

AIRPORTS ECONOMIC REGULATORY AUTHORITY OF INDIA

MINUTES OF THE STAKEHOLDERS CONSULTATION MEETING HELD ON 25th March 2025 AT 2:30 PM IN HYBRID MODE AT INDIAN AVIATION ACADEMY, VASANT KUNJ, NEW DELHI REGARDING THE CONSULTATION PAPER NO. 08/2024-25 IN THE MATTER OF DETERMINATION OF AERONAUTICAL TARIFF FOR CHHATRAPATI SHIVAJI MAHARAJ INTERNATIONAL AIRPORT, MUMBAI (CSMIA) FOR THE 4TH CONTROL PERIOD (FY 2024-25 TO FY 2028-29)

For ensuring transparency in the process of determination of tariff for aeronautical services, Section 13(4)(a) of the Airports Economic Regulatory Authority of India Act, 2008 ("AERA Act") empowers AERA to undertake Stakeholders Consultation Meeting in the wider interest of all the stakeholders including the public. Accordingly, a Stakeholders Consultation Meeting was convened by the Authority on 25th March 2025, at 2:30 PM in hybrid mode at Indian Aviation Academy, Vasant Kunj, New Delhi to hear the views / suggestions / comments of the stakeholders on the proposals made in the Consultation Paper No. 08/2024-25 issued by the Authority on 10.03.2025 in the matter of determination of Aeronautical Tariff for Chhatrapati Shivaji Maharaj International Airport, Mumbai (CSMIA) for the 4th Control Period (FY 2024-25 to FY 2028-29).

The list of participants is enclosed at **Annexure-I**.

1. At the outset, Chairperson, AERA, extended a warm welcome to all the participants attending Stakeholders Consultation meeting. He stated that CSMIA is the 2nd largest airport of the country with passenger traffic of 53 million as against the total passenger traffic of 376 million across various airports in the country for FY 2024 i.e. around 14% of the total passenger traffic of the country. Since the Airport is in the commercial capital of the country and is of prime importance, AERA has given wide publicity for their stakeholder meeting by issuing advertisements in the leading newspapers so as to ensure maximum participation of stakeholders. He stated that the Consultation Paper in respect of CSIA, Mumbai prepared by AERA, was put up on the public domain on 10th March 2025 and on the 15th day from the release of Consultation Paper, stakeholders meeting is being held today to hear the comments/suggestions from the stakeholders and response from the Airport Operator. Subsequent to this, another 15 days' time will be given to all the stakeholders to submit their views/comments/feedback in writing. Chairperson, AERA requested all the stakeholders to share their comments, views and suggestions in today's meeting that is being conducted in hybrid mode and thereafter submit written comments too.
2. Chairperson, AERA mentioned that the Fourth Control Period for CSMIA begins from 01.04.2024 and it is a five-year Control Period as per the provisions of the AERA Act. He stated that AERA received

the Multi-Year Tariff Proposal (MYTP) from the Airport Operator on 6th June 2024. Chairperson clarified that AERA's tariff determination process is a very comprehensive, long drawn and detailed exercise which takes substantial time. AERA as per the usual practice had engaged a Consultant for the tariff determination exercise and to undertake a thorough analysis for each Regulatory Building Block, perform due diligence checks, and also compare and verify relevant documents and financial statements, in order to assess the MYTP submitted by the Airport Operator. The Consultation Paper contains the proposals of the Airport Operator and also AERA's tentative proposals based on its due analysis, assessment, evaluation and prudence checks.

3. Against the Target Revenue submitted by the Airport Operator to the tune of almost 38,000 Crores, AERA rationalized the same to around Rs.7,600 Crores. Based on the above, the tariff increase of 675% proposed by MIAL got rationalised to 18%. CAPEX of Rs.17,400 Crores was submitted by the Airport Operator for airside improvements, passenger terminal and associated works, ancillary building and development works, operational CAPEX works and kerbside improvements. Against this, AERA has proposed to allow Rs. 7,100 Crores. The O&M expenses were rationalized from Rs. 7,200 Crores to Rs. 5,200 Crores, and the Non -Aeronautical Revenues of Rs. 5,700 Crores submitted by the Airport Operator has been assessed/rationalised upwards to around Rs. 12,000 Crores. Accordingly, post all the Regulatory Building Block wise rationalizations, the Target Revenue has been assessed to around Rs. 7,600 Crores (Rs. 5,000 in PV terms) and the tariff increase to around 18% over the prevailing tariff. The yield per passenger for CSMIA works out to around Rs. 437 per departing passenger.
4. Chairperson, AERA mentioned that this overall context is being provided to the participants to ensure meaningful deliberations and discussions during the meeting. Chairperson, AERA also brought to the notice of all the participants the important provisions of the AERA Act, and mentioned that the tariff determined as per the provisions given under section 13 of the AERA Act has to inter-alia take into consideration the capital expenditure; timely investment in improvement of airport facilities; the services provided, including its quality, continuity and reliability; cost for improving efficiency; economic and viable operations of the airport; revenue received from services other than the aeronautical services; the concessions offered by the Government etc.
5. Chairperson, AERA reiterated that the AERA Act categorically provides for ensuring transparency in the entire tariff determination exercise by holding a consultation meeting with all stakeholders and allowing them to make their submissions, and also ensuring that all tentative proposals/decisions of the Authority are fully documented and explained.
6. Chairperson re-iterated that written comments from stakeholders can be provided within 30 days' from the issuance of the Consultation Paper, and that counter comments from the Airport Operator have to be provided within 10 days thereafter. Based on the same, the final tariff order would be issued.

Chairperson, AERA then welcomed the team from CSMIA headed by Sri. Prakash Tulsiani, Chief Executive Officer, MIAL. He also welcomed all the participants present and joined through online and specially acknowledged the presence of representatives from various Airport Operators; senior officials from the Airports Authority of India (AAI); Independent Service Providers (ISPs) such as Express Industry Council of India, Airline Operators Committee, Federation of Indian Airlines, representatives of Airlines like Indigo, SpiceJet and other Associations like Association of Private Airport Operators, International Air Transport Association, Air Travelers Association, Brihanmumbai Custom Brokers Association, T&C Department, CIDCO Ltd., Navi Mumbai and the Public Mercados Energy Markets etc.

The Chairperson then invited officials from MIAL to make a presentation.

7. Mumbai International Airport Limited (MIAL):

Mr. Prakash Tulsiani, CEO greeted everyone and introduced the COO of MIAL, Mr. Hitarth Mankodi and Mr. Vishnu Jha.

a. Adani Airport Strategy and Aviation Sector Outlook

- The Adani Group forayed into civil aviation with a vision to leverage its rich experience of building stellar infrastructure for transforming Indian airports.
- Adani Airports Purpose- To be the most admired trendsetting Airport enterprise creating lifestyle destinations for communities to experience the world, while delivering sustainable value for stakeholders
- Strategic Focus Areas- Emphasizes customer centricity, technology-driven innovation and digitization to enhance operational efficiency and passenger satisfaction. Dedicated to environmental sustainability and contributing to India's progress through responsible and continuous development.
- Global Context- Airports play a vital role in job creation, GDP growth, and tourism expansion. India is the fastest-growing major economy, with a booming middle class and rising disposable income driving domestic and international travel. The aviation sector shows strong growth (6.1% CAGR for passenger traffic, 7.5% for freight) and is key to enhancing global connectivity and boosting international tourism.
- Key highlights of the Indian Aviation Market- India is the 7th largest aviation market and is set to become 3rd largest by 2026 (as per IATA). As per ICAO, India's aviation safety global ranking jumped from 102 to 48, and India is set to become world's 2nd largest consumer market by 2030. Indian aviation has grown at a CAGR of 16% from FY 15 to FY 19 and the sector expects an additional 25 Airports to be privatized over the next 3 years.
- Indian Aviation Outlook (Next 5 years) – Expected to reach 400 million Pax p.a. by 2027 & ~1.1 bn pax p.a. by 2040. Airlines are expected to add 15% fleet capacity Y-o-Y to reach 1200 aircraft by 2027. Airports to go for a digital makeover by unleashing the power of technology. India is expected to have

220 operational airports by 2027 from current ~140 and 31 cities are expected to have two airports by 2040. India is expected to witness an investment of Rs 98,000 crore in airports by 2026.

b. Background of CSMIA

- Established in 1930, CSMIA Airport has a 90-year legacy. Key milestones include signing of OMDA with Initial Master Plan in 2006, groundbreaking of T2 in 2009, with phase 1 and phase 2 inaugurated and commissioned in 2014 and full completion by 2016. In 2019, CSMIA handled 1000+ ATMs a day and in 2021, Adani Airports took over the operations, focusing on differentiation and competing with global hubs.
- MIAL is the India's second busiest Airport with over 54.8 Mn pax in the CY 2024 and average daily 900 plus ATM's and 150k passengers.

c. Awards, Accolades and Certifications

- Declared 'Best Airport over 40 million passengers' in Asia Pacific by Airports Council International (ACI) in March 2025.
- ACI level 5 Accreditation certificate was issued by ACI to CSMIA in Customer Experience - 18th December 2024.
- Received 'Outstanding Achievement – Diamond Rating' in Emission Reduction from the Global Energy and Environment Foundation - February 12, 2025.
- CII 25th National Award for Excellence in Energy Management in September 2024.

d. CSMIA Overview

- CSMIA caters to 66 domestic destinations – Delhi, Bangalore and Goa being the top 3, and 52 International destinations - Dubai, Abu Dhabi and London being the top 3.
- Currently, 84% of long-haul and 25% of short/medium-haul travellers use hubs outside India. With a growing aircraft order book, strong government support, and a vast home market, India can become a key transit hub for South Asia. Infrastructure upgrades, including T1 redevelopment, are critical to meeting rising demand, enhancing passenger experience, and competing globally.
- Currently, with both T1 & T2 operational, the total traffic demand exceeds supply, therefore a world-class Terminal is required. Thus, T1 needs to be re-constructed to meet the world-class comfort levels.
- With 59 airlines (7 domestic and 52 international), 54 million annual passengers, 329k annual ATMs, and 0.89 MnT cargo volume per year, CSMIA delivers operational excellence via High Intensity Runway Operations.

e. Projects Undertaken

- **Taxiway Zulu:** Dual-use Taxiway operates as taxiway during daytime and as a stand at night which resulted in reduction in aircraft holding time, which helped to reduce 360 tons of Aviation Turbine Fuel (ATF) annually and lower the CO2 emissions.

- **Smart Apron:** Facilitates Real Time Monitoring, Resource Optimization, Safety and Compliance and Lower CO2 emissions.
- **Thermosense- IoT based temperature Sensing:** Real-time temperature monitoring solution curated using ~200 IoT devices across passenger zones ensures a greener, and more energy efficient terminal.
- **Self-Bag Drops:** 25 new Self-Bag Drops installed at T2. They facilitates self-service, reduced wait times at check in and cost savings for airlines.
- **Digital Gateway + Digi Yatra:** 241 eGates across both Terminals (largest number in the country), leads to reduced wait time at terminal entry.
- **D2D transfer:** Less than 25 min MCT leading to efficient operations for airlines, grants direct access to domestic departure concourse and ensures swift passenger connections.
- **Security Check Expansion at T2:** Leads to 103% increase in queuing area and 16% increase in processing capacity.
- **T2 New domestic transfer facility (I to D):** ~20 mins of walking time saved, results in main PESC decongestion and enhancement of T2 security check processing capacity.
- **Fast Track Immigration - Trusted Traveller Programme:** Implementation of Government-led Fast Track Immigration-Trusted Traveller Programme streamlines immigration for Indian passport holders and OCI cardholders, leading to faster clearance, reduced congestion and enhanced passenger convenience.
- **Commissioned Disabled Aircraft Recovery Kit (DARK) to recover aircraft:** CSMIA is the first airport in Asia to have commissioned a DARK facility with High Pressure lifting bags. CSMIA can respond swiftly and efficiently to runway excursions and aircraft incidents, minimizing Flat Tyre Dolly operational disruptions.
- **State of the Art- Airport Operations Control Centre:** Developed the previous outdated one, incorporating innovation and technology.
- Mumbai Airport is on track to achieve Net Zero by 2029, focusing on sustainability through multiple initiatives.

f. Master Plan

- CSMIA is undergoing major infrastructure upgrades to enhance capacity, efficiency, and passenger experience. The Master Plan focuses on optimizing runway operations, expanding terminal facilities, and addressing land constraints in the city's dense urban environment.

g. Existing Airport Facilities

- CSMIA has two runways: 09/27 (3,448m x 60m) and 14/32 (2,871m x 45m)
- Runway 27 is the primary runway, handling 95% of the total Air Traffic.
- Runway 27 is equipped with a CAT II ILS to support operations in low-visibility conditions.

- Current Runway Capacity: 44 Air Traffic Movements per hour, with ongoing work to increase this capacity in collaboration with AAI
- 131 Aircraft Parking Stands. However, 17 are occupied by Aircraft on Ground, limiting operational flexibility.
- Bus Gates: 31 total (T1: 23, T2: 8) to manage peak-time passenger movements efficiently.
- Fully equipped with CAT 10 ARFF is essential navigational aids.

h. Major Projects Proposed

- Taxiway M Extension: Fire station relocated to facilitate expansion and work currently underway.
- T1 Redevelopment: Increased capacity to improve efficiency and passenger experience.
- Tunnel Construction: New T1-T2 tunnel to improve connectivity between terminals.

i. Land Constraints & Expansion Challenges

- Airport surrounded by slums, restricting expansion.
- Discussions ongoing with AAI for slum rehabilitation to free up land for development.

j. Capacity Expansion Plans

- New aircraft stands at T2 to accommodate rising air traffic.
- Collaboration with AAI to increase the number of ATMs

k. Current Progress of the Projects

- ILS Runway 14 –Frangible Hut and Glide path hard stand completed, localizer in place.
- Taxiway M (West Side) – Fire station relocated. Work is in progress, expected completion pre-monsoon.
- Perimeter Road – Work is in progress.
- NAD Colony – Various buildings under construction with one block completed
- Self-Bag Drop Systems – 25 installed, 200 more to be ordered on a hybrid model.
- Main Fire Station – Under construction, temporary facility is operational.
- Approach Road to T2 – Work underway to reduce congestion.

l. Proposed Tariff Rate Card

- CSMIA is restructuring its charges to include landing, parking, and user development fee, a model which is in line with the global airports. Landing charges will be reduced, while the UDF will ensure a balanced revenue approach.
- MIAL has proposed approx. 35% decrease in landing & Parking charges and removal of aerobridge charges.

- MIAL has proposed to introduce domestic UDF of Rs. 325 per pax and increase international UDF to Rs. 650
- Rebalancing of Aero Charges in line with industry benchmarks (60% from UDF and 40% from Landing & Parking).

m. Important Points on Consultation Paper issued by the Authority

- Court Matters –Non-Implementation of settled TDSAT orders.
 - In the absence of any stay order on TDSAT Judgments, MIAL requested the Authority to implement the TDSAT judgements.
 - Alternatively, MIAL requested the Authority to conduct mid term review of the tariff in the event of any Supreme Court Judgment instead of waiting for true-up in fifth control period.
 - MIAL requested the Authority to follow the above principle in the matter of assets covered as part of SCN received from AIA, as the matter has not reached finality.
- Airside Capacity – Substantiation for increase in airside capacity.
 - Gradual increase over the control period with the support of AAI
 - To address airside demand, a comprehensive roadmap is being developed with AAI's support to gradually enhance airside capacity.
 - MIAL has planned multiple airside projects aimed at increasing operational efficiency. Collaboration with all stakeholders will ensure safety and security remain top priorities.
 - Benchmarking studies by NATS with global single-runway airports, such as Gatwick (55 ATMs/hr).
- Terminal 1 – Justification for the need for demolition and reconstruction of T1
 - MIAL plans to demolish and reconstruct Terminal 1 to enhance passenger experience, modernize infrastructure, and increase PAX capacity from 15 million to 20 million, so as to ensure it meets growing demand in the Mumbai region.
- Financing Cost
 - MIAL cited financial challenges faced during the Covid induced aviation downturn phase, which ultimately resulted in losses and deteriorating credit rating, forcing them to take loans with higher interest rates.
 - MIAL requested the Authority to approve the actual borrowing cost without a cap. MIAL also stated the necessity to go for the higher-cost bridge-to-bond loans due to limited funding options available at that point of time to the aviation industry.
- Consistent Approach and SSA Principles in Tariff Determination:
 - MIAL requested the approval of legal expenses as part of O&M costs, stating these are necessary for the legal proceedings in case of land disputes, aeronautical charges, etc., which are critical for airport operations and development.

n. Conclusion

MIAL concluded their presentation by emphasizing their commitment to nation-building, developing world-class airports, and enhancing travel experiences through innovation and digitization. They mentioned that their vision is to transform passenger anxiety into excitement by ensuring seamless and efficient airport operations while maintaining environmental harmony. They stated the focus will remain on operational efficiency, hospitality, and expanding opportunities for travellers in India and globally.

Chairperson, AERA thanked Mr. Prakash Tulsiani for his comprehensive presentation highlighting the facilities created at CSMIA so far, and what is being planned for the future. He then asked Director (Tariff) to conduct further proceedings of the Stakeholder Consultation Meeting.

Director (Tariff), AERA stated that the meeting is being conducted in a hybrid mode with participants attending both physically and online. He then invited all participants one by one to present their views and suggestions.

8. Noida International Airport

Ms. Trisha Bedi, Head Regulatory, Noida International Airport, stated that they had no comments at this stage. However, they would submit their comments, if any in writing within the due date.

9. Express Industry Council of India

Mr. Nitin Dave, representing Express Industry Council of India, mentioned that they do not have any query.

10. Airline Operators Committee, Mumbai

Mr. Victor Denis D'Souza, Chairperson, Airline Operators Committee, Mumbai, mentioned that he had taken note of the points presented by MIAL and will review the same in line with decisions taken in the previous control period orders. He mentioned they would be providing their comments in writing.

11. Brihanmumbai Custom Brokers Association (BCBA)

Mr. Sanjeev Harale, President, BCBA, thanked AERA for the opportunity to participate in the Stakeholders Consultation Meeting. He mentioned that despite Cargo operations in Mumbai being one of the best performing in the Country, the presentation did not specifically covered the cargo.

He mentioned that any rate increase in Cargo should be made only after considering the required infrastructure development, the future plans with timelines and performance appraisals and after due approval of AERA and Ministry of Civil Aviation.

He stated that due feedback should be taken from all the importers, exporters, trade bodies and custom brokers. He spoke about the need for better infrastructure.

He wanted to confirm whether MIAL is governed by AERA, as over the past 2 years, trade bodies have observed that every 6 months, the tariff rates are increased arbitrarily at Mumbai by MIAL without any order from AERA. He sought clarification on whether MIAL falls under AERA's jurisdiction, as MIAL claims it is not governed under AERA.

Director (Tariff) clarified that the matter relating to Cargo and Ground Handling services at CSMIA is sub-judice and currently outside the purview of AERA.

Chairperson, AERA, mentioned that this is a very pertinent issue and clarified that Cargo and Ground Handling services are categorised as Aeronautical Services as per the AERA Act and the AERA Act mandates AERA to determine tariff for aeronautical services. The Act came into force in 2009. However, the Delhi and Mumbai airports were handed over to private operators in 2006, before the AERA Act came into existence and are guided and governed by their OMDA and SSA, under which Cargo and Ground Handling services are categorized as non-aeronautical services. AERA has been determining the rates for cargo in all other Major Airports. In the past, AERA had determined the tariff for Cargo and Ground Handling services in case of Delhi and Mumbai airports too but the Airport Operators went in appeal to the Appellate Tribunal i.e. TDSAT. The Appellate Tribunal TDSAT held that AERA has no jurisdiction for determining the tariff for Cargo and Ground Handling Services at Mumbai Airport. AERA has challenged this in the Hon'ble Supreme Court and the matter is currently sub-judice. AERA feels that cargo and ground handling services are core aeronautical services, and the associated tariff has to be determined by AERA. However, they would have to wait until the court matter is resolved to get complete clarity on the subject. It was also felt that the Airport Operator should not be revising the rates every six months, and before determining the tariff they must take into consideration the views of the cargo handlers and cargo stakeholders.

12. CIDCO

Ms. Bindu Muralidhar, Sr Transportation Engineer, CIDCO, stated that they did not have any query at this stage.

13. Federation of Freight Forwarders' Association in India (FFFA)

Mr Vipin Vohra, FFFA, mentioned that due to the TDSAT judgement, the cargo rates are being increased by MIAL. He opined that MIAL should at least hold consultative meetings and listen to the pain points of the stakeholders. He highlighted the need for making improvements in the warehouse, especially since there has been no improvement in the last few years despite rates having gone up.

FFFA was asked to also send their comments in writing.

14. Brihanmumbai Custom Brokers Association (BCBA)

Mr. Ketan told that their President Mr. Harare has already spoken and thanked for the opportunity given to BCBA. He also mentioned that BCBA would be sending their written comments within the due date.

15. Delhi International Airport Limited (DIAL)

Mr. Harsh Gulati, representing DIAL supported MIAL's request for the implementation of the TDSAT judgments. He also mentioned that DIAL has made similar request to the authority for either the implementation of the TDSAT judgments or a mid-term review, so that the airports are not affected. He noted from the consultation paper that a cap has been given on non-aero revenues. While these may be relevant for some emerging airports where the revenues have not matured, airports like Mumbai or Delhi are leaders in non-aero revenues with historical precedence of growth. When the Authority themselves has gone through the nuances of non-aero revenues, making it a minimum benchmark may not be appropriate since there could be plus and minuses to both sides. He mentioned that they would give their best to increase the non-aero revenues and requested the Authority to see if these can be subjected to true up as has been done for all other building blocks and in the past periods.

On the legal costs, he mentioned that these are integral part of any businesses and are for preserving the rights given to the airport. Legal cost does not mean that the costs are not required for the business. Airport operators otherwise would be required to engage lawyers on their roles or hire legal counsels or legal firms. As a principle, he requested the Authority to relook this proposal and consider their request.

Director (Tariff) stated that this matter has been examined in-depth and it was found that there is a legal division in each of airport. With services and manpower available internally, and hence engaging external consultants alongwith keeping the manpower within the organization is a duplication of expenses. Hence there is a need to rationalise this cost.

16. Grahak Bharti

Mr. Vinod Tiwari, National President thanked AERA for the opportunity provided to the forum for participating in this important stakeholder meeting. He spoke about the issue of Auto Rickshaw Parking at the CSMIA. He also stated that the current layout of the airport is making the waiting time for passengers very long, at nearly 1-2 hours, creating difficulty for passengers especially during the peak hours. He then also mentioned about the exorbitant cost of food inside the airport and suggested that canteen with most reasonable prices should be opened to make it more affordable.

17. Airports Authority of India (AAI)

Mr. L. Kuppulingam, E.D. (JVC/Tariff), AAI, mentioned that AAI would send their comments in writing.

Chairperson, AERA mentioned that the Consultation Paper specifically contains few paras on which the Authority has sought the considered views of AAI. The related paras in the Consultation Paper included:-

- Para 6.2.19 to 6.2.20 pertaining to the Master Plan and T1 demolition.
- Para 6.3.105 to 6.3.133
- Para 9.2.40

Mr. Sujoy Dey, E.D. (Arch), AAI, observed that for planning, the AAI is only interested in peak hour capacities. Currently, the runway can handle 44 ATMs per hour at peak. He mentioned that AAI had the following queries:

- The peak-hour capacities at runway and apron side
- Peak hour capacity of T2, and whether there is any additional capacity left in T2 to handle a bit of additional domestic traffic, in light of the many improvisations MIAL has done to increase the passenger throughput and terminal capacity.
- The present peak hour capacity of T1 and the proposed capacity of reconstructed T1.
- The exact timelines as to when MIAL is planning to stop operations at T1 and when they plan to start again operations in the reconstructed T1.

AAI mentioned that all this information is required from MIAL to see whether the passenger handling capacity would match the Runway capacity / Apron capacity.

Director (Tariff) mentioned that many of these required details are already available in the Consultation Paper.

Chairperson, AERA enquired whether AAI had asked these requirements from the Airport Operator. Mr Sujoy Dey said they have not yet formally done so. Chairperson, AERA observed that since senior officials from MIAL are there at the meeting, AAI can coordinate with them to get clarity. Further, AAI in their response mentions about 44 High Intensity Runway Operations (“HIRO”) and 42 non-HIRO alongwith 2 general aviation flights. But as of date, it is reported that CSMIA has achieved even 49 / 50 ATMs per peak hour. Chairperson, AERA observed that AAI’s letter needs more clarity and requested them to coordinate with Airport Operator to further clarify the matter.

Mr. Sanjeeth Kumar, General Manager (ANS) clarified the disparity between 44 ATMs mentioned in AAI’s letter and the historical achievement of 49 / 50 ATMs. He mentioned that this 44 / 42 ATMs movements are the slots which are given at CSMIA, while the actual ATMs handled by the ATC could at some point be 49 / 50. The reasons for this is that flights may not arrive/depart at their scheduled time. These A-D-A separations could result in higher ATMs being handled at a given point in time.

Further, it was highlighted that AAI may also comment on the NATS Study which talks about CSMIA aiming to achieve 52 to 55 peak hour ATMs. With the new facility and infrastructure planned by the Airport Operator, including proposals which would ensure quicker turnaround of flights at the runway / apron, AAI is expected to specifically comment on the ability of CSMIA to achieve the ATMs mentioned in the NATS Study Report. AAI was requested to give their considered views on the NATS Study Report.

18. Indigo

Mr. Rajan Malhotra, Vice President, Aeropolitical & Industry Affairs, Indigo thanked AERA for the detailed analytical studies put out in the consultation paper. He thanked CSMIA Management for the detailed presentation. He mentioned that they did not have any queries or comments at this stage but stated they would submit their comments in writing within the due date.

19. SpiceJet

Ms. Poonam Yadhav, Senior Manager Ground Services, SpiceJet mentioned that they currently don't have any comments and that they would make a written submission.

20. Air India

Mr. Andrew Jon, representing Air India, mentioned that they would send their questions in writing. On a clarificatory note for the forum, he enquired on how MIAL plans to mitigate the impact as it closes down T1 and makes enhancements to T2.

Chairperson, AERA requested MIAL to respond.

Mr Prakash Tulsiani stated that all the airlines and stakeholders would have to come together for this. He mentioned that MIAL is already engaged in dialogue with all stakeholders and requested this has to be a one-on-one dialogue and that MIAL would resolve this.

21. IATA

Mr. Amitabh Khosla from IATA praised AERA's detailed objective and incisive analysis of the submissions of the airport operator and also thanked MIAL for their detailed presentation. He commended and thanked AERA for the position it has taken in the Consultation Paper on various building blocks. He mentioned that he agrees with a lot of them, including, for example, the treatment for lounges, the correction of non-aero revenues and also the downwards adjustment of the O&M expenses in line with the degrowth in traffic projected on account of the demolition of T1. He also agreed with the detailed scrutiny and analysis undertaken by AERA for the true-up of the second and third control periods. He agreed with AERA on excluding the legal expenses under O&M because it has no bearing on aero charges. He referred to his earlier observations in case of DIAL's Consultation Paper

and stated that he does not believe that airport operators should be allowed to recover legal expenses from users, as by very nature itself, these legal expenses are against the stakeholders themselves. He requested AERA to use the same principle for the previous control periods as well and look at clawing back those legal expenses.

Additionally, on the issue of CAPEX, passenger terminal and the master plan, he mentioned that their own analysis suggests that Terminal Building should be constructed in modular way and a 10 million passenger building would be sufficient for this control period. He mentioned that IATA hopes T1 demolition would have minimum impact on airlines which operate at the CSMIA and that airlines are not forcefully shifted out of the airport. He recommended that the airport operator should not use its dominant position as the operator of the two-airport system in Mumbai to forcefully move traffic around.

He also mentioned that IATA is concerned that CAPEX has not always been incurred in a timely manner in the past. He urged that some safeguards be put in place to ensure that commitments are honoured in a timely manner. He also mentioned that AO has projected an increase in employee cost though there is a dip in traffic due to demolition of T1. So, it would be the expectation that the employee cost be rationalized in accordance with the traffic projections.

On the cost of equity, he supported AERA for rejecting the additional 1% in the cost of equity on account of a risk adjustment. He mentioned that the airport is seeking this on the basis of lower growth, whereas he believes it is the airport operator's own decision for the complete demolition of T1 which will result in this degrowth of the projected traffic. On the cost of debt, he fully agreed with and appreciated AERA for correcting the cost of debt based on the rates that would have prevailed if MIAL had continued with the existing loan arrangements as at the start of the third control period. Additionally, he mentioned that the airport operator's credit ratings leading to inefficiencies in raising debt should not be passed on to the users. He recommended further rationalization of the cost of debt and requested AERA not to include the 150 basis points over the MCLR rate.

22. Association of Private Airport Operators (APAO)

Mr. Satyan Nayar, representing APAO, requested that in relation to court matters where there is no stay granted by the higher court, the orders issued by TDSAT may be implemented. He mentioned that when the Supreme Court gives their order, the authority can always implement that order even with a retrospective effect. He also mentioned that cost of debt should be allowed on an actual basis instead of capping it. With regard to the rebalanced rate card proposed by MIAL for the fourth control period, he felt this would be helpful for the airlines and mentioned that it would be left to the individual airlines to consider how much of the cost savings can be passed on to their passengers. He also stated that the detailed written comments will be provided within the due date.

23. Grahak Bharti

Mr. Harpreet Singh, representing Grahak Bharti, spoke about the proposed reconstruction of T1. He mentioned that the new terminal building should be eco-friendly and green compliant. He mentioned that in a concrete world, greenery is not given importance and only few plants have been placed in corners.

Director (Tariff) requested him to provide the comments in writing.

24. Federation of Indian Airlines (FIA)


Mr Ujjwal Dey, Associate Director, FIA, thanked MIAL for giving the presentation and gave his best wishes for the successful completion of the T1. He mentioned that he has not received the inputs from the member airlines. He thanked AERA for the Consultation Paper, keeping in mind that the airlines are not only competing amongst themselves, but also with better modes of transportation like rails and roadways. He gave his heartiest gratitude to AERA and the whole team for rationalizing the building blocks in the Consultation Paper with a thoughtful mind and sound knowledge and for keeping the best of the whole nation and its citizens in mind.

25. Business Aircraft Operators Association (BAOA)

Capt. R K Bali appreciated MIAL for their impressive presentation and touched upon the subject discussed earlier regarding the ground handling and the cargo charges. He mentioned that the AERA Act is created out of act of Parliament while the OMDA with Mumbai and Delhi was signed as interim arrangements. He felt that this matter should not be fought in the Court because AERA is here to ensure that airports are run efficiently. Representing the small aircrafts industry, he found the proposal to expand GA terminal should have been discussed in the AUCC meeting with a collaborative approach to planning. He mentioned that they have been facing problems in parking. He opined that the Terminal space is not a problem as in any case, a new terminal is coming up in the Navi Mumbai Airport. He stated that there should be a focus on building the parking stand there rather than creating GA terminal on which MIAL has proposed Rs 225 crores. He also mentioned that in 2014, when for the first time, the penal parking charges were allowed, the revenue being shown was about Rs. 5.8 Crores whereas next time, it went up to about Rs. 18 Crores. This matter is now pending in the Supreme Court. He believes that it's going to be further increased.. So, by penal charges, MIAL is not creating safety but somewhere trying to discipline the airlines operator. Though he is in agreement with this point, he opined that we just cannot keep creating more and more modes for revenue since it is not in the good interest of the industry. He, therefore, requested that they should create more safety by increasing parking rather than having a proposal to increase the penal parking charges as a mode for revenue for the airport. He further mentioned that he will give his comments in writing

26. Conclusion:

- Ms. V. Vidya, Member II - AERA thanked all the participants for taking their time to attend the consultation meeting. She also appreciated the MIAL's presentation for being very detailed and insightful. She also stated that the tariff determination for Mumbai Airport, the second busiest in terms of traffic, has taken almost 10 months to finalize and a very detailed consultation paper has been given based upon a lot of deep dive analysis, due diligence and prudence checks. She stated that, to ensure a very transparent and inclusive process, this meeting has been held in a hybrid mode, and that the participants have joined both physically and remotely. She mentioned that the comments of all the stakeholders have been noted and that the last date for receiving the stakeholder comments is 9th of April 2025. AERA will take a meaningful and considered view based on the comments of all the stakeholders and would also await specific comments from AAI as mentioned in the Consultation Paper.
- Mr. D K Kamra, Member I - AERA thanked MIAL for their presentation. He noted that AERA expected AAI team which also included the GM of the ANS Team to give a clear-cut reply to the points mentioned in the Consultation Paper. MIAL is a joint venture company with AAI, and AAI being the sole ANS service provider for the country is expected to give their insights / thoughts on the important operational and ANS issues that have also been highlighted by Chairperson, AERA. This is required in order to balance the airside and terminal side capacity. MIAL is proposing a futuristic terminal requirement to cater to 65 million passengers and to evaluate this, ANS's expert comments on the airside capacity are required. Similarly, it is being expected from MoCA to reply on the planned airside and cityside capacities at CSMIA and the new Navi Mumbai International Airport. He requested MIAL to coordinate with AAI and give the required information at the earliest. He reiterated that the last date for submission of the comments is 9th April 2025 and the last date for the counter comments is 19th April 2025. He expressed his heartfelt gratitude to all participants for taking their time to attend the meeting giving valuable suggestions and complimented the entire MIAL team led by Mr. Prakash Tulsiani for giving a very comprehensive presentation.
- While concluding the meeting, Chairperson, AERA extended heartfelt thanks to all the participants who joined physically as well as online and also for sparing their valuable time for this very important Stakeholders Consultation Meeting on CSMIA, Mumbai. He complimented the entire MIAL team for giving a comprehensive presentation. He also thanked all the participants for giving several valuable inputs, suggestions and comments during the meeting and further mentioned that the same have been noted by AERA for taking a considered view while finalising the tariff order of CSMIA, Mumbai. Chairperson, AERA again requested all the participants and other stakeholders to submit written comments/feedback/suggestions on or before 9th April, 2025.


(Ram Krishan)
Director(P&S)

List of Participants:

Airports Economic Regulatory Authority of India

1. Shri. S.K.G. Rahate, Chairperson
2. Shri D.K. Kamra, Member-I
3. Ms. V. Vidya, Member - II
4. Mr. Ram Krishan, Director (Tariff)
5. Mr. Anand Kumar, Director Legal - Online
6. Mr. Rajan Gupta, DGM (Finance/Tariff)
7. Mr. Satish Kumar, DGM (Finance/Tariff)
8. Mr. Inderpal Singh, Under Secretary (P&S)
9. Mr. Trilok Chand, Manager (Finance/Tariff)
10. Ms. Shreya Sharma, Bench Officer

Airport Operators

Mumbai International Airport Limited

1. Mr. Prakash Tulsiani, Chief Executive Officer
2. Mr. Vishnu Jha, Chief Airport Officer
3. Mr. Hitarth Mankodi, Chief Operating Officer
4. Mr. Gaurav Sharma, GM (Master Planning)
5. Mr. Ashu Madan, Head (Regulatory)
6. Mr. Madhur Arora, AGM (Regulatory)
7. Ms. Krishna Laddha, Associate Manager (Regulatory)
8. Mr. Nilesh Sodani, DGM (Regulatory)
9. Mr. Nitesh Rachh, Senior Manager (Regulatory)
10. Mr. Ravikant Bhatia, DGM (Corporate Affairs)
11. Mr. Saurabh Gautam, AVP (Corporate Affairs)
12. Mr. Saurabh Gupta
13. Mr. Jay Amin, Head (Legal)
14. Mr. Paritosh Kumar, Senior Manager (Master Planning)
15. Mr. Rajesh Poddar, Chief Financial Officer - Online
16. Mrs. Vidhi Gandhi, DGM (Regulatory) - Online
17. Mr. Chirag Parmar, Manager (Regulatory)-Online

Airports Authority of India

1. Shri. L. Kuppulingam, E.D (JVC / Tariff)
2. Shri. Sujoy Dey, E.D. (Arch)
3. Shri. Sanjeeth Kumar, G.M. (ATS)
4. GM (ATM)< Mumbai - Online
5. Mr. Rajesh Khanna, G.M. (Fin.) – Tariff / JVC
6. Mr. Rakesh Dembla, Joint G.M. (Fin.) – Tariff

GMR Group (GHIAL)

1. Mr. Gopal Krishna Murthy Nemani, Head (Regulatory Affairs) - Online
2. Ms. Swathi Andoju, AGM (Regulatory Affairs) – Online

GMR Group (DIAL)

1. Mr. Harsh Gulati, VP (Regulatory)

Noida International Airport

1. Ms. Trisha Bedi, Head (Regulatory) - Online

Independent Service Providers

Express Industry Council of India (EICI)

1. Mr. Nitin Dave - Online

Airlines and Associations

Airline Operators Committee – Mumbai

1. Mr. Victor Dennis D'Souza – Chairperson

Federation of Indian Airlines

1. Mr. Ujjwal Dey, Associate Director

Air India

1. Mr. Andrew Jon
2. Ms. Ankita Jadon
3. Mr. Piyush Kharbanda

Indigo

1. Mr. Rajan Malhotra, Vice President (Aero Political and Industry Affairs)
2. Mr. Lakshya Bhagnari, Sr. Manager (Aero Political and Industry Affairs)

SpiceJet

1. Ms. Poonam Yadav, Sr. Manager (Ground Services)

Other Industry Bodies:

Association of Private Airport Operators

1. Mr. Satyan Nayar

International Air Transport Association

1. Mr. Amitabh Khosla
2. Mr. Ujjwal Bakshi, Manager (Industry Affairs)

Brihanmumbai Customs Brokers Association

1. Mr. Sanjeev Harale, President - Online
2. Mr. Ketan Desai - Online

T&C Dept., CIDCO Ltd., Navi Mumbai

1. Ms. Bindu Muralidhar, Sr. Transportation Engineer - Online
2. Mr. Yash Hivarkar, Transportation Engineer - Online

Mercados Energy Markets India Pvt. Ltd.

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Grahak Bharti (NGO)

1. Mr. Vinod Tiwari - Online
2. Mr. Harpreet Singh - Online
3. Mr. Abhishek - Online

BAOA:

1. Grp. Capt. RK Bali
2. Mr. Babu Shetty

Media**Business Standard**

1. Mr. Deepak Patel

HT Mint

1. Mr. Daanish Anand

Federation of Freight Forwarders Association of India

1. Mr. Vipin Vohra

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7. Ms. Kushagra Aggarwal

Others**General Public (Physical)**

1. Mr. AK Raman
2. Mr. Sujit Kumar
3. Mr. Naresh Joshi
4. Mr. Akshay Saini

General Public (Online)

1. Mr. Deepak Gautam
2. Mr. Abhishek Somani
3. Mr. Hitesh Jain
4. Mr. Navin Sanjeev
5. Mr. Pradeep Mangtani
6. Ms. Priyanka Rajan
7. Ms. Aafreen Khan
8. Mr. Chetan Rajpurkar
9. Mr. Sudip Dey
10. Mr. Tanvir Moulvi
11. Mr. Sarv Advisory
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14. Mr. Ketan