

**Consultation Paper No.12/2018-19**



**Airports Economic Regulatory Authority of India**

**TO CONSIDER THE MULTI YEAR TARIFF PROPOSAL AND ANNUAL TARIFF PROPOSAL FOR THE EXTENDED PERIOD OF THE CONTRACT WITH BIAL W.E.F. 24.05.2018 TO 23.05.2019 FOR THE SECOND CONTROL PERIOD IN RESPECT OF M/s INDIAN OIL SKYTANKING PRIVATE LIMITED FOR PROVIDING INTO PLANE SERVICES AT KEMPAGOWDA INTERNATIONAL AIRPORT, BENGALURU**

**New Delhi: 3<sup>rd</sup> August, 2018.**

**AERA Building  
Administrative Complex  
Safdarjung Airport.  
New Delhi.**

M/s Indian Oil Skytanking Private Limited (IOSL) is one of the Into Plane Fuelling Service (ITP) provider appointed by BIAL at Kempegowda International Airport, Bengaluru. The Authority, vide its MYTO Order No. 19/2011-12 dated 25.10.2011, had decided to adopt 'Light Touch Approach' in respect of the Indian Oil Skytanking Private Limited for providing Into Plane Services at Bangalore airport for determination of tariffs for the first control period and also decided the tariff for first tariff year (2011-12). Subsequently, the Authority vide Order No. 25/2012-13 dated 29.10.2012, determined the tariff for second tariff year. Thereafter, the Authority issued Order No. 21/2013-14 dated 24.05.2013, determining tariffs for the third, fourth and fifth tariff year (FY 2013-14, 2014-15 and 2015-16) of the first control period.

- 1.1 The Authority vide its Order No. 50/2015-16 dated 31.03.2016 allowed the AOs/ISPs to continue the levy of tariffs existing as on 31.03.2016 up to 30.09.2016 or till the determination of tariffs for the second control period, whichever is earlier. The Authority vide its Order No. 11/2016-17 dated 29.09.2016 extended the levy of tariffs as on 31.03.2016 up to 31.03.2017 or till the determination of tariffs for the second control period, whichever is earlier.

## **2. MYTP/ATP submissions made by IOSL for second control period**

- 2.1 The Authority vide Order No. 05/2017-18 dated 12.06.2017, decided to adopt '**Light Touch Approach**' for determination of tariffs in respect of IOSL for its ITP services at Bangalore airport during the second control period with effect from 01.04.2016 to 31.03.2021. In the same order, the Authority also determined the tariff for First, Second and Third tariff year (up to 24.05.2018) as their contract with BIAL was valid upto 24.05.2018 only.
- 2.2 IOSL, now, vide letter dated 28.05.2018 (**Annexure-I**), has informed that their existing contract for ITP Services at Bangalore Airport which was valid upto 24.05.2018, has been further extended by one year by BIAL w.e.f. 24.05.2018 to 23.05.2019 vide supplementary agreement dated 23.05.2018. IOSL has also enclosed a copy of the supplementary agreement. IOSL, further vide Letter dated 12.06.2018 (**Annexure-II**) has submitted MYTP/ATP for the extended period (24.05.2018 to 23.05.2019) of the second control period for consideration/approval of the Authority in line with the supplementary agreement. In the said proposal, IOSL has sought 5% escalation in rates from existing rate of Rs 268.03 to Rs 281.43 per Kl for aircraft fueling.

- 2.3 IOSL has requested to maintain confidentiality of its agreements with clients, their financials which are sensitive to their business. They have further specified the list of forms which can be uploaded on the website.
- 2.4 IOSL has requested the approval of its tariff for the period of one year w.e.f. 24.05.2018 to 23.05.2019 of the second control period as mentioned below:

Tariff Year		Aircraft Fuelling	Aircraft De-Fuelling		Aircraft Re-Fuelling De-Fuelled Product into an Aircraft	
			Within 6 hrs.	Beyond 6 hrs.	Within 6 hrs.	Beyond 6 hrs.
2 <sup>nd</sup> Control Period	Tariff year-3 (24.05.2018 to 31.03.2019)	281.43	281.43	337.71	309.56	337.71
	Tariff Year-4 (01.04.2019 to 23.05.2019)	281.43	281.43	337.71	309.56	337.71

- 2.5 IOSL has submitted the following information/justifications in support of the proposed 5% increase in tariff:
- 2.5.1 The Authority had decided to adopt “Light Touch Approach” for determining the tariff for the first control period in respect of ITP services being provided by IOSL at Bangalore Airport in view of the services being “Material & Competitive” & based on the reasonableness of the user agreement entered into with the users.
- 2.5.2 Vide Order No. 21/2013-14 dated 24<sup>th</sup> May 2013, AERA had determined the tariff for Bangalore ITP at Rs 268.03/Kl effective 01.06.2015 to 31.03.2016. There has been no escalation in the rates for past three years and IOSL has been charging the same tariffs.
- 2.5.3 ITP operations are predominantly manpower oriented & huge investment in attracting and retaining the manpower is required. Manpower cost constitutes a major portion of input costs. In line with the industry norms, the salaries are being increased to the tune of 10% to 12% per annum.
- 2.5.4 IOSL has inducted thirty one additional manpower for taking care of the refuelling operations.

- 2.5.5 The maintenance cost of the vehicles includes imported parts, which are to be changed at regular interval due to wear & tear of the parts. Since most of the components on hydrant dispensers are imported, the cost increases due to Rupee-Dollar fluctuations.
- 2.5.6 IOSL has also invested heavily on capital items i.e dispensers & Refillers. These vehicles have specifically been designed for Open Access airports where hydrant facilities are available & cannot be utilized at any other airport other than Mumbai, Delhi and Bangalore. Further these equipments need to be changed after eight years in order to meet pollution norms.
- 2.5.7 The other revenue costs than the manpower costs also increase yearly to the tune of approximately 10% to 15%.
- 2.5.8 During the current financial year 2017-18, there was an increase in volumes only to the tune of 5.53% as compared to 2016-17.
- 2.5.9 With the increase in expenditure to the tune of 10% to 15%, the year on year increase of 5% is justified. The ITP operators also are at risk in case there is a decrease in volumes or if the increase in volumes does not commensurate the increase in cost. Also the justification given by AERA for increase in throughput can not be considered, since any increase would amount to additional manpower & capital investments.
- 2.5.10 There has been no escalation in the tariff for Bangalore ITP for the last three years & the ITP operators are still charging the tariff which was determined by AERA w.e.f. 01.06.2015.
- 2.5.11 M/s IOSL has submitted Annual Compliance Statements for FY 2016-17 and FY 2017-18 (**Annexure-III**).

### **3. Examination of the proposal:**

- 3.1 The Authority vide Order No. 05/2017-18 dated 12.06.2017 has already decided to adopt '**Light Touch Approach**' for determination of tariffs in respect of IOSL for its ITP services during the second control period with effect from 01.04.2016 to 31.03.2021 as their services are '**Material but competitive**'. In the same order, the Authority has also determined the tariff for first, second and third tariff year (up to 24.05.2018). Hence IOSL proposal for the extended period may be considered under Light Touch Approach only. Now, only ATPs are to be considered for the extended period of contract that is for 3<sup>rd</sup> tariff Year (24.05.2018 to 31.03.2018) and for 4<sup>th</sup> tariff year (01.04.2019 to 23.05.2019).
- 3.2 No stakeholder consultation has been done by IOSL on the proposed tariff for the extended period of contract.

- 3.3 Annual escalation in tariff on the basis of WPI is stipulated the concession agreement between IOSL and BIAL.
- 3.4 M/s IOSL has submitted that the last 5% increase in tariff was approved by the Authority for FY 2015-16 (01.06.2015 to 31.03.2016) at Rs 268.03/Kl.
- 3.5 M/s IOSL has submitted that with an increase in expenditure to the tune of 10% to 15%, the year on year increase of 5% is justified.
- 3.6 A comparative of Annual Compliance statement for the first control period and for FY 2016-17 and FY 2017-18 of second control period (**Annexure-IV**) shows that:
- 3.6.1 Total revenues have grown by 98% from Rs 7.30 crores in FY 2011-12 to Rs 14.50 crores in FY 2017-18.
- 3.6.2 The operating profit has gone up by 78% from Rs 3.87 crores in FY 2011-12 to 6.89 crores in 2017-18. However the profit which was Rs 8.18 crores in FY 2016-17 is reduced to Rs 6.89 crores in FY 2017-18 by 15.7%.
- 3.6.3 The profit margin on revenue was 53% in FY 2011-12 and 47% in FY 2017-18.
- 3.6.4 Return on Average RAB is 639% in FY 2016-17 and 276% in FY 2017-18.
- 3.6.5 Total volume of fuel off take has been increased by 48% from 364670 kl in 2011-12 to 541055 kl in 2017-18 and increase in volume from FY 2016-17 to FY 2017-18, is 5.52%.
- 3.6.6 Capex is 1.84 cr in in FY 2016-17 and 1.45 cr FY 2017-18.
- 3.7 The Authority observed that IOSL is earning high Return on Average RAB i.e. 639% for FY 2016-17 and 276% in 2017-18. The profit margin on sales stands as 59% in FY 2016-17 and 47% in FY 2017-18. Further the profit before tax is 8.18 crores in FY 2016-17 and Rs 6.89 crores in FY 2017- 18 and volume of fuel throughput is increased by 5.52% from FY 2016-17 to 2017-18.
- 3.8 The Authority is of the view that 'the Guidelines' need not be followed in a routine manner. Further even in 'Light Touch approach,' the Authority examines the margins, the growth of profit and return on RAB to ensure that extraordinary profits do not accrue to the service provider and that the ultimate customer is not burdened with higher tariffs as the latter does not have much say in the User Agreements.

#### 4. Proposal

The Authority, after careful consideration of the Annual Tariff Proposal for the extended period of the contract i.e. third tariff year (24.05.2018 to 31.03.2019) and fourth tariff year (01.04.2019 to 23.05.2019), makes the following proposal for stakeholder consultation:

- 4.1 Keeping in view the facts as stated at para 3 above, it is proposed that the proposed 5% increase in tariff as sought by M/s IOSL may not be allowed and the same tariff existing as on 31.03.2016, may be allowed for 3<sup>rd</sup> tariff year (24.05.2018 to 31. 03.2019) and 4<sup>th</sup> tariff year (01.04.2019 to 23.05.2019) during second control period as per **Annexure-V**.
5. In accordance with the provisions of Section 13(4) of the AERA Act, the proposal contained in para 4 above is hereby put forth for stakeholder consultation. To assist the stakeholders in making their submissions meaningful and constructive manner, necessary documents are enclosed as annexures to the consultation paper. For removal of doubts, it is clarified that the contents of this Consultation Paper may not be construed as any Order or Direction of this Authority. The Authority shall pass an Order, in the matter, only after considering the submissions of the stakeholders in response hereto and by making such decision fully documented and explained in terms of the provisions of the Act.
6. The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in para 4 above, latest by **23.08.2018** at the following address:

**The Secretary,  
Airports Economic Regulatory Authority of India,  
AERA Building, Administrative Complex,  
Safdarjung Airport,  
New Delhi- 110003.  
Email: [puja.jindal@nic.in](mailto:puja.jindal@nic.in)  
Tel: 011-24695042  
Fax: 011-24695039**

**(S. Machendranathan)  
Chairperson**

1615/सफा (121)  
29/5/18

# IndianOil Skytanking

ISO 9001:2008, ISO 14001:2004 Certified

Ref / AV/AERA/BLR - ITP/ MYTP

The Secretary  
Airport Economic Regulatory Authority of India  
AERA Building, Administrative Complex  
Safdarjung Airport, New Delhi - 110 003

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण  
सफदरजंग एयरपोर्ट, नई दिल्ली - 110003  
Dated 29<sup>th</sup> May 2018

प्राप्त  
12340  
डाक नं.:  
तारीख: 29/05/18

Dear Madam,

**Subject: Multi Year Tariff proposal for second control period 24.05.2018 to 23.05.2019 for determination of Tariff for "Into Plane Service Fee" for Into Plane Services provided by M/s IndianOil Skytanking Pvt Ltd. (IOSPL) at Kempegowda International Airport, Bengaluru.**

1. AERA Vide order no 21/2013-14 dated 24.05.2013 had determined the tariff for Bangalore ITP at Rs 268.03 for the period 01.06.2015 to 31.03.2016 at Rs 268.03 / kl.
2. AERA Vide order no 05/2017-18 dated 12.06.2017 had retained the earlier tariff & determined the existing tariff for Bangalore ITP at Rs 268.03 for the period 01.04.2016 to 31.03.2017, 01.04.2017 to 31.03.2018 & 01.04.2018 to 24.05.2018.
3. AERA vide order no 43/2017-18 dated 28.03.2018 had further extended the same rates upto 30.09.2018 or determination of tariff whichever is earlier.
4. The contract for Bangalore ITP has been further extended by one year by BIAL vide supplementary agreement dated 23.05.2018. We are attaching copy of the agreement for extension for your records.
5. As per the agreement, the proposed rates for the one year period are as under.

29/5

S. Saxena

Tariff Year	Aircraft Fulling	Aircraft De-Fuelling		Aircraft Re-Fuelling De-Fuelled Product into an Aircraft	
		Within 6 hrs.	Beyond 6 hrs.	Within 6 hrs.	Beyond 6 hrs.
24.05.2018 to 23.05.2019	281.43	281.43	337.71	309.56	337.71

The above tariffs are escalated by 5% above the last approved rates in 2015 by AERA i.e 268.03 \* 1.05 = Rs 281.43 / kl.

6. It is pertinent to mention that for our tariff submission, the Authority has decided to adopt "Light Touch Approach" for determining the tariff for the first control period in respect of Into Plane Services being provided by M/s IndianOil Skytanking Pvt Ltd (IOSPL) at Kempegowda International Airport, Bengaluru in view of the services being "Material & Competitive" & based on the reasonableness of the user agreement entered into with the users.

1 / Page

*(Signature)*

IndianOil Skytanking Pvt. Ltd. Regd. Office : Fuel Farm Facility, Bangalore International Airport, Devanahalli,

Bangalore - 560 300. Tel : + 91 80 66783204 Fax : +91 80 66783205 CIN : U11202KA2006PTC040251

Website : www.indianoilskytanking.co.in e-mail : info@indianoilskytanking.co.in

7. Vide Order No. 21/2013-14 dated 24<sup>th</sup> May 2013 had determined the tariff for Bangalore ITP at Rs 268.09 / kl effective 01.06.2015. There has been no escalation in the rates for past three years & IOSPL has been charging the same tariffs.

Justification for increase in ITP rates.

- ❖ Inherently ITP operations are predominantly manpower oriented & huge investment in attracting and retaining the manpower is required. Manpower cost constitute a major portion of input costs. In line with the industry norms, the salaries are being increased to the tune of 10% to 12% per annum.
- ❖ We have inducted thirty one additional manpower for taking care of the refueling operations..
- ❖ The maintenance cost of the vehicles includes imported parts, which are to be changed at regular interval due to wear & tear of the parts. Since most of the components on hydrant dispensers are imported and the costs increase due to Rupee - Dollar fluctuations.
- ❖ We have also invested heavily on capital items i.e Dispensers & Re-fuelers. These vehicles have specifically been designed for Open Access airports where hydrant facilities are available & cannot be utilized at any other airport other than Mumbai, Delhi & Bangalore. Further these equipment's need to be changed after eight years in order to meet pollution norms.
- ❖ The other revenue cost other than the manpower costs also increase yearly to the tune of approximately 10% to 15%.
- ❖ During the current financial year 2017-18, there was an increase in volumes only to the tune of 5.53% as compared to 2016-17.
- ❖ With the increase in expenditure to the tune of 10% to 15%, the year on year increase of 5% is justified. The ITP operators also are at risk in case there is a decrease in volumes or if the increase in volumes does not commensurate the increase in cost. Also the justification given by AERA for increase in throughput can not be considered, since any increase would amount to addition manpower & capital investments.
- ❖ There has been no escalation in the tariff for Bangalore ITP for the last three years & the ITP operators are still charging the tariff which was determined wef 01.06.2015.]

From the above it is clear that the cost escalation is very much beyond 5% whereas the tariff escalation is capped at 5% in line with the agreement with BIAL. You will appreciate that, we have demanded an increase of only 5% which is justified & also in line with the agreement.

In view of the forgoing we request the authority to approve the tariff as stated in point no 5 above.

Thanking you,

Yours truly  
For IndianOil Skytanking Private Limited



Shantanu K Saxena  
Chief Financial Officer

**SHANTANU SAXENA**  
Chief Financial Officer  
IndianOil Skytanking Pvt. Ltd.  
Bangalore International Airport  
Bangalore



-9- ANNEXURE -II

# IndianOil Skytanking

ISO 9001:2008, ISO 14001:2004 Certified

180/संभव(पु)  
२०/६/१८

Ref : AV/AERA/BLR - ITP /MYTP 2018-19

Date : 12<sup>th</sup> June 2018

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

आर्थिक विमानपत्तन आर्थिक विनियामक प्राधिकरण  
सफदरजंग एयरपोर्ट, नई दिल्ली-110003

प्राप्त  
12438  
19/06/18

Dear Sir,

**Subject: Submission of Multi Year Tariff Proposal for 2018-19 & 2019-20 in Second Control Period 2016-17 to 2020-21 for determination of Tariff for "Into Plane Service Fee" for Into Plane Services provided by M/s IndianOil Skytanking Pvt. Ltd. (IOSPL) at Kempegowda International Airport, Bengaluru**

20/6  
A. Jain

1. IOSPL had submitted Multi Year Tariff Proposal (MYTP) for the Second control period for Into Plane Services provided at Kempegowda International Airport, Bengaluru vide application dated 08<sup>th</sup> March 2016 and 07<sup>th</sup> September 2016.
2. Based on the above, AERA passed an Order No.05/2017-18 issued on 12<sup>th</sup> June 2017 determining the tariff for the period 2016-17,2017-18 & upto 24-05-2018.
3. In the aforesaid Orders, the Authority decided to adopt "Light Touch Approach" for determination of tariff for the first control period in respect of Into Plane Services being provided by M/s IndianOil Skytanking Pvt. Ltd.(IOSPL) at Kempegowda International Airport, Bengaluru in view of the services being "material and competitive" and based on the reasonableness of the user agreements entered into with the users.
4. BIAL has Extended Sub Concession Agreement for a period of one year starting from 24<sup>th</sup> May 2018 to 23<sup>rd</sup> May 2019 with 5% escalation in Rates from Rs. 268.03 to Rs.281.43 per KL for Aircraft Fuelling.
5. We had submitted vide letter dated 28<sup>th</sup> May 2018 ref.: AV/AERA/BLR-ITP/MYTP requesting MYTP proposal for second control period 24.05.2018 to 23.05.2019 for determination of Tariff for "Into Plane Service Fee" for Into Plane Services provided by M/s IndianOil Skytanking Pvt Ltd. (IOSPL) at Kempegowda International Airport, Bengaluru (Copy of Letter & agreement once again attached for your ready reference).

Page 1 of 3

-10-

7. we are attaching relevant forms duly filled for your examination / Scrutiny for revising the tariff in case of Bangalore ITP in line with the agreement with BIAL.

**8. Confidentiality of the documents submitted:**

You may kindly note that we are bound to ensure confidentiality of our client agreements and its terms and the disclosure made herein above is to ensure compliance with the AERA Guidelines.

The terms of the Agreements

However, we understand that from a regulatory perspective, it is essential to bring the proposal into public domain in order to determine the tariff, and as such, we do not have any objection to uploading of the tariff proposal determined by us, with references to the agreements between us and the service providers.

We also request you to kindly ensure confidentiality of our financials which are sensitive to our businesses and request you to upload on your website only the following financial formats submitted by us:

SN	Form No	Description
1	Form – F1 (a)	Historical and Proposed Aggregate Revenue Requirement
2	Form – F1 (b)	Competition Assessment
3	Form – F5	Cost of Equity and Post Tax FROR Forecast
4	Form – F6 (c)	Contributions, Grants and Subsidies Master
5	Form – F8 (a)	Format for providing Asset-wise information of stakeholder contributions.
6	Form - F8 (b)	Format for providing proposed exclusions from RAB.
7	Form – F10 (a)	Capital Projects Completed before Review of roll-forward of RAB
8	Form – F10 (b)	Capital Expenditure Projected Plan- 10 Year Master
9	Form – F10 (c)	Year wise Capital Expenditure Financing Plans for next 10 years
10	Form – F10 (d)	Summary Statement of Expenses Capitalized
11	Form – F10 (e)	Additional Capital Projects Summary
12	Form – F11 (a)	Employee Strength
13	Form – F12 (a)	Historical and Projected Cargo Volumes in Tonnes – Not Applicable to IOSL
14	Form – F12 (b)	Historical Aircraft Movements
15	Form – F12 (c)	Projected Aircraft Movements
16	Form – F12 (d)	Historical and Projected fuel throughput in kilolitres.
17	Form – F13 (b)	Historical and Projected Revenues from services other than Regulated Services.
18	Form – 14 (b)	Annual Tariff Proposal for Tariff Year t – Format for providing Information on Tariff(s)
19	Form – F18	Revenue from Services other than Regulated Services recovered during the Tariff Year
20	Form - F21	RAB Reconciliation Statement.

**Approval Sought:**

We hereby solicit grant of approval from the Hon'ble Authority to the following tariff for the balance period of the Second Control Period of 1 year beginning 24.05.2018 to 23.05.2019:-

Rate - Rs/KL

Tariff Year		Aircraft Fuelling	Aircraft De-Fuelling		Aircraft Re-Fuelling De-Fuelled Product into an Aircraft	
			Within 6 hrs.	Beyond 6 hrs.	Within 6 hrs.	Beyond 6 hrs.
2 <sup>nd</sup> Control Period	Tariff Year-3 (24-05-2018 to 31-03-2019)	281.43	281.43	337.71	309.56	337.71
	Tariff Year-4 (01-04-2019 to 23-05-2019)	281.43	281.43	337.71	309.56	337.71

In view of above submission, we request for kind approval of the Hon'ble Authority at the earliest.

Kindly acknowledge receipt.

Thanking you,

Yours truly,  
For IndianOil Skytanking Private Limited,



(Shantanu Saxena)  
Chief Financial Officer  
**SHANTANU SAXENA**  
Chief Financial Officer  
IndianOil Skytanking Pvt. Ltd.  
Bangalore International Airport  
Bangalore

IndianOil Skytanking Private Limited  
Bangalore - Into Plane Services

Figs in Rs.

Form F.16: Performance Report for the Tariff Year (ref: Section A1.9 of Appendix I)

	Actual Tariff Year 2016-17
Total Revenue from Regulated Services(1)	1374,96,139
Total Revenue from Services other than Regulated Services(2)	
Operating Expenditure(3)	528,14,893
Depreciation(4)	28,43,472
Total Expenditure (3)+(4)=(5)	556,58,366
Regulatory Operating Profit(1)-(2)-(5)=(6)	818,37,773
Capital Expenditure(7)	184,25,956
Opening RAB (8)	54,28,479
Disposals/Transfers(9)	8,39,321
Closing RAB(8)+(7)-(9)=(10)	201,71,642
Average RAB (8)+(10) /2=(11)	128,00,060
Return on Average RAB (6) / (11)	6.39
Total Volume (Cargo/Fuel throughput /ATM) (12)	5,12,724.000
Actual Yield per unit (12/1)	268.17

#Fields in italics are only required for Service Provider deemed "Material" and "Non-Competitive".

We have verified the above details and found the same to be in order

For B.R.V. Goud & Co.  
Chartered Accountants



A.B. Shiva Subramanyam  
Partner

Place: Bangalore  
Date: 26-10-2017

For IndianOil Skytanking Private Limited

T. S Dupare  
CEO

Shantanu Saxena  
CHANTANU SAXENA  
Chief Financial Officer  
IndianOil Skytanking Pvt. Ltd.  
Bangalore International Airport  
Bangalore

**IndianOil Skytanking Private Limited**  
**Bangalore - Into Plane Services**

Figs in Rs.

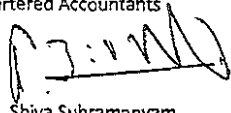
Form 16 (Performance Report for the Tariff Year (re) Section A (50) Appendix I)

Total Revenue from Regulated Services (1)	14,50,45,678
Total Revenue from Services other than Regulated Services (2)	
Operating Expenditure (3)	7,12,66,356
Depreciation (4)	48,79,562
Total Expenditure (3)+(4)=(5)	7,61,45,918
Regulatory Operating Profit (1)-(2)-(5)=(6)	6,88,99,760
Capital Expenditure (7)	1,44,72,687
Opening RAB (8)	2,01,71,642
Disposals/Transfers (9)	-
Closing RAB (8)+(7)-(9)=(10)	2,97,64,767
Average RAB (8)+(10)/2=(11)	2,49,68,205
Return on Average RAB (6)/(11)	2.76
Total Volume (Cargo/Fuel throughput/ATM) (12)	5,41,055.639
Actual yield per unit (12/1)	268.08

#Fields in italics are only required for Service Provider deemed "Material" and "Non-Competitive".

We have verified the above details and found the same to be in order

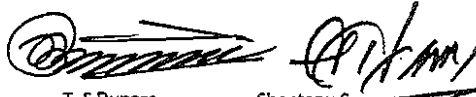
For B.R.V. Goud & Co.  
 Chartered Accountants



A.B. Shiva Subramanyam  
 Partner



For IndianOil Skytanking Private Limited



T. S. Dupare  
 CEO

Shantanu Saxena  
 CFO

Place: Bangalore  
 Date: 03-05-2018

G. HANDESHWAR J.

## M/s Indian Oil Skytanking Limited, Bangalore

Rs in Crores

## COMPARATIVE OF ANNUAL COMPLIANCE STATEMENT FOR THE FIRST CONTROL PERIOD TO 31.03.2018

Particular	Performance Report for the Years	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
		Actual	Actual	Actual	Actual	Actual		
<b>1</b>	<b>Revenue:</b>							
1.1	A-Regulated Services-Ground Handling	7.3	7.34	10.68	9.85	11.74	13.74	14.5
1.2	A-Cargo Handling	0	0	0	0	0	0	0
1.3	Other than Regulated Services	0	0	0	0	0	0	0
	<b>Total Revenue</b>	<b>7.3</b>	<b>7.34</b>	<b>10.68</b>	<b>9.85</b>	<b>11.74</b>	<b>13.74</b>	<b>14.5</b>
<b>2</b>	<b>Expenditure:</b>							
2.1	Operating Expenditure	2.55	2.84	3.85	4.05	5.04	5.28	7.12
2.2	Depreciation	0.88	0.92	0.92	1.64	1.63	0.28	0.49
	<b>Total Expenditure (3+4)</b>	<b>3.43</b>	<b>3.76</b>	<b>4.77</b>	<b>5.69</b>	<b>6.67</b>	<b>5.56</b>	<b>7.61</b>
<b>3</b>	<b>Regulatory Operating Profit (1)+(2)-(5)=(6)</b>	<b>3.87</b>	<b>3.58</b>	<b>5.91</b>	<b>4.16</b>	<b>5.07</b>	<b>8.18</b>	<b>6.89</b>
<b>4</b>	<b>CAPEX</b>							
4.1	Opening RAB	5.89	5.52	4.61	3.68	2.06	0.54	2.02
4.2	Capital Expenditure	0.51	0	0	0.01	0.11	1.84	1.45
4.3	Disposals/Transfers	0	0	0	0	0	0.08	0
4.4	Depreciation	0.88	0.92	0.92	1.64	1.63	0.28	0.49
4.5	Closing RAB	5.52	4.6	3.69	2.05	0.54	2.02	2.98
4.6	Average RAB {(4.1+4.3)}	5.71	5.06	4.15	2.87	1.3	1.28	2.5
<b>5</b>	<b>Return on Average RAB (3/4.6)</b>	<b>68%</b>	<b>71%</b>	<b>142%</b>	<b>145%</b>	<b>390%</b>	<b>639%</b>	<b>276%</b>
<b>6</b>	<b>B Total Volume (KL)</b>	<b>364670</b>	<b>367144</b>	<b>358882</b>	<b>388541</b>	<b>441399</b>	<b>512724</b>	<b>541055</b>
<b>7</b>	<b>Actual Yield Per Unit (A/B)</b>	<b>200</b>	<b>200</b>	<b>298</b>	<b>254</b>	<b>265</b>	<b>268</b>	<b>268</b>

ANNEXURE-V

<b>M/s Indian Oil Skytanking Limited</b>					
<b>KIA, Bangalore</b>					
<b>Tariff Card for the 3rd and, 4th Tariff Year of Second Control Period (Extended period)</b>					
<b>(Amount in Rs. Per Kl)</b>					
<b>Period</b>	<b>Fuelling of Aircraft</b>	<b>Defuelling of Aircraft</b>		<b>Refuelling of Defuelled Product</b>	
		<b>Within 6 Hours</b>	<b>Beyond 6 Hours</b>	<b>Within 6 Hours</b>	<b>Beyond 6 Hours</b>
24.05.2018 to 31.03.2019	268.03	268.03	321.63	294.82	321.63
01.04.2019 to 23.05.2019	268.03	268.03	321.63	294.82	321.63