

1993/वा.वि.व. (ए.ए.)
29/6/18भारत स्टार्स सर्विसेज
प्राइवेट लिमिटेडBHARAT STARS SERVICES
PRIVATE LIMITED

(A JV of BPCL & ST - Airport Services, Singapore)

BSSPL.HQ.AERA.2017-18

27.06.2018

To,
The Secretary,
Airport Economic Regulatory Authority of India,
AERA Building, Administrative Complex,
Safdarjung Airport,
New Delhi-110003

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
साफदरजंग एयरपोर्ट, नई दिल्ली-110003

प्राप्त

डायरी नं.: 12492
तारीख: 29/06/18

A 29/6

**Subject: Bharat Stars Services Pvt. Ltd. : Revision of Into Plane Service Tariffs at
Kempegowda International Airport, Bangalore for 2018-19**

Ab KANE.

Dear Sir,

We refer to your order no. 01/2017-18 dt. 17.04.2017 granting your approval of Into Plane Service Fees for the first tariff year (2016-17) and second tariff year (2017-18) of the second control period, provided by Bharat Stars Services Pvt. Ltd. at Kempegowda International Airport, Bangalore.

The Authority after due stakeholder consultation vide CP No.04/2016-17 dated 16.02.2017 and submissions made by stakeholders issued the following order.

- The Authority adopted "Light Touch Approach" for determination of tariffs for 2nd control period w.e.f. 01.04.2016 to 31.03.2021.
- The Authority allowed Bharat Stars Services Pvt. Ltd. to continue the levy of tariffs existing as on 31.03.2016 for the period 01.04.2016 to 30.04.2018

Our existing agreement with BIAL for providing ITP services at Bangalore was valid till 23rd May 2018. Since both parties i.e BIAL and BSSPL were desirous of further extending agreement for further period of one year, we have entered into a supplementary agreement for a further period of twelve months i.e 24 May 2018 to 23rd may 2019. copy of renewed agreement is enclosed.

We herewith enclose "Annual Tariff Proposals (ATP) for the financial year 2018-19, for the 3rd tariff year of second control period as required under "Light Touch Approach" as mentioned in clause AI 8.2 of AERA guidelines dated 10.01.2011.

We had given detailed financial workings while submitting the Multi Year Tariff Proposal (MYTP) vide our letter BSSPL.HO.2015-16 dt. 09.03.2016. We enclose herewith following forms for revision of tariffs for the third year of control period i.e 2018-19

- Form B – Submission of the ATP
- Form 14B – Annual Tariff Proposal for FY 2018-19.
- Annual Compliance Statement for FY 2016-17 and FY 2017-18.
- Projections for FY 2018-19
- Audited Balance Sheet for FY 2017-18

कॉर्पोरेट ऑफिस : 1 मंजिल, प्लॉट ए-5 एवं 6, सेक्टर-1, नोएडा - 201 301, भारत फोन : +91 120 247 4154 / 4151 www.bsspl.in

Corporate Office : 1st Floor, Plot A-5 & 6, Sector-1, Noida - 201 301, India Phone: +91 120 247 4154 / 4151 www.bsspl.in

रजिस्टर्ड ऑफिस : एविएशन फ्यूलिंग स्टेशन, शाहबाद मोहम्मदपुर, न्यू दिल्ली - 110061

Registered Office : Aviation Fuelling Str., Shahbad Mohanmadpur, New Delhi - 110061

CIN: U11100DL2007PTC168158

We request you to approve the rates mentioned below for the year 2018-19. The below mentioned charges of Rs. 281.43/KL is an increase of 5% is on existing charges of Rs. 268.03/KL and is in line with original concession agreement with airport operator at Bangalore.

ITP Fee in Rs./KL					
Period	Fuelling Aircraft	Defueling of Aircraft		Refuelling of Defueled product	
		Within 6 hours	Beyond 6 hours	Within 6 hours	Beyond 6 hours
FY 2018-19	281.43	281.43	337.71	309.56	337.71

Justification for increase in Tariff

There have been an increase in our costs over the last two years requiring us to request you to revise the tariffs:

- Due to increased volume at not hydrant bays and overall increase in operations, we have transferred 3 Dispensers and 1 Refueller from Mumbai to Bangalore which have increased our RAB.
- Manpower cost constitute a major portion of our operating cost Further, the operations are very manpower intensive which require us to maintain minimum level of manpower in all shifts round.
- The expenses on increment of existing as well as additional manpower are expected to increase by at least 15 % in FY 18-19 over previous year.
- ITP operations require us to conduct fuelling and defueling of aircrafts in Safe, Quality and timely manner. Accordingly, we need to maintain latest equipments meeting international specifications. The refuelling vehicles at Bangalore Airport are aging requiring higher maintenance expenditure.
- There is a requirement to comply with JIG (Joint industry group) guidelines due to Edition 7 fuel monitors for entire fleet. The fuel monitors need to be changed annually due as per Quality control guidelines.

This submission includes extract of relevant agreements are confidential in nature. It is requested that the same is not put in public domain to ensure that our business interests are protected and confidentiality is maintained.

Thanking you and assuring of our best co-operation at all times.

For Bharat Stars Services Pvt. Ltd.



Manish Chandak,
Sr. Mgr. – F & A

Encl: as above

Form B

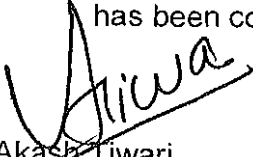
BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA
AT NEW DELHI

SUBMISSION OF PROPOSAL FOR DETERMINATION OF ANNUAL TARIFF AND ON
BEHALF OF:

M/S BHARAT STAR SERVICES PRIVATE LIMITED

I, Akash Tiwari, aged 47 resident of D-2/101, BPCL Housing Complex, Sector 56, Noida 201301 acting in my official capacity as Chief Executive Officer in *M/s Bharat Star Services Private Limited* having its registered office at Aviation Fuelling Station, Shahbad Mohammadpur, New Delhi-110061 do hereby state and affirm as under that:

1. That I am duly authorized to act for and on behalf of *M/s Bharat Star Services Private Limited* in the matter of making this submission before the Airports Economic Regulatory Authority of India, New Delhi ('the Authority');
2. I am competent to make this submission before the Authority;
3. I am making this submission in my official capacity and the facts stated herein are based on official records;
4. The contents of the Annual Tariff Proposal submission which include inter alia
 - i. Proposed detailed break-up of Tariff(s) based on Clause 11.2 where the Authority has specified a light touch approach for the duration of the Control Period, pursuant to Clause 3.2 and
 - ii. Justifications are correct and true to my knowledge and belief and nothing material has been concealed there from.



Akash Tiwari
(Chief Executive Officer)

Place : Noida
Date: 27.06.2018

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Form 14(b): Annual Tariff Proposal for Tariff Year 2018-19

(Rs. In Lakhs)

Tariff heading	Conditions of Tariff	Applicable Discount/Surcharge	Estimated Units	Estimated Revenues
	e.g. Tariff per KL of fuel	e.g. Discount if paid within 15 days	e.g. Through put in KL	Tariff * Estimated Units
Tariff 1	281.43	Nil	227848	641.23
Tariff 2				
Tariff 3				
Total				

Note:

1. Approval is requested for tariff per KL based on 5% annual escalation in line with prevailing agreements with airport operator
2. Tariff for defuelling and refuelling of defuelled product are already indicated in our covering letter based on 5% annual escalation in line with prevailing agreements. The volume for such is insignificant compared to normal fuelling volume and hence not mentioned above.

Vidua
27/8/18



Pankaj & Associates
Chartered Accountants

Off. : C-4/6, 1st Floor Yamuna Vihar, Delhi-110053
Ph.: 91-11-49842356 Mobile : 9810565602
E-mail : info@capankaj.com, capankaj.svs@gmail.com
Website www.capankaj.com

Ref: P&A/018/2018-19

BHARAT STARS SERVICES PVT. LTD. (BANGALORE)

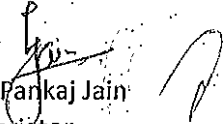
Rs. In Lakhs

Form F16: Performance Report for the Tariff Year 2016-17 (ref: Section 1.9 of Appendix 1)		
	Actual for the Tariff Year under consideration	Forecast as per the Multi Year Tariff Order
Total Revenue from Regulated Services (1)	484.00	430.40
Total Revenue from services other than Regulated Services (2)	0.11	0.00
Operating Expenditure (3)	257.78	248.06
Depreciation (4)	19.48	75.61
Total Expenditure (3) + (4) = (5)	277.26	323.67
Regulatory operating Profit (1) + (2) - (5) = (6)	206.85	106.73
Capital expenditure (7)	0.09	0.00
Opening RAB (8)	296.84	357.46
Disposals/ Transfers/Depreciation (9)	19.48	75.61
Closing RAB (8) + (7) - (9) = (10)	277.45	281.85
Average RAB (8) + (10) / 2 = (11)	287.14	319.66
Return on Average RAB (6) / (11)	72%	33%
Total Volume (Cargo/Fuel throughput/ ATM) (12)	180569	142433
Actual yield per unit (1/12)	268.04	302.18

Certification

The above statement is true and correct as per books, records and other information provided to us for our verification.

For Pankaj & Associates
Chartered Accountants
FRN : 022500N


CA. Pankaj Jain
Proprietor
M.No. 505948

Ref: P&A/019/2018-19

BHARAT STARS SERVICES PVT. LTD. (BANGALORE)

Rs. In Lakhs

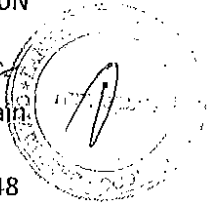
Form F16: Performance Report for the Tariff Year 2017-18 (ref: Section 1.9 of Appendix 1)		
	Actual for the Tariff Year under consideration	Forecast as per the Multi Year Tariff Order
Total Revenue from Regulated Services (1)	581.64	499.19
Total Revenue from services other than Regulated Services (2)	1.48	0.00
Operating Expenditure (3)	329.56	271.47
Depreciation (4)	25.41	75.30
Total Expenditure (3) + (4) = (5)	354.98	346.77
Regulatory operating Profit (1) + (2) - (5) = (6)	228.15	152.42
Capital expenditure (7)	186.46	0.00
Opening RAB (8)	277.45	281.85
Disposals/ Transfers/Depreciation (9)	25.41	75.30
Closing RAB (8) + (7) - (9) = (10)	438.50	206.55
Average RAB (8) + (10) / 2 = (11)	357.97	244.20
Return on Average RAB (6) / (11)	64%	62%
Total Volume (Cargo/Fuel throughput/ ATM) (12)	216998	145282
Actual yield per unit (1/12)	268.04	343.60

Certification

The above statement is true and correct as per books, records and other information provided to us for our verification.

For Pankaj & Associates
Chartered Accountants
FRN : 022500N

CA. Pankaj Jain
Proprietor
M.No. 505948



Dated : 23.06.2018

Place : Delhi

Bharat Stars Services Pvt. Ltd. (Bangalore Airport)

Projected Financial Performance

Projected Financial performance		Projections
		2018-19
	Into-Plane Volume Projected	227848
	Regulated Fee (Rs./KL)	281.43
Revenues	Total Revenue from Regulated Services	64123576
	Total Revenue from other than Regulated Services	0
	Total Revenues (A)	64123576
Expenditure	Operating Expenditure	34517885
	Revenue Sharing @5%	3206179
	Depreciation	2741157
	Total Expenditure (B)	40465221
Regulatory Operating Profit (A-B)		23658356
Regulatory Operating Profit Ratio		37%

Regulatory Asset Base

Particulars	2018-19
Opening RAB	43850114
Capital Expenditure	1000000
Disposal/Depreciation	2741157
Closing RAB	42108957
Average RAB	42979536
Return on Average RAB	55%

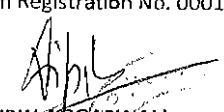
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	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Assets				
Non-current assets				
(a) Property, Plant and Equipment	2.1	235,135,388	239,225,454	155,069,989
(b) Capital work-in-progress		23,999,478	12,140,744	21,602,021
(c) Financial Assets				
(i) Investments	2.2	49,900,000	49,900,000	49,900,000
(ii) Other Financial Assets	2.2	19,150,601	17,777,563	16,502,968
(d) Other Non Current Assets	2.3	4,010,117	5,498,302	33,609,745
		<u>332,195,584</u>	<u>324,542,063</u>	<u>276,684,723</u>
Current assets				
(a) Inventories		2,095,773	1,995,462	1,934,473
(b) Financial Assets				
(i) Trade Receivables	2.4	61,468,930	31,231,083	15,470,206
(ii) Cash and Cash Equivalents		35,769,752	31,892,886	37,108,760
(iii) Other Financial Assets		3,509,339	2,579,008	2,876,259
(c) Current Tax Assets	2.5	17,317,745	18,979,394	18,011,125
(d) Other Current Assets	2.6	2,875,284	1,838,948	1,630,524
		<u>123,036,823</u>	<u>88,516,781</u>	<u>77,031,347</u>
Total Assets		<u>455,232,407</u>	<u>413,058,844</u>	<u>353,716,070</u>
Equity and liabilities				
Equity				
(a) Equity Share Capital	2.7	200,000,000	200,000,000	200,000,000
(b) Other Equity		132,250,797	105,196,757	68,038,273
		<u>332,250,797</u>	<u>305,196,757</u>	<u>268,038,273</u>
Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Long term Borrowings	2.8	34,416,423	38,526,988	42,622,614
(b) Long Term Provisions	2.9	10,771,243	5,666,393	4,659,639
(c) Deferred Tax Liabilities	2.32	10,625,183	11,498,835	3,903,117
		<u>55,812,849</u>	<u>55,692,216</u>	<u>51,185,370</u>
Current liabilities				
(a) Financial Liabilities				
(i) Other Financial Liabilities	2.10	52,546,231	37,604,445	20,632,329
(b) Other Current Liabilities	2.11	3,013,774	2,397,594	1,711,253
(c) Short Term Provisions	2.12	11,608,756	12,167,832	12,148,845
		<u>67,168,761</u>	<u>52,169,871</u>	<u>34,492,427</u>
Total Equities and Liabilities		<u>455,232,407</u>	<u>413,058,844</u>	<u>353,716,070</u>
Significant Accounting Policies	1			
Notes to the financial statements	2			

The accompanying notes referred to above form an integral part of the financial statements.

As per our report of even date attached


For DASS GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 000112N


(VIPIN AGGARWAL)
PARTNER/
Membership No. 522003

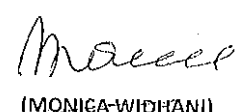
Place: Noida
Date : 05.06.2018

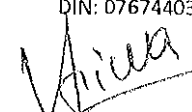

(AKANKSHA GUPTA)
COMPANY SECRETARY

For and on Behalf of Board


(LOGANATHAN RAMASAMY)
DIRECTOR
DIN: 07552251


(MANISH CHANDAK)
SR. MANAGER FINANCE


(MONICA WIDHANI)
DIRECTOR
DIN: 07674403


(AKASH TIWARI)
CEO

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Revenue			
Revenue from Operations	2.13	304,131,956	260,522,023
Other Income	2.14	12,116,008	7,294,788
		<u>316,247,964</u>	<u>267,816,811</u>
Expenses			
Cost of Material Consumed	2.15	13,432,712	12,656,657
Employee Benefits Expenses	2.16	133,954,054	97,519,424
Finance Costs	2.17	4,577,008	4,973,552
Depreciation, Impairment and Amortisation Expenses	2.18	24,720,044	12,260,955
Other Expenses	2.19	92,430,485	79,813,008
		<u>269,114,303</u>	<u>207,223,596</u>
Profit before tax		<u>47,133,661</u>	<u>60,593,215</u>
Tax Expense:			
Current Tax		9,800,000	11,500,000
Deferred Tax		(873,652)	7,595,718
Previous Year tax Adjustments		(171,354)	(853,940)
Profit for the year		<u>38,378,667</u>	<u>42,351,437</u>
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss :			
- Re-measurement gains/ (losses) on net defined benefit plans		(1,324,627)	(192,953)
Total Other Comprehensive Income for the year		<u>(1,324,627)</u>	<u>(192,953)</u>
Total Comprehensive Income for the year		<u>37,054,040</u>	<u>42,158,484</u>
Earnings per equity share :			
	2.20		
(1) Basic		1.85	2.11
(2) Diluted		1.85	2.11
Significant accounting policies	1		
Notes to the financial statements	2		

The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date attached

For DASS GUPTA & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. 000112N

(VIPIN AGGARWAL)

PARTNER

Membership No: 522003

Place: Noida

Date : 05.06.2018

A. Gupta

(AKANKSHA GUPTA)

COMPANY SECRETARY

For and on Behalf of Board

(LOGANATHAN RAMASAMY)

DIRECTOR

DIN: 07552251

(MANISH CHANDAK)

SR. MANAGER FINANCE

(MONICA WIDHANI)

DIRECTOR

DIN: 07674403

(AKASH TIWARI)

CEO

Bharat Star Services Pvt. Limited-ITP Services-Bangalore Airport					
Comparative of ACS for the FY 2016-17, 2017-18 & Projections for FY 2018-19					
(Total Revenue-Total Cost)					
(Refer AI.9 of the Guidelines and Form No. 16)					
Rs. In Crores					
SI. No.	Particular Performance Report for the Years		Tariff Years		
			2016-17 Actual	2017-18 Actual	2018-19 Projection
1	Revenue:				
1.1	A-Regulated Services	1	4.84	5.81	*6.1
1.2	A-Cargo Handling	1	0	0	0
1.3	Other than Regulated Services	2	0	0.01	0
	Total Revenue		4.84	5.82	6.1
2	Expenditure:				
2.1	Operating Expenditure	3	2.58	3.29	3.45
2.2	Depreciation	4	0.19	0.25	0.27
2.3	Revenue Sharing @5%		0	0	0.32
	Total Expenditure	6	2.77	3.54	4.04
3	Regulatory Operating Profit	(1+2)-6	2.07	2.28	2.06
4	CAPEX				
4.1	Opening RAB		2.96	2.77	4.38
4.2	Capital Expenditure		0	1.86	0.1
4.3	Disposals/Transfers/Depreciation		0.19	0.25	0.27
4.4	Closing RAB		2.77	4.38	4.21
4.5	Average RAB {(4.1+4.4/2)}		2.87	3.575	4.29
5	Return on Average RAB (3/4.5)		72%	64%	48%
6	B Total Volume (KL)		180569	216998	227848
7	Actual Yield Per Unit (A/B)		268.04	268.20	267.72
8	Profit Margins on sales		43%	39%	34%

* Revenue calculated at the existing rate of Rs. 268.03 per KL

M/s Bharat Stars Services Private Limited					
KIA, Bangalore					
Tariff Card for the 3rd and, 4th Tariff Year of Second Control Period (Extended period)					
(Amount in Rs. Per KI)					
Period	Fuelling of Aircraft	Defuelling of Aircraft		Refuelling of Defuelled Product	
		Within 6 Hours	Beyond 6 Hours	Within 6 Hours	Beyond 6 Hours
01.05.2018 to 31.03.2019	268.03	268.03	321.63	294.82	321.63
01.04.2019 to 23.05.2019	268.03	268.03	321.63	294.82	321.63