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# AIR TRAVELLERS ASSOCIATION

(A 'no profit' Association and Voice of Air Travellers)

Website: [www.airtravellersassociation.org](http://www.airtravellersassociation.org)

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Pune? May be forwarded to the consultants.

My 2017

Secy - 04/10/17  
Su Rajesh

The Chairman,  
Airports Economic Regulatory Authority of India  
AERA Building,  
Administrative Complex  
Safdarjung Airport,  
New Delhi- 110003

**Subject:** Consultation papers for fixation of tariff - Goa, Kolkata, Pune, Srinagar and Nagpur Airports

Dear Sir,

This is to thank you again for inviting us for Stakeholders Consultation Meeting held on **18.09.2017 at 10.30 AM** at AERA Building, Safdarjung Airport, and New Delhi. The presentations and discussions held were very useful from the point of view of air travellers. We would now like to convey views of M/S Air Travellers Association (ATA) for kind consideration at your end:

### Specific Issues:

1. It was observed that the tariff is being calculated based on actuals/projections. The efficiency of operations at various airports is not being considered at present. However, AERA has clarified that a study is being undertaken to factor this issue. We suggest that, any revision in the projections resulting in lower tariff should be passed on to the Air Travellers on a periodical basis.
2. In the case of Pune Airport, it is observed that they are incurring huge money for use of electricity. We suggest that they may explore possibility to go in for alternate sources i.e. solar power etc.

### General Points:

1. Charges should be optimized to make it affordable to the consumer without sacrificing the quality of the service.
2. We suggest that standard should be established, for service to be provided i.e. seating arrangement, essential services (catering, medicines, cleanliness of toilets etc), proper & user-friendly facility in uniform pattern at all respective airports for senior citizens/ disabled air travellers - both at the ground and at the time of boarding/ de-boarding to/from the seats of aircrafts.
3. The airports in contention are not up to the mark in terms of service qualities. The tariffs should be linked to service quality levels.
4. The non-aeronautical revenues of these airports are very low as compared to the privatized airports. Therefore, burden of such under-performance should not be passed on to the tariff and eventually to Air Travellers.
5. WACC of 14% for these airports looks very high; attempt should be made to bring it down to a level of 10%-11%.

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6. ATS / CNS are also a regulated service as per the AERA act. AERA should also consider determining the tariff for these services. Why the cost for these should be passed on to the airports.
7. AERA has allocated the CHQ cost to these airports, on similar lines the benefit of revenue share accrued to AAI from the private airports should also be allocated to the airports. The revenue share for AAI should go in reducing the charges for the AAI airports. Otherwise the revenue share is forming part of the equity capital invested and is attracted for huge return on equity
8. Cat III B landing facility should be provided at Srinagar Airport, as per weather conditions

We once again like to thank AERA and other stakeholders for giving us this opportunity and are of sincere opinion that this type of interaction will ultimately result in benefits to air travellers.

**Thanking you,**  
For Air Travellers Association

*D.L. Narasimham*

D.L Narasimham  
Secretary