

IndianOil Skytanking

ISO 9001:2008, ISO 14001:2004 Certified

Ref . : IOSL-CO/AERA-CP08/APA

Date : 21st April 2017

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

Email : puja.jindal@nic.in

Subject : Consultation Paper No. 8/2016-17 in the matter of Capping the percentage of Royalty / Revenue Share payable to Airport Operator as a "Pass Through" Expenditure for the Independent Service Providers providing Cargo Facility, Ground Handling and Supply of Fuel to the Aircraft at Major Airports

Dear Madam,

In reference to the subject, we submit our views as under:

IndianOil Skytanking provides into-plane refueling services to aircrafts at Bangalore, Delhi and Mumbai basis our Concession Agreements with BIAL, DIAL and MAFFPL, respectively.

The revenue share arrangements as per our Concession Agreements are 5% each at Bangalore, Delhi and 6% at Mumbai.

This percentage of revenue share is stipulated by the Airport Operator at the time of tendering and the bidders take due cognizance of this as a part of their operating cost while submitting the bid which is in Rs./KL of fuel delivered to the aircraft. The contract is finalised basis the lowest bid which is matched by another bidder, as the tender terms stipulate for a minimum appointment of two service providers.

The above stated arrangement is completely transparent and ensures reasonable levy of fees by the service provider and revenue share to the Airport operator. Moreover, the ISP is selected through a competitive bid against the parameters including the revenue share to the Airport operator, set in the tender documents. Such arrangements are already established and working satisfactorily for all the stake holders.

In view of above submissions, we request the authority to continue with the existing proven arrangements with respect to the Into Plane Service arrangements.

Thanking you and assuring our best services

For IndianOil Skytanking Private Limited



T S Dupare 21/04/2017
Chief Executive Officer