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AERA Consultation papers: No. 01/2009-10 & No. 02/2009-10

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KHOSLA Amitabh <khoslaa@iata.org>

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Monday, April 26, 2010 5:14 pm

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Sandeep Prakash <sandeep.moca@nic.in>

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Kind Attn: Shri Sandeep Prakash

Enclosed IATA response to AERA consultation papers 01/2009-10 & 02/2009-10.

8M (Sai Saxwa)

Kind Rgds, Amitabh

Amitabh KHOSLA

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26 April 2010

Shri Sandeep Prakash Secretary Airports Economic Regulatory Authority of India Room no. 58, B Block, Rajiv Ghandi Bhawan New Delhi 110003

Dear Shri Prakash,

AERA CONSULTATION PAPERS No. 01/2009-10 and No. 02/2009-10

This refers to your letters D.O. No.AERA/20010/MIAL-AC/2010/882 and D.O. No.AERA/20010/DIAL-AC/2010/911 both dated 12 April 2010 regarding the applications by MIAL and DIAL respectively for a 10% increase in aeronautical charges with effect from 03.05.2009.

IATA views that aeronautical charges have to be set in relation to costs in line with ICAO's principle of cost-related charging. An automatic increase should not be allowed under any circumstance as that would imply a disregard for the cost considerations and would be a clear violation of ICAO's principle. As such, IATA agrees with AERA's proposal to reject the applications by MIAL and DIAL for a 10% increase in aeronautical charges with effect from 03.05.2009.

Yours sincerely,

Amitabh Khosla

Country Director - India