

Fuel Surcharge

Freight rates in surface transportation are hugely dependant on fuel rates especially diesel for the reason that trucks operate on diesel.

Diesel itself contributes approximately 50% of the freight cost and hence is an important determinant of price change in freight.

LCL business

To ensure that freight rates are not disproportionate to fuel price change the following table shall be utilized:

Base Average Rate of Diesel as on 16-3-2012 is established. This base rates is the average rates of four metros - (Base Average Rate = Rs. 43.47 derived from diesel rates per litre in Delhi–Rs. 40.91, Kolkata–Rs. 43.74, Mumbai–Rs. 45.28, Chennai–Rs. 43.95)

Diesel price (base Rs 43.47/ltr)	Fuel Surcharge
Every 1 rupee thereafter	-1.2%
Rs 38.50 to Rs 39.50 per litre	-5.8%
Rs 39.50 to Rs 40.50 per litre	-4.6%
Rs 40.50 to Rs 41.50 per litre	-3.5%
Rs 41.50 to Rs 42.47 per litre	-2.3%
Rs 42.47 to Rs 44.47 per litre	No change
Rs 44.47 to Rs 45.50 per litre	2.3%
Rs 45.50 to Rs 46.50 per litre	3.5%
Rs 46.50 to Rs 47.50 per litre	4.6%
Rs 47.50 to Rs 48.50 per litre	5.8%
Every 1 rupee thereafter	1.2%

All Flywheel basic freight rates quoted and settled are without Fuel Surcharge. This Fuel surcharge shall be applicable on each and every case and on all customers. The fuel surcharge starts with zero and remains so until diesel price changes by more than one rupee per litre.

Diesel rates of Indian Oil shall be used as reference and diesel rates mentioned on their website (<http://www.iocl.com/Products/HighSpeedDiesel.aspx>) shall be used (unless in exceptional cases if the same haven't been updated by Indian Oil, in which case rates from competing diesel retail companies can be referred).