



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार उपक्रम) रजिस्टर्ड ऑफिस : 17, जमशेदजी टाटा रोड, मुंबई - 400 020.

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJITATA ROAD, MUMBAI - 400 020.

विमानन एसबीयू, हिन्दुस्तान भवन, 8, शूरजी वल्लभदास मार्ग, मुंबई - 400 001. दूरभाष : +91-22-2263 7000 फॅक्स : +91-22-2261 1776
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AVN:AERA:HQO

May 3, 2011

Secretary,
Airports Economic Regulatory Authority of India,
AERA Building, Administrative Complex,
Safdarjung Airport,
New Delhi- 110003.

Kind Attn : Shri Sandeep Prakash

Sub: 1.MYTP commencing 1.4.2011- M/s IOSL - Consultation Paper No. 1/2011-12.

2. MYTP commencing 1.4.2011- M/s BSSPL - Consultation Paper No. 3/2011-12.

Dear Sir,

This has reference to your DO letter No. AERA/20010/MYTP-IOSL/2011-12/ 129 Dated 21st April, 2011 and DO letter No. AERA/20010/MYTP-BSSPL/2011-12/ 212 Dated 28th April, 2011 on the above referred subject. As desired please find below the comments/views in respect of the proposal contained in para 6 of the Consultation Paper Nos. 1/2011-12 & 3/2011-12:

1. We do not have any objection in considering IOSL/ BSSPL's ITP services under light touch approach, as their services at IGI Airport, New Delhi falls under 'material' but 'competitive' category, as defined by AERA.
2. The Tariff proposed by IOSL/ BSSPL for the period 28.7.2010 and 31.3.2011 is in line with the Agreement signed with the Fuel Supplier. We were informed that the tariff was arrived on the basis of tender by DIAL, however, we were not privy to the process of fixation of the charge. The charge can be validated by an independent agency for its aptness.

As regard to the revision in Agency fee, the Agreement between ITP and the Supplier states that:

"The Agency fee shall be subject to revision by the Into Plane Agent, in accordance with the limit set by DIAL from time to time."



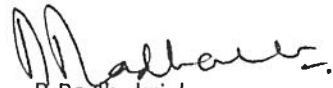
HP Aviation

We feel that the revision of the rate should be the function of the cost and the volume of business available at the airport. In our opinion any increase in the charges should be considered keeping these factors into consideration rather than accepting fixed yearly increase.

3. As the Agency fee is a pass through item for the Suppliers, i.e., the fee is recovered from the Customers and passed on to the Service Provider (ITP); it would be difficult for us to recover these charges from the customers in the event they are made applicable on retrospective basis. In view of above, it is requested that if any upward revision in Charge is proposed for the First Control Period/ tariff year 2011-12, it should be made and applicable from the prospective date only.

Thanking you,

Very truly yours,



R Radhakrishnan
GM Aviation & Head SBU