

Date: 6 March 2023

To.

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

Dear Sir / Ma'am,

Sub: Response towards stakeholder comments on Consultation Paper no. 14/2022-23 dated 6 February, 2023 in the matter of determination of Tariff for the Third Control Period (FY 2021-2022 to FY 2025-26) for Celebi Ground Handling India Private Limited (CGHIPL) at Sardar Vallabhbhai Patel International Airport, Ahmedabad.

In reference to the above subject matter, we would like to submit our responses on SpiceJet Limited letter dated February 24, 2023 point by point basis:

1. Capital Expenditure

The renting entity is neither considering the capital expenditure incurred for giving equipment on rental basis to CGHIPL in its RAB (regulatory asset base) nor claiming any benefit of its depreciation, interest expense, return on equity etc. so it is not required to consider renting entity's rental income from CGHIPL while determining the tariff of renting entity.

2. Operating Expenditure & Profitability

The concession fees rate is determined by the Airport Operator on which we don't have any control.

3. Tariff

As we know, the proposed tariffs are the maximum tariffs and the final tariffs to be charged to the airline will be based on one to one discussion with Airlines.

In reference to the item wise charges, there are other services where our charges are lower than the AERA approved tariffs of M/S GSEC Bird Airport Services Pvt. Ltd (GBASPL). Highlighting few of them below in International for FY 2022-23:

Step Ladder: Rs. 7,555 vs Rs. 13,325

Conveyor Belt: Rs. 10,600 vs Rs. 14,373

The charges mentioned for White collar staff & Blue collar staff are on per hour basis only as you would understand that these services are provided on ad hoc basis and Company has to arrange resources for this.





Summarising, to all the comments provided by SpiceJet Limited, we would like to re-iterate the fact that the pandemic has affected the entire industry and we have implemented all measures to reduce & control the cost. But to continue the operations, maintain the infrastructure and to provide the best services, costs will have to be incurred. The tariffs have been proposed considering all these facts only.

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Thanking you,

Yours sincerely,

For Celebi Ground Handling India Pvt. Ltd

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