



## BUSINESS AIRCRAFT OPERATORS ASSOCIATION

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Ref. No. BAOA/AERA/01/2017-18

May 01, 2017

To,

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

**Subject:- Comments on AERA Consultation Paper 8/2016-17**

Dear Sir/Madam,

Our comments are as follows:-

### **Comments on AERA Consultation Paper 8/2016-17**

#### **Introduction**

AERA, established as per AERA Act 2008 passed by parliament, was formed to regulate tariff and other charges for aeronautical services rendered at ‘public airports’. Para 2 a(iv) of AERA Act defines Ground Handling (GH) services relating to aircraft, passengers and cargo at an airport as aeronautical services. Further, para 2(a)(ii) of AERA Act defines landing, housing or parking of an aircraft or any other ground facility offered in connection with aircraft operations at an airport as aeronautical service. The above, well-defined aeronautical services in AERA Act, have not yet been fully regulated by AERA, as per the ‘Act’ in spite of being in existence for over seven years now.

#### **Ground Handling Services**

Ground Handling (GH) services are well-defined aeronautical services at an airport. Therefore, in addition of being so defined in AERA Act 2008, government further issued AIC 3/2010 (as attached) on ‘grant of permission for providing GH services at airports, other than those ‘controlled by AAI’. The attached AIC 3/2010 lists out all the GH services to be provided at Annex A & B. The AIC 3/2010, para 1.1 (iii) and AERA Act 2008, para 2 a (vii), also give Central Government authority to additionally specify any activity, it considers, should be part of aeronautical services at public airports.



## BUSINESS AIRCRAFT OPERATORS ASSOCIATION

While ‘self-management of GH services’ remains the right of each operator whether scheduled or non-scheduled, AERA being the regulatory authority, has to decide charges for aeronautical services at all

public airports as per guidelines given in State Support Agreement (SSA), specifically for PPP model airports. There is no provision of any royalty to be considered by AERA while deciding charges for aeronautical services at any public airport. ‘Royalty’ is a legacy of British India and used to be called ‘Lagaan’ during pre-partition times. Even the dictionary meaning of ‘Royalty’ disqualifies it to be part of costing at a ‘public airport’. ‘Royalty has been defined, in accounting terms, as ‘payments made to someone whose invention, idea of ‘property’ is used. Therefore, at public airports charging royalty, over and above charges for aeronautical services, is illegal, unethical and akin to being an ‘organised loot’, in monopolistic situation, of common man in India travelling through medium of air. All operators, whether scheduled and ‘non-scheduled’ pass on these illegally charged amounts of ‘royalty’ to the common public, which is using air transportation as means to commute to save their time and better use their skills in more progressive way for growth of Indian economy. Therefore, illegal charging of ‘royalty’ is impeding optimum growth of aviation industry.

We would like to draw the kind attention of ‘Authority’ to the variable royalties being charged as different ‘GH’ Agencies across public airports in India. Attached as Annex II & III. Even AAI has region-wise variable rates of royalty at public airports operated by it. In case of ‘public airports’, operated under PPP model, AERA has so far given free run to airport operators to follow any model of own choice-‘royalty’ or ‘revenue sharing’. And, this model is being allowed by AERA in addition to the ‘rental or licence fee’ for using the premises of ‘airports for ground services that are part of aeronautical services, as defined in ‘AERA Act’. The ‘Act’ makes it obligatory on part of AERA to fix charges of all aeronautical services at a public airport on ‘cost plus basis’ as provided in SSA, including Independent Service Providers (ISP’s) giving cargo facility and ‘supply of fuel’.

Once the charges are fixed in a rational and ‘cost-plus’ basis, allowing 14-15% return on investments, the airport operator at a public airport, whether, AAI or ‘under PPP’, should not be allowed to charge any amount above the AERA’s prescribed ceiling to the public. It may be left to the airport operator to provide these essential aeronautical services under own ‘safety certified’ arrangements or, thru accredited GH Agencies by any of the three - ‘Revenue Sharing / ‘Licence Fee’ / ‘Mixed Revenue sharing & Licence-Fee’- mechanism. This is the only way AERA should be discharging its responsibilities to ensure Indian public pays reasonable and the right charges for all aeronautical services provided at public airports.

### **Maintenance Hangars under DGCA’s approved CAR 145 at Public Airports**

The Consultation Paper has not addressed the issue of maintenance hangars at a public airport functioning under CAR 145 approvals. The licence fee for rental of these maintenance hangars, providing aeronautical services as per AERA Act para 2 a (ii) for ensuring continuous airworthiness and



## BUSINESS AIRCRAFT OPERATORS ASSOCIATION

safe flying operations of aircraft at a public airport, has to be fixed by AERA in accordance with the Act & OMDA Annex 5 (attached). Besides, giving free hand to airport operators (both AAI & under PPP) for fixing licence fee as non-aeronautical charges, AERA has, further, not even stopped charging of 'royalty' in addition the licence fee at these public airports. The 'licenced fee' of these maintenance hangars has been astronomically increased without any justification. Please see attached rates of 2006 and 2013 for reference (Annex VI)

In view of the above, while addressing issue of royalty for GH, Cargo & Fuel Supply, AERA should immediate fix license fee/ rental for maintenance hangars at all 'public airports' as per provisions of AERA Act and completely remove additional fee / charges under any head, like 'royalty' or 'revenue sharing' etc., being charged, hitherto.

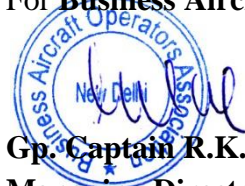
### Conclusion

AERA should be complimented for bringing out the Consultation Paper 8/2016-17 as part of its public duty to ensure all aeronautical services at public airports are charged reasonably and on cost plus basis. No further time should be allowed to pass to correct the situation and, 'royalty', which is the legacy of British India, be abolished completely and instantaneously.

The AERA consultation paper 8/2016-17 relates to capping of Royalty at 30%. BAOA strongly contests the very existence of Royalty because it is illegal, unethical, and prejudicial. Further, it runs counter to the functioning of AERA as the sole regulator of aeronautical charges at public airports in India. BAOA also strongly questions the recent trend of ISP's changing the word 'Royalty' to 'Revenue Share', indicating an underhand attempt to force upon the illegal charges under different nomenclature.

### Thanking you

For **Business Aircraft Operators Association**



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

Enclosed:-  
Annex I (AIC 3/2010)  
Annex II & III (Royalty & GH charged at various airports)  
Annex IV (Extract of AERA)  
Annex V (OMDA, Schedule 5)  
Annex VI (Maintenance Hangar Licence fee 2006 & 2013)

Telephone No. 24622495 Telegraphic Address: Commercial: AIR CIVIL NEW DELHI Aeronautical: VIDDYAYX Email: <a href="mailto:dri@dgca.nic.in">dri@dgca.nic.in</a> Fax: 011246292221	<b>GOVERNMENT OF INDIA</b> AERONAUTICAL INFORMATION SERVICES <b>DIRECTOR GENERAL OF CIVIL AVIATION</b> OPPOSITE SAFDARJUNG AIRPORT <u>NEW DELHI- 110 003.</u>	<b>AIC</b> <b>SL. No. 3/2010</b>
		<b>2<sup>nd</sup> June 2010</b>

File No. 9/1/2002-IR

The following circular is issued for information, guidance and compliance.

This issues in supersession of AIC 07/2007 dated 28<sup>th</sup> September, 2007 and AIC 13/2009 dated 31 December 2009.

*Nasim Zaidi*  
(Nasim Zaidi)

Director General of Civil Aviation

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**GRANT OF PERMISSION FOR PROVIDING GROUND HANDLING SERVICES AT AIRPORTS OTHER THAN THOSE BELONGING TO THE AIRPORTS AUTHORITY OF INDIA**

**1. Introduction**

1.1. "Ground handling" means:

- (i) ramp handling which shall include the activities specified in Annexure 'A';
- (ii) traffic handling which shall include the activities as specified in Annexure 'B'; and
- (iii) any other activity specified by the Central Government to be a part of either ramp handling or traffic handling.

1.2. In accordance with the **Airports Authority of India (General Management, Entry for Ground Handling Services) Regulations, 2000**, an airline operator may carry out ground handling services at an airport either by itself or engage the services of any of the following, namely:-

- (i) Airports Authority of India;
- (ii) Air India or Indian Airlines; and
- (iii) Any other agency licensed by the Airports Authority of India.

1.3. The Airports Authority of India (General Management, Entry for Ground Handling Services) Regulations, 2000, have been made under Section 42 of the Airports Authority of India Act, 1994 and thus are applicable to the airports managed by the Airports Authority of India. With the restructuring of certain airports and development of a few Greenfield airports in the private sector, it has become imperative for the Central Government to lay down the eligibility criteria for various agencies to undertake ground handling services at non-AAI airports. **The number of such agencies to be permitted at each airport is also to be determined by the Government having regard to all the relevant factors such as demand for such services, available infrastructure and competitive environment, without compromising the safety and security aspects.**

1.4. Rule 92 of the Aircraft Rules, 1937 provides that the licensed public aerodromes shall, while providing ground handling services themselves, ensure a competitive environment and allow the ground handling service providers permitted by the Central Government to provide ground handling services at such aerodromes without any restriction. **These ground handling service providers shall, however, be subject to security clearance of the Central Government. As such, it is for the Central Government to decide the agencies who can provide ground handling services at various aerodromes and also the eligibility criteria for such service providers.**

## **2. Eligibility Criteria for Ground Handling Service Providers**

While the Airports Authority of India would promulgate the necessary regulations, with the previous approval of the Central Government, under the Airports Authority of India Act, 1994, with respect to provision of ground handling services at the airports under their control, it has been decided by the Central Government that with immediate effect, the following entities shall be eligible to undertake ground handling services at airports other than those belonging to the Airports Authority of India:-

### **(A) All Metropolitan Airports, i.e. the airports located at Delhi, Mumbai, Chennai, Kolkata, Bangalore and Hyderabad**

- (i) The airport operator itself or its Joint Venture (JV) partner;
- (ii) Subsidiary companies of the national carrier i.e. National Aviation Company of India Ltd. or their joint ventures specialized in ground handling services.

Third party handling may also be permitted to these subsidiaries or their JVs in the basis of revenue sharing with airport operator subject to satisfactory observance of performance standards as may be mutually acceptable to the airport operator and these companies; and

- (iii) Any other ground handling service providers selected through competitive bidding on revenue sharing basis by the airport operator subject to security clearance by the Government and observance of performance standards as may be laid down by the airport operator.

**Note.-** *A minimum of two ground handling service providers shall be authorized at these airports in addition to the subsidiaries of National Aviation Company of India Ltd.*

**(B) At all other airports:**

In addition to the entities mentioned above, the airline operators shall also be permitted to undertake self-handling. However, foreign airlines shall not be allowed to engage themselves in self-handling.

**(C) Additional Provisions:**

The provisions contained in (A) and (B) above shall be subject to the following:-

- (i) All private airlines, including foreign airlines, may undertake self handling in respect of “passenger and baggage handling activities at the airport terminals” and “traffic service including the passenger check-in”, which require passenger interface, at all airports.
- (ii) All cargo airlines, which have their own cargo aircrafts, may undertake self handling in their hub airports.
- (iii) Foreign airlines / private independent ground handling service providers not be permitted self ground handling / ground handling at joint user Defence airfields.

**3. Entry into Terminal Building / Movement Area**

Except as provided in rule 90 of the Aircraft Rules, 1937, the bonafide employees of the entities permitted to undertake ground handling services at airports in accordance with paragraph 2 shall also be allowed to enter and remain in the terminal building or movement area.

**4. Security Protocol**

4.1 Bureau of Civil Aviation Security may impose such restrictions as may be necessary in this behalf on grounds of security.

4.2 All concerned agencies as specified in paragraph 2 hereinabove shall be required to follow the instructions issued by BCAS as contained in Annexure 'C' or as may be altered/substituted/modified or amended from time to time.

4.3 Further, all concerned agencies, besides complying with the above, shall also be required to follow the provisions contained in the Aircraft Act, 1934 and the rules made thereunder and directions, orders and circulars issued from time to time.

**5. Equipment**

All concerned agencies shall ensure that the state-of-art equipment are used and best practices are followed.

**6. Defence Enclaves**

This AIC shall not apply to defence installations/enclaves/enclosures at the airports.

**7. Coming into Force**

7.1 This policy shall come into force **with immediate effect.**

7.2 The time limit for exit of non-entitled entities shall be 31<sup>st</sup> December, 2010.

**RAMP HANDLING**

**1. Aircraft Handling**

- 1.1 Attendance
- 1.2 Marshalling
- 1.3 Parking
- 1.4 Starting
- 1.5 Safety Measures
- 1.6 Mooring of Aircraft

**2. Aircraft Servicing**

- 2.1 Liaison for Fuelling and Defuelling
- 2.2 Liaison with suppliers for replenishing of oil and other fluids
- 2.3 Cabin Equipment
- 2.4 Routine and Non-Routine services
- 1.7 Cooling and heating

**3. Aircraft Cleaning**

- 3.1 Exterior Cleaning
- 3.2 Interior Cleaning
- 3.3 Toilet service
- 3.4 Water services

**4. Loading and Unloading**

- 4.1 Loading and unloading of passenger baggage
- 4.2 Transshipment of passenger baggage
- 4.3 Operation of loading/unloading equipment
- 4.4 Positioning and removing of passenger stairs/bridges
- 4.5 Emplane/deplane passengers
- 4.6 Break/make-up of baggages
- 4.7 Bussing of passengers/crew
- 4.8 Bulk loading/unloading of baggage



## **5. Cargo Handling Services**

- 5.1 Loading, off-loading and transshipment of cargo on/from the aircraft
- 5.2 Mail handling services
- 5.3 Operate/provide/arrange essential equipments for handling of cargo
- 5.4 Transshipment of cargo
- 5.5 Palletisation/containerization of cargo
- 5.6 Break-up/make-up of cargo container/unit load device
- 5.7 Bulk loading/unloading

## **6. Security**

- 6.1 Watch and ward of registered baggage/cargo/aircraft and handling equipment
- 6.2 Aircraft security/inspection in transit
- 6.3 Security/surveillance for ladders point check
- 6.4 Security for catering items

**TRAFFIC HANDLING**

**1. Terminal Services**

- 1.1 Handling documents and load control
- 1.2 Passengers and baggage handling at the airport terminals
- 1.3 Cargo handling services at the airport terminals
- 1.4 Mail handling services at the airport terminal
- 1.5 Traffic services at the airport terminals including passenger check-in

**2. Flight Operations**

- 2.1 INFORM THE CARRIER OF ANY KNOWN PROJECT AFFECTING THE OPERATIONAL SERVICES AND FACILITIES MADE AVAILABLE TO ITS AIRCRAFT IN THE AREAS OF RESPONSIBILITY
- 2.2 Flight preparation at the airport of departure
- 2.3 Flight preparation at a point different from the airport of departure
- 2.4 In-flight assistance
- 2.5 Post flight activities
- 2.6 In-flight re-dispatch
- 2.7 Communication system associated with Ground Handling
- 2.8 Material handling

**3. Surface Transport**

- 3.1 Arrangements for the transportation of passengers/baggages and cargo between separate terminals at the same airport
- 3.2 Arrangements for passengers/crew transport together with their baggage between Airport and city or other agreed points

**4. Representational Services**

- 4.1 Liaison with local authorities
- 4.2 Information to interested parties, movement of the carrier aircraft
- 4.3 Disbursement of payment on behalf of the carriers at all airports
- 4.4 Supervision and administration services

**5. Security**

- 5.1 Registered baggage X-ray scan check (baggage and cargo)
- 5.2 Surveillance/vigilance for registered baggage at baggage make-up/break-up area of the airport
- 5.3 Baggage identification/watch and ward of registered baggage

**SECURITY REQUIREMENTS**

**NO. CAS-7(29)/2007.DIV-I  
BUREAU OF CIVIL AVIATION SECURITY  
(MINISTRY OF CIVIL AVIATION)  
GOVERNMENT OF INDIA  
A WING, JANPATH BHAWAN  
JANPATH, NEW DELHI – 110001  
DATED 19-2-2007**

**CIRCULAR NO. 4/2007**

**Subject:** Instructions on deployment of ground handling agencies at the airports.

It has been brought to the notice of this bureau that there are number of ground handling agencies working at the airports in the country without prior security clearance and background checks. In view of the current surcharged security environment in the country and threat to civil aviation from terrorist outfits, induction of private ground handling agencies into the airports without proper background checks, security clearance from the appropriate authority and authorization by the AAI/Airport Operator, may lead to serious security and legal problems. It has, therefore, been decided that the following instructions relating to deployment and induction of ground handling agencies at the airports shall be implemented by all concerned agencies/departments.

- (i) No ground handling agency shall be allowed to work at the airport in future by the Airport Operator, Aircraft Operator or any other agency which has legitimate functions at the airport, unless prior security clearance is obtained from the BCAS.
- (ii) As per the Ground Handling Regulations 2000 dated 17.1.2000, the AAI/Airport Operator may issue a license only after security clearance from the BCAS to such ground handling agencies on prescribed terms and conditions and eligibility criteria for ground handling agencies and the number of such agencies to be appointed at each airport shall be determined keeping in view the safety, security, demand, available infrastructure, land and other relevant considerations to be laid down by the AAI in accordance with the Section 5 of the AAI Ground Handling Regulations (2000).

Cont..2/-

- (iii) Aircraft operator shall enter into contract with the ground handling agencies only after prior security clearance to these entities from the BCAS and approval from the AAI/Airport Operator.
- (iv) In case AAI/Airport Operator or Aircraft Operator intend to appoint a new ground handling agency, the details of such agency is required to be sent to BCAS alongwith the profile of such company at least 3 months in advance so that the background check of the ground handling agency can be done by the BCAS through IB and local police.
- (v) Background check in respect of the ground handling agencies working in the airports is necessary. Therefore, AAI/Aircraft Operator shall send the details of the each existing ground handling company, already engaged by them for ground handling functions alongwith the company profile and address, telephone numbers etc. of Board of directors and management so that the necessary action could be taken by the BCAS to get the antecedents verified of such agencies. In case any company comes to adverse notice, the same shall not be allowed to work at the airport and shall be liable to be removed from the airport.
- (vi) Security related functions as specified by the BCAS in the National Civil Aviation Security Programme and amended from time to time shall not be entrusted to the ground handling agencies by the AAI Airport and Aircraft Operators.
- (vii) Airport Entry Permits to employees of the ground handling agencies shall not be issued by the BCAS unless they have completed the BCAS prescribed Aviation Security Awareness programme, their background check has been completed and there is no adverse report against them.

SD/-  
(M. MALAVIVA) Addl.  
Commissioner of Security (CA)

Distribution as per list attached



## ANNEX II

Ground Handling charges				
S.NO.	GHA Name's	Sector	Service Tax	Rroyalty
1	CelebiNas	Mumbai	15%	NIL
2	IFOS Aviation	Indore, Bhopal, Raipur, Belgaum, Bhuj, Bhavnagar, Rajkot, Mundra, Pune, Goa, Nagpur, Ozar	15%	36.30%
3	IFOS Aviation	Gwalior, Srinagar, Jammu, Chandigarh, Ludhiana, Jodhpur, Jaisalmer	15%	21%
4	IFOS Aviation	Bhubaneshwar	15%	13%
5	Aviation Reliance Air	Nanded	15%	30%
	BWFS	MRO		21%
6	BWFS	Delhi	15%	NIL
7	Indothai	Amritsar, Jaipur, Udaipur, Agra, Chandigarh, Lucknow, Varanasi Dehradun,	15%	Rates are Inclusive
8	Globe Ground	Bangalore	15%	NIL
9	IndamerMjets	Delhi		21%

## ANNEX III

Ground handling charges for PC-12 type of aircraft for one landing and takeoff at following airports.

Airport	Charges Rs. (Apprx)	Airport Operator	Agency
Delhi	20,000	Private	BWFS
Mumbai	20,000	Private	Celebinas
Kolkata	20,500	AAI	Bhadra
Chennai	20,500	AAI	Bhadra
Bangalore	20,000	Private	Air India Sats
Jaipur	5,000	AAI	Indothai
Varanasi	5,000	AAI	Indothai
Udaipur	5,000	AAI	Indothai
Dehradun	5,000	AAI	Indothai



# THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA ACT, 2008

(27 of 2008)

[5th December, 2008]

*An Act to provide for the establishment of an Airports Economic Regulatory Authority to regulate tariff and other charges for the aeronautical services rendered at airports and to monitor performance standards of airports and also to establish Appellate Tribunal to adjudicate disputes and dispose of appeals and for matters connected therewith or incidental thereto.*

BE it enacted by Parliament in the Fifty-ninth Year of the Republic of India as follows:—

## CHAPTER I PRELIMINARY

**1. Short title, commencement and application.**—(1) This Act may be called the Airports Economic Regulatory Authority of India Act, 2008.

(2) It shall come into force on such date<sup>1</sup> as the Central Government may, by notification in the Official Gazette, appoint.

(3) It applies to—

- (a) all airports whereat air transport services are operated or are intended to be operated, other than airports and airfields belonging to or subject to the control of the Armed Forces or paramilitary Forces of the Union;
- (b) all private airports and leased airports;
- (c) all civil enclaves;
- (d) all major airports.

**2. Definitions.**—In this Act, unless the context otherwise requires,—

- (a) “aeronautical service” means any service provided—
  - (i) for navigation, surveillance and supportive communication thereto for air traffic management;
  - (ii) for the landing, housing or parking of an aircraft or any other ground facility offered in connection with aircraft operations at an airport;
  - (iii) for ground safety services at an airport;
  - (iv) for ground handling services relating to aircraft, passengers and cargo at an airport;
  - (v) for the cargo facility at an airport;
  - (vi) for supplying fuel to the aircraft at an airport; and
  - (vii) for a stake-holder at an airport, for which the charges, in the opinion of the Central Government for the reasons to be recorded in writing, may be determined by the Authority;

1. Came into force on 1-1-2009 except Chapter III and Chapter VI, *vide* G.S.R. 894(E), dated 30th December, 2008.

Chapter III and Chapter VI came into force on 1-9-2009, *vide* G.S.R. 624(E), dated 31st August, 2009, published in the Gazette of India, Extra., Pt. II, Sec. 3(i), dated 31st August, 2009.

## SCHEDULE 5 AERONAUTICAL SERVICES

“**Aeronautical Services**” means the provision of the following facilities and services:

1. provision of flight operation assistance and crew support systems;
2. ensuring the safe and secure operation of the Airport, excluding national security interest;
3. the movement and parking of aircraft and control facilities;
4. general maintenance and upkeep of the Airport;
5. the maintenance facilities and the control of them and hangarage of aircraft;
6. flight information display screens;
7. rescue and fire fighting services;
8. management and administration of personnel employed at the Airport;
9. the movement of staff and passengers and their inter-change between all modes of transport at the Airport;
10. operation and maintenance of passenger boarding and disembarking systems, including vehicles to perform remote boarding; and
11. any other services deemed to be necessary for the safe and efficient operation of the Airport.

A more detailed list of the above facilities and services would include the following:

12. Aerodrome control services
13. Airfield
14. Airfield lighting
15. Air Taxi Services
16. Airside and landside access roads and forecourts including writing, traffic signals, signage and monitoring
17. Common hydrant infrastructure for aircraft fuelling services by authorized providers
18. Apron and aircraft parking area
19. Apron control and allocation of aircraft stands
20. Arrivals concourses and meeting areas
21. Baggage systems including outbound and reclaim
22. Bird scaring
23. Check-in concourses
24. Cleaning, heating, lighting and air conditioning public areas
25. Customs and immigration halls
26. Emergency services
27. Facilities for the disabled and other special needs people
28. Fire service
29. Flight information and public-address systems
30. Foul and surface water drainage
31. Guidance systems and marshalling
32. Information desks
33. Inter-terminal transit systems
34. Lifts, escalators and passenger conveyors
35. Loading bridges
36. Lost property



37. Passenger and hand baggage search
38. Piers and gate rooms
39. Policing and general security
40. Prayer Rooms
41. Infrastructure/ Facilities for Post Offices
42. Infrastructure/ Facilities for Public telephones
43. Infrastructure/ Facilities for Banks
44. Infrastructure/ Facilities for Bureaux de Change
45. Runways
46. Signage
47. Staff search
48. Taxiways
49. Toilets and nursing mothers rooms
50. Waste and refuse treatment and disposal
51. X-Ray service for carry on and checked-in luggage
52. VIP / special lounges





Delhi International Airport (P) Limited



Registered Office: New Udaan Bhawan,  
Opp. Terminal 3, IGI Airport,  
New Delhi 110037, India  
T +91 11 47197000  
F +91 11 47197181  
www.newdelhiairport.in

DIAL/2013-14/LM /2573-10

Dated: 15<sup>th</sup> April 2013

Wg. Cdr.(Retd.) OR Prasad  
Director,  
EIH Limited -Aviation Division  
Room No. 504, Building 101, T1, IGI Airport,  
New Delhi 110037

Subject: Revision of license fee in respect of Hangar Floor/Annex Spaces at IGI Airport for FY 2013-2014.

Dear Sir,

This is in regards to the revision of License fee for Hangar Floor and Hangar Annex spaces at IGI Airport New Delhi. Keeping in view various parameters such as increasing demand and paucity of available Hangar areas etc., it has been decided by DIAL to revise & increase the license fee for Hangar Floor and Hangar Annex space at IGI Airport for FY 2013-2014.

With the commencement of new financial year, the invoices will be raised with the increase in fee for Hangar Floor and Annex spaces as per the table below. The revision is applicable w.e.f 01.05.2013 for FY 2013-2014.

Areas	Applicable rates for FY 13-14 in Rs per sqmt per month w.e.f 01.05.2013
Hangar Floor Area	3000/-
Hangar Annex'	4000/-

Please acknowledge the receipt.

Yours Truly,

For Delhi International Airport (P) Ltd.

*Pradeep Panicker*

Pradeep Panicker

Chief Commercial Officer



## ANNEXURE "B"

### PURPOSE OF THE LICENSE GRANTED TO THE SERVICE PROVIDER AND FEES TO BE PAID FOR SUCH LICENSE

#### PURPOSE

License granted for the purpose for Aircraft maintenance, parking of aircraft and company office (300 sq. mtrs. ) at Hanger No. 1 and back up office for all aviation activities (13.4 sq. mtrs. ) at Terminal-1B of IGIA, New Delhi, more particularly referred to under the "Original Agreement".

#### LICENSE FEE

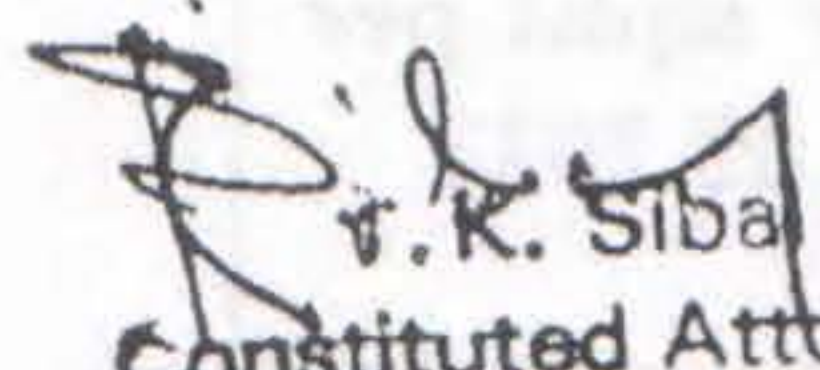
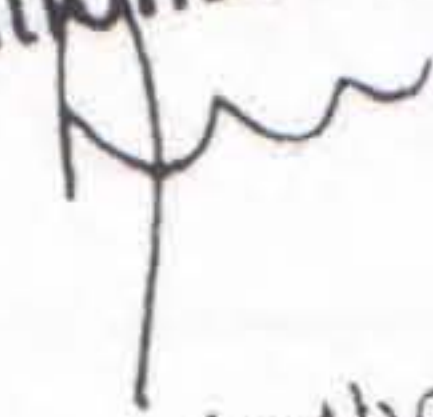
License fee / space rent (as per actual payment made for the month of June, 2006) pursuant to Original Agreement i.e. 300 sq. mtrs. @ Rs.364.90 and 13.4 sq. mtrs. @ Rs. 439.35 per sq. mtrs. per month.

#### ELECTRICITY AND OTHER CHARGES

Electricity charges and other applicable charges/costs/reimbursements as per the terms and conditions of Original Agreement.

#### SECURITY DEPOSIT

Security deposit shall be Rs. 6,92,142/= (Rupees six lac ninety two thousand one hundred and forty two only) equivalent to 6 months license fee/space rent.

  
R.K. Sibal For Delhi International Airport Pvt. Ltd.  
Constituted Attorney  
**EIH** LIMITED  
  
Authorized Signatory