

**APAO/ AERA/ 2018-19**

**Date: 14<sup>th</sup> June 2018**

**Ms. Puja Jindal,**  
**Secretary,**  
**Airports Economic Regulatory Authority of India**  
AERA Building, Administrative Complex,  
Safdarjung Airport,  
New Delhi - 110 003

**Subject:** Stakeholder Comments on Consultation Paper No. 06/2018-19

**Dear Madam,**

The Ministry of Civil Aviation has entered into agreements for airport development and operations with many private investors. Such agreements have to be fully honored in letter and spirit by the Authority and due regard should be given to them while deciding matters relevant to the airport tariffs. The concession agreements strictly lay down various parameters with relation to investments, treatment of revenues, segregation of operations between aero / non-aero and other concession terms. The airport bidders had estimated their business strategy in consonance with the concession agreement which makes it all the more important to abide by the concession agreements. Also there is a saving proviso incorporated in AERA Act 2008 vide section 13 (1) (a) (vi) to the extent that the existing concession agreement should be taken into account while determining tariff for the airport.


The Hon'ble TDSAT has also directed in its order dated 23<sup>rd</sup> April 2018 that the Concession awarded has to be respected in terms of the AERA Act 2008. Delhi International Airport limited (DIAL) under the concession signed by MoCA, in terms of Schedule 6 of the State Support Agreement is entitled for Base Airport Charges + 10%.

In this context, we highly appreciate the intent of the Authority to provide the Base Airport Charges + 10% to DIAL vide its Consultation paper no. 6 /2018-19 in terms of the concession agreement of Delhi Airport. Such an allowance is required for ensuring the minimum sustainability of any airport specially where these form part of the concessions granted by MoCA.

We are in agreement with the treatment proposed by the Authority vide Para 4 of the Consultation Paper no. 6/2018-19 and suggest that the aeronautical charges calculated at Base Airport Charges + 10% should be implemented at the earliest for DIAL.

Thanks & Regards

**For Association of Private Airport Operators**

  
**Satyan Nayar**  
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