

**AERA/20010/MIAL/DF & MDF/2020-21/
Airports Economic Regulatory Authority of India

Order No. 49/2021-22

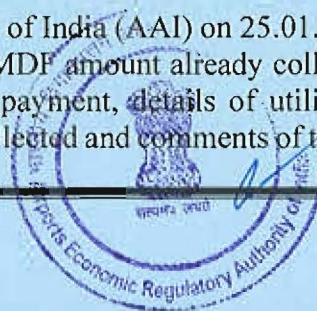
**AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi 110 003.**

Date of Issue: 28th March, 2022

Sub.: In the matter of levy of Development Fee (DF) for Project Work and Metro Work at Chhatrapati Shivaji Maharaj International Airport, Mumbai - Extension of period of levy of DF - reg.

AERA has sanctioned a levy of DF @ Rs.100/- per embarking domestic passenger and Rs.600/- per embarking international passenger to cover a deficit in project financing vide its Order No. 29/2012-13 dated 21.12.2012 for a total amount of Rs.3845.00 crores to be collected up to 30.04.2021.

2. Further the Authority has sanctioned levy of DF for financing the Metro Works at Mumbai Chhatrapati Shivaji Maharaj International Airport @ Rs.20/- per domestic embarking passenger and Rs.120/- per international embarking passenger for a total amount of Rs.518.00 crores vide its Order No. 46/2015-16 dated 28.01.2016. Both the levies were merged into a combined DF of Rs.120/- per domestic embarking passenger and Rs.720/- per international embarking passenger and were approved to be collected up to 31.03.2021.
3. On request from Mumbai International Airport Limited (MIAL) for extension of the period of levy vide letter no. MIAL/VPR/2020-21/09 dated 20.08.2020 for Project DF, and, letter no. MIAL/VPR/2020-21/12 dated 16.09.2020 for Metro DF, due to shortfall in the collection of both the levies, the Authority issued an Order No. 66 dated 24 March 2021 allowing Chhatrapati Shivaji Maharaj International Airport, Mumbai to continue collecting DF @ Rs.120/- per domestic embarking passenger and Rs.720/- per international embarking passenger till 31.03.2022.
4. A further request was received from MIAL for extension of the period of levy vide letter no. MIAL/CO/AERA-DF/2022/1 dated 17.01.2022 for Project DF, and, letter no. MIAL/CO/AERA-MDF/2022/1 dated 17.01.2022 for Metro DF, due to shortfall in the collection of both the levies. Later, a request dated 01.03.2022 from MIAL was received for extending the levy beyond 31st March 2022 on an interim basis, till the Authority's approval.
5. A letter was sent to Airports Authority of India (AAI) on 25.01.2022 for the comments of AAI regarding the year wise DF / MDF amount already collected from passengers, amount disbursed to MIAL, interest payment, details of utilization, the position of debtors, DF /MDF amount yet to be collected and comments of the independent auditor.



On non receipt of reply, a reminder was sent to AAI on 02.03.2022. AAI vide letter no. AAI/MC/MIAL-06/DF-A/2022/398 dated 16th March 2022 has informed that DF to be billed as on 30.09.2021 is Rs. 401.93 crores. However, as per MIAL, DF billable as on 30.09.2021 is Rs. 1459.00 crores. Further, as per AAI letter no. AAI/MC/MIAL-06/DF-A/2020/115/400 dated 21.03.2022, MDF to be billed by MIAL as on 30.09.2021 is Rs. 89.60 Crores. MIAL, vide letter dated 17.01.2022, had claimed outstanding MDF as on 30.09.2021 as Rs. 106.80 Crores. In addition, AAI has pointed out certain issues of importance in the DF & MDF Audit Reports and MIAL's claim, which needs to be sorted out.

6. So, in view of the paucity of time for resolving the issues and reconciliation of figures as per MIAL and DF Audit Reports, to avoid any regulatory vacuum in respect of the levy of DF/MDF, there is a necessity to extend the levy of DF beyond March 2022, to recover the sanctioned DF amount. Accordingly, it is decided to extend the levy of DF up to 30.06.2022. In the meantime, the position will be examined and further action/Order will be issued based on such examination.

ORDER

7. In view of the above, to avoid any regulatory vacuum in respect of levy of DF being collected by the regulated entity, the Authority in exercise of its powers conferred by section 13(1) of the Airports Economic Regulatory Authority Act, 2008 hereby orders that:
- Chhatrapati Shivaji Maharaj International Airport, Mumbai is allowed to continue to collect DF @ Rs.120/- per domestic embarking passenger and Rs.720/- per international embarking passenger till 30.06.2022 as an interim measure.
 - AAI is requested to examine all the issues being raised by MIAL for DF/MDF and provide by 15.05.2022, the DF/MDF billable by MIAL as on 31.12.2021. MIAL is advised to provide all the requisite documents to AAI in this regard.

By the Order and in the Name of the Authority


(Col. Manu Sooden)
Secretary

To,

Shri Prakash Tulsiani, Chief Executive Officer,
Mumbai International Airport Limited,
CSMI Airport, 1st Floor, Terminal 1,
Santacruz (E), Mumbai 400 099.

Copy to:

- Secretary, Ministry of Civil Aviation, Rajiv Gandhi Bhavan, Safdarjung Airport, New Delhi 110 003.
- Chairman, Airports Authority of India, Rajiv Gandhi Bhavan, Safdarjung Airport, New Delhi 110 003.

