

ANNUAL REPORT 2021-22



Spurring Infrastructure Development
Transforming Civil Aviation



भारतीय विमानपत्तन प्राधिकरण
AIRPORTS AUTHORITY OF INDIA



“ India's aviation sector is growing tremendously, this makes quality infrastructure in the aviation sector of prime importance ”

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 Rajiv Bansal, IAS

Secretary, Ministry of Civil Aviation



Shri Sanjeev Kumar, IAS

Chairman, AAI



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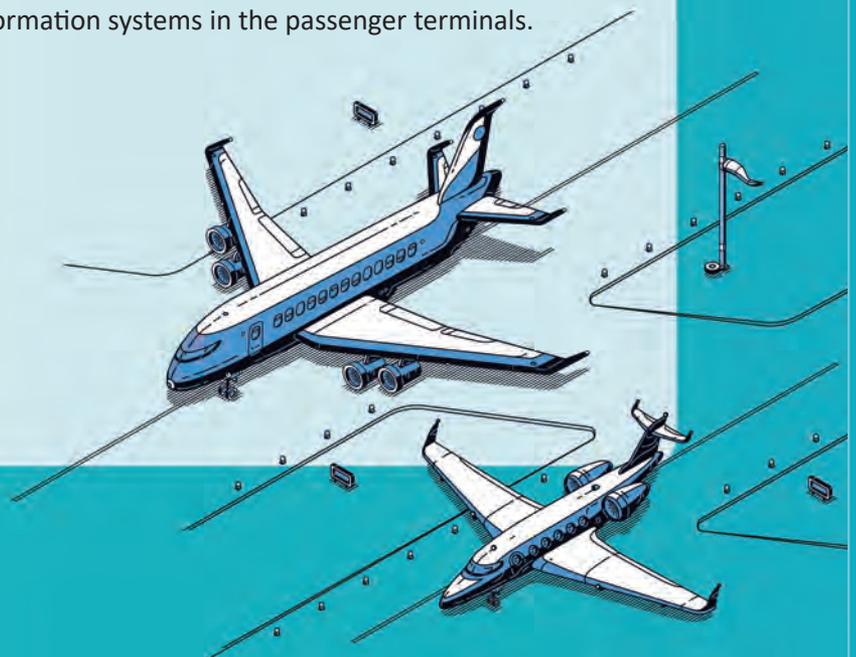


ABOUT AAI

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.

MAIN FUNCTIONS OF AAI

- ▶ Control and management of the Indian airspace (excluding special user air space) extending beyond the territorial limits of the country, as accepted by ICAO.
- ▶ Provision of Communication, Navigational and Surveillance Aids.
- ▶ Expansion and strengthening of operational areas viz. Runways, Aprons, Taxiways etc. and provision of ground-based landing and movement control aids for Aircraft & vehicular traffic in operational area.
- ▶ Design, Development, Operation and Maintenance of passenger terminals.
- ▶ Provision of passenger facilities and information systems in the passenger terminals.





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.



ANNUAL REPORT 2021-22

CORPORATE HEADQUARTERS

Airports Authority of India, Rajiv Gandhi Bhawan, Safdarjung Airport,
New Delhi – 110003 Ph: +91-11-24632950, Fax: +91-11-24632990

Regional Executive Director, Airports Authority of India,
NATS Building, Near IGI Airport, T3 Road, New Delhi -110 037
Tel: 011- 25656514, Fax: 011- 25656451
E-mail : red_nr@aai.aero

NORTHERN
REGION

Regional Executive Director
Airports Authority of India, NSCBI Airport,
Kolkata -700 052, Tel: 033 - 2511 9616 / 2511 9944
Fax: 033 - 2511 8873, E-mail : reder@aai.aero

EASTERN
REGION

Regional Executive Director, Airports Authority of India,
New Integrated Operational Complex,
Opp. Parsiwada Bus Stop, Sahar Road, Vile Parle (East),
Mumbai-400099. Tel: 022-29217402,
E-mail : redwr@aai.aero

WESTERN
REGION

Regional Executive Director
Airports Authority of India, ATS Complex,
Chennai Airport, Chennai- 600 027,
Tel: 044-22561234 / 22561515,
Fax: 044-22561010 E-Mail : redsr@aai.aero

SOUTHERN
REGION

Regional Executive Director, Airports Authority of India,
LGB International Airport, Guwahati - 781 015
Tel: 0361-2840223, Fax : 0361-2840042
E-mail : redner@aai.aero

NORTH-EAST
REGION

133
Airports

23
International
Airports
(Including 3
Civil Enclaves)

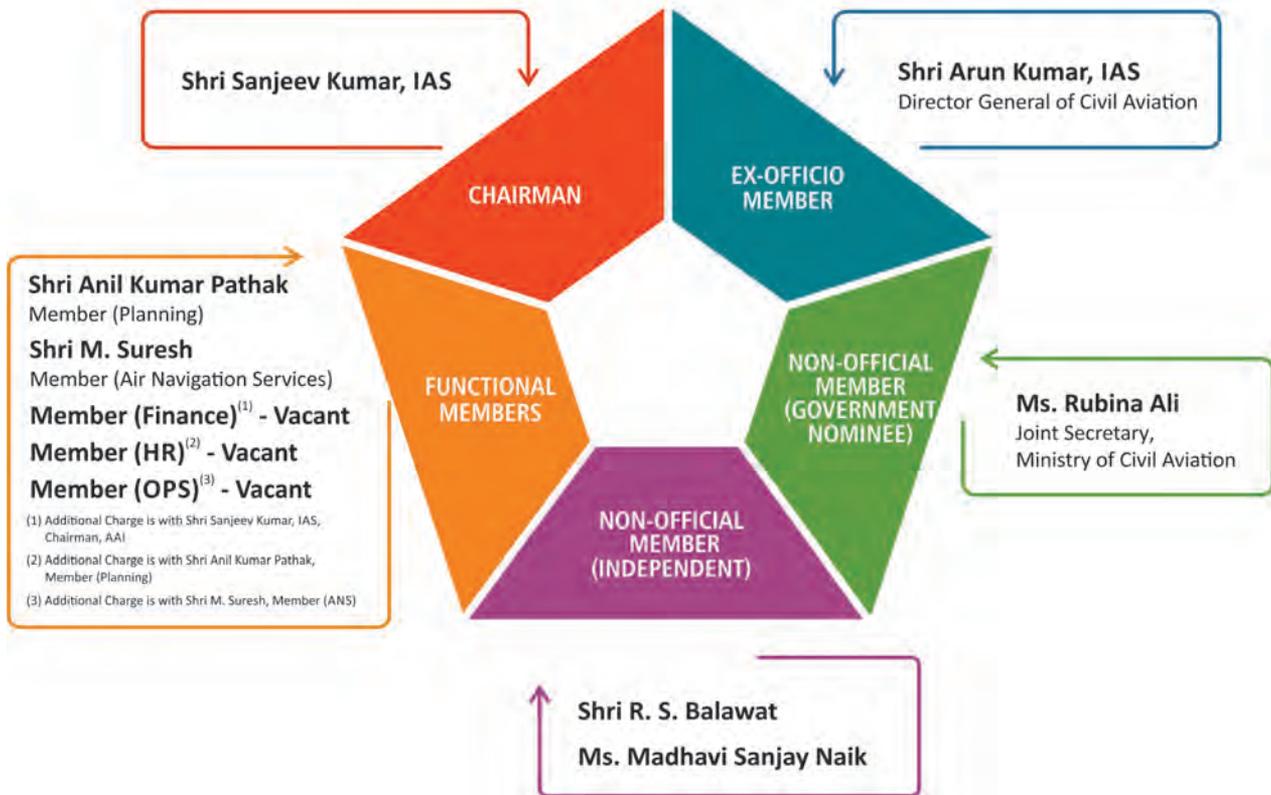
100
Domestic
Airports
(Including 22
Domestic
Civil Enclaves)

10
Custom
Airports
(Including 4
Civil Enclaves)



BOARD STRUCTURE

(As on 30.11.2022)



KEY MANAGERIAL PERSONNEL (KMP)





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 Jamnalal 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 at the crucial time of introduction of Value Added Tax (VAT) in 2005.

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" 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).

CHAIRMAN



Shri Arun Kumar a 1989 batch IAS Officer from Haryana Cadre and a Maths Graduate, is the Chief of Directorate General of Civil Aviation.

For about 22 years, he served in the Northern Indian State of Haryana in various capacity such as Managing Director - Power Distribution and Transmission Utilities, as Head of State Tax Administration, as Chief Executive Officer of the State Transport Undertaking, as Director of Industries and Mines and as Director of Environment and Member Secretary in State Pollution Control Board.

He has held the position of Deputy Commissioner in the Union Territory of Chandigarh and of District Collector of Rohtak, Jhajjar and Faridabad in the State of Haryana. For about almost six and half years, he has been with the Ministry of Civil Aviation. Being the Joint Secretary and then as Additional Secretary in the Ministry, he looked after the work of Airports, Airlines, DGCA, Bilateral and Parliamentary Affairs. While in

charge of Bilaterals, he was the Leader of Indian delegation in multiple Air Services Negotiations and has signed about 40 Agreements/MoU on behalf of India, with various countries. Later, in June 2019, he was given charge as the Director General of Civil Aviation.

He has attended many training programmes in India and Abroad and also attended many short-term professional courses in Indian Institute of Management, National Law School, IATA and Cambridge University.

EX-OFFICIO MEMBER



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, she is working as Joint Secretary in Ministry of Civil Aviation.

GOVERNMENT NOMINEE



Shri Anil Kumar Pathak is a certified International Airport Professional (IAP) by ACI-ICAO and holds Master Degree in Environment Science & Engineering from Jamia Millia Islamia University.

He has over 30 years of rich experience in planning, design of modern state-of-art environment-friendly airport terminals and airside infrastructure like runways, apron etc. its financial evaluation, regulatory clearances, tendering & award processes and is also associated with execution of various Greenfield & Brownfield Airport Projects across India.

MEMBER (PLANNING)



Shri M. Suresh is an Engineering Graduate in Electronics and Communication with post-graduation in Master of Business Administration (HR). He is an ICAO certified International Airport Professional (IAP).

Shri Suresh has joined Airports Authority of India in year 1991 as an Electronics officer and has 31 years rich experience in aviation sector while serving as Regional Executive Director (North Eastern Region), Executive Director (Aviation Safety), Airport Director at Goa International Airport, Jammu & Madurai. He has served as a General Manager in various capacities at AAI Corporate and Regional Headquarters. He has discharged the strategic function of ensuring safety in aerodrome operations and air navigation services, developing and

maintaining the safety management policy of AAI.

He is an Air Navigation technical expert and has vast experience in planning, operation & maintenance of CNS, Airport Systems & Information Technology facilities across airports in India.

Since joining as Member (ANS), he has made special focus on aviation safety, provision of ANS services at Greenfield & Brownfield airports, technological advancement of CNS & automation facilities at airports, R&D in Indian aviation sector with strategic global aviation partners, implementation of flexible use of airspace and other initiatives by Govt. of India.

MEMBER (ANS)



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 34 years. His area of specialisation is Law.

INDEPENDENT MEMBER



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.

INDEPENDENT MEMBER



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.

CHIEF VIGILANCE OFFICER

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.



Shri Dharmendra Bhojwani is a Commerce Graduate and an Associate Member 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, capital budget, financial concurrence etc.

ED (FINANCE)



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 30 years in various facets of Financial Management especially in Finance, Accounts and statutory compliances of the Companies.

He has assumed charge of the post of Executive Director (PMQA/Corporate Affairs) on 1st July 2022 and 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.

ED (PMQA/CA)



लाल बहादुर शास्त्री अंतर्राष्ट्रीय हवाईअड्डा, वाराणसी LAL BHADUR SHASTRI INTERNATIONAL AIRPORT VARANASI

उपस्थान DEPARTURE

VARANASI AIRPORT



BOARD'S REPORT



KUSHINAGAR AIRPORT



MEMBERS' REPORT FOR THE YEAR 2021-22

We are pleased to present the 27th Board's Report of the Airports Authority of India (AAI) together with audited Statement of Accounts and the Auditors' Report thereon for the financial year ended 31st March 2022.

FINANCIAL HIGHLIGHTS (FY 2021-22)

(Amount in ₹ Crores)

Particulars	FY 2021-22	FY 2020-21
Revenue from Operations (Aeronautical & non-aeronautical revenue)	6333.72	4335.42
Other Income	507.57	531.62
Total Revenue	6841.29	4867.04
Total Expenditure other than finance costs and Depreciation	5670.96	6178.40
Finance Costs	69.67	45.01
Profit Before Tax & Depreciation	1100.66	(1356.37)
Depreciation and Amortisation	1904.38	1819.75
Profit / (Loss) before exceptional items and tax	(803.72)	(3176.12)
Exceptional Items (See Note 1 below)	(836.48)	(409.11)
Profit Before Tax	32.76	(2767.01)
Tax Expenses		
Current Tax	0.00	(0.27)
Deferred Tax	24.00	(804.68)
Profit After Tax	8.76	(1962.06)
Amount distributed as Dividend:		
(i) Interim Dividend & Dividend Tax	-	-
(ii) Final Dividend & Dividend Tax (See Note 2 below)	-	-
Transferred to Reserves:		
(i) Corporate Social Responsibility Reserve	-	-
(ii) Airport Development Reserve	-	-
(iii) General Reserve	8.76	-

Note 1: - Exceptional items for FY 2020-21 & 2021-22 represent reversal of Provision for Rehabilitation Exp. amounting to 409.11 Crores and reversal of Provision for Doubtful Debts due to Air India settlement amounting to ₹836.48 Crores respectively.

The Indian Civil Aviation and tourism sectors have been one of the worst affected sectors of Indian economy due to COVID-19 pandemic. During the year 2020-21, the total passenger traffic handled saw decline of 66% whereas the total Aircraft movements declined by 54% as compared to 2019-20 i.e. pre-covid era.

The impact of Covid-19 continued to impact the air traffic in India during 2021-22. During the year 2021-22, the total passenger traffic handled saw decline of 45% whereas the total Aircraft movements declined by 32% as compared to 2019-20 i.e. pre-covid era.

Accordingly, revenue accrued to AAI during the FY 2021-22 was only ₹6841.29 Crores and the Expenditure accounted for was ₹7645.01 Crores. After adjusting the Exceptional item relating to write back of Provisions for Doubtful Debts of Air India, the Profit Before Tax works out to ₹32.76 crores. Further, after adjustment of Deferred Tax Liability amounting to ₹24 crores accounted for during the FY 2021-22, the Profit after Tax works out to ₹8.76 crores.

More details on AAI's financial performance may be referred to under the head "Business Overview" in the Management Discussion & Analysis, which forms part of this report as **Annexure 1**.

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TRANSFER TO RESERVES

During the financial year 2021-22, ₹8.76 Crores have been transferred to 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.

Considering the in-principle approval accorded by DIPAM vide OM dated 24.01.2022 to exempt AAI from payment of Dividend to the extent necessary in connection with Write-off of Air India dues, a proposal was sent to MoCA vide UO Note dated 24.02.2022 to exempt AAI from payment of final dividend for the FY 2019-20 (₹138.57 Crores), Total Dividend Payable for the FY 2020-21 (₹671.70 Crores) and estimated Dividend payable for the FY 2021-22 (₹607.23 Crores).

Till finalization of the accounts for the FY 2021-22, no approval w.r.t. exemption of Dividend was received. Accordingly, necessary appropriation for a total dividend of ₹638.56 Crores (being 5% of Net worth) by AAI for the financial year 2021-22 to the Govt. of India was made from the General Reserves.

Subsequently, Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDC) in its meeting held on 03.08.2022 exempted Airports Authority of India from payment of the above dividends.

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 2021-22, in the capital of AAI and it stood at ₹656.56 Crores as on March 31, 2022.

Long Term Borrowings: During the FY 2021-22, two tranches of the secured term loan facility from Axis Bank were availed by AAI in the month of May and June 2021. With this, the total outstanding term loan from Axis Bank stood at ₹2098.01 Crores as on 31.03.2022.

AAI, during the FY 2021-22, also availed secured rupee term loan facility and external commercial borrowings from the SBI to the tune of ₹625 Crores and 50 million US dollars.

Short term Borrowings: During the FY 2021-22, AAI availed Fund based Working Capital of ₹600 Crores (out of sanctioned limit of ₹2000 Crores) from State Bank of India to meet its Working Capital Requirements. AAI, in the previous year 2020-21, had availed ₹1400 Crores from the said limit and paid back ₹150 crores.

During the FY 2021-22, AAI repaid ₹1650 Crores. The outstanding balance as on 31.03.2022 stands at ₹200 Crores only.

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 2021-22 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 till 30.11.2022:-

- A. CHAIRMAN** – There has been no change in the Chairman of the Authority.
- B. FUNCTIONAL MEMBERS**
 - 1. Member (HR)** – Consequent upon sudden demise of Shri Anuj Aggarwal, Member (HR) on 22nd April 2021 due to Covid related complications, MoCA vide its Order dated 30th April 2021 entrusted the additional charge of the post of Member (HR), AAI to Shri Anil Kumar Pathak, Member (Planning), AAI in addition to his own duties. Since then, MoCA, vide its Orders issued from time to time, has been extending the entrustment of additional charge of the post of Member (HR) to Shri A. K. Pathak.



- 2. Member (Operations)** - Shri I.N. Murthy completed his 5-year tenure as Member (Operations), AAI on 22.11.2021. MoCA vide its Order No. AV-24011/17/2020-AAI-MOCA (189566) dated 31st December 2021 conveyed the approval of the Appointments Committee of the Cabinet (ACC) for entrustment of additional charge of the post of Member (Ops.) to Shri Sanjeev Kumar, IAS, Chairman, AAI for a period of 1 (One) year or till the appointment of a regular incumbent to the post, or until further orders, whichever is the earliest.

Later, MoCA vide its Order of even number dated 24th May 2022 entrusted additional charge of the post of Member (Operations) to Shri M. Suresh, Member (ANS) for a period of 1 year till the appointment of a regular incumbent to the post, or until further orders, whichever is the earliest. Accordingly, Shri M. Suresh, assumed the charge on 24.05.2022 and Shri Sanjeev Kumar, IAS, Chairman, AAI was relieved from the additional charge w.e.f. the said date.

- 3. Member (Finance)** - Consequent upon superannuation of Shri K. Vinayak Rao, Member (Finance), AAI on 31.10.2022, MoCA vide its Order No. AV-24011/8/2021-AAI-MoCA dated 01st November 2022 entrusted the additional charge of the post of Member (Finance) to Shri Sanjeev Kumar, IAS, Chairman, AAI for a period of three months i.e. from 01.11.2022 to 28.01.2023, or till a regular incumbent join or until further orders, whichever is earlier.

C. GOVERNMENT DIRECTORS

- 1.** MoCA vide its Notification No. AV-24015/2/2015-AAI-MOCA (84261) dated 20th January 2022 extended the tenure of Ms. Rubina Ali, Joint Secretary, MoCA as Part-time Member on the Board of AAI for a period of three years with effect

from 11.02.2022 or until further orders, whichever is earlier. Her previous tenure of three years was ending on 10.02.2022.

- 2.** Shri Vimalendra Anand Patwardhan, Joint Secretary & Financial Advisor, MoCA completed his 3-year term as Part-time Member on the Board of AAI on 25.10.2022. Accordingly, he ceased to be Board Member of AAI w.e.f. the said date. Order from MoCA filling up the said post was not received till 30.11.2022.

D. INDEPENDENT DIRECTORS

- 1.** Shri Ravindra Singh Balawat and Ms. Madhavi Sanjay Naik were appointed as Non-Official Independent Members (Part-time) on the Board of AAI vide MoCA's Notification No. 24011/12/2019-AAI-MOCA (166781) dated 21.01.2022 and 29.03.2022 respectively for a period of three years or until further orders, whichever is earlier.
- 2.** Shri G. Sekar completed his 3-year term as Non-official (Part-time) Member on the Board of AAI on 21.07.2022 and accordingly ceased to be Board Member of AAI w.e.f. the said date. Consequent upon his cessation as AAI's Board Member, strength of independent board members in AAI now stands reduced to 2 (Two).

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 30.11.2022, the AAI's Board comprise of 7 members, which includes Chairman, DGCA (Ex-officio Member), 2 functional members, 1 nominee representing the Ministry of Civil Aviation and 2 part-time non-official (Independent) members.

Order from MoCA was awaited for the appointment and filling up of (a) the post of Member (HR); (b) the post of Member (Operations); (c) the post of Member (Finance); (d) the post of 1 nominee Member representing the Ministry of Civil Aviation; and (e) 2 posts of non-official (Independent) members.

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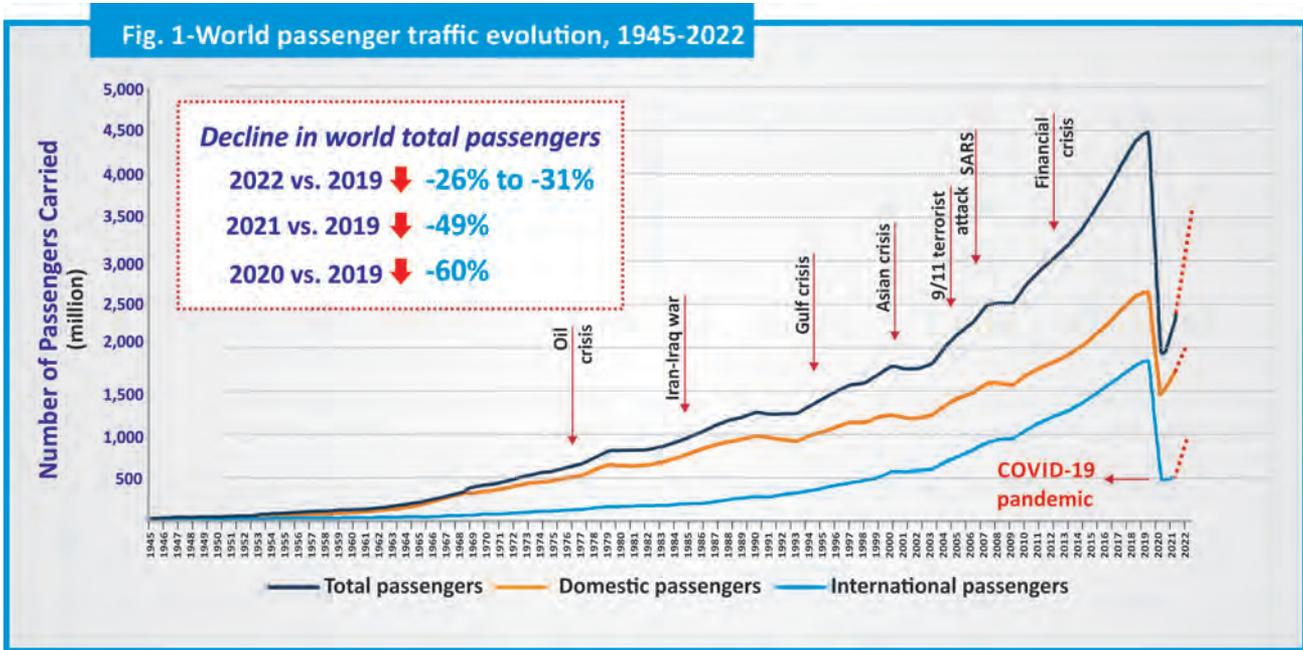
IMPORTANT CHANGES IN POLICY AND MAJOR EVENTS, WHICH INFLUENCED OR AFFECTED THE PROFITABILITY OF THE AUTHORITY DURING THE YEAR

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 30.11.2022.

(A) **Covid-19 Pandemic** - The COVID-19 virus spread worldwide without acknowledging borders. It impacted all industries, all sectors and all aspects of our lives with devastating economic and financial losses and significant uncertainties.

The following image shows the impact of Covid 19 on the aviation industry worldwide:

This “once in a century” crisis due to COVID-19 pandemic also impacted the Indian Aviation



Source: ICAO

Industry which is one of the hardest hit, revival from which is likely to be expected by 2024 only. The shock posed by COVID-19 disrupted the long spell of robust growth enjoyed by the Indian aviation sector in the last few years.

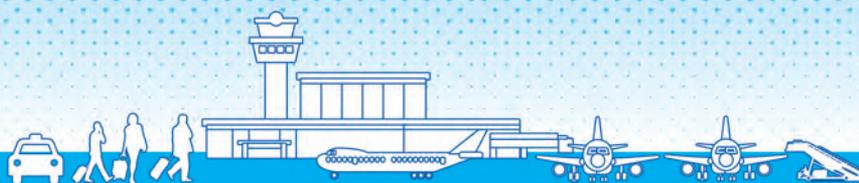
Second wave of Covid-19 and third wave due to Omicron variant in FY 2021-22 in India brought down the tourists’ footfall significantly due to the vicious cycle of restrictions in the wake of COVID-19. On account of the above factors, AAI witnessed a huge dip in its revenues during the FY 2021-22.

(B) Airport Lease Revenue in respect of JVC Airports (DIAL & MIAL)

During the FY 2020-21, Delhi International Airport Limited (DIAL) and Mumbai International Airport Limited (MIAL) went into arbitration

relating to Monthly Annual Fee payable by them to AAI by invoking force majeure provisions of OMDA (due to Covid19 impact). Therefore, Airport Lease Revenue from these Airports continued to be severely impacted during FY 2021-22 too.

MIAL – Consequent upon the interim arrangement arrived by MIAL and AAI for sharing of revenue on the basis of actual revenue received in the Proceeds Account on daily basis, AAI received an amount of ₹1027.67 Crores from MIAL towards Annual Fee on cash basis during the financial year 2021-22, in terms of Order by Hon’ble Tribunal, subject to final outcome of the Arbitration and verification by an independent Auditor.



(₹ in Crores)

S. NO.	Particulars	Amount
1	AAI Fees (upto 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
Total MAF received upto 31.03.2022		1027.67
4	Interest on ₹153 crores kept as Fixed Deposit (as per Order of Hon'ble Tribunal)	4.17

However, on the basis of Audited Financials of MIAL for the FY 2020-21 & FY 2021-22, Gross Revenue, Monthly Annual Fee (MAF) due & Actual MAF received is as under:

(₹ in Crores)

Financial Year	As per Annual Accounts of MIAL		Actual MAF received		Balance receivable
	Gross Revenue	MAF Due	2020 – 2021	2021- 2022	
(1)	(2)	(3)	(4)	(5)	(6) = [(3)-(4)-(5)]
2020 – 2021 (paid till Dec'20)	1,826.64	627.18	26.92	379.50	220.76
2021 – 2022	2,144.11	722.38	NIL	648.17	74.21
Total	3,970.75	1,349.56	26.92	1,027.67	294.97

DIAL – In the month of March - April 2022, DIAL & AAI mutually consented to execute a Settlement Agreement, governing the interim arrangement for payment of MAF by DIAL to AAI commencing April 2022, pending adjudication by the Arbitral Tribunal. No Monthly Annual fees for the period from January 2021 to March 2022 has been paid by DIAL to AAI.

However, on the basis of the Audited Annual Accounts of DIAL for the FY 2020-21 & FY 2021-22, Gross Revenue, Monthly Annual Fee (MAF) due & Actual MAF received is as under:

(₹ in Crores)

Financial Year	As per Annual Accounts of DIAL		Actual MAF received		Balance receivable
	Gross Revenue	MAF Due	2020 – 2021	2021- 2022	
(1)	(2)	(3)	(4)	(5)	(6) = [(3)-(4)-(5)]
2020 – 2021	2,522.07	768.69	446.21	NIL	322.48
2021 – 2022	3,057.34	989.59	NIL	NIL	989.59
Total	5,579.41	1,758.28	446.21	NIL	1,312.07

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 2021 – 2022.

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 of the Financial Statements of AAI for the FY 2021-22.

(C) SHARE OF INCOME FROM PPP AIRPORTS

Three 3 PPP Airports namely Guwahati, Jaipur & Thiruvananthapuram International airports were handed over to the Concessionaires in FY 2021-22. The Commercial Operations Date (COD) in respect of Guwahati, Jaipur & Thiruvananthapuram International Airport was 08.10.2021, 11.10.2021 and 14.10.2021 respectively.

Details of upfront amount accrued to AAI towards RAB/CWIP and the monthly Concession Fee accrued in respect of these 3 PPP airports which have been handed over to the Concessionaires during the FY 2021-22 and their categorization as Revenue/Deferred Revenue in the books of accounts of AAI as on 31.03.2022 are provided below:

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Particulars	Revenue			Deferred Revenue			Total		
	Thiruvananthapuram	Jaipur	Guwahati	Thiruvananthapuram	Jaipur	Guwahati	Thiruvananthapuram	Jaipur	Guwahati
RAB (Aero)	3.93	2.39	0.66	420.07	250.61	68.34	424.00	253.00	69.00
RAB (Non-Aero)	0.07	0.02	0.12	7.08	2.54	12.59	7.15	2.56	12.71
CWIP	0.01	0.15	3.36	0.72	15.41	345.66	0.73	15.56	349.02
Concession Fee	29.14	37.83	32.47	-	-	-	29.14	37.83	32.47

A total of ₹296.90 Crores as Concession fee was received from 6 PPP Airports (including Concession fee from Mangalore, Ahmedabad and Lucknow Airports handed over in 2020-21) during FY 2021-22 and thus, it had positive impact on AAI's financials.

(D) INCOME FROM COMMERCIAL OPERATIONS

In the gradual receding of COVID-19 effect, the airport operations started normalising mid FY 2021-22. With the increase in passenger flow at the airports, commercial activity also gathered pace at various AAI airports. Total revenue from Non-Aeronautical Airport services for the FY 2021-22 was ₹912.09 crores against that of the last FY i.e. 2020-21 ₹885.84 crores. It is to note that the concessionaire support scheme provided by AAI to commercial concessionaires to overcome the COVID-19 induced distress situation was continued for entire FY 2021-22.

It was observed that the revenues from F&B, and Car park had picked to some extent during the latter part of the year. However, the business activities for facilities such as Retail, Advertisement, Duty Free Shop, Money Exchange, and other contact intensive services such as Spa & Wellness centre were relatively muted.

AAI is optimistic that in the next financial year, the revenue generation from Non-Aeronautical Airport services at AAI airports will pick up significantly. The lifting of restrictions on International aircraft movements in March -2022 will also contribute in increasing the revenues.

(E) UDAN (Ude Desh ka Aam Naagrik) is a regional airport development program of the Government of India and part of the Regional Connectivity Scheme (RCS) of upgrading underserved air routes. Till launching of UDAN in 2016, India had 74 airports having scheduled

operations. But, within 5 years under UDAN, four rounds of bidding under RCS-UDAN have taken place and 155 RCS airports including 14 water aerodromes & 36 Helipads have been identified for operation of RCS flights.

Till 31.03.2022, 948 valid RCS routes have been awarded to different airlines to connect 85 unserved airports, 20 underserved airports and 14 water Aerodromes. Besides, 36 helipads in priority areas of hill states are to be connected under UDAN-2.0, 4.0 & 4.1. Total domestic passengers travelled through RCS-UDAN were 63.00 lakhs and 92.93 lakhs upto 31.03.2021 and 31.03.2022 respectively. The Viability Gap Funding (VGF) claim disbursed by RACFT to Selected Airline Operators (SAOs) during 2021-22 is ₹625.93 Crore approx. and RCS Levy collected during 2021-22 is ₹241.16 Crore approx.

Operationalization of more RCS Airports and their connectivity led to increase in air traffic and contributed to the revenues of the Authority.

MEASURES TAKEN FOR IMPROVING THE FUNCTIONS AND PROFITABILITY OF THE AUTHORITY

1. Government of India took various initiatives to boost the aviation sector which included calibrated opening of the domestic sector as the pandemic ebbed, introduction of air transport bubbles or air travel arrangements with specific countries, disinvestment of Air India, 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. With the help of these supportive measures, India's aviation sector is on the path of gradual recovery from the turbulence caused by the COVID-19 pandemic. A resurgence of the sector



is foreseen as a result of swift measures adopted by the government and industry.

With the accelerated pace of vaccine roll-out and easing of travel restrictions globally, Indian aviation sector started to rebound. The total passengers carried in October 2022 has reached 137.52 lakhs which was 94 percent of the pre-Covid level (146.25 lakh).

2. A study on congestion in passenger terminal building at various AAI airports was carried out to identify measures to de-congest them. Accordingly, Slot allocation at various airports was reviewed and slots were 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.

Slot Performance data was sought from various airports and analysis of the same was done. Flights deviating regularly from the approved schedule leading to congestion at airports were identified. Accordingly, Airlines were informed of the same and advised to adhere to the approved schedule.

3. **Safe and smooth movement of passengers through its airports.**

As per directives issued by MoCA, MoH&FW and MHA, AAI made all arrangements for the safe and smooth movement of passengers through its airports. MoCA issued guidelines for Airport operators, Airlines, Ground Handling agencies etc. for the safe movement of domestic passengers. Accordingly, Airports Authority of India provided following facilities at its airports for the safe and smooth movements of passengers:

- a. **Proper cleanliness, hygiene and sanitization in and around Terminal building:** Cleanliness of every nook and corner of Terminal building and surrounding areas (including washrooms, lifts, escalators, X-Ray machines, Chairs, counters, railings, Security trays, doors, handles etc.) was ensured at all AAI airports. Also, Terminal building was sanitized on regular basis. Baggage and shoes of Passengers were sanitized at the entry gate. Sanitizer was provided at strategic locations for passengers and airport staff.

Proper ventilation was ensured at Airports wherever it is possible.

- b. **Social distancing norms:** Social distancing norms as per directives of MoH&FW were followed at every meeting point and in the queue at entry point, Checkin, security and boarding gates etc. Seating arrangement was done in such a manner so as to maintain sufficient distance among passengers. Also, stickers/markings were provided at the appropriate locations. Kerb Area/City side traffic/Car parking area was strictly monitored in coordination with traffic police/DGR Staff to prevent congestion. Specific Identified Aerobridge was provided to arriving International Passengers. Minimum passengers were permitted in Smoking lounge, Child care rooms to maintain social distancing norms.
 - c. **Other safety measures:** All airport staff handling flights were provided with required protective gears for the safety. Use of baggage trolleys was minimized. Dedicated triage Area/Isolation room was provided for the suspected passengers. If any suspected passenger was detected, Health officials shifted him to hospitals as per guidelines. Health information and Do's and Don'ts as issued by Ministry of Health & Family Welfare were displayed at Flight Information Display System (FIDS) and at other prominent places. Also, announcements were made for the information of passengers. De-gowning area for medical personnel /crew to divest and dispose Personal Protective Equipment was provided at airports. Separate bins were provided to collect Bio hazardous garbage. Bio hazardous waste was disposed as per norms.
 - d. Thermal screening of departing and arriving passengers.
 - e. Information displayed through Flight Information Display System (FIDS), boards, standees for awareness of passengers.
4. **To mitigate the impact of COVID -19 pandemic on AAI's Financials, the Austerity Measures including Ban/Restriction of Foreign/Inland Travel, Ban/Restriction on Sanction of New**

Loans & Advances to Employees, Restriction on Leave Encashment in case of Serving Employees, restrictions on expenditure on Conferences/ Workshops/Seminars, restrictions on spend on Advertisements/Publicity & Publications, reduction of Out of Pocket Allowance to Executives by 50% etc. were in place during the FY 2021-22.

5. Target Percentage Reduction in the Operating Expenses of AAI was decided with reference to Budget Estimates to ensure cost reduction in this regard which will mitigate the impact of Revenue Loss.

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 2022 AND DEVELOPMENT OF AIRPORTS IN NORTH EAST REGION

Details of works completed, progress of the sanctioned schemes by AAI and development of airports (Region-wise including in North East Region), as on 31st March 2022, is provided in **Annexure – 3**.

The said annexure also provides an idea of the account of the activities which are likely to be taken up by AAI during the financial year 2022-23.

SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY

As on March 31, 2022, the following are the subsidiaries / JVs / Associate Company of AAI:-

S. No.	Name of the Subsidiary / Joint Venture	Subsidiary / Joint Venture
1.	AAI Cargo Logistics & Allied Services Company Ltd. (AAICLAS)	Subsidiary (100%)
2.	Chandigarh International Airport Limited (CHIAL)	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.	Delhi International Airport Limited (DIAL)	Joint Venture (26%)
8.	Mumbai International Airport Limited (MIAL)	Joint Venture (26%)
9.	GMR Hyderabad International Airport Limited (HIAL)	Joint Venture (13%)
10.	Bangalore International Airport Limited (BIAL)	Joint Venture (13%)
11.	National Flying Training Institute Private Limited, Gondia	Joint Venture (46%)
12.	MIHAN India Limited, Nagpur	Joint Venture (49%)
13.	Kannur International Airport Limited	Joint Venture (7.47%)
14.	Digi Yatra Foundation	Joint Venture (26%)



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.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of the DPE guidelines on CSR and Sustainability and Section 135 of the Companies Act, 2013, AAI has constituted a CSR Committee. The composition and terms of reference of the CSR Committee is provided in the Report on Corporate Governance, which forms part of this Report. AAI has also formulated a Corporate Social Responsibility Policy, which is available on AAI's website at <https://www.aai.aero/en/corporate/csr-policy>

AAI is committed to play a larger role in India's sustainable development by embedding wider economic, social and environmental objectives.

During FY 2021-22, Covid19 pandemic and its subsequent lockdowns coupled with travel restrictions have affected the Aviation Industry very badly. As a consequence, the Airports Authority of India is also facing a financial constraint as the finances and income of AAI were also adversely influenced. AAI is compelled to take loans from various sources to fulfil the prior commitments. Moreover, the progress of CSR projects at various locations was either stopped or slowed down due to lockdowns imposed by the

districts and states administrations. Hence there was an inadequacy of demands for the funds from the stakeholders. In view of the above, AAI could only spend ₹13.79 Crores from current year budget & ₹34.83 Crores from CSR unspent account during the year on CSR activities.

Further, in accordance with the provisions of Section 135 of the Companies Act 2013 read with relevant rules made thereunder, the unspent CSR amount of ₹17.25 Crores for the FY 2021-22 was transferred to the unspent CSR Account opened with Scheduled Bank.

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 AUDITORS' 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 2021-22 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 2021-22	FY 2020-21
Capital Items		
Capital Goods Purchase	(196.64)	(424.42)
Repayment of Foreign loans	(2.83)	(2.79)
Revenue Items		
Spare Parts	(28.36)	(14.47)
Foreign Travel	(0.21)	(1.87)
Consultancy	(0.24)	(4.54)
Others	(103.44)	(60.63)
Services	688.24	478.09

Expenditure shown in ()

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ANNUAL ASQ SURVEY 2021

Airport Service Quality (ASQ) survey is the world-renowned and internationally established global benchmarking programme measuring passengers' satisfaction, whilst they travel through an airport, conducted by the Airports Council International (ACI).

ACI, a global non-profit organization of Airport Operators, is an independent agency which carries out international benchmarking of airport through its participative program known as Airport Service Quality (ASQ) Survey which covers 34 key service areas which includes 8 major categories such as access, check-in, security, airport facilities, food and beverage, retail and more. ACI-ASQ survey is carried out at around 253 airports across North America, Latin America and Caribbean, Africa, Europe, Middle East and Asia Pacific. The ASQ survey results are also monitored by AERA, NITI Aayog and MoCA.

The ASQ programme provides the research tool and management information to better understand passengers' views and what they want from an airport from the products and services standpoint.

ACI World's Voice of the Customer initiative acknowledge and recognize airports that continued to prioritize their customers and remained committed to ensuring that their voice was heard even during the ongoing COVID-19 pandemic in 2021.

Seven (07) AAI airports namely Chennai, Kolkata, Goa, Pune, Patna, Bhubaneswar & Chandigarh which participated in ACI-ASQ survey in 2021 were chosen for Voice of Customer Recognition.

During 2021, ASQ survey was carried out at 10 AAI airports including Chandigarh, Guwahati, Jaipur and Trivandrum airport. The ASQ rating of AAI airports for the year 2021 over 2020 is given below:

S. No.	Name of the airport	2021		2020		Difference in rating of 2021 over 2020
		ASQ RATING	RANK	ASQ RATING	RANK	
1	CHANDIGARH	4.99	18	4.99	13	0.00
2	TRIVANDRUM#	4.91	50	4.91	43	0.00
3	GOA	4.89	54	4.92	37	-0.03
4	GUWAHATI#	4.85	65	4.73	71	0.12
5	CHENNAI	4.81	69	4.67	80	0.14
6	JAIPUR#	4.79	70	4.72	73	0.07
7	KOLKATA	4.72	78	4.77	63	-0.05
8	PUNE	4.57	92	4.58	97	-0.01
9	BHUBANESHWAR	4.55	98	4.31	161	0.24
10	PATNA	4.52	104	3.72	333	0.80
11	VARANASI*	-	-	4.94	29	-
12	AMRITSAR*	-	-	4.93	36	-
13	INDORE*	-	-	4.86	51	-
14	RAIPUR*	-	-	4.81	62	-
15	TRICHY*	-	-	4.74	69	-
16	BAGDOGRA*	-	-	4.61	93	-
17	SRI NAGAR**	-	-	4.83	57	-
18	CALICUT**	-	-	4.81	60	-
19	VIZAG**	-	-	4.67	81	-
20	COIMBATORE**	-	-	4.61	92	-
	Average of AAI airports	4.76		4.71		0.05
	World average	4.38		4.37		0.01

**ACI-ASQ survey was conducted only during Q-1 2021

*ACI-ASQ survey was not conducted during 2021

Guwahati, Jaipur and Trivandrum airport were handed over to M/s. Adani Enterprise Limited during 2021-22.



MEMORANDUM OF UNDERSTANDING

Due to Covid-19 pandemic and expected loss to AAI, Department of Public Enterprises exempted AAI from signing of MoU for FY 2020-21 and FY 2021-22 with MoCA. Accordingly, subsidiaries of AAI were also exempted from signing of MoU for the said years with AAI.

PROCUREMENT FROM MSEs

During the FY 2021-22, procurement of goods and services by AAI from MSEs (including from MSEs owned by SC/ST entrepreneurs) was ₹547.33 Crores, which was 35% (approx.) of the AAI's total annual procurement target of goods & services of ₹1568 Crores for the said year. Thus, AAI fulfilled the mandatory procurement target of 25% from MSEs.

VIGILANCE ACTIVITIES

Corporate Vigilance Department (CVD) of Airports Authority of India (AAI) is located at Corporate Headquarters at New Delhi whereas, it has its presence at different regions too (Northern, Eastern, Western, Southern & North-Eastern). The role and functions of Vigilance Department is in conformity with CVC's Vigilance Manual, updated from time to time.

The Vigilance Department of AAI is being headed by Shri Amal Garg, IRS (IT: 1995 batch) as Chief Vigilance Officer, AAI since 21.10.2020.

AAI being a service organization, the role & functions of Vigilance Directorate is three pronged – (a) Preventive, (b) Punitive, and (c) Surveillance & Detection. In its preventive role, CVD carries out awareness campaigns wherein it creates sensitivity towards day-to-day matters having scope for malpractices and corruption. These campaigns include Vigilance Awareness Week (VAW), which is an yearly event and Vigilance Awareness programmes like Workshops, Lectures, Seminars etc. being conducted throughout the year at different locations to achieve the objective of zero tolerance for corruption. In its detective/surveillance role, it plans and carries out surprise, regular and CTE Type inspections to detect the systemic failure and existence of corruption and malpractices, if any. It also scrutinizes the internal audit reports and annual property returns etc. to look for actions with a vigilance angle.

CVD as a part of its proactive role urges various key departments to codify their work procedures and revise their manuals for bringing transparency at

workplace and reducing the scope for discretion. CVD on the basis of outcome of deliberations taking place in workshops and field inspections, makes 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 2021-22 regarding sexual harassment of women at workplace:-

No. of complaints as on 01.04.2021	01
Complaints received during the financial year 2021-22	01
Complaints disposed off during the financial year 2021-22	03
Complaints pending as on 31.03.2022	00

EMPLOYEE-EMPLOYER RELATIONS, STRIKES, ETC.

In Airports Authority of India, the employer-employee relationship is viewed with multi-dimensional approach and it broadly operates in the realm of statutory obligations, policies and development-oriented framework.

During the Financial Year 2021-22, there have been no loss of man-days on account of Strike/Absenteeism and Lockout. The Airports Authority of India makes constant endeavor to establish, maintain and improve communication with its workforce in order to promote amicable settlement of issues, if any, through bipartite discussions and continuous mutual interaction amongst various level of employees. The Airports Authority of India encourages and promotes strong employee – employer relationship in following manner:

- (i) In order to have effective and wide representation of workmen with the management in policy decision making and various welfare committees, the AAI management recognizes majority workers' union as sole bargaining agent through secret ballot referendum, who are entitled to deliberate upon fundamental terms of employment, service conditions, wage negotiations, transfer policy, housing allotment, medical benefits, etc.
- (ii) With a view to encourage bi-partisan approach and enable platform for workers to have

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a dialogue with the management, Joint Consultative Machinery meetings are held with the representatives of recognized workers' union at Central and Regional level twice in a term of recognition of five years.

- (iii) Apart from above, the Officers' Associations operating in ATC, CNS, Engineering and multi cadres having majority representative character are also recognized in order to extend an opportunity to the representative cadre-based Associations to have a say on the professional as well as welfare concerns.

In this way, employer – employee relationship in Airports Authority of India is strengthened by securing highest level of mutual understanding and workplace productive behavior.

SPORTS ACTIVITIES

AAI continues to proactively promote sports. It has always vigorously encouraged sports either by participating or sponsoring various sports related schemes and scholarships. AAI also fields its team in various sports tournaments. In the year 2021-22 AAI Team have participated in many tournaments and some of its major achievements are :

National Tournaments

- i. AAI Kho-Kho Women Team participated in the 54th Senior National Kho Kho Championship organized by Madhya Pradesh Amateur Kho-Kho Association at Jabalpur, Madhya Pradesh from 26th to 30th December 2021, where AAI Women Kho Kho Team won the Runners-up Trophy.
- ii. AAI Cricket Team participated in All India Public Sector Cricket Tournament held at Gurugram, Haryana from 20th to 24th December 2021 organised by AIPSSCB. AAI Cricket Team won the IInd Runners-up Trophy.
- iii. AAI Carrom Team participated in (a) All India Public Sector Carrom Tournament held at Jaipur, Rajasthan from 04th to 07th January 2022 organized by LIC, and (b) 49th Senior National Carrom Championship held at Mumbai, in March 2022, organized by All India Carrom Association.
- iv. AAI Football Team participated in Football Delhi 'C' Division League 2021/22 at New Delhi in the month of March 2022 organised by Delhi Soccer Association.

AAI Inter Zonal Tournaments

- i. AAI Inter Zonal Cricket Tournament was organised by Regional Sports Control Board, Western Region at Indore in March 2022 and won by Central Zone.
- ii. All India Trekking Event was organised in February 2022 by Airports Sports Control Board - Chennai Airport at Kodai Hills.

PROGRESSIVE USE OF HINDI

The Airports Authority of India ensures compliance with the Act and Rules under the Official Language Policy of the Government of India. Airports Authority of India organizes meetings of Official Language Implementation Committee at Corporate Headquarters and at all stations in every quarter of the year. In addition, regular inspections are conducted in the Regional and Subordinate Offices of AAI to monitor the implementation of Official Language in the organization and accordingly necessary instructions/suggestions are given to the concerned offices, wherever necessary.

During the financial year 2021-22, various Hindi workshops were organized at Corporate Headquarters, Regional Headquarters and Field Stations to encourage the employees to use Hindi. Out of which 4 Hindi workshops were organized at Corporate Headquarters itself, in which 44 officers and 27 employees were trained.

According to the decision taken in the meeting of the Official Language Implementation Committee held on 30 September 2019, a Hindi competition was organized in every quarter. Apart from this, Hindi Pakhwada was also organized at Corporate Headquarters and every station from 14th to 30th September 2021. Various competitions were organized during the fortnight and prizes were given to the winners. Participation awards were also given to the participants to encourage the personnel who participated in the Pakhwada. Apart from this, officers and employees were rewarded under Hindi promotion schemes to encourage the officers/employees posted in various departments and subordinate offices of Corporate Headquarters for implementation of official language. AAI's in-house magazine "Arpan" is published regularly during every quarter. Apart from this, the annual magazine



“Indraprastha Swar” of TOLIC (PSU)-1 was published. The details of other notable works/achievements of the Department of Official Language during the financial year 2021-22 are given below: -

- A compilation of important guidelines related to official language for the help of the Official Language Cadre, “Official Language Manual” was released on July 29, 2021.
- On December 23, 2021, AAI’s in-house magazine “Arpan” received the first prize from the Ministry of Civil Aviation.
- Organized All India Official Language Conference.
- In order to increase the interest in reading Hindi literature among the employees posted in the Corporate Headquarters, “Best Hindi Reader of the Month” scheme was implemented.
- Plaques related to prominent quotes of famous Hindi litterateurs were installed at prominent places in the corporate headquarters.
- All India Official Language Shield Scheme has been implemented to encourage best implementation of Official Language in all subordinate offices and departments of Corporate Headquarters.
- All India Hindi Essay Competition was organized by AAI on the occasion of World Hindi Day;
- On July 09, 2021, a training program was organized on the topic “Use of Hindi in modern features of Windows 10, MS Word and Mobile.
- Half-yearly meetings of the Town Official Language Implementation Committee were organized in August, 2021 and January, 2022.
- Four meetings of the Official Language Implementation Committee of the Corporate Headquarters were held and follow-up action on the minutes was completed.
- Quarterly progress reports received from various departments/sections were consolidated and prepared and sent to the Ministry of Civil Aviation and Department of Official Language, Ministry of Home Affairs within the stipulated time frame.
- Official language inspection of 18 offices of AAI was done by the second sub-committee of the Parliamentary Committee on Official Language.

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, 2022, 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, 2022 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 wish to place on record their appreciation for the support extended by the Ministry of Civil Aviation, DGCA, BCAS, DPE, Comptroller & Auditor General of India, Other departments of the Government of India, State Governments, Customers, Bankers, Vendors, Business Partners and other agencies. The Members also wish to place on record the support and cooperation received from the Regional Office of ICAO at Bangkok as well as the ICAO Headquarters at Montreal in various facets of the functioning of AAI.

The Members would also like to place on record their sincere appreciation for the valuable contribution, unstinted efforts and the spirit of dedication shown by the employees of AAI at all levels in ensuring satisfactory all-round operational performance and especially for their continued support during the testing times of Covid 19.

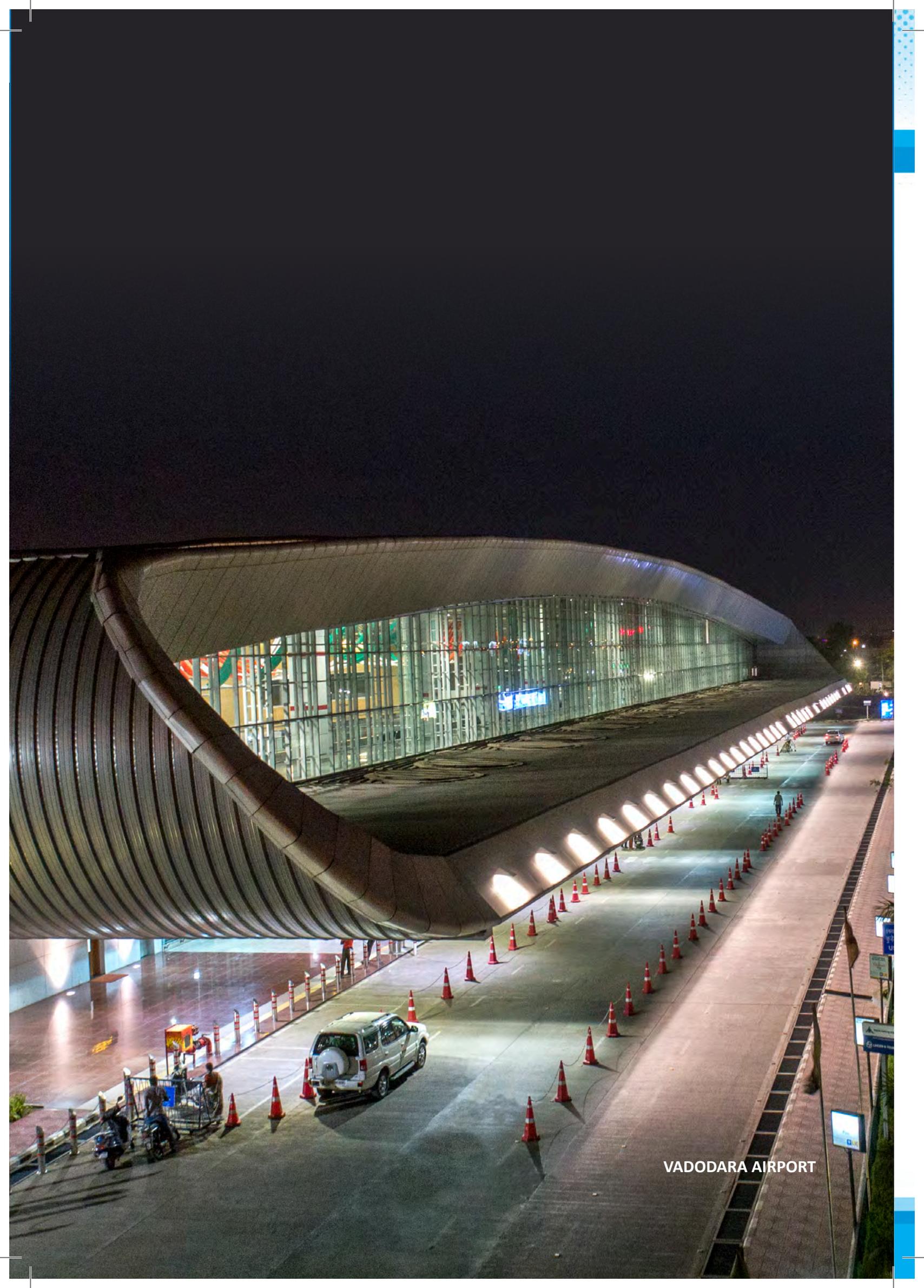


KOLKATA AIRPORT

ANNEXURE - 1



MANAGEMENT DISCUSSION & ANALYSIS (MD&A)



VADODARA AIRPORT



MANAGEMENT DISCUSSION AND ANALYSIS

The objective of this report is to share and keep abreast with the happenings and transformations occurring within AAI, that in the industry and economy, its technology and its overall business strategies. Among other things, the MD & A provides an overview of the previous year of operations and how AAI fared in that time. It also provides the report on the upcoming year, outlining future goals and approaches to new projects. We begin with a general review of the industry, followed by the operational and financial details of AAI including details of its human resources.

Statements in the Management Discussion and Analysis describing AAI's objectives, projections, estimate expectations may be "forward looking statements". Actual results could differ materially from those expressed or implied. Important factors that could influence AAI's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in Government regulations, tax laws and other factors such as impact of epidemic / pandemic, litigation and industrial relations.

1. INDUSTRY STRUCTURE

The civil aviation industry is a service industry providing transport services. Air transportation shows many characteristics which are typical for service industries, e.g. the intangibility of the product and the high importance of personal contact to the customer.

Aviation as an activity encompasses a wide variety of stakeholders ranging from passengers to vendors of high and strategic technologies. The most important stake holder in the sector is the common passenger whose aspiration and need to travel is to deepen with time. He needs affordable, comfortable and safe travel with a decent quality of customer services.

Stakeholders and their interests

1.1 Pilots, crew members and technicians constitute the backbone of civil aviation. Individually and collectively they are the essential stakeholders of the industry. Government need to ensure continued training and adoption of high standards of safety in operations in order to support this group.

1.2 Airline Operators, both SOP as well as NSOP, are the basic service providers and hence the growth and performance of the sector is substantially dependent upon them. Their expectation is to operate in a liberal laissez-faire environment where fair competition is allowed to thrive with minimal Govt. Controls.

1.3 Airport operators and managers of aviation infrastructure are critical in the growth of the sector. As such the **Airports Authority of India** which manages most of the aerodromes in the country and the emerging class of private entrepreneurs associated with creation of airport infrastructure are important partners in the performance of the sector. Their interest is in ensuring the safety, security and commercial viability of the airports that they operate.

1.4 Ministry of Defence is an important stakeholder as it manages a large number of airports in the country which are also used for civilian operations. The Ministry also shares a large part of the Indian air space and hence determines the scale of civil operations. We are required to maintain the primacy and priority of military needs in terms of use of airspace, infrastructure and operating procedures followed.

1.5 Ministry of Environment is an important player because Civil Aviation has a significant effect on environment through noise and effluents. The policies and pollution norms prescribed by the ministry significantly impact aviation activities. NGOs and Social Activists too form a part of this ecosystem and often influence policy direction.

1.6 Regulators like the Director General Civil Aviation (DGCA), Bureau of Civil Aviation Security (BCAS) and Airport Economic Regulation Authority (AERA) are a major component of the aviation system. International regulators like EU, FAA and ICAO regulate international operations and prescribe standards that significantly determine Indian aviation as well.

1.7 Regulatory Service Providers like the CISF are important stakeholders of the system. They contribute to making the aviation environment secure for the passengers and operators. They also provide critical security to civil aviation installations.

1.8 The Ministry of Home Affairs has a vital role to play in civil aviation due to security reasons. They also provide vital intelligence inputs to handle security issues. They also require the Ministry of Civil Aviation to be a partner in disaster management, rescue operations and policing activities.

1.9 As **MRO** is likely to assume a greater importance in the civil aviation picture with the passage of time agencies related to this activity are likely to emerge as an important ingredient of the system. Their needs relate to R&D, easy import of technology and availability of trained human resource.

1.10 Training Schools both for pilots as well as engineering technicians have a major contribution to make in the growth of civil aviation sector. To compete with international flying schools who operate in a comparatively different environment, these institutions require similar global environment to perform optimally. They expect a dynamic regulatory regime which responds rapidly to changing training and technology needs of the industry.

1.11 Civil aviation operations depend heavily on efficient ground handling. The **ground handling agencies** thus are a significant player in the system.

1.12 Oil Marketing Companies provide the basic input of civil aviation through supply of fuel. They are an important link in the operations supply chain of the industry.

1.13 Ministry of Finance decides the tax regime and financial dispensations in which the industry operates hence they too contribute heavily to the growth and expansion of civil aviation.

1.14 Ministry of Housing & Urban Affairs, and Municipal Agencies provide the approach infrastructure to airports. They control the access to the services and hence are a major contributory factor in the growth of the sector. They also control the growth of habitations near airports and the implementation of building regulations which effect air movements.

1.15 Air Navigation Service Provider (ANSP) provides services to air traffic during all phases of operations (approach, aerodrome and en-route). Depending on the specific mandate, an

ANSP provides one or more of the following services to airspace users: -

- Air Traffic Management (ATM)
- Communication navigation and surveillance systems (CNS)
- Meteorological service for air navigation (MET)
- Search and rescue (SAR)
- Aeronautical information services/ aeronautical information management (AIS/AIM).

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 / PPP 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.

1.16 Ministry of Communications who conduct wireless examinations for Indian pilots are an important stake holder, they also provide wireless connectivity which is critical to air traffic management.

1.17 Manufacturers of Aircraft and engines provide the basic hardware of the industry. They provide direction and pace through their marketing strategies and development of technology. They are impacted by taxation issues prevalent at the time.

2. INDUSTRY DEVELOPMENTS

2.1 Covid-19 Pandemic

In 2021-22, even as the nation faced a widespread second and third wave of Covid-19, the air passenger traffic has seen an impressive recovery mainly supported by the domestic sector. During the tough phase of pandemic in



the Country, the Government of India extended the support by its following major initiatives: -

- (i) Calibrated opening up of Domestic / International sector
- (ii) Fare Capping in the domestic sector during the pandemic
- (iii) Lifeline UDAN
- (iv) Vande Bharat Mission (VBM)
- (v) “Transport Bubbles” or “Air Bridges”

With the accelerated pace of vaccine roll-out and easing of travel restrictions globally (including resumption of International travel effective from 27th March 2022), Indian aviation sector has started to rebound. The total passengers carried in October 2022 has reached 137.51 lakhs which was 94 percent of the pre-Covid level (146.25 lakh).

Besides growing month-on-month, air cargo operations are already performing strongly with the resurrection of the economy, supported by a robust rebound in business confidence, and boosted by resilient domestic demand, including through e-commerce.

The total air cargo tonnage carried in March, 2019 was 3.09 lakh MT whereas the average pre- Covid level cargo tonnage was 2.83 Lakh MT. The cargo tonnage during October, 2022 was 2.57 lakh MT which is 91.33% of the monthly average tonnage handled in pre-covid period 2019-20.

India’s aviation sector is on the path of gradual recovery from the turbulence caused by the COVID-19 pandemic. The long-term resurgence of the sector is foreseen as a result of swift measures adopted by the government and industry.

2.2 Russia Ukraine Conflict

The impact of Russia Ukraine conflict mainly witnessed decrease in domestic traffic from June 2022 onwards due to increase of air ticket price caused by higher ATF cost. However, the overall impact was very minor due to commencement of schedule International operation from March, 2022.

The total passenger traffic handled at all Indian airports taken together from March - 2022 to October- 2022 is appended below:

Passenger Traffic Handled at All Indian Airports (in lakhs)			
Month	INTL	DOM	TOTAL
Mar-22	33.12	211.23	244.35
Apr-22	35.14	208.28	243.42
May-22	40.96	227.57	268.54
Jun-22	44.22	208.55	252.77
Jul-22	46.79	192.66	239.44
Aug-22	45.89	200.93	246.82
Sep-22	44.69	204.76	249.45
Oct-22	47.79	226.74	274.53

Operation Ganga: The Government launched Operation Ganga to bring back Indian nationals from Ukraine. Around 23500 Indian nationals returned from Ukraine to India from 1st February to 11 March 2022. Altogether, 90 evacuation flights, including 14 Indian Air Force flights were operated under “Operation Ganga”. Six (6) Indian scheduled carriers namely, Air India, Air India Express, Air Asia, Indigo, SpiceJet and Go First were involved in operating evacuation flights from Ukraine.

- a. Air bubble arrangement with Ukraine: India had an air bubble arrangement with Ukraine which was finalized in October 2020. Under the bubble, Ukraine International Airlines was

operating 400 seats/week in each direction, while no Indian carriers were operating on the India-Ukraine route. However, due to rising tension between Ukraine and Russia and after issue of advisory by MEA, it was proposed to remove the restriction on the seat capacity and allowing charter flights under air bubble, which was accepted by Ukraine on 16th February, 2022.

- b. Closure of Ukrainian air space: The Ukrainian airspace was, however, closed from the morning of 24 February, 2022 after special military operations were started by Russia against Ukraine.

- c. Evacuation flights from cities under “Operation Ganga”: Under Operation Ganga, evacuation flights were operated from Kyiv (Ukraine), Bucharest and Suceava (Romania), Budapest (Hungary), Rzeszow (Poland) and Kosice (Slovakia).
- d. Union Ministers were deputed to neighboring countries of Ukraine to facilitate the evacuation operation: Shri Jyotiraditya M. Scindia (Romania), Shri Hardeep Singh Puri (Hungary), General (Retd.) V. K. Singh (Poland) and Shri Kiren Rijiju (Slovakia).
- e. Fare payment for evacuation flights: Air India operated a commercial flight from Kyiv to New Delhi on 22nd February, 2022 for which passengers had purchased tickets. Cost of all subsequent evacuation flights operated under “Operation Ganga” was borne by the Government of India.

2.3 National Monetization Pipeline (NMP) - As per the National Monetization Pipeline (NMP) policy of Govt of India, twenty-five (25) airports have been identified for monetization over FY 2022-25. The NMP provides for monetization of following airports as per phasing specified below:

S. No.	Name of Airport	S.No.	Name of Airport
6 Airports in FY 2021-22		6 Airports in FY 2023-24	
1	Bhubaneswar	1	Chennai
2.	Varanasi	2	Vijayawada
3.	Amritsar	3	Tirupati
4.	Trichy	4	Vadodara
5.	Indore	5	Bhopal
6.	Raipur	6	Hubballi
8 Airports in FY 2022-23		5 Airports in FY 2024-25	
1	Calicut	1	Imphal
2	Coimbatore	2	Agartala
3	Nagpur*	3	Udaipur
4	Patna	4	Dehradun
5	Madurai	5	Rajahmundry
6	Surat		
7	Ranchi		
8	Jodhpur**		

* **Note:** Nagpur is a JV airport (AAI holds 49% and Govt. of Maharashtra (GoMH) holds 51 % equity) and the airport is under the process of PPP by GoMH.

** **Note:** Jodhpur is a civil enclave. Ministry of Defence to act in this regard.

For the next round of PPP transaction, AAI has recommended 11 (Eleven) Airports by suitably clubbing/pairing of Select Bigger Airports with Smaller Airports.

2.4 Krishi Udan Scheme 2.0 was launched in October 2021 as six-month pilot project which was focus on transporting perishable food products from the Hilly Areas, Northeastern States and Tribal Areas. Facilitating and incentivizing movement of Agri-produce by air transportation by full waiver of Landing, Parking, Terminal Navigational Landing Charges (TNLC), and Route Navigation Facility Charges (RNFC) for Indian freighters and Passenger to Cargo (P2C) at selected Airports of Airports Authority of India, primarily around 25 airports focusing on NER, Hilly and Tribal region and 28 airports at other areas.

Further, after evaluation of Krishi Udan 2.0 five more airports have been included thus make it to 58 airports, covering 31 States/Union Territories.

Perishable Air Cargo Handled (Pan India):

FY	Tonnage (in MT)	Growth (%)
2020-21	54,273	-
2021-22	79,501	46%

2.5 Other developments in the Indian Aviation Industry are: -

- (i) Strategic Disinvestment of Air India including AIL's 100% shareholding in the Air India Express Limited and 50% shareholding in Air India Airport Services Private Limited, successfully concluded on 27.01.2022;
- (ii) Drone Rules
 - Notification of the Liberalized Drone Rules, 2021 on 25th August 2021.
 - Notification of Production-Linked Incentive (PLI) scheme for drones on 30th September 2021
- (iii) Amendment to the existing Height Rules governing height of the buildings around airports.
- (iv) Launch of Small Aircraft Scheme by MoCA to promote small aircraft for last mile connectivity under UDAN.



- (v) Introduction of Helicopter Promotion Policy.
- (vi) Extension of Concession Agreement with GMR Hyderabad International Airport Limited for a further period of 30 years until 22nd March 2068, in May 2022.
- (vii) Extension of Concession Agreement with Bangalore International Airport Limited for a further period of 30 years until 23rd May 2068, in July 2021
- (viii) Starting of operations by a new airline – Akasa Air in August 2022
- (ix) Through Air Bubble Arrangements, efforts have been made to ensure fair and equitable treatment to our carriers in the international sector.
- (x) 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.
- (xi) Encouragement to the airlines to buy modern wide body aircraft.
- (xii) 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.

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

AAI has always been at the forefront of modernizing and developing airside & terminal side infrastructure, air navigation services, and improving its services at airports to deliver a better travel experience to passengers. These measures have resulted in improved air safety and passenger satisfaction as is reflected in passenger experience survey results.

At present, top priority of the sector in general, and AAI in particular, is to transform the image

of airport infrastructure in the country, to be the most customer-friendly and to be at par with the best managed airports in the world. We aim to achieve this by augmenting our airports with state-of-the-art infrastructure, leveraging technology in line with global trends for Air Navigation facilities, enhancing safety & operational efficiency both in the air and on the ground.

AAI's persistent efforts to improve the services and passenger facilities at its airports have placed it amongst the best service providers in the world in the ASQ (Airport Service Quality) Awards carried out by Airports Council International (ACI).

AAI is using the COVID-19 calamity as an opportunity to continue on the growth path and to continue to bring in systemic reforms both in terms of human capital and physical infrastructure. The initiatives by AAI w.r.t. human resources in Aviation Sector has been dealt in a separate section in this report.

Given below are the AAI's 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.

3.1 Development Works:

AAI has embarked upon a CAPEX plan 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 addition to this, AAI and State Govt. are planning operationalizing 100 airports under RCS-UDAN Scheme. As on 30.11.2022, 1096 valid awarded routes have been allotted to various airlines and out of which 451 RCS routes connecting 70 unserved and underserved airports (including 9 heliports & 02 water aerodromes) have been operationalized. Total domestic passengers travelled through RCS-UDAN were 110 lakhs (approx.) till 30.11.2022.

Details of foundation stones laid / inauguration for new airports / facilities, and works completed during FY 2021-22, progress of the sanctioned schemes, and works in planning as on 31.03.2022, are provided in **Annexure – 3**.

Further, since 01.04.2022, following major infrastructure projects have been inaugurated:

- Deoghar Airport;
- Hollongi Airport;

3.2 Leasing of Airports:

Airports Authority of India (AAI) has awarded six airports namely, Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram and Mangaluru for Operations, Management and Development to the highest bidder i.e. M/s Adani Enterprises Limited (AEL) under Public Private Partnership (PPP) mode for a lease period of 50 years.

Concession Agreements for Ahmedabad, Lucknow and Mangaluru airports were signed on 14.02.2020 and for Jaipur, Guwahati and Thiruvananthapuram, the agreements were signed on 19.01.2021. Concessionaires were required to achieve Commercial Operation Date (COD) at the airports within 180 days of signing of concession agreements. However, due to COVID-19, Mangaluru, Lucknow and Ahmedabad airports were taken by the concessionaires on 31.10.2020, 02.11.2020, 07.11.2020 respectively and Guwahati, Jaipur and Trivandrum airports were taken on 08.10.2021, 11.10.2021 and 14.10.2021 respectively.

3.3 Maintenance Repair and Overhaul (MRO):

Ministry of Civil Aviation (MoCA) has announced a new policy, which includes leasing of land through open tenders and abolishing royalty charged by the Airports Authority of India (AAI) for the Maintenance Repair and Overhaul (MRO) business for ease of doing business and to provide further incentives to the sector.

Based on MRO guidelines issued by MoCA, AAI initiated open tender action MRO Round-1 for Establishment for MROs 12 MRO sites at 5 Airports. Letter of Intent issued for Site-1 & Site-2 of Bhopal Airport on 22.02.2022.

Subsequently MRO Round-2 tender action initiated in April 2022 for 13 MRO sites at 5

Airports. Letter of Intent issued for Site-1 of Chennai, Site-1 of Juhu & Site-1 of Kolkata Airports on 10.10.2022.

3.4 Flying Training Organisations (FTOs)

With a view to enhance the training capacity of FTOs, Airports Authority of India (AAI) has come up with a liberalised FTO policy wherein the concept of airport royalty has been abolished and land rentals have been rationalised.

As on 30.11.2022, 15 FTO sites have been allotted by AAI at various airports out of which 4 (Jalgaon – 1 no., Kalaburgi – 2 nos. & Lilabari – 1 no.) have been operationalized.

3.5 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.

3.6 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) and the required infrastructure has been installed at these airports. The trials with live passengers of one airline is in progress at Varanasi Airport.

With Digi Yatra, passengers will no longer need to show their tickets/ boarding passes and their physical Identity cards at many of the check points at the airport. This will lead to reduced



waiting time in queues, faster processing times and simpler processes.

3.7 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.

3.8 Increase in the Validity of NOC

Validity of NOC issued by AAI has been increased from eight years to 12 years vide Ministry of Civil Aviation, Government of India Gazette Notification G.S.R. 770 (E) dated 17.12.2021. With this, a long pending demand of construction sector has been fulfilled by Ministry of Civil Aviation.

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:

- Establishment of One Hundred Sixteen (116) Conditional Routes.
- Withdrawal of Ten (10) Field Firing Ranges (FFR) of Indian Army from AIP India.
- Upper Limit of Two (02) Danger Areas lowered.

- Five (05) Training Sessions on Flexible Use of Airspace for Officers (Total 670 Nos.) from Indian Air Force (IAF), Indian Navy, Coast Guard, HAL, Civil ATC Officers and Airline Executives were conducted.

ATS Routes

- Establishment and Realignment of Thirty-Two (32) more efficient ATS Routes completed.
- Optimization of ATS Route Connectivity for North Eastern Region was completed.
- Thirteen (13) less used ATS Routes were permanently withdrawn.

PBN Routes

- Eleven (11) RNP2 ATS Routes were established.
- Longitudinal separation was reduced to 20NM between RNP2 approved aircraft on Four (04) ATS Routes.

3.10 Communication Unit

i. Average Serviceability of ANS facilities is 99.84% and Average Availability is 99.74%. This serviceability and availability are at par with other leading Air Navigation Service Provider in world.

ii. Communication Facilities

- 43 nos. Decision Letters (DLs) and 33 SACFA (Standing Advisory Committee on Radio Frequency Allocation) clearances received from WPC (Wireless Planning Commission).
- 34 WPC LoIs (Wireless Planning Commission Letter of Intents) have been issued.
- 12 WPC Import License for CNS/ ATM facilities have been issued.
- 04 WOLs (Wireless Operating Licenses) have been issued.
- Following Communication Facilities have been commissioned: -
 - VHF TX/RX (Very High Frequency Range Transmitter/ Receiver), Digital Voice Recorder (DVR) and Other ancillary systems at Deoghar Airport.
 - New DATIS System (Make SisteK) has been successfully commissioned at RGIA, Shamshabad, Hyderabad and
 - DVR at Mopa Airport Goa and Patna Airport.

- iii. **Navigational Aids** – To ensure safe flight operations, navigational aids are used by aircraft to determine the exact location, altitude and azimuth relative to a point on the ground. In view of this, the following navigational aids have been installed/replaced:
- DVOR/ DME operationalized/ re-commissioned/ commissioned at the following airports:
Shimla airport; Vishakhapatnam; Hyderabad (Begumpet); Kadapa (Andhra Pradesh); Kancheepuram; Sakras; Toothukudi (Tuticorin) in Tamilnadu; Mopa (Goa); BIAL (Karnataka); Cochin; Vadodara; Dibrugarh; Hollongi, Belgaum (Belagavi).
 - ILS-GP/ LPDME at Vijayawada.
 - Kolkata ILS RWY-19L re-operationalized.
 - NDB (SAC100) at Pantnagar.
- iv. **Surveillance** –
- Commissioning of New ADS-B (Automatic Dependent Surveillance–Broadcast)**
In order to continuously improve Air Navigation Services infrastructure at airports, Airports Authority of India has commissioned new Ground Based Automatic Dependent Surveillance Broadcast (ADS-B facility) (GECI/GT-280) at Hyderabad, Ranchi, Bikaner, Dhanbad & Jabalpur Airport, the equipment is manufactured by M/s GECI Espanola SA. Overall cost of the project at each site is ₹ 71 Lakhs approximately.
 - Commissioning of ASR-MSSR**
In order to continuously improve Air Navigation Services infrastructure at airports, Airports Authority of India has commissioned new ASR-MSSR facilities (Airport Surveillance RADAR-Monopulse Secondary Surveillance RADAR) at Bengaluru and Jaipur Airport, the equipments are manufactured by M/s ELDIS.
- v. **ATM Automation System Upgrade:** - To enable improvement in air traffic management using CNS/ ATM Automation facilities, following was carried out:
- SAT (Site Acceptance Test) for PBCS (Performance Based Communication and Surveillance) Chennai conducted successfully.
 - For the contract India HIAL and BIAL Automation / ASMGCS (Advanced Surface Movement Guidance and Control System) Systems upgrade additional request” contract with M/s Leonardo, Work of BIAL and HIAL completed.
- vi. To comply with regulatory guidelines of ATSEPs (Air Traffic Safety Electronics Personnel) training and other related provisions,
- 437 ATSEPs trained via online and offline trainings,
 - Foreign Training on PAACS (Procedural Approach and Area Control Simulator) conducted at Singapore and in-country training completed at CATC and Gondia,
 - HTC Simulator Training at Hyderabad have been imparted to ATSEPs.
 - SSO training procedures initiated
 - In accordance with guidelines contained in ICAO Doc 10057, 4 courses successfully completely moved over from conventional mode to CBT/A (Competency Based Training/ Assessment) mode.
 - Total of 8 Workshops conducted to provide insight on various functionalities associated with ATSEP.
- vii. **CNS Simulation Study:** - CNS Simulation study for feasibility of CNS Facility installation at new airports and Impact Assessment of proposed structure on operational CNS facilities have been completed for about 84 cases covering various masts, multipath structures, etc.
- viii. Procured 70 Nos. of Digital Voice Recorders (DVRs) for recording all the voice communications made by Air Traffic controllers with Aircraft and other ATS units & external agencies for Air Traffic Management on real time basis. Supply of this project has been completed in the month of September-2021.
- 3.11 Automation Unit**
- AAI has procured training simulator for HTC, Hyderabad. Installation in progress. Site



- Acceptance Test (SAT) completed successfully on 25.03.2022.
- ii. AAI has placed an order in the month of April 2021 for SITC of 03 Nos. of Flight Simulator Training Device (FSTD) of type EASA Flight Navigation and Procedure Trainer (FNPT) Multi Crew Coordination (MCC) level II for Airbus 320 family of Aircraft for AAI Training Centres at CATC Prayagraj, HTC Hyderabad and NIATAM Gondia. Site Acceptance Test (SAT) of Cockpit simulator has been completed successfully on 26.03.2022.
 - iii. Purchase Order has been issued for Procedural Approach and Area Control Simulators for CATC, NIATAM Gondia & Hyderabad training centers.
 - iv. **ATS Message Handling System (AMHS)** also known as **Aeronautical Message Handling**

System on Pan-India basis will be installed in the ATS Complex at Mumbai Airport & Delhi Airport and its user agents at different stations/ Airports of India. AMHS will also be integrated with meteorological system, other CNS/ATM Automation systems. Tender has been invited for procurement of ATS Message Handling System (AMHS).

- v. **SITC OF ATM Automation System and ASMGCS (including SMR & MLats) for Mumbai, Navi Mumbai, MOPA (without ASMGCS), HIAL & BIAL:** Technical bid opened. Technical evaluation of bid under progress for this project.

3.12 NAV-AIDS UNIT

List of the stations where new Nav-aids equipment is installed and commissioned during FY 2021-22:

Facility: Instrument landing system (ILS) along with LP-DME			
S. No.	Airports / Stations	Date of Installation	Date of Commissioning
1	Trichy	04.08.2021	19.09.2021
2	Bhopal	27.10.2021	09.12.2021
3	HIAL	29.10.2021	To be commissioned shortly.
4	Portblair (LLZ only)	18.11.2021	To be commissioned shortly.
Facility: Doppler Very High Frequency Omni Range (DVOR)			
S. No.	Airports / Stations	Date of Installation	Date of Commissioning
1	Hmnpui (Lengpui)	07.07.2021	16.12.2021
2	Vadodara	10.09.2021	08.09.2022
3	Bhavnagar	11.09.2021	To be commissioned shortly.
4	Goa	15.09.2021	To be commissioned shortly.
5	Kadappa	30.09.2021	24.02.2022
6	Kanchipuram	01.10.2021	21.04.2021
7	Bhopal	27.10.2021	To be commissioned shortly.
8	Shimla	06.11.2021	19.01.2022
9	Coimbatore	21.01.2022	To be commissioned shortly.
10	Tuticorin	24.01.2022	16.06.2022

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Facility: High Power - Distance Measuring Equipment (HP-DME)			
S. No.	Airports / Stations	Date of Installation	Date of Commissioning
1	Tuticorin	24.01.2021	16.06.2022
2	Hmunpui	07.07.2021	16.12.2021
3	Vizag	25.08.2021	27.01.2022
4	Goa	15.09.2021	To be commissioned shortly.
5	Kadappa	30.09.2021	24.02.2022
6	Hyderabad-Old	29.10.2021	05.02.2022
7	Sakras	10.01.2022	06.05.2022

Facility: Low Power - Distance Measuring Equipment (LP-DME)			
S. No.	Airports / Stations	Date of Installation	Date of Commissioning
1	HIAL	15.09.2021	To be commissioned shortly.
2	Hubli	24.09.2021	16.12.2021
3	Goa	14.09.2021	10.12.2021

3.13 RADAR UNIT

- i. AAI has procured 4 Nos. of Airport Surveillance Radar (ASR) co-located with Mono-Pulse Secondary Surveillance Radar (MSSR) for Nagpur, Varanasi, Jaipur & Bangalore (2nd Radar) Airport. Installation and commissioning works are in progress.
- ii. A-SMGCS is used to control and monitoring the surface Movement of aircraft and helicopters at Airport during Low visibility condition. Installation and commissioning works are in progress.

3.14 GLOBAL NAVIGATION SATELLITE SYSTEM (GNSS) UNIT

GAGAN (GPS Aided GEO Augmented Navigation) System: AAI is in the process to design & develop GAGAN based LPV procedures for the suitable airports for utilization by suitably GAGAN equipped aircraft. In this regard, AAI has completed simulator evaluation and development of NAV database of 22 nos. of GAGAN based LPV procedures developed for the various suitable airports. AAI Flight Inspection Unit (FIU) Aircraft (King Air 350) flown an Instrument Approach Procedure (IAP) with LPV minima of 250ft, using GAGAN Service at Kannur International airport. The tests, at Kannur International Airport on 4th February 2022 as part of initial GAGAN LPV flight trials. After approval by DGCA, the LPV procedure of

Kannur airport (RNP Z RWY07) will be published in Aeronautical Information Publication (AIP) India.

Implementation of Space-based ADS-B data service for the oceanic regions of Indian FIRs: AAI has successfully implemented Space Based Automatic Dependence Surveillance-Broadcast (SADS-B) System for surveillance of the aircraft flying over the Oceanic Regions of Indian FIRs (Mumbai, Chennai & Kolkata) and operationalized the same since 29th January 2021. Currently, SADS-B data services are being utilized for situational awareness for the SADS-B equipped aircraft flying over the oceanic regions of Indian FIRs. Study for Implementation of SADS-B service for reduction of flight separation to enhance efficiency & capacity of air traffic over the oceanic regions of Indian FIRs is in progress.

3.15 Certification of ATS Personnel (CAP):

CAP Directorate has been entrusted to be nodal point for coordination between DGCA and AAI on implementation of ATCOs licensing and dealing with training and rating of ATCOs in accordance with the Aircraft Rules 1937 and related regulations.

During the FY 2021-22, AAI submitted total 135 number of Air Traffic Controller's Licenses (ATCOLs) applications from PAN India, and all were approved by DGCA. Further, during the



said period, total 19 nos. of Student Air Traffic Controller's Licences (SATCOLs) applications, and 423 nos. of Rating endorsement applications submitted for ATCOs to DGCA were approved.

During the year, Skill (Rating) Assessment Board (at 48 stations along with for ATSTO at CATC Prayagraj, HTC Hyderabad and NIATAM Gondia), Proficiency Assessment Board (at 52 stations), Instructor / Examiner Selection Board (at 75 stations) and Training In-charge Selection Board (At 13 stations) were constituted and 868 number of ATCOs were assessed accordingly.

As a delegated function to AAI for the process of training and ratings of ATCOs, AAI issued authorization for 365 nos. of On the Job Training Instructors (OJTI) & 310 nos. of Examiners. AAI issued these authorisations to ATCOs for smooth functioning of Airport: -

- i. to perform ATC duties without endorsement of rating at newly established ATC unit (RCS Airport under UDAN scheme) under Rule 97 3(i) of Aircraft Rules, 1937 – For Puttaparthi, Ayodhya, Rupsi, Gondia, Chitrakoot, Bilaspur, Moradabad, Azamgarh, Aligarh, Sindhudurg, Shravasti, Shirdi, Muirpur, Keshod, Deoghar, Meerut Airport.
- ii. to perform temporary ATC duties without endorsement of rating unit under Rule 97 3(ii) of Aircraft Rules, 1937 – For Hisar, Kushinagar, Jagdalpur, Pithoragarh, Dimapur, Barapani, Kandla, Mysuru, Puducherry Airport

Conducted sensitisation sessions for ATM personnel on newly introduced penalties by DGCA through amendments in Aircraft Rules 1937 for violations of certain Aircraft rules related to personnel of Air Traffic Services

DGCA's approval was also obtained for: -

- i. **AAI's Aviation English Language Training Organisations/Testing Service Providers (AELTOs/TSPs) for distance / online learning program i.r.o. Mumbai, Chennai, New Delhi, Kolkata, Guwahati, CATC Allahabad, NIATAM Gondia & HTC Hyderabad**
- ii. **RTM (Rating Training Manual) of 34 ATS Stations: (for rest ATS Stations approvals are in process).**

3.16 Twenty (20 Nos.) of Flying Clubs/Academies/Organisations have been issued with AAI-NOC from Air Traffic Management point of view for establishment of Flying Training Organisations (FTOs).

3.17 CNS/ATM Agreement for three (03) International Airports viz. Guwahati, Trivandrum & Jaipur with Adani, and one (01) for Noida (Jewar) International Airport Ltd. (NIAL) with Yamuna International Airport Pvt. Ltd. (YIAPL) were signed.

3.18 The first AIRAC Amendment (AMDT 01/2022) of eAIP India was released on 16th December 2021 i.e. 42 days in advance of becoming effective from 27 Jan 2022. The eAIP India contains information of lasting character essential to air navigation. It is a big challenge to compile the aeronautical data and aeronautical information from thousands of NOTAM and Supplements, covering an airspace of 2.8 Million sq. NM airspace, into one document, while also maintaining data quality requirements. AAI has been issuing regular eAIP Amendments at an interval of every 28 days as per AIRAC system

3.19 Technical Directorate

- i. **Procurement of 20 Nos. Ambulift:** 16 Nos. Ambulifts were supplied at various Airports in India, under "Make in India" policy of Government of India, for providing barrier-free movement to Passengers with Reduced Mobility (PRM)/Divyang (Specially-abled) Passengers **under Accessible India Campaign (Sugamya Bharat Abhiyan)**. The Ambulift will be used for transferring of Passengers with Reduced Mobility (PRM)/Divyang (Specially-abled) passengers on wheelchairs, stretcher or other facilities into and out of the main decks of the Aircraft, ensuring their seamless transfer and barrier-free movement. The remaining 04 Nos Ambulifts will be supplied in FY 2022-23.
- ii. **Procurement of 02 Nos. Truck Mounted Emergency Rescue Stairs:** A Purchase Order has been placed for the supply and CAMC of 02 Nos. Truck Mounted Emergency Rescue Stairs on M/s. NAFFCO, Dubai for their operational use at Chennai and Kolkata Airports. The Emergency Rescue Stairs in ARFF fleet of AAI will provide additional support for efficient and effective rescue operations during aircraft emergencies

especially that for Wide Body Aircraft & New Larger Aircraft (NLA), when the situation like non-functioning of emergency slide occurs and, in such events, the Emergency Stairs will enable the fire crew members to board into the Aircraft, to ventilate it and rescue the passengers. The equipment was dispatched from Dubai and will be delivered and commissioned in FY 2022-23.

- iii. 15,800 Nos. Passenger Baggage Trolleys (PBTs) have been delivered and commissioned at various Airports in India in respect of Rate Contract placed for 41,700 Nos. PBTs.

1500 Nos. Three-Seater Chairs have been delivered and commissioned at various Airports in India in respect of Rate Contract placed for 20,000 Nos. Three-Seater Chairs.

These PBTs and Three-seater Chairs will cater passenger growth and will help AAI to meet customer satisfaction index bench mark globally.

3.20 Security

- i. As on 30.11.2022, 26 Airports have been made available for Bio-metric Access Control operations i.e. Go-Live. Patna, Pune, Jodhpur, Shimla, Chennai, Shillong (Barapani), Kolkata, Ranchi, Varanasi, Raipur, Chandigarh, Indore, Bhopal, Amritsar, Bagdogra, Udaipur, Safdarjung, Jammu, Calicut, Trichy, Vadodara, Bhubaneswar, Imphal, Madurai, Coimbatore & Goa.
- ii. BCAS vide AVSEC Circular 03/2021 mandate to deploy Private Security Agency (PSA) personnel for non-core duty posts replacing CISF personnel at 45 AAI Airports. AAI has obtained sponsorship of PSAs from DGR for the purpose. As on 30.11.2022, Letter of Award has been issued for 43 Airports. After imparting of 05 days AVSEC Induction Training, 386 PSA personnel are deployed at 35 Airports.

3.21 Airports System

- i. Inline X-ray Baggage Screening System (ILBS) has been Commissioned at Bhubaneswar and Agartala during 2021-22.
- ii. Completed Trans-Installation of existing EDtS Standard-2 Inline machines from Chennai, Kolkata, Ahmedabad and Calicut to Vadodara, Vizag, Raipur, Ranchi, Tirupati and Madurai Airports.

- iii. Automatic Tray Retrieval System (ATRS) has been operationalized at Kolkata and Trivandrum Airports.
- iv. Completed Supply & Installation of 115 Nos. of Dual View HB & RB X-BIS Machines at various AAI Airports as per latest BCAS specifications and 124 Nos. of Explosive Trace Detector (ETD) Machines under Make in India initiative of Government of India, to boost local manufacturing.
- v. Blast Inhibitor and Fiber Optic Surveillance Device have been provided to 39 Airports to meet the requirement of CISF.
- vi. The surveillance CCTV systems have been upgraded and operationalized in the following Airports: (i) Surat (ii) Bagdogra (iii) Calicut (iv) Bhuj (v) Deoghar (vi) Mangalore and (vii) Indore.
- vii. Security Equipments X-Ray Baggage Inspection System, Explosive Trace Detector and DFMDs are installed at various RCS Airports.

3.22 BUSINESS DEVELOPMENT UNIT

- i. **DPR for Greenfield Airport at Chiethu near Kohima in Nagaland** - AAI was assigned an assignment for the preparation of DPR for the development of a Greenfield Airport at Chiethu, Kohima for the operation of Code-C type of aircraft. Proposed site is located on a plateau like hill with two contiguous hillocks having an elevation of 1561.779 m AMSL and 1490.848 m AMSL. DPR has been prepared & submitted to Govt of Nagaland by AAI.
- ii. **DPR for Greenfield Airport at Udhm singh nagar District in Uttarakhand** - In view of limited feasibility of expansion, up-gradation of existing Pantnagar airport due to issues like land acquisition and diversion of National Highway NH-87, State Govt. is desirous to develop a new greenfield airport so as to initially cater to Airbus A-320, A-321 type of aircraft and later upgradable to cater for bigger aircraft like Boeing 747-400. AAI was assigned an assignment for the preparation of DPR for the development of the Greenfield Airport. Draft DPR has been prepared & submitted to Govt of Uttarakhand by AAI.

3.23 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.

3.24 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.

3.25 ISO 27001 re-certification for data centre operations and ISMS implementation.

AAI data centre at Safdarjung Airport and Rajiv Gandhi Bhavan have been re-certified for ISO 270001, which is an international standard for management of information security.

4. SWOT ANALYSIS

Strengths:

- i. Sole Air Navigation Service Provider in the Country
- ii. Large land holdings
- iii. Dispersed tourist attractions and network of airports across the country
- iv. Expertise in providing air navigation services and good record of safety
- v. Robust financial risk profile
- vi. Experienced manpower
- vii. Established Training Centres of International standards including CATC, IAA, Fire Training Centres
- viii. Available Infrastructure for Flight Calibration

Weaknesses:

- i. Low share of non-aeronautical revenue
- ii. Significant revenue concentration due to limited number of profitable airports
- iii. Lack of R&D and local manufacturing capacity causing high dependency on foreign suppliers
- iv. Slow / Stagnant growth of Cargo business
- v. Lack of MRO infrastructure in Country
- vi. Lack of integrated planning and coordinated implementation amongst Government

Agencies

- vii. Shortage of skilled manpower
- viii. High costs of operation and longer term to recover cost of capital.

Threats:

- i. Global terrorism
- ii. Unmanned Aircraft / Drone operations
- iii. Cyclical economic downturns
- iv. Natural disasters, political upheavals and epidemics / pandemic
- v. Reliance on revenue beyond the control of AAI
- vi. Development of substitutes in the form of high-speed railways and superior road transport which can replace short haul flights.
- vii. Competition from other airport developers
- viii. Stricter environment and safety norms

Opportunities:

- i. Growth of inbound and outbound traffic
- ii. AAI's five priorities - NCAP, RCS, AAICLAS, UAH & MRO
- iii. FTOs
- iv. Enhancing non-aeronautical services at passenger terminals
- v. Helicopter operations
- vi. Monetizing land assets
- vii. Adoption of state-of-art technology including GAGAN
- viii. Managing unmanned aircraft / drone operations
- ix. Leveraging human capital to explore opportunities for providing services such as consulting, developing, operating and managing airports outside the country, focusing on developing countries (the South Asian, South-East Asian and African region)
- x. Airport development/management consultancy services
- xi. Flight Calibration services for Nav-Aids

5. BUSINESS OVERVIEW

Covid-19 has largely affected the Indian Economy. The Indian Civil Aviation and tourism sectors are the worst affected sectors of Indian economy due to COVID-19 pandemic. During the year 2020-21, the total passenger traffic handled saw decline of 66% whereas the total Aircraft movements declined by 54% as compared to 2019-20 i.e. pre-covid era. The impact of Covid-19 has continued to impact the air traffic in India during 2021-22. During the year 2021-

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22, the total passenger traffic handled saw decline of 45% whereas the total Aircraft movements declined by 32% as compared to 2019-20 i.e. pre-covid era.

In 2021-22, even when the nation faced a widespread second and third wave of Covid-19, the air passenger traffic has seen an impressive recovery mainly supported by the domestic sector. All Indian airports taken together handled 1889 lakh passengers during 2021-22 as against 1154 lakh in 2020-21 registering a significant increase of 64%.

5.1 Revenue Mix

AAI's revenues can be broadly categorized into Aeronautical, Non-aeronautical, Airport lease revenues and other from Allied services such as Consultancy projects. Aeronautical revenues for AAI are dominated by ANS charges (route navigation

facilities charges and terminal navigational landing charges) whereas its Non-aeronautical revenues come from commercial operations at airports like retail, F&B, car parking, other concessions and rentals in terminals and city side premises. Lease revenues from major airports like Mumbai and Delhi, and upfront fee/concession fee from PPP Airports accounts for significant contribution in AAI's revenues. As tariffs at these airports are regulated by the Airports Economic Regulatory Authority of India (AERA) with reference to traffic growth and investment plans of these airports, AAI has no control over this revenue stream.

Revenue of the Authority increased by ₹1974.25 Crores (40.56%) as compared to previous year. The details thereof are as follows:

S. No.	Particulars	2018-19	2019-20	2020-21	2021-22	% Variation of 2021-22 as compared to		
					Actuals	2018-19	2019-20	2020-21
1	Air Navigational Services	3702.18	3592.95	1587.62	2379.96	-35.71%	-33.76%	49.91%
2	Airport Services ^{(1) & (2)}	4491.59	3718.05	1291.21	1674.04	-62.73%	-54.98%	29.65%
3	Non-Aeronautical Airport Services	1842.85	1887.74	885.84	912.09	-50.51%	-51.68%	2.96%
4	Airport Lease Revenue ⁽²⁾							
(a)	JVC Airports (DIAL & MIAL)	3050.07	3063.01	483.50	1038.04	-65.97%	-66.11%	114.69%
(b)	PPP Airports (6 Nos.)	-	-	87.25	329.59	-	-	277.76%
5	Other Income	1046.27	575.69	531.63	507.57	-51.49%	-11.83%	-4.53%
Total Revenue		14132.96	12837.44	4867.04	6841.29	-51.59%	-46.71%	40.56%

⁽¹⁾ Revenue from Airport Services (AS) for FY 2018-19 & 2019-20 (till 30.06.2019) include PSF (Security Component) / ASF. However, on formation of NASFT w.e.f. 01.07.2019, the said revenue is being accruing to NASFT. Accordingly, no ASF revenue has been booked in AAI's books of accounts for FY 2020-21 & FY 2021-22.

⁽²⁾ Further, Revenue from AS for FY 2018-19 & 2019-20 include revenue from AS in respect of 6 PPP Airports for the whole year, whereas in FY 2020-21 & FY 2021-22 revenue from AS in respect of 6 PPP Airports is included in AS Revenue till their respective COD date only. In respect of 6 PPP Airports, AS revenue, from their respective COD date, is being accruing to the Concessionaires and AAI is getting Upfront Fee and Concession Fee from the Concessionaires and the same is shown under Airport Lease revenue during FY 2020-21 & 2021-22.

Increase in Revenue in 2021-22 as compared to 2020-21 is mainly due to improvement in Aircraft and PAX movements.

Aircraft Movements at AAI Airports increased by 47.53% and Aircraft Movements at all Airports increased by 46.82 % in 2021-22 as compared with 2020-21. Further, Passenger movements at AAI Airports increased by 55.91% and Passenger movements at all Airports increased by 63.71% in 2021-22 as compared with 2020-21.

The increase in revenue is mainly on account of:

(i) ANS:

Increase in ANS Revenue by 49.91% in 2021-22 as compared with 2020-21. RNFC Revenue and TNLC Revenue increased by ₹653.70 Crore and ₹139.60 Crore respectively in FY 2021-22 as compared to the previous year.

(ii) Airport Services:

The increase in Airport Services Revenue by 29.65% (₹382.82 Crores) is mainly on account of the following:

- Increase in LP &H Revenue (+) ₹52.59 Crores
- Increase in UDF (+) ₹352.95 Crores
- Increase in Extn. of Service Hours (+) ₹0.90 Crores
- Increase in Royalty on CUTE Charges (+) ₹12.72 Crores
- Reduction in Throughput Revenue (-) 1.68 Crores
- Reduction in GH Revenue (-) ₹11.10 Crores
- Reduction in PSF (Facilitation) (-) ₹23.56

(iii) Non-Aero Revenue:

The increase in Non-Aero Revenue by 2.96 %



(₹26.25 Crores) in 2021-22 as compared with 2020-21 is on account of the following:

- (a) Increase in Trading Concessions Revenue (+) ₹17.02 Crores
- Restaurant (+) ₹2.73 Crores
 - Snack Bars - ₹2.16 Crores
 - Duty Free Shops (+) ₹32.45 Crores
 - Shops/Stalls (+) ₹0.49 Crores
 - Car Rentals (+) ₹3.10 Crores
 - Executive Lounge (+) ₹2.37 Crores
 - Hotel Reservation Counters (+) ₹0.74 Crores
 - Medical Tourism/Wellness Tourism (+) ₹2.63 Crores
 - Revenue from Other Contracts (+) ₹27.51 Crores
 - Reduction in Money Ex. Counters (-) ₹6.85 Crores
 - Reduction in Advertisements (-) ₹50.31 Crores
- b) Reduction in Rent & Services Revenue (-) ₹28.12 Crores
- c) Increase in Car Parking Revenue (+) ₹12.91 Crores
- d) Increase in Misc. Non-Aero Airport Services Revenue (+) ₹24.44 Crores

iv. Airport Lease Revenue:

- (a) Airport Lease Revenue in respect of JVC Airports (DIAL & MIAL) - There is increase in Airport Lease Income by 114.69% (₹554.54 Crores) on account of the following:
- DIAL Lease income has decreased by ₹446.21 Crores in 2021-22 as compared with 2020-21.
 - MIAL Lease income has increased by ₹1000.75 Crores in 2021-22 as compared with 2020-21.

- (b) Airport Lease Revenue in respect of PPP Airports (Mangalore, Ahmedabad, Lucknow, Trivandrum, Jaipur & Guwahati) - For the FY 2021-22, AAI has accounted an amount of ₹329.59 Crores as Current Year Revenue (Upfront fee of ₹32.69 Crore and Concession fee of ₹296.90 Crore)

(v) Other Income:

Other Income decreased by 4.53% (₹24.06 Crores) on account of the following:

- Reduction in Interest Income (-) ₹68.74 Crores
- Reduction in Income from Training Institutes (-) ₹0.13 Crores
- Reduction in EPCG Licence Income (-) ₹16.27 Crores
- Increase in Concession Fee-AAICLASCL (+) ₹34.99 Crores
- Increase in Dividend Income (+) ₹59.38 Crores
- Increase in Profit on Sale of Fixed Assets (+) ₹34.24 Crores
- Reduction in Interest & Penalties (-) ₹55.22 Crores
- Net reduction in other Heads after setting off increase in certain heads (-) ₹12.31 Crores

5.2 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 ₹196.68 Crores (5.61%) compared to previous year, details thereof are as follows: -

S. No.	Particulars	2018-19	2019-20	2020-21	2021-22	% Variation of 2021-22 as compared to		
					Actuals	2018-19	2019-20	2020-21
1	Employee Benefits Expenses	5158.98	4481.24	3505.40	3702.08	-28.24%	-17.39%	5.61%
2	Operating Expenses	1662.68	1751.64	1632.46	1531.72	-7.88%	-12.56%	-6.17%
3	Administrative & Other Expenses	823.68	626.34	1040.54	437.16	-46.93%	-30.20%	-57.99%
4	Finance Costs	6.50	4.61	45.01	69.67	971.87%	1411.31%	54.80%
5	Depreciation & Amortization	1564.89	1751.25	1819.76	1904.38	21.69%	8.74%	4.65%
6	Security Expenses ⁽¹⁾	1232.24	405.30	-	-	-	-	-
Total Expenses		10448.97	9020.38	8043.16	7645.01	-26.83%	-15.25%	-4.95%

(¹) On formation of NASFT w.e.f. 01.07.2019, all the Aviation Security Expenses are being borne by NASFT. Accordingly, no security expenses have been booked in AAI's books of Accounts for the FY 2020-21 & FY 2021-22.

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(i) Increase in Employee Benefit expenses is mainly due to: -

- a. Increase in Pay & Allowances (+) ₹57.83 Crores
- b. Increase in other Staff Costs (+) ₹138.00 Crores
- c. Increase in Contribution to Provident & Other Funds (+) ₹117.93 Crores
- d. Reduction due to increase in recovery of Operational & Support Cost – JVC (-) ₹117.08 Crores

(ii) Reduction in Operating Expenditure amounting to ₹100.74 Crores is mainly on account of net impact of: -

- a. Reduction in R&M expenses (-) ₹25.65 Crores
- b. Reduction in Up-keep Expenses (-) ₹20.81 Crores
- c. Reduction in Advertisement & Publicity (-) ₹1.56 Crores
- d. Reduction in Electricity & Water Charges (-) ₹4.33 Crores
- e. Increase in Consumption of Stores (+) ₹6.75 Crores
- f. Increase in Meteorological service charges (+) ₹1.68 Crores
- g. Reduction in Rent, Rates & Taxes (-) ₹0.80 Crores
- h. Reduction in Horticulture Exp. (-) ₹0.74 Crores
- i. Reduction in Municipal Taxes (-) ₹33.48 Crores
- j. Reduction in Insurances (-) ₹21.67 Crores.

(iii) Reduction in Administrative & Other Expenditure amounting to ₹603.38 Crores is mainly due to net impact of: -

- a. Reduction in Provision for Doubtful Debts (-) 1799.38 Crores
- b. Increase in Hire Charges (+) ₹9.41 Crores
- c. Increase in Legal Exp. (+) ₹21.76 Crores
- d. Increase in Prior Period Adjustments (+) ₹188.11 Crores
- e. Increase in Travelling Exp. (+) ₹35.98 Crores
- f. Reduction in Training Exp. (-) ₹1.40 Crores
- g. Reduction in CSR Expenditure (-) ₹47.64 Crores
- h. Increase in Collection Charges (+) ₹8.11 Crores
- i. Reduction in Other Exp. heads (-) ₹3.45 Crores
- j. Reduction in Misc. Exp. (-) ₹6.36 Crores
- k. Increase in Bad Debts written off (+) 991.48 Crores

(iv) Increase in Depreciation amounting to ₹84.63 Crores is mainly on account of additional capitalization of Assets during FY 2021-22.

6. TRAFFIC HANDLED (2021-22 VS 2020-21)

Traffic handled at all Indian airports taken together during the year 2021-22 saw increase as compared to previous year in all three areas namely aircraft movements, passenger and freight handled. The total aircraft movement, passenger and freight traffic have increased by 46.8%, 63.7% and 27.0% respectively during the year. The reason for significant growth of traffic during 2021-22 is due to low base of 2020-21, on account of adverse impact of COVID-19 on the Civil Aviation sector.

Details of traffic handled during the year and comparison with previous year are given below:

Particulars	2021-22	2020-21	%age change
Aircraft Movements (in Numbers)			
International	211836	134824	57.1
Domestic	1545276	1061916	45.5
TOTAL	1757112	1196740	46.8
Passengers (in numbers)			
International	22088224	10128283	118.1
Domestic	166803217	105251500	58.5
TOTAL	188891441	115379783	63.7



Particulars	2021-22	2020-21	%age change
Freight (in MT)			
International	1961112	1521424	28.9
Domestic	1179690	952487	23.9
TOTAL	3140802	2473911	27.0

7. WAY FORWARD

Even though the Covid-19 pandemic's effects have been adverse including for the world's aviation sector, India has shown no signs of giving up on its ambition to become aviation leader over the next decade or so.

India's aviation industry is largely untapped with huge growth opportunities, considering that air transport is still expensive for majority of the country's population, of which nearly 40% is the upwardly mobile middle class.

The aviation industry is making the much-needed development leap thanks to its tenacity and the government's consistent measures to support and transform it.

The aviation industry has seen demand due to an increasing share of middle-class households having accessibility and affordability to air travel, strong competition among low-cost, efficient carriers, infrastructure development and a supportive governmental environment for its growth.

With the right policies and relentless focus on quality, cost and passenger interest and despite the deep distress caused by the COVID-19 pandemic, the

long-term outlook for Indian aviation sector remains positive.

8. RISKS AND CONCERNS

AAI understands the significance of risk management and its criticality for organization's success and business continuity. Thus, in AAI the Risk Management has been embedded in each function to ensure its effective implementation. Furthermore, the decisions at every level including Board level are taken considering the risk involved. Also, Audit function reports the efficacy of risk management controls which helps the management in improving the measures required to be taken in this regard.

We may divide the risks and concerns in four major categories i.e. Operational risks, Strategic risks, Financial risks and Compliance risks. Further, these risks may be classified into two major risk factors – internal factors (circumstances or events within the organisation) or external factors (those in the wider business arena).

The following chart summarises the major risk factors within which AAI operates. Any negative development may adversely impact our operational and financial performance.

RISKS / FACTORS	EXTERNAL FACTORS	INTERNAL FACTORS
OPERATIONAL RISKS	<ul style="list-style-type: none"> - Global and National economies - International and National political developments - Global health issues like epidemics, pandemics and natural disasters - Hazardous activities affecting safety - Security Risk including Cyber Security - Growth of alternative modes of transport - Policies of the Ministry of Defence in sharing Air Space and Aerodromes - Tech Disruption - Reputation Risk - International prices of ATF - Marketing & pricing policies of Indian Oil Companies - Dependency on external suppliers 	<ul style="list-style-type: none"> - Inadequate IT back-up systems - Maintenance challenges to aging facilities. - Employee strikes and other labour-related disruptions. - Delay / Failure in Technology Advancement - Potential degradation of service delivery standards;

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RISKS / FACTORS	EXTERNAL FACTORS	INTERNAL FACTORS
STRATEGIC RISKS	<ul style="list-style-type: none"> - Pricing (UDF, RCS Fee, Landing, Parking and Housing charges etc.) - FDI Policy - Manifesto of Government - Leasing of Airports 	<ul style="list-style-type: none"> - Pricing (lease, commercial etc.) - development of airport infrastructure (either new airports or expansion of existing airports) - finding new products or markets - entering into JV's, alliance decisions - Strategic priorities
COMPLIANCE RISKS	<ul style="list-style-type: none"> - Extensive government regulations - Environmental factors - Land Acquisition and Rehabilitation Policies of the Government of India as well as of the State Governments - Legal & Contractual 	<ul style="list-style-type: none"> - Pitfalls in Agreement / Contract drafting - Failure to meet contractual obligations - Conflicts of Interest - Corruption
FINANCIAL RISKS	<ul style="list-style-type: none"> - Interest rate risk - Foreign currency risk - Taxation Policies of Govt. - Higher Insurance costs or inadequate coverage 	<ul style="list-style-type: none"> - Credit risk - Liquidity risk - Fraud Risk - Inadequate financial processes

9. 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.

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

10.1 Human Resource at Airports Authority of India: Human capital has continued to be the key engine for AAI's growth and aspirations. AAI has been constantly reviewing its HR policies and practices to keep abreast with the market changes and has embarked upon several initiatives to focus on creating a positive work environment that provides employees with ample growth and development opportunities as well as ensuring high levels of motivation and engagement. Measures for safety of employee, scientific training, welfare, performance-based appraisal system, compensation, career growth and social security schemes continued to remain key priority of the Company.

Initiatives taken by / Achievements of AAI's HR Directorate during the financial year 2021-22 are listed below:

i.	<p>It was decided to include the following diseases in addition to the disease mentioned in clause 10.4 of the AAI Revised Transfer Policy wherein it was decided to grant exemption to an employee of AAI who is a care-giver of the disabled child:</p> <ul style="list-style-type: none"> a. Dwarfism; b. Muscular Dystrophy; c. Acid attack victims; d. Speech and language disabilities;
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	<p>e. Specific learning disabilities;</p> <p>f. Neurological conditions such as multiple sclerosis and parkinson's disease, sickle cell disease;</p> <p>g. Multiple disabilities (more than one of the above specified disabilities including deaf blindness and any other category of disabilities as may be notified by the central govt.</p> <p>It has also been decided to give transfer exemption to an employee who is a single parent. A single parent shall be eligible for maximum of two additional transfer exemptions (apart from existing exemptions) till the child / younger most child attains the age of 18 years. Such exemption shall be granted only in the case of death or separation from spouse. The official shall be required to produce documents for claiming the exemption on such ground.</p>
ii.	It has been decided that the exemption on transfer to an employee of AAI who is the care-giver of a dependant family member who is a person with specified disability shall continue to be applicable in case of a disabled child only as per existing AAI Transfer Policy. However, specific requests for transfer exemption in case of care-giver for other dependant family members with specified disability (except disabled child) may be considered on case to case basis subject to approval of Concerned Member.
iii.	The management after considering the present scenario has decided to allow AAI Employee to retain AAI accommodation at rear station on return after completion of their tenure at remote/hard stations as one-time measure.
iv.	Special Company Lease Accomodation Facility to Non-Executives at PPP Airports.
v.	The AAI Board in its 199th meeting has resolved that, if the corpus amount of superannuated / retired / deceased employees of AAI under AAIEDCS is less than ₹2 lakhs at the time of each claim settlement then, the refund of corpus amount shall be allowed in such cases, if so requested by the superannuated / retired / nominee of the deceased employee.
vi.	In order to enhance the participation of women officials in decision making process, the management has decided that while constituting the various committees in AAI, wherever possible a female official should be nominated.
vii.	In order to simplify the procedure and for more clarity, it has been decided / clarified that the officials on transfer to North-Eastern States, Andaman & Nicobar Islands, Leh, Lakshadweep and Srinagar (as specified by DoPT) are admissible for Double HRA as per eligibility and on submission of an undertaking.
viii.	The Competent Authority has reviewed and approved the following with respect to the selection process to all Ex cadre posts including REDs and APDs. The cooling-off period for further selection to all Ex-cadre posts including REDs & APDs subsequent upon repatriation to parent cadre shall be 3 years (irrespective of number of years served in Ex-cadre posts but not more than 6 years). In case of promotion of the concerned official in between the tenure, the official shall be allowed for repatriation to parent cadre with the approval of competent authority. Upon repatriation, the official shall be posted to parent cadre on substantive post and no pay protection shall be granted.
ix.	As a measure for systematic improvement to streamline the process of recruitment and to bring transparency, it has been decided that screening committee for determining the eligibility criteria should be constituted comprising of minimum three officials with two officers from other than Recruitment Cell, HR. Clear guidelines including the responsibilities of the involved officials should be brought out for the process of document verification and record maintenance thereof for fair and equitable evaluation of eligibility criteria.
x.	It has been decided to clarify that travelling allowance on transfer for family members shall be admissible, who follow him / her within six months from the date of employee's taking over charge at the new station if they proceed to the new station. If the family member proceeds to a station other than the new headquarters, the period of six months shall be reckoned from the date of handing over the charge at the old station. The Competent Authority (REDs in case of region and ED (HR) in case of CHQ) may allow extension beyond the time limits in exceptional cases. However, in the instances where extension sought by official is beyond one year, then, such cases may be referred to CHQ.
xi.	The Management has decided to extend the provision of submitting the life certificate without signed by Gazetted Officer for financial year 2022-23 for retired employees.
xii.	In 2022, recruitment against 833 vacancies was successfully completed and fresh recruitment of 960 vacancies (including 596 vacancies through GATE) has been initiated.
xiii.	Final results declared for 400 Direct Recruitment vacancies of Junior Executive (ATC) under Advt. No.02/2022.
xiv.	Recruitment Calendar for Direct Recruitment and Departmental Examination approved by AAI Board are being followed in all subsequent recruitments

10.2 Continuous Training / Education at AAI: At AAI, enhanced focus is laid on training of employees in order to continuously develop their competencies. AAI has well-established training establishments catering to specialized competencies ranging from technical to managerial and leadership. Training in AAI is conducted through the following establishments:

- i. Civil Aviation Training College (CATC), Prayagraj and five Regional Training Centers (RTCs) established at New Delhi, Mumbai, Chennai, Kolkata and Guwahati having their extensions at major airports, which are termed as their satellite training centers.
- ii. Hyderabad Training Center (HTC), Hyderabad
- iii. National Institute of Aviation Training and Management (NIATAM), Gondia
- iv. Fire Training Center, Delhi and Fire Service Training Center, Kolkata
- v. Indian Aviation Academy (IAA), Delhi
- vi. Regional Training Centers and CHQ Training Center

Other Training and Development Activities

- a. AAI Training Policy: The Training Policy was released in March, 2016 and is a structured attempt in training employees based on training needs and a coherent training plan.
- b. Leadership Development Program for mid-senior level Executives: Since 2017-18, AAI has been focusing on capability development of its employees to prepare them for future roles. In order to institutionalize the initiative, during 2018-19, AAI entered into Long-term (3-year) MoUs with following top business schools to deliver customized Leadership Development Training across 4 levels viz E5 (AGM), E7 (Jt. GM), E8 (GM) and E9 (ED) through a well-devised annual training calendar:
 - Indian Institute of Management, Bangalore
 - Indian Institute of Management, Indore
 - Indian Institute of Management, Lucknow
 - Management Development Institute, Gurgaon

The Leadership Development Programs have been branded for better 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 “साथक”	Their role is to execute company’s strategy

For identification of training needs, a Diagnostic Study was conducted by IIM Bangalore and the needs thus identified were shared with other institutes.

- c. **Induction level Orientation Program:** Induction level orientation programs of 4-week duration have been introduced as per AAI training policy. Apart from this, discipline-specific programs and On-the-Job trainings are organized to give new recruits a real-life feel of operations. These programs have helped in acquainting newly joined employees with organization culture and practices.
- d. **Global ACI-ICAO Airport Management Professional Accreditation Programme (AMPAP):** This prestigious program offered by ACI and ICAO gives a comprehensive exposure to Airport Operations to the senior officers. AAI has been regularly nominating its executives under this program since 2010, and deputing the personnel thus trained as Airport Directors and for other challenging assignments. So far, 173 Senior Executives have been trained under AMPAP and have been designated as International Airport Professional (IAP).
- e. **Training at external premier management institutes:** In order to gain wider experience during training esp. on leadership and managerial topics, AAI employees are regularly encouraged to participate in open-house training programs organized by reputed institutes throughout the country. A Standard Operating Procedure (SOP) for preparation of annual training calendar and nomination of executives in open-house training programs through reputed external agencies has been devised and implemented.



- f. Participation in Overseas training & development programs:** AAI executives are regularly sent for various training programs, workshops & symposiums held abroad to enable them to acquire requisite KSAs for operation & Maintenance of state-of-the-art technology and keep the workforce abreast with the global development in the aviation industry.
- g. Availability of Internationally certified instructors & course developers:** AAI also provides knowledge enhancement platform for Instructors & course developers at its training establishments by either organizing ICAO STP Courses in India or by nominating its executives for other ICAO STP courses like Training Instructors Course (TIC), Training Developers Course (TDC) held in India and abroad.

Key achievements of AAI's Training Cell during FY 21-22 are summarized as below:

- Competency development initiatives were continued in online mode to bridge the knowledge and skill gap. Focus was laid on creating awareness about work processes and thereby enhancing efficiency. The Regional Training Centres including CHQ Training Centre conducted a total of 143 virtual programs, covering 5926 employees. Employees were sent for relevant open-house trainings at leading institutes.
- Efforts were made to allay fears and anxiety during COVID 2nd wave and a number of health webinars were conducted on pan-India level, covering more than 800 employees. Focus was also laid on stress management and meditation.
- One batch of Induction-level Orientation program was conducted online, covering 25 new entrants. Further, 25 new recruits underwent Discipline-specific training for better understanding of their job role.
- As part of its commitment to enhance employability of youth, AAI provided apprenticeship opportunities to 388 trainees across disciplines and locations.
- AAI supported MoCA in organizing 'GatiShakti' Central Zone Conference on 31st January 2022 in virtual mode, wherein Central Zone states (MP, Chhattisgarh) as well as invitee states

(UP, Rajasthan and Maharashtra) participated. Also, senior employees from key infrastructure ministries shared their views on smooth implementation of GatiShakti and National Infrastructure Pipeline (NIP).

11. REPRESENTATION OF SCs/STs/OBCs AS ON 31.03.2022

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.
16188	4109	25.38	3393	20.95	1367	8.44

12. REPRESENTATION OF PERSONS WITH BENCHMARK DISABILITIES AS ON 31.03.2022

Total No. of Employees	Total No. of PWDs	% of PWDs
16188	232	1.43

13. FACILITIES AVAILABLE FOR PERSONS WITH DISABILITIES AT VARIOUS AAI AIRPORTS:

Accessible India Campaign

The general guidelines as shared by Ministry of Social Justice and Empowerment on the 10 features of accessibility have been shared with all AAI airports for making the airports accessible, which include:

- Accessible Route/Approach
- Accessible Parking
- Accessible Entrance to the Building
- Accessible Reception (Helpdesk)
- Accessible Corridor/Tactile Flooring
- Accessible lift
- Staircase with Handrails (Main passenger movement zone)
- Accessible toilets
- Accessible Drinking Water Facility
- Signage

Accordingly, the following accessibility features are being incorporated in all the AAI airports.

- (a) Ramps:** Smooth ramps with anti-skid flooring of comfortable gradient are provided at the terminal building entry points and city side area.

- (b) **Doors:** Sensor fitted doors / manned doors at entrance are provided for easy accessibility. Door openings are wide enough for easy access for wheel chair passengers.
- (c) **Toilets:** Specially designed separate toilets for Persons with Disabilities are provided with appropriate signage.
- (d) **Elevators:** Elevators with Braille symbols and Auditory Signals have been provided to access all levels of terminal building with care taken of the door opening to allow the biggest size of wheel chair.
- (e) **Aerobridges:** To facilitate smooth emplaning and deplaning of physically challenged passengers with wheel chairs, the aerobridges wherever provided have smooth gradient slope and anti-skid flooring.
- (f) **Wheelchairs:** Wheelchairs are available with Airport Manager and airlines on demand.
- (g) **Car Parking:** Reserved parking spaces with signage have been provided on city side of Departure and Arrival Terminals at various airports. Slots of 3.6 m x 5.0m car park space are specially designated in the car parking area for Persons with Disabilities.
- (h) **Accessible route:** 5m to 10m wide kerb is provided in front of terminal building which is directly connected to road with smooth ramp. From kerb side passenger can board the Taxi/ Car. For the easy access of wheel chair special cuts and slops are provided in the pavement. At some of the airports, engraving on surface of Zebra crossing is provided for visually disabled persons.
- (i) **Tactile:** Tactile are provided at airports for visually impaired passengers from alighting points to entry vestibule at metro airports.

AAI is conducting regular sensitization workshops with Airport Directors and other staff of AAI explaining the 10 points guidelines and standards requirements. AAI also trains employees at Indian Aviation Academy on the special standardized training package created under ICAO Trainair Plus program on ICAO STP: Passengers with reduced mobility. Personnel on help desk are being given training to communicate efficiently with all Divyangjans including training on sign language for hearing impaired and mute (deaf and dumb) persons.

The accessibility standards and guidelines for Civil Aviation has also been formulated under the guidance of Social Justice and empowerment & duly vetted by Chief Commissioner for Persons with Disabilities. The accessibility standards and guidelines will be notified soon.

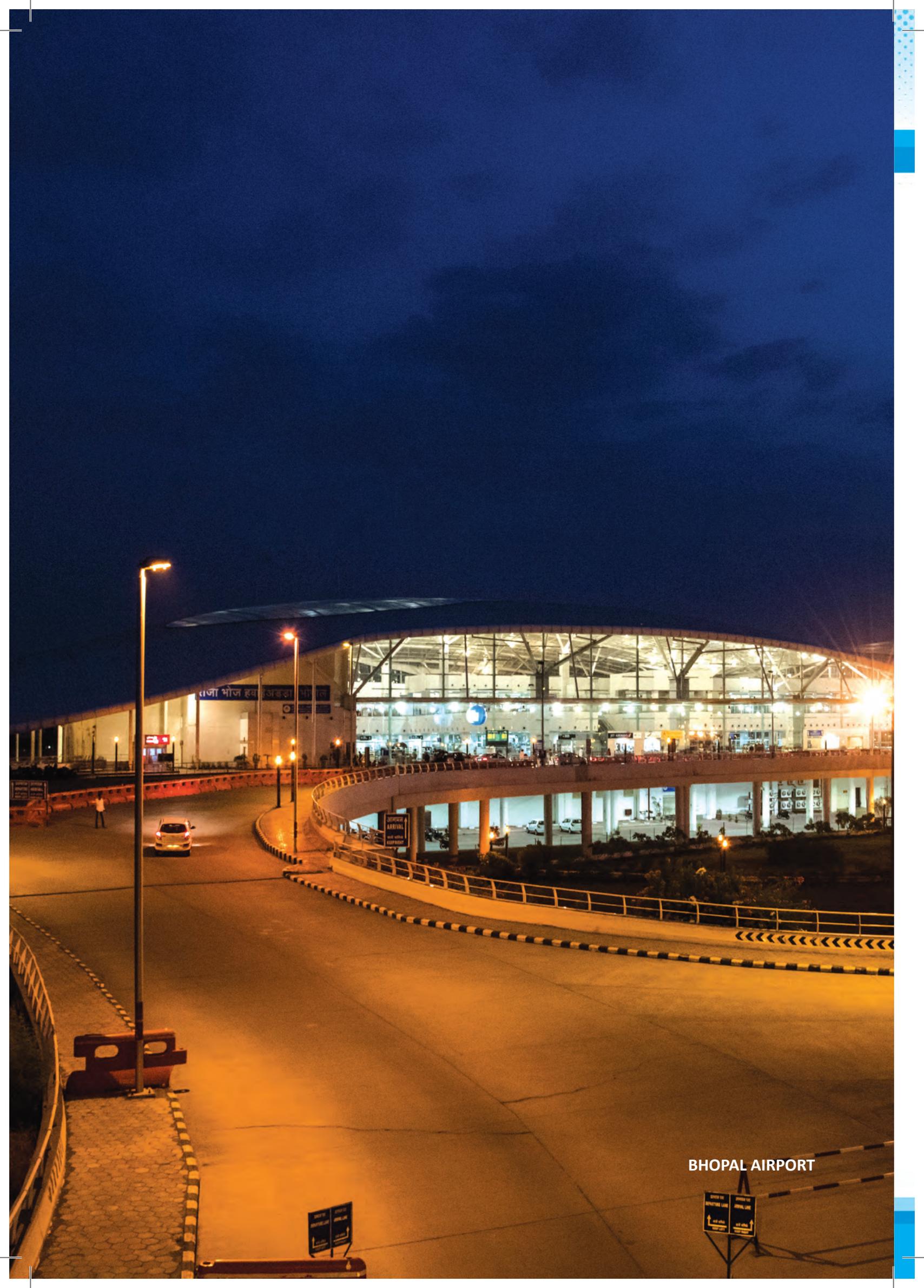
14. STEPS TAKEN TO IMPROVE PUBLIC GRIEVANCE REDRESS MACHINERY

- a. The Public Grievance Redressal Machinery is monitored for all the airports by a GM level Officer at Corporate Headquarters.
- b. Public Grievance Officers have already been appointed at each airport, whose details are displayed at prominent places at airports for the benefits of the passengers and users of airports. The Public Grievances are monitored on daily basis by the respective PGOs at Field Stations, Regional Headquarters and at Corporate Headquarters. Dedicated Email IDs have been created for all the PGOs for the convenience of the users and their details are also available at AAI Website.
- c. For the benefit of Citizen / passengers, multiple options for lodging grievances to them are given to them such as; CPGRAMS, Letters, Emails, Quick Response Code (QR Code), AAI Website, Suggestion Box, Registers, Telephonic, Twitter or any other mean of complaints / print media.
- d. All the Joint Venture and Private Airports along with AAI Airports have been added as subordinate office in CPGRAMS Portal to AAI for proper control, Redressal and monitoring.
- e. An Integrated Grievance Portal, namely, Air Sewa Portal was launched in the year 2016, which is running successfully. For better operation and smooth functioning and to give better user interface, Air Sewa Portal is being updated on regular intervals.
- f. Regular meetings and follow-ups are done with all the stake holders for proper administrative control of the Public Grievance Redress Machinery at AAI.
- g. The grievances are also received from Consumer Helpline Portal, under Ministry of Consumer Affairs, Food and Public Distribution. The grievances are handled, processed and redressed promptly through this portal also.

ANNEXURE - 2



CORPORATE GOVERNANCE REPORT



राजा भोज हवाई अड्डा भोपाल

SERVICE
AIRPORT

BHOPAL AIRPORT

DRIVE ON
SEPARATE LANE

DRIVE ON
SEPARATE LANE



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 31.03.2022 is given below: -

Shri Sanjeev Kumar, IAS ^{(1)&(5)}	Chairman & Member (Ops.) – Additional Charge
Shri Arun Kumar, IAS Director General of Civil Aviation	Ex-Officio Member
Shri Vimalendra Anand Patwardhan ⁽²⁾ Joint Secretary & Financial Advisor, Ministry of Civil Aviation	Non-Official Member (Government Nominee)
Ms. Rubina Ali ⁽³⁾ Joint Secretary, Ministry of Civil Aviation	Non-Official Member (Government Nominee)
Shri Anil Kumar Pathak ⁽⁴⁾ Member (Planning) & Member (HR) – Additional Charge	Functional Member
Shri K. Vinayak Rao ⁽¹⁾ Member (Finance)	Functional Member
Shri M. Suresh ⁽⁵⁾ Member (ANS)	Functional Member
Shri G. Sekar ⁽⁶⁾	Non-Official Member (Independent)
Shri Ravindra Singh Balawat ⁽⁷⁾	Non-Official Member (Independent)
Ms. Madhavi Sanjay Naik ⁽⁷⁾	Non-Official Member (Independent)

(1) Consequent upon superannuation of Shri K. Vinayak Rao, Member (Finance), AAI on 31.10.2022, MoCA vide its Order No. AV-24011/8/2021-AAI-MoCA dated 01st November 2022 entrusted the additional charge of the post of Member (Finance) to Shri Sanjeev Kumar, IAS, Chairman, AAI for a period of three months i.e. from 01.11.2022 to 28.01.2023, or till a regular incumbent join or until further orders, whichever is earlier.

(2) Shri Vimalendra Anand Patwardhan, Joint Secretary & Financial Advisor, MoCA completed his 3-year term as Part-time Member on the Board of AAI on 25.10.2022. Accordingly, he ceased to be Board Member of AAI w.e.f. the said date. Order from MoCA filling up the said post was awaited till 30.11.2022.

- (3) MoCA vide its Notification No. AV-24015/2/2015-AAI-MOCA (84261) dated 20th January 2022 extended the tenure of Ms. Rubina Ali, Joint Secretary, MoCA as Part-time Member on the Board of AAI for a period of three years with effect from 11.02.2022 or until further orders, whichever is earlier. Her previous tenure of three years was ending on 10.02.2022.
- (4) Consequent upon sudden demise of Shri Anuj Aggarwal, Member (HR) on 22nd April 2021 due to Covid related complications, MoCA vide its Order dated 30th April 2021 entrusted the additional charge of the post of Member (HR), AAI to Shri Anil Kumar Pathak, Member (Planning), AAI in addition to his own duties. Since then, MoCA, vide its Orders issued from time to time, has been extending the entrustment of additional charge of the post of Member (HR) to Shri A. K. Pathak.
- (5) Shri I.N. Murthy completed his 5-year tenure as Member (Operations), AAI on 22.11.2021. MoCA vide its Order No. AV-24011/17/2020-AAI-MOCA (189566) dated 31st December 2021 conveyed the approval of the Appointments Committee of the Cabinet (ACC) for entrustment of additional charge of the post of Member (Ops.) to Shri Sanjeev Kumar, IAS, Chairman, AAI for a period of 1 (One) year or till the appointment of a regular incumbent to the post, or until further orders, whichever is the earliest.
- Later, MoCA vide its Order of even number dated 24th May 2022 entrusted additional charge of the post of Member (Operations) to Shri M. Suresh, Member (ANS) for a period of 1 year till the appointment of a regular incumbent to the post, or until further orders, whichever is the earliest. Accordingly, Shri M. Suresh, assumed the charge on 24.05.2022 and Shri Sanjeev Kumar, IAS, Chairman, AAI was relieved from the additional charge w.e.f. the said date.
- (6) Shri G. Sekar completed his 3-year term as Non-official (Part-time) Member on the Board of AAI on 21.07.2022 and accordingly ceased to be Board Member of AAI w.e.f. the said date. Consequent upon his cessation as AAI's Board Member, strength of independent board members in AAI now stands reduced to 2 (Two).
- (7) Shri Ravindra Singh Balawat and Ms. Madhavi Sanjay Naik were appointed as Non-Official Independent Members (Part-time) on the Board of AAI vide MoCA's Notification No. 24011/12/2019-AAI-MOCA (166781) dated 21.01.2022 and 29.03.2022 respectively for a period of three years or until further orders, whichever is earlier.

As on 30.11.2022, the AAI's Board comprises of Chairman, DGCA (Ex-officio Member), 2 functional members, 1 nominee representing the Ministry of Civil Aviation and 2 part-time non-official (Independent) members.

Order from MoCA was awaited for the appointment and filling up of (a) the post of Member (HR); (b) the post of Member (Operations); (c) the post of Member (Finance); (d) the post of 1 nominee Member representing the Ministry of Civil Aviation; and (e) 2

posts of 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 schedule of Board / Committee meetings is circulated to the Members in advance to enable them to plan their schedule for participation in the meetings. Also, 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, 8 (Eight) meetings of the Board were held i.e. on 07.05.2021,



07.07.2021, 07.09.2021, 05.10.2021, 26.11.2021, 25.01.2022, 15.02.2022 and 23.03.2022.

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. Presently, the Audit Committee comprises of one non-official independent member, one government nominee director, and one functional 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.

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 31.03.2022 is as follows: -

Name of the Member	Category	Designation
Shri G. Sekar	Non-official (Independent) Member	Chairperson
Shri Vimalendra Anand Patwardhan	Part-time Member (Government Nominee)	Member
Shri K. Vinayak Rao	Functional Member	Member

Note:

1. Consequent upon cessation of Shri G. Sekar as independent board member of AAI on 21.07.2022, the Board in its 209th meeting held on 26.07.2022 re-constituted the Audit Committee as follows:

- (i) Ms. Madhavi Sanjay Naik, Chairperson
- (ii) Shri Ravindra Singh Balawat, Member
- (iii) Shri K. Vinayak Rao, Member

(Since, Shri K. Vinayak Rao superannuated on 31.10.2022, the re-constitution of the Audit Committee is under consideration of the Board)

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 thrice i.e. on 06.09.2021 (Adjourned meeting held on 04.10.2021), 26.11.2021 and 14.02.2022.

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 Remuneration Committee comprises of three non-official members as its members and is chaired by an independent member.

The composition of the Committee as on 31.03.2022 is as follows:

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

Notes:

1. Consequent upon cessation of Shri G. Sekar as independent board member of AAI on 21.07.2022, the Board in its 209th meeting held on 26.07.2022 re-constituted the Remuneration Committee and appointed Shri Ravindra Singh Balawat as Chairperson of the Committee.
2. Since, Shri Vimalendra Anand Patwardhan completed his 3-year tenure and ceased to be member of the Board of AAI on 25.10.2022, the re-constitution of the Remuneration Committee is under consideration of the Board.

Covid19 pandemic and its subsequent lockdowns coupled with travel restrictions affected the Aviation Industry very badly. As a consequence, AAI's income and finances were also adversely influenced. Therefore, during 2021-22, no meeting of the Remuneration Committee of AAI was held to consider and recommend distribution of performance related pay to the executives.

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 31.03.2022 is as follows: -

Name of the Member	Category	Designation
Shri Sanjeev Kumar, IAS	Functional Member	Chairperson
Shri A. K. Pathak, Member (Planning)	Functional Member	Member
Shri G. Sekar, Part-time Member (Non-Official)	Independent Member	Member

Note:

1. Consequent upon cessation of Shri G. Sekar as independent board member of AAI on 21.07.2022, the Board in its 209th meeting held on 26.07.2022 re-constituted the CSR Committee and appointed Shri Ravindra Singh Balawat as Member of the Committee in place of Shri G. Sekar.

During the year under review, the Committee met once i.e. on 10.11.2021.

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 consider 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 2021-22, the Committee met once i.e. on 14.03.2022. The meeting was headed by Shri G. Sekar (Independent Board Member) and was attended by Member



(Planning/HR), Member (Finance) & Member (ANS).

Note: - Consequent upon cessation of Shri G. Sekar as independent board member of AAI on 21.07.2022, the Board in its 209th meeting held on 26.07.2022 re-constituted the Committee and appointed Ms. Madhavi Sanjay Naik as Chairperson of the Committee.

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. Further, there is no such possibility, because the governing statute viz. the AAI Act, 1994 vide Section 4 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

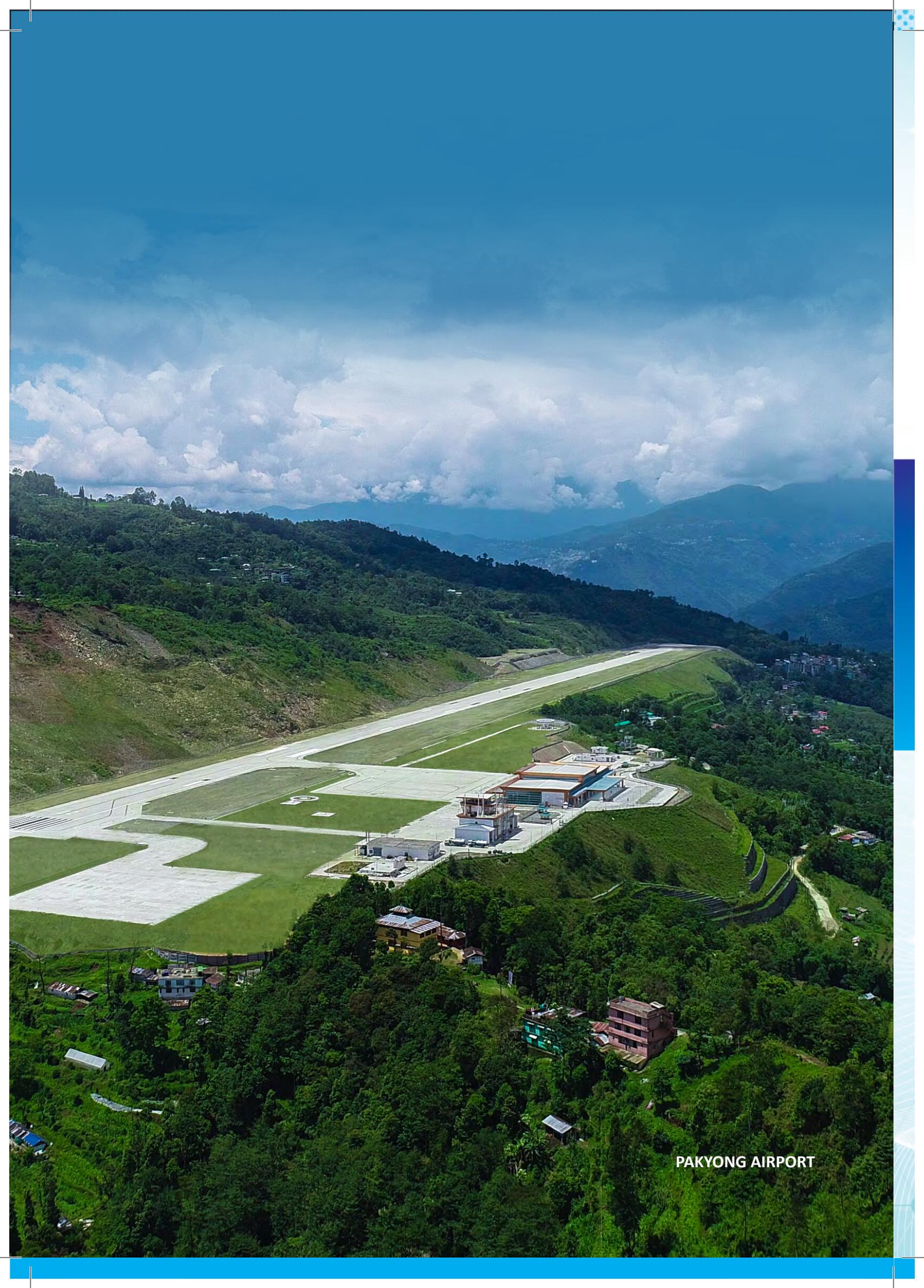
At AAI, continuing education and training is a continuous process. Members are encouraged to attend the special training courses by various professional bodies including programs by DPE to ensure that the members are refreshed and equipped to perform their roles in the highest standards and performance 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 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.



PAKYONG AIRPORT

ANNEXURE-3



DETAILS OF CAPITAL SCHEMES (REGION-WISE)



BHUBANESHWAR AIRPORT



NORTHERN REGION

1. Foundation Stone / Inauguration of building or facilities during F.Y. 2021-22:

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Event Date
Dehradun	Inauguration of Dehradun New Terminal Building by Hon'ble Union Cabinet Minister of Civil Aviation	08.10.2021

2. Capital Schemes Completed during F.Y. 2021-22

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Completed Cost	Completion Date
Bareilly	Development of New Civil enclave. SH:- Const. of Pre-engineered Terminal Building & associated works	41.26	May 2021
Jaipur	C/o of Apron on eastern side of main apron for parking of 7 no.s of code E Aircraft (alternatively 13 no.s 4C type of aircraft i.e A-321 - 200) and 19 no.s of parking bays on both side of tango taxi for C types of aircraft i/c associated works.	97.58	Aug 2021
	Construction of Parallel taxi track from Tango taxi to Nallah at Jaipur Airport (Phase-I)	29.80	Oct 2021
	Refurbishment Retro-fill & Renovation of old Terminal (T-01) building for International operation JAIPUR	52.96	Oct 2021
Jammu	Extension of Runway 36 (towards 18 end) by 1300 ft. and allied works.	77.00	Oct 2021
Khajuraho	Construction of New ATC Tower & Tech. Block KHAJURAHO	18.30	Oct 2021
	Widening & Grading of Basic Strip of Runway Construction of perimeter Road and storm water Drain at Khajuraho Airport.	17.21	Feb 2022
Amritsar	Exp. Of Apron for 10 no's code 4C type of aircraft.	43.80	Mar 2022
	Construction of Additional Parking Bays	96.95	Mar 2022
Chandigarh	Construction of Southern Taxi way joining Taxi Link at the beginning of Runway 29 with Taxiway H at Chandigarh Airfield.	19.29	Jul 2021
Chitrakoot	Development of Airport at Chitrakoot	22.00	Mar 2022
Jodhpur	Construction of new apron and link taxi at jodhpur Airport	21.64	Dec 2021
Adampur	Establishment of Civil Enclave at Adampur SH: Construction of Apron, Taxi Track & Associated works.	8.84	Apr 2022

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3. Capital Schemes under progress (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Approved Cost	PDC
Adampur	Establishment of Civil Enclave at Adampur SH: Construction of Terminal Building.	114.85	Nov 2022
Dehradun	Construction of New Integrated Terminal Building at Dehradun Airport	456.86	Mar 2023
	Strengthening of Runway & Taxiway	25.81	Oct 2022
Kanpur	Development of Kanpur (Chakeri) Airport	168.87	Feb 2023
Leh	Construction of New Domestic Terminal Building & associated works at Leh Airport	480.33	Mar 2024
Muirpur	Development of Airport at Muirpur	44.51	Mar 2023
Safdarjung	C/o combined operational complex of DGCA, BCAS, AAIB, AERA & AAI (Deposit work) at Safdarjung Airport	303.80	Feb 2023
Shimla	Restoration of basic strip at Shimla Airport	124.22	Oct 2022
Varanasi	C/o New ATC Tower cum Technical Block	28.23	Sep 2022
Ayodhya (Faizabad)	Development of Ayodhya (Faizabad) Airport. A: Construction of Pre-Engineered Buildings (PEB) And other Associated Works on Design & Build Basis EPC)	100.68	May 2023
	B: Pavement, Grading and other works in operational area on Design & Build Basis (EPC)	141.46	May 2023
Udaipur	Runway resurfacing and providing fillets and turn pads for B-777 VIP Flight operations	22.44	Mar 2023
Gorakhpur	Expansion of Passenger Terminal Building	26.87	Jan 2023
Gwalior	Expansion of Civil Enclave at Gwalior Airport SH: Construction of Terminal Building, Ancillary Buildings, Car Parking, City side Development & other associated works.	446.12	Sep 2023
Jodhpur	Construction of New Apron at Jodhpur Airport (Balance portion) Phase- II SH: Construction for additional Apron for parking of 05 nos of code '4C' type of aircraft (i.e. 321-200) at civil Air Terminal Jodhpur Airport, Jodhpur (Rajasthan).	16.65	Oct 2023
Bareilly	Development of Civil Enclave at Bareilly SH. Widening and strengthening of Apron at Bareilly	21.49	Feb 2023

4. Projects under Planning (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Saharanpur	Development of Civil Enclave at Sarsawa	80.00
Fursatganj	Development of Fursatganj airport for Civil operations	25.24
Halwara	Development of Civil Enclave Halwara Airport.	360.00
Kota	Construction of Greenfield airport at Kota	1000.00
Udaipur	Construction of New Terminal Building at Udaipur Airport.	754.00
	Additional scope of construction of new parking stands for code-C aircraft at Maharana Pratap Airport, Udaipur.	37.00
Jammu	C/o NTB complex including apron, taxi track and other associated civil works and electrical & mechanical installations towards Tawi River side at CA Jammu	850.00
Jodhpur	Construction of New Terminal Building at Jodhpur Airport	402.00
Delhi (Palam)- RHQ-NR	SITC of Electromechanical type MLCP in ACC & TBB building complex at IGI Airport.	40.00
Srinagar	Construction of New Integrated Terminal Building	1400.00
Amritsar	Upgradation of ALCMS and provision of ILCMS at Amritsar Airport for CAT-IIIB Lighting System	36.00
Leh	Construction of Apron for parking of 4nos of Code 4C type of aircraft	31.00



SOUTHERN REGION

1. Foundation Stone / Inauguration of building or facilities during F. Y. 2021-22 - NIL

2. Capital Schemes Completed during F.Y. 2021-2022

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Completed Cost	Completion Date
Vijayawada	Construction of New Apron, Link Taxiway and associated works at Vijayawada Airport	31.20	Mar 2022
Chennai	Widening of Existing Perimeter Road in the Operational area	4.38	Mar 2022
	C/o CISF barrack. Phase-III (C+E) at Chennai Airport	6.56	Apr 2021
	Modernization of Chennai Airport Phase-II SH: Balance Civil work for construction of STP-I (2.25 MLD) and STP-2 (1.2 MLD) at Chennai Airport	6.97	Sep 2021
	Provision of AVDGS for remote bays at Chennai International Airport	8.18	Sep 2021
	C/o Hostel accommodation in AAI (NAD) Residential colony at Chennai Airport. SH. Civil and Electrical works	9.24	Aug 2021
	Construction of 2 Nos Rapid Exit Taxiways (RET), for the main Runway 07/25 and Strengthening of B Taxiway as Parallel Taxi track suitable for Code E Aircraft, at Chennai International Airport, Chennai (Civil Works)	73.88	Aug 2021
Hyderabad	SITC of 1 MWp Grid (33 KV) Connected Solar Photo Voltaic Power Plant & Comprehensive, Operation and Maintenance for (12) Twelve years at Hyderabad Airport, Begumpet	4.31	Mar 2022
	Modification for provision of ATM Training Facilities, SMU, Calibration lab and R&D Centre in Existing Terminal Building at Begumpet Airport, Hyderabad. SH: Interior and Civil works including Internal, External Electrical works, cable management system for power and data circuits and SITC of fire alarm and fire extinguishers	11.73	Apr 2021
Agatti	Development and Upgradation of Agatti Airport SH: Appointment of Technical Consultant for feasibility study	1.67	Feb 2022
Coimbatore	C/o New Departure Terminal Building at Coimbatore International Airport SH: Relocation of Pump house Water tanks, Canteen, union office, Kalyanamayee etc.	2.10	Jan 2022
	Construction of additional Apron for parking 5 Nos of category C Type and extension of apron for 2 Nos ATR at Coimbatore International Airport	25.28	Aug 2021
Vellore	Development of Vellore Airport under RCS UDAN 2. SH: Associated works like construction of Operational Compound wall, Chain link Fencing, retaining wall, Paver block works etc.	7.98	Dec 2021
Trichy	Resurfacing of Existing Runway 09-27 and associated works at Trichy international Airport, Trichy	17.73	Nov 2021
Trivandrum	Construction of New Fire Station at Trivandrum Airport for CAT IX	10.56	May 2021
Madurai	Extension of apron and allied works at Madurai Airport	22.16	Apr 2021

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3. Capital Schemes under progress during FY 2021-2022 (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Approved Cost	PDC
Coimbatore	Resurfacing of Runway at Coimbatore Airport	49.83	Jun 2023
Kadapa	Extension and Strengthening of Existing Runway, Taxiway & Apron and allied Works for operation of Code C type Aircraft	94.44	Jun 2022
Hubli	Segregation of operational area, construction of Compound Wall, Storm water Drain, perimeter road and other miscellaneous works at Hubli Airport.	13.84	Jun 2022
Madurai	Re-Surfacing of Existing Runway 09-27 for code C type of Aircraft and associated works at Madurai Airport.	28.39	May 2022
	Construction of New ATC Tower cum Technical Block including Repair & Maintenance, Operation and AICMC at Madurai Airport.	99.00	Feb 2024
Tiruchirappalli (Trichy)	Up-gradation of passenger terminal building and airside facilities at Tiruchirappalli (Trichy) International Airport. SH: Construction of new terminal building, elevated road along with associated electromechanical, airport system, IT works including comprehensive maintenance and operation (Package-I)	951.28	Dec 2023
	Up gradation of passenger terminal building and airside facilities at Tiruchirappalli (Trichy) International Airport SH: Construction of Apron, associated Taxiways, Isolation Bays, GSE Area, and associated works.		
	Upgradation of passenger Terminal Building and Air side facilities at Tiruchirappalli (Trichy) International Airport. SH: Construction of New Terminal Building, Elevated Road along with associated Electro-mechanical, Airport System, IT works including Comprehensive maintenance and operation (Package-II)- Sewage Treatment Plant (Total Capacity 1050 KLD, Constructed in 2 Nos Modules of 525 KLD Capacity Each)		
	Construction of New Integrated Passenger Terminal Building including Elevated roads & other associated works at Tiruchirappalli International Airport, Tiruchirappalli – Tamil Nadu (India) SH: Interior works for VIP & CIP Lounges, Passenger Toilets and Art works including associated Electrical works.		
Tirupati	Extension of Runway along with Strengthening of existing runway, Apron and provision of RESA and associated works for Code -E Type of Aircraft at Tirupathi Airport	177.00	Aug 2022
Tuticorin	Development of Tuticorin Airport: Extension of Runway with Blast Pad, RESA, Taxiway, Apron, GSE Area, Isolation Bay and miscellaneous Works	380.87	Dec 2023
	Construction of New Terminal Building, ATC Tower cum Technical Block, Fire Station and Associated works including Maintenance, Operation and AICMC at Tuticorin Airport.		
	Construction of compound wall for the bifurcation of operational area & for newly acquired land of AAI at Tuticorin (Phase-II)	14.28	Jun 2022



Project-site / Airport	Particulars	Approved Cost	PDC
Vijayawada	Construction of NITB including associated works at Vijayawada Airport	611.80	Jun 2024
Vizag	Linear Expansion of Existing terminal building at C.E. Visakhapatnam airport.	70.88	May 2022
Mysore	Wall to wall grading at Mysore Airport	35.34	Oct 2022
Rajahmundry	Construction of Admin Block	10.38	Oct 2022
	Extension of Turn pad & fillets	9.50	Mar 2023
Hyderabad	Construction of Civil Aviation Research Organisation Campus at Begumpet Airport, Hyderabad	353.61	Dec 2023
	Construction of Civil Aviation Research Organisation Campus at Begumpet Airport, Hyderabad: Hostel Block (Civil+Electrical)	48.52	Jun 2022
	Raising/Reconstruction of operational wall in damaged stretches (Phase-II) at Begumpet Airport, Hyderabad	19.28	Mar 2023
	Resurfacing and Strengthening of runway at Begumpet Airport, Hyderabad. SH: Resurfacing of Runway and other pavement works at Begumpet Airport, Hyderabad	55.95	Jul 2023
Chennai	Modernization of Chennai Airport - PH-II	2467.00	Work Comprises of two parts. Part I - PDC: Dec 2022 Part 2 - PDC: Jul 2025
	Modernization of Chennai Airport, Phase-II, Chennai SH: Interior, Furnishing, Art work, Horticulture & Landscaping and allied works.		
	"Modernization of Chennai Airport, Phase-II, Chennai SH: Interior Electrical Lighting works"		
	Modernization of Chennai Airport, Phase-II. SH: Provision of Inline Baggage Handling System at Chennai Airport.		
	Modernisation of Chennai Airport Phase-II. SH: STP Electrical		
	MODERNISATION OF CHENNAI AIRPORT PHASE-II. SH: Construction of Road in front of Terminal Building including Internal modified roads in car park area at Chennai Airport (Civil Works)- Construction of retaining walls on the southern side of East Block MLCP and southern side of West Block MLCP		
	MODERNISATION OF CHENNAI AIRPORT PHASE-II. SH: Provision of False Ceiling on City Side and Air Side Canopies in New Terminal Building.		
	"Modernization of Chennai airport (PHASE-II), Chennai. SH : Design, Manufacture, Supply, Installation, Testing and Commissioning of Signages (Electrical Works)"		

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Project-site / Airport	Particulars	Approved Cost	PDC
	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	Mar 2023
	Construction of residential quarters at Chennai Airport, Chennai.	460.75	Nov 2024
	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	53.66	Mar 2023
	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	Mar 2023
	Construction of pavement (hard stand) with paver block in the area of Old Air India Export Cargo Complex at Chennai Airport, Chennai.	8.76	Aug 2022
	Additions / Alterations to the existing toilets in Terminal building (Main Work)	12.36	Jan 2023
	Development of Car Park at Chennai Airport (BD)	400.00	Dec 2022
Coimbatore & Trichy	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.	48.75	Apr 2022
		65.12	May 2022
Salem	Extension of Apron at Salem Airport	9.74	Jan 2023

4. Projects under Planning (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Coimbatore	Construction of New Domestic Departure Terminal Building and Associated works at Coimbatore Airport	146.00
Agatti	Development of Agatti Airport	3954.00
Tiruchirappalli	Construction of Surface Car Parking and associated works at Tiruchirappalli Airport, Trichy.	49.67
Hyderabad	Extension of Turn pad & fillets	9.21



EASTERN REGION

1. Foundation Stone / Inauguration of building or facilities during F.Y. 2021-22 - NIL

2. Capital Schemes Completed during F.Y. 2021-22

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Completed Cost	Completion Date
Kolkata	Resurfacing of secondary runway 19R/01L at NSCBI Airport, Kolkata	40.75	Jun 2021
Ranchi	Resurfacing of Runway and Taxiway and Ranchi Airport.	26.17	Feb 2022
Deoghar	Development of Deoghar Airport SH: Construction of New Terminal Building, ATC Tower, Technical Block cum Fire Station Building, E & M Workshop, Service Block, DVOR and other Building Works at Deoghar Airport, Jharkhand.	84.34	Feb 2022

3. Capital Schemes under progress during FY 2021-22 (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Approved Cost	PDC
Bhubaneswar	Construction of ATC tower, Technical Block, Fire Station and E & M work shop.	64.89	Jul 2022
	C/o Link Building b/w T1 & T2 for Integrated operations using passenger boarding bridge facility & expansion/renovation work of Terminal T2	87.51	Mar 2023
	Construction of Parallel taxi Track, Rapid Exit Taxi Way and Apron for parking of 08 nos. Code C aircraft (Phase 1)	76.85	Jun 2022
	Provision of 4.0 MWp(DC) ground mounted solar power plant.	41.24	Dec 2022
Port Blair	Construction of New Intergrated Terminal building at VSI Airport Portblair (Balance Work)	707.73	Apr 2023
	Construction of New Apron with Link Taxiways at Port Blair	99.77	Feb 2023
Patna	Construction of New Domestic Terminal Building and other structures (Phase I and II) at Patna Airport. Construction of Control Tower cum Technical Block, Fire station & Cargo Building at Patna Airport (Package II)	30.55	Dec 2022
	Construction of New Domestic Terminal Building and other structures (Phase I and II) at Patna Airport. SH:- Construction of Terminal Building, Residential Buildings, Multi-Level Car Park, Admin Building and other Associated works at Patna Airport. (Package II)	565.73	Mar 2024

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Project-site / Airport	Particulars	Approved Cost	PDC
Patna	Construction of New Domestic Terminal Building and other structures (Phase I and II) at Patna Airport. SH: C/o State Govt. Hangars, Flying Club, VIP Lounge Building and other Associated works (Package III)	46.32	Jun 2023
Gaya	Construction of Technical Block cum control Tower at Gaya Airport, Gaya	24.81	Jun 2022
Deoghar	Development of Deoghar Airport, Jharkhand. Construction of boundary wall including RCC drainage, Security watch tower, cooling pit, fire pit and other allied works at Deoghar Airport.	50.08	Dec 2022
	Development of Deoghar Airport, Jharkhand. Cutting Deoghar-satar road, Levelling & Grading the approach funnel area of Runway 09 and other Miscellaneous works in operational area of Airport.	23.55	
Kolkata	Construction of ATC Tower and Technical Block at NSCBI Airport, Kolkata	458.00	Feb 2023
	Construction of 03 Hangars for C Category Aircraft connecting Apron and Taxi link (Narayanpur side) at NSCBI Airport, Kolkata. SH:- Construction of 03 nos. Hangars with Annexe Building	38.54	Jun 2022
	Airside Capacity Enhancement of NSCBI Airport, Kolkata. SH: Extension 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 (Civil & Electrical Works).	389.71	Apr 2023
Jharsuguda	Expansion of Apron for 4 nos. of AB-320 Type of Aircraft with new Link Taxiway and allied works at VSS Airport, Jharsuguda	25.24	Jan 2023
Darbhanga	Strengthening of Runway, Taxitrack, Apron and Allied works at Airforce Station Darbhanga.	73.22	Mar 2023
	Construction of Runway shoulders, RESA and Blast Pad for Conversion of VFR to IFR at Darbhanga Airport.	30.35	Mar 2023
Pakyong	Strengthening the base of RE wall by micro pile and pre-tensioned anchor at Pakyong Airport.	43.68	Apr 2022
	Construction of concrete cladding wall i/c finger drains to maintain the uphill slope on the western site of the basic strip at Pakyong Airport, Sikkim (Re-Call)	146.93	Dec 2022



4. Projects under Planning (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Darbhanga	Expansion of Existing Pre-Engineered Terminal Building i/c 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	36.94
Bhubaneswar	C/O New Terminal Building T-3	955.31
Bihta	Development of Joint use Civil Enclave for AAI & IAF at Bihta.	937.00
Dhalbhumgarh	Development of Dhalbhumgarh Airport in the State of Jharkhand for fair weather Operations of ATR-72 Type of Aircraft.	99.36
Patna	Recarpeting of Runway, Taxiway, Shoulders, Apron & Strengthening of Basic Strip, C/o Parallel Taxi Track, Isolation bay, Taxiway link to new apron (in front of hangar) to RWY and allied works at Patna Airport	95.11
Raipur	Construction of NITB at Raipur Airport, Raipur.	900.00
Kolkata	Construction of Common User Domestic Cargo Terminal (CUDCT) at NSCBI Airport, Kolkata.	135.48
	Capacity enhancement of integrated Passenger Terminal bldg., NSCBI Airport Kolkata	122.00
	Construction of new CISF Complex (CISF Barrack, Women Training Hostel, Aviation Security Training Institute, WTP and STP) at Narayanpur side at NSCBI Airport, Kolkata.	76.54
Bagdogra	Development of New Civil Enclave at Bagdogra Airport.	1800.00

WESTERN REGION

1. Foundation Stone / Inauguration of building or facilities during F.Y. 2021-22 - NIL

2. Capital Schemes Completed during F.Y. 2021-22

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Completed Cost	Completion Date
Bhopal	Provision of RCC drain cover on existing drain and construction of new drain in operational area.	2.05	Mar 2022
Diu	Extension of Runway and RESA on both ends of the runway, Isolation Bay and associated works	21.00	Jun 2021
	Construction of ATC Tower-Cum-Technical Block-cum-Fire Station and other allied structures	14.75	Jul 2021
Indore	Development of Drain i/c covering in operational area	4.75	Sep 2021
	Development of 15 nos. parking bays, parallel taxi track and other associated works	43.24	Dec 2021
Rajkot	Construction of apron with link taxi track for AB 320 aircraft	14.98	Mar 2022

3. Capital Schemes under progress during FY 2021-22 (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site/ Airport	Particulars	Approved Cost	PDC
Bhopal	Construction of Technical Block cum ATC Tower and associated works	41.16	Mar 2023
Goa	Extension of Terminal Building and associated works	255.69	Dec 2023
Jabalpur	Extension of runway, C/o new apron and isolation bay i/c link taxi, Perimeter road and allied works	147.00	Jun 2022
	Construction of New Terminal Building, ATC Tower and associated works	190.92	Mar 2023
Kolhapur	Extension and strengthening of runway, construction of apron & associated works	150.53	Jul 2022
	Construction of New Terminal Building, Technical Block cum ATC Tower and associated works	74.50	Mar 2023
Pune	C/o NITB, re-construction of old terminal bldg., modification of existing expanded terminal building	475.39	Jun 2023



(Amount in ₹ Crores)

Project-site/ Airport	Particulars	Approved Cost	PDC
Hirasar, Rajkot	Construction of New Greenfield Airport	1405.00	Dec 2023
Surat	Extension of Terminal Building Airport System, IT, and Ancillary Works	138.48	Mar 2023
	Extension of Apron and construction of Parallel Taxi Track	63.13	
Vadodara	Construction of Technical Block cum ATC Tower and associated works	57.70	Feb 2023

4. Projects under Planning (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Dholera	Development of New Greenfield Airport	1305.00
Rewa	Development of Rewa Airport, Madhya Pradesh	41.89
Indore	Construction of Technical Block cum ATC Tower and associated works	87.00
Jamnagar	Construction of New Terminal Building and associated works	68.00

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NORTH EAST REGION

1. Foundation Stone / Inauguration of building or facilities during FY 2021-22:

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Event Date
Agartala	Construction of New Integrated Terminal Building and associated works at Agartala Airport, Tripura.	04.01.2022

2. Capital Schemes Completed during FY 2021-22:

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Completed Cost	Completion Date
Agartala	Construction of Residential Quarters for AAI Staffs in AAI colony at Agartala Airport.	20.47	Sep 2021
	Construction of New Integrated Terminal Building and associated works at Agartala Airport.	519.68	Dec 2021
	Construction of Hangar at Agartala Airport.	32.51	Mar 2022
Dimapur	Strengthening of Runway, taxiway & apron i/c construction of isolation bay with link taxiway at Dimapur Airport.	46.09	Aug 2021

3. Capital Schemes under progress during F.Y. 2021-22 (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Approved Cost	PDC
Tezu	Operationalization and up gradation of Tezu Airport-Construction of Terminal building.	67.74	Jan 2023
Holongi	Construction of New Green Filed Airport Package-I (Development of Runway, Apron in operational area and allied works).	448.63	Nov 2022
	Package-II C/o Terminal Building, Car Parking, Technical Block, Residential Quarter, E & M Workshop, Medical Centre and balance city side development.	195.50	Jun 2023
	Construction of Interim Terminal Building at Hollongi Airport	23.71	Sep 2022
Dibrugarh	Construction of hangar.	21.70	Mar 2023
	Dismantling of Existing open drain in Operational area / construction of new covered drain at same location.	23.35	Feb 2023
	Construction of ATC Tower cum Technical Block.	44.29	Mar 2023
Silchar	Extension of Apron and Construction of New Link Taxiway at Civil Enclave.	21.40	May 2022



(Amount in ₹ Crores)

Project-site / Airport	Particulars	Approved Cost	PDC
Imphal	Construction of Hangar, Apron and link Taxiway	35.90	Mar 2023
	Construction for International Cargo Terminal.	15.93	
	Extension of Turn pad & fillets and Strengthening of TWY.	17.05	Apr 2023
Barapani	Extension of Apron and construction of Isolation Bay & allied Works.	34.00	Aug 2022

4. Projects under Planning (As on 31.03.2022)

(Amount in ₹ Crores)

Project-site / Airport	Particulars	Cost
Imphal	Construction of New Integrated Terminal Building, Control Tower Cum Technical Block, Apron, Link Taxiway and Associated works at Imphal International Airport, Imphal, Manipur	499.00
Agartala	Re-carpeting of RWY, TWY and Apron at Agartala Airport.	132.00



AGATTI AIRPORT

ANNEXURE - 4



ANNUAL REPORT ON CSR ACTIVITIES



GOA AIRPORT



ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2021-22

1. Brief outline on CSR Policy of the Company.

Airports Authority of India aims to achieve, consolidate and strengthen good corporate governance including socially and environmentally responsible business practices that balance financial profit with social well-being. Being a socially responsible enterprise, Airports Authority of India (AAI) has been taking a lead to serve the society and is committed to enhance the quality of life of people from marginalized sections of the society, especially those people who reside in proximity to the airports.

The thematic/programme focus of the AAI's CSR work includes, but is not limited to:

1. Education, including formal and informal education and vocational training that contribute towards sustained income generation and self sufficiency
2. Health as an integral component of better quality of life with special focus on women and girls.
3. Integrated community development that fill the gaps in the statutory resettlement and rehabilitation programmes of the government and ensure that the quality of lives of communities are positively impacted.
4. Disaster Management including preparedness, capacity building as well as emergency response leveraging core competency of the AAI in situations of disasters.
5. Environment conservation

AAI's CSR Policy is available and can be viewed on AAI's website at <https://www.aai.aero/en/corporate/csr-policy>

Though AAI runs programs in almost all verticals, its focus area this year had been **"Health and Nutrition with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID care facilities"** - the theme assigned by DPE for FY 2021-22. Out of the CSR budget, AAI ensures to spend 60% of it on the theme decided by the Department of Public Enterprises (DPE). AAI also undertook a range of CSR Activities on Rural Development, Sanitation, Women Empowerment, Skill Development, Environment and Sustainability. The overview of various CSR projects and programmes undertaken by AAI during the FY 2021-22 has been provided in **Appendix-A**. Further, a separate section on the Corporate Social Responsibility & Sustainability, briefing some of AAI's major projects, forms part of the Annual Report

2. Composition of CSR Committee as on 31.03.2022:

Sl. No.	Name of the Member	Designation/Nature of Directorship	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 ⁽¹⁾	Chairman, AAI	1	1
2.	Shri Anil Kumar Pathak	Functional Member	1	1
3.	Shri G. Sekar	Part-time Non-Official Member (Independent)	1	1

¹ Shri Sanjeev Kumar, IAS assumed the Charge as Chairman, AAI w.e.f. Afternoon of 07th April 2021. The Board in its 200th Meeting held on 07.05.2021 appointed him as Chairperson of the CSR Committee with immediate effect.

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3. Provide the web link 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 thereof is provided below:
- <https://www.aai.aero/en/corporate/about-aai-csr>

4. Provide the details of Impact assessment of CSR projects carried out in the pursuance of sub rule (3) of rule 8 of the Companies Rules, 2014, if applicable.

Airports Authority of India has engaged services from Tata Institute of Social Sciences to carry out Impact assessment for 10 of its mega projects.

Details of the amount available for set off in pursuance of sub rule (3) of the rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NIL

Sl. No.	Financial Year	Amount available for set off from preceding financial years (In ₹)	Amount required to be set off for the financial year, if any (In ₹)
NIL			

5. Average net profit of the company as per section 135(5): ₹1552.00 Cr.

6. (a) Two percent of average net profit of the company as per section 135(5): 31.04 Cr.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year: NIL

(c) Amount required to be set off for the financial year, if any: NIL.

(d) Total CSR Obligation for the financial year (6a+6b-6c): ₹31.04 Cr.

(e) Amount spent out of allocated budget for the financial year: ₹13.79 Cr.

(f) Unspent amount for the financial year: ₹17.25 Cr.

(g) Unspent CSR fund of previous years (As on 01.04.2021): ₹ 55.49 Cr.

7. (a) CSR amount spent or unspent for the financial year 2021-22:

Total Amount Spent during the financial year 2021-22 (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 135(5)		
Against the allocated budget for the F.Y. 2021-22	Against the unspent fund of previous years	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
13.79 Cr.	34.83 Cr.	17.25 Cr.	31.08.2022	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial years: Please refer to attached **Appendix A**

(c) Details of CSR amount spent against other than ongoing project for the financial year: Please refer to attached **Appendix A**

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Amount spent out of unspent account: ₹34.83 Cr.



- (g) Total amount spent for the financial year 2021-22: ₹48.62 Cr. (₹13.79 Cr.+ ₹34.83 Cr.)
(h) Excess amount to set off, if any: NIL
(i) Unspent CSR fund as on 31.03.2022: ₹37.91 Cr. (₹55.49 Cr. – ₹34.83 Cr.+ ₹17.25 Cr.)

8. Unspent amount for the preceding three financial years: ₹20.66 Cr.

9. Details of CSR amount in the financial year for ongoing projects of the preceding financial year(s): ₹34.83 Cr.

10. Details of asset created or acquired through CSR spent in the financial year: NIL

11. Specify the reasons(s) if the company has failed to spend two percent of the average net profit as per section 135(5):

During FY 2021-22, Covid 19 pandemic and its subsequent lockdowns and travel restriction have affected the Aviation Industry very badly. As a consequence, the Airports Authority of India is also facing a financial constraint as the finances and income of AAI were also adversely influenced. AAI is compelled to take loans from various sources to fulfil the prior commitments.

Moreover, the progress of CSR projects at various locations was either stopped or slowed down due to lockdowns imposed by the districts and states administrations. Hence there was an inadequacy of demands for the funds from the stakeholders.

Details of amount spent against CSR projects:

S. No.	Name of Project	Theme	Local area (Yes/No)	Location of the project	Sanctioned amount (In Cr.)	Project duration	Amount spent till date (In Cr.)	Total Liability till date (In Cr.)	Mode of implementation- Direct (Yes/No)
1	Proposal for undertaking Community Healthcare Programme in the Nuh Aspirational District, Haryana, Bisnoli Sarvodaya Gramodyog Sewa Sansthan. Nuh District, Haryana	Health-care	Yes	Nuh District, Haryana	0.29	01 Year	0.19	0.10	No
2	C/o Community hall at Arapti Awang Leikai, Imphal East district, Manipur	Others	Yes	Imphal, Manipur	0.35	9.5 months	0.17	0.18	No
3	Provision of safe drinking water in schools and provision of rooftop solar panels in government schools near Kishangarh Airport, Ajmer, Rajasthan.	Safe Drinking water	Yes	Ajmer, Rajasthan	1.60	-	1.18	NIL	No
4	Proposal for construction of Public toilet complexes by Sulabh International Social services (SISSO) at various location in Ayodhya, UP	Sanitation	Yes	Ayodhya, UP	1.00	6 Months	0.8558	NIL	No
5	Purchase of Ultra Sound & Digital X-ray Machine for Primary Health Centres, Leh.	Health	Yes	Leh	2.4	01 Year	0.72	1.6800	No
6	Construction of Modern Library Complex at Parade Ground, Dehradun, Uttarakhand	Education	Yes	Dehradun, Uttarakhand	7.5	1 year	6.75	0.75	No
7	Proposal of Tata Memorial Centre, Mumbai to treat 2000 poor cancer patients (1000 patients per year) with an expert treatment plan.	Health	Yes	Mumbai, Maharashtra	₹0.85 Cr. for one year Total ₹ 1.70 Cr. for two years	Two years	0.765	0.9350	No
8	Construction of Maternity Ward with modern equipments & expansion of existing building of Niali Community Health Centre (CHC), Niali, District Cuttack, Orissa.	Health	Yes	Cuttack, Orissa	6.74	2 Years	2.02	4.72	No
9	Provision of 2 Modular Operation Theatres and 1 General Operation Theatre at Capital Hospital, Bhubaneswar, Orissa.	Health	Yes	Bhubaneswar, Orissa	4.74	1 Year	3.31	1.43	No



S. No.	Name of Project	Theme	Local area (Yes/No)	Location of the project	Sanctioned amount (In Cr.)	Project duration	Amount spent till date (In Cr.)	Total Liability till date (In Cr.)	Mode of implementation- Direct (Yes/No)
10	Proposal to provision of two sulabh suvidha kendras (11units + 11 units) in Gaya town and one sulabh suvidha kendra (29 units) at Bodh Gaya Temple town.	Sanitation	Yes	Bodh Gaya, Bihar	1.98	9 months	0.1407	1.8393	No
11	Construction of Trauma Centre at Kokrajhar in Bodoland Territorial Council (BTC), Assam	Health	Yes	Kokrajhar, Assam	9.57	09 months	8.61	0.96	No
12	Construction of 5 A-size Synthetic football turf and re-creation centre at Langdang village, Ukhrul district, Manipur.	Sports	Yes	Ukhrul district, Manipur	1.49	1 Year	0.75	0.74	No
13	Procurement of equipments, furniture, manifold room and oxygen gas pipelines etc. for the newly constructed Accident Trauma Centre (ATC) at Jawaharlal Nehru Institute of Medical Sciences (JNIMS), Porompat, Imphal, Manipur	Health	Yes	Imphal, Manipur	4.94	22 Months	3.23	0.19	No
14	Purchase of Bolero and Books for extending the Mobile Library services in Slum areas/EW Section of Society in Delhi/NCR.	Education	Yes	Delhi	0.34	1 Year	0.306	0.0304	No
15	For Supporting and Adopting the Mind Activation through Education (MATE) project with AIIMS, a unique Mental Health initiative for School children between age group of 10-18 Yrs.	Education	Yes	Delhi	0.48	2 Years	0.42	0.0600	No
16	Construction of playground with gallery, drainage and compound wall at Kyamgei Heibong Makhong, East Imphal Manipur	Sports	Yes	Imphal, Manipur	1.8	1 Year	1.22	0.58	No
17	Construction of toilet block & providing Projector, PA system, computers to farmers meeting hall at KVK Kamrup.	Sanitation	Yes	Kamrup, Assam	0.096	6 Months	0.07750	0.0185	No
18	Sakalgre Water Supply Scheme at Tura airport Meghalaya	Water	Yes	Meghalaya	0.3087	2 Years	0.2778	0.0309	No
19 (a)	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.	Health	Yes	Varanasi, Uttar Pradesh	6.9	1 Year	3.71	3.19	No

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S. No.	Name of Project	Theme	Local area (Yes/No)	Location of the project	Sanctioned amount (In Cr.)	Project duration	Amount spent till date (In Cr.)	Total Liability till date (In Cr.)	Mode of implementation- Direct (Yes/No)
19 (b)	Commissioning of Hospital constructed under CSR for 6 High Dependency Units (HDU) and 2 Intensive care Units (ICU) in Baragaon near LBSI Airport, Varanasi	Health	Yes	Varanasi, Uttar Pradesh	0.2088	6 months	0.0626	0.1462	No
20	Purchase of 5 Mobile Vans for extending the Mobile Library services in the slum areas, economically weaker section of society in Delhi/ NCR.	Rural Development	Yes	Delhi	3.25	2 Years	2.77	0.4706	No
21	Supporting and adopting the Life Saving Thalassaemia Day Care Centre of Indian Red Cross Society, Bombay.	Health	Yes	Mumbai, Maharashtra	₹0.98 Cr. per year ₹4.90 Cr. for five years	5 years	1.87	3.0300	No
22	Construction of new School building at Civil Aviation Training Centre (CATC) Bamrauli, Allahabad, Uttar Pradesh.	Education	Yes	Allahabad, Uttar Pradesh	A/A & E/S ₹3.6 Cr., Tended amount ₹2.24 Cr.	18 months	1.36	0.88	Yes
23	Financial Support to the center for Life saving treatment of underprivileged children suffering from cancer at Tata Memorial Center, Mumbai, Maharashtra	Health	Yes	Mumbai, Maharashtra	₹5 Cr. for one year Total ₹ 10 Cr. For two years.	2 years	9.50	0.50	No
24	Support for establishing nuclear medicine facility at Cachar Cancer Hospital & Research Centre, in District Cachar, Assam	Health	Yes	Cachar, Assam	11.14	09 months	10.62	0.52	No
25	Conducting Cochlear Implant surgery of 200 beneficiaries in various parts of India	Health	Yes	Pan India	13.41	01 year	10.43	2.98	No
26	Construction of 20 toilets in various Govt. school, Chandel, Manipur	Sanitation	Yes	Chandel, Manipur	1.1	1 Year	0.88	0.22	No
27	Development of Multipurpose Indoor sports facilities in rural areas of UT of Puducherry.	Rural Development	Yes	Puducherry	5	2 years	3.5	1.50	No
28	Construction of Toilets for Boys & Girls at MAMIT dist. Mizoram	Sanitation	Yes	MAMIT, Mizoram	1.100	06 months	0.33	0.77	No



S. No.	Name of Project	Theme	Local area (Yes/No)	Location of the project	Sanctioned amount (In Cr.)	Project duration	Amount spent till date (In Cr.)	Total Liability till date (In Cr.)	Mode of implementation- Direct (Yes/No)
29	Improvement of Road from VIP Chowk near Airport to Kahikuchi Phase-I (Ch 0.00 m to 1100 m) for the year 2018-19 under CSR activity of AAI	Rural Development	Yes	Guwahati	0.450	06 months	0.41	0.0400	No
30	Construction of RCC Box cell culvert (6.00m X 5.00m) at Air Force Gate Road (near Padma Lake) Assam.	Rural Development	Yes	Assam	0.290	6 months	0.09	0.20	No
31	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. Agency: Raj Construction.	Nutrition	Yes	Hazaribagh, Jharkhand	20	2 Years	14.00	6.00	No
32	Construction of community Hall at Garal, Kamrup, Guwahati under CSR activity of AAI	Rural Development	Yes	Kamrup, Guwahati	2.38	1 Year	1.81	0.57	No
33	Resilience Building of Communities around Guwahati Airport	Rural Development	Yes	Guwahati	4.57	3 Years	2.73	1.84	No
34	Setting up of central kitchen at Guntur Andhra Pradesh through Akshay Patra Foundation (Mangal Giri, A.P.)	Nutrition	Yes	Guntur, Andhra Pradesh	15.33	5 Years	15.33	-	No
35	Construction of multipurpose community hall, Pakyong.	Rural Development	Yes	Pakyong, Sikkim	9.37	3 Years	6.88	2.49	No
36	Resilient Building of the Communities Around Birsamunda Airport, Ranchi (UNDP Project)	Rural Development	Yes	Ranchi, Jharkhand	6.18	3 Years	5.52	0.66	No
37	Operation and Management of AAI paper recycling unit, Rangpuri, New Delhi.	Environment	Yes	Delhi	5.98	3 years	1.16	-	No
38	Procurement of advanced equipment & machineries, software and tools to "School of Fire & Safety", GSFC University, Vadodara, School of Fire and Safety Gujarat to develop as an Institute of Excellence with State-of-the-Art educational facilities in the field of Fire & Safety, Health & Environment	Education	Yes	Vadodara, Gujarat	1.00	2 years	0.30	-	No
39	Baladinggre Water Supply Scheme at Turu Airport Meghalaya	Water	Yes	Meghalaya	0.4363	2 Years	0.3926	-	No

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S. No.	Name of Project	Theme	Local area (Yes/No)	Location of the project	Sanctioned amount (In Cr.)	Project duration	Amount spent till date (In Cr.)	Total Liability till date (In Cr.)	Mode of implementation- Direct (Yes/No)
40	Job Oriented Training and Skill Development Programme for SC/ST/OBC/ Women, Unemployed Youth & EWS Society for 2000 Persons.(CIDC), NER	Educa-tion	Yes	NER	10.59	2 Years	7.42	-	No
41	Empowering people against Hepatitis: The Empathy Campaign, Institute of Liver and Billiary Sciences (ILBS), Vasant Kunj, New Delhi.	Health	Yes	Delhi	5.00 (Per year)	4 Years	6.5	-	No
42	Setting up ASDC in Mumbai by NSDC through NSDF	Educa-tion	Yes	Mumbai, Maharashtra	2.00	3 years	0.60	-	No
43	Installation of Sanitary Napkin Vending Machines & incinerators at various schools / community centers / slum areas and awareness camps in 20 cities	Health	Yes	Pan India	5.98	3 Years	2.68	-	No
44	Construction of 100 nos. new toilets in the state of Arunachal Pradesh.	Sanita-tion	Yes	Arunachal Pradesh	5.490	1 Year	2.43	-	No
45	Provisioning of Teaching-Learning Materials for Hindi Instruction in Government Schools (Grades 1-3) in Haryana For two years.	Educa-tion	Yes	Haryana	0.94	2 Years	0.28	-	No
46	Developing Green Corridor along with National Highway leading to Lal Bahadur Shastri International Airport, Babatpur, Varanasi, Uttar Pradesh.	Environ-ment	Yes	Varanasi, Uttar Pradesh	5.00	05 years	3.00	-	No
47	Cervical Screening Camps by APD, Safdarjung Airport in association with - AAI Women Welfare in the slum areas of the 12 identified airport cities.	Health	Yes	Pan India	1.38	3 Years	0.9525	-	No
48	Skill Development project at Chandigarh by NSDC through NSDF	Educa-tion	Yes	Chandigarh	5.25	3 Years	3.22	NIL	No
49	Contribution towards Armed Forces Flag Day Fund (AFFDF)	Armed Forces fund	Yes	PAN India	0.50	2 months	0.50	NIL	Yes



A brief on some of the CSR projects undertaken by AAI during the Financial year 2021-22

Community Healthcare Programme in the Nuh Aspirational District, Haryana, Bisnoui Sarvodaya Gramodyog Sewa Sansthan, Nuh District, Haryana - (₹0.29 Cr.)

Bisnoui 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.



Developing Green Corridor along with National Highway leading to Lal Bahadur Shastri International Airport, Babatpur, Varanasi, Uttar Pradesh - (₹5.00 Cr.)

A project for "Developing Green Corridor along with National Highway leading to Lal Bahadur Shastri International Airport" was approved by Airports Authority of India (AAI) in Varanasi, Uttar Pradesh.



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SITC of Medical Oxygen Plant in Guwahati Medical College Hospital (GMCH), Guwahati - (₹2.26 Cr.)

Airports Authority of India commissioned medical oxygen plant with the objective to facilitate uninterrupted supply of live-saving oxygen in Guwahati Medical College and Hospital. These sources of oxygen are deemed to be very useful at this time of COVID19 pandemic when oxygen has to be provided aplenty to critical patients.



Procurement of advanced equipment & machineries, software and tools to “School of Fire & Safety”, GSFC University, Vadodara, School of Fire and Safety Gujarat to develop as an Institute of Excellence with State-of-the-Art educational facilities in the field of Fire & Safety, Health & Environment - (₹1.00 Cr.)

Airports Authority of India provided advanced equipment & machineries, software and tools to “School of Fire & Safety”, GSFC University, Vadodara, School of Fire and Safety Gujarat to develop as an Institute of Excellence with State-of-the-Art educational facilities in the field of Fire & Safety, Health & Environment.

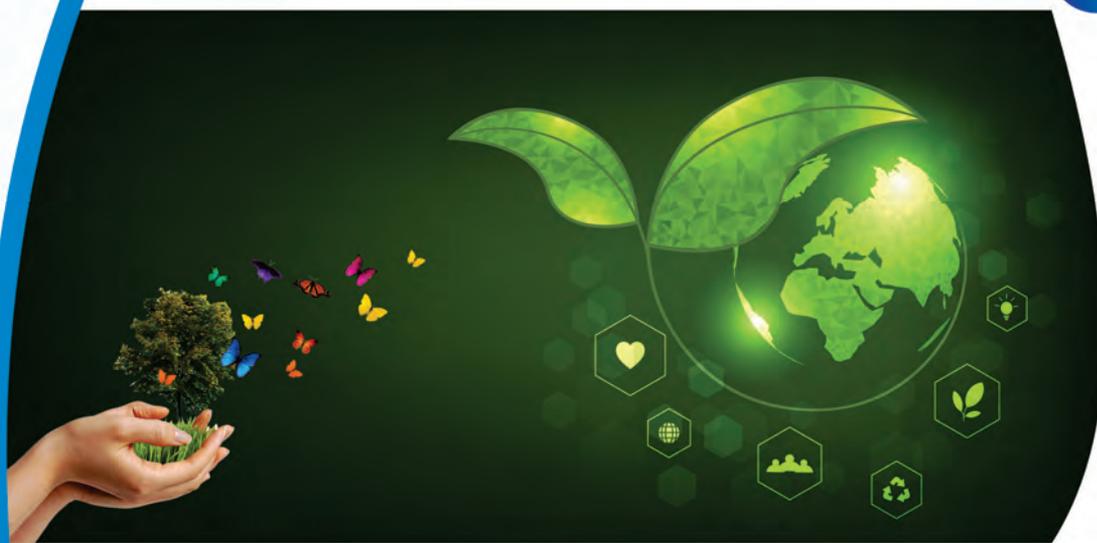
Financial Support to the center for Life saving treatment of underprivileged children suffering from cancer at Tata Memorial Center, Mumbai. Maharashtra - (₹10.00 Cr.)

Airports Authority of India provided Support to the center for Life saving treatment of underprivileged children suffering from cancer at Tata Memorial Center, Mumbai. Maharashtra.



Supporting and adopting the Life Saving Thalassemia Day Care Centre of Indian Red Cross Society, Bombay - (₹4.90 Cr.)





SUSTAINABILITY REPORT



Achieved target of

100%
Renewable Energy

at AAI Airports

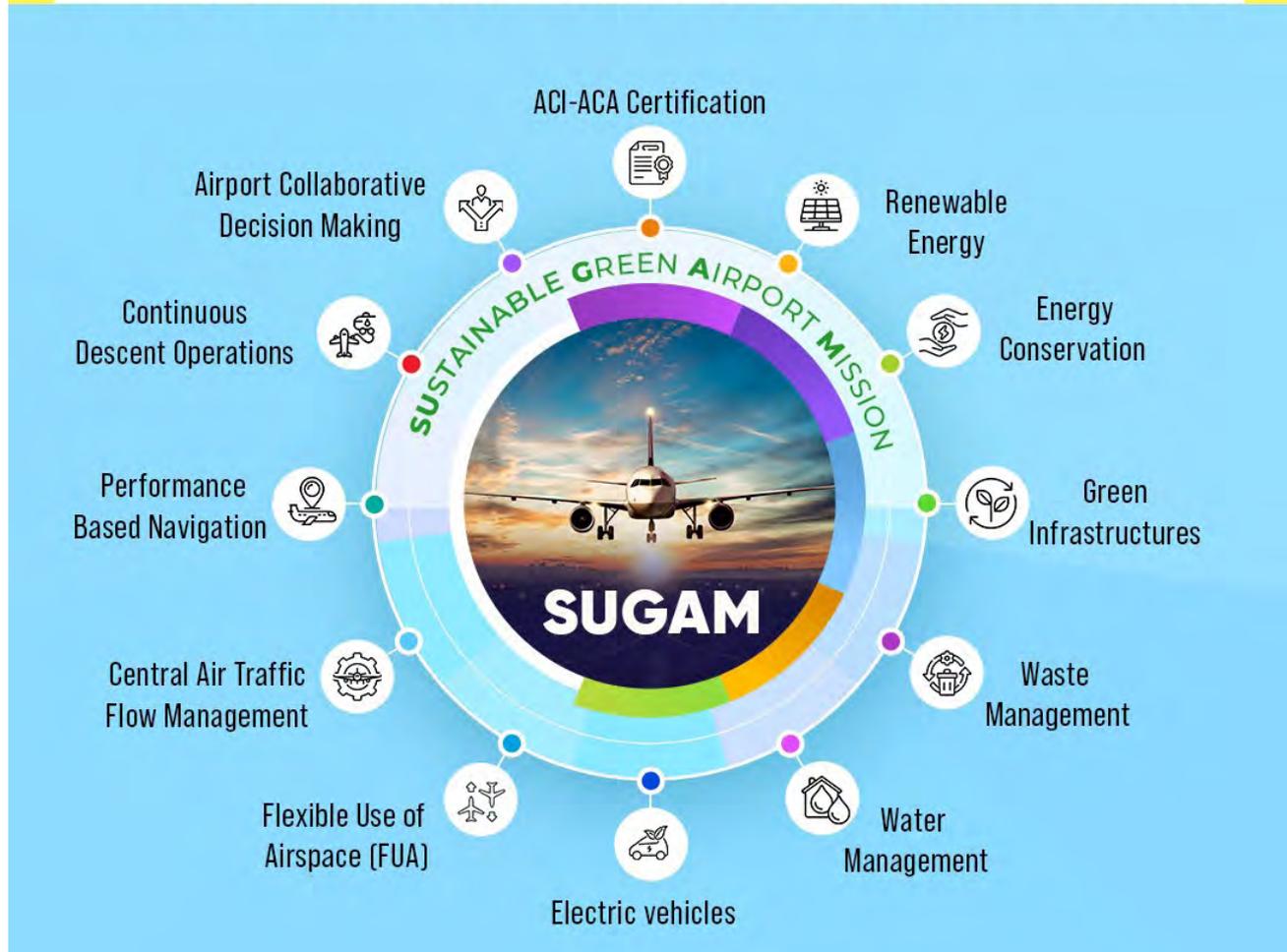


Year
2021
Airports
14

Year
2022
Airports
22



AAI INITIATIVES FOR A CLEANER AND GREENER SUSTAINABLE FUTURE



SUGAM (Sustainable Green Airports Mission)

AAI is committed to reduce carbon intensity and green house gas management resulting in emission reduction to support India's Nationally Determined Contributions (NDCs) for reduction of adverse impact on society, community and ecosystem. To accomplish the task AAI has formulated its Environment policy with a aim to achieve the goal of carbon neutrality and net zero emissions by implementation of suitable measures including:

- 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 its airports operation through renewable energy, which is the major component of total emissions of the country/AAI.

AAI is also endeavoring best technology practices to facilitate improved energy efficiency, greater output at lower cost, provides clear understanding to investors and business and address climate change through cost effective manner.

AAI has formulated holistic approach for identifying the grey areas of energy efficiency which result in saving of operational expenditure incurred on energy. AAI upcoming projects are planned and designed for achieving GRIHA 5 Star Rating by employing industry best practices.

The AAI has achieved the following milestones:

- i) Setting up of Solar power plants - AAI has made capacity addition of 1.7 MW solar power plant during the F.Y. 21-22 and thus total installed/commissioned capacity of 40 MW solar power plant at 43 Locations have been achieved.
- ii) Work on further addition on 16.50 MW capacity solar power plants is under progress at 07 locations and same is likely to be commissioned by Dec'22.
- iii) Total 14 airports operations are being catered by green / renewable energy. AAI also procuring 43 Million Unit (MU) green energy from Independent Power Producer (IPP) to promote green energy developers.
- iv) AAI has replaced conventional light fixtures with energy efficient LED light fixtures at all its airports to reduce the lighting load and to conserve the energy.

Works in planning/execution stage

- i) To recognize the initiatives undertaken, AAI has executed MoU with M/s MPCON for registration of solar projects commissioned beyond 01.01.2016. AAI has successfully uploaded online application for registration under GCC mechanism.
- ii) AAI has planned for switching over its operation to RE by 2024 in a phased manner.
- iii) AAI has implemented the project of Building Energy Management System (BEMS) for online monitoring of electrical parameters and energy benchmarking of airports.
- iv) AAI has identified 10 potential buildings / airports for implementation of energy saving measures under ESCO model through BEE



Paper Recycling Unit

- After Covid-19 pandemic, Production at PRU resumed on 16.09.2021 under supervision of RHQ-NR.
- Paper recycling unit took waste paper for recycling from many organizations who took part in Government's cleanliness drive (Swachh Bharat Campaign) by weeding out old documents/files etc.
- By doing so, it helped in saving of more than 2500 cubic foot of office storage space.
- More than 35 ton of waste paper was recycled – equivalent to saving more than 600 trees from being cut-down.
- 19 nos. of workers are employed for operation and maintenance of paper recycling unit.
- During FY 2021-22, with expenditure of ₹61.58 lakh, about 46 metric tonne of recycled deckle-edge paper was produced, which has been used to provide office stationary to AAI and other associated organizations/institutes.





INDORE AIRPORT



**AUDITED
FINANCIAL STATEMENTS
OF AIRPORTS AUTHORITY
OF INDIA**



BHUBANESHWAR AIRPORT



PERFORMANCE AT A GLANCE

PARTICULARS	UNITS	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
SOURCES OF FUNDS							
Paid up Capital	₹ in Crores	656.56	656.56	656.56	656.56	656.56	656.56
Grants	"	113.81	106.67	58.72	89.89	99.17	26.72
Loans - Others	"	3,151.94	1,897.21	91.56	37.16	37.43	39.78
Non Current Liabilities	"	6,789.24	9,189.64	8,474.67	8,816.36	8,456.89	7,307.96
Reserves & Surplus	"	11,476.03	12,105.82	14,756.63	13,729.89	14,170.89	14,372.10
TOTAL	"	22,187.58	23,955.90	24,038.15	23,329.86	23,420.94	22,403.12
APPLICATION OF FUNDS							
Fixed Assets (Less Deprec.)	"	8,492.50	7,887.14	8,463.03	7,947.20	7,757.89	7,679.77
Work in Progress	"	7,691.85	7,248.09	4,849.38	3,183.06	1,574.65	1,661.25
Investments	"	1,800.39	1,800.39	1,797.84	1,715.47	1,715.47	1,715.47
Other Non Current Assets	"	3,314.28	6,571.29	7,138.15	7,521.11	6,897.73	5,433.39
Working Capital	"	(2,190.77)	(2,654.34)	(508.91)	8.40	2,894.05	3,602.61
Deferred Tax Asset (Net)	"	3,079.33	3,103.33	2,298.65	2,954.62	2,581.14	2,310.63
TOTAL	"	22,187.58	23,955.90	24,038.15	23,329.86	23,420.94	22,403.13
INCOME & PROFIT							
Revenue	"	6,841.29	4,867.04	12,837.44	14,132.96	12,976.96	12,542.01
Expenditure (after adjustment of exceptional items wherever applicable)	"	6,808.53	7,634.05	9,020.38	10,448.97	8,560.02	7,984.40
Profit/(Loss) before tax	"	32.76	(2,767.01)	3,817.06	3,683.99	4,416.94	4,557.61
Provision for tax	"	-	(0.27)	1,176.00	1,786.03	1,885.81	1,888.28
Provision for Deferred Tax (Asset)	"	24.00	(804.68)	655.97	(373.48)	(270.51)	(446.60)
Profit/(Loss) after tax	"	8.76	(1,962.06)	1,985.09	2,271.44	2,801.64	3,115.93
APPROPRIATION							
(Loss) transferred to General Reserves	"	-	(1,962.06)	-	-	-	-
General Reserve	"	8.76	-	641.19	810.84	1,072.76	1,194.59
Specific Reserve (net)	"	-	-	385.55	537.79	716.89	796.26
Dividend (incl. interim dividend)	"	-	-	818.57	765.46	840.50	934.78
Tax on Dividend	"	-	-	139.78	157.35	171.49	190.30
TOTAL	"	8.76	(1,962.06)	1,985.09	2,271.44	2,801.64	3,115.93
Proposed Dividend for current FY from General Reserves	"	638.56	671.70	-	-	-	-
Special Dividend iro Previous Year	"	-	-	-	1,484.50	1,654.11	-
Tax on Dividend iro Previous Year	"	-	-	-	305.14	336.74	-
Appropriation from General Reserves	"	638.56	671.70	-	1,789.64	1,990.85	-
NET WORTH (Share Capital + Reserves)	"	12,132.59	12,762.38	15,413.19	14,386.45	14,827.45	15,028.66
CAPITAL EMPLOYED (Net Fixed Assets + Working Capital)	"	6,301.73	5,232.80	7,954.12	7,955.59	10,651.94	11,282.38
Current Assets	"	12,619.11	8,744.92	8,974.31	7,339.08	8,094.55	7,980.70
Current Liabilities	"	14,809.88	11,399.26	9,483.22	7,330.69	5,200.50	4,378.09
Working Capital	"	(2,190.77)	(2,654.34)	(508.91)	8.40	2,894.05	3,602.61

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PERFORMANCE AT A GLANCE

OTHER HIGHLIGHTS	UNITS	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
Gross Addition to Fixed Assets	₹ in Crores	2,734.78	1,466.83	2,461.53	1,841.93	1,724.07	1,626.21
Sundry Debtors less Provision	"	1,219.06	768.43	1,476.81	1,164.16	1,211.21	1,868.79
No. of employees in position	Nos.	16,158	16,780	17,364	17,487	17,536	17,484
Aircraft Movements	Nos.'000s	1,757.11	1,196.74	2,587.05	2,605.96	2,324.55	2,049.00
Passenger Movements (**)	"	91,157.16	58,467.96	1,58,332.38	1,58,793.1	1,36,731.39	1,13,021.00
RATIOS							
Profit/(Loss) After Tax to Net Worth	Percentage	-	(15)	13	16	19	21
Profit/(Loss) Before Tax to Capital Employed	"	1	(53)	48	46	41	40
Profit/(Loss) After Tax to Capital Employed	"	-	(37)	25	29	26	28
Turnover to Capital Employed	"	108.56	93.01	161.39	177.65	121.83	111.16
Current Ratio	Ratio	0.85:1	0.77:1	0.95:1	1:1	1.56:1	1.82:1
Debt Equity Ratio							
- Total debts to Equity	Ratio	0.263	0.151	0.007	0.003	0.003	0.03
- Long Term Debts to Equity	Ratio	0.260	0.149	0.006	0.003	0.003	0.003
Profit/(Loss) Before Tax to Total Revenue	Percentage	0.48	-56.85	29.73	26.07	34.04	36.34
Profit/(Loss) After Tax to Total Revenue	"	-	(40)	15	16	22	25
Average Debt Collection Period	Days	194	419	187	161	169	200
No. of Aircraft Movements per employee	Nos.	109	71	149	149	133	117
Revenue per employee	₹ in '000	4234	2901	7393	8082	7400	7173
Revenue Exp. Per employee	₹ in '000	4,214	4,549	5,195	5,975	4,881	4,567
ANNUAL PLAN							
Plan Outlay	₹ in Crores	4,500.00	4,364.94	4,950.00	4,195.07	2,517.82	1,974.00
Actual Capital Expenditure	₹ in Crores	3,724.34	4350.00	4,713.49	4,297.44	2,504.38	2,054.00
FINANCED AS UNDER:							
Internal Resources Utilised	"	606.24	1,817.86	4,230.76	3,704.12	2,018.44	1,842.60
North Eastern Council Grant	"	4.50	2.07	22.636	-	20.00	35.00
RCS Grant	"	900.00	630.00	454.514	282.61	235.61	-
Budgetary Grant in aid	"	190.00	29.99	0.978	118.2	187.13	75.07
Commercial Borrowings	"	1,277.29	1,828.07	-	-	-	-
Others	"	746.31	42.01	4.598	192.51	43.20	101.33
TOTAL	"	3,724.34	4,350.00	4,713.49	4,297.44	2,504.38	2,054.00



BALANCE SHEET as at March 31, 2022

(₹ In Crores)

Particulars	Note No.	FY 2021-22	FY 2020-21
I EQUITY AND LIABILITIES			
1. Capital			
(a) Capital	2	656.56	656.56
(b) Reserves and Surplus	3	11,589.84	12,212.49
		12,246.40	12,869.05
2. Non-Current Liabilities			
(a) Long-Term Borrowings	4	3,151.94	1,897.21
(b) Other Long Term Liabilities	5	2,961.87	1,866.23
(c) Long-Term Provisions	6	3,827.37	7,323.41
		9,941.18	11,086.85
3. Current Liabilities			
(a) Short-Term Borrowings	7	200.00	1,250.00
(b) Trade Payables	8	529.36	458.70
(c) Other Current Liabilities	5	3,214.17	3,160.47
(d) Short Term Provisions	6	10,866.35	6,530.09
		14,809.88	11,399.26
Total		36,997.46	35,355.16
II ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Fixed Assets	9	8,477.56	7,866.34
(ii) Intangible Assets	10	14.94	20.80
(iii) Capital Work-in-Progress	11	7,691.36	7,245.40
(iv) Intangible Assets Under Development	12	0.49	2.69
		16,184.35	15,135.23
(b) Non-Current Investments	13	1,800.39	1,800.39
(c) Deferred Tax Assets (Net)	14	3,079.33	3,103.33
(d) Long-term Loans and Advances	15	3,314.28	6,571.29
		24,378.35	26,610.24
2. Current Assets			
(a) Inventories	16	101.25	87.42
(b) Trade Receivables	17	1,219.06	768.43
(c) Cash and Cash Equivalents	18	1,644.13	1,090.18
(d) Short-term Loans and Advances	15	9,090.46	5,565.10
(e) Other Current Assets	19	564.21	1,233.79
		12,619.11	8,744.92
Total		36,997.46	35,355.16

Statement of Significant Accounting Policies

1

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

New Delhi
26th July 2022

Sd/-
(J.B. Saini)
ED (PMQA/CA)

Sd/-
(D. Bhojwani)
ED (F&A)

Sd/-
(K Vinayak Rao)
Member (Finance)

Sd/-
(Sanjeev Kumar)
Chairman

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STATEMENT FOR PROFIT AND LOSS for the period ended March 31, 2022

(₹ In Crores)

Particulars	Note No.	FY 2021-22	FY 2020-21
Income			
I. Airport Navigational Services	20	2,379.96	1,587.62
II. Airport Services	21	1,674.04	1,291.21
III. Non-Aeronautical Airport Services	22	912.09	885.84
IV. Cargo Revenue	23	-	-
V. Airport Lease Revenue (incl PPP Airports)	24	1,367.63	570.75
VI. Other Income	25	507.57	531.62
VII. Total Revenue (I+II+III+IV+V+VI)		6,841.29	4,867.04
VIII. Expenses			
Employee Benefits Expenses	26	3,702.08	3,505.40
Operating Expenses	27	1,531.72	1,632.46
Administrative and Other Expenses	28	437.16	1,040.54
Finance Costs	29	69.67	45.01
Depreciation and Amortization	30	1,904.38	1,819.75
Security Expenses	31	-	-
Total Expenses		7,645.01	8,043.16
IX. Profit/(Loss) before exceptional and extraordinary items and tax (VII-VIII)		(803.72)	(3,176.12)
X. Exceptional Items	32	(836.48)	(409.11)
XI. Profit/(Loss) before tax (IX-X)		32.76	(2,767.01)
XII. Tax Expenses:			
(1) Current Tax		-	(0.27)
[Previous year tax of ₹ 0 crores (FY 2020-21- ₹ 0.27 Crores)]			
(2) Deferred Tax		24.00	(804.68)
XIII. Profit/(Loss) for the period (XI-XII)		8.76	(1,962.06)
Balance Carried to Balance Sheet		8.76	(1,962.06)

Statement of Significant Accounting Policies

1

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

New Delhi
26th July 2022

Sd/-
(J.B. Saini)
ED (PMQA/CA)

Sd/-
(D. Bhojwani)
ED (F&A)

Sd/-
(K Vinayak Rao)
Member (Finance)

Sd/-
(Sanjeev Kumar)
Chairman



Notes to Financial Statements for the year ended March 31, 2022

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 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. Brief gist is as follows:-

- a) Construction Works (Project)- Capitalization is done from the time the project is ready for intended use.

Notes to Financial Statements for the year ended March 31, 2022

- 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 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%



Notes to Financial Statements for the year ended March 31, 2022

Asset Type	Rates (SLM)
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%

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:

Notes to Financial Statements for the year ended March 31, 2022

6 th year	70% of the cost
7 th year	40% of the cost
8 th 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 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



Notes to Financial Statements for the year ended March 31, 2022

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 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.

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Notes to Financial Statements for the year ended March 31, 2022

2. CAPITAL

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Capital : Government of India		
As per last Balance Sheet	656.56	656.56
Add: Addition during the year	-	-
TOTAL	656.56	656.56

3. RESERVES AND SURPLUS

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Capital Reserves		
As per last Balance Sheet	19.10	19.10
Add: Additions during the year	-	-
Capital Grants		
As per last Balance Sheet	106.67	58.72
Add: Received during the year	1,102.50	662.06
Less: Utilised/paid during the year	1,095.36	614.11
Corporate Social Responsibility Reserve		
As per last Balance Sheet	-	17.04
Less: Transferred to CSR Liability	-	17.04
Airport Development Reserve		
As per last Balance Sheet	6,703.83	6,703.83
Add: Appropriation from Profit and Loss	-	-
General Reserve		
As per last Balance Sheet	5,382.90	8,016.66
Less: Appropriation for Dividend	638.56	671.70
Add: Appropriation from Profit and Loss	8.76	(1,962.06)
Profit & Loss Account		
Profit/ (Loss) for the Year	8.76	(1,962.06)
Less: Appropriations		
General Reserve	8.76	(1,962.06)
Total Reserves & Surplus	11,589.84	12,212.49



Notes to Financial Statements for the year ended March 31, 2022

4. LONG TERM BORROWINGS

(₹ In Crores)

Particulars		Long Term		Current Maturities*	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
Secured Loans					
Term Loan from Axis Bank	A	2,098.01	1,828.07	-	-
Rupee Term Loan (RTL) From State Bank of India	B	625.00	-	-	-
External Commercial Borrowing from State Bank of India (50 million USD Dollar)	C	382.35	-	-	-
Unsecured Loans					
Loan from Foreign Financial Institutions-Guaranteed by GOI	D	32.02	33.76	2.87	2.78
Lease Obligations	E	14.56	35.38	31.68	29.79
Total		3,151.94	1,897.21	34.55	32.57

*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 31 st March 2022	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 4 th November 2023 & 4 th May every year	Land Parcel of 248422.90 sq. meters at Andheri Transmitting Centre, Mumbai.

B. Secured Rupee Term Loan from State Bank of India

Limit	Total Loan Amount Outstanding as on 31 st March 2022	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 1 st to 13 th half-yearly Instalments of ₹ 44.64 Crores each payable on 15 th May and 15 th November every year starting from FY 2025 and 14 th and final installment of ₹ 44.68 Crores payable on 15 th 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 (iii) Mortgage Deed is under execution

Notes to Financial Statements for the year ended March 31, 2022

C. Secured External Commercial Borrowings from State Bank of India

Limit	Total Loan Amount Outstanding as on 31 st March 2022	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 6M 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 1 st to 13 th half-yearly Instalments of USD 3.57 Million starting from FY 2025 (on 42 nd Month from the 1 st Utilization date) and 14 th and final installment of USD 3.59 Million payable on 120 th Month from the 1 st 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 (iii) Mortgage Deed is under execution.

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

Foreign Financial Institution	Total Loan Amount Outstanding as on 31 st March 2022	Interest Rate	Repayment Schedule	Loan End Date
Export Development Canada, Canada	USD 4174892.43	Interest Free	Half-Yearly Instalments of USD 90758.54 each payable on 20 th June & 20 th December every year	20.12.2044
Instituto De Credito Oficial(ICO), Spain	USD 387676.75	0.25% pa payable on 21 st March & 21 st September every year	Half-Yearly Instalments of USD 96919.15 each payable on 21 st March & 21 st September every year	21.03.2024

Total Foreign Loan Outstanding balance as on 31st March 2022 is USD 4562569.18 out of which current maturities portion amounts to USD 375355.38 and the long term loan portion thereof is USD 4187213.81 only.

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

5. OTHER LIABILITES

(₹ In Crores)

Particulars	Non-Current		Current	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Deposits	2,961.87	1,864.96	187.94	174.18
Current Maturity of Long Term Borrowings	-	-	2.87	2.78
Current Maturity of Lease Obligations	-	-	31.68	29.79
Interest Accrued but not due on Borrowings	-	-	4.66	4.55



Notes to Financial Statements for the year ended March 31, 2022

5. OTHER LIABILITIES (CONTD.)

Particulars	Non-Current		Current	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Advances from Clients	-	-	135.80	104.71
Creditors-Capital	-	1.27	437.33	614.44
Other Liabilities	-	-	2,413.89	2,230.02
Total	2,961.87	1,866.23	3,214.17	3,160.47

6. PROVISIONS

(₹ In Crores)

Particulars	Long Term		Short Term	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Provision For Employees Retirement Benefits and PRP**	2,644.37	2,455.41	754.84	742.14
Provision for Taxation (Gross)	1,176.00	4,861.00	8,662.67	4,977.67
Proposed Dividend	-	-	1,448.84	810.28
Other Provisions	7.00	7.00	-	-
Total	3,827.37	7,323.41	10,866.35	6,530.09

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

7. SHORT TERM BORROWINGS

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Unsecured Working Capital Loan from State Bank of India	200.00	1,250.00
Total	200.00	1,250.00

* Fund Based working capital limit availed from SBI for a sanctioned limit of amount of ₹ 2000/- Crores (Previous year ₹ 1500/- Crores) with rate of interest rate of 5.25% per annum from the date of drawl.

8. TRADE PAYABLES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
For Goods and Services	529.36	458.70
Total	529.36	458.70

Notes to Financial Statements for the year ended March 31, 2022

9. TANGIBLE ASSETS

(₹ In Crores)

Particulars	Gross Block			Depreciation, Amortisation and Impairment Loss			Net Block			
	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	Adjustments/ Deletions/ Transfers/ Reclassifications/ Sales	Total Upto 31.03.2022	As on 31.03.2022	As on 31.03.2021
Land	306.57	3.77	7.84	302.50	-	-	-	-	302.50	306.57
Land-Leasehold	1.24	20.14	-	21.38	0.38	0.12	-	0.50	20.88	0.86
Runway, Taxiway, Apron	5,248.96	673.54	36.63	5,885.87	3,983.86	376.18	2.85	4,357.19	1,528.68	1,265.10
Buildings	9,639.55	1,134.73	96.70	10,677.58	6,866.44	635.28	45.70	7,456.02	3,221.56	2,773.11
Buildings-Leasehold	3.04	-	-	3.04	3.04	-	-	3.04	-	-
Boundary	632.73	34.50	9.69	657.54	379.99	34.92	5.46	409.45	248.09	252.74
Plant & Equipment	10,233.73	821.11	150.53	10,904.31	7,530.60	698.60	55.87	8,173.33	2,730.97	2,703.13
Plant & Equipment-Leasehold	102.87	-	-	102.87	40.42	11.32	-	51.74	51.13	62.45
Furniture & Fixtures	368.31	18.99	2.40	384.90	273.98	34.97	1.72	307.23	77.67	94.33
Vehicles	1,129.97	15.13	42.00	1,103.10	820.04	64.76	6.34	878.46	224.64	309.93
Office Appliances	428.32	9.77	2.93	435.16	330.20	36.42	2.90	363.72	71.44	98.13
Total	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	7,866.34
<i>Previous year</i>	27,091.49	1,457.83	454.04	28,095.29	18,650.54	1,831.13	252.72	20,228.95		7,866.34

Further Notes:-

(i) The Authority is vested with the ownership of 61406.46 acres (approx.) of land as on 31.03.2022 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 (978.20 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.

Out of the total land 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.



Notes to Financial Statements for the year ended March 31, 2022

9. TANGIBLE ASSETS (CONTD.)

- (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 | - | 3881.40sqm |
| (b) Meenambakkam Village | - | 1273.10sqm |
- 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, the market cost of the said land is being collected from Collector office and accordingly demand will be raised on NHAI.
- (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 Birsa 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 ₹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.
- (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 draft Concession and Lease Agreement have been submitted for approval.
- (viii) Land measuring 53.69 acres (28.65 + 25.04) is being permanently transferred to NHAI for construction of Dwarka Expressway and inter-change loop near Shiv Murti at IGI Airport. AAI Board has already approved the said transfer of land to NHAI and land measuring 28.65 acres on market rate to NHAI and the land measuring 25.04 acres on nominal cost i.e. ₹ 1/- for the proposed connectivity of Shiv Murti Interchange to T-3.

The Board has also approved that NHAI shall settle the land cost/compensation on the same market rate as applicable at the time of permanent land transfer. The permissive possession has already been granted to NHAI.

Notes to Financial Statements for the year ended March 31, 2022

9. TANGIBLE ASSETS (CONTD.)

However, being permanent transfer of land, approval of Government of India has been sought on 26.06.2019 which is still awaited.

- (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 Gol, 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 2021-22:-

(a) NSCBI Airport Kolkata –2600 sqm. of land for Phase-II against land cost payment (Total cost implication ₹31.10 Crores @ ₹1,19,600 PSQM)

(b) Lucknow Airport–13206.81 sqm. For construction of Airport Metro Station against cost-part payment received (Total Cost implication ₹8.10 Crores). The said land shall be formally transferred after settlement of cost/compensation and subject to approval of GOI.

(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 (Total cost implication ₹64.37 Crores).

(d) IGI Airport – Land measuring 6093.20 sqm. is to be transferred to DMRC for construction of proposed Metro Station for Tuglakabad- Aerocity connectivity. The said land shall be formally transferred after settlement of cost/compensation and subject to approval of GOI. The permissive possession has already been granted.

- (xi) Permanent transfer of land to State Govt. during FY 2021-22.:-

(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 2021-22:-

(a) Khajuraho – 300 sqm. of land for laying of water pipeline to Govt. of Madhya Pradesh against payment of charges ₹8.64 Lakh + taxes.

(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) Opening balance of Depreciation includes impairment losses identified at Bangalore and Hyderabad Airport in FY13-14 in respect of Building 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.

- (xiv) 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, 2022

10. INTANGIBLE ASSETS

Particulars	Gross Block			Amortisation			Net Block			
	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	As on 31.03.2021
Computer Software	128.18	3.10	-	131.28	107.38	8.96	-	116.34	14.94	20.80
Total	128.18	3.10	-	131.28	107.38	8.96	-	116.34	14.94	20.80
Previous year	120.01	9.00	0.83	128.18	97.94	10.27	0.83	107.38	14.94	20.80

11. CAPITAL WORK-IN PROGRESS

Particulars	Gross Block			Amortisation			Net Block			
	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	As on 31.03.2021
Capital Work-in Progress	7,245.40	3,115.51	2,669.55	7,691.36	-	-	-	-	7,691.36	7,245.40
Total	7,245.40	3,115.51	2,669.55	7,691.36	-	-	-	-	7,691.36	7,245.40
Previous year	4,845.54	3,634.62	1,234.76	7,245.40	-	-	-	-	-	7,245.40

12. INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Gross Block			Amortisation			Net Block			
	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	As on 31.03.2021
Intangible Assets Under Development	2.69	0.02	2.22	0.49	-	-	-	-	0.49	2.69
Total	2.69	0.02	2.22	0.49	-	-	-	-	0.49	2.69
Previous Year	3.84	0.99	2.14	2.69	-	-	-	-	0.49	2.69

Notes to Financial Statements for the year ended March 31, 2022

13. NON-CURRENT INVESTMENTS

(₹ In Crores)

Particulars	Face Value per Equity Share (₹)	Number of Equity Shares as on March 31, 2022	FY 2021-22	FY 2020-21
(Long Term Investments (at cost))				
Unquoted Trade Investments				
In fully paid up Equity shares of Joint Venture Companies /Subsidiaries-				
Hyderabad International Airport Ltd. (HIAL)	10/-	4,91,40,000	49.14	49.14
Bangalore International Airport Ltd. (BIAL)*	10/-	5,49,97,800	50.00	50.00
Delhi International Airport Ltd. (DIAL)	10/-	63,70,00,000	637.00	637.00
Mumbai International Airport Ltd. (MIAL)	10/-	31,20,00,000	312.00	312.00
National Flying Training Institute Private Ltd. (Gondia)	10/-	3,81,11,795	38.11	38.11
Mihan India Ltd (MIHAN)	10/-	98,00,000	9.80	9.80
Kannur International Airport Ltd.	100/-	1,00,00,000	100.00	100.00
AAI Cargo Logistics & Allied Services Company Ltd.	10/-	2,50,00,000	25.00	25.00
Dholera International Airport Co.Ltd.	10/-	7,72,70,000	77.27	77.27
Dhalbhumgarh Airport Ltd	10/-	25,50,000	2.55	2.55
Deoghar Airport Ltd	10/-	25,50,000	2.55	2.55
Ludhiana International Airport Ltd.	10/-	25,50,000	2.55	2.55
Digi Yatra Foundation*	10/-	260	0.00	0.00
Chandigarh International Airport Ltd.	10/-	49,44,19,295	494.42	494.42
Total-Equity Investments			1,800.39	1,800.39

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 issued by Bangalore International Airport Ltd. (BIAL) in favour of Airports Authority of India during FY 2018-19."



Notes to Financial Statements for the year ended March 31, 2022

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 01.04.2021	Provided during the year	Balance as on 31 st March 2022
Difference between book and tax depreciation	576.73	91.77	668.50
Provision for Bad & Doubtful Debts	938.13	(528.00)	410.13
Municipal taxes	3.06	0.05	3.11
Leave Encashment/Retired Employee Medical Benefit Scheme/Pension Schemes	842.59	53.19	895.78
Provision for resettlement of retired employees	22.87	(1.01)	21.86
Welfare (Benevolent Fund)	72.33	9.91	82.24
Upfront fees from JVCs	37.66	(2.61)	35.05
Unabsorbed Tax Depreciation for FY 2020-21*	393.96	356.36	750.32
Carry Forward Losses-FY 2020-21*	181.82	(6.37)	175.45
Gratuity	34.18	2.71	36.89
Deferred Tax Assets (Net)	3,103.33	(24.00)	3,079.33

Note:-

An amount of ₹ 3079.33 Crores has been depicted as Deferred Tax Assets (including unabsorbed depreciation and carry forward losses relating to the FY 2020-21 and FY 2021-22) in the Annual Accounts of AAI for the FY 2021-22. This has been done considering that though AAI is in loss during the FY 2020-21 and has earned profit of ₹ 8.76 Crores in FY 2021-22 due to the severe impact of COVID-19 on the aviation sector, as the Pandemic impact recedes, AAI will have sufficient taxable income in the coming financial year(s) against which deferred tax assets can be realised.

15. LOANS AND ADVANCES

(₹ In Crores)

Particulars	Long Term		Short Term	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Advances for Investments-JVCs	86.72	86.72	-	-
Advances for Capital Expenditure				
Secured, Considered Good	347.35	411.76	-	-
Advance Taxes & TDS				
Tax deducted at Source and Advance Income Tax	2,288.60	5,410.26	8,528.61	4,887.76
Advance Tax-Fringe Benefit Taxes	-	-	0.85	3.94
Goods & services Tax	-	-	275.35	365.02
Balances with Customs/ Excise/ Service Tax Authorities	68.31	68.31	16.01	40.24
Prepaid Expenses	-	-	34.41	51.77
Deposits				
Unsecured Considered Good	194.37	212.40	-	-

Notes to Financial Statements for the year ended March 31, 2022

15. LOANS AND ADVANCES (CONTD.)

(₹ In Crores)

Particulars	Long Term		Short Term	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Employee Loans				
Secured, Considered Good	328.93	381.73	127.15	128.76
Advances to Suppliers/Works				
Unsecured Considered Good	-	-	19.77	18.72
Amount Receivable -RCS-MOCA	-	-	7.03	13.36
Others				
Unsecured Considered Good	-	0.11	81.28	55.53
Total	3,314.28	6,571.29	9,090.46	5,565.10

16. INVENTORIES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Stores and Spares	101.25	87.42
Total	101.25	87.42

17. TRADE RECEIVABLES

(₹ In Crores)

Particulars	FY 2021-22		FY 2020-21	
Over Six months :	1,754.35		3,952.90	
Within Six months:	1,087.15	2,841.50	536.35	4,489.25
Less: Provision for Bad and Doubtful Debts		(1622.44)		(3720.82)
Total		1,219.06		768.43
Further Notes:				
(a) Secured, Considered Good		894.10		436.01
(b) Unsecured, Considered Good		324.96		332.42
(c) Doubtful		1,622.44		3,720.82

18. CASH AND CASH EQUIVALENTS

(₹ In Crores)

Particulars	FY 2021-22		FY 2020-21	
Cash and Cash Equivalents (CFS)				
Balances with Banks	337.77		1,085.32	
Cheques, Drafts on hand	0.01		0.30	
Cash on hand	0.05		0.02	
Imprest	0.63	338.46	0.82	1,086.46
Other Bank Balances				
Bank Deposits	1,305.67	1,305.67	3.72	3.72
Total		1,644.13		1,090.18



Notes to Financial Statements for the year ended March 31, 2022

19. OTHER CURRENT ASSETS

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Unbilled Revenue	379.36	391.59
Other Dues from JVCs/Subsidiaries	177.98	159.10
Other Dues from PPP Airports	-	678.34
Interest Accrued on Investments/ Deposits	6.80	4.69
Losses Pending Investigation	0.07	0.07
Total	564.21	1,233.79

20. AIRPORT NAVIGATIONAL SERVICES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Route Navigation Facility Charges (RNFC)	1,997.61	1,343.92
Terminal Navigational Landing Charges (TNLC)	375.16	235.55
Other CNS/ATM Service Revenue	7.19	8.15
Total	2,379.96	1,587.62

21. AIRPORT SERVICES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Landing, Parking & Housing (LPH)	572.29	519.70
Passenger Service Fees:-		
- Facilitation	0.43	23.99
- Security	-	0.43
User Development Fees		
- International PAX	109.25	36.12
- Domestic PAX	886.49	606.67
Oil Throughput Revenue	-	1.67
Ground Handling	41.16	52.26
Extension of Service Hours	8.85	7.95
Royalty on CUTE Charges	55.57	42.85
Total	1,674.04	1,291.21

22. NON-AERONAUTICAL AIRPORT SERVICES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Rent & Services	515.96	544.06
Trading Concessions	300.47	283.45
Car Parking	30.70	17.79
Porterage	0.39	0.07

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Notes to Financial Statements for the year ended March 31, 2022

22. NON-AERONAUTICAL AIRPORT SERVICES (CONTD.)

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Admission Fees/Commerical Passes	4.32	3.72
Restrooms	1.14	0.93
NOC-Height Clearance	25.20	12.36
Consultancy Services	26.26	17.64
Miscellaneous Non-Aeronautical Airport Services	7.65	5.82
Total	912.09	885.84

23. CARGO REVENUE

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Cargo Revenue	-	-
Total	-	-

24. AIRPORT LEASE REVENUE (incl. PPP Airport Revenue)

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
a) Airport Lease Revenue		
Upfront Fees	10.37	10.37
Annual Fees:-		
DIAL	-	446.21
MIAL	1027.67	26.92
	1027.67	473.13
b) Revenue from PPP Airports		
Upfront Fees	32.69	8.96
Annual Concession Fees	296.90	78.29
	329.59	87.25
Total	1367.63	570.75

25. OTHER INCOME

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Interest Income	30.25	98.99
Dividend Received-JVC/Subsidiaries	87.08	27.70
Profit on Sale of Fixed Assets	71.89	37.65
Income from Training Institutes	-	0.14
Miscellaneous Income	295.17	289.03
Interest and Penalties	18.70	73.92
Employee Related Recoveries	4.48	4.19
Total	507.57	531.62



Notes to Financial Statements for the year ended March 31, 2022

26. EMPLOYEE BENEFIT EXPENSES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Pay & Allowances	2369.75	2,311.92
Other Staff Cost	1141.00	1,002.99
Contribution to Provident & Other Funds	374.71	256.79
Less Recovery of Operational Support Cost -JVC/ Subsidiaries/PPP Airports	(183.38)	(66.30)
Total	3702.08	3505.40

27. OPERATING EXPENSES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Rent, Rates, & Taxes	3.46	4.26
Municipal Taxes	40.17	73.65
Insurance	20.21	41.88
Advertisement & Publicity	1.84	3.40
Repairs and Maintenance:-		
Civil Works	199.35	220.33
Electrical Works	311.39	332.63
Vehicles	20.13	20.37
Equipment & Furniture	23.02	22.16
Electronics	214.38	188.60
IT Infrastructure	76.89	86.85
Consumption of Stores and Spares	41.73	34.98
Electricity & Water Charges	316.48	320.80
Meteorological Service Charges	140.82	139.14
Upkeep Expenses	117.03	137.84
Horticulture Expenses	4.83	5.57
Total	1531.72	1632.46

28. ADMINISTRATIVE & OTHER EXPENSES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Legal Expenses	43.74	21.98
Consultancy Services	15.34	17.19
Freight Charges	0.41	0.46
Postage & Courier Charges	0.65	0.57
Telephone, Fax and Internet Charges	5.77	5.98
Printing & Stationery	4.82	4.80

Notes to Financial Statements for the year ended March 31, 2022

28. ADMINISTRATIVE & OTHER EXPENSES (CONTD.)

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Lease Rental	6.54	4.88
Training Expenses	3.45	4.85
Travelling Expenses	78.72	42.74
Provision for Bad and Doubtful Debts	(1,261.90)	537.47
Bad Debts	991.48	-
Prior Period Adjustments (net)	270.55	82.43
Expense On Rajya Bhasha	1.15	0.91
Regional Air Connectivity-Expenses	0.05	0.25
Grant to Training Centers	0.49	0.25
Exp./Loss on Sale of Fixed Assets	-	0.07
Audit Fees for CAG Statutory Audit	4.00	3.00
Fees for other Services-Audit	0.11	0.23
Hire Charges	90.87	81.46
Research and Development Expenses	0.06	-
Corporate Social Responsibility Expenses	31.04	78.68
Watch & Ward/Security Contract	72.71	76.01
Collection Charges	23.42	15.31
Guarantee Fees	2.04	2.46
Arbitration Expenses	1.36	1.91
Miscellaneous	50.29	56.65
Total	437.16	1,040.54

29. FINANCE COSTS

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Interest on Borrowings*	64.40	40.59
Applicable Net Loss on Foreign Currency Translation	1.32	(1.01)
Interest on Lease Obligations	3.95	5.43
Other Financing Charges	-	-
Total	69.67	45.01

Further Notes:-

Interest on Borrowings hereinabove does not include Interest on Borrowings amounting to ₹110.68 Crores capitalised during FY 2021-22 (₹22.59 Crores in FY 2020-21) as per Accounting Standard 16.



Notes to Financial Statements for the year ended March 31, 2022

30. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Depreciation/ Amortisation on Tangible Assets	1,895.54	1,811.34
Amortisation of Intangible Assets	8.84	8.41
Total	1,904.38	1,819.75

31. SECURITY EXPENSES

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Aviation Security Force-CISF	-	-
Other Security Agencies incl. State Police	-	-
Total	-	-

32. EXCEPTIONAL ITEMS

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Old Rehabilitation provision withdrawn	-	(409.11)
Reversal of Provision for Doubtful Debts due to Air India settlement	(836.48)	-
Total	(836.48)	(409.11)

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

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
A. EXPENDITURE		
Employee Benefits Expenses	0.50	(18.82)
Operating Expenses	(22.35)	2.12
Administrative and Other Expenses	2.20	17.50
Depreciation and Amortization Expenses	(2.86)	21.64
Security Expenses	6.57	31.92
	(15.94)	54.36
B. INCOME		
Airport Navigational Services	0.57	0.84
Airport Services	1.04	(0.57)
Non-Aeronautical Airport Services	306.81	17.32
Cargo Revenue	0.21	-
Airport Lease Revenue	3.17	-
Other Income	(25.31)	10.48
	286.49	28.07
Total	270.55	82.43

Notes to Financial Statements for the year ended March 31, 2022

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.

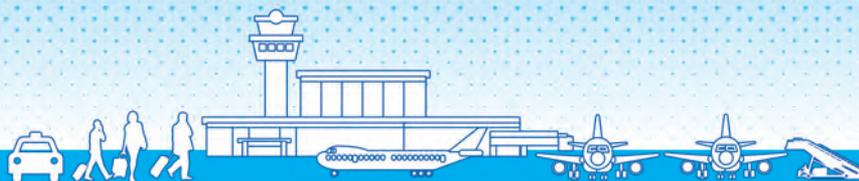
Defined Benefit Plan:

- (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, 2022

(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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Current Service Cost	33.70	31.74	43.57	31.44	17.53	14.95
Interest cost on benefit obligation	9.23	8.19	84.85	74.95	6.18	6.16
Expected return on plan assets	-	-	-	-	-	-
Net actuarial (gain)/loss recognized in the year	(22.20)	(23.43)	106.72	110.72	(24.67)	5.28
Past service cost- vested benefit recognized during the period	-	-	-	-	-	-
Expenses for the year	20.73	16.50	235.14	217.11	(0.96)	26.39

ii) The amount recognized in the Balance Sheet

(₹ In Crores)

Particulars	Gratuity		Medical Benefits		Post-Retirement settlement Benefits	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Opening Net Liability	135.78	119.28	1,227.86	1,100.59	90.82	89.64
Expense as above	20.73	16.50	235.14	217.11	(0.96)	26.39
Employer's Contribution/Benefits paid	-	-	(118.51)	(89.84)	(3.00)	(25.21)
Employer's Contribution	(10.00)	-	-	-	-	-
Net asset/(liability) recognized in the Balance Sheet	146.51	135.78	1,344.49	1,227.86	86.86	90.82

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

(₹ In Crores)

Particulars	Gratuity		Medical Benefits		Post Retirement settlement Benefits	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Present value of obligation as on beginning	1,377.07	1,396.50	1,227.86	1,100.59	90.82	89.64
Interest cost	93.64	95.94	84.85	74.95	6.18	6.16
Current Service Cost	33.70	31.74	43.57	31.44	17.53	14.95
Past service cost- vested benefit recognized during the period	-	-	-	-	-	-
Benefits paid directly by employer	-	-	(118.51)	(89.84)	(3.00)	(25.21)

Notes to Financial Statements for the year ended March 31, 2022

iii) Changes in the present value of the defined benefit obligations: (Contd.)

(₹ In Crores)

Particulars	Gratuity		Medical Benefits		Post Retirement settlement Benefits	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Benefits paid from Fund	(131.05)	(124.32)	-	-	-	-
Net actuarial (gain)/loss on obligation	(17.00)	(22.79)	106.72	110.72	(24.67)	5.28
Present value of the defined benefit obligation as at the end of the current period	1,356.36	1,377.07	1,344.49	1,227.86	86.86	90.82

** including funds available with insurance companies.

iv) Changes in the fair value of plan assets:

(₹ In Crores)

Particulars	Gratuity	
	2021-22	2020-21
Fair value of plan assets as beginning of year	1,241.29	1277.22
Expected return on plan assets	84.41	87.75
Contributions by employer	10.00	-
Benefit paid	(1,31.05)	(124.32)
Actuarial gain / (loss)	5.20	0.64
Fair value of plan assets at close of year	1,209.85	1,241.29

v) Details of Plan Assets (Gratuity)

The details of the plan assets at cost as on 31st March 2022 are as follows:

(₹ In Crores)

Description	2021-22	2020-21
Government of India securities	-	-
Corporate Bonds	-	-
Special Deposit schemes	-	-
Cash And Cash Equivalents	-	-
Insurer managed funds	1,195.72	1,233.49
Others	14.13	7.80
TOTAL	1,209.85	1,241.29

vi) Actuarial Assumptions

Principal assumptions used for actuarial valuation are:

Method used – Projected unit credit (PUC)

Discount rate (Gratuity/Leave/Resettlement) – 7.23% (Previous year 6.80%)

Discount rate (Post Retirement Medical Benefits) – 7.40% (Previous year 6.91%)

Expected rate of return on assets (Gratuity only) – 7.23% (Previous year 6.80%)

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.



Notes to Financial Statements for the year ended March 31, 2022

35. Disclosure under Accounting Standard 18 on “Related Party Disclosures”

i) Related parties:

Name of the Subsidiaries	Ownership Interest	
	31.03.2022	31.03.2021
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	
	31.03.2022	31.03.2021
1. Delhi International Airport Ltd. (DIAL)	26%	26%
2. Mumbai International Airport Ltd. (MIAL)	26%	26%
3. GMR Hyderabad International Airport Ltd. (GHIAL) (CAP: ₹ 50 crores)	13%	13%
4. Bangalore International Airport Ltd. (BIAL) (CAP: ₹ 50 crores)	13%	13%
5. National Flying Training Institute Private Ltd., Gondia (NFTIPL)	46%	46%
6. MIHAN India Ltd., Nagpur	49%	49%
7. Kannur International Airport Ltd. (KIAL) (CAP: ₹ 100 crores)	7.47%	7.47%
9. Indian Aviation Academy	Autonomous body	
10. DIGI Yatra Foundation	26%	26%

ii) **Key Management Personnel**

- Shri Anuj Aggarwal, Chairman - On additional Charge upto 07.04.2021
- Shri Sanjeev Kumar, IAS w.e.f. 07.04.2021
- Shri Anuj Aggarwal, Member (Human Resources) upto 22.04.2021
- Shri. I.N. Murthy, Member (Operations) upto 22.11.2021
- Shri A.K. Pathak, Member (Planning)
- Shri K. Vinayak Rao, Member (Finance)
- Shri M Suresh, Member (ANS) w.e.f. 02.09.2021
- Shri Dharmendra Bhojwani, ED (Finance)
- Shri S. N. Borkar, ED (PMQA/CA)

Notes to Financial Statements for the year ended March 31, 2022

iii) Details of transactions with the related parties:

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Annual Fee from JVCs:		
DIAL	-	446.21
MIAL	1,027.67	26.92
Addition to Equity Shares holding		
DHOLERA International Airport Company Ltd.	-	-
Deogarh Airport Limited	-	-
Dhalbhumgarh Airport Limited	-	-
Ludhiana International Airport Ltd.	-	2.55
Operation Support Cost/retirement compensation received:		
DIAL	-	-
MIAL	-	-
Other receipts		
DIAL	-	-
MIAL	-	-
Dividend Received from		
GHIAL	-	-
AAICLAS	72.25	27.70
CHIAL	14.83	-
AMOUNT RECEIVABLE/PAYABLE:		
a. DIAL	-	4.60
b. MIHAN INDIA LTD. (MIL)		
Operation support cost receivable	3.89	4.83
Amount Payable		
c. CHIAL		
Amount receivable	1.84	1.40
d. AAICLASCL		
Amount payable	49.96	53.07
Amount receivable	111.37	77.21
e. NFTIPL		
Amount receivable	20.23	20.74
Advance for Investment as on closing date		
MIHAN INDIA LTD(MIL)	86.72	86.72
Dholera international airport	-	-
Remuneration to Key Management Personnel	3.95	3.89

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 2021-22 and the same have been accounted for as Payable to/Receivable from AAICLASCL in the book of accounts as on 31.03.2022. The details in this regard are as under:



Notes to Financial Statements for the year ended March 31, 2022

(₹ In Crores)	
(I) Amount Payable to AAICLASCL as on 31.03.2022	49.96
(II) Amount Receivable from AAICLASCL as on 31.03.2022	111.37
(III) Amount receivable from AAICLASCL as on 31.03.2022	61.41

During the F.Y. 2021-22, the Cargo Segment Assets which are appearing in AAI Books relating to 2021-22) 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 31.03.2022
Gross block of cargo segment assets (2021-22)	22.82
Accumulated Depreciation on 01.04.2022	0.60
Net block of cargo segment asset	22.22

The amount of ₹22.22 Crore has been shown as amount receivable from AAICLAS in the books of accounts as on 31/03/2022.

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 ₹134.99 Crores as Concession Fee from AAICLAS Ltd. relating to the FY 2021-22 in its annual accounts for the FY 2021-22.

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 ₹2.54 Crores (₹2.15 Crore + GST ₹0.39 Crore) has also been raised by AAI on NASFT towards Expenditure on administering the Trust activities.

In this regard, an amount of ₹77.76 Crores was outstanding from NASFT as on 31.03.2022 and the same is shown as Receivable from NASFT in the Account for the FY 2021-22.

Similarly, an amount of ₹75.20 crores is payable to NASFT as on 31.03.2022 and the same is shown as payable to NASFT in the Account for the FY 2021-22.

37. Disclosure under Accounting Standard – 19 on 'Leases'

- (A) OMDA of Delhi International Airport Ltd. (DIAL) and Mumbai International Airport Ltd (MIAL)
- (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.

Notes to Financial Statements for the year ended March 31, 2022

- (ii) During the FY 2021-22, DIAL and MIAL, in the process of development have demolished/ disposed certain fixed assets of AAI. The proceeds of the same were transferred to AAI and accounted for accordingly

(₹ In Crores)

Airports	Gross Block	Accumulated Depreciation	Net Block	Profit on sale of Fixed Assets
DIAL	202.91	202.91	Nil	26.22
MIAL	Nil	Nil	Nil	Nil

- (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 31.03.2022 on this account is ₹139.24 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 has not been 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 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 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.



Notes to Financial Statements for the year ended March 31, 2022

Arbitral Tribunal issued modifications in its Order #29 dated 22.12.2021. MIAL and AAI jointly arrived at an interim arrangement for sharing of revenue on the basis of actual revenue received in the Proceeds Account on daily basis. AAI has received ₹1,027.67 crore from MIAL towards Annual Fee on cash basis during the Financial Year 2021 – 2022, in terms of Order by Hon'ble Tribunal, subject to final outcome of the Arbitration and verification by an Independent Auditor. Details of amount received is as under: -

(₹ In Crores)

S. No.	Particulars	Amount
1	AAI Fees (upto 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
	Total MAF received upto 31.03.2022	1027.67
4	Interest on ₹153 crores kept as Fixed Deposit (as per Order of Hon'ble Tribunal)	4.17

As per Audited Financials of MIAL for the FY 2020-21 & FY 2021-22 Gross Revenue, Monthly Annual Fee (MAF) due & Actual MAF received is as under:

(₹ In Crores)

Financial Year	As per Annual Accounts of MIAL		Actual MAF received		Balance receivable
	Gross Revenue	MAF Due	2020 – 2021	2021- 2022	
(1)	(2)	(3)	(4)	(5)	(6)
					[(3)-(4)-(5)]
2020 – 2021	1,826.64	627.18	26.92	379.50	220.76
2021 – 2022	2,144.11	722.38	NIL	648.17	74.21
Total	3,970.75	1,349.56	26.92	1,027.67	294.97

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 before High Court of Delhi under Section 37 of the Act against the Single Judge's order on 06.02.2021.

In the month of March // April, 2022, DIAL & AAI mutually consented to execute a Settlement Agreement, governing the interim arrangement for

payment of AF by DIAL to AAI commencing 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.

As per Audited Annual Accounts of DIAL for the FY 2020-21 & FY 2021-22 Gross Revenue, Monthly Annual Fee (MAF) due & Actual MAF received is as under :

Notes to Financial Statements for the year ended March 31, 2022

(₹ In Crores)

Financial Year	As per Annual Accounts of DIAL		Actual MAF received		Balance receivable
	Gross Revenue	MAF Due	2020 – 2021	2021- 2022	
(1)	(2)	(3)	(4)	(5)	(6)
					[(3)-(4)-(5)]
2020 – 2021	2,522.07	768.69	446.21	NIL	322.48
2021 – 2022	3,057.34	989.59	NIL	NIL	989.59
Total	5,579.41	1,758.28	446.21	NIL	1,312.07

DIAL has not paid Monthly Annual fees for the period from January 2021 to March 2022.

Annual Fees payable by both DIAL and MIAL will be subject to reconciliation by Independent Auditor under OMDA and outcome of ongoing Arbitrations proceedings.

The amount received towards Annual Fee from DIAL and MIAL is being treated as 'Contingent Liability' and amount receivable from DIAL and MIAL is being treated as 'Contingent Assets' during the Financial Year 2021 – 2022.

- (v) AAI has paid an amount of ₹1.61 crore (₹0.805 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 DF of MIAL, it is stated that under DF-I account an amount of ₹50.00 crores was transferred from the DF Escrow account during the financial year 2021-22 and the balance under this Escrow Account is ₹1.75 crores as on 31.03.2022 and FDR balance as on 31.03.2022 ₹67.31 crores.
- (vii) Under DF-II account (on account of Development of Mumbai Metro) an amount of ₹75.00 crores was transferred from the DF Escrow account during Financial Year 2021-22 and balance amount available under Escrow Account is ₹73.40 lakhs as on 31.03.2022. FDR balance as on 31.03.2022 is ₹23.00 crores.

(B) Arbitration cases with DIAL and MIAL

- (l) 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. 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.

- (b) 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. In 2018, DIAL invoked arbitration under the OMDA when its claim was rejected by AAI.
- (c) DIAL claims that it paid an excess amount of ₹6,663.26 crore as Annual Fee, in addition to which it is claiming interest which works out to ₹6553.80 Crores upto 31.03.2021 on such amounts said to have been paid by it in excess. The total claim is therefore to the tune of ₹13217.06 Crores approx. which was shown as Contingent liability as on 31.03.2021. Further to the invoking of Arbitration clause under the agreement, an Arbitral Tribunal has been constituted to adjudicate the dispute raised by DIAL.

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



Notes to Financial Statements for the year ended March 31, 2022

₹3,582.90 crore plus applicable interest which works out to ₹12561.65 Crores upto 31.03.2021. The total claim was therefore to the tune of ₹16,144.55 Crores approx. as on 31.03.2021 and the same was shown as a Contingent liability. The dispute was referred to the same Arbitral Tribunal to which the dispute against DIAL was placed. The last proceedings in both the cases were held in August 2021.

- (d) The arguments in the above Arbitration Proceedings have been concluded and the Arbitration Award (by majority of 2:1 where Presiding Arbitrator has given dissenting award) has been declared and the same is being examined. Prima facie, the award is different from the claims made by DIAL and MIAL and has not been quantified. The arbitral award states that an independent auditor will work out the claims as per the decisions given in the arbitral award.
- (e) Considering the above, the Contingent Liability in respect of DIAL amounting to ₹13217.06 Crores and in respect of MIAL amounting to ₹16144.55 Crores appearing in the Books of Accounts as on 31.03.2021 have been withdrawn in FY 2021-22.

(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 07.07.2022.

(III) Removal of restriction on end use of the land 4.17 acres

Arbitral Tribunal concluded that the land parcel of 4.17 acres 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 23.08.2022.

(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 25.07.2022.

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 proceeding in the matter are scheduled to held on July 22, 23 and 25, 2022, for final arguments.

(C) 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 has executed a 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, which was approved by AAI Board in 183rd Meeting held on 24.08.2018. The share pledge will reduce to 26% once 50% of the loan is re-paid.

Notes to Financial Statements for the year ended March 31, 2022

(D) 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; and

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.

(E) Dividend of ₹14.83 crores has been received from CHIAL during the year 2021-22.

(F) Service Tax on Annual Fee from DIAL and MIAL-

“Service Tax Department had issued Demand cum Show Cause Notice to AAI demanding payment of Service Tax amounting to ₹2031.68 crore on the Annual Fee payable by DIAL and MIAL and the upfront fee paid by DIAL and MIAL to AAI. This demand was made for the period from 03.05.2006 to 31.03.2016. Further, AAI received Show Cause Notice cum demand amounting to ₹728.32 crores on 30.04.2019 for the period April 2016 to June 2017. 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 holding that 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.

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 which is pending with Service Tax Dept. Show Cause notice has been 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 some documents to be submitted in defense as to why claim should not be rejected. In this regard, the required documents in support of the subject refund have been obtained from DIAL and MIAL and AAI is in the process of completing other formalities for submitting reply w.r.t the SCN issued.

Simultaneously, AAI filed an appeal before the Hon’ble CESTAT against the demand raised and the adjudication thereof by the Commissioner of Service Tax for the period from 2006 to 2014 amounting to ₹1,407.25 crores. Based on the judgement of the Hon’ble High Court of Delhi, the Hon’ble CEASTAT has set aside the adjudication order of the Commissioner of Service tax for the period from 2006 to 2014. The Commissioner of Service Tax has not yet adjudicated the demand for the period 2014-15 to 2016-17 and April 2017 to June 2017.

(G) Accounting Treatment in respect of Monthly Annual Fee (MAF) in the Books of Accounts as well as computation of income pursuant to Force Majeure Provisions invoked by DIAL & MIAL under OMDA entered into with AAI

AAI has engaged M/s. Ved Jain & Associates, Chartered Accountants to have expert opinion on the Accounting Treatment as well as Computation of Income pursuant to Force Majeure provisions invoked by DIAL and MIAL under OMDA entered into with AAI.

The Consultant after analyzing all the relevant documents, provisions of relevant Accounting Standards and provisions of Income Tax Act has opined the following:

- I. Accounting Treatment in respect of MAF of DIAL/MIAL
 - a) In respect of MIAL, MAF which has been received by AAI to be accounted for as Revenue in the Books of Accounts as virtual certainty is there.



Notes to Financial Statements for the year ended March 31, 2022

- b) In respect of DIAL, Revenue Recognition may be further postponed till such time such amount is received and it becomes virtually certain that no reversal of Revenue may take place.
- c) The Disputed MAF recorded as Revenue in the Books of Accounts for the FY 2020-21 & FY 2021-22 may also be disclosed as "Contingent Liability" and the amount of disputed MAF not recorded as Revenue in the Books of Accounts for the FY 2020-21 and FY 2021-22 may be disclosed as a Contingent Asset.

II. Income Tax Computations/Treatment

- a) The Revenue accounted for relating to MAF in the Books of Accounts may become taxable under the Income Tax Act.
- b) In respect of MAF not recorded as Revenue in the Books of Accounts may not be taxable at the point of time.

The above opinion of the Consultant has been deliberated and AAI has accepted the opinion. The Accounting treatment relating to MAF, Income Tax Computation, Disclosure of Contingent Liability and Contingent Asset has

accordingly been given/disclosed in the Annual Accounts of AAI for the FY 2021-22.

(H) **Public Private Partnership Airports**

- (i) AAI has signed three separate Concession Agreements (CA) with the concessionaire i.e. M/s Guwahati International Airport Ltd., M/s Jaipur International Airport Ltd. and M/s TRV (Kerala) International Airport Ltd. on 19.01.2021 for Operations, Management and Development of three Airports i.e., Guwahati, Jaipur and Thiruvananthapuram respectively through Public Private Partnership (PPP) for a Lease period of 50 years. The Commercial Operations Date (COD) in respect of Guwahati, Jaipur & Thiruvananthapuram International Airport were 08.10.2021, 11.10.2021 and 14.10.2021 respectively.
- (ii) As per the CA, the Concessionaire shall pay to AAI, during the Concession Period, a monthly concession fee on per passenger basis applicable from COD and shall be revised annually on each anniversary of the COD to take account of the variation in the CPI (IW). The details of applicable fee are as under:-

(₹ In Crores)

Airport	Per Passenger Fee (in ₹)		Revised Per Passenger Fee after one year of COD (in ₹)		
	Domestic	International	Domestic	International	
Mangaluru	115.00	230.00	119.30	238.60	w.e.f. 31.10.21
Lucknow	171.00	342.00	177.57	355.14	w.e.f. 02.11.21
Ahmedabad	177.00	354.00	183.80	367.60	w.e.f. 07.11.21
Jaipur	174.00	348.00	---	---	one year of COD not yet completed
Guwahati	160.00	360.00	---	---	
Thiruvananthapuram	168.00	336.00	---	---	

- (iii) 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 regular 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 Airports as of the COD towards development of Non-Aeronautical Assets i.e. Initial Non-Aeronautical Investments.

Notes to Financial Statements for the year ended March 31, 2022

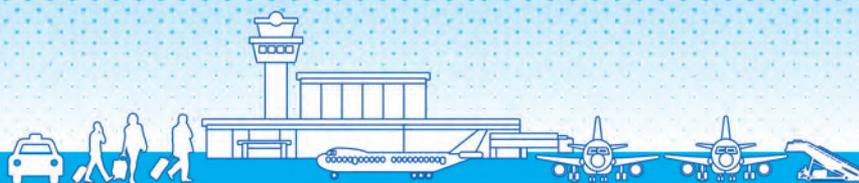
- (iv) As per CA the Concessionaires are required to pay to Authority estimated Deemed Initial RAB/ Estimated Initial Non-Aeronautical Investments as on 31.03.2018 within 90 days of COD. The details of Estimated Deemed Initial Regulatory Asset Base (RAB)/ Estimated Initial Non-Aeronautical Investment at 03 Airports and payments received are as under:

Airport	Estimated Deemed Initial RAB (In ₹)	Estimated Initial Non-Aeronautical Investments (in ₹)	Total (In ₹)	Date of Payment by Concessionaire
Jaipur	2,53,00,00,000	2,56,00,000	2,55,56,00,000	07.01.2022
Guwahati	69,00,00,000	12,71,00,000	81,71,00,000	06.01.2022
Thiruvananthapuram	4,24,00,00,000	7,15,00,000	4,31,15,00,000	12.01.2022
Total	7,46,00,00,000	22,42,00,000	7,68,42,00,000	

- (v) As per Clause 6.4.5 of CA, Concessionaire shall be liable to pay to the Authority the amount of Capital Work-in-Progress (CWIP) as on COD. The amount of CWIP received during FY 2021-22 from the Concessionaire are as under:

Airport	CWIP excl. GST (in ₹)	Remarks
Mangalore	1,43,49,86,410.84	Received on 27.08.2021
Lucknow	4,19,17,12,979.88	Received on 27.08.2021
Ahmedabad	36,62,56,341.12	Received on 04.08.2021
Jaipur	15,55,52,756.00	Received on 03.03.2022
Thiruvananthapuram	68,53,626.50	Received on 03.03.2022
	4,58,234.44	Outstanding as on 31.03.2022.
	-----	Received on 04.06.2022
	73,11,860.94	
Guwahati	349,02,39,547.90	Outstanding as on 31.03.2022.
		Received on 02.04.2022
Total (A)	6,15,53,62,114.34	CWIP Amount received from Concessionaires during FY 21-22
Total (B)	349,06,97,782.34	CWIP Amount pending from Concessionaire as on 31.03.2022
Grand Total (A+B)	964,60,59,896.68	

- (vi) Besides above payments, AAI has also raised the claim related to Capital Advance of ₹72,43,80,414/- on M/s. Guwahati International Airport Ltd. in respect of Guwahati Airport and the same was received on 02.04.2022.
- (vii) 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.



Notes to Financial Statements for the year ended March 31, 2022

Accordingly, AAI has submitted the following proposal of Deemed Initial RAB to the Regulator (AERA) as details under: -

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

Once the Regulator (AERA) determines the Deemed Initial Regulatory Asset Base in respect of above airports (Mangalore, Lucknow & Ahmedabad), the quantum of the Initial Non Aeronautical Investments shall be determined by the Independent Engineer (IE) and any surplus or deficit amount/(s) as the case may be shall be adjusted as 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 other 3 PPP Airports (Trivandrum, Guwahati & Jaipur) handed over to the Concessionaire in FY 2021-22, the proposal is under preparation and will be submitted to AERA during FY 2022-23.

(viii) Note on GST on RAB/WIP

AAI has signed six 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, Mangaluru, Jaipur, Trivandrum and Guwahati, respectively through Public Private Partnership (PPP) for a Lease period of 50 years.

In this respect, AAI, on 15.06.21, had filed an application for Advance Ruling w.r.t applicability of GST on transfer of CWIP, Cost of Spares, Staff cost etc to Adani Ahmedabad International Airport Limited with the O/o the Gujarat Authority for Advance Ruling Commissionerate, Gujarat. Gujarat Authority for Advance Ruling (AAR) passed an order on 02.09.2021 vide reference no. GAAR/AR-2021/F-04/B-171/173 in this regard. The Gujarat AAR has pronounced that transfer of business from the AAI to the SPV formed via agreement entered into by AAI and Adani Enterprises Ltd. is a 'Transfer of Going Concern'. The AAR holds that the service 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". It further holds that since the concession fee is a part of consideration paid by SPV to the AAI which is exempt from GST, the reimbursement of staff cost and other costs is also exempt from GST. As for GST on proposed supply of spares and consumables by the AAI to SPV, it remarks that these supplies are outside the scope of subject contract and holds back from pronouncing a Ruling, save that GST is to be paid on subject proposed supply.

In pursuance of above ruling, 06 PPP Airports of AAI are raising invoices without GST on Monthly Concession Fee, reimbursement of Monthly Select Employees cost, reimbursement of CWIP as on COD, one time reimbursement of value of Aeronautical Assets and Non Aeronautical

Notes to Financial Statements for the year ended March 31, 2022

Assets, Municipal Tax, Property Tax and water charges. Further, as per the views of the Gujarat Authority for Advance Ruling (AAR), AAI is levying GST on the supply of the spares and consumables to the Adani Group.

Similarly, the advance rulings have also been applied before the respective AAR of 05 Airports viz. Mangaluru, Lucknow, Jaipur, Guwahati and Trivandrum regarding the Applicability of GST on reimbursement of CWIP as on COD, one time reimbursement of Value of Aeronautical Assets and Non Aeronautical Assets, supply of the spares and consumables reimbursement of staff cost etc. to be transferred to the Concessionaires by AAI. As on date, the ruling is yet to be pronounced by the Authority for Advance Ruling of Mangalore, Lucknow, Jaipur, Guwahati, and Trivandrum Airports.

38 Accounting treatment in respect of Assets/CWIP Assets handed over to the concessionaires of 3 PPP Airports – Thiruvananthapuram, Jaipur, Guwahati

- i. AAI has signed three separate Concession Agreements (CA) with the concessionaire i.e. M/s Guwahati International Airport Ltd., M/s Jaipur International Airport Ltd. and M/s TRV (Kerala) International Airport on 19.01.2021 for Operations, Management and Development of three Airports i.e., Guwahati, Jaipur and Thiruvananthapuram respectively through Public Private Partnership (PPP) for a Lease period of 50 years. The Commercial Operations Date (COD) in respect of Guwahati, Jaipur & Thiruvananthapuram International Airport were 08.10.2021, 11.10.2021 and 14.10.2021 respectively.
- 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 "Lessee", 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



Notes to Financial Statements for the year ended March 31, 2022

- 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. The Accounting treatment has accordingly
- been given by AAI in its Books of Accounts as on 31.03.2021.
- vi. The details of upfront amount accrued to AAI towards RAB/CWIP and the monthly Concession Fee accrued in respect of these 3 PPP airports which have been handed over to the Concessionaires during the FY 2021-22 and their categorization as Revenue/Deferred Revenue in the books of accounts of AAI as on 31.03.2022 are noted below:

(₹ In Crores)

PARTICULARS	REVENUE			DEFERRED REVENUE			TOTAL		
	Thiruvananthapuram	Jaipur	Guwahati	Thiruvananthapuram	Jaipur	Guwahati	Thiruvananthapuram	Jaipur	Guwahati
RAB (AERO)	3.93	2.39	0.66	420.07	250.61	68.34	424.00	253.00	69.00
RAB (NON-AERO)	0.07	0.02	0.12	7.08	2.54	12.59	7.15	2.56	12.71
CWIP	0.01	0.15	3.36	0.72	15.41	345.66	0.73	15.56	349.02
CONCESSION-FEE	29.14	37.83	32.47	-	-	-	29.14	37.83	32.47

- vii. The details of Assets/CWIP Assets continuing in AAI Books as on 31.03.2022 which have been handed over to the concessionaires are as under: -

(₹ In Crores)

Name of the Airport	Asset			CWIP Assets
	Gross Block	Accumulated Depreciation	Net Block	Amount
Mangalore	368.71	319.55	49.16	142.18
Lucknow	411.49	311.36	100.13	401.99
Ahmedabad	774.20	663.52	110.68	-
Thiruvananthapuram	888.74	686.76	201.98	0.56
Jaipur	775.74	454.13	321.61	15.56
Guwahati	406.48	317.77	88.71	349.02

39. STRATEGIC DISINVESTMENT OF AIR INDIA

- A) AAI in its 205th Board Meeting held on 25.01.2022 accorded approval to waive and write off a sum of ₹1009.39 Crores, being 50% of the outstanding dues payable by Air India (AI) as on 31.03.2021. The decision was taken as per Ministry of Civil Aviation in its letter dated 25.01.2022, instructing AAI to waive and write off 50% of the pending dues of AI to reduce the immediate burden on Govt. of India's finances and contain the Fiscal Deficit.

The outstanding balance in the books of AAI of AI as at 31.03.2021 towards Traffic dues (₹1949.60 Crores) and Non-Traffic & other dues (₹373.74 Crores) was ₹2,323.34 Crores which required to be reduced by ₹312.74 Crores towards Excess billing on account of Land/Space Rent and increased by ₹8.19 Crores towards Cargo Revenue. The net amount after taking above effects come to ₹2018.79 Crores, 50% of which i.e. ₹1009.39 Crores. However, an amount of ₹991.40 crores was waived/written off

Notes to Financial Statements for the year ended March 31, 2022

during the Financial Year 2021-22 after considering TDS of ₹17.99 crores.

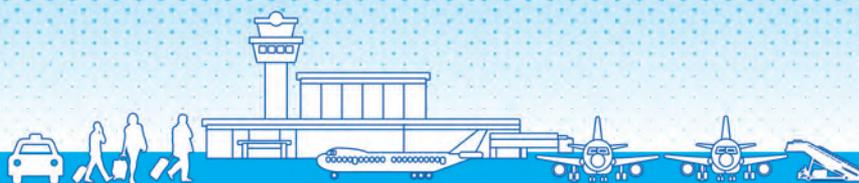
- B) With respect to Air India Express Limited, the dues amounting to ₹1.08 crores as on 31.03.2021 was settled during the subsequent Financial Year 2021-22 and hence no waiver/write off action was required to be taken.
- C) Due to the above, the following adjustments were done to write back the provision relating to Air India during the financial year: -
- a. **In respect of lump sum Amount realized-** The total lump-sum payment received from AI against its outstanding dues is ₹1009.39 crores (net of TDS); being 50% of the total dues of ₹2018.79 crores as on 31.03.2021. In view of this, the earlier provision for doubtful debts created in the books of accounts amounting to ₹836.48 crores for the period upto 31.03.2020 has been written back with corresponding credit to exceptional item during the Financial Year 2021-22.
- b. **In respect of Write off of Bad Debts - TDS** credit amounting to ₹17.99 crores was considered towards the lump sum payment and balance of ₹991.40 crore (₹1009.39 cr minus ₹17.99 cr) has been written off as Bad Debts. Also, provision for Bad & Doubtful Debts relating to Write off has been written back in FY 2021-22 accounts.
- c. **In respect of withdrawal of Excess Billing of Non- Traffic Dues of AI-** An amount of ₹303.16 crore has been reversed and debited to prior period income during the financial year 2021-22. Also, the corresponding provision for doubtful debts was reversed by debiting the GL Code 377001000 - Provision for Bad and Doubtful Debts and crediting the GL Code 825001000 - Provision for Bad and Doubtful Debts.
- D) **Request for exemption from payment of Dividend by AAI-**
- a. DIPAM vide O/M dated 24.01.2022 addressed to MoCA has intimated that

the request of MoCA to exempt AAI from payment of Dividend due to loss in FY 2020-21 and likely loss in FY 2021-22 has been agreed 'In Principle' with the request of MoCA to exempt AAI from payment of Dividend to the extent necessary. The specific exemptions would be considered in the CMCDC meetings of the respective Financial years.

- b. AAI vide UO Note No-AAI/F&A/COMP/Dividend Exemptions/2021-22/115 dated 24.02.2022 addressed to JS, MoCA has requested to exempt AAI from (a) payment of final Dividend for Financial Year 2019-20 amounting to ₹138.57 crores, (b) Total Dividend payable for Financial Year 2020-21 amounting to ₹671.70 crores and (c) Dividend payable for the Financial Year 2021-22.
- c. Final decision of DIPAM in this regard is awaited. Hence, in Financial year 2021-22 Accounts, AAI has accounted the Dividend payable for the Financial Year 2021-22 to GOI as per DIPAM Guidelines on the subject.

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



Notes to Financial Statements for the year ended March 31, 2022

IATA as on 31.03.2022 is US\$ 2,99,67,561.80 and as on 31.05.2022 is US\$ 3,71,99,534.48.

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.

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 31.03.2021 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 2021-22.

43. COMMITMENTS

- Estimated amount of contracts remaining to be executed on capital account including letters of credit and not provided for amounts to ₹5892.57 Crores (Previous year ₹7674.10 Crores) as on Balance Sheet date.
- AAI has not availed any EPCG during FY 2021-22, 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 of AAI, AAI Cargo Logistics & Allied Services Company Ltd. and Chandigarh International Airport Ltd. (where AAI is having 51% shareholding) as on 31.3.2022 is not applicable. However, the accounts of AAI Cargo Logistics & Allied Services Company Ltd. and Chandigarh International Airports Ltd will

be annexed to annual report of AAI for the FY 2021-22 and will be laid on the table of both the houses of Parliament.

45. A. Contingent Liabilities Claims not acknowledged as debts:

(₹ In Crores)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Land cases	1,294.79	1,268.76
Compensation claims of Accident	3.68	3.91
Cases under Arbitration	3,921.16	31,568.08
Claims against Cargo	0.02	4.47
Court Cases	1,029.43	1,028.72
Sales tax/Service Tax/ Municipal tax/income tax etc.	590.21	550.16
Others	70.71	56.85
TOTAL	6,910.00	34,480.95

Note: (i) The Contingent Liability for Cases under Arbitration as on 31.03.2022 amounting to ₹3921.16 Crores include an amount of ₹1054.59 Crores in respect of MIAL and ₹446.21 Crores in respect of DIAL related to MAF accounted as Revenue in the Books of AAI for the FY 2020-21 & FY 2021-22.

(ii) The contingent Liability for Cases under Arbitration as on 31.03.2021 was amounting to ₹31568.08 Crores including ₹29361.61 Crores (DIAL ₹13217.06 Crores and MIAL ₹16144.55 Crores) relating to Arbitration case with DIAL and MIAL with respect to Claim of DIAL and MIAL of excess Annual Fee payment in the past years with interest. The arguments in the said Arbitration Proceedings have been concluded and the Arbitration Award (by majority of 2:1 where Presiding Arbitrator has given dissenting award) has been declared and the same is being examined. Prima facie, the award is different from the claims made by DIAL and MIAL and has not been quantified. The arbitral award states that an independent auditor will work out the claims as per the decisions given in the arbitral award. Considering the above, the Contingent Liability in respect of DIAL amounting to ₹13217.06 Crores and in respect of MIAL amounting to ₹16144.55 Crores appearing in the Books of Accounts as on 31.03.2021 have been withdrawn in FY 2021-22.

Notes to Financial Statements for the year ended March 31, 2022

B. Contingent Assets

(₹ In Crores)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Disputed MAF related to Lease Revenue not recorded as Revenue for the FY 2020-21 & FY 2021-22		
MIAL	294.97	-
DIAL	1312.07	-
TOTAL	1607.04	-

46. GUARANTEES EXECUTED

During the year the guarantees for ₹19.38 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 2021-22	FY 2020-21
Capital Goods purchased	196.64	424.42
Spare parts	28.36	14.47
Foreign travel	0.21	1.87
Consultancy	0.24	4.54
Repayment of Foreign loans	2.83	2.79
Others	103.44	60.63
Total	331.72	508.72

48. EARNINGS IN FOREIGN EXCHANGE

(₹ In Crores)

Particulars	FY 2021-22	FY 2020-21
Services	688.24	478.09

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 2022 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 31.03.2021, 4 rounds of bidding were held and 948 valid RCS routes have been awarded to



Notes to Financial Statements for the year ended March 31, 2022

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.

Special round of bidding of UDAN 4.2 is in progress.

Total domestic passengers travelled through RCS-UDAN were 63.46 lakhs and 92.93 lakhs upto 31.03.2021 and 31.03.2022 respectively. Total RCS UDAN flights operated were 1.20 lakhs and 1.79 lakh upto 31.03.2021 and 31.03.2022 respectively.

The Viability Gap Funding (VGF) claim disbursed by RACFT to Selected Airline Operators (SAOs) during 2021-22 is ₹625.93 Crore approx. and RCS Levy collected during 2021- 22 is ₹241.16 Crore approx.

52. It is stated that during FY 2021-22, 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 ₹42.45 Crores was pending and the same is to be accounted on receipt basis.

53. PPP AIRPORTS

- (i) Three Airports viz Guwahati, Jaipur & Trivandrum were handed over to the Concessionaire i.e. M/s Adani Guwahati International Airport, M/s Adani Jaipur International Airport and M/s Adani Thiruvananthapuram International Airport on 08.10.2021, 11.10.2021 and 14.10.2021 respectively for Operations, Management and Development through PPP for a lease period of 50 years.
- (ii) AAI Board recommended for undertaking PPP transaction of 13 Airports with option of clubbing/ pairing of 06 Select Airports (viz. Bhubaneswar, Varanasi, Indore, Amritsar, Raipur and Trichy) with 07 Small Airports (Kangra, Gaya, Kushinagar, Hubli, Jabalpur,

Aurangabad and Tirupati) for Operations, Management and Development through PPP. The proposal was sent to MoCA on 10.09.2021 for seeking in principle approval of Government of India, 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 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 in March 2019 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 liability provided by AAI as on 31.03.2022 is as follows: -

Particulars	₹ in Crores
Total Estimated Contribution payable for the period upto 31.03.2021	421.00
Estimated Provision for Interest upto 31.03.2019	540.00
Closing balance as on 31.03.2020	961.00
Less: Adjustment made during FY 2021-22 against the Contribution amount payable for the period upto 31.03.2021 due to Corpus amount updation in EDCP Scheme membership due to approval of CAD Pension option to select employees, Resignation etc	(3.92)
Add: Estimated Provision at the rate of 2% for Contribution for FY 2021-22	35.31
Adjusted liability upto 31.03.2022	992.39

Notes to Financial Statements for the year ended March 31, 2022

- (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 01.09.2020, 29.10.2020 and 26.03.2021, 06.07.2021, 08.10.2021 and 03.2.2022 which had been replied by AAI vide letter dated 09.10.2020, 05.03.2021 and 30.06.2021, 17.08.2021 and 28.01.2022. 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 and 2021-22 by AAI.
- (d) There has been severe impact of COVID-19 on the financials and Cash flow of AAI, hence considering the affordability for contribution to AAI EDCP Scheme presently contribution at the rate of 2% of Basic + DA has been proposed for FY 2021-22.
- (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 been created in the Books of Accounts of AAI as on 31.03.2022 on estimated basis as per details noted below:

(i)	In respect of Serving Government Pension Optees as on 31.03.2022	97.83 Crores
(ii)	In respect of Separated Government Pension Optees as on 31.03.2022	45.63 Crores
	Total	143.46 Crores



Notes to Financial Statements for the year ended March 31, 2022

- (d) As the liability has been created on estimated basis, any further adjustment which may be required will be effected in 2022-23 Accounts.
- (v) Refund of Service Tax on original work**
- a. AAI for the construction work undertaken at Chandigarh and Jaipur Airports 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 Chandigarh and Jaipur Airport respectively. 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 back to department. The department has filed an appeal with The Customs Excise and Service Tax Appellate Tribunal (CESTAT) against the order of Commissioner (Appeals-I) for which hearing was held on 09.03.2022 for condonation of delay and the appeal has been admitted by CESTAT. AAI has filed the memorandum of cross objection on 07.04.2022.
- b. In respect of Chandigarh Airport, amount of ₹1,75,08,235, it is noted that M/s Chandigarh International Airport Ltd. in their Books of Accounts had shown the same as "Receivable from AAI". Considering that the Refund amount from Service Tax Department is likely to take more time & looking into account the C&AG observations on CHIAL's Books about showing this amount as 'Receivable from AAI'. AAI has released the amount of ₹1,75,08,235 to M/s Chandigarh International Airport Ltd on 27.09.2021.
- (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 31.03.2022 is as under:

(₹ In Crores)

Particulars	As at March 31, 2022	
	Minimum Lease payments	Present Value Minimum Lease payments
Not later than 1 year	23.14	31.68
Later than 1 year and not later than 5 years	15.14	14.56
Later than 5 years	-	-

New Delhi
26th July 2022

Sd/-
(J.B. Saini)
ED (PMQA/CA)

Sd/-
(D. Bhojwani)
ED (F&A)

Sd/-
(K Vinayak Rao)
Member (Finance)

Sd/-
(Sanjeev Kumar)
Chairman

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

(₹ In Crores)

PARTICULARS		YEAR ENDED 2021-22	YEAR ENDED 2020-21
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit /Loss before tax	32.76	(2,767.01)
	Exceptional Items:- Reversal of Provision for Doubtful Debts due to Air India settlement(previous year-Unspent Old Rehabilitation provision withdrawn)	(836.48)	(409.11)
	Profit/(Loss) before taxation and exceptional item	(803.72)	(3,176.12)
	<u>Adjustments for:</u>		
	Depreciation, Amortisation and Impairment	1,904.38	1,819.75
	Prior Period Depreciation	(2.86)	21.64
	Financing Costs	69.67	45.01
	Other Misc. Items	38.10	1.13
	Upfront fees received during the year-Operating Lease Income for future period-PPP Airports*	1,351.61	495.81
	Adjustment for provisions-net made during the year	196.91	97.90
	Adj for Accumulated Provision For Doubtful debts (incl. Air India)	(1,261.91)	537.48
	Dividend Income from JVCs & AAICLASCL	(87.08)	(27.70)
	Interest Income	(30.25)	(98.99)
	(Profit) on Assets Sold/discarded, net	(71.89)	(37.65)
	Operating Profit before Exceptional items & Operating Capital Changes	1,302.96	(321.74)
	Decrease/(Increase) in Other Operating Assets	2,487.63	(646.51)
	Increase in Operating Liabilities	44.67	417.28
	Cash Generated from Operations	3,835.26	(550.97)
	Net Direct Taxes (Paid) net of Refund Received	(519.20)	450.57
	Net Cash Generated from Operating Activities - A	3,316.06	(100.40)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Addition to/Purchase of Fixed Assets/CWIP/Advances for Capital Works	(3,972.16)	(3,921.02)
	Proceeds from Sale of Fixed Assets	72.67	40.50
	Bank Deposits more than 3 months (net)	(1,301.95)	852.77
	Dividend Received from JVCs & AAICLASCL	87.08	27.70
	Interest Received	28.14	142.12
	Investments/advance for investments in Joint Venture Companies	-	(2.55)
	Net cash Generated/ (Used) in Investing Activities - B	(5,086.22)	(2,860.48)



CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

(₹ In Crores)

PARTICULARS	YEAR ENDED 2021-22	YEAR ENDED 2020-21
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Govt. in the form of Capital grants (incl. RCS Grants)	1,102.50	662.06
Payment/Refund of RCS Grant/Capital Grant to State Govt. etc	(98.03)	(47.67)
Working Capital Loan Availed from SBI	600.00	1400.00
Rupee Term Loan Availed from State Bank of India	625.00	-
External Commercial Borrowings availed from State Bank of India	373.42	-
Repayment of Working Capital Loan to SBI	(1,650.00)	(150.00)
Capex Loan Availed from Axis Bank	269.94	1,828.07
Payment of Interest on Loan	(174.97)	(58.63)
Repayment of Loan from Foreign Financial Institution	(2.82)	(2.78)
Payment of Financial Lease Liabilities (incl. Interest etc)	(22.88)	(11.35)
Net cash Generated / (Used) from Financing Activities - C	1,022.16	3,619.70
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	(748.00)	658.82
Cash & cash equivalents as at the beginning of the financial year	1,086.46	427.64
Cash & cash equivalents as at the end of the financial year	338.46	1086.46

Notes:-

- 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.
- Bracket indicates cash outflow/reduction.

Notes to Financial Statements for the year ended March 31, 2022 Disclosure as per AS 17- Segment Reporting

(₹ In Crores)

Particulars	FY 2021-22						FY 2020-21							
	North	South	West	North-East	East	Unallo- cated	Grand Total	North	South	West	North- East	East	Unallo- cated	Grand Total
Segment Revenue	925.41	1,398.97	917.51	152.56	1,216.08	2,113.43	6,723.96	776.99	1,099.32	728.67	155.77	979.85	999.75	4,740.35
Segment Results														
Segment Result (Profit/Loss)	(529.99)	(696.25)	(295.96)	(257.49)	(111.68)	1,039.99	(851.38)	(863.80)	(917.70)	(635.54)	(267.47)	(431.98)	(141.30)	(3,257.79)
Unallocated Corporate Expenses						742.81	742.81						1,141.05	1,141.05
Operating Profit	(529.99)	(696.25)	(295.96)	(257.49)	(111.68)	1,039.99	(851.38)	(863.80)	(917.70)	(635.54)	(267.47)	(431.98)	(141.30)	(3,257.79)
Interest Expenses	6.23	8.73	5.07	1.76	6.24	41.64	69.67	1.90	2.46	1.30	0.62	1.11	37.62	45.01
Dividend received From JVCs & Subsidiaries						87.08	87.08						27.70	27.70
Exceptional & Extraordinary Item- Rehabilitation Provision Reversal/ Provision for Bad and Doubtful Debts						836.48	836.48						409.11	409.11
Interest Income	4.89	7.65	3.61	2.64	(1.05)	12.51	30.25	4.10	6.49	3.60	1.51	1.97	81.32	98.98
Profit before Tax	(531.33)	(697.33)	(297.42)	(256.62)	(118.97)	1,934.42	32.76	(861.60)	(913.67)	(633.24)	(266.58)	(431.12)	339.21	(2,767.01)
Income Tax Exp/Provisions						24.00	24.00						(804.95)	(804.95)
Profit after Tax	(531.33)	(697.33)	(297.42)	(256.62)	(118.97)	1910.42	8.76	(861.60)	(913.67)	(633.24)	(266.58)	(431.12)	1,144.16	(1,962.06)
Other Information														
Segment Assets	3,352.88	5,703.63	3085.04	2,493.36	3,902.76	18,537.67	18,537.67	3,933.33	5,663.83	2,677.76	1,895.63	3,887.34	17,297.27	1,8057.89
Unallocated Assets						18459.79	18459.79						17,297.27	17,297.27
Total Assets	3,352.88	5,703.63	3085.04	2,493.36	3,902.76	18,459.79	36,997.46	3,933.33	5,663.83	2,677.76	1,895.63	3,887.34	17,297.27	35,355.16
Segment Liabilities	1,351.09	1,319.57	1006.37	709.02	640.19	19,724.83	5,026.24	1,098.45	1,024.82	838.43	287.99	583.33	18,653.09	3833.02
Unallocated Liabilities						19,724.83	19,724.83						18,653.09	18,653.09
Total Liabilities	1,351.09	1,319.57	1006.37	709.02	640.19	19,724.83	24,751.07	1,098.45	1,024.82	838.43	287.99	583.33	1,8653.09	22,486.11
Capital Expenditure	733.40	1,078.83	810.85	554.50	772.82	47.13	3,997.53	708.43	1,378.32	854.47	386.47	835.17	88.66	4,251.52
Non-Cash Expenditure														
Depreciation, Amortisation & Impairment	371.59	637.02	279.50	126.73	453.74	35.80	1,904.38	306.66	647.67	266.01	92.87	469.39	37.15	1,819.75
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)						(409.11)	(409.11)
Exceptional & Extraordinary Item- Rehabilitation Provision Reversal (FY 2020-21)														
Major Non-Cash Expenditure (Provision for Doubtful Debts, Prior Period Depreciation, Bad Debts, Prior Period Adjustments - Air India Non-traffic bills)	(28.94)	37.36	(9.31)	(1.40)	(17.02)	52.85	33.54	177.66	(6.73)	52.90	25.16	89.80	220.32	559.11



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth In Public Interest

गोपनीय



CAG/AE/Accounts Audit/1-122/2022-23/67
संख्या/No.

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 15/12/2022

सेवा में,
सचिव, भारत सरकार,
नागर विमानन मंत्रालय,
राजीव गांधी भवन,
नई दिल्ली -110003

विषय- वर्ष 2021-22 के लिए भारतीय विमानपत्तन प्राधिकरण के लेखाओ पर लेखापरीक्षा प्रतिवेदन।

महोदय,

मै इस पत्र के साथ भारतीय विमानपत्तन प्राधिकरण अधिनियम 1994 की धारा 28 (2) के अधीन भारतीय विमानपत्तन प्राधिकरण के वर्ष 2021-22 के सत्यापित लेखाओ की प्रति तथा उन पर लेखापरीक्षा प्रतिवेदन अग्रेपित कर रही हूँ।

कृपया इन लेखाओ व 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 दस्तावेजो की 25 प्रतियाँ इस कार्यालय में तथा एक प्रति भारत के नियंत्रक एवं महालेखापरीक्षक के कार्यालय में भिजवाए।

भवदीया
हस्ता.

(अतूर्वा सिन्हा)
प्रधान निदेशक

दिनांक:- 12.2022

संख्या:-

प्रतिलिपि:-

मंत्रालय को जारी किए गए पत्र के साथ भारतीय विमानपत्तन प्राधिकरण के वर्ष 2021-22 के लेखाओ पर लेखापरीक्षा प्रतिवेदन की प्रति अध्यक्ष, भारतीय विमानपत्तन प्राधिकरण को प्रेषित है। कृपया प्रतिवेदन को भारतीय विमानपत्तन प्राधिकरण के अधिनियम 1994 की धारा 28 (2) के अनुसार संसद में पेश होने तक गोपनीय रखा जाए।

1913/ch.
15/12/22

अतूर्वा सिन्हा
(अतूर्वा सिन्हा)
प्रधान निदेशक

AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF AIRPORTS AUTHORITY OF INDIA FOR THE YEAR ENDED 31 MARCH 2022

We have audited the attached Balance Sheet of the Airports Authority of India (AAI) as at 31 March 2022 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 61 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, evidences 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

1. Equity and Liabilities

Current Liabilities

Other Current Liabilities (Note No.5): Rs. 3214.17 crore

The above did not include an amount of Rs. 2.94 crore. The details are as follows:

Sl. No.	Particular	Amount (Rs. in Crore)
i.	Non creation of liability towards Mechanized Environmental Support Services (MESS), HVAC maintenance and manpower supply related expenditure at Kolkata Airport.	1.65
ii.	Non creation of liability in respect of amount payable on account of electricity bill for the month of March, 2022	0.21



iii.	Non creation of liability in respect of the medical claims of retired employees of Scheme B retired, for 4 th quarter of 2021-22.	0.20
iv.	Non creation of liability for collection charges on UDF & PSF for the period from January 2022 to March 2022.	0.46
v.	Non creation of liability in respect of consultancy charges for the period January 2022 to March 2022 on account of bill received from EIL.	0.40
Total		2.92

2. Assets

Fixed Assets

2.1 Capital Work-in Progress (Note 11): 7691.36 crore

The CWIP is overstated and fixed assets are understated by Rs. 5.94 crore. Consequently, depreciation is understated and profit for the year is overstated by Rs. 1.29 crore.

(Rs. in crore)

Sl. No.	Particulars	Impact on CWIP and Fixed assets	Impact on Depreciation and Profit
(i)	Non capitalization of work relating to supply installation testing and commissioning of DVOR and other associated work at Vadodara Airport.	3.16	0.39
(ii)	Non capitalization of the completed work of reconstruction of taxi way at Kolkata Airport.	2.78	0.90
TOTAL		5.94	1.29

2.2 Capital Work-in Progress (Note 11): 7691.36 crore

The above includes an amount of Rs. 2.15 crore towards net value of 'Biometric Access Control System(BACS)' at Chandigarh International Airport Limited (CHIAL). As The BACS was handed over to CHIAL in the year 2021-22, the same should have been booked as revenue. This has resulted in overstatement of Capital Work-in Progress, understatement of Income by Rs. 2.15 crore.

B. Statement of profit and loss

1. Income

1.1 Other Income (Note 25): Rs. 507.57 crore

Profit on sale of Fixed Asset: Rs. 71.89 crore

The above does not include Rs. 8.10 crore being the profit from sale of land to Lucknow Metro Rail Corporation Ltd (LMRC). The permanent land of 13206.81 sqm was handed over (April 2019) to LMRC (now UPMRC). The amount of Rs 7.35 crore was received in April 2019 and the same was recognized as advance. The transfer rate was approved (23 March 2022) by the AAI's

client) by Rs 7.35 crore, understatement of Debtors by Rs 0.75 crore¹ and understatement of profit on sale of fixed assets and consequent understatement of profit by Rs. 8.10 crore.

2. Expense

2.1 Depreciation and Amortization (Note No. 30): Rs. 1904.38 crore

Administrative and other Expenses (Note No. 28):Rs. 437.16 crore

Prior period adjustment (net):Rs. 270.55 crore

The depreciation and amortization expenses of Rs. 2.33 crore and Prior period expenses amounting Rs. 9.69 crore² are understated and profit are overstated by Rs. 12.02 crore.

Sl. No.	Particulars	Impact on depreciation (Rs. in crore)
(i)	The depreciation on assets capitalized in May 2021 was not charged in the year of capitalization (2020-21) and charged at half rate in 2021-22.	4.26 ³
(ii)	The depreciation was charged on the Hostel Accommodation at higher rate of 8 percent instead of 5 percent.	(-) 0.26
(iii)	The temporary assets were not depreciated at 100 percent.	1.17
(iv)	Depreciation was not charged in the year of capitalization and charged at a less rate.	5.83
(v)	Depreciation charged at a lower rate due to wrong classification of assets.	1.02
Total		12.02

2.2 Operating Expenses (Note No. 27) Rs. 1531.72 Crore

The operating expenses are understated by Rs. 6.32 crore, tangible fixed assets are overstated by Rs. 1.89 crore and capital work in progress are overstated by Rs. 4.43 crore. Consequently, the profit is also overstated by Rs. 6.32 crore.

Sl. No.	Particulars	Impact on Profit (Rs. in crore)
(i)	Capitalization of expenditure on renovation related works.	1.22
(ii)	The cost of relocation of Localizer and Glide Path at Guwahati Airport has been booked in Capital Works in Progress-Plant & equipment free hold.	0.92
(iii)	Capitalization of expenses incurred on inauguration of new terminal building at Agartala Airport.	0.67
(iv)	Non-charging-off expenditure incurred in respect of abandoned work of "Construction of Integrated Cargo Terminal Building at Lucknow Airport" and shown as CWIP.	3.51
Total		6.32

¹ 0.75 crore = Rs 8.10 crore- Rs. 7.35 crore

² Rs. 9.69 crore (Rs. 2.84 crore+ Rs. 5.83 crore+ Rs. 1.02 crore)

³ Rs. 4.26 crore (Rs. 2.84 crore; prior period depreciation and Rs. 1.42 crore; current year depreciation)



C. Notes to Accounts

1. A reference is invited to Note No. 38 disclosing the accounting treatment in respect of Assets/CWIP assets handed over to the concessionaires of 6 Public Private Partnership (PPP) Airports⁴. The Note was deficient as it did not fulfill the disclosures requirement under Clause 46 of AS – 19 (Operating Lease).

2. Contingent Liabilities (Note No. 45)

Claims not acknowledged as debts: Rs. 6910.00 crore

The above is understated by Rs. 23.21 crore due to non-acknowledging the claims raised by M/s URC Construction (P) LTD in respect of construction of New International Arrival Block and associated works at Calicut Airport.

- (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 2022; and
- b) 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

Atoorva Sinha
(Atoorva Sinha)

Principal Director of Audit (Infrastructure)
New Delhi

Place: New Delhi

Dated: December 2022

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 2022)

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 during the year 2021-22 total 28 no. of units were planned and audited.

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) Non review of Old liabilities/Security Deposit /EMD/LD/Capital advances (RHQ/ WR, RHQ/NR/ Corporate Headquarter/ Jodhpur)
- (ii) Narration was not given in the GL code for understanding the nature of transaction. (Corporate Headquarter)
- (iii) Accounting entries in respect of scrap sales was not routed through proper T Code (Amritsar, Corporate Headquarter)
- (iv) Unreconciled debit balances in GL codes i.r.o Goods Supp./Work-Rev GL (Amritsar, Corporate Headquarter)
- (v) The document number was reversed without following the proper t-codes for reversal of the document number resulted in generation more number of line item (RHQ/ NR and Corporate Headquarter)
- (vi) Non availability of specific code in SAP in respect of firefighting equipment making it difficult to identify the related asset in SAP. (Corporate Headquarter)

3. System of physical verification of fixed assets

- (i) Physical verification of fixed assets was not done in Corporate Headquarter and 12 airports⁵ under Southern Region.
- (ii) The fixed assets physically verified was not reconciled with the Fixed Assets Register (FAR) at Regional Headquarter/ Northern Region.

4. System of physical verification of inventory

Physical verification of inventory/stores at Central Radio Stores Depot (CRSD) was not conducted during 2021-22.

5. Regularity in payment of statutory dues.

No shortcomings in payment of Statutory dues were noticed during audit.

⁵ Agatti, Belgaum, Bellary, Gulbarga, Mysore, Mangalore, Pondicherry, Madurai, Trichy, Tuticorin, Salem, Chennai RHQ



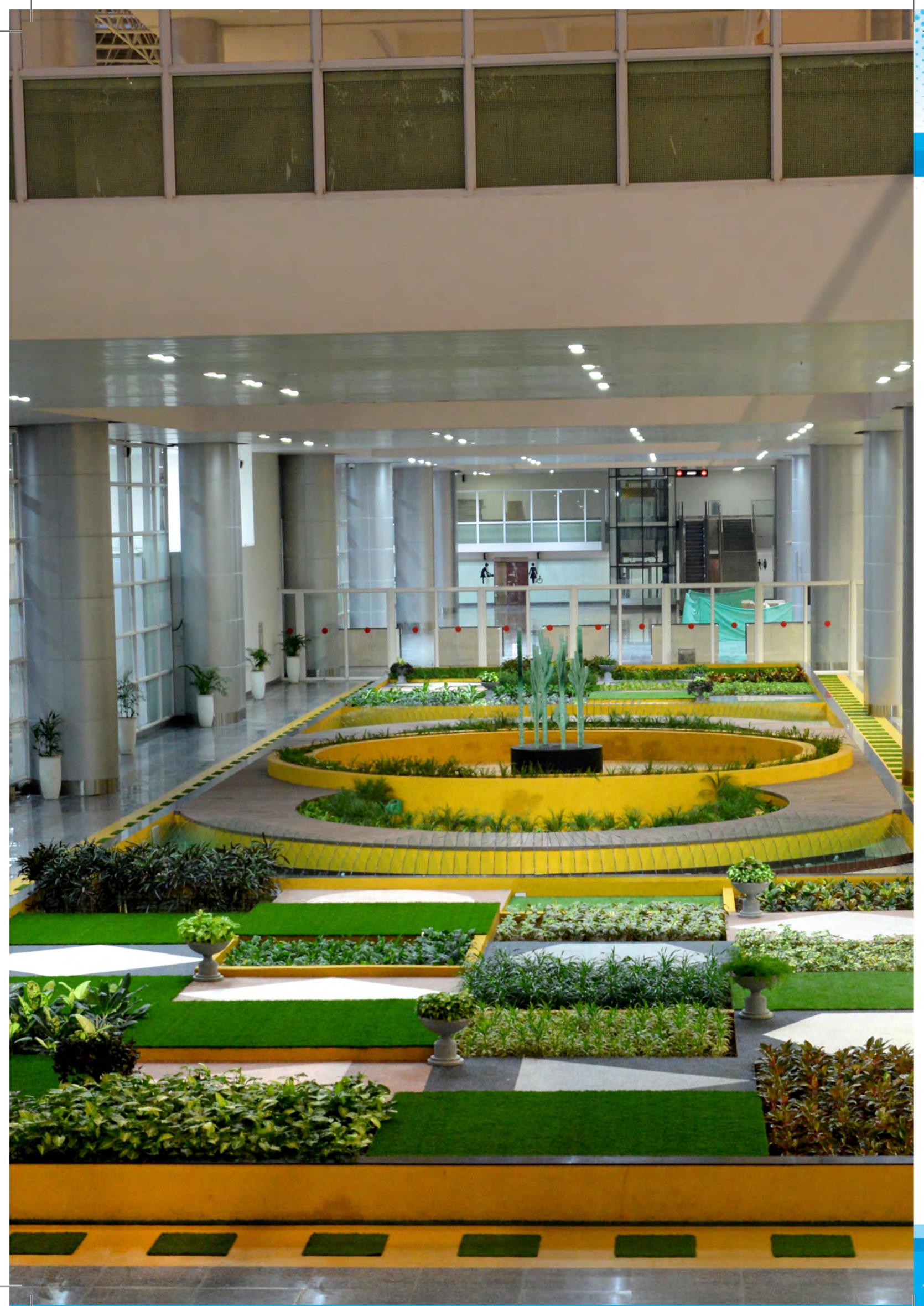
GAYA AIRPORT



CHANDIGARH AIRPORT



**AUDITED
FINANCIAL STATEMENTS
OF CHANDIGARH INTERNATIONAL
AIRPORT LIMITED**





Balance Sheet as at March 31, 2022

(INR in lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2	82,519.15	82,882.66
(b) Capital work-in-progress	3	761.51	1,664.24
(c) Intangible Assets other than Goodwill	4	17.94	19.70
(d) Right to use Assets	5	77.28	83.97
(e) Financial Assets			
(i) Others	6	172.94	32.94
Current Assets			
(a) Inventories	8	6.66	7.23
(b) Financial Assets			
(i) Trade Receivables	9	501.05	656.80
(ii) Cash & Cash Equivalents	10	585.94	1,213.29
(iii) Bank balances other than (ii) above	11	23,294.23	18,406.22
(iv) Others	12	1,324.48	1,826.88
(c) Current Tax Assets	13	97.35	356.01
(d) Other Current Assets	14	28.71	18.83
Total Assets		109,387.24	107,168.77
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	96,944.94	96,944.94
(b) Other Equity	16	6,032.56	5,372.31
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	-	-
(ia) Lease Liabilities	18	16.25	36.08
(ii) Others	19	1,584.38	569.48
(b) Deferred Tax Liabilities	7	647.93	43.65
(c) Other Non-Current Liabilities	20	454.72	156.16
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	21	19.83	17.87
(ii) Others	22	2,935.06	3,422.53
(b) Other Current Liabilities	23	726.26	498.20
(c) Provisions	24	25.31	107.55
Total Equity and Liabilities		109,387.24	107,168.77

Significant Accounting Policies

1

The notes referred to above form an integral part of the standalone financial statements

For Balwinder Associates
Chartered Accountants

Sd/-
(CA Gaurav Thapar)

Partner
M No. 095710
FRN 014822N
Place : Mohali
Date : 16.08.2022
UDIN : 22095710APDYEF3295

For and on behalf of the Board of Directors

Sd/-
(Rakesh Ranjan Sahay)
CEO

Sd/-
(R. K. Das)
CFO

Sd/-
(K. Vinayak Rao)
Chairman

Sd/-
(Avneet Kaur)
Company Secretary

ANNUAL REPORT 2021-22

Statement of Profit and Loss for the year ended March 31, 2022

(INR in lakhs)

Particulars	Note No	Year Ended March 31, 2022	Year Ended March 31, 2021
Income			
i) Revenue from Operations	25	10,156.52	6,715.75
ii) Other Income	26	1,413.76	1,149.82
Total Income		11,570.29	7,865.57
Expenses			
i) Employee Benefits Expenses	27	989.85	552.38
ii) Finance Cost	28	231.60	123.46
iii) Depreciation and Amortization Expenses	29	2,947.27	3,062.84
iv) Other Expenses	30	2,354.86	1,924.46
Total Expenses		6,523.57	5,663.15
Profit before Exceptional Items and Tax		5,046.71	2,202.42
Exceptional Items		-	-
Profit Before Tax		5,046.71	2,202.42
Tax Expense	7		
- Current Tax		1,268.48	445.20
- Adjustment of tax relating to previous year		0.10	-
- Less: MAT Credit		-	-
- Deferred Tax		209.53	280.69
Total Tax Expenses		1,478.11	725.90
Profit for the period from continuing operations		3,568.60	1,476.53
Profit/(Loss) from discontinued operations		-	-
Tax Expense of discontinued operations		-	-
Profit from discontinued operations after Tax		-	-
I Profit for the year		3,568.60	1,476.53
II Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss			
- Premeasurements of the defined benefit plans		-	-
Less: Income Tax on above		-	-
ii) Items that will be reclassified to profit or loss		-	-
		-	-
Total Comprehensive Income for the period (I +II)		3,568.60	1,476.53
Earnings per Equity Share :			
(1) Basic		0.37	0.15
(2) Diluted		0.37	0.15

The notes referred to above form an integral part of the standalone financial statements

For Balwinder Associates
Chartered Accountants

Sd/-
(CA Gaurav Thapar)
Partner
M No. 095710
FRN 014822N
Place : Mohali
Date : 16.08.2022
UDIN : 22095710APDYEF3295

For and on behalf of the Board of Directors

Sd/-
(Rakesh Ranjan Sahay)
CEO

Sd/-
(K. Vinayak Rao)
Chairman

Sd/-
(R. K. Das)
CFO

Sd/-
(Avneet Kaur)
Company Secretary



Cash Flow Statement For The Year Ended March 31, 2022

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/Loss before tax	5046.71	2,202.42
Adjustment for:-		
Profit on Sale of Assets	-	(1.86)
Depreciation	2947.27	3,062.84
Interest Income	(1,023.83)	(902.29)
Fair Valuation Gain	(227.23)	(117.76)
Finance Cost	227.23	117.76
Reversal of Liability	-	-
Provision for Expected Credit Loss	16.75	-
Foreign Currency Fluctuation	3.92	-
Interest cost on lease	4.37	5.70
Operating Profit before Working Capital Changes	6,995.19	4,366.82
Adjustment for working capital changes:-		
Inventories	0.57	(1.31)
Trade Receivables	139.01	657.60
Other Current Financial Assets	487.40	(631.81)
Other Current Assets	(9.88)	619.58
Current Tax Asset	258.66	953.38
Other Non Current Assets	-	7.00
Other Current Financial Liabilities	(487.47)	1,437.95
Foreign Currency Fluctuation	(3.92)	-
Other Current Liabilities	249.44	31.32
Other Current Provisions	(82.24)	-
Other Non-Current Financial Liability	1,014.90	(1,268.60)
Other Non-Current Liabilities	298.56	(341.51)
Cash generated from Operating Activities	8,860.21	5,830.43
Income tax paid	(873.84)	(373.96)
Net Cash Generated from Operating Activities	7,986.37	5,456.47
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(2,577.42)	(4,629.35)
Purchase of Intangible Assets	(3.66)	-
Sale of Property, Plant and Equipment	-	2.45
Adjustment of Property, Plant and Equipment	5.80	-
Realization/ (Payments) for Investments / Bonds / Bank Deposits	(5,028.01)	(1,485.57)
Capital Work In Progress	902.73	948.56
Interest Income	1,038.83	847.36
Net Cash From Investing Activities	(5,661.74)	(4,316.54)

ANNUAL REPORT 2021-22

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest on grants received during the year	(21.38)	15.03
Lease payments	(22.24)	(22.07)
Dividend Paid	(2,908.35)	-
Net Cash From Financing Activities	(2,951.98)	(7.04)
D. Net changes in Cash & Cash equivalents	(627.35)	1,132.89
E. Opening Cash & Cash Equivalents	1,213.29	80.40
F. Closing Cash & Cash Equivalents	585.94	1,213.29

Component of Cash and Cash Equivalent

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balances with Banks	15.94	15.29
Bank deposit having original maturity of less than 3 months	570.00	1,198.00
	585.94	1,213.29
Component of Bank balances other than cash and cash equivalents		
Bank deposits	23,434.23	18,406.22

- Statement of Cash Flows has been prepared using Indirect Method as per Ind AS 7 Statement of Cash Flows.
- The amount of net changes in cash & cash equivalents for Previous Year 2020-21 has been restated from ₹802.29 lakhs to ₹1132.89 lakhs due to change in disclosure of Bank Deposit for the P.Y. Similarly Closing Cash & Cash Equivalents for P.Y. 2020-21 has been restated from ₹883.29 lakhs to ₹1213.29 lakhs. Please refer Note no. 10 & 11 for change in disclosure of Bank Deposit Balance.
- The Realization/(Payments) for Investments/Bonds/ Bank Deposits in financing activity has been restated from ₹1815.57 lakhs to ₹1485.57 lakhs in P.Y. 2020-21. Please refer Note no. 10 & 11 for change in disclosure of Bank Deposit Balance.
- Refer Note 6, 10 & 11 for Cash and Cash equivalents.

For Balwinder Associates
Chartered Accountants

Sd/-
(CA Gaurav Thapar)
Partner
M No. 095710
FRN 014822N
Place : Mohali
Date : 16.08.2022
UDIN : 22095710APDYEF3295

For and on behalf of the Board of Directors

Sd/-
(Rakesh Ranjan Sahay)
CEO

Sd/-
(K. Vinayak Rao)
Chairman

Sd/-
(R. K. Das)
CFO

Sd/-
(Avneet Kaur)
Company Secretary

Statement of Changes In Equity for the period ended March 31, 2022

A. Equity Share Capital

For the year ended March 31, 2022		(INR in lakhs)	
Balance as on April 01, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as on April 01, 2021	Changes in equity share capital during the year
96944.94	-	-	96944.94
For the year ended March 31, 2021		(INR in lakhs)	
Balance as on April 01, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as on April 01, 2020	Changes in equity share capital during the year
96944.94	-	-	96944.94

Disclosure for Statement of Changes In Equity in respect to Equity Share Capital for PY. 2020-21 has been restated as per the amendments made to Schedule III

B. Other Equity

For the year ended March 31, 2022		(INR in lakhs)											
	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Debt instruments through Other Comprehensive income	Equity instruments through Other Comprehensive income	Effective portion of Cash Flow Hedges	Revaluation on Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)								
Balance as on April 01, 2021	-	-	-	-	5,372.31	-	-	-	-	-	-	-	5,372.31
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as on April 01, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	3,568.60	-	-	-	-	-	-	-	3,568.60
Dividends*	-	-	-	-	(2,908.35)	-	-	-	-	-	-	-	(2,908.35)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2022	-	-	-	-	6,032.56	-	-	-	-	-	-	-	6,032.56

The amount that can be distributed by the Company as dividend to its equity shareholders is determined considering the requirements of the Companies Act, 2013.

* On 26.10.2021, a final dividend @ 1.5% i.e. ₹0.15 per share on 96,94,49,405 equity shares of the Company for FY. 2020-21 after deduction of tax at source was paid to equity shareholders.

* On 18.01.2022, the company had declared interim dividend @ 1.5% i.e. ₹0.15 per share on 96,94,49,405 equity shares of the Company for FY. 2021-22 after deduction of tax at source which has been paid to equity shareholders.



Statement of Changes In Equity for the period ended March 31, 2022

(INR in lakhs)

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus			Debt instruments through Other Comprehensive income	Equity instruments through Other Comprehensive income	Effective portion of Cash Flow Hedges	Revaluation on Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)								
Balance as on April 01, 2020	-	-	-	-	3,895.78	-	-	-	-	-	-	-	3,895.78
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as on April 01, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	1,476.53	-	-	-	-	-	-	-	1,476.53
Dividends	-	-	-	-	(2,908.35)	-	-	-	-	-	-	-	(2,908.35)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2021	-	-	-	-	5,372.31	-	-	-	-	-	-	-	5,372.31

Disclosure for Statement of Changes In Equity in respect to Other Equity for PY: 2020-21 has been restated as per the amendments made to Schedule III .



Note to Financial Statements for the year ended March 31, 2022

NOTE 1: COMPANY INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

COMPANY OVERVIEW

Chandigarh International Airport Ltd. (CHIAL), has been incorporated on 28th January, 2010 as a joint venture company under Companies Act, 1956 by Airports Authority of India (AAI) in association with Punjab Government through Greater Mohali Area Development Authority (GMADA) and Haryana Government through Haryana Shahari Vikas Pradhikaran (HSVP) erstwhile Haryana Urban Development Authority (HUDA) to operate and maintain Chandigarh International Airport which has come up with a new state of art International Airport at Mohali, Punjab. As per the Joint Venture Agreement, the equity contribution is in the ratio of 51.00%, 24.50% and 24.50% respectively by AAI, GMADA and HUDA. AAI's contribution towards its share of equity is construction of the New Terminal Building and allied works. GMADA and HSVP have provided land for the said construction towards their equity contribution. CHIAL, has commenced commercial operations on 19th October, 2015.

Basis of preparation of financial statements

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Rules, 2015 on 16 February 2015 laying down the roadmap for implementation of Indian Accounting Standards (Ind AS) to Indian Companies other than banking companies, insurance companies and non-banking financial companies (NBFCs). As per the roadmap, Ind AS is applicable to Chandigarh International Airport Limited from the financial year commencing on or after April 1, 2017. However, CHIAL adopted Ind AS in financial year 2015-16 voluntarily.

The financial statements have been prepared on accrual basis of accounting under historical cost convention, except for following financial assets and financial liabilities which are measured at fair value:

- Non-current financial assets such as security deposits are measured at fair value at initial recognition.

- Non-current financial liabilities such as security deposits from customers and lease rentals are measured at fair value at initial recognition.

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses, and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from those estimates and assumptions, due to changes in facts and circumstances. Management reviews estimates on an ongoing basis using currently available information and any revision in the estimate is recognized in the period in which the same is determined.

The financial statements are rounded off in lakhs. The financial statements comply with all applicable IND AS.

SIGNIFICANT ACCOUNTING POLICY

1. PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, Plant and Equipment up to March 31, 2015 were carried in the balance sheet in accordance with Indian GAAP. The company has elected to avail the exemption granted by IND AS 101, "First time adoption of IND AS" to regard those amounts as deemed cost at the date of the transition to IND AS (i.e. as on April 1, 2015).

PPE are stated at their original cost of acquisition less accumulated depreciation. The cost includes cost of subsequent improvements thereto including taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets concerned. Advances paid towards acquisition of assets, outstanding at each balance sheet date are shown under capital advances. The cost of fixed assets not ready for its intended use on such date is disclosed as Capital work-in-progress.

Spares parts, stand-by equipments and servicing equipments procured along with the Plant & Machinery or subsequently which meets the recognition criteria, are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced

Note to Financial Statements for the year ended March 31, 2022

is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as “stores & spares” forming part of the inventory.

If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/inspection is used as an indication of what the cost of the existing part/inspection component was when the item was acquired or inspection carried out.

Depreciation is provided on a Straight Line Method (‘SLM’) over the useful life of the assets as per Companies Act 2013/management’s estimates. Depreciation for assets purchased/sold during a period is proportionately charged. Pursuant to this policy, the rates of depreciation determined by the Management are as set out below:

Assets	Rates of Dep.
Land	0%
Aprons	19%
Roads, Bridges & Culverts (Carpeted)	19%
Roads, Bridges & Culverts (Non-Carpeted)	31.67%
Building Terminal/Other Buildings	3.17%
Buildings – Temporary	31.67%
Boundary Wall	3.17%
Computers & I.T. Hardware & Access	31.67%
Computers & I.T. – Servers	15.83%
Plant and Machinery/X-Ray Baggage System	6.33%
Tools & Equipments/Office Appliances	19%
Furniture and Fixtures Office/Other Than Office	9.50%
Vehicles – Cars & Jeeps/Motor Cycles	11.88%/9.50%
Electrical Installations & Equipment	9.50%

Also the useful life of fixed assets has been taken different life as defined above as per the management estimates due to the nature of such asset.

The assets having a cost of ₹5000 or less are charged off to expenditure in the year of payment.

Residual value of an asset is taken 5% of the original cost of the asset.

Depreciation method, useful lives and residual values are reviewed periodically, including at each financial year end.

2. INTANGIBLE ASSETS AND DEPRECIATION

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Intangible assets are recognized only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise. Computer software licenses are capitalized on the basis of costs incurred to acquire and put to use the specific software. Operating software is capitalized and amortized along with the related fixed asset.

The depreciable amount of an intangible asset with a finite useful life shall be allocated on a systematic basis over its useful life. Amortization shall begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortization method used shall reflect the pattern in which the asset’s future economic benefits are expected to be consumed by the entity. If that pattern cannot be determined reliably, the straight-line method shall be used. Useful life has been taken based on the estimates determine by the management.

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits



Note to Financial Statements for the year ended March 31, 2022

- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss.

During the period of development, the asset is tested for impairment annually.

3. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

4. FINANCIAL ASSETS

A financial asset includes inter-alia any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial assets or to exchange financial asset or financial liability under condition that are potentially favourable to the Company. A financial asset is recognized when and only when the Company becomes party to the contractual provisions of the instrument.

Financial assets of the Company comprise cash and cash equivalents, Bank Balances, Advances to employees/contractors, security deposit, claims recoverable etc.

a. Classification

The Company classifies its financial assets in the following categories:

- i. at amortized cost,
- ii. at fair value through other comprehensive income (OCI), and
- iii. at fair value through profit or loss

The classification depends on the following:

- (a) The entity's business model for managing the financial assets and
- (b) The contractual cash flow characteristics of the financial asset.

b. Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value and in the case of financial assets not recorded at fair value through profit or loss, transaction

Note to Financial Statements for the year ended March 31, 2022

costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit or Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in Statement of Profit or Loss and in other cases spread over life of the financial instrument using effective interest rate method.

The company measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

c. Subsequent measurement

After initial measurement, financial assets classified at amortised cost are subsequently measured at amortised cost using EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

Financial assets at fair value through other comprehensive income are at each reporting date at fair value. Fair value changes are recognized in OCI. However, the company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the income statement. On de-recognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to income statements.

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the income statement.

d. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

e. Impairment of financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as impairment gain or loss in profit or loss.

5. STORES / SPARES

Stores/spares other than recognized as property, plant & Equipments are treated as inventory, which are charged to the Statement of Profit and Loss as and when they are consumed.

The costs of purchase consist of the purchase price including duties and taxes (other



Note to Financial Statements for the year ended March 31, 2022

than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the acquisition. Trade discounts, rebates, duty drawbacks and other similar items are deducted in determining the costs of purchase.

The balance of inventory at the end of year, if any, is valued on First in First out basis.

6. REVENUE RECOGNITION

Effective from April 1, 2018, Ind-AS 115 has been notified by MCA which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. CHIAL has adopted Ind AS 115 from 1st April 2018 using the modified approach.

- Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.
- The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:
 1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the company performs; or
 2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
 3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

- The company uses Input/output Method to measure an entity's progress towards

complete satisfaction of a performance obligation satisfied over time.

- Revenue is measured based on the transaction price, which is updated at each reporting period. It is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Aeronautical Revenue includes revenue from all regulated charges levied at CHIAL i.e. Parking Charges, User Development Fee, and Cargo (X-Bis Screening Charges) are being recognized at the rates prescribed by Airport Economic Regulatory Authority (AERA) & Common user terminal equipment charges (CUTE) and Baggage reconciliation system (BRS) fee are recognized as per the contract rates. Extension of Watch hours is charged as per applicable rates. User Development Fees is recognized in respect of each embarking passenger at a specified rate as approved by AERA.

Non-Aeronautical Revenue means all revenue streams other than Aeronautical Revenue. The same consists of (i) revenue from concessions (ii) rents and land leases; (iii) food and beverage concessions; (iv) utility charges; and (v) other non-aviation related charges are recognized based on the terms of contractual agreement.

Interest is recognised using the time proportion method based on rates implicit in the transaction. Award fees and tender fees are recognised on an accrual basis in accordance with the terms of the relevant arrangement.

7. RETIREMENT AND OTHER EMPLOYEE BENEFITS

The employees on the roll of the company are on deputation/cost reimbursement basis from Airports Authority of India (AAI). The statutory deductions towards retirement benefits in respect of these employees are remitted to AAI.

Note to Financial Statements for the year ended March 31, 2022

The cost of deployment on cost reimbursement basis from AAI has been booked based on gross amount reimbursable to AAI in respect of those employees. The liability for retirement and other employee benefits are booked in AAI books for these employees.

8. LEASES

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the estimated useful life of the assets. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease rental liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under

residual value guarantees. The Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets

The Company applies the short-term lease and low-value assets recognition. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership and an operating lease is a lease other than a finance lease.

Whether a lease is a finance lease or an operating lease depends on the substance of the transaction rather than the form of the contract. Examples of situations that individually or in combination would normally lead to a lease being classified as a finance lease are:

- (a) The lease transfers ownership of the asset to the lessee by the end of the lease term;
- (b) The lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised;
- (c) The lease term is for the major part of the economic life of the asset even if title is not transferred;
- (d) At the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset; and
- (e) The leased assets are of such a specialised nature that only the lessee can use them without major modifications

Lease income from operating leases is recognized in income on a straight-line basis over the lease term of relevant lease.



Note to Financial Statements for the year ended March 31, 2022

9. TAXES

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer

probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

10. EARNINGS PER SHARE

The basic and diluted earnings per share are computed by dividing the net profit/loss after tax, attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

11. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

12. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle

Note to Financial Statements for the year ended March 31, 2022

- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

13. PROVISIONS AND CONTINGENT LIABILITIES

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability

Contingent liability is meant for claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability to be incurred, and the amount can be estimated reliably.

14. IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

15. INVESTMENTS

Long-term investments are carried at cost less provision for diminution, other than temporary diminution in the value of the investments.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

16. GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. Government grants are recognised in



Note to Financial Statements for the year ended March 31, 2022

the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

17. USE OF ESTIMATES

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Note 17.1 Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects

are disclosed in the notes to the financial statements.

17.1 Critical accounting estimates

The following are the critical judgements that the Company has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement. The following are the estimates used during the year.

Property, Plant and Equipment: Property, plant and equipment represent a significant proportion of asset base of the company. The charge in respect of periodic depreciation is derived after determining the estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by Schedule II of Companies Act 2013.

Provisions: Provisions are determined based on management estimate required to settle the obligation at the balance sheet date.

Contingent liabilities: Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets: Contingent assets are disclosed on the basis of judgment of management/independent experts.

The notes referred to above form an integral part of the standalone financial statements

For Balwinder Associates
Chartered Accountants

Sd/-
(CA Gaurav Thapar)
Partner
M No. 095710
FRN 014822N
Place : Mohali
Date : 16.08.2022
UDIN : 22095710APDYEF3295

For and on behalf of the Board of Directors

Sd/-
(Rakesh Ranjan Sahay)
CEO

Sd/-
(R. K. Das)
CFO

Sd/-
(K. Vinayak Rao)
Chairman

Sd/-
(Avneet Kaur)
Company Secretary

Notes forming part of the financial statements

2. PROPERTY, PLANT AND EQUIPMENT

(INR in lakhs)

Particulars	Gross carrying value as at April 1, 2021	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2022	Accumulated depreciation as at April 1, 2021	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2022	Net Block as at March 31, 2022
Land	45,318.73	-	-	45,318.73	-	-	-	-	45,318.73
Building Terminal/Other Buildings	29,875.34	281.08	-	30,156.42	5,115.48	950.37	-	6,065.85	24,090.57
Building Temporary	144.66	-	-	144.66	113.39	-	-	113.39	31.27
Roads, Bridges & Culverts -(Carpeted)	8,138.88	1,325.60	-	9,464.48	6,011.87	575.24	-	6,587.11	2,877.37
Roads, Bridges & Culverts-Non-Carpeted-CISF Security	41.25	-	-	41.25	39.18	-	-	39.18	2.06
Computers & I.T. Hardware & Access	103.65	4.71	-	108.36	88.72	7.47	-	96.19	12.17
Computers & I.T. - Servers	183.03	16.52	-	199.55	157.74	17.10	-	174.84	24.71
Plant & Machinery-Equipments-freehold	8,391.94	182.68	5.80	8,568.83	1,967.02	573.03	0.19	2,539.87	6,028.97
Tools & Equipments	80.79	-	-	80.79	45.28	5.64	-	50.92	29.87
Furniture & Fixtures	825.08	-	-	825.08	401.97	78.36	-	480.33	344.75
Electrical Installations & Equipment	7,281.76	762.87	-	8,044.62	3,583.18	723.41	-	4,306.59	3,738.04
Motor Vehicles - Security	0.83	-	-	0.83	0.37	0.10	-	0.47	0.35
Cars & Jeeps - Security	15.33	-	-	15.33	2.47	1.82	-	4.29	11.04
Office Equipments	15.19	3.96	-	19.15	7.11	2.79	-	9.90	9.25
Total	1,00,416.45	2,577.42	5.80	1,02,988.08	17,533.79	2,935.33	0.19	20,468.93	82,519.15

2.1 During the current year 2021-22 company has forfeited the withheld amount of ₹579509.45 (USD 7646 @75.7925) on account of local supply of agency W.R.T. imported items. The same has been reduced from the total cost of Plant & Machinery Equipments - freehold as adjustment in the current year. The depreciation claimed on such recovered amount in P.Y. 2020-21 of ₹19004.73 has been shown as adjustment from current year depreciation.

2.2 During the current year 2021-22 company has capitalised Biometric Access Control System classified under Property Plant & Equipment of amount ₹182.68 lakhs. The useful life of the plant has been considered as 6 years instead of normal useful life of plant and machinery due to the nature of the plant as mentioned in the significant accounting policies of the company.

Notes forming part of the financial statements

2. Property, Plant and Equipment (Contd.)

(INR in lakhs)

Particulars	Gross carrying value as at April 1, 2020	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2021	Accumulated depreciation as at April 1, 2020	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2021	Net Block as at March 31, 2021
Land	45,318.73	-	-	45,318.73	-	-	-	-	45,318.73
Building Terminal/Other Buildings	29,389.83	485.51	-	29,875.34	4,176.25	939.22	-	5,115.48	24,759.87
Building Temporary	144.66	-	-	144.66	105.65	7.75	-	113.39	31.27
Roads, Bridges & Culverts - (Carpeted)	6,462.11	1,676.77	-	8,138.88	5,206.52	805.35	-	6,011.87	2,127.01
Roads, Bridges & Culverts-Non-Carpeted-CISF Security	41.25	-	-	41.25	39.18	-	-	39.18	2.06
Computers & I.T. Hardware & Access	103.65	-	-	103.65	81.73	6.99	-	88.72	14.93
Computers & I.T. - Servers	183.03	-	-	183.03	128.76	28.98	-	157.74	25.29
Plant & Machinery-Equipments-freehold	6,024.37	2,386.85	19.27	8,391.94	1,517.09	469.20	19.27	1,967.02	6,424.92
Tools & Equipments	80.02	0.78	-	80.79	36.97	8.31	-	45.28	35.51
Furniture & Fixtures	823.78	1.30	-	825.08	323.65	78.32	-	401.97	423.11
Electrical Installations & Equipment	7,203.92	77.84	-	7,281.76	2,881.38	701.79	-	3,583.18	3,698.58
Motor Vehicles - Security	0.83	-	-	0.83	0.27	0.10	-	0.37	0.46
Cars & Jeeps - Security	16.97	-	1.64	15.33	1.51	2.00	1.05	2.47	12.86
Office Equipments	14.89	0.30	-	15.19	4.28	2.83	-	7.11	8.08
Total	95,808.02	4,629.35	20.91	1,00,416.45	14,503.24	3,050.87	20.32	17,533.79	82,882.66

2.3 Electrical Installation has been restated as Electrical Installations & Equipment for P.Y. 2020-21.

2.4 Company has sold PBB in FY 2019-20 but the accumulated depreciation of ₹19.27 lakhs has been corrected in FY 2020-21. However, no financial impact in FY 19-20 as well as in FY 20-21.



Notes forming part of the financial statements

3. CAPITAL WORK- IN- PROGRESS

(INR in lakhs)

Particulars	Balance as at April 1, 2021	Additions/Adjustments during the year	Capitalized during the year	Balance as at March 31, 2022
Civil & Other Works*	1,664.24	1,638.12	2,540.85	761.51
Total	1,664.24	1,638.12	2,540.85	761.51

3. CAPITAL WORK- IN- PROGRESS

(INR in lakhs)

Particulars	Balance as at April 1, 2020	Additions/Adjustments during the year	Capitalized during the year	Balance as at March 31, 2021
Civil & Other Works**	2,612.80	3,649.57	4,598.14	1,664.24
Total	2,612.80	3,649.57	4,598.14	1,664.24

3.1 * Civil & Other Works as on 31.03.2022 pertains to followings:

1. View cutter on fly over at departure area ₹19.49 lakhs
2. Construction of Cargo Complex ₹742.02 lakhs

3.2 ** Civil & Other Works as on 31.03.2021 pertains to followings:

1. Additional CISF Barrack ₹221.60 lakhs
2. CAT-I Lighting System At Runway -11 Side ₹140.84 lakhs
3. Construction of Southern Taxi Way ₹950.49 lakhs
4. Ground Lighting Facility for Southern Taxi Way ₹36.81 lakhs
5. Merging Edges of New Apron With Taxiway J Link In Operational Area ₹25.36 lakhs
6. Construction of Cargo Complex ₹288.06 lakhs
7. Procurement of Network Component Single Mode Fiber and Switch ₹1.08 lakhs

3.3 Disclosures in respect of Capital Work in Progress as per Division II to Schedule III

An analysis of age of capital work in progress at each reporting date is summarized as follows:

CWIP Ageing Schedule as on 31/03/2022

CWIP	AMOUNT IN CWIP FOR A PERIOD OF				TOTAL
	LESS THAN 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
PROJECTS IN PROGRESS	19.49	-	-	-	19.49
PROJECTS IN PROGRESS - CARGO	453.98	288.05	-	-	742.02
TOTAL	473.46	288.05	-	-	761.51

CWIP Ageing Schedule as on 31/03/2021

CWIP	AMOUNT IN CWIP FOR A PERIOD OF				TOTAL
	LESS THAN 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
PROJECTS IN PROGRESS	1,353.65	22.54	-	-	1,376.19
PROJECTS IN PROGRESS - CARGO	288.05	-	-	-	288.05
TOTAL	1,641.70	22.54	-	-	1,664.24



Notes forming part of the financial statements

- 3.4 During the year current year 2021-22 and previous year 2020-21 no projects forming part of CWIP have become overdue compared to their original plans and no project cost has exceeded compared to original plans.
- 3.5 During the year current year 2021-22 and previous year 2020-21 no intangible assets under development were forming part of capital work in progress
- 3.6 The disclosure of ageing of CWIP ageing for P.Y. 2020-21 has been added as per the amendments made in the Schedule III

4. INTANGIBLE ASSETS OTHER THAN GOODWILL

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Computer Software		
Opening balance	27.30	27.30
Addition during the year	3.66	-
Deletion during the year	-	-
Closing balance	30.96	27.30
Accumulated Amortization	7.59	2.31
Addition during the year	5.43	5.28
Deletion during the year	-	-
Closing balance	13.02	7.59
Net Block	17.94	19.70

5. RIGHT TO USE ASSET

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	105.68	105.68
Addition during the year	-	-
Deletion during the year	-	-
Closing balance	105.68	105.68
Accumulated Amortization	21.71	15.02
Addition during the year	6.69	6.69
Deletion during the year	-	-
Closing balance	28.40	21.71
Net balance	77.28	83.97

6. OTHER NON CURRENT FINANCIAL ASSETS

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits Receivable- Others	32.94	32.94
Bank Deposits (remaining maturity of more than 12 months)	140.00	-
Total	172.94	32.94

Notes forming part of the financial statements

- 6.1 No lien on Fixed Deposits as on 31.03.2022
- 6.2 Company have reclassified the amount of security deposit receivable-others from loans to other non-current financial assets in line with Schedule III for FY 2020-21. Company have not performed the discounting of the same as expected date of refund is not ascertainable.
- 6.3 Fixed Deposits & Embarked Balances have been restated as Bank Deposits

7. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax assets and liabilities are attributable to the following:

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liability		
Property, plant and equipment and intangible assets	(1,878.36)	(1,672.09)
Right to use and lease liability	(12.00)	(8.74)
Sub Total	(1,890.36)	(1,680.83)
MAT Credit Entitlement		
MAT Credit	1,242.43	1,637.18
Sub Total	1,242.43	1,637.18
Net Deferred Tax Assets/(Liability)	(647.93)	(43.65)

7.1 Movement in deferred tax balances during the year ending March 31st 2022

(INR in lakhs)

Particulars	Balance as at April 1, 2021	Recognised in profit & loss	Balance As at March 31, 2022
Property, plant and equipment and intangible assets	(1,672.09)	(206.28)	(1,878.36)
Right to use and lease liability	(8.74)	(3.26)	(12.00)
Total	(1,680.83)	(209.53)	(1,890.36)

7.2 Movement in deferred tax balances during the year ending March 31st 2021

(INR in lakhs)

Particulars	Balance as at April 1, 2020	Recognised in profit & loss	Balance As at March 31, 2021
Property, plant and equipment and intangible assets	(1,394.48)	(277.61)	(1,672.09)
Right to use and lease liability	(5.66)	(3.08)	(8.74)
Total	(1,400.14)	(280.69)	(1,680.83)

7.3 Tax recognised in Statement of profit and loss

(INR in lakhs)

Particulars	For the year Ended March 31, 2022	For the year Ended March 31, 2021
Current income tax		
Current year	1,268.48	445.20
Less: Adjustment of Tax For Previous Year	0.10	-
Less: MAT Credit	-	-
Sub Total (A)	(1,268.58)	(445.20)



Notes forming part of the financial statements

7.3 Tax recognised in Statement of profit and loss (Contd.)

(INR in lakhs)

Particulars	For the year Ended March 31, 2022	For the year Ended March 31, 2021
Deferred tax expense		
Origination and reversal of temporary differences	(209.53)	(280.69)
Sub Total (B)	(209.53)	(280.69)
Total (A+B)	(1,478.11)	(725.90)

7.4 Reconciliation of effective tax rates

(INR in lakhs)

Particulars	For the year Ended March 31, 2022	For the year Ended March 31, 2021
Profit before tax	5,046.71	2,202.42
Enacted tax Rate*	29.12%	29.12%
Computed Expected Tax Expenses	1,469.60	641.35
Tax Effect of :		
MAT payment	-	-
Disallowances under income taxes	25.78	20.78
Profit on sale of Fixed Assets	-	(0.54)
Impact of depreciation	(205.47)	(209.30)
Allowances under income taxes	(21.43)	(7.09)
Current Tax Provisions (A)	1,268.48	445.20
Current year tax losses for which no deferred tax asset recognised		
Deferred tax for the temporary differences		
Effect of change in tax rate*		
Recognition of deferred tax asset on brought forward losses		
Deferred Tax Provision (B)	-	-
Tax Expenses recognised in profit and loss (A+B)	1,268.48	445.20

* Enacted tax rate for current year is 25% tax rate plus 12% surcharge plus 4% cess and for previous year 25% tax rate plus 12% surcharge plus 4% cess

8. INVENTORY

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Stores & Spares	6.66	7.23
Total	6.66	7.23

8.1 Physical verification of the stores & spares as on 31.03.2021 have been carried out by the independent auditor and no discrepancy have been reported.

9. TRADE RECEIVABLES

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables- Secured- Considered Good	392.05	359.35
Trade receivables- Unsecured- Considered Good	125.74	297.45
Less : Provision For Expected Credit Loss	(16.75)	-
Total	501.05	656.80

9.1 In the opinion of the company, trade receivables as stated in the accounts will be realized in the ordinary course of business.

Notes forming part of the financial statements

10. CASH & CASH EQUIVALENTS

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks	15.94	15.29
Bank Deposits (Original maturity less than 3 months)	570.00	1,198.00
Total	585.94	1,213.29

10.1 Bank Deposits (with original maturity of less than 3 months) for P.Y. 2020-21 have been restated from ₹868.00 lakhs to ₹1198.00 lakhs as per the disclosure requirement of IND AS.

10.2 Fixed Deposits & Embarked Balances have been restated as Bank Deposits .

11. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank balances other than above		
Bank Deposits (original maturity of More than 3 months but less than 12 months)	16,638.84	17,192.82
Bank Deposits (Original maturity of More than 12 months)	6655.39	1,213.40
Total	23,294.23	18,406.22

11.1 No lien on Fixed Deposits as on 31.03.2022.

11.2 Bank Deposits for P.Y. 2020-21 of ₹1213.40 lakhs have been reclassified from original maturity of more than 3 months but less than 12 months to original maturity of more than 12 months as per the requirement of IND AS.

11.3 Fixed Deposits & Embarked Balances have been restated as Bank Deposits.

12. OTHER CURRENT FINANCIAL ASSETS

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Secured, Considered good)		
Unbilled Revenue	509.07	395.99
(Unsecured, Considered good)		
Recoverable from Parties	11.91	199.52
Amount Receivables From NASFT	143.97	559.54
Interest accrued on deposits	354.29	369.30
Security Deposits Receivable- Govt.	305.24	302.54
Total	1,324.48	1,826.88



Notes forming part of the financial statements

13. CURRENT TAX ASSETS

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Tax Deducted at Source AY 2020-21 (Net of Provision for Income Tax)	-	276.04
Tax Deducted at Source AY 2021-22 (Net of Provision for Income Tax)	91.82	79.97
Tax Deducted at Source AY 2022-23 (Net of Provision for Income Tax)	5.53	-
Total	97.35	356.01

13.1 Income tax assessments upto Financial Year 2017-18 (AY 2018-19) have been completed and assessment order for the same has been received.

14. OTHER CURRENT ASSETS

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
GST Input	23.78	9.39
Prepaid Expenses	4.93	9.43
Total	28.71	18.83

15. EQUITY SHARE CAPITAL

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Share Capital		
Authorized		
1,20,00,00,000 equity shares of ₹10/- each	1,20,000.00	1,20,000.00
Issued, subscribed and fully paid		
96,94,49,405 equity shares of ₹10/- each	96,944.94	96,944.94
Total	96,944.94	96,944.94

Reconciliation of share Capital:

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
	No of Shares	No of Shares
Opening Equity Shares	96,94,49,405	96,94,49,405
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-	-
Closing balance	96,94,49,405	96,94,49,405

(INR in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
	No of Shares	No of Shares
Opening Equity Shares	96,94,49,405	96,94,49,405
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-	-
Closing balance	96,94,49,405	96,94,49,405

Notes forming part of the financial statements

Details of promoters holding more than 5% shares in the Company

Shares held by promoters at the year ended March 31, 2022			% Change during the year
Promoter name	No. of Shares	% of total shares	
Airports Authority of India (AAI)	49,44,19,195.00	51%	-
Greater Mohali Area Development Authority (GMADA)	23,75,15,105.00	24.50%	-
Haryana Shehri Vikas Pradhikaran (HSVP)*	23,75,15,105.00	24.50%	-
Total	96,94,49,405.00	100%	-

Shares held by promoters at the year ended March 31, 2021			% Change during the year
Promoter name	No. of Shares	% of total shares	
Airports Authority of India (AAI)	49,44,19,195.00	51%	-
Greater Mohali Area Development Authority (GMADA)	23,75,15,105.00	24.50%	-
Haryana Shehri Vikas Pradhikaran (HSVP)*	23,75,15,105.00	24.50%	-
Total	96,94,49,405.00	100%	-

15.1 * Erstwhile Haryana Urban Development Authority (HUDA).

15.2 Disclosure with respect to Shareholding of Promoters has been restated for the P.Y. 2020-21 as per amendments made to Schedule III.

16. OTHER EQUITY

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings		
Opening Balance	5,372.31	3,895.78
Dividend paid during the year	(2,908.35)	-
₹0.15 per share for 96,94,49,405 shares (F.Y. 2020-21)		
₹0.15 per share for 96,94,49,405 shares (F.Y. 2021-22)		
Surplus/(Deficit) in Statement of Profit and Loss	3,568.60	1,476.53
Total	6,032.56	5,372.31

17. BORROWINGS

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Others Loans	-	-
Total	-	-

18. LEASE LIABILITIES

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liability	16.25	36.08
Total	16.25	36.08

18.1 Lease Liability has been reclassified from Other Current Financial Liabilities and disclosed as a separate line item for the previous year 2020-21 as per the amendments made to Schedule III.



Notes forming part of the financial statements

19. OTHER NON-CURRENT FINANCIAL LIABILITIES

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	1,584.38	569.48
Total	1,584.38	569.48

20. OTHER NON-CURRENT LIABILITIES

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Fair Valuation Gain - Security Deposits	454.72	156.16
Total	454.72	156.16

21. LEASE LIABILITIES

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liability	19.83	17.87
Total	19.83	17.87

21.1 Lease Liability has been reclassified from Other Non Current Financial Liabilities and disclosed as a separate line item for the previous year 2020-21 as per the amendments made to Schedule III.

22. OTHER CURRENT FINANCIAL LIABILITIES

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	1,384.91	2,118.05
Airports Authority of India	727.87	66.82
AAI Cargo Logistics & Allied Services Company Ltd	62.94	59.47
Liability of Pay & Allowances	6.21	6.71
Expenses Payable	614.51	854.08
Withheld**	138.62	317.40
Total	2,935.06	3,422.53

22.1 **Amounts withheld includes amounts deducted and will be payable after fulfilment of the contractual obligation to capital creditors as well as other suppliers in the normal course of business.

22.2 Trade Payables includes Airports Authority of India, AAI Cargo logistics & Allied Services Company Ltd., Liability for pay & allowances and expenses payable.

22.3 Refer note no. 31.3 (c) under liquidity risk for ageing of trade payables.

23. OTHER CURRENT LIABILITIES

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Duties & Taxes	126.76	92.61
Deferred Fair Valuation Gain - Security Deposits	25.16	91.88
Deferred Revenue- Government Grant	563.00	281.00
Government Grant- Interest Refundable	11.24	32.62
Other liabilities	0.10	0.08
Total	726.26	498.20

Notes forming part of the financial statements

23.1 Duties & Taxes of the Current Year includes statutory liabilities of ₹27.21 lakhs (PY 13.68 lakhs) on account of TDS, ₹99.55 lakhs (PY 78.54 lakhs) on account of GST, ₹ 0 (PY 0.30 lakhs) on account of Labour Cess payable & ₹ 0 (PY ₹0.09 lakhs) on account of TCS on car parking.

23.2 Other liabilities in current financial year is mainly on account of liability for Lost & Found.

24. CURRENT PROVISIONS

(INR in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other provisions*	25.31	107.55
Total	25.31	107.55

24.1 * A Power Purchase agreement dated 12.07.2016 was executed between CHIAL and M/s Renew Solar Power Private Limited for installation of Solar Power Plant of 5 MWp which will be executed in two phases. In Phase I, plant with capacity of 3 MWp will be installed and balance 2 MWp will be installed on the requirement basis in future. Due to pending approval of NET METERING with Punjab State Power Corporation Limited (PSPCL), the agency conveyed that they are not able to generate solar power at full capacity. Therefore M/s Renew Solar Power Private Limited has claimed for the full amount as per plant capacity and convey that they are deprived of utilisation of plant at its full capacity resulting in loss of generation because of restrictions and therefore underutilized capacity may be considered as deemed power generation. The amount claimed by M/s Renew Solar Power Private Limited towards deemed power generation amounting to ₹3.21 crores whereas CHIAL has acknowledged and paid for in respect of energy actually being consumed. In this regard, Dispute Resolution Committee (DRC) was formed on request of agency i.e. M/s Renew Solar Power Private Limited and after detailed deliberation DRC has given a decision on the methodology for acceptance of claim which is 50% of the amount worked out and certified by Engineer-in-charge in respect of claim of deemed loss generation, subject to approval of competent authority. The claim submitted by M/s Renew Solar Power Private Limited has been scrutinized by the Engineer in Charge and amount payable worked out to ₹1.07 crores which will be submitted to the competent authority after acceptance of claim by agency. In this regard, agency has expressed disagreement on the acceptance of ₹1.07 crores as full claim and submitted that amount of ₹1.07 crores as interim payment and recommended that the same period of actual solar generation with net metering may be taken as base and thereafter final figure may be released. The proposition of the agency is accepted by CHIAL subject to maximum ceiling decided by DRC. The agency has also agreed for not to levy any interest on claim amount i.e. 50% of the applicable interest included in their original claim of ₹3.21 crores. Now in this F.Y 2021-22 the amount of ₹1.07 Crore, which was already shown as provision in the F.Y 2019-20 was paid to the party in F.Y. 2021-22 & the balance amount of maximum ceiling which was shown as contingent liability i.e. ₹0.30 crores in the previous year 2020-21, amount of ₹0.25 crores (full & final settlement) has been acknowledged as current liability in the F.Y. 2021-22 and shown under the head current provisions and expensed off as Electricity Charges in Statement of Profit & Loss. The same is in line with IND AS-37-Provisions, Contingent Liabilities and Contingent Assets as well as IND-AS 10 Events after Reporting Period.



Notes forming part of the financial statements

25. REVENUE FROM OPERATIONS

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of services		
I. Aeronautical Revenue		
Parking & Housing	32.89	36.86
User Development Fees	6537.00	3,787.99
Extension of Watch hours	-	3.24
Ground Handling Services	141.15	53.33
Baggage Reconciliation System Charges	25.73	11.76
Common User Terminal Equipment Charges	194.86	113.96
Cargo Revenue	92.49	46.18
Total	7024.12	4,053.31
II. Non-aeronautical Revenue		
Admission Fees/Commercial Passes	12.26	9.14
Car Parking	202.38	165.02
Rent & Services	1,020.75	1,200.05
Trading Concession	1,161.42	777.60
Food & Beverages*	438.40	304.80
In-Flight Catering Service	33.47	15.84
Hoarding & Display**	263.74	187.86
Other Misc. Revenues	-	2.13
Total	3132.40	2,662.43
Total (I+II)	10156.52	6,715.75

25.1* Income from Restaurants/Snack bars and Staff Canteen License Fee ₹300.91 lakhs and ₹3.90 lakhs (Both for FY 2020-21) have been regrouped from Trading Concession to Food & Beverages.

25.2** Income from Hoarding & Display of ₹187.86 lakhs (for FY 2020-21) has been regrouped from Other Misc. Revenue to Hoarding & Display

26. OTHER INCOME

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Term Deposits	1,023.83	902.29
Interest from Income Tax Department	27.64	90.56
Profit on Sale of Fixed Asset	-	1.86
Fair Valuation Gain	227.23	117.76
Miscellaneous Income	135.06	37.36
Total	1413.76	1,149.82

Notes forming part of the financial statements

27. EMPLOYEE BENEFIT EXPENSES

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Pay & Allowances	67.34	72.50
Contribution to Provident Fund and other funds	10.98	13.14
Cost of Staff Deployment of AAI	911.53	466.74
Total	989.85	552.38

28. FINANCE COST

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest due to fair valuation		
- Security Deposit	227.23	117.76
- Lease	4.37	5.70
Total	231.60	123.46

29. DEPRECIATION AND AMORTIZATION EXPENSES

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Tangible assets	2,935.14	3,050.87
Amortisation on Intangible assets	5.43	5.28
Depreciation on Right to use assets	6.69	6.69
Total	2,947.27	3,062.84

30. OTHER EXPENSES

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating Expenses		
Repair & Maintenance		
- Civil	257.57	274.63
- Electrical	256.49	197.96
- Security Equipment & Furniture	246.53	62.65
- Electronics & IT Infrastructure	1.41	1.86
Housekeeping & Cleaning Works	373.92	373.63
Advertisement & Publicity	0.44	0.38
Consumption of Stores & Spares	29.73	54.18
Electricity & Water Charges	511.30	393.25
E-POS charges	3.25	1.82
Facilitation Expenses	59.30	59.31
Hire Charges - Others	186.90	139.75
Collection Charges on UDF	34.40	20.47
Subscription (Professional bodies)	15.46	19.02
Screening Expenses	118.68	103.31
Medical Room Expenses	40.95	17.70



Notes forming part of the financial statements

30. OTHER EXPENSES (CONTD.)

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Security Expenses		
Pay & Allowances and Other Staff Cost	0.91	69.84
Other Administrative Expenses		
Postage, Telegram, Telex	0.04	0.10
Printing & Stationery	4.93	4.29
Telephone Charges	4.95	3.41
Travelling Expenses	5.04	3.88
Consultancy Charges	29.62	41.79
Insurance Expense	3.03	2.80
Provision For Expected Credit Loss	16.75	-
Payment to Auditors		
- Audit Fee - Statutory Audit	1.00	1.00
- Audit Fee - Other Audit	2.45	2.00
Training & Seminar Expenses	0.37	0.18
Other Fees	0.50	0.10
Miscellaneous Office Expenses	4.44	2.48
Rent, Rates & Taxes	77.12	7.00
Corporate Social Responsibility	63.13	65.67
Foreign Currency Fluctuation	4.28	-
Total	2,354.86	1,924.46

31. DISCLOSURES IN RESPECT OF IND AS 107 - FINANCIAL INSTRUMENTS

31.1 Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

(INR in lakhs)

Particulars	March 31, 2022			Total carrying value	Total fair value
	Amortized cost	Fair Value			
		Through Other Comprehensive Income	Through Profit or Loss		
Financial Assets:					
Cash & Cash Equivalents	585.94	-	-	585.94	585.94
Bank balances other Cash & Cash Equivalents	23,434.23	-	-	23,434.23	23,434.23
Trade Receivable	501.05	-	-	501.05	501.05
Security Deposits Receivable - Others	32.94	-	-	32.94	32.94
Other Financial Assets	1,324.48	-	-	1,324.48	1,324.48
Total Financial Assets	25,878.63	-	-	25,878.63	25,878.63
Financial Liabilities:					
Lease liability	36.08	-	-	36.08	36.08
Security Deposits (except deferred fair valuation portion)	2,969.29	-	-	2,969.29	2,969.29
Other Financial Liabilities	1,550.14	-	-	1,550.14	1,550.14
Total Financial Liabilities	4,555.51	-	-	4,555.51	4,555.51

Notes forming part of the financial statements

31. DISCLOSURES IN RESPECT OF IND AS 107 - FINANCIAL INSTRUMENTS (CONTD.)

(INR in lakhs)

Particulars	March 31, 2021			Total carrying value	Total fair value
	Amortized cost	Fair Value			
		Through Other Comprehensive Income	Through Profit or Loss		
Financial Assets:					
Cash & Cash Equivalents	1,213.29	-	-	1,213.29	1,213.29
Bank balances other Cash & Cash Equivalents	18,406.22			18,406.22	18,406.22
Trade Receivable	656.80	-	-	656.80	656.80
Security Deposits Receivable - Others	32.94			32.94	32.94
Other Financial Assets	1,826.88	-	-	1,826.88	1,826.88
Total Financial Assets	22,136.12	-	-	22,136.12	22,136.12
Financial Liabilities:					
Lease liability	53.95			53.95	53.95
Security Deposits (except deferred fair valuation portion)	2,687.53	-	-	2,687.53	2,687.53
Other Financial Liabilities	1,304.48	-	-	1,304.48	1,304.48
Total Financial Liabilities	4,045.96	-	-	4,045.96	4,045.96

31.2 Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- Level 2 - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table present fair value hierarchy of assets and liabilities measured at fair value :- (INR in lakhs)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique	Key inputs and Significant unobservable inputs
As at March 31, 2022						
Financial Liabilities at amortised cost:						
Security Deposits	-	2,969.29	-	2,969.29	By using the discounted cash flow method	Valued at MCLR rate of SBI as on 01/04/2021- 7.30%
As at March 31, 2021						
Financial Liabilities at amortised cost:						
Security Deposits	-	2,687.53	-	2,687.53	By using the discounted cash flow method	Valued at MCLR rate of SBI as on 01/04/2020- 8.05%



Notes forming part of the financial statements

Fair value of financial assets and financial liabilities measured at amortized cost :-

(INR in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount before fair value	Fair value	Carrying Amount before fair value	Fair value
Financial Liabilities:				
Security Deposit	3,449.17	2,969.29	2,935.57	2,687.53

The carrying amount of financial instruments other than security deposits such as trade receivables, cash and cash equivalent, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature, absence of any transaction cost etc.

31.3 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk- Interest rate	No such significant risk		
Credit risk	Cash and cash equivalents, trade receivables	Ageing analysis	Diversification of bank deposits in public sector banks and trade debtor are secured by security deposit or bank guarantee etc.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Maintaining adequate cash and cash equivalent
Market Risk- Foreign exchange	Financial liabilities not denominated in Indian rupees	Sensitivity Analysis	Maintaining adequate cash and cash equivalent. However, No such significant risk

a) Market Risk

The company does not have any significant market risk.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and unbilled revenue. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

(i) Trade Receivables & Unbilled Revenue

The company has outstanding trade receivables amounting to ₹501.05 lakhs and ₹656.80 lakhs and unbilled revenue amounting to ₹509.07 lakhs and ₹395.99 lakhs as of March 31, 2022 and March 31, 2021 respectively. Trade receivables and unbilled revenue are secured either by bank guarantee or by security deposit in cash or both and are derived from revenue from customers. On account of adoption of Ind-AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

Notes forming part of the financial statements

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(INR in lakhs)

Particulars	NOT DUE	Outstanding for the year ended March 31, 2022 from the due date of payment					TOTAL
		< 6 months	6 month-1 years	1-2 years	2-3 years	> 3 years	
Undisputed Trade Receivables – considered good	123.77	337.47	31.26	2.54	2.87	3.35	501.25
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	1.63	6.96	7.96	-	16.54
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Sub Total	123.77	337.47	32.89	9.49	10.83	3.35	517.79
Less : Provision for Expected Credit Loss	0.14	1.40	0.68	0.34	10.83	3.35	16.75
Total	123.63	336.07	32.20	9.15	-	-	501.05

(INR in lakhs)

Particulars	NOT DUE	Outstanding for the year ended March 31, 2021 from the due date of payment					TOTAL
		< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	
Undisputed Trade Receivables – considered good	29.55	379.22	37.77	163.72	9.91	23.06	643.24
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	5.60	7.96	-	-	13.56
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Total	29.55	379.22	43.38	171.68	9.91	23.06	656.80

- Unbilled revenue outstanding as on March 31, 2022 amounted to ₹509.07 lakhs and as on March 31, 2021 amounted to ₹395.99 lakhs.
- The disclosure of ageing of Trade Receivables for P.Y. 2020-21 has been changed as per the amendments made in the Schedule III.
- Expected Credit Loss for Current year 2021-22 has been calculated using the base year as 2019-20 as during the year 2020-21 due to Covid 19 the credit period allowed to trade receivables was beyond the normal credit period. Looking Forward Adjustment Rate was taken as 5.20 % which is the retail inflation rate as measured by Consumer Price Index- Combined for 2021-22.
- Expected Credit Loss for the Previous Year 2020-21 is not calculated as during the previous year credit period allowed to trade receivables was beyond the normal credit period due to Covid-19



Notes forming part of the financial statements

(ii) Financial assets other than trade receivables and unbilled revenue

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with such banks that are majority owned by the Government of India and subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. There are no impairment provisions as at each reporting date against these financial assets. We consider all the other financial assets as at the reporting dates to be of good credit quality. The company does not hold any collateral or other enhancements to cover its credit risks associated with its other financial assets.

c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations & contribution in the form of share capital.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues and retention & deposits arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals. In the financial year 2021-22, company has not taken any loans from any of the sources. Our non-current liabilities include security deposits only.

The table below provides details regarding the discounted contractual maturities of non-derivative financial liabilities. The table includes both principal & interest cash flows.

(INR in lakhs)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
March 31, 2022						
Lease liability*	9.91	9.91	16.25	-	-	36.08
Security deposits	1,166.60	218.32	1,309.50	179.79	95.09	2,969.29
Other Financial Liabilities	1,550.14	-	-	-	-	1,550.14
Total	2,726.65	228.23	1,325.75	179.79	95.09	4,555.51
March 31, 2021						
Lease liability*	8.94	8.94	36.08	-	-	53.95
Security deposits	848.32	1,269.73	277.71	240.99	50.77	2,687.53
Other Financial Liabilities	1,304.48	-	-	-	-	1,304.48
Total	2,161.74	1,278.66	313.79	240.99	50.77	4,045.96

*Refer disclosures under Ind AS 116

Notes forming part of the financial statements

The table below provides details regarding the undiscounted contractual maturities of non-derivative financial liabilities. The table includes both principal & interest cash flows.

(INR in lakhs)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
March 31, 2022						
Lease liability*	11.38	11.38	17.28			40.03
Security deposits	1,176.73	233.34	1,620.65	250.00	168.45	3,449.17
Other Financial Liabilities	1,550.14	-	-	-	-	1,550.14
Total	2,738.25	244.72	1,637.93	250.00	168.45	5,039.35
March 31, 2021						
Lease liability*	11.12	11.12	40.03	-	-	62.28
Security deposits	851.24	1,358.69	319.48	321.77	84.39	2,935.57
Other Financial Liabilities	1,304.48	-	-	-	-	1,304.48
Total	2,166.84	1,369.81	359.51	321.77	84.39	4,302.33

*Refer disclosures under Ind AS 116

An analysis of age of trade payables at each reporting date is summarized as follows:

a) Current Trade Payables Ageing Schedule as on 31st March 2022

(INR in lakhs)

Particulars	Unbilled Amount	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
MSME	121.95	124.83	-	-	-	246.78
Others	765.28	399.47	-	-	-	1,164.75
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
Total	887.23	524.30	-	-	-	1,411.53

b) Current Trade Payables Ageing Schedule as on 31st March 2021

(INR in lakhs)

Particulars	Unbilled Amount	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
MSME	476.04	188.26	-	-	-	664.30
Others	169.44	153.34	-	-	-	322.78
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
Total	645.48	341.60	-	-	-	987.08

The disclosure of ageing of Trade Payable for P.Y. 2020-21 has been added as per the amendments made in the Schedule III

d) Market Risk- Foreign exchange

Company has exposed to foreign currency exchange risk arising due to foreign currency transaction, primarily with respect to the withheld amount (trade payables). Foreign exchange risk arises from future



Notes forming part of the financial statements

commercial transactions and recognised liabilities denominated in a currency that is not the company's functional currency. The company's exposure to foreign currency risk at the end of the reporting period expressed in INR :-

Particulars	As at 31st March 2022	
	USD in lakhs	INR in lakhs
Trade payables- Withheld		
USD- US	1.52	115.01

Particulars	As at 31st March 2021	
	USD in lakhs	INR in lakhs
Trade payables- Withheld		
USD- US	2.23	163.33

Sensitivity

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation for the period end for percentage change in foreign currency rates. A positive number below indicates an increase in profit where the INR strengthen for certain percentage against the relevant currency. For a certain percentage weakening of the INR against relevant currency, there would be a comparable impact on the profits, and the balances below would be negative.

(INR in lakhs)

Particulars	As At 31st March 2022	As At 31st March 2021
		Impact on profit
USD-US sensitivity		
INR/USD - Increase by 5%	-5.75	-8.17
INR/USD - Decrease by 5%	5.75	8.17

32. CAPITAL MANAGEMENT

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital, 2) Other Reserves comprising of Retained Earnings.

The Company's capital structure is based on the Managements assessment of the balances of key elements to ensure strategic decisions and day to day activities. The capital structure of the Company is managed with a view of the overall macro economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company.

The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary. The Company does not have any debt or financial covenants.

Notes forming part of the financial statements

33. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD (IND AS)-108: "OPERATING SEGMENTS"

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The Company is in the business of operations of the Airport at Chandigarh International Airport Limited at Mohali. Consequently, the Company does not have separate business segment.

(i) Information about major customers

If revenues from transactions with a single external customer amount to 10 per cent or more of an entity's revenues, the entity shall disclose that fact, the total amount of revenues from each such customer, and the identity of the segment or segments reporting the revenues. The same can be provided in the following format.

(INR in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
No of customers*	2	2
Total Revenue from above customers	6,099.72	3,831.74
Total Revenue	10,156.52	6,715.75
% of Total Revenue	60%	57%

* Major Customers are M/s Interglobe Aviation Limited and M/s Go Airlines India Ltd.

(ii) Geographical Information

Revenue from external customers by location of operations and information about its non current assets by location of assets are as follow :-

Particulars	Non Current Assets		Revenue from External Customers	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
India	83,375.88	84,650.58	10,156.52	6,715.75
Total	83,375.88	84,650.58	10,156.52	6,715.75

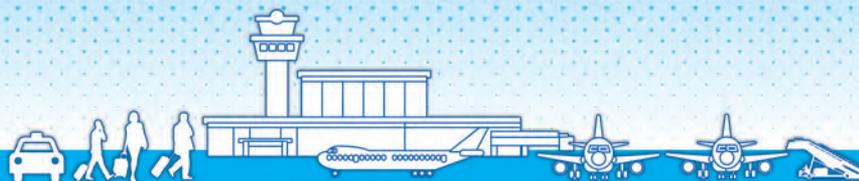
(iii) Revenue from Major products and services

Please refer note no. 25 for details of major product and services.

34. DISCLOSURES IN RESPECT OF IND AS 16 - PROPERTY PLANT & EQUIPMENT

During the current year 2021-22, the following changes were made in significant accounting policies of the company :

- Electrical Installation has been restated as Electrical Installation & Equipment as per the Companies Act, 2013.
- The useful life of fixed assets has been taken different life from the life as defined in the accounting policy as per the management estimates due to the nature of such asset. The same has also been disclosed in the significant accounting policy of the Company.



Notes forming part of the financial statements

35. DISCLOSURE IN RESPECT OF INDIAN ACCOUNTING STANDARD 24 "RELATED PARTIES DISCLOSURES"

35.1 Disclosures for Other than Govt. Related Entities

a. During the financial year, the Company had entered into related party transactions which were on arm's length basis and in the ordinary course of business.

b. List of Related Party

(INR in lakhs)

Name of related party	Type of Relationship	FY: 2021-22	FY: 2020-21
Sh. Ajay Kumar	Chief Executive Officer	✓	✓
Sh. Rakesh Dembla	Chief Financial Officer*	✓	✓
Smt. Avneet Kaur	Company Secretary	✓	✓
Airports Authority of India (AAI)	Shareholder	✓	✓
Greater Mohali Area Development Authority (GMADA)	Shareholder	✓	✓
Haryana Shehri Vikas Pradhikaran (HSVP)	Shareholder	✓	✓
AAI Cargo Logistics & Allied Services Company Ltd (AAICLAS)	Fellow Subsidiary	✓	✓

* Also Officiating Chief Executive Officer for the period 07.01.2022 to 31.03.2022 during FY 2021-22

c. Compensation of Key Managerial Personnel

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term benefits	67.34	72.50
Post-employment benefits	10.98	13.14
Total	78.32	85.64

d. Transactions with Related Parties during the year

(INR in lakhs)

FY 2021-22				
Name of Party	Issue of shares	Procurement of Assets	Staff Deployment Cost	Remittance/Others
AAI	-	-	911.53	79.94
GMADA	-	-	-	-
AAICLAS	-	-	-	118.68

d. Transactions with Related Parties during the year

(INR in lakhs)

FY 2020-21				
Name of Party	Issue of shares	Procurement of Assets	Staff Deployment Cost	Remittance/Others
AAI	-	-	466.74	19.32
GMADA	-	-	-	1.12
AAICLAS	-	-	-	103.31

e. Closing Balance

Name of Party	Balance as on March 31, 2022	Balance as on March 31, 2021
Balance Payable to AAI	727.87	66.82
Balance Recoverable from AAI*	-	186.50
Balance Payable to AAICLAS	62.94	59.47

35.2 *Out of ₹186.50 lakhs recoverable from AAI in previous year an amount of ₹175.08 Lakhs is towards service tax paid by AAI during the year 2015-16 to service tax department which has been later on recoverable from service tax department by AAI consequent to the exemption notification no. 09/2016 dated 01.03.2016 on original work with retrospective effect. In this regard, Principal Director of Audit (CAG) has issued a letter dated 10.02.2021 requested to present the case before CHIAL board and convey

Notes forming part of the financial statements

that company may made provision of ₹175.08 lakhs in the books of CHIAL & also conveyed to review the disclosure in respect of IND AS 24 (i.e. related party disclosure). Accordingly, the matter has been deliberated before the CHIAL Board in its 49th meeting regarding above and it has been decided by the board that the amount of ₹175.08 lakhs to be disclosed on the same lines of previous year Balance Sheet under the head Other Current Financial Assets i.e. recoverable from parties. The amount of ₹186.50 lakhs has been fully recovered in current year. Since the AAI is major shareholder of CHIAL therefore the same has been disclosed in compliance to the Ind AS 24.

36. Disclosure in respect of Indian Accounting standard (Ind AS) 116 and 17 "Leases"

36.1 As Lessee

(a) Description of lease arrangements:- Arrangement to supply X-Ray Baggage Machine to the company and payment will be made in a tenure of 6 years. The subject lease is a cancellable lease and it include terms such as transfer of ownership to lessee at the end of lease term & also covering major economic life of the machine. Accordingly, company has classified this lease as finance lease in FY 2018-19 as per the provisions of Ind AS 17. MCA has notified Ind AS 116 and the same is effective from April 1, 2019. CHIAL has applied the same & recognise the right to use asset and corresponding liability.

Right of use assets (Net) of ₹97.36 Lakhs and lease liabilities of ₹85.17 Lakhs have been recognised as on 1 April, 2019. There is only one class-plant and machinery for right to use assets.

(b) Maturity Analysis of lease liability

Maturity analysis has already been disclosed under the liquidity risk section in note 30.3

36.2 As lessor

a) Operating Lease

- Future minimum lease payments under non-cancellable operating leases

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Not later than 1 year	692	443
Later than 1 year and not later than 5 years	Nil	Nil
Later than 5 years	Nil	Nil

37. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS is as follows:

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit (loss) for the year, attributable to the owners of the company	3,569	1,477
Earnings used in calculation of basic earnings per share(A)	3,569	1,477
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	9,694	9,694
Basic EPS (A/B)	0.37	0.15



Notes forming part of the financial statements

b) Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of Diluted EPS is as follows:

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
For the year ended March 31, 2021	3,569	1,477
Earnings used in calculation of basic earnings per share (A)	3,569	1,477
Weighted average number of ordinary shares for the purpose of basic earnings per share (B)	9,694	9,694
Diluted EPS(A/B)	0.37	0.15

38. VALUE OF COMPONENTS, SPARE PARTS & STORES:

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Imported	-	-
(ii) Indigenous	6.66	7.23

39. STATUTORY AUDITOR REMUNERATION

(INR in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Audit Fees- Statutory Audit	1.00	1.00
Total	1.00	1.00

40. CONTINGENT LIABILITIES:

- 40.1** M/s CITCO was awarded the executive lounge on international side after operationalisation of the Airport. Thereafter, on request of CITCO, to make their project commercially viable, CHIAL considered the request and award the contract for executive lounge of Domestic as well considering that the footfall on the international side was not adequate. Later on 25.4.2018, CITCO served 30 days' notice for termination of contract of lounge on International side only and want to continue lounge for Domestic Side only which was not agreed by CHIAL as the contract for Domestic side was awarded only to compensate the losses of International side and requested to continue both the executive lounges. However, CITCO vacated International Lounge on 25.05.2018. Thereafter, CHIAL was left with no other option but to terminate the license of Domestic Lounge also. Thus, CITCO filed a Civil suit at Mohali district court of ₹1.40 crore and the same is pending for the consideration.
- 40.2** CHIAL has awarded a contract to M/s Three Vee Marketing Pvt Ltd as Master concessionaire to develop, build, finance, operate and maintain the general outlet at terminal building on 13.08.2018 for a period of 07 years. The master concessionaire has foreclosed the contract w.e.f 20.11.2020 exercising the force-majeure clause of the agreement due to global pandemic COVID-19. Three Vee Marketing Pvt Ltd. has now revoked a petition under section 9 of Arbitration and Conciliation Act with CHIAL for claiming loss of business of ₹11.37 crores due to COVID-19 and other factors. The arbitration proceeding has been started in FY 2021-22 and the same is pending for the consideration.

Notes forming part of the financial statements

41. CAPITAL COMMITMENTS

(a) Capital Commitments: Estimated amount of contracts remaining to be executed on capital account is ₹32.29 lakhs as on March 31, 2022

(b) Capital Commitments: Estimated amount of contracts remaining to be executed on capital account is ₹1387.95 lakhs as on March 31, 2021

42. GOVERNMENT GRANT

During Financial year 2018-19, Ministry of Commerce under “Trade Infrastructure for Export Scheme (TIES)” has approved government grant for project namely “Setting up of Centre for Perishable Cargo (CPC) at Chandigarh International Airport Limited” amounting to ₹563 lakhs. Out of which company had received in an amount of ₹281.00 lakhs during FY 2018-19 and ₹282.00 lakhs on FY 2021-22. CHIAL has adopted the accounting policy in compliance to IND AS 20 for setting of grant as deferred income which is recognised as income on a systematic basis over the useful life of asset. The said policy has been adopted from the year in which grant has been received. There is no unfulfilled condition and other contingencies attaching to government grant/assistance has been recognised. During the FY 2021-22, the construction of the said project is in progress and an amount of ₹742.02 Lakhs has been incurred and same is been reflected in the Capital work in progress.

43. DETAILS OF EXPENDITURE IN FOREIGN CURRENCY:-

A. In Current Year 2021-22

1. Training Expenses by Airport Council International (USD 1588.50) ₹1.22 lakhs

A. In Previous Year 2020-21

1. Supply Installation Testing & Commissioning of 02 nos of In-Line Baggage Screening Systems (USD 6,21,499.34) ₹457.11 lakhs
2. Supply installation testing commissioning of 03 nos of Passenger Boarding Bridges (PBB)and Advance Visual Docking System (AVDGS) (USD 1,22,199.71) ₹92.63 lakhs
3. Arrival & Departure survey by Airport Council International (CAD 27,183.81) ₹15.69 lakhs

44. DISCLOSURE AS PER INDIAN ACCOUNTING STANDARD (IND AS) 115 - “REVENUE FROM CONTRACTS WITH CUSTOMERS”

44.1 Revenue from Contracts with Customers:

a) Description of all the services

(i) Aeronautical Revenue

Aeronautical Revenue includes revenue from all regulated charges levied at CHIAL i.e. Parking Charges, User Development Fee, and Cargo (X-Bis Screening Charges) are being recognized at the rates prescribed by Airport Economic Regulatory Authority (AERA) & Common user terminal equipment charges (CUTE) and Baggage reconciliation system (BRS) fee are recognized as per the contract rates. Extension of Watch hours is charged as per applicable rates. User Development Fees is recognized in respect of each embarking passenger at a specified rate as approved by AERA.

(ii) Non- Aeronautical Revenue

Non-Aeronautical Revenue means all revenue streams other than Aeronautical Revenue. The same consists of (i) revenue from concessions (ii) rents and land leases; (iii) food and beverage concessions; (iv) utility charges; and (v) other non-aviation related charges are recognized based on the terms of contractual agreement.



Notes forming part of the financial statements

b) Disaggregation of revenue

- 1 Company has identified their revenue as Aeronautical revenue and Non- Aeronautical Revenue. We have disclosed the detailed disaggregation of the Company's revenue from contracts with customers in notes no. 25 " Revenue from operations.
- 2 All the companies revenue are from domestic market.
- 3 Company mainly have the revenue recognized over the period of time.

c) Trade Receivables and Contract Balances

The following table provides the information about receivables and contract liabilities from contracts with customers :-

(INR in lakhs)

Particulars	As At 31st March 2022	As At 31st March 2021
Trade Receivable (Net)- Opening	656.80	1,314.40
Additions	10213.78	7,363.17
Deletion	10,369.53	8,020.77
Closing	501.05	656.80
Contract Assets- Opening		
- Unbilled Receivables	395.99	201.81
Additions	509.07	395.99
Deletion	395.99	201.81
Closing	509.07	395.99

d) Trade receivables are non-interest bearing and are generally are on following terms :-

Aeronautical & Non-Aeronautical Revenue credit period is 10 days. However during the pandemic, board has taken various decisions in board meetings to extend relief to the concessioners including decision of extension of credit period.

e) During the year, management has not received any communication in respect of unsatisfied revenue contract.

45 As per section 135 and rules made there under of Companies Act, 2013; Company shall spend the minimum CSR expenditure amounting to ₹62.92 lakhs computed at two per cent of the average net profits of the company made during the three immediately preceding financial years in the year ended 31 March 2022 which is ₹3146.23 lakhs. Company have spend requisite amount on CSR Activities. There is no unspent amount remained during the year.

45.1 Activities on which CSR expenditure have been made:

(INR in lakhs)

FY 2021-22		
Organisation	Activity undertaken	Amount
A. Health Infra		
Nuh (Aspirational District)	Distribution of Ambulance	12.13
B. On other purposes		
Amount to be transferred to Prime Minister's National Relief Fund		51.00
TOTAL		63.13

Notes forming part of the financial statements

45.2 Activities on which CSR expenditure have been made:

(INR in lakhs)

FY 2020-21		
Organisation	Activity undertaken	Amount
A. Health Infra		
Civil Hospital Mohali	Distribution of Ambulance	16.47
Civil Hospital Firozpur		10.91
Civil Hospital Moga		10.91
Civil Hospital Nuh		10.91
Civil Hospital Ambala		16.47
TOTAL		65.67

46. The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business.

Keeping in view the pandemic situation and sustainability of concessionaires at Airport, CHIAL board has rationalised the concessionaire's license fees and CAM charges and therefore introduced relief scheme for the concessionaires by giving option for chargeability of license fees/MMG from fixed license fee/MMG to passenger throughput based license fees/MMG.

In view of CHIAL Management, Chandigarh International Airport Limited is a financially stable and enough to meet its obligations for continuity of business for the foreseeable future.

47. Statement containing Ratio Analysis is attached as Annexure-A.

48. Miscellaneous Expenses do not include items of expenses exceeding 1% of the total revenue of the company or Rupees Ten lakhs which ever is higher.

49. Figures in Financial Statements have been rounded off to the nearest lakhs (except number of shares) and previous years figures have been re-grouped, re-arranged wherever necessary to make them comparable with those of the current year's figures.

50. Approval of financial statements

The financial statements were approved by the Board of Directors and authorized for issue on 13th August 2022

For Balwinder Associates
Chartered Accountants

Sd/-
(CA Gaurav Thapar)
Partner
M No. 095710
FRN 014822N
Place : Mohali
Date : 16.08.2022
UDIN : 22095710APDYEF3295

For and on behalf of the Board of Directors

Sd/-
(Rakesh Ranjan Sahay)
CEO

Sd/-
(K. Vinayak Rao)
Chairman

Sd/-
(R. K. Das)
CFO

Sd/-
(Avneet Kaur)
Company Secretary

DISCLOSURE IN RESPECT OF RATIOS

ANNEXURE-A (INR in lakhs)

Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Reason for variance
Current Ratio (in times)	Current Assets	Current liabilities	6.97	5.56	25%	Working Capital of the company has been increased from ₹18439.11 lakhs to ₹22131.97 lakhs in Current FY 2021-22 as the profits have increased in Current FY and being zero debt company there is increase in bank deposits also.
Debt-equity ratio	Total Debts (including lease liabilities)	Total Equity	-	-	-34%	Lease Liability has been decreased from ₹53.95 Lakhs to ₹36.08 Lakhs in Current FY 2021-22
Debt service coverage ratio	Earnings available for debt service	Debt service	-	-	-	-
Return on equity ratio	Net Profit after Tax	Average Shareholder's equity	3.48%	1.46%	139%	Net Profit after tax has been increased from ₹1476.53 Lakhs to ₹3568.60 Lakhs of the company in Current FY 2021-22 due to pandemic effect has worn off resulting in increase in profits
Inventory turnover ratio	Cost of goods sold	Inventory	Not Applicable	Not Applicable	-	-
Trade receivables turnover ratio	Net Credit Sales	Average Trade Receivables	17.52	6.80	158%	Net Credit sales has been increased from ₹6706.61 Lakhs to ₹10144.27 Lakhs in current FY 2021-22 due to pandemic effect has worn off and also decrease in average trade receivables of the company from ₹985.60 lakhs to ₹578.90 lakhs due to good collection from the customers of the company during the year
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.44	2.91	53%	Net Credit purchases has been increased from ₹2411.18 Lakhs to ₹3260.55 Lakhs in current FY 2021-22 due to wearing off of pandemic effect resulting in increase in expenditure of the company in Current FY 2021-22
Net capital turnover ratio	Net Sales	Working Capital	0.46	0.36	26%	Net Sales has been increased from ₹6715.75 Lakhs to ₹10156.52 Lakhs in current FY 2021-22 due to wearing off of pandemic effect resulted in increased sales leading to increase in ratio in FY 2021-22.
Net profit ratio	Net Profit after Tax	Net Sales	0.35	0.22	60%	Net Profit after tax has been increased from ₹1476.53 Lakhs to ₹3568.60 Lakhs in current FY 2021-22 with increased sales resulted in improvement of margins due to Austerity measures implemented by the company
Return on capital employed	Earnings before Interest & Tax	Capital Employed	4.99%	2.26%	121%	Earnings before Interest & Tax has been increased from ₹2325.88 Lakhs to ₹5278.32 Lakhs in current FY 2021-22 due to increase in revenue it has resulted in better margins leading to a better ratio
Return on investment	Net Income from Investments	Average Investments	4.70%	5.77%	-19%	-



INDEPENDENT AUDITOR'S REPORT

To the Members of Chandigarh International Airport limited

Revised Report on the Audit of the financial statements

Our Report dated 16th August, 2022 has been revised to report higher disclosures in Annexure C to give effect to the observations and recommendations made by the Comptroller & Auditor General (CAG) of India in the supplementary Audit carried out by them under Section 143(6)(a) of the Companies Act, 2013.

Opinion

1. We have audited the accompanying financial statements of Chandigarh International Airport limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit/ loss and other comprehensive income) changes in equity and its cash flow for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled

our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section



133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters,

the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 12. We enclose our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, in the "Annexure C" on the directions and sub directions issued by the Comptroller and Auditor General of India u/s 143 (5) of the Companies Act 2013
 13. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2022.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium



or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53 (f) to the financial statements);

- (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly

or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53 (f) to the financial statements); and

- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year in contravention of provisions of Section 123 of the Companies Act, 2013.
14. The Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

Place: Mohali
Date: August 16, 2022

For Balwinder Associates
Firm Registration Number: 014822N
Chartered Accountants

Sd/-

Gaurav Thapar

Sr. Partner

Membership Number: 095710

UDIN: 22095710APDYEF3295

ANNEXURE “A” TO INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 11 of the Independent Auditors’ Report of even date to the members of Chandigarh International Airport limited on the financial statements as of and for the year ended March 31, 2022.

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
 - (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
 - (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), other than those disclosed in Note 3 on Property, Plant and Equipment and Note 5 on Right of Use assets to the financial statements, are held in the name of the Company.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
 - (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The Company is in the service business and consequently, does not hold any inventory. Therefore, the provisions of clause 3 (ii) (a) of the Order are not applicable to the Company.
(b) During the year, the Company has not been sanctioned working capital limits in excess of ₹5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
 - iii. (a) The Company has not made any investments during the year. Therefore, the provisions of clause 3 (iii) (a) and (iii) (b) of the Order are not applicable to the Company.
(b) The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3 (iii) (c), (iii) (d), (iii) (e) and (iii) (f) of the Order are not applicable to the Company.
 - iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
 - v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
 - vi. We have broadly reviewed the books of account maintained by the Company



- pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013, related to the manufacture or service of airport, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not availed any loan or other borrowing during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us, the company has not obtained any term loans .
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (x)(b) The Company has not made a preferential allotment during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company,

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- noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (xi) (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- (xiv)(a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (xiv)(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connect with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has no CICs in the group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- (xvii) The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other



information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of

one year from the balance sheet date will get discharged by the Company as and when they fall due.

- (xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in Schedule VII of the Companies Act, 2013 under Section 135 (5) and 135 (6) of the Act. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Balwinder Associates

Firm Registration Number: 014822N
Chartered Accountants

Sd/-

Gaurav Thapar

Sr. Partner

Membership Number: 095710
UDIN: 22095710APDYEF3295

Place: Mohali
Date: August 16,2022

ANNEXURE “B” TO INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 13 of the Independent Auditors’ Report of even date to the members of Chandigarh International Airport limited on the financial statements as of and for the year ended March 31, 2022.

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Chandigarh International Airport limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial

controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company’s internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to



permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Balwinder Associates

Firm Registration Number: 014822N
Chartered Accountants

Sd/-

Gaurav Thapar

Sr. Partner

Membership Number: 095710
UDIN: 22095710APDYEF3295

Place: Mohali
Date: August 16, 2022

ANNEXURE “C” TO INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 12 of the Independent Auditors’ Report of even date to the members of Chandigarh International Airport limited on the financial statements as of and for the year ended March 31, 2022.

<p>1. Whether the company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.</p>	<p>Yes, the company has system in place to process all the accounting transactions through IT System. As there are no accounting transactions outside IT system of the company, there exist no implications of the processing of accounting transactions outside IT system on the integrity of the accounts</p>
<p>2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by the lender to the company sue to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?</p>	<p>As per the information and representations provided to us by the management, the company has not borrowed any loan or deposits and as such the same is not applicable to the company.</p>
<p>3. Whether funds (grants/subsidy etc.) received / receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions. List the cases of deviations.</p>	<p>Regarding accounting of funds:</p> <p>As per the information and representation provided to us by the management, the Ministry of Commerce Company has approved grant amounting to ₹563 lakhs during Financial Year 2018-19 under “Trade Infrastructure for Export Scheme (TIES)” for “Setting up of Centre for Perishable Cargo (CPC)”. Out of which company had received in an amount of ₹281 lakhs during FY 2018-19 and ₹282 lakhs during FY 2021-22.</p> <p>As per IND -20 the same should be shown as non- current liability. However the said amount in the financial statement of CHIAL is shown under the head other current liabilities and treated the same as deferred revenue expenditure as the management is of the view for handing over the Cargo complex to the AAICLAS (being the subsidiary of AAI) in the next financial year. If the Cargo complex is been handed over to AAICLAS then the grant amount will be net off from the payment received from AAICLAS which results in squaring off of government grant and CWIP created by CHIAL in its books of accounts in next Financial year.</p> <p>During the FY 2021-22, the interest amounting to ₹11.24 lakhs as on 31/03/2022 has been disclosed as separate line item in other Current Liabilities under “Government Grant-Interest Refundable”. Previous year in FY 2020-21 interest amount accrued is ₹32.62 lakhs out of which during FY 2021-22 ₹28 lakhs has been refunded to the department. Hence, ₹4.62 lakhs of FY 2020-21 & ₹6.62 lakhs of FY 2021-22 has been disclosed as Government Grant-Interest refundable under other current financial liabilities in FY 2021-22. It is to mention here that the accounting of interest has been done correctly by CHIAL as per the applicable flexi rate of interest of CHIAL official bank.</p>



Regarding utilisation of funds:

During the FY 2020-21, the construction of the said project has been started and an amount of ₹288.06 lakhs and ₹453.96 lakhs has been incurred in the FY 2020-21 and FY 2021-22 respectively & same is been reflected in the Capital work in progress in the financial Statements of CHIAL. As per the terms of sanction, the company had to submit a utilization certificate for the grant received and utilisation thereof but not later than 31.03.2020 and also update utilization certificate on PFMS (EAT) Module. As per the information provided to us, no utilisation certificate or uploading in PFMS (EAT) module could be done by company till March 31, 2020 as no utilisation of funds took place in FY 2019-20. The utilisation of grant was done subsequently in FY2020-21 and FY 2021-22. Utilization Certificate dated 02/06/2021 showing expenditure incurred amounting to ₹523.38 lakhs till that date has been issued by entity. It is to mention here that as per the Empowered Committee meeting dated 28.12.2018, CHIAL is eligible only for 50% grant of the amount spent on Cargo project. Hence as on 02/06/2021 on which utilisation certificate has been issued, the Cargo Grant is utilised for the purpose of Cargo Project is ₹261.69 lakhs (i.e. 50% of 523.38 lakhs) and balance amount of ₹19.31 lakhs is unutilised till 02/06/2021. Afterwards the interest accrued on the grant amount till 31/03/2021 is ₹32.62 lakhs out of which ₹28 lakhs has been refunded to the department on 07/07/2021. Utilisation Certificate was not uploaded by the company on PFMS due to some technical issue and same is sent through mail for the record.

The Utilization certificate for the current year is yet to be uploaded by the company as the meeting of TIES is yet to be held. The balance of Cargo project as on 31.03.2022 shown under the head CWIP of ₹742.02 lakhs and Government Grant of ₹563 lakhs (₹281 lakhs received in February 2019 and ₹282 lakhs received in December 2021) under the head other current liabilities as Deferred Revenue Government Grant. It is to worthwhile mention here that out of ₹742.02 lakhs CHIAL has utilised 50% grant amount i.e. ₹371.01 lakhs and ₹191.99 lakhs is unutilised amount as on 31/03/2022.

For Balwinder Associates

Firm Registration Number: 014822N

Chartered Accountants

Sd/-

Gaurav Thapar

Sr. Partner

Membership Number: 095710

UDIN: 22095710APDYEF3295

Place: Mohali

Date: August 16,2022

ANNUAL REPORT 2021-22

BALWINDER ASSOCIATES

Chartered Accountants

Office Address:
F-549, 4th Floor,
Phase VIII-A,
Sector-75
Mohali-160 071

Ph. +91 172 4644163
Fax: +91 172 4631125
(M): 98140 68636, 81948 82007
e mail: admin@balwinderassociates.in
website: www.balwinderassociates.com

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of **Chandigarh International Airport Limited** for the year ended 31.03.2022 in accordance with the directions/sub-directions issued by the Comptroller and General of India under Section 143 (5) & (6) of the Companies Act,2013 and certify that we have complied with all the directions/sub-directions issued to us.

For Balwinder Associates
Firm Registration Number: 014822N
Chartered Accountants

Sd/-

Gaurav Thapar

Sr. Partner

Membership Number: 095710

UDIN: 22095710APDYEF3295

Place: Mohali
Date: August 16,2022



गोपनीय

CIAA/AAI/CHIAL/6-103/22-23/वत-11/303

संख्या/№

भारतीय लेखापरीक्षा और लेखा विभाग,

कार्यालय, प्रधान निदेशक लेखापरीक्षा (इन्फ्रास्ट्रक्चर), दिल्ली

INDIAN AUDIT & ACCOUNTS DEPARTMENT,
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT
(INFRASTRUCTURE), NEW DELHI

दिनांक/Dated: 7/11/2022



लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest



सेवा मे,

अध्यक्ष,

चंडीगढ़ इंटरनेशनल एयरपोर्ट लिमिटेड,

रूम न0-1, परियोजना कार्यालय भवन

सिविल एयरपोर्ट,

चंडीगढ़-160003

विषय: कम्पनी अधिनियम 2013 की धारा 143 (6)(b) के अन्तर्गत 31 मार्च 2022 को समाप्त वर्ष हेतु चंडीगढ़ इंटरनेशनल एयरपोर्ट लिमिटेड के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं इस पत्र के साथ 31 मार्च 2022 को समाप्त वर्ष के लिए चंडीगढ़ इंटरनेशनल एयरपोर्ट लिमिटेड के वार्षिक लेखों पर कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अन्तर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की 'टिप्पणियाँ' अग्रेषित करती हूँ। इन टिप्पणियों को कम्पनी की वार्षिक आमसभा में उसी प्रकार रखा जाए जिस प्रकार वैधानिक लेखा परीक्षकों की लेखा परीक्षा प्रतिवेदन रखी जाती है।

[Handwritten signature]
12/11/2022

CFO
CFO
12/11/22

संलग्न: टिप्पणियाँ



भवदीया,

[Handwritten signature]

(अतुर्वा सिन्हा)

प्रधान निदेशक

तृतीयतल, ए-स्कन्ध, इन्द्रप्रस्थ एस्टेट, नई दिल्ली-110002

3rd Floor, A-Wing, Indraprastha Bhawan, I.P. Estate, New Delhi-110002

दूरभाष/Tele.: 011-23378473, 011-23370871

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CHANDIGARH INTERNATIONAL AIRPORT LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of CHANDIGARH INTERNATIONAL AIRPORT LIMITED for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 19 September 2022 which supersedes their earlier Audit Report dated 16 August 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of CHANDIGARH INTERNATIONAL AIRPORT LIMITED for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. Comments on Cash Flow

i. Cash Flow from Investing Activities

Net cash from Investing Activities - ₹ (56.62 crore)

The above includes ₹ 1.82 crore towards purchase of Biometric Access Control System during the year 2021-22. The asset was procured from Airports Authority of India (AAI) and the payment of ₹ 1.82 crore was not made to AAI till 31 March 2022. As per para 16 of Ind AS 7, cash flows arising from investing activities includes cash



payment to acquire property, plant and equipment. Therefore, the portion of assets for which payment is pending should not have been included under Cash flow from investing activities. Similarly, the corresponding impact of balance ₹1.82 crore shown under Other Current Financial Liabilities should also not have been considered under adjustment for working capital change while calculating Cash Flow from Operating Activities as operating activities are the principal revenue-producing activities of the entity. This has resulted into overstatement of Net cash Generated from Operating Activities and Net cash outflow from Investing Activities by ₹1.82 crore .

ii. Net Cash generated from Operating Activities - ₹79.86 crore

Net cash from Investing Activities - ₹ (56.62 crore)

Grant amounting to Rs. 2.82 crore was received by the company during the year 2021-22 from Ministry of Commerce & Industry, Government of India for setting up of Perishable Cargo complex at Chandigarh International Airport. As per Para 6 of Ind AS-7 on 'Statement of Cash Flows', Operating activities are the principal revenue-producing activities of the entity and Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents. The grant received was in the nature of a Capital grant for capital expenditure. Thus, the grant received should have been classified as part of Cash Flow from Investing Activities whereas the company has classified this under Cash Flow from Operating Activities. Further, Para 28 of Ind AS 20 provides that 'the purchase of assets and the receipt of related grants should be disclosed as separate line items in the statement of cash flows.

This has resulted into overstatement of cash Flow from Operating Activities and overstatement of net cash outflow from Investing Activities by ₹2.82 crore.

For and on behalf of the
Comptroller and Auditor General of India


(Atoorva Sinha)

Place: New Delhi

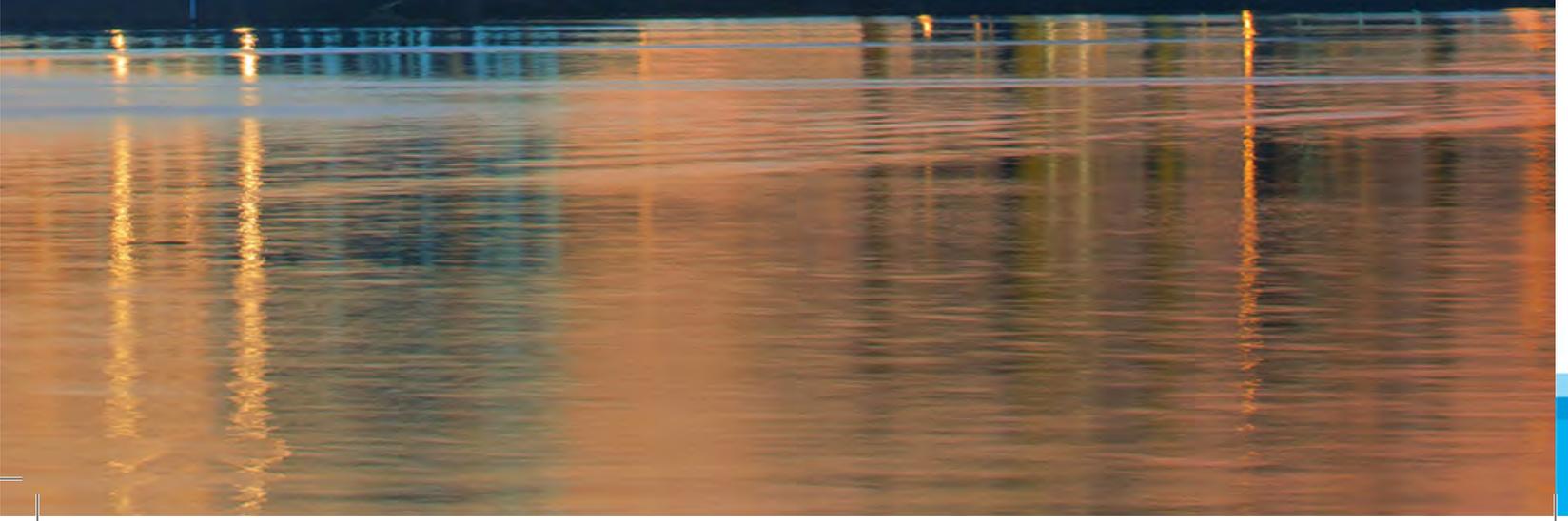
Dated: 7 November 2022

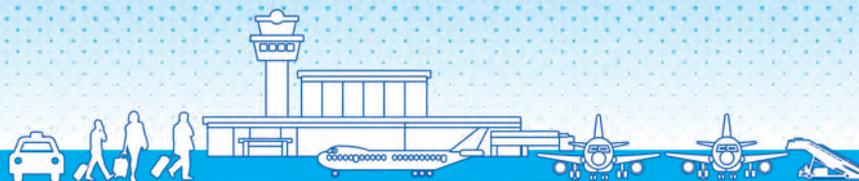
Principal Director of Audit (Infrastructure)
New Delhi





**AUDITED
FINANCIAL STATEMENTS
OF AAI CARGO LOGISTICS &
ALLIED SERVICES
COMPANY LIMITED**





BALANCE SHEET AS AT 31 MARCH 2022

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3a	23,766.92	18,544.32
Capital work-in-progress	3b	1,785.24	1,828.43
Other intangible assets	4	93.94	25.07
Deferred tax assets (net)	5	-	21.05
Income tax assets (net)	6	581.16	256.65
Total non-current assets		26,227.26	20,675.52
Current assets			
Financial assets			
(i) Trade receivables	7	4,039.05	6,447.04
(ii) Cash and cash equivalents	8	11,960.76	8,500.37
(iii) Other bank balances	9	10,000.00	9,000.00
(iv) Other financial assets	10	279.31	167.33
Other current assets	11	2,023.41	2,795.79
Total current assets		28,302.54	26,910.53
Total assets		54,529.79	47,586.05
Equity and liabilities			
Equity			
Equity share capital	12	2,500.00	2,500.00
Other equity	13	36,314.81	33,006.24
Total equity		38,814.81	35,506.24
Liabilities			
Non-current liabilities			
Others financial liabilities	14	262.47	312.80
Provisions	15	94.26	44.93
Deferred tax liabilities (net)	5	261.74	-
Other non-current liabilities	16	13.48	29.26
Total non-current liabilities		631.95	386.99

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BALANCE SHEET AS AT 31ST MARCH 2022

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Current liabilities			
Financial liabilities			
(i) Trade payables	17		
(A) total outstanding dues of micro enterprises and small enterprises		152.58	214.43
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		9,692.72	7,402.87
(ii) Other financial liabilities	18	2,969.29	2,105.44
Other current liabilities	19	2,266.88	1,969.94
Provisions	20	1.56	0.14
Total current liabilities		15,083.03	11,692.82
Total liabilities		15,714.99	12,079.81
Total equity and liabilities		54,529.79	47,586.05

The accompanying notes form an integral part of these financial statements.

This is the balance sheet referred to in our report of even date

For UCC & Associates LLP

Chartered Accountants

Firm's Registration No.: 010585N/N500017

Sd/-

Sunita Umesh

Partner

Membership No:088316

Place: New Delhi

Date: 13.10.2022

For and on behalf of Board of Directors

AAI Cargo Logistics & Allied Services Company Limited

Sd/-

Kishore Kumar Senapati

Chief Financial Officer

PAN:APUPS3057G

Sd/-

Ajay Kumar

Chief Executive Officer

PAN:ACSPB2799P

Place: New Delhi

Date: 13.10.2022

Sd/-

Garima Jauhari

Company Secretary

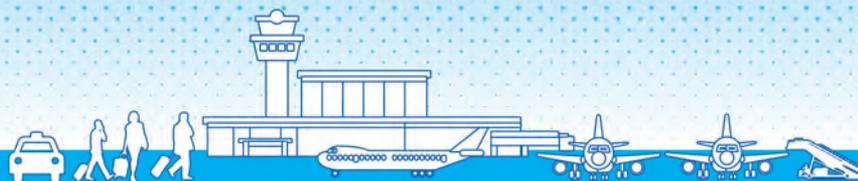
Membership No:A28015

Sd/-

Sanjeev Kumar

Chairman

DIN:01866640



Statement of Profit and Loss for the Period ended 31 March 2022

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	21	48,067.03	35,468.45
Other income	22	1,052.70	1,994.89
Total income		49,119.73	37,463.34
Expenses			
Operating Expenses	23	27,023.03	18,078.32
Employee benefits expense	24	4,113.40	3,294.28
Finance costs	25	28.98	32.33
Depreciation and amortization expense	26	1,556.59	1,307.53
Other expenses	27	2,084.22	5,058.51
Total expenses		34,806.22	27,770.98
Profit before tax		14,313.51	9,692.36
Current tax		3,513.86	2,740.47
Deferred tax	5	278.59	(274.08)
Income tax expense		3,792.46	2,466.39
Profit for the year		10,521.05	7,225.97
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of defined benefit obligations		16.71	0.41
Income tax relating to above mentioned item		(4.20)	(0.10)
Other comprehensive loss for the year, net of income tax		12.51	0.30
Total comprehensive profit/(loss) for the year, net of income tax		10,533.56	7,226.27
Earnings per equity share of INR 10 each			
Basic and diluted earnings per share	30	42.13	28.91

The accompanying notes form an integral part of these financial statements.

This is the balance sheet referred to in our report of even date

For UCC & Associates LLP

Chartered Accountants

Firm's Registration No.: 010585N/N500017

Sd/-

Sunita Umesh

Partner

Membership No:088316

Place: New Delhi

Date: 13.10.2022

For and on behalf of Board of Directors

AAI Cargo Logistics & Allied Services Company Limited

Sd/-

Kishore Kumar Senapati

Chief Financial Officer

PAN:APUPS3057G

Sd/-

Ajay Kumar

Chief Executive Officer

PAN:ACSPB2799P

Place: New Delhi

Date: 13.10.2022

Sd/-

Garima Jauhari

Company Secretary

Membership No:A28015

Sd/-

Sanjeev Kumar

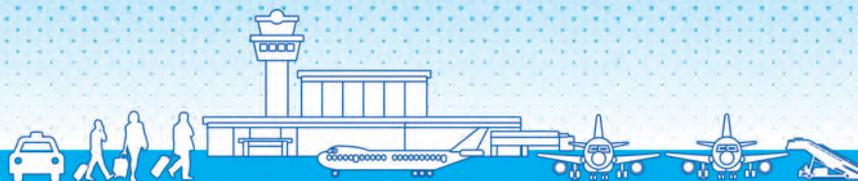
Chairman

DIN:01866640

Cash Flow Statement for the period ended 31 March 2022 (under indirect method)

(Figures in lakhs ₹, unless stated otherwise)

Particulars		For the year ended 31 March 2022	For the year ended 31 March 2021
A.	Cash flows from operating activities		
	Net profit before tax	14,313.51	9,692.36
	Adjustments for :		
	Depreciation and amortization expense	1,556.59	1,307.53
	Provision of expected Credit loss on receivables	409.36	1,671.75
	Interest income	(597.28)	(1,655.16)
	(Gain)/ Loss on translation of foreign currency	8.62	9.58
	Finance costs	28.98	32.33
	Operating profit before working capital changes	15,719.78	11,058.39
	Adjustments for :		
	Movement in trade receivables	1,998.62	(894.12)
	Movement in other current assets	772.38	647.81
	Movement in other financial assets	(111.98)	(7.97)
	Movement in current and non-current provisions	67.45	31.97
	Movement in non-current liabilities	(15.77)	29.26
	Movement in trade payables and other current liabilities	2,524.90	(29,057.83)
	Movement in financial liabilities	461.48	472.10
	Cash generated from operating activities	21,416.91	(17,720.39)
	Income tax refund/(paid)	(3,838.37)	2,174.43
	Net cash generated from operating activities	17,578.53	(15,545.96)
B.	Cash flows from investing activities		
	Payments for property, plant and equipment	(6,481.82)	(3,870.87)
	Movement in other bank balances	(1,000.00)	6,310.75
	Interest received	597.28	2,056.35
	Net cash used in investing activities	(6,884.53)	4,496.23
C.	Cash flows from financing activities		
	Dividend Paid (including Dividend Distribution Tax)	(7,225.00)	(2,770.00)
	Net cash used in financing activities	(7,225.00)	(2,770.00)
D.	Gain/ (Loss) on translation of foreign currency	(8.62)	(9.58)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	3,460.38	(13,829.31)
E.	Cash and cash equivalents - opening balance		
	Balance with banks in current accounts	6,334.85	82.22
	Cash on hand	0.27	0.39
	Cheques in hand	18.34	27.13
	Deposits with original maturity of less than three months	2,146.92	22,219.96
		8,500.38	22,329.69



Cash Flow Statement for the period ended 31 March 2022 (under indirect method)

(Figures in lakhs ₹, unless stated otherwise)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
F. Cash and cash equivalents - closing balance		
Balance with banks in current accounts	1,421.20	6,334.85
Cash on hand	0.13	0.27
Cheques in hand	13.91	18.34
Deposits with original maturity of less than three months	10,525.53	2,146.92
	11,960.76	8,500.38
Net increase /(decrease) in cash and cash equivalents (D-E)	3,460.38	(13,829.31)

G. Amendment to Ind AS 7:

The non-cash changes in liabilities arising from financing activities pertains to impact of fair value changes and foreign exchange fluctuations which are considered to be insignificant.

H. **The above cash flow statement has been prepared under the “Indirect Method” as set out in Indian Accounting Standard 7 (Ind AS 7) on “Statement of Cash Flows”.**

I. Figures in brackets indicate cash outflow.

J. Purchase of property, plant and equipment and intangible assets includes movements of capital work-in-progress, intangible assets under development, capital advances and payables for property, plant and equipment during the year.

This is the Cash Flow Statement referred to in our report of even date.

For UCC & Associates LLP
Chartered Accountants
Firm’s Registration No.: 010585N/N500017

Sd/-
Sunita Umesh
Partner
Membership No:088316

Place: New Delhi
Date: 13.10.2022

For and on behalf of Board of Directors
AAI Cargo Logistics & Allied Services Company Limited

Sd/-
Kishore Kumar Senapati
Chief Financial Officer
PAN:APUPS3057G

Sd/-
Ajay Kumar
Chief Executive Officer
PAN:ACSPB2799P
Place: New Delhi
Date: 13.10.2022

Sd/-
Garima Jauhari
Company Secretary
Membership No:A28015

Sd/-
Sanjeev Kumar
Chairman
DIN:01866640

Notes to Financial Statement for the year ended 31 March 2021

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

1. Company overview

AAI Cargo Logistics & Allied Services Company Limited (the Company) was incorporated on 11 August 2016 under Companies Act, 2013. The Company is primarily engaged in the business of Cargo logistics and allied services.

The cargo business was earlier a business division of Airports Authority of India (Parent Company). The entire business activity related to this division has been transferred by the parent company to the company w.e.f 01.04.2017.

2. Significant accounting policies

a) Basis of preparation of financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, ("the Act"). These financial statements have been prepared on going concern basis and presented under the historical cost convention except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period as stated in the accounting policies below.

These financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These accounting policies have been used consistently throughout all periods presented in these financial statements unless stated otherwise.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Act. The Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the provision of services and their realisation in cash and cash equivalents.

b) Functional and presentation currency

These standalone financial statements are presented in currency Indian Rupee (₹), which is also the functional currency of the Company. All amounts have been rounded-off to the nearest lakh, up to two places of decimal, unless otherwise indicated. Zero '0.00' denotes amount less than ₹ 5,000

c) Basis of measurement

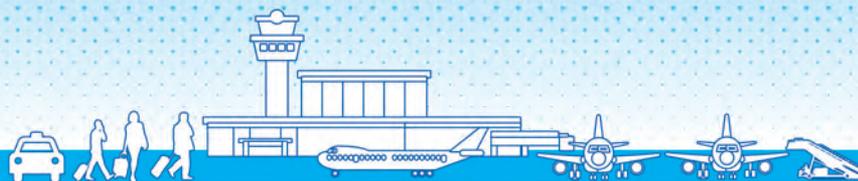
The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligations

d) Use of estimates and judgement

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. An overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed is mentioned below. Areas involving critical estimates or judgements are:

- The extent to which deferred tax asset to be recognised is based on the assessment of the probability of the future taxable income against which the deferred tax asset can be utilized.
- Estimation of current tax expense and payable.



Notes to Financial Statement for the year ended 31 March 2021

- Estimation of defined benefit obligation.
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

e) Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input

that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further, information about the assumptions made in measuring fair values is included Note 28 – Financial instruments.

f) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement

Notes to Financial Statement for the year ended 31 March 2021

by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

g) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the Statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Statement of profit and loss are recognised immediately in the Statement of profit and loss.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through the Statement of profit and loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI") (except for debt instruments that are designated as at fair value through the Statement of profit and loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

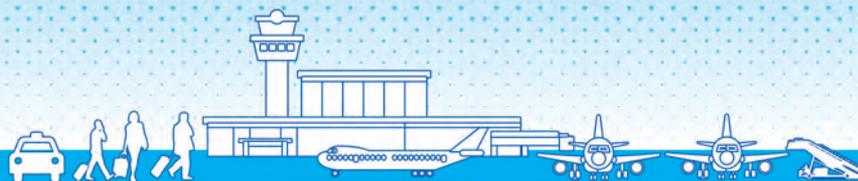
Interest income is recognised in the Statement of profit and loss for FVTOCI debt instruments.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate ("EIR") is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the



Notes to Financial Statement for the year ended 31 March 2021

Statement of profit and loss and is included in the "Other income" line item

Financial assets at fair value through the Statement of profit and loss ("FVTPL")

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of profit and loss. The net gain or loss recognised in the Statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on net basis or to realise the assets and settle the liabilities simultaneously.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as' equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost

Notes to Financial Statement for the year ended 31 March 2021

at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included under 'Finance costs'.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Compound financial instruments

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference fair value of compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity component in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound

financial instrument is not remeasured subsequently.

Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

h) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of improvements to leasehold premises, if recognition criteria are met, have been capitalised and disclosed separately under leasehold improvement. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

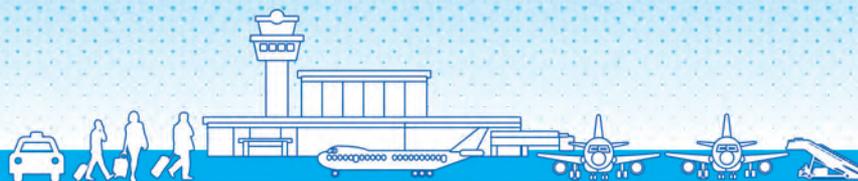
Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is provided on the straight-line method, over the estimated useful life of each asset as determined by the management. The useful lives prescribed in Schedule II to the Act are considered as indicative useful lives.



Notes to Financial Statement for the year ended 31 March 2021

The estimated useful lives of items of property, plant and equipment are as follows:

S. No	Asset category	Useful life of assets (in years)
1	Furniture and fixtures	10
2	Office equipment:	10
	- Electrical equipments and installations	
	- Others	5
3	Buildings	60
4	Plant & Machinery	15
5	Computers	
	- End-user	3
	- Server	6
6	Intangible Asset	10

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above, best represent the period over which management expects to use these assets. Depreciation on additions/ (disposals) is provided on a pro-rata basis, i.e., from/ (upto) the date on which asset is ready for use/ (disposed off).

The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available for use, the recoverable is estimated at each Balance Sheet date. An impairment loss is recognised whenever the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of profit and loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's

carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

i) Intangible assets and amortisation

Recognition and measurement

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and are carried at cost less accumulated amortisation and impairment losses, if any. Gain or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in the Statement of profit and loss when the asset is derecognised. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Amortisation on intangible assets is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the Statement of profit and loss.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. Amortisation has been computed based on the following useful lives:

j) Service Concession Arrangements (SCA)

a) Recognition and measurement

The Company has obtained non-exclusive rights to provide services at specified airports where it shall levy and collect charges from the users to occupy and use facilities for specific period. These arrangements include usage of infrastructure in

Notes to Financial Statement for the year ended 31 March 2021

terms with the service concession agreement (“SCA”) entered by the Company with Airport Authority of India for a term of 30 years. The Company is not obligated to incur any significant construction or upgradation costs at the inception of the arrangement or during the tenure of the SCA and is only responsible to act as an “operator” and provide services to the users in lieu of charges which are levied by the Company in terms with the SCA.

Accounting for a concession agreement is determined by reference to the specific terms of contract and is evaluated in terms with the guidance stipulated under Ind AS 115 with reference to following models:

Financial asset model: The financial asset model is used when the company has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services. The amount due from grantor meets the definition of a receivable which is measured at fair value. It is subsequently measured at amortized cost

Intangible asset model: The intangible asset model is used when the company receives a right to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. An intangible asset is measured at the fair value of consideration to acquire the asset, which is the fair value of the consideration received or receivable for the construction services delivered. Further, in case there is no exchange of dissimilar goods and services in return for the “right to operate” services at inception of the arrangement revenue from customers is recognized as earned, and corresponding costs, including concession fee, is recognized as cost as incurred.

If the operator is paid for the construction services partly by a financial asset and partly by an intangible asset, each component is accounted separately for operator’s consideration. The consideration received or receivable for both components is recognised in accordance with the Ind AS 115.

b) Contractual obligation to restore the infrastructure to a specified level of serviability

Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. In case of SCA under intangible asset model, the timing of amount and such cost are estimated and recognized on a discounted basis by charging cost to revenue over the period of the arrangement, at the end of which the oervlay is estimated to be carried out based on technical evaluation by independent experts.

In case of SCA under financial asset model, such costs are recognised in the period in which such costs are actually incurred.

c) Revenue recognition

The company derives revenue primarily from Cargo logistics and allied services. Revenue from operations and services are recognized in each period as when as services are rendered in accordance with Ind AS 115 Revenue from contracts with customers.

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.

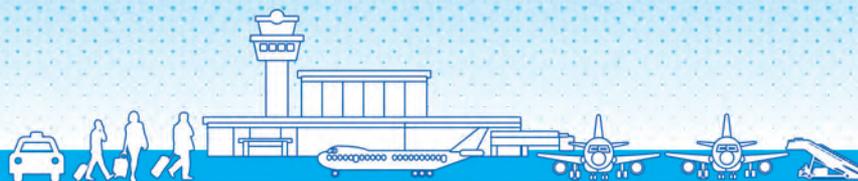
Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The Company disaggregates revenue from contracts with customers on the basis of time, nature and geography.

Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method on a time proportionate basis.

k) Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are



Notes to Financial Statement for the year ended 31 March 2021

expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and

losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long term benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

I) Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Notes to Financial Statement for the year ended 31 March 2021

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred

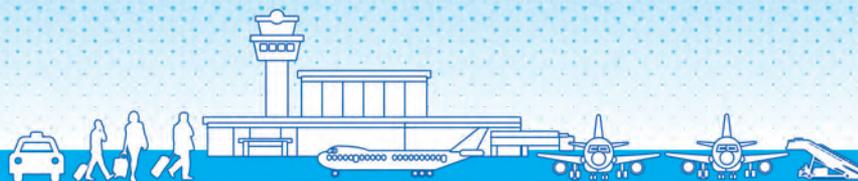
tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax (“MAT”) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset the said asset is created by way of credit to the Statement of profit and loss and included in deferred tax assets. The Company reviews the carrying values at each balance sheet date and writes down the carrying amount of



Notes to Financial Statement for the year ended 31 March 2021

MAT entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

m) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

n) Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year/period.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

o) Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation

or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

p) Cash and cash equivalents

Cash and cash equivalents comprises cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

r) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

MCA had issued the Indian Accounting Standards Amendments Rules, 2022 vide

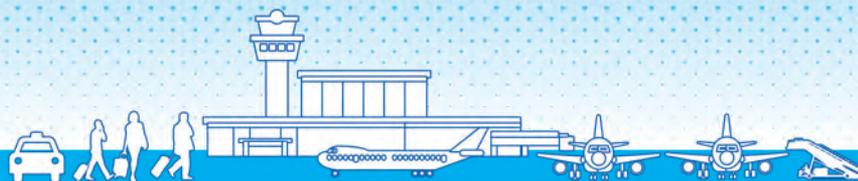
Notes to Financial Statement for the year ended 31 March 2021

notification dated 23rd March 2022. In the Indian Accounting Standards Amendments Rules, 2022, amendments has been made in following standards:-

1. First-time Adoption of Indian Accounting Standards (Ind AS-101):- Annual Improvements to Ind AS (2021), amended paragraph D1(f) and added paragraph D13A. An entity shall apply that amendment for annual reporting periods beginning on or after 1st April, 2022.
2. Business Combinations (Ind AS-103):- To qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.
3. Financial Instruments (Ind AS-109): Fees in the '10 per cent' test for derecognition of financial liabilities The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.
4. Property, Plant and Equipment (Ind AS-16):- The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).
5. Provisions, Contingent Liabilities and Contingent Assets (Ind AS-37):- The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).
6. Agriculture (Ind AS-41):- An entity does not include any cash flows for financing the assets or reestablishing biological assets after harvest (for example, the cost of replanting trees in a plantation forest after harvest).

The effective date of these amendments is annual periods beginning on or after 1st April 2022. The Company is currently evaluating the impact of the amendments and estimated no impact on the financial statements.

The Company has evaluated the amendment and there is no impact on its financial statements.



Statement of changes in equity for the year ended 31 March 2022

A. Equity share capital: (also refer note 12)

(Figures in lakhs ₹, unless stated otherwise)

	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid	25,000,000	2,500.00
As at 1st April 2020	25,000,000	2,500.00
Add: Issued during the year	-	-
As at 1st April 2021	25,000,000	2,500.00
Add: Issued during the year	-	-
As at 31 March 2022	25,000,000	2,500.00

B. Other equity: (also refer note 13)

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Reserves & Surplus	
	Retained earnings	Total
Balance as at 1st April 2020	28,549.97	28,549.97
Prior period errors	-	-
Profit for the year	7,225.97	7,225.97
Other comprehensive income/(expense) (net of tax)	0.30	0.30
Total comprehensive income for the year	35,776.24	35,776.24
Dividend	(2,770.00)	(2,770.00)
Corporate Dividend Tax	-	-
Surplus for the current year (20-21)	-	-
Balance as at 1st April 2021	33,006.24	33,006.24
Dividend	(7,225.00)	(7,225.00)
Corporate Dividend Tax	-	-
Surplus for the current year (21-22)	10,533.56	10,533.56
Balance as at 31 March 2022	36,314.81	36,314.81

This is the Statement of Changes in Equity referred to in our report of even date.

For UCC & Associates LLP

Chartered Accountants

Firm's Registration No.: 010585N/N500017

Sd/-

Sunita Umesh

Partner

Membership No:088316

Place: New Delhi

Date: 13.10.2022

For and on behalf of Board of Directors

AAI Cargo Logistics & Allied Services Company Limited

Sd/-

Kishore Kumar Senapati

Chief Financial Officer

PAN:APUPS3057G

Sd/-

Ajay Kumar

Chief Executive Officer

PAN:ACSPB2799P

Place: New Delhi

Date: 13.10.2022

Sd/-

Garima Jauhari

Company Secretary

Membership No:A28015

Sd/-

Sanjeev Kumar

Chairman

DIN:01866640

Notes to the Financial Statements for the year ended 31 March 2022

3a. Property, plant and equipment

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Building	Plant and Machinery	Furniture and Fixtures	Office Equipment	Road	Computers	Electrical Installation	Vehicles	Total
Gross Block									
As at 1st April 2020	9,404.03	8,661.59	98.78	682.10	70.92	223.08	369.79	-	19,510.29
Balance as at 1st April 2020	9,404.03	8,661.59	98.78	682.10	70.92	223.08	369.79	-	19,510.29
Additions during the year	2,390.40	1,526.16	67.99	8.69	-	88.62	543.82	-	4,625.68
Disposals	-	(776.10)	-	-	-	-	-	-	(776.10)
As at 31 March 2021	11,794.43	9,411.65	166.77	690.78	70.92	311.71	913.61	-	23,359.87
Balance as at 1st April 2021	11,794.43	9,411.65	166.77	690.78	70.92	311.71	913.61	-	23,359.87
Additions during the year	3,739.09	1,110.28	92.41	179.13	-	124.22	638.06	870.11	6,753.30
Reclassification adjustments	(211.04)	(423.46)	-	-	-	1.62	211.04	421.84	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2022	15,322.48	10,098.46	259.18	869.91	70.92	437.55	1,762.71	1,291.95	30,113.17
Accumulated depreciation									
Balance as at 1st April 2020	1,812.85	1,327.51	16.84	287.01	50.61	120.23	137.41	-	3,752.48
Depreciation for the year	324.69	660.79	11.13	129.81	9.82	53.29	76.68	-	1,266.22
Disposal	-	(203.15)	-	-	-	-	-	-	(203.15)
As at 31 March 2021	2,137.54	1,785.16	27.97	416.83	60.44	173.52	214.09	-	4,815.55
Balance as at 1st April 2021	2,137.54	1,785.16	27.97	416.83	60.44	173.52	214.09	-	4,815.55
Depreciation for the year	400.38	688.32	19.41	128.10	4.59	76.23	149.51	64.16	1,530.69
Reclassification adjustments	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-
As at 31 March 2022	2,537.93	2,473.48	47.37	544.93	65.03	249.75	363.60	64.16	6,346.24
Net block									
As at 31 March 2021	9,656.88	7,626.48	138.80	273.96	10.48	138.19	699.52	-	18,544.32
As at 31 March 2022	12,784.55	7,624.98	211.81	324.99	5.89	187.80	1,399.11	1,227.79	23,766.92

Statement of changes in equity for the year ended 31 March 2022

3b Capital work-in-progress

Capital work-in-progress amounting to ₹1,785.24 lakhs on 31 March 2022 (₹1,828.43 lakhs on 31 March 2021) comprising of Civil and other works.
(Figures in lakhs ₹, unless stated otherwise)

GL Description	Opening Balance CWIP as on 01.04.2021	Gross Block			Depreciation			Net Block	
		Additions during the year	Sales/disposal/ adjustments during the year	Closing Balance CWIP as at 31.03.2022	As at 01.04.2021	for the year	Sales/disposal/ adjustments during the year	As at 31.03.2022	As at 31.03.2021
OAAI/636001001 G/L For Capital WIP	1,828.43	3,155.45	-3,198.64	1,785.24	-	-	-	1,785.24	1,828.43

a) Capital work-in-progress ageing schedule

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
As at 31 March 2022	1,701.99	5.35	77.89	1,785.24
As at 31 March 2021	1,392.97	435.46	-	1,828.43

b) Capital work-in-progress whose completion is overdue

(Figures in lakhs ₹, unless stated otherwise)

Particulars	To be completed in			Total
	Less than 1 year	1-2 years	2-3 years	
Project 1	-	-	6.96	6.96
Project 2	77.89	-	-	77.89
Project 3	-	-	54.23	54.23



Notes to the Financial Statements for the year ended 31 March 2022

4. Other intangible assets

(Figures in Lakhs ₹, unless stated otherwise)

Particulars	Softwares	Total
Gross carrying amount		
Balance as at 1st April 2020	129.36	129.36
Additions during the year	17.63	17.63
Disposals	-	-
As at 31 March 2021	146.99	146.99
Balance as at 1st April 2021	146.99	146.99
Additions during the year	94.77	94.77
Disposals	-	-
As at 31 March 2022	241.76	241.76
Accumulated amortisation		
Balance as at 1st April 2020	80.61	80.61
Additions during the year	41.31	41.31
Disposals	-	-
As at 31 March 2021	121.92	121.92
Balance as at 1st April 2021	121.92	121.92
Additions during the year	25.90	25.90
Disposals	-	-
As at 31 March 2022	147.82	147.82
Net block		
As at 31 March 2021	25.07	25.07
As at 31 March 2022	93.94	93.94

5. Deferred tax assets (net)

(Figures in Lakhs ₹, unless stated otherwise)

Particulars	As at 31st March'2022	As at 31st March'2021
Tax effect on items constituting deferred tax assets		
- Provision for employee benefits	24.12	56.65
- Timing difference for expenses allowed on payment basis	107.94	3.07
- Others	0.24	1.35
- Allowance for expected credit loss	544.13	647.13
Deferred tax assets (A)	676.43	708.20
Tax effect on items constituting deferred tax liabilities		
- Depreciation and amortization on property, plant and equipment	937.49	683.07
- Security Deposits	0.68	0.44
- Others	-	3.64
Deferred tax liability (B)	938.16	687.15
Deferred tax assets/(liabilities) (net) (A-B)	(261.74)	21.05



Notes to the Financial Statements for the year ended 31 March 2022

Movement in abovementioned deferred tax assets and liabilities

(Figures in Lakhs ₹, unless stated otherwise)

Particulars	As at 1st April 2021	Recognized in profit or loss during the year	Recognized in other comprehensive income	As at 31 March 2022
Tax effect of items constituting deferred tax liabilities				
- Depreciation and amortization on property, plant and equipment	683.07	254.42	-	937.49
- Security Deposits	0.44	-	-	0.68
- Others	3.64	(3.64)	-	-
	687.14	250.78	-	938.16
Tax effect of items constituting deferred tax assets				
- Provision for employee benefits	(56.65)	36.74	(4.20)	(24.12)
- Others	(1.38)	1.14	-	(0.24)
- Allowance for expected credit loss	(647.13)	103.01	-	(544.13)
- Timing difference for expenses allowed on payment basis	(3.04)	(104.91)	-	(107.94)
	(708.20)	35.98	(4.20)	(676.43)

(Figures in Lakhs ₹, unless stated otherwise)

Particulars	As at 1st April 2020	Recognized in profit or loss during the year	Recognized in other comprehensive income	As at 31 March 2021
Tax effect of items constituting deferred tax liabilities				
- Depreciation and amortization on property, plant and equipment	499.61	183.46	-	683.07
- Security Deposits	0.52	(0.08)	-	0.44
- Others	-	3.64	-	3.64
	500.13	187.02	-	687.15
Tax effect of items constituting deferred tax assets				
- Provision for employee benefits	(15.52)	(41.02)	(0.10)	(56.65)
- Others	(5.29)	3.91	-	(1.38)
- Allowance for expected credit loss	(226.39)	(420.74)	-	(647.13)
- Timing difference for expenses allowed on payment basis	-	(3.04)	(3.04)	(107.94)
	(247.20)	(460.90)	(0.10)	(708.20)

6. Income tax assets (net)

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31st March, 2022	As at 31st March'2021
Income tax assets (net of provisions)	581.16	256.65
	581.16	256.65

Notes to the Financial Statements for the year ended 31 March 2022

7. Trade receivables

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade receivables - considered good (unsecured)	1,414.99	3,523.20
Trade receivables - credit impaired	2,161.98	2,571.35
	3,576.97	6,094.55
Less : Allowance for expected credit loss	2,161.98	2,571.35
	1,414.99	3,523.20
Unbilled revenue	2,624.07	2,923.83

* includes amount due from related parties (refer note 34)

Notes:

- Refer note 28 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.
- Refer note 38 for disclosure of trade receivable ageing schedule.

8. Cash and cash equivalents

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31st March'2022	As at 31st March'2021
Balances with banks		
- Current accounts	1,421.20	6,334.85
- Deposits with original maturity of less than three months	10,525.53	2,146.92
-Cash in hand	0.13	0.26
-Cheques on hand	13.91	18.34
	11,960.76	8,500.37

- There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior period.
- Refer note 28 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.

9. Other bank balances

(Figures in lakhs ₹, unless stated otherwise)

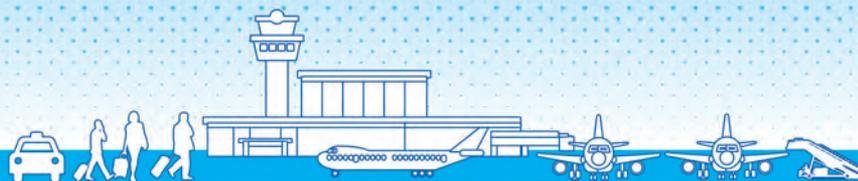
Particulars	As at 31st March 2022	As at 31st March 2021
Deposit accounts with original maturity more than 3 months and upto 12 months from the reporting date	10,000.00	9,000.00
	10,000.00	9,000.00

10. Other financial assets (current)

(Unsecured, considered good unless otherwise stated)

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31st March 2022	As at 31st March 2021
Interest accrued on bank deposits	270.58	156.16
Security Deposits	8.74	8.74
Other recoverable	-	2.44
	279.31	167.33



Notes to the Financial Statements for the year ended 31 March 2022

11. Other current assets

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Deposit under protest	14.03	14.03
Balances with government authorities	1,624.17	1,855.20
Advances to vendors	363.59	906.64
Prepaid expenses	21.63	19.92
	2,023.41	2,795.79

12. Share capital

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 st March 2022	As at 31 st March 2021
(a) Authorised		
225,000,000 Equity shares of ₹10 each	22,500	22,500
Issued, subscribed and fully paid up		
25,000,000 Equity shares of ₹10 each	2,500	2,500

Reconciliation of number of shares outstanding at the beginning and at the end of financial year

Particulars	31 March 2022		31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning	2,50,00,000	2,500	2,50,00,000	2,500
Add: Shares issued during the year	-	-	-	-
Number of shares at the end	2,50,00,000	2,500	2,50,00,000	2,500

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder of the Company is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the Shareholders of the Company are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of their shareholdings.

(c) Equity shares held by Holding Company

Particulars	31 March 2022		31 March 2021	
	% of Holding	No. of shares	% of Holding	No. of shares
Name of the shareholder				
Equity shares of ₹10 each fully paid up held by Airports Authority of India*	100%	2,50,00,000	100%	2,50,00,000

* including shares held by nominee shareholders in the company.

(d) Details of shareholding more than 5% shares in the Company:

Particulars	31 March 2022		31 March 2021	
	% of Holding	No. of shares	% of Holding	No. of shares
Name of the shareholder				
Equity shares of ₹10 each fully paid up held by Airports Authority of India	100%	2,50,00,000	100%	2,50,00,000

* including shares held by nominee shareholders in the company.

Notes to the Financial Statements for the year ended 31 March 2022

(e) No shares were issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue or brought back during the current year and last 5 years.

(f)

Share held by Promoters as on 31 st March 2022			
Promoter Name	No. of Shares	% of total Shares	% Change during the year
Airports Authority of India	24,999,993	99.99%	Nil

Share held by Promoters as on 31 st March 2021			
Promoter Name	No. of Shares	% of total Shares	% Change during the year
Airports Authority of India	24,999,993	99.99%	Nil

13. Other equity

(Refer Statement of Changes in Equity)

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Retained earnings	36,314.81	33,006.24
	36,314.81	33,006.24

Retained earnings

All the profits or losses made by the Company are transferred to retained earnings from statement of profit and loss.

14. Other financial liabilities (non-current)

(at amortised cost)

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Security deposits	262.47	312.80
	262.47	312.80

(i) Refer note 28 for disclosure of fair values in respect of financial assets measured at amortised cost and movement in expected credit loss.

15. Provisions (non current)*

(Figures in lakhs ₹, unless stated otherwise)

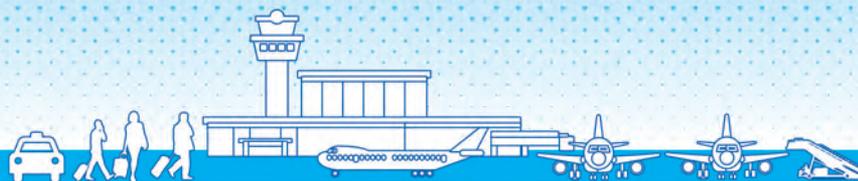
Particulars	As at 31 st March 2022	As at 31 st March 2021
Provision for gratuity	60.57	44.93
Provision for compensated absences	33.69	-
	94.26	44.93

* refer note 32 for disclosure on 'employees benefit obligation'

16. Other non-current liabilities

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Deferred Income	13.48	29.26
	13.48	29.26



Notes to the Financial Statements for the year ended 31 March 2022

17. Trade payables

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 st March 2022	As at 31 st March 2021
- Dues of micro enterprises and small enterprises (refer note below)	152.58	214.43
- Dues of creditors other than micro enterprises and small enterprises	9,692.72	7,402.87
	9,845.30	7,617.29
Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006	152.58	214.43
Principal amount remaining unpaid	152.58	214.43
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year	-	-
Interest accrued and remaining unpaid	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
The details of amounts outstanding to micro enterprises and small enterprises under Micro, Small and Medium Enterprises Development Act (MSMED), 2006 are as per available information with the Company.		
(i) Refer note 28 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.		
(ii) Refer note 34 for related party disclosures		
(iii) Refer note 37 for ageing schedule of trade payables		

18. Other financial liabilities (current)

(at amortised cost)

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Employee related payables	32.78	84.75
Security deposits	1,658.19	1,065.43
Creditor for capital assets	1,278.33	955.26
	2,969.29	2,105.44

- (i) Refer note 28 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.
- (ii) Refer note 34 for related party disclosures

Notes to the Financial Statements for the year ended 31 March 2022

19. Other current liabilities

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Advance from customers	1,300.59	1,263.98
Statutory dues	957.58	697.77
Unearned revenue	1.15	1.28
Deferred income	7.55	6.91
	2,266.88	1,969.94

20. Provisions (current)*

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 st March 2022	As at 31 st March 2021
Provision for gratuity	0.18	0.14
Provision for compensated absences	1.38	-
	1.56	0.14

* refer note 32 for disclosure on 'employees benefit obligation'

21. Revenue from operations

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations		
Sale of services		
Revenue from Cargo services	47,264.97	35,023.02
	47,264.97	35,023.02
Other operating revenues		
- Other operative income	802.06	445.43
	802.06	445.43
	48,067.03	35,468.45

Disclosure of revenue pursuant to Ind AS 115 'Revenue from Contracts with Customers':

A. Reconciliation of revenue from sale of services and other operating revenue with contracted price

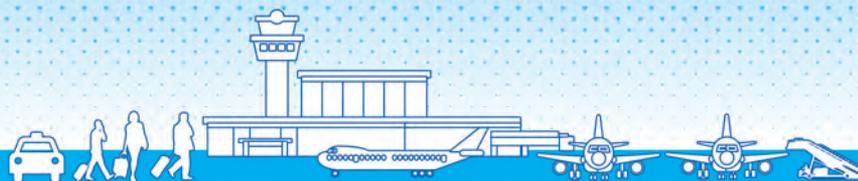
(Figures in lakhs ₹, unless stated otherwise)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Contracted price	47,264.97	35,023.02
Less: rebate and discounts	-	-
Revenue recognised in the statement of profit and loss	47,264.97	35,023.02

B. Disaggregation of revenue

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations		
Sale of services		
Revenue from Cargo services	47,264.97	35,023.02
	47,264.97	35,023.02



Notes to the Financial Statements for the year ended 31 March 2022

The Company has disaggregated the revenue from contracts with customers on the basis of nature of services/goods sold. The Company believes that the disaggregation of revenue on the basis of nature of services/goods sold has no impact on the nature, amount, timing and uncertainty of revenue and cash flows.

C. Contract balances

The following table provides information about contract assets and liabilities from contract with customers:

Contract liabilities*

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Advance from customers (including deferred revenue)	1,301.74	1,265.26
	1,301.74	1,265.26

Contract assets*

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Trade receivable	3,576.97	6,094.55
Less: allowance for expected credit loss	(2,161.98)	(2,571.35)
	1,414.99	3,523.20

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

D. Significant changes in the contract liabilities and contract assets balances during the year are as follows:

Contract liabilities

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Opening balance	1,265.26	1,591.83
Revenue recognised (net of collections)	36.48	(326.57)
Closing balance	1,301.74	1,265.26

Contract assets

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Opening balance	3,523.20	3,071.77
Amount invoiced, collected and other adjustments (net)	(2108.22)	451.43
Closing balance	1,414.99	3,523.20

22. Other income

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Interest income	597.28	1,655.16
Miscellaneous income	21.71	308.25
Deferred income	24.34	31.48
Reversal of expected credit allowance on trade receivables	409.36	-
	1,052.70	1,994.89

Notes to the Financial Statements for the year ended 31 March 2022

23. Operating Expenses

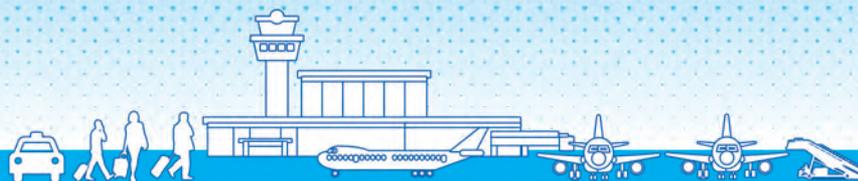
Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Concession Fee	13,528.96	9,794.18
AAI Employee Support Cost	3,172.64	3,290.02
Watch & Ward expenses	1,724.99	1,462.07
Electricity & Water charges	1,565.49	1,438.32
Repair and maintenance		
- Plant and machinery	447.89	275.92
- Buildings	397.68	113.22
- Others	1,190.79	1,230.50
Insurance	21.28	22.19
Advertisement & publicity	9.75	6.20
Consumption of stores	2.72	0.66
Duties & Taxes	9.63	0.26
Hire charges	4,506.01	31.99
Travelling expenses	139.56	67.98
Training expenses	68.66	178.88
Upkeep expenses	236.98	165.93
	27,023.03	18,078.32

24. Employee benefits expense

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Salaries, wages and bonus	4,018.93	2,981.05
Contribution to provident and other funds (Refer note 32)	67.43	286.48
Staff welfare expenses	27.04	26.75
	4,113.40	3,294.28

25. Finance costs

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Interest expense on financial liabilities at amortised cost	25.29	31.77
Interest on GST	3.66	0.53
Interest on TDS	0.02	-
Loss on settlement of financial liabilities	-	0.03
	28.98	32.33



Notes to the Financial Statements for the year ended 31 March 2022

26. Depreciation and amortization expense

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Depreciation on property, plant and equipment (refer note 3)	1,530.69	1,266.22
Amortisation of intangible assets (refer note 4)	25.90	41.31
	1,556.59	1,307.53

27. Other expenses

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Rent, Rates, & Taxes	27.82	131.75
Hire charges	739.04	1,275.13
Business Promotion Expense	8.60	3.31
Training expenses	-	1.20
payment to Auditor	10.55	10.00
Legal and professional fees [refer to note (a) below]	227.57	222.95
Printing and stationery	173.67	59.23
Travelling and conveyance	27.17	14.93
Communication expenses	39.96	29.07
Duties & Taxes	31.11	2.03
Custom staff cost and other expenses	434.89	1,220.85
Expected credit allowance on trade receivables	-	1,671.75
Expenses on Corporate Social Responsibility (Refer to Note (b) below)	210.88	289.95
Loss on account of Foreign Fluctuations	8.62	-
Miscellaneous expenses	144.33	126.37
	2,084.22	5,058.51

Note (a): Auditors' remuneration (including to ex-statutory auditor) (excluding taxes as applicable)

As auditor

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Auditor	9.45	9.00
For taxation matters	1.10	1.00
For company law matters	-	-
For other services	-	-
For reimbursement of expenses	0.38	-
	10.93	10.00

Note (b): Detail of Corporate Social Responsibility Expenditure

The Company has spent ₹210.88 (31 March 2021 ₹289.95) towards various schemes of Corporate Social Responsibility as prescribed under Section 135 of Companies Act 2013. The details are:

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Donation to PM Care Fund	210.88	200.00
Donation to Clean Ganga Fund	--	44.95
Donation to Swachth Bharat Kosh	--	45.00
	210.88	289.95

Notes to the Financial Statements for the year ended 31 March 2022

28. Financial instruments – fair values and risk management

I. Fair value measurements

A. Financial instruments by category

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Level of hierarchy	As at 31 March 2022			As at 31 March 2021		
		FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets							
Trade receivables	3	-	-	4,039.05	-	-	6,447.04
Cash and cash equivalents	3	-	-	11,960.76	-	-	8,500.37
Other bank balances	3	-	-	10,000.00	-	-	9,000.00
Other financial assets		-	-	279.31	-	-	167.33
		-	-	26,279.12	-	-	24,114.74
Financial liabilities							
Trade payables	3	-	-	9,845.30	-	-	7,617.29
Other financial liabilities	3	-	-	3,231.77	-	-	2,418.24
		-	-	13,077.07	-	-	10,035.54

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under Ind AS 113. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

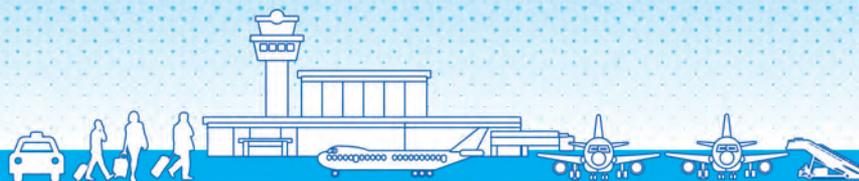
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There have been no transfers between any of the above levels for the years ended 31 March 2021 and 31 March 2022.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the financial instruments is determined using discounted cash flow analysis.



Notes to the Financial Statements for the year ended 31 March 2022

Valuation process

Level 3 valuations are discussed with CFO and the finance team at least once every year.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Risk adjusted discount rates are estimated based on expected cash inflows arising from the instrument and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the yearly valuation discussion between the CFO and the finance team.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature. Non current loans represents security deposits, the carrying value of which approximates the fair values as on the reporting date.

II. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has authorized respective business managers to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the business managers periodically to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely in the market. The management's impact analysis shows credit risk and impact assessment as low.

Credit risk on cash and cash equivalents and other bank balances is limited as the Company generally invests in deposits with banks/ financial institutions with high credit ratings assigned by credit rating agencies.

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets:

Notes to the Financial Statements for the year ended 31 March 2022

As at 31 March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	11,961	-	11,961
Other bank balances	10,000	-	10,000

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	3,577	2,161.98	1,415
Other financial assets	279	-	279

As at 31 March 2021

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	8,500.37	-	8,500.37
Other bank balances	9,000.00	-	9,000.00
Trade receivables	6,094.55	2,571.35	3,523.20
Other financial assets	167.33	-	167.33

(ii) Liquidity Risk

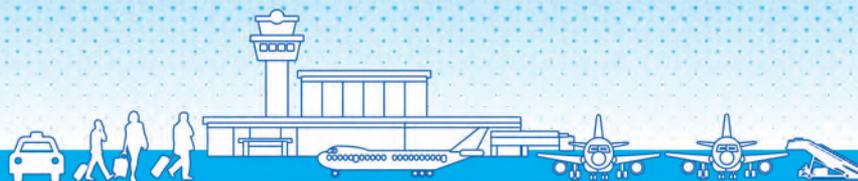
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalents and other bank balances anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements.

(a) Maturities of Financial Liabilities

The following are the remaining undiscounted contractual maturities of financial liabilities including interest at the reporting date:

Particulars	Carrying Amounts 31 March 2022	Contractual cash flows			
		Payable on demand	Less than 1 year	1-5 years	More than 5 years
Financial liabilities					
Trade payables	9,845.30	-	9,845.30	-	-
Other financial liabilities	3,231.77	-	2,969.29	262.47	-
Total liabilities	13,077.07	-	12,814.60	262.47	-



Notes to the Financial Statements for the year ended 31 March 2022

Particulars	Carrying Amounts 31 March 2021	Contractual cash flows			
		Payable on demand	Less than 1 year	1–5 years	More than 5 years
Financial liabilities					
Trade payables	7,617.29	-	7,617.29	-	-
Other financial liabilities	2,418.24	-	2,105.44	312.80	-
Total liabilities	10,035.54	-	9,722.73	312.80	-

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and product price risks for the Company.

(a) Interest rate risk

The Company's interest rate risk arises from bank deposits which are made at market rate of interest at the time of deposit. This exposes the Company to cash flow interest rate risk. However the variation in market rate of interest is not significantly high and the Company's interest bearing assets is also not significantly high, hence the impact of the same has been assessed as insignificant.

(b) Product price risk

The Company does not have any other price risk than interest rate risk as disclosed above.

29. Capital Management

For the purposes of the Company's capital management, capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2021 and 31 March 2022.

30. Earnings per share (EPS)

The calculation of profit attributable to equity shareholders and weighted average numbers of equity shares outstanding for purpose of basic/diluted earning per share calculation are as follows-

(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
i. Profit attributable to equity shareholders for basic/diluted earnings per share	10,533.56	7,226.27
ii. Weighted average number of equity shares for basic/diluted earnings per share (in nos.)	2,50,00,000	2,50,00,000
A Basic earning per equity share of ₹10 each (in ₹)	42.13	28.91
B Diluted earning per equity share of ₹10 each (in ₹)	42.13	28.91

Notes to the Financial Statements for the year ended 31 March 2022

31. Effective tax reconciliation

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 March 2022	As at 31 March 2021
Profit before tax	14,313.51	9,692.36
Domestic tax rate	25.17%	25.17%
Expected tax expenses (A)	3,602.71	2,439.37
Impact of items not allowable in income tax	53.08	27.02
Others	33.66	-
Total adjustments [B]	86.74	27.02
Actual tax expense [C=A+B]	3,689.45	2,466.39
Total tax incidence	3,792.46	2,466.39
Tax expense recognized in statement of profit and loss [D]	3,792.46	2,466.39

32. Employee benefit plans

Defined benefit plan:

The gratuity plan provides a lump sum payment to employees at retirement or termination of employment at an amount based on the respective employee's salary and the years of employment with the Company.

A. Reconciliation of present value of defined benefit obligation

(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
Present value of defined benefit obligation at the beginning of the year	45.08	13.11
Interest cost	3.05	0.89
Current service cost	29.34	31.49
Benefits paid	-	-
Re-measurement loss recognised in other comprehensive income	(16.71)	(0.41)
Present value of defined benefit obligation at the end of the year	60.75	45.08

B. Reconciliation of present value of the obligations and the fair value of the plan assets

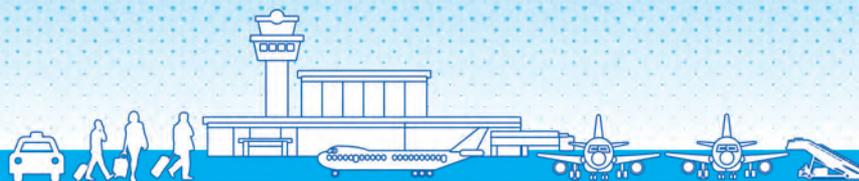
(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Present value of defined benefit obligation	60.75	45.08
Net liability recognised in the balance sheet	60.75	45.08
Liability - current	0.18	0.14
Liability - non-current	60.57	44.93
	60.75	45.08

C. Expenses recognised in the statement of profit and loss

(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
Current service cost	29.34	31.49
Interest cost on benefit obligation	3.05	0.89
Total expenses included in employee benefits expense	32.38	32.37



Notes to the Financial Statements for the year ended 31 March 2022

D. Re-measurement of recognised in other comprehensive income

Particulars	31 March 2022	31 March 2021
Actuarial loss for the year on projected benefit obligation	(16.71)	(0.41)
Recognised in other comprehensive income	(16.71)	(0.41)

E The leave encashment plan provides a lump sum payment to employees while in service and on exit as per the rules of the company, in accordance with IND AS.

Reconciliation of present value of the obligations and the fair value of the plan assets

(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
Present value of the obligations	-	-
Fair value of plan assets	-	-
Unfunded Liability	35.07	-
Net liability recognised in the balance sheet	35.07	-
Liability - current	1.38	-
Liability - non-current	33.69	-

Expenses recognised in the statement of profit and loss

(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
Total service cost	35.07	-
Net Interest	-	-
Net actuarial (gain)/loss recognised in the year	-	-
Total expenses included in employee benefits expense	35.07	-

F. Maturity profile of defined benefit obligation

(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
1 Within the next 12 months (next annual reporting period)	0.18	0.14
2 Between 1 and 2 years	0.02	0.07
3 Between 2 and 5 years	3.82	6.07
4 Between 6 and 10 year	56.73	38.80

G. A quantitative sensitivity analysis for significant assumption:

Increase / (decrease) on present value of defined benefits obligation at the end of the year

(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
a Discount rate		
0.5% increase	(4.56)	(3.36)
0.5% decrease	5.06	3.74
b Future salary increase rate		
0.5% increase	5.26	3.86
0.5% decrease	(4.76)	(3.49)

Notes to the Financial Statements for the year ended 31 March 2022

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

H. Actuarial assumptions

a Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is Company's long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows:

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Gratuity		Compensated absences	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Discount rate (in %)	7.26%	6.76%	7.26%	Refer note (A)
Future salary increase (in %)	3.00%	3.00%	3.00%	Refer note (A)

b Demographic assumptions

(Figures in lakhs ₹, unless stated otherwise)

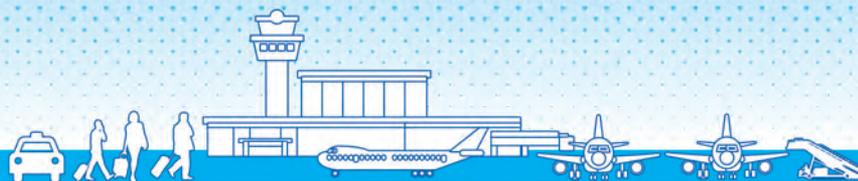
Particulars	Gratuity		Compensated absences	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
(i) Retirement age (Years)	58	58	58	Refer note (A)
(ii) Mortality rate inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2012-14)	Refer note (A)
(iii) Attrition at ages				
Up to 30 years	3.00%	3.00%	3.00%	Refer note (A)
From 31 to 44 years	2.00%	2.00%	2.00%	Refer note (A)
Above 44 years	1.00%	1.00%	1.00%	Refer note (A)

(A) Actuarial valuation is done for the first time in 31 March 2022. Till 31 March 2021, the same was done on estimation basis.

I. Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such, the Company is exposed to various risks as follow:

- (i) Salary increases
- (ii) Investment risk
- (iii) Discount rate
- (iv) Mortality and disability
- (v) Withdrawals



Notes to the Financial Statements for the year ended 31 March 2022

33. Contingent liabilities, Contingent Assets and commitments

a) Commitments

(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	4,300.34	4,257.88

b) Claims against the Company not acknowledged as debts to the extent not provided for-

Particulars	31 March 2022	31 March 2021
Commissioner Of Customs-In the matter of Recovery of Custom Duty	188.09	188.09
Commissioner Of Customs-In the matter of Custom cost Recovery charges	-	-
Commissioner Of Customs-In the matter of Custom cost Recovery charges- Interest Charges	341.68	228.02
Customer claims for damages	1,268.04	1,870.81
Demurrage Charges	137.27	34.36
Other matters *	2.00	40.78
	1,937.08	2,362.06

* Includes various other claims made by vendors and consumers, in the ordinary course of business.

c) Contingent assets

(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
Demurrage charges	34.35	-
Other matters *	832.12	-
	866.47	-

* Includes various other claims made by vendors and consumers, in the ordinary course of business.

Based on its detailed evaluations and expert external advice where applicable, management believes that the Company has strong merits in the above matters and does not expect any material adverse effect on these financial statements.

34. Information on related party transactions pursuant to Ind AS 24 - Related Party Disclosures

A Related parties and their relationships

In accordance with the requirements of Ind AS-24 on related party disclosures where control exist and where transactions have taken place and description of the relationship as identified and certified by management are as follows:

(a) Holding Company

Airports Authority of India (AAI)

(b) Other group entities

Chandigarh International Airport Limited

Notes to the Financial Statements for the year ended 31 March 2022

(c) Key management personnel

1. Late Shri Anuj Aggarwal (Ceased to be Director from 06/04/2021)	Chairman & Director
2. Shri Sanjeev Kumar (Appointed w.e.f. 11 th May 2021- present)	Chairman & Director
3. Ms. Vandana Aggarwal (Superannuated on 31/05/2022)	MoCA Director
4. Shri Piyush Srivastava (appointed on 06/09/2021- present)	MoCA Director
5. Shri Anil Kumar Pathak	Director
6. Ms. V. Vidya	Director
7. Shri Keku Bomi Gazder (Ceased to be CEO on 15/03/2022)	Chief Executive Officer
8. Shri Ajay Kumar (Appointed on 15/03/2022- Present)	Chief Executive Officer
9. Shri J.B. Saini (Appointed w.e.f. 7 th October 2020)	Chief Financial Officer
10. Shri Apil Agrawal (Ceased to be CS from 21/01/2022)	Company Secretary
11. Ms. Garima Jauhari (appointed w.e.f. 02.03.2022- Present)	Company Secretary

B. Related party transactions

(Figures in lakhs ₹, unless stated otherwise)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
1. Remuneration including perquisites to Key Managerial Personnel		
Short term benefits	95.64	85.43
Post-employment benefits - gratuity	1.19	1.96
Other long term benefits	-	-
2. Holding Company		
<i>Airports Authority of India (AAI)</i>		
Concession Fees	13,528.96	9,794.18
Dividend Paid	7,225.00	2,770.00
Revenue Transfer (Inclusive of GST)	-	1,620.90
Expense Transfer (Exclusive of GST)	4,849.93	4,821.53
Deposit Work	187.51	1,126.57
Fixed Asset transfer (net)	2,040.15	246.85
Manpower Services for ILBHS - AAI (Revenue for the year Including Unbilled Revenue Booked as on 31 st March excluding GST)	2,064.89	2,294.77
Manpower Services for ILBHS - CHIAL (Revenue for the year Including Unbilled Revenue Booked as on 31 st March excluding GST)	119.16	101.25

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.



Notes to the Financial Statements for the year ended 31 March 2022

C Balances outstanding at the year end

(Figures in lakhs ₹, unless stated otherwise)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade Payables		
Airports Authority of India (AAI)	2,471.28	1,142.31
Trade Receivables		
Chandigarh International Airport Limited	69.90	72.67

35. Segment information

Based on the “management approach” as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker (‘CODM’) does the evaluation of the Company’s performance at an overall company level as one segment, i.e., “Cargo Handling Services”.

The Company’s Board of Directors have been identified as the CODM, since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget, planning, directing and business expansions.

The Company is domiciled in India and derives its entire revenue from rendering of services in India. Moreover, all the assets/ liabilities are located in the Company’s country of domicile, i.e., India. However, the company has identified geographical segment on the basis of revenue in North, East, West and South locations of the company.

(Figures in lakhs ₹, unless stated otherwise)

Particulars	F.Y.	East	North	South	West	Unallocated	Total
Segment Revenue	2021-22	11,583.23	1,721.24	32,177.54	2,273.93	311.09	48,067.03
	2020-21	7,702.76	1,497.68	22,917.12	3,263.91	86.98	35,468.45
Segment Result (Profit/loss)	2021-22	2,273.90	(229.01)	12,106.47	560.08	19.51	14,730.95
	2020-21	1,848.19	(33.05)	8,775.51	1,123.38	(1,132.56)	10,581.47
Unallocated corporate expense	2021-22	-	-	-	-	1,470.15	1,470.15
	2020-21	-	-	-	-	2,883.99	2,883.99
Operating Profit	2021-22	2,273.90	(229.01)	12,106.47	560.08	(1,450.64)	13,260.80
	2020-21	1,848.19	(33.05)	8,775.51	1,123.38	(4,016.55)	7,697.48
Other income	2021-22	1.85	596.99	21.48	0.85	431.54	1,052.71
	2020-21	-	-	-	-	1,994.89	1,994.89
Profit before tax	2021-22	2,275.75	367.98	12,127.95	560.93	(1,019.10)	14,313.51
	2020-21	1,848.19	(33.05)	8,775.51	1,123.38	(2,021.67)	9,692.36
Tax expense	2021-22	-	-	-	-	3,513.86	3,513.86
	2020-21	-	-	-	-	2,740.46	2,740.46
Deferred Tax	2021-22	-	-	-	-	278.59	278.59
	2020-21	-	-	-	-	(274.19)	(274.19)
Other comprehensive income	2021-22	-	-	-	-	12.51	12.51
	2020-21	-	-	-	-	0.30	0.30
Profit after Tax	2021-22	2,275.75	367.98	12,127.95	560.93	(4,799.05)	10,533.56
	2020-21	1,848.19	(33.05)	8,775.51	1,123.38	(4,487.75)	7,226.27

Notes to the Financial Statements for the year ended 31 March 2022

35. Segment information (Contd.)

(Figures in lakhs ₹, unless stated otherwise)

Particulars	F.Y.	East	North	South	West	Unallocated	Total
Other information							
Capital Expenditure	2021-22	728.58	1,690.30	3,142.65	348.50	938.04	6,848.07
	2020-21	714.38	2,462.91	516.82	118.73	36.74	3,849.58
Depreciation & Amortization	2021-22	308.72	100.22	1,069.39	43.40	34.86	1,556.59
	2020-21	182.06	43.51	960.87	67.63	53.46	1,307.53

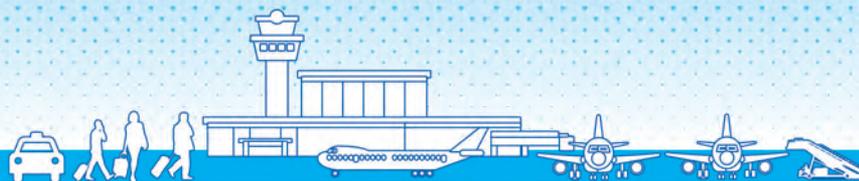
36. Financial ratios

(Figures in lakhs ₹, unless stated otherwise)

Sr. No.	Particulars	31 March 2022	31 March 2021	Change
i)	Current Ratio (A/B)	1.88	2.30	-18%
	Current assets (A)	28,302.54	26,910.53	refer note 7 (a)
	Current liabilities (B)	15,083.03	11,692.82	
ii)	Return on equity ratio (A/B)	28.35%	21.71%	31%
	Net profit for the year (A)	10,533.56	7,226.27	refer note 7 (b)
	Average equity (B)	37,160.53	33,278.11	
iii)	Trade receivables turnover ratio (A/B)	9.94	7.05	41%
	Credit Sales (A)	48,067.03	35,468.45	refer note 7 (c)
	Average trade receivables (B)	4,835.76	5,032.96	
iv)	Trade payables turnover ratio (A/B)	3.33	1.04	220%
	Credit purchases (A)	29,107.25	23,136.84	refer note 7 (d)
	Average trade payables (B)	8,731.30	22,230.30	
v)	Net capital turnover ratio (A/B)	3.64	2.33	56%
	Revenue from operations	48,067.03	35,468.45	refer note 7 (e)
	Working Capital (B)	13,219.50	15,217.71	
vi)	Net profit ratio (A/B)	21.91%	20.37%	8%
	Net profit after tax	10,533.56	7,226.27	
	Revenue from operations	48,067.03	35,468.45	
vii)	Return on capital employed (A/B)	27.14%	20.35%	33%
	PAT (A)	10,533.56	7,226.27	refer note 7 (f)
	Working Capital (B)	38,814.81	35,506.24	
viii)	Return on investment (A/B)	3.77%	6.80%	-45%
	Interest Income	597.28	1,655.16	refer note 7 (g)
	Average bank deposits	15,836.22	24,338.82	

Notes:

- Ratios relating to balance sheet items have been presented as at 31 March 2022 and 31 March 2021. Whereas, ratios relating to items of statement of profit and loss account has been presented for financial year ended 31 March 2022 and 31 March 2021.



Notes to the Financial Statements for the year ended 31 March 2022

- 2 Ratios to the extent applicable to the company has been disclosed
- 3 Net profit after tax excludes other comprehensive income
- 4 Net assets is the total of equity share capital and other equity.
- 5 Credit purchases comprise of purchases during the year and other expenses
- 6 Earnings available for debt services comprise of earning before interest and depreciation.
- 7 Reason for change by more than 25%
 - a) Decrease due to higher current liabilities during the year
 - b) Increase due to full year impact of CTO operations being taken over in previous year
 - c) Increase due to better collections from customers during the year
 - d) Increase due to timely payments to trade creditors during the year
 - e) Increase due to higher revenue as compared to previous year
 - f) Increase due to higher profit during the year from operations in comparison to previous year with almost same capital employed
 - g) Decreases due to lesser investment and lower yeild on investment

37. Trade payable ageing schedule

As at 31 March 2022

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	144.10	6.14	2.34	-	152.58
ii) Others	-	-	1,980.63	280.20	1,157.78	-	3,418.62
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
Unbilled	6,274.10	-	-	-	-	-	6,274.10
Total	6,274.10	-	2,124.74	286.34	1,160.12	-	9,845.30

As at 31 March 2021

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	-	214.43	-	-	-	214.43
ii) Others	-	-	991.66	1,722.85	-	-	2,714.51
iii) Dispute dues - MSME	-	-	-	-	-	-	-
iv) Dispute dues - Others	-	-	-	-	-	-	-
Unbilled	4,688.36	-	-	-	-	-	4,688.36
Total	4,688.36	-	1,206.08	1,722.85	-	-	7,617.29

Notes to the Financial Statements for the year ended 31 March 2022

38. Trade receivable ageing schedule

As at 31 March 2022

(Figures in lakhs ₹, unless stated otherwise)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed								
(i) Considered good	-	319.75	886.88	208.36	-	-	-	1,414.99
(ii) Significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	9.74	220.44	262.24	345.05	706.37	618.14	2,161.98
Disputed								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
Unbilled	2,624.07	-	-	-	-	-	-	2,624.07
Total	2,624.07	329.49	1,107.32	470.60	345.05	706.37	618.14	6,201.04

As at 31 March 2021

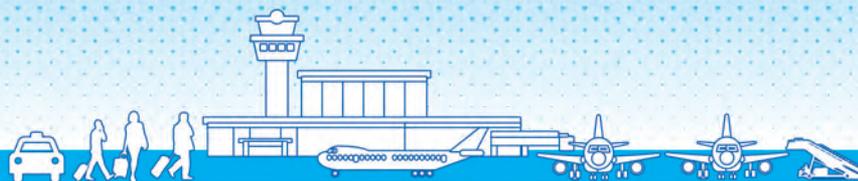
(Figures in lakhs ₹, unless stated otherwise)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed								
(i) Considered good	-	-	2,721.13	444.42	286.64	37.89	33.22	3,523.30
(ii) Significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	231.11	312.05	1,302.40	647.37	78.31	2,571.25
Disputed								
(iv) Considered good	-	-	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Credit impaired	-	-	-	-	-	-	-	-
Unbilled	2,923.83	-	-	-	-	-	-	2,923.83
Total	2,923.83	-	2,952.24	756.47	1,589.04	685.26	111.53	9,018.38

39. Revenue from Contracts with Customers

IND AS 115, Revenue from contracts with customers, establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cashflows arising from customer contracts. Ind AS-115, provides a five step model for evaluating each revenue contract(s) which are as follows:

- Identifying the contract with customer
- Identifying the performance obligation ('PO')
- Determine the transaction price



Notes to the Financial Statements for the year ended 31 March 2022

- Allocate the transaction price to the PO
- Recognize revenue when a performance obligation is satisfied

40. Concession Fees to AAI

The Board of the Company in its 12th meeting held on 7 March 2019 vide agenda item no. 20.20 approved the proposal to enter into a concession agreement with Airports Authority of India (AAI) for transfer of business and land/space of AAI related to cargo, ground handling and other allied services at various airports. In terms with the arrangement agreed between AAICLAS and AAI, a concession fee @ 30% of revenue from operations (excluding revenue earned by the company against reimbursement of ILBHS cost which is recovered from the parent company on cost to cost basis and against electricity) of AAICLAS is payable by the Company to AAI with effect from 1 April 2017. In this regard, AAICLAS, based on the revenue recognized, has recorded a provision for concession fee in favour of AAI aggregating ₹1,352,896,236 and ₹97,94,18,476 for year ending 31 March 2022 and 31 March 2021.

The management has evaluated this arrangement in view of the guidance prescribed under IndAS 115: "Revenue from contracts with customers", more specifically, as "Service Concession Arrangements" and considers it to be an arrangement where AAICLAS (the operator) though has not incurred any cost on construction or upgradation of any infrastructure, as the same is provided by AAI, has been given a right to charge its customers (users) based on usage of such infrastructure/space for 30 years starting from 01 April 2017. Accordingly, there has been no exchange of dissimilar goods and services in return for the "right to operate" cargo services at inception of the arrangement between AAI and AAICLAS. As a result, AAICLAS recognises revenue from customers as earned, and charges corresponding costs, including concession fee, as incurred.

41. Pre Deposit Account (PDA) balances at Chennai and Kolkata location

The Company has the policy of taking advance from customers in respect of specified cargo services, the advance has been kept under Pre Deposit Account (PDA) of such customer and advance is being adjusted against cargo services rendered by the Company. Such PDA accounts are maintained as subsidiary records in ICMS software (Billing Software, which is different from main accounting software). As per books of accounts (under SAP), PDA balances at Chennai and Kolkata location as on March 31, 2022 is amounting to ₹11,47,75,377/- and balances as per ICMS (Subsidiary records) is ₹11,92,91,891/-. The difference of ₹45,16,513/- is subject to reconciliation with the parent Company vis-a-vis reconciliation of customer balances as per ICMS is also to be done in due course.

42. Manpower Services for In-Line Baggage handling System

The company provided Manpower Services for In-Line Baggage handling System to its parent company namely Airports Authority of India and its Related Co. Chandigarh International Airport Limited (CHIAL) based on cost recovery basis. (refer Related Party Disclosure - Note No. 34B)

43. Custom Charges

As per Notification AAI has been declared as custodian to handle the cargo services at Airports Amritsar, Trichy, Indore, Bhubaneshwar & Madurai w.e.f. 2005 whereby some officials of the customs who are deployed at handling of such cargo services have been considered as exclusively deployed for custodian only. So, accordingly as mentioned in the notification their cost should be reimbursed by custodian to custom department as per the demand letter issued by the customs from time to time. Till now the matter was being dealt by AAI along with AAICLAS to waive off such cost including demand of interest

Notes to the Financial Statements for the year ended 31 March 2022

by customs. As on Balance Sheet date the management is of the view that such demand notice for cost of such officials may be borne by AAICLAS since the inception of the company i.e. 11.08.2016 because the cargo services are being handled by AAICLAS as part of their operations. On the other hand, for the demand of interest, the company along with its parent company has already applied for waiver with commissioner. The matter is under consideration as on date and has not been decided yet. Accordingly, the interest up to the balance sheet date has been disclosed as contingent liability.

44. Employee Benefits

All the employees of the company are on stand by deputation from the parent company. However, CEO, few employees deputed at regional/head office are hired on contractual basis for a period less than 5 years. The company has also hired Screeners & Multitaskers during the year on contractual basis for a period less than 5 years. The appointment of CFO has been done by Board of Directors as Stand Post Deputation. All the retiral benefits (such as gratuity and leave encashment) relating to employees stand by deputed from parent company (including the statutory dues) are borne by and recorded by the parent company in its books of accounts. During the year, the company has provided for its obligation towards contractual employees based on the Actuarial Valuation.

Retiral obligation of CFO of the company has been estimated and recognized by the company as per the rules & regulations of the parent company and all such liability has been transferred to the parent company as the CFO has been appointed on stand post deputation basis.

45. Pursuant to the applicability of CSR (Corporate Social Responsibility) provisions of the Companies Act, 2013 the Company has made the requisite expenditure towards CSR as per the details below:

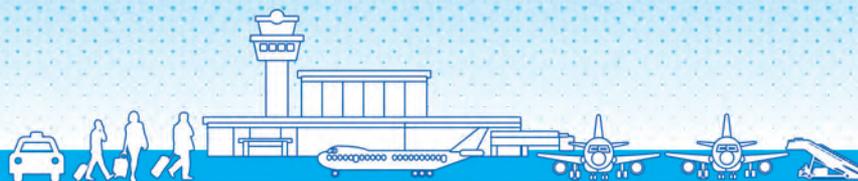
(Figures in lakhs ₹, unless stated otherwise)

Particulars	31 March 2022	31 March 2021
a) Amount required to be spent during the year	210.88	289.95
b) Amount of expenditure incurred	210.88	289.95
- Excess amount spent brought forward from last year	-	-
c) Shortfall at the end of the year	-	-
d) Amount to be transferred to Fund specified in Schedule VII	-	-
	-	-

31 March 2022

(Figures in lakhs ₹, unless stated otherwise)

Name of Project	Item from the list of activities in schedule VII to the Act	Local Area and Location of Project	Amount spent for the project	Duration of Project	Mode of Implementation	Mode of Implementation through implementation agency
PM Care Fund	Socio economic development	New Delhi	210.88	2021-22	Direct	Not Applicable



Notes to the Financial Statements for the year ended 31 March 2022

31 March 2021

(Figures in lakhs ₹, unless stated otherwise)

Name of Project	Item from the list of activities in schedule VII to the Act	Local Area and Location of Project	Amount spent for the project	Duration of Project	Mode of Implementation	Mode of Implementation through implementation agency
PM Care Fund	Socio economic development	New Delhi	200.00	2020-21	Direct	Not Applicable
Clean Ganga Fund	Socio economic development	New Delhi	44.95	2020-21	Direct	Not Applicable
Swachh Bharat Kosh	Socio economic development	New Delhi	45.00	2020-21	Direct	Not Applicable

46. Additional Regulatory information

- i) (a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - b) The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- ii) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account
- iii) The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- iv) There are no proceeding that has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- v) The company is not declared willful defaulter by any bank or financial Institution or other lender.
- vi) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- vii) The Company does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- viii) The Company does not have any advances in the nature of loans during the year.

47. Post report date events

No adjusting or significant non-adjusting events have occurred between March 31, 2022 and the date of authorisation of these financial statements.

48. The accounting policies that are currently not relevant to the company have not been disclosed. When such accounting policies become relevant, the same shall be disclosed.

Notes to the Financial Statements for the year ended 31 March 2022

49. Previous period figures have been re-grouped / reclassified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III of the Companies Act, 2013 effective from 01 April 2021.

Particulars	Old Heads	Regrouped heads	Amount (₹ in Lakhs)
Security Deposit	Other Financial Liability (Current)	Other Financial Assets (Current)	8.74
Debtors	Trade Receivables	Advance from customer	1255.04
Unbilled Revenue	Other Current Assets	Trade Receivable	2624.07
Advance from customer	Trade Receivables	Advance from customer	1255.04
Interest accrued on bank deposit	Cash and Cash equivalent	Other Financial Assets (Current)	270.58

50. AAICLAS using Land of AAI to run the operation. Moreover, AAICLAS paying 30% of Revenue from operation as concession fees as against the land of AAI. However, Concession agreement has not been signed yet.
51. No such transaction entered with struck off companies by AAICLAS.
52. Prior to 18.02.2021 one private firm was operating the CTO operation at Kolkata and Chennai station under the auspices of AAI. In accordance with the direction of Ministry of Civil Aviation the CTO operation was taken over by AAICLAS w.e.f 18.02.2021. The total impact of revenue and expenses for FY 2021-22 amounts to ₹87 Crore & 39 Crore. Therefore, the taking over of CTO operation by AAICLAS has given a positive impact of the profitability of the organisation.
53. Deposit paid under protest in advance in 2018 but now case declared in favour of AAICLAS and received ₹14.03 Lacs before signing of Financials Statement for FY 2021-22.
54. On the basis of review, the management is of the opinion that the economic performance of non financial assets of the Company is not lower than expected and therefore there is no impairment of any assets as on the Balance Sheet date.
55. The license agreement between AAICLAS Bagdogra and Siliguri Jalpaiguri Development authority for operation and management of centre for perishable cargo (CPC) on a token amount of ₹1/- for a period of 30 years on revenue sharing basis signed on 12.07.2019, but the operation at the concern building not yet started.
56. Assets given on rent to Adani Lucknow till 15th May 2021 and accordingly rental income booked in our books of accounts till such date. After 15.05.2021 assets were received back from Adani and sent at other Station.
57. The financial statements were approved for issue by the board of directors on 13th October 2022.

For UCC & Associates LLP
Chartered Accountants
Firm's Registration No.: 010585N/N500017

Sd/-
Sunita Umesh
Partner
Membership No:088316

Place: New Delhi
Date: 13.10.2022

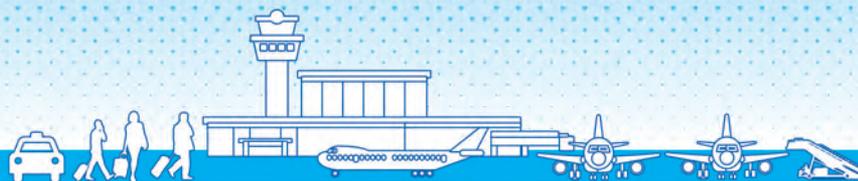
For and on behalf of Board of Directors
AAI Cargo Logistics & Allied Services Company Limited

Sd/-
Kishore Kumar Senapati
Chief Financial Officer
PAN:APUPS3057G

Sd/-
Ajay Kumar
Chief Executive Officer
PAN:ACSPB2799P
Place: New Delhi
Date: 13.10.2022

Sd/-
Garima Jauhari
Company Secretary
Membership No:A28015

Sd/-
Sanjeev Kumar
Chairman
DIN:01866640



INDEPENDENT AUDITORS' REPORT

To the Members of AAI Cargo Logistics and Allied Services Company Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of M/s AAI CARGO LOGISTICS AND ALLIED SERVICES COMPANY LIMITED (a wholly owned subsidiary of M/s Airports Authority of India ("the parent Company"), a Body Corporate set up under The Airports Authority of India Act, 1994 ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. There is a significant difference of ₹3,669.72 lakh as per the reconciliation provided to us in respect of transactions undertaken with the holding company, i.e. Airport Authority of India, (AAI). Also, there is a difference in revenue from operations amounting to ₹254.87 lakh in respect of Airport Authority of India as per the financial records of the company and Form 26 AS. The amount of revenue accrued and received from Airport Authority of India as per the details provided to us amounts to ₹ 2064.89 lakh, whereas the amount appearing in Form 26AS is ₹ 2,319.76 lakh.

2. There is a difference of ₹182 lakh as per the reconciliation provided to us, in respect of the net block of cargo segment of fixed assets transferred from Airport Authority of India to the Company. The net block of cargo segment fixed assets for ₹2,222 lakh transferred from Airport Authority of India to the company whereas the net block of assets booked in the company stands at ₹2,040 lakh, hence the non-current assets value in respect of fixed assets stand understated.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act 2013. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

Emphasis of Matter

We draw attention to the following matters

1. Note no. 21, there is a major difference of ₹ 9,218.71 lakh in the amount of Revenue from operations as per the financial statements and the Revenue from operations as appearing in Form 26AS of the Company. During the year the Revenue from operations (net of unbilled revenue) as per financial statements amounts to ₹44,642.05, whereas the Revenue from operations as per Form 26AS amounts to ₹ 35,423.34. We have observed few instances, illustrated in below tables, where parties are not booking the invoices raised by the Company and also where revenue received or accrued as per the financial records of the Company is less than revenue as per Form 26AS, resulting to such differences:

Report on the Audit of the Standalone Financial Statements

Table 1: Customers from which revenue received or accrued as per the financial records of the Company is more than revenue as per Form 26AS

(Figures in lakhs ₹, unless stated otherwise)

S. No.	Name of the party	Amount of Revenue as per financial records of the company (₹ in Lakh)	Amount of Revenue as per Form 26AS (₹ in Lakh)	Difference (₹ in Lakh)
		(A)	(B)	(C)
1	Spice Jet Limited	1,617.14	-	1,617.14
2	GSEC Limited	997.37	922.84	74.53
3	Interglobe Aviation Limited	4,268.50	4,260.29	8.21
4	Kerry Indev Logistics Private Limited	1309.30	1,115.62	193.68
5	Emirates Airlines	2444.34	2,139.67	304.67
Total		10,636.65	8,438.42	2,198.23

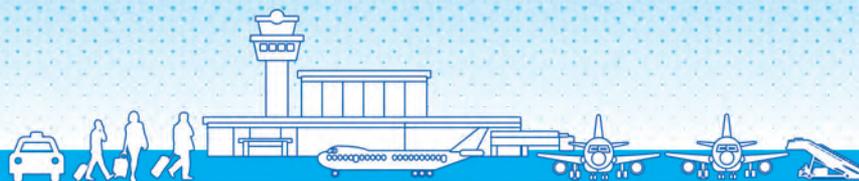
Also, there are instances where revenue received or accrued from few parties as per the financial records of the company is less than the revenue appearing in Form 26 AS. Few parties for which revenue received or accrued as per the details provided to us by the Company is less than that appearing in the Form 26 AS have been illustrated in the table below:

Table 2: Customers from which revenue received or accrued as per the financial records of the Company is less than revenue as per Form 26AS

(Figures in lakhs ₹, unless stated otherwise)

S. No.	Name of the party	Amount of Revenue as per financial records of the company (₹ in Lakh)	Amount of Revenue as per Form 26AS (₹ in Lakh)	Difference (₹ in Lakh)
		(A)	(B)	(C)
1	Air India Limited	2,328.24	3,510.62	1,182.38
2	Cathay Pacific Airways Limited	1,588.79	1,690.18	101.39
3	DHL Logistics Private Limited	243.49	283.79	40.30
4	FLYJAC Logistics Private Limited	465.52	574.12	108.60
5	Etihad Airways	493.00	571.00	78.00
6	TATA Sia Airlines Limited	511.95	555.79	43.84
7	Air Asia (India) Limited	447.74	456.99	9.25
Total		6,078.73	7,642.49	1,563.76

- The unbilled revenue in respect of the demurrage charges at the Kolkata station is understated by ₹ 140.83 lakhs as on 31st March 2021. Due to which, there is overstatement of the revenue for the year ended 31st March 2022 by ₹140.83 lakhs and understatement of the revenue for the year ended 31st March 2021 by the same amount.
- Note No.23 & 50 - Concession Fee to AAI: The cargo business was being carried out by Airport Authority of India (AAI i.e., Holding entity) before August 11, 2016, being the date of incorporation of the Company. AAI formed AAICLAS as a wholly owned subsidiary to carry out the cargo operations and AAI transferred the contracts and assets related to Cargo Business to AAICLAS. The Company passed a Board Resolution



Report on the Audit of the Standalone Financial Statements

whereby 30 percent of the Cargo Revenue was to be paid annually to AAI as Concession Fees. The above arrangement has been accounted in the books of accounts as a Service Concession Arrangement (Accounted using the principles as per Ind AS 115). The Board of Directors of the Company and Parent Company had given consent for this arrangement and accordingly the company has continued accounting for the expenses during the current financial year as well. The Service Concession Agreement has now got signed between the parties on 12th October, 2022.

4. Note No. 7 and 17, In case of the Trade Receivables amounting to ₹3,576.97 lakhs and Trade Payables amounting to ₹9, 845.30 lakhs as on 31st March 2022, only a few balance confirmations are received, and remaining balances are pending to be confirmed as on 31st March 2022.
5. Note No. 14 and 18 - Other Financial Liabilities (current as well as non-current): The Company has provided space on cargo terminals on rent to some parties, we have observed that security deposits from few tenants have not been received by the Company leading to no control over such tenants regarding their vacation or usage of the property by the Company. Therefore, the amount of security deposits as appearing in the financial statements is inadequate. During our review, we observed total security deposits pertaining to three airports i.e., Chennai, Kolkata and Ahmedabad amounting to ₹44.52 lakh have not been received from Air India, State Bank of India, Thai Airways, British Airways and Spice Jet.
6. Note No. 40 – Concession Fee to AAI: The Company pays concession fee at the rate of 30 percent of its total operating revenue to its holding company i.e., Airport Authority of India (AAI). This concession fee is paid on account of usage of common facilities like land and building, plant and machinery and other utilities and services which are owned and controlled by Airport Authority of India. The agreement for the concession fee has got signed between the Airport Authority of India and the Company on 12th October, 2022. During the year under

consideration the Company has paid concession fees of ₹ 13,528.96 lakh.

7. Note No. 3a – Property, Plant and Equipment: As per Internal Audit Report, there are various instances where assets were not identified at specified location or found at short quantity. Excess/additional assets were noted during physical verification which have not been capitalized in the books. Obsolete and idle assets were found during physical verification. Land in the possession of the Company had not been capitalized for any location and there are many cases where the buildings had not been capitalized in the books of the Company. Corrections with regard to quantity, description, location or asset useful life are needed in the Fixed Assets Register

Other Matters

We draw attention to the following matters:

1. The company has not yet taken the Professional tax registration for the Ahmedabad branch.
2. During the year the company has received payments, ₹2,552.88 lakh from Air India Limited against the outstanding balance at the beginning of the financial year and also against the invoices raised during the year. However, due to the uncertainty towards the recoverability of outstanding balance at the close of the current financial year, the company have provided 100% provision for ₹419.78 lakh against the outstanding balance as on 31st March, 2022.
3. Note No. 33, Contingent Liabilities, Contingent Assets and Commitments: there are 33 legal cases pending at various forums filed by or against the company. Out of these cases, in 8 legal cases which are pending at Delhi High Court and Kolkata High Court as per the company and the legal counsel, AAICLAS has been made party to these cases, but the issue and financial liability would devolve upon Delhi International Airport Limited (DIAL) and not AAICLAS as it pertains to Demurrage charges at Delhi Airport which is not under the control of AAICLAS.

Report on the Audit of the Standalone Financial Statements

Table 1: List of Legal cases wherein no financial amount has been disclosed as there shall be no financial liability that would devolve on the Company as per the opinion of the Company and the legal counsel

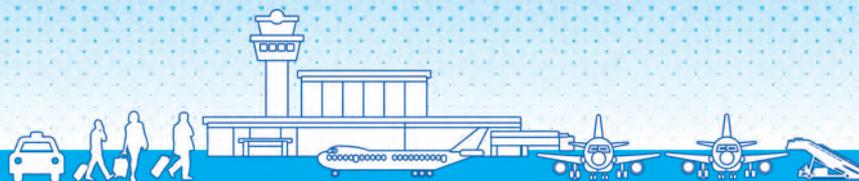
(Figures in lakhs ₹, unless stated otherwise)

S. No.	Case Title	Authority at which case is pending	Facts of the case
1	WP(C) 3022/2020 Saga Freights Express Pvt Ltd vs Union of India & Ors	Delhi High Court	Challenge to the Ministry of Civil Aviation Order dated 01.04.2020 in respect of demurrage charges during lockdown.
2	WP(C) 3162/2020 Ajay Kumar Gupta vs Union of India & Ors.	Delhi High Court	Challenge to the Order dated 01.04.2020 issued by the Ministry of Civil Aviation in respect of demurrage charges.
3	WP(C) 3201/2020 Aromatrix Flora Pvt. Ltd vs Union of India & Ors.	Delhi High Court	Challenge to the Order dated 01.04.2020 issued by the Ministry of Civil Aviation in respect of demurrage charges.
4	WP(C) 3251/2020 Euro Coffee Machine vs MOCA & Ors	Delhi High Court	Challenge to the Order dated 01.04.2020 issued by the Ministry of Civil Aviation in respect of demurrage charges.
5	WP(C) 3259/2020 M/S Vehant Technologies Pvt Ltd vs Union of India & Ors.	Delhi High Court	Challenge to the Order dated 01.04.2020 issued by the Ministry of Civil Aviation in respect of demurrage charges.
6	WP(C) 4054/2020 Euro Safety Footwear vs Union of India & Ors.	Delhi High Court	Challenge to the Order dated 01.04.2020 issued by the Ministry of Civil Aviation in respect of demurrage charges.
7	WP(C) 3884/2020 Aromatrix Flora vs Union of India & Ors.	Delhi High Court	The Petitioner is seeking harmonious construction between FSSAI Regulations, Demurrage charges by Cargo Concessionaire and Ministry of Civil Aviation Regulations in respect of demurrage charges.
8	M/s Hemkant Enterprises Vs UOI & others WPA 8720/2020	Kolkata High Court	Challenge to the Order dated 01.04.2020 issued by the Ministry of Civil Aviation in respect of demurrage charges.

Table 2: List of Legal cases wherein the legal cases have been transferred from Airport Authority of India to AAICLAS but the same pertains to the period before AAICLAS had been incorporated. As per the management any financial implications that may devolve due to these litigations would not be payable by AAICLAS as the same pertains to Airport Authority of India:

(Figures in lakhs ₹, unless stated otherwise)

S. No.	Title	Authority at which case is pending	Facts of the case
1	CWP 5216/1998 Delhi Armoury vs UOI & Ors. (Transferred from AAI to AAICLAS)	Delhi High Court	Demurrage charges claim on AAI
2	WP(C) 5415/2014 Delhi Customs Clearing Agents vs UOI & Ors. (Transferred from AAI to AAICLAS)	Delhi High Court	The Petitioner has challenged the AAI (Storage and Processing of Cargo, Courier and Express Goods and Postal Mail) Regulations 2003



Report on the Audit of the Standalone Financial Statements

Table 3: List of Legal cases filed against the company wherein financial liability that may devolve on the Company, is not ascertainable as per the Company and the opinion of the legal counsel of the Company:

(Figures in lakhs ₹, unless stated otherwise)

S. No.	Title	Authority at which case is pending	Facts of the case
1	CS(COMM) 532/2021 AAICLAS Vs Courier & Alliance	Delhi Legal Services Authority, Tis Hazari District Court	Short Payment of Demurrage/ charges at Kolkata airport
2	CS(COMM) 315/2021 AAICLAS Vs Trinity Express	Delhi Legal Services Authority, Dwarka District Court	Short Payment of Demurrage / charges at Kolkata airport
3	J.P. Aviation Vs AAICLAS (2744/2021)	Kolkata High Court	CTO Tender Cancellation
4	J.P. Aviation Vs AAICLAS (3756/2021)	Kolkata High Court	CTO Tender Cancellation
5	Arbitration case No.01/2020 for outstanding dues	CSC Vs AAI/AAICLAS at Ahmedabad	Pleadings have been completed
6	Arbitration case No.01/2021 for Termination of agreement	CSC Vs AAI/AAICLAS at Ahmedabad	Documentation under process
7	D Mugheelan, DGM, Cargo Vs AAI WP. No.6060/2021	Madras High Court	Challenging transfer order to Port Blair
8	M/s S.V.C Industry Ltd. Vs. AAI Civil Suit 58992/2016	Patiala House Court New Delhi	Claim Case
9	Bhadra International Vs UOI, AAI	Madras High Court	Industrial Dispute Act
10	W.P. © No. 1081 & 1031 of 2019	High court of Manipur Imphal	For praying for quashing/ setting aside the impugned letter dated 11.12.2019
11	G.A. No.2 of 2022 CUSTA No.9 of 2022	High Court of Kolkata	Commissioner of Customs-Kolkata Vs AAICLAS
12	WP(MD) No.4668/2022 9444/2022	Madurai High Court Bench	M/s ABS Xpress Pvt. Ltd. Vs AAICLAS

4. Note no. 55, on 12th July 2019, the company had entered into an agreement with Bagdogra and Siliguri Jalpaiguri Development Authority, Dist. Darjeeling, West Bengal for operation and management of the Centre for Perishable Cargo (CPC) on a token amount of ₹1/- for a period of 30 years on revenue sharing basis, the operations could not be commenced till the end of the current financial year.

Information other than the financial statements and auditor's report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made

available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report on the Audit of the Standalone Financial Statements

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

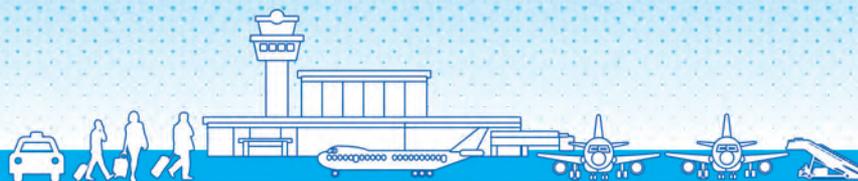
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs

will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- (d) Conclude on the appropriateness of management's and Board of Directors' use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify



Report on the Audit of the Standalone Financial Statements

our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report.
 - (c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report.
 - (e) Being a government Company, pursuant to the Notification No. GSR 463 (E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company.

Report on the Audit of the Standalone Financial Statements

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) Being a Government Company, pursuant to the Notification No. GSR 463 (E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (16) of Section 197 of the Companies Act, 2013, are not applicable to the Company.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March 2022 on its financial position in its financial statements - Refer note no. 33 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause d (i) and d (ii) above contain any material mis-statement.
- (v) The Company has not declared any interim dividend during the year and Final Dividend declared and paid by the Company is in accordance with Section 123 of the Companies Act 2013.
3. The Comptroller and Auditor General of India has issued revised directions indicating the areas to be examined in term of Section 143(5) of the Act, the compliance of which is set out in "Annexure - C".

For **UCC and Associates LLP**
(Chartered Accountants)
FRN No. 010585N/N500017

Sd/-

CA Sunita Umesh

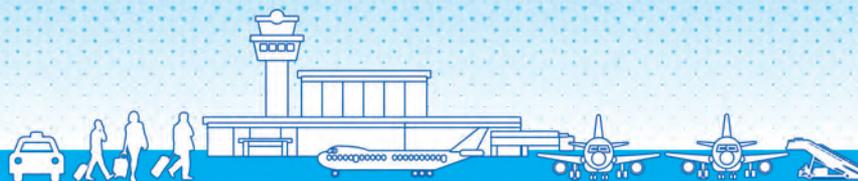
Partner

Membership Number: - 088316

UDIN:

Place: New Delhi

Date : - 13th October 2022



Report on the Audit of the Standalone Financial Statements

ANNEXURE OF THE INDEPENDENT AUDITORS' REPORT

Annexure - A

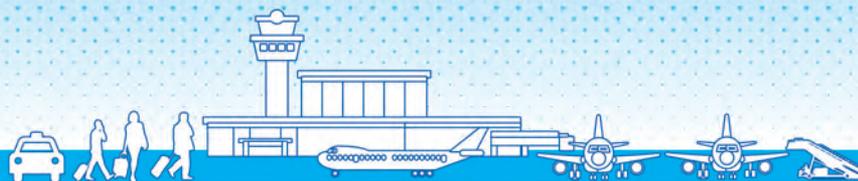
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2022, we report the following:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the fixed assets were physically verified by the management in the previous years in accordance with a planned programme of verifying them once in two years, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, there are various deficiencies observed during the physical verification of fixed assets of the Company which are highlighted in the 'Note No. 5, of Emphasis of Matters' paragraph of our report.
- (c) There is no immovable property (other than land and the properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company which is not in the name of the company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its property, plant and equipment (including right of use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Register Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible Assets does not arise.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and rules made thereunder & therefore question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statement does not arise.
- (ii) (a) The Company does not have any inventory and consequently, clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, during the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

Report on the Audit of the Standalone Financial Statements

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, during the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the Company has not granted loans or advances in the nature of loans to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, The provisions of the maintenance of the cost records as has been specified under sub-section (1) of the Section 148 of the Companies Act, 2013 and maintenance of cost records are applicable on the Company, however, in the absence of any record provided to us, we are unable to comment upon the maintenance of cost records by the Company.
- (vii) (a) According to the records of the company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Cess and other material statutory dues as applicable to it with the exception of Goods and Service Tax. Being a wholly owned subsidiary of M/s. Airports Authority of India (parent Company), majority of the employees are on standby deputation basis, therefore, statutory dues related to such employees, such as



Report on the Audit of the Standalone Financial Statements

Provident Fund, Professional Tax as applicable, are being deducted and deposited by the parent Company. However, employees who are on the payroll of the Company, all the employees related to statutory dues, such as Provident Fund, Professional Tax as applicable, are being deducted and deposited by Company on regular basis except as per illustrative list of cases provided in the below-mentioned table:

- (b) According to the information and explanations given to us, there are disputed statutory dues, which have not been deposited as on March 31, 2022, and the details of the same are as under:

Name of the Statute	Nature of the Dues	Amount (₹ in lakh)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Custom Act, 1962	Custom Act, unauthorised removal of the cargo at Kolkata station	Penalty of ₹ 1.00 lakh u/s 117 and duty demand ₹187.09 lakh u/s 45(3)	2018 vide C/79259/2018	High Court, Kolkata	The case was pending before CESTAT Kolkata vide case "Commissioner of Customs- Kolkata v/s AAICLAS". CESTAT had passed the order in favour of the Company on date 29.07.2021, wherein the demand of duty and imposing penalty had been waived off. However, Customs in Kolkata High Court have filed Appeal case thereafter.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any loan from any lender hence, the requirement to report on clause (ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the

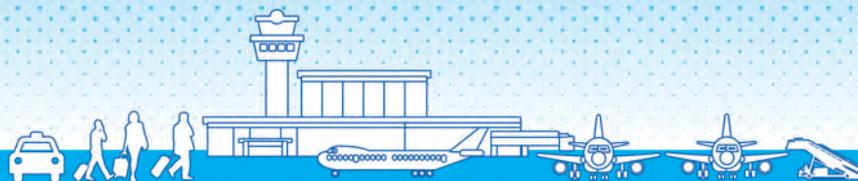
Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any loan from any lender hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on an overall examination of the books of the Company, we report that the Company did not raise any funds for short term basis during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

Report on the Audit of the Standalone Financial Statements

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x). (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit nor have we been informed of any such case by the management.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As per information and explanation given by the management and/or audit committee there were no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business. However, scope of the Internal Auditors does not cover the major financial areas which leads to the effective financial reporting.



Report on the Audit of the Standalone Financial Statements

- (b) We have considered the internal audit reports of the Company issued till 31st March 2022 furnished to us.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, there are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation by the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios (also refer note 36 to financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) Company is not required to transfer any amount in respect of the ongoing/other than ongoing CSR projects as per the sub-section (5) (6) of section 135 of the said Act, hence, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.

For **UCC and Associates LLP**
(Chartered Accountants)
FRN No. 010585N/N500017

Sd/-

CA Sunita Umesh

Partner

Membership Number: - 088316

UDIN:

Place: New Delhi

Date : - 13th October, 2022

Report on the Audit of the Standalone Financial Statements

Annexure - B

ANNEXURE OF THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls with reference to financial statements of **M/s AAI CARGO LOGISTICS AND ALLIED SERVICES COMPANY LIMITED** ("the Company") as of 31st March 2022 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of



Report on the Audit of the Standalone Financial Statements

the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2022:

- System/mechanism is deficient with regards to reconciliation with the debtors as on 31st March 2022, procedure of obtaining balance confirmation at periodical interval needs to be reviewed and strengthened.
- Integrated accounts system need to improve for enabling of various information generation and recording controls for reliable and accurate financial reporting.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, to the best of our information and according to explanations given to us, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

For **UCC and Associates LLP**
(Chartered Accountants)
FRN No. 010585N/N500017

Sd/-
CA Sunita Umesh
Partner
Membership Number: - 088316
UDIN:

Place: New Delhi

Date : - 13th October, 2022

Report on the Audit of the Standalone Financial Statements

Annexure - C

ANNEXURE OF THE INDEPENDENT AUDITORS' REPORT

S. No	Directions	Our Report
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the Integrity of the accounts along with the financial implications, if any, may be stated.	No, complete integrated system is not in place, hence, we are unable to comment upon the financial implication on non-integration of accounts and their integrity.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	There is no restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company.
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation	There were no funds which have been received/ receivable for specific schemes from Central / State agencies.

For **UCC and Associates LLP**
(Chartered Accountants)
FRN No. 010585N/N500017

Sd/-
CA Sunita Umesh

Partner
Membership Number: - 088316
UDIN:

Place: New Delhi
Date : - 13th October, 2022



VIJAYNAGAR (RCS AIRPORT)

Ayodhya



Hollongi



Varanasi



Kushinagar



भारतीय विमानपत्तन प्राधिकरण
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