



BUSINESS AIRCRAFT OPERATORS ASSOCIATION

Ref. No. BAOA/AERA/06/2020-21

November 09, 2020

Director (P&S, Tariff)
Airports Economic Regulatory Authority of India
AERA Building, Administrative Complex,
New Delhi -110003.

Subject: - Comments: AERA's Consultation Paper (CP) No. 35/2020-21

Sir,

Kindly refer our 'interim comments' sent vide BAOA/AERA/05/2020-21 dated 22 October 2020. Please consider these attached comments too, in addition of the following comments.

BAOA participated in the stakeholders consultation meeting held under your chairpersonship to discuss the CP35/2020-21. In addition to points raised during the meeting, and duly recorded by AERA, the following addition comments are being made: -

- a) Only 0.44% of aeronautical area at the airport is being taken up for development at MIAL. This is not, at all, proportionate to the percentage of NSOP/GA aircraft operating from CSIA, which is more than 5%. More area for NSOP/GA to be included for development.
- b) The CP 35/2020-21 covers the period from 01 April 2019 to 31 March 2024. The ongoing pandemic period, especially the period of complete national lockdown, from 24th March to 25th May 2020, is covered under this CP 35/2020-21. Authority is requested to totally disallow 'enhanced parking charges' for general aviation aircraft, belonging to NSOP/GA category, during this period, as the very premise and the stated purpose of these charges, as mentioned in CP 32/2012-13, which is, to ensure 'operational safety' and decongest CSIA, didn't exist at all during this period when no commercial flying was allowed by the government. AERA is requested to instruct MIAL to act strictly, especially during the complete lockdown period, as per the very purpose for which these charges were allowed by the 'authority'. In this regard, please refer to our attached letter written to Chairperson AERA on 29 July 2020.

Finally, we request for a separate meeting to explain further, the above comments, before the final CP is issued by the 'authority'.

Thanking You

Yours faithfully

For **Business Aircraft Operators Association**

Gp. Capt. Rajesh K. Bali (retd.)
Managing Director

Enclosed: - Interim comment dated 22 October 2020
Letter written to Chairperson AERA on 29 July 2020



BUSINESS AIRCRAFT OPERATORS ASSOCIATION

Ref. No. BAOA/AERA/05/2020-21

October 22, 2020

Director (P&S, Tariff)
Airports Economic Regulatory Authority of India
AERA Building, Administrative Complex,
Safdarjung Airport,
New Delhi -110003.

Subject: - Interim Comments: AERA's Consultation Paper (CP) No. 35/2020-21

Sir,

As already intimated, two representatives from BAOA would be participating in the stakeholders meeting on 26th October 2020. We are emailing the following, as our interim comments on CP 35/2020-21, as we have observed that more factual information is needed in the CP 35/2020-21 to review the original order passed by AERA (refer pages 398-425 of CP 32/2012-13), while authorising continuation of 'unauthorised stay charges' at MIAL for the third control period, specifically being applied to NSOP/GA operators. Following are our interim comments and, we shall be sending our finalised comments by 9th November, the revised date for submission:

- The original order authorising 'unauthorised stay charges' or penal parking charges was issued vide CP 32/2012-13 dated 15th January 2013. Authority is requested to note that this CP-32 had detailed information/comments from MIAL/NSOP, GA operators as well as AERA's own views on the issue. Please specifically refer to para 24.9, 24.20(b), 24.20(e), 24.22, 24.23, 24.24, 24.28 & Tables 108 to 114, 24.29, 24.30, 24.31 and 24.36. The following facts would emerge from these paragraphs which need to be duly taken into consideration by the "Authority" before allowing continuation of 'unauthorised stay charges' for the third control period.
- The available window for parking for domestic/international flights is 48/72 hours respectively and, this also happen to be part of SSA, as being an international standard being followed for allowing parking of outstation aircraft. Some of the above-mentioned paras repeatedly mention the available window being limited to 48 hours for domestic operations. However, in actual practice, MIAL has, on its own accord, modified this standard window time for parking to 'slot allotment time' given by AOCC. This being done without any specific authorisation by AERA is tantamount to violating 'Authority's' order leading to unauthorised parking charges being levied by MIAL before the expiry of 48 hours window available to domestic operators. This needs to be specifically addressed in CP 35/2020-21.
- Specifically, in para 24.20(e), it has been stated that 'penal charges' are only meant to discourage unauthorised stay. And this is for operational safety reasons rather than being source of revenue generation. MIAL had further justified this argument in CP 32/2012-13 by giving figures for collection of 'penal parking' charges showing a sharply decreasing trend from August 2012 to December 2012, given in Table 108 of CP 32/2012-13. This was the main reason accepted by AERA to allow 'penal



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parking charges. Further, Tables 109 to 114 of CP 32/2012-13 had given details of charges collected from individual companies/operator, each month, to allow AERA have full and relevant information on the issue.

- Authority is requested to now examine the above given monthly figures, of 'penal charges of the year 2012 with what is being projected in CP 35/2020-21 (refer para 3.1.2 Table 9). Contrary to decreasing trends of 'penal parking charges' to justify achieving greater discipline among NSOP/GA operators, given earlier in CP 32/2012-13, in CP 35/2020-21 revenue collection from 'penal parking' or 'unauthorised stay' charges is showing a steady increase, year on year, from 5.92 crores in 2015 to 12.87 crores in 2019. This falsifies the basic premise on which such 'penal charges' were first time allowed by AERA from July 2012 onwards. This clearly shows that these 'penal charges' are, in fact, a source revenue generation for MIAL and , that too not in a transparent manner, as window of 48 hours of parking available is not being applied in a fair and transparent manner. Further, MIAL had committed not to levy any penalty if aircraft overstays due to unforeseen unserviceability or operational reasons, like bad weather etc. Authority is requested to direct MIAL to submit details of these exemptions granted during 2015-2019, with names of operators, and actual time taken, to refund such penalty, already collected at the time of departure.
- In view of the above, 'Authority' is requested to direct MIAL to submit details of 'penal charges' collected from individual companies/operators from 2015 to 2019 on an affidavit, and get comments of 'aviation safety regulator' (DGCA) on the same to suggest effective measures to be taken to achieve the desired operational safety and decongest MIAL.
- This, the third control period, also comprises the complete lockdown period from 24th March to 25th May 2020, 'Authority is requested to direct MIAL to submit details of 'penal parking' or unauthorised stay charges collected from NSOP/GA operators, who were unable to fly out their aircraft by 24th March 2020, with comments, duly scrutinised by DGCA as to how greater operational safety or decongestion was achieved at MIAL during these two months period of 'no commercial/non-commercial passenger' flying being allowed by Indian government.

We request 'Authority' to share the above requested information before stakeholders meeting for a more meaningful discussions, involving all.

Thanking You

Yours faithfully

For **Business Aircraft Operators Association**

Gp. Capt. Rajesh K. Bali (retd.)
Managing Director



BUSINESS AIRCRAFT OPERATORS ASSOCIATION

Ref. No. BAOA/AERA/02/2020-21

July 29, 2020

**Chairperson,
Airports Economic Regulatory Authority of India,
AERA Building, Administrative Complex,
Safdarjung Airport
New Delhi – 110 003**

Subject: - Levying of 'Unauthorised stay charges' on NSOP/GA aircraft during lockdown period

Sir,

On the plea of MIAL, AERA had authorised penal parking charges on outstation NSOP/GA aircraft operating flights to MIAL. These 'penal charges, termed as 'unauthorised stay charges' in the MYTP Order of AERA, are applicable after 48 hours of maximum 'slot time' permitted for domestic operations. It is brought to kind notice of the 'authority' that NSOP/GA operators have been levied 'Unauthorised stay charges', which are 30-40 times higher than normal parking charges, by MIAL during the period of complete lockdown, ordered by the government, by invoking provisions of the 'national disaster management act'. Further, the NSOP/GA operators were forced to make the payment of these exorbitant charges as their aircrafts were not permitted to start flying by MIAL without first paying these 'unauthorised stay charges' after the domestic flight restrictions were lifted on 25th May 2020. The NSOP/GA operators have already appealed to the ministry for total and immediate reversal of 'Unauthorised Stay charges' at MIAL, in view of the unprecedented and entirely unforeseen situation that existed from 24th March to 25th May 2020. In this regard, please see the attached letter written by MOCA to MIAL after holding meeting with NSOP/GA operators.

During the meeting at MOCA, NSOP/GA operators highlighted that the MIAL had grossly deviated from its own submission to AERA while justifying the need for levying the 'unauthorised stay charges'. While proposing these charges at MIAL for NSOP/GA operators, MIAL has argued this to be "purely an operational safety requirement" and, 'definitely' not a source of revenue generation. It was stated by MIAL as "solely intended to decongest CSIA and enhance safety at the busy airport". The same has been duly recorded in AERA order No 32 of 2012/13 dated 15th Jan 2013. This AERA Order had not provided for unprecedented situations of national emergency forcing government to enforce 'complete nation-wide lockdown'. Since, there was no flying taking place during the lockdown period, there was also not any compromise on safety or denial of slot to other NSOP/GA operators asking for equitable use of MIAL's facilities.

In view of the above, AERA is requested to issue 'directive' to MIAL not to implement the provisions of levying 'Unauthorised Stay Charges' during the period of complete lockdown ordered by the government due to COVID-19 threat being faced by the nation. As the outstation NSOP/GA operators could not have exercised the option of flying out of CSIA for the period from 24th March to 25th May 2020, it was not justified, at all, to impose the 'Unauthorised Stay Charges' on them for this duration.



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Additionally, AERA is requested to direct MIAL that any 'Unauthorised Stay Charges' already levied on NSOP/GA operators for the period from 24th March to 25th May 2020 may please be refunded, forthwith. It would also be advised that any further inevitable constraints faced by operators, immediately on lifting of lockdown like; aircraft unserviceability, ARC expiry, pilots' currency/training expiry etc, which might have resulted in overstay of such aircrafts at Mumbai Airport beyond 25th May 2020, should also be considered for not treating such period as period of "unauthorised stay".

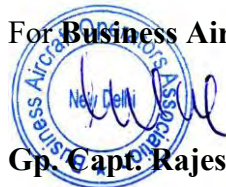
We also wish to bring to your kind notice that as per the MIAL claim recorded in the AERA order and vide final AERA order dated 15th Jan 2013, MIAL was supposed to levy the unauthorised stay charges for stay beyond 48 hrs only. However, over a period of time, the MIAL has started charging overstay charges on slot violation basis even if the period of stay is less than 48 hrs. It is not clear if the same has been approved and authorised by AERA as the existing AERA order dated 15th Jan 2013 stipulates levy of unauthorised charges only after 48 hrs of stay. Therefore, we request you to kindly provide your clarification on this revised methodology of penal parking charges adopted by MIAL.

We look forward to expeditious 'follow up' action, please.

Thanking You

Yours faithfully

For **Business Aircraft Operators Association**



Gp. Capt. Rajesh K. Bali (retd.)
Managing Director

Enclosed: - letter written by MOCA to MIAL

उषा पाढी, भा.प्र.से.

Usha Padhee, IAS

DO No.AV.14028/3/2019-DT



संयुक्त सचिव

नागर विमानन मंत्रालय

भारत सरकार

JOINT SECRETARY

MINISTRY OF CIVIL AVIATION

GOVERNMENT OF INDIA
Dated 20th July, 2020

The Ministry has received representations from NSOP / GA operators to address issues affecting them in COVID times. One of the issues raised by them has been 'stay charges' levied on NSOP/GA operators for the period that were parked due to the embargo on domestic flights imposed due to the Covid 19 situation. You would agree that the levying of 'stay charges' has adversely impacted the already strained financials of the NSOP/GA operators. BAOA has therefore approached the Ministry to mitigate the hardships being faced by them due to levy of stay charge for the no fly period.

2. I request you to kindly look into the issue of levy of 'stay charges' by MIAL as raised by BAOA and other NSOP operators and to find a solution to ameliorate their hardships.

Regards,

Yours sincerely,

Sd/-

(Usha Padhee)

Shri Rajiv Jain,
Chief Executive Officer,
M/s Mumbai International Airport Limited
Chhatrapati Shivaji International Airport Area,
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Copy to: JS(AD)

(Usha Padhee)

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