

**GOVERNMENT OF INDIA
MINISTRY OF CIVIL AVIATION
LOK SABHA
UNSTARRED QUESTION NO. : 3477
(To be answered on the 10th August 2023)**

AIRPORT ECONOMIC REGULATORY AUTHORITY

**3477. SHRI AJAY NISHAD
SHRI SUSHIL KUMAR SINGH**

Will the Minister of CIVIL AVIATION

नागर विमानन मंत्री

be pleased to state:-

- (a) whether the Government has constituted Airport Economic Regulatory Authority (AERA) to regulate the tariff of major airports in the country;**
(b) if so, the details thereof; and
(c) whether it is a fact that the appellate authority (TDSAT) has ruled on AERA's order having financial implications and if so, the details thereof?

ANSWER

Minister of State in the Ministry of CIVIL AVIATION

नागर विमानन मंत्रालय में राज्य मंत्री

(GEN. (DR) V. K. SINGH (RETD))

(a) & (b): Government of India has set up an independent Regulator namely, Airports Economic Regulatory Authority of India (AERA) under the AERA Act, 2008 to determine the tariffs in respect of aeronautical services such as User Development Fee (UDF), Landing, Parking, Housing charges etc. for a five year control period, considering the factors such as Return on investment, Operating expenditure and Depreciation at Major airports as per the definition of 'Major Airport' in AERA Act, 2008.

(c): As per AERA Act, 2008, Tariff Orders of AERA can be challenged before the Appellate Tribunal i.e. Hon'ble Telecom Disputes Settlement and Appellate Tribunal (TDSAT). Accordingly, a number of Tariff Orders of AERA has been challenged before TDSAT by the respective Airport Operators. In case the order is passed by TDSAT in favour of Airport Operator, AERA is required to either modify the Tariff Order or to carry out the truing up exercise during the next Control Period as per the decision of the TDSAT, which may result into financial implication in the form of higher aeronautical charges.

TDSAT Judgements are open to being challenged in the Higher Court by

AERA.
