

**File No. AERA/ 20010/ MYTP/ AO/ KIAL/CP-I/ 2018-19/Vol-I**  
**Consultation Paper No. 33/ 2018-19**



**Airports Economic Regulatory Authority of India**

**In the matter of Determination of Aeronautical Tariffs for RCS Flights in respect of  
Kannur International Airport Limited (KIAL) for the first Control Period  
(01.04.2018 – 31.03.2023)**

**06<sup>th</sup> March, 2019**

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

## 1. INTRODUCTION

- 1.1. Kannur International Airport Limited (KIAL) was incorporated as a Public Limited Company on 3rd December 2009 with the objective of building, owning and operating the Kannur International Airport. It is the second Greenfield Airport in Kerala set up under the Public Private Partnership (PPP) model, located close to Mattannur in Kannur district of Kerala. KIAL is commenced commercial operations w.e.f. 9th December, 2018.
- 1.2. The Authority determined the aeronautical tariff for KIAL for the first control period commencing from 01.04.2018 to 31.03.2023 vide its Order no. 26/2018-19 dated 9<sup>th</sup> November 2018. In the said Order, the Authority, took note of **Government of India, Ministry of Civil Aviation, Letter no. AV.13011/5/2017-DT (RCS) dated 10.08.2018 (ANNEXURE-I)** which permits KIAL to levy certain charges to RCS Flights, and, decided to issue a separate tariff order for RCS Flights after receipt of proposal from KIAL, and, in consultation with Stakeholders [ Para 13 - Annual Tariff proposal- Decision No. 8 (C)].
- 1.3. The list of charges permitted to KIAL for RCS Flights is given below:
  - i. In-Line X-Ray charges
  - ii. Aero bridge charge
  - iii. Fuel Throughput charges
  - iv. CUTE/CUSS/BRS/CUPPS
  - v. Self-Baggage Drop in Charges
- 1.4. KIAL vide its letter ref. no. KIAL/FIN/36/2018-19 dated 02.02.2019, submitted its proposal for charges to be levied for RCS flights. Further, vide its subsequent letter no. KIAL/FIN/39/2018-19 dated 20.02.2019 KIAL submitted that the proposal for 'Self-Baggage Drop in Charges' to be collected from RCS Flights, shall be filed separately, and, has therefore, requested the Authority to determine the rates for the remaining charges approved by the Government of India for RCS Flights at Kannur Airport.
- 1.5. KIAL has proposed to charge the RCS Flights at the same rates as determined by AERA for regular flights vide its Order no. 26/2018-19 dated 9<sup>th</sup> November 2018. KIAL, has, further, requested the Authority to implement the proposed tariff for RCS Flights from 9th December 2018, which is the Date of Commencement of Commercial Operations (COD) of Kannur Airport.

1.6 The details of tariffs (excluding taxes/levies) approved by the Authority in its Order no. 26/2018-19 dated 9<sup>th</sup> November 2018 for the control period from 01.04.2018 to 31.03.2023 is reproduced in below tables.

**(i) Aerobridge charges for RCS Flights**

Particulars	Unit	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
<b>Domestic</b>						
Up to 90 minutes	INR	2,500	2,500	2,500	2,500	2,500
For every 30 min beyond 90 min	INR	1,000	1,000	1,000	1,000	1,000
6a. Aerobridge charges are payable by Airline Operators to Kannur International Airport Limited						
6b. The Aerobridge charges are payable based on the time of usage.						
6c. Usage charges will be billed on the basis of the data recorded by the Aerobridge operator.						
6d. No Exemptions.						

**(ii) Inline X ray charges for RCS Flights**

Particulars	Unit	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
<b>Domestic</b>						
<u>Aircraft capacity</u>						
1-100	INR	5,000				
101-150	INR	7,000				
151-180	INR	9,000				
181-300	INR	11,000				
Above 300	INR	13,000				

**(iii) Fuel throughput charges for RCS Flights**

Particulars	Unit	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Fuel throughput charges	INR/kl	976.58	1,018.62	1,062.75	1,105	1,149

**(iv) CUTE/CUSS/BRS for RCS Flights**

<b>Particulars</b>	<b>Unit</b>	<b>FY 18-19</b>	<b>FY 19-20</b>	<b>FY 20-21</b>	<b>FY 21-22</b>	<b>FY 22-23</b>
Domestic	INR per dep pax	85.1				

## 2. PROPOSAL

2.1 The Authority proposes to allow KIAL to charge the RCS Flights at the same rates as determined by AERA for regular flights in respect of the following charges for the Control Period from 01.04.2018 to 31.03.2023. Further, such tariff is proposed to be implemented w.e.f. 01.04.2019:

- i. In-Line X-Ray charges
- ii. Aero bridge charges
- iii. Fuel Throughput charges
- iv. CUTE/CUSS/BRS/CUPPS

### 3. **STAKEHOLDERS' CONSULTATION TIMELINE**

- 3.1. In accordance with the provision of Section 13(4) of the AERA Act, 2008, the proposals mentioned in the is hereby put forth for Stakeholders' Consultation. To assist the Stakeholders in making their submissions in a meaningful and constructive manner, necessary documents are enclosed as **Annexure**. 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 Stakeholder's in response hereto and by making such decisions fully documented and explained in terms of the provisions of the Act.
- 3.2. The Authority welcomes written evidence- based feedback, comments and suggestions from Stakeholder's on the proposal made in (Para 2 above), latest by **28.03.2019** at the following address.

**Secretary**

**Airports Economic Regulatory Authority of India**

**AERA Building, Administrative Complex**

**Safdarjung Airport**

**New Delhi -110003**

**Tel: 011-24695040, Fax: 011-24695039**

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**[Gita.sahu@aera.gov.in](mailto:Gita.sahu@aera.gov.in)**

**Chairperson**



(from pre-page)

4. Various charges, whether to be collected or not for RCS Flights by the Kannur Airport from SAOs are given below:

S N	List of charges	Whether chargeable for RCS Flights or NOT*
1.	Landing Charges	Not chargeable.
2.	Passenger Service Fee	Not chargeable.
3.	In line X-Ray Charges	Chargeable.
4.	Aero Bridge Charges	Chargeable
5.	Parking Charges	Not chargeable.
6.	Fuel Throughput Charges	Chargeable as on date.
7.	Charges on CUTE/CUPPS /CUSS & BRS	Chargeable.
8.	Ground Handling Charges	Not chargeable if SAO has its own ground handling, otherwise, chargeable.
9.	Self Baggage Drop in Charges	Chargeable.

\* as per scheme document.

4. I hope that the issues raised by you regarding Kannur Airport have been clarified.

With kind regards,

Yours sincerely

  
(Usha Padhee)

**Shri V. Thulasidas, IAS (Retd.),**  
Managing Director,  
Kannur International Airport Ltd.,  
T.C. 84/3, (36/1 Old), Chacka, NH Bypass,  
Thiruvananthapuram - 695024 (Kerala)

Copy forwarded for information and necessary action to:

1. ED (RCS), AAI, CHQ, New Delhi.
2. AD Section, MoCA, New Delhi.