



GMR Airports Limited
(formerly known as GMR Airports Infrastructure Ltd)

**Q3FY2026 Investor / Analyst
Conference Call Transcript
February 14, 2026**

Moderator:

Ladies and gentlemen, good day and welcome to GMR Airports Limited Conference Call to discuss Q3 FY 2026 Results. As a reminder, all participants lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

We have with us today, Mr. Saurabh Chawla, Executive Director, Finance and Strategy. Before we begin, I would like to state that some of the statements made in this today's discussion may be forward-looking in nature and may involve risk and uncertainties. Also, recording or transcribing of this call without prior permission of the management is strictly prohibited. I now hand over the conference to Mr. Saurabh Chawla for opening remarks. Thank you and over to you, sir.

Saurabh Chawla:

Thank you and good morning, everyone. I welcome our shareholders, analysts, and other stakeholders to our Q3FY26 earnings call. Before I move into our performance and outlook, I would like to place our results in the context of the broader global and domestic aviation environment. The year-to-date for the aviation sector has been a testing one with multiple events trying to disrupt the momentum seen in air travel. Yet, I am encouraged by the efforts taken by every stakeholder, especially the employees, and the resilience seen in the passenger traffic. Global demand remains resilient into 2026 despite supply bottlenecks and India remains one of aviation's strongest structural growth markets. IATA projects airlines will deliver about US\$41 billion of net profit in 2026 on record load factors of 83.8% while ACI World expects global passenger traffic to exceed 10.2 billion in 2026. Growth will be led by Asia Pacific where IATA projects traffic growth of 7.3% year-on-year and within Asia Pacific, China, India, and Vietnam will be the key growth markets.

The supply side is looking to be even more encouraging for 2026. Boeing estimates that aircraft deliveries to its Indian customers including Air India Group and Akasa Air will average two planes a month in 2026. In fact, Akasa Air has resumed hiring pilots after an 18-month pause aiming to expand its fleet with upcoming Boeing deliveries. Similarly, this year, Air India has unveiled a brand new Boeing 787 aircraft and by the end of 2026, nearly 65% of the airline's wide-body fleet and over 50% of its international services will feature modern top-of-the-line cabins as per the Air India's



Chief Commercial Officer. IndiGo also expects delivery of nine A321 XLRs in 2026 giving IndiGo the range to operate up to 8,700 kilometers opening long haul opportunities previously out of reach for single aisle aircraft. IndiGo aims to increase international capacity to 40% of its total capacity by FY30 from current 28%. Thai Airways is also deploying its latest Airbus 321 Neo aircraft to cities in India as part of its ambitious expansion plan. In a nutshell, 2026 demand is resilient and supply is normalizing. On that note, let me delve into our Q3FY26 performance which marked achievements of multiple milestones.

I'm happy to share that Hyderabad Airport has again declared an interim dividend of INR7.5 per share at the recently concluded board meeting. This translates into INR2.1 billion for GAL's 74% stake.

Momentum in total income continued with Q3FY26 at INR40.8 billion up 49% year-on-year. These results underline the strength of our core assets and the success of tariff revisions and the growing contribution of non-aeronautical and adjacency businesses. EBITDA grew 65% year-on-year to INR17.9 billion with EBITDA margins for the quarter improving to 55% in Q3FY26. EBITDA continues to break previous records achieving new highs each quarter. GAL reported a profit for the quarter of INR1.7 billion versus INR2 billion in Q3FY25. Importantly, reported PAT excluding the impact of exceptional items was INR3.6 billion for Q3FY26 versus INR2.1 billion loss in Q3FY25. This was the first positive and highest profit seen since de-merger.

Consolidated net debt excluding FCCBs of INR27.7 billion which are deep in the money and shall convert into equity on its due date stood at INR345 billion increasing by INR5 billion versus Q2FY26. Net debt at Bhogapuram increased by INR1.8 billion. Net debt at GMR Cargo Logistics Limited, the entity developing the Cargo City in Delhi increased by INR1.1 billion. GMR Logistics Parks Private Limited, Hyderabad Airport's wholly owned subsidiary also refinanced its existing debt resulting in increase of about INR1.5 billion in net debt. More importantly, despite debt slightly increasing, our interest cost for the quarter is lower versus Q2FY26, a trend which we had been communicating as our ratings continue to improve which enables us to refinance debt at lower costs.

On the operational front, traffic at GAL operated airports rose 2.5% year-on-year in Q3FY26 reaching 31.9 million passengers and this excludes the Cebu airport in Philippines. This is the highest quarterly traffic handled on record despite the disruptions in early December. Delhi Airport handled record quarterly traffic of 20.8 million passengers reaffirming its position as India's primary global gateway and Mopa, the Goa Airport, also handled a record 1.5 million passengers for the quarter.

Total income of Delhi Airport rose 41% year-on-year to INR20.2 billion. While growth in non-aero and CPD income was healthy, the primary driver of the sharp increase in total income was aero revenues which rose 173% year-on-year driven by the implementation of revised tariffs. As a result, quarterly EBITDA reported was the highest on record increasing 89% year-on-year to INR8.2 billion. With this, the airport has reported a profit of INR2.3 billion for Q3FY26 and even excluding exceptional gain, the PAT for the quarter remains positive. At Hyderabad, total income was INR6.6



billion up 8% year-on-year. Non-aero revenues were particularly strong, up 24% year-on-year. EBITDA was up 11% year-on-year to INR4.3 billion. Quarterly EBITDA continues to be at near record highs for the airport and airport has also continued to be PAT positive. Mopa Airport reported a total income of INR1,061 million down 15% year-on-year. While aero revenues declined 16% year-on-year due to special initiative program to attract airlines, the impact of which is already visible on the traffic which rose 21.6% year-on-year and non-aero revenues which saw a 30% year-on-year growth. Also, do note that during Q3FY25, CPD income saw a bump as airport signed deals for the hotel and as a result, CPD for Q3FY26 cannot be compared with the last year. The airport continues to report positive EBITDA with Q3FY26 at INR418 million.

Notable achievements during the quarter are combined aero Yield Per Pax or YPP in Q3FY26 was INR430 for Delhi, Hyderabad, and Mopa. And the non-aero income per pax was INR666. This includes all revenues from non-aero businesses adjusted for revenue share paid to airports as well as non-aero revenues reported by Delhi, Hyderabad, and Mopa airports.

Progress on scaling the airport adjacency business is gathering pace. We continue to execute on our long-term vision of evolving GAL into a scaled consumer platform anchored by the reliability and discipline of a utility business. GAL financials are now truly reflecting the upsides from the takeover of duty-free operations at Delhi and Hyderabad airports. In fact, at both these airports, duty-free achieved the highest monthly sales in Dec-25. Hyderabad duty-free operationalized a new departures store in Jan '26 with entire operationalization in next two to three months. This will significantly enhance the departure total store area from 350 square meters to 1,200 square meters. Moving to cargo, the Delhi Cargo Terminal handled the highest ever monthly cargo tonnage in December '25. On F&B, at Hyderabad, phase-wise openings of F&B outlets is ongoing and all major outlets are expected to open by Q4 or end of this quarter of FY26.

Coming to refinancing and fundraising activities during the quarter, Hyderabad Airport raised INR21 billion in the form of non-convertible debentures and used the proceeds to refinance an existing dollar denominated debt. The NCDs carry a coupon of 7.6% per annum and will lead to savings in interest cost of more than 150 basis points. Crisil ratings revised its outlook for Hyderabad Airport to positive from stable while reaffirming the rating at Crisil AA+. GMR Cargo and Logistics Limited, a wholly owned subsidiary of GAL availed rupee term loan facility of INR7.5 billion to enable it to meet a part of its estimated project cost towards developing the Cargo City in Delhi International Airport.

Construction of multiple airport land development projects is underway at all airports, details of which are available in the results presentation. At Hyderabad, the build-to-suit MRO facility of about half a million square feet for Safran was completed and inaugurated by the honourable Prime Minister Shri Narendra Modi.



Work on new airport construction is steadily progressing. At Bhogapuram, 95.8% of physical progress has been achieved as of Dec25 and we aim to operationalize the airport in Q2FY27, much ahead of our original target of Dec'26. At Crete, 65% progress has been achieved.

As a responsible airport operator, GAL is deeply committed to the environmental, social, and governance principles. GAL recently published its sustainability report for FY25 and is available to be downloaded from our website. The IR presentation contains key highlights of the report and we invite you to explore our detailed ESG progress and initiatives outlined in the report. Our initiatives are resulted in significant improvement in ESG ratings across S&P Corporate Sustainable Assessment or CSA, Sustainalytics' ESG risk ratings, and MSCI ESG ratings. GAL also became a member of the FTSE4Good Index Series. GMR operated airports and subsidiaries continue to set new benchmarks globally earning prestigious accolades that reflect our relentless pursuit of excellence and innovation. These milestones underscore our commitment to deliver world-class infrastructure and enhance long-term shareholder value.

In closing, Q3FY26 represents another important milestone of GMR Airports' transformation into a global diversified future ready and profitable infrastructure platform. Our performance reflects the strength of our core assets, the success of our platform strategy, the dedication of our employees, and the trust of our stakeholders.

The presentation with all financial numbers are already available with you. If not, you can download it from the IR section of our website. We are available to respond to your questions on this call and offline after the call. Now I would like to open the forum to the queries that will be addressed by myself and my colleagues from the corporate and business teams. Thank you.

Moderator: The first question is from the line of Aditya Mongia from Kotak Securities, please proceed.

Aditya Mongia: Congratulations to Saurabh and the team for the last five years of goodness that have happened for GMR as results are going through very well. With that being said, a few questions from my side. The first question was more linked to the uptick that is happening from a retail perspective and a non-aero perspective in Hyderabad? Just trying to gauge from you whether any new activities will keep on happening and if there is a case for this good growth rate on non-aero per pax further sustaining and seeing a further bump up into FY27. And a related question over here, in Delhi, how do you think through the prospects of any developments that could increase non-aero from the perspective of FY27?

Saurabh Chawla: Aditya, I'll ask my colleague Rajesh to answer your queries, he leads the business of non-aero in GMR. Rajesh?

Rajesh Arora: So, Aditya, no, I think your line was babbling in between but if I understood your question right, one was on the growth in Hyderabad non-aero and SPP, and the second was on how do we see this in Delhi? Okay. So let me first take up Hyderabad. See, as you know, we were in the process of



expanding the Hyderabad terminal and that happened in the last year. The non-aero part of existing terminal was also undergoing a revamp. So now with the stores opening up, more area is available, like F&B, we've also talked about that. So with all that, what you see is the growth in the current quarter and the current nine months of period. So that has been the underlying reason for a good significant growth in non-aero in Hyderabad. Delhi, T1 was opened last year and even within T1 all the stores are now also becoming operational. Some of our stores underwent a re-concessioning so again the result of that will start seeing it in the coming quarters. For us as we have been communicating in the past, a more sustainable growth if we look at all our non-aero businesses to grow say in and around 15% a kind of thing which we are targeting. While there could be some uptick in between as and when the new area is opened but on a long-term basis this is more like 15% plus kind of growth.

Aditya Mongia: Understood. The second question that I had was more on just a clarification. Somewhere it seems like the revenue share implied for Delhi has seen a dip this quarter. Wanted to check whether there is something to read over here or this is just a one-off and will reverse over time?

Saurabh Chawla: So Aditya, GRK Babu will answer this question of yours.

GRK Babu: Hi Aditya, it's basically as you know in case of Delhi, we have certain exclusions which are to be done and during this quarter, we have done certain exclusions which are permitted under the OMDA that is the reason why the revenue share has come down. This is as per the OMDA provisions.

Saurabh Chawla: So Aditya from your modelling perspective you should assume what the headline number of revenue share is. There could be some slight ups and downs that may happen because of inclusions or exclusions under the OMDA but from purely from a modelling perspective you just continue with the 46% headline number.

Aditya Mongia: Understood. And from the perspective of the balance sheet, uh, the debt numbers are slowly rising upwards with Bhogapuram, where it is in terms of completion. Should it be a fair assumption that net debt starts declining somewhere in FY27 and then the momentum of decline increases starting FY28?

Saurabh Chawla: You're absolutely correct, Aditya. Debt as I think in the last quarterly call also I said that during this fiscal year, debt will peak as Bhogapuram reaches its a finality from a construction perspective and in FY27 we will see, you know debt to start come off. It's important to also understand that non-aero as it grows will continue to decrease this net debt number over a period of time so momentum will surely come from there. From a concession perspective, our concession agreements allow, debt to continue because that allows us in our tariff determination and reduce the cost of capital so, but we are in a very good spot. You can see Hyderabad as AA+, Delhi I think in a very short period of time should go to AA+, GAL is something again we are watchful A+ to AA- I think that's the journey we should see over the next 12 to 18 months. From a pure strategy perspective the way we look at it in 2 years' time we would like our businesses to be all AAA. Okay. And we will have the debt where



we get the rating of AAA, we get the least amount of debt cost on our books and the balance cash is something that gets up-streamed whether to GAL as or eventually as GAL starts to give dividend to its shareholders. That's a very simple strategy that we are following because bulk of the hard work is already behind us.

Aditya Mongia: One last final question I'll get back into the queue. On that last point, do you think of a certain net debt to EBITDA or interest coverage wherein dividend starts becoming a possibility for shareholders and any sense whether this is in FY28, FY29 timeframe or how do you think so? My last question.

Saurabh Chawla: So theoretically speaking Aditya, a number of a multiple of 3 to 3.5 is reasonable to look at. We are a capital-intensive business and there could be opportunities of new airports coming on board, but if in the current portfolio the way we look at it between 3 to 3.5 net debt multiple, the trigger to start upstreaming dividends will surely begin.

Aditya Mongia: Thank you so much. I'll get back in the queue. Thank you.

Moderator: Thank you, sir. The next question is from the line of Mohit Kumar from ICICI Securities, please proceed.

Mohit Kumar: Yeah, good morning sir and thanks for the opportunity and congratulations on a very good set of numbers. My first question is the traffic growth has been benign for last 9 months, right? Do you think traffic was impacted also due to supply side constraints and do we have some kind of number what is the aircraft stock right now and what is the addition you expect in the near term, if you have the data available, yeah.

Saurabh Chawla: Yeah, GRK Babu please.

GRK Babu: See, currently the traffic has been a little flattened due to the aircraft issue and also the Air India crash and all other issues. But it has started showing the good improvement from December onwards. So next year, we are expecting the total deliveries as per the discussion we had with the airlines - so Air India will be taking about almost 20 to 30 aircrafts and IndiGo will be about 30 to 40 aircrafts and Akasa also will get about 10 to 12 aircrafts. So there will be a net increase even after grounding of certain aircrafts maybe around 50 aircrafts in the next year. So that will certainly improve the traffic going forward and the signs of improvement has already come in the month of January, we have seen a substantial growth in the traffic.

Mohit Kumar: Understood. My second question is can you help us with the base number for Delhi duty-free so that we can have a fair comparison of course the Delhi duty-free has done pretty well. The is there any one-off in this quarter in the duty-free?

Mohit Kumar: Two part question. One is I want the base number for Delhi duty-free for Q3 and 9 months and the second question is was there any one-off in the Delhi duty-free in this quarter, yeah.



- Rajesh Arora:** Okay. Let me, so Mohit as you know, Delhi duty-free was earlier a joint venture and that's the structure it followed till 27th of July and effective 27th of July midnight, it has become part of GAL's direct business. In terms of its performance, it has been a steady 6% to 8% kind of growth what we have been seeing quarter-on-quarter. So there is no one-off kind of thing in the financial performance of duty-free.
- Amit Jain:** And also Mohit, on Slide Number 22 we have given all these details in our IR presentation, Slide Number 22.
- Mohit Kumar:** Yes, sir. I've seen that but is there a base number, that's what asking, is there any way to compare the revenue number for duty-free last year compared to this year? Is there any way? Do we have the number otherwise we'll take it later?
- Amit Jain:** No, like mentioned, because this duty-free is transitioned to the listed level recently hence the base number is not comparable, is not available in the presentation. But Mohit, that can be shared with you offline you know on a comparative basis.
- Mohit Kumar:** Understood. The third question sir, you've done a fabulous job on the interest cost and the debt. Do you think there is scope for further reduction in the interest rate and the interest cost should see some kind of moderation as we go forward?
- Saurabh Chawla:** Absolutely, Mohit. You will see over FY27 as many of the refinancing happen both at Delhi Airport and also at GAL, you will see reduction of interest rates as we go forward. That is a key focus of the finance team and we are very confident that these numbers will only come down.
- Mohit Kumar:** Understood, sir. Thank you and best of luck.
- Moderator:** Thank you. The next question is from the line of Nathan Gee from Bank of America, please proceed.
- Nathan Gee:** So thank you for the call. Maybe a two questions from me. Firstly, is there any update in terms of timing of real estate asset monetization, either Delhi or Hyderabad, so that's the first question? Second question's on regulations, any update either in terms of the HRAB decision from courts? Thank you.
- Saurabh Chawla:** Yeah, okay. No, at this stage, these projects are still under development and at least for the next 12 to 18 months, we are not looking at any monetization of these self-development projects. As you are aware, you get the best value when the rents have actually stabilized, so that will be more of a phenomena maybe 18 to 24 months down the road. On HRAB, I think GRK Babu why don't you give a quick update.
- GRK Babu:** The HRAB as you know, that the matter is pending before the Supreme Court. The hearings are going on and the next date of hearing is in the month of February. So we are just waiting for the outcome from the Supreme Court.



Nathan Gee:

Thank you, thank you very much.

Moderator:

Thank you. The next question is from the line of Karthik from Indus Capital Advisors Limited, please proceed.

Karthik:

Yeah, thank you for the opportunity. Hope I'm audible. Congrats on the quarter. I have two questions. The first one is I know you don't give guidance but I just want to get a sense of how you're thinking about this. Let's say this quarter, our exit EBITDA's somewhere around INR18 billion? So given that barring the IndiGo disruption, most of the metrics were in a steady state, is it reasonable to infer that this 18 billion can be some sort of a base EBITDA for us on a quarterly basis and we should be able to grow on this as a base EBITDA and related to that, to your comment that interest cost will continue to come down over a period of time, can we assume that a significant portion of the EBITDA growth that we generate from here on will flow through to the ultimate profit?

Saurabh Chawla:

Yes, so Karthik, you're absolutely right on your comments over here. You can assume the INR1,800 crores of EBITDA base or exit as a base and we expect the EBITDA to grow at a much better momentum. Of course, I would still put the disclaimer provided all environmental and geopolitical issues remain abated. The second aspect of interest cost as it as they come off, most of the EBITDA will flow down to the PBT levels. Obviously, each airport is a separate legal entity and will have to do its own tax planning. The good part is at least there are, you know accumulated losses which will be first set off for any tax payments but I think in nutshell what I would say is that it's a takeoff stage for the business.

Karthik:

Excellent. That's great color. My last question is a minor housekeeping question. If I look at this quarter, if I take the Aero revenue for Delhi Airport and then divide it just by the passenger throughput of about INR20.8 million, the aero revenue per pax comes to somewhere close or slightly below INR400 which is lower than what we are entitled to under the control period? Now I know the control period, the tariffs grow over a period of time and we are only looking at an average, but I'm just curious to see whether there were any aberrations this quarter which caused that number to slip below INR400 and let's say going to FY 27, we should be able to earn more or less close to what the control period tariff actually guaranteed to us?

GRK Babu:

The question is that as per the tariff order of the Delhi Airport, the yield per pax is actually INR364. It is not INR400, you can look at the tariff order. So actually we have achieved better than the yield provided by the regulator, we have touched about INR385 to around INR400 mainly because in case of the parking charges, we have revised the rates and got a better income. So going forward you should consider the tariff provided by the regulator INR364 but you can at the most assume INR375 as the yield per pax.

Karthik:

Got it. Okay. This is very clear. That's all from my side. Wish the management all the very best for the remaining quarters. Thank you very much.



Saurabh Chawla: Thank you.

Moderator: Thank you, sir. The next question is from the line of Kaseedit from Citigroup, please proceed.

Kaseedit: Hi management, congratulations for such a strong results. Just two things. Number one, on Delhi material jump in non-aero revenue, it would be great if you can share with us perhaps by email what would be the like-for-like increase in in spending. It looks very encouraging. And second point given that the Bhogapuram should start operation around 2QFY27 which is what like September this year, right? What would be the incremental depreciation and interest expense that have been capitalized during construction that will kick in on an annual basis? Thank you.

Saurabh Chawla: On non-aero I think Rajesh will just give you a better color.

Rajesh Arora: So on Delhi duty-free SPP, I think we have already given as part of the presentation but just to talk about the numbers, the duty-free SPP has increased to INR1,073 from INR1,026, I'm talking about the nine months period this year versus last year. So that's the on the duty-free side. Overall SPP of our pure non-aero commercial businesses has grown something close to about 7% plus. That is the growth in the SPP what you're looking for that.

Saurabh Chawla: And as far as the Bhogapuram is concerned, it's already been clarified that 100% work is completed on the aero side and 95% on the terminal side. We are expected to operationalize somewhere in Q2FY27, so we're just waiting for certain clearances. Otherwise we are more or less ready.

Kaseedit: Thank you and I understand that once the airport commence operation, there should be depreciation and interest expense kicks in that previously have been capitalized. Is my understanding correct and if yes, what would be the incremental amount per year. Thank you.

GRK Babu: Yes, you're absolutely right for the next financial year it will be for eight to nine months operations. So to that extent interest as well as depreciation will come into picture. If you take the average about 4% depreciation on the assets of about INR4,000 crores, about INR160 crores per annum then 3/4 is about INR120 crores can be the depreciation and on interest cost, currently INR3,200 crores is the debt on which 9% for nine months you can calculate. Is it clear?

Kaseedit: Thank you very much.

Moderator: Thank you. The next question is from the line of Priyankar from JM Financial, please proceed.

Priyankar: Yes, hi. Congratulations for the great set of results I would say. First of all I see that you have done quite well in Goa Airport from what it has been doing let's say in the past few quarters. So can you explain whether these EBITDA margins that we see at the Goa Airport are sustainable and what has caused the other expenses level to fall off there? So that's my first question.



GRK Babu: Goa airport EBITDA whatever have declared is absolutely sustainable. Actually we are trying to improve upon it. The costs are under total control and we are expecting by year-end we will improve on the EBITDA level.

Priyankar: So you see further scope for EBITDA margin expansion from the 36% that you have reported maybe in 4Q or 1Q. So would that be a correct understanding?

GRK Babu: Yes, in Q4 this year-end we may maintain more or less same but next year onwards absolutely it will certainly go up because of the increase in the traffic and we are also controlling certain incentives and other expenses.

Priyankar: Okay. Sir, if you can also share with us like what should be the capex pipeline for the next few years. The reason why I ask this question is we have come across let's say articles that eventually there would be some large Hyderabad expansion in the next control period. I'm sure you would have submitted your traffic assessments to AERA for the next control period discussion taking this capex into consideration. So if you can give us some some guidelines like how should we see the capex numbers let's say from FY26 to FY28 like for individual years?

GRK Babu: As far as Hyderabad is concerned you are absolutely right that we have applied to the regulator for an expansion but the expenditure is likely to start kicking only FY28 onwards towards later FY28. The master planning is going on, the EPC contractor has to be onboarded which will take time almost a year or so. So the actual expenditure will start kicking in only FY28.

Priyankar: Still can you give us a sense, like on a overall GMR basis, like what would you expect your capex levels to be like let's say in FY27 and FY28. Like FY '28 you may have some tail-end like the beginning capex from Hyderabad. So what should we be factoring in like FY27 and overall levels?

Saurabh Chawla: Honestly as Bhogapuram is now getting completed, there are there is no capex that is happening of any significance other than Bhogapuram. And once that goes live, there is no capex happening at any of the airports. Any significant capex will only begin in Hyderabad which GRK Babu has told you about is in FY28 once the master plans are fully approved and we have a better understanding of what the capex numbers would be. So it is a FY28 target as of now. Nothing for the next 12 to 18 months.

Priyankar: Would it be right to say that for the large-scale expansion at Hyderabad, the cost could be anything like INR13,000 to INR15,000 crores? I mean given the scale that you are planning.

GRK Babu: It will be around INR12,000 to INR13,000 crores which will be spent over a period of 4 years. This is basically we're contemplating to go for a new terminal, because Hyderabad itself is already reaching 34 million passengers which is the current terminal capacity. But we will try to sweat it for 1 or 2 more years, then we'll start the expansion. The maximum capex is expected to be around INR12,000 to INR13,000 crores which includes a new runway, new terminal and cross taxiways and everything.



Saurabh Chawla: And just because Hyderabad just has 4% revenue share, the cash flows and everything else is passed through so the margins really don't get impacted, you start to generate free cash very quickly at Hyderabad Airport even on the expanded regulated base.

Priyankar: Sir, if I may squeeze one last question. So as it stands today, what would be your total accumulated losses at the consol level which you can use as a tax offset probably?

Saurabh Chawla: No you'll have to look at entity-by-entity. For tax purposes Delhi will be separate, Hyderabad will be separate. Unlike in the US where you can combine these accumulated losses in India it has to be entity-by-entity basis. So we can take that offline I think the team can tell you as to each asset what is the accumulated losses and what the tax planning would be on those specific assets.

Priyankar: Okay sir, that's all from my side. Thank you so much.

Saurabh Chawla: Yeah, just to add one comment over here is that the tariff submission at Hyderabad factors in the expansion.

GRK Babu: Yes, we've already included the capex which I have explained as part of our application for CP4. So we will certainly get some amount in the form of tariff even for the expansion. That's what we are expecting.

Moderator: Thank you, sir. The next question is from the line of Nidhi Shah from ICICI Securities, please proceed.

Nidhi Shah: Yes, thank you so much for taking my question. My first question is on asset monetization. Have we heard anything from the government especially anything on Chennai?

Saurabh Chawla: You're talking about Chennai Greenfield. No nothing right now I mean the land is still being acquired. But that will be an asset that on a greenfield basis GMR would be definitely interested at looking at very closely. As a group we like greenfield projects because we can pace our development on greenfield. So Chennai Greenfield project as and when the bids come out we will surely look at that very closely. Same would be in Pune. Again that's a city that desperately requires a new international airport, so we would look that also as very, very carefully.

Nidhi Shah: And anything on asset monetization especially from the airports that were named in the national monetization plan?

Rajesh Arora: So, Nidhi as you would have also seen in newspaper recently, this 11 airports a combination of 5 plus 6, the privatization process is likely to kick in and if we go by the latest reports, they are likely to start the process in the first quarter of coming financial year. That's the news we also have, we are waiting to get more detail on that but that's what is there in the public domain.

Nidhi Shah: Alright. Lastly in the results, note number 11 calls out a INR113 crores exceptional amount. Could you please explain this exceptional liability?



GRK Babu: It's basically in case of Delhi International Limited, as you know the Celebi was the cargo contractor and their security has been withdrawn and their contract has been terminated. So the amount of deposit which we have taken and also the lease rentals on the land equalization, both which are amortized over a period of the entire period has to be reversed for the balance period which is up to 2034. So that's what happened, it is a non-cash item.

Nidhi Shah: Alright, thank you so much.

Moderator: Thank you. As there are no further questions from the participants, I now hand over the floor to Mr. Saurabh sir for closing remarks. Over to you, sir.

Saurabh Chawla: Thank you everybody for participating in our quarterly call on a Saturday morning. Appreciate your participation. From our side, the airport entity is now very well positioned to capture the growth as we go forward.

All our capex plans are behind us, even Bhogapuram more or less is now behind us, so we need to just capture the traffic, grow the aero revenues and the most important part of course is the non-aero side of it. Last but not the least is something where from a longer term strategy perspective how we now monetize our real estate through self-development. I think that is something that we are working on and hopefully in next three to six months we will be able to guide a new strategy in real estate monetizations on all our three airports which are currently live.

Last but not the least we had guided the markets that GAL will be profitable in FY26 and we are profitable, we will continue to be profitable for the end of this year and going forward. So our strategy of medium term of GAL starting to distribute dividends is also on track. Thank you so much and look forward talking to you offline. Thank you, bye-bye.

Moderator: Thank you, sir. On behalf of GMR Airport Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.

Note: Transcript has been edited to improve readability