



BUSINESS AIRCRAFT OPERATORS ASSOCIATION

Ref. No. BAOA/AERA/01/2016-17

March 07, 2017

To,

Secretary, AERA
AERA Building
Administrative Complex,
Safdarjung Airport
New Delhi – 110 003

Kind Attn:- Ms. Puja Jindal

Subject:- Feedback / Comments on CHIAL Consultation Paper No. 3/2016-17

Madam,

Please refer Consultation Paper No. 3/2016-17 and the meeting held with stakeholders at AERA's office on 02 March 2017. We have the following comments per view expressed during meeting of stakeholders:-

- a) **Inclusion of Cost of Land.** It is our considered view that plea of Punjab & Haryana governments on inclusion of cost of land, of around Rs. 450 crores, to be examined with long-term view on development of much-needed aviation infrastructure all over India. It has to be understood that the land cost incurred by these two government is part of state governments' contribution to public cause of developing efficient transportation infrastructure in the region. Since the land had been acquired by these government in 'public interest', their contribution as cost of land should also be taken as made in public interest and, without causing any additional cost inputs to charges for aeronautical services at the airport.
- b) **Hangars Rentals as Aeronautical Services.** CHIAL has plans to build maintenance and parking hangars in 18.6 acre of land earmarked for aeronautical services. Since Airport Director of CHIAL also stated that the airport would be developed as regional hub for RCS, it is requested that construction of these hangars be advanced and **AERA decide on monthly rental fee for these proposed hangars as aeronautical services in accordance with AERA Act Para 2.** The RCS has already been launched by the government and CHIAL will have to provide hangar facility for carrying out essential maintenance activities for small aircraft (<80 seater) involved in RCS operations. Further, it has to be ensured that there are no 'royalty'/'revenue share' charges levied to users of these hangars in accordance with provisions of NCAP 2016.
- c) **Ground Handling Charges for Small Aircraft of RCS/NSOP.** It is brought to kind notice of the 'authority' that Ground Handling being part of aeronautical services as per AERA Act, it is essential to decide on GH charges for operations of small aircraft flying in and out of CHIAL. As per Supreme Court ruling on existing AIC 3/2010 on 'ground handling', self-handling is permitted for commercial airline operations. MoCA is presently in the process of drafting new

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GH policy for implementation at national level. As per NCAP 2016, all GH charges would be rationalized to keep cost of operations low. AERA is requested to decide on GH charges for small aircraft operating at CHIAL in accordance with SC ruling and NCAP 'stated commitment' to rationalize all such aeronautical charges – strictly in accordance with AERA Act.

We are immediately available for any further discussion and clarification, if so required.

Thanking you

For **Business Aircraft Operators Association**



Gp. Captain R.K. Bali (retd.)
Managing Director