



MMRC

No. No.MMRCL/EDP/MIAL/991/2015

Mumbai Metro Rail Corporation Limited

(JV of Govt. of India and Govt. of Maharashtra)

4th December, 2015

To

The Chairman,

Airports Economic Regulatory Authority of India,

AERA Building, Administrative Complex,

Safdarjung Airport,

New Delhi – 110 003

Sub: Consultation Paper no. 09/2015-16 dt. 4th Nov., 2015 on Determination of Development Fee in respect of the Metro Connectivity Project for Chhatrapati Shivaji International Airport ('CSIA'), Mumbai

Ref: Letter from AERA F. No. AERA/20010/MIAL-DF/2009-10/Vol-VI dated 9th November, 2015 on the above subject

Sir,

MMRC is thankful to Airports Economic Regulatory Authority of India (AERA) for releasing the Consultation Paper (CP) on determination of DF for Metro Connectivity Project for CSI Airport. It shall help in the implementation of Mumbai Metro Line 3, as per schedule set out by the Government.

2. As stated by MMRC in the stakeholders consultation meeting held on 20th November 2015 in Delhi. In this regard it is to state that Government is keen on completion of the sanctioned Metro lines by December, 2019. Accordingly MMRC is making efforts to complete the section up to BKC including Airport connectivity in the first phase.

3. MMRC has perused the proposals of Consultation Paper, and has following comments/suggestions for AERA, to reconsider some of the proposals set out in Consultation Paper which adversely affect the availability of required funds for the metro project:

- i. **Reconsider the rate of DF proposed Schedule of Payment:** Funding provisions of MoU signed between MMRC and MIAL and project funding and payments in Consultation Paper (Table 5) are not matching and there is significant shortfall. As the funding requirements in MoU are decided based on construction schedule, any shortfall would adversely affect the completion dates. The proposed rates of DF may be reviewed so that the DF collection and scheduled payments to MMRC are ensured.
- ii. **AAI to ascertain award and progress before fund release:** The Consultation Paper, contemplates AAI to release the payments after ascertaining award and progress of the project. In this regard this is to state that, as MMRC is a jointly owned SPV of Government of India and Government of Maharashtra, and the Metro Line 3 project is being monitored by both Governments including the Prime Minister's Office reviewing under PRAGATI. It is requested not to insist AAI review as a condition for release of funds.

Thanking you,

Yours faithfully

(Ashwini Bhide)

Managing Director

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