

# **The Airports Authority of India (Major Airports) Development Fees Rules, 2011**

UNION OF INDIA

India

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### **Rule**

### **THE-AIRPORTS-AUTHORITY-OF-INDIA-MAJOR-AIRPORTS-DEVELOPMENT-FEES-RULES-2011**

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The Airports Authority of India (Major Airports) Development Fees Rules, 2011 Published vide Notification New Delhi, the 2nd August, 2011 Ministry of Civil Aviation G.S.R. 597(E) - In exercise of the powers conferred by clause (ii) of section 22A read with clause (ee) of sub-section (2) of section 41 of the Airports Authority of India Act, 1994 (55 of 1994), the Central Government hereby make the following rules, namely:-

#### **1. Short title and commencement.**

(1) These rules may be called the Airports Authority of India (Major Airports) Development Fees Rules, 2011. (2) They shall come into force on the date of their publication in the Official Gazette.

#### **2. Definitions.**

(1) In these rules, unless the context otherwise requires, - (a) 'Act' means the Airports Authority of India Act, 1994 (55 of 1994); (b) 'Airports Economic Regulatory Authority' means the Airports Economic Regulatory Authority established under section 3 of the Airports Economic Regulatory Authority of India Act, 2008 (27 of 2008); (c) 'Airport Operator' means a person or authority managing and operating a major airport; (d) 'Authority' means the Airports Authority of India constituted under section 3 of the Act; (e) 'Development fees' means the development fees levied under section 22A of the Act; (f) 'Scheduled bank' shall have the meaning assigned to it in clause (e) of section 2 of the Reserve Bank of India Act, 1934 (2 of 1934). (2) Words and expressions used but not defined in these rules shall have the same meanings as assigned to them in the Act and the

Airports Economic Regulatory Authority of India Act, 2008 (27 of 2008).

### **3. Collection of development fees.**

- The development fees shall be collected by a person or a body of persons as specified by the Authority, and shall be deposited in such account and at such intervals, as may be specified by the Authority.

### **4. Development fees to have an account.**

(1)The Authority shall open a separate Development Fees Escrow Account for each airport where development fees has been levied and is collected.(2)The Authority shall monitor and regulate the receipts and utilization of development fees.(3)Every Development Fees Escrow Account shall have the following sub-accounts maintained, controlled and operated by a scheduled bank as per the escrow agreement to be executed by the Authority with such scheduled bank, namely:-(a)Development Fees Receipt Account;(b)Development Fees Statutory Dues Account;(c)Development Fees Disbursement Account;(d)Development Fees Surplus Account.(4)The money collected as development fees shall be deposited in the Development Fees Receipt Account.(5)The Authority shall make an arrangement with the scheduled bank to transfer the money deposited in the Development Fees Receipt Account in the following order of priority, namely:-(i)to pay amount into the Development Fees Statutory Dues Account to ensure that at the last day of the month the amount transferred is equal to the monthly statutory dues for the following month;(ii)to pay the remaining amount into the Development Fees Disbursement Account towards payment to the Airport Operator in accordance with the total amount of development fees determined by the Airports Economic Regulatory Authority and the fund from this account shall be disbursed to the Airport Operator as per the Drawdown Schedule for meeting the project cost directly or for servicing the debt to the lenders, raised against development fees.(iii)any balance amount remaining after the entire amount of development fees as approved by the Airports Economic Regulatory Authority is paid, shall be transferred to Development Fees Surplus Account and the said amount shall be used for authorized investment by the Authority and the balance available, if any, in this account may be appropriated for subsequent determination of development fees.

### **5. Utilization of development fees in respect of airports other than airports managed by the Authority.**

(1)Based on the determination of development fees by the Airports Economic Regulatory Authority, each Airport Operator shall submit a drawdown schedule to the Authority.(2)In case an Airport Operator has raised debt against realization of development fees, the Airport Operator shall submit the Drawdown Schedule on the basis of the debt servicing schedule agreed with the lender.(3)The Airport operator may in accordance with the Drawdown Schedule, submit their request to the Authority fifteen days prior to Drawdown Schedule date for the release of development fees installment.(4)The amount of installments of development fees shall be disbursed to the Airport

Operator in accordance with the Drawdown Schedule and subject to the balance available in the Development Fees Disbursement Account as specified in rule 4.(5)The Airport Operator shall submit an utilisation certificate within fifteen days of the end of every quarter of the financial year for the amount received during that quarter.(6)For the subsequent installments of development fees, the Airport Operator shall submit utilization certificate duly certified by an independent auditor, to be appointed by the Authority.(7)The Authority may also ask for submission of certificate about progress of work by the Airport Operator duly certified by the independent engineer appointed by the Authority.(8)Upon release of the last installment of development fees, the Airport Operator shall furnish the utilisation certificate duly certified by the independent auditor within forty-five days from the date of release of the last installment.(9)If at any stage, it is found that the development fees has not been utilised by the Airport Operator for the specified purpose (as per the report of the independent auditor or independent engineer), the Airport Operator shall pay penal interest at State Bank of India Base Rate plus ten percent per annum on such amount from the date of its withdrawal.

## **6. Utilisation of development fees in respect of airports managed by the Authority.**

- Release of the installments of development fees shall be made-(1)The development fees shall be released in installments in accordance with Drawdown Schedule prepared by the Authority.(2)The subsequent installments shall be subject to submission of utilisation certificate by the Auditor or the progress certificate submitted by the engineer-in-charge.

## **7. Accounts of the Authority.**

- The Authority shall keep account of all money received and expended by it in accordance with the provisions of the Act.

## **8. Passengers manifest.**

- The person or a body of persons who operates an aircraft shall, in respect of every voyage, prepare either electronically or in physical form, passenger manifest showing therein the names of all passengers on the voyage and shall present them to such person as is specified by the Authority.

## **9. Return of development fees.**

- Every person or body of persons who or which collects the development fees shall, file in respect of every month within thirty days of the following month to the Authority, a return showing particulars of the flights operated, number of passengers carried, amount of development fees levied and collected under these rules in respect of each voyage operated during the month.

## **10. Charging of interest.**

- Any person or a body of person who fails to deposit the amount collected as development fees in the manner provided in rule 3, shall be liable to pay interest at State Bank of India Base Rate plus ten percent per annum and the said amount shall be deposited in the Development Fees Escrow Account.

## **11. Display of rate of development fees.**

- The Airport Operator shall publish or cause to be published, the rate of development fees payable by a passenger, on its website and shall display such rate in a conspicuous part of the airport.