

**Consultation Paper No. 17/2012-13**



**Airports Economic Regulatory Authority of India**

**Multi Year Tariff Proposal and Annual Tariff  
Proposals in respect of Netaji Subhash Chandra  
Bose International Airport, Kolkata for the First  
Control Period (2011-2016)**

**New Delhi : 30<sup>th</sup> August, 2012**

**AERA Building  
Administrative Complex  
Safdarjung Airport  
New Delhi – 110 003**

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## **1. Introduction**

**1.1.** Airports Authority of India (AAI) was constituted by an Act of the Parliament (“AAI Act”) and came into being on 1st April 1995 by merging erstwhile National Airports Authority and International Airports Authority of India. The merger brought into existence a single Organization entrusted with the responsibility of creating, upgrading, maintaining and managing civil aviation infrastructure, both on the ground and air space in the country.

**1.2.** AAI manages 11 International Airports, 8 Customs Airports, 81 Domestic Airports and 27 Civil Enclaves at Defence airfields totalling to 127 airports. AAI provides Air Navigation Services (ANS) over 2.8 million square nautical miles of air space. During 2011-12, AAI handled 1.5 million aircraft movements, comprising 0.3 million international and 1.2 domestic movements. Passenger throughput at AAI airports was 162.3 million [40.8 million international and 121.5 domestic and the cargo handled were 2.3 million tonnes [1.5 million tonnes International and 0.8 million tonnes domestic].

**1.3.** The functions of AAI laid down under Section 12 of the AAI Act, inter alia, includes:

1.3.1. Design, Development, Operation and Maintenance of international and domestic airports and civil enclaves.

1.3.2. Control and Management of the Indian airspace extending beyond the territorial limits of the country, as accepted by ICAO.

1.3.3. Construction, Modification and Management of passenger terminals.

1.3.4. Development and Management of cargo terminals at international and domestic airports.

1.3.5. Provision of passenger facilities and information system at the passenger terminals at airports.

1.3.6. Expansion and strengthening of operation area, viz. Runways, Aprons, Taxiway etc. and Provision of visual aids.

1.3.7. Provision of Communication and Navigation aids, viz. ILS, DVOR, DME, Radar etc.

**1.4.** The Netaji Subhash Chandra Bose International Airport, Kolkata (i.e. NSCBIA) is owned and managed by AAI. The annual passenger throughput at NSCBIA during 2010-11 and 2011-12 was 9.6 million and 10.3 million respectively.

**1.5.** The Airports Economic Regulatory Authority of India (the Authority) was established under the Airports Economic Regulatory Authority of India Act, 2008, (AERA Act) to regulate tariff and other charges for aeronautical services rendered at airports and to monitor performance standards. The AERA Act came in to force w.e.f 01.01.2009. The Authority was established in May, 2009 and its regulatory functions were notified with effect from 01.09.2009. Pursuant to thereto, the Authority has set in motion an open and transparent process, involving extensive stakeholder consultation, to establish its regulatory philosophy and approach as well as to evolve detailed procedures and systems for determination of tariff and monitoring of performance standards.

**1.6.** As per section 2(m) of the AERA Act, an airport with passenger throughput, in excess of 1.5 million, is a “major airport”. As the passenger throughput at NSCBIA is in excess of 1.5 million passengers per annum (mppa), it is a “major airport”. In terms of Sec 13 (1) of the AERA Act, the Authority shall, inter-alia, determine the tariff for the aeronautical services to be levied at a major airport, the development fees including user development fees and passenger service fee to be levied as per the Aircraft Rules, 1937 etc.

**1.7.** The Authority, vide its Order No. 13/2010-11 dated 10.01.2011 (Airport Order) finalized its approach in the matter of Regulatory Philosophy and Approach in Economic Regulations of Airport Operators. Further, the Authority vide its Direction No. 5/2010-11 dated 28.02.2011, finalized the Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Airport Operators), Guidelines 2011 (Airport Guidelines).

**1.8.** As per the Airport Guidelines, the Authority shall determine tariff for the aeronautical services on the basis of a Multi Year Tariff Proposal (MYTP) made by the Airport Operator for a control period of 5 years. The Authority will initially determine yield per passenger under the tariff determination process and subsequently detailed Annual Tariff Proposal(s) (ATP) from Airport Operators (pertaining to the approved yield per passenger) will be reviewed for approval.

**1.9.** In terms of the Airport Guidelines, all airport Operator(s) shall within four months of the date of issue of the Airport Guidelines, submit to the Authority for its consideration, a MYTP for the 1st Control Period, i.e., 5 year period commencing from 2011-12 in the form

and manner specified in the Airport Guidelines. The last date for submission of the MYTP in terms of the airport Guidelines was 30.06.2011.

**1.10.** The Authority was conscious of the fact that in the nature of the timelines specified in the Airport Guidelines, it would not be possible to determine the tariff in respect of any of the major airports before 01.04.2011. In this light, the Authority had proposed to permit the concerned airport operators to continue charging the tariffs for aeronautical services provided by them, at the existing rates, in the interim period for which a separate order was issued after suitable Consultation (Order No.17/2010-11 dated 31.03.2011).

**1.11.** AAI submitted that they had already initiated the process of formulation of MYTP in respect of its major airports and some systematic and administrative changes were being carried out simultaneously for capturing of information/data related to regulatory matters and also furnished the status/progress of certain key activities. The Authority considered the aforesaid request of AAI and extended the timeline for submission of MYTP in respect of NSCBIA up to 31.08.2011.

**1.12.** AAI vide submission dated 26.08.2011 filed the MYTP in respect of NSCBIA. The proposal was scrutinized for sufficiency of information and wherever clarifications were required, the same was called for from AAI.

**1.13.** Considering the observations of the Authority and the revised capitalization due to change in probable date of completion of project, AAI submitted a revised MYTP for NSCBIA along with the Annual Tariff Proposal (ATPs) for 1<sup>st</sup> Tariff Year (i.e., 2011-12 of the first Control period) on 19.04.2012. AAI informed that the New Integrated Terminal Building and other related works at NSCBIA would be completed by 30.09.2012 (subsequently revised to 31.10.2012).

**1.14.** AAI submitted clarifications on the depreciation policy, traffic forecasting methodology and details of the debt raised by them for the project. AAI also furnished component-wise breakup of the revenue and expenditure and furnished a brief note justifying the growth rates assumed and details of the component wise project cost, along with the probable date of completion of the project and their means of finance in respect of NSCBIA.

**1.15.** AAI also informed that the accounts of AAI are audited by C&AG of India as mandated by the AAI Act. The C&AG's resident audit party takes up audit of AAI's airports, regional/field offices. However the final Audit Certificate is given to AAI as a whole.

**1.16.** Extensive discussions were held with AAI to discuss the underlying details/assumptions/ workings of the tariff proposal. During the course of these discussions AAI clarified that the project cost of Rs.2325 crores for the construction of New Integrated Terminal Building at NSCBIA, and allied works have been approved by the Ministry of Civil Aviation (MoCA). The Authority has also noted that in addition to the project cost AAI informed that they would be incurring additional capital expenditure amounting to Rs.458 crores towards strengthening of Runway, Airfield Lighting etc., and Rs.155 crores toward cargo facilities upgradation. With these expenditures, the total capex presently under consideration of the Authority is Rs.2938 crores.

**1.17.** AAI have submitted the key assumption on NSCBIA (Airport and Cargo), including growth rates assumed for various Revenue and Expenditure heads, based on which the Projected Profit and Loss Account, Balance sheet and Cash Flow Statement have been prepared. Further, it has been stated that the tariff proposal in respect of the airport tariff excludes the revenues and expenditure on account of the CNS ATM services at the airport.

**1.18.** AAI, in addition to being the Airport operator at NSCBIA, also manages and operates the International Cargo facility at the airport (domestic cargo services are being handled by the respective airlines themselves). In line with the Airport Guidelines, AAI have submitted a separate MYTP and ATP for the Cargo Facility Services at NSCBIA. AAI have clarified that separate Responsibility/Cost Centre have been assigned in AAI's accounting system for capturing accounting information relating to Cargo Operation

**1.19.** Further, the Authority had also requested AAI to appoint a Consultant for the purpose of assisting the Authority in the tariff determination process of AAI Airports. AAI has appointed a Consultant for this task pertaining to Kolkata and Chennai airport at present. The Consultant has assisted the Authority in its deliberations.

## **2. Cargo Facility Services at NSCBIA- Regulatory Approach**

**2.1.** As already brought out vide para 1.18 above, AAI, in addition to being the Airport operator at NSCBIA, also manages and operates the International Cargo facility at NSCBIA.

**2.2.** The Authority, vide its Order No.11/2010-11 dated 05.01.2011, in the matter of AAI's proposal for revision of Cargo Tariff at Chennai and Kolkata Airports had approved a 5% revision of the schedule of cargo charges (Terminal Storage and Processing, Demurrage) at these airports over the existing charges, purely on an ad-hoc basis with immediate effect and had ordered that this ad-hoc determination would be reviewed at the stage of tariff determination for the first cycle and thereafter as the Authority may decide.

**2.3.** As per clause 5.7 of the Airport Guidelines, Cargo Facility service is a Regulated Service subject to separate control. Clause 5.7.1 of the Airport Guidelines state that:

*"For any service provided by the Airport Operator for (i) ground handling services relating to aircraft, passengers and cargo at an airport; (ii) the cargo facility at an airport; and (iii) supplying fuel to the aircraft at an airport, the Authority shall follow the regulatory approach and process for tariff determination as mentioned in the Direction No 04/2010-11 on "Terms and Conditions for Determination of Tariff for Services Provided for Cargo Facility, Ground Handling, and Supply of Fuel to the Aircraft) Guidelines, 2011". [i.e., **CGF Guidelines**]*

**2.4.** Further, Clause 5.4.4 of the Airport Guidelines states that the operation and maintenance expenses, related to regulated services subject to separate control provided by airport operator, shall be excluded from the determination of ARR. Also as per Clause 5.2.1 (e) of the Airport Guidelines -

*"The assets related to any service(s) provided by the Airport Operator that are subject to separate control and regulated as per Clause 5.7, shall be excluded from the scope of RAB".*

**2.5.** The Airport Guidelines envisage that for the submission of MYTP for regulated services subject to separate control provided by the Airport Operator, the Airport Operator shall prepare separate audited pro-forma accounts clearly segregating and allocating the Regulatory Building Blocks related to such services with detailed justification and methodology for such allocation.

**2.6.** AAI have submitted a separate MYTP as well as ATP for airport services and cargo services at NSCBIA. As per Section 2 (a) (v) of AERA Act, the provision of cargo facility at an

airport is defined to be aeronautical service and charges for such a service would need to be determined as per the CGF Guidelines.

**2.7.** As per the CGF Guidelines, the Authority shall follow a three stage process for determining its approach to regulation of a regulated service:

2.7.1. Materiality Assessment

2.7.2. Competition Assessment

2.7.3. Assessment of reasonableness of the User Agreements between the service providers and the users of the regulated services.

**2.8.** The Authority shall determine the materiality index with respect to services provided for cargo facility at a major airport based on information to be obtained from the AAI or any other source it may deem fit. The materiality index for service provided for cargo facility at major airport A shall be defined as:

$$\text{Materiality Index for service provided for cargo facility at major airport A} = \frac{\text{Cargo Volume at major airport A}}{\text{Total Cargo Volume at Major Airports}} \times 100$$

**2.9.** Where the Materiality Index, as calculated above is 2.5% or more at a major airport, the service provided for cargo facility at major airport A shall be deemed “material”. If Materiality Index is below 2.5%, then service provided for cargo facility at major airport A shall be deemed “not material”.

**2.10.** The percentage share of cargo volume for NSCBIA, as per April’ 2010 to March’2011 AAI Traffic statistics, is 9.6% which is greater than 2.5% Materiality Index fixed for the cargo service. Hence the cargo service at NSCBIA Airport is deemed ‘material’.

**2.11.** AAI have stated that at present AAI is the only Cargo facility Service Provider for international cargo handling at NSCBIA. Thus, the nature of cargo services, under the CGF Guidelines is “material and not competitive”. In such a case, the Authority vide its CGF Guidelines had decided to consider the reasonableness of user agreements and user consultation by the service provider. The Authority has been informed that though there is no formal agreement with the airlines or trade bodies for provision of cargo services, AAI is charging non-discriminatory rates to all its users, which are publically displayed. Further, there is a broad understanding between AAI and Trade Bodies over annual escalation of 5% in cargo rates for FY 2010-11 and 2011-12. Copy of the minutes of meeting with apex trade



bodies have been furnished by AAI in support of the claim as evidence of user consultation. Further, the Authority has been informed that after the 5% adhoc increase in the cargo tariff, permitted vide Authority's order no. 11/ 2010-11 dated 05.01.2011, no revision has been effected in the cargo rates. Now, AAI have proposed for an increase of 8% in the rates for international cargo services with effect from 01.11.2012 and thereafter and increase of 8% annually with effect from 1<sup>st</sup> April of each following tariff year during the current control period.

**2.12.** In view of the above facts, the Authority proposes to determine the tariff for cargo services provided by AAI at NSCBIA under "light touch approach" for the first control period.

**2.13.** As already brought out vide para 2.12 above, the Authority proposes to determine the tariff for cargo facility services provided by AAI at NSCBIA under "light touch approach" for the first control period. The tariff for the cargo services at NSCBIA have not been revised after the adhoc determination done vide the Authority's Order No.11/2010-11 dated 05.01.2011 (i.e., an increase of 5% w.e.f 05.01.2011). AAI have in their ATP sought an increase of 8% over the prevailing cargo tariff w.e.f 01.11.2012 in FY 2011-12 and thereafter an annual increase of 8% w.e.f 01.04.2013, 01.04.2014 and 01.04.2015.

**Tentative Decision No1. Regarding MYTP and ATP for Cargo Facility Services at NSCBIA**

**1.a.** The Authority proposes to determine the tariff for cargo facility services provided by AAI at NSCBIA under "light touch approach" for the first control period.

**1.b.** The Authority proposes to approve of AAI's proposal for an increase of 8% over the prevailing cargo tariff w.e.f 01.11.2012 and further increase of 8% w.e.f 01.04.2013, 01.04.2014 and 01.04.2015

**3. Airport Services at NSCBIA - Regulatory Approach**

**3.1.** As stated above, AAI, apart from being airport operator for NSCBIA, is also providing cargo facility services at NSCBIA. As per Section 2 (a) (v) of AERA Act, the provision of cargo facility at an airport is defined as aeronautical service. The Authority has specified that the charges for cargo service would need to be determined under the CGF Guidelines. The

Authority has also taken a stand that the revenues arising from such aeronautical services would be aeronautical revenues at the hands of the respective service provider.

**3.2.** The service provider of these three services can either be Independent Service Provider (ISP) or the airport operator himself. If one or more of these three services are provided by the airport operator himself, the revenue arising therefrom would be treated as aeronautical revenue in the hands of the Airport operator. However, if the services are being rendered by an ISP, then the revenues therefrom would be treated as aeronautical revenue in the hands of the ISP and the ground/ lease rentals/royalty etc., which such an ISP may pay to the airport operator would be treated as non-aeronautical revenue at the hands of the airport operator.

**3.3.** In as much as the cargo facility services are being rendered by AAI at NSCBIA, the revenue from the regulated service subject to separate control is to be determined in accordance with the framework for such determination i.e. CGF Guidelines.

**3.4.** In as much as the cargo facility services are being rendered by AAI at NSCBIA, the revenue from the regulated service subject to separate control is to be determined in accordance with the framework for such determination i.e. CGF Guidelines.

**3.5.** Further as stated before, AAI has been traditionally maintaining integrated financial accounts for its activities on an All India basis, built-up from the airport-wise/regional accounts. Even though costs have been separated out in the airport accounts in the AAI accounting system, a further sub-categorisation of such costs between airport operation and cargo services at every respective airport, as the case may be, essentially adds another layer of apportionment of overheads. If, however, all cost elements of NSCBIA (including those for cargo services) are treated together, it provides a more stable basis for determination of ARR from the building blocks as a whole for the airport

**3.6.** In line with the above approach the Authority proposes to determine the Aggregate Revenue Requirement (ARR) for AAI as a whole, taking into account the investments and costs for both the airport services as well as cargo services as mentioned hereunder.

<i>ARR (for airport services) =</i>	<i>Total ARR (Airport services + Cargo facility services) Less - projected revenue from Cargo facility services</i>
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*Note: It is to be noted that the ARR includes revenues from services other than aeronautical services.*

**3.7.** Further, as per the Airport Order, laying down the Regulatory Philosophy and Approach for Economic Regulation of Major Airports, the Authority had decided to adopt Single Till regulatory regime for major airports (except Delhi and Mumbai) in India. AAI have submitted their MYTP for NSCBIA under “Single till” approach - which is in line with the Airport Order and Guidelines. The detailed submissions made by AAI in respect of the Regulatory Asset Base (RAB), the project cost and other items of the Regulatory Building Block have been discussed in the following sections.

#### **4. Project Details**

**4.1. Project Cost** - AAI have, in their business plan, indicated that NSCBIA, being the largest airport in Eastern India has the prospect of becoming the Aviation Hub of the Region. The new integrated terminal building structure, with two-tier operations for arrivals and departures, will be connected to upcoming metro rails and elevated roadways. The cost of the project comprising domestic and international terminal buildings, elevated corridor and allied works has been approved by the Ministry of Civil Aviation for an amount of Rs. 2325 crores.

**4.2.** As stated supra, the Authority has noted that in addition to the project cost AAI have proposed capital expenditure amounting to Rs.458 crores towards strengthening of Runway, Airfield Lighting etc., and Rs.155 crores toward cargo facilities upgradation. These capital expenditures were approved by AAI Board prior to the issue of Airport Guidelines by the Authority .With these expenditure, the total capex under consideration of the Authority is Rs.2,938 crores for the first control period as depicted in the following table:

**Table 1 Cost of the Project and allied Capital works at NSCBIA**

<b>Details</b>	<b>Rs in crores</b>
Project Cost – Construction of new integrated terminal building structure for arrivals and departures at NSCBIA - approved by the Ministry of Civil Aviation	<b><u>2325</u></b>
Allied Capital Expenditure	
Strengthening of Runway, Airfield Lighting and Other associated works etc	458
Cargo Facilities up gradation	155
<b>Total</b>	<b>2,938</b>

**4.3.** As per the business plan submitted by AAI, it has been stated that NSCBIA is the main International Airport in Eastern India and has the prospect of being an Aviation Hub. However, owing to the inability of the existing infrastructure to handle the influx of

passengers, largely due to the city's development and air traffic growth in recent years, AAI has taken up large scale airport development plan at NSCBIA, for example as of now the existing terminal has the capacity of about 5 million passenger though the actual passenger throughput at the airport is 10 million passengers. The expansion plan includes construction of new state of the art integrated terminal building using green building concepts, environment friendly technology and world class passenger facilities.

**4.4.** AAI have stated that the New Integrated Terminal Building will be a v-shaped structure with two-tier operations for arrivals and departures, with 18 in-contact bays (aero bridges) supplemented by 53 aircraft parking bays. Passengers will be able to embark/disembark from any aircraft stand and proceed to either domestic or international terminals.

**4.5. User Consultation:** The Authority had in its Airport Guidelines stated that the Airport Operator shall undertake user consultation with Airport Users Consultative Committee (AUCC) on major capital projects planned at the airport. The major capital projects shall be defined as capital investment projects that may represent more than 5% of the value of the RAB at the beginning of the control period or Rs.50 crores, whichever is the lower amount. Further, the Authority had in its Guidelines classified the major projects in to two categories for the effectiveness of the consultation process.

**4.6.** AAI have clarified that the work on the Project of construction of New Integrated Terminal Building at NSCBIA, commenced well before the Authority's Airport Guidelines on the user consultations came into force and the project at the NSCBIA already had the approval of the Competent Authority. However, AAI have conveyed that capital projects in future will be undertaken as per the Authority's user consultation protocol.

AAI have clarified that the work on the Project of construction of New Integrated Terminal Building at NSCBIA, commenced with the approval of the Competent Authority much before the Authority's Airport Guidelines on the user consultations came into force.

**4.7. Area** - The existing area of the terminal building at NSCBIA is 56,000 sqmts (Domestic 26,000 Sqmts and International 30,000 sqmts). The New Integrated Terminal Building at NSCBIA has an area of 1,98,692 Sq.Mts (Domestic 1,19,741 Sq.mts and International 78,951 Sqmts). AAI have in their submission stated that the existing domestic terminal (26,000 Sqmts) would continue to be in use along with the New Integrated

Terminal Building. Further, AAI have also stated that there will be no operation from the existing International Terminal Building (30,000 sq. mts) after commissioning of the New Integrated Terminal Building. This would mean that the relevant net asset value of existing (old) international terminal building of 30,000 sqmts would need to be removed from RAB. The Authority would be able to take final decision on this issue when the new terminal building is fully commissioned and would address this issue (RAB) in the next control period.

Table 2 Projected passenger capacity vis-à-vis existing capacity

Annual Pax capacity	Existing Terminal Building at NSCBIA (in Mn)			Capacity after commissioning of New Integrated Terminal Building (in Mn)		
	Domestic	International	Total	Domestic	International	Total
Arrival	2.03	0.441	2.471	10.03	2.0	12.03
Departure	2.03	0.441	2.471	10.03	2.0	12.03

**4.8.** It will thus be seen that the existing total capacity of the terminal building at NSCBIA is 4.942 million (Domestic 4.06 million and International 0.882 million). However, the airport has already achieved an annual passenger throughput of 10.3 million passengers (Domestic 8.7 million and International 1.6 million) in 2011-12 far exceeding the existing capacity. As per AAI the modernization will enable NSCBIA to accommodate a peak flow of 1800 passengers an hour. The capacity addition made at NSCBIA now would thus alleviate the congestion and provide for further traffic growth. After completion of new integrated terminal building, it would be able to handle a passenger throughput of 24 million passengers approximately as mentioned in Table 2 above. As per the passenger growth rate assumed by AAI, it is expected that the passenger throughput of 24 million will be achieved by 2021-22.

**4.9.** The Authority notes that the project is yet to be completed. The final project cost need to be reckoned for and appropriate adjustments to the RAB would need to be carried out. The Authority, for the present, proposes to consider the project cost of Rs. 2938 crores, as at Table 1 above for the purpose of the current tariff determination and corrections will be carried out in the next Control Period.

**4.10.** The Authority also noted that the passenger throughput in the existing terminal building at NSCBIA is almost twice the existing capacity and yet the airport has earned only marginal profit after tax (PAT) of Rs. 8.98 crores and Rs.3.70 crores (provisional) during the FY 2010-11 and FY 2011-12 respectively. As per AAI's submission, If the existing tariff

continues, NSCBIA is likely to incur an accounting loss (PAT) of Rs. 208.30 crores during the Financial Year 2012-13.

#### **Tentative Decision No2. Regarding Project Cost**

- 2.a. The Authority proposes to consider the project cost of Rs.2938 crore (Rs.2325 crore for New Integrated Terminal Building and associated works and additional capex of Rs.613 crore) for the purpose of the current tariff determination.**

#### ***Truing Up: 1. Correction / Truing up for Project Cost***

- 1.a. The project is yet to be completed. The final project cost need to be reckoned for and appropriate adjustments to the RAB need to be carried out (including the exclusion from RAB, if required, on account of decommissioning of old international terminal building). In accordance with Airport Order, corrections will be carried out in the next Control Period.**

### **5. Regulatory Asset Base (RAB)**

**5.1.** As per the Airport Guidelines, the calculation of initial RAB has to take into consideration original value of fixed assets, accumulated depreciation, accumulated capital grants, subsidies or user contribution, and adjustment for value of land excluded from the scope of RAB.

**5.2.** AAI have worked out the initial RAB on the basis of the audited accounts of NSCBIA for the FY 2010-11, audited by C&AG. The Authority proposes to consider the figures furnished by AAI in respect of the initial RAB of Rs.246.47 crores.

#### **Tentative Decision No3. Regarding Initial RAB**

- 3.a. The Authority proposes to consider the initial RAB at Rs.246.47 crore as furnished by AAI.**

**5.3. Depreciation** - As per Clause 5.3.3 of the Airport Guidelines, the minimum residual value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the original cost of the asset on straight line method.

5.4. AAI have stated that the assets reflected in the proposal as part of the Initial RAB and the accumulated depreciation of these assets are as per the figures reflected in the audited accounts of NSCBIA which are subject to the scrutiny of C&AG. It has been stated that AAI is following the straight line method for depreciation and the depreciation rate applied to various assets is as per AAI's approved accounting policy considering the useful life of the assets. The salient aspects of AAI's depreciation policy are as under:

5.4.1. Method of Depreciation –Straight Line Method.

5.4.2. Additions to Fixed Assets:-Depreciation to be provided for full year irrespective of month of installation/completion.

5.4.3. No depreciation to be provided in the year the asset is disposed off/retired from active use.

5.4.4. Residual value for each asset to be taken as Re. 1 balance to be provided by way of depreciation as per prescribed rates.

5.5. In this regard it is observed that the AAI's accounts are maintained as per the provisions of the Section 28 (1) of the AAI Act.

*“The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the profit and loss account and the balance-sheet in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.”*

5.6. Further as per Section 28(4) of the AAI Act,

*“The accounts of the Authority as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before both Houses of Parliament.”*

5.7. **Historical Figures** - AAI have stated that historically, AAI's financials have been prepared and maintained at a consolidated level across all the airports operated by it. AAI, for the purpose of the current MYTP submission for the first control period, have recast their the historical balance sheet and historical Profit and Loss account and cash flow

statements. Further, AAI have also clarified that the books of account of AAI are audited by C&AG of India as mandated under the AAI Act. The C&AG's resident audit party takes up audit of AAI's airports, region/field offices. However, the Audit Certificate is given to AAI as whole.

**5.8.** The Authority notes that the Depreciation Policy of AAI (*in respect of depreciation to be provided for full year irrespective of month of installation/completion; No depreciation to be provided in the year the asset is disposed off/retired from active use; Residual value for each asset*) is not in accordance with the Airport Order and Airport Guidelines. However, AAI is a statutory body established under the AAI Act. The Board of AAI has approved the Depreciation policy that has been adopted by AAI. AAI's format of accounts have been formulated in consultation with the C&AG, who also conduct audit of the books of accounts of AAI as mandated under the AAI Act. The C&AG have not commented adversely on the depreciation methodology adopted by AAI. Further, accounts of the AAI, certified by the C&AG, together with the audit report are laid before the Parliament. The Audited final Accounts of AAI for the FY 2010-11 including the AAI's Accounting Policy and the Audit Report of the C&AG is available on the website of AAI ([www.aai.aero](http://www.aai.aero)).

**5.9.** In this light the Authority proposes to consider the depreciation policy of AAI and the depreciation calculated in accordance thereof for the purpose of determination of tariffs for aeronautical services at NSCBIA.

**5.10.** For the purpose of arriving at the forecast and Roll forward RAB for NSCBIA for the first Control period and the Average RAB for Return purposes the following has been considered by AAI in the tariff proposal:

5.10.1. Initial RAB (book value of the assets at the beginning of control period i.e. as on 01.04.2011) Rs. 246.47 crores;

5.10.2. Additional capital expenditure to the tune of Rs.2,937.76 crores in a phased manner, for both Airport and Cargo Services which includes the assets created as part of the airport project, i.e., New Integrated Terminal Building at NSCBIA as well as forecast of other capex projected by AAI during the control period;

5.10.3. Depreciation calculated in accordance with the depreciation policy of AAI

**5.11.** Accordingly, the summary of the initial and Roll forward RAB in AAI's proposal for NSCBIA (Airport and Cargo Services) is as under:



**Table 3 Summary of the forecast and Roll forward RAB for NSCBIA (Airport and Cargo Services)**

	Details (Rs.in crore)	Tariff Year 1- 2011-12	Tariff Year 2- 2012-13	Tariff Year 3 2013-14	Tariff Year 4- 2014-15	Tariff Year 5- 2015-16
A	Opening RAB-A	246.47	348.75	2480.12	2304.09	2084.23
B	Additions - WIP Capitalisation-B	163.62	2413.14	114.50	76.50	170.00
C	Disposals/Transfers-C	0.00	0.00	0.00	0.00	0.00
D	Depreciation-D	61.34	281.77	290.53	296.36	314.24
E	Closing RAB(A+B-C-D)	348.75	2480.12	2304.09	2084.23	1939.99
F	Average RAB (A+E)/2	297.61	1414.44	2392.11	2194.16	2012.11

Note: The Authority noted that AAI has factored in an average depreciation of around 10% -12% of RAB. It has also noted that AAI depreciates assets like runway in 7 years.

#### **Tentative Decision No4. Regarding RAB, Roll forward RAB and depreciation policy**

- 4.a. Authority proposes to consider the depreciation policy of AAI, the depreciation calculated in accordance thereof and Roll Forward RAB during the Control Period as given in Table 3 above for the purpose of determination of tariffs for aeronautical services at NSCBIA in the current control period.

#### **Truing Up: 2. True Up/Correction for Tentative Decision No4**

- 2.a. Depending on the capex incurred and timing thereof (i.e. the year of capitalisation of the underlying assets in question) the Authority proposes to make appropriate adjustments to the RAB at the beginning of the next Control period, taking into account, the accounting policies of AAI .

## **6. Traffic Forecast**

6.1. As per the Airport Guidelines, the airport operator is required to submit traffic forecasts as part of the MYTP submissions. The Airport Guidelines further provide that the Authority would reserve the right to review such forecast assumptions, methodologies and processes and to determine the final forecast to be used for the determination of tariffs. The Guidelines further provide that the Authority will also use forecast correction mechanism if the actual traffic turns out to fall outside the prescribed bands with the upper and lower band percentages being equal. As part of the tariff determination process, the Authority would require Airport Operators to provide proposals for the values of the upper and lower bands, supported by evidence for the rationale of such bands and will review the operation of the bands and determine the final bands for the tariff determination. As per

the Guidelines, any variation outside of the bands will be shared equally between the Airport Operator and users.

**6.2.** AAI have submitted a note on traffic forecast methodology. As per their submission, growth in traffic has been considered keeping in view the regression/ econometric analysis with GDP, Index of Industrial Production (IIP) and foreign tourist as predictor variables. Forecasts of other international organisations like, ICAO, IATA, ACI and aircraft manufacturers, traffic trends, infrastructure facilities, safety and secure environment have also been factored. Besides, the forecast has been moderated taking in to account other factors contributing to the traffic growth like fleet of airline, subjective factors like increase in oil prices, safe and secure air travel, environment and other infrastructure like road and rail connectivity, hotels and tourist places of attraction. The growth rate as submitted by AAI in the proposal is as follows:

**Table 4 Traffic Growth rates assumed by AAI**

Particulars	Growth rates adopted ( %)
Passenger Growth	12% increase in passenger traffic in 2011-12, and thereafter 10% growth is projected till the end of the control period 2015-16.
ATM	Aircraft movement (both domestic and international) has shown an increase by 9% in 2011-12 followed by 8% in subsequent years.
Freight	6% in 2011-12 10% in 2012-13 to 2016-17 and 12% thereafter.

**6.3.** However, as per the traffic statistics available on the website of AAI, the percentage change in traffic for the period April 2011-March 2012 as compared to the corresponding period April 2010- March 2011 is as follows:

**Table 5: Actual Traffic Statistics 2010-11 and 2011-12 for NSCBIA**

	April 2011-March 2012			April 2010- March 2011			% change (actual 10-11 to 11-12)	% increase projected by AAI in MYTP (10-11 to 11-12)
	Intl	Dom	Total	Intl	Dom	Total		
Total ATM (Nos)	15528	84316	99643	13942	80433	94375	5.8 %	9%
Total Pax (Nos)	1566102	8737889	10303991	1428086	8203586	9631672	7%	12%
Freight (Tonnes)	43890	81703	125593	45098	84861	129959	-3.36%	6%

**6.4.** CAGR for ATM, Freight and Passenger movements over the period 2002-03 to 2011-12 for NSCBIA is as under:

**Table 6: CAGR - 2002-03 to 2011-12 for NSCBIA**

CAGR 2002-03 to 2011-12	International	Domestic	Total
ATM	10.60%	13.92%	13.34%
Passenger	11.56%	16.32%	15.45%
Freight	5.54%	11.28%	8.91%

**6.5.** It is observed that the percentage increase in ATM and Passengers traffic forecasts factored in by AAI in the tariff proposal are lower than the CAGR for NSCBIA over the period 2002-03 to 2011-12 as well as in comparison to the actual increase from 2010-11 to 2011-12. In respect of freight, the rates proposed by AAI is higher than actual.

**6.6.** In view of the variations, the Authority proposes to consider the average of the growth projected by AAI and CAGR for NSCBIA over the period 2002-03 to 2011-12 for the purpose of determination of aeronautical tariffs for NSCBIA.

**Table 7 Traffic Growth Rates - Comparison of projection by AAI in the MYTP, CAGR and average of the two**

Year	ATM			PAX			Freight		
	AAI %	CAGR %	Avg. of AA I & CAGR%	AAI %	CAGR %	Average of AAI & CAGR %	AAI %	CAGR %	Average of AAI & CAGR%
Domestic	8.00	13.92	10.96	10.00	16.32	13.16	=	=	=
International	10.00	10.60	10.30	12.00	11.56	11.78	10	5.54	7.77
Combined	8.31	13.34	10.83	10.31	15.45	12.88	10	5.54	7.77

**6.7.** Further, the Authority also notes that the recent trends in traffic appear to indicate some volatility in growth and the actual traffic may vary significantly as compared to the projected traffic volumes/ numbers. The traffic projection may be considered for truing up based on actual growth.

#### **Tentative Decision No5. Regarding Traffic Forecast**

**5.a.** The Authority proposes to consider the following traffic Forecast for NSCBIA for the first control period:

- i) ATM growth rate of 10.96% and 10.30% for Domestic and International movements respectively.**
- ii) Passenger growth rate of 13.16% and 11.78% for Domestic and International passengers respectively.**
- iii) Freight growth rate of 7.77% for International cargo only.**

#### **Truing Up: 3. Truing Up/Correction for Tentative Decision No5**

**3.a.** The Authority proposes to true up the traffic projection based on actual growth.

## 7. Revenue from services other than aeronautical services

7.1. AAI have submitted the forecasts of the various components of non-aeronautical revenue streams along with the respective areas as well the assumptions underlying the forecast. The historical and projected revenue generating area in respect of NSCBIA, as submitted by AAI is as given below:

**Table 8: Historical and Projected Revenue generating area in Sq.Mts at NSCBIA**

Sl	Particulars of Area in sq.mt.	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
1	Retail	3151	3151	4482	4482	4482	4482
2	Commercial Offices	36998	36998	48687	48687	48687	48687
3	Advertisement	6862	6862	6862	6862	6862	6862
4	Ticketing	160	160	234	234	234	234
5	Duty free shop	249	249	249	249	249	249
6	Car Parking	24386	24386	24386	58000	58000	58000
7	Land/GSE Area	321238	321238	321238	321238	321238	321238

7.2. Further, the assumptions taken by AAI for projection of each source of non-aeronautical revenue and the basis of the assumptions are as under:

**Table 9: Assumptions taken by AAI for each item of Non Aeronautical Revenue at NSCBIA**

Sl no	Item	Assumptions	
1	Restaurant/ Snack Bar/ Flight Kitchen	10% increase in 2011-12 & 25% increase in 2012-13 & 10% thereafter in 2013-14 to 2015-16	Due to commissioning of new building
2	Hoarding/Display		
3	Duty free Shop		
4	Ground Handling	11% increase in 2011-12 & 10% increase in 2012-13 onwards	Normal annual escalation
5	Car Rentals/ other Misc	10% increase in 2011-12 onwards	Nominal growth
6	Land Rent/Lease & Hanger Building non-residential	10% increase in 2011-12 & 25% increase in 2012-13 and 10% thereafter in 2013-14, 2015-16	Based on RE 2011-12 and thereafter normal annual escalation. 25% due to commissioning of new building.
7	Miscellaneous Income	10% increase in 2011-12 onwards;	As per normal trend 10% growth is estimated

7.3. As per AAI submissions, the growth in non-aeronautical revenue, have been worked out by applying the above growth rate to historical revenues and establishing the relationship with available commercial area.

7.4. AAI have projected the revenue from non-aeronautical services as follows

**Table 10: Revenue from Non Aeronautical Sources – NSCBIA (Rs.in crores)**

Details	FY before Tariff Year 1 2010-11	Tariff Year 1-2011-12	Tariff Year 2-2012-13	Tariff Year 3-2013-14	Tariff Year 4-2014-15	Tariff Year 5-2015-16

	Details	FY before Tariff Year 1 2010-11	Tariff Year 1-2011-12	Tariff Year 2- 2012-13	Tariff Year 3- 2013-14	Tariff Year 4- 2014-15	Tariff Year 5- 2015-16
A	Public Admission Fees	2.14	2.36	2.59	2.85	3.14	3.45
B	Trading Concessions	47.12	51.84	69.94	99.64	109.60	120.56
C	Rents & Services	42.67	46.94	52.44	56.72	61.37	66.40
D	Other Revenue	9.8	10.77	11.86	13.04	14.34	15.78
E	Ground Handling	2.69	6.60	7.26	7.99	8.78	9.66
	Total Revenue	104.42	118.51	144.09	180.24	197.23	215.85

**7.5.** AAI has informed the Authority that AAI is in the process of identifying, planning and concessioning out various areas/ locations within the new terminal building for non-aeronautical purposes and the non-aeronautical revenue projections as submitted by AAI are at best likely to be tentative. Hence the underlying area will also alter as per the final decisions in this regard. As per the Airport Order and Directions, the Authority had decided that any upside or down side of non-aeronautical revenue would not be trued up. However, Authority notes that the plans regarding the area to be utilised towards non aero activities has not been firmed up. Hence, the non-aeronautical revenue projections as submitted by AAI are therefore, likely to be tentative.

**7.6.** As regards projection of non-aeronautical revenue at NSCBIA over the remaining part of the control period, the Authority deliberated on the methodology, if any, of forecasting the non-aeronautical revenue. It, however, noted that the past growth of non-aeronautical revenue may not serve either as a benchmark or guide in making the forecast. This is because the new terminal at NSCBIA is about more than 4 times the existing terminal. Furthermore, the construction of the new integrated terminal at NSCBIA is not yet complete. After completion of the terminal building, AAI would be in a position to grant necessary concessions to vendors. The amount of non-aeronautical revenues that AAI may be able to obtain at NSCBIA is, therefore, difficult to estimate.

**7.7.** Having regard to these considerations, the Authority considered that for the first control period it may consider the forecast of non-aeronautical revenue provided by AAI as indicated above for determination of tariffs and true up the actual receipts from non-aeronautical revenue while determining tariffs for the next control period. While doing so,

the Authority also considered whether the forecast of non-aeronautical revenues provided by AAI can be taken as a floor. On balance, the Authority felt that in the absence of any alternative reasonable projections of non-aeronautical revenues at NSCBIA for the first control period, the projection of non-aeronautical revenue at NSCBIA by AAI may not be considered as a floor and thus true up the non-aeronautical revenues on actuals. The Authority, however, may revisit this issue in the next control period.

**Tentative Decision No6. Regarding Non Aeronautical Revenues**

- 6.a. The Authority proposes to consider the Non Aero Revenue projection as submitted by AAI for determination of aeronautical tariffs for the current control period in respect of NSCBIA as given in Table 10 above.**

***Truing Up: 4. Corrections/Truing up for Tentative Decision No6***

- 4.a. The Authority proposes to true up the non-aeronautical revenue based on the actual non-aeronautical revenue at NSCBIA while determining the tariffs for the next control period.**

**7.8. Fuel Throughput Fee** - AAI have considered the throughput fee received from oil marketing companies as aeronautical revenues for the purpose of current tariff determination, which is in line with the Authority's approach. In this connection it is submitted that the Authority had vide Order No.07/2010-11 dated 04.11.2010, in the matter of *suo moto* revision of throughput fee by the Airport Operators had considered the submissions made by AAI and other stakeholders. AAI, had submitted that the revision of fuel throughput charges at AAI's airports is through a commercial agreement between AAI and Oil companies which covers many airports including those which are not under the purview of the AERA Act and that these agreements have been entered into with the Oil companies in the year 2005 based on the outcome of a competitive tendering process. The Authority had vide the above referred order, approved the fuel throughput charges at NSCBIA (from Rs. 1158.78 to Rs.1216.72 @ 5% increase as per contractual terms) with effect from 01.04.2010, on an adhoc basis. AAI have in their ATP proposed for the 5% annual increase as per the contractual terms, w.e.f. 01.11.2012.

**7.9.** The Authority proposes to approve the above proposal of AAI for a 5% increase in throughput fee as per the contractual agreements with the Oil Marketing companies and the same has accordingly been incorporated in the section on ATP.

**Tentative Decision No7. Regarding Throughput Fee**

**7.a.** The Authority proposes to approve the 5% increase in throughput fee as per the contractual agreements with the Oil Marketing companies and give its effect as aeronautical revenue in the hands of AAI while determining aeronautical tariffs for the current control period.

**7.10. Ground Handling Service** - As regard the ground handling services, the Authority notes that AAI have concessioned out the services to an ISP at NSCBIA and have considered the licence fee receivable from the ISP as non-aeronautical revenues. This is in line with the Authority's Approach in the Airport Order and Airport Guidelines.

**8. Operation and Maintenance Expenditure**

**8.1.** As provided in Clause 5.4 of the Airport Guidelines, the operational and maintenance expenditure shall include all expenditures incurred by the Airport Operators including expenditure incurred on statutory operating cost and other mandated operating costs.

**8.2.** As per AAI's submission, the operational and maintenance expenditure in respect of NSCBIA is as follows:

8.2.1. Staff Cost – AAI have stated that the staff cost includes Dearness Allowance, House Rent Allowance and other perks and other staff welfare funds (Gratuity and Provident funds) and other proportionate expenditure of AAI's Corporate Headquarters (CHQ). The expenses of CHQ and the Regional Headquarters (RHQ) have been apportioned over the airport based on the number of employees which is, as per the existing accounting policy of AAI. AAI have assumed an annual increase of 7% in pay and allowances during the 1<sup>st</sup> Control Period, however, no increase in staff count has been projected.

8.2.2. Repairs and Maintenance (R&M) – AAI have proposed a 25% increase in R&M expenses in year 2012-13 due to increase in operational area. It is noted that

the R&M expenses are expected to increase due to the commissioning of the New Integrated Terminal Building resulting in the total increase in area by 300%. However, thereafter 10% annual increase in expenditure is considered from the FY 2013-14 onwards.

8.2.3. Utility and Outsourcing Expenditure - Under this category mainly Electricity, Water Charges, outsourcing expenses on field/site maintenance and cleaning etc. have been considered. Increase in expenditure at the rate of 39% in 2011-12 and at the rate 77% in 2012-13 has been assumed by AAI due to commissioning of the new integrated terminal building leading to larger area under the coverage of air condition, lighting, decoration, horticulture and associated conservancy cleaning. From 2013-14 onwards, an increase of 11% in expenditure has been contemplated.

8.2.4. Administrative and General Expenditure- AAI have given the break-up of the Administration and General Expenditure. During the first two years of the control period, high increase (58%) in legal expenses, advertisement expenses have been made (due to commissioning of the new integrated terminal building). However, expenses under these heads reduce by 50% during the next three years 2013-2016. Similarly, expenditure under the head Municipal taxes and insurance have been increased by 63% in 2013-14 onwards. This head includes Municipal Property Tax, Insurance, other office expenditure. AAI have submitted that they have assumed an increase of 63% expenditure under the head Municipal taxes and insurance from 2013-14 onwards.

8.2.5. **Other Miscellaneous Expenditure** – AAI has submitted expenditure of Rs. 105.25 crores towards payment of interest on loan taken for financing the project at NSCBIA during the current control period. The interest of Rs.48.85 crores (i.e., prior to commissioning) is proposed to be capitalised in 2012-13 and balance amount of interest of Rs.56.40 crores has been reflected as operational expenditure over the period of next 3 years effective from 2013-14 in the tariff proposal of AAI.

**Table 11: Summary of operational and maintenance expenditure actual/projected by AAI (Rs in crores)**

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
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Staff Cost	157.06	168.42	180.40	193.31	207.22	222.20
Administrative and General Expenditure	9.73	11.08	12.77	13.60	14.92	16.36
Repairs and Maintenance (R&M)	18.98	21.02	25.94	28.53	31.39	34.53
Utility and Outsourcing Expenditure	18.18	24.00	40.03	44.69	49.97	55.87
Other miscellaneous expenditure	1.02	1.84	2.15	21.48	21.67	20.79
<b>Total</b>	<b>204.96</b>	<b>226.35</b>	<b>261.29</b>	<b>301.61</b>	<b>325.16</b>	<b>349.75</b>

**8.3.** The Authority, in its Airport Order, had stated that it will follow a bottom-up approach for assessment of operation and maintenance expenditure, which will include a review of the operation and maintenance expenditure forecast submitted by the Airport Operator.

**8.4.** The Authority has considered the issue of operating expenses and their projections submitted by AAI. It is conscious of the fact that the issue of efficient operating and maintenance costs is important in a price cap determination. In this light it is seen that the C&AG is the auditor of all the accounts of AAI – including the expenditures incurred. The audit of the accounts by C&AG is comprehensive and the Audit report thereof is placed before the Parliament of India. The Audit Report of the C&AG is not only on the mathematical accuracy of accounts or their incurrence in accordance with the set procedure, but also on the propriety of such expenditure. In this light, the Authority proposes to accept the historical figures as provided by AAI, for the present.

**8.5.** In respect of the future projections, the Authority observed the following:

8.5.1. AAI have clarified during various discussions that the revenue and expenditure projections are not adjusted for inflation except partly in case of Salary & Wages (Dearness Allowance) and Utilities and Outsourcing Expenses (Electricity Rate).

8.5.2. In respect of the costs related to electricity and water charges, the Authority notes that these are determined by respective regulatory agencies. The Authority proposes to consider the change in per unit rate of cost related to electricity and water charges for the purpose of corrections to tariffs. In this regard, it is observed that since the operating costs being considered for the tariff determination exercise are taken as efficient costs, hence in respect of electricity and water charges the unit rate of water and electricity only should be trued up as part of operational expenses at the beginning of the next control period. However, the underlying quantity/volume of water and

electricity will not be trued up for the purpose of corrections to the tariffs. For example, if the utilised quantity of Electricity Units forecasted for tariff year 't' is 100 KL at per unit rate of Rs.100 per KL, then the operational expenditure in respect of this consumption will be forecasted at Rs.10,000. However, if the concerned regulator revises the per KL rate for water to, say Rs. 200 per KL, and the consumption is reported by AAI as 150 KL for tariff year 't', then for the purpose of truing up, the Authority will consider per unit rate of Rs. 200 but will retain the quantity of consumption at 100 KL, for tariff year 't' during true up.

8.5.3. Further, it is also observed that in the expenditure details, AAI has indicated expenditure on account of interest. Upon enquiry, the Authority was informed that this interest expenditure is on account of payment of interest on long term debt availed for the project and considered in the means of finance for the project. It was observed that all the interest towards long term debts is factored in as part of WACC and is applied on the RAB. Hence, any expenditure on account of payment of interest towards such debt – beyond capitalization of the underlying asset is not permitted. Hence, the expenditure – to the extent it relates to the payment of interest on long term debt – factored in the expenditures merits to be deducted therefrom.

8.5.4. Further, all statutory levies in the nature of fees, levies, taxes and other such charges by Central or State Government or local bodies, local taxes/levies, directly imposed on and paid for by AAI on final product/ service provided by AAI at NSCBIA, may be reviewed by the Authority for the purpose of corrections (adjustments) to tariffs on a Tariff year basis. Furthermore, any additional payment by way of interest payments, penalty, fines and other such penal levies associated with such statutory levies, which AAI has to pay for either any delay or non-compliance, on final product/ service provided by AAI at NSCBIA, the same would not be trued up. On the input side if AAI has to pay higher input costs even on account of change in levies/ taxes on any procurement of goods and services, the same would not be trued up.

**8.6.** The summary of operational and maintenance expenditure at NSCBIA after the above mentioned adjustments are as under (Interest on borrowings removed post capitalization of assets and expenses on account of change in Electricity rate):

**Table 12: Summary of reworked operational and maintenance expenditure (Rs in crores)**

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Staff Cost	157.06	168.42	180.40	193.31	207.22	222.20
Administrative and General Expenditure	9.73	11.08	12.77	13.60	14.92	16.36
Repairs and Maintenance (R&M)	18.98	21.02	25.94	28.53	31.39	34.53
Utility and Outsourcing Expenditure	18.18	24.00	40.03	42.53	45.28	48.22
Other miscellaneous expenditure	1.02	1.84	2.15	2.32	2.51	2.71
Total	204.97	226.36	261.29	280.29	301.32	324.02

**8.7.** In view of the facts stated above, the Authority proposes to consider the operational and maintenance expenditure – as given in Table 12 above for the purpose of determination of aeronautical tariffs for the first Control Period.

**Tentative Decision No8. Regarding Operation and Maintenance expenditure**

**8.a.** The Authority proposes to consider the operational and maintenance expenditure – as given in Table 12 above, for the purpose of determination of aeronautical tariffs for the first Control Period.

**Truing Up: 5. Truing up Corrections for Operation and Maintenance expenditure**

**5.a.** The Authority proposes that the following factors be reviewed for the purpose of corrections (adjustments) to tariffs:

- i) Mandated costs incurred due to directions issued by regulatory agencies like DGCA;
- ii) Change in per unit rate of costs related to electricity and water charges as determined by the respective regulatory agencies;
- iii) All statutory levies in the nature of fees, levies, taxes and other such charges by Central or State Government or local bodies, local taxes/levies, directly imposed on and paid for by AAI on final product/ service provided by AAI, will be reviewed by the Authority for the purpose of corrections (adjustments) to tariffs on a Tariff year basis. Furthermore, any additional payment by way of interest payments, penalty, fines and other such penal

levies associated with such statutory levies, which AAI has to pay for either any delay or non-compliance, the same will not be trued up. On the input side if AAI has to pay higher input costs even on account of change in levies/ taxes on any procurement of goods and services, the same will not be trued up.

## **9. Taxation**

**9.1.** As per Clause 5.5.1 of the Airport Guidelines, Taxation represents payments by the Airport Operator in respect of corporate tax on income from assets/ amenities/ facilities/ services taken into consideration for determination of Aggregate Revenue Requirement. The Authority shall review forecast for corporate tax calculation with a view to ascertain inter alia the appropriateness of the allocation and the calculations thereof. It was also clarified in the Airport Guidelines that any interest payments, penalty, fines and other such penal levies associated with corporate tax, shall not be taken into consideration for calculation of Taxation As per Clause 5.5.1 of the Airport Guidelines, Taxation represents payments by the Airport Operator in respect of corporate tax on income from assets/ amenities/ facilities/ services taken into consideration for determination of Aggregate Revenue Requirement. The Authority shall review forecast for corporate tax calculation with a view to ascertain inter alia the appropriateness of the allocation and the calculations thereof. It was also clarified in the Airport Guidelines that any interest payments, penalty, fines and other such penal levies associated with corporate tax, shall not be taken into consideration for calculation of Taxation.

**9.2.** AAI have in their submissions considered corporate tax @ 37.5%. Further, AAI have stated that the calculation of depreciation is in straight line method in the books whereas under income tax act, written down value of the assets are considered. Further, under income tax act, the depreciation is allowed at half of the applicable rates for assets commissioned/ put to use for less than 182 days during the financial year whereas in the books of accounts depreciation is charged for the full year. Besides, certain amount of expenditure which are considered for calculation of book profit are disallowed as per income tax viz., interest, royalty, fees paid for technical services, fringe benefits tax, contribution to non-statutory funds and provisions for bad debts and as such added back for reworking the profitability as per provisions of the Income Tax Act.

**9.3.** For the purpose of taxation, companies in India are broadly classified into domestic companies and foreign companies or in other words resident or non-resident. Depending on their residence they are subjected to different tax treatment. Companies that are registered in India according to the Companies Act of 1956, are deemed to be domestic companies and a company whose chief control and management are wholly located within India is also known as domestic company. A domestic company may be a public company or a private company. A company which is not registered in India and if its management control is exercised from a foreign country then it is treated as a foreign company.

**9.4.** AAI falls in the category of domestic company and as per the provisions of the Income Tax Act, 1961, the followings are applicable:

9.4.1. Any income which is received or is deemed to be received in India in the relevant Previous Year by or on behalf of such company

9.4.2. Any income which accrues or arises or is deemed to accrue or arise in India during the relevant Previous Year

9.4.3. Any income which accrues or arises outside India during the relevant Previous Year.

9.4.4. Further, Companies with more than INR 10 million total income are subjected to a surcharge @ 5% on their taxes, education cess @ 3% is applicable. So the effective tax rate works out to 30% plus 1.5% plus 0.945% which is equal to 32.445%.

**9.5.** Therefore, the Authority proposes to consider income tax @ 32.445% instead of 37.5% considered by AAI, for the purpose of the current determination. The implication of the change in income tax rate is as under:

**Table 13: Corporate Tax Assessment as per AAI and Authority for NSCBIA (Rs. in crore)**

Corporate Tax Assessment	2011-12	2012-13	2013-14	2014-15	2015-16
Tax @ 37.5% assumed by AAI Grossed up	0.03	7.38	169.74	228.23	295.07
Tax @ 32.445% Authority's Assessment	0.03	6.97	157.44	207.90	264.71

**9.6.** The Authority also notes that the corporate tax payable by AAI is a statutory payment due to the Government. Further, the tax is being expensed out as a cost in the

target revenue computations. Therefore, if the actual tax paid in any of the years (in the control period) is lower than the tax forecast to have been paid (and accordingly included in the target revenue calculation), it would lead to a situation wherein AAI would be unjustly enriched. In view of this, the Authority proposes to consider the actual tax paid for that can be ascribed to NSCBIA for the purpose of determining the target revenue. Since this number would be available only after finalisation of AAI's Annual Accounts the difference between forecast and taxes actually paid is proposed to be trued up after review at the end of the control period.

#### **Tentative Decision No9. Regarding Taxation**

- 9.a. The Authority proposes to consider corporate income tax @ 32.445%, instead of 37.5% as considered by AAI, for the purpose of the determination of tariffs during the current control period.**

#### ***Truing Up: 6. Correction/Truing up for Taxation***

- 6.a. The Authority proposes to true up the difference between the projected corporate income tax for NSCBIA and the actual corporate tax paid by AAI ascribed to NSCBIA for the current control period, while determining the aeronautical tariffs in the next control period commencing w.e.f 01.04.2016.**

#### **10. Cost of Equity, cost of Debt, leverage, Weighted Average Cost of Capital (WACC) and Fair Rate of Return (FROR)**

**10.1.** In its submissions AAI have stated that they had engaged KPMG to determine the FRoR for its airport operation business. AAI have forwarded KPMG report wherein KPMG have stated that historically AAI's Financial Accounts have been prepared and maintained at consolidated level across all the airports operated by it and that currently it is very difficult to apportion funds and prepare the financial statements for each individual airport. Hence KPMG worked with the assumption that the gearing ratio and cost of debt for the airport operation business at each airport of AAI is the same as that for AAI as a whole.

**10.2. Debt Contracted by AAI** - It has been informed by AAI that they have taken loan at Corporate level by issue of non-convertible redeemable bonds in nature of debentures for its various airport projects and same has been apportioned on the basis of Capex incurred

for these project. It has also been informed that in respect of NSCBIA, AAI have apportioned a secured loan of Rs.322.80 crores of which an amount of Rs.112.98 crores has been proposed to be repaid during 2012-13.

**10.3.** In its submissions AAI have stated that they had engaged KPMG to determine the FRoR for its airport operation business. AAI have forwarded KPMG report wherein KPMG have stated that historically AAI's Financial Accounts have been prepared and maintained at consolidated level across all the airports operated by it. Currently it is very difficult to apportion funds and prepare the financial statements for each individual airport. Hence KPMG worked with the assumption that the gearing ratio and cost of debt for the airport operation business at each airport of AAI is the same as that for AAI as a whole.

#### **10.4. Gearing and Cost of Debt**

10.4.1. As per the Airport Guidelines, the Authority shall determine a weighted average gearing in the control period for the purpose of determination of FRoR. The determination of such weighted average gearing shall have reference to actual and such projected quantum of debt submitted by the Airport Operator. The calculation of such weighted gearing shall be based on the forecast quantum of debt and equity for each Tariff Year in a Control Period. The Gearing is the level of an entity's debt compared with its equity component and is calculated as  $\text{Gearing} = \text{Debt} / (\text{Debt} + \text{Equity})$ .

10.4.2. AAI have assumed that future capital funding requirement will be met in similar Debt-Equity proportion for AAI as a whole at the current levels and projected the expected gearing to be 8.84% (Debt of Rs.675 crore and Equity of Rs.6696 crore) equivalent to debt/equity ratio )in the first control period as also stated by KPMG. The weighted average cost of existing debt of AAI is 8.03% and KPMG have assumed that AAI will be able to raise the incremental debt requirement in the first control period on similar terms. AAI have factored in the same in the tariff proposal.

#### **10.5. Weighted Average cost of Capital (WACC) [Fair Rate of Return (FRoR)]**

10.5.1. **Cost of Equity** - In the report of KPMG, submitted by AAI, the cost of equity for AAI has been computed using the Capital Asset Price Model (CAPM) and the expected cost of equity for AAI's airport operations business is projected

to be 15.64%. KPMG, in their report, have stated that “on applying the above mentioned values of various parameters to the FRoR methodology prescribed by AERA, the Fair Rate of Return for AAI’s airports operations business works out to 14.96%, i.e., 15%”. AAI have adopted this FRoR of 15% to determine the return on RAB and in discounting Target Revenue to arrive at the NPV.

**10.6.** It was further observed that vide its letter AV. 24032/037/2011-AD dated 12.03.2012, the MoCA forwarded report of SBI Capital Market Ltd (i.e. SBI Caps) in the matter of “Fair Rate of Return of Equity for Indian Airport Sector” and had stated that

*“Airports Authority of India got a study conducted through a Financial Advisor namely M/s SBI Capital Markets Ltd. (SBI CAPS). The Financial Advisor has since submitted its report and has opined that a return on the Equity in the range of 18.5% to 20.5% would be reasonable for airport sector in India. A copy of the report of the Financial Advisor is enclosed.*

.....

*3. The report of the Financial Advisor may kindly be considered in taking decision in this regard.....”*

**10.7.** In this report, forwarded by MoCA, the consultant i.e. SBI Cap had stated that FRoR in respect of aviation sector in India is 18.5% to 20.5%.

**10.8.** The building blocks and detailed methodology of calculation of WACC (FRoR) are laid down in the Authority’s Airport Order and Airport Guidelines. Further, the Authority had given an exhaustive analysis of the building blocks of WACC (FRoR) in its Order No.03/2012-13 dated 24.04.2012 (DIAL Tariff Order) in the matter of tariff determination of IGI Airport, New Delhi, taking in to consideration academic literature, practices adopted by other regulators, report of several consultants including the Authority’s Consultant, the National Institute of Public Finance and Policy (NIPFP) and stakeholder consultation responses. These are relevant for determination of WACC (FRoR) for NSCBIA airport as well. For the sake of brevity these are not reproduced here. The report of the Authority’s Consultant, NIPFP, is annexed as Annexure-I to the DIAL Tariff Order. The report of SBI Caps has also been uploaded by this Authority on the AERA website vide Public Notice No.01/2012-13 dated 12.04.2012. Both these documents may be accessed from the Authority’s website



[www.aera.gov.in](http://www.aera.gov.in). However, the key operative conclusions on the methodology are as under:

10.8.1. Selection of Comparator set of estimation of Asset Beta. The Authority has stated that the comparator set should not be restricted to only the developing/emerging countries.

10.8.2. The KPMG comparator set is limited to countries like China, Mexico and Malaysia. It is also noted that SBI CAPS have used comparator sets of airports from developing countries only. The Authority had concluded in its Order No.3/2012-13 dated 24.04.2012, in the matter of determination of aeronautical charges at IGI Airport, New Delhi (Delhi Tariff Order) that such an approach is not appropriate and a wider set of airports may provide a more meaningful basis for estimation of Asset beta as advised by NIPFP.

10.8.3. Determination of Asset beta of the airport based on the appropriately chosen comparator set.

10.8.4. The asset beta of the airport to be re-levered using the notional Debt – Equity ratio of 1.5 (equivalent to gearing of 60%). This was also the approach indicated by SBI Caps.

10.8.5. WACC calculation to be made based on the book values of Debt and Equity.

**10.9.** The Authority has reviewed the above methodology and feels that the same may be adopted to arrive at the WACC (FRoR) for NSCBIA. It has also noted that KPMG and SBI Caps have taken different values for key variables which yield different values for key parameters like asset beta etc. For example asset beta according to SBI Caps for Indian Airport Sector is 0.71 while that of KPMG for AAI Airports as a whole is 0.92. Based on its own framework mentioned above, the Authority has also noted that average asset beta for NSCBIA can be taken at **0.61** without taking into account any risk mitigating factors. This is on the basis of the comparator set used by National Institute of Public Finance and Policy (NIPFP) which contained airports of the developing regions (emerging markets) and developed regions. NIPFP as well as Authority have given reasons for taking the airports both in the developing as well as developed regions for purposes of comparator set.

**10.10.** The Authority notes that based on different values of parameters like Risk Free Rate, Equity Risk Premium, Asset Beta, etc. the value of equity beta (and therefore Rate of

Return on Equity) have been calculated differently by KPMG and SBI Caps. SBI Caps have not given its calculation for Weighted Average Cost of Capital (FRoR) as they did not have an occasion to examine the levels of debt and costs thereof in the different airports in India (including those of AAI). KPMG, however, have specifically taken into consideration the cost of debt (8.03%) as well as the overall proportion of debt for AAI as a whole, with an average debt of Rs 675 crores and average equity of Rs. 6,966 crores, equivalent to debt to equity ratio of 9.6% to arrive at a WACC of 14.96%. AAI has, therefore, rounded up this figure and made calculations for a WACC of 15%.

**10.11.** According to the above mentioned approach of the Authority, its calculation yields a WACC of 14.11%, if the debt to equity ratio of AAI as a whole is taken into consideration. The Authority notes that the higher WACC value is on account of preponderance of equity in the capital structure of AAI. However, if the actual debt-equity ratio of NSCBIA (ie., average outstanding debt of Rs.232 crore and average equity of Rs.2,009 crore giving actual D/E Ratio of 11.56%) specifically is taken into account the calculation yields a WACC of 14.03% or say 14%. The Authority, therefore, concludes that having regard to the actual debt-equity structure of AAI (or that of NSCBIA) and considering that in the current ie., first control period, the Authority would be inclined to give some allowance for the uncertainties in estimation of different parameters, WACC of 15%, as proposed by AAI, is reasonable for this control period and provides for sufficiently generous allowance for such uncertainty in estimation.

**10.12.** The Authority, however, wishes to reiterate that in order to moderate aeronautical charges, effort should be made to move towards efficient debt-equity ratio with higher proportion of debt. AAI would be in a position to obtain higher levels of debt and thereby lower its overall cost of capital i.e., WACC. This would result in lower aeronautical tariffs. The Authority had indicated in its Delhi Tariff Order that the proportion of debt of around 60% in the capital structure could be regarded as an efficient means of finance. This appears to strike a reasonable balance between moderating WACC and not, at the same time, exacerbating the financial risk on account of higher proportion of debt. The Authority also notes that moving towards the efficient debt equity structure would take time. The Authority would revisit this issue at the time of tariff determination for the next control period and make appropriate decisions.

**Tentative Decision No10. Regarding WACC (FROR)**

**10.a. The Authority proposes to consider the WACC at 15% for NSCBIA for the first control period.**

**11. Quality of Service**

**11.1.** In the scheme of the AERA Act, the Authority has two mandates relating to quality of service – first, to consider the quality of service for determination of tariff and secondly, to monitor the set performance standards relating to quality of service. These are two distinct functions - one relates to determination of tariff whereas the other relates to monitoring of set performance standards.

**11.2.** The Authority in its Airport Order had ordered that while it will discharge its other functions under the AERA Act with respect to monitoring the set performance standards as may be specified by the Central Government (Section 13 (1) (d) of the Act), it will, in accordance with the provisions of Section 13(1)(a)(ii) of the Act, take into consideration the quality of service provided by Airport Operators on specified parameters and measures while determining tariffs.

**11.3.** The specific Objective Quality of Service Parameters and Benchmarks and the Subjective Quality of Service Parameters and Benchmarks to be measured at the major airports have already been adopted by the Authority in the Airport Guidelines (Appendix 2 and Appendix 3 of the Airport Guidelines).

**11.4.** The Authority also adopted a mechanism to consider reduced tariffs for under-performance vis-a-vis specified benchmarks on quality of service to adequately protect the interest of users. Under such a mechanism, the calculated level of rebate for a year will be passed on to users of airport services in the form of reduced tariffs in the following year(s). The Authority had specified that under-performance with respect to specified benchmark for each objective service quality measure will have a monthly rebate incidence of 0.25% of aeronautical revenue, subject to an overall cap of 1.5%. As regards the subjective service quality parameters the Authority had adopted an overall benchmark of 3.5 on the Airports Council International's Airport Service Quality (ACI ASQ) survey for subjective quality of service assessment to be undertaken by all major airports. The Authority believed that in order to progressively ensure better service quality performance within the control period,

it would be appropriate to prescribe a higher overall benchmark for fourth and fifth years of the first control period. Accordingly it decided that the overall benchmark for subjective quality requirements for the fourth and fifth year of the first control period shall be 3.75 on the ACIASQ survey.

**11.5.** The Authority also considered the issue of specifying a transition period for implementation of the scheme of quality of service measurement and determination of any rebates as relevant for NSCBIA and feels that a period of one year from the date of tariff determination would be a reasonable time for AAI to appropriately align their processes/ procedures and make any other required interventions.

**11.6.** In the current determination of aeronautical tariff(s) for NSCBIA, a period of about two years of the first control period have already elapsed and given the transition period of one year, for implementation of the above scheme (quality of service measurement and determination of any rebates) would be applicable only from the fourth tariff year of the Control period i.e., 2014-15. The Authority notes that it will be possible to calculate the rebate for the year 2014-15 only in the tariff year t+2, viz., in 2016-17, which is the first tariff year of the next control period. In this light the Authority proposes to use the rebate mechanism as indicated in the Airport Order and the Airport Guidelines dated 28.02.2011 for AAI.

#### **Tentative Decision No11. Regarding Quality of Service**

**11.a.** The Authority proposes to use the rebate mechanism as indicated in the Airport Order and the Airport Guidelines for AAI.

**11.b.** The implementation of the rebate scheme would be applicable from the 4<sup>th</sup> Tariff year of the Current Control period i.e., 2014-15. Rebate for year 2014-15 would be carried out in 2016-17, which is the first tariff year of the next control period

#### **12. Matters regarding Error Correction and Annual Compliance Statement**

**12.1.** The Authority had in its Airport Guidelines laid down the error correction mechanism with reference to the adjustment to the Estimated Maximum Allowed Yield per passenger, calculated using the error correction term of Tariff Year t-2 and the

compounding factor. The error correction calculated as per the Airport Guidelines indicated the quantum of over-recovery or under-recovery due to increase or decrease respectively of the Actual Yield per passenger with respect to Actual Maximum Allowed Yield per passenger in the Tariff Year.

**12.2.** However, this is the first control period. A period of one and half year has already elapsed. Tariff being determined is to be recovered in the balance period of about three and half years of the current control period.

**12.3.** In the case of NSCBIA, the Authority has proposed to make appropriate adjustments to the RAB at the beginning of the next Control period in respect of actual investments. It has also proposed to consider the depreciation policy of AAI, the depreciation calculated in accordance thereof and Roll Forward RAB during the Control Period for the purpose of determination of tariffs for aeronautical services at NSCBIA. The Authority has also proposed to true up the traffic projection based on actual growth. It has also proposed that the non-aeronautical revenue would be trued up, after the completion of the current control period.

**12.4.** Further, the Authority also proposes that in view of all the corrections/truing up to be carried out at the end of the control period there may not be any requirement for NSCBIA to submit Annual Compliance Statements etc as per the timelines indicated in the Airport Guidelines. Instead, NSCBIA should submit the Annual Compliance Statements along with the MYTP for the next Control Period.

**12.5.** Hence the Authority proposes to consider the multi-year Annual Tariff Proposal(s) submitted by AAI in respect of NSCBIA at the MYTP stage itself.

**Tentative Decision No12. Regarding Error Correction and Annual Compliance Statement**

**12.a. The Authority proposes that NSCBIA should submit the Annual Compliance Statements for the individual tariff years of the first control period along with the MYTP for the next Control Period**

**12.b. Authority proposes to consider the multi-year ATP(s) submitted by AAI in respect of NSCBIA at the MYTP stage itself**

### 13. Aggregate Revenue Requirement for NSCBIA (ARR)

13.1. The Aggregate Revenue sought by AAI for NSCBIA i.e., for Airport and Cargo Services and the Yield per pax is as follows:

**Table 14: ARR and Yield sought by AAI**

Details (Rs.in Crores)	Tariff Year1 2011-12	Tariff Year 2 - 2012-13	Tariff Year 3 - 2013-14	Tariff Year 4 - 2014-15	Tariff Year 5 - 2015-16
Average RAB	297.61	1414.44	2392.11	2194.16	2012.11
Return on Average RAB @15%	44.64	212.17	358.82	329.12	301.82
Operating Expenditure	226.34	261.29	301.61	325.16	349.75
Depreciation	61.34	281.77	290.53	296.36	314.24
tax for return on RAB @37.5%	26.78	127.30	215.29	197.47	181.09
Less - Revenue from services other than Regulated Services	118.52	144.10	180.25	197.25	215.86
Less - Revenue from Cargo Services	36.45	39.28	42.33	45.62	49.17
ARR	204.14	699.14	943.66	905.25	881.86
No. of Passengers	10303991	11365712	12537364	13830391	15257435
Yield (Rs / pax)	198.11	615.13	752.68	654.54	577.99
Note: Operating expenditure includes cargo expenditure. ARR is for Airport Services					

13.2. The reworked ARR after considering the after taking into consideration the change in assumptions made by the Authority (Traffic Forecast, cargo revenue effecting the change in volume and rate, expenditure disallowances, etc.) has been computed in the table below:

**Table 15: Reworked ARR and Yield per pax for NSCBIA (excluding cargo revenue)**

Details (Rs.in Crores)	Tariff Year 1 2011-12	Tariff Year 2 - 2012-13	Tariff Year 3 - 2013-14	Tariff Year 4 - 2014-15	Tariff Year 5 - 2015- 16
Average RAB	297.61	1414.44	2392.11	2194.16	2012.11
Return on Average RAB @15%	44.64	212.17	358.82	329.12	301.82
Operating Expenditure	226.35	261.29	280.29	301.32	324.02
Depreciation	61.34	281.77	290.53	296.36	314.24
Corporate tax @32.445%	0.03	7.41	155.36	207.53	266.92
LESS-Revenue from services other than Regulated Services	118.52	144.10	180.25	197.25	215.86
LESS-Revenue from CARGO services	36.45	42.42	49.38	57.47	66.89
ARR(Airport operations, excluding Cargo)	177.39	576.12	855.37	879.61	924.25
No. of Passengers	10303991	11638384	13145837	14848825	16772746
Yield (Rs / pax)	172.16	495.02	650.68	592.38	551.04
Note: Operating expenditure includes cargo expenditure. ARR is for Airport Services					

### 14. Annual Tariff Proposal

14.1. During the course of discussions with AAI, it was submitted that AAI would like to submit Annual Tariff Proposals for all the years of the First Control Period for categories of aeronautical services, since there are only 3.5 years left in the control period and airport

tariffs have not been revised since 2001, except for a one time increase of 10% in 2009 for all AAI airports. Therefore current charges do not reflect normal cost escalations. Besides at NSCBIA significant capital expenditure gets capitalized in the first two years of the control period. Besides, AAI has desired that airport charge increases be split between landing, housing and parking charges, throughput charges and cargo charges that applies to airlines and User Development Fee (UDF) applicable on passengers. During discussions it was indicated that tariff increases pertaining to airlines may be given effect from 1<sup>st</sup> November, 2012 and UDF w.e.f 1<sup>st</sup> January, 2013 (in order to set aside sufficient time to minimize collection requirements at the airport). Further AAI indicated to effect an upfront increase in the aeronautical charges during financial year 2012-13 at the date aforesaid, followed by annual increases w.e.f 01 April of each tariff year during the rest of the control period. AAI have considered a WPI of 6% based on the long term forecast of WPI as available in the RBI website. Further, AAI have considered an X factor of 0.1% in their calculations.

**14.2.** Passenger Service Fee (PSF) being collected at NSCBIA is comprised of two components [PSF Security component (SC) – Rs.130 and Facilitation Component (FC) - Rs.77]. While proposing the levy of UDF for passengers at NSCBIA, AAI have included the facilitation component of the Passenger Service Fee i.e., Rs.77 in the proposed UDF levy. AAI, presently, have not proposed any increase in the PSF Security component at NSCBIA and the same shall remain at Rs.130 per passenger.

**14.3.** As regards the Cargo Facility Services at NSCBIA, which the Authority has proposed to consider under the Light Touch Approach, AAI proposes to revise the Cargo tariff upfront by 8% followed by annual increase with effect from 01.11.2012 followed by annual increase by 8% for the balance period in the Control Period.

**14.4.** Accordingly AAI have submitted the Annual Tariff proposals for the balance period of the Control period in respect of NSCBIA on 16.08.2012 wherein it is stated that:

*“Though the MYTP calculation suggest a levy of UDF to Domestic departing pax @ Rs. 697 & @ Rs. 1,996 to Intl. departing passengers, in order to minimize burden on travelling passengers, it is proposed to restrict UDF levy to Rs. 400 and Rs.1,000 for domestic and international passenger respectively effective from 1st January, 2013. It is requested that AERA may*

*please allow AAI to recover shortfall in required ARR in the subsequent control period (2<sup>nd</sup> Regulatory Control Period)".*

**14.5.** The ATPs submitted by AAI for the remainder period of the Control Period are annexed herewith for stakeholder consultation. AAI have proposed the following revision in the tariff(s)(excluding taxes/any levies):

14.5.1. Increase of 118% in International landing charges and 48% in Domestic landing charges w.e.f 01.11.2012.

14.5.2. Minimum Landing Fee of Rs. 5,000/-per landing for all flights except training flights operated by Flying Clubs.

14.5.3. Uniform increase of 83% in parking and housing charges .

14.5.4. PSF (Security) proposed to be continued at the existing rates i.e. Rs 130/-per departing pax.

14.5.5. Passenger Service Fees (PSF): No increase is proposed in current PSF (Facilitation) rate i.e. Rs 77/ per embarking passenger. From 1<sup>st</sup> January, 2013, this PSF (Facilitation) is proposed to be merged with proposed UDF levy.

14.5.6. Introduction of User Development Fees w.e.f 01.01.2013 -

14.5.6.a. Per Domestic Departing Passenger- Rs. 400.00

14.5.6.b. Per International Departing Passenger-Rs.1000.00

14.5.7. As per the understanding with the Oil Companies the Fuel Throughput charges have been proposed by AAI to be increased by 5% per annum. For FY 2012-13, revision in rates is proposed to be effective from 1<sup>st</sup> Nov. 2012 as under:

Existing Rate Rs. 1216.72 per Kilolitre. Proposed Rate Rs 1277.56 per Kilolitre.

14.5.8. For the ensuing tariff years 2013-14 onwards in the current control period, annual escalation @ 6 % p.a. w.e.f.1<sup>st</sup> April of each tariff year proposed on Landing, Housing, Parking and UDF. In the case of Fuel Throughput Charges annual escalation proposed is @ 5 % p.a. w.e.f. 1st April of ensuing financial years.



14.5.9. Increase of 8% over the prevailing cargo tariff w.e.f 01.11.2012 in FY 2011-12 and thereafter an annual increase of 8% w.e.f 01.04.2013, 01.04.2014 and 01.04.2015.

**14.6.** While examining the issue of desegregation of yield into different revenue component for tariff, the Authority has observed that AAI has included the components of cargo revenue. Hence, even if AAI were to charge Rs. 697 and Rs. 1,996 from the domestic and international passengers respectively, it still would not have been able to achieve the projected ARR/ Yield required to have WACC of 15% (refer to Table 15). At any rate it is observed that AAI has proposed reduced figure of UDF of Rs 400/- per domestic departing passenger and Rs. 1,000/- per international departing passenger as against the required rates of Rs. 697/- and Rs.1,996/-per domestic and international departing passengers respectively. This will result in a yearly shortfall in the required revenue to give a WACC of 15% during the current Control Period. This shortfall will need to be calculated and made good in the next Control Period appropriately spreading it as an additionality to the revenue requirement in the next Control Period. Hence, at the time of tariff determination in the next control period, the Authority will consider if and to what extent the shortfall in the current control period can be recouped beyond what would be calculated on the basis of data at the beginning of the next control period.

**Tentative Decision No13. Regarding ARR and ATP**

**13.a. The Authority proposes to approve the Aggregate Revenue Requirement for Airport Services as reworked in Table 15 above.**

**13.b. The Authority proposes to approve the ATP as per Annex-IV.**

***Truing Up: 7. Correction/Truing up for Tentative Decision No13***

**7.a. The Authority proposes to calculate the shortfall in ARR on account of charging of lesser UDF. Depending on the calculations and stakeholders' consultation, the Authority will consider if and to what extent the calculated shortfall will be reckoned as additional revenue requirement during the next control period (over and above what would be required on the basis of calculations only for the next control period).**

## 15. Summary of Tentative Decisions

15.1. The Summary of the tentative decisions being put forth for the stakeholder consultation is as under:

### Tentative Decision No1. Regarding MYTP and ATP for Cargo Facility Services at NSCBIA.... 8

1.a. The Authority proposes to determine the tariff for cargo facility services provided by AAI at NSCBIA under "light touch approach" for the first control period. ... 8

1.b. The Authority proposes to approve of AAI's proposal for an increase of 8% over the prevailing cargo tariff w.e.f 01.11.2012 and further increase of 8% w.e.f 01.04.2013, 01.04.2014 and 01.04.2015 ..... 8

### Tentative Decision No2. Regarding Project Cost ..... 13

2.a. The Authority proposes to consider the project cost of Rs.2938 crore (Rs.2325 crore for New Integrated Terminal Building and associated works and additional capex of Rs.613 crore) for the purpose of the current tariff determination. .... 13

#### ***Truing Up: 1. Correction / Truing up for Project Cost ..... 13***

*1.a. The project is yet to be completed. The final project cost need to be reckoned for and appropriate adjustments to the RAB need to be carried out (including the exclusion from RAB, if required, on account of decommissioning of old international terminal building). In accordance with Airport Order, corrections will be carried out in the next Control Period. .... 13*

### Tentative Decision No3. Regarding Initial RAB ..... 13

3.a. The Authority proposes to consider the initial RAB at Rs.246.47 crore as furnished by AAI. .... 13

### Tentative Decision No4. Regarding RAB, Roll forward RAB and depreciation policy..... 16

4.a. Authority proposes to consider the depreciation policy of AAI, the depreciation calculated in accordance thereof and Roll Forward RAB during the Control Period as given in Table 3 above for the purpose of determination of tariffs for aeronautical services at NSCBIA in the current control period. .... 16

#### ***Truing Up: 2. True Up/Correction for Tentative Decision No4 ..... 16***

*2.a. Depending on the capex incurred and timing thereof (i.e. the year of capitalisation of the underlying assets in question) the Authority proposes to make*

	<i>appropriate adjustments to the RAB at the beginning of the next Control period, taking into account, the accounting policies of AAI .....</i>	<i>16</i>
<b>Tentative Decision No5.</b>	<b>Regarding Traffic Forecast.....</b>	<b>18</b>
5.a.	The Authority proposes to consider the following traffic Forecast for NSCBIA for the first control period: .....	18
i)	ATM growth rate of 10.96% and 10.30% for Domestic and International movements respectively. ....	18
ii)	Passenger growth rate of 13.16% and 11.78% for Domestic and International passengers respectively. ....	18
iii)	Freight growth rate of 7.77% for International cargo only. ....	18
	<b><i>Truing Up: 3. Truing Up/Correction for Tentative Decision No5 .....</i></b>	<b><i>18</i></b>
	<i>3.a. The Authority proposes to true up the traffic projection based on actual growth.....</i>	<i>18</i>
<b>Tentative Decision No6.</b>	<b>Regarding Non Aeronautical Revenues .....</b>	<b>21</b>
6.a.	The Authority proposes to consider the Non Aero Revenue projection as submitted by AAI for determination of aeronautical tariffs for the current control period in respect of NSCBIA as given in Table 10 above. ....	21
	<b><i>Truing Up: 4. Corrections/Truing up for Tentative Decision No6 .....</i></b>	<b><i>21</i></b>
	<i>4.a. The Authority proposes to true up the non-aeronautical revenue based on the actual non-aeronautical revenue at NSCBIA while determining the tariffs for the next control period.....</i>	<i>21</i>
<b>Tentative Decision No7.</b>	<b>Regarding Throughput Fee .....</b>	<b>22</b>
7.a.	The Authority proposes to approve the 5% increase in throughput fee as per the contractual agreements with the Oil Marketing companies and give its effect as aeronautical revenue in the hands of AAI while determining aeronautical tariffs for the current control period. ....	22
<b>Tentative Decision No8.</b>	<b>Regarding Operation and Maintenance expenditure .....</b>	<b>26</b>
8.a.	The Authority proposes to consider the operational and maintenance expenditure – as given in Table 12 above, for the purpose of determination of aeronautical tariffs for the first Control Period. ....	26
	<b><i>Truing Up: 5. Truing up Corrections for Operation and Maintenance expenditure.....</i></b>	<b><i>26</i></b>

5.a.	<i>The Authority proposes that the following factors be reviewed for the purpose of corrections (adjustments) to tariffs:.....</i>	<i>26</i>
i)	<i>Mandated costs incurred due to directions issued by regulatory agencies like DGCA; 26</i>	
ii)	<i>Change in per unit rate of costs related to electricity and water charges as determined by the respective regulatory agencies;.....</i>	<i>26</i>
iii)	<i>All statutory levies in the nature of fees, levies, taxes and other such charges by Central or State Government or local bodies, local taxes/levies, directly imposed on and paid for by AAI on final product/ service provided by AAI, will be reviewed by the Authority for the purpose of corrections (adjustments) to tariffs on a Tariff year basis. Furthermore, any additional payment by way of interest payments, penalty, fines and other such penal levies associated with such statutory levies, which AAI has to pay for either any delay or non-compliance, the same will not be trued up. On the input side if AAI has to pay higher input costs even on account of change in levies/ taxes on any procurement of goods and services, the same will not be trued up. ....</i>	<i>26</i>
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**15.2.** In accordance with the provisions of Section 13(4) of the AERA Act 2008, the proposal contained in the Section – Summary of Tentative views (para 15.1 above) read with the relevant discussion in the other Sections of the paper, is hereby put forth for stakeholder consultation. To assist the stakeholders in making their submissions in a meaningful and constructive manner, necessary documents are enclosed (**Annexure I to VI**). 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 terms of the provisions of the Act.

**15.3.** The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in (para 15.1 above), latest by **28.09.2012** at the following address:

**Capt.Kapil Chaudhary**  
**Secretary**  
**Airports Economic Regulatory Authority of India**  
**AERA Building**  
**Administrative Complex**  
**Safdarjung Airport,**  
**New Delhi- 110003**  
**Email: [kapil.chaudhary@aera.gov.in](mailto:kapil.chaudhary@aera.gov.in)**  
**Tel: 011-24695040**  
**Fax: 011-24695039**

**Yashwant S. Bhave**  
**Chairperson**

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# **ANNEXURE – I**



## **BUSINESS PLAN OF KOLKATTA AIRPORT**

### **Objectives**

The objectives of this business plan are:

1. To submit to AERA for determination of the tariff for the aeronautical services namely Landing and Parking in respect of **Kolkata** Airport.
2. As per AERA Consultation Paper the Multi Year Tariff Proposal should reconcile with the Business Plan submitted.

### **Mission**

Mission: To achieve highest standards of safety and quality in air traffic services and airport management by providing state of the art infrastructure for total customer satisfaction contributing to the economic growth and prosperity of the nation.

Vision: To be a world class organization providing leadership in air traffic services and airport management and making India a major hub in Asia Pacific Region by 2016.

### **Keys to success**

The keys to success for Airports Authority of India are;

Employing an experienced ,highly professional management team that combines vision ,realism and belief in the utilization and benefits of the latest aviation ,electronic and information technologies; realization of the importance of an organization's personnel to its success and a total familiarity with and commitment to the overall mission and goals of the organization.

Concentration on safety with highly trained dedicated and professional personnel, induction of the latest state of the art equipment and also new facilities to improve standards of safety of airports .Adoptions of new and improved procedure go hand in hand with induction of new equipment.

Provision of excellent passenger facilities and related amenities at its terminals and meeting the customer's satisfaction.

## **Company Summary**

AAI was constituted by an act of Parliament and came into being on 1<sup>st</sup> April 1995 by merging erstwhile National Airports Authority and International Airports Authority. The merger brought into existence a single organization entrusted with the responsibility of creating, upgrading, maintaining and managing civil aviation infrastructure both on the ground and space in the country.

AAI manages 125 airports which includes 11 International Airports ,8 Customs Airports ,81 Domestic Airports and 27 civil enclaves at Defence airfields.AAI provides air navigation services over 2.8 million square nautical miles of air space.

## **Company Locations and Facilities**

Kolkata, located at Dum Dum near the city of Kolkata is the fifth busiest airport in India the main International airport in eastern India it is also its largest. The largest in Eastern India and the only International Airport operating in West Bengal .its prospect of becoming an Aviation Hub of the Region has prompted Airports Authority of India to undertake an expansion and modernization programme.

As the current infrastructure was unable to handle the influx of passengers, owing largely to the city's development and air traffic growth in recent years, AAI has taken up large scale airport development plans large scale airport development plans including a new state of the art integrated airport terminal. This modern glass-steel structure is being constructed using green building concepts, environment friendly technology and world class passenger facilities.

The new integrated terminal will be a v-shaped structure with two-tier operations for arrivals and departures. The integrated passenger terminal will have an apron for parking aircraft on its northern and north-eastern sides.18 aircraft are proposed to be parked there in an in contact configuration. These in turn will be supplemented by another 53 aircraft parking bays. Passengers will be able to embark/disembark from any aircraft stand and proceed to either domestic or international stations.

The first phase of modernization will enable the airport to accommodate a peak flow of 1800 passengers an hour. The airport will also have an inline baggage system which will make it redundant for passengers to go for pre-check through X-Ray machines. The approach road from the city will be uni -directional four- lane approach road merging with the existing road merging with the existing road

network without disrupting vehicular traffic flow from various other airport facilities. The proposed five level terminals will be served by an elevated roadway leading to the departure facilities. The city side will be linked to the upcoming metro rail from the main city. AAI is on the job to upgrade the CNS and ATM systems in the airport which will have a state of the art ATC tower and an adjacent technical building. There will also be a provision for metro rail connectivity from the city centre to the airport with city check in facilities.

### **Services**

The Netaji Subhash Chandra Bose International Airport at Kolkata is the gateway to the east. At NSCBI Airport Kolkatta Nine Domestic Airlines operate 792 flights per week and twelve International airlines operate 136 flights per week.

### **Market Analysis Summary**

Kolkata has good potential for traffic growth. Kolkata Airport is the largest in Eastern India and the only International Airport operating in West Bengal and has a prospect of becoming an aviation hub of the region.

The total aircraft movements (International and Domestic) handled in 2010- 2011 has shown an increase of 9% as compared to the aircraft movements handled in 2009 -2010. The higher growth in traffic is due to increase in frequency by existing airlines/start of operations by new airlines.

### **Passenger Traffic**

The total passenger traffic handled during April –March 2010-11 has increased to 9.04 million from 8.04 million resulting in a increase of 12 % as compared to passenger handled during April –March 09-10.

### **Freight Traffic**

The total freight traffic has increased to 132985 tons from 118964 tons which has registered an increase of 12% during April –March 2010-11 as compared to freight traffic handled in April –March 2009-10. The increase is due to start of freight handling by low cost airlines.

It is forecasted by CPMS Directorate that there will be a consistent growth of 8% from the year 2011-12 onwards for another 5 years in respect of aircraft movements. A growth of 12% is expected in the passenger traffic in 2011-12 and 10% from the year 2012-13 onwards for the next 5 years.

## Financials

Considering the above projections the following growth rates have been assumed for the next 5 years under the various Revenue and Expenditure heads based on which the Projected P&L Account, Balance Sheet and Cash Flow Statement have been prepared.

<b>Revenue Heads</b>	<b>Growth Rate (%)</b>
Landing	9% increase in 11-12 and 8% increase thereafter
PSF	12% increase in 11-12, 10% increase thereafter
Cargo	6% increase in 11-12 and 10% increase thereafter
Trading Concession	25% increase in 12-13 and 10% increase thereafter
Throughput Charges	9% increase in 11-12 & 8% increase thereafter
Rent & Services	20% increase in 12-13 & 10% thereafter
Miscellaneous	10% increase in 11-12 onwards
<b>Expenditure Heads</b>	
Payroll costs	9%
Administrative costs	15% in 11-12, 9% in 12-13, 7% in 13-14, 9.5% in 14-15 onwards
Utilities and outsourcing costs	12% increase in 11-12, 26% in 12-13, 9% in 13-14 and 10% increase thereafter
Repair & Maintenance	11% in 11-12, 23% in 12-13, 10% increase thereafter
Other Outflows – Consumption of Stores & Spares	7% increase in 11-12, 25% in 12-13 and 7% thereafter

Projected P&L account, Projected Balance sheet and Projected Cash flow are given below.



**Airports Authority of India**

**Position Paper on Regulatory  
Matters - Fair Rate of Return  
Estimation for AAI**

**Draft Report No. 2**

KPMG Advisory Services Private Limited  
July 2011

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1. This report has been prepared by KPMG Advisory Services Pvt Ltd ('KPMG'), an Indian private limited company and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative.
2. This report is provided to Airports Authority of India ('AAI') pursuant to the Award Letter (AAI/CHQ/REV/AERA/Consultant/2011, dated 16 June 2011) issued by AAI. It is subject in all respects to the terms and conditions of the said letter and of the proposal submitted by KPMG to AAI, including restrictions on disclosure of this presentation to third parties.
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## Disclaimer

- This document is being submitted to Airports Authority of India (AAI) as the partial Draft Report (Draft Report No. 2) for our engagement of assisting AAI in Developing a Position Paper on Regulatory Matters(AAI letter ref. AAI/CHQ/REV/AERA/Consultant/2011, dated 16 June 2011).
- This Draft Report (Draft Report No. 2) pertains to the scope of work on assisting AAI in estimation of Fair Rate of Return (FRoR). A separate Draft Report has been submitted for the remaining scope of work on assisting AAI in developing the position on appropriate regulatory till for AAI. This report (or part thereof) is a draft version only and may be revised, updated or reworked and should not be understood as the final report.
- The report contains KPMG's analysis of secondary sources of published information and incorporates the inputs gathered through meetings with industry sources, which for reasons of confidentiality, cannot be quoted in this document. While information obtained from the public domain has not been verified for authenticity, we have obtained information, as far as possible, from sources generally considered to be reliable.
- Our analysis is based on the prevailing market conditions and regulatory environment and any change may impact the outcome of our review
- Wherever our report makes reference to 'KPMG Analysis', it indicates that we have (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented; we do not accept responsibility for the underlying data. Wherever information was not available in the public domain, suitable assumptions were made to extrapolate values for the same.
- We must emphasize that the realization of the prospective financial information set out within our report (based on secondary sources, as well as our internal analysis), is dependent on the continuing validity of the assumptions on which it is based. The assumptions will need to be reviewed and revised to reflect such changes in business trends, cost structures or the direction of the business as further clarity emerges. We accept no responsibility for the realization of the prospective financial information. Our inferences therefore will not and cannot be directed to provide any assurance about the achievability of the projections. Since the projections relate to the future, actual results are likely to be different from those shown in the prospective financial information because events and circumstances frequently do not occur as expected, and differences may be material. Any advice, opinion and/ or recommendation indicated in this document shall not amount to any form of guarantee that KPMG has determined and/ or predicted future events or circumstances.

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## CHAPTER – II

### Estimation of Fair Rate of Return

#### 1 Executive Summary

- 1.1 Fair Rate of Return (FRoR) for AAI's airport operations business has been computed for the control period of next five years as per AERA Guidelines.
- 1.2 Assuming the future capital funding to be met in similar Debt-Equity proportion as the current levels, the expected gearing is projected to be 8.84%.
- 1.3 The weighted average cost of existing debt of AAI is 8.03%. It is assumed that AAI will be able to raise the incremental debt requirement in the next control period on similar terms.
- 1.4 Cost of equity has been computed using the Capital Asset Pricing Model (CAPM) as per AERA guidelines. The expected cost of equity for AAI's airport operations business is projected to be 15.64%.
- 1.5 On applying the above mentioned values of various parameters to the FRoR methodology prescribed by AERA, the Fair Rate of Return for AAI's airports operations business works out to 14.96%.

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## 2 FRoR estimation

- 2.1 As per Clause 5.1 in the AERA Guidelines on Terms and Conditions for Determination of Tariff for Airport Operators, 2011 issued on 28 February 2011 (henceforth referred to as "Guidelines"), Fair Rate of Return (FRoR) is to be estimated for a control period of five years as:

$$\text{FRoR} = (g * R_d) + ((1-g) * R_e)$$

where:

$g$  is gearing (i.e. debt / debt + equity)

$R_d$  is the pre-tax cost of debt

$R_e$  is the post-tax cost of equity

The objective of this study is to estimate FRoR for the airport operations business of AAI. Currently AAI operates as a single organization, operating 127 airports and offering multiple services at each airport. Besides performing the role of airport operator and of ANS service provider at its airports, AAI also provides ground handling and cargo handling services in certain airports.

Historically, AAI's financials have been prepared and maintained at a consolidated level across all the airports operated by it. Currently it is very difficult to apportion funds and prepare the financial statements for each individual airport. We have worked with the assumption that the gearing ratio and cost of debt for the airport operations business at each airport of AAI is the same as that for AAI as a whole.

### 2.2 Gearing (g)

For the purpose of determination of FRoR, 'g' refers to the weighted average gearing based on projected quantum of debt in a control period of five years. Since a detailed investment and funding plan is yet to be worked out by AAI, it is assumed that the capital requirements for the control period of next five years would be met through similar debt-equity ratio as that of the current FY2011 level. Debt in the estimation of gearing includes only the long term funding (excluding all short term debt<sup>1</sup>). The summary of present sources of funds for AAI is as below<sup>2</sup> –

Table 1: Sources of Funding (INR cr)

Sources of Funding	2010	2011E
<b>I. Long term debt</b>		
a. Secured Loan	300.00	600.00
b. Unsecured Loan		
- Provided by Central govt	49.57	32.28

<sup>1</sup> Of maturity less than 12 months

<sup>2</sup> Source: AAI's Provisional Financial Statements for FY 2011



- Other loans	4.00	4.00
c. Foreign Institutions	✓ 40.57	✓ 38.96
<b>Total</b>	<b>394.14</b>	<b>675.24</b>
<b>II. Equity</b>		
a. Capital Account	623.34	656.61
b. Capital Reserve	17.34	15.10
c. General Reserve	4677.85	4478.22
d. Fixed Asset replacement Reserve	1059.21	1059.21
e. Obsolescence Reserve	379.41	379.41
f. Contingency Reserve	379.41	379.41
<b>Total</b>	<b>7136.54</b>	<b>6966.96</b>
<b>Total Funding</b>	<b>7530.69</b>	<b>7642.20</b>
<b>Gearing</b>	<b>5.23%</b>	<b>8.84%</b>

75 30.14

DPE = 75 30.69

As stated above, we assume the gearing (g) in the next five years to be at 8.84%.

### 2.3 Cost of Debt ( $R_d$ )

The current debt structure and cost of each debt instrument of AAI has been analyzed. As shown in the Table below, the weighted (as per the existing debt shown above) average cost of existing debt is 8.03%<sup>3</sup>-

Table 2: Cost of existing Debt

Cost of Existing Debt	2009	2010	2011E
I. Long term debt			
a1. Secured Loan 1		7.40%	7.40%
a2. Secured Loan 2			9.20%
b. Unsecured Loan			
- Provided by Central government	12.50%	12.50%	12.50%
- Other loans			*
c. Foreign Institutions			0.07%
Net cost of debt	4.31%	7.20%	8.03%

It is being assumed that AAI will be able to raise the incremental debt requirement in the next control period with similar debt terms. Hence, the cost of debt taken for the FROR estimation for the next control period is 8.03%.

### 2.4 Cost of Equity ( $R_e$ )

As per AERA Guidelines, Capital Asset Pricing Model (CAPM) is to be used for

<sup>3</sup> AAI's Financial statements



estimation of Cost of Equity. Hence, we estimate  $R_e$  as below –

$R_e = R_f + \beta \cdot (R_m - R_f)$ , where:

$R_f$  is the Risk-free rate of return

$\beta$  (beta) is the systematic risk of an asset relative to the market

$R_m - R_f$  is the average equity risk premium above the risk-free rate that a “market” portfolio of assets is earning

#### 2.4.1 Risk-free rate of return ( $R_f$ )

The risk-free rate is derived based on the long-term bond yields. We consider 10-year bond yield (due to high trade volumes and a stronger resilience to inflation than a 30-year bond) at the valuation date for the purpose of calculation  $R_f$ .

The average yield for a 10-year bond as on 31 March 2011<sup>4</sup> of 7.99% is being used as the risk-free rate of return.

#### 2.4.2 Equity Risk premium ( $R_m - R_f$ )

Equity Risk Premium ( $R_m - R_f$ ) is the difference between the expected rate of return on the market portfolio and the risk-free rate. The market rate of return or  $R_m$  has been calculated based on 10 year annualized return on 90 days moving average of market return. Using BSE Sensex as the market return indicator, the value of  $R_m$  as on 31 March 2011 is computed to be 15.83%. As discussed above,  $R_f$  as on 31 March 2011 is 7.99%. The 10 year average for Equity Risk Premium ( $R_m - R_f$ ) therefore turns out to be 7.84% as on 31 March 2011<sup>5</sup>.

#### 2.4.3 Beta

Beta is a measure of systematic risk. Systematic risks capture the business risks of the company vis-à-vis other securities listed on the stock exchange. Currently AAI is not listed and hence measure of its Beta is not readily available. In order to estimate Beta for AAI, we looked at the Beta of comparable companies in airport operations business in Indian market. There are no listed pure airport operators currently in India. Hence, Betas of listed airport operators in the emerging markets have been considered as a proxy for the systematic risk of AAI.

We have taken a filtered approach while indentifying comparable airports, like – country of operations - Emerging markets, Business model, Regulatory environment and Liquidity of the stock. The following table provides the list of airports shortlisted after applying the above filter. The equity betas for these shortlisted airport companies were found and subsequently the asset betas for each of them were calculated by adjusting their respective financial leverage.

<sup>4</sup> Source: Bloomberg and KPMG Analysis

<sup>5</sup> Source: Bloomberg, www.bseindia.com and KPMG Analysis

Table 3: Beta of comparable airports

Airport / Group	Country	Equity Beta	Tax Rate	Debt (in Billion local currency)	Mkt Cap (in Billion local currency)	Debt /Mcap	Asset Beta
Airports of Thailand PCL	Thailand	1.14	30%	56.2	54.3	1.03	0.66
Beijing Capital International Airport	China	1.03	25%	18.5	14.8	1.25	0.53
Guangzhou Baiyun International Airport	China	0.91	25%	0.0	8.3	0.00	0.91
Shanghai International Airport	China	1.04	25%	2.5	22.0	0.11	0.96
Xiamen International Airport	China	0.95	25%	0.0	4.1	0.00	0.95
Grupo Aeroportuario del Sureste SAB de CV (Group of 9 airports in Mexico)	Mexico	0.94	30%	0.6	21.0	0.03	0.92
Grupo Aeroportuario del Pacifico SAB de CV	Mexico	0.84	30%	1.0	27.2	0.04	0.82
Grupo Aeroportuario Centro Norte, S.A. de C.V.	Mexico	0.99	30%	1.0	9.2	0.10	0.92

The median value of asset beta for the above comparable set is 0.92 which is being used as the asset beta for airport operations business of AAI. This needs to be re-levered as per the expected gearing of AAI in the control period to estimate the equity beta for AAI.

Table 4: Equity Beta for AAI

Estimated asset beta for AAI	0.92
Gearing for AAI	8.84%
Tax rate for AAI	32.45%
Equity beta for AAI	0.98

Equity beta for AAI works out to 0.98.

#### 2.4.4 Cost of Equity ( $R_e$ )

Using the above estimated values of various parameters of the CAPM model, the Cost of Equity ( $R_e$ ) for AAI for the control period of next five years is estimated as 15.64%.

Table 5: Cost of Equity for AAI

Risk-free rate	7.99%
Beta	0.98
Equity risk premium ( $R_m - R_f$ )	7.84%
<b>Cost of Equity (<math>R_e</math>)</b>	<b>15.64%</b>

## 2.5 Fair Rate of Return (FRoR)

Using the gearing ratio, cost of debt and cost of equity estimated above, the FRoR for AAI for the control period of next five years is estimated to be **14.96%** as shown below:

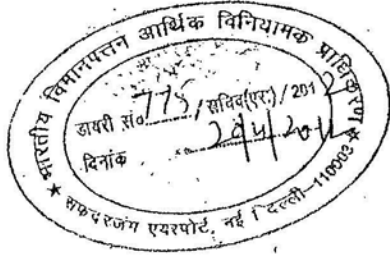
$$\begin{aligned} FROR &= (g \times Rd) + ((1 - g) \times Re) \\ &= (8.84\% \times 8.03\%) + ((1 - 8.84\%) \times 15.64\%) \\ &= 14.96\% \end{aligned}$$

## 3 Key assumptions

- 3.1 The gearing ratio, cost of debt, risk profile and hence the cost of equity for the airport operations business at all the major airports of AAI is the same as that for AAI as a whole.
- 3.2 The funding requirements for the control period of next five years would be met through similar debt-equity ratio as it exists currently.
- 3.3 AAI will be able to raise the incremental debt and equity requirement in the next control period on similar terms as it exists currently.
- 3.4 Systematic risk (Beta) of airport business of AAI is comparable to the systematic risk of the selected international airports.

\*\*\*

# **ANNEXURE -II**



AAI/CHQ/REV/AERA/Apt. Services/2012

19.04.2012

The Secretary,  
AERA,  
AERA Building,  
Administrative Complex,  
Safdarjung Airport,  
New Delhi-110003

**Sub: Submission of MYTP for Kolkata airport - reg.**

Madam,

Reference is invited to AERA letter no. AERA/20010/MYTP/AAI/ Kolkata/2011-12/2662 dated 12<sup>th</sup> March, 2012 on the above subject.

1. The point-wise information pertaining to Kolkata MYTP is as under:

- i) Note on AAI's depreciation policy attached at annexure -A.
- ii) Note on traffic forecast methodology is attached at annexure -B.
- iii) The copies of secured non-convertible redeemable bonds in the nature of debentures (Series I to III) & non-convertible redeemable bonds (Series IV) issued during FY 2009-10 for Rs 300 crs, 2010-11 for Rs 300 crs & 2011-12 for Rs 815 crs are enclosed at annexure -C.  
The terms & conditions including rate of interest, period of repayment & list of original allottees etc. are indicated in Summary Term Sheet.  
The year-wise apportionment of loan taken at corporate level to various airport projects has been done on the basis of proportionate capex incurred for projects.
- iv) Detailed component wise breakup of the revenue is given in the Form no. F13(a) & F13(b) of MYTP and expenditure breakup is furnished in the form nos. F11(b) to F11(f) of MYTP. The key assumptions for growth rates adopted for revenue & expenditure components along with justifications are given in a separate sheet included in the revised MYTP model.
- v) The revenue & expenditure projections are not adjusted for inflation except partly in case of Salary & Wages (Dearness allowance).
- vi) The break-up of project cost etc. is given in the Form F10(a) of MYTP. The Phase-I of new integrated terminal building will be complete by 30.06.2012 & Phase-II by 30.09.2012.
- vii) The mega project at Kolkata airport was approved by the Govt. of India and work on Kolkata mega project commenced well before the AERA guidelines on User Consultations came into force. However, the other capital projects during the first control period will be undertaken as per the AERA's guidelines on User Consultation.



- viii) It is informed that the accounts of AAI are audited by C&AG of India as mandated by AAI Act. C&AG's resident audit party takes up audit of AAI's regional/field offices, however the Audit Certificate is given to AAI as a whole.
- ix) Separate Responsibility/Cost Centre codes have been assigned in AAI's accounting system for capturing accounting information relating to Cargo operations. Accordingly, income, expenditure & assets pertaining to Cargo services at unit level are separately accounted in the books of AAI.
- x) Brief note on taxation rates (effective tax rate) applicable to AAI is placed at annexure-D.

2. It is informed that at present AAI is the sole Cargo Service Provider at Kolkata Airport. Though there is no formal agreement with airlines for provision of Cargo Services, however there is a broad understanding between AAI & Trade over annual escalation by 5% in Cargo rates for FY 2010-11 & 2011-12 (Copy of minutes of meeting enclosed). It is confirmed that AERA order no. 11/2011-12 dated 05.01.2011 has been implemented at Kolkata Airport.

3. Considering the above aspects and effective corporate tax rate of 37.5%, the revised MYTP for Kolkata airport along with Annual Tariff Proposal for Tariff Year-1 is enclosed herewith for your perusal and approval please.

Yours faithfully,



(Shankar Chaudhary)  
Executive Director(Finance)

Encl.: As above.

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## Depreciation Policy of AAI

AAI is following Straight Line Method of providing depreciation in books of Accounts.

### Determination of rates of depreciation

The minimum useful service life of various assets is reviewed from time to time for the purpose of scrapping and replacement considering the technical factors prevailing at the airports and also due to fast changes in technology and the obsolescence factor in aviation sector.

Depreciation rates were reviewed in 2006 by a Committee comprising of senior officers from Finance, Engineering, E& M, CNS (Planning), Technical and Electronics Departments.

On the basis of the review the depreciation rates were revised on the basis of the minimum Technical and useful service life of various assets under different categories.

The revised depreciation rates were approved by AAI Board in its 109<sup>th</sup> Board meeting held on 27<sup>th</sup> April 2007 . The revised depreciation rates were made applicable w.e.f. 1<sup>st</sup> April 2006 (FY 2006-07).

The salient aspects of the revised policy are as follows:

- a) Method of Depreciation – Straight Line Method.
- b) Additions to Fixed Assets – Depreciation to be provided for full year irrespective of month of installation/completion.
- c) No depreciation to be provided in the year the asset is disposed off/retired from active use.
- d) Residual value for each asset to be taken as Re.1 balance to be provided by way of depreciation as per prescribed rates.

The revised depreciation rates are given at annexure – I.

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SL. NO.	ASSET HEAD	Annexure - I	
		EXISTING DEPRECIATION RATE	REVISED DEPRECIATION RATE w.e.f. 1.04.2006
	Leasehold	NIL	NIL
1	RUNWAYS, TAXIWAYS, APRONS, ROADS, BRIDGES & CULVERTS	12.17%	13.00%
2	BUILDINGS FREEHOLD		
	a) Terminal, Cargo & Operational Buildings	7.31%	8.00%
	b) Temporary Buildings	100.00%	100.00%
	c) Residential	4.00%	5.00%
	d) Others	7.31%	8.00%
3	BUILDINGS LEASEHOLD	7.31%	8.00%
4	SECURITY FENCING	100.00%	100.00%
5	Boundary wall (Operational)	7.31%	8.00%
	Boundary wall (Residential)	4.00%	5.00%
6	PLANT & MACHINERY	12.17%	11.00%
7	TOOLS & EQUIPMENTS		
	X-Ray Baggage Machines	12.17%	11.00%
	Others	12.17%	20.00%
8	FURNITURE & FIXTURES	20.00%	20.00%
9	COMPUTER & I.T. HARDWARE & ACCESS.	20.00%	20.00%
10	INTANGIBLE ASSETS - COMPUTER SOFTWARE	20.00%	20.00%
11	VEHICLES		
	Crash Fire Tenders & Fire Fighting Equip.	19.19%	13.00%
	Others	12.17%	14.00%
12	AIRCRAFT and AFIS	24.34%	10.00%
13	ELEC INSTALLATIONS	12.17%	11.00%
14	OTHER OFFICE APPLIANCES	20.00%	18.00%

Note : 1. Land Freehold - No depreciation.  
2. Land Leasehold - Premium amortised over the lease period as per capitalisation policy

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### Methodologies and Assumptions involved in Traffic Forecast

The following methodologies are adopted and assumptions are made while preparing the traffic forecast :

- i) Bottom up approach is adopted i.e., the Traffic Forecast for individual airports are prepared and summed up to arrive at the traffic forecast of all the airports taken together.
- ii) While making forecast for individual airports the traffic trends of respective airport is a guiding factor.
- iii) A higher weightage is given to the traffic growth witnessed during recent past.
- iv) Regression/ Econometric Analysis are also undertaken with GDP, IIP and foreign tourist arrival as predictor variables for major airports
- v) Adequate infrastructure is created and capacity constraints are not allowed to operate.
- vi) The forecasts of other international organizations viz. ICAO, IATA, ACI and Aircraft manufacturers are also considered while finalizing the growth rates.
- vii) Adjustment for subjective factors viz., increase in oil prices, safe and secure environment for tourists, safe and secure air travel, other infrastructures like road and rail connectivity creation of adequate hotel/ motel capacity are also considered.
- viii) Fleet plans of airlines.
- ix) Factors contributing to the Traffic Growth as mentioned above will continue to operate to fuel the growth in the Civil Aviation Sector in the 12<sup>th</sup> Plan also.

The above methodologies are used both for passenger and cargo traffic, whereas the aircraft movements are projected based on the trends in passenger, aircraft movement ratios.

While making the traffic forecast, the opportunities that exist at various Indian airports and the concessions given by AAI to facilitate operation at its airports are also taken into consideration.

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**BASIS OF TAXATION RATES**

The normal Income tax rate for companies for A.Y. 09-10, 10-11 and 11-12 was 33.99%, 33.22% & 32.45% considering the surcharge of 10%, 5% and 5% respectively. However, the effective rate of tax for AAI, which is considered in the books for creation of provision for income tax comes to approx. 37 to 38% on the P.B.T.

The difference is due to the fact that, depreciation is calculated as per straight line method in the books of accounts, whereas under the Income Tax Act depreciation is calculated under W.D.V. method. Further, under the Income Tax Act assets capitalized during the period October to March, the depreciation is allowed at 50% of the applicable rates, whereas in the books of accounts the same is calculated at full rate.

Certain amount of expenditure/provisions which are considered for calculation of book profit are not allowed as deductions under the income tax act, are added back to the profit for calculation of the Income tax. The examples of which are as follows:-

- A) Interest, Royalty, Fees for technical services payable outside India u/s 40(a) (i)
- B) Fringe Benefit Tax and Income tax u/s 40(a) (ii)
- C) Tax on perquisite paid by employer u/s 40(a) (v)
- D) Contribution to non statutory funds u/s 40 (A) (9)
- E) Unpaid statutory liabilities u/s 43 (b) i.e. payments of tax duty cess or fee contribution to PF bonus to employees interest on loan borrowed from Financial Institutions/PSU Banks, any sum payable by employer in lieu of leave at the credit of the employee etc.
- F) Provisions for bad debts

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~~Annexure III~~

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**AIRPORTS AUTHORITY OF INDIA**  
**Operational Offices, Gurgaon Road, New Delhi-110037.**

No. ED/Cargo/2009/1351/17/ 579 - 595

April 19, 2010

SUMMARY RECORDS OF DISCUSSIONS HELD BETWEEN AAI AND THE APEX TRADE BODIES REGARDING REVISION OF SCHEDULE OF CHARGES ON 16.04.2010 AT 1100 HRS. AT THE AAIOI, SAFDARJUNG AIRPORT, NEW DELHI.

The following were present :

<b>Airports Authority of India</b>	<b>Apex Trade Bodies</b>
1. Shri V.k. Monga, ED(Cargo) (...in Chair)	1. Ms. Priya Safaya, Jt. Dy. Director General, FIEO
2. Shri Y.K. Goel, GM(Cargo)	2. Shri Utpal Das, Executive Committee Member, Calcutta Customs House Agents Association, Kolkata
3. Shri M. Ravi Verma, GM(F&A)	3. Shri P.C. Maity, Member, Calcutta Customs House Agents Ass., Kolkata
4. Shri B.K. Mehrotra, DGM(Cargo)	4. Shri Raman Raj Sud, Chairman, FFFAI
5. Shri Dinesh Mehra, Asstt. GM(Cargo)	5. ACAAI*
6. Shri S.K. Chauhan, Manager (Cargo)	6. CII*
	7. FICCI*
	8. ASSOCHAM*
	9. Chennai Customs House Agents Association*
	10. The Customs Clearing Agents Ass., Amritsar*
	* did not attend the meeting due to pre-occupation.

1. Chairman welcomed the members of FIEO, FFFAI, the Apex Trade Bodies of Cargo Handling Agents, importers and exporters to the 2<sup>nd</sup> round of meeting to discuss the revision of AAI schedule of charges for the next 2 years i.e. 2010-11 and 2011-12, to be levied by AAI for providing various cargo handling services at the Cargo Terminals managed by AAI. Chairman briefly recapitulated the background and informed about the letters received from ACAAI raising their objection to AAI for holding such meetings for revision of AAI charges as they have mentioned that only M/s. AERA had the jurisdiction to settle issues regarding of charges. Chairman clarified that since AERA is in place and cargo

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charges falling under Aeronautical charges, AAI has invited all the members of different Apex Bodies as per the guidelines of AERA to discuss and bring consensus between AAI and the Apex Trade Bodies before it is sent for the approval of AERA. Keeping in view the past practice and AERA Guidelines, AAI has commenced the dialogue process and requested wholehearted support from the Apex Trade Bodies on this issue.

2. Since some new members have joined for the first time, on the request of Chairman, the presentation was given by Shri Y.K. Goel, General Manager(Cargo) to update the members of the apex trade bodies. In spite of recession in cargo volumes in the past, however since October, 2009, a positive trend has emerged but AAI on its part is continuously pumping its resources to create cargo infrastructure as the same can not be built overnight. It was highlighted that Rs.79.66 crores have since been spent on building of cargo infrastructure at Chennai and Kolkata during 2008-09 to 2009-10. Further an investment of Rs. 160.00 crores have planned in 2010-11 on construction of Import Terminal Phase III at Chennai and covered shed on air side for import cargo at Kolkata Airport.

3. Shri M. Ravi Verma, GM(F&A) shared the financial part of the presentation and proposed an increase of 10% in each year 2010-11 and 2011-12. He informed that AAI did not revise charges on export side during last revision i.e. in the year 2007 keeping in view the sentiments of the exporters association particularly FIEO and still made huge capital investment for the development of cargo infrastructure / facilities in spite of the recession.

4. Thereafter, the Chairman invited the members to present their view points. Initiating the discussions, Ms. Priya Safaya of FIEO appreciated the AAI initiatives for development of infrastructure at airports and for maintaining the transparency and openness in the discussions with the trade. She further stated that FIEO is associated in this process for the last so many years and thanked AAI for keeping the sentiments of exporters in mind by not increasing the AAI charges in the last revision. She requested that though there is a positive trend in increase in exports, the situation of export is not still very good and requested AAI to maintain status quo for another year.

5. Shri Utpal Das, the representative of Kolkata Customs House Agents Association was in all appreciation of development of cargo infrastructure and facilities including AS&RS and the State of the Art Centre for Perishable Cargo developed by AAI at Kolkata Airport.

6. Shri Raman Raj Sud, Chairman of FFFAI expressed his appreciation for AAI capital investment for infrastructural development and system improvements. He, however, suggested that a wider participation of agents

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from Chennai and Kolkata Airports. He was explained that the local bodies of CHAs at Chennai and Kolkata have already been invited by AAI for this meeting. The representative of local Association of CHAs from Kolkata Airport is already present in the meeting. He was informed that the local bodies of cargo handling agents at Chennai and Kolkata have left it to FFFAI to take decision. Sh. Sud discussed telephonically with the Secretary of Cargo Handling Agents Association at Chennai and Sh. Ajay Sahai, D.G. FIEO. After discussions with them, he proposed an increase of 5% in the revision of AAI schedule of charges. Chairman agreed to discuss with AAI management about the proposal of 5% increase in schedule of charges each year of two years agreement period i.e. 2010-11 & 2011-12, before it is sent to AERA for approval.]

7. Chairman, FFFAI pointed out that Director, Customs in one of the recent meetings held in Customs House has stated that there was a formula to fix custodian charges on cargo related services which needs clarifications from Customs. He also highlighted that FICCI is also holding a meeting of Special Task Force on transactions cost in the last week of April, 2010. He raised another issue about the implementation of 72 hours free period for import cargo in the light of judgment by the Hon'ble Court and requested AAI to revisit the Court Order for correct implementation of the judgment.

8. Summing up the session, Chairman thanked the apex trade bodies for other proactive attitude and their valuable contribution in the process of fruitful discussions leading to the development of cargo infrastructure / services undertaken by AAI. Chairman assured that points raised by FFFAI will be definitely looked into. The consensus emerged on revision of Schedule of Charges shall be put up to AERA for their approval before implementation by AAI.

The meeting ended with a vote of thanks to the Chair.

  
(Y K Goel)  
General Manager(Cargo)

Distribution:

1. Apex Trade Bodies (as per list attached).
2. All participants of AAI.

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## Apex Trade Bodies

<p>Sh. Raman Raj Sud, Chairman, FFFAI, Mahinder Chambers, Opp. Dukes Factory, W.T. Patil Marg, Chembur, Mumbai 400 071 Telfax : 67107500 (Mumbai) / 25655224 (Del) / Tel. 25655166/161/181 (Del), Mob 9891546460 Email : <a href="mailto:fffai@vsnl.com">fffai@vsnl.com</a></p>	<p>ACAAI, 28 - B, Nariman Bhavan, Nariman Point, Mumbai - 400021 Maharashtra, India. Fax No.: 91-22-2282 4029 E-mail: <a href="mailto:ho_bom@acaai.org.in">ho_bom@acaai.org.in</a></p>
<p>Mr. N. Sivasubramaniam, Chairman, ACAAI (SR, Chennai), C/o AIR CONNECTION PVT. LTD. # 18, Poes Road, First Street, Teynampet, Chennai - 600 018 Fax: (044) 24320444 Email: <a href="mailto:acpl87@eth.net">acpl87@eth.net</a></p>	<p>Mr. P. Shanmugam, Chairman, ACAAI (Coimbatore-Tirupur Sub region), C/o SHAAN'S CARGO PVT. LTD., Shaan's Building, Site No.155, Nanjappa Nagar, (Near Rajalakshmi Mills) Trichy Road, Singanallur, Coimbatore-641 005. Fax: +91 422 2599336 Email: <a href="mailto:shaan@shaanscjb.com">shaan@shaanscjb.com</a></p>
<p>Sh. Ajay Sahay, Director General, Federation of Indian Exports Organisation, Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research &amp; Referral, New Delhi-110 057 Fax: +91-11-26148194, 26150066, 26150077 Email: <a href="mailto:fiexo@nda.vsnl.net.in">fiexo@nda.vsnl.net.in</a>; <a href="mailto:fiexo@airtelmail.in">fiexo@airtelmail.in</a>; <a href="mailto:ajaysahai@fiexo.org">ajaysahai@fiexo.org</a></p>	<p>Sh. Chandrajit Banerjee, [Director General] Confederation of Indian Industry Mantosh Sondhi Centre, 23 Institutional Area, Lodi Road, New Delhi-110003 Fax :91-11-24626149 / 24633168 Email : <a href="mailto:cb@cii.in">cb@cii.in</a></p>
<p>Sh. Mahesh Reddy, FICCI, Federation House, Tansen Marg, New Delhi-110001 Fax 011-23320714, 23721504 Email: <a href="mailto:ficci@ficci.com">ficci@ficci.com</a>; <a href="mailto:infra@ficci.com">infra@ficci.com</a>; <a href="mailto:maheshreddy@ficci.com">maheshreddy@ficci.com</a></p>	<p>Sh. D S Rawat, Secretary General, The Associated Chambers of Commerce and Industry of India, 1, Community Centre, Zamrudpur, Kailash Colony New Delhi – 110 048 Fax: 46536481/482/497/498/489 E-mail: <a href="mailto:assochem@nic.in">assochem@nic.in</a>; <a href="mailto:d.s.rawat@assochem.com">d.s.rawat@assochem.com</a></p>
<p>Sh. P.S. Krishanan, President, Chennai Custom House Agent's Association, No. 40, Moore Street, Chennai-600 001 Fax : 044-25221657 Mob. 9840062283 e.mail : <a href="mailto:gurushipping@gmail.com">gurushipping@gmail.com</a></p>	<p>Sh. Uttpal Das, Chairman(Airport Sub Committee), Calcutta Customs House Agents' Association, 23, Sir R N Mukherjee Road, Kolkata-700001. Fax:033-22482951 Mob 9830028828 e.mail : <a href="mailto:cchaa@sify.com">cchaa@sify.com</a></p>
<p>Sh. Dilip Singh, Secretary, The Customs Clearing Agents Association, Bazar Gujran, Majith Mandi, Amritsar. Phone:0183-2543688/ 2226094 Fax 0183-2558131 Mob 9814051978</p>	

**( First Year: 2010 – 11 )**  
 ( @5% increase )

**( Second Year: 2011 – 12 )**  
 ( @5% sub sequential increase )

*Proposed*

**THE SCHEDULE**  
 ( See regulation 5 )

**PART - I**

**CHARGES AT AAI AIRPORTS**

**A - EXPORT CARGO**

**(I) TERMINAL, STORAGE AND PROCESSING CHARGES**

Sl. No.	Type of Cargo	Rates " Fin Yr: 2010 – 11" ( with effect from _____ , 2010)		Rates " Fin Yr: 2011 – 12 " ( with effect from <u>April</u> , 2011 )	
		Rs/P		Rs/P	
		Rate per kilogram	Minimum rate per consignment	Rate per kilogram	Minimum rate per consignment
(1)	(2)	(3)	(4)	(5)	(6)
1	General	Re. 0.74	Rs. 125.00	Re. 0.78	Rs. 130.00
2	# Special	Rs. 1.47	Rs. 245.00	Rs. 1.54	Rs. 255.00
3	Perishable	Re. 0.74	Rs. 125.00	Re. 0.78	Rs. 130.00

**(II) DEMURRAGE CHARGES (Leviable From Shipper)**

Sl. No.	Type of Cargo	Rates " Fin Yr: 2010 – 11" ( with effect from _____ , 2010)		Rates " Fin Yr: 2011 – 12 " ( with effect from <u>April</u> , 2011 )	
		Rs/P		Rs/P	
		Rate per kilogram	Minimum rate per consignment	Rate per kilogram	Minimum rate per consignment
(1)	(2)	(3)	(4)	(5)	(6)
1	General	Re. 0.76	Rs. 125.00	Re. 0.80	Rs. 130.00
2	# Special	Rs. 1.50	Rs. 245.00	Rs. 1.58	Rs. 255.00
3	Perishable	Re. 0.76	Rs. 125.00	Re. 0.80	Rs. 130.00

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**NOTES:**

1. The free period for export cargo shall be one working day (24 hours) for examination/processing by the shippers.
2. 10% discount in the Terminal, Storage and Processing charges will be granted to Exports who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to Custom Examination Area.
3. Terminal, Storage and Processing charges applicable to Newspaper and TV reel consignments shall be 50% of the prescribed charges.
4. Consignments of human remains, coffin including unaccompanied baggage of deceased and Human eyes will be exempted from the purview of Terminal, Storage and Processing and Demurrage charges.
5. Terminal, Storage and Processing charges are inclusive of Forklift charges wherever Forklift usage is involved. No separate Forklift charges will be levied.
6. # Special cargo consists of live animals, hazardous goods and valuable cargo.
7. Charges will be levied on the '**gross weight**' or the '**chargeable weight**' of the consignment, whichever is higher. Wherever the '**gross weight**' and (or) '**volume weight**' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the '**actual gross weight**' or '**actual volumetric weight**', whichever is higher.
8. For misdeclaration of weight above 2% and upto 5% of declared weight, penal charges @ double the applicable Terminal, Storage and Processing charges and for variation above 5%, the penal charges @ 5 times the applicable Terminal, Storage and Processing charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum Terminal Storage and Processing Charges. No penal charges will be leviable for variation upto and inclusive of 2%. This will not apply to Valuable Cargo.
9. All the Bills shall be rounded off to the nearest of Rs. 5/-. As per IATA Tact Rule book Clause-5.7.2, the rounding off procedure, when the rounding off Unit is 5.

**When the results of calculations are between / and**

**Rounded off amount will be**

102.5 -	107.4	105
107.5 -	112.4	110

10. As an incentive to trade to utilize the lean hours, 20% discount in the Terminal, Storage and Processing charges will be granted for Export cargo admitted between 1000 hrs to 1500 hrs, subject to levy of minimum rate per consignment as given in Scale of Charges.
11. Merchant Over Time (MOT) charges @ Rs.200.00 per consignment for admitting cargo beyond normal working hours.

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**B - IMPORT CARGO**

**(I) TERMINAL, STORAGE AND PROCESSING CHARGES**

Sl. No.	Type of Cargo	Rates " Fin Yr: 2010 - 11" ( with effect from _____ , 2010)		Rates " Fin Yr: 2011 - 12 " ( with effect from <u>April</u> , 2011)	
		Rs/P		Rs/P	
		Rate per kilogram	Minimum rate per consignment	Rate per kilogram	Minimum rate per consignment
(1)	(2)	(3)	(4)	(5)	(6)
1	General	<b>Rs. 4.96</b>	Rs. 135.00	<b>Rs. 5.21</b>	Rs. 140.00
2	# Special and Valuable	<b>Rs. 9.89</b>	Rs. 265.00	<b>Rs. 10.38</b>	Rs. 280.00

**(II) DEMURRAGE CHARGES**

Free storage period for Import cargo shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (Five working days). If clearance is affected after 120 hrs. (05 working days) demurrage will accrue for the entire period from the date/time of the arrival of the flight, as follows:-

Sl. No	Type of Cargo	PERIOD	Rates " Fin Yr: 2010 - 11" ( with effect from _____, 2010)		Rates " Fin Yr: 2011 - 12 " ( with effect from <u>April</u> , 2011)	
			Rs/P		Rs/P	
			Rate per Kilogram per day	Minimum rate per consignment	Rate per Kilogram per day	Minimum rate per consignment
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	General Cargo	Up to 120 hrs. (5 days working) including free period.	<b>Rs.1.44</b>	Rs. 325.00	<b>Rs.1.51</b>	Rs. 340.00
		Between 120 hrs. and 720 hrs (6 and 30 days)	<b>Rs. 2.87</b>		<b>Rs. 3.01</b>	
		Beyond 720 hrs. (30 days)	<b>Rs. 4.31</b>		<b>Rs. 4.53</b>	
2.	# Special Cargo	Up to 120 hrs. (05 working days) including free period	<b>Rs. 2.87</b>	Rs. 640.00	<b>Rs. 3.01</b>	Rs. 670.00
		Between 120 hrs. and 720 hrs (6 and 30 days)	<b>Rs. 5.73</b>		<b>Rs. 6.02</b>	
		Beyond 720 hrs. (30 days)	<b>Rs. 8.60</b>		<b>Rs. 9.03</b>	
3.	@ Valuable Cargo	Up to 120 hrs. (05 working days) including free period	<b>Rs. 5.73</b>	Rs. 1,280.00	<b>Rs. 6.02</b>	Rs. 1,340.00
		Between 120 hrs. and 720 hrs (6 and 30 days)	<b>Rs. 11.47</b>		<b>Rs. 12.04/-</b>	
		Beyond 720 hrs. (30 days)	<b>Rs. 17.20</b>		<b>Rs. 18.06</b>	

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**NOTES:**

1. Consignments of human remains, coffin including baggage of deceased and Human eyes will be exempted from the purview of Terminal, Storage and Processing and Demurrage charges.
2. No separate Forklift charges will be levied.
3. Charges will be levied on the 'gross weight' or the 'chargeable weight' of the consignment whichever is higher. Wherever the 'gross weight' and (or) volume weight is wrongly indicated on the Airway Bill and is actually found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight' or 'chargeable weight' whichever is higher.
4. # Special Import cargo consists of cargo stored in cold storage, live animals and hazardous goods.
5. @ Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheques, diamonds (including diamonds for industrial use), diamond jewelry, jewelry & watches made of silver, gold platinum and items valued at USD 1000 per Kg. and above.
6. All the Bills shall be rounded off to the nearest of Rs. 5/-. As per IATA Tact Rule book Clause-5.7.2, the rounding off procedure, when the rounding off Unit is 5.

When the results of calculations are between / and

Rounded off amount will be

102.5	-	107.4
107.5	-	112.4

105
110

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ANNUAL TARIFF PROPOSAL FOR TARIFF YEAR -1 (2011-12)  
PERTAINING TO REGULATED SERVICES AT KOLKATA AIRPORT

Sl.No	Particular of Charges	% increase proposed
1	Landing, Parking & Housing Charges	160%
2	PSF(Facilitation)	30%
3	UDF - Dom. @ Rs 400 per departing pax	New Levy
	UDF - Intl. @ Rs 1100 per departing pax	New Levy
4	Ground Handling Activities	No increase
5	Throughput Charges	No increase
6	Cargo Charges	8%

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**AIRPORTS AUTHORITY OF INDIA**

**KEY ASSUMPTIONS ON KOLKATA MYTP**

SI no	Parameters	Assumptions	Basis of assumption
<b>1</b>	<b>Traffic</b>		
i	Passenger growth rate per annum (combined Dom.+Intl.)	12% Growth in 11 - 12 & 10% thereafter upto 19 - 20.	Passenger Growth rates assumed as per forecast made by CPMS deptt. of AAI taking into account econometric analysis, regression analysis pertinent economic factors & policy framework etc. However recently CPMS has revised the forecast which is attached.
ii	Growth rate of aircraft movements per annum (combined Dom.+Intl.)	9% in 11 - 12, 8% from 12 - 13 to 16 - 17 and 9% from 17 - 18 to 19 - 20	Aircraft growth rates assumed as per forecast made by CPMS deptt. of AAI taking into account econometric analysis, regression analysis pertinent economic factors & policy framework etc.
iii	Expected date of commencement of operation from new terminal building	July - Sept 2012.	
iv	Percentage of departing passengers	50% total passengers handled at the airport	
v	Cargo freight (International)	6% growth in 11-12, 10% increase p.a. in 12-13 up to 16-17 & 12% increase p.a. thereafter.	Cargo growth rates assumed as per the forecast made by CPMS deptt. of AAI considering the econometric analysis, regression analysis and various economic factors and policy framework etc.
<b>2</b>	<b>Regulated Revenue</b>		
i.	Growth rate of Landing, Parking & Housing Revenue	As per the growth rates of aircraft movements projected by CPMS	Revenue from Landing, Parking & Housing is correlated to no of aircraft landings, hence same growth rate as that of aircrafts has been adopted
ii	Growth rate of Passenger Service Fee (Facilitation)	Same as passenger growth rate mentioned above	
<b>3</b>	<b>Other than Regulated Revenue</b>		
	Public Admission Fee	10% increase p.a. from 11 - 12 onwards	Based on past trend /annual escalation clause in the comml. contract.
i	Trading Concessions including Restaurant, Hoarding & display, duty free shops , Throughput charge, GHA etc	i) Revenue from Restaurants / SnackBar/ Flight Kitchens/ Duty free shops/ Stalls/hoarding & Display is expected to grow @ 10% in 11-12, 50% increase in 12-13 (10% for Duty free shops in 12-13) and 50% increase in 13-14 and 10% increase p.a thereafter. ii) Throughput charges: 9% increase in 11-12 and 8% increase p.a. in 12 - 13 onwards. iii) Ground Handling : 11% increase in 11-12 & 10% increase p.a. from 12 - 13 onwards iv) Car Rentals, other Misc items - 10% increase p.a. in 11-12 onwards	i) 10% increase in 11-12 is based on past trend and normal escalation in comml. contracts. 50% increase in Restaurants/Snackbars/Flight Kitchen/ Stalls/ Hoarding & Displays during 12-13 & 13-14 is due to commissioning of NTB with larger area. & normal increase is estimated for 14-15 onwards. Revenue from Duty Free Shops is expected to increase by 50% in 13-14 following the commissioning of NTB in 12-13 & normal increase of 10% p.a. is expected in remaining years. ii) Increase in Throughput charges is as per the growth rate considered for aircraft movements. iii) Increase in GHA is as per normal annual escalation. iv) Other misc items including Car rentals etc. are estimated to grow at nominal rate of 10% p.a.

ii	Rent and Services including Land lease and buildings non-residential	i) 10% increase in 11-12 & 7.5% increase p.a. in 12-13 onwards for Land Rent, Lease & Hangers. ii) 10% increase in 11-12 & 25% increase in 12-13 & 10% increase p.a. in 13-14 onwards for Building non-residential & others	i) 10% increase in 11-12 for Land Rent & Lease is based on RE 11-12 and 7.5% increase p.a. in 12-13 onwards is as per normal annual escalation clause. ii) 10% increase in 11-12 for rent pertaining to building non-residential & others is as per normal annual escalation and 25% increase projected in 12-13 is due to commissioning of new T.B. Normal increase @ 10% p.a. in Rent for 13-14 onwards is as per normal annual escalation in comml. contracts.
iii	Miscellaneous revenue	10% increase in 11-12 onwards	10% annual escalation in misc. revenue is based on 10% growth estimated for misc items as per normal trend.
<b>4 Expenses</b>			
i	Growth rate of Pay roll related expenses	Salaries & wages, including Dearness Allowances, House Rent Allowance & other perquisites and allowances, medical expenses, Overtime expenses, staff welfare, Provident Fund Contribution and other staff costs are estimated to grow at a rate of 9% p.a. Apportionment of CHQ expenses & OTA is estimated to increase @ 5% p.a. Average increase for pay roll related expenses is estimated at 7% p.a.	i) Combined effect of annual increments, promotions, increase in DA, perks and allowances comes around 9% approx. This assumption, however, does not account for the increase in staff strength. (ii) Staff related expenses of CHQ apportioned to airports on the basis of number of employees at the airports. Other expenses of CHQ proportionately apportioned to airports based on revenue of the airports as per the existing methodology of AAI.
ii	Administration and General Expenditure	i) Rent rates & taxes - 40% increase in 11 - 12 & 10% p.a. thereafter. ii) Insurance - 16% increase in 11 - 12, 63% increase in 12 - 13 & 10% thereafter. iii) Advt. & Publicity - 58% increase in 11-12, 118% increase in 12-13, drop of 46% in 13-14 and 10% increase p.a. thereafter. iv) Municipal Taxes - 18% growth in 11 - 12, in 12-13 - 30% increase and 3% p.a. increase thereafter. v) Legal Fees - 67% increase in 11 - 12, drop of 27% in 12 - 13 & 10% increase thereafter. vi) Other Professional Fees - 30% decrease in 11 - 12 & 73% increase in 12 - 13 ; 13 - 14 onwards 10% increase vii) Admin Exp. - 10% increase p.a. viii) Other admin exp. - 13% increase in 11 - 12 & 10% p.a. increase from 12 - 13 onwards	i) Increase in rent & taxes incld. Airport licence fees, tax on vehicle projected based on present trend & future projection. ii) Insurance cost increase by 63% in 12 - 13 due to commissioning of NTB. It follows normal increase afterwards. iii) 58% increase in 11-12 is based on the revised estimates for FY 11-12 & 118% projected increase in 12-13 is mainly due to provision of expenses relating to inauguration of NTB in 12-13. Drop of 46% in 13-14 is due to exclusion of non-recurring expenses (on inauguration of NTB). Normal growth rate of 10% in 14-15 onwards is as per normal trend. iv) Basis of assumption of increase of Municipal tax is expected hike in tax by municipal authorities due to commissioning of NTB & resultant commercial use. v) Increase of legal fees in 11-12 is based on actual trend & future projections is based on past trend by incorporating normal increase.  vi) 73% increase in professional fees in 12 - 13 on 11 - 12 is due to expected drop in 11 - 12. Afterwards normal increase has been assumed. vii) Nominal increase of 10% is estimated in Admin exp in the coming years as no significant variation is foreseen. viii) Nominal increase in Other Admin Exp is assumed without significant variation.
iii	Growth rates for repairs and maintenance expenses	i) Civil : 9% in 11 - 12, growth of 25% in 12 - 13 and 10% p.a. from 13 - 14 onwards. ii) Electrical: 12% in 11 - 12, 22% in 12 - 13 & 10% p.a. thereafter iii) Plant, Machinery & Vehicle: 15% in 11 - 12, 20% in 12 - 13 & 10% p.a. thereafter. iv) Electronics: 18% in 11 - 12, 24% in 12 - 13 & 10% p.a. thereafter. v) Office Equipment: 17% in 11 - 12, 24% in 12 - 13 & 10% p.a. thereafter.	R&M Expenses in 11-12 are based on the revised estimates for FY 11-12 and projected increase in expenses during 12-13 are due to commissioning of NTB, which will lead to increased AMCs for R & M. 10% rate of increase is projected 13 - 14 onwards in r/o all the R & M heads based on normal trend.



iii	Utilities and Outsourcing Expenses	<p>i) Power Charges: 36% increase p.a. in 11-12, 72% increase in 12-13, 12% increase p.a. in 12-13 onwards.</p> <p>(ii) Conservancy / Cleaning : 9% increase in 11 - 12, 24% in 12 - 13, &amp; 7% p.a. from 13 - 14 onwards.</p> <p>(iii) Car hire: 5% growth for 11 - 12, 15% in 12 - 13, &amp; 10% p.a. thereafter.</p> <p>(iv) Other Hire Charges: 3% in 11 - 12, 15% in 12 - 13, 12% in 13 - 14 &amp; 10% p.a. thereafter.</p> <p>(v) Hire Charges - other vehicle: 52% growth for 11 - 12, &amp; 10% p.a. thereafter.</p> <p>(vi) Decorating Exp: 12% increase in 11-12, 160% in 12 - 13, drop of 33% in 13-14 &amp; increase of 12% p.a. in 14-15 onwards.</p> <p>(vii) Horticultural Exp. : 85% &amp; 10% growth in 11 - 12 &amp; 12 - 13, 27% decrease in 13 - 14, growth of 25% &amp; 10% for next 2 years.</p> <p>(viii) Computer Data Processing Charges: 11% growth in 11-12 &amp; 12% increase p.a. in 12.13 onwards.</p>	<p>(i) Increase projected in 11-12 is based on revised estimates for FY 11-12, 72% increase in 12-13 is due to commissioning of NTB (addition of 300% in area) with larger area for lighting, airconditioning &amp; installation of more no of electrical &amp; electronic systems leading to increase in power consumption. Normal trend of 12% increase p.a. is estimated for 13-14 onwards.</p> <p>(ii) Conservancy, Car &amp; vehicle Hire are estimated to grow at a higher rate in 12 - 13 due to increased capacity on commissioning of NTB, afterwards they are assumed to follow normal trend.</p> <p>(iii) Other hire charges depict Cargo Handling Charges which is projected to grow as per expected growth in cargo handling.</p> <p>(vi) Decorating &amp; Horticultural expenses assumed to grow in 12-13 following commissioning of NTB. Decrease in expenses during 13-14 is due to absence of major exp. immediately after commissioning of NTB in 12-13. 12% increase p.a. in 13-14 onwards is expected as per normal trend.</p> <p>(viii) Computer data processing charges are expected to grow nominally @ 11-12% p.a.</p>
iv	Other outflow	<p>i) Consumption of stores: growth 7% p.a. from 11 - 12 onwards ( growth of 25% in 12 - 13).</p> <p>ii) Financing Charges: Starting from 13 - 14 &amp; drop of 6% in 15 - 16.</p> <p>iii) Depreciation : 25% in 11 - 12, 359% in 12 - 13, 3% in 13 - 14 &amp; 2% p.a. thereafter.</p> <p>iv) Cargo Security: Starts from 11 - 12, growth of 5% in 12 - 13 &amp; 10% p.a. from 13 - 14 onwards.</p>	<p>Consumption of stores is expected to shoot up by 25% in 12 - 13 with commissioning of NTB, otherwise it is expected to grow at a nominal rate.</p> <p>Financing charges for construction of NTB has been taken into account from 13 - 14 onwards. Increase in depreciation by 25% in 11 - 12 &amp; 359% in 12 - 13 is due to commissioning of NTB. Cargo Security expense, which is not covered by matching PSF Security Revenue, has been projected from 11 - 12, with normal increase afterwards.</p>
5	<b>Tax rates</b>		
i	Corporate tax	Corporate tax rate 30.9% & effective tax rate of 37.5% have been considered in MYTP	Though the corporate tax rate is 30.9%. Due to differential in depreciation rates adopted by Tax authorities and AAI and due to disallowances of many expenses, the effective tax rate for AAI is worked out at 37.5% and same has been adopted in MYTP.
6	<b>Assets</b>		
iii	Depreciation rate	Depreciation rates adopted for various asset categories are as per the depreciation policy of AAI. Depreciation rates are indicated in Form F9 - RAB	Depreciation rate followed by AAI is as per accounting policy approved by AAI Board considering the useful / technical life of the assets. As per the depreciation policy of AAI, the assets are depreciated upto 100% of its acquisition costs. Depreciation is charged for full year irrespective of the actual date of capitalisation and no depreciation is charged in the year the assets are disposed off.
7	<b>FRoR</b>	FRoR has been considered at 15%	FRoR has been considered at 15% as per the report submitted by the M/s KPMG.

Form F1: Historical and Proposed Aggregate Revenue Requirement (ref: Section A5.2)

**KOLKATA AIRPORT - AIRPORT SERVICES**

[RS. IN LAKHS]

Sl. No.	Aggregate Revenue Requirement	Last available audited year#	Financial Year before Tariff Year 1* 10-11	Tariff Year 1 (2011-12)	Tariff Year 2 (2012-13)	Tariff Year 3 (2013-14)	Tariff Year 4 (2014-15)	Tariff Year 5 (2015-16)
1	Aggregate Revenue Requirement			19,263.17	69,062.08	93,854.90	89,746.42	85,004.72

Form F1: Historical and Proposed Aggregate Revenue Requirement (ref: Section A5.2)

**KOLKATA AIRPORT - CARGO**

[RS. IN LAKHS]

Sl. No.	Aggregate Revenue Requirement	Last available audited year#	Financial Year before Tariff Year 1* 10-11	Tariff Year 1 (2011-12)	Tariff Year 2 (2012-13)	Tariff Year 3 (2013-14)	Tariff Year 4 (2014-15)	Tariff Year 5 (2015-16)
1	Aggregate Revenue Requirement			10,648.31	9,647.40	8,704.91	8,909.22	12,280.89

## NSCBI AIRPORT, KOLKATA

**Form F2(a): HISTORICAL & PROJECTED BALANCE SHEET**

[RS IN LAKHS]

**KOLKATA AIRPORT**

S.N.	Particulars	2010 - 11	Tariff Year 1 (2011-12)	Tariff year 2 (2012-13)	Tariff year 3 (2013-14)	Tariff year 4 (2014-15)	Tariff year 5 (2015-16)
1	<b>SOURCES OF FUNDS</b>						
	A) Shareholders' Funds	118411.55	173107.35	233944.38	217531.29	195788.81	184308.37
	B) Loan Funds	22280.00	32280.00	20982.00	20982.00	20982.00	20982.00
	C) Capital Grants						
	D) Deferred Tax Liability						
	<b>TOTAL SOURCES OF FUND</b>	<b>140691.55</b>	<b>205387.35</b>	<b>254926.38</b>	<b>238513.29</b>	<b>216770.81</b>	<b>205290.37</b>
2	<b>APPLICATIONS OF FUNDS</b>						
	A) Fixed Assets						
	a) Gross Block (Including Land)	57569.90	73931.90	315245.90	326695.90	334345.90	351345.90
	b) less: Accumulated Depreciation	32922.73	39056.72	67233.50	96286.31	125922.29	157346.45
	c) Net Block	24647.17	34875.18	248012.40	230409.59	208423.61	193999.45
	d) Capital Work in Progress	110232.93	164933.00	1600.00	3200.00	3900.00	7350.00
	B) Investments						
	C) Deferred Tax Assets						
	<b>D) Current assets Loans &amp; Advances</b>						
	i) Sundry Debtors	10117.67	10522.38	10943.27	11271.57	11609.72	11958.01
	ii) Inventories	222.38	229.05	235.92	243.00	250.29	257.80
	iii) Cash and Bank Balance	1090.94	1123.67	1157.38	1192.10	1227.86	1264.70
	iv) Loans and Advances	775.65	814.43	855.15	897.91	942.81	989.95
	v) Others	7049.57	7190.56	7334.37	7481.06	7630.68	7783.29
	<b>Total (D)</b>	<b>19256.21</b>	<b>19880.09</b>	<b>20526.10</b>	<b>21085.64</b>	<b>21661.36</b>	<b>22253.75</b>
	<b>Less: Current Liabilities &amp; Provisions</b>						
	i) Current Liabilities	7457.70	7905.16	8379.47	8882.24	9415.17	9980.08
	ii) Sundry Creditors	3.32	3.52	3.73	3.95	4.19	4.44
	iii) Liabilities towards Suppliers	345.34	359.15	373.52	388.46	404.00	420.16
	iv) Provisions	5638.40	6033.09	6455.40	6907.28	7390.79	7908.15
	<b>Total</b>	<b>13444.76</b>	<b>14300.92</b>	<b>15212.13</b>	<b>16181.94</b>	<b>17214.16</b>	<b>18312.83</b>
	<b>Net Current Assets</b>	<b>5811.45</b>	<b>5579.17</b>	<b>5313.97</b>	<b>4903.70</b>	<b>4447.20</b>	<b>3940.91</b>
	<b>TOTAL APPLICATIONS OF FUNDS</b>	<b>140691.55</b>	<b>205387.35</b>	<b>254926.38</b>	<b>238513.29</b>	<b>216770.81</b>	<b>205290.37</b>

NSCBI AIRPORT, KOLKATA

Form F2(b): Historical & Projected Profit & Loss Account  
KOLKATA AIRPORT

[RS. IN LAKHS]

S.N.	Particulars with detailed breakup	F.Y before Tariff year 1* (2010-11)			Tariff year 1 (2011-12)			Tariff year 2 (2012-13)			Tariff year 3 (2013-14)			Tariff year 4 (2014-15)			Tariff year 5 (2015-16)		
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL
<b>1</b>	<b>Revenue</b>																		
	Revenue from Regulated Services	12804.47	3580.63	16385.10	14073.35	3795.47	17868.82	15286.19	4175.01	19461.20	16604.75	4592.52	21197.27	18038.36	5051.77	23090.13	19597.19	5556.94	25154.14
	Revenue from other than Regulated Services	10443.52		10443.52	11851.95		11851.95	14409.97		14409.97	18025.44		18025.44	19724.18		19724.18	21586.18		21586.18
	<b>TOTAL</b>	<b>23247.99</b>	<b>3580.63</b>	<b>26828.62</b>	<b>25925.30</b>	<b>3795.47</b>	<b>29720.77</b>	<b>29696.15</b>	<b>4175.01</b>	<b>33871.17</b>	<b>34630.19</b>	<b>4592.52</b>	<b>39222.71</b>	<b>37762.55</b>	<b>5051.77</b>	<b>42814.31</b>	<b>41183.37</b>	<b>5556.94</b>	<b>46740.32</b>
<b>2</b>	<b>Operation &amp; Maintenance expenditure</b>																		
	Payroll Costs	14219.52	1486.15	15705.67	14929.40	1912.30	16841.70	15993.85	2046.63	18040.48	17140.14	2191.17	19331.31	18374.95	2346.73	20721.67	19705.49	2514.21	22219.70
	Repair & Maintenance Costs	1702.13	196.06	1898.19	1880.12	221.63	2101.75	2350.15	243.80	2593.94	2585.16	268.18	2853.34	2843.68	294.99	3138.67	3128.04	324.49	3452.54
	Administrative & General Costs	927.78	45.60	973.38	1056.02	51.77	1107.79	1216.06	60.65	1276.71	1297.07	62.76	1359.84	1422.56	69.04	1491.60	1560.48	75.94	1636.42
	Utilities & Outsourcing Costs	1437.33	380.21	1817.54	1990.60	409.08	2399.69	3524.86	477.94	4002.80	3933.71	534.93	4468.64	4402.07	595.08	4997.15	4925.05	662.05	5587.10
	Consumption of Stores & Spares	91.57	10.17	101.74	97.98	10.89	108.86	122.47	13.61	136.08	131.04	14.56	145.60	140.22	15.58	155.79	150.03	16.67	166.70
	Security Costs (Cargo)	0.00	0.00	0.00	0.00	75.00	75.00	0.00	78.57	78.57	0.00	86.43	86.43	0.00	95.07	95.07	0.00	104.58	104.58
	<b>TOTAL</b>	<b>18378.32</b>	<b>2118.20</b>	<b>20496.52</b>	<b>19954.12</b>	<b>2680.67</b>	<b>22634.79</b>	<b>23207.39</b>	<b>2921.20</b>	<b>26128.59</b>	<b>25087.13</b>	<b>3158.02</b>	<b>28245.15</b>	<b>27183.47</b>	<b>3416.48</b>	<b>30599.96</b>	<b>29469.09</b>	<b>3697.93</b>	<b>33167.03</b>
<b>3</b>	<b>Earnings before depreciation interest &amp; taxation (EBDIT)</b>	<b>4869.67</b>	<b>1462.43</b>	<b>6332.10</b>	<b>5971.18</b>	<b>1114.80</b>	<b>7085.98</b>	<b>6488.77</b>	<b>1253.82</b>	<b>7742.58</b>	<b>9543.06</b>	<b>1434.49</b>	<b>10977.55</b>	<b>10579.07</b>	<b>1635.28</b>	<b>12214.36</b>	<b>11714.28</b>	<b>1859.01</b>	<b>13573.29</b>
	Depreciation & Amortisation	3924.13	970.81	4894.94	5238.00	896.00	6134.00	27368.00	809.00	28177.00	28333.00	720.00	29053.00	28676.00	960.00	29636.00	29161.00	2263.00	31424.00
<b>4</b>	<b>Earnings before interest &amp; taxation (EBIT)</b>	<b>945.54</b>	<b>491.62</b>	<b>1437.16</b>	<b>733.18</b>	<b>218.80</b>	<b>951.98</b>	<b>-20879.23</b>	<b>444.82</b>	<b>-20434.42</b>	<b>-18789.94</b>	<b>714.49</b>	<b>-18075.45</b>	<b>-18096.93</b>	<b>675.28</b>	<b>-17421.64</b>	<b>-17446.72</b>	<b>-403.99</b>	<b>-17850.71</b>
	Total Interest & Finance Charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1915.95	0.00	1915.95	1915.95	0.00	1915.95	1808.00	0.00	1808.00
	Provision for Doubtful Debt	402.67																	
<b>5</b>	<b>Profit / Loss before Tax</b>	<b>542.87</b>	<b>491.62</b>	<b>1437.16</b>	<b>733.18</b>	<b>218.80</b>	<b>951.98</b>	<b>-20879.23</b>	<b>444.82</b>	<b>-20434.42</b>	<b>-20705.89</b>	<b>714.49</b>	<b>-19991.40</b>	<b>-20012.88</b>	<b>675.28</b>	<b>-19337.60</b>	<b>-19254.71</b>	<b>-403.99</b>	<b>-19658.70</b>
	Provision for Taxation (effective tax rate 37.5%)	203.57	184.36	538.93	274.94	82.05	356.99	0.00	166.81	0.00	0.00	267.93	0.00	0.00	253.23	0.00	0.00	0.00	0.00
<b>6</b>	<b>Profit / Loss after Taxation</b>	<b>339.29</b>	<b>307.26</b>	<b>898.22</b>	<b>458.24</b>	<b>136.75</b>	<b>594.99</b>	<b>-20879.23</b>	<b>278.01</b>	<b>-20434.42</b>	<b>-20705.89</b>	<b>446.56</b>	<b>-19991.40</b>	<b>-20012.88</b>	<b>422.05</b>	<b>-19337.60</b>	<b>-19254.71</b>	<b>-403.99</b>	<b>-19658.70</b>
<b>7</b>	<b>Balance Carried to Balance Sheet</b>	<b>339.29</b>	<b>307.26</b>	<b>898.22</b>	<b>458.24</b>	<b>136.75</b>	<b>594.99</b>	<b>-20879.23</b>	<b>278.01</b>	<b>-20434.42</b>	<b>-20705.89</b>	<b>446.56</b>	<b>-19991.40</b>	<b>-20012.88</b>	<b>422.05</b>	<b>-19337.60</b>	<b>-19254.71</b>	<b>-403.99</b>	<b>-19658.70</b>

Form F2 (B)

**Form F2(c): HISTORICAL & PROJECTED CASH FLOW STATEMENT**
**KOLKATA AIRPORT**

[RS IN LAKHS]

S.N.	Particulars	2010 - 11	Tariff Year 1 (2011 - 12)	Tariff year 2 (2012-13)	Tariff year 3 (2013-14)	Tariff year 4 (2014-15)	Tariff year 5 (2015-16)
1	<b>Cashflow from Operating Activities</b>						
	Net Profit before Taxation (Incl. Cargo)	898.22	594.99	-20434.42	-19991.40	-19337.60	-19658.70
	Adjustment for						
	ADD: Depreciation & Amortisation	4894.94	6134.00	28177.00	29053.00	29636.00	31424.00
	ADD: Provisions - Additions (Write Back) Net	402.67					
	<b>Operating Profit before working capital changes</b>	6195.84	6728.99	7742.58	9061.60	10298.40	11765.30
	ADD:						
	i) Increase in Current Liabilities	207.20	447.46	474.31	502.77	532.93	564.91
	ii) Increase in Sundry Creditors	-40.51	0.20	0.21	0.22	0.24	0.25
	iii) Increase in Liabilities towards Suppliers	-224.94	13.81	14.37	14.94	15.54	16.16
	iv) Increase in Provisions	402.68	394.69	422.32	451.88	483.51	517.36
	LESS:						
	i) Decrease in Sundry Debtors	2024.95	-404.71	-420.90	-328.30	-338.15	-348.29
	ii) Decrease in Inventories	-31.88	-6.67	-6.87	-7.08	-7.29	-7.51
	iii) Decrease in Cash and Bank Balance	-148.83	-32.73	-33.71	-34.72	-35.76	-36.84
	iv) Decrease in Loans and Advances	431.12	-38.78	-40.72	-42.76	-44.90	-47.14
	v) Decrease in Others current assets	-4065.83	-140.99	-143.81	-146.69	-149.62	-152.61
	<b>Net Cash flow from operating activities</b>	<b>4749.80</b>	<b>6961.27</b>	<b>8007.78</b>	<b>9471.87</b>	<b>10754.91</b>	<b>12271.58</b>
2	<b>Cashflow from investing activities</b>						
	Purchase of Fixed Assets	-7015.39	-16362.00	-241314.00	-11450.00	-7650.00	-17000.00
	Decrease in WIP	-110052.95	-54700.07	163333.00	-1600.00	-700.00	-3450.00
	Total Cash flow from investing activities	<b>-117068.34</b>	<b>-71062.07</b>	<b>-77981.00</b>	<b>-13050.00</b>	<b>-8350.00</b>	<b>-20450.00</b>
3	<b>Cashflow from Financing activity</b>						
	Increase in Borrowings	10982.00	10000.00	-11298.00	0.00	0.00	0.00
	CHQ Funds adjustments	103263.82	54695.80	60837.03	-16413.09	-21742.48	-11480.44
	Total Cash flow from Financing activities	<b>114245.82</b>	<b>64695.80</b>	<b>49539.03</b>	<b>-16413.09</b>	<b>-21742.48</b>	<b>-11480.44</b>
	<b>Net Change in Cash &amp; Cash Equivalent</b>	<b>1927.27</b>	<b>595.00</b>	<b>-20434.19</b>	<b>-19991.22</b>	<b>-19337.57</b>	<b>-19658.86</b>
	Cash & Cash Equivalent at the beginning of the period	942.11	1090.94	1123.67	1157.38	1192.10	1227.86
	Cash & Cash Equivalent at the end of the period	1090.94	1123.67	1157.38	1192.10	1227.86	1264.70

NSCBI AIRPORT, KOLKATA

Form F3 Historical and Projected Revenue Generating Area break up at the Airport												
KOLKATA AIRPORT												
Breakup of Revenue Generating Areas in Sq. mt.												
Sl. No.	Particulars	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2010-11	2011-12	2012-13	2013-14	2014-15
1)	Retail	2793	2793	2793	2793	2793	2955	3151	3151	4481.67	4481.67	4481.67
2)	Commercial Offices	28656	29968	31656	34278	38656	36998	39656	39656	48687.33	48687.33	48687.33
3)	Advertisement	7329	7329	7329	7329	6861.5	6861.5	6861.5	6861.5	6861.5	6861.5	6861.5
4)	Ticketing	96	96	107	109	111	81	160	160	234	234	234
5)	Duty Free Shops	249	249	249	249	249	249	249	249	249	249	249
6)	Car Parking	24386	24386	24386	24386	24386	24386	24386	24386	24386	58000	58000
7)	Land/GSE Area							321238	321238	321238	321238	321238

NSCBI AIRPORT, KOLKATA

Form 4 : Historical and projected capacity of Airport.

KOLKATA AIRPORT																		
Passenger Terminal Capacity																		
SI. Terminal																		
No.	Bldg.	Terminal Use	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
			(Annual Capacity in Million)															
1)		Intl. Departure	Declared Peak Hour Capacity	450	450	450	450	450	450	450	450	1315	1315	1315	1315	1315	1315	1315
			Dclared Annual Capacity	0.441	0.441	0.441	0.441	0.441	0.441	0.441	0.441	2	2	2	2	2	2	2
2)		Int. Arrival	Declared Peak Hour Capacity	600	600	600	600	600	600	600	600	13.15	13.15	13.15	13.15	13.15	13.15	13.15
			Dclared Annual Capacity	0.441	0.441	0.441	0.441	0.441	0.441	0.441	0.441	2	2	2	2	2	2	2
3)		Domestic Dep.	Declared Peak Hour Capacity	850	850	850	850	850	850	850	850	3261	3261	3261	3261	3261	3261	3261
			Declared Annual Capacity	2.03	2.03	2.03	2.03	2.03	2.03	2.03	2.03	10.03	10.03	10.03	10.03	10.03	10.03	10.03
4)		Domestic Arr.	Declared Peak Hour Capacity	850	850	850	850	850	850	850	850	3261	3261	3261	3261	3261	3261	3261
			Declared Annual Capacity	2.03	2.03	2.03	2.03	2.03	2.03	2.03	2.03	10.03	10.03	10.03	10.03	10.03	10.03	10.03
Cargo Terminal Capacity																		
SI. Terminal																		
No.	Bldg.	Terminal Use	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
			(In Tonnes)															
1)		Export	Declared Peak Hour Capacity	1500	1500	1500	1500	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
			Dclared Annual Capacity	25000	25000	25000	25000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000
2)		Import	Declared Peak Hour Capacity	1500	1500	1500	1500	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000
			Dclared Annual Capacity	25000	25000	25000	25000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000
3)		Domestic outboun	Declared Peak Hour Capacity															
			Declared Annual Capacity															
4)		Domestic Inboun	Declared Peak Hour Capacity															
			Declared Annual Capacity															
Runway Capacity																		
SN	Runway	Runway use	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19
1)	Main	Both Arr. & Departure	Declared Peak Hour Capacity	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
			Dclared Annual Capacity	219000	219000	219000	219000	219000	219000	219000	219000	219000	219000	219000	219000	219000	219000	219000
2)			Declared Peak Hour Capacity															
			Dclared Annual Capacity															
Other Infrastructure Capacity																		
SN	Terminal Use	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	
1)	Airside Facility	Parking Bays	32	32	32	32	32	34	37	37	37	37	40	40				
		Hangars																
2)	Terminal Facilities	Baggage System	2	2	2	2	2	2	2	2	2	4	4	4	4	4	4	
3)	Landside Facilities	Car Parking	24376 Sqm.	24377 Sqm.	24378 Sqm.	24379 Sqm.	24380 Sqm.	24381 Sqm.	24382 Sqm.	24383 Sqm.	24384 Sqm.							



Form F5: Cost of Equity and Post-tax FRoR Forecast (ref: Section A5.5.2)

**KOLKATA AIRPORT**

	Tariff Year 1			Tariff Year 2			Tariff Year 3			Tariff Year 4			Tariff Year 5		
	Low	High	Point Estimate	Low	High	Point Estimate	Low	High	Point Estimate	Low	High	Point Estimate	Low	High	Point Estimate
Gearing			8.84%			8.84%			8.84%			8.84%			8.84%
Pre-tax cost of debt			8.03%			8.03%			8.03%			8.03%			8.03%
Risk-free rate			7.99%			7.99%			7.99%			7.99%			7.99%
Equity-risk premium			7.84%			7.84%			7.84%			7.84%			7.84%
Beta			0.98%			0.98%			0.98%			0.98%			0.98%
Post-tax cost of equity			15.64%			15.64%			15.64%			15.64%			15.64%
Post-tax FRoR			14.96%			14.96%			14.96%			14.96%			14.96%

Form F6 (a): Loan Master (ref: Section A5.5.2)

KOLKATA AIRPORT [RS IN LAKHS]

Provide details of all debts (all types of debt instruments).

Particulars	Last available audited year# (09-10)	FY before Tariff Year 1* (10-11)	Tariff Year 1 (2011-12)	Tariff Year 2 (2012-13)	Tariff Year 3 (2013-14)	Tariff Year 4 (2014-15)	Tariff Year 5 (2015-16)
<b>Secured Loan</b>	<b>11298</b>	<b>10982</b>	<b>2600</b>				
Repayments during the year				11298			
Interest payments during the year	158.05	944.04	1978.29	1930.2	1252.17	1252.17	1144.22
Outstanding at the end of the year	<b>11298</b>	<b>22280</b>	<b>24880</b>	<b>13582</b>	<b>13582</b>	<b>13582</b>	<b>13582</b>
<b>Unsecured Loan</b>			<b>7400</b>				
Repayments during the year							
Interest payments during the year			312.79	663.78	663.78	663.78	663.78
Outstanding at the end of the year			<b>7400</b>	<b>7400</b>	<b>7400</b>	<b>7400</b>	<b>7400</b>

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

1) Loan (apportionment) of Rs 11298 Lakhs in 09-10	
Repayment in one lump sum in 2012-13	
Rate of interest - 7.4% p.a.	
2) Loan (apportionment) of Rs. 10982 lakhs in 10-11	
Repayment in one lumpsum installment after 5 years(15-16)	
Rate of interest 9.2% p.a.	
3) Loan (apportionment) of Rs. 7400 lakhs in 11-12	
Repayment in one lumpsum installment after 5 years (16-17)	
Rate of Interest 8.97%	
4) Loan (apportionment) of Rs. 2600 lakhs in 11-12	
Repayment in one lumpsum installment after 5 years(16-17)	
Rate of Interest 9.30%	

Form F6(b): Summary Statement of Interest and Finance Charges (ref: Section A5.5.2)

KOLKATA AIRPORT

Sl.No.		Particulars	Last available audited year^	Financial Year before Tariff Year 1*	Tariff Year 1	Tariff Year 2	Tariff Year 3	Tariff Year 4	Tariff Year 5
			09-10	10-11	2011-12	2012-13	2013-14	2014-15	2015-16
A	1	Interest charges on Government Loans, Bonds And Advances							
		Government Loans							
		Bonds							
		Foreign Currency Loans / Credits							
		Debentures							
		.....							
		<b>Total</b>							
	2	Interest on Long Term Loans / Credits from the FIs/banks/organisations approved by the Government							
		Secured							
		.....							
		Unsecured							
		.....							
		<b>Total</b>							
		Total = 1+2							
B		Cost of raising finance & Bank Charges on project loans							
C		Grand Total Of Interest & Finance Charges: A + B			As per Form 11(f)				
D		Less: Interest & Finance Charges Capitalised			As per Form 10(d)				
E		Net Total of Interest and Finance Charges on Project related Loans							
F		Interest on Working Capital Loans							
G		Other interest charges (Provide head-wise details)							
H		Total interest and finance charges chargeable to P&L account (E+F+G)							

**KOLKATA AIRPORT**

Details of User Contributions for the assets

S.N.	Contribution	Asset Name	Extent of User Contribution approved for the project	Year of approval	Tenure for User Contribution Collection	Actual Accumulated Collection till beginning of previous year	Accumulated Collection estimated till the beginning of first Tariff Year*	Total Collection proposed in Tariff Year 1	Total Collection proposed in Tariff Year 2	Total Collection proposed in Tariff Year 3	Total Collection proposed in Tariff Year 4	Total Collection proposed in Tariff Year 5
1	Grant	Asset A										
2		Asset B										
3		.....										
4	Developer	Asset C										
5		.....										

NIL

Form F8 (b): Format for providing proposed exclusions from RAB (ref: Section A5.5.3)

**KOLKATA AIRPORT**

Details of Proposed Excluded Assets from RAB						
S.N.	Asset Name	Book Value	Accumulated Depreciation	Justifications for exclusion	Any Land associated with asset	If yes, Details of land
1	Asset A			Nil		
2	Asset B					
3	.....					
4	.....					
5	.....					

KOLKATA AIRPORT																			
PARTICULARS																			
2009-10		2010-11			2011-2012			2012-13			2013-2014			2014-15			2015-2016		
TOTAL	APT	CARGO	TOTAL	APT	CARGO	TOTAL	APT	CARGO	TOTAL	APT	CARGO	TOTAL	APT	CARGO	TOTAL	APT	CARGO	TOTAL	
<b>A OPENING RAB</b>																			
FREEHOLD LAND	158.00	158.00	0.00	158.00	158.00	0.00	158.00	158.00	0.00	158.00	158.00	0.00	158.00	158.00	0.00	158.00	158.00	0.00	158.00
RUNWAYS T/WAYS & APRONS	8702.51	7735.91	0.00	7735.91	8526.79	1409.61	9936.40	13274.39	1139.24	14413.64	23292.23	895.91	24188.15	24890.74	676.91	25567.66	22752.60	2654.82	25407.41
ROADS BRIDGES & C/VERT	433.88	409.65	0.00	409.65	275.26	0.00	275.26	773.75	0.00	773.75	1701.00	0.00	1701.00	2230.60	0.00	2230.60	2647.08	0.00	2647.08
TERMINAL BUILDING	1769.71	2043.64	0.00	2043.64	2497.09	0.00	2497.09	2417.64	0.00	2417.64	130857.14	0.00	130857.14	120339.01	0.00	120339.01	109395.70	0.00	109395.70
CARGO COMPLEX	2716.17	0.00	2400.87	2400.87	0.00	2129.05	2129.05	0.00	2135.04	2135.04	0.00	1877.11	1877.11	0.00	1642.65	1642.65	0.00	1429.32	1429.32
TEMPORARY BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESIDENTIAL BUILDING	438.18	440.36	0.00	440.36	393.68	0.00	393.68	351.68	0.00	351.68	313.87	0.00	313.87	279.85	0.00	279.85	249.23	0.00	249.23
SECURITY FENCING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SECURITY FENCING WALL	341.49	306.51	0.00	306.51	269.24	0.00	269.24	235.69	0.00	235.69	205.50	0.00	205.50	178.33	0.00	178.33	153.88	0.00	153.88
ANCILLARY BUILDING	1144.37	1301.32	0.00	1301.32	1147.76	0.00	1147.76	796.67	0.00	796.67	8237.07	0.00	8237.07	9450.54	0.00	9450.54	8659.75	0.00	8659.75
COMPUTER IT & H/WARE	39.27	96.30	0.00	96.30	26.38	45.17	71.55	13.21	30.96	44.18	1.36	18.18	19.54	0.36	17.18	17.54	0.36	17.18	17.54
SOFTWARE & INTANGIBLE	2.05	73.67	0.00	73.67	0.00	54.92	54.92	0.00	38.05	38.05	0.00	22.87	22.87	0.00	9.21	9.21	0.00	8.21	8.21
PLANT & MACHINERY	1784.31	1815.90	0.00	1815.90	310.94	1197.29	1508.23	230.09	1001.23	1231.32	157.33	824.78	982.11	91.84	665.97	757.82	32.91	523.05	555.95
TOOLS	67.95	87.15	0.00	87.15	48.34	0.00	48.34	12.80	0.00	12.80	11.80	0.00	11.80	10.80	0.00	10.80	9.80	0.00	9.80
EQUIPMENT	75.76	70.14	0.00	70.14	59.72	0.00	59.72	36.38	0.00	36.38	15.38	0.00	15.38	14.38	0.00	14.38	13.38	0.00	13.38
VEHICLE	28.94	22.91	0.00	22.91	22.24	0.00	22.24	16.31	0.00	16.31	10.98	0.00	10.98	6.18	0.00	6.18	1.86	0.00	1.86
HEAVY VEHICLES	11.36	8.22	0.00	8.22	6.10	0.00	6.10	4.19	0.00	4.19	2.47	0.00	2.47	0.93	0.00	0.93	0.93	0.00	0.93
VEHICLE CAR & JEEP	46.43	43.36	0.00	43.36	41.46	0.00	41.46	27.79	0.00	27.79	15.48	0.00	15.48	4.41	0.00	4.41	3.41	0.00	3.41
ELEC INSTALLATIONS	2011.77	2240.94	0.00	2240.94	3510.84	309.89	3820.73	3077.00	247.16	3324.16	77943.74	190.69	78134.43	68730.53	139.88	68870.41	59093.17	94.14	59187.32
AIR CONDITIONING EQUIP	361.50	500.51	0.00	500.51	304.96	110.77	415.72	243.53	86.77	330.30	188.24	65.17	253.41	138.48	45.73	184.21	93.70	28.24	121.94
ELECTRONICS INSTALLATION	503.89	425.61	0.00	425.61	319.99	113.06	433.05	242.16	90.17	332.32	172.10	69.56	241.66	109.06	51.01	160.07	52.31	34.32	86.63
T/WRITER & OTHER OFFICE EQUIP	2.88	3.43	0.00	3.43	2.23	0.00	2.23	1.15	0.00	1.15	1.05	0.00	1.05	0.96	0.00	0.96	0.88	0.00	0.88
FURNITURE & FIXTURE	111.73	80.01	0.00	80.01	43.25	0.00	43.25	9.55	0.00	9.55	6.18	-0.07	6.11	5.84	-0.07	5.77	5.81	-0.07	5.74
XRAY BAGGAGE MACHINE	552.45	461.58	0.00	461.58	360.35	0.00	360.35	269.24	0.00	269.24	187.24	0.00	187.24	113.45	0.00	113.45	47.03	0.00	47.03
CFT & FIRE FIGHTING	1382.25	1174.24	0.00	1174.24	937.56	15.10	952.66	741.15	10.05	751.20	564.37	5.51	569.88	405.28	1.42	406.70	262.09	0.42	262.51
<b>TOTAL-OP. BALANCE</b>	<b>22686.83</b>	<b>19499.36</b>	<b>2400.87</b>	<b>21900.22</b>	<b>19262.18</b>	<b>5384.86</b>	<b>24647.05</b>	<b>30096.39</b>	<b>4778.67</b>	<b>34875.06</b>	<b>244042.58</b>	<b>3969.70</b>	<b>248012.28</b>	<b>227159.57</b>	<b>3249.89</b>	<b>230409.46</b>	<b>203633.87</b>	<b>4789.61</b>	<b>208423.49</b>
<b>B ADDITIONS - WIP CAPITALISATION</b>																			
FREE HOLD LAND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RUNWAYS T/WAYS & APRONS	760.96	4462.67	0.00	4462.67	7477.00	0.00	7477.00	14450.00	0.00	14450.00	6750.00	0.00	6750.00	3300.00	2500.00	5800.00	5050.00	10500.00	15550.00
ROADS BRIDGES & C/VERT	130.77	0.00	0.00	0.00	712.00	0.00	712.00	1200.00	0.00	1200.00	900.00	0.00	900.00	900.00	0.00	900.00	900.00	0.00	900.00
TERMINAL BUILDING	651.89	823.74	0.00	823.74	220.00	0.00	220.00	139903.00	0.00	139903.00	1000.00	0.00	1000.00	600.00	0.00	600.00	400.00	0.00	400.00
CARGO COMPLEX	0.00	0.00	17.97	17.97	0.00	290.00	290.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TEMPORARY BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESIDENTIAL BUILDING	49.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SECURITY FENCING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SECURITY FENCING WALL	2.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ANCILLARY BUILDING	321.81	12.09	0.00	12.09	7563.00	0.00	7563.00	1100.00	0.00	1100.00	2200.00	0.00	2200.00	200.00	0.00	200.00	0.00	0.00	0.00
COMPUTER IT & H/WARE	94.17	5.72	0.00	5.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SOFTWARE & INTANGIBLE	90.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PLANT & MACHINERY	359.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOOLS	74.66	0.68	0.00	0.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EQUIPMENT	19.35	15.50	0.00	15.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
VEHICLE	0.00	5.92	0.00	5.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HEAVY VEHICLES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
VEHICLE CAR & JEEP	11.46	13.29	0.00	13.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ELEC INSTALLATIONS	654.86	2238.17	0.00	2238.17	100.00	0.00	100.00	84661.00	0.00	84661.00	600.00	0.00	600.00	150.00	0.00	150.00	150.00	0.00	150.00
AIR CONDITIONING EQUIP	237.28	10.14	0.00	10.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ELECTRONICS INSTALLATION	24.58	120.03	0.00	120.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
T/WRITER & OTHER OFFICE EQUIP	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FURNITURE & FIXTURE	6.98	1.51	0.00	1.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
XRAY BAGGAGE MACHINE	13.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CFT & FIRE FIGHTING	15.55	2.27	0.00	2.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



RUNWAYS T/WAYS & APRONS	7735.91	10236.81	-300.41	9936.40	13274.39	1139.24	14413.64	23292.23	895.91	24188.15	24890.74	676.91	25567.66	22752.60	2654.82	25407.41	21836.07	11287.43	33123.49
ROADS BRIDGES & C/VERT	409.65	275.26	0.00	275.26	773.75	0.00	773.75	1701.00	0.00	1701.00	2230.60	0.00	2230.60	2647.08	0.00	2647.08	2947.32	0.00	2947.32
TERMINAL BUILDING	2043.64	2497.09	0.00	2497.09	2417.64	0.00	2417.64	130857.14	0.00	130857.14	120339.01	0.00	120339.01	109395.70	0.00	109395.70	98240.94	0.00	98240.94
CARGO COMPLEX	2400.87	0.00	2129.05	2129.05	0.00	2135.04	2135.04	0.00	1877.11	1877.11	0.00	1642.65	1642.65	0.00	1429.32	1429.32	0.00	1235.01	1235.01
TEMPORARY BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESIDENTIAL BUILDING	440.36	393.68	0.00	393.68	351.68	0.00	351.68	313.87	0.00	313.87	279.85	0.00	279.85	249.23	0.00	249.23	221.67	0.00	221.67
SECURITY FENCING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SECURITY FENCING WALL	306.51	269.24	0.00	269.24	235.69	0.00	235.69	205.50	0.00	205.50	178.33	0.00	178.33	153.88	0.00	153.88	131.87	0.00	131.87
ANCILLARY BUILDING	1301.32	1147.76	0.00	1147.76	7960.67	0.00	7960.67	8237.07	0.00	8237.07	9450.54	0.00	9450.54	8659.75	0.00	8659.75	7679.54	0.00	7679.54
COMPUTER IT & H/WARE	96.30	87.33	-15.79	71.55	13.21	30.96	44.18	1.36	18.18	19.54	0.36	17.18	17.54	0.36	17.18	17.54	0.36	17.18	17.54
SOFTWARE & INTANGIBLE	73.67	73.67	-18.74	54.92	0.00	38.05	38.05	0.00	22.87	22.87	0.00	9.21	9.21	0.00	8.21	8.21	0.00	7.21	7.21
PLANT & MACHINERY	1815.90	1726.07	-217.84	1508.23	230.09	1001.23	1231.32	157.33	824.78	982.11	91.84	665.97	757.82	32.91	523.05	555.95	22.91	394.41	417.32
TOOLS	87.15	48.34	0.00	48.34	12.80	0.00	12.80	11.80	0.00	11.80	10.80	0.00	10.80	9.80	0.00	9.80	8.80	0.00	8.80
EQUIPMENT	70.14	59.72	0.00	59.72	36.38	0.00	36.38	15.38	0.00	15.38	14.38	0.00	14.38	13.38	0.00	13.38	12.38	0.00	12.38
VEHICLE	22.91	22.24	0.00	22.24	16.31	0.00	16.31	10.98	0.00	10.98	6.18	0.00	6.18	1.86	0.00	1.86	0.86	0.00	0.86
HEAVY VEHICLES	8.22	6.10	0.00	6.10	4.19	0.00	4.19	2.47	0.00	2.47	0.93	0.00	0.93	0.93	0.00	0.93	0.93	0.00	0.93
VEHICLE CAR & JEEP	43.36	41.46	0.00	41.46	27.79	0.00	27.79	15.48	0.00	15.48	4.41	0.00	4.41	3.41	0.00	3.41	2.41	0.00	2.41
ELEC INSTALLATIONS	2240.94	3890.44	-69.71	3820.73	3077.00	247.16	3324.16	77943.74	190.69	78134.43	68730.53	139.88	68870.41	59093.17	94.14	59187.32	49477.43	52.98	49530.41
AIR CONDITIONING EQUIP	500.51	442.39	-26.66	415.72	243.53	86.77	330.30	188.24	65.17	253.41	138.48	45.73	184.21	93.70	28.24	121.94	53.39	12.49	65.89
ELECTRONICS INSTALLAION	425.61	458.50	-25.44	433.05	242.16	90.17	332.32	172.10	69.56	241.66	109.06	51.01	160.07	52.31	34.32	86.63	1.25	19.29	20.54
T/WRITER & OTHER OFFICE EQUIP	3.43	2.23	0.00	2.23	1.15	0.00	1.15	1.05	0.00	1.05	0.96	0.00	0.96	0.88	0.00	0.88	0.81	0.00	0.81
FURNITURE & FIXTURE	80.01	44.08	-0.83	43.25	9.55	0.00	9.55	6.18	-0.07	6.11	5.84	-0.07	5.77	5.81	-0.07	5.74	5.81	-0.07	5.73
XRAY BAGGAGE MACHINE	461.58	360.35	0.00	360.35	269.24	0.00	269.24	187.24	0.00	187.24	113.45	0.00	113.45	47.03	0.00	47.03	37.03	0.00	37.03
CFT & FIRE FIGHTING	1174.24	958.27	-5.61	952.66	741.15	10.05	751.20	564.37	5.51	569.88	405.28	1.42	406.70	262.09	0.42	262.51	133.22	0.42	133.64
<b>TOTAL - CLOSING RAB (A+B+C-D)</b>	<b>21900.22</b>	<b>23199.03</b>	<b>1448.02</b>	<b>24647.05</b>	<b>30096.39</b>	<b>4778.67</b>	<b>34875.06</b>	<b>244042.58</b>	<b>3969.70</b>	<b>248012.28</b>	<b>227159.57</b>	<b>3249.89</b>	<b>230409.46</b>	<b>203633.87</b>	<b>4789.61</b>	<b>208423.49</b>	<b>180972.99</b>	<b>13026.34</b>	<b>193999.33</b>
<b>AVERAGE RAB</b>	<b>22293.53</b>	<b>21349.19</b>	<b>1924.44</b>	<b>23273.63</b>	<b>24679.28</b>	<b>5081.77</b>	<b>29761.05</b>	<b>137069.48</b>	<b>4374.19</b>	<b>141443.67</b>	<b>235601.08</b>	<b>3609.80</b>	<b>239210.87</b>	<b>215396.72</b>	<b>4019.75</b>	<b>219416.47</b>	<b>192303.43</b>	<b>8907.98</b>	<b>201211.41</b>



NSCBI AIRPORT, KOLKATA

**N.S.C.B.I. AIRPORT, KOLKATA**

Form F10(a): Capital Projects Completed before current Review for Roll-Forward of RAB: Section A5.5.3

Project Details			Projected Capital Expenditure																				Rs. In lakhs			
Sl.				2011-12					2012-13				2013-14				2014-15				2015-16					
No.	Project Name	Project Type	Start. Date	WIP(OB)	Capex	Com. amt.	Cdate	WIP	Capex	Com. amt.	Cdate	WIP	Capex	Com. amt.	Cdate	WIP	Capex	Com. amt.	Cdate	WIP	Capex	Com. amt.	Cdate	WIP		
1	Extn. Of Secondary Runway	Runway	2009-10	6586.00	1.00	6587.00	2011-12	0.00																		
2	Constn. Of Opl. Building	Ancillary Bldg.	2009-10	3613.00	950.00	4563.00	2011-12	0.00																		
3	D/O RESA at 01R end (SH: Pavement	Runway	2011-12	0.00	100.00	100.00	2011-12	0.00																		
4	Pvn. Of fillet A taxi track	Runway	2011-12	0.00	90.00	90.00	2011-12	0.00																		
5	Constn. Of isolation bay	Runway	2011-12	0.00	380.00	380.00	2011-12	0.00																		
6	Reconstn. Of Bay No. 42 & 43	ancillary bldg	2011-12	0.00	543.00	543.00	2011-12	0.00																		
7	Improvement of F-Taxi (Ph-II)	Taxiway	2011-12	0.00	65.00	65.00	2011-12	0.00																		
8	Reconstn. Of E/F/G Taxi Track	Taxiway	2011-12	0.00	190.00	190.00	2011-12	0.00																		
9	Upgradation of drainage system	Road	2011-12	0.00	555.00	555.00	2011-12	0.00																		
10	C/o of perimeter road watch tower 1 to watch tower No.2	Road	2011-12	0.00	100.00	100.00	2011-12	0.00																		
11	C/o covered shed for inline baggage system	Terminal Building	2011-12	0.00	75.00	75.00	2011-12	0.00																		
12	Improvement of drainage system from ITB to existing sewer line	Terminal Building	2011-12	0.00	35.00	35.00	2011-12	0.00																		
13	Remodelling of Cargo complex	Ancillary Bldg.	2011-12	0.00	80.00	80.00	2011-12	0.00																		
14	D/o pavement adjacent to integrated cargo	Ancillary Bldg.	2011-12	0.00	100.00	100.00	2011-12	0.00																		
15	C/O covered shed between NICT & old cargo	Ancillary Bldg.	2011-12	10.00	190.00	200.00	2011-12	0.00																		
16	Relocation of Hindi/Bengali Medium School	Other Bldg.	2011-12	3.20	696.80	700.00	2011-12	0.00																		
17	C/O security and perimeter road	Road	2011-12	2.73	397.27	400.00	2011-12	0.00																		
18	D/O area adjacent to Bay 29		2011-12	0.00	100.00	100.00	2011-12	0.00																		
19	Provision of guidance sign board (Ph-II)	Elect. Installation	2011-12	0.00	99.00	99.00	2011-12	0.00																		
20	Constn. Of road to direct access to F/S & other small mtc. Works	Road	2011-12	85.00	1015.00	1100.00	2011-12	0.00																		
21	Extn. Of Security Hold DTB	Terminal Building	2011-12	0.00	100.00	100.00	2011-12	0.00																		
22	Constn. Of Perimeter Road	Road	2011-12	0.00	200.00	200.00	2011-12	0.00																		
23	C/O Integrated Passenger Terminal Bldg. (Phase-I)	Ter. Building	2009-10	69953.00	38500.00	0.00	11-12 (P-	108453.00	32650.00	141103.00	2012-13															
24	C/O Integrated Passenger Terminal Bldg. (Phase-II)	Terminal Building	2013-14																							
	C/O Integrated Passenger Terminal Bldg. (Phase-I)	Terminal Building	2009-10	29980.00	26500.00				56480.00	26481.00	82961.00	2012-13														



NSCBI AIRPORT, KOLKATA

Project Details

Sl. No.	Project Name	Project Type	Comn. Date	Financial year before			Tariff Year 1					Tariff Year 2					Tariff Year 3					Tariff Year 4					Tariff Year 5						
				TCAPEX	TCOMN	WIP	Capex	FinA1w	Com.	Cdate	WIP	Capex	FinA1w	Com.	Cdate	WIP	Capex	FinA1w	Com.	Cdate	WIP	Capex	FinA1w	Com.	Cdate	WIP	Capex	FinA1w	Com.	Cdate	WIP		
1	Project 1	Buildings		SAME AS PER FORM 10(a)																													
2	Project 2	Vehicles																															
3	Project 3	P&M																															
4	Project 4	F&F																															

NSCBI AIRPORT, KOLKATA

Form F10(c): Year-wise Capital Expenditure Financing Plans for next 10 years (ref: Section A5.5.3)

**KOLKATA AIRPORT** [RS. IN LAKHS]

Project Details		Tariff Year 1 (2011-12)				Tariff Year 2 (2012-13)				Tariff Year 3 (2013-14)				Tariff Year 4 (2014-15)				Tariff Year 5 (2015-16)				
SN	Total Capex Planned	Internal Accrual	Equity infused	User Contributions	Total Debt	Internal Accrual	Equity infused	User Contributions	Total Debt	Internal Accrual	Equity infused	User Contributions	Total Debt	Internal Accrual	Equity infused	User Contributions	Total Debt	Internal Accrual	Equity infused	User Contributions	Total Debt	
	<b>190893.07</b>	61062.07			10000	77981.00				13050.00				8350.00				20450.00				

NSCBI AIRPORT, KOLKATA

Form 10(d) :Summary Statement of Expenses to be Capitalised

**KOLKATA AIRPORT**

**Rs. In crores**

Sl. No.	Particulars	Last available Audited year # 2009-10	Financial year before Tariff Year 1 * 2010-11	Tariff Year 1 2011-12	Tariff Year 2 2012-13	Tariff Year 3 2013-14	Tariff Year 4 2014-15	Tariff Year 5 2015-16
A	Interest & Finance Charges Capitalised	158.05	944.04	2291.08	2593.98	1915.95	1915.95	1808.00
B	Cost of raising finance & Bank Charges							
C	Other Expenses Capitalised							
	Employee Expenses	0.62	0.95	1.00	34.91	0.50	0.60	0.50
	Administrative and General Expenses							
	Utilities and Outsourcing Expenses							
	Any Other expenses being capitalised							
<b>D</b>	<b>Total Expenses Being Capitalised (A+B+C)</b>	<b>158.67</b>	<b>944.99</b>	<b>2292.08</b>	<b>2628.89</b>	<b>1916.45</b>	<b>1916.55</b>	<b>1808.50</b>
		<b>Captailised</b>						

Note: (1) Total expenses being captailised from 09-10 to 11-12 are included in the WIP (OB) for 11-12 in the form F10(a) & expenses to be capialised pertaining to 12-13 onwards are included in capex [Form 10(a) ] for the respective years

(2) Expenses Capitalised are not part of Expenses indicated in Form F2(b)

NSCBI AIRPORT, KOLKATA

Form F10(e): Additional Capital Project Summary

Forecast WIP Assets						
		Tariff Year 1	Tariff Year 2	Tariff Year 3	Tariff Year 4	Tariff Year 5
<b>E</b>	<b>Opening WIP Assets</b>					
	Building					
	Plant & Machinery					
	Electrical Installations					
	Furniture and Fittings					
	.....					
<b>F</b>	<b>Additions - New WIP</b>					
	Building					
	Plant & Machinery					
	Electrical Installations					
	Furniture and Fittings					
	.....					
<b>G</b>	<b>WIP Capitalization</b>					
	Building					
	Plant & Machinery					
	Electrical Installations					
	Furniture and Fittings					
	.....					
<b>H</b>	<b>Closing WIP Assets</b>					
	Building					
	Plant & Machinery					
	Electrical Installations					
	Furniture and Fittings					
	.....					

NSCBI AIRPORT, KOLKATA

**Form F11(a): Employee Strength**

KOLKATA AIRPORT

S.N.	Particulars with detailed breakup	Last available audited year^	Financial year before Tariff year 1*	Tariff year 1 (2011-12)	Tariff year 2 (2012-13)	Tariff year 3 (2013-14)	Tariff year 4 (2014-15)	Tariff year 5 (2015-16)
A	<b>Department-wise full-time employees</b>							
	HRM & APD		34	34	34	34	34	34
	LEGAL		4	4	4	4	4	4
	COMMERCIAL		9	9	9	9	9	9
	FINANCE & ACCOUNTS		37	37	37	37	37	37
	MOTOR TRANSPORT		58	56	56	56	56	56
	OPERATIONS		160	210	210	210	210	210
	HOUSE KEEPING		299	294	294	294	294	294
	FIRE SERVICE		153	150	150	150	150	150
	CARGO		64	61	61	61	61	61
	MATERIAL MANAGEMENT		7	7	7	7	7	7
	ELECTRONICS		47	46	46	46	46	46
	ELECTRICAL		178	174	174	174	174	174
	CIVIL		89	89	89	89	89	89
			1139	1171	1171	1171	1171	1171
B	<b>Department-wise part-time / Contractual employees</b>							
	Department 1							
	Department 2							
	Department 3							
	Department 4							

Note: Increase in employees strength not considered at this stage.

NSCBI AIRPORT, KOLKATA

**Form F11(b): Payroll related Expenditure and Provisions**

KOLKATA AIRPORT

[RS IN LAKHS]

S.N.	Particulars with detailed breakup	F.Y. before Tariff year 1* (10 - 11)			Tariff year 1 (2011-12)			Tariff year 2 (2012-13)					
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL			
A	PAY & SALARY			5009.11	460.95	5470.06	5302.71	659.66	5962.37	5779.95	719.03	6498.98	
B	PROVIDENT FUND			471.43	31.89	503.32	488.16	60.46	548.62	532.09	65.90	597.99	
C	OVERTIME			554.85	31.41	586.26	574.82	64.24	639.06	603.57	67.45	671.01	
D	MEDICAL REIMBURSEMENT			538.91	18.59	557.50	558.41	49.26	607.68	608.67	53.70	662.37	
E	STAFF WELFARE			131.70	8.96	140.66	136.55	16.77	153.32	148.84	18.28	167.12	
F	STAFF COST OTHERS <sup>10</sup>			1413.52	96.17	1509.69	1463.74	181.82	1645.56	1595.48	198.19	1793.66	
G	APPORTIONMENT OF CHQ EXPENSES			6100.00	838.18	6938.18	6405.00	880.09	7285.09	6725.25	924.09	7649.34	
1	<b>Grand Total</b>	15132.59	1393.33	16525.92	14219.52	1486.15	15705.67	14929.40	1912.30	16841.70	15993.85	2046.63	18040.48
2	Employee Expenses capitalised			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3	<b>Net Employee expenses (1) - (2)</b>	15132.59	1393.33	16525.92	14219.52	1486.15	15705.67	14929.40	1912.30	16841.70	15993.85	2046.63	18040.48

S.N.	Particulars with detailed breakup	Tariff year 3 (2013-14)			Tariff year 4 (2014-15)			Tariff year 5 (2015-16)		
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL
A	PAY & SALARY	6300.15	783.74	7083.89	6867.16	854.28	7721.44	7485.21	931.16	8416.37
B	PROVIDENT FUND	579.98	71.83	651.81	632.18	78.30	710.48	689.08	85.34	774.42
C	OVERTIME	633.74	70.82	704.57	665.43	74.36	739.79	698.70	78.08	776.78
D	MEDICAL REIMBURSEMENT	663.45	58.53	721.98	723.16	63.80	786.96	788.24	69.54	857.78
E	STAFF WELFARE	162.24	19.92	182.16	176.84	21.71	198.55	192.76	23.67	216.42
F	STAFF COST OTHERS	1739.07	216.02	1955.09	1895.59	235.47	2131.05	2066.19	256.66	2322.85
G	Apportionment of CHQ Expenses	7061.51	970.30	8031.81	7414.59	1018.81	8433.40	7785.32	1069.75	8855.07
1	<b>Grand Total</b>	17140.14	2191.17	19331.31	18374.95	2346.73	20721.67	19705.49	2514.21	22219.70
2	Employee Expenses capitalised	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	<b>Net Employee expenses (1) - (2)</b>	17140.14	2191.17	19331.31	18374.95	2346.73	20721.67	19705.49	2514.21	22219.70

\* Projected values to be provided

# Fields in italics are indicative only

^ Information for last financial year for which audited accounts are available.



NSCBI AIRPORT, KOLKATA

**Form F11(c): Administration and General Expenditure**  
KOLKATA AIRPORT

[RS IN LAKHS]

S.N.	Particulars with detailed breakup	F.Y before Tariff year 1* (2010 - 11)			Tariff year 1 (2011-12)			Tariff year 2 (2012-13)		
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL
A	<b>Administration charges</b>									
	RENT, RATES AND TAXES	11.11	0.00	11.11	15.50	0.00	15.50	17.05	0.00	17.05
	INSURANCE	8.07	4.84	12.91	10.00	5.00	15.00	19.00	5.50	24.50
	ADVERTISEMENT & PUBLICITY	19.01	1.88	20.89	30.00	3.00	33.00	65.00	7.00	72.00
	MUNICIPAL TAXES	38.17	0.00	38.17	45.00	0.00	45.00	58.50	0.00	58.50
B	<b>Legal Charges / Auditor's Fees</b>			0.00			0.00			0.00
	LEGAL	2.40	0.00	2.40	4.00	0.00	4.00	2.90	0.00	2.90
	AUDIT FEES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C	<b>Consultancy / Advisory Expenses</b>			0.00			0.00			0.00
	OTHER PROFESSIONAL FEES	15.73		15.73	11.00		11.00	19.03		19.03
D	<b>Other Charges</b>			0.00			0.00			0.00
	ADMINISTRATIVE EXPENSES	59.97	6.66	66.63	65.96	7.33	73.29	72.56	8.06	80.62
	OTHER ADMINISTRATIVE EXPENSES	773.32	32.22	805.54	874.56	36.44	911.00	962.02	40.08	1002.10
E	<b>Grand Total</b>	840.27	47.61	887.88	927.78	45.60	973.38	1056.02	51.77	1107.79
F	Administration & General expenses capitalised			0.00			0.00			0.00
G	<b>Net A&amp;G expenses (E) - (F)</b>	840.27	47.61	887.88	927.78	45.60	973.38	1056.02	51.77	1107.79

S.N.	Particulars with detailed breakup	Tariff year 3 (2013-14)			Tariff year 4 (2014-15)			Tariff year 5 (2015-16)		
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL
A	<b>Administration charges</b>									
	RENT, RATES AND TAXES	18.76	0.00	18.76	20.63	0.00	20.63	22.69	0.00	22.69
	INSURANCE	20.90	6.05	26.95	22.99	6.66	29.65	25.29	7.32	32.61
	ADVERTISEMENT & PUBLICITY	35.00	3.75	38.75	38.50	4.13	42.63	42.35	4.54	46.89
	MUNICIPAL TAXES	60.26	0.00	60.26	62.06	0.00	62.06	63.92	0.00	63.92
B	<b>Legal Charges / Auditor's Fees</b>			0.00			0.00			0.00
	LEGAL	3.19	0.00	3.19	3.51	0.00	3.51	3.87	0.00	3.87
	AUDIT FEES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C	<b>Consultancy / Advisory Expenses</b>			0.00			0.00			0.00
	OTHER PROFESSIONAL FEES	20.94		20.94	23.03		23.03	25.33		25.33
D	<b>Other Charges</b>			0.00			0.00			0.00
	ADMINISTRATIVE EXPENSES	79.82	8.87	88.68	87.80	9.76	97.55	96.58	10.73	107.31
	OTHER ADMINISTRATIVE EXPENSES	1058.22	44.09	1102.31	1164.04	48.50	1212.54	1280.44	53.35	1333.80
E	<b>Grand Total</b>	1297.07	62.76	1359.84	1422.56	69.04	1491.60	1560.48	75.94	1636.42
F	Administration & General expenses capitalised	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
G	<b>Net A&amp;G expenses (E) - (F)</b>	1297.07	62.76	1359.84	1422.56	69.04	1491.60	1560.48	75.94	1636.42

## NSCBI AIRPORT, KOLKATA

**Form F11(d): Repair and Maintenance Expenditure**

KOLKATA AIRPORT

[RS IN LAKHS]

S.N.	Particulars with detailed breakup	F.Y before Tariff year 1* (2010-11)			Tariff year 1 (2011-12)			Tariff year 2 (2012-13)					
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL			
1	R&M CIVIL WORKS	1044.12	36.90	1081.02	1148.53	34.13	1182.67	1435.67	37.55	1473.21			
2	R&M - ELECTRICAL WORKS	573.14	134.10	707.24	630.45	160.63	791.08	788.07	176.69	964.76			
3	R&M - PLANT & MACHINERY / VEHICLES	32.81	21.87	54.68	40.00	23.00	63.00	50.00	25.30	75.30			
4	R&M - ELECTRONIC EQUIPMENTS	34.39	1.15	35.54	39.96	2.04	42.00	49.95	2.24	52.19			
5	R&M - OFFICE EQUIPMENTS	17.67	2.04	19.71	21.17	1.83	23.00	26.46	2.01	28.48			
1	<b>Grand Total</b>	<b>1413.65</b>	<b>195.19</b>	<b>1608.84</b>	<b>1702.13</b>	<b>196.06</b>	<b>1898.19</b>	<b>1880.12</b>	<b>221.63</b>	<b>2101.75</b>	<b>2350.15</b>	<b>243.80</b>	<b>2593.94</b>

S.N.	Particulars with detailed breakup	Tariff year 3 (2013-14)			Tariff year 4 (2014-15)			Tariff year 5 (2015-16)		
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL
1	R&M CIVIL WORKS	1579.23	41.30	1620.53	1737.15	45.43	1782.59	1910.87	49.98	1960.85
2	R&M - ELECTRICAL WORKS	866.87	194.36	1061.24	953.56	213.80	1167.36	1048.92	235.18	1284.10
3	R&M - PLANT & MACHINERY / VEHICLES	55.00	27.83	82.83	60.50	30.61	91.11	66.55	33.67	100.22
4	R&M - ELECTRONIC EQUIPMENTS	54.95	2.47	57.41	60.44	2.71	63.15	66.48	2.98	69.47
5	R&M - OFFICE EQUIPMENTS	29.11	2.21	31.32	32.02	2.44	34.46	35.22	2.68	37.90
1	<b>Grand Total</b>	<b>2585.16</b>	<b>268.18</b>	<b>2853.34</b>	<b>2843.68</b>	<b>294.99</b>	<b>3138.67</b>	<b>3128.04</b>	<b>324.49</b>	<b>3452.54</b>

NSCBI AIRPORT, KOLKATA

Form F11(e): Utilities and Outsourcing Expenditure

S.N.	Particulars with detailed breakup	Financial year before Tariff year 1* ( 10 - 11)			Tariff year 1 (2011-12)			Tariff year 2 (2012-13)		
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL
A	<b>Utilities costs</b>									
	Power charges									
	Units consumed			42680481.00			51216577.20			87068181.24
	Effective Unit Rate									
	Power costs (NET)	1344.98	237.35	1582.33	1882.97	261.08	2144.06	3389.35	308.08	3697.43
B	<b>Department-wise outsourcing costs</b>									
	CONSERVANCY CHARGES/CLEANIN	57.75	6.42	64.17	63.00	7.00	70.00	78.75	7.76	86.51
	HIRE CHARGES OF MOTOR CARS/J	10.02		10.02	10.52		10.52	12.12		12.12
	OTHER HIRE CHARGES	0.00	135.50	135.50	0.00	140.00	140.00	0.00	161.00	161.00
	HIRE CHARGES OF OTHER VEHICLE	6.58		6.58	10.00		10.00	11.00		11.00
	DECORATING EXPENSES	4.12		4.12	4.61		4.61	12.00		12.00
	HORTICULTURAL EXPENSES	5.40		5.40	10.00		10.00	11.00		11.00
	COMPUTERS PROCESSING CHARG	8.48	0.94	9.42	9.50	1.00	10.50	10.63	1.10	11.73
1	<b>Grand Total</b>	<b>1411.91</b>	<b>335.02</b>	<b>1746.93</b>	<b>1437.33</b>	<b>380.21</b>	<b>1817.54</b>	<b>1990.60</b>	<b>409.08</b>	<b>2399.69</b>
2	Utilities and Outsourcing expenses cap			0.00	0.00		0.00	0.00		0.00
3	Net Utilities and Outsourcing expenses	1411.91	335.02	1746.93	1437.33	380.21	1817.54	1990.60	409.08	2399.69

S.N.	Particulars with detailed breakup	Tariff year 3 (2013-14)			Tariff year 4 (2014-15)			Tariff year 5 (2015-16)		
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL
A	<b>Utilities costs</b>									
	Power charges									
	Units consumed			91421590.30			95992669.82			100792303.31
	Effective Unit Rate									
	Power costs	3796.07	345.05	4141.12	4251.60	386.46	4638.06	4761.79	432.83	5194.62
B	<b>Department-wise outsourcing costs</b>									
	CONSERVANCY CHARGES/CLEANIN	84.26	8.31	92.57	90.16	8.89	99.05	96.47	9.51	105.98
	HIRE CHARGES OF MOTOR CARS/J	13.34		13.34	14.67		14.67	16.14		16.14
	OTHER HIRE CHARGES	0.00	180.32	180.32	0.00	198.35	198.35	0.00	218.19	218.19
	HIRE CHARGES OF OTHER VEHICLE	12.12		12.12	13.34		13.34	14.67		14.67
	DECORATING EXPENSES	8.00		8.00	8.96		8.96	10.04		10.04
	HORTICULTURAL EXPENSES	8.00		8.00	10.00		10.00	11.00		11.00
	COMPUTERS PROCESSING CHARG	11.91	1.25	13.16	13.34	1.38	14.72	14.94	1.52	16.46
1	<b>Grand Total</b>	<b>3933.71</b>	<b>534.93</b>	<b>4468.64</b>	<b>4402.07</b>	<b>595.08</b>	<b>4997.15</b>	<b>4925.05</b>	<b>662.05</b>	<b>5587.10</b>
2	Utilities and Outsourcing expenses cap	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Net Utilities and Outsourcing expenses	3933.71	534.93	4468.64	4402.07	595.08	4997.15	4925.05	662.05	5587.10

\* Projected values to be provided

# Fields in italics are indicative only

^ Information for last financial year for which audited accounts are available.

## NSCBI AIRPORT, KOLKATA

## Form F11(f): Other Outflows

## KOLKATA AIRPORT

[RS IN LAKHS]

S.N.	Particulars	F. Y. before Tariff year 1* (2010 - 11)			Tariff year 1 (2011-12)			Tariff year 2 (2012-13)					
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL			
1	CONSUMPTION OF STORES & SPARES	98.20	10.91	109.11	91.57	10.17	101.74	97.98	10.89	108.86	122.47	13.61	136.08
2	FINANCING CHARGES					0.00	0.00		0.00	0.00		0.00	0.00
3	DEPRECIATION				3924.13	970.81	4894.94	5238.00	896.00	6134.00	27368.00	809.00	28177.00
	<b>Grand Total</b>	<b>3894.18</b>	<b>294.51</b>	<b>4188.69</b>	<b>4015.70</b>	<b>980.98</b>	<b>4996.68</b>	<b>5335.98</b>	<b>906.89</b>	<b>6242.86</b>	<b>27490.47</b>	<b>822.61</b>	<b>28313.08</b>
4	SECURITY EXPENSES - CARGO		0.00	0.00		0.00	0.00		75.00	75.00		78.57	78.57

S.N.	Particulars	Tariff year 3 (2013-14)			Tariff year 4 (2014-15)			Tariff year 5 (2015-16)		
		AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL	AIRPORT	CARGO	TOTAL
1	CONSUMPTION OF STORES & SPARES	131.04	14.56	145.60	140.22	15.58	155.79	150.03	16.67	166.70
2	FINANCING CHARGES	1915.95	0.00	1915.95	1915.95	0.00	1915.95	1808.00	0.00	1808.00
3	DEPRECIATION	28333.00	720.00	29053.00	28676.00	960.00	29636.00	29161.00	2263.00	31424.00
	<b>Grand Total</b>	<b>30380.00</b>	<b>734.56</b>	<b>31114.56</b>	<b>30732.17</b>	<b>975.58</b>	<b>31707.75</b>	<b>31119.03</b>	<b>2279.67</b>	<b>33398.70</b>
4	SECURITY EXPENSES - CARGO		86.43	86.43		95.07	95.07		104.58	104.58

Note: Expenses Capitalised not form part of expenses charged to P&L A/c (Form F2(b))

## NSCBI AIRPORT, KOLKATA

## Form F11(g): Current Assets &amp; Liabilities

## KOLKATA AIRPORT

[RS IN LAKHS]

S.N.	Particulars	Financial year before Tariff year 1* 2010 - 11	Tariff year 1 (2011-12)	Tariff year 2 (2012-13)	Tariff year 3 (2013-14)	Tariff year 4 (2014-15)	Tariff year 5 (2015-16)
A	<b>Current Assets, Loans and Advances</b>						
	Sundry Debtors	10117.67	10522.38	10943.27	11271.57	11609.72	11958.01
	Inventories	222.38	229.05	235.92	243.00	250.29	257.80
	Cash and Bank Balance	1090.94	1123.67	1157.38	1192.10	1227.86	1264.70
	Loans and Advances	775.65	814.43	855.15	897.91	942.81	989.95
	Others	7049.57	7190.56	7334.37	7481.06	7630.68	7783.29
	<b>TOTAL OF 'A'</b>	<b>19256.21</b>	<b>19880.09</b>	<b>20526.10</b>	<b>21085.64</b>	<b>21661.36</b>	<b>22253.75</b>
B	<b>Current Liabilities and Provisions</b>						
I	Current Liabilities	7457.70	7905.16	8379.47	8882.24	9415.17	9980.08
	Sundry Creditors	3.32	3.52	3.73	3.95	4.19	4.44
	Liabilities towards Suppliers	345.34	359.15	373.52	388.46	404.00	420.16
II	Provisions	<b>5638.40</b>	<b>6033.09</b>	<b>6455.40</b>	<b>6907.28</b>	<b>7390.79</b>	<b>7908.15</b>
	<b>TOTAL OF 'B' (I+II)</b>	<b>13444.76</b>	<b>14300.92</b>	<b>15212.13</b>	<b>16181.94</b>	<b>17214.16</b>	<b>18312.83</b>
C	<b>NET CURRENT ASSETS(=A - B)</b>	<b>5811.45</b>	<b>5579.17</b>	<b>5313.97</b>	<b>4903.70</b>	<b>4447.20</b>	<b>3940.91</b>

KOLKATA AIRPORT

Form F12 (a) - Historical and Pojected Passenger Traffic (ref. Section A5.6)

YEAR	Domestic Passengers				Internaional Passengers				Total Passenge rs	Growth rate	Forecast error Correction band				
	Scheduled		Non- Scheduled		TOTAL	Scheduled		Non- Scheduled			TOTAL	% from cer	Upper Bou	Lower bound	
	Embarking	Disembark	Embarking	Disembarking		Embarking	Disembark	Embarking							Disembarking
2003-04					2499815					591038	3090853		2%	3152670	3029036
2004-05					2857209					637355	3494564		2%	3564455	3424673
2005-06					3664548					742247	4406795		2%	4494931	4318659
2006-07					5197072					805191	6002263		2%	6122308	5882218
2007-08					6451730					1007502	7459232		2%	7608417	7310047
2008-09					5987750					1002169	6989919		2%	7129717	6850121
2009-10					6857652					1186654	8044306		2%	8205192	7883420
<b>2010-11</b>					7680570					1364652	9045222	0.12	2%	9226127	8864318
<b>2011-12</b>					8602239					1569350	10171589	0.12	2%	10375021	9968157
2012-13					9462463					1757672	11220135	0.10	2%	11444538	10995732
2013-14					10408709					1968593	12377302	0.10	2%	12624848	12129756
2014-15					11449580					2204824	13654404	0.10	2%	13927492	13381316
2015-16					12594538					2469402	15063940	0.10	2%	15365219	14762661
2016-17					13853991					2765731	16619722	0.10	2%	16952116	16287328
2017-18					15239391					3042304	18281695	0.10	2%	18647329	17916061
2018-19					16763330					3346534	20109864	0.10	2%	20512061	19707667
2019-20					18439663					3681188	22120851	0.10	2%	22563268	21678434

\* The Forecast Passengers numbers are the point estimates of scenarios presented in Form F12(b)

\* Forecoast Error Correction band is the value of upper and lower bounds, which should be equi in percentage terms, proposed by the airport and to be used for determining forecast

**NOTE:-Schedule and non schedule are combined together as seprate bifurcation is not available**

Form F12 (b) -Forecasted Passenger Traffic (ref. Section A5.6)

KOLKATA AIRPORT

YEAR	Domestic Passengers								
	Embarking			Disembarking			Total		
	Optimistic	Most Likely	Conservative	Optimistic	Most Likely	Conservative	Optimistic	Most Likely	Conservative
2010-11	3930647	3853575	3776504	3903535	3826995	3750455	7834181	7680570	7526959
2011-12	4402324	4316004	4229684	4371960	4286235	4200510	8774284	8602239	8430194
2012-13	4842556	4747604	4652652	4809155	4714858	4620561	9651711	9462462	9273213
2013-14	5326812	5222365	5117918	5290071	5186344	5082617	10616883	10408709	10200535
2014-15	5859493	5744601	5629709	5819078	5704978	5590878	11678571	11449579	11220587
2015-16	6445443	6319062	6192681	6400986	6275476	6149966	12846429	12594538	12342647
2016-17	7089987	6950968	6811949	7041084	6903024	6764964	14131072	13853992	13576912
2017-18	7798985	7646064	7493143	7745193	7593326	7441459	15544178	15239390	14934602
2018-19	8578884	8410671	8242458	8519712	8352659	8185606	17098597	16763330	16428063
2019-20	9436773	9251738	9066703	9371684	9187925	9004167	18808456	18439663	18070870

YEAR	International Passengers								
	Embarking			Disembarking			Total		
	Optimistic	Most Likely	Conservative	Optimistic	Most Likely	Conservative	Optimistic	Most Likely	Conservative
2010-11	657816	644918	632020	734129	719734	705339	1391945	1364652	1337359
2011-12	756488	741655	726822	844249	827695	811141	1600737	1569350	1537963
2012-13	847267	830654	814041	945558	927018	908478	1792825	1757672	1722519
2013-14	948939	930332	911725	1059025	1038260	1017495	2007964	1968592	1929220
2014-15	1062811	1041972	1021133	1186108	1162851	1139594	2248919	2204823	2160727
2015-16	1190349	1167009	1143669	1328441	1302393	1276345	2518790	2469402	2420014
2016-17	1333191	1307050	1280909	1487855	1458681	1429507	2821046	2765731	2710416
2017-18	1466510	1437755	1409000	1636640	1604549	1572458	3103150	3042304	2981458
2018-19	1613162	1581531	1549900	1800304	1765004	1729704	3413466	3346535	3279604
2019-20	1774478	1739684	1704890	1980334	1941504	1902674	3754812	3681188	3607564

Form F12 (c) - Historical and Pojected ATM Traffic (ref. Section A5.6.6 and Section A5.6.8)

<b>KOLKATA AIRPORT</b>									
Year	Domestic			International			Total		
	Scheduled	Non-Scheduled		Scheduled	Non-Scheduled		Scheduled	Non-Scheduled	
2003-04	31456	739		6185	440		37641	1179	38820
2004-05	33775	1031		7118	450		40893	1481	42374
2005-06	41459	844		8607	643		50066	1487	51553
2006-07	55754	519		8748	666		64502	1185	65687
2007-08	69571	546		10329	257		79900	803	80703
2008-09	70231	530		10845	225		81076	755	81831
2009-10	71514	704	0.02	13221	272	0.22	84735	976	85711 0.05
<b>2010-11</b>	77235	760	0.08	14808	305	0.12	92043	1065	93108 0.09
<b>2011-12</b>	83414	821	0.08	16584	341	0.12	99998	1162	101160 0.09
2012-13	90087	887	0.08	18243	375	0.10	108330	1262	109592 0.08
2013-14	97294	958	0.08	20067	413	0.10	117361	1371	118732 0.08
2014-15	105078	1034	0.08	22074	454	0.10	127152	1488	128640 0.08
2015-16	113484	1117	0.08	24281	500	0.10	137765	1617	139382 0.08
2016-17	122562	1207	0.08	26709	550	0.10	149271	1757	151028 0.08
2017-18	133593	1315	0.09	29113	599	0.09	162706	1914	164620 0.09
2018-19	145613	1433	0.09	31733	653	0.09	177346	2086	179432 0.09
2019-20	158722	1562		34589	712		193311	2274	195585 0.09



## Form F12 (d) - Historical and Projected Cargo Volumes in tonnes (ref. Section A5.6)

## KOLKATA AIRPORT

YEAR	Domestic								International							
	Loaded				Unloaded				Loaded				Unloaded			
	General	Perishable	Valuable	Other	General	Perishable	Valuable	Other	General	Perishable	Valuable	Other	General	Perishable	Valuable	Other
2003-04	18190				17830				16851				9401			
2004-05	19177				19922				19117				11412			
2005-06	21193				21142				19330				12834			
2006-07	22658				24486				19082				17297			
2007-08	25504				24401				19528				21476			
2008-09	25410				23717				21862				18881			
2009-10	37095				29402				23004				17084			
<b>2010-11</b>	42659				33812				24384				18109			
<b>2011-12</b>	<b>49058</b>				<b>38884</b>				<b>25847</b>				<b>19196</b>			
2012-13	54945				43550				28432				21115			
2013-14	61539				48776				31275				23227			
2014-15	68923				54629				34403				25549			
2015-16	77194				61185				37843				28104			
2016-17	86457				68527				41627				30915			
2017-18	95103				75380				46623				34624			
2018-19	104613				82918				52217				38779			
2019-20	115075				91210				58483				43433			

Form F12 (e) - Historical and Projected ATM Traffic by Aircraft Type and Aircraft Weight (ref. Section A5.6)

**KOLKATA AIRPORT**

Year	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Aircraft Type</b>																	
Type 1	38820	42374	51553	65687	80703	81831	85711	93107.6	101160.7	109592.1	118731.8	128639.9	139381.7	151027.8	164620.3	179436.2	195585.4
Type 2																	
Type 3																	
Type 4																	
.....																	
<b>Total</b>																	
Aircraft Weight	N/A																
Weight category 1																	
Weight category 2																	
Weight category 3																	
.....																	
<b>Total</b>																	

NOTE:-Aircraft Type Type1, Type2, Type3 and Type4 are combined together separate bifercation Aircraft Type1, Type2, Type3 and Type 4 are not available.

Form F12 (f) - Historical and Projected Average Passenger per ATM (ref. Section A5.6)

Year	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Aircraft Type	<b>Aircraft type-wise data not available</b>																
Type 1																	
Type 2																	
Type 3																	
Type 4																	

Form F12 (g) - Historical and Projected fuel throughput in kilolitres (ref: Section A5.6)

**KOLKATA AIRPORT [FIG. IN K.L.]**

Year	Fuel throughput in Kl		
	Domestic Flights	International	TOTAL
2007-08			
2008-09			
2009-10	126706.00	31676.00	158382.00
2010-2011	163605.00	40902.00	204507.00
2011-2012	176693.40	44174.16	220867.56
2012-2013	190828.87	47708.09	238536.96
2013-2014	206095.18	51524.74	257619.92
2014-2015	222582.80	55646.72	278229.52
2015-2016	240389.42	60098.46	300487.88
2016-2017	259620.57	64906.33	324526.91
2017-2018	280390.22	70098.84	350489.06
2018-2019	302821.44	75706.75	378528.18
2019-2020	327047.15	81763.29	408810.44

## NSCBI AIRPORT, KOLKATA

**Form F13(a): Historical Tariff and Revenues from Regulated Services**

[Revenue fig. in Lakhs]

KOLKATA AIRPORT

[Per Unit Tariff in Rupees]

S.N.	Particulars	2010 - 11		2011-12		2012-13		2013-14		2014-15		2015-16	
		Per Unit Tariff	Revenues	Per Unit Tariff	Revenues	Per Unit Tariff	Revenues	Per Unit Tariff	Revenues	Per Unit Tariff	Revenues	Per Unit Tariff	Revenues
A	<b>Revenues from Regulated Services</b>												
1	LANDING & PARKING	14200.73	6611.01		7206.00		7782.48		8405.08		9077.49		9803.68
2	P.S.F - FACILITATION	77.00	3882.60		4348.51		4783.36		5261.70		5787.87		6366.66
3	THROUGH PUT CHARGES		2310.86		2518.84		2720.34		2937.97		3173.01		3426.85
	<b>Total (Airport Services)</b>		<b>12804.47</b>		<b>14073.35</b>		<b>15286.19</b>		<b>16604.75</b>		<b>18038.36</b>		<b>19597.19</b>
	<b>CARGO</b>		<b>3580.63</b>		<b>3795.47</b>		<b>4175.01</b>		<b>4592.52</b>		<b>5051.77</b>		<b>5556.94</b>
	<b>Grand Total (Airport+Cargo)</b>		<b>16385.10</b>		<b>17868.82</b>		<b>19461.20</b>		<b>21197.27</b>		<b>23090.13</b>		<b>25154.14</b>

AIRPORTS AUTHORITY OF INDIA

NSCBI AIRPORT KOLKATA (METRO DIVISION)

Form F13(b) - Revenue from other than regulated services

RS. IN LAKHS

	PARTICULARS	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
<b>A</b>	<b><u>NON-TRAFFIC REVENUE</u></b>						
<b>1</b>	<b><u>TRADING CONCESSIONS</u></b>						
	RESTAURANT/SNACK BAR/FLIGHT KITCHEN	442.50	486.75	730.13	1095.19	1204.71	1325.18
	STALLS	526.31	578.94	868.41	1302.62	1432.88	1576.17
	DUTY FREE SHOPS	685.46	754.01	829.41	1244.11	1368.52	1505.37
	HOARDING & DISPLAY	1967.61	2164.37	3246.56	4869.83	5356.82	5892.50
	CAR RENTALS	52.15	57.37	63.10	69.41	76.35	83.99
	OTHER MISC. ITEMS	1038.82	1142.70	1256.97	1382.67	1520.94	1673.03
	<b>**Total Trading Concessions Revenue**</b>	<b>4712.85</b>	<b>5184.14</b>	<b>6994.57</b>	<b>9963.83</b>	<b>10960.21</b>	<b>12056.23</b>
<b>4</b>	<b><u>RENT &amp; SERVICES</u></b>						
	LAND RENT & LEASES	2553.30	2808.63	3019.28	3245.72	3489.15	3750.84
	HANGARS	684.66	753.13	809.61	870.33	935.61	1005.78
	BLDGS NON RESIDENTIAL	1029.35	1132.29	1415.36	1556.89	1712.58	1883.84
	<b>**Total Rent &amp; Services Revenue**</b>	<b>4267.31</b>	<b>4694.04</b>	<b>5244.24</b>	<b>5672.95</b>	<b>6137.34</b>	<b>6640.45</b>
<b>B</b>	<b><u>MISCELLANEOUS REVENUE</u></b>						
	CAR-PARKING	441.26	622.18	684.39	752.83	828.12	910.93
	REST-ROOMS	91.51	159.23	175.15	192.67	211.93	233.12
	OTHERS MISC. INCOME	195.08	214.59	236.05	259.65	285.62	314.18
	Ground Handling Services	269.00	660.00	726.00	799.00	878.00	966.00
	X-RAY BAGGAGE CHARGES*	177.62	0.00	0.00	0.00	0.00	0.00
	X-RAY BAGGAGE CHARGES - DOM. SCHEDULED AIRLINES*	0.00	0.00	0.00	0.00	0.00	0.00
	PUBLIC ADMISSION FEES	214.47	235.92	259.51	285.46	314.01	345.41
	INTEREST ON STAFF ADVANCES	25.37	27.91	30.70	33.77	37.14	40.86
	OTHER INTEREST INCOME	36.86	40.55	44.60	49.06	53.97	59.36
	LICENCE FEE RECOVERY FROM EMPLOYEES	5.18	5.70	6.27	6.89	7.58	8.34
	REC. TOWARDS TELEPHONE CHARGES	7.01	7.71	8.48	9.33	10.26	11.29
	<b>**Total Misc. Revenue**</b>	<b>1463.36</b>	<b>1973.77</b>	<b>2171.15</b>	<b>2388.66</b>	<b>2626.63</b>	<b>2889.49</b>
	<b>TOTAL REVENUE FROM NON - REGULATED SERVICES</b>	<b>10443.52</b>	<b>11851.95</b>	<b>14409.97</b>	<b>18025.44</b>	<b>19724.18</b>	<b>21586.18</b>

Form F17 - CALCULATION OF AGGREGATE REVENUE REQUIREMENT - AIRPORT SERVICES

**KOLKATA AIRPORT**

[RUPEES IN LAKHS]

	Tariff Year 1 (2011-12)	Tariff Year 2 (2012-13)	Tariff Year 3 (2013-14)	Tariff Year 4 (2014-15)	Tariff Year 5 (2015-16)
Total Revenue from Regulated Services (1)	14073.35	15286.19	16604.75	18038.36	19597.19
Total Revenue from services other than Regulated Services (2)	11851.95	14409.97	18025.44	19724.18	21586.18
Operating Expenditure (3)	19954.12	23207.39	27003.08	29099.43	31277.09
Depreciation (4)	5238.00	27368.00	28333.00	28676.00	29161.00
TAXATION (5)	274.94	0.00	0.00	0.00	0.00
Total Expenditure (3) + (4) + (5) = (6)	<b>25467.06</b>	<b>50575.39</b>	<b>55336.08</b>	<b>57775.43</b>	<b>60438.09</b>
Regulatory operating Profit (1) + (2) - (6) = (7)	<b>458.24</b>	<b>-20879.23</b>	<b>-20705.89</b>	<b>-20012.88</b>	<b>-19254.71</b>
Capital expenditure (8)	16072.00	241314.00	11450.00	5150.00	6500.00
Opening RAB (9)	19262.18	30096.39	244042.58	227159.57	203633.87
Disposals/ Transfers (10)	0.00	0.00	0.00	0.00	0.00
Closing RAB (8) + (9) - (4) - (10) = (11)	30096.18	244042.39	227159.58	203633.57	180972.87
Average RAB [(9) + (11)] / 2 = (12)	24679.18	137069.39	235601.08	215396.57	192303.37
Return on Average RAB (12) * 15% = (13)	3701.88	20560.41	35340.16	32309.49	28845.51
Tax on return on RAB [ 0.3750 * (13) ] = (14)	<b>1388.20</b>	<b>7710.15</b>	<b>13252.56</b>	<b>12116.06</b>	<b>10817.06</b>
Increase in Return on RAB to recover tax on return on RAB [(14)*100/62.50] = (15)	2221	12336	21204	19386	17307
ARR [(3)+(4)+(13)+(15)-(2)] = (16)	<b>19263</b>	<b>69062</b>	<b>93855</b>	<b>89746</b>	<b>85005</b>
Total Passenger Volume (17)	10171589	11220135	12377302	13654404	15063940
Required Yield per passenger (16/17) [Rs/per pax]	<b>189.38</b>	<b>615.52</b>	<b>758.28</b>	<b>657.27</b>	<b>564.29</b>
Present Yield	138.36	136.24	134.15	132.11	130.09

**CALCULATION OF YIELD PER PASSENGER - AIRPORT SERVICES**

[Amt. in Rs.]

<b>KOLKATA AIRPORT</b>		Tarrif Yr 1 2011-12	Tarrif Yr 2 2012-13	Tarrif Yr 3 2013-14	Tarrif Yr 4 2014-15	Tarrif Yr 5 2015-16
Aggregate Revenue Requirement	ARR	1926317389	6906207570	9385490061	8974642138	8500471539
Estimated Volume	VE	10171589	11220135	12377302	13654404	15063940
Discount Rate	15%	1.00	0.87	0.76	0.66	0.57
Present Value of ARR	PV(ARR)	1926317389	6005397887	7096778874	5900972886	4860172191
$\sum$ PV(ARR)		<b>25789639227</b>				
$\sum$ VE		<b>62487370</b>				
Yield Per passenger (Y) = $\sum$ PV(ARR) / $\sum$ VE	Y	<b>412.72</b>				

Forecasted change in WPI	WPI-t	6%	6%	6%	6%	6%
X	X-t	1%	1%	1%	1%	1%
Yield per passenger for Tariff Year t		<b>505.70</b>	530.99	557.53	585.41	614.68
Revenue = VE x Y		5143772557.30	5957723382.98	6900769787.59	7993437788.00	9259525395.16
Present Value (VE x Y)		5143772557.30	5180629028.67	5217973374.36	5255815098.55	5294163697.34
Sum PV (VE x Y)		26092353756.22				
Sum VE		62487370.00				
Y= Sum PV (VE x Y) / Sum VE		<b>417.56</b>				

265.50%



**Form F17 - CALCULATION OF AGGREGATE REVENUE REQUIREMENT - CARGO  
KOLKATA AIRPORT**

[RUPEES IN LAKHS]

	Tariff Year 1 (2011-12)	Tariff Year 2 (2012-13)	Tariff Year 3 (2013-14)	Tariff Year 4 (2014-15)	Tariff Year 5 (2015-16)
Total Revenue from Regulated Services (1)	3795.47	4175.01	4592.52	5051.77	5556.94
Total Revenue from services other than Regulated Services (2)	0.00	0.00	0.00	0.00	0.00
Operating Expenditure (3)	2680.67	2921.20	3158.02	3416.48	3697.93
Depreciation (4)	896.00	809.00	720.00	960.00	2263.00
TAXATION (5)	82.05	166.81	267.93	253.23	0.00
Total Expenditure (3) + (4) +(5)= (6)	<b>3658.72</b>	<b>3897.00</b>	<b>4145.96</b>	<b>4629.72</b>	<b>5960.93</b>
Regulatory operating Profit (1) + (2) - (6) = (7)	<b>136.75</b>	<b>278.01</b>	<b>446.56</b>	<b>422.05</b>	<b>-403.99</b>
Capital expenditure (8)	290.00	0.00	0.00	2500.00	10500.00
Opening RAB (9)	5384.86	4778.67	3969.70	3249.89	4789.61
Disposals/ Transfers (10)	0.00	0.00	0.00	0.00	0.00
Closing RAB (8) + (9) – (4) - (10) = (11)	4778.86	3969.67	3249.70	4789.89	13026.61
Average RAB [(9) + (11)] /2 = (12)	5081.86	4374.17	3609.70	4019.89	8908.11
Return on Average RAB (12) *15% = (13)	762.28	656.13	541.46	602.98	1336.22
Tax on return on RAB [ 0.3750* (13) ] = (14)	<b>285.85</b>	<b>246.05</b>	<b>203.05</b>	<b>226.12</b>	<b>501.08</b>
Addl. Revenue required to recover tax on return on RAB [(14)*100/62.5] = (15)	457	394	325	362	802
ARR [ (3)+(4)+(13)+(15)-(2) ] =(16)	<b>4796.32</b>	<b>4780.00</b>	<b>4744.35</b>	<b>5341.26</b>	<b>8098.88</b>
Total Cargo Volume (International) in Tons = (17)	45043.00	49547.00	54502.00	59952.00	65947.00
Required Yield per Ton (16/17) [Rs/per pax]	<b>10648.31</b>	<b>9647.40</b>	<b>8704.91</b>	<b>8909.22</b>	<b>12280.89</b>
Present Yield	8426.32	8426.37	8426.33	8426.35	8426.38

**CALCULATION OF YIELD PER TON - CARGO SERVICES**

[Amt. in Rs.]

**KOLKATA AIRPORT**

		Tarrif Yr 1 2011-12	Tarrif Yr 2 2012-13	Tarrif Yr 3 2013-14	Tarrif Yr 4 2014-15	Tarrif Yr 5 2015-16
Aggregate Revenue Requirement	ARR	479631779	477999861	474435257	534125775	809888060
Estimated Volume (In Ton)	VE	45043	49547	54502	59952	65947
Discount Rate	15%	1.00	0.87	0.76	0.66	0.57
Present Value of ARR	PV(ARR)	479631779	415652053	358741215	351196367	463056127
$\sum$ PV(ARR)		<b>2068277541</b>				
$\sum$ VE		<b>274991</b>				
Yield Per Ton (Y) = $\sum$ PV(ARR)/ $\sum$ VE	Y	<b>7521.26</b>				

Forecasted change in WPI	WPI-t	6%	6%	6%	6%	6%
X	X-t	1%	1%	1%	1%	1%
Yield per Ton for Tariff Year t		<b>9104.10</b>	9559.31	10037.27	10539.13	11066.09
Revenue = VE x Y		410075976.30	473634884.84	547051303.17	631842147.33	729775466.95
Present Value (VE x Y)		410075976.30	411856421.60	413649378.58	415446468.20	417251491.78
Sum PV (VE x Y)		2068279736.46				
Sum VE		274991.00				
Y= Sum PV (VE x Y) / Sum VE		<b>7521.26</b>				

**Form F17 - CALCULATION OF AGGREGATE REVENUE REQUIREMENT**

KOLKATA AIRPORT

[RUPEES IN LAKHS]

	Tariff Year 1 (2011-12)	Tariff Year 2 (2012-13)	Tariff Year 3 (2013-14)	Tariff Year 4 (2014-15)	Tariff Year 5 (2015-16)
Total Revenue from Regulated Services (1)	17868.82	19461.20	21197.27	23090.13	25154.14
Total Revenue from services other than Regulated Services (2)	11851.95	14409.97	18025.44	19724.18	21586.18
Operating Expenditure (3)	22634.79	26128.59	30161.11	32515.91	34975.02
Depreciation (4)	6134.00	28177.00	29053.00	29636.00	31424.00
TAXATION (5)	356.99	166.81	267.93	253.23	0.00
Total Expenditure (3) + (4) +(5)= (6)	29125.78	54472.39	59482.04	62405.14	66399.02
Regulatory operating Profit (1) + (2) - (6) = (7)	594.99	-20601.22	-20259.33	-19590.83	-19658.70
Capital expenditure (8)	16362.00	241314.00	11450.00	7650.00	17000.00
Opening RAB (9)	24647.05	34875.06	248012.28	230409.46	208423.49
Disposals/ Transfers (10)	0.00	0.00	0.00	0.00	0.00
Closing RAB (8) + (7) – (4) - (10) = (11)	34875.05	248012.06	230409.28	208423.46	193999.49
Average RAB [(9) + (11)] /2 = (12)	29761.05	141443.56	239210.78	219416.46	201211.49
Return on Average RAB (12) *15% = (13)	4464.16	21216.53	35881.62	32912.47	30181.72
Tax on return on RAB [ 0.3750* (13) ] = (14)	1674.06	7956.20	13455.61	12342.18	11318.15
Addl. Revenue required to recover tax on return on RAB [(14)*100/62.50 ] = (15)	2678.49	12729.92	21528.97	19747.48	18109.03
ARR [ (3)+(4)+(13)+(15)-(2) ] =(16)	24059.49	73842.07	98599.25	95087.68	93103.60
<b>Total Passenger Volume</b>	<b>10171589.00</b>	<b>11220135.00</b>	<b>12377302.00</b>	<b>13654404.00</b>	<b>15063940.00</b>
<b>Total Cargo Volume</b>	<b>49547.00</b>	<b>54502.00</b>	<b>59952.00</b>	<b>65947.00</b>	<b>72542.00</b>
Required Yield per passenger (16/17) [Rs/pe	236.54	658.12	796.61	696.39	618.06

# **ANNEXURE - III**



AAI/CHQ/REV/AERA/AS/2012

8<sup>th</sup> Aug. 2012

The Secretary,  
AERA,  
AERA Building,  
SAP Office Complex,  
New Delhi.

**Sub: Addl. Information on Chennai & Kolkata MYTP.**

Madam,

Kindly refer to your letter no. AERA/20010/MYTP/AAI dated on the above subject.

The point-wise information required in respect of Chennai & Kolkata MYTPs is submitted below :

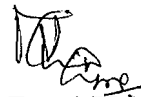
- i) Pax data for 2010-11 – The traffic data available in AAI website for FY 2010-11/ 2011-12 may be considered as base for traffic projections.
- ii) Project Cost and Target date of completion - The details of project costs in respect of Chennai & Kolkata mega projects is enclosed vide annexure A. The expected date of commissioning of new terminal building at Chennai is August, 2012. The expected date of commissioning of new terminal building at Kolkata airport is October, 12 except for Zone -I for which completion date is December 12.
- iii) Confirmation of depreciation policy adopted by AAI - The depreciation policy approved by AAI Board is consistently applied for preparation of AAI's financial accounts. The annual accounts of AAI are audited by C&AG and the depreciation policy followed by AAI is accepted by C&AG. In case the depreciation is reworked as per AERA guidelines considering the 90% of value of assets as depreciable and leaving 10% of asset value as residual value, then the value of Assets (net block) would not tally with the

value of assets appearing in the AAI books of accounts. Further, it would be difficult to verify assets as per AERA guidelines vis-à-vis AAI records. If depreciation calculation is to be reworked as per AERA policy then net block of Fixed Assets which have been 100% depreciated as per AAI books would need recasting.

- iv) Application of WPI - The WPI applied in MYTP is based on the long term forecast of WPI as available in RBI website (copy enclosed at annexure-B).
- v) X-factor – The X factor indicated in the MYTPs submitted earlier to AERA was erroneously typed as 1% instead of 0.1%. X factor may be considered as 0.1%.
- vi) Details of Capitalisation - The details of capitalization for the control period, including mega projects, is furnished in the Form F10(a) of MYTPs.

The ATP for Chennai & Kolkata airports will be submitted separately.

Yours faithfully,



**(M. Ravi Varma)**  
**General Manager(Finance)**

Encl. As above.

MODERNISATION OF NSCBI AIRPORT, KOLAKATA  
[Break-up of Costs]

(Rs. in Crores)

Sl. No.	Brief of Sub-head	Cost as per Revised PIB provisions
1	Construction of Integrated Terminal Building at NSCBI Airport, Kolkata (includes, civil, plumbing, internal electrical, power supply, HVAC, Escalators, Travellators Elevators, Electrical Substation, Entry/Exit roads, Elevated road for departure, VIP Flyover etc.)	1602.61 (-) 49.50 1553.11
2	Extension of Secondary Runway, Construction of Taxi Tracks, aprons provision of visual aids with apron lighting and associated Civil & Electrical works.	100.00
3	Flight Information Display = 9.00 EPABX = 0.80 CCTV = 4.75 Access Control system = 0.75 Total = 15.30	15.30
4	Equipments (Aero bridge on line baggage screening system, x-ray machine, HHMD & DFMD), Baggage conveyer (Dep & Arrival)	180.00
5	Aluminum / façade work	158.22
6	Water Treatment Plant and Sewage Treatment Plant	15.00
7	Interior works (counter furnishing) i) Counters = 0.64 ii) Furnishings = 2.00 iii) PA System = 8.00 iv) Art work = 3.00 v) Internal Lighting = 20.94 vi) FDA = 3.07 vii) BMS = 8.50 Total = 46.15	43.15
8	Canopy at Departure level	12.00
9	Signages	5.00
10	Soft Landscaping work	1.00
11	Architectural/ Engineering Consultancy Services for Development of Integrated Passenger Terminal and associated works at NSCBI Airport Kolkata.	69.20
12	Construction Supervision Consultancy for the work of "Construction of Integrated Passenger Terminal Building at NSCBI Airport, Kolkata".	17.53
13	Provision for payment to State Electricity Board	15.00
14	Interest during Construction Period	70.00
15	Contingencies	59.48
16	Service Tax on consultants and PMC Fee @ 12.36% on paid amount & 10.30% on balance	10.64
	<b>GRAND TOTAL</b>	<b>2324.63</b>

FAX MESSAGE (011-24694574)

No. AAI/CAP/EDE/BUDGET/2012/

Date: 26.07.2012

From	Executive Director (Engg), AAI Chennai Airport Project, Chennai.
To	Executive Director (Arch), AAI CHQ, New Delhi.
CC	Member Planning, AAI CHQ, RGB New Delhi.

Sub: Multi -Year Tariff proposal (MYTP) for Chennai Airport.

Ref: PLG/516/2.8/12 dt. 25.07.2012.

The breakup of Project cost of Mega Project at Chennai Airport is given as below :

**1. Terminal Buildings**

I. The expected completion cost for various Civil, Electro-Mechanical works IT of Terminal Buildings are given below :-

a. Civil works	- 805 cr.
b. Electrical	- 330 cr.
c. Various Civil & Elect taken up to various contracts as per site requirement and charging the expenditure to the savings of the Project	- 14.5 cr.
d. Works taken up through contingencies which are contingent to the Project	- 38.7 cr.
e. BHS	- 36 cr.
f. Aerobridges	- 21 cr.
g. Various interior works like counters, signages etc	- 9.23 cr.
h. Design consultancy (including service tax)	- 55.5 cr.
i. Project Management Consultancy (incl. service tax)	- 32.60 cr.
j. Deposit for TNEB (same as kept in approved PIB)	- 50 cr.
k. Interest during the construction period (same as kept in approved PIB)	- 70 cr.
l. IT work awarded as a part of main contract subsequently	- 35.5 cr.
m. Relocation of Defence installation	- 8 cr.
n. *X-ray and HHMD (same as kept in approved PIB)	- 9.40 cr.
o. *In-line x-ray baggage system (same as kept in approved PIB)	- 29.50 cr.
p. *Art and mural work	- 1.60 cr.

Total (A) Rs.1546.53 cr.

\* Tender for these works are being done from CHQ.

II. The above cost shown in (A) do not include the following cost. This cost has not been taken in the PIB.

Contd....2/-



- (1) Expected escalation for the main package approx. of Rs. 102.25 cr. (civil and electrical and IT for Terminal building).
- (2) Arbitration and DRB which are already in progress.
- (3) IT works already awarded as a balance package from CHQ subsequently after AOCC work not taken up. This cost has also not been projected in the revised PIB.

**2. Extension of Secondary Runway (yet to be operationalized)**

Work Completed cost of ₹ 251.09 Cr excluding the cost of escalation. (ie ₹. 6.52 Cr. paid) & including contingencies amount. Date of Completion of work 31.03.2011. (B)

**3. Bridge over Adyar River – (yet to be operationalised).**

Work completed ₹ 216.70 Cr excluding the cost of escalation and DRB. (ie Rs. 11.00Cr paid till date ) & including contingencies amount. Date of Completion of Work 30.03.2011. (C)


**4. The above cost also does not include the salary and establishment cost etc. of about Rs.26.22 cr. upto June, 2012.**

**5. The Total cost of Terminal Buildings, Extension of Secondary Runway & Bridge over Adyar river comes (A+B+C) is ₹ 2014.32 Cr against the revised approved PIB amount of ₹. 2015.00 Cr**

**6. Commissioning of Terminal buildings.**

- (i) The trial run for Domestic Terminal-2 for Arrival passengers for Departing passengers has been completed on 30.04.2012 & 03.07.2012 respectively. The Aero Bridge (7nos) installation is in progress and likely to completed by 20.08.2012.
- (ii) The trial run for International Terminal-2 for Arrival passengers has been completed on 24.07.2012. The Aero Bridge (2+1 nos) procurement & installation is likely to be completed by 15.09.2012.
- (iii) The expected date of Commissioning of Domestic Terminal-2 is planned in Aug 2012 & for International Terminal -2 by end of Sep 2012.

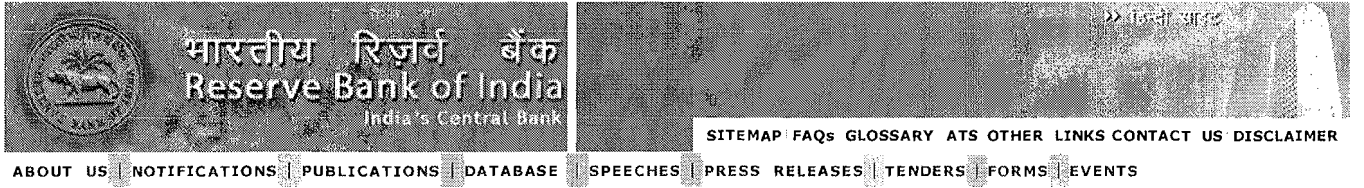
This is for your information and further necessary action.



(S.Bhaduri)

Executive Director (Engg)

Annexure - B



The header section of the Reserve Bank of India website. On the left is the RBI logo with the text 'भारतीय रिज़र्व बैंक' and 'Reserve Bank of India India's Central Bank'. To the right is a navigation menu with links: 'SITMAP', 'FAQs', 'GLOSSARY', 'ATS', 'OTHER LINKS', 'CONTACT US', 'DISCLAIMER'. Below this is a second row of links: 'ABOUT US', 'NOTIFICATIONS', 'PUBLICATIONS', 'DATABASE', 'SPEECHES', 'PRESS RELEASES', 'TENDERS', 'FORMS', 'EVENTS'.

**Table 6: Median Forecasts for External Sector**

	2011-12	2012-13
Overall BoP (in US \$ bn.)	7.5	5.8
Export (in US \$ bn.)	290.6	331.2
Export (growth rate in %)	17.5	14.3
Import (in US \$ bn.)	454.8	520.0
Import (growth rate in %)	20.6	14.4
Trade Balance (% of GDP)	-8.7	-8.6
Invisible Balance (US \$ bn)	102.0	113.0
Current Account Balance (US \$ bn)	-63.9	-68.0
Capital Account Balance (US \$ bn)	63.6	74.1

**2. Quarterly Forecasts:**

- The real GDP growth in the third quarter of 2011-12 is projected at 6.7 per cent, showing a downward revision from 7.7 per cent in the last survey. Median forecasts for the third quarter of 2011-12 for real GDP originating from agriculture, industry and services sectors are projected to be 3.3 per cent, 2.7 per cent and 8.9 per cent, respectively. The forecast has been revised upwards from 2.7 per cent for agriculture sector. For industry and services sectors, the forecast is revised downwards from 7.1 per cent and 9.2 per cent, respectively, in the last survey. There is a significant downward revision in Index of Industrial Production growth forecast in the third quarter of 2011-12 to 1.5 per cent, from 5.8 per cent in the last survey (Table 7).

**Table 7: Median Forecasts for Quarterly GDP and IIP**

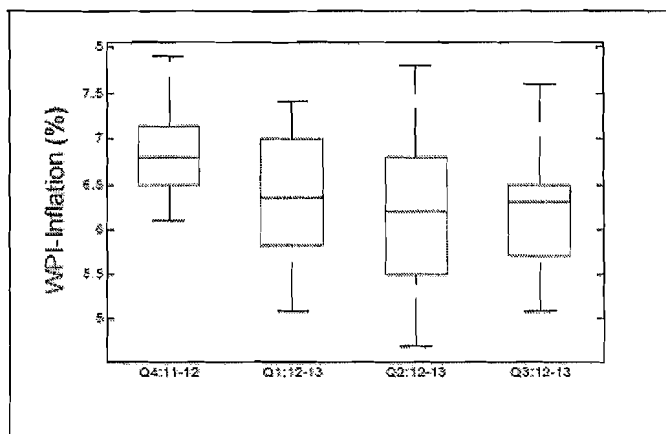
Growth Rate in %	Q3: 11-12	Q4: 11-12	Q1: 12-13	Q2: 12-13	Q3: 12-13
Overall GDP	6.7	7.0	6.8	7.1	7.3
Agri. & Allied Act.	3.3	3.5	3.0	3.2	3.3
Industry	2.7	3.8	4.4	5.1	5.8
Services	8.9	8.5	8.5	8.7	8.8
IIP	1.5	2.7	4.8	5.8	6.8

- Forecasters' median estimate for average WPI inflation in the fourth quarter of 2011-12 is at 6.8 per cent, which has been revised downwards from the last survey. For the first quarter of 2012-13, WPI-inflation forecast is 6.4 per cent (Table 8). The box plot of the WPI-inflation forecast is also presented in Chart 3.

**Table 8: Median Forecast for WPI and CPI-IW Inflation: Quarterly**

	WPI	WPI-MP	CPI-IW
Q4:11-12	6.8	6.4	8.2
Q1:12-13	6.4	5.9	8.4
Q2:12-13	6.2	5.8	7.8
Q3:12-13	6.3	5.6	7.4

**Chart 3: Box Plot for Quarterly WPI-Inflation**



**3. Long Term Forecasts:**

- Long term forecast for real GDP for the next five years (2012-2016) is 8.0 per cent, which is same as the last survey. For the next ten years (2012-2021), the GDP is expected to grow at 8.4 per cent, which is revised upwards from the last survey (Table 9). Over the next five years, WPI inflation is expected to be 6.0 per cent, same as the last survey. CPI-IW inflation forecast over next five years remained unchanged at 7.0 per cent. Over

the next ten years, WPI inflation is expected to be 5.9 per cent, revised marginally downwards from 6.0 per cent in last survey. CPI-IW inflation is revised upwards to 6.5 per cent from 6.2 per cent over the next ten years.

**Table 9: Long Term Median Forecasts for Growth and Inflation**

Growth rate in %	Next Five Years	Next Ten Years
Real GDP	8.0	8.4
WPI	6.0	5.9
CPI-IW	7.0	6.5

Annex

**Table A.1 : Annual Forecasts for 2011-12**

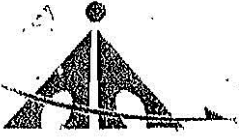
Key Macroeconomic Indicators	Annual Forecasts for 2011-12				Actuals for 2010-11
	Mean	Median	Max	Min	
1 Real GDP growth rate at factor cost (in per cent)	7.0	7.0	7.2	6.6	8.5#
a Agriculture & Allied Activities	3.5	3.4	5.9	2.8	6.6#
b Industry	4.2	4.1	5.5	2.4	7.8#
c Services	8.9	9.0	9.4	8.0	9.2#
2 Private Final Consumption Expenditure at current market price (growth rate in per cent)	15.6	15.8	18.0	13.0	19.1#
3 Gross Domestic Saving (per cent of GDP at current market price) of which Private Corporate Sector	33.1	33.0	34.0	32.1	
4 Gross Fixed Capital Formation (per cent of GDP at current market price)	29.9	28.7	35.5	27.9	29.5#
5 Money Supply (M3) (growth rate in per cent)	15.9	16.0	17.0	14.0	16.0
6 Bank Credit (growth rate in per cent)	17.2	17.0	19.0	15.1	21.5
7 Combined Gross Fiscal Deficit (per cent of GDP)	8.4	8.2	12.0	6.8	7.7#
8 Central Govt. Fiscal Deficit (per cent of GDP)	5.8	5.7	8.0	5.2	5.1#
9 Corporate profit after tax (growth rate in per cent)	8.6	8.0	12.0	5.1	7.6
10 Repo (end period)	8.50	8.50	8.50	6.50	6.75
11 Reverse Repo (end period)	7.50	7.50	7.50	5.50	5.75
12 CRR (end period)	6.00	6.00	6.00	5.00	6.00
13 INR/ 1USD (RBI reference rate-end period)	51.50	52.00	55.25	48.00	44.65
14 T-Bill 91 days Yield (Weighted average cut-off yield)	8.27	8.19	8.70	8.00	8.2
15 10 year Govt. Securities Yield (per cent-average)	8.33	8.33	8.60	8.00	8.4
16 Overall Balance (in US \$ bn.)	8.0	7.5	13.6	2.1	13.1@
17 Export (in US \$ bn.)	289.4	290.6	304.0	268.0	250.5@
18 Export (growth rate in percent)	16.2	17.5	22.6	7.0	37.4@
Import (in US \$ bn.)	451.0	454.8	479.0	405.0	380.9@
19 Import (Growth rate in percent)	19.6	20.6	27.8	6.3	26.7@
Trade Balance (% of GDP)	-8.8	-8.7	-6.4	-15.5	-7.6@
20 Invisible Balance (US \$ bn)	97.4	102.0	112.0	67.0	86.2@
21 Current Account Balance (US \$ bn)	-65.8	-63.9	-56.0	-91.3	-44.2@
22 Current Account Balance (% of GDP)	-6.4	-3.4	-2.9	-67.4	-2.6@
23 Capital Account Balance (US \$ bn)	62.9	63.6	80.0	49.2	59.7@
24 Capital Account Balance (% of GDP)	6.9	3.5	64.9	2.5	3.5@

#: RE; @: Preliminary.

**Table A.2 : Annual Forecasts for 2012-13**

Key Macroeconomic Indicators	Annual Forecasts for 2012-13			
	Mean	Median	Max	Min
1 Real GDP growth rate at factor cost (in per cent)	7.1	7.3	8.0	6.1
a Agriculture & Allied Activities	3.1	3.0	4.4	0.8
b Industry	5.7	5.8	7.5	3.7
c Services	8.7	8.8	9.4	7.5
2 Private Final Consumption Expenditure at current market price (growth rate in per cent)	14.6	14.7	18.5	11.6

# **ANNEXURE -IV**



भारतीय विमानपत्तन प्राधिकरण  
AIRPORTS AUTHORITY OF INDIA

AAI/CHQ/REV/AERA/AS/Kolkata-MYTP/2012

16.08.2012

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

**Sub: Multi-Year Tariff Proposal for Kolkata Airport – ATP reg.**

Sr,

Kindly refer to the revised MYTP for Kolkata airport submitted by AAI in March, 2012. Pursuant to various discussions with AERA, including the meeting held on 13.07.2012 at AERA office, MYTP model has been updated and submitted to AERA.

2. Detailed Annual Tariff Proposal (ATP) applicable to 1<sup>st</sup> Regulatory Control Period in respect of Aeronautical Services viz. Landing, Housing & Parking, Passenger Service Fee (Facilitation), Throughput Charges, User Development Fee (UDF) for FY 2012-13 [effective from 1<sup>st</sup> Nov., 2012], FY 2013-14, FY 2014-15 & FY 2015-16 are enclosed vide annexure-I for your consideration and approval please. The tariff proposals are:

- (i) Landing Charges – It is proposed to levy the following landing charges from 1<sup>st</sup> Nov.2012.

[Amt. in Rs]

Weight of A/craft	Existing Rates		Proposed rates	
	Intl. flight	Dom. Flight	Intl. flight	Dom. Flight
Upto 100MT	250.50 per MT	187.90 per MT	546.10 per MT	278.10 per MT
Above 100 MT	25050+ 336.60 per MT in excess of 100 MT	18790+ 252.50 per MT in excess of 100 MT	54610+ 733.80 per MT in excess of 100 MT	27810+ 373.70 per MT in excess of 100 MT

Minimum Landing Fee of Rs 5000/- per landing is proposed for all flights except training flights operated by the Flying Clubs.

- (ii) Housing & Parking Charges – are proposed to be revised as per details given below:

[Am. in Rs]

Weight of Aircraft	Existing Rates		Proposed rates	
	Housing Charges per Hr.	Parking Charges per Hour	Housing Charges per Hour	Parking Charges per Hour
Upto 100MT	8.10 per hr. per MT	4.10 per hour per MT	14.80 per hour per MT	7.50 per hour per MT
Above 100 MT	810+10.80 per MT per hour in excess of 100 MT	410 + 5.40 per hour per MT	1480 + 19.80 per hour per MT	750.30+9.90 per MT per hour in excess of 100 MT

- (iii) Passenger Service Fee (Facilitation) – No increase in current rate i.e. Rs 77/- per embarking passenger is proposed. From 1<sup>st</sup> January, 2013, PSF(Facilitation) will be merged with proposed UDF levy. PSF(Security) will be continue to be levied at the existing rates i.e. Rs 130/- per departing pax.
- (iv) Fuel Throughput Charges – As per the understanding with the Oil Cos. the throughput charges are proposed to be increased by 5% per annum. For FY 2012-13 rate proposed effective from 1<sup>st</sup> Nov. 2012 is as under:

Existing Rate	Proposed Rate
Rs. 1216.72 per Kilolitre	Rs 1277.56 per kilolitre

- (v) User Development Fee(UDF) - Though the MYTP calculations suggest a levy of UDF to Domestic departing pax @ Rs 697 & @ Rs 1996 to Intl. departing passengers, in order to minimise burden on travelling passengers, it is proposed to restrict UDF levy to rates proposed below effective from 1<sup>st</sup> Jan. 2013. It is requested that AERA may please allow AAI to recover shortfall in required ARR in the subsequent control period (2<sup>nd</sup> Regulatory control period)

User Development Fee

	Proposed Rate
Domestic Pax	Rs 400 per embarking pax
Intl. Pax	Rs 1000 per embarking pax

3. The annual escalation @ 6 % p.a. w.e.f. 1<sup>st</sup> April of ensuing financial years is proposed on Landing, Housing & Parking and UDF from Tariff Year-3 (2013-14) onwards and in case of fuel throughput charges annual escalation proposed is 5 % p.a. w.e.f. 1<sup>st</sup> April of ensuing financial years.

4. Though the MYTP calculations suggest increase in Cargo Service charges by 20% from 1<sup>st</sup> Nov. 2012 with annual escalation of 6% p.a., in order to reduce the upfront increase and to minimise the impact on Trade, it is proposed to increase Cargo rates by 8% p.a. for all the Tariff years effective from 1<sup>st</sup> Nov. 2012 and subsequently from 1<sup>st</sup> April of ensuing financial years.

It is requested that ATP for Kolkata Airport enclosed herewith may be considered for approval please.

Yours faithfully,



**(S. Suresh)**

**Member(Finance)**

Encl.: As above.



## AIRPORTS AUTHORITY OF INDIA

## KOLKATA AIRPORT - PROPOSED RATE CARD FOR AERONAUTICAL SERVICES EFFECTIVE FROM 1ST NOV' 2012 UP TO 31ST MARCH, 2013

## (I) LANDING CHARGES

Weight of Aircraft	EXISTING RATES (IN INR)		PROPOSED RATES (IN INR)		REMARKS
	Rate per landing International Flight	Rate per Landing Other than International Flight	Rate per landing International Flight	Rate per Landing Other than International Flight	
Upto 100 MT	250.50 per MT	187.90 per MT	546.10 per MT	278.10 per MT	48.00% increase for Domestic flights
Above 100 MT	25050.00 + 336.60 per MT in excess of 100 MT	18790.00 + 252.50 per MT in excess of 100 MT	54610.00 + 733.80 per MT in excess of 100 MT	27810.00 + 373.70 per MT in excess of 100 MT	118.00% increase for Intl. flights

## Note:

- a) Charges shall be calculated on the basis of nearest Metric Tonne(MT) (i.e. 1,000 kgs.) of the aircraft.  
b) A surcharge of 25% will be levied on landing charges for supersonic aircraft.  
c) A minimum fee of INR 5000/- shall be charged per single landing for all types of aircraft /helicopter flights, including but not limited to domestic landing, international landing and general aviation landing. However, this will not be applicable for flights operated by Flying Clubs.  
d) Weight of the aircraft means maximum takeoff weight(MTOW) as indicated in the certificate of Airworthiness filed with Director General Civil Aviation(DGCA).

e) All domestic legs of International routes flown by Indian operators will be treated as domestic flights as far as air side airport user charges are concerned, irrespective of the flight number assigned to such flights.

## (II) HOUSING AND PARKING CHARGES

Weight of Aircraft	EXISTING RATES (IN INR)		PROPOSED RATES (IN INR)		REMARKS
	Housing Charges Rates per Hour	Parking Charges Rates per Hour	Housing Charges Rates per Hour	Parking Charges Rates per Hour	
Upto 100 MT	8.10 per hour per MT	4.10 per hour per MT	14.80 per hour per MT	7.50 per hour per MT	83.00% increase
Above 100 MT	810.00 + 10.80 per MT per hour in excess of 100 MT	410.00 + 5.40 per MT per hour in excess of 100 MT	1480.00 + 19.80 per MT per hour in excess of 100 MT	750.30 + 9.90 per MT per hour in excess of 100 MT	

## Note:

- a) No parking charges shall be levied for the first two hours. While calculating free parking period, standard time of 15 minutes shall be added on account of time taken between touch down time and actual parking time on the parking stand. Another standard time of 15 minutes shall be added on account of taxing time of aircraft from parking stand to take off point. These periods shall be applicable for each aircraft irrespective of actual time taken in the movement of aircraft after landing and before takeoff.  
b) For calculating chargeable parking time, any part of an hour shall be rounded off to the next hour.  
c) Charges shall be calculated on the basis of next MT.  
d) Charges for each period parking shall be rounded off to nearest Rupee.  
e) Whilst in -contact stands, after free parking, for the next two hours Parking charges shall be levied. After this period, the Housing charges shall be levied.

(III) **PASSENGER SERVICE FEE(FACILITATION)**

EXISTING RATE	PROPOSED RATE	REMARKS
Rs 77 per embarking passenger	No increase proposed. The existing levy of PSF(Facilitation) proposed to be discontinued from the 1st Jan'2013	PSF(Facilitation) will be merged with proposed UDF levy w.e.f. 1st Jan, 2013.

Note: PSF(Security) will continued to be levied at an applicable rate.

(IV) **THROUGHPUT CHARGES**

EXISTING RATE (IN INR)	PROPOSED RATE (IN INR)	REMARKS
1216.72 per Kilolitre	1277.56 per Kilolitre	5% increase proposed

(V) **USER DEVELOPMENT FEE(UDF)**

	EXISTING RATE	PROPOSED RATE (INR)	REMARKS
Dom. Passenger	Not applicable	400.00 per embarking passenger	New levy proposed w.e.f. 1st Jan. 13
Intl. Passenger	Not applicable	1000.00 per embarking passenger	

**Note:**

a) In respect of the tickets issued in foreign currency, the UDF shall be levied in US Dollars.

b) Collection charges: if the payment is made within 15 days of receipt of invoice, then collection charges at INR 5.50 per departing passenger shall be paid by AAI. No collection charges shall be paid in case the airline fails to pay the UDF invoice to AAI within the credit period of 15 days or in case of any part payment. to be eligible to claim this collection charges, the airlines should have no overdue on any other account with AAI.

c) Transit/Transfer passengers: A passenger is treated in-transit/transfer only if the onward journey is within 24 hours from the time of arrival at airport and the onward travel is part of same ticket. In case 2 separate tickets are issued(one for arrival and one for departure) , the passenger does not include passenger on return journey.

(VI) **General Condition:**

All the above Charges are excluding of Service Tax. Service Tax at the applicable rates will be paid by the aircraft operator in addition to above charges.

**AIRPORTS AUTHORITY OF INDIA**

**KOLKATA AIRPORT - PROPOSED RATE CARD FOR AERONAUTICAL SERVICES  
EFFECTIVE FROM 1ST APRIL 2013 UP TO 31ST MARCH, 2014**

**(I) LANDING CHARGES**

Weight of Aircraft	PROPOSED RATES (IN INR)		REMARKS
	Rate per landing International Flight	Rate per Landing Other than International Flight	
Upto 100 MT	578.90 per MT	294.80 per MT	6.00% increase for Domestic flights
Above 100 MT	57890.00 + 777.80 per MT in excess of 100 MT	29480.00 + 386.10 per MT in excess of 100 MT	6.00% increase for Intl flights

**Note:**

- a) Charges shall be calculated on the basis of nearest Metric Tonne(MT)(i.e.1,000 kgs.) of the aircraft.
- b) A surcharge of 25% will be levied on landing charges for supersonic aircraft.
- c) A minimum fee of INR 5000/- shall be charged per single landing for all types of aircraft /helicopter flights, including but not limited to domestic landing, international landing and general aviation landing. However, this will not be applicable for flights operated by Flying Clubs.
- d) Weight of the aircraft means maximum takeoff weight(MTOW) as indicated in the certificate of Airworthiness filed with Director General Civil Aviation(DGCA).
- e) All domestic legs of International routes flown by indian operators will be treated as domestic flights as far as air side airport user charges are concerned, irrespective of the flight number assigned to such flights.

**(II) HOUSING AND PARKING CHARGES**

Weight of Aircraft	PROPOSED RATES (IN INR)		REMARKS
	Housing Charges Rates per Hour	Parking Charges Rates per Hour	
Upto 100 MT	15.70 per hour per MT	8.00 per hour per MT	6.00% Increase
Above 100 MT	1570.00 + 21.00 per MT per hour in excess of 100 MT	800.00 + 10.50 per MT per hour in excess of 100 MT	

**Note:**

- a) No parking charges shall be levied for the first two hours. While calculating free parking period, standard time of 15 minutes shall be added on account of time taken between touch down time and actual parking time on the parking stand. Another standard time of 15 minutes shall be added on account of taxing time of aircraft from parking stand to take off point. these periods shall be applicable for each aircraft irrespective of actual time taken in the movement of aircraft after landing and before takeoff.
- b) For calculating chargeable parking time, any part of an hour shall be rounded off to the next hour.
- c) Charges shall be calculated on the basis of next MT.
- d) Charges for each period parking shall be rounded off to nearest Rupee.
- e) Whilst in -contact stands, after free parking, for the next two hours Parking charges shall be levied. After this period, the Housing charges shall be levied.

**(III) THROUGHPUT CHARGES**

PROPOSED RATE (IN INR)	REMARKS
1341.44	5% increase

**(IV) USER DEVELOPMENT FEE(UDF)**

PROPOSED RATE (INR)		REMARKS
Dom. Passenger	424 per embarking passenger	6% increase
Intl. Passenger	1060 per embarking passenger	

**Note:**

- a) In respect of the tickets issued in foreign currency, the UDF shall be levied in US Dollars.
- b) Collection charges: If the payment is made within 15 days of receipt of invoice, then collection charges at INR 5.50 per departing passenger shall be paid by AAI. No collection charges shall be paid in case the airline fails to pay the UDF invoice to AAI within the credit period of 15 days or in case of any part payment. To be eligible to claim this collection charges, the airlines should have no overdue on any other account with AAI.
- c) Transit/Transfer passengers: A passenger is treated in-transit/transfer only if the onward journey is within 24 hours from the time of arrival at airport and the onward travel is part of same ticket. In case 2 separate tickets are issued (one for arrival and one for departure) , the passenger does not include passenger on return journey.

**(v) General Condition:**

All the above Charges are excluding of Service Tax. Service Tax at the applicable rates will be paid by the aircraft operator in addition to above charges.

Note: PSF(Security) will continued to be levied at an applicable rate.

**AIRPORTS AUTHORITY OF INDIA**

**KOLKATA AIRPORT - PROPOSED RATE CARD FOR AERONAUTICAL SERVICES  
EFFECTIVE FROM 1ST APRIL 2014 UP TO 31ST MARCH, 2015**

**(I) LANDING CHARGES**

Weight of Aircraft	PROPOSED RATES (IN INR)		REMARKS
	Rate per landing International Flight	Rate per Landing Other than international Flight	
Upto 100 MT	613.60 per MT	312.50 per MT	6.00% increase for Domestic flights
Above 100 MT	61360.00 + 824.50 per MT in excess of 100 MT	31250.00 + 419.90 per MT in excess of 100 MT	6.00% increase for Intl. flights

**Note:**

- a) Charges shall be calculated on the basis of nearest Metric Tonne(MT)(i.e. 1,000 kgs.) of the aircraft.
- b) A surcharge of 25% will be levied on landing charges for supersonic aircraft.
- c) A minimum fee of INR 5000/- shall be charged per single landing for all types of aircraft/helicopter flights, including but not limited to domestic landing, international landing and general aviation landing. However, this will not be applicable for flights operated by Flying Clubs.
- d) Weight of the aircraft means maximum takeoff weight(MTOW) as indicated in the certificate of Airworthiness filed with Director General Civil Aviation(DGCA).
- e) All domestic legs of International routes flown by Indian operators will be treated as domestic flights as far as air side airport user charges are concerned, irrespective of the flight number assigned to such flights.

**(II) HOUSING AND PARKING CHARGES**

Weight of Aircraft	PROPOSED RATES (IN INR)		REMARKS
	Housing Charges Rates per Hour	Parking Charges Rates per Hour	
Upto 100 MT	16.60 per hour per MT	8.50 per hour per MT	6.00% increase over
Above 100 MT	1660.00 + 22.30 per MT per hour in excess of 100 MT	850.00 + 11.10 per MT per hour in excess of 100 MT	

**Note:**

- a) No parking charges shall be levied for the first two hours. While calculating free parking period, standard time of 15 minutes shall be added on account of time taken between touch down time and actual parking time on the parking stand. Another standard time of 15 minutes shall be added on account of taxing time of aircraft from parking stand to take off point. These periods shall be applicable for each aircraft irrespective of actual time taken in the movement of aircraft after landing and before takeoff.
- b) For calculating chargeable parking time, any part of an hour shall be rounded off to the next hour.
- c) Charges shall be calculated on the basis of next MT.
- d) Charges for each period parking shall be rounded off to nearest Rupee.
- e) Whilst in contact stands, after free parking, for the next two hours Parking charges shall be levied. After this period, the Housing charges shall be levied.

**(III) THROUGHPUT CHARGES**

PROPOSED RATE (IN INR)	REMARKS
1408.51	5% increase

**(IV) USER DEVELOPMENT FEE(UDF)**

	PROPOSED RATE (INR)	REMARKS
Dom. Passenger	449 per embarking passenger	6% increase
Intl. Passenger	1124 per embarking passenger	

**Note:**

- a) In respect of the tickets issued in foreign currency, the UDF shall be levied in US Dollars.
- b) Collection charges: If the payment is made within 15 days of receipt of invoice, then collection charges at INR 5.50 per departing passenger shall be paid by AA. No collection charges shall be paid in case the airline fails to pay the UDF invoice to AA within the credit period of 15 days or in case of any part payment, to be eligible to claim this collection charges, the airlines should have no overdue on any other account with AA.
- c) Transit/Transfer passengers: A passenger is treated in-transit/transfer only if the onward journey is within 24 hours from the time of arrival at airport and the onward travel is part of same ticket. In case 2 separate tickets are issued (one for arrival and one for departure), the passenger does not include passenger on return journey. ✓

**AIRPORTS AUTHORITY OF INDIA**

**KOLKATA AIRPORT - PROPOSED RATE CARD FOR AERONAUTICAL SERVICES  
EFFECTIVE FROM 1ST APRIL 2015 UP TO 31ST MARCH, 2016**

**(I) LANDING CHARGES**

Weight of Aircraft	PROPOSED RATES (IN INR)		REMARKS
	Rate per landing International Flight	Rate per Landing Other than International Flight	
Upto 100 MT	650.40 per MT	331.30 per MT	6.00% increase for Domestic flights
Above 100 MT	65040.00 + 874.00 per MT in excess of 100 MT	33130.00 + 445.10 per MT in excess of 100 MT	6.00% increase for Intl. flights

**Note:**

a) Charges shall be calculated on the basis of nearest Metric Tonne(MT)(i.e. 1,000 kgs.) of the aircraft.

b) A surcharge of 25% will be levied on landing charges for supersonic aircraft.

c) A minimum fee of INR 5000/- shall be charged per single landing for all types of aircraft /helicopter flights, including but not limited to domestic landing, international landing and general aviation landing. However, this will not be applicable for flights operated by Flying Clubs.

d) Weight of the aircraft means maximum takeoff weight(MTOW) as indicated in the certificate of Airworthiness filed with Director General Civil Aviation(DGCA).

e) All domestic legs of international routes flown by indian operators will be treated as domestic flights as far as air side airport user charges are concerned, irrespective of the flight number assigned to such flights.

**(II) HOUSING AND PARKING CHARGES**

Weight of Aircraft	PROPOSED RATES (IN INR)		REMARKS
	Housing Charges Rates per Hour	Parking Charges Rates per Hour	
Upto 100 MT	17.60 per hour per MT	9.00 per hour per MT	6.00% increase over
Above 100 MT	1760.00 + 23.60 per MT per hour in excess of 100 MT	900.00 + 11.80 per MT per hour in excess of 100 MT	

**Note:**

a) No parking charges shall be levied for the first two hours. While calculating free parking period, standard time of 15 minutes shall be added on account of time taken between touch down time and actual parking time on the parking stand. Another standard time of 15 minutes shall be added on account of taxing time of aircraft from parking stand to take off point. these periods shall be applicable for each aircraft irrespective of actual time taken in the movement of aircraft after landing and before takeoff.

b) For calculating chargeable parking time, any part of an hour shall be rounded off to the next hour.

c) Charges shall be calculated on the basis of next MT.

d) Charges for each period parking shall be rounded off to nearest Rupee.

e) Whilst in -contact stands, after free parking, for the next two hours Parking charges shall be levied. After this period, the Housing charges shall be levied.

**(III) THROUGHPUT CHARGES**

PROPOSED RATE (IN INR)	REMARKS
1478.94	5% increase

**(IV) USER DEVELOPMENT FEE(UDF)**

	PROPOSED RATE (INR)	REMARKS
Dom. Passenger	476 per embarking passenger	6% increase
Intl. Passenger	1191 per embarking passenger	

**Note:**

a) In respect of the tickets issued in foreign currency, the UDF shall be levied in US Dollars.

b) Collection charges: If the payment is made within 15 days of receipt of invoice, then collection charges at INR 5.50 per departing passenger shall be paid by AAI. No collection charges shall be paid in case the airline fails to pay the UDF invoice to AAI within the credit period of 15 days or in case of any part payment. to be eligible to claim this collection charges, the airlines should have no overdue on any other account with AAI.

c) Transit/Transfer passengers: A passenger is treated in-transit/transfer only if the onward journey is within 24 hours from the time of arrival at airport and the onward travel is part of same ticket. In case 2 separate tickets are issued (one for arrival and one for departure) , the passenger does not include passenger on return journey.

**(v) General Condition:**

All the above Charges are excluding of Service Tax. Service Tax at the applicable rates will be paid by the aircraft operator in addition to above charges.

Note: PSF(Security) will continued to be levied at an applicable rate.

**KOLKATA AIRPORT RATE CHART FOR CARGO SERVICES**  
**FOR THE YEAR 2012-13**  
**(Effective from 1<sup>st</sup> Nov 2012 to 31<sup>st</sup> Mar 2013 )**

**A – EXPORT CARGO**

**I) TERMINAL , STORAGE AND PROCESSING CHARGES:**

Sl.No.	Type of Cargo	Rate per Kilogram Rs. / P	Minimum rate per consignment Rs. / P
1	General	0.80	135.00
2	Special	1.59	265.00
3	Perishable	0.80	135.00

**II) DEMURRAGE CHARGES (Leviable from Shipper)**

Sl.No.	Type of Cargo	Rate per Kilogram Rs. / P	Minimum rate per consignment Rs. / P
1	General	0.82	135.00
2	Special	1.62	265.00
3	Perishable	0.82	135.00

**NOTES: [Export Cargo]**

1. The free period for export cargo shall be one working day (24 hours) for examination/processing by the Shippers.
2. 10% discount in the Terminal, Storage and Processing charges will be granted to Exporters, who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to Custom Examination Area.
3. Terminal, Storage and Processing charges applicable to Newspaper and TV reel consignments shall be 50% of the prescribed charges.
4. Consignments of human remains, coffin including unaccompanied baggage of deceased and Human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
5. Terminal, Storage and Processing charges are inclusive of Forklift charges wherever Forklift usage is involved. No separate Forklift charges will be levied.
6. Special cargo consists of live animals, hazardous goods and valuable cargo.
7. Charges will be levied on the '**gross weight**' or the '**chargeable weight**' of the consignment, whichever is higher. Wherever the '**gross weight**' and (or) '**volume weight**' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the '**actual gross weight**' or '**actual volumetric weight**', whichever is higher.

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8. For misdeclaration of weight above 2% and upto 5% of declared weight, penal charges @ double the applicable Terminal, Storage and Processing charges and for variation above 5%, the penal charges @ 5 times the applicable Terminal, Storage and Processing charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum Terminal, Storage and Processing charges. No penal charges will be leviable for variation upto and inclusive of 2%. This will not apply to valuable cargo.
9. All Bills shall be rounded off to the nearest of Rs.5/=. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<u>When the results of calculations are between / and</u>	<u>Rounded off amount will be</u>
102.5 - 107.4	105
107.5 - 112.4	110

10. As an incentive to trade to utilize the lean hours, 20% discount in the Terminal, Storage and Processing charges will be granted to Export cargo admitted between 1000 hrs. to 1500 hrs., subject to levy of minimum rate per consignment as given in Scale of Charges.
11. Merchant Over Time (MOT) charges @ Rs.216.00 per consignment for admitting cargo beyond normal working hours.



**SCHEDULE OF CHARGES**  
**B – IMPORT CARGO**

**I) TERMINAL , STORAGE AND PROCESSING CHARGES:**

<b>Sl. No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	5.36	145.00
2	Special and Valuable	10.68	285.00

**II) DEMURRAGE CHARGES**

Free storage period for Import cargo shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (05 working days). If clearance is affected after 120 hrs. (05 working days), demurrage will accrue for the entire period from the date / time of the arrival of the flight, as follows:-

<b>S. No</b>	<b>Type of Cargo</b>	<b>PERIOD</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consign-ment (Rs. / P.)</b>
1	<b>General Cargo</b>	Upto 120 hrs. (5 days working) including free period	1.56	350.00
		Between 120 hrs. and 720 hrs. (6 and 30 days)	3.10	
		Beyond 720 hrs. (30 days)	4.65	
2	<b>Special Cargo</b>	Upto 120 hrs. (5 days working) including free period	3.10	690.00
		Between 120 hrs. and 720 hrs. (6 and 30 days)	6.19	
		Beyond 720 hrs. (30 days)	9.29	
3	<b>Valuable Cargo</b>	Upto 120 hrs. (5 days working) including free period	6.19	1385.00
		Between 120 hrs. and 720 hrs. (6 and 30 days)	12.39	
		Beyond 720 hrs. (30 days)	18.58	



1. Consignments of human remains, coffin including baggage of deceased & Human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
2. No separate Forklift charges will be levied.
3. Charges will be levied on the '**gross weight**' or the '**chargeable weight**' of the consignment whichever is higher. Wherever the '**gross weight**' and (or) volume weight is wrongly indicated on the Airway Bill and is actually found more, charges will be levied on the '**actual gross weight**' or '**actual volumetric weight**' or '**chargeable weight**' whichever is higher.
4. Special Import Cargo consists of cargo stored in cold storage, live animals and hazardous goods.
5. Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheques, diamonds (including diamonds for industrial use), diamond jewelry, jewelry & watches made of silver, gold platinum and items valued at USD 1000 per Kg. & above.
6. All Bills shall be rounded off to the nearest of Rs.5/=. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<u>When the results of calculations are between / and</u>	<u>Rounded off amount will be</u>
102.5 - 107.4	105
107.5 - 112.4	110



**Schedule of Charges leviable on Non-Scheduled Operators**

<b>S.No.</b>	<b>Particular of services</b>	<b>Charges</b>
1	Storage charges for export cargo uplifted beyond free period	3.23 / Kg. / day
2	Storage charges for export valuable perishable cargo, live animals and hazardous cargo uplifted beyond free period	6.50 / Kg. / day
3	<p>(A) Storage charges for import general cargo unchecked after a free period of 24 hours from the time of arrival of an aircraft per kg./day:</p> <p>    i) Bulk Cargo</p> <p>    ii) Loaded ULD</p> <p>(B) Storage charges for special import cargo unchecked after a free period of 24 hours from the time of arrival of an aircraft:-</p> <p>    i) Valuable</p> <p>    ii) Perishable/Hazardous/Live animal</p> <p>(C) Minimum charges per consignment (AWB)</p>	<p>3.23 / Kg. / day</p> <p>1290</p> <p>8.12 / Kg. / day</p> <p>5.38 / Kg. / day</p> <p>450.00</p>

**Notes:**

1. Demurrage charges on Import Transshipment cargo will be as applicable to import cargo except that no handling charges shall be charged.
2. Demurrage charges on transshipment cargo from domestic to international and from international to international shall be treated as same as applicable for export cargo, after allowing the prescribed free period.
3. The free period for export cargo for the NSOs would be 48 hrs. in the bonded area since the time of bonding.
4. All bills preferred by the handling company i.e. AAI shall be rounded off to the nearest higher of Rs.5/=.
5. All charges by NSOs shall be on cash and carry basis.
6. No free period may be allowed on second time handling/upliftment of export cargo from cargo terminal. Applicable charges (storage) shall be levied.
7. In case of transit ULDs brought by the Airlines handed over to AAI for storage in the bonded area / ETV stacker for any reasons, the storage charges as per para 3 shall be levied.



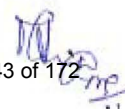
**DOMESTIC OUTBOUND CARGO CHARGES LEVIABLE ON SHIPPERS/CONSIGNOR(S) ETC.**

ACTIVITY	PROPOSED AAI CHARGES	
	MINI MUM	PER KG
	INR	INR
<b>1. Standard Charges for processing &amp; Handling (TSP charges inclusive of off-loading / Loading/ Shifting &amp; Forklift Usage)</b>		
a) General Cargo	<b>120</b>	<b>0.81</b>
b) Special (AVI) #	<b>240.00</b>	<b>1.62</b>
c) PER/DGR/VAL	<b>240.00</b>	<b>1.62</b>
<b>2. Demurrage Charges / Storage (per day)</b>		
a) General Cargo	<b>120.00</b>	<b>0.81</b>
b) Special (AVI)#	<b>240.00</b>	<b>1.62</b>
c) PER/DGR/VAL(If cold storage is used)	<b>240.00</b>	<b>1.62</b>
<b>3. Courier Handling</b>	<b>130.00</b>	<b>1.08</b>
<b>4. Amendment of Airway Bill</b>	<b>108.00 per AWB</b>	
<b>5. Return Cargo Charges</b>	<b>108.00 per AWB</b>	
<b>6. Strapping Charges</b>	<b>10.80 per Bag</b>	
7. In addition to the above, in the event of mis-Declaration of Weight, following charges based on the difference will apply		
2% - 5% variation	<b>2 times of excess weight</b>	
More than 5% (Not Applicable in VAL Cargo)	<b>5 times of excess weight</b>	

**Notes:**

- The free period for outbound domestic cargo shall be one working day for examination/processing by the shipper/consignor/authorized representative etc.
- 10% discount in the domestic cargo handling charges will be granted to the shippers/consignors who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to the examination/storage area before handing over to the airlines concerned.**
- The domestic cargo handling charges applicable to newspaper and TV reel consignments shall be 50% of the prescribed charges.
- Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
- The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
- #As per IATA definition, Special cargo consists of cold storage, live animals, hazardous goods & valuable cargo.
- Charges will be levied on the 'gross weight' or the chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
- For mis-declaration of weight above 2% and upto 5% of declared weight, penal charges @ double the applicable domestic cargo handling charges and for variation above 5%, the penal charges % 5 times the applicable domestic cargo handling charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum domestic cargo handling Charges. No penal charges will be leviable for variation upto and inclusive of 2%. This will not apply to Valuable Cargo.
- All the Bills shall be rounded off to the nearest of Rs.5/- . As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

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<b>When the results of calculations are between / and</b>	<b>Rounded off amount will be</b>
102.5 - 107.4	105
107.5 - 112.4	110

**DOMESTIC INBOUND CARGO CHARGES LEVIABLE ON CONSIGNEE(S) ETC.**

ACTIVITY	PROPOSED AAI CHARGES	
	MINIMUM(INR)	PER KG. (INR)
<b>1. Standard Charges for processing &amp; Handling (TSP charges inclusive of off-loading / Loading/ Shifting &amp; Forklift Usage)</b>		
a) General Cargo	120.00	<b>0.81</b>
b) Special (AVI) #	240.00	<b>1.62</b>
c) PER/DGR/VAL*	240.00	<b>1.62</b>
<b>2. Demurrage Charges / Storage (per day)</b>		
a) General Cargo	120.00	<b>0.81</b>
b) Special (AVI)	240.00	<b>1.62</b>
c) PER/DGR/VAL* (If cold storage is used)	240.00	<b>1.62</b>
<b>3. Courier Handling</b>	130	<b>1.08</b>

**Note:**

1. The free period for inbound domestic cargo shall be one working day for examination/processing/delivery by the consignee/authorized representative etc.
2. **10% discount in the domestic cargo handling charges will be granted to the consignee/authorized representative who opt for engaging their own loaders for loading cargo into their vehicles for delivery at designated areas from the airlines concerned.**
3. Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
4. The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
5. Charges will be levied on the 'gross weight' or the chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
6. #As per IATA definition, Special cargo consists of cargo stored in cold storage, live animals, valuable & hazardous goods.
7. \*Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travellers cheques, diamonds (including diamonds for industrial use), diamond jewellery, jewellery & watches made of silver, gold platinum & items valued at US\$ 1000 and above.
8. All the Bills shall be rounded off to the nearest of Rs.5/- . As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<b>When the results of calculations are between / and</b>	<b>Rounded off amount will be</b>
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102.5 - 107.4	105
107.5 - 112.4	110

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**SCHEDULE OF CHARGES/DISCOUNTS/INCENTIVES LEVIABLE/PAYABLE ON /TO AIRLINES FOR VARIOUS CARGO HANDLING SERVICES RENDERED BY AAI AT THE CARGO TERMINAL,**

<u>S.N.</u>	<u>Particulars</u>	<u>Rates (Rs.)</u>	
01. (i)	Storage charges for General export uplifted beyond free period	1.95 per kg	
01. (ii)	Storage charges for valuable Export Cargo Perishable / Live Animals and Hazardous Cargo uplifted beyond free period shall be two times of normal Rates	3.91 per kg	
02. (i)	Storage charges for Import Cargo not handed over and remain unchecked after a free period of 24 hours from time per day of arrival of an aircraft		
	<b><u>General Bulk Cargo</u></b> <b><u>(in Rs)(Kg /day)</u></b>	<b><u>Loaded ULD</u></b> <b><u>(in Rs)(ULD/day)</u></b>	
	1.95	780	
02(ii)	Storage charges for 'Val'/Haz/ Perishable/Live Animal Import Cargo		
	<b><u>Valuable</u></b> <b><u>(per Kg/day) (in Rs)</u></b>	<b><u>Haz. / Peri/LA</u></b> <b><u>(per Kg/day)(in Rs)</u></b>	<b><u>Per Consgn /AWB</u></b> <b><u>(in Rs)</u></b>
	4.94	3.24	275

**NOTES:**

- Demurrage charges on Import Transshipment cargo will be as applicable to Import cargo except that no handling charges shall be levied on the airlines handled by AAI where the TP cargo handed over to the airlines on airside designated area on the airport.
- Demurrage charges on transshipment cargo from Domestic to International and from International to International shall be treated as same as applicable for export cargo, after allowing the normal free period.
- The free period for export cargo for the carrier from the date of entry in bonded area till upliftment shall be as per Government Directives.
- All Bills preferred by the Handling Company shall be rounded off to the nearest Rupee.
- No free period may be allowed on second time handling/upliftment of export cargo from cargo terminal. Applicable charges (Demurrage/Storage) shall be levied.
- In case of Transit ULDs brought by the Airlines handed over to AAI for Storage in the Bonded Area/ETV stacker for any reasons, the Storage Charges as per para 2(i) & 2(ii) shall be levied.

**KOLKATA AIRPORT RATE CHART FOR CARGO SERVICES**  
**FOR THE YEAR 2013-14**

**A – EXPORT CARGO**

**I) TERMINAL , STORAGE AND PROCESSING CHARGES:**

<b>Sl.No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	0.86	145.00
2	Special	1.71	285.00
3	Perishable	0.86	145.00

**II) DEMURRAGE CHARGES (Leviable from Shipper)**

<b>Sl.No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	0.89	145.00
2	Special	1.75	285.00
3	Perishable	0.89	145.00

**NOTES: [Export Cargo]**

1. The free period for export cargo shall be one working day (24 hours) for examination/processing by the Shippers.
2. 10% discount in the Terminal, Storage and Processing charges will be granted to Exporters, who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to Custom Examination Area.
3. Terminal, Storage and Processing charges applicable to Newspaper and TV reel consignments shall be 50% of the prescribed charges.
4. Consignments of human remains, coffin including unaccompanied baggage of deceased and Human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
5. Terminal, Storage and Processing charges are inclusive of Forklift charges wherever Forklift usage is involved. No separate Forklift charges will be levied.
6. Special cargo consists of live animals, hazardous goods and valuable cargo.
7. Charges will be levied on the '**gross weight**' or the '**chargeable weight**' of the consignment, whichever is higher. Wherever the '**gross weight**' and (or) '**volume weight**' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the '**actual gross weight**' or '**actual volumetric weight**', whichever is higher.

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8. For misdeclaration of weight above 2% and upto 5% of declared weight, penal charges @ double the applicable Terminal, Storage and Processing charges and for variation above 5%, the penal charges @ 5 times the applicable Terminal, Storage and Processing charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum Terminal, Storage and Processing charges. No penal charges will be leviable for variation upto and inclusive of 2%. This will not apply to valuable cargo.
9. All Bills shall be rounded off to the nearest of Rs.5/=. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<u>When the results of calculations are between / and</u>	<u>Rounded off amount will be</u>
102.5 - 107.4	105
107.5 - 112.4	110

10. As an incentive to trade to utilize the lean hours, 20% discount in the Terminal, Storage and Processing charges will be granted to Export cargo admitted between 1000 hrs. to 1500 hrs., subject to levy of minimum rate per consignment as given in Scale of Charges.
11. Merchant Over Time (MOT) charges @ Rs.235.00 per consignment for admitting cargo beyond normal working hours.



**SCHEDULE OF CHARGES**  
**B – IMPORT CARGO**

**I) TERMINAL , STORAGE AND PROCESSING CHARGES:**

<b>Sl. No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	5.79	160.00
2	Special and Valuable	11.54	310.00

**II) DEMURRAGE CHARGES**

Free storage period for Import cargo shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (05 working days). If clearance is affected after 120 hrs. (05 working days), demurrage will accrue for the entire period from the date / time of the arrival of the flight, as follows:-

<b>S. No</b>	<b>Type of Cargo</b>	<b>PERIOD</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consign-ment (Rs. / P.)</b>
1	<b>General Cargo</b>	Upto 120 hrs. (5 days working) including free period	1.68	380.00
		Between 120 hrs. and 720 hrs. (6 and 30 days)	3.35	
		Beyond 720 hrs. (30 days)	5.03	
2	<b>Special Cargo</b>	Upto 120 hrs. (5 days working) including free period	3.35	745.00
		Between 120 hrs. and 720 hrs. (6 and 30 days)	6.68	
		Beyond 720 hrs. (30 days)	10.03	
3	<b>Valuable Cargo</b>	Upto 120 hrs. (5 days working) including free period	6.68	1495.00
		Between 120 hrs. and 720 hrs. (6 and 30 days)	13.38	
		Beyond 720 hrs. (30 days)	20.06	

**NOTES: [Import Cargo]**

1. Consignments of human remains, coffin including baggage of deceased & Human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
2. No separate Forklift charges will be levied.
3. Charges will be levied on the '**gross weight**' or the '**chargeable weight**' of the consignment whichever is higher. Wherever the '**gross weight**' and (or) volume weight is wrongly indicated on the Airway Bill and is actually found more, charges will be levied on the '**actual gross weight**' or '**actual volumetric weight**' or '**chargeable weight**' whichever is higher.
4. Special Import Cargo consists of cargo stored in cold storage, live animals and hazardous goods.
5. Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheques, diamonds (including diamonds for industrial use), diamond jewelry, jewelry & watches made of silver, gold platinum and items valued at USD 1000 per Kg. & above.
6. All Bills shall be rounded off to the nearest of Rs.5/=. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<u>When the results of calculations are between / and</u>	<u>Rounded off amount will be</u>
102.5 - 107.4	105
107.5 - 112.4	110

**Schedule of Charges leviable on Non-Scheduled Operators**

<b>S.No.</b>	<b>Particular of services</b>	<b>Charges (Rs.) after 5% increase (after conversion into per Kg. rate)</b>
1	Storage charges for export cargo uplifted beyond free period	3.49 / Kg. / day
2	Storage charges for export valuable perishable cargo, live animals and hazardous cargo uplifted beyond free period	7.02 / Kg. / day
3	<p>(A) Storage charges for import general cargo unchecked after a free period of 24 hours from the time of arrival of an aircraft per kg./day:</p> <p>i) Bulk Cargo</p> <p>ii) Loaded ULD</p> <p>(B) Storage charges for special import cargo unchecked after a free period of 24 hours from the time of arrival of an aircraft:-</p> <p>i) Valuable</p> <p>ii) Perishable/Hazardous/Live animal</p> <p>(C) Minimum charges per consignment (AWB)</p>	<p>3.49 / Kg. / day</p> <p>1395.00</p> <p>8.77 / Kg. / day</p> <p>5.81 / Kg. / day</p> <p>485.00</p>

**Notes:**

1. Demurrage charges on Import Transshipment cargo will be as applicable to import cargo except that no handling charges shall be charged.
2. Demurrage charges on transshipment cargo from domestic to international and from international to international shall be treated as same as applicable for export cargo, after allowing the prescribed free period.
3. The free period for export cargo for the NSOs would be 48 hrs. in the bonded area since the time of bonding.
4. All bills preferred by the handling company i.e. AAI shall be rounded off to the nearest higher of Rs.5/=.
5. All charges by NSOs shall be on cash and carry basis.
6. No free period may be allowed on second time handling/upliftment of export cargo from cargo terminal. Applicable charges (storage) shall be levied.
7. In case of transit ULDs brought by the Airlines handed over to AAI for storage in the bonded area / ETV stacker for any reasons, the storage charges as per para 3 shall be levied.

**DOMESTIC OUTBOUND CARGO CHARGES LEVIABLE ON SHIPPERS/CONSIGNOR(S) ETC.**

ACTIVITY	PROPOSED AAI CHARGES	
	MINI MUM	PER KG
<b>1. Standard Charges for processing &amp; Handling (TSP charges inclusive of off-loading / Loading/ Shifting &amp; Forklift Usage)</b>	<b>INR</b>	<b>INR</b>
a) General Cargo	<b>130.00</b>	<b>0.87</b>
b) Special (AVI) #	<b>260.00</b>	<b>1.75</b>
c) PER/DGR/VAL	<b>260.00</b>	<b>1.75</b>
<b>2. Demurrage Charges / Storage (per day)</b>		
a) General Cargo	<b>130.00</b>	<b>0.87</b>
b) Special (AVI)#	<b>260.00</b>	<b>1.75</b>
c) PER/DGR/VAL(If cold storage is used)	<b>260.00</b>	<b>1.75</b>
<b>3. Courier Handling</b>	<b>140.00</b>	<b>1.17</b>
<b>4. Amendment of Airway Bill</b>	<b>116.00</b>	
<b>5. Return Cargo Charges</b>	<b>116.00</b>	
<b>6. Strapping Charges</b>	<b>11.70</b>	
7. In addition to the above, in the event of mis-Declaration of Weight, following charges based on the difference will apply		
2% - 5% variation	<b>2 times of excess weight</b>	
More than 5% (Not Applicable in VAL Cargo)	<b>5 times of excess weight</b>	

**Notes:**

- The free period for outbound domestic cargo shall be one working day for examination/processing by the shipper/consignor/authorized representative etc.
- 10% discount in the domestic cargo handling charges will be granted to the shippers/consignors who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to the examination/storage area before handing over to the airlines concerned.**
- The domestic cargo handling charges applicable to newspaper and TV reel consignments shall be 50% of the prescribed charges.
- Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
- The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
- #As per IATA definition, Special cargo consists of cold storage, live animals, hazardous goods & valuable cargo.
- Charges will be levied on the 'gross weight' or the chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
- For mis-declaration of weight above 2% and upto 5% of declared weight, penal charges @ double the applicable domestic cargo handling charges and for variation above 5%, the penal charges % 5 times the applicable domestic cargo handling charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum domestic cargo handling Charges. No penal charges will be leviable for variation upto and inclusive of 2%. This will not apply to Valuable Cargo.
- All the Bills shall be rounded off to the nearest of Rs.5/- . As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

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**When the results of calculations are  
between / and**

**Rounded off amount will be**

102.5 - 107.4

105

107.5 - 112.4

110

**DOMESTIC INBOUND CARGO CHARGES LEVIABLE ON CONSIGNEE(S) ETC.**

<b>ACTIVITY</b>	<b>PROPOSED AAI CHARGES</b>	
	<b>MINIMUM(INR)</b>	<b>PER KG. (INR)</b>
<b>1. Standard Charges for processing &amp; Handling (TSP charges inclusive of off-loading / Loading/ Shifting &amp; Forklift Usage)</b>		
a) General Cargo	130.00	<b>0.87</b>
b) Special (AVI) #	<b>255.00</b>	<b>1.75</b>
c) PER/DGR/VAL*	<b>255.00</b>	<b>1.75</b>
<b>2. Demurrage Charges / Storage (per day)</b>		
a) General Cargo	130.00	<b>0.87</b>
b) Special (AVI)	<b>255.00</b>	<b>1.75</b>
c) PER/DGR/VAL* (If cold storage is used)	<b>255.00</b>	<b>1.75</b>
<b>3. Courier Handling</b>	<b>140.00</b>	<b>1.17</b>

**Note:**

1. The free period for inbound domestic cargo shall be one working day for examination/processing/delivery by the consignee/authorized representative etc.
2. **10% discount in the domestic cargo handling charges will be granted to the consignee/authorized representative who opt for engaging their own loaders for loading cargo into their vehicles for delivery at designated areas from the airlines concerned.**
3. Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
4. The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
5. Charges will be levied on the 'gross weight' or the chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
6. #As per IATA definition, Special cargo consists of cargo stored in cold storage, live animals, valuable & hazardous goods.
7. \*Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travellers cheques, diamonds (including diamonds for industrial use), diamond jewellery, jewellery & watches made of silver, gold platinum & items valued at US\$ 1000 and above.
8. All the Bills shall be rounded off to the nearest of Rs.5/- . As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

**When the results of calculations are  
between / and**

**Rounded off amount will be**

102.5	-	107.4	105
107.5	-	112.4	110

**SCHEDULE OF CHARGES/DISCOUNTS/INCENTIVES LEVIABLE/PAYABLE ON /TO AIRLINES FOR VARIOUS CARGO HANDLING SERVICES RENDERED BY AAI AT THE CARGO TERMINAL.**

<u>S.N.</u>	<u>Particulars</u>	<u>Rates (Rs.)</u>	
01. (i)	Storage charges for General export uplifted beyond free period	2.11 per kg	
01. (ii)	Storages charges for valuable Export Cargo Perishable / Live Animals and Hazardous Cargo uplifted beyond free period shall be two times of normal Rates	4.22 per kg	
02. (i)	Storage charges for Import Cargo not handed over and remain unchecked after a free period of 24 hours from time per day of arrival of an aircraft		
	<b><u>General Bulk Cargo</u></b> <b><u>(in Rs)(Kg /day)</u></b>	<b><u>Loaded ULD</u></b> <b><u>(in Rs)(ULD/day)</u></b>	
	2.11	845.00	
02(ii)	Storage charges for 'Val'/Haz/ Perishable/Live Animal Import Cargo		
	<b><u>Valuable</u></b> <b><u>(per Kg/day) (in Rs)</u></b>	<b><u>Haz. / Peri/LA</u></b> <b><u>(per Kg/day)(in Rs)</u></b>	<b><u>Per Consign /AWB</u></b> <b><u>(in Rs)</u></b>
	5.33	3.50	295

**NOTES:**

- Demurrage charges on Import Transshipment cargo will be as applicable to Import cargo except that no handling charges shall be levied on the airlines handled by AAI where the TP cargo handed over to the airlines on airside designated area on the airport.
- Demurrage charges on transshipment cargo from Domestic to International and from International to International shall be treated as same as applicable for export cargo, after allowing the normal free period.
- The free period for export cargo for the carrier from the date of entry in bonded area till upliftment shall be as per Government Directives.
- All Bills preferred by the Handling Company shall be rounded off to the nearest Rupee.
- No free period may be allowed on second time handling/upliftment of export cargo from cargo terminal. Applicable charges (Demurrage/Storage) shall be levied.
- In case of Transit ULDs brought by the Airlines handed over to AAI for Storage in the Bonded Area/ETV stacker for any reasons, the Storage Charges as per para 2(i) & 2(ii) shall be levied.

**KOLKATA AIRPORT RATE CHART FOR CARGO SERVICES**  
**FOR THE YEAR 2014-15**

**A – EXPORT CARGO**

**I) TERMINAL , STORAGE AND PROCESSING CHARGES:**

<b>Sl.No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	0.93	160.00
2	Special	1.85	310.00
3	Perishable	1.93	160.00

**II) DEMURRAGE CHARGES (Leviable from Shipper)**

<b>Sl.No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	0.96	160.00
2	Special	1.89	310.00
3	Perishable	0.96	160.00

**NOTES: [Export Cargo]**

1. The free period for export cargo shall be one working day (24 hours) for examination/processing by the Shippers.
2. 10% discount in the Terminal, Storage and Processing charges will be granted to Exporters, who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to Custom Examination Area.
3. Terminal, Storage and Processing charges applicable to Newspaper and TV reel consignments shall be 50% of the prescribed charges.
4. Consignments of human remains, coffin including unaccompanied baggage of deceased and Human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
5. Terminal, Storage and Processing charges are inclusive of Forklift charges wherever Forklift usage is involved. No separate Forklift charges will be levied.
6. Special cargo consists of live animals, hazardous goods and valuable cargo.
7. Charges will be levied on the '**gross weight**' or the '**chargeable weight**' of the consignment, whichever is higher. Wherever the '**gross weight**' and (or) '**volume weight**' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the '**actual gross weight**' or '**actual volumetric weight**', whichever is higher.

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8. For misdeclaration of weight above 2% and upto 5% of declared weight, penal charges @ double the applicable Terminal, Storage and Processing charges and for variation above 5%, the penal charges @ 5 times the applicable Terminal, Storage and Processing charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum Terminal, Storage and Processing charges. No penal charges will be leviable for variation upto and inclusive of 2%. This will not apply to valuable cargo.
9. All Bills shall be rounded off to the nearest of Rs.5/=. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<u>When the results of calculations are between / and</u>	<u>Rounded off amount will be</u>
102.5 - 107.4	105
107.5 - 112.4	110

10. As an incentive to trade to utilize the lean hours, 20% discount in the Terminal, Storage and Processing charges will be granted to Export cargo admitted between 1000 hrs. to 1500 hrs., subject to levy of minimum rate per consignment as given in Scale of Charges.
11. Merchant Over Time (MOT) charges @ Rs.255.00 per consignment for admitting cargo beyond normal working hours.



**SCHEDULE OF CHARGES**  
**B – IMPORT CARGO**

**I) TERMINAL , STORAGE AND PROCESSING CHARGES:**

<b>Sl. No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	6.25	170.00
2	Special and Valuable	12.46	335.00

**II) DEMURRAGE CHARGES**

Free storage period for Import cargo shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (05 working days). If clearance is affected after 120 hrs. (05 working days), demurrage will accrue for the entire period from the date / time of the arrival of the flight, as follows:-

<b>S. No</b>	<b>Type of Cargo</b>	<b>PERIOD</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consign-ment (Rs. / P.)</b>
1	<b>General Cargo</b>	Upto 120 hrs. (5 days working) including free period	1.81	410.00
		Between 120 hrs. and 720 hrs. (6 and 30 days)	3.62	
		Beyond 720 hrs. (30 days)	5.43	
2	<b>Special Cargo</b>	Upto 120 hrs. (5 days working) including free period	3.62	810.00
		Between 120 hrs. and 720 hrs. (6 and 30 days)	7.22	
		Beyond 720 hrs. (30 days)	10.83	
3	<b>Valuable Cargo</b>	Upto 120 hrs. (5 days working) including free period	7.22	1615.00
		Between 120 hrs. and 720 hrs. (6 and 30 days)	14.45	
		Beyond 720 hrs. (30 days)	21.67	



**NOTES: [Import Cargo]**

1. Consignments of human remains, coffin including baggage of deceased & Human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
2. No separate Forklift charges will be levied.
3. Charges will be levied on the '**gross weight**' or the '**chargeable weight**' of the consignment whichever is higher. Wherever the '**gross weight**' and (or) volume weight is wrongly indicated on the Airway Bill and is actually found more, charges will be levied on the '**actual gross weight**' or '**actual volumetric weight**' or '**chargeable weight**' whichever is higher.
4. Special Import Cargo consists of cargo stored in cold storage, live animals and hazardous goods.
5. Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheques, diamonds (including diamonds for industrial use), diamond jewelry, jewelry & watches made of silver, gold platinum and items valued at USD 1000 per Kg. & above.
6. All Bills shall be rounded off to the nearest of Rs.5/=. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<u>When the results of calculations are between / and</u>	<u>Rounded off amount will be</u>
102.5 - 107.4	105
107.5 - 112.4	110

**Schedule of Charges leviable on Non-Scheduled Operators**

<b>S.No.</b>	<b>Particular of services</b>	<b>Charges (Rs.) after 5% increase (after conversion into per Kg. rate)</b>
1	Storage charges for export cargo uplifted beyond free period	3.77 / Kg. / day
2	Storage charges for export valuable perishable cargo, live animals and hazardous cargo uplifted beyond free period	7.58 / Kg. / day
3	<p>(A) Storage charges for import general cargo unchecked after a free period of 24 hours from the time of arrival of an aircraft per kg./day:</p> <p>i) Bulk Cargo</p> <p>ii) Loaded ULD</p> <p>(B) Storage charges for special import cargo unchecked after a free period of 24 hours from the time of arrival of an aircraft:-</p> <p>i) Valuable</p> <p>ii) Perishable/Hazardous/Live animal</p> <p>(C) Minimum charges per consignment (AWB)</p>	<p>3.77 / Kg. / day</p> <p>1505.00</p> <p>9.47 / Kg. / day</p> <p>6.27 / Kg. / day</p> <p>525.00</p>



**Notes:**

1. Demurrage charges on Import Transshipment cargo will be as applicable to import cargo except that no handling charges shall be charged.
2. Demurrage charges on transshipment cargo from domestic to international and from international to international shall be treated as same as applicable for export cargo, after allowing the prescribed free period.
3. The free period for export cargo for the NSOs would be 48 hrs. in the bonded area since the time of bonding.
4. All bills preferred by the handling company i.e. AAI shall be rounded off to the nearest higher of Rs.5/=.
5. All charges by NSOs shall be on cash and carry basis.
6. No free period may be allowed on second time handling/upliftment of export cargo from cargo terminal. Applicable charges (storage) shall be levied.
7. In case of transit ULDs brought by the Airlines handed over to AAI for storage in the bonded area / ETV stacker for any reasons, the storage charges as per para 3 shall be levied.

**DOMESTIC OUTBOUND CARGO CHARGES LEVIABLE ON SHIPPERS/CONSIGNOR(S) ETC.**

ACTIVITY	PROPOSED AAI CHARGES	
	MINI MUM	PER KG
<b>1. Standard Charges for processing &amp; Handling (TSP charges inclusive of off-loading / Loading/ Shifting &amp; Forklift Usage)</b>	<b>INR</b>	<b>INR</b>
a) General Cargo	<b>140.00</b>	<b>0.94</b>
b) Special (AVI) #	<b>280.00</b>	<b>1.89</b>
c) PER/DGR/VAL	<b>280.00</b>	<b>1.89</b>
<b>2. Demurrage Charges / Storage (per day)</b>		
a) General Cargo	<b>140.00</b>	<b>0.94</b>
b) Special (AVI)#	<b>280.00</b>	<b>1.89</b>
c) PER/DGR/VAL(If cold storage is used)	<b>280.00</b>	<b>1.89</b>
<b>3. Courier Handling</b>	<b>150.00</b>	<b>1.26</b>
<b>4. Amendment of Airway Bill</b>	<b>125.00</b>	
<b>5. Return Cargo Charges</b>	<b>125.00</b>	
<b>6. Strapping Charges</b>	<b>12.60</b>	
7. In addition to the above, in the event of mis-Declaration of Weight, following charges based on the difference will apply		
2% - 5% variation	<b>2 times of excess weight</b>	
More than 5% (Not Applicable in VAL Cargo)	<b>5 times of excess weight</b>	

**Notes:**

- The free period for outbound domestic cargo shall be one working day for examination/processing by the shipper/consignor/authorized representative etc.
- 10% discount in the domestic cargo handling charges will be granted to the shippers/consignors who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to the examination/storage area before handing over to the airlines concerned.**
- The domestic cargo handling charges applicable to newspaper and TV reel consignments shall be 50% of the prescribed charges.
- Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
- The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
- #As per IATA definition, Special cargo consists of cold storage, live animals, hazardous goods & valuable cargo.
- Charges will be levied on the 'gross weight' or the chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
- For mis-declaration of weight above 2% and upto 5% of declared weight, penal charges @ double the applicable domestic cargo handling charges and for variation above 5%, the penal charges % 5 times the applicable domestic cargo handling charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum domestic cargo handling Charges. No penal charges will be leviable for variation upto and inclusive of 2%. This will not apply to Valuable Cargo.
- All the Bills shall be rounded off to the nearest of Rs.5/- . As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<b>When the results of calculations are between / and</b>	<b>Rounded off amount will be</b>
123 - 128.88	126
129 - 134.88	132

**DOMESTIC INBOUND CARGO CHARGES LEVIABLE ON CONSIGNEE(S) ETC.**

ACTIVITY	PROPOSED AAI CHARGES	
	MINIMUM(INR)	PER KG. (INR)
<b>1. Standard Charges for processing &amp; Handling (TSP charges inclusive of off-loading / Loading/ Shifting &amp; Forklift Usage)</b>		
a) General Cargo	140.00	<b>0.94</b>
b) Special (AVI) #	280.00	<b>1.89</b>
c) PER/DGR/VAL*	280.00	<b>1.89</b>
<b>2. Demurrage Charges / Storage (per day)</b>		
a) General Cargo	140.00	<b>0.94</b>
b) Special (AVI)	280.00	<b>1.89</b>
c) PER/DGR/VAL* (If cold storage is used)	280.00	<b>1.89</b>
<b>3. Courier Handling</b>	150.00	<b>1.26</b>

**Note:**

1. The free period for inbound domestic cargo shall be one working day for examination/processing/delivery by the consignee/authorized representative etc.
2. **10% discount in the domestic cargo handling charges will be granted to the consignee/authorized representative who opt for engaging their own loaders for loading cargo into their vehicles for delivery at designated areas from the airlines concerned.**
3. Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
4. The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
5. Charges will be levied on the 'gross weight' or the chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
6. #As per IATA definition, Special cargo consists of cargo stored in cold storage, live animals, valuable & hazardous goods.
7. \*Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travellers cheques, diamonds (including diamonds for industrial use), diamond jewellery, jewellery & watches made of silver, gold platinum & items valued at US\$ 1000 and above.
8. All the Bills shall be rounded off to the nearest of Rs.5/- . As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<b>When the results of calculations are between / and</b>	<b>Rounded off amount will be</b>
102.5 - 107.4	105
107.5 - 112.4	110

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**SCHEDULE OF CHARGES/DISCOUNTS/INCENTIVES LEVIABLE/PAYABLE ON /TO AIRLINES FOR VARIOUS CARGO HANDLING SERVICES RENDERED BY AAI AT THE CARGO TERMINAL.**

<u>S.N.</u>	<u>Particulars</u>	<u>Rates (Rs.)</u>	
01. (i)	Storage charges for General export uplifted beyond free period	2.28 per kg	
01. (ii)	Storages charges for valuable Export Cargo Perishable / Live Animals and Hazardous Cargo uplifted beyond free period shall be two times of normal Rates	4.56 per kg	
02. (i)	Storage charges for Import Cargo not handed over and remain unchecked after a free period of 24 hours from time per day of arrival of an aircraft		
	<b><u>General Bulk Cargo</u></b> <b><u>(in Rs)(Kg /day)</u></b>	<b><u>Loaded ULD</u></b> <b><u>(in Rs)(ULD/day)</u></b>	
	2.28	910.00	
02(ii)	Storage charges for 'Val'/Haz/ Perishable/Live Animal Import Cargo		
	<b><u>Valuable</u></b> <b><u>(per Kg/day) (in Rs)</u></b>	<b><u>Haz. / Peri/LA</u></b> <b><u>(per Kg/day)(in Rs)</u></b>	<b><u>Per Consn /AWB</u></b> <b><u>(in Rs)</u></b>
	5.76	3.78	320

**NOTES:**

- Demurrage charges on Import Transshipment cargo will be as applicable to Import cargo except that no handling charges shall be levied on the airlines handled by AAI where the TP cargo handed over to the airlines on airside designated area on the airport.
- Demurrage charges on transshipment cargo from Domestic to International and from International to International shall be treated as same as applicable for export cargo, after allowing the normal free period.
- The free period for export cargo for the carrier from the date of entry in bonded area till upliftment shall be as per Government Directives.
- All Bills preferred by the Handling Company shall be rounded off to the nearest Rupee.
- No free period may be allowed on second time handling/upliftment of export cargo from cargo terminal. Applicable charges (Demurrage/Storage) shall be levied.
- In case of Transit ULDs brought by the Airlines handed over to AAI for Storage in the Bonded Area/ETV stacker for any reasons, the Storage Charges as per para 2(i) & 2(ii) shall be levied.

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**KOLKATA AIRPORT RATE CHART FOR CARGO SERVICES**  
**FOR THE YEAR 2015-16**

**A – EXPORT CARGO**

**I) TERMINAL , STORAGE AND PROCESSING CHARGES:**

<b>Sl.No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	1.01	170.00
2	Special	2.00	335.00
3	Perishable	1.01	170.00

**II) DEMURRAGE CHARGES (Leviable from Shipper)**

<b>Sl.No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	1.03	170.00
2	Special	2.04	335.00
3	Perishable	1.03	170.00

**NOTES: [Export Cargo]**

1. The free period for export cargo shall be one working day (24 hours) for examination/processing by the Shippers.
2. 10% discount in the Terminal, Storage and Processing charges will be granted to Exporters, who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to Custom Examination Area.
3. Terminal, Storage and Processing charges applicable to Newspaper and TV reel consignments shall be 50% of the prescribed charges.
4. Consignments of human remains, coffin including unaccompanied baggage of deceased and Human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
5. Terminal, Storage and Processing charges are inclusive of Forklift charges wherever Forklift usage is involved. No separate Forklift charges will be levied.
6. Special cargo consists of live animals, hazardous goods and valuable cargo.
7. Charges will be levied on the '**gross weight**' or the '**chargeable weight**' of the consignment, whichever is higher. Wherever the '**gross weight**' and (or) '**volume weight**' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the '**actual gross weight**' or '**actual volumetric weight**', whichever is higher.

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8. For misdeclaration of weight above 2% and upto 5% of declared weight, penal charges @ double the applicable Terminal, Storage and Processing charges and for variation above 5%, the penal charges @ 5 times the applicable Terminal, Storage and Processing charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum Terminal, Storage and Processing charges. No penal charges will be leviable for variation upto and inclusive of 2%. This will not apply to valuable cargo.
9. All Bills shall be rounded off to the nearest of Rs.5/=. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

<u>When the results of calculations are between / and</u>	<u>Rounded off amount will be</u>
102.5 - 107.4	105
107.5 - 112.4	110

10. As an incentive to trade to utilize the lean hours, 20% discount in the Terminal, Storage and Processing charges will be granted to Export cargo admitted between 1000 hrs. to 1500 hrs., subject to levy of minimum rate per consignment as given in Scale of Charges.
11. Merchant Over Time (MOT) charges @ Rs.275.00 per consignment for admitting cargo beyond normal working hours.



**SCHEDULE OF CHARGES**  
**B – IMPORT CARGO**

**I) TERMINAL , STORAGE AND PROCESSING CHARGES:**

<b>Sl. No.</b>	<b>Type of Cargo</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consignment Rs. / P</b>
1	General	6.75	185.00.00
2	Special and Valuable	13.46	360.00

**II) DEMURRAGE CHARGES**

Free storage period for Import cargo shall be 72 hrs. (03 working days) including the date of the arrival of flight. For the next 48 hrs. (02 working days), demurrage will be charged at "per kg; per day" non-cumulative basis, provided the consignment is cleared within 120 hrs. (05 working days). If clearance is affected after 120 hrs. (05 working days), demurrage will accrue for the entire period from the date / time of the arrival of the flight, as follows:-

<b>S. No</b>	<b>Type of Cargo</b>	<b>PERIOD</b>	<b>Rate per Kilogram Rs. / P</b>	<b>Minimum rate per consign-ment (Rs. / P.)</b>
1	<b>General Cargo</b>	Upto 120 hrs. (5 days working) including free period	1.96	445
		Between 120 hrs. and 720 hrs. (6 and 30 days)	3.90	
		Beyond 720 hrs. (30 days)	5.86	
2	<b>Special Cargo</b>	Upto 120 hrs. (5 days working) including free period	3.90	870
		Between 120 hrs. and 720 hrs. (6 and 30 days)	7.80	
		Beyond 720 hrs. (30 days)	11.70	
3	<b>Valuable Cargo</b>	Upto 120 hrs. (5 days working) including free period	7.80	1740
		Between 120 hrs. and 720 hrs. (6 and 30 days)	15.60	
		Beyond 720 hrs. (30 days)	23.40	

**NOTES: [Import Cargo]**

1. Consignments of human remains, coffin including baggage of deceased & Human eyes will be exempted from the purview of Terminal, Storage and Processing charges & Demurrage charges.
2. No separate Forklift charges will be levied.
3. Charges will be levied on the '**gross weight**' or the '**chargeable weight**' of the consignment whichever is higher. Wherever the '**gross weight**' and (or) volume weight is wrongly indicated on the Airway Bill and is actually found more, charges will be levied on the '**actual gross weight**' or '**actual volumetric weight**' or '**chargeable weight**' whichever is higher.
4. Special Import Cargo consists of cargo stored in cold storage, live animals and hazardous goods.
5. Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travelers' cheques, diamonds (including diamonds for industrial use), diamond jewelry, jewelry & watches made of silver, gold platinum and items valued at USD 1000 per Kg. & above.
6. All Bills shall be rounded off to the nearest of Rs.5/=. As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

When the results of calculations  
are between / and

Rounded off amount will be

102.5 - 107.4

105

107.5 - 112.4

110

**Schedule of Charges leviable on Non-Scheduled Operators**

<b>S.No.</b>	<b>Particular of services</b>	<b>Charges (Rs.) after 5% increase (after conversion into per Kg. rate)</b>
1	Storage charges for export cargo uplifted beyond free period	4.07 / Kg. / day
2	Storage charges for export valuable perishable cargo, live animals and hazardous cargo uplifted beyond free period	8.19 / Kg. / day
3	<p>(A) Storage charges for import general cargo unchecked after a free period of 24 hours from the time of arrival of an aircraft per kg./day:</p> <p>    i) Bulk Cargo</p> <p>    ii) Loaded ULD</p> <p>(B) Storage charges for special import cargo unchecked after a free period of 24 hours from the time of arrival of an aircraft:-</p> <p>    i) Valuable</p> <p>    ii) Perishable/Hazardous/Live animal</p> <p>(C) Minimum charges per consignment (AWB)</p>	<p>4.07 / Kg. / day 1630</p> <p>10.23 / Kg. / day 6.78 / Kg. / day</p> <p>565</p>

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**Notes:**

1. Demurrage charges on Import Transshipment cargo will be as applicable to import cargo except that no handling charges shall be charged.
2. Demurrage charges on transshipment cargo from domestic to international and from international to international shall be treated as same as applicable for export cargo, after allowing the prescribed free period.
3. The free period for export cargo for the NSOs would be 48 hrs. in the bonded area since the time of bonding.
4. All bills preferred by the handling company i.e. AAI shall be rounded off to the nearest higher of Rs.5/=.
5. All charges by NSOs shall be on cash and carry basis.
6. No free period may be allowed on second time handling/upliftment of export cargo from cargo terminal. Applicable charges (storage) shall be levied.
7. In case of transit ULDs brought by the Airlines handed over to AAI for storage in the bonded area / ETV stacker for any reasons, the storage charges as per para 3 shall be levied.

**DOMESTIC OUTBOUND CARGO CHARGES LEVIABLE ON SHIPPERS/CONSIGNOR(S) ETC.**

ACTIVITY	PROPOSED AAI CHARGES	
	MINI MUM	PER KG
	INR	INR
<b>1. Standard Charges for processing &amp; Handling (TSP charges inclusive of off-loading / Loading/ Shifting &amp; Forklift Usage)</b>		
a) General Cargo	<b>150.00</b>	<b>1.02</b>
b) Special (AVI) #	<b>300.00</b>	<b>2.04</b>
c) PER/DGR/VAL	<b>300.00</b>	<b>2.04</b>
<b>2. Demurrage Charges / Storage (per day)</b>		
a) General Cargo	<b>150.00</b>	<b>1.02</b>
b) Special (AVI)#	<b>300.00</b>	<b>2.04</b>
c) PER/DGR/VAL(If cold storage is used)	<b>300.00</b>	<b>2.04</b>
<b>3. Courier Handling</b>	<b>165.00</b>	<b>1.36</b>
<b>4. Amendment of Airway Bill</b>	<b>140.00</b>	
<b>5. Return Cargo Charges</b>	<b>140.00</b>	
<b>6. Strapping Charges</b>	<b>15.00</b>	
7. In addition to the above, in the event of mis-Declaration of Weight, following charges based on the difference will apply		
2% - 5% variation	<b>2 times of excess weight</b>	
More than 5% (Not Applicable in VAL Cargo)	<b>5 times of excess weight</b>	

**Notes:**

1. The free period for outbound domestic cargo shall be one working day for examination/processing by the shipper/consignor/authorized representative etc.
2. **10% discount in the domestic cargo handling charges will be granted to the shippers/consignors who opt for engaging their own loaders for offloading cargo from their vehicles at Truck Dock and shifting to the examination/storage area before handing over to the airlines concerned.**
3. The domestic cargo handling charges applicable to newspaper and TV reel consignments shall be 50% of the prescribed charges.
4. Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
5. The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
6. #As per IATA definition, Special cargo consists of cold storage, live animals, hazardous goods & valuable cargo.
7. Charges will be levied on the 'gross weight' or the chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
8. For mis-declaration of weight above 2% and upto 5% of declared weight, penal charges @ double the applicable domestic cargo handling charges and for variation above 5%, the penal charges % 5 times the applicable domestic cargo handling charges will be leviable on the differential weight, subject to minimum amount equivalent to the applicable minimum domestic cargo handling Charges. No penal charges will be leviable for variation upto and inclusive of 2%. This will not apply to Valuable Cargo.
9. All the Bills shall be rounded off to the nearest of Rs.5/- . As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

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**When the results of calculations are  
between / and**

123 - 128.88  
129 - 134.88

**Rounded off amount will be**

126  
132

**DOMESTIC INBOUND CARGO CHARGES LEVIABLE ON CONSIGNEE(S) ETC.**

ACTIVITY	PROPOSED AAI CHARGES	
	MINIMUM(INR)	PER KG. (INR)
<b>1.Standard Charges for processing &amp; Handling (TSP charges inclusive of off-loading / Loading/ Shifting &amp; Forklift Usage)</b>		
a) General Cargo	150.00	<b>1.02</b>
b) Special (AVI) #	300.00	<b>2.04</b>
c) PER/DGR/VAL*	300.00	<b>2.04</b>
<b>2. Demurrage Charges / Storage (per day)</b>		
a) General Cargo	150.00	<b>1.02</b>
b) Special (AVI)	300.00	<b>2.04</b>
c) PER/DGR/VAL* (If cold storage is used)	300.00	<b>2.04</b>
<b>3. Courier Handling</b>	165.00	<b>1.36</b>

**Note:**

1. The free period for inbound domestic cargo shall be one working day for examination/processing/delivery by the consignee/authorized representative etc.
2. **10% discount in the domestic cargo handling charges will be granted to the consignee/authorized representative who opt for engaging their own loaders for loading cargo into their vehicles for delivery at designated areas from the airlines concerned.**
3. Consignment of human remains, coffin including unaccompanied baggage of deceased and human eyes will be exempted from the preview of domestic cargo handling & demurrage charges.
4. The domestic cargo handling charges are inclusive of fork lift charges wherever fork lift usage is involved. No separate fork lift charges will be levied.
5. Charges will be levied on the 'gross weight' or the 'chargeable weight' of the consignment, whichever is higher. Wherever the 'gross weight' and (or) 'volume weight' is wrongly indicated on the Airway Bill and is found more, charges will be levied on the 'actual gross weight' or 'actual volumetric weight', whichever is higher.
6. #As per IATA definition, Special cargo consists of cargo stored in cold storage, live animals, valuable & hazardous goods.
7. \*Valuable cargo consists of gold, bullion, currency notes, securities, shares, share coupons, travellers cheques, diamonds (including diamonds for industrial use), diamond jewellery, jewellery & watches made of silver, gold platinum & items valued at US\$ 1000 and above.
8. All the Bills shall be rounded off to the nearest of Rs.5/- . As per IATA Tact Rule Book Clause 5.7.2, the rounding off procedure, when the rounding off Unit is 5.

**When the results of calculations are  
between / and**

102.5 - 107.4  
107.5 - 112.4

**Rounded off amount will be**

105  
110



**SCHEDULE OF CHARGES/DISCOUNTS/INCENTIVES LEVIABLE/PAYABLE ON /TO AIRLINES FOR VARIOUS CARGO HANDLING SERVICES RENDERED BY AAI AT THE CARGO TERMINAL.**

<u>S.N.</u>	<u>Particulars</u>	<u>Rates (Rs.)</u>	
01. (i)	Storage charges for General export uplifted beyond free period	2.46 per kg	
01. (ii)	Storages charges for valuable Export Cargo Perishable / Live Animals and Hazardous Cargo uplifted beyond free period shall be two times of normal Rates	4.92 per kg	
02. (i)	Storage charges for Import Cargo not handed over and remain unchecked after a free period of 24 hours from time per day of arrival of an aircraft		
	<b><u>General Bulk Cargo</u></b> <b><u>(in Rs)(Kg /day)</u></b>	<b><u>Loaded ULD</u></b> <b><u>(in Rs)(ULD/day)</u></b>	
	2.46	985	
02(ii)	Storage charges for 'Val'/Haz/ Perishable/Live Animal Import Cargo		
	<b><u>Valuable</u></b> <b><u>(per Kg/day) (in Rs)</u></b>	<b><u>Haz. / Peri/LA</u></b> <b><u>(per Kg/day)(in Rs)</u></b>	<b><u>Per Consn /AWB</u></b> <b><u>(in Rs)</u></b>
	6.22	4.08	345

**NOTES:**

- Demurrage charges on Import Transshipment cargo will be as applicable to Import cargo except that no handling charges shall be levied on the airlines handled by AAI where the TP cargo handed over to the airlines on airside designated area on the airport.
- Demurrage charges on transshipment cargo from Domestic to International and from International to International shall be treated as same as applicable for export cargo, after allowing the normal free period.
- The free period for export cargo for the carrier from the date of entry in bonded area till upliftment shall be as per Government Directives.
- All Bills preferred by the Handling Company shall be rounded off to the nearest Rupee.
- No free period may be allowed on second time handling/upliftment of export cargo from cargo terminal. Applicable charges (Demurrage/Storage) shall be levied.
- In case of Transit ULDs brought by the Airlines handed over to AAI for Storage in the Bonded Area/ETV stacker for any reasons, the Storage Charges as per para 2(i) & 2(ii) shall be levied.