



# Airports Authority of India Annual Report 2022-23



**Shri Narendra Modi**  
Hon'ble Prime Minister of India





**Shri Jyotiraditya M. Scindia**

Hon'ble Union Minister of  
Civil Aviation and Steel



**General V.K. Singh**

Hon'ble Union Minister of State for Civil Aviation  
and Road Transport & Highways



**Shri Vumlunmang Vualnam, IAS**

Secretary, Ministry of Civil Aviation



**Shri Sanjeev Kumar, IAS**

Chairman, AAI



# notes

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# BRIEF ABOUT AIRPORTS AUTHORITY OF INDIA

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Airports Authority of India (AAI) came into existence on 1st April 1995. AAI has been constituted as a statutory authority under the Airports Authority of India Act, 1994. It has been created by merging the erstwhile International Airports Authority and National Airports Authority with a view to accelerate the integrated development, expansion and modernization of the air traffic services, passenger terminals, operational areas and cargo facilities at the airports in the country.



# FUNCTIONS OF AAI

## As an Airport Developer

- Design, Develop, Operate and Maintain international and domestic airports and civil enclaves in India.
- Expand and strengthen the operational area, viz. Runways, Aprons, Taxiways etc.
- Construct, Modify and Manage the passenger terminals and other airport facilities.
- Develop and manage the cargo terminals (through its subsidiary - AAICLAS).
- Ensure provision of passenger facilities and information system.





# FUNCTIONS OF AAI

## **As an Air Navigation Service Provider**

- Control and manage the Indian airspace extending beyond the territorial limits of the country, as accepted by ICAO
- Ensure the safety and efficiency of flights.
- Make provision for cutting edge technology for Communication Navigation and Surveillance of the Indian airspace





## VISION

To be World's leading Airport Developer, Operator and Air Navigation Service Provider.



## MISSION

To enhance air connectivity across the nation and be an environment conscious sustainable organization using the state of the art and indigenous technology for cost effective, modern, safe airport operations and air navigation services.

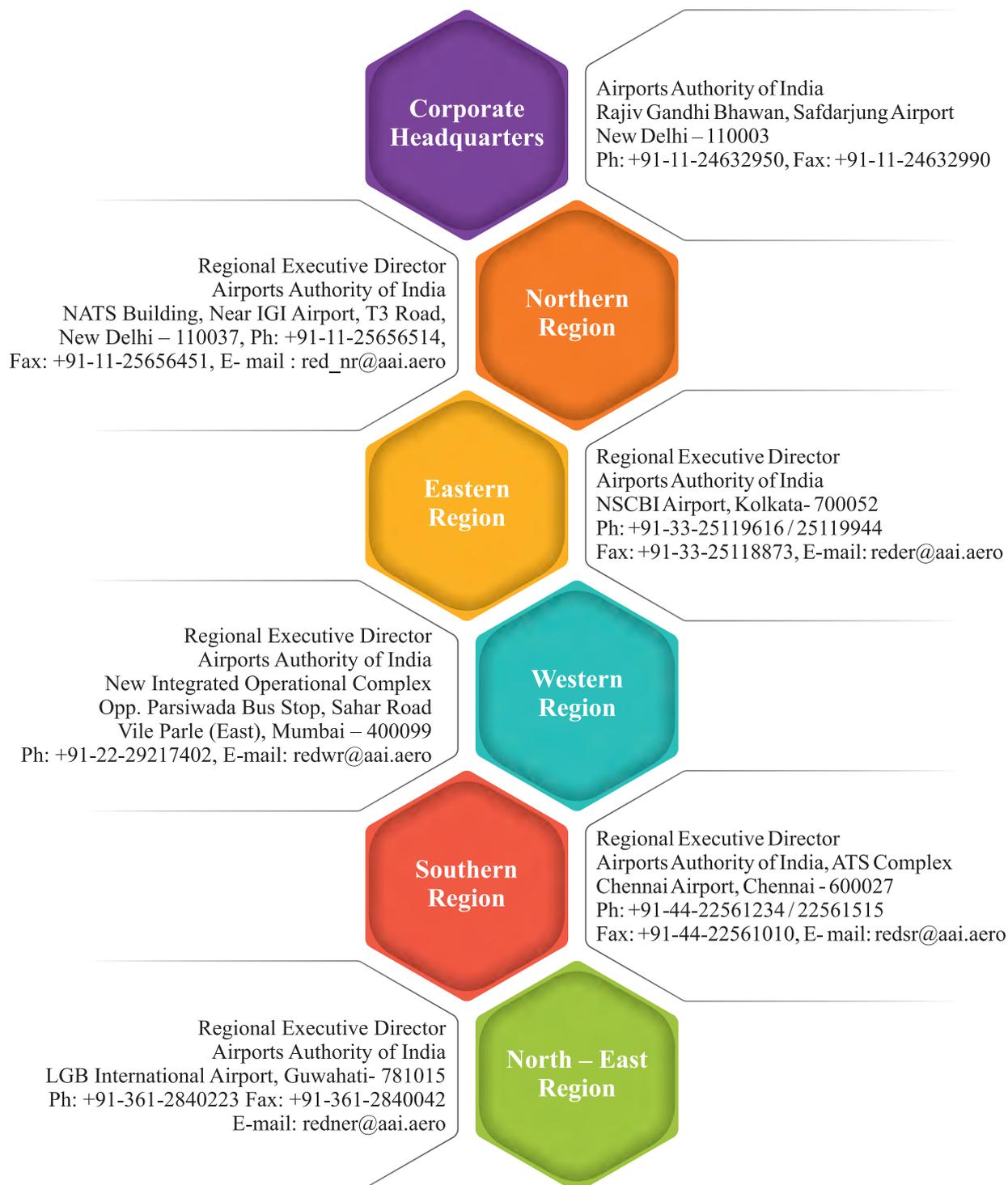




# Operational AAI Airports

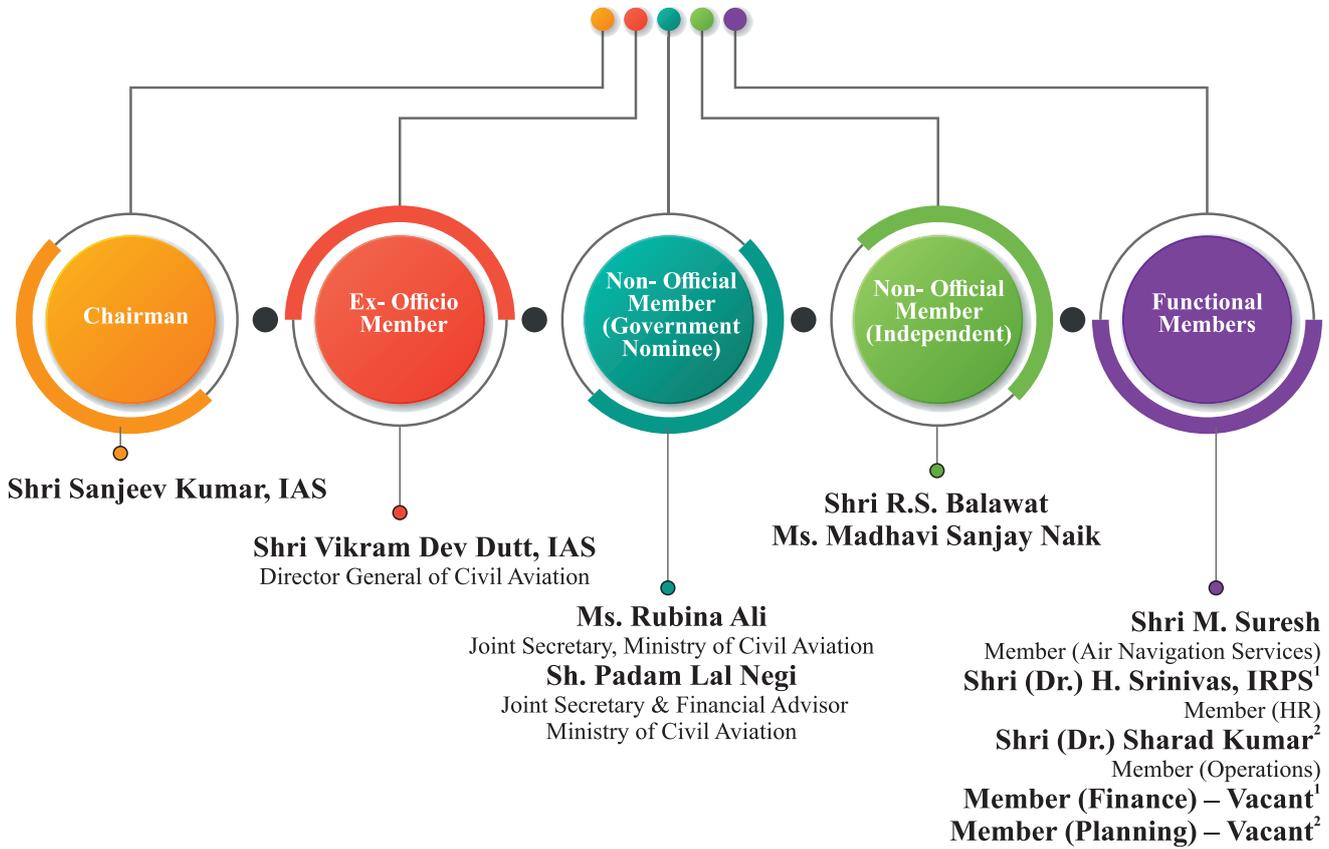
(A)	<b>Total AAI Operational Airports</b>	<b>110</b>
(B)	<b>Civil Enclaves out of (A)</b>	<b>28</b>
(C)	<b>International Operations out of (A)</b>	<b>35</b>
(D)	<b>Airports under Private Control out of (A)</b>	<b>08*</b>

\* 2 JV+6 PPP Airports under L.T. Lease - All Intl.



## BOARD STRUCTURE

(As on 07.11.2023)



1. Additional charge of the Post of Member (Finance) is with Shri (Dr.) H. Srinivas, IRPS, Member (HR).

2. Additional charge of the Post of Member (Planning) is with Shri (Dr.) Sharad Kumar, Member (Ops.)

**Shri Amal Garg, IRS**  
Chief Vigilance Officer (CVO)

### Key Managerial Personnel

**Shri K.S. Sivakumar**  
Executive Director (Finance)

**Shri J.B. Saini**  
Executive Director  
(Corporate Affairs & Company Secretary)



## CHAIRMAN



**Shri Sanjeev Kumar**, an IAS officer of 1993 batch, Maharashtra Cadre has assumed charge of Chairman, Airports Authority of India on 07.04.2021.

He holds bachelor's degree in Electronics & Communication Engineering from University of Roorkee (now IIT Roorkee) and master's degree in Communication Engineering from IIT, Kanpur.

He also holds master's degree in Financial Management from Jammalal Bajaj Institute of Management Studies, Mumbai University. Shri Kumar possesses wide experience of infrastructure and Finance sectors in Government of Maharashtra and Government of India. Prior to joining AAI, he was working as State Commissioner - GST, Government of Maharashtra. He was the CMD of largest electricity distributor company of

India, Maharashtra State Electricity Distribution Company Ltd (MSEDCL) for more than four years. He implemented large number of public friendly measures in MSEDCL, while improving operational and financial efficiency resulting in continuous profits for four years.

Shri Kumar has spent more than five years in State Goods Taxation Department in various capacities including the crucial time of introduction of Value Added Tax (VAT) in 2005 and after introduction of GST in 2020. He had conceptualized and implemented Maharashtra State Sales Tax Automation system in 2004-05.

Shri Kumar has served in various ministries and departments of the Government of Maharashtra viz. Water Supply & Sanitation Department, Energy and Industries Department. He has worked as Joint CEO of Maharashtra Industrial Development Corporation (MIDC) and has also been MD of Maharashtra Agro Industries Development Corporation.

During his tenure with Government of India, he worked as Joint Secretary & Mission director for "Housing for All-Urban" project under Ministry of Housing & Urban Poverty Alleviation. He designed and launched Prime Minister Aawas Yojna (PMAY) in this capacity. He worked as Director in Ministry of Power, Incharge of Rajiv Gandhi Gramin Vidyutikaran Yojna (RGGVY) & Restructured Accelerated Power Development & Reform Program (RAPDRP).

## EX-OFFICIO MEMBER



**Shri Vikram Dev Dutt**, a 1993-batch IAS officer of AGMUT (Arunachal Pradesh, Goa, Mizoram and Union Territory) cadre, took over as the Director General of Civil Aviation, Ministry of Civil Aviation on 1st March, 2023 in the rank and pay of Additional Secretary.

Prior to this assignment, Shri Dutt served as CMD in AIAHL (AI Assets Holding Limited) from January, 2022 after disinvestment of Air India.

A B.Tech in Electronics and Communication, holding a PG Diploma in Management, Shri Dutt has held key positions in his career both at the Centre and in the State including Secretary to Chief Minister, Secretary Tourism and Managing Director of Goa Tourism Development Corporation under the Government of Goa, Administrator of Daman Diu and Dadra Nagar Haveli, Principal Secretary, Finance

and Civil Aviation in Andaman & Nicobar Islands and Principal Secretary, Health in the Government of Delhi in June 2020 during the COVID Pandemic.

He has also served under the Government of India as Director in the Ministry of Home Affairs, Ministry of Textiles and Joint Secretary in the Ministry of Defence.

### NON-OFFICIAL MEMBERS (GOVERNMENT NOMINEES)



**Ms. Rubina Ali** is a Post Graduate in History. She cleared Civil Services Examination - 1991 batch Central Secretariat Services (CSS). Since then, she has held different positions in various organizations like Ministry of Finance, Ministry of Culture, Ministry of Mines and presently working as Joint Secretary in Ministry of Civil Aviation.



**Shri Padam Lal Negi** joined Government of India as Indian Defence Accounts Service Officer in 1992 in Defence Accounts Department.

During his tenure in Defence Accounts, he worked in various capacities. He worked as Director in the Ministry of Social Justice & Empowerment from March 2008 to March 2013, from August 2013 to September 2015 as Integrated Financial Adviser to Andaman Nicobar Command and from September 2015 to October 2018 as Controller of Defence Accounts (Integrated Defence Staff).

Prior to holding the post of Joint Secretary & Financial Adviser, Civil Aviation, he was working as Integrated Financial Adviser (BR), Delhi Cantt.

### FUNCTIONAL MEMBERS



**Shri M. Suresh** has taken over the charge of Member (Air Navigation Services) at Airports Authority of India on 2nd September 2021 (A/N). Shri Suresh is an Engineering Graduate in Electronics and Communication with a Master of Business Administration (HR). He also holds an International Airport Professional – IAP degree accorded by Airports Council International and International Civil Aviation Organization.

Prior to this assignment, Shri Suresh was holding the charge of post of Executive Director (Aviation Safety) at Corporate Headquarters of AAI and discharging a strategic function of ensuring safety in aerodrome operation and air navigations services, developing and maintaining a safety management policy of AAI.

He has 32 years of rich experience in Airports Authority of India holding the posts of Airport Director at Madurai, Jammu and Goa Airport. He also held the posts of General Manager (Airport Licensing) and General Manager (IT) at CHQ. During this assignment he was responsible for licensing of new airports



and renewal of license of existing operational airports as well ushering the development and usage of IT platforms in AAI.

He also worked as Regional Executive Director (North East Region) and was responsible for planning, design of modern state-of-the-art environment-friendly airport terminals and airside infrastructure like runways, apron and their financial evaluation, regulatory clearances, tendering & award processes, etc.

Shri Suresh is an Air Navigation Service technical expert and has vast experience in planning, provision, operation & maintenance of CNS facilities, airport system facilities & information technology facilities in airports in India. He has been instrumental in the implementation of NOCAS Version-2, the Building Height Clearance Software for the public, SKY REV 360 (Patent Holder), NIC CPPP Training Program, e-Office deployment and the Implementation of the Biometric Access Control project in AAI and many such initiatives.



**Shri (Dr.) H. Srinivas**, an officer of the 'Indian Railway Personnel Service (IRPS)' assumed the charge of Member (Human Resources), AAI from 10<sup>th</sup> March, 2023. Prior to this, Dr. Srinivas was serving as Chief Personnel Officer in Indian Railways.

He holds a Bachelor (Hon's), Master's and Doctorate Degree in Earth Sciences, apart from a Post-Graduate Diploma in Management. He has had illustrious Academic and Professional careers and a vast array of accomplishments to his credit.

Dr. Srinivas's core areas of expertise range from Policy Making to Managing and Developing Human Resources and Relations of large organizations having diverse skill sets; Strategizing and Managing

Change in large organizations through Training, Skilling/Upskilling, IT and Organization Development interventions, etc.

He has worked in various capacities in three different Zones of the Indian Railways, each with around a lakh manpower strength and as Director General in one of the institutions of Ministry of Labour & Employment, Govt. of India.

Dr. Srinivas has represented India at various international fora and is also a recipient of the “Silver Star Award” presented by the Hon'ble President of India.



**Shri (Dr.) Sharad Kumar**, assumed the charge of Member (Operations), AAI on 01.05.2023.

Dr. Sharad Kumar is a Graduate of Civil Engineering from the South Gujarat University of SVNIT, India, & MBA in Human Resource Management. He also holds an International Airport Professional – IAP degree accorded by Airports Council International and International Civil Aviation Organization and a Ph. D., in Management.

Dr. Sharad has over 32 years of experience and expertise in Construction, maintenance & modification of Airports in India. He started his career in AAI in 1990 at Jammu Airport and later worked in

diverse capacities in various Airports in India covering all the 5 regions viz. Northern, Southern, Eastern, Western and North-East He proved to be instrumental in the day-to-day operations & smooth functioning of these airports.

Prior to taking over the charge of Member (Operations) in AAI, he served as the Airport Director of Chennai Airport.

### NON-OFFICIAL MEMBERS (INDEPENDENT)



**Shri Ravindra Singh Balawat**, aged 50 years, resident of Jalore District (Rajasthan), is a Law Graduate from Rajasthan University, Jaipur. He is an Advocate, Social Worker and farmer. He is engaged in social work for the past 35 years.



**Ms. Madhavi Sanjay Naik**, is a practicing lawyer. Apart from being a Guest Lecturer in Law College, Thane, she has also delivered lectures on woman related issues and laws under Woman Development Cell in various schools and colleges. She has also worked as Announcer on All India Radio and has been a voice over artist in various short films, documentaries and cartoon serial - Jungle Book. She is associated with various Educational Societies and NGOs in various capacities. She has also served as Independent Director of Handlooms and Handicrafts Export Corporation of India.

### CHIEF VIGILANCE OFFICER



**Shri Amal Garg** (IRS IT: 1995) has been appointed as CVO, Airports Authority of India w.e.f. 21st October 2020. He has worked in various capacities in Income Tax Department at various places. He has rich experience of working in Investigation wing of the Income Tax Department, which carries out search and seizure operations. He has also worked for a substantial period in the vertical of Computer Systems of Income tax Department, where he has worked on various projects including E-filing of Income Tax returns. He has received Finance Minister's appreciation letter for his outstanding work.

Shri Amal Garg has also worked in the Department of Information Technology, where he worked as Director (Finance), National e-Governance Division (NeGD) for one year.

He holds degree of Bachelor of Engineering in Mechanical stream (B. E.) from University of Roorkee (Now IIT Roorkee). Besides, he has also obtained degree of LLB from CCS University, Meerut. Recently, he has successfully completed Advanced Professional Programme in Public Administration (APPPA) from Indian Institute of Public Administration, Delhi.

Prior to joining AAI, he was working as Commissioner of Income Tax (Appeals), Moradabad.



## KEY MANAGERIAL PERSONNEL



**Shri K.S. Sivakumar** is a Commerce Graduate and Cost and Management Accountant of the Institute of Cost & Management Accountants of India. He has rich experience of more than 33 years and has served in AAI in various capacities. In his present position, he is looking after corporate accounts, market borrowings, revenue budget, financial concurrence, Audit functions, Management of In-house PF/Gratuity Trust etc.



**Shri J. B. Saini** Shri J B Saini is a Commerce Graduate, MBA (Finance), MBA (HR) and qualified Chartered Accountant. He is a Fellow Member of the Institute of Chartered Accountants of India.

Shri Saini joined AAI in April 1998 as Manager (Finance) and has rich experience of over 32 years in various facets of Financial Management especially in Finance, Accounts and statutory compliances of the Companies.

He assumed charge of the post of Executive Director (Corporate Affairs & Company Secretary) on 1st July 2022. Prior to his appointment as ED, he has served on deputation as Chief Financial Officer of AAI Cargo Logistics and Allied Services Limited (a 100% subsidiary of Airports Authority of India) for 2 years and as Founder Chief Financial Officer of Chandigarh International Airport Limited (a subsidiary of Airports Authority of India) for 3 years.



भारतीय विमानपत्तन प्राधिकरण  
Airports Authority of India

# Board's Report





HYUNDAI

CRETA  
PERFECT SUV

BOOKING

MONEY EXCHANGE

SHUTTLE SERVICE  
AT CITY  
TRANSPORT

Pre-paid Taxi service  
Approved by Airport Transport  
Phone: 044-22102031

EXIT

THE TIMES OF INDIA

CHENNAI AIRPORT

## MEMBERS' REPORT FOR THE YEAR 2022-23

We are pleased to present the 28th Board's Report of the Airports Authority of India (AAI), together with the audited Statement of Accounts and the accompanying Auditors' Report for the fiscal year ending on March 31, 2023.

### FINANCIAL HIGHLIGHTS (FY 2022-23)

(Amount in ₹ Crores)

Particulars	FY 2022-23	FY 2021-22
Revenue from Operations (Aeronautical & non-aeronautical revenue)	11424.90	6333.72
Other Income	747.45	507.57
<b>Total Revenue</b>	<b>12172.35</b>	<b>6841.29</b>
Total Expenditure other than finance costs and Depreciation	6222.62	5670.96
Finance Costs	102.85	69.67
<b>Profit Before Tax &amp; Depreciation</b>	<b>5846.88</b>	<b>1100.66</b>
Depreciation and Amortisation	1883.13	1904.38
<b>Profit / (Loss) before exceptional items and tax</b>	<b>3963.75</b>	<b>(803.72)</b>
Exceptional Item (See Note below)	-	(836.48)
<b>Profit Before Tax</b>	<b>3963.75</b>	<b>32.76</b>
<b>Tax Expenses</b>		
Current Tax	92.68	0.00
Deferred Tax	899.02	24.00
<b>Profit After Tax</b>	<b>2972.05</b>	<b>8.76</b>
Amount distributed as Dividend:		
(i) Proposed Dividend	891.62	-
Transferred to Reserves:		
(i) Airport Development Reserve	832.17	-
(ii) General Reserve	1248.26	8.76

*Note: - Exceptional item for FY 2021-22 represent reversal of Provision for Doubtful Debts due to Air India settlement.*

Due to the containment of Covid-19 infections and the lifting of travel restrictions worldwide, air travel has rebounded significantly. In FY21, there was a substantial decline in both air traffic (a 54 percent decrease) and passenger traffic (a 66 percent decrease). However, FY22 witnessed a recovery, primarily driven by the domestic sector. FY23 has shown a further rebound, with both passenger and cargo movements approaching pre-Covid-19 levels. In March 2023, the total number of passengers handled stood at 310.19 lakhs, which accounted for 105% of the pre-Covid level (average for 11 months from April 2019 to February 2020). During March 2023, the total air cargo tonnage was 2.81 lakh metric tons, representing 99% of the pre-Covid levels.

The growth in domestic air passenger traffic has been remarkable, with a 62% increase, reaching 27.04 crore passengers in FY 2022-23 compared to 16.68 crore during the previous year i.e. FY 2021-22.

Consequently, the Airports Authority of India (AAI) reported a profit before tax of ₹ 3,963.75 crore for the fiscal year ending in March 2023, primarily due to the high growth in domestic air traffic. This signifies a significant improvement compared to the previous two financial years when AAI reported losses.

AAI's financial and operational performance in detail has been discussed under the head "Business Overview" in the Management Discussion & Analysis, which forms part of this report as Annexure 1.

### TRANSFER TO RESERVES

During the fiscal year 2022-23, a sum of ₹ 832.17 Crores was transferred to the Airport Development Reserve, and an amount of ₹ 1248.26 Crores was contributed to the General Reserves.



## DIVIDEND

As per the Ministry of Finance, Department of Investment and Public Asset Management (DIPAM) OM F. No.5/2/2016-Policy dated 27/5/2016, in supersession of earlier guidelines, every CPSE is required to pay 30% of PAT or 5% of the networth, whichever is higher, to the Government of India.

Accordingly, a total dividend of ₹ 891.62 Crores (being 30% of the PAT) is payable by AAI for the year 2022-23 to GOI. Necessary appropriation in this regard has been made from the General Reserves.

**Dividend for the previous financial years - DIPAM,** vide Minutes of the meeting dated 03.08.2022 of the Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDC), has exempted AAI from payment of the Final Dividend for the FY 2019-20 and the Total Dividend payable for the Financial Year 2020-21 and 2021-22, based on a recommendation by MoCA.

Accordingly, the amount earlier appropriated out of General Reserves in the relevant Financial Years, totalling ₹ 1448.84 Crores, has been added back to the General Reserves during the FY 2022-23.

## CHANGES IN THE CAPITAL STRUCTURE, LONG TERM LOANS AND OTHER SIGNIFICANT ITEMS

**Capital Structure:** AAI is 100% Government owned Statutory Corporation. There were no changes, during the financial year 2022-23, in the capital of AAI and it stood at ₹ 656.56 Crores as on March 31, 2023.

**Long Term Borrowings:** During FY 2022-23, AAI availed secured rupee term loan facility and external commercial borrowings from the SBI to the tune of ₹ 900 Crores and 50 million US dollars respectively.

During FY 2022-23, AAI also decided to repay the CAPEX Term Loan off ₹ 2098.01 Crores availed from M/s. Axis Bank Ltd. Accordingly, AAI prepaid the said loan on 05.04.2023.

**Short term Borrowings:** During FY 2022-23, limits for Fund based Working Capital facility available with AAI was ₹ 2000 Crores but AAI did not avail the said facility due to improvement in its financials/revenue earnings and cash inflows.

*Details regarding interest rate, tenure, repayment schedule and security tendered by AAI against the aforementioned borrowings may be referred at Note No. 4 & 7 of the financial statements of AAI.*

## BOARD OF DIRECTORS, BOARD COMMITTEES AND MEETINGS

Corporate Governance Report for the financial year 2022-23 forms part of this Report as **Annexure - 2**. Details of the Board of Directors, Board Committees and Meetings are provided in the said Annexure.

## CHANGES IN THE CHAIRMAN AND MEMBERS OF THE AUTHORITY

Since last Board's Report, there have been following changes in the Chairman and Members of the Authority: -

**A. CHAIRMAN** – There has been no change in the Chairman of the Authority.

### B. FUNCTIONAL MEMBERS

- Member (Planning)** – Shri Anil Kumar Pathak's tenure as Member (Planning) ended upon his superannuation on September 30, 2023. As per MoCA's Order No. AV-24011/6/2022-AAI-MOCA (228791) dated September 29, 2023, the additional charge of the post of Member (Planning), AAI, was entrusted to Dr. Sharad Kumar, Member (Operations), AAI, in addition to his regular duties. This arrangement is effective for a period of three months, starting from October 1, 2023, or until a regular incumbent is appointed, or until further orders, whichever occurs earlier.
- Member (HR)** – Dr. H. Srinivas, IRPS, assumed the role of Member (HR) on March 10, 2023, as per the Ministry of Civil Aviation Notification No. AV-24032/53/2021-AAI-MOCA, dated March 14, 2023. Consequently, Shri Anil Kumar Pathak, who was then serving as Member (Planning) and had taken on the additional charge of Member (HR) through various MoCA orders, was relieved from the additional charge of the post of Member (HR) starting from the mentioned date.
- Member (Operations)** - Dr. Sharad Kumar was appointed as Member (Operations) on the AAI Board by DoPT, as per Order No. 16/01/2023-EO (ACC) dated April 28, 2023. His appointment is subject to the outcome of WP (C) No. 10531/2022 filed in the Hon'ble High Court at New Delhi. Dr. Sharad Kumar

officially assumed the role of Member (Operations) on May 1, 2023 (forenoon), resulting in relieving of Shri M. Suresh from the additional charge of Member (Operations).

4. **Member (Finance)** – Shri Sanjeev Kumar, IAS, Chairman of AAI, held additional charge for the post of Member (Finance) from November 1, 2022, until July 31, 2023, vide MoCA's orders issued from time to time. According to MoCA's Notification No. AV-24011/8/2021-AAI-MOCA (202648) dated July 28, 2023, the Appointment Committee of the Cabinet (ACC) approved the entrustment of additional charge for the post of Member (Finance) to Member (HR) of AAI effective from August 1, 2023, for a period of six (06) months or until a regular incumbent assumes the post, or until further orders, whichever is earliest. Accordingly, Shri Sanjeev Kumar, IAS, was relieved from the additional charge of the post of Member (Finance), AAI w.e.f. said date.

### C. GOVERNMENT DIRECTORS

The Ministry of Civil Aviation (MoCA), through Notification No. AV-24011/8/2022-AAI-MOCA, dated December 9, 2022, appointed Shri Rajesh Singh, Joint Secretary & Financial Advisor in the Ministry of Electronics & Information Technology and the Ministry of Civil Aviation, as a part-time Member on the Board of the Airports Authority of India. The appointment was with immediate effect and until a regular incumbent assumes the role of Financial Advisor in the Ministry of Civil Aviation or until further orders, whichever occurs first.

Before this appointment, Shri Vimalendra Anand Patwardhan, Joint Secretary & Financial Advisor at MoCA, completed his 3-year term as a Part-time Member on the Board of AAI on October 25, 2022, and thus ceased to be a Board Member of AAI from that date.

Subsequently, MoCA, through a Notification of even number and dated February 14, 2023, appointed Shri Padam Lal Negi, Joint Secretary & Financial Advisor at MoCA, as a part-time member on the Board of AAI. His appointment is effective immediately for a period of three years from the date he assumes office, or until further orders, whichever is earlier.

### D. INDEPENDENT DIRECTORS

There has been no change in the Independent Directors of the Authority.

The Board places on record its sincere appreciation for the support, guidance and contribution made by the ex-board members during their association with AAI.

As on the date of the Board's Report, the AAI's Board comprise of 9 members, which includes Chairman, DGCA (Ex-officio Member), 3 functional members, 2 nominees representing the Ministry of Civil Aviation and 2 part-time non-official (Independent) members.

### IMPORTANT CHANGES IN POLICY AND MAJOR EVENTS, WHICH INFLUENCED OR AFFECTED THE PROFITABILITY OF THE AUTHORITY DURING THE YEAR

This Section also provides a brief on material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and 30.09.2023.

#### Return to normalcy (Post Covid-19)

The global impact of COVID-19 had been significant, with widespread repercussions across various sectors, more so in the civil aviation sector, causing substantial disruptions in air travel. Travel restrictions, lockdowns, and public health concerns led to a notable decrease in passenger demand, resulting in operational challenges and financial strain for the entire sector worldwide.

However, in the fiscal year 2022-23, there was a positive improvement in the industry's overall performance. The year began with the resumption of scheduled international operations, while domestic operations proceeded without hindrance and without restrictions on passenger capacity.

#### Traffic Handled (2022-23 Vs 2021-22)

In the fiscal year 2022-23, there was a notable increase in traffic at all Indian airports when considering aircraft movements, passenger numbers, and freight handled. Specifically, there was a remarkable growth of 42.8% in total aircraft movements, a substantial increase of 73.3% in passenger traffic, and a modest rise of 0.2%



in freight traffic compared to the previous year. This remarkable surge in traffic during 2022-23 can be attributed to the relatively low base of the preceding year, 2021-22, which suffered the adverse effects of the COVID-19 pandemic on the Civil Aviation sector.

Below are the details of the traffic handled during the year, along with a comparison to the previous year:

Particulars	2022-23	2021-22	%age change
<b>Aircraft Movements (in Numbers)</b>			
International	365048	211836	72.3
Domestic	2143267	1545276	38.7
<b>TOTAL</b>	<b>2508315</b>	<b>1757112</b>	<b>42.8</b>
<b>Passengers (in numbers)</b>			
International	56939661	22088224	157.8
Domestic	270339475	166803217	62.1
<b>TOTAL</b>	<b>327279136</b>	<b>188891441</b>	<b>73.3</b>
<b>Freight (in MT)</b>			
International	1864544	1961112	-4.9
Domestic	1282257	1179690	8.7
<b>TOTAL</b>	<b>3146801</b>	<b>3140802</b>	<b>0.2</b>

#### Airport Lease Revenue in respect of JVC Airports

During the financial year 2022-23, ₹ 3,020.55 crores were received as Airport Lease Revenue in respect of JVC Airports viz. Delhi International Airport Limited and Mumbai International Airport Limited, which also contributed to AAI's revenues.

The amount received towards Annual Fee from DIAL and MIAL has been treated as 'Contingent Liability' and amount receivable from DIAL and MIAL has been treated as 'Contingent Assets' during the Financial Year 2022 – 2023.

Detailed status of Arbitration in the case of DIAL and MIAL w.r.t. Annual Fee may be referred at Note No. 37 (A) (iv) of the Notes to the Accounts to the Financial Statements of AAI for the FY 2022-23.

#### Share of Income from PPP Airports

Annual Concession Fee and Upfront Fee amounting to ₹ 683.86 Crores was received from the 6 PPP Airports during FY 2022-23 as compared to ₹ 329.59 Crores received in the preceding financial year.

Further, One-time Payment on Investment in Capital Work in Progress (CWIP) amounting to ₹ 425.99 Crores [Guwahati ₹ 425.85 Crore & Thiruvananthapuram ₹ 0.14 Crore] was received from the Concessionaire during the current F.Y. 2022-23.

Detailed information w.r.t. PPP Airports may be referred at Note No. 37 (B) of the Notes to the

Accounts to the Financial Statements of AAI for the FY 2022-23.

#### Income from Commercial Operations

The increased passenger flow and aircraft movements at AAI airports have given a boost to commercial activities as well, resulting in higher revenues generated from non-aeronautical services at various airports.

For the fiscal year 2022-23, the total revenue from non-aeronautical airport services amounted to ₹ 1,257.02 crores, a significant increase from the previous fiscal year, which was ₹ 912.09 crores in 2021-22.

The revenue growth was particularly noticeable in business activities related to Duty Free Shops, Retail, Advertisement, Car Parking, Space rentals, F&B (Restaurants), and other miscellaneous trading concessions (such as Executive Lounges, Money Exchange Counters, Spa & Wellness centers, etc.). Additionally, the introduction of new facilities like Duty Paid Liquor Shops and Remote Ground Station facilities has contributed to revenue generation at AAI airports.

AAI is optimistic that the revenue from non-aeronautical airport services at AAI airports will continue to increase significantly in the next financial year, driven by the continuous growth in passenger numbers and aircraft movements. This positive trend reflects the ongoing success of AAI in diversifying

its revenue streams and enhancing the overall airport experience.

As a result of these developments, the Airports Authority of India (AAI) achieved a remarkable financial turnaround, reporting a profit before tax of ₹ 3,963.75 crore for the fiscal year ending March 2023. This accomplishment signifies a pivotal milestone for AAI, marking its return to profitability after enduring the substantial challenges imposed by the pandemic on air traffic and the aviation sector as a whole.

## MEASURES TAKEN FOR IMPROVING THE FUNCTIONS AND PROFITABILITY OF THE AUTHORITY

1. Privatization and modernization/expansion of airports, development of airport infrastructure, boost to the regional connectivity scheme - UDAN, incentivization of maintenance, repair and overhaul (MROs) operations etc. were some of the initiatives which improved the functioning of AAI. The conducive regulatory framework and the aforementioned initiatives have provided a significant impetus to the aviation sector.
2. The Airports Authority of India (AAI) is actively seeking pre-project clearances and aiming for the timely completion of planned airports. This approach is intended to address the risks of cost escalation and time overruns that have been common in the industry.
3. Further, a change in tendering of ground handling facilities at the airports, which were earlier done only through selected agencies, will result in increase in revenues for the AAI in the forthcoming years.
4. The Airports Authority of India (AAI) has cut / restructured its debt due to improved financials and cash inflows resulting in reduction of interest costs on borrowings and improved profitability of the Authority.
5. A study on congestion in passenger terminal building at various AAI airports is carried out to identify measures to de-congest them. Accordingly, Slot allocation at various airports reviews and slots are reallocated from congested hours to lean hours as per available terminal capacity in co-ordination with airlines, airports and other stakeholders to ease congestion in the passenger terminal building.
6. Slot Performance data is sought from various airports and analysis of the same is done. Flights deviating regularly from the approved schedule leading to congestion at airports are identified. Accordingly, Airlines are informed of the same and advised to adhere to the approved schedule.
6. AAI has liberalized its commercial policies by relaxing the criteria of financial turnover and removing requirement of past experience criteria in tenders for commercial facilities, in line with vision of the Government to enhance ease of doing business. The policy has been made open to attract more and more entrepreneurs to bid for operating commercial facilities at AAI airports. AAI has oriented the business model for facilities like F&B, Retail and Media by linking the Concession Fee with the passenger traffic to reduce the risk in business at AAI airports. Consequent to the subject liberalization and changed business model, 22 Retail/F & B Master Concessionaires and 17 Advertisement Concessionaires have been appointed till 30.09.2023, resulting into enhancement of non-aeronautical revenue.
7. Initiatives were taken to resolve long pending issues involving land which were resolved through formation of Settlement Advisory Committees and fresh agreements were signed. Consequently, revenue is being earned through unlocking the deadlocks involving long pending litigations.
8. Other measures include the following: -
  - Designing of terminal building with its local culture and heritage ensuring that the essence should reflect both in interior and exterior, creating a sense of place for the visitors.
  - Policy decision for management and operations of Baby Care Room facility at Airports by reputed manufacturing or marketing companies of baby care products to provide professional services to passengers. As per the Policy, the successful bidder will offer Baby Care Product Range to the users on complimentary basis.
  - Policy decision for replacement of Toilet Fixtures of the operational terminal building



at every 3 years and renovation of Toilet Blocks of Terminal Building at every 6 years in consultation with Architect of AAI.

## MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion & Analysis Report forms part of this Report as **Annexure - 1** which include discussion on the following matters within the limits set by the AAI's competitive position:

- i. Industry structure and developments;
- ii. Major Initiatives / Achievements;
- iii. Business Overview including financial performance;
- iv. Outlook;
- v. Risks and concerns;

- vi. SWOT Analysis;
- vii. Internal control systems and their adequacy;
- viii. Material developments in Human Resources, Industrial Relations front, including number of people employed.

## DETAILS OF WORKS COMPLETED, PROGRESS OF THE SANCTIONED SCHEMES UPTO MARCH 2023 AND DEVELOPMENT OF AIRPORTS IN NORTH EAST REGION

The details of completed works, progress on sanctioned schemes by AAI, and airport development, categorized by region, including the North East Region, as of March 31, 2023, are provided in **Annexure – 3**.

This annexure also outlines the activities that AAI is likely to undertake during the financial year 2023-24.

## SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY

As of March 31, 2023, the following are AAI's subsidiaries, JVs, and associate companies:

S. No.	Name of the Subsidiary / Joint Venture	Subsidiary / Joint Venture
1.	AAI Cargo Logistics & Allied Services Company Ltd.	Subsidiary (100%)
2.	Chandigarh International Airport Limited	Subsidiary (51%)
3.	Dholera International Airport Company Limited	Subsidiary (51%)
4.	Deoghar Airport Limited	Subsidiary (51%)
5.	Dhalbhumgarh Airport Limited	Subsidiary (51%)
6.	Ludhiana International Airport Limited	Subsidiary (51%)
7.	Mandi International Airport Limited	Joint Venture (49%)
8.	MIHAN India Limited, Nagpur	Joint Venture (49%)
9.	National Flying Training Institute Private Limited, Gondia	Joint Venture (46%)
10.	Delhi International Airport Limited	Joint Venture (26%)
11.	Mumbai International Airport Limited	Joint Venture (26%)
12.	Digi Yatra Foundation	Joint Venture (26%)
13.	GMR Hyderabad International Airport Limited	Joint Venture (13%)
14.	Bangalore International Airport Limited	Joint Venture (13%)
15.	Kannur International Airport Limited	Joint Venture (7.47%)

Other than the companies listed above, AAI is also a partner in the Indian Aviation Academy (IAA) which is a premier institute for Education, Training, and Research in Aviation. It functions as joint training academy of Airports Authority of India (AAI), Directorate General of Civil Aviation (DGCA) and Bureau of Civil Aviation Security (BCAS). A Full Member of ICAO TRAINAIR PLUS (TPP) program, the academy fosters a culture of experiential learning with training activities across all domains of aviation.

The financial statements of operational subsidiaries of AAI namely AAI Cargo Logistics & Allied Services Company Limited, Chandigarh International Airport Limited and Deoghar Airport Limited, for the financial year 2022-23 are uploaded on AAI's website and the same may be accessed at the following link: -

<https://www.aai.aero/en/business-opportunities/investors-annual-reports>

## CORPORATE RESPONSIBILITY

In compliance with the DPE guidelines on CSR and Sustainability, as well as Section 135 of the Companies Act, 2013, AAI has constituted a CSR Committee. Details about the composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report, which forms part of this Report. Additionally, AAI has developed a Corporate Social Responsibility Policy, accessible on AAI's website at [https://www.aai.aero/sites/default/files/csr\\_policy/Final-CSR-Policy-25th-Feb-2021.pdf](https://www.aai.aero/sites/default/files/csr_policy/Final-CSR-Policy-25th-Feb-2021.pdf).

AAI is dedicated to contributing to India's sustainable development by integrating broader economic, social, and environmental goals.

During the financial year 2022-23, AAI spent ₹ 15.02 Crores on CSR activities which include ₹ 10.43 crores against the unspent CSR fund of previous years. During the year under consideration, AAI could spend only 0.13 crores on the schemes of ₹ 3.73 crores approved for the financial year 2022-23, thus, as per the relevant provisions of Companies Act, 2013, a sum of ₹ 3.60 crores was transferred on 24.08.2023 to an unspent CSR account. Accordingly, AAI's CSR spend during the said year could only be 1.47% of the average net profits of the last three years, which is less than the prescribed limit of 2% under the DPE guidelines and Section 135 of the Companies Act, 2013.

In the past, numerous CSR activities were approved for multiple years. However, some of these initiatives faced delays or had to be discontinued due to unexpected circumstances, resulting in the underutilization of the CSR budget for the fiscal year. The COVID-19 pandemic and subsequent lockdowns

## SOCIAL

significantly impacted the finances and income of AAI, affecting both CSR budget allocation and expenditures. As a result, there was an increase in CSR liabilities, for which a portion of the FY 2022-23 budget was allocated.

Every effort has been made to ensure the completion of these activities in the fiscal year 2023-24. AAI is dedicated to achieving a 100% expenditure of the CSR budget, including addressing previous year liabilities.

A detailed update on the CSR initiatives of AAI is provided in the Corporate Social Responsibility Section, which forms part of this Annual Report. The Annual Report on Corporate Social Responsibility u/s 135 of the Companies Act, 2013 is annexed as **Annexure - 4** to this Report.

## AUDITOR AND AUDITOR'S REPORT

C&AG is the sole auditor of Airports Authority of India, a Statutory Corporation constituted under Airports Authority of India Act, 1994.

AAI is required to prepare its accounts in the format prescribed under the rules, framed in consultation with the C&AG and the specific provision(s) relating to accounts in the Airports Authority of India Act, 1994. After preparation of the Annual Report, the same is laid before both the Houses of Parliament, together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the C&AG.

Copy of the C&AG Report on AAI's financials for FY 2022-23 is annexed with the financial statements which forms part of the Annual Report.

## FOREIGN EXCHANGE EARNINGS AND EXPENDITURE FOR REVENUE AND CAPITAL ITEMS

(Amount in ₹ Crores)

Particulars	FY 2022-23	FY 2021-22
<b>Capital Items</b>		
Capital Goods Purchase	(313.44)	(196.64)
Repayment of Foreign loans	(24.51)	(2.83)
<b>Revenue Items</b>		
Spare Parts	(12.03)	(28.36)
Foreign Travel	(3.22)	(0.21)
Consultancy	(0.30)	(0.24)
Others	(345.23)	(103.44)
Services	980.91	688.24

Expenditure shown in ( )



## ANNUAL ASQ SURVEY 2022

The Airport Service Quality (ASQ) survey is a globally recognized benchmarking program conducted by the Airports Council International (ACI). ACI is a non-profit organization representing airport operators worldwide. The ASQ survey assesses passengers' satisfaction while traveling through an airport. It covers 32 key service areas, including access, check-in, security, airport facilities, food and beverage, and retail, organized into 8 major categories. The ACI-ASQ survey is conducted at approximately 291 airports across various regions, and the results are also monitored by AERA, NITI Aayog, and the Ministry of Civil Aviation.

The ASQ program serves as a research tool and management information source, helping airports better understand passengers' preferences and expectations regarding products and services.

In 2022, the ASQ survey was conducted at 14 AAI airports, including Chandigarh airport. Trichy airport was honored with the Annual ASQ award in 2022 for being the Best Airport under 2 million passengers in the Asia-Pacific region.

The ASQ ratings for AAI airports in 2022, compared to 2021, are provided below:

S NO.	NAME OF THE AIRPORT	2022		2021		DIFFERENCE IN RATING OF 2022 OVER 2021
		ASQ RATING	RANK	ASQ RATING	RANK	
1	CHANDIGARH	4.99	23	4.99	18	0.00
2	VARANASI*	4.95	41	-	-	-
3	INDORE*	4.94	45	-	-	-
4	GOA	4.90	51	4.89	54	0.01
5	TRICHY*	4.86	56	-	-	-
6	RAIPUR*	4.84	58	-	-	-
7	CHENNAI	4.82	60	4.81	69	0.01
8	AMRITSAR*	4.80	64	-	-	-
9	KOLKATA	4.77	66	4.72	78	0.05
10	PUNE	4.76	67	4.57	92	0.19
11	BHUBANESHWAR	4.73	68	4.55	98	0.18
12	PATNA	4.64	74	4.52	104	0.12
13	CALICUT*	4.61	76	-	-	-
14	SRI NAGAR*	4.30	119	-	-	-
15	TRIVANDRUM#	-	-	4.91	50	-
16	GUWAHATI#	-	-	4.85	65	-
17	JAIPUR#	-	-	4.79	70	-
	Average of AAI airports	4.78		4.76	0.02	Average of AAI airports
	World average	4.32		4.38	-0.06	World average

\*Customer Satisfaction Survey (CSS) was conducted at these airports in the year 2021.  
# Airports handed over to Adani group under PPP.

## MEMORANDUM OF UNDERSTANDING

In accordance with the guidelines set forth by the Department of Public Enterprises (DPE), AAI entered into a Memorandum of Understanding (MoU) for the fiscal year 2022-23 with the Ministry of Civil Aviation (MoCA) on a standalone basis. This MoU encompasses a wide range of financial and non-financial parameters, including both positive indicators (worth 100 marks) and compliance parameters (with a penalty of -9 marks for non-compliance). A detailed breakdown of AAI's achievement against the MoU parameters for 2022-23 is provided in **Annexure – 5**.

Notably, during the fiscal year 2022-23, AAI achieved a record-breaking Capital Expenditure of ₹ 5175 Crore, as per the following details:

Particulars	₹ in Crore
Addition in Property, Plant & Equipment	2510.11
Change in CWIP	1672.77
Addition in Intangible Assets	3.21
Change in Intangible Assets under Development	3.03
Addition in Investment Property	0.00
Change in Capital Advances	111.18
CAPEX incurred through RCS Grants, Govt. Grants/ Budgetary Support/ NEC Grants	733.50*
Other CAPEX	141.20
<b>Total CAPEX</b>	<b>5175.00</b>

\* CAPEX of ₹ 733.50 Crore which is funded through RCS Grants/ Govt. Grants/ Budgetary Supports are undertaken by AAI. As per accounting practice followed in AAI, assets created through these Grants are capitalised in the balance sheet at a nominal value of ₹ 1/-. Please refer the 'Significant Accounting Policies (Para 6)' of Annual Report 2022-23.

As a result of its achievement against the MoU parameters shown in Annexure - 5, AAI's score works out to be 94.78 out of 100, pending the final evaluation by the Department of Public Enterprises / Inter-Ministerial Committee (IMC).

## PROCUREMENT FROM MSEs

During the financial year 2022-23, procurement of goods and services by AAI from MSEs (including from MSEs owned by SC/ST entrepreneurs) was ₹ 782.58 Crores, which was 51.81% (approx.) of the AAI's total annual procurement target of goods & services of ₹ 1340.84 Crores for the said year. Thus, AAI fulfilled the mandatory procurement target of 25% from MSEs.

## VIGILANCE ACTIVITIES

The Corporate Vigilance Department (CVD) of the Airports Authority of India (AAI) is located at the Corporate Headquarters in New Delhi. It also has a presence in all the five regions, viz. Northern, Eastern, Western, Southern, and North-Eastern regions. The

role and functions of the Vigilance Department are in accordance with the Central Vigilance Commission's (CVC) Vigilance Manual, which is updated periodically.

Shri Amal Garg, an Indian Revenue Service (IT: 1995 batch) officer, has been serving as the Chief Vigilance Officer of AAI since October 21, 2020.

AAI, being a service organization, assigns a three-pronged role to its Vigilance Directorate, which includes preventive, punitive, and surveillance & detection aspects. In its preventive role, the CVD conducts awareness campaigns to promote sensitivity to matters with potential for malpractices and corruption. These campaigns include the annual Vigilance Awareness Week (VAW) and various Vigilance Awareness programs like workshops, lectures, seminars, conducted throughout the year at different locations, all aimed at achieving a zero-tolerance approach to corruption.

In its detective/surveillance role, the CVD plans and conducts surprise, regular, and CTE Type inspections to identify systemic failures and instances of corruption and malpractices. It also reviews internal audit reports and annual property returns, among other documents, to detect actions with a vigilance angle.

As part of its proactive role, the CVD encourages various key departments to standardize their work procedures and update their manuals to enhance transparency in the workplace and minimize the scope for discretion. Based on the outcomes of workshops and field inspections, the CVD provides suggestions to the management for systemic improvements on important issues.

## SAFETY OF WOMEN EMPLOYEE

As per the requirement of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made there under, AAI has a policy for the same.

Given below is the summary on the complaints handled during the financial year 2022-23 regarding sexual harassment of women at workplace: -

No. of complaints as on 01.04.2022	<b>00</b>
Complaints received during the financial year 2022-23	<b>05</b>
Complaints disposed off during the financial year 2022-23	<b>04</b>
Complaints pending as on 31.03.2023	<b>01</b>



## EMPLOYEE - EMPLOYER RELATIONS, STRIKES, ETC.

At the Airports Authority of India, the employer-employee relationship is approached from a multi-dimensional perspective and is primarily guided by statutory obligations, policies, and a development-oriented framework.

During the Financial Year 2022-23, there were no reported instances of lost man-days due to strikes, absenteeism, or lockouts. The Airports Authority of India actively seeks to establish, maintain, and enhance communication with its workforce to facilitate amicable issue resolution through bipartite discussions and ongoing interaction among employees at various levels.

The Airports Authority of India promotes a strong employee-employer relationship through the following means:

1. The management recognizes the majority workers' union as the sole bargaining agent through a secret ballot referendum. This union deliberates on fundamental terms of employment, service conditions, wage negotiations, transfer policies, housing allotment, medical benefits, and more to ensure effective and broad representation in policy decision-making.
2. Joint Consultative Machinery meetings are conducted with representatives of recognized workers' unions at the Central and Regional levels, providing a platform for dialogue with the management. These meetings occur twice during a recognition term of five years.
3. Officers' Associations operating in ATC, CNS, Engineering, and other multi-cadres with a majority representative character are also recognized. This recognition allows cadre-based Associations to voice their concerns regarding both professional and welfare matters.

This approach strengthens the employer-employee relationship at the Airports Authority of India, fostering a high level of mutual understanding and promoting productive behavior in the workplace.

## SPORTS ACTIVITIES

AAI remains committed to actively promoting sports, consistently fostering a culture of participation and sponsorship in various sports-related programs and scholarships. AAI also actively competes in a variety of sports tournaments with its own teams.

The Achievements of AAI Sports Control Board for the period from April 1, 2022, to March 31, 2023, are as follows:

### CONDUCT OF INTER ZONAL TOURNAMENTS/ TREKKING EXPEDITION:

1. AAI Inter Zonal Chess & Carrom Tournament was held in Goa from November 12 to 16, 2022, conducted by the Regional Sports Control Board – Western Region.
2. An All India Trekking expedition to Quarry Pass in Uttarakhand took place from December 4 to 13, 2022, conducted by the Sports Promotion Board-CATC.
3. An All India Volleyball & Throw Ball Tournament was conducted by ASCB-Chennai Airport in Chennai from December 1 to 6, 2022.
4. AAI Inter Badminton Tournament was held in Kolkata from January 9 to 14, 2023, conducted by the Regional Sports Control Board – Eastern Region.

### PARTICIPATION OF AAI TEAM IN NATIONAL TOURNAMENTS:

1. AAI-SCB inducted a total of 100 sportspersons under AAI Sports Contract/Scholarship Scheme in 2022-23.
2. AAI Men & Women Chess Team participated in the 41<sup>st</sup> National Team Chess Championship held in Jalgaon from April 8 to 13, 2022, and both teams won the **GOLD MEDAL** in the Chess Championship.
3. AAI Team won the All India Inter Institutional Badminton Championship held in Guwahati from July 2 to 5, 2022, securing the **GOLD**.
4. The 50th Sr. National Carrom Championship (Men & Women) was held in Delhi from November 7 to 11, 2022. AAI Women's

Team secured the **BRONZE** Medal in the Championship.

5. AAI Women Kho-Kho Team participated in the 55th Sr. National Kho-Kho Championship organized by Maharashtra Kho-Kho Association at Osmanabad from November 20 to 24, 2022, and they bagged the **RUNNERS-UP** Trophy in the Tournament.
6. AAI Badminton Team participated in the 84th Sr. National Badminton Championship held in Pune from February 22 to 28, 2023, and AAI Team clinched the **BRONZE** titles at the Championship.

Singh Dinkar Ji' was conducted during the Hindi Fortnight, with 131 participants from AAI offices across the country.

**Awards and Recognition:** On December 27, 2022, AAI received the first prize from the Ministry of Civil Aviation for its in-house magazine "Arpan." AAI also received the first prize for the best Hindi implementation. These awards were presented to Shri Sanjeev Kumar, Chairman of AAI, by Shri Rajeev Bansal, Secretary of Civil Aviation.

Additionally, AAI published the annual magazine "Indraprastha Swar" of TOLIC (PSU)-1.

**Encouraging Hindi Literacy:** AAI rewarded officers and employees through Hindi promotion schemes to encourage the implementation of the official language in various departments and subordinate offices.

To enhance interest in reading Hindi literature among Corporate Headquarters employees, the "Best Hindi Reader of the Month" scheme was introduced. AAI also implemented the "All India Official Language Shield Scheme" to encourage the best implementation of the Official Language in subordinate offices and departments at Corporate Headquarters.

**Hindi Essay Competition and Meetings:** AAI organized the "All India Hindi Essay Competition" on World Hindi Day, with 11 employees awarded in six categories.

In addition to these achievements, the Department of Official Language in AAI accomplished the following during the fiscal year 2022-23:

- Special meetings with official language nodal officers of various departments.
- Organization of Rajbhasha Sangoshthi.
- Conducting half-yearly meetings of the Town Official Language Implementation Committee.
- Hosting a Hindi translation training program under the aegis of TOLIC (PSU-1) Delhi.
- Organizing 'Hindi Rachna Path Sah Paricharcha Karyakram' under the inspiration of the Chairman, AAI.

## PROGRESSIVE USE OF HINDI

**Official Language Implementation:** The Airports Authority of India (AAI) is committed to ensuring compliance with the Official Language Policy of the Government of India. Quarterly meetings of the Official Language Implementation Committee are held at Corporate Headquarters, Regional Headquarters, and all stations. During the financial year 2022-23, the Official Language Implementation Committee at Corporate Headquarters held four meetings and follow-up action on the minutes was completed. Official language review meetings were conducted with the heads of subordinate offices quarterly and follow-up action on the minutes concluded.

**Official Language Inspections and Reporting:** Regular inspections are conducted in Regional and Subordinate Offices to monitor the implementation of the Official Language, with instructions and suggestions provided where necessary. During the financial year 2022-23, Corporate Headquarters conducted official language inspections in six subordinate offices. Consolidated quarterly progress reports, basis inputs received from various departments/sections, were submitted to the Ministry of Civil Aviation and the Department of Official Language, Ministry of Home Affairs, within the stipulated time frame. Additionally, the second sub-committee of the Parliamentary Committee on Official Language conducted official language inspections in 18 AAI offices.

**Promoting Hindi Language:** In the fiscal year 2022-23, AAI organized various Hindi workshops at different levels, including Corporate Headquarters, Regional Headquarters, and Field Stations which encouraged number of officers and employees to use Hindi effectively. A Webinar on the topic 'National Consciousness in the Works of Rashtra Kavi Ramdhari



## **MEMBERS' RESPONSIBILITY STATEMENT**

The Members to the best of their knowledge and belief confirm that:

- (i) in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed and proper explanation is provided where there is any material departure from the same;
- (ii) the Members had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of AAI at the end of the financial year ended March 31, 2023 and of the profit of the AAI for that period;
- (iii) the Members had taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the AAI and for preventing and detecting fraud and other irregularities;

- (iv) the Members had prepared the annual accounts on a 'going concern basis';
- (v) the Members had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

## **ACKNOWLEDGEMENTS**

The Members would like to express their gratitude for the unwavering support from various entities, including the Ministry of Civil Aviation, DGCA, BCAS, AERA, DPE, Comptroller & Auditor General of India, other Government of India departments, State Governments, Customers, Bankers, Vendors, Business Partners, and other agencies. Additionally, the Members extend their appreciation to the Regional Office of ICAO in Bangkok and the ICAO Headquarters in Montreal for their assistance in various aspects of AAI's operations.

The Members also wish to acknowledge and commend the valuable contributions, tireless efforts, and unwavering dedication demonstrated by AAI employees at all levels who have played a pivotal role in ensuring the comprehensive operational performance.

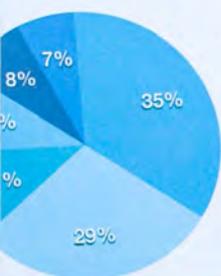


भारतीय विमानपत्तन प्राधिकरण  
Airports Authority of India

## BUSINESS REPORT

ANCE (MILES)

PACE (TIME / MILE)



DATE	TIME	DISTANCE (MILES)	PACE (TIME / MILE)	NOTES
4/1/14	20m 0s	2.00	10m 0s	
4/3/14	25m 18s	2.25	11m 15s	
4/10/14	30m 0s	2.50	12m 0s	
4/12/14	30m 12s	3.25	9m 18s	
4/14/14	30m 0s	3.00	10m 0s	
4/16/14	30m 42s	3.25	9m 27s	
4/18/14	30m 0s	3.00	10m 0s	
4/21/14	30m 24s	4.00	7m	
4/23/14	30m 0s	4.35		
4/25/14	30m 0s	4.25		

# Management Discussion & Analysis (MD&A)



**PAKYONG AIRPORT SIKKIM**

## MANAGEMENT DISCUSSION AND ANALYSIS

The purpose of this report is to share and keep abreast with the developments and changes taking place within AAI, encompassing its position in the industry, technological advancements, and overall business strategies. The report includes an overview of AAI's past year of operations and its performance during that time. Additionally, it outlines the company's plans for the upcoming year, detailing future objectives and approaches to new projects. The report commences with a broad industry analysis, followed by in-depth insights into AAI's operational and financial aspects, including information about its human resources.

*The statements found in the Management Discussion and Analysis that describe AAI's objectives, projections, and estimated expectations may be considered as "forward-looking statements." It's important to note that actual results could significantly differ from what is expressed or implied in these statements. Various critical factors that may influence AAI's operations include economic conditions within the country, supply and demand dynamics in the industry, input prices, changes in government regulations and tax laws, as well as external factors like the impact of epidemics or pandemics, litigation, and industrial relations.*

### 1. INDUSTRY STRUCTURE

India's civil aviation sector has a relatively brief history compared to other modes of transportation, and its market structure has undergone frequent changes in recent decades. Initially, it was a tightly controlled government-regulated market with just two air carrier service providers. Over time, it has transformed into a somewhat competitive market with a limited number of both domestic and international airlines.

Key characteristics of India's civil aviation sector include a substantial consumer base comprising passengers and cargo, a relatively small number of airlines that hold significant market share, significant barriers to entry in terms of costs, differentiated services, and a situation where competitive firms impact each other's strategic decisions. These characteristics point to an inherent oligopolistic market structure within India's civil aviation sector. Due to the presence of economies of scale and scope, each market participant must achieve a minimum efficient scale of operation to break even.

The civil aviation industry has a unique structure, especially in the development of airport infrastructure

projects. These projects require substantial capital and have extended gestation periods. Sometimes, delays occur due to challenges with key approvals and land acquisition by the concerned states.

Aviation is a multifaceted industry that involves a diverse array of stakeholders, ranging from passengers to suppliers of advanced and strategic technologies.

**Among these stakeholders, the common passenger is inarguably the most significant.** Their desire and necessity to travel are expected to grow over time. Passengers seek affordability, comfort, and safety in their travels, alongside a high standard of customer service.

#### Other major stakeholders in Indian Civil Aviation Industry

- Pilots, crew members and technicians;
- Airline Operators, both SOP as well as NSOP;
- Airport operators including Airports Authority of India and managers of aviation infrastructure;
- Regulators like the Director General Civil Aviation (DGCA), Bureau of Civil Aviation Security (BCAS) and Airport Economic Regulation Authority (AERA) and International regulators like EU, FAA and ICAO;
- Regulatory Service Providers like the CISF;
- MRO;
- Training Schools;
- Ground handling agencies;
- Oil Marketing Companies;
- Manufacturers of Aircrafts and engines;
- Ministry of Defence;
- Ministry of Environment;
- The Ministry of Home Affairs;
- Ministry of Finance;
- Ministry of Housing & Urban Affairs, and Municipal Agencies;
- Ministry of Communications; and
- Air Navigation Service Provider (ANSP)



AAI as ANSP, is responsible for provision of Air Navigation Services in the delegated airspace. AAI's coverage for provision of Air Navigation Services includes all civilian airports in India including: -

- Joint Venture Airports
- Public airports
- Greenfield airports
- State Government airports, and
- Private airports

AAI upgrades CNS / ATM infrastructure from time to time with the objective of ensuring safety, efficiency, cost-effectiveness of aircraft operations with environmental benefits on a long-term and sustainable basis.

## 2. INDUSTRY DEVELOPMENTS

The Indian aviation industry has made a remarkable recovery from the challenges posed by the COVID-19 pandemic, evident through the resurgence of air traffic. In the fiscal year 2022-23, airports in India witnessed a substantial revival, with domestic passenger traffic reaching 270.34 million, marking a notable 62.1% year-on-year increase. International passenger traffic also showed a remarkable rebound, reaching 56.9 million, reflecting an impressive 157% year-on-year growth when compared to the previous fiscal year, 2021-22.

To meet the escalating demands of this burgeoning air traffic, the Government of India has been actively engaged in expanding the nation's airport infrastructure. As of the date of this Board's Report, India boasts 158 operational airports, inclusive of heliports and water aerodromes. The country envisions further enhancing this figure to 220 operational airports by the year 2025.

Furthermore, the escalating demand in the sector has led to an increase in the number of aircraft in operation. The Directorate General of Civil Aviation (DGCA) has granted in-principle approval for Air India Ltd. and Interglobe Aviation Ltd (Indigo) to import 470 and 500 aircraft, respectively. According to the airlines' induction plan, these aircraft are expected to be imported over the period spanning 2023 to 2035.

Government of India's Scheme - 'NABH Nirman' introduced in 2018 Budget proposed to expand and increase the traffic handling capacity of airports by more than five times the airport capacity to handle a billion trips a year. The scheme further fixed the target

for construction of 100 new airports in the next 10 years, by investing ₹ 2 trillion.

Complementing the said scheme, Airport operators/ developers have embarked upon a Capital Expenditure (CAPEX) plan of more than ₹ 90,000 crore including AAI's share of over ₹ 26,000 crores for modernization / upgradation/development of airports in the country by 2025.

In addition, GoI has approved total cost of ₹4500 crore for revival and development of un-served and under-served airports/Heliports/Water Aerodromes of State Government, AAI, Civil Enclaves, Central Public Sector Undertaking (CPSUs) under Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Naagrik) scheme.

In the Union Budget for the fiscal year 2023-24:

- An allocation of ₹ 3,224.67 crore (US\$ 440.36 million) has been made to the Ministry of Civil Aviation.
- The government has unveiled plans to revitalize 50 aircraft landing sites, encompassing airports, heliports, water aerodromes, and advanced landing grounds, with the aim of improving regional air connectivity.
- The Regional Connectivity Scheme (RCS) UDAN, designed to stimulate regional air connectivity, received an allocation of ₹ 601 crore (US\$ 77.52 million).

Other developments in the Indian Aviation Industry are: -

- Extension of Concession Agreement with GMR Hyderabad International Airport Limited for a further period of 30 years until 22<sup>nd</sup> March, 2068, in May 2022.
- Starting of operations by a new airline – Akasa Air in August 2022.
- The consolidation of four carriers including Air India and Vistara by the Tatas.
- Through Air Bubble Arrangements, efforts have been made to ensure fair and equitable treatment to our carriers in the international sector.
- Support to airlines through various policy measures with an aim to improve their global competitiveness such as rationalisation of taxes,

creation of a conducive aircraft leasing and financing environment, effective use of bilateral traffic rights and improvement in air navigation facilities etc.

- Laying of the foundation stone by the Hon'ble Prime Minister of India, Shri Narendra Modi for the C-295 Aircraft Manufacturing Facility in Vadodara, Gujarat, marking a significant milestone in the nation's aerospace industry.
- 100% FDI under the automatic route in scheduled air transport service, regional air transport service and domestic scheduled passenger airline. However, FDI over 49% would require government approval.
- Launch of Small Aircraft Scheme by MoCA to promote small aircraft for last mile connectivity under UDAN.
- Introduction of Helicopter Promotion Policy.

### **3. INITIATIVES /ACHIEVEMENTS TO PROVIDE THE REQUIRED PHYSICAL INFRASTRUCTURE TO MEET THE GROWTH OF CIVIL AVIATION SECTOR IN INDIA INCLUDING DEVELOPMENT OF AIRPORTS IN VARIOUS PARTS OF THE COUNTRY**

In alignment with its commitment to excellence, AAI has consistently been a frontrunner in the modernization and development of airside and terminal infrastructure. AAI has continuously improved its air navigation services and elevated the overall quality of services at airports to enhance the travel experience for passengers. These proactive measures have yielded tangible results, leading to heightened air safety and increased passenger satisfaction, as evident from passenger experience survey results.

At present, AAI's paramount focus is on the transformation of India's airport infrastructure. AAI aspires to be recognized as the most customer-friendly, on par with the world's best-managed airports. This ambition is to be realized by equipping its airports with state-of-the-art infrastructure, harnessing technology in alignment with global aviation trends

for air navigation facilities, and enhancing safety and operational efficiency both in the air and on the ground.

AAI's unwavering dedication to improving services and passenger facilities has secured its position among the world's premier service providers. AAI has received accolades in the ASQ (Airport Service Quality) Awards, conducted by the Airports Council International (ACI), further reinforcing its commitment to excellence.

AAI's progress continues as it forges ahead with systemic reforms, encompassing enhancements in both human capital and physical infrastructure. Further details on AAI's initiatives concerning human resources in the aviation sector can be found in a separate section of this report.

Highlighted below are AAI's notable initiatives and achievements in providing the requisite physical infrastructure to support the growth of the Civil Aviation Sector in India, including the development of airports in various regions of the country.

#### **3.1 Development Works:**

Expansion and development of civil aviation infrastructure at airports is an ongoing process and is undertaken by concerned airport operators/developers from time to time depending on the availability of land, commercial viability, socio-economic considerations, traffic demand / willingness of airlines to operate to/from such airports.

AAI embarked upon a CAPEX plan (2019-24) of more than ₹ 25000 Crore for development/ up gradation/ modernization of various airports to meet the International standards in the country and requirement of Air Traffic / passengers growth which includes New Airports, expansions / modification of existing terminal, new terminals, expansions / strengthening of existing runways, aprons, ANS works like control tower, technical block etc.

In the fiscal year 2022-23, AAI incurred ₹ 5,175 crores towards capital expenditures, surpassing the target of ₹ 5,000 crores set for that year. Looking ahead to the financial year 2023-24, AAI has set an annual capex target of ₹ 4,000 crores.

Details of foundation stones laid / inauguration for new airports / facilities, and works completed during FY 2022-23, progress of the sanctioned schemes, and works in planning as on 31.03.2023, are provided in **Annexure – 3**. These works include the following:



- (i) Operationalization of Keshod Airport, Gujarat – April 16, 2022
- (ii) Inauguration of New Terminal Building at Deoghar Airport – July 12, 2022
- (iii) Inauguration of first Greenfield Airport in Arunachal Pradesh ‘Donyi Polo’ in Itanagar – November 19, 2022
- (iv) Inauguration of Manohar International Airport (Mopa International Airport or New Goa International Airport) – December 11, 2022

In addition to the above, site clearance approval for greenfield airport at Mandi, Himachal Pradesh was received in July 2022.

Moreover, since 01.04.2023, following major infrastructure projects have been inaugurated: -

- Modernisation of Chennai Airport, Phase – II, Part I on 08<sup>th</sup> April 2023
- Kanpur, Project Cost ₹ 150 Cr. – 26<sup>th</sup> May 2023
- Port Blair Terminal Building, Project Cost ₹ 800 Cr. – 18<sup>th</sup> July 2023
- Rajkot (Gujarat) with Interim Terminal Building, Project Cost ₹ 1405 Cr.– 27<sup>th</sup> July 2023
- Safdarjung Combined Operational Offices for DGCA, BCAS, AAIB, AERA & AAI, Project Cost ₹ 375 Crores – 18<sup>th</sup> September 2023
- New Terminal Building at Tezu (Arunachal Pradesh), Project Cost ₹ 170 Crores – 24<sup>th</sup> September 2023

### 3.2 Clubbing / Pairing of Airports:

AAI is in the process of undertaking PPP transaction of 11 (Eleven) Airports by suitably clubbing / pairing of 05 (five) select Airports with 06 (six) small Airports as under:

Group	Select Airport	Small Airport (s)
1.	Amritsar (Punjab)	Kangra (Gaggal) (HP)
2.	Varanasi (U.P.)	Kushinagar (UP) and Gaya (Bihar)
3.	Bhubaneswar (Odisha)	Hubballi (Karnataka)
4.	Raipur (Chhattisgarh)	Aurangabad (Maharashtra)
5.	Trichy (T.N.)	Tirupati (A.P.)

These airports have been proposed to be leased out for Operation, Management and Development through PPP mode for a period of 50 years. At the end of the concession period, the airports will be handed over back to AAI. The proposal has been submitted to MoCA for obtaining in-principle approval of Union Cabinet, which is awaited.

### 3.3 Biometric Boarding System (Digi Yatra)

“Digi Yatra” intends to give a seamless, hassle-free and paperless journey experience to domestic air traveller in India. Using cutting edge Identity Management and “Face recognition” technologies, it aims to simplify the passenger processes at various check points in the airport right from the terminal entry gate, check-in/ bag drop, security check and boarding gates.

As part of Digi Yatra Initiative, Airports Authority of India has awarded work for Implementation of Biometric Boarding System (BBS) at 04 Airports (Kolkata, Pune, Vijayawada & Varanasi).

DigiYatra is live at Varanasi, Kolkata, Pune and Vijayawada from 31<sup>st</sup> March 2023 and more than 2.5 lakhs passengers have already boarded through this system.

### 3.4 Start-up Initiatives:

Airports Authority of India had launched its Start-up Policy in January 2019, and gave opportunity to four start-ups to validate their idea and develop a prototype through proof of concept (PoC) mechanism. All four projects were completed in FY 2022-23, brief description thereof is as follows:

- **Smart Visual Docking Guidance System (S-VDGS) by M/s INXEE** was successfully tested and deployed at AAI’s Kolkata airport. Project aimed to increase the situational awareness of pilots for self-parking and automated recording of chocks on/off time for efficient use of parking bay and aerobridges.
- **iNetra by M/s Satsure** is related to automation of end to end data workflow for **Aeronautical Information Publication (eAIP)** from point of origination (Survey) to the AIS through high resolution satellite imagery for terrain and obstacle data around an airport in electronic form (eTOD), Geographic Information System (GIS) mapping of an aerodrome and interactive airport maps (Electronic Charts).

- **System Wide Information Management (SWIM) by M/s RTPL** is a platform to automate generation of digital NOTAM's exchanging Flight, Aeronautical & weather data. The project has been successfully completed and tested with Aero Thai SWIM system for validation of the project deliverables.
- **Airside Movement and Compliance Monitoring System (AMCOMS) by M/s Blunav** is designed to provide real-time visibility of movements at airside, as well as advanced statistics, reports and alarms is now under trial at Chennai International Airport.

### 3.5 Air Sewa

Air Sewa is an initiative of Ministry of Civil Aviation, launched in 2016, to offer passengers a convenient and hassle-free air travel experience. Air Sewa platform brings various aviation stakeholders like airports, airlines, DGCA, BCAS etc. on a common platform for redressal of air traveller's grievances thus integrating various stakeholders in aviation sector with whom an air traveller has to interact during air travel.

Airsewa 3.0 Version along with the corresponding iOS and Android Apps has been launched with additional features like enhanced flight information and tracking of flights, social media integration, grievance transfer among stakeholders, grievance escalation by users or on SLA expiry, enhanced roles and permissions for nodal officer & public forum for discussions.

### 3.6 Digital Sky Platform

This Digital Sky project is aimed to develop an IT platform to enable the Drone ecosystem in India. The platform is envisaged to provide features for bringing different stakeholders on the same platform so as to enable the registration of Manufacturers, Operators, Drones, flight planning and permissions for Unmanned Aircraft Systems (UAS), real time tracking of UAS, conflict management and flight log analysis.

The first phase of the Digital Sky Platform has gone live. The system has been enhanced to comply to the Drone Rules 2021.

### 3.7 Establishment of Disaster Recovery Centre for AAI at Hyderabad

This initiative is to setup a Disaster Recovery (DR) centre at Hyderabad for the AAI data centre (DC) in CHQ, Delhi so as to maintain the business continuity. This will ensure that there is no disruption in business in case of emergency situations.

The required infrastructure has been installed at the DR site and testing is in progress.

### 3.8 AIMS

Rollout of e-Invoicing System to address all B2C Clients/ transactions with dynamic QR code generation along with GST portal integrations.

Initiated a key initiative of 'Centralised Billing'. The system will be rolled out in phases. The implementation will reduce the manual intervention thus increasing the efficiency and the productivity.

### 3.9 Optimal utilisation of Airspace

AAI understands that India's airspace is very complex and that it gives rise to many challenges. One such challenge is ensuring optimal usage of the airspace, which requires comprehensive planning and management. The optimal utilization of Indian airspace will lead to reduction in flight time, fuel consumption and carbon emission. Rationalization of air space under the control of Air Force would result in saving of thousand crore rupees per annum.

Under **Flexible Use of Airspace (FUA)**, the following actions have been taken:

- 09 Conditional Routes (CDRs) implemented to reduce carbon emission and save fuel.
- 13 Danger Areas and 01 Restricted Area of Indian Army de-notified.
- Establishment of 38 Military Control Zones (MCTRs) completed.
- 11 Temporary Reserved Areas (TRAs) and 04 Temporary Segregated Areas (TSAs) established following ICAO norms
- Restructuring of 06 Restricted Areas, 03 Danger Areas and 01 TRA completed.
- Out of total 109 TRAs/TSAs, 102 managed in a flexible manner through Airspace Management Cells (AMCs).
- Fuel Savings of around ₹266.00 crores reported by different Airlines.
- FUA enabled reduction of Carbon footprint of the order of 40376 tons.

#### Air Traffic Services (ATS) Routes:

- Establishment of 02 Aerodrome Traffic Zones



(ATZs), 01 Control Area (CTA) and 06 Control Zones (CTRs) completed.

- 06 New ATS Routes established, 16 realigned and 24 amended.
- 03 CTRs realigned.
- Upper Airspace Harmonisation (UAH) Phase-2 of Kolkata completed.

#### Performance Based Navigation (PBN) Routes:

- 02 PBN City pair routes established between Hyderabad-Patna and Khajuraho-Aurangabad.

#### CNS-ATM Agreements:

- New CNS-ATM Agreement for Puttaparthi, Jeypore, Hisar (under RCS), Jindal Vijayanagar, Rourkela, Shivamogga, Utkela, Bokaro, Jamshedpur, Hassan Greenfield and Vijayapura Greenfield Airport signed between AAI and various State Govt./private airport operators and agreement renewed for Mundra Airport.
- 09 ATM-NOCs issued to various Flying Training Organisations (FTOs).
- AAI Successfully hosted CANSO APAC Conference in November, 2022 at Goa.
- AAI Policy on “FTO Operations at Aerodromes where AAI is an Aerodrome Operator and/or ATS Provider” issued.

#### Flight Procedure Design (FPD)

- 68 Nos. of applications for Instrument Flight Procedures (IFPs) uploaded on e-GCA portal.
- 44 Nos. of applications approved by DGCA for IFPs [Performance Based Navigation (PBN) - 05 Nos., Conventional Approaches - 23 Nos., Standard Instrument Departures (SIDs) - 08 Nos. & Standard Terminal Arrival Routes (STARs) - 08 Nos.]
- 09 Nos. of IFPs designed for Indian Navy (Goa - 07 Nos., Port Blair – 01 No. & Visakhapatnam – 01 No.)
- 140 Nos. of Aeronautical Studies conducted.
- 09 Nos. of pre-feasibility studies conducted - 05 for new airports and 04 for old airports.
- 09 Nos. of site selected for Doppler Very High

Frequency Omni Range (DVOR)/Distance Measuring Equipment (DME).

- 119 Nos. of NOCAS Appeal cases processed.

### **3.10 Aviation Safety**

- The Safety Performance Indicators (SPIs) and Safety Performance targets (SPTs) booklets were prepared for the year 2018 -2022 and published.
- A module for identifying and recording Causal and Contributory factors (CCF) of safety occurrences concerning ATS and Operations was developed.
- The surprise check of Coimbatore, Patna, Surat, Vadodara, Rajahmundry and Aurangabad airports conducted to monitor the effectiveness of mitigation measures to curb bird strike at AAI airports and accordingly, performance of mitigation measures adopted was evaluated.
- The safety audit of airports was conducted by Aviation Safety audit teams of CHQ and RHQ to check the regulatory compliance of DGCA and ICAO and observations were forwarded to stations for compliance.
- The common audit observations related to ATM, CNS, Operations, Fire and Electrical Engg were forwarded to concerned directorates in order to minimize the common type of observations in future at field stations.
- Aviation Safety Awareness week was observed from 28th Nov’2022 to 2<sup>nd</sup> Dec’2023. During this week, stations carried out various activities- viz. half day training programme on Safety Management System to all employees, training on usage of fire extinguishers, updating of the emergency’s procedures, Presentation on the Airport Emergency Plan for crash / accident, FOD walk, essay writing competition on Importance of Safety Management System.
- 03 numbers of SMS trainings for Accountable Executives (APDs/CICs) were conducted in virtual mode in which 48 number of executives were trained. 02 numbers of trainings were conducted for Safety managers/HODs in physical mode-one each at Vizag from 10th-13th Jan’2023 and Kolkata from 14th-17th March’2023 in which total 52 executives were trained. In addition, a one-day training in physical mode at CHQ was conducted on 12th Oct’2022 for Safety assessment in which 20 executives were trained.

### 3.11 ANS Facilities

#### 3.11.1 Serviceability and Availability

Average Serviceability of ANS facilities is 99.86% and Average Availability is 99.76%. This serviceability and availability are at par with other leading Air Navigation Service Provider in world.

#### 3.11.2 Communication Facilities

- AAI has procured 47 Nos. of IP based Voice Communication & Control System (VCCS) for various airports. Total 47 Nos. of VCCS system received at sites for further installation. Site Acceptance Test completed at 40 sites and commissioned & operated at 25 airports, enhancing ATS operations.
- AAI has procured 48 Nos. of HF Receivers along with HF Broad Band Antenna and Associated Accessories for improving long range HF communication with aircrafts over the Oceanic Region. Successfully Commissioned 14 IP-based HF Receivers in Delhi for long-range communication.
- Commissioned 48 VHF frequencies across Indian airports, ensuring seamless VHF coverage and compliance with DGCA CARS.
- Successfully commenced operations at new Greenfield Airports in MOPA GOA, Hologgi, Deoghar, and Shivamogga.
- Commissioned TWR/SaMC-South-2 VHF frequencies at IGI Delhi Airport for the 4th Runway.
- Commissioned approximately 301 new IP-based VHF TX/RX (Jotron Make) at 32 airports.
- Established the ICAO CRV Network, facilitating AFTN and AMHS services with neighboring countries in the APAC region.
- Successfully established CRV circuits for Mumbai-Kathmandu, Mumbai-Bangkok, Mumbai-Bhutan, and Mumbai-Singapore.
- Commissioned Digital Voice Recorders at 14 airports.
- Installed New DATIS systems at 10 airports, improving ATS operations.
- Initiated the Augmentation of existing AIS/AIM system to enhance Flight Procedure Design and

Airspace Management.

- Implemented the AAI Universal IP addressing Policy to streamline IP address allocations and resolve conflicts.
- Successfully completed the SWAAIM POC-based project, enabling digital data sharing with global ANSPs.
- Developed SWIM Services, SWIM Digital Applications, and SWIM Gateway services, facilitating data exchange in compliance with ICAO SWIM Standards.
- Prepared Training Procedure Manual for CNS AIS Personnel in line with ICAO guidelines, and organized ASO Training, Certification & Authorization.
- Issued new AFTN Location Indicators for various locations during 2022-23.

#### 3.11.3 NAV-AIDS Facilities

- Procured 34 Nos. of Instrument Landing System (ILS), 21 Nos. of Doppler Very High Frequency Omni Range (DVOR), 55 Nos. of Distance Measuring Equipment (DME), 14 Nos. of Non-Directional Beacon (NDB) along with 01 No. of Test jig and 01 set of spare parts, for various Airports.
- Commissioned navigation facilities, including 06 ILS (02 new, 04 replacements), 09 VORs (05 new, 04 replacements), 14 DMEs (05 new, 09 replacements), 01 NDB at following airports:

#### ILS/ LPDME

Facility: Instrument landing system (ILS) along with LPDME			
S.No.	Airports/ Stations	Date of Installation	Date of Commissioning
1.	Ranchi	25.11.2022	09.01.2023
2.	Varanasi	10.08.2022	15.12.2022
3.	Hologgi	10.06.2022	3.11.2022
4.	Portblair (LLZ only)	18.11.2021	09.12.2022
5.	Bhubaneswar	25.09.2021	23.12.2022
6.	Mopa Goa	08.03.2022	1.12.2022



## DVOR

Facility: Doppler Very High Frequency Omni Range (DVOR)			
S.No.	Airports/ Stations	Date of Installation	Date of Commissioning
1.	Bhopal	30.09.2021	1.12.2022
2.	Vadodara	08.09.2021	08.09.2022
3.	Hollongi	28.04.2022	03.11.2022
4.	Mopa goa	31.03.2022	11.8.2022
5.	Kanchipuram	06.09.2021	21.04.2022
6.	BIAL	11.11.2020	11.8.2022
7.	Tuticorin	28.12.2021	16.06.2022
8.	Deoghar	17.01.2023	1.2.2023
9.	Kullu (Bhuntar)	05.09.2022	23.2.2023

## HPDME

Facility: High Power- Distance Measuring Equipment (HPDME)			
S.No.	Airports/ Stations	Date of Installation	Date of Commissioning
1.	Sakras	19.10.21	06.05.22
2.	Kullu (Bhuntar)	13.07.22	23.2.23
3.	Hollongi	08.06.22	03.11.2022
4.	Belgavi	20.11.21	18.8.22
5.	BIAL	28.02.22	13.2.23
6.	Tuticorin	28.12.21	16.06.22
7.	Cochin II	01.03.22	05.09.22
8.	Tirupati	30.04.22	2.1.23
9.	Mopa Goa	02.04.22	11.08.22

## NDB

Facility: NDB (NON-DIRECTIONAL BEACON)		
S.No.	Airports/Stations	Date of Commissioning
1.	Pantnagar	19.06.2022

- Used EMACS simulation tool to conduct 182 studies for ATC Tower, Technical buildings, Terminal buildings, and more, ensuring optimal siting and performance assessment.

### 3.11.4 Surveillance

- AAI has procured and installed Airport Surveillance Radar (ASR) co-located with Mono-Pulse Secondary Surveillance Radar (MSSR) for Nagpur, Varanasi, Jaipur & Bangalore (2<sup>nd</sup> Radar) Airport at Bengaluru, Jaipur and Mopa, Goa (in place of Varanasi).

- Supply, Installation, Testing and Commissioning (SITC) of Advanced-Surface Movement Guidance & control System (A-SMGCS) at Bhubaneshwar and Cochin. Installation and SAT completed at Cochin site and Installation work is in progress at Bhubaneshwar site.
- Mobile ATC Tower (MATC): This has been successfully trans-installed and commissioned at Hollongi Airport for operationalization of the airport under RCS Scheme.
- Purchased 4 numbers of ADS-B Ground Receiver for Delhi, Surat, Dehradun, Agatti Airports under “Make in India” Program by AAI.
- Commissioned surveillance facilities including 06 RADAR (new), and 5 ADS-B (new) at following Stations:

#### New RADAR Facilities Commissioning during April 22 to March 23

Sr. No.	Station	Facility	Make/ Model	Date of Commissioning
1	BIAL	ASR	ELDIS/ RL2000	31-08-2022
2	BIAL	MSSR	ELDIS/ MSSR-1	31-08-2022
3	Jaipur	ASR	ELDIS/ RL2000	23-11-2022
4	Jaipur	MSSR	ELDIS/ MSSR-1	23-11-2022
5	MOPA	ASR	ELDIS/ RL2000	26-01-2023
6	MOPA	MSSR	ELDIS/ MSSR-1	26-01-2023

#### New ADS-B Ground Receiver Commissioning

1	Ranchi	ADS-B	GECI/ GT280	14-05-2022
2	Dhanbad	ADS-B	GECI/ GT281	02-09-2022
3	Jabalpur	ADS-B	GECI/ GT282	14-07-2022
4	Raipur	ADS-B	GECI/ GT283	01-11-2022
5	MOPA	ADS-B	GEC I/ GT284	02-12-2022

- Successfully restored Trivandrum Radar Antenna, ensuring uninterrupted operations.
- Upgraded ASMGCS system at IGI Airport Delhi for the fourth runway, enhancing operational readiness.

### 3.11.5 Automation Systems

- AAI has procured and successfully completed the project of Integrated Aerodrome Control Visual Simulator and Surveillance Control Simulator System (training simulator) for HTC, Hyderabad. The procured simulator system facilitates training to Air Traffic Controllers in the full-spectrum of ATC operations from gate to en route and vice versa.
- AAI has procured and successfully completed the project of Cockpit Simulator-FSTD at CATC, NIATAM Gondia & Hyderabad including 03 Nos. of Flight Simulator Training Devices (FSTD) of type EASA Flight Navigation and Procedure Trainer (FNPT) Multi Crew Coordination (MCC) level II for Airbus 320 family of Aircrafts for AAI Training Centres at CATC Prayagraj, HTC Hyderabad and NIATAM Gondia.
- AAI has procured Procedural Approach and Area Control Simulators (PAAS) for AAI Training Centers at CATC, NIATAM Gondia & Hyderabad for imparting the simulation training as laid down in the Training and Procedural Manual (TPM) version v1.01 NIATAM/ATSTO/TPM-ATM/v1.01 of May 2019 which is approved by DGCA.
- Procured ATS Message Handling System (AMHS) for PAN India also known as Aeronautical Message Handling System essentially used for aeronautical ground-ground communications (e.g. for the transmission of all types of ATS messages i.e. NOTAM, Flight Plans or Meteorological Data).
- Purchased ATM Automation System and ASMGCS (including SMR & MLats) for Mumbai, Navi Mumbai, MOPA (without ASMGCS), HIAL & BIAL to provide Air Surveillance Data along with flight related information to the Air Traffic Controllers for safe and efficient management of Air Traffic.
- Software Support Contracts: Software maintenance support contracts awarded for Chennai, Kolkata, and Mumbai ATM Automation systems, enhancing system reliability.
- Performance-Based Communication and Surveillance (PBCS): Contract awarded for Chennai ATM Automation system, enabling performance-based communication and surveillance for increased flight handling capacity. Mumbai Automation system made compliant for PBCS.

- Upgradation of Automation System Hardware: Contract awarded for upgrading hardware at Chennai and Mumbai, replacing end-of-life components to enhance system reliability.
- Automation System Upgradation at IGI Airport, Palam Delhi: Contract awarded to upgrade the existing system at IGI Airport for the 4th runway operations, improving ATC positions and software modifications.
- Implementation of AIREP at Kolkata and Delhi: In-house development of a system to provide AIREP reports to the Indian Meteorological Department, improving weather forecasting and briefing services.

### Cybersecurity for CNS/ATM Critical Information Infrastructure (CII):

- Identification of critical CNS/ATM systems and coordination with NCIIPC for CII declaration.
- Audit process initiated for strengthening cybersecurity.
- Advanced cybersecurity training conducted for AAI officials.
- Process underway for issuing gazetted notification for CNS infrastructure protection.

### Automation Systems at New Airports and New ATS Complex:

- Installation of an automation system at MOPA, Goa Airport.
- Trans-installation of automation systems at new ATS complexes in Raipur, Ranchi, and Varanasi Airports.
- Development of a prototype automation system at Bhubaneswar Airport under the Make-in-India initiative. Testing phase initiated after system installation.

These achievements demonstrate significant progress in enhancing the efficiency, reliability, and security of aviation operations.

### 3.11.6 Commissioning of New ATC Tower Cum Technical Block

Following are the details of ATS Complex cum Tower Building where CNS-ATM equipment installed during this year.



Facility: CNS/ATM equipment installation at New ATS tower			
S. No.	Airports / Stations	Installation of CNS equipment	Date of Commissioning
1	Deoghar	Completed	12.07.22
2	Hollongi	Completed	19.11.22
3	Khajuraho	Completed	11.11.22
4	MOPA, Goa	Completed	11.12.22
5	Puducherry	Completed	17.10.22
6	Raipur	Completed	17.01.23
7	Varanasi	Completed	19.01.23

### 3.11.7 GAGAN

During the financial year 2022-23, 02 nos. of GAGAN based LPV procedures published for RWY05 & RWY23 of Kishanganh Airport.

### 3.11.8 Futuristic Telecom Infrastructure (FTI) Section

- Establishment of domestic Ground to Ground (G/G) communication infrastructure for air traffic communication requirements.
- Support for various ATC applications, including ground-ground voice/data and extended VHF coverage.
- Deployment of 167 out of 182 intended services, enhancing air traffic communication capabilities.

### 3.11.9 Standardization & Quality Assurance Section

- Surveillance inspections conducted at 26 stations by DGCA, combining virtual and physical methods.
- Timely completion of pre-inspection and post-inspection activities.
- Resolution of 137 out of 226 total findings from surveillance inspections.
- Internal investigation and corrective measures for 118 ANS occurrences, reducing potential risks.
- Participation of 144 ATSEPs in 16 virtual ICAO meetings.
- Issuance of CNS Circulars, CNS-AS Circulars, and CNS Technical Advisory Circulars for guidance.

- Update of CHQ CNS Manuals Volume-I to IX and approval of initial Station Manuals for 61 stations.

These achievements reflect significant progress in enhancing telecom infrastructure, ensuring quality and safety, and participating in international aviation forums.

### 3.11.10 ATSEP Training

- Trained 1,516 ATSEPs through online and offline programs, adhering to regulatory requirements.
- ATSEPs attended foreign training programs in Singapore, Germany, Italy, Russia, and Seoul.
- Provided in-country training at CATC and Gondia, as well as HTC Simulator Training in Hyderabad.
- Successfully transitioned 4 courses to Competency-Based Training/Assessment (CBT/A) mode, following ICAO guidelines.
- Conducted 13 workshops to enhance ATSEP competencies.

### 3.12 Airports System

- Awarded various works to Class-I, Make in India Bidders wherein more than 50% value addition made by the Indian Manufactures.
- Issued work order for 219 nos. of X-ray Baggage Screening System (XBIS) awarded to the Indian Manufacturer with total order value of ₹ 91.08 Crore. The Dual View XBIS are being installed at AAI for enhancing Aviation security and meeting BCAS technical specifications.
- Placed work order for 200 nos. of Explosive Trace Detector (ETD) to Class-I bidders with the order value of ₹ 31.10 Crore.
- Placed a work order to Class-I bidder under Make in India policy for 64 nos. of Self-Service Baggage Drop System (SBD) unit at 14 Airports. This initiative towards passenger automation enables passengers to drop their baggage and check-in using self-service unit. Total project cost is ₹ 26.14 Cr.
- In addition to these Security Equipments, replacement of 8 types of BDDS (Bomb Detection & Disposal Squad) Equipments completed at 14 Airports.

- In continuation to implementation of In Line Baggage Screening (ILBS) with CT EDS (Computer Tomography Explosive Detection System) machines at various airports, New ILBS system has been commissioned at Indore Airport.
- Upgradation of Surveillance CCTV System (SCCTV) and other passenger facilitation systems at AAI Airports are in process.
- Provision of required security equipment and passenger facilitation system for operationalization of various RCS Airports.

### 3.13 Operations Directorate

- During FY 2022-23, Phase-1 Flying Training Organizations (FTO) at Belgaum, Jalgaon, Kalaburagi, Lilabari, Khajuraho were commissioned after due approval of DGCA. Further, for Phase-2 FTO at Jharsuguda, Tezu, Kishangarh, Kadapa, Hubli, Bhavnagar execution level approval has been accorded by DGCA.
- A comprehensive Fog preparedness manual was issued to define a systematic approach for handling adverse weather operations.
- Kadapa Airport has been upgraded for all weather operations and runway length has been extended to facilitate AB320.
- Four Airports i.e. Tuticorin, Hollongi, Kolhapur, Kadapa were upgraded for IFR.
- Kolhapur Airport has been upgraded (including extension of RWY, new apron) to handle AB320 operations.
- DGCA approval obtained to commission the newly constructed infrastructure related to B 777-300ER at Aurangabad, Bhopal, Indore Airport.
- **Award & Implementation of New Passenger Processing System at 44 AAI Airports-** AAI has awarded the contract for implementation of New Common Use Passenger Processing System (CUPPS), Common Use Self Service (CUSS) Kiosks and Baggage Reconciliation System (BRS) at 44 AAI Airports in April, 2022 and the system has been made fully operational in the month of Feb, 2023. The revised rates as per the price discovery in the tender were implemented w.e.f. 01.09.2022 leading to saving of cost & enhanced revenue for AAI and reduced per departing passenger fee of ₹ 35.05 for the

passengers from ₹ 51. As per passenger traffic projections at AAI airports, savings to the tune of ₹ 950 crores will be passed on to the passengers in the 7 years contract period due to reduction in passenger fee.

- **Tendering & award of Ground Handling Concessions at Group A, B, C & D Airports-** April, 2022 onwards, 07 more tenders have been floated for appointment of 65 ground handling agencies at 64 Airports. As on 31.03.2023, 43 more GHAs have been appointed at 42 airports taking the total appointments of 73 GHAs at 71 AAI airports.
- **Formulation of Operations Manual for Revenue Earning Contracts** In order to deal with Ground Handling Services (GHS) & Passenger Processing System (PPS) concessions more effectively, Operations Manual for Revenue Earning Contracts has been formulated and published on 28.03.2023 for implementation with effect from 01.04.2023.
- Aerodrome licenses of 21 airports were renewed during this period, i.e., Donyi Polo Airport-Itanagar, Dimapur, Dibrugarh, Bhubaneswar, Aurangabad, Keshod, Madurai, Raipur, Udaipur, Kushinagar, Rupsi, Pakyong, Jharsuguda, Indore, Vadodara, Trichy, Mysuru, Deoghar, Begumpet, Kalaburagi and Bhopal.
- Fresh aerodrome license was obtained for Donyi Polo Airport-Itanagar and license of Guwahati airport was transferred to M/s Adani Airports Holding Ltd.
- Aerodrome License of the Kolhapur and Kadapa airports were upgraded from 3C VFR to 3C All-weather IFR.

### 3.14 Technical Directorate

- **Procurement of 30 Nos Airfield Crash Fire Tenders:** Purchase Order for the supply and CAMC of 30 Nos. Airfield Crash Fire Tenders was placed for their operational use at Various Airports in India. These Airfield Crash Fire Tenders (ACFTs) are fully built up unit and have a water tank capacity of 10,000 litres. These ACFTs are used for Airfield Rescue and Fire Fighting Operations at Airports and are essential for maintaining fire category of the Airport. The ACFTs will be supplied and commissioned in FY: 2024-25.



- ii. **Procurement of 09 Nos Multipurpose Fire Tenders:** Further, a Purchase Order was placed for Supply of 09 Nos. Multipurpose Fire Tenders (MFTs) for handling any fire exigencies of Terminal Building and other establishment located on the Airport's city side. These MFTs are fully built-up unit with a water tank capacity of 4500 Liters and equipped with different firefighting media such as Water, Foam, DCP and CO<sub>2</sub> to cater to various types of fire exigencies. These MFTs shall be supplied and commissioned at Chennai, Kolkata, Srinagar, Jammu, Pune, Vizag, Bagdogra, Goa and Port Blair Airport in F.Y. 2023-24.

### 3.15 Security

(i) **Private Security Agency (PSA) personnel replacing CISF for non-core security duty points at Airports:**

- During the period 21 programmes of 05 days AVSEC Induction Training were organised at various airports and total 467 Private Security Agency (PSA) personnel were trained and thereafter all 467 trained PSA personnel were deployed at 35 AAI Airports for non-core functions replacing CISF.
- During the period 129 PSA personnel from 15 AAI Airports were nominated to AVSEC Basic Course and trained at AAI ASTIs Guwahati & Delhi.
- During the period, PSA security programme of agencies covering 12 Airports were got approved from BCAS.

(ii) **Security vetting approvals/clearances**

- During the period, a total of 173 security clearances/approvals got approved from DG, BCAS for infrastructural modifications and new facilities at various Airports.

### 3.16 Business Development Unit

**DPR for Greenfield Airport at Hiracherra under Kailashahar Sub-Division of Unakoti District, Tripura**

State Government, Tripura assigned AAI the task of preparation of DPR for greenfield Airport at Hiracherra under Kailashahar Sub-Division of Unakoti District, Tripura.

New Greenfield Airport was to be developed initially to cater for IFR operations of ATR – 72 type of aircraft

which can further be upgraded later to cater for bigger aircrafts like Airbus A-320.

The work has been completed and final DPR has been prepared & submitted to Govt. of Tripura by AAI.

**Multi – Level Car Parking (MLCP)**

AAI introduced the concept of Multi Level Car Parking (MLCP) at busy/ space constraint airports like Chennai & Pune Airports. An in-depth Traffic survey and parking demand assessment was conducted for the effective concept plan and Business Model. The MLCPs would generate Consistent significant revenue stream to AAI through Minimum Annual Guarantee (MAG) and revenue sharing for 15/20 years. Development of Multi Level Car Parking with Integrated Commercial on DBOM Basis (Construction cum license to Operate and Maintain) has been completed at both Chennai and Pune Airports. COD of Pune Airport was received on 01.12.2022 and Chennai Airport on 04.12.2022.

**Award of slot for Flying Training Organization (FTOs):**

In June 2022, after a competitive bidding process, six more FTO slots were awarded by AAI at five Airports, Bhavnagar (Gujarat), Hubballi (Karnataka), Kadapa (Andhra Pradesh), Kishangarh (Rajasthan) and Salem (Tamil Nadu). AAI has issued Land Management Circular through which allotment of land/ space for setting up FTOs at AAI Airports to willing agencies on card rate basis for a period of 25 years. No royalty/ concession fee shall be payable/ applicable by agency.

**Setting Up of MRO facilities in India:**

Keeping in view India's growing aviation market, technology and skill base, Government has announced new MRO Guidelines on 1<sup>st</sup> September, 2021 with a view to create a congenial atmosphere in the country for the development of the MRO industry for aircraft/ helicopter/ drones and their engines and other parts. AAI has issued Land Management Circular through which allotment of land/ space for setting up MROs (for self/3rd party) at AAI Airports to willing agencies on card rate basis for a period of 25 years. No royalty/ concession fee shall be payable/ applicable for self and 3rd party MRO services.

AAI has issued Letter of Award (LOA) for establishment of MRO at Bhopal, Kolkata, Chennai and Juhu Airport on Design, Build, Operate, Maintain and Transfer (DBOMT).

### Aviation Fuel Farm Facility (AFF)

Aviation Fuel-farm Facility (AFF) is a common fuel storage and handling facility with Hydrant refueling Enabling the fast and safe fueling services by any of the airlines on payment of applicable charges without any oil tankers movement in the operational area. Aviation Fuel Farm (AFF) at Bhubaneswar Airport for a concession of 27 years has been awarded.

### Capacity Building Initiative:

AAI has successfully imparted the training to the officials of Civil Aviation Authority of Bangladesh (CAAB) during the year 2022 under Ministry of External Affairs ITEC program and other CNS & ATM courses i.e. Aerodrome Control Course, Approach Control Course, PBN Design Course, Aeronautical Information Services, Basic AIS Concept Course and Basic ILS Concept Course.

## 3.17 Land Management

- Land was allotted to Tata Advanced Systems Ltd. for establishing final line assembly of C-295 Military Aircrafts at Vadodra Airport under 'Atmanirbhar Bharat' thus making India self-reliant in Defence.
- To keep up the pace of growth in aviation and future requirements of commercial pilots and maintenance of aircrafts, AAI allotted various sites for establishing Flight Training Organizations / Institutes and Maintenance Repair & Overhaul, thus saving crucial foreign exchange.
- Additional 1,500 acres (approx.) of land was mutated in the name of AAI during the year.
- In order to ensure ease of business, AAI has started entering into long-term leases with close end agreements which have been standardized on PAN India basis.
- The details of land leases on PAN India basis have been compiled into Real Estate Asset & Portfolio (computer-based software) which can be monitored in real time apart from centralized billing & recovery system.

## 4. SWOT ANALYSIS

### Strengths:

1. **Sole Air Navigation Service Provider in the Country:** AAI's exclusive position as the

sole provider of air navigation services in the country is a significant advantage.

2. **Government Support for development of airports** – As per National Civil Aviation Policy 2016, State/Central government will provide VGF to AAI if the project is strategically important but financially unviable. Further, Land is provided free of cost and free from all encumbrances by state government for taking up new greenfield or brownfield airports. NCAP further states that such land will include sufficient space on city side for commercial use as per applicable law.
3. **Large Land Holdings:** AAI's substantial land holdings provide opportunities for future development and expansion.
4. **Dispersed Tourist Attractions and Network of Airports Across the Country:** AAI's network of airports strategically serves diverse tourist destinations, contributing to economic growth.
5. **Expertise in Providing Air Navigation Services and Good Safety Record:** AAI's proven expertise in air navigation services and its strong safety record are valuable assets.
6. **Robust Financial Risk Profile:** AAI maintains a solid financial risk profile, ensuring financial stability.
7. **Experienced Manpower:** The organization benefits from a skilled and experienced workforce.
8. **Established Training Centers of International Standards:** AAI's world-class training centers, including CATC, IAA, and Fire Training Centers, bolster its operational capabilities.
9. **Available Infrastructure for Flight Calibration:** AAI possesses the necessary infrastructure for flight calibration, ensuring accurate navigation aids.

### Weaknesses:

1. **High Costs of Operation and Longer Term to Recover Cost of Capital:** High operational costs and extended periods for capital cost recovery are challenges to address.



2. **Responsibility as Market Creator:** The Airports Authority of India serves as a market creator by extending connectivity to remote areas, even if it may not be financially viable in the short term. This represents a short-term weakness as immediate profitability may not be realized.
3. **Significant Revenue Concentration Due to Limited Profitable Airports:** AAI's revenue is concentrated due to a limited number of profitable airports, creating vulnerabilities.
4. **Slow/Stagnant Growth of Cargo Business:** The cargo business has not shown significant growth, impacting revenue diversification as cargo volume is very low at AAI's small Airports.
3. **Cyclical Economic Downturns:** Economic downturns can impact passenger and cargo traffic.
4. **Natural Disasters, Political Upheavals, and Epidemics/Pandemics:** Unforeseen events such as natural disasters, political instability, and health crises can disrupt operations.
5. **Development of Substitutes in Transportation:** High-speed railways and superior road transport can substitute short-haul flights, affecting air travel demand.
6. **Stricter Environmental and Safety Norms:** Evolving environmental and safety regulations may require costly compliance

Moreover, the Indian Aviation Sector have certain weaknesses that impact the performance of industry players, including AAI.

1. **Lack of R&D and Local Manufacturing Capacity:** Dependency on foreign suppliers of equipments is a weakness, as it hinders innovation and self-reliance.
2. **Lack of MRO Infrastructure in Country:** The absence of Maintenance, Repair, and Overhaul (MRO) infrastructure is a gap in the aviation sector.
3. **Shortage of Skilled Manpower:** There is a shortage of skilled manpower, which can affect operational efficiency.s.

### Threats:

1. **Competition from Other Airport Developers:** Competition from other airport developers can pose challenges.
2. **Reliance on Revenue Beyond AAI's Control:** AAI's dependence on revenue sources beyond its control is a vulnerability including fixation of airport charges of major airports by AERA.

### Other Sectoral Threats:

1. **Global Terrorism:** The threat of global terrorism poses security risks to aviation.
2. **Unmanned Aircraft/Drone Operations:** The proliferation of unmanned aircraft and drones presents safety and security challenges.

### Opportunities:

1. **Per Capita Passenger Handling:** The statistics on per capita passenger handling and aircraft movements in 2019 (pre-covid period) highlight a significant opportunity for growth and development in the Indian Civil Aviation Sector. With a per capita passenger handling rate of 0.26, India lags behind both China (0.96) and the USA (5.69), indicating a substantial untapped market for air travel.

India's aircraft movements in 2019 were 2.67 million in comparison to 11.66 Million in China and 30.92 Million in USA.

2. **Procurement of Aircrafts by Airlines:** The escalating demand in the sector has led to an increase in the number of aircraft in operation. Large number of aircraft are being procured / ordered by the Airlines which will further boost the Aviation Sector and increase the air traffic.
3. **Airport Infrastructure:** AAI embarked upon a CAPEX plan (2019-24) of more than ₹ 25000 Crore to meet the requirement of Air Traffic / passengers growth which includes New Airports, expansions / modification of existing terminal, new terminals, expansions / strengthening of existing runways, aprons, ANS works like control tower, technical block etc.

In the fiscal year 2022-23, AAI incurred ₹ 5,175 crores towards capital expenditures, surpassing the target of ₹ 5,000 crores set for that year.

4. **Connectivity to Tier II & III Cities:** The Regional Connectivity Scheme (RCS) UDAN,

crafted to boost regional air connectivity, is facilitating the linkage of Tier II and III cities.

The Airports Authority of India plays a crucial role as a market creator by establishing connections to remote areas, even when profitability may not be immediate. While these endeavors might not yield immediate returns, they represent significant opportunities in the long run. The commitment to connecting far-flung regions underscores the strategic vision for sustained growth and accessibility in the aviation sector.

5. **AAI's Five Priorities - NCAP, RCS, AAICLAS, UAH & MRO:** AAI's strategic priorities offer avenues for development and growth.
6. **Flight Training Organizations (FTOs):** Expanding flight training organizations can boost revenue.
7. **Helicopter Operations:** Expanding helicopter operations can cater to specific travel needs.
8. **Monetizing Land Assets:** The utilization of land assets presents revenue potential.
9. **Managing Unmanned Aircraft/Drone Operations:** AAI's capability to manage unmanned aircraft and drone operations can open new service areas.
10. **Airport Development/Management Consultancy Services:** Providing consultancy services for airport development and management.

This SWOT analysis provides insights into AAI's strengths, weaknesses, opportunities, and threats, guiding strategic planning and decision-making

## 5. BUSINESS OVERVIEW

AAI holds significant strategic importance for the Government of India as it is responsible for the control, management, and development of aviation infrastructure across the country. AAI is the exclusive

entity providing Communication Navigation Surveillance/Air Traffic Management (CNS/ATM) services in India, overseeing the entire airspace of India and its adjacent oceanic areas.

Currently, AAI manages a total of 133 airports, with 8 of them under private control. Among these, 2 airports, namely DIAL and MIAL, operate under Joint Venture Companies (JVC), and the remaining 6 airports are managed through the Public-Private Partnership (PPP) mode. These airports include Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram, and Mangalore.

AAI's responsibilities encompass air navigation services across more than 2.8 million square nautical miles of airspace. Given its pivotal role in the civil aviation sector, AAI is well-positioned to continue benefiting from its strategic significance.

### Revenue Mix

AAI's revenues are categorized into distinct segments, namely Aeronautical, Non-aeronautical, Airport lease revenues, and other sources related to Allied services, including Consultancy projects. Aeronautical revenues primarily stem from ANS charges, encompassing route navigation facilities charges and terminal navigational landing charges. In contrast, Non-aeronautical revenues result from the commercial activities conducted at airports, such as retail, food and beverage services, car parking, other concessions, and terminal and city-side premise rentals.

Furthermore, the lease revenues accrue from Delhi and Mumbai Airports. Additionally, AAI receives upfront fees and concession fees from Public-Private Partnership (PPP) airports, which make a substantial contribution to AAI's overall revenue stream.

It's important to note that the tariffs for these airports are subject to regulation by the Airports Economic Regulatory Authority of India (AERA). The determination of tariffs is closely tied to factors like traffic growth and the investment plans of these airports. As a result, AAI does not have direct control over this particular revenue stream.



Revenue of the Authority increased by ₹ 5331.06 Crores (77.92%) as compared to previous year. The details thereof are as follows:

S. No.	Particulars	2019-20	2021-22	2022-23	Amount (in ₹ Crores)	
					% Change of 2022-23 as compared to	
					2019-20	2021-22
1.	Air Navigational Services	3592.95	2379.96	3550.35	-1.19%	49.18%
2a.	Airport Services	3718.05	1674.04	2913.12	-21.65%	74.02%
2b.	Non-Aeronautical Airport Services	1887.74	912.09	1257.02	-33.41%	37.82%
2c.	PPP Airports (6 Nos)	0.00	329.59	683.86	-	107.49%
2d.	Total Airport Services including Revenue from PPP Airports (2a+2b+2c)	5605.79	2915.72	4854.00	-13.41	66.48%
<b>3. Airport Lease Revenue</b>						
3a.	JVC Airports (DIAL & MIAL)	3063.01	1038.04	3020.55	-1.39%	190.99%
4.	Other Income	575.69	507.57	747.45	29.84%	47.26%
5.	Total Revenue (1+2+3+4)	12837.44	6841.29	12172.35	-5.18%	77.92%

**Notes:-**

- (1) Airport Services Revenue for 2019-20 includes PSF (SC) Revenue (₹ 243.26 Cr) till 30.06.2019. After formation of NASFT w.e.f. 01.07.2019, no PSF (SC) Revenue has been booked in AAI's books of Account.
- (2) Airport Services Revenue for 2019-20 & 2021-22 includes Airport Services Revenue in respect of 6 PPP Airports till their respective COD date.
- (3) Airport Services Revenue for 2019-20 includes Throughput Revenue (₹ 98.97 Cr) whereas no Throughput Revenue Booked in FY 2021-22 & FY 2022-23.

Increase in Revenue in 2022-23 as compared to 2021-22 is mainly due to improvement in Aircraft and PAX movements.

Both passenger and cargo movements approached pre-Covid-19 levels by the end of the financial year 2022-23. In March 2023, the total number of passengers handled stood at 310.19 lakhs, which accounted for 105% of the pre-Covid level (average for 11 months from April 2019 to February 2020). During March 2023, the total air cargo tonnage was 2.81 lakh metric tons, representing 99% of the pre-Covid levels.

**ANS**

In the fiscal year 2022-23, the ANS Revenue witnessed a substantial increase of ₹ 1,170.39 Crores, representing a notable growth of 49.18% compared to the previous fiscal year, 2021-22.

It is noteworthy that within the ANS Revenue category, both the RNFC and TNLC segments played pivotal roles in this positive financial performance. Specifically, RNFC Revenue surged by ₹ 948.80 Crores, while TNLC Revenue saw an increase of ₹ 191.89 Crores when compared to the preceding fiscal year.

**Airport Services**

The Airport Services Revenue recorded a significant increase of ₹ 1,239.08 Crores, representing a substantial growth of 74.02% during the fiscal year.

This growth can be attributed to the following key factors:

- An increase in Landing, Parking, and Housing (LP&H) Revenue, contributing positively with ₹ 207.77 Crores.
- A substantial increase in User Development Fee (UDF) revenue, amounting to ₹ 885.04 Crores.
- An increase in Ground Handling (GH) Revenue, adding ₹ 82.74 Crores.
- Extension of Service Hours, resulting in an increase of ₹ 5.87 Crores.
- An increase in Royalty on Common Use Terminal Equipment (CUTE) Charges, contributing ₹ 58.07 Crores.
- A slight reduction in Passenger Service Fee

(Facilitation) (PSF), leading to a decrease of ₹ 0.40 Crores.

This growth in Airport Services Revenue reflects our commitment to enhancing our services and optimizing revenue streams, ultimately contributing to our financial success.

### Non-Aero Revenue

Non-Aero Revenue in the fiscal year 2022-23 demonstrated significant growth, with an increase of ₹ 344.93 Crores, representing a substantial 37.82% rise when compared to the previous fiscal year. This growth is attributable to various contributing factors, which are outlined as follows:

- (a) Increase in Trading Concessions Revenue (+) ₹ 289.98 Crores:
- Restaurants establishments experienced a positive growth, contributing ₹ 32.19 Crores.
  - Snack bars saw a revenue increase of ₹ 29.50 Crores.
  - Duty Free Shops recorded a substantial increase of ₹ 76.35 Crores.
  - Revenue from Shops and Stalls increased by ₹ 23.49 Crores.
  - Money Exchange Counters contributed ₹ 17.06 Crores.
  - Car Rentals generated an additional revenue of ₹ 6.61 Crores.
  - The Executive Lounge recorded a growth of ₹ 10.42 Crores.
  - Advertisements contributed ₹ 52.43 Crores to the growth.
  - Revenue from Hotel Reservation Counters increased by ₹ 2.09 Crores.
  - Communication Centre recorded a positive growth of ₹ 5.43 Crores.
  - Master Concessionaire for Food & Beverage (F&B) services showed an increase of ₹ 23.43 Crores.
  - Master Concessionaire for Retail services generated additional revenue of ₹ 5.87 Crores.
  - Inflight Kitchen Services contributed ₹ 11.47 Crores.

- Revenue from other contracts decreased by ₹ 6.35 Crores.

- (b) Increase in Rent & Services Revenue (+) ₹ 8.90 Crores.
- (c) Increase in Car Parking Revenue (+) ₹ 47.41 Crores.
- (d) Reduction in Miscellaneous Non-Aero Airport Services Revenue (-) ₹ 1.37 Crores.

This growth in Non-Aero Revenue highlights the success of AAI's various revenue streams and the positive impact on AAI's financial performance during the fiscal year.

### Airport Lease Revenue

During the fiscal year 2022-23, the Airport Lease Income showed remarkable growth, increasing by ₹ 1,982.51 Crores, marking an exceptional 190.99% rise. This substantial increase can be attributed to the following key factors:

- Lease income from Delhi International Airport Limited (DIAL) increased by ₹ 1,747.93 Crores in 2022-23 compared to 2021-22, where no lease income was received.
- Mumbai International Airport Limited (MIAL) also contributed to this growth, with Lease income increasing by ₹ 234.58 Crores in 2022-23 compared to the previous fiscal year.

### Airport Lease Revenue for PPP Airports (Mangalore, Ahmedabad, Lucknow, Trivandrum, Jaipur & Guwahati)

For the fiscal year 2022-23, the Airports Authority of India (AAI) has recognized an amount of ₹ 683.86 Crores as Current Year Revenue. This includes an Upfront fee of ₹ 44.75 Crores and a Concession fee of ₹ 639.11 Crores. This demonstrates the continued success of our Public-Private Partnership (PPP) arrangements and their positive impact on revenue generation.

### Other Income:

Other Income experienced notable growth during the reporting period, with an increase of ₹ 239.88 Crores, representing a substantial rise of 47.26%. This increase can be attributed to various contributing factors, as follows:



- An increase in Interest Income contributed positively with ₹ 196.84 Crores.
- Income from Training Institutes added ₹ 4.24 Crores to the growth.
- Interest & Penalties increased by ₹ 60.85 Crores.
- A reduction in Profit on Sale of Fixed Assets resulted in a decrease of ₹ 47.12 Crores.
- A reduction in Concession Fee from AAI Cargo Logistics & Allied Services Company Limited amounted to a decrease of ₹ 6.70 Crores.
- A reduction in Dividend Income led to a decrease of ₹ 16.10 Crores.
- A net increase in other income categories contributed positively with ₹ 47.87 Crores.

### Cost Mix

AAI's key expense categories include employee costs (comprising employee salaries, allowances and contributions to provident fund), operating expenses including aviation security, administration expenses, financing costs and depreciation.

The expenditure has increased by ₹ 563.59 Crores (7.37%) during FY 2022-23 as compared to FY 2021-22, details thereof are as follows: -

S. No.	Particulars	2019-20	2021-22	2022-23	Amount (in ₹ Crores)	
					% Change of 2022-23 as compared to	
					2019-20	2021-22
1.	Employee Benefit Expenses	4481.24	3702.08	4005.50	-10.62%	8.20
2.	Operating Expenses	1751.64	1531.72	1894.81	8.17%	23.71%
3.	Administrative and other expenses	626.34	437.16	322.31	-48.54%	-26.27%
4.	Finance cost	4.61	69.67	102.85	2130.94%	47.62%
5.	Depreciation, Amortization and Impairment	1751.25	1904.38	1883.13	7.53%	-1.12%
6.	Security Expenses*	405.30	0.00	0.00	-	-
7.	Total Expenditure (1+2+3+4+5+6)	9020.38	7645.01	8208.60	-9.00%	7.37%

#### Notes:

1. Expenditure for 2019-20 includes Security Expenses (₹ 405.30 Cr) till 30.06.2019. After formation of NASFT w.e.f. 01.07.2019, no Security Expenses has been booked in AAI's books of Account.
2. Expenditure for 2019-20 & 2021-22 includes Airport Services Expenditure in respect of 6 PPP Airports till their respective COD date.

A detailed analysis of the changes in AAI's expenses during the fiscal year 2022-23 is dealt in this section. The following is a breakdown of significant expense changes:

#### Employee Benefit Expenses

Total Increase: ₹ 303.42 Crores (8.20%)

The increase in Employee Benefit Expenses primarily results from the following factors:

- An increase in Pay & Allowances, contributing ₹ 409.22 Crores.
- A reduction in other Staff Costs, leading to a decrease of ₹ 7.86 Crores.
- An increase in Contribution to Provident & Other Funds, amounting to ₹ 6.41 Crores.
- A decrease attributable to the recovery of Operational

& Support Costs - Joint Venture Company (JVC), reducing expenses by ₹ 104.35 Crores.

#### Operating Expenditure

Total Increase: ₹ 363.09 Crores (23.71%)

The growth in Operating Expenditure can be attributed to the following elements:

- An increase in Repair and Maintenance (R&M) expenses, resulting in an increment of ₹ 203.23 Crores.
- An increase in Upkeep Expenses, leading to an additional expense of ₹ 29.94 Crores.

- An increase in Advertisement & Publicity expenses, contributing ₹ 0.60 Crores.
- An increase in Electricity & Water Charges, amounting to ₹ 55.60 Crores.
- A reduction in Consumption of Stores, decreasing expenses by ₹ 1.11 Crores.
- An increase in Meteorological service charges, adding ₹ 26.44 Crores.
- An increase in Rent, Rates & Taxes, leading to an additional cost of ₹ 6.55 Crores.
- An increase in Horticulture Expenses, amounting to ₹ 1.21 Crores.
- An increase in Municipal Taxes, contributing ₹ 55.21 Crores.
- A reduction in Insurances, decreasing expenses by ₹ 14.58 Crores.
- An increase in other expense categories, contributing ₹ 5.07 Crores.
- A reduction due to Prior Period Adjustments, decreasing expenses by ₹ 293.08 Crores.
- A reduction in CSR Expenditure, reducing expenses by ₹ 24.79 Crores.
- A reduction in Collection Charges, decreasing expenses by ₹ 2.09 Crores.

#### Depreciation

Total Reduction: ₹ 21.25 Crores

## 6. WAY FORWARD

Both aviation and tourism faced severe setbacks on a global scale in the wake of the COVID-19 pandemic, yet they have exhibited remarkable resilience and are now steadfastly on the path to recovery.

India's aviation market stands as a reservoir of immense untapped potential. The burgeoning middle-class and the country's youthful demographic, which typically exhibits a strong inclination for travel, are poised to be pivotal drivers of growth in this sector. The ongoing privatization of airports has emerged as a substantial catalyst for the aviation industry, facilitating substantial investments in both new and existing airports across India. This fervent expansion within the aviation sector is expected to exert a domino effect, propelling growth in the tourism sector.

India presently holds the position of the world's third-largest domestic market in terms of seat capacity, showcasing impressive domestic air travel operations. However, the international seat capacity rankings place us at the 18th position, signaling substantial room for expansion in the international segment. This disparity underscores the compelling prospects for sustained, long-term growth within the market, presenting a compelling opportunity for development and advancement.

Furthermore, the way remarkable strides are being made in the development of aviation infrastructure in India, the progress is instrumental in both augmenting the supply of aviation services and stimulating increased demand within the industry. Thus, outlook (short and long-term) remains very positive.

#### Administrative & Other Expenditure

Total Reduction: ₹ 114.85 Crores (26.27%)

The reduction in Administrative & Other Expenditure is primarily a result of the following factors:

- An increase in Legal Expenses, adding ₹ 25.64 Crores.
- An increase in Traveling Expenses, contributing ₹ 39.89 Crores.
- An increase in Consultancy Charges, leading to an additional cost of 12.86 Crores.
- An increase due to provisions for doubtful debts and bad debts written off (Net impact), amounting to ₹ 67.05 Crores.
- An increase in Hire Charges, adding ₹ 12.53 Crores.
- An increase in Watch & Ward / Security Expenses, contributing ₹ 7.72 Crores.
- An increase in Arbitration Expenses, leading to an additional cost of 11.21 Crores.
- An increase in Training Expenses, amounting to ₹ 5.09 Crores.
- An increase in other Miscellaneous Expenses, adding ₹ 18.05 Crores.



## 7. RISKS AND CONCERNS

In pursuit of sound risk management practices, AAI diligently reviews the enterprise risk landscape as an integral part of its ongoing risk monitoring mechanism. While AAI is pleased to report that no risks have posed a direct threat to the existence of the Authority, certain key risks have been identified. These risks are subject to regular monitoring, with concurrent measures in place to mitigate their impact. The key risk categories include:

**Strategic Risk:** This category encompasses a spectrum of risks, including Reputational Risk, Competition Risk, Political Risk, and Market and Credit Risk, among others.

**Operational Risks:** This category includes risks related to Physical Infrastructure, Technology, Project Execution, Human Resources, and Information Security.

**Financial Risks:** Encompassing Liquidity Risk, Financial Reporting Risk, and Treasury Risk.

**Governance Risks:** Encompassing Legal and Regulatory Risk, and Environmental, Health, and Safety (EHS) Risk.

**Force Majeure Events:** Events such as pandemics and earthquakes that have the potential to disrupt the entire aviation value chain and, by extension, the broader economy.

In response to these risk categories, AAI has adopted an agile strategy aimed at establishing crisis escalation procedures. These procedures are rigorously monitored by AAI's management team on a periodic basis. Rather than adopting a passive "wait and see" approach, AAI has been resolute in its swift response and proactive action on contingencies, ensuring the seamless continuity of its business operations. This proactive approach has been further fortified by extensive collaboration with all stakeholders and the integration of Enterprise Risk Management (ERM) within AAI's broader strategic framework. This strategic positioning has not only served to mitigate business losses but also has allowed AAI to capitalize on potential business opportunities that might have otherwise been overlooked.

## 8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

AAI has an internal control system commensurate

with the size, scale and complexity of its operations. The organisation maintains all its records in SAP system and the workflow and approvals are routed through SAP.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the organization, its compliance with operating systems, accounting procedures and the policies at all locations. Based on the reports of internal audits, the airports/stations undertake corrective action in their respective areas and strengthen the controls. Significant audit observations and corrective actions thereon are presented to the audit committee of the Board.

## 9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES, INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

**Human Resource at Airports Authority of India:** Human capital remains the driving force behind AAI's growth and aspirations. AAI continually reviews its HR policies and practices to stay in step with market changes. Numerous initiatives have been launched to foster a positive work environment, offering employees ample opportunities for growth and development while ensuring high levels of motivation and engagement. The company places significant emphasis on employee safety, scientific training, welfare, a performance-based appraisal system, competitive compensation, career advancement, and social security schemes, all of which are core priorities.

**Initiatives taken by / Achievements of HR Directorate during the financial year 2022-23 are listed below:**

The following achievements highlight the HR Directorate's efforts to enhancing various aspects of AAI's operations and ensuring employee welfare and efficiency.

- i. **Vigilance Administration Enhancement:** Central Vigilance Commission (CVC) has issued instructions to improve vigilance administration within organizations under its purview. AAI has evolved a system for processing disciplinary and vigilance clearances for serving officials through the

- SAP-ESS Portal to streamline vigilance clearance processing.
- ii. **Revised Honorarium Rates:** A decision was made to revise the rates of honorarium for members of the Complaint Committee and to define the rate of honorarium for external members of the Internal Complaint Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.
  - iii. **Consultant Engagement Centralization:** The proposal for engaging consultants or DEOs based on requirements raised by ATS in-charges will be centrally managed through the ED (ATM) at CHQ and forwarded to the concerned Member for in-principle approval by the Chairman, AAI.
  - iv. **Amendments in Medical Policy:** Amendments were made in AAI's Medical Policy regarding medical dependency, allowing employees to include or remove family members as medical dependents, subject to meeting specified dependency conditions.
  - v. **Flexible Faculty Honorarium:** The management decided to relax existing restrictions on the number of sessions for internal and external faculties at AAI Training Establishment, allowing the Head of ATSTO's to engage external faculties as per the schedule.
  - vi. **SOP for Weeding Out Physical Records:** A detailed Standard Operating Procedure (SOP) was formulated for the systematic removal of physical records/files after digitization, ensuring proper documentation and approval for the process.
  - vii. **Recruitment Process Streamlining:** Measures were taken to streamline the recruitment process and enhance transparency, with precise drafting of advertisement notices and clear guidelines for document verification and record maintenance.
  - viii. **Performance-Related Pay (PRP) / Performance-Linked Pay (PLP):** The Competent Authority approved the disbursement of Performance-Related Pay (PRP) to all executives and Performance-Linked Pay (PLP) to all non-executives for the year 2018-19.
  - ix. **Enhanced Employee Recognition:** AAI Management expanded its employee recognition practices by implementing the "AAI Day Award Scheme" to recognize excellence across the organization.
  - x. **Empowering Regional Heads:** Regional Executive Directors and concerned Members were empowered to issue letters and certificates on behalf of AAI for employee-specific matters related to State Government Authorities.
  - xi. **Withdrawal of Austerity Measures:** AAI Management announced the withdrawal of austerity measures, effective from October 1, 2022, with some exceptions in areas like hotel accommodation and conferences/seminars.
  - xii. **Knowledge Sharing:** To promote a culture of knowledge sharing and improve efficiency, best work practices are being shared on the AAI website, contributing to process improvement and cost or time-saving activities.
  - xiii. **Expanded Ex-Cadre Eligibility:** The selection criteria for ex-cadre posts were reviewed, allowing officers from all disciplines to apply for ex-cadre positions.
  - xiv. **Engagement of Medical Consultants:** AAI Management decided to engage medical consultants/specialists on a part-time contract basis, specifying honorarium, terms, conditions, duties, responsibilities, and a code of conduct.
  - xv. **Revised Grievance Redressal Mechanism:** The Competent Authority approved a comprehensive revised policy for the Grievance Redressal Mechanism to provide easily accessible machinery for settling grievances and improving employee satisfaction and productivity.
  - xvi. **Pilot/Co-Pilot Engagement Policy:** A policy was framed regarding the engagement of Pilots/Co-Pilots in FIU-AAI to enhance transparency and uniformity.
  - xvii. **Double Transport Allowance for Persons with Disability:** AAI Management decided to grant double transport allowance to persons with disabilities (Divyangjan) in alignment with DPE guidelines.
- Continuous Training / Education at AAI:** AAI places a strong emphasis on continually enhancing the skills and knowledge of its employees. AAI boasts a network of well-established training centers that offer specialized training in a wide range of competencies,



spanning from technical expertise to managerial and leadership skills. Training within AAI is facilitated through the following dedicated institutions:

Civil Aviation Training College (CATC), Prayagraj: Additionally, there are five Regional Training Centers (RTCs) situated in New Delhi, Mumbai, Chennai, Kolkata, and Guwahati, each of which operates satellite training centers at major airports.

Hyderabad Training Center (HTC), Hyderabad

National Institute of Aviation Training and Management (NIATAM), Gondia

Fire Training Center, Delhi and Fire Service Training Center, Kolkata

Indian Aviation Academy (IAA), Delhi

Various Regional Training Centers and the Corporate Headquarters (CHQ) Training Center

These establishments collectively contribute to the comprehensive training and education programs that empower AAI employees to excel in their roles and continually upgrade their professional skills.

### Other Training and Development Activities

In line with our commitment to professional development, AAI has implemented the following initiatives:

- i. **AAI Training Policy:** Our Training Policy, launched in March 2016, represents a structured approach to addressing employee training needs and establishing a comprehensive training plan.
- ii. **Leadership Development Program for Mid-Senior Level Executives:** Since the fiscal year 2017-18, AAI has prioritized the development of its workforce to equip them for future leadership roles. To institutionalize this initiative, in 2018-19, AAI entered into long-term (3-year) Memorandums of Understanding (MoUs) with esteemed business schools. These partnerships are geared towards providing customized Leadership Development Training at four levels, namely E5 (Assistant General Manager), E7 (Joint General Manager), E8 (General Manager), and E9 (Executive Director), through a meticulously designed annual training calendar.

The partnering institutions are:

- Indian Institute of Management, Bangalore
- Indian Institute of Management, Indore
- Indian Institute of Management, Lucknow
- Management Development Institute, Gurgaon

These Leadership Development Programs have been thoughtfully branded to enhance association and clarity of purpose.

Level	Name	Rationale
E8/E9	Leadership Development Program “प्रेरक”	Their role is to inspire and lead teams
E7	Leadership Development Program “साधक”	Their role is to accomplish new tasks
E5	Leadership Development Program “सार्थक”	Their role is to execute company’s strategy

To identify specific training needs, AAI conducted a comprehensive Diagnostic Study in collaboration with the esteemed institution, Indian Institute of Management, Bangalore (IIM Bangalore). The outcomes of this study were subsequently shared with other leading academic institutes.

- iii. **Induction Level Orientation Program:** In adherence to the AAI Training Policy, a 4-week Induction Level Orientation Program has been introduced. This initiative is complemented by discipline-specific programs and On-the-Job trainings aimed at providing new recruits with practical insights into our operations. These endeavors have proven invaluable in acquainting newly onboarded employees with our organizational culture and practices.
- iv. **Global ACI-ICAO Airport Management Professional Accreditation Programme (AMPAP):** AAI has been actively participating in the prestigious Global ACI-ICAO Airport Management Professional Accreditation Programme (AMPAP) since 2010. This program, offered by Airports Council International (ACI) and the International Civil Aviation Organization (ICAO), offers a comprehensive understanding of airport operations to senior officers. Executives trained under AMPAP have been assigned pivotal

roles, including Airport Directors and other challenging assignments. To date, 173 senior executives have completed the program and earned the designation of International Airport Professional (IAP).

- v. **Training at Premier Management Institutes:** AAI encourages its employees to gain diverse experiences by participating in open-house training programs hosted by reputable management institutes across the country. AAI has established a Standard Operating Procedure (SOP) for developing the annual training calendar and nominating executives for open-house training programs organized by respected external agencies. This approach broadens their horizons, particularly in areas of leadership and management.
- vi. **Participation in Overseas Training and Development Programs:** AAI consistently sends its executives to international training programs, workshops, and symposiums, enhancing their competencies in operating and maintaining state-of-the-art aviation technology. These initiatives ensure our workforce remains well-informed about global developments in the aviation industry.
- vii. **Internationally Certified Instructors and Course Developers:** To foster knowledge enrichment among instructors and course developers, AAI provides a platform for professional growth. This is achieved through the organization of International Civil Aviation Organization (ICAO) Standard Training Package (STP) Courses in India and the nomination of our executives for ICAO STP courses such as the Training Instructors Course (TIC) and Training Developers Course (TDC), conducted both domestically and internationally.

These endeavors exemplify AAI's unwavering dedication to the ongoing advancement and enrichment of its workforce, reinforcing AAI's position as a pioneering entity within the aviation industry.

### Key achievements of AAI's Training Cell during FY 22-23 are summarized as below:

- i. **Competency Development Initiatives:** AAI continued to prioritize competency development through a blend of online and in-

person training programs. In the past fiscal year, our Regional Training Centers, in conjunction with the CHQ Training Center, organized a total of 186 programs, conducted in both virtual and physical formats. These initiatives were instrumental in upskilling 6,344 employees, addressing knowledge and skill gaps.

- ii. **Capacity Building in Infrastructure Project Planning:** To bolster our capacity in infrastructure project planning and implementation, employees were provided opportunities for specialized training. AAI facilitated their participation in training programs organized by the Infrastructure Finance Secretariat of the Ministry of Finance. Additionally, employees were encouraged to attend external open-house programs aimed at enhancing their knowledge and skills.
- iii. **Health and Wellness Webinars:** AAI prioritizes the health and well-being of its employees. In this regard, a series of pan-India health webinars were organized to raise awareness about various health issues. Stress management, yoga, and meditation were key areas of focus. A total of 12 health webinars were conducted, attracting participation from approximately 1,383 employees.
- iv. **Induction and Ab-initio Training:** Two batches of Induction-level Orientation programs were conducted in an online format, catering to 70 new entrants. Furthermore, 75 newly joined Operations Executives underwent discipline-specific (Ab-initio) training to gain a deeper understanding of their roles. Notably, 18 of these executives subsequently underwent On-the-Job training at Chennai and Kolkata airports.
- v. **Airport Director Induction Program:** AAI is dedicated to equipping its Airport Directors with the necessary tools and knowledge to excel in their roles. In this regard, an Airport Director Induction program was conducted, involving 31 participants. The program curriculum was enriched with case studies to facilitate constructive discussions among the participating Airport Directors, particularly regarding challenges at constrained airports.
- vi. **Customized Training Programs:** Tailored training programs were organized for specific departments, including Terminal Management for Western Region airports and Disciplinary



Proceedings for Inquiry Officers and Presenting Officers.

- vii. **International Training and Engagement:** AAI recognizes the importance of exposure to global best practices. Consequently, 222 executives were afforded the opportunity to attend international training programs, conferences, meetings, and Factory Acceptance Tests.
- viii. **Youth Employability Enhancement:** AAI continues its commitment to enhancing youth employability by offering apprenticeship opportunities to 788 trainees across various disciplines and locations. This initiative not only benefits the youth but also contributes to skill development and capacity building.

These initiatives underscore AAI's dedication to fostering a skilled and knowledgeable workforce, while simultaneously promoting the well-being of its employees and supporting broader societal goals.

## REPRESENTATION OF SCs/STs/OBCs AS ON 31.03.2023

The manpower strength of Airports Authority of India is as under:

Total No. of Emp.	Total No. of OBC Emp.	% of OBC Emp.	Total No. of SC Emp.	% of SC Emp.	Total No. of ST Emp.	% of ST Emp.
16061	4259	26.52	3305	20.58	1373	8.55

## REPRESENTATION OF PERSONS WITH BENCHMARK DISABILITIES AS ON 31.03.2023

Total No. of Employees	Total No. of PWDs	% of PWDs
16061	224	1.39

## FACILITIES AVAILABLE FOR PERSONS WITH DISABILITIES AT VARIOUS AAI AIRPORTS:

In line with the national and international commitment to creating a fully accessible built environment, the Ministry of Civil Aviation (MOCA), Government of India, undertook the significant initiative of developing the 'Accessibility Standards and

Guidelines for Civil Aviation, 2022.' These guidelines have been meticulously crafted to address the specific accessibility requirements of individuals with disabilities, the elderly, women, children, and other user groups with unique needs, within the context of the built environments and services associated with air travel. The overarching objective of these guidelines is to pave the way for universally accessible and inclusive air travel.

To realize this vision, the Ministry of Civil Aviation has collaborated closely with the Ministry for Social Justice and Empowerment to formulate harmonized guidelines and space standards for creating barrier-free built environments and services, particularly tailored to the needs of Persons with Reduced Mobility (PRMs) at airports across India.

These comprehensive guidelines encompass a comprehensive set of accessible features and services that must be provided by airport operators, airlines, and security agencies. The 'Accessibility Standards and Guidelines for Civil Aviation' have been formally approved and subsequently published via an official notification dated January 9, 2023, in the Gazette of India. This notification mandates compliance with the stipulated guidelines.

AAI is proactively implementing the general guidelines encompassing ten key accessibility features, as prescribed by the Ministry of Social Justice and Empowerment, at all airports to enhance accessibility. These features encompass:

1. Accessible Route/Approach
2. Accessible Parking
3. Accessible Entrance to the Building
4. Accessible Reception (Helpdesk)
5. Accessible Corridor/Tactile Flooring
6. Accessible Lifts
7. Staircases with Handrails (in main passenger movement zones)
8. Accessible Toilets
9. Accessible Drinking Water Facilities
10. Signage

This concerted effort is part of AAI's commitment to ensuring that all individuals, regardless of their specific needs, can enjoy the benefits of air travel in a dignified and inclusive manner.

## STEPS TAKEN TO IMPROVE PUBLIC GRIEVANCE REDRESS MACHINERY

### a. Oversight and Appointments:

- A General Manager (GM) level Officer at Corporate Headquarters oversees the Public Grievance Redressal Machinery for all airports.
- Public Grievance Officers are appointed at each airport and their contact details are prominently displayed for passenger and user convenience.

### b. Grievance Monitoring:

- Public Grievance Officers at Field Stations, Regional Headquarters, and Corporate Headquarters monitor grievances on a daily basis.
- Dedicated email addresses for Public Grievance Officers are available on the AAI website.

### c. Lodging Grievances:

Multiple channels are offered for lodging grievances, including CPGRAMS, letters,

emails, QR Codes, the AAI website, suggestion boxes, registers, telephone, Twitter, and other communication methods.

### d. Integration of all Airports:

All Joint Venture and Private Airports, alongside AAI Airports, are integrated into the CPGRAMS Portal for effective control, redressal, and monitoring.

### e. Air Sewa Portal:

The Air Sewa Portal, launched in 2016, provides an integrated grievance platform and is regularly updated for improved user experience.

### f. Stakeholder Engagement:

Regular meetings and follow-ups with stakeholders ensure proper administrative control of the Public Grievance Redressal Machinery.

### g. Consumer Helpline Portal:

Grievances are also received through the Consumer Helpline Portal under the Ministry of Consumer Affairs, Food, and Public Distribution, and are promptly handled and resolved.



புதுச்சேரி  
விமான  
தர்ப்பளம்

PUDUCHERRY AIRPORT



भारतीय विमानपत्तन प्राधिकरण  
Airports Authority of India

# Corporate Governance Report

Annexure 2





LUDHIANA AIRPORT

## CORPORATE GOVERNANCE REPORT

Corporate Governance is a set of systems and practices to ensure that the affairs of the organization are being managed in such a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and to meet its stakeholders' aspiration and societal expectations.

Airports Authority of India (AAI) believes that an organization must provide empowerment to the executive management and simultaneously create a mechanism of checks and balances, which ensures that the decision-making powers vested in the executive management are used with due care and responsibility and are not being misused. Our Governance practices stems from an inherent desire to improve, innovate and reflects the culture of trusteeship that is deeply ingrained in our value system and forms part of the strategic thought process.

AAI is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. AAI's Corporate Governance processes continuously reinforce and help in actualizing the AAI's belief in ethical corporate citizenship and is manifested through exemplary standards of ethical behavior, both within the organization as well as in external relationships.

### 1. BOARD OF DIRECTORS

The Board of Directors ("Board" or "the Board") of any organization is the flag bearer of the corporate governance principle and practice and it oversees and ensures that long term interest of all the stakeholders is protected.

AAI's Board, being the trustee of the organization, is responsible for the establishment of cultural, ethical and accountable growth of the organization and is constituted with a high level of integrated, knowledgeable and committed professionals. The functional members on the Board are highly experienced personnel in their respective functional areas who provide directions to the management on operational issues, adoption of systems and best practices in management and oversee compliance of various statutory, legal and other requirements.

AAI is an unlisted Statutory Corporation constituted under the Act of Parliament i.e. Airports Authority of India Act, 1994 ("the Act") and is 100% owned by the Government of India. Its Board Structure /

composition is governed by the Act. AAI's Board has an optimum combination of functional, government, independent and woman members.

The Composition of the Board as on 31.03.2023 is given below: -

<b>Shri Sanjeev Kumar, IAS</b> <sup>(1)</sup> Chairman & Member (Finance) – Additional Charge
<b>Shri Padam Lal Negi</b> <sup>(2)</sup> Joint Secretary & Financial Advisor, Ministry of Civil Aviation, Non-Official Member (Government Nominee)
<b>Ms. Rubina Ali</b> Joint Secretary, Ministry of Civil Aviation Non-Official Member (Government Nominee)
<b>Shri Anil Kumar Pathak</b> <sup>(3) &amp; (4)</sup> Member (Planning), Functional Member
<b>Shri M. Suresh</b> <sup>(5)</sup> Member (ANS) & Member (Ops.) – Additional Charge Functional Member
<b>Dr. H. Srinivas, IRPS</b> <sup>(1) &amp; (4)</sup> Member (HR), Functional Member
<b>Shri Ravindra Singh Balawat</b> Non-Official Member (Independent)
<b>Ms. Madhavi Sanjay Naik</b> Non-Official Member (Independent)

- (1) Shri Sanjeev Kumar, IAS, Chairman, AAI held additional charge for the post of Member (Finance), AAI from 01.11.2022 till 31.07.2023 vide MoCA's orders issued from time to time. MoCA vide Notification No. AV-24011/8/2021-AAI-MOCA (202648) dated 28th July, 2023 conveyed the approval of Appointment Committee of the Cabinet (ACC) for entrustment of additional charge for the post of Member (Finance), AAI to Member (HR), AAI for a period of six (06) months w.e.f. 01.08.2023, or till a regular incumbent joins the post, or until further order, whichever is earliest. Accordingly, Shri Sanjeev Kumar, IAS was relieved from the additional charge of the post of Member (Finance), AAI.
- (2) Appointed w.e.f. 14.02.2023 vide Ministry of Civil Aviation Notification No. AV-24011/8/2022-AAI-MOCA dated 14.02.2023.
- (3) Shri Anil Kumar Pathak ceased to be a Member on the Board of AAI consequent upon superannuation on 30.09.2023. MoCA vide Order No. AV-24011/6/2022-AAI-MOCA (228791) dated 29.09.2023 entrusted the additional charge of the post of Member (Planning), AAI to Dr. Sharad Kumar, Member (Operations), AAI in addition to his own duties for a period of three months i.e. from 01.10.2023, or until a regular incumbent is posted or until further orders, whichever is earlier.
- (4) Dr. H. Srinivas, IRPS was appointed as Member (HR) w.e.f. 10.03.2023 vide Ministry of Civil Aviation Notification No. AV-24032/53/2021-AAI-MOCA dated 14.03.2023.



Accordingly, he assumed the charge on 10.03.2023 and Shri Anil Kumar Pathak, Member (Planning), who was being entrusted the additional charge of the post of Member (HR) vide MoCA's Orders issued from time to time, was relieved from the additional charge of the post of Member (HR) w.e.f. the said date.

- (5) DoPT vide Order No. 16/01/2023- EO (ACC) dated 28th April, 2023 appointed Dr. Sharad Kumar as Member (Operations) on the Board of AAI, with effect from the date of his assumption of charge of the post till the date of his superannuation i.e. 31.10.2025, or until further orders, whichever is earlier, subject to the outcome of WP (C) No. 10531/2022 filed in the Hon'ble High Court at New Delhi. Accordingly, Dr. Sharad Kumar assumed the charge of Member (Operations) w.e.f. May 1, 2023 (F/N). Accordingly, Shri M. Suresh was relieved from the Additional Charge of the post of Member (Operations).

As on the date of the Board's Report, the AAI's Board comprise of 9 members, which includes Chairman, Director General of Civil Aviation, 3 functional members, 2 nominees representing the Ministry of Civil Aviation and 2 part-time non-official (Independent) members.

## 2. BOARD / COMMITTEE MEETINGS

The Board Meetings and its Procedures are governed by the AAI (Transaction of Business) Regulations, 1995 ("Regulations"). AAI complies with these Regulations w.r.t. convening and conducting the Board / Committee Meetings.

AAI has an exhaustive Book on Delegation of Powers (DoP) and other manuals duly approved by the Board like AAI Manual for procurement of Goods and Services, Commercial Manual, AAI Employees (Conduct, Discipline and Appeal) Regulations, 2003, etc., which spell out the processes and defines the level at which any decision is to be made and are reviewed from time to time to ensure that they are updated and meet the needs of the organization. AAI has adequate Board Level Committees which deliberate upon various important matters and advise the Board on the course of action to be taken.

Regular meetings of the Board are held to discuss and decide on various important issues including business policies & strategies. The agenda items, circulated in advance to the members of the Board, are exhaustive in nature and detailed presentations are made during the course of discussion. Every proposal is examined

and discussed in detail before a decision is taken. The Committees of the Board deliberate upon major proposals before being recommended to the Board. The Board regularly monitors the Action Taken Report on its decisions. Risk areas are outlined and mitigation processes are put in place. The terms of reference, quorum, periodicity of meeting etc. are clearly defined for each of Board Committees, and approved by the Board.

The intervening period between the two Board meetings was not more than three months as stipulated in the AAI (Transaction of Business) Regulations, 1995.

During the year under review, 6 (Six) meetings of the Board were held i.e. on 13.05.2022, 26.07.2022, 16.09.2022, 22.10.2022, 16.12.2022 and 18.02.2023.

## 3. AUDIT COMMITTEE

As a measure of good Corporate Governance and to provide assistance to the Board in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted which is being headed by an Independent Member.

The Composition, quorum, power, role, review of information etc. of the Audit Committee is in line with the DPE Guidelines.

The terms of reference of the Audit Committee are: -

- Examination of the financial statements and the Controller & Auditor General's Report thereon.
- To review the follow up action on the audit observations of the C&AG audit.
- To review the follow up action taken on the recommendations of Committee on Public Undertakings of the Parliament.
- Evaluation of internal financial controls and risk management systems.
- Discussion with internal Auditors.
- Any other responsibility as may be assigned by the Board from time to time.

The composition of the Committee as on 31.03.2023 is as follows: -

Name of the Member	Category	Designation
Ms. Madhavi Sanjay Naik	Independent Member	Chairperson
Shri R. S. Balawat	Independent Member	Member
Shri M. Suresh	Functional Member	Member

All the members of the Audit Committee have knowledge of financial matters and at least one member has expertise in accounting and financial management.

### Meetings of the Audit Committee

The Company Secretary of the AAI acts as the Secretary of the Audit Committee. Internal Auditors, Management and other Senior Personnel of AAI, also attends the Meeting of Audit Committee, as and when required.

It is being ensured that minimum of two members (including one independent member) attend the meeting of the Audit Committee. It is only after their availability; the date of meeting is fixed.

During the year under review, the Committee met four times i.e. on 06.06.2022, 04.07.2022, 01.03.2023 and 29.03.2023.

## 4. REMUNERATION COMMITTEE

The Board has constituted the Remuneration Committee which shall recommend to the Board to carry out evaluation of every employee's performance related pay, annual bonus / variable pay pool and policy for its distribution across the executives and non-unionized supervisors within the prescribed limits.

The composition of the Committee as on 31.03.2023 is as follows: -

Member's Name	Category	Designation
Shri R. S. Balawat	Non-official (Independent) Member	Chairperson
Shri Vimalendra Anand Patwardhan	Part-time Member	Member
Ms. Rubina Ali	Part Time Non-Official Member (Government Nominee)	Member

Note:

- Consequent upon change in the composition of the Board, the Committee was re-constituted by inducting Ms. Madhavi Sanjay Naik, in place of Shri Vimalendra Anand Patwardhan who completed his 3-year tenure and ceased to be member of the Board of AAI on 25.10.2022.

During the year under review, the Committee met once on 19.10.2022.

## 5. MEMBERS' REMUNERATION AND THEIR APPOINTMENT

Appointment of Members, including non-official members, on the Board of AAI is done by the Central Government.

While the official members are being paid remuneration as approved by the Central Government, the non-official independent members are being paid sitting fee as per the 'Policy on Payment to Independent Members'.

## 6. CSR COMMITTEE

Pursuant to the provisions of DPE Guidelines on Corporate Social Responsibility and Sustainability, and Section 135 of the Companies Act & rules made thereunder, AAI's Board had constituted a Corporate Social Responsibility Committee which is presently being headed by Chairman, AAI.

The terms of reference of the CSR Committee are: -

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the activities to be undertaken by the AAI as specified in Schedule VII of the Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the approved CSR activities.
- To monitor the Corporate Social Responsibility Policy of the AAI from time to time.



The composition of the Committee as on 31.03.2023 is as follows: -

Name of the Member	Category	Designation
Shri Sanjeev Kumar, IAS	Functional Member	Chairperson
Shri A. K. Pathak, Member (Planning) <sup>(1)</sup>	Functional Member	Member
Shri R. S. Balawat	Independent Member	Member

1. The Board, in its 217th meeting held on 27.09.2023, re-constituted the CSR Committee and appointed Shri (Dr.) H. Srinivas, Member (HR) as Member of the Committee in place of Shri Anil Kumar Pathak who was superannuating on 30.09.2023.

During the year under review, the Committee met once i.e. on 13.12.2022.

## 7. DISCIPLINARY COMMITTEE (BOARD LEVEL)

Pursuant to the provisions of the AAI Employees (Conduct, Discipline & Appeal) Regulations, 2003, a Committee comprising of the following members considers appeals made under the said regulations: -

1. Independent Board Member - Chairperson
2. Member (HR) - Member
3. Member (Fin) - Member
4. Concerned Member - Member

During the financial year 2022-23, the Committee met twice i.e. on 12.05.2022 & 06.06.2022. These meetings were headed by Shri G. Sekar (Independent Board Member) and were also attended by Shri A. K. Pathak, Member (Planning/HR), Shri K. Vinayak Rao, Member (Finance) & Shri M. Suresh, Member (ANS), being concerned member.

The Board, in its 209th meeting held on 26.07.2022, appointed Ms. Madhavi Sanjay Naik as Chairperson of the Committee. Prior to this, Shri G. Sekar was the Chairperson of the Committee who held the charge till 21.07.2022, i.e. till completion of his 3-year term as independent board member in AAI.

## 8. ADVISORY BOARDS

The Board believes that an effective advisory board, properly composed and structured, can provide

non-binding but informed guidance and serve as a tremendous ally in the quest for superior corporate governance.

In view of the above, various Advisory Boards have been constituted at AAI, as envisaged in the Delegation of Powers, including Personnel Advisory Board (PAB), Commercial Advisory Board (CAB), Law Advisory Board, Works Advisory Board (WAB), Operational Advisory Board.

The concerned Advisory Board gives its recommendations for acceptance by Chairperson in cases within his delegated powers or for recommendations of Chairperson for the approval of AAI Board.

## 9. ANNUAL GENERAL MEETING

AAI is a statutory corporation – 100% owned by the Government of India and is governed by special Act of Parliament i.e. AAI Act, 1994. AAI is not required to hold any annual general meeting, as Companies Act is not applicable to AAI. Further AAI Act, 1994 does not contain any provisions relating to convening annual general meeting.

## 10. DISCLOSURE BY MEMBERS AND SENIOR MANAGEMENT

All the Board Members and Senior Management officials acts in good faith and in the best interests of the AAI and its stakeholders. All the Board Members and Senior Management officials exercise their duties with due and reasonable care, skill and diligence and exercise independent judgment.

The Board Members generally does not involve in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the AAI. Section 4 of the AAI Act, 1994 disqualifies a person to be member on the board of AAI in case he / she has any financial or other interest in the Authority as is likely to affect prejudicially the discharge of his/her functions as a member.

## 11. TRAINING OF BOARD MEMBERS

At AAI, continuing education and training is a continuous process. Members are encouraged to attend the special training courses by various professional

bodies including programs by DPE to ensure that the members are refreshed and equipped to perform their roles in the highest standards and performance possible. If interested, members attend the relevant programs.

## 12. MEANS OF COMMUNICATION

AAI produce periodic reports and press releases covering important matters relating to AAI. AAI also have a facility for information sharing with stakeholders through the use of Information and Communication Technologies (ICT).

## 13. WEBSITE

AAI's website i.e. [www.aai.aero](http://www.aai.aero) contains dedicated sections for stakeholders. The Annual Report of the AAI is also available on the website in a user friendly and downloadable form. Apart from that, CSR initiatives, passengers' information, public information, vigilance, financial information etc. are also available.



भारतीय विमानपत्तन प्राधिकरण  
AIRPORTS AUTHORITY OF INDIA

ISO 9001:2008 प्रमाणित

GAYA AIRPORT



भारतीय विमानपत्तन प्राधिकरण  
Airports Authority of India

# Details of Capital Schemes (Region-Wise)

Annexure 3



HYDERABAD AIRPORT

## NORTHERN REGION

### Foundation Stone / Inauguration of building or facilities during F.Y. 2022-23

Project- site/ Airport	Particulars	Date
Gwalior	Expansion of Civil Enclave at Gwalior Airport by Shri Amit Shah, Hon'ble Minister of Home Affairs of India	16.10.2022

### Capital Schemes Completed during F.Y. 2022-23

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Completed Cost	Completion Date
Varanasi	Construction of Control Tower cum Technical Block	32.28	Sep-22
Dehradun	Strengthening of Runway & Taxiway; Construction of emergency exit road and associated works	24.48	Oct-22
Shimla	Restoration of Basic Strip, Prevention of Soil Erosion, Extension of Apron and Associated works at Shimla Airport	99.90	Oct-22
Adampur	Development of Civil Enclave at Adampur Airport	104.56	Nov-22
Udaipur	Runway resurfacing, providing fillets and turn pads for B-777 VIP Flight operations at M.P. Airport, Udaipur	25.21	Dec-22

### Capital Schemes under progress (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site/ Airport	Particulars	Approved Cost	PDC
Safdarjung	Construction of Combined Operational Offices for DGCA, BCAS, AAIB, AERA & AAI at Safdarjung Airport, New Delhi	351.20	Nov-23
Leh	Construction of New Terminal Building at Leh Airport	640.00	Mar-24
Gwalior	Construction of Terminal Building, Ancillary Buildings, Car Parking, City Side Development & other associated works at Gwalior Airport "Expansion of Civil Enclave at Gwalior Airport. SH: Construction of City Side Vehicular Approach Road, Internal Vehicular Roads, Drainage System, Operational Boundary Wall, Rain Water Harvesting and other associated works at Gwalior Airport" Construction of Apron & Link Taxi including associated works for parking of 09 Nos. AB-321 type of aircraft at Gwalior Airport	446.12	Dec-23
Jodhpur	Construction of New Apron at Jodhpur Airport (Balance portion) Phase - II	16.65	Dec-23
Ayodhya	Development of Ayodhya Airport SH: Construction of Pre-Engineering Building (PEB) and other associated works on Design & Build Basis (EPC) Development of Ayodhya Airport, Uttar Pradesh SH: Pavement, Grading and other in operational area on Design & Build Basis (EPC)	328.00	Nov-23



Project-site/ Airport	Particulars	Approved Cost	PDC
Bareilly	Development of Civil Enclave at Bareilly SH: Widening and Strengthening of Apron at Bareilly	21.49	Sep-23
Gorakhpur	Expansion of Passenger Terminal Building at Gorakhpur Civil Enclave, Gorakhpur	26.87	Dec-23
Kanpur	Development of Kanpur (Chakeri) Airport	168.87	Jul-23
Saharanpur	SH: Construction of Terminal Building on design and build basis SH: Construction of Apron Taxi Track and other associated works at Sarsawa Airport	78.08	Dec-23
Fursatganj	Development of Fursatganj Airport for RCS operation. SH: Construction of pre-engineered Terminal building including Civil, Electrical, Plumbing, Firefighting, HVAC, Airport system, IT System, ART Works, Ancillary Buildings, Car Parking, City Side Development and other associated works on design & Build basis	25.24	Dec-23
Muirpur (Korba)	Development of Airport at Muirpur	45.44	Sep-23
Dehradun	Construction of Domestic Passenger Terminal Building at Dehradun Airport	456.86	Airport has been inaugurated on 08.10.2021 Terminal Building Phase - I. PDC for Phase -II is Nov-23

### Projects under Planning (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Agra	Construction of New Terminal Building at Agra Airport	400.00
Amritsar	Upgradation of ALCMS and provision of ILCMS at Amritsar Airport for CAT-IIIB Lighting system	36.00
Dehradun	Augmentation of Drainage System at Dehradun Airport	34.42
	Extension of Runway at Dehradun Airport (625 Mtr. Extn.)	200.00
Gorakhpur	Development of New Civil Enclave at Gorakhpur Airport	900.00
Halwara	Development of Civil Enclave at Halwara Airport	425.00
Jammu	Construction of New Terminal Building Complex including Apron, Taxi Track and other associated civil works and electrical & mechanical installation towards Tawi River side at Jammu Civil Aerodrome	861.37
	Construction of CISF Barracks, Armoury & Quarter Guard rooms at Jammu Civil Aerodrome	11.24
Jodhpur	Construction of New Terminal Building for Domestic Operations at Jodhpur Airport	480.00
Kota	Construction of Greenfield Airport at Kota	1000.00
Leh	Construction of Apron for parking of 4 nos. of Code 4C type of aircraft	31.00
Prayagraj (Allahabad)	Development of New Civil Enclave at Prayagraj	219.00



Safdarjung	Development of Safdarjung Airport for Night operations for Service of C-130 Airforce Aircraft at Safdarjung Airport SH: Strengthening of Runway, Taxiway C, Apron at Safdarjung Airport	22.95
Shimla	Construction of AAI Staff Quarters, Shimla	10.60
Srinagar	Construction of New Integrated Terminal Building at Srinagar Airport	1400.00
	Construction of CISF Barracks at BSF Campus, Srinagar	44.38
	Densification of Residential Area at Srinagar International Airport	62.29
	Extension of Apron at Srinagar	62.00
Udaipur	Construction of New Terminal Building at Udaipur Airport	754.00



## SOUTHERN REGION

### Foundation Stone / Inauguration of building or facilities during F.Y. 2022-23 - NIL

### Capital Schemes Completed during F.Y. 2022-23

(Amount in ₹ Crores)

Project/Airport	Particulars	Completion Cost	Completion Date
Chennai	Modernization of Chennai Airport, Phase-II, Chennai.	Part-I 1259.75	Part I: Mar-23
	Construction of pavement (hard stand) with paver block in the area of Old Air India Export Cargo Complex at Chennai Airport, Chennai.	3.03	Aug-22
Chennai (RHQ)	Deelopment of Car Park at Chennai Airport (BD)	191.98	Jul-22
Hyderabad	Raising/Reconstruction of operational wall in damaged stretches (Phase II) at Begumpet Airport, Hyderabad.	14.19	Dec-22
	Construction of Civil Aviation Research and Development Center at Begumpet Airport, Hyderabad SH: Construction of Hostel Block E & M works.	13.88	Nov-22
	Construction of Civil Aviation Research Organisation Campus at Begumpet Airport, Hyderabad SH: Construction of Hostel Block Civil Works	23.71	Jun-22
Tirupati	Extension of runway alongwith strengthening of existing runway, apron and provision of RESA and associated works for Code E type of aircraft at Tirupati Airport.	142.31	Aug-22
Rajahmundry	Construction of Admin Block, Rajahmundry	6.96	Oct-22
Mysore	Wall to Wall grading of operational area at Mysore Airport.	17.61	Oct-22
Hubli	Design, Supply, Installation, Testing and Commissioning of 8 MW Ground Mounted Grid Connected PV Solar Plant at Hubballi Airport.	32.26	Oct-22
Trichy	Up gradation of Passenger Terminal Building and Airside Facilities at Tiruchirapalli (trichy) International Airport. SH: Construction of Apron, associated taxiways, Isolation Bay, GSE Area and associated works. (Package-II).	43.26	Aug-22
	Construction of staff quarters at Coimbatore International Airport & Construction of new Residential Staff Quarters, CISF Barracks, Dog kennel & Community hall at old wireless station at Trichy Airport.	72.53	May-22
Kadapa	Extension & Strengthening of Existing Runway, Taxiway and Apron along with construction of Isolation Bay, Pavement against Blast Erosion, RESA and Perimeter Road, Grading of Strips etc. at Kadapa Airport for Operation of Code-C Type of Aircraft (A-320) including Electrical works.	59.01	Jul-22
Tuticorin	Construction of compound wall for the bifurcation of operational area & for newly acquired land of AAI at Tuticorin Airport (Phase-II).	6.88	Jun-22
Visakhapatnam	Linear Expansion of terminal building	60.65	May-22
Madurai	Re-Surfacing of Existing Runway 09/27 for code 'C' type of Aircraft and Associated works at Madurai Airport.	32.79	May-22

Project/Airport	Particulars	Completion Cost	Completion Date
Coimbatore	Construction of staff quarters at Coimbatore International Airport & Construction of new Residential Staff Quarters, CISF Barracks, Dog kennel & Community hall at old wireless station at Trichy Airport.	44.69	Apr-22

### Capital Schemes under progress (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site/ Airport	Particulars	Approved Cost	PDC
Tirupati	Construction of ATC tower cum technical block at Tirupati Airport	58.64	Jan-25
Vijaywada	Construction of New Integrated Passenger Terminal Building at Vijaywada Airport, India - All Inclusive	611.80	Jun-24
	Construction of ATC Tower Cum Technical Block at Vijaywada Airport	73.63	Apr-25
Calicut	Runway recarpeting and strengthening and fixing central line lights including allied Civil and Electrical works at Calicut Airport	96.40	Dec-23
	Reconstruction of weaker sections Security compound wall of operational area-Ph-III at Calicut Airport	23.72	Dec-23
Kalaburgi	Development of Kalaburgi Airport. SH : Resurfacing of Runway, Isolation Bay & apron including expansion of Turn pads and Blast Pads at Kalaburgi Airport	31.06	Dec-23
Chennai	Modernization of Chennai Airport, Phase-II, Chennai. (All inclusive)	2467.00	Part I: PDC: Mar-23 (Work Completed) Part II:PDC: Dec-25
	Construction of Balance Portion of 2 Nos. Rapid Exit Taxiways (RET) for the main runway 07/ 25 merging with B-taxi track (beyond Critical portion of runway) and resurfacing between Taxiway-D and Taxiway -M and associated works at Chennai Airport, Chennai.	66.18	May-24
	Reconstruction and strengthening of 'H' taxi track, 'E' taxi track for code 'E' aircraft operations, Construction of link taxi track from RET – M to 'H' taxi track in domestic apron, resurfacing of secondary runway and allied works at Chennai Airport, Chennai.	53.66	Apr-24
	Construction of balance portion of Link taxiway's 'N1' and 'F' connecting with B taxi, Resurfacing of B taxi way Between 'K' taxiway to 'M' taxiway and construction of cargo bays in the Old ceremonial lounge and Air India Cargo location at Chennai Airport, Chennai	97.60	Jun-24
	Modification of Storm Water Drains in Operational Area at Chennai Airport.	209.10	Mar-24



Chennai	Additions / Alterations to the existing toilets in Terminal building (Main Work),Chennai	12.36	Apr-23
Chennai (RHQ)	Construction of Residential Quarters at Chennai Airport, Chennai Airport	200.00	Nov-24
Coimbatore	Resurfacing of Runway at Coimbatore Airport	49.83	Jul-23
Madurai	Construction of New ATC Tower cum Technical Block including Repair & Maintenance, Operation and AICMC at Madurai Airport.	99.02	Feb-24
	Construction of Pre-Cast Operational Boundary Wall, Property Wall, at Madurai Airport	98.25	Dec-23
Trichy	Upgradation of passenger Terminal Building and Air side facilities at Tiruchirappalli (Trichy) International Airport. (All inclusive)	951.00	Dec-23
	Construction of New ATC Tower cum Technical Block & Utility/Service Block including Operation & Routine Maintenance and all Inclusive Comprehensive maintenance contract (AICMC) at Tichy Airport.	80.17	Mar-25
	Construction of Surface Car Parking and associated works at Tiruchirapalli Airport, Trichy. SH: Civil and Electrical works.	49.67	Dec-23
Tuticorin	Development of Tuticorin Airport: Extension of Runway with Blast Pad, RESA, Taxiway, Apron, GSE Area, Isolation Bay and miscellaneous Works.	380.87	Feb-24
	Construction of New Terminal Building, ATC Tower cum Technical Block, Fire Station and Associated works including Maintenance, Operation and AICMC at Tuticorin Airport		Feb-24
Hyderabad	Construction of Civil Aviation Research Organisation Campus at Begumpet Airport, Hyderabad	353.61	Jun-23
	Resurfacing and Strengthening of runway at Begumpet Airport. SH: Resurfacing of runway and other pavement works at Begumpet Airport, Hyderabad	69.07	May-24
Pudducherry (RCS)	Extension of Apron at Puducherry Airport	7.93	Jul-23

### Projects under Planning (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Agatti	Development of Agatti Airport SH:SH: Re-surfacing of Runway at Agatti Airport.	23.71
Coimbatore	Construction of Boundary Wall for newly acquired land for NITB Ph II ( C+E)	39.28
Rajahmundry	Construction of New Terminal Building and Miscellaneous Work at Rajamundry	347.15
Kaddapa	Construction of New Domestic Departure Terminal Building and Associated works at Kaddapa Airport	265.91

## EASTERN REGION

### Foundation Stone / Inauguration of building or facilities during F.Y. 2022-23

Project- site/ Airport	Particulars	Date
Deoghar	Inauguration of Airport at Deoghar, Jharkhand by Hon'ble Prime Minister of India	12.07.2022

### Capital Schemes Completed during F.Y. 2022-23

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Completed Cost	Completion Date
Kolkata	Raising of Perimeter Road at Kolkata Airport	10.25	Apr-22
Pakyong	Strengthening the Base of RE Wall by Cemented Rock Hill over Micro Pile and Pretensioned Anchor	46.99	Apr-22
Bhubaneswar	Construction of Parallel Taxi Track including Apron	63.24	Jun-22
Gaya	Construction of Technical Block cum Control Tower	22.63	Jun-22
Kolkata	Construction of Hangars, Apron & Link	38.08	Jun-22
Deoghar	Development of Deoghar Airport	313.29	Jul-22
Bhubaneswar	Construction of New Control Tower and Technical Block & allied works	41.85	Jul-22
Bhubaneswar	Construction of Hangar	14.67	Sep-22
Rourkela	Development and upgradation of Rourkela Airport in the state of Odisha from Code 2B to Code 3C	30.16	Sep-22
Jharsuguda	Construction of 4 nos Apron Bays at Jharsuguda Airport	12.30	Jan-23
Ranchi	Expansion of Turnpad and fillet for Taxi way	4.98	Feb-23

### Capital Schemes under progress (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site/ Airport	Particulars	Approved Cost	PDC
Port Blair	Construction of New Integrated Terminal Building and allied works	707.73	Jun-23
	Construction of New Apron with Link Taxiways at Portblair	99.77	Jun-23
Darbhanga	Strengthening of Runway, Taxitrack, Apron and Allied works at Airforce Station Darbhanga	73.22	Jul-23
	Conversion of Darbhanga Airport from VFR to IFR/ Construction of Runway Shoulder, RESA & Balast Pad and Construction of CCR room on AAI offices, Power House and Canteen at Darbhanga Airport	30.35	Jul-23
	Development of Darbhanga Airport SH: Expansion of existing Pre-Engineered Terminal Building including Civil, Electrical, Fire Fighting, HVAC/VRF, Airport System, IT System, Car Parking & Roads, Boundary Wall, City Side Development & Other Associated Works including Modification in existing Terminal Building on Design & Build basis	47.09	Dec-23



Patna	Construction of New Domestic Terminal Building and other Structures (Phase I and II) at Patna Airport	1216.90	Dec-24
	Construction of State Govt. Hangars, Flying Club Building, VIP Lounge Building and other associated works		
Patna	Construction of ATC Control Block, Tehnical Block Fire Station & Cargo Block	95.11	Dec-23
	Recarpeting of Runway, Taxiway, Shoulders, Apron, Construction of Parallel Taxi Track, Isolation Bay, Taxiway Link to new Apron (in front of Hangar) to RWY and allied works at Patna Airport		
Raipur	Expansion of Apron for 04 nos. of Bays including Link Taxi at Raipur Airport (Civil & Electrical works)	24.84	Dec-23
	Upgradation of CAT-I Lighting System to CAT-II Lighting System at Raipur Airport	22.77	Dec-23
Ranchi	Provision of CAT-II Lighting System at Birsa Munda Airport, Ranchi	18.70	Mar-24
Bhubneshwar	Construction of link building	87.51	Dec-23
	"Construction of Parallel Taxi Track (PTT), Rapid Exit Taxi way (RET) and Apron for parking of 08 nos. Code C Aircraft at Biju Patnaik International Airport, Bhubaneswar. SH: Construction of PTT and RET (Phase-II)"	52.77	Mar-24
	Conversion of Category - I Lighting to Category - II Lighting System at BPI Airport, Bhubaneswar	21.98	Jan-24
Kolkata	Construction of ATC Tower/Technical Block	458.00	Engg. Works- Aug-23 CNS works- May-24
	"Airside Capacity Enhancement of NSCBI Airport, Kolkata Extn of F -Taxi track from proposed Bay No. C-13 to 19R & from 19R to 19L, Construction of 03 nos. RET's, 04 nos. Apron, Shoulders and Box Culvert at different locations of NSCBI Airport, Kolkata"	389.71	May-23

### Projects under Planning (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Darbhanga	Development of New Civil Enclave and associated works at Darbhanga Airport	916.00
Bihta	Development of Civil Enclave at Bihta	937.00
Bhubaneswar	Construction of New Domestic Terminal [T3] Building at Bhubaneswar Airport	955.00
Kolkata	Construction of Common User Domestic Cargo Terminal (CUDCT) at NSCBI Airport, Kolkata	130.00
	Capacity Enhancement of Integrated Passenger Terminal Building, NSCBI Airport, Kolkata	109.07
Bagdogra	Development of New Civil Enclave at Bagdogra Airport	1884.00

## WESTERN REGION

### Foundation Stone / Inauguration of building or facilities during F.Y. 2022-23

Project- site/ Airport	Particulars	Date
	NIL	

### Capital Schemes Completed during F.Y. 2022-23

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Completed Cost	Completion Date
Kolhapur	Extension & Strengthening of Runway, Apron & associated works at Kolhapur Airport	173.12	Jul-22
Jabalpur	Upgradation of Jabalpur Airport for AB-320 Type of Aircraft SH: Extension of Runway, Construction of New Apron, Taxi Track & Isolation Bay including Link Taxi, GSE Area, Perimeter Road & allied works (Civil & Elect.)	176.60	Jun-22

### Capital Schemes under progress (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site/ Airport	Particulars	Approved Cost	PDC
Dholera	"Development of Dholera International Greenfield Airport SH: Detailed Designing, EPC of Airport infrastructure i.e. Runway, Taxiway, Apron, Perimeter Road etc. including associated electrical works"	805.00	Nov-24
Rajkot	Construction of Greenfield Airport at Hirasar (Rajkot)	1405.00	"With Interim Terminal Building - Jun-23 With Regular Terminal Building -Dec-23"
Surat	Extension of Terminal Building at Surat Airport Extension of Apron and Construction of Parallel Taxi Track at Surat Construction of Canopy in front of Terminal Building at Surat Airport	353.25	Dec-23
Vadodara	Construction of ATC Tower & Fire Station Resurfacing of Runway and Taxiway at Civil Aerodrome, Vadodara	57.72 25.83	Apr-23 Mar-24
Goa	Extension of existing Integrated Terminal Building	255.69	Jun-24
Bhopal	Construction of ATC Tower cum Technical Block and other associated works	41.16	Dec-23
Indore	Construction of ATC Tower & Fire Station	86.61	May-24
Jabalpur	"Upgradation of Jabalpur Airport for AB-320 type of Aircraft, SH. New Terminal Building"	181.12	Dec-23
Rewa	Development of Rewa Airport, Madhya Pradesh	41.89	Mar-24



Project-site/ Airport	Particulars	Approved Cost	PDC
Juhu	Construction of residential quarters in AAI-PHHL Colony, Juhu	38.80	Jun-23
Pune	Construction of New integrated Terminal Building	475.39	Dec-23
Kolhapur	Construction of New Terminal Building, Technical Block cum ATC Tower and associated works	71.73	Nov-23

### Projects under Planning (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Dholera	"Development of New Greenfield Airport SH: Construction of Terminal Building and associated works"	500.00
Datia	Development of Datia Airport for operation of 19 seater Aircraft	50.00

## NORTH-EAST REGION

### Foundation Stone / Inauguration of building or facilities during F.Y. 2022-23

Project- site/ Airport	Particulars	Date
Itanagar	Inauguration of Construction of Greenfield Airport at Donyi Polo Airport, Itanagar.	19.11.2022

### Capital Schemes Completed during F.Y. 2022-23

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Completion Date	Completed Cost
Silchar	Extension of Apron and construction of New link taxiway at Civil Enclave, Silchar Airport.	May-22	17.14
Shillong (Barapani)	Extension & strengthening of R/way & allied works at Barapani Airport.	Aug-22	35.63
Itanagar	Construction of Interim Terminal Building at Itanagar. (By AAICLAS)	Nov-22	25.84
Agartala	Construction of Cargo Building at Agartala Airport.	Dec-22	16.68
Dibrugarh	Dismantling of existing open drain in operational area and construction of new covered drain at the same location at Dibrugarh, Assam.	Mar-23	26.73

### Capital Schemes under progress (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site	Particulars	PDC	Approved Cost
Dibrugarh	Construction of hangar at Dibrugarh, Assam.	Dec-23	21.70
	Re-carpeting and merging of Existing Runway -05 (Flexible) work with new Rigid Runway pavement and other allied work at Dibrugarh Airport, Assam.		50.54
	Construction of ATC Tower cum Technical Block at Dibrugarh Airport, Assam.		44.28
Imphal	Construction of International cargo terminal at Imphal Airport, Manipur.	Dec-23	16.96
	Construction of Hangar, Associated apron & link taxiway at Imphal Airport, Manipur.	Mar-24	35.90
	Construction of New Integrated Terminal Building, Control Tower Cum Technical Block, Apron, Link Taxiway and Associated works at Imphal International Airport, Imphal, Manipur.	Dec-24	499.00
	Extension of Turn pad & fillets and Strengthening of TWY C at Imphal Airport, Manipur.	Dec-23	17.05
Itanagar	Construction of New Greenfield Airport at Donyi Polo Airport, Itanagar, Arunachal Pradesh.	*	645.63
Tezu	Construction of Terminal Building and allied works at Tezu Airport (Balance work), Arunachal Pradesh.	Apr-23	53.95

\* Airport was inaugurated on 19.11.2022 with Interim Terminal Building. PDC for regular Terminal Building is Feb-24.



## Projects under Planning (As on 31.03.2023)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Agartala	Re-carpeting of Runway taxiways, Grading of Operational area and associated works at M.B.B. Airport, Agartala, Tripura.	93.76
Imphal	Construction of Operational area Storm water RCC drain and grading of Basic strip at Imphal Airport, Manipur.	73.90
Silchar	Construction of New greenfield Airport at Doloo Airport.	1000.00
Jorhat	Construction of New Integrated Terminal Building at Jorhat Airport.	300.00



# Annual Report on CSR Activities



KANGRA AIRPORT

## ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2022 -23

### 1. Brief Outline on CSR Policy of AAI

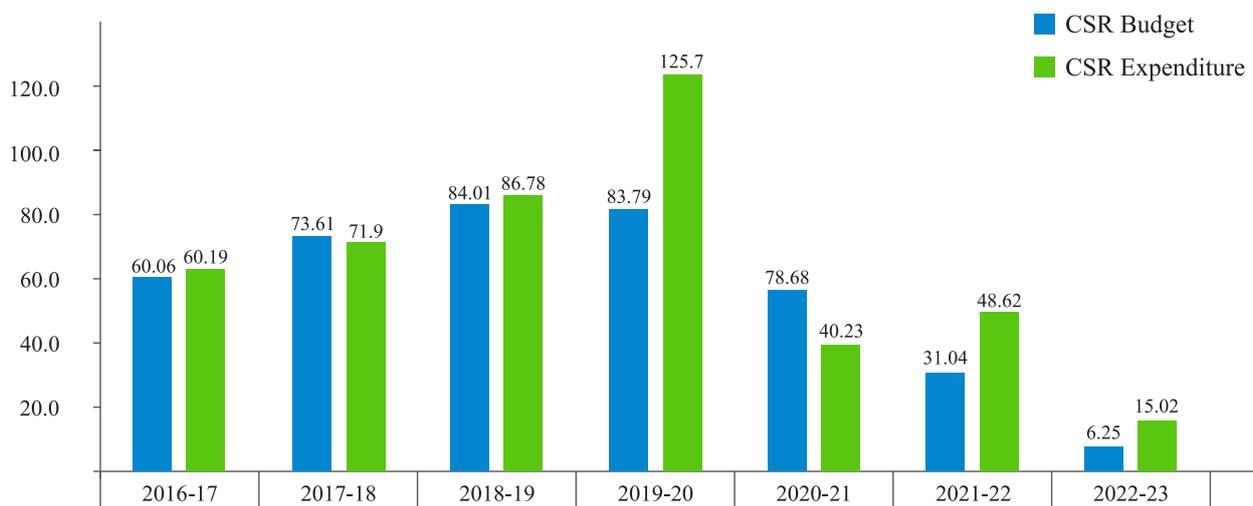
At Airports Authority of India, we are firmly committed to conducting our business in socially responsible manner and being responsive to the needs of society at large. Our CSR endeavors transcend regulatory compliance; they embody our genuine desire to make a meaningful impact on society. We take immense pride in the positive transformations we have brought about in the communities where we operate. Our projects have touched various aspects, from education and healthcare to environmental conservation and skill development.

Our CSR initiatives are centered around the key principles of treating social responsibility as a core value rather than an option. Over the past few decades, AAI has consistently undertaken various CSR initiatives, driving sustainable development and growth of the society:

- (a) **Independent CSR Projects:** AAI has been driving various CSR projects independently in proximity to our units and establishments across the country. These initiatives are designed to address the specific needs and challenges of the communities in those areas.
- (b) **Government Initiatives:** We actively support various programs initiated by the Government of India, such as the PM CARES, Clean Ganga Mission, Armed Forces Flag Day Clean India Mission and Skill Development Institutes. Our commitment to these government-driven initiatives underscores our dedication to national development priorities.

### AAI'S CSR Engagement

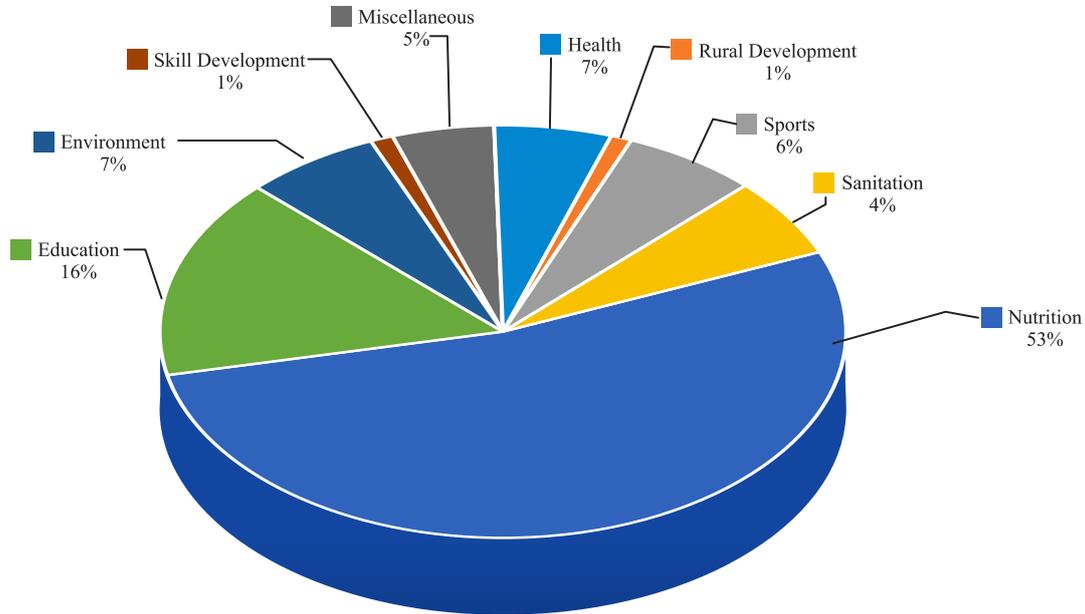
The Airports Authority of India has consistently strived to fulfill its CSR commitments and is committed to ongoing progress for the improvement of communities.



During the Financial Year 2022-23 a total sum of ₹ 15.02 crore was spent towards various CSR activities against the total CSR obligation of ₹ 6.25 crore



### CSR Contribution In FY 2022-23



AAI also ensured that at least 60% of its CSR spending for the year was directed towards the theme allocated by the Department of Public Enterprises (DPE). For FY 2022-23, the designated theme was "Health & Nutrition."

## 2. Composition of CSR Committee

S No.	Name of Director	Designation	Number of meetings of CSR committee held during the year	Number of meetings of CSR committee attended during the year
1.	Shri Sanjeev Kumar, IAS	Chairman, AAI	1	1
2.	Shri Anil Kumar Pathak	Functional Member	1	1
3.	Shri Ravindra Singh Balawat	Part time Non-Official Member (Independent)	1	1

## 3. Provide the web link(s) where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The above details are uploaded on AAI's website, link of thereof is provided below: <https://www.aai.aero/en/corporate/about-aai-csr>

## 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

AAI has engaged services from Tata Institute of Social Sciences to carry out Impact Assessment for 10 of its mega projects & TISS has submitted 02 Assessment reports of:-

- a. Funding to ALIMCO for Fitment of Cochlear Implants to Children with hearing Impairment for 100 children (PAN India).
- b. Skill Development - Faridabad by CIDC

The above details are uploaded on AAI's website, link thereof is provided below: -

<https://www.aai.aero/en/corporate/impact-assessment-reports>

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 312.49 Cr.
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 6.25 Cr.
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:- **NIL**.
- (d) Amount required to be set-off against previous years liability from the financial year 2022-23, if any: ₹ 2.52 Cr.
- (e) Total CSR obligation for the financial year 2022-23 [(b)+(c)-(d)]: ₹ 3.73 Cr.
6. (a) Amount spent against the CSR fund of Financial Year 2022-23 on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 4.59 Cr.
- (b) Amount spent in Administrative Overheads: **NIL**
- (c) Amount spent on Impact Assessment, if applicable: **NIL**
- (d) Total amount spent for the Financial Year 2022-23 [(a)+(b)+(c)]: ₹ 4.59 Cr.\*  
\* Including the amount of ₹ 4.46 Cr spent on schemes prior to F.Y. 2022-23.
- (e) Amount spent out of unspent account: ₹ 10.43 Cr.
- (f) Unspent CSR fund as on 31.03.2023: ₹ 29.15 Cr.
- (g) Details of CSR amount spent against ongoing & other than ongoing projects for the financial years: Please refer to attached **Appendix A**.
7. CSR amount unspent for the Financial Year 2022-23: ₹ 3.60 Cr.

Total Amount Spent for the financial year (In ₹ Cr.)		Amount Unspent (in Cr.)				
		Total amount transferred to unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to sub-section (5) of section 135		
Against the allocated budget for the F.Y. 2022-23	Against the unspent fund of previous years	Amount	Date of transfer.	Name of the fund	Amount	Date of transfer
4.59	10.43	3.60	24.08.2023	NA	NA	NA

## 8. Details of asset created or acquired through CSR spent in the Financial Year: **NIL**



## 9. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Name of the Project.	(3) Financial Year in which the project was Commenced	(4) Project Duration	(5) Total amount allocated for the project (₹ in Cr.)	(6) Amount spent on the project in the reporting Financial Year (₹ in Cr.)	(7) Cumulative amount spent at the end of reporting Financial Year. (₹ in Cr.)	(8) Status of the project - Completed/ Ongoing.
1	Proposal for undertaking Community Healthcare Programme in the Nuh Aspirational District, Haryana, Bisnoui Sarvodaya Gramodyog Sewa Sansthan. Nuh District Haryana. (Extended for one year).	2021-22 & 2022-23	2 years	0.5168	0.276	0.402	Ongoing
2	Proposal for “Jan Arogyam” community Healthcare programme in Khora Colony, Distt. Ghaziabad, Uttar Pradesh.	2022-23	1 year	0.25	0.0701	0.0701	Ongoing
3	Proposal for digital up-gradation of the ASI Hampi Museum at Kamalpura, Karnataka.	2022-23	1 year	3.25	-	-	Ongoing
4	Construction of community hall at Arapati Awang under CSR scheme.	2020-21	9.5 months	0.3454	0.1676	0.35	Completed
5	Construction of Playground with Gallery, Drainage and Compoind wall at Kyamgei Heibong Makhong, Imphal, East Manipur.	2019-20	1 year and 6 months	1.8	0.36	1.80	Completed
6	Construction of Toilets for Boys & Girls at MAMIT dist. Mizoram.	2018-19	06 months	0.99	0.55	0.88	Completed
7	Setting up of central kitchen at Hazaribagh, Jharkhand through Akshay Patra Foundation Hazaribagh AAI, Jharkhand State Building Construction Corporation Ltd. (JSBCCL), M/s Akshaya Patra Foundation.	2017-18	2 years	20.00	8.00	6.00	Ongoing
8	Proposal for construction of Public toilet complexes by Sulabh International Social services (SISSO) at various location in Ayodhya, UP.	2019-20	6 Months	1.00	0.096	0.856	Completed

(1) Sl. No.	(2) Name of the Project.	(3) Financial Year in which the project was Commenced	(4) Project Duration	(5) Total amount allocated for the project (₹ in Cr.)	(6) Amount spent on the project in the reporting Financial Year (₹ in Cr.)	(7) Cumulative amount spent at the end of reporting Financial Year. (₹ in Cr.)	(8) Status of the project - Completed/ Ongoing.
9	Construction of Modern Library Complex at Parade Ground, Dehradun, Uttarakhand. Agency: Govt . of Uttarakhand, through CEO, Dehradun Smart City Limited, Dehradun.	2019-20	1 Year	7.50	0.75	7.50	Completed
10	Construction of 5 A-size Synthetic football turf and recreation centre at Langdang village, Ukhrul district, Manipur.	2019-20	1 Year	1.49	0.581	1.33	Completed
11	Construction of 6 High Dependency Units (HDU) and 2 Intensive Care Units (ICU) in Prathmik Swasthya Kendra, Bada Gaon near Lal Bahadur Shastri International Airport, Babatpur, Varanasi, Uttar Pradesh.	2018-19	17 Months	6.90	0.682	3.866	Completed
12	Maintenance of AAI paper recycling unit, Rangpuri, New Delhi.	2020-21	1 year	5.96	0.9927	1.35	Foreclosed
13	Construction of new School building at Civil Aviation Training Centre (CATC) Bamrauli, Allahabad, Uttar Pradesh. Agency: M/s Bajrang Nirman Pvt. Ltd., Lucknow, Uttar Pradesh.	2018-19	18 months	2.24	1.61	2.25	Ongoing
14	Setting up of Skill Development Centre at Vizianagaram (AP)	2016-17	1 Year	0.26	0.13	0.26	Completed
15	Miscellaneous CSR schemes				0.76		

## 10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135

In the past, numerous CSR activities were approved for multiple years. However, some of these initiatives faced delays or had to be discontinued due to unexpected circumstances, resulting in the underutilization of the CSR budget for the fiscal year. The COVID-19 pandemic and subsequent lockdowns significantly impacted the finances and income of AAI, affecting both CSR budget allocation and expenditures. As a result, there was an increase in CSR liabilities, for which a portion of the FY 2022-23 budget was allocated.

Every effort has been made to ensure the completion of these activities in the fiscal year 2023-24. A.A.I. is dedicated to achieving a 100% expenditure of the CSR budget, including addressing previous year liabilities.



## **A BRIEF ON SOME OF THE CSR PROJECTS UNDERTAKEN BY AAI DURING THE FINANCIAL YEAR 2022 -23**

### **Community Healthcare Programme in the Nuh Aspirational District, Haryana, Bisnouli Sarvodaya Gramodyog Sewa Sansthan, Nuh District, Haryana. (₹ 0.23 Cr.)**

Bisnouli Sarvodaya Gramodyog Sewa Sansthan (NGO) working in the realm of women empowerment with focus on healthcare, education, vocational/skill training, social mobilization, micro-finance, handcrafts and awareness generation on various socio- economic issues. The organization's main aim is to empower the underprivileged section of the population in the both urban and rural areas.



### **Construction of 5 A-side Synthetic football turf and re-creation centre at Langdang village, Ukhrul district, Manipur. (₹ 1.49 Cr.)**

A project for "Construction of 5 A size Synthetic Football Turf and Recreation Centre at Ukhrul District, Manipur" was approved by Airports Authority of India(AAI) in Ukhrul District Community Resource Management Society (UDCRMS), subsidiary of North Eastern Community Resource Management Project (NERCORMP) in Ukhrul District, Manipur.



## Purchase of Ultra Sound & Digital X- ray Machine for Primary Health Centre, Leh. (₹ 2.4 Cr.)

Airports Authority of India provided Ultra Sound & Digital X-ray Machine for Primary Health Centre, Leh.





## **Purchase of MRI Machine to SNM Hospital, Leh. (₹ 12.78 Cr.)**

Airports Authority of India provided MRI Machine to SNM Hospital, Leh .



## **Contribution by funding to National Mission for Clean Ganga (NMCG) and Clean Ganga Fund (CGF) for Ganga Rejuvenation.**



## Setting up of central kitchen at Hazaribagh, Jharkhand through Akshay Patra Foundation Hazaribagh AAI, Jharkhand State Building Construction Corporation Ltd. (JSBCCL), M/s Akshaya Patra Foundation - (₹ 20 Cr).

AAI in association with Govt. of Jharkhand and M/s Akshay Patra have approved one very good proposal for setting up of central mechanized kitchen for implementation of mid-day meal scheme in aspirational district Hazaribagh of Jharkhand. In this scheme, the mechanized kitchen is being constructed along with provision of vehicle for transportation. This project will provide mid-day meal to up to one lakh children everyday in Govt. schools across Hazaribagh District.





खजुराहो हवाई अड्डा

KHAJURAHO AIRPORT

**KHAJURAHO AIRPORT**



भारतीय विमानपत्तन प्राधिकरण  
Airports Authority of India

# Sustainability Report





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## AAI INITIATIVES FOR A CLEANER AND GREENER SUSTAINABLE FUTURE



### SUGAM (Sustainable Green Airports Mission)

AAI is continuously moving forward on the mission of green airports with commitment to meet the renewable energy & emission targets in line with Panchamrit Mantra declared by Hon'ble Prime Minister in CoP26 at Glasgow and to ensure cleaner, greener & healthier environment for generations to come.

To accomplish the task, AAI has formulated an Environment Policy with aim to achieve the goal of carbon neutrality and net-zero emissions by implementation of suitable measures including but not limited to:

- Optimizing energy consumption by enacting energy efficiency and conservation measures including maximizing the usage of affordable green and renewable energy resources
- Reducing the fossil fuel consumption by promoting and adopting alternative greener fuels and ensuring judicious and deliberate use of natural resources.
- Integrating net-zero building design concepts and optimum usage of eco-friendly and biodegradable products without compromising structural integrity requirements and safety standards.
- Integrating sustainable transportation technologies and strategies with use of Electric and Hybrid vehicles.
- Implementing sustainable waste-management practices and appropriate disposal.



- Conserving natural resources by inculcating the culture of refuse, reduce, reuse, repurpose and recycle.
- Implementing water conservation through rain water harvesting, waste water reclamation and other emerging practices to reduce wastage.
- Documenting and quantifying GHG resources and mitigating carbon footprint by adopting best and technologically advanced procedures and implementing best industry practices in vogue.
- Monitoring air-quality and implementing best practices in vogue to improve indoor air quality at airport terminals.
- Implementing/Adopting best Air Traffic Management facilities, practices and procedures.
- Directing, educating, sensitizing, motivating and imparting training to all employees and stakeholders to enable them to understand desired behavior towards environment health.
- Fulfilling all applicable environmental compliance obligations.

AAI is responsibly engaged in switching over operations at its airports on renewable energy to reduce carbon emissions at airports.

AAI is also endeavouring to inculcate best technology practices for improving energy efficiency and reducing carbon footprint to combat climate change in a cost-effective manner.

All upcoming projects are planned and designed for achieving GRIHA 5 Star Rating by employing industry best practices and selection of ECBC compliant electrical equipment.

To improve operational efficiency, measures such as Flexible Use of Airspace (FUA), Airport Collaborative Decision Making (A-CDM), Central Air Traffic Flow Management (C-ATFM), Departure Slot Management (DSM), Performance Based Navigation (PBN) and Continuous Descent Operations (CDOs) are under various stages of implementation.

AAI has achieved the following milestones during the year:

- AAI has added on-site solar plant capacity of 14.5 MW during the year, thus achieving the cumulative installed solar plant capacity of 54.5 MW at 47 locations by the end of year.
- Operations at a total 25 airports are being catered by green / renewable energy. This has been achieved by using energy generated by on-site solar plants, procurement of RE through open access and procurement under green power tariff in accordance with prevalent CERC/SERC regulations.
- By the end of year, AAI met more than one-third of its total electricity requirement through Renewable Sources.
- With implementation of Flexible Use of Airspace (FUA) and Central Air Traffic Flow Management (C-ATFM), AAI achieved carbon footprint reduction to the tune of 58,000 tCO<sub>2</sub>e during the year.

### **Works in planning/execution stage**

- AAI has planned to switch over operations at 100 of its airports on 100% RE by December 2024 in a phased manner to reduce carbon emissions at airports.
- AAI is in process of obtaining ACI-ACA (Airport Carbon International – Airport Carbon Accreditation) Level – 2 certification at 26 of its airports to assess, review, reduce and optimise its emissions.



भारतीय विमानपत्तन प्राधिकरण  
Airports Authority of India



# AAI's achievement against MoU Parameters

Annexure 5



RAIPUR AIRPORT

AIRPORTS AUTHORITY OF INDIA Achievement on MoU 2022-23 Parameters						
S N	Parameters	Unit	Marks	MoU Targets	Achievement MoU Targets	Marks on Achievement
1	Revenue from Operations	₹ in Cr.	10	10,198.00	11,424.90	10.00
2	Aircraft movement at all Indian Airports	No. in Thousands	10	2,606.00	2,508.32	9.63
3	Terminal Capacity utilisation for AAI Airports (MPPA)	%	10	97.10%	78.27%	8.06
4	CAPEX	₹ in Cr.	13	5,297.00	5,175.00	12.70
5	EBITDA as a percentage of Revenue	%	10	34.86%	48.88%	10.00
6	Return on Capital employed	%	15	15.48%	20.17%	15.00
7	Asset Turnover Ratio	%	5	34.80%	30.60%	4.40
8	Acceptance/ Rejection of Invoices of Goods and Services through TReDS Portal	%	5	100%	100%	5.00
9	Procurement from GeM as % of Total Procurement	%	2	25%	26.30%	2.00
10	Trade Receivables as number of days of Revenue from Operations	No. of Days	5	58.00	29.15	5.00
11	PAT to Share Capital (in lieu of EPS)	%	15	172.41%	452.67%	15.00
	<b>TOTAL</b>		<b>100</b>			<b>96.78</b>

Compliance Parameters for 2022-23						
S N	Parameters	Unit	Negative Marks to be awarded for non-compliance	MoU 2022-23 Targets	Achievement on MoU 2022-23 Targets	Negative Marks (if any)
1	DPE guidelines issued from time to time on CSR expenditure by CPSEs.		-1		Complied with	NIL
2	Compliance of provisions in the Companies Act, 2013 (or SEBI (LODR) regulations in case of listed entities) on Corporate Governance such as: (i) Composition of Board of Directors (ii) Board Committees (Audit Committee etc.) (iii) Holding Board Meetings (iv) Related Party Transaction (v) Disclosures and Transparency		-3		Not Applicable	NIL
3	Target as given by NITI Aayog on Assets Monetization Milestones		-1		Complied with	NIL
4	Procurement of goods or services through MSEs as % of Total procurement of goods and services	%	-1	25%	51.81% Complied with	NIL



Compliance Parameters for 2022-23						
S N	Parameters	Unit	Negative Marks to be awarded for non-compliance	MoU 2022-23 Targets	Achievement on MoU 2022-23 Targets	Negative Marks (if any)
5	Procurement of goods or services through SC/ST MSEs as % of Total procurement of goods and services	%	-1	4%	1.00% Not Complied with	-1.00
6	Procurement of goods or services through Women MSEs as % of Total procurement of goods and services	%	-1	3%	1.00% Not Complied with	-1.00
7	Steps and initiative taken for Health & Safety improvement of Human Resources in CPSEs (Target to be prescribed by the Administrative Ministry)		-1			NIL
	(a) Vaccination drive for Booster Dose for employees and their family members	No.			Complied with	
	(b) Observation of International Yoga Day				Complied with	
	(c) Carrying out 12 mock fire drill safety exercises	No.			Complied with	
	(d) Convening 12 Webinars on Health and Stress Management	No.			Complied with	
<b>TOTAL MARKS NET OF COMPLIANCE NEGATIVE MARKING</b>						<b>94.78</b>

# Audited Financial Statements of Airports Authority of India





LUCKNOW AIRPORT



## PERFORMANCE AT A GLANCE

PARTICULARS	UNITS	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
<b>SOURCES OF FUNDS</b>							
Paid up Capital	₹ in Crores	656.56	656.56	656.56	656.56	656.56	656.56
Grants	"	119.62	113.81	106.67	58.72	89.89	99.17
Loans from Govt. of India	"						
Loans - Others	"	2,385.29	3,151.94	1,897.21	91.56	37.16	37.43
Non Current Liabilities	"	5,964.82	6,789.24	9,189.64	8,474.67	8,816.36	8,456.89
Reserves & Surplus	"	15,005.30	11,476.03	12,105.82	14,756.63	13,729.89	14,170.89
<b>TOTAL</b>	<b>"</b>	<b>24,131.59</b>	<b>22,187.58</b>	<b>23,955.90</b>	<b>24,038.15</b>	<b>23,329.86</b>	<b>23,420.94</b>
<b>APPLICATION OF FUNDS</b>							
Fixed Assets (Less Deprec.)	"	8,743.36	8,492.50	7,887.14	8,463.03	7,947.20	7,757.89
Work in Progress	"	9,367.65	7,691.85	7,248.09	4,849.38	3,183.06	1,574.65
Investments	"	1,800.39	1,800.39	1,800.39	1,797.84	1,715.47	1,715.47
Other Non Current Assets	"	3,816.01	3,314.28	6,571.29	7,138.15	7,521.11	6,897.73
Working Capital	"	(1,776.13)	(2,190.77)	(2,654.34)	(508.91)	8.40	2,894.05
Deferred Tax Asset (Net)	"	2,180.31	3,079.33	3,103.33	2,298.65	2,954.62	2,581.14
<b>TOTAL</b>	<b>"</b>	<b>24,131.59</b>	<b>22,187.58</b>	<b>23,955.90</b>	<b>24,038.15</b>	<b>23,329.86</b>	<b>23,420.94</b>
<b>INCOME &amp; PROFIT</b>							
Revenue	"	12,172.35	6,841.29	4,867.04	12,837.44	14,132.96	12,976.96
Expenditure (after adjustment of exceptional items wherever applicable)	"	8,208.60	6,808.53	7,634.05	9,020.38	10,448.97	8,560.02
Profit/(Loss) before tax	"	3,963.75	32.76	(2,767.01)	3,817.06	3,683.99	4,416.94
Provision for tax	"	92.68	-	(0.27)	1,176.00	1,786.03	1,885.81
Provision for Deferred Tax (Asset)	"	899.02	24.00	(804.68)	655.97	(373.48)	(270.51)
<b>Profit/(Loss) after tax</b>	<b>"</b>	<b>2,972.05</b>	<b>8.76</b>	<b>(1,962.06)</b>	<b>1,985.09</b>	<b>2,271.44</b>	<b>2,801.64</b>
<b>APPROPRIATION</b>							
(Loss) transferred to General Reserves	"	-	-	(1,962.06)	-	-	-
General Reserve	"	1,248.26	8.76	-	641.19	810.84	1,072.76
Specific Reserve (net)	"	832.17	-	-	385.55	537.79	716.89
Dividend (incl. interim dividend)	"	891.62	-	-	818.57	765.46	840.50
Tax on Dividend	"	-	-	-	139.78	157.35	171.49
<b>TOTAL</b>	<b>"</b>	<b>2,972.05</b>	<b>8.76</b>	<b>(1,962.06)</b>	<b>1,985.09</b>	<b>2,271.44</b>	<b>2,801.64</b>
Proposed Dividend for current FY from General Reserves	"	-	638.56	671.70	-	-	-
Grant of Dividend Exemption for earlier years	"	(1,448.84)	-	-	-	-	-
Special Dividend iro Previous Year	"	-	-	-	-	1,484.50	1,654.11
Tax on Dividend iro Previous Year	"	-	-	-	-	305.14	336.74
<b>Appropriation from General Reserves</b>	<b>"</b>	<b>(1,448.84)</b>	<b>638.56</b>	<b>671.70</b>	<b>0.00</b>	<b>1,789.64</b>	<b>1,990.85</b>
<b>NET WORTH</b>	<b>"</b>	<b>15,661.86</b>	<b>12,132.59</b>	<b>12,762.38</b>	<b>15,413.19</b>	<b>14,386.45</b>	<b>14,827.45</b>
(Share Capital + Reserves)	"						
<b>CAPITAL EMPLOYED</b>	<b>"</b>	<b>6,967.23</b>	<b>6,301.73</b>	<b>5,232.80</b>	<b>7,954.12</b>	<b>7,955.59</b>	<b>10,651.94</b>
(Net Fixed Assets + Working Capital)	"						
<b>Current Assets</b>	<b>"</b>	<b>13,872.31</b>	<b>12,619.11</b>	<b>8,744.92</b>	<b>8,974.31</b>	<b>7,339.08</b>	<b>8,094.55</b>
<b>Current Liabilities</b>	<b>"</b>	<b>15,648.44</b>	<b>14,809.88</b>	<b>11,399.26</b>	<b>9,483.22</b>	<b>7,330.69</b>	<b>5,200.50</b>
<b>Working Capital</b>	<b>"</b>	<b>(1,776.13)</b>	<b>(2,190.77)</b>	<b>(2,654.34)</b>	<b>(508.91)</b>	<b>8.40</b>	<b>2,894.05</b>



OTHER HIGHLIGHTS	UNITS	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18
Gross Addition to Fixed Assets	₹ in Crores	2,513.32	2,734.78	1,466.83	2,461.53	1,841.93	1,724.07
Sundry Debtors less Provision	"	912.49	1,219.06	768.43	1,476.81	1,164.16	1,211.21
No. of employees in position	Nos.	16,023	16,158	16,780	17,364	17,487	17,536
Aircraft Movements	Nos.'000s	2,508.32	1,757.11	1,196.74	2,587.05	2,605.96	2,324.55
Passenger Movements (**)	"	1,49,874.64	91,157.16	58,467.96	1,58,332.38	1,58,793.1	1,36,731.39
<b>RATIOS</b>							
Profit/(Loss) After Tax to Net Worth	Percentage	19	-	(15)	13	16	19
Profit/(Loss) Before Tax to Capital Employed	"	57	1	(53)	48	46	41
Profit/(Loss) After Tax to Capital Employed	"	43	-	(37)	25	29	26
Turnover to Capital Employed	"	174.71	108.56	93.01	161.39	177.65	121.83
Current Ratio	Ratio	0.89	0.85:1	0.77:1	0.95:1	1:1	1.56:1
Debt Equity Ratio							
-Total debts to Equity	Ratio	0.288	0.263	0.151	0.007	0.003	0.003
-Long Term Debts to Equity	Ratio	0.152	0.260	0.149	0.006	0.003	0.003
Profit/(Loss) Before Tax to Total Revenue	Percentage	32.56	0.48	(56.85)	29.73	26.07	34.04
Profit/(Loss) After Tax to Total Revenue	"	24	-	(40)	15	16	22
Average Debt Collection Period	Days	101	194	419	187	161	169
No. of Aircraft Movements per employee	Nos.	157	109	71	149	149	133
Revenue per employee	₹ in '000	7,597	4,234	2,901	7,393	8,082	7,400
Revenue Exp. Per employee	₹ in '000	5,123	4,214	4,549	5,195	5,975	4,881
<b>ANNUAL PLAN</b>							
Plan Outlay	₹ in Crores	5,000.00	4,500.00	4,364.94	4,950.00	4,195.07	2,517.82
Actual Capital Expenditure	₹ in Crores	5,175.00	3,724.34	4,350.00	4,713.49	4,297.44	2,504.38
<b>FINANCED AS UNDER:</b>							
Internal Resources Utilised	"	3,059.74	606.24	1,817.86	4,230.76	3,704.12	2,018.44
North Eastern Council Grant	"	4.18	4.5	2.07	22.64	-	20.00
RCS Grant	"	507.39	900.00	630.00	454.51	282.61	235.61
Budgetary Grant in aid	"	221.93	190.00	29.99	0.98	118.20	187.13
Commercial Borrowings	"	1,314.35	1,277.29	1,828.07	-	-	-
Others	"	67.41	746.31	42.01	4.60	192.51	43.20
<b>TOTAL</b>	<b>"</b>	<b>5,175.00</b>	<b>3,724.34</b>	<b>4,350.00</b>	<b>4,713.49</b>	<b>4,297.44</b>	<b>2,504.38</b>

(\*\*) Excluding JVC, State Owned & private airports.

## BALANCE SHEET as at March 31, 2023

( ₹ In Crores)

Particulars	Note No.	FY 2022-23	FY 2021-22
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Capital</b>			
(a) Capital	2	656.56	656.56
(b) Reserves and Surplus	3	15,124.92	11,589.84
		<b>15,781.48</b>	<b>12,246.40</b>
<b>2. Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	2,385.29	3,151.94
(b) Other Long Term Liabilities	5	3,131.11	2,961.87
(c) Long-Term Provisions	6	2,833.71	3,827.37
		<b>8,350.11</b>	<b>9,941.18</b>
<b>3. Current Liabilities</b>			
(a) Short-Term Borrowings	7	-	200.00
(b) Trade Payables	8	689.11	529.36
(c) Other Current Liabilities	5	5,321.12	3,214.17
(d) Short Term Provisions	6	9,638.21	10,866.35
		<b>15,648.44</b>	<b>14,809.88</b>
<b>Total</b>		<b>39,780.03</b>	<b>36,997.46</b>
<b>II ASSETS</b>			
<b>1. Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Fixed Assets	9	8,734.31	8,477.56
(ii) Intangible Assets	10	9.05	14.94
(iii) Capital Work-in-Progress	11	9,364.13	7,691.36
(iv) Intangible Assets Under Development	12	3.52	0.49
		18,111.01	16,184.35
(b) Non-Current Investments	13	1,800.39	1,800.39
(c) Deferred Tax Assets (Net)	14	2,180.31	3,079.33
(d) Long-term Loans and Advances	15	3,816.01	3,314.28
		<b>25,907.72</b>	<b>24,378.35</b>
<b>2. Current Assets</b>			
(a) Inventories	16	103.30	101.25
(b) Trade Receivables	17	912.49	1,219.06
(c) Cash and Cash Equivalents	18	4,450.57	1,644.13
(d) Short-term Loans and Advances	15	7,512.90	9,090.46
(e) Other Current Assets	19	893.05	564.21
		<b>13,872.31</b>	<b>12,619.11</b>
<b>Total</b>		<b>39,780.03</b>	<b>36,997.46</b>

Statement of Significant Accounting Policies

1

The Notes from 1 to 54 are an integral part of these Financial statements

New Delhi  
16th June, 2023

Sd/-  
(J.B. Saini)  
ED (CA&CS)

Sd/-  
(K.S. Sivakumar)  
ED (F&A)

Sd/-  
(Sanjeev Kumar)  
Member (Finance) & Chairman



## STATEMENT FOR PROFIT AND LOSS for the period ended March 31, 2023

( ₹ In Crores)

Particulars	Note No.	FY 2022-23	FY 2021-22
<b>Income</b>			
I. Airport Navigational Services	20	3,550.35	2,379.96
II. Airport Services	21	2,913.12	1,674.04
III. Non-Aeronautical Airport Services	22	1,257.02	912.09
IV. Cargo Revenue	23	-	-
V. Airport Lease Revenue (incl PPP Airports)	24	3,704.41	1,367.63
VI. Other Income	25	747.45	507.57
<b>VII. Total Revenue (I+II+III+IV+V+VI)</b>		<b>12,172.35</b>	<b>6,841.29</b>
<b>VIII. Expenses</b>			
Employee Benefits Expenses	26	4,005.50	3,702.08
Operating Expenses	27	1,894.81	1,531.72
Administrative and Other Expenses	28	322.31	437.16
Finance Costs	29	102.85	69.67
Depreciation and Amortization	30	1,883.13	1,904.38
Security Expenses	31	-	-
<b>Total Expenses</b>		<b>8,208.60</b>	<b>7,645.01</b>
<b>IX. Profit/(Loss) before exceptional and extraordinary items and tax(VII-VIII)</b>		<b>3,963.75</b>	<b>(803.72)</b>
X. Exceptional Items	32	-	(836.48)
<b>XI. Profit/(Loss) before tax(IX-X)</b>		<b>3,963.75</b>	<b>32.76</b>
XII. Tax Expenses:			
(1) Current Tax		92.68	-
( previous year tax of ₹ 20.72 Crores (FY 2021-22- ₹ NIL)			
(2) Deferred Tax		899.02	24.00
<b>XIII. Profit/(Loss) for the period (XI-XII)</b>		<b>2,972.05</b>	<b>8.76</b>
<b>Balance Carried to Balance Sheet</b>		<b>2,972.05</b>	<b>8.76</b>

Statement of Significant Accounting Policies

1

The Notes from 1 to 54 are an integral part of these Financial statements

New Delhi  
16th June, 2023

Sd/-  
(J.B. Saini)  
ED (CA&CS)

Sd/-  
(K.S. Sivakumar)  
ED (F&A)

Sd/-  
(Sanjeev Kumar)  
Member (Finance) & Chairman

## Notes to Financial Statements for the year ended March 31, 2023

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation of Financial Statements

1.1 (i) The financial statements are prepared under historical cost convention on accrual basis as per the provisions of Airports Authority of India Act, 1994 (No.55 of 1994) and rules and notification made thereunder, and in accordance with generally accepted accounting principles and the mandatory applicable accounting standards issued by the GOI agency approved for the purpose.

(ii) The Accounts are presented in the format as notified by the Government vide Notification No. 815 dated 31st March 2014 under Airports Authority of India (Annual Report and Annual Statement of Accounts) Rules, 2014.

(iii) All assets and liabilities have been classified as current or non-current. Based on the services rendered and their realization in cash and cash equivalents, the operating cycle has been ascertained as 12 months for the purpose of current and non-current classification of assets and liabilities. Figures for previous periods have been regrouped/reclassified wherever necessary for uniformity in presentation.

#### 1.2 Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses and disclosure of contingent liabilities as at the date of the financial statements. Management believes that these estimates and assumptions are reasonable and made on prudent basis taking into account all available information, however the actual results could differ from these estimates and such differences are recognized in the period in which the results are crystallized.

#### 2. Property, Plant and Equipment

##### 2.1 Assets

2.1.1 AAI has adopted the cost model of

recognition to measure the Property, Plant and Equipment. Consequently, all Property, Plant and Equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

2.1.2 The cost of an item of Property, Plant and Equipment comprises its purchase price, including import duties and non-refundable taxes, after deducting trade discounts and rebates, any directly attributable expenditure to bring the Property, Plant and Equipment to the location and making it ready for its intended use including the clearances required from regulatory Agencies as may be applicable and is net of credit availed in respect of any taxes, duties, capital grant receipts.

2.1.3 The items of property, plant and equipment are reviewed from the component accounting approach and the parts/ components with significant cost and separate useful life is identified as per their carrying cost.

2.1.4 Spare parts are recognised as property, plant and equipment's when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

2.1.5 Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

2.1.6 Capitalization is carried out in terms of the Capitalization Policy of AAI including the clearances required from regulatory Agencies as may be applicable. Brief gist is as follows: -

- a) Construction Works (Project)- Capitalization is done from the time the project is ready for intended use.
- b) Equipment relating to Airport, Cargo, Security & IT and CNS Equipments not requiring Calibration: Capitalization is done from the date of installation, testing and commissioning.
- c) CNS Equipment's requiring Calibration –ILS, RADAR, VORs, ADS-B: To be capitalized from the date the flight calibration is completed



## Notes to Financial Statements for the year ended March 31, 2023

as certified by Flight Information Unit (FIU) of AAI or immediately after 3 months from the date of installation as certified by Radio Construction and Development Unit(RCDU) of AAI/Suppliers whichever is earlier.

- 2.1.7 Part completion of works / projects and put to use are capitalized based on the technical assessment.
- 2.1.8 Expenditure not represented by AAI Assets is charged off as Revenue expenses.
- 2.1.9 Pre-project expenditure in case of abandoned works and expenditure incurred for foreclosed and abandoned works are charged off as Revenue expenses.
- 2.1.10 Fixed Assets which have been fully depreciated are shown at residual value of ₹1/- till disposal.
- 2.1.11 Any non-monetary asset acquired from State Government free of cost is valued at nominal value of ₹1/- for each type of asset.
- 2.1.12 Wherever land is sold / transferred / disposed-off and the specific value of such land is not available, it is valued at average cost of acquisition, except in cases where it is acquired free of cost.
- 2.1.13 In case of joint fixed assets to the extent of AAI's share in such assets is accounted in proportionate to the cost incurred and depreciation charged accordingly.
- 2.1.14 Asset individually costing less than ₹5000/- are charged off to Revenue expenses.

### 2.2 Construction Period Expenses on Projects

- 2.2.1 Direct revenue expenditure of exclusive Project Division handling capital projects are capitalized along with the completion cost of the work(s).
- 2.2.2 The interest on mobilization advance in respect of project is set off against the project expenses.
- 2.2.3 Interest on borrowings for projects is capitalized up to the date of capitalisation.

### 2.3 Intangible Assets

- 2.3.1 Computer Software (not being an embedded software in the equipment) which is put to use and is expected to provide future enduring economic benefits is recognized as Intangible Assets and amortized on straight line basis over a period of five years or licence period of the software whichever is earlier. However where such computer software is still in development stage, costs incurred during the development stage of such software are accounted as "Intangible Assets Under Development".
- 2.3.2 Expenditure on Research & Development, other than on capital account, is charged to revenue.

### 2.4 Depreciation

- 2.4.1 Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The following rates are used to provide depreciation on its fixed assets.

#### Depreciation rates

Asset Type	Rates (SLM)
Runways, Taxiways and Aprons, Roads, Bridges & Culverts	13%
Plant and Machinery /Electrical installations	11%
X-ray Baggage	11%
Tools & Equipment	20%
Buildings –Terminal Buildings & others	8%
Buildings –Residential	5%
Buildings Leasehold	8%
Temporary Buildings, Security Fencing	100%
Boundary wall (Operational)	8%
Boundary wall (Residential)	5%
Office equipment	18%
Furniture and fixtures	20%
CFT & Firefighting equipment	13%
Aircraft	10%
Other Vehicles	14%
Computers, IT Hardware and accessories	20%

## Notes to Financial Statements for the year ended March 31, 2023

2.4.2 Depreciation is charged at 100% of the applicable rates in case assets are used in a financial year for 180 days or more whereas if the assets are used for less than 180 days the depreciation will be equivalent to 50% of the depreciation of the financial year.

2.4.3 Depreciation on Temporary Buildings, Security Fencing and Intangible assets is charged at 100% of the applicable rates irrespective of the number of days in use.

2.4.4. Lands taken on lease by AAI are amortized over the lease period and in case where the lease period is not available, such costs are amortized over a period of 60 years.

2.4.5 The residual value and the useful life of an asset is to be reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) should be accounted for as a change in an accounting estimate in accordance with AS 5, "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies".

### 2.5 Impairment of Assets

As at each balance sheet date, the carrying amount of cash generating units/assets is tested for impairment so as to determine:

- the provision for impairment loss, if any required; or the reversal, if any, required of impairment loss recognized in previous periods.
- Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

### 2.6 Physical Verification of Fixed Assets

The Physical Verification of Fixed assets are carried out as under:-

Big Airports (including ATC centers/Security/ Cargo units): Every 3 years.

Medium Airports: Every 2 years.

Small Airports (includes ACS, CHQ, CATC, RCDU, CRSD, FIU, EMO, and RHQ (Administrative offices): Every year.

### 3. Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made are classified as Current Investments. All other investments are classified as long-term investments. Long term investments are carried at cost. Provision is made for diminution other than temporary, in the value of such investments if any.

### 4. Trade Receivables

Debt more than 1 year old recoverable from parties other than Government Departments (including State Governments) are considered doubtful and provided for.

- In cases where the matter has been referred to arbitration / litigation/ disputed, necessary provision is made in the accounts irrespective of the period of debt.
- Security Deposit available has not been considered while making the provision for doubtful debts.

### 5. Inventories

- Stock / Spares consumed during the year are charged as revenue expenditure.
- Stock at year end (except store/spare with unit cost of ₹ 5000 and less) is valued at cost price on FIFO basis for a period of five years from the date of receipt. Thereafter the net realizable value is worked out as under and is shown at cost or net realizable value whichever is less:

6 <sup>th</sup> year	70% of the cost
7 <sup>th</sup> year	40% of the cost
8 <sup>th</sup> year onwards	10% of the cost.

### 6. Grants & Subsidies

Grants/Subsidies received from the Government and Foreign Financial Institutions for acquisition of assets under agreements approved by the Government are treated as Capital Grants. Grants are deducted from



## Notes to Financial Statements for the year ended March 31, 2023

the gross value of the assets at the time of capitalisation of assets in arriving at its book value. Till the completion of the work Grant will be shown as a reduction from the WIP of the concerned work. When the grant is equal to the cost of the asset, the asset is shown in the balance sheet at nominal value at ₹1/-.

Assets created out of Development Fee are valued at a nominal amount of ₹1/-.

### 7. Foreign Currency Translation

- (i) Transactions in foreign currency are recorded at the exchange rates prevailing at the date of transactions except the balance in Exchange Earners Foreign Currency (EEFC) Account which is accounted for at the rate prescribed for such Account
- (ii) Non-Monetary items denominated in foreign currency (such as Fixed Assets etc) are valued at the exchange rate prevailing on the date of transaction.
- (iii) Any gains or losses arising due to differences in exchange rates at the time of translation are accounted for in the statement of P&L either under the head foreign exchange fluctuation or interest cost as per the case.

### 8. Revenue Recognition

- (i) Revenue is recognized as the services are rendered on accrual basis and is net of service tax/GST.
- (ii) Bills are raised at the time when and to the extent there is no significant uncertainty as to its measure ability and ultimate realization.
- (iii) In respect of cases under legal disputes / PPE Act, Interest on delayed payments, Cargo Demurrage charges (except where bills are raised on Airlines/Agencies), Insurance Claims, Interest on Staff advances, etc. are accounted on receipt basis.
- (iv) Custom Duty Exemption certificates received under 'Serve India Scheme' as

well as EPCG Licenses are accounted as income in the year of receipt. However unutilized portion of expired Scripts/ Licenses if any is charged off in the period in which the results are crystallized.

- (v) In respect of Deposit Works undertaken by AAI, income accrued as departmental charges is accounted for on receipt/ lodging of the final claim.
- (vi) Income and expenditure upto Rupees five lakhs in each case pertaining to previous years are accounted for in the current year.

### 9. Taxes on Income

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Current Tax Provision is adjusted against Advance Tax on the basis of order of Commissioner Income Tax (Appeals) received during the year.

### 10. Deferred Tax

Deferred tax Liability/Asset resulting from "timing difference" between book and taxable profit is accounted for considering the tax rates and laws that have been enacted or substantively enacted on the Balance Sheet date. The Deferred Tax Asset is recognized and carried forward only to the extent that there is a reasonable certainty that sufficient taxable income will be available in future against which such deferred tax assets can be realized.

### 11. Employee Benefits

#### 11.1 Short Term Benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

#### 11.2 Post-Employment Benefits and Other Long Term Employee Benefits:

- a) AAI's Contribution to the Provident Fund and Pension Scheme in respect of Eligible Employees is remitted to AAI, Employee Provident Fund Trust and Regional Provident Fund Commissioner, Ministry of Labor and Employment, Govt. of India

## Notes to Financial Statements for the year ended March 31, 2023

respectively based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

- b) AAI operates defined benefit plans for Gratuity. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year and administered through respective Trusts. Actuarial gains/losses are charged to Statement of profit and Loss.
- c) Obligations on Compensated Absences, Welfare benefits, Post-Retirement Medical benefits for retired employees and resettlement benefits are provided using the projected unit credit method of actuarial valuation made at the end of the year.
- d) AAI's Contribution to Employees Defined Contribution Pension Scheme is remitted to "AAI Employees Defined

Contribution Pension Trust" based on a fixed percentage of the eligible employees salary as approved by AAI Board and charged to Statement of Profit and Loss.

### 12. Others

- (i) The specific reserves are utilized as per utilization of specific reserves guidelines approved by Board.
- (ii) Expenditure incurred on procurement of arms for CISF is treated as revenue expenditure.
- (iii) EMD of unsuccessful bidders and Security Deposit of elapsed contracts, more than three years old and not claimed, is treated as miscellaneous income.



## Notes to Financial Statements for the year ended March 31, 2023

### 2. CAPITAL

( ₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
<b>Capital : Government of India</b>		
As per last Balance Sheet	656.56	656.56
Add: Addition during the year	-	-
<b>TOTAL</b>	<b>656.56</b>	<b>656.56</b>

### 3. RESERVES AND SURPLUS

( ₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
<b>Capital Reserves</b>		
As per last Balance Sheet	19.10	19.10
Add: Additions during the year	-	19.10
<b>Capital Grants</b>		
As per last Balance Sheet	113.81	106.67
Add: Received during the year	1,318.60	1,102.50
Less: Utilised/paid during the year	1,312.79	1,095.36
	<b>119.62</b>	113.81
<b>Airport Development Reserve</b>		
As per last Balance Sheet	6,703.83	6,703.83
Add: Appropriation from Profit and Loss	832.17	-
	<b>7,536.00</b>	6,703.83
<b>General Reserve</b>		
As per last Balance Sheet	4,753.10	5,382.90
Less: Appropriation for Proposed Dividend	-	638.56
Add: Grant of Dividend Exemption for earlier years	1,448.84	-
Add: Appropriation from Profit and Loss	1,248.26	8.76
	<b>7,450.20</b>	4,753.10
<b>Profit &amp; Loss Account</b>		
<b>Profit/(loss) for the Year</b>	<b>2972.05</b>	<b>8.76</b>
<b>Less: Appropriations</b>		
Proposed Dividend	891.62	-
Airport Development Reserve	832.17	-
General Reserve	1,248.26	8.76
	-	-
<b>Total Reserves &amp; Surplus</b>	<b>15,124.92</b>	<b>11,589.84</b>

## Notes to Financial Statements for the year ended March 31, 2023

### 4. LONG TERM BORROWINGS

( ₹ In Crores)

Particulars		Long Term		Current Maturities*	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
<b>Secured Loans</b>					
Term Loan from Axis Bank	A	-	2,098.01	<b>2,098.01</b>	-
Rupee Term Loan (RTL) From State Bank of India	B	<b>625.00</b>	625.00	-	-
External Comercial Borrowing from State Bank of India (50 Million USD Dollar)	C	<b>414.35</b>	382.35	-	-
Rupee Term Loan (RTL) from State Bank of India (Sanctioned Loan Amount ₹ 2350 crore) (FY 22-23)	D	<b>900.00</b>	-	-	-
SBI Loan 140 Million USD (Upto ₹ 1150 Crores) FY 2022-23	E	<b>414.35</b>	-	-	-
<b>Unsecured Loans</b>					
Loan from Foreign Financial Institutions-Guaranteed by GOI	F	<b>31.59</b>	32.02	<b>1.50</b>	2.87
Lease Obligations	G	-	14.56	<b>19.45</b>	31.68
<b>Total</b>		<b>2,385.29</b>	<b>3,151.94</b>	<b>2,118.96</b>	<b>34.55</b>

\*Current Maturities are carried to Note No. 5: Other Current Liabilities

#### A. Secured Term Loan from Axis Bank

Limit	Total Loan Amount Outstanding as on 31st March 2023	Interest Rate	Tenor/ Disbursement & Repayment Schedule	Security
Secured Rupee term Loan amount sanctioned by Axis Bank is ₹ 2100 Crores	₹ 2098.01 Crores	Monthly interest at the rate of three months T-bill rate subject to quarterly reset and margin @ 2.95%	3 years moratorium period on repayment of principal amount with first half-yearly Instalments of ₹ 150 Crores each payable on 4th November 2023 & 4th May every year. However with the approval of the Competent Authority, AAI decided to foreclose the loan and the loan account was fully settled on 5th April 2023	Land Parcel of 248422.90 sq. meters at Andheri Transmitting centre, Mumbai.



## Notes to Financial Statements for the year ended March 31, 2023

### B. Secured Rupee Term Loan from State Bank of India (₹ 625 Crores)

Limit	Total Loan Amount Outstanding as on 31st March 2023	Interest Rate	Tenor/ Disbursement & Repayment Schedule	Security
Secured Rupee term Loan amount sanctioned by SBI Bank is ₹ 625 Crores	₹ 625 Crores	Monthly interest at the rate of 6 M MCLR subject to reset after every 6 Months and Margin 90 bppa, i.e., 0.90%	3 years moratorium period on repayment of principal amount with 1st to 13th half-yearly Instalments of ₹ 44.64 Crores each payable on 15th May and 15th November every year starting from FY 2025 and 14th and final installment of ₹ 44.68 Crores payable on 15th November 2031	(i) Land parcels at Dahisar (Remote Receiving Station) – 45.17 Acres of mutated land area and (ii) Land parcel of New Airport Colony Area, Vile Parle East - 25 Acres of mutated land area

### C. Secured External Commercial Borrowings from State Bank of India (USD 50 Million)

Limit	Total Loan Amount Outstanding as on 31st March 2023	Interest Rate	Tenor/ Disbursement & Repayment Schedule	Security
50 million USD Dollar ECB Loan from State Bank of India	USD 50 Million	Interest payable after every 6 months at interest rate of 6 M USD LIBOR or the Replacement Benchmark in case of a Replacement Event and Margin 165 bppa, i.e., 1.65%	3 years moratorium period on repayment of principal amount with 1st to 13th half-yearly Instalments of USD 3.57 Million starting from FY 2025 (on 42nd Month from the 1st Utilization date) and 14th and final installment of USD 3.59 Million payable on 120th Month from the 1st utilization date.	(i) Land parcels at Dahisar (Remote Receiving Station) – 45.17 Acres of mutated land area and (ii) Land parcel of New Airport Colony Area, Vile Parle East -25 Acres of mutated land area

### D. Secured Rupee Term Loan from State Bank of India-FY 2022-23

Limit	Total Loan Amount Outstanding as on 31st March 2023	Interest Rate	Tenor/ Disbursement & Repayment Schedule	Security
Secured Rupee term Loan-FY 2022-23 (Loan Sanctioned Amount is ₹ 2350 Crores)	₹ 900 Crores	Monthly Interest payable at the interest rate of 6 months MCLR plus Margin 0.28%	3 years moratorium period on repayment of principal amount with 1st to 13th half-yearly Instalments of ₹ 167.80 Crores each payable on 15th June and 15th December every year starting from 15th December 2025 and 14th and final installment of ₹ 168.60 Crores payable on 15th June 2032	Land Area of 153.92 acres of land situated at Pallavaram cantonment village belonging to AAI-Chennai Airport was identified as Mortgaged property. However considering the loan amount availed during FY2022-23 the Asset identified for mortgage is under review and will be finalised in Fy 2023-24 and thereafter mortgage deed will be executed in FY 2023-24.

## Notes to Financial Statements for the year ended March 31, 2023

### E. Secured External Commercial Borrowings from State Bank of India (FY 2022-23)

Limit	Total Loan Amount Outstanding as on 31st March 2023	Interest Rate	Tenor/ Disbursement & Repayment Schedule	Security
140 million USD Dollar External Commercial Borrowings (upto ₹ 1150 Crores) from State Bank of India	USD 50 Million	Interest payable after every 3 months at interest rate of 3 months SOFR plus Margin 1.65%	3 years moratorium period on repayment of principal amount with 14 half-yearly Instalments of USD 10 Million starting from FY 2026 (on 42nd Month from the 1st Utilization date) and 14th and final installment of USD 3.59 Million payable on 120th Month from the 1st utilization date.	Land Area of 153.92 acres of land situated at Pallavaram cantonment village belonging to AAI-Chennai Airport was identified as Mortgaged property. However considering the loan amount availed during FY2022-23 the Asset identified for mortgage is under review and will be finalised in Fy 2023-24 and thereafter mortgage deed will be executed in FY 2023-24.

### F. Loans from Foreign Financial Institutions: Guaranteed by Government of India

Foreign Financial Institution	Total Loan Amount Outstanding as on 31st March 2023	Interest Rate	Repayment Schedule	Loan End Date
Export Development Corporation, Canada	USD 3993375.36/-	Interest Free	Half-Yearly Instalments of USD 90758.54 each payable on 20th June & 20th December every year	20.12.2044
Instituto De Credito Oficial(ICO), Spain	NIL	0.25% pa payable on 21st March & 21st September every year	Half-Yearly Instalments of USD 96919.15 each payable on 21st March & 21st September every year	Loan fully settled on 5th August 2022

Total Foreign Loan Outstanding balance as on 31st March 2023 is USD 3993375.36 out of which current maturities portion amounts to USD 181517.08 and the long term loan portion thereof is USD 3811858.28 only.

### G. The Lease Obligations are against Assets acquired on lease. For details refer note no. 54 (vi).



## Notes to Financial Statements for the year ended March 31, 2023

### 5. OTHER LIABILITES

( ₹ In Crores)

Particulars	Non-Current		Current	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Deposits	2,996.21	2,961.87	136.51	187.94
Current Maturity of Long Term Borrowings	-	-	2,099.51	2.87
Current Maturity of Lease Obligations	-	-	19.45	31.68
Interest Accrued but not due on Borrowings	-	-	16.22	4.66
Advances from Clients	-	-	210.13	135.80
Creditors-Capital	134.90	-	647.63	437.33
Other Liabilities	-	-	2,191.67	2,413.89
			-	
<b>Total</b>	<b>3,131.11</b>	<b>2,961.87</b>	<b>5,321.12</b>	<b>3,214.17</b>

### 6. PROVISIONS

( ₹ In Crores)

Particulars	Long Term		Short Term	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Provision For Employees Retirement Benefits and PRP**	2,713.31	2,644.37	697.92	754.84
Provision for Taxation (Gross)	113.40	1,176.00	8,048.67	8,662.67
Proposed Dividend	-	-	891.62	1,448.84
Other Provisions	7.00	7.00	-	-
<b>Total</b>	<b>2833.71</b>	<b>3,827.37</b>	<b>9,638.21</b>	<b>10,866.35</b>

\*\* Disclosure as per AS 15 on 'Employee benefit has been made in Note No.34.

### 7. SHORT TERM BORROWINGS

( ₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Unsecured Working Capital Loan from State Bank of India	-	200.00
<b>Total</b>	<b>-</b>	<b>200.00</b>

\* Fund Based working capital limit availed from SBI was fully repaid in April 2022.

### 8. TRADE PAYABLES

( ₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
For Goods and Services	689.11	529.36
<b>Total</b>	<b>689.11</b>	<b>529.36</b>

## Notes to Financial Statements for the year ended March 31, 2023

### 9 TANGIBLE ASSETS

( ₹ In Crores)

Particulars	Gross Block			Depreciation, Amortisation and Impairment Loss			Net Block			
	As on 01.04.2022	Additions	Adjustments/ Deletions/ Transfers/ Reclassifications/ Sales	As on 31.03.2023	Provided upto 31.03.2022	Provided during the year	Adjustments/ Deletions/ Transfers/ Reclassifications/ Sales	Total Upto 31.03.2023	As on 31.03.2023	As on 31.03.2022
Land	302.50	42.00	40.60	303.90	-	-	-	-	303.90	302.50
Land-Leasehold	21.38	3.07	-	24.45	0.50	0.54	-	1.04	23.41	20.88
Runway, Taxiway, Apron	5,885.87	585.19	171.62	6,299.44	4,357.19	346.27	0.84	4,702.62	1,596.82	1,528.68
Buildings	10,677.58	1,160.80	118.58	11,719.80	7,456.02	662.94	13.39	8,105.57	3,614.23	3,221.56
Buildings-Leasehold	3.04	-	-	3.04	3.04	-	-	3.04	-	-
Boundary	657.54	56.77	8.43	705.88	409.45	36.38	1.35	444.48	261.40	248.09
Boundary-Leasehold	-	0.36	-	0.36	-	0.03	-	0.03	0.33	-
Plant & Equipment	10,904.31	607.94	148.45	11,363.80	8,173.33	652.98	73.87	8,752.44	2,611.36	2,730.97
Plant & Equipment-Leasehold	102.87	-	12.52	90.35	51.74	3.12	0.17	54.69	35.66	51.13
Furniture & Fixtures	384.90	6.29	5.60	385.59	307.23	31.92	4.55	334.60	50.99	77.67
Vehicles	1103.10	18.70	1.68	1120.12	878.46	70.17	0.34	948.29	171.83	224.64
Office Appliances	435.16	28.99	7.36	456.79	363.72	34.20	5.51	392.41	64.38	71.44
<b>Total</b>	<b>30,478.25</b>	<b>2,510.11</b>	<b>514.84</b>	<b>32,473.52</b>	<b>22,000.68</b>	<b>1,838.56</b>	<b>100.03</b>	<b>23,739.21</b>	<b>8,734.31</b>	<b>8,477.56</b>
Previous year	28,095.29	2,731.68	348.72	30,478.25	20,228.95	1,892.57	120.84	22,000.68		8,477.56

#### Further Notes:-

- (i) The Authority is vested with the ownership of 65406.76 acres (approx.) of land as on 31.03.2023 which includes the land which has been taken by AAI on lease from various Agencies like State Govt., MoD etc. Out of the above, a part of land (1007 acres approx.) is under encroachment at various airports. Mutation of land, transfer of title deeds in favour of AAI wherever not done so far as well as removal of encroachments on land is in progress.



## Notes to Financial Statements for the year ended March 31, 2023

### 9. TANGIBLE ASSETS (CONTD.)

Out of the total landing holdings, the land of CSI, Mumbai Airport and IGI, New Delhi Airport were handed over to the Joint Venture Companies viz Delhi international Airport Pvt. Ltd. (DIAPL)-(4799.09 acres) and Mumbai International Airport Pvt Ltd. (MIAPL)-(1963.249 acres) at CSI, Mumbai Airport on long term lease excluding carved out assets. In addition, land of Ahmedabad Airport (919.62 acres), Lucknow airport (1222.89 acres), Mangalore airport (566.40 acres), Jaipur airport (765.11 acres), Guwahati Airport (754.60 acres) and Thiruvananthapuram Airport (606.84 acres) have been handed over to M/s Adani Ahmedabad Intl Airport Ltd. (AAIAL), Adani Lucknow Intl. Airport Ltd. (ALIAL), Adani Mangalore Intl. Airport Ltd. (AMIAL), Adani Jaipur Intl. Airport Ltd. (AJIAL), Adani Guwahati Intl. Airport Ltd. (AGIAL) and Adani Thiruvananthapuram Intl. Airport Ltd. (ATIAL) respectively on leasing out six airports in Ahmedabad, Lucknow, Mangalore, Jaipur, Guwahati and Thiruvananthapuram through public private partnership mode for a period of 50 years.

(ii) The terms and conditions of transfer of land at various airports between the Ministry of Defence and AAI are yet to be decided. At IGI Airport, Delhi, land measuring 56.78 acres was taken over from the Ministry of Defence (MoD). The land is in possession of AAI and MoD has not raised any further demand apart from ₹2 crores already paid by AAI.

(iii) Land measuring 5154.50 sqm was handed over to National Highway Authority of India for the construction of Flyover in front of Chennai Airport on NH-45. The details of land is as under:-

(a) Pallavavam Cantonment-3881.40 sqm

(b) Meenambakkam Village-1273.10 sqm

As regard (a) above, the compensation amount of ₹ 12.75 crores has been received from NHAI by AAI as on 10.06.2020. As regards (b) above, AAI is in regular followup for release of payment.

(iv) Land measuring 6673.70 sqm for construction of Lucknow bypass near Lucknow airport has been taken over by NHAI. As discussed and agreed by NHAI in the meeting held on 30.07.2012, NHAI is ready to pay the compensation for land occupied by NHAI for construction of road on the rates as approved by Revenue Authorities, even after repeated reminders, NHAI have not paid any compensation so far. In this regard, a meeting was held on 08.04.2019 with NHAI and thereafter vide letter dated 23.04.2019, it has been informed to AAI that in respect of other land adjacent to AAI land taken over by NHAI the compensation has been paid @₹8.00 lakh per acre and accordingly NHAI is ready to pay the compensation of ₹ 13,29,401/- to AAI for the 6673.70 sqm of land and sought AAI's acceptance for the same. However, the said compensation is not acceptable to AAI.

(v) Permissive Possession of AAI land (Airport Approach Road) measuring 1.5 acres given to the State Govt. of Jharkhand for Road Development Project at Bisa Munda Airport, Ranchi subject to the condition that the ownership of the land will remain with AAI and State Govt. of Jharkhand will construct the road at its expenses including its maintenance in future.

(vi) AAI swapped 40 Acres of land with Mumbai Metro Regional Development Authority for construction of Metro Shed at Dahisar during the year 2017-18. In this regard, AAI board in its 174th meeting held on 23.03.2017 had resolved that MMRDA would pay the difference cost of land as per stamp duty reckoner rate based on 2016-17, which worked out to ₹472.70 crore and Rs 64 crore for relocation of equipments. The amount is yet to be received by AAI and AAI has not given any physical possession of Dahisar land due to litigation involving Govt. of Maharashtra and National Law University, Mumbai in respect of Gorai land which is to be handed over to AAI. However, AAI has received Cabinet Approval for transfer of land at both these places. Neither swapping of 40 acres of land at Mumbai with MMRDA has taken place nor payment has been released by MMRDA despite Cabinet decision. Physical possession of 40 acres of land is with AAI.

## Notes to Financial Statements for the year ended March 31, 2023

### 9. TANGIBLE ASSETS (CONTD.)

- (vii) The land pockets measuring approximate 122.24 acres (494687.72 sqmts. Approx.) have been identified at various Airports to be leased to AAICLAS (wholly owned subsidiary of AAI) from retrospective effect w.e.f 01.04.2017 onwards. The Agreement has been signed by ED (SIU) on 12.10.2022
- (viii) Land measuring 28.65 is being permanently transferred to NHAI for construction of Dwarka Expressway and inter-change loop near Shiv Murti at IGI Airport. The permissive possession has already been granted. This said land shall be formally transferred after settlement of cost/compensation and subject to approval of GoI. Land measuring 25.04 acres on nominal cost i.e. ₹ 1/- for the proposed connectivity of Shiv Murti Interchange to T-3. The permissive possession has already been granted
- (ix) Nagpur Airport is being run by MIHAN and the assets thereon were handed over w.e.f 06/07th August 2009 with provision for lease of land for a period of 30 years (extendable by another 30 years). Total land holding at Nagpur airport is 1278.25 acres (approx.). The net land area proposed to be leased to MIHAN is being freezed after finalizing the pockets of land required for AAI use (carved out land) As regard signing of Lease Deed, the same shall be executed after approval is received from GoI, that too with retrospective effect i.e. from August 2009 onwards for 30 years extendable by another 30 years.
- (x) Permanent transfer of land for Metro Projects during FY 2022-23:-
- (a) NSCBI Airport Kolkata – Working permission for 2600 sqm. of land towards Phase-II Metro Rail Project has been granted. Approval from HMCA is awaited. Pursuant to HMCA approval and receipt of land cost, 6172.487 sqm. of land has been transferred to Kolkata Metro.
- (b) Lucknow Airport – 13206.81 sqm. for construction of Airport Metro Station against cost – Full payment received.
- (c) Mumbai Airport - Land measuring 10265 sqm. Has been transferred to MMRDA for Mumbai Metro against payment of cost compensation. Payment received. Cabinet approval awaited
- (d) IGI Airport – Land measuring 6093.20 sqm. Is to be transferred to DMRC for construction of proposed Metro Station for Tuglakabad- Aerocity connectivity. Working permission has already been given. The permanent land shall formally be transferred upon settlement of cost/compensation and subject to approval of AAI Board and GoI .
- (e) MMRCL- Nagpur-2501.132 sqm land in 2017 against land cost payment for construction of Metro. Payment received Cabinet Approval awaited. Further, 20787.22 sqm (of different pockets) is to be transferred to MMRCL permanently. Working permission has already been given to facilitate the Metro construction. The permanent land shall formally be transferred upon settlement of cost/compensation and subject to approval of AAI Board and GoI.
- (xi) Permanent transfer of land to State Govt. during FY 2022-23:-
- (a) Maharashtra – Land measuring 2 Hectare is being handed over to Govt. of Maharashtra for rehabilitation of residence from the proposed land measuring 64 acres being acquired for AAI. The land measuring 64 acres is being acquired by State Govt. and shall be handed over to AAI on free of cost basis for development of Kolhapur Airport. No financial liability is arising out of above for AAI.
- (xii) Permissive possession of AAI Land during FY 2022-23:-
- (a) Khajuraho – 300 sqm. Of land for laying of water pipeline to Govt. of Madhya Pradesh against payment of charges.



## Notes to Financial Statements for the year ended March 31, 2023

- (b) Shillong/Barapani – 6075.57 sqm. Of land has been given for diversion of village road to enable AAI to install security equipment's in order to safe movement of passengers. The ownership of above two cases shall remain vested with AAI.
- (xiii) Details on provision Slum Rehabilitation: 1. Resettlement fund to Govt. of Uttar Pradesh for removal / rehabilitation of village Bhakti Kheda of Lucknow Airport-1.07 acres-No change in the status. Further the removal of encroachment is now the liability of concessionaire. 2 .Resettlement provision for Rehabilitation for Slum exists at Juhu Airport. -38.15 acresBiometric survey of slum dwellers on AAI land measuring 38.15 acres has since been completed by State Govt. However, State Govt. has not provided the details of slum dwellers who are eligible or ineligible for rehabilitation. So far, AAI has not paid any amount either for survey or for rehabilitation of Juhu slum dwellers. 3.Resettlement provision for Rehabilitation for Slum exists at Ahmedabad Airport-11.66 acres-No change in the status. Further the removal of encroachment is now the liability of concessionaire.
- (xiv) Opening balance of Depreciation includes impairment losses identified at Bangalore and Hydredabad Airport in FY13-14 in respect of Builiding Freehold ₹ 1.66 crores, Boundary ₹ 0.05 crores, Plant & Equipment ₹ 3.72 crores all totalling to ₹ 5.43 crores and the same has been carried forward.
- (xv) Out of the above Assets, Total Assets ₹ 0.33 crores (Gross block-₹ 22.18 crores and Accumulated depreciation ₹ 21.85 crores )which includes Runways (Gross block-₹ 0.28 crore) Building (Gross block-₹ 1.85 crore), Plant & Equipment (Gross block-₹ 15.65 crore), Furniture (Gross block – ₹ 0.85 Crore), Vehicles (Gross block-₹ 2.60 crore) and Office Appliances (Gross block-₹ 0.95 crore)have been retired from active use.

## Notes to Financial Statements for the year ended March 31, 2023

### 10. INTANGIBLE ASSETS

Particulars	Gross Block			Amortisation			Net Block			
	As on 01.04.2022	Additions	Adjustments/Deletions/Transfers/Reclassifications/ Sales	As on 31.03.2023	Provided upto 31.03.2022	Provided during the year	Adjustment of Sale/Transfer	Total Upto 31.03.2023	As on 31.03.2023	As on 31.03.2022
Computer Software	131.28	3.21	0.01	134.48	116.34	9.10	0.01	125.43	9.05	14.94
<b>Total</b>	<b>131.28</b>	<b>3.21</b>	<b>0.01</b>	<b>134.48</b>	<b>116.34</b>	<b>9.10</b>	<b>0.01</b>	<b>125.43</b>	<b>9.05</b>	<b>14.94</b>
Previous year	As on 01.04.2021	Additions	Adjustments/Deletions/Transfers/Reclassifications/ Sales	As on 31.03.2022	Provided upto 31.03.2021	Provided during the year	Adjustment of Sale/Transfer	Total Upto 31.03.2022		As on 31.03.2022
Total	128.18	3.10	-	131.28	107.38	8.96	-	116.34		14.94

### 11. Capital Work-in Progress

Particulars	Gross Block			Amortisation			Net Block			
	As on 01.04.2022	Additions	Adjustments/Deletions/Transfers/Reclassifications/ Sales	As on 31.03.2023	Provided upto 31.03.2022	Provided during the year	Adjustment of Sale/Transfer	Total Upto 31.03.2023	As on 31.03.2023	As on 31.03.2022
Capital Work-in Progress	7,691.36	4,181.63	2,508.86	9,364.13	-	-	-	-	9,364.13	7,691.36
<b>Total</b>	<b>7,691.36</b>	<b>4,181.63</b>	<b>2,508.86</b>	<b>9,364.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,364.13</b>	<b>7,691.36</b>
Previous year	As on 01.04.2021	Additions	Adjustments/Deletions/Transfers/Reclassifications/ Sales	As on 31.03.2022	Provided upto 31.03.2021	Provided during the year	Adjustment of Sale/Transfer	Total Upto 31.03.2022		As on 31.03.2022
Total	7,245.40	3,115.51	2,669.55	7,691.36	-	-	-	-		7,691.36

### 12. Intangible Assets Under Development

Particulars	Gross Block			Amortisation			Net Block			
	As on 01.04.2022	Additions	Adjustments/Deletions/Transfers/Reclassifications/ Sales	As on 31.03.2023	Provided upto 31.03.2022	Provided during the year	Adjustment of Sale/Transfer	Total Upto 31.03.2023	As on 31.03.2023	As on 31.03.2022
Intangible Assets Under Development	0.49	3.03	-	3.52	-	-	-	-	3.52	0.49
<b>Total</b>	<b>0.49</b>	<b>3.03</b>	<b>-</b>	<b>3.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.52</b>	<b>0.49</b>
Previous year	As on 01.04.2021	Additions	Adjustments/Deletions/Transfers/Reclassifications/ Sales	As on 31.03.2022	Provided upto 31.03.2021	Provided during the year	Adjustment of Sale/Transfer	Total Upto 31.03.2022		As on 31.03.2022
Total	2.69	0.02	2.22	0.49	-	-	-	-		0.49



## Notes to Financial Statements for the year ended March 31, 2023

### 13. NON-CURRENT INVESTMENTS

(₹ In Crores)

Particulars	Face Value per Equity Share (₹)"	Number of Equity Shares as on March 31st 2023	FY 2022-23	FY 2021-22
<b>(Long Term Investments (at cost))</b>				
<b>Unquoted Trade Investments</b>				
<b>In fully paid up Equity shares of Joint Venture Companies /Subsidiaries-</b>				
Hyderabad International Airport Ltd. (HIAL)	10/-	4,91,40,000	<b>49.14</b>	49.14
Bangalore International Airport Ltd. (BIAL)*	10/-	5,49,97,800	<b>50.00</b>	50.00
Delhi International Airport Pvt. Ltd. (DIAL)	10/-	63,70,00,000	<b>637.00</b>	637.00
Mumbai International Airport Pvt. Ltd. (MIAL)	10/-	31,20,00,000	<b>312.00</b>	312.00
National Flying Training Institute Private Ltd. (Gondia)	10/-	3,81,11,795	<b>38.11</b>	38.11
Mihan India Pvt. Ltd (MIHAN)	10/-	98,00,000	<b>9.80</b>	9.80
Kannur International Airport Private Ltd.	100/-	1,00,00,000	<b>100.00</b>	100.00
AAI Cargo Logistics & Allied Services Company Ltd.	10/-	2,50,00,000	<b>25.00</b>	25.00
Dholera International Airport Co.Ltd.	10/-	7,72,70,000	<b>77.27</b>	77.27
Dhalbhumgarh Airport Ltd	10/-	25,50,000	<b>2.55</b>	2.55
Deoghar Airport Ltd	10/-	25,50,000	<b>2.55</b>	2.55
Ludhiana Airport Ltd.	10/-	25,50,000	<b>2.55</b>	2.55
Digi Yatra Foundation*	10/-	260	-	-
Chandigarh International Airport Pvt. Ltd.	10/-	49,44,19,295	<b>494.42</b>	494.42
<b>Total-Equity Investments</b>			<b>1,800.39</b>	<b>1,800.39</b>

Note:-

- A. AAI has subscribed to 260 Equity Shares of ₹ 10 each in Digi Yatra Foundation during FY 2018-19.
- B. 49,99,800 number of Bonus Equity Shares with face value of ₹ 10 each was issues by Bangalore International Airport Ltd. (BIAL) in favour of Airports Authority of India during FY 2018-19.

### 14. DEFERRED TAX ASSETS

In compliance of Accounting Standard – 22 on “Accounting for Taxes on Income”, the item wise details of Deferred Tax Asset/Liability (net) are as under:-

(₹ In Crores)

Particulars	As on 01.04.2022	Provided during the year	Balance as on 31st March, 2023
Difference between book and tax depreciation	668.50	<b>90.05</b>	758.55
Provision for Bad & Doubtful Debts	410.13	<b>(51.70)</b>	358.43
Municipal taxes	3.11	<b>(3.10)</b>	0.01
Leave Encashment/Retired Employee Medical Benefit Scheme/Pension Schemes	895.78	<b>22.60</b>	918.38
Provision for resettlement of retired employees	21.86	<b>(0.96)</b>	20.90
Welfare (Benevolent Fund)	82.24	<b>12.13</b>	94.37
Upfront fees from JVCs	35.05	<b>(2.61)</b>	32.44
Unabsorbed Tax Depreciation for FY 2020-21*	750.32	<b>(750.32)</b>	-
Carry Forward Losses-FY 2020-21*	175.45	<b>(175.45)</b>	-
Gratuity	36.89	<b>(39.66)</b>	(2.77)
<b>Deferred Tax Assets (Net)</b>	<b>3,079.33</b>	<b>(899.02)</b>	<b>2,180.31</b>

## Notes to Financial Statements for the year ended March 31, 2023

### 15. LOANS AND ADVANCES

(₹ In Crores)

Particulars	Long Term		Short Term	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
<b>Advances for Investments-JVCs</b>	<b>86.72</b>	86.72	-	-
<b><u>Advances for Capital Expenditure</u></b>				
Secured, Considered Good	446.17	347.35	-	-
<b><u>Advance Taxes &amp; TDS</u></b>				
Tax deducted at Source and Advance Income Tax	2,702.61	2,288.60	7,083.28	8,528.61
Advance Tax-Fringe Benefit Taxes	-	-	0.85	0.85
Goods & services Tax	-	-	209.75	275.35
Balances with Customs/ Excise/ Service Tax Authorities	76.14	68.31	21.64	16.01
<b><u>Prepaid Expenses</u></b>	-	-	32.95	34.41
<b><u>Deposits</u></b>				
Unsecured Considered Good	206.73	194.37	-	-
<b><u>Employee Loans</u></b>				
Secured, Considered Good	297.64	328.93	47.02	127.15
<b><u>Advances to Suppliers/Works</u></b>				
Unsecured Considered Good	-	-	14.05	19.77
<b><u>Amount Receivable -RCS-MOCA</u></b>	-	-	8.41	7.03
<b><u>Others</u></b>				
Unsecured Considered Good	-	-	94.95	81.28
<b>Total</b>	<b>3,816.01</b>	<b>3,314.28</b>	<b>7,512.90</b>	<b>9,090.46</b>

### 16. INVENTORIES

(₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
<b>Stores and Spares</b>	<b>103.30</b>	101.25
<b>Total</b>	<b>103.30</b>	101.25

### 17. TRADE RECEIVABLES

(₹ In Crores)

Particulars	FY 2022-23		FY 2021-22	
Over Six months :	1,780.22		1,754.35	
Within Six months:	549.32	2,329.54	1,087.15	2,841.50
Less: Provision for Bad and Doubtful Debts		(1,417.05)		(1,622.44)
<b>Total</b>		<b>912.49</b>		<b>1,219.06</b>
<b>Further Notes:</b>				
(a) Secured, Considered Good		760.60		894.10
(b) Unsecured, Considered Good		151.89		324.96
(c) Doubtful		1,417.05		1,622.44



## Notes to Financial Statements for the year ended March 31, 2023

### 18. CASH AND CASH EQUIVALENTS

(₹ In Crores)

Particulars	FY 2022-23		FY 2021-22	
<b>Cash and Cash Equivalents(CFS)</b>				
Balances with Banks	1,463.98		337.77	
Cheques, Drafts on hand	-		0.01	
Cash on hand	0.03		0.05	
Imprest	0.82		0.63	
		<b>1,464.83</b>		338.46
<b>Other Bank Balances</b>				
Bank Deposits	2,985.74	<b>2,985.74</b>	1,305.67	1,305.67
<b>Total</b>		<b>4,450.57</b>		<b>1,644.13</b>

### 19. OTHER CURRENT ASSETS

(₹ In Crores)

Particulars	FY 2022-23		FY 2021-22	
Unbilled Revenue		<b>599.75</b>		379.36
Other Dues from JVCs/Subsidiaries		<b>156.96</b>		177.98
Interest Accrued on Investments/ Deposits		<b>136.27</b>		6.80
Losses Pending Investigation		<b>0.07</b>		0.07
<b>Total</b>		<b>893.05</b>		564.21

### 20. AIRPORT NAVIGATIONAL SERVICES

(₹ In Crores)

Particulars	FY 2022-23		FY 2021-22	
Route Navigation Facility Charges (RNFC)		<b>2,946.41</b>		1,997.61
Terminal Navigational Landing Charges (TNLC)		<b>567.05</b>		375.16
Other CNS/ATM Service Revenue		<b>36.89</b>		7.19
<b>Total</b>		<b>3,550.35</b>		<b>2,379.96</b>

### 21. AIRPORT SERVICES

(₹ In Crores)

Particulars	FY 2022-23		FY 2021-22	
Landing, Parking & Housing (LPH)		<b>780.06</b>		572.29
Passenger Service Fees:-				
-Facilitation	<b>0.03</b>		0.43	
-Security	-	<b>0.03</b>	-	0.43
User Development Fees				
- International PAX	<b>414.97</b>		109.25	
- Domestic PAX	<b>1,465.81</b>	<b>1,880.78</b>	886.49	995.74
Oil Throughput Revenue		-		-
Ground Handling		<b>123.90</b>		41.16
Extension of Service Hours		<b>14.72</b>		8.85
Royalty on CUTE Charges		<b>113.63</b>		55.57
<b>Total</b>		<b>2,913.12</b>		<b>1,674.04</b>

## Notes to Financial Statements for the year ended March 31, 2023

### 22. NON-AERONAUTICAL AIRPORT SERVICES

(₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Rent & Services	524.86	515.96
Trading Concessions	590.45	300.47
Car Parking	78.11	30.70
Porterage	3.58	0.39
Admission Fees/Commerical Passes	7.49	4.32
Restrooms	2.23	1.14
NOC-Height Clearance	38.09	25.20
Consultancy Services	6.38	26.26
Miscellaneous Non-Aeronautical Airport Services	5.83	7.65
<b>Total</b>	<b>1,257.02</b>	<b>912.09</b>

### 23. CARGO REVENUE

(₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Cargo Revenue	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 24. AIRPORT LEASE REVENUE (INCL. PPP AIRPORT REVENUE)

(₹ In Crores)

Particulars	FY 2022-23		FY 2021-22	
<b>a) Airport Lease Revenue</b>				
Upfront Fees		10.37		10.37
Annual Fees:-				
DIAL	1,747.93		-	
MIAL	1,262.25	3,010.18	1,027.67	1,027.67
<b>b) Revenue from PPP Airports</b>				
Upfront Fees	44.75		32.69	
Annual Concession Fees	639.11	683.86	296.90	329.59
<b>Total</b>		<b>3,704.41</b>		<b>1,367.63</b>

### 25. OTHER INCOME

(₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Interest Income	227.09	30.25
Dividend Received-JVC/Subsidiaries	70.98	87.08
Profit on Sale of Fixed Assets	24.77	71.89
Income from Training Institutes	4.24	-
Miscellaneous Income	317.19	295.17
Interest and Penalties	79.55	18.70
Employee Related Recoveries	23.63	4.48
<b>Total</b>	<b>747.45</b>	<b>507.57</b>



## Notes to Financial Statements for the year ended March 31, 2023

### 26. EMPLOYEE BENEFIT EXPENSES

(₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Pay & Allowances	2,778.97	2,369.75
Other Staff Cost	1,133.14	1,141.00
Contribution to Provident & Other Funds	381.12	374.71
Less Recovery of Operational Support Cost -JVC/ Subsidiaries/PPP Airports	(287.73)	(183.38)
<b>Total</b>	<b>4,005.50</b>	<b>3,702.08</b>

### 27. OPERATING EXPENSES

(₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Rent, Rates, & Taxes	10.01	3.46
Municipal Taxes	95.38	40.17
Insurance	5.63	20.21
Advertisement & Publicity	2.43	1.84
Repairs and Maintenance:-		
Civil Works	248.71	199.35
Electrical Works	331.81	311.39
Vehicles	26.93	20.13
Equipment & Furniture	19.50	23.02
Electronics	329.89	214.38
IT Infrastructure	91.55	76.89
Consumption of Stores and Spares	40.61	41.73
Electricity & Water Charges	372.09	316.48
Meteorological Service Charges	167.26	140.82
Upkeep Expenses	146.97	117.03
Horticulture Expenses	6.04	4.83
<b>Total</b>	<b>1,894.81</b>	<b>1,531.72</b>

### 28. ADMINISTRATIVE & OTHER EXPENSES

(₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Legal Expenses	69.38	43.74
Consultancy Services	28.20	15.34
Freight Charges	0.61	0.41
Postage & Courier Charges	0.73	0.65
Telephone, Fax and Internet Charges	6.22	5.77
Printing & Stationery	6.74	4.82
Lease Rental	8.49	6.54
Training Expenses	8.54	3.45
Travelling Expenses	118.61	78.72
Provision for Bad and Doubtful Debts	(205.38)	(1261.90)
Bad Debts	2.01	991.48
Prior Period Adjustments (net)	(22.53)	270.55
Expense On Rajya Bhasha	2.06	1.15
Regional Air Connectivity-Expenses	0.11	0.05

## Notes to Financial Statements for the year ended March 31, 2023

### 28. ADMINISTRATIVE & OTHER EXPENSES (CONTD.)

Particulars	FY 2022-23		FY 2021-22	
Grant to Training Centers		-		0.49
Audit Fees for CAG Statutory Audit	4.00		4.00	
Fees for other Services-Audit	0.14	4.14	0.11	4.11
Hire Charges		103.40		90.87
Research and Development Expenses		0.06		0.06
Corporate Social Responsibility Expenses		6.25		31.04
Watch & Ward/Security Contract		80.43		72.71
Collection Charges		21.33		23.42
Guarantee Fees		2.01		2.04
Arbitration Expenses		12.57		1.36
Miscellaneous		68.33		50.29
<b>Total</b>		<b>322.31</b>		<b>437.16</b>

### 29. FINANCE COSTS

( ₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Interest on Borrowings*	97.23	64.40
Applicable Net Loss on Foreign Currency Translation	3.30	1.32
Interest on Lease Obligations	2.32	3.95
Other Financing Charges	-	-
<b>Total</b>	<b>102.85</b>	<b>69.67</b>

#### Further Notes:-

Interest on Borrowings hereinabove does not include Interest on Borrowings amounting to ₹ 194.35 Crores capitalised during FY 2022-23 ( ₹ 110.68 Crores in FY 2021-22) as per Accounting Standard 16.

### 30. DEPRECIATION AND AMORTIZATION EXPENSES

( ₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Depreciation/ Amortisation on Tangible Assets	1874.03	1895.54
Amortisation of Intangible Assets	9.10	8.84
<b>Total</b>	<b>1,883.13</b>	<b>1,904.38</b>

### 31. SECURITY EXPENSES

( ₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Aviation Security Force-CISF	-	-
Other Security Agencies incl. State Police	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 32. EXCEPTIONAL ITEMS

( ₹ In Crores)

Particulars	FY 2022-23	FY 2021-22
Reversal of Provision for Doubtful Debts due to Air India settlement	-	(836.48)
<b>Total</b>	<b>-</b>	<b>(836.48)</b>



## Notes to Financial Statements for the year ended March 31, 2023

### 33. INCOME / (EXPENSES) PERTAINING TO PRIOR YEARS (NET)

(₹ In Crores)

Particulars	FY 2022-23		FY 2021-22	
<b>A. EXPENDITURE</b>				
Employee Benefits Expenses	(3.68)		0.50	
Operating Expenses	(2.04)		(22.35)	
Administrative and Other Expenses	(7.43)		2.20	
Depreciation and Amortization Expenses	(35.47)		(2.86)	
Security Expenses	2.96		6.57	
<b>Total</b>		<b>(45.66)</b>		<b>(15.94)</b>
<b>B. INCOME</b>				
Airport Navigational Services	-		0.57	
Airport Services	0.71		1.04	
Non-Aeronautical Airport Services	(4.62)		306.81	
Cargo Revenue	0.10		0.21	
Airport Lease Revenue	-		3.17	
Other Income	26.94		(25.31)	
		<b>23.13</b>		<b>286.49</b>
<b>Total</b>		<b>(22.53)</b>		<b>270.55</b>

## Notes to Financial Statements for the year ended March 31, 2023

### 34. Disclosure under AS 15(Revised) on “Employee Benefits”

#### Defined Contribution Plan:

- (A) AAI pays fixed contribution to Provident Fund at predetermined rate to a separate trust, which invests the funds in permitted securities. The contribution to the fund for the period is recognized as expense and is charged to the P&L Account.
- (B) Consequent to the approval of MoCA for “AAI Employees Defined Contribution Pension Scheme” and after formation of “AAI Employees Defined Contribution Pension Trust” during 2018-19, AAI has started paying contribution at predetermined rate to the Trust in respect of eligible employees for the period effective from 01.01.2007. The contributions to the funds and liability created is charged to the P&L Account.

#### Defined Benefit Plan:

- (A) **Leave:** AAI provides for Earned Leave (EL) benefit and Half Pay Leave (HPL) to the employees which accrue annually at 30 days and 20 days respectively. The EL was encashable during service subject to keeping residual leave of 30 days at the time of encashment and a maximum of 300 days on superannuation/resignation or death. Similarly, unutilized HPL was also encashable subject to maximum of 240 days on the date of superannuation / resignation or death. The above limits were applicable till 30.09.2020.

In terms of AAI HRM Circular No: 68 / 2020 dated 28-10-2020, the rule position with regard to encashment of Earned Leave(EL) and Half Pay Leave(HPL) on the date of Superannuation/resignation or death has been amended in line with the DPE Guidelines i.e "EL & HPL can be considered for Encashment of Leave on Retirement subject to the overall limit of 300 days". The cash equivalent payable for HPL would be equal to the leave salary as admissible for half-pay plus DA and to make up the short fall in

EL, no commutation of HPL would be permissible. This amendment has come into force w.e.f. 01-10-2020. The liability for the same is recognized on the basis of actuarial valuation.

- (B) **Post Retirement Medical Facility:** The retired employee and the spouse are provided medical facilities on payment of one time prescribed contribution subject to rendering a minimum of 15 years continuous service. The clause of rendering a minimum 15 years' service is not applicable for functional Board Members subject to completing their term. The scheme is voluntary and recognized in Profit & Loss A/c on the basis of actuarial valuation on annual basis.
- (C) **Gratuity:** Gratuity is paid at 15 days salary for every completed year of service subject to rendering of continuous service of not less than 5 years. The ceiling is ₹ 20 lakhs w.e.f. 01.01.2017 (₹10 lakhs upto 31.12.2016). The liability for the same is recognized in Profit & Loss Account on the basis of Actuarial Valuation on annual basis.
- (D) **Benevolent Fund Scheme:** As per the Revised AAI Employees Benevolent Fund Scheme effective from 01.01.2018, the contribution and the entitlement benefit shall be as under
- The employee shall contribute ₹ 250/- per month w.e.f. 01.01.2018
  - Monthly entitlement on account of superannuation, compulsory/voluntary retirement and death shall be paid as under over a period of eight (8) years
    - ₹7000/- per month to the employees who have made enhanced contribution of ₹ 250/- upto two (2) years before separation.
    - ₹ 10000/- per month to the employees who have made enhanced contribution of ₹ 250/- for more than two (2) years but upto five (5) years before separation.



## Notes to Financial Statements for the year ended March 31, 2023

(iii) ₹ 12000/- per month to the employees who have made enhanced contribution of ₹ 250/- for more than five (5) years before separation.

The liability for the same is recognized on the basis of actuarial valuation.

(E) **Post retirement settlement benefits:** At the time of superannuation, employees (and dependents) are entitled to settle at place of their choice in India. They are eligible for transfer traveling allowance etc. as applicable to serving employee on transfer. The liability for the same is recognized in Profit & Loss A/c on the basis of actuarial valuation on annual basis.

### i) Expenses recognized in CWIP/Statement of Profit & Loss Account

(₹ in Crores)

Particulars	Gratuity		Medical Benefits		Post Retirement Settlement Benefits	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Current Service Cost	27.48	33.70	46.95	43.57	17.18	17.53
Interest cost on benefit obligation	10.59	9.23	99.49	84.85	6.28	6.18
Expected return on plan assets	-	-	-	-	-	-
Net actuarial (gain)/loss recognized in the year	(43.35)	(22.20)	46.89	106.72	(23.83)	(24.67)
Past service cost- vested benefit recognized during the period	-	-	-	-	-	-
Expenses for the year	(5.28)	20.73	193.33	235.14	(0.37)	(0.96)

### ii) The amount recognized in the Balance Sheet

(₹ in Crores)

YEAR	Gratuity		Medical Benefits		Post-Retirement settlement Benefits	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Opening Net Liability	146.51	135.78	1,344.49	1,227.86	86.86	90.82
Expense as above	(5.28)	20.73	193.33	235.14	(0.37)	(0.96)
Employer's Contribution / Benefits paid	(5.80)	-	(124.32)	(118.51)	(3.46)	(3.00)
Employer's Contribution	(146.51)	(10.00)	-	-	-	-
Net asset / (liability) recognized in the Balance Sheet	(11.08)	146.51	1,413.50	1,344.49	83.03	86.86

## Notes to Financial Statements for the year ended March 31, 2023

### iii) Changes in the present value of the defined benefit obligations:

(₹ in Crores)

YEAR	Gratuity (**)		Medical Benefits		Post Retirement settlement Benefits	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Present value of obligation as on beginning	1,356.36	1,377.07	1,344.49	1,227.86	86.86	90.82
Interest cost	98.06	93.64	99.49	84.85	6.28	6.18
Current Service Cost	27.48	33.70	46.95	43.57	17.18	17.53
Past service cost- vested benefit recognized during the period	-	-	-	-	-	-
Benefits paid directly by employer	(5.80)	-	(124.32)	(118.51)	(3.46)	(3.00)
Benefits paid from Fund	(124.55)	(131.05)	-	-	-	-
Net actuarial (gain)/loss on obligation	(18.06)	(17.00)	46.89	106.72	(23.83)	(24.67)
Present value of the defined benefit obligation as at the end of the current period	1,333.49	1,356.36	1,413.50	1,344.49	83.03	86.86

\*\* including funds available with insurance companies.

### iv) Changes in the fair value of plan assets:

(₹ in Crores)

	Gratuity	
	2022-23	2021-22
Fair value of plan assets as beginning of year	1,209.85	1,241.29
Expected return on plan assets	87.47	84.41
Contributions by employer	146.51	10.00
Benefit paid	(124.55)	(131.05)
Actuarial gain / (loss)	25.29	5.20
<b>Fair value of plan assets at close of year</b>	<b>1,344.57</b>	<b>1,209.85</b>

### v) Details of Plan Assets (Gratuity)

The details of the plan assets at cost as on 31<sup>st</sup> March 2023 are as follows:

(₹ in Crores)

Description	2022-23	2021-22
Government of India securities	-	-
Corporate Bonds	-	-
Special Deposit schemes	-	-
Cash And Cash Equivalents	-	-
Insurer managed funds	1,334.35	1,195.72
Others	10.22	14.13
<b>TOTAL</b>	<b>1,344.57</b>	<b>1,209.85</b>



## Notes to Financial Statements for the year ended March 31, 2023

### vi) Actuarial Assumptions

Principal assumptions used for actuarial valuation are:

Method used – Projected unit credit (PUC)

Discount rate (Gratuity/Leave/Resettlement) – 7.52 % (Previous year 7.23 %)

Discount rate (Post Retirement Medical Benefits) – 7.53% (Previous year 7.40 %)

Expected rate of return on assets (Gratuity only) – 7.52% (Previous year 7.23 %)

Future salary increase - 7 % (Previous year 7%)

Attrition rate – 2 % (Previous year 2%)

The management has relied on the overall actuarial valuation conducted by the certified Actuary.

## 35. Disclosure under Accounting Standard 18 on "Related Party Disclosures"

### i) Related parties:

Name of the Subsidiaries	Ownership Interest	
	31.03.2023	31.03.2022
1. Chandigarh International Airport Ltd.(CHIAL)	51%	51%
2. AAI Cargo Logistics & Allied Services Company Ltd. (AAICLASCL)	100%	100%
3. DHOLERA International Airport Company Ltd.	51%	51%
4. Deogarh Airport Limited	51%	51%
5.Dhalbhumgarh Airport Limited	51%	51%
6. Ludhiana International Airport Ltd.	51%	51%

Name of the Joint Ventures	Ownership Interest	
	31.03.2023	31.03.2022
1. Delhi International Airport Pvt. Ltd (DIAPL)	26%	26%
2. Mumbai International Airport Pvt. Ltd (MIAPL)	26%	26%
3. GMR Hyderabad International Airport Pvt. Ltd (GHIAL) (CAP: ₹ 50 crores)	13%	13%
4. Bangalore International Airport Pvt. Ltd (BIAL) (CAP: ₹ 50 crores)	13%	13%
5. National Flying Training Institute Private Ltd., Gondia (NFTIPL)	46%	46%
6. MIHAN India Pvt. Ltd., Nagpur	49%	49%
7. Kannur International Airport Ltd. (KIAL) (CAP: ₹ 100 crores)	7.47%	7.47%
8. Indian Aviation Academy	Autonomous body	
9. DIGI Yatra Foundation	26%	26%
10. Mandi International Airport Limited	49%	-

### ii) **Key Management Personnel**

- Shri Sanjeev Kumar, IAS, Chairman
- Shri A.K. Pathak, Member (Planning)
- Shri K. Vinayak Rao, Member (Fin) upto 31.10.2022
- Shri M Suresh, Member (ANS)
- Dr. Srinivas Hanumankar, Member (Human Resources) w.e.f. 10.03.2023

## Notes to Financial Statements for the year ended March 31, 2023

- Shri Dharmendra Bhojwani, ED (Finance)
- Shri S. N. Borkar, ED (PMQA/CA) upto 01.07.2022
- Shri J B Saini, ED (PMQA/CA) w.e.f 01.07.2022

### iii) Details of transactions with the related parties:

(₹ in Crores)

Particulars	FY 2022-23	FY 2021-22
Annual Fee from JVCs:		
DIAPL	1,747.93	-
MIAPL	1,262.25	1,027.67
Addition to Equity Shares holding		
DHOLERA International Airport Company Ltd.	-	-
Deogarh Airport Limited	-	-
Dhalbhumgarh Airport Limited	-	-
Ludhiana International Airport Ltd.	-	-
Operation Support Cost/retirement compensation received:		
DIAPL	-	-
MIAPL	-	-
Other receipts		
DIAPL	-	-
MIAPL	-	-
Dividend Received from		
MIHAN	0.98	-
AAICLAS	70.00	72.25
CHIAL	-	14.83
AMOUNT RECEIVABLE/PAYABLE:		
a. DIAPL	-	-
b. MIHAN INDIA TD (MIL)	2.82	3.89
Operation support cost receivable		
Amount Payable		
c. CHIAL		
Amount receivable	3.69	1.84
d. AAICLASCL		
Amount payable	0.01	49.96
Amount receivable	26.69	111.37
e. NFTIPL		
Amount receivable	16.51	20.23
Advance for Investment as on closing date		
MIHAN INDIA LTD(MIL)	86.72	86.72
Dholera International Airport	-	-
Remuneration to Key Management Personnel	3.53	3.95



## Notes to Financial Statements for the year ended March 31, 2023

### iv) Corporatization of AAI Cargo Operations

As approved by AAI Board in its 168th Board Meeting held on 14/03/2016 vide agenda item no.: 168.6, AAI Cargo Logistics & Allied Services Company Ltd. (100% subsidiary of AAI ) has been incorporated on 11th August, 2016 under the companies Act, 2013 for cargo and allied operations.

As, AAI continue to receive some Revenue related to Cargo Segment and incurred expenditure on Cargo Segment relating to employee cost and other operating expenditure during 2022-23 and the same have been accounted for as Payable to/Receivable from AAICLASCL in the book of accounts as on 31.03.2023. The details in this regard are as under:

₹ in Crores

(I) Amount Payable to AAICLASCL as on 31.03.2023	0.01
(II) Amount Receivable from AAICLASCL as on 31.03.2023	26.69
<b>(III) Amount receivable from AAICLASCL as on 31.03.2023</b>	<b>26.68</b>

During the F.Y. 2022-23, the Cargo Segment Assets which are appearing in AAI Books relating to 2022-23) as per details note below have been transferred to AAICLASCL Books through transfer and the same is receivable from AAICLASCL.

₹ in Crores

Particulars	As on 31.03.2023
Gross block of cargo segment assets (2022-23)	1.24
Accumulated Depreciation on 01.04.2023	1.02
Net block of cargo segment asset	0.22

The amount of ₹ 0.22 Crore + GST Amount has been included in the amount receivable from AAICLAS in the books of accounts as on 31/03/2023.

### v) Concession fee from AAICLAS Co. Ltd.

The Board of AAICLAS Co. Ltd. in its 12th meeting held on 07/03/2019 vide Agenda item no:

20.20 has approved the proposal to enter into a concession Agreement with Airports Authority of India for the rights given by AAI to AAICLAS Co. Ltd. to do the Cargo Business. The period of concession to be 30 years and AAICLAS Co. Ltd. shall pay a concession fee @ 30% of the actual Gross Revenue to AAI.

Accordingly, as per the data provided by AAICLAS Co. Ltd, AAI has accounted an amount of ₹ 128.30 Crores as Concession Fee from AAICLAS Ltd. relating to the FY 2022-23 in its annual accounts for the FY 2022-23.

## 36. Formation of National Aviation Security Fee Trust

In accordance with MoCA letter no: AV.13024/659/2015-AS dated 29/06/2019, a trust has been formed in the name of “National Aviation Security Fee Trust” (NASFT) to operate and manage Aviation Security Fee funds. The said Trust has been entrusted with the role of collection of Aviation Security Fees as well as payment related to Aviation Security Expenses w.e.f 01.07.2019 on PAN India basis in respect of all Airport Operators (AAI & Other Airport Operators).

Accordingly, NASFT has been registered vide Trust Deed dated 29.06.2019 and representatives of MoCA and Airports Authority of India have been taken as Ex-Officio Trustees on Board of Trustees of the NASFT.

As per SOP for Airport Operators, while the Cost of Deployment Bills of Security Agencies will be settled directly by NASFT w.e.f. 01.07.2019, the other Expenditure relating to Security Agencies like Medical, Accommodation hiring, Vehicle hiring, etc., will be initially incurred by the Airport Operators and subsequently claimed by them from NASFT. Accordingly, AAI has raised the claims bills on NASFT for the same.

A claim of ₹ 2.10 Crores (₹ 1.78 Crore + GST

## Notes to Financial Statements for the year ended March 31, 2023

₹ 0.32 Crore) has also been raised by AAI on NASFT towards Expenditure on administering the Trust activities in the FY 2022-23.

In this regard, an amount of ₹ 110.87 Crores was outstanding from NASFT as on 31.03.2023 and the same is shown as Receivable from NASFT in the Account for the FY 2022-23.

Similarly, an amount of ₹78.31 Crores is payable to NASFT as on 31.03.2023 and the same is shown as payable to NASFT in the Account for the FY 2022-23.

### 37. Disclosure under Accounting Standard – 19 on ‘Leases’

(A) AAI has leased the IGI airport and CSI airport under the Operation Management, and Development agreement (OMDA) executed between AAI and Delhi International Airport Ltd. (DIAL) and Mumbai International Airport Ltd (MIAL) respectively.

- i. Existing Fixed Assets of IGI Airport, New Delhi and CSI Airport, Mumbai as on the date of commencement of OMDA i.e. 03.05.2006 have been leased to DIAL and MIAL on “as is where is basis”. These assets are being shown in the books of accounts of AAI under the head Fixed Assets.
- ii. During the FY 2022-23, DIAL and MIAL, in the process of modernization / development have demolished/disposed certain fixed assets of AAI. The proceeds of the same were transferred to AAI and accounted for accordingly

(Amount in lakhs)

Airports	Gross Block	Accumulated Depreciation	Net Block	Profit on sale of Fixed Assets
DIAL	8.51	8.51	NIL	17.11
MIAL	628.53	628.53	NIL	41.04

- iii. Upfront Fees – AAI has received an Upfront fee of ₹150 crore each from DIAL and MIAL at the time of leasing out AAI airport at Delhi and Mumbai. AAI has treated these amounts as deferred revenue

expenditure and to be spread over the lease period of 30 years. The total unadjusted amount as on 31.03.2023 on this account is ₹128.87 crore.

#### iv. Annual fee paid by DIAL & MIAL

##### Invocation of force majeure clause by DIAL & MIAL

DIAL and MIAL have invoked Force majeure provisions of OMDA and requested AAI for relief from payment of annual fee. AAI granted moratorium for 3 months from April 2020 to June 2020 for payment of monthly annual fee with a condition that MAF for April 2020 to June 2020 has to be paid by July 15, 2020 and payment of MAF from July 2020 onwards regularly.

##### Status of Mumbai International Airport Limited (MIAL)

MIAL availed of the moratorium for 3 months and the monthly annual fee of ₹26.91 Crores for the month of July 2020 was transferred by the escrow banker-M/S SBI based on demand raised by AAI. MIAL filed a petition in the Hon’ble High court of Delhi under the Arbitration and Conciliation Act to restrain AAI from withdrawing funds from escrow account. The Delhi High court vide its order dated 27th November 2020 restrained AAI from transferring the said amounts, lying in, or to be deposited in, the Proceeds Account to the AAI Fee Account and allowed MIAL to utilize the amounts lying in the Proceeds Account, for meeting its expenses in connection with its obligations under the OMDA, pertaining to the running and maintaining of the CSI Airport and other obligations linked thereto. Also 38.7% of the actual revenue, received by MIAL, from the date of the Order, i.e. 27.11.2020, shall remain deposited in the Proceeds Account and AAI was not allowed to withdraw the same. AAI had filed an appeal under Section 37 of the Act before the Division Bench of the Hon’ble Delhi High court. The Division



## Notes to Financial Statements for the year ended March 31, 2023

Bench vide its order dated 14/01/2021 has directed that MIAL shall maintain a balance of ₹ 153 Crores in a separate interest bearing account / fixed deposit with SBI so as to secure any alleged claim of AAI as against MIAL in relation to the alleged pending Annual Fee for the period prior to the passing of the Order dated 27.11.2020, i.e. April 2020 to November 2020 (excluding the amount transferred to AAI for the month of July 2020 and without adjusting for the alleged excess amounts paid by MIAL in FY 19-20). This is subject to reconciliation and verification by the Independent Auditor appointed under the OMDA including with regard to the alleged excess amounts paid. Also it was directed that 38.7% of the actual revenue, received by MIAL, from the date of the Order, i.e. 27.11.2020, shall remain deposited in the Proceeds Account. The direction was to continue till the decision is rendered by the Arbitral Tribunal in the

Interim Applications under Section 17 of the Arbitration and Conciliation Act, 1996. The Arbitral tribunal while disposing the applications under Section 17 upheld the direction of the Division Bench of the High court till the matter is settled by the Arbitral tribunal.

MIAL and AAI both had filed a Joint Application before Arbitral Tribunal on 13.12.2021, with the approval of AAI Board (204th Meeting held on 26.11.2021), seeking modification in the Arbitral Tribunal Order dated 28.06.2021. Arbitral Tribunal issued modifications in its Order # 29 dated 22.12.2021. MIAL and AAI had jointly arrived at an interim arrangement for sharing of revenue on the basis of actual revenue received in the Proceeds Account on daily basis, which will be subject to final outcome of the Arbitration and verification by an Independent Auditor. Details of AAI fees received on daily collection is as under: -

(₹ in crores)

S No.	Particulars	Amount
1	AAI Fees (01.04.2020 to 26.11.2020)	153.00
2	AAI Fees (27.11.2020 to 21.12.2021)	630.30
3	AAI Fees (from 22.12.2021 to 31.03.2022)	244.37
	<b>Total MAF (MIAL) received upto 31.03.2022</b>	<b>1,027.67</b>
4	AAI Fees (from 01.04.2022 to 31.03.2023)	1,262.25
	<b>Total MAF (MIAL) received upto 31.03.2023</b>	<b>2,289.92</b>
	Interest on ₹ 153 crores kept as Fixed Deposit (as per Order of Hon'ble Tribunal)	4.17

The details of Annual Fee payable/receivable for the FY 2020-21, FY 2021-22 & FY 2022-23 is given below. This is subject to final outcome of the Arbitration and verification by Independent Auditor.

(₹ in crores)

Financial Year	Gross Revenue	MAF Due	MAF received	Balance receivable/ payable
(1)	(2)	(3)	(4)	(5) = [(3)-(4)]
2020 – 21	1,620.62	627.18	26.91	600.27
2021 – 22	1,867.46	722.71	1,027.67(*)	(304.96)
2022 – 23	3,331.97	1,206.58	1262.25	(55.67)
<b>Total</b>	<b>6,820.05</b>	<b>2,556.47</b>	<b>2,316.83</b>	<b>239.64</b>

(\*) MAF received during FY2021-22 includes ₹379.50 crores for FY 2020-21 & ₹648.17 crores for FY 2021-22.

## Notes to Financial Statements for the year ended March 31, 2023

Independent Revenue Auditor has certified the Gross Revenue & Monthly Annual Fee (MAF) for FY2020-21 & FY2021-22 whereas for FY2022-23 as the Revenue Audit is yet to be completed, the amount of Gross Revenue & Monthly Annual fee (MAF) have been disclosed as per the Annual Accounts of MIAL.

### Status of Delhi International Airport Limited (DIAL)

DIAL could not avail the moratorium and has made payment of the annual fee up to December 2020. Subsequently DIAL filed a petition in the Hon'ble High court of Delhi under the Arbitration and Conciliation Act to restrain AAI from withdrawing funds from escrow account. The Hon'ble High court vide order dated 05/01/2021 has directed that the Transfer of moneys from the Proceeds Account to the AAI Fee Account, pending further orders, shall stand stayed. DIAL would be entitled to use the amounts contained in the Proceeds Account for running of the IGI airport and all activities connected therewith. AAI has filed an appeal under Section 37 of the Act against the Single Judge's order on 05.02.2021.

In the month of March, 2022, DIAL & AAI mutually consented to execute a Settlement Agreement, governing the interim arrangement for payment of AF by DIAL to AAI commencing from April 2022, pending adjudication by the Arbitral Tribunal. DIAL & AAI both filed applications before Hon'ble High Court of Delhi, seeking leave to withdraw petition and appeal respectively, as both have arrived at settlement for interim arrangement pending outcome of Arbitration proceeding and same were allowed by the Hon'ble High Court of Delhi in the month of May 2022 & April 2022 respectively. One of the terms & conditions of Settlement agreement was that parties agreed that AF @45.99% of the projected Revenue of DIAL for the financial year 2022-23, commencing April, 2022, would be deposited from the Proceeds Account to the AAI Fee Account, in accordance with the OMDA and Escrow Agreement.

The Annual fee payable by DIAL for FY2020-21, FY2021-22 & FY2022-23 is given below. This is subject to Final outcome of the Arbitration and Verification by Independent Auditor.

(₹ in crores)

Financial Year	Gross Revenue	MAF Due	Actual MAF received	Balance receivable/ payable
(1)	(2)	(3)	(4)	(5) = (3-4)
2020- 21(*)	1,686.70	775.71	446.21	329.50
2021- 22	2,151.74	989.59	NIL	989.59
2022- 23	3,881.12	1,738.32	1,747.93	(9.61)
Total	7,719.56	3,503.62	2,194.14	1,309.48

(\*) DIAL has not paid Monthly Annual fees (MAF) for the period from January, 2021, to March, 2022.

Independent Revenue Auditor has certified the Gross Revenue & Monthly Annual Fee (MAF) for FY2020-21 & FY2021-22 whereas for FY2022-23 Revenue Audit is yet to be completed, the amount of Gross Revenue & Monthly Annual fee (MAF) have been disclosed as per the Annual Accounts of DIAL.

Final hearing in both the Arbitration between DIAL and AAI & MIAL and AAI with regard to force majeure have concluded and arbitral award is awaited.

The total amount received towards Annual Fee and interest of ₹4.17 crores from DIAL and MIAL have been treated as 'Contingent Liability' and total amount receivable from DIAL and MIAL have been treated as 'Contingent Assets' during the Financial Year 2020-21, 2021-2022 & 2022-23.

- v. AAI has paid an amount of ₹1.61 crore (₹ .805 crore each for DIAL and MIAL) as counter Guarantee fee to Government of India for 2022-23 as per the terms of the State Support Agreement.
- vi. With regard to ADF (DF-I) of MIAL, the balance under this Escrow Account is ₹ 4.99 crores as on 31.03.2023 and FDR balance as on 31.03.2023 ₹ 453.41 crores.
- vii. Under MDF(DF-II) account (on account of Development of Mumbai Metro) an amount of ₹34.00 crores was transferred from the DF II Escrow account during



## Notes to Financial Statements for the year ended March 31, 2023

Financial Year 2022-23 and balance amount available under Escrow Account is ₹79.27 lakhs as on 31.03.2023. FDR balance as on 31.03.2023 is ₹86.60 crores.

### viii. Arbitration cases with DIAL and MIAL

#### (I) Claim of DIAL and MIAL of excess Annual Fee payment in the past years with interest:

- a. DIAL has raised a dispute under the Operation, Management and Development Agreement (“OMDA”) dated 04.04.2006 between DIAL and AAI, pursuant to which operation, management and all ancillary functions pertaining to the Delhi International Airport were handed over to DIAL.
- b. In terms of Clause 11.2 of the OMDA, DIAL is required to pay AAI an Annual Fee of 45.99% of its Revenue for the year.
- c. For the period 2006-2016, it was the common understanding of AAI and DIAL that DIAL was required to pay 45.99% of its revenue recognized in the P&L account as Annual Fee. In December 2016, DIAL for the first-time notified AAI that on account of a “mistake”, excess annual fee had been paid in past years. DIAL accordingly claimed restitution of such amounts. DIAL invoked arbitration under the OMDA when its claim was rejected by AAI.
- d. DIAL claims that it paid an excess amount of ₹6,663.26 crore as Annual Fee, in addition to which it is claiming interest of ₹3873.94 crore up to 30.09.2018 on such amounts said to have been paid by it in excess. The total claim is therefore to the tune of ₹10,537.20 crores plus interest thereon SBI PLR+300bps.
- e. Further to the invoking of Arbitration clause under the agreement, an Arbitral Tribunal has been constituted

to adjudicate the dispute raised by DIAL.

- f. Further to DIAL raising the above claim, Mumbai International Airport Limited (“MIAL”), which is the concessionaire for the Mumbai Airport, has raised a similar claim by way of a notice issued on 05.01.2019. The quantum of the claim is ₹3582.90 crores upto 31.03.2018 with interest thereon SBI Prime Lending rate+10% pa. The dispute was referred to the same Arbitral Tribunal which was constituted in the similar dispute raised by DIAL.
- g. The arguments in both the Arbitration concluded and Arbitral Awards (by majority of 2:1 where Presiding Arbitrator has given dissenting award) has been delivered in both the arbitration on 16.07.2022.
- h. AAI has challenged both the awards before the Hon’ble Delhi High Court and the matter is pending for adjudication.

#### (II) Utilization of custom duty scrips (SFIS) by DIAL & MIAL:

In the matters relating to utilization of custom duty scrips (SFIS) by DIAL & MIAL, the arbitration award has been pronounced in favour of DIAL/MIAL. AAI has filed petitions before High Court of Delhi against Orders of the Arbitral Tribunals. The next hearing before the High Court of Delhi is scheduled to be held on 23.08.2023.

#### (III) Removal of restriction on end use of the land parcel of 4.17 acres

Arbitral Tribunal concluded that the land parcel of 4.17 acres (AAI Vs. MIAL) at CSI airport, Mumbai is a part of demised premises and not carved out assets. AAI has filed petition before the High Court of Delhi against the Order of the Arbitral Tribunal. The matter has been listed for hearing on 21.08.2023.

## Notes to Financial Statements for the year ended March 31, 2023

### (IV) Novation of existing leases

MIAL had issued notice of dispute since the matter of novation of existing leases with Hotel Corporation of India could not be resolved amicably.

Arbitral Tribunal had dismissed the claim preferred by MIAL as non-arbitral by the majority opinion. MIAL had filed the petition before the High Court of Delhi, challenging the award pronounced by the Arbitral Tribunal.

High Court of Delhi set aside the majority award by the Arbitral Tribunal.

AAI has filed an appeal before the Bench of High Court of Delhi, challenging the judgement delivered by the Single Judge. The next hearing is scheduled on 31.07.2023.

MIAL had also issued notice of dispute since the matter of novation of existing leases with Sahara Hospitality Limited could not be resolved amicably. The dispute has been referred to the Arbitral Tribunal. The arbitration proceeding has been completed and the arbitral award has been made on 23.03.2023 rejecting all the claims of MIAL.

### ix. **Pledge of shares held by AAI in BIAL in favour of SBICAP Trustee Company Limited**

Bangalore International Airport Ltd. (BIAL) vide its letter dated 23.10.2019 through MoCA had requested for execution of Share Pledge Agreement by AAI for obtaining a term loan of ₹10,206 crore from consortium lenders (SBI, Axis Bank, Canara Bank and Andhra Bank) for meeting capital expenditure for construction of Terminal-2 and other facilities at Kempegowda International Airport Bengaluru. The tenure of the new Loan of ₹ 10206 crores will co-terminus with that of the existing loans of BIAL, with the final instalment being due on 30.09.2033.

AAI is holding 5,49,97,800 equity shares @ ₹10/- per share with share capital of ₹50 crore only, with a maximum capital investment of ₹50 crore only.

AAI Board, in its 183rd Board Meeting held on 24.08.2018, had approved execution of Share Pledge Agreement for 51% of their shareholding in BIAL and also given an undertaking regarding non-disposal on the balance 49% shares in favour of the security trustee, i.e., SBICAP Trustee Company Limited. The share pledge will reduce to 26% once 50% of the loan is re-paid.

### x. **Concessions accorded to National Flying Training Institute (NFTI), Gondia**

The AAI Board, in its 187th Board Meeting held on February 26, 2019, had accorded approval of concessions by AAI for sustaining operations of National Flying Training Institute (NFTI), Gondia, for a period of 05 years from 2019 – 2020 and 2023 – 2024. The concessions were approved, subject to NFTI adhering to the business plan parameters during the plan period meticulously and M/s. CAE, the JV Partner, adhere to its commitments on the concessions, proposed by it towards sustaining operations of NFTI.

NFTI has stated that CAE has complied with all concessions, except conversion of all previously owed amounts by NFTI amounting to ₹34.67 crores (Rupees thirty-four crore sixty-seven lakh only) in to a long-term debt as RBI has rejected the application for conversion of outstanding amount into long term debts.

AAI has also taken action on the concession approved by AAI Board, except “Conversion of all previously owed amounts upto 31.12.2018, amounting to ₹15.93 crore into long term debt.

### xi. **Service Tax on Annual Fee from DIAL and MIAL-**

The Commissioner of Central GST has issued an adjudication notice to AAI for



## Notes to Financial Statements for the year ended March 31, 2023

non-payment of Service tax on Annual fees and Upfront fees received from DIAL & MIAL for the period FY 2014-15, FY 2015-16 and 01.04.2016 to 30.06.2017. The total demand is of ₹1500 crore comprising of Service tax of ₹1363.63 crore and penalty of ₹136.36 crore along with interest applicable under section 75 of Finance Act, 1994. AAI is in the process of filing writ petition before Hon'ble High Court of Delhi against the adjudication order.

The Service tax department had previously also raised demand for non-payment of Service tax on Annual fees and Upfront fees received from DIAL & MIAL for the period FY 2006-07 to FY 2013-14.

AAI had also filed an appeal before the Hon'ble CESTAT against the demand raised by the Service Tax department for FY 2006-07 to FY 2012-13.

In the meanwhile, the Hon'ble High Court of Delhi, on the writ petitions filed by DIAL and MIAL in the year 2008, passed the judgement on 14.02.2017 that the amount of Annual Fee payable and Upfront fee payable by both the parties to AAI does not constitute "franchise" and hence transaction between the petitioners and AAI does not constitute taxable service.

Accordingly, based on the judgement of the Hon'ble High Court of Delhi, the Hon'ble CESTAT set aside the adjudication order of the Commissioner of Service tax for the period FY 2006-07 to FY 2012-13.

Consequently, AAI resubmitted the refund claim of service tax amounting to ₹57.77 crores deposited on Monthly Annual Fee for the period June 2007 to February 2008 on 21.03.2018. In this regard, Show Cause Notice was issued by Assistant Commissioner against refund application of ₹57.77 crores on 16.07.2020 on the grounds whether refund is entitled to AAI or same culminates into un-just enrichment thereby demanding certain documents to be submitted in defense as to why claim should not be rejected. The requisite documents have been submitted on 23.09.2022 and the refund of ₹57.77 crore is under process.

The Commissioner of Central GST has now adjudicated the demand for the period FY 2014-15 to FY 2016-17 and April 2017 to June 2017 vide order dated 22.02.2023 demanding a total of ₹1500 crore comprising of Service tax of ₹1363.63 crore and penalty of ₹136.36 crore along with interest applicable under section 75 of Finance Act, 1994. AAI is in the process of filing writ petition before Hon'ble High Court of Delhi against the adjudication order.

### (B) Public Private Partnership Airports

- (i) AAI has signed six (06) separate Concession Agreements ("CA") with the Concessionaire for Operations, Management and Development of 06 Airports through Public Private Partnership (PPP) for a Lease period of 50 years, as detailed below:

Airport	Concessionaire	Commercial Operation Date [COD]
Mangaluru	Mangaluru International Airport Ltd	31.10.2020
Lucknow	Lucknow International Airport Ltd	02.11.2020
Ahmedabad	Ahmedabad International Airport Ltd	07.11.2020
Guwahati	Guwahati International Airport Ltd	08.10.2021
Jaipur	Jaipur International Airport Ltd	11.10.2021
Thiruvananthapuram	TRV (Kerala) International Airport Ltd	14.10.2021

## Notes to Financial Statements for the year ended March 31, 2023

- (ii) As per the CA, the Concessionaire shall pay to AAI, during the Concession Period, a monthly Concession Fee on Per Passenger Fee basis applicable from COD and shall be revised annually on each anniversary of the COD taking into account of the variation in the CPI (IW). Details of the applicable Concession Fee are as furnished below:

Airport	Per Passenger Fee as on COD (in ₹)		Revised Per Passenger Fee during the current F.Y. 2022-23 (in ₹)	
	Domestic	International	Domestic	International
Mangaluru	115.00	230.00	125.88	251.76
Lucknow	171.00	342.00	186.75	373.50
Ahmedabad	177.00	354.00	193.31	386.62
Jaipur	174.00	348.00	183.60	367.20
Guwahati	160.00	320.00	168.82	337.64
Thiruvananthapuram	168.00	336.00	177.27	354.54

- (iii) Details of One-time Payment towards investment in Aeronautical and Non-Aeronautical Assets / Capital Work-in-Progress (CWIP) received from the Concessionaires are appended below:

S.No.	Airport	Investment in Capital Work in Progress (CWIP)	Aeronautical and Non-Aeronautical Assets	Total
		(₹ in Crores)		
1	Ahmedabad	36.62	277.41	314.03
2	Lucknow	419.17	147.93	567.10
3	Mangaluru	143.50	74.50	218.00
4	Guwahati	353.40	81.71	435.11
5	Jaipur	15.55	255.56	271.11
6	Thiruvananthapuram	0.85	431.15	432.00
<b>Total</b>		<b>969.09</b>	<b>1,268.26</b>	<b>2,237.35</b>

**Note:**

- (a) Out of ₹ 2,237.35 Crores, One-time Payment on Investment in CWIP amounting to ₹ 425.99 Crores [Guwahati ₹425.85 Crore & Thiruvananthapuram ₹0.14 Crore] was received from the Concessionaire during the current F.Y. 2022-23
- (b) Besides above payments, AAI has also raised the claim related to Capital Advance of ₹ 72.44 Crores on M/s. Adani Guwahati International Airport Ltd. In respect of Guwahati Airport and the same was received on 02.04.2022.
- (iv) **Disclosure under Accounting Standard – 19 on ‘Leases’(Public Private Partnership Airports) in Account 2021-22:** As per clause 28.11/28.12 of CA, Concessionaire shall be liable to pay to AAI an amount equivalent to the investments made by AAI in the Aeronautical Assets as of the COD and considered by the Regulator as part of the Regulatory Asset Base, subject to requisite reconciliation, true-up and final determination by the Regulator of the quantum of such investment (“**Deemed Initial RAB**”). The Concessionaire shall also be liable to pay to the AAI an amount equivalent to the estimated depreciated value of investments made by the AAI in Non-Aeronautical Assets in the Airport as of the COD towards development of Non-Aeronautical Assets i.e. **Initial Non-Aeronautical Investments**.

Accordingly, AAI had submitted the following proposal of Deemed Initial RAB to the Regulator (AERA) in FY 2022-23 as per details noted below: -



## Notes to Financial Statements for the year ended March 31, 2023

S. No.	Particulars	Airport		
		Mangalore	Lucknow	Ahmedabad
01	COD	31.10.2020	02.11.2020	07.11.2020
02	Deemed Initial RAB as on COD	129.13	186.38	301.32
03	Value of True up as on COD	171.43	344.13	393.61
04	ANS Assets as on COD	1.93	4.70	1.80
05	Initial Non-Aeronautical Investments as on COD	0.46	3.80	3.70
06	Total (2+3+4+5)	302.95	539.01	700.43
07	Date of Final Submission to AERA	03.07.2022	28.06.2022	22.06.2022

AERA Vide order no 38/2022-23 dated 12/01/2023 and 40/2022-23 dated 18/01/2023 has determined Tariff in respect of Mangalore and Ahmedabad Airport for the control period 01/04/2021 to 31/03/2026. The Present value of Adjusted Deemed Initial RAB in respect of Mangalore and Ahmedabad Airport is as under:

(₹ in Crores)

Sl. No	Particular	Mangalore	Ahmedabad
1	Deemed initial RAB	127.42	301.77
2	Less Estimated Deemed initial RAB	71.00	271.00
3	<b>Total Balance ( SL no 1-2)</b>	<b>56.42</b>	<b>30.77</b>
4	Present Value of under recovery as COD	68.35	6.37
5	Adjusted Deemed initial RAB as on COD	<b>124.77</b>	<b>37.14</b>
6	Present Value of Adjusted Deemed Initial RAB as on 31.03.2021	132.00	39.20
7	Present Value of Adjusted Deemed Initial RAB as on 31/03/2022	148.12	43.99
8	Present Value of Adjusted Deemed Initial RAB as on 31/01/2023 (As per AERA order)	163.28	48.49
9	Present Value of Adjusted Deemed Initial RAB as on 30/04/2023 (worked out by AAI as per CA clause no 28.11.4)	167.88	49.85

As per concession agreement, the quantum of Initial Non Aeronautical Investment shall be determined by the Independent Engineer (IE) and any surplus/Deficit amount as the case may be adjusted as a part of balancing payment that becomes due and payable as per clause 31.4 of concession agreement after expiry of 15 days from such determination by IE (clause 28.12.2) . The Tariff order in respect of Lucknow is yet to be pronounced.

(Amount in Rupees)

Airport	Gross Value of adjusted Initial RAB (Inclusive of TDS) received from the Concessionaire	Date of Receipt
Mangaluru	167,88,00,000	01.05.2023
Ahmedabad	49,36,00,000	01.05.2023
	49,00,000	11.05.2023

AAI has submitted following proposal of Deemed Initial RAB to the Regulator (AERA) as under :

(₹ in Crores)

S. No.	Particulars	Jaipur	Trivandrum
01	COD	11.10.2021	14.10.2021
02	Deemed Initial RAB as on COD	515.36	486.21

## Notes to Financial Statements for the year ended March 31, 2023

S. No.	Particulars	Jaipur	Trivandrum
03	Value of True up as on COD	641.15	812.67
04	ANS Assets as on COD	4.34	0.05
05	Initial Non-Aeronautical Investment handed over as on COD		1.56
<b>06</b>	<b>Total (2+3+4+5)</b>	<b>1,160.85</b>	<b>1,300.49</b>
07	Estimated Deemed Initial RAB already received	253.00	424.00
<b>08</b>	<b>Net Receivable (06-07)</b>	<b>907.85</b>	<b>876.49</b>
09	Date of Final Submission to AERA	17.05.2023	14.12.2022

Once the Regulator (AERA) determines the Deemed Initial Regulatory Assets Base (RAB) in respect of above Airports (i.e. Jaipur & Trivandrum), the quantum of Initial Non Aeronautical Investment shall be determined by the Independent Engineer (IE) and any surplus/Deficit amount as the case may be adjusted as a part of balancing payment that becomes due and payable as per clause 31.4 of concession agreement after expiry of 15 days from such determination by IE (clause 28.12.2).

In respect of Guwahati Airport, the proposal is under preparation and will be submitted to AERA during FY 2023-24.

### a. Note on GST on RAB/WIP

AAI has signed six no. of separate Concession Agreements (CA) with the SPVs of Adani Enterprises Ltd (“Concessionaire”) i.e. M/s Ahmedabad International Airport Limited, M/s Lucknow International Airport Limited, M/s Mangaluru International Airport Limited, M/s Jaipur International Airport Limited, M/s TRV (Kerala) International Airport Limited and M/s Guwahati International Airport Limited for Operations, Management and Development of 06 (Six) Airports i.e. , Ahmedabad, Lucknow, Mangalore, Jaipur, Trivandrum and Guwahati, respectively through Public Private Partnership (PPP) for a Lease period of 50 years.

In this respect, AAI had filed application for Advance Ruling w.r.t applicability of GST on transfer of CWIP, Cost of Spares, Staff cost etc. with the respective State’s Authority for Advance Ruling.

Gujarat Authority for Advance Ruling (AAR) passed an order on 02.09.2021 holding the transfer of business from AAI to SPV formed via agreement entered into by AAI and Adani Enterprises Ltd. as a ‘Transfer of Going Concern’ and is covered under exemption entry Serial No. 2 of Notification No. 12/2017-CTR dated June 28, 2017 i.e. “Services by way of transfer of a going concern”. Accordingly, the

concession fee is a part of consideration paid by SPV to AAI which is exempt from GST, the reimbursement of staff cost and other costs is also exempt from GST. However, it held the proposed supply of spares and consumables by AAI to SPV chargeable to GST.

Authority for Advance Ruling, Uttar Pradesh vide order dated 13.05.2022 held that that transfer of business by AAI to M/s Adani Lucknow International Airport Ltd. is a ‘Transfer of Going Concern’ and is covered under exemption entry Serial No. 2 of Notification No. 12/2017-CTR dated June 28, 2017 i.e. “Services by way of transfer of a going concern”. However, the reimbursement of staff cost from M/s Adani Lucknow International Airport Ltd. was held chargeable to GST @18%. It was also held that AAI has to reverse Input tax credit under section-17(2)/(3) of CGST Act.

Similarly, Authority for Advance Ruling, Rajasthan, vide order dated 20.03.2023 held that that transfer of business by AAI to M/s Adani Jaipur International Airport Ltd. is a ‘Transfer of Going Concern’ and is covered under exemption entry Serial No. 2 of Notification No. 12/2017-CTR dated June 28, 2017. However, the reimbursement of staff cost from M/s Adani Jaipur International Airport



## Notes to Financial Statements for the year ended March 31, 2023

Ltd. was held chargeable to GST @18%. It was also held that AAI is to reverse Input tax credit under section-17(2)/(3) of CGST Act.

Advance Ruling in respect of the remaining 3 airports, i.e. Mangalore, Trivandrum and Guwahati are yet to be pronounced.

### 38. Accounting treatment in respect of Assets/CWIP Assets handed over to the concessionaires of 6 PPP Airports – Mangaluru, Lucknow, Ahmedabad, Thiruvananthapuram, Jaipur & Guwahati

(i) AAI has signed six (06) separate Concession Agreements (“CA”) with the Concessionaire for Operations, Management and Development of 06 Airports through Public Private Partnership (PPP) for a Lease period of 50 years, Mangaluru, Lucknow, Ahmedabad, Thiruvananthapuram, Jaipur & Guwahati. Out of the 6 Airports, 3 Airports were handed over to the Concessionaire in FY 2020-21 and the remaining 3 Airports were handed over to the Concessionaire in FY 2021-22.

(ii) As per executed agreements, concessionaires shall pay AAI, the following: -

a) Estimated Deemed Initial Regulatory Asset Base (RAB) –

Upfront payment towards the estimated depreciated value of investments made by the Authority as on 31.03.2018 in Aeronautical and Non-Aeronautical Assets.

b) Capital Work in Progress

Upfront payment relating to the value of Capital Work in progress as on the Commercial Operation Date.

c) Monthly Concession Fee

To pay monthly Concession Fee to AAI

calculated in respect of Domestic and International Passengers Throughput at the airport at the rates stipulated in the executed agreements.

(iii) While finalizing the Annual Accounts of AAI for the FY 2020-21, with regard to the Accounting treatment in respect of transactions referred to in Para (ii) above, AAI has engaged a Consultant to have expert opinion on the subject.

(iv) The Consultant after analyzing the provisions of AAI Act, 1994, the relevant Concession Agreements, information and explanations in relating to the transactions provided by AAI, Accounting Standard-9 “Revenue Recognition”, Accounting Standard-19 “Lesses”, India Accounting Standard-115 “Revenue from Contracts with customers” has opined the following with regard to the Accounting treatment.

a) The upfront payment received by AAI towards the Estimated Deemed Initial RAB should be accounted for as Operating Lease Income over the Lease Period. Asset will continue to appear in the books of AAI.

b) In respect of amount received/receivable by AAI towards the value of Work in progress as on the Commercial Operation Date (COD) from the concessionaire, the amount so accrued should be accounted for as Operating Lease Income over the lease period as per AS-19.

Also, whenever the concessionaire puts CWIP assets into use after completion, AAI should capitalize the value with expenditure incurred by AAI till COD and start claiming depreciation on such assets.

c) In respect of Monthly Concession Fee, the amount should be considered as Contingent Rent as per AS-19 to be received over a period of 50 years and recognize the same as Lease Rent on monthly basis.

(v) The above opinion of the Consultant has been deliberated and AAI has accepted the opinion.

## Notes to Financial Statements for the year ended March 31, 2023

The Accounting treatment has accordingly been given by AAI in its Books of Accounts as on 31.03.2021, 31.03.2022 as well as on 31.03.2023.

(vi) The details of Assets/CWIP Assets continuing in AAI Books as on 31.03.2023 which have been handed over to the concessionaires are as under: -

### (a) Summary

(₹ in Crores)

Name of the Airport	Asset			CWIP Assets
	Gross Block	Accumulated Depreciation	Net Block	Amount
Mangalore	425.55	338.66	86.89	85.37
Lucknow	411.53	335.65	75.88	401.99
Ahmedabad	774.30	694.98	79.33	-
Thiruvananthapuram	889.43	739.77	149.66	-
Jaipur	778.37	516.03	262.34	15.56
Guwahati	407.10	336.43	70.67	352.11

### (b) Airport wise & Asset class wise details

(₹ in Crores)

Name of the Airport	Description	Asset			CWIP
		Gross Block	Accumulated Depreciation	Net Block	
<b>Mangalore</b>	Runways, Taxiways, Apron	98.12	91.00	7.12	82.91
	Building Freehold	198.48	141.93	56.55	
	Boundary- Freehold	12.40	10.66	1.74	
	Plant & Equipment-Freehold	87.40	69.76	17.63	2.45
	Plant & Equipment-leasehold	1.66	1.01	0.66	
	Furniture & Fixtures	3.73	3.56	0.17	
	Vehicles Freehold	22.25	19.25	3.00	
	Office Appliances-Freehold	1.32	1.31	0.01	0.01
	Computer Software-Freehold	0.19	0.19	-	
	<b>Total</b>	<b>425.55</b>	<b>338.66</b>	<b>86.89</b>	<b>85.37</b>
<b>Lucknow</b>	Runways, Taxiways, Apron	82.83	70.25	12.58	14.25
	Building Freehold	158.93	134.52	24.41	387.74
	Boundary- Freehold	13.56	8.82	4.75	
	Plant & Equipment-Freehold	129.24	98.76	30.48	
	Plant & Equipment-leasehold	2.07	1.25	0.82	
	Furniture & Fixtures	4.01	3.97	0.04	
	Vehicles Freehold	18.58	15.78	2.80	
	Office Appliances-Freehold	1.81	1.79	0.02	
	Computer Software-Freehold	0.50	0.50	-	
	<b>Total</b>	<b>411.53</b>	<b>335.65</b>	<b>75.88</b>	<b>401.99</b>
<b>Ahmedabad</b>	Runways, Taxiways, Apron	129.13	100.51	28.62	
	Building Freehold	308.10	301.74	6.36	
	Boundary- Freehold	6.93	6.06	0.87	



## Notes to Financial Statements for the year ended March 31, 2023

	Plant & Equipment-Freehold	298.47	256.19	42.29	
	Plant & Equipment-leasehold	2.38	1.44	0.94	
	Furniture & Fixtures	4.27	4.27	0.01	
	Vehicles-Freehold	20.99	20.81	0.19	
	Office Appliances-Freehold	3.41	3.36	0.05	
	Computer Software-Freehold	0.61	0.61	-	
	<b>Total</b>	<b>774.30</b>	<b>694.98</b>	<b>79.33</b>	<b>-</b>
<b>TRIVANDRUM</b>	Land Freehold	7.85	-	7.85	
	Runways, Taxiways, Apron	310.86	258.66	52.20	
	Building Freehold	287.72	256.82	30.90	
	Boundary- Freehold	1.35	1.09	0.26	
	Plant & Equipment-Freehold	244.47	188.53	55.94	
	Plant & Equipment-leasehold	3.10	1.88	1.22	
	Furniture & Fixtures	7.33	7.16	0.17	
	Vehicles Freehold	19.54	18.86	0.68	
	Office Appliances-Freehold	7.02	6.58	0.44	
	Computer Software-Freehold	0.19	0.19	-	
	<b>Total</b>	<b>889.43</b>	<b>739.77</b>	<b>149.66</b>	<b>-</b>
<b>Jaipur</b>	Runways, Taxiways, Apron	330.04	211.07	118.97	
	Building Freehold	233.74	152.00	81.74	
	Boundary- Freehold	7.41	6.60	0.82	
	Plant & Equipment-Freehold	184.56	125.28	59.27	15.56
	Plant & Equipment-leasehold	1.96	1.21	0.75	
	Furniture & Fixtures	4.57	3.93	0.64	
	Vehicle Freehold	14.55	14.45	0.10	
	Office Appliances-Freehold	1.44	1.40	0.05	
	Computer Software-Freehold	0.09	0.09	-	
	<b>Total</b>	<b>778.37</b>	<b>516.03</b>	<b>262.34</b>	<b>15.56</b>
<b>GUWAHATI</b>	Runways, Taxiways ,Apron	143.96	121.93	22.03	
	Building Freehold	92.37	68.91	23.46	352.11
	Boundary- Freehold	16.27	11.46	4.81	
	Plant & Equipment-Freehold	110.41	94.39	16.02	
	Plant & Equipment-leasehold	2.38	1.44	0.94	
	Furniture & Fixtures	7.64	7.14	0.50	
	Vehicle Freehold	28.12	25.35	2.77	
	Office Appliances-Freehold	5.45	5.30	0.15	
	Computer Software-Freehold	0.50	0.50	-	
	<b>Total</b>	<b>407.10</b>	<b>336.43</b>	<b>70.67</b>	<b>352.11</b>

### 39. A) Furnishing of PDCs by M/s SpiceJet Limited towards interest on delayed payment (Traffic)

M/s SpiceJet Limited vide letter dated 01.08.2022 had furnished 08 Nos. of PDCs @ ₹10 crores each totaling to ₹80 crores, towards interest on delayed payment for traffic dues with dates from 15.11.2022

## Notes to Financial Statements for the year ended March 31, 2023

to 15.06.2023. The cheques for November, December, 2022 and January, 2023 were encashed amounting to ₹30 crores.

M/s SpiceJet Limited vide letter dated 22.02.2023 requested AAI to defer the interest payments due in February, March & April, 2023 by 3 months and furnished fresh PDCs. As on 31.03.2023, AAI has 05 nos. of PDCs @ ₹10 crore each, as per details given below: -

PDC No.	PDC Date	Amount (₹ in crs.)
262243	15.05.2023	10.00
262244	15.06.2023	10.00
517197	15.07.2023	10.00
517198	15.08.2023	10.00
517199	15.09.2023	10.00
	<b>TOTAL</b>	<b>50.00</b>

### B) Refund of Landing charges to M/s SpiceJet Ltd. on account of less than 80-seater aircrafts at Chennai & Kolkata Airports.

AERA vide Order 38/2021-22 dated 04.02.2022 and Order 43/2021-22 dated 15.03.2022 allowed refund of Landing charges to M/s SpiceJet Ltd. for aircraft with capacity of less than 80 seats amounting to ₹33,10,45,277/- for Chennai Airport and ₹2,78,01,129/- for Kolkata Airport. To give effect to the above referred refund, the entries were passed in Books of Accounts during F.Y. 2022-23.

For Kolkata Airport, against refund of ₹2,78,01,129/-, credit of ₹2,77,09,410/- has been given after considering credit note of ₹91,719/-. As regards, Chennai Airport, credit of ₹33,10,45,277/- has been given.

### 40. SEIZURE BY GARNISHMENT OF AAI FUNDS FROM IATA BY SUPERIOR COURT OF QUEBEC, CANADA & SWISS COURT

The Superior Court of Quebec, Canada by an ex-parte order dated 24.11.2021 served to IATA for seizure of all the funds of AAI held by IATA. The plaintiff in this case was M/s. DEVAS

Consortium in which the Republic of India was made defendant and AAI was made “mis-en-cause”. On the order, an appeal was filed by AAI and IATA before the Superior Court of Quebec, Canada. The Court lifted the seizure by its order dated 08.01.2022. Considering the order, IATA released 42,70,34,546/-, but continued to withhold the USD payments due to the receipt of notice from Swiss Authorities directing IATA to freeze any or all assets in its possession belonging to the Republic of India, including the Airport Authority of India. The applicant in this case was Deutsche Telecom AG. AAI has engaged legal consultants in Canada & Switzerland to represent AAI. Both the matter are sub-judice. The USD amount withheld by IATA as on 31.03.2023 is US\$ 3,75,56,355.92. The amount collected from the foreign airlines and withheld by IATA has been considered as “amount recovered from Airlines” and shown as “recoverable from IATA” during the FY 2021-22 & 2022-23.

AAI has incurred an expenditure of ₹ 11.55 crore upto 31.03.2023 as legal fees to advocates to defend its case in Canada & Switzerland.

### 41. BILLING AND COLLECTION FROM FOREIGN AIRLINES

The present arrangement of invoicing and collection of foreign airlines through IATA was discontinued due to the ongoing litigation of seizure by garnishment of AAI Funds from IATA in Quebec Court, Canada and Swiss Authorities in Geneva. W.e.f. 01.04.2022, the invoicing and collection of foreign airlines is done by AAI.

### 42. DISCLOSURE UNDER ACCOUNTING STANDARD – 28 ON IMPAIRMENT OF ASSETS

As per the assessment of the Management, there is no Material change in the position as on 31.03.2023 to further recognize or review the effect given for Impairment of Assets during the FY 2013-14 in the Accounts of AAI for the FY 2022-23.



## Notes to Financial Statements for the year ended March 31, 2023

### 43. COMMITMENTS

- a) Estimated amount of contracts remaining to be executed on capital account including letters of credit and not provided for amounts to ₹5553.02 Crores (Previous year ₹5892.57 Crores) as on Balance Sheet date.
- b) AAI has not availed any EPCG during FY 2022-23, there is no additional export obligation on account of concession in customs duty on import of Equipment/spares.

### 44. CONSOLIDATION OF ACCOUNTS

As AAI is not a Company registered under the Companies Act 2013, the requirement of consolidation of accounts is not applicable. However, the financial statements of operational subsidiaries of AAI namely AAI Cargo Logistics & Allied Services Company Limited, Chandigarh International Airport Limited and Deoghar Airport Limited may be accessed at <https://www.aai.aero/en/business-opportunities/investors-annual-reports>

### 45. A. CONTINGENT LIABILITIES Claims not acknowledged as debts:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Land cases	1,336.52	1,294.79
Compensation claims of Accident	3.92	3.68
Cases under Arbitration	7,345.24	3,921.16
Claims against Cargo	0.02	0.02
Court Cases	1,062.18	1,029.43
Sales tax/Service Tax/ Municipal tax/ income tax etc.	2,387.61	590.21
Others	65.95	70.71
<b>TOTAL</b>	<b>12,201.44</b>	<b>6,910.00</b>

Note: The Contingent Liability for Cases under Arbitration as on 31.03.2023 amounting to ₹ 7345.24 Crores include an amount of ₹ 2321 Crores in respect of MIAL and ₹ 2194.14 Crores in respect of DIAL related to MAF accounted as Revenue in the Books of AAI for the FY 2020-21 & FY 2021-22 & FY 2022-23.

### B. Contingent Assets

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Disputed MAF related to Lease Revenue not recorded as Revenue for the FY 2020-21 & FY 2021-22		
MIAL	239.64	294.97
DIAL	1,309.48	1,312.07
<b>TOTAL</b>	<b>1,549.12</b>	<b>1,607.04</b>

### 46. GUARANTEES EXECUTED

During the year the guarantees for ₹ 18.83 Crores have been issued/renewed in favour of Electricity Distribution Companies, Pollution Control Board, Department of Telecommunication etc.

### 47. EXPENSES IN FOREIGN CURRENCIES

(₹ in Crores)

Particulars	FY 2022-23	FY 2021-22
Capital Goods purchased	313.44	196.64
Spare parts	12.03	28.36
Foreign travel	3.22	0.21
Consultancy	0.30	0.24
Repayment of Foreign loans	24.51	2.83
Others	345.23	103.44
<b>Total</b>	<b>698.72</b>	<b>331.72</b>

### 48. EARNINGS IN FOREIGN EXCHANGE

(₹ in Crores)

Particulars	FY 2022-23	FY 2021-22
Services	980.91	688.24

## Notes to Financial Statements for the year ended March 31, 2023

### 49. EPF TRUST

- i) EPFO vide their letter dated 30.05.2012 has raised a demand of ₹ 227.17 Crores towards damages for delay in remittance of monthly contributions from 04/1995 under section 14B of EPF & MP Act, 1952. The demand has been contested in the Honourable High Court of Delhi and the same is subjudice.
- ii) EPFO vide their letter No. E/DL/36478/Rec/3203-3208/1581 dated 11.12.2014 withdrew relaxation granted to AAI under Para 27 (A) of the EPF & MP Act, 1952 read with para 17 (2) to maintain the Provident Fund in-house. AAI approached Ministry of Labour & Employment, Government of India for restoration of relaxation granted to AAI. It was decided in a meeting held on 29.05.2015 in presence of Ministry of Labour, EPFO & AAI officials to restore the relaxation granted to AAI temporarily till the judgment of the Hon'ble High Court related to Damages issue. Regional PF Commissioner, Delhi vide letter dated 17.08.2015 have recommended the grant of exemption to AAI to the Central Headquarters, EPFO. However, EPFO raised few queries vide letters of even No. E/DL/37478 Exempted/EO/2016 dated 21.01.2016, 15.06.2016 and 29.09.2016 which have been addressed and final replies submitted vide F. No. AAI/EPF/CHQ/2016-17 dated 28.11.2016. The issue has again been taken up with EPFO through reminders, however the final decision from EPFO is still awaited.

### 50. SEGMENT REPORT AND CASH FLOW STATEMENT

Segment report and Cash Flow Statement for the financial year ended 31st March 2023 are annexed herewith.

### 51. REGIONAL CONNECTIVITY SCHEME (RCS)

UDAN (Ude Desh Ka Aam Naagrik) is a key component of the National Civil Aviation Policy (NCAP), 2016 which was released by the Ministry of Civil Aviation (MoCA) on 15.06.2016. In line with NCAP-2016, Ministry of Civil Aviation (MoCA) launched Regional Connectivity Scheme (RCS-UDAN) on 21.10.2016 which will be applicable for a period of 10 years from the date of its notification by the MoCA.

The first RCS UDAN flight was inaugurated by Hon'ble Prime Minister on 27.04.2017 from Shimla to Delhi.

Till 31.03.2023, 4 rounds of bidding were held and 948 valid RCS routes have been awarded to different airlines to connect 85 unserved airports, 19 underserved airports and 14 waterdromes. Besides, 36 helipads in priority areas of hill states are to be connected under UDAN.

Total domestic passengers travelled through RCS-UDAN were 92.93 lakhs and 117.00 lakhs upto 31.03.2022 and 31.03.2023 respectively. Total RCS UDAN flights operated were 1.79 lakhs and 2.24 lakh upto 31.03.2022 and 31.03.2023 respectively.

The Viability Gap Funding (VGF) claim disbursed by RACFT to Selected Airline Operators (SAOs) during 2022-23 is ₹ 786.39 Crore approx. and RCS Levy collected during 2022- 23 is ₹ 425.31 Crore approx. State Govt Claim / Ministry of Tourism claim towards VGF is to the tune of ₹ 257.16 crores.

During the year 2022-23, AAI had submitted the Fund Utilization Certificates (UCs) to MoCA for ₹ 618.64 Crores for AAI towards the CAPEX related to development/revival of AAI's RCS Airports including some CAPEX of previous year also. Against these capital



## Notes to Financial Statements for the year ended March 31, 2023

expenditures/utilization certificates. the MoCA has released the grant of ₹ 624.60 Crores (₹ 546.31 Crore or Current Year and ₹ 78 Crores for previous year).

Further, the AAI had also submitted utilization certificates for ₹ 182.28 crores in respect of financial year 2022-23 towards the development/revival of State Government's/PSU's RCS airports as received from the respective State Government's/PSU's. Against these utilization certificates the MoCA had released the grant of ₹ 180.24 crores. An amount of ₹ 2.04 crores is receivable from the MoCA for the FY 2022-23 against the State Government's/PSU's RCS airports.

MoCA has released the total payment of ₹ 900.00 crores in the FY 2022-23 out of which ₹ 95.16 crore was sanctioned as advance to AAI.

52. It is stated that during FY 2022-23, claims for Security & Fire Services in respect of AAI Operated Airports in connection with Regional Connectivity Schemes of GOI were raised on various State Governments and out of the said claims an amount of ₹ 107.67 Crores was pending and the same is to be accounted on receipt basis.

### 53. PPP AIRPORTS

- (i) AAI has signed six (06) separate Concession Agreements ("CA") with the Concessionaire for Operations, Management and Development of 06 Airports through Public Private Partnership (PPP) for a Lease period of 50 years, as detailed below:

Airport	Concessionaire	Commercial Operation Date [COD]
Mangaluru	Mangaluru International Airport Ltd	31.10.2020
Lucknow	Lucknow International Airport Ltd	02.11.2020
Ahmedabad	Ahmedabad International Airport Ltd	07.11.2020

Guwahati	Guwahati International Airport Ltd	08.10.2021
Jaipur	Jaipur International Airport Ltd	11.10.2021
Thiruvananthapuram	TRV (Kerala) International Airport Ltd	14.10.2021

- (ii) AAI is also in the process of undertaking PPP transaction of 11 (Eleven) Airports by suitably clubbing / pairing of 05 (five) select Airports with 06 (six) small Airports as under:

Group	Select Airport	Small Airport (s)
1.	Amritsar (Punjab)	Kangra (Gaggal) (HP)
2.	Varanasi (U.P.)	Kushinagar (UP) and Gaya (Bihar)
3.	Bhubaneswar (Odisha)	Hubballi (Karnataka)
4.	Raipur (Chhattisgarh)	Aurangabad (Maharashtra)
5.	Trichy (T.N.)	Tirupati (A.P.)

These airports have been proposed to be leased out for Operation, Management and Development through PPP mode for a period of 50 years. At the end of the concession period, the airports will be handed over back to AAI. The proposal has been submitted to MoCA for obtaining in-principle approval of Union Cabinet, which is awaited.

### 54. GENERAL

- (i) Balances in advances/customer account/liability etc. are subject to confirmation/reconciliation.
- (ii) Losses pending investigation amounts to ₹ 7.07 lakhs (previous year ₹ 7.07 lakhs).
- (iii) **AAI Employees Defined Contribution Pension Scheme:**
- (a) MoCA vide letter No.AV-24032/578/2015-AAI-MOCA dated 26.02.2018 has approved the Pension Scheme under reference with the effective date as 01.01.2007. Accordingly, AAI has created a Pension Trust namely 'AAI

## Notes to Financial Statements for the year ended March 31, 2023

Employees Defined Contribution Pension Trust” vide Trust Deed dated 11.02.2019 to manage the Pension Fund.

- (b) AAI has transferred an amount of ₹ 824.19 crores to AAI Employees Defined Contribution Pension Trust towards its contribution for the period 01.01.2007 to 31.12.2016 relating to Serving and Retired employees. Presently details of estimated provision provided by AAI as on 31.03.2023 is as follows:-

Particulars	₹ in Crores
Total Estimated Contribution payable for the period upto 31.03.2022	452.39
Estimated Provision for Interest upto 31.03.2019	540.00
Closing balance as on 31.03.2022	992.39
Add: Estimated Provision at the rate of 5.60% for Contribution for FY 2022-23	109.05
Closing liability upto 31.03.2023	1,101.44

- (c) C&AG while auditing the Annual Accounts of AAI for the FY 2018-19 has observed that providing ₹ 540 crores as Liability towards interest for the period 01.01.2007 to 31.03.2019 is inconsistent with DPE Guidelines and no approval has been sought from MoCA in this regard. As per assurance given to C&AG, AAI vide UO note reference no: AAI/CHQ/F&A/COMP/ACCOUNTS AUDIT/2018-19 dated 15.11.2019 addressed to JS, MoCA has requested MoCA to make a reference to DPE to confirm the correctness of the action taken by AAI in this regard. MoCA vide O/M File no: AV.24032/578/2015-AAI-MoCA dated 14.01.2020 addressed to the Secretary, Department of Public Enterprises has sought DPE’s considered views on the subject. DPE vide O/M no.:02/0007/2020-DPE(WC)-FTS/11241 dated 16.03.2020 has replied that the implementation the guidelines entirely rests with CPSE/Administrative Ministry. The general financial matter in so far expenditure is to be decided by the CPSE in consultation with Administrative Ministry through IFD/Department of Expenditure, Ministry of Finance, wherever necessary and accordingly the matter may be dealt with by the

Administrative Ministry keeping the above in view. AAI again vide UO Note no: AAI/CHQ/F&A/COMP/ACCOUNTS AUDIT/2018-19 dated 10.08.2020 addressed to JS, MoCA has sought approval for the provision created by AAI for interest amounting to ₹540 crores for the scheme so that the amount could be transferred to AAI Employees Defined Contribution Trust. The approval in this regard is under the consideration of MoCA hence MoCA had sought various clarifications on this issue vide letter dated 1.09.2020, 29.10.2020 and 26.03.2021, 6.07.2021, 08.10.2021 and 3.2.2022 which had been replied by AAI vide letter dated 9.10.2020, 5.03.2021 and 30.06.2021, 17.08.2021 and 28.01.2022, 4.07.2022. As the approval for interest is under consideration of MoCA hence no effect in this regard has been given in the Annual Accounts for the FY 2019-20, 2020-21, 2021-22 and 2022-23 by AAI.

- (iv) **Payment of Government Pensionary Benefits transferred En-masse from Civil Aviation Department/DGCA to NAA/AAI with less than 10 years of service on the Date of Absorption (02.10.1989).**
- (a) MoCA vide letter No.AV-20036/805/2015-AAI-MOCA dated 03.04.2018 addressed to DGCA has conveyed/clarified its decision to grant Government Pensionary Benefits to Employees who have transferred En-masse from Civil Aviation Department/DGCA to NAA/AAI with less than 10 years of service on the Date of Absorption (02.10.1989) subject to receipt of proportionate capitalized pension from AAI for the period of service rendered in AAI.
- (b) Accordingly, the options from the concerned employees (Serving / Retired) has been obtained and MoCA has accorded approval for approximately 2055 employees. Based on the options obtained, the process of payment of capitalized value relating to separated employees for the purpose of issue of Government Pension PPO is under progress.
- (c) Liability towards capitalized value of these Employees (net of amount recoverable) has



## Notes to Financial Statements for the year ended March 31, 2023

been created in the Books of Accounts of AAI as on 31.03.2023 on estimated basis as per details noted below:

(i)	In respect of Serving Government Pension Optees as on 31.03.2023	₹ 42.32 Crores
(ii)	In respect of Separated Government Pension Optees as on 31.03.2023	₹ 11.95 Crores
	<b>Total</b>	<b>₹ 54.27 Crores</b>

(d) As the liability has been created on estimated basis, any further adjustment which may be required will be effected in 2023-24 Accounts.

**(v) Refund of Service Tax on original work**

- a. AAI had filed a claim for refund of service Tax on 11.11.2016 amounting to ₹1,75,08,235 and ₹2,53,17,588 for the construction work undertaken at Chandigarh and Jaipur Airports respectively.
- b. The refund application for Chandigarh airport amounting to ₹1,70,50,822 (out of ₹1,75,08,235) was rejected by the department vide order dated 02.09.2020 against which AAI filed an appeal before the Commissioner (Appeals-I).

On 15.02.2021, the Commissioner(Appeals-I) has passed the final order setting aside the order dated 02.09.2020 and the subject matter has been remanded to department. The department filed an appeal with “Customs Excise and Service Tax Appellate Tribunal (CESTAT)” against the order of Commissioner (Appeals-I). CESTAT vide order dated 10.05.2023 has directed the Adjudicating Authority to decide the refund application at an early date. Accordingly, AAI is in the process of filing refund for ₹1,70,50,822/-. Further, the balance amount of ₹4,57,413/-(1,75,08,235-1,70,50,822) pertaining to Chandigarh Airport was refunded by Service tax department on 28.12.2022.

- c. Also, the refund of ₹2,53,17,588/- in respect of Jaipur airport has been received on 20.05.2023.

**(vi) BOT MODEL X-BIS CONTRACTS:**

- a. Reference may be made to Note No. 47 (VII) BOT Model X-Bis Contracts in the Annual Accounts of AAI for the FY 2019-20. The Disclosure in relation to Future minimum lease payments for finance lease obligation under non-cancellable Finance leases as on 31.03.2023 is as under:

(₹ in Crores)

Particulars	As at March 31, 2023	
	Minimum Lease payments	Present Value Minimum Lease payments
Not later than 1 year	15.06	19.45
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

New Delhi  
16th June, 2023

Sd/-  
**(J.B. Saini)**  
ED (CA&CS)

Sd/-  
**(K.S. Sivakumar)**  
ED (F&A)

Sd/-  
**(Sanjeev Kumar)**  
Member (Finance) & Chairman

## CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

(₹ in Crores)

PARTICULARS		YEAR ENDED 2022-23	YEAR ENDED 2021-22
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit /Loss before tax	3,963.75	32.76
	Exceptional Items:-Reversal of Provision for Doubtful Debts debts due to Air India settlement(previous year-Unspent Old Rehabilitation provision withdrawn)	-	(836.48)
	<b>Profit/(Loss) before taxation and exceptional item</b>	<b>3,963.75</b>	<b>(803.72)</b>
	<u>Adjustments for:</u>		
	Depreciation, Amortisation and Impairment	1,883.13	1,904.38
	Prior Period Depreciation	(35.47)	(2.86)
	Financing Costs	102.85	69.67
	Other Misc. Items	214.03	38.10
	Upfront fees received during the year -Operating Lease Income for future period-PPP Airports*	425.99	1,351.61
	Adjustment for provisions-net made during the year	10.25	196.91
	Adj for Accumulated Provision For Doubtful debts (incl. Air India)	(205.39)	(1,261.91)
	Dividend Income from JVCs & AAICLASCL	(70.98)	(87.08)
	Interest Income	(227.09)	(30.25)
	(Profit) on Assets Sold/discarded, net	(24.77)	(71.89)
	<b>Operating Profit before Exceptional items &amp; Operating Capital Changes</b>	<b>6,036.30</b>	<b>1,302.96</b>
	Decrease/(Increase) in Other Operating Assets	27.59	2,487.63
	Increase in Operating Liabilities	35.40	44.67
	<b>Cash Generated from Operations</b>	<b>6,099.29</b>	<b>3,835.26</b>
	Net Direct Taxes (Paid) net of Refund Received	(737.96)	(519.20)
	<b>Net Cash Generated from Operating Activities - A</b>	<b>5,361.33</b>	<b>3,316.06</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Addition to/Purchase of Fixed Assets/CWIP/Advances for Capital Works	(4,739.74)	(3,972.16)
	Proceeds from Sale of Fixed Assets	33.44	72.67
	Bank Deposits more than 3 months (net)	(1,680.07)	(1,301.95)
	Dividend Received from JVCs & AAICLASCL	70.98	87.08
	Interest Received	97.62	28.14
	Investments/advance for investments in Joint Venture Companies	-	-
	<b>Net cash Generated/ (Used) in Investing Activities - B</b>	<b>(6,217.78)</b>	<b>(5,086.22)</b>



## CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Govt. in the form of Capital grants (incl. RCS Grants)	1,318.60	1,102.50
	Payment/Refund of RCS Grant/Capital Grant to NEC, State Govt. etc	(172.78)	(98.03)
	Advance from Govt. of Uttar Pradesh for O & M Airports	10.00	-
	Working Capital Loan Availed from SBI	100.00	600.00
	Rupee Term Loan Availed from State Bank of India	900.00	625.00
	External Commercial Borrowings availed from State Bank of India	410.23	373.42
	Repayment of Working Capital Loan to SBI	(300.00)	(1,650.00)
	Capex Loan Availed from Axis Bank	-	269.94
	Payment of Interest on Loan	(249.56)	(174.97)
	Repayment of Loan from Foreign Financial Institution	(4.55)	(2.82)
	Payment of Financial Lease Liabilities (incl. Interest etc)	(29.12)	(22.88)
	<b>Net cash Generated / (Used) from Financing Activities - C</b>	<b>1,982.82</b>	<b>1,022.16</b>
	<b>NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>1,126.37</b>	<b>(748.00)</b>
	<b>Cash &amp; cash equivalents as at the beginning of the financial year</b>	<b>338.46</b>	<b>1,086.46</b>
	<b>Cash &amp; cash equivalents as at the end of the financial year</b>	<b>1,464.83</b>	<b>338.46</b>

Notes:-

1. The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in the Accounting Standard -3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

2. Bracket indicates cash outflow/reduction.

## Notes to Financial Statements for the year ended March 31, 2023

### Disclosure as per AS 17- Segment Reporting

(₹ In Crores)

Particulars	FY 2022-23						FY 2021-22							
	North	South	West	North-East	East	Unallocated	Grand Total	North	South	West	North-East	East	Unallocated	Grand Total
<b>Segment Revenue</b>	1,348.91	2,240.20	1,417.02	157.43	1,915.09	4,795.63	1,1874.28	925.41	1,398.97	917.51	152.56	1,216.08	2,113.43	6,723.96
<b>Segment Results</b>														
Segment Result (Profit/Loss)	(116.57)	222.50	119.43	(287.98)	588.28	3,242.87	3,768.53	(529.99)	(696.25)	(295.96)	(257.49)	(111.68)	1,039.99	(851.38)
Unallocated Corporate Expenses						(1,094.55)	(1,094.55)						742.81	742.81
<b>Operating Profit</b>	(116.57)	222.50	119.43	(287.98)	588.28	3,242.87	3,768.53	(529.99)	(696.25)	(295.96)	(257.49)	(111.68)	1,039.99	(851.38)
Interest Expenses	23.65	18.24	13.93	19.18	16.94	10.91	102.85	6.23	8.73	5.07	1.76	6.24	41.64	69.67
Dividend received From JVCs & Subsidiaries						70.98	70.98						87.08	87.08
Exceptional & Extraordinary Item-Provision for Bad and Doubtful Debts-FY 2021-22						-	-						836.48	836.48
Interest Income	4.47	7.23	3.41	1.30	2.65	208.03	227.09	4.89	7.65	3.61	2.64	(1.05)	12.51	30.25
<b>Profit before Tax</b>	(135.75)	211.49	108.91	(305.86)	573.99	3,510.97	3,963.75	(531.33)	(697.33)	(297.42)	(256.62)	(118.97)	1,934.42	32.76
Income Tax Exp/Provisions						991.70	991.70						24.00	24.00
<b>Profit after Tax</b>	(135.75)	211.49	108.91	(305.86)	573.99	2,519.27	2,972.05	(531.33)	(697.33)	(297.42)	(256.62)	(118.97)	1,910.42	8.76
<b>Other Information</b>														
<b>Segment Assets</b>	3,669.10	6,700.73	3,785.96	1,880.17	4,058.25	19,685.82	20,094.21	3,352.88	5,703.63	3,085.04	2,493.36	3,902.76	18,459.79	18,537.67
Unallocated Assets						19,685.82	19,685.82						18,459.79	18,459.79
<b>Total Assets</b>	3,669.10	6,700.73	3,785.96	1,880.17	4,058.25	19,685.82	39,780.03	3,352.88	5,703.63	3,085.04	2,493.36	3,902.76	18,459.79	36,997.46
Segment Liabilities	1,404.08	1,472.41	1,011.95	693.34	525.80	18,890.98	5,107.58	1,351.09	1,319.57	1,006.37	709.02	640.19	19,724.83	5,026.24
Unallocated Liabilities						18,890.98	18,890.98						19,724.83	19,724.83
<b>Total Liabilities</b>	1,404.08	1,472.41	1,011.95	693.34	525.80	18,890.98	23,998.56	1,351.09	1,319.57	1,006.37	709.02	640.19	19,724.83	24,751.07
Capital Expenditure	936.63	1,668.31	1,057.63	552.97	792.56	184.25	5,192.35	733.40	1,078.83	810.85	554.50	772.82	47.13	3,997.53
<b>Non-Cash Expenditure</b>														
Depreciation, Amortisation & Impairment	375.66	615.50	283.56	157.73	417.23	33.45	1,883.13	371.59	637.02	279.50	126.73	453.74	35.80	1,904.38
Reversal of Provision for Bad and Doubtful Debts -Air India (FY 2021-22)	-	-	-	-	-	-	-	(200.19)	(202.30)	(123.49)	(41.78)	(263.89)	(4.83)	(836.48)
Major Non-Cash Expenditure (Reversal of Provision for Doubtful Debts, Prior Period Depreciation, Bad Debts, etc)	(20.19)	(66.69)	(53.69)	1.67	(82.66)	(17.29)	(238.85)	(28.94)	37.36	(9.31)	(1.40)	(17.02)	52.85	33.54



SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest



संख्या / No. GAP/AAI/Accounts Audit/AAI/6-145/2023-24/31

भारतीय लेखापरीक्षा और लेखा विभाग,  
कार्यालय प्रधान निदेशक लेखापरीक्षा (इन्फ्रास्ट्रक्चर), दिल्ली  
INDIAN AUDIT & ACCOUNTS DEPARTMENT,  
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT  
(INFRASTRUCTURE), DELHI

दिनांक / Dated 26/10/2023

सेवा में,

सचिव, भारत सरकार  
नागर विमानन मंत्रालय,  
राजीव गांधी भवन,  
नई दिल्ली-110003.

विषय:- वर्ष 2022-23 के लिए भारतीय विमानपत्तन प्राधिकरण (AAI) के लेखों पर लेखापरीक्षक प्रतिवेदन।

महोदय,

में इस पत्र के साथ भारतीय विमानन प्राधिकरण अधिनियम 1994 की धारा 28(2) के अधीन भारतीय विमानपत्तन प्राधिकरण के वर्ष 2022-23 के वार्षिक सत्यापित लेखाओं की प्रति तथा उन पर लेखापरीक्षा प्रतिवेदन अशेषित कर रहा हूँ।

कृपया इन लेखाओं और प्रतिवेदन को संसद में पेश करने की तारीख इस कार्यालय को सूचित करें। प्रतिवेदन को संसद में पेश करने के पश्चात पेश किए गए प्रत्येक दस्तावेजों की 25 प्रतियाँ इस कार्यालय में तथा एक प्रति भारत के नियंत्रक एवं महालेखापरीक्षक के कार्यालय को भिजवाए।

संलग्न:- यथोपरि

भवदीय,

(राजीव कुमार पाण्डेय)

महानिदेशक

संख्या:-GAP/AAI/Accounts Audit/AAI/6-145/2023-24/366

दिनांक:- 26/10/2023

प्रतिलिपि:-

मंत्रालय को जारी किए गए पत्र के साथ भारतीय विमानपत्तन प्राधिकरण, के वर्ष 2022-23 के लेखाओं पर लेखापरीक्षा प्रतिवेदन की प्रति अध्यक्ष, भारतीय विमानपत्तन प्राधिकरण को प्रेषित है। कृपया प्रतिवेदन को भारतीय विमानपत्तन प्राधिकरण अधिनियम 1994 की धारा 28(2) के अनुसार संसद में पेश होने तक गोपनीय रखा जाए।

(राजीव कुमार पाण्डेय)

महानिदेशक

**AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF AIRPORTS AUTHORITY OF INDIA FOR THE YEAR ENDED 31 MARCH 2023**

We have audited the attached Balance Sheet of the Airports Authority of India (AAI) as at 31 March 2023 and the Profit and Loss Account for the year ended on that date, under Section 28(2) of the Airports Authority of India Act, 1994 (AAI Act 1994) and the Airports Authority of India (Annual Report and Annual Statement of Accounts) Rules, 2014. These financial statements include the accounts of 52 self/ regional accounting units. These financial statements are the responsibility of the AAI's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

Based on our audit, we report that:

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (ii) The Balance Sheet and Profit and Loss Account dealt with by this report have been drawn up in the format approved by the Government of India under clause (g) sub section (2) of Section 41 of the AAI Act, 1994 and Airports Authority of India Rules, 2014.
- (iii) In our opinion, proper books of accounts and other relevant records have been maintained by the AAI as required under Section 28(1) of the AAI Act, 1994 in so far as it appears from our examination of such books except that:

**A. Balance Sheet**

**Equity and Liabilities**

**1. Current Liabilities**

**1.1 Other Current Liabilities (Note No. 5): ₹ 5321.12 crore**

The above does not include an amount of ₹ 5.55 crore on account of the following:



S. No.	Particular	Amount (₹ in Crore)
i.	Non-creation of liability in respect of hiring of manpower for the month of March 2023.	1.63
ii.	Non-creation of liability towards CAMC/AMC and O&M for various equipment at various airports for the period Jan-23 to March-23.	2.07
iii.	Non creation of liabilities towards the various revenue nature expenditure incurred by different agencies during the year 2022-23.	1.29
iv.	Non-creation of liability towards the water charges and electricity charges for the month of March 2023.	0.56
<b>Total</b>		<b>5.55</b>

This has resulted in understatement of Other Current Liabilities and understatement of Expenditure by ₹ 5.55 crore. Consequently, Profit for the year is overstated by ₹ 5.55 crore.

#### 1.2 Short term provisions (Note No. 6): ₹ 9,638.21 crore

The above does not include an amount of ₹ 6.01 crore towards the lapsed Input tax Credit shown as receivable for the year 2021-22, for which the desired credit could not be availed. This has resulted in overstatement of Current Assets and understatement of Short term provisions by ₹ 6.01 crore. Consequently, profit for the year is overstated by ₹ 6.01 crore.

## 2. Assets

### Fixed Assets

#### Capital Work-in-Progress (Note No. 11): ₹ 9,364.13 crore

The above head included the work related to various construction projects, which were completed as on 31 March 2023, but instead of capitalising the same are still shown under CWIP. This has resulted in overstatement of Capital Work in Progress by ₹17.64 Crore, understatement of Fixed Assets by ₹16.39 Crore and understatement of depreciation by ₹ 1.25 crore, consequently profit for the year is also overstated by ₹ 1.25 Crore.

## B. Statement for Profit and Loss

### Income - Airport Lease Revenue (Including PPP Airports) (Note No. 24)

A provisional invoice amounting to ₹8.44 crore was issued to PPP Concessionaire of Guwahati airport with respect to concession fee for the month of March 2023. Subsequently, AAI raised the revised invoice to the concessionaire based on actual passenger data for the month of March 2023, amounting to ₹8.41 crore as concession fee. This amount was recorded as receivable of ₹8.41 crore, but the provisional entry dated 31.03.2023 of the concession fee of ₹8.44 crore was not reversed. This has resulted into overstatement of Airport Lease Revenue and Trade Receivables by ₹8.44 crore, consequently profit is also overstated by ₹8.44 crore.

### C. Notes to Accounts

Note No. 51 of the financial statements of AAI states that against capital expenditure/ utilization certificates the MoCA has released the grant of ₹ 618.64 crores. The said note is deficient as it does not disclose the fact that during the year 2022-23, MoCA released the grant of ₹624.60 crore (₹ 546.31 crore for current year and ₹78.29 crore for previous year). Further, the note also does not disclose the fact that MoCA has released the total payment of ₹900 crore in the FY 2022-23 out of which ₹95.16 crore was sanctioned as advance to AAI.

### D. General

i. An amount of ₹54.62 crore is pending to be recovered from DIAL in respect of development fee pertaining to Kingfisher and Air India despite lapse of period of more than five year.

### ii. Grant-in-Aid

Status of Grant-in-Aid under RCS Grant and Capital Grant for Construction of Greenfield Airport at Holongi and Itanagar (Arunachal Pradesh) was given as under:

Particulars	₹ in Crore)	
	RCS Grant for development/Revival of unserved and underserved Airports	Capital Grant for Construction of Greenfield Airport at Holongi and Itanagar
Opening balance as on 01.04.2022	101.17	(-)204.13
Add: Grant received during 2022-23	903.60	409.99
Add: a) Interest earned on Grant received during 2022-23	Nil	Nil-
Total Amount Available	1004.77	205.86
Less: Amount Utilized	885.34	222.58
Closing Balance as on 31.03.2023	119.43	(-)16.72

Apart from above, Capital Grant amounting to ₹ 0.19 crore was also lying unutilized under the Capital Grant head.

- (iv) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts.
- (v) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes to Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India.
- a) In so far as it relates to the Balance Sheet, of the state of affairs of the AAI as at 31 March 2023; and



b) In so far as it relates In so far as it relates to the Profit and Loss Account, of the profit for the year ended on that date.

**For and on behalf of the  
Comptroller and Auditor General of India**

**(Rajiv Kumar Pandey)  
Director General of Audit (Infrastructure)  
New Delhi**

**Place: New Delhi  
Dated: 26 October 2023**

### Annexure

(to the Audit Report of the Comptroller and Auditor General of India on the accounts of Airports Authority of India for the year ended 31 March 2023)

#### 1. Internal Audit System

The internal Audit of AAI is conducted by the separate Internal Audit Cell headed by Executive Director and Chartered Accountants are engaged for internal audit at regional offices/Airports on need basis. It was intimated by the management, that CA Firms have conducted audit in respect of 24 Airports and in-house team conducted Internal Audit of 3 Airports for the year 2020-21 and 2021-22 during 2022-23.

#### 2. Internal Control System

During audit of selected airports, the following deficiencies of similar nature were noticed, though do not have materiality in terms of money value but require management attention for strengthening the internal control system:

- (i) Narration was not given in the GL code for understanding the nature of transaction.
- (ii) The supporting documents relating to accounting transactions as mapped in SAP were not found to be attached in certain cases.
- (iii) Old security deposits/ Earnest Money deposits (EMDs), liabilities, advances were lying unadjusted in the books of Accounts as on 31.03.2023.
- (iv) Land measuring 118.81 acres was not in possession of AAI despite the ownership of the land was available with AAI.

#### 3. System of physical verification of fixed assets

Physical verification of fixed assets were not done in Corporate Headquarter, Eastern Region and its units, North Eastern Region and its units.

#### 4. System of physical verification of inventories

Physical verification of inventories at Central radio Stores Depot (CRSD) was not conducted during the year 2022-23

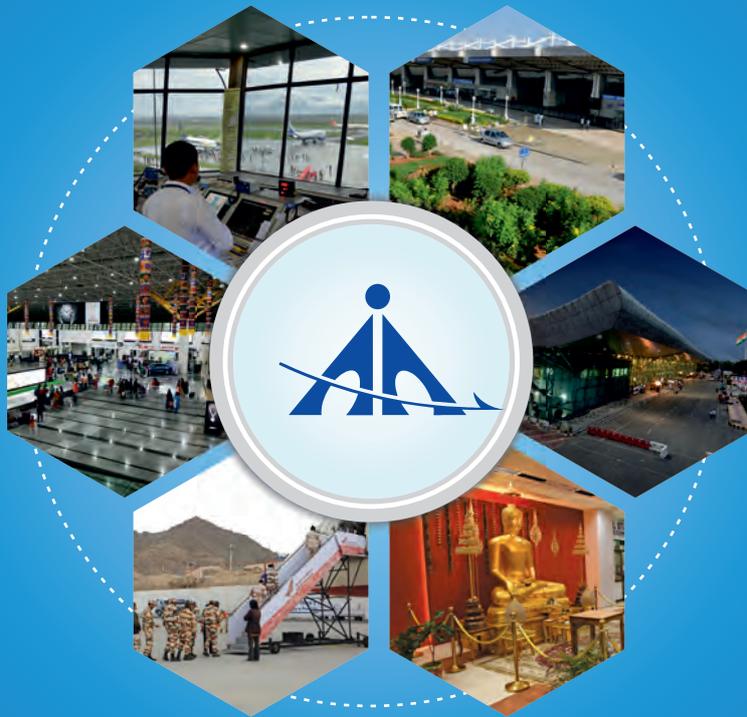
#### 5. Regularity in payment of statutory dues

There was no delay in payment of statutory dues.



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भारतीय विमानपत्तन प्राधिकरण  
**Airports Authority of India**

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