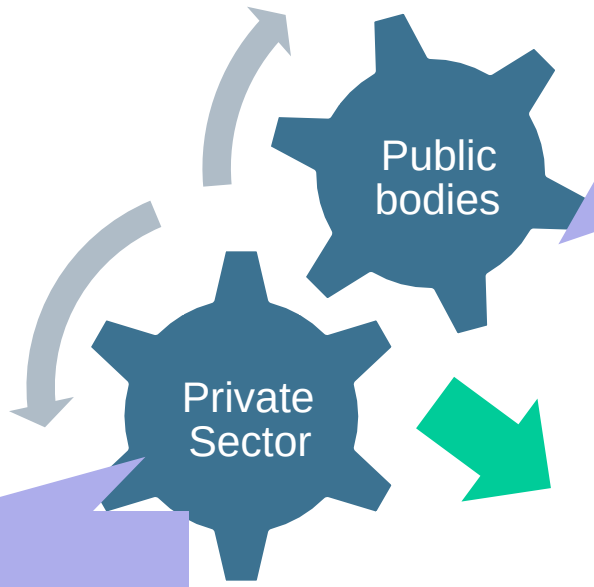
DELHI INDIRA GANDHI INTERNATIONAL AIRPORT

GMR

Impact of Airport Privatisation on Infrastructure and Charges

Contemporary issues in Air Transport, Air Law & Regulation

Best results are obtained when priorities of both public and private Partners are mutually addressed.



Priorities:

- Best-in-class and timely infrastructure creation.
- Good end-user services.
- Acceptable user charges.
- High public acceptance.
- Focus on public good.

Priorities:

- Bankable projects with returns commensurate with risks involved.
- Fair and transparent processes.
- Policies neutral to political changes

Key traits of successful PPPs:

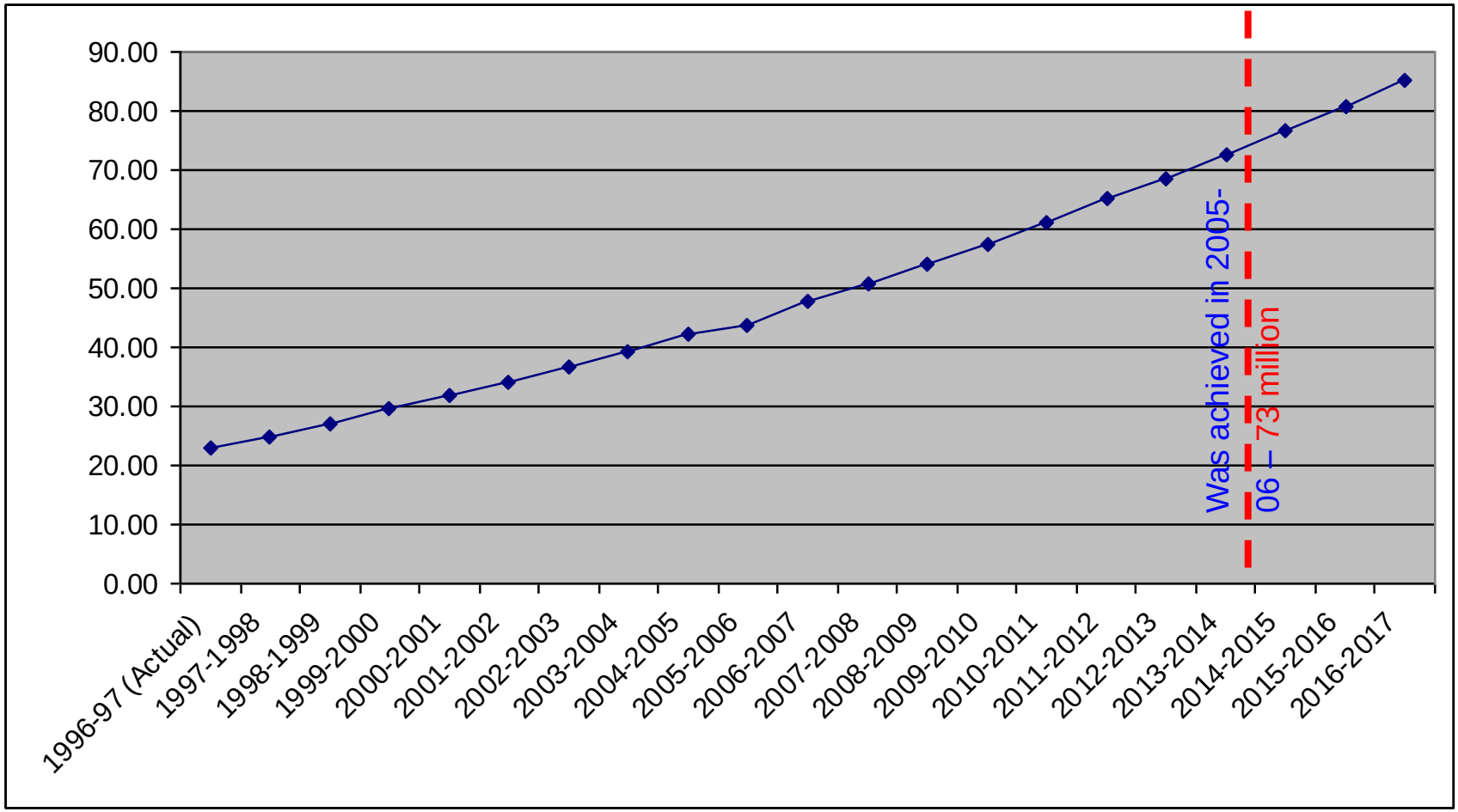
- Enabling regulatory environment.
- Performance risks borne by private players.
- Commercial risks shared by parties best positioned to bear them.
- Promotes competition among best players.
- Policies that ease access to low-cost, long-term capital.

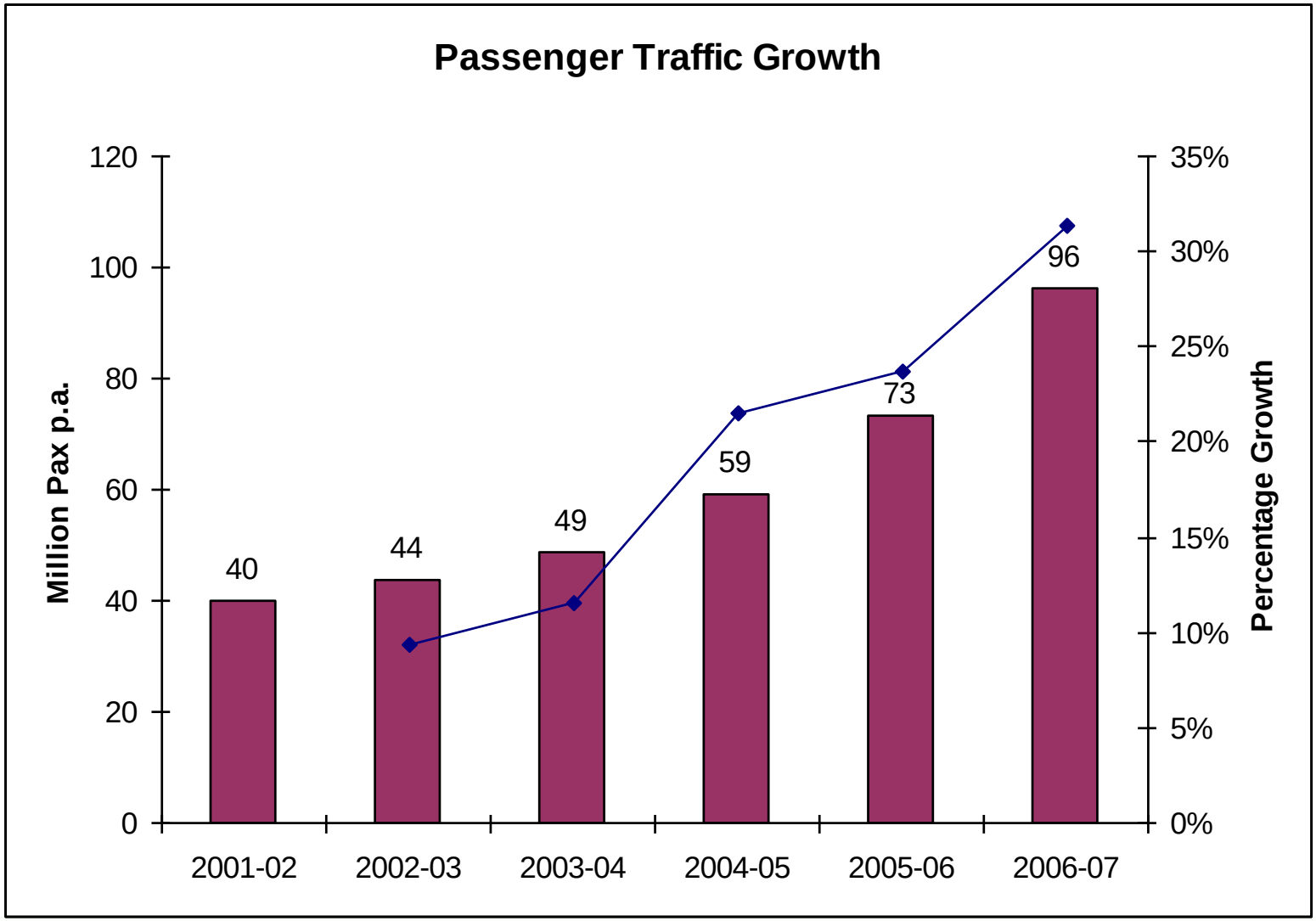
Public Private Partnership - story so far

Airport	Passenger Traffic Rank	Annual Passenger (millions)	%age of Indian air passenger traffic	Year
Cochin	7th	2.6	2.7%	2002
Delhi	2nd	20.4	22.2%	2006
Mumbai	1st	22.3	23.1%	2006
Hyderabad	6th	5.8	6.0%	2008
Bangalore	4th	8.1	8.4%	2008
Sub Total		59.2	**62.4%**	

Traffic based on 2006-07

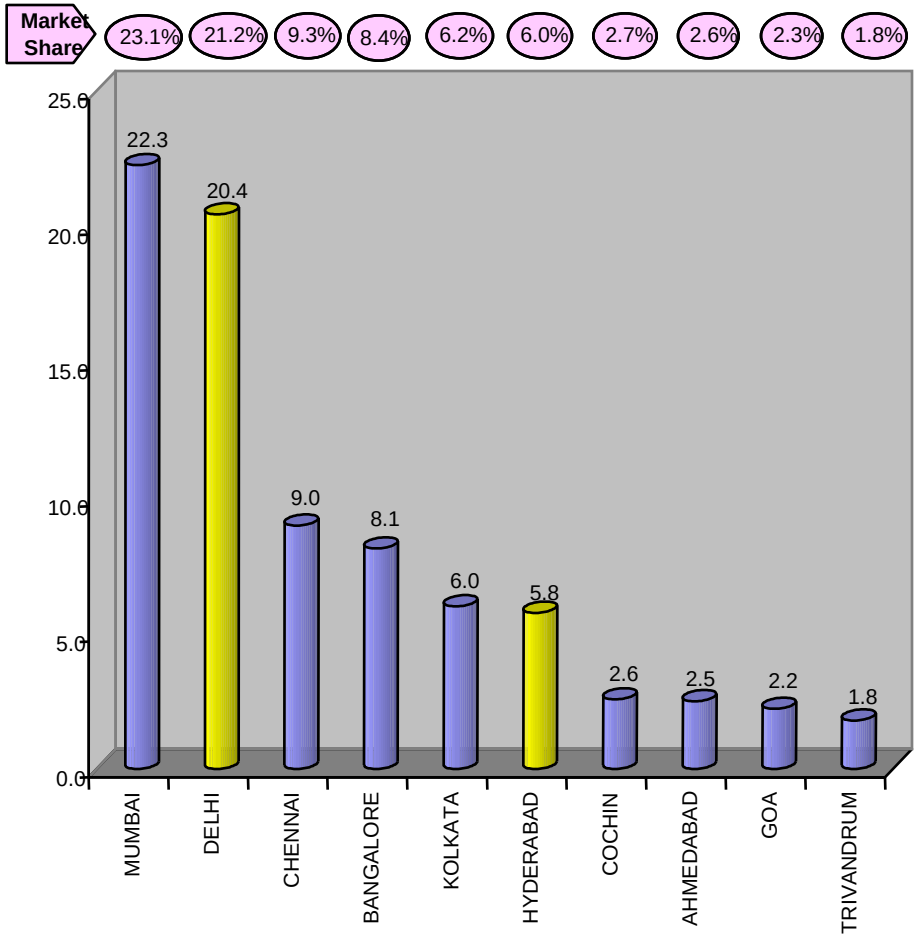
Air Traffic Projection - 1996-97




Passenger Traffic Growth
Million Pax p.a.
Percentage Growth
120
100
80
60
40
20
0
35%
30%
25%
20%
15%
10%
5%
0%
40
44
49
59
73
96
2001-02
2002-03
2003-04
2004-05
2005-06
2006-07

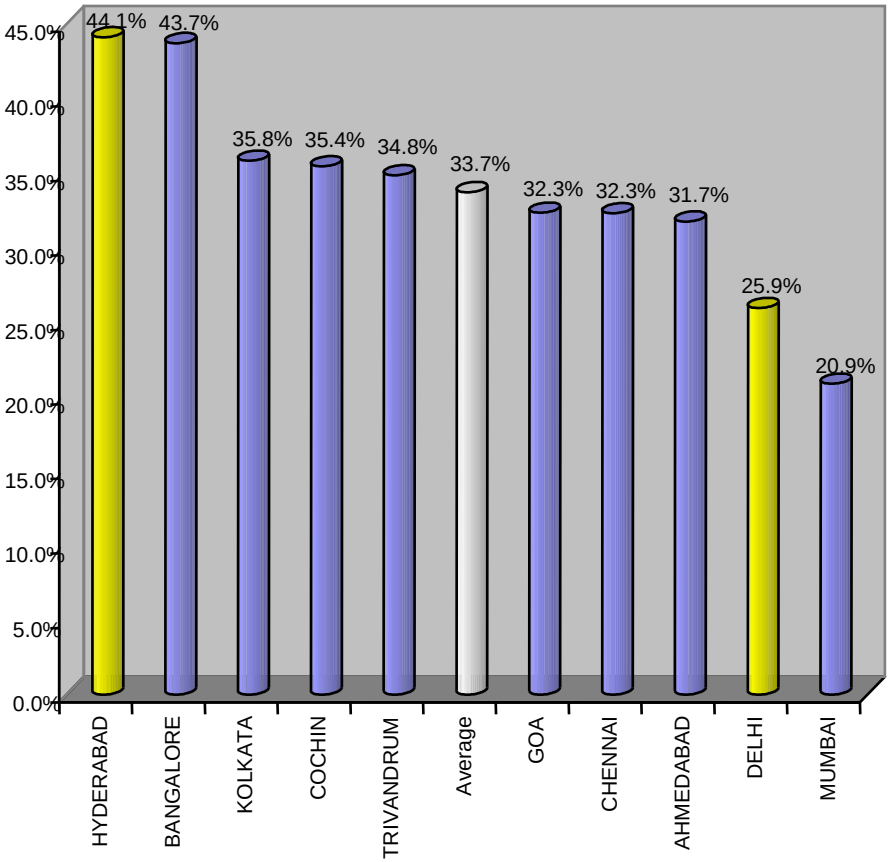
Airport Growth Story – 2006-07

Total Passenger Traffic (FY2006-07 in Millions)



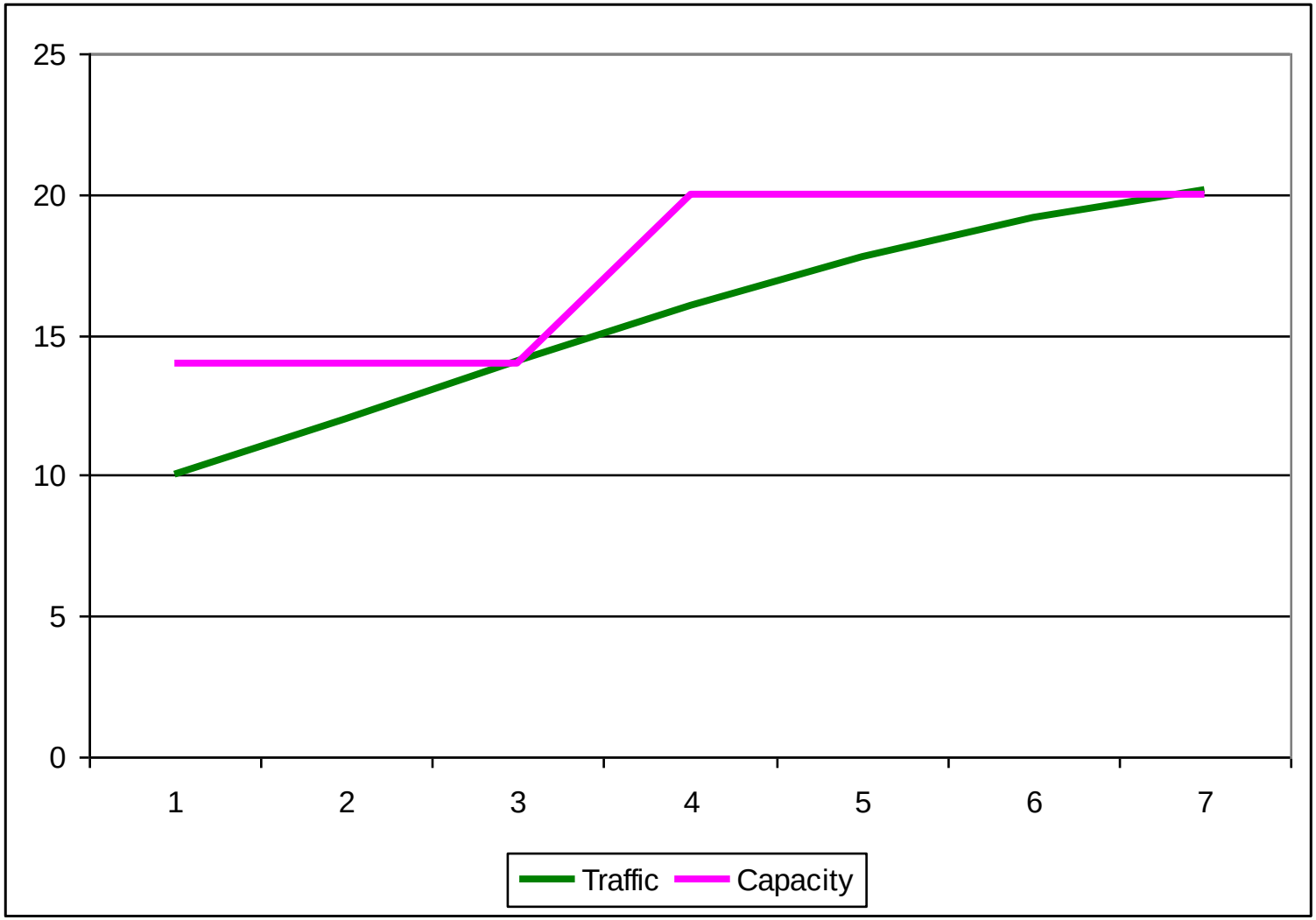
Passenger Traffic Growth Rates

Growth FY2006-07 over FY2005-06

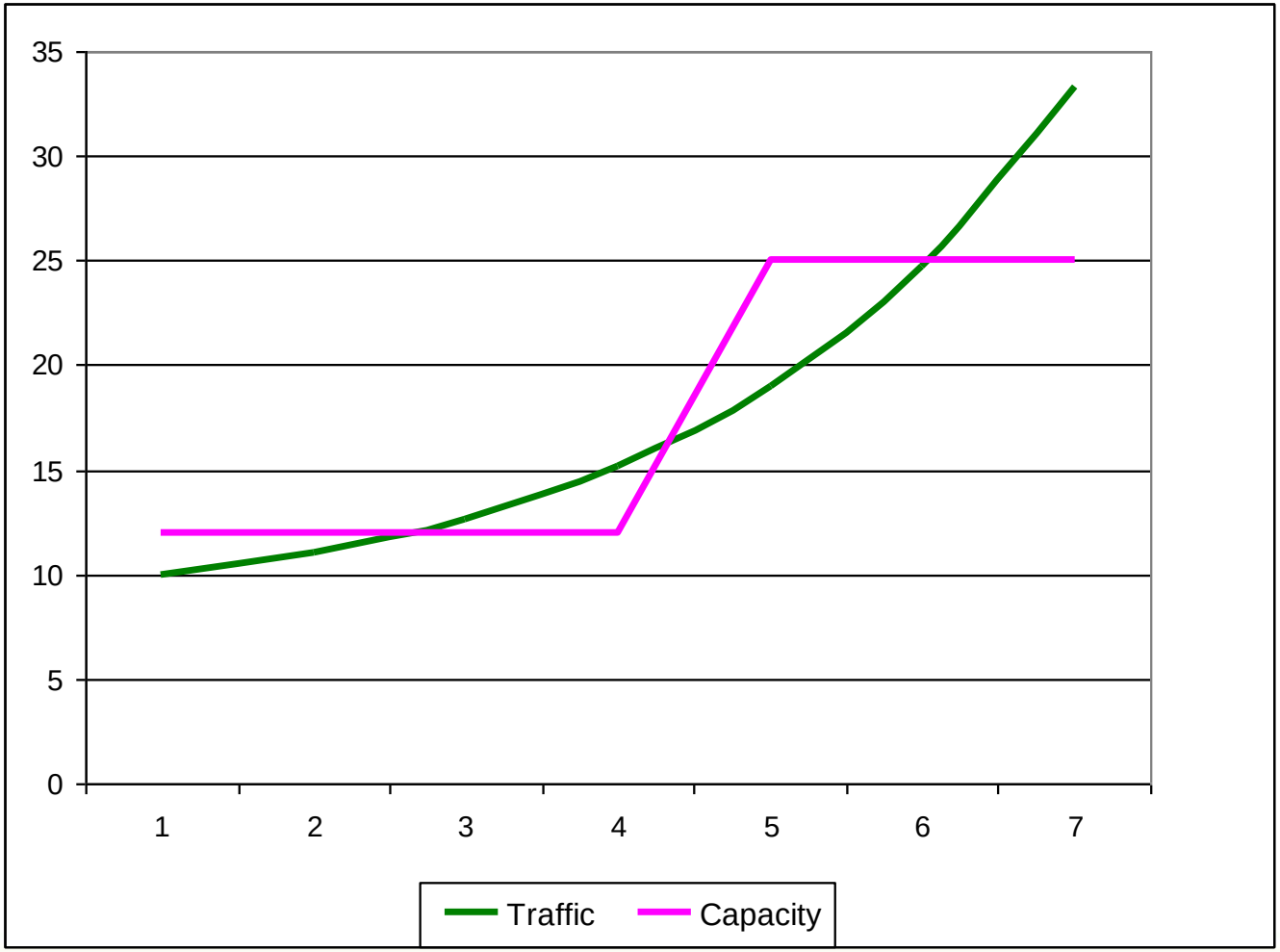


Port Blair Airport has increased by 146.6% in the FY 2006-07 as compared to FY 2005-06.

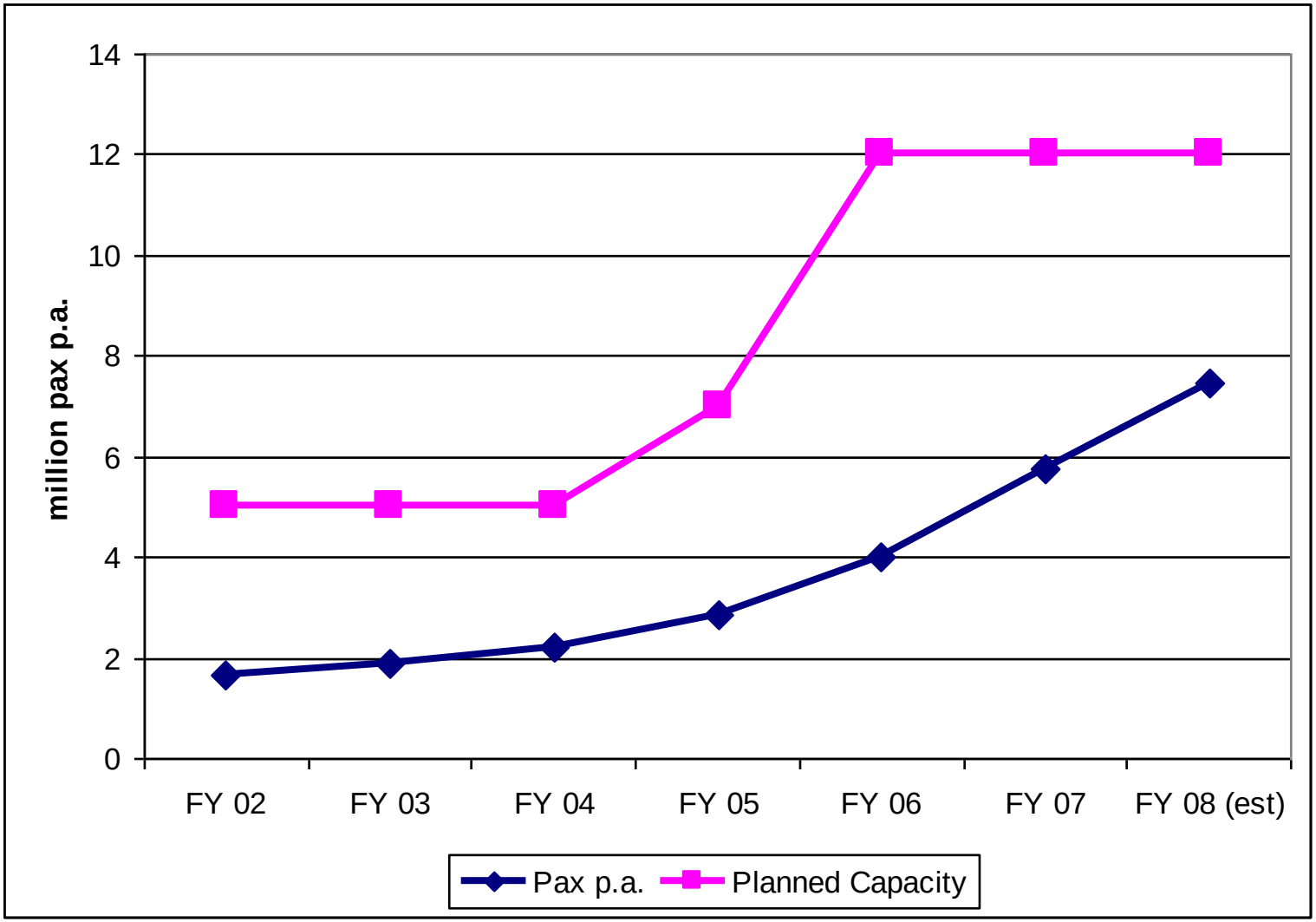
Desired state



Capacity Catch-up story



HIAL traffic dynamics




Phase 1 plan

High speed rail link city center connectivity to be achieved — 2010

New Integrated Terminal T3 with 34 million pax capacity to be ready — 2010

60 - 65 Aircraft Movements on Runway — 2008

New Runway/Expanded T1 & T2 to be ready — 2008

NEW TERMINAL – 2010

New Terminal Building

New Code F Runway

55 New Contact Stands

30 New Remote Stands (in addition to existing 64 stands)

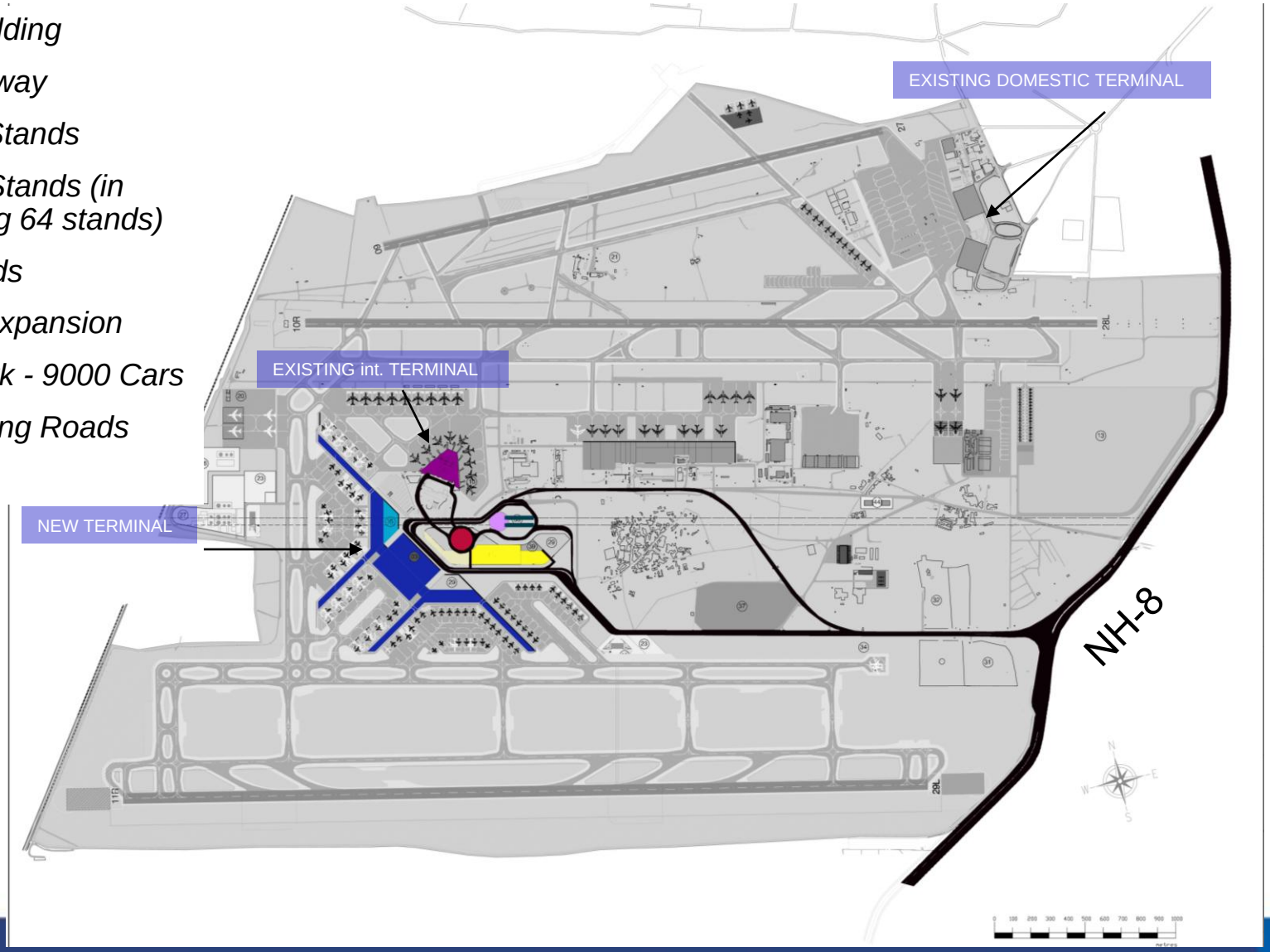
4 new cargo stands

Cargo Complex Expansion

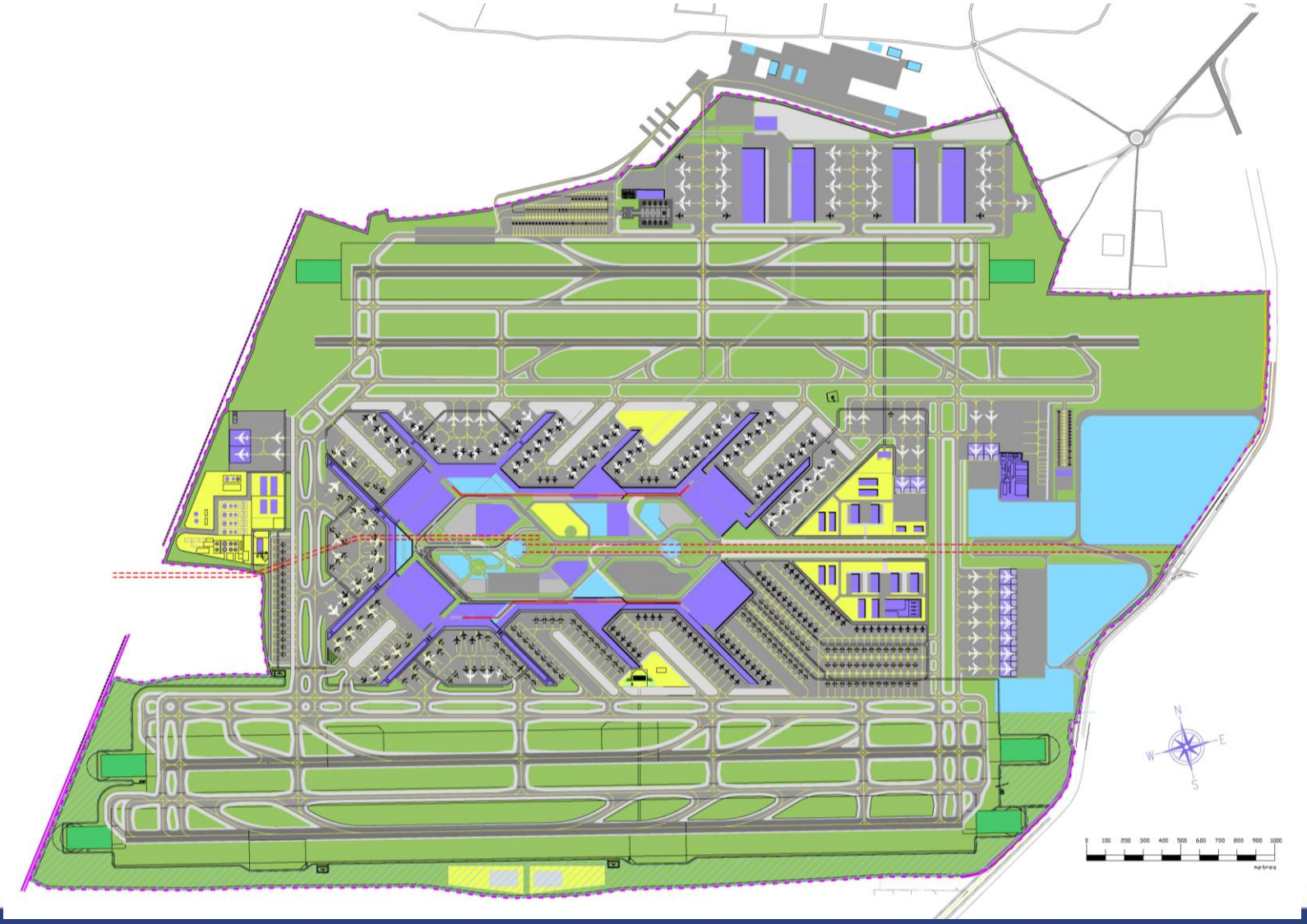
Multilevel Car Park - 9000 Cars

Widening of existing Roads

New Fire Stations



Saturation Plan - 2030

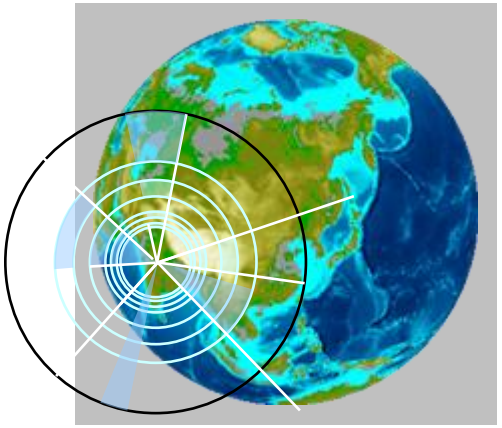


A world class city deserves a world class airport.

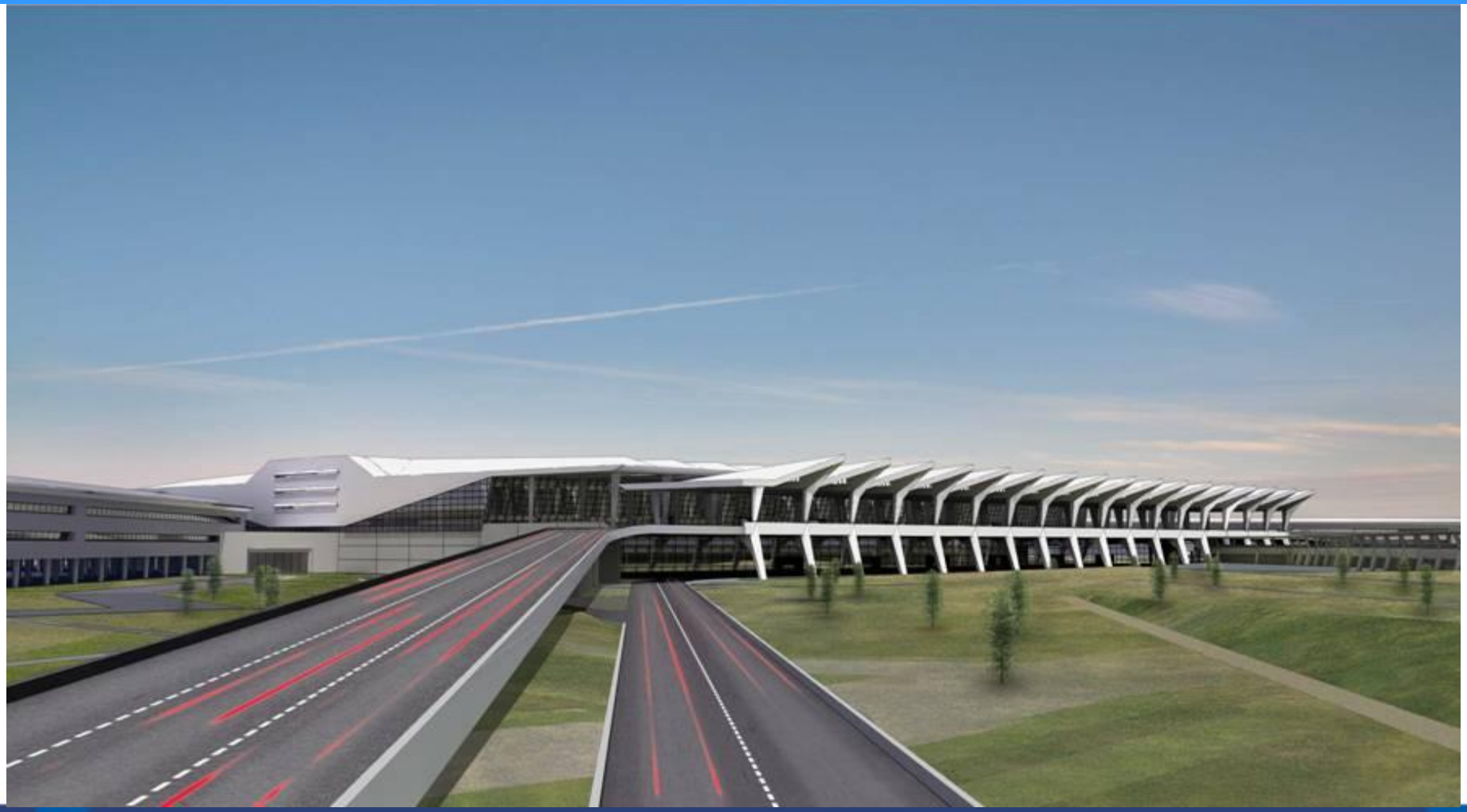
- A city's airport creates the first impression of the city and the country on any international traveler. They are the first window to the country!
- A world class airport, equipped with state of the art facilities and systems, portrays an image of prosperity, development and economic potential.
- This coupled with a strong service attitude creates a feeling of being welcome and 'at ease'
- On the other hand, a congested airport with poor facilities and systems portrays a picture of neglect and apathy .
- Globally, world class cities boast of best-in-class airports that are an icon of the city's and country's economic progress.
- An increasing number of developed and developing economies are making significant investments in airport projects, in an effort to create global benchmarks.

Airports will shape business location and urban development in the 21st Century as much as highways did in the 20th century, railroads in the 19th And seaports in the 18th

NEW TERMINAL BUILDING- T3



ENTRANCE CANOPY



T3- Departure Concourse Artists Impression

T3 - Check In Hall Artists Impression

T3 - Immigration Counters Artists Impression

T3-Immigration Counter Area Artists Impression

T3 - Canyon from Departure Level Artists Impression

T3 - Arrival Level Travelators Artists Impression

T3 - Arrival Level Baggage Reclaim Area Artists Impression

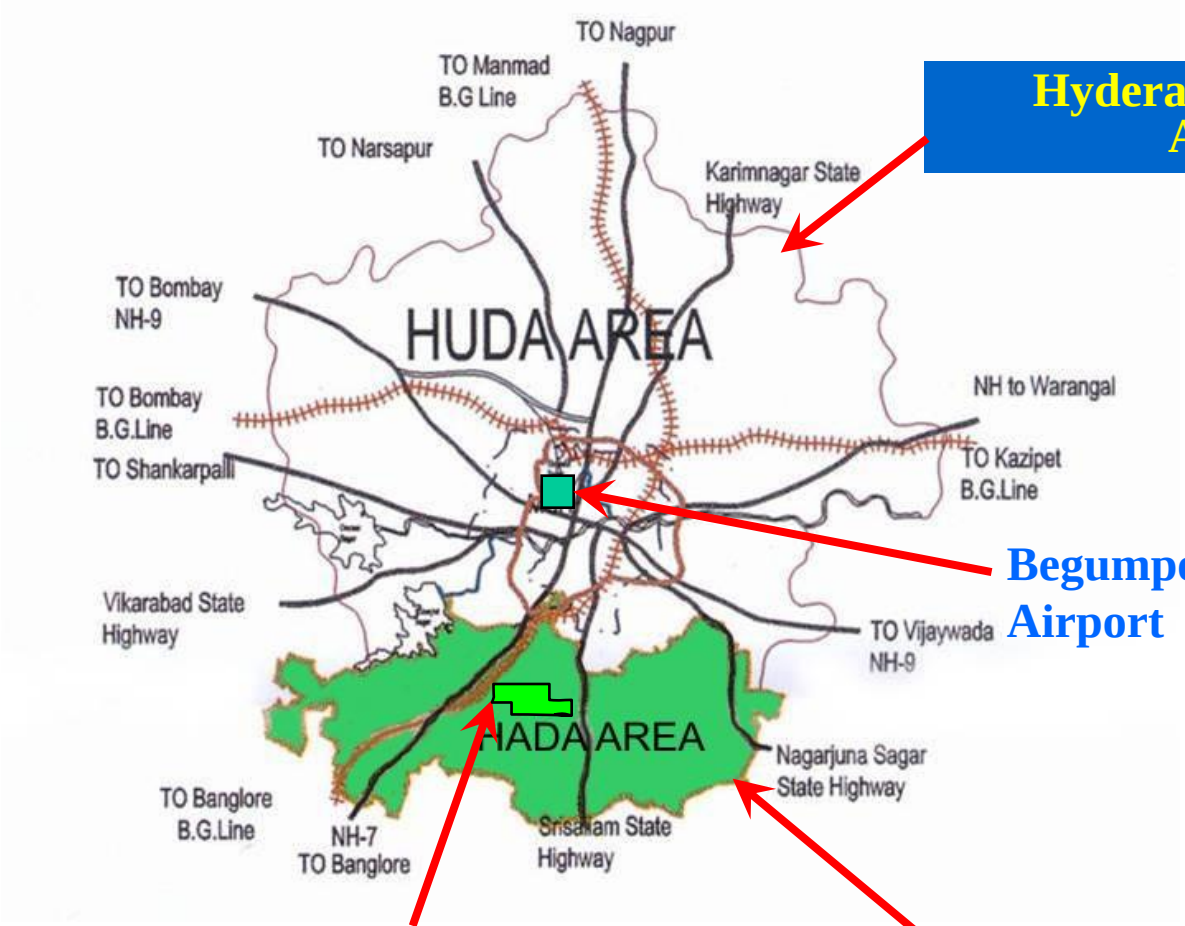
T3 - Arrival Level Canyon Artists Impression

DIAL Working on aggressive Commissioning schedule

Airport	Capacity	Time
Changi Airport - Singapore	22 Million	76 months
Heathrow T5	25 Million	60 Months
IGI Airport	**34 Million**	**37 months**
Beijing Airport New Terminal for Olympics	25 Million	36 months

DIAL also compares favorably on cost

Project Site



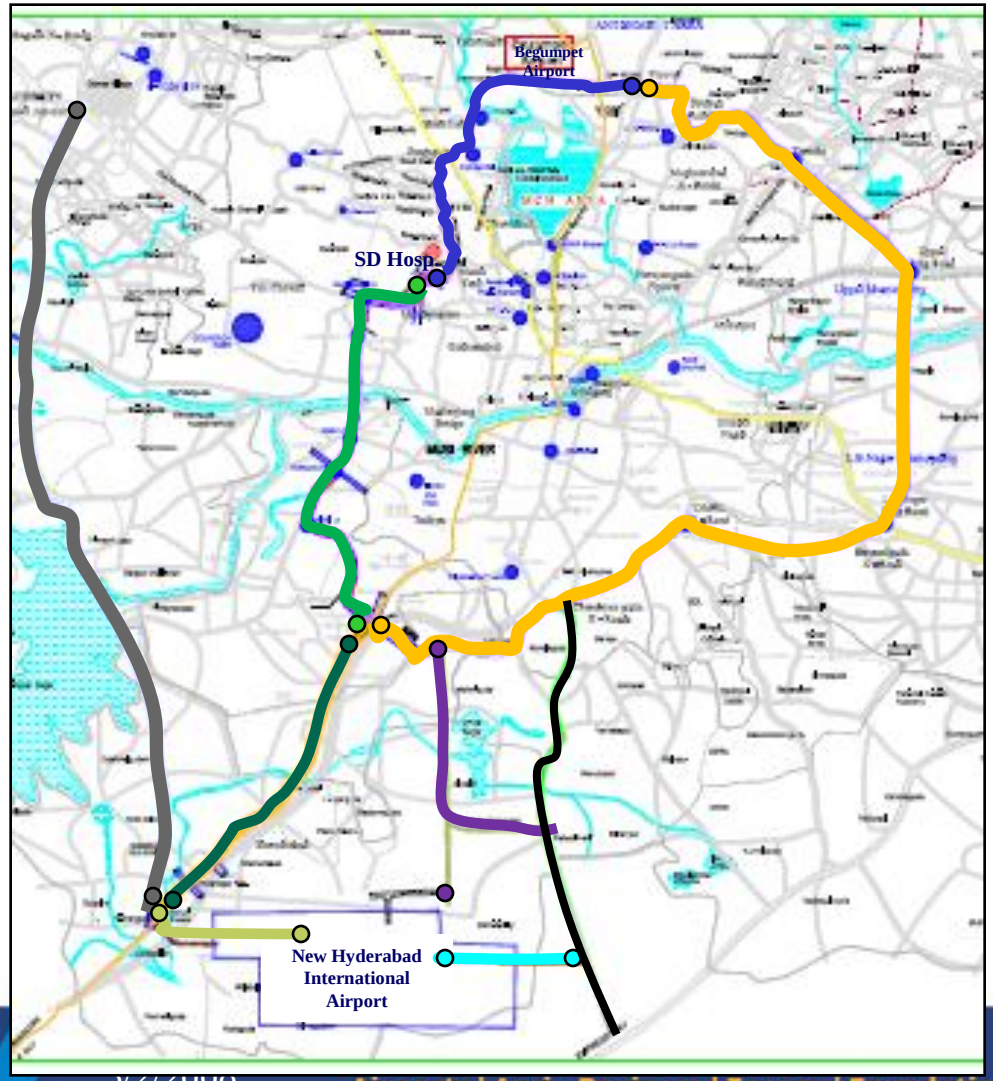
Hyderabad Urban Development Authority (HUDA)

Begumpet Airport

GHIAL- 5495 acres

Hyderabad Airport Development Area (HADA)

Connectivity to the New Airport



- Inner Ring Road (West) with number of flyovers
- 4- Lane Elevated Express Way for 11.6 KM with 6 lane at-grade road
- National Highway-7 for 9 KM of 6Lane
- 8-lane Inner Ring Road (East) of around 30 Km
- 8 –lane Outer Ring Road for 24.38km
- Srisailam Highway
- New 4-Lane Road(P7)
- Access Road from NH-7
- Access Road from Srisailam State Highway

Going forward, metropolises are giving way to 'Aerotropolises*', bolstering economic growth further.

- Aerotropolis is a set of clusters of aviation-linked businesses along with supporting social infrastructure radiating outward from an airport.
- Aerotropolis can stretch up to 15 miles outward from airports along transportation corridors and **attracts various types of connected businesses** ranging from time-sensitive manufacturing and distribution to social infrastructure like hotels, entertainment centers.

SkyPlaza, opened in 2006 near Hong Kong International Airport, features a mix of retail, entertainment, and office uses.

KLIA is intended to serve Malaysia's planned Multimedia Super Corridor, promoted as the information technology center of Asia.

A massive 'Aerotropolis' is being developed around the world's largest international airport in Dubai.

Overview: Dubai International Airport Expansion

New Jebel Ali Airport

New Jebel Ali Airport

- Dubai World Central (DWC) is a massive, multi-phase development centered around the world's largest greenfield international airport:
  - Planned as a 140 square kilometer city at Jebel Ali, south of Dubai city center.
  - Creates the world's first truly integrated multi-modal logistics platform with all transportation modes, logistics and value-added services
  - These include product manufacturing and assembly in a single-bonded free zone environment made up of Dubai Logistics City, Dubai World Central International Airport and Jebel Ali Port.
  - Will have a cluster of specialized zones like Residential City, Commercial city, Enterprise Park and a Golf Resort.

Jebel Ali will be an 'Aerotropolis' and will house some 750,000 people eventually

The current economic scenario is ideal for the development of 'Aerotropolis' at major Indian airports.

- India is one of the fastest growing economies in the world today and its aviation sector is growing rapidly.
- The airport infrastructure is undergoing a process of modernization and privatization.
- Large tracts of land maybe available for commercial development adjacent to these airports, especially the Greenfield airports.
- The CBDs in most of the major Indian cities have deteriorating infrastructure and are saturated, with no growth vector available.
- This situation is similar to what other major Asian cities faced a few years earlier.

GMR is evaluating the 'Aerotropolis' concept for both the Delhi and Hyderabad airports

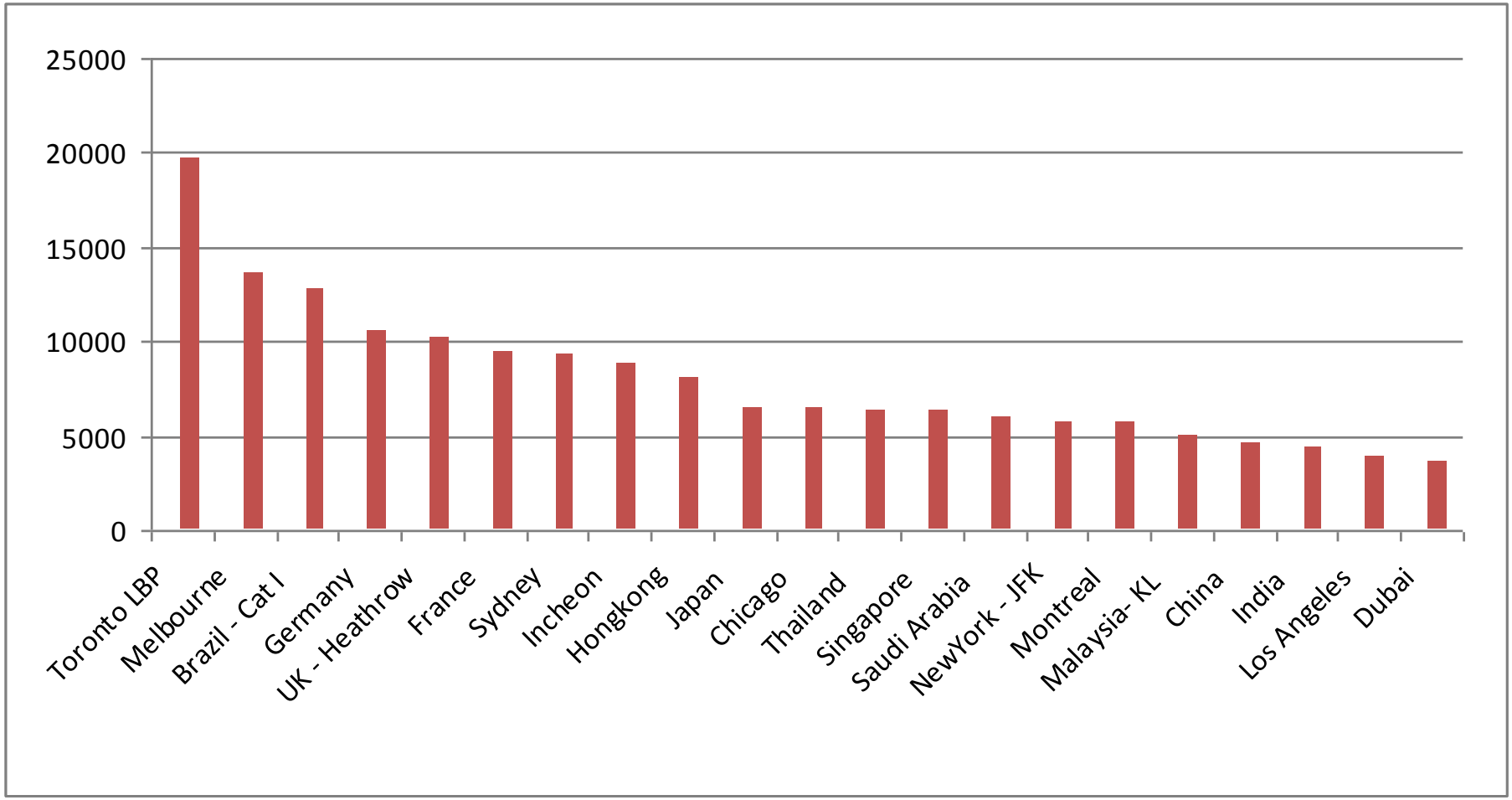
Expected investment in sector

Development in pipeline	Cost (Rs.billion)
Delhi modernization	89
Mumbai modernization	58
Chennai/Kolkata	38
35 Non metro airports	76
Greenfield Kannur	9
Total	270

Aero charges are a recovery of cost incurred

unless subsidized

Aero charges - 747



US$ per ATM

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