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March 3, 2022

Addendum No. 1
To SpiceJet's response dated March 3, 2022 on Consultation Paper No. 31/2021-22

To,
The Chairperson,
Airports Economic Regulatory Authority,
AERA Building, Administrative Complex,
Safdarjung Airport,
New Delhi- 110 003.

Kind Attention – Shri. Balwinder Singh Bhullar

Dear Sir,

Subject: Consultation Paper No. 31/2021-22 dated February 4, 2022 on determination of tariff for Bridge Mounted Equipment Services at Kempegowda International Airport, Bengaluru in respect of M/s Celebi Airport Services India Private Limited, for the Third Control Period (FY 2021-22 to FY 2025-26)

SpiceJet requests that the following additional points as mentioned in this Addendum No. 1 may kindly be considered in addition to the response already filed by SpiceJet earlier today on the subject matter through its letter dated March 3, 2022 (attached for ready reference), for which we shall be grateful:

1. Conflict of interest between different legal entities: - (Refer 1.2, 1.3, 1.4, 1.5 of the CP)

It is understood that Celebi NAS Airport Services India Private Limited ("CelebiNAS") is a joint venture between Celebi Hava Servisi A.S. Turkey and NAS Aviation, Kuwait. It is also understood that Celebi Airport Services India Pvt. Ltd (CASI) is a 100% owned subsidiary of Celebi Hava Servisi A.S. Turkey.

As CASI is also a ground handling agency at KIA, we request that an appropriate mechanism may kindly be implemented at KIA that does not allow booking of costs belonging to the Ground Handling vertical of CASI into the costs of the BME Services vertical of CASI. It may be noted that Ground Handling vertical of CASI is approved under Light Touch Approach by the Authority.

Therefore, we request AERA to consider whether it is appropriate that a new company, 100% subsidiary of CelebiNAS, should be formed to undertake BME function.

2. Tariff Proposal: - (Refer 10.3, 10.4 and Annexure 1 & 2 of the CP)

We note the following when comparing the proposed rates to the rates at IGIA at Delhi for similar services:

i) The tariff proposed by the Authority at KIA appears to be higher by approx. 20% to as high as 50% in case of FEGP service.

ii) The tariff proposed by the Authority at KIA appears to be higher by approx. 12% to as high as 22% in case of PCA service.

We request AERA that CASI may not be allowed, by virtue of being in a single monopolistic situation, to be able to charge rates higher at IGIA at Delhi.

AERA is requested to consider the comparative analysis of BME Services charges as applicable at Delhi, Hyderabad, Mumbai and other airports in India.

3. Discount for long duration usage: - (Refer Annexure 1 & 2 of the CP)

We request AERA to incorporate discounted rates for aircraft which may be parked for more than 2 hours and using FEGP/PCA services.

AERA is requested to kindly take into consideration the discount mechanism as may be applicable at IGIA Delhi on FEGP rates and discount on PCA rates, which we understand are between 20% to 40%.

In addition, we also request that the minimum usage time be reduced to 10 minutes and rounding off of the usage timing be of 5 minutes.

We request that your good self to kindly consider the above mentioned recommendations/ comments in addition to our response already submitted to AERA earlier today, March 3, 2022 (attached for ready reference), for which we shall be grateful.

We look forward to your continued support in these challenging times.

Thanking you in advance,

Yours Truly,

For SpiceJet Limited


Suryavir Singh Bisht

Sr. General Manager – Regulatory Affairs

Copy to:

Director (P&S Tariff), Airports Economic Regulatory Authority of India (AERA)

Attached: As above