



## BUSINESS AIRCRAFT OPERATORS ASSOCIATION

Ref. No. BAOA/AERA/02/2023-24

July 18, 2023

**Director (P&S, Tariff)**  
**Airports Economic Regulatory Authority of India (AERA)**  
**AERA Building, Administrative Complex,**  
**New Delhi -110003.**

**Subject: - Comments on AERA's Consultation Paper No. 03/2023-24**

Sir,

Kindly refer to AERA's CP-03/2023-24, issued by the 'authority' to determine Ground Handling (GH) services for Global Flight Handling Services (Patna) Pvt. Ltd. (GFHSPPL) at Jay Prakash Narayan International Airport, Patna for the First Control Period (FY 2023-24 to FY 2027-28)

We request the 'Authority' to consider the following changes/modifications, with the required justifications:

- i. Refer para 6.5. It has been seen that the 'authority' considered the reasons for annual incremental increase of 7% for the various GH services provided at the airport and, proposes to keep it at 7%. In this regard, it is submitted that the 'yearly increase' is aimed at matching the expected inflation rate and ensuring to keep a constant agreed 'return on investment'. It is, therefore, requested to keep the yearly incremental increase at 5% to align with the RBI's targeted inflation rate of 5% or below. It is submitted that this is a standard practice globally by all the OEM's and other 'maintenance service providers' for the five-year contract. 'Authority' is requested to reconsider the 7% annual increase proposal and keep it at 5%.
- ii. It is seen that, some basic GH services, like marshalling, have not been included in the itemized rate list for small aircraft. The GH services list has been given in Schedule - 1 of GH policy issued by GOI. 'Authority' is requested to prescribe itemised rates of all these services at Schedule 1 that are part of Ground Handling at a public airport.
- iii. It is submitted that 'authority' to mention in its order that very small aircraft, less than 2000 Kgs AUW, have the option, especially at small airports having limited GH services, to also opt for none of the GH services, other than preparation of 'passenger manifest' at the public airport.

**Yours faithfully**

For **Business Aircraft Operators Association**

**Gp. Capt. Rajesh K. Bali (retd.)**  
**Managing Director**

Copy: - Chairperson, AERA