

# IndianOil Skytanking

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BLR/ITP/AERA/MYTP

21-October 2019

To,  
The AGM (F)  
Airports Economic Regulatory Authority of India  
AERA Building, Administrative Complex  
Safdarjung Airport  
New Delhi - 110 003  
Email: gita.sahu@aera.gov.in

Subject: **Response to Stakeholder comments on CP 06/2019-20**

Dear Madam,

Reference is made to CP 06/2019-20 and comments made on it by the various stakeholders, which were published on AERA website on 14<sup>th</sup> October 2019 vide public notice 11/2019-20. Our reply to the stakeholder comments are as follows.

### Reply to HPCL's Comments

1. We have no objections to the request for same tariffs for both ITP Operators at Bangalore Airport and for the tariff hike to be on prospective basis.
2. We therefore request AERA for a tariff hike on prospective basis, however IOSL submitted its tariff proposal to AERA on 27.04.2019 while the CP was published on 13<sup>th</sup> September 2019, after a period of 139 calendar days. Furthermore, in case the new tariff comes into effect from 01 November 2019, it would be after 189 Calendar days or more than 6 months. Since applicability of tariff orders has always been on prospective basis, AERA should consider, projected revenue loss for 06 months when finalizing the tariff order for IOSL.

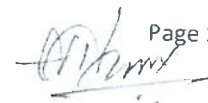
### Reply to SMRPL's Comments

1. The comments made by SMRPL are similar as that by HPCL and the same response by IOSL stated above for HPCL applies in this case as well

### Reply to IOC's Comments

1. Tariff determination for IOSL is done by AERA in line with AERA guidelines.
2. IOSL in submitting its tariff proposal has calculated tariff based on laid down AERA guidelines. Accordingly, IOSL submitted its tariff proposal to AERA seeking INR 357.78 for FY19-20 and INR 375.67 for FY20-21 (page 2 of CP 06/2019-20). Justification for the same has been provided by IOSL.
3. This tariff proposal after scrutiny by AERA was rationalized which led to change in the tariff proposal as follows
  - a. For FY19-20: INR 353.07
  - b. For FY20-21: INR 370.72

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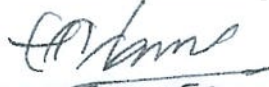
4. Further to this, the tariff proposed by AERA in CP 06 /2019-20 is INR 303.04 / KL for FY19-20 and INR 365.75 / KL.
5. It may be noted that the tariff proposed by AERA is 15.29% lower than IOSL's initial submission for FY19-20 and 2.7% lower for FY20-21.
6. The rationalization recommended by IOC has no basis and is not supported by calculations / evidences.

The justifications of the tariff increase have already been discussed and explained in length in the Stakeholders Meeting, which was attended by IOC, held in Bangalore on 09 May 2019. The justifications submitted by IOSL for the tariff increase have also been presented to all the stakeholders in CP 06 /2019-20

Based on the above submissions & clarifications we once again request AERA to consider tariff as per IOSL's tariff submission, i.e. INR 353.07 / KL for FY19-20 and INR 370.72 / KL for the FY 20-21.

Best Regards,

For IndianOil Skytanking Private Limited



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