



Ref No: YIAPL-2026-168

17th April 2026

To

Director (P&S,Tariffs)
Airports Economic Regulatory Authority of India
AERA Building, New Administrative Block
Safdarjung Airport
New Delhi- 110003

Sub: Submission of the comments to the consultation Paper for First Control Period for Navi Mumbai International Airport

Reference: Consultation Paper no 08/2025-26 dated 17th March'2026

Dear Sir,

This refers to the consultation paper issued by the Authority in the matter of determination of aeronautical tariffs for the First Control Period (FCP) for Navi Mumbai International Airport.

YIAPL submits comments on the subject consultation paper, as enclosure, for your kind consideration.

Sincerely,

Nitu Samra


Chief Financial Officer

Enclosure: Annexure A - Comments by YIAPL

Annexure A : YIAPL comments on Consultation Paper no 08/2025-26 dated 17th March'2026.

1. Cost of Equity

With reference to chapter 6, It is respectfully submitted that the cost of equity for Navi Mumbai International Airport should appropriately reflect the risk profile of a greenfield airport in its initial years of operations and should not be benchmarked against the studies conducted for mature brownfield airports with established traffic bases and operating histories.

Unlike well-established airports, a greenfield is yet to fully establish its catchment, traffic profile, and commercial maturity, and therefore faces materially higher business and demand risks in the initial years. These include ramp-up uncertainty, airline network decisions, competitive dynamics within the dual airport system, and the need to recover significant upfront investment over a still-developing traffic base.

2. Inflation

With reference to Chapter 7, it is requested to consider allowing a higher inflation assumption in the projection of operating expenses, given the volatile geopolitical environment, which has led to uncertainty in energy prices, supply chains, and overall cost levels. The authority's reliance on the survey released by RBI in February does not reflect the latest macroeconomic realities. Since then, there appears to have been a structural shift in the inflation outlook, particularly on account of sustained pressure on energy markets and broader input costs. The fuel costs remain elevated with analysts predicting a long period for fuel supply to return to the earlier levels even after the geopolitical tensions ease which are still uncertain. Elevated fuel and logistics prices have a cascading effect across the cost structure of products and services and contribute to broader inflationary pressures. Using conservative inflation assumptions in such conditions may result in under-estimation of actual costs for airport operations.

In view of above, we request authority to consider inflation rates as per the prevailing conditions and latest macroeconomics realities.