

Federation of Indian Airlines

E-166, Upper Ground Floor, Kalkaji, New Delhi - 110019. Website: www.fiaindia.in

> <u>MOST URGENT &</u> <u>IMMEDIATE</u>

09 November 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:** FIA Response to the AERA CP.No.15/2023-24 dated 18<sup>th</sup> October 2023 for determination of tariff for Cargo handling services for M/s Kerala State Industrial Enterprises Limited ('KSIEL') at Thiruvananthapuram International Airport, for the Third Control Period (FY 2021-22 to FY 2025-26)

Dear Sir,

We, Federation of Indian Airlines ('**FIA'**), submit that the tariff proposed by AERA in Annexure II of the Consultation Paper no.15/2023-24 dated 18<sup>th</sup> October 2023 for determination of tariff for Cargo handling services for KSIEL at Thiruvananthapuram International Airport, for the Third Control Period (FY 2021-22 to FY 2025-26) ('**CP**'), for export international cargo operations have reflected an increase of 20% in FY23-24, over and above the existing 5% increase in interim approved rates provided by AERA on export cargo handling services vide Addendum to AERA order no. 42/2022-23 dated 28<sup>th</sup> June 2023, and a subsequent increase of 14% and 10% for FY24-25 and FY25-26, in this CP.

In this regard, it is submitted that such increase in tariff twice in one financial year of approx. 25% (twenty-five percent) and 10-14% year-on-year for services such as x-ray usage, screening and certification is enormous and will degenerate the growth of air cargo operations and negatively impact the airlines to generate the load from the Thiruvananthapuram International Airport.

In view of the above, we request AERA to not implement and approve such proposed hike in tariff, during this Control Period, which would precipitate adverse financial impact on the airlines. We look forward to your continued support in these challenging times.

Yours Truly,

For and on behalf of the Federation of Indian Airlines,

UJJWAL DEY Associate Director Copy to: Director (P&S Tariff), Airports Economic Regulatory Authority of India.