

Consultation Paper No. 01/ 2021-22



Airports Economic Regulatory Authority of India

IN THE MATTER OF DETERMINATION OF AERONAUTICAL TARIFF FOR M/S INDIAN OIL SKYTANKING PRIVATE LIMITED (IOSPL) PROVIDING INTO PLANE SERVICES (ITP) AT CSI AIRPORT, MUMBAI FOR THE 3RD CONTROL PERIOD (FY 2021-22 TO FY 2025-26).

Date of Issue: 08th April, 2021

AERA Building
Administrative Complex
Safdarjung Airport
New Delhi – 110003

STAKEHOLDER COMMENTS

The Authority is aware of the fact that the Aviation Sector is passing through unprecedented turbulence and uncertainty on account of the COVID-19 global pandemic and the associated lockdown situation in the major cities around the world has resulted in restrictions in air travel both domestic and international in the Year 2020 and further extended in some cities in the current year. The Authority in this Consultation Paper has put forward proposals based on Authority's analysis and observations on the Multi Year Tariff Proposal (MYTP) submitted by M/S Indian Oil Skytanking Private Limited (IOSL) for providing into Plane Services at CSI Airport, Mumbai. The Authority while proposing the revision in various elements of building blocks has considered the impact of COVID-19 global pandemic and the prevailing business scenario including the fuel throughput (volume) and capital expenditure and shall consider revised submissions by the independent service provider at the time of stakeholder consultation process to form a final view on the elements of building blocks forming part of the tariff determination process.

Thus, in accordance with the provisions of Section 13(4) of the AERA Act, written comments on Consultation Paper No. 01/2021-22 dated 08/04/2021 are invited from the stakeholders, preferably in electronic form at the following address;

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Last Date for submission of Stakeholders' comments: 07/05/2021

Last Date for submission of counter comments: 17/05/2021

Comments and counter comments will be posted on AERA's website www.aera.gov.in

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List of Contents

CHAPTER 1. INTRODUCTION	7
CHAPTER 2. METHODOLOGY FOR TARIFF DETERMINATION PROCESS	10
CHAPTER 3. FUEL THROUGHPUT FORECAST	13
CHAPTER 4. CAPITAL EXPENDITURE	16
CHAPTER 5. DEPRECIATION	21
CHAPTER 6 REGULATORY ASSET BASE (RAB).....	243
CHAPTER 7. FAIR RATE OF RETURN (FROR).....	25
CHAPTER 8. NON-AERONAUTICAL REVENUE.....	27
CHAPTER 9. OPERATION AND MAINTENANCE EXPENDITURE	28
CHAPTER 10. PROVISION FOR TAXATION	34
CHAPTER 11. AGGREGATE REVENUE REQUIREMENT (ARR)	37
CHAPTER 12. ANNUAL TARIFF PROPOSAL	41
CHAPTER 13. SUMMARY OF AUTHORITY'S PROPOSALS.....	43
CHAPTER 14. STAKEHOLDERS' CONSULTATION TIMELINE	45

List of Tables

Table No.	Content	Page no.
1.	Statement of Revenue Profitability, RAB and Return on RAB as per the Annual Accounts for the FY 2016-17 to 2019-20	7
2.	Projected Revenues, Profitability, RAB and Return on Average RAB as per projected Accounts of IOSPL, Mumbai	8
3.	Year on Year (%) Increase in Tariff Proposed by IOSPL, Mumbai for the 3rd Control Period	8
4.	Technical Details of IOSPL, Mumbai	8
5.	Actual & Estimated Fuel Throughput submitted by IOSPL, Mumbai, during the Second Control Period	13
6.	Projected Fuel Throughput during the 3rd Control Period as per IOSPL, Mumbai and CAGR & Computation done by the Authority	13
7.	Assumption used by the Authority for Determining ATMs Traffic at CSIA, Mumbai	14
8.	Revised Fuel Throughput (Volume) Projections proposed by the Authority	15
9.	Actual Capital Expenditure of IOSPL, Mumbai for the FY 2016-17 to 2019-20	16
10.	Capital expenditure as projected by IOSPL, Mumbai for the 3rd control period	16
11.	Year wise Projection of Capital Expenditure on Refurbishment of Vehicles for FY 2021-22 to 2024-25	18
12.	Projected Capital Expenditure proposed by the Authority for IOSPL, Mumbai	19
13.	Depreciation (Asset-wise) as projected by IOSPL, Mumbai for 3rd control period	21
14.	Depreciation Rates as per AERA Order No. 35 / 2017-18 and Useful Life of Assets applied by IOSPL, Mumbai	21
15.	Revised Depreciation Proposed by the Authority for IOSPL, Mumbai for 3rd Control Period	22
16.	RAB's Details as per the Audited Annual Statements of IOSPL, Mumbai	23
17.	RAB submission by IOSPL, Mumbai for 3rd Control Period	23
18.	RAB proposed by the Authority for IOSPL, Mumbai for the 3rd Control Period	24
19.	Determination of FRoR for 3rd control period as submitted by IOSPL, Mumbai	25
20.	FRoR proposed by Authority for IOSPL, Mumbai for the 3 rd Control Period	25
21.	Projected Non-Aeronautical Revenue of IOSPL, Mumbai for the 3rd control period	27
22.	Non-Aeronautical Revenue Proposed by the Authority for IOSPL, Mumbai	27
23.	Growth rates in O&M as per IOSPL, Mumbai for the 3rd control period	28
24.	Projected Operation and Maintenance Expenditure & CAGR (FY21-22 to FY25-26) - IOSPL, Mumbai	29
25.	Actual & Projected Department-wise Full-Time No. of Employees-IOSPL, Mumbai	29
26.	Projected Airport Operator Fees & CAGR (FY21-22 to FY25-26) - IOSPL, Mumbai.	29
27.	Actual Operation and Maintenance Expenditure & CAGR (FY16-17 to FY19-20)	30
28.	Category wise percentage share of expenditure in the Total Operation & Maintenance Expenditure	30
29.	Percentage (%) Increase in Operation and Maintenance Expenditure Proposed by the Authority for revision of Operation and Maintenance Expenditure for IOSPL, Mumbai	32
30.	Revised Operating and Maintenance Expenditure proposed by the Authority for the 3rd control period	32
31.	Provision for Taxation as per IOSPL, Mumbai's submission for 3rd Control Period	34

32.	Corporate Tax Rate used by IOSPL, Mumbai & as per the provisions of Section 115BAA of Income Tax Act, 1961	35
33.	Revised Provision for Taxation as proposed by the Authority	36
34.	IOSPL, Mumbai submission of Aggregate Revenue Requirement (ARR) and Yield as per Unit for the 3 rd control period	37
35.	Comparative Statement of Revenue, Profitability, RAB and Return on RAB for the 3 rd control period	38
36.	Revised Aggregate Revenue Requirement (ARR) proposed by the Authority for IOSPL, Mumbai for the 3 rd control period	39
37.	Tariff Proposal by IOSPL, Mumbai for the 3rd Control Period	41
38.	YoY Increase (%) in Tariff Proposed by IOSPL Mumbai for the 3rd Control Period	42
39.	Tariff Rate Proposed by the Authority for the 3rd Control Period	42

List of Abbreviations

Abbreviation	Full Form
AAI	Airports Authority of India
ACS	Annual Compliance Statement
AERA	Airports Economic Regulatory Authority of India
ARR	Aggregate Revenue Requirement
ATM	Aircraft Traffic Movement
AUCC	Airport Users Consultative Committee
BPCL	Bharat Petroleum Corporation Limited
CAGR	Compounded Annual Growth Rate
CAPEX	Capital Expenditure
DDF	Dirt Defence Filters
FRoR	Fair Rate of Return
CSMIA	Chhatrapati Shivaji Maharaj International Airport
GoI	Government of India
GST	Goods and Services Tax
HD	Hydrant Dispensers
HPCL	Hindustan Petroleum Corporation Limited
IOCL	Indian Oil Corporation Limited
IOSPL	IndianOil Skytanking Private Limited
JIG	Joint Inspection Group
KL	Kiloliter
MoCA	Ministry of Civil Aviation
MYTP	Multi-Year Tariff Proposal
NAR	Non-Aeronautical Revenue
OMCs	Oil-Marketing Companies
OPEX	Operating Expenditure
RAB	Regulatory Asset Base
RF	Re-fullers
ST	Skytanking Holding GmbH, Germany
UDF	User Development Fees
YOY	Year on Year
YPU	Yield Per Unit

CHAPTER 1. INTRODUCTION

- 1.1. IndianOil Skytanking Private Limited (IOSPL) is a Joint Venture of Indian Oil Corporation Limited (IOCL) and M/s Skytanking Holding GmbH, Germany (ST) with 50:50 equity participation. IOSPL was incorporated on 21st August 2006 and involved in implementing Open Access Model in Fuel Farm Operations and Single Man Refueling in India.
- 1.2. IndianOil Skytanking Private Limited (IOSPL) is in the business of handling Jet Fuel for Airlines on behalf of the suppliers and started providing Into Plane Services w.e.f. 1st January, 2015 at Chhatrapati Shivaji International Airport (CSIA), Mumbai.
- 1.3. M/s Indian Oil Skytanking Private Limited (IOSPL), Mumbai has submitted on 1st December 2020, the Multi-Year Tariff Proposal for the 3rd Control Period under the Light Touch Approach for four financial years (FY 2021-22 to FY 2024-25) as the concession term of IOSPL, Mumbai is valid till 1st January 2025.
- 1.4. AERA vide Order No. 12/2015-16 dated 27th May 2015 determined the tariff of Into Plane Services provided by M/s Indian Oil Skytanking Private Limited (IOSPL) at CSI Airport, Mumbai effective from 1st January 2015 for FY 2015-16 for the first Control Period.
- 1.5. Subsequently, AERA vide Order No. 28/2017-18 dated 8th December 2017 determined the tariff under Light Touch Approach for Into Plane Services effective from 01.01.2018 for FY 2017-18 and FY 2018-19 for the Second Control Period.
- 1.6. The tariff for the remaining two years i.e., 4th tariff year (FY 2019-20) and 5th tariff year (FY 2020- 21) of the Second Control Period (01.04.2015 to 31.03.2021), AERA has decided to maintain/continue levy of tariff existing as on 31.03.2019 for Into Plane Services offered at CSI Airport, Mumbai which is valid till 31.03.2021 (Order No. 19/2020-21 dated 01.07.2020).
- 1.7. The Authority examined the annual accounts of IOSPL, Mumbai for the FY 2016-17 to 2019-20, noted that the actual Return on average RAB ranged from 17.89% to 51.66%, as shown below:

Table 1 :Statement of Revenue Profitability, RAB and Return on RAB as per the Annual Accounts of IOSPL, Mumbai for the FY 2016-17 to 2019-20

Particulars	Amount (Rs. in Lakhs)			
	2016-17	2017-18	2018-19	2019-20
Revenue	2,150.04	2,541.38	3,200.96	2,544.63
Profit after Tax	392.99	621.30	924.64	360.18
Average RAB	2,197.07	2,068.75	1,789.80	1,578.21
Return on Average RAB (%)	17.89	30.03	51.66	22.82

- 1.8 The projected Revenue, Profit after Tax and Return on Average RAB as per the projected accounts of IOSPL, Mumbai, as part of their MYTP submissions for 3rd Control Period is given in Table 2 for reference:

Table 2 : Projected Revenues, Profitability, RAB and Return on Average RAB as per projected Accounts of IOSPL, Mumbai

(Rs. in Lakhs)

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26
Revenue	2351.05	3085.76	3888.05	4694.83	5422.52
Profit after Tax	20.53	348.12	791.69	1245.92	1553.73
Average RAB	1329.82	1798.65	2000.50	2103.95	2025.18
Return on Average RAB (%)	1.54%	19.35%	39.57%	59.22%	76.72%

1.9. The tariff proposal submitted by IOSPL, Mumbai for Into Plane Services at CSI Airport, Mumbai for the 3rd Control Period shows more than 87% to 104% increase in Tariff in FY 2021-22 over the tariff approved by AERA for FY 2020-21 which is shown in the Table 3 below:

Table 3: Year on Year (%) Increase in Tariff Proposed by IOSPL, Mumbai for the 3rd Control Period

Particulars		% Change in Tariff Over previous Year			
		2021-22	2022-23	2023-24	2024-25
Fuelling of Aircraft		87.63	4.40	4.40	4.40
Defuelling of Aircraft	Within 6 hours	85.75	4.40	4.40	4.40
	Beyond 6 hours	78.32	4.40	4.40	4.40
Aircraft Refuelling De-fuelled Product into an Aircraft	Within 6 hours	104.33	4.40	4.40	4.40
	Beyond 6 hours	78.32	4.40	4.40	4.40

1.10. IOSPL has submitted copy of the User Agreements with Oil Marketing Companies (OMCs). The validity of User Agreement with Hindustan Petroleum Corporation Limited (HPCL) is till 5th November, 2024 and with Indian Oil Corporation Limited (IOCL) is till 31st October, 2024.

1.11. IOSPL is providing Into Plane Services w.e.f. 1st January, 2015 at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai through a concession awarded by MAFFFPL for 10 years. The concession term of IOSPL, Mumbai is valid till 1st January 2025.

1.12. IOSPL, Mumbai has submitted the “Business plan for Mumbai ITP Services” for FY 2021-22 to FY 2025-26. As per the Business Plan IOSPL, Mumbai has following Refuelling Equipments:

Table 4 : Technical Details of IOSPL, Mumbai

Refuelling Equipments	Nos.
Aircraft Hydrant dispensers	17
Aircraft Refuellers	11
Total	28

- 1.13. IOSPL has also submitted the audited accounts for the Financial Year 2016-17 to 2019-20 as per the statutory requirement of AERA Act and Guidelines issued from time to time. IOSPL has also submitted the projected accounts for the Financial Year 2021-22 to 2025-26.
- 1.14. The depreciation rates, for the purpose of the tariff determination exercise, have been considered based on AERA's Order no. 35/2017-18 dated 12th January, 2018 as well as Amendment to Order no. 35/2017-18 dated 9th April, 2018. The useful life of the assets as determined by AERA also forms the basis for the depreciation of assets of IOSPL.
- 1.15. IOSPL, Mumbai has projected the Airport Operator Fees @ 6% of the Aeronautical Revenue whereas the Authority has proposed to cap the Airport Operator Fees @ 5% of the Aeronautical revenue based on AERA Order No. 01/2018-19 dated 5th April 2018 on Capping the amount of Royalty/ licence Fee / Revenue Share payable to Airport Operator as a "pass through" expenditure for the Independent Service Providers providing Cargo Facility, Ground handling, Supply of Fuel to Aircrafts at Major Airports.
- 1.16. IOSPL has submitted the audited annual accounts for FY 2016-17 to FY 2019-20 for its standalone operations, Segmented Revenue and profitability Statements for FY 2016-17 to FY 2019-20 for IOSPL, Mumbai Unit, Minutes of the stakeholders meeting held on 21st December, 2020 and Regulatory filing as per AERA CGF Guidelines, information on assets wise and year wise Capital expenditure, Other income etc. in response to AERA e-mails dated 4th February, 2021 and 10th February, 2021, then on 15th & 16th March, 2021 and 24th March 2021.
- 1.17. IOSPL has also submitted the additional financial and non-financial information, clarifications, JIG guidelines, tender documents and Copy of court order in response to queries raised by AERA from time to time.
- 1.18. Virtual Meeting of Stakeholders Consultation for Tariff Revision of Indian Oil Skytanking's Into Plane Services for the 3rd Control Period at Mumbai International Airport (CSMIA) was convened on 21st December, 2020. 14 organizations were invited by IOSPL to participate in the meeting. IOSPL has submitted the copy of 'minutes' of the meeting.
- 1.19. The Authority has reviewed the submissions made by IOSPL with respect to various building blocks. The ensuing chapters in this consultation paper present the Authority's review of the MYTP submitted by IOSPL, Mumbai. The Authority's positions on various building blocks is based on the submission made by IOSPL, Mumbai including their inputs on the queries raised by the Authority.
- 1.20. Post the analysis and discussion on various building blocks including target revenue as determined by the Authority based on the proposals as considered by the Authority is presented along with the proposed adjustment in tariff for IOSPL, Mumbai for the 3rd Control Period. The final chapter of this consultation paper summarizes Authority's proposals relating to each of the building blocks.

CHAPTER 2. METHODOLOGY FOR TARIFF DETERMINATION PROCESS

2.1 According to Section 2(a) of AERA Act, 2008 "aeronautical service" means any service provided-

- (i) for navigation, surveillance and supportive communication thereto for air traffic management;
- (ii) for the landing, housing or parking of an aircraft or any other ground facility offered in connection with aircraft operations at an airport;
- (iii) for ground safety services at an airport;
- (iv) for ground handling services relating to aircraft, passengers and cargo at an airport;
- (v) for the cargo facility at an airport;
- (vi) **for supplying fuel to the aircraft at an airport; and**
- (vii) for a stake-holder at an airport, for which the charges, in the opinion of the Central Government for the reasons to be recorded in writing, may be determined by the Authority.

2.2 The Authority vide its Order No. 12/2010-11 dated 10th January, 2011 and Direction No. 4/2010-11 dated 28th February, 2011 ("CGF Guidelines"), had issued Guidelines under Section 15 of the AERA Act, 2008 and the amendments issued from time to time, to determine tariffs for ISP's providing aeronautical services at 'major airports' based on set procedures for determination of Aggregate Revenue Requirement (AAR) for regulated service(s) deemed 'Materiality Assessment', 'Competition Assessment' and 'User agreement(s) between the Service Provider(s) and User(s) of the Regulated Service(s)'. As stipulated in Clause 3 of the guidelines, the Authority shall follow a three stage process for determining its approach for the regulation of regulated service.

Stage-I: Materiality Index

2.3 The Materiality Index (MI) of Fuel Throughput at Mumbai airport is as under:

$$= \frac{\text{Fuel Throughput in Kiloliters at Mumbai Airport}}{\text{Total Fuel Throughput in Kiloliters at all Major Airports}} \times 100$$

$$\text{Fuel Throughput at Mumbai Airport} = \frac{1482755}{8697575} \times 100 = 17.05\%$$

2.4 Based on IOSPL Mumbai submission, Materiality Index (based on the fuel throughput at CSI Mumbai Airport in comparison to fuel throughput at other major airports) is 17.05% in FY 2019-20 which is more than 5% Materiality Index fixed for assessing the materiality of the subject regulated service as per clause 4(2)(ii) of "Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Services Provided for Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft) Guidelines 2011". Hence the regulated service is deemed as 'Material' for the 3rd control period.

Stage-II: Competition Assessment:

- 2.5 As per IOSPL, Mumbai's submission, there are two ITP service providers i.e. BSSPL & IOSPL at Mumbai airport. Hence, the ITP service provided by IOSPL is deemed as "Competitive" at Mumbai airport.

Stage-III: Reasonability of User Agreement:

- 2.6 IOSPL, Mumbai have submitted User Agreement with their supplier i.e. Indian Oil Corporation Limited (IOCL) & Hindustan Petroleum Corporation Limited (HPCL). As per IOSPL submission they do not have any User Agreement with the Airlines.
- 2.7 The Authority vide Consultation Paper No 06&08/2019-20 dated 13.09.2019 and 19.09.2019 respectively, regarding ITP services providing by BSSPL at Bangalore International Airport (BIAL) stated and shall be read as:
"The Service providers BSSPL is promoted by two Oil Marketing Companies viz. BPCL and IOCL, and, both the companies mainly cater to their own clients, hence, in real terms, there is no competition as ITP Service providers. However, the Authority, vide its Order No. 01/20 17-18 dated 17.04.2017 has already decided to determine the tariff under "light touch approach" for the 2nd Control Period. Therefore, the Authority, has decided to determine the tariff of the remaining period of the 2 Control Periods under 'light touch approach'. Notwithstanding the above, the Authority's considered view is that since there is no competition in real term between the two ISP's, hence, from 3rd Control Period, the Authority should be inclined to determine the tariff of Into Plane (ITP) service provider under "price cap approach."
- 2.8 The Authority noted that IOSPL, Mumbai has been promoted by the Oil Marketing Company IOCL and caters to its own clients mainly its promoters, hence, in real terms, there is no competition as ITP Service providers. Further, based on reasoning given in Para 2.3 above, the Authority is of the view that the tariff of IOSPL, Mumbai for 3rd Control Period is to be determined under "Price Cap Approach".
- 2.9 The Authority had also reviewed the MYTP submission on "competition assessment" and "reasonableness of user agreement" and observed that, IOSPL, Mumbai is providing ITP services to the Airlines on behalf of the Oil Marketing Company without any user agreement directly with the airlines. Both the ITP service providers i.e. IOSPL and BSSPL at Chhatrapati Shivaji Maharaj International Airport (CSMIA), Mumbai primarily caters the clients of IOCL and BPCL as principal service providers, only some portion of their business is generated from other client such as HPCL etc. Hence, it is observed that there is no competition in real terms.
- 2.10 The Authority also examined the projected accounts of IOSPL, Mumbai and noted that the Return on Average RAB is 19.35% in 2022-23 which has increased to 59.22% in 2024-25 and 76.72% in 2025-26 (Refer Table 2 above). The Authority noted that projected Return on Average RAB by IOSPL, Mumbai is very high.
- 2.11 IOSPL, Mumbai is not carrying out any Non-aeronautical service apart from the regulated ITP service at CSIA, Mumbai. Further as per the user agreements with the users of ITP service, IOSPL, Mumbai is entrusted to carry out only the regulated service. As per the Annual

Accounts of IOSPL, Mumbai, the service provider does not have other source of revenue except meagre revenue from bank deposits. Thus the income generated from surplus cash, fundamentally has no relationship with any kind of service. Therefore, the Authority has decided to adopt Price Cap Approach under ‘Single Till’ methodology which will be more appropriate and reasonable for tariff determination process of IOSPL, Mumbai. Accordingly, the Authority also proposes to consider the entire other income as recorded as ‘*income from non-regulated services*’ i.e NAR for cross subsidizing the main revenue in the interest of all the stakeholders/users.

2.12 Hence, the Aggregate Revenue Requirement (ARR) under the regulatory framework of the Authority is calculated as under:

$$ARR = \sum_{t=1}^5 ARR_t$$

$$ARR_t = (FRoR \times RAB_t) + D_t + O_t + T_t - NAR_t$$

Where,

t is the tariff year in the control period, ranging from 1 to 5

ARR_t is the Aggregate Revenue Requirement for tariff year ‘t’

FRoR is the Fair Rate of Return for the Control Period

RAB_t is the Aeronautical Regulatory Asset Base for tariff year ‘t’

D_t is the Depreciation corresponding to the Regulatory Asset Base for tariff year ‘t’

O_t is the Aeronautical Operation and Maintenance expenditure for the tariff year ‘t’

T_t is the Aeronautical taxation expense for the tariff year ‘t’

NAR_t is the Non-Aeronautical Revenue in tariff year ‘t’.

2.13 The detailed submissions made by IOSPL, Mumbai in respect of the Regulatory Building Blocks have been discussed in the subsequent sections of this Consultation Paper.

2.14 **Authority’s Proposal on Methodology for Tariff Determination for 3rd Control Period:**

Based on the material before it and its analysis, the Authority has proposed the following regarding Methodology for Tariff determination for IOSPL, Mumbai for the 3rd Control Period:

2.14.1 The Authority proposes to adopt “Price Cap Approach” on ‘Single Till’ basis for Tariff determination for IOSPL, Mumbai for the 3rd Control Period.

CHAPTER 3. FUEL THROUGHPUT FORECAST

3. IOSPL, Mumbai's submission on Fuel Throughput for the 3rd Control Period as part of MYTP.

3.1 The actual Fuel Throughput of IOSPL, Mumbai for the FY 2016-17 to FY 2019-20 and estimated data for the FY 2020-21 has been shown in the Table 5 below:

Table 5: Actual & Estimated* Fuel Throughput submitted by IOSPL, Mumbai, during the Second Control Period

Year	KL(in Lakhs)			% Change over previous Year		
	Domestic Flights	International Flights	Total	Domestic Flights	International Flights	Total
2016-17	6.66	4.18	10.84	8.31	5.38	7.16
2017-18	7.71	4.42	12.13	15.82	5.66	11.9
2018-19	8.2	3.82	12.02	6.4	-13.49	-0.85
2019-20	5.31	4.25	9.56	-35.34	11.19	-20.55
2020-21*	1.69	1.83	3.52	-68.14	-56.92	-63.15
CAGR (first 4 Yrs)	-7.3%	0.6%	-4.1%			
CAGR (5 Yrs)	-29.0%	-18.7%	-24.5%			

3.2 The projected Fuel Throughput (Volume) as per the MYTP of IOSPL, Mumbai for the 3rd control period and the CAGR computed by the Authority has been shown in the Table 6 below:

Table 6: Projected Fuel Throughput during the 3rd Control Period as per IOSPL, Mumbai and CAGR & computations done by the Authority:

Year	KL(in Lakhs)			% Change over previous Year		
	Domestic Flights	International Flights	Total	Domestic Flights	International Flights	Total
2020-21*	1.69	1.83	3.52	-	-	-
2021-22	3.00	1.76	4.75	77.19	-3.94	35.00
2022-23	3.74	2.20	5.94	25.00	25.00	25.00
2023-24	4.49	2.64	7.13	20.00	20.00	20.00
2024-25	5.17	3.03	8.20	15.00	15.00	15.00
2025-26	5.68	3.34	9.02	10.00	10.00	10.00
CAGR				17.4%		

*2020-21 taken as base year

3.3 IOSPL, Mumbai has submitted the Fuel Throughput (Volume) projections taking into consideration:

- Impact of COVID- 19 on the domestic and international ATMs.
- Resurgence of COVID-19 in India or Overseas likely to negatively impact traffic.
- Airlines are likely to phase out older aircrafts and replace them with more narrow body and newer, more fuel efficient aircrafts.
- Navi Mumbai Airport is likely to be operational by FY 24 which is likely to take away some traffic from Mumbai Airport and will lead to reduced fuel volumes at Mumbai Airport.
- Considering the projections made by IATA about international ATMs and stated that IOSPL, Mumbai will cross its pre-COVID volumes by FY 23-24.

Authority’s Examination and Analysis:

3.4 The Authority analyzed the data of actual Fuel Throughput of IOSPL, Mumbai of previous 4 years (FY 2016-17 to FY 2019-20) and has noted that the CAGR of actual Fuel Throughput of IOSPL, Mumbai for the above period works out to (-) 4.1%, showing an overall decline in the Fuel uplifted during the 2nd Control Period (refer Table 5 above) whereas IOSPL, Mumbai has projected growth rate of 25% of Fuel Throughput for Domestic and International flights in FY 2022-23 and 10% in FY 2025-26 with CAGR of 17.4% during the 3rd Control Period.

3.5 The Authority considered the actual ATMs of FY 2019-20 for projection of ATMs at CSIA, Mumbai, as part of the tariff determination process for MIAL for the 3rd Control Period. While doing so the Authority had also taken into account the opinions of other sector experts such as the IATA, CAPA, etc. and made suitable adjustments in the assumptions. The assumption used by the Authority has been shown in Table 7 below:

Table 7: Assumption used by the Authority for Determining ATMs Traffic at CSIA, Mumbai

Year	Assumption
2019-20	Actual ATM Traffic
2020-21	50% of FY 2019-20
2021-22	62% of FY 2019-20
2022-23	100% of FY 2019-20
2023-24	108% of FY 2019-20 For Domestic & 110% of FY 2019-20 For International

3.6 The Authority proposes to adopt the above ATM traffic for projection of Fuel Throughput volumes for IOSPL, Mumbai. Based on assumption stated in Table 7 above, the Authority proposes the following projections of Fuel Throughput for domestic/ international flights for

IOSPL, Mumbai for the 3rd Control Period as shown in Table 8:

Table 8: Revised of Fuel Throughput (Volume) Projection proposed by the Authority

Particulars	Projected Fuel Throughput			KL(in Lakhs)
	Domestic	International	Total	% of FY 2019-20
2019-20*	5.31	4.25	9.56	-
2021-22	3.29	2.63	5.92	62%
2022-23	5.31	4.25	9.56	100%
2023-24	5.84	4.68	10.51	110%
2024-25**	4.77	3.83	8.60	120%

* Figures for FY 2019-20 taken as base year for projection.

** For nine months only

3.7 The Authority has considered the fuel throughput for nine months in FY 2024-25 because the concession term of IOSPL, Mumbai is valid only till 1st January 2025.

3.8 The Authority noted the impact of the COVID-19 pandemic in FY 2020-21 and therefore, for the purpose of Consultation Paper, has utilized the actual figures of FY 2019-20 as base for projections of fuel throughput for the 3rd control period and proposed the revision in fuel throughput (volume) projection based on the assumption used by the Authority for projection of ATMs Traffic at CSIA, Mumbai (refer Table 7 above). The Authority however, proposes to take a final view in this regard, based on developments of the COVID-19 situation and after considering stakeholders' views on the subject, in response to this Consultation Paper.

3.9 Authority's proposals on Fuel Throughput for the 3rd Control Period

Based on the material before it and based on its analysis, the Authority has proposed the following regarding Fuel Throughput for the 3rd Control Period:

3.9.1 The Authority proposes to consider the Fuel Throughput for the 3rd Control Period for IOSPL, Mumbai as per Table 8.

3.9.2 The Authority proposes to true-up the Fuel Throughput (volume) on the basis of actual off take in 3rd Control Period while determining tariffs for the Next Control Period.

CHAPTER 4. CAPITAL EXPENDITURE

4. IOSPL, Mumbai's submission on Capital Expenditure for the 3rd Control Period as part of MYTP.

- 4.1 As per clause 9.2 of the CGF guidelines, RAB shall be all fixed assets proposed by the Service Provider(s), after providing for such exclusions therefrom or inclusions therein as may be determined by the Authority.
- 4.2 The assets that substantially provide services not related to or not normally provided as part of Regulated Service(s) may be excluded from the scope of RAB by the Authority, in its discretion.
- 4.3 As per the annual accounts of IOSPL, Mumbai year wise details of actual capital expenditure for the FY 2016-17 to 2019-20 is as under:

Table 9: Actual Capital Expenditure of IOSPL, Mumbai for the FY 2016-17 to 2019-20

Amount (Rs. in Lakhs)

Particulars	2016-17	2017-18	2018-19	2019-20	Total
Capital Expenditure	513.19	164.00	292.68	77.95	1,047.81

- 4.4 The Assets wise CAPEX projections submitted by IOSPL, Mumbai for the 3rd control period have been shown in Table 10 below:

Table 10: Capital Expenditure as projected by IOSPL, Mumbai for the 3rd Control Period

Amount (Rs. in Lakhs)

Particulars		2021-22	2022-23	2023-24	2024-25	TOTAL
Vehicles	HD - Refurbishment	120.00	252.00	264.60	347.29	983.89
	RF - Refurbishment	280.00	294.00	231.53	162.07	967.60
	Dirt Defence Filters	412.00	226.00	-	-	638.00
Computer Software	i6 Systems	167.02	-	-	-	167.02
Building	ITP depot	125.00	168.00	-	-	293.00
Total		1104.02	940.00	496.13	509.36	3049.51

- 4.5 IOSPL, Mumbai has proposed capital expenditure for the Refurbishment of Hydrant Dispensers & Re-fullers (Vehicles) of Rs.1951.59 during the period FY 2021-22 to FY 2024-25 keeping in view the local RTO regulations related to commercial vehicles of more than 8 years old which are not allowed to ply in the city of Mumbai. As per IOSPL, Mumbai these Hydrant Dispensers & Re-fullers (Vehicles) were taken over from oil marketing companies in 2015 and need to be refurbished after their useful life of 8 years because these were old vehicles.
- 4.6 Capital expenditure of Rs.638.00 lakhs has been projected for the installation of Dirt Defense Filters (DDF) in the vehicles to comply with the statutory requirement prescribed by Joint Inspection Group (JIG) guidelines. As per IOSPL, Mumbai, the service provider has to fit DDF in all the Hydrant Dispensers & Re-fullers before July 2023. Further as per IOSPL Mumbai, this capital expenditure is for ensuring the safety standards at the airport and fueling of aircrafts at the airports.
- 4.7 A capital expenditure of Rs.167.02 lakhs has been projected for the installation of Computer Software (i6 Systems) to upgrade the systems and software in FY 2021-22. As per IOSPL, Mumbai the main features of i6 system are:
- No manual entry of data, zero data entry errors
 - Printed delivery voucher v/s handwritten RD7
 - Telemetry Live Tracking
 - Real time visibility into fuelling status
 - Improved operational efficiencies
 - Seamlessly data pushed to suppliers
 - ITP Operator to Pilot, integration scope through e-Handshake etc.

Authority's Examination and Analysis:

- 4.8 The Authority examined the total projected capital expenditure of Rs. 3049.51 Lakhs by IOSPL, Mumbai for the 3rd Control Period and noted that IOSPL, Mumbai's projection is about 3 times the actual capital expenditure incurred by IOSPL, Mumbai in first 4 years of 2nd control period (FY 2016-17 to FY 2019-20).
- 4.9 The Authority further noted that as per IOSPL submission 'nil' capital expenditure is projected for FY 2025-26 because the concession term of IOSPL, Mumbai is valid only till 1st January 2025.

Capital Expenditure for ITP Depot:

IOSPL, Mumbai initially projected the total capital expenditure of Rs. 293.00 Lakhs for the construction of pre-fabricated ITP Depot (Buildings) out of which Rs.125.00 Lakhs was projected for FY 2021-22 and Rs.168.00 Lakhs for FY 2022-23. However, when IOSPL, Mumbai was asked to furnish details of time line for the completion of ITP depot. IOSPL, Mumbai vide emails dated 12th, 15th & 16th March, 2021 and 24th March 2021 intimated the revised schedule of completion of ITP Depot and also submitted the revised projection of capital expenditure of Rs.267.00 Lakhs for the construction of ITP Depot (Buildings) which is to be completed in FY 2021-22.

4.10 The Authority, sought clarifications from the service provider and additional details were submitted by IOSPL, Mumbai on 12th March 2021, 23rd March 2021 and 24th March 2021. The Authority examined the revised capital expenditure of Rs.267.00 Lakhs for construction of ITP depot in FY 2021-22 (Rs.221.25 Lakhs for the construction of pre-fabricated ITP depot and Rs.45.75 Lakhs for providing office space for IOSPL’s staff, Parking space for ITP vehicles, electricity, water and sewage connections etc). The Authority also noted that as per the Tender Document furnished by IOSPL, Mumbai, the construction of pre-fabricated ITP depot is expected to be complete by December, 2021. The Authority has therefore, decided to consider the capital expenditure of Rs.267.00 Lakhs for construction of ITP depot and office space for IOSPL’s staff, parking space for ITP vehicles, electricity, water and sewage connections etc). The Authority also proposes to consider this capital expenditure from December, 2021 for the purpose of determination of depreciation.

Capital Expenditure for Refurbishment of Hydrant Dispensers & Re-fullers

4.11 The Authority has sought the details form IOSPL, Mumbai about the Peak Hour ATMs at Mumbai Airport, Percentage of ATMs catered by IOSPL and number of Aircraft Hydrant dispensers and Aircraft Refuellers required to meet the peak hour demand. IOSPL, Mumbai through email dated 23rd March, 2021 informed that “*Current simultaneous refuellings at peak hour (T1&T2 combined) is 23 out which we cater to 18 flights. Out of this 18 flights around 12 are through hydrant dispensers and 6 are through refuellers. Pre-COVID, the simultaneous refuellings at peak hour (T1 & T2 combined) used to be around 37 flights, out of which we catered to about 23-25 flights*”.

4.12 The Authority examined life profile of vehicles to be refurbished, cost of refurbishment of each vehicle and total capital expenditure projected for the refurbishment of vehicles submitted by IOSPL, Mumbai through email dated 15th March 2021 and then on 24th March 2021 and noted the year wise projection of capital expenditure on refurbishment of vehicles which is given in the Table 11.below:

Table 11: Year wise Projection of Capital Expenditure on Refurbishment of Vehicles for FY 2021-22 to 2024-25.

Refurbishment of Vehicles		Nos. of Vehicles				
		2021-22	2022-23	2023-24	2024-25	Total
Vehicles	Hydrant Dispensers (HD) - Refurbishment	2	4	4	5	15
	Re-fullers (RF) - Refurbishment	3	3	2	0	8
	Total	5	7	6	5	23
Refurbishment Cost Per Vehicle		Amount (Rs. in Crore)				
		2021-22	2022-23	2023-24	2024-25	
Vehicles	Hydrant Dispensers (HD) - Refurbishment	0.60	0.63	0.66	0.69	
	Re-fullers (RF) - Refurbishment	0.70	0.74	0.77	0.81	
Year Wise Refurbishment Cost		2021-22	2022-23	2023-24	2024-25	Total
Vehicles	Hydrant Dispensers (HD) - Refurbishment	1.20	2.52	2.64	3.45	9.81
	Re-fullers (RF) - Refurbishment	2.10	2.22	1.54	0.00	5.86
	Total	3.30	4.74	4.18	3.45	15.67

- 4.13 The Authority while examining the capital expenditure on Refurbishment of Hydrant Dispensers & Re-fullers (Vehicles), has noted that IOSPL, Mumbai has projected capital expenditure for the Refurbishment of Hydrant Dispensers & Re-fuellers (Vehicles) of Rs.509.36 lakhs in FY 2024-25 even though the Concession Term of IOSPL, Mumbai is valid only till 1st January 2025. The Authority therefore, sought month wise capital expenditure on Refurbishment of Hydrant Dispensers & Re-fullers (Vehicles). The Authority noted from the time line submitted by IOSPL, Mumbai for refurbishment of vehicles that no capital expenditure has been projected under this head beyond the expiry of concession term of IOSPL, Mumbai.
- 4.14 The Authority examined the requirement and rationale of proposed revised total capital expenditure on Refurbishment of Hydrant Dispensers & Re-fullers (Vehicles) of Rs.1567.00 Lakhs which was initially Rs.1951.59 Lakhs and noted that IOSPL, Mumbai is under statutory obligation to incur this capital expenditure to comply with the direction of Hon'ble Bombay High Court (WP-1762-of-1999-17.10) and local RTO regulations which stipulates that the commercial vehicles more than 8 years are not allowed to be plied in the city of Mumbai.
- 4.15 The Authority after taking into consideration the age profile of vehicles and revised time for refurbishment of vehicles given by the IOSPL, Mumbai, direction of Hon'ble Bombay High Court (WP-1762-of-1999-17.10) and the requirement of Mumbai RTO regulations, has decided to consider the capital expenditure Rs.1567.00 Lakhs on Refurbishment of Hydrant Dispensers & Re-fullers (Vehicles) for determination of ARR as given in Table 11 above.

Capital Expenditure for Computer Software (i6 Systems):

- 4.16 The Authority noted that IOSPL, Mumbai has proposed the Capital Expenditure for the installation of Computer Software (i6 Systems) of Rs. 167.02 lakhs which as per IOSPL, Mumbai is expected to be completed by 31st December 2021. The Authority examined the requirement of the capital expenditure for the installation of Computer Software (i6 System) and noted that capital expenditure for the installation of i6 System should be considered in the third quarter of FY 2021-22 and depreciation on it should be provided for the half year in FY 2021-22 and subsequently for full year based on its useful life.
- 4.17 The Authority keeping in view the above facts, has considered the revised capital expenditure projections submitted by IOSPL, Mumbai for determination of Regulator Asset Base considered for the determination of ARR as per Table 12 below:

Table 12: Projected Capital Expenditure proposed by the Authority for IOSPL, Mumbai

		Amount (Rs. in Lakhs)				
Particulars		2021-22	2022-23	2023-24	2024-25	Total
Vehicles	HD - Refurbishment	120.00	252.00	264.00	345.00	981.00
	RF - Refurbishment	210.00	222.00	154.00	0.00	586.00
	Dirt Defence Filters	412.00	226.00	0.00	0.00	638.00
Computer Software	i6 Systems	167.02	0.00	0.00	0.00	167.02
Building	ITP depot	267.00	0.00	0.00	0.00	267.00
Total		1176.02	700.00	418.00	345.00	2639.02

4.18 The Authority, in order to ensure that IOSPL, Mumbai adheres to its Capital Expenditure plan, proposes to rework the RAB of the IOSPL, Mumbai for the 3rd Control Period, by reducing the RAB by 1% of the cost of the ITP depot / Computer Software (i6 System) / Vehicles as the case may be, if the IOSPL, Mumbai fails to commission and capitalize these assets by December 2022.

4.19 **Authority's Proposal on Capital Expenditure for 3rd Control Period**

Based on the material before it and based on its analysis, the Authority has proposed the following regarding Capital Expenditure for IOSPL, Mumbai for the 3rd Control Period:

- 4.19.1 The Authority proposes to adopt the capital expenditure for IOSPL, Mumbai for the 3rd Control Period in accordance with Table 12.
- 4.19.2 The Authority proposes to rework the RAB of the IOSPL, Mumbai for the 3rd Control Period, by reducing the RAB by 1% of the cost of the ITP depot / Computer Software (i6 System) / Vehicles as the case may be, if the IOSPL, Mumbai fails to commission and capitalize these assets by December 2022.
- 4.19.3 The Authority proposes to true up the capital expenditure based on actuals at the time of tariff determination for next control period.

CHAPTER 5. DEPRECIATION

5. IOSPL, Mumbai's submission on Depreciation for the 3rd Control Period as part of MYTP.

5.1 As per the IOSPL Mumbai's submission, the asset wise depreciation projected on the Regulatory Assets for the 3rd control period has been summarized in the Table 13 below:

Table 13: Depreciation (Asset-wise) as projected by IOSPL, Mumbai for 3rd control period

Particulars	Amount (Rs. in Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Vehicles	476.05	499.70	398.79	323.69	323.69	2021.92
Computer software	56.72	56.12	55.67	0.00	0.00	168.51
Building	6.27	11.49	10.66	9.76	9.76	47.94
Total	539.04	567.31	465.12	333.45	333.45	2238.37

5.2 As per the IOSPL Mumbai's submission, no depreciation provision has been made for computer software for the FY 2024-25 and 2025-26.

Authority's Examination and Analysis:

5.3 The Authority has issued its own Order No. 35 / 2017-18 for "Determination of Useful life of Airport Assets" for determining appropriate depreciation rates in line with the provisions of the Companies Act 2013. Accordingly, the Authority has considered the useful life and depreciation rates as prescribed in the said Order 35 for IOSPL Mumbai.

5.4 The Authority has examined the depreciation rates and useful life of Assets considered by IOSPL, Mumbai and noted that IOSPL, Mumbai has considered the same depreciation rates and useful life of Assets as recommended by AERA which is shown in the Table 14 below:

Table 14: Depreciation Rates as per AERA Order No. 35 / 2017-18 and Useful Life of Assets applied by IOSPL, Mumbai

Particulars	As per IOSPL, Mumbai		As per Authority	
	Useful life (years)	Rate	Useful life (years)	Rate
Building	30	3.33%	30	3.33%
Computer software	3	33.33%	3	33.33%
Vehicles	8	12.50%	8	12.50%

5.5 The Authority has noted that opening RAB contains Office Equipments of Rs. 6.65 lakhs and Furniture & Fittings of Rs. 3.75 lakhs. As these are very small amounts, the Authority has therefore considered Rs. 10.40 lakhs (total value of these assets) in Buildings for determination of depreciation instead of showing it under separate head.

5.6 The Authority has considered the clarification and time line submitted by IOSPL, Mumbai for the construction of Building (ITP depot) and noted that as per the Tender Document furnished by

IOSPL, Mumbai, the construction of building (ITP depot) is expected to be completed by December, 2021. The Authority therefore proposed that depreciation on ITP Depot is to be calculated at the approved depreciation rates and the useful life of 30 years to be reckoned from the third quarter of FY 2021-22. The Authority therefore, proposes half year depreciation on building (ITP depot) in FY 2021-22.

- 5.7 The Authority, based on the information given by IOSPL, Mumbai, has noted that the Computer software (i6 System) is likely to be installed after end of the first half of FY 2021-22, therefore the Authority has proposed to consider this capital expenditure in the third quarter of FY 2021-22. The Authority has therefore proposed that depreciation on Computer software (i6 System) is calculated at the approved depreciation rates for half year in FY 2021-22 and the useful life of 3 years to be reckoned from the third quarter of FY 2021-22. The Authority therefore, proposes half year depreciation on Computer software (i6 System) in FY 2021-22.
- 5.8 The Authority, keeping in view of the above and depreciation rates and life of Assets, has revised the depreciation based on clarification given in the preceding paras and proposed the following depreciation for the 3rd Control Period as given in the Table 15 below:

Table 15: Revised Depreciation Proposed by the Authority for IOSPL, Mumbai for 3rd Control Period

Particulars	Amount (Rs. in Lakhs)				Total
	2021-22	2022-23	2023-24	2024-25*	
Vehicles	476.05	499.70	398.79	242.77	1617.31
Computer software	28.88	56.12	55.67	20.88	161.55
Building	6.27	11.49	10.66	7.32	35.74
Total	511.20	567.31	465.12	270.96	1814.60

- 5.9 The Authority has considered the depreciation on assets for nine months in FY 2024-25 because the concession term of IOSPL, Mumbai is valid only till 1st January 2025.

5.10 Authority's Proposal on Depreciation for 3rd Control Period

Based on the material before it and based on its analysis, the Authority has proposed the following regarding depreciation for IOSPL, Mumbai for the 3rd Control Period:

- 5.10.1 The Authority proposes to consider to adopt depreciation rates for IOSPL, Mumbai for the 3rd Control Period as per Table 14.
- 5.10.2 The Authority proposes depreciation on the assets of IOSPL, Mumbai for the 3rd Control Period as per Table 15.
- 5.10.3 The Authority proposes to true up the depreciation based on actuals at the time of tariff determination for next Control Period.

CHAPTER 6. REGULATORY ASSET BASE (RAB)

6. IOSPL, Mumbai's submission on Regulatory Asset Base (RAB) for the 3rd Control Period as part of MYTP.

- 6.1 As per clause 9.2 of the CGF guidelines, RAB shall be all fixed assets proposed by the Service Provider(s), after providing for such exclusions therefrom or inclusions therein as may be determined by the Authority.
- 6.2 The assets that substantially provide services not related to or not normally provided as part of Regulated Service(s) may be excluded from the scope of RAB by the Authority, in its discretion.
- 6.3 The actual Regulatory Asset Base (RAB) as per the audited annual financial statements of IOSPL, Mumbai for the 2nd control period has been shown in the Table 16 below:

Table 16 :RAB's Details as per the Audited Annual Statements of IOSPL, Mumbai
Amount (Rs. in Lakhs)

Particulars		2016-17	2017-18	2018-19	2019-20	2020-21*
Opening RAB	OR	2106.89	2287.26	1850.24	1729.36	1427.06
Capital Expenditure	CE	513.19	164.00	292.68	77.95	0.13
Disposals/Transfers	DI	0.00	268.04	0.00	0.00	0.00
Depreciation	DR	332.82	332.98	413.56	380.25	379.85
Closing RAB	CR = OR + CE - DR - DI	2287.26	1850.24	1729.36	1427.06	1047.33
Average RAB	RAB = (OR + CR) / 2	2197.07	2068.75	1789.80	1578.21	1237.19

2020-21* estimated figures

- 6.4 The projected Regulatory Asset Base (RAB) for the 3rd control period submitted by IOSPL, Mumbai has been shown in the Table 17 below:

Table 17 : RAB submission by IOSPL, Mumbai for 3rd Control Period
Amount (Rs. in Lakhs)

Particulars		2021-22	2022-23	2023-24	2024-25	2025-26
Opening RAB	OR	1047.33	1612.31	1985.00	2016.00	2191.90
Capital Expenditure	CE	1104.02	940.00	496.13	509.36	0.00
Disposals/Transfers	DI	0.00	0.00	0.00	0.00	0.00
Depreciation	DR	539.04	567.31	465.12	333.45	333.45
Closing RAB	CR = OR + CE - DR - DI	1612.31	1985.00	2016.00	2191.90	1858.45
Average RAB	RAB = (OR + CR) / 2	1329.82	1798.65	2000.50	2103.95	2025.18

Authority's Examination and Analysis:

- 6.5 The Authority has examined each element of RAB, its utility and requirement in the functioning of the IOSPL, Mumbai as proposed in their MYTP. The Authority, further based on subsequent clarifications submitted by IOSPL, Mumbai has considered capital expenditure projected for construction of Building (ITP depot), refurbishment of vehicles, and, installation of Computer Software (i6 System), in RAB determination.
- 6.6 The Authority, after taking into consideration IOSPL, Mumbai's clarifications on capital expenditure, has proposed to consider the Average RAB for the purpose of tariff determination as per Table 18 below:

Table 18: RAB proposed by the Authority for IOSPL, Mumbai for the 3rd Control Period
Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)			
	2021-22	2022-23	2023-24	2024-25
Opening RAB (A)	1,047.33	1,712.14	1,844.83	1,797.71
Addition (B)	1,176.02	700.00	418.00	345.00
Adjustment	0.00	0.00	0.00	0.00
Deletion (D)	0.00	0.00	0.00	0.00
Depreciation (E)	511.20	567.31	465.12	270.96
Closing RAB (F) = A+B-C-D-E)	1,712.14	1,844.83	1,797.71	1,871.75
Average RAB (ARAB)=(A+F)/2)	1,379.73	1,778.49	1,797.71	1,834.73

- 6.7 The Authority has not considered the RAB for FY 2025-26 because the concession term of IOSPL, Mumbai is valid only till 1st January 2025.

6.8 Authority's Proposal on Average RAB for 3rd Control Period

Based on the material before it and based on its analysis, the Authority has proposed the following regarding Average RAB for IOSPL, Mumbai for the 3rd Control Period:

- 6.8.1 The Authority proposes to consider Average RAB for IOSPL, Mumbai for the 3rd Control Period as per Table 18.

CHAPTER 7. FAIR RATE OF RETURN (FROR)

7. IOSPL, Mumbai's submission on fair Rate of Return (FRoR) for the 3rd Control Period as part of MYTP.

- 7.1 IOSPL, Mumbai has considered 14% as Fair Rate of Return (FRoR) in MYTP for the 3rd control period.
- 7.2 IOSPL, Mumbai has not used any Debt for financing its Regulatory Assets. The determination of FRoR submitted by IOSPL, Mumbai is shown in Table 19 below:

Table 19: Determination of FRoR for 3rd Control Period as submitted by IOSPL, Mumbai

Particulars	Components
Gearing	No Debt
Pre-Tax Cost of Debt	-
Risk-free Rate	5.87
Return on market portfolio	17.89
Equity-risk premium	12.02
Beta	1.24
Tax Rate Applied	34.944%
Post-Tax Cost of Equity	13.52
FROR (Post-Tax)	14.00%

Authority's Examination and Analysis:

- 7.3 The Authority has noted that IOSPL, Mumbai has not used any debt for financing its Regulatory assets and used only equity funds, therefore only cost of equity has been considered for the determination of FRoR.
- 7.4 The Authority examined the various components of FRoR submitted by IOSPL, Mumbai and noted that FRoR determined by IOSPL, Mumbai is reasonable. The Authority had recently determined and considered 14% FRoR for other service provider.
- 7.5 The Authority, has therefore, considered the same FRoR (14%) as proposed by IOSPL, Mumbai for 3rd Control Period which has been shown in the Table 20 below:

Table 20: FRoR proposed by Authority for IOSPL, Mumbai for the 3rd Control Period

Particulars	2021-22	2022-23	2023-24	2024-25
FRoR	14%	14%	14%	14%

7.6 **Authority's Proposal on Fair Rate Of Return (FROR)**

Based on the material before it and based on its analysis, the Authority has proposed the following regarding Fair Rate of Return (FROR) for IOSPL, Mumbai for the 3rd Control Period:

- 7.6.1 The Authority proposes to consider Fair Rate of Return (FROR) for IOSPL, Mumbai for the 3rd Control Period as per Table 20.

CHAPTER 8. NON-AERONAUTICAL REVENUE

8. IOSPL, Mumbai's submission on Non-Aeronautical Revenue for the 3rd Control period as part of MYTP.

8.1 IOSPL, Mumbai has projected Non-Aeronautical Revenue (Revenue from services other than regulated services) as per Table 21 below:

Table 21 : Projected Non-Aeronautical Revenue of IOSPL, Mumbai for the 3rd Control Period

Particulars	Amount (Rs. in Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Non-Aeronautical Revenue	14.02	18.40	23.19	28.00	32.34	115.94

Authority's Examination and Analysis:

8.2 The Authority examined the Non-Aeronautical Revenue projected by IOSPL, Mumbai for the 3rd control period and noted that this is mainly generated through bank deposits. The Authority proposes to consider the entire NAR for cross subsidizing the main revenue in the interest of all the stakeholders/users, as described in para 2.11 of this consultation paper. Accordingly, the Authority proposes to consider Non-Aeronautical Revenue for determination of ARR as per Table 22 below:

Table 22 : Non-Aeronautical Revenue Proposed by the Authority for IOSPL, Mumbai

Particulars	(Amount Rs. in Lakhs)				
	2021-22	2022-23	2023-24	2024-25**	Total
Non-Aeronautical Revenue	14.02	18.40	23.19	21.00	76.61
<i>** For nine months only as the concession term of IOSPL, Mumbai is valid till 1st January 2025</i>					

8.3 Authority's Proposal on Non-Aeronautical Revenues

Based on the material before it and based on its analysis, the Authority has proposed the following regarding Non-Aeronautical Revenues for IOSPL, Mumbai for the 3rd Control Period:

8.3.1 The Authority proposes to consider Non-Aeronautical Revenues for the 3rd Control Period as per Table 22.

8.3.2 The Authority proposes to true up the Non-Aeronautical Revenues based on actuals at the time of tariff determination for next Control Period.

CHAPTER 9. OPERATION AND MAINTENANCE EXPENDITURE

9. IOSPL, Mumbai's submission on Operation and Maintenance Expenditure for the 3rd Control Period as part of MYTP.

9.1 As provided in Clause 9.4 of the CGF Guidelines mentioned in Direction No. 04/2010-11, the operational and maintenance expenditure incurred by the Service provider(s) include expenditure incurred on security, operating costs, other mandated operating costs and statutory operating costs.

9.2 Operation and Maintenance (O&M) expenditure submitted by IOSPL, Mumbai is segregated into the following categories:

- a) Payroll expenses;
- b) Admin and general expenditure;
- c) Repair and maintenance expenditure;
- d) Utility Costs
- e) Airport Operator Fees

9.3 The summary of growth rates assumed by IOSPL, Mumbai for the projection of Operation and Maintenance expenditure for the 3rd control period have been presented in the table 23 below:

Table 23: Growth rates in O&M as per IOSPL, Mumbai for 3rd Control Period

Particulars	Escalation	Inflation
Payroll Costs	5.50%	5.00%
Rent/License		7.50%
Rates & Taxes		5.00%
Rent		5.00%
Communication		8.00%
Travelling & Conveyance		10.00%
Office Maintenance		5.00%
Printing & Stationery		10.00%
Audit Expenses		5.00%
Legal Expenses		10.00%
Other professional charges		8.00%
Marketing Costs		5.00%
Insurance		10.00%
Consumption of stores		10.00%
Recruitment/training		10.00%
Bank Charges		5.00%
Miscellaneous- Admn. Exps		5.00%
CSR Expenditure		5.00%
Spares		5.00%
Security		5.00%
Repairs and Maintenance		8.00%
Power-Utilities		5.00%
Water		5.00%
Diesel		8.00%

9.4 IOSPL, Mumbai, based on the above assumptions, has submitted the projected Operation and Maintenance Expenditure for the 3rd control period as shown in Table 24 below.

Table 24: Projected Operation and Maintenance (O&M) Expenditure & CAGR (FY21-22 to FY25-26) - IOSPL, Mumbai.

Particulars	Amount (Rs. In Lakhs)						CAGR
	2021-22	2022-23	2023-24	2024-25	2025-26	Total	
Payroll Costs	1120.82	1238.51	1368.55	1512.25	1671.04	6911.17	10.5%
Administrative and General	122.93	133.29	144.58	156.89	170.32	728.02	8.5%
Repairs and Maintenance	167.00	180.36	194.79	210.37	227.20	979.73	8.0%
Utility Costs	174.73	188.29	202.91	218.68	235.70	1020.30	7.8%
Total	1585.48	1740.45	1910.84	2098.20	2304.25	9639.22	9.8%

9.5 As per IOSPL, Mumbai, there is no change in department wise number of employees as shown in Table 25 below:

Table 25: Actual & Projected Department-wise Full-Time No. of Employees-IOSPL, Mumbai

Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Operations	98	98	98	98	98	98	98
Maintenance	34	34	34	34	34	34	34
Administration	1	1	1	1	1	1	1
Total	133	133	133	133	133	133	133

9.6 The IOSPL, Mumbai has submitted the projected Airport Operator Fees for the 3rd Control Period is shown in Table 26 below:

Table 26: Projected Airport Operator Fees & CAGR (FY21-22 to FY25-26) - IOSPL, Mumbai.

Particulars	Amount (Rs. in Lakhs)						CAGR
	2021-22	2022-23	2023-24	2024-25	2025-26	Total	
Airport Operator Fees	194.97	242.90	295.16	348.02	396.53	1477.58	19.4%

Authority's Examination and Analysis:

A. Operation and Maintenance Expenditure

9.7 The Authority analysed category-wise breakup of each element of Operation and Maintenance (O&M) expenditure as per Actuals reflected in the annual accounts of IOSPL, Mumbai for the 2nd control period which has been shown in the Table 27 below:

Table 27: Actual Operation and Maintenance Expenditure &CAGR (FY16-17 to FY19-20)

Particulars	Amount (Rs. in Lakhs)					CAGR
	2016-17	2017-18	2018-19	2019-20	Total	
Payroll Costs	777.70	843.13	952.88	987.22	3,560.93	8.3%
Administrative and General Exp.	110.61	118.47	104.43	123.48	456.99	3.7%
Repairs and Maintenance Exp.	93.52	103.07	133.12	142.13	471.83	15.0%
Utility Costs	147.81	149.53	167.25	162.15	626.74	3.1%
Total	1,129.64	1,214.19	1,357.69	1,414.98	5,116.50	7.8%

** Annual financials of 2020-21 is yet to be finalized.*

9.8 The Authority examined the Operation and Maintenance expenditure of IOSPL, Mumbai and noted that the CAGR of actual expenditure incurred on Operation and Maintenance by the IOSPL, Mumbai as per the annual accounts (FY 2016-17 to FY 2019-20) is 7.8% which is lower than the CAGR of 9.7% of projected Operation and Maintenance expenditure for 3rd control period. The Authority also noted the increase in Payroll costs, Administrative General Expenditure and Utility Costs projections (Refer Table 24).

9.9 The Authority examined the each category of Operation and Maintenance Expenditure and analysed the category wise share of each category of expenditure in the total Operation and Maintenance Expenditure projected by IOSPL, Mumbai, the for the 3rd Control Period which is shown in Table 28 below:

Table 28: Category wise percentage share of expenditure in the Total Operation & Maintenance Expenditure

Category of Operation and Maintenance Expenditure	% Share of total Expenditure
Payroll Costs	71.70
Administrative and General Expenditure	7.55
Repairs and Maintenance Expenditure	10.16
Utility Costs	10.58
Total	100.00

9.10 The Authority noted that Payroll Costs are major operating cost and is about 72% of the total operating expenditure of IOSPL, Mumbai whereas for other three categories it is 28% of the total operating expenditure.

9.11 The Authority also examined the growth rates assumed by IOSPL, Mumbai for the projection of Operation and Maintenance expenditure shown in Table 23 and analysed the category wise assumptions considered by IOSPL, Mumbai for each category of Operation and Maintenance Expenditure which is as under:

- Payroll Costs- Annual increment of 10.5% (5.5% on account of an annual increase and 5% on account of inflation) towards Payroll (manpower costs).
- Admin and general expenditure- Annual increase of more than 8.0% which is due to 10% inflation impact in Legal Expenses, Insurance, and Printing & Stationery. Consumption of Stores, Recruitment/training and 5% inflation rate is considered for projection of these expenses.
- Repair and maintenance expenditure - Annual increase is 8.0% has been considered for Repair Maintenance expenses
- Utility Costs - Annual increase is taken 5.0% for Utility Costs
- Airport Operator Fees - ITP revenue share to IOS, Mumbai – As per the concession agreement, Airport Operator Fees has been considered at 6% of revenue from services.

9.12 The Authority noted that IOSPL, Mumbai has projected the Airport Operator Fees @ 6% of the Aeronautical revenue however, the Authority has capped the Airport Operator Fees @ 5% of the Aeronautical revenue based on AERA Order No. 01/2018-19 dated 5th April 2018 on “Capping the amount of Royalty licence Fee / Revenue Share payable to Airport Operator” as a “pass through” expenditure for the Independent service Providers providing Cargo Facility, Ground handling, Supply of Fuel to Aircrafts at Major Airports.

9.13 The Authority has considered the rate of increase in each head of Operation and Maintenance expenditure after taking into account effect of COVID -19, causing slowdown in the aviation sector and sustenance of the operations and proposed to revise each category of Operation and Maintenance expenditure as under:

- a. The Authority has examined the submissions made by IOSPL, Mumbai regarding Payroll Costs with an increase of 10.5% for 3rd control period. The Authority noted that the CAGR of Payroll Costs during the last control period (FY 2016-17 to FY 2019-20) is 8.3% and due to COVID -19, there is slow down in the aviation sector and to sustain the operations, the increment in the payroll costs should be low. The Authority therefore proposes to increase in payroll costs @ 8.5% for the 3rd control period.
- b. The Authority has examined the projections of Administrative and General Expenditure by IOSPL, Mumbai and noted that IOSPL, Mumbai Annual has considered 8.2% annual increase in the Administrative and General Expenditure. The Authority noted that the CAGR of Administrative and General Expenditure during the last control period FY 2016-17 to FY 2019-20) is 3.7%. The Authority, keeping in view the CAGR of 3.7%, proposed year wise increase in Administrative and General Expenditure 4.0% over the previous year expenditure for the 3rd Control Period.
- c. The Authority has examined the projections of Repairs and Maintenance Expenditure made by IOSPL, Mumbai by taking an annual increase of 8.0%. The Authority noted that the CAGR of Repairs and Maintenance Expenditure during the last control period (FY 2016-17 to FY 2019-20) is about 15.0% which is high due to lower base in FY 2016-17.

Since the annual increase in Repairs and Maintenance Expenditure taken by IOSPL, Mumbai is lower i.e., 8%, the Authority therefore proposes year wise increase in Repairs and Maintenance Expenditure @8.0% for the 3rd control period. .

- d. The Authority has examined the projections made by IOSPL, Mumbai about the Utility Costs with an annual increase of 7.8%. The Authority noted that the CAGR of utility costs during the last control period (FY 2016-17 to FY 2019-20) is 3.1%. The Authority therefore, proposes year wise increase in utility costs by 3.5% for the 3rd Control Period.
- 9.14 The Authority has noted that the Operation and Maintenance Expenditure projected in the FY 2021-22 by the IOSPL, Mumbai are reasonable and as per the trend during last control Period. The Authority therefore considered the Operation and Maintenance expenditures of FY 2021-22 projected by IOSPL, Mumbai as base for allowing increase in Operation and Maintenance Expenditures for the FY 2022-23 to FY 2025-26 and proposes the following percentage (%) increase for each category of expenditure which has been given in Table 29 below:

Table 29: Percentage (%) Increase in Operation and Maintenance Expenditure Proposed by the Authority for revision of Operation and Maintenance Expenditure for IOSPL, Mumbai.

Particulars	2022-23	2023-24	2024-25
Payroll	8.50%	8.50%	8.50%
Administrative and General	4.00%	4.00%	4.00%
Repairs and Maintenance	8.00%	8.00%	8.00%
Utility Costs	3.50%	3.50%	3.50%
Airport Operator Fees (Revenue Share) (based on AERA Order)	5.00%	5.00%	5.00%

- 9.15 The Authority, after considering the above growth rates, has proposed to revise the Operating and Maintenance Expenditure. Airport Operator Fees has been revised based on AERA Order No. 01/2018-19 dated 5th April 2018. The revised total Operating and Maintenance Expenditure, has been given in the Table 30 below:

Table 30: Revised Operating and Maintenance Expenditure proposed by the Authority for the 3rd Control Period

Particulars	Amount (Rs. in Lakhs)				
	*2021-22	2022-23	2023-24	2024-25	Total
Payroll Costs	1120.82	1216.09	1319.46	1073.71	4730.08
Administrative and General	122.93	127.85	132.96	103.71	487.45
Repairs and Maintenance	167.00	180.36	194.79	157.78	699.94
Utility Costs	174.73	180.84	187.17	145.29	688.03
Airport Operator Fees	87.02	146.32	167.80	143.12	544.27
Total	1672.50	1851.47	2002.18	1623.62	7149.77

* FY 2021-22 figures projected by IOSPL, Mumbai has been taken as base for revised projection.

9.16 The Authority has considered the Operating and Maintenance Expenditure for nine months in FY 2024-25 because the concession term of IOSPL, Mumbai is valid only till 1st January 2025.

9.17 **Authority's Proposal on Operation and Maintenance Expenditure & Airport Operator Fees**

Based on the material before it and based on its analysis, the Authority has proposed the following regarding Operation and Maintenance Expenditure for IOSPL, Mumbai for the 3rd Control Period:

9.17.1 The Authority has proposed to revise Operation and Maintenance Expenditure as shown in the Table 30.

9.17.2 The Authority proposes to true up the Operation and Maintenance Expenditure based on actuals at the time of tariff determination for next Control Period

CHAPTER 10. PROVISION FOR TAXATION

10. IOSPL, Mumbai's submission on Provision for Taxation for the 3rd Control Period as part of MYTP.

10.1 As per clause 9.5 of CGF Guidelines, taxation represents payments by the Service Provider in respect of corporate tax on income from assets and services taken into consideration for determination of Aggregate Revenue Requirement. The Authority shall review forecast for corporate tax calculation with a view to ascertain inter alia the appropriateness of the allocation and the calculations thereof.

10.2 IOSPL, Mumbai has projected income tax @ 34.944% (Basic rate 30%, 12% Surcharge where total income > Rs. 10 crore and 4% Health and Education Cess) on regulatory profits.

10.3 The tax projections submitted by IOSPL, Mumbai 3rd Control Period is given as per Table 31 below:

Table 31 :Provision for Taxation as per IOSPL, Mumbai's submission for 3rd Control Period

Particulars	Amount (Rs. in Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Profit Before Tax	31.56	535.10	1216.93	1915.15	2388.29	6087.03
Provision for Taxation	11.03	186.99	425.25	669.23	834.54	2127.06

Authority's Examination and Analysis:

10.4 The Authority noted that IOSPL, Mumbai has applied income tax @ 34.944% (Basic rate 30%, 12% Surcharge where total income > Rs. 10 crore and 4% Health and Education Cess) for tax projections for the 3rd Control Period.

10.5 The Authority noted that a new section 115BAA was introduced by the Government of India through the Taxation (Amendment) Ordinance 2019 on the 20th September 2019. Section 115BAA provides option to a domestic company to pay tax at lower rate of 22% (plus applicable surcharge and cess) (where the total turnover for Previous Year (PY) 2017-18 does not exceeds Rs. 400 Crore) as opposed to normal tax rate of 30%/ 25% (plus applicable surcharge and cess), w.e.f. assessment year 2020-21, provided the income is computed-

- without claiming exemption/ deduction
 - u/s 10AA [SEZ units],
 - u/s 32(1)(ia) [additional depreciation qua new plant and machinery @ 20%/ 30%],

- u/s 32AD [15% on new assets in undertaking set up in specified backward areas in Andhra Pradesh, Bihar, Telangana, and West Bengal]
 - u/s 33AB [specified percentage of amounts deposited with Tea/ Coffee/ Rubber Board]
 - u/s 33ABA [specified percentage of amounts deposited in Site Restoration Account]
 - u/s 35(1)(ii)/(iia), 35(2AA) [specified deduction for scientific research]
 - u/s 35AD [expenditure on specified business]
 - u/s 35CCC [expenditure on agricultural extension project]
 - u/s 35CCD [expenditure on skill development project]
 - under Part C of Chapter VIA except section 80JAA of the Act (such as 80IA/ IB/ IC/ ID/ IE etc.)
- without set-off of any brought forward losses to the extent such loss relates to deductions mentioned above. Such losses would also not be allowed to be carried forward to subsequent years.
 - after claiming depreciation other than additional depreciation u/s 32(1)(iia).

The benefit of lower rate under the aforesaid section can be exercised by the company from any year commencing from Assessment Year (AY) 2020-21 or onwards. Such option is to be exercised in prescribed manner, before due date of return u/s 139(1) for the year in which option is exercised. Option once exercised would be binding for subsequent years and cannot be withdrawn.

10.6 The Authority examined both the income tax rates and noted that the rate of Tax as per Section 115BAA is lower, the comparative detail is given in Table 32 below:

Table 32: Corporate Tax Rate used by IOSPL, Mumbai & as per the provisions of Section 115BAA of Income Tax Act, 1961

Particulars	Basic rate	Surcharge	Health and Education Cess	Tax Rate
Tax Rate as per IOSPL, Mumbai	30.00%	12.00%	4.00%	34.944%
Tax Rate as per Section 115BAA of Income Tax Act 1961	22.00%	10.00%	4.00%	25.168%

10.7 The Authority noted that income tax rate prescribed under the new section 115BAA is lower and sought clarification from IOSPL, Mumbai, for levying tax @ 34.944% (including surcharge and Health and Education Cess) whereas as per Section 115BAA of Income Tax Act 1961, the Corporate Income Tax Rate is 25.168% (including surcharge and Health and Education Cess). In this regard, IOSPL, Mumbai clarified that-

“the company being an entity operating 23 locations across India, pays tax based on the overall profitability of the company. Concessional tax rate for domestic companies from AY

2020-21 (FY 2019-20) for companies upto turnover of 400 crores in FY 2017-18 was made at 25% as per section 115BAA with conditions precedent to availing the concessional tax. The turnover of the company in 2017-18 was 502 Crores. Also the company is claiming income tax deductions under Income tax act for other location. These claims have been rejected by the Income tax authorities and are under litigation with the department of Income tax. The company has made provisions in the books for the full disputed amounts for the pervious years also. During 2019-20, provision at full rate of tax have been made in the audited P&L and the same has been also adopted by the company & the Board of Directors as well as certified by the Statutory Auditors & the tax auditors.”

- 10.8 The Authority has therefore decided to consider the provision for taxation @ 34.944% for the determination of ARR for 3rd Control Period for IOSPL Mumbai. Accordingly, the Authority, based on revised ARR, proposed to revise the provision for taxation which is given in Table 33 below:

Table 33: Revised Provision for Taxation for IOSPL, Mumbai as per the Authority

Particulars	Amount (Rs. in Lakhs)				
	2021-22	2022-23	2023-24	2024-25	Total
Provision for Taxation	0.00	177.41	310.53	338.22	826.17

10.9 **Authority’s Proposal on Provision for Taxation**

Based on the material before it and based on its analysis, the Authority has proposed the following regarding provision for taxation for IOSPL, Mumbai for the 3rd Control Period:

- 10.9.1 The Authority has proposed to consider provision for taxation as shown in Table 33 for determination of ARR for the 3rd Control Period of IOSPL, Mumbai.
- 10.9.2 The Authority proposes to true up the provision for taxation based on actual taxes paid at the time of tariff determination for next Control Period.

CHAPTER 11. AGGREGATE REVENUE REQUIREMENT (ARR)

11. IOSPL, Mumbai's submission on Aggregate Revenue Requirement for the 3rd Control Period as part of MYTP.

11.1 IOSPL, Mumbai has submitted Aggregate Revenue Requirement (ARR) for the 3rd Control Period. The summary of ARR and Yield Per Unit has been presented in the Table 34 below:

Table 34: Projection of Aggregate Revenue Requirement (ARR) and Yield as per Unit for IOSPL, Mumbai for the 3rd Control Period

Particulars	Amount (Rs. In Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Revenue from Regulated Services(1)	2337.03	3067.36	3864.87	4666.83	5390.19	19326.27
Revenue from Services other than Regulated Services(2)	14.02	18.40	23.19	28.00	32.34	115.94
Operating Expenditure(3)	1780.45	1983.34	2206.00	2446.22	2700.78	11116.80
Depreciation(4)	539.04	567.31	465.12	333.45	333.45	2238.38
Tax	11.03	186.99	425.25	669.23	834.57	2127.06
Total Expenditure (3)+(4)=(5)	2330.52	2737.64	3096.37	3448.91	3868.80	15482.23
Regulatory Operating (After Tax) Profit(1)+(2)-(5)=(6)	20.53	348.12	791.69	1245.92	1553.73	3959.99
Capital Expenditure(7)	1104.02	940.00	496.13	509.36	0.00	3049.50
Opening RAB (8)	1047.33	1612.31	1985.00	2016.00	2191.90	-
Disposals/Transfers(9)	0.00	0.00	0.00	0.00	0.00	-
Closing RAB(8)+(7)-(9)=(10)	1612.31	1985.00	2016.00	2191.90	1858.45	-
Average RAB (8)+(10)/2=(11)	1329.82	1798.65	2000.50	2103.95	2025.18	1851.62
Total Volume (Fuel throughput (12))	4.75	5.94	7.13	8.20	9.02	35.05
Actual Yield per unit (12/1)	494.53	519.26	545.22	572.48	601.11	-

11.2 As per the submission of IOSPL, Mumbai, annual inflation in the Tariff has been taken @ 5% to determine yield per KL.

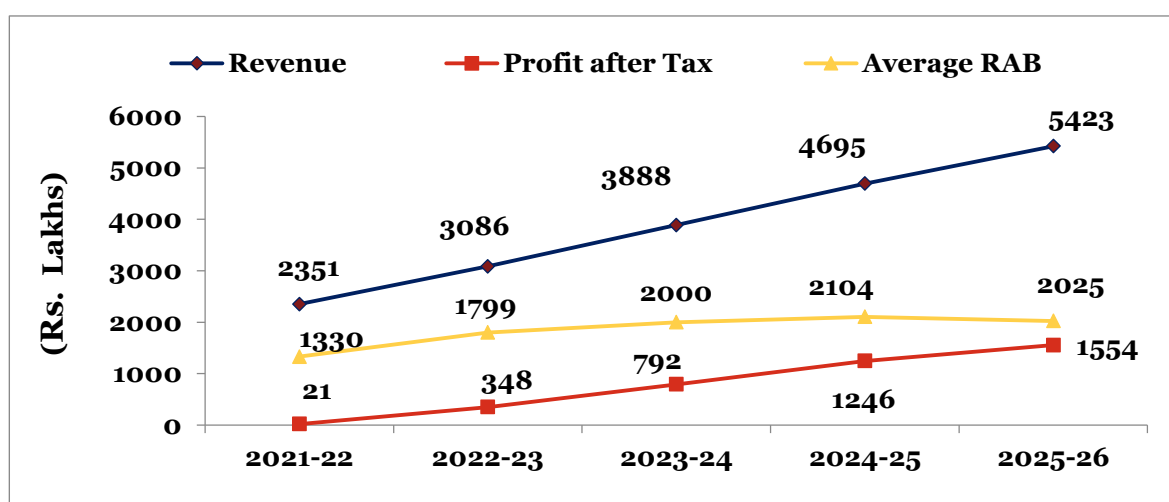
Authority's Examination and Analysis:

11.3 A comparative analysis of Total Revenue, Profitability, Tax and Return on RAB based on IOSPL, Mumbai's submission for 3rd Control Period is given below.

Table 35: Comparative Statement of Revenue, Profitability, RAB and Return on RAB for the 3rd Control Period (Rs. in lakhs)

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26
Total Revenue	2351.05	3085.76	3888.05	4694.83	5422.52
Profit before Tax	31.56	535.10	1216.93	1915.15	2388.29
Tax	11.03	186.99	425.25	669.23	834.57
Profit after Tax	20.53	348.12	791.69	1245.92	1553.73
Average RAB	1329.82	1798.65	2000.50	2103.95	2025.18

11.4 Based on the IOSPL, Mumbai's submissions for 3rd Control Period, the graphical depiction of Total Revenue, Profitability and average RAB is given as under:



11.5 The Authority noted that the CAGR of Revenue from Aeronautical Services (Revenue from Into Plane Services) is 23.24% during the 3rd control period.

11.6 The observations and proposals of the Authority across the regulatory building blocks impact the computation of ARR and Yield per Unit. With respect to each element of the regulatory building blocks considered by IOSPL, Mumbai in computation of ARR and Yield per Unit in Table above, the Authority proposes as below:

- To consider the Fuel Throughput in accordance Table 8.
- To consider the depreciation as per Table 15.
- To consider the average RAB in accordance with Table 18.
- To consider the FRoR in accordance with Table 20

- To consider the Non-aeronautical revenue as per Table 22
- To consider the O&M expenses as per Table 30.
- To consider the Tax as per Table 33.

11.7 After considering the above, the Authority proposes the following ARR as presented in the Table 36 below:

Table 36: Revised Aggregate Revenue Requirement (ARR) proposed by the Authority for IOSPL, Mumbai for the 3rd Control Period

Particulars	Amount (Rs.in Lakhs)				Total
	2021-22	2022-23	2023-24	2024-25**	
Average RAB (Refer Table 18)	1379.73	1778.49	1797.71	1834.73	
Fair Rate of Return (Refer Table 20)	14%	14%	14%	14%	
Return on average RAB	193.16	248.99	251.68	256.86	950.69
O & M Expenses (Refer Table 30)	1672.50	1851.47	2002.18	1623.62	7149.77
Depreciation (Refer Table 15)	511.20	567.31	465.12	270.96	1814.60
Tax (Refer Table 33)	0.00	177.41	310.53	338.22	826.17
Less: NAR (Refer Table 22)	14.02	18.40	23.19	21.00	76.61
ARR per year	2362.85	2826.78	3006.32	2468.67	10664.62
Discount Rate	14%	14%	14%	14%	
PV Discount	1.00	0.88	0.77	0.67	
PV of ARR based @14%	2362.85	2479.63	2313.27	1666.28	8822.03
Sum Present value of ARR	8822.03				
Fuel Throughput (Lakhs KL) (Refer Table 8)	34.59				
Yield Per KL (in Rs.)	255.02				
Computation of Aeronautical Revenue (Revenue from ITP services)					
Particulars	Amount (Rs. in Lakhs)				Total
	2021-22	2022-23	2023-24	2024-25**	
Projected Revenue (Fuelling)	1574.36	2539.29	2793.22	2285.36	9192.22
Projected Revenue (Re-Fuelling)	2.25	2.25	2.25	1.70	8.45
Total Projected Revenue	1576.61	2541.54	2795.47	2287.06	9200.67
PV Discount	1.00	0.88	0.77	0.67	
Discounted Aeronautical Revenue	1574.36	2227.45	2149.29	1542.55	7493.65
% Increase in Tariff	10.55%	4.25%	4.25%	4.25%	
Revised Revenue (with Tariff Increase)	1740.45	2926.49	3355.95	2862.47	10885.37
PV of Revised Revenue (with Tariff Increase)	1740.45	2567.10	2582.30	1932.09	8821.94

** For nine months only as the concession term of IOSPL, Mumbai is valid till 1st January 2025

11.8 The Authority has proposed to include Aeronautical Revenue (Re-Fuelling) of Rs. 2.25 lakhs in projected revenue for 3rd Control Period, based on actual Aeronautical Revenue (Re-Fuelling)

data submitted by IOSPL, Mumbai for defueling / Refuelling of defueled product of Rs.2.08 Lakhs for the period April 2020 to February 2021 which has been annualized.

11.9 The Authority has proposed the Aggregate Revenue Requirement (ARR) for nine months in FY 2024-25 because the concession term of IOSPL, Mumbai is valid only till 1st January 2025.

11.10 The Authority, based on the proposed ARR and percentage increase to meet the Aggregate Revenue Requirement (AAR), has proposed to revise tariff with an increase as given in Table 36 for ITP services provided by IOSPL, Mumbai for the 3rd Control Period.

11.11 **Authority's Proposal on Aggregate Revenue Requirement (ARR)**

Based on the material before it and based on its analysis, the Authority has proposed the following regarding Aggregate Revenue Requirement (AAR) for IOSPL, Mumbai for the 3rd Control Period:

11.11.1 The Authority proposes to consider the ARR for IOSPL, Mumbai for the 3rd Control Period as per Table 36.

11.11.2 The Authority proposes to true up the ARR based on actuals at the time of tariff determination for next Control Period provided the concession term of the service provider is extended.

CHAPTER 12. ANNUAL TARIFF PROPOSAL

12. IOSPL, Mumbai's submissions on Annual Tariff Proposal for the 3rd Control Period as part of MYTP.

- 12.1 M/s Indian Oil Skytanking Private Limited (IOSPL), Mumbai has submitted Multi Year Tariff Proposal (MYTP) for the 3rd Control Period (FY 2021-22 to FY 2024-25) on 1st December, 2020.
- 12.2 IOSPL, Mumbai has submitted the tariff proposal only for the four financial years (FY 2021-22 to FY 2024-25).
- 12.3 M/s Indian Oil Skytanking Private Limited (IOSPL), Mumbai has not submitted tariff proposal for FY 2025-25 as the concession term of IOSPL, Mumbai is valid till 1st January 2025.
- 12.4 M/s Indian Oil Skytanking Private Limited (IOSPL), Mumbai has submitted the tariff proposal for Into Plane Services at CSI Airport, Mumbai for the 3rd Control Period as per Table 37 below:

Table 37: Tariff Proposal by IOSPL, Mumbai for the 3rd Control Period

Particulars		Amount (Rs. per KL)			
		2021-22	2022-23	2023-24	2024-25
Fuelling of Aircraft		498.56	520.50	543.40	567.31
Defuelling of Aircraft	Within 6 hours	498.56	520.50	543.40	567.31
	Beyond 6 hours	598.27	624.59	652.08	680.77
Aircraft Refuelling De-fuelled Product into an Aircraft	Within 6 hours	548.41	572.55	597.74	624.04
	Beyond 6 hours	598.27	624.59	652.08	680.77

Authority's Examination and Analysis:

- 12.5 Proposed increased by IOSPL, Mumbai for Into Plane Services at CSI Airport, Mumbai for the 3rd Control Period shows more that 87% to 104% increase in Tariff in FY 2021-22 over the tariff approved by AERA for previous control period (applicable as on 31.03.2021) and further YoY increase of 4.40% for subsequent years which is shown in the Table 38.

Table 38: YoY Increase (%) in Tariff Proposed by IOSPL Mumbai for the 3rd Control Period

Particulars		% Change in Tariff Over previous Year			
		2021-22	2022-23	2023-24	2024-25
Fuelling of Aircraft		87.63	4.40	4.40	4.40
Defuelling of Aircraft	Within 6 hours	85.75	4.40	4.40	4.40
	Beyond 6 hours	78.32	4.40	4.40	4.40
Aircraft Refuelling De-fuelled Product into an Aircraft	Within 6 hours	104.33	4.40	4.40	4.40
	Beyond 6 hours	78.32	4.40	4.40	4.40

12.6 The Authority, based on the proposed ARR and percentage increase to meet the Aggregate Revenue Requirement (AAR), instead of proposing one time increase in the tariff, proposes to increase tariff by 10.55% in FY 2021-22 and thereafter YoY by 4.25% from FY 2022-23 onwards for the 3rd Control Period for ITP services provided by IOSPL, Mumbai as per Table 39:

Table 39: Tariff Rate Proposed by the Authority for IOSPL, Mumbai for the 3rd Control Period.

Particulars		Amount (Rs. Per KL)			
		2021-22	2022-23	2023-24	2024-25
Fuelling of Aircraft		293.75	306.24	319.25	332.82
Defuelling of Aircraft	Within 6 hours	296.72	309.33	322.47	336.18
	Beyond 6 hours	370.90	386.66	403.09	420.22
Aircraft Refuelling De-fuelled Product into an Aircraft	Within 6 hours	296.72	309.33	322.47	336.18
	Beyond 6 hours	370.90	386.66	403.09	420.22

12.7 The Authority has proposed the tariff rate for nine months for the FY 2024-25* because the concession term of IOSPL, Mumbai is valid only till 1st January 2025.

12.8 Authority's Proposal on Tariff Rate

Based on the material before it and based on its analysis, the Authority has proposed the following regarding Tariff Rate for IOSPL, Mumbai for the 3rd Control Period:

12.8.1 The Authority proposes to consider the Tariff Rate for IOSPL, Mumbai for the 3rd Control Period as per Table 39.

CHAPTER 13. SUMMARY OF AUTHORITY'S PROPOSALS

The below mentioned summary provides the Authority's proposals relating to relevant chapters regarding the tariff determination of IOSPL, Mumbai for the 3rd Control Period are reproduced below:

Chapter 2,

- 2.14.1 The Authority proposes to adopt "Price Cap Approach" on 'Single Till' basis for Tariff determination for IOSPL, Mumbai for the 3rd Control Period

Chapter 3,

- 3.9.1 The Authority proposes to consider the Fuel Throughput for the 3rd Control Period for IOSPL, Mumbai as per Table 8.
- 3.9.2 The Authority proposes to true-up the Fuel Throughput (volume) on the basis of actual off take in 3rd Control Period while determining tariffs for the Next Control Period.

Chapter 4,

- 4.20.1 The Authority proposes to adopt the Capital Expenditure for IOSPL, Mumbai for the 3rd Control Period in accordance with Table 12.
- 4.20.2 The Authority proposes to rework the RAB of the IOSPL, Mumbai for the 3rd Control Period, by reducing the RAB by 1% of the cost of the ITP depot / Computer Software (i6 System) / Vehicles as the case may be, if the IOSPL, Mumbai fails to commission and capitalize these assets by December 2022.
- 4.20.3 The Authority proposes to true up the Capital Expenditure based on actuals at the time of tariff determination for next Control Period.

Chapter 5,

- 5.10.1 The Authority proposes to consider to adopt depreciation rates for IOSPL, Mumbai for the 3rd Control Period as per Table 14.
- 5.10.2 The Authority proposes depreciation on the assets of IOSPL, Mumbai for the 3rd Control Period as per Table 15.
- 5.10.3 The Authority proposes to true up the depreciation based on actuals at the time of tariff determination for next Control Period.

Chapter 6,

- 6.8.1 The Authority proposes to consider Average RAB for IOSPL, Mumbai for the 3rd Control Period as per Table 18.

Chapter 7,

- 7.6.1 The Authority proposes to consider Fair Rate of Return (FROR) for IOSPL, Mumbai for the 3rd Control Period as per Table 20.

Chapter 8,

- 8.3.1 The Authority proposes to consider Non-Aeronautical Revenues for the 3rd Control Period as per Table 22.
- 8.3.2 The Authority proposes to true up the Non-Aeronautical Revenues based on actuals at the time of tariff determination for next Control Period.

Chapter 9,

- 9.17.1 The Authority has proposed to revise Operation and Maintenance Expenditure as shown in the Table 30.
- 9.17.2 The Authority proposes to true up the Operation and Maintenance Expenditure based on actuals at the time of tariff determination for next Control Period

Chapter 10,

- 10.9.1 The Authority has proposed to consider provision for taxation as shown in Table 33 for determination of ARR for the 3rd control period of IOSPL, Mumbai.
- 10.9.2 The Authority proposes to true up the provision for taxation based on actual taxes paid at the time of tariff determination for next Control Period.

Chapter 11,

- 11.11.1 The Authority proposes to consider the ARR for IOSPL, Mumbai for the 3rd Control Period as per Table 36.
- 11.11.2 The Authority proposes to true up the ARR based on actuals at the time of tariff determination for next Control Period provided the concession term of the service provider is extended.

Chapter 12,

- 12.8.1 The Authority proposes to consider the Tariff Rate for IOSPL, Mumbai for the 3rd Control Period as per Table 39.

CHAPTER 14. STAKEHOLDERS' CONSULTATION TIMELINE

- 14.1 In accordance with the provision of Section 13(4) of the AERA Act, 2008, the proposals contained in the Chapter 13- Summary of proposals read with the relevant discussion in the other chapters of the paper is hereby put forth for Stakeholders' Consultation.
- 14.2 For removal of doubts, it is clarified that the contents of this consultation paper may not be construed as any Order or Direction by the 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 decisions fully documented and explained in terms of the provisions of the Act.
- 14.3 The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in Chapter 13 above, latest by **07/05/2021** at the following address.

**Secretary,
Airports Economic Regulatory Authority of India
AERA Building, Administrative Complex
Safdarjung Airport New Delhi -110003
Tel: 011-24695044-47, Fax: 011-24695048**

**Email: gita.sahu@aera.gov.in; adhingra.aera@govcontractor.in
Copy to: secretary@aera.gov.in; director-ps@aera.gov.in**

(Chairperson)

IndianOil Skytanking

ISO 9001:2015, ISO 14001:2015 Certified

Ref: IOSL-Mumbai ITP CP3 Tariff Proposal

Date: 01 December 2020

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

Subject: Tariff determination for 3rd Control Period from 01 April 2021 to 31st March 2025 for IndianOil Skytanking Private Limited in rendering ITP Services at Chhatrapati Shivaji International Airport (CSIA) , Mumbai

Dear Sir / Madam,

IndianOil Skytanking Private Limited has been providing ITP services at Chhatrapati Shivaji International Airport (CSIA) , Mumbai since 01st January 2015.

AERA vide Multi -Year Tariff Order No. 12/2015-16 date 27th May 2015 determined the tariff effective 01st January 2015 at Rs.198.00 per KL for providing ITP services at Mumbai.

AERA vide its Order No. 28/2017-18 dated 08th December 2017 determined the tariff as under, effective 01st January 2018. Tariff for T2 (FY 2017-18 effective 01st January 2018) and T3 (FY 2018-19) of the Second Control Period was determined as under:

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.
Tariff Year – 2 (2017-18) Effective 01-01-2018	241.56	244.00	305.00	244.00	305.00
Tariff Year – 3 (2018-19)	265.72	268.40	335.50	268.40	335.50

AERA vide its Order No. 01/2019-20 dated 01st April 2019 effective 01st April 2019 kept the tariff for FY19-20 and FY20-21 unchanged and at the same level of FY18-19 as per Order Number 28/2017-18.

For the record we would like to state that for the last 03 financial years, from FY18-19 onwards till FY20-21 IOSL has been providing ITP services at Mumbai Airport on the same tariff without any tariff increase in line with AERA's orders.



Page 1 | 6

Assessment of Materiality

Mumbai Airport is the 2nd largest airport in India in terms of numbers of passengers handled and in ATM's. The consumption of ATF at Mumbai Airport (in KL) exceeds 5% of all ATF consumed (in KL) at all major airports in India and therefore IOSL's ITP service at Mumbai Airport is "**Material**"

Assessment of Competition

ITP Services at Mumbai Airport are being provided by IndianOil Skytanking Private Limited and Bharat Stars Services Private Limited. As per AERA Guidelines, if ITP services are being provided by 02 companies then they are considered competitive. Therefore, ITP Services at Mumbai Airport being provided by the company are deemed "**Competitive**"

Reasonableness of User Agreements

At Mumbai Airport, IOSL has Into Plane Agreements with various Oil Companies and the services are being provided to these companies under the prevailing agreements since 2015. IOSL has not received any adverse comments on the agreements with the end users and these agreements have been in place for the last 05 years without issues, therefore it can be established that the user agreements, IOSL has in place with its end users are "**Reasonable**"

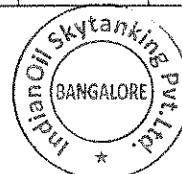
Tariff Determination Methodology

Based on AERA guidelines, if the services being rendered are Material and Competitive and where the reasonableness of User Agreements is established, the tariff determination of the service shall be done on "Light Touch Approach". The same methodology was also followed by the authority vide AERA vide its Order No. 28/2017-18 dated 08th December 2017 where the tariff determination was done under light touch approach. Therefore, the company's tariff proposal is submitted to the authority under "**Light Touch Approach**"

Historical ITP Volumes & ATM Growth at Mumbai Airport

Mumbai Airport operates with a single primary runway and a secondary runway which is used when the primary runway is not available. Due to a single runway system, the airport has limited capacity for ATM's to grow beyond FY19 levels. This puts an upper limit on the total demand for ATF at Mumbai airport. Further as more fuel-efficient aircrafts are put to use, the fuel consumption at Mumbai airport per departure is likely to further go down in the future.

	FY17	FY18	FY19	FY20	FY21 (Till September 2020)
Passengers (in Mn)	45.2	48.5	48.8	45.9	1.9
ATM's	3,05,465	3,20,689	3,21,263	3,04,675	26,821
IOSL ITP Volumes (KL)	10,84,047	12,14,094	12,03,617	9,56,426	1,17,892
IOSL Market Share	65.5%	67.4%	67.2%	64.5%	57%



ITP Volume is a function of overall ATF consumption at the airport and IOSL's market share. IOSL's market share is already at a high level and therefore a decline was expected by the management, which has since occurred in 06 months of FY21 where IOSL's market share has dropped to 57%. The management believes that in the third control period IOSL's market share is likely to remain in the range of 57-59% due to competition in the ATF market.

Impact of COVID-19 on IOSL's Volumes at Mumbai Airport & Volume Forecast

COVID-19 has negatively impacted the global aviation sector and in HY FY21, passenger volumes were 1.9 Million, compared to 22.8 Mn in the corresponding period last year. This represents a drop of 92%. Associated with this IOSL's fuel Volumes have also been impacted drastically. Therefore, for the purpose of tariff determination for the 3rd control period, IOSL has used the following volume forecast.

IOSL ITP Volume Forecasts	FY22	FY23	FY24	FY25	FY26
ITP Volume (in KL)	4,75,410	5,94,263	7,13,115	8,20,083	9,02,091

The Volume forecast makes the following assumptions.

1. Fuel Volumes associated with International flights are likely to recover to Pre-Covid levels by 2024. This is based on projections made by IATA.
2. Travel segments such as Visiting Friends & Family (VFR) and leisure travel are likely to recover by 2023, however business travel is likely to be negatively impacted in the long term as more companies rely on e-meetings & video conferencing.
3. Recovery of VFR and Leisure travel is also subject to the arrival of a COVID-19 vaccine and it being administered to a large percentage of the population which is likely to take at least 1-2 Years. During this time, travel is expected to be limited to emergency and minimal VFR and leisure travel.
4. Resurgence of COVID-19 in India or overseas is likely to negatively impact both domestic and inbound / outbound international travel.
5. Airlines are likely to phase out older aircrafts and replace them with more narrow body and newer, more fuel-efficient aircraft. This is likely to negatively impact fuel volumes at Mumbai Airport
6. Navi Mumbai airport is likely to be operational by FY24 which is likely to take away some traffic from Mumbai Airport and will lead to reduced fuel volumes at Mumbai Airport
7. IOSL's market share has been declining since FY18 and has reduced from 67.4% to 57%. The management believes that IOSL's market share is likely to be rangebound between 57-59% in the 3rd Control period.



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 for providing various Services at CSIA, Mumbai, the commercial terms agreed to between us, as the Into plane Service Provider and the suppliers, various service parameters and service specifications, are all key ingredients in determining the quality of services being provided by us at the CSIA, Mumbai.

These specifications cannot be put into public domain for the following reasons:

- a) The performance indicators/specifications are unique to this arrangement;
- b) The specifications set out are quality related specifications, acting as indicators of performance of the into plane agents as well as the quality of services being provided by us;
- c) Ours is a service industry and performance specifications and standards are key ingredients to our functioning and we regard these specifications and parameters as our intellectual property and value it as our trade secret;
- d) Such information, if in public domain, is at the risk of being copied by our competitors and also the competitors of our service providers;
- e) As a result of the specifications being copied by our competitors, what is otherwise a 'competitive service' may cease to be so since we will not be able to retain our uniqueness in providing these services; and
- f) As per the terms of our agreement with MAFFFL and the users, we are under an obligation to keep confidential the terms of all agreements entered into with respect to CSIA, Mumbai.

For the reasons stated above and to ensure that that the distinctiveness and competitive nature of services developed and retained by us for many years is not hampered in any manner by a disclosure of our confidential information, we request that the agreements entered into between us and our service provides or any part thereof, should not be uploaded on your website or made public in any other manner.

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:



A handwritten signature in black ink, appearing to be "S. S. Srinivasan", written over a horizontal line.

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.

Tariff Proposal

Based on the tariff determination methodology and as per tariff calculations in line with AERA guidelines, we submit the following tariff proposal for the authority's consideration and approval for the 3rd control period.

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.
Tariff Year – 1 (FY21-22)	498.56	498.56	598.27	548.41	598.27
Tariff Year – 2 (FY22-23)	520.50	520.50	624.59	572.55	624.59
Tariff Year – 3 (FY23-24)	543.40	543.40	652.08	597.74	652.08
Tariff Year – 4 (FY24-25)*	567.31	567.31	680.77	624.04	680.77

All tariffs quoted above are in INR / KL



[Signature]
Page 5 | 6

*Note: Since IOSL's concession term is valid till 01st January 2025, tariff approval is being sought till 31st March 2025 and no tariff is being sought for the 5th Year of the 3rd control period.

Thanking you,

Yours truly
For IndianOil Skytanking Private Limited



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

Attachments

1. Business Plan for ITP Services at Mumbai Airport - Annexure -1
2. Various Forms as required for the tariff submission process - Annexure - 2

FORM A

BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA
AT NEW DELHI

SUBMISSION OF MULTI YEAR TARIFF PROPOSAL FOR AND ON BEHALF OF:

M/s.IndianOil Skytanking Private Limited,
Fuel Farm Facility,
Bangalore International Airport,
Devanahalli,
Badngalore 560 300

We, T. S. Dupare & Shantanu Saxena aged 59 yrs & 56 yrs respectively residents of Bangalore acting in our official capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) in M/s. IndianOil Skytanking Private Limited, having its registered office at Fuel Farm Facility, Bangalore International Airport, Devanahalli, Bangalore 560 300 do hereby state and affirm as under:

1. That we are duly authorized to act for and on behalf of M/s. **IndianOil Skytanking Private Limited** in the matter of making this submission before the Airports Economic Regulation Authority of India, New Delhi ('the Authority');
2. We are competent to make this submission before the Authority;
3. We are making this submission in our official capacity and the facts stated herein are based on official records;
4. The contents of this submission which include inter alia
 - i) Business Plan
 - ii) Information relating to the Regulatory Building Blocks
 - iii) Competition Assessment
 - iv) Historical and Forecasted Volumes; and
 - v) Historical Revenues are correct and true to my knowledge and belief and nothing material has been concealed there from.



(T. S. DUPARE)
CEO



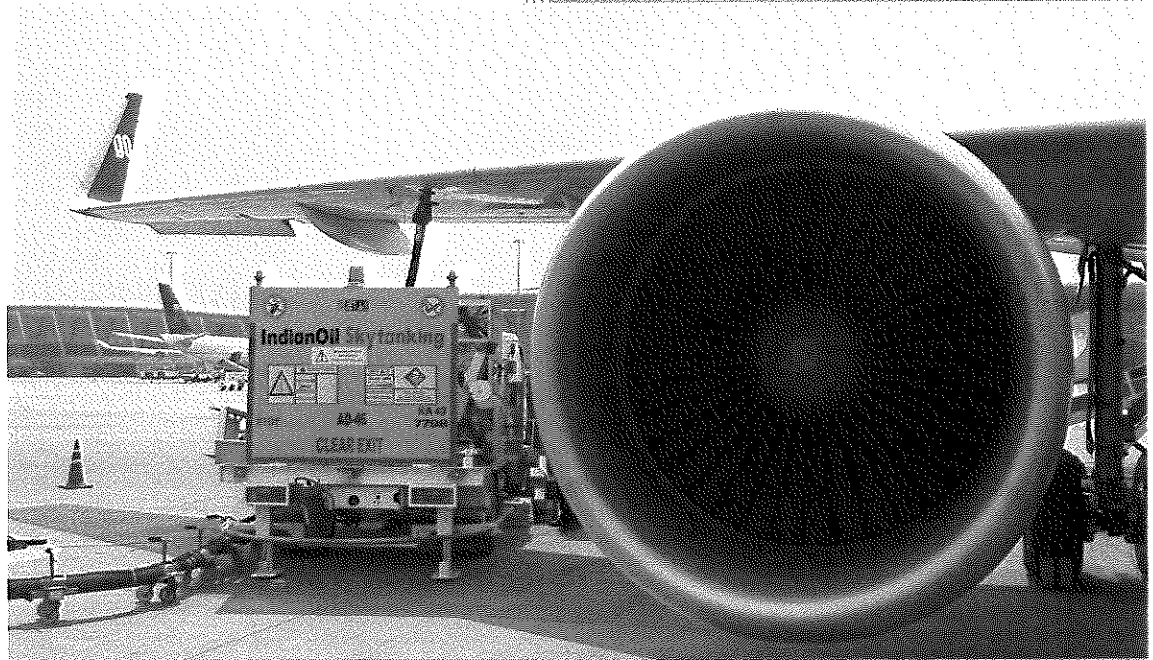
(SHANTANU SAXENA)
CFO



Place: Bangalore

Date: 01st December 2020

Business Plan for Mumbai ITP Services



Submitted By
IndianOil Skytanking Private Limited

Contents

ABOUT THE COMPANY2

SERVICES OF THE COMPANY2

MUMBAI ITP SERVICES2

SCALE OF OPERATIONS & HISTORICAL DATA3

VOLUME FORECAST FOR 3rd CONTROL PERIOD3

MANPOWER & EQUIPMENT PLAN4

CAPEX PLAN.....5

ASSUMPTIONS ON OPERATING COSTS.....6

SUMMARY.....6



ABOUT THE COMPANY

IndianOil Skytanking Private Limited is India's leading Independent Aviation Fuel Handling Service Provider. IndianOil Skytanking was formed in 2006 and commenced operations at Bangalore International Airport in 2008 providing Into Plane Services and Operations and Maintenance of the Fuel Farm and Hydrant Refuelling System. The Fuel Farm and Hydrant System was designed, built, and commissioned by IndianOil Skytanking on a Build Own Operate Transfer (BOOT) Model for a duration of 20 Years.

At the time, it was the first airport where the "Open Access" Model for Aviation Fuel Storage along with "Single Man Refuelling" was introduced India. We provide On-Time, Reliable and efficient services to our customers across the aviation industry and are ISO 9001 and 14001 certified along with all the necessary statutory approvals required to carry out our business. IndianOil Skytanking is promoted by IndianOil Corporation and Skytanking Holding GmbH.

Presently IndianOil Skytanking operates at 23 Airports in India and handles 40% of all Aviation Turbine Fuel (ATF) consumed in India. We have a presence in the top 3 airports of India which are Delhi, Mumbai, and Bangalore. We own a fleet of 80+ hydrant dispensers and refuellers and have over 550+ trained manpower to carry out our operations.

SERVICES OF THE COMPANY

We offer the following Services to our customers

- Into-Plane Fuelling
- Operations & Maintenance of Fuel Farms & Hydrant Refuelling Systems
- Investment Projects
- Engineering, Advisory & Projects

MUMBAI ITP SERVICES

IndianOil Skytanking has been providing Into Plane Fuelling Services at Mumbai International Airport since 01 January 2015 through a concession awarded to it by Mumbai Aviation Fuel Farm Facility Private Limited (MAFFFPL). This concession is valid for a period of 10 Years and therefore will end on 01st January 2025.

At Mumbai Airport the company has positioned 145 employees to provide ITP services to our customers. A total of 28 refuelling equipment comprising of 17 modern State of art Aircraft Hydrant Dispensers and 11 Aircraft refuellers, along with other support vehicles and assets have been deployed by the company at Mumbai Airport to provide ITP services to our customers.



SCALE OF OPERATIONS & HISTORICAL DATA

Historically Mumbai Airport has been the 2nd busiest airport in India after Delhi. However due to airside capacity limitations, Mumbai Airport is close to its peak operating capacity. This is evident from the table below FY19 wherein there was a marginal growth in passengers and ATM's while there was a degrowth in IOSL's volumes. Further growth in passengers and fuel volumes, at the airport level beyond the levels observed in FY19 therefore appear challenging.

	FY17	FY18	FY19	FY20	FY21 (Up to 30.09.20)
Passengers (in Mn)	45.2	48.5	48.8	45.9	1.9
ATM's	3,05,465	3,20,689	3,21,263	3,04,675	26,821
IOSL ITP Volumes	10,84,047	12,14,094	12,03,617	9,56,426	1,17,892
IOSL Market Share	65.5%	67.4%	67.2%	64.5%	57.0%
Number of Flights	1,15,359	1,23,852	1,23,459	1,32,703	11,224

IOSL's market share has also been on a consistent decline since FY18 onwards, wherein the market share was at its peak of 67.4% which has now reduced to 57% in the first half of FY21 which is the last tariff year of the 2nd control period. IOSL believes that prevailing level of market share is likely to continue well into the coming years, due to factors beyond its control.

VOLUME FORECAST FOR 3rd CONTROL PERIOD

IOSL's ITP Services at Mumbai Airport have been severely impacted by COVID-19. Based on Half Yearly data of April-September 2020, IOSL's ITP volumes at 1,17,892 KL have fallen by -75% compared to the period of April-September 2019.

We expect the volume recovery to be slow in Mumbai as even in the month of September 2020, ITP volumes for IOSL were -65% less compared to September 2019. Based on the current trends and expected improvements the volume forecast used for the purpose of tariff determination is presented below.

	3 rd Control Period (01 April 2021 to 31 st March 2026)					
	FY21	FY22	FY23	FY24	FY25	FY26
IOSL Estimates	3,52,155	4,75,410	5,94,263	7,13,115	8,20,083	9,02,091
Growth %		+35%	+25%	+20%	+15%	+10%

This volume forecast is based on the following assumptions.

1. Fuel Volumes associated with International flights are likely to recover to Pre-Covid levels by 2024. This is based on projections made by IATA.
2. Travel segments such as Visiting Friends, Family & Relatives (VFR) and leisure travel are likely to recover by 2023, however business travel is likely to be negatively impacted in the long term as more companies rely on e-meetings & video conferencing.
3. Recovery of VFR and Leisure travel is also subject to the arrival of a COVID-19 vaccine and it being administered to a large percentage of the population which is



likely to take at least 1-2 Years. During this time, travel is expected to be limited to emergency and minimal VFR and leisure travel.

4. Resurgence of COVID-19 in India or overseas is likely to negatively impact both domestic and inbound / outbound international travel.
5. Airlines are likely to phase out older aircrafts and replace them with more narrow body and newer, more fuel-efficient aircraft. This is likely to negatively impact fuel volumes at Mumbai Airport
6. Navi Mumbai airport is likely to be operational by FY24 which will take away some traffic from Mumbai Airport and will lead to reduced fuel volumes at Mumbai Airport
7. IOSL's market share has been declining since FY18 and has reduced from 67.4% to 57%. The management believes that IOSL's market share is likely to be rangebound between 57-59% in the 3rd Control period.
8. IOSL's ITP market share and ITP volumes are a function of volumes done by the fuel suppliers namely IndianOil and Hindustan Petroleum and other suppliers which may contract IOSL to render ITP Services. In case IOSL's fuel suppliers lose volume to competition, IOSL also loses those ITP Volumes to competition. Therefore, IOSL's volumes are 100% dependent on its fuel suppliers and sales and business development efforts of IOSL do not lead to incremental volumes.

EQUIPMENT PLAN & MANPOWER

When IOSL commenced operations at Mumbai Airport In 2015, it took over old assets of oil companies. Many of these Into Plane Vehicles comprising of Hydrant Dispensers and Refuellers are old and have completed their useful life or is likely to complete its useful life of 08 Years.

Local RTO regulations also do not allow vehicles which are more than 08 years to operate within the state. Therefore, IOSL has planned to refurbish the existing fleet of equipment to make it compliant with local RTO regulations.

Equipment Plan	FY22	FY23	FY24	FY25	FY26
Refurbishments of Hydrant Dispensers (Numbers)	2	4	4	5	0
Refurbishments of Refuellers (Numbers)	4	4	3	2	0
Equipment Plan (Totals)	FY22	FY23	FY24	FY25	FY26
Hydrant Dispensers	17	17	17	17	17
Refuellers	11	11	11	11	11
Total Equipment	28	28	28	28	28
Manpower Plan (Numbers)	145	148	152	152	152

Manpower for Operations:- As per the contract terms and as per DGCA requirements, two employees are required for manning and Operating the Aircraft Refuellers whereas one employee is deployed for fuelling of the Aircraft with Aircraft Hydrant Dispensers. Additionally manpower is deployed for Safety management and Quality Control works. Manpower is also deployed for Management of Shifts and overall operations. IOSL deploys minimum Manpower for optimizations of its operating costs.



CAPEX PLAN

Based on the equipment plan outlined in the previous section, the associated capex requirements for the 3rd control period are also detailed below. No capex is planned in FY26 as IOSL's concession agreement for providing ITP services is valid till 01 January 2025 and it does not carry an automatic extension clause.

Capex (in INR Crores)	FY22	FY23	FY24	FY25	FY26
Refurbishments of Hydrant Dispensers	1.2	2.5	2.6	3.5	0.0
Refurbishments of Refuellers	2.8	2.9	2.3	1.6	0.0
Development of ITP Depot	1.25	1.68			
Implementation of i6 System	1.67				
Implementation of DDF as per JIG guidelines	4.12	2.26			
Total Capex Outgo for CP3 (in INR Crores)	11.04	9.40	4.96	5.09	11.04

The details of the capex planned are as follows.

- 1. Refurbishment of Hydrant Dispensers and Refuellers:** Since IOSL took over mostly old assets of Oil companies in 2015, these assets now need to be refurbished in line with the local RTO regulations. These assets are near their useful life of 08 years and therefore refurbishments are planned for hydrant dispensers and refuellers to comply with statutory norms for a capital outlay of INR 19.5 Crores over FY22-25.
- 2. Development of ITP Depot:** Currently there is no designated parking space for ITP vehicles of IOSL and there is also no permanent office space for IOSL staff on the airside. These leads to operational challenges and in-efficiencies, as the vehicles have to travel longer distances to park when not in use. Therefore, the development of an ITP depot for parking of ITP vehicles and office space for IOSL's manpower to be stationed is planned for a capital outlay of INR 2.93 Crores.
- 3. Implementation of i6 System:** IOSL has successfully implemented the i6 system in Bangalore ITP location and plans to implement the same system in Mumbai ITP as well. The capex outlay associated with this line item is INR 1.67 Crores
- 4. Implementation of DDF as Per JIG Guidelines:** Joint Inspection Group (JIG) has come out with a timeline of 2023 for the replacement of filter water separators (FWS) in all hydrant dispensers and refuellers. To comply with this statutory requirement, IOSL will have to implement Dirt Defence Filters (DDF) in all its hydrant dispensers and refuellers. The capex outlay for this item is expected to be INR 6.38 Crores



ASSUMPTIONS ON OPERATING COSTS

1. **Manpower Costs:** IOSL has considered an increase of 5.5% on account on annual increase in wages and a 5% increase on account of inflation towards manpower costs.
2. **Other Costs:** A breakup of annual increases in Operating costs for other items is detailed below.

Category of Costs	Escalation	Inflation
Payroll	5.50%	5.00%
Rent/License		7.50%
Rates & Taxes		5.00%
Rent		5.00%
Communication		8.00%
Travelling & Conveyance		10.00%
Office Maintenance		5.00%
Printing & Stationery		10.00%
Audit Expenses		5.00%
Legal Expenses		10.00%
Other professional charges		8.00%
Marketing Costs		5.00%
Insurance		10.00%
Consumption of stores		10.00%
Recruitment/training		10.00%
Bank Charges		5.00%
Miscellaneous		5.00%
CSR Expenditure		5.00%
Spares		5.00%
Security		5.00%
Repairs and Maintenance		8.00%
Power-Utilities		5.00%
Water		5.00%
Diesel		8.00%

The annual increase considered above is in line with our past experience in operations and earlier approvals.

SUMMARY

IOSL has continued to provide safe, efficient and delay free services to its customers at Mumbai Airport, since 2015. The company is committed to investing in its people and assets so that the same level of service with enhanced efficiencies can be rendered to its customers. This business plan is being submitted to Airports Economic Regulatory Authority (AERA) as part of the company's tariff submission process for the 3rd control period from 01 April 2021 to 31st March 2026. Tariff sought is however from 01 April 2021 to 31st March 2025, as IOSL's concession for rendering ITP Services ends on 01st January 2025.



List of Forms

S. No.	Form No.	Discription
1	Form F1 (a):	Historical and Proposed Aggregate Revenue Requirement
2	Form F1 (b):	Competition Assessment
3	Form F2:	Historical and Projected Balance Sheet
4	Form F3:	Historical and Projected Profit and Loss A/c
5	Form F4:	Historical and Projected Cash Flow Statement
6	Form F9:	Formats for Forecast and Actual Roll-forward RAB
7	Form F5:	Cost of Equity and Post-Tax FROR Forecast
8	Form F6(a):	Loan Master
9	Form F6(b):	Summary statement of Interest and Finance Charges
10	Form F6 (c):	Contributions, Grants and subsidies Master
11	Form F7:	Format for identifying Regulatory Asset Base
12	Form F8(a):	Format for providing asset-wise information of stakeholder contributions
13	Form F8(b):	Format for providing proposed exclusions from RAB
14	Form F10(a):	Capital Projects Completed before Review for Roll-forward of RAB
15	Form F10(b):	Capital Expenditure Projected Plan-10 Year Master
16	Form F10(c):	Year-wise Capital Expenditure Financing Plans for next 10 years
17	Form F10(d):	Summary statement of Expenses Capitalised
18	Form F10(e):	Additional Capital Projects Summary
19	Form F11(a):	Employee Strength
20	Form F11(b):	Payroll Related Expenditure and Provisions
21	Form F11 (c):	Administration and General Expenditure
22	Form F11 (d):	Repair and Maintenance Expenditure
23	Form F11 (e):	Utilities and Outsourcing Expenditure
24	Form F11 (f):	Other Outflows
25	Form F11(g):	Current Assets and Liabilities
26	Form F12(a):	Historical and Projected Cargo Volumes in Tonnes
27	Form F12(b):	Historical Aircraft Movements
28	Form F12(c):	Projected Aircraft Movements
29	Form F12(d):	Historical and Projected fuel throughput in kilolitres
30	Form F13(a):	Historical Tariff(s) and Revenue from Regulated Service
31	Form F13(b):	Historical and Projected Revenues from services other than Regulated Services
32	Form F14(a):	Annual Tariff Proposal for Tariff Year t - Format for providing information on EMAY
33	Form F14 (b):	Fuel Throughput Into Plane Services
34	Form F15:	Annual Compliance Statement
35	Form F16:	Performance Report for the Tariff Year
36	Form F17:	Revenues from Regulated Services recovered during the Tariff Year
37	Form F18:	Revenue from Services other than Regulated Services recovered during the Tariff Year
38	Form F19:	Operating Expenditure incurred during the Tariff Year
39	Form F20:	P&L Reconciliation Statement for the Tariff Year
40	Form F21:	RAB Reconciliation Statement



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F1 (a): Historical and Proposed Aggregate Revenue Requirement (ref: AI.2 of Appendix I)

Sl.N.	Aggregate Revenue Requirement	Last available audited Year	Financial Year before Tariff Year	Tariff Year	Tariff Year	Tariff Year	Tariff Year	Tariff Year
		2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	<i>Aggregate Revenue Requirement</i>							
	Bangalore-ITP	2544,63,033.39	935,74,881.48	2337,03,266.50	3067,35,537.28	3864,86,776.97	4666,82,783.19	5390,18,614.58
	TOTAL	2544,63,033.39	935,74,881.48	2337,03,266.50	3067,35,537.28	3864,86,776.97	4666,82,783.19	5390,18,614.58



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F1 (b): Competition Assessment (ref: A1.3 of Appendix I)

Sl.No.	Details of competitive facilities
	<i>Bharat Star Services Private Limited</i>



IndianOil Skytanking Private Limited

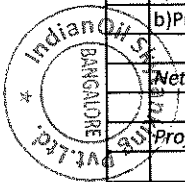
Mumbai-Into Plane

BALANCE SHEET

Figs in Rs.

Form F2: Historical and Projected Balance Sheet(ref. Section A1.4 of Appendix I)

S.N	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	SOURCES OF FUNDS							
	<i>A) Shareholders' Funds</i>							
	a) Share Capital	-	-	-	-	-	-	-
	b) Share Application Money							
	c) Reserves and Surplus	1800,00,000	1800,00,000	1800,00,000	1800,00,000	1800,00,000	1800,00,000	1800,00,000
	Profit and Loss Account	1640,88,054	1242,93,271	1254,34,600	1590,49,061	2367,09,469	3594,80,012	5127,49,054
	<i>B) Loan Funds</i>							
	a) Secured Loans	-	-	-	-	-	-	-
	b) Unsecured Loans							
	c) Working capital Loan	-	-	-	-	-	-	-
	<i>C) Capital Grants</i>							
	<i>D) Deferred Tax Liability-(Net)</i>							
	TOTAL SOURCES OF FUNDS	3440,88,054	3042,93,271	3054,34,600	3390,49,061	4167,09,469	5394,80,012	6927,49,054
2	APPLICATIONS OF FUNDS							
	<i>A) Fixed Assets</i>							
	a) Gross Block	3188,03,645	3188,16,145	4292,17,972	5232,17,972	5728,30,472	6237,65,972	6237,65,972
	b) Less: Accumulated Depreciation	1760,98,139	2140,83,389	2679,87,184	3247,18,282	3712,30,600	4045,75,767	4379,20,934
	c) Net Block	1427,05,506	1047,32,756	1612,30,788	1984,99,689	2015,99,871	2191,90,205	1858,45,038
	d) Capital Work in Progress							
	<i>B) Deferred Tax Assets</i>							
	<i>C) Current Assets, Loans and Advances</i>							
	a) Sundry Debtors	23,73,515	155,95,814	194,75,272	255,61,295	322,07,231	388,90,232	449,18,218
	b) Cash and Bank Balances	2075,68,356	1714,47,361	1177,95,549	1094,10,139	1788,11,365	2789,12,068	4611,95,729
	c) Inventories	24,73,050	2,68,910	3,46,251	3,80,876	4,18,964	4,60,860	5,06,946
	d) Other Current Assets							
	e) Loans and Advances	-	187,81,609	187,81,609	187,81,609	187,81,609	187,81,609	187,81,609
	<i>Less: Current liabilities and provisions</i>							
	a) Liabilities	110,32,373	65,33,179	121,94,869	135,84,548	151,09,572	167,54,962	184,98,486
	b) Provisions							
	Net Current Assets	2013,82,548	1995,60,515	1442,03,812	1405,49,372	2151,09,598	3202,89,808	5069,04,016
	<i>Profit and Loss A/c</i>							
	TOTAL APPLICATION OF FUNDS	3440,88,054	3042,93,271	3054,34,600	3390,49,061	4167,09,469	5394,80,012	6927,49,054



IndianOil Skytanking Private Limited

Mumbai-Into Plane

PROFIT AND LOSS STATEMENT

Form F3: Historical and Projected Profit and Loss A/c (ref: Section A1.4 of Appendix I)

S.N	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	Revenue							
	Revenues from Regulated Services	2544,63,033	935,74,881	2337,03,266	3067,35,537	3864,86,777	4666,82,783	5390,18,615
	Revenues from other than Regulated Services							
	Other Income							
2	Operating Expenditure							
	Payroll Costs	984,77,500	646,16,773	1120,82,166	1238,50,794	1368,55,127	1512,24,916	1671,03,532
	Administrative and General Costs	156,49,032	93,60,448	177,67,904	192,14,582	207,85,184	224,90,745	243,43,308
	Utilities and Outsourcing costs	162,15,187	64,70,936	174,72,631	188,28,683	202,91,130	218,68,381	235,69,510
	Concession Fee & Airport Operator Fees	152,67,782	56,14,493	140,22,196	184,04,132	231,89,207	280,00,967	323,41,117
	Repair and Maintenance Costs	154,63,142	93,21,764	167,00,194	180,36,209	194,79,106	210,37,434	227,20,429
3	Earnings before depreciation, interest and taxation (EBITDA)	933,90,391	18,09,534	556,58,175	1084,01,138	1658,87,023	2220,60,340	2689,40,718
	Depreciation and Amortisation	380,25,097	379,85,250	539,03,795	567,31,099	465,12,318	333,45,167	333,45,167
4	Earnings before Interest and Taxation (EBIT)	553,65,294	397,94,784	17,54,380	516,70,039	1193,74,705	1887,15,174	2355,95,552
	Total Interest and Finance Charges	-	-	-	-	-	-	-
5	Profit/ (Loss) before Tax	553,65,294	397,94,784	17,54,380	516,70,039	1193,74,705	1887,15,174	2355,95,552
	<i>Provision for Taxation:</i>							
	Less: Current Tax	193,46,848	-	6,13,051	180,55,578	417,14,297	659,44,630	823,26,510
	MAT Credit Available for Set off							
	Deferred Tax Asset							
6	Profit after taxation	360,18,445	397,94,784	11,41,329	336,14,461	776,60,408	1227,70,543	1532,69,042
	Add/Less: Balance brought forward from Prev. years	1280,69,609	1640,88,054	1242,93,271	1254,34,600	1590,49,061	2367,09,469	3594,80,012
	Less: Transfer to SPRH Reserve fund							
7	Profit/Loss carried to Balance Sheet	1640,88,054	1242,93,271	1254,34,600	1590,49,061	2367,09,469	3594,80,012	5127,49,054



IndianOil Skytanking Private Limited

Mumbai-Into Plane

CASH FLOW STATEMENT

Form F4: Historical and Projected Cash Flow Statement (ref: Section A1.4 of Appendix I)

S.N	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1 Cash flow from Operating Activities								
	Net Profit/(Loss) before Taxation	553,65,294	- 397,94,784	17,54,380	516,70,039	1193,74,705	1887,15,174	2355,95,552
	Adjustments for:							
	Depreciation	380,25,097	379,85,250	539,03,795	567,31,099	465,12,318	333,45,167	333,45,167
	Foreign Exchange(Gain)/Loss-Unrealised(net)							
	(Gain)/Loss on the sale of Fixed Assets							
	Provision for doubtful debts							
	Preliminary expenses written off							
	Transferred to CWIP							
	Interest Income							
	Interest and Finance Charges							
	Operating Profit Before Working Capital Changes	933,90,391	- 18,09,534	556,58,175	1084,01,138	1658,87,023	2220,60,340	2689,40,718
	Adjustment for:							
	Decrease/(Increase) in Trade Receivables	- 23,73,515	- 132,22,299	- 38,79,459	- 60,86,023	- 66,45,937	- 66,83,001	- 60,27,986
	Decrease/(Increase) in Inventories	- 24,73,050	22,04,140	77,341	34,625	38,088	41,896	46,086
	Decrease/(Increase) in Loans and Advances	-	187,81,609	-	-	-	-	-
	(Decrease)/Increase in Sundry Creditors	110,32,373	44,99,194	56,61,690	13,89,679	15,25,024	16,45,390	17,43,524
	Cash generated from operation	995,76,198	- 361,08,495	573,63,066	1036,70,169	1607,28,023	2169,80,833	2646,10,171
	Less: Income Taxes and Other Taxes(including FBT) paid	193,46,848	-	6,13,051	180,55,578	417,14,297	659,44,630	823,26,510
	Net Cash flow from operating activities	802,29,350	- 361,08,495	567,50,015	856,14,590	1190,13,726	1510,36,203	1822,83,661
2 Cash flow from investing activities								
	Purchase of Fixed Assets/Intangible Assets(including work in progress)	- 77,94,752	- 12,500	- 1104,01,827	- 940,00,000	- 496,12,500	- 509,35,500	-
	Decrease in Creditors for Capital work in Progress							
	Sale proceeds from disposal of Fixed Assets	-	-	-	-	-	-	-
	Decrease /(Increase) in Escrow Account							
	Interest Received							
	Net Cash used in Investing Activities	- 77,94,752	- 12,500	- 1104,01,827	- 940,00,000	- 496,12,500	- 509,35,500	-
3 Cash Flow from financing activities								
	Proceeds from Long-Term Borrowings	-	-	-	-	-	-	-
	Repayment of Long-Term Borrowings	-	-	-	-	-	-	-
	Increase in Equity							
	Pre-incorporation & Share Issue Expenses							
	Increase/(Decrease) in Short-Term Bank Borrowings							
	Interest and Finance Charges paid	-	-	-	-	-	-	-
	Net Cash from Financing Activities	-	-	-	-	-	-	-
4	Net Change in Cash and Cash Equivalents	724,34,598	- 361,20,995	- 536,51,812	- 83,85,410	694,01,226	1001,00,703	1822,83,661
5	Cash and Cash Equivalents as at the beginning of the period	1351,33,758	2075,68,356	1714,47,361	1177,95,549	1094,10,139	1788,11,365	2789,12,068
6	Less: Cash and Cash Equivalents at the end of the period	2075,68,356	1714,47,361	1177,95,549	1094,10,139	1788,11,365	2789,12,068	4611,95,729



IndianOil Skytanking Private Limited

Mumbai-Into Plane

WORKINGS FOR ASSET AND DEPRECIATION

Figs in Rs.

Form F9: Formats for Forecast and Actual Roll-forward RAB (ref:Section A1.5 of Appendix I)

Forecast for the Control Period							
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A Opening RAB	1729,35,851	1427,05,506	1047,32,756	1612,30,788	1984,99,690	2015,99,872	2191,90,205
Land & Building	1,26,321	1,26,321	1,13,321	121,83,655	279,93,988	270,04,321	260,27,655
Plant and Machinery-FF & HS	-	-	-	-	-	-	-
Plant and Machinery-IPS	4,44,822	27,325	18,879	10,434	1,988	-0	-0
Computers	1,67,669	2,27,966	1,17,979	43,425	-	-	-
Office Equipments	18,14,617	7,67,237	6,64,546	5,79,193	5,28,095	4,85,677	4,85,677
Vehicles	1661,00,373	1410,09,315	1034,07,923	1370,02,632	1642,32,602	1739,66,340	1925,33,340
Furniture and Fittings	42,17,826	4,83,119	3,76,301	2,73,509	1,73,992	1,41,784	1,41,784
Computer Software	64,223	64,223	33,806	111,37,941	55,69,026	1,750	1,750
B Additions-WIP Cap.	77,94,752	12,500	1104,01,827	940,00,000	496,12,500	509,35,500	-
Land & Building	-	-	125,00,000	168,00,000	-	-	-
Plant and Machinery-FF & HS	-	-	-	-	-	-	-
Plant and Machinery-IPS	-	-	-	-	-	-	-
Computers	1,71,610	-	-	-	-	-	-
Office Equipments	6,69,396	-	-	-	-	-	-
Vehicles	69,29,746	-	812,00,000	772,00,000	496,12,500	509,35,500	-
Furniture and Fittings	24,000	12,500	-	-	-	-	-
Computer Software	-	-	167,01,827	-	-	-	-
C Disposals/Transfers	-	-	-	-	-	-	-
Land & Building	-	-	-	-	-	-	-
Plant and Machinery-FFF & HS	-	-	-	-	-	-	-
Plant and Machinery-IPS	-	-	-	-	-	-	-
Computers	-	-	-	-	-	-	-
Office Equipments	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-
Furniture and Fittings	-	-	-	-	-	-	-
Computer Software	-	-	-	-	-	-	-
D Depreciation Charge	380,25,097	379,85,250	539,03,795	567,31,099	465,12,318	333,45,167	333,45,167
Land & Building	-	13,000	4,29,667	9,89,667	9,89,667	9,76,667	9,76,667
Plant and Machinery-FF & HS	-	-	-	-	-	-	-
Plant and Machinery-IPS	4,17,497	8,446	8,446	8,446	1,988	-	-
Computers	1,11,313	1,09,987	74,555	43,425	-	-	-
Office Equipments	17,16,776	1,02,691	85,353	51,098	42,418	-	-
Vehicles	320,20,804	376,01,393	476,05,290	499,70,031	398,78,762	323,68,500	323,68,500
Furniture and Fittings	37,58,707	1,19,318	1,02,793	99,517	32,208	-	-
Computer Software	-	30,416	55,97,692	55,68,916	55,67,276	-	-
E Closing RAB(A+B-C-D)	1427,05,506	1047,32,756	1612,30,788	1984,99,690	2015,99,872	2191,90,205	1858,45,038
Land & Building	1,26,321	1,13,321	121,83,655	279,93,988	270,04,321	260,27,655	250,50,988
Plant and Machinery-FF & HS	-	-	-	-	-	-	-
Plant and Machinery-IPS	27,325	18,879	10,434	1,988	-0	-0	-0
Computers	2,27,966	1,17,979	43,425	-	-	-	-
Office Equipments	7,67,237	6,64,546	5,79,193	5,28,095	4,85,677	4,85,677	4,85,677
Vehicles	1410,09,315	1034,07,923	1370,02,632	1642,32,602	1739,66,340	1925,33,340	1601,64,840
Furniture and Fittings	4,83,119	3,76,301	2,73,509	1,73,992	1,41,784	1,41,784	1,41,784
Computer Software	64,223	33,806	111,37,941	55,69,026	1,750	1,750	1,750
Average RAB	1578,20,679	1237,19,131	1329,81,772	1798,65,239	2000,49,781	2103,95,038	2025,17,622

Projected values to be provided

Information for the last financial year for which audited accounts are available

Fields in Italics are indicative only

IndianOil Skytanking Private Limited
Mumbai-Into Plane

Form F5: Cost of Equity and Post-Tax FROR Forecast(ref:Section A1.5of Appendix I)

	2021-22			2022-23			2023-24			2024-25			2025-26		
	Low	High	Point Estimate	Low	High	Point Estimate	Low	High	Point Estimate	Low	High	Point Estimate	Low	High	Point Estimate
Gearing															
Pre-Tax Cost of Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk-free Rate	5.87	5.87	5.87	5.87	5.87	5.87	5.87	5.87	5.87	5.87	5.87	5.87	5.87	5.87	5.87
Equity-risk premium	12.02	12.02	12.02	12.02	12.02	12.02	12.02	12.02	12.02	12.02	12.02	12.02	12.02	12.02	12.02
Beta	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24
Post-Tax Cost of Equity	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Post-Tax FROR			14.00			14.00			14.00			14.00			14.00



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F6(a) Loan Master (ref Section A1.5 of Appendix I)

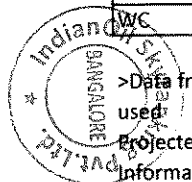
Provide details of all debts (all type of debt instruments)							
Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Secured Loan							
Repayments during the year	-	-	-	-	-	-	-
Interest payments during the year	-	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-	-
Working Capital Loans							
Repayments during the year							
Interest payments during the year							
Outstanding at the end of the year							

For every loan (actual/proposed, secured/unsecured) the following information should also be provided/indicated

1	Particulars	Secured
2	Source	Bank Term Loan
3	Type of Loan(PS/WC)	PS
4	If PS, then indicate the Project/Appportionment to a Project	For Mumbai - ITP
5	Total Loan amount sanctioned-Rs.	
6	Loan Tenure	5
7	Interest type(Fixed/Floating)	Fixed
8	If Fixed interest, rate of interest %	-
9	Base rate, if floating interest	NA
10	Margin, if floating interest	Nil
11	Are there any Caps/Floor?	NA
12	If above is yes, specify caps floor	
13	Moratorium Period	
14	Moratorium effective from	
15	Repayment Period	Quarterly
16	Repayment Start date	
17	Repayment Frequency	
18	Arrangement fees	
19	Outstanding Loan	
20	Other terms	

Legend		
PS		Project Specific
WC		Working Capital

>Data from this sheet should be linked to all the sheets wherever details about Debt, Interest Charges, Arrangement fees, Cost of debt etc is getting used.
 Projected values to be provided
 Information for last financial year for which audited accounts are available



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

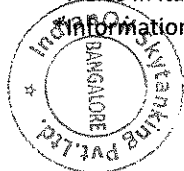
Form F6(b): Summary statement of Interest and Finance Charges (ref: Section AI.5 of Appendix I)

Sl No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	1 Interest charges on Government Loans, Bonds and Advances							
	Government Loans							
	Bonds							
	Foreign Currency Loans/Credits							
	Debentures							
	Total			-	-	-	-	-
	2 Interest on Long Term Loans/Credits from the FI's/Banks/Organisations approved by the government							
	Secured	-	-	-	-	-	-	-
	Unsecured							
	Total							
	Total (1+2)	-	-	-	-	-	-	-
B	Cost of raising finance and Bank Charges on Project Loans							
C	Grand Total of Interest and Finance Charges	-	-	-	-	-	-	-
D	Less: Interest and Finance Charges capitalised							
E	Net Total of Interest and Finance charges on Project related loans	-	-	-	-	-	-	-
F	Interest on Working Capital Loans			-	-	-	-	-
G	Other interest charges (Provide head wise details)							
H	Total interest and Finance Charges chargeable to P&L A/c (E+F+G)	-	-	-	-	-	-	-

* Projected values to be provided

* Fields in italics are indicative only

Information for last financial year for which audited accounts are available



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Form F6 (c): Contributions, Grants and subsidies Master (ref: Section A1.5 of Appendix I)

NIL

Contributions																							
Particulars	Source	Total Amount	2019-20			2020-21			2021-22			2022-23			2023-24			2024-25			2025-26		
			OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB

Grants																							
Particulars	Source	Total Amount	2019-20			2020-21			2021-22			2022-23			2023-24			2024-25			2025-26		
			OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB
1																							
2																							

Subsidies																							
Particulars	Source	Total Amount	2019-20			2020-21			2021-22			2022-23			2023-24			2024-25			2025-26		
			OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB
1																							
2																							

Legend	
OB	Opening Balance for the year
Add.	Additions during the year
CB	Closing Balance for the year

*Projected values to be provided
 Information for the last financial year for which audited accounts are available



**IndianOil Skytanking Private Limited
Mumbai-Into Plane**

Figs in Rs.

Form FB(a): Format for providing asset-wise information of stakeholder contributions(ref: Section A1.5 of Appendix I)

NIL

Details of User Contributions for the Assets: NIL

S.N	Contribution Name	Asset Name	Extent of User Contribution approved for the project	Year of Approval	Tenure for User Contribution Collection	Accumulated Collection Estimated till the beginning of first Tariff Year *	Total Collection Proposed in Tariff Year:1	Total Collection Proposed in Tariff Year 2	Total Collection Proposed in Tariff Year 3	Total Collection Proposed in Tariff Year 4	Total Collection Proposed in Tariff Year 5
1											
2											
3											
4											
5											

*Projected Values to be provided



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Form F8(b): Format for providing proposed exclusions from RAB(ref: Section A1.5 of Appendix I)

Details of Proposed excluded Assets from RAB-NIL - ALL ASSETS INCLUDED						
S.N	Asset Name	Book Value	Accumulated Depreciation	Justification for exclusion	Any Land associated with asset	If yes, details of land
1						
2						
3						
4						
5						



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F10(a): Capital Projects Completed before Review for Roll-forward of RAB(ref: Section A1.5 of Appendix I)

NIL

Project Details																							
S.N	Project Name	Project Type	Comn.Date	2021-22				2022-23				2023-24				2024-25				2025-26			
				Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP
1																							
2																							
3																							
4																							

Project Details																							
S.N	Project Name	Project Type	Comn.Date	2019-20				2022-23				2023-24				2024-25				2025-26			
				Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP
1																							
2																							
3																							
4																							

Legend	
Project Name	Project Name should be a unique name or a primary key assigned to a Capex Project
Project Type	Type of the Project and the asset class to which the Capex Project belongs
Comn.Date	Date on which the Capital Project was commenced
Capex	Year-Wise Capex incurred on the Project excluding any Capital receipts like Grants, User Conrib
WIP	Work in Progress at the end of every Tariff Year
Com.	Commissioning in a particular Tariff year
Cdate	Date of Commissioning in a particular Tariff Year

*Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F10(b):Capital Expenditure Projected Plan-10 Year Master(ref:Section AI.5of Appendix I)

NIL

Note: Information to be provided for 10 year period for all projects either spilling into the period or starting during the period

Project Details																												
S.N	Project Name	Project Type	Comm.Date	2021-22					2022-23					2023-24					2024-25					2025-26				
				Capex	FinAlw	Com.	C.Date	WIP	Capex	FinAlw	Com.	C.Date	WIP	Capex	FinAlw	Com.	C.Date	WIP	Capex	FinAlw	Com.	C.Date	WIP	Capex	FinAlw	Com.	C.Date	WIP

Legend	
Project Name	Project Name should be a unique name or a primary key assigned to a Capex Project
Project Type	Type of the Project and the asset class to which the Capex Project belongs
Comm.Date	Date on which the Capital Project was commenced
Capex	Year-Wise Capex estimated to be incurred on the Project excluding any Capital receipts like Grants, User Contributions etc.
WIP	Work in Progress at the end of every Tariff Year
Com.	Estimated Commissioning in a particular Tariff year
Cdate	Estimated Date of Commissioning in a particular Tariff Year
T Capex	Total Capex incurred on the project till the end of previous Control Period excluding any Capital receipts like Grants, User Cont
TComm	Total Commissioning on the project till the end of Previous Control Period
FinAlw.	Project-wise Financing Allowances for the year

*Projected values to be provided
*Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F10(c): Year-wise Capital Expenditure Financing Plans for next 10 years (ref: Section AI.5 of Appendix I)

NO ADDITIONAL FINANCING IS PLANNED DURING THIS PERIOD

Note: Information to be provided for 10 year period for all projects whether spilling into the period or starting during the period

Project Details		2021-22				2022-23				2023-24				2024-25				2025-26				
S.N	Total Capex Planned	Internal Accrual	Equity Infused	User Contributions	Total Debt	Internal Accrual	Equity Infused	User Contributions	Total Debt	Internal Accrual	Equity Infused	User Contributions	Total Debt	Internal Accrual	Equity Infused	User Contributions	Total Debt	Internal Accrual	Equity Infused	User Contributions	Total Debt	

Legend

Total Capex	Total Capex planned indicates the total forecasted capex for all assets during the next 10 years
Internal Accrual	Internal Accrual (from free reserves and surplus) in the year
Equity Infused	Equity infusion planned during the year
User Contributions	Representing Development Fees/User Contributions/Capital Grants/Subsidies etc. planned during the year for the Capital Project.
Total Debt	Total Debt planned for funding capex during the year



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F10(d): Summary statement of Expenses Capitalised (ref: Section A1.5of Appendix I)

NIL

Sl. No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Interest and Finance Charges Capitalised							
B	Cost of Raising Finance and Bank Charges							
C	Other Expenses Capitalised							
	Employee Expenses							
	Administrative and General Expenses							
	Utilities and Outsourcing Expenses							
	Any other expenses being Capitalised							
D	Total Expenses being Capitalised (A+B+C)							

*Projected values to be provided

Information for the last financial year for which audited accounts are available



IndianOil Skytanking Private Limited
Mumbai-Into Plane

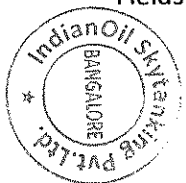
Figs in Rs.

Form F10(e): Additional Capital Projects Summary (ref: Section A1.5 of Appendix I)

NIL

		Forecast WIP Assets						
		2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
E	Opening WIP Assets							
	Building							
	Plant and Machinery							
	Electrical Installation							
	Furniture and Fittings							
F	Additions-New WIP							
	Building							
	Plant and Machinery							
	Electrical Installation							
	Furniture and Fittings							
G	WIP Capitalisation							
	Building							
	Plant and Machinery							
	Electrical Installation							
	Furniture and Fittings							
H	Closing WIP Assets							
	Building							
	Plant and Machinery							
	Electrical Installation							
	Furniture and Fittings							

*Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F11(a): Employee Strength (ref: Section A1.5 of Appendix I)

S.N	Particulars-with detailed breakup	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Department-wise Full-Time Employees							
	Operations	98	98	98	98	98	98	98
	Maintenance	34	34	34	34	34	34	34
	Administration	1	1	1	1	1	1	1
	Total	133	133	133	133	133	133	133
B	Department-wise-Part-Time/Contractual Employees							

*Projected values to be provided

Information for the last financial year for which audited accounts are available

*Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F11(b): Payroll Related Expenditure and Provisions (ref: Section A1.5 of Appendix I)

S.N	Particulars-with detailed breakup	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Salaries and Allowances	946,90,425	585,36,493	1041,85,726	1151,25,227	1272,13,376	1405,70,780	1553,30,712
B	Other Staff Benefits	37,87,075	60,80,280	78,96,441	87,25,567	96,41,751	106,54,135	117,72,819
C								
D								
E								
F							
1	Grand Total	984,77,500	646,16,773	1120,82,166	1238,50,794	1368,55,127	1512,24,916	1671,03,532
2	Employee expenses capitalised							
3	Net Employee expenses (1)-(2)	984,77,500	646,16,773	1120,82,166	1238,50,794	1368,55,127	1512,24,916	1671,03,532

*Projected values to be provided

Information for the last financial year for which audited accounts are available

*Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F11 (c) - Administration and General Expenditure (ref: Section A1.5 of Appendix I)

S.N	Particulars-with detailed breakup	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Administration Charges							
	Director's Sitting Fees							
	Rates and Taxes							
	Rent/License	43,06,897	50,92,908	54,74,876	58,85,491	63,26,903	68,01,421	73,11,528
	Rates and Taxes	21,46,117	6,28,800	22,53,423	23,66,094	24,84,399	26,08,619	27,39,050
	Communication Expenses	9,91,994	4,25,900	10,71,353	11,57,061	12,49,626	13,49,596	14,57,564
	Travelling and Conveyance	12,08,206	83,578	13,29,027	14,61,929	16,08,122	17,68,934	19,45,828
	Advertisement & Marketing							
	Office Maintenance	4,82,434	1,22,137	5,06,556	5,31,883	5,58,478	5,86,402	6,15,722
	Printing and Stationery	7,69,865	3,43,532	8,46,852	9,31,537	10,24,690	11,27,159	12,39,875
	Allocated Overhead Expenses(Provide details)							
B	Legal Charges/Auditor's Fees							
	Auditor's Fees	1,49,130	45,916	1,56,587	1,64,416	1,72,637	1,81,268	1,90,332
	Legal Charges	5,88,000	5,72,000	6,46,800	7,11,480	7,82,628	8,60,891	9,46,980
C	Consultancy/Advisory Expenses							
	Consultancy Charges							
	Technical Fees							
	Other Professional Charges	2,66,500	1,62,492	2,87,820	3,10,846	3,35,713	3,62,570	3,91,576
D	Other Charges							
	Land Lease							
	Insurance Costs	27,42,079	10,03,068	30,16,287	33,17,916	36,49,707	40,14,678	44,16,146
	During Construction period							
	During Operation Period							
	Event Management/Inauguration Expenses							
	Consumption of Stores	15,73,869	3,54,730	17,31,255	19,04,381	20,94,819	23,04,301	25,34,731
	Entertainment expenses							
	Security Charges	3,83,904	4,57,387	4,03,099	4,23,254	4,44,417	4,66,638	4,89,970
	Recruitment and Training Charges	38,622	18,000	42,484	46,733	51,406	56,546	62,201
	Bank Charges	1,416	50,000	1,487	1,561	1,639	1,721	1,807
	Miscellaneous Expenses							
	CSR Expenses	-	-	-	-	-	-	-
	Interest on short term loans							
E	Grand Total	156,49,032	93,60,448	177,67,904	192,14,582	207,85,184	224,90,745	243,43,308
F	Administration&General Expenses Capitalised							
G	Net A&G expenses(E)-(F)	156,49,032	93,60,448	177,67,904	192,14,582	207,85,184	224,90,745	243,43,308

*Projected values to be provided

Information for the last financial year for which audited accounts are available

*Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F11 (d) : Repair and Maintenance Expenditure (ref: Section A1.5 of Appendix I)

S.N	Particulars-with detailed breakup	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Office Equipment & Systems							
B	Buildings							
C	Other Mobile Equipments	154,63,142	93,21,764	167,00,194	180,36,209	194,79,106	210,37,434	227,20,429
D	AFFF, Foam etc.							
	Grand Total	154,63,142	93,21,764	167,00,194	180,36,209	194,79,106	210,37,434	227,20,429

*Projected values to be provided

Information for the last financial year for which audited accounts are available

*Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F11 (e) :Utilities and Outsourcing Expenditure (ref: Section A1.5 of Appendix I)

S.N	Particulars-with detailed breakup	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Utilities Costs							
	<i>Power Charges</i>							
	<i>Units Consumed</i>							
	<i>Effective unit Rate</i>							
	<i>Power Costs</i>	13,25,683	15,59,810	13,91,967	14,61,565	15,34,643	16,11,376	16,91,944
	<i>Water Charges</i>							
	<i>Units Consumed</i>							
	<i>Effective unit Rate</i>							
	<i>Power Costs</i>			-	-	-	-	-
	<i>Other - Diesel</i>	148,89,504	49,11,126	160,80,664	173,67,117	187,56,487	202,57,006	218,77,566
B	Department-wise Outsourcing Costs							
	<i>Airfield Services & Facilities</i>							
	<i>Terminals</i>							
	<i>Maintenance</i>							
	<i>Cleaning</i>							
1	Grand Total	162,15,187	64,70,936	174,72,631	188,28,683	202,91,130	218,68,381	235,69,510
2	Utilities and Outsourcing Costs Capitalised							
3	Net Utilities and Outsourcing Expenses (1)-(2)	162,15,187	64,70,936	174,72,631	188,28,683	202,91,130	218,68,381	235,69,510

*Projected values to be provided

Information for the last financial year for which audited accounts are available

*Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F11 (f) :Other Outflows (ref: Section A1.5 of Appendix I)

S.N	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Airport Operator Fee	152,67,782	56,14,493	140,22,196	184,04,132	231,89,207	280,00,967	323,41,117
B	License Fee							
C	Facility Cost to Concessionaire							
D	Operating Cost to Concessionaire							
1	Grand Total	152,67,782	56,14,493	140,22,196	184,04,132	231,89,207	280,00,967	323,41,117

*Projected values to be provided

Information for the last financial year for which audited accounts are available



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F11(g): Current Assets and Liabilities(ref: Section A1.5 of Appendix I)

Sl No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	<i>Current Assets, Loans and Advances</i>							
	Sundry Debtors	23,73,515	155,95,814	194,75,272	255,61,295	322,07,231	388,90,232	449,18,218
	Cash and Bank Balances	2075,68,356	1714,47,361	1177,95,549	1094,10,139	1788,11,365	2789,12,068	4611,95,729
	Inventories	24,73,050	2,68,910	3,46,251	3,80,876	4,18,964	4,60,860	5,06,946
	Other Current Assets							
	Loans and Advances	-	187,81,609	187,81,609	187,81,609	187,81,609	187,81,609	187,81,609
	Total of "A"	2124,14,921	2060,93,694	1563,98,682	1541,33,920	2302,19,170	3370,44,769	5254,02,502
B	<i>Current liabilities and provisions</i>							
I	<i>Current Liabilities</i>							
	Sundry Creditors	110,32,373	65,33,179	121,94,869	135,84,548	151,09,572	167,54,962	184,98,486
	Liabilities towards Suppliers							
	Advances from Customers							
	Other liabilities							
II	<i>Provisions</i>							
	TOTAL OF "B"(I+II)	110,32,373	65,33,179	121,94,869	135,84,548	151,09,572	167,54,962	184,98,486
C	<i>Net Current Assets(=A-B)</i>	2013,82,548	1995,60,515	1442,03,812	1405,49,372	2151,09,598	3202,89,808	5069,04,016

*Projected values to be provided

#Information for the last financial year for which audited accounts are available



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F12(a): Historical and Projected Cargo Volumes in Tonnes (ref: Section A1.6 of Appendix I)

N/A

Year	Domestic								International							
	Loaded				Unloaded				Loaded				Unloaded			
	General	Perishable	Valuable	Other	General	Perishable	Valuable	Other	General	Perishable	Valuable	Other	General	Perishable	Valuable	Other
2008-09																
2009-10																
2010-11																
2011-12																
2012-13																
2013-14																
2014-15																
2015-16																
2016-17																
2017-18																
2018-19																
2019-20																
2020-21																
2021-22																
2022-23																
2023-24																
2024-25																
2025-26																

*Fields in italics are indicative only
 Applicable for forecasted years only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Form F12(b): Historical Aircraft Movements (ref : Section A1.6 of Appendix I)

N/A

Year	Domestic (Landing)	International(Landing)
2008-09		
2009-10		
2010-11		
2011-12		
2012-13		
2013-14		
2014-15		
2015-16		
2016-17		
2017-18		
2018-19		
2019-20		
2020-21		
2021-22		
2022-23		
2023-24		
2024-25		
2025-26		

Projected values to be provided



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Form F12(c) : Projected Aircraft Movements (ref: Section A1.6 of Appendix I)							
N/A							
Year	Domestic (Landing)			International (Landing)			Forecast Error Correction band
	Optimistic	Most Likely	Conservative	Optimistic	Most Likely	Conservative	
2012-13							
2013-14							
2014-15							
2015-16							
2016-17							
2017-18							
2018-19							
2019-20							
2020-21							
2021-22							
2022-23							
2023-24							
2024-25							
2025-26							



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Form F12(d): Historical and Projected fuel throughput in kilolitres (ref : Section A1.6 of Appendix I)

Year	Domestic Flights	International Flights	Total	Forecast Error Correction Band
2014-15				
2015-16	6,14,669.023	3,96,911.066	10,11,580.089	
2016-17	6,65,735.170	4,18,282.981	10,84,018.151	
2017-18	7,71,077.141	4,41,955.224	12,13,032.365	
2018-19	8,20,446.589	3,82,324.533	12,02,771.122	
2019-20	5,30,508.800	4,25,116.911	9,55,625.711	
2020-21	1,69,034.860	1,83,121.099	3,52,155.959	
2021-22	2,99,508.643	1,75,901.902	4,75,410.545	
2022-23	3,74,385.804	2,19,877.377	5,94,263.181	
2023-24	4,49,262.965	2,63,852.852	7,13,115.817	
2024-25	5,16,652.410	3,03,430.780	8,20,083.190	
2025-26	5,68,317.651	3,33,773.858	9,02,091.509	
2026-27	5,79,684.004	3,40,449.335	9,20,133.339	
2027-28	5,91,277.684	3,47,258.322	9,38,536.006	
2028-29	6,03,103.237	3,54,203.489	9,57,306.726	

*Fields in italics are indicative only
 Applicable for forecasted years only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Form F13(a): Historical Tariff(s) and Revenue from Regulated Service (ref. Section A1.7 of Appendix I

N/A

Figs in Rs.

Sl No.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
		Revenues	Revenues	Revenues	Revenues	Revenues	Revenues	Revenues
A	Revenue from Regulated Services	2544,63,033	935,74,881	2337,03,266	3067,35,537	3864,86,777	4666,82,783	5390,18,615



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F13(b): Historical and Projected Revenues from services other than Regulated Services (ref: Section A1.7 of Appendix I)								
NIL								
S.N	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
A	Revenue from services other than Regulated Services							
1	<i>Revenue from</i>							
2	<i>Revenue from....</i>							
3	<i>Revenue from....</i>							
B	Other Revenues							
1	<i>Revenues from Interest Income</i>							
2	<i>Revenue from Any Other Sources(Please Specify)</i>							
	Total Revenues	-	-	-	-	-	-	-

*Projected values to be provided

#Fields in italics are indicative only

^Information for the last financial year for which audited accounts are available



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F14(a): Annual Tariff Proposal for Tariff Year t - Format for providing information on EMAY(ref: Section A1.8 of Appendix1)

S.N	Particulars	2021-22	2022-23	2023-24	2024-25	2025-26
1	Yield per unit	498.56	520.50	543.40	567.31	592.27
2	Error Correction term (from year t-2)	-	-	6.04	4.08	7.68
3	Estimated Maximum Allowed Yield (EMAY)	498.56	520.50	549.44	571.39	599.95



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Form F14 (b): Fuel Throughput Into Plane Services										
	2021-22		2022-23		2023-24		2024-25		2025-26	
	Hours	Rate per KL	Hours	Rate per KL	Hours	Rate per KL	Hours	Rate per KL	Hours	Rate per KL
<i>Aircraft Fuelling</i>	6	498.56	6	520.50	6	543.40	6	567.31	6	592.27
<i>Aircraft Defuelling Within</i>	6	498.56	6	520.50	6	543.40	6	567.31	6	592.27
<i>Aircraft Defuelling Beyond</i>	6	598.27	6	624.59	6	652.08	6	680.77	6	710.72
<i>Aircraft Refueling Defueled Product Within</i>	6	548.41	6	572.55	6	597.74	6	624.04	6	651.50
<i>Aircraft Refueling Defueled Product Beyond</i>	6	598.27	6	624.59	6	652.08	6	680.77	6	710.72



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F15: Annual Compliance Statement (ref: Section A1.9 of Appendix I)

S.N	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	Yield Per unit	-	-	498.56	520.50	543.40	567.31	592.27
	Actual WPI during the year							
2	Actual Maximum Allowed Yield per unit	-	-	498.56	520.50	543.40	567.31	592.27
	Security Operating Cost Correction term							
	Other Mandated Operating Cost Correction term							
	Statutory Cost Operating Correction term							
	Forecast Error Correction term							
	Recovery Error Correction term	-	-	-	-	-	-	-
3	Actual Yield per unit	266.28	265.72	491.58	516.16	541.97	569.07	597.52
	Revenues subject to yield cap	2544,63,033.39	935,74,881.48	2337,03,266.50	3067,35,537.28	3864,86,776.97	4666,82,783.19	5390,18,614.58
	Volumes	9,55,625.61	3,52,155.96	4,75,410.54	5,94,263.18	7,13,115.82	8,20,083.19	9,02,091.51
4	Over recovery of allowed yield-Error Correction							



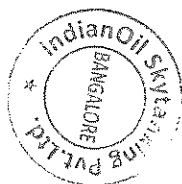
IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F16: Performance Report for the Tariff Year (ref: Section A1.9 of Appendix I)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Total Revenue from Regulated Services(1)	2544,63,033	935,74,881	2337,03,266	3067,35,537	3864,86,777	4666,82,783	5390,18,615
Total Revenue from Services other than Regulated Services(2)							
Operating Expenditure(3)	1610,72,643	953,84,415	1780,45,091	1983,34,400	2205,99,754	2446,22,443	2700,77,896
Depreciation(4)	380,25,097	379,85,250	539,03,795	567,31,099	465,12,318	333,45,167	333,45,167
Total Expenditure (3)+(4)=(5)	1990,97,740	1333,69,665	2319,48,886	2550,65,498	2671,12,072	2779,67,610	3034,23,063
Regulatory Operating Profit(1)-(2)-(5)=(6)	553,65,294	-397,94,784	17,54,380	516,70,039	1193,74,705	1887,15,174	2355,95,552
Capital Expenditure(7)	77,94,752	12,500	1104,01,827	940,00,000	496,12,500	509,35,500	-
Opening RAB (8)	1729,35,851	1427,05,506	1047,32,756	1612,30,788	1984,99,690	2015,99,872	2191,90,205
Disposals/Transfers(9)	-	-	-	-	-	-	-
Closing RAB(8)+(7)-(9)=(10)	1427,05,506	1047,32,756	1612,30,788	1984,99,690	2015,99,872	2191,90,205	1858,45,038
Average RAB (8)+(10) /2=(11)	1578,20,679	1237,19,131	1329,81,772	1798,65,239	2000,49,781	2103,95,038	2025,17,622
Return on Average RAB (6) /(11)	0.35	-0.32	0.01	0.29	0.60	0.90	1.16
Total Volume (Cargo/Fuel throughput /ATM) (12)	9,55,626	3,52,156	4,75,411	5,94,263	7,13,116	8,20,083	9,02,092
Actual Yield per unit (12/1)	266.28	265.72	491.58	516.16	541.97	569.07	597.52

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



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Form F17: Revenues from Regulated Services recovered during the Tariff Year (ref:Section A1.9 of Appendix I)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
<i>Bangalore-ITP</i>	2544,63,033.39	935,74,881.48	2337,03,266.50	3067,35,537.28	3864,86,776.97	4666,82,783.19	5390,18,614.58
Total Revenues from Tariff(s) for Regulated Services	2544,63,033.39	935,74,881.48	2337,03,266.50	3067,35,537.28	3864,86,776.97	4666,82,783.19	5390,18,614.58

Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F18: Revenue from Services other than Regulated Services recovered during the Tariff Year (ref: Section AI.9 of Appendix I)

N/A

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
<i>Revenue from services other than Regulated Services heading #1</i>							
<i>Revenue from services other than Regulated Services heading #2</i>							
<i>Revenue from services other than Regulated Services heading #3</i>							
<i>Revenue from services other than Regulated Services not identified in the Multi Year Tariff Order</i>							
Total Revenues from Services other than Regulated Services							

Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F19: Operating Expenditure incurred during the Tariff Year (ref:Section A1.9 of Appendix I)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
<i>Payroll costs</i>	984,77,500	646,16,773	1120,82,166	1238,50,794	1368,55,127	1512,24,916	1671,03,532
<i>Administrative and General Costs</i>	156,49,032	93,60,448	177,67,904	192,14,582	207,85,184	224,90,745	243,43,308
<i>Repairs and Maintenance Costs</i>	154,63,142	93,21,764	167,00,194	180,36,209	194,79,106	210,37,434	227,20,429
<i>Utility Costs</i>	162,15,187	64,70,936	174,72,631	188,28,683	202,91,130	218,68,381	235,69,510
<i>Airport Operator Fees</i>	152,67,782	56,14,493	140,22,196	184,04,132	231,89,207	280,00,967	323,41,117
<i>Operating expenditure not identified</i>							
Total operating expenditure	1610,72,643	953,84,415	1780,45,091	1983,34,400	2205,99,754	2446,22,443	2700,77,896

Fields in italics are indicative only



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F20: P&L Reconciliation Statement for the Tariff Year (ref:Section A1.9 of Appendix I)

S.N.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	Revenue	2544,63,033	935,74,881	2337,03,266	3067,35,537	3864,86,777	4666,82,783	5390,18,615
	Revenue from Regulated Services	2544,63,033	935,74,881	2337,03,266	3067,35,537	3864,86,777	4666,82,783	5390,18,615
	Revenue from services other than Regulated Services							
2	Operating expenditure	1610,72,643	953,84,415	1780,45,091	1983,34,400	2205,99,754	2446,22,443	2700,77,896
	Payroll Costs	984,77,500	646,16,773	1120,82,166	1238,50,794	1368,55,127	1512,24,916	1671,03,532
	Administrative and General Costs	156,49,032	93,60,448	177,67,904	192,14,582	207,85,184	224,90,745	243,43,308
	Utilities and Outsourcing Costs	162,15,187	64,70,936	174,72,631	188,28,683	202,91,130	218,68,381	235,69,510
	Concession Fees	152,67,782	56,14,493	140,22,196	184,04,132	231,89,207	280,00,967	323,41,117
	Repair and Maintenance Costs	154,63,142	93,21,764	167,00,194	180,36,209	194,79,106	210,37,434	227,20,429
3	Profit before depreciation, interest and taxation (PBDIT)	933,90,391	-18,09,534	556,58,175	1084,01,138	1658,87,023	2220,60,340	2689,40,718
	Depreciation and Amortisation	380,25,097	379,85,250	539,03,795	567,31,099	465,12,318	333,45,167	333,45,167
4	Profit before interest and taxation (PBIT)	553,65,294	-397,94,784	17,54,380	516,70,039	1193,74,705	1887,15,174	2355,95,552
	Total interest and finance charges	0	0	0	0	0	0	0
5	Profit/loss before tax	553,65,294	-397,94,784	17,54,380	516,70,039	1193,74,705	1887,15,174	2355,95,552
	Provision for taxation	193,46,848	-	6,13,051	180,55,578	417,14,297	659,44,630	823,26,510
6	Profit/loss after taxation	360,18,445	-397,94,784	11,41,329	336,14,461	776,60,408	1227,70,543	1532,69,042
7	Balance carried to Balance Sheet	360,18,445	-397,94,784	11,41,329	336,14,461	776,60,408	1227,70,543	1532,69,042
	Adjustments to reconcile as per statutory accounts							
8	Operating profit as per statutory accounts	360,18,445	-397,94,784	11,41,329	336,14,461	776,60,408	1227,70,543	1532,69,042

Fields in italics are indicative only

+ Applicable only for Service Provider deemed 'material' and 'non competitive'



IndianOil Skytanking Private Limited
Mumbai-Into Plane

Figs in Rs.

Form F21: RAB Reconciliation Statement (ref:Section A1.9 of Appendix I)

S.N.	Particulars	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	Net fixed assets as per the statutory accounts	1427,05,506	1047,32,756	1612,30,788	1984,99,689	2015,99,871	2191,90,205	1858,45,038
	<i>Difference between net fixed assets and RAB</i>							
	<i>Difference between depreciation in statutory accounts and allowed regulatory depreciation</i>							
	<i>Intercompany transfers</i>							
	<i>Revaluations in statutory accounts</i>							
	<i>Reconciliation adjustment #1</i>							
	<i>Reconciliation adjustment #2</i>							
2	Closing RAB	1427,05,506	1047,32,756	1612,30,788	1984,99,689	2015,99,871	2191,90,205	1858,45,038

Fields in italics are indicative only

+ Applicable only for Service Provider deemed 'material' and 'non competitive'

