## **ASSOCIATION OF PRIVATE AIRPORT OPERATORS**



APAO/AERA/2014-15

Secretary,
Airports Economic Regulatory Authority of India,
AERA Building, Administrative Complex,
Safdurjung Airport,
New Delhi – 110 003

Date: 31 December 2014

Sub:Consultation Paper No. 15/2014-15

Dear Sir,

A kind reference is invited to AERA Consultation Paper No. 15/2014-15 in the matter of amendment to the Order No. 08/2014-15 dated 10.06.2014 issued by the Authority in respect of Aeronautical charges of Bengaluru International Airport in view of the Orders of Hon'ble High Court of Delhi in the Writ Petition (civil) no. 4338 / 2014.

Our comments on the Consultation Paper are furnished below.

- We note that Hon'ble Delhi High Court in its Order dated 23<sup>rd</sup> December 2014 while disposing the appeal filed by FIA given direction to AERA that AERA shall consider the settlement reached between FIA and BIAL and pass an appropriate order within 2 weeks.
- 2. BIAL and FIA have resolved the impasse in relation to CIC charges reducing it to \$1 from \$1.25 as earlier approved by AERA.
- 3. While appreciating the goodwill gesture shown by BIAL in settling the issue out of court even after placing it in an extremely incongruous situation where, while services were being continuously provided BIAL was not receiving any remuneration for the same, BIAL may have a shortfall of collection of aeronautical charges which may have to be trued up at the end of the current control period while determining the tariff for next control period.
- 4. Hence, we agree with the proposal of AERA to levy CUTE, CUSS and BRS charges on domestic and international passengers at \$1 effective from 15th January 2015 for the current control period.
- 5. We also agree with the proposal of AERA that the difference in collection between the CUTE, CUSS and BRS charges that will accrue to BIAL now on the revised rates and the amount considered as per the MYTO will be trued up at the end of the current control period during the determination of aeronautical tariff for the next control period.

6. It may be recalled that during the Consultation process held in respect of current tariff as determined by AERA for BIAL wherein APAO had made a submission that CIC charges (Cute, CUSS & BRS charges) need to be considered as Non Aero charges. APAO wish to reiterate our above request and request the Authority to kindly consider the CIC charges as Non Aeronautical specially when it is concession fee only which BIAL gets, while approving revised charges of \$1 per depax of BIAL. Further, we request AERA to approve the charges to be collected either by BIAL directly or through concessionaire as the case may be.

We request the Authority to kindly consider our suggestions and issue necessary orders at the earliest.

Thanks & Regards
For Association of Private Airport Operators

Satyan Nayar,

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