GMR Airports Limited

(formerly known as GMR Airports Infrastructure Ltd)

Q3FY2025 Investor / Analyst Conference Call Transcript January 29, 2025

Moderator: Ladies and gentlemen, good day, and welcome to GMR Airports Limited (GAL) conference call to discuss Q3FY2025 results. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the 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 today's discussion may be forward-looking in nature and may involve risks and uncertainties. Also, recording or transcribing of this call without prior permission of the management is strictly prohibited.

I now hand the conference over to Mr. Saurabh Chawla for the opening remarks. Thank you, and over to you, sir.

Saurabh Chawla: Thank you, and good afternoon, everyone. I welcome our shareholders, analysts and other stakeholders to our Q3FY25 earnings call. Recently, I came across a news article, which said that OAG, a global travel data provider, has projected a 12.7% growth in the overall airline capacity -- seat capacity for India in 2024 compared to the pre-pandemic levels in 2019 and a growth of 8% YoY. This is not surprising to me. In fact, the India's passport penetration rate which, while we still are relatively low at 6.5%, signals immense untapped potential for both domestic and international travel. As per CRISIL, the price gap between air and rail travel has dropped from INR4.7 per kilometer in fiscal '10 to INR1.5 per kilometer in fiscal '24, which has made air travel preferable and has become an attractive option also. This trend is likely to accelerate demand, especially in the domestic market. OAG data has also revealed that the Mumbai-Delhi corridor was ranked 8th busiest domestic flight route in the world in 2024.

In terms of international traffic, the rise of Indian tourists arriving or visiting Asia and Southeast Asian countries is a strong indicator of this growing appetite for global travel. With Indian tourism to Singapore increasing by 12% this year, India has become the third largest source of international visitors to the country. This spike in outbound tourism is also reflective of broader trends like Air

India and IndiGo's plan to expand their international network, offering more flights to Southeast Asia, Europe and Americas. The uptick in business class bookings also highlights the shift in traveller preferences. A 50% to 60% increase in business class bookings, both domestic and international, shows that there is a growing segment of affluent travellers in India ready to spend more for comfort and convenience. It is imminent that the next few years will be exciting for Indian aviation sector.

In this context, Delhi Airport has become the first Indian airport to connect 150 destinations. Also, with 90 weekly departures to North America, it is the highest frequency airport in South and Southeast Asia to that region. Our Hyderabad Airport was named the best airport at the India Travel Awards; while Mopa, the Goa Airport, also won the best domestic airport titled at the Travel Leisure India's Best Award in 2024. The airports received some other awards as well which are mentioned in our presentation.

On that note, let me now delve into our Q3FY25 performance.

Firstly, I'm happy to share that Hyderabad Airport has 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. The airport has declared dividend after a gap of 5 years. This is in line with our earlier guidance on future profitability and strategy of airport assets giving dividends to GAL.

Momentum in total income continued with Q3FY25 performance at INR27.5 billion, up 17% YoY driven by traffic and tariff growth, translating into an EBITDA growth of 37% YoY to INR10.9 billion. EBITDA margin for the quarter was 52% in Q3FY25 versus 49% in Q2FY25 and, on a YoY basis, 46% in Q3FY24. PAT from continuing operations was INR2 billion and included an exceptional gain of INR4.1 billion, arising due to the completion of divestment in Cebu Airport. Even excluding this exceptional gain, we are encouraged by the narrowing of loss, affirming our trajectory towards profitability. Cash profit for the quarter was strong, and given the expected traffic increase and tariff revision due at Delhi Airport, our position will only improve from here in the coming years. Consolidated net debt, excluding the FCCBs of INR23.1 billion, stood at INR297 billion, increasing by INR10 billion versus Q2FY25. And this was mainly driven by a combination of borrowings raised at Bhogapuram, where a new airport is being built and the MTM forex impact on USD bonds and payment of balance capital expenditures at Delhi Airport. The forex impact is more of an accounting treatment as all our USD bonds are completely hedged. It is also important for you to note that this performance at Delhi is notwithstanding the delay in the tariff notification -- the new tariff notification of Delhi Airport.

On the operational front, we continue to see growth in traffic, 10% year-on-year growth in Q3FY25 reaching 31 million passengers. This excludes Cebu, which we have now fully divested, although GMR continues to operate as a technical service provider until December 2026. Both domestic and international traffic grew at the same rate of 10% YoY in Q3FY25. As compared to the last quarter, traffic grew 8% given the travel holiday season. International passenger traffic share for the quarter was at 24%. Regarding the specific airports during quarter 3. Passenger traffic at Delhi rose 8% YoY to 20.3 million passengers. At Hyderabad, traffic was up 22% YoY to 7.7 million passengers. Both these airports handled the highest number of monthly and quarterly passengers in December 2024 and Q3FY25 respectively. Goa traffic remained similar as last year at 1.2 million. Our international passengers more than doubled versus last year. The airport is now connected to 10 international destinations, up from 3 in the last quarter. As you know, the new aircraft deliveries to both Air India and to IndiGo are muted, thereby impacting growth in international traffic which would have been much, much stronger had the supply not being constrained as there is a latent demand available for travel, both domestic and international.

Total income at Delhi Airport rose 8% YoY to INR14.3 billion as well as increase in non-aero income per pax, IPP, with EBITDA increasing 6% YoY to INR4.4 billion. At Hyderabad, total income was INR6.1 billion, up a solid 23% YoY with growth driven by both traffic and slight increase in the aero tariff for FY25. EBITDA was up 35% YoY to INR3.9 billion. Mopa Airport reported a total income of INR1243 million, an increase of 77% YoY on a lower base, strong international traffic growth and new tariffs applicable from Jan '24. The airport also recorded a CPD income of INR119 million as it signed an agreement for a hotel at its commercial land. The airport continues to report positive EBITDA in its second year of operation with Q3FY25 EBITDA at about INR634 million.

Notable achievements during the quarter are, as you all know, GMR Nagpur International Airport, a wholly owned subsidiary of GMR Airports, signed a concession agreement with MIHAN India Limited on October 8, 2024, towards the upgradation, development and operation of Nagpur's Dr. Babasaheb Ambedkar International Airport. The process to take over the airport is underway and expected in Q1FY26. Honourable Prime Minister, Shri Narendra Modi graced the ground-breaking ceremony for the upgradation and modernization of the airport on October 9, 2024. For 9MFY24, the airport has handled 2.1 million passengers and the traffic has grown at a CAGR of 32% during FY22 to FY24.

Non-Aero revenue at all our airports were strong in the quarter. At Delhi, non-aero revenue increased 13% YoY; at Hyderabad, 17% YoY; and at Mopa, the growth was 45% YoY. Duty Free SPP at Delhi, increased from INR991 in Q2 to INR1,063 in this quarter; while at Hyderabad, SPP growth was significant from INR751 in Q2FY25 to INR879 in Q3FY25.

Taking the next step in developing the commercial land, Goa Airport signed this agreement for development of 2 more hotels. This takes the total to 4 hotels in Goa. Construction is also underway on DIALs Terminal Hotel, a self-development project and other third-party projects at Delhi Aerocity. At Hyderabad, construction of GMR interchange (retail project) is also progressing in its speed.

In our endeavour to revolutionize airport operations and transform the passenger experience, GMR Airports launched an AI-powered digital twin platform at Hyderabad Airport and unveiled one of its kind next-generation Airport Predictive Operation Centre (APOC). This innovative platform integrates airside, landside and terminal operations into a unified system, utilizing real-time data to optimize decision-making, minimize disruptions and ensure seamless operations.

Progress on developing the airport adjacency business continues. During the quarter, GMR Hospitality Limited operationalized 24 out of the 34 planned F&B outlets at Hyderabad while also operationalizing all 8 F&B outlets at the Goa Airport forecourt area. A microbrewery was also inaugurated at Mopa Goa Airport.

As previously announced, GMR Promoter holding company has executed an agreement with Platinum Stone, which is acting through its trustee, Platinum Rock, whose sole beneficiary is The Abu Dhabi Investment Authority on October 23, 2024. The transaction was concluded on January 7, 2025. This has resulted in significant reduction in the pledge of GMR Promoter group shareholding in GAL to 34.8% from 53.9% along with mitigating both refinancing and settlement risk. Combined GAL promoter, that is GMR and Groupe ADP, pledge now stands at 17.8% versus 27.5% earlier.

Capacity expansion at Mopa Airport to 7.7 million passengers is now complete, and the requisite approvals and consents have been received to operate. As of December, at Bhogapuram, 55% physical progress is complete, while at Crete, 43% progress has been achieved. The equity divestment of Cebu Airport is also completed as planned. GMR Airports will now operate as a technical services provider until December 2026.

Now let me address our most common question that would be in everybody's list. That is the status of CP4 tariff for DIAL. I would like to update you that the process is taking longer than anticipated, primarily due to additional review processes within the regulatory framework, which are not uncommon. We are closely monitoring the situation and expect to get consultative paper issued in the next few weeks and, subsequently, the tariff order in Q1FY26.

At GMR, we believe that the airports are key players on the ESG landscape, driving sustainability through eco-friendly infrastructure, social progress to inclusive travel experiences and governance excellence through transparent operations. CSR spend for quarter 3 totalled INR48 million with total beneficiaries of more than 25,000 people in 7 states.

Delhi Airport was honoured as a winner under the service industry category at the prestigious South Asia Team Excellence Award in 2024, presented by ASQ South Asia. Our Hyderabad Airport was conferred with the CII Business Excellence Award, and Goa Airport being the first ever Indian airport to receive the Sarvashrestha Surakhsa Purashkar by National Safety Council of India Safety Awards.

The presentation with all financial numbers is already available to you. If you have not, you can download it from our Investor Relations section at our website. We are available to respond to your questions on this call and off-line after the call. Now I would like to open the forum for queries that will be addressed by my colleagues from both the corporate and the business teams. Thank you so much.

Moderator: The first question comes from the line of Mohit Kumar from ICICI Securities.

Mohit Kumar: My first question is, of course, you did address that the Delhi tariff order, but still I would like to get your sense of the timelines. You are saying that, if I got you correct, the consultation paper in the next few weeks and maybe a tariff order, if my understanding is correct, another 6 months. Is that right? Is that either a fair assessment of the timeline?

Saurabh Chawla: No, no, no. I'm saying 2-odd months. So post the consultative paper is notified. There's a due process that the regulator has to follow. You cannot speed it up. Consultative paper is for comments from various stakeholders and subsequent to that, taking their feedback, the regulator issues the tariffs.

Mohit Kumar: Understood, sir. My second question is on the interest cost. Of course, there has been Q-on-Q decline, but of course, there is an element of forex sitting in there. The question is that, of course, most of the capex expansion is done. Is there a scope to reduce the interest rates and reduce the interest burden going forward as we enter FY26, F Y27. How do you think about your debt portfolio?

Saurabh Chawla: So I'll ask GRK Babu to answer. But just as a global statement I would like to make is that every point of time, we are looking at ways and means to reduce our interest rates. We have over last, I would say, 12 to 18 months, if you see away from dollar bonds into rupee bonds because they were much cheaper. So going forward also, we'll continue to look at those opportunities. But to answer specifically, GRK Babu, please.

GRK Babu: No. As far as the DIAL is concerned, we have just recently in June month, we have refinanced the high-cost $450 million dollar debt into domestic paper with the INR2,530 crores at 9.5% rate of interest. Right now, there are already 2 bonds which are pending. And domestic paper, we have already issued almost 4 papers from DIAL. And the next due is only $522 million in October '26, then we are looking forward and see that we'll be able to reduce substantial interest there also. And we are always in the process of reducing interest costs.

Mohit Kumar: Understood. My last question is, sir, on the Delhi Duty Free business. Can you just help us with the contribution in the profit in the last 9 months?

Saurabh Chawla: Yes. So my colleague Rajesh would highlight that.

Rajesh Arora: Yes. So I think the Delhi Duty Free top line for 9 months period for the current year has been about INR1,646 crores, that's the top line. And profit before tax was about INR204 crores.

Mohit Kumar: Understood, sir. And sir, from which quarter you'll take over the Delhi Duty Free business completely, 100%?

Rajesh Arora: 27th of July midnight, we will be taking over.

GRK Babu: Second quarter of '26.

Moderator: The next question comes from the line of Prateek Kumar from Jefferies.

Prateek Kumar: Congrats for good results. My first question is on your -- this revenue from -- you give the slide, where you give like a chart where segmental revenues are given. So the subsidiaries and other revenues continue to do well, like growing around 26% year-on-year in this quarter, and margins are also much higher. So which particular category in this segment is contributing to growth? I'm mentioning the segment which is said as subsidiaries and others, which is outside DIAL and Mopa?

GRK Babu: It is basically the subsidiaries, MRO is contributing a good amount now. And in case of the basically associates and joint ventures, right now, the DDFS is considered as associate, even though we are holding majority. That is providing good and also the cargo entities. These 3 are providing more and more revenues and the revenue share -- I mean, basically, the share of profit.

Saurabh Chawla: Yes. So specific numbers, Rajesh?

Rajesh Arora: Yes. So no, we have the specific number. If your question was to understand which are the business segments which are growing, almost all our subsidies and JVs are growing. I'm seeing the top line is growing in the range of about 14% to 15% kind of top line growth. MRO has specifically seen a significant growth in the last 9 months. But the major contributor, as GRK Garu mentioned, are duty-free, cargo. And in fact, now the F&B is also the major contributor towards the overall top line and bottom line.

Prateek Kumar: But joint ventures will not be contributing to this line item, right? So this -- I would agree on subsidiaries. But joint venture, is it contributing to this INR2,653 crores?

GRK Babu: Joint ventures are accounted for as equity method. They are not line by line consolidation. It's only equity method.

Prateek Kumar: So in that case, on the MRO and Duty Free and cargo -- so MRO and cargo is contributing. And Duty Free at Hyderabad and Goa also maybe would be contributing?

Saurabh Chawla: Correct. Now you can see that. And I think in next -- by next quarter, you will see -- actually from the quarter 2 onwards, FY26 quarter 2 onwards, you will see that also emerge as it gets out of a JV set up and comes into GAL.

Prateek Kumar: Right. My other question is the monetization of land outside Goa Airport. So we reported some CPD income there. So is this like a quarterly income expectation now? Or like it will be like lumpy kind of number?

Saurabh Chawla: No, no. CP -- the one at Goa will continue to be lumpy. It's not something which is on a regular basis.

GRK Babu: So we have monetized the last financial year to hotel parcels, about 4.5 acres. For that, to be income, 50%, whatever amount we have received has already accounted as income in the last financial year. This current financial year, another 2 land parcels have already been monetized for the hotel, and we have received the income in December in some portion and in January we're receiving another.

The lease rentals will start flowing after 1 year for the date of signing up the concession agreement. So that will start flowing the next financial year onwards.

Prateek Kumar: Meaning FY27?

GRK Babu: '25-F'26 onwards, it will start flowing.

Saurabh Chawla: Within FY26 because after 1 year is what the GRK. Garu was highlighting. The lease rentals will start. So those will be the stable lease rentals that we receive. Any monetization will be always a lumpy process.

Prateek Kumar: Right. And what is the status on the monetization? I mean, where our own construction was happening at Delhi Airport regarding the commercial building and the mall which we are constructing?

GRK Babu: No. Our self-development as we call it, SAM project, is going on fully, and we are expecting the FY25/26, it will be ready for occupation. As far as the Bharti, 4.9 million is concerned, the construction is going on fully, and we have received full payment from Bharti and also they are paying for lease rental also.

Prateek Kumar: And last question on Noida Airport commissioning. There was a report yesterday which said that most of that -- 80% of the work at that airport is done and that is about close to commissioning from April? How do you see like initial reception there from your competition perspective?

Saurabh Chawla: I think this is now a regular question at every analyst call of ours and it's a standard reply I would give is, very welcome that Noida is coming up. It will release some capacity from our already robust growth that we are seeing in our Delhi Airport. So, they have a long way to go, but we are happy that they are progressing well. We would like, as I said, the more concentration of international traffic, high-yielding traffic to be at Delhi Airport. It is a city centre airport. It has certain locational advantages, which Noida does not have. So we're happy to encash on that opportunity and let go of any low-yielding traffic, which sometimes clogs our airport. So, we are happy on that development. The universe of demand is much more to satisfy the capacity both at Delhi and at Noida. That's not an issue at all.

Moderator: The next question comes from the line of Karthik Chellappa from Indus Capital Advisors Hong Kong Limited.

Karthik Chellappa: I have 3 questions, sir. The first question is, if you look at Delhi Airport's traffic growth, that has been around the 7% to 8% range for quite some time right now, which is in stark contrast with the kind of strong traffic numbers that Hyderabad is seeing, So what do you think explains this divergence? And what needs to happen for Delhi traffic to actually start growing in double digit again? That's my first question.

GRK Babu: Question is, we look at it with Delhi, the base is so big and we are achieving now this year 79 million as against 73 million. How much we are adding is almost 6 million. Whereas Hyderabad is started with 24.5 million and they will be closing at 29 million So the base is lower, that's why the growth looks higher. But the moment the base goes up, then it comes down.

Saurabh Chawla: So don't look at merely as a percentage growth purely because the base skews that up. Look at the absolute numbers that are growing. Number two, also, Karthik, you need to appreciate that Delhi is an international hub. And in that international hub, a lot of our traffic, which is predicated on new aircraft being procured by Air India and IndiGo and the supply chain constraints over there, that also has certain impact on the traffic. But as those aircraft get delivered, you will see much better absolute numbers coming from Delhi Airport also going forward.

GRK Babu: The second point is that in Delhi, just now only we have completed the expansion. So, we had a lot of constraint on the slots. In the last 2 years, we were not releasing any slots. Whereas Hyderabad has got sufficient, slots and they have been releasing it. Maybe going forward, after 1 or 2 years, and Delhi will see again further growth. However, we should also make a note of it, as long as the base is very high, the percentage growth will be lower in comparative terms.

Karthik Chellappa: Perfect. So the way we should understand is, is given the high base and given that we are also addressing some of the choke points in our traffic, the traffic growth will probably be better than what we are experiencing right now in percentage terms, but it may not be as high as Hyderabad. That's how we should interpret this, right, at least for the next 12 to 18 months?

Saurabh Chawla: Yes, that should be the right expectation. Having said that, as the aircraft get delivered, this growth will pick up more at Delhi versus in Hyderabad because Delhi is an international hub. So all these are wide-bodied aircraft, which there are delays in those deliveries. And hence, once they get done, the slots are already available to Air India. If you look at Air India's own business, probably they have the best slots, which have never been utilized, and the foreign airlines are utilizing those slots.

So now China has also opened up. China -- all the numbers that you see were sans China. Those were all traffic that was either going through Singapore or through Hong Kong. Now the direct flights into China have opened up. So you will see much higher growth on the international side, which will drive the growth for the overall Delhi Airport.

GRK Babu: The next point is we always look at it what is the growth all over India, and vis-a-vis how Delhi is growing. That is very, very important because Delhi is almost covering 20% of the India traffic.

Karthik Chellappa: Excellent. My second question, sir, is on this tariff. Now given that the consultation paper should be ready pretty soon, we have had our own expectations on what the Delhi tariff should be. And of course, we would appreciate that the Delhi tariff right now is much lower than what it should be even compared to other airports in India. So given our own expectations that we had at the beginning of the year, do you still believe that tariff realization is possible in lieu of the delay in the process? Or is there any change in expectations that you must bear in mind?

Saurabh Chawla: No, our expectations continue to be where they were, okay? But honestly speaking, we cannot hazard what the regulator finally comes with. Just back of the envelope itself will take the tariff up. We all know that. We spend INR12,000 cores / INR13,000 crores of capex, and that has increased the regulated base. So depending upon the future projections that we have, the yield is bound to go up. So that's something which is a fact. Now how much will it go up? Will it go up by 100%? Will it go up 150%? Time will tell. And let the regulator complete its work, I would not like to prejudge regulators' notification on that.

GRK Babu: One more point we should keep in our mind is not only the capex we have spent. What is our performance in CP3 is equally important because the regulator looks at it, what is that he has given and what is that we have achieved. If we have overachieved than what regulator has given, there will be negative true-up also that we should be mindful.

Karthik Chellappa: Got it. Excellent. My last question, sir, is at what point do you think the gross debt at a consolidated level will peak? And what would be our capex guidance for FY26?

Saurabh Chawla: So currently, the debt level includes the debt taken for the Bhogapuram Airport, the construction of Bhogapuram Airport. So that, of course, gets consolidated. The second is the balance payments that are being made by Delhi Airport. So that's pretty much given now, not much to add over there. We'll have some amount of debt go up at the corporate level for the purchase of the Fraport stake. And whatever left is for Bhogapuram.

So today, I think our gross debt is INR29,000-odd crores. And we should go up to about INR30,000 to INR31,000 crores as a peak debt on the current business plan that we have by end of FY26.

Karthik Chellappa: And capex number, sir, for FY26?

Saurabh Chawla: So we are not doing any fresh capex. Just again, I want to highlight to you except for Bhogapuram, where the capex is happening, that's a greenfield airport. We are not doing any fresh capex. Nagpur is just a recent addition to the portfolio. We will have to evaluate that and then come back to you with our plan for the upgradation of Nagpur airport. But there also, I want to highlight one thing is, that Nagpur is a brownfield airport. So the benefit of an operational airport will always be there.

Moderator: The next question comes from the line of Aditya Mongia with Kotak Securities.

Aditya Mongia: The first question I had was I wanted to get a sense that, I think Mr. Babu talked about our residual value that's inline with…

Saurabh Chawla: Aditya, please you have to redial in and probably then it will be a little clearer. We can't understand at all what you're saying. Sorry about this. We'll wait for you to dial in.

Moderator: The next question comes from the line of Dario Maglione with BNP Paribas.

Dario Maglione: A quick question, just one. Can you explain this transaction between GMR Infra Enterprises, so the promoter, and the Abu Dhabi Investment Authority? What exactly means? So it seems like they are lending money. And so you have one lender now. But does it mean anything in terms of the share that GMR Promoter has in GMR Airports or voting rights and the net debt, please?

Saurabh Chawla: So let me just clarify one thing, is that this is a loan that has been given by Abu Dhabi Investment Authority against certain number of shares which are pledged to Abu Dhabi Investment Authority. This facility does not involve any coupon payment for a period of between 5 to 8 years, depending upon what tenure the investor takes. And the settlement of this facility will be determined in the future at a price to be determined as per the SEBI preferential allotment pricing at that point of time. That's why our -- my statement earlier, and this was also included in the -- in our press release, is that it removes any refinancing risk and also removes the settlement risk. That is the broad contours of the transaction. ADIA, of course, being a lender has customary protection rights but they do not have any voting rights at the Board of GAL.

Dario Maglione: And just to clarify, if in 5, 8 years, Abu Dhabi -- ADIA, will execute the option and convert the bond in shares, will they get voting rights?

Saurabh Chawla: Once they exercise that option or once I exercise the option, obviously, they become a shareholder of GAL, and they will have any voting rights that any common shareholder of GAL will have. They won't have any preference or preferred voting rights. For example, currently, ADP has under their shareholder agreement. That is not something that ADIA will have.

Moderator: The next question comes from the line of Aditya Mongia with Kotak Securities.

Aditya Mongia: As a first question, I wanted to get a sense from Mr. GRK Babu. He was talking about a residual value of control period 3 that could be significant and influencing the control period aero yield. Could you give us a sense whether is it significant and some sense of the quantum? Because this is already a period that has passed by.

GRK Babu: No. The intention is that -- trying to say in CP3 numbers also will be considered actuals by the regulator.

Saurabh Chawla: So Aditya, I mean, what GRK Garu was highlighting is the principles on which a regulator looks at how the different components of the business is performing for determining the actual tariff for CP4. That's what he was highlighting.

Aditya Mongia: Understood, understood. I'm sorry, must have took for it to be a significant driver but as of now, I'll take it as a neutral comment for now.

Saurabh Chawla: Yes, this is a neutral comment because this is a public call, and I don't want to hazard any guess on behalf of the regulator.

Aditya Mongia: Understood. The second question that I had was linked to -- I think this question was asked earlier also. See, if I take away the top 3 assets that you have, which is Delhi, Goa and Hyderabad, the EBITDA plus other income that you report has become a significant INR200 crore quarterly number. Now MRO to me is a INR400 crore annual number top line, and EBITDA would be whatever, 30-odd percent. So if you can give us some sense of this INR200 crore number and the constituents for it, it will be easier for us to kind of build this number more sustainably. I say so because the past through quarters have given us large numbers, but that was not the case earlier. So any color on the constituents of INR200 crores of EBITDA plus other income, ex the 3 assets would help.

Amit Jain: Aditya, what we had discussed, broadly MRO, cargo, which is at Hyderabad Airport, plus there are some EBITDA coming in, in line with revenue at this GMR Airports stand-alone. Because as you know, some of these adjacencies businesses, especially the Hyderabad and Goa Duty Free are now managed at the GMR Airport level. So those EBITDAs are also coming. The value of these constituents can be shared off-line.

Aditya Mongia: Understood. So for now, I would assume that there'll be a recurring INR200 crore run rate from here on, on assets beyond the top 3. Will that be a fair assessment of things?

Amit Jain: In fact, the trajectory is northwards, upwards. Because, as already indicated, sometime down the line, even the Delhi Duty Free will also move at GMR Airport level. So that will also start contributing on this particular head, which is beyond these 3 assets, which is Delhi, Hyderabad and Goa. So these numbers will move up as we move forward.

Aditya Mongia: Understood. Maybe lastly on the Hyderabad Airport, it was heartening to see the SPP numbers kind of go up quite meaningfully towards where Delhi operates. Maybe as an overall non-aero per pax kind of thought process, do you see a fast recovery happening from the perspective of Hyderabad Airport towards Delhi Airport levels over the next 2 or 3 years? And what could drive the same?

Rajesh Arora: So one, what you would have seen as the growth in income, non-aero income in Hyderabad and also SPP of Duty Free, because we mentioned it in the last call that we now have an expanded duty-free area in Hyderabad. So which like we could be able to get more product offerings higher space, additional space. So that added to the growth in SPP. But going forward, the growth, what we will see both in Delhi and Hyderabad, I think we'll see a similar kind of trajectory.

Aditya Mongia: Sure. Should we be working with a non-aero per pax number of more than 4% to 5%? Or do you think a higher single-digit number can become the mainstream way of looking at things for both these airports?

Rajesh Arora: Non-aero income the way we will -- we should look at this, and that's what you would have seen the performance in the current period, overall, revenues are growing at the rate of about 14% to 15%.

I think that's the growth one should keep in mind. It will be a combination of traffic as well as SPP growth. But I think the right way to look at it would be look at how the non-aero revenues are growing, top line is growing.

Moderator: The next question comes from the line of Nidhi Shah with ICICI Securities.

Nidhi Shah: I would just like to -- in advance, I'm sorry if I missed an answer or if this question has already been answered. But revenue quality at the Goa Airport which, as far as I recall, has ended in the first week of December. I'm assuming that we will see this coming in, in Q4 for the year. So what number could we expect for this quarter?

GRK Babu: The revenue share has already kicked in, in case of the Goa. Just started from 7th of December onwards. We have already paid the amount of revenue share on the 7th of January. In the next quarter, that is what you are estimation basing on the revenues we have estimated, it could be between around INR24 crores to INR25 crores.

Moderator: Ladies and gentlemen, as there are no further questions, I would now like to hand the floor over to the management for closing comments.

Saurabh Chawla: Thank you so much, Zico. Thank you everybody, for attending this call at this late hour. I appreciate your questions. The team, of course, is available off-line to answer any other specific queries that you may have. But in a nutshell, what I've been always saying, that this current year is an inflection point for GMR Airports because majority of the capex has been completed. So the model has de-risked from that perspective. The traffic is growing quite robustly despite the supply challenges of the aircraft for various airlines which are operating above 85%/90% PLF levels. Despite all those challenges that the sector faces, the airports are growing very well. And going forward, as the Delhi Airport tariff gets notified, everything flows into the EBITDA levels, and we should start reporting much more positive results once the new tariff of Delhi gets reported. So we are on our way to a much more healthier P&L and Balance sheet over the next 3 to 4 years -- during the next 3 to 4 years. Thank you so much.

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

Note: *Transcript has been edited to improve readability*