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भारतीय विमानपत्तन प्राधिकरण
AIRPORTS AUTHORITY OF INDIA

AAI/CHQ/REV/AERA/TPC/2010
445

27TH SEP. 10

The Secretary,
AERA,
AERA Building,
Administrative Complex,
Safdarjung Airport,
New Delhi-110003

~~030-1~~
Pr. speak.

SM (ABS)

2/9

2/9/10

Sub: Revision of fuel throughput charges by airport operators with effect from 1st April, 2010.

Sir,

Kindly refer to your D.O. no. AERA/20015/FT/2010-11/875 dated 14th September, 2010 on the above subject.

The comments of AAI on the AERA consultation paper no 06/2010-11 dated 14th September, 2010 are as under:

(1) The rates of fuel throughput charges after 5% annual escalation w.e.f. 01.04.2010 indicated at Para 2.5 of consultation paper in respect of following AAI airports may be corrected as follows:

Ahmedabad - Rs. 528.38 per KL
Guwahati - Rs. 344.60 per KL
Jaipur - Rs. 291.00 per KL

(2) The proposed and pre-revised throughput charges indicated at Para 5 in respect of following airports may also be corrected as under:

Sl. No.	Airport	Airport Operator	Pre-revised Fuel Throughput Fee (Rs./KL)	%increase proposed	Proposed Fuel Throughput Fee (Rs./KL)
1.	Ahmedabad	AAI	503.22	5	528.38
2.	Guwahati	AAI	328.19	5	344.60
3.	Jaipur	AAI	277.14	5	291.00

Contd.....P/2

In this regard a copy of Dte. of Land Management of AAI ION no. AV.21012/93/2006-LM/506 dated 23rd September, 2010 forwarding their comments on the Consultation Paper 06/2010-11 is also enclosed herewith.

Yours faithfully,



(M. Ravi Varma)
General Manager(F&A)

Encl.: As above(04 pages)

LAND MANAGEMENT DIRECTORATE

No.AV.21012/93/2006-LM/ 506

23rd September , 2010

ION

Sub: Revision of fuel TPC charges by airport operators w.e.f.1.4.2010.

This has reference to Directorate of Finance & Accounts ION No.F&A/REV./AERA/TP Charges/2010 dated 17.09.2010 on the above mentioned subject.

The comments of Land Management Directorate are as follows:

Para-2.5: i) For the following Airports after 5% annual escalation w.e.f.1.4.2010, the Throughput Charges(TPC) on KL basis as mentioned against each are correct for FY.2010-11, which includes 5% escalation on the rates for FY-2009-10

Chennai,Kolkata,Trivandrum, Calicut,Pune & Goa

ii) However, for the following Airports, which are tendered airports(SI.No.4,6&7) the TPC rates on KL basis as mentioned against each for FY-2010-11 are to be changed, which includes 5% annual escalation on the rates for FY2009-10:

Ahmedabad	-	Rs.112.10 to be changed as Rs.528.38
Guwahati	-	Rs.112.10 to be changed as Rs.344.60
Jaipur	-	Rs. 112.10 to be changed as Rs.291.00

iii) Further It was also decided during the meeting held with PSU Oil Companies on 12.03.2010 that pending final view by the Ministry of Petroleum/Ministry of Civil Aviation, AAI will raise the bills @Rs.106.75(2009-10) on provisional basis w.e.f.1.4.09 with 5% escalation on 1st April every year but in the covering letter the tendered rate will be indicated (copy of the Minutes of Meeting enclosed)

Para-5 The above tendered TPC charges are to be incorporated in the table showing TPC rates which AERA proposes to revise w.e.f. 1.4.2010


(ARUN SHARMA)
23/9/10
DGM(LM)

Encl: As above(03 pages)

✓ Mr.Ravi Verma
GM(FIN)

MINUTES OF THE MEETING WITH OIL COMPANIES HELD ON 12.03.2010

Welcoming the delegates from Oil Industry, Member (F) raised the issue of non-payment by oil companies.

The issue of non-release of Throughput Charges for Kolkata and Chennai was discussed in detail. IOC indicated that they are releasing the payment on the understanding that HPCL and BPCL is releasing the payment.

2. BPCL indicated that they are releasing the payment but conditionally under protest and the final settlement will be subject to final decision to be taken by concerned authorities.

3. Similarly, HPCL also indicated that they have been releasing ad hoc payment to AAI conditionally as has they have also referred the matter to Ministry of Petroleum.

4. AAI reiterated that BPCL, HPCL have already given in writing about the acceptance of the rate and they should adhere to the same.

5. It was decided that in order to avoid any delay in settlement of Throughput Charges, the Upliftment details must be given to AAI by the Oil Companies by 21st of each succeeding month.

The following officials will be coordinating to streamline the above process:

1. Sh. T.S. Dupare, Chief Manager (Aviation) Representative of IOC
2. Sh. J.S. Khanuja, Representative of HPCL
3. Sh. Sujit Kumar, Representative of BPCL
4. Sh. Arun Sharma, DGM(LM), AAI

After deliberations the following was decided :

1. **Throughput Charges** - Oil companies will release the payment of "Throughput Charges" in respect of Kolkata and Chennai to AAI upto December, 2009 immediately. These payments will be conditional subject to the decision of the Ministry of Petroleum/Ministry of Civil Aviation on this issue which has been referred by oil companies.
2. It was decided that Coimbatore and Rajamundry will also be eligible for exemption in addition to six airports i.e. Indore, Bhopal, Surat, Goa, Jammu, and Mangalore. There will not be any exemption of 3000 KL for Calicut and Pune Airports w.e.f. 1.4.2009. Any payments released by PSU oil companies prior to 1.4.2009 on account of Throughput Charges, will be adjusted against the dues/Through Charges applicable w.e.f. 1.4.2009 onwards.


21/03/10

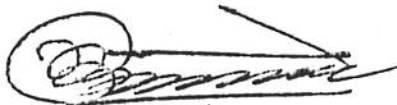



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3. **Payment of Throughput Charges at 17 Non-Metro Tendered Airports** - Representatives of the oil companies strongly protested the charging of Throughput Charges as quoted by Reliance on 17 locations. They stated that this will put severe constraints in their operations and is not at all acceptable to them. Oil companies indicated that they will have to refer this issue to Ministry for final view. Member (F) informed the representatives of Oil Companies that AAI has no alternative but to charge the tendered rate of Throughput Charges of the respective airports. After long deliberations it was decided that pending final view by the Ministry AAI will raise the bills @ Rs.106.75 (2009-10) on provisional basis w.e.f. **01.04.2009** with escalation @5% on 1st April every year. However, in the covering letter it will be mentioned that the tendered rate will be indicated which will be subject to the directive received from Ministry of Petroleum/Ministry of Civil Aviation. Oil Companies will release the payment on the basis of the provisional bills raised by AAI pending decision of the Ministry.
4. **Charging of Royalty on account of Out-sourcing of some services by Oil Companies** - It was clarified that these charges are not applicable and will not be charged by AAI. It was also decided that all new issues on which stations/airports have doubts should be referred to CHQ, AAI for decision which will be followed strictly.
5. **Conservancy Charges** - It was clarified that oil companies will pay Conservancy Charges in respect of airports falling under Civil Enclaves category i.e. maintained by Defence Services.
6. **Land Rentals** - Since this issue is pending for long and is required to be settled, it was decided that the same committee which has been formed for Upliftment details, will also review land rentals as levied by AAI and the Committee will submit its report by 30th April, 2010.

It was also decided that the committee will also review rentals and escalation if any, for the airports other than Metro locations at Delhi, Mumbai, Chennai, Kolkata and Trivandrum. Notices shall not be issued to Oil Companies till finalization of decision in this regard. AAI shall issue instructions to this effect to RED(s)/APD(s) all over the country.



12/03/10






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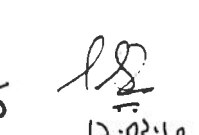

12/03/10

- 7. **Bank Guarantee** – Member (F) clarified that as per existing norms PSUs are not exempted from submission of Bank Guarantee. Oil Companies representatives stated that they have got exemptions from some of the Government Undertakings. On this Member (F), however, stated that the same is applicable. Oil Companies representatives stated that they will take up this issue with their Ministry. Member (F) stated that any directive in this concern received from Ministry will be honoured by AAI but at present the Bank Guarantee is to be submitted.
- 8. List of participants enclosed.


[R. SAREEN]
12/03/10
(AVIATION)
ICCL


[K. SRINIVAS]
12/03/10
HEAD-AVN SBU
HPCL


[V. RANJAN]
12/03/10
CHIEF MGR-AVN
BPCL


[L.L. KRISHNAN]
12-03-10
ED(LM)
AAI