \text{ Materiality Index (MI}_G\text{)} = \frac{\text{Int. Aircraft Movements at Major Airport}}{\text{Total Intl. Aircraft Movements at Major Airports}} \times 100$$

$$\begin{aligned} \text{The Materiality Index for Kolkata Airport} &= 23972/420772 \\ &= 5.70\% \end{aligned}$$

The percentage share of Netaji Subhash Chandra Bose International Airport, Kolkata, in respect of International Aircraft Movements, for the FY 2019-20 (Pre-Covid Year) is 5.70%, which is more than 5% Materiality Index (MI_G) for the subject regulated service. Hence, the Regulated Service is deemed ‘**Material**’ for the First Control Period at Netaji Subhash Chandra Bose International Airport, Kolkata as per clause 4.4(ii) of the Guidelines.

STAGE II: COMPETITION ASSESSMENT:

- 2.4 The Authority notes that as per the information furnished by M/s IndoThai Kolkata Private Limited in Form F1 (b) on competition Assessment, M/s AI Airport Services Limited (AIASL) is also rendering similar services at Netaji Subhash Chandra Bose International Airport, Kolkata. Hence, the Regulated Service is deemed ‘**Competitive**’ for the First Control Period at Netaji Subhash Chandra Bose International Airport, Kolkata.
- 2.5 As per Clause 3.2 (ii) of the CGF Guidelines, wherever the Regulated Service provided is ‘**Material but Competitive**’, the Authority shall determine Tariff(s) for Service Provider(s) based on a ‘**Light Touch Approach**’ for the duration of the Control Period, as per the provisions of Chapter V of the Guidelines.
- 2.6 As per clause 11.2 of the AERA CGF Guidelines 2011, the Annual Tariff Proposal (ATP) is required to be submitted in the manner and form provided in AI 8.2 of Appendix-I to the Guidelines and should be supported by the following:
- Documented evidence that consultation with the stakeholders have been undertaken;
 - Evidence of User Agreement(s), if any, between the Service Provider and the User of Regulated Service(s) clearly indicating the Tariff(s) that are proposed by the Service Provider.

2.7 The Authority notes that M/s IKPL has submitted the Annual Tariff Proposal (ATP) along with its MYTP. It is observed that the ISP conducted stakeholders' consultation meeting on 25th September, 2023 and has submitted Minutes of Meeting (MoM) to the Authority, vide email dated 27.12.2023. As per the MoM, the representatives of M/s IKPL, Vistara Airlines, AIX Connect, Air Arabia, Malindo Air & GSEC Monarch & Deccan Aviation participated in the above referred consultation meeting. From the MoM, it is noted that none of the stakeholders has raised any issue regarding the Tariff proposed by ISP, for the First Control Period.

Authority's Proposal regarding Principles for the Determination of Tariff for the Aeronautical Services:

2.8 Based on the material before it and its analysis, the Authority proposes to consider the Tariff determination exercise for M/s IKPL, in respect of Ground Handling Services being provided by the ISP at Netaji Subhash Chandra Bose International Airport, Kolkata under the '**Light Touch Approach**' for the First Control Period, as the regulated service is deemed '**Material but Competitive**'.

CHAPTER 3: AIRCRAFT TRAFFIC (FLIGHTS TO BE HANDLED)

M/s IKPL's submission on Projected Aircraft Traffic (Flights to be Handled) for the First Control Period as part of MYTP

3.1 Actual Aircraft Traffic (No. of Landings) handled at Netaji Subhash Chandra Bose International Airport, Kolkata from FY 2018-19 to FY 2022-23 is given below:

Table 2: Actual Aircraft Traffic handled at Netaji Subhash Chandra Bose International Airport, Kolkata from FY 2018-19 to FY 2022-23

Year	Total number of Landing at Kolkata Airport			Y-o-Y % increase		
	Domestic	International	Total	Domestic	International	Total
2018-19	69,507	11,506	81,013	--	--	--
2019-20	70,895	11,986	82,881	2%	4.2%	2.3%
2020-21	33,208	2,877	36,085	-53.2%	-75.9%	-56.5%
2021-22	45,865	4,068	49,933	38.1%	41.4%	38.4%
2022-23	59,783	8,866	68,649	30.4%	117.9%	37.5%
2023-24 (up to Nov. 2023)	40,299	6,672	46,971	--	--	--

3.2 Projected Aircraft Traffic (flights to be handled) for the First Control Period submitted by M/s IKPL is given below in Table 3:

Table 3: Projected Aircraft Traffic (Flights to be handled by the ISP) submitted by M/s IKPL for the First Control Period

Year	Flights to be handled by M/s IKPL for the First Control Period		Total (No. of Landings)	Y-o-Y % increase		
	Domestic (No. of Landings)	International (No. of Landings)		Domestic	International	Total
2023-24	10,985	1,395	12,380	--	--	--
2024-25	11,535	1,710	13,245	5%	23%	7%
2025-26	12,110	2,052	14,162	5%	20%	7%
2026-27	12,715	2,462	15,177	5%	20%	7%
2027-28	12,842	2,487	15,329	1%	1%	1%
TOTAL	60,187	10,106	70,293			

Authority’s Examination of the Projected Aircraft Traffic (Flights to be handled by the ISP):

- 3.3 The ISP started its commercial operations at NSCBIA, Kolkata with effect from 01.04.2022. The Authority, for the purpose of determination of regular Tariff for M/s IKPL at Netaji Subhash Chandra Bose International Airport, Kolkata has considered FY 2023-24 as the First Tariff Year and FY 2027-28 as the Fifth/ Last Tariff Year of the First Control Period.
- 3.4 The Authority notes that M/s IKPL has projected a Y-o-Y increase of 7% for all Tariff Years of the Control Period, in respect of Aircraft Traffic (flights to be handled), except for FY 2027-28 where the ISP has projected an increase of 1% in the Total Aircraft Traffic (Flights to be handled).
- 3.5 As per the statistics available at AAI website, the total Aircraft Traffic (Domestic and International) at Netaji Subhash Chandra Bose International Airport, Kolkata in FY 2022-23 had reached to 82.8% of the actual Aircraft Traffic handled in the pre-Covid year i.e., FY 2019-20.
- 3.6 Based on the projected Aircraft Traffic volumes for the FY 2023-24 (Table 3) when compared to the actual number of total flights handled in the FY 2022-23, the Authority notes that the ISP is expected to have market share of around 18% (number of flights i.e., 12380 nos. to be handled in FY 2023-24 by the ISP / total number of flights handled at the airport in FY 2022-23 i.e., 68649 nos.) in the Ground Handling Services at the Netaji Subhash Chandra Bose International Airport, Kolkata.
- 3.7 The Authority observes from the AAI statistics that the aircraft movements for the period from April, 2023 to November, 2023 in respect of the Netaji Subhash Chandra Bose International Airport, Kolkata have increased by 4%, as compared to the corresponding period of FY 2022-23.
- 3.8 As regard to the actual number of Flights handled by M/s IKPL during the current financial year i.e. FY 2023-24, the ISP vide Email dated 05.12.2023 informed the Authority that they have handled the following flights from 01.04.2023 till 31.10.2023 which is around 48% of the Total Flights proposed to be handled (12,380) by the ISP during the current financial year:
- a) Scheduled Operation : 5542 flights
 - b) Non-Scheduled Operation (NSOP) : 348 flights
- 3.9 The details of the agencies providing Ground Handling Services to the major airlines at Netaji Subhash Chandra Bose International Airport, Kolkata, as per the ISP, is tabulated below:

Airline	Ground Handling Agency/ Self Handling
Akasa Air	M/s IKPL
AIX Connect	
Vistara Airlines	
Etihad Airways	
Malindo Airlines	
Air Arabia	
GSEC Monarch Airlines	
Air India	

Airline	Ground Handling Agency/ Self Handling
Air India	M/s AI Airport Services Limited
Indigo	Self-Handling by Airlines
SpiceJet	
India One Air	
Alliance Air	
Druk Air	
Bhutan Airlines	
Qatar Airways	
Thai Airways	
Air Asia/ Thai Air Asia	
Singapore Airlines	
Emirates Airlines	
Fly Dubai	
Biman Bangladesh	
Fly Big	
Air Asia X Berhad	
US Bangla	

3.10 In view of the above and taking into account the market competition among the service providers at Netaji Subhash Chandra Bose International Airport, Kolkata, the aircraft traffic projected by the ISP for the First Control Period appears reasonable.

Accordingly, the Authority proposes to adopt Aircraft traffic projections (flights to be handled) as submitted by M/s IKPL for the First Control Period (FY 2023-24 to FY 2027-28) as per Table 3 above.

Authority’s Proposal regarding Aircraft Traffic Volume (Flights to be handled by the ISP) for the First Control Period:

3.11 Based on the material before it and its analysis, the Authority proposes to consider the Aircraft Traffic (Flights to be handled by the ISP) for the First Control Period as per Table 3.

CHAPTER 4: CAPITAL EXPENDITURE (CAPEX)

M/s IKPL's Submission on Capital Expenditure for the First Control Period

4.1 M/s IKPL has projected total Capital Expenditure (CAPEX) of ₹ 1879.94 Lakhs for the First Control Period. The planned CAPEX is proposed to be incurred during the Control Period (FY 2023-24 to FY 2027-28). The year-wise & category-wise Capital Expenditure projected by ISP is given below:

Table 4: Projected Capital Expenditure submitted by M/s IKPL for the First Control Period

(₹ in Lakhs)

Particulars of Assets	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Total
Ground Handling Equipment	285.17	390.04	328.30	305.37	137.35	1,446.23
Vehicles	170.18	26.07	12.51	163.07	28.81	400.64
Furniture and Fittings	7.29	5.00	5.00	2.00	2.00	21.29
Office Equipment	6.77	1.00	1.00	1.00	2.00	11.77
Total	469.41	422.11	346.81	471.44	170.16	1,879.93

4.2 As a part of MYTP, the ISP has also provided detailed bifurcation of the proposed CAPEX for the First Control Period as under:

Table 5: Breakup of Projected Capital Expenditure as submitted by M/s IKPL for the First Control Period

(₹ in Lakhs)

Sl. no.	Particulars	Cost/ Unit	FY 2023-24		FY 2024-25		FY 2025-26		FY 2026-27		FY 2027-28		Total
			Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount	
1.	Ground Handling Equipment:												
	Push Back – Medium	87.57	-	0.00	-	0.00	2	175.15	-	0.00	-	0.00	175.15
	Air Cooler Unit - 110 Ton	137.00	1	137.00	-	0.00	-	0.00	1	137.00	-	0.00	274.00
	Towbar	6.82	2	13.65	-	0.00	1	6.82	1	6.82	1	6.82	34.11
	Tugs	25.00	-	0.00	-	0.00	2	50.00	-	0.00	1	25.00	75.00
	Electric Baggage Tractors	26.57	-	0.00	8	212.58	-	0.00	4	106.29	1	26.57	345.44
	Baggage Tractor – Battery	7.03	-	0.00	4	28.13	-	0.00	2	14.06	-	0.00	42.19
	Ground Power Unit - 90 KVA	42.58	-	0.00	-	0.00	2	85.17	-	0.00	1	42.59	127.76
	Electric baggage Conveyor Belt	6.20	-	0.00	7	43.33	-	0.00	-	0.00	1	6.20	49.53
	Towable Pax Step ladder	8.48	-	0.00	9	76.28	-	0.00	-	0.00	1	8.48	84.76
	Towable toilet cart	3.97	-	0.00	2	7.94	-	0.00	-	0.00	1	3.97	11.91
	Towable water cart	4.07	-	0.00	2	8.14	-	0.00	-	0.00	1	4.07	12.21
	Vacuum Cleaner	0.50	-	0.00	4	2.00	-	0.00	2	1.00	2	1.00	4.00
	Baggage Trolley – Covered	0.78	47	36.79	-	0.00	-	0.00	25	19.57	10	7.83	64.19

	Container/pallet Dolly	1.54	38	58.55	-	0.00	-	0.00	-	0.00	-	0.00	58.55
	Ambulift Towable	12.00	1	12.00	-	0.00	-	0.00	1	12.00	-	0.00	24.00
	Fire Extinguisher Trolley	0.15	2	0.30	2	0.30	-	0.00	2	0.30	2	0.30	1.20
	Trestle/Ladder	2.00	1	2.00	-	0.00	2	4.00	-	0.00	-	0.00	6.00
	Wheelchairs	0.12	77	9.72	50	6.31	-	0.00	50	6.31	20	2.52	24.86
	Fuel Bowser-Towable	5.15	1	5.15	-	0.00	1	5.15	-	0.00	-	0.00	10.30
	Miscellaneous			10.00		5.00		2.00		2.00		2.00	21.00
	Total			285.17		390.04		328.30		305.37		137.35	1446.23
2.	Vehicles:												
	Coaches – Passenger	68.50	2	137.00	-	0.00	-	0.00	2	137.00	-	0.00	274.00
	Car – Toyota	18.96	1	18.96	1	18.96	-	0.00	1	18.96	-	0.00	56.88
	Car – Nissan	6.22	-	0.00	-	0.00	-	0.00	-	0.00	1	6.22	6.22
	Car – Creta	11.37	-	0.00	-	0.00	-	0.00	-	0.00	1	11.37	11.37
	Car – Ertiga	8.71	-	0.00	-	0.00	-	0.00	-	0.00	1	8.71	8.71
	Car – Honda City	12.51	-	0.00	-	0.00	1	12.51	-	0.00	-	0.00	12.51
	Car – Swift Dzire	2.50	-	0.00	-	0.00	-	0.00	-	0.00	1	2.50	2.50
	Tata Yodha	7.11	2	14.22	1	7.11	-	0.00	1	7.11	-	0.00	28.44
	Total			170.18		26.07		12.51		163.07		28.80	400.63
3.	Furniture & Fittings			7.30		5.00		5.00		2.00		2.00	21.30
4.	Office Equipment			6.77		1.00		1.00		1.00		2.00	11.77
	GRAND TOTAL			469.41		422.11		346.81		471.44		170.16	1879.93

Authority’s Examination of the CAPEX proposed by the ISP:

- 4.3 The Authority notes that the ISP is providing Ground Handling Services (GHS) at Netaji Subhash Chandra Bose International Airport, Kolkata from 01.04.2022 and accordingly made investments in necessary Ground Handling Equipment etc. during FY 2021-22 & FY 2022-23. As per the ISP submission, M/s IKPL has an Opening Regulatory Asset Base (RAB) of ₹ 5095.53 lakhs as on 01.04.2023. The ISP has projected a further CAPEX of ₹ 1879.93 lakhs during the First Control Period (FY 2023-24 to FY 2027-28).
- 4.4 Out of Total projected CAPEX for the Control Period, M/s IKPL has earmarked a major portion of the CAPEX i.e., ₹ 1446.23 lakhs (77%) on the Ground Handling Equipment and ₹ 400.63 lakhs (21.3%) on the procurement of vehicles.
- 4.5 The ISP vide email dated 08.01.2024 provided copy of invoices of CAPEX amounting to ₹ 109.21 lakhs approx. which is 23% of the total CAPEX proposed for FY 2023-24. The ISP also informed that the remaining CAPEX in respect of the FY 2023-24 will be incurred during the remaining period of the current financial year.
- 4.6 The Authority, based on its examination observes that M/s IKPL has proposed the necessary CAPEX on assets/ equipment which are essential for the smooth ground handling operations at the Airport. The Authority, therefore, proposes to consider the projected CAPEX for the First Control Period as submitted by the ISP, as per Table 4 above.

- 4.7 The Authority advises the ISP to claim GST Input Tax Credits (ITC) on the procurement of various eligible movable assets etc. and exclude the GST component from the capitalized value of such Assets.

Authority's Proposal regarding CAPEX for the First Control Period

- 4.8 Based on the material before it and its analysis, the Authority proposes to consider the CAPEX projected for the First Control Period as per Table 4.

CHAPTER 5: REVENUE FROM OPERATIONS, OPERATING EXPENDITURE AND PROJECTED PROFITABILITY

M/s IKPL's Submission on Operating Expenditure for the First Control Period

- 5.1 As provided in Clause 9.4 of the Guidelines mentioned in Direction No. 04/2010-11, the Operation and Maintenance (O&M) Expenditure shall include all expenditures incurred by the Service Provider(s) including expenditure incurred on security operating costs, other mandated operating costs and statutory operating costs.
- 5.2 Operation and Maintenance Expenditures of M/s IKPL for its Ground Handling operations at Netaji Subhash Chandra Bose International Airport, Kolkata, have been broadly categorized as under:
- Payroll Cost;
 - Repair and Maintenance Costs;
 - Concession Fee/ Revenue Share payable to Airport Operator;
 - Utilities & Outsourcing Expenses;
 - Administrative and Other Expenses.
- 5.3 As per the MYTP submission, Revenue, Operating Expenditure (OPEX) and Profitability projected by the ISP for the First Control Period (FY 2023-24 to FY 2027-28) is as under:

Table 6: Revenue, Operating Expenditure and Profitability projected by M/s IKPL for the First Control Period

(₹ in Lakhs)

Particulars	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	TOTAL
Revenue from Regulated Services (A)	3805.84	4441.34	5163.65	6031.65	6365.83	25,808.30
Revenue from other than Regulated Services (B)	-	-	-	-	-	-
Total Revenue from the Services (A+B) = (C)	3805.84	4441.34	5163.65	6031.65	6365.83	25,808.30
Operating Expenditure (OPEX)						
Payroll Cost (i)	1,779.23	1,957.15	2,152.87	2,368.16	2,604.97	10,862.38
Repair and Maintenance Costs (ii)	25.64	27.63	29.78	32.09	34.59	149.73
Concession Fee/ Revenue Share payable to Airport Operator (iii)	1,468.80	1,175.04	940.03	752.03	601.62	4,937.52
Utilities & Outsourcing Expenses (iv)	1.81	1.90	1.99	2.09	2.20	9.99
Administrative & Other Expenses (v)	509.10	541.68	576.30	613.23	652.62	2,892.93
Total OPEX (i+ii+iii+iv+v) = (D)	3,784.58	3,703.40	3,700.97	3,767.60	3,896.00	18,852.55
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) (C-D) = (E)	21.25	737.94	1,462.67	2,264.05	2,469.83	6,955.75
Depreciation and Amortization (F)	556.49	543.06	523.43	518.23	483.43	2,624.64
Interest & Finance Charges (G)	351.26	317.90	264.73	192.67	156.75	1,283.30
Profit Before Tax (PBT) (E-F-G) = (H)	(886.50)	(123.01)	674.51	1,553.14	1,829.66	3,047.81
Provision for Tax (Calculated after taking in to an account the previous years anticipated losses) (I)	-	-	-	-	90.47	90.47
Profit After Tax (PAT) (H-I) = (J)	(886.50)	(123.01)	674.51	1,553.14	1739.19	2957.34

Authority’s Examination and Analysis:

5.4 The Authority has analyzed the Operating Expenditure of the ISP, as provided in Form F3 (P&L) of the MYTP, for the First Control Period and observes that the ISP has considered the following % increase in Revenue & OPEX on Y-o-Y basis from the second tariff year onward, as indicated in the Table 7 below:

Table 7: Year- on- Year Percentage (%) increase in the Revenue and Operation & Maintenance Expenditure during the First Control Period

Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Total Revenue from the Services	17%	16%	17%	6%
Payroll Cost	10%	10%	10%	10%
Repair and Maintenance Costs	8%	8%	8%	8%
Concession Fee/ Revenue Share payable to Airport Operator	-20%	-20%	-20%	-20%
Utilities & Outsourcing Expenses	5%	5%	5%	5%
Administrative & Other Expenses	6%	6%	6%	6%

5.5 The Authority’s examination of Y-o-Y % growth considered by the M/s IKPL for the projected OPEX (from FY 2024-25 onward) is given in the following sections:

a) **Payroll Cost:** The Authority notes that the ISP has projected a Y-o-Y increase of 10% in Payroll Costs for the Control Period. It is observed that the projected increase in payroll cost is commensurate with the projected growth in Revenue on Y-o-Y basis and it factors-in the proposed increase in the employees’ strength during the Control Period.

Further, considering the impact of periodic increase in minimum wages and annual salary increments and related increase in statutory component like EPF etc., the Y-o-Y increase of 10% projected by the ISP in Payroll expenses for the First Control Period appears reasonable.

b) **Repair and Maintenance Costs:** The Authority observes that M/s IKPL has projected a Y-o-Y increase of 8% in R&M expenses for all the Tariff Years during the Control Period. The Authority notes that as per the Concession Agreement, the ISP is required to maintain all the Ground Handling Equipment and Ground Handling Facilities in accordance with the specified minimum quality standards, in order to ensure the timely provision of the Ground Handling Services during the term of the agreement. It is imperative for the service provider to maintain and keep all the equipment / facilities in good working conditions all the times to provide better facilities to Users.

Considering the above and taking in to account the impact of annual general inflation, including annual increase in labour component of Repair & Maintenance Costs, the Authority considers the projected R&M expenses for the First Control Period as reasonable.

c) **Concession Fee/ Revenue Share payable to Airport Operator:** The Authority notes from the concession agreement executed between AAI and M/s IKPL that the ISP is required to pay concession fee as per the following:

- 3% of the Actual Gross Revenue from Scheduled Domestic Passenger Flight(s).
- 15% of the Actual Gross Revenue from Users other than Scheduled Domestic Passenger Flight(s) and RCS Flight(s).

- 0% for RCS Flights.

The Authority further observes from the clause 7.1.2 of above said agreement, that every year the ISP shall pay 'Premium', which is maximum of "Minimum Annual Guarantee" (MAG) and the 'Revenue Share', calculated as per the clause 7.1.1 of the concession agreement.

Considering the clause 7.1.2 of the concession agreement and clarification furnished by the ISP, the Authority proposes to consider the concession fee (premium) payable to the Airport Operator as projected by ISP, for the First Control Period. In the first year, Concessionaire will pay the maximum of the Revenue share or MAG quoted at the time of bid. From the second year onward, MAG for Concessionaire will be 80% of the previous year's premium.

As per the ISP, MAG during all the tariff years of the Control Period is expected to be higher than the 'Revenue Share' (calculated as per the clause no. 7.1.1 of the agreement), hence the 'premium' payable to the airport operator has been considered based on the MAG figures.

Considering the above, the 20% de-escalation of Concession fee as projected by the ISP during all the tariff years of the Control Period is reasonable.

- d) Utilities and Outsourcing Expenses:** The Authority notes that M/s IKPL proposed a Y-o-Y increase of 5% in the Utilities and Outsourcing Expenses from FY 2024-25 onward. The Utility & Outsourcing Expenses consist of mainly Power Charges. Further, the Power Expenses to large extent are linked with the number of flights handled by the service provider.

The Authority observes that the Y-o-Y (%) increase projected in Utility & Outsourcing Expenses is commensurate with the projected increase in the aircraft traffic and the number of electricity units consumed.

Considering the above, the Utility and Outsourcing Expenses projected for the Control Period by the ISP appears reasonable.

- e) Administrative & Other Expenses:** The Authority notes that the Y-o-Y increase considered by M/s IKPL during the Control Period with respect to the Administrative and General Expenditure is around 6%. It is observed that Land/Space Rent is a major component of Admin. & General expenses (i.e. ₹ 1647 lakhs approx., which almost accounts for 57% of the total Admin. & General Expenses). The Authority notes from the clause no. 7.2 of the Concession Agreement with the Airport Operator (AAI) that ISP is required to execute a separate space and land agreements. The ISP, also provided copies of supplementary Space and land agreements/ and Invoices raised by AAI, as supporting documents towards Land/Space Rent Expenses.

The Authority, from the supplementary agreement notes that the License fee will be escalated @ 7.5% Y-o-Y basis.

Apart from Land/Space rent, the Administrative & General Expenses includes Professional Fee, Consumables, Transport Expenses, Office Expenses & other miscellaneous expenses etc.

In view of the projected increase in the aircraft traffic (flights to be handled) and considering the impact of general inflation & annual escalation in Land/ Space Rent, the Y-o-Y increase of 6% projected by the ISP in respect of Administrative and Other Expenses for the First Control Period seems reasonable.

- 5.6 The Authority notes that as per the projected profitability statement for the First Control Period submitted by the M/s IKPL (Table no. 6), the ISP is expected to earn a profit of around ₹ 30 crores

and maintain overall profit margin (Total PAT/ Total Revenue) of around 11.5% for the First Control Period.

- 5.7 In view of the above analysis, the Authority proposes to consider the OPEX projected for the First Control Period as submitted by the ISP.

Authority's Proposals regarding Operation and Maintenance Expenses for the First Control Period:

- 5.8 Based on the available facts and its analysis, the Authority proposes to consider the OPEX projected for the First Control Period as per Table 6.

CHAPTER 6: ANNUAL TARIFF PROPOSAL

M/s IKPL submission on the Annual Tariff Proposal for the First Control Period

6.1 M/s IKPL submitted its Tariff proposal for Ground Handling Services in respect of Scheduled Flights at Netaji Subhash Chandra Bose International Airport, Kolkata, for the First Control Period (FY 2023-24 to FY 2027-28) as per Table given below:

Table 8: Proposed Tariff Rates for Scheduled Flights submitted by M/s IKPL for the First Control Period

(Rates in ₹)

	FY 2023-24			FY 2024-25			FY 2025-26			FY 2026-27			FY 2027-28		
	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services
(A) Passenger Flights															
Domestic Passenger Flight															
Code B	5198	7798	12996	5472	8208	13680	5760	8640	14400	6048	9072	15120	6350	9526	15876
Code C	6931	10397	17328	7296	10944	18240	7680	11520	19200	8064	12096	20160	8467	12701	21168
Code D	8664	12996	21660	9120	13680	22800	9600	14400	24000	10080	15120	25200	10584	15876	26460
Code E	20794	31190	51984	21888	32832	54720	23040	34560	57600	24192	36288	60480	25402	38102	63504
Code F	41587	62381	103968	43776	65664	109440	46080	69120	115200	48384	72576	120960	50803	76205	127008
International Passenger Flight															
Code B	21101	49236	70337	22212	51827	74039	23381	54555	77936	24550	57283	81833	25777	60147	85925
Code C	21660	50540	72200	22800	53200	76000	24000	56000	80000	25200	58800	84000	26460	61740	88200
Code D	26858	62670	89528	28272	65968	94240	29760	69440	99200	31248	72912	104160	32810	76558	109368
Code E	35522	82886	118408	37392	87248	124640	39360	91840	131200	41328	96432	137760	43394	101254	144648
Code F	40721	95015	135736	42864	100016	142880	45120	105280	150400	47376	110544	157920	49745	116071	165816
(B) Cargo Flights															
Domestic Cargo Flight															
	Ramp Services			Ramp Services			Ramp Services			Ramp Services			Ramp Services		
Code B	39710			41800			44000			46200			48510		
Code C	54150			57000			60000			63000			66150		
Code D	144400			152000			160000			168000			176400		
Code E	189525			199500			210000			220500			231525		
Code F	225625			237500			250000			262500			275625		
International Cargo Flight															
	Ramp Services			Ramp Services			Ramp Services			Ramp Services			Ramp Services		
Code B	64980			68400			72000			75600			79380		
Code C	158840			167200			176000			184800			194040		
Code D	180500			190000			200000			210000			220500		
Code E	198550			209000			220000			231000			242550		
Code F	231040			243200			256000			268800			282240		

Notes:

1. Any flight where either its arrival or departure are international, will also be considered as an International Flight for the purposes of applying above rates.
2. The above rates are for basic Handling Services. As per requirement, airlines/users ask for additional services. The rates for such additional services are given in Annexure-III.
3. The above rates are exclusive of GST and any other applicable Government taxes.

6.2 M/s IKPL has proposed the following % increase in the Tariff Rates on Y-o-Y basis in respect of the Scheduled Flights at Netaji Subhash Chandra Bose International Airport, Kolkata as stated in the table below:

Table 9: Statement of Y-o-Y Percentage (%) increase in Tariff Rates in respect of different categories of Scheduled Flights for the First Control Period

	FY 2024-25			FY 2025-26			FY 2026-27			FY 2027-28		
	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services
(A) Passenger Flights												
Domestic Passenger Flight												
Code B	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Code C	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Code D	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Code E	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Code F	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
International Passenger Flight												
Code B	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Code C	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Code D	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Code E	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Code F	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
(B) Cargo Flights												
Domestic Cargo Flight												
	Ramp Services			Ramp Services			Ramp Services			Ramp Services		
Code B	5%			5%			5%			5%		
Code C	5%			5%			5%			5%		
Code D	5%			5%			5%			5%		
Code E	5%			5%			5%			5%		
Code F	5%			5%			5%			5%		
International Cargo Flight												
	Ramp Services			Ramp Services			Ramp Services			Ramp Services		
Code B	5%			5%			5%			5%		
Code C	5%			5%			5%			5%		
Code D	5%			5%			5%			5%		
Code E	5%			5%			5%			5%		
Code F	5%			5%			5%			5%		

6.3 M/s IKPL has also submitted separate Tariff Rate Card for ‘Non-Scheduled and General Aviation Flights’ as per the table given below: -

Table 10: Proposed Tariff Rates for Non-Scheduled Flights submitted by M/s IKPL for the First Control Period

Financial Year	FY 2023-24		FY 2024-25		FY 2025-26		FY 2026-27		FY 2027-28	
	Domestic	International	Domestic	International	Domestic	International	Domestic	International	Domestic	International
Maximum Take Off Weight (MTOW)										
Helicopter	8123	13321	8550	14022	9000	14760	9450	15498	9923	16273
≤ 6000	12184	27382	12825	28823	13500	30340	14175	31857	14884	33450
>6000 - 12000	16696	37003	17575	38950	18500	41000	19425	43050	20396	45203
>12000 - 25000	27075	42553	28500	44793	30000	47150	31500	49508	33075	51983
>25000 - 40000	40613	64754	42750	68163	45000	71750	47250	75338	49613	79104
>40000 - 70000	54150	81406	57000	85690	60000	90200	63000	94710	66150	99446
>70000 - 100000	88445	109157	93100	114903	98000	120950	102900	126998	108045	133347
> 100000 - 150000	112813	162811	118750	171380	125000	180400	131250	189420	137813	198891
> 150000 & above	135375	185013	142500	194750	150000	205000	157500	215250	165375	226013

Notes: 1. The above rates are for basic Handling Services. As per requirement, airlines/users ask for additional services. The rates for which are given in Annexure-III.

2. The above rates are exclusive of GST and any other applicable Government taxes.

Authority’s Examination and Analysis:

6.4 The Authority observes that in case of Scheduled Flights (Domestic and International), the ISP has proposed 5% Y-o-Y increase in Tariff Rates from FY 2024-25 onward (Table 9).

6.5 The Authority also notes that M/s IKPL has proposed a separate Tariff Rate card for Non-Scheduled Flights and similar to scheduled flights, the ISP has proposed an increase of 5% Y-o-Y basis from FY 2024-25 onward (Table 10).

6.6 Considering the Aircraft Traffic projected (Flights to be handled) by the ISP for the Control Period and projected increase in Operating Expenditure, due to factors like increase in number of manpower, annual increase in salary and wages, general inflation etc, the Authority considers the Y-o-Y increase in Tariff Rates @ 5% p.a. proposed by the ISP as reasonable. As per the Authority, the service provider requires a minimum revenue to meet its Operating Expenditure and earn a reasonable return on its investments.

6.7 The Authority is of the view that the Tariff for Domestic ‘Non-Scheduled and General Aviation Flights’, should not be more than the Tariff of relevant Domestic Scheduled Flights for a similar class of Aircraft(s). However, the Authority proposes to consider the separate Tariff Rate Card in case of International ‘Non-Scheduled & General Aviation Flights’ only, as per **Annexure-II**.

6.8 The Authority proposes that in case of payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and the rate as on 15th of the month will be applicable for the second fortnight.

- 6.9 Further, M/s IKPL should ensure compliance towards Standardization of Ground Handling Equipment at Netaji Subhash Chandra Bose International Airport, Kolkata, in accordance with the directives issued by the Ministry of Civil Aviation, vide its letter no. AV-24011/10/2021-AAI-MOCA dated 27.10.2022.

Authority's Proposals regarding Tariff for Ground Handling Services for the First Control Period:

Based on the available facts and its analysis, the Authority proposes the following Tariff structure and Annual Tariff Proposal for the First Control Period:

- 6.10 To consider the Tariff Rates for Ground Handling Services provided by M/s IKPL at Netaji Subhash Chandra Bose International Airport, Kolkata in respect of Scheduled Flights, International “Non-Scheduled & General Aviation Flights” and Item-wise Tariff Rate Card in respect of Ground Handling Services, for the First Control Period as per **Annexures (I, II & III)**.
- 6.11 The Tariff for Domestic ‘Non-Scheduled and General Aviation Flights’, shall not exceed the approved Tariff(s) for relevant Domestic Scheduled Flights for similar class of Aircraft(s).
- 6.12 In case of payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and the rate prevailing as on the 15th of the month will be applicable for the second fortnight.
- 6.13 The Tariff Rates indicated in **Annexures (I, II & III)** shall be maximum Tariff to be charged. No other charge is to be levied over and above the approved Tariff Rates.
- 6.14 M/s IKPL shall ensure compliance towards Standardization of Ground Handling Equipment at Netaji Subhash Chandra Bose International Airport, Kolkata in accordance with the directives issued by Ministry of Civil Aviation vide its letter no. AV-240 11/10/2021-AAI-MOCA dated 27.10.2022.

CHAPTER 7: SUMMARY OF AUTHORITY’S PROPOSALS

The below-mentioned summary provides the Authority's proposals relating to relevant chapters regarding the Tariff determination of M/s IKPL providing Ground Handling Services at Netaji Subhash Chandra Bose International Airport, Kolkata for Stakeholders’ Consultation purpose:

Chapter	Para	Summary of Authority’s Proposals	Page No.
Chapter No.2	2.8	The Authority proposes to consider the Tariff determination exercise for M/s IKPL, in respect of Ground Handling Services being provided by the ISP at Netaji Subhash Chandra Bose International Airport, Kolkata under the ‘ Light Touch Approach ’ for the First Control Period, as the regulated service is deemed ‘ Material but Competitive ’.	9
Chapter No. 3	3.11	The Authority proposes to consider the Aircraft Traffic (Flights to be handled by the ISP) for the First Control Period as per Table 3.	12
Chapter No. 4	4.8	The Authority proposes to consider the CAPEX projected for the First Control Period as per Table 4.	15
Chapter No. 5	5.8	The Authority proposes to consider the OPEX projected for the First Control Period as per Table 6.	19
Chapter No. 6	6.10	The Authority proposes to consider the Tariff Rates for Ground Handling Services provided by M/s IKPL at Netaji Subhash Chandra Bose International Airport, Kolkata in respect of Scheduled Flights, International “Non-Scheduled & General Aviation Flights” and Item-wise Tariff Rate Card in respect of Ground Handling Services, for the First Control Period as per Annexures (I, II & III) .	23
	6.11	The Authority proposes that the Tariff for Domestic ‘Non-Scheduled and General Aviation Flights’, shall not exceed the approved Tariff(s) for relevant Domestic Scheduled Flights for similar class of Aircraft(s).	
	6.12	In case of payment in foreign currency, the RBI conversion rate as on the last day of the previous month will be applicable for the first fortnight and the rate prevailing as on the 15 th of the month will be applicable for the second fortnight.	
	6.13	The Authority proposes that the Tariff Rates indicated in Annexures (I, II & III) shall be maximum Tariff to be charged. No other charge is to be levied over and above the approved Tariff Rates.	
	6.14	The Authority proposes that M/s IKPL shall ensure compliance towards Standardization of Ground Handling Equipment at Netaji Subhash Chandra Bose International Airport, Kolkata in accordance with the directives issued by Ministry of Civil Aviation vide its letter no. AV-240 11/10/2021-AAI-MOCA dated 27.10.2022.	

CHAPTER 8: STAKEHOLDERS' CONSULTATION

- 8.1 In accordance with the provisions of Section 13(4) of the AERA Act, the Authority's proposals contained in Chapter 7 above are 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 (**Annexures-I, II & III**).
- 8.2 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.
- 8.3 The Authority welcomes written evidence-based feedback, comments and suggestions from Stakeholders on the proposals made in Chapter 7 above, latest by **02.02.2024**.

**Secretary,
Airports Economic Regulatory Authority of India,
AERA Building, Administrative Complex,
Safdarjung Airport, New Delhi -110003
Tel: 011-24695044-47, Fax: 011-24695048**

(Chairperson)

TARIFF RATE CARD FOR M/S IKPL IN RESPECT OF DOMESTIC* & INTERNATIONAL SCHEDULED FLIGHTS FOR THE FIRST CONTROL PERIOD (FY 2023-24 to FY 2027-28) AT NETAJI SUBHASH CHANDRA BOSE INTERNATIONAL AIRPORT, KOLKATA PROPOSED BY AERA FOR STAKEHOLDERS' CONSULTATION

Proposed Tariff Rates for the Ground Handling Services

(Rates in ₹)

	FY 2023-24			FY 2024-25			FY 2025-26			FY 2026-27			FY 2027-28		
	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services
(A) Passenger Flights															
Domestic Passenger Flight															
Code B	5198	7798	12996	5472	8208	13680	5760	8640	14400	6048	9072	15120	6350	9526	15876
Code C	6931	10397	17328	7296	10944	18240	7680	11520	19200	8064	12096	20160	8467	12701	21168
Code D	8664	12996	21660	9120	13680	22800	9600	14400	24000	10080	15120	25200	10584	15876	26460
Code E	20794	31190	51984	21888	32832	54720	23040	34560	57600	24192	36288	60480	25402	38102	63504
Code F	41587	62381	103968	43776	65664	109440	46080	69120	115200	48384	72576	120960	50803	76205	127008
International Passenger Flight															
Code B	21101	49236	70337	22212	51827	74039	23381	54555	77936	24550	57283	81833	25777	60147	85925
Code C	21660	50540	72200	22800	53200	76000	24000	56000	80000	25200	58800	84000	26460	61740	88200
Code D	26858	62670	89528	28272	65968	94240	29760	69440	99200	31248	72912	104160	32810	76558	109368
Code E	35522	82886	118408	37392	87248	124640	39360	91840	131200	41328	96432	137760	43394	101254	144648
Code F	40721	95015	135736	42864	100016	142880	45120	105280	150400	47376	110544	157920	49745	116071	165816
(B) Cargo Flights															
Domestic Cargo Flight															
	Ramp Services			Ramp Services			Ramp Services			Ramp Services			Ramp Services		
Code B	39710			41800			44000			46200			48510		
Code C	54150			57000			60000			63000			66150		
Code D	144400			152000			160000			168000			176400		
Code E	189525			199500			210000			220500			231525		
Code F	225625			237500			250000			262500			275625		
International Cargo Flight															
	Ramp Services			Ramp Services			Ramp Services			Ramp Services			Ramp Services		
Code B	64980			68400			72000			75600			79380		
Code C	158840			167200			176000			184800			194040		
Code D	180500			190000			200000			210000			220500		
Code E	198550			209000			220000			231000			242550		
Code F	231040			243200			256000			268800			282240		

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

Notes:

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

**TARIFF RATE CARD FOR M/S IKPL IN RESPECT OF INTERNATIONAL “NON-SCHEDULED
& GENERAL AVIATION FLIGHTS” FOR THE FIRST CONTROL PERIOD
(FY 2023-24 to FY 2027-28) AT NETAJI SUBHASH CHANDRA BOSE
INTERNATIONAL AIRPORT, KOLKATA PROPOSED BY
AERA FOR STAKEHOLDERS’ CONSULTATION**

Proposed Tariff Rates for Ground Handling Services

(Rates in ₹)

Financial Year	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
A/C Category					
Maximum Take Off Weight (MTOW)					
Helicopter	13321	14022	14760	15498	16273
≤ 6000	27382	28823	30340	31857	33450
>6000 - 12000	37003	38950	41000	43050	45203
>12000 - 25000	42553	44793	47150	49508	51983
>25000 - 40000	64754	68163	71750	75338	79104
>40000 - 70000	81406	85690	90200	94710	99446
>70000 - 100000	109157	114903	120950	126998	133347
> 100000 - 150000	162811	171380	180400	189420	198891
> 150000 & above	185013	194750	205000	215250	226013

Notes:

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

**ITEM-WISE CHARGES FOR GROUND HANDLING SERVICES IN RESPECT OF M/s IKPL
AT NETAJI SUBHASH CHANDRA BOSE INTERNATIONAL AIRPORT, KOLKATA
PROPOSED BY AERA FOR STAKEHOLDERS' CONSULTATION**

**Maximum Item-wise Charges in respect of Domestic* & International
Flights for the First Control Period (FY 2023-24 to FY 2027-28)**

(Rates in ₹)

Sl. No.	SERVICES	UNIT	FY 2023-24		FY 2024-25		FY 2025-26		FY 2026-27		FY 2027-28	
			Dom.	Intl.	Dom.	Intl.	Dom.	Intl.	Dom.	Intl.	Dom.	Intl.
1	Air Conditioning Unit (NB)	Per Hour	11100	15000	11655	15750	12238	16538	12850	17364	13492	18233
2	Air Conditioning Unit (WB)	Per Hour	18750	25000	19688	26250	20672	27563	21705	28941	22791	30388
3	Air Starter Unit (NB)	Per Start	7500	15000	7875	15750	8269	16538	8682	17364	9116	18233
4	Air Starter Unit (WB)	Per Start	18750	25000	19688	26250	20672	27563	21705	28941	22791	30388
5	Aircraft Disinfection-Freighter Aircrafts	Per Service	3000	16000	3150	16800	3308	17640	3473	18522	3647	19448
6	Aircraft Disinfection-Pax Aircrafts Code C	Per Service	4000	8000	4200	8400	4410	8820	4631	9261	4862	9724
7	Aircraft Disinfection-Pax Aircrafts Code D/E	Per Service	25000	32000	26250	33600	27563	35280	28941	37044	30388	38896
8	Aircraft Disinfection-Pax Aircrafts Code F	Per Service	-	40000	-	42000	-	44100	-	46305	-	48620
9	Aircraft Marshalling	Per Service	1875	2480	1969	2604	2067	2734	2171	2871	2279	3014
10	Ambulift	Per Flight Leg	5000	10000	5250	10500	5513	11025	5788	11576	6078	12155
11	Apron Transport (Passenger)	Per Trip	950	1600	998	1680	1047	1764	1100	1852	1155	1945
12	Arrange non-scheduled Crew Hotel Accommodation (HOTAC)	Per Flight	10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.	
13	ATC payment services	Per Flight	10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.	
14	Baggage ID	Per Service	10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.	
15	Baggage /Cargo cart	Per Hour	10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.	
16	Blue collar staff	Per Staff Per Hour	400	800	420	840	441	882	463	926	486	972
17	Crew Transport	Per Trip	950	1600	998	1680	1047	1764	1100	1852	1155	1945
18	Deportee/inadmissible (INAD) handling	Per Passenger	-	1200	-	1260	-	1323	-	1389	-	1459
19	Excess Baggage Fee (% of collection)	As Per Collection	10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.	
20	Exterior Cleaning - NB	Per Service	52500	-	55125	-	57881	-	60775	-	63814	-
21	Exterior Cleaning - WB	Per Service	150000	-	157500	-	165375	-	173644	-	182326	-
22	Ground Power unit 90KVA	Per Hour	4700	10000	4935	10500	5182	11025	5441	11576	5713	12155
23	Ground Power unit 180KVA	Per Hour	9400	16800	9870	17640	10364	18522	10882	19448	11426	20421
24	Interior Deep Cleaning - NB	Per Service	5000	8000	5250	8400	5513	8820	5788	9261	6078	9724

Sl. No	SERVICES	UNIT	FY 2023-24		FY 2024-25		FY 2025-26		FY 2026-27		FY 2027-28	
			Dom.	Intl.	Dom.	Intl.	Dom.	Intl.	Dom.	Intl.	Dom.	Intl.
25	Interior Deep Cleaning - WB	Per Service	15000	24000	15750	25200	16538	26460	17364	27783	18233	29172
26	Passenger Step (mobile-NB)	Per Hour	1375	4000	1444	4200	1516	4410	1592	4631	1671	4862
27	Passenger Step (mobile-WB)	Per Hour	2750	8000	2888	8400	3032	8820	3183	9261	3343	9724
28	Pushback for narrow body aircraft	Per Push	5000	10000	5250	10500	5513	11025	5788	11576	6078	12155
29	Pushback for wide body aircraft	Per Push	10000	20000	10500	21000	11025	22050	11576	23153	12155	24310
30	Toiler truck	Per Service	1375	2400	1444	2520	1516	2646	1592	2778	1671	2917
31	Towing of narrow body aircraft	Per Tow	5000	10000	5250	10500	5513	11025	5788	11576	6078	12155
32	Towing of wide body aircraft	Per Tow	10000	20000	10500	21000	11025	22050	11576	23153	12155	24310
33	Unaccompanied Minor (UM) Handling	Per UM	950	1200	998	1260	1047	1323	1100	1389	1155	1459
34	Vacuum Cleaner	Per Hour	3750	4000	3938	4200	4134	4410	4341	4631	4558	4862
35	VIP Vehicle (Innova range)	Per Trip	10000	20000	10500	21000	11025	22050	11576	23153	12155	24310
36	VIP Vehicle (Luxury-Mercedes/BMW/AU DI range)	Per Trip	25000	40000	26250	42000	27563	44100	28941	46305	30388	48620
37	Water truck	Per Service	1375	2400	1444	2520	1516	2646	1592	2778	1671	2917
38	Wheel chair	Per Service	400	2400	420	2520	441	2646	463	2778	486	2917
39	White Collar Staff	Per Staff Per Hour	600	1200	630	1260	662	1323	695	1389	729	1459

* Tariff for Domestic Flights is also applicable to Domestic ' Non-Scheduled and General Aviation Flights '
Dom. = Domestic; Intl. = International

Notes:

- Above Tariff Rates are excluding of all applicable taxes, if any.
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