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August 26 2019

To, The Chairperson Airports Economic Regulatory Authority AERA Building, Administrative Complex Safdarjung Airport, New Delhi-110003



28/8/19.

Sub: Our comments with respect to Consultation Paper No. 04/2019-20 bearing F.No. AERA/20010/EICI/C/MUM/CP-II/16-17-Vol I with respect to MYTP of Express Cargo Handling Services (Courier Handling Services) at Mumbai-reg.

Sir,

We refer to the above captioned Consultation Paper No 4/2019 that has been uploaded on your website.

We wish to submit our comments as under:

- 1. We are encouraged to see that AERA is ensuring that the Tariff proposals are scrutinised and the tariff is kept at reasonable levels not just in the present Consultation paper but for all other Airport operators as well.
- 2. The Express Industry Council of India being an industry body of the Express industry has done some commendable work in providing infrastructure for the express industry at Mumbai.

We are however concerned that the Express Terminal at Mumbai may be shut down in the very near future as we understand that the present Consultation paper appears to suffer from certain issues which need to be suitably addressed which are as under.

- (a) The Customs cost recovery charges which were always a pass through appear to have been added to the income of EICI for calculation of the tariff, however the expenses to be paid to Customs have not been taken into account. This appears to be a discrepancy which needs to be addressed and clarified.
- (b) It appears that EICI has been given a 5% profit margin for calculation of tariffs as opposed to 15% given to other Express operators.
- (c) The high tariffs charged by airport operators for lease rentals has still not been addressed and till the same is addressed the tariff cannot be brought down.

We are concerned that in case the above issues are not addressed immediately it may make the operations of EICI Express Terminal at Mumbai unviable and they may be forced to close down the terminal. We are writing to you to kindly take note of this to ensure that such a situation does not arise where the Express Terminal is shutdown as it will gravely impact our operations and we too will be forced to suspend operations at Mumbai which serves the business capital of India and the entire Western regions business needs for exports and imports.

Thanking you Yours sincerely

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SUBHASISH CHAKRABORTY CHAIRMAN & MANAGING DIRECTOR

DTDC Express Limited