

**File No. AERA/20010/MYTP/AAI-Ahmd/CP-II/2015-16/Vol- I**  
**Consultation Paper No. 07/2020-21**



सत्यमेव जयते

**Airports Economic Regulatory Authority of India**

**In the matter of Provision of Compensation in lieu of Fuel Throughput Charges at  
Sardar Vallabhbhai Patel International Airport, Ahmedabad**

**3<sup>rd</sup> June, 2020**

**AERA Building  
Administrative Complex  
Safdarjung Airport  
New Delhi – 110 003**

## **1. Introduction**

The Airports Economic Regulatory Authority (AERA) is a statutory body constituted under the Airports Economic Regulatory Authority of India Act, 2008 vide Gazette Notification dated 5th December 2008. The AERA was established by the Government, to create a level playing field and foster healthy competition among major airports, to encourage investment in airport facilities, to regulate tariffs for aeronautical services etc.

## **2. Functions of AERA**

The main functions of AERA are:

- to determine the tariff for the aeronautical services
- to determine the amount of the development fees in respect of major airports
- to determine the amount of the passengers service fee levied under rule 88 of the Aircraft Rules, 1937 made under the Aircraft Act, 1934 (22 of 1934);
- to monitor the set performance standards relating to quality, continuity and reliability of service as may be specified by the Central Government or any authority authorized by it in this behalf;

## **Back Ground**

3. Ministry of Civil Aviation vide letter No.AV.13030/216/2016-ER (Pt.2) dated 08.01.2020 has decided to discontinue the levy of airport operator charge or fuel throughput charge in any manifestation at all airports. Para 4 of the said letter reads as under:

“Keeping in view all aspects of the matter, in light of the need to uphold affordability and sustainability of air passenger and air cargo transportation as per the National Civil Aviation Policy 2016, it has been decided as follows:

- (i) Levy of airport operator charge or fuel throughput charge in any manifestation shall be discontinued at all airports, airstrips and heliports across India with immediate effect.*
- (ii) AERA/ Ministry of Civil Aviation, as the case may be, should take into account the amount in this revenue stream and duly compensate the Airport*

*Operator/ AAI by suitably recalibrating other tariffs during their determinations of airport tariffs.”*

4. In accordance with the provisions contained in Section 13 of Airports Economic Regulatory Authority of India Act (AERA Act), 2008, the Authority determined aeronautical tariffs of Sardar Vallabhbhai Patel International Airport, (SVP Intl. Airport), Ahmedabad, for the second Control Period i.e. 01.04.2016 to 31.03.2021 vide Order No. 14/2018-19 dated 23.07.2018.

4.1 As detailed in Table 55 under para 16.4 of the aforesaid Order, the Authority determined Rs.712.07 crores as the total discounted Aggregate Revenue Requirement (ARR) for the entire control period. Fuel Throughput Charge (FTC) was one of the components to achieve this revenue requirement along with other revenues from aeronautical services such as Landing, Parking & Housing, UDF, etc.

4.2 The Fuel Throughput charges considered as part of ARR by the Authority as per the above Tariff Order is given in table -1 below:

Table - 1

	FY 2020-21
Charges per KL (in Rs)	112.10 / KL
Revenue (Rs. in crores)	2.20

5. Considering the above policy decision of MoCA, the Authority vide letter No. AERA/ 20015/FT/2010-11/Vol.II dated 15.01.2020 advised the Airport Operators at all ‘major’ airports to implement the aforesaid MoCA letter with immediate effect. AERA, also advised the Airport Operators to submit their proposal for compensation, if any, due to discontinuation of Fuel Throughput Charges (FTC) for consideration of the Authority.

6. Accordingly, AAI vide letter No. AAI/CHQ/AERA/FTC/2020 dated 23.03.2020 has informed that levy of FTC at SVP International Airport, Ahmedabad, has been discontinued w.e.f. 15.01.2020, and, further, the expected revenue loss of Rs.1.60 crores (at NPV) on account of discontinuation of FTC at SPV International Airport, Ahmedabad, for the period from 15.01.2020 to 31.03.2021 is proposed to be recovered in the form of increased UDF charges.

The shortfall in revenue from 15.01.2020 to 31.03.2021 calculated by AAI is given in table-2 below:

**Table – 2 Shortfall in FTC Revenue as calculated by AAI**

Period for which Loss of FTC Revenue claimed by AAI	15.01.2020 to 31.03.2020	FY 2020-21	Total FTC loss claimed by AAI for 2 <sup>nd</sup> Control Period
FTC Revenue Projections as per AERA Tariff Order (Rs. in crores)	0.42	2.20	2.62
PV factor	0.6750	0.5921	
<b>Discounted FTC Revenue Projections</b>	<b>0.30</b>	<b>1.30</b>	<b>1.60</b>

6.1 AAI has submitted that, SVP International Airport, Ahmedabad, is going under PPP transaction. Further, that, since FY 2020-21, is the fifth (last) year of the ongoing Control Period (FY 2016-21), and, true up exercise will take time of 06 to 07 months, in the meanwhile AERA may consider allowing compensation in the form increase in UDF charges as per table-3 below.

**Table – 3 Increase in UDF per Pax as Proposed by AAI**

FTC Compensation claimed by AAI in FY 2020-21(at NPV) (Rs. In Crores)		1.60 (A)	
No. of Departing Pax as per Tariff Order (50% of total traffic projections for FY 2020-21)		6530251 (B)	
Increase in UDF per Pax proposed by AAI ( A / B )		Rs. 2/- approx	
Existing Rates of UDF as per AERA Tariff Order		Revision in UDF Rates proposed by AAI	
DOM	INTL	DOM	INTL
85	85	87	87

## **Authority's Examination**

7. The Authority has carefully examined the proposal of AAI in reference to the letter No. AV.13030/216/ 2016-ER (Pt.2) dated 08.01.2020 issued by MoCA.

7.1 The Authority as per Order No.14/2018-19 had expected that AAI would generate revenue from Landing Charges and FTC during FY 2020-21 of the 2nd Control Period as detailed below in table 4:

**Table – 4 Projected Revenue from Landing / FTC as per Tariff Order**

(Rs. in crores)	
	FY 2020-21
Revenue from Landing charges	83.6
Revenue from FTC	2.20

7.2 The Authority observes that the tariff for SVP International Airport, Ahmedabad, has been determined up to 31.03.2021 i.e. the 2nd Control Period (01.04.2016 to 31.03.2021) of which the 5<sup>th</sup> tariff year FY 2020-21 is in progress. Therefore, the expected shortfall in revenue from FTC may not be more than the FTC revenue projected for FY 2019-20 & FY 2020-21 as per the AERA Tariff Order No.14/2018-19.

Further, the Authority observes that AAI in its Proposal has calculated the shortfall in FTC revenues by applying Present Value (PV) factor. However, as per the accepted principles, PV (discount) factor is applied only in the beginning of a Control Period, and, in this case the shortfall is occurring in FY 2020-21 i.e. fifth tariff year (incl. 2.5 months in FY19-20) of the Control Period and is also being compensated in FY 2020-21, which is already in progress. Therefore, the Authority, has considered the actual projected FTC Revenue as in the Tariff Order No.14/2018-19 without applying the discount factor.

Accordingly, based on absolute projections as per the Tariff Order, the expected shortfall in FTC / ARR for FY 2019-20 is Rs.0.42 crores (pro rata for 2.5 months) for the period from 15.01.2020 to 31.03.2020 and Rs. 2.20 crores for FY 2020-21. Thus the total shortfall is, expected to be Rs.2.62 crores for the period from 15.01.2020 to 31.03.2021 which is 3% of expected revenue from Landing Charges for FY 2020-21 as

shown in table 5 below:

**Table 5. Calculation of Increase in Landing Charges Proposed by Authority**

		FY 2020-21
A	Projected Revenue from Landing charges as per Tariff Order (Rs. In Crores)	83.60
B	Total Shortfall in FTC / ARR considered by the Authority for compensation (pro rata for 2.5 months in FY 2019-20 plus 12 months in FY 2020-21) (Rs. In Crores)	2.62
	Ratio of FTC Shortfall to Landing charges A / B %	3%

7.3 The Authority observed that, the hitherto abolished FTC, was one of the components of operational expenses for the Airlines, charged to them by the Oil suppliers (OMCs) as a pass through expense by adding it to the cost of fuel (ATF). The Airport Operators were charging FTC to the Oil suppliers as 'royalty', in addition to Land Rent.

Therefore, in effect, abolishing FTC, is expected to directly result in a reduction in the cost of ATF to the Airlines, to that extent, besides also avoiding the cascading effect of taxes, and, thus serves to monetarily benefit the Airlines. Any compensation, therefore, should be recovered from the Airlines. In view of this, the Authority, is not inclined to pass on the burden of compensation to the passengers in the form of increased UDF charges.

Accordingly, the Authority proposes to compensate this shortfall in FTC / ARR revenues to the Airport Operator (AAI) by increasing the Landing Charges by 3% as Revised Landing Charges from 01.07.2020 to 31.03.2021 which shall be trued up while determining tariffs of SVPI Airport, Ahmedabad, for the 3<sup>rd</sup> Control Period.

## **Proposal**

8. The Authority has carefully considered the proposal of AAI to compensate the revenue shortfall in ARR due to discontinuation of FTC w.e.f. 15.01.2020 and decides to make the following proposal for Stakeholder Consultations:

- (i) The Authority to revise Landing Charges at SPVI Airport, Ahmedabad, for the period w.e.f. 01.07.2020 to 31.03.2021, or, till the determination of aeronautical charges for the 3<sup>rd</sup> Control Period, to recover the shortfall in FTC Revenues of Rs.2.62 crores. The Revised Landing Charges proposed by the Authority is annexed as “**Annexure I**”;
- (ii) To true up the Revenue based on Actuals while determining tariff of SPV International Airport, Ahmedabad, for the 3<sup>rd</sup> Control Period;
- (iii) The Revised Landing Charges as given in Annexure-I shall be applicable from 01.07.2020.

## **9. STAKEHOLDERS’ CONSULTATION TIMELINE**

9.1. In accordance with the provisions contained in Section 13(4) of the AERA Act, 2008, the proposal mentioned in **Para 8 above** read with the relevant discussion in the other sections of the paper is hereby put forth for Stakeholders’ Consultation. For removal of doubts, it is clarified that the contents of this consultation paper may not be construed as any order or direction of this Authority. The Authority shall pass an order, in the matter, only after considering the submissions of the Stakeholder’s in response hereto and by making such decisions fully documented and explained in terms of the provisions of the Act.

9.2. The Authority welcomes written evidence- based feedback, comments and suggestions from Stakeholder’s on the proposal made in (**Para 8 above**), latest by **17.06.2020** at the following address.

Director (P&S)  
Airports Economic Regulatory Authority of India  
AERA Building, Administrative Complex,  
Safdarjung Airport,  
New Delhi -110003  
Email: [Director-ps@aera.gov.in](mailto:Director-ps@aera.gov.in)  
Tel: 011-24695040, Fax: 011-24695039

(Chairperson)

## Sardar Vallabhbhai Patel International Airport, Ahmedabad

**Revised Landing Charges as proposed by the Authority to be applicable for the period from 01.07.2020 to 31.03.2021**

### **I) LANDING CHARGES**

#### **Revised Rate per landing - International Flight**

<b>Weight of the Aircraft</b>	<b>Existing Rate Per Landing Order No. 14/2018-19 (In ₹)</b>	<b>Revised Rate Per Landing Proposed by AERA (In ₹)</b>
Up to 25 MT	₹ 190 per MT	₹ 195.7 per MT
Above 25 MT up to 50 MT	₹ 4,750 + ₹ 350 per MT in excess of 25 MT	₹ 4,892.5 + ₹ 360.5 per MT in excess of 25 MT
Above 50 MT up to 100 MT	₹ 13,500 + ₹ 410 per MT in excess of 50 MT	₹ 13,905 + ₹ 422.3 per MT in excess of 50 MT
Above 100 MT to 200 MT	₹ 34,000 + ₹ 470 per MT in excess of 100 MT	₹ 35,020 + ₹ 484.1 per MT in excess of 100 MT
Above 200 MT	₹ 81,000 + ₹ 560 per MT in excess of 200 MT	₹ 83,430 + ₹ 576.8 per MT in excess of 200 MT

#### **Revised Rate per Landing - Domestic Flight**

<b>Weight of the Aircraft</b>	<b>Existing Rate Per Landing Order No. 14/2018-19 (In ₹)</b>	<b>Revised Rate Per Landing Proposed by AERA (In ₹)</b>
Up to 25 MT	₹ 140 per MT	₹ 144.2 per MT
Above 25 MT up to 50 MT	₹ 3,500 + ₹ 220 per MT in excess of 25 MT	₹ 3,605 + ₹ 226.6 per MT in excess of 25 MT
Above 50 MT up to 100 MT	₹ 9,000 + ₹ 250 per MT in excess of 50 MT	₹ 9,270 + ₹ 257.5 per MT in excess of 50 MT
Above 100 MT to 200 MT	₹ 21,500 + ₹ 270 per MT in excess of 100 MT	₹ 22,145 + ₹ 278.1 per MT in excess of 100 MT
Above 200 MT	₹ 48,500 + ₹ 290 per MT in excess of 200 MT	₹ 49,955 + ₹ 298.7 per MT in excess of 200 MT

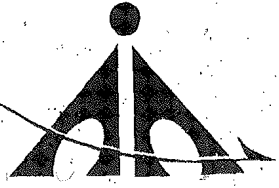
Note: All the above Charges are excluding of GST. GST at the applicable rates are payable in addition to above charges.

### **II) Fuel Throughput Charges for the period from 01.04.2020 to 31.03.2021**

	<b>Unit</b>	<b>As per AERA Order No. 14/2018-19</b>	<b>Abolished by MoCA w.e.f. 15.01.2020</b>
Fuel Throughput Charges	INR per KL	112.10	<b>NIL</b>

**Note: All other charges, and, terms & conditions, as determined vide AERA Order No.14/2018-19 dated 23.07.2018 shall remain applicable.**





435/D18(P&S)  
23/3/2020

भारतीय विमानपत्तन प्राधिकरण  
AIRPORTS AUTHORITY OF INDIA

FNO-No. AAI/CHQ/AERA/FTC/2020

The Secretary,  
Airports Economic Regulatory Authority of India,  
AERA Building,  
Administrative Complex,  
Safdarjung Airport  
New Delhi-110003

Placed for  
Monday review meeting  
dated: 23/03/2020

de  
24/3/2020  
Agm (P)

**Sub:- Proposal for recovery of Revenue loss of Throughput charges through UDF in respect of AAI major airports**

Sir,

Reference is invited to MoCA letter No. AV-13030/2016/2016-ER (Pt.2) dated 8<sup>th</sup> January, 2020 wherein MoCA decided to discontinue the levy of airport operator charges or fuel throughput charge in any manifestation at all airports, airstrips and heliports across India with immediate effect and also decided that AERA/Ministry of Civil Aviation as the case may be, should take into account the amount in this revenue stream and duly compensate the Airport Operator/AAI by suitably recalibrating other tariff during their determination of airport tariffs. Accordingly, AAI vide letter No. AV-21012/13/2017-LM/(Pt. dt.17.01.2020 withdrew the Oil Throughput charges i.e. 15/01/2020 (Copy enclosed),

Further reference is also invited to AERA letter No. AERA/20015/FT/2010-11/Vol.II dt. 15.01.2020 wherein Airport operators are advised to implement the directions given by MoCA in the said letter immediate effect and to submit their proposal's to the compensation in lieu of discontinue the levy of fuel throughput charge, if any.

The loss has been worked out based on the tariff orders issued by AERA. The target revenue on account of Oil throughput for period beyond 15.01.2020 till the end of control period of that airport has been considered as revenue loss to AAI and same has been proposed by increasing UDF for said period after considering discounting factor.

### Loss due to withdrawal of Oil throughput

i) AERA has issued tariff orders of following 11 airports for the 2<sup>nd</sup> control period 01.04.2016 to 31.03.2021 and out of which 05 airports i.e. Trivandrum, Jaipur, Lucknow, Guwahati and Ahmedabad are going under PPP transaction. Since, this is the last year of control period and True-up exercise will take time 06 to 07 months, in the meanwhile AERA may be requested to consider the following proposal to compensate the loss due to discontinue of fuel throughput charges in the form of revision of UDF.

(Rs. In Crore)

S.No.	Airport Name	Revenue Loss (15.01.20 to 31.03.20)	Revenue Loss (01.04.20 to 31.03.21)	Total Loss	Present value of Total Loss
1.	Trivandrum	0.6	3.1	3.7	2.2
2.	Calicut	0.5	2.6	3.1	1.9
3.	Jaipur	0.3	1.4	1.7	1.0
4.	Goa .	0.6	3.4	4.0	2.4
5.	Pune .	0.4	2.0	2.4	1.5
6.	Srinagar .	0.1	0.2	0.3	0.2
7.	Kolkata	11.5	58.8	70.3	42.6
8.	Guwahati	0.3	1.9	2.2	1.3
9.	Lucknow	0.9	5.1	6.0	3.6
10.	Chennai	2.7	14.3	17.0	10.3
11.	Ahmedabad	0.4	2.2	2.6	1.6
	<b>Total</b>	<b>18.3</b>	<b>95</b>	<b>113.3</b>	<b>68.6</b>

ii) Further, AERA has issued tariff orders of following 5 airports for the 1<sup>st</sup> control period 01.04.2018 to 31.03.2023 and out of which 02 airports i.e. Bhubaneshwar and Indore are going under PPP transaction. AERA is requested to consider the following proposal to compensate the loss due to discontinue of fuel throughput charges in the form of revision of UDF.

(Rs. In Crore)

S.No	Airport Name	Revenue Loss (15.01.20 to 31.03.20)	Revenue Loss (01.04.20 to 31.03.21)	Revenue Loss (01.04.21 to 31.03.22)	Revenue Loss (01.04.22 to 31.03.23)	Total Loss	Present value of Total Loss
1.	Vizag	0.2	1.2	1.3	1.4	4.2	2.9
2.	Coimbatore	0.4	2.1	2.3	2.5	7.3	5.0
3.	Bhubaneswar	0.8	4.2	4.8	5.6	15.3	10.4
4.	Indore	0.2	0.9	1.1	1.2	3.4	2.3
5.	Patna	0.2	1.1	1.2	1.5	4.0	2.7
	<b>Total</b>	<b>1.7</b>	<b>9.5</b>	<b>10.7</b>	<b>12.2</b>	<b>34.2</b>	<b>23.3</b>

#### Recovery of Loss through UDF

(i) It is proposed to recover loss of revenue due to discontinue of Fuel Throughput Charges for the 11 airports w.e.f. 01.04.2020 to 31.03.2021 through UDF as per details given as under:

(In INR)

S.No.	Airport Name	UDF as per AERA Order For FY2020-2021		Proposed UDF For FY2020-2021	
		DOM	INTL	DOM	INTL
1.	Trivandrum	506/-	1069/-	514/-	1077/-
2.	Calicut	213/-	476/-	223/-	486/-
3.	Jaipur	394/-	1237/-	397/-	1240/-
4.	Goa	292/-	595/-	296/-	599/-

5.	Pune	394/-	787/-	397/-	790/-
6.	Srinagar	394/-	787/-	No Change	
7.	Kolkata	583/-	1401.70/-	619/-	1437.70/-
8.	Guwahati	426/-	561/-	430/-	565/-
9.	Lucknow	163/-	475/-	173/-	485/-
10.	Chennai	69/-	69/-	77/-	77/-
11.	Ahmedabad	85/-	85/-	87/-	87/-

(ii) Further it is also proposed to recover loss of revenue due to discontinue of Fuel Throughput Charges in respect of following 5 airports w.e.f. 01.04.2020 to 31.03.2023 through UDF.

(In INR)

S.No.	Airport Name	UDF as per AERA Order For FY2020-2023		Proposed UDF For FY2020-2023	
		DOM	INTL	DOM	INTL
1.	Vizag	300/-	300/-	304/-	304/-
2.	Coimbatore	350/-	450/-	358/-	458/-
3.	Bhubaneshwar	400/-	450/-	409/-	459/-
4.	Indore	302/-	302/-	305/-	305/-
5.	Patna	204/-	204/-	206/-	206/-

The calculation sheet along with the Tariff Cards issued by AERA are enclosed for your consideration and approval

This issues with the approval of Competent Authority.

Thanking you,

Yours faithfully,

  
( V. Vidya ) 21/03/20  
General Manager(JVC& Tariff)

Encl:- As Above

**Summary of Loss on account of withdrawal of Oil Through put by MoCA and impact of same on UDF in respect of 16 major AAI airports**

S.No.	Airport Name	Loss(PV) in Rs cr	UDF as per AERA Order For FY2020-2021 (In RS) Per Pax		Proposed UDF For FY2020-2021( IN Rs per Pax)	
			DOM	INTL	DOM	INTL
1.	Trivandrum	2.2	506/-	1069/-	514/-	1077/-
2.	Calicut	1.9	213/-	476/-	223/-	486/-
3.	Jaipur	1.0	394/-	1237/-	397/-	1240/-
4.	Goa	2.4	292/-	595/-	296/-	599/-
5.	Pune	1.5	394/-	787/-	397/-	790/-
6.	Srinagar	0.2	394/-	787/-	No Change	
7.	Kolkata	42.6	583/-	1401.70/-	619/-	1437.70/-
8.	Guwahati	1.3	426/-	561/-	430/-	565/-
9.	Lucknow	3.6	163/-	475/-	173/-	485/-
10.	Chennai	10.3	69/-	69/-	77/-	77/-
11.	Ahmedabad	1.6	85/-	85/-	87/-	87/-
12.	Vizag	2.9	300/-	300/-	304/-	304/-
13.	Coimbatore	5.0	350/-	450/-	358/-	458/-
14.	Bhubneshwar	10.4	400/-	450/-	409/-	459/-
15.	Indore	2.3	302/-	302/-	305/-	305/-
16.	Patna	2.7	204/-	204/-	206/-	206/-
	Total Loss(PV)	91.9				

*Part 24  
by chief*

F.No. AV-13030/216/2016-ER (Pt.2)  
Government of India  
Ministry of Civil Aviation  
[ER Division]

B-Block, Rajiv Gandhi Bhavan  
Safdarjung Airport, New Delhi - 110 003

Dated, the 8<sup>th</sup> January 2020

To,

1. **Shri Balwinder Singh Bhullar**  
Chairperson  
Airports Economic Regulatory Authority of India  
AERA Building, Safdarjung Airport, New Delhi -- 110 003.
2. **Smt. Rubina Ali**  
Joint Secretary (AAI and AD)  
Ministry of Civil Aviation  
Rajiv Gandhi Bhavan, Safdarjung Airport, New Delhi -- 110 003.

Copy to:

1. **Shri Arvind Singh**  
Chairman  
Airports Authority of India  
Safdarjung Airport, New Delhi -- 110 003.
2. **Dr. M.M. Kuttu**  
Secretary  
Ministry of Petroleum & Natural Gas  
Shastri Bhavan, New Delhi -- 110 001.

**Subject: Rationalisation of Fuel Throughput (Airport Operator) Charge levied by Airport Operators on Aviation Turbine Fuel (ATF) across all Airports in India -- reg.**

Dear Sir,

Fuel-related charges are charged variously either in three parts as (a) Airport Operator Charges, (b) Fuel Infrastructure Charges (FIC), and (c) Into Plane (ITP) Charges or as a composite of the three, generally called Fuel Throughput Charge (FTC), at the airports, airstrips and helipads across the country. At some airports, fuel supply is provided on open access basis.

2. Fuel throughput charges for supplying fuel to airline operators at an airport are covered under section 2(a)(vi) of the Airports Economic Regulatory Authority (AERA) Act, 2008, while section 13 sets out the basis on which surcharges are to be levied. At airports being operated by Airports Authority of India (AAI), the power of the authority to charge fees, rents, etc. in respect of aircraft or for any other service or facility offered in connection with aircraft operations at an airport, airstrip or

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heliport arises from the provisions of section 22(i) of the AAI Act, 1994. Airport charges are also variously specified in the existing concession agreements and contracts of airports leased out by AAI.

3. Numerous rounds of stakeholder consultations have been held by the Ministry in order to rationalize the present mechanism of invoicing of ATF fuel throughput charges. These duly incorporated the deliberations of the two industry Working Groups on the subject comprising of representatives of airline operators, airports, fuel infrastructure facility providers, into plane fuel service providers, and oil marketing companies without prejudice to the outcoming of judicial proceedings on the matter of classification of fuel throughput charges as aeronautical or non-aeronautical services initiated by some PPP/JV airport operators.

3. It was seen *inter alia* that the global best practices at airports avoid levying a double charge by way of land rental on fuel suppliers for the use of the land at the airport and a market access or concession fee for providing commercial opportunity when there is no underlying tangible service being rendered by the airport operator.

4. Keeping in view all aspects of the matter, in light of the need to uphold affordability and sustainability of air passenger and air cargo transportation as per the National Civil Aviation Policy 2016, it has been decided as follows:

- (i) Levy of airport operator charge or fuel throughput charge in any manifestation shall be discontinued at all airports, airstrips and heliports across India with immediate effect.
- (ii) AERA / Ministry of Civil Aviation, as the case may be, should take into account the amount in this revenue stream and duly compensate the Airport Operator / AAI by suitably recalibrating other tariffs during their determinations of airport tariffs.

5. This issues with the approval of the competent authority.

  
(Dinesh Kumar)  
Deputy Director (ER)  
Phone: 2464 1912  
Email: [dinesh.kumar14@aic.in](mailto:dinesh.kumar14@aic.in)

1/2

AV.21012/13/2017-LM/(PL)

16<sup>th</sup> January, 2020

The Regional Executive Director  
Airport Authority of India  
Northern/Eastern/North-Eastern/Western/Southern Region  
New Delhi/Kolkata/Guwahati/Mumbai/Chennai.

The Airport Director  
Airport Authority of India  
NSCBI Airport, Kolkata  
Chennai Airport, Chennai

Subject: - Rationalisation of Fuel Throughput (Airport Operator) Charges levied by Airport Operators on Aviation Turbine Fuel (ATF) across Airports in India-Reg.

Sir(s).

MoCA vide communication F.No.AV-13030/216/2016-ER (PL2) dated 08/01/2020 has issued the following Directives on above stated subject:

"Levy of Airport Operator charge or Fuel Throughput charge in any manifestation shall be discontinued at all Airports, Airstrips and Helicopters across India with immediate effect."

2 It is therefore requested to implement the directions issued by MoCA with effect from 15<sup>th</sup> January, 2020 and Throughput Charges bill to Oil Marketing Companies (OMCs) at Airports be raised accordingly.

3 This issues with the approval of Competent Authority.

Yours faithfully

  
(Anil Gupta) 17/1

Executive Director (LM)

Copy to:

- 1 Shri Sanjay Sahay,  
ED (Aviation),  
Indian Oil Corporation Ltd.  
Indian Oil Bhawan,  
G-9 Ali Yavar Jung Marg,  
Bandra (E), Mumbai-400051

P.T.O.

Office Copy  
Date 13/1/20  
Date 20/1/20