## भारत स्टार्स सर्विसेज (दिल्ली) प्राइवेट लिमिटेड



## BHARAT STARS SERVICES (DELHI) PRIVATE LIMITED

AERA /ATP/BSSDPL/FY13-14

April 12, 2013

Secretary

Airports Economic Regulatory Authority of India AERA Building, Administrative Complex Safdarjung Airport, NEW DELHI – 110 003

Subject: BSSPL - Annual tariff proposal for Into Plane Services at IGI Airport FY13-14, 14-15 & 15-16

AGM (APOS)

Dear Madam,

We write with reference to the responses received from various stakeholders on the consultation paper no 41/2012-13.

Our comments are given below:

- 1. We wish to inform you that the proposed ITP rates submitted to AERA for FY 13-14 / 14-15 / 15-16 have been duly notified to our current suppliers well in advance.
- 2. The annual tariff proposals are in line with prevailing agreement with "Airport Operator" at Delhi.
- 3. Taking into account the current inflation rate & increase in input costs e.g. Diesel, Electricity, Manpower, Rentals etc. the annual escalation of 5 % is not only justified but is also the bare minimum increase required to sustain this crucial operations of Into-Plane Services.
- 4. ITP volumes are not directly proportional to increase in aircraft movements. There can be numerous occasions when despite the increase in number of aircrafts being refueled, the ITP volumes would have not increased correspondingly due to addition of short sector flights operated by small aircrafts with very little or nil uplift.
- 5. Similarly the cost structure / expenditure of ITP services are not directly proportional to fuel volumes but have many other complexities in terms of operational requirement for timely service. This service in terms of cost structure / expenditure is more dependent on no of operations, no of flights on ground requiring ITP services simultaneously during the same time period and short sector flights uplifting negligible or nil fuel.

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कॉर्पोरेट ऑफिस : 1 मंजिल, प्लॉट ए-5 एवं 6, सेक्टर-1, नोएडा - 201 301, भारत फोन : +91 120 2474415/4153 फैक्स : +91 120 2474493 Corporate Office : 1st Floor, Plot A-5 & 6, Sector-1, Noida - 201 301, India Phone: +91 120 2474415/4153 Fax : +91 120 2474493 You would also appreciate that "Quality & Safety" is of paramount importance in ITP Services, as this last mile connectivity entails the most critical activity of fuelling the aircraft. Hence in order to maintain required safety / quality standards comply with ever evolving international benchmarks / guidelines, cater to increased input costs etc, an increase of 5 % in ITP Services in line with our agreement with airport operator is fully justified & bare minimum to operate a commercial organization & sustain safe operations.

In view of above, you are kindly requested to release suitable order at the earliest convenience.

Thanking you and assuring you of our best cooperation at all times,

Yours faithfully,

For Bharat Stars Services Delhi Pvt. Ltd

Vijay Ranjan

Chief Executive Officer