



## **Airports Economic Regulatory Authority of India**

**TO CONSIDER THE MULTI YEAR TARIFF PROPOSAL FOR THE 2<sup>nd</sup> CONTROL PERIOD (01.04.2016 TO 31.03.2021) AND ANNUAL TARIFF PROPOSAL FOR TARIFF YEAR 1(01.04.2016 TO 31.03.2017) OF M/S GLOBE GROUND INDIA PVT LIMITED (M/S GGI) FOR PROVIDING GROUND HANDLING SERVICES AT KEMPEGOWDA INTERNATIONAL AIRPORT, BENGALURU**

**New Delhi: 02<sup>nd</sup> January, 2018**

**AERA Building  
Administrative Complex  
Safdarjung Airport  
New Delhi-110003**

For the determination of ground handling tariff at Kempegowda International Airport, Bengaluru, M/s Globe Ground India Pvt. Ltd. submitted their Multi Year Tariff Proposal (MYTP) for the 2<sup>nd</sup> control period (01.04.2016 to 31.03.2021) and Annual Tariff Proposal (ATP) for tariff year 1(01.04.2016 to 31.03.2017), on 24.03.2016. Following are the salient features of the proposal:

<b>1</b>	Name of the ISP	Globe Ground India Pvt. Ltd.(M/s GGI)
<b>2</b>	Service	Ground Handling Service
<b>3</b>	Airport	Kempegowda International Airport (KIA), Bengaluru
<b>4</b>	(i) Proposal under consideration  (ii) Whether Justification for proposed increase in tariffs provided by M/s GGI.	(i) a) MYTP for the 2 <sup>nd</sup> control period w.e.f. 01.04.2016 to 31.03.2021  b) ATP for 1 <sup>st</sup> tariff year (01.04.16-31.03.2017) of the 2 <sup>nd</sup> control period  (ii) Yes. Justifications submitted by M/s GGI for tariff increase are as follows: “The co. has filed the ATP with an increase in rates by 10% on previous year approved ATP. This increase is requested due to inflation in costs. Further this is to inform that there is central government notification No.186 (E) dated 19 <sup>th</sup> January 2017 and notification no. S.O.190 (E) dated 20 <sup>th</sup> April 2017 for increase in minimum wages for all the categories such as unskilled/skilled/semi-skilled. The approximate increase in minimum wage for all the categories (unskilled/skilled/semi-skilled) is approximate 43.36% as compared to minimum applicable minimum wages. The calculation of the same is attached herewith for your kind reference. Since ground handling services are manpower intensive and such cost increase in minimum wages shall also increase cost of ground handling services where increase in tariff is required for sustenance of the business. The extract of the notifications are also attached for your reference, for full notification refer online website of Ministry of Labour & Employment”
<b>5</b>	Year of Last Revision of rates with % (+/-)	Tariff was last revised vide order no.24/2012-13 dated 19.11.12. This order was with respect to TY 1, 2 and 3 of the 1 <sup>st</sup> control period. The % increase in tariff for TY 2 vs TY 1 of the 1 <sup>st</sup> control period was 10% and the % increase in tariff for T3 vs T2 of the 1 <sup>st</sup> control period was also 10% Thereafter the authority issued the order no.37/2015-16 dated 29.10.15 for 4 <sup>th</sup> and 5 <sup>th</sup> TY whereby it stated that tariff is approved at the same level as was approved vide order no.24/2012-13 dated 19.11.12. (ANNEXURE I)

6	Regulatory Approach in first control period.	The Authority adopted 'Light Touch Approach' for determination of tariffs during the 1 <sup>st</sup> control period as the ground handling services at Kempegowda International Airport, Bengaluru was 'material but competitive'																																																
7	Tariff Comparison for M/s GGI- Existing Rates V/s Proposed Rates.	On a comparison of the existing tariffs (applicable as on 31.03.16) of M/s GGI with the tariffs proposed for 1 <sup>st</sup> tariff year of the 2 <sup>nd</sup> control period, it is observed that M/s GGI has proposed for a 21% increase in tariffs. (ANNEXURE II)																																																
8	Comparison of existing tariff of M/s GGI with the existing tariff of M/s AISATS	M/s AISATS is providing similar services at KIA, Bengaluru. On a comparison of the tariffs of M/s GGI with that of M/s AISATS, it is observed that the tariff rates approved (by AERA) for M/s GGI are higher than the tariff rates approved for M/s AISATS. The difference in approved rates of the two is 9%. However, on a review of the rates charged by M/s GGI (mentioned in the user agreements provided) it is observed that M/s GGI is charging lower than the rates approved by AERA. (ANNEXURE III)																																																
9	<p><b>Domestic:</b> (i) Summary of the key parameters: Revenue, Expenditure, Operating Profit, CAPEX and Volume.</p> <p>(ii) Comparative ACS (iii) Audited</p>	<p>(i) Key parameters:</p> <table border="1" data-bbox="544 1106 1422 1496"> <thead> <tr> <th></th> <th colspan="5" style="text-align: right;">Rs crores</th> </tr> <tr> <th>Performance Report for the years</th> <th>'11-12</th> <th>'12-13</th> <th>'13-14</th> <th>'14-15</th> <th>'15-16</th> </tr> </thead> <tbody> <tr> <td>Total Revenue</td> <td>52.20</td> <td>48.32</td> <td>54.59</td> <td>59.98</td> <td>74.86</td> </tr> <tr> <td>Total Expenditure</td> <td>42.42</td> <td>38.00</td> <td>40.43</td> <td>46.19</td> <td>55.70</td> </tr> <tr> <td>Operating Profit</td> <td>9.78</td> <td>10.32</td> <td>14.16</td> <td>13.79</td> <td>19.16</td> </tr> <tr> <td>Return on average RAB</td> <td>26%</td> <td>34%</td> <td>59%</td> <td>75%</td> <td>132%</td> </tr> <tr> <td>Capital Expenditure</td> <td>0.60</td> <td>0.08</td> <td>0.15</td> <td>0.99</td> <td>1.37</td> </tr> <tr> <td>Aircraft Traffic Movement (ATM)</td> <td>25,594</td> <td>15,971</td> <td>17,284</td> <td>16,084</td> <td>20,940</td> </tr> </tbody> </table> <p>*RAB: Regulatory Asset Base</p> <p>As per the ACS for the 1<sup>st</sup> control period:</p> <ol style="list-style-type: none"> <li>Revenue has grown by 43% from Rs 52.20 crs in 2011-12 to Rs 74.86 crs in 2015-16.</li> <li>The operating profit has grown by 96% from Rs 9.78 crs in 2011-12 to Rs 19.16 crs in 2015-16.</li> <li>Return on average RAB has improved by 106 percentage points to 132% in 2015-16.</li> <li>Aircraft traffic movement has consistently grown from the year 2012-13 onwards by 31% from 15,971 in 2012-13 to 20,940 in 2015-16.</li> </ol> <p>(ii) Comparative ACS for 2011-12 to 2015-16 is annexed with the CP. (ANNEXURE-IV)</p>		Rs crores					Performance Report for the years	'11-12	'12-13	'13-14	'14-15	'15-16	Total Revenue	52.20	48.32	54.59	59.98	74.86	Total Expenditure	42.42	38.00	40.43	46.19	55.70	Operating Profit	9.78	10.32	14.16	13.79	19.16	Return on average RAB	26%	34%	59%	75%	132%	Capital Expenditure	0.60	0.08	0.15	0.99	1.37	Aircraft Traffic Movement (ATM)	25,594	15,971	17,284	16,084	20,940
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	Financial Statement.	<p>(iii) Audited financial Statement for financial year 2011-12 to 2015-16. (ANNEXURE-V) Summary of the key parameters of the financial statement are as follows:</p> <p style="text-align: right;"><b>Rs crs.</b></p> <table border="1" data-bbox="544 371 1418 1003"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="5">Financial Year</th> </tr> <tr> <th>'11-12</th> <th>'12-13</th> <th>'13-14</th> <th>'14-15</th> <th>'15-16</th> </tr> </thead> <tbody> <tr> <td>Total Revenue (i)</td> <td>52.20</td> <td>48.32</td> <td>54.59</td> <td>59.98</td> <td>74.86</td> </tr> <tr> <td>Total Expenses (ii)</td> <td>33.58</td> <td>30.75</td> <td>34.65</td> <td>40.20</td> <td>51.80</td> </tr> <tr> <td>Earnings before interest depreciation &amp; Amortisation {(i)-(ii)}=(iii)</td> <td>18.62</td> <td>17.57</td> <td>19.93</td> <td>19.78</td> <td>23.06</td> </tr> <tr> <td>Depreciation &amp; Amortisation expense (iv)</td> <td>8.84</td> <td>7.25</td> <td>5.78</td> <td>5.99</td> <td>3.90</td> </tr> <tr> <td>Finance Cost (v)</td> <td>4.17</td> <td>2.19</td> <td>0.52</td> <td>0.55</td> <td>0.56</td> </tr> <tr> <td>Profit before tax (PBT){(iii)-(iv)-(v)}=(vi)</td> <td>5.60</td> <td>8.13</td> <td>13.64</td> <td>13.24</td> <td>18.60</td> </tr> <tr> <td>Tax Expenses (vii)</td> <td>0.33</td> <td>2.70</td> <td>4.18</td> <td>4.33</td> <td>7.04</td> </tr> <tr> <td>Profit after tax (PAT) {(vi)-(vii)}</td> <td>5.28</td> <td>5.43</td> <td>9.46</td> <td>8.91</td> <td>11.56</td> </tr> </tbody> </table>		Particulars	Financial Year					'11-12	'12-13	'13-14	'14-15	'15-16	Total Revenue (i)	52.20	48.32	54.59	59.98	74.86	Total Expenses (ii)	33.58	30.75	34.65	40.20	51.80	Earnings before interest depreciation & Amortisation {(i)-(ii)}=(iii)	18.62	17.57	19.93	19.78	23.06	Depreciation & Amortisation expense (iv)	8.84	7.25	5.78	5.99	3.90	Finance Cost (v)	4.17	2.19	0.52	0.55	0.56	Profit before tax (PBT){(iii)-(iv)-(v)}=(vi)	5.60	8.13	13.64	13.24	18.60	Tax Expenses (vii)	0.33	2.70	4.18	4.33	7.04	Profit after tax (PAT) {(vi)-(vii)}	5.28	5.43	9.46	8.91	11.56
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<b>10</b>	Whether copy of User Agreements are provided	Copies of some of the user agreements have been provided.																																																												
<b>11</b>	Evidence of Stakeholder Consultation done by M/s GGI with reference to their proposed MYTP-ATP submitted to AERA.	<ol style="list-style-type: none"> <li>1. List of Stakeholders</li> <li>2. Meeting Notice</li> <li>3. Minutes of the meeting with the attendance sheet of the participants.</li> <li>4. Comments of the Stakeholders</li> <li>5. Redressal of stakeholder's concerns, if any,</li> </ol>	<p>As an evidence of stakeholder consultation, M/s Globe Ground has submitted copies of letters sent to the Airlines intimating them about increase in minimum wages.</p> <p>However, the letter copies that have been submitted by M/s GGI is not clearly communicating the fact that in consequence of the increase in minimum wages, M/s GGI has proposed to the Authority in their Annual tariff proposal to increase the tariff rates. Hence the letters submitted cannot be considered as an evidence of stakeholder consultation.</p>																																																											

<b>12</b>	Concession Fee	Concession Agreement and details of concession fee has been submitted by M/s GGI.	
<b>13</b>	Examination of the proposal as per the “Light Touch” approach parameters provided in the CGF guidelines, 2011.	<b>Parameter</b>	<b>Status</b>
		1. Materiality Index (MI)	Material (6.31%)
		2. Competition	In KIA, Bengaluru, there are only 2 (M/s GGI and M/s AISATS) ground handling service providers. The same has also been confirmed by KIA vide email dated 22.11.2017. Therefore, the service is ‘not competitive’
		3. Reasonableness of user agreements.	a) M/s GGI has entered into agreements with the users of its services and few of the agreements have been provided to the Authority. b) M/s GGI has provided evidence as to satisfactory performance of services at the Airport. The evidences consist of appreciation mails and certificates from the users of the services.
<b>14</b>	Remarks :	i) M/s GGI has submitted the MYTP for the 2 <sup>nd</sup> control period, proposing an increase in the tariffs. The increase proposed in the tariff card (as compared to the 5 <sup>th</sup> tariff year of the 1 <sup>st</sup> control period) for the 1 <sup>st</sup> tariff year of the 2 <sup>nd</sup> control period is 21%. However, in the justification submitted, M/s GGI has stated that increase sought in tariff for TY1 of 2 <sup>nd</sup> control period is 10%. ii) As per ‘Form F9- Formats for forecast and actual roll forward regulatory asset base’, M/s GGI plans for a capital expenditure of Rs.18.05 crores in 2 <sup>nd</sup> control period. iii) The projected growth in Air Traffic Movement (Domestic & International landing) in the 2 <sup>nd</sup> control period is 17.7% from 20,940 ATM in 2015-	

		<p>16 to 24,653 ATM in the 2020-21.</p> <p>iv) <b>Projected Financial Data submitted by M/s GGI:</b>  As per the projected financial data submitted by M/s GGI,  a) Revenue is expected to grow 43% in the 2<sup>nd</sup> control period from Rs 74.8 crores in 2015-16 to Rs.106.8 crores in 2020-21.  b) Expenditure is expected to grow 38.4% in the 2<sup>nd</sup> control period from Rs 51.8 crores in 2015-16 to Rs.71.7 crores in 2020-21.  c) Profit before taxes is resultantly expected to grow by 64% in the 2<sup>nd</sup> control period from Rs 18.6 crores in 2015-16 to Rs.30.49 crores in 2020-21.</p> <p>v) <b>Analysis of ACS:</b>  On a review of the ACS data submitted by M/s GGI it has been observed that:  a) Total revenue has improved significantly in the first control period by 43% from Rs.52 crores in 2011-12 to Rs. 74.8 crores in 2015-16.  b) Total Expenditure has increased by 31.3% from Rs.42.4 crores in 2011-12 to Rs. 55.7 crores in 2015-16.  c) Operating profit has shown a very impressive growth by doubling from Rs.9.8 crores in 2011-12 to Rs. 19.16 crores in 2015-16.  d) RAB during the 2<sup>nd</sup> control period has 106 percentage points in the 2<sup>nd</sup> control period from 26% in 2011-12 to 132% in 2015-16.</p>
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2.1 As stipulated in Clause 3 of the CGF guidelines, 2011, the Authority shall follow a three stage process for determining its approach to the regulation of regulated service-

- (i) 'Materiality' as per Clause 4;
- (ii) 'Competition' as per Clause 5; and
- (iii) Reasonability of User Agreement(s) as per Clause 6.

2.2 The materiality index for service provided for ground handling facility at a major airport A shall be defined as:

$$\text{Materiality Index (MI}_C\text{)} \text{ is= } \frac{\text{Int. Aircraft movement at major airport A}}{\text{Total Int. aircraft movement at Major Airports}} \times 100$$

Where 'International Aircraft Movements' represent the total number of international aircraft movements per annum at major airport A.

Where 'Total international aircraft movements at major airports' represents the sum total of international aircraft movement per annum at all major airports.

Where the  $MI_C$ , as calculated above is 5% or more at a major airport, the service shall be deemed 'material'. If  $MI_C$  is below 5%, then services provided for ground handling at major airport A shall be deemed 'not material'.

- 2.3 As per the AERA order no.15/2016-17 dated 10<sup>th</sup> February, 2017, on the provisions of National Civil Aviation Policy-2016 (NCAP-2016), the authority will adopt the criteria for competition assessment for ground handling agencies (GHA) as "three ground handling Agencies (GHA) including Air India's subsidiary/JV at all major airports". The CGF guidelines shall be amended to that extent.
- 2.4 As per Clause 6 of the CGF Guidelines, 2011, the Authority shall consider the existing User Agreement(s) as reasonable provided that:
- (i) *"The Service Provider submits existing User Agreement(s) between the Service Provider and all the User(s) of the Regulated Service(s), clearly Indicating the tariff(s) that are agreed to between the Service Provider and the User(s) of the Regulated Service(s) and*
  - (ii) *The User(s) of the Regulated Service(s) have not raised any reasonable objections or concerns in regard to the existing User Agreement(s) which have not been appropriately addressed".*
- 2.5 In terms of Clause 7.3 of the CGF Guidelines, 2011, the Authority shall upon due consideration of the MYTP and stakeholder consultations thereon and after obtaining such additional information, as it may consider necessary, make a MYTO for a Control Period.
- 2.6 As per Clause 11.2, the ATP is required to be submitted in the manner and form provided in AI. 8.1 of Appendix I and should be supported by the following documents:
- 2.6.1 Form B and Form 14(b)
  - 2.6.2 Details of consultation with stakeholders
  - 2.6.3 Evidence of User Agreements clearly indicating the Tariff proposed by the Service Provider.

### **3 Examination**

- 3.1 The cargo handling service rendered by M/s GGI at KIA, Bengaluru is an "aeronautical service" in terms of section 2(a) of the Airports Economics Regulatory Authority of India Act, 2008 (Act) whereas under section 13 (1)(a) of the Act, the Authority is required to determine tariff for aeronautical services.
- 3.2 On a review of the materiality index for KIA, Bengaluru vis a vis the above guideline for ground handling service, it is understood that the service provided is 'material' as materiality index for ground handling at Bengaluru is 6.31%.

- 3.3 With respect to competition, apart from M/s GGI, M/s AISATS is providing ground handling services at KIA, Bengaluru. As there are only two ground handling service providers in KIA, Bengaluru, the regulated service is “not competitive”.
- 3.4 M/s GGI has submitted some of its user agreements, copy of the concession agreement and appreciation certificates/emails from its users, therefore, the existing user agreements appear to be reasonable.
- 3.5 M/s GGI has submitted Form-B and Annual Tariff Proposal (Form 14(b)) along with the submission. The increase proposed in the tariff card for the 1<sup>st</sup> tariff year of the 2<sup>nd</sup> control period is 21%.
- 3.6 Based on the examination above, it is understood that the ground handling services provided by M/s GGI is “material and not competitive” and the existing user agreements are reasonable.
- As per clause 3.2(iii) of the CGF Guidelines, 2011, ‘Where the regulated services provided are deemed material and not competitive but where the Authority is assured of the reasonableness of the existing user agreements, the Authority shall determine tariff based on a light touch approach for the duration of the control period according to the provisions of Chapter V of the CGF Guidelines, 2011.
- Therefore in the instant case, the tariff is proposed to be determined based on “Light Touch Approach”.
- 3.7 The approach on determination of the tariff may be altered, at any point, if any further information, that requires re-examination of the proposal, comes to the attention of the Authority.

#### **4 Proposal**

The Authority after careful consideration of the MYTP pertaining to the 2<sup>nd</sup> control period (FY 2016-17 to FY 2020-21) and ATP for FY 2016-17 makes the following proposal for stakeholder consultation:

- 4.1 Ground Handling Service being provided by M/s GGI is “Material but not competitive”. Also, M/s GGI has submitted evidence whereby it can be established that , the users have not raised any reasonable objections or concerns in regard to the existing User Agreements, which have not been appropriately addressed. Therefore, in terms of clause 3.2 (iii) of the CGF guidelines, 2011, the Authority proposes to adopt ‘Light Touch Approach’ for determination of tariffs for the 2<sup>nd</sup> control period w.e.f. 01.04.2016 to 31.03.2021.
- 4.2 Since the FY 2016-17 (T<sub>1</sub>) is over, allow the continuation of the tariff as on 31.03.2016 for FY 2016-17 (T<sub>1</sub>).
- 4.3 Consider the ATP submitted for the FY 2016-17(T<sub>1</sub>) for the determination of the tariff for the FY 2017-18 (T<sub>2</sub>) and FY 2018-19(T<sub>3</sub>):



- 4.3.1 Since only about 4 months is remaining in the FY 2017-18(T<sub>2</sub>), allow the continuation of the tariff as on 31.03.2016 for the FY 2017-18(T<sub>2</sub>) also.
- 4.3.2 Considering the very good financial performance of M/s GGI despite charging lower than the approved tariffs, allow the continuation of tariff as on 31.03.2016 for the FY 2018-19(T<sub>3</sub>).
- 4.4 Tariff proposed above will be maximum tariff to be charged from the users of the ground handling service. No other charges to be levied over and above the approved tariff.
- 4.5 M/s GGI should not exceed the tariff charges for its Non-Schedule Operations as approved by AERA for its schedule operations for similar class of aircraft.
- 4.6 The Authority will review the financial performance and other parameters of M/s GGI before determining the tariffs for the remaining period of the 2<sup>nd</sup> Control Period i.e. FY.2019-20(T<sub>4</sub>) & FY. 2020-21(T<sub>5</sub>).
- 4.7 In accordance with the provisions of Section 13(4) of the AERA Act, the proposal stated above is hereby put forth for stakeholder consultation. To assist the stakeholders in making their submissions in a meaningful and constructive manner, necessary documents are enclosed as annexures to the consultation paper. For removal of doubts, it is clarified that the contents of this Consultation Paper may not be construed as any Order or Direction of this Authority. The Authority shall pass an Order, in the matter, only after considering the submissions of the stakeholders in response hereto and by making such decision fully documented and explained in terms of the provisions of the Act.

The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the above proposal, latest by **23.01.2018** at the following address:

**Secretary,  
Airports Economic Regulatory Authority of India,  
AERA Building,  
Administrative Complex,  
Safdarjung Airport,  
New Delhi- 110003.**

**Email: [puja.jindal@nic.in](mailto:puja.jindal@nic.in)**

**Tel: 011-24695042  
Fax: 011-24695039**

**(S. Machendranathan)  
Chairperson**

[F. No. AERA/20010/MYTP-GGI/GH/BIAL/ 2011-2012]

Airports Economic Regulatory Authority of India

Order No. 24/ 2012-13

AERA Building,  
Administrative Complex,  
Safdarjung Airport,  
New Delhi -110 0 03

Date of Order: 29<sup>th</sup> October, 2012Date of Issue: 19<sup>th</sup> November, 2012

**In the matter of Determination of Annual Tariff submitted by Globe Ground India (P) Ltd for the first , second and third tariff year of the first control period commencing from 01.04.2011 for providing Ground Handling Services at Bangalore International Airport, Bengaluru.**

The Authority had issued a Multi-Year Tariff Order(MYTO) No. 24/2011-12 dated 25.10.2011 in respect of Globe Ground India (P) Ltd (GGI) for providing Ground Handling Facility at Bangalore International Airport, Bengaluru wherein the Authority had decided to adopt 'light touch approach' for determination of the tariff for the first Control Period.

2. Further, with reference to Appeal no. 12/2011, filed by Bangalore International Airport (i.e. BIAL) against the Authority's Order No.05/2010-11, 12/2010-11 & 17/2010-11 and Direction No. 4/2010-11 the Hon'ble AERA Tribunal (i.e. Appellate Tribunal) vide its order dated 19.10.2011 stated that:

*"It is made clear that even if any final order is passed by the respondent- Airports Economic Regulatory Authority, the same shall not be given effect to without leave of this court."*

The above order passed by the Tribunal is still in force.

3. Pursuant to the issue of the MYTO, GGI submitted the Annual Tariff Proposal (ATP) for the first, second and third tariff year for the services of providing Ground Handling Facility at Bangalore International Airport, Bengaluru.

4. The Authority considered the Annual Tariff Proposal (ATP) submitted by GGI for the first, second and third tariff year of the first control period commencing from 01.04.2012, and issued a Consultation Paper No. 19/2012-13 on 12.09.2012 for stakeholders' consultation.



5. In response to the proposal, no comments have been received.

**ORDER:**

6.1 Upon careful consideration of material available on record, the Authority, in exercise of powers conferred by Section 13(1)(a) of the Airports Economic Regulatory Authority of India Act, 2008, hereby orders that:

6.1.1 Tariff for the Ground Handling Facility being provided Globe Ground India (P) Ltd Bangalore International Airport, Bengaluru is determined as under:-

- (a) For first tariff year (01.04.2011 to 31.03.2012) of the first control period w.e.f 01.04.2011 as per **Annexure-I**.
- (b) For second tariff year (01.04.2012 to 31.03.2013) of the first control period w.e.f 01.04.2012 as per **Annexure-II**.
- (c) For third tariff year (01.04.2013 to 31.03.2014) of the first control period w.e.f 01.04.2013 as per **Annexure-III**.

6.2 The above order is subject to the decision of the Hon'ble AERA Appellate Tribunal that this order of Authority shall not be given effect to without leave of the Appellate Tribunal.

By the Order of and in the  
Name of the Authority

  
(Capt. Kapil Chaudhary)  
Secretary

To

M/s Globe Ground India Pvt. Ltd.,  
E-9, Connaught House,  
Connaught Place,  
New Delhi - 110 001  
(Through: Shri Rajat Maharishi, Chief Executive Officer)



## Annexure-I

Globe Ground India Pvt. Ltd. (Operations at Bangalore International Airport, Bengaluru)						
Maximum Rate to be paid by Scheduled Airlines for comprehensive Ground Handling						
Tariff Year 1 (01.04.2011 to 31.03.2012)						
Form 14(b)			Ground Handling Rates in INR for Tariff Year 1 (2011-12)			
S.No.	ICAO Code	Aircraft Type	Scheduled Passenger Aircraft		Scheduled Freighter Aircraft	
			Domestic	International	Domestic	International
1	Code B	Single Engine Aircraft	10,000	28,000	N/A	N/A
2	Code C	A318, A319, A320, A321, B717, B727, B737, BBJ, MD81 to MD90, DC9, TUI34, TUI34A, AN24, AN26, AN26, ATR42, ATR72, F27, F28, F50, F70, F100, YAK40, YAK42	13,400	73,000	45,000	1,09,500
3	Code D	A300-600, A310, B707, B727-100, B757, B767, B787-300, DC8, DC10, MD11	21,440	1,10,000	78,000	1,21,000
4	Code E	A330-200, A330-300, A340, B747SP, B747, B777, B787-800, B787-900, IL96	45,000	1,40,000	94,000	1,65,000
5	Code F	A380	80,000	1,98,000	1,27,900	2,37,600

Note: The above rates are excluding all taxes such as Service Tax as may be applicable.



## Annexure-II

Globe Ground India Pvt. Ltd. (Operations at Bangalore International Airport, Bengaluru)						
Maximum Rate to be paid by Scheduled Airlines for comprehensive Ground Handling						
Tariff Year 2 (01.04.2012 to 31.03.2013)						
Form 14(b)			Ground Handling Rates in INR for Tariff Year 2 (2012-13)			
S.No.	ICAO Code	Aircraft Type	Scheduled Passenger Aircraft		Scheduled Freighter Aircraft	
			Domestic	International	Domestic	International
1	Code B	Single Engine Aircraft	11,000	30,800	N/A	N/A
2	Code C	A318, A319, A320, A321, B717, B727, B737, BBJ, MD81 to MD90, DC9, TUI34, TUI34A, AN24, AN26, ATR42, ATR72, F27, F28, F50, F70, F100,	14,740	80,300	49,500	1,20,450
3	Code D	A300-600, A310, B707, B727-100 B757, B767, B787-300, DC8, DC10, MD11	23,584	1,21,000	85,800	1,33,100
4	Code E	A330-200, A330-309, A340, B747SP, B747, B777, B787-800, B787-900, IL96	49,500	1,54,000	1,03,400	1,81,500
5	Code F	A380	88,000	2,17,800	1,40,690	2,61,360

Note: The above rates are excluding all taxes such as Service Tax as may be applicable.



## Annexure-III

Globe Ground India Pvt. Ltd. (Operations at Bangalore International Airport, Bengaluru)						
Maximum Rate to be paid by Scheduled Airlines for comprehensive Ground Handling						
Tariff Year 3 (01.04.2013 to 31.03.2014)						
Form 14(b)			Ground Handling Rates in INR for Tariff Year 3 (2013-14)			
S.No.	ICAO Code	Aircraft Type	Scheduled Passenger Aircraft		Scheduled Freighter Aircraft	
			Domestic	International	Domestic	International
1	Code B	Single Engine Aircraft	12,100	33,880	N/A	N/A
2	Code C	A318, A319, A320, A321, B717, B727, B737, BBJ, MD81 to MD90, DC9, TUI34, TUI34A, AN24, AN26, AN26, ATR42, ATR72, F27, F28, F50, F70, F100, YAK40, YAK42	16,214	88,330	54,450	1,32,495
3	Code D	A300-600, A310, B707, B727-100 B757, B767, B787-300, DC8, DC10, MD11	25,942	1,33,100	94,380	1,46,410
4	Code E	A330-200, A330-300, A340, B747SP, B747, B777, B787-800, B787-900, IL96	54,450	1,69,400	1,13,740	1,99,650
5	Code F	A380	96,800	2,39,580	1,54,759	2,87,496

Note: The above rates are excluding all taxes such as Service Tax as may be applicable.



[F. No. AERA/20010/MYTP-GGI/GH/BIAL/2011-12/Vol - I]

**Airports Economic Regulatory Authority of India**

**Order No. 37/2015-16**

**AERA Building,  
Administrative Complex,  
Safdarjung Airport,  
New Delhi - 110003**

**Date of Order: 20<sup>th</sup> October, 2015**

**Date of Issue: 29<sup>th</sup> October, 2015**

**Service: Ground Handling Services**  
**Service provider: M/s Globe Ground India Pvt. Ltd.**  
**Airport: Kempegowda International Airport, Bengaluru.**

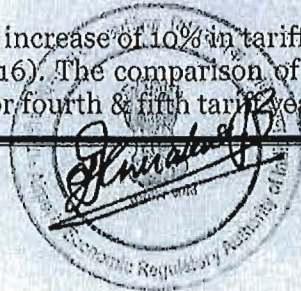
**Determination of tariff for the fourth & fifth (FY 2014-15 & FY 2015-16) tariff year of the first control period.**

This Authority, vide Direction No. 04/2010-11 dated 10.01.2011, had issued the Guidelines [The 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] prescribing procedures, terms and conditions for determination of tariff for the above mentioned regulated services being provided by Independent Service Provider(s). As per the Guidelines, the service providers are required to submit Multi Year Tariff Proposal (MYTP) for the five year control period and Annual Tariff Proposal (ATP) for individual tariff years of the Control Period.

2. Accordingly, the Authority had considered the Multi Year Tariff Proposal (MYTP) submitted by Globe Ground India Pvt. Ltd. (GGIPL) for the first control period commencing 01.04.2011 in respect of ground handling services at Kempegowda International Airport, Bengaluru. After due stakeholder consultation, the Authority issued Multi Year Tariff Order (MYTO) No. 24/2011-12 dated 25.10.2011 wherein, inter-alia, it was decided that the ground handling service provided by GGIPL is "material but competitive", hence "light touch approach" be adopted for determination of tariff for the 1<sup>st</sup> Control period. Pursuant to issue of above, the Authority considered the Annual Tariff Proposal (ATP) for the first, second and third tariff year and after due stakeholder consultation, determined the tariffs vide ATO no. Order No. 24/2012-13 dated 19.11.2012.

3.1 GGIPL, vide letter no. Nil dated 20.09.2015 submitted ATP for fourth fifth tariff (2014-15) and the fifth tariff year (2015-16) along with (a) the Form B and (b) Form 14(b) vide their letter dated 22.06.2015. GGIPL vide letter dated 03.09.2015 had submitted Annual Compliance Statements (ACS) for tariff year 2011-12, 2012-13 and 2013-14 respectively.

3.2 GGIPL has proposed an increase of 10% in tariff in tariff year for the fifth tariff years (FY 2014-15 & FY 2015-16). The comparison of rates approved for third tariff year vis-à-vis rates proposed for fourth & fifth tariff years.



4. The Authority noted the following:
- (i) GGIPL has not submitted the proof of stakeholder consultation, and copies of user agreements justifying the increase sought by them.
  - (ii) Less than one year is left for completion of the 1<sup>st</sup> Control Period, which is set to expire on 31.03.2016 and process for determination of tariff involving stakeholder consultation will take approx. 2-3 months and thus, benefit of revised tariff may be available for less than 5 months from the date of order.

**ORDER**

5. Upon careful consideration of material available on record, the Authority, in exercise of powers conferred by Section 13(1)(a) of the Airports Economic Regulatory Authority of India Act, 2008, hereby orders that:

- (i) Globe Ground India Pvt. Ltd. would continue to levy tariffs in respect of Ground Handling Services at Kempegowda International Airport, Bengaluru for the remaining period of the current control period at the same level as was approved vide Order No. 24/2012-13 dated 19.11.2012 for the third tariff year (**Annexure – I**).
- (ii) Globe Ground India Pvt. Ltd. should submit the MYTP and ATP for the 2<sup>nd</sup> Control Period well in time as per the Guidelines by incorporating the actual financials of 2014-2015.

By the Order of and in the  
Name of the Authority



(Joy Kuriakose)  
Deputy Chief

To,

M/s Globe Ground India Pvt. Ltd.,  
E-9, Connaught House,  
Connaught Place,  
New Delhi – 100 001  
(Through: Shri Rajat Maharishi, Chief Executive Officer)





## Annexure-I

Globe Ground India Pvt. Ltd. (Operations at Bangalore International Airport, Bengaluru)						
Maximum Rate to be paid by Scheduled Airlines for comprehensive Ground Handling						
Tariff Year 3 (01.04.2013 to 31.03.2014)						
Form 14(b)		Ground Handling Rates in INR for Tariff Year 3 (2013-14)				
S.No.	ICAO Code	Aircraft Type	Scheduled Passenger Aircraft		Scheduled Freighter Aircraft	
			Domestic	International	Domestic	International
1	Code B	Single Engine Aircraft	12,100	33,880	N/A	N/A
2	Code C	A318, A319, A320, A321, B717, B727, B737, BBJ, MD81 to MD90, DC9, TUI34, TUI34A, AN24, AN26, AN26, ATR42, ATR72, F27, F28, F50, F70, F100, YAK40, YAK42	16,214	88,330	54,450	1,32,495
3	Code D	A300-60C, A310, B707, B727-100 B757, B767, B787-300, DC3, DC10, MD11	25,942	1,33,100	94,380	1,46,410
4	Code E	A330-200, A330-300, A340, B747SP, B747, B777, B787-800, B787-900, IL96	54,450	1,69,400	1,13,740	1,99,650
5	Code F	A380	96,800	2,39,580	1,54,759	2,87,496

Note: The above rates are excluding all taxes such as Service Tax as may be applicable.



Airports Economic Regulatory Authority of India

Order No. 28 /2013-14

AERA Building,  
Administrative Complex,  
Safdarjung Airport,  
New Delhi - 110 003

Date of Order: 10<sup>th</sup> July, 2013

Date of Issue: 24<sup>th</sup> July, 2013

**In the matter of determination of Tariffs for Third, Fourth and Fifth Tariff Year of the First Control Period in respect of Air India SATS Airports Services Private Limited for providing Ground Handling Services at Bengaluru International Airport, Bengaluru.**

This Authority, vide Direction No. 4/2010-11 dated 10.01.2011, had issued the Guidelines [The 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"] prescribing procedures, terms and conditions for determination of tariff for the above mentioned regulated services being provided by Independent Service Provider(s). As per the Guidelines, the service providers are required to submit a Multi Year Tariff Proposal (MYTP) for the five-year control period and Annual Tariff Proposal (ATP) for individual tariff years of the Control Period. Accordingly, M/s Air India SATS Airport Services Pvt Ltd (AISATS) submitted their MYTP for first control period commencing 01.04.2011 in respect of ground handling services provided at Bengaluru International Airport, Bengaluru. The Authority had considered the MYTP and ATP submitted by AISATS. After due stakeholder consultation, the Authority issued Multi Year Tariff Order (MYTO) No. 23/2011-12 dated 29.09.2011 wherein it was decided to adopt "light touch approach" for determination of tariff for the first control period. Subsequently, the tariff for the first (FY 2011-12) and second (FY 2012-13) tariff year of the first control period was determined.

2.1 However, the said determination was subject to the order of the Hon'ble AERA Appellate Tribunal in Appeal no. 12/2011 filed by Bangalore International Airport Limited (BIAL), wherein it has ordered that:

*"It is made clear that even if any final order is passed by the respondent - Airports Economic Regulatory Authority, the same shall not be given effect to without leave of this Court."*

2.2 The appeal filed by BIAL has been disposed of on 03.05.2013, wherein the Hon'ble Tribunal ordered that:

*".....We had by our order dated 19th October, 2011, directed that the tariff so decided in case of the three services mentioned in the earlier paragraph would not be implemented unless the leave is obtained from this Tribunal. In view of*



*the disposal of this appeal, those orders would stand 'withdrawn' and in the result the implementation of tariff may now commence."*

2.3 Subsequently, AISATS submitted its ATPs for the third, fourth and fifth tariff year. The Authority considered the submissions made by AISATS and issued Consultation Paper No. 12/2013-14 on 21.06.2013, wherein these ATPs for Third, Fourth and Fifth tariff years, were put up for stakeholder consultations. No comments have been received in response to the said Consultation Paper.

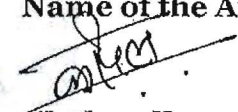
2.4 It was observed that as per Note 2 of the tariff rate card AISATS has stated that "These rates may be revised, where external economic/financial factors warrant a review. However, any change will be in consultation with the stakeholders and final approval of AERA." In this regard, it was noted that in respect of major airports the tariffs for aeronautical services are to be determined by the Authority. Hence, the tariff determined by the Authority cannot be increased by the service provider on its own. For any increase the service provider may seek appropriate determination, if need be.

**ORDER:**

3. Upon careful consideration of material available on record, the Authority, in exercise of powers conferred by Section 13 (1) (a) of the Airport Economic Regulatory Authority of India Act, 2008, hereby orders that:

- (i) Tariff for the Ground Handling Services provided by M/s Air India SATS Airport Services Private Limited at Bengaluru International Airport, Bengaluru is determined, for the Third Tariff Year (w.e.f. 01.04.2013 to 31.03.2014), Fourth Tariff Year (w.e.f. 01.04.2014 to 31.03.2015) and for Fifth Tariff Year (01.04.2015 to 31.03.2016), as per **Annexure -I**. In case M/s Air India SATS wishes to revise these tariffs, then it may approach the Authority with a suitable tariff proposal.

By the Order of and in the  
Name of the Authority

  
[Capt. Kapil Chaudhary (Retd.)]  
Secretary

To

M/s Air India SATS Airports Services Pvt. Ltd.  
A-301, Business Square,  
Andheri – Kurla Road,  
Chakala, Andheri (East),  
Mumbai – 400 069.  
(Through: Shri Nilang Shah, Marketing Manager)



## AIR INDIA SATS AIRPORT SERVICES PRIVATE LIMITED

MAXIMUM RATES TO BE PAID BY SCHEDULED AIRLINES FOR COMPREHENSIVE GROUND HANDLING AT BIA, BENGALURU

S.No.	Aircraft Types (ICAO Code)	2013-14				2014-15				2015-16			
		Scheduled Aircraft				Scheduled Aircraft				Scheduled Aircraft			
		Passenger		Freighter		Passenger		Freighter		Passenger		Freighter	
		Domestic Flight	International Flight	Domestic Flight	International Flight	Domestic Flight	International Flight	Domestic Flight	International Flight	Domestic Flight	International Flight	Domestic Flight	International Flight
1	CODE B	11,000	30,800	NA	NA	12,100	33,880	NA	NA	13,310	37,268	NA	NA
2	CODE C	14,740	80,300	49,500	1,20,450	16,214	88,330	54,450	1,32,495	17,835	97,163	59,895	1,45,745
3	CODE D	23,584	1,21,000	85,800	1,33,100	25,942	1,33,100	94,380	1,46,410	28,537	1,46,410	1,03,818	1,61,051
4	CODE E	49,500	1,54,000	1,03,400	1,81,500	54,450	1,69,400	1,13,740	1,99,650	59,895	1,86,340	1,25,114	2,19,615
5	CODE F	88,000	2,17,800	1,40,690	2,61,360	96,800	2,39,580	1,54,759	2,87,496	1,06,480	2,63,538	1,70,235	3,16,246

CODE B : for single engyne aircraft

CODE C A318,A319, A320, A321, 8717, 8727, 737,8BJ, MD 81 to MD 90, TU134A, AN24, AN26, ATR42, ATR72, F27, F28, F50, F70, F100, YAK40, YAK42

CODE D A300-600, A310, B707, B727-100 B757, B767, B787-300, DC8, DC10, MD11

CODE E A330-200, A330-309, A340, B747SP, B747, B777, B787-800, B787-900, IL96

CODE F A380

## Notes :

- 1) The rates with each Airline will be negotiated based on services required from SGHA service items (usage of equipment and manpower), flight frequency, service level agreement, credit period and liability and indemnity requirement.
- 2) All charges mentioned above include existing concession fee, royalty, airport levy charged by the Airport Authority.
- 3) All charges mentioned above exclude all taxes such as Service Tax as may be applicable.



Annual Tariff Proposal  
 Globe Ground India Pvt Ltd (Operations at Bangalore International Airport, Bengaluru)  
 Maximum Rate to be paid by scheduled airlines for comprehensive ground handling  
 1st tariff Year (01.04.2016 to 31.03.2017) of second Control period  
 Ground Handling rates in INR for Tariff Year 1 (2016-17)      Ground Handling rates in INR as on 31.03.2016

S. No.	ICAO Code	Aircraft Type	Scheduled Passenger Aircraft		Scheduled Freighter Aircraft		Scheduled Passenger Aircraft		Scheduled Freighter Aircraft		% Variation			
			Domestic	International	Domestic	International	Domestic	International	Domestic	International	Tariff as on 31.03.16 vs tariff proposed for TY 1 of 2nd Control period 2			
1	Code B	Single Engine Aircraft	14,641	40,995	N/A	N/A	12,100	33,880	N/A	N/A	21	21		
2	Code C	A318,A319, A320,A321,B717, B727, B737,BBJ, MD81 to MD90, DC9, TUI34, TUI34A, AN24, AN26, ATR42, ATR72, F27, F28, F50, F70, F100, YAK40, YAK42	19,619	106,879	65,885	160,319	16,214	88,330	54,450	132,495	21	21	21	21
3	Code D	A300-600, A310, B707, B727-100, B757, B767, B787-300, DC8, DC10, MD11	31,390	161,051	114,200	177,156	25,942	133,100	94,380	146,410	21	21	21	21
4	Code E	A330-200, A330-300, A340, B747SP, B747, B777, B787-800, B787-900, IL96	65,885	204,974	137,625	241,577	54,450	169,400	113,740	199,650	21	21	21	21
5	Code F	A380	117,128	289,892	187,258	347,870	96,800	239,580	154,759	287,496	21	21	21	21

## Maximum rates to be paid by scheduled airlines for comprehensive ground handling at BIA, Bengaluru

Sl no.	Aircraft types ICAO Code	2015-16 AI SATS				2015-16 Globe Ground				% Variation			
		Scheduled Aircraft				Scheduled Aircraft							
		Passenger		Freighter		Passenger		Freighter					
		Domestic Flight	International Flight	Domestic Flight	International Flight	Domestic Flight	International Flight	Domestic Flight	International Flight				
1	Code B	13,310	37,268	NA	NA	12,100	33,880	N/A	N/A	(9.09)	(9.09)	NA	NA
2	Code C	17,835	97,163	59,895	145,745	16,214	88,330	54,450	132,495	(9.09)	(9.09)	(9.09)	(9.09)
3	Code D	28,537	146,410	103,818	161,051	25,942	133,100	94,380	146,410	(9.09)	(9.09)	(9.09)	(9.09)
4	Code E	59,895	186,340	125,114	219,615	54,450	169,400	113,740	199,650	(9.09)	(9.09)	(9.09)	(9.09)
5	Code F	106,480	263,538	170,235	316,246	96,800	239,580	154,759	287,496	(9.09)	(9.09)	(9.09)	(9.09)

## COMPARATIVE STATEMENT OF ACS FOR THE TARIFF YEAR 1 TO 5

( Refer AL9 of the Guidelines and Form No. 16)

M/S GGI

Rs. In Crs.

Sl No.	Performance Report for the years	Actual 2011-12	Actual 2012-13	Actual 2013-14	Actual 2014-15	Actual 2015-16
1	<b>Regulated revenue :</b>	51.42	47.44	53.78	59.02	73.47
2	Regulated Services-Ground Handling	51.42	47.44	53.78	59.02	73.47
3	Other than Regulated Services	0.78	0.88	0.81	0.96	1.39
4	<b>Total Revenue {(1)+(3)}</b>	<b>52.20</b>	<b>48.32</b>	<b>54.59</b>	<b>59.98</b>	<b>74.86</b>
	<b>Expenditure:</b>					
5	Operating Expenditure	33.58	30.75	34.65	40.20	51.80
6	Finance Cost					
7	Depreciation	8.84	7.25	5.78	5.99	3.90
8	<b>Total Expenditure{(5)+(6)+(7)}</b>	<b>42.42</b>	<b>38.00</b>	<b>40.43</b>	<b>46.19</b>	<b>55.70</b>
9	<b>Operating Profit {(4)-(8)}</b>	<b>9.78</b>	<b>10.32</b>	<b>14.16</b>	<b>13.79</b>	<b>19.16</b>
10	Capital Expenditure	0.60	0.08	0.15	0.99	1.37
11	Opening RAB	42.15	33.78	26.61	20.98	15.82
12	Disposals /Transfers	0.13	0.00	-	0.16	0.00
13	Depreciation	8.84	7.25	5.78	5.99	3.90
14	<b>Closing RAB {(10+11-12-13)}</b>	<b>33.78</b>	<b>26.61</b>	<b>20.98</b>	<b>15.82</b>	<b>13.29</b>
15	<b>Average RAB{(11+14)/2}</b>	<b>37.96</b>	<b>30.19</b>	<b>23.79</b>	<b>18.40</b>	<b>14.55</b>
16	<b>Return on Average RAB {(9)/(15)}</b>	<b>26%</b>	<b>34%</b>	<b>60%</b>	<b>75%</b>	<b>132%</b>
17	Aircraft Traffic Movement (ATM)	25,594	15,971	17,284	16,084	20,940
	<b>Actual Yield Per Unit {(1)/(17)}-In Rs</b>	<b>20,091</b>	<b>29,701</b>	<b>31,115</b>	<b>36,694</b>	<b>35,087</b>

GlobeGround India Private Limited  
Balance Sheet as at 31st March, 2016

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
<b>EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholder's Fund</b>			
Share capital	3	205,000,000	205,000,000
Reserves and surplus	3a	494,585,354	378,991,286
<b>(2) Non-current liabilities</b>			
Long-term borrowings	4	25,386,695	35,931,798
Other Long term liabilities	5	79,734	468,115
Long-term provisions	5a	15,084,767	11,953,517
<b>(3) Current Liabilities</b>			
Short-term borrowings	6	20,077,710	42,122,397
Trade payables	7	79,263,083	38,626,117
Other current liabilities	8	39,910,532	32,136,955
Short-term provisions	9	2,396,045	2,148,356
		<u>881,783,920</u>	<u>747,378,541</u>
<b>ASSETS</b>			
<b>(4) Non-current Assets</b>			
Fixed assets :			
Tangible assets	10	132,836,817	155,639,951
Intangible assets	11	54,675	2,524,443
Non-current investments	12	175,563,162	138,560,000
Deferred tax assets (net)	13	36,207,905	41,601,319
Long-term loans and advances	14	147,235,873	136,670,530
Other non-current assets	15	1,070,077	2,455,719
<b>(5) Current Assets</b>			
Trade receivables	16	203,786,685	123,765,848
Cash and cash equivalents	17	165,975,791	133,638,307
Short-term loans and advances	18	12,921,530	7,594,973
Other Current Assets	19	6,131,405	4,927,450
		<u>881,783,920</u>	<u>747,378,541</u>

See accompanying notes forming part of the financial statements

1 & 2

For: Shailender K Bajaj & Co.  
Chartered Accountants  
Firm Regn. No. 12491N

*Shailender Kumar Bajaj*

Shailender K. Bajaj  
Proprietor  
M.No. 91615

For and on behalf of the Board of Directors  
of GlobeGround India Private Limited

*Radha Bhatia*

Radha Bhatia  
(Director)  
Din No. 00003385

Gaurav Bhatia  
(Director)  
Din No. 00911852

*Shelly Sharma*

Shelly Sharma  
(Company Secretary)  
M.No. A23110

Place: Delhi

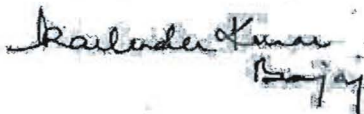
Date: 13 SEP 2016



**GlobeGround India Private Limited**  
Statement of Profit and Loss for the period ended 31 March, 2016

Particulars	Note No.	For the period ended 31st March, 2016	For the year ended 31st March, 2015
<b>INCOME</b>			
Revenue from operations	20	734,718,376	590,180,307
Other Income	21	13,883,378	9,596,918
<b>Total Revenue (I)</b>		<b>748,601,754</b>	<b>599,777,225</b>
<b>EXPENSES</b>			
Employee benefit expense	22	345,055,075	263,504,092
Other expenses	23	172,992,584	138,470,036
<b>Total Expenses (II)</b>		<b>518,047,659</b>	<b>401,974,128</b>
<b>Earning before interest, tax, depreciation, amortization (EBITDA) (I)-(II)</b>		<b>230,554,095</b>	<b>197,803,097</b>
Depreciation and amortization expense	24	38,993,257	59,903,715
Finance cost	25	5,593,889	5,474,104
<b>Profit before tax</b>		<b>185,966,949</b>	<b>132,425,278</b>
<b>Tax expenses</b>			
Current Tax	26	65,098,580	51,200,000
Earlier Year Tax		(119,113)	215,876
Deferred Tax		5,393,414	(8,114,321)
<b>Total tax expenses</b>		<b>70,372,881</b>	<b>43,301,555</b>
<b>Profit for the year</b>		<b>115,594,068</b>	<b>89,123,723</b>
<b>Earnings per equity share</b> (nominal value of share Rs. 100 (31 March 2016: Rs. 100))			
Basic and diluted (Nominal Value of Shares Rs 100 (Previous year Rs. 100))	31	56	43
See accompanying notes forming part of the financial statements	1 & 2		

For: Shailender K Bajaj & Co.  
Chartered Accountants  
Firm Regn. No. 12491N




Shailender K. Bajaj  
Proprietor  
M. No. 91615

For and on behalf of the Board of Directors  
of GlobeGround India Private Limited



Radha Bhatia  
(Director)  
Din No. 00003385

Gaurav Bhatia  
(Director)  
Din No. 00911852

  
Shelly Sharma  
(Company Secretary)  
M.No. A23110

Place : Delhi  
Date : 13 SEP 2016

**GlobeGround India Private Limited**  
Balance Sheet as at 31st March, 2015

Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholder's Fund</b>			
Share capital	3	205,000,000	205,000,000
Reserves and surplus	3a	378,991,286	291,362,350
<b>(2) Non-current liabilities</b>			
Long-term borrowings	4	35,931,798	-
Other Long term liabilities	5	468,115	-
Long-term provisions	5a	11,953,517	8,045,902
<b>(3) Current Liabilities</b>			
Short-term borrowings	6	42,122,397	31,285,711
Trade payables	7	21,999,865	22,698,945
Other current liabilities	8	48,763,207	25,339,421
Short-term provisions	9	2,148,356	1,711,930
		<u>747,378,541</u>	<u>585,444,259</u>
<b>ASSETS</b>			
<b>(4) Non-current Assets</b>			
Fixed assets :			
Tangible assets	10	155,639,951	201,185,996
Intangible assets	11	2,524,443	8,573,513
Non-current investments	12	138,560,000	50,760,000
Deferred tax assets (net)	13	41,601,319	33,486,998
Long-term loans and advances	14	130,396,191	132,238,397
Other non-current assets	15	2,455,719	8,570,600
<b>(5) Current Assets</b>			
Trade receivables	16	123,765,848	58,246,903
Cash and cash equivalents	17	133,638,307	64,250,354
Short-term loans and advances	18	13,869,312	24,654,410
Other Current Assets	19	4,927,450	3,477,087
		<u>747,378,541</u>	<u>585,444,259</u>
See accompanying notes forming part of the financial statements	1 & 2		

For: Shailender K Bajaj & Co.  
Chartered Accountants  
Firm Regn. No. 12491N

*Shailender Kumar*  
Proprietor

Shailender K. Bajaj  
Proprietor  
M.No. 91615

For and on behalf of the Board of Directors  
of GlobeGround India Private Limited

*Radha Bhatia*

Radha Bhatia  
(Director)  
Din No. 00003385

*Gaurav Bhatia*

Gaurav Bhatia  
(Director)  
Din No. 00911852

*Aarti Arora*

Aarti Arora  
(Company Secretary)  
M.No. A16256

Place : Delhi

Date : 26 SEP 2015

2.16 Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expenses.

On behalf of Board of Directors of  
Globe Ground India Private Limited

  
Director

  
Director



**GlobeGround India Private Limited**  
Statement of Profit and Loss for the period ended 31 March, 2015

Particulars	Note No.	For the period ended 31st March, 2015	For the year ended 31st March, 2014
<b>INCOME</b>			
Revenue from operations	20	590,180,307	537,790,189
Other Income	21	9,596,918	8,080,918
<b>Total Revenue (I)</b>		<u>599,777,225</u>	<u>545,871,107</u>
<b>EXPENSES</b>			
Employee benefit expense	22	263,504,092	220,292,521
Other expenses	23	138,470,036	126,240,138
<b>Total Expenses (II)</b>		<u>401,974,128</u>	<u>346,532,659</u>
<b>Earning before interest,tax,depreciation, amortization (EBITDA) (I)-(II)</b>			
Depreciation and amortization expense	24	197,803,097	199,338,448
Finance cost	25	59,903,715	57,792,743
Profit before extraordinary and exceptional items and tax		5,474,104	5,159,814
Exceptional items		<u>132,425,278</u>	<u>136,385,891</u>
Profit before extraordinary items and tax		-	-
Extraordinary items		<u>132,425,278</u>	<u>136,385,891</u>
Profit before tax		-	-
Tax expenses		<u>132,425,278</u>	<u>136,385,891</u>
Current Tax	26	51,200,000	43,500,000
Earlier Year Tax		215,876	(2,214,123)
Deferred Tax		(8,114,321)	525,123
Total tax expenses		<u>43,301,555</u>	<u>41,811,000</u>
Profit for the year		<u>89,123,723</u>	<u>94,574,891</u>
<b>Earnings per equity share (nominal value of share Rs. 100 (31 March 2015: Rs. 100))</b>			
Basic and diluted (Nominal Value of Shares Rs 100 (Previous year Rs. 100))	31	43.47	46.13

See accompanying notes forming part of the financial statements

1 & 2

**For: Shailender K Bajaj & Co.**  
Chartered Accountants  
Firm Regn. No. 12491N

*Shailender Kumar Bajaj*

Shailender K. Bajaj  
Proprietor  
M.No. 91615

**For and on behalf of the Board of Directors  
of GlobeGround India Private Limited**

*Radha Bhatia*  
Radha Bhatia  
(Director)  
Din No. 00003385

*Gaurav Bhatia*  
Gaurav Bhatia  
(Director)  
Din No. 00911852

*Aarti Arora*  
Aarti Arora  
(Company Secretary)  
M.No. 16256

Place : Delhi  
Date :

## GlobeGround India Private Limited

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2015

(Amount in INR)

Particulars	For the year ended 31/03/2015	For the year ended 31/03/2014
<b>Cash flow from operating activities</b>		
Profit before tax	132,425,278	136,385,891
Non-cash adjustment to reconcile profit before tax to net cash flows :-		
Depreciation and amortisation	59,903,715	57,792,743
Loss/ (profit) on sale of fixed assets (net)	(266,112)	-
Bad debts / advances written off	-	-
Provision for doubtful debts	-	-
Wealth Tax	31,000	42,000
Provision / (Utilisation) for Rent Equalisation Reserve	(641,387)	(418,668)
Interest Expense	5,296,316	5,078,032
Interest income	(8,818,835)	(7,360,451)
Excess Provision Written Back	(165,467)	(61,345)
<b>Operating profit before working capital changes</b>	<b>187,764,308</b>	<b>191,458,202</b>
<b>Changes in working capital :-</b>		
Adjustment for (Increase)/Decrease in Operating Assets :-		
Trade receivables	(65,518,945)	(14,632,352)
Short-term loans and advances	8,938,344	(18,411,461)
<b>Adjustment for Increase/(Decrease) in Operating Liabilities :-</b>		
Trade payables	(65,497)	(6,340,772)
Other current liabilities	12,087,905	(964,345)
Long Term & Short Term Provisions	4,344,041	2,025,128
	<b>(40,214,152)</b>	<b>(38,323,803)</b>
<b>Cash generated from / (used in) operations</b>	<b>147,550,356</b>	<b>153,134,399</b>
Refund received [net of provisions] / (Direct taxes paid) [net of refunds]	(47,757,915)	(29,272,785)
<b>Net cash flow from/ (used in) operating activities</b>	<b>99,792,441</b>	<b>123,861,615</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(9,871,276)	(1,493,045)
Proceeds from sale of fixed assets	340,000	-
Investment in Subsidiary	(87,800,000)	(50,760,000)
Fixed deposit (made)/matured during the year (net)	(66,801,342)	(5,302,135)
Interest received	7,429,460	7,693,283
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(156,709,158)</b>	<b>(49,861,897)</b>
<b>Cash flows from financing activities</b>		
Repayment of long-term borrowings	47,909,066	(50,688,928)
Repayment of short-term borrowings	10,836,686	(10,888,156)
Interest Expense	(5,296,316)	(5,095,645)
<b>Net cash flow from/ (used in) financing activities</b>	<b>53,449,436</b>	<b>(66,673,029)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(3,467,282)</b>	<b>7,326,689</b>
Cash and cash equivalents at the beginning of the year	8,998,701	1,672,012
<b>Cash and cash equivalents at the end of the year</b>	<b>5,531,419</b>	<b>8,998,701</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	752,252	563,854
Balance with Bank	4,779,167	2,247,145
Cheques/ Draft on hand	-	6,187,702
<b>Total cash and cash equivalents (note 17)</b>	<b>5,531,419</b>	<b>8,998,701</b>

For: Shalender K Bajaj & Co.  
Chartered Accountants  
Firm Regn. No. 12491N

*Shalender K Bajaj*  
Proprietor

Shalender K. Bajaj  
Proprietor  
M.No. 91615

Place : Delhi

Date: 20 SEP 2015

For & on behalf of the Board of Directors  
of GlobeGround India Private Limited

*Radha Bhatia*  
Radha Bhatia  
(Director)  
Din No. 00003385

*Gaurav Bhatia*  
Gaurav Bhatia  
(Director)  
Din No. 00911852

*Aarti Arora*  
Aarti Arora  
(Company Secretary)  
M. No. 16256

GlobeGround India Private Limited  
Balance Sheet as at 31 March, 2014

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
<b><u>EQUITY &amp; LIABILITIES</u></b>			
<b>(1) Shareholder's Fund</b>			
Share capital	3	205,000,000	205,000,000
Reserves and surplus	4	291,362,349	196,787,459
<b>(2) Non-current liabilities</b>			
Long-term provisions	5	8,045,902	6,563,041
<b>(3) Current Liabilities</b>			
Short-term borrowings	6	31,285,711	42,174,167
Trade payables	7	22,698,945	29,101,061
Other current liabilities	8	25,339,421	77,428,975
Short-term provisions	9	1,711,930	1,169,663
		585,444,258	558,224,366
<b><u>ASSETS</u></b>			
<b>(4) Non-current Assets</b>			
Fixed assets :			
Tangible assets	10	201,185,996	255,342,316
Intangible assets	11	8,573,513	10,716,890
Non-current investments	12	50,760,000	-
Deferred tax assets (net)	13	33,486,998	34,012,121
Long-term loans and advances	14	132,238,397	144,640,419
Other non-current assets	15	8,570,600	2,601,188
<b>(5) Current Assets</b>			
Trade receivables	16	58,246,903	43,614,552
Cash and cash equivalents	17	64,250,354	57,655,595
Short-term loans and advances	18	24,654,410	5,896,019
Other Current Assets	19	3,477,087	3,745,266
		585,444,258	558,224,366

See accompanying notes forming part of the financial statements 1 & 2

For: Shailender K Bajaj & Co.  
Chartered Accountants  
Firm Regn. No. 12491N

For and on behalf of the Board of Directors  
of GlobeGround India Private Limited

*Shailender Kumar Bajaj*

Shailender K. Bajaj  
Proprietor  
M.No. 91615

*Radha Bhatia*

Radha Bhatia  
(Director)  
Din No. 00003385

*Gaurav Bhatia*

Gaurav Bhatia  
(Director)  
Din No. 00911852

*Aarti Arora*

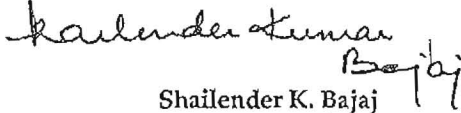
Aarti Arora  
(Company Secretary)

Place : Delhi

Date: 20 SEP 2014

- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanation given to us, the company has given corporate guarantee in favour of IndusInd Bank, for financial assistance by its subsidiary company Bird Catering & Lounge Private Limited. In our opinion the terms and conditions on which the company has given guaranties for loan taken by others from banks are not prejudicial to the interest of the company.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us and the Company has not made preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us and the Company did not have any outstanding debentures during the year.
- (xx) According to the information and explanations given to us and the Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Shailender K. Bajaj & Co.  
Chartered Accountants  
Firm Registration Number 12491N

  
Shailender K. Bajaj  
Proprietor  
M.No. 91615

Place: New Delhi

Date: 20 SEP 2014

GlobeGround India Private Limited  
Statement of Profit and Loss for the year ended 31 March, 2014

Particulars	Note No.	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>INCOME</b>			
Revenue from operations	20	537,790,189	474,353,575
Other Income	21	8,080,918	8,811,604
<b>Total Revenue (I)</b>		<b>545,871,107</b>	<b>483,165,179</b>
<b>EXPENSES</b>			
Employee benefit expense	22	220,292,521	196,896,102
Other expenses	23	126,240,138	110,616,440
<b>Total Expenses (II)</b>		<b>346,532,659</b>	<b>307,512,542</b>
Earning before interest, tax, depreciation, amortization (EBITDA) (I)-(II)		199,338,448	175,652,637
Depreciation and amortization expense	24	57,792,744	72,496,908
Finance cost	25	5,159,814	21,859,675
<b>Profit before tax</b>		<b>136,385,890</b>	<b>81,296,050</b>
<b>Tax expenses</b>			
Current tax	26	41,285,877	28,500,000
Deferred tax		525,123	(1,517,845)
<b>Total tax expenses</b>		<b>41,811,000</b>	<b>26,982,155</b>
<b>Profit for the year</b>		<b>94,574,890</b>	<b>54,313,895</b>

Earnings per equity share  
[nominal value of share Rs. 100 (31 March 2014; Rs. 100)]

Basic and diluted	31	46.13	26.4
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See accompanying notes forming part of the financial statements

1 & 2

For: Shailender K Bajaj & Co.  
Chartered Accountants  
Firm Regn. No. 12491N

For and on behalf of the Board of Directors  
of GlobeGround India Private Limited

*Shailender Kumar Bajaj*  
Shailender K. Bajaj  
Proprietor  
M.No. 91615

*Radha Bhatia*  
Radha Bhatia  
(Director)  
Din No. 00003385

*Gaurav Bhatia*  
Gaurav Bhatia  
(Director)  
Din No. 00911852

*Aarti Arora*  
Aarti Arora  
(Company Secretary)

Place : Delhi

Date: 20 SEP 2014



## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2014

(Amount in INR)

Particulars	For the year ended 31/03/2014	For the year ended 31/03/2013
<b>Cash flow from operating activities</b>		
Profit before tax	136,385,890	81,296,050
Non-cash adjustment to reconcile profit before tax to net cash flows :-		
Depreciation and amortisation	57,792,744	72,496,908
Loss/ (profit) on sale of fixed assets (net)	-	(116,564)
Bad debts / advances written off	-	24,523
Provision for doubtful debts	-	2,220,150
Wealth Tax	42,000	-
Provision / (Utilisation) for Rent Equalisation Reserve	(418,668)	(189,575)
Interest Expense	5,078,032	21,761,337
Interest Income	(7,360,451)	(5,441,278)
Excess Provision Written Back	(61,345)	-
<b>Operating profit before working capital changes</b>	<b>191,458,202</b>	<b>172,051,551</b>
Changes in working capital :-		
Adjustment for (Increase)/Decrease in Operating Assets :-		
Trade receivables	(14,632,352)	15,636,194
Short-term loans and advances	(18,411,461)	(798,746)
Adjustment for Increase/(Decrease) in Operating Liabilities :-		
Trade payables	(6,340,772)	15,915,312
Other current liabilities	(964,345)	(107,964,357)
Long Term & Short Term Provisions	2,025,128	888,553
	(38,323,803)	(76,323,044)
<b>Cash generated from / (used in) operations</b>	<b>153,134,399</b>	<b>95,728,508</b>
Refund received [net of provisions] / (Direct taxes paid) [net of refunds]	(29,272,785)	(28,460,222)
<b>Net cash flow from/ (used in) operating activities</b>	<b>123,861,615</b>	<b>67,268,286</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(1,493,045)	(796,082)
Proceeds from sale of fixed assets	-	128,500
Investment in Subsidiary	(50,760,000)	-
Fixed deposit (made)/matured during the year (net)	(5,302,135)	(4,751,444)
Interest received	7,693,283	4,949,194
<b>Net cash flow from/ (used in) investing activities</b>	<b>(49,861,897)</b>	<b>(469,832)</b>
<b>Cash flows from financing activities</b>		
Repayment of long-term borrowings	(50,688,928)	(50,688,927)
Repayment of short-term borrowings	(10,888,456)	642,005
Interest Expense	(5,095,645)	(24,133,851)
<b>Net cash flow from/ (used in) in financing activities</b>	<b>(66,673,029)</b>	<b>(74,180,773)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(A + B +) 7,326,689</b>	<b>(7,382,319)</b>
Cash and cash equivalents at the beginning of the year	1,672,012	9,054,331
<b>Cash and cash equivalents at the end of the year</b>	<b>8,998,701</b>	<b>1,672,012</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	563,854	291,515
Balance with Bank	2,247,145	1,380,497
Cheques/ Draft on hand	6,187,702	-
<b>Total cash and cash equivalents (note 17)</b>	<b>8,998,701</b>	<b>1,672,012</b>

For: Shailender K Bajaj & Co.  
Chartered Accountants  
Firm Regn. No. 12491N

*Shailender K Bajaj*  
Shailender K. Bajaj  
Proprietor  
M.No. 91615

For & on behalf of the Board of Directors  
of GlobeGround India Private Limited

*Radha Bhatia*  
Radha Bhatia  
(Director)  
Din No. 00003385

*Gaurav Bhatia*  
Gaurav Bhatia  
(Director)  
Din No. 00911852

*Aarti Arora*  
Aarti Arora  
(Company Secretary)

Place : Delhi

Date : 20 SEP 2014

GlobeGround India Private Limited  
Balance Sheet as at 31 March, 2013

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
<b><u>EQUITY &amp; LIABILITIES</u></b>			
<b>(1) Shareholder's Fund</b>			
Share capital	3	205,000,000	205,000,000
Reserves and surplus	4	196,787,459	142,473,560
<b>(2) Non-current liabilities</b>			
Long-term borrowings	5	-	50,688,927
Long-term provisions	6	128,161,673	108,440,910
<b>(3) Current Liabilities</b>			
Short-term borrowings	7	42,174,167	41,532,162
Trade payables	8	29,101,061	13,185,749
Other current liabilities	9	77,429,475	187,955,921
Short-term provisions	10	29,812,787	20,144,997
		708,466,622	769,422,226
<b><u>ASSETS</u></b>			
<b>(4) Non-current Assets</b>			
Fixed assets :			
Tangible assets	11	255,342,316	321,953,019
Intangible assets	12	10,716,890	15,818,952
Deferred tax assets (net)	13	34,012,121	32,494,272
Long-term loans and advances	14	266,320,830	242,598,637
Other non-current assets	15	2,601,188	2,400,000
<b>(b) Current Assets</b>			
Trade receivables	16	43,614,552	61,495,419
Cash and cash equivalents	17	57,655,595	60,195,827
Short-term loans and advances	18	34,457,864	28,921,089
Other Current Assets	19	3,745,266	3,545,011
		708,466,622	769,422,226

See accompanying notes forming part of the  
financial statements

1 & 2

For: Shailender K Bajaj & Co.  
Chartered Accountants  
Firm Regn. No. 12491N

*Shailender  
Kumar  
Bajaj*

Shailender K. Bajaj  
Proprietor  
M.No. 91615

For and on behalf of the Board of Directors  
of GlobeGround India Private Limited

*[Signature]*

Director

*[Signature]*

Director

*[Signature]*

Company Secretary

Place : Delhi

Date : 25/09/2013

GlobeGround India Private Limited  
Statement of Profit and Loss for the year ended 31 March, 2013

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>INCOME</b>			
Revenue from operations	20	474,353,575	514,205,681
Other Income	21	8,811,604	7,759,053
<b>Total Revenue (I)</b>		<u>483,165,179</u>	<u>521,964,734</u>
<b>EXPENSES</b>			
Employee benefit expense	22	196,896,102	195,921,498
Other expenses	23	110,616,440	139,868,146
<b>Total Expenses (II)</b>		<u>307,512,542</u>	<u>335,789,644</u>
Earning before interest, tax, depreciation, amortization (EBITDA) (I)-(II)		175,652,637	186,175,090
Depreciation and amortization expense	24	72,496,908	88,401,446
Finance cost	25	21,859,679	41,741,164
Profit before tax		<u>81,296,050</u>	<u>56,032,480</u>
Tax expenses			
Current tax		28,500,000	18,600,000
Deferred tax		(1,517,849)	1,414,633
Total tax expenses		<u>26,982,151</u>	<u>20,014,633</u>
Profit for the year		54,313,899	36,017,847
Earnings per equity share			
Inominal value of share Rs. 10 (31 March 2013: Rs .10)	30	26.49	17.57
Basic and diluted (Nominal Value of Shares Rs 100 (Previous year Rs. 100))			

See accompanying notes forming part of the financial statements 1 & 2

For: Shailender K Bajaj & Co.  
Chartered Accountants  
Firm Regn. No. 12491N  
*Shailender K. Bajaj*  
Shailender K. Bajaj  
Proprietor  
M.No. 91615

*[Signature]*  
Director

For and on behalf of the Board of Directors  
of GlobeGround India Private Limited

*[Signature]*  
RB  
Director

*[Signature]*  
Company Secretary

Place : Delhi  
Date : 25/09/2013

# GlobeGround India Private Limited

Balance Sheet as at 31 March 2012

(Amount in Rs.)

Particulars	Note	As at March 31, 2012	As at March 2011
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	205,000,000	205,000,000
Reserves and surplus	4	142,473,561	106,455,715
		347,473,561	311,455,715
<b>Non-current liabilities</b>			
Long-term borrowings	5	50,688,927	241,391,056
Long-term provisions	6	5,482,278	3,766,522
		56,171,205	245,157,578
<b>Current liabilities</b>			
Short-term borrowings	7	41,532,162	41,389,520
Trade payables	8	31,085,824	45,629,683
Other current liabilities	9	170,561,466	183,515,752
Short-term provisions	6	1,057,773	1,265,178
		244,237,225	271,800,133
<b>TOTAL</b>		<b>647,881,991</b>	<b>828,413,426</b>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	10	321,953,019	400,579,611
Intangible assets	11	15,818,952	20,901,942
Capital work-in-progress		-	1,351,879
Deferred tax assets (net)	12	32,494,273	33,908,906
Long-term loans and advances	13	144,173,260	229,604,412
Other non-current assets	16	2,400,000	600,000
		516,839,504	686,946,750
<b>Current assets</b>			
Trade receivables	14	61,495,419	121,981,170
Cash and bank balance	15	60,195,827	14,384,887
Short-term loans and advances	13	5,806,230	4,742,511
Other current assets	16	3,545,011	358,108
		131,042,487	141,466,676
<b>TOTAL</b>		<b>647,881,991</b>	<b>828,413,426</b>
<b>Summary of significant accounting policies</b>	2.1		

accompanying notes are an integral part of the financial statements.

As per our report of even date

*S.R. Batliboi & Associates*  
 For S.R. Batliboi & Associates  
 Firm Regn. No. 101049W  
 Chartered Accountants

*Raman Sobti*  
 per Raman Sobti  
 Partner  
 Membership No. 89218

For and on behalf of the Board of Directors  
 of GlobeGround India Private Limited

*Radha Bhatia*      *Gaurav Bhatia*      *Shilpi Garg*  
 Radha Bhatia      Gaurav Bhatia      Shilpi Garg  
 Director      Director      Company Secretary

Place : Gurgaon

Dated : 27 SEP 2012



# S.R. BATLIBOI & ASSOCIATES

Chartered Accountants

- dues to a bank. The Company did not have any outstanding debentures and loan from any financial institution during the year.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
  - (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
  - (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
  - (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
  - (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
  - (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
  - (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
  - (xix) The Company did not have any outstanding debentures during the year.
  - (xx) The Company has not raised any money through a public issue during the year.
  - (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

*S.R. Batliboi & Associates*  
For S.R. Batliboi & Associates  
Firm registration number: 101049W  
Chartered Accountants

*Raman Sobti*  
per Raman Sobti  
Partner  
Membership No.: 89218



Place: Gurgaon

Date: 27 SEP 2012

# GlobeGround India Private Limited

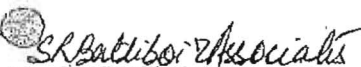
Statement of profit and loss for the year ended 31 March 2012

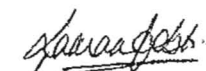
(Amount in Rs.)

Particulars	Note	For the year ended	For the year ended
		2012	2011
<b>Income:</b>			
Revenue from operations	17	514,205,681	490,017,876
Other Income	18	7,759,053	14,795,963
<b>Total Revenue (I)</b>		<b>521,964,734</b>	<b>504,813,839</b>
<b>Expenses:</b>			
Employee benefits Expenses	19	195,921,498	209,964,046
Other expenses	20	139,868,146	94,251,854
<b>Total Expenses (II)</b>		<b>335,789,644</b>	<b>304,215,900</b>
<b>Earning before interest,tax,depreciation, amortization (EBITD)(I)-(II)</b>		<b>186,175,090</b>	<b>200,597,939</b>
Depreciation and amortization expense	21	88,401,446	106,242,225
Finance cost	22	41,741,164	60,626,013
<b>Profit before tax</b>		<b>56,032,480</b>	<b>33,729,701</b>
Tax expenses			
Current tax		18,600,000	12,000,000
Deferred tax charge		1,414,633	554,671
<b>Total tax expenses</b>		<b>20,014,633</b>	<b>12,554,671</b>
<b>Profit for the year</b>		<b>36,017,847</b>	<b>21,175,030</b>
<b>Earnings per equity share</b> [nominal value of share Rs. 10 (31 March 2012: Rs .10) Basic and diluted {Nominal Value of Shares Rs 100 (Previous year Rs. 100)}	23	17.57	10.33
<b>Summary of significant accounting policies</b>	2.1		

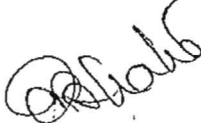
The accompanying notes are an integral part of the financial statements.

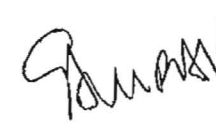
As per our report of even date

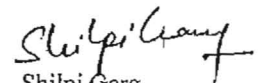
  
For S.R Batliboi & Associates  
Firm Regn. No. 101049W  
Chartered Accountants

  
per Raman Sobti  
Partner  
Membership No. 89218

For and on behalf of the Board of Directors  
of GlobeGround India Private Limited

  
Radha Bhatia  
Director

  
Gaurav Bhatia  
Director

  
Shilpi Garg  
Company Secretary

Place : Gurgaon  
Dated : 27 SEP 2012



# GlobeGround India Private Limited

Cash flow statement for the year ended 31 March 2012

(Amount in Rs.)

Particulars	For the year ended	
	March 31, 2012	March 31, 2011
<b>Cash flow from operating activities</b>		
Profit before tax	56,032,480	33,729,701
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation	88,401,446	106,242,225
Loss/ (profit) on sale of fixed assets (net)	768,491	(457,832)
Bad debts / advances written off	36,159,246	3,701,765
Provision for doubtful debts	955,366	-
Provision for rent equalisation	37,504	-
Interest expenses	41,495,385	60,626,013
Interest income	(4,989,144)	(9,399,444)
<b>Operating profit before working capital changes</b>	<b>218,860,774</b>	<b>194,442,428</b>
Movements in working capital :		
(Decrease) in Current liabilities and Provisions	(24,250,470)	(1,698,829)
Decrease / (increase) in trade receivables	23,742,799	12,375,851
Decrease / (increase) in loans and advances	(183,506)	9,442,903
<b>Cash generated from / (used in) operations</b>	<b>218,169,597</b>	<b>214,562,353</b>
Refund received [net of provisions] / (Direct taxes paid) [net of refunds]	65,047,279	(18,669,830)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>283,216,876</b>	<b>195,892,523</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(4,096,016)	(10,901,469)
Proceeds from sale of fixed assets	519,540	1,449,000
Fixed deposit (made)/matured during the year (net)	(42,668,264)	35,621,474
Interest received	1,802,241	9,675,450
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(44,442,499)</b>	<b>35,844,455</b>
<b>Cash flows from financing activities</b>		
Repayment of long-term borrowings	(190,702,129)	(167,115,425)
Repayment of short-term borrowings	-	(16,525,906)
Proceeds from short-term borrowings	142,642	2,442,000
Interest paid	(43,272,214)	(62,804,231)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>(233,831,701)</b>	<b>(244,003,562)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>4,942,676</b>	<b>(12,266,584)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>4,111,655</b>	<b>16,378,239</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>9,054,331</b>	<b>4,111,655</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	2,830,819	311,531
Cheques/ drafts on hand	-	248,101
With banks		
- on current account	6,223,512	3,552,023
<b>Total cash and cash equivalents (note 15)</b>	<b>9,054,331</b>	<b>4,111,655</b>
Summary of significant accounting policies	2.1	

As per our report of even date

*S.R. Batliboi & Associates*  
For S.R. Batliboi & Associates  
Firm Regn. No. 101049W  
Chartered Accountants

*Raman Sobti*  
per Raman Sobti  
Partner  
Membership No. 89218

Place : Gurgaon  
Dated : 27 SEP 2012



For and on behalf of the Board of Directors  
of GlobeGround India Private Limited

*Radha Bhatia*  
Radha Bhatia  
Director

*Gaurav Bhatia*  
Gaurav Bhatia  
Director

*Shilpi Garg*  
Shilpi Garg  
Company Secretary