



AVIATION

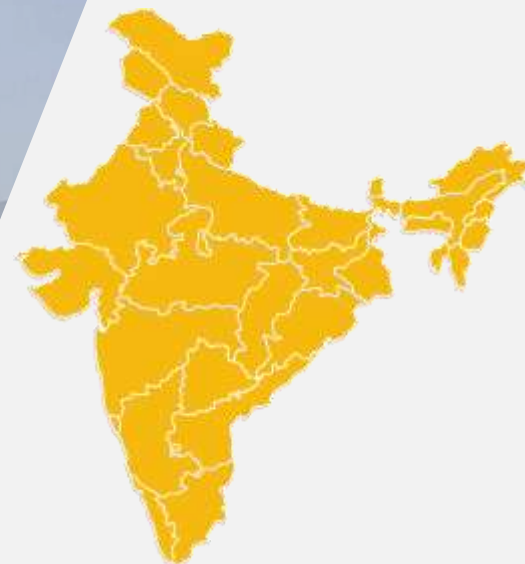
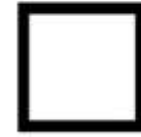
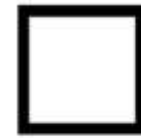


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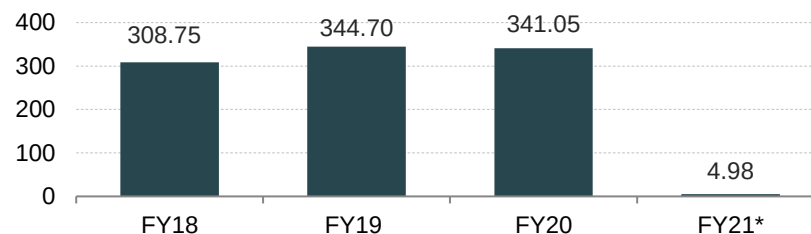
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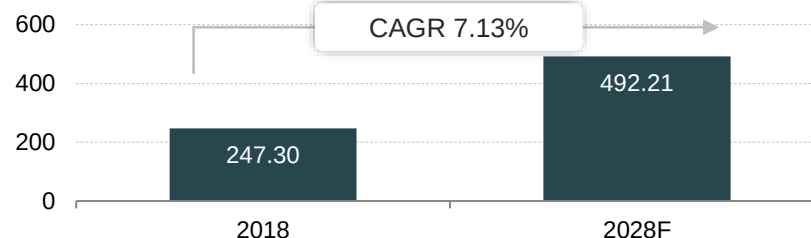
EXECUTIVE SUMMARY

- India is set to surpass UK and become the third largest aviation market by 2024.[^]
- In FY20, air passenger traffic stood at 341.05 million.
- Contribution of travel and tourism to India's GDP increased to US\$ 247.30 billion in 2018 from US\$ 234.03 billion in 2017. The contribution is forecast to reach US\$ 492.21 billion by 2028F.
- Business and leisure travel will boost growth.
- Spending on business travel increased to US\$ 234.44 billion in 2018 from US\$ 201.71 billion in 2017, while that on leisure travel increased to US\$ 12.86 billion in 2018 from US\$ 11.61 billion in 2017.
- The expenditure of Indian travellers is expected to touch Rs 9.5 lakh crore (US\$ 136 billion) by 2021.

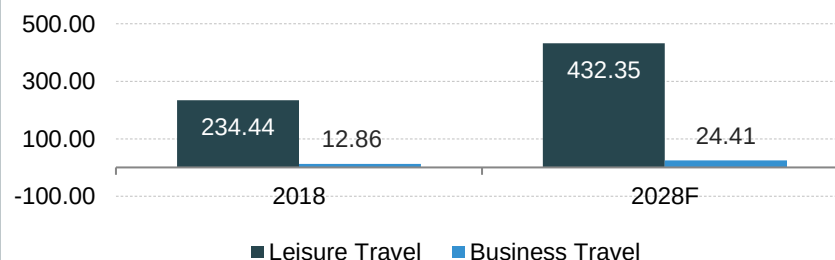
Air passenger traffic in India (million)



Travel and Tourism Total Contribution to GDP* (US\$ billion)



Business and Leisure Travel Spending (US\$ billion)



Note: *At real prices, E – Estimated, F – Forecasted,, ^As per IATA forecasts, *- till June 2020

Source: World Travel and Tourism Council, Airport Authority of India

ADVANTAGE INDIA



- Rising working group and widening middle class demography is expected to boost demand.
- India has envisaged increasing the number of operational airports to 190-200 by FY40.
- Country will become the third largest aviation market in terms of passengers by 2024.[^]
- India will need 2,380 new commercial airplanes by 2038.

Robust Demand

- Growth in aviation accentuating demand for MRO facilities.
- Expenditure in MRO accounts for 12-15 per cent of the total revenue; it is the second-highest expense after fuel cost.
 - By 2028, the MRO industry is likely to grow over US\$ 2.4 billion from US\$ 800 million in 2018.

Opportunities in MRO

ADVANTAGE INDIA

- Investment to the tune of Rs 420-450 billion (US\$ 5.99-6.41 billion) is expected in India's airport infrastructure between FY18-23[#].
- Growing private sector participation through the Public-Private Partnership (PPP).

Increasing Investments

- The Government has been encouraging private sector participation.
- Foreign investment up to 49 per cent is allowed under automatic route in scheduled air transport service, regional air transport service and domestic scheduled passenger airline.

Policy Support

Notes: FDI – Foreign Direct Investment, MRO – Maintenance, Repair and Overhaul; FY – Indian Financial Year (April – March), [^]As per IATA forecasts, [#]As per CRISIL

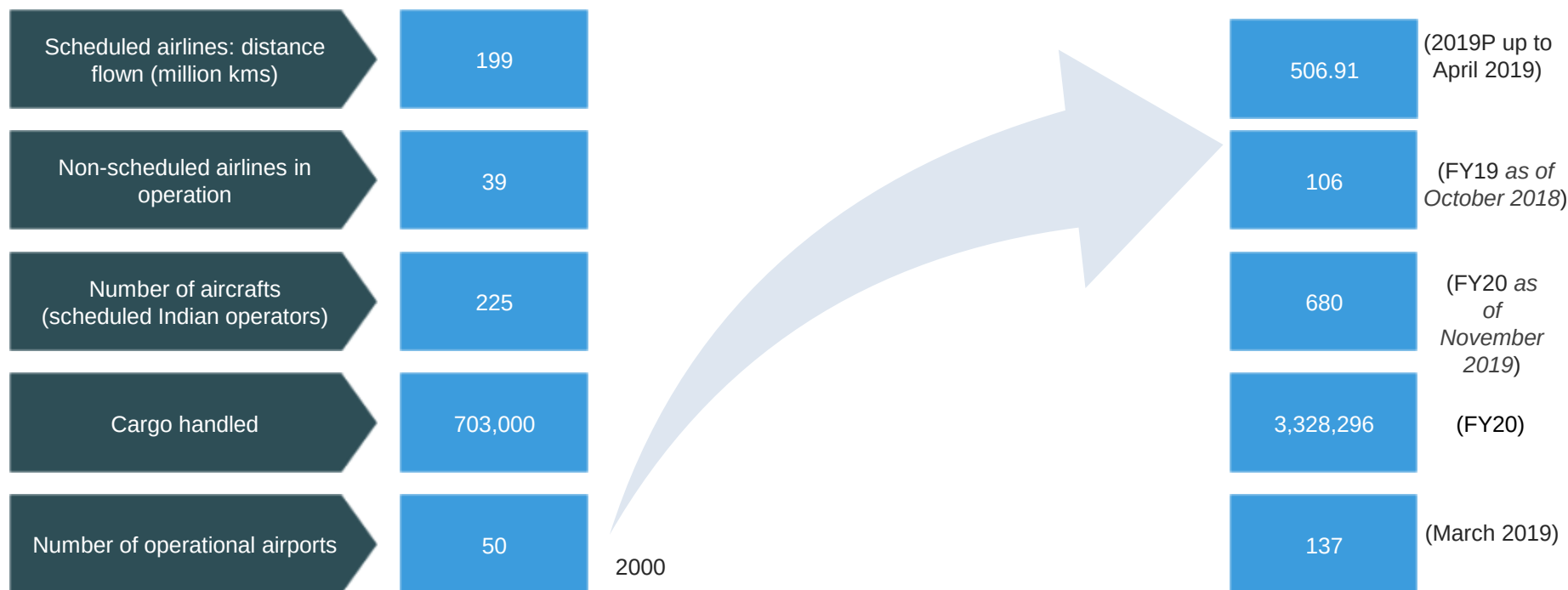
Source: Ministry of Civil Aviation, MRO India, IATA, Crisil, FICCI, PWC

MARKET OVERVIEW



EVOLUTION OF THE INDIAN AVIATION SECTOR

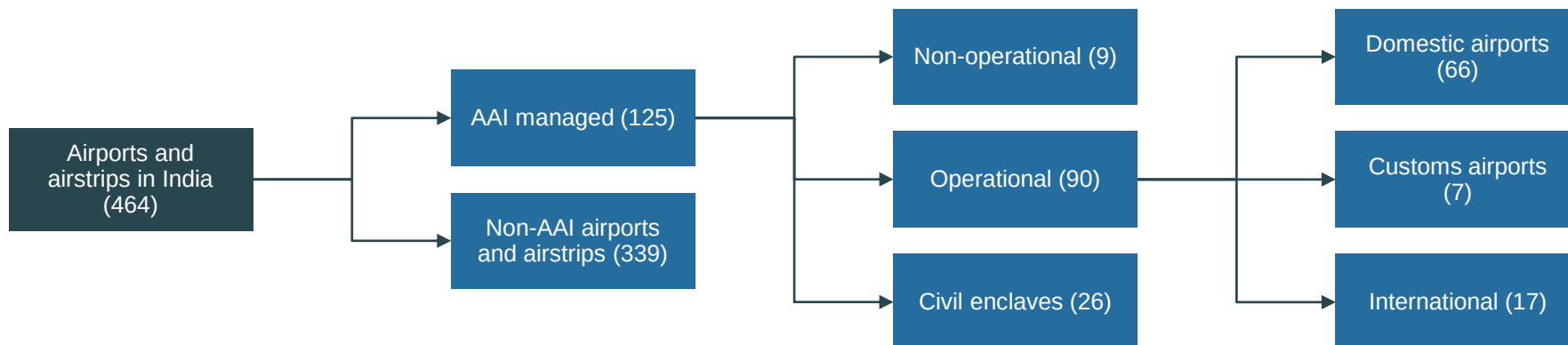
- India is the 7th largest civil aviation market in the world and is set to become the world's 3rd* largest by 2024.
- In FY20, airports in India witnessed domestic passenger traffic of about 274.50 million people.
- India plans to open 100 additional airports by 2024.
- In-service fleet size of scheduled Indian operators stood at 643 airplanes as of July 2019. The number of airplanes is expected to grow to 1,100 by 2027.



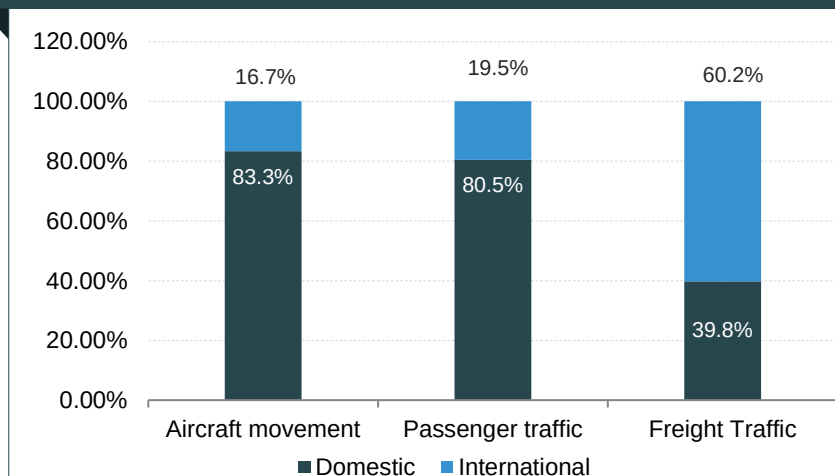
Note: *As per IATA forecasts, FY – Indian Financial Year (April – March), mn km – Million Kilometers, P - Provisional

Source: Airports Authority of India, Ministry of Statistics and Programme Implementation, Ministry of Civil Aviation, DGCA, News Articles

AIRPORTS AND AIRSTRIPS



Activity in AAI airports - shares (%) – FY20



Activity in AAI airports - shares (%) – FY20

Basic facts

- Airports Authority of India (AAI) was –
 - Established in 1994 under the Airports Authority Act.
 - Responsible for developing, financing, operating and maintaining all Government airports.
 - The Aircraft Act (1934) governs remaining airports.

Note: AAI – Airports Authority of India, JV – Joint Venture, FY – Indian Financial Year (April – March)

Source: Airports Authority of India

MAJOR AIRLINES OPERATING IN INDIA



Indigo

Market share: 48.4 per cent
Passenger load traffic: 170.34 lakh



Air India

Market share: 11.6 per cent
Passenger load traffic: 40.91 lakh



SpiceJet

Market share: 16.0 per cent
Passenger load traffic: 53.43 lakh



GoAir

Market share: 9.5 per cent
Passenger load traffic: 33.35 lakh



Vistara

Market share: 6.4 per cent
Passenger load traffic: 22.52 lakh

Note: Market Share and Passenger Load Data for the month of May 2020

Source: Directorate General of Civil Aviation

MAJOR AIRPORTS IN INDIA

Delhi: Passenger traffic handled
FY16: 48.42 million
FY17: 57.70 million
FY18: 65.69 million
FY19: 69.23 million
FY20: 67.30 million

Mumbai: Passenger traffic handled
FY16: 41.67 million
FY17: 45.15 million
FY18: 48.50 million
FY19: 48.82 million
FY20: 45.87 million

Bengaluru: Passenger traffic handled
FY16: 18.97 million
FY17: 22.88 million
FY18: 26.91 million
FY19: 33.31 million
FY20: 32.36 million

Kolkata: Passenger traffic handled
FY16: 12.42 million
FY17: 15.82 million
FY18: 19.89 million
FY19: 16.89 million
FY20: 22.15 million

Hyderabad: Passenger traffic handled
FY16: 12.39 million
FY17: 15.10 million
FY 18: 18.16 million
FY19: 21.40 million
FY20: 21.65 million

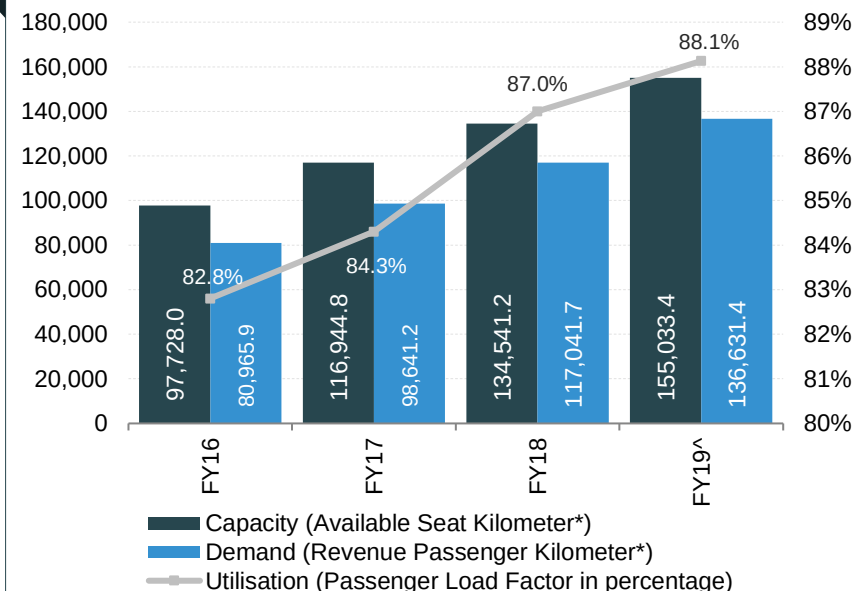
Chennai: Passenger traffic handled
FY16: 15.22 million
FY17: 18.36 million
FY 18: 20.36 million
FY19: 22.54 million
FY20: 22.26 million

Note: FY – Indian Financial Year (April – March)

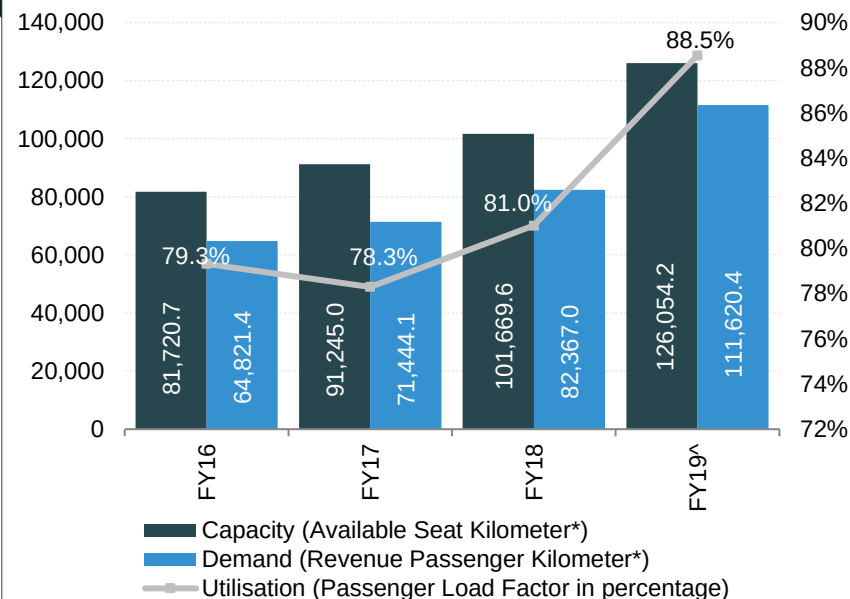
Source: AAI

AIRLINES DEMAND, CAPACITY AND UTILISATION

Domestic Demand, Capacity and Utilisation



International Demand, Capacity and Utilisation



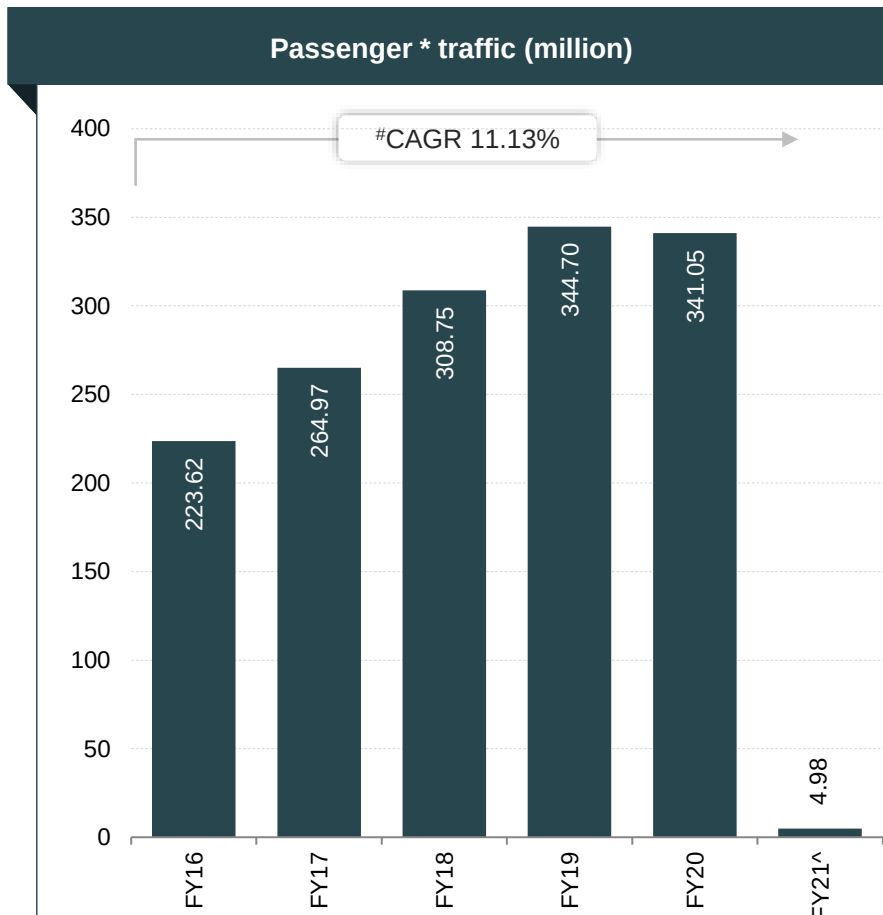
- Demand and Capacity in India's civil aviation sector have shown robust growth.
- Capacity (Available Seat Kilometer) available in domestic flights increased to 155,033.4 million kms in FY19^. Correspondingly, demand (Revenue Passenger Kilometer) for domestic services grew rapidly to 136,631.4 million kms in FY19^.
- Capacity (Available Seat Kilometer) available in international flights increased to 126,054.2 million kms in FY19^. Correspondingly, demand (Revenue Passenger Kilometer) for international services grew rapidly to 111,620.4 million kms in FY19^.
- Growth in demand has consistently outpaced the growth in supply, resulting in high utilisation (Passenger Load Factor).

Notes: *in million kilometre, ^provisional

Source: Directorate General of Civil Aviation

PASSENGER TRAFFIC...(1/2)

- Growth in passenger traffic has been strong since the new millennium, especially with rising income and low-cost aviation.
- India's passenger* traffic stood at 341.05 million in FY20. It grew at a CAGR of 11.13 per cent during FY16-FY20.
- India has become the third largest domestic aviation market in the world and is expected to overtake UK to become the third largest air passenger* market by 2024.
- By 2036, India is projected to have 480 million flyers, which will be more than that of Japan (just under 225 million) and Germany (just over 200 million) combined.



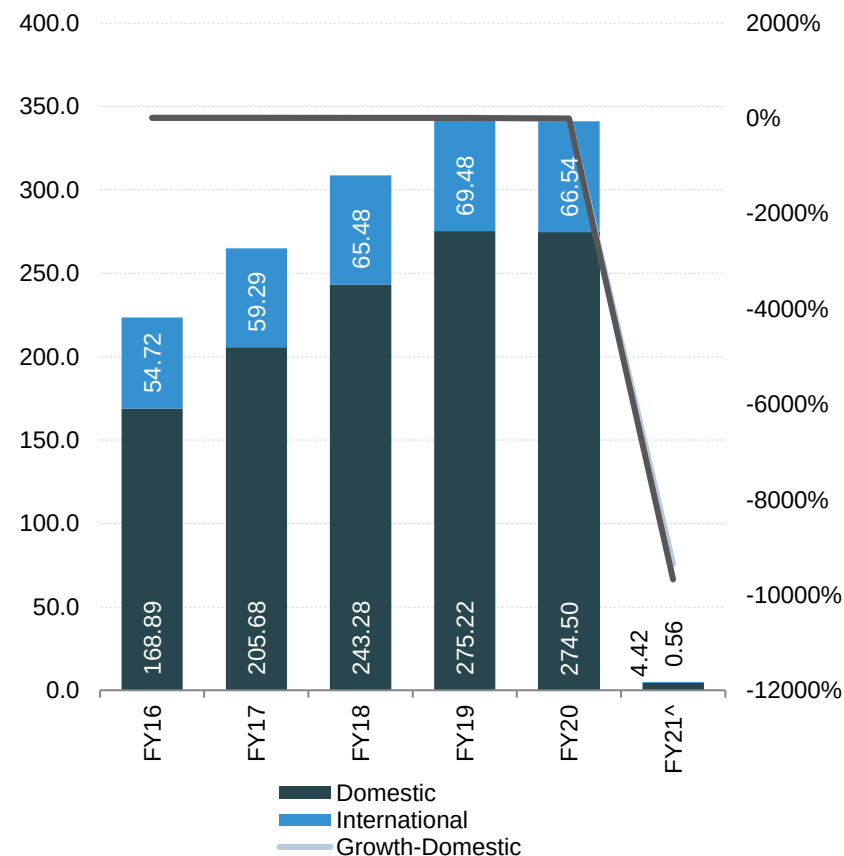
Notes: CAGR – Compound Annual Growth Rate, FY – Indian Financial Year (April – March), *passenger – Domestic + International, #CAGR is till FY20, ^- Till June 2020

Source: Association of Private Airport Operator, Airports Authority of India

PASSENGER TRAFFIC...(2/2)

- Domestic passenger traffic expanded at a CAGR of 12.91 per cent during FY16–FY20.
- International passenger traffic registered growth at a CAGR of 5.01 per cent during FY16–FY20.
- During FY20, domestic passenger traffic stood at 274.50 million while international traffic stood at 66.54 million.

International and domestic passenger traffic (million)

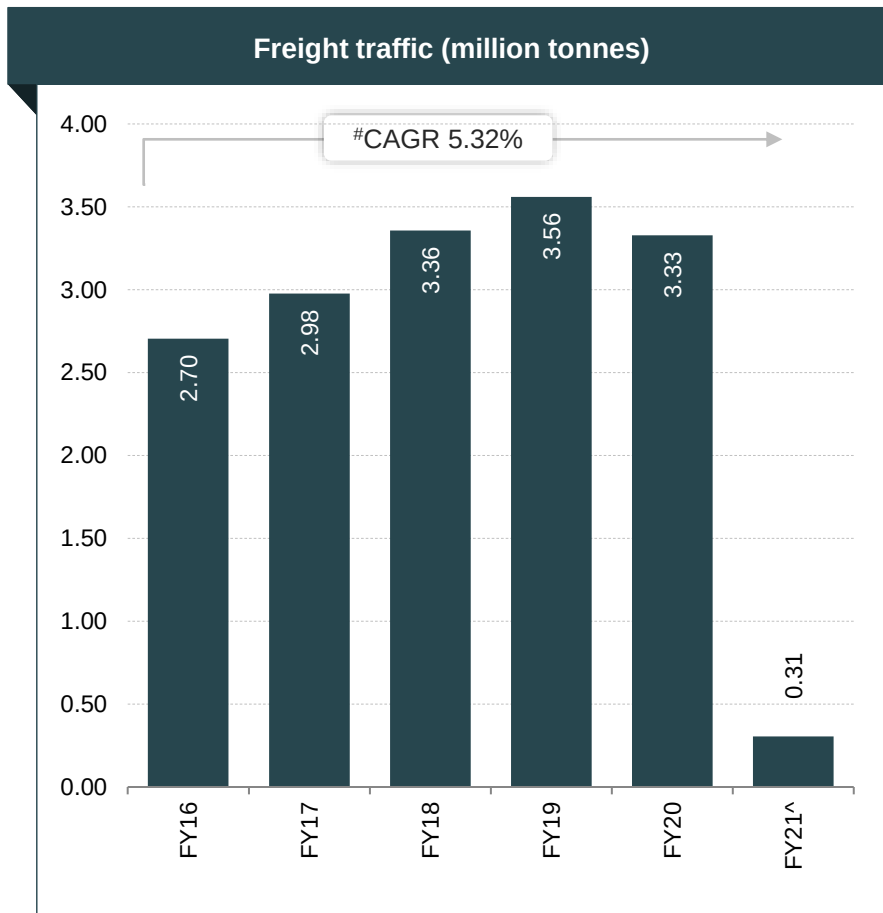


Notes: E- Estimate, YoY – Year on Year, FY – Indian Financial Year (April – March), ^- Till June 2020

Source: Airports Authority of India, Ministry of Civil Aviation

FREIGHT TRAFFIC...(1/2)

- Freight traffic grew at a CAGR of 5.32 per cent during FY16-FY20 from 2.70 million tonnes (MT) to 3.33 MT.
- Freight traffic on airports in India has the potential to reach 17 MT by FY40.
- Growth in import and export in India will be the key driver for growth in freight traffic as 30 per cent of total trade is undertaken via airways.
- In January 2019, the Government of India released the National Air Cargo Policy Outline 2019, which envisaged making Indian air cargo and logistics most efficient, seamless and cost and time effective globally by the end of next decade.



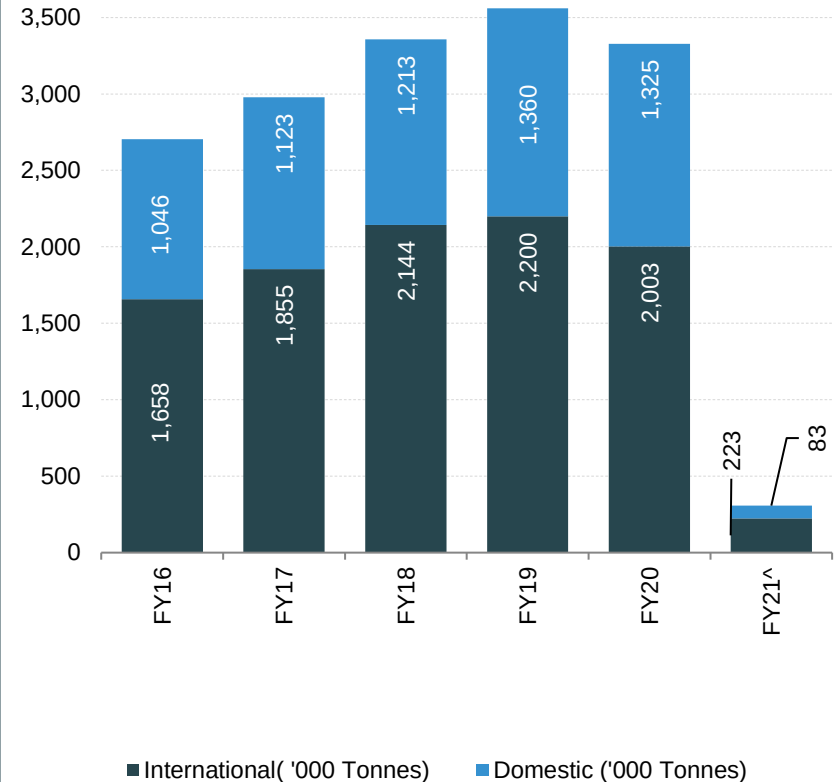
Notes: FY – Indian Financial Year (April – March), #CAGR is up to FY20, ^- Till June 2020

Source: Airports Authority of India

FREIGHT TRAFFIC...(2/2)

- During FY16-FY20, domestic freight traffic increased at a CAGR of 6.1 per cent and international freight traffic grew at a CAGR of 4.8 per cent.
- In FY20, domestic freight traffic stood at 1.32 MT and international freight traffic was at 2.00 MT.
- By 2023, total freight traffic is expected to touch 4.1 MT, exhibiting a CAGR of 7.27 per cent between FY16 and FY23. In addition, international freight traffic is expected to grow at a CAGR of 7.13 per cent and domestic freight traffic is expected to grow at a CAGR 7.50 per cent between FY16 and FY23.

International and domestic freight traffic

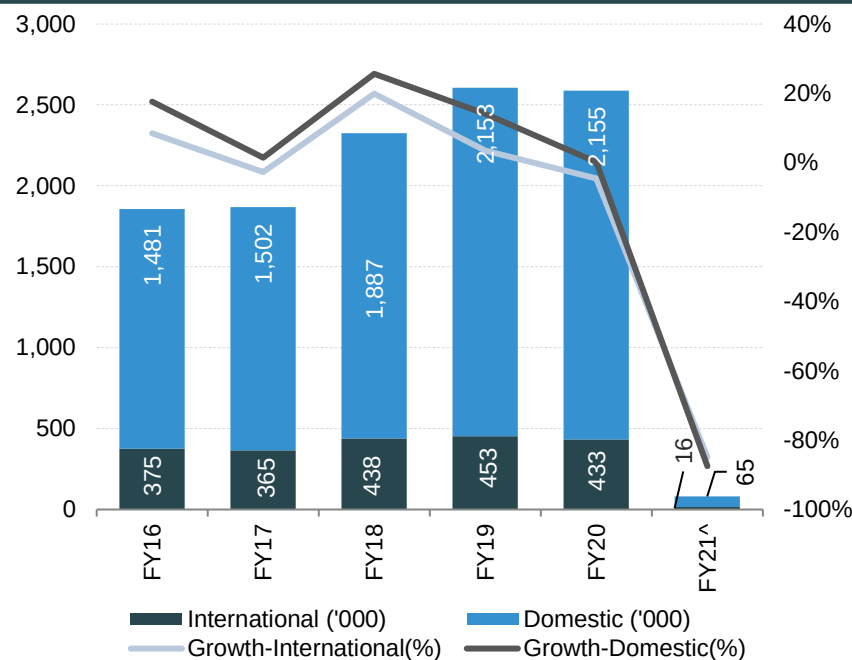


Notes: FY – Indian Financial Year (April – March), ^- Till June 2020

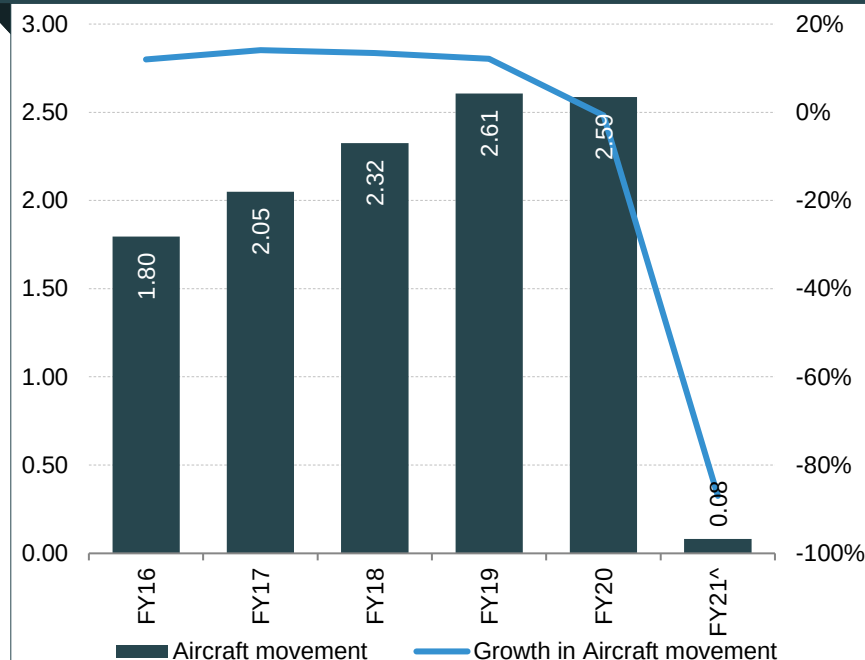
Source: Airports Authority of India

AIRCRAFT MOVEMENT

Aircraft movement growth



Total aircraft movement (million)

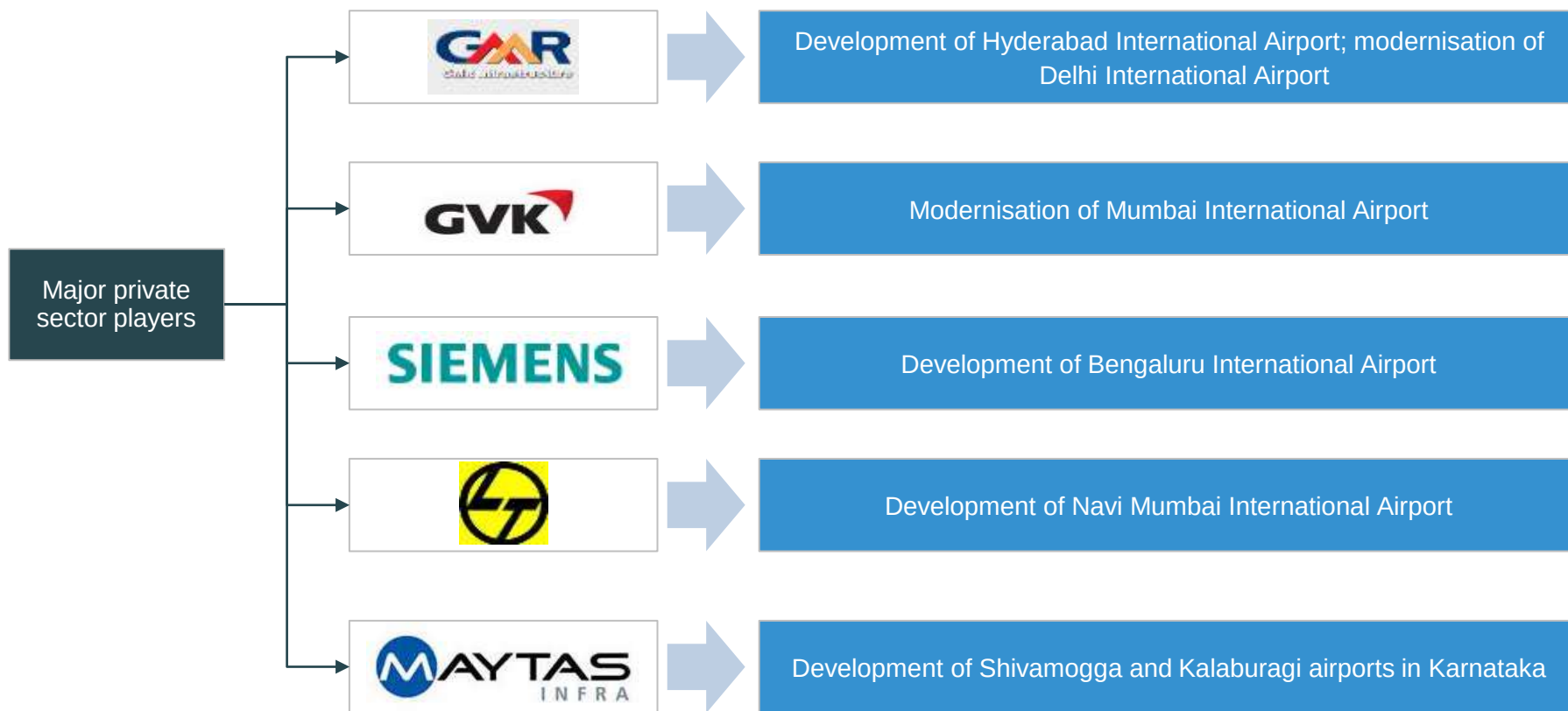


- Aircraft movement grew at a CAGR of 9.56 per cent from 1.60 million in FY16 to 2.59 million in FY20.
- During FY16-FY20, domestic aircraft movement increased at a CAGR of 9.83 per cent and international aircraft movement expanded at a CAGR of 3.57 per cent. India's domestic and international aircraft movements grew to reach 2,155 thousand and 433 thousand during FY20, respectively.

Notes: CAGR – Compound Annual Growth Rate FY – Indian Financial Year (April – March), ^- Till June 2020
Source: Association of Private Airport Operators, Airports Authority of India

KEY PUBLIC AND PRIVATE SECTOR PLAYERS

- Until 2013, AAI was the only major player involved in developing and upgrading airports in India.
- Post liberalisation, private sector participation in the sector has been increasing.
- The Government of India has given 'in-principle' approval to 19 airports, out of which, 7 are going to be developed on a PPP basis with an investment of Rs 27,000 crore (US\$ 41.89 billion).



Notes: AAI – Airports Authority of India

RECENT TRENDS AND STRATEGIES



NOTABLE TRENDS IN THE AIRPORTS SECTOR

Rising private participation and investments

- Currently, six international airports have been completed successfully under PPP. The sector is expected to witness investments worth US\$ 25 billion by 2027.
- Navi Mumbai airport is being developed under PPP by GVK Group subsidiary, Mumbai International Airport (MIAL), and City and Industrial Development Corporation of Maharashtra Ltd (CIDCO), with an investment of Rs 16,000 crore (US\$ 2.22 billion).
- In July 2020, SpiceJet acqui-hired the team and technology platform of Bengaluru-based e-commerce technology company Travenues, a wholly owned subsidiary of online travel aggregator ixigo.

Greater use of non-scheduled airlines

- Rising business activity leading to higher demand for non-scheduled airlines.
- As of February 2019, there were 99 operators (NSOP).

User development fees

- Increasing use of development fees by airport developers and operators.
- Airport Development Fee: Delhi, Mumbai airports to fund expansion.
- User Development Fee: Hyderabad, Bengaluru airports for maintenance.

Focus on non-aeronautical revenue

- Indian airports are emulating the SEZ-aerotropolis model to enhance revenues; focus on revenues from retail, advertising, vehicle parking, etc.
- With the initiative of displaying “Art for a cause,” Nagpur airport became India’s first airport to take up the cause of empowering the girl child in a unique way.

Notes: FY – Indian Financial Year (April – March), NSOP – Non Schedule Operators Permit

Source: DGCA

STRATEGIES ADOPTED...(1/2)

Expansion

- Capacity will increase with new terminals coming up in Mumbai, Bengaluru, Chennai and Kolkata.
- Indian carriers are expected to double their fleet capacity to around 1,100 aircrafts by 2027.
- In December 2019, AAI announced its plans to set up India's first three water aerodromes in Andaman & Nicobar.
- In January 2020, IndiGo became the first Indian carrier to have an aircraft fleet size of 250 planes and the first airline to operate 1,500 flights per day.

Ancillary services

- Indian low-cost carriers (LCC's) are looking forward to increase their ancillary services, without tampering their business models. This includes services like lounge access, priority boarding, customer loyalty memberships and customer meals.
- AAI has allowed the Bus Rapid Transit System (BRTS) buses to foray into airport premises in Surat. The initiative is to allow the passengers to reach airports on time and allow smoother transit.

Increasing operations

- Indian LCC's are looking forward to increase their low-cost products on routes which will take up to four hours (shorter international routes).
- This will allow deleveraging of domestic fleet, increasing aircraft utilisation and improving commercial performance.
- Chennai, with its strategic location in South India, has a strong potential to become a hub, with connecting flights to Gulf and across South East Asia.

Source: Central Asia-Pacific Aviation

Government's push

- To become a US\$ 5 trillion economy, the Government proposed to ramp up infrastructure in seaways, roads, airports and payments infrastructure.
- Under Union Budget 2020-21, the Government introduced Krishi Udan scheme on both domestic and international routes to help farmers in transporting agricultural products and improve the product value.
- In April 2020, the Government introduced 'Lifeline Udan' flights to transport essential medical cargo to remote parts of the country to support India's war against COVID-19. Under this scheme, 465 flights were operated by Air India, Alliance Air, IAF and private carriers as of May 05, 2020.
- In February 2019, the Government sanctioned the development of a new greenfield airport in Hirasar, Gujarat, with an estimated investment of Rs 1,405 crore (US\$ 194.73 million).
- Under Uttar Pradesh Budget 2019-20, the state Government allocated Rs 200 crore (US\$ 27.72 million) for construction of Ayodhya airport.
- As of January 2019, the Government of India has been working on a blueprint to promote domestic manufacturing of aircrafts and aircraft financing within the country.
- In January 2019, the Government organised Global Aviation Summit in Mumbai, which witnessed participation of over 1,200 delegates from 83 countries.
- In December 2018, Kannur International Airport was inaugurated, making Kerala the only state in India to have four international airports.
- In October 2018, the Government released a policy on biometric digital processing of passengers at airports called 'Digi Yatra'. The policy would ensure uniform implementation and passenger experience across Indian airports through a connected ecosystem.

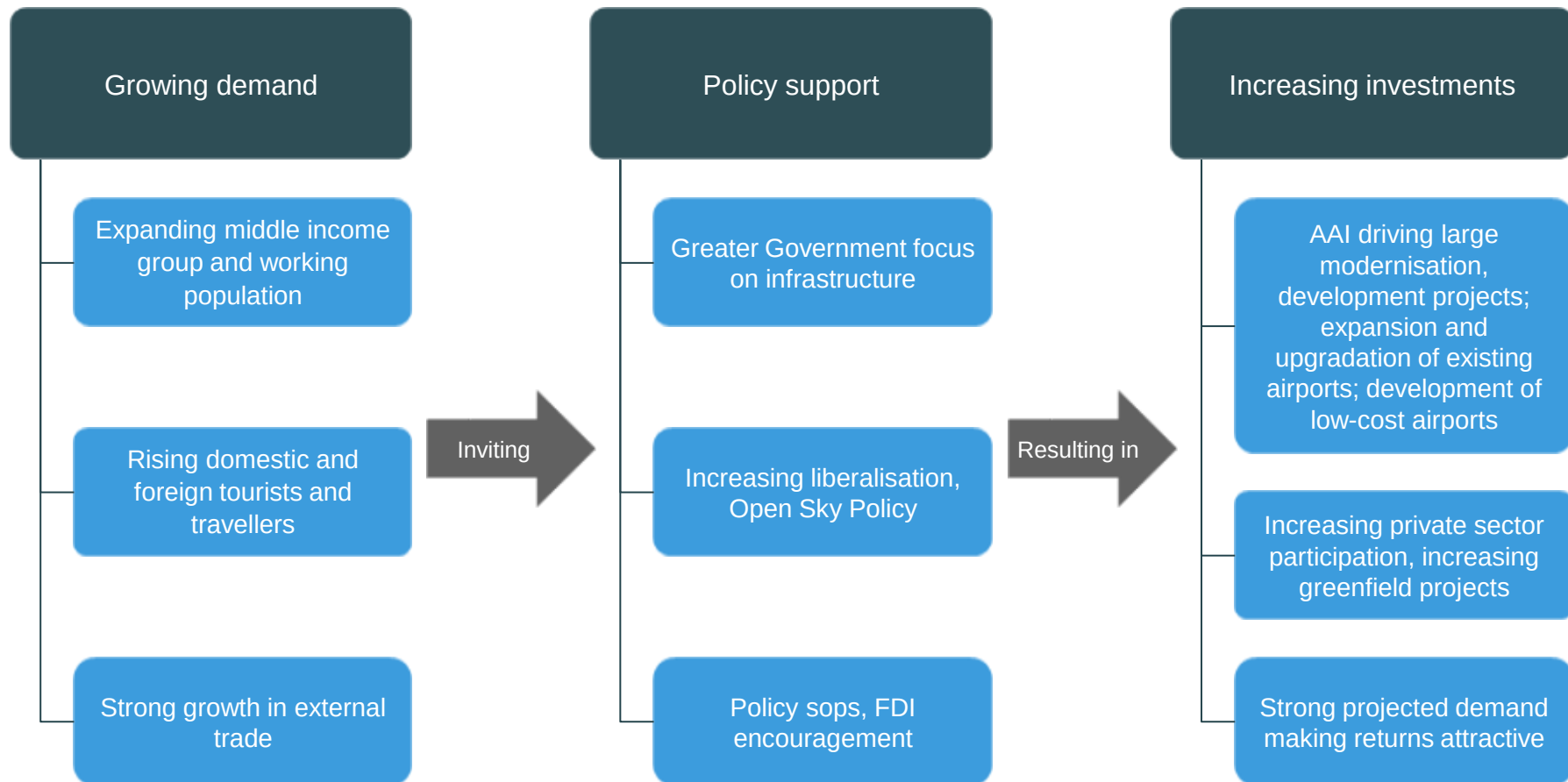
Note: AAI – Airport Authority of India

Source: Central Asia-Pacific Aviation, News Articles

GROWTH DRIVERS

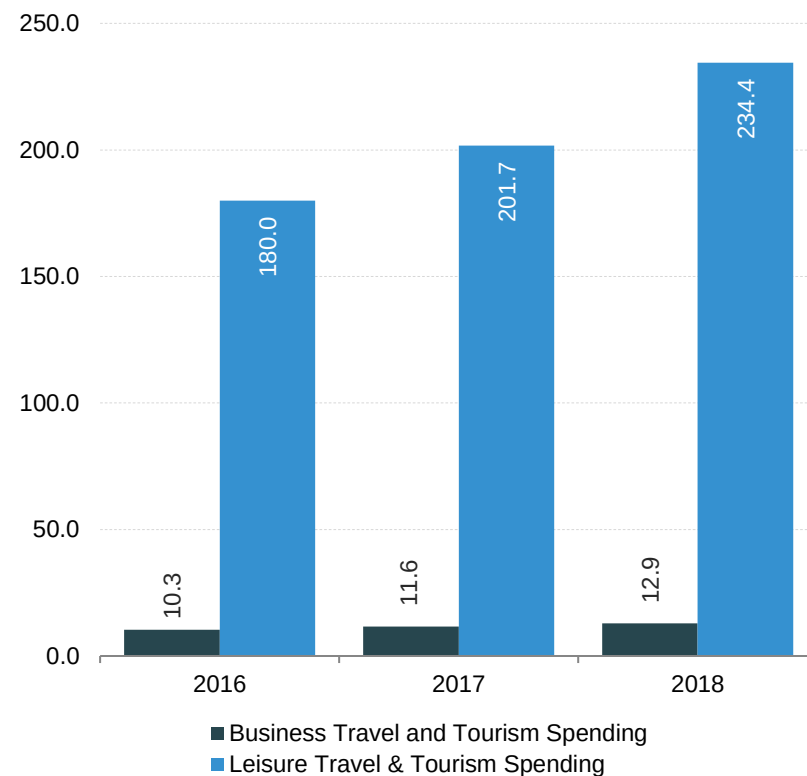


STRONG DEMAND AND POLICY SUPPORT DRIVING INVESTMENTS



- The share of travel and tourism in India's GDP was 10.4 per cent in 2018. It is expected to grow at 6.9 per cent per annum between 2018 -2028.
- Emergence of business hubs like Mumbai (Finance), Bengaluru (IT), Chennai (IT), and Delhi (Manufacturing, IT) is likely to boost business travel as well.
- Leisure travel spending is expected to grow at 7.6 per cent in 2018 and rise to 7.1 per cent per annum between 2018 – 2028, whereas, business travel spending is expected to grow at 6.7 per cent in 2018 and rise to 7.0 per cent per annum between 2018 – 2028.
- India plans to open 100 airports by 2024.

Travel and tourism spending (US\$ billion)

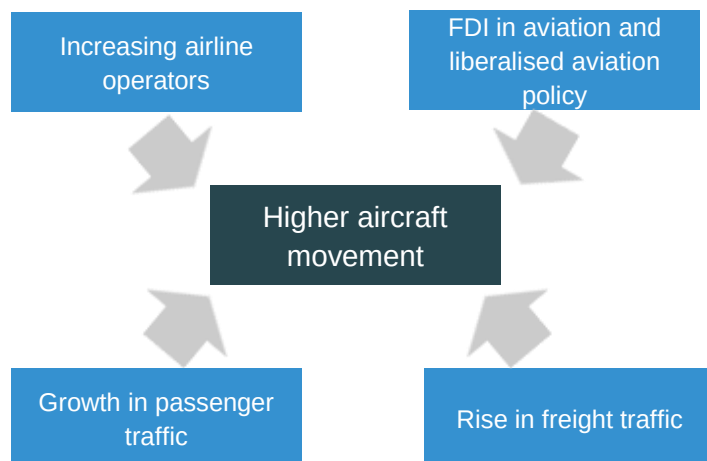


Notes: IT – Information Technology

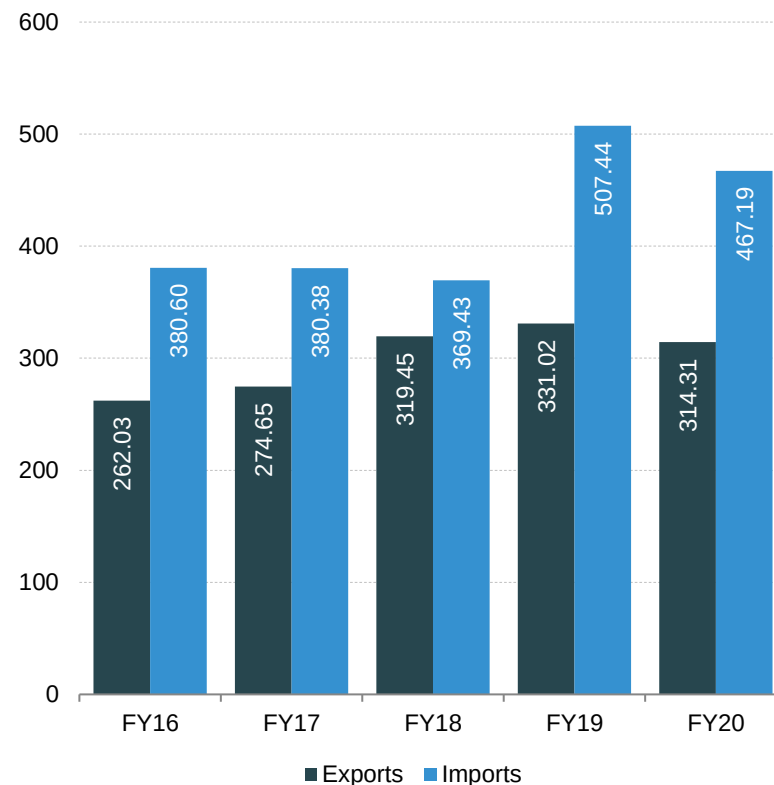
Source: World Travel and Tourism Council, Make in India, Global Business Travel Association

EXPORT AND IMPORT

- Over FY16-20,
 - India's export expanded at a CAGR of 4.65 per cent to US\$ 314.31 billion in FY20.
 - Imports registered a CAGR of 5.26 per cent, which reached US\$ 467.19 billion in FY20.
- Growing trade augurs well for airports as they handle about 30 per cent of India's total trade (by value)
- In FY20, India's merchandise export and import stood at US\$ 314.31 billion and US\$ 467.19 billion, respectively.



Export and import (US\$ billion)



Notes: CAGR – Compound Annual Growth Rate, FY – Indian Financial Year (April – March)

Source: Ministry of Commerce and Industry

Greater focus on infrastructure

- AAI plans to invest Rs 25,000 crore (US\$ 3.58 billion) in the next five years to augment facilities and infrastructure at airports. The Indian Government is planning to invest US\$ 1.83 billion for development of airport infrastructure along with aviation navigation services by 2026.
- In 2019, 85 AAI airports were declared as Single-Use Plastic Free Airport Terminals.

Liberalisation, open sky policy

- With the opening of the airport sector to private participation, six airports across major cities are being developed under PPP.
- Currently, 60 per cent of airport traffic is handled under PPP, while the remaining 40 per cent is managed by AAI.
- Increased traffic rights under bilateral agreements with foreign countries.
- India signed its 1st open skies agreement with Greece.

Northeast India

- Over 30 airport development projects are under progress across various regions in Northeast India.
- AAI plans to develop over 20 airports in Tier-II and Tier-III cities in the next 5 years.
- AAI plans to develop Guwahati as an inter-regional hub and Agartala, Imphal and Dibrugarh as intra-regional hubs.

Notes: India currently has bilateral air service agreements with 104 countries. These include Brazil, 27 members of the EU, and China. In 2008 traffic rights were been enhanced with Mexico, Saudi Arabia, Netherlands, Qatar, Iran, Japan and Turkey, FDI – Foreign Direct Investment, GOI – Government of India

Taxes and duties

- 100 per cent tax exemption for airport projects for a period of 10 years.
- Indian aircraft Manufacture, Repair and Overhaul (MRO) service providers are exempted completely from customs and countervailing duties.

Budgetary support

- The Government has allocated a sum of US\$ 710.38 million to Directorate General of Civil Aviation to implement various schemes.
- The Government has also supported the Bureau of Civil Aviation Security with US\$ 7.62 million to meet their expenditure.
- Allocation to Civil Aviation ministry was Rs 3,798 crore (US\$ 543.43 million) under Union Budget 2020-21.
- Under Union Budget 2020-21, the Government introduced Krishi Udan scheme on both domestic and international routes to help farmers in transporting agricultural products and improve the product value while One hundred more airports would be developed by 2024 to support Udaan scheme.

National Civil Aviation Policy, 2016

- The policy covers 22 areas of the civil aviation sector.
- Regional Connectivity Scheme (RCS) has been launched under the policy.
- Airlines can commence international operations and will have to deploy 20 aircrafts or 20 per cent of their total capacity (whichever is higher) for domestic operations.

Notes: AAI – Airports Authority of India, DGCA – Directorate General of Civil Aviation, FY – Indian Financial Year (April – March)

Source: : Ministry of Civil Aviation

Metro airports

- India has envisaged increasing the number of operational airports to 190-200 by FY40.
- AAI has developed and upgraded over 23 metro airports in the last 5 years.

Non-metro airports

- AAI plans to spend US\$ 3 billion on non-metro projects over the 5 years (2016–20), mainly focusing on modernisation and upgradation of airports. New airports at Itanagar, Kohima and Gangtok are also planned.
- The Government of Andhra Pradesh is to develop greenfield airports in six cities-Nizamabad, Nellore, Kurnool, Ramagundam, Tadepalligudem and Kothagudem under PPP.
- Upfront subsidy has been proposed through which non-metro airports would be funded by imposing 2 per cent levy on both domestic and international airfares.
- About 22 airports to get connected under regional connectivity scheme of AAI.

Encouragement to FDI

- The Government has allowed 100 per cent FDI under automatic route for greenfield projects, whereas, 74 per cent FDI is allowed under automatic route for brownfield projects.
- 100 per cent FDI is allowed under automatic route in scheduled air transport service, regional air transport service and domestic scheduled passenger airline. FDI over 49 per cent would require Government approval.
- Approval of 49 per cent FDI in aviation for foreign carriers.
- FDI inflow in India's air transport sector (including air freight) reached US\$ 2.75 billion between April 2000-March 2020.

PRIVATE SECTOR INVESTMENT IN AIRPORTS RISING

- Recourse to the PPP model has boosted private sector investments in airports.
- PPP route for five international airports (Delhi, Mumbai, Cochin, Hyderabad, Bengaluru) most noteworthy.
- Increasing share of private sector in equity component of major airports –
 - 74 per cent private share holding in IGI Airport (Delhi) - owned majorly by GMR (54 per cent), Fraport AG (10 per cent), and Eraman Malaysia (10 per cent); rest of the shares owned by AAI.
 - 74 per cent private shareholding in CSI Airport (Mumbai) - owned majorly by GVK (50.5 per cent), Bid Services Division (Mauritius) Ltd. (13.5 per cent), and ACSA Global (10 per cent); rest of the shares owned by AAI.
 - 74 per cent private shareholding in RGI Airport (Hyderabad) - owned majorly by GMR (63 per cent) and Malaysia Airports Holdings Berhad (11 per cent); rest of the shares owned by Government of India (13 per cent) and Government of Andhra Pradesh (13 per cent).
 - 74 per cent shareholding in Kempagowda International Airport (Bengaluru) – owned majorly by Siemens Project Ventures, Germany (40 per cent), Unique (Flughafen Zurich AG) Zurich Airport, Switzerland (17 per cent), and L&T, India (17 per cent); rest of the shares owned by AAI (13 per cent) and KSIIDC, which is an agency owned by the state of Karnataka, India (13 per cent).

Source: Notes: KSIIDC – Karnataka State Industrial and Infrastructure Development Corporation Ltd.

SUCCESSFUL PPP AIRPORTS IN INDIA

- Presently, India has 5 PPP airports, one each at Mumbai, Delhi, Cochin, Hyderabad and Bengaluru, which together handle over 55 per cent of the country's air traffic.
- Government of India has approved 15 greenfield PPP projects which are expected to increase the air traffic in India. These projects would be setup in Goa, Navi Mumbai, Maharashtra, Bijapur, Gulbarga, Karnataka, Kerala, West Bengal, Madhya Pradesh, Sikkim, Puducherry and Uttar Pradesh.
- Government of Maharashtra approved development of Nagpur airport on PPP basis and allocated Rs 100 crore (US\$ 15.45 million) for it in the State Budget 2018-19. The airport will be upgraded on a DBFOT basis with a private player operating it for 60 years.
- In November 2019, Competition Commission of India (CCI) approved the acquisition of shareholdings in Mumbai International Airport Limited (MIAL) by Adani Properties Private Limited (APPL) .

Name of the airport	Operator	Type of project/ PPP structure	Revenue sharing
Chhatrapati Shivaji International Airport	Mumbai International Airport Ltd (MIAL)	Brownfield/BOOT	38.7 per cent of gross revenue to be shared with AAI
Indira Gandhi International Airport	Delhi International Airport Ltd (DIAL)	Brownfield/BOOT	45.9 per cent of gross revenue to be shared with AAI
Rajiv Gandhi International Airport	GMR Hyderabad International Airport Ltd (GHIAL)	Greenfield/BOOT	Concession fees – 4 per cent of gross revenue to be shared with AAI
Bengaluru International Airport	Bengaluru International Airport Ltd (BIAL)	Greenfield/BOOT	Concession fees – 4 per cent of gross revenue to be shared with AAI
Cochin International Airport	Cochin International Airport Ltd (CIAL)	Greenfield/BOO	Payment of dividend to the Government towards their 26 per cent equity capital

Notes: BOOT - Build Own Operate Transfer; BOO - Build Own Operate, DBFTO – Design Build Finance Operate Transfer

Source: Association of Private Airport Operators

OPPORTUNITIES



Policy support and demand growth unlocking large investment potential

- Success of PPP will raise investment in existing and greenfield airports.
- Private sector participation in six existing airports operated by AAI is likely to increase investment opportunities for airport sector.
- Government of India has launched NABH-Nirman Scheme, which is aimed at increasing India's airports' capacity. According to various estimates, India will require investments worth Rs 3 - 4 lakh crore (US - 62.06 million) to achieve a capacity for having a billion trips per year.

Huge potential to develop India as an MRO hub

- India's MRO industry is expected to grow from US\$ 800 million in 2018 to more than US\$ 2.4 billion by 2028.
- Indian airline companies will spend over 12–15 per cent of their revenues on maintenance, which is the second highest cost component after fuel.
- The Government has envisaged making India a global MRO hub, handling nearly 90 per cent of the MRO needs of Indian operators and obtaining around 20 per cent of the MRO revenue from foreign-registered aircraft.
- To achieve this, the Government has proposed various key steps including setting up of a high-power task force for promotion of MRO, declaration of MRO and component warehouses as free trade zones with zero per cent GST, import restrictions.

Leverage on non-aeronautical revenues, improved technology

- Airport developers can now draw on wider revenue opportunities such as retail, advertising and vehicle parking.
- Future operators will benefit from greater operational efficiency due to satellite based navigation systems like 'Project Gagan' which is in development phase.

Notes: PPP – Public Private Partnership, NABH – NextGen Airports for Bharat, MRO – Maintenance, Repair and Overhaul, GST – Goods and Services Tax

Source: FICCI Vision 2040 for the Civil Aviation Industry in India

INDUSTRY ASSOCIATIONS



Airports Authority of India (AAI)

Address: Rajiv Gandhi Bhawan, Safdarjung Airport,
New Delhi –110 003
Phone: 91 11 24632950

Directorate General of Civil Aviation (DGCA)

Address: Aurbindo Marg, Opp. Safdarjung Airport,
New Delhi –110 003
Phone: 91 11 24622495
Fax: 91 11 24629221
E-mail: dri@dgca.nic.in, dfa@dgca.nic.in

USEFUL INFORMATION



- AAI: Airports Authority of India
- ACI: Airport Council International
- CAGR: Compound Annual Growth Rate
- FDI: Foreign Direct Investment
- FY: Indian Financial Year (April to March); So, FY20 implies April 2019 to March 2020
- GOI: Government of India
- INR: Indian Rupee
- MRO: Maintenance, Repair and Overhaul
- PPP: It could denote two things (mentioned in the presentation accordingly) –
 - Purchasing Power Parity (used in calculating per-capita GDP – slide 12, GROWTH DRIVERS)
 - Public Private Partnership (a type of joint venture between the public and private sectors)

EXCHANGE RATES

Exchange Rates (Fiscal Year)

Year INR	INR Equivalent of one US\$
2004–05	44.95
2005–06	44.28
2006–07	45.29
2007–08	40.24
2008–09	45.91
2009–10	47.42
2010–11	45.58
2011–12	47.95
2012–13	54.45
2013–14	60.50
2014–15	61.15
2015–16	65.46
2016–17	67.09
2017–18	64.45
2018–19	69.89
2019–20	70.49

Exchange Rates (Calendar Year)

Year	INR Equivalent of one US\$
2005	44.11
2006	45.33
2007	41.29
2008	43.42
2009	48.35
2010	45.74
2011	46.67
2012	53.49
2013	58.63
2014	61.03
2015	64.15
2016	67.21
2017	65.12
2018	68.36
2019	69.89

Source: Reserve Bank of India, Average for the year

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