



**IN THE MATTER OF**  
**DETERMINATION OF TARIFF FOR INTO PLANE SERVICES IN RESPECT OF**  
**M/S BHARAT STARS SERVICES (DELHI) PRIVATE LIMITED (BSSDPL) AT**  
**INDIRA GANDHI INTERNATIONAL AIRPORT (IGIA), DELHI**  
**FOR THE THIRD CONTROL PERIOD**  
**(01.04.2021 – 31.03.2026)**

**Date of Issue: 23.02.2022**

AERA Building  
Administrative Complex  
Safdarjung Airport  
New Delhi – 110003

## **STAKEHOLDERS' COMMENTS**

The Authority is aware of the fact that the Aviation Sector is undergoing unprecedented turbulence and uncertainty on account of the COVID-19 global pandemic and the associated lockdown situation in the major cities around the world has resulted in restrictions in air travel both domestic and international. The Authority has released this Consultation Paper, after examining the impact of Covid-19 Pandemic on the various assumptions stipulated in the Multi Year Tariff Proposal ('MYTP') submitted by the ISP. Accordingly, the Authority's opinion on the various aspects relating to the regulatory building blocks forming part of the tariff determination process has been explained in detail in this Consultation Paper.

Thus, in accordance with the provisions of Section 13(4) of the AERA Act, the written comments on Consultation Paper No. 32/2021-22 dated 23/February/2022 are invited from the Stakeholders, preferably in electronic form, at the following address:

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<b>Last Date for submission of Stakeholders' comments</b>	<b>22/03/2022</b>
<b>Last Date for submission of counter comments</b>	<b>04/04/2022</b>

Comments will be posted on AERA's website [\*\*www.aera.gov.in\*\*](http://www.aera.gov.in)

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### **List of Abbreviations**

<b>Abbreviation</b>	<b>Full Form</b>
ACS	Annual Compliance Statement
AERA/ Authority	Airports Economic Regulatory Authority of India
ARR	Aggregate Revenue Requirement
ATM	Aircraft Traffic Movement
AUCC	Airport Users Consultative Committee
BPCL	Bharat Petroleum Corporation Limited
BSSPL	Bharat Stars Services Private Limited
BSSDPL	Bharat Stars Services (Delhi) Private Limited
CAGR	Compounded Annual Growth Rate
IGIA	Indira Gandhi International Airport
DDF	Dirt Defense Filter
FRoR	Fair Rate of Return
FWS	Filter Water Separator
GoI	Government of India
GST	Goods and Services Tax
HD	Hydrant Dispensers
HPCL	Hindustan Petroleum Corporation Limited
IOSPL	Indian Oil Skytanking Private Limited
IOSDPL	Indian Oil Skytanking (Delhi) Private Limited
ITP	Into Plane
JIG	Joint Inspection Group
JVC	Joint Venture Company
KL	Kiloliter / Kilolitre
DAFFPL	Delhi Aviation Fuel Facilities Private Limited
MoCA	Ministry of Civil Aviation
MoU	Memorandum of Understanding
MYTP	Multi-Year Tariff Proposal
NAR	Non-Aeronautical Revenue
OMCs	Oil Marketing Companies
RAB	Regulatory Asset Base
RF	Refuellers
HQ	Headquarter
STARS	St-Airport Services Pvt Limited, Singapore

## **CHAPTER 1. INTRODUCTION**

- 1.1.** Bharat Star Services Private Limited (BSSPL) is a Joint Venture Company (JVC) floated by Bharat Petroleum Corporation Limited (BPCL) and St. Airport Services Pvt. Ltd. Singapore (STAR), each having equal shareholding. Bharat Star Services Private Limited (BSSPL) is providing ITP services at Delhi Airport since 2010 as per the Concession awarded by Delhi International Airport Limited (DIAL) for 10 years. Since 2010, BSSPL manages the ITP operations at Delhi Airport, through its 100% subsidiary company namely Bharat Stars Services (Delhi) Private Limited (BSSDPL, Delhi).
- 1.2.** Further, BSSPL has bid for and won the right to operate the ITP Services at the Indira Gandhi International Airport (IGIA), Delhi. Accordingly, a concession agreement (tripartite agreement) has been executed between Delhi International Airport Limited and Bharat Star services Pvt. limited (Selected bidder), and Bharat Star Services Delhi Pvt. Limited (concessionaire) executed on 5<sup>th</sup> August 2021, effective date 1<sup>st</sup> April 2021, for finance, design, develop, Construct, operate, manage, maintain Into- Plane Infrastructure and provide Into-Plane Services for a period of 15 years ending on 31st March 2036.
- 1.3.** The Authority vide Order No. 06/2017-18 dated 12.06.2017 allowed existing tariff as applicable as on 31.03.2016 for the first tariff year (2016-17) of the Second Control Period. For the second tariff year (2017-18), the Authority also decided to allow 5% increase on previous tariff. The Authority, further vide interim Order No 43/2017-18 dated 28.03.2018 allowed to continue the levy of tariffs existing as on 31.03.2018 for a further period of six months w.e.f. 01.04.2018, or, till the determination of tariffs for the Second Control Period, whichever is earlier.
- 1.4.** M/s BSSPL, Delhi vide letter dated 19.03.2018 submitted the Annual Tariff Proposals (ATPs) for FY 2018-19 to FY2020-21, seeking an increase of 5% year on year. In this regard, the Authority issued the Consultation Paper 10/2018-19 dated 01.08.2018 and proposed an increase of 5% for Tariff year 4 (FY 2019-20). During the consultation process, the key stakeholders (Oil companies) have asked for the same rate for both the service providers wherein BSSPL also agreed to charge the same tariff as determined in case of its competitor M/ s IOSPL vide Order no.19/2018-19 dated 14.09.2018. Hence, the Authority vide Order No. 20/2018-19 dated 27.09.2018 decided to continue the levy of same tariffs existing as on 31.03.2018 for FY 2018-19, FY2019-20 and FY 2020-21, upto 31.07.2020 during the Second Control Period.
- 1.5.** The Authority, further, vide Order No 19/2020-21 dated 01.07.2020 allowed the continuation of levy of tariffs existing as on 31.07.2020 for a further period of eight months w.e.f. 01.08.2020 to 31.03.2021. Subsequently, the Authority vide Order No.67/2020-21 dated 25.03.2021 extended the same tariff up to 30.09.2021 or till the determination of tariff for Third Control Period, whichever is earlier. The Authority vide order No. 18/2021-22 dated 15.09.2021 extended the tariff applicable as on 30th September, 2021 up to 31st March 2022 or till the determination of tariff for Third Control Period, whichever is earlier.
- 1.6.** BSSDPL, Delhi submitted MYTP dated 18th November 2021 seeking revision of tariffs for providing ITP services at IGIA, Delhi for the Third Control Period (from 1st April 2021 to 31st March 2026) under “Light Touch” approach for the Authority’s consideration and approval.

However, the Authority based on the examination of various building blocks, asked the BSSDPL, Delhi to submit the proposal under Price Cap, in response, BSSDPL, Delhi has submitted the financial model under Price Cap Approach vide email dated 23.12.2021 and further submitted the revised financial model vide email dated 25.1.2022. BSSDPL sought 117.31 % increase in tariff for FY 2022-23 over the existing tariff rates and thereafter proposes an increase of 5% (YoY ) for the remaining years of Third Control Period.

**1.7.** BSSDPL, Delhi further submitted the following documents:

- Audited annual accounts for FY 2016-17 to FY 2020-21 for its standalone operations,
- Annual Compliance Statement (ACS) for FY 2016-17 to FY 2020-21,
- Minutes of the Virtual stakeholders meeting held on 8th December, 2021,
- Information/ clarification on assets wise and year wise capital expenditure, copy of User Agreements for Delhi ITP Service etc. vide various emails during the period from 10<sup>th</sup> December 2021 to 25<sup>th</sup> January 2022.

**1.8.** Technical details of BSSDPL, Delhi operations are provided as below:

**Table 1: Technical Details of BSSDPL, Delhi**

<b>Technical Details (existing) of BSSDPL, Delhi</b>		
<b>S. no.</b>	<b>Particulars</b>	<b>Details</b>
<b>1.</b>	<b>Dispensers</b>	14 Nos.
<b>2.</b>	<b>Refuellers</b>	03 Nos.

**1.9.** As per Concession Agreement, 7% of the Gross Revenues is payable by Concessionaire to DIAL for the aggregate volume of ATF at Airport upto 3 million kilo litre per annum. Once the overall volume of ATF at the Airport exceeds 3 million kilo litre, the Revenue Share Percentage as payable to the DIAL shall be 9% of the Gross Revenues.

The Authority based on Order No. 01/2018-19 dated 5<sup>th</sup> April 2018 on capping the amount of Royalty / license Fee / Revenue Share payable to Airport Operator as a “pass through” expenditure for the Independent Service Providers providing Cargo, Ground handling, Supply of Fuel to Aircrafts at Major Airports, proposes the Airport Operator fees @5% of the aeronautical revenue.

**1.10.** BSSDPL has conducted Virtual AUCC meeting with the Users / Stakeholders on 8<sup>th</sup> December, 2021 regarding proposed Tariff Revision in respect of Into Plane Services being provided by the ISP at IGI Airport Delhi for the Third Control Period. Invitation for the virtual meeting was sent to 06 (Six) stakeholders/organizations including 01 (One) airline, however, out of 06 (Six) invitees, the representatives from HPCL and only 01 airline namely Spicejet attended the meeting. As per the ‘Minutes’ of the AUCC meeting dated 8th December, 2021, Spicejet Airline raised certain issues relating to the OPEX projected for the Third Control Period. Copy of the ‘Minutes’ is placed at Annexure II.

**1.11.** The Authority has relied upon various documents as submitted by BSSDPL, Delhi for determination of tariff and prepared the Consultation Paper for the Third Control Period.

- 1.12.** The Authority has reviewed the submissions made by BSSDPL, Delhi with respect to various building blocks. The ensuing chapters in this Consultation Paper present the Authority's review of the MYTP submitted by BSSDPL, Delhi. The Authority's positions on various building blocks are based on the submission made by BSSDPL, Delhi including their inputs on the queries raised by the Authority and AERA's guidelines in this regard.
- 1.13.** The final chapter summarizes Authority's proposals regarding each of the building blocks. The Authority invites views of the stakeholders regarding proposals put forward for tariff determination for the Third Control Period in the consultation paper.

## **CHAPTER 2. PRINCIPLES FOR DETERMINATION OF AERONAUTICAL TARIFF.**

2.1 According to Section 2(a) of AERA Act, 2008 "aeronautical service" means any service provided-

- (i) for navigation, surveillance and supportive communication thereto for air traffic management;
- (ii) for the landing, housing or parking of an aircraft or any other ground facility offered in connection with aircraft operations at an airport;
- (iii) for ground safety services at an airport;
- (iv) for ground handling services relating to aircraft, passengers and cargo at an airport;
- (v) for the cargo facility at an airport;
- (vi) for supplying fuel to the aircraft at an airport; and**
- (vii) for a stake-holder at an airport, for which the charges, in the opinion of the Central Government for the reasons to be recorded in writing, may be determined by the Authority.

2.2 The Authority vide its Order No. 12/2010-11 dated January 10, 2011 and Direction No. 4/2010-11 dated February 28, 2011 ("CGF Guidelines"), had issued guidelines under Section 15 of the AERA Act, 2008 and the amendments issued from time to time, to determine tariffs for ISP's providing aeronautical services at 'Major Airports' based on set procedures for determination of Aggregate Revenue Requirement (AAR) for regulated service(s) deemed 'Materiality Assessment', 'Competition Assessment' and 'User agreement(s) between the Service Provider(s) and User(s) of the Regulated Service(s)'. As stipulated in Clause 3 of the guidelines, the Authority shall follow a three-stage process for determining its approach to the regulation of regulated service.

### **2.2.1 Stage-I: Materiality Assessment:**

The Authority has calculated the Materiality Index (MI<sub>F</sub>) based on FY 2019-20 (FY 2020-21 being a covid-19 pandemic year):

The Materiality Index (MI<sub>F</sub>) of Fuel Throughput at Delhi airport is as under:

$$= \frac{\text{Fuel Throughput in Kiloliters at Delhi Airport}}{\text{Total Fuel Throughput in Kiloliters at all Major Airports}} \times 100$$

$$\text{Fuel Throughput at Delhi Airport} = \frac{2617412}{8697575} \times 100 = 30.09\%$$

Materiality index (based on the Fuel Throughput at Indira Gandhi International Airport, Delhi in comparison to Fuel Throughput at other major airports) is 30.09% in FY 2019-20 which is more than 5% Materiality index fixed for assessing the materiality of the subject regulated service as per clause 4(2)(ii) of "Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Services Provided for Cargo, Ground Handling and Supply of Fuel to the Aircraft) Guidelines 2011". Hence, the regulated service is deemed as 'Material' for the Third Control Period.

### **2.2.2 Stage-II: Competition Assessment:**

As per BSSDPL, Delhi submissions, there is another ITP service provider i.e. IOSDPL

providing ITP services at Indira Gandhi International Airport, Delhi. Hence, as per the ISP, ITP service should be deemed as “Competitive” at Delhi Airport.

**2.2.3 Stage-III: Reasonableness of User Agreement:**

BSSDPL, Delhi has submitted User Agreement with Bharat Petroleum Corporation Limited (BPCL), Hindustan Petroleum Corporation Limited (HPCL), Reliance Industries Limited (RIL). Further, BSSDPL, Delhi via email dated 29.12.2021 has submitted that existing agreements with BPCL and HPCL have expired on 30.09.2021, the renewal of the same is under process. BSSDPL, Delhi has not submitted any user agreement with the Airlines.

- 2.3 The Authority has also drawn inference from the Consultation Paper No 06&08/2019-20 dated 13.09.2019 and 19.09.2019, regarding ITP services providing by IOSPL & BSSPL at KIA International Airport (BIAL) stated and shall be read as:

*“The Service providers BSSPL & IOSPL are promoted by two Oil Marketing Companies viz. BPCL and IOCL respectively, and, both the companies mainly cater to their own clients, hence, in real terms, there is no competition as ITP Service providers. However, the Authority, vide its Order No. 01/2017-18 dated 17.04.2017 has already decided to determine the tariff under 'light touch approach' for the 2nd Control Period. Therefore, the Authority, has decided to determine the tariff of the remaining period of the 2 Control Periods under 'light touch approach'. Notwithstanding the above, the Authority's considered view is that since there is no competition in real term between the two ISP's, hence, from Third Control Period, the Authority should be inclined to determine the tariff of Into Plane (ITP) service provider under 'price cap approach.’”*

- 2.4 The Authority notes that the BSSPL, parent company of BSSDPL, Delhi has been promoted by (Oil Marketing Company) i.e. BPCL and caters to its own clients mainly its promoters, hence, in real terms, there is no competition as ITP Service providers. Further, based on reasoning given in Para 2.3 above, the Authority is of the view that the tariff of BSSDPL, Delhi for the Third Control Period is to be determined under "Price Cap Approach".
- 2.5 The Authority also reviewed the MYTP submission on “competition assessment” and “reasonableness of user agreement” and observes that, BSSDPL, Delhi is providing ITP services to the Airlines on behalf of the Oil Marketing Company without any user agreement with the airlines. Both the ITP service providers i.e. BSSDPL, Delhi and IOSDPL at Indira Gandhi International Airport (IGIA), Delhi primarily caters the clients of BPCL and IOCL respectively as principal service providers, only a small portion of BSSDPL business around 19% is generated from other clients such as HPCL and RIL. Hence, it signifies that there is no competition in real terms.
- 2.6 The Authority also examined the Annual Compliance Statement (ACS) submitted by BSSDPL, Delhi for the Second Control Period (FY 2016-17 to FY 2020-21). It is observed that during this period BSSDPL, Delhi had projected CAPEX of Rs.1207.78 lakhs. However, against the said projections, BSSDPL, Delhi has actually incurred CAPEX (capitalization) of Rs.758.10 lakhs. The Authority also observed that BSSDPL, Delhi had submitted a very optimistic business plan for the Second Control Period by projecting high CAPEX, however, on comparing with the actuals, it is seen that the target capitalization has not been achieved within the approved

timelines and higher costs/returns claimed in the previous period have been underutilized resulting in inefficiency, causing undue burden on the end users.

2.7 The Authority also notes that BSSDPL, Delhi is not carrying out any non-aeronautical activity apart from the regulated ITP service at IGI, Delhi. Further, BSSDPL, Delhi has submitted that income from Business Support Services shown in the audited balance sheet of FY 2019-20 is the recovery of manpower charges towards sharing manpower with the parent company (BSSPL) at Terminal 1 of Delhi Airport based on work requirements. The same has been discontinued from FY 2020-21 and is not expected in future as well. Further, as per the User agreements, BSSDPL, Delhi is entrusted to carry out only the regulated service. Also, BSSDPL, Delhi has not projected any other source of revenue in their submission. Therefore, the Authority decided to adopt Price Cap Approach under ‘Single Till’ methodology which will be more appropriate and reasonable for tariff determination of BSSDPL, Delhi for providing ITP service for the Third Control Period.

2.8 Hence, the Aggregate Revenue Requirement (ARR) under the regulatory framework of the Authority is as under:

$$ARR = \sum_{t=1}^5 ARR_t$$
$$ARR_t = (FRoR \times RAB_t) + D_t + O_t + T_t - NAR_t$$

Where,

t is the tariff year in the Control Period, ranging from 1 to 5

ARR<sub>t</sub> is the Aggregate Revenue Requirement for tariff year ‘t’

FRoR is the Fair Rate of Return for the Control Period

RAB<sub>t</sub> is the Aeronautical Regulatory Asset Base for tariff year ‘t’

D<sub>t</sub> is the Depreciation corresponding to the Regulatory Asset Base for tariff year ‘t’

O<sub>t</sub> is the Aeronautical Operation and Maintenance expenditure for the tariff year ‘t’

T<sub>t</sub> is the Aeronautical taxation expense for the tariff year ‘t’

NAR<sub>t</sub> is the Non-Aeronautical Revenue in tariff year ‘t’.

2.9 The detailed submissions made by BSSDPL, Delhi in respect of the Regulatory Building Blocks has been discussed in the subsequent sections of this Consultation Paper.

2.10 **Authority’s Proposal regarding principle for Determination of Aeronautical Tariff for Third Control Period:**

Based on the material before it and based on its analysis, the Authority proposes the following regarding Methodology for Tariff determination for BSSDPL, Delhi for the Third Control Period:

2.10.1 To adopt “Price Cap Approach” on ‘Single Till’ basis for Tariff determination for BSSDPL, Delhi providing ITP services at Indira Gandhi International Airport, Delhi for the Third Control Period.

### **CHAPTER 3. FUEL THROUGHPUT FORECAST.**

#### **3. BSSDPL, Delhi submission on Fuel Throughput for the Third Control Period as part of MYTP.**

3.1 BSSDPL, Delhi has projected Fuel Throughput (Volume) in its MYTP submission for Third Control Period (FY 2021-22 to 2025-26) as given below:

**Table 2: Projection of Fuel Throughput as submitted by BSSDPL, Delhi for the Third Control Period.**

Year	Volume ( in KL)			As % of FY 2019-20's Volume		
	International Flights	Domestic Flights	Total	International Flights	Domestic Flights	Total
<b>2019-20 (Actual)</b>	484759	65782	550541	---	---	---
<b>2020-21 (Actual)</b>	178461	79292	257753	37%	121%	47%
<b>2021-22</b>	177698	112302	290000	37%	171%	53%
<b>2022-23</b>	284150	114600	398750	59%	174%	72%
<b>2023-24</b>	401060	141900	542960	83%	216%	99%
<b>2024-25</b>	421113	148995	570108	87%	226%	104%
<b>2025-26</b>	442169	156445	598614	91%	238%	109%
<b>5 yr Total</b>	1726190	674242	2400432			
<b>CAGR 5 year's</b>	26%	9%	20%			

3.2 BSSDPL, Delhi has submitted the Fuel Throughput (Volume) projections based on the following assumptions:

3.2.1 Estimated the Fuel Throughput for the next 5 years based on internal study/assessment for the Third Control Period and expect to operate at a market share of 20% for FY 2021-22 in DIAL and 22% thereafter.

3.2.2 The increase in fuel volume anticipated, is due to new airlines contracts agreed with KLM, Air France, Air Canada, etc. Certain Airlines are not operating as of now (e.g., Hong Kong Airlines, Air China, China Southern Airlines, Kam Air etc.). These airlines will resume operations eventually. However, BSSDPL has not provided new contracts to the Authority.

3.3 BSSDPL, Delhi has submitted that their volume has dropped to 21% of total Airport volume in the year 2020-21 as compared to 28% in 2016-17, due to loss of business from various airlines including Air Asia, Vistara, Emirates etc. The historical data of Fuel Throughput (Volume) for the FY 2016-17 to FY 2020-21 as given below:

**Table 3: Historical Fuel Throughput volume of BSSDPL, Delhi.**

Year	(KL)			% Change over previous Year		
	International	Domestic	Total	International	Domestic	Total
2016-17	401456	106879	508334	--	--	--
2017-18	452970	100142	553111	13%	-6%	9%
2018-19	480196	130361	610557	6%	30%	10%
2019-20	484759	65782	550541	1%	-50%	-10%
2020-21	178462	79292	257753	-63%	21%	-53%
<b>CAGR (First 4 Years)</b>	6%	-15%	3%			
<b>CAGR (5 Years)</b>	-18%	-7%	-16%			

**Authority's Examination and Analysis:**

3.4 The Authority notes that the historical data of actual Fuel Throughput volume of BSSDPL, Delhi, for the period from FY 2016-17 to FY 2019-20 (4 years CAGR) shows nominal increase of 3% in total Fuel Throughput volumes, mainly due to low domestic traffic in FY 2019-20. The Authority sought clarification regarding dip in traffic, in response, BSSDPL, Delhi has submitted that the domestic traffic in the FY 2019-20 was very low due to complete transition of Vistara business to IOCL and also Jet Airways stopped their operations resulting in decreased domestic sales as compared to previous year (FY 2018-19).

The Authority further notes that the CAGR of 5 years (the pandemic year i.e. FY 2020-21) of total Fuel Throughput of BSSDPL, Delhi is (-) 16% showing a decrease in the Fuel Throughput volumes during the Second Control Period (refer Table 3 above).

3.5 The Authority notes that BSSDPL's assumptions are based on a combination of factors (refer para 3.2). BSSDPL, Delhi has projected CAGR of 20% in Fuel volumes during the Third Control Period.

3.6 The Authority has determined tariff in respect of some of the Major Airports & ISPs recently. During the tariff determination process, the Authority has considered the adverse impact of the COVID 19 pandemic and has made its own assessment of the pattern of traffic resurgence in the next 5-year period. While doing so, the Authority has considered the opinions/forecasts of the experts in the aviation field such as CAPA, ACI and IATA.

3.7 BSSDPL has submitted the Actual Fuel Throughput handled during the period April to Dec 21 which is as under:

**Table 4: Actual Fuel Throughput handled by BSSDPL, Delhi during the period April to Dec 2021**

Period	Fuel Throughput (Volume in KL)			As % of FY 2019-20's Volume		
	International	Domestic	Total	International	Domestic	Total
April to Dec 2021	71,171	1,63,564	2,34,735	14.68%	248.65%	42.64%

3.8 The Authority, after assessing the Domestic Fuel Throughput projection submitted by BSSDPL for the Third Control Period and actual achieved by BSSDPL during the period April to Dec 2021 observes that BSSDPL has a taken pessimistic view for the projection of Domestic Fuel Throughput for the Third Control Period as it has achieved much higher Domestic Fuel Throughput volumes during the period April to Dec 2021 in comparison to their projection for the same period. Hence, the Authority proposes to estimate the Domestic Fuel Throughput volumes for FY 2021-22 by extrapolating the actual Domestic Fuel Throughput volume for the period April to Dec 2021. The Authority also proposes year on year growth rate of 12% for FY 2022-23 and FY 2023-24 and thereafter proposes year on year growth rate of 5% for the remaining two years of Third Control Period for Domestic Fuel Throughput.

3.9 The Authority, after assessing the International Fuel Throughput projection submitted by BSSDPL for the Third Control Period and actual achieved by BSSDPL during the period April to Dec 2021 observes that BSSDPL has a taken optimistic view for the projection of International Fuel Throughput for the Third Control Period as it has achieved much lower International Fuel Throughput volumes during the period April to Dec 2021 in comparison to their projection for the same period. Hence, the Authority proposes to estimate the International Fuel Throughput volumes for FY 2021-22 by extrapolating the actual International Fuel Throughput volume for the period April to Dec 2021.

The Authority, based on the views of industry bodies and aviation experts such as IATA, ACI etc. regarding the recovery of traffic, believes that there will be substantial delay in recovery of the aviation sector to pre COYID-19 level (i.e. equal to traffic level of FY 2019-20) particularly International traffic. Accordingly, the Authority made the suitable adjustment in the projection of International Fuel Throughput volume based on the actual Fuel Throughput of FY 2019-20 as base year excluding the pandemic year i.e. FY 2020-21 is as given below:

**Table 5: International Fuel Throughput (Volume) proposed by the Authority for BSSDPL, Delhi for Third Control Period.**

Financial Year	International Fuel Throughput (As % of FY 2019-20's Volume)	International Fuel Throughput (Volume in KL)
2019-20	Actual	484759
2021-22	Based on Extrapolating the Actuals of 9 months (April to Dec 21)	94895
2022-23	35%	169666
2023-24	65%	315093
2024-25	100%	484759
2025-26	105%	508997

3.10 The Authority, based on the analysis at para 3.8 and 3.9 proposes the following projections of Fuel Throughput volumes for the ITP services of BSSDPL, Delhi for Third Control Period as given below:

**Table 6: Fuel Throughput (Volume) proposed by the Authority for the Third Control Period.**

Particulars	Fuel Throughput (volume in KL)			As % of FY 2019-20's Volume		
	International	Domestic	Total	International	Domestic	Total
<b>2019-20 (Actual)</b>	484759	65782	550541	----	----	----
<b>2020-21 (Actual)</b>	178461	79292	257753	37%	121%	47%
<b>2021-22</b>	94895	218085	312980	20%	332%	57%
<b>2022-23</b>	169666	244256	413921	35%	371%	75%
<b>2023-24</b>	315093	273566	588660	65%	416%	107%
<b>2024-25</b>	484759	287245	772004	100%	437%	140%
<b>2025-26</b>	508997	301607	810604	105%	458%	147%
<b>5 year's Total</b>	1573410	1324758	2898168	----	----	----
<b>7 year's Total</b>	2236630	1469832	3706462	----	----	----
<b>CAGR 5 Year's</b>	<b>52%</b>	<b>8%</b>	<b>27%</b>	----	----	----

**3.11 Authority's proposal regarding Fuel Throughput for the Third Control Period.**

Based on the material before it and its analysis, the Authority proposes the following regarding Fuel Throughput for the Third Control Period:

3.11.1 To consider the Fuel Throughput volume for the Third Control Period as per Table 6.

3.11.2 To True-up the Fuel Throughput volume based on actual numbers for the Third Control Period at the time of determination of tariff for the next Control Period.

## CHAPTER 4. CAPITAL EXPENDITURE

### 4. **BSSDPL, Delhi's submission on Capital Expenditure for the Third Control Period as part of MYTP.**

- 4.1 As per clause 9.2 of the CGF Guidelines, dated 10<sup>th</sup> January, 2011 RAB assets shall be all fixed assets proposed by the Service Provider(s), after providing for such exclusions therefrom or inclusions therein as may be determined by the Authority.

#### **BSSDPL, Delhi's submission – Capital Expenditure (CAPEX)**

- 4.2 BSSDPL, Delhi has projected Capital Expenditure of Rs. 1788.94 lakhs for the Third Control Period. The Assets-wise CAPEX submitted by BSSDPL, Delhi for the Third Control Period is given below:

**Table 7: Asset wise details of CAPEX projected by BSSDPL, Delhi for the Third Control Period.**

S. no.	Particulars	Capital Expenditure (In Rs. Lakhs)					Total
		2021-22	2022-23	2023-24	2024-25	2025-26	
1	<b>Plant &amp; Machinery</b>						
1.a	Dispensers	226.00	121.80	246.96	259.31	-	854.07
1.b	Refuellers	171.00	101.85	106.94	-	-	379.79
1.c	Aviation Module Parts	-	21.00	22.05	-	-	43.05
2.	<b>Vehicles</b>	-	-	22.05	-	12.16	34.21
3.	<b>Office equipment</b>	2.00	2.10	2.21	2.32	4.86	13.48
4.	<b>Automation Hardware</b>	-	50.47	18.57	19.12	-	88.16
5.	<b>Furniture &amp; Fittings</b>	-	15.75	-	-	6.08	21.83
6	<b>Computer &amp; Software</b>	-	2.63	2.76	2.89	6.08	14.35
7	<b>Building- ITP Depot</b>	-	315.00	-	-	-	315.00
8	<b>Pre Award Cost</b>	25.00	-	-	-	-	25.00
	<b>TOTAL CAPEX</b>	<b>424.00</b>	<b>630.60</b>	<b>421.53</b>	<b>283.64</b>	<b>29.17</b>	<b>1,788.94</b>

- 4.3 BSSDPL, Delhi has submitted year wise number and unit cost in respect of projected CAPEX as given below:

**Table 8: CAPEX (year wise number and unit cost) as projected by BSSDPL, Delhi for the Third Control Period.**

Capex Requirement (Nos)		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
<b>1. Plant &amp; Machinery</b>						
<b>A. Dispenser</b>	Rate (Rs.)					
New	1,00,00,000			2	2	
Refurbishment with FWS	30,00,000	5	2			
FWS Fitment	16,00,000	1	2			
Chassis	12,00,000	5	2	2	2	
<b>B. Refueller</b>						
New	75,00,000		1	1		
Refurbishment with FWS	35,00,000	3				
Chassis	22,00,000	3	1	1		
<b>C. Aviation Module Parts</b>						
Inlet Couplers	400,000		2	2		
Delivery Couplings	200,000		6	6		
<b>2. Jeeps &amp; Vehicles</b>	10,00,000			2		1
<b>3. Office Equipment</b>	2,00,000	1	1	1	1	2
<b>4. Automation Hardware</b>	3,50,000		14	5	5	
<b>5. Furniture &amp; Fixtures</b>	5,00,000		3			1
<b>6. Computer &amp; Software</b>	50,000		5	5	5	10
<b>7. Buildings -ITP Depot</b>	3,00,00,000		1			

*BSSDPL, Delhi Projections are based on inflationary increase /tech. advancement in cost @ 5% y-o-y. (Automation hardware 3% y-o-y)*

4.4 As per the Annual Compliance Statement (ACS) submitted by BSSDPL, Delhi, the year-wise details of actual Capital Expenditure for the period FY 2016-17 to FY 2020-21 is given below:

**Table 9: Actual/Projected Capital Expenditure as per BSSDPL, Delhi for FY 2016-17 to 2020-21.**

Particulars	Amount (Rs. in Lakhs)					
	2016-17	2017-18	2018-19	2019-20	2020-21	Total
<b>Projected CAPEX (A)</b>	106.07	170.43	127.59	500.00	303.69	1207.78
<b>Actual Capex (B)</b>	15.40	14.43	41.74	121.61	564.92	758.10
<b>Difference (B)-(A)</b>	-90.67	-156.00	-85.84	-378.39	261.23	-449.68

**Authority's Examination and Analysis:**

4.5 The Authority has examined the ACS regarding the capex proposed vis-a-vis the actual capex incurred during the Second Control Period and notes that BSSDPL has not executed the approved capital expenditure in the relevant control period which is against the interests of the airport users. Upon enquiry, regarding non-achieving of Capex planned for Second Control Period, BSSDPL Delhi submitted that during the said period particularly in FY19-20, Rs.500 lakh had been shown as proposed Capex mistakenly.

4.6 The Authority, based on the information and Concession Agreement submitted by BSSDPL, Delhi, examined the requirement of capital expenditure on each component i.e. Hydrant

Dispensers, Refuellers, ITP Depot etc. and its rationale, proposed capital expenditure in detailed manner as discussed in the subsequent para's. The Authority also examined the life profile of vehicles to be refurbished, cost of refurbishment of each vehicle, requirement of new vehicles in the background of RTO regulation etc.

- 4.7 The Authority notes that BSSDPL has projected to purchase (04) four dispensers, (02) two refuellers and also refurbishment of existing (07) seven dispensers & (03) three refuellers (incl. one (01) to be transferred from Bangalore) at a cost of Rs 1233.86 lakhs including Chassis and FWS during the Third Control Period.
- 4.8 The Authority notes that BSSDPL, Delhi has submitted following schedule for purchase of 04 Dispensers and 02 Refuellers:
- Two Hydrant Dispensers in FY 2023-24.
  - Two Hydrant Dispensers in FY 2024-25.
  - One Refueller in FY 2022-23.
  - One Refueller in FY 2023-24.
- 4.9 The Authority sought clarification regarding the requirement of proposed new Dispensers & Refuellers. In response BSSDPL, Delhi has submitted that in view of the terms and conditions of Concession agreement, the company must cater 60% of the peak ITP Services and accordingly the ISP should maintain required number of equipment. Further, BSSDPL, Delhi vide email dated 24.01.2022 submitted that there are significantly higher nos. of non-hydrant bays for aircraft at T2 and T3 unlike at other Major Airports. DIAL has converted many apron areas in to parking bays for aircraft and ITP companies have to go there for refuelling through refuellers. Presently, BSSDPL is catering almost 100% of non-scheduled flights of Reliance and majority non-schedule flights of HPCL and BPCL. Also, most of the non-scheduled flight refuelling are done at apron located at remote place which is a time-consuming exercise.
- 4.10 The Authority also notes that as per the schedule-VIII of Concession Agreement, BSSDPL, Delhi does not require purchasing of new Hydrant Dispensers, as it already has 14 dispensers. However, in accordance with Concession agreement, BSSDPL may require to purchase two Refuellers, after considering existing 3 nos. Refuellers & transfer-in of 1 no. of Refeuller from Bangalore, for the Third Control Period. However, considering the low traffic volumes due to pandemic impact, the Authority proposes to consider the purchase of one new Refueller in FY 2025-26, however, no purchase of Hydrant Dispenser is considered during the Third Control Period.
- 4.11 The Authority notes that BSSDPL has also projected the refurbishment of existing dispensers and refuellers in the following manner:
- Five Hydrant Dispensers will be refurbished in FY 2021-22.
  - Two Hydrant Dispensers will be refurbished in FY 2022-23.
  - Three Refuellers will be refurbished in FY 2021-22. (incl. one to be transferred from Bangalore).

After having examined the above requirement, the Authority sought clarification from BSSDPL, Delhi. In response, M/s BSSDPL, Delhi vide email dated 17.12.2021 submitted that as per Delhi RTO guidelines, vehicles completing 10 years of life cannot continue to operate in the State. Therefore, in compliance to the RTO Guidelines, 05 Dispensers and 2 Refuellers (out of existing

3) have been refurbished in FY 2021-22 and 01 (lying at Bangalore unit) shall be refurbished and will be transferred to Delhi by the end of FY 2021-22. Hence, the total Refuellers will increase from 3 to 4 in FY 2021-22.

4.12 The Authority notes the age profile of vehicles (Dispensers & Refueller) proposed by BSSDPL for refurbishment and observed that out of the (07) seven Dispensers, (04) four Hydrant Dispensers were purchased in FY 2010-11, 01(one) Hydrant Dispensers in FY 2011-12 and (02) two in FY 2012-13. The Authority also notes that out of (03) three Refuellers, (02) two refuellers were purchased in FY 2011-12 and (01) one refueller (Refueller arriving from Bangalore) purchased in FY 2009-10.

The Authority also observed that as per schedule-VIII of Concession Agreement, BSSDPL, Delhi shall require 3 refueller (total) in FY 2021-22. Hence, the Authority proposes to consider refurbishing of hydrant dispensers & refuellers in a phased manner to meet the current & future operational requirement and proposes to consider refurbishment of all the 07 (seven) Dispensers as proposed by BSSDPL. The Authority, further proposes to consider refurbishment of 2 Refuellers in FY 2021-22 and to shift the refurbishment of (01) one Refueller from FY 2021-22 to FY 2022-23.

4.13 The Authority, after comparing the projected unit price with the cost of refurbishment of Dispenser/ Refuellers and Chassis purchased in FY 2021-22 (as submitted by BSSDPL vide email dated 06.01.2022), notes that the unit cost of these items has been considered on higher side by BSSDPL, Delhi. Hence, the Authority proposes to consider the average unit cost based on the purchases made in FY 2021-22 for Chassis and refurbishment of Dispenser, Refuellers.

4.14 The Authority observes that BSSDPL, Delhi projected Rs. 49.60 lakhs for the implementation of Filter Water Separator (FWS). The Authority further notes that as per the Joint Inspection Group (JIG) guidelines, the service provider is under obligation to install Dirt Defense Filters (DDF) in all the Hydrant Dispensers & Refuellers to meet the safety standards at the airport and fueling of aircrafts. Therefore, the Authority proposes to consider Rs. 49.57 lakhs for installation of FWS considering inflationary increase in cost @ 4.9% y-o-y during the Third Control Period.

4.15 The year wise capital expenditure on dispensers and refuellers proposed by the Authority (in number as well as in Amount) for Third Control Period is given below:

**Table 10 Capital expenditure on Dispensers and Refuellers proposed by the Authority for BSSDPL, Delhi for the Third Control Period.**

Particulars		2021-22	2022-23	2023-24	2024-25	2025-26	Total
<b>Plant &amp; Machinery</b>		<b>In No.</b>					
<b>A. Dispenser</b>	<b>Rate (Rs.)</b>						
New	-----						
Refurbishment with FWS	27,00,000	5	2				7
FWS Fitment	16,00,000	1	2				3
Chassis	10,00,000	5	2				7
<b>B. Refueller</b>							
New	75,00,000					1	1
Refurbishment with FWS	30,00,000	2	1				3

Chassis	22,00,000	2	1			1	4
Particulars	Amount (Rs. in Lakhs)						Total
		2021-22	2022-23	2023-24	2024-25	2025-26	
Plant & Machinery							
A. Dispenser							
New	-	-	-	-	-	-	-
Refurbishment with FWS	135.00	56.65	-	-	-	-	191.65
FWS Fitment	16.00	33.57	-	-	-	-	49.57
Chassis	50.00	20.98	-	-	-	-	70.98
B. Refueller							-
New	-	-	-	-	-	90.82	90.82
Refurbishment with FWS	60.00	31.47	-	-	-	-	91.47
Chassis	44.00	23.08	-	-	-	26.64	93.72
Total (A+B)	305.00	165.74	-	-	-	117.46	588.20

The Authority proposes inflationary increase in cost @ 4.9% y-o-y.

M/s BSSDPL has also projected the capital expenditure to be incurred in other heads which is as under:

#### 4.16 Aviation Module Parts:

The Authority notes that BSSDPL, Delhi has also projected Rs. 43.05 lakhs to be incurred for replacement of inlet coupler & delivery couplings. The Authority sought clarification for the need and requirement of the proposed equipment. In response, BSSDPL, Delhi vide email dated 27.12.2021 clarified that the inlet coupler & delivery couplings are critical in nature to regulate the refueling pressure during fueling with hydrant dispensers and the current couplers & delivery couplings are 11 years old, therefore, proposed to replace the existing assets in a phased manner to ensure safe & smooth refueling operation at Delhi. The Authority proposes to consider Rs. 42.99 lakhs on account of inlet coupler & delivery couplings as proposed by BSSDPL, Delhi after considering inflationary increase in cost @ 4.9% y-o-y during the Third Control Period.

#### 4.17 Automation Hardware:

The Authority notes that BSSDPL, Delhi has also projected Rs. 88.16 lakhs on account of Automation Hardware. The Authority sought clarification regarding nature of Automation Hardware. In response, BSSDPL, Delhi has submitted that it has entered into an operational agreement with i6 systems Limited (UK) to implement the Electronic Data Interchange System to transmit the real time data to the Fuel Suppliers and the Airlines. The system consists of hardware like IP 68 Tablets, Thermal Printers, Bluetooth Device, etc. integrated from the Bulk Meter for real time data transmission. The agreement was entered into on 15<sup>th</sup> October 2020 for a period of 24 months.

The Authority notes that BSSDPL, Delhi has considered the capex cost of Rs. 3.50 Lakh including GST, Transportation and customs per vehicle with 3% escalation per annum. The Automation Capex as projected by BSSDPL, Delhi is given below:

**Table 11 Automation Hardware Capex proposed by BSSDPL, Delhi for the Third Control Period.**

Particulars	Amount (Rs. in Lakhs)					Total
	2021-22	2022-23	2023-24	2024-25	2025-26	
<b>Hardware Charges/Vehicle</b> <b>( Rs. 3.50 lakh per vehicle,</b> <b>3% y-o-y escalation.)</b>		3.61	3.71	3.82	3.94	
<b>No. of Vehicles</b>		14 (D)	5 (3RF,2D)	5 (3RF,2D)	-	
<b>Total</b>	<b>0.00</b>	<b>50.47</b>	<b>18.57</b>	<b>19.12</b>	<b>0.00</b>	<b>88.16</b>

Note: RF - Refueller and D - Dispenser

The Authority, based on the capex proposal for the Third Control Period, has recalculated the automation capex and proposes to consider Rs. 69.37 lakh for Automation Hardware as given below:

**Table 12 Automation Hardware Capex proposed by Authority for the Third Control Period.**

**Amount (Rs. in Lakhs)**

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
No. of Vehicles		14 (D)	3 (RF )	1( RF)	1(RF)	
<b>Total</b>	-	50.47	11.14	3.82	3.94	<b>69.37</b>

*Note: RF - Refueller and D - Dispenser*

4.18 **Computer and Software:** The Authority observes that BSSDPL, Delhi has also proposed to procure 25 (twenty five) nos. of computer during FY 2022-23 to FY 2025-26 with an expenditure of Rs. 14.35 lakhs. The Authority observes that the said projections seems to be very unrealistic and also no detailed document justifying the need of these computer systems were presented. Therefore, the Authority, in the absence of proper justification and documents, proposes to rationalize the requirement and limit such capex to the tune of 25% of the capex projected by BSSDPL and hence proposed Rs. 3.59 lakhs for computer and software for the Third Control Period.

4.19 **Jeeps :** The Authority further observes that BSSDPL, Delhi proposes 03 electrical jeeps to be purchased during the Third Control Period as under:

- 02 Jeeps in FY 2023-24.
- 01 Jeep in FY 2025-26.

The Authority sought clarification from BSSDPL, Delhi for the projection of procurement of 2 (Two) jeeps in FY 2023-24. The BSSDPL, Delhi vide email dated 27.12.2021 has submitted that considering the expansion plan of Delhi Airport wherein by the end of the FY 2022-23 the existing Terminal 1 (having its Fuel Supplier Static Facilities) may be converted to the business model similar to T3 with hydrant pipelines. Therefore, additional 02 Jeeps will be required. The Authority also notes the age profile of jeep and found that the jeep proposed to be replaced by BSSDPL in FY2025-26 was purchased in FY 2011-12. Considering the BSSDPL clarification, age profile of vehicle and low volume of Fuel Throughput due to pandemic the Authority proposes to consider 01(one) jeep each year for FY 2023-24 and FY 2025-26.

**4.20 ITP Depot:**

The Authority further notes that BSSDPL, Delhi has proposed Rs 315.00 Lakhs in FY 2022-23 for construction of ITP Depot. as the same is required to be constructed as per clause 2.6 of the concession agreement. As per the Concession Agreement, BSSDPL shall construct the ITP Depot in the land allotted by DIAL, the discussion for which are underway and the construction is likely in FY23-24 (as against earlier projection of FY 22-23). The cost breakup as provided by the BSSDPL, Delhi is given below:

**Table 13: Cost Breakup of ITP depot as provided by BSSDPL, Delhi.**

**Amount (Rs. in Lakhs)**

S.No.	Description	Cost
1	Building #01+First Floor +one no. staircase :50 MT+-5% (Super Structure)	50.00

2	Building Civil works till plinth level incl. foundation, footings & PCC floor base (Sub Structure)	20.00
3	External Boundary Wall fencing in GI chain link material & MS sliding gate 2 no.s + wicket gate, complete with fittings	7.00
4	Internal Road, Kerb Stone, landscaping & Pavers for external development	28.00
5	Electrical, Lighting & FA Installations	30.00
6	HVAC Installations	20.00
7	CCTV, Access Control & PA System	5.00
8	Plumbing Installations	18.00
9	Fire Fighting Installations	5.00
10	Civil & Interior Works (Super Structure) incl. partitions, false ceiling, flooring, painting, glass works, doors/windows, railings, paneling & modular furniture	116.00
11	Workshop Machinery, Office IT & Kitchen Equipments Cost are additional	As per actuals
	<b>Total</b>	<b>300.00</b>
12	Contingencies	+ 5-10%

The Authority also notes that other service provider has also projected the ITP Depot at a cost of Rs. 280 lakhs whereas BSSDPL, Delhi has submitted the costing of Rs. 300 lakhs. Accordingly, the Authority reworked the same considering contingency @ 3% in line with other Airport Operator/ISP and proposes to consider Rs.278.45 Lakhs for the construction of ITP Depot in FY 2023-24 for BSSDPL, Delhi after considering 4.9% for inflation.

#### 4.21 Furniture and Fixtures:

The Authority observes that BSSDPL, Delhi has projected Furniture and Fixtures at a cost of approx. Rs.15.75 lakh in FY 2022-23 and Rs. 6.08 lakhs in the FY 2025-26. BSSDPL has further submitted that various furniture and fittings would be required before commissioning of Depot. The Authority observes that no detailed document justifying the need of these furniture and fixtures were presented. Therefore, the Authority, in the absence of proper justification and documents, proposes to rationalize the requirement and to limit such capex to the tune of 25% of the capex projected by BSSDPL and hence proposed Rs. 5.46 lakhs for furniture and fixtures for the Third Control Period.

#### 4.22 Office Equipment:

The Authority observes that BSSDPL, Delhi has also projected office equipment of Rs. 13.48 lakhs during the Third Control Period. The Authority observes that no detailed document justifying the need of these office equipment were presented. Therefore, the Authority, in the absence of proper justification and documents, proposes to rationalize the requirement and to limit such capex to the tune of 25% of the capex projected by BSSDPL and hence proposed Rs. 3.37 lakhs for furniture and fixtures for the Third Control Period.

**4.23 Pre Award Cost:** The Authority observes that BSSDPL, Delhi has included a BID Award cost of Rs. 25 lakh as a Pre award cost in the RAB. The Authority notes that in the concession agreement, the selected bidder is required to pay the bid-award cost. The Authority also notes that there will be no capital addition for BSSDPL, Delhi with the bid award cost, and, hence the Authority proposes not to consider it as a part of RAB of BSSDPL, Delhi.

**4.24** Having examined the proposals and keeping in view the above facts, the Authority proposes

Capital Expenditure for BSSDPL, Delhi as additions to RAB for the Third Control Period is given below:

**Table 14: Capital Expenditure proposed by the Authority for BSSDPL, Delhi for the Third Control Period.**

Particulars	Capital Expenditure (In Rs. Lakhs)					Total
	2021-22	2022-23	2023-24	2024-25	2025-26	
<b>Dispensers (Refurbishment)</b>	201.00	111.19	-	-	-	312.19
<b>Refuellers (New+ Refurbishment)</b>	104.00	54.55	-	-	117.46	276.00
<b>Aviation Module Parts</b>	-	20.98	22.01	-	-	42.99
<b>Vehicles</b>	-	-	11.00	-	12.11	23.11
<b>Office Equipment</b>	0.50	0.53	0.55	0.58	1.22	3.37
<b>Automation Hardware</b>	0.00	50.47	11.14	3.82	3.94	69.37
<b>Furniture &amp; Fittings</b>	0.00	3.94	0.00	0.00	1.52	5.46
<b>Computer and software</b>	0.00	0.66	0.69	0.72	1.52	3.59
<b>Building-ITP Depot</b>	-	-	278.45	-	-	278.45
<b>Total CAPEX</b>	<b>305.50</b>	<b>242.31</b>	<b>323.84</b>	<b>5.13</b>	<b>137.76</b>	<b>1014.53</b>

4.25 Based on the above fact and analysis, the Authority is of the view that only necessary and efficient CAPEX to be incurred during the Third Control Period, so as to not burden the users considering the present dire situation arise from the catastrophic impact of COVID.

4.26 After examining the past trends of BSSDPL, Delhi regarding capital expenditure, the Authority observes that BSSDPL is having a tendency of not executing the approved capital expenditure in the relevant Control Period and carrying it forward to the future Control Periods which is against the interest of the end users.

The Authority, in order to ensure that M/s BSSDPL adheres to the Capital Expenditure plan, decides to reduce 1% of the non-capitalized CAPEX from the projected ARR/Target Revenue for the next Control Period during True Up, in case CAPEX targets are not achieved as per the Capitalization schedule.

**4.27 Authority's Proposal on Capital expenditure.**

Based on the material before it and based on its analysis, the Authority proposes the following regarding Capital Expenditure (CAPEX) for BSSDPL, Delhi for the Third Control Period:

4.27.1 To consider the capital expenditure for BSSDPL, Delhi for the Third Control Period in accordance with Table 14.

4.27.2 To reduce 1% of the non-capitalized CAPEX from the projected ARR/Target Revenue for the next Control Period during True Up, in case CAPEX targets are not achieved as per the Capitalization schedule.

4.27.3 To true up the Capital Expenditure based on actual at the time of tariff determination for next Control Period.

## CHAPTER 5. DEPRECIATION

### 5. BSSDPL, Delhi's submission on Depreciation for the Third Control Period as part of MYTP.

5.1 As per the BSSDPL Delhi's submission, the asset wise depreciation projected on the Regulatory Assets during the Third Control Period has been summarized as given below:

**Table 15: Depreciation (Asset-wise) projected by BSSDPL, Delhi for the Third Control Period.**

Particulars	Amount (Rs. in Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Plant & Machinery	139.72	140.29	154.48	185.62	197.90	818.01
Jeep & vehicle	5.74	5.74	6.30	6.71	5.84	30.33
Furniture & Fixture	0.65	1.74	2.87	2.87	2.95	11.08
Office Equipment incl. of Automation Capex	2.12	7.52	13.32	17.38	19.87	60.21
Computer & Software	0.64	0.85	1.48	2.28	3.33	8.58
Buildings	0.00	5.25	10.50	10.50	10.50	36.75
Pre Award Cost	0.83	1.67	1.67	1.67	1.67	7.50
Total	149.70	163.05	190.62	227.03	242.06	972.45

#### **Authority's Examination and Analysis:**

- 5.2 The Authority notes that BSSDPL, Delhi has claimed depreciation on the Pre-award cost. However, as per para 4.23, the Authority proposes not to consider this cost as a part of capital addition to RAB. Hence, depreciation thereon is also not proposed to be considered.
- 5.3 The Authority compared the depreciation rates and useful life of assets applied by BSSDPL, Delhi, during the Third Control Period and those prescribed as per AERA Order No. 35/2017-18 as given below:

**Table 16: Comparison of Depreciation rates of BSSDPL, Delhi vis-a-vis AERA Order 35.**

Particulars	As Per BSSDPL, Delhi Submission			As Per AERA Order no. 35/2017-18	
	Useful Life (in Years)	Residual Value	SLM Rate	Useful Life (in Years)	SLM Rate
Refuellers and Dispensers – New	10	0%	10%	8	12.50%
Refuellers and Dispensers – Refurbished	10	0%	10%	8	12.50%
Aviation Module Parts	10	0%	10%	8	12.50%
Jeeps & Vehicles	8	0%	12.50%	8	12.50%
Office Equipment	5	0%	20%	5	20.00%
Furniture & Fixtures	7	0%	14.29%	7	14.29%
Computers	3	0%	33.33%	3	33.33%
ITP Depot	30	0%	3.33%	30/60	3.33%/1.67%
Automation Hardware	5	0%	20%	3	33.33%

- 5.4 The Authority observes that BSSDPL, Delhi has considered the useful life of 10 years in case of dispensers and refuellers whereas Order 35/2017-18 dated 12 January, 2018 prescribed the useful life of 8 years in case of heavy vehicles. The Authority sought clarification regarding the useful life of heavy vehicles. In response, BSSDPL, Delhi has submitted that as per the current RTO norms, any mobile equipment cannot be used beyond 10 years in Delhi. Keeping this in view, BSSDPL, Delhi has considered useful life of 10 years for dispensers, refuellers, chassis and aviation modules. The Authority considered the depreciation rate as proposed by BSSDPL, Delhi.
- 5.5 The Authority also observes that BSSDPL, Delhi has considered the depreciation of automation hardware under the head of office equipment. The Authority sought clarification. BSSDPL, Delhi vide email dated 27.12.2021 submitted that as per agreement with i6 systems limited, the hardware installation will work upto a period of 60 months. Hence, the Authority proposes to consider the depreciation on automation hardware as proposed by BSSDPL, Delhi.
- 5.6 In view of the above, the Authority proposes the depreciation for the Third Control Period as given below:

**Table 17: Depreciation on the CAPEX proposed by the Authority for BSSDPL, Delhi for the Third Control Period.**

Particulars	Amount (Rs. In Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
<b>Plant &amp; Machinery</b>	135.12	128.19	121.79	122.26	127.45	634.82
<b>Jeep &amp; vehicle</b>	5.74	5.74	5.61	5.33	4.46	26.87
<b>Furniture &amp; Fixture</b>	0.65	0.90	1.18	1.18	0.94	4.85
<b>Office Equipment</b>	1.97	2.01	0.59	0.54	0.58	5.70
<b>Automation Hardware</b>	0.00	5.05	11.21	12.70	13.48	42.44
<b>Computer &amp; Software</b>	0.64	0.52	0.48	0.57	0.83	3.04
<b>Buildings</b>	0.00	0.00	4.64	9.28	9.28	23.20
<b>Total</b>	<b>144.12</b>	<b>142.40</b>	<b>145.50</b>	<b>151.88</b>	<b>157.03</b>	<b>740.93</b>

**5.9 Authority's Proposal on Depreciation for Third Control Period.**

Based on the material before it and based on its analysis, the Authority proposes the following regarding depreciation for BSSDPL, Delhi for the Third Control Period:

- 5.9.1 To consider the depreciation on the assets of BSSDPL, Delhi for the Third Control Period as per Table 17.
- 5.9.2 To true up the depreciation based on actual at the time of tariff determination for next Control Period.

## **CHAPTER 6. REGULATORY ASSET BASE (RAB).**

### **6 BSSDPL, Delhi's submission on Regulatory Asset Base (RAB) for the Third Control Period as part of MYTP.**

- 6.1 As per clause 9.2 of the CGF Guidelines, dated 10<sup>th</sup> January, 2011, RAB assets shall be all fixed assets proposed by the Service Provider(s), after providing for such exclusions therefrom or inclusions therein as may be determined by the Authority.
- 6.2 The assets that substantially provide services not related to or not normally provided as part of Regulated Service(s) may be excluded from the scope of RAB by the Authority, in its discretion.
- 6.3 The projected Regulatory Asset Base (RAB) for the Third Control Period submitted by BSSDPL, Delhi, is given below:

**Table 18: Regulatory Asset Base (RAB) as projected by BSSDPL, Delhi for the Third Control Period.**

Particulars	Amount (Rs. in Lakhs)					Total
	2021-22	2022-23	2023-24	2024-25	2025-26	
Opening RAB (A)	753.26	1,074.10	1,666.26	1,883.70	1,913.15	
Addition (B)	424.00	630.60	421.53	283.64	29.17	1788.94
Disposals/Transfers (C )						
Depreciation (D)	149.70	163.05	190.62	227.03	242.06	972.46
Closing RAB (E) = (A)+(B)-(C)-(D)	1,027.55	1,495.10	1,726.01	1,782.63	1,569.74	
Average RAB (F)=(A+E)/2)	890.40	1,261.33	1,610.56	1,754.32	1,676.18	

- 6.4 The Regulatory Asset Base (RAB) for the Second Control Period submitted by BSSDPL, Delhi as given below:

**Table 19: Actual/Estimated RAB as per BSSDPL, Delhi submission for the Second Control Period.**

Particulars	Amount (Rs. in Lakhs)					Total
	2016-17	2017-18	2018-19	2019-20	2020-21	
Opening RAB (A)	605.53	578.75	550.42	431.42	386.44	
Addition (B)	15.4	14.43	41.74	121.61	564.92	758.10
Disposals/Transfers (C )	8.29					8.29
Depreciation (D)	41.2	42.76	160.74	166.59	198.11	609.40
Depreciation on deletion (E )	7.31					7.31
Closing RAB (F) = (A)+(B)-(C)-(D)+(E )	578.75	550.42	431.42	386.44	753.26	
Average RAB (G)=(A+F)/2)	592.14	564.58	490.92	408.93	569.85	

6.5 The historical Regulatory Asset Base (RAB) as per the ACS of BSSDPL, Delhi for the Second Control Period is as below:

**Table 20: Actual/Estimated RAB as per ACS for the Second Control Period of BSSDPL, Delhi.**

Particulars	Amount (Rs. in Lakhs)					
	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Opening RAB (A)	606.05	579.07	550.64	594.84	588.46	
Addition (B)	15.40	14.43	161.49	121.61	564.92	877.85
Disposals/Transfers (C)	1.07					1.07
Depreciation (D)	41.31	42.85	117.3	128	161.57	491.03
Closing RAB (E) = (A)+(B)-(C)-(D)	579.07	550.64	594.84	588.46	991.81	
Average RAB (F)=(A+E)/2	592.56	564.86	572.74	591.65	790.14	

**Authority's Examination and Analysis:**

6.6 The Authority examined the closing block as on 31.03.2021 submitted by BSSDPL, Delhi and observed that there is a variance in the closing block as per the ATP and ACS. Accordingly, the Authority sought clarification from BSSDPL, Delhi. In response, BSSDPL, Delhi submitted the following:

- 6.6.1 The actual capex in FY 2018-19 is Rs. 41.74 lakhs. Certain Capital work in progress has been taken recorded wrongly as CAPEX in annual accounts and the same was reflected in the ACS.
- 6.6.2 Considered the useful life as per Order 35/2017-18 (except for dispenser, refueller and aviation parts- useful life 10 years) w.e.f. 1st April 2018 in MYTP submission and if the revised life has already expired, then the WDV of assets as on 1st April 2018 has been considered for full depreciation in FY 2018-19.
- 6.6.3 The asset on the account of 'right to use' has not been considered by BSSDPL as a part of RAB and shown as a part of opex.

6.7 In view of the above, the Authority proposes RAB to be considered for the determination of ARR, is given below:

**Table 21: RAB proposed by the Authority for BSSDPL, Delhi for Third Control Period.**

Particulars	Amount (Rs. in Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Opening RAB (A)	753.26	914.64	1011.21	1192.37	1045.96	
Addition (B) (Refer Table 14)	305.50	242.31	323.84	5.13	137.76	1014.53
Disposal (C)						
Depreciation (D) (Refer Table 17)	144.12	142.40	145.50	151.88	157.03	740.93
Closing RAB (E =A+B-C-D)	914.64	1014.54	1192.88	1046.13	1026.86	
Average RAB (F=(A+E)/2)	833.95	964.59	1103.71	1119.51	1036.50	

## **6.8 Authority's proposals on RAB for the Third Control Period.**

Based on the material before it and based on its analysis, the Authority proposes the following regarding Average RAB for the Third Control Period:

- 6.8.1 To consider Average RAB for the Third Control Period as per Table 21.
- 6.8.2 To true up the RAB for the Third Control Period based on actuals, at the time of determination of Tariff for the Fourth Control Period.

## **CHAPTER 7. FAIR RATE OF RETURN (FRoR).**

### **7 BSSDPL, Delhi's submission on Fair Rate of Return (FRoR) for the Third Control Period as part of MYTP.**

- 7.1 BSSDPL, Delhi has submitted that as per Audited Accounts of FY 20-21, there is a loan of Rs. 6 Crores taken from Holding Company, Bharat Star Services Private Limited at an interest rate of 9.90%p.a. There is no repayment schedule and the loan is payable on demand. BSSDPL, Delhi has projected further loan in the FY 2021-22 and FY 22-23 from the holding Company, Bharat Stars Services Limited, and has proposed repayment based on their projected cash flow is as below:

**Table 22. Debt schedule as projected by BSSDPL, Delhi.**

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26
Opening Debt	600.00	1,700.00	2,300.00	2,230.07	1,730.70
Additions	1,100.00	600.00			
Repayment			(345.64)	(561.26)	(1034.77)
Closing Debt	<b>1,700.00</b>	<b>2,300.00</b>	<b>1,954.36</b>	<b>1393.09</b>	<b>358.32</b>
Average Debt	1,150.00	2,000.00	2,127.18	1673.72	875.71

- 7.2 The computation of FRoR as submitted by BSSDPL under price cap model vide email dated 25.1.2022, Delhi is as below:

**Table 23: FRoR as projected by BSSDPL, Delhi for the Third Control Period.**

Fair Rate of Return	Amount (Rs. in Lakhs)				
	2021-22	2022-23	2023-24	2024-25	2025-26
Average Debt	1,150.00	2,000.00	2,127.18	1,673.72	875.71
Average Equity	538.77	113.03	314.97	885.54	1,514.28
Debt + Equity	1,688.77	2,113.03	2,442.14	2,559.26	2,389.99
Cost of Debt	14.25%	14.25%	14.25%	14.25%	14.25%
Cost of Equity	14.25%	14.25%	14.25%	14.25%	14.25%
Individual Year Gearing	68.10%	94.65%	87.10%	65.40%	36.64%
Weighted Average Gearing	69.92%				
Weighted Average Cost of Debt	14.25%				
Cost of Equity	14.25%				
FRoR	<b>14.25%</b>				

### **Authority's Examination and Analysis:**

- 7.3 The Authority notes that BSSDPL, Delhi has proposed capitalization of its regulatory assets with the mix of debt and equity.
- 7.4 The Authority, further notes that BSSDPL, Delhi has submitted the board resolution of BSSPL dated 27.03.2020 wherein it was agreed that BSSPL will give loan upto Rs. 8 crores @interest rate of Rs. 9.90%( I-Base of 8.75% + 1.15%=9.90%), to its subsidiary company i.e. BSSDPL, Delhi as per requirement from time to time.

- 7.5 The Authority, further notes that the cost of debt considered by BSSDPL, Delhi is 14.25%. The Authority sought clarification from BSSDPL. In response, it is clarified that as composition of funds of BSSPL consists entirely from internally managed funds, and hence, the entire funding has been treated as equity. The Authority obtained the base rate from Reserve Bank of India which is 7.25%-8.80% (on 17.02.2022) and accordingly proposes to consider cost of debt @ 8.00% considering the fact that cost of debt is generally high for the small players. The Authority also proposes to consider cost of equity @ 14%, as considered for other Airport Operators/Service Providers, during the Third Control Period.
- 7.6 The Authority proposes to recalculate FRoR on the basis of the Average Debt and Average Equity in the light of capex proposed by Authority maintaining the individual gearing as proposed by BSSDPL. The Authority proposes fair rate of return for the Third Control Period as given below:

**Table 24: FRoR proposed by the Authority for BSSDPL, Delhi for the Third Control Period.**

Fair Rate of Return	Amount (Rs. in Lakhs)				
	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Debt</b>	1,069.30	1,520.33	1,600.66	1,096.26	591.96
<b>Equity</b>	500.96	85.92	237.01	580.01	1,023.62
<b>Debt + Equity</b>	1570.27	1606.25	1837.67	1676.27	1615.58
<b>Cost of Debt</b>	8.00%	8.00%	8.00%	8.00%	8.00%
<b>Cost of Equity</b>	14.00%	14.00%	14.00%	14.00%	14.00%
<b>Individual Year Gearing</b>	68.10%	94.65%	87.10%	65.40%	36.64%
<b>Weighted Average Gearing</b>	70.77%				
<b>Weighted Average Cost of Debt</b>	8.00%				
<b>Cost of Equity</b>	14.00%				
<b>FRoR</b>	<b>9.75%</b>				

- 7.7. The Authority, therefore, proposes to consider FRoR @ 9.75% for determination of ARR of BSSDPL, Delhi for the Third Control Period.

**7.8. Authority's Proposal on Fair Rate Of Return (FRoR)**

Based on the material before it and based on its analysis, the Authority proposes the following regarding Fair Rate of Return (FRoR) for the Third Control Period:

- 7.8.1. To consider the cost of equity at 14%.
- 7.8.2. To consider the cost of debt at 8%.
- 7.8.3. To consider Fair Rate of Return (FRoR) for the Third Control Period as per Table 24.
- 7.8.4. To true up the FRoR during the tariff determination for the next Control Period.

## **CHAPTER 8: OTHER INCOME**

8.1 BSSDPL has projected interest arising out of fair valuing the security deposit as Other Income during the balance period of the Third Control Period however, the same has been removed across all the years as this interest is only arising out of fair valuing the security deposit under Ind AS. Hence, BSSDPL has projected Nil other income for the Third Control Period as under:

**Table 25: Other income as projected by BSSDPL for the Third Control Period.**

Particulars	Amount (Rs. in Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
<b>Other Income</b>	1.52	1.52	1.52	1.52	1.52	7.58
<b>Less:</b>	(1.52)	(1.52)	1.52)	(1.52)	(1.52)	(7.58)
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

### **Authority's Examination and Analysis:**

8.2 The Authority observes from the audited accounts of FY 2020-21, that the source of other income is mainly interest income, HQ rental Sharing and profit on sale of property and equipment.

8.3 The Authority observes that M/s BSSDPL has not projected any other income /interest for Third Control Period. Upon enquiry, BSSDPL has submitted the following;

- BSSDPL has taken loan and the chances of opening fixed deposit is remote.
- Regarding HQ rental sharing income, BPCL raised monthly invoice for rental on BSSDPL as BSSDPL's HQ office is located in Noida in BPCL building. BSSDPL creates right to use asset and lease liability in the books as per 100% value invoice so as to comply with IND AS 116 and in turn raises 75% of the value of invoice on the parent company i.e BSSPL. However, HQ rental sharing income has been considered in the rental expense to the tune of 25%.

8.4 The Authority proposes to agree with BSSDPL, Delhi regarding other income as its nature is non-recurring and uncertain.

### **8.5 Authority's Proposal on Other Income**

Based on the material before it and based on its analysis, the Authority proposes the following regarding other income for the Third Control Period.

8.5.1 To consider "Other Income" as Nil.

8.5.2 To True-up "Other Income" in the next Control Period based on the actual during the Third Control Period.

## **CHAPTER 9. OPERATION AND MAINTENANCE EXPENDITURE (OPEX)**

### **9 BSSDPL, Delhi's submission on Operation and Maintenance Expenditure for the Third Control Period as part of MYTP.**

9.1 As provided in Clause 9.4 of the CGF Guidelines dated 10<sup>th</sup> January, 2011, the operational and maintenance expenditure incurred by the Service provider(s) include expenditure incurred on security, operating costs, other mandated operating costs and statutory operating costs.

9.2 Operation and Maintenance (O&M) expenditure submitted by BSSDPL, Delhi is segregated into the following categories:

- Employee Benefit Expenses
- Operational Expenses
- Concession Fees
- Rental Expenses
- Administrative Expenses
- Automation Expenses
- Apportionment of HQ Cost

9.3 The summary of growth rates projected by BSSDPL, Delhi for the operation and maintenance expenses for the Third Control Period as given below:

**Table 26: CAGR as projected by BSSDPL, Delhi for O&M for the Third Control Period.**

Particulars	5 year CAGR
Employee Benefit Expenses	12%
Operational Expenses	14%
Rental Expenses	13%
Administrative Expenses	9%
Automation-Revenue Expenses	23%*
Apportionment of HQ Cost	7%

\*4 year CAGR( as in FY 2020-21 it is Nil)

9.4 BSSDPL, Delhi, based on the above assumptions, has projected Operation and Maintenance Expenditure for the Third Control Period as given below:

**Table 27: Projected Operation & Maintenance Expenditure as projected by BSSDPL, Delhi for the Third Control Period.**

Particulars	Amount (Rs. In Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Operational Expenses*	100.72	115.11	149.93	161.31	168.70	695.77
Employee Benefit Expenses	435.75	498.79	569.23	635.89	683.84	2823.5
Concession Fee	40.53	121.11	173.16	190.91	210.48	736.19
Rental Expenses	357.67	610.70	493.72	540.43	591.61	2594.13
Administrative Expenses	54.63	57.11	62.73	69.31	76.15	319.93
Automation –Expenses	0.00	25.96	36.28	47.21	48.62	158.07

<b>Apportionment of HQ Cost</b>	58.25	62.39	66.82	71.60	76.76	335.82
<b>TOTAL OPEX</b>	<b>1047.55</b>	<b>1491.17</b>	<b>1551.86</b>	<b>1716.65</b>	<b>1856.16</b>	<b>7663.40</b>

*\*Includes utility, repair and maintenance expenses*

9.5 Percentage share of each category of expenditure in the total Operation and Maintenance Expenditure projected by BSSDPL, Delhi for the Third Control Period as given below:

**Table 28: Head wise percentage share of each category of expenditure in the total Operation & Maintenance Expenditure as projected BSSDPL, Delhi for the Third Control Period.**

<b>Category of Operation and Maintenance Expenditure</b>	<b>% Share of total Expenditure</b>
<b>Employee Benefit Expenses</b>	36.84%
<b>Operational Expenses</b>	9.08%
<b>Rental Expenses</b>	33.85%
<b>Administrative Expenses</b>	4.17%
<b>Concession Fee</b>	9.61%
<b>Automation Expenses</b>	2.06%
<b>Apportionment of HQ Cost</b>	4.38%
<b>Total</b>	<b>100.00</b>

9.6 The details and assumption for projection of O & M expenditure for the Third Control Period as per BSSDPL, Delhi submission as given under:

**Table 29: Detail and Assumption made by BSSDPL, Delhi are as under:-**

<b>Particulars</b>	<b>Details/Assumptions</b>							
Employee Benefit Expenses	The number of employees projected by BSSDPL, Delhi during the Third Control Period as given below: <b><u>Table 29.1 Number of employees as projected by BSSDPL, Delhi during the Third Control Period</u></b>							
	<b>Headcount</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
	<b>Deputation (GM)</b>	1*	1	1	1	1	1	1
	<b>Supervisory Staff</b>	16	16	16	16	16	16	16
	<b>Accounts/HR Staff</b>	2	2	2	2	2	2	2
	<b>Operations staff</b>	48	45	45	51	57	61	61
	<b>HQ Employees</b>	3	3	3	3	3	3	3
	<b>Total</b>	<b>69</b>	<b>66</b>	<b>66</b>	<b>72</b>	<b>78</b>	<b>82</b>	<b>82</b>
	<i>For April 2019 there were two GM on deputation.</i>							

Rental Expenses	As per BSSDPL, Delhi submission, the rental cost is as under: <b><u>Table 29.2 The rental cost as projected by BSSDPL, Delhi for the Third Control Period.</u></b>								
	Particulars (In Lakhs)	2021-22	2022-23	2023-24	2024-25	2025-26	Total	Escl.	
	Rent for Shift Office (D39)*	37.42	40.23	-	-	-	77.65	7.5%	
	Rent for Parking Area-D43*	71.45	78.59	-	-	-	150.04	10%	
	Rent for Parking Area - T2*	24.20	26.62	-	-	-	50.82	10%	
	Rent for T2 Office*	13.19	14.18	-	-	-	27.38	7.5%	
	Rent for Fuel Facility Area	5.31	5.71	6.14	6.60	7.10	30.86	7.5%	
	Rent of Noida Office-@25%	5.34	5.74	6.17	6.63	7.13	31.01	7.5%	
	New Office space at T3	40.71	87.52	94.08	101.14	108.73	432.18	7.5%	
	Land Space at T3	160.05	352.11	387.32	426.05	468.66	1,794.19	10%	
	Total	357.67	610.70	493.72	540.43	591.61	2,594.13		
	*Rent for FY 2023-24 not considered as once the ITP depot will be ready in T3 space; these spaces will also get shifted to the ITP depot.								
Apportionment of HQ Cost	BSSDPL, Delhi has projected the following expenses related to HQ for the Third Control Period as under: <b><u>Table 29.3 HQ Cost as projected by BSSDPL, Delhi for the Third Control Period.</u></b>								
	Particulars (Rs in Lakhs)	2021-22	2022-23	2023-24	2024-25	2025-26	Total		
	Deputation	90.00	93.60	97.34	101.24	105.29	487.47		
	Employee CTC	75.60	81.65	88.18	95.23	102.85	443.52		
	Travel	0.30	0.50	0.55	0.61	0.67	2.62		
	Misc (CSR, Insurances, Audit Fees, etc.)	67.10	73.81	81.19	89.31	98.24	409.65		
	Total of HQ Costs	233.00	249.56	267.26	286.39	307.05	1,343.26		
	Cost Allocated to BSSDPL, Delhi @25% of total cost	58.25	62.39	66.82	71.60	76.76	335.81		
		BSSDPL, Delhi has considered 4% to 8% increase YoY for Deputation and Employee CTC expenses based on historical trend of expenses and a 10% increase YoY for Miscellaneous expenses from FY 2020-21 levels. The variation in travel expense is due to the lifting of travel restrictions that were imposed in FY 2020-21 due to Covid-19.							

9.7 The break-up of Operation and Maintenance expenditures as per the submission of BSSDPL, Delhi and as per ACS for the Second Control Period shown as below:

**Table 30: Actual Operation and Maintenance Expenditure & CAGR as per BSSDPL, Delhi Submission for the Second Control Period.**

Particulars	Amount (Rs. in Lakhs)					
	2016-17	2017-18	2018-19	2019-20	2020-21*	CAGR 4 years
Employee Benefit Expenses	348.14	421.26	519.49	476.47	370.36	11%
Operational expenses	125.36	102.18	106.26	109.32	85.04	-4%
Concession fee	48.35	54.73	60.99	54.97	25.74	4%
Rental expenses	66.19	77.29	97.73	89.25	100.91*	10%
Administrative expenses	64.65	116.74	58.60	62.13	41.18	-1%
HQ costs				61.31	61.83	
<b>Total OPEX</b>	<b>652.69</b>	<b>772.20</b>	<b>843.07</b>	<b>853.45</b>	<b>685.06</b>	

\* As per Annual Accounts the Rental Expenses is Rs. 95.95 lakhs. BSSDPL, Delhi submitted that due to Ind AS 116, in Annual accounts, Rent for HQ of Rs. 4.97 lakhs shown under Right to use and amortized accordingly.

**Table 31: Actual Operation and Maintenance Expenditure as per ACS for the Second Control Period.**

Particulars	Amount (Rs. in Lakhs)				
	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Total OPEX</b>	587.50	772.20	843.06	812.21	718.18

**Authority's Examination and Analysis:**

9.8 The Authority observes that there is a difference in the OPEX as per BSSDPL, Delhi submission vis-a-vis ACS submitted by BSSDPL, Delhi. Clarification has been sought from BSSDPL, Delhi. In response, It is clarified that the difference is due to reclassification of various items in the Expenses as per IND AS requirements. The figures in the MYTP model are as per the IGAAP standard of Financial Statements. BSSDPL, Delhi has also submitted vide email 29.12.2021 that it was sharing manpower with the parent company at Terminal 1 of Delhi Airport based on work requirements and has incurred Rs. 10.10 lakhs (shown in income as well in audited accounts of FY 2019-20).

9.9 The Authority notes that opex for FY 2021-22 as projected by BSSDPL is higher than the actual opex for the FY 2020-21. The Authority sought clarification. In response, BSSDPL, Delhi has submitted that in FY 2020-21 the opex is low because of austerity measures taken due to covid-19 relating to the salary deduction, low operations, and online training. However, in FY 2021-22 operations are recovering. The Authority also analyzed the actual OPEX of FY 2019-20 and projected OPEX of FY 2021-22 and found that the costing of the operating expenses and administrative expenses are almost similar.

Hence, the Authority proposes to consider the submission of BSSDPL, Delhi for operating expenses and administrative expenses for the FY 2021-22. However, the Authority notes that employee benefit expenses of FY 2019-20 include Rs.43.71 lakhs for the HQ Cost allocation and salary of 2 General Managers (in April month).

The Authority also notes that number of employees has been reduced to 66 in FY 2021-22 against the 69 in FY 2019-20. Hence, The Authority proposes that for the employee benefit expenses for FY 2021-22, the cost of FY 2019-20 is to be considered as base after following adjustment:

- Reimbursement by the parent company
- Allocation of HQ cost
- Reduction in number of employees,
- 1 month salary of General Manager.

9.10 The Authority, based on its examination on projected O&M expenditure, rate of increase in each category of expenditure and after taking into account the effect of COVID -19, causing slowdown in the aviation sector and sustenance of the operations, proposes to revise each category of O&M expenditure as given below:

9.10.1 **Employee Benefit Expenses :** The Authority notes that CAGR of projected employee benefit Expenses for the Third Control Period is 12% whereas the CAGR of actual employee benefit expenses for the Second Control Period (FY 2016-17 to FY 2019-20) was 11%. The Authority further notes that BSSDPL, Delhi has projected an increase in employee numbers from 66 to 82 during the Third Control Period, to handle increased operation and also considered an increment of 4%-10% for employees.

The Authority is however, of the view that due to COVID -19 pandemic, the increase in the payroll costs should be lower than what is generally considered during normal years and also the requirement of additional manpower may not be justifiable at this stage and also observes that the employee cost of the BSSDPL is disproportionate to their market share. Hence, the Authority is of the view that BSSDPL; Delhi should adopt cost control measures on such expenses so as to improve efficiency in its Operating Costs. Hence, the Authority propose to moderate the YoY increase of 3% in the employee benefit expenses.

9.10.2 **Operational Expenses:** The Authority notes that the BSSDPL, Delhi has projected operational Expenses increase @ 14% CAGR during the Third Control Period. The Authority observes that the 4 Year CAGR (FY 2016-17 to FY 2019-20) is -4%. The Authority further observes that BSSDPL, Delhi has taken some items like consumable of store, repair maintenance cost, safety and protection expenses etc. on a higher side during the Third Control Period. The Authority observes that the operational cost of the BSSDPL is disproportionate to their market share. Hence, the Authority is of the view that BSSDPL should adopt aggressive cost control measures on such expenses to maintain the efficiency in its operations. Hence, the Authority proposes to consider a moderate YoY increase of 3% in the operational expenses.

9.10.3 **Administrative Expenses:** The Authority notes that the BSSDPL, Delhi has projected Administrative Expenses increase @ 9% CAGR during the Third Control Period. The Authority observes that the 4 Year CAGR (FY 2016-17 to FY 2019-20) is -1%. The Authority, consider that the administrative cost of the BSSDPL is disproportionate to their market share. Hence, the Authority is of the view that BSSDPL requires to adopt cost controlling measures on such expenses to maintain the efficiency in its operations. Hence, the Authority proposes to consider a moderate YoY increase of 3% in the operational expenses after adjusting cost of consultant of Rs. 3.00 lakhs for the FY 2022-23 and onwards.

**9.10.4 Revenue sharing/ Concession fee:** The Authority notes that BSSDPL, Delhi has taken Revenue sharing/ Concession fee @ 7% of the Aeronautical revenue however, the Authority has proposed to consider the revenue share/Concession fee @ 5% of the Aeronautical revenue based on AERA Order No. 01/2018-19 dated 5<sup>th</sup> April 2018 on Capping the amount of Royalty, license Fee/Revenue Share payable to Airport Operator as a “pass through” expenditure for the Independent service Providers providing Cargo Facility, Ground handling, Supply of Fuel to Aircrafts at Major Airports. The Authority based on its order, proposes Airport Operator Fees @ 5% of the aeronautical revenue for the Third Control Period.

**9.10.5 Rental:** The Authority notes that BSSDPL, Delhi has projected the rent for HQ Noida office rental (25% to BSSDPL, Delhi) and Fuel facility rental with DAFFPL for the Third Control Period. The rental agreements with DAFFPL were valid till 31<sup>st</sup> March 2021 which is in process for renewal. Therefore, the Authority has considered the rental expenses as proposed by BSSDPL.

The Authority also notes that the “New Office Space at T3” and “Land Space at T3” has still not been allotted to BSSDPL, Delhi by DIAL. Hence the Authority sought clarification. In response to that BSSDPL, Delhi vide email dated 27.12.2021 has submitted that they recently have approached to DIAL for the suitable land option at any other place of airport. They have finalized only 2000 Sq mtr land and the Rental for land would be charged hopefully from 1st Dec 2021 however, the matter is still in discussion. Also, the BSSDPL, Delhi has not proposed any rental for the “New Office Space at T3” vide email dated 27.12.2021. The Authority proposes not to consider Rentals “Land Space at T3” in the FY 2021-22 as it is still in discussion process. However, The Authority accepts the Rental for the “Land Space at T3” for 2000 sqm as proposed by the BSSDPL, Delhi for FY 2022-23 and onwards.

**9.10.6 Automation Expenses:** The Authority notes that the BSSDPL has projected Automation Revenue expenditure for the Automation of its Refuellers and Dispensers with cost of Rs. 15000/- per month per vehicle for 24 vehicles with escalation of 3% p.a. during the Third Control Period. However, The Authority notes as per agreement the monthly cost will be Rs. 13950/- per vehicle and hence recalculates Automation charges on the Refuellers and Dispensers as below:

**Table 32 Automation Revenue Expenditure proposed by Authority for the Third Control Period.**

Particulars	Amount (Rs. in Lakhs)					Total
	2021-22	2022-23	2023-24	2024-25	2025-26	
Software charges Per vehicle (Rs. 13950*12months)		1.72	1.78	1.83	1.88	
Escalation as proposed by BSSDPL		3%	3%	3%	3%	
No. of vehicles		14	17	18	19	
<b>Total Cost</b>		<b>24.14</b>	<b>30.19</b>	<b>32.93</b>	<b>35.80</b>	<b>123.05</b>

**9.10.7 HQ Cost:** The Authority observes that BSSDPL has projected Rs. 58.25 lakhs as HQ Cost allocation in the FY 2021-22. The Authority sought clarification in this regard. In response, BSSDPL, Delhi has submitted that as per their policy, 25% of the total HQ cost has been allocated to BSSDPL, Delhi and rest 75% is allocated to other offices of BSSPL on the basis of

turnover of the previous Financial Year. The Authority further notes that in the annual audited account of BSSDPL, Delhi for the FY 2020-21, there is also an allocation of HQ cost to the tune of Rs. 61.83 lakhs. Hence, The Authority proposes to consider the HQ expenses for FY 2021-22 as projected by the BSSDPL, Delhi based on their policy. However, the Authority is of the view that YoY increase proposed by BSSDPL is on higher side. Hence, the Authority proposes to consider a very moderate YoY increase of 3% in the HQ cost allocated to BSSDPL.

9.11 Based on above considerations, the Authority proposes the following growth rates in Operation and Maintenance expenses, as compared to the previous year's actuals/ projections, so as to not burden the stakeholders considering the present dire situation arising from the catastrophic impact of COVID:

**Table 33: Percentage (%) Increase in OPEX proposed by the Authority for BSSDPL, Delhi for the Third Control Period.**

Particulars	2022-23*	2023-24	2024-25	2024-25
Employee Benefit Expenses	3%	3%	3%	3%
Operational Expenses	3%	3%	3%	3%
Administrative expenses	3%	3%	3%	3%
HQ Cost	3%	3%	3%	3%

*\*over FY 2021-22*

9.12 The Authority after considering the above growth rates, proposes to revise the Operating and Maintenance Expenditure given below:

**Table 34: Operating and Maintenance Expenditure proposed by the Authority for the Third Control Period.**

Particulars	Amount (Rs. in Lakhs)							
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	Total*
Employee Benefit Expenses	422.66	370.36	405.25	417.40	429.93	442.82	456.11	2151.51
Operational expenses	109.32	85.04	100.72	103.74	106.85	110.06	113.36	534.74
Concession fee	54.97	25.74	31.25	42.15	61.14	81.03	85.93	301.50
Rental expenses	89.25	100.91	156.91	405.81	270.53	297.27	326.67	1457.19
Administrative expenses	62.13	41.18	54.63	53.18	54.77	56.42	58.11	277.11
Automation expenses	0.00	0.00	0.00	24.14	30.19	32.93	35.80	123.05
Apportionment of HQ Cost	43.71	61.83	58.25	60.00	61.80	63.65	65.56	309.26
<b>Total OPEX</b>	<b>782.04</b>	<b>685.06</b>	<b>807.01</b>	<b>1106.43</b>	<b>1015.21</b>	<b>1084.18</b>	<b>1141.54</b>	<b>5154.36</b>

*\*Total has been taken for the figures of FY 2021-22 to FY 2025-26.*

The Authority expects that BSSDPL, Delhi should bring more efficiency in its working to optimize the operational and maintenance expenses and to increase its market share to have economy of scale to its operations during the Third Control Period.

**9.13 Authority's Proposal on Operation and Maintenance Expenditure & Airport Operator Fees.**

Based on the material before it and based on its analysis, the Authority has proposed the following regarding Operation and Maintenance Expenditure for the Third Control Period:

9.13.1 To consider the Operational and Maintenance Expenditure as per Table 34.

9.13.2 To true up the Operation and Maintenance Expenditure based on actuals at the time of tariff determination for next Control Period to the maximum ceiling of 10%, in case the market share of BSSDPL does not increase upto 35% during the Third Control Period.

## **CHAPTER 10. TAXATION**

### **10 BSSDPL, Delhi's submission on Taxation for the Third Control Period as part of MYTP.**

10.1 As per clause 9.5 of CGF Guidelines dated 10<sup>th</sup> January, 2011, taxation represents payments by the Service Provider in respect of corporate tax on income from assets and services taken into consideration for determination of Aggregate Revenue Requirement. The Authority shall review forecast for corporate tax calculation with a view to ascertain inter alia the appropriateness of the allocation and the calculations thereof.

10.2 BSSDPL, Delhi has projected income tax @ 24.48% (Basic rate 22% rate of tax + 7% Surcharge + 4% Cess) on regulatory profits.

10.3 The tax projections submitted by BSSDPL, Delhi Third Control Period is given as below:

**Table 35 : Tax as projected by BSSDPL, Delhi for Third Control Period**

Particulars	Amount (Rs. in Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Revenue from Operations	579.04	1,730.18	2,473.70	2,727.25	3,006.80	10,516.97
Other Income	1.52	1.52	1.52	1.52	1.52	7.58
Less: Ind AS Adjustment (interest on security deposit)	(1.52)	(1.52)	(1.52)	(1.52)	(1.52)	(7.58)
Revenue with revised tariff	579.04	1,730.18	2,473.70	2,727.25	3,006.80	10,516.97
Aeronautical OPEX	1,047.55	1,491.17	1,551.86	1,716.65	1,856.16	7,663.40
Depreciation	149.70	163.05	190.62	227.03	242.06	972.45
Net Finance Cost (F)	113.85	195.36	207.95	165.70	86.70	769.56
Profit before tax	(732.07)	(119.40)	523.27	617.88	821.88	1111.56
Set off of accumulated Loss**	-	-	(523.27)	(617.88)	(77.33)	(1,218.48)
PBT for tax computation	(732.07)	(119.40)	-	-	744.55	(106.92)
Tax Rate	24.48%	24.48%	24.48%	24.48%	24.48%	
TAX					182.28	182.28

*\*\* Computation of set off of accumulated losses as submitted by BSSDPL, Delhi*

Particulars (In Lakhs)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Opening Unabsorbed Loss	(367.01)	(1,099.08)	(1,218.48)	(695.21)	(77.33)	
Addition	(732.07)	(119.40)	-	-	-	(851.46)
Set off	-	-	523.27	617.88	77.33	1,218.48
Closing Unabsorbed Loss	(1,099.08)	(1,218.48)	(695.21)	(77.33)	-	

### **Authority's Examination and Analysis:**

10.4 The Authority notes that BSSDPL, Delhi has considered opening Unabsorbed Loss as on 31.03.2021 of Rs. 367.01 lakhs.

10.5 The Authority has re-computed the taxes based on the revised regulatory blocks for the Third Control Period proposes in this consultation paper and opening unabsorbed loss as projected by BSSDPL. The following table summarizes the Aeronautical taxes proposed by the Authority for the Third Control Period.

**Table 36: Tax proposed by the Authority for the Third Control Period.**

Particulars	Amount (Rs. in Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
<b>Aeronautical Revenues with revised tariffs</b> (Refer Table 45)	624.93	843.01	1222.86	1620.57	1718.62	6029.99
<b>Aeronautical OPEX</b> (Refer Table 34)	807.01	1106.43	1015.21	1084.18	1141.54	5154.36
<b>Depreciation</b> (Refer Table 17)	144.12	142.40	145.50	151.88	157.03	740.93
<b>Net Finance cost*</b>	85.54	121.36	128.05	87.70	47.36	470.28
<b>Profit before tax</b>	(411.75)	(527.25)	(65.90)	296.82	372.70	(335.58)
<b>Set-off of prior period tax losses**</b>				(296.82)	(372.70)	(669.51)
<b>PBT after set-off of prior period tax losses</b>	(411.75)	(527.25)	(65.90)	0.00	0.00	(1005.10)
<b>Tax rate (%)</b>	24.48%	24.48%	24.48%	24.48%	24.48%	
<b>Tax</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>PAT</b>	(411.75)	(527.25)	(65.90)	296.82	372.70	(335.58)

\*calculated @8% p.a.

\*\*Computation of set off of losses as proposed by Authority for the Third Control Period.

Particulars (In Lakhs)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Opening Unabsorbed Loss	(367.01)	(778.76)	(1306.21)	(1372.11)	(1075.29)	
Addition	(411.75)	(527.45)	(65.90)			(1005.10)
Set off	0.00	0.00	0.00	296.82	372.70	669.51
<b>Closing Unabsorbed Loss</b>	(778.76)	(1306.21)	(1372.11)	(1075.29)	(702.60)	

## 10.6 Authority's Proposal on Provision for Taxation

Based on the material before it and based on its analysis, the Authority proposes the following regarding provision for taxation for the Third Control Period:

10.6.1 To consider tax expenses for determination of ARR as per Table 36.

10.6.2 To True-up the tax in the next Control Period based on the actual tax liability during the Third Control Period.

## **CHAPTER 11. AGGREGATE REVENUE REQUIREMENT (ARR).**

11 BSSDPL, Delhi's submission on Aggregate Revenue Requirement for the Third Control Period as part of MYTP under Price Cap model.

11.1 BSSDPL, Delhi has submitted Aggregate Revenue Requirement (ARR) for the Third Control Period. The summary of ARR has been presented below.

**Table 37: Aggregate Revenue Requirement (ARR) as projected by BSSDPL, Delhi for the Third Control Period.**

Amount (Rs. in Lakhs)						
Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
RAB	890.40	1,261.33	1,610.56	1,754.32	1,676.18	
FRoR	14.25%	14.25%	14.25%	14.25%	14.25%	
Return on RAB	126.88	179.74	229.50	249.99	238.86	
Depreciation	149.70	163.05	190.62	227.03	242.06	972.46
Operational Expenses	1,007.02	1,370.06	1,378.70	1,525.74	1,645.69	6927.21
Concession Fee	40.53	121.11	173.16	190.91	210.48	736.19
Tax	-	-	-	-	182.28	182.28
Interest on Security Deposit	29.70	29.70	32.40	35.55	39.00	166.35
ARR	<b>1,353.84</b>	<b>1,863.65</b>	<b>2,004.39</b>	<b>2,229.21</b>	<b>2,558.36</b>	<b>10009.45</b>
Discount Factor	1.00	0.88	0.77	0.67	0.59	
PV of ARR	<b>1,353.84</b>	<b>1,631.21</b>	<b>1,535.57</b>	<b>1,494.80</b>	<b>1,501.54</b>	<b>7516.96</b>
Fuel Throughput Volume (Lakhs KL)	2.90	3.99	5.43	5.70	5.99	24.01
Rate per KL	199.67	433.90	455.60	478.37	502.29	2069.83
Revenue	579.04	1,730.18	2,473.70	2,727.25	3,006.80	10516.97
PV of Revenue	<b>579.04</b>	<b>1,514.38</b>	<b>1,895.11</b>	<b>1,828.76</b>	<b>1,764.73</b>	<b>7582.02</b>
Excess/(Shortfall)	<b>(774.80)</b>	<b>(116.83)</b>	<b>359.54</b>	<b>333.96</b>	<b>263.20</b>	<b>65.07</b>
Cumulative Excess/(Shortfall)	<b>65.07</b>					<b>65.07</b>

11.2 In its submission, BSSDPL has proposed Return @ 9.9% on Interest free Security Deposit of Rs. 3.00 deposited with DIAL for the 3<sup>rd</sup> Control Period as given below:

**Table-38 Security Deposit and return on security deposit as projected by BSSDPL for 3rd Control Period.**

Amount (Rs. in Lakhs)					
Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Security Deposit	300.00	300.00	327.28	359.05	393.93
Return on SD @ 9.9%	29.70	29.70	32.40	35.55	39.00

### **Authority's Examination and Analysis:**

11.3 The Authority, examines the submissions made by BSSDPL, Delhi regarding ARR, proposes to determine ARR as per its own philosophy and guiding principles based on its analysis of building blocks/ RAB as discussed in prior Chapters of this Consultation Paper.

11.4 The observations and proposals of the Authority across the regulatory building blocks impact the

computation of ARR. With respect to each element of the regulatory building blocks considered by BSSDPL, Delhi in computation of ARR in Table above, the Authority proposes as below:

- To consider the average RAB in accordance with Table 21
- To consider the FRoR in accordance with Table 24
- To consider the O&M expenses as per Table 34
- To consider the Depreciation as per Table 17
- To consider the Tax as per Table 36
- To consider the Non-Aeronautical Revenue/ Other Income Nil
- To consider the Total Fuel Throughput Volume in accordance Table 6

11.5 The Authority notes that the BSSDPL, Delhi has considered Interest on security deposit in computation of ARR. The Authority observes that as per clause no. 6.7 of the concession agreement it is mentioned that the Selected Bidder has deposited Security Deposit equivalent to INR 3,00,00,000/- (INR Three Crores only) with DIAL as an interest free, refundable Security Deposit. At the end of every Financial Year, the Concessionaire shall reset the Security Deposit amount, which shall be higher of the following:

- An amount equivalent to the Revenue Share Amount paid during the preceding six (06) months and License Fee of last 6 months of License Fee for the Location; and
- INR 3,00,00,000/- (Indian Rupees Three Crores only).

The Authority proposes 5% return on security deposit in respect of the BSSDPL, Delhi which is consistent with the Authority's proposals in case of other ISP's/Airport Operators. Accordingly, the Authority re-calculated the Security Deposit (SD) and return on Security deposit based on the relevant provisions of the Concession Agreement as given below:

**Table 39: Return on security deposit proposed by the Authority for the Third Control Period.**

Particulars	Amount (Rs. in Lakhs)				
	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Security deposit</b>	300.00	300.00	300.00	300.00	300.00
<b>Return on security deposit@5%</b>	15.00	15.00	15.00	15.00	15.00

11.6 After considering the above, the Authority proposes the following ARR as presented below:

**Table 40: Aggregate Revenue Requirement (ARR) proposed by the Authority for BSSDPL, Delhi for the Third Control Period.**

Particulars	Amount (Rs. In Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
<b>Average RAB (Refer Table 21)</b>	833.95	964.59	1103.71	1119.51	1036.50	
<b>Fair Rate of Return (Refer Table 24)</b>	9.75%	9.75%	9.75%	9.75%	9.75%	
<b>Return on RAB</b>	81.31	94.05	107.61	109.15	101.06	493.18
<b>O&amp;M (Refer Table 34)</b>	807.01	1106.43	1015.21	1084.18	1141.54	5154.36
<b>Depreciation (Refer Table 17)</b>	144.12	142.40	145.50	151.88	157.03	740.93
<b>Tax (Refer Table 36)</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>Return on Security Deposit</b>	15.00	15.00	15.00	15.00	15.00	75.00

<b>@5% (Refer Table 39)</b>						
<b>ARR</b>	1047.44	1357.88	1283.32	1360.21	1414.62	6463.47
<b>Discount Rate</b>	9.75%	9.75%	9.75%	9.75%	9.75%	
<b>PV Discount Factor</b>	1.00	0.91	0.83	0.76	0.69	
<b>PV of ARR</b>	1047.44	1237.24	1065.44	1028.94	975.04	5354.10

11.7 Based on the detailed analysis and approach on each building block, The Authority notes that the ARR recoverable calculated as per Table-40 results in a one-time increase of 18.62% on the existing tariff to meet the ARR. However, in order to reduce the impact of drastic increase in the tariff, particularly considering the prevailing pandemic situation, the Authority proposes to carry forward certain portion of ARR to the next Control Period and thereafter proposes one-time increase of 4.57% to meet the balance ARR.

However, the Authority further proposes to stagger this one-time increase over the entire Third Control Period. The year wise increases from the existing tariff during the Third Control Period are given below:

**Table 41: Percentage YoY increase in tariff proposed by Authority.**

<b>Particulars</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
<b>% YoY increase in tariff</b>	0.00%	2.00%	2.00%	1.05%	1.00%

#### **11.8 Authority's Proposal on Aggregate Revenue Requirement (ARR)**

Based on the material before it and detailed analysis and approach on each regulatory building block, the Authority proposes the following regarding Aggregate Revenue Requirement (ARR) for the Third Control Period: -

11.8.1 To consider the ARR for BSSDPL, Delhi for the Third Control Period as per Table 40.

11.8.2 To true up the ARR based on actuals at the time of tariff determination for next Control Period.

## CHAPTER 12. AERONAUTICAL REVENUE

### 12. BSSDPL, Delhi's submission on Aeronautical Revenue for the Third Control Period as part of MYTP.

12.1. As per BSSDPL, Delhi's submission, the projected Aeronautical Revenue for the Third Control Period is given below:

**Table 42: Projected Aeronautical Revenue (Revenue from ITP services) as proposed by BSSDPL, Delhi for Third Control Period.**

Particulars	Amount (Rs. in Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Revenue from ITP services	579.04	1730.18	2473.70	2727.25	3006.80	10516.97

12.2. BSSDPL, Delhi has submitted Multi Year Tariff Proposal (MYTP) for Into Plane Services at Indira Gandhi International Airport, Delhi for the Third Control Period and proposed tariff rates as given below:

**Table 43: Tariff rates as proposed by BSSDPL, Delhi for the Third Control Period**

Period	Fuelling of Aircraft	Amount (Rs. per KL)			
		Defueling of Aircraft		Refuelling of Defueled Product	
		Within 6 hours	Beyond 6 hours	Within 6 hours	beyond 6 hours
FY 2021-22	199.67	199.67	300.18	249.26	300.18
FY 2022-23	433.90	433.90	520.68	477.29	520.68
FY 2023-24	455.60	455.60	546.72	501.16	546.72
FY 2024-25	478.37	478.37	574.04	526.21	574.04
FY 2025-26	502.29	502.29	602.75	552.52	602.75

12.3. The Authority notes that Year on Year (%) Increase in Tariff proposed by BSSDPL, Delhi for the Third Control Period is as under: -

**Table 44: Year on Year (%) Increase in Tariff as proposed by BSSDPL, Delhi for the Third Control Period.**

Period	% Increase in Tariff Over Previous Year				
	Fuelling of Aircraft	Defueling of Aircraft		Refuelling of Defueled Product	
		Within 6 hours	Beyond 6 hours	Within 6 hours	beyond 6 hours
FY 2021-22	-	-	-	-	-
FY 2022-23	117.31	117.31	73.46	91.48	73.46
FY 2023-24	5.00	5.00	5.00	5.00	5.00
FY 2024-25	5.00	5.00	5.00	5.00	5.00
FY 2025-26	5.00	5.00	5.00	5.00	5.00

### **Authority's Examination and Analysis:**

- 12.4. The Authority notes that air traffic movement demand has been widely impacted due to challenges posed by the COVID-19 pandemic and the resultant slowdown in the economy. Further, the Authority notes that the existing traffic base is not sufficient for complete recovery of ARR in the Third Control Period and that this would require a significant increase in tariffs.
- 12.5. The Authority is cognizant of the situation and is of the view that keeping the tariff at the current level for the entire Control Period and postponing the full recovery of shortfalls to the next Control Period will create substantial recovery burden and lead to steep tariff increases in the Fourth Control Period. The Authority, however, is of the view that targeting a full recovery at this time may not be fair to all the stakeholders and may dampen the stakeholders' efforts to revive demand. The Authority notes that due to the application of "Cost Plus" method, ISP has the provision of the true up of any shortfalls in revenue recovery in the Fourth Control Period.
- 12.6. Based on the above analysis, the Authority proposes not to increase the ITP charges in the current financial year 2021-22 and proposes to revise the ITP charges from 01 April 2022.
- 12.7. Further, the Authority proposes to carry forward ₹ 535.35 Lakhs of the ARR of the Third Control Period to the Fourth Control Period in order to reduce the burden on users during the Third Control Period on account of lower aircraft traffic movement.
- 12.8. After considering the above, the Authority proposes the Aeronautical Revenue based on the staggered in Aeronautical charges as follows:

**Table 45: Aeronautical Revenues and Shortfall proposed by the Authority for the Third Control Period**

Particulars	Amount (Rs. In Lakhs)					
	2021-22	2022-23	2023-24	2024-25	2025-26	Total
<b>PV of ARR (Refer Table 40)</b>	1047.44	1237.24	1065.44	1028.94	975.04	5354.10
<b>Present tariff rate (Rs/KL)</b>	199.67					
<b>Fuel Throughput (Lakhs KL) (Refer Table 6)</b>	3.13	4.14	5.89	7.72	8.11	28.98
<b>Revenue as per existing Tariff</b>	624.93	826.48	1175.38	1541.46	1618.53	5786.77
<b>PV Revenue as per existing Tariff</b>	624.93	753.05	975.82	1166.05	1115.59	4635.44
<b>Proposed Tariff Increase (Refer Table 41)</b>	0.00%	2.00%	2.00%	1.05%	1.00%	
<b>Proposed Tariff Rates (Rs/KL)</b>	199.67	203.66	207.74	209.92	212.02	
<b>Revised Revenue at proposed Tariff Rates</b>	624.93	843.01	1222.86	1620.57	1718.62	6029.99
<b>PV Revenue at proposed Tariff Rates</b>	624.93	768.11	1015.24	1225.90	1184.57	4818.75
<b>Shortfall proposed to be carried forward to next Control Period in NPV terms as on 31.03.2022</b>	(535.35)					

12.9. **Authority's Proposal on Aeronautical Revenue.**

Based on the material before it and based on its analysis, the Authority proposes the following for the Aeronautical Revenue (Revenue from Into Plane Services) and tariff for the Third Control Period.

12.9.1. To consider Aeronautical Revenue for the Third Control Period as per Table 45.

12.9.2. To true up the Aeronautical Revenue based on actual numbers for the Third Control Period at the time of determination of tariff for the Fourth Control Period.

12.9.3. To consider the Tariff Rate for BSSDPL, Delhi for the Third Control Period as per **Annexure-I.**

**CHAPTER 13. SUMMARY OF AUTHORITY'S PROPOSALS**

<b>Chapter and Para</b>		<b>Summary of Authority's Proposals</b>	<b>Page No.</b>
<b>Chapter No 2</b>	2.10.1	To adopt "Price Cap Approach" on 'Single Till' basis for Tariff determination for BSSDPL, Delhi providing ITP services at Indira Gandhi International Airport, Delhi for the Third Control Period.	12
<b>Chapter No 3</b>	3.11.1	To consider the Fuel Throughput volume for the Third Control Period as per Table 6.	16
	3.11.2	To True-up the Fuel Throughput volume based on actual numbers for the Third Control Period at the time of determination of tariff for the next Control Period	
<b>Chapter No 4.</b>	4.27.1	To consider the capital expenditure for BSSDPL, Delhi for the Third Control Period in accordance with Table 14.	24
	4.27.2	To reduce 1% of the non-capitalized CAPEX from the projected ARR/Target Revenue for the next Control Period during True Up, in case CAPEX targets are not achieved as per the Capitalization schedule.	
	4.27.3	To true up the Capital Expenditure based on actual at the time of tariff determination for next Control Period.	
<b>Chapter No 5.</b>	5.9.1	To consider depreciation on the assets of BSSDPL, Delhi for the Third Control Period as per Table 17.	26
	5.9.2	To true up the depreciation based on actual at the time of tariff determination for next Control Period.	
<b>Chapter No 6.</b>	6.8.1	To consider Average RAB for the Third Control Period as per Table 21.	29
	6.8.2	To true up the RAB for the Third Control Period based on actuals, at the time of determination of Tariff for the Fourth Control Period	
<b>Chapter No 7.</b>	7.8.1	To consider the cost of equity at 14%	31
	7.8.2	To consider the cost of debt at 8%	
	7.8.3	To consider Fair Rate of Return (FRoR) for the Third Control Period as per Table 24.	
	7.8.4	To true up the FRoR during the tariff determination for the next Control Period.	
<b>Chapter No 8.</b>	8.5.1	To consider "Other Income" as Nil.	32
	8.5.2	To True-up "Other Income" in the next Control Period based on the actual during the Third Control Period.	
<b>Chapter No 9.</b>	9.13.1	To consider the Operational and Maintenance Expenditure as per Table 34.	40

	9.13.2	To true up the Operation and Maintenance Expenditure based on actuals at the time of tariff determination for next Control Period to the maximum ceiling of 10%, in case the market share of BSSDPL does not increase upto 35% during the Third Control Period.	
<b>Chapter No 10.</b>	10.6.1	To consider tax expenses for determination of ARR as per Table 36	42
	10.6.2	To True-up tax in the next Control Period based on the actual tax liability during the Third Control Period.	
<b>Chapter No 11.</b>	11.8.1	To consider the ARR for BSSDPL, Delhi for the Third Control Period as per Table 40.	45
	11.8.2	To true up the ARR based on actuals at the time of tariff determination for next Control Period.	
<b>Chapter No 12.</b>	12.9.1	To consider Aeronautical Revenue for the Third Control Period as per Table 45.	48
	12.9.2	To true up Aeronautical revenue based on actual numbers for the Third Control Period at the time of determination of tariff for the Fourth Control Period.	
	12.9.3	To consider the Tariff Rate for BSSDPL, Delhi for the Third Control Period as per Annexure-I.	

## **CHAPTER 14. STAKEHOLDERS' CONSULTATION TIMELINE**

- 14.1** In accordance with the provision of Section 13(4) of the AERA Act, 2008, the proposals contained in the Chapter 13 Summary of proposals read with the relevant discussion in the other chapters of the paper is hereby put forth for Stakeholders' Consultation.
- 14.2** For removal of doubts, it is clarified that the contents of this consultation paper may not be construed as any Order or Direction by the 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 decisions fully documented and explained in terms of the provisions of the Act.
- 14.3** The Authority welcomes written evidence-based feedback, comments and suggestions from stakeholders on the proposal made in Chapter 13 above, latest by **22/03/2022**.

**Secretary,  
Airports Economic Regulatory Authority of India  
AERA Building, Administrative Complex  
Safdarjung Airport New Delhi -110003  
Tel: 011-24695044-47, Fax: 011-24695048**

**(Chairperson)**

**PROPOSED TARIFF RATE FOR STAKEHOLDERS' CONSULTATION PROCESS**

**For Bharat Stars Services (Delhi) Private Limited (BSSDPL) providing Into Plane Services at Indira Gandhi International Airport (IGIA), Delhi for the Third Control Period.**

**Amount (Rs. per KL)**

Tariff Year	Aircraft Fuelling	Aircraft De-fuelling		Aircraft Re-fuelling of De-fuelled Product into an Aircraft	
		Within 6 hours	Beyond 6 hours	Within 6 hours	Beyond 6 hours
<b>FY 2021-22</b>	199.67	199.67	300.18	249.26	300.18
<b>FY 2022-23</b>	203.66	203.66	306.18	254.25	306.18
<b>FY 2023-24</b>	207.74	207.74	312.31	259.33	312.31
<b>FY 2024-25</b>	209.92	209.92	315.59	262.05	315.59
<b>FY 2025-26</b>	212.02	212.02	318.74	264.67	318.74

**NOTE: The rates approved herein are ceiling rates, excluding taxes, if any, and, as applicable as per Government Orders issued from time to time.**

## **MINUTES OF STAKEHOLDERS MEETING**

**Mode of Meeting:** Video Conferencing Mode

**Date:** 8<sup>th</sup> December 2021 **Time:** 03.00 PM

**Objective:** Stakeholder Consultation Meeting for Tariff Revision for ITP Services of Bharat Stars Services Private Limited (BSSPL) at Indira Gandhi International Airport (IGI) for the 3<sup>rd</sup> Control Period.

Participants from BSSPL: Mr. Prashanth M Kamath, (CEO), Mr. Suprabhat Nagar, GM (Ops), HQ, Mr. Kundan Singh, Senior Manager (Finance), Mr. Vaibhav Naharwaria, Executive (Finance)

Mr. Prashanth M Kamath, CEO, thanked all stakeholders for attending the meeting and finding time to understand our submission.

### **Background**

BSSPL is a joint venture of Bharat Petroleum Corporation Limited (BPCL) and St. Airport Services Pte Limited (STARS) and is ITP service provider at open access airport of Delhi, Mumbai and Bangalore.

In 2010, BSSPL has commenced ITP operations at Delhi Airport & In the year 2021 again we have been awarded the sub-concession right to operate as ITP operator for another 15 yrs. The major customers of BSSPL includes BPCL, HPCL & RIL.

As per current orders from regulatory authority i.e. AERA, the current tariff at Delhi Airport is valid till 31<sup>st</sup> March 2022 and therefore, we have submitted to authority for determination of tariff effective from 01/04/2021 for 3<sup>rd</sup> Control Period, In line with the AERA guidelines. We are required to conduct a Stakeholder Consultation Meeting with suppliers, airlines, IATA and Airport Operators so as to brief the stakeholders about the proposed Tariff. We have thus conducted a consultation meet with the users/stakeholders held on 8<sup>th</sup> December 2021 through video conferencing mode.

The following is the list of companies which were invited to the meeting along with those which attended the meeting. (The invitation to the stakeholders is attached as **ANNEXURE I** and the presentation made to all stakeholders is enclosed as **ANNEXURE II**).

SN.	Organizations Invited	Type	Attendance	Represented by
1	Airports Economic Regulatory Authority (AERA)	Regulatory Authority	Yes	Mr. Trilok Chand Ms Vartika
2	IndianOil Skytanking Private Limited (IOSL)	ITP operator	No	
3	Spice jet	Airlines	Yes	Mr. Suryavir singh Bisht
4	International Air Transport Association (IATA)	Airlines Body	No	
5	Bharat Petroleum Corporation Limited (BPCL)	Supplier	No	
6.	Hindustan Petroleum Corporation Limited (HPCL)	Supplier	Yes	Mr. Ashish Gaikwad
7.	Delhi Aviation Fuel Farm Facility Pvt. Ltd (DAFFPL)	Fuel Farm	No	

## Proceedings

BSSPL presented the current operations and financial data with respect to assets, various operations cost to run the operations. Also, BSSPL presented the proposed capex for the third control period and also revised operating cost on account of manpower and maintenance costs etc.

Mr. Kundan Singh, Senior Manager (Finance), BSSPL, made a detailed presentation covering the following topics:

- Bharat Stars Services Private Limited: Extent of Operations.
- ITP Services at Delhi Airport by BSSDPL: Manpower, Equipments and Operations.
- 2<sup>nd</sup> Control Period BSSDPL & Delhi Airport Data
- Volume Projections for 3<sup>rd</sup> control period.
- Operations & Capex Plan for 3<sup>rd</sup> control period.
- AERA Tariff Proposal for 3<sup>rd</sup> control period.
- Discussion on submission and stakeholders concerns.

He further explained that current tariff is Rs. 199.67/KL from last 5 yrs, which is extended further period of one year that is upto March-2022 . The proposed tariff is as mentioned below:-

Tariff Year		Aircraft Fuelling	Aircraft De-fuelling		Aircraft Re-Fuelling De-Fuelled Product into an Aircraft	
			Within 6 hrs	Beyond 6 hrs	Within 6 hrs	Beyond 6 hrs
Control Period 3	Tariff Year 1 2021-22	199.67	199.67	300.18	249.26	300.18
	Tariff Year-2 2022-23	433.90	433.90	520.68	477.29	520.18
	Tariff Year-3 2023-24	455.60	455.60	546.72	501.16	546.72
	Tariff Year-4 2024-25	478.37	478.37	574.04	526.21	574.04
	Tariff Year-5 2025-26	502.29	502.29	602.75	552.52	602.75

After the presentation, the participants are invited to give their comments. The following questions / comments were raised and answers to the queries are given below:-

S. No.	Question / Comment	Reply of BSSPL
01	<b>Spicejet:</b> During the pandemic the Aviation sector has badly affected resulting into retrenchment of employees & reduction of salaries .He requested for considering this aspect .	1) BSSPL has been operating with least no. of employees during last one & half years there have been reduction in staff strength with hold up of benefits including the increment of staff. BSSPL is recouring to the staff strength as per operational requirement with an objective of NIL delay & safe flight refuelling .Hence BSSPL also had to go thru the difficulties and action taken as mentioned by Mr. Bisht.
02	<b>Spicejet:</b> The Rental of additional rent given by DIAL is very high as compared to existing one can	The Concession has been awarded to BSSPL thru Global tender by DIAL. The tender conditions stipulated significant increase in rentals, significant increase in

	you please defer the same in consultation with DIAL ?	royalty from 5% to 7-9% , Allottment of large area of land for ITP depot with very high rentals. BSSPL has taken up with DIAL & will further take up with DIAL as per the suggestion.
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M/s BSSPL again sought the support of stakeholders for increase in tariff to sustain their operations in view of the lower volume from last 2 yrs approx.

The meeting was concluded with a vote of thanks to all the stakeholders.

## Vaibhav Naharwaria

---

**From:** Kundan Singh <kundan.singh@bsspl.in>  
**Sent:** 02 December 2021 18:35  
**To:** GEETHA SAHU; TRILOK CHAND; RAM KRISHAN; Rajendra Thikekar ( राजेंद्र थिकेकर ); cgprasad@hpcl.in; Amitabh Khosla; natiqfkhan@ficci.com; air india; cfo@iosl.in; yaduarora@iosl.in; T S Dupare; vinod@iosl.in; sujit kumar (कुमार सुजीत); singha001@bharatpetroleum.in; anupam srivastav (अनुपम श्रीवास्तव); gp.gupta@spicejet.com; h.pai@airindia.in; vikasagarwal@airasia.com; Ashish Batra  
**Cc:** Satyapal Raghav; Prashanth Kamath; Suprabhat Nagar; Vaibhav Naharwaria  
**Subject:** Stake holders consultation meeting - BSSPL - DELHI ITP - 08-12-2021 15:00 hours

Dear Sir / Madam

As you are aware BSSPL is currently providing Into plane services at Indira Gandhi International Airport (IGI), Delhi since 2010.

BSSPL has been providing ITP services as per the rate approved by AERA

We have approached AERA for determination of tariff effective 01-04-2022 (3<sup>rd</sup> control period) vide our submission dated 18-11-2021.

In line with the AERA guidelines, we are required to conduct a Stakeholders Consultation Meeting , so as to brief the stakeholders about the proposed tariff.

It is thus proposed to hold a consultation meet with the users / stake holders to be held on **8<sup>th</sup> December 2021 @15:00 hrs.**

In view of Covid, we are planning to conduct the meeting online .

You are requested to kindly make it convenient to attend the Meeting.

The weblink for the **video conference meeting** shall be sent in due course.

Regards

Kundan Singh

Senior manager, Finance

**Bharat Stars Services Private Limited**

**Mob. No. 7042294323**

**\*E - Mail: [Kundan.singh@bsspl.in](mailto:Kundan.singh@bsspl.in)**

**Addr: BSSPL, Plot No-A-5&6, 1st Floor,  
BPCL Building Sector-1 Noida-201301**

**BHARAT STARS SERVICES PVT. LTD.**

*(A JV of Bharat Petroleum Corporation Limited and ST Airport Services Pte. Ltd.)*

**PRESENTATION- MYTP PROPOSAL FOR ITP TARIFF APPROVAL  
for the 3<sup>rd</sup> Control period (Apr 21- Mar 26) FOR NEW DELHI  
AIRPORT**

**Stakeholders Consultation Meet**

**8<sup>th</sup> Dec 2021, Wednesday**



*Trusted Partnership*

## Agenda items

- AERA approved ITP tariff valid till 31 March 2021, extended by AERA on same Tariff for one year i.e 31<sup>st</sup> March,2022.
- We have sought Regulatory approval to enhance the tariffs.
- Detailed proposal for MYTP plan for the third control period submitted to AERA on 18<sup>th</sup> Nov 2021.

### Following is sequence of the presentation:

1.	BSSPL Introduction
2.	BSSPL's presence at Delhi Airport
3.	Historical Fuel Volumes of BSSPL & of Delhi Airport
4.	Projections of Fuel Volumes during the Third Control Period (FY 2021-26)
5.	Capex Requirement for ITP operations
6.	Tariff Proposal submitted to AERA for 3 <sup>rd</sup> Control Period
7.	Stakeholder comments

# 1. BSSPL INTRODUCTION

- JV of Bharat Petroleum Corporation limited (BPCL) and St-Airport Services Pte Ltd (STARS) Singapore
- Core Business - Into plane service provider
- STARS is a leading Aviation Fuel Farm and ITP operator in Singapore
- 420+ Employees across over 42 locations in India.
- Own a fleet in excess of 50 dispenser & refuellers
- Into plane market share of approx. 30 % at three major open access airports (Delhi, Mumbai and Bangalore)



## 2. Our presence at Delhi Airport

- We are providing ITP services at Delhi since 2010
- Awarded the sub concession rights for operating ITP at Delhi since Apr 2021 for a further period of 15 years.
- Excellent safety and service efficiency records
- Major domestic and international airlines served thru leading suppliers - BPCL, HPCL, RIL
- Own fleet of 14 dispensers & 3 refuellers & 6 support vehicles.

YEAR	FY 2019-20	FY 2020-21
DELHI Airport volume (KL)	23,66,368	12,34,703
BSSPL Volume (KL)	5,50,541	2,57,753
BSSPL market share %	23	21



### 3. HISTORICAL FUEL VOLUMES DURING THE 2<sup>ND</sup> CONTROL PERIOD AND DELHI AIRPORT TOTAL FUEL VOLUMES

(Volume in KL)

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 upto Oct 21
<b>Delhi Airport</b>	17,92,256	20,40,129	23,59,918	23,66,368	12,34,703	8,32,191
<b>BSSPL</b>	5,08,334	5,53,091	6,10,557	5,50,541	2,57,753	1,58,241
<b>BSSPL Share</b>	28.36%	27.11%	25.87%	23.27%	20.88%	19.01%
<b>Airport volume growth</b>		14%	16%	.27%	-48%	15.54%
<b>BSSPL volume growth</b>		9%	10%	10%	-53%	5.24%

In 20-21, the total fuel Volume has significantly dropped due to Covid-19 impact majorly due to closure of international flights.

## 4. FUEL VOLUME FORECAST BY BSSPL THIRD CONTROL PERIOD (FY-2022-26)

(Volume are estimated & in KL)

YEAR	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Delhi Airport	14,50,000	18,12,500	24,68,000	25,91,400	27,20,970
BSSPL 's volume	2,90,000	3,98,750	5,42,960	5,70,108	5,98,613
<i>BSSPL projected market Share</i>	20%	22%	22%	22%	22%
Airport volume growth	17%	25%	36%	5%	5%
BSSPL volume growth	13%	38%	36%	5%	5%

### Note

- The fuel volume at airport are projected based on passenger growth & feedback from suppliers based on discussions with them
- We estimate that in 21-22, the total fuel volume at airport may see a growth of 17% over 20-21.
- Despite a low market share of 21% in 2020-21, we have taken a very optimistic forecast for entire 3<sup>rd</sup> Control period.
- Our market share is estimated to be 20% in 21-22 & will likely to go upto 22% by 2025-26.

## Projected Equipment and Manpower Plan

Equipment and Manpower Plan					
Particulars	21-22	22-23	23-24	24-25	25-26
No. of Dispensers	14	14	16	18	18
No. of Refuellers	4	5	6	6	6
<b>TOTAL</b>	<b>18</b>	<b>19</b>	<b>22</b>	<b>24</b>	<b>24</b>
No. of manpower	66	72	78	82	82

- The dispensers will be refurbished /purchased in sequential order to optimize costs
- The Manpower no has been increased as per operational requirement & increase in volume.

## 5. BSSDPL's CAPEX REQUIREMENT FOR DELHI AIRPORT

Rs. In Crores

Particulars (In Lakhs)	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Plant & Machinery	446.00	327.60	385.88	266.25	-	<b>1,425.73</b>
Jeeps & Vehicles	-	-	22.05	-	12.16	<b>34.21</b>
Furniture & Fixtures	-	15.75	-	-	6.08	<b>21.83</b>
Office Equipment	2.00	2.10	2.21	2.32	4.86	<b>13.49</b>
Computer & Software	-	117.99	45.19	46.60	6.08	<b>215.86</b>
Buildings	-	315.00	-	-	-	<b>315.00</b>
Pre award cost	25.00	-	-	-	-	<b>25.00</b>
<b>Total</b>	<b>473.00</b>	<b>778.44</b>	<b>455.32</b>	<b>315.17</b>	<b>29.17</b>	<b>2,051.10</b>

- Majority of our capex will happen in beginning of control period because our dispensers need replacement or refurbishment.
- Latest JIG guidelines require all equipment to be upgraded from the existing Fuel monitor systems to Dirt Defense Filters systems or Filter water separators technology.
- We have begun the process of installing automation system which will provide real time data to various stakeholders i.e airport operator, fuel farm operator, suppliers and airlines.

## Projected Revenue expenditure

Particulars (Rs. Crores)	2021-22	2022-23	2023-24	2024-25	2025-26
Manpower Cost	4.35	4.98	5.69	6.35	6.83
Airport Operator revenue share	.40	1.21	1.73	1.90	2.10
Land rental ITP depot	3.57	6.11	4.94	5.40	5.92
Operating and Admin Expenses	2.13	2.60	3.16	3.49	3.70
<b>Total</b>	<b>10.45</b>	<b>14.90</b>	<b>15.52</b>	<b>17.14</b>	<b>18.55</b>

- All efforts have been made to optimize the operating and manpower costs
- The cost of manpower will increase due to annual increase in CTC and additional manpower.
- As per new tender conditions additional rental has started amounting to Rs 4cr p.a.
- The rentals increases significantly by 10% and 7.5% for land and building respectively every year.
- Total estimated rentals increased by **292%** from FY 2020-21.
- Operating and admin expenditure is estimated to increase by approx. 10 -12% YoY
- Covid related expenses have also increased requiring our manpower to keep social distancing/ sanitization.



## 6. TARIFF PROPOSAL SUBMITTED TO AERA FOR DELHI AIRPORT FOR THIRD CONTROL PERIOD

In INR/KL

	Aircraft Fuelling	Aircraft De-fuelling		Aircraft Re-Fuelling De-Fuelled Product into an Aircraft	
		Within 6 hrs	Beyond 6 hrs	Within 6 hrs	Beyond 6 hrs
<b>2021-22</b>	<b>199.67</b>	<b>199.67</b>	300.18	249.26	300.18
<b>2022-23</b>	<b>433.90</b>	<b>433.90</b>	520.68	477.29	520.18
<b>2023-24</b>	<b>455.60</b>	<b>455.60</b>	546.72	501.16	546.72
<b>2024-25</b>	<b>478.37</b>	<b>478.37</b>	574.04	526.21	574.04
<b>2025-26</b>	<b>502.29</b>	<b>502.29</b>	602.75	552.52	602.75

➤ Tariff proposal has been made as per AERA guidelines

## 7. Submission to stake holders

- We have been severely hit on revenue in 20-21 due to lesser no of operations, while maintaining the manpower and equipments.
- Tariff extension at same rate for period for FY 2021-22 has further hit our revenue.
- We have tried to defer capex in this year however due to operational requirements , we will have to refurbish the same in 21-22 onwards.
- ITP operations is the smallest yet most critical component of aviation fuels value chain.
- We commit to safe and efficient ITP operations at Delhi airport

THANK YOU



भारत स्टार्स सर्विसेज (दिल्ली)  
प्राइवेट लिमिटेड



BHARAT STARS SERVICES (DELHI)  
PRIVATE LIMITED 190/212341  
18/11/2021

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

To  
The Chairman  
Airport Economic Regulatory Authority of India  
AERA Building, Administrative Complex  
Safdarjung Airport, New Delhi-110033

प्राप्त  
डागरी नं० 16365  
तारीख 18/11/2021

सचिव  
[Signature]

BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA  
AT NEW DELHI

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

M/S Bharat Stars Services (Delhi) Private Limited

I, Prashanth M Kamath, aged 58, resident of Bharat Petroleum Housing Complex, Sector-56, Noida-201301, acting in my official capacity as Chief Executive Officer, in M/s. Bharat Stars Services Delhi Pvt. Ltd., (BSSDPL) having its registered office at Aviation Fueling 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 Stars Services Delhi Pvt. Ltd., (BSSDPL) 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 breakup 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.

Prashanth M Kamath  
(Chief Executive Officer)

Place

Date :



निदेशक (नि० एवं सां०)

26.11.2021

AGM (RG)

Please process  
[Signature]

Ms Vartika  
MGR (CF)

कॉर्पोरेट ऑफिस : 1 मंजिल, प्लॉट ए-5 एवं 6, सेक्टर-1, नोएडा - 201 301, भारत फोन : +91 120 2474154 / 4415 www.bsspl.in  
Corporate Office : 1st Floor, Plot A-5 & 6, Sector-1, Noida - 201 301, India Phone: +91 120 2474154 / 4415 www.bsspl.in

रजिस्टर्ड ऑफिस : एविएशन फ्यूलिंग स्टेशन, शाहबाद मोहम्मदपुर, न्यू दिल्ली - 110061  
Registered Office : Aviation Fuelling Stn., Shahbad Mohammadpur, New Delhi - 110061

CIN: U74140DL2010PTC204275

Actuals=1, Projections=0

Year Counter	0	0	0	0	0
	5	6	7	8	9

Period Start	1-Apr-21	1-Apr-22	1-Apr-23	1-Apr-24	1-Apr-25
Period End	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26

**Bharat Stars Services (Delhi) Private Limited**

Consider on single till basis? Yes

Carry forward shortfall? No

**Aggregate Revenue Requirement (ARR)**

Particulars			0	1	2	3	4
Average RAB	In Lakhs		890.40	1,261.33	1,610.56	1,754.32	1,676.18
FIR	%		14.25%	14.25%	14.25%	14.25%	14.25%
Return on Asset Base	In Lakhs		126.88	179.74	229.50	249.99	238.86
Depreciation	In Lakhs		149.70	163.05	190.62	227.03	242.06
Operating Expenses	In Lakhs		1,007.02	1,370.06	1,378.70	1,525.74	1,645.69
Concession Fee	In Lakhs		40.53	121.11	173.16	190.91	210.48
Estimated IT reimbursement	In Lakhs						182.28
Interest on Security Deposit	In Lakhs		29.70	29.70	32.40	35.55	39.00
Other Income	In Lakhs		-	-	-	-	-
Excess/(Shortfall) carry forward	In Lakhs		-	-	-	-	-
Net ARR	In Lakhs		1,353.84	1,863.65	2,004.39	2,229.21	2,558.36
PV of ARR	In Lakhs		1,353.84	1,631.21	1,535.57	1,494.80	1,501.54
Traffic	KL		290,000	398,750	542,960	570,108	598,613
Rate per KL	Rs./KL		199.67	433.90	455.60	478.37	502.29
Revenues	In Lakhs		579.04	1,730.18	2,473.70	2,727.25	3,006.80
PV of Revenues	In Lakhs		579.04	1,514.38	1,895.11	1,828.76	1,764.73
Excess/(Shortfall)			(774.80)	(116.83)	359.54	333.96	263.20
Cumulative Excess/(Shortfall)							65.07

Compounding Factor 1.00 0.88 0.77 0.67 0.59

Rate increase per year 5% 5% 5% 5% 5%

**PI Based on ARR:**

Particulars							
Revenue							
Revenue from Operations	In Lakhs		579.04	1,730.18	2,473.70	2,727.25	3,006.80
Other Income	In Lakhs		1.52	1.52	1.52	1.52	1.52
Less: Ind AS Adjustment (interest on security deposit)	In Lakhs		(1.52)	(1.52)	(1.52)	(1.52)	(1.52)
Total Revenues (A)	In Lakhs		579.04	1,730.18	2,473.70	2,727.25	3,006.80
Expenses							
Operating Expenses	In Lakhs		1,007.02	1,370.06	1,378.70	1,525.74	1,645.69
Concession Fee	In Lakhs		40.53	121.11	173.16	190.91	210.48
Total Expenses (B)	In Lakhs		1,047.55	1,491.17	1,551.86	1,716.65	1,856.16
EBITDA C = (A-B)	In Lakhs		(468.51)	239.01	921.84	1,010.60	1,150.63
Depreciation & Amortization (D)	In Lakhs		149.70	163.05	190.62	227.03	242.06
EBIT E = (C-D)	In Lakhs		(618.22)	75.96	731.22	783.58	908.57
Net Finance Cost (F)	In Lakhs		113.85	195.36	207.95	165.70	86.70
PBT (G = E-F)	In Lakhs		(732.07)	(119.40)	523.27	617.88	821.88
Tax (H)	In Lakhs		-	-	-	-	182.28
PAT (I = G-H)	In Lakhs		(732.07)	(119.40)	523.27	617.88	639.60
			-126%	-7%	21%	23%	21%

Tax Computation							
PBT as per Model	In Lakhs		(732.07)	(119.40)	523.27	617.88	821.88
Set off of accumulated Loss	In Lakhs		-	-	(523.27)	(617.88)	(77.33)
PBT for tax computation	In Lakhs		(732.07)	(119.40)	-	-	744.55
Effective Tax Rate as per FS	%						
Assumed Effective Tax Rate	%		24.48%	24.48%	24.48%	24.48%	24.48%
Taxation	In Lakhs		-	-	-	-	182.28

PBT as per FS

**Accumulated Losses Computation:**

Opening	(367.01)	(1,099.08)	(1,218.48)	(695.21)	(77.33)
Addition	(732.07)	(119.40)	-	-	-
Set off	-	-	523.27	617.88	77.33
Closing	(1,099.08)	(1,218.48)	(695.21)	(77.33)	-

**Tax Rate Computation:**

Base tax rate	%	22.00%	22.00%	22.00%	22.00%	22.00%
Surcharge	%	1.54%	1.54%	1.54%	1.54%	1.54%
Cess	%	0.94%	0.94%	0.94%	0.94%	0.94%

**Profit Recon**

PAT as per Price Cap Approach	In Lakhs	(732.07)	(119.40)	523.27	617.88	639.60
Less: Other income	In Lakhs	-	-	-	-	-
Less: Interest on Security Deposit	In Lakhs	(29.70)	(29.70)	(32.40)	(35.55)	(39.00)
Add: Finance Cost		113.85	195.36	207.95	165.70	86.70
Net PAT as per Price Cap Approach	In Lakhs	(647.92)	46.26	698.82	748.03	687.30
PV of Net PAT as per Price Cap Approach	In Lakhs	-647.92	40.49	535.37	501.59	403.38
Cumulative PV of Net PAT as per Price Cap Approach	In Lakhs					832.92
Return on RAB as per Price Cap Approach	In Lakhs	126.88	179.74	229.50	249.99	238.86
PV of Return on RAB as per Price Cap Approach	In Lakhs	126.88	157.32	175.82	167.63	140.19
Cumulative PV of Return on RAB as per Price Cap Approach	In Lakhs					767.85

65.07

Actuals=1, Projections=0	1	1	1	1	0	0	0	0	0	0
Year Counter	0	1	2	3	4	5	6	7	8	9
Period Start	1-Apr-16	1-Apr-17	1-Apr-18	1-Apr-19	1-Apr-20	1-Apr-21	1-Apr-22	1-Apr-23	1-Apr-24	1-Apr-25
Period End	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26

Bharat Stars Services (Delhi) Private Limited

Volume KL Details

Particulars							-48%	17%	25%	36%	5%	5%
Airport Traffic Volume	KL		1,792,256	2,040,129	2,359,918	2,366,368	1,234,703	1,450,000	1,812,500	2,468,000	2,591,400	2,720,970
BSSDPL Share	%		28.36%	27.11%	25.87%	23.27%	20.88%	20.00%	22.00%	22.00%	22.00%	22.00%
BSSDPL Traffic	KL		508,334	553,111	610,557	550,541	257,753	290,000	398,750	542,960	570,108	598,613
Growth	%			8.81%	10.39%	-9.83%	-53.18%	12.51%	37.50%	36.17%	5.00%	5.00%

Actuals=1, Projections=0

	1	1	1	1	0	0	0	0	0	0
Year Counter	0	1	2	3	4	5	6	7	8	9

Period Start	1-Apr-16	1-Apr-17	1-Apr-18	1-Apr-19	1-Apr-20	1-Apr-21	1-Apr-22	1-Apr-23	1-Apr-24	1-Apr-25
Period End	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26

**Bharat Stars Services (Delhi) Private Limited**

**Operating Expenses**

Particulars												
Manpower Cost	In Lakhs		348.14	421.26	519.49	476.47	370.36	435.75	498.79	569.23	635.89	683.84
Operational Expenses	In Lakhs		125.36	102.18	106.26	109.32	85.04	100.72	115.11	149.93	161.31	168.70
Repairs & Maintenance - P&M	In Lakhs		63.59	46.73	34.13	39.64	20.42	21.52	28.64	34.15	38.64	42.51
Testing Charges	In Lakhs		2.73	3.34	4.02	3.83	2.65	8.32	4.59	7.53	8.35	6.55
Consumption of stores & Spares	In Lakhs		19.89	15.79	15.20	17.63	19.88	27.62	34.32	47.96	48.00	46.71
Power, Fuel & Water charges	In Lakhs		35.13	33.32	49.80	44.05	36.14	38.50	42.38	54.53	59.98	65.98
Safety & Protection Expenses	In Lakhs		4.01	3.01	3.11	4.18	5.95	4.76	5.17	5.75	6.33	6.96
Administrative Expenses	In Lakhs		64.65	116.74	58.60	62.13	41.18	54.63	57.11	62.73	69.31	76.15
Automation Expenses - Rev. exp.	In Lakhs		-	-	-	-	-	-	25.96	36.28	47.21	48.62
Rental Costs	In Lakhs		66.19	77.29	97.73	89.25	100.91	357.67	610.70	493.72	540.43	591.61
HQ Costs	In Lakhs		-	-	-	61.31	61.83	58.25	62.39	66.82	71.60	76.76
Concession Fees	In Lakhs		48.35	54.73	60.99	54.97	25.74	40.53	121.11	173.16	190.91	210.48
Total Expenses	In Lakhs		652.69	772.20	843.06	853.45	685.06	1,047.55	1,491.17	1,551.86	1,716.65	1,856.16

**Manpower Cost**

Particulars												
Salaries, Wages, Bonus etc	In Lakhs		257.40	271.73	276.81	288.24	241.98					
Contribution to Provident & Other Funds	In Lakhs		13.86	16.63	14.95	13.97	12.30	370.75	431.19	498.93	562.78	607.80
Retirement Compensation	In Lakhs		5.83	7.69	9.25	9.32	9.88					
Staff Welfare Expenses	In Lakhs		10.40	12.65	11.41	11.18	1.30					
Manpower on Deputation	In Lakhs		60.65	112.55	207.07	153.76	104.89	65.00	67.60	70.30	73.12	76.04
<b>Total</b>	<b>In Lakhs</b>		<b>348.14</b>	<b>421.26</b>	<b>519.49</b>	<b>476.47</b>	<b>370.36</b>	<b>435.75</b>	<b>498.79</b>	<b>569.23</b>	<b>635.89</b>	<b>683.84</b>

**Operational Expenses**

Particulars												
<b>Repairs &amp; Maintenance - P&amp;M</b>	<b>In Lakhs</b>		<b>63.59</b>	<b>46.73</b>	<b>34.13</b>	<b>39.64</b>	<b>20.42</b>	<b>21.52</b>	<b>28.64</b>	<b>34.15</b>	<b>38.64</b>	<b>42.51</b>
National Permit of Dispensers	In Lakhs		-	2.53	2.52	2.49	1.30	1.60	2.74	3.41	4.18	4.60
National Permit of Refuellers	In Lakhs		-	0.37	0.36	0.84	0.56	0.18	0.78	1.06	1.38	1.52
Fitness of Dispensers	In Lakhs		-	1.34	0.56	0.70	-	0.22	0.48	0.60	0.74	0.82
Fitness of Refuellers	In Lakhs		-	0.07	0.10	0.23	-	-	0.20	0.33	0.36	0.40
Fitness of Vehicles	In Lakhs		-	0.01	0.05	0.03	0.03	0.03	0.03	0.04	0.04	0.05
Maintenance _ Tyre	In Lakhs		-	2.99	0.50	-	0.08	3.20	4.50	4.95	5.45	5.99
Repair & Maintenance: Dispensers	In Lakhs		-	32.58	17.83	13.64	8.46	6.00	7.80	10.14	11.15	12.27
Repair & Maintenance: Others	In Lakhs		-	3.30	5.19	15.17	3.15	4.00	4.40	4.84	5.32	5.86
Repair & Maintenance : Vehicle	In Lakhs		-	1.86	3.50	2.66	1.60	2.60	2.86	3.15	3.46	3.81
Repair & Maintenance : Refuellers	In Lakhs		-	1.69	2.82	3.11	4.59	3.20	3.52	3.87	4.26	4.69
Road Tax for Dispensers	In Lakhs		-	-	0.42	0.42	0.19	0.29	0.42	0.52	0.65	0.71
Road Tax for Refuellers	In Lakhs		-	-	0.26	0.32	0.45	0.18	0.90	1.24	1.63	1.80
Road Tax for Vehicles	In Lakhs		-	-	0.01	0.01	0.01	0.01	0.01	0.02	0.02	0.02
<b>Testing Charges</b>	<b>In Lakhs</b>		<b>2.73</b>	<b>3.34</b>	<b>4.02</b>	<b>3.83</b>	<b>2.65</b>	<b>8.32</b>	<b>4.59</b>	<b>7.53</b>	<b>8.35</b>	<b>6.55</b>
Meter Calibration Charges	In Lakhs		-	1.01	1.41	1.04	0.62	0.72	0.99	1.27	1.60	1.76
Testing Charges	In Lakhs		-	2.33	2.61	2.79	2.03	7.60	3.60	6.26	6.76	4.79
<b>Consumption of Stores &amp; Spares</b>	<b>In Lakhs</b>		<b>19.89</b>	<b>15.79</b>	<b>15.20</b>	<b>17.63</b>	<b>19.88</b>	<b>27.62</b>	<b>34.32</b>	<b>47.96</b>	<b>48.00</b>	<b>46.71</b>
Consumable Items	In Lakhs		-	2.00	1.68	1.81	1.21	1.71	1.88	2.06	2.27	2.50
Purchase of AMD Capsules	In Lakhs		-	1.62	1.14	1.01	1.43	1.20	3.12	3.43	3.78	4.15
Consumption of Filter Elements	In Lakhs		-	12.15	12.38	12.68	8.77	5.95	0.98	-	-	-
Consumption of FWS Elements	In Lakhs		-	-	-	-	-	1.39	10.30	10.19	9.93	14.35
Purchase of Safety Shoes	In Lakhs		-	0.01	-	0.79	0.33	0.38	0.45	0.50	0.54	0.60
Consumable Carter Spares	In Lakhs		-	-	-	-	-	16.00	17.60	19.36	21.30	23.43
Consumption of Deck Hose	In Lakhs		-	-	-	0.46	1.17	-	-	0.93	1.53	1.68
Consumption of Reel Hose	In Lakhs		-	-	-	0.88	6.97	1.00	-	3.63	-	-
Consumption of Inlet Hose	In Lakhs		-	-	-	-	-	-	-	7.87	8.65	-
<b>Power, Fuel &amp; Water charges</b>	<b>In Lakhs</b>		<b>35.13</b>	<b>33.32</b>	<b>49.80</b>	<b>44.05</b>	<b>36.14</b>	<b>38.50</b>	<b>42.38</b>	<b>54.53</b>	<b>59.98</b>	<b>65.98</b>
Diesel & CNG Charges	In Lakhs		-	30.13	45.79	40.40	33.09	35.00	38.50	47.64	52.41	57.65
Electricity Charges- D39	In Lakhs		-	3.19	4.02	2.97	2.54	2.80	3.08	3.39	3.73	4.10
Electricity Expenses-T2	In Lakhs		-	-	-	0.68	0.51	0.70	0.80	3.50	3.85	4.24
<b>Safety &amp; Protection Expenses</b>	<b>In Lakhs</b>		<b>4.01</b>	<b>3.01</b>	<b>3.11</b>	<b>4.18</b>	<b>5.95</b>	<b>4.76</b>	<b>5.17</b>	<b>5.75</b>	<b>6.33</b>	<b>6.96</b>
Fire Extinguisher Expenses	In Lakhs		-	1.21	1.02	1.07	0.98	1.10	1.22	1.34	1.48	1.62
Safety Ear Muffs	In Lakhs		-	0.21	-	0.28	-	0.16	0.10	0.18	0.19	0.21
Safety Expenses	In Lakhs		-	1.59	2.08	2.83	4.97	3.50	3.85	4.24	4.66	5.12

**Administrative Expenses**

Particulars												
Rates & Taxes	In Lakhs		1.75	3.06	2.85	0.60	1.66	2.20	2.42	2.66	2.93	3.22
Legal & Professional Charges	In Lakhs		4.32	4.78	5.29	4.74	4.38	7.90	5.39	5.93	6.52	7.17
Contract worker charges-Admin	In Lakhs		0.86	4.69	5.37	7.11	5.00	4.80	5.28	5.81	6.39	7.03
Auditor's remuneration	In Lakhs		1.50	1.50	1.40	1.50	1.58	1.65	1.74	1.82	1.91	2.01
Training & Recruitment Expenses	In Lakhs		5.05	8.50	1.87	2.08	0.71	2.00	2.20	2.42	2.66	2.93
Travelling & Conveyance	In Lakhs		4.11	8.85	5.59	7.51	0.65	2.00	2.20	2.42	2.66	2.93
Insurance Expenses	In Lakhs		4.41	5.49	6.09	7.91	7.23	7.38	8.51	9.36	10.70	11.77
Miscellaneous Expenses	In Lakhs		17.01	23.95	16.77	17.70	11.13	15.00	16.50	18.15	19.97	21.96
Telephone and communication Expenses	In Lakhs		3.60	4.03	5.65	6.43	5.51	5.50	6.05	6.66	7.32	8.05
Business Promotion Expenses	In Lakhs		0.51	2.50	2.57	2.61	-	2.00	2.20	2.42	2.66	2.93
Loss on sale of Property Plant & Equipment	In Lakhs		0.52	-	0.37	-	-	-	-	-	-	-
Printing and Stationery	In Lakhs		5.23	4.49	4.45	3.78	3.34	4.20	4.62	5.08	5.59	6.15
Bad Trade, Other Receivables and Loans & A	In Lakhs		-	0.03	-	0.02	-	-	-	-	-	-
Loss on foreign exchange	In Lakhs		0.04	-	0.35	0.13	-	-	-	-	-	-
Pre Award Cost	In Lakhs		-	-	-	-	-	-	-	-	-	-
Embezzlement Loss	In Lakhs		15.75	44.87	-	-	-	-	-	-	-	-
<b>Total</b>	<b>In Lakhs</b>		<b>64.65</b>	<b>116.74</b>	<b>58.60</b>	<b>62.13</b>	<b>41.18</b>	<b>54.63</b>	<b>57.11</b>	<b>62.73</b>	<b>69.31</b>	<b>76.15</b>
					(0.50)	0.06	(0.34)	0.33	0.05	0.10	0.10	0.10

**Automation Expenses**

Particulars												
Software Charges/Vehicle	In Lakhs		-	-	-	-	-	1.80	1.85	1.91	1.97	2.03
No. of Vehicles	In Lakhs		-	-	-	-	-	-	14	19	24	24
<b>Rev. Exp.</b>	<b>In Lakhs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25.96</b>	<b>36.28</b>	<b>47.21</b>	<b>48.62</b>

**Rental Costs**

Particulars												
Rent for Shift Office (D39)	In Lakhs		66.19	77.29	97.73	30.13	32.39	37.42	40.23	-	-	-

Rent for Parking Area- D43	In Lakhs		-	-	-	32.79	35.25	71.45	78.59	-	-	-
Rent for Parking Area - T2	In Lakhs		-	-	-	11.11	11.94	24.20	26.62	-	-	-
Rent for T2 Office	In Lakhs		-	-	-	10.63	11.43	13.19	14.18	-	-	-
Rent for Fuel Facility Area	In Lakhs		-	-	-	4.60	4.94	5.31	5.71	6.14	6.60	7.10
Rent of Noida Office-@25% (Ind AS 116)	In Lakhs		-	-	-	-	4.97	5.34	5.74	6.17	6.63	7.13
New Office space at T3	In Lakhs		-	-	-	-	-	40.71	87.52	94.08	101.14	108.73
Land Space at T3	In Lakhs		-	-	-	-	-	160.05	352.11	387.32	426.05	468.66
<b>Total</b>	<b>In Lakhs</b>		<b>66.19</b>	<b>77.29</b>	<b>97.73</b>	<b>89.25</b>	<b>100.91</b>	<b>357.67</b>	<b>610.70</b>	<b>493.72</b>	<b>540.43</b>	<b>591.61</b>

#### HQ Costs

<b>Particulars</b>												
Deputation	In Lakhs		-	-	-	60.00	84.66	90.00	93.60	97.34	101.24	105.29
Employee CTC	In Lakhs		-	-	-	137.00	70.00	75.60	81.65	88.18	95.23	102.85
Travel	In Lakhs		-	-	-	7.50	0.20	0.30	0.50	0.55	0.61	0.67
Misc(CSR, Insurances, Audit Fees,Attendant)	In Lakhs		-	-	-	40.72	61.00	67.10	73.81	81.19	89.31	98.24
<b>Total</b>	<b>In Lakhs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>245.22</b>	<b>215.86</b>	<b>233.00</b>	<b>249.56</b>	<b>267.26</b>	<b>286.39</b>	<b>307.05</b>
<b>Cost allocated to BSSDPL</b>	<b>In Lakhs</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>61.31</b>	<b>61.83</b>	<b>58.25</b>	<b>62.39</b>	<b>66.82</b>	<b>71.60</b>	<b>76.76</b>

Actuals=1, Projections=0

Year Counter	0	1	2	3	4	5	6	7	8	9
Period Start	1-Apr-16	1-Apr-17	1-Apr-18	1-Apr-19	1-Apr-20	1-Apr-21	1-Apr-22	1-Apr-23	1-Apr-24	1-Apr-25
Period End	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26

Bharat Stars Services (Delhi) Private Limited

Regulatory Asset Base (RAB)

Particulars													
<b>Plant &amp; Machinery</b>													
Opening Block	576.86	541.97	507.34	378.93	345.08	721.08	978.35	1,082.72	1,304.19	1,377.88			
(+) Additions	-	0.31	18.29	119.75	563.77	397.00	244.65	375.95	259.31	-			
(-) Disposals	-	-	-	-	-	-	-	-	-	-			
(-) Depreciation	34.89	34.94	146.70	153.60	187.77	139.72	140.29	154.48	185.62	197.90			
(+) Depreciation on Deletion	-	-	-	-	-	-	-	-	-	-			
Closing Block	541.97	507.34	378.93	345.08	721.08	978.35	1,082.72	1,304.19	1,377.88	1,179.98			
Average Block	559.41	524.65	443.13	362.01	533.08	849.72	1,030.54	1,193.45	1,341.03	1,278.93			
<b>Jeeps &amp; Vehicles</b>													
Opening Block	17.86	26.79	22.69	35.54	29.58	23.84	18.11	12.37	28.12	21.41			
(+) Additions	14.31	-	18.61	-	-	-	-	22.05	-	12.16			
(-) Disposals	8.20	-	-	-	-	-	-	-	-	-			
(-) Depreciation	4.35	4.10	5.76	5.97	5.74	5.74	5.74	6.30	6.71	5.84			
(+) Depreciation on Deletion	7.16	-	-	-	-	-	-	-	-	-			
Closing Block	26.79	22.69	35.54	29.58	23.84	18.11	12.37	28.12	21.41	27.72			
Average Block	22.33	24.74	29.11	32.56	26.71	20.97	15.24	20.25	24.76	24.56			
<b>Furniture &amp; Fixtures</b>													
Opening Block	9.12	7.88	7.14	6.80	3.52	2.84	2.19	16.19	13.32	10.46			
(+) Additions	-	0.63	3.75	-	-	-	15.75	-	-	6.08			
(-) Disposals	0.01	-	-	-	-	-	-	-	-	-			
(-) Depreciation	1.30	1.36	4.09	3.28	0.69	0.65	1.74	2.87	2.87	2.95			
(+) Depreciation on Deletion	0.07	-	-	-	-	-	-	-	-	-			
Closing Block	7.88	7.14	6.80	3.52	2.84	2.19	16.19	13.32	10.46	13.58			
Average Block	8.50	7.51	6.97	5.16	3.18	2.51	9.19	14.76	11.89	12.02			
<b>Office Equipment</b>													
Opening Block	0.91	0.98	8.27	6.58	5.92	4.30	4.18	49.24	56.69	60.74			
(+) Additions	0.35	8.61	0.39	1.16	0.28	2.00	52.57	20.77	21.44	4.86			
(-) Disposals	0.09	-	-	-	-	-	-	-	-	-			
(-) Depreciation	0.27	1.31	2.08	1.82	1.89	2.12	7.52	13.32	17.38	19.87			
(+) Depreciation on Deletion	0.08	-	-	-	-	-	-	-	-	-			
Closing Block	0.98	8.27	6.58	5.92	4.30	4.18	49.24	56.69	60.74	45.74			
Average Block	0.95	4.63	7.43	6.25	5.11	4.24	26.71	52.96	58.72	53.24			
<b>Computer &amp; Software</b>													
Opening Block	0.78	1.13	4.98	3.56	2.34	1.20	0.55	2.33	3.61	4.23			
(+) Additions	0.73	4.88	0.70	0.71	0.87	-	2.63	2.76	2.89	6.08			
(-) Disposals	-	-	-	-	-	-	-	-	-	-			
(-) Depreciation	0.39	1.03	2.12	1.93	2.02	0.64	0.85	1.48	2.28	3.33			
(+) Depreciation on Deletion	-	-	-	-	-	-	-	-	-	-			
Closing Block	1.13	4.98	3.56	2.34	1.20	0.55	2.33	3.61	4.23	6.97			
Average Block	0.96	3.06	4.27	2.95	1.77	0.88	1.44	2.97	3.92	5.60			
<b>Buildings</b>													
Opening Block	-	-	-	-	-	-	-	309.75	299.25	288.75			
(+) Additions	-	-	-	-	-	-	315.00	-	-	-			
(-) Disposals	-	-	-	-	-	-	-	-	-	-			
(-) Depreciation	-	-	-	-	-	-	5.25	10.50	10.50	10.50			
(+) Depreciation on Deletion	-	-	-	-	-	-	-	-	-	-			
Closing Block	-	-	-	-	-	-	309.75	299.25	288.75	278.25			
Average Block	-	-	-	-	-	-	154.88	304.50	294.00	283.50			
<b>Pre Award Cost</b>													
Opening Block	-	-	-	-	-	-	24.17	22.50	20.83	19.17			
(+) Additions	-	-	-	-	-	25.00	-	-	-	-			
(-) Disposals	-	-	-	-	-	-	-	-	-	-			
(-) Depreciation	-	-	-	-	-	0.83	1.67	1.67	1.67	1.67			
(+) Depreciation on Deletion	-	-	-	-	-	-	-	-	-	-			
Closing Block	-	-	-	-	-	24.17	22.50	20.83	19.17	17.50			
Average Block	-	-	-	-	-	12.08	23.33	21.67	20.00	18.33			
<b>Total</b>													
Opening Block	605.53	578.75	550.42	431.42	386.44	753.26	1,027.55	1,495.10	1,726.01	1,782.63			
(+) Additions	15.40	14.43	41.74	121.61	564.92	424.00	630.60	421.53	283.64	29.17			
(-) Disposals	8.29	-	-	-	-	-	-	-	-	-			
(-) Depreciation	41.20	42.76	160.74	166.59	198.11	149.70	163.05	190.62	227.03	242.06			
(+) Depreciation on Deletion	7.31	-	-	-	-	-	-	-	-	-			
Closing Block	578.75	550.42	431.42	386.44	753.26	1,027.55	1,495.10	1,726.01	1,782.63	1,569.74			
Average Block	592.14	564.58	490.92	408.93	369.85	890.40	1,261.33	1,610.56	1,754.32	1,676.18			

Capex Requirement (Nos)		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
<b>Dispenser - 18</b>	<b>Rate</b>					
Fabrication of New Dispenser	10,000,000	0	0	2	2	0
Refurbishment with FWS	3,000,000	5	2	0	0	0
FWS Fitment	1,600,000	1	2	0	0	0
Chassis	1,200,000	5	2	2	2	0
<b>Refueller - 3 Nos</b>						
Refurbishment of Module-15 KL (with FWS)	3,500,000	3	0	0	0	0
Refurbishment of Module-30 KL	5,000,000	0	0	0	0	0
Fabrication of New Refueller -15KL	7,500,000	0	1	1	0	0
Chassis-15 KL	2,200,000	3	1	1	0	0
Chassis-30 KL	3,600,000					
<b>Aviation Module Parts</b>						
Inlet Couplers	400,000	0	2	2	0	0
Delivery Couplings	200,000	0	6	6	0	0
<b>Jeeps - 5</b>	1,000,000	0	0	2	0	1
<b>Workshop Equipments</b>	1,100,000					
<b>Office Equipments</b>	200,000	1	1	1	1	2
<b>Furniture &amp; Fittings</b>	500,000		3			1
<b>Computers</b>	50,000		5	5	5	10
<b>ITP Depot</b>	30,000,000		1			

5.00%

-

1

2

3

4

Capex Cost		FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
<b>Dispenser</b>	<b>Rate</b>					
New Module	Plant & Machinery	-	-	22,050,000	23,152,500	-
Refurbished Module	Plant & Machinery	15,000,000	6,300,000	-	-	-
FWS Fitment	Plant & Machinery	1,600,000	3,360,000	-	-	-
Chassis	Plant & Machinery	6,000,000	2,520,000	2,646,000	2,778,300	-
		-	-	-	-	-
<b>Refueller</b>		-	-	-	-	-
Refurbishment of Module-15 KL (with FWS)	Plant & Machinery	10,500,000	-	-	-	-
Refurbishment of Module-30 KL	Plant & Machinery	-	-	-	-	-
New Module-15 KL	Plant & Machinery	-	7,875,000	8,268,750	-	-
Chassis-15 KL	Plant & Machinery	6,600,000	2,310,000	2,425,500	-	-
Chassis-30 KL	Plant & Machinery	-	-	-	-	-
<b>Aviation Module Parts</b>						
Inlet Couplers	Plant & Machinery	-	840,000	882,000	-	-
Delivery Couplings	Plant & Machinery	-	1,260,000	1,323,000	-	-
<b>Jeeps</b>	Jeeps & Vehicles	-	-	2,205,000	-	1,215,506
		-	-	-	-	-
<b>Workshop Equipments</b>	Plant & Machinery	-	-	-	-	-
<b>Office Equipments</b>	Office Equipment	200,000	210,000	220,500	231,525	486,203
		-	-	-	-	-
<b>Furniture &amp; Fittings</b>	Furniture & Fixtures	-	1,575,000	-	-	607,753
		-	-	-	-	-
<b>Computers</b>	Computer & Software	-	262,500	275,625	289,406	607,753
<b>ITP Depot</b>	Buildings	-	31,500,000	-	-	-
<b>Automation Hardware</b>	Office Equipment	-	5,047,000	1,856,575	1,912,272	-
<b>Pre Award Cost</b>		2,500,000				
		-	-	-	-	-
		42,400,000	63,059,500	42,152,950	28,364,004	2,917,215

Depn. For year of commissioning 50%

Depreciation

Asset Class	Asset Description	Gross Block	Cap. Year	Useful Life as per Order 35	Last year	Depn. rates until FY 18	2022	2023	2024	2025	2026
Plant & Machinery	Refurbished Module	15,000,000	2022	10	2032	10.00%	750,000	1,500,000	1,500,000	1,500,000	1,500,000
Plant & Machinery	FWS Fitment	1,600,000	2022	10	2032	10.00%	80,000	160,000	160,000	160,000	160,000
Plant & Machinery	Chassis	6,000,000	2022	10	2032	10.00%	300,000	600,000	600,000	600,000	600,000
Plant & Machinery	Refurbishment of Modu	10,500,000	2022	10	2032	10.00%	525,000	1,050,000	1,050,000	1,050,000	1,050,000
Plant & Machinery	Chassis-15 KL	6,600,000	2022	10	2032	10.00%	330,000	660,000	660,000	660,000	660,000
Office Equipment	Office Equipment	200,000	2022	5	2027	20.00%	20,000	40,000	40,000	40,000	40,000
Plant & Machinery	Refurbished Module	6,300,000	2023	10	2033	10.00%	-	315,000	630,000	630,000	630,000
Plant & Machinery	FWS Fitment	3,360,000	2023	10	2033	10.00%	-	168,000	336,000	336,000	336,000
Plant & Machinery	Chassis	2,520,000	2023	10	2033	10.00%	-	126,000	252,000	252,000	252,000
Plant & Machinery	Refurbishment of Modu	-	2023	10	2033	10.00%	-	-	-	-	-
Plant & Machinery	New Module-15 KL	7,875,000	2023	10	2033	10.00%	-	393,750	787,500	787,500	787,500
Plant & Machinery	Chassis-15 KL	2,310,000	2023	10	2033	10.00%	-	115,500	231,000	231,000	231,000
Plant & Machinery	Inlet Couplers	840,000	2023	10	2033	10.00%	-	42,000	84,000	84,000	84,000
Plant & Machinery	Delivery Couplings	1,260,000	2023	10	2033	10.00%	-	63,000	126,000	126,000	126,000
Office Equipment	Office Equipment	210,000	2023	5	2028	20.00%	-	21,000	42,000	42,000	42,000
Furniture & Fittings	Furniture & Fittings	1,575,000	2023	7	2030	14.29%	-	112,500	225,000	225,000	225,000
Computers	Computers	262,500	2023	3	2026	33.33%	-	43,750	87,500	87,500	43,750
Buildings	ITP Depot	31,500,000	2023	30	2053	3.33%	-	525,000	1,050,000	1,050,000	1,050,000
Plant & Machinery	New Module	22,050,000	2024	10	2034	10.00%	-	-	1,102,500	2,205,000	2,205,000
Plant & Machinery	Chassis	2,646,000	2024	10	2034	10.00%	-	-	132,300	264,600	264,600
Plant & Machinery	New Module-15 KL	8,268,750	2024	10	2034	10.00%	-	-	413,438	826,875	826,875
Plant & Machinery	Chassis-15 KL	2,425,500	2024	10	2034	10.00%	-	-	121,275	242,550	242,550
Plant & Machinery	Inlet Couplers	882,000	2024	10	2034	10.00%	-	-	44,100	88,200	88,200
Plant & Machinery	Delivery Couplings	1,323,000	2024	10	2034	10.00%	-	-	66,150	132,300	132,300
Jeeps & Vehicles	Jeeps	2,205,000	2024	8	2032	12.50%	-	-	137,813	275,625	275,625
Office Equipment	Office Equipment	220,500	2024	5	2029	20.00%	-	-	22,050	44,100	44,100
Computers	Computers	275,625	2024	3	2027	33.33%	-	-	45,938	91,875	91,875
Plant & Machinery	New Module	23,152,500	2025	10	2035	10.00%	-	-	-	1,157,625	2,315,250
Plant & Machinery	Chassis	2,778,300	2025	10	2035	10.00%	-	-	-	138,915	277,830
Office Equipment	Office Equipment	231,525	2025	5	2030	20.00%	-	-	-	23,153	46,305
Computers	Computers	289,406	2025	3	2028	33.33%	-	-	-	48,234	96,469
Jeeps & Vehicles	Jeeps	1,215,506	2026	8	2034	12.50%	-	-	-	-	75,969
Office Equipment	Office Equipment	486,203	2026	5	2031	20.00%	-	-	-	-	48,620
Furniture & Fittings	Furniture & Fittings	607,753	2026	7	2033	14.29%	-	-	-	-	43,411
Computers	Computers	607,753	2026	3	2029	33.33%	-	-	-	-	101,292
Office Equipment	Automation Expenses	5,047,000	2023	5	2028	20.00%	-	504,700	1,009,400	1,009,400	1,009,400
Office Equipment	Automation Expenses	1,856,575	2024	5	2029	20.00%	-	-	185,658	371,315	371,315
Office Equipment	Automation Expenses	1,912,272	2025	5	2030	20.00%	-	-	-	191,227	382,454
Pre Award Cost	Pre Award Cost	2,500,000	2022	15	2037	6.67%	83,333	166,667	166,667	166,667	166,667

178,893,669

Automation exps.

**Revenue Expenditure**

Particulars		2021-22	2022-23	2023-24	2024-25	2025-26
Software chrgs. Per vehicle p.m.	15,000	180,000	185,400	190,962	196,691	202,592
Escalation proposed			3%	3%	3%	3%
No. of vehicles		-	14	19	24	24
<b>Total Cost</b>		-	<b>2,595,600</b>	<b>3,628,278</b>	<b>4,720,581</b>	<b>4,862,198</b>

**Capex Expenditure**

Particulars		2021-22	2022-23	2023-24	2024-25	2025-26
Hardware chrgs. Per vehicle	350,000	350,000	360,500	371,315	382,454	393,928
Escalation proposed			3%	3%	3%	3%
No. of vehicles		-	14	5	5	-
<b>Total Cost</b>		-	<b>5,047,000</b>	<b>1,856,575</b>	<b>1,912,272</b>	-

Reduction in vehicle nos. to be reasoned

**Reconstruction Summary**

In Lakhs.

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Computers</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
Opening Block	0.78	1.13	4.98	3.56	2.34	1.20	0.55	0.15	(0.00)	(0.00)
(+) Additions	0.73	4.88	0.70	0.71	0.87	-	-	-	-	-
(-) Deletions	-	-	-	-	-	-	-	-	-	-
(-) Depreciation	0.39	1.03	2.12	1.93	2.02	0.64	0.41	0.15	-	-
(+) Depreciation on deletion	-	-	-	-	-	-	-	-	-	-
<b>Closing Block</b>	<b>1.13</b>	<b>4.98</b>	<b>3.56</b>	<b>2.34</b>	<b>1.20</b>	<b>0.55</b>	<b>0.15</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>

<b>Furniture &amp; Fixtures</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
Opening Block	9.12	7.88	7.14	6.80	3.52	2.84	2.19	1.57	0.95	0.33
(+) Additions	-	0.63	3.75	-	-	-	-	-	-	-
(-) Deletions	0.01	-	-	-	-	-	-	-	-	-
(-) Depreciation	1.30	1.36	4.09	3.28	0.69	0.65	0.62	0.62	0.62	0.27
(+) Depreciation on deletion	0.07	-	-	-	-	-	-	-	-	-
<b>Closing Block</b>	<b>7.88</b>	<b>7.14</b>	<b>6.80</b>	<b>3.52</b>	<b>2.84</b>	<b>2.19</b>	<b>1.57</b>	<b>0.95</b>	<b>0.33</b>	<b>0.06</b>

<b>Office Equipment</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
Opening Block	0.91	0.98	8.27	6.58	5.92	4.30	2.38	0.52	0.20	0.02
(+) Additions	0.35	8.61	0.39	1.16	0.28	-	-	-	-	-
(-) Deletions	0.09	-	-	-	-	-	-	-	-	-
(-) Depreciation	0.27	1.31	2.08	1.82	1.89	1.92	1.86	0.33	0.17	0.03
(+) Depreciation on deletion	0.08	-	-	-	-	-	-	-	-	-
<b>Closing Block</b>	<b>0.98</b>	<b>8.27</b>	<b>6.58</b>	<b>5.92</b>	<b>4.30</b>	<b>2.38</b>	<b>0.52</b>	<b>0.20</b>	<b>0.02</b>	<b>(0.00)</b>

<b>Plant &amp; Machinery</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
Opening Block	576.86	541.97	507.34	378.93	345.08	721.08	601.20	512.85	441.33	370.44
(+) Additions	-	0.31	18.29	119.75	563.77	-	-	-	-	-
(-) Deletions	-	-	-	-	-	-	-	-	-	-
(-) Depreciation	34.89	34.94	146.70	153.60	187.77	119.87	88.35	71.52	70.89	70.21
(+) Depreciation on deletion	-	-	-	-	-	-	-	-	-	-
<b>Closing Block</b>	<b>541.97</b>	<b>507.34</b>	<b>378.93</b>	<b>345.08</b>	<b>721.08</b>	<b>601.20</b>	<b>512.85</b>	<b>441.33</b>	<b>370.44</b>	<b>300.23</b>

<b>Vehicles</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
Opening Block	17.86	26.79	22.69	35.54	29.58	23.84	18.11	12.37	7.45	3.49
(+) Additions	14.31	-	18.61	-	-	-	-	-	-	-
(-) Deletions	8.20	-	-	-	-	-	-	-	-	-
(-) Depreciation	4.35	4.10	5.76	5.97	5.74	5.74	5.74	4.92	3.96	2.33
(+) Depreciation on deletion	7.16	-	-	-	-	-	-	-	-	-
<b>Closing Block</b>	<b>26.79</b>	<b>22.69</b>	<b>35.54</b>	<b>29.58</b>	<b>23.84</b>	<b>18.11</b>	<b>12.37</b>	<b>7.45</b>	<b>3.49</b>	<b>1.16</b>

<b>Total</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>
Opening Block	605.53	578.75	550.42	431.42	386.44	753.26	624.44	527.46	449.92	374.29
(+) Additions	15.40	14.43	41.74	121.61	564.92	-	-	-	-	-
(-) Deletions	8.29	-	-	-	-	-	-	-	-	-
(-) Depreciation	41.20	42.76	160.74	166.59	198.11	128.82	96.98	77.53	75.64	72.83
(+) Depreciation on deletion	7.31	-	-	-	-	-	-	-	-	-
<b>Closing Block</b>	<b>578.75</b>	<b>550.42</b>	<b>431.42</b>	<b>386.44</b>	<b>753.26</b>	<b>624.44</b>	<b>527.46</b>	<b>449.92</b>	<b>374.29</b>	<b>301.46</b>
	5.79	5.50	4.31	3.86	7.53	6.24	5.27	4.50	3.74	3.01

Actuals=1, Projections=0	1	1	1	1	0	0	0	0	0	0
Year Counter	0	1	2	3	4	5	6	7	8	9
Period Start	1-Apr-16	1-Apr-17	1-Apr-18	1-Apr-19	1-Apr-20	1-Apr-21	1-Apr-22	1-Apr-23	1-Apr-24	1-Apr-25
Period End	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26

Bharat Stars Services (Delhi) Private Limited

Revenues

8.84%

Particulars												
Revenues from Operations	In Lakhs		1,032.05	1,169.06	1,264.94	1,109.49	514.83	579.04	1,730.18	2,473.70	2,727.25	3,006.80
Rate per KL	Rs.		203.03	211.36	207.18	201.53	199.74	199.67	433.90	455.60	478.37	502.29
Volume	KL		508,334	553,111	610,537	550,541	257,753	290,000	398,750	542,960	570,108	598,613
Other Income	In Lakhs		14.26	23.92	25.02	41.12	20.65	1.52	1.52	1.52	1.52	1.52
Less: IND AS adjustment	In Lakhs		(6.27)	(6.93)	(7.82)	(8.42)	(1.52)	(1.52)	(1.52)	(1.52)	(1.52)	(1.52)
Total Revenues	In Lakhs		1,040.04	1,186.05	1,282.13	1,142.19	533.96	579.04	1,730.18	2,473.70	2,727.25	3,006.80

Actuals=1, Projections=0	1	1	1	1	0	0	0	0	0	0
Year Counter	0	1	2	3	4	5	6	7	8	9
Period Start	1-Apr-16	1-Apr-17	1-Apr-18	1-Apr-19	1-Apr-20	1-Apr-21	1-Apr-22	1-Apr-23	1-Apr-24	1-Apr-25
Period End	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26

Bharat Stars Services (Delhi) Private Limited

Tax

Particulars													
PBT as per Model	Rs. in Lakhs		346.15	371.09	278.33	122.14	(367.01)	(732.07)	(119.40)	523.27	617.88	821.88	1,111.56
Set off of accumulated Loss	Rs. in Lakhs		-	-	-	-	-	-	-	(523.27)	(617.88)	(77.33)	(1,218.48)
PBT for tax computation	Rs. in Lakhs		346.15	371.09	278.33	122.14	(367.01)	(732.07)	(119.40)	-	-	744.55	(106.92)
Effective Tax Rate as per FS	%		35.25%	30.16%	27.47%	24.85%	24.14%						
Assumed Effective Tax Rate	%							24.48%	24.48%	24.48%	24.48%	24.48%	
Taxation	Rs. in Lakhs		122.03	111.92	76.46	30.35	-	-	-	-	-	182.28	182.28

Actuals=1, Projections=0	1	1	1	1	0	0	0	0	0	0
Year Counter	0	1	2	3	4	5	6	7	8	9
Period Start	1-Apr-16	1-Apr-17	1-Apr-18	1-Apr-19	1-Apr-20	1-Apr-21	1-Apr-22	1-Apr-23	1-Apr-24	1-Apr-25
Period End	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26

Bharat Stars Services (Delhi) Private Limited

Security Deposit Computation

Particulars												
Amount paid as per CA	Rs. in Lakhs							300.00	300.00	300.00	300.00	300.00
License Fee	Rs. in Lakhs							100.38	219.82	240.70	263.60	288.69
Concession Fee	Rs. in Lakhs							20.27	60.56	86.58	95.45	105.24
Total Fee	%							120.65	280.37	327.28	359.05	393.93
Taxation	Rs. in Lakhs		-	-	-	-	-	300.00	300.00	327.28	359.05	393.93

Actuals=1, Projections=0	0	0	0	0	0
Year Counter	5	6	7	8	9
<b>Period Start</b>	<b>1-Apr-21</b>	<b>1-Apr-22</b>	<b>1-Apr-23</b>	<b>1-Apr-24</b>	<b>1-Apr-25</b>
<b>Period End</b>	<b>31-Mar-22</b>	<b>31-Mar-23</b>	<b>31-Mar-24</b>	<b>31-Mar-25</b>	<b>31-Mar-26</b>

**Bharat Stars Services (Delhi) Private Limited**

**FRoR Computation**

Equity							
Opening Equity	Rs. in Lakhs		904.80	172.73	53.33	576.60	1,194.48
PAT	Rs. in Lakhs		(732.07)	(119.40)	523.27	617.88	639.60
<b>Closing Equity</b>	<b>Rs. in Lakhs</b>		<b>172.73</b>	<b>53.33</b>	<b>576.60</b>	<b>1,194.48</b>	<b>1,834.08</b>

Debt							
Opening Debt	Rs. in Lakhs		600.00	1,700.00	2,300.00	1,954.36	1,393.09
Additions	Rs. in Lakhs		1,100.00	600.00	-	-	-
Repayment					(345.64)	(561.26)	(1,034.77)
<b>Closing Debt</b>	<b>Rs. in Lakhs</b>		<b>1,700.00</b>	<b>2,300.00</b>	<b>1,954.36</b>	<b>1,393.09</b>	<b>358.32</b>

Average Equity	538.77	113.03	314.97	885.54	1,514.28
Average Debt	1,150.00	2,000.00	2,127.18	1,673.72	875.71
Debt + Equity	1,688.77	2,113.03	2,442.14	2,559.26	2,389.99

Gearing	68.10%	94.65%	87.10%	65.40%	36.64%
CoD	14.25%	14.25%	14.25%	14.25%	14.25%
CoE	14.25%	14.25%	14.25%	14.25%	14.25%

Weighted Average Gearing	70%
Weighted Average Cost of Debt	14.25%
Cost of Equity	14.25%
FROR	14.25%

**Form F14(a): Annual Tariff Proposal for Tariff Year t (ref: Section AI.8 of Appendix I)**

S.No	Particulars	Tariff Year 1 (2021-22)	Tariff Year 2 (2022-23)	Tariff Year 3 (2023-24)	Tariff Year 4 (2024-25)	Tariff Year 5 (2025-26)
1	Yield per unit	313.15	313.15	313.15	313.15	313.15
2	Error Correction term	340.37	295.92	260.63	495.73	455.60
3	EMAY	653.52	609.07	573.78	808.88	768.74

Form F14(b) : Annual Tariff Proposal for Tariff Year t (ref: Section AI.8 of Appendix 1)

Tariff Heading	Conditions of Tariff	Applicable Discount/Surcharge	Estimated Units	Estimated Revenues ( Rs. in Lakhs)
ITP of Year 2021-22	Rs.199.67 per KL	-	290,000	579.04
ITP of Year 2022-23	Rs.433.90 per KL	-	398,750	1,730.18
ITP of Year 2023-24	Rs.455.60 per KL	-	542,960	2,473.70
ITP of Year 2024-25	Rs.478.37 per KL	-	570,108	2,727.25
ITP of Year 2025-26	Rs.502.29 per KL	-	598,613	3,006.80

Tariff Card

Period	Fuelling of Aircraft	Defuelling of Aircraft		Refuelling of Defuelled Product	
		Within 6 hours	Beyond 6 hours	Within 6 hours	beyond 6 hours
Tariff Year 1 (2021-22)	199.67	199.67	300.18	249.26	300.18
Tariff Year 2 (2022-23)	433.90	433.90	520.68	477.29	520.68
Tariff Year 3 (2023-24)	455.60	455.60	546.72	501.16	546.72
Tariff Year 4 (2024-25)	478.37	478.37	574.04	526.21	574.04
Tariff Year 5 (2025-26)	502.29	502.29	602.75	552.52	602.75

Period	Tariff Year 1 (2021-22)	Tariff Year 2 (2022-23)	Tariff Year 3 (2023-24)	Tariff Year 4 (2024-25)	Tariff Year 5 (2025-26)
Tariff	Rs.199.67 per KL	Rs.433.90 per KL	Rs.455.60 per KL	Rs.478.37 per KL	Rs.502.29 per KL