



30 March 2026

To,
The Chairperson,
Airports Economic Regulatory Authority,
AERA Building, Administrative Complex,
Safdarjung Airport,
New Delhi- 110 003.

Subject: Submission towards AERA Consultation Paper No. 06/2025-26 - In the matter of determination of Aeronautical Tariff for Tiruchirappalli International Airport (TRZ) for the Second Control Period (01.04.2025 – 31.03.2030)

Dear Sir,

Greetings from IndiGo.

We hereby submit our comments in response to AERA Consultation Paper No. 06/2025-26 - In the matter of determination of Aeronautical Tariff for Tiruchirappalli International Airport (TRZ) for the Second Control Period (01.04.2025 – 31.03.2030).

CP Review Comments for TRZ-2nd control Period

Particulars	Unit	Existing Rates	Tariff Proposed by Airport Operator			
TABLE A: Landing Charges						
		FY 2025-26 (Tariff w.e.f. 01.04.2025 to 31.03.2026) Existing Rate	FY 2026-27 (Tariff w.e.f. 01.04.2026 to 31.03.2027)	FY 2027-28 (Tariff w.e.f. 01.04.2027 to 31.03.2028)	FY 2028-29 (Tariff w.e.f. 01.04.2028 to 31.03.2029)	FY 2029-30 (Tariff w.e.f. 01.04.2029 to 31.03.2030)
DOMESTIC		0	0	0	0	0
Eg: Impact on A320 (Rs.)	79 MT	27717	55433	60977	67074	73781
Variance % from existing			100%	120%	142%	166%
Variance % from YoY			100%	10%	10%	10%
INTERNATIONAL		0	0	0	0	0
Eg: Impact on A320 (Rs.)	79 MT	53195	106391	117030	128733	141606
Variance % from existing			100%	120%	142%	166%
Variance % from YoY			100%	10%	10%	10%

TABLE B: Parking Charges

	INR/Hr/ MT in excess of 50MT	FY 2025-26 (Tariff w.e.f. 01.04.2025 to 31.03.2026) Existing Rate	FY 2026-27 (Tariff w.e.f. 01.04.2026 to 31.03.2027)	FY 2027-28 (Tariff w.e.f. 01.04.2027 to 31.03.2028)	FY 2028-29 (Tariff w.e.f. 01.04.2028 to 31.03.2029)	FY 2029-30 (Tariff w.e.f. 01.04.2029 to 31.03.2030)
DOMESTIC (for 1st 2 chargeable hrs)		0	0	0	0	0
For next 4 hours	79 MT	5.8	11.6	12.3	13.03	13.82
Variance % from existing			100%	112%	125%	138%
Variance % from YoY			100%	6%	6%	6%
For subsequent hours	79 MT	11.6	23.2	24.59	26.07	27.63
Variance % from existing			100%	112%	125%	138%
Variance % from YoY			100%	6%	6%	6%
INTERNATIONAL (for 1st 2 chargeable hrs)		0	0	0	0	0
For next 4 hours	79 MT	7.1	14.2	15.05	15.96	16.91
Variance % from existing			100%	112%	125%	138%
Variance % from YoY			100%	6%	6%	6%
For subsequent hours	79 MT	14.2	28.4	30.1	31.91	33.82
Variance % from existing			100%	112%	125%	138%
Variance % from YoY			100%	6%	6%	6%

TABLE C: UDF Charges

		FY 2025-26 (Tariff w.e.f. 01.04.2025 to 31.03.2026) Existing Rate	FY 2026-27 (Tariff w.e.f. 01.04.2026 to 31.03.2027)	FY 2027-28 (Tariff w.e.f. 01.04.2027 to 31.03.2028)	FY 2028-29 (Tariff w.e.f. 01.04.2028 to 31.03.2029)	FY 2029-30 (Tariff w.e.f. 01.04.2029 to 31.03.2030)
DOMESTIC	Per Embarking	600.00	550.00	574.00	595.00	616.00
Variance % from existing			-8%	-4%	-1%	3%
Variance from YOY			-8%	4%	4%	4%

INTERNATIONAL	Per Embarking	800.00	665.00	672.00	679.00	686.00
Variance % from existing			-17%	-16%	-15%	-14%
Variance from YOY			-17%	1%	1%	1%
DOMESTIC	Per Disembarking	-	235.00	246.00	255.00	264.00
Variance % from existing			100%	100%	100%	100%
Variance from YOY			100%	5%	4%	4%
INTERNATIONAL	Per Disembarking	-	285.00	288.00	291.00	294.00
Variance % from existing			100%	100%	100%	100%
Variance from YOY			100%	1%	1%	1%

A. Reference is made to the above displayed Tables A and B, kindly note the following from the above tables:

1. Tables A: AAI has proposed an increase in Landing Charges (Domestic & International) by approximately 100% from existing charges in FY 2026-27 and a 10% Y-O-Y increase for subsequent years up to FY 2029-30.

2. Table B: AAI has proposed an increase in Parking Charges (Domestic & International) by approximately 100% from existing charges in FY 2026-27 and a 6% Y-O-Y increase for subsequent years up to FY 2029-30.

3. Table C: While AAI has proposed a decrease in UDF on embarking passengers by 8% (Domestic) and 17% (International) for FY 2026-27 - with annual increases of 4% and 1% subsequently up to FY 2029-30 - the parallel introduction of a UDF on disembarking passengers results in a net increase in total UDF outgo in Year 1 of approximately 30% for Domestic and 20% for International passengers (on a typical round trip).

Recommendation: It is in the interest of all the stakeholders that the proposed tariffs as noted above may not be implemented as the proposals are excessive. Also, requesting AERA to provide at least 60-90 days for implementation of tariff card by Airlines into their systems and considering the same, effective date of 1st April as per Tariff order seems unreasonable.



B. Landing Charges – Reference is drawn to Note (a) to Landing Charges:

Recommendation: We request AERA to provide clarification on unscheduled flights operated by domestic scheduled operator as the same are currently being charged by Airport Operator. Clarification to this effect is required since the exemption is provided to domestic scheduled operators and not restricted to only schedule operations by them.

C. Parking Charges- Reference is drawn to Note (e) to Parking Charges

Recommendation: We request AERA to kindly modify the rate of tax (VAT) on ATF from '< 5%' to '≤ 5%', to ensure consistency with the existing AERA order.

D. UDF Charges- Reference is drawn to Note(a) to User Development Fee (UDF) Charges:

We would like to invite AERA's attention to notes (a) of UDF charges in Annexure II of Consultation Paper which seems erroneous/missing content w.r.t highlighted words below:

"No UDF Collection charges: As per the policy pertaining to such charges between the airport operator and the airlines"

Recommendation: The rate of collection of UDF charges has been proposed to be as per the agreement between Airport Operator and Airline, and we hereby request AERA to kindly consider the collection charges to be specified at the rate of Rs. 5.00 per embarking passenger, in line with the existing rate of collection charges being remitted by Airport operator. We would also request for an additional rate of collection charges to be specified for disembarking passengers considering the administrative and other costs involved.

- Reference is drawn to Note (d) to User Development Fee (UDF) Charges:

Revised UDF charges will be applicable on tickets issued on or after 01/04/2026 for FY 2026-27 and thereafter applicable on date of travel from 1st April 2027 to 31st March 2030.

AERA is requested to kindly clarify/elaborate the words "date of travel" as mentioned above with the help of an iteration/ example.

- Reference is drawn to clause 17.2.6: Exemption from levy and collection from UDF at the airports

Recommendation: We request AERA to incorporate the following additional exemption category in alignment with the list specified under Directorate General of Civil Aviation (DGCA) AIC No. 14/2019 dated 16.05.2019 and DGCA AIC No. 06/2023 dated 29.04.2023:

"(g) Passengers departing due to involuntary re-routing, i.e., on account of technical problems or weather conditions."

E. AERA is requested to commission a formal assessment of the AUCC consultation gaps and reinforce strict adherence to AUCC processes, as the absence of consultation during major scope changes and cost escalations has led to significant increases in the aeronautical tariff. Under current market conditions, such tariff escalation poses a risk of negatively affecting traffic projections and the airport's growth trajectory.

F. Traffic Projections — Domestic for FY2027 (+54%) needs calibration.

For FY2026, AERA proposes a +54% domestic growth based on recent year actual trends and recovery momentum (CP, Table set 49–51). This appears to be too aggressive, and it is requested to AERA that the proposed 54% growth in domestic traffic for FY2027 needs to be reviewed and adjusted in line with Indian carrier's plan for Tiruchirappalli which all airlines would have shared with AAI from time to time.

G. Traffic Projections — International FY2027 (+9%) Need Calibration.

AERA is requested to direct AAI to review international traffic growth assumptions by validating them against actual international slot filings for the Summer 2027 schedule and adjust the projected growth figures accordingly. Additionally, relying on IATA's regional-level growth forecasts and directly applying those numbers to Tiruchirappalli Airport is not an appropriate method for projecting demand or seeking direction. It is pertinent to mention that growth in India is uneven and is concentrated mainly at metro airports and select high-growth tier-2 airports, while many other airports do not experience the same pace of expansion.

The Government has a vision of developing international aviation hubs at the six Indian metro cities of Bengaluru, Hyderabad, Chennai, Delhi, Kolkata and Mumbai. These airports are envisaged to serve as the primary gateways for long-haul and high-density international operations. We therefore do not anticipate significant international operations being developed at non-metro airports such as Tiruchirappalli. Passenger demand, airline interest, and connectivity requirements at such airports are predominantly domestic in nature.

H. Revenue from Air Navigation Services and Cargo Services ('Para 3.3 of the CP):

We submit that as per section 2 (a) of Airports Economic Regulatory Authority of India Act, 2008 (AERA Act), "aeronautical services means any services provided- (i) For navigation, surveillance and supportive communication thereto for air traffic management..... (v) for the cargo facility at an airport.."

Accordingly, it is submitted that considering the above provisions of the AERA Act, revenue from Air Navigation Services and Cargo services (100% revenue accruing to AAICLAS) should form part of aeronautical revenues and accordingly AERA should take into account of the corresponding revenues from such services and recompute the Aggregate Revenue Requirement (ARR) and further revise the tariff card accordingly.

I. Traffic for the Second Control Period ('Para 5.2.3 and 5.3');

We acknowledge AERA's evaluation of the traffic projections submitted by AAI and note that AERA has largely adopted the same. However, AERA has itself observed that the traffic projections for the Second Control Period, showcase robust growth, particularly during the first eight months of FY 2025–26, at Tiruchirappalli International Airport ("TRZ").

In view of the same, we request AERA to reassess long-term traffic projections through an independent study that considers key influencing factors, including observed traffic growth, the terminal capacity at TRZ, post-COVID-19 traffic recovery patterns, and other relevant demand-side developments. Further, we suggest that AERA may adopt a flexible mechanism for periodic review to ensure that aeronautical charges remain fair, reasonable, and aligned with actual demand, without imposing undue financial burdens on airlines and passengers.

J. Operations and Maintenance expenses (para 9.2 of the CP):

We submit that Operations and Maintenance (O&M) expenses constitute as one of the major building blocks in the determination of efficient airport tariffs and, therefore, warrant closer scrutiny. In this regard, we note that while the Independent Consultant has reviewed the allocation of O&M expenses proposed by AAI, and AERA has made certain adjustments thereto, a more granular and forward-looking assessment remains necessary. We submit that an independent study focused on efficiency benchmarking, optimal resource planning, and rational allocation of assets would better serve the interests of all users.

Such an independent assessment would provide meaningful insights into cost optimisation opportunities, prudent asset deployment, and efficient O&M expenditure levels, thereby ensuring that only efficient and justifiable costs are allowed for tariff determination, consistent with the principles underlying the AERA Act and the AERA Tariff Guidelines, 2011, thereby minimizing the risk of avoidable O&M costs being passed through to airlines and other airport users.

With best regards,

Sincerely,
For InterGlobe Aviation Limited



Rajan Malhotra
Vice President – Aeropoltical and Industry Affairs