

**Integrated Development of No Frill Airstrip &
Provision of Airline Connectivity at
Chikkamagaluru on Design, Finance, Build,
Operate and Transfer (DFBOT) Framework**

June 2018

Information Memorandum



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DISCLAIMER

This document provides brief details on the project background. The details provided in this note are indicative only. Applicants are encouraged to visit the Project site and ascertain for themselves the site conditions, traffic, location, surroundings, climate, availability of power, water and other utilities for construction, access to site, weather data, applicable laws and regulations, and any other matter considered relevant to them.

The estimation of capital expenditure are based on certain assumptions and the Applicants are encourages to carry out their own assessment of the same.

Applicants are expected to carry out a complete and careful examination of all the details of the project. The Authority would not bear the risk of inadequacy, error or mistake in the information provided in this note.

1. CHIKKAMAGALURU

Chikkamagaluru is the district headquarters of Chikkamagaluru District in the State of Karnataka. The district has a total area of 7,201 sq km, of which almost 30% is covered with forests. The district is the largest Coffee producer of the country and is also a famous tourist destination with many hill stations including Mullayanagiri, the highest peak in the State. More than 8.3 million tourists visit this district every year including foreigners. The district ranks 12th out of 30 districts in the State based on Per Capita Income with Agriculture being the major contributor to Gross District Domestic Product (GDDP). The district has more than 85,000 Hectares of Coffee plantation of Robusta and Arabica varieties and is also rich in minerals including Iron ore, Granite, Asbestos etc.

Connectivity

The district is well connected, by road, to the major cities of the State like Bengaluru, Mysuru, and Mangaluru. National Highway (NH173) and State Highway (SH 57) pass through the district. The nearest airport is Mangalore International Airport 160Km far from the district headquarters. Chikkamagaluru has a railway station with limited number of train services to Kadur, which is 40Km far.

District:	Chikkamagaluru
Location:	Malenadu region of Karnataka in the Deccan plateau in the foothills of the Western Ghats
Key Activities:	Agriculture , Tourism, Mining, Forest & Husbandry, Horticulture
Road Connectivity:	NH-173, SH-57
Rail Connectivity:	Limited connectivity to Kadur Railway station

2. PROJECT BACKGROUND

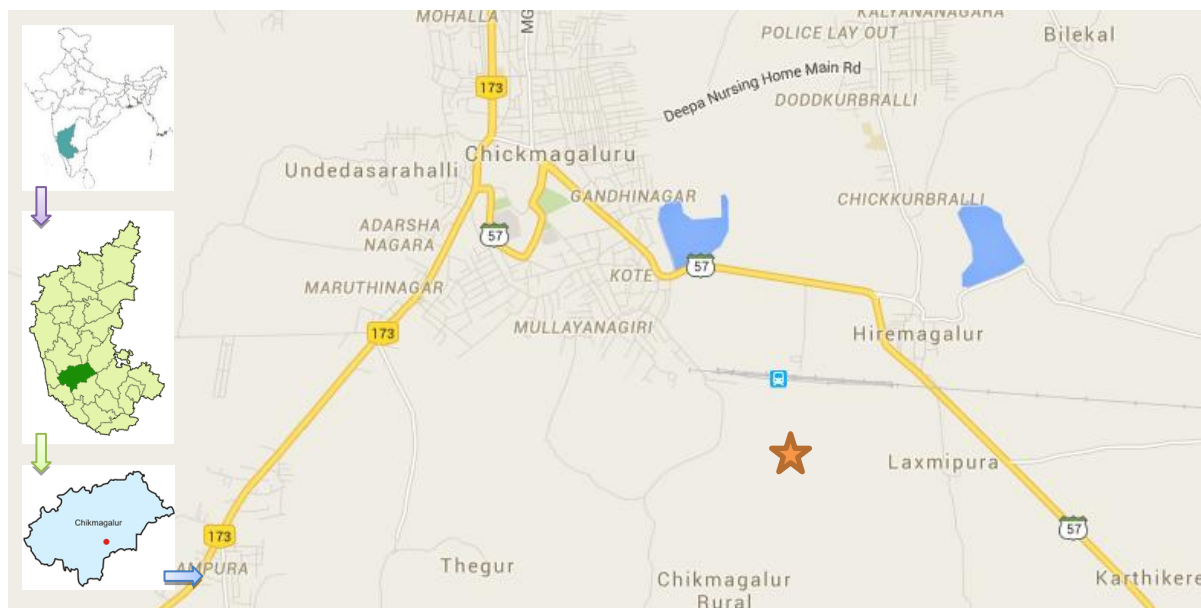
In line with the objective of Regional Connectivity Scheme (UDAN) proposed by Government of India, GoK has envisaged development of commercially viable no-frill airstrips in Karnataka. These airstrips shall have only the bare minimum facilities required, such as a runway, an Apron, a Hangar and a small terminal building with a security post and boundary fencing. Further, to make the project commercially viable other commercial developments are also proposed to be allowed.

In the initial stage, GoK has identified Chikkamagaluru, Madikeri (Kushalnagar) and Karwar as potential locations for development of Airstrips. Karnataka State Industrial and Infrastructure Development Corporation (KSIIDC) has been identified as the nodal agency by

Government of Karnataka to implement Airstrips in the State, preferably on PPP mode. This Information Memorandum and Bid Documents are being issued for Chikkamagaluru Airstrip, which has been taken up on priority for development of Airstrip.

3. PROJECT LOCATION & SITE ANALYSIS

The location for the proposed airstrip in the city has been shown in the below diagram.



Details of the site are as below:

- The total area available is nearly 100 acres.
- The air strip is situated about 1 km from Chikkamagaluru railway station, on Western direction and near Amble industrial Area.
- The airstrip is approximately 4-5 km away from the Chikkamagaluru city bus stand.
- Airstrip is unpaved and most of the aerodrome land including half of the airstrip has wild plantation and grass.
- The existing Airstrip (part constructed using Red Soil) is of width of 17 meter and 500m length.
- Though the Airstrip is surrounded by hills, there aren't any take-off/landing issues for the flight operators.

4. PROPOSED FACILITIES

Aeronautical Facilities

It is proposed to develop Airstrip with basic facilities that are necessary for an airline operator to provide services. The following are some of the basic facilities proposed to be developed in initial stage of operations

- i. Runway
- ii. Terminal Building
- iii. Fencing / Boundary wall
- iv. Approach Road
- v. CC Drain
- vi. Apron
- vii. ATC
- viii. and other facilities as per the requirements of DGCA

Non-Aeronautical Facilities

Further, to enhance the project viability, the developer is allowed to undertake non-aeronautical developments. The Concessionaire may develop any Non-Airport Activities as per their requirement in compliance with the all Applicable Laws including rules and regulations of DGCA, Government of Karnataka and the local authorities and without affecting aeronautical activities, anyway. Non-Airport Activities include, but not limited to the following services, facilities, amenities and equipment:

- i. Airport transport services
- ii. Hotels, restaurants, convention/conference centre
- iii. Exhibition/trade centres
- iv. Theme/entertainment parks, sports facilities
- v. Retail
- vi. Commercial Complexes, banks
- vii. Golf Course
- viii. Food Courts
- ix. Flight Training Schools/ Flying Clubs



NSOP Services and
Chartered Flights



Air Ambulance



Tour Operators



Aero-sports



Flying Training Institute



Joy Rides



Aero-modelling



Aviation Museum



Resorts/Hotels/Other
Commercial Development



Golf Course

5. ESTIMATION OF PROJECT COST

The initial capital investment in the project is estimated to be Rs. 19.65 Crore (Approx.) as provided in the table below:

Sl.No.	Description of Work	Estimated Cost (Rs. Crore)
Phase I		
1	Runway with flexible pavement & shoulder on either side of run way	7.70
2	Terminal Building	1.35
3	Approach road	1.18
4	Fencing	0.32
5	CC drain	0.14
6	Apron cum Hanger (apron 75x35 m, Hanger 35x25m)	1.55
Total cost – Phase I		12.24
Phase II		
1	Strengthening of Pavement	6.55
2	Future expansion of Apron (75x35)	0.82
Total cost – Phase II		7.37
Grand Total		19.61

GoK intends to develop the Airstrip on DBFOT framework and accordingly issued the RFP & Project Development Agreement to appoint a developer who can construct, operate and maintain the Airstrip. The Concessionaire shall be eligible for a concession period of 30 years as per the provisions under the Project Development Agreement.