

ASSOCIATION OF PRIVATE AIRPORT OPERATORS



Kiran Kumar Grandhi
President

R.K.Jain
Vice President

Satyan Nayar
Secretary General

APAO/CP-13-2010-11/

Date: 18th February 2011

Shri Sandeep Prakash

Secretary
Airport Economic Regulatory Authority of India
2nd Floor, Administrative Complex,
Safdarjung Airport,
New Delhi

Sub: Economic Regulation of Service Provided by Airport Operators

Dear Sir

Please refer your D.O. No AERA/2011/AO/AO-G/2010-11 dated 2nd February 2011 informing us of the consultation process undertaken in respect of the draft "The Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Airport Operators) Guidelines, 2011". We had been requested by the Authority to give evidence-based feedback, comments and suggestions on the draft Guidelines. Our representative appeared before the Authority on 14th February 2011 and submitted our position in the matter orally and also in written for Authority's consideration. We wish to submit the following in further continuation to our earlier submission dated 14.02.2011 on the subject (copy enclosed).

With regard to DIAL and MIAL the Draft Guidelines stipulate that the same would be applicable to them in such form and manner as the Authority may by a separate order determine. The Authority has also stated in Order No. 13/2010-11 that it has separately initiated a process to analyse and assess the implications of the principles and mechanics, relating to tariff fixation, contained in the SSA(s) in consultation with the respective Airport Operators and would thereafter separately determine the extent to which the covenants of the SSA(s) would impact the general framework laid down in Order No. 13 of 2010-11. The Authority had, accordingly, sought a stylized tariff filing to be made by DIAL and MIAL based on their understanding of the principles and mechanics of tariff fixation given in the SSA(s) vide its letter DO No. AERA/20010//DM/2010-11 dated 04.01.2011. Both DIAL and MIAL have submitted their stylized filings giving their understanding of the principles and mechanics of tariff determination under the concessions offered by Central Government through various Project Agreements including OMDA and SSA.

In this connection, Sir, we wish to submit that the Order No. 13/2010-11 dated 12th January 2011 passed by the Authority and pursuant to which the draft Guidelines have been issued is

AGM (AOS)

Actioned already.

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22/2/2011

faxed copy sent to OSD-II on 2/2/11

OSD-II

subject matter of appeal before the Hon'ble Airports Economic Regulatory Authority Appellate Tribunal.

The airport operators have challenged the regulatory philosophy and approach laid down in the said order which forms the basis of the draft Guidelines. The draft Guidelines may need to be modified having regard to the outcome of the appeals as well as the principles to be laid down by Authority in a separate order considering the submissions made in stylized filings by DIAL and MIAL. We therefore request the Authority to defer the process of consultation and keep in abeyance the finalization of the draft Guidelines till such time both the issues i.e the appeal before the Hon'ble Appellate Tribunal and order on stylized filings is settled.

We are therefore not expressing any views / comments on the draft Guidelines till such time but reserve our right to make such further submissions at a subsequent and appropriate stage.

Thanking you and warmest regards

Yours Sincerely

For Association of Private Airport Operators



Satyan Nayar

Secretary General, APAO

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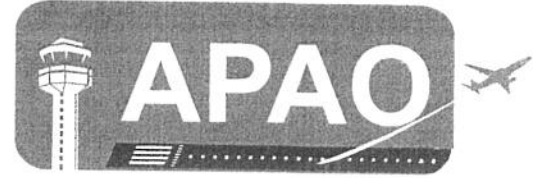
ASSOCIATION OF PRIVATE AIRPORT OPERATORS

Regn No. S/64468/2009

Biran Kumar Grandhi
President

R.K.Jain
Vice President

Satyan Nayar
Secretary General



APAO/CP-04-2010-11/

Date: 14th February 2011

Shri Sandeep Prakash

Secretary

Airport Economic Regulatory Authority of India

2nd Floor, Administrative Complex,

Safdarjung Airport,

New Delhi 110 003

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Please refer your D.O. No AERA/2011/AO/AO-G/2010-11 dated 2nd February 2011 informing us of the consultation process undertaken in respect of the draft "The Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Airport Operators) Guidelines, 2011". We have been requested by the Authority to give evidence-based feedback, comments and suggestions on the draft Guidelines. We have also been informed that there will be a stakeholder consultation meeting on 14th February 2011 at New Delhi in this regard.

In this connection, Sir, we wish to submit that the Order No. 13/2010-11 dated 12th January 2011 passed by the Authority and pursuant to which the draft Guidelines have now been issued is subject matter of appeal before the Hon'ble Airports Economic Regulatory Authority Appellate Tribunal, which are pending.

The airport operators have challenged the regulatory philosophy and approach laid down in the said order which forms the basis of the draft Guidelines. The draft Guidelines may need to be modified having regard to the outcome of the appeals. We therefore request the Authority to defer the process of consultation and suspend the finalization of the draft Guidelines till the appeals are decided by the Hon'ble Appellate Tribunal. We are therefore not expressing any views / comments on the draft Guidelines till such time but reserve our right to make such further submissions at a subsequent stage.

Thanking you and warmest regards

Yours Sincerely

For Association of Private Airport Operators

Satyan Nayar

Secretary General, APAO

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