



BUSINESS AIRCRAFT OPERATORS ASSOCIATION

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July 13, 2026

Director (P&S, Tariff)

Airports Economic Regulatory Authority of India (AERA),

3 rd Floor, Udaan Bhawan,

Safdarjung Airport, New Delhi - 110003, India

Subject: - Comments of the Business Aircraft Operators Association (BAOA) on the Fourth Control Period (CP-IV) Tariff Proposal and the Associated Annual Tariff Proposal (ATP) of GMR Hyderabad International Airport

Sir,

BAOA appreciates the opportunity provided by the Airports Economic Regulatory Authority (AERA) to submit its comments on the Fourth Control Period (CP-IV) tariff proposal together with the associated Annual Tariff Proposal (ATP) of GMR Hyderabad International Airport.

The following observations are submitted from the perspective of General and Business Aviation (GA/BA), keeping in view the objectives of the AERA Act to ensure a fair balance between the financial sustainability of airport operators and the legitimate interests of airport users. BAOA supports the continued development of airport infrastructure while advocating a transparent, equitable and cost-based tariff framework that promotes the sustainable growth of General and Business Aviation.

1. Reasonable and Affordable Aeronautical Charges

BAOA submits that aeronautical charges determined during the Fourth Control Period should remain reasonable, transparent and cost-reflective. Any increase in charges should be gradual, adequately justified and proportionate to the services provided, thereby maintaining the competitiveness of Hyderabad Airport for General and Business Aviation.

2. Segregation of Aeronautical and Non-Aeronautical Services

Only services qualifying as aeronautical services should be recovered through regulated aeronautical charges. General Aviation Terminal (GAT) facilities and other premium passenger amenities, being non-aeronautical in nature, should remain optional and charged only to those users who elect to avail such services. These charges should not be bundled into mandatory airport charges applicable to all GA operators.

3. Rational Parking Charge Philosophy

BAOA supports efficient utilisation of airport infrastructure; however, parking charges during the Control Period should follow a reasonable slab-based progression rather than steep escalation after specified durations. The charging philosophy should also remain consistent with the State Support Agreement and recognise that General Aviation aircraft may require extended parking for operational, maintenance or regulatory reasons beyond the operator's control.



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4. Recovery of Capital Expenditure

BAOA supports the regulatory principle that airport users should bear the cost of airport assets only after such assets have been commissioned, capitalised and made available for operational use. Recovery of costs prior to capitalisation should ordinarily be avoided to ensure transparency, regulatory certainty and inter-generational equity among airport users.

5. Addressing Airport Funding Requirements

During the stakeholder consultation, the airport operator expressed concerns regarding cash-flow requirements for major capital works during the construction phase. BAOA respectfully suggests that AERA may engage with the airport operator to examine appropriate regulatory mechanisms that address genuine financing requirements without requiring airport users to bear the cost of assets before they become operational. Such an approach would uphold the principles of the AERA Act while ensuring timely infrastructure development.

6. Encouraging Growth of General and Business Aviation

The CP-IV tariff framework should continue to recognise the distinct operating profile of General and Business Aviation. A stable, predictable and equitable charging regime will encourage higher utilisation of airport infrastructure, improve connectivity and contribute to the long-term growth of India's aviation ecosystem while ensuring sustainable airport economics.

For **Business Aircraft Operators Association**



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