Ref. No. BAOA/AERA/05/2026-27
June 23, 2026

Director (P&S, Tariff)
Airports Economic Regulatory Authority of India (AERA),
3 rd Floor, Udaan Bhawan,
Safdarjung Airport, New Delhi – 110003, India

Subject: - BAOA Comments on AERA Consultation Paper No. 01/2026-27 and the Annual Tariff Proposal (ATP) submitted by Bangalore International Airport Limited (BIAL) for the Fourth Control Period

Sir,

The Business Aircraft Operators Association (BAOA) appreciates the opportunity to provide comments on AERA Consultation Paper No. 01/2026-27 and the Annual Tariff Proposal (ATP) submitted by Bangalore International Airport Limited (BIAL) for the Fourth Control Period.

BAOA supports the continued development of Kempegowda International Airport Bengaluru as one of India's leading aviation gateways and recognizes the importance of a transparent, predictable and sustainable tariff framework that facilitates long-term infrastructure development while ensuring fair treatment of all airport users. As the 'non profit' representative body of India's business and general aviation community, BAOA respectfully submits the following comments for consideration during the tariff determination process.

BAOA's principal concern relates to the transparency, reasonableness and structure of charges applicable to business and general aviation operators. While aeronautical tariffs are subject to regulatory oversight, experience across multiple airports has demonstrated that a significant portion of the operational cost burden on business aviation arises from ancillary and operational service charges that are often bundled, insufficiently itemized or not readily transparent to users.

Accordingly, BAOA requests AERA to ensure that all charges applicable to business and general aviation operators are clearly identified, transparently published and separately itemized. Ground handling, passenger handling, baggage handling, marshalling, towing, GPU services, water services, lavatory services, terminal usage, security-related services and other ancillary operational services should be separately priced and charged strictly on an actual-use basis. The approved tariff framework should discourage bundled charging structures and preserve operator choice, transparency and cost visibility.

BAOA further submits that any General Aviation Terminal (GAT), executive terminal, VIP terminal, lounge, concierge facility or similar premium passenger service, whether existing or introduced during the Control Period, should remain entirely optional in nature. Access to airport infrastructure and the conduct of aircraft operations should not be made conditional upon the use of premium passenger facilities or associated services. Such facilities should be separately identified, transparently priced and utilized solely at the discretion of the operator or passenger concerned.

BAOA also requests AERA to ensure that airport users are provided adequate visibility regarding all airport-related charges, whether regulated or unregulated, so that users can make informed operational and commercial decisions. Greater transparency in the publication and application of such charges will contribute significantly to ease of doing business and improve stakeholder confidence in the airport charging framework.

From a broader regulatory perspective, BAOA submits that airport performance and service quality assessment frameworks should not be limited solely to passenger-centric indicators such as those reflected in Airport Service Quality (ASQ) surveys. While passenger experience remains an important measure of airport performance, equal consideration should also be given to operator-centric parameters, particularly in relation to business and general aviation operations.

Business and general aviation operators interact extensively with airport systems and service providers through processes such as slot allocation, parking allocation, ground handling coordination, operational approvals, access arrangements, turnaround support and the procurement of ancillary services. Accordingly, airport performance evaluation should also consider factors such as transparency and predictability of charges, availability and accessibility of airport infrastructure, efficiency of operational processes, responsiveness to stakeholder concerns, timeliness of resolution of operational issues and complaints, fairness in service delivery, ease of obtaining required operational services and the absence of mandatory or bundled premium service requirements. Incorporating such operator-focused performance indicators would provide a more balanced and comprehensive assessment of overall airport service quality and better reflect the experience of all categories of airport users.

BAOA further recommends that an appropriate mechanism be established for the reporting, monitoring and resolution of operator concerns relating to such performance parameters. While the responsibility for corrective action should rest with the airport operator and relevant service providers, AERA may consider periodically monitoring these parameters as part of its broader mandate to promote efficiency, transparency, quality of service and the reasonable interests of airport users. Such oversight would encourage greater accountability and contribute to the efficient and cost-effective functioning of airports for the benefit of the aviation ecosystem as a whole.

BAOA also recommends that any future implementation, modification or revision of the approved Airport Master Plan, including development of terminals, aprons, aircraft parking areas, access arrangements, business aviation facilities or operational procedures affecting general and business aviation, should be undertaken only after structured consultation with affected stakeholders. Early engagement with industry users is essential to ensure that infrastructure development remains aligned with operational realities and minimizes avoidable disruption.

In addition, BAOA requests that the Authority encourage continued stakeholder consultation by the airport operator on matters affecting business and general aviation, including infrastructure planning, operational procedures, service standards and charging mechanisms. Such engagement supports regulatory transparency and promotes balanced growth across all aviation segments.

Finally, BAOA respectfully submits that tariff determination, infrastructure planning and service delivery should continue to be guided by the principles of transparency, cost causation, proportionality, stakeholder consultation and user choice. BAOA requests AERA to reflect these principles in its final determination for Bengaluru Airport and in any future approvals relating to airport infrastructure, facilities and associated services during the Fourth Control Period.

BAOA thanks the Authority for the opportunity to provide its comments and would be pleased to participate in any further stakeholder discussions on matters affecting business and general aviation operations at Kempegowda International Airport Bengaluru.

For **Business Aircraft Operators Association**

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

Email: rkbali@baoa.in
M: 9911269066

Ref. No. BAOA/AERA/06/2026-27
July 04, 2026

Director (P&S, Tariff)
Airports Economic Regulatory Authority of India (AERA),
3 rd Floor, Udaan Bhawan,
Safdarjung Airport, New Delhi – 110003, India

Subject: - Additional Comments on AERA Consultation Paper No. 01/2026–27 (BLR Airport) Following Stakeholder Consultation

Sir,

With reference to AERA Consultation Paper No. 01/2026–27 and the stakeholder consultation held on 29 June 2026, we wish to submit the following additional comments for your kind consideration:

1. Eastern Connectivity Tunnel (ECT):

   The cost of the Eastern Connectivity Tunnel should not be included in the Regulatory Asset Base (RAB). The ECT is essentially a public connectivity infrastructure serving a wider public purpose beyond airport users. Accordingly, funding support should be explored through the Government of Karnataka. In this regard, it is pertinent to note that the Chairperson of the Board of Directors of Bengaluru International Airport is the Chief Secretary of Karnataka, placing the airport operator in a suitable position to pursue appropriate government support instead of recovering such costs from airport users.

2. Metro Station:

   Only that portion of the metro infrastructure which directly serves the airport terminal and terminates within the terminal complex should be considered for inclusion in the RAB. Metro infrastructure located outside the terminal should not form part of the RAB, as airport passengers already contribute through the User Development Fee (UDF) towards airport development. It would not be equitable to burden passengers with the cost of external public transport infrastructure. Funding for such external infrastructure should appropriately be sought from the Government.

3. Inclusion of New Terminal Assets in RAB:

   Terminal assets should be included in the RAB only after they are commissioned and become available for operational use. At that stage, the true-up mechanism may be applied, together with the applicable Fair Rate of Return (FRoR), to ensure full and fair recovery of prudently incurred capital expenditure.

We also wish to reiterate our support for AERA's incremental Aggregate Revenue Requirement (ARR) approach. This methodology appropriately balances the interests of airport users and airport operators by ensuring that only commissioned assets are included in the RAB while safeguarding the airport operator's legitimate return through the true-up process and the applicable Fair Rate of Return. Given that these airports are substantially self-financed, the existing regulatory framework already provides an equitable mechanism for recovery of prudent investments without imposing premature costs on users.

We trust the above submissions will receive your favourable consideration while finalising the tariff order.

For **Business Aircraft Operators Association**

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

Email: **rkbali@baoa.in**
M: 9911269066