

**File No. AERA/20010/ MYTP/CHIAL/CP-II/2016-17/ Vol.I**  
**Consultation Paper No. 32/2020-21**



**Airports Economic Regulatory Authority of India**

**In the matter of Provision of Compensation in lieu of Fuel Throughput Charges at  
Chandigarh International Airport Limited (Civil Enclave).**

**03<sup>rd</sup> August, 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. 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.

## **3. Back Ground**

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 Chandigarh International Airport Limited (CHIAL), for the First Control Period i.e. 01.04.2016 to 31.03.2021 vide Order No. 17/2016-17 dated 27.03.2017.

3.1 As detailed in Table 38 under para 10.3 of the above said Order, the Authority determined Rs.401.35 Crores as the total discounted Aggregate Revenue Requirement (ARR) as per Regulatory Building Blocks for the entire 1st 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.

3.2 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

	<b>FY 2020-21</b>
Charges per KL (in Rs)	167/ KL
Revenue (Rs. in Crores)	0.81

4. Ministry of Civil Aviation vide letter no. AV.13030/216/2016-ER (Pt.2) dated 08.01.2020 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.”*

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, CHIAL vide letter no. CHIAL/AERA/2020-21 dated 23.07.2020 has informed that upon discontinuation of levy of FTC at Civil Enclave, Chandigarh, the expected revenue loss is Rs.0.96 Crores, for the period from 15.01.2020 to 31.03.2021, and, have proposed to recover the loss in the form of increased UDF charges.

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

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

Period for which Loss of FTC Revenue claimed by CHIAL	15.01.2020 to 31.03.2020	FY 2020-21	<b>Total FTC loss claimed by CHIAL</b>
FTC Revenue Projections as per AERA Tariff Order (Rs. in Crores)	0.15	0.81	<b>0.96</b>

6.1 CHIAL has submitted that, Civil Enclave, Chandigarh, is in the fifth year (FY 2020-21) i.e. last year of the ongoing Control Period (FY 2016-21), and, true up exercise will take time of 03 to 04 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 / Passenger as Proposed by CHIAL**

FTC Compensation claimed by CHIAL in FY 2020-21 (Rs. In Crores)		0.96 (A)			
No. of Departing Passengers (period - 06 months of FY 2020-21 - projections as per Tariff Order)		739264 (B)			
Increase in UDF per Pax proposed by CHIAL (A / B)		Rs. 13/- approx			
Existing Rates of UDF as per AERA Tariff Order		Revision in UDF Rates proposed by CHIAL			
DOM		INTL	DOM		INTL
(Up to 165 Nautical Miles)	(Above 165 Nautical Miles)		(Up to 165 Nautical Miles)	(Above 165 Nautical Miles)	
250	650	1500	263	663	1513

## 7. Authority's Examination

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

7.1 The Authority is of the view that, normally, the monetary benefit of abolishing the FTC is expected to entirely go to the Airlines and accordingly any compensation

on account of abolishing FTC should be recovered from Airlines. However, the Authority notes that at all Civil Enclaves, including Chandigarh, Landing Charges accrue to the Defence Authorities, and, not to the Airport Operator. The compensation of FTC at the Civil Enclaves cannot be recovered / compensated through increase in Landing Charges. The Authority, therefore, is of the view that at Civil Enclave, Chandigarh, the shortfall in FTC revenue, hitherto accruing to CHIAL, has to be compensated by way of increase in UDF charges. As per Tariff Order No.17/2016-17, the Authority, had expected that during FY 2020-21 of the 1st Control Period, CHIAL would generate revenue from UDF Charges and FTC as detailed below:

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

	(Rs. in Crores)
	FY 2020-21
Revenue from UDF charges	85.25
Revenue from FTC	0.81

7.2 The Authority observes that the tariff for Civil Enclave Chandigarh has been determined up to 31.03.2021 i.e. the 1st 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 revenues from FTC may not be more than the FTC revenues projected for FY 2019-20 & FY 2020-21 as per the AERA Tariff Order No.17/2016-17.

The Authority observes that the shortfall is occurring in the fifth tariff year FY 2020-21 (incl. 2.5 months in FY 2019-20) of the Control Period and is also being compensated in FY 2020-21, which is already in progress, thus the total shortfall in revenue from FTC / ARR is expected to be Rs.0.96 crores for the period from 15.01.2020 to 31.03.2021.

7.3 The Authority expects that allowing time for the Consultation process, the revised UDF may be effective latest by 01.09.2020. This means that the expected shortfall has to be recovered in the remaining 7 (seven) months (1<sup>st</sup> Sept '20 to 31<sup>st</sup> Mar'21) of FY 2020-21 of the 1<sup>st</sup> Control Period. The Authority, observes that CHIAL, in its proposal, has wrongly calculated the above period as 6 months instead of 7 months, and, has arrived at a slightly higher increase in UDF i.e. @ Rs.13/- per embarking pax.

Accordingly, the Authority, proposes to compensate the shortfall in FTC revenues to CHIAL by increasing the existing UDF Charges at Civil Enclave, Chandigarh, by **Rs.11/-** per passenger for the period **01.09.2020 to 31.03.2021** which shall be trued up while determining tariffs of Civil Enclave, Chandigarh, for the 2<sup>nd</sup> Control Period. The calculations are shown below in Table 5.

**Table – 5 Increase in UDF per Passenger as Proposed by Authority**

FTC Compensation as considered by Authority (as part of ARR) for period FY 2019-20 (2.5 months) & FY 2020-21 (without discount factor) (Rs. In Crores)			0.96 (A)		
No. of Departing Pax as per Tariff Order (50% of total traffic projections for FY 2020-21 for 7 months – from 1 <sup>st</sup> Sep'20 to 31 <sup>st</sup> Mar'21)			1478527* 7 / 12 = 862474 (B)		
Increase in UDF per Pax (A / B)			Rs. 11/- approx		
Existing Rates of UDF as per AERA Tariff Order			<b>UDF Rates proposed by Authority w.e.f. 01.09.2020 to 31.03.2021</b>		
DOM		INTL	DOM		INTL
(Up to 165 Nautical Miles)	(Above 165 Nautical Miles)		(Up to 165 Nautical Miles)	(Above 165 Nautical Miles)	
250	650	1500	<b>261</b>	<b>661</b>	<b>1511</b>

## 8. Proposal

The Authority has carefully considered the proposal of CHIAL 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 proposes to increase UDF charges at Civil Enclave Chandigarh for the period from 01.09.2020 to 31.03.2021 or till determination of aeronautical charges for the 2<sup>nd</sup> Control Period, to recover the shortfall in FTC revenue of Rs.0.96 crores. The Revised UDF Charges proposed by the Authority is annexed as “**Annexure I**”;

- (ii) To 'true up' the revenue based on Actuals while determining tariff of Chandigarh International Airport Limited, for the 2<sup>nd</sup> Control Period;
- (iii) The revised UDF charges as given in Annexure-I shall be applicable w.e.f. 01.09.2020.

## **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 18.08.2020 at the following address.

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

Email: [secretary@era.gov.in](mailto:secretary@era.gov.in)  
[director-ps@era.gov.in](mailto:director-ps@era.gov.in)

Tel: 011-24695040, Fax: 011-24695039

(Chairperson)

**Chandigarh International Airport Limited (CHIAL), Civil Enclave****Revised UDF Charges as proposed by the Authority to be applicable from 01.09.2020 to 31.03.2021****I) User Development Fee (UDF)**

	Existing Rates of UDF as per AERA Tariff Order No. 17/2016-17	Proposed Revision in UDF charges
<b>Domestic</b> per embarking passenger		
(Up to 165 Nautical Miles)	₹ 250 (excl. taxes)	<b>₹ 261 (excl. taxes)</b>
(Above 165 Nautical Miles)	₹ 650 (excl. taxes)	<b>₹ 661 (excl. taxes)</b>
<b>International</b> per embarking passenger	₹ 1500 (excl. taxes)	<b>₹ 1511 (excl. taxes)</b>

\*The above UDF 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**

	Unit	As per AERA Order No. 17/2016-17 for FY 2020-21	Abolished by MoCA w.e.f. 15.01.2020
Fuel Throughput Charges	INR per KL	167.00	<b>'NIL'</b>

**Note : All other charges, and, terms & conditions, as determined vide AERA Order No.17/2016-17 dated 23.03.2017 shall remain applicable.**



No. CHIAL/AERA/2020-21

Dated: 23.07.2020

To  
The Chairman,  
Airports Economic Regulatory Authority of India  
AERA Building, Administrative Complex,  
Safdarjung Airport,  
New Delhi-110 003

**Subject: Request for Increase in UDF due to discontinuation of FTC**

Sir,

It is to mention here that Ministry of Civil Aviation vide letter No. AV.13030/216/2016-ER (Pt.2) dated 08.01.2020 decided to discontinue the levy of airport operator charge or fuel throughput charge in any manifestation at all airports. Copy of MoCA letter is enclosed herewith as **Annexure -I** for your kind reference please.

Considering the above decision of MoCA, AERA vide letter no. AERA/ 20015/FT/201 0-11/Vol. II dated 15.01.2020 advised all the Airport Operators to implement the aforesaid MoCA letter with immediate effect and also advised to submit proposal with respect to compensation in lieu of discontinuation of Fuel Throughput Charges for consideration by the Authority.

In this regard, it is to be submitted that Chandigarh International Airport Limited (CHIAL) is in the fifth (FY 2020-21) i.e. the last year of the ongoing Control Period (FY 2016-21) and true up exercise will take time of 03 to 04 months. As per AERA Order No. AERA/20010/MYTP/CHIAL/CP-II/2016-17/Vol.1 Order No. 17/2016-17 in the matter of determination of Aeronautical Tariffs in respect of Chandigarh International Airport Limited for the First Control Period (01.04.2016 - 31.03.2021) dated 27.03.2017 effective from 01.05.2017, Fuel Throughput Charges applicable at CHIAL for F.Y. 2019-20 were Rs. 161 per KL and for F.Y. 2020-21 were Rs. 167 per KL.

Due to discontinuation of Fuel Throughput Charges (FTC), CHIAL is bearing loss of Rs. 96.42 Lakhs (At NPV - Rs. 58.37 Lakhs) for the remaining period of Second Control Period i.e. 15.01.2020 to 31.03.2021. The shortfall in revenue from 15.01.2020 to 31.03.2021 is calculated as under:

Period for which Loss of FTC Revenue claimed	15.01.2020 to 31.03.2020	FY 2020-21	Total FTC loss claimed
FTC Revenue Projections as per AERA Tariff Order Page No. 54 (Table 46) enclosed as <b>Annexure - II</b> (Rs. in lakhs)	15.42	81.00	<b>96.42</b>
PV Factor	0.6750	0.5921	
FTC Revenue Projections (at NPV)	10.41	47.96	<b>58.37</b>

पंजीकृत कार्यालय: कक्ष संख्या 1, परियोजना कार्यालय भवन, सिविल एयरपोर्ट, चंडीगढ़- 160003

Registered Office: Room No. 1, Project Office Building, Civil Airport, Chandigarh- 160003

कॉर्पोरेट कार्यालय: नई सिविल एयर टर्मिनल, झुरेरी, मोहाली (पंजाब) 140306

Corporate Office: New Civil Air Terminal, Jhurheri, Mohali (Punjab) 140306

Tel No. : 0172-2242016, Fax No. 0172-2242003, email: [secretary.chial@rediffmail.com](mailto:secretary.chial@rediffmail.com), website: chial.org

CIN U63013CH2010GOI031999



It is to mention here that being a Civil Enclave, the main source of traffic revenue approved by AERA for CHIAL is User Development Fees (UDF). Therefore, it is being requested that AERA may consider allowing compensation to CHIAL in the form of increase in UDF charges as proposed below:

FTC Compensation claimed in FY 2020-21 (A)			96.42		
No. of Departing Pax as per Tariff order Page No. 48 (Table No. 42) enclosed as <b>Annexure - III*</b> (50% of total traffic projections for FY 2020-21 for 6 months i.e. 01.09.2020 to 31.03.2021) (B)			7,39,264		
Increase in UDF per Pax proposed (A/B)			Rs. 13/- approx		
<b>Existing Rates of UDF as per AERA Tariff Order</b>			<b>Revision in UDF Rates proposed</b>		
Domestic Passengers (Up to 165 Nautical Miles)	Domestic Passengers (Above 165 Nautical Miles)	International Passengers	Domestic Passengers (Up to 165 Nautical Miles)	Domestic Passengers (Above 165 Nautical Miles)	International Passengers
250	650	1500	263	663	1513

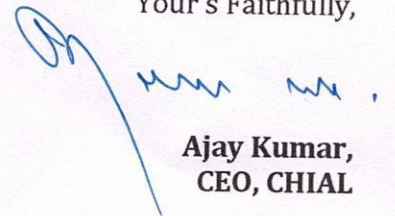
\* The Passenger Throughput has been considered as per the projections in AERA Order, however, realistic position of CHIAL is very challenging as the actual throughput Passengers is just 20% as compared to previous year i.e. FY 2019-20 due to Pandemic situation of Covid -19 in the country.

AERA is requested to allow carry forward of unrecoverable amount, if any in next control period considering Pandemic Situation in the country due to Covid - 19 which has resulted in drastic reduction in Passenger Throughput which is approximately 20% for the month of June of the average Passenger Throughput of the Previous year.

In view of the facts brought out above, AERA is requested to consider request of CHIAL for increase in UDF charges to compensate loss of revenue due to discontinuation of Fuel Throughput Charges.

Thanking you.

Your's Faithfully,



**Ajay Kumar,**  
CEO, CHIAL

पंजीकृत कार्यालय: कक्ष संख्या 1, परियोजना कार्यालय भवन, सिविल एयरपोर्ट, चंडीगढ़- 160003

Registered Office: Room No. 1, Project Office Building, Civil Airport, Chandigarh- 160003

कॉर्पोरेट कार्यालय: नई सिविल एयर टर्मिनल, झुरेरी, मोहाली (पंजाब) 140306

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CIN U63013CH2010GOI031999



Port copy  
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



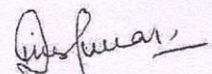
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heliport arises from the provisions of section 22(i) of the AAI Act, 1994. Airport charges are also variously specified in the existing concession agreements and contracts of airports leased out by AAI.

3. Numerous rounds of stakeholder consultations have been held by the Ministry in order to rationalize the present mechanism of invoicing of AIF 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@nic.in](mailto:dinesh.kumar14@nic.in)



Particulars	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
Cute Charges	59	148	158	169	182	195
PSF (Facilitation)	262	640	-	-	-	-
UDF	-	-	6190	6554	6947	7371
<b>Total</b>	<b>396</b>	<b>977</b>	<b>6557</b>	<b>6950</b>	<b>7375</b>	<b>7834</b>

**b. Authority's examination of CHIAL's submission on revenue from aeronautical services**

13.4 After careful examination of the various assumptions relating to aeronautical revenues, the Authority proposed the following:

13.4.1 Parking & Housing charges, Ground Handling Charges, Cute Charges and UDF shall be recalculated based on the revised traffic numbers as shown in Table 42 and Table 43.

13.4.2 Revenue from Extension of Watch Hours as per CHIAL's submission shall be included in revenue from Aeronautical services.

13.4.3 Lease rental from refueling station as discussed in para 8.6.1 shall be included in revenue from Aeronautical services.

13.5 Total revised revenue from Aeronautical services after considering the above changes is provided in the table below:

**Table 46: Revised aeronautical revenues as per the Authority (in ₹ lakhs)**

Particulars	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
Parking & Housing	4	5	5	5	6
Throughput Charges	56	61	67	74	81
Cargo Charges	55	63	71	79	89
Ground Handling Charges	74	84	89	94	100
Cute Charges	138	163	182	202	225
Extension of Watch Hours	42	45	47	50	53
Lease rental from refueling station	338	364	400	440	484
PSF (Facilitation) (excluding collection charges)	696	-	-	-	-
UDF	-	6,357	7,005	7,725	8,525
<b>Total</b>	<b>1,403</b>	<b>7,142</b>	<b>7,866</b>	<b>8,669</b>	<b>9,562</b>

13.6 Regarding passenger traffic forecast, based on the material before it and its analysis, the Authority proposed to:

13.6.1 Consider the Aeronautical Revenue as given in Table 46 for determination of aeronautical tariffs for the first control period.

13.6.2 True up the Aeronautical Revenue based on actual revenue during the Control Period.

**c. Stakeholder comments on issues pertaining to revenue from aeronautical services**

13.7 Stakeholder comments with respect to revenue from aeronautical services are presented below.





Financial Year	Domestic	Y-o-Y growth (Domestic)	International	Y-o-Y growth (International)
FY15	10,968	13%	-	-
FY16	13,130	20%	-	-
FY17	14,180	8%	594	-
FY18	15,315	8%	1,460	146%
FY19	16,234	6%	1,460	-
FY20	17,208	6%	1,460	-
FY21	18,240	6%	1,460	-

**b. Authority's examination of CHIAL's submission on traffic forecast**

11.3 The Authority carefully examined CHIAL's submissions regarding traffic forecast and presented its findings as detailed below.

11.4 The Authority calculated 5-year and 10-year CAGR (Compounded Annual Growth Rate) for Domestic ATM and Domestic Passenger movements (based on Table 39 & Table 40 above), from FY12 to FY16 and from FY07 to FY16 respectively as below:

**Table 41: Historical 5-year and 10-year CAGR for Domestic Passenger and ATM traffic**

Particulars	Domestic	
	FY12 to FY16	FY07 to FY16
Domestic passenger traffic	17.6%	29.0%
Domestic ATM traffic	11.3%	18.6%

11.5 The Authority has noted that the increase in annual passenger and ATM traffic at other major international airports in Delhi and Mumbai has reached saturation levels. This might lead to a healthy diversion of traffic to CHIAL. However, the traffic increase may not be as high as the 5-year and 10-year historical CAGR figures in the table above, due to restrictions on flying (as CHIAL is built on a civil enclave) and rising fuel costs. Accordingly, after considering the above, the Authority proposed the following revised increase for Passenger and ATM traffic:

11.5.1 The annual increase in Domestic passenger traffic shall be considered at 12% p.a. throughout the first control period and for International passenger traffic at 5% p.a. from FY 18-19 to FY 20-21.

11.5.2 The annual increase in Domestic ATM traffic shall be considered as per the submissions by CHIAL and annual increase for International ATM traffic shall be considered at 2% p.a. from FY 18-19 to FY 20-21.

**Table 42: Revised Passenger traffic projections using revised growth rates during control period**

Financial Year	Domestic	Y-o-Y growth (Domestic)	International	Y-o-Y growth (International)
FY16	15,34,058	-	-	-
FY17	1,718,145	12%	89,100	-
FY18	1,924,322	12%	2,19,000	146%
FY19	2,155,241	12%	2,29,950	5%
FY20	2,413,870	12%	2,41,448	5%
FY21	2,703,534	12%	2,53,520	5%

