



No. AAI/CHQ/AERA/MYTP-Ahmedabad/2018 212 18<sup>th</sup> May, 2018

The Secretary,  
Airports Economic Regulatory Authority of India,  
AERA Building,  
Administrative Complex,  
Safdarjung Airport  
New Delhi-110003

**Sub:- Submission of AAI comments in response to Consultation Paper No. 03/2018-19 dated 23rd April, 2018 and stakeholders' Consultation held on 11<sup>th</sup> May 2018 in the matter of determination of aeronautical tariff of Ahmedabad airport for 2<sup>nd</sup> Control period.**

Sir,

Reference is invited to AERA Consultation Paper No. 03/2018-19 dated 23rd April, 2018 and stakeholders' Consultation held on 11<sup>th</sup> May 2018 at Ahmedabad.

The following issues may be taken into consideration while determination of Aeronautical tariff of Ahmedabad airport for the second control period.

**(A) Additional Capital Works to be considered in 2<sup>nd</sup> Control period**

There are additional capital works to the tune of Rs.112 crores which were not part of MYTP proposal but came up subsequently due to changed security threat perception and operational requirements. The list of additional capital work is enclosed. (Annexure-A).

**(B) CAGR of Past 10 years (2007-08 to 2017-18)**

AERA in the Consultation Paper has considered 10 years CAGR from 2005-06 to 2015-16 while calculating future projections of ATM and Passenger which has been considered as under

As per AERA	PAX	ATM
Domestic	13%	8%
International	15%	14%

However as per CAGR of past 10 years from F.Y 2007-08 to F.Y2017-18, the traffic projection works out as under :

As per AAI	PAX	ATM
Domestic	11.52%	5.93%
International	10.18	7.29%

**(C) Expenses Allocation between Aeronautical and Non-aeronautical services**

AERA has allocated payroll retirement benefit expenses in the ration of 92% & 8% as Aero and Non-Aero whereas in the Consultation Paper Table 41 AERA has proposed 95% & 5% as Aero and Non-aero.

Further, AERA has allocated Admin and General Overheads expenses in the ratio of 86% & 14% as Aero and Non-Aero whereas the apportionment of overhead in to Aero and Non-Aero in other Airports have been considered as 90% to 10% for all the Airports.

**(D) Impact of Actual UDF recovered during F.Y 2016-17 to 2018-19 (May 2018)**

AERA in Consultation paper has proposed recovery of UDF to the tune of Rs.232 crores during F.Y 2016-17 to 2018-19 (May 2018) based on the CAGR projection whereas as per AAI, the actual amount of UDF recovered during the said period is Rs.216 crores. This is predominantly due to the CAGR (2006-2016) considered by AERA.

**Revised Aeronautical Charges based on our submission**

Due to above changes, the revised proposal of Aeronautical charges are as under:-

- Landing –No increase is proposed.
- Parking & Housing is to be increased by 114%.
- Throughput charges - No increase is proposed.
- UDF (International) is to be reduced by 66% (proposed by AAI Rs.140)
- UDF (Domestic) is to be increased by 27% (proposed by AAI Rs.140)
- PSF (F) – It is also proposed to merge UDF with PSF (F) As discussed during the consultation meeting, nomenclature may be considered for change as PSF (Facilitation).

The Statement of changes in Tariff Proposal is enclosed. (Annexure-B)

AERA is requested to consider the above while determination of tariff.

Thanking you,

Yours faithfully,



**(G. Ravichandran)**  
**Executive Director (IA, JVC & Tariff)**

**Encl:- a.a.**

## List of Additional Capital Work

### Annexure-A

S.No	Particulars	Amount (in lacs)	Status of the work
1	Supply of Bomb Suit	26	Completed in 2017-18
2	Supply of Furniture for VIP Lounge T-1	9	Completed in 2017-18
3	3Nos of New M&M Jeep	18	Completed in 2017-18
4	Procurement of IT Switch and Printer etc.	9	Completed in 2017-18
5	SITC of 52 Nos of RB XBIS	21	Completed in 2017-18
6	Procurement of three Seater Chairs for Terminal Building	90	Completed in 2017-18
7	High Mast at Apron	261	To be completed in 18-19
8	Provision for 2 Nos PBB ( Actual Rs 566 Lacs – Projection Rs 440 Lacs )- Difference to be considered	126	To be completed in 18-19
9	Provision of Automatic Tag Reader (ATR) in T-2 Departure Conveyor System at Ahmedabad Airport. ( Actual Rs 1020-Lacs – Projection Rs 341Lacs )- Difference to be considered	680	To be completed in 18-19
10	PIDS (Perimeter Intrusion Detection System)	5000	PDC 18-19
11	Inline Baggage System Quantity 3 Nos	2733	PDC 18-19
12	Automatic Tray Retrieval System (ATR)	1000	PDC 18-19
13	FIDS of Terminal 2	300	PDC 18-19
14	Installation of CCTV Camera at Isolation bay	105	PDC 18-19
15	Passenger Baggage Trolleys (270 Nos)	24	Completed in 17-18
16	Passenger Baggage Trolleys (270 Nos)	143	PDC 18-19
17	Operational Vehicle (Bolero) 3 Nos	19	Completed in 17-18
18	Bird Scaring Devices	11	Completed in 17-18
19	Rubber Removal Machine	220	PDC 18-19
20	Airport Runway Friction Testing Equipment	133	PDC 18-19
21	3 Nos of Ambulance	51	PDC 18-19
22	1 No of Grass cutting Machine	64	PDC 18-19
23	Bullet Proof QRT Vehicle	55	PDC 18-19
24	Command Post Vehicle	44	PDC 18-19
25	Battery operated Mini Golf	20	PDC 18-19
	Total	11162	



## Statement of changes in Tariff Proposal

Particulars	Existing	Originally Proposed by AAI	Revised Proposal	Remarks
<b>Landing</b>				
Domestic-(In Percentage)		34% ^	NIL	No Change
International-(In Percentage)		29% ^	NIL	No Change
<b>Parking &amp; Housing</b>				
Dom + Intl-(In Percentage)		114%^	114% ^	Increase by 114%
<b>UDF</b>				
Domestic	110	200	140 ^	Increase by 27%
International	415	500	140	Reduction by 66%
<b>PSF (F)</b>				
Domestic	77	NIL	NIL	Reduction by 100%
International	77	NIL	NIL	Reduction by 100%
<b>Throughput Charges</b>	112.10	117.70^	112.10	No Change