

Ref No: NMIAL/CO/AERA-MYTP/2025/1

7th February, 2025

To,

The Chairperson,

Airports Economic Regulatory Authority of India,
Third Floor, Udaan Bhawan,
Safdarjung Airport,
New Delhi- 110003.

Sub: Submission of Multi Year Tariff Proposal (MYTP) for Navi Mumbai International Airport Private Limited (NMIAL) for First Control Period

Dear Sir,

Navi Mumbai International Airport Private Limited (NMIAL) entered into a Concession Agreement with the City and Industrial Development Corporation of Maharashtra Limited (CIDCO) on 8th January 2018 to establish a greenfield airport in Navi Mumbai (NMIA) on Design, Build, Finance, Operate and Transfer (DFBOT) basis for a period of 30 years commencing from the Appointed Date i.e. 7th July 2018, further extendable subject to the terms of the Concession Agreement.

NMIA, being a Major Airport as per AERA Public Notice No. 5 dated 21 June 2024, is currently under development and it is expected to start operations in a gradual manner from 31st May 2025 onwards.

We hereby submit the Multi Year Tariff Proposal for Navi Mumbai International Airport (NMIA) for the First Control Period starting from 1st April 2025 to 31st March 2030 for kind consideration and approval of the Authority. We shall be pleased to provide any further information that the Authority may require in this regard.

Thanking you

Yours truly,

For Navi Mumbai International Airport Private Limited,


Ashu Madan
Authorized Signatory

Enclosures : -

1. Multi Year Tariff Proposal along with annexures
2. Financial Model in Excel format

BEFORE THE AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA

AT NEW DELHI

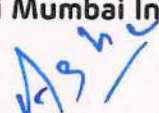
SUBMISSION OF MULTI YEAR TARIFF PROPOSAL FOR AND ON BEHALF OF:

M/S NAVI MUMBAI INTERNATIONAL AIRPORT PRIVATE LIMITED (NMIAL)

I, Ashu Madan aged 41 resident of Ahmedabad, India acting in my official capacity as authorized signatory in M/s Navi Mumbai International Airport Private Limited having its registered office at S17-C, New Project Office, Near Ulwe Gaothan bus stop, Amara Marg, Ulwe, Navi Mumbai 410206, Maharashtra, do hereby state and affirm as under that :-

1. That I am duly authorized to act for and on behalf of M/s Navi Mumbai International Airport Private Limited in the matter of making this submission before the Airports Economic Regulatory Authority of India, New Delhi ('the Authority');
2. I am competent to make this submission before the Authority;
3. I am making this submission in my official capacity and the facts stated herein are based on official records;
4. The contents of this submission which include (i) Business Plan; (ii) Information pertaining to physical assets; (iii) Information relation to the Regulatory Building Blocks; (iv) Forecasted Volumes; and (v) Revenue, are correct and true to my knowledge and belief and nothing material has been concealed there from.

For Navi Mumbai International Airport Private Limited,


Ashu Madan
Authorized Signatory
Place : Ahmedabad
Date: 7th February, 2025



**NAVI MUMBAI INTERNATIONAL
AIRPORT PRIVATE LIMITED (NMIAL)**

**Multi Year Tariff Proposal for Determination of
Aeronautical Tariff for the First Control Period
(from 1st April 2025 to 31st March 2030)**



Confidential Information

With reference to this MYTP, NMIAL will make various submissions/providing information, including but not limited to the information being submitted along with this MYTP, from time to time to the Authority.

NMIAL would request the Authority to maintain the confidentiality of financial information and commercial agreements by not sharing any such information in the public domain. NMIAL would not have objections with the Authority publishing documents that should be available to public under any other law or are already under public domain. NMIAL's MYTP business plan containing financials are requested not to be placed in public. The following legal agreements which contain commercially sensitive data for which parties have the responsibility to maintain confidentiality and/or are the property of parties signing them should not be published for common access:

- Any communication between AEL/AAHL/NMIAL and CIDCO/AAI/GOI/Authority
- Commercial Agreements/arrangements/Letter of Awards/Bid documents etc.



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Abbreviations

Glossary of abbreviations used in this MYTP is as follows:

Abbreviation	Expansion
AAHL	Adani Airport Holdings Limited
AAI	Airports Authority of India
AAICLAS	Airports Authority of India Cargo Logistics and Allied Services Company Limited
AEL	Adani Enterprises Limited
AERA	Airports Economic Regulatory Authority of India
AGL	Aeronautical Ground Lighting
AIC	Aeronautical Information Circular
AMSL	Above Mean Sea Level
ANS	Airport Navigation Services
AO	Airport Operator
AOCC	Airport Operations Control Center
AODB	Airport Operations Data Base
AOSF	Airport Operational Staff Facility
APM	Automated Passenger Mover
ARFF	Aviation Rescue and Fire Fighting
ARR	Aggregate Revenue Requirement
ASQ	Airport Service Quality
ASR	Airport Surveillance Radar
ATC	Air Traffic Control
ATF	Aviation Turbine Fuel
ATM	Air Traffic Movements
ATRS	Automatic Tray Retrieval System
ATS	Air Traffic Service
AUCC	Airports Users Consultative Committee
AWMS	Automated Weather Monitoring Stations
BCAS	Bureau of Civil Aviation Security
BHS	Baggage Handling System
BRS	Baggage Reconciliation System
CA	Concession Agreement
CAGR	Compounded Annual Growth Rate
CAPM	Capital Asset Pricing Model
CARs	Civil Aviation Regulations
CAT	Commercial Air Transport
CBR	California Bearing Ratio
CCR	Constant Current Regulator
CFO	Chief Financial Officer
CHQ	Central Head Quarters



Abbreviation	Expansion
CIDCO	City and Industrial Development Corporation of Maharashtra Limited
CISF	Central Industrial Security Force
CNS/ATM	Communications, Navigation and Surveillance Systems for Air Traffic Management
COD	Commercial Operations Date
CoD	Cost of Debt
CoE	Cost of Equity
COO	Chief Operating Officer
CPI	Consumer Price Index
CPWD	Central Public Works Department
Crs	Crores
CSMIA	Chhatrapati Shivaji Maharaj International Airport
CTC	Central Terminal Complex
CUP	Central Utility Plant
CUTE	Common User Terminal Equipment
CWIP	Capital Work In Progress
DBFOT	Design, Build, Finance, Operate and Transfer
DGCA	Directorate General of Civil Aviation
DIAL	Delhi International Airport Limited
DME	Distance Measuring Equipment
DOM	Domestic
DSS	Distribution Substations
DVOR	Doppler VHF Omni-Directional Radio Range
EMAR	Eastern Main Access Road
ERP	Equity Risk Premium
ETD	Explosive Trace Detector
FCP	First Control Period
FIDS	Flight Information Display Systems
FRoR	Fair Rate of Return
FTG	Fire Training Ground
GA	General Aviation
GAL	GMR Airports Limited
GDCR	General Development Control Regulation
GDP	Gross Domestic Product
GH	Ground Handling
GHIAL	GMR Hyderabad International Airport Limited
GIA	Guwahati International Airport
GIAL	Guwahati International Airport Limited
GIL	GMR Infrastructure Limited
GoI	Government of India
GoM	Government of Maharashtra



Abbreviation	Expansion
GSE	Ground Support Equipment
GST	Goods & Service Tax
HOS	Head of Stand
HVAC	Heating, Ventilation and Air Conditioning
IACT	Integrated Air Cargo Terminal
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
ICC	Integrated Cargo Complex
ICF	ICF Consulting India Pvt. Ltd.
IDC	Interest During Construction
IE	Independent Engineer
IGAAP	Indian Generally Accepted Accounting Principles
ILHBS	In-Line Hold Baggage Screening
ILHBSS	In-line Hold Baggage Screening System
ILS	Instrument Landing System
IMD	India Meteorological Department
IMG	Inter-Ministerial Group
Ind AS	Indian Accounting Standard
INT	International
IT	Information Technology
JNPT	Jawaharlal Nehru Port Trust
KL	Kilo Litre
LGBIA	Lokpriya Gopinath Bordoloi International Airport, Guwahati
LoA	Letter of Award
LoS	Level of Service
MET	Meteorological Information Management
MHS	Material Handling system and Equipment
MIAL	Mumbai International Airport Limited
MLAT	MultiAteration
MLCP	Multi-Level Car Park
MLD	Million Litre Per Day
MMR	Mumbai Metropolitan Region
MMT	Million Metric Tonne
MMTA	Million Metric Tonne Per Annum
MMTH	Multi-Modal Transportation Hub
MoCA	Ministry of Civil Aviation
MoU	Memorandum of Understanding
MPPA	Million Passengers Per Annum
MRO	Maintenance, Repair, and Overhaul
MSETCL	Maharashtra State Electricity Transmission Company Limited



Abbreviation	Expansion
MSSR	Mono-pulse Secondary Surveillance Radar
MTHL	Mumbai Trans Harbour Link
MYTP	Multi Year Tariff Proposal
NAR	Non-Aeronautical Revenue
NCAP	National Civil Aviation Policy
NMDLR	Navi Mumbai Disposal Land Regulations
NMIA	Navi Mumbai International Airport
NMIAL	Navi Mumbai International Airport Private Limited
O&M	Operation & Maintenance
OLS	Obstacle Limitation Surfaces
ORAT	Operational Readiness and Airport Transfer
Pax	Passengers
PBB	Passenger Boarding Bridge
PBG	Performance Bank Guarantee
PBT	Profit Before Tax
PCN	Pavement Classification Number
PHP	Peak Hour Passenger
PIDS	Perimeter Intrusion Detection System
PIF	Project Information File
PNG	Piped Natural Gas
PPP	Public Private Partnership
PUP	Pedestrian Underpass
R&M	Repair and Maintenance
RAB	Regulatory Asset Base
RATs	Runway Access Taxiways
RBI	Reserve Bank of India
RESA	Runway End Safety Area
RET	Rapid Exit Taxiways
RFP	Request for Proposal
RHQ	Regional Head Quarters
RO	Reverse Osmosis
RoN	Remain-Over-Night
Rs.	Rupees
RSS	Receiving Substation
RWY	Runway
SAF	Sustainable Aviation Fuel
SBI	State Bank of India
SBR	Sequencing Batch Reactor
SCP	Second Control Period
SMR	Surface Movement Radar



Abbreviation	Expansion
SNI	Simultaneous Non Interfering
SOFR	Secured Overnight Financing Rate
SPV	Special Purpose Vehicle
STP	Sewage Treatment Plant
SW	South West
TCP	Third Control Period
TORA	Takeoff Run Available
TR	Target Revenue
TSF	Transfer
UDF	User Development Fee
UF	Ultra Filtration
ULD	Unit Load Device
UPS	Uninterruptible Power Supply
VDGS	Visual Docking Guidance System
VVIP	Very Very Important Person
WDV	Written Down Value Method
WGS	World Geodetic System
WHO	World Health Organization
WIPA	Work In Progress Asset
WMAR	Western Main Access Road
WPI	Wholesale Price Index
XBIS	X-ray Baggage Inspection System
YoY	Year On Year



1. Background

- 1.1. The City and Industrial Development Corporation of Maharashtra Ltd. (CIDCO), as the nodal agency, undertook the global bidding process to develop the new greenfield airport known as the Navi Mumbai International Airport (NMIA) under a Public Private Partnership (PPP) framework on a Design, Build, Finance, Operate and Transfer (DBFOT) basis, for a (30+10) years concession period.
- 1.2. On 25th October 2017, CIDCO issued the Letter of Award (LoA) to Mumbai International Airport Limited (MIAL) as the Preferred Bidder.
- 1.3. Navi Mumbai International Airport Private Limited (NMIAL, Company, Concessionaire) is a special purpose vehicle established for development, construction, operation and maintenance of the greenfield international airport project at Navi Mumbai, Maharashtra, on a Design, Build, Finance, Operate and Transfer (DBFOT) basis. NMIAL is owned by Mumbai International Airport Limited (MIAL) [74% shareholding] and City and Industrial Development Corporation of Maharashtra Limited (CIDCO) [26% shareholding].
- 1.4. Mumbai has an existing international airport in the heart of the city, called Chhatrapati Shivaji Maharaj International Airport (CSMIA), being operated by MIAL. CSMIA has both landside and Airside constraints for expansion, and therefore, the need for 2nd airport to serve the Mumbai Metropolitan Region (MMR) along with CSMIA.
- 1.5. NMIAL has signed Concession Agreement ("CA") with CIDCO (attached as Annexure A) on 8th January 2018 for 30 years from Appointed Date, which is extendable for a further 10 years at the option of NMIAL on achieving certain performance standards as mentioned in the Concession Agreement (CA). Concession can be further extended by another period of 20 years by participating in an international competitive bidding process.



- 1.6. The Appointed Date as achieved by NMIAL is 7th July 2018.
- 1.7. CIDCO, a Government of Maharashtra undertaking, is the Concessing Authority for the Project.
- 1.8. Originally, MIAL was led by the GVK Group which later in July 2021 transferred its stake to Adani Group. Currently, MIAL's 74% shareholding is with Adani Airport Holdings Limited (AAHL) and 26% with Airports Authority of India.
- 1.9. NMIA site is strategically located between two main arterial roads of Navi Mumbai, with the 8 lane Amra Marg on the west and the 4 lane NH-4B on its eastern edge. The site is also close to the Mumbai Pune Expressway (Sion-Panvel Highway), connected to it by Amra Marg. NMIA is thus connected to Mumbai, Thane, the rest of Navi Mumbai and the surrounding region by existing major arterial roads, highways and sub-urban rail (under construction). In the near future, metro rail shall connect NMIA to Mumbai, Thane and Kalyan-Dombivali.
- 1.10. The NMIA site is presently accessible from South Mumbai by the Eastern Freeway to Chembur and then via Sion-Panvel Highway and Palm Beach road to Amra Marg. Recently commissioned Mumbai Trans Harbour Link (MTHL), a 22-km long bridge, across the Thane creek from Sewri to Ulwe, has now directly connected NMIA to South Mumbai.
- 1.11. At its full capacity, the NMIAL shall handle 90 MPPA.
As per Master Plan, the Airport is to be developed in Phase manner which is as follows:-

Phase	I & II	III	IV	V	Total
Capacity (MPPA)	20	30	20	20	90
Cumulative Capacity (MPPA)	20	50	70	90	
Year of Completion	2025	2029	As per traffic triggers		



- Construction for the next phase (i.e. Phase III) of the project is planned to start from FY26, based on the triggers coming from the traffic growth and in line with the capacity expansion provisions of the Concession Agreement, as reproduced below.

As per Clause 12.7 of the Concession Agreement:

12.7.1 As and when the existing Phase(s) of the Airport, achieves the traffic trigger as specified in the Master Plan, the Applicable Laws, including the DGCA guidelines and regulations prescribed by AERA, Good Industry Practice and the provisions of this Agreement or fall short of the norms and standards specified by ICAO Documents and Annexes, the Concessionaire shall undertake capacity addition and expansion thereof, to meet such shortfall and/or future requirements as described in the Master Plan, Schedule A, Schedule B and other terms of this Agreement. In such regard, the Concessionaire shall procure all the Applicable Permits as may be required for undertaking any such expansion, unconditionally, or if subject to conditions, then fulfil all such conditions by the date and in the manner specified therein, in full.

...

12.7.3 The additional assets and facilities required to be constructed in pursuance of the provisions of Clause 12.7.1, shall be completed and placed into operation on or before the target date decided for that particular facility in the Master Plan, but not later than 3 (three) years from the date on which the shortfall specified therein occurred. Any assets and facilities constructed under this Clause 12.7 shall be deemed to form part of the Project Assets.

As per Schedule A of the Concession Agreement

The Concessionaire shall initiate Construction Works for subsequent Phases after Phase I, within 3 (three) months, upon the earlier occurrence of any one of the following traffic triggers:

(a) Actual Peak Hour passengers exceed the design Peak Hour passengers for 50% (fifty percent) of the time in a period of 6 (six) months on a rolling basis.

(b) Annual passenger traffic in any Accounting Year is projected to exceed 75% (seventy five percent) of the design throughput capacity of the Airport, by taking into account the observed traffic growth rate over the preceding 6 (six) month period.



1.12. With respect to NMIAL's right to demand User Fees for aeronautical and non-aeronautical services, the Concession Agreement states that:

15.1.1 Each Phase of the Airport shall be deemed to be complete when the Completion or the Provisional Completion, as the case may be, is achieved under the provisions of ARTICLE 14, and accordingly the commercial operation date of the relevant Phase of the Airport shall be the date on which the Concessionaire shall have obtained the Applicable Permits, including the licence from DGCA to operate the relevant Phase of the Airport ("COD"). Provided however that, and notwithstanding anything contained contrary elsewhere in this Agreement, if the Concessionaire is of the opinion that at any time prior to the Scheduled Completion Date, any part of the Phase I can be put for commercial operations notwithstanding the Completion or Provisional Completion of the Phase I in entirety, then, the Concessionaire shall subject to the prior approval of the Authority in such regard, can put such part of the Phase I in commercial operations by obtaining all the necessary Applicable Permits and complying with all other terms and conditions of this Agreement and the Applicable Laws. Any such part commissioning of the Phase I will have no impact on the Concessionaire's obligation to complete the Phase I as per the Phase Milestone by the Scheduled Completion Date. The Airport shall enter into commercial service on the Phase I COD or part commissioning of Phase I as above, whereupon the Concessionaire shall be entitled to demand and collect Fee in accordance with the provisions of ARTICLE 27.

27.1.1 "On and from Phase I COD and till the Transfer Date, the Concessionaire has the sole and exclusive right to demand, collect and appropriate Fees from the Users for the provision of the Aeronautical Services and Non-Aeronautical Services, including the airlines and passengers, in accordance with the provisions of the AERA Act, extant AERA guidelines and this Agreement including the terms set out in the Schedule U (Memorandum of Understanding), provided that the Concessionaire may determine and collect



Fees at such lower rates as may be agreed with the Users or any category of Users in accordance with the Applicable Laws and Applicable Permits. The Aeronautical Charges for use of any or all Aeronautical Services shall be as per rates determined and revised by AERA, in accordance with the provision of the Applicable Laws, Applicable Permits and this Agreement.”

Additionally, the Memorandum of Understanding (MoU) between NMIAL and the Government of India (GoI) entitles (attached as Annexure B), NMIAL to levy, collect and appropriate aeronautical charges from the COD, from the users of the NMIA at the tariff rates approved by AERA. The relevant clause from MoU are as follows:

2.2.1 The Ministry of Civil Aviation, GOI has, vide its letter no. F. No. AV.24011/1/95-VB dated December 8, 2014 (“Shared-Till Approval”), approved the 30% (thirty percent) shared-till framework for the determination and regulation of the Aeronautical Charges for the Airport.

...

2.2.5 Notwithstanding anything contrary contained elsewhere, the Concessionaire shall be entitled to levy, collect and appropriate the Aeronautical Charges with effect from the Phase I COD as per clause 15.1.1 of the Concession Agreement from the Users of the Airport, at the initial/ ad-hoc rates of the tariff approved by AERA. Such initial/ ad-hoc rates of tariff shall be applicable and valid until the approval of Aeronautical Charges by AERA in accordance with the provisions of the AERA Act and extant AERA guidelines. Appropriate adjustments in the allowable revenues in the tariff order for the first control period shall be made, based on the multi-year tariff proposal filed by the Concessionaire with AERA, in accordance with the AERA Act and extant AERA guidelines.

1.13. In addition to Airport activities, NMIAL will be providing Cargo Handling services and Fuel Infrastructure Services at NMIAL.



- 1.14. It is expected that NMIAL will start domestic commercial operations by 31st May 2025 and international commercial operations by 31st July 2025.

NMIAL through this document aims to submit a detailed Multi Year Tariff Proposal (MYTP) for the First Control Period (FCP) from 1st April 2025 to 31st March 2030.



2. Methodology to determine Aggregate Revenue Requirement (ARR)

- 2.1. The Concession Agreement defines AERA, the AERA Act, Aeronautical Charges, Aeronautical Revenues, and Aeronautical Services as follows:

"AERA" means the Airports Economic Regulatory Authority of India, established under the AERA Act, and shall include any other regulatory authority, replacing or superseding the functions and authorities of AERA, in accordance with the Applicable Laws."

"AERA Act" means the Airports Economic Regulatory Authority of India Act, 2008, as amended, modified and superseded from time to time."

"Aeronautical Charges" means the charges approved by AERA, which charges can be levied, collected and appropriated by the Concessionaire for the provision of Aeronautical Services."

"Aeronautical Revenues" means the aggregate revenue requirement determined by AERA as per the Applicable Laws."

"Aeronautical Services" has the meaning as set forth in the AERA Act in relation to the services to be provided at the Airport."

- 2.2. As mentioned in point 1.12 above, the MoU between the GoI and NMIAL provides 30% (thirty percent) shared-till framework for the determination and regulation of the Aeronautical Charges. The same may be accordingly considered by the regulator for the purposes of the determination of the Fees/Aeronautical Charges pursuant to the provisions of the Concession Agreement. The same mechanism is also mentioned in Order No. 14/ 2016-17 "In the matter of aligning certain aspects of AERA's Regulatory Approach (Adoption of Regulatory Till) with the provisions of the National Civil Aviation Policy-2016 (NCAP-2016) approved by the Government of India" dated 12.01.2017.

- 2.3. As per clause 13 (1) of the AERA Act, 2018, the Authority (i.e. AERA) shall determine the tariff for aeronautical services taking into consideration "the concession offered



by the Central Government in any agreement or memorandum of understanding or otherwise.”

2.4. The methodology adopted by the Authority to determine tariff is based on AERA Act, 2008 (AERA Act) as amended and the AERA (Terms and Conditions for Determination of Tariff for Airport Operators) Guidelines, 2011 dated 28th February 2011 (Tariff Guidelines).

2.5. The Authority shall determine the ARR for the current control period on the basis of the following Regulatory Building Blocks:

- Regulatory Asset Base (RAB)
- Depreciation (D);
- Fair Rate of Return applied to the Regulatory Asset Base (FRoR x RAB);
- Operation and Maintenance Expenditure (O);
- Taxation (T);
- Revenue from services other than aeronautical services (NAR).

2.6. Based on the building blocks provided above, the formula for determining ARR under Shared Till is as follows:

$$ARR = \sum_{t=1}^5 (ARR_t) \text{ and}$$

$$ARR_t = (FRoR \times RAB_t) + D_t + O_t + T_t - 30\% \text{ of } NAR_t$$

Where:

- 't' is the Tariff Year in the Control Period;
- ARR_t is the Aggregate Revenue Requirement for year 't';
- FRoR is the Fair Rate of Return for the Control Period;
- RAB_t is the Regulatory Asset Base for the year 't';
- D_t is the Depreciation corresponding to the RAB for the year 't';
- O_t is the Operation and Maintenance Expenditure for the year 't', which includes all expenditures incurred by the Airport Operator(s) including expenditure incurred on statutory operating costs and other mandated operating costs;



- T_t is the corporate tax for the year 't' paid by the airport operator on the aeronautical profits (also including tax on 30% NAR); and
- NAR_t is revenue from services other than aeronautical services for the year 't'.

2.7. NMIAL has adopted a similar approach for determination of Aeronautical Revenues as stated in the guidelines of AERA, as also in line with AERA Act and as mandated under the Concession Agreement.

2.8. Generally, all expenses incurred during the construction period are capitalised along with the assets under construction. However, as per accounting standards, there are certain expenses which do not get capitalised, therefore true-up has been calculated to recover the shortfall during the period upto 31st May 2025.

2.9. NMIAL has capitalised Financing Allowance using the formula provided by the AERA (Terms and Conditions for Determination of Tariff for Airport Operators) Guidelines, 2011:

$$\text{Financing Allowance} = R_d \times \left(WIPA_{t-1} + \frac{\text{Capex} - SC - CA}{2} \right)$$

Where

- (i) R_d is the cost of debt determined by the Authority
- (ii) SC are the capital receipts including capital grants and subsidies for capital expenditure in Tariff Year t
- (iii) CA are the Aeronautical Assets commissioned in Tariff Year t.



3. Passenger Traffic, Air Traffic Movements (ATMs) and Cargo forecasts for FCP

3.1. ICF Consulting India Pvt. Ltd. (ICF) has been engaged to perform the detailed projection of traffic demand at Mumbai Metropolitan Region (MMR), and Navi Mumbai International Airport (NMIA), Navi Mumbai.

3.2. ICF undertook an econometric approach and regression analysis after considering various parameters including but not limited to:-

- Overall Aviation Industry in India
- Overall MMR market - Airlines Fleet Forecast
- Other Multiple Airport Cities
- Unserved Origin Destination routes at MMR
- GDP Growth rates
- Catchment Study based on distance and travel time

Detailed report from ICF is provided in Annexure C



3.3. As per ICF report, NMIAL is expected to have following demand.

Year	Passenger Traffic (In Mn)			Growth rate		
	Dom	Intl	Combined	Dom	Intl	Combined
2025-26	9.35	2.63	11.98	-	-	-
2026-27	14.40	4.91	19.31	54%	87%	61%
2027-28	16.00	6.00	22.00	11%	22%	14%
2028-29	23.99	9.91	33.90	50%	65%	54%
2029-30	27.68	11.32	39.00	15%	14%	15%
Total	91.42	34.77	126.19			

Currently NMIAL has capacity of 20 Mn and additional capacity of 30 Mn in Phase III is expected to be operational during FY 2029-30. Due to supply constraints, for MYTP purposes, NMIAL has capped FY2028-29 Pax Traffic to 22 Mn. In FY2029-30, the Airport is expected to be able to cater to demand of 33.90 Mn pax. The traffic considered for MYTP purposes is as follows:-

Passenger Traffic (Pax) and Pax growth rate considered for FCP

Year	Passenger Traffic (In Mn)			Growth rate		
	Dom	Intl	Combined	Dom	Intl	Combined
2025-26	9.35	2.63	11.98	-	-	-
2026-27	14.40	4.91	19.31	54%	87%	61%
2027-28	16.00	6.00	22.00	11%	22%	14%
2028-29	16.00	6.00	22.00	-	-	-
2029-30	23.99	9.91	33.90	50%	65%	54%
Total	79.73	29.46	109.19			

Passenger Air Traffic Movements (ATM) and ATM growth rate considered for FCP

Year	ATM*			Growth rate		
	Dom	Intl	Combined	Dom	Intl	Combined
2025-26	61,458	14,871	76,329	-	-	-
2026-27	92,970	27,367	1,20,337	51%	84%	58%
2027-28	1,01,446	32,953	1,34,399	9%	20%	12%
2028-29	1,01,446	32,953	1,34,399	-	-	-
2029-30	1,49,384	54,470	2,03,854	47%	65%	52%
Total	506,704	162,614	669,317			

*Above ATM numbers does not include General Aviation ATMs



3.4. Cargo Volume forecasts and growth rate for NMIA for the FCP is as follows:

Year	Cargo Volume (in MT)			Growth Rate		
	Domestic	Intl	Combined	Domestic	Intl	Combined
2025-26	57,297	207,755	265,051	-	-	-
2026-27	87,164	309,639	396,803	52%	49%	50%
2027-28	119,198	510,675	629,872	37%	65%	59%
2028-29	119,198	510,675	629,872	-	-	-
2029-30	153,409	652,478	805,887	29%	28%	28%
Total	536,265	2,191,221	2,727,486			

4. Capital Expenditure for FCP

NMIA site of 1,160 hectares was earlier characterized by varied natural topography until 2017, i.e. prior to commencement of Pre-Development Works for NMIA. The site exhibited significant variations in its natural topography as it sloped from south and west towards east and north, owing to multiple natural features like low-lying areas in north, Ulwe Hill with an elevation of 104m on south, and Ulwe River flowing south to north through the centre of the site. Two EHVT lines also passed through the site, one eastern and other on western part of the site. Nine village gaothans were located in western & southern part of the airport site. The natural drainage of the site was towards Panvel Creek in north & Gadhi River in east. The low-lying area in northern parts of NMIA site were prone to flooding during monsoon, and high tides.



The most noticeable feature of NMIA site had been the 104-meter high Ulwe hill, with footprint of over two hundred hectares. Apart from it being an obvious obstacle in OLS of NMIA owing to its height, the Ulwe Hill stood in the alignment of both southern & northern runway of this greenfield airport. Therefore, cutting Ulwe Hill was one of the most important prerequisites for NMIA development. The large quantity of basalt rock in Ulwe Hill, became the resource for filling the low-lying area in northern half of the airport site.

The soil type and ground strata varied across NMIA site, with a rocky/firm soil strata in western and southern part. Presence of soft to medium stiff marine clay with variable stratum thickness was identified through geo-technical studies in sub-soil strata of northern & eastern parts of the site with thickness varying between 0.5 m to 2.0 m in eastern part but was more than 6.0 m thick in northern edge of NMIA site. These site conditions were key considerations in master planning of NMIA, and in deciding phasing of its development.



NMIA passenger traffic is projected to reach its Phase I & II capacity of 20 MPPA and cargo handling capacity of 0.5 MMTA by FY 2027/28. Accordingly, NMIAL shall commence implementation of Phase III of NMIA development from FY 2026 onwards for additional 30 MPPA airport capacity. Phase III Development of NMIA shall be implemented in northern half of the airport site, without impacting extant on-going airport operations of Phase I & II in southern half of the site.

Some of the key airport infrastructure projects of Phase III NMIA development include construction of northern 08L-26R, 3700 m long Code F runway (with associated AGL & ILS) & full-length dual parallel taxiways, multi-level passenger Terminal-T2 of 30 MPPA passenger handling capacity with both DOM & INT pax processing with associate apron for contact and remote stands, 104m high ATC Tower, T2 multi-level roadway system with flyovers/at-grade roads/under-passes, T2 underground car parking for 3,500 cars, dedicated DOM cargo terminal, separate Express cargo terminal, expansion of INT cargo terminal, expansion of Fuel Farm, development of GA & MRO Hangars, development of western elevated metro corridor with two stations within NMIA boundary along with eastern elevated metro corridor with one station, construction of underground APM station at T2 with associated underground APM tunnels to T1, T3 and T4, construction of two airside vehicular underpasses from T2 to T4 with ramps to mid-field remote apron, landside vehicular underpass on WMAR to T2 underground parking.

Terminal T2 shall be the largest terminal at NMIA, hosting DOM, INT & TSF passenger processes. It is planned as an integrated terminal with a central head-house for processing of pax with four piers connected to contact stands. The southwest pier of T2 shall be connected to east pier of T1 (in Phase III), while its northwest pier shall be later connected to east pier of T3 (in Phase IV).

Part of airside underground APM infrastructure shall be constructed in Phase III, owing to construction of T2 apron and terminal above it. Therefore, required sections of underground APM tunnels connecting T1, T2, T3 & T4 shall be constructed in this phase. Two airside underpasses shall also be constructed from T2 apron to T4 passing below the mid-field apron and cross field taxiways. Similarly, first phase of elevated landside APM with an elevated CTC/T2 APM Station in T2 landside area shall be constructed. In the eastern part of the airport dedicated DOM & EXP Cargo Terminals shall be constructed along with expansion of INT Cargo Terminal with ASRS & vertical ULD system.

NMIA airport development projects proposed in FCP are in accordance with requirements of Concession Agreement of this project and are limited to the essential airport infrastructure works of Phase I & II (20 MPPA) and Phase III (30 MPPA) of NMIA required to serve the projected air traffic demand of pax and cargo, from FY 2026 to FY 2030. These projects can be broadly classified under the following categories:

- 1) Airside Development Projects
- 2) Passenger Terminal Development Projects
- 3) Landside Development Projects



- 4) Cargo Development Projects
- 5) Support Facility Development Projects
- 6) Utility Development Projects
- 7) Pre-Development Works / Enabling Works

Phase I & II Capex

S.N	Airside Projects	Need of the project
1	Runway (Area - 3,58,500 Sqm)	
1.1	Development of Southern Runway-08R-26L	As per the operational requirement and in accordance with provisions of CA, Code F compliant 3,700m long and 45m wide southern runway-08R-26L is being developed in this phase. This runway has 15m wide shoulders on either sides and blast pad at both Runway ends (DGCA CARs Clause 3.1). The runway threshold of 26L is 600m displaced to avail CAT II operations.
1.2	Runway End Safety Area (RESA)	Full RESA of 240 x 150 m is provided for RWY-08R- 26L as essential and mandatory operational requirement to ensure safety of flight operations and DGCA CARs, Clause 3.5.
1.3	Runway Graded Strip	Provision of runway graded strip is required for precision approach runway Code no 4 to serve in the event of an aeroplane running off the runway.
2	Taxiways System (Area - 5,22,224 Sqm)	
2.1	Dual Parallel Taxiways & Associated Links	Parallel taxiway ensures operational safety, minimises runway occupancy and thereby enhances capacity of runway operation by avoiding back tracking on the runway before/after take- off/landing respectively. Similarly dual parallel taxiway with multiple links between them helps to avoid hotspots, congestion and offers operational flexibility in sequencing of aircraft departures. In view of this Code F compliant dual parallel taxiways with associated links have been provided for southern runway in Phase I & II.
2.2	Runway Access Taxiways (RATs)	To enhance connectivity between runway and associated taxiway system, and to enable simultaneous lining up of aircraft for efficient departure sequencing with maximum TORA availability for departing aircraft RATs are essential. Therefore, Dual Code F compliant RATs are provided at each runway end.

S.N	Airside Projects	Need of the project
2.3	Intersection Take-Off	To enhance runway capacity and minimise runway occupancy time, intersection taxiway is required for the aircraft which do not need full length runway for take-off. The same intersection take-off taxiway is also useful as runway exit when aircraft miss the RETs during opposite runway operation in reverse direction.
2.4	Rapid Exit Taxiway (RETs)	To maximise runway capacity by minimizing runway occupancy time of arriving aircrafts and for enhancing operational efficiency by reducing the number of missed approaches, RETs are provided.
3	Apron (Area – 7,96,573 Sqm)	
3.1	Apron	Total 42 Code C equivalent stands (29 contact, 13 remote) have been provided in line with projected ATMs and stand demand in peak hours, located adjacent to the Terminal 1.
3.2	Cargo Apron	To cater to dedicated wide body freighter aircraft operations at NMIA, Cargo Apron accommodating 7 wide body stands has been provided.
3.3	General Aviation Apron	To cater projected GA aircraft parking demand, and expected ATR Remain-Over-Night (RoN) parking stands, GA Apron for 17 <i>Code B & 50 Code C stands</i>) has been planned. In addition to this one Code C common Runup bay facility is proposed on this Apron.
3.4	Isolation Pad/Bay & Passenger Holding Area	As per DGCA/ICAO and CA safety Guidelines specifically indicate requirement of isolation bay to handle an aircraft known or believed to be the subject of unlawful interference, or which for other reasons needs isolation from normal aerodrome activities. The same has been provisioned.
3.5	Authority Aircraft Parking	As per CA, two aircraft parking bays (aeroplane and helicopter) and space for hangar for the aircrafts of the Authority, or its nominees have been planned.
4	Aeronautical Ground Lighting/Signages	As per DGCA/ICAO, AGL is required to aid aircraft navigation. To enable 24/7 CAT-II operations at NMIA, AGL is provided in accordance with relevant standards, including signages, PAPI, Apron flood lights etc.
5	Instrument Landing System	As per CA guidelines, all the airside facilities need to be capable of 24/7 all-weather operations. Considering weather conditions at Navi Mumbai, CAT-II ILS system is planned for south runway operations, as approved by AAI. This is inclusive of Localiser Antenna, Glide Path Antenna and Precision Approach Cat-II Lighting System.

S.N	Airside Projects	Need of the project
6	RVR/MET Park	As per CA guideline for the development of NMIA, all the facilities need to be capable of 24/7 all- weather operations. Considering weather conditions at Navi Mumbai, 5 MET Parks including RVRs (Runway Visual Range) are planned for south runway, after consultation with IMD/AAI.
7	Bomb Cooling Pit	In accordance with BCAS guidelines Bomb Cooling Pit has been planned as part of contingency arrangements to deal with bomb threat to an aircraft or the Airport, or any acts of terrorism.
8	GSE Staging Area	In accordance with operational requirements GSE Staging areas are provided on the aprons of Phase I & II, for servicing the aircraft during turnaround. Ground Servicing Equipment (GSE), including vehicles shall be located in these GSE Areas located on/near active aprons. GSE areas are of 2 categories- Off-stand and On-stand GSE Areas.
9	Fire Training Ground	Fire Training Ground (FTG) is essential requirement for firefighting training facilities for aircraft rescue.
10	Static Tank	Static Tanks are required for operational airport in case of emergency, Aircraft rescue and firefighting as per DGCA/ICAO guidelines. Two underground Static Tanks each for 1,50,000 Litre capacity are proposed near each end of Runway 08-26.
11	Emergency Airside Roads	An emergency road system is planned in accordance with DGCA and ICAO requirements to support the ARFF and emergency vehicles to reach affected areas of airside in prescribed response time.
12	Airside Perimeter Roads / Maintenance Road	Airside perimeter road is provided for airside maintenance and patrolling purpose, in accordance with BCAS guidelines.
13	Airside Boundary Wall	Airside boundary wall is planned to safeguard against intrusion and perimeter breaches ensuring safety of aircraft operations, in accordance with BCAS norms and CA requirement. 2.40 m high Precast RCC boundary wall of with additional 0.60 m of barbed wire with concertina coil is planned all around NMIA operational area.
14	Airside Perimeter Security/PIDS	In accordance with BCAS regulations, Perimeter Intrusion Detection System (PIDS) is planned as part of airport security infrastructure, and PIDS is proposed along entire airside/operational boundary wall.
15	Jet Blast Fence	To ensure safety of airside staff and vehicles from extreme heat and air velocities of jet blast and propeller engines, Jet blast fence is provided at required locations.

S.N	Airside Projects	Need of the project
16	Airfield Pavement Marking	Airfield Pavement Markings are required on airside Runway, Taxiway, Apron and all types of roads to assist pilots in taxing of aircraft, and also to vehicle users on airside.
17	Apron Impact protection bollard	Apron furniture like flood lights with its control panel, MLAT Mast with its equipment SNI/WGS, A- VDGS pole/gantry and FLBs with associated stair etc. needs to be protected from Apron service vehicle for operational safety.
18	Perimeter Lights	The perimeter lights are required at distance of minimum 20m separation to comply BCAS lux level requirement along the whole perimeter operational boundary, along with light poles on either side of airside perimeter road as well as boundary wall have been provided as per BCAS requirement.
19	Airside At grade Parking	Airside vehicle parking is essential near airside gate for pick up and drop for airside staff and visitors while transferring between airside and landside.

S.N	Terminal Projects	Need of the project
1	Development of Terminal-1 (20 MPPA) Area - 2,31,393 sqm	In Phase I & II, one passenger terminal, Terminal 1 (T1) is planned at NMIA with capacity of 20 MPPA, for domestic and international passenger operations. Terminal T1, with its west and east piers is located in southern half of airport site, approached by Western Main Access Road (WMAR). The facilities within T1 provide IATA Levels of Service (LoS) C in accordance with the terms of Concession Agreement. The multi-level T1 is planned with 29 contact gates, and to provide flexibility some of these gates are designed with swing capability. Additionally, 13 remotes stands are planned on T1 apron.

S.N	Landside Projects	Need of the project
1	Development of Airport Perimeter Boundary Wall	
1.1	Airport Perimeter Boundary Wall	NMIA Site is surrounded by peripheral arterial roads from 3 sides i.e. west, north and east. To secure and define the NMIA Site, a 2.1m high block masonry wall is used at airport's planned landside zone, while a 3.0 m high operational boundary wall in precast RCC panels is used as perimeter wall at planned airside zone. 4.0 m high fence is planned to separate/screen internal landside area from landside areas under proposed / on-going construction in various phases of airport development. The total length of Airport Perimeter Wall is 14.19 Kms. also considering the provisions of future phases of NMIA Master Plan.

S.N	Landside Projects	Need of the project
2	Development of Roads, Flyovers, Underpasses	
2.1	Landside Roads	A landside road network is planned at NMIA to provide efficient, fast & safe vehicular access to all passengers, meeters & greeters, operational staff, visitors, and security staff to access the Terminals as well as other airport facilities. RoW, width and lane requirements of the proposed landside roads have been finalised based on estimated peak hour traffic volumes of airport users inclusive of passengers, employees, visitors, etc. The landside road network at NMIA (including links to external roads) is planned in three parts: 1) Western Landside Road Network; 2) Eastern Landside Road Network; & 3) Northern Landside Road Network
2.2	WMAR Pedestrian Underpass (PUP)	WMAR is the principal/ main access road of NMIA from Amra Marg to passenger terminals. To ensure safe and efficient crossing of pedestrians on this wide road without obstructing vehicular traffic on this busy main airport road, a pedestrian underpass (PUP) is proposed below WMAR in accordance with the IRC guidelines.
3	Development of Ancillary Structures	
3.1	Check Naka at W-MAR and E-MAR/ Entrance Security Check posts	CISF Security Check Posts/ Entrance Security Check Posts are planned on main access roads of NMIA leading to Terminals
3.2	NMIA Landside Security Gates	Landside Security Gates are required for regulated access & control at entrance to NMIA site area.
3.3	Police Chowki and NMIA Security Office at W-MAR	To secure the entrance & ensure traffic management at main / western entrance of NMIA, a Traffic Police Chowki and NMIAL Security Office are proposed at the at-grade junction on WMAR, near Amara Marg.
4	Development of other Facilities	
4.1	Signages and Wayfinding	Being a Greenfield airport, it is essential to provide external & internal Informatory signages for passengers, visitors / public & stakeholders to guide them to their destinations within NMIA to avoid confusion.
4.2	Bus Stops Shelters	Bus Stop Shelters are planned for passengers, public and operational staff at 13 locations within NMIA, on airport internal roads.

S.N	Landside Projects	Need of the project
4.3	Automated Weather Monitoring Stations (AWMS)	Automated Weather Monitoring Station (AWMS) is required to assess, forecast and advise on the impacts of weather-related activities.
5	Development of Landside Landscape	
5.1	Landside Green & Landscape development	Public Green areas are planned in landside area of NMIA to enhance the environment of this greenfield airport and support local ecology.

S.N	Cargo Projects	Need of the project
1	Integrated Air Cargo Terminal (IAC) Building	As required by the Concession Agreement (CA) and projected Cargo demand in Phase I & II of NMIA, an Integrated Air Cargo Terminal (IAC) Building (Area – 42,312 sqm) is planned to handle 0.50 MMTPA of Cargo with provision for Cargo apron, staging, storage areas, landside infrastructure, office space, truck parking, required amenities and facilities for Customs and other operational staff of airlines, all stakeholders and NMIAL. IAC Building is developed with provision of future modular lateral and vertical expansion in future phases. IAC is divided into following separate sections of spaces within the single warehouse for respective cargo operations - Domestic Inbound & Outbound, Express Import & Export, and International Import & Export with Cool chain facility to handle Pharma and Perishable cargo.
2	Facilitation Block building	In accordance with operational requirements of cargo processing and as per CA, office spaces and facilities for various stakeholders, departments, agencies have been planned for operating the Air Cargo Facility at NMIA, in a centralised, G+2 floor Facilitation Centre Building located within IAC premises in front of IAC warehouse facility.
3	Cargo Entrance Block Building	IAC being a secured area, entry & exit of all users and vehicles is regulated and controlled. Therefore, for security screening/check, and to receive visitors, employees, stakeholders, a two storey Entrance Gate Block Building is planned at the entrance gate of Cargo Complex.
4	Service Block Building	To meet the essential employees & staff convenience for 24x7 operations at IAC, a two storey Service Block Building is planned to accommodate facilities required by staff and visitors of Cargo Complex.

S.N	Cargo Projects	Need of the project
5	Utility Block Building	The two storey Utility building is planned to house Electrical requirement of IACT Complex. The ground floor is planned with space for transformer and the first floor accommodates HT Room, LT Room and Electrical Room.
6	Entrance and Exit Gates	NMIA IACT complex is planned with 35.00 m wide Entrance Gate and 25.50 m wide Exit Gate providing access & exit to Eastern MAR respectively. They are planned with CCTV camera, Digital ID Verification, Digital & physical signages, boom barriers, etc.
7	Security Cabins	To comply with BCAS & CISF requirement, 9 independent free-standing Security Cabins are planned at different locations of IACT Complex to house security guards with required facilities.
8	Internal Utility Infrastructure	A network of infrastructure is planned to support the development & operation of IACT Complex. It includes potable water supply, HVAC network, Sewerage system, Storm Water Drainage, Electrical network, Firefighting, ICT network, Gas supply & Landscaping.
9	Internal Roads, Drainage & Parking	Internal Roads are planned for movement of trucks considering circulation characteristics of goods vehicles within the IACT including driveway through truck docks with sufficient capacity to access / exit the Main Road / Eastern MAR from IACT Complex.
10	Truck Docking and Manoeuvring	To handle the projected demand of Air Cargo and achieve the desired throughput, Truck Docks are planned on landside an IACT Terminal with sufficient space for truck operations, designed to accommodate trucking, including frontage, access, and roadway geometry.
11	Material Handling system and Equipment (MHS)	To ensure desired annual cargo throughput, the IACT is planned with required Material Handling System (MHS) and equipment to handle 0.50 MMTPA of Cargo annually.

S.N	Support Facility	Need of the project
A. Airside Support Facility Development Projects		
1	GSE Maintenance Facility (Southwest)	GSE Maintenance Facility is required for maintenance facility for ground support equipment and vehicles.

S.N	Support Facility	Need of the project
2	Airport Maintenance Building (Southwest)	An airport maintenance facility is required to provide storage, maintenance and parking for all vehicles associated with airport maintenance activities.
3	South ARFF Facility with Interim ATC Tower	The Airport Rescue and Firefighting services (ARFF) is essential for Airport Operations and is required as per CA & DGCA requirements.
4	Surface Movement Radar SMR (Southeast)	SMR is required in Phase I & II, to detect aircraft and vehicles on surface / aprons & taxiways of an airport. it is an essential operational facility.
5	Airport Surveillance Radar 2 (ASR)	Airport Surveillance Radar (ASR) is required to detect and guide aircraft in airspace and guide it to NMIA. This is an essential facility under Air Navigation Services.
6	DVOR / DME	The Doppler VHF Omni-Directional Radio Range (DVOR) is an essential installation of the airport Communication, Navigation, and Surveillance (CNS) systems to ensure efficient and secure airport operations & services.
7	Airside Security Gates	Airside gates are required at key locations of airside operational boundary wall to regulate and control movement of people, vehicles, equipment or goods from landside to airside and vice versa.
8	INTO Plane Facilities	INTO Plane Facility is required for re-fuelling of aircrafts on parking stands. This facility provides parking for browsers & repairing/ maintenance on the airside.
9	Airside Fuel Stations	Airside Fuel Station is required for re-fuelling of airside vehicles. At NMIA, these are planned with EV Charging facility, apart from Petrol, Diesel and Gas. Airside Fuel Station eliminates the need for airside vehicle movement to landside for re-fuelling purposes.
10	Airside Solid Waste/Garbage Storage Facility	Airside Solid Waste/Garbage Storage Facility is required for temporary storage, and screening of solid waste/garbage from aircrafts, and airside area at airport, before it is sent outside for disposal.
11	Constant Current Regulators (CCRs)	CCRs ensure consistent power and output to the entire airfield ground lighting including the runways, taxiways and apron for safe operations of the aircraft while on ground, during take-off and during landing.

S.N	Support Facility	Need of the project
B.	Landside Support Facility Development Projects	
1	Meteorological Station	IMD / Meteorological Station is an essential requirement of an airport, as it provides critical advance information & mandatory warning on hazardous weather which may affect aircraft operations within a designated airspace, and it supports ATC operations.
2	ATC Technical Block	The ATC Technical Block is an essential requirement of an airport hosting various ATS (Air Traffic Service) units of AAI, their offices, & operational equipment.
3	Project Office	Project Office is required to house airport development office to commence and oversee the development of airport in various phases.
4	Police Station	Police Station is required at airport to enforce law and order in and around the airport site.
5	Fuel Farm & Hydrant system	Fuel Farm & Hydrant System are essential airport facilities required to provide ATF re-fuelling facility for aircrafts. Accordingly, Fuel Farm with ATF Fuel storage of 24,000 KL is planned in Phase I & II of NMIA, along with Underground Fuel Hydrant System serving all aircraft stands, to offer safe and efficient means of aircraft re-fuelling.
6	Airport Health Organisation Facility	Airport Health Organisation Facility is essential requirement at airports, to ensure compliance to International Health Regulations, International Sanitary Regulations, Indian Aircraft (Public Health) Rules & DGCA regulations.
7	Airport Administration Building (West)	Airport Administration Building (West) is required to provide required office spaces to key stakeholders to enable their 24X7 airport operations.
8	Airport Operational Staff Facility (AOSF) / CISF Barracks	Airport Operational Staff Facility (AOSF) is bachelor accommodation/ barracks for CISF personnel.
9	Reserved Housing	The Concession Agreement requires NMIAL to develop Reserved Housing / residential family accommodation of 200 apartments till final phase, and hand them to CIDCO for onward allotment to various central govt agencies for their senior personnel deployed at NMIA for operational duties. In view of this, 100 apartments are being built by NMIAL in Phase I & II, with required parking and common facilities.



S.N	Support Facility	Need of the project
10	Data Centre	Data Centre is planned to accommodate servers hosting all IT data of NMIA and serve as its secondary data centre. This Data Centre will retain backup of all IT data and will also provide MOER area for various mobile & data service provider.

S.N	Utility Projects	Need of the project
1	Water Supply Storage and Distribution	Water Supply and Distribution Network is required to ensure water reliability for Passenger Terminal Building and other airport facilities including Support Facilities, Utility buildings, Cargo, and Fuel Farm. The total water demand for NMIA for Phase I & II is estimated at 9.39 MLD, with potable water component is 3.83 MLD and non-potable water is 5.56 MLD.
2	Sewage Collection and Treatment	The treated water from STP will be used for non-potable purposes like flushing, gardening, and HVAC. Sewage Treatment Plants are planned in western and eastern part of the airport, 4.5 MLD and 1 MLD capacity respectively. The sewage will be treated in SBR technique STPs followed by UF and RO.
3	Solid Waste Collection, Treatment and Disposal	Solid Waste Management Plan includes reduction of waste generation, increase in recycling of waste, and disposal through scientific approach. Bio-gas treatment plant is planned to treat the organic waste, to generate biogas & compost.
4	Piped Natural Gas Supply and Distribution	PNG network is required to ensure an uninterrupted gas flow at a constant pressure throughout the airport.
5	IT Distribution Network & Data Centre	IT Distribution Network and Data Centre is required to ensure IT requirement of Terminal Building and other airport facilities including Support Facility, Utility buildings, Cargo, and Fuel Farm.
6	Development of Central Utility plant (CUP)	The CUP provides centralised utility facility for HVAC, firefighting and water supply (potable and non-potable) for the Terminal Building. CUP for Terminal is planned close to its eastern edge.
7	Installation of Solar Panels on Roof Tops & beside Runway	NMIAL has planned installation of solar panels on the roofs of the Terminal Building, and on roof of various airport facilities, and on airside. This initiative is a pivotal component of the airport's

S.N	Utility Projects	Need of the project
		sustainability strategy through generation and use of renewable energy.
8	Storm Water Drainage Network	Stormwater Drainage Network is required to provide the safe discharge of rainwater from project site and avoid impact on daily safe operations of the airport due to waterlogging.
8.1	Airside Drainage	The rainwater generated from the runway, taxiway, and airside is led into airside drains leading to discharge points located on northern, northeastern and eastern side of NMIA. Airside drains are supplemented by box/pipe culvert at taxiway crossings and airside roads. Silt ponds are proposed near every outfall location to prevent the silt from getting into the receiving water bodies during rainfall events. Thus, serve an essential purpose in managing water pollution.
9	Triturator	Triturator is required for safe and hygienic disposal of waste from aircrafts' toilets and to ensure compliance with safety and environment regulations.
10	Water Filling Stations	Water Filling Stations are required to supply potable water to aircrafts. The potable water is supplied to the aircrafts in water carts.
11	Hazardous Waste Storage Facility	Hazardous Waste Storage facility is essential for safe airport operations, and to ensure compliance with safety and environment regulations.
12	Oil Water Separators	An oil/water separator is a pollution control equipment at an airport, used to separate oil and water.
13	Development of Receiving Substation (RSS)	The purpose of the RSS is to receive independent power supplies at 33kV and to step it down to 11kV for further distribution to the Terminal Building and other support facilities at 11kV through the East & West Distribution Substations (DSS).
14	Distribution Substations	The purpose of the Distribution substations is to receive power at 11kV from the Receiving Substation (RSS) and distribute it further to the Terminal Building and other facilities.

S.N	Airside Projects	Need of the project
1	Runway (Area – 7,63,593 Sqm)	
1.1	Northern Runway 08L/26R	Development of Runway is one of the most essential projects of NMIA Phase III. Therefore, in view of operational requirement and in accordance with CA, Code F compliant 3,700m long and 45m wide Northern runway-08L-26R shall be developed in this phase, with 15m wide shoulders on either sides and blast pad at both runway ends (DGCA CARs Clause 3.1). The runway threshold of 26R is 200m displaced to avail CAT III operations.
1.2	Runway End Safety Area (RESA)	Full RESA of 240 x 150 m is provided for RWY-08L-26R as essential and mandatory operational requirement to ensure safety of flight operations and DGCA CARs, Clause 3.5.
1.3	Runway Graded Strip	Provision of runway graded strip is required for precision approach runway Code no 4 to serve in the event of an aeroplane running off the runway.
2	Taxiway System (Area – 8,95,474 Sqm)	DGCA CARs Clause No 3.9
2.1	Dual Parallel Taxiways & Associated Links	Dual Parallel taxiway ensures operational safety, minimises runway occupancy and thereby enhances capacity of runway operation by avoiding back tracking on the runway before/after take-off/landing respectively. Similarly dual parallel taxiway with multiple links between them helps to avoid hotspots, congestion and offers operational flexibility in sequencing of aircraft departures. In view of this Code F compliant dual parallel taxiways with associated links have been provided for southern runway in Phase III.
2.2	Mid Field-Crossfield Taxiways	Three sets of Crossfield taxiways are provided to connect northern and southern runways of NMIA with one set capable of accommodating up to Code F aircraft. This will ensure minimum taxing distance recommended as per ICAO ADM Part -2.
2.3	Runway Access Taxiways (RATs)	To enhance connectivity between runway and associated taxiway system, and to enable simultaneous lining up of aircrafts for efficient departure sequencing with maximum TORA availability for departing aircraft RATs are essential. Therefore, Dual Code F compliant RATs are provided at each runway end.

S.N	Airside Projects	Need of the project
2.4	Intersection Take-Off	To enhance runway capacity and minimise runway occupancy time, intersection taxiway is required for the aircraft which do not need full length runway for takeoff. The same intersection take-off taxiway is also useful as runway exit when aircraft miss the RETs during opposite runway operation in reverse direction.
2.5	Rapid Exit Taxiway (RETs)	To maximise runway capacity by minimizing runway occupancy time of arriving aircrafts and for enhancing operational efficiency by reducing the number of missed approaches, RETs are provided.
2.6	Taxiway to VVIP, Defence and north GA Apron	To ensure connectivity of aircraft movement / operations from runway 08L/26R of NMIA to VVIP, Defence and GA apron located north of runway 08L/26R, this Code E taxiway is planned.
3	Apron (Area – 9,54,007 Sqm)	
3.1	Terminal 2 Contact Apron	To ensure adequate commercial aircraft parking stands in the peak hour, total of 50 Code C equivalent contact stands is proposed at Terminal 2 apron.
3.2	Midfield Remote Apron	To ensure adequate commercial aircraft parking stands in the peak hour including Remain Over Night (RONS), total 59 Code C equivalent remote stands are proposed in midfield apron.
3.3	Domestic Cargo Apron	To cater to the Domestic Cargo operations, total of 4 Code E MARS stands have been planned in eastern part of NMIA airside, to serve Domestic & Express Cargo Operations.
3.4	Express Cargo Apron	
3.5	VVIP / General Aviation Apron (North)	To serve the projected demand of GA traffic & VVIP aircraft operations at NMIA, dedicated apron for 12 Code B aircrafts is planned. This apron shall also be used for parking of one VVIP aircraft, as it is located close to VVIP Terminal, north of North Runway.
3.6	Isolation Pad / Bay & Passenger Holding Area	As per DGCA/ICAO and CA safety Guidelines specifically indicate requirement of isolation bay to handle an aircraft known or believed to be the subject of unlawful interference, or which for other reasons needs isolation from normal aerodrome activities. The same has been provisioned.
4	General Aviation Hangars	
		Based on the estimated GA demand at NMIA, 09 Code C and 07 Code B hangars are proposed in Phase III of NMIA.

S.N	Airside Projects	Need of the project
5	MRO Hangar	In accordance with the CA requirements, MRO facility needs to be provided for maintenance and repair of aircraft at NMIA. One MRO hangar with capacity of 1 Code E + 2 Code C stands is proposed at south-eastern airfield in Phase III, with associated apron.
6	Aeronautical Ground Lighting / Signages	As per DGCA/ICAO requirements AGL is required to aid aircraft navigation. To suffice CAT III operations at NMIA 24/7, AGL is provided in accordance with relevant standards, including signages, PAPI, Apron flood lights etc.
7	Instrument Landing System	As per CA guideline for the development of NMIA, all the facilities need to be capable of 24/7 all-weather operations. Considering weather conditions at Navi Mumbai, CAT-III ILS system is planned for north runway operations, as approved by AAI. It includes Localiser Antenna, Glide Path Antenna and Precision Approach CAT-III Lighting System.
8	RVR/MET Park	As per CA guideline for the development of NMIA, all the facilities need to be capable of 24/7 all-weather operations. Considering weather conditions at Navi Mumbai, 5 MET Parks including RVRs (Runway Visual Range) are planned in Phase III for north runway, after consultation with IMD/AAI.
9	Airside Vehicular under Pass (VUPs)	The VVIP, GA & Defence aprons along with GSE area for terminals are located in airside area north of runway 08L/26R. The facilities need all weather airside road connectivity from midfield apron / airside area of NMIA. A vehicular underpass is planned from T2 apron passing beneath north runway, to connect these facilities. Second vehicular underpass is planned from northern edge of T2 apron passing beneath cross field taxiways, connecting to T4 apron. Third vehicular underpass is planned from southern edge of T2 apron passing beneath cross field taxiways, connecting to T4 apron on eastern part of NMIA. These VUPs shall ensure safe uninterrupted 24x7 all-weather east-west airside vehicular movement of GSE, Cargo, emergency and security vehicles, without affecting aircraft movements on cross field taxiways and midfield apron above them.

S.N	Airside Projects	Need of the project
10	Utility Tunnel (North)	An underground utility corridor / tunnel is planned below the RESA at runway 08L, to enable cross over of airport utilities (water, power, IT, gas, etc) from Zone 3/western part of NMIA to VVIP Terminal, CISF Barracks, Defence Facility, etc located in northern part of NMIA. This shall reduce cost of laying utilities on the longer route along airside perimeter road around RESA at runway 08L of north runway.
11	Airside APM Tunnel (Part)	To enable seamless transfer / movement of passengers between the pax terminals, an underground APM is planned, connecting all four terminals of NMIA to each other. In Phase III, a part of APM underground tunnel needs to be constructed below midfield T2 remote apron/ Phase III airside development, prior to construction of crossfield taxiways. Similarly, part of underground APM tunnel between T2 & T3 located in footprint of T2 & Phase III airside development needs to be constructed.
12	GSE Staging Area	GSE Staging & maintenance areas have been planned for required servicing during each aircraft turnaround. Locations for Ground Servicing Equipment (GSE), Off-stand and On-stand GSE Areas, including vehicles, are planned within proximity of active aprons.
13	Static Tanks	Static Tanks are required in case of emergency, aircraft rescue and firefighting as per DGCA/ICAO guidelines. Two Static Tanks are proposed for north runway in Phase III as per DGCA/ICAO guidelines, located near both ends of Runway 08L-26R of NMIA.
14	Emergency Airside Roads	An emergency road system is planned in accordance with DGCA and ICAO requirements to support the ARFF and emergency vehicles to reach affected areas of airside in prescribed response time.
15	Airside Perimeter Road	Airside perimeter road is provided for airside maintenance and patrolling purpose, in accordance with BCAS guidelines.
16	Airside Boundary Wall	Airside boundary wall is planned to safeguard against intrusion and perimeter breaches ensuring safety of aircraft operations, in accordance with BCAS norms and CA requirement. 2.40 m high Precast RCC boundary wall of with additional 0.60 m of barbed wire with concertina coil is planned all around NMIA operational area.

S.N	Airside Projects	Need of the project
17	Airside Perimeter Security / PIDS	In accordance with BCAS regulations, Perimeter Intrusion Detection System (PIDS) is planned as part of airport security infrastructure, and PIDS is proposed along entire airside/operational boundary wall.
18	Jet Blast Fence	To ensure safety of airside staff and vehicles from extreme heat and air velocities of jet blast and propeller engines, Jet blast fence is provided at required locations.
19	Airfield Pavement Marking	Airfield Pavement Markings are required on airside Runway, Taxiway, Apron and all types of roads to assist pilots in taxing of aircrafts, and also to vehicle users on airside.
20	Apron Impact protection bollard	Apron furniture like flood lights with control panel, MLAT Mast with equipment SNI/WGS, A-VDGS pole / gantry and FLBs with associated stair etc. needs to be protected from airside/apron service vehicle for operational safety. The same are provided.
21	Perimeter Lights	The perimeter lights are required at distance of minimum 20m separation to comply BCAS lux level requirement along the whole perimeter operational boundary, along with light poles on either side of airside perimeter road as well as boundary wall have been provided as per BCAS requirement.
22	Airside At grade Parking	Airside vehicle parking is essential near airside gate for pick up and drop for airside staff and visitors while transferring between airside and landside. The same has been provided, near both airside security gates

S.N	Terminal Projects	Need of the project
1	Development of Terminal-2 (30 MPPA) Area – 4,00,000 sqm	In Phase III, one passenger terminal, Terminal 2 (T2) is planned at NMIA with capacity of 30 MPPA, for domestic and international passenger operations.

S.N	Landside Projects	Need of the project
1	Development of Airport Perimeter Boundary Wall	
1.1	Airport Perimeter Boundary Wall	Most of the Airport Perimeter Boundary Wall shall be constructed in Phase I & II. The required balance length of 1.86 Kms of boundary wall shall be constructed in Phase III.

S.N	Landside Projects	Need of the project
2	Development of Roads, Flyovers, Underpasses	
2.1	Augmentation of NMIA Road network in Western Part of NMIA & Development of T2 Roadway System	The existing 4-lane road will be widened by adding 5 lanes, making it a 9-lane road. Similarly in Central Terminal Complex area (Zone 1), the loop road around MLCP serving the passenger terminals shall be widened to 5 lanes from the extant 3 lanes. Terminal 2 being multi-level, requires elevated, at-grade and sub-grade road network for passengers/visitors to reach Departure level at +13m AGL, Arrival level at 0.00 AGL and Pick Up Level at - 8.00m level. Therefore, in Phase III, 3-lane elevated, at-grade & sub-grade roads, with associated ramps and drop-off kerb lanes are planned to reach these three respective levels. Augmentation of total 5.8 km road network (expansion and new roads & ramps) is planned in western part of NMIA in Phase III.
2.2	Expansion of Eastern Main Access Road (EMAR)	Additional lanes are required to be added to extant 2+2-lane road. It will be widened to 5+5 lanes, with service road on either side. Augmentation of total 4.42 km road network (expansion and new roads) is planned in eastern half of NMIA in Phase III.
2.3	Expansion of Northern Landside Roads	To accommodate the airport traffic in northern part of NMIA additional lanes will be required to augment extant main East-West road configuration of 2+2 lanes. This road shall be widened to 4+4 lane road. Augmentation of total 2.3 km road network is planned in northern part of NMIA in Phase III.
2.4	PUP Expansion at WMAR	The Pedestrian Underpass (PUP) constructed in Phase I & II under WMAR shall be extended by approx. 50 m on its both ends to enable movement of commuters, staff, passengers from NMIA West Metro Station (to be constructed in Phase III above central median portion of WMAR) to cross WMAR without any at-grade vehicular traffic obstruction.
2.5	Proposed Vehicular Underpass Terminal 2	To maintain the Level of Service of CTC road network in Phase III (and in future) and to ensure uninterrupted vehicular connectivity to Terminal-2, a vehicular underpass of 2.20 km in length with 4-lane in each direction is proposed from Check Naka on WMAR up to T2 basement at -8.0m AGL.
2.6	Augmentation of Landside Road Junctions	In view of increased airport traffic, landside road junctions need to be augmented and signalised. The synchronised signal system shall be implemented in Phase III, with required priority traffic flows.

S.N	Landside Projects	Need of the project
2.7	Part of T3 down ramp & T3 arrival pick-up ramp	CTC Elevated Metro Station in front of Terminal-2 and Elevated Landside APM station shall be constructed in Phase III along with at-grade Bus Station and underground T2 parking as part of T2 Multi-Modal Transportation Hub (MMTH).
2.8	Ramp from MLCP to Arrival pickup area of T3	Part of ramp from extant MLCP to T3 arrival pick-up area needs to be constructed in Phase III along with widening of T2/ CTC loop road.
3	Development of Parking	
3.1	T2 Underground Parking	An underground multi-level carpark of 3500 cars is planned in landside in front of Terminal-2, retaining 100 m distance between them. Its shall be connected to T2 Pick Up area at -8.0m AGL, and to at-grade roads as part of T2 roadway system.
3.2	At-Grade Parking in Eastern NMIA	Required At-grade Parking for two and four-wheelers is proposed on the eastern part, near Cargo Complex, in Phase III, for parking demand of Domestic Cargo, Express Cargo with total capacity of 500 car spaces.
3.3	Multi-Level Remote Taxi Staging	A multi-Level G+4 taxi parking MLCP is planned in Phase III. This will facilitate parking for approx. 295 Taxis and EV charging facility for 100 taxis.
3.4	MLCP near Airport Administration Building - West	An MLCP shall be developed near Airport Administration Building – West close to Airside Gate- SW for approx. 900 cars.
3.5	Bus Station near T2, in Central Terminal Complex (CTC)	In Phase III, in view of construction of CTC Elevated Metro Station in front of Terminal 2, Elevated Landside APM station, underground T2 parking etc, the at-grade Interim Bus Station constructed in Phase I & II shall be removed and a new Bus Station will be reconstructed along with along with the Multi-Modal Transportation Hub (MMTH).
3.6	Expansion of Truck Terminal	Additional truck parking for 115 (20 large trucks and 95 standard/ mini trucks) shall be developed.
3.7	Bus Station - East	The Bus station shall be developed near proposed Metro Station East with facilities like ticketing, offices, kiosks & toilets.
3.8	MLCP near Airport Administration Building - West	An MLCP shall be developed near Airport Administration Building – West close to Airside Gate-SW for approx. 900 cars.
4	Development of Metro and APM Infrastructure	

S.N	Landside Projects	Need of the project
4.1	Elevated Metro Corridor – West (Mumbai Metro Lines)	NMIAL needs to construct the elevated metro corridor and metro stations within NMIA site boundary (external metro section will be constructed by MMRDA/CIDCO) of 1.58 Kms (excluding station length) from the NMIA westside boundary up to Terminal T2.
4.2	CTC / T2 Metro Station & Utility Plant	A Metro Station is planned in the CTC area in front of Terminal T2 to offer direct metro connectivity to passenger terminals. The two-level elevated metro station with footprint of about 6600 sqm shall be constructed in Phase III.
4.3	West Metro Station & Utility Plant	A metro station is planned on WMAR in western part of NMIA offering metro connectivity to staff, airport users and visitors. This metro station has the footprint of about 5300 sqm.
4.4	Baggage Handling System (BHS) tunnel from CTC Metro Station up to Terminals	A part of BHS tunnel is being constructed in Phase I & II. The remaining part of the BHS tunnel from T1 (50m), and approx. 500m length from T2 to Metro Station shall be constructed in Phase III.
4.5	Canopy on MLCP Terrace	To ensure 24X7 all-weather comfortable pedestrian movement from metro station to passenger terminals, part of the MLCP terrace up to the covered skywalks to T1 & future T3 shall be covered with canopy
4.6	Elevated Metro Corridor - East	NMIAL needs to construct the elevated metro corridor of 1.11 Kms (excluding station length) and a metro station within NMIA site boundary. This elevated metro corridor with its viaduct and piers is planned along the centre of EMAR.
4.7	East Metro Station & Utility Plant	A metro station is planned in eastern half of NMIA offering elevated Navi Mumbai Metro Line 2/3/4 connectivity to passengers, airport employees, visitors, stakeholders, etc reaching airport from its eastern catchment in MMR (Kalyan, Dombivli, Panvel, etc), and in future to passengers to reach Terminal 4. This metro station has the footprint area of about 5600 sqm.
4.8	Elevated Landside APM Station at T2/CTC & ETC	Two APM stations shall be built in Phase III, one each near T2/CTC Metro Station and near eastern Airside Security gates SE & NE (& future T4).
5	Development of Ancillary Works	

S.N	Landside Projects	Need of the project
5.1	NMIA Entrance Gateway	An Entrance Gateway, as a visual marker and physical landmark is required to signify its main public entrance. The gateway structure shall be approx. 30 m high portal spanning RoW of WMAR.
5.2	Expansion of CISF Check Naka (West)	CISF Check Nakas are being implemented on main entry/exit roads of airport (WMAR & EMAR) in Phase I & II. The CISF Check Naka shall be extended with additional 4 cabins with canopy, on additional lanes of WMAR in Phase III.
5.3	Signages	Apart from the signages installed in Phase I & II, new / additional signages are required for Wayfinding for the Terminal 2, ATC Tower, DOM, EXP Cargo Terminals, along other new facilities constructed in Phase III.
5.4	Public Toilets	Public toilets shall be located in public green areas developed along WMAR/Gateway Park in western half, and in the green area along EMAR & near Airside Security Gate-SE in eastern part of NMIA.
6	Development of Landside Landscape	
6.1	Landside Green & Landscape development	In Phase III, landscape development in western landside area is proposed along Western Main Access Road (WMAR), on way to passenger terminals. This includes four sections of linear landscape development along WMAR: 1) Green Boulevard, 2) Gateway Park, 3) W-MAR Median and 4) MLCP terrace landscape.

S.N	Cargo Terminal Projects	Need of the project
1	Expansion Of Existing International Cargo Terminal	The projected total cargo volume for NMIA in 2029 is 0.86 MMTA, and of this the share of international cargo is estimated to be 0.6 MMTA. In view this, the International Cargo Terminal shall be expanded at its extant location, in the vacant area (reserved for this purpose in NMIA Master Plan) on its western side.

S.N	Cargo Terminal Projects	Need of the project
1.1	Expansion of International Air Cargo Terminal – Import Facility	The International Terminal shall be expanded on its western side equipped with required level of cargo storage & retrieval system along with powered roller decks, automatic cargo hoists, transfer vehicles, etc. The Import Operations shall relocate to this newly developed G+2 International Terminal. The export operations shall be retained at their extant location, within existing INT Cargo Terminal. The expansion of International Terminal shall house Import operations in a multi-level Import Terminal Facility.
1.2	Facilitation Centre Building (INT)	The three floor Facilitation Centre is planned to accommodate offices of CISF, Customs, NMIAL Cargo, Drug Controller, and other stakeholders.
1.3	Gate Office Block 2 (INT), Security Cabins & Exit Gate	New/one additional Exit Gate building shall house 4 lanes at Exit for Import Cargo Trucks, separated by kerb with cameras and boom barriers. This small building will host screening equipment / scanners, along with pass section, Security Cabins for CISF and NMIA Security Staff.
1.4	Utility Block	Expansion of Utility Block Building is planned to house Electrical, HVAC, Water Tanks requirement of new Import Terminal.
1.5	Extension of External Roads & Utilities Infrastructure	The external existing NMIA road and utility infrastructure shall be extended to newly developed Import facility in International Cargo Terminal including potable water supply, HVAC network, Sewerage system, Storm Water Drainage, Electrical network, Firefighting, ICT network, Gas supply & Landscaping.
1.6	Internal Roads, Drainage & Parking	Internal road of Import facility shall be developed and connected to existing Internal Cargo internal roads, making it a contiguous facility for movement of trucks to Docks. Similarly, internal drainage network will be developed and connected to existing cargo complex drainage and external NMIA drainage system. Parking for Trucks and cars of stake holders shall be developed within the Import Facility plot.

S.N	Cargo Terminal Projects	Need of the project
1.7	Material Handling System and Equipment (MHS)	To ensure desired annual cargo throughput, the International Cargo Terminal shall be planned with required Material Handling System (MHS) and equipment to handle 0.65 MMTPA of International Cargo annually. International Cargo Terminal is planned with screening systems for 100% examination of international export, domestic outbound cargo and transit cargo shipments.
2.1	Development Of Domestic Air Cargo Terminal Complex	Development of new Domestic Cargo Terminal is required in Phase III at NMIA, as the extant Domestic Cargo operations housed in the Integrated Cargo Terminal during Phase I & II, need to be shifted and the vacant area is to be utilised for International Cargo Operations. Therefore, new Domestic Cargo Terminal shall be developed in Phase III, with capacity to handle 0.17 MMTA of Domestic Cargo.
2.2	Domestic Air Cargo Terminal Building	New Domestic Terminal shall be developed north of EMAR of NMIA, opposite International Cargo Terminal to handle 0.17 MMTPA of Domestic Cargo in Phase III. earmarked for Domestic Operations shall be developed for Terminal of 0.17 MMTPA. The Domestic Terminal is planned as a G+1 structure with automated MHS, equipped with ULD storage system. Sorting systems (tilt tray sorter / cross belt sorter) shall be installed for faster sorting of the cargo.
2.3	Facilitation Centre Building (DOM) with Entry and Exit Gate	Facilitation Centre Building shall house entrance Gate with 4 lanes at ground level for Outbound Cargo Trucks, separated by kerb with cameras and boom barriers. It shall also be developed with 20 Mtrs wide Exit Gate at ground level passing through Facilitation Centre Building.
2.4	Security Cabins	To comply with BCAS & CISF requirement, free-standing Security Cabins are planned at different locations to house security guards with required facilities.
2.5	Extension of External Roads & Utilities Infrastructure	The external existing NMIA road and utility infrastructure shall be extended to newly developed Domestic Cargo Terminal including potable water supply, HVAC network, Sewerage system, Storm Water Drainage, Electrical network, Firefighting, ICT network, Gas supply & Landscaping.

S.N	Cargo Terminal Projects	Need of the project
2.6	Internal Roads, Drainage Parking	Internal roads of Domestic Cargo Terminal shall be developed and connected to existing / new Cargo Complex roads / EMAR, for movement of trucks to DOM truck Docks. Similarly, internal drainage network will be developed and connected to external NMIA drainage system. Parking for Trucks and cars of stake holders shall be developed within this plot.
2.7	Material Handling System and Equipment (MHS)	The Terminal is planned with screening systems for 100% examination of domestic outbound cargo and transit cargo shipments. The multi-level DOM Cargo Terminal is planned with powered roller decks, automatic cargo hoists, transfer vehicles, Inline Screening and Sortation Systems, Automated Conveyors connected with In-house Pallet (IHP) lifts, Unit Load Device (ULD) Lifts, etc.
3	Development Of Express Air Cargo Terminal Complex	Development of new Express Cargo Terminal is required in Phase III at NMIA, as the extant Express Cargo operations housed in the Integrated Cargo Terminal during Phase I & II, need to be relocated and the vacant area shall be utilised for International Cargo Operations.
3.1	Express Air Cargo Terminal Building	In Phase III, based on projected Express Cargo volumes, only ground floor of the Express Terminal shall be developed for Operations for handling 0.08 MMTA. The 1st Floor of Express Cargo Terminal shall be built in next phase of expansion. The Express Terminal is planned with automated MHS, equipped with a mechanized handling system for faster sorting of the cargo.
3.2	Facilitation Centre Building (EXPRESS) with Entry and Exit Gate	A new Facilitation Centre Building is required in Express Terminal Complex to accommodate all office space requirement of Stakeholders. An Entrance and Exit Gates are also planned at Ground level and planned with 4 lanes at entry & exit for Express Cargo Trucks, separated by kerb with cameras and boom barriers.
3.3	Security Cabins	To comply with BCAS & CISF requirement, free-standing Security Cabins are planned at different locations to house security guards with required facilities.

S.N	Cargo Terminal Projects	Need of the project
3.4	Extension of External Roads & Utilities Infrastructure	The external existing NMIA road and utility infrastructure shall be extended to newly developed Express Cargo Terminal including potable water supply, HVAC network, Sewerage system, Storm Water Drainage, Electrical network, Firefighting, ICT network, Gas supply & Landscaping.
3.5	Internal Roads, Drainage & Parking	Internal roads of Express Cargo Terminal shall be developed and connected to existing external East Road, for movement of trucks to Express truck Docks. Similarly, internal drainage network will be developed and connected to external NMIA drainage system. Parking for Trucks and cars of stake holders shall be developed within this plot.
3.6	Material Handling System and Equipment (MHS)	Express Terminal is planned with screening systems for 100% examination of express export cargo and transit cargo shipments. Express Terminal shall be developed with fully automated facilities and required infrastructure to guarantee the handling of the cargo volume of 0.08 MMTPA with provision of expand in future phases.

S.N	Airside Support Facility	Need of the project
1	VVIP Terminal	VVIP Terminal is required to provide secure and exclusive terminal facility for use of the VVIPs & personnel notified by Government of India and Designated GOI Agencies.
2	General Aviation Terminal	General Aviation (GA) Terminal is required to process and service General Aviation aircraft and passengers.
3	Airside Security Gates	Airside Security Gates are required at key locations of airside operational boundary wall to regulate and control movement of people, vehicles, equipment or goods from landside to airside and vice versa.
3.1	Airside Security Gate - Northeast	Airside Security Gate (Northeast) is located in eastern part of airport and shall provide access to Cargo, MRO and other operational facilities in Phase III.
3.2	Airside Security Gate - Northwest	Airside Security Gate (Northwest) is located in west half of airport site and shall provide access to T2 terminal apron and other airside facilities from western side.
3.3	Airside Security Gate - North	Airside Security Gate (North) is located on the North side of airport site and shall provide airside access

S.N	Airside Support Facility	Need of the project
		to VVIP Terminal, Defence Area and CISF Barracks – North.
4	North ARFF Facility	The Airport Rescue and Firefighting services (ARFF) is essential for Airport Operations and is required as per CA & DGCA requirements.
5	ATC Tower	ATC tower is required to control air traffic and provide guidance to the aircrafts for take-off, landing and for ground movements between the runway, apron and the stands / parking positions.
6	Surface Movement Radar SMR (Northeast)	SMR is required in Phase III, to detect aircraft and vehicles on surface / aprons & taxiways in the northern part of the airport.
7	GSE Maintenance Facility (North and Northwest)	Two GSE Maintenance Facilities are planned in northern airside area in Phase III.
8	Airport Maintenance Building (North)	An airport maintenance facility is required to provide storage, maintenance and parking for all vehicles associated with airport maintenance activities.
9	Constant Current Regulators (CCRs)	Two CCRs are planned in Phase III, one each in eastern and western airside areas of NMIA, near Northern runway ends.
10	Central Store	Central Store is required to store consumable and spare materials for the maintenance of various airport facilities.
11	Airside Fuel Stations	Airside Fuel Station is required for re-fuelling of airside vehicles. At NMIA, these are planned with EV Charging facility, apart from Petrol, Diesel and Gas. Airside Fuel Station eliminates the need for airside vehicle movement to landside for re-fuelling purposes. These are essential operational requirement of airport. Two such fuel stations are planned in Phase III.

S.N	Landside Support Facility	Need of the project
1	Airport Administration Building (East)	Airport Administration Building (East) is required to provide required office spaces to key stakeholders to enable their 24X7 airport operations. This building will also accommodate airport entry pass section, NMIA security offices, banks, restaurants, training halls for all stakeholders and operators, creche, and gymnasium.

S.N	Landside Support Facility	Need of the project
2	Airport Operational Staff Facility (AOSF)	Airport Operational Staff Facility (AOSF) shall be equipped with all required infrastructure and services for residential accommodation of approx. 1800 bachelor personnel in Phase III. This will enable minimum commuting time for CISF deployed at various locations at NMIA. This facility provides 2 beds, 3 beds, & 6 beds sharing room, and dormitory type accommodation for male and female CISF personals in separately planned residential blocks, with dining facility.
3	Reserved Housing (Expansion)	The Concession Agreement requires NMIAL to develop Reserved Housing / residential family accommodation of 200 apartments till final phase, and hand them to CIDCO for onward allotment to various central govt agencies for their senior personnel deployed at NMIA for operational duties. 100 apartments shall be built by NMIAL in Phase III, with required parking and common facilities.
4	Inflight Catering & Flight Kitchen	In- Flight Catering Facilities & Flight Kitchen is required to provide food and consumables to passengers and provide inflight catering services to airlines operating in NMIA. An integrated facility is planned for this in western landside area of NMIA, close to Airside Security Gate-SW. this building shall accommodate stores, kitchens, offices and parking of In- Flight Catering Facilities & Flight Kitchen. It also accommodates required water storage and Solid Waste Collection facility.
5	Fuel Farm & Hydrant system	To ensure adequate fuel storage and meet peak demand for 50 MPPA airport capacity at NMIA, additional storage is required for both ATF and SAF. 2 Nos. 6,000 KL capacity each ATF tanks and 2 Nos. 6,000 KL capacity each SAF tanks are proposed making the total fuel capacity at NMIA for 50 MPPA (Phase III) to 36,200 KL to meet the fuel requirements for both ATF and SAF, including additional storage for peak demand and a 5-day reserve.
5.1	Expansion of Fuel Farm	
5.2	Expansion of Fuel Hydrant System	

S.N	Utility Projects	Need of the project
1	Water Supply Storage and Distribution	Water Supply and Distribution Network of Phase III is required to ensure water reliability to the Terminal 2 and other airport facilities on airside and landside of NMIA. Water plants built in Phase I & II are expanded in Phase III to ensure a reliable supply of water for these needs.
2	Sewage Collection and Treatment	The cumulative sewerage generation at NMIA shall be 10.77 MLD (Phase I & II and Phase III) with Phase III generation alone of 5.79 MLD. NMIAL has planned STPs of 6.5 MLD in Phase III, in addition to existing 4.5 MLD STP built in Phase I & II. Therefore, total STP capacity at NMIA in Phase III shall be 11 MLD.
3	Solid Waste Collection, Treatment and Disposal	The solid waste generation at NMIA shall cumulatively be 54.7 MT/day in Phase I & II and Phase III with Phase III generation alone as 25.6 MT/day. For this, Solid Waste Facility built in Phase I & II in northern part of airport site (Zone 4) shall be expanded while segregation will take in both the facilities in Phase III.
4	Piped Natural Gas Supply and Distribution	PNG network is required to ensure an uninterrupted gas flow at a constant pressure at the airport for cooking purpose at various F&B, Canteen, Restaurants, Kitchen facilities. The cumulative demand for PNG for Phase I & II and Phase III is 3069 kg/day with 1163 kg/day demand in Phase III. The Phase III underground PNG network shall be developed and connected to the existing Phase I & II PNG network, to ensure airport wide integrated PNG system.
5	IT Distribution Network & Data Centre	The Phase III underground IT Distribution network shall be developed and connected to the existing Phase I & II IT Distribution network, to ensure airport wide integrated IT system.
6	Central Utility Plant (CUP)	The Central Utility Plant is a centralised utility complex planned for each major airport facility like Pax Terminal, Cargo Terminal, Metro, etc hosting HVAC plant with chillers, firefighting, power sub-station, and water supply (potable and non-potable) tanks. In Phase III, CUP of Terminal 2 be developed on its landside area.
6.1	Central Utility Plant for CTC and Metro	
6.2	Central Utility Plant for Terminal 2	
6.3	Central Utility Plant for Cargo Building & Metro	
7	Installation of Solar Panels on Roof Tops & beside Runway	NMIA aims to become an environmentally sustainable airport with a key focus on reducing carbon emissions through the generation and utilization of green energy.

S.N	Utility Projects	Need of the project
8	Storm Water Drainage	Drainage system is provided on landside and airside with network integration with Rainwater Harvesting Ponds to harvest rainwater and Silt Ponds to avoid silt from entering the receiving water bodies.
8.1	Landside Drain	In Phase III, drains in the northern half of NMIA site shall be constructed, and integrated with Phase I & II network. At landside, drains are provided below the foot path or open areas as per final grading to ensure proper disposal of rainwater from the landside. Cross Over Drains with a total length of the network to be 24.95 Km in Phase III.
8.2	Airside Drain	In Phase III, drains in the northern and central airside area of NMIA site shall be constructed. The total length of airside drains in Phase III is 45.53 Km.
9	Utility Duct in RESA of North Runway	An underground utility corridor/ tunnel is planned below the RESA of runway 08 in Phase III, to enable cross over of airport utilities (water, power, IT, gas, etc) from Zone 3/ western part of NMIA to VVIP Terminal, CISF Barracks, Defence Facility, etc located in northern part/ Zone 4 of NMIA.
10	Silt Ponds	Silt ponds are proposed near every outfall location to prevent the silt from getting into the receiving water bodies during rainfall events. In Phase III, 4 Nos. silt ponds shall be constructed at the northern periphery of NMIA site.
11	Triturator	Liquid waste from aircraft needs to be treated at the Triturator as a primary treatment and further pumped to STP for secondary treatment. 1 Nos. Triturator is proposed in northeast side for the North Runway in Phase III.
12	Water Filling Station	Water Filling Stations are required to supply potable water to aircraft, as per WHO standards. 2 Nos. of Water Filling Stations are proposed in Northwest and Northeast airside in Phase III.
13	Receiving Substation (RSS)	In Phase III, RSS shall be receiving power from 2 Nos. 220kV EHV line from the nearest 220 kV substation by the Supply Authority. Further the power shall be stepped down from 220kV to 33kV at RSS building and shall be distributed to DSS west and DSS east at 33kV voltage level.
14	Development of Distribution Substation (DSS) & Power Supply	In phase III, DSS-east input power shall be upgraded to 33 kV from existing 11 kV of Phase I & II, tapped from the main 220 kV panel at RSS building.



While the capital projects have been planned and largely executed, both in a meticulous manner also considering inputs from all the stakeholders throughout the exercise, a formal AUCC meeting is planned to be held soon in compliance with the AERA Guidelines.

Project Cost – Phase I & II

S.N	Description of Item	Rs. In Crs
1	Land Development Works	1,919
2	Airside Development	2,030
3	Passenger Terminal Building	3,727
4	Landside Development	1,002
5	Support Facilities 1	964
6	Utilities Excl. PNG	452
7	PNG System	7
8	Support Facility Buildings 2	137
9	Cargo	466
10	Fuel Farm & Fuel Hydrant System	544
11	GPU & PCA	60
	Hard Cost (A)	11,306
	Cost Towards PMC / Statutory payments / ORAT / Pre-Operative Expenses etc. (B)	2,876
	Interest During Construction (C)	1,862
	DSRA (D)	310
	Payments to CIDCO (E)	360
	Pre-Development Cost (F)	3,665
	Total Cost (A+B+C+D+E+F)	20,380

Funding – Phase I & II

Particulars	Rs. in Crs
CIDCO Equity Contribution	430
MIAL Equity Contribution	1,223
CIDCO Soft Loan	3,235
Subordinated Debt by promoters	2,722
Rupee Term Loan	12,770
Total	20,380



Project Cost – Phase III

Sr No	Project Details	Cost (Rs. in Crs)
1	Airside Development	4,856
2	Passenger Terminal Development	7,514
3	Landside Development	2,762
4	Support Facilities Development	3,256
5	Utilities Development	3,382
6	Cargo Development	1,274
7	Equipment	354
	Total - Hard Cost (A)	23,397
8	PMC, Consultancy Cost, etc.	5,849
9	Interest During Construction	3309
	Total Soft Cost (B)	9,158
	TOTAL PROJECT COST (A+B)	32,556

Sustainable / Minor Capex

Department list of Operational Capex Proposals is provided below

Department	Proposed Capex (Rs. in Crs)
Security	129
IT	64
Engineering and Maintenance	59
Airside Operation	55
Fire	49
Horticulture	8
Terminal	4
Fuel Farm	4
Total	371
Soft Cost	93
Grand Total	464

Phase III and Sustainable / Minor capex are expected to be funded as Debt 65% and Equity/Internal Accruals 35%

Procurement Philosophy

NMIAL has complied with all necessary requirements as per Concession Agreement as mentioned in Clause 5.6 reproduced below.



5.6.1 The Concessionaire agrees and undertakes that it shall procure contracts, goods and services for the construction and operation of the Airport in a fair, transparent and efficient manner, and without any undue favour or discrimination in this behalf. In pursuance hereof, it shall frame a procurement policy specifying the principles and procedures that it shall follow in awarding contracts for supply of goods and services, and shall place the policy on its website for the information of general public and all interested parties. The policy shall also include the principles and procedures to be followed for sub-licensing or grant or allocation of any space, building, rights or privileges to private entities in the Airport.

5.6.2 For procurement of goods, works, services, sub-licenses or any other rights or privilege where the consideration (including deposits in any form in respect thereof) exceeds Rs. 25,00,00,000/- (Rupees Twenty Five Crore) in any Accounting Year (collectively, the "Contracts"), the Concessionaire shall invite offers through open competitive bidding by means of e-tendering and shall select the awardees in accordance with the policy specified under Clause 5.6.1. The Parties agree that the Concessionaire should pre-qualify and short-list the applicants in a fair and transparent manner for ensuring that only experienced and qualified applicants are finally selected on arm's length basis in a manner that is commercially prudent and protects the interests of the Users. The Parties further agree that the Concessionaire shall not enter into any Related Party Transaction or a Contract with any Related Party except (a) after the prior written approval of the Authority as a reserved item/ affirmative action, in accordance with the terms of the Shareholders' Agreement; and (b) such transaction is on arm's length basis and is in compliance with the provisions of the Companies Act, 2013. The Parties also agree that before granting any consent hereunder, the Authority shall be entitled to seek any information as it may reasonably require in relation to the Contract and the Related Party with whom the Contract is proposed to be executed including but not limited to the commercial information concerning such Contract and in the event the Authority does not approve or reject the proposal within 30 (thirty) days of the date on which the required information has been provided, it shall be deemed that the Authority has no objection to such Contract.



5.6.3 Notwithstanding anything contained contrary elsewhere, the Concessionaire shall adhere to the following contracting principles in respect of any of the Related Party Transactions:

(a) No shareholder of the Concessionaire, and/or Key Managerial Personnel that has an interest in the contract, can be involved in the design of the contract, or the contracting process or decision-making.

(b) Where a shareholder of the Concessionaire, Key Managerial Personnel or any Related Party intends to tender for the contract, an independent probity auditor must be appointed to review and monitor the tender to ensure a complete arms' length arrangement. It is clarified that the independent probity auditor shall not be a Related Party of the Concessionaire or any of its shareholders. Concessionaire shall agree to the appropriate terms of reference and the selection procedure of the independent probity auditor as laid down by the Authority.

(c) The Concessionaire shall constitute an audit committee headed by a nominee of the Authority which would be responsible for auditing all the Related Party Transactions. The Board of the Concessionaire shall provide the terms of reference of the audit committee at the time of its constitution. The Concessionaire shall enter into any Related Party Transaction only after obtaining approval of audit committee in writing. Any amendment/ modification in the terms and conditions of the Related Party Transaction shall also require prior approval of the audit committee.

Financing Allowance

As per AERA Guidelines 2011, Para 5.2.7 Financing Allowance is to be calculated on the Capital Work In Progress which is to be capitalised along with the project cost. The formulae for Financing Allowance is as follows: -

$$\text{Financing Allowance} = R_d \times \left(WIPA_{t-1} + \frac{\text{Capex} - SC - CA}{2} \right)$$

Where

- (iv) R_d is the cost of debt determined by the Authority
- (v) SC are the capital receipts including capital grants and subsidies for capital expenditure in Tariff Year t
- (vi) CA are the Aeronautical Assets commissioned in Tariff Year t.



S.N	Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
1	Terminal Building	4,140	236	-	-	10,775	15,150
2	Runway, Taxiway and Apron	2,366	-	-	-	5,459	7,825
3	Boundary wall	-	-	-	-	92	92
4	IT equipment	100	13	17	22	171	322
5	Security equipment	104	20	135	1	1	261
6	Plant and Machinery	3,345	80	27	7	1,121	4,578
7	Other Buildings	3,284	13	5	8	12,125	15,435
8	Access Roads	706	-	-	-	1,984	2,690
9	Land Development	6,867	-	-	-	-	6,867
10	Furniture	1	2	1	1	1	4
11	Vehicles	0.4	7	1	2	15	24
12	Total Airport	20,912	370	185	39	31,743	53,249
13	Cargo building	626	-	-	-	1,672	2,298
14	Cargo Equipment	151	1	2	2	-	155
15	Fuel Farm	908	-	4	-	718	1,630
16	Grand Total (12 to 15)	22,597	371	190	41	34,133	57,333



5. Cargo Handling Operations for FCP

- 5.1. As per Para 18.4 of the CA about the Cargo Facilities, NMIAL is mandated to provide necessary cargo facilities at the Airport.

18.4.1 Subject to the Applicable Laws and the Applicable Permits, the Concessionaire shall or cause to, develop, operate and maintain, the Cargo Facilities which shall include the buildings, structures and equipment required for handling of incoming and outgoing cargo, including short-term warehousing thereof in accordance with the provisions of this Agreement, Applicable Laws, relevant ICAO Documents and Annexes and Good Industry Practice.

18.4.2 The Concessionaire shall ensure that the Cargo Facilities to be provided hereunder include adequate cargo and parcel space, handling equipment, storage and handling of perishable cargo and dangerous goods, space for cargo agents and customers, inspection area, office space, automation systems, screening equipment, storage facilities, and facilities for mail handling and courier shipments in accordance with the provisions of this Agreement and Good Industry Practice.

18.4.3 The Concessionaire shall or cause to, operate and maintain the Cargo Facilities and provide the associated services to airlines and consignors in accordance with the provisions of this Agreement, Applicable Laws and Good Industry Practice.

18.4.4 The Concessionaire shall provide, free of charge and in accordance with Good Industry Practice, operational space and other facilities to the customs, security, quarantine and other Designated GOI Agencies, as the case may be, for discharging their statutory functions.

18.4.5 The Concessionaire shall install and keep operating in good working condition, the web-cams, at all the strategic locations, wherever, the cargo facilities are being handled or dealt with in any manner whatsoever.

- 5.2. Cargo Development is an important operational & business component of NMIAL. The Concession Agreement mandates minimum annual cargo handling capacity of 1.50MMT. However, in accordance with projected air cargo demand for NMIA, the Air Cargo Facility is planned to handle 3.20 MMT per annum in final phase (Phase V). The air cargo facility shall handle up to 1.2 MMT of cargo by the end of First Control Period.

- 5.3. Cargo development has been planned in eastern part between the parallel runways, offering direct airside access from them to cargo aprons for cargo freighter operations. Located on either side of EMAR, the cargo terminals enjoy distinct advantage of their proximity to NH548, the principal Delhi-Agra-JNPT cargo freight



corridor. This location also ensures segregation of landside vehicular traffic of passengers in western half from the cargo heavy traffic in east part of NMIA, enabling 24x7 movement of cargo vehicles.

- 5.4. NMIAL, being a part of Adani Group, which has strategic interest in logistics and Cargo business, has decided to do the cargo handling business of NMIA.
- 5.5. The proposed location for the cargo facility in the north east of the NMIA site, has been selected to provide adequate development space and excellent landside and airside access for this critical activity. However, NMIA will be developed from south to north and this site will not be available during the initial phases of airport development.
- 5.6. The cost of proposed investments has been briefed in Chapter 4 above. The proposed ICT facility will house both domestic inbound and outbound, International Export & Import operations and will efficiently support regional distributions, besides facilitating the processing of special cargo such as perishables, pharma etc.
- 5.7. NMIAL is expected to outsource all day-to-day operations (domestic and international) to an O&M agency for a fee (O&M fees). Based on cost structure of Cargo operations at other major airports, it is expected that O&M Fees will be based on volume of cargo tonnage processed from the cargo facility and is expected to be around Rs 8,000 per ton. The O&M Fee is expected to increase by 10% per annum.
- 5.8. In addition to O&M fees, NMIAL being operator for international facility will have to bear custom cost recovery charges of Rs. 49 Crs for FY26 and Rs. 97 Crs for FY27 for sanctioned staff of 116 and 232 respectively as per custom regulation circular 02/2021 dated 19.01.2021 and letter dated 05-07-2023 from the Commissioner of Customs to NMIAL. However, as volume increases and achieves the threshold of exemption criteria as per the above circular, custom cost recovery charges are expected to be exempted from FY28 onwards (Annexure E Customs Circular and Annexure F Letter from Custom Authorities for manpower deployment at NMIAL).



- 5.9. NMIAL will be a Customs Custodian for the facility. NMIAL is the ultimate responsible entity for any loss of cargo, loss of property, any issues in service levels of cargo processing, loss of brand name and any statutory liability. While the O&M is expected to be outsourced, NMIAL will continue to retain Supervisory staff and Duty managers who look after the facility and functioning of the O&M operator on a day-to-day basis. It is a 24 * 7 facility, hence NMIAL has retained the following staff in shifts: -
3 nos. of Supervisors and
3 nos. of Duty Managers
The average annual cost per person is approx. Rs. 33 Lakhs (Total cost approx. Rs. 2 Crs per annum).
- 5.10. Letter no AV-13011/4/2024-AS dated 27.03.2024 from MoCA directed all airport operators to bear the cost of deployment of CISF personnel deployed at GA Terminal, Cargo and MRO. In light of above directions from MoCA, NMIAL has included this cost while computing the total cost attributable to Cargo operations at airport.
- 5.11. Based on above the operating cost for Cargo Facility will be as follows : -

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Insourced salary	2	2	2	3	3	12
O&M Cost	212	384	671	738	1,038	3,043
Customs Cost Recovery	49	97	-	-	-	146
Others (CISF Manpower and others)	10	14	22	24	32	103
Total	273	498	695	765	1,073	3,304



6. Fuel Farm Operations for FCP

- 6.1. As per Para 18.3 of the CA about the Aircraft Fuelling Services, NMIAL is mandated to provide necessary fuel infrastructure facilities on equal/open access basis at the Airport.
- 6.2. The Concessionaire shall provide, or cause to be provided, the infrastructure required for operation of fuelling services on equal access basis for all the aircrafts at the Airport in a transparent and non-discriminatory manner ("Aircraft Fuelling Services"). Such infrastructure shall include tank farms, common hydrant fuelling systems and associated facilities in accordance with the provisions of this Agreement, Applicable Laws and Good Industry Practice.
- 6.3. In line with passenger handling capacity of 90 MPPA and cargo capacity of 2.5 MMT as per Master Plan 2023, the required ATF Fuel Farm storage capacity has been estimated to be 72,200 KL, with additional 12,200 KL of SAF storage, taking overall capacity to 84,400 KL by the end of Concession Period.
- 6.4. Fuel Farm is located in eastern airside area, to ensure its compatibility with alignment of incoming, dedicated ATF Fuel Pipeline to NMIA from JNPT, which is to be laid along/outside northern & eastern boundary of the airport. Also, in future the next ATF pipeline shall also be reaching NMIA from eastern side. The Fuel Hydrant Layout has been planned accordingly, and a double loop hydrant system is planned to be implemented in phases, originating from ATF Fuel Farm on eastern side of airport. NMIAL will operate open access fuel farm facility starting with initial capacity of 24,000 KL in Phase I & II along with 200 KL of SAF. Further, in Phase III (FY30), there will be additional capacity of 12,000 KL along with another 12,000 KL of SAF. This shall be sufficient to address the fuelling requirements of airlines in the First Control Period. Capacity will be ramped in a phased manner during the Concession Period. The cost of proposed investments has been briefed in Chapter 4 above.
- 6.5. The day-to-day operations and management of the Fuel Farm will be outsourced to an O&M agency for a fee (O&M fees). Based on experience of other major airports



like Ahmedabad and Lucknow, NMIAL expects the benchmark fees for O&M agency will be Rs. 500 per KL subject to increase in rate by 5% per annum.

6.6. NMIAL is the ultimate responsible entity for any issues in service levels of Fuel infrastructure handling and into-plane processing, loss of brand name and any statutory liability. While the O&M is expected to be outsourced, NMIAL will continue to retain Supervisory staff and Duty managers who look after the facility and functioning of the O&M operator on a day-to-day basis. It is a 24 * 7 facility, hence NMIAL has retained the following staff in shifts: -

3 nos. of Supervisors and

3 nos. of Duty Managers

The average annual cost per person is approx. Rs. 33 Lakhs (Total cost approx. Rs. 2 Crs per annum).

6.7. Following is the summary of fuel farm operation and maintenance costs as per NMIAL for the FCP:

Particulars	FY26	FY27	FY28	FY29	FY30	Total
Expected Fuel Throughput (KL)	301,363	514,343	598,329	598,329	952,407	2,964,771
Amount (Rs. in Crs)						
Insourced salary	2	2	2	3	3	12
O&M Expenses	15	27	33	35	58	168
Grand total	17	29	35	37	61	180



7. Ground Handling Operations for FCP

- 7.1. Ground handling (GH) activities are expected to be concessioned out by NMIAL.
- 7.2. NMIAL will have enough number of service providers as per necessary regulatory requirements and to encourage competition at the Airport.
- 7.3. The service providers will be required to make payment based on Revenue Share (projected as 20%) expressed as a percentage of GH revenue.
- 7.4. The table below illustrates the total ground handling concession revenues expected to be earned by NMIAL from all the GHAs:

Particulars	FY26	FY27	FY28	FY29	FY30	Total
Domestic ATM's (excl GA ATM's)	61,458	92,970	101,446	101,446	149,384	506,704
- Share of ISP's business at NMIAL (35%)	21,510	32,540	35,506	35,506	52,284	177,346
International ATM's	14,871	27,367	32,953	32,953	54,470	162,614
- Share of ISP's business at NMIAL (85%)	12,640	23,262	28,010	28,010	46,299	138,222
Per Turnaround - Domestic ATM's (Share of ISP's business at NMIAL) (50%)	10,755	16,270	17,753	17,753	26,142	
Per Turnaround - International ATM's (Share of ISP's business at NMIAL) (50%)	6,320	11,631	14,005	14,005	23,150	
Domestic Ground Handling Revenue of ISP's (Rs. Per turnaround)	9,190	9,650	10,132	10,639	11,171	
Growth in Domestic Ground Handling Revenue of ISP's	5%	5%	5%	5%	5%	
International Ground Handling Revenue of ISP's (Rs. Per turnaround)	45,250	47,513	49,888	52,383	55,002	
Growth in International Ground Handling Revenue of ISP's	5%	5%	5%	5%	5%	
Revenue Share	20%	20%	20%	20%	20%	
GH Revenue share of NMIAL (Rs. in Crs)	8	14	18	18	31	89

- 7.5. Revenue share amounts paid by ground handling service providers have been considered as Aeronautical revenues for tariff determination.



8. Allocation Methodology for FCP

Regulated Asset Base

8.1.1. As per AERA Order No 14/2016-17 and as mandated under the Concession Agreement, the Hybrid-Till with 30% cross subsidisation of non-Aeronautical revenues is the applicable methodology. The relevant extract from AERA order and Concession Agreement is as follows:

8.1.2. Extract from AERA order:

The authority, in exercise of powers conferred by Section 13(1)(a) of the Airports Economic Regulatory of India Act 2008 and after careful consideration of the comments of the stakeholders on the subject issue, decides and orders that : -

- (i) The Authority will in future determine the tariffs of major airports under "Hybrid Till" where in 30% of non-aeronautical revenues will be used to cross-subsidise aeronautical charges. Accordingly, to that extent the airport operator guidelines of the Authority shall be amended. The provisions of the Guidelines issued by the Authority, other than regulatory till, shall remain the same.*
- (ii) In case of Delhi and Mumbai airports, tariff will continue to be determined as per the SSA entered into between Government of India and the respective airport operators at Delhi and Mumbai.*

8.1.3. Extract from Concession Agreement:

Clause 27.3.2 "The Aeronautical Charges shall be regulated and set/ re-set, in accordance with the shared-till approval letter no. F. No.AV.2401111/95-VB dated December 8, 2014 of the Ministry of Civil Aviation, GOI, the Applicable Laws and the terms of this Agreement including the terms set out in the Schedule U (Memorandum of Understanding)."

8.1.4. Extract from Memorandum of Understanding signed between NMIAL and the Government of India

2.2 Principles for Determination and Revision of Fees



*2.2.1 The Ministry of Civil Aviation, GOI has, vide its letter no. F. No.AV.24011/1/95-VB dated December 8, 2014 ("**Shared-Till Approval**"), approved the 30% (thirty percent) shared-till framework for the determination and regulation of the Aeronautical Charges for the Airport.*

2.2.2 The Aeronautical Charges shall be regulated and set / re-set, in accordance with the Shared-Till Approval, the terms of the Concession Agreement and the Applicable Laws. Provided however, the Premium paid/ payable by the Concessionaire to the Authority, under and pursuant to the terms of the Concession Agreement, shall not be included as a part of costs for provision of Aeronautical Services and no pass-through would be available in relation to the same.

8.1.5. As per Clause 5.2 of the AERA Guidelines:

5.2.1. Scope of the RAB

(a) In normal course, all airport fixed assets will come under the scope of the RAB. However, the Authority may, based on due consideration of relevant factors, include or exclude certain fixed assets from the scope of RAB.

(b) The relevant RAB assets shall be all the fixed assets proposed by the Airport Operator(s), after providing for such exclusions therefrom or such inclusions therein, as may be determined by the Authority in respect of specific assets based on following principles:-

(i) The assets that substantially provide amenities / facilities/ services that are not related to, or not normally provided at an airport, may be excluded from the scope of RAB;

(ii) The assets that in the opinion of the Authority do not derive any material commercial advantage from the airport (for example from being located close to the airport) may be excluded from the scope of RAB;

(iii) Responses by stakeholders in relation to their inclusion or exclusion during consultations;

(iv) Specification of, to the Authority's satisfaction, sufficient accounting separation to ensure that the costs and revenues associated with the assets



shall be clearly identified for the preparation and audit of regulated airport accounts;

(v) Specification of, to the Authority's satisfaction wherever appropriate (where the Authority considers there may be substantial financial risks associated with any asset), sufficient legal separation to protect the Airport Operators, and thus airport Users, in the event of any substantial financial risks materialising. The Authority shall require the Airport Operator(s) to insulate the Users by suitably ring fencing the assets excluded from the scope of RAB. The principles governing the ring fencing are mentioned in the paragraph 7.5 of Order Number 13/2010-11 of the Authority issued on 12-Jan-2011.

(vi) Notwithstanding the principles mentioned under points (i) to (v) above, assets with fixed locations inside terminal buildings shall be considered within the scope of RAB.

(c) Any exclusion/ inclusion shall only be considered if it is proposed to be executed in the Control Period for which the Multi Year Tariff Proposal is submitted.

(d) The Authority may also, in its discretion, consider any other relevant factors for exclusion or inclusion of assets.

(e) The assets related to any service(s) provided by the Airport Operator that are subject to separate control and regulated as per Clause 5.7, shall be excluded from the scope of RAB.

8.1.6. It is observed that as per AERA Guidelines, 5.2.1 (b) (vi) all the assets which are part of the terminal building shall be considered as part of RAB. Therefore, terminal building as a whole should be considered as RAB / Aeronautical asset and not required to be allocated into Aero and Non-Aero.

8.1.7. The norms mentioned in IMG report are not applicable to PPP airports, as per clause no. G of IMG Report. reproduced below:

"In case of airports developed through Public Private Partnerships the project authorities may adopt a case-by-case approach with respect to norms relating to unit area and unit costs. Based on the judicious consideration of international best practices and financial viability, the norms may be specified in each case prior to inviting bids for private participation."

Schedule B of the CA specifies minimum requirement/ parameters, which NMIAL has to strictly adhere to, for the development of the Master Plan. Wherein, Clause 3.3 of Schedule B of the CA states *"Unit area of the Terminal Building (including all miscellaneous and support spaces), per Peak Hour passenger (including arrival and departure), shall be minimum 30 sq.m"*

8.1.8. *Clause 5.4.1 of AERA Guidelines relating to Operation and Maintenance Expenditure (O) is as follows:*

5.4.1. The operation and maintenance expenditure shall include all expenditures incurred by the Airport Operator(s) including expenditure incurred on statutory operating costs and other mandated operating costs as defined in Clause 5.4.2.

5.4.2. The assessment of operation and maintenance expenditure by the Authority shall include a review of the forecast of such expenditure as submitted by the Airport Operator based on the following principles:

(a) Assessment of baseline operation and maintenance expenditure based on review of actual expenditure indicated in last audited accounts, and prudence check inter alia with respect to underlying factors impacting variance over the preceding year(s) including treatment for one-time costs or atypical costs. For avoidance of doubt, the operation and maintenance expenditure to be assessed will be limited to only those expenditure that relate to assets and services taken into consideration for determination of Aggregate Revenue Requirement;

(b) Assessment of efficiency improvement with respect to such costs based on review of factors such as trends in operating costs, productivity improvements, cost drivers as may be identified, and other factors as maybe considered appropriate; and

(c) Assessment of other mandated operating costs or statutory operating costs, where (i) subject to Clause 5.4.5, other mandated operating costs are costs incurred in compliance to directions received from regulatory agencies including Director General Civil Aviation; and (ii) statutory operating costs are costs incurred on account of fees, levies, taxes and other such charges, directly imposed on the



Airport Operator by the regulatory agencies and directly paid for by the Airport Operator.

- 8.2. The summary of NMIAL's proposal is as follows:-
 - 8.2.1. Shared-till/Hybrid till methodology which mandates the cross subsidization of 30% non-aeronautical revenues for determination of aeronautical charges is considered. Under the Shared-Till model, 30% of Non-Aeronautical Revenues are accounted for cross subsidizing the Aeronautical revenues.
 - 8.2.2. Unit Area norms as mentioned in IMG report are not relevant to NMIAL and norms as specified in Clause 3.3 of Schedule B of the CA shall be applied.
 - 8.2.3. NMIAL has considered all assets as Regulated Asset Base as provided in clause 5.2.1 (b)(vi) of the AERA Guidelines.
 - 8.2.4. Accordingly, as per clause 5.4.1 of the AERA Guidelines, all the operating and maintenance expenditures are considered to be relating to assets taken into consideration for determination of Aggregate Revenue Requirement, other than expenses which are specifically not allowed as pass-through as per Concession Agreement like premium paid or payable by NMIAL to CIDCO as mentioned in Clause 26.2.4 of the Concession Agreement.



9. Depreciation on Regulatory Asset Base for FCP

9.1. NMIAL has considered the depreciation for the assets based on the useful life of the assets as per the Companies Act and useful life of various assets as recommended by independent technical evaluation for other Adani Airports like Lucknow and Ahmedabad. NMIAL also submits that the same is consistent with Authority's Order No. 35/2017-18 dated 12th January 2018 and amendment to the Order dated 09th April 2018.

9.2. Following are the useful life and depreciation rates assumed for the FCP:

Particulars	Regulatory Book Depreciation	Useful Life (Years)
Terminal Building	4%	25
Runway, Taxiway and Apron	5%	20
Cargo building	4%	25
Cargo Equipment	13%	8
Boundary wall	20%	5
Software	33%	3
IT equipment	33%	3
Security equipment	13%	7.5
Plant and Machinery	13%	7.5
Other Buildings	3%	30
Access Road	10%	10
Fuel	13%	7.5
Furniture & fixtures	14%	7
Vehicles	20%	5
Office equipment	20%	5

9.3. For the purpose of MYTP, depreciation has been computed for proportionate period of operations for first year of control period, being year of start of greenfield airport operations. In subsequent years, depreciation is calculated full year for the Opening Gross Block and half year for the assets capitalised during the particular year.

9.4. Following is the depreciation and amortization calculated by NMIAL based on above methodology and also after considering all assets as 100% RAB:-



Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Depreciation on Phase I & II assets	1,014	1,284	1,287	1,260	1,255	6,100
Depreciation on Assets added during the control period	5	26	54	73	926	1,084
Total	1,020	1,309	1,341	1,333	2,181	7,184



10. Regulatory Asset Base for FCP

10.1. The asset capitalization during each year and Closing RAB is as follows:-

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Assets Capitalized	22,597	371	190	41	34,133	57,332
Depreciation	1,020	1,309	1,341	1,333	2,181	7,184
Closing RAB	21,577	20,638	19,487	18,196	50,148	
RAB used in the calculation of ARR	Calculated on proportionate basis from the expected date of capitalization in FY26 (being first year of greenfield airport operations) and on average RAB basis from FY 27 onwards					



11. Fair Rate of Return for FCP

11.1. Cost of Equity (CoE)

11.1.1. It is mandated under the AERA Guidelines that Cost of Equity is to be calculated based on Capital Asset Pricing Model (CAPM). The relevant extract from AERA Guideline is as below:

5.1.3. Cost of Equity

The Authority shall estimate cost of equity, for a Control Period, by using the Capital Asset Pricing Model (CAPM) for each Airport Operator, subject to the consideration of such factors as the Authority may deem fit.

11.1.2. NMIAL has a Concession Agreement whose terms and conditions are different than other Concessions Agreement like Delhi Airport, Mumbai Airport, Hyderabad Airport, Bangalore Airport and Cochin Airport, hence it cannot be compared with these Airports.

Also, it is acknowledged by AERA in point 4.6.20 Tariff Order No 08/2021-22 for Cochin Airport for the Third Control Period that newer airport operators cannot be compared with old airport operators. It is reasonable to presume that newer companies would have a greater risk when compared to a well-established company.

11.1.3. NMIAL has engaged PwC as an independent consultant to arrive at CoE for NMIA. Report from PwC attached as Annexure G.

11.1.4. It is also important to note that, NMIAL is a Greenfield Airport and there are various risks associated with it in a multiple airport system, Greenfield Airports have inherent risks relating to construction period and project execution, liquidity, etc. Accordingly, there has to be some additional risk needs to be factored in while arriving at the betas for such Greenfield Airports. In case of NMIA, there is also a risk from CSMIA which is in the same city.

11.1.5. With respect to Greenfield Projects, preconstruction risks like, land development works, rehabilitation & resettlement and connectivity infrastructure and also post



construction risk like Airlines willingness to transfer operations and impact of yield gap on traffic has to be provided while arriving Greenfield Alpha. While doing so, the independent consultant has considered risks associated with hypothetical assets of Hydro and Non Hydro Companies.

11.1.6. The three components to be estimated in the CAPM are as follows:

- (a) the beta of the Airport,
- (b) the risk-free rate and
- (c) the equity risk premium.

The process is elaborated in the table below:

Estimated parameter	Methodology/Approach	Result
Beta	<u>Identification of comparable airports:</u> Various airports were identified which are listed on stock exchanges across the globe or have regulated betas. A set of airports were removed from the list because of either lack of data for the required time period or unreliable data.	-
	<u>Determination of equity and asset beta for the selected airports:</u> Beta is indicative of the systematic risk of the project. In order to calculate this, the analysis regresses the movement of the stock prices (of respective airports) on the movement of an index representing the market portfolio. The beta values pertaining to this regression are called the 'equity' betas. Once the equity beta is calculated, the analysis 'un-levers' the beta (i.e., purges off the effects of the capital structure) by using the Hamada equation: $\beta_U = \frac{\beta_L}{(1+(1-t)(\frac{D}{E}))}$ where t is the tax rate, D and E are debt and equity respectively. This unlevered beta is called the 'asset' beta for the respective airports.	-
	<u>Computing the proximity scores for each airport and asset beta of the airport:</u> Once the asset betas have been computed, quantifiable assessment has been undertaken for identified airports to determine the proximity/ relevance scores. All the airports have been compared with the airport based on the following airport characteristics: Regulatory Environment Operational Structure Payment Structure	0.785 to 0.790

Estimated parameter	Methodology/Approach	Result
	<p>Ownership Structure</p> <p>Numeric values of 1 to 3 have been assigned to each factor wherein lower the score, more comparable is the airport. Furthermore, an inverse of the proximity scores is used to calculate the 'asset' beta.</p>	
	<p><u>Re-lever the asset beta to obtain the equity beta:</u> The asset beta is re-levered using the Hamada equation to obtain the equity (re-levered) beta. As the re-levered beta is a function of D/E or gearing ratio, the beta value changes whenever the D/E or gearing ratio changes. A gearing ratio of 48:52 is considered. This has been derived from the gearing ratios set by the regulators at different comparable international airports.</p>	1.328-1.336
Risk Free Rate	An average of daily yield for 10 years of the 10-year Government of India security has been considered as the risk-free rate.	7.16%
Equity Risk Premium	<p>To avoid any bias, an average of equity risk premiums computed by a list of studies and standard market indices are taken for the analysis. The list of the same is provided as follows:</p> <ol style="list-style-type: none"> 1. Implied ERP using FCFE and DDM published by Inswert as at 31st March 2023. 2. Inswert's ERP based on Relative approach - Sovereign bond default spread (adjusted for equity market volatility) 3. Average of 10 years and 20 years ERP computed based on Nifty 50. 4. Average of 10 years and 20 years ERP computed based on Sensex. 	7.68%
Greenfield Alpha	To arrive at greenfield alpha, hypothetical asset approach is applied on Hydro and Non hydro Companies w.r.t. pre and post construction risks associated with greenfield projects.	2.62%

11.1.7. After computing the parameters as mentioned in the table above, the inputs are fed into the CAPM:

$$R_e = R_f + \beta * (R_m - R_f)$$

Where,

R_e is the Cost of Equity

R_f is the risk-free rate

β is the equity beta of the airport

$(R_m - R_f)$ is the equity risk premium



11.1.8. After incorporating the above estimated figures in the CAPM equation, the computed CoE is 19.98% - 20.04%. The following table summarizes the sensitivity of the gearing ratio:

Gearing Ratio	CoE
48:52	19.98%-20.04%
60:40	22.58%-22.66%
65:35	24.19%-24.28%
70:30	26.34%-26.44%

11.1.9. Accordingly, CoE should be allowed at 20.01% (i.e. average of 19.98% and 20.04%) for NMIAL for the FCP, based on report of independent consultant which includes greenfield alpha risk of 2.62%.

11.2. Cost of Debt (CoD)

11.2.1. Based on the agreement with SBI, AAHL and CIDCO following are key terms of the debt

Terms	SBI (Term Loan)	AAHL (Inter Corporate Loan)	CIDCO (Soft Loan)
Date of Agreement and Facility Amount	23 rd March 2022 (Rs. 12,770 Crs)	29 th September 2021 (Rs. 350 Crs) 15 th November 2021 (Rs. 150 Crs) 25 th March 2022 (upto Rs. 2,500 Crs)	Rs. 3,665 Crs from Phase I & II COD as per CA. Updated Amount of Rs. 3,665 Crs recorded in Facility Agreement (attached as Annexure H)
Effective Rate of Interest	Construction Period - 9.25% on monthly basis (Effective Annualised Rate 9.64%) Post Construction Period : 10.45% on monthly basis (Effective annualised	Same as Term Loan	8.5% (Bank Rate + 2% as per Concession Agreement)



Terms	SBI (Term Loan)	AAHL (Inter Corporate Loan)	CIDCO (Soft Loan)
	rate 10.97%) for A Credit Rating		
Repayment	Door to Door tenor of 23 years which includes construction period of 3 years, moratorium period of 1 year and repayment period of 19 years payable on quarterly basis starting from 31 st March 2026	To be repaid only once the repayment of Senior Lender's loan is made.	Since option for deferment has been opted by NMIAL, the repayment of Soft loan shall start from 21 years post of Phase I & II COD in 5 equal instalments

11.2.2. NMIAL in its projections has forecasted Cost of Debt based on respective agreements for the FCP, the details of which are as follows:

Particulars	FY26	FY27	FY28	FY29	FY30
SBI (Rupee Term Loan)	10.97%	10.97%	10.97%	10.97%	10.97%
AAHL (ICD)	10.97%	10.97%	10.97%	10.97%	10.97%
CIDCO* (Soft Loan)	8.5%	8.5%	8.5%	8.5%	8.5%

**As mandated in Clause 12.9.1 of the Concession agreement*

Basis of Interest considered on Soft Loan from CIDCO:

CIDCO has been releasing the Soft Loan in tranches as per the cost of Pre-Development Works being incurred. Till 31st January 2025, CIDCO has released an aggregate amount of Rs. 3,598.24 Crs.

As per the Concession Agreement Clause No. 12.9.6, no interest payment is specified (and therefore, not applicable) if repayment is commenced from the 11th year of the Appointed Date (which is 7th July 2018) in the manner specified in the said Clause.

Subsequently, NMIAL had made a request to CIDCO for opting deferment from repayment of soft loan as provided in Clause 12.9.6 of the CA to which CIDCO vide letter dated 8th May 2018 (Annexure I) approved the request of NMIAL i.e. deferment



of repayment of Soft Loan from 11th year from the Appointed Date to 21st year from Phase I & II COD:

"... the Concessionaire shall ensure that the net present value of the Soft Loan remains the same as the net present value of the Soft Loan as of the Appointed Date calculated by discounting at the rate of 2% above the Bank Rate."

Bank Rate as on Appointed Date of 7th July 2018 was 6.5%. Thereby, 2% above the Bank Rate works out to 8.5%. The same has been used while calculating average cost of debt and the calculation of FRoR for the FCP of NMIAL.

In addition to the above, clause 2.2.9 of the MoU signed between NMIAL and President of India mandates interest on soft loan to be considered while calculating FRoR which states as follows,

" 2.2.9 Asset forming part of the Pre-development Works and financed by Soft Loan shall be considered as part of the capital expenditure for the purposes of the determination of the Aeronautical Charges. The interest on Soft Loan, pertaining to Pre-development Works inside and outside the Site to the extent it is part of the mandated cost under the Concession Agreement, will be taken into calculation of FRoR at:

(a) 0% cost of capital, if no interest is payable/ paid by the Concessionaire to the Authority on the Soft Loan, and

(b) the applicable rate of interest as may be payable/ paid by the Concessionaire to the Authority on exercise of optional deferment of the linkage date for the repayment of the Soft Loan as per proviso (ii) to clause 12.9.6 of the Concession Agreement to keep the net present value of the Soft Loan as on the Appointed Date,

for determination of the Aeronautical Charges."

Since NMIAL has opted for deferment for repayment of Soft Loan to CIDCO, the interest as mentioned above is a mandated cost as per the terms of MoU which shall be considered while calculating FroR, accordingly the weighted average cost of debt is as:-



Particulars	FY26	FY27	FY28	FY29	FY30
Average Debt (Rs. in Crs)	16,992	22,813	27,632	34,241	39,933
Average Cost of Debt	10.34%	10.46%	10.51%	10.57%	10.59%
Weighted Average Cost of Debt	10.52%				

11.3. Gearing Ratio

11.3.1. For calculating the Fair Rate of Return (FRoR), NMIAL has assumed debt-equity ratio of 48%:52% which is consistent with debt-equity ratio considered by AERA in various recent tariff orders.

11.4. Fair Rate of Return (FRoR)

11.4.1. Based on above parameters, the below table summarizes the FRoR for FCP:

Particulars	FY26	FY27	FY28	FY29	FY30
Weighted Average Cost of Debt	10.52%				
Cost of Equity	20.01%				
Debt Equity Ratio	48% : 52%				
FroR	15.45%				



12. Operation & Maintenance for FCP

12.1. Introduction

12.1.1. NMIAL is committed to abide by the provisions of the Concession Agreement in totality.

12.1.2. With respect to the O&M obligations of NMIAL, Article 17 of CA states that:

"...the Concessionaire shall operate and maintain the Airport in accordance with this Agreement, Applicable Laws and Applicable Permits, either by itself, or through O&M Contractors and if required, modify, repair or otherwise make improvements to the Airport to comply with the provisions of this Agreement, Applicable Laws and Applicable Permits, and conform to Specifications and Standards and Good Industry Practice. The obligations of the Concessionaire hereunder shall include:

- (a) ensuring to provide the Aeronautical Services, Non-Aeronautical Services and such other services, as are required as per the terms of this Agreement and Good Industry Practice;*
- (b) permitting safe, smooth and uninterrupted movement of Users and flow of traffic on the Airport, including prevention of loss or damage thereto, during normal operating conditions;*
- (c) collecting and appropriating the Fee;*
- (d) minimising disruption to the operation of the Airport, including airside, Terminal and land side, in the event of accidents or other incidents affecting the safety and use of the Airport by providing a rapid and effective response and maintaining liaison with emergency services of the State;*
- (e) carrying out periodic preventive maintenance of the Airport;*
- (f) ensuring that the Aeronautical Assets, including Runways, taxiways, aprons and approach areas are maintained and operated in accordance with the provisions contained in Applicable Laws, Applicable Permits and relevant ICAO Documents and Annexes;*
- (g) ensuring that Runways, including the strips, shoulders, stop way and runway end safety area for Runway and strips and shoulders for taxiways and isolation bays are*



- maintained in accordance with the provisions contained in Applicable Laws, Applicable Permits and relevant ICAO Documents and Annexes;*
- (h) ensuring that the obstacle limitation surfaces of the Airport and the approach and take-off areas are free from obstructions or that the obstructions shall be limited to the permissible limits specified in Applicable Laws, Applicable Permits and relevant ICAO Documents and Annexes;*
 - (i) undertaking routine maintenance including prompt repairs of cracks, joints, drainage systems, embankments, structures, buildings, pavement markings, signalling systems, communication systems, lighting, signages and other equipment;*
 - (j) undertaking major maintenance such as repairs to structures, repairs and refurbishment of equipment, signalling and communication system and major overhaul of equipment;*
 - (k) ensuring that the sensitive and critical areas, as identified by the Authority or the Designated GOI Agency, as the case may be, for the operation of CNS/ATM Equipment and facilities shall be maintained free of any obstructions and that no obstruction which may hamper the safety or functioning of these equipment and facilities or endanger the safety of aircraft operations shall be permitted;*
 - (l) ensuring that appropriate arrangements and precautions have been undertaken at the Airport to prevent bird and animal nuisance in and around the Airport, in accordance with the Applicable Laws and Good Industry Practices;*
 - (m) maintaining the Airfield Lighting System and the main and standby power supply systems in accordance with the standards prescribed in Applicable Laws and relevant ICAO Documents and Annexes;*
 - (n) preventing, with the assistance of the concerned law enforcement agencies, any encroachments on, unauthorised entry to or unauthorised use of the Airport;*
 - (o) protection and conservation of the environment and provision of equipment and materials therefor;*
 - (p) operation and maintenance of all communication, control and administrative systems necessary for the efficient operation and management of the Aeronautical Services and Non-Aeronautical Services;*
 - (q) maintaining a public relations unit to interface with and attend to suggestions from the Users, Government Instrumentalities, media and other agencies in accordance with the Applicable Laws, for providing the requisite information;*



- (r) complying with Safety Requirements in accordance with ARTICLE 17;*
- (s) operation and maintenance of all Project Assets diligently and efficiently and in accordance with Good Industry Practice;*
- (t) maintaining punctuality and reliability in operating the Airport;*
- (u) maintaining a high standard of cleanliness and hygiene on the Airport;*
- (v) taking all measures relating to fire precautions in accordance with relevant ICAO standards or appropriate international guidelines, Applicable Laws, Applicable Permits and Good Industry Practice;*
- (w) providing all the requisite information, data, operating statistics, etc., as may be required by the Authority, any of the Government Instrumentality, DGCA, GOM or GOI, from time to time."*

12.1.3. Additionally, with respect to NMIA's obligations towards IATA Level of Service-C, the Clause 18.6.9 of the CA states that:

"The Concessionaire agrees and undertakes that the level of service in the Terminal Building shall, during the Peak Hour, not be inferior to 'Level of Service-C' (optimum standards) as specified by IATA from time to time and in the event it is observed that the level of service is inferior to IATA 'Level of Service-C' (optimum standards) during Peak Hours in any quarter and does not cure within 90 (ninety) days from the occurrence of such degradation of level of service in any Concession Year, the Concessionaire shall pay Damages to the Authority which shall be determined at the rate of 0.5% (zero point five percent) of the total revenue from Fees for the immediate preceding quarter."

Where,

"IATA Level of Service Optimum" means the minimum service requirements at various airport subsystems as set out in the 'Optimum' category in the 10th edition of IATA's Airport Development Reference Manual, as may be amended, modified or supplemented from time to time, and shall, for the avoidance of doubt, mean any similar level of service framework in the event of IATA discontinuing publication of the Airport Development Reference Manual;"

12.1.4. In addition to the abovementioned clause, clause 20.3 of the CA further elaborates on the service level monitoring obligations of NMIAL which is as follows:



"The Concessionaire will:

- (a) throughout the Concession Period, regularly monitor traffic flows at the Airport and regularly examine operations at the Airport, for the purpose of determining the IATA level of service at Terminal Building;*
- (b) after achieving the Phase I COD, regularly monitor and count Peak Hour passengers enplaning to and deplaning from aircraft at the Airport;*
- (c) by the 7th (seventh) day after the end of each quarter, provide to the Authority, a detailed report: (i) confirming that the IATA level of service at the Airport over the preceding quarter (or part thereof) never fell below IATA Level of Service-C or describing the dates on or periods of time during which the IATA level of service at the Airport fell below Level of Service-C (optimum standards), and (ii) setting forth its analysis (along with any and all supporting data) of the IATA level of service anticipated at the Airport over the reporting quarter, including any period of time when the IATA level of service at the Airport is projected to fall below IATA Level of Service C (optimum standards); and*
- (d) promptly advise the Authority in writing, if it otherwise determines that the IATA level of service at the Airport is projected to fall or has fallen below IATA Level of Service-C (optimum standards) at any time and provide to the Authority any and all data related to such determination along with the mitigation plan for such deficiency."*

12.1.5. The abovementioned clauses of the CA illustrate NMIAL's obligations towards maintaining superior service standards. In addition to these obligations, completion of next phase of development i.e. Phase III in FY29-30 warrants an increase in NMIAL's Operation & Maintenance expenses.

12.1.6. In this MYTP, NMIAL has adopted following aspects and principles to determine efficient aeronautical operating and maintenance cost:

Base Year: Operation and Maintenance expenses for FY2025-26 is estimated based on various parameters like zero based cost budgeting, benchmarking analysis and Adani group's experience in airports management. FY2025-26 is the first year of operations.



Inflationary Increase: NMIAL has considered inflationary increase based on 89th Round of RBI’s Survey of Professional Forecasters in August 2024 towards all expenses which is considered basis the projections provided in Chapter 13 below.

- Upcoming expansion at NMIA:** As explained in Chapter 4, NMIA shall construct a New Terminal Building as obligated under Clause 12.7.1 of the Concession Agreement which states that *“As and when the existing Phase(s) of the Airport, achieves the traffic trigger as specified in the Master Plan, the Applicable Laws, including the DGCA guidelines and regulations prescribed by AERA, Good Industry Practice and the provisions of this Agreement or fall short of the norms and standards specified by ICAO Documents and Annexes, the Concessionaire shall undertake capacity addition and expansion thereof, to meet such shortfall and/or future requirements as described in the Master Plan, Schedule A, Schedule B and other terms of this Agreement.”* The New Terminal Building shall be commissioned in FY 2029-30. Year wise increase in operational terminal area is tabled below. Accordingly, there will be correspondingly increase in costs of various services like manpower, IT, Security, Utility (Water), Housekeeping, Others etc.

Table: Terminal Area Year-Wise during the First Control Period

Year	T1	T2	Total	YoY % Increase in Area
	sq. mtr.	sq. mtr.	sq. mtr.	
FY 2025-26	231,393	-	231,393	
FY 2026-27	231,393	-	231,393	-
FY 2027-28	231,393	-	231,393	-
FY 2028-29	231,393	-	231,393	-
FY 2029-30	231,393	400,000	631,393	173%*

**T2 shall be operational from October 2029 onwards. Therefore, for projection of expenses for FY29-30 we have assumed area increase from mid of FY2029-30 onwards i.e. 87% (173% / 2).*

We have applied terminal area proportionate increase while projecting Utilities, Rates & Taxes and Other Operating Expenses. Whereas other expenses like Manpower, Administrative, IT and Security Expenses has been increased in line with increase in Manpower numbers.



- **Airports have high fixed costs associated with the provision and maintenance of infrastructure and services such as safety and security. These are incurred regardless of traffic levels. Airport operators, therefore, have limited scope to curtail costs when facing a downturn in demand.**

12.2. **Employee Cost**

12.2.1. Manpower is a crucial resource of service-oriented industries such as airports. NMIAL considers manpower as its biggest asset. Total employee costs covered under this section include salaries, wages and bonuses, contribution to PF and gratuity expenses.

12.2.2. NMIAL has followed bottom-up approach to project manpower requirements and cost / expenses. NMIAL first estimated department wise manpower requirement at the Airport, along with gradation of employees. Based on the gradation, prevailing median salary level was plotted and accordingly, manpower cost has been determined. The initial manpower cost is then increased year on year with 10% annual escalation. Further, expansion triggers have also been considered to account for increase in headcount due to increase in scale of operations.

12.2.3. NMIAL workforce is planned keeping in mind the following:

- NMIAL is committed to maintain the highest service standards and ensure highest level of user experience.
- There are various obligations and responsibilities mandated under Concession Agreement.
- There is a need to hire, train, and maintain a sizeable number of employees.
- With suitable talent in the aviation sector being scarce, NMIAL's expenses at seeking, hiring, and retaining suitable employees is estimated to be considerable.
- Statutory requirements for various functions like ARFF, ILBHS as per the workforce assessment norms of the Regulatory bodies like DGCA, BCAS etc.
- Commissioning of new terminal in FY2029-30.



12.2.4. Employee Recruitment Plan for the First Control Period is as follows:

Department	Department Headcount				
	FY26	FY27	FY28	FY29	FY30
Aero Commercial	3	4	4	4	4
Airline Marketing	2	2	2	2	2
Airport Operation Services*	11	11	11	11	11
Airside Operations	43	43	43	43	81
AOCC	30	30	30	30	42
ARFF**	158	158	158	158	289
Aviation Safety	4	4	4	4	4
City Side Development	3	3	3	3	3
COO Office	5	5	5	5	5
Corporate Affairs	3	3	3	3	3
Corporate Communication	5	5	5	5	5
Engineering Services##	68	68	68	68	170
Environment & Sustainability	5	5	5	5	5
Finance & Accounts	18	18	18	18	25
Horticulture	6	6	6	6	6
Human Resource	15	15	15	15	19
Information Technology	11	11	11	11	11
Legal	6	6	6	6	6
Non Aero	2	2	2	2	2
Quality and Customer Experience	10	10	10	10	10
Regulatory	3	3	3	3	3
Security^	50	50	50	50	125
ILBHS Screeners^^	135	165	165	165	325
Techno Commercial	10	11	11	11	11
Terminal Operations	114	114	114	114	285
Total	720	752	752	752	1,452



*Airport Operation Services are support services having functions including assessing and monitoring immediate airport environs for safeguarding purposes, ensuring that building and other developments meet appropriate aerodrome licensing regulations, etc.

**NMIAL is classified as Category 10 ARFF airport. ARFF manpower requirement is projected as per DGCA Taskforce Resource Analysis report (kindly refer Annexure J)

##Engineering and Maintenance Department has been created to mitigate all operational and maintenance concerns regarding MEP, AGL, BHS, PBB, VGDS etc and to ensure that the requisite infrastructure and services are available for Airport operations.

^Security manpower projected by NMIAL includes staff for Pass Section, AvSec Training and Compliances, Liaising with CISF/BCAS/Police, etc. including majority resources on shift basis.

^^Calculation of ILBHS manpower count attached as Annexure K

12.2.5. Basis of calculation of Average Salary Cost per Employee:

Assumed Rs. 16 lakhs p.a. per employee for FY2025-26, based on internal assessment. This is in line with the industry average. The same is increase by 10% year on year.

12.2.6. Based on the above assumptions, NMIAL proposes the following projections for employee costs:

Particulars	FY26	FY27	FY28	FY29	FY30	Total
NMIAL employees (Nos.)	720	752	752	752	1,452	
NMIAL employees (Rs. in Crs)	115	130	146	160	258	809

12.3. **Utilities - Power, Water and Fuel/Diesel**

12.3.1. Power and water costs are calculated at net level, i.e. gross expenses less recovery from various users / concessionaires.



12.3.2. **Power**

- Annual Demand for Phase I & II is projected at 10 Crs units. This includes consumption by sub-concessionaires at the Airport, on chargeable basis.
- We have assumed a recovery of 15% from the sub-concessionaires . Recovery from sub-concessionaires is expected to gradually increase from 15% to 20% by end of Control Period.
- 1.25 Crs units are expected to be generated through Solar energy each year in Phase I & II, with Phase III generating an additional 1.08 Crs units.
- Rate per unit in FY2026 is considered at around Rs. 19 per unit based on actual latest electricity bills
- Annual increase in per unit tariff is estimated to be 5%.
- Annual increase in Gross Consumption considered at 5%.
- In addition, with the commissioning of New Terminal T2 in FY2029-30 (Phase III – 30 MPPA), the annual demand is projected to increase in proportion to terminal area i.e. by approx. 87% in FY2029-30.

12.3.3. **Water**

- Annual Demand is projected at 14 lakh Units in FY2025-26. This includes consumption by sub-concessionaires at the Airport, on chargeable basis.
- We have assumed a recovery of 10% from the sub-concessionaires. net annual consumption works out to 12 Lakhs units.
- Annual growth rate of 5% projected in volume of consumption, along with approx. 87% increase in FY2029-30 due to increase in terminal area.
- Rate per unit of water considered at Rs. 60 for FY2025-26 based on recent water bill received from CIDCO.
- We have considered increase in water charges rate by 5% YoY.

12.3.4. **Fuel/Diesel**

- We have internally estimated Rs. 2 Crs as fuel cost for FY2025-26 and increased the same by 10% YoY



12.3.5. Based on the above assumptions, NMIAL proposes the following projections for power (net of recoveries) and water costs (net of recoveries) and fuel/diesel costs:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Power cost (net of recoveries)	138	147	159	176	365	984
Water cost (net of recoveries)	7	8	9	10	20	54
Fuel/Diesel	2	2	2	3	3	12
Total	147	157	170	189	387	1,050

12.4. Corporate Cost Allocation

12.4.1. NMIAL is a Company of the Adani Group.

12.4.2. AEL is the flagship company for Adani Group which has promoted various businesses like Power, Renewable, Ports, Logistics, Airports, Data Center, Défense etc.

12.4.3. AAHL, 100% subsidiary of AEL, is a special purposes company incorporated with an aim to promote Airport and airport related activities.

12.4.4. AEL and AAHL have developed various capabilities, infrastructure and processes in various areas ("Corporate Support Services").

12.4.5. AEL has consolidated various strategic functions/activities like corporate finance, legal, central procurement, green initiative, ESG, Information technology, taxation, management assurance, internal audit, shared service for financial transactions. human resource management. AEL also includes various strategic and leadership functions like Chairman office, Group CFO office, Corporate Communication and Branding etc. AEL provides support on these functions to all group companies including but not limited to Power, Renewable, Ports, Logistics, Airports, Data Center, Defense etc.

12.4.6. AAHL houses a team of specialised subject matter expert in Aviation sector having domain knowledge and expertise in Airports Operation, Airside Management, Master Planning, Designing, Airport Development, Airport Regulatory, Human Resources, Transition Management, Hospitality, Customer management, Finance Management,



Legal expertise, Cargo Development and Management, Airline Marketing, Retail, Commercial, Space Leasing, Non-Aeronautical etc.

12.4.7. These capabilities, infrastructure, and processes (retained under AEL and AAHL) are very important for sustainable operations of any business including Airports.

12.4.8. Cost is incurred by AEL and AAHL on overall basis to provide these services and support to various group companies (including Airports) by AEL and to various Airport companies in case of AAHL respectively. The major composition of these costs includes salaries and administrative cost.

12.4.9. These costs (except shareholders services and non-Aeronautical services) are recovered by AEL and AAHL through appropriate allocation method/keys. AEL and AAHL do not allocate the costs which are related to shareholders services (activities performed by AEL / AAHL for their own benefits like consolidation of accounts, secretarial etc.) and Non-Aeronautical services.

12.4.10. The cost is allocated on cost-to-cost basis "without any mark-up". As on date Adani Group has portfolio of 8 Airports. In case these services are to be maintained by each Airport on standalone basis then the summation of cost incurred by each Airport will be much higher than the consolidated cost incurred by AEL and AAHL to maintain these services.

12.4.11. Corporate cost allocation has various benefits like: -

- Leveraging on best practices
- Centralized monitoring and control
- Efficiencies and economies of scale

12.4.12. It has been a common practice across all the industries operated by big business houses including private Airport entities and AAI, whereby cost allocation process is prevalent. Similar corporate cost allocation practice is used by aviation companies. For e.g., GMR Infrastructure Limited (GIL) and GMR Airports Limited (GAL) provides services to its various airports and their costs are allocated based on suitable drivers.



Similar practice is followed by AAI as well in allocating its Central Head Quarters (CHQ) / Regional Head Quarters (RHQ) costs to various airports.

12.4.13. The above explained allocation methodology adopted by Adani group has been accepted and approved by AERA in tariff orders for other portfolio Airports Ahmedabad, Lucknow, Mangaluru, Jaipur and Thiruvananthapuram.

12.4.14. Annual increase of 10% considered.

12.4.15. Based on the above assumptions, NMIAL proposes the following projections for corporate allocation as an operating expenditure:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Corporate cost allocation	80	88	97	106	117	488

12.5. Repairs & Maintenance expenses

12.5.1. NMIAL aims at maintaining best-in-class service quality levels through upkeep and maintenance of the buildings, equipment and other infrastructure to ensure hassle-free, safe and smooth operations. Repairs and Maintenance includes civil, electrical and mechanical works for the maintenance of the airport including the terminal, runways, taxiways, parking bays, aprons, aerobridges, power substations, IT and other plants and machinery.

12.5.2. Repairs and maintenance expenses that are projected to be incurred by NMIAL have been calculated as 1.10%-1.20% of the opening gross block of assets (excl. land development cost) over the Control Period. The cost estimated is significantly lower than 6% of the Opening Net Block of Aeronautical Assets as assessed/approved by AERA in various tariff orders like Ahmedabad, Lucknow, Mangaluru, AAI Airports. etc.

12.5.3. Based on the above assumptions, NMIAL proposes the following projections for repair and maintenance:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
R&M	172	181	193	195	196	938



12.6. Insurance

12.6.1. With respect to NMIAL's insurance obligations, Article 29 of the Concession Agreement states that:

"Insurance Obligations

The Concessionaire shall effect and maintain at its own cost, during the Concession Period, such insurances for such maximum sums as may be required under the Financing Agreements and Applicable Laws, and such insurances as may be necessary or prudent in accordance with Good Industry Practice. The Concessionaire shall also effect and maintain such insurances as may be necessary for mitigating the risks that may devolve on the Authority as a consequence of any act or omission of the Concessionaire. The Concessionaire shall procure that in each insurance policy, the Authority shall be a co-assured and that the insurer shall pay the proceeds of insurance into the Escrow Account. The Parties agree that the level of insurance to be maintained by the Concessionaire after repayment of Senior Lenders' dues in full shall be determined on the same principles as applicable for determining the level of insurance prior to such repayment of Senior Lenders' dues.

Insurance Cover

Without prejudice to the provisions contained in Clause 29.1, the Concessionaire shall, during the Concession Period, procure and maintain Insurance Cover including but not limited to the following:

- (a) loss, damage or destruction of the Project Assets, including assets handed over by the Authority to the Concessionaire, at replacement value;*
- (b) comprehensive third party liability insurance, including injury to or death of personnel of the Authority or others who may enter the Airport;*
- (c) the Concessionaire's general liability arising out of the Concession;*
- (d) liability to third parties for goods or property damage;*
- (e) workmen's compensation insurance; and*
- (f) any other insurance that may be necessary to protect the Concessionaire and its employees, including all Force Majeure Events and not otherwise covered in items (a) to (e) above."*



12.6.2. Being an airport operator, NMIAL is expected to take various insurances for property damage, business interruption, cyber security, third party liabilities, and terrorism. NMIAL is projected to incur insurance expenses of Rs. 20 Crs for FY 2025-26 for the initial asset base with a replacement cost coverage of ~Rs. 20,000 Crs. The implied cost is approx. 0.10% of the replacement cost.

12.6.3. The cost of insurance w.r.t initial asset base is expected to increase by an inflation of 10%.

12.6.4. The insurance expenses for new assets to be added during the control period have been calculated as 0.1% of the new additions to the gross block based on market rates.

12.6.5. Based on the above assumptions, NMIAL proposes the following projections for insurance:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Initial Assets	20	22	24	27	29	122
New Assets added	0.07	0.4	0.6	1	35	37
Total Insurance cost	20	22	25	27	64	159

12.7. Rates and Taxes

12.7.1. Rates and taxes costs contain property tax / service charges and Water Resource Development and other charges payable to local authorities or CIDCO.

12.7.2. Property Tax / Service Charge

For property tax / service charge, the Concession Agreement provisions are reproduced below for reference:

Clause 10.10

10.10.1 The property tax (currently, in the nature of the service charge, and shall be replaced by the property tax upon the Site being covered within the municipal limits pursuant to the Applicable Laws), shall be payable by the Concessionaire to the Authority/ concerned municipal body as per the rates prevalent at the time of the payment, with effect from the date of the execution of the LDS Agreement.



10.10.2 Any charges and Taxes in respect of the Site and if paid by the Authority in accordance with Applicable Laws, shall be reimbursed by the Concessionaire to the Authority within a period of 30 (thirty) days of receiving a notice from the Authority along with necessary particulars thereof.

These are statutory dues and are mandated under the Concession Agreement. However, due to various reasons, the property tax/service charges amount is not currently ascertainable, NMIAL requests authority to kindly allow the recovery of these statutory expenses on actual incurrence basis.

12.7.3. Water Resource Development Charges and any other development charges

The Concession Agreement vide Clause 10.10.3 also provides for payment of water resource development charges, which matter is currently under discussion with CIDCO (the Concessioneing Authority).

10.10.3 The Concessionaire shall be responsible for the payment of all the charges to the Authority, as may be leviable under the Applicable Laws including the GDCR and NMDLR, for the available built-up area at the Site. Provided however that, the payment of 'water resource development charges' forming a part of such charges as per the Applicable Laws, may be deferred upto a maximum period of 10 (ten) years from the Appointed Date at the written request of the Concessionaire. If the Concessionaire makes the request for any such deferment in the payment of 'water resource development charges', then, the Concessionaire shall be required to make payment of such deferred 'water resource development charges', within 30 (thirty) days of the commencement of the 11th year from the Appointed Date, along with an interest calculated at the rate of 3% (three percent) plus Bank Rate per annum compounded on quarterly rest basis.

NMIAL has received letter from CIDCO stating amount payable of Rs. 919.55 Crs + taxes to be paid in FY28-29 (Annexure L). However, NMIAL is in discussion with CIDCO regarding this matter. **For the time being, we have not included the cost in the ARR recovery. NMIAL requests authority to kindly allow the recovery of these**



statutory expenses and/or any other development charges, on actual incurrence basis.

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Rates and taxes Water Resource Development Charges and any other development charges	Request to allow cost on actual incurrence basis					

12.8. IT Expenses

12.8.1. With respect to NMIAL's obligations with respect to setting up of an Airport Operation Data Base, the Concession Agreement¹ states that:

"The Concessionaire shall set up Airport Operation Data Base ("AODB") consisting of an airport operations database, communications layer and visual system that link various systems in the Airport together. The AODB must provide all operations data at the Airport including but not limited to the data related to objective service quality requirement and parameters defining level of service of the terminal building and any other such information as may be required by the Authority and/ or any Designated GOI Agency pursuant to this Agreement. AODB shall generate daily, weekly, monthly, quarterly and annual reports as per the requirements of this Agreement. The AODB system should be capable to provide historical, real-time data to assist in strategic decision making as well as to help the Concessionaire for various compliance requirements. The Concessionaire shall provide AODB access to the Authority for periodic review and generation of reports."

12.8.2. To ensure world-class IT infrastructure, IT expenses to be incurred by NMIAL shall include the following:

- ▶ System license costs
- ▶ IT consumables
- ▶ IO/AO support
- ▶ Digitization, travel, and group governance
- ▶ Operating cost of servers, website, and other systems

¹ Clause 20.1. of the Concession Agreement



- ▶ Maintenance costs (office, cables, and DC room)
- ▶ IT resources
- ▶ AMC for airport systems
- ▶ AAI end user system support

12.8.3. For the future forecasts, IT expenses have been internally assessed and are expected to increase with @10% year on year. Further the same is increased in proportion to increase in manpower number.

12.8.4. Based on the above assumptions, NMIAL proposes the following projections for IT expenses:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
IT expense	40	46	50	55	112	304

12.9. Administrative and General Expense

12.9.1. Administrative and General expenses include ASQ survey, Aerodrome licensing, consultancy expenses, advertisement, travel, audit, printing & stationery, office expenses, communication costs, business promotion, guest house expenses, inauguration events, dignitaries site visit etc. These costs are necessary for the efficient working of the Airport. The initiatives include industry outreach programs, meeting various stakeholders, participation in various domestic and international forums and catchment area programs. NMIAL is developing NMIA as a smart and futuristic airport.

12.9.2. Following expenses have been considered for calculation of Administrative and General Expenses for FY2026:

- Staff Training, Travel & Boarding, Printing & Stationery, Expenses towards Slot Co-ordination Meetings & Seminars, Stakeholder Meetings, Subscription Charges, Operations Library, etc.
- Renewal of Aerodrome License, Aeronautical Survey and its Verification & Validation, Vehicle for Aerodrome Safeguarding Team for the Survey, Calibration of PAPI



- Legal expenses, professional consultancy charges, passenger engagement expenses.

12.9.3. Considering the above, Administrative and General expenses for FY2025-26 works out to be Rs. 30 Crs. Annual increase is expected as @10% year on year. Further the same is increased in proportion to increase in manpower number.

12.9.4. Based on the above assumptions, NMIAL proposes the following projections for admin expenses:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Admin expenses	30	34	38	42	84	228

12.10. UDF Collection Charges

In line with other Airports, NMIAL proposes UDF collection charges at Rs. 5 per departing passenger. Accordingly, the following projections for UDF collection charges:-

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
UDF Collection Charges	3	4	5	5	7	23

12.11. Other Operating Expenses

12.11.1. Other operating expenses include expenses such as (i) housekeeping and upkeep expenses; (ii) horticulture expenses; (iii) Private security expense; and (iv) outsourced manpower/ hire charges.

12.11.2. Outsourced manpower hire charges include expenses such as operations of Bird Scarers for WHM, trolley restackers, customer service executive, guest relation executive etc. Considering the above, Other operating expenses for FY2025-26 works out to be Rs. 110 Crs. Expected annual increase of 10%. Further in FY2029-30, NMIAL has considered approx. 87% increase in cost in proportion to increase in terminal area during the control period as provided.

12.11.3. NMIAL proposes the following projections for other operating expenses:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Other operating expenses	110	121	133	146	288	798



12.12. TNLC Charges

12.12.1. Clause 2.2.4 of the MoU signed between the Government of India and NMIAL, dated 11 April 2018, states the following:

"Any payments made by the Concessionaire to or on behalf of any Government Instrumentality / agency for providing Reserved Services except Security Services, within the Airport shall be considered as pass through for the purpose of determination of the Aeronautical Charges."

12.12.2. Terminal Navigation Landing Charges (TNLC) are levied by AAI to the airlines for the corresponding service provided by AAI as part of the CNS-ATM Agreement between the AAI and NMIAL. CNS-ATM Services are part of the Reserved Services. These services are provided by AAI on cost recovery basis.

12.12.3. Clause 7.4 of the CNS-ATM Agreement with the AAI (attached as Annexure M) states the following:

"The provision of CNS-ATM services as mentioned in Clause 5.1 shall be on cost recovery basis. Further, TNLC revenues collected by AAI shall be deducted from the actual cost of providing the CNS/ATM services during that year (cost includes pro-rated capital cost and all the operating costs including staff cost). ...

Deficit, if any, between the actual cost of providing the CNS/ATM services during that year (cost includes pro-rated capital cost and all the operating costs including staff cost) and TNLC revenues in the first 3 years will be recovered with 12% interest from 4th, 5th and 6th years. If any uncovered deficit at the end of 6th year, the same will be paid by Airport Company to AAI. ...

Accordingly, NMIAL requested AAI to share information on the capital cost and expected Annual Operating Cost that would be incurred by AAI for NMIA. To which AAI responded the above referred matter vide letter dated 25th September 2024 (Refer Annexure N). Accordingly, we have considered the TNLC for the FCP of NMIAL, the details of which are as follows.



- I. TNLC Revenue for AAI for the FCP is Rs. 5,259 per Domestic ATM and Rs. 8,178 per International ATM as per AIC no 35 of 2020 dated 30th September 2020 issued by DGCA (Refer Annexure O).

- II. TNLC Opex for AAI as per above referred letter of AAI dated 25th September 2024– Manpower Expenses and Other Expenses
 - a. Rs. 131 Crs for FY 2025-26 (Rs. 70 Crs – CNS and Rs. 61 Crs – ATM) which is increased annually by 10% as per AAI's letter.

- III. TNLC Capex of Rs. 220 Crs as per the above referred letter. We have considered 15 years of useful life for CNS-ATM assets as provided by AAI in line with the useful life of P&M of NMIAL.

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
AAI Revenues (A)	22	36	40	40	62	200
TNLC Opex (B)	145	158	173	188	206	871
TNLC Charges payable by NMIAL (B-A)	123	123	133	148	144	671

12.13. **Concession Fees (Fixed fee), which is other than premium payable**

12.13.1. Clause 26.1.1 of the Concession Agreement states that "In consideration of the grant of Concession, the Concessionaire shall pay to the Authority by way of concession fee ("**Concession Fee**"), the following amounts to the Authority on annual basis:

Concession Period	Concession Fees (Rs. in Crs)	Concession Period	Concession Fees (Rs. in Crs)
Year 1	5	Year 21	130
Year 2	5	Year 22	135
Year 3	5	Year 23	140
Year 4	5	Year 24	750
Year 5	5	Year 25	790
Year 6	5	Year 26	825
Year 7	5	Year 27	870
Year 8	5	Year 28	910
Year 9	5	Year 29	955
Year 10	10	Year 30	1,005
Year 11	10	Year 31	1,250
Year 12	10	Year 32	1,315
Year 13	10	Year 33	1,380
Year 14	10	Year 34	1,445
Year 15	10	Year 35	1,520



Concession Period	Concession Fees (Rs. in Crs)	Concession Period	Concession Fees (Rs. in Crs)
Year 16	100	Year 36	1,595
Year 17	105	Year 37	1,675
Year 18	110	Year 38	1,760
Year 19	115	Year 39	1,845
Year 20	120	Year 40	1,940

12.13.2. Clause 26.1.4 of the Concession Agreement states that *“The Concession Fees shall be considered as a part of the operating expense for the purpose of the determination of the Aeronautical Charges”*

12.14. Independent Engineer's Cost

12.14.1. As per Article 23 of the Concession Agreement, CIDCO and NMIAL will appoint the Independent Engineer (IE). The IE is to be appointed initially until Phase I COD and thereafter for every 3 years till the end of concession period of 30 years. The cost of the Independent Engineer shall be paid by CIDCO and that shall be reimbursed by NMIAL to CIDCO. The cost of Independent Engineer will be pass-through for the determination of Aeronautical Charges by the regulator.

12.14.2. The extract of the relevant clause is as follows: -

23.1.2 The appointment of the Independent Engineer shall be made within 30 (thirty) days of the date of execution of this Agreement, and such appointment shall be valid until Phase I COD. On or prior to the expiry or termination of the said appointment, the Authority shall appoint an Independent Engineer for a further term of 3 (three) years in accordance with the provisions of Schedule M, and such procedure shall be repeated after expiry of each appointment.

23.3.1 The remuneration, cost and expenses of the Independent Engineer shall be paid by the Authority, and all such remuneration, cost and expenses shall be reimbursed by the Concessionaire to the Authority within 15 (fifteen) days of receiving a statement of expenditure from the Authority.

23.3.2 Any amounts paid to the Independent Engineer shall be a pass-through for the determination of the Aeronautical Charges by AERA.



12.14.3. In accordance with above, CIDCO has appointed M/s AECOM Asia Company Limited in consortium with AECOM India Private Limited as the Independent Engineer initially for 4 years with total cost of Rs. 34.80 Crs. This Agreement expired on 28th October 2022.

12.14.4. Subsequently, CIDCO, in mutual consent with the IE, extended services of the IE upto 30th December 2024, for a lump sum amount of ~ Rs. 20 Crs plus GST.

12.14.5. NMIAL has assumed rate of charges for IE services during the Operations period at 50% of the rate during the Construction period.

12.14.6. Further, NMIAL has assumed annual escalation in cost as 10% .

12.14.7. Based on the above assumptions, NMIAL proposes the following cost of Independent Engineer:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Independent Engineer's Fees	5	6	6	7	7	31

Refer Annexure P for the agreements between CIDCO and Independent Engineer.

12.15. **Digital Transformation Cost**

12.15.1. NMIAL believes that next phase of growth in aviation sector will be dependent on digital transformation / technology intervention where an airport operator can provide end to end services to the consumers (origin to destination) on single platform which will result in enhanced consumer experience and more satisfaction.

12.15.2. In today's environment, it is challenging to improve consumer satisfaction through traditional methods considering increase in usage of ubiquitous internet, smartphones and social media. With the evolution of business era, Age of the Consumer is reshaping the focus of Business Strategy & Processes to deliver high-quality service and improve satisfaction of consumers which is critical for an airport's survival, competitiveness, profitability, and long-term growth in a highly competitive environment. While focusing on this, NMIAL does not have bandwidth nor expertise to



undertake digitalisation of airport experience. It will have to be done with the help of industry experts of the Digital field. Building specific manpower for this field will have challenges and considering pace at which digitization is required to be adopted, timelines are also not conducive. Hence NMIAL by virtue of competitive bidding process will select another entity which can help NMIAL to embark on this journey of Digitalization. Estimated costs for this activity is as under:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Digitalization Cost	110	121	133	146	161	672

Annual escalation of 10% is considered.

12.16. Financing Charges

12.16.1. Financing charges includes but not limited to bank charges for routine operations, debt arranging charges, processing fees and upfront fees payable to lenders, documentation charges, and various agencies. As per industry trade practice, the cost for upfront fees ranges from 1.5% to 2.5% depending on the size and complexity of the transaction. Accordingly, NMIAL has assumed 1.5% of the debt amount as financing charges.

12.16.2. NMIAL has also tendered a Performance Bank Guarantee to CIDCO as mandated under the CA² as follows:

*"The Concessionaire shall, for the performance of its obligations hereunder in respect of Phase I, provide to the Authority, no later than 60 (sixty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Bank for a sum equivalent to Rs. 100,00,00,000 (Rupees One Hundred Crore) in the form set forth in Schedule F ("**Performance Security**"). Until such time the Performance Security is provided by the Concessionaire pursuant hereto and the same comes into effect, the Bid Security shall remain in force and effect, and upon such provision of the Performance Security pursuant hereto, the Authority shall release the Bid Security to the Concessionaire."*

² Clause 9.1.1.



12.16.3. Further, on revision of Initial Phase from Phase I alone to Phase I & II combined, NMIAL was required to furnish additional Performance Security of Rs. 110.38 Crs to CIDCO as per Para 9.1.3 of CA, reproduced below for quick reference.

The Concessionaire shall provide separate Performance Securities prior to undertaking the Construction Works for any of the subsequent Phases, for an amount equivalent to 2% (two percent) of the cost approved for such Phase by the Senior Lenders of each such Phase of the Project. The term Performance Security as used in this Agreement shall refer to and include all the Performance Securities to be provided by the Concessionaire for each Phase of the Project.

12.16.4. NMIAL has arranged Performance Bank Guarantees from State Bank of India in favor of CIDCO. Annual fee of 1% (plus applicable taxes) of the Performance Bank Guarantee is to be paid to State Bank of India (Lender) as per agreed terms. (Refer Annexure Q for Sanction letter from SBI which includes terms of PBG Commission and Annexure R for the copy of Performance Bank Guarantees given to CIDCO)

12.16.5. Additionally, a working capital loan has been assumed at an average cost of debt 10.97% per annum of average of opening and closing working capital balance. For calculation of working capital requirements, we have assumed 45 days of receivables and 30 days of payables.

The following table provides a summary of the various financing charges that are incurred by NMIAL:-

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Finance charges for arranging debt	24	49	87	105	57	322
Fees for Performance Bank Guarantee	2	2	2	2	2	10
Working Capital interest and other interest	21	58	82	93	124	378
Total	48	108	171	201	183	711



12.17. **Summary of O&M Expenses**

12.17.1. Since NMIAL expects commencement of operations from 31st May 2025, Airports Related O&M Expenses for FY2025-26 has been calculated proportionately 10 months for projecting in the ARR.

12.17.2. The summary of aeronautical operation and maintenance expenditure for the FCP is as follows:

S No.	Particulars	FY26	FY27	FY28	FY29	FY30	Total
1	Manpower expenses	115	130	146	160	258	809
2	Utility expenses	147	157	170	189	387	1,050
3	IT expenses	40	46	50	55	112	304
4	Rates & Taxes	Requested to be allowed on actual incurrence basis					
5	Corporate Allocation	80	88	97	106	117	488
6	Collection Charges on UDF	3	4	5	5	7	23
7	Administrative Expenses	30	34	38	42	84	228
8	Insurance	20	22	25	27	64	159
9	Repairs & Maintenance	172	181	193	195	196	938
10	Other Operating expenses	110	121	133	146	288	798
11	TNLC Charges	123	123	133	148	144	671
12	Concession fees (fixed)	5	5	9	10	10	39
13	Independent Engineers Cost	5	6	6	7	7	31
14	Digitization Cost	110	121	133	146	161	672
15	Financing Charges and Others	48	108	171	201	183	711
16	Total (Airport related)	1,008	1,146	1,308	1,438	2,020	6,920
17	Cargo operating expenses	273	498	695	765	1,073	3,304
18	Fuel Farm operating expenses	17	29	35	37	61	180
19	Grand Total (16 + 17 + 18)	1,298	1,673	2,038	2,240	3,154	10,403
	Opex for ARR Purposes (10 months for FY25-26)	1,137	1,673	2,038	2,240	3,154	10,243



13. Inflation considered for FCP

13.1. As per RBI Forecaster Survey 91st round dated 6th December 2024, the projection of inflation is as follows: -

Year	WPI All commodities
FY2025-26	Mean as 3.0%

13.2. NMIAL has assumed inflation as 5% for all years in the FCP starting from FY2025-26 onwards, while projecting both capital expenditure and operating expenditure wherever applicable.



14. Non-Aeronautical Revenue for FCP

- 14.1. NMIAL has outsourced all non-aeronautical businesses to the Master Concessionaire with emphasis on:-
- 14.1.1. High standards of airport services, safety and security
 - 14.1.2. Functionality and flexibility
 - 14.1.3. Deployment of modern information technology systems and equipment
 - 14.1.4. Environment friendliness
 - 14.1.5. Cost effectiveness
 - 14.1.6. Ability and willingness to provide a high level of customer service at competitive prices
 - 14.1.7. Experience and expertise in provision of non-aeronautical services with innovation in concept and design
 - 14.1.8. Experience and expertise in city side development to meet the requirements of the travellers
 - 14.1.9. Follow good industry practice in performing the Airport Services
- 14.2. The process for selection and appointment of Master Concessionaire was carried out through a global competitive bidding process as per the terms of the Concession Agreement. The RFP for the tendering process was issued in December 2023 and a Master Service Agreement has been signed on 21st September 2024.
- 14.3. NMIAL has complied with all necessary requirements as per Concession Agreement as mentioned in Clause 5.6 reproduced below.

Clause 5.6

5.6.1 The Concessionaire agrees and undertakes that it shall procure contracts, goods and services for the construction and operation of the Airport in a fair, transparent and efficient manner, and without any undue favour or discrimination in this behalf. In pursuance hereof, it shall frame a procurement policy specifying the principles and procedures that it shall follow in awarding contracts for supply of goods and services, and shall place the policy on its



website for the information of general public and all interested parties. The policy shall also include the principles and procedures to be followed for sub-licensing or grant or allocation of any space, building, rights or privileges to private entities in the Airport.

5.6.2 For procurement of goods, works, services, sub-licenses or any other rights or privilege where the consideration (including deposits in any form in respect thereof) exceeds Rs. 25,00,00,000/- (Rupees Twenty Five Crore) in any Accounting Year (collectively, the "Contracts"), the Concessionaire shall invite offers through open competitive bidding by means of e-tendering and shall select the awardees in accordance with the policy specified under Clause 5.6.1. The Parties agree that the Concessionaire should pre-qualify and short-list the applicants in a fair and transparent manner for ensuring that only experienced and qualified applicants are finally selected on arm's length basis in a manner that is commercially prudent and protects the interests of the Users. The Parties further agree that the Concessionaire shall not enter into any Related Party Transaction or a Contract with any Related Party except (a) after the prior written approval of the Authority as a reserved item/ affirmative action, in accordance with the terms of the Shareholders' Agreement; and (b) such transaction is on arm's length basis and is in compliance with the provisions of the Companies Act, 2013. The Parties also agree that before granting any consent hereunder, the Authority shall be entitled to seek any information as it may reasonably require in relation to the Contract and the Related Party with whom the Contract is proposed to be executed including but not limited to the commercial information concerning such Contract and in the event the Authority does not approve or reject the proposal within 30 (thirty) days of the date on which the required information has been provided, it shall be deemed that the Authority has no objection to such Contract.

5.6.3 Notwithstanding anything contained contrary elsewhere, the Concessionaire shall adhere to the following contracting principles in respect of any of the Related Party Transactions:



(a) No shareholder of the Concessionaire, and/or Key Managerial Personnel that has an interest in the contract, can be involved in the design of the contract, or the contracting process or decision-making.

(b) Where a shareholder of the Concessionaire, Key Managerial Personnel or any Related Party intends to tender for the contract, an independent probity auditor must be appointed to review and monitor the tender to ensure a complete arms' length arrangement. It is clarified that the independent probity auditor shall not be a Related Party of the Concessionaire or any of its shareholders. Concessionaire shall agree to the appropriate terms of reference and the selection procedure of the independent probity auditor as laid down by the Authority.

(c) The Concessionaire shall constitute an audit committee headed by a nominee of the Authority which would be responsible for auditing all the Related Party Transactions. The Board of the Concessionaire shall provide the terms of reference of the audit committee at the time of its constitution. The Concessionaire shall enter into any Related Party Transaction only after obtaining approval of audit committee in writing. Any amendment/ modification in the terms and conditions of the Related Party Transaction shall also require prior approval of the audit committee.

14.4. The Master Concessionaire's scope:

Part A – Terminal Services at NMIA

Develop, build, finance, operate, maintain, manage and expand the following facilities and services within / near / at NMIA in accordance with best-in-class standards and facilities at comparable airports and good industry practices:

- ▶ Duty free stores
- ▶ Food and beverages outlets
- ▶ Retail outlets
- ▶ Lounges
- ▶ Advertising, sponsorship and promotion opportunities



- ▶ Car parks and ground transportation facilities
- ▶ Transit hotels
- ▶ Banks
- ▶ Business centre
- ▶ Flight catering services
- ▶ Foreign exchange services
- ▶ Freight consolidators/forwarders or agents
- ▶ Left luggage, lost and found, excess baggage
- ▶ Messenger services
- ▶ Porter service
- ▶ Special assistance services
- ▶ Vending machines
- ▶ Meet and assist services
- ▶ Provision of land and space for various stakeholders at Airport, including hangars
- ▶ General Aviation Terminal
- ▶ Various passenger amenities, including but not limited to sim card, child-care room, kids play areas, car rental and hotel reservation counters, digital initiatives, ATMs, spas, entertainment areas and
- ▶ Any other activity for convenience of passengers and enhancement of airport experience.

Part B – Landside development at NMIA

Develop, build, finance, operate, maintain, manage, expand the landside development at NMIA comprising of various facilities and infrastructure for the use by passengers, airlines, meeters and greeters, other stakeholders at airport and city dwellers.

- 14.5. For each year during the term of the Agreement, Master Concessionaire will pay to NMIAL an amount arrived by multiplying the revenue share percentage i.e. 10.05% of Gross Revenue of Master Concessionaire in that year.



14.6. Following table summarizes the projection for non-aeronautical revenues at NMIAL:-

Particulars (Rs. in Crs)	FY23	FY24	FY25	FY26	FY27	Total
Revenue from Master Concession	30	53	67	73	124	347
Total Non-Aero Revenue	30	53	67	73	124	347

15. Aeronautical Income Tax for FCP

- 15.1. The computation of Aeronautical income tax has been made based on regulatory books. Further, the aeronautical segment has been treated as a standalone entity with its own tax computations.

Supreme Court judgement dated 10th July 2022 whereby it is mandated to prepare income tax as per regulatory books.

113. In the overall scenario, it is the TR which is crucial where 'T' is only a component. No one is saying that a different methodology and not the common practice has to be followed for payment of tax. It is for the component 'T' to be calculated in the formula for TR that 'T' has been defined. 'T' has to be computed based solely on regulatory accounts prepared by AERA for the TR formula.

- 15.1.1. 30% of Non-Aeronautical income which was reduced while calculating the ARR and corresponding Aeronautical revenues streams, are added back to reflect the comprehensive aeronautical revenues for the Airports. This is in line with AERA Guidelines as mentioned below.

As per AERA guidelines 5.5.1 as provided below, corporate tax paid on **income from assets/ amenities/ facilities/ services** (emphasis) taken into consideration for determination of Aggregate Revenue Requirement (ARR) will be considered for calculation of taxation component of ARR. Clause 5.5 of the AERA Guidelines is reproduced below:

5.5. Taxation (T)

5.5.1. Taxation represents payments by the Airport Operator in respect of corporate tax on income from assets/ amenities/ facilities/ services taken into consideration for determination of Aggregate Revenue Requirement.

5.5.2. The Authority shall review forecast for corporate tax calculation with a view to ascertain inter alia the appropriateness of the allocation and the calculations thereof.

Explanation: For avoidance of doubt, it is clarified that any interest payments, penalty, fines and other such penal levies associated with corporate tax, shall not be taken into consideration for calculation of Taxation.



It is also relevant to note that TDSAT in its judgement for DIAL, MIAL and GHIAL dated 21st July 2023, 6th October 2023 and 14th February 2024 respectively has directed AERA to consider 30% of Non-Aeronautical Revenue in the calculation of "T" because it partakes the character of Aeronautical Revenue in the calculation of ARR as per the aforesaid formula. Extract from TDSAT's Order for DIAL, MIAL and GHIAL as mentioned above is reproduced below for ready reference:

DIAL

"140. AERA's contention that including S- Factor in calculation of Tax will result in an artificial tax benefit and overstate aeronautical tax is also misconceived and misleading. S factor has been considered in aeronautical Profit & Loss to arrive at Aeronautical Profit Before Tax (PBT) and the allocation of actual tax paid by DIAL is in the ratio of Aeronautical and Non-Aeronautical PBT and thus will not result in creation of artificial tax. Further, inclusion of S Factor in Tax and consequent consideration of S Factor as aeronautical revenue will provide true aeronautical profit and accurate base to calculate 'T'.

141. AERA's observation regarding reduction in the level of cross subsidy is also misconceived in as much as the non-aeronautical revenue cross subsidizes aeronautical revenue and the tax is only resultant on the profit earned and thus, the cross subsidy is nothing but a part of recovery of eligible aeronautical revenue only and thus has to be considered while drawing aeronautical Profit & Loss."

145. ...This definition cannot be amended nor the formula can be amended by AERA. AERA has presumed that T is equal to amount of corporate taxes paid by the appellant. This definition cannot be amended nor the formula can be amended by AERA. AERA has presumed that T=corporate taxes paid by the Appellant. This addition of the words, neither in the definition nor the formula is permissible because it is an agreement between the appellant and the Government of India. We, therefore, quash and set aside observations of AERA for 2nd Control Period as well as for 3rd Control Period, so far as they are related to exclusion of "S" factor as part of aeronautical base, while determining aeronautical taxes (i.e. T). We, hereby hold to include "S"-factor as part of aeronautical revenue base while determining aeronautical taxes (i.e. T), for 2nd as well as 3rd Control Period.



Thus, in view of the aforesaid facts and reasons, Issue No. IV is answered in affirmative. "S-factor" should be considered as a part of Aeronautical Revenue Base while determining Aeronautical taxes (i.e. T), and consequently true up has to be given for the earlier control periods also."

MIAL

"398. It is highly appurtenant to keep in mind that in the formula of Target Revenue ($TR_i = RB_i \times WACC_i + OM_i + D_i + T_i - S_i$), T is to be calculated as an amount equal to corporate taxes on earnings pertaining to aeronautical services as defined in SSA meaning thereby to irrespective of the fact that tax is actually paid or not, but, amount equal to corporate taxes on the earnings pertaining to aeronautical services (including upon the amount of S-factor should be added as T in the formula of Target Revenue) and, therefore, one of the reason given by AERA for the aforesaid issue that MIAL is not likely to pay income tax on the revenue earned during the 3rd Control Period is devoid of any merit. It has been further observed by AERA in the impugned order that as and when MIAL will pay the Income Tax for the 3rd Control Period in the true up process in the next control period, the said amount of tax will be taken into consideration. This observation is also devoid of any merit for the reason that in the formula of target revenue as stated hereinabove, the component of an amount equal to "T" has to be added and the methodology to calculate "T" is an amount equal to corporate taxes on earnings pertaining to aeronautical services (including the amount upon "S" factor), irrespective of the fact that whether actually the taxes are paid or not. The payment of tax to income tax authority and calculation of target revenue are two different things. The formula of a target revenue is an agreed formula as per the agreements between the appellant and the Government of India. Thus, the T factor is equal to an amount of corporate taxes. AERA has presumed that T is equal to amount of corporate taxes paid by the appellant. This definition cannot be amended nor the formula can be amended by AERA. AERA has presumed that T=corporate taxes paid by appellant. This addition of the words, neither in the definition nor the formula is permissible because it is an agreement between the appellant and the Government of India. We, therefore, quash and set aside observations of AERA, so far as they are related to exclusion of "S" factor as part of aeronautical base, while determining aeronautical taxes (i.e. T). We, hereby hold to



include "S"-factor as part of aeronautical revenue base while determining aeronautical taxes (i.e. T).

399. Thus, in view of the aforesaid facts and reasons, Issue No. XXIII is answered in affirmative. "S-factor" should be considered as a part of Aeronautical Revenue Base while determining Aeronautical taxes (i.e. T), and consequently true up has to be given for the earlier control periods also."

GHIAL

"423. The aforesaid facts of the matter have not been properly appreciated by AERA, and therefore, the decision of AERA not to consider 30% of Non-Aeronautical Revenue (NAR) as part of Aeronautical Revenue Base for computation of aeronautical taxes is incorrect, improper and unjustified.

424. We, hereby direct AERA to consider (i) the calculation of "T" on 30% of Non-Aeronautical Revenue because it partakes the character of Aeronautical Revenue in calculation of ARR as per the aforesaid formula, (ii) the aeronautical taxable income computed as per the normal provisions of the Income Tax Act, 1961."

- 15.1.2. Aeronautical Operational & Maintenance Expenses are considered as per Chapter 12 above.
- 15.1.3. Premium (revenue share) as mentioned in Clause 26.2.4 of the Concession Agreement is not considered as expenditure in line with Supreme Court judgement dated 11th July 2022 in case of DIAL and MIAL and in line with recent tariff orders issued for various Airports by AERA.
- 15.1.4. Depreciation has been considered based on regulatory books of accounts.
- 15.1.5. Interest Cost has been considered based on regulatory books of accounts (i.e. RAB * Avg. Cost of Debt * 48% Gearing Ratio)
- 15.2. The following table summarizes the aeronautical income tax projections as per the above assumptions for NMIAL:



Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Aero Revenues	3,856	6,417	7,943	8,424	13,225	39,865
Add 30% Non-Aero Revenues	9	16	20	22	37	104
Less Aero Operating Expenses	(1,090)	(1,565)	(1,867)	(2,039)	(2,971)	(9,532)
Less Depreciation	(1,020)	(1,309)	(1,341)	(1,333)	(2,181)	(7,184)
Less Interest Cost	(593)	(1,175)	(1,185)	(1,153)	(1,910)	(6,015)
Aero PBT	1,163	2,384	3,570	3,921	6,201	17,238
Tax expenses @25.17%	293	600	899	987	1,561	4,339



16. Pre-COD Losses

- 16.1. NMIA, being a greenfield airport project, incurred certain expenses before commencement of Commercial Operations. As per accounting principle (reproduced below), these costs are not eligible to be capitalised, being not directly attributable to the project construction cost. Hence these costs are charged to profit & loss account during the construction period.
- 16.2. Such expenses included Director's Sitting Fees, Rates and Taxes, Professional & Consultancy Charges, Audit Fees, etc. Net loss during pre-COD period is Rs. 33 Crs (Rs. 80 Crs in Present Value as on 31 Mar 2025).
- 16.3. To avoid any financial loss to NMIAL (due to accounting norms), it is requested that these expenses incurred and charged to profit & loss account during the construction phase to be added to the Aggregate Revenue Requirement (ARR) for the First Control Period suitably. For the time being, NMIAL has considered it as one time pre-COD loss and added it in ARR along with the carrying cost. However, we will be guided by AERA to allow such expenditure, either as Capital Expenditure or as Operating Expenditure.

Pre-COD Losses			
Expense	Rs. in Crs	Year	Description
Rates & Taxes	2	FY18	Fee For Form SH-7 (alteration of share capital)
	17	FY19	Stamp duty paid on debt facility
	1	FY19	Stamp Duty on issuance of equity shares and various financing agreements.
Admin Expenses	10	FY19	Rs. 8.75 Crs - Upfront Fees for loan approval Rs. 1.01 Crs - Legal Advisory Services
	5	FY19	Social Welfare Contribution
Miscellaneous	9		
Total Expenses	45		
Less: Various Items	12		
Pre-COD Losses	33		



Accounting Norms (both IGAAP and Ind AS 16) stipulate the following:

An item of property, plant and equipment that qualifies for recognition as an asset should be measured at its cost.

Elements of cost

The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.



17. Airport Service Quality

17.1. With respect to the Airport Service Quality obligations of NMIAL the Concession Agreement has defined them *“as set forth in Annex I of Schedule I”*.

17.2. These service qualities have been summarized on the basis of performance indicators, measures, measurement mechanisms and measurement frequency. NMIAL is committed to abide by the following ASQ performance indicators mentioned in Annex I of Schedule I:

Sr. No.	Performance Indicator	Performance Measure	Minimum Performance Standard											
1	Transfer Process	Minimum connect times for 80% of the transfer passengers	Domestic/International: upto 75 minutes International/International: upto 60 minutes Domestic/Domestic: upto 60 minutes											
2	Terminal Services	Handling of complaints	100% of complaints responded to within 2 working days											
		Response to phone calls	90% of the calls answered within 60 seconds											
		Availability of Flight Information	98% availability											
		Automated services	98% availability											
		Lifts, escalators and travellers etc.	98% availability											
		Repair completion time	95% of high priority complaints within 4 hours, 95% of others within 24 hours											
		Baggage trolleys	100% availability											
		Cleanliness	Achieve a satisfactory rating for 95% of all inspections											
		Availability of wheel chairs	100% of time within 5 minutes											
		Facilities for Disabled Passengers	100% of time within 5 minutes											
3	Check-in	Maximum queuing time	<table border="1"> <thead> <tr> <th>Service</th> <th>Class</th> <th>Parameter</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Traditional (Standard) boarding pass</td> <td>Business Class</td> <td>5 minutes</td> </tr> <tr> <td>Economy Class</td> <td>20 minutes</td> </tr> <tr> <td>Self serving</td> <td>Business Class</td> <td>3 minutes</td> </tr> </tbody> </table>	Service	Class	Parameter	Traditional (Standard) boarding pass	Business Class	5 minutes	Economy Class	20 minutes	Self serving	Business Class	3 minutes
Service	Class	Parameter												
Traditional (Standard) boarding pass	Business Class	5 minutes												
	Economy Class	20 minutes												
Self serving	Business Class	3 minutes												

Sr. No.	Performance Indicator	Performance Measure	Minimum Performance Standard			
			Boarding pass	Economy Class	5 minutes	
			Self-service baggage	Business Class	2 minutes	
				Economy Class	5 minutes	
4	Security Check	Waiting time in queue	95% of Peak Hour passengers wait less than 5 minutes with an average dwell time at the security check point of 45 seconds per passengers			
5	Immigration	Waiting time in queue	95% of passengers wait less than 10 minutes with an average dwell time at the immigration counter of 120 seconds per passengers			
6	Baggage delivery	Time for bag delivery from aircraft arrival	Domestic – First Bag 10 minutes, last bag 30 minutes from on blocks time International - First Bag 15 minutes, last bag 40 minutes from on blocks time			
7	Passenger arrival process	Time taken from aircraft arrival to kerbside	International – 95% of passengers take less than 45 minutes Domestic – 95% of passengers take less than 35 minutes			
8	Passenger boarding bridges	% of aircraft movements served to meet airline request	International – 90% of annual passengers Domestic – 90% of annual passengers travelling on A/C B737/A320 or larger unless not required by airlines			
9	Parking bays	% time available	99%			
10	Runway system	Delays to arriving /departing aircraft	Average annual delay per aircraft: 4 minutes or better based on provision of International Standard ATC procedures and equipment as per CNS/ATM Agreement			
11	Vehicle parking	Average time taken to find parking space including the time taken for payment of parking fee or collection of ticket	95% of drivers take less than 5 minutes			
		Average time from parking slot to the exit gate including the time for payment of parking fee	95% of drivers take less than 5 minutes			
12	Taxis	Maximum waiting time	95% of passengers wait less than 5 minutes			
13	Gate Lounges	Seating availability	80% of aircraft capacity			



Sr. No.	Performance Indicator	Performance Measure	Minimum Performance Standard
14	Land side access	Travel time on terminal frontage road	95% of vehicles to have travel time less than 8 (eight) minutes for the distance between the entry barrier and the exit barrier of the terminal frontage road upto 1,000 (one thousand) meters, then the 8 (eight) minutes should be increase by 1 (one) second for every 4 meter increase in the distance of 1,000 (one thousand) meters rounded upto the nearest minute



18. Aggregate Revenue Requirement (ARR) for FCP

18.1. Based on the above analysis, NMIAL estimates the present value of aggregate revenue requirement for the airport related services (including Cargo handling and Fuel farm services) to be Rs. 28,290 Crs. The following table summarizes the ARR of NMIAL for the FCP:

Particulars (Rs. in Crs)	FY26	FY27	FY28	FY29	FY30	Total
Add: FRoR on RAB @15.45%	2,661	3,262	3,101	2,912	5,281	17,217
Add: Operating expenses	1,138	1,673	2,038	2,240	3,154	10,243
Add: Depreciation	1,020	1,309	1,341	1,333	2,181	7,184
Add: Taxes	293	600	899	987	1,561	4,339
Less: 30% Non-Aeronautical Services	(9)	(16)	(20)	(22)	(37)	(104)
Add: Pre COD Losses	80	-	-	-	-	80
ARR (a)	5,182	6,829	7,359	7,449	12,140	38,959
Discounting Factor applied to compute present value	1.00	0.87	0.75	0.65	0.56	
Present Value (PV) of ARR (b)	5,182	5,914	5,521	4,840	6,832	28,290
Traffic 5 years total (c)						109.19
Yield per pax (YPP) (a/c)						3,568
PV Yield per pax (YPP) (b/c)						2,591



19. Annual Tariff Proposal for FCP

- 19.1. As regard to the annual tariff proposal for FCP, it is submitted that in line with the extant practice, the detailed pricing proposal (rate card) will be submitted upon release of consultation paper by AERA.

- 19.2. While submitting this MYTP and specifically for completion perspective, we have considered certain Aeronautical Revenues which is subject to change and detailed pricing proposal to be submitted upon release of consultation paper. We have, based on experience in others Airport, considered exempted Domestic ATM's and Passenger of approx. 3% and 15% respectively for NMIA. Further, in view of Gol/MoCA guidelines, aircraft less than 80-seater and those of RCS category are exempt from landing charges. Further, as per DGCA circular AIC No. 14/2019 dated 16.05.2019 and AIC No. 20/2019 dated 06.11.2019, certain category of passengers (Transit/transfer passengers, Children below 2 years, Diplomatic passport holders, Airline Crew etc.) are exempt from UDF. Accordingly, for the purpose of revenue projection at the time of final order, NMIAL requests the Authority to consider the billable traffic after providing necessary adjustments of the exempted traffic in line with practice adopted across all major airports.



20. Annexures

Annexure Reference	Particulars
A	NMIA Concession Agreement
B	MoU between GoI and NMIAL
C	Traffic Study Report
D	Asset wise Breakup of Project Cost
E	Customs Circular wrt Cost Recovery
F	Letter from Commissioner of Customs for Customs Deployment at NMIA
G	PwC's report on Cost of Equity
H	Facility Agreement for Senior Debt of NMIAL
I	Soft Loan Repayment Deferment Approval Letter from CIDCO
J	ARFF - DGCA Task Force Analysis Report
K	Calculation of ILBHS Manpower Count
L	Approval for Deferment of Repayment of Water Resource Development Charges
M	CNS-ATM Agreement with AAI
N	AAI letter reg CNS-ATM at NMIAL
O	ANS charges order
P	Independent Engineer Engagement Letter
Q	Sanction Letter from SBI
R	Performance Security BGs given to CIDCO
S	Signed financials from FY 2016-17 to 2023-24 and December 2024
T	Loan Agreement between NMIAL and AAHL
U	Pre-Development works cost details – January 2025
V	Forms under AERA Guidelines