

AAI/JVC/Tariff/Trichy/ 1697

Date: 25th July, 2025

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

Sub: Multi Year Tariff Proposal for the 2nd Control period (01.04.2025 to 31.03.2030) along with True up for the 1st Control Period (01.04.2020 to 31.03.2025) inclusive of regulated year (FY 2019-20) in respect of Tiruchirappalli International Airport (TRZ), Tiruchirappalli.

Sir,

AERA vide its Order No. 55/2020-21 dated 22.12.2020 had determined the Aeronautical Tariff in respect of Tiruchirappalli International Airport, Tiruchirappalli for the 1st Control Period (01/04/2020 to 31/03/2025)

2. The proposal of Second Control Period (from 01.04.2025 to 31.03.2030) along with the True-up for the 1st Control Period (01.04.2020 to 31.03.2025), and regulated year (FY 2019-20) has been prepared as per AERA methodology. The truing up of the first four years of 1st control period i.e. 01/04/2020 to 31/03/2024 are based on Audited accounts . The last year of Ist Control period is based on accounts duly approved by AAI Board . The figures of 2nd control period are based on projections.

3. The MYTP along with detailed submissions and workings are enclosed for your consideration and approval.

This issue with the approval of competent authority

-sd-

(Rajesh Khanna)
General Manager (JVC-Tariff)



Submission to Airport Economic Regulatory Authority of India (AERA) for Determination of Tariff for Airport Services for the 2nd Control Period (01.04.2025 to 31.03.2030) along with True up of 1st Control Period (01.04.2020 to 31.03.2025) and regulated year, FY 2019-20 for Tiruchirappalli International Airport, Tiruchirappalli.

Table of Contents

1. Introduction.....	4
2. Methodology for Tariff Determinations.....	5
3. True up for the First Control Period.....	7
4. Traffic Actual vs Forecast for 1 st CP.....	7
5. Allocation of Assets between Aeronautical and Non-Aeronautical.....	8
6. Capital Expenditure for the 1 st CP.....	10
7. Depreciation.....	13
8. Regulatory Asset Base for the 1 st CP.....	14
9. Fair Rate of Return (FRoR).....	15
10. Operating Expenses.....	16
11. Taxation	17
12. Non-Aeronautical Revenue (NAR).....	18
13. Aeronautical Revenue.....	19
14. Aggregate Revenue Required (ARR) for 1 st CP.....	20
15. Traffic Forecast & Allocation of Assets for the 2 nd Control Period (SCP).....	23
16. Capital Expenditure for the 2 nd CP	24
17. Depreciation for 2 nd CP.....	25
18. Fair Rate of Return (FRoR) for 2 nd CP.....	26
19. Operating Expenses for 2 nd CP.....	26
20. Taxation	27
21. Non-Aeronautical Revenue (NAR) for 2 nd CP.....	28
22. Aggregate Revenue Required (ARR) for 2 nd CP	29
23. Revenue stream to recover ARR(ARR) for 2 nd CP	29

1. Background and Introduction to Tiruchirappalli International Airport, Tiruchirappalli

1.1. Background of Airport Authority of India

1.1.1. Airports Authority of India (AAI) was constituted under the Airports Authority of India Act 1994 (“AAI Act”) and came into being on 1st April 1995 by merging erstwhile National Airports Authority and International Airports Authority of India, with a view to accelerate the integrated development, expansion and modernization of the air traffic services, passenger terminals, operational areas, and cargo facilities at the airports in the country. 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. Overview and History of Tiruchirappalli International Airport, Tiruchirappalli

- 1.2.1. **Tiruchirappalli International Airport** is an international airport that serves Tiruchirappalli in the Indian state of Tamil Nadu. The airport is situated at National Highway 336, approximately 5 km (3.1 mi) south of the city center, and occupies 702.02 acres (284.10 ha).^[4] As of 2025, it is India's 31st busiest airport in terms of passenger traffic and the 10th-busiest for total foreign aircraft movement. It is the state's second-busiest in terms of international connections, after Chennai International Airport, and the third-busiest in terms of passengers served, after Chennai and Coimbatore International Airports
- 1.2.2. AERA had issued Tariff order dated 22.12.2020 vide order no. 55/2020-21 for the 1st Control Period (01.04.2020 to 31.03.2025).

2. Methodology for Tariff Determination

2.1. Methodology / Approach to preparation of MYTP Submission

- 2.1.1. The Authority, vide Order No. 13/ 2010-11 dated 12.01.2011 (referred to as “Airport Order” hereinafter) and Direction No. 5/2010-11 dated 28.02.2011 (referred to as “Airport Guidelines” hereinafter), has issued guidelines to determine tariffs at major airports based on Single Till mechanism. Subsequently, the Authority has amended guidelines vide Order no. 14/2016-17 dated 12.01.2017 to determine future tariffs using Hybrid Till.
- 2.1.2. The tariff determination process consists of true-up of 1st Control Period and determination of building blocks for 2nd Control Period. The Authority proposes to undertake true-up of 1st Control Period and the determination of building blocks for 2nd Control Period under Hybrid Till.
- 2.1.3. The Aggregate Revenue Requirement (ARR) under regulatory framework of Authority is calculated as under

$$ARR = \sum_{t=1}^5 ARR_t$$

$$ARR_t = (FRoR \times RAB_t) + D_t + O_t + T_t - \alpha \times NAR_t$$

Where,

t is the Tariff Year in the Control Period;

ARR_t is the Aggregate Revenue Requirement for the year t;

FRoR is the fair rate of return for the Control Period;

RAB_t is the Aeronautical Regulatory Asset Base for the year t;

D_t is the Depreciation corresponding to the Aeronautical RAB for year t;

O_t is the Aeronautical Operation and Maintenance Expenditure for year t, which include all expenditures incurred by the Airport Operator(s) towards aeronautical activities including expenditure incurred on statutory operating costs and other mandatory operating costs;

T_t is the Tax for the year t, which includes payments by Airport Operator in respect of corporate tax on income from assets/ amenities/ facilities/ services taken into consideration for determination of ARR for year t;

α is 30% cross subsidy factor for revenue from services other than aeronautical services under Hybrid Till for 2nd Control Period. α was 100% cross subsidy factor under Single Till during First Control Period.

NAR_t is the revenue from services other than aeronautical services (Non-Aeronautical Revenues or NAR) for year t.

2.1.4. Based on ARR, yield per passenger is calculated as formula given below:

$$Yield\ per\ passenger(Y) = \frac{\sum_{t=1}^5 PV(ARR_t)}{\sum_{t=1}^5 (VE_t)}$$

Where,

Present Value (PV) of ARR_t for a tariff year t is calculated at the beginning of the Control Period and the discounting rate for calculating PV is equal to the Fair Rate of Return determined by the Authority.

VE_t is the Traffic Volume in a tariff year t as estimated by the Authority.

ARR_t is the Aggregate Revenue Requirement for tariff year t.

3. True Up of First Control Period (FCP)

Overview

- 3.1 AAI has submitted its Multi Year Tariff Proposal on 19th March 2020 to AERA considering FY 2019-20 to FY 2023-24 as the first control period based on the actuals for FY 18-19. However, as per para 1.2.3. of the order number 54/2020-21, first control period shall be from FY 2020-21 to FY 2024-25 and that the shortfall/surplus of FY 2019-20 shall be considered for the purpose of tariff determination of the Airport.
- 3.2 AERA had issued Tariff order dated 22.12.2020 vide order no. 55/2020-21 for the 1st Control Period (01.04.2020 to 31.03.2025).
- 3.3 The Airports Authority of India has tried up 1st Control Period (FY 2020-21 to FY 2024-25) along with regulated year, FY 2019-20 with respect to Tiruchirappalli International Airport.

4. Traffic

- 4.1 As per Decision (page20) of Order No. 55/2020-21 dt.22.12.2020, the Authority decided:

Decision No. 4.2.6 “The Authority decides to consider the ATM and passenger traffic as per Table 5”.

Decision No. 4.2.8 “The Authority decides to true-up the traffic volume (passenger and ATM) growth achieved during the First Control Period at the time of determination of tariff for the Second Control Period”.

Table 1: Traffic allowed as per Table No-5 (p21) for First Control Period Order No. 54/2020-21

YEAR	PAX						ATM					
	Dom	%	INTL	%	Com	%	Dom	%	INTL	%	Com	%
2020-21	2,07,251	-30.0%	6,58,210	-50.0%	8,65,461	-46.3%	3,755	-30.0%	4,448	-50.0%	8,203	-42.5%
2021-22	2,69,426	30.0%	9,87,314	50.0%	12,56,740	45.2%	4,881	30.0%	6672	50.0%	11,553	40.8%
2022-23	3,36,783	25.0%	11,84,777	20.0%	15,21,560	21.1%	6,102	25.0%	8,006	20.0%	14,108	22.1%
2023-24	4,20,979	25.0%	12,83,114	8.3%	17,04,093	12.0%	7,499	22.9%	8,359	4.4%	15,858	12.4%
2024-25	5,26,223	25.0%	13,89,612	8.3%	19,15,835	12.4%	9,216	22.9%	8,726	4.4%	17,942	13.1%

Table 2: Actual Traffic

Year	PAX						ATM					
	Dom	%	INTL	%	Com	%	Dom	%	INTL	%	Com	%
2019-20	296073		1316419		1612492		5364		8896		14260	
2020-21	164828	-44.3%	191075	-85.5%	355903	-77.9%	2978	-44.5%	1667	-81.3%	4645	-67.4%
2021-22	149277	-9.4%	407430	113.2%	556707	56.4%	3083	3.5%	3795	127.7%	6878	48.1%
2022-23	380227	154.7%	1134033	178.3%	1514260	172.0%	5394	75.0%	7828	106.3%	13222	92.2%
2023-24	458756	20.7%	1305186	15.1%	1763942	16.5%	6088	12.9%	8226	5.1%	14314	8.3%
2024-25	558221	21.7%	1398630	7.2%	1956851	10.9%	8161	34.1%	9237	12.3%	17398	21.5%

Table 3: Variance between actual and AERA approved traffic is tabulated below:

Year	PAX						ATM					
	Dom	%	INTL	%	Com	%	Dom	%	INTL	%	Com	%
2020-21	-42423	-14.3%	-467135	-35.5%	-509558	-31.6%	-777	-14.5%	-2781	-31.3%	-3558	-25.0%
2021-22	-120149	-39.4%	-579884	63.2%	-700033	11.2%	-1798	-26.5%	-2877	77.7%	-4675	7.2%
2022-23	43444	129.7%	-50744	158.3%	-7300	150.9%	-708	49.9%	-178	86.3%	-886	70.1%
2023-24	37777	-4.3%	22072	6.8%	59849	4.5%	-1411	-10.0%	-133	0.7%	-1544	-4.1%
2024-25	31998	-3.3%	9018	-1.1%	41016	-1.5%	-1055	11.2%	511	7.9%	-544	8.4%

4.2 Significant reason for increase/ decreases in Traffic are as follows

- 4.2.1 During FY 2020-21, the actual passengers is 3.55 lakh while AERA's projection was 8.65 lakh. This was the pandemic period and there were several restrictions on air travel leads to lower volume of passengers.
- 4.2.2 AERA's projection of traffic is on higher side for whole 1st control period.

5. Allocation of Assets between Aeronautical and Non-Aeronautical

5.1 For the allocation of assets, expenditure between aeronautical and non-aeronautical services, Airports Authority of India had divided assets into aeronautical, non-aeronautical and common components. Common components have further been segregated into aeronautical and non-aeronautical assets by applying one of the following three ratios:

5.1.1 **Terminal Area Ratio-** Ratio of Aeronautical area to non-aeronautical area (For terminal related assets).

TB Ratio is approved by AERA based on actual utilization of space in the terminal building for non-aero activities as under:

Table 4: Terminal Building Ratio as approved by AERA for 1st Control period (Table 6, P-23 of Order No. 55/2020-21)

Particulars	%
Aero	90.11%
Non-aero	9.89%

Table 5: True Up of Terminal Building Ratio for 1st Control Period

Terminal Building area

(Space allotted to Airlines considered as Aero instead of Non- Aero as per recent Tariff order issued by AERA)

Particulars	Location	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Total Space Rented (A)	Non-Aero-area (SQM)	1523.55	1752.87	393.76	661.33	739.83	1295.7
Space to Airlines (B) (Included in space rent)	Considered as AERO	280.5	165.09	165.09	165.09	155.49	210.46
Airlines space (%) on total Area		0.82%	10.54%	12.13%	2.72%	4.58%	5.12%
Airlines space (%) on Non-Aero		9.20%	18.41%	9.42%	41.93%	24.96%	21.02%
C= (B-A)	Net Non-Aero area (SQM)-Exc. airlines space	1243.05	675.90	744.76	771.66	759.66	1625.15
Capacity (D)	T. B Area (SQM)	14450.00	14450.00	14450.00	14450.00	14450.00	84000.00
Non-Aero %		8.60%	4.68%	5.15%	5.34%	5.26%	1.93%
Aero %		91.40%	95.32%	94.85%	94.66%	94.74%	98.07%

* Fall in Terminal Building Ratio was due to Pandemic, Covid 19, Master Concession contracts for retail and food and beverages have been terminated on the request of Master Concessionaire.

5.1.2 Quarters Ratio- Ratio of staff providing Non aero service staying in residential building to staff providing aeronautical service staying in residential building approved by AERA is 34:0 (Aero:Non-Aero) based on FY 2018-19. **Table: -6 (p23) of Order No-55/2020-21)**

Table 6: True Up of Quarters Ratio for 1st Control Period

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
RATIO:						
ANS Usage Ratio	11.90%	9.52%	11.90%	17.50%	20.00%	30.00%
Aero Usage Ratio	85.71%	90.48%	88.10%	81.67%	79.17%	67.50%
Non-Aero Usage Ratio	2.38%	0.00%	0.00%	0.83%	0.83%	2.50%

- The above ratio is based on the Actual for FY 2019-20 to FY 2024-25.

5.1.3 Employee Ratio- Ratio of staff providing commercial assets to staff providing aeronautical services.

Table 7: Employee Ratio based on FY 2018-19 as approved by AERA as per Table: -6 (p23) of Order No-55/2020-21)

Particulars	Ratio (Non-aero : Aero)
Employee Ratio	3:99

Table 8: True Up of Employee Ratio for 1st Control Period

Particulars	Regulated year	1st Control Period				
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Total Airport Strength	82	98	89	90	100	91
Total ANS Strength	48	40	42	36	42	40
Non- Aero Emp. (Land+Commercial)	1	2	2	2	2	3
Common Emp.-(Finance & HR)	21	21	17	14	13	10
Total	152	161	150	142	157	144
Common Employee's apportionment						
Total Airport Strength	13	15	11	10	9	7
Total ANS Strength	8	6	5	4	4	3
Non- Aero Emp. (Land+Commercial)	0	0	0	0	0	0
Total	21	21	16	14	13	10
Head Count after apportionment of Common Employees						
Total Airport Strength	95	113	100	100	109	98
Total ANS Strength	56	46	47	40	46	43
Non- Aero Emp. (Land Commercial)	1	2	2	2	2	3
Total	152	161	150	142	157	144
Employee ratio for (ANS: AERO: Non-Aero)						
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
ANS	63%	70%	67%	70%	69%	68%
Aero	37%	29%	31%	28%	29%	30%
Non-Aero	1%	1%	1%	1%	1%	2%
Employee ratio for (AERO: Non-Aero)						
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Aero	99%	98%	98%	98%	98%	97%
Non-Aero	1%	2%	2%	2%	2%	3%

- Employee Ratio was taken for projecting 1st Control Period and the above ratio is based on the Actual for FY 2019-20 to FY 2024-25.
- CNS (ANS) staff is also providing Passenger facilitation (Maintaining Airport system) and is also looking after IT & security. Hence the same CNS staff has been considered as Aero based on the service provided by them.

6. Capital Expenditure for the 1st Control Period

6.1 As per table 14 of order no. 55/2020-21, AERA had approved the Proposed aeronautical capital expenditure of Rs. 742.78 crores represent the sum of Rs. 7.48 crores for the regulated year FY 2019-20 and Rs. 735.3 crores for the 1st Control Period commencing from FY 2020-21 to FY 2024-25. This has been shown in the Table Below:

Table 9: Approved Capital expenditure by Authority as per Table No.13(p34) and 15 (P40) of Order No. 55/2020-21 is as follows:

Amount in crores

Asset Category	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total (1st CP)
Runways, Aprons and Taxiways		37.73					37.73
Road, Bridges & Culverts	3.07						0
Building- Terminal	0.59			415.87			415.87
Building – Residential	0.09		55.11				55.11
Boundary Wall – Operational		0.37					0.37
Other Buildings – Unclassified	0.65						0
Plant & Machinery	0.09	0.25					0.25
Solar plant	1.82						0
Tool & Equipment		1.26					1.26
Vehicles							0
Electrical Installations	0.15	0.78		223.93			224.71
Furniture & Fix. Other than Trolley							0
Furniture & Fixtures: Trolley							0
X Ray Baggage System							0
CFT/Fire Fighting Equipment	1.02						0
Total	7.48	40.39	55.11	639.8	0	0	735.3

The Actual Capital Expenditure incurred during the 1st control period has been shown in the table below.

Table 10: Actual Capital Expenditure for the 1st Control Period along with the regulated year is as follows:

Amount in crores

Asset Category	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total (1st CP)
Runways, Taxiway & Aprons	0.44	0.00	20.39	45.51	5.38	0.00	71.73
Road, Bridges & Culverts	3.18	0.00	1.46	0.00	0.00	7.11	11.76
Building- Terminal	1.22	0.00	0.00	0.18	735.52	9.62	746.54
Building - Residential	0.23	0.27	0.00	74.48	0.00	0.00	74.97
Boundary Wall -Operational	0.00	0.56	0.00	0.00	0.75	8.02	9.33
Other Buildings-Unclassified	0.00	0.00	0.00	0.27	0.00	0.00	0.27
Computers : End Users	0.23	0.10	0.06	0.06	0.00	0.17	0.61
Computers: Servers and Networks	0.00	0.00	0.00	0.00	30.25	0.00	30.25
Plant & Machinery	5.83	4.38	1.98	4.83	160.43	4.22	181.66

Tools & Equipments	1.58	0.21	0.47	0.03	2.80	2.38	7.47
Office Furniture	0.50	0.09	1.58	0.37	2.26	0.45	5.25
Vehicles	0.59	0.00	0.00	0.05	0.27	0.30	1.22
Other Office equipments	0.02	0.03	0.02	0.03	0.01	0.01	0.11
X Ray Baggage System	1.55	0.21	0.00	0.00	0.00	0.00	1.76
CFT/Fire Fighting Equipments	5.25	0.00	0.00	0.01	0.00	0.00	5.26
Total (Additions)	20.63	5.85	25.96	125.83	935.27	32.28	1145.81

- The Major variance in Projected vs Actual is due to following reasons:
 - The construction of New Integrated terminal was planned in FY 2022-23 however it was completed in FY 2023-24.
 - There are also unplanned capex done during the 1st control period.

The Details of Planned capex as per Actual (aeronautical)is as under: -

FY2019-20 (Planned)

Assets No.	Asset Class	Asset Description	AMT (In Lacs)
50011291	Road	CONSTRUCTION OF PERIMETER ROAD AT TRICHY AIRPORT	318.18
50011256	Resi.Building	PROVISION OF JOGGING TRACK AT AAI RESIDENTIAL	11.35
90043261	Plant & Machinery	REPLACEMENT OF SPARE PARTS FOR FIRE HYDRANT&ALARM	3.42
90044619	Plant & Machinery	FIRE HYDRANT SYSTEM AT TRICHY AIRPORT	50.67
90042839	Tools & Equip	SITC OF 08 NOS AEACS E-GATES FOR IMMIGRATION - TRZ	40.14
90044334	Tools & Equip	SUPPLY OF PROEYE-951-SJN VICTIM LOCATION EQUIPMENT	5.39
90044337	Tools & Equip	SUPPLY OF PORTABLE LED EMERGENCY LIGHT AT TRY(CHQ)	0.69
Assets capitalized during the year and transferred to AAICLS after operationalization of new Terminal Building (11.06.2024)			
50011208	Terminal Building	CONSTRUCTION OF CONNECING CORRIDOR BETWEEN SHA	33.12
50011257	Terminal Building	PROVISION OF STATIC BOLLARDS AT KERB AREA IN NITB	13.41
90042604	Plant & Machinery	P/O ADDL 60TR AHU UNIT FOR SECURITY HOLD AREA, TRY	8.63
90042743	Plant & Machinery	SITC OF 1 NO 450TR ADDL COOLING TOWER EXISTING	10.77
90044042	Plant & Machinery	PROVISION OF AIR CONDITIONIN UNITS FOR ARRIVAL	4.80
90045419	Plant & Machinery	MODIFICATION OF FACIA SIGNAGES IN NITB AT TRY APT	1.77
90042838	Tools & Equip	SITC OF DYNAMIC SIGNAGE FOR IMMIGRATION COUNTER AT	44.07
		Total	546.40

FY2020-21

Assets No.	Asset Class	Asset Description	AMT (In Lacs)
70001634	B/Wall-Ops	CONSTRUCTION AND RAISING OF OPERATIONAL BOUNDARY	56.03
90046087	Plant & Machinery	EXTENSION OF CCR HALL INCL.REPOSITIONING OF CCRS &	37.92
90046093	Plant & Machinery	SITC OF FIDS SYSTEM AT TRICHY AIRPORT	118.8
90047504	Tools & Equip.	35 NOS BULLET RESISTENT HELMET FROM CHQ FOR CISF	2.06
Assets capitalized during the year and transferred to AAICLS after operationalization of new Terminal Building (11.06.2024)			
90046083	Plant & Machinery	REPLACEMENT OF 50TR AIR HANDLING UNIT FOR SHA, TRY	16.46
		Total	231.3

FY2022-23

Assets No.	Asset Class	Asset Description	AMT (In Lacs)
30002234	R/w,T/W, Apron	CONSTRUCTION OF APRON&ASSOCIATED TAXIWAY, ISOLATIO	12.17
50011916	Resi. Building	CONSTRUTION OF STAFF QUARTERS AT WIRELESS STATION	6138.703
50011944	Resi. Building	CONSTRUTION OF CISF BARRACKS AT WIRELESS STTION	1309.371
		Total	7460.24

FY2023-24

Assets No.	Asset Class	Asset Description	AMT (In Lacs)
50012277	Terminal Building	GOPURAM IN FORECOURT OF NITB	276.5
50012277	Terminal Building	GOPURAM IN FORECOURT OF NITB- ELECTRICAL WORKS	77.19
50012331	Terminal Building	NEW PASSENGER TERMINAL BUILDING- LANDSCAPING WORKS	132.1
50012331	Terminal Building	CONSTRUCTION OF NEW PASSENGER TERMINAL BUILDING &	68631
50012331	Terminal Building	NEW PASSENGER TERMINAL BUILDING -INTERIOR & ART	933.7
50012331	Terminal Building	NEW PASSENGER TERMINAL BUILDING - PU FLOOR COATING	193.8
50012331	Terminal Building	PASSENGER TERMINAL BUILDING- PROJECT MANAGEMENT	3308
90054598	Plant & Machiner	NEW PASSENGER TERMINAL BUILDING-LANDSCAPE LIGHTING	172.6
90054598	Plant & Machiner	PASSENGER TERMINAL BUILDING-SIGNAGES	518.3
90054598	Plant & Machiner	PASSENGER TERMINAL BUILDING-1050 KLD STP	429.1
90055843	Plant & Machiner	OFC Cable - ATC Tower - NITB (AOCC)- New ATC Tower	4.11
90054598	Plant & Machiner	PASSENGER TERMINAL BUILDING- MAJOR ELECTRICAL WORK	6186
90054598	Plant & Machiner	PASSENGER TERMINAL BUILDING- FIRE ALAM SYSTEM	1356
90054598	Plant & Machiner	PASSENGER TERMINAL BUILDING- HVAC WORKS	4299
90054598	Plant & Machiner	BUILDING MANAGEMENT SYSTEM-BMS WORKS	138.3
90054598	Plant & Machiner	PASSENGER TERMINAL BUILDING- WATER TREATMENT PLANT	165.2
90054598	Plant & Machiner	PASSENGER TERMINAL BUILDING- LIFT AND ESCALATOR	1172
90054598	Plant & Machiner	PASSENGER TERMINAL BUILDING-FACADE LIGHTING SYSTEM	213.6
90054598	Plant & Machiner	PASSENGER TERMINAL BUILDING- PROJECT MANAGEMENT	819.3
110018685	Office Furnintrue	SITC OF TRADITIONAL FURNITURE	58.3
110018685	Office Furnintrue	SITC OF MODULAR FURNITURE FOR NITB	96.53
		Total	89180

7. Depreciation

7.1 AERA had approved the Depreciation for the 1st Control Period as the Order No.35/2017-18 titled “In the matter of Determination of Useful life of Airport Assets. This has been shown in the Table Below

Table No:11 Depreciation rates adopted by AERA as per Table No.23 (P-57) of Order No.55/2020-

21

Asset Category	Beyond FY 2019-20
Leasehold Land	0.00%
Runways, T/way, Apron	3.33%
Road, Bridges & Culverts	10.00%
Building - Terminal	3.33%
Building – Temporary	33.33%
Building – Residential	3.33%
Security Fencing-Temp	10.00%
Boundary Wall – Operational	10.00%
Boundary Wall – Residential	10.00%

Other Buildings	3.33%
Computer – End user	33.33%
Computer – Servers and networks	16.67%
Intangible Assets - Software	20.00%
Plant & Machinery	6.67%
Tools & Equipment	6.67%
Vehicles	12.50%
Electrical Installations	10.00%
Office appliances	20.00%
Furniture & Fixtures: Other Than Trolley	14.29%
Furniture & Fixtures: Trolley	33.33%
X Ray Baggage System	6.67%
CFT/Fire Fighting Equipment	6.67%

Table 12: Depreciation as per Table No.24 (P-58) of Order No. 55/2020-21 is as follows:

Particulars (₹ Crores)	Control period					
	Regulated Year 2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Depreciation	4.94	5.68	7.13	23.64	41.62	40.98

Table 13: True Up of Depreciation during FY20-21 to FY 24-25 (with regulated year 2019-20) is as follows:

Particulars (₹ Crores)	Control period					
	Regulated Year 2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Depreciation	5.44	6.15	6.79	8.68	29.97	51.39

Significant reason for variations in Depreciation are as follow:

- The Major variance in Projected vs Actual is due to following reasons:
 - The construction of New Integrated terminal was planned in FY 2022-23 however it was completed in FY 2023-24.
 - There are also unplanned capex done during the 1st control period.

8. Regulatory Asset Base for the 1st Control Period.

8.1 AERA had approved the Average RAB for the 1st Control.

Table 14: RAB for 1st Control Period as per Table No 13(p-24) & 27 (P-61) of Order no. 55/2020-21 is as follows:

S.No	Particulars (₹ Crore)	Regulated Year 2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total 1 st CP
1.	Opening RAB	27.13	29.65	64.36	112.34	721.27	679.65	1607.27
2.	Capitalizations	7.48	40.39	55.11	639.8	0	0	735.3
3.	Disposals	0	0	0	7.23	0	0	7.23
4.	Depreciation	4.96	5.68	7.13	23.64	41.62	40.98	119.05
5.	Closing RAB	29.65	64.36	112.34	721.27	679.65	638.67	2216.29
6.	Average RAB	28.39	47.005	88.35	416.805	700.46	659.16	1911.78

Table No15: True Up of RAB for the 1st Control Period is as follows:

	Particulars (₹ Crore)	Regulated Year 2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 *	Total 1 st CP
A	Opening Aeronautical RAB	27.11	42.31	42.00	61.17	178.31	1083.61	1407.40
B	Aeronautical assets capitalized during years	20.63	5.85	25.96	125.83	935.27	32.28	1125.18
C	Disposals/ Transfers	0.00	0.00	0.00	0.00	0.00	5.31	5.31
D	Depreciation	5.44	6.15	6.79	8.68	29.97	51.39	102.98
E	Closing Aeronautical RAB (A+B-C-D)	42.31	42.00	61.17	178.31	1083.61	1059.20	2424.29
	Average RAB (A+E)/2	34.71	42.15	51.59	119.74	630.96	1071.41	1915.85

Significant reasons for variations in RAB and Depreciation are as follow

- The Major variance in Projected vs Actual is due to following reasons:
 - The construction of New Integrated terminal was planned in FY 2022-23 however it was completed in FY 2023-24.
 - There are also unplanned capex done during the 1st control period.

9 Fair Rate of Return (FRoR)

9.1 As per para 10.2.4. of order no. 55/2020-21, AERA had considered the Fair rate of Return at 14% for FY 2019-20 to FY 2021-22 and from FY 2022-23 at 11.61% had been approved by AERA.

9.2 Table 16: Summary of Projected FRoR on Regulatory Asset Base as per Order no. 55/2020-21 is as follows

Particulars (₹ Crore)	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total of CP
Average Regulatory Asset Base-(RAB)	28.39	47.01	88.35	416.80	700.46	659.17	1911.79
Fair Rate of Return (FRoR)	14%	14%	14%	11.61%	11.61%	11.61%	
Return on Average RAB @ 14%	18.53	6.58	12.37	48.39	81.32	76.53	225.19

Table 17: Summary of FRoR on Regulatory Asset Base (True Up) for the 1st Control Period is as follows

Particulars (₹ Crore)	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total of CP
Average Regulatory Asset Base (RAB)	34.71	42.15	51.59	119.74	630.96	1071.41	1915.85
Fair Rate of Return (FRoR)	14%	14%	14%	14%	14%	14%	
Return on Average RAB @ 14%	4.86	5.90	7.22	13.90	73.25	124.39	224.6

Variance in capex and depreciation results in variations in FRoR.

10. Operating Expenses

Table No 18 Operating & Maintenance (O&M) expenses as considered by the Authority for the 1st Control Period as per Table No.40 (p-77) of Order No.55/2020-21 is as follows: -

Particulars (Rs. In Cr.)	Control period					Total
	2020-21	2021-22	2022-23	2023-24	2024-25	
Payroll expenses –non CHQ/RHQ	16.07	16.87	19.55	20.53	21.56	94.58
Retirement Provision	5.73	6.02	6.92	7.27	7.63	33.57
Total Payroll Expenditure	21.80	22.89	26.47	27.80	29.19	128.15
Administration and General expenses –non CHQ/RHQ	3.80	4.15	10.31	11.31	12.41	41.98
Administration and General expenses – CHQ/RHQ	10.15	10.66	11.19	11.75	12.34	56.09
Total Admin & General Expenditure	13.95	14.81	21.50	23.06	24.75	98.07
Repairs and maintenance	12.63	13.32	51.92	52.90	53.92	184.69
Utilities and outsourcing expenses	4.58	5.18	9.91	9.97	10.03	39.67
Other outflows – Collection Charges on UDF	0.27	0.39	0.47	0.52	0.64	2.29
Total	53.23	56.59	110.27	114.25	118.53	452.87

Table 19: True Up of Operating & Maintenance (O&M) expenses during FY 2020-21 to FY 2024-25 along with the regulated year 2019-20 is as follows:

Particulars (Rs. In Cr.)	Regulated Year	Control period					Total (1 st CP)
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
Payroll expenses –non CHQ/RHQ	18.04	14.86	14.14	17.18	21.36	24.93	92.47
Payroll expenses –CHQ/RHQ	3.22	0.44	1.08	-0.05	1.24	1.35	4.07
Total Payroll Expenditure	21.26	15.31	15.22	17.13	22.60	26.28	96.54
Administration and General expenses –non CHQ/RHQ	3.52	3.34	4.76	7.58	6.84	25.76	48.29
Administration and General expenses – CHQ/RHQ	14.30	4.83	10.50	13.40	11.46	12.03	52.22
Total Admin & General Expenditure	17.82	8.17	15.26	20.98	18.30	37.80	100.50
Repairs and maintenance	8.00	9.70	7.88	9.99	13.12	14.53	55.22
Utilities and outsourcing expenses	5.14	4.30	3.65	7.90	25.15	17.51	58.51
Other outflows – Collection Charges on UDF	0.18	0.03	0.05	0.17	0.21	0.25	0.71
Total	52.40	37.51	42.07	56.16	79.39	96.36	311.49

Payroll expenses –Non CHQ/RHQ

- AERA had considered 5% annual increase in Payroll exp against 7% proposed by AAI.
- Overtime rate per hrs revised from April 2019 also increased the staff cost.

Total Payroll cost including Payroll CHQ/ RHQ expenses.

- Total payroll cost for true up is Rs. 304.10 crores, against AERA’s approved projection of 452.87 Crores.

Administration and General expenses –Non CHQ/RHQ

- AERA had considered 10% annual increase in Admn & General expenses, while in true up actual has been considered.
- Increase in Travelling Expenses due to revision of T. Allowance rates w.e.f. April 2019.
- Hiring of man power is also increase due to award of new contract by CHQ.
- Solid waste management contract was not there in Tariff order for the 1st CP.

- Mess contract was continuing from 2017-18 and got extended from time to time. New mess contract awarded in FY 2024-25 due to operationalization of new terminal building (11.6.2024).
- Total Administration and General expenses –Non CHQ/RHQ for true up is Rs. 48.29 crores which is slightly higher than AERA’s approved projection of 41.98 crores.

Administration and General expenses – CHQ/RHQ

- Earlier AAI has proposed the Administration and General expenses – CHQ/RHQ based on the FY 2018-19. However, now in true up actual chq/RHQ expenses has been considered. Further for the FY 2021-22 to FY 2023-24, AAI has considered CHQ/RHQ allocation based on the study conducted by independent study by ICMA. Further for FY 2024-25, 5% growth on FY2023-24, has been considered.

Repairs and maintenance expenses

- AERA had considered 10% annual increase in Repair and maintenance expenses, while in true up actual has been considered.
- Total Repair and maintenance expenses projected for true up is Rs. 55.22 crores, which is less than AERA’s approved projection of 184.69 crores.

11. Taxation

11.1AERA had considered Tiruchirappalli International Airport on standalone basis as it has done for other AAI airports as well. The tax rate for 1st control period has been taken 25.17%. The tax expense considered by the Authority per **Table No.42 (p-69)** for the 1st Control Period after considering the loss incurred for FY 2019-20, as per Order No.54/2020-21 is as follows: -

Table 20: Applicable tax rates as per Income Tax Act, 1961

Particulars	2020-21	2021-22	2022-23	2023-24	2024-25
Tax rates adopted for 1 st CP Control Period	25.17%	25.17%	25.17%	25.17%	25.17%

Table 21: Tax expense considered by the Authority as per table no.46(p-85) -INR crores

Particulars	2020-21	2021-22	2022-23	2023-24	2024-25	Total
Aero revenue with proposed rates	26.89	69.5	85.81	95.45	106.43	384.08
O&M expenses	53.23	56.59	110.27	114.25	118.53	452.87
Depreciation	6.08	8.75	39.68	67.67	60.99	183.17
Profit before tax	-32.42	4.16	-64.14	-86.47	-73.09	-251.96
Set-off of loss	0	-4.16				-4.16
Profit before tax after set-off of loss	-32.42	0	-64.14	-86.47	-73.09	-256.12
Tax rate (%)	25.17%	25.17%	25.17%	25.17%	25.17%	
Taxes	0	0	0	0	0	0

Table 22: True Up of Corporate tax as per Income Tax Act, 1961 for the 1st Control Period is as under: -

Applicable tax rates as per Income Tax Act, 1961

Particulars	Regulated year (2019-20)	2020-21	2021-22	2022-23	2023-24	2024-25
Tax rates adopted for 1 st C. P	25.17%	25.17%	25.17%	25.17%	25.17%	25.17%

Table No:23 True Up of Corporate Tax as per Income Tax Act, 1961 for the 1st Control Period is as follows:

PARTICULARS	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total (1 st CP)
	Actual						
AERO REV	57.16	6.55	29.10	88.69	101.32	110.82	336.48
OPEX	52.40	37.51	42.07	56.16	79.39	96.36	311.49
DEP. As WDV AS PER INCOME TAX	5.06	6.27	7.22	12.23	70.79	117.26	213.76
TOTAL EXP.	57.47	43.77	49.29	68.39	150.18	213.62	525.25
PBT	-0.30	-37.22	-20.19	20.30	-48.86	-102.80	-188.77
set-off of prior period tax losses	0.00	0.00	0.00	-20.30	0.00	0.00	-20.30
PBT after set-off of prior period tax losses	-0.30	-37.22	-20.19	0.00	-48.86	-102.80	-209.07
TAX	0.00	0.00	0.00	0.00	0.00	0.00	0.00

12 Non-Aeronautical revenue (NAR)

12.1 AERA had approved the Non-Aeronautical revenue. This shown in the table given below

Table 24: Non-Aeronautical revenue as per Authority for 1st Control Period as per **Table No.33 (P-68) of Order No. 55/2020-21**

Particulars	2020-21	2021-22	2022-23	2023-24	2024-25	Total(1 st CP)
Trading concessions						
Restaurant / snack bars	2.5	3.5	5	5.75	6.33	23.08
T.R. stall	2.37	3.32	4.74	5.46	6	21.89
Hoarding & display	0.45	0.63	0.9	1.03	1.13	4.14
Rent and services						
Land leases	0.11	0.16	0.22	0.22	0.22	0.93
Building (residential)	0.02	0.02	0.02	0.02	0.02	0.1
Building (non-residential)	0.51	0.71	1.02	1.12	1.23	4.59
Miscellaneous						
Duty Free	4.77	6.67	9.53	10.97	12.06	44
Car rentals	0.09	0.12	0.18	0.2	0.22	0.81
Car parking	1.3	1.81	2.59	2.98	3.28	11.96
Admission tickets	0.79	1.11	1.58	1.82	2	7.3
Other income / sale of scrap	1.81	1.9	1.99	2.09	2.2	9.99
Total	14.71	19.95	27.77	31.66	34.70	128.79

Table 25: True Up of Non-Aeronautical revenue for 1st Control Period alongwith regulated year is as under

PARTICULARS	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total 1st CP
	Actual						
1. TRADING CONCESSIONS							
RESTAURANT / SNACK BARS	5.07	0.94	0.70	1.93	2.27	2.48	8.32
T.R. STALL	7.74	0.67	1.62	5.05	7.14	8.19	22.68
HOARDING & DISPLAY	0.91	0.11	0.25	0.00	1.02	1.74	3.13
2. RENT AND SERVICES							
LAND RENT & LEASES	0.28	0.32	0.33	0.47	0.22	0.16	1.50
HANGER RENT	0.00	0.00	0.00	0.00	0.01	0.00	0.01
BUILDING RESIDENTIAL	0.02	0.02	0.01	0.02	0.03	0.04	0.12

BUILDING NON RESIDENTIAL	0.59	0.31	1.83	0.43	0.46	0.49	3.51
3. MISCELLANEOUS							
DUTY FREE SHOPS	9.29	1.97	3.62	11.38	12.50	14.47	43.95
CAR RENTALS	0.18	0.04	0.08	0.29	0.33	0.80	1.54
CAR PARKING	2.37	0.41	0.70	2.79	0.00	3.15	7.05
ADMISSION TICKETS	1.18	0.04	0.05	0.10	0.09	0.12	0.40
OTHER INCOME	1.67	1.77	1.94	2.00	2.09	2.49	10.29
TOTAL	29.29	6.61	11.13	24.46	26.18	34.12	102.51

Variance

- Concession Support Scheme had been provided to all the concessionaire due to Covid-19 resulting lower Non-Aero revenue.
- Master concessionaire Retail and F&B had been got terminated, due to covid19, on request by the concessionaire
- Space rent for Space allotted to Airlines has been shifted to Aero Revenue as per recent tariff orders issued by AERA.

13. Aeronautical revenue

13.1 AERA had considered Aeronautical revenue as per table given below for 1st Control Period.

Table 26: Aeronautical revenue considered by Authority for the 1st Control Period as per Table No.43 (P-82) of Order No. 55/2020-21

Particulars (Rs. In Cr.)	2020-21	2021-22	2022-23	2023-24	2024-25	Total
Landing charges	7.04	15.14	20.04	22.48	25.25	89.95
Parking	0.016	0.035	0.047	0.057	0.06	0.215
UDF/PSF	14.97	47.58	57.49	63.95	71.37	255.36
Land lease-oil com	0.15	0.21	0.3	0.3	0.3	1.26
Ground handling charges	3.81	5.37	6.55	7.12	7.74	30.59
CUTE charges	0.47	0.68	0.83	0.93	1.04	3.95
Revenue share from AAICLS	0.44	0.49	0.55	0.61	0.67	2.76
Total Revenue	26.90	69.51	85.81	95.45	106.43	384.09

Table 27: True Up of Aeronautical revenue for 1st Control Period is as under

PARTICULARS	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total 1 st CP
	Actual						
REVENUE FROM REGULATED SERVICES							
Landing (Dom)	0.32	0.69	0.49	1.01	2.31	2.51	7.00
Landing (intl)	13.00	2.50	8.32	18.98	21.30	25.29	76.38
Total Landing	13.32	3.19	8.81	19.99	23.60	27.80	83.38
Parking & Housing (Dom)	0.00	0.06	0.01	0.00	0.01	0.04	0.12
Parking & Housing (Intl)	0.02	0.54	0.30	0.11	0.15	0.37	1.47
Total Parking	0.02	0.59	0.32	0.12	0.16	0.41	1.59
PSF(Facilitation)-Domestic	6.36	1.13	0.00	0.00	0.00	0.00	1.13
PSF(Facilitation)-International	0.83	0.01	0.00	0.00	0.00	0.00	0.01
Total PSF	7.19	1.13	0.00	0.00	0.00	0.00	1.13
UDF International	26.25	0.03	13.54	47.10	53.29	56.45	170.40
UDF Domestic	2.24	0.02	4.36	10.63	12.56	15.19	42.76

Total UDF	28.49	0.05	17.90	57.73	65.84	71.64	213.16
Oil Throughput Charges	0.72	0.00	0.00	0.00	0.00	0.00	0.00
Land Lease-Oil Companies	0.13	0.12	0.12	0.25	0.27	0.10	0.86
Land Lease- Ground Handling	0.21	0.13	0.09	0.05	0.05	0.37	0.68
Total Land Lease	0.34	0.25	0.21	0.30	0.32	0.46	1.54
Ground Handling Charges	4.68	0.45	0.26	6.70	7.67	6.36	21.43
Royalty from Cute Charges	1.74	0.28	0.53	1.77	2.12	2.39	7.10
Cargo Revenue share from AAICLAS (30%)	0.49	0.15	0.35	1.35	1.10	1.09	4.05
Space Rent Fr. Airlines	0.16	0.31	0.25	0.39	0.48	0.66	2.08
Extn. Of watch hours	0.00	0.16	0.48	0.35	0.03	0.00	1.01
Total	57.16	6.55	29.10	88.69	101.32	110.82	336.48

14. Aggregate Revenue required for the 1st control Period (True Up)

Table 28: Projected ARR Considered by Authority for the 1st Control Period as per as per Table No.48 (P-89) of Order No. 55/2020-21 is as follows:

Particulars	2020-21	2021-22	2022-23	2023-24	2024-25	Total
Average RAB	47.01	88.35	416.8	700.46	659.17	1911.79
Fair Rate of Return	14%	14%	11.61%	11.61%	11.61%	
Return on average RAB	6.58	12.37	48.39	81.32	76.53	225.19
Depreciation	5.68	7.13	23.64	41.62	40.98	119.05
O&M expenses	53.23	56.59	110.27	114.25	118.53	452.87
Tax expense	0	0	0	0	0	0.00
Less: 30% NAR	4.41	5.99	8.33	9.5	10.41	38.64
ARR per year	61.08	70.10	173.97	227.69	225.63	758.47
Apportionment of shortfall of FY 2019-20	0.08					0.08
Discount factor	1	0.8772	0.7859	0.7042	0.6309	
PV of ARR	61.16	61.49	136.73	160.34	142.36	562.08
Sum present value of ARR	562.08					
Total traffic (million PAX)	3.63					
Yield per passenger (YPP) (INR)	1548.43					

Table 29: True Up for ARR and Yield for 1st Control Period is as follows:

Particulars	2020-21	2021-22	2022-23	2023-24	2024-25	Total 1st CP
Total Revenue from Regulated Services (1)	6.55	29.10	88.69	101.32	110.82	336.48
Total Revenue from services other than Regulated Services (2) (30% considered for Hybrid Till)	1.98	3.34	7.34	7.85	10.24	30.75
Operating Expenditure (3)	37.51	42.07	56.16	79.39	96.36	311.49
Depreciation (4)	6.15	6.79	8.68	29.97	51.39	102.98
Total Expenditure (3) + (4)= (5)	43.66	48.86	64.84	109.36	147.75	414.47
Regulatory operating Profit (1) + (2) - (5) = (6)	-35.12	-16.42	31.19	-0.18	-26.69	-47.24
Capital expenditure (Addition during The year) = (7)	5.85	25.96	125.83	935.27	32.28	1125.18
Opening RAB (8)	42.31	42.00	61.17	178.31	1083.61	1407.40
Disposals/ Transfers (9)	0.00	0.00	0.00	0.00	5.31	5.31
Closing RAB (8+7) – (9) = (10)	42.00	61.17	178.31	1083.61	1059.20	2424.29
Average RAB [(8) + (10)] / 2 = (11)	42.15	51.59	119.74	630.96	1071.41	1915.85
Return on Average RAB ((11) *14%) (12)	5.90	7.22	13.90	73.25	124.39	224.67
TAX 25.17% w.e.f.19-20) (13)	0.00	0.00	0.00	0.00	0.00	0.00
Interest on working capital (14)	0.78	1.21	0.00	0.00	0.00	1.99
Short Fall- Pre CP & 1st CP)-(15)	-3.71	0.00	0.00	0.00	0.00	-3.71
ARR [(3)+(4)+(12)+(13)+(14)+(15)-(2)] = (16)	44.64	53.96	71.41	174.76	261.90	606.67
PV Factor (Compound)	1.93	1.69	1.48	1.30	1.14	
PV of ARR(A)	85.95	91.13	105.79	227.12	298.57	808.56
Actual Revenue	6.55	29.10	88.69	101.32	110.82	336.48
PV of Actual Revenue(B)	12.61	49.15	131.40	131.68	126.34	451.17
PV of Shortfall (A-B) to be carry forward to 2nd CP.	73.34	41.98	-25.61	95.44	172.23	357.39

****Table 30: Computation of shortfall of FY 2019-20:**

Particulars	2019-20
Total Revenue from Regulated Services (1)	57.16
Total Revenue from services other than Regulated Services (2) (30% considered for Hybrid Till)	8.79
Operating Expenditure (3)	52.40
Depreciation (4)	5.44
Total Expenditure (3) + (4)= (5)	57.84
Regulatory operating Profit (1) + (2) - (5) = (6)	8.11
Capital expenditure (Addition during The year) = (7)	20.63
Opening RAB (8)	27.11
Disposals/ Transfers (9)	0.00
Closing RAB (8+7) – (9) = (10)	42.31
Average RAB [(8) + (10)] / 2 = (11)	34.71
Return on Average RAB ((11) *14%) (12)	4.86
TAX 25.17% w.e.f.19-20) (13)	0.00
Interest on working capital (14)	0.00
Short Fall- Pre CP & 1st CP)-(15)	0.00
ARR [(3)+(4)+(12)+(13)+(14)+(15)-(2)] = (16)	53.91
PV Factor (Compound)	1.14
PV of ARR(A)	61.46
Actual Revenue	57.16
PV of Actual Revenue(B)	65.17
PV of Shortfall (A-B) to be carry forward to 2nd CP.	-3.71

**** Projected Shortfall for the Year 2019-20 (Regulated year) was calculated based on the FY 2018-19 (Actual)**

Significant reasons for variations in ARR and yield are as follows:

- Variances in Aeronautical revenue for 1st Control Period due to higher growth for Passengers was considered while fixing of aeronautical tariff.
- Variance in capex, depreciation and RAB leads to variance in ARR.

MYTP for the 2nd Control Period (01.04.2025 to 31.03.2030)

15. Traffic Growth and Allocation of Assets/ expenditure

15.1 Traffic growth: Passenger Traffic and ATM of Tiruchirappalli International Airport for the 2nd Control Period is shown in the below table

Table 31 The historical & Projected Passenger traffic and ATM at the Tiruchirappalli International Airport

Year	PAX						ATM					
	Dom	%	INTL	%	Com	%	Dom	%	INTL	%	Com	%
2019-20	296073		1316419		1612492		5364		8896		14260	
2020-21	164828	-44.3%	191075	-85.5%	355903	-77.9%	2978	-44.5%	1667	-81.3%	4645	-67.4%
2021-22	149277	-9.4%	407430	113.2%	556707	56.4%	3083	3.5%	3795	127.7%	6878	48.1%
2022-23	380227	154.7%	1134033	178.3%	1514260	172.0%	5394	75.0%	7828	106.3%	13222	92.2%
2023-24	458756	20.7%	1305186	15.1%	1763942	16.5%	6088	12.9%	8226	5.1%	14314	8.3%
2024-25	558221	21.7%	1398630	7.2%	1956851	10.9%	8161	34.1%	9237	12.3%	17398	21.5%
	Projection						Projection					
2025-26	625208	12%	1524507	9%	2149715	10%	8895	9%	10715	16%	19610	13%
2026-27	700232	12%	1661712	9%	2361944	9.9%	9696	9%	12429	16%	22125	12.8%
2027-28	770256	10%	1794649	8%	2564905	8.6%	10472	8%	13921	12%	24393	10.3%
2028-29	847281	10%	1938221	8%	2785502	8.6%	11310	8%	15591	12%	26901	10.3%
2029-30	932009	10%	2093279	8%	3025288	8.6%	12214	8%	17462	12%	29676	10.3%

MYTP has been prepared considering the above growth of PAX & ATM for projecting the Aeronautical Revenue for the 2nd Control period.

15.2 Allocation of Assets/ expenditure

15.2.1 For the allocation of assets, expenditure between aeronautical and non-aeronautical services, Airports Authority of India had divided assets/expenses into aeronautical, non-aeronautical and ANS components. Where the assets/expenses are common in nature, these are divided into aeronautical, non-aeronautical and ANS components by applying one of the following three ratios:

15.2.2 Terminal Area Ratio- Ratio of Aeronautical area to non-aeronautical area (For terminal related assets).

Table 32: Terminal Building Ratio for 2nd Control Period

Particulars	AERO	NON-AERO
Terminal Building Ratio	98.1%	1.9%

Since the AERA had shifted Space allotted to Airlines from Non-Aero to Aero. AAI has taken revised Aero-94.56% & Non-Aero 5.44% (Space allotted to Airlines considered as aero)

15.2.3 Quarters Ratio- Ratio of staff providing ANS service staying in residential building to staff providing aeronautical service staying in residential building.

Table 33: Quarters Ratio for 2nd Control Period

Particulars	
ANS Usage Ratio	30%
Non-Aero Usage Ratio	2.5%
Aero Usage Ratio	67.5%

15.2.4 Employee Ratio- Ratio of staff providing commercial assets to staff providing aeronautical services.

15.2.5 Table 34: Employee Ratio for 2nd Control Period

Particulars	2025-26	2026-27	2027-28	2028-29	2029-30
Total Airport Strength	92	92	92	92	92
Total ANS Strength	49	49	49	49	49
Non- Aero Emp. (Land+Commercial)	2	2	2	2	2
Common Emp.-(Finance & HR)	12	12	12	12	12
Total	155	155	155	155	155
Common Employee's apportionment					
Total Airport Strength	8	8	8	8	8
Total ANS Strength	4	4	4	4	4
Non- Aero Emp. (Land+Commercial)	0	0	0	0	0
Total	12	12	12	12	12
Head Count after apportionment of Common Employees					
Total Airport Strength	100	100	100	100	100
Total ANS Strength	53	53	53	53	53
Non- Aero Emp. (Land Commercial)	2	2	2	2	2
Total	155	155	155	155	155
Employee ratio for (ANS: AERO: Non-Aero)					
	100.00%	100.00%	100.00%	100.00%	100.00%
ANS	65%	65%	65%	65%	65%
Aero	34%	34%	34%	34%	34%
Non-Aero	1%	1%	1%	1%	1%
Employee ratio for (AERO: Non-Aero)					
	100.00%	100.00%	100.00%	100.00%	100.00%
Aero	98%	98%	98%	98%	98%
Non-Aero	2%	2%	2%	2%	2%

16. Capital Expenditure for the 2nd Control Period (01.04.2025 to 31.03.2030)

Table :35 List of Proposed Major Capital Expenditure (Aeronautical) for the 2nd Control Period is as per table 35 below: -

S.No.	Name of work	Total cost	Aeronautical cost (in Cr.)	PDC
1	Cons. Of Departure level tensile canopy and balance work	0.72	0.72	FY 2025-26
2	SITC of hydraulic boom lift	1.25	1.25	FY 2025-26
3	SITC of Airfield lighting Control & Monitoring system(ALCMS	80.17	80.17	FY 2025-26
4	Providing online continuous effluent monitoring system (OCEMS)for 1050 KLD STP	0.00	0.00	FY 2025-26
5	Additional 5nos.PBB (Elect. Work)	0.11	0.11	FY 2025-26
6	Additional 5nos.PBB (cost of item)	15.17	15.17	FY 2025-26
7	Procurement of 03 Nos of ACFTs 10KL WT Capacity	25.92	25.92	FY 2027-28
	Total (in Cr.)	123.34	123.34	

Table No:36 Projected capital Expenditure proposed for the 2nd Control Period is as under: -

Particulars (Rs, in Cr.)	2025-26	2026-27	2027-28	2028-29	2029-30	total
Building- Terminal	0.72	0.00	0.00	0.00	0.00	0.72
Plant & Machinery	81.42	0.00	0.00	0.00	0.00	81.42
Tools & Equipments	15.28	0.00	0.00	0.00	0.00	15.28
CFT/Fire Fighting Equipments	0.00	0.00	25.92	0.00	0.00	25.92
Total	97.42	0.00	25.92	0.00	0.00	123.34

17. Depreciation

Depreciation have been proposed in line with the guidelines issued by AERA for the 2nd Control Period is as under:

Table 37: Proposed Depreciation for the 2nd Control Period is as follows:

Particular	2025-26	2026-27	2027-28	2028-29	2029-30	Total
Depreciation	55.15	58.13	58.87	59.61	56.46	288.22

- Depreciation has been proposed 50% on 1st year or year of capitalization of assets and thereafter full Depreciation has been calculated for the 2nd Control Period.

18. Fair Rate of Return (FRoR).

Table No:38 Summary of Projected RAB and Fair Rate of Return on RAB for 2nd Control Period is as follows:

	Particulars (₹ Crore)	2025-26	2026-27	2027-28	2028-29	2029-30	Total
A	Opening Aeronautical RAB	1059.20	1101.47	1043.33	1010.38	950.78	5165.16
B	Aeronautical assets capitalized during year	97.42	0.00	25.92	0.00	0.00	123.34
C	Disposals/ Transfers	0.00	0.00	0.00	0.00	0.00	0.00
D	Depreciation	55.15	58.13	58.87	59.61	56.46	288.22
E	Closing Aeronautical RAB (A+B-C-D)	1101.47	1043.33	1010.38	950.78	894.32	5000.28
F	Average RAB (A+E)/2	1080.33	1072.40	1026.86	980.58	922.55	5082.72
G	Fair Rate of Return (FRoR)	14%	14%	14%	14%	14%	
H	Return on Average RAB @ 14%	151.25	150.14	143.76	137.28	129.16	711.58

- 14% Rate has been considered for calculating Return on RAB.

19. Operating Expenses

Table 39: Proposed Operating & Maintenance (O&M) expenses for the 2nd Control Period is as follows:

Particulars	Control period					Total
	2025-26	2026-27	2027-28	2028-29	2029-30	
Payroll expenses –non CHQ/RHQ	26.77	28.64	35.80	38.31	40.99	170.52
Payroll expenses –CHQ/RHQ	1.47	1.58	1.97	2.11	2.26	9.40
Total Payroll Expenditure	28.24	30.22	37.78	40.42	43.25	179.91
Administration and General expenses –non CHQ/RHQ	25.52	25.38	25.33	25.39	25.56	127.18
Administration and General expenses – CHQ/RHQ	12.63	13.27	13.93	14.63	15.36	69.81
Total Admin & General Expenditure	38.16	38.65	39.26	40.01	40.91	196.99
Repairs and maintenance	16.05	17.65	19.41	21.34	23.47	97.92
Utilities and outsourcing expenses	17.61	17.72	17.84	17.97	18.11	89.24
Other outflows – Collection Charges on UDF	0.27	0.30	0.33	0.36	0.39	1.64
Total	100.34	104.54	114.61	120.10	126.13	565.71

Payroll expenses –Non CHQ/RHQ

- An increase of 7% YoY has been proposed for the 2nd control Period.
- HRA to be increased as soon as DA touches 50%, so 1.5% additional increase has been considered for FY 2025-26
- An additional increase of 18% has been proposed for FY 2027-28 because of next wage due from 01.01.2027.

Payroll expenses –CHQ/RHQ

- Actuarial Expenses (Retirement Benefits) for FY 2024-25 has been projected based on the FY 2023-24(Actual) with a growth of 7% p.a. for the 2nd control period.
- An additional increase of 18% has been proposed for FY 2027-28 because of next wage due from 01.01.2027.
- The same increase as proposed for Payroll Expenses-Non CHQ/RHQ has been proposed for CHQ/RHQ expenses for the 2nd Control Period.

Administration and General expenses –Non CHQ/RHQ

- An increase of 10% YoY has been proposed for the 2nd control Period.

Administration and General expenses – CHQ/RHQ

- CHQ/RHQ Expenses has been proposed with 5% increase YOY basis.

Repairs and maintenance

- An increase of 10% YoY basis has been proposed for the 2nd Control Period.
- Specialized man power will have to be engage for Screening and hiring charges will have to pay to AAICLAS.
- Digiyatra work AMC and manpower cost also proposed for second control period.
- Runway re-carpeting work is proposed for 2nd control period.

Utilities and outsourcing expenses

- An increase of 10% YoY has been proposed for the 2nd control Period.

Other outflows – Collection Charges on UDF

Collection charges on UDF is directly linked with Passenger growth and accordingly proposed for the 2nd control Period.

20. Taxation

Table 44: Tax expense Proposed for the 2nd Control Period -INR crores

Particulars	2025-26	2026-27	2027-28	2028-29	2029-30	Total
AERO REV	171.51	253.43	305.65	366.22	436.30	1533.10
OPEX	100.34	104.54	114.61	120.10	126.13	565.71
DEP. As WDV AS PER INCOME TAX	105.27	93.89	82.49	72.80	64.49	418.96
TOTAL EXP.	205.61	198.43	197.10	192.90	190.62	984.67
PBT	-34.11	55.00	108.55	173.31	245.68	548.43
set-off of prior period tax losses	0.00	-55.00	-108.55	-59.63	0.00	-223.18
PBT after set-off of prior period tax losses	-34.11	0.00	0.00	113.68	245.68	325.26
TAX	0.00	0.00	0.00	28.61	61.84	90.45

1

21. Non-Aeronautical revenue (NAR)

Table 45: Projected Non-Aeronautical revenue for 2nd Control Period is as under

Particulars	2025-26	2026-27	2027-28	2028-29	2029-30	Total
Trading concessions						
RESTAURANT / SNACK BARS	2.72	3.00	3.30	3.63	3.99	16.64
T.R. STALL	9.01	9.91	10.91	12.00	13.20	55.03
HOARDING & DISPLAY	1.92	2.11	2.32	2.55	2.81	11.71
2. RENT AND SERVICES						
LAND RENT & LEASES	0.19	0.19	0.19	0.22	0.22	0.99
HANGER RENT	0.00	0.00	0.00	0.00	0.00	0.00
BUILDING RESIDENTIAL	0.04	0.04	0.04	0.05	0.05	0.22
BUILDING NON- RESIDENTIAL	0.53	0.59	0.65	0.71	0.78	3.26
3. MISCELLANEOUS						
DUTY FREE SHOPS	15.91	17.51	19.26	21.18	23.30	97.16
CAR RENTALS	0.88	0.96	1.06	1.17	1.28	5.35
CAR PARKING	3.46	3.81	4.19	4.61	5.07	21.15
ADMISSION TICKETS	0.13	0.15	0.16	0.18	0.20	0.81
OTHER INCOME	2.61	2.74	2.88	3.02	3.17	14.43
Total	37.42	41.01	44.95	49.31	54.06	226.75

❖ **Proposed Increase in revenue as given Table No:46 below: -**

Particulars	2025-26	2026-27	2027-28	2028-29	2029-30
Trading concessions					
RESTAURANT / SNACK BARS	10%	10%	10%	10%	10%
T.R. STALL	10%	10%	10%	10%	10%
HOARDING & DISPLAY	10%	10%	10%	10%	10%
2. RENT AND SERVICES					
LAND RENT & LEASES	15%	0%	0%	15%	0%
HANGER RENT	0%	0%	0%	0%	0%
BUILDING RESIDENTIAL	5%	5%	5%	5%	5%
BUILDING NON -RESIDENTIAL	10%	10%	10%	10%	10%
3. MISCELLANEOUS					
DUTY FREE SHOPS	10%	10%	10%	10%	10%
CAR RENTALS	10%	10%	10%	10%	10%
CAR PARKING	10%	10%	10%	10%	10%
ADMISSION TICKETS	10%	10%	10%	10%	10%
OTHER INCOME	5%	5%	5%	5%	5%

22. Aggregate Revenue Requirement

Table 47: Projected ARR for the 2nd Control Period is as follows:

Particulars	2025-26	2026-27	2027-28	2028-29	2029-30	Total
Total Revenue from Regulated Services (1)	124.60	139.06	153.44	169.40	185.70	772.20
Total Revenue from services other than Regulated Services (2) (30% considered for Hybrid Till)	11.23	12.30	13.49	14.79	16.22	68.02
Operating Expenditure (3)	100.34	104.54	114.61	120.10	126.13	565.71
Depreciation (4)	55.16	58.16	58.90	59.63	56.49	288.34
Total Expenditure (3) + (4)= (5)	155.49	162.70	173.51	179.73	182.62	854.05
Regulatory operating Profit (1) + (2) - (5) = (6)	-19.67	-11.33	-6.58	4.46	19.30	-13.83
Capital expenditure (Addition during the year) = (7)	97.82	0.00	25.92	0.00	0.00	123.74
Opening RAB (8)	1059.20	1101.86	1043.70	1010.72	951.09	5166.57
Disposals/ Transfers (9)	0.00	0.00	0.00	0.00	0.00	0.00
Closing RAB (8+7) – (9) = (10)	1101.86	1043.70	1010.72	951.09	894.60	5001.97
Average RAB [(8) + (10)] /2 = (11)	1080.53	1072.78	1027.21	980.91	922.84	5084.27
Return on Average RAB ((11) *14%) (12)	125.45	124.55	119.26	113.88	107.14	590.28
TAX 25.17% w.e.f.19-20) (13)	0.00	0.00	0.00	28.61	61.84	90.45
Interest on working capital (14)	0.00	0.00	0.00	0.00	0.00	0.00
Short Fall- Pre CP & 1st CP)-(15)	357.39	0.00	0.00	0.00	0.00	357.39
ARR [(3)+(4)+(12)+(13)+(14)+(15)-(2)] = (16)	627.11	274.94	279.28	307.44	335.38	1824.15
PV Factor (Compound)	1.00	0.88	0.77	0.67	0.59	3.91
PV of ARR(A)	627.11	241.18	214.90	207.51	198.57	1489.27

Revenue Stream to recover ARR with proposed applicable date: -1st September, 2025

The following revenue streams are available to recover the ARR: -

- i. **Landing Charges:** - Landing charge is proposed to increase by 78% & 48% for Domestic & International respectively from the existing charges w.e.f. 01.09.2025 for FY 2025-26 and thereafter an increase of 10% on year on year basis for FY 2026-27 to FY 2029-30 is proposed.

New Points add in Tariff Card

- a. **Non-Schedule Flights:** Higher of (a) minimum fee of Rs.11000/- per flight or (b) applicable landing charges shall be charged as per landing for all types of aircraft flights.
- b. Domestic leg of International routes of foreign carriers shall be treated as International flights
- ii. **Parking Charges:** - Parking charge is proposed to increase by 45% for both Domestic & International from the existing charges w.e.f. 01.09.2025 for FY 2025-26 and thereafter an increase of 6% on year on year basis for FY 2026-27 to FY 2029-30 is proposed.
- iii **User Development Fee (UDF)** : -The balance ARR after recovery through landing & parking charges is proposed to be recovered through UDF revision as under:

The existing and proposed rates of UDF per embarking Pax are as under:

Particulars (Rs. Per PAX)	Existing	Proposed				
		w.e.f. 01.09.2025	FY2026-27	FY2027-28	FY2028-29	FY2029-30
UDF (Dom)-Embarked	600	800	850	900	950	1000
UDF (Dom)-Disembarked		400	450	500	550	600
UDF (Intl)-Embarked	800	1000	1100	1200	1300	1400
UDF (Intl)-Disembarked		400	500	600	700	800

Revised UDF charges will be applicable on tickets issued on or after 01/09/2025.

With the proposed Tariff Proposal as per following details.

Particulars (₹ in crores)	Amount
Present Value of Target Revenue as on 01.04.2025 (including PV of S/Fall of 1 st CP of Rs. 357.39 crores)	1489.27
Total PV of projected Revenue at Proposed Rates as on 01/04/2025	1134.51
Short fall carry forward for the next Control Period.	354.76