



भारतीय विमानपत्तन प्राधिकरण AIRPORTS AUTHORITY OF INDIA

No. AAI/CHQ/Tariff/Major-Amritsar/2024-25

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

Sub: Revised Multi Year Tariff Proposal for the 2nd Control period (01.04.2024 to 31.03.2029) along with True up for the 1st Control Period (01.04.2019 to 31.03.2024) in respect of Sri Guru Ram Dass Jee International Airport, Amritsar

Sir,

1. AAI has submitted Multi Year Tariff Proposal for the 2nd Control period (01.04.2024 to 31.03.2029) along with True up for the 1st Control Period (01.04.2019 to 31.03.2024) in respect of Sri Guru Ram Dass Jee International Airport, Amritsar vide its letter no. **AAI/CHQ/Tariff/Major-Amritsar/2024-25/1316 dated 10.07.2024**. The proposal was prepared with the actual data for the period 01.04.2019 to 31.03.2023 and projected data for the period 01.04.2023 to 31.03.2029. However, AERA has directed AAI to incorporate the FY 2023-24 in the model on actual basis as FY 2023-24 already completed.
2. AAI has prepared the revised proposal for the Second Control Period (FY. 01.04.2024 to 31.03.2029) along with the True-up for the 1st Control Period (01.04.2019 to 31.03.2024) as per AERA methodology. The proposal has been prepared with the actual data for the period 01.04.2019 to 31.03.2024 and projected data for the period 01.04.2024 to 31.03.2029 considering the following:
 - Traffic Data
 - CHQ & RHQ Allocations
 - Employee Ratio
 - Quarter Ratio
 - Regulatory Asset Base
 - Depreciation
 - Fair Rate of Return (FRoR)
 - Operating Cost
 - Non-Aeronautical Revenue
 - Taxation
 - Actual Revenue

- Aggregate Revenue Required (ARR)
 - Proposed Tariff.
3. Based on the above, shortfall has been worked out for 1st Control Period (01.04.2019 to 31.03.2024) amounting to Rs. 154.55 crores
4. For the Second Control Period, Total Present Value of Projected Aggregate Revenue Requirement is Rs. 935.44 Crores. It is requested to approve the Proposal in order to meet the aggregate revenue requirement.

Table 1: Total Present Value of ARR for Second Control Period as follows:

Particulars (in Crs)	2024-25	2025-26	2026-27	2027-28	2028-29	Total
Average RAB	200.47	193.82	179.15	344.41	499.70	
Fair Rate of Return	14.00%	14.00%	14.00%	14.00%	14.00%	
Return on average RAB	28.07	27.13	25.08	48.22	69.96	198.46
O&M expenses	117.19	134.56	146.86	160.49	169.24	728.35
Depreciation	17.24	16.81	16.37	24.98	34.52	109.91
Tax expense	7.01	16.87	19.84	17.55	17.69	78.92
IDC	0.79	0.74	0.64	0.54	0.43	3.15
Shortfall of First control period	154.55					154.55
Less: 30% NAR	13.97	15.42	16.87	18.39	20.11	84.76
ARR	310.87	180.69	191.92	233.39	271.74	1188.58
Discount factor@14%	1.00	0.88	0.77	0.67	0.59	
PV of ARR	310.87	158.50	147.68	157.53	160.89	935.44

The Multi Year Tariff Proposal already submitted in soft copy for your consideration and approval.


R. Prabhakar
 General Manager-JVC & Tariff Cell