



ANNEXURE - I

Annexure - I  
3688 / एफि-19 (P21)  
11/9/2018

6<sup>th</sup> September 2018

**The Secretary**  
**Airports Economic Regulatory Authority of India**  
AERA Building, Administrative Block  
Safdarjung Airport  
**NEW DELHI – 110 003**

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

प्राप्त  
डाकरी नं०: 12878  
तारीख: 10/09/2018

**“ Without Prejudice “**

Dear Sir,

**Sub: Submission of Multi Year Tariff Proposal for determination of Tariff  
For cargo handling by GSEC Limited – International cargo at  
Visakhapatnam international airport**

11/9  
An Saxena

Further to our letter dated 23<sup>rd</sup> March, 2018 seeking adhoc approval, we are submitting our mutti year tariff proposal for international cargo at Visakhapatnam air cargo complex.

We are pleased to submit our proposal in line with AERA guidelines, 2011 as under :

1. Form (A)
2. Various Forms as per AERA Guidelines contained in page nos. 1 to 40 (as mentioned in Check List).
3. Agreement between AAI and APTPC (a Govt of AP undertaking) as well as between APTPC and GSEC Limited for O&M for the complex.
4. User Agreements- Copy of the main customer M/s World wide Diamond

**Introduction :**

M/s APTPC – An AP State Government undertaking was running an off airport complex since 1994 primarily to facilitate diamond cargo. In 2011, it floated a global tender to appoint O&M operator for its operations . GSEC Limited was the successful bidder.

In 2017, AAI granted license to APTPC to operate international cargo complex at Visakhapatnam airport old terminal building. The facility became operational in November 2017. GSEC Limited is the O&M operator for the complex.

In terms of the AERA guidelines, our service fall under " non-Material" category. The Materiality Assessment and Competition Assessment have been arrived at as under :

**1. Materiality Assessment :**

The total cargo handled at Visakhapatnam airport in 2017-18 was 234 MTs. Apparently, it is very insignificant. This year it is expected to be around 500 MTs

**GSEC Limited**

2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380009  
Tel:-+91-79-2655 4100 . Fax : +91-79-2658 4040 . E-mail : info@gsecl.co.in . Visit us : www.gsecl.co.in  
CIN No. U52100GJ1965PLC001347



Since the index is below 2.5 %, the service provided for cargo facility at Visakhapatnam airport is 'not material'

2. **Competition Assessment** : There is no competitive facility at Visakhapatnam. Close to 80% of the cargo originating from Visakhapatnam region is directly sent to gateway airports of Hyderabad and Chennai . Comparative tariff of Delhi and Hyderabad is attached for your kind perusal.
3. **User Agreements** : As mentioned earlier, the operations were primarily for diamond cargo wit only one customer viz. M/s Worldwide diamond manufacturers pvt limited. This customer accounted for 90% of total revenue in 2015-16, 76% in 2016-17 and 72% in 2017-18. This year it is expected to be around 66% . A copy of the letter from this customer confirming the existing tariff is annexed. SGHA with Srilankan airlines is also annexed.

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

We will , however leave this decision to AERA's discretion in line with their decision for agencies with similar operations.

We do trust that you will find the above details to be in line with the AERA Guidelines. It is requested that the Tariff Proposal may please be approved on an urgent basis.

Thanking you,

Yours faithfully,

**For GSEC Limited**

**Samir Mankad**  
**CEO & Executive Director**

**GSEC Limited**

2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380009  
Tel.-+91-79-2655 4100 , Fax : +91-79-2658 4040 , E-mail : info@gsecl.co.in , Visit us : www.gsecl.co.in  
CIN No. U52100GJ1965PLC001347

Form A : (ref Section A1.1 of Appendix 1)

BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA

AT NEW DELHI

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

M/S. GSEC Limited

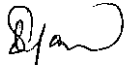
I, Samir Mankad aged 56 resident of 1002, Prasad Towers, opp Jain temple, Ambawadi, Ahmedabad 380015 acting in my official capacity as CEO & Executive in M/s GSEC Limited having its registered office at 2<sup>nd</sup> Floor, Gujarat Chamber's Bldg, Ashram road, Ahmedabad 380009 do hereby state and affirm as under that :

1. That I am duly authorized to act for and on behalf of M/s M/s GSEC Limited In the matter of making this submission before the Airports Economic Regulation 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 this submission which include inter alia (i) Business Plan ; (ii) Information relating to the Regulatory Building Blocks ; (iii) Competition Assessment; (iv) Historical and Forecasted Volumes ; and (v) Historical Revenues, are correct and true to my knowledge and belief and nothing material has been concealed there from.

Thanking you

Yours faithfully,

**For GSEC Limited**



**Samir Mankad**  
**CEO & Executive Director**

Place : Ahmedabad

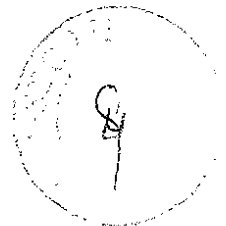
Date : September 7<sup>th</sup> 2018

**GSEC Limited**

2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380009  
Tel. +91-79-2655 4100 , Fax : +91-79-2658 4040 , E-mail : info@gsecl.co.in , Visit us : www.gsecl.co.in  
CIN No. U52100GJ1965PLC001347

## LIST OF FORMS

Sr. No.	Form No	Form Detail	Remarks
1	Form 1(a)	Historical and Proposed Aggregate Revenue Requirement (re: Section A1.2 of Appendix I)	
2	Form 1(b)	Competition assesment (Ref-Selection A1.3 of Appendix I)	
3	Form F9	Format for forecast and actual role - forward RAB (Ref: Section A1.5 of appnedix 1)	
4	Form F10(b)	Capital expenditure projected pain - 10year Master (Ref: Section A1.5 of appendix I)	
5	Form F10 (c)	Yearwise Capital Expenditure financial plans for next 10 years(ref: Section A1.5 of appendix 1)	
6	Form F10(d)	Summary statement of expense capatalised(ref: Section A1.5 of appendix 1)	
7	Form F11(a)	Employees strength (reff Section A1.5 of Appendix II)	
8	Form F11 (b)	Payroll related expenditure & provision (ref: Section A1.5 of apendix 1)	
9	Form F11 (c)	Administration and General Expenditure(ref: Section A1.5 of appendix 1)	
10	Form F11(d)	Repair and maintainence Expenditure(ref: Section A1.5 of Appendix 1)	
11	Form F11(e)	Utilities and outsourcing expenditure(ref: Section A1.5 of appendix 1)	
12	Form F11(g)	Current asset and liabilities	
13	Form F12(a)	Historical and projected cargo volume in tonnes(ref: Section A1.6 of appendix 1)	
14	Form F13(a)	Historical Tariff and revenues from regulated service(ref: Section A1.7 of appendix 1)	
15	Form F13(b)	Historical and projected revenues from services other than regulatory services(ref: Section A1.7 of	
16	---	BUSINESS PLAN FOR AIR CARGO COMPLEX	
17	---	ACTUAL YIELD PER UNIT	
18	Form F2	Historical and projected balance sheet (Ref: Section A1.4 of Appendix I)	
19	Form F3	Historical and projected profit and loss account (Ref: Sec A1.4 of Appendix I)	
20	Form F4	Historical and projected Cash flow Statement (Ref: Section A1.4 of Appendix I)	
21	Form F5	Cost of Equity and post - Tax FRoR Forecast (Ref: Section A1.5 of Appendix I)	
22	Form F6 (a)	loan master (ref:Section A1.5 of Appendix 1)	
23	Form F6(B)	Summary of Interest and finacne Charges (Ref: Section A1.5 of Appendix I)	
24	Form F7	Format for identifying initial regulatory asset base (Ref: Section A1.5 of Appendix I)	
25	Form F8(b)	Format for providing proposed exclusion from RAB (Ref: Section A1.5 of appendix 1)	
26	Form F10(a)	Capital projects completed before current review for Roll-forward of RAB (Ref: Section A1.5 of	
27	Form F10(e)	Additional Capital Projects Summary(ref: Section A1.5 of appendix 1)	
28	Form F11(f)	Other Outflows(ref: Section A1.5 of appendix 1)	
29	Form F14(a)	Annual Tariff Proposal for tariff year t- Format for providing information on EMAY(ref: Section A1.8 of	



30	Form F12(d)	Historical and projected throughput in kilometers(ref: Section A16 of appendix 1)	
31	Form F8(a)	Format for providing asset-wise information of state contributions (Ref: Sectkion A1.5 of appendix I)	
32	Form F6 ('C	Contribution grants and subsidies Master (ref:Section A1.5 of Appendix 1)	
33	Form F12(t)	Historical aircraft movements(ref: Section A16 of appendix 1)	
34	Form F12 (	Projected Aircraft Movements(ref: Section A16 of appendix 1)	
35	Form F14(t)	Annual Tariff Proposal for Tariff Year t-Format for providing information onTariff(s) (ref.Section A1.8 of	
36	Form F15	Annual compliance statement(ref: Section A19 of appendix 1)	
37	Form F16	Performance report for tariff year(ref: Section A19 of appendix 1)	
38	Form F17	Revenues from regulated services received during the tariff year(ref: Section A19 of appendix 1)	
39	Form F18	Revenue from services other than regulated services recovered during tariff year(ref: Section A19 of	
40	Form F19	Operating expenditure incurred during the tariff year(ref: Section A19 of appendix 1)	
41	Form F20	P&L Reconciliation statement for the tariff year(ref: Section A19 of appendix 1)	
42	Form F21	RAB Reconciliation statement(ref: Section A19 of appendix 1)	



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**Form 1(a) Historical and Proposed Aggregate Revenue Requirement (re. Section A.2 of Appendix 1)**

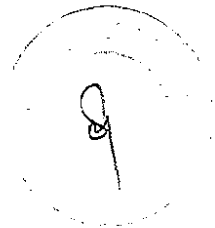
Rs. in Lakhs

Sr. No.	Aggregate Revenue Requirement	Last available audit years	Financial year before tarif year 1	tarif year 1	tarif year 2	tarif year 3	tarif year 4	
1	Aggregate Revenue Requirement	82.77	94.68	105.00	120.75	159.69	183.65	

\* Projected value to be provided

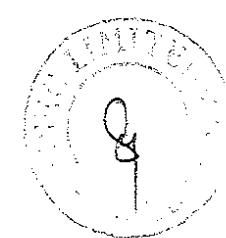
\* Information for last financial year for which audited accounts are available

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**Form 1(b) - Competition assesment (Ref-Selection A1.3 of Appendix 1)**

Sr. No.	Details of Competitive Facilities
1	No competitive facility at Visakhapatnam
2	
3	
4	
5	
6	

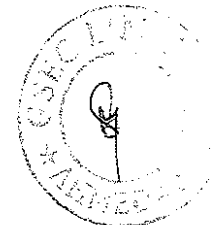


	Last available audited year	Financial year before tariff year 1	Forecast for the controlled period				
			Tariff year 1	Tariff year 2	Tariff year 3	Tariff year 4	Tariff year 5
<b>A</b> Opening RAB	Audited	Provisional					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<i>Building</i>	0	0	0	0	0	0	0
<i>Plant &amp; machinery</i>	0	0	31409	3907833	4169828	3405526	2782743
<i>Electrical installations/Office Equipment/Computers/Vehicals</i>	30784	18627	35380	1446360	702918	346584	154187
<i>Furniture &amp; fittings</i>	57079	41660	30420	142785	103963	95872	91596
...							
<b>B</b> Additions - WIP Capitalisation							
<i>Building</i>							
<i>Paint &amp; Machinery</i>	0	32633	3990000	1200000	0	0	0
<i>Electrical installations/Office Equipment/Computers</i>	0	29900	2040150	0	50000	0	0
<i>Furniture &amp; fittings</i>	0	0	165697	0	25000	25000	25000
...							
<b>C</b> Disposal/Transfers							
<i>Building</i>	0	0	0	0	0	0	0
<i>Paint &amp; Machinery</i>	0	0	0	0	0	0	0
<i>Electrical installations/Office Equipment/Computers</i>	0	0	0	0	0	0	0
<i>Furniture &amp; fittings</i>	0	0	0	0	0	0	0
...							
<b>D</b> Depreciation Charges							
<i>Building</i>			0	0	0	0	0
<i>Paint &amp; Machinery</i>		1224	113576	938005	764302	622783	507481
<i>Electrical installations/Office Equipment/Computers/Vehicals</i>	12157	13147	629170	743442	406334	192397	94627
<i>Furniture &amp; fittings</i>	15419	11240	53332	38822	33091	29276	26823
...							
<b>E</b> Closing RAB (A + B - C - D)							
<i>Building</i>			0	0	0	0	0
<i>Paint &amp; Machinery</i>		31409	3907833	4169828	3405526	2782743	2275262
<i>Electrical installations/Office Equipment/Computers</i>	18627	35380	1446360	702918	346584	154187	59560
<i>Furniture &amp; fittings</i>	41660	30420	142785	103963	95872	91596	89773
...							
<b>F</b> Average RAB	60287	97209	5496978	4976709	3847982	3028526	2424595

> Projected values to be provided

# Fields in italics are indicative only

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





Note: Information to be provided for 20 years period for all projects either spilling into the period or starting during the period

Project Details S.n	Project Name	Project Type	Common	Projected Capital Expenditure																											
				Financial Year Before Tariff year 1			Tariff Year 1					Tariff Year 2					Tariff Year 3					Tariff Year 4					Tariff Year 5				
				TCAPEX	TCOMM	WIP	Capex	FinAlw	Com	Cdate	WIP	Capex	FinAlw	Com	Cdate	WIP	Capex	FinAlw	Com	Cdate	WIP	Capex	FinAlw	Com	Cdate	WIP	Capex	FinAlw	Com	Cdate	WIP
1	Adm. Facilities	Buildings					0																								
2	Mat. handling, cold rooms	PSIA		3990000			3990000																								
3	Electrical installations/Office Equipment/Computers																														
				2040150			2040150																								
4	furniture	F&F		165697			0																								

Legend

Project name	Project name should be a unique name or a primary key assigned to a capex project
Project type	Type of the project and the asset class to which the capex project belongs
Common Date	Date on which the capital project commenced
Capex	Year - wise capex incurred on the project excluding any capital receipts like grant, user contributions etc.
WIP	Working - in - process at the end of every tariff year
Com	Estimated commissioning in a particular tariff year
Cdate	Estimated date of commissioning in a particular tariff year
TCAPEX	Total CAPEX incurred on the project till the end of previous controlled period excluding any capital receipts like grants, user contributions etc.
TCOMM	Total commissioning on the project till the end of the previous controlled period
FinAlw	Project - wise financing allowances for the year

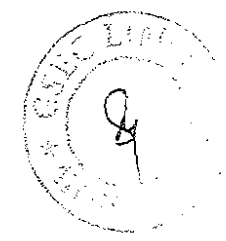
> Projected values to be provided  
# Fields in italics are indicative only

Form F-10C Yearwise Capital Expenditure financial plans for next 10 years (ref. Section AIs of appendix 1)

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

Project details		Tariff year 1				Tariff year 2				Tariff year 3				Tariff year 4				Tariff year 5				
S.N	Total capex planned	Internal accural	Equity infused	User Contribution	Total Debt	Internal accural	Equity infusd	User contribu tions	Total Debt	Internal accural	Equity infused	User Contribu tion	Total Debt	Internal accural	Equity infused	User Contribu tion	Total Debt	Internal accural	Equity infused	User Contribu tion	Total Debt	
1	Addl. Bldgs/rooms	0			0	0				0				0				0				
2	material handling etc	1330000			2660000	400000			800000	0			0	0			0	0				0
4	computers etc	735282			1470565	0			0	25000			50000	8333			16667	8333				16667
	total	2065282			4130565	400000			800000	25000			50000	8333			16667	8333				16667

legend	
Total Capex	Total capex
Internal Accural	Internal Accural (from free reserves and surplus) in the year
Equity infused	Equity infusion planned during the year
User contributions	rent fees/User contributions/Capital grants/subsidies etc planned during the
Total Debt	Total debt planned for funding during capex



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**Form 10(d) Summary statement of expense capitalised (ref. Section A15 of appendix 1)**

Ss.n	Particulars	Last available audited years	Financial year before tariff year1*	tariff year1	Tariff year 2	Tariff year 3	Tariff year 4	Tariff year 5
		<b>2016-17</b>	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22	2022-23
A	Intrest and finance charged/Capatalised	0						
B	Cost of raising finance and bank charges	0						
C	Other expense capatalised							
	Employee Expense		No capitalised expenses					
	Administrative and general expense							
	Utilities and outsourcing expense	0						
	any other expense capatalised	0		0				
D	<b>total expense capatalised(A+B+C)</b>	0		0				

Project values to be provided  
 Information for last financial year for which audited accounts are available

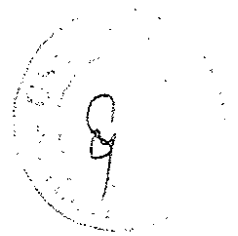
*[Handwritten mark]*

Form F11(a) Employees strength (reff Section A1.5 of Appendix II)								
Sr. No.	Particulars - with detailed breakup	Last available audited year ^	Financial year before tariff year 1 *	Tariff year 1	Tariff year 2	Tariff year 3	Tariff year 4	Tariff year 5
<b>A</b>	<b>Deptt - wise full time employees</b>	<b>2016-17</b>	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22	2022-23
	Export	5	5	6	8	10	12	14
	Import	3	3	4	5	6	7	8
	Support	3	3	3	4	6	6	8
<b>B</b>	<b>Deptt - wise part time / contractual Employees</b>							
	Export							
	Import							
		0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Projected values to be provided

\* Fields in italics are indicative only

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



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**Form F11C: Administration and General Expenditure (ref. Section A15 of appendix 1)**

Ss.n	Particulars- with detailed breakup	Last available audited years ^	Financial year before tariff year1*	Tariff year1	Tariff year 2	Tariff year 3	Tariff year 4
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
A	Salaries and wages	654532	1278865	1470850	1691478	1945199	2236979
B	PF contribution						
C	Medical expenses						
D	Overtime						
E	Staff Welfare fund		7125				
F	.....						
1	<b>Grand total</b>	<b>654532</b>	<b>1285990</b>	<b>1470850</b>	<b>1691478</b>	<b>1945199</b>	<b>2236979</b>
2	Employee expense capitalised	0	0				
3	<b>net employee expense(1-2)</b>	<b>654532</b>	<b>1285990</b>	<b>1470850</b>	<b>1691478</b>	<b>1945199</b>	<b>2236979</b>
	<b>Amount Shown for entire Business</b>						
	Projected values to be provided # Fields in italics are indicative only ^ Information for last financial year for which audited accounts are available						

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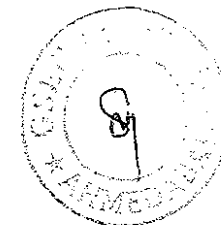
**Form F110: Administration and General Expenditure (ref: Section A15 of appendix 1)**

Ss.n	Particulars- with detailed breakup	Last available audited years ^	Financial year before tariff year1*	Tariff year1	Tariff year 2	Tariff year 3	Tariff year 4
		Audited	Provisional				
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
A	Administration charges						
	Directors sitting fees						
	Rates and Taxes						
	Lease/Rent	2701486	4087130	5520000.00	6072000.00	6679200.00	7347120.00
	Rates and Taxes / Electricity	46163	37395	120000	138000	158700	182505
	Communication expense						
	Travelling and conveyence	117761	450559.5	500000	575000	661250	760437.5
	Advertisement	1899	160000	100000	100000	100000	100000
	Office maintainence	10800	1226601	300000	345000	396750	456262.5
	Printing and stationery	2253	18995	100000	115000	132250	152087.5
	Allocated overhead Expenses/Vehicle Expenses	129493	67706	820000	943000	1084450	1247117.5
	.....						
B	Legal Charges/ Auditors fess						
	Auditors fess						
	Technical fees						
	Other professional charges	158000		100000	115000	132250	152087.5
	.....						
C	Consultancy charges						
	Technical fees	0	0				
	Other professional charges						
	.....						
D	Other Charges						
	Land Lease	0					
	Royalty	796429	1321775	2100000	2415000	2777250	3193837.5
	Insurance costs	8661	61100	70265	80804.75	92925.4625	106864.2819
	During construction period	0	0				
	During operation period	0	0				
	Event management/ Inuragation expenses						
	Recruiment and training charges						
	Bank charges/ Interest	344.76	2682.17				
	Miscellaneous Expense	395990	711000.32	300000	345000	396750	456262.5
	Intrest on short term loans						
	Other Administrative Expenses	540000	803032	300000	345000	396750	456262.5
E	<b>Grand Total</b>	<b>4909279.76</b>	<b>8947975.99</b>	<b>10330265</b>	<b>11588804.75</b>	<b>13008525.46</b>	<b>14610844.28</b>
F	Administration and General expenses capatalised	0	0	0	0	0	0
G	<b>Net A&amp;G expense (E-F)</b>	<b>4909279.76</b>	<b>8947975.99</b>	<b>10330265</b>	<b>11588804.75</b>	<b>13008525.46</b>	<b>14610844.28</b>

Projected values to be provided

# Fields in italics are indicative only

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



Form F11(d) Repair and maintenance Expenditure (ref: Section A15 of Appendix 1)							
Ss.n	Particulars- with detailed breakup	Last available audited years ^	Financial year before tariff year1*	Tariff year1	Tariff year 2	Tariff year 3	Tariff year 4
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
A	<i>Building</i>	10800	1214601	300000.00	345000.00	396750.00	456262.50
B	<i>Plant and machinery</i>						
C	<i>Electrical installation</i>		12000				
D	<i>Furniture and fittings</i>						
E	.....						
	<b>Grand Total</b>	<b>10800</b>	<b>1226601</b>	<b>300000</b>	<b>345000</b>	<b>396750</b>	<b>456262.5</b>

Projected values to be provided(ref: Section A15 of appendix 1)

# Fields in italics are indicative only

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

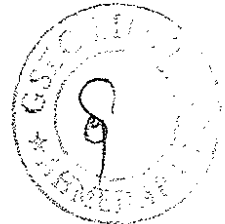
13

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**Form 11(e) Utilities and outsourcing expenditure (ref: Section A15 of appendix 1)**

Ss.n	Particulars- with detailed breakup	Last available audited years ^ Audited*	Financial year before tariff year1* Provisional*	Tariff year	Tariff year	Tariff year	Tariff year
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
<b>A</b>	Utilities cost						
	Power charges						
	Units consumed						
	Effective unit rate						
	power costs	46000	37395	120000	138000	158700	182505
	Water charges						
	units consumed						
	effective unit rate						
	water costs						
	Other - mention all applicable heads						
	.....						
<b>B</b>	Department-wise Outsourcing costs						
	Airfield services and facilities						
	terminals						
	maintainence						
	cleaning						
	.....						
<b>1</b>	grand total	0	0	0	0	0	0
<b>2</b>	Utilities and outsourcing expense capatalised						
<b>3</b>	net utilities and outsourcing expenses(1-2)	0	0	0	0	0	0

Projected values to be provided  
 # Fields in italics are indicative only  
 ^ Information for last financial year for which audited accounts are available



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**Form F11(g) Current asset and liabilities**

Ss.n	Particulars	Last available audited years #	Financial year before	Tariff year 1	Tariff year 2	Tariff year 3	Tariff year 4	Tariff year 5
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
A	Current Assets, loans and advances							
	Sundry Debtors							
	Inventories							
	Cash and bank balance	1340812	1238137	1350846.00	756000.00	685000.00	575500.00	
	Loans and advances	1683884.24	127964	129000.00	131000.00	140000.00	125000.00	
	others	0	50285	51000.00	55000.00	56000.00	50000.00	
	<b>TOTAL OF A</b>	<b>3024696.24</b>	<b>1416386</b>	<b>1530846.00</b>	<b>942000.00</b>	<b>881000.00</b>	<b>750500.00</b>	
B	Current Liabilities and provisions							
1	Current Liabilities and provisions							
	Sundry creditors	433995	5786717.75	3902192.75	3893629.00	1625103.59	1898239.36	
	liabilities towards suppliers							
	...							
2	Provisions							
	...							
	<b>TOTAL OF B(1+2)</b>	<b>433995</b>	<b>5786717.75</b>	<b>3902192.75</b>	<b>3893629</b>	<b>1625103.59</b>	<b>1898239.36</b>	
C	<b>NET CURRENT ASSET (A-B)</b>	<b>2590701.24</b>	<b>-4370331.75</b>	<b>-2371346.8</b>	<b>-2951629</b>	<b>-744103.59</b>	<b>-1147739.36</b>	

\* Projected values to be provided(ref: Section A15 of appendix 1)

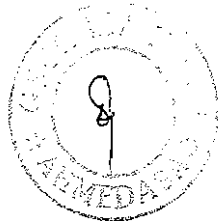
^ Information for last financial year for which audited accounts are available

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**Form F12(a) Historical and projected cargo volumes (tonnes) (rel. Section A16 of appendix 1)**

year	Domestic								International								Forecast for correction band*
	Loaded				Unloaded				Loaded (Export)				Unloaded (Import)				
	General	Perishable	Valuable	Others	General	Perishable	Valuable	Others	General	Perishable	Valuable	Others	General	Perishable	Valuable	Others	
2003-04																	
2004-05																	
2005-06																	
2006-07																	
2007-08																	
2008-09																	
2009-10																	
2010-11																	
2011-12									0.04		0.85827		25.8186		0.68047		
2012-13											0.81893		12.6185		0.58121		
2013-14									9.24665		0.90785		15.5221		0.65976		
2014-15									15.9948		1.30055		26.53412		0.963		
2015-16									19.49		1.41055		20.1684		1.03894		
2016-17									9.089		2.3345		40.60669		1.74813		
2017-18									88.95433		3.29757		139.7795		2.43559		
2018-19									285.5529		3.43448		137.8975		2.86376		
2019-20									<b>328.39</b>		<b>3.95</b>		<b>158.58</b>		<b>3.29</b>		
2020-21									<b>377.64</b>		<b>4.54</b>		<b>182.37</b>		<b>3.79</b>		

NO DOMESTIC CARGO HANDLED



Form F13(a)- Historical Tariff and revenues from regulated service(ref: Section A17 of appendix 1)

S.N	Particulars	2011-12		2012-13		2013-14		2014-15		2015-16		2016-17		2017-18	
		Per unit Tariff	Revenues	Per unit Tariff	Revenues	Per unit Tariff	Revenues	Per unit Tariff	Revenues	Per unit Tariff	Revenues	Per Unit Tariff	Revenues	Per unit Tariff	Revenues
A	Revenues from regulatory services														
1	Export- General	1.00	0	1.00	0.002	1.00	0.1686	1.00	0.29205	1.00	0.2258	1.00	0.17588	1.00	1.30203
2	Export- Perishable & cold storage	1.75	0	1.75	0	1.75	0	1.75	0	1.75	0	1.75	0	1.75	0
3	Export- Valuable	2.00	23.07152	2.00	33.2267	2.00	41.7805	2.00	70.69565	2.00	66.8645	2.00	62.0064	2.00	63.04302
4	Export-Gold	100.00		100.00		100.00		100.00		100.00		100.00		100.00	
	Diamond	.04% of FOB		.04% of FOB		.04% of FOB		.04% of FOB		.04% of FOB		.035% of FOB-polishing		.035% of FOB-polishing	
5												.05% of FOB on sorting		.05% of FOB on sorting	
6	Export- bonded truckking											1.00		1.00	
7	Export-MISC														
5	Import- General	4.75	3.95532	4.75	8.07683	4.75	13.48545	4.75	10.78281	4.75	6.05654	4.75	16.13073	4.75	22.04119
6	Import- Perishable & cold storage	8.00		8.00		8.00		8.00		8.00		8.00		8.00	
7	Import- Valuable	8.00	1.964	8.00	1.638	8.00	1.902	8.00	2.832	8.00	2.172	8.00	3.13988	8.00	3.384
8	Import-Gold	8.00		8.00		8.00		8.00		8.00		8.00		8.00	
9	Import-diamond	600/con.		600/con.		600/con.		600/con.		600/con.		600/con.		600/con.	
10	Import-Demurrage														
11	Import-Over time														
12	Import-MISC		0.4437		1.48702		1.48702		1.80285		1.22875		4.7251		2.56459
13	Import- Incidental Charges														
			29.43454		44.43055		58.82337		86.40536		76.54759		86.17799		92.33483

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**Form F13(b) Historical and projected revenues from services other than regulatory services (ref. Section A17 of appendix 1)**

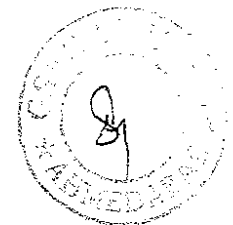
S.N	Particulars	Last available audited years (AUDITED)	Financial year before tariff year1*(PROVISIONAL)	Tariff year1	Tariff year 2	Tariff year 3	Tariff year 4
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
A	Revenues from services other than regulatory services						
1	Revenues from cargo handling	8277333	9468880	10500000	12075000	13886250	15969188
2							
3							
B	Other revenues						
1	Revenues from interest income						
2	Revenues from any other source						
	Total Revenues	8277333	9468880	10500000	12075000	13886250	15969188

Revenue shown are from air cargo operations only

Projected values to be provided

# Fields in italics are indicative only

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



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**BUSINESS PLAN FOR AIR CARGO COMPLEX VISAKHAPATNAM**

PARTICULARS		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
		AUDITED	AUDITED	PROV	PROJECED	PROJECED	PROJECED	PROJECED
EXPORT MT		20.90	11.42	92	340	374	411	453
IMPORT MT		21	42	142	160	176	194	213
TOTAL MT	0	42	54	234	500	550	605	666
REVENUES (in Rs Lacs)		76.56	82.77	94.68	105	121	139	160
TOTAL REVENUES	0.00							
Increase in revenue sought							21	24
Total revenue with increase sought	0.00	76.56	82.77	94.68	105.00	120.75	159.69	183.65
<b>EXPENSES</b>								
Rent and License Fees		25.39	27.01	40.87	55.20	60.72	66.79	73.47
Insurance		0.07	0.09	0.61	0.70	0.81	0.93	1.07
Salaries		2.80	6.55	12.79	14.71	16.91	19.45	22.37
Electricity		0.36	0.46	0.37	1.20	1.38	1.59	1.83
Stationery and Printing		0.02	0.02	0.19	1.00	1.15	1.32	1.52
Advertisement				1.60	1.00	1.00	1.00	1.00
Postage and Telephone		0.63	0.97	0.41	1.00	1.15	1.32	1.52
Repairs and Maintenance & Renovation to Bldg		0.20	0.11	12.15	3.00	3.45	3.97	4.56
Misc. exps.		0.57	3.99	9.02	3.00	3.45	3.97	4.56
Fees and Legal Expenses		3.84	1.58	0.00	1.00	1.15	1.32	1.52
travelling Exps.		0.00	0.48	3.65	4.00	4.60	5.29	6.08
Vehicle Expenses		0.42	0.33	0.17	7.20	8.28	9.52	10.95
Conveyance		0.56	0.70	0.85	1.00	1.15	1.32	1.52
Security Expenses		5.85	5.40	8.03	3.00	3.45	3.97	4.56
Royalty		7.65	7.96	13.22	21.00	24.15	27.77	31.94
Prior Period Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Grand Total</b>	<b>0.00</b>	<b>48.36</b>	<b>55.65</b>	<b>103.93</b>	<b>118.01</b>	<b>132.80</b>	<b>149.54</b>	<b>168.48</b>

**ASSUMPTIONS**

Projections for year 2018-19 is based on actual data from April 2018 to August  
For subsequent year, tonnage growth is assumed at 15% YOY

Rent is assumed higher @ 10% YOY as per agreement with AAI  
Salaries, Security etc expense are assumed higher by 15% YOY

Rent assumed @ Rs 4.5 Lacs per month includes Rs 3.3 Lacs aai+Rs 70000 APTPC + 60000 cisf)  
Royalty is at 20% incl APTPC AND AAI

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## HIGHLIGHTS

- 1 GSECL under O&M contract with APTPC has been operating from an off airport premises since 2011 till November 2017
- 2 It began operations in November 2017 from air cargo complex following a space and royalty agreement with AAI and APTPC
- 3 Till this move to air cargo complex, there was no scope for general /perishable cargo exports
- 4 As a result, bulk of the revenue derived from diamond exports, with one customer
- 5 Revenue from diamond as a % of total revenue was 90% in 2015-16, 76% in 2016-17, 72% in 2017-18 and is expected to be around 70% in 2018-19
- 6 Since the facility is available at the airport, non-diamond cargo is expected to grow . This is reflected in decline in yield for the next few years.

**ACTUAL YIELD PER UNIT**

		<b>2016-17</b>	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22
				Year 1	Year 2	Year 3	Year 4
Total Actual revenue	R	8277000	9468000	10500000	12075000	15969188	18364566
Actual revenues from services other than regulated services	NAR						
Actual revenue subject to regulation	AR-R-NAR	8277000	9468000	10500000	12075000	15969188	18364566
Actual volume	V	54	234	500	550	605	666
Actual Yield per unit	AV=AR/V	153909.61	40461.54	21000.00	21954.55	26395.35	27595.14

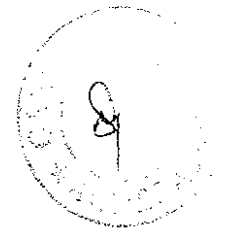
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Form F-2 Historical and projected balance sheet (Ref. section A1.4 of Appendix I)

Sr. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	SOURCE OF FUNDS						
	A) Shareholders fund						
	<i>a) Share Capital</i>						
	<i>b) Share Application money</i>						
	<i>c) Reserves &amp; Surplus</i>	2687910.24	1126746.25	-1894637.75	-4303647.00	-6215577.59	-7723144.36
	...						
	B) Loan Funds						
	<i>a) Secured Loans</i>						
	<i>b) Unsecured Loans</i>	0.00	0.00	4500000.00	5200000.00	8500000.00	9000000.00
	...						
	C) Capital Grants						
	...						
	D) Deffered Tax Liability						
	...						
	<b>TOTAL SECURES OF FUNDS</b>	<b>2687910.24</b>	<b>1126746.25</b>	<b>2605362.25</b>	<b>896353.00</b>	<b>2284422.41</b>	<b>1276855.64</b>
2	APPLICATIO OF FUNDS						
	A) Fixed Assets						
	<i>a) Gross Block (Net of Assets not in use)</i>						
	<i>b) Less: Accumulated depreciation</i>						
	<i>c) Net Black</i>	97209.00	5496978.00	4976709.00	3847982.00	3028526.00	2424595.00
	<i>d) Capital work in progress</i>	0.00	0.00	0.00	0.00	0.00	0.00
	...						
	B) Investments						
	C) Deffered tax assets						
	D) Current Asset, Loan and advance						
	<i>a) Sundry Debtors</i>						
	<i>b) Cash and bank balance</i>	1340812.00	1238137.00	1350846.00	756000.00	685000.00	575500.00
	<i>c) Investors</i>						
	<i>d) Other Current assets</i>		50285.00	51000.00	55000.00	56000.00	50000.00
	<i>e) Loans and advance</i>	1683884.24	127964.00	129000.00	131000.00	140000.00	125000.00
	...						
	Provisions:						
	<i>a) Liabilities</i>	433995.00	5786617.75	3902192.75	3893629.00	1625103.59	1898239.36
	<i>b) Provisions</i>						
	...						
	<b>Net Current asset</b>	<b>2590701.24</b>	<b>-4370231.75</b>	<b>-2371346.75</b>	<b>-2951629.00</b>	<b>-744103.59</b>	<b>-1147739.36</b>
	<b>TOTAL APPLICATIONS OF FUNDS</b>	<b>2687910.24</b>	<b>1126746.25</b>	<b>2605362.25</b>	<b>896353.00</b>	<b>2284422.41</b>	<b>1276855.64</b>

\* Fields in italics are indicative only





**Form F3: Historical and projected profit and loss account (Ref. Sec A1.4 of Appendix 1)**

S. N	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	Revenue						
	<i>Revenue from regulated services</i>	8277333.00	9468880	10500000.00	12075000.00	13886250.00	15969187.50
	<i>Revenue from other then regulated services</i>						
2	Operating Expenditure						
	<i>Payroll Cost</i>	654532.00	1285990.00	1470850.00	1691477.50	1945199.13	2236978.99
	<i>Administrative and general cost</i>	4898135.00	7718692.82	10030265.00	11243804.75	12611775.46	14154581.78
	<i>Utilities and outsourcing cost</i>						
	<i>Concession fees</i>						
	<i>Repair and maintainence cost</i>	10800.00	1226601.00	300000.00	345000.00	396750.00	456262.50
3	Earnings before depreciation interest and taxation (EBDIT)						
	<i>Depreciation and Amortisation</i>	25611.00	796078.00	1720269.00	1203727.00	844456.00	628931.00
4	Earnings before interest and taxation (EBIT)	2688255.00	-1558481.82	-3021384.00	-2409009.25	-1911930.59	-1507566.78
	<i>Total interet and finance charges</i>	344.76	2682.17	0.00	0.00	0.00	0.00
5	Profit/Loss before taxation	<b>2687910.24</b>	<b>-1561163.99</b>	<b>-3021384.00</b>	<b>-2409009.25</b>	<b>-1911930.59</b>	<b>-1507566.78</b>
	<i>Provision for Taxation</i>	-325662.34					
6	Profit/Loss after taxation						
7	Balance Credit to Balance Sheet						

\* Fields in italics are indicative only

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**Form F4: Historical and projected Cash flow Statement (Ref: Section A1.4 of Appendix I)**

S.No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	<i>Cash flow form operating activities</i>						
	Net profit before taxation	2687910.24	-1561163.99	-3021384.00	-2409009.25	-1911930.59	-1507566.78
	Adjustment for:						
	<i>Depreciation &amp; Amortisation</i>	25610.00	796079.00	1720269.00	1203727.00	844456.00	628931.00
	<i>Loss / (Profit) on sale of assets (Net)</i>						
	<i>Interest (Income)/ paid</i>	344.00	2662.17	0	0	0	0
	<i>Provision - Additions (write back) Net</i>						
	Operating profit before working capital changes	2713864.24	-762422.82	-1301115.00	-1205282.25	-1067474.59	-878635.78
	Adjustments for :						
	<i>Decrease (increase) in trade receivables</i>						
	<i>Decrease (Increase) in inventories</i>						
	<i>Loan and advances</i>	0.00	4277323.71	-1750.97	-6000	-10000	21000
	<i>(Decrease) / Increase in sundry creditors</i>	-4432408.25	711833.26	-1884425	-8563.75	-2268525.41	273135.77
	<i>Cash generated from operation</i>	-4432408.25	4989156.97	-1886175.97	-14563.75	-2278525.41	294135.77
	...						
	Net Cash flow from operating activities	-1718544.01	4226734.15	-3187290.97	-1219846.00	-3346000.00	-584500.01
2	<i>Cash flow from investing activities</i>						
	<i>Detail of cash flow from investing activity # 1</i>	-62533.00	-4326747.00	-1200000.00	-75000	-25000	-25000
	<i>Detail of cash flow from investing activity # 2</i>						
	...						
3	<i>Cash flow from financing activities</i>						
	<i>Detail of cash flow from investing activity # 1</i>	-344.00	-2662.17	4500000	700000	3300000	500000
	<i>Detail of cash flow from investing activity # 2</i>						
	...						
4	<i>Net change in cash and cash equivilant</i>	-1781421.01	-102675.02	112709.03	-594846.00	-71000.00	-109500.00
5	<i>Cash and cash eqviliant at the begining of the period</i>	3122233.00	1340811.99	1238136.97	1350846.00	756000.00	685000.00
6	<i>Cash and cash eqviliant at the end of the period</i>	1340811.99	1238136.97	1350846.00	756000.00	685000.00	575500.00

\* Fields in italics are indicative only



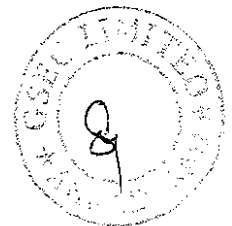
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**Form F5: Cost of Equity and post-Tax FRoR Forecast (Ref. Section A1.5 of Appendix I)**

	Tariff Year 1			Tariff Year 2			Tariff Year 3			Tariff Year 4			Tariff Year 5		
	Low	High	Point Estimate	Low	High	Point Estimate	Low	High	Point Estimate	Low	High	Point Estimate	Low	High	Point Estimate
Gearing															
Pre-tax cost of Debt															
Risk-Free rate															
Equity - Risk premium															
Beta															
Post-Tax cost of Equity															
Post-Tax FRoR															

NO LOAN AVAILED

\* Forecasted FRoR in this sheet should be used for determining aggregate revenue requirement in the multi year tariff proposal



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Provide of all debits (all types of debit instruments).

Particulars	Last Available audited year	Financial year b	Tariff year 1	Tariff year 2	Tariff year 3	Tariff year 4	Tariff year 5
	<b>2016-17</b>	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22	2022-23
Secured loan							
<b>From Banks - Against Hypothication</b>							
Repayments during the year							
Interest payments during the year							
<b>Out standing at the end of the year</b>							
Secured loan			NO LOAN AVAILED				
<b>From Banks - Motor Cars</b>							
Repayments during the year							
Interest payments during the year							
<b>Out standing at the end of the year</b>							
Unsecured loan - Short Terms							
Repayments during the year							
Interest payments during the year							
<b>Out standing at the end of the year</b>							

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**Form FO(B) Summary of Interest and Finance Charges (Ref. Section A1.5 of Appendix I)**

			Financial year before Tariff year 1	Tariff year 1	Tariff year 2	Tariff year 3	Tariff year 4	Tariff year 5
A	1	Interest charges on Government loans, bonds and advances						
		Government loans	<b>2016-17</b>	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22
		Bonds						
		Foreign currency loans/ credits						
		.....						
		Total						
	2	Interest on long term loans/ credits from the Fis/Banks/organisations approved by the government						
		Secured Loan agst. Securities from Banks - Cash Credit Account						
		.....						
		Unsecured						
		.....						
		Total						
		Total 1 + 2						
B		Cost of raising finance & bank charges on the project loans						
C		Grand total of the interest and finance charges A + B						
D		Less: Interest & Finance charges capitalised						
E		Net total of interest & finance charges on project related loans						
F		Interest on working capital loan						
G		Other interest charges (Provide head-wise details)						
H		Total interest & finance charges chargeable to P&L account (E + F + G)						

NO LOAN AVAILED

> Projected values to be provided

# Fields in italics are indicative only

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

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**Form 6B (Contribution, grants and subsidies Master file section A.5 of Appendix 1)**

**Contributions**

Particulars	Source	Total Amount	Last available audited years #			Financial Year before Tariff Year 1*			Tariff Year 1			Tariff Year 2			Tariff Year 3			Tariff Year 4			Tariff Year 5		
			OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB
1																							
2																							

**Grant**

Particulars	Source	Total Amount	Last available audited years #		NOT APPLICABLE	Financial Year before Tariff Year 1*			Tariff Year 1			Tariff Year 2			Tariff Year 3			Tariff Year 4			Tariff Year 5		
			OB	Add.		CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.
1																							
2																							

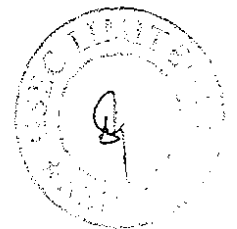
**Subsidy**

Particulars	Source	Total Amount	Last available audited years #			Financial Year before Tariff Year 1*			Tariff Year 1			Tariff Year 2			Tariff Year 3			Tariff Year 4			Tariff Year 5		
			OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB	OB	Add.	CB
1																							
2																							

Legend	
OB	opening balance for the year
Add.	Additions during the year
CB	Closing balance for the year

\* Projected values to be provided

\* Information for last financial year for which audited accounts are available



02

**Form F7: Format for identifying initial regulatory asset base (Ref: Section A1.5 of Appendix 1)**

Fixed asset already commissioned as on .....

S. No.	Asset name	Asset type	Description of the asset	Commissioned date	Usefull life	Original cost of asset	Depreciation rate	Accumulated deprecialtion
1				NOT APPLICABLE				
2								
3								
4								
5								

31

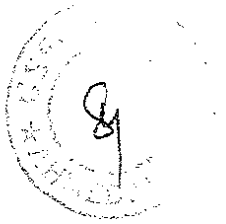
**Form B (format of providing asset wise information of state contributions (Ref: Section A15 of appendix I))**

*Detail of user contribution for the asset*

S.N.	<i>Contribution name</i>	<i>Asset name</i>	<i>Extent of user Contribution approved for the project</i>	<i>Year of approval</i>	<i>Tennure for user contribution collection</i>	<i>Actual accumulated collection till beginning of previous year</i>	<i>Accumulated collection estimated till the beginning of first tariff year 1</i>	<i>Total collection proposed in tariff year 2</i>	<i>Total collection proposed in tariff year 3</i>	<i>Total collection proposed in tariff year 4</i>	<i>Total collection proposed in tariff year 5</i>
1	<i>Grant</i>	<i>Asset A</i>									
2		<i>Asset B</i>									
3		.....									
4	<i>Dvelopment fee</i>	<i>Asset C</i>									
5		.....									

NOT APPLICABLE

\* Projected value to be provided  
 \* Fields in italics are indicative only



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**Form F3(b) Form for providing proposed exclusion from RAB (Ref. Section A1.5 of appendix 1)**

*detail of proposed excluded asset from RAB*

<i>S. No.</i>	<i>Asset name</i>	<i>Book value</i>	<i>Accumulated Description</i>	<i>Justification for exculsion</i>	<i>Any land associated with asset</i>	<i>If yeas details of land</i>
1	Asset A			NOT APPLICABLE		
2	Asset B					
3	.....					
4	...					
5	....					

\* *Fields in italics are indicative only*

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Q

**Form ETR-1 Capital projects completed before current review for Roll-forward of R.R.S. (Revised Nov 15 of applicable)**

Project Details				Projected Capital Expenditure																			
S.n.	Project Name	Project Type	Common date	Tariff Year 1				Tariff Year 2				Tariff Year 3				Tariff Year 4				Tariff Year 5			
				Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP
1	Project 1	Buildings																					
2	Project 2	Vehicles																					
3	Project 3	P&M																					
4	Project 4	F&F																					
Project Details				Actual Capital Expenditure																			
S.n.	Project Name	Project Type	Common date	Tariff Year 1				Tariff Year 2				Tariff Year 3				Tariff Year 4				Tariff Year 5			
				Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP	Capex	Com.	Cdate	WIP
1	Project 1	Buildings																					
2	Project 2	Vehicles																					
3	Project 3	P&M																					
4	Project 4	F&F																					

NOT APPLICABLE

Legend	
Project name	Project name should be a unique name or a primary key assigned to a capex project
Project type	Type of the project and the asset class to which the capex project belongs
Common Date	Date on which the capital project commenced
Capex	Year - wise capex incurred on the project excluding any capital receipts like grant, user contributions etc.
WIP	working - in - process at the end of aevery tariff year
Com.	commissioning in a particular tariff year
Cdate	date of commissioning in a particular tariff year

# Fields in italics are indicative only

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8

Form F-10 (e) - Additional Capital Projects Summary (ref. Section A15 of Appendix 1)

Forcast WIP Assets						
		Tariff year 1	Tariff year 2	Tariff year 3	Tariff year 4	Tariff year 5
E	Opening WIP Assets					
	<i>Building</i>					
	<i>Plant and machinery</i>					
	<i>Electrical installation</i>					
	<i>Furniture and fittings</i>					
	.....					
F	Additions new-New WIP					
	<i>Building</i>					
	<i>Plant and machinery</i>					
	<i>Electrical installation</i>					
	<i>Furniture and fittings</i>					
	.....					
G	WIP Capitalization					
	<i>Building</i>					
	<i>Plant and machinery</i>					
	<i>Electrical installation</i>					
	<i>Furniture and fittings</i>					
	.....					
H	Closing WIP Assets					
	<i>Building</i>					
	<i>Plant and machinery</i>					
	<i>Electrical installation</i>					
	<i>Furniture and fittings</i>					
	.....					

Fields in Italics are indicative only



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Form F11(f) Other Outflows (ref: Section A15 of appendix 1)

Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9
Ss.n	Particulars	Last available audited years ^	Financial year before tariff year1*	tariff year1	Tariff year	Tariff year	Tariff year	Tariff year
		<b>2016-17</b>	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22	2022-23
A								
B								
C								
	Grand total							

\* Projected values to be provided

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



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Form F-14(a) Annual Tariff Proposal for tariff year t - Format for providing information on EMAY (ref. section A18 of appendix 1)

S.N	Particulars	For tariff year t
1	Yield per year	NOT APPLICABLE
2	Error correction term(from year t-2)	
3	Estimated maximum allowed yield(EMAY)	

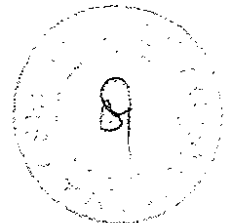
37

2

Form F-12(b) Historical aircraft movements (ref. Section A16 of appendix 1)		
year	Domestic(Landing)	International(Landing)
2003-04		
2004-05		
2005-06	NOT APPLICABLE	
2006-07		
2007-08		
2008-09		
2009-10		
2010-11		

\* Projected values to be provided

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Form F12 © Projected Aircraft Movements (ref. Section A16 of appendix I)

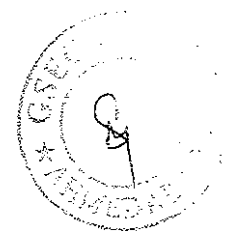
year	Domestic(Landing)			International(Landing)			Forecast error correction band
	Optimistic	Most likely	Conservative	Optimistic	Most likely	Conservative	
2011-12							
2012-13							
2013-14			NOT APPLICABLE				
2014-15							
2015-16							
2016-17							
2017-18							
2018-19							
2019-20							
2020-21							

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Form 12(d) Historical and projected throughout in kilometers (see section A16 of appendix 1)			
year	Domestic flights	International flights	Forecast error correction band*
2003-04			
2004-05			
2005-06			
2006-07			
2007-08			
2008-09			
2009-10			
2010-11			
2011-12			
2012-13			
2013-14			
2014-15			
2015-16			
2016-17			
2017-18			
2018-19			
2019-20			

NOT APPLICABLE

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



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भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण  
अहमदाबाद एअरपोर्ट, नई दिल्ली 110003

ANNEXURE - II

प्राप्त  
सं. नं. 13272  
तारीख 26/12/18

24th December 2018

**The Secretary**  
**Airports Economic Regulatory Authority of India**  
AERA Building, Administrative Block  
Safdarjung Airport  
**NEW DELHI – 110 003**

**“ Without Prejudice “**

Dear Sir,

**Sub: Additional information/clarifications sought wide your email dated 7<sup>th</sup> December on Multi Year Tariff Proposal for determination of Tariff For cargo handling by GSEC Limited – International cargo at Visakhapatnam international airport**

Kindly refer to your email dated 7<sup>th</sup> December. We wish to clarify to your queries as under:-

*The revenue has been projected to be increased by approximately 10 to 15% in subsequent years but the pay-roll cost in FY 2017-18, is almost double over FY 2016-17 and in subsequent years the increase is 15% or above.*

Till October 2017, We were operating from an off airport facility where there was no export operation. We had 4 staff members to manage this facility. We shifted to AAI allotted premises in November 2017 and with proper import and export areas as well as personnel requirement for export has resulted in higher manpower strength. We now have an additional Chief Security officer as per BCAS requirement, 4 loaders and 4 assistants compared to earlier strength. The subsequent increase projected is towards yearly increases as well as projected increase of staff to handle additional cargo growth. We also anticipate making it in to a 24x7 operations from current 16 hours.

*The R & M cost in FY2018-19 has substantial increase over FY 2017-18.*

R&M cost was increased in 2017-18, as we have incurred the expenditure for Civil and other Additional work at New Building at International Airport for Cargo Operations. The premises were handed over to us as bare space and modification

**GSEC Limited**

2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380009  
Tel.:+91-79-2655 4100 , Fax : +91-79-2658 4040 , E-mail : info@gsecl.co.in , Visit us : www.gsecl.co.in  
CIN No. U52100GJ1965PLC001347



work such as creating import, export segregation, creation of security hold area etc. had to be carried out.

*There is substantial increase in depreciation in FY 2017-18 and FY 2018-19. Is there any corresponding proposal for capital expenditure which may be clarified.*

**In 2017-18 we have incurred addition cost for Capital Expenditure of Rs. 61,95,847/- and In 2018-19 another amount of Rs. 12,00,000/- incurred for Capital Expenditure. That is the reason for increase in Depreciation in 2017-18 and onwards. In 2017-18 , we procured equipment like x-ray machines, ETD etc for BCAS compliance. In 2018-19, we intend to procure forklift and other additional material handling equipment .**

*If the loss is incurred every year by the company, how it proposes to survive in long run as net cash from operational activity is negative.*

**As we have other Cargo Operations at Ahmedabad, Indore and Raipur in addition to Vizag, we can consolidate the loss against the profit from other locations. We intend to reverse this with AERA's revised tariff approval and likely growth after shifting to airport premises.**

Balance sheet as well as P&L accounts for year 2016-17 and 2017-18 are attached.

We do trust that you will find the above details to be in line with the AERA Guidelines. It is requested that the Tariff Proposal may please be approved on an urgent basis.

Thanking you,

Yours faithfully,

**For GSEC Limited**

  
**Samir Mankad**  
**CEO & Executive Director**

**GSEC Limited**

2nd Floor, Gujarat Chamber's Building, Ashram Road, Ahmedabad - 380009  
Tel.-+91-79-2655 4100 , Fax : +91-79-2658 4040 , E-mail : info@gsecl.co.in , Visit us : www.gsecl.co.in  
CIN No. U52100GJ1965PLC001347

GSEC LTD.-VISHAKHAPATNAM			
Balance Sheet			
1-Apr-2016 to 31-Mar-2017			
Source of Funds	GSEC LTD.-VISHAKHAPATNAM as at 31-Mar-2017		Application of Funds
			GSEC LTD.-VISHAKHAPATNAM as at 31-Mar-2017
Reserve and Surplus		2687910.25	FIXED ASSETS
			97209.00
<b>CURRENT LIABILITIES</b>		433995.00	
Sundry Creditors	433995.00		<b>CURRENT ASSETS</b>
			Loans & Advances (Asset)
			1683884.25
			Cash and Bank Balance
			1340812.00
<b>Total</b>		<b>3121905.25</b>	<b>Total</b>
			<b>3121905.25</b>

FOR, BJS & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 FRN 143268W

PARTNER

For, GSEC Limited

*[Signature]*  
 M. MARKAD  
 Whole Time Director

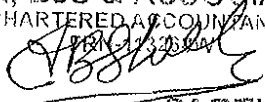
44 -


**GSEC LTD.-VISHAKHAPATNAM**

**Profit & Loss A/c**

1-Apr-2016 to 31-Mar-2017

GSEC LTD.-VISHAKHAPATNAM		GSEC LTD.-VISHAKHAPATNAM	
Particulars	1-Apr-2016 to 31-Mar-2017	Particulars	1-Apr-2016 to 31-Mar-2017
Direct Expenses		Sales Accounts	8277333.00
		EXPORT CARGO INCOME	6288216.00
Gross Profit c/o	8277333.00	IMPORT CARGO INCOME	1060073.00
		MISC INCOME CARGO	359510.00
		HANDLING CHARGES REFUND ACCOUNT	-340466.00
<b>Total</b>	<b>8277333.00</b>	<b>Total</b>	<b>8277333.00</b>
Indirect Expenses		Gross Profit b/f	8277333.00
<b>ADMINISTRATIVE EXP.</b>			
Salaries and wages	654532.00		
Lease/Rent	2701486.00		
Rates and Taxes / Electricity	46163.00		
Travelling and conveyence	117761.00		
Advertisement	1899.00		
Printing and stationery	2253.00		
Allocated overhead Expenses/Vehicle Ex	120403.00		
Other professional charges	150000.00		
Royalty	796429.00		
Insurance costs	8661.00		
Miscellaneous Expense	395990.00		
Other Administrative Expenses	540000.00		
REPAIRS AND MAINTENANCE	10800.00		
INTEREST AND FINANCE CHARGES	344.76		
DEPRECIATION	25610.99		
	<b>5589422.75</b>		
Nett Profit	2687910.26		
<b>Total</b>	<b>8277333.00</b>	<b>Total</b>	<b>8277333.00</b>

FOR, BJS & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
  
 PARTNER

  
 Director



**GSEC LTD.-VISHAKHAPATNAM**

**Profit & Loss A/c**

1-Apr-2017 to 31-Mar-2018

GSEC LTD.-VISHAKHAPATNAM		GSEC LTD.-VISHAKHAPATNAM	
Particulars	1-Apr-2017 to 31-Mar-2018	Particulars	1-Apr-2017 to 31-Mar-2018
Direct Expenses		Sales Accounts	9468880.00
SECURITY EXPENSES		EXPORT CARGO INCOME	6554005.00
Gross Profit c/o	9468880.00	IMPORT CARGO INCOME	2577519.00
		INCOME FROM AIRLINES	235397.00
		MISC INCOME CARGO	101959.00
	9468880.00		9468880.00
Indirect Expenses		Gross Profit b/f	9468880.00
ADMINISTRATIVE EXP.			
Salaries and wages	1285990.00		
Lease/Rent	4087130.00		
Rates and Taxes / Electricity	37395.00		
Travelling and conveyence	450559.50		
Advertisement	160000.00		
Printing and stationery	18995.00		
Allocated overhead Expenses/Vehicle Ex	67706.00		
Royalty	1321775.00		
Insurance costs	61100.00		
Miscellaneous Expense	711000.32		
Other Administrative Expenses	803032.00		
REPAIRS AND MAINTENANCE	1226601.00		
INTEREST AND FINANCE CHARGES	2882.17		
DEPRECIATION	786078.00		
	11030043.99		
		Nett Loss	-1561163.99
Total	9468880.00	Total	9468880.00

FOR, BJS & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 FRANKS  
  
 PARTNER



## M/s GSEC Limited ,Visakhapatnam Airport - Cargo (International)-Handling Services

Form14 (b) Annual Tariff proposal for Tariff Year 1 (FY 2018-19) Tariff Year 2 (FY 2019-20) &amp; Tariff Year3 (2020-21)

MAXIMUM RATES TO BE PAID BY FREIGHT FORWARDER FOR INTERNATIONAL CARGO							
Sr.No.	LIST OF CHARGES	F.Y. 2018-19			F.Y. 2019-20 & F.Y. 2020-21		
		Rate per kg. (Rs)	Min. Rate (INR)	Unit	Rate per kg. (Rs)	Min. Rate (INR)	Unit
	<b>INTERNATIONAL EXPORT CARGO</b>						
	<b>1 TERMINAL, STORAGE AND PROCESSING CHARGE (TSP) PER SHIPPING BILL</b>						
a)	General Cargo	1.00	120.00	SB	1.15	130.00	SB
b)	Special Cargo (AVI)	2.00	250.00	SB	2.30	285.00	SB
c)	PER/DGR/VAL Cargo	1.75	200.00	SB	2.00	230.00	SB
d)	Fruits & vegetables (No cold)	2.00	250.00	SB	2.30	285.00	SB
e)	Diamonds	0.05% on Fob on processing 0.035% on sorting			0.05% on Fob on processing. 0.035% on sorting		
			1000.00	SB		1000.00	SB
	<b>2 DEMURRAGE/STORAGE CHARGE (Rate per kg. per day.)</b>						
a)	General Cargo	1.00	120.00	SB	1.15	130.00	SB
b)	Special Cargo (AVI)	1.75	200.00	SB	2.00	230.00	SB
c)	PER/DGR/VAL Cargo	2.00	250.00	SB	2.30	285.00	SB
	<b>3 COURIER HANDLING CHARGE</b>	----	----	----	----	----	----
	<b>4 PACKING/REPACKING/STRAPPING CHARGE</b>	----	----	----	----	----	----
	<b>5 RETURN CARGO CHARGE</b>	----	----	----	----	----	----
	<b>6 WEIGHT/VOLUME MIS-DECLARATION CHARGE</b>						
a)	2-5% variation	120.00	2 times of differential weight	AWB	120.00	2 times of differential weight	AWB
b)	More than 5% variation	120.00	5 times of differential weight	AWB	120.00	5 times of differential weight	AWB
	<b>7 Bonded trucking (Loading charges)</b>	1.00	120.00	SB	1.00	140.00	SB
	<b>INTERNATIONAL -IMPORT CARGO</b>						
	<b>1 TERMINAL, STORAGE AND PROCESSING CHARGE (TSP) PER BILL OF ENTRY</b>						
a)	General Cargo/Unaccompanied Baggage	4.75	150.00	BOE	5.50	170.00	BOE
b)	Special Cargo (AVI)	8.00	250.00	BOE	9.20	285.00	BOE
c)	PER/DGR/VAL Cargo	8.00	250.00	BOE	9.20	285.00	BOE
	Diamonds	600.00			700.00		
	<b>2 DEMMURAGE/STORAGE CHARGE (Rate per kg. per 24 hrs.)</b>	Overall Min. 225/BoE			Overall Min. 225/BoE		





b)	Valuable/Perishable/ Hazardous Cargo/Live Animals etc	----	----	----	----	----	----
3	Transshipment Charge-International to International	----	----	----	----	----	----
a)	General Cargo	----	----	----	----	----	----
4	Transshipment Charge-International to Domestic	1.25	300.00	PER FLIGHT	1.45	345.00	PER FLIGHT
	General Cargo	----	----	----	----	----	----

#### EXPORT CARGO

1. The stipulated free period for Export General Cargo shall be 12 hrs. for exporters for examination/processing.
2. Demurrage charges for the General cargo as handling per day after free period of 12 hours.
3. demurrage charges for the Diamond cargo Rs. 1000/- per day per consignment after 24 hours free period.
4. Valuable cargo means cargo, which has average value of rs. 70,000 or more per kg. other than Gold, Currency notes Diamonds. etc.
5. Charges will be levied on the 'gross' weight' or the chargeable weight' of the consignment whichever is higher. Wherever the 'gross weight' and/or' volume weight' is wrongly indicated on the airway bill and is actually found more, charges will be levied on the 'actual gross weight' or' actual volumetric weight ' whichever is higher.
6. All invoices will be rounded off to nearest of Rs 5% as per IATA TACT rule book vide clau e no 5.7.2, rounding off procedure, when rounding off unit is 5.

#### IMPORT CARGO

1. The free Period for General Cargo would be 48 hours (i.e. 2 working days).
2. Calculation of free period would start from Actual Time of Arrival (ATA) of the cargo at International Cargo Terminal.
3. Number of hours applicable for demurrage will be calculated as time between Actual Time of Arrival of cargo at International Cargo Terminal. Each 24 hrs cycle will be 01 day and any part thereof will be counted as full day other than diamond.
4. Demurrage charges for the Diamond cargo Rs. 600/-per day per consignment after 24 hours free period.
5. After expiry of the stipulated free period, next 48 hrs will be charged on per kg per day non cumulative basis, inclusive of holidays, provided the consignment is cleared within 48 hours from ATA.
6. All invoices will be rounded off to nearest of rs 5/- as per IATA TACT rule book vide clau e no 5.7.2, rounding off procedure, when rounding off unit is 5.