

फा. सं. ऐरा/20010/एमवाईटीपी/इंडोथाई/जीएच/गुवाहाटी/सीपी-III/2022-27  
F. No. AERA/20010/ MYTP/IndoThai/GH/Guwahati/CP-III/2022-27

परामर्श पत्र संख्या 09/2023-24  
Consultation Paper No. 09/2023-24



सत्यमेव जयते

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण  
Airports Economic Regulatory Authority of India

मैसर्स जीसेक-इंडो-थाई ग्राउंड हैंडलिंग प्राइवेट लिमिटेड (जीसेक-इंडो-थाई) द्वारा  
लोकप्रिय गोपीनाथ बोरदोलोई अंतर्राष्ट्रीय हवाईअड्डा, पर दी जाने वाली ग्राउंड हैंडलिंग सेवाओं  
के लिए प्रथम नियंत्रण अवधि (वित्त वर्ष 2022-23 से वित्त वर्ष 2026-27)  
के लिए टैरिफ निर्धारित करने के मामले में

IN THE MATTER OF  
DETERMINATION OF TARIFF FOR GROUND HANDLING SERVICES TO BE PROVIDED BY  
M/s GSEC-INDO-THAI GROUND HANDLING PRIVATE LIMITED (GSEC-INDO-THAI) AT  
LOKPRIYA GOPINATH BORDOLOI INTERNATIONAL AIRPORT, GUWAHATI  
FOR THE FIRST CONTROL PERIOD  
(FY 2022-23 TO FY 2026-27)

जारी करने की तारीख : 17.08.2023

Date of Issue: 17.08.2023

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

## 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 GSEC-Indo-Thai Ground Handling Private Limited (GSEC-Indo-Thai) for providing Ground Handling Services at Guwahati International Airport. 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. 09/2023-24 dated 17/08/2023 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: [inderpal.s@aera.gov.in](mailto:inderpal.s@aera.gov.in); [prabhjot.marwah@nic.in](mailto:prabhjot.marwah@nic.in)  
Copy to: [director-ps@aera.gov.in](mailto:director-ps@aera.gov.in); [satish.kr@aera.gov.in](mailto:satish.kr@aera.gov.in); [secretary@aera.gov.in](mailto:secretary@aera.gov.in)

<b>Last date for submission of Stakeholders' Comments</b>	<b>08/09/2023</b>
<b>Last date for submission of Counter Comments</b>	<b>15/09/2023</b>

Comments will be posted on AERA's website: [www.aera.gov.in](http://www.aera.gov.in)

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

## **TABLE OF CONTENTS**

CHAPTER 1: INTRODUCTION .....	6
CHAPTER 2: PRINCIPLES FOR DETERMINATION OF TARIFF FOR AERONAUTICAL SERVICES	8
CHAPTER 3: AIRCRAFT TRAFFIC.....	10
CHAPTER 4: CAPITAL EXPENDITURE .....	13
CHAPTER 5: OPERATING EXPENDITURE AND PROFITABILITY .....	16
CHAPTER 6: ANNUAL TARIFF PROPOSAL.....	20
CHAPTER 7: SUMMARY OF AUTHORITY’S PROPOSALS .....	24
CHAPTER 8: STAKEHOLDERS' CONSULTATION.....	25
ANNEXURE I: PROPOSED TARIFF RATE CARD FOR SCHEDULED FLIGHTS.....	26
ANNEXURE II: PROPOSED TARIFF RATE CARD FOR INTERNATIONAL “NON-SCHEDULED AND GENERAL AVIATION OPERATIONS” .....	27
ANNEXURE III: PROPOSED TARIFF RATE CARD FOR ITEM-WISE CHARGES FOR DOMESTIC & INTERNATIONAL “NON-SCHEDULED OPERATORS AND GENERAL AVIATION” .....	28

## LIST OF TABLES

<b>Table No.</b>	<b>Particulars</b>	<b>Page No.</b>
1	Shareholding Structure of M/s GSEC-Indo-Thai	6
2	Actual Aircraft Traffic handled at Guwahati International Airport during FY 2018-19 to FY 2022-23	10
3	Projected Aircraft Traffic (Flights to be handled by ISP) submitted by M/s GSEC-Indo-Thai for the First Control Period.	10
4	Projected Aircraft Traffic (Flights to be handled by ISP) submitted by M/s GSEC-Indo-Thai for the First Control Period.	11
5	Projected Capital Expenditure submitted by M/s GSEC-Indo-Thai for the First Control Period	13
6	Breakup of Capital Expenditure as submitted by M/s GSEC-Indo-Thai for the First Control Period	13
7	Revenue, Operating Expenditure and Profitability projected by M/s GSEC-Indo-Thai for the First Control Period.	16
8	Year on Year Percentage (%) increase in the Revenue and Operation & Maintenance Expenditure during the First Control Period	17
9	Proposed Tariff Rates for Scheduled Flights submitted by M/s GSEC-Indo-Thai for the First Control Period	20
10	YoY Percentage (%) Change in Tariff Rates for the Different Category of Scheduled Flights for the First Control Period	21
11	Proposed Tariff Rates for Non-Scheduled Flights submitted by GSEC-Indo-Thai for the First Control Period	22

**List of Abbreviations:**

AERA / Authority	Airports Economic Regulatory Authority of India
ATM	Air Traffic Movement
ATP	Annual Tariff Proposal
CAPEX	Capital Expenditure
GSEC-Indo-Thai	GSEC-Indo-Thai Ground Handling Private Limited
COD	Commercial Operations Date
CGF	Cargo Facility, Ground Handling & Supply of Fuel to the Aircraft
GHA	Ground Handling Agencies
GHS	Ground Handling Services
INR / ₹	Indian Rupees
ISP	Independent Service Provider
GIAL	Guwahati International Airport Limited
LOA	Letter of Award
MTOW	Maximum Take Off Weight
MYTP	Multi-Year Tariff Proposal
OPEX	Operating Expenditure
O&M	Operation and Maintenance
PAT	Profit After Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
P&L	Profit & Loss
SPC	Special Purpose Company
YoY	Year on Year

## **CHAPTER 1: INTRODUCTION**

- 1.1 M/s IndoThai Airport Management Services Pvt. Ltd. (ITAMSPL), vide its letter dated 21.01.2022, informed the Authority that the Consortium led by M/s IndoThai Management Services Private Limited had been awarded the contract for providing Ground Handling Services at Lokpriya Gopinath Bordoloi international Airport, Guwahati by Guwahati International Airport Limited (Airport Operator), vide its Letter of Award (LOA) dated 05.01.2022.
- 1.2 The Authority notes the Letter of Award dated 05.01.2022, inter-alia, stipulates that M/s ITAMSPL was required to form Special Purpose Company (SPC) within 15 days from issuance of LOA. Accordingly, M/s GSEC-Indo-Thai Ground Handling Private Limited (GSEC-Indo-Thai), SPC, was incorporated on 14.01.2022.
- 1.3 Subsequently, the Airport Operator issued letter dated 08.06.2022 to M/s GSEC-Indo-Thai Ground Handling Private Limited (GSEC-Indo-Thai), inter-alia, stipulating certain compliances on the part of the SPC for undertaking the ground handling services at the Guwahati International Airport. These compliances include security clearance from BCAS and tariff approval from the Regulatory Authority.
- 1.4 The shareholding structure of the M/s GSEC-Indo-Thai, as informed by the ISP, is tabulated as below:

**Table-1: Shareholding Structure of M/s GSEC-Indo-Thai:**

<b>Name of Shareholder</b>	<b>No. of Equity Shares</b>	<b>Equity Holding (%)</b>
M/s IndoThai Airport Management Services Private Limited	26960	50.81
GSEC Limited	26000	49.00
Shyam Sunder Malani	100	0.19
<b>Total</b>	<b>53060</b>	<b>100.00</b>

- 1.5 M/s GSEC-Indo-Thai Ground Handling Private Limited was granted security clearance vide Bureau of Civil Aviation letter dated 27.10.2022, which is valid for a period of five years from the date of issuance of security clearance.
- 1.6 A License Agreement dated 13.02.2023 had been executed between Guwahati International Airport Limited and M/s GSEC-Indo-Thai Ground Handling Private Limited in respect of the aforesaid concession for a period of five years from the commencement operation date.
- 1.7 The Authority notes that following clauses of the License Agreement:

*“C. IndoThai Airport Management Service Private Limited, the Lead Member of the consortium GSEC Indo Thai Airport Ground Handling Private Limited i.e., Licensee has emerged as the selected bidder in response to Request for Proposal dated 12<sup>th</sup> November, 2021. Accordingly, Airport Operator has issued Letter of Award dated 5<sup>th</sup> January, 2022 (LOA) in favour of the Lead Member with the mandate to incorporate the consortium within 15 days thereof. Further, as per LOA the Lead Member is also mandated to ensure the uninterrupted Ground Handling Services until the consortium obtains security permission and approval of tariff from relevant regulatory/government authority.*”

*D. Further, during the pendency of necessary security permission and approval of tariff from relevant regulatory/government authority in favour of the Licensee, the Lead Member has undertaken the commencement of Ground Handling Services effective from 4<sup>th</sup> February, 2022 (commencement date).”*

- 1.8 Upon receipt of request from M/s IndoThai Airport Management Services Pvt. Ltd., vide its letter dated 21.01.2022, the Authority, vide its Order No. 37/2021-22 dated 01.02.2022, allowed M/s IndoThai Airport Management Services Pvt. Ltd. to levy and collect, on ad-hoc basis, tariff for Ground Handling Services at Guwahati International Airport w.e.f. 01.02.2022 to 31.03.2022, or, till the determination of regular ground handling tariff, whichever is earlier. Subsequently, ad-hoc tariff has been extended up to 30.09.2023 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; and
  - (iii) Order No. 42/2022-23 dated 23.03.2023 – extended the ad hoc tariff up to 30.09.2023.
- 1.9 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 GSEC-Indo-Thai submitted the Multi Year Tariff Proposal (‘MYTP’) on 05.06.2023 for determination of Tariff for providing Ground Handling Services at Guwahati International Airport, for the First Control Period.
- 1.10 The Authority, after having examined the MYTP submission of the M/s GSEC-Indo-Thai in detail and taking into account the additional information/clarifications furnished by the ISP, from time to time, has issued this Consultation Paper for stakeholders’ consultation.

## **CHAPTER 2: PRINCIPLES FOR DETERMINATION OF TARIFF FOR AERONAUTICAL SERVICES**

- 2.1 The Authority, vide its 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 above mentioned AERA Guidelines, the following procedure is adopted for the determination of the Materiality Index of Regulated Service, as per clause 4.4 of the Guidelines:

### **MATERIALITY ASSESSMENT:**

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

$$\begin{aligned}\text{The Materiality Index for Guwahati Airport} &= 1000/420772 \\ &= 0.24\%\end{aligned}$$

The percentage share of Guwahati International Airport for FY 2019-20 in respect of International Aircraft Movements is 0.24%, which is less than 5% Materiality Index (MI<sub>G</sub>) for the subject regulated service. Hence, the Regulated Service is deemed ‘**Not Material**’ for the First Control Period at Guwahati International Airport, as per clause 4.4 (ii) of the Guidelines. In view of the aviation industry being severely affected by the unprecedented event of covid-19, the Authority has considered pre-pandemic year, i.e., FY 2019-20 for determining Materiality Index of Regulated Service.

- 2.3 As per the information furnished by GSEC-Indo-Thai in Form F1 (b) on competition Assessment, M/s AI Airport Services Limited (AIASL) is also rendering similar services at Guwahati International Airport.
- 2.4 As per Clause 3.2 (i) of the CGF Guidelines, wherever the Regulated Service provided is ‘Not Material’, 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 As per clause 11.2 of the CGF Guidelines, 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.
- 2.6 The Authority notes that M/s GSEC-Indo-Thai has submitted the Annual Tariff Proposal (ATP) along with its MYTP. The ISP conducted stakeholders’ consultation meetings on 5<sup>th</sup> June, 2023 and submitted minutes of meeting to the Authority. It has been observed that the representatives of AIX



Connect private limited and SNV Aviation Private Limited participated in the above referred meeting and as per the minutes of meetings, none of the Stakeholders raised any concern regarding Tariff proposed by ISP.

2.7 The Authority notes from minutes of meeting referred above (5<sup>th</sup> June, 2023), the ISP merely informed the stakeholders about receipt requisite regulatory approvals by it for commencement of operations. Therefore, the ISP is advised to conduct stakeholders' consultation meeting again, sharing all the relevant details of its MYTP proposal, including Tariff proposed for the First Control Period, and submit minutes of meeting to the Authority accordingly.

2.8 **Authority's proposal regarding Methodology of Tariff Determination for GSEC-Indo-Thai:**

Based on the material before it and its analysis, the Authority proposes to consider the Tariff determination exercise for M/s GSEC-Indo-Thai, in respect of Ground Handling Services being provided by the ISP at Guwahati International Airport, under the '**Light Touch Approach**' for the First Control Period, as the regulated service is deemed '**Not Material**'.

### CHAPTER 3: AIRCRAFT TRAFFIC

#### M/s GSEC-Indo-Thai submission on Projected Aircraft Traffic for the First Control Period as part of MYTP

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

**Table 2: Actual Aircraft Traffic handled at Guwahati International Airport during FY 2018-19 to FY 2022-23.**

Year	Total number of Landings at Guwahati International Airport			Y-o-Y % increase		
	Domestic	International	Total	Domestic	International	Total
2018-19	24923	321	25244	--	--	--
2019-20	22270	500	22870	-11%	56%	-10%
2020-21	11711	10	11721	-47%	-98%	-48%
2021-22	16782	4	16786	43%	-60%	43%
2022-23	22851	104	22955	36%	2500%	37%

3.2 Projected Aircraft Traffic (flights to be handled by the ISP) for the First Control Period submitted by M/s GSEC-Indo-Thai is given below in Table 3.

**Table 3: Projected Aircraft Traffic (Flights to be handled by the ISP) submitted by M/s GSEC-Indo-Thai for the First Control Period.**

Year	Flights to be handled by M/s GSEC-Indo-Thai 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	6000	99	6099	-	-	-
2024-25	6300	104	6404	5.00%	5.00%	5.00%
2025-26	6615	109	6724	5.00%	5.00%	5.00%
<b>TOTAL (FY 2023-24 to FY 2025-26)</b>	<b>18915</b>	<b>312</b>	19227			

#### Authority's Examination and Analysis:

3.3 The Authority notes that the License Agreement, inter-alia, mandates M/s IndoThai Airport Management Services Pvt. Ltd. to ensure the uninterrupted Ground Handling Services at Guwahati International Airport, during the pendency of necessary clearances/approvals in respect of M/s GSEC-Indo-Thai (SPC). Accordingly, M/s ITAMSPL (parent company) has been providing the ground handling services at Guwahati International Airport with effect from 04.02.2022.

3.4 The Authority notes that the SPC i.e., M/s GSEC-Indo-Thai has considered FY 2021-22 to 2025-26 as its First Control Period and has submitted its MYTP, accordingly. Since the commencement of services started with effect from 04.02.2022 and in view of Airport Operator's Third Control Period starting with FY 2022-23, the Authority considers it prudent to treat FY 2022-23 as the First Tariff

Year and FY 2026-27 as the fifth/last Tariff Year of the Control Period (FY 2022-23 to FY 2026-27) in respect of M/s GSEC-Indo-Thai. Accordingly, vide email dated 22.06.2023, M/s GSEC-Indo-Thai was requested to furnish the actual traffic handled by M/s ITAMSPL from 01.02.2022 till 31.03.2023 and projected traffic for the tariff year 2026-27 along with relevant details. Accordingly, M/s GSEC-Indo-Thai, vide email dated 14.07.2023, has, inter-alia, furnished the actual traffic, handled by M/s ITAMSPL, for the FY 2022-23, which is given as under:

Year	Flights handled by M/s IndoThai Airport Management Services Pvt. Ltd.
2022-23	403

3.5 M/s GSEC-Indo-Thai also submitted the following traffic projections for the year 2026-27:

Year	Flights to be handled by M/s GSEC-Indo-Thai	
	Domestic (No. of Landings)	International (No. of Landings)
2026-27	6945	115

3.6 After taking into account the submissions as brought out under Paras 3.3 and 3.4 above, the projected traffic to be handled by the service provider for the First Control Period is given below:

**Table 4: Projected Aircraft Traffic (Flights to be handled by ISP) submitted by M/s GSEC-Indo-Thai for the First Control Period.**

Year	Flights to be handled by M/s GSEC-Indo-Thai for the First Control Period		Total (No. of Landings)	Y-o-Y % increase		
	Domestic (No. of Landings)	International (No. of Landings)		Domestic	International	Total
2022-23*	403	-	403	-	-	-
2023-24	6000	99	6099	-	-	-
2024-25	6300	104	6404	5%	5%	5%
2025-26	6615	109	6724	5%	5%	5%
2026-27	6945	115	7060	5%	5%	5%
<b>TOTAL (FY 2022-23 to FY 2026-27)</b>	<b>25940</b>	<b>750</b>	<b>26690</b>			

\*Actual traffic handled by M/s IndoThai Airport Terminal Management Services Pvt. Ltd. (Lead Member of the SPC)

3.7 With regard to the actual traffic handled during the year FY 2022-23, ISP has clarified that only non-scheduled domestic operations (including State Government operated aircrafts) were handled by the parent company (i.e., M/s ITAMSPL) during the FY 2022-23 and the projections for the FY 2023-24 and onwards are premised on the aspect that they are handling 15 turnaround flights per day besides NSOP, Vistara Airlines and State Governments flights. On the basis of justification given by the ISP for the projection in the FY 2023-24, the traffic projected to be handled during FY 2023-24 seems to be reasonable. The Authority observes that the actual traffic handled during the FY 2022-23 is miniscule as compared to subsequent year i.e., FY 2023-24 and it may not be appropriate to

compare projected aircraft traffic of FY 2023-24 with actual traffic handled in FY 2022-23. Accordingly, FY 2023-24 has been taken as a base year for year-on-year comparison. Hence, year on year comparison in the above Table No. 4 above has been shown against FYs 2024-25, 2025-26 and 2026-27. The Authority also observes that M/s GSEC-Indo-Thai has projected an increase of 5% in aircraft traffic for FY 2024-25, FY 2025-26 and FY 2026-27, over previous years.

- 3.8 As per the statistics available at AAI website, the total Aircraft Traffic (Domestic and International) at Lokpriya Gopinath Bordoloi International Airport for the FY 2022-23 had surpassed the Aircraft Traffic of pre-Covid period (FY 2019-20) at this Airport (Reference Table 2 above). The Authority also notes that during the FY 2022-23, Guwahati International Airport handled 22955 number of landings (both Domestic and International flights) and the ISP has projected 6099 flights (both Domestic and International flights) to be handled during the FY 2023-24, which is approx. 26% of the actual number of flight landings at the Airport for the FY 2022-23.
- 3.9 Considering the actual aircraft traffic handled at Guwahati International Airport, and taking into account other relevant aspects, aircraft traffic projected by the ISP for the First Control Period seems to be reasonable. Accordingly, the Authority proposes to consider Traffic projections (flights to be handled) as submitted by M/s GSEC-Indo-Thai for the last four tariff years (i.e., FYs 2023-24, 24-25, 25-26 and 26-27) for the First Control Period as given in Table 4 above.

3.10 **Authority's proposal regarding Aircraft Traffic Volume (Flights to be handled by the ISP) for the First Control Period:**

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 First Control Period as given in Table 4 above.

## CHAPTER 4: CAPITAL EXPENDITURE

### M/s GSEC-Indo-Thai's Submission on Capital Expenditure for the First Control Period.

4.1 M/s GSEC-Indo-Thai has projected total Capital Expenditure (CAPEX) of ₹ 2217.50 Lakhs for the First Control Period, as part of its MYTP submissions. CAPEX proposed to be incurred during FY 2023-24 to FY 2026-27. The year-wise Capital Expenditure projected by ISP is given below:

**Table 5: Projected Capital Expenditure submitted by M/s GSEC-Indo-Thai for the First Control Period**

(₹ in Lakhs)						
Particulars	2022-23*	2023-24	2024-25	2025-26	2026-27	Total
Ground Handling Equipment	336.80	1,052.10	213.60	147.35	105.30	<b>1518.35</b>
Vehicles	260.00	180.00	170.00	170.00	100.00	<b>620.00</b>
Furniture and Fitting	10.00	20.00	5.00	2.15	2.00	<b>29.15</b>
Office Equipment	15.00	30.00	10.00	5.00	5.00	<b>50.00</b>
<b>Total</b>	<b>621.80</b>	<b>1,282.10**</b>	<b>398.60</b>	<b>324.50</b>	<b>212.30</b>	<b>2217.50</b>

\*M/s IndoThai Airport Management incurred capex of Rs. 621.80 lakhs during the FY 2022-23 out of the total proposed capex of Rs. 2217.50 lakhs. The capex incurred during the FY 2022-23 will be transferred to M/s GSEC-Indo-Thai and has been considered in capex plan of Rs. 1282.10 lakhs for FY 2023-24.

\*\* Including Rs. 621.80 lakhs incurred during FY 2022-23.

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

**Table 6: Breakup of Capital Expenditure as submitted by M/s GSEC-Indo-Thai for the First Control Period**

(₹ in Lakhs)											
Sl. no	Particulars	Cost/ Unit (₹ in lakhs)	FY 2023-24		FY 2024-25		FY 2025-26		FY 2026-27		Total
			Qty.	Amount	Qty.	Amount	Qty.	Amount	Qty.	Amount	
<b>1.</b>	<b>Ground Handling Equipment:</b>										
	Push Back - Light	50.00	1	50.00	0	0.00	0	0.00	0	0.00	50.00
	Push Back - Medium	90.00	2	180.00	1	90.00	1	90.00	0	0.00	360.00
	Towbar	7.50	6	45.00	2	15.00	2	15.00	1	7.50	82.50
	Tugs	25.00	4	100.00	1	25.00	0	0.00	1	25.00	150.00
	Air Cooler Unit - 110 Ton	130.00	1	130.00	0	0.00	0	0.00	0	0.00	130.00
	Ground Power Unit - 90 KVA	36.00	4	144.00	0	0.00	0	0.00	0	0.00	144.00
	Air start unit - 300 ppm	113.00	1	113.00	0	0.00	0	0.00	0	0.00	113.00
	Conveyor belt- Electrical (Motorised)	35.00	1	35.00	0	0.00	0	0.00	0	0.00	35.00
	Conveyor belt towable	8.00	4	32.00	2	16.00	0	0.00	2	16.00	64.00
	Towable Pax Step ladder	8.00	6	48.00	2	16.00	0	0.00	1	8.00	72.00
	Lavatory truck - Motorised	20.00	2	40.00	0	0.00	0	0.00	0	0.00	40.00

	Water truck - Motorised	20.00	2	40.00	0	0.00	0	0.00	1	20.00	60.00
	Towable toilet cart WITH MOTOR	4.00	1	4.00	1	4.00	2	8.00	1	4.00	20.00
	Towable water cart WITH MOTOR	4.00	1	4.00	1	4.00	2	8.00	1	4.00	20.00
	Vacuum Cleaner	0.50	10	5.00	4	2.00	4	2.00	4	2.00	11.00
	Baggage Trolley - Open	0.50	20	10.00	20	10.00	4	2.00	2	1.00	23.00
	Baggage Trolley - Covered	0.65	60	39.00	40	26.00	17	11.05	10	6.50	82.55
	Ambulift Towable	12.00	1	12.00		0.00	0	0.00	0	0.00	12.00
	Fire Extinguisher TROLLEY	0.15	4	0.60	4	0.60	2	0.30	2	0.30	1.80
	TRESTLE/LADDER	2.00	2	4.00	-	0.00	0	0.00	1	2.00	6.00
	Wheelchairs	0.20	50	10.00	25	5.00	30	6.00	20	4.00	25.00
	FUEL BOWSER	1.50	1	1.50	-	0.00		0.00		0.00	1.50
	Miscellaneous			5.00		0.00		5.00		5.00	15.00
	<b>Total</b>			<b>1052.10</b>		<b>213.60</b>		<b>147.35</b>		<b>105.30</b>	<b>1518.35</b>
<b>2.</b>	<b>Vehicles:</b>										
	Bus/coaches	80.00	6	160.00	2	160.00	2	160.00	1	80.00	560.00
	car/Jeeps	10.00	4	20.00	1	10.00	1	10.00	2	20.00	60.00
	<b>Total</b>			<b>180.00</b>		<b>170.00</b>		<b>170.00</b>		<b>100.00</b>	<b>620.00</b>
<b>3.</b>	<b>Furniture &amp; Fittings:</b>			20.00		5.00		2.15		2.00	29.15
	<b>Total</b>			<b>20.00</b>		<b>5.00</b>		<b>2.15</b>		<b>2.00</b>	<b>29.15</b>
<b>4.</b>	<b>Office Equipment:</b>			30.00		10.00		5.00		5.00	50.00
	<b>Total</b>			<b>30.00</b>		<b>10.00</b>		<b>5.00</b>		<b>5.00</b>	<b>50.00</b>
	<b>GRAND TOTAL</b>			<b>1282.10</b>		<b>398.60</b>		<b>324.50</b>		<b>212.30</b>	<b>2217.50</b>

#### **Authority's Examination of the CAPEX proposed by the ISP:**

- 4.3 The Authority observes that M/s GSEC-Indo-Thai projected significant CAPEX of ₹ 2217.50 lakhs to be incurred during the First Control Period, however, the lead member of the SPC commenced operations just before the first tariff year (FY 2022-23) of the Control Period. In view of this, a clarification was sought from the ISP. In response, ISP vide emails dated 02.08.2023 and 06.08.2023 stated that *"the operations started in the parent company on 04.02.2022 on temporary basis as per the agreed terms of the LOI and also as per the requirement of the airport operator and accordingly the company has invested a sum of Rs. 6.21 crores (FY 2022-23) to start operation. The operations are not being shifted to the SPV under consideration as all the required clearances have been obtained. The equipment required to be transferred/purchased in the SPV and also more equipment are to be inducted hence the above capex of Rs. 12.82 crores (FY 23-24 including Rs. 6.22 crore) has been assumed."*
- 4.4 With regard to the aspect of transferring asset to the SPC by the parent company and status of capital expenditure to be incurred during FY 2023-24, ISP, vide email dated 6.08.2023 has informed that *"out of total capex of Rs. 12.82 crores during the year 2023-24, a sum of Rs. 6.22 crores have already been spent by IndoThai Airport Management Services Private Limited and those assets will be transferred at cost to the M/s GSEC-Indo-Thai and balance equipment will be purchased in GSEC-Indo-Thai as per operational requirement."* ISP has also shared copies of invoices of major equipment transferred during the FY 2022-23 by the parent company.
- 4.5 The Authority notes that the Capex proposed by the ISP mainly includes procurement of Equipment, Vehicles and other Assets which are considered necessary for smooth commencement of ground handling operations at the airport.

- 4.6 The Authority notes that a significant portion of proposed CAPEX is relating to the Assets already procurement/ under procurement by the holding company, which will be transferred by the parent company to SPC for its proposed operations at the Guwahati airport. Considering that SPC is yet to commence its commercial operations at Guwahati airport and from the submissions of GSEC-Indo-Thai, it transpires that formal transfer of Assets in favour of SPC is yet to be done; accordingly, the Authority decides to review the aspect of the Transfer of Assets by parent company in favour SPC, cost of the Assets, etc., before issuance of the Tariff Order.
- 4.7 The Authority also notes that the ISP, out of the total Capex projected for the Control Period, has proposed major portion of proposed CAPEX in the FY 2023-24 (which includes Capex incurred during FY 2022-23) itself. Further, out of total CAPEX for FY 2023-24, M/s GSEC-Indo-Thai projected ₹1052.10 lakhs for Ground Handling Equipment and ₹180.00 lakhs for vehicles, ₹20.00 lakhs for furniture and fittings and ₹30.00 lakhs for miscellaneous items.
- 4.8 The Authority, based on its examination, observes that M/s GSEC-Indo-Thai has proposed necessary CAPEX, for the Assets which are essential for the smooth conduct of business operations. The Authority, therefore, proposes to consider the CAPEX for the First Control Period as per Table-5 above.

**Authority's Proposal regarding CAPEX for the First Control Period.**

- 4.9 Based on the material before it and its analysis, the Authority proposes to consider the projected CAPEX for the First Control Period as per Table 5.

## CHAPTER 5: OPERATING EXPENDITURE AND PROFITABILITY

### GSEC-Indo-Thai's Submission on Operating Expenditure for the First Control Period.

5.1 As provided in Clause 9.4 of the CGF Guidelines, the Operation and Maintenance (O&M) Expenditure shall include all expenditures incurred by the Service Provider including expenditure incurred on security operating costs, other mandated operating costs and statutory operating costs.

5.2 Operation and Maintenance Expenditures of M/s GSEC-Indo-Thai for its Ground Handling operations at Guwahati International Airport, have been broadly categorized as under:

- a) Payroll Cost;
- b) Repair and Maintenance Costs;
- c) Concession Fee;
- d) Utilities & Outsourcing, and
- e) Administrative and General Expenses.

5.3 As per the MYTP submission, Revenue, Operating Expenditure (OPEX) and Profitability projected by the ISP for the First Control Period (FY 2022-23 to FY 2026-27) is as under:

**Table 7: Revenue, Operating Expenditure and Profitability projected by M/s GSEC-Indo-Thai for the First Control Period.**

(₹ in Lakhs)						
Particulars	2022-23 <sup>#</sup>	2023-24	2024-25	2025-26	2026-27	TOTAL (FY 22-23 to FY 26-27)
<b>Revenue from Regulated Services (A)</b>	<b>125.56</b>	<b>1663.94</b>	<b>1829.39</b>	<b>2009.19</b>	<b>2187.02</b>	<b>7815.10</b>
<b>Operating Expenditure (OPEX)</b>						
Payroll Cost (i)	72.92	929.00	980.00	1028.00	1079.40	4089.32
Repair and Maintenance Costs (ii)	4.00	57.00	60.00	63.00	66.00	250.00
Concession Fee (iii)	38.97	515.94	568.39	624.19	678.73	2426.22
Other Outflows	0.00	1.00	1.00	1.00	1.10	4.10
Utilities & Outsourcing (iv)	0.17	3.00	3.00	3.00	3.33	12.50
Administrative & General Expenses (v)	77.00	110.00	116.00	122.00	127.68	552.68
<b>Total OPEX (i+ii+iii+iv+v) = (B)</b>	<b>193.06</b>	<b>1615.94</b>	<b>1728.39</b>	<b>1841.19</b>	<b>1956.14</b>	<b>7334.72</b>
<b>Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) (A-B)</b>	<b>-67.50</b>	<b>48.00</b>	<b>101.00</b>	<b>167.99</b>	<b>230.87</b>	<b>480.36</b>
Depreciation and Amortization	62.18	128.00	155.00	172.00	176.00	693.18
<b>Earnings before Int. and Taxation (EBIT)</b>	<b>-129.68</b>	<b>-80.00</b>	<b>-54.00</b>	<b>-4.01</b>	<b>54.87</b>	<b>-212.82</b>
Interest & Finance Charges	92.64	214.00	274.00	331.00	389.65	1301.29
<b>Profit Before Tax (PBT)</b>	<b>-222.32</b>	<b>-294.00</b>	<b>-328.00</b>	<b>-335.01</b>	<b>-334.78</b>	<b>-1514.11</b>
Provision for Tax*	0	0.00	0.00	0.00	0.00	0.00
<b>Profit After Tax (PAT)</b>	<b>-222.32</b>	<b>-294.00</b>	<b>-328.00</b>	<b>-335.01</b>	<b>-334.78</b>	<b>-1514.11</b>

<sup>#</sup>Actual financials of M/s ITAMSP (parent company)

\*Nil Tax Liability due to losses in all years of the Control Period.



### **Authority’s Examination and Analysis:**

5.4 The Authority analyzed the Operating Expenditure provided in Form F3 (P&L) of the MYTP for the First Control Period and observes following Y-o-Y% increase in Revenue & OPEX considered by the ISP as per Table 7 below:

**Table 8: Year on Year Percentage (%) increase in the Revenue and Operation & Maintenance Expenditure during the First Control Period**

<b>Particulars</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>
<b>Revenue from Regulated Services (A)</b>	10%	10%	10%
Payroll Costs	5.5%	4.9%	5%
Repair and Maintenance Costs	5.3%	5%	4.8%
Concession Fee	10%	10%	10%
Utilities & Outsourcing	0%	0%	11%
Administrative & General Expenses	5.5%	5.2%	4.7%

5.5 The Authority’s examination of Y-o-Y % growth considered by the GSEC-Indo-Thai for the projected OPEX from FY 2023-24 onward is given in the following paras:

a) **Payroll Cost:** The Authority notes that the ISP has projected Y-o-Y increase of 5.5%, 4.9% and 5% for the FY 2024-25, 2025-26 and 2026-27, respectively, in Payroll Costs for the Control Period.

With regard to the aspect of huge variation in the payroll costs pertaining to FY 2023-24 vis-à-vis FY 2022-23, ISP has informed that “*Ground Handling activity is labour intensive industry and major component is labour during the year 2022-23. They have majorly handled NSOP operation for which they did not require huge manpower, whereas from FY 2023-24, they are providing services to domestic and international airlines as such they have hired huge trained manpower for providing quality service*”. The Authority, while noting the above submission of the ISP and considering to be the increase in projected traffic handled by the ISP during FY 2023-24 vis-à-vis FY 2022-23, as submitted by ISP and brought out under para 3.7 above, is conscious of the fact increase in traffic volume would entail increase in man power requirement by the ISP.

The Authority notes that projected increase in payroll expenses considered by M/s GSEC-Indo-Thai is commensurate with the projected increase in aircraft traffic and revenues, and, it factors-in the impact of additional manpower required to meet the projected growth in aircraft traffic. Further, considering the impact of periodic increase in minimum wages and annual salary increments and related increase in statutory component like EPF etc., the Authority notes that YoY increase projected by the ISP in Payroll expenses for the First Control Period seems reasonable.

b) **Repairs and Maintenance Costs:** The Authority observes that GSEC-Indo-Thai has projected Y-o-Y increase of 5.3%, 5% and 4.8% for FY 2024-25, 2025-26 and 2026-27, respectively, in R&M expenses for the Control Period. The Authority notes that overall Repair and Maintenance cost as % to Opening RAB is very nominal during the Control Period.

Particulars (₹ in lakhs)	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Opening RAB	NIL	1154.00	1398.00	1550.00
Repair and Maintenance Costs	57.00	60.00	63.00	66.00
<b>% of Opening RAB</b>	-	<b>5.2%</b>	<b>4.5%</b>	<b>4.3%</b>

Considering the impact of annual inflation, including annual increase in labour component of Repair & Maintenance Costs, the Authority notes that projected R&M expenses for the First Control Period is reasonable.

- c) **Concession Fees:** The Authority notes from the concession agreement executed between JIAL and GSEC-Indo-Thai that the ISP is required to pay concession fees @45% of its Gross Revenue. The Authority notes that in respect of concession fee the increase in concession fees is in line with the increase in projected revenue.
- d) **Utilities and Outsourcing Costs:** The Authority notes that M/s GSEC-Indo-Thai has proposed an increase of 11% in last tariff year (FY 2026-27) of the First Control Period. ISP also submitted that “*considering inflation rate of 6 to 7% a year, they have considered an increase of 11% on the fifth year only whereas kept all other years to be the same utility charges*”. The Authority observes that Utility & Outsourcing costs consist of electricity expenses and water charges. These expenses are directly linked with the number of flights to be handled.

The Authority notes that increase projected in Utility & Outsourcing costs is commensurate with the increase in aircraft traffic and revenue projected for the control period. Considering the above the Utility & Outsourcing costs projected for the Control Period seems reasonable.

- e) **Administrative & General Expenditure:** The Authority observes that the YoY increase of 5.3%, 5% and 4.8% for FY 2024-25, 2025-26 and 2026-27, respectively, has been considered by GSEC-Indo-Thai in the Administrative and General Expenditure for the Control Period.

The Authority observes that out of Rs. 110 lakhs projected as total Administrative & General Expenses for the FY 2023-24, an amount of Rs. 74 lakhs have been earmarked as ‘Lease Rent’, which is approx. 67% of the total Administrative & General Expenses and similar trend continues for rest of the tariff years during the control period. Accordingly, a clarification was sought from the ISP regarding the aspect of lease rent. In response, it has been clarified that this lease rent is towards paved/unpaved space taken on lease from the Airport Operator for parking of equipment.

The Authority notes that considering the increase in aircraft traffic and taking into account impact of general inflation, the Y-o-Y increase projected by ISP in respect of Administrative and General Expenses for the First Control Period seems reasonable.

- 5.6 The Authority also notes that as per the projected profitability statement for the First Control Period (Table no. 6) that M/s GSEC-Indo-Thai likely to have positive EBITDA during FY 2023-24, 2024-25, 2025-26 and 2026-27. ISP also submitted that “*Ground Handling business is capital intensive and huge capex is involved; however, EBITDA is positive, i.e., Rs. 5.47 crores for Guwahati for the last four years of the Control Period. Considering the same, they are not making losses in any tariff years*. The Authority observed that even after taking into account EBITDA for the first tariff year i.e., FY 2022-23 (-67.50 lakhs), the projected EBITDA of the ISP is positive in the last four tariff years (i.e., FY 2023-24 to FY 2026-27)”. In continuation of

the above, the ISP vide email dated 10.08.2023 stated that they will take effective measures to reduce their cost and increase the revenue in order to improve the overall profitability.

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

- 5.7 Based on the available facts and its analysis, the Authority proposes to consider the OPEX for the First Control Period as per Table 7.

## CHAPTER 6: ANNUAL TARIFF PROPOSAL

### M/s GSEC-Indo-Thai submissions on Annual Tariff Proposal for the First Control Period as part of MYTP

6.1 M/s GSEC-Indo-Thai has submitted a Tariff proposal for Ground Handling Services in respect of Scheduled Flights at Guwahati International Airport for the First Control Period (FY 2022-23 to FY 2026-27) as given in Table below:

**Table 9: Proposed Tariff Rates for Scheduled Flights submitted by GSEC-Indo-Thai for the First Control Period**

(Rates in ₹)

<b>(A) Passenger Flights</b>												
	FY 2023-24			FY 2024-25			FY 2025-26			FY 2026-27		
	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services	Pax	Ramp	Full Services
<b>Domestic Passenger Flight</b>												
Code B	5198	7798	12996	5472	8208	13680	5760	8640	14400	6080	9120	15200
Code C	6931	10397	17328	7296	10944	18240	7680	11520	19200	8080	12120	20200
Code D	8664	12996	21660	9120	13680	22800	9600	14400	24000	10120	15180	25300
Code E	20794	31190	51984	21888	32832	54720	23040	34560	57600	24240	36360	60600
Code F	41587	62381	103968	43776	65664	109440	46080	69120	115200	48520	72780	121300
<b>International Passenger Flight</b>												
Code B	21101	49236	70337	22212	51827	74039	23381	54555	77936	24600	57400	82000
Code C	21660	50540	72200	22800	53200	76000	24000	56000	80000	25260	58940	84200
Code D	26858	62670	89528	28272	65968	94240	29760	69440	99200	31320	73080	104400
Code E	35522	82886	118408	37392	87248	124640	39360	91840	131200	41430	96670	138100
Code F	40721	95015	135736	42864	100016	142880	45120	105280	150400	47520	110880	158400
<b>(B) Cargo Flights</b>												
<b>Domestic Cargo Flight</b>												
	FY 2023-24			FY 2024-25			FY 2025-26			FY 2026-27		
	Ramp			Ramp			Ramp			Ramp		
Code B	39710			41800			44000			46200		
Code C	54150			57000			60000			63000		
Code D	144400			152000			160000			168000		
Code E	189525			199500			210000			220500		
Code F	225625			237500			250000			262500		
<b>International Cargo Flight</b>												
Code B	64980			68400			72000			75600		
Code C	158840			167200			176000			184800		
Code D	180500			190000			200000			210000		
Code E	198550			209000			220000			231000		
Code F	231040			243200			256000			268800		

6.2 M/s GSEC-Indo-Thai has considered the following % increase in the Tariff for Scheduled Flights at Guwahati International Airport as stated in the table below:

**Table 10: YoY Percentage (%) Change in Tariff Rats for the different Category of Scheduled Flights for the First Control Period**

<b>(A) Passenger Flights</b>												
	<b>FY 2023-24</b>			<b>FY 2024-25</b>			<b>FY 2025-26</b>			<b>FY 2026-27</b>		
	<b>Pax</b>	<b>Ramp</b>	<b>Full Services</b>	<b>Pax</b>	<b>Ramp</b>	<b>Full Services</b>	<b>Pax</b>	<b>Ramp</b>	<b>Full Services</b>	<b>Pax</b>	<b>Ramp</b>	<b>Full Services</b>
<b>Domestic Passenger Flight</b>												
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>International Passenger Flight</b>												
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>(B) Cargo Flights</b>												
<b>Domestic Cargo Flight</b>												
	<b>FY 2023-24</b>			<b>FY 2024-25</b>			<b>FY 2025-26</b>			<b>FY 2026-27</b>		
	<b>Ramp</b>			<b>Ramp</b>			<b>Ramp</b>			<b>Ramp</b>		
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%		
<b>International Cargo Flight</b>												
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 GSEC-Indo-Thai has also submitted separate Tariff Rate Card for Non-Scheduled and General Aviation Operation(s) as per the table given below: -

**Table 11: Proposed Tariff Rates for Non-Scheduled Flights submitted by GSEC-Indo-Thai for the First Control Period**

A/C Category	FY 2023-24		FY 2024-25		FY 2025-26		FY 2026-27	
	Domestic	International	Domestic	International	Domestic	International	Domestic	International
<b>MTOW</b>								
Helicopter	7446	13321	7838	14022	8250	14760	8663	15498
0- 6000	11191	27382	11780	28823	12400	30340	13020	31857
6001 - 12000	15568	37003	16388	38950	17250	41000	18113	43050
12001 - 25000	24819	42553	26125	44793	27500	47150	28875	49508
25001 - 40000	37228	64754	39188	68163	41250	71750	48313	75338
40001 - 70000	47968	81406	50493	85690	53150	90200	55807	94710
70001 - 100000	81225	109157	85500	114903	90000	120950	94500	126998
100001 - 150000	112813	162811	118750	171380	125000	180400	131250	189420
Above 150001	135375	185013	142500	194750	150000	205000	157500	215250

**Authority’s Examination and Analysis:**

- 6.4 The Authority notes that in the case of Scheduled Flights (Domestic and International), the ISP has proposed 5% YoY increase in Tariff Rates from FY 2024-25 onward (*Table 10*).
- 6.5 The Authority also notes that GSEC-Indo-Thai has proposed a separate Tariff Rate card for Non-Scheduled Flights and has proposed an increase of 5% YoY basis from FY 2024-25 onward (*Table 11*).
- 6.6 The Authority, taking into consideration Aircraft Traffic projected 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., notes that ISP requires adequate revenues to cover up the Operating Costs and get reasonable return on its investments. It is pertinent to mention that as per profitability projected by the ISP for the Control Period (*Table 7*), even with the proposed tariff rates with Y-o-Y escalations therein, the ISP is likely to incur losses throughout the Control Period. In view of above, the Authority considers 5% increase in Tariff Rates proposed by the ISP on YoY basis from FY 2024-25 onward as reasonable.
- 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 first fortnight and the rate as on 15<sup>th</sup> of the month will be applicable for the second fortnight.
- 6.9 Further, GSEC-Indo-Thai should ensure compliance towards Standardization of Ground Handling Equipment at Lokpriya Gopinath Bordoloi 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 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 GSEC-Indo-Thai at Guwahati International Airport in respect of Scheduled Flights, International “Non-Scheduled & General Aviation Operations” and Item-wise Tariff Rate Card for Non-Scheduled Operators, for the First Control Period as per **Annexures (I, II & III)**.
- 6.11 The Tariff for Domestic Non-Scheduled and General Aviation Operations 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<sup>th</sup> 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 GSEC-Indo-Thai shall ensure compliance towards Standardization of Ground Handling Equipment at Guwahati 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 GSEC-Indo-Thai providing Ground Handling Services at Guwahati International Airport, for Stakeholders’ Consultation purpose:

<b>Chapter</b>	<b>Para</b>	<b>Summary of Authority’s Proposals</b>	<b>Page No.</b>
<b>Chapter No.2</b>	<b>2.8</b>	The Authority proposes to consider the Tariff determination exercise for M/s GSEC-Indo-Thai, in respect of Ground Handling Services being provided by the ISP at Guwahati International Airport, under the ‘ <b>Light Touch Approach</b> ’ for the First Control Period, as the regulated service is deemed ‘ <b>Not Material</b> ’.	<b>9</b>
<b>Chapter No. 3</b>	<b>3.10</b>	The Authority proposes to consider the Aircraft Traffic (Flights to be handled by the ISP) for First Control Period as given in Table 4.	<b>12</b>
<b>Chapter No. 4</b>	<b>4.9</b>	The Authority proposes to consider the projected CAPEX for the First Control Period as per Table 5.	<b>15</b>
<b>Chapter No. 5</b>	<b>5.7</b>	The Authority proposes to consider the OPEX for the First Control Period as per Table 7.	<b>19</b>
<b>Chapter No. 6</b>	<b>6.10</b>	The Authority proposes to consider the Tariff Rates for Ground Handling Services provided by GSEC-Indo-Thai at Guwahati International Airport in respect of Scheduled Flights, International “Non-Scheduled & General Aviation Operations” and Item-wise Tariff Rate Card for Non-Scheduled Operators, for the First Control Period as per Annexures (I, II & III).	<b>23</b>
	<b>6.11</b>	The Tariff for Domestic Non-Scheduled and General Aviation Operations shall not exceed the approved Tariff(s) for relevant Domestic Scheduled Flights for similar class of Aircraft(s).	
	<b>6.12</b>	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.	
	<b>6.13</b>	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.	
	<b>6.14</b>	The Authority proposes that M/s GSEC-Indo-Thai shall ensure compliance towards Standardization of Ground Handling Equipment at Guwahati 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: 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 **08/09/2023**.

**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 GSEC-INDO-THAI GROUND HANDLING PRIVATE LIMITED IN  
RESPECT OF DOMESTIC\* & INTERNATIONAL SCHEDULED FLIGHTS  
FOR THE FIRST CONTROL PERIOD (FY 2022-23 to FY 2026-27)  
PROPOSED BY AERA FOR STAKEHOLDERS' CONSULTATION**

**Proposed Tariff Rates for Ground Handling Services**

(Rates in ₹)

<b>(A) Passenger Flights</b>												
	<b>FY 2023-24</b>			<b>FY 2024-25</b>			<b>FY 2025-26</b>			<b>FY 2026-27</b>		
	<b>Pax</b>	<b>Ramp</b>	<b>Full</b>	<b>Pax</b>	<b>Ramp</b>	<b>Full</b>	<b>Pax</b>	<b>Ramp</b>	<b>Full</b>	<b>Pax</b>	<b>Ramp</b>	<b>Full</b>
<b>Domestic Passenger Flight</b>												
Code B	5198	7798	12996	5472	8208	13680	5760	8640	14400	6080	9120	15200
Code C	6931	10397	17328	7296	10944	18240	7680	11520	19200	8080	12120	20200
Code D	8664	12996	21660	9120	13680	22800	9600	14400	24000	10120	15180	25300
Code E	20794	31190	51984	21888	32832	54720	23040	34560	57600	24240	36360	60600
Code F	41587	62381	103968	43776	65664	109440	46080	69120	115200	48520	72780	121300
<b>International Passenger Flight</b>												
Code B	21101	49236	70337	22212	51827	74039	23381	54555	77936	24600	57400	82000
Code C	21660	50540	72200	22800	53200	76000	24000	56000	80000	25260	58940	84200
Code D	26858	62670	89528	28272	65968	94240	29760	69440	99200	31320	73080	104400
Code E	35522	82886	118408	37392	87248	124640	39360	91840	131200	41430	96670	138100
Code F	40721	95015	135736	42864	100016	142880	45120	105280	150400	47520	110880	158400
<b>(B) Cargo Flights</b>												
<b>Domestic Cargo Flight</b>												
	<b>FY 2023-24</b>			<b>FY 2024-25</b>			<b>FY 2025-26</b>			<b>FY 2026-27</b>		
	<b>Ramp</b>			<b>Ramp</b>			<b>Ramp</b>			<b>Ramp</b>		
Code B	39710			41800			44000			46200		
Code C	54150			57000			60000			63000		
Code D	144400			152000			160000			168000		
Code E	189525			199500			210000			220500		
Code F	225625			237500			250000			262500		
<b>International Cargo Flight</b>												
Code B	64980			68400			72000			75600		
Code C	158840			167200			176000			184800		
Code D	180500			190000			200000			210000		
Code E	198550			209000			220000			231000		
Code F	231040			243200			256000			268800		

\*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 15<sup>th</sup> of the month will be applicable for the second fortnight.

**TARIFF RATE CARD FOR M/S GSEC-INDO-THAI GROUND HANDLING PRIVATE LIMITED IN RESPECT OF INTERNATIONAL “NON-SCHEDULED & GENERAL AVIATION OPERATIONS” FOR THE FIRST CONTROL PERIOD (FY 2022-23 to FY 2026-27) 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
<b>MTOW</b>				
Helicopter	13321	14022	14760	15498
0 - 6000	27382	28823	30340	31857
6001 - 12000	37003	38950	41000	43050
12001 - 25000	42553	44793	47150	49508
25001 - 40000	64754	68163	71750	75338
40001 - 70000	81406	85690	90200	94710
70001 - 100000	109157	114903	120950	126998
100001 - 150000	162811	171380	180400	189420
Above 150001	185013	194750	205000	215250

**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 15<sup>th</sup> of the month will be applicable for the second fortnight.

**TARIFF RATE CARD FOR M/S GSEC-INDO-THAI GROUND HANDLING PRIVATE LIMITED  
PROVIDING GROUND HANDLING SERVICES AT LOKPRIYA GOPINATH BORDOLOI  
INTERNATIONAL AIRPORT PROPOSED BY AERA  
FOR STAKEHOLDERS' CONSULTATION**

**Proposed Maximum Item-wise Charges in respect of Domestic & International  
“Non-Scheduled Operators & General Aviation”  
for FY 2023-24 to FY 2026-27 of the First Control Period**

(Rates in ₹)

Sl. No.	SERVICES	UNIT	For the FY 2023-24		For the FY 2024-25		For the FY 2025-26		For the FY 2026-27	
			Dom.	Intl.	Dom.	Intl.	Dom.	Intl.	Dom.	Intl.
1	Air Conditioning Unit (NB)	Per Hour	11,100	15,000	12,210	16,480	13,431	18,000	13,431	18,000
2	Air Conditioning Unit (WB)	Per Hour	18,750	25,000	20,625	27,520	22,700.00	30,400	22,700.00	30,400
3	Air Starter Unit (NB)	Per Start	7,500	15,000	8,250	16,480	9,075.00	18,000	9,075.00	18,000
4	Air Starter Unit (WB)	Per Start	18,750	25,000	20,625	27,520	2,27,400.00	30,400	2,27,400.00	30,400
5	Aircraft Disinfection-Freighter Aircrafts	Per Service	3,000	16,000	3,300	17,600	3,630.00	19,200	3,630.00	19,200
6	Aircraft Disinfection- Pax Aircrafts Code C	Per Service	4,000	8,000	4,400	8,800	4,840.00	9,600	4,840.00	9,600
7	Aircraft Disinfection- Pax Aircrafts Code D/E	Per Service	25,000	32,000	27,500	35,200	30,250.00	38,800	30,250.00	38,800
8	Aircraft Disinfection- Pax Aircrafts Code F	Per Service	-	40,000	-	44,000	-	48,400	-	48,400
9	Aircraft Marshalling	Per Service	1875	2,480	2,050	2,800	2,255.00	3,200	2,255.00	3,200
10	Ambulift	Per flight leg	5000	10,000	5,500	11,040	6,050.00	12,000	6,050.00	12,000
11	Apron Transport (Passenger)	Per Trip	950	1,600	1,050	1,760	1,150.00	2,000	1,150.00	2,000
12	Arrange non-scheduled Crew Hotel Accommodation (HOTAC)	Per flight	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.	
14	Baggage ID	Per Service	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.	
16	Blue collar staff	Per staff per hour	400	800	450	880	500	2,000	500	2,000
17	Crew Transport	Per Trip	950	1,600	1,045	1760	1150	1,600	1150	1,600
18	Deportee/Inadmissible (INAD) handling	Per passenger	-	1,200	-	1360	-	1,520	-	1,520
19	Excess Baggage Fee(% of collection)	As per collection	10% of Exp.		10% of Exp.		10% of Exp.		10% of Exp.	
20	Exterior Cleaning - NB	Per Service	52,500	-	57,750	-	63,525	-	63,525	-
21	Exterior Cleaning - WB	Per Service	1,50,000	-	1,65,000	-	1,81,500	-	1,81,500	-
22	Ground Power unit 90KVA	Per Hour	4,700	10,000	5,170	11,040	5,690	12,000	5,690	12,000
23	Ground Power unit 180KVA	Per Hour	9,400	16,800	10,350	18,480	11,400	20,400	11,400	20,400
24	Interior Deep Cleaning - NB	Per Service	5,000	8,000	5,500	8,800	6,050	9,680	6,050	9,680
25	Interior Deep Cleaning - WB	Per Service	15,000	24,000	16,500	26,400	18,150	29,200	18,150	29,200
26	Passenger Step (mobile-NB)	Per Hour	1,375	4,000	1,510	45,200	16,561	4,800	16,561	4,800
27	Passenger Step (mobile-WB)	Per Hour	2,750	8,000	3,025	8,800	3,330	9,680	3,330	9,680
28	Pushback for narrow body aircraft	Per Push	5,000	10,000	5,500	11,200	6,050	12,400	6,050	12,400
29	Pushback for wide body aircraft	Per Push	10,000	20,000	11,000	22,000	12,100	24,400	12,100	24,400
30	Toiler truck	Per Service	1,375	2,400	1,510	2,800	1,660	3,200	1,660	3,200
31	Towing of narrow body aircraft	Per Tow	5,000	10,000	5,500	11,200	6,050	12,400	6,050	12,400
32	Towing of wide body aircraft	Per Tow	10,000	20,000	11,000	22,000	12,100	24,000	12,100	24,000
33	Unaccompanied Minor (UM) Handling	per UM	950.00	1,200	1,045	1,360	1,150	1,600	1,150	1,600
34	Vacuum Cleaner	Per Hour	3,750	4,000	4,125	4,400	4,550	4,800	4,550	4,800
35	VIP Vehicle (Innova range)	Per Trip	10,000	20,000	11,000	22,000	12,100	24,000	12,100	24,000
36	VIP Vehicle (Luxury-Mercedes/BMW/AUDI range)	Per Trip	25,000	40,000	27,500	44,000	30,250	48,400	30,250	48,400

37	Water truck	Per Service	1,375	2,400	1,510	2,640	1,660	2,800	1,660	2,800
38	Wheel chair	Per Service	400	2,400	440	2,640	485	2,800	485	2,800
39	White Collar Staff	Per staff per hour	600	1,200	660	1,360	725	1,600	725	1,600

*Dom. = Domestic; Intl. = International*

**Notes:**

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