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F. No. AERA/20010/ MYTP/BWFS/GH/CIAL/CP-III/2021-26

परामर्श पत्र संख्या 11/2022-23/Consultation Paper No. 11/2022-23



सत्यमेव जयते

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
Airports Economic Regulatory Authority of India

कोचीन अंतरराष्ट्रीय हवाईअड्डा, कोचीन में
बर्ड वर्ल्डवाइड फ्लाइट सर्विसेज (इंडिया) प्राइवेट लिमिटेड (बीडब्ल्यूएफएसआईपीएल) के लिए
तृतीय नियंत्रण अवधि (वित्त वर्ष 2021-22 से वित्त वर्ष 2025-26) के लिए ग्राउंड हैंडलिंग सेवाओं के
लिए टैरिफ निर्धारित करने के मामले में/

IN THE MATTER OF
DETERMINATION OF TARIFF FOR GROUND HANDLING SERVICES FOR
BIRD WORLDWIDE FLIGHT SERVICES (INDIA) PRIVATE LIMITED (BWFSIPL) AT
COCHIN INTERNATIONAL AIRPORT, COCHIN
FOR THE THIRD CONTROL PERIOD
(FY 2021-22 TO FY 2026-26)

जारी करने की तारीख : 03 नवम्बर, 2022/
Date of Issue: 03 November, 2022

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

STAKEHOLDERS' COMMENTS

The Authority is aware of the fact that the Aviation Sector is recovering after undergoing turbulence & uncertainty on account of the COVID 19 PANDEMIC around the world. The pandemic had resulted in restrictions on air travel, both domestic and international. Now, with the decline in Covid cases and after easing of restrictions relating to air travel (w.e.f. 28.03.2022), the aircraft traffic has started improving. 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 BWFSIPL. 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, the written comments on Consultation Paper No. 11/2022-23 dated 03/11/2022 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
Email: satish.kr@aera.gov.in; prabhjot.marwah@nic.in
Copy to: director-ps@aera.gov.in; secretary@aera.gov.in

Last Date for submission of Stakeholders' comments	24/11/2022
Last Date for submission of counter comments	02/12/2022

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

For any clarification/information, Director (P&S, Tariff) may be contacted at
Telephone No. +91-11-24695048

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List of Abbreviations:

AERA / Authority	Airports Economic Regulatory Authority of India
BWFS	Bird Worldwide Flight Services (India) Private Limited
ATM	Air Traffic Movement
ATP	Annual Tariff Proposal
CAPEX	Capital Expenditure
COD	Commercial Operation Date
CGF	Cargo, Ground Handling & Fuel Throughput
GHA	Ground Handling Agencies
GHS	Ground Handling Service
INR/₹	Indian Rupees
ISP	Independent Service Provider
LoI	Letter of Intent
MYTP	Multi-Year Tariff Proposal
NCAP	National Civil Aviation Policy
OPEX	Operating Expenditure
O&M	Operation and Maintenance
PAT	Profit After Tax
PBIDT	Profit Before Interest, Depreciation and Tax
P&L	Profit & Loss
RFP	Request for Proposal
SPV	Special Purpose Vehicle
SPRH	Service Provider Right Holder
YoY	Year on Year

CHAPTER 1: INTRODUCTION

- 1.1 M/s Bird Worldwide Flight Services (India) Private Limited, hereinafter referred as “BWFS”, is one of the leading companies providing Ground Handling Services to Airlines in India. BWFS is a part of Bird Group, which along with its associate companies and group companies, currently providing Ground Handling Services at various airports across India.
- 1.2 BWFS, the Independent Service Provider, has been granted a License for providing Ground Handling Services at the Cochin International Airport as per the License Agreement dated 3rd August, 2021 entered into between Cochin International Airport Limited (CIAL) and BWFS. The license was initially awarded for a period of 5 (five) years, commencing from 01.09.2017 to 31.08.2022, subsequently the tenure of license is extended for a further period of 2 years till 31.08.2024 , as per CIAL letter dated 18.02.2022.
- 1.3 The shareholding structure of the BWFS is tabulated as below:

Table-1: Summary of Shareholding Structure of BWFS:

Name of Shareholder	No. of Equity Shares	Equity Holding (%)
Mrs. Radha Bhatia	37,500	50.00
Mr. Gaurav Bhatia	37,500	50.00
Total	75,000	100.00

- 1.4 Bureau of Civil Aviation Security has granted security clearance to BWFS on 05.08.2020, which is valid for a period of five years from the date of issue of security clearance or the period of validity of contract with the airport operator, whichever is earlier.
- 1.5 As per the provisions of the AERA (CGF) Guidelines 2011, BWFS had submitted the Multi-Year Tariff Proposal (‘MYTP’) on 04.03.2022 for determination of Tariff for providing Ground Handling Services at Cochin International Airport for the Third Control Period (FY 2021-22 to FY 2025-26). Since there were various information gaps/ shortcomings in the MYTP submitted by BWFS, the ISP vide email dated 02.09.2022 submitted revised MYTP to the Authority.
- 1.6 The Authority, vide Order No. 18/2021-22 dated 15.09.2022, allowed BWFS, Cochin to levy and collect, on ad hoc basis, the prevailing Tariff for Ground Handling Services at Cochin International Airport w.e.f. 01.10.2021 to 31.03.2022.
- 1.7 The Authority, vide Order No. 46/2021-22 dated 17.03.2022, allowed BWFS, Cochin to levy and collect, on ad hoc basis, the existing Tariff (as on 31.03.2022) for Ground Handling Services at Cochin International Airport for a further period w.e.f. 01.04.2022 to 30.09.2022, or, till the determination of regular Ground Handling Tariff for Third Control Period, whichever is earlier.

CHAPTER 2: PRINCIPLES FOR DETERMINATION OF AERONAUTICAL TARIFF

2.1 The Authority vide its Order No. 12/2010-11 dated 10.01.2011 and Direction No. 04/2010-11 issued on 10.01.2011 finalized its approach in the matter of Regulatory Philosophy and Approach in Economic Regulation of the Services provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft at the Major Airports. Accordingly, the Authority issued the Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Services provided for Cargo Facility, Ground Handling and supply of Fuel to the Aircraft) Guidelines, 2011 (“the Guidelines”).

STAGE I: MATERIALITY ASSESSMENT:

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

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

$$\begin{aligned} \text{The Materiality Index for Cochin Airport} &= 27261/420772 \\ &= 6.48\% \end{aligned}$$

The percentage share of Cochin International Airport for FY 2019-20 in respect of International Aircraft Movements is 6.48%, which is more than 5% Materiality Index (MI_G) for the subject regulated service. Hence, the Regulated Service is deemed ‘**Material**’ for the Third Control Period.

STAGE II: COMPETITION ASSESSMENT:

2.3 As per the information furnished by BWFS in Form F1 (b) on competition Assessment, two other service providers namely, M/s Celebi Airport Services India Private Limited (CASIPL) and M/s AI Airport Services Limited (AIASL) are also rendering similar services at Cochin International Airport. Hence in the instant case, there are three service providers including BWFS providing Ground Handling Services at Cochin International Airport, and therefore the service is deemed ‘**Competitive**’.

2.4 As per Clause 3.2 (ii) of the Guidelines, wherever the Regulated Service provided is ‘Material but Competitive’, the Authority shall determine Tariff(s) for Service Provider(s) based on a ‘**Light Touch Approach**’ for the duration of the Control Period, as per the provisions of Chapter V of the Guidelines.

2.5 BWFS also provided copy of IATA Standard Ground Handling Agreement (SGHA) with Emirates Limited.

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:

- a) Form B and Form 14 (b) (Proposed Tariff Card);
- b) Evidence of Consultation with Stakeholders;
- c) Evidence of User Agreement(s), if any, between the Service Provider and the User of Regulated Service(s) clearly indicating the Tariff proposed by the Service Provider.

2.7 BWFS submitted the documents as stated in para 2.6 above, including actual financial figures for FY 2019-20 and FY 2020-21, except the minutes of the Stakeholder's meeting, as the Consultation meeting is yet to be conducted by BWFS. The Authority, therefore, advises BWFS to conduct Stakeholders' Consultation meeting at the earliest for compliance of the AERA (CGF) Guidelines, 2011.

2.8 **Authority's Proposal regarding Methodology of Tariff Determination of BWFS:**

Based on the material before it and its analysis, the Authority proposes to consider the Tariff determination exercise of BWFS for providing Ground Handling Services at Cochin International Airport under the '**Light Touch Approach**' for the Third Control Period, as the regulated service is deemed '**Material but Competitive**'.

CHAPTER 3: AIRCRAFT TRAFFIC (FLIGHTS TO BE HANDLED)

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

3.1 Actual Aircraft Traffic (nos. of landings) handled by Cochin Airport and percentage of flights handled by BWFS (out of total number of landings at the airport) in FY 2019-20 (pre-Covid year), FY 2020-21 & FY 2021-22 are given below:

Table 2: Aircraft Traffic handled by Cochin Airport and number of flights handled by BWFS during FY 2019-20, FY 2020-21 & FY 2021-22

Year	Total number of landings			Actual number of landings (flights) handled by BWFS			Percentage (%) of flights handled by BWFS		
	Domestic	Inter-national	Total	Domestic	Inter-national	Total	Domestic	Inter-national	Total
2019-20	19,423	13,630	33,053	4,500	4,602	9,102	23%	34%	28%
2020-21	8,401	4,055	12,456	2,655	1,720	4,375	31%	42%	35%
2021-22	11,465	8,729	20,194	2,302	1,998	4,300	20%	23%	21%

3.2 Projected Aircraft Traffic (flights to be handled) for the Third Control Period (FY 2021-22 to FY 2024-25) submitted by BWFS is given below in Table 3.

Table 3: Projected Aircraft Traffic (Flights to be handled) submitted by BWFS for the Third Control Period

Year	Flights to be handled for the Third Control Period		Total (No. of Landings)	YoY % increase in Total nos. of landings	As a % of actual Flights handled by BWFS during FY 2019-20		
	Domestic (No. of Landings)	International (No. of Landings)			Domestic	International	Total
2019-20	4,500	4,602	9,102		-	-	-
2020-21	2,655	1,720	4,375	-52%	59%	37%	48%
2021-22	2,302	1,998	4,300	-2%	51%	43%	47%
2022-23	4,501	4,105	8,606	100%	100%	89%	95%
2023-24	4,591	4,940	9,531	11%	102%	107%	105%
2024-25	4,958	5,649	10,607	11%	110%	123%	117%
2025-26	5,354	6,071	11,425	8%	119%	132%	126%
TOTAL (FY 2021-22 to FY 2024-25)	21,706	22,763	44,469				

Authority's Examination and Analysis:

3.3 The Authority observed that COVID-19 had severely impacted the business in Civil Aviation Sector, including Ground Handling Service Providers during FY 2020-21 & FY 2021-22. However, the Authority notes that after the end of second wave of Covid-19, the Aircraft Traffic started gradually improving.

- 3.4 As per the statistics available at AAI website, the total Aircraft Traffic (Domestic and International) at Cochin Airport for the first quarter (Apr – Jun) of FY 2022-23 had reached to 72% of Aircraft Traffic in corresponding quarter of pre-Covid period (FY 2019-20) at Cochin Airport.
- 3.5 The Authority observes that the ISP has projected significant increase in Aircraft Traffic (flights to be handled) both for Domestic and International sectors in FY 2022-23, assuming major improvement in aircraft traffic post Covid-19 pandemic in current FY. Thereafter, ISP has considered moderate YoY increase (8% to 11%) in aircraft traffic for rest of the Control Period. It is also noted that as per BWFS projection, aircraft traffic is likely to exceed pre-Covid level (FY 2019-20) during FY 2023-24.
- 3.6 The Authority, mindful of the adverse impact of pandemic situation and taking into account market competition among the three service providers at Cochin airport, feels that aircraft traffic projected by the ISP for the Third Control Period is reasonable. Accordingly, Authority proposes to adopt Traffic projections submitted by BWFS for the Third Control Period as per Table 3 above.

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

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

CHAPTER 4: CAPITAL EXPENDITURE

BWFS Submission on Capital Expenditure for the Third Control Period as a part of MYTP

- 4.1 BWFS, Cochin has projected a total Capital Expenditure (CAPEX) of ₹2052.70 lakhs on procurement of various assets during the Third Control Period (FY 2021-22 to FY 2025-26). The year-wise, asset-wise Capital Expenditure projected by BWFS is given below:

Table 4: Projected Capital Expenditure submitted by BWFS for the Third Control Period

(₹ in Lakhs)						
Particulars	2021-22*	2022-23	2023-24	2024-25	2025-26	TOTAL
Ground Handling Equipment	27.38	611.66	740.54	308.00	256.96	1,944.53
Vehicles	8.05	83.10	-	8.05	-	99.20
Furniture & Fixtures	-	2.50	2.50	-	-	5.00
Office Equipment	1.22	1.65	-	1.10	-	3.97
TOTAL	36.65	698.91	743.04	317.15	256.96	2,052.70

*Actual CAPEX incurred in FY2021-22

Table 5: Breakup of Projected Capital Expenditure as submitted by BWFS for the Third Control Period

(₹ in lakhs)						
Year	Particulars	Qty.	Rate	Amount	Asset Class	
Tariff Year 1 (2021-22)	Towbar Universal	2	4.94	9.89	Ground Handling Equipment	
	Passenger Step - 2200-5300mm height	1	9.74	9.74		
	Fuel Bowser 900 L - towable	1	5.45	5.45		
	Wheel chairs	2	0.13	0.25		
	Vehicle ramp	1	8.05	8.05	Vehicles	
	Chocks (12), Marshalling torches (10 pairs*5), Head set (2), By Pass pin for A320/B737 (2), Safety cones (12), Vacuum cleaners (3), Firex (2)	1	2.05	2.05	Ground Handling Equipment	
	Laserjet Black & White Printer	1	0.20	0.20	Office Equipment	
	Paper Shredder	1	0.47	0.47		
	Mobile Phone	6	0.09	0.56		
TOTAL FOR FY 2021-22				36.65		
Tariff Year 2 (2022-23)	Diesel Baggage TUG - 25T Tow Capacity	1	35.15	35.15	Ground Handling Equipment	
	Towbar Universal	3	4.94	14.83		
	Passenger Step - 2200-5300mm height	1	9.74	9.74		
	Baggage Conveyor Belt - 5 M Boom Length	2	5.78	11.56		
	Toilet servicing Cart - Lift pressure 0.25-0.35 Mpa, Flow rate 120L/min	1	10.04	10.04		
	Water Servicing Cart - Lift pressure 0.25-0.35 Mpa, Flow rate 120L/min	1	11.00	11.00		
	Ambulift - Lift 2000-4400 mm	2	22.72	45.45		
	Air Conditioning Unit-Cooling	1	90.08	90.08		

Year	Particulars	Qty.	Rate	Amount	Asset Class
	capacity 60T Air flow 200 ppm				
	JET START UNIT-400 PPM Single hose	1	134.17	134.17	
	Baggage Conveyor Belt - 9 M Boom Length	2	8.05	16.10	
	Air Conditioning Unit-Cooling capacity 110T Air flow 300 ppm	1	151.73	151.73	
	Baggage trolleys	20	1.80	36.00	
	Container Dollies	20	1.81	36.27	
	Fuel Bowser 900 L - towable	1	5.45	5.45	
	Wheel chairs	20	0.13	2.50	Furniture & Fixtures
	Vehicle ramp	1	8.05	8.05	Vehicles
	Chocks (12), Marshalling torches (10 pairs*5), Head set (2), By Pass pin for A320/B737 (2), Safety cones (12), Vacuum cleaners (3), Firex (2)	2	2.05	4.10	Ground Handling Equipment
	Coaches	1	75.05	75.05	Vehicles
	Laptop	3	0.55	1.65	Office Equipment
	TOTAL FOR FY 2022-23			698.91	
Tariff Year 3 (2023-24)	Diesel Baggage TUG - 25T Tow Capacity	2	35.15	70.30	
	Push Back Tractor - Draw Pull Bar of 12000 DaN	1	101.77	101.77	
	Towbar Universal	3	4.94	14.83	
	Passenger Step - 2200-5300mm height	5	9.74	48.68	
	Toilet servicing Cart - Lift pressure 0.25-0.35 Mpa, Flow rate 120L/min	1	10.04	10.04	
	Water Servicing Cart - Lift pressure 0.25-0.35 Mpa, Flow rate 120L/min	1	11.00	11.00	
	Ambulift - Lift 2000-4400 mm	1	22.72	22.72	Ground Handling Equipment
	Air Conditioning Unit-Cooling capacity 60T Air flow 200 ppm	1	90.08	90.08	
	JET START UNIT-400 PPM Single hose	1	134.17	134.17	
	Baggage Conveyor Belt - 9 M Boom Length	2	8.05	16.10	
	Lower Deck Loader-7T Capacity	1	48.80	48.80	
	GPU-90 KVA Single cable	1	70.47	70.47	
	Baggage trolleys	20	1.80	36.00	
	Container Dollies	20	1.81	36.27	
	Fuel Bowser 900 L - towable	5	5.45	27.25	
	Wheel chairs	20	0.13	2.50	Furniture & Fixtures
	Chocks (12), Marshalling torches (10 pairs*5), Head set (2), By Pass pin for A320/B737 (2), Safety cones (12), Vacuum cleaners (3), Firex (2)	1	2.05	2.05	Ground Handling Equipment
	TOTAL FOR FY 2023-24			743.04	
Tariff Year 4 (2024-25)	Towbar Universal	2	4.94	9.89	
	Passenger Step - 2200-5300mm height	2	9.74	19.47	Ground Handling Equipment
	Baggage Conveyor Belt - 5 M Boom Length	2	5.78	11.56	

Year	Particulars	Qty.	Rate	Amount	Asset Class
	Toilet servicing Cart - Lift pressure 0.25-0.35 Mpa, Flow rate 120L/min	1	10.04	10.04	
	Water Servicing Cart - Lift pressure 0.25-0.35 Mpa, Flow rate 120L/min	1	11.00	11.00	
	JET START UNIT-400 PPM Single hose	1	134.17	134.17	
	GPU-60 KVA Single cable	1	33.90	33.90	
	GPU-90 KVA Single cable	1	70.47	70.47	
	Fuel Bowser 900 L - towable	1	5.45	5.45	
	Vehicle Ramp	1	8.05	8.05	Vehicles
	Chocks (12), Marshalling torches (10 pairs*5), Head set (2), By Pass pin for A320/B737 (2), Safety cones (12), Vacuum cleaners (3), Firex (2)	1	2.05	2.05	Ground Handling Equipment
	Laptop	2	0.55	1.10	Office Equipment
	TOTAL FOR FY 2024-25			317.15	
Tariff Year 5 (2025-26)	Passenger Step - 2200-5300mm height	2	9.74	19.47	
	Push Back Tractor - Draw Pull Bar of 21000 DaN	1	119.22	119.22	Ground Handling Equipment
	Main Deck Loader-15T Capacity for wide body freighters only	1	118.26	118.26	
	TOTAL FOR FY 2025-26			256.96	
TOTAL PROPOSED CAPEX FOR THE THIRD CONTROL PERIOD				2052.70	

Authority's Examination and Analysis:

- 4.2 The Authority notes that BWFS has projected a total CAPEX of ₹ 2052.70 lakhs for the Third Control Period. Further, out of total CAPEX of ₹ 2052.70 lakhs projected for Third Control Period, ISP has proposed to incur ₹ 1944.53 lakhs on Ground Handling Equipment, ₹ 99.20 lakhs on vehicle, ₹ 5 lakhs for furniture and fixtures and ₹ 3.97 lakhs on office equipment.
- 4.3 The Authority further notes that BWFS has proposed to incur major portion of total CAPEX (around 70%) during FY 2022-23 & FY 2023-24. As regard to CAPEX proposed for the Third Control Period, BWFS vide email dated 04.04.2022, submitted that the proposed CAPEX is required to cater to current demand as well as projected growth in business at Cochin International Airport.
- 4.4 The Authority sought details of actual CAPEX incurred during the first Tariff year (FY 2021-22) of the Third Control Period. In response thereof, BWFS vide email dated 19.10.2022 submitted the copies of invoices relating to actual CAPEX incurred amounting to ₹ 36.65 lakhs in FY 2021-22.
- 4.5 The Authority notes that the CAPEX proposed by the ISP is mainly towards Ground Handling Equipment, which is essential for smooth business operations & better passenger facilitation. Therefore, the Authority proposes to consider the CAPEX for the Third Control Period as projected by BWFS as per Table 4 above.

Authority's Proposal regarding CAPEX for the Third Control Period

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

CHAPTER 5: OPERATING EXPENDITURE AND PROFITABILITY

BWFS Submission on Operating Expenditure for the Third Control Period as a part of MYTP

5.1 As provided in Clause 9.4 of the Guidelines mentioned in Direction No. 04/2010-11, the Operation and Maintenance (O&M) Expenditure shall include all expenditures incurred by the Service Provider(s) including expenditure incurred on security operating costs, other mandated operating costs and statutory operating costs.

5.2 Operation and Maintenance Expenditure submitted by BWFS has been broadly segregated into the following categories:

- a) Payroll Costs;
- b) Admin and General Expenses;
- c) Concession Fees;
- d) Repairs and Maintenance and
- e) Utilities & Outsourcing Costs

5.3 As per the MYTP submitted by BWFS, Revenue, Operating Expenditure (OPEX) and Profitability projected by BWFS for the Third Control Period (FY 2021-22 to FY 2025-26) are as under:

Table 6: Projected Revenue, Operating Expenditure and Profitability as submitted by BWFS for the Third Control Period

(₹ in lakhs)

Particulars	FY 2021-22*	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	TOTAL
Revenue from Regulated Services (A)	3334.15	8031.92	9598.95	11081.48	12268.49	44314.99
Operating Expenditure						
i. Payroll Cost	1326.69	2852.39	3280.25	3542.67	3826.09	14828.09
ii. Administrative and General Expenditure	680.06	807.96	880.42	944.63	1034.73	4347.80
iii. Concession Fees	1873.90	4239.60	4991.70	5644.18	6171.50	22920.88
iv. Repairs & Maintenance Expenses	39.05	74.20	85.33	93.87	103.25	395.70
v. Utilities & Outsourcing Costs	82.66	153.34	169.49	187.32	207.93	800.74
Total OPEX (i+ii+iii+iv) = (B)	4002.36	8127.49	9407.19	10412.67	11343.50	43293.21
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) (A-B)	(668.21)	(95.57)	191.76	668.81	924.99	1021.78
Depreciation and Amortization	98.90	116.07	161.81	193.20	202.64	772.62
Interest & Finance Charges	10.13	148.79	209.18	230.00	232.01	830.11
Profit Before Tax (PBT)	-777.24	-360.43	-179.23	245.61	490.34	-580.95
Provision for Tax#	-	-	-	-	-	-
Profit After Tax (PAT)	-777.24	-360.43	-179.23	245.61	490.34	-580.95

*Actual figures (unaudited for FY 2021-22)

#Nil Tax Provision in FY 2024-25 & FY 2025-26 due to accumulated losses during preceding three years.

Authority’s Examination and Analysis:

5.4 The Authority analyzed the Operating Expenditure provided in Form F3 (P&L) of the MYTP for the Third Control Period and notes YoY % increase as per Table-7 below:

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

Particulars	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Revenue	141%	20%	15%	11%
Payroll cost	115%	15%	8%	8%
Administrative and General Expenditure	19%	9%	7%	10%
Concession Fees	126%	18%	13%	9%
Repairs and Maintenance cost	90%	15%	10%	10%
Utilities and Outsourcing Costs	86%	11%	11%	11%

5.5 The Authority’s analysis of YoY growth rates considered by the BWFS in respect of projected OPEX from FY 2022-23 onward is given in the following sections:

- a) **Payroll Cost:** The Authority notes that ISP has considered 115% increase in the Payroll Cost in FY 2022-23 over FY 2021-22. The Authority sought clarification from ISP in respect of proposed steep increase in Payroll Costs in FY 2022-23. The ISP, vide email dated 23.08.2022, stated that projected payroll costs in FY 2021-22 were lower as compared to FY 2022-23, due to lower number of aircraft traffic handled in FY 2021-22 (Covid affected year). Accordingly, lesser manpower were deployed in FY 2021-22 for flight handling and also very less amount was spent on items such as staff welfare, training and uniform cost etc. The ISP further stated that aircraft traffic for FY 2022-23 is projected to increase significantly (100% increase over FY 2021-22), which requires more manpower for flight handling. Also, the payroll costs have been projected after factoring-in the impact of periodic increase in minimum wages, salary increments etc.

As regard to one time increase in Payroll expenses by 115% in FY 2022-23 over FY 2021-22, the Authority notes that the ISP has considered this exceptional increase in Payroll expenses taking into account projected 100% increase in aircraft traffic volume and 140% increase in projected revenues during FY 2022-23.

The Authority observes that BWFS has considered an increase of 15% in Payroll expenses for FY 2023-24; thereafter, ISP has proposed 8% YoY increase for remaining tariff years of the Control Period. As regard to YoY increase in payroll expenses, the Authority notes that the revenue projected for the period from FY 2022-23 to FY 2025-26 is more than percentage (%) increase projected in Payroll expenses in all the tariff years of the Control Period.

Considering that the increase in payroll expenses projected by the BWFS is commensurate with the projected increase in aircraft traffic & revenues and taking into account impact of increase in minimum wages & salary increments, the Authority feels that YoY increase projected by the ISP in Payroll expenses for the 3rd Control Period seems reasonable.

- b) **Administrative & General Expenditure:** The Authority observes that the YoY increase considered by BWFS in the Administrative and General Expenditure for the Control period is ranging between 7% to 10%, except for FY 2022-23 where percentage(%) increase is 19%.

The ISP, vide email dated 23.08.2022 regarding YoY increase in Admin. & General Expenses, stated that lease rent is one of the major component of Administrative & General expenses (accounts for 60% of total Admin. & General Expenses), and same is escalated @ 7.5% YoY basis as per agreement provisions. The ISP stated that the projected increase in Admn. & General expenses from FY 2022-23 onward is commensurate with the increase in number of flights projected to be handled and proposed increase in expenses has factored the impact of annual inflation on such expenses.

The Authority feels that considering the increase in aircraft traffic, projected revenues and taking into account impact of general inflation, the YoY increase projected by ISP in respect of Administrative and General Expenses for the Third Control Period seems reasonable.

- c) **Concession Fees:** The Authority notes from the submission of BWFS vide email dated 21.04.2022 and CIAL letter dated 18.02.2022 regarding extension of concession period that the ISP is required to pay concession fees @ 48% for the extended period from 01.09.2022 till 31.08.2024 (concession fees for the period up to 31.08.2022 was payable @ 46%) on the higher of following:

- 1) Actual Gross Revenue.
- 2) Revenue as per determinable rates as defined by CIAL in the annexure-1 of the Concession Agreement.

- d) **Repairs and Maintenance Costs:** The Authority observes that BWFS has projected increase ranging between 10% to 15% in R&M expenses on YoY basis during the Third Control Period, except for FY 2022-23 in which 90% increase in R&M expenses is proposed over FY 2021-22.

The Authority sought clarifications regarding YoY increase in R&M expenses considered by the BWFS, including steep increase in R&M expenses considered for FY 2022-23. ISP vide mail dated 23.08.2022 stated that as compared to projected traffic for FY 2022-23, lower aircraft traffic was handled in FY 2021-22 due to Covid pandemic, requiring less usage of equipment and major repairs of the equipment were deferred. The above factors led to lower R&M expenses during FY 2021-22. The ISP further informed that R&M costs include expenses related to Spares, Consumables and Lubes & oil etc.; though some of the spares are covered under warranty initially one to three years, however, expenditure on consumables, lubes, small spares are required to be incurred periodically to keep equipment in its operational state on 24/7 basis, even if the equipment is new.

The Authority feels that considering the 100% increase in aircraft traffic projected for FY 2022-23 over preceding FY, higher usage of equipment is expected, requiring more preventive maintenance and repairs to keep the equipment in good running condition. The Authority notes that projected R&M expenses for FY 2022-23 (₹ 74.20 lakhs) is only around 36% of total R&M expenses incurred during FY 2019-20 (₹ 203.58 lakhs); whereas, the projected aircraft traffic in FY 2022-23 is around 95% of pre-Covid level (FY 2019-20).

In view of the above, considering the projected increase in number of aircraft traffic & commensurate increase in projected revenue for the Control Period and taking into account impact of annual inflation, the projected R&M expenses for the Third Control Period seems reasonable.

- e) **Utilities and Outsourcing Costs:** The Authority notes that BWFS has proposed YoY increase of 11% (except 86% increase in FY 2022-23 over FY 2021-22) from FY 2023-24 onward. The Authority sought clarifications on YoY increase considered by the ISP in Utility & Outsourcing costs. The ISP vide email dated 23.08.2022 informed that Utility & Outsourcing costs mainly consist of fuel charges, electricity expenses and water charges. These expenses are directly linked with the number of flights to be handled. ISP further stated that cost of fuel & water charges have increased, which is resulting in higher Utility & Outsourcing costs.

The Authority notes that YoY increase projected in Utility & Outsourcing costs is commensurate with the increase in aircraft traffic & revenue projected for the control period. Considering the above & taking into account the clarifications furnished by the ISP, the Utility & Outsourcing costs projected for the Control Period seems reasonable.

- 5.6 The Authority also notes that as per the projected profitability statement for the Third Control Period (Table no. 6) BWFS is likely to suffer losses during the first three tariff years of the Control Period and thereafter ISP is expected to generate marginal profits.

5.7 **Authority's Proposals regarding Operation and Maintenance Expenses for the Third Control Period:**

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

CHAPTER 6: ANNUAL TARIFF PROPOSAL

BWFS Submissions on Annual Tariff Proposal for the Third Control Period as a part of MYTP

6.1 BWFS has submitted a Tariff proposal for Ground Handling Services in respect of Scheduled Operations at Cochin International Airport for the Third Control Period (FY 2022-23 to FY 2025-26) as given in Table below:

Table 8: Proposed Tariff Rates for Schedule Flights submitted by BWFS for the Third Control Period

(Rates in ₹)

	FY 2022-23			FY 2023-24			FY 2024-25			FY 2025-26		
	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full
Domestic Passenger Flight												
Code B	6,000	9,800	15,800	6,500	10,500	17,000	7,000	11,300	18,200	7,500	12,100	19,500
Code C	13,000	23,900	36,800	14,000	25,600	39,400	15,000	27,400	42,200	16,100	29,400	45,200
Code D	20,000	39,200	59,200	21,400	42,000	63,400	22,900	45,000	67,900	24,600	48,200	72,700
Code E	37,000	73,300	1,10,300	39,600	78,500	1,18,100	42,400	84,000	1,26,400	45,400	89,900	1,35,300
International Passenger Flight												
Code C	34,000	69,510	99,300	36,400	74,400	1,06,300	39,000	79,700	1,13,800	41,800	85,300	1,21,800
Code D	56,000	1,15,780	1,65,400	60,000	1,23,900	1,77,000	64,200	1,32,600	1,89,400	68,700	1,41,900	2,02,700
Code E	91,000	1,89,910	2,71,300	97,400	2,03,300	2,90,300	1,04,300	2,17,600	3,10,700	1,11,700	2,32,900	3,32,500
Code F	1,06,000	2,22,320	3,17,600	1,13,500	2,37,900	3,39,900	1,21,500	2,54,600	3,63,700	1,30,100	2,72,500	3,89,200
Domestic Cargo Flight												
Code C	NA	32,100	NA	NA	34,347	NA	NA	36,751	NA	NA	39,324	NA
Code D	NA	53,500	NA	NA	57,245	NA	NA	61,252	NA	NA	65,540	NA
Code E	NA	90,950	NA	NA	97,317	NA	NA	1,04,129	NA	NA	1,11,418	NA
International Cargo Flight												
Code C	NA	1,15,560	NA	NA	1,23,649	NA	NA	1,32,305	NA	NA	1,41,566	NA
Code D	NA	1,55,150	NA	NA	1,66,011	NA	NA	1,77,631	NA	NA	1,90,065	NA
Code E	NA	2,03,300	NA	NA	2,17,531	NA	NA	2,32,758	NA	NA	2,49,051	NA
Code F	NA	3,00,312	NA	NA	3,21,333	NA	NA	3,43,827	NA	NA	3,67,895	NA

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 exclusive of GST and any other applicable Government taxes.

6.2 BWFS has proposed the following % increase in the Tariff for Schedule Flights at Cochin Airport as stated in the table below:

Table 9: Statement of YoY Percentage (%) Change in Different Category of Schedule Flights for the TCP

Particulars	FY 2023-24			FY 2024-25			FY 2025-26		
	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full
Domestic Passenger Flights									
CODE B	8%	7%	8%	8%	7%	7%	7%	7%	7%
CODE C	8%	7%	7%	7%	7%	7%	7%	7%	7%
CODE D	7%	7%	7%	7%	7%	7%	7%	7%	7%
CODE E	7%	7%	7%	7%	7%	7%	7%	7%	7%
International Passenger Flights									
CODE B	7%	7%	7%	7%	7%	7%	7%	7%	7%

Particulars	FY 2023-24			FY 2024-25			FY 2025-26		
	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full
CODE C	7%	7%	7%	7%	7%	7%	7%	7%	7%
CODE D	7%	7%	7%	7%	7%	7%	7%	7%	7%
CODE E	7%	7%	7%	7%	7%	7%	7%	7%	7%
CODE F	7%	7%	7%	7%	7%	7%	7%	7%	7%
Domestic Cargo Flights									
CODE C	NA	7%	NA	NA	7%	NA	NA	7%	NA
CODE D	NA	7%	NA	NA	7%	NA	NA	7%	NA
CODE E	NA	7%	NA	NA	7%	NA	NA	7%	NA
International Cargo Flights									
CODE C	NA	7%	NA	NA	7%	NA	NA	7%	NA
CODE D	NA	7%	NA	NA	7%	NA	NA	7%	NA
CODE E	NA	7%	NA	NA	7%	NA	NA	7%	NA
CODE F	NA	7%	NA	NA	7%	NA	NA	7%	NA

6.3 BWFS has also submitted separate Tariff Rate Card for Non-Schedule and General Aviation Operation(s) as per the table given below: -

Table 10: Proposed Tariff Rates for Non-Scheduled Flights submitted by BWFS for the Third Control Period

(Rates in ₹)

A/C Category	2022-23		2023-24		2024-25		2025-26	
	Domestic	Intl.	Domestic	Intl.	Domestic	Intl.	Domestic	Intl.
MTOW								
0-5000	25,145	48,150	26,905	51,521	28,788	55,127	30,803	58,986
5001-10000	32,100	88,275	34,347	94,454	36,751	1,01,066	39,324	1,08,141
10001- 20000	39,055	1,40,438	41,789	1,50,269	44,714	1,60,788	47,844	1,72,043
20001- 35000	65,805	1,60,500	70,411	1,71,735	75,340	1,83,756	80,614	1,96,619
35001- 40000	67,410	1,80,563	72,129	1,93,202	77,178	2,06,726	82,580	2,21,197
40001- 50000	67,410	2,00,625	72,129	2,14,669	77,178	2,29,696	82,580	2,45,775
50001- 100000	90,950	2,60,813	97,317	2,79,070	1,04,129	2,98,605	1,11,418	3,19,507
100001 – 200000	2,41,108	4,93,538	2,57,986	5,28,086	2,76,045	5,65,052	2,95,368	6,04,606
200001- 300000	5,51,106	5,81,813	5,89,683	6,22,540	6,30,961	6,66,118	6,75,128	7,12,746
300001 and above	6,61,326	7,02,188	7,07,619	7,51,341	7,57,152	8,03,935	8,10,153	8,60,210

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

Authority’s Examination and Analysis:

6.4 The Authority notes that in the case of Domestic Schedule Passenger Flights, the ISP has proposed 7% YoY (except for 8% increase under Code B type of aircrafts in FY 2023-24) increase in Tariff rates (full services) from FY 2023-24 onward as compared to preceding year’s Tariff Rates.

In respect of International Passenger Flights (Schedule & Non-Schedule), the ISP has proposed an YoY increase of 7% in Tariff rates from FY 2023-24 onward. As regard to Cargo Flights, BWFS has proposed YoY increase of 7% in Tariff rates from FY 2023-24 onward.

6.5 The Authority also notes that BWFS has proposed a separate Tariff Rate card for Non-Scheduled Flights and proposed an increase of 7% YoY from FY 2023-24 onward, as compared to Tariff Rates proposed for FY 2022-23. (Table 10)

6.6 The Authority sought justification/ clarification from BWFS regarding proposed increase in Tariff Rates during the Third Control Period. The ISP in its response stated that “we hereby submit an increase of 7% YoY in the Proposed Tariff after taking effect of:

- a) Increase in the minimum wages rates;
- b) General inflation-linked increase in the operational cost.

c) *Increase in Fuel cost which impacts the operational cost.*

All this can be corroborated through inflation data published by the government and to cover inflation costs we proposed a Tariff increase accordingly.”

The Authority, considering the increase in aircraft traffic projected for the Control Period & commensurate increase in Operating Expenditure and taking into account aforesaid justifications/clarifications by ISP, feels that ISP requires adequate revenues to cover the increase in Operating Costs. It is also noteworthy to mention that even with the proposed increase in Tariff rates, as per BWFS’ projection, ISP is likely to suffer overall loss during the Third Control Period.

- 6.7 The Authority is of the view that the Tariff for Domestic Non-Scheduled and General Aviation Operations, including Item-wise Charges for Ground Handling Services, 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 in case of International Non-Scheduled & General Aviation Operations 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 Third fortnight and the rate as on the 15th of the month will be applicable for the second fortnight.
- 6.9 Further, BWFS should ensure compliance towards Standardization of Ground Handling Equipment at Cochin International Airport, 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 the Third Control Period:

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

- 6.10 To consider the Tariff Rates for Ground Handling Services provided by BWFS in respect of Scheduled Flights, International “Non-Scheduled & General Aviation Flights” and Item-wise Tariff Rate card for the Third Control Period as per **Annexures (I, II & III)**.
- 6.11 The Tariff for Domestic Non-Scheduled and General Aviation Operations, including Item-wise Charges for Ground Handling Services, 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 The Authority notes that the existing Ground Handling Concession (extended period) is only valid till 31.08.2024. Therefore, the Tariff proposed above for FY 2024-25 (w.e.f 01.09.2024 up to 31.03.2025) and FY 2025-26 shall only be applicable, if the Concession Agreement is further extended by the Airport Operator beyond 31.08.2024.
- 6.15 BWFS shall ensure compliance towards Standardization of Ground Handling Equipment at Cochin International Airport 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 BWFS providing Ground Handling Services at Cochin International Airport 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 of BWFS for providing Ground Handling Services at Cochin International Airport under the ‘ Light Touch Approach ’ for the Third Control Period, as the regulated service is deemed ‘ Material but Competitive ’.	8
Chapter No. 3	3.7	The Authority proposes to consider the Aircraft Traffic (Flights to be handled) for the Third Control Period as per Table-3.	10
Chapter No. 4	4.6	The Authority proposes to consider the CAPEX for the Third Control Period as per Table-4.	13
Chapter No. 5	5.7	The Authority proposes to consider the OPEX for the Third Control Period as per Table-6.	17
Chapter No. 6	6.10	The Authority proposes to consider the Tariff Rates for Ground Handling Services provided by BWFS in respect of Scheduled Flights, International “Non-Scheduled & General Aviation Flights” and Item-wise Tariff Rate card for the Third Control Period as per Annexures (I, II & III) .	20
	6.11	The Authority proposes that the Tariff for Domestic Non-Scheduled and General Aviation Operations, including Item-wise Charges for Ground Handling Services, shall not exceed the approved Tariff(s) for relevant Domestic Scheduled Flights for similar class of Aircraft(s).	
	6.12	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 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 notes that the existing Ground Handling Concession (extended period) is only valid till 31.08.2024. Therefore, the Tariff proposed above for FY 2024-25 (w.e.f 01.09.2024 up to 31.03.2025) and FY 2025-26 shall only be applicable, if the Concession Agreement is further extended by the Airport Operator beyond 31.08.2024.	
6.15	The Authority proposes that BWFS shall ensure compliance towards Standardization of Ground Handling Equipment at Cochin International Airport 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: STAKEHOLDER 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 **24/11/2022**.

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

(Chairperson)

**PROPOSED TARIFF RATE CARD FOR BWFS, COCHIN IN RESPECT OF DOMESTIC* &
INTERNATIONAL SCHEDULED FLIGHTS FOR THE THIRD CONTROL PERIOD
(FY 2021-22 to FY 2025-26) FOR STAKEHOLDERS' CONSULTATION**

Ceiling Rates for Ground Handling Services

(Rates in ₹)

	FY 2022-23			FY 2023-24			FY 2024-25			FY 2025-26		
	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full	Pax	Ramp	Full
Domestic Passenger Flight												
Code B	6,000	9,800	15,800	6,500	10,500	17,000	7,000	11,300	18,200	7,500	12,100	19,500
Code C	13,000	23,900	36,800	14,000	25,600	39,400	15,000	27,400	42,200	16,100	29,400	45,200
Code D	20,000	39,200	59,200	21,400	42,000	63,400	22,900	45,000	67,900	24,600	48,200	72,700
Code E	37,000	73,300	1,10,300	39,600	78,500	1,18,100	42,400	84,000	1,26,400	45,400	89,900	1,35,300
International Passenger Flight												
Code C	34,000	69,510	99,300	36,400	74,400	1,06,300	39,000	79,700	1,13,800	41,800	85,300	1,21,800
Code D	56,000	1,15,780	1,65,400	60,000	1,23,900	1,77,000	64,200	1,32,600	1,89,400	68,700	1,41,900	2,02,700
Code E	91,000	1,89,910	2,71,300	97,400	2,03,300	2,90,300	1,04,300	2,17,600	3,10,700	1,11,700	2,32,900	3,32,500
Code F	1,06,000	2,22,320	3,17,600	1,13,500	2,37,900	3,39,900	1,21,500	2,54,600	3,63,700	1,30,100	2,72,500	3,89,200
Domestic Cargo Flight												
Code C	NA	32,100	NA	NA	34,347	NA	NA	36,751	NA	NA	39,324	NA
Code D	NA	53,500	NA	NA	57,245	NA	NA	61,252	NA	NA	65,540	NA
Code E	NA	90,950	NA	NA	97,317	NA	NA	1,04,129	NA	NA	1,11,418	NA
International Cargo Flight												
Code C	NA	1,15,560	NA	NA	1,23,649	NA	NA	1,32,305	NA	NA	1,41,566	NA
Code D	NA	1,55,150	NA	NA	1,66,011	NA	NA	1,77,631	NA	NA	1,90,065	NA
Code E	NA	2,03,300	NA	NA	2,17,531	NA	NA	2,32,758	NA	NA	2,49,051	NA
Code F	NA	3,00,312	NA	NA	3,21,333	NA	NA	3,43,827	NA	NA	3,67,895	NA

* *Tariff for Domestic Scheduled Flights is also applicable to Domestic Non-Scheduled 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 Third fortnight and the rate as on 15th of the month will be applicable for the second fortnight.*

**PROPOSED TARIFF RATE CARD FOR BWFS, COCHIN IN RESPECT OF INTERNATIONAL
“NON-SCHEDULED & GENERAL AVIATION” FOR THE THIRD CONTROL PERIOD
(FY 2021-22 to FY 2025-26) FOR STAKEHOLDERS’ CONSULTATION**

Ceiling Rates for Ground Handling Services

(Rates in ₹)

A/C Category	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
MTOW				
0-5000	48,150	51,521	55,127	58,986
5001-10000	88,275	94,454	1,01,066	1,08,141
10001- 20000	1,40,438	1,50,269	1,60,788	1,72,043
20001- 35000	1,60,500	1,71,735	1,83,756	1,96,619
35001- 40000	1,80,563	1,93,202	2,06,726	2,21,197
40001- 50000	2,00,625	2,14,669	2,29,696	2,45,775
50001- 100000	2,60,813	2,79,070	2,98,605	3,19,507
100001 - 200000	4,93,538	5,28,086	5,65,052	6,04,606
200001- 300000	5,81,813	6,22,540	6,66,118	7,12,746
300001 and above	7,02,188	7,51,341	8,03,935	8,60,210

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.

**PROPOSED TARIFF RATE CARD FOR BWFS PROVIDING GROUND HANDLING SERVICES
AT COCHIN INTERNATIONAL AIRPORT, COCHIN**

**(A) - Maximum Tariff for Item-wise Charges in respect of Domestic* & International Scheduled Flights
for FY 2022-23 to FY 2025-26 of the Third Control Period**

S. NO.	SERVICES	UNIT	2022-23		2023-24		2024-25		2025-26	
			Dom.	Intl.	Dom.	Intl.	Dom.	Intl.	Dom.	Intl.
1	Air Conditioning Unit (NB)	Per Hour	14500	18500	15515	19795	16601	21181	17763	22664
2	Air Conditioning Unit (WB)	Per Hour	18479	29209	19773	31254	21157	33442	22638	35783
3	Air Starter Unit (NB)	Per Start	13536	21390	14484	22887	15498	24489	16583	26203
4	Air Starter Unit (WB)	Per Start	14850	24750	15890	26483	17002	28337	18192	30321
5	Aircraft Disinfection - Freighter Aircrafts	Per service	9500	11500	10165	12305	10877	13166	11638	14088
6	Aircraft Disinfection - Pax Aircrafts Code C	Per service	10500	17500	11235	18725	12021	20036	12862	21439
7	Aircraft Disinfection - Pax Aircrafts Code D/E	Per service	12000	24000	12840	25680	13739	27478	14701	29401
8	Aircraft Disinfection - Pax Aircrafts Code F	Per service	17000	35000	18190	37450	19463	40072	20825	42877
9	Aircraft marshalling	Per service	2500	4250	2675	4548	2862	4866	3062	5207
10	Ambulift	Per flight leg	13750	17233	14713	18439	15743	19730	16845	21111
11	Apron Transport (Passenger)	Per Trip	11000	18000	11770	19260	12594	20608	13476	22051
12	Arrange non-scheduled Crew Hotel Accommodation (HOTAC)	Per flight	5000	7500	5350	8025	5725	8587	6126	9188
13	ATC payment services	Per flight	4250	6250	4548	6688	4866	7156	5207	7657
14	Baggage ID	Per Service	3000	4500	3210	4815	3435	5152	3675	5513
15	Baggage/Cargo cart	Per Hour	2000	3000	2140	3210	2290	3435	2450	3675
16	Ballast Bags refill	Per refill-per bag	3000	4500	3210	4815	3435	5152	3675	5513
17	Blue collar staff	Per staff per hour	2500	3750	2675	4013	2862	4294	3062	4595
18	Brake Cooling Service	Per flight	12500	16500	13375	17655	14311	18891	15313	20213
19	Cabin loading/unloading NB	Per hour	12750	16750	13643	17923	14598	19178	15620	20520
20	Cabin loading/unloading WB	Per hour	14750	19500	15783	20865	16888	22326	18070	23889
21	Cargo Supervision services	Per flight	4000	8500	4280	9095	4580	9732	4901	10413
22	Container/Pallet Dolly	Per Hour	1950	2750	2087	2943	2233	3149	2389	3369
23	Container/Pallet Dolly 20 FT	Per Hour	2250	3250	2408	3478	2577	3721	2757	3981
24	Conveyor belt	Per Hour	3250	4500	3478	4815	3721	5152	3981	5513
25	Crew Transport	Per Trip	4750	7250	5083	7758	5439	8301	5820	8882
26	Deportee/ Inadmissible (INAD) handling	Per Passenger	3250	4000	3478	4280	3721	4580	3981	4901
27	Direct crew through airport facilities	Per Service	2500	3750	2675	4013	2862	4294	3062	4595
28	Excess Baggage Fee (% of collection)	As per collection	10%	10%	10%	10%	10%	10%	10%	10%
29	Exterior Cleaning - NB	Per Service	20000	28000	21400	29960	22898	32057	24501	34301
30	Exterior Cleaning - WB	Per Service	26000	40000	27820	42800	29767	45796	31851	49002

S. NO.	SERVICES	UNIT	2022-23		2023-24		2024-25		2025-26	
			Dom.	Intl.	Dom.	Intl.	Dom.	Intl.	Dom.	Intl.
31	Forklift (3 Tons)	Per Hour	4500	6000	4815	6420	5152	6869	5513	7350
32	Full body suit PPE	Per suit	1800	2500	1926	2675	2061	2862	2205	3062
33	Ground Power Unit	Per Hour	12500	18750	13375	20063	14311	21467	15313	22970
34	Headset service	Per Flight	1800	3000	1926	3210	2061	3435	2205	3675
35	Interior Deep Cleaning - NB	Per Service	8000	9500	8560	10165	9159	10877	9800	11638
36	Interior Deep Cleaning - WB	Per Service	9750	14750	10433	15783	11163	16888	11944	18070
37	Interior Turn Cleaning - NB	Per Service	7500	9500	8025	10165	8587	10877	9188	11638
38	Interior Turn Cleaning - WB	Per Service	9500	13500	10165	14445	10877	15456	11638	16538
39	Lower Deck Loader (LDL)	Per hour	13500	21500	14445	23005	15456	24615	16538	26338
40	Manual Check-In	Per Passenger	7500	11000	8025	11770	8587	12594	9188	13476
41	Middle Deck Loader (MDL)	Per hour	15000	22750	16050	24343	17174	26047	18376	27870
42	Operational Flight Plan Print Out	Per service	1800	2500	1926	2675	2061	2862	2205	3062
43	Passenger Step (mobile-NB)	Per Hour	3500	5000	3745	5350	4007	5725	4287	6126
44	Passenger Step (mobile-WB)	Per Hour	3750	7250	4013	7758	4294	8301	4595	8882
45	Pushback for narrow body aircraft	Per Push	12000	15750	12840	16853	13739	18033	14701	19295
46	Pushback for wide body aircraft	Per Push	14000	19750	14980	21133	16029	22612	17151	24195
47	Stationary (Boarding card & Tags)	Per Flight	4500	8500	4815	9095	5152	9732	5513	10413
48	Tail stand	Per Hour	6750	8750	7223	9363	7729	10018	8270	10719
49	Toilet truck	Per Service	5000	8500	5350	9095	5725	9732	6126	10413
50	Towbar	Per Use	3700	7250	3959	7758	4236	8301	4533	8882
51	Towing of narrow body aircraft	Per Tow	11000	16000	11770	17120	12594	18318	13476	19600
52	Towing of wide body aircraft	Per Tow	12500	22750	13375	24343	14311	26047	15313	27870
53	Transit w/o visa pax	Per Passenger	3500	5000	3745	5350	4007	5725	4287	6126
54	Trestle (standard size - 4ft)	Per Hour	2000	2500	2140	2675	2290	2862	2450	3062
55	Tugs	Per Hour	2500	3750	2675	4013	2862	4294	3062	4595
56	Unit Load Device (ULD) Storage	Per ULD/per day	950	1500	1017	1605	1088	1717	1164	1837
57	Unaccompanied Minor (UM) Handling	Per UM	3500	5000	3745	5350	4007	5725	4287	6126
58	Vacuum Cleaner	Per Hour	3000	5000	3210	5350	3435	5725	3675	6126
59	VIP Vehicle (Innova Range)	Per trip	10500	15750	11235	16853	12021	18033	12862	19295
60	VIP Vehicle (Luxury - Mercedes/ BMW / AUDI range)	Per trip	15000	24500	16050	26215	17174	28050	18376	30014
61	VIPs	Per Passenger	4000	6000	4280	6420	4580	6869	4901	7350
62	Water truck	Per Service	6000	8750	6420	9363	6869	10018	7350	10719
63	Water Uplift	Per Ltr.	5	7	5	7	5	7	5	7
64	Wheel Chair	Per Service	2000	2500	2140	2675	2290	2862	2450	3062
65	White collar staff	Per staff per hour	3000	4500	3210	4815	3435	5152	3675	5513

* Item Wise charges for Scheduled Domestic Flights is also applicable to Domestic Non-Scheduled flights and General Aviation.
WB= Wide Body Aircraft; NB Narrow Body Aircraft

Notes:

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

(B) - Maximum Tariff for Item wise charges for International “Non-Scheduled Operators & General Aviation”.

S. NO.	SERVICES	UNIT	2022-23	2023-24	2024-25	2025-26
			Intl.	Intl.	Intl.	Intl.
1	Air Conditioning Unit (NB)	Per Hour	18500	19795	21181	22664
2	Air Conditioning Unit (WB)	Per Hour	29209	31254	33442	35783
3	Air Starter Unit (NB)	Per Start	21390	22887	24489	26203
4	Air Starter Unit (WB)	Per Start	24750	26483	28337	30321
5	Aircraft Disinfection - Freighter Aircrafts	Per service	11500	12305	13166	14088
6	Aircraft Disinfection - Pax Aircrafts Code C	Per service	17500	18725	20036	21439
7	Aircraft Disinfection - Pax Aircrafts Code D/E	Per service	24000	25680	27478	29401
8	Aircraft Disinfection - Pax Aircrafts Code F	Per service	35000	37450	40072	42877
9	Aircraft marshalling	Per service	4250	4548	4866	5207
10	Ambulift	Per flight leg	17233	18439	19730	21111
11	Apron Transport (Passenger)	Per Trip	18000	19260	20608	22051
12	Arrange non-scheduled Crew Hotel Accommodation (HOTAC)	Per flight	7500	8025	8587	9188
13	ATC payment services	Per flight	6250	6688	7156	7657
14	Baggage ID	Per Service	4500	4815	5152	5513
15	Baggage/ Cargo cart	Per Hour	3000	3210	3435	3675
16	Ballast Bags refill	Per refill-per bag	4500	4815	5152	5513
17	Blue collar staff	Per staff per hour	3750	4013	4294	4595
18	Brake Cooling Service	Per flight	16500	17655	18891	20213
19	Cabin loading/unloading NB	Per hour	16750	17923	19178	20520
20	Cabin loading/unloading WB	Per hour	19500	20865	22326	23889
21	Cargo Supervision services	Per flight	8500	9095	9732	10413
22	Container/Pallet Dolly	Per Hour	2750	2943	3149	3369
23	Container/Pallet Dolly 20 FT	Per Hour	3250	3478	3721	3981
24	Conveyor belt	Per Hour	4500	4815	5152	5513
25	Crew Transport	Per Trip	7250	7758	8301	8882
26	Deportee/ Inadmissible (INAD) handling	Per Passenger	4000	4280	4580	4901
27	Direct crew through airport facilities	Per Service	3750	4013	4294	4595
28	Excess Baggage Fee (% of collection)	As per collection	10%	10%	10%	10%
29	Exterior Cleaning - NB	Per Service	28000	29960	32057	34301
30	Exterior Cleaning - WB	Per Service	40000	42800	45796	49002
31	Forklift (3 Tons)	Per Hour	6000	6420	6869	7350
32	Full body suit PPE	Per suit	2500	2675	2862	3062
33	Ground Power Unit	Per Hour	18750	20063	21467	22970
34	Headset service	Per Flight	3000	3210	3435	3675
35	Interior Deep Cleaning - NB	Per Service	9500	10165	10877	11638
36	Interior Deep Cleaning - WB	Per Service	14750	15783	16888	18070
37	Interior Turn Cleaning - NB	Per Service	9500	10165	10877	11638
38	Interior Turn Cleaning - WB	Per Service	13500	14445	15456	16538
39	Lower Deck Loader	Per hour	21500	23005	24615	26338

S. NO.	SERVICES	UNIT	2022-23	2023-24	2024-25	2025-26
			Intl.	Intl.	Intl.	Intl.
40	Manual Check-In	Per Passenger	11000	11770	12594	13476
41	Middle Deck Loader	Per hour	22750	24343	26047	27870
42	Operational Flight Plan Print Out	Per service	2500	2675	2862	3062
43	Passenger Step (mobile-NB)	Per Hour	5000	5350	5725	6126
44	Passenger Step (mobile-WB)	Per Hour	7250	7758	8301	8882
45	Pushback for narrow body aircraft	Per Push	15750	16853	18033	19295
46	Pushback for wide body aircraft	Per Push	19750	21133	22612	24195
47	Stationary (Boarding card & Tags)	Per Flight	8500	9095	9732	10413
48	Tail stand	Per Hour	8750	9363	10018	10719
49	Toilet truck	Per Service	8500	9095	9732	10413
50	Towbar	Per Use	7250	7758	8301	8882
51	Towing of narrow body aircraft	Per Tow	16000	17120	18318	19600
52	Towing of wide body aircraft	Per Tow	22750	24343	26047	27870
53	Transit w/o visa pax	Per Passenger	5000	5350	5725	6126
54	Trestle (standard size - 4ft)	Per Hour	2500	2675	2862	3062
55	Tugs	Per Hour	3750	4013	4294	4595
56	Unit Load Device (ULD) Storage	Per ULD/per day	1500	1605	1717	1837
57	Unaccompanied Minor (UM) Handling	Per UM	5000	5350	5725	6126
58	Vacuum Cleaner	Per Hour	5000	5350	5725	6126
59	VIP Vehicle (Innova Range)	Per trip	15750	16853	18033	19295
60	VIP Vehicle (Luxury - Mercedes/ BMW / AUDI range)	Per trip	24500	26215	28050	30014
61	VIPs	Per Passenger	6000	6420	6869	7350
62	Water truck	Per Service	8750	9363	10018	10719
63	Water Uplift	Per Ltr.	7	7	7	7
64	Wheel Chair	Per Service	2500	2675	2862	3062
65	White collar staff	Per staff per hour	4500	4815	5152	5513

WB= Wide body Aircraft; NB Narrow Body Aircraft

Notes:

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