



**SpiceJet Limited**

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November 9, 2023

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

Kind Attention – Shri. Balwinder Singh Bhullar Ji

Sub: AERA CP.No.15/2023-24 for determination of tariff for Cargo Handling Services for M/s Kerala State Industrial Enterprises Limited ('KSIEL') at Thiruvananthapuram International Airport for the 3rd Control Period ('Consultation Paper' or 'CP')

Dear Sir,

It is submitted that while AERA had computed a one-time tariff increase of 38.31% over the rates in its Order no. 42/2022-23 dated 23<sup>rd</sup> March 2023 for export and import of cargo as per para 7.3.8 of the CP, however as per para 8.2.5 & Table 20 of the CP, AERA has proposed to stagger the increase on annual basis over the remaining control period @ 20%, 14% and 10% Y-O-Y respectively, as reflected Annexure II of the Consultation Paper.

However this method of Y-O-Y increase would result in extraordinarily high increase @ 150.48% by the commencement of FY2025-26, which is barely 16 months away. In addition, in the event KSIEL again seeks upward revision for the tariff for the fourth control period, the increase would be sought on the then existing tariff of 150.48% instead of 138.31%, making the tariff of the fourth control period exorbitantly high. Thus, AERA is requested to please review the proposed Y-O-Y percentage increase.


The high increase proposed in tariff for the third control period will hinder air cargo growth and airlines' ability to generate load at Thiruvananthapuram due to the lack of competitive market forces caused by monopolistic cargo operations by Regulated Agent.

Market trends are not very stable in the current scenario of freight movement and a further cooling period for 2 years should be maintained to review the proposed hike by the authorities. Further details are attached as Annexure A.

In view of the above, we request AERA to not implement or approve the proposed hike in tariff during this Control Period as it would have a detrimental impact on the airlines' financial standing.

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

Yours Truly,  
For SpiceJet Ltd.

  
Suryavir Singh Bisht  
Sr. General Manager – Regulatory Affairs  
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Copy to: Director (P&S Tariff), Airports Economic Regulatory Authority of India

## Annexure A

### INTERNATIONAL CARGO(TSP CHARGES)

EXPORT CARGO(PER KG)	BUP CHARGE	FY 2022-23	FY 2023-24	FY 2024- 25	FY 2025- 26
	GENERAL CARGO	0.71	0.89	1.03	1.13
	% INCREASE		25.35%	15.73%	9.71 %
	PERISHABLE CARGO	0.6	0.75	0.86	0.95
	% INCREASE		25%	15 %	10.47%

IMPORT CARGO(PER KG)	BUP CHARGE	FY 2022-23	FY 2023-24	FY 2024- 25	FY 2025- 26
	GENERAL CARGO	3.38	4.22	4.85	5.33
	% INCREASE		24.85 %	14.93%	9.90 %
	PERISHABLE /OTHER CARGO	3.38	4.22	4.85	5.33
	% INCREASE		24.85 %	14.93%	9.90 %

TSP CHARGES	2023-24	2024-25	2025-26
PERISHABLE	0.96	1.09	1.2
% INCREASE		13.54 %	10.09 %
GENERAL	1.14	1.3	1.43
% INCREASE		14.03 %	10 %
VALUABLE	7.2	8.2	9.03
% INCREASE		13.8 %	10.12 %

**\*\* DEMURRAGE CHARGES REMAINS THE SAME**

X-RAY	1.8	2.05	2.26
% INCREASE		13.88 %	10.24 %
SCREENING	1.8	2.05	2.26
% INCREASE		13.88 %	10.24 %
EXPORT DOCUMENTATION	500	570	627
(PER FLT.)		14%	10%

**EXPORT  
CARGO(PER  
KG)**



TSP CHARGES		2023-24	2024-25	2025-26
IMPORT CARGO(PER KG)	COMMERCIAL CARGO	5.4	6.16	6.78
	% INCREASE		14%	10%
	SPECIAL CARGO	10	11.4	12.54
	% INCREASE		14%	10%
	VALUABLE	7.2	8.2	9.03
	% INCREASE		13.8 %	10.12 %

TRANSSHIPMENT CHARGES(PER KG)				
IMPORT	I-I & I-D	3	3.42	3.76
	% INCREASE		14%	9.94%
EXPORT	I-I & I-D	2	2.28	2.51
	% INCREASE		14%	10.08%