

KANNUR INTERNATIONAL AIRPORT LIMITED

NOTICE INVITING QUOTATION (NIQ) / REQUEST FOR PROPOSAL (RFP)

Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA

NIQ / RFP No.: KIAL/FIN/AERA/2025-26/01

Date of Issue: March 17, 2026

1. INVITATION FOR PROPOSALS

Kannur International Airport Limited (KIAL) invites sealed quotations / proposals from reputed and experienced consultancy firms for providing Consultancy Services for preparation of Aeronautical Tariff Proposal, including Preparation and Filing of Multi Year Tariff Proposal (MYTP) and Annual Tariff Proposals (ATP) for the control period 2028 – 2032, in accordance with the Airports Economic Regulatory Authority of India (AERA) Act, 2008 and applicable guidelines.

2. KEY DATES AND TIMELINES

Particulars	Date & Time
Last date for seeking clarifications	April 10, 2026 – 15:00 hrs
Last date for submission of bids	April 21, 2026 – 15:00 hrs
Opening of Technical Bids	April 21, 2026 – 15:00 hrs
Opening of Financial Bids	April 23, 2026 – 15:00 hrs

3. ELIGIBILITY CRITERIA

The Consultant shall meet the following minimum eligibility requirements:

- 3.1. The bidder shall be a professional consultancy firm with proven expertise in preparation of Aeronautical Tariff Proposal under the regulatory framework of AERA/MoCA/DGCA.
- 3.2. The bidder shall have successfully completed at least one (1) similar assignment relating to the preparation of Aeronautical Tariff Proposal (ATP) / Multi-Year Tariff Proposal (MYTP) for any major airport in India, or acted as a consultant in tariff determination of a major airport in India for AERA.

- 3.3. Documentary evidence in the form of the Letter of Award, along with a client certificate indicating the scope of services rendered, shall be submitted along with the Technical Proposal.
- 3.4. Failure to meet the eligibility criteria shall result in rejection of the proposal.

4. SCOPE OF SERVICES

The selected Consultant shall provide end-to-end professional support for preparation of Aeronautical Tariff Proposal under the AERA framework. The agency will be required to undertake but not limited the following activities, inter alia:

4.1. Tariff Determination and Regulatory Support

- Review KIAL's airport development plans and assess implications of price cap regulation (single till) on ROCE and ROE.
- Review audited financial statements and operational data relevant to tariff determination.
- Conduct scenario analysis to assess the impact of regulatory guidelines on KIAL's financials.
- Identify key parameters for maximizing investor value and determining optimal aeronautical tariffs.

4.2. Financial Modelling

- Develop aeronautical revenue estimates including User Development Fee (UDF).
- Detailed tariff computation models (editable formats and Excel)
- Computation of Regulatory Asset Base (RAB), depreciation, Weighted Average Cost of Capital (WACC), O&M costs
- Determine Fair Rate of Return (FRoR) on Regulatory Asset Base (RAB).
- Re-align and update financial models as per AERA regulatory framework.
- Prepare projected financial statements for the control period commencing 01 April 2028.

4.3. Regulatory Filings

- Prepare, finalize, and file Multi Year Tariff Proposal (MYTP) in prescribed AERA formats.
- Prepare and submit Annual Tariff Proposals (ATP) and Rate Cards for approval.
- Assist KIAL in obtaining approvals from AERA / MoCA / DGCA, including cargo tariffs.

4.4. Stakeholder Engagement

- Attend meetings with KIAL officials, AERA, and other stakeholders.
- Deliver draft and final tariff filing documents as per AERA requirements
- Prepare supporting notes, assumptions, and justifications.
- Initial presentation to the management
- Final presentations to AERA, provide clarifications, revised submissions where required, and scenario analyses as required by regulatory authorities.
- Provide end-to-end support until approval of final tariff and rate card.

4.5. Other Requirements

- Assessment of non-aeronautical revenue (limited to demand assessment and growth assumptions).
- Break-up of Aggregate Revenue Requirement (ARR) into various aeronautical charges.
- Preparation of separate tariffs for Domestic, International, and Cargo operations.
- Any other activities essential for successful approval and implementation of aeronautical tariffs.

5. BASIS OF TARIFF DETERMINATION

Tariff determination shall be carried out in accordance with:

- AERA Act, 2008
- AERA (Terms and Conditions for Determination of Tariff for Airport Operators) Guidelines, 2011
- AERA (Terms and Conditions for Determination of Tariff for Cargo, Ground Handling and Fuel Supply) Guidelines, 2011
- Applicable AERA Orders and Regulatory Frameworks

6. DURATION OF THE ASSIGNMENT

The duration of the assignment shall be approximately twelve (12) months from the date of issue of Letter of Award (LoA) until submission of final MYTP and receipt of approval from AERA.

7. CONFIDENTIALITY AND DATA PROTECTION

- All the data of airport, financials, traffic information, and filings shall be treated as strictly confidential.
- The consultant shall not disclose data to any third party or re-use without prior written consent from KIAL.
- Confidentiality obligations shall survive completion or termination of the engagement.

8. FEE AND PAYMENT TERMS

- 8.1. The Consultant shall quote a lump-sum professional fee for the entire scope of services.
- 8.2. Applicable taxes shall be paid extra as per prevailing laws.
- 8.3. Payment shall be released as per the following milestones:

Milestone	Payment (%)
On signing of Engagement Letter	10%
On submission of Final MYTP to AERA	60%
On receipt of MYTP Order and approval of final tariff	30%

- 8.4. Invoices shall be paid within 14 working days of satisfactory completion of milestones.

9. **OUT-OF-POCKET EXPENSES (OPES)**

Travel, accommodation, communication, and other incidental expenses, if any, shall be reimbursed on actuals, subject to a maximum limit of 10% of the total quoted fee.

10. **VALIDITY OF PROPOSAL**

The proposal shall remain valid for a period of 90 days from the date of opening of bids.

11. **SUBMISSION OF PROPOSALS**

- 11.1. The proposal shall be submitted in two separate sealed envelopes, as detailed below:

Envelope-I: Technical Proposal

Superscribed as:

“Technical Proposal – **Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA**”

Envelope-II: Financial Proposal

Superscribed as:

“Financial Proposal – **Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA**”

Both the above envelopes shall be placed inside one outer sealed envelope superscribed as:

“NIQ/RFP for **Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA**”

- 11.2. The name and address of the bidder shall be clearly mentioned on all envelopes.

11.3. The duly sealed outer envelope shall be submitted by hand / courier / registered post to the following address on or before the due date and time:

The Managing Director,
Kannur International Airport Limited,
Kannur International Airport PO,
Mattannur, Kannur – 670708.
Phone: 0490 2481000

11.4. Late submissions received after the prescribed date and time shall not be considered, and KIAL shall not be responsible for any postal delay.

11.5. Financial Proposals of only those bidders whose Technical Proposals are found technically acceptable will be opened. The date and time of opening of the Financial Proposal will be intimated separately.

11.6. Conditional or improperly sealed proposals are liable to be rejected.

12. CLARIFICATIONS

Any clarification or additional information regarding this NIQ/RFP shall be sought only through email to:

cfo@kannurairport.aero

No queries shall be entertained after the stipulated date.

13. GENERAL TERMS & CONDITIONS

13.1. KIAL reserves the right to accept or reject any or all proposals without assigning any reason.

13.2. Any attempt to influence the evaluation process shall result in disqualification.

13.3. The decision of KIAL shall be final and binding on all bidders.

14. TERMINATION CLAUSE

14.1. Kannur International Airport Limited reserves the right to terminate the contract, in whole or in part, at any time without assigning any reason, by giving thirty (30) days' written notice to the Consultant.

14.2. KIAL may terminate the contract with immediate effect by written notice if the Consultant

- i. Fails to perform the services in accordance with the scope of work or agreed timelines;
- ii. Commits breach of any terms and conditions of the contract;
- iii. Engages in misconduct, misrepresentation, or furnishes false information;
- iv. Becomes insolvent, bankrupt, or goes into liquidation.

14.3. If the Consultant fails to rectify deficiencies in performance within fifteen (15) days of receipt of a written notice from KIAL, the contract may be terminated without further notice.

- 14.4. Upon termination, the Consultant shall:
- i. Immediately stop further work under the contract;
 - ii. Hand over all documents, data, models, reports, and records related to the assignment to KIAL;
 - iii. Maintain confidentiality of all information obtained during the assignment.
- 14.5. In the event of termination, KIAL shall pay the Consultant only for the services satisfactorily performed and accepted up to the date of termination. No claim for loss of profit or consequential damages shall be entertained.
- 14.6. The clauses relating to confidentiality, dispute resolution, indemnity, and governing law shall survive termination of the contract.

15. SETTLEMENT OF DISPUTES

Except where otherwise provided in the contract, all questions and disputes relating to the meaning of the specifications, design, drawings and instruction here-in before mentioned and as to the quality of workmanship or materials used on the work or as to any other question, claim, right, matter or things whatsoever, in any way arising out of or relating to the contract, designs, drawings, specifications, estimates, instructions, orders or these conditions or otherwise concerning the work or the execution or failure to execute the same whether arising during the progress of the work or after the cancellation, termination, completion or abandonment thereof shall be dealt with as mentioned hereinafter: For any dispute arising out of this Contract/ agreement, only the Courts in Kannur shall have jurisdiction to entertain such a dispute. Arbitration clause is not applicable.

DOCUMENTS TO BE SUBMITTED – ENVELOPE WISE

ENVELOPE – I: TECHNICAL PROPOSAL

Superscription:

“Technical Proposal – Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA”

Sl. No.	Document Description
1	Covering Letter on Bidder's Letterhead
2	Firm Profile (Legal status, incorporation details, PAN, GST)
3	Signed NIQ
4	Client Certificate(s) / Letter(s) of Award for Eligibility Compliance (Clause 3 of NIQ)
5	Understanding of Scope & Methodology
6	Proposed Work Plan & Timeline
7	Team Composition & Key Expert CVs
8	Annexure I – Unconditional Acceptance Letter
9	Annexure II – Declaration: Not Been Blacklisted
10	Power of Attorney / Authorization of Signatory (if applicable)
11	Any other supporting document relevant to the Technical Bid

ENVELOPE – II: FINANCIAL PROPOSAL

Superscription:

“Financial Proposal – Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA”

Sl. No.	Document Description
1	Annexure III – Financial Proposal

(On the Letterhead of the Bidder)

To
The Managing Director,
Kannur International Airport Limited,
Kannur International Airport PO,
Mattannur, Kannur – 670708.

Subject: Unconditional Acceptance of NIQ / RFP – Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA

Respected Sir,

We hereby submit our unconditional acceptance to the Notice Inviting Quotation (NIQ) / Request for Proposal (RFP) issued by Kannur International Airport Limited for the Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA. We confirm that we have carefully read, understood, and examined all the terms and conditions, scope of services, eligibility criteria, timelines, payment terms, confidentiality requirements, termination clauses, and dispute resolution provisions contained in the NIQ/RFP document and its annexures.

We hereby unconditionally agree and undertake as follows:

1. To accept and comply with all terms and conditions of the NIQ/RFP without any deviation, reservation, or condition.
2. To execute the entire scope of services as specified in the NIQ/RFP in accordance with applicable AERA guidelines, regulations, and directions.
3. To adhere strictly to the timelines, deliverables, and milestone-based payment terms stipulated in the NIQ/RFP.
4. To maintain strict confidentiality of all data, documents, financial information, and records provided by KIAL during the course of the assignment.
5. To accept that KIAL's decision regarding evaluation, selection, and award of the assignment shall be final and binding.
6. To confirm that no conditional statements, assumptions, or qualifications have been made in our proposal.
7. To agree that this unconditional acceptance shall form an integral part of the contract, upon issuance of the Letter of Award (LoA).

We further confirm that our proposal is valid for the period specified in the NIQ/RFP and that the undersigned is duly authorized to sign this acceptance on behalf of the firm.

Yours faithfully,

Signature:

Name of Authorized Signatory:

Designation:

Name of the Firm:

Seal of the Firm:

(On the Letterhead of the Bidder)

Date:

To
The Managing Director,
Kannur International Airport Limited,
Kannur International Airport PO,
Mattannur, Kannur – 670708.

Subject: Declaration Regarding Blacklisting

Respected Sir,

We hereby declare and confirm that we have not been blacklisted, debarred, banned, or declared ineligible, either temporarily or permanently, by any Central Government, State Government, Public Sector Undertaking (PSU), Statutory Authority, Airport Authority, Regulatory Authority, or any other Government organization in India.

We further declare that no proceedings or actions for blacklisting or debarment are pending against us as on the date of submission of this proposal.

We understand that in the event the above declaration is found to be incorrect or false at any stage, Kannur International Airport Limited shall have the right to reject our proposal and/or terminate the contract without prejudice to any other rights available under law.

This declaration is given in good faith and shall form an integral part of our proposal submitted against the subject NIQ/RFP.

Thanking you,

Yours faithfully,

Signature:
Name of Authorized Signatory:
Designation:
Name of the Firm:
Seal of the Firm

FINANCIAL PROPOSAL

(To be submitted in a separate sealed envelope superscribed as “Financial Proposal – Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA”).

Sl. No.	Description	Amount (in Rs) In Figures	Amount (in Rs) In Words
1	Professional Fee for Engagement of Consultant for preparation of Aeronautical Tariff Proposal and Filing of MYTP with AERA excluding GST		

Notes:

1. Travel, accommodation, communication, and other incidental expenses, if any, shall be reimbursed on actuals, subject to a maximum limit of 10% of the total quoted fee.
2. Apart from the above, no escalation or additional claim shall be allowed during the contract period.
3. GST will be paid extra. i.e. GST will be paid against submission of proper GST invoice to KIAL at the appropriate time. The quote shall remain valid for 90 days from the date of submission.