



Press Release
MUMBAI AVIATION FUEL FARM FACILITY PRIVATE LIMITED
December 29, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	ACUITE AA Stable Reaffirmed	-
Bank Loan Ratings	50.00	-	ACUITE A1+ Reaffirmed
Total Outstanding Quantum (Rs. Cr)	60.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of **'ACUITE AA' (read as ACUITE double A)** and short-term rating of **'ACUITE A1+' (read as ACUITE A one plus)** on the Rs.60.00 Cr. bank facilities of Mumbai Aviation Fuel Farm Facility Private Limited (MAFFFL). The outlook is **'Stable'**.

Rationale for rating

The rating reflects the improvement in the scale of the company's operation, profitability and strong financial risk profile, efficient working capital operations and significant competitive advantage. The EBITDA margins of the company stood at 85.91% in FY25 against 85.87% in FY24 and the PAT margins of the company stood at 46.61% in FY25 against 41.87% in FY24. The company derives benefit from being a joint venture of Mumbai International Airport Limited (MIAL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL), and Hindustan Petroleum Corporation Limited (HPCL). There exists a flexibility of infusing need-based funds into MFFAL by JV partners and MFFAL is also of economic importance to JV partners since it is the licensed fuel farm operator for Chhatrapati Shivaji Maharaj International Airport. The capital structure of the company is comfortable, as the company has been debt-free since FY24. Furthermore, the working capital cycle of the company is efficient as reflected from GCA of 3 days as on March 31, 2024. The rating is constrained by the fairly small scale of operations and regulatory risk related associated with the pricing mechanism of the services.

About the Company

Mumbai based MAFFFL was incorporated in 2010, is a Joint Venture Company (JVC) between Mumbai International Airport Limited (MIAL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). The company is currently managed Mr. Jagdish Gupta, Mr. Sanjay Sahay, Mr. Abhishek Chhajer, Mr. Srinivas Kanuru, Mr. Manoj Heda, Pankaj Agrawal, Mr. Thotapalayam Vedanarayanan Pandiyan and Mr. Krushna Mahapatra. MIAL, the airport operator, has granted License to MAFFFL for developing an integrated fuel farm facility project at Chhatrapati Shivaji Maharaj International Airport (CSIA), Mumbai. The company operates & maintains the Integrated Fuel farm Facility on Open access basis. The fuel storage capacity is 47500 KL. The infrastructure charge levied by MAFFFL for use of the facility is subject to regulation by the Airport Economic Regulatory Authority (AERA).

Unsupported Rating
Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profile of MAFFFL to arrive at the rating.

Key Rating Drivers

Strengths

Benefits derived from being a part of strong promoter companies

MAFFFL continues to have a strong promoter profile with Mumbai International Airport Limited (MIAL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) holding a 25% stake each. IOCL, HPCL and BPCL are the dominant oil refining and marketing companies in India with strong government ownership and high financial flexibility. Moreover, these companies are the key customers of the fuel facility at the Mumbai airport and in turn, supply ATF to the airline companies. In addition, MIAL's status as an airport operator and its shareholding in MAFFFL mitigates operational risks for the company.

Significant competitive advantage basis price agreement with AERA

The concession agreement with MIAL grants exclusive rights to MAFFFL to develop and maintain the aviation fuel facilities at the CSIA at Mumbai. This arrangement makes MAFFFL the sole fuel service provider at the airport and provides a strong competitive advantage. The tariff charged by MAFFFL for its fuel infrastructure and into-plane service charges are regulated and determined by AERA on a multi-year basis. This lends stability to MAFFFL's profitability. The fuel infrastructure charges are the major source of income generation for the company and is determined by AERA on the basis of the price cap approach. Under the approach, the aggregate revenue requirement is a build-up of the fair rate of return on the regulatory asset base, operation and maintenance expenditure, depreciation and taxation. However, revenues other than aeronautical services are deducted while arriving at the aggregate revenue requirement. In case the actual expenditure incurred by MAFFFL is higher or lower than estimated expenditure, the fuel infrastructure charges are trued up/down accordingly.

Further, the company has granted sub-concessions to two Into Plane (ITP) service providers namely Bharat Star Services Pvt. Ltd. (BSSPL) and Indian Oil Skytanking Pvt. Ltd. (IOSL), at CSIA, Mumbai. Into-Plane (ITP) services started in January 2015. As per the agreements, MAFFFL receives a share of the gross revenue from into-plane operations and of its gross revenue share, it has to share a portion with MIAL. Acuite believes that structuring in pricing mechanism provides stability to margins.

Improvement in Scale of operations

The revenues have increased in FY2025 and stood at Rs. 162.97 Cr. as compared to Rs. 151.44 Cr. in FY2024. The company reported increase in revenues by 7.62 percent in FY2025 as compared to FY24 because of the growth in the aviation sector. The company has achieved revenue of ~Rs. 78.89 Cr. till September 2025. The operating margins stood at 85.91% in FY2025 against 85.87% in FY2024. The slight improvement in EBITDA is mainly on account of better absorption of fixed cost due to higher throughput of 17.44 lakh KL in FY25 as compared to 16.24 Lakh KL in FY24. The PAT margin has improved, and stood at 46.61% in FY25 as against 41.87% in FY24. Acuite believes that company may continue to report increase in scale of operations in near to medium term with stable operating margin and improvement in PAT margins.

Healthy Financial Risk Profile

MAFFFL has healthy financial risk profile with strong net worth. The tangible net worth of the company has increased to Rs 506.08 Cr in FY25 as against Rs 430.13 Cr in FY24. The increase in networth is majorly due to accretion of profit to reserve. The leverage ratio became strong with increase in networth and absence of debt in the company. The company has fully repaid all of its obligations and become debt free since FY24. TOL/TNW of the company stood at 0.21 times in FY25 as against 0.25 times in FY24. The interest coverage ratio improved and

stood at 23.44 times in FY25 as against 15.65 times in FY24 and debt service coverage ratio (DSCR) improved and stood at 19.14 times in FY25 as compared to 2.48 times in FY24. Going forward financial risk profile is expected to remain healthy with no debt-funded capex plan and improvement in revenues and profitability.

Efficient working capital operations

The working capital operations of the company is efficiently marked by GCA days which stood constant at 4 days as on 31st March 2025 against 3 days as on 31st March 2024. Debtor days of the company which stood at 1 days in FY25 against 1 days in FY24 and creditor days of the company stood at 18 days in FY25 against 12 days in FY24. Acuite believes that the company working capital operations will remain efficient near to medium term.

Weaknesses

Regulatory risks associated with the pricing mechanism

The tariffs levied by the company for the use of their storage facilities are subject to regulations which are governed by AERA (Airports Economic Regulatory Authority of India) through a five-year control period. As a result, the tariff rates are also subject to revisions (upward/downward) if the actual costs incurred varies than the estimated costs. The revenue requirements are fulfilled through the price modifications by AERA based on volumes. A higher-than-expected volume is likely to attract a lower tariff and vice versa, thereby precluding any significant increase in the profitability levels. The tariff rates are likely to continue to remain a key rating sensitivity factor as any downward revision in rates by the regulatory body could impact MAFFFL's operations.

Rating Sensitivities

- Movement in scale of operations
- Movement in tariff by AERA

Liquidity Position

Strong

MAFFFL's liquidity is strong, marked by healthy net cash accruals of Rs. 114.66 Cr. in FY25, against nil debt obligations over the same period. The company has cash & bank position of Rs. 0.01 Cr. The company has made Rs. 136.53 Cr investment in liquid funds and FDs which is entirely unencumbered. The current ratio stood at 8.80 times in FY25. In FY26, the company declared two interim dividends totaling Rs. 7.30 per share, amounting to approximately Rs. 154.52 Cr. These dividends will be supported by profits and unencumbered investments. Acuite believes that liquidity position of company will remain strong in near to medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials :

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	162.97	151.44
PAT	Rs. Cr.	75.96	63.41
PAT Margin	(%)	46.61	41.87
Total Debt/Tangible Net Worth	Times	0	0
PBDIT/Interest*	Times	23.44	15.65

*Interest in the above table only includes "Interest on Lease Liability for ROU".

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 Oct 2024	Bank Guarantee (BLR)	Short Term	45.00	ACUITE A1+ (Reaffirmed)
	Proposed Bank Guarantee	Short Term	5.00	ACUITE A1+ (Reaffirmed)
	Secured Overdraft	Long Term	10.00	ACUITE AA Stable (Upgraded from ACUITE AA- Positive)
	Term Loan	Long Term	57.07	ACUITE Not Applicable (Withdrawn)
	Term Loan	Long Term	46.55	ACUITE Not Applicable (Withdrawn)
07 Jul 2023	Bank Guarantee (BLR)	Short Term	50.00	ACUITE A1+ (Reaffirmed)
	Term Loan	Long Term	57.07	ACUITE AA- Positive (Reaffirmed)
	Term Loan	Long Term	46.55	ACUITE AA- Positive (Reaffirmed)
	Secured Overdraft	Long Term	10.00	ACUITE AA- Positive (Reaffirmed)
16 Nov 2022	Bank Guarantee (BLR)	Short Term	50.00	ACUITE A1+ (Reaffirmed)
	Term Loan	Long Term	202.88	ACUITE AA- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	57.07	ACUITE AA- Stable (Reaffirmed)
	Term Loan	Long Term	46.55	ACUITE AA- Stable (Reaffirmed)
	Secured Overdraft	Long Term	10.00	ACUITE AA- Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
H D F C Bank Limited	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	45.00	Simple	ACUITE A1+ Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A1+ Reaffirmed
H D F C Bank Limited	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE AA Stable Reaffirmed

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About Acuité Ratings & Research

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