



No. AAI/CHQ/RAB/Ahmedabad /2022

01st February , 2022

**The Secretary,
Airports Economic Regulatory Authority of India,
AERA Building, Administrative Complex,
Safdarjung Airport,
New Delhi-110003**

Sub:- Finalization of RAB & True up as on Commercial Operation Date (COD) in r/o Sardar Vallabhbhai Patel International airport Ahmedabad

Sir,

AERA vide order No14/2018-19 dated 23/07/2018 has determined the Aeronautical Tariff in respect of Sardar Vallabhbhai Patel International airport Ahmedabad for the second control period (01/04/2016 to 31/03/2021). The tariff was applicable w.e.f 01/08/2018. Further AERA vide Order No 17/2020-21 dated 01.7.2020 compensated AAI by increasing the landing charges by 3% w.e.f 15/07/2020 in lieu of stoppage of Fuel through put charges w.e.f 15/01/2020 by Govt of India .

2. The Concession Agreement with the concessionaire M/s Adani Ahmedabad International Airport Ltd(AAIAL) was signed on 14.02.2020 and the Commercial Operation Date(COD) was achieved on 07.11.2020.

3. As per Concession Agreement the Concessionaire shall be liable to pay to AAI an amount equivalent to investments made by AAI in aeronautical assets as of COD and considered by the AERA as part of Regulatory Asset Base(RAB) subject to reconciliation, True up and final determination by AERA and the same is subject to adjustment as per para 28.11.4(a) & (b).

4. The amount of Estimated Initial RAB & Initial Non-Aeronautical Investments amounting to Rs 277.41 cr has been released by M/s AAIAL on 04.02.2021.

5. AAI has prepared the proposal of True up & Finalization of RAB as on COD in respect of Sardar Vallabhbhai Patel International airport Ahmedabad as per the terms of the Concession agreement and as per AERA methodology. The proposal has been prepared with actual data for the period 01.04.2016 to 06.11.2020 considering the following

- Traffic data
- Allocation
- Employee Ratio

- Quarters Ratio
- Regulatory Asset Base
- Fair Rate of Return (FRoR)
- Return on land
- Depreciation
- Operating Cost
- Taxation
- Adjusted Non Aeronautical Revenue
- Regulated revenue

6. Based on the above, shortfall has been assessed for 2nd control period (01.04.2016 up to COD), which is summarized as under:

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (up to COD)	Total
Opening RAB	293.75	301.12	290.52	297.86	331.38	
Closing RAB	301.12	290.52	297.86	331.38	316.44	
Average Regulatory Asset Base (RAB)	297.44	295.82	294.19	314.62	323.91	
Fair Rate of Return (FRoR)	14%	14%	14%	14%	14%	
Return on Average RAB @14%	41.64	41.42	41.19	44.05	45.35	213.64
Depreciation	23.08	24.19	26.40	27.22	17.05	117.95
Operating Expenditure	179.70	154.40	167.23	204.74	103.32	809.38
Return on Land	0.12	0.12	0.12	0.12	0.12	0.62
Unamortised portion of Land - Balance of Land Value	0.00	0.00	0.00	0.00	1.11	1.11
Corporate Tax	0.00	0.00	0.00	0.00	99.61	99.61
Add: Carried forward of Shortfall from 1st CP	3.6					3.64
Less: 30% Deductions for Non-Aero Revenues	-20.13	-18.91	-23.62	-30.57	-6.18	-99.41
Total Gross ARR	228.06	201.22	211.32	245.55	260.39	1,146.54
Revenue earned from Aeronautical Services	186.51	209.39	195.37	166.55	33.45	791.28
(Excess) / Shortfall	41.55	-8.17	15.95	79.00	226.93	355.26
PV	1.69	1.48	1.30	1.14	1.00	
PV of (Excess) / Shortfall	70.17	-12.10	20.72	90.06	226.93	395.79

The following assumptions have been considered.

- Considering the Airport has been transferred to AAIAL w.e.f.7 nd Nov 2020, unamortized cost of the land shall be allowed to be claimed in FY 2020-21.
- Tax Expenditure of Rs. 99.61 cr is claimed in FY 2021-22 considering shortfall for the 2nd control period that would be paid off by AAIAL in the FY 2021-22 will attract tax liability for AAI.

7. Claim payable by M/s AAIAL

- a. The amount to be paid by Concessionaire shall be the present value of Adjusted Deemed Initial RAB calculated using the fair rate of return as determined by the Regulator for the time from the COD to the date of actual payment of the Adjusted Deemed Initial RAB.
- b. AAI has transferred Non-Aeronautical amounting to Rs 0.25 cr as on COD which is subject to verification/determination by Independent Engineers as per Clause 28.12.3 of CA.
- c. AAIAL is also required to pay for ANS Assets (Gross Assets Less Depreciation) as on COD amounting to Rs 5.98 Crs in terms of Schedule 1 (Sno 21 to23)of CNS ATM Agreement (Schedule Q of CA) clause of CA.

8. Hence, Total Amount payable by Adani Ahmedabad International Airport Limited as per the concession agreement as on COD subject to approval of Airports Economic Regulatory Authority (AERA) in r/o RAB/Shortfall of True up and determination on Non Aeronautical Investment is as follows:

Sr. No.	Particulars	Amount Rs. In Crores
A	Regulatory Asset Base as on COD – Transferred to to AAIAL Net of Assets retained by AAI (R 316.44 cr-14.67 cr)	301.77
B	Non-Aeronautical Assets to AAIAL	0.25
C	ANS Assets Transferred to AAIAL	5.98
D	Short of True up for 2nd Control Period	395.79
Total		703.79

The detailed submissions along with workings are enclosed for your consideration and approval.

This issues with the approval of Competent Authority.

Yours faithfully,


(V Vidya)

Executive Director (JVC/Tariff)

Encl:- As above

Copy to : Sh. Manoj Chanduka, Head,Regulatory Affairs, M/s AAIAL for information.



Airport Authority of India

**Submission to Airports Economic Regulatory Authority
of India (AERA) for Determination of Tariff for Airport
Services for Ahmedabad International Airport for the
Control Period - FY 2016-17 to FY 2020-21 (up to COD -
7th Nov 2020)**

Date of Submission: February 01st , 2022

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1. Background and Introduction to Airport Authority of India

1.1 Background

- 1.1. Airports Authority of India (AAI) was constituted under the Airports Authority of India Act 1994 ("AAI Act") and came into being on 1st April 1995 by merging erstwhile National Airports Authority and International Airports Authority of India, 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. The merger brought into existence a single organization entrusted with the responsibility of creating, upgrading, maintaining, and managing civil aviation infrastructure, both on the ground and air space in the country.

1.2. Structure of Airports Authority of India

- 1.2.1. The Airports Authority of India or AAI is a statutory body (created through the Airports Authority of India Act, 1994) working under the Ministry of Civil Aviation, Government of India.
- 1.2.2. The major objectives of Airports Authority of India are creating, upgrading, maintaining, and managing civil aviation infrastructure in India.
- 1.2.3. Airports Authority of India provides Communication Navigation Surveillance / Air Traffic Management (CNS/ATM) services over Indian airspace and adjoining oceanic areas.
- 1.2.4. AAI covers all major air-routes over Indian landmass via Radar installations along with VOR/DVOR installations co-located with Distance Measuring Equipment (DME).
- 1.2.5. AAI having its Corporate Headquarters at Rajiv Gandhi Bhawan, New Delhi is operating from its Five Regional Headquarters namely-
- ❖ Eastern Regional Headquarter at Kolkata, West Bengal
 - ❖ Western Regional Headquarter at Mumbai, Maharashtra
 - ❖ Northern Regional Headquarter at Delhi, NCR
 - ❖ Southern Regional Headquarter at Chennai, Tamil Nadu.
 - ❖ North-Eastern Regional Headquarter at Guwahati, Assam.
- 1.2.6. Airports Authority of India has wholly owned subsidiaries, subsidiaries and joint ventures as follows.

Sl. No.	Name of Subsidiary/JV/Associate	Stake
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	Delhi International Airport Limited (DIAL)	Joint Venture (26%)
5	Mumbai International Airport Limited (MIAL)	Joint Venture (26%)
6	GMR Hyderabad International Airport Limited (HIAL)	Joint Venture (13%)
7	Bangalore International Airport Limited (BIAL)	Joint Venture (13%)
8	National Flying Training Institute Private Limited, Gondia	Joint Venture (46%)
9	MIHAN India Limited, Nagpur	Joint Venture (49%)
10	Kannur International Airport Limited	Joint Venture (7.47%)
11	Digi Yatra Foundation	Joint Venture (26%)

2. Airports Economic Regulatory Authority of India (AERA)

- 2.1. The Airports Economic Regulatory Authority of India (the Authority) was established under the Airports Economic Regulatory Authority of India Act, 2008, (the AERA Act) to regulate tariff and other charges for aeronautical services rendered at Airports and to monitor performance standards of airports. The AERA Act, 2008 came into force w.e.f. 01.01.2009 and its regulatory functions were notified with effect from 01.09.2009. Pursuant thereto, the Authority has set in motion an open and transparent process, involving extensive stakeholder consultation, to establish its regulatory philosophy and approach as well as to evolve detailed procedures and systems for determination of tariff and monitoring of performance standards.
- 2.2. The statutory functions of the AERA are enshrined in Clause 13(1)(a), Chapter III of the Airports Economic Regulatory Authority of India Act, 2008, according to which the Authority is required to determine the tariff for the aeronautical services taking into consideration number of factors which have been reproduced here under:
- 2.2.1. The capital expenditure incurred and timely investment in improvement of airport facilities;
 - 2.2.2. The service provided, its quality and other relevant factors;
 - 2.2.3. The cost for improving efficiency;
 - 2.2.4. Economic and viable operation of major airports;
 - 2.2.5. Revenue received from services other than the aeronautical services;
 - 2.2.6. The concession offered by the Central Government in any agreement or Memorandum of understanding or otherwise;
 - 2.2.7. Any other factor which may be relevant for the purposes of this Act;
 - 2.2.8. Provided that different tariff structures may be determined for different airports having regard to all or any of the above considerations specified at sub-clauses (i) to (vii).
- 2.3. In addition, the Authority is also required to perform certain other functions in respect of major airports as has been laid down in Clause 13(1)(b) to 13(1)(f), Chapter III of the Airports Economic Regulatory Authority of India Act, 2008. These are reproduced as under:
- 2.3.1. To determine the amount of the Development Fees in respect of major airports;
 - 2.3.2. To determine the amount of the Passengers Service Fee levied under rule 88 of the Aircraft Rules, 1937 made under the Aircraft Act, 1934;
 - 2.3.3. To monitor the set Performance Standards relating to quality, continuity and reliability of service as may be specified by the Central Government or any Authority authorized by it in this behalf;

- 2.3.4. To call for such information as may be necessary to determine the tariff under clause (a);
- 2.3.5. To perform such other functions relating to tariff, as may be entrusted to it by the Central Government or as may be necessary to carry out the provisions of this Act.
- 2.4. The Authority, vide its Order No. 13/2010-11 dated 12.01.2011 (Airport Order) finalized its approach in the matter of Regulatory Philosophy and Approach in Economic Regulations of Airport Operators. Further, the Authority vide its Direction No. 5/2010-11 dated 28.02.2011, issued the Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff for Airport Operators), Guidelines 2011 (Airport Guidelines).
- 2.5. As per section 2(i) of AERA Act, Major Airport means "any Airport which has, or is designated to have, annual passenger throughput in excess of three and half million or any other airport as the Central Government may, by notification, specify as such". The Authority has mandated the operator of these Major Airports to follow the "Airport Guidelines", issued by AERA while filing their tariff proposals before the Authority for tariff determination.
- 2.6. As per Airport Guidelines, the Authority is required to determine tariff for the aeronautical services at an airport on the basis of a Multi-Year Tariff Proposal (MYTP) submitted by the Airport Operator for a control period of 5 years. The Authority reviews the proposals submitted by the airport operator and determines the yield per passenger based on its regulatory philosophy. Subsequently the Annual Tariff proposal(s) (ATP) submitted by the Airport Operator are reviewed and approved.
- 2.7. As per the Airport Guidelines, all Airport Operator(s) were to submit to the Authority for its consideration, a MYTP for the first Control Period, i.e., five-year period commencing from 2011-12 in the form and manner specified in the Airport Guidelines within four months of the date of issue of the Airport Guidelines. The last date for submission of the MYTP in terms of the Airport Guidelines was 30.06.2011.
- 2.8. The Authority was conscious about the fact that in the nature of the timelines specified in the Airport Guidelines, it would not be possible to determine the tariff in respect of any of the major airports before 01.04.2011. In this light, the Authority had proposed to permit the concerned airport operators to continue charging the tariffs for aeronautical services provided by them, at the existing rates, in the interim period for which a separate order was issued after suitable Consultation. (Order No. 15/2010-11 dated 24.03.2011).
- 2.9. The Authority also issued separate Order no. 12/2010-11 dated 10.01.2011 and guidelines issued vide Direction no. 04/2010-11 dated 10.01.2011 for Cargo, Ground Handling and Fuel Supply in respect of major airports noting that all three are defined as Aeronautical services under AERA Act.

2.10. The Authority had issued its Order No. 13/2010-11 dated 12.01.2011 In the matter of Regulatory Philosophy and Approach in Economic Regulation of Airport Operators (Airport Order) and Direction No. 5/2010-11 dated 28.02.2011 Airports Economic Regulatory Authority of India (Terms and Conditions for Determination of Tariff or Airport Operators) Guidelines, 2011 (Guidelines) in respect of its approach towards determination of Aeronautical tariffs.

3. Overview of Ahmedabad Airport

- 3.1. Sardar Vallabhbhai Patel International Airport is an international airport serving the twin cities of Ahmedabad and Gandhinagar in Gujarat, India. The airport is located in Hansol, 9 km north of central Ahmedabad. It is named after Sardar Vallabhbhai Patel, the 1st Deputy Prime Minister of India.
- 3.2. The airport was set up in 1937, while international operations began on 26 January 1991. It was categorised as an International airport on 23 May 2000. In 2010, the new terminal 2 was inaugurated for handling international passengers.
- 3.3. The Airport is the busiest and largest airport in the Indian state of Gujarat. In fiscal year 2020-21, it handled about 3.64 million passengers making it the seventh-busiest airport in terms of passenger traffic in India

3.4. History of Ahmedabad International Airport

- 3.4.1. As per section 2(i) of AERA Act, any airport with annual passenger throughput exceeding 3.5 million (Prior to 19th September 2019, passenger throughput exceeding 1.5 million) has been categorized as a major airport. The passenger throughput at Ahmedabad International Airport exceeds 3.5 million, and therefore Ahmedabad International Airport is a major airport and, thus, is considered for regulation of tariff and other charges by the Authority.
- 3.4.2. **First Control Period:** In respect of the first control period, AAI sought extension of timeline for submission of MYTP upto 31.7.2011. Authority agreed to the same and thus, AAI filed its MYTP submissions in respect of SVPIA for the first control period i.e. 2011-12 to 2015-16, vide their letter dated 31.07.2011. Subsequently, clarification and additional justifications was provided 2012, 2013, 2014 and 2015.
- 3.4.3. The Authority, vide its Order No. 14/2014-15 dated 17.04.2015 decided that the tariffs would continue at the existing level pending determination for the first control period and advised AAI to submit Multi-Year Tariff Proposal for the second control period.
- 3.4.4. The Authority, vide its order No.02/2010-11 had decided to levy on ad-hoc basis UDF of Rs. 110 per embarking domestic passenger and Rs. 415 per embarking International passenger. The Authority vide its order No. 14/2015-16 dated 17th April 2015 decided to continue the tariff.

- 3.4.5. **Second Control Period:** MYTP was submitted by Airport Authority of India on 11th January 2017, and Authority had issued consultation paper 03/2018-19 dated 21st May 2018. Authority issued Order dated 23rd July 2018 vide order No. 14/2018-19.

3.5. Right to Operate Ahmedabad Airport

- 3.5.1. In February 2019, the Adani Enterprises-led Adani Airport Limited (AAL) won the rights of operations, management and development of the airport under the public-private partnership (PPP) model.
- 3.5.2. On 14th February 2020, Concession Agreement was signed between Airport Authority of India and Adani Ahmedabad International Airports Limited (AAIAL)
- 3.5.3. As per the agreement, the airports would be handed to the company for a period of 50 years. The company will pay the per-passenger fee to Airport Authority of India for every domestic and international passenger handled at the airport.
- 3.5.4. **Other Key Highlights of the Agreement with AAIAL are as follows:**

- 3.5.4.1. **Maintenance Obligation prior to COD:** Prior to COD, the Authority must maintain the airport at its own cost and expense such that its condition is not materially inferior as compared to 7 days before the bid date. Authority must undertake only routine maintenance. Special repairs only to ensure the safe operation or in the event of excessive damage due to unforeseen events. For any material deterioration or damage other than normal wear and tear, undertake repair thereof, or pay to the Concessionaire the cost and expense, as determined by the Independent Engineer, for undertaking such repair after COD. (Para - 6.2 of the Concession Agreement)
- 3.5.4.2. **Authority's Employees:** The Concessionaire shall pay monthly an amount equal to the emoluments payable (calculated on cost to company basis and includes costs towards voluntary retirement) by the Authority to the Select Employees. In case of any delay on the part of the Concessionaire, they are liable to pay for the period of delay at a rate equal to 2% above the bank rate.
- 3.5.4.2.1. Commencing from the expiry of the Deemed Deputation Period, the Concessionaire must pay monthly the Authority an amount equal to the emoluments payable by the Authority to the Deficit Employees. This payment will continue until the retirement or separation of the Deficit employees from the service of the Authority. The Deficit Employee costs shall be considered for pass-

through in the determination of the Aeronautical Charges. **(Para - 6.5 of the Concession Agreement)**

- 3.5.4.3. Property Taxes/ Service Charge and Other Charges** -Any charges and taxes in respect of the site if paid by the Authority shall be reimbursed by the Concessionaire within 30 days of receiving a notice with particulars from the Authority. **(Para 10.10 of the Concession Agreement)**
- 3.5.4.4. Transfer of Finances** -All liabilities incurred by the Authority prior to COD shall continue to vest with the Authority at all times. Any claims arising from the Novated or Non-Novated contracts before COD provided any individual claim is not less than Rs. 2 Crore nor the aggregate liability for all claims be equal to or exceed Rs. 20 Crore shall be the liability of the Authority alone.
- 3.5.4.4.1.** Authority shall remain the Aerodrome Operator until the Concessionaire obtains the aerodrome license within 1 year from COD. All liabilities arising as a result thereof shall be deemed to be the liabilities of the Concessionaire. **(Para 16.1 of the Concession Agreement)**
- 3.5.4.5. Deemed Initial RAB** -The Concessionaire shall pay the Authority an amount equivalent to the investments made by the Authority in the Aeronautical Assets as of the COD and considered by the Regulator as part of the Regulatory Asset Base.
- 3.5.4.5.1.** The estimated depreciated value of investments made by the Authority in the Aeronautical Assets at the Airport as on March 31, 2018, is Rs. 271.00 Crore ("Estimated Deemed Initial RAB"). This Estimated Deemed Initial RAB shall be due and payable by the Concessionaire to the Authority within 90 days of COD.
- 3.5.4.5.2.** Upon the reconciliation, true-up and final determination by the Regulator of the quantum of the investment, any surplus or deficit in the Estimated Deemed Initial RAB with respect to the Deemed Initial RAB shall be adjusted as part of the Balancing Payment after the expiry of 15 days from such final determination by the Regulator with due adjustment for the following ("Adjusted Deemed Initial RAB"):
- 3.5.4.5.2.1.** Reduced to the extent of over-recoveries, if any, of Aeronautical Revenues by the Authority until the COD, that the Regulator would provide for as a

downward adjustment while determining Aeronautical Charges for the next Control Period; or

- 3.5.4.5.2.2.** Increased to the extent of under-recoveries, if any, of Aeronautical Revenues by the Authority until the COD, that the Regulator would provide for as an upward adjustment while determining Aeronautical Charges for the next Control Period.
- 3.5.4.5.3.** The amount to be paid by the Authority or Concessionaire shall be the present value of Adjusted Deemed Initial RAB calculated using the fair rate of return as determined by the Regulator for the time from the COD to the date of actual payment of the Adjusted Deemed Initial RAB. (Para 28.11 of the Concession Agreement)
- 3.5.4.6.** **Initial Non-Aeronautical Investments** -The Concessionaire shall pay to the Authority an amount equal to the estimated depreciated value of investment made by the Authority in the Airport as of COD towards development of Non-Aeronautical Assets ("Initial Non-Aeronautical Investments") which as on March 31, 2018, is Rs. 6.41 Crores ("Estimated Initial Non-Aeronautical Investments").
- 3.5.4.6.1.** Upon the final determination by the Independent Engineer of the quantum of the Initial Non-Aeronautical investments, any surplus or deficit amount shall be adjusted as part of the Balancing Payment that becomes due and payable as per Clause 31.4 after the expiry of 15 days from such final determination. The amount to be paid by the Authority or Concessionaire shall be the present value of the same calculated using the fair rate of return as determined by the Regulator for the time from the COD to the date of actual payment of such amount. (Para 28.12 of the Concession Agreement).

4. Methodology for Tariff Determination

4.1. Methodology / Approach to preparation of MYTP Submission

- 4.1.1. The Authority, vide Order No. 13/2010-11 dated 12.01.2011 (referred to as "Airport Order" hereinafter) and Direction No. 5/2010-11 dated 28.02.2011 (referred to as "Airport Guidelines" hereinafter), has issued guidelines to determine tariffs at major airports based on Single Till mechanism. Subsequently, the Authority has amended guidelines vide Order no. 14/2016-17 dated 12.01.2017 to determine future tariffs using Hybrid Till.
- 4.1.2. The tariff determination process consists of true up of 2nd Control period and determination of building blocks for 3rd Control period. The Authority proposes to undertake true-up of 2nd Control period and the determination of building blocks for 3rd Control period under Hybrid Till.
- 4.1.3. The Aggregate Revenue Requirement (ARR) under regulatory framework of Authority is calculated as under

$$ARR = \sum_{t=1}^5 (ARR_t) \text{ and}$$

$$ARR_t = (FROR \times RAB_t) + Dt + Ot + Tt - \alpha \times NAR_t$$

Where,

t is the Tariff Year in the control period;

ARR_t is the Aggregate Revenue Requirement for the year t;

FRoR is the fair Rate of Return for the control period;

RAB_t is the Aeronautical Regulatory Asset Base for year t;

D_t is the Depreciation corresponding to the Aeronautical RAB for year t;

O_t is the Aeronautical Operation and Maintenance Expenditure for year t, which include all expenditures incurred by the Airport Operator(s) towards aeronautical activities including expenditure incurred on statutory operating costs and other mandatory operating costs;

T_t is the Tax for the year t, which includes payments by Airport Operator in respect of corporate tax on income from assets/amenities/ facilities/services taken into consideration for determination of ARR for year t;

α is 30% cross subsidy factor for revenue from services other than aeronautical services under Hybrid Till for 2nd Control Period. α was 100% cross subsidy factor under Single Till during First Control Period.

NAR_t is the revenue from services other than aeronautical services (Non-Aeronautical Revenues or NAR) for year t.

4.1.4. Based on ARR, Yield per Passenger is calculated as formula as given below:

$$\text{Yield per Passenger (Y)} = \frac{\sum_{t=1}^5 \text{PV(ARR}_t\text{)}}{\sum_{t=1}^5 (\text{VE}_t)}$$

Where,

Present Value (PV) of ARR_t for a tariff year t is calculated at the beginning of the control period and the discounting rate for calculating PV is equal to the Fair Rate of Return determined by the Authority.

VE_t is the Traffic volume in a tariff year t as estimated by the Authority.

ARR_t is the Aggregate Revenue Requirement for tariff year t.

5. True Up of Second Control Period (SCP)

5.1. Overview

5.1.1. The Airports Authority of India submissions True Up for 2nd Control period (2016-17 to 2020-21 - Up to COD) with respect to Ahmedabad International Airport.

5.2. Carried forward of Shortfall towards true up of 1st Control period

5.2.1. AERA vide order No. 14/2018-19, permitted AAI to carryforward the shortfall of Rs. 3.6 Crs w.r.t true up of 1st Control period. Details are summarized below:

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	Total
ARR for year (Reference table 16 of SCP)	116.7	112.9	116.2	122.4	140.5	608.7
Aeronautical Revenue	108.8	108.4	118.5	118.4	158.8	612.9
Shortfall / (Excess)	7.9	4.5	-2.3	4.0	-18.3	-4.2
PV	1.93	1.69	1.48	1.30	1.14	
Value of shortfall / (excess) as on 1.04.2016	15.1	7.6	-3.4	5.2	-20.9	3.6

5.3. Traffic

5.3.1. Airport Authority of India submits actual traffic information for FY 2016-17 to FY 2020-21 (Up to 30th Nov 2020) as follows

Particulars	UoM	2016-17	2017-18	2018-19	2019-20	2020 -21
Domestic Pax	Millions	5.62	7.32	9.03	9.11	1.46
International Pax	Millions	1.79	1.80	2.15	2.32	0.06
Total Pax	Millions	7.41	9.12	11.17	11.43	1.53
Domestic ATMs	Nos	38,762	49,987	63,884	69,190	16,889
International ATMs	Nos	12,345	13,142	14,528	15,387	1,603
Total ATMs	Nos	51,107	63,129	78,412	84,577	18,492

5.4. Allocation of Assets

5.4.1. For the allocation of assets, expenditure between aeronautical and non-aeronautical services, Airports Authority of India had divided assets into aeronautical, non-aeronautical and common components. Common components have further been segregated into aeronautical and non-aeronautical assets by applying one of the following three ratios:

5.4.2. **Terminal Area Ratio** - Ratio of Aeronautical area to non-aeronautical area (For terminal related assets).

Particulars	Location	31-Mar-17	31-Mar-18	31-Mar-19	30-Mar-20	31-Oct-20
Commercial Stores	T1	532.59	637.05	1,039.32	1,182.21	1,015.86

Airlines	T1	819.50	914.94	885.51	739.04	738.35
Allied Agencies	T1	68.05	68.05	76.87	76.87	76.87
GHA	T1	48.20	57.50	37.00	37.00	54.32
Total used by Concessioners	T1	1,468.34	1,677.54	2,038.70	2,035.12	1,885.40
Capacity	T1	29,423.00	29,423.00	29,423.00	29,423.00	29,423.00
T1 Ratio	T1	4.99%	5.70%	6.93%	6.92%	6.41%
Aero %	T1	95.01%	94.30%	93.07%	93.08%	93.59%
Commercial Stores	T2	543.03	599.99	820.75	633.96	588.11
Airlines	T2	515.19	473.18	473.18	473.18	473.96
Allied Agencies	T2	533.53	603.37	644.62	644.62	644.62
GHA	T2	84.25	83.35	83.35	83.35	93.35
Total used by Concessioners	T2	1,676.00	1,759.89	2,021.90	1,835.11	1,800.04
Capacity	T2	41,000.00	41,000.00	41,000.00	41,000.00	41,000.00
T2 Ratio	T2	4.09%	4.29%	4.93%	4.48%	4.39%
Aero %	T2	95.91%	95.71%	95.07%	95.52%	95.61%
Commercial Stores	T1 + T2	1075.62	1237.04	1860.07	1816.17	1603.97
Airlines	T1 + T2	1334.69	1388.12	1358.69	1212.22	1212.31
Allied Agencies	T1 + T2	601.58	671.42	721.49	721.49	721.49
GHA	T1 + T2	132.45	140.85	120.35	120.35	147.67
Total used by Concessioners	T1 + T2	3,144.34	3,437.43	4,060.60	3,870.23	3,685.44
Capacity	T1 + T2	70423	70423	70423	70423	70423
T1 + T2 Ratio	T1 + T2	4.46%	4.88%	5.77%	5.50%	5.23%
Aero %	T1 + T2	95.54%	95.12%	94.23%	94.50%	94.77%

5.4.3. **Quarters Ratio** - Ratio of staff providing commercial service staying in residential building to staff providing aeronautical service staying in residential building.

Particulars	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Oct-20
No. of Quarters (Excluding Vacancy)	36	36	36	36	36
No. of Quarters ANS	7	7	7	7	7
ANS Usage Ratio	19.44%	19.44%	19.44%	19.44%	19.44%
Aero Usage Ratio	80.56%	80.56%	80.56%	80.56%	80.56%

5.4.4. **Employee Ratio** - Ratio of staff providing commercial assets to staff providing aeronautical services.

Particulars	31-Mar-17	31-Mar-18	31-Mar-19	30-Mar-20	31-Oct-20
No. of Resources					
ANS	162	154	148	151	164
Aero	142	135	148	149	161
Non-Aero	5	4	4	4	5
Common	28	27	26	26	27
Total	337	320	326	330	357
Reallocation of Common Resources					

Particulars	31-Mar-17	31-Mar-18	31-Mar-19	30-Mar-20	31-Oct-20
ANS	14.68	14.19	12.83	12.91	13.42
Aero	12.87	12.44	12.83	12.74	13.17
Non-Aero	0.45	0.37	0.35	0.34	0.41
Total	28.00	27.00	26.00	26.00	27.00
Employees Count after Reallocation of Common Resources					
Aero	154.87	147.44	160.83	161.74	174.17
Non-Aero	5.45	4.37	4.35	4.34	5.41
ANS	176.68	168.19	160.83	163.91	177.42
Total	337.00	320.00	326.00	330.00	357.00
Employee Ratio (Aero: ANS: Non-Aero)					
Aero	45.95%	46.08%	49.33%	49.01%	48.79%
Non-Aero	1.62%	1.37%	1.33%	1.32%	1.52%
ANS	52.43%	52.56%	49.33%	49.67%	49.70%
Employee Ratio for (AERO: Non-Aero)					
Aero	96.60%	97.12%	97.37%	97.39%	96.99%
Non-Aero	3.40%	2.88%	2.63%	2.61%	3.01%

5.5. Regulatory Asset Base (RAB)

5.5.1. Airport Authority of India submits Gross Block of Asset, Accumulated Depreciation, Additions, Deletions and closing RAB as follows:

Sr. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21 (Up to COD)
A	Gross Asset value as on 1st April	579.54	610.00	623.59	657.33	718.07
A1	Land Freehold	0.00	0.00	0.00	0.00	0.00
A2	Runways, Taxiways, Apr	83.34	83.34	83.34	83.34	94.93
A3	Building Freehold	289.81	295.41	295.48	297.99	297.91
A4	Boundary- Freehold	6.57	8.13	7.92	7.92	7.92
A5	Plant & Equipment-Fr	169.09	192.02	203.91	234.61	281.40
A6	Furniture & Fixtures	3.81	3.89	4.40	4.54	4.57
A7	Vehicles-Freehold	24.31	24.46	24.67	24.67	24.67
A8	Office Appliances-Fr	2.22	2.35	3.48	3.77	3.80
A9	Computer Software-Fr	0.39	0.39	0.39	0.48	0.48
A10	Tools & Equipments	0.00	0.00	0.00	0.00	2.38
B	Accumulated Depreciation as on 1st April	-285.80	-308.88	-333.07	-359.47	-386.69
B1	Land Freehold	0.00	0.00	0.00	0.00	0.00
B2	Runways, Taxiways, Apr	-73.19	-74.10	-75.01	-75.92	-77.02
B3	Building Freehold	-81.33	-90.59	-99.98	-109.35	-118.78
B4	Boundary- Freehold	-3.30	-3.49	-3.72	-3.95	-4.18
B5	Plant & Equipment-Fr	-107.66	-117.89	-129.00	-141.81	-156.34

Sr. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21 (Up to COD)
B6	Furniture & Fixtures	-3.27	-3.41	-3.56	-3.82	-4.03
B7	Vehicles-Freehold	-14.69	-16.96	-19.26	-21.56	-22.54
B8	Office Appliances-Fr	-1.97	-2.05	-2.15	-2.68	-3.23
B9	Computer Software-Fr	-0.39	-0.39	-0.39	-0.39	-0.41
B10	Tools & Equipments	0.00	0.00	0.00	0.00	-0.16
C	Net Asset value as on 1st April	293.75**	301.12	290.52	297.86	331.38
C1	Land Freehold	0.00	0.00	0.00	0.00	0.00
C2	Runways,Taxiways,Apr	10.15	9.24	8.34	7.43	17.91
C3	Building Freehold	208.49	204.82	195.49	188.64	179.12
C4	Boundary- Freehold	3.27	4.64	4.20	3.97	3.75
C5	Plant & Equipment-Fr	61.43	74.14	74.90	92.81	125.06
C6	Furniture & Fixtures	0.54	0.49	0.84	0.73	0.55
C7	Vehicles-Freehold	9.62	7.50	5.41	3.10	2.13
C8	Office Appliances-Fr	0.25	0.30	1.33	1.09	0.57
C9	Computer Software-Fr	0.00	0.00	0.00	0.09	0.07
C10	Tools & Equipments	0.00	0.00	0.00	0.00	2.22
D	Additions for FY/ UP to COD	30.46	14.36	33.74	62.16	2.12
D1	Land Freehold	0.00	0.00	0.00	0.00	0.00
D2	Runways,Taxiways,Apr	0.00	0.00	0.00	11.59	0.00
D3	Building Freehold	5.60	0.54	2.51	1.00	0.00
D4	Boundary- Freehold	1.56	0.00	0.00	0.00	0.00
D5	Plant & Equipment-Fr	22.93	11.97	30.71	47.13	2.11
D6	Furniture & Fixtures	0.09	0.50	0.14	0.03	0.00
D7	Vehicles-Freehold	0.15	0.21	0.00	0.00	0.00
D8	Office Appliances-Fr	0.13	1.13	0.29	0.02	0.01
D9	Computer Software-Fr	0.00	0.00	0.09	0.00	0.00
D10	Tools & Equipments	0.00	0.00	0.00	2.38	0.00
E	Sale/ Transfer Amount (Including Assets transferred to AAICLAS) up to COD	0.00	-0.77	0.00	-1.42	0.00
E1	Land Freehold	0.00	0.00	0.00	0.00	0.00
E2	Runways,Taxiways,Apr	0.00	0.00	0.00	0.00	0.00
E3	Building Freehold	0.00	-0.48	0.00	-1.08	0.00
E4	Boundary- Freehold	0.00	-0.21	0.00	0.00	0.00
E5	Plant & Equipment-Fr	0.00	-0.08	0.00	-0.34	0.00
E6	Furniture & Fixtures	0.00	0.00	0.00	0.00	0.00
E7	Vehicles-Freehold	0.00	0.00	0.00	0.00	0.00
E8	Office Appliances-Fr	0.00	0.00	0.00	0.00	0.00
E9	Computer Software-Fr	0.00	0.00	0.00	0.00	0.00
E10	Tools & Equipments	0.00	0.00	0.00	0.00	0.00
E11	Plant & Equipment-Le	0.00	0.00	0.00	0.00	0.00
F	Depreciation for FY/ Up to COD	-23.08	-24.19	-26.40	-27.22	-17.05
F1	Land Freehold	0.00	0.00	0.00	0.00	0.00
F2	Runways,Taxiways,Apr	-0.91	-0.91	-0.91	-1.11	-0.76
F3	Building Freehold	-9.27	-9.39	-9.36	-9.44	-5.63

Sr. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21 (Up to COD)
F4	Boundary- Freehold	-0.20	-0.23	-0.23	-0.23	-0.14
F5	Plant & Equipment-Fr	-10.22	-11.12	-12.80	-14.54	-9.61
F6	Furniture & Fixtures	-0.14	-0.15	-0.26	-0.21	-0.08
F7	Vehicles-Freehold	-2.27	-2.29	-2.31	-0.98	-0.41
F8	Office Appliances-Fr	-0.08	-0.10	-0.53	-0.55	-0.30
F9	Computer Software-Fr	0.00	0.00	0.00	-0.02	-0.01
F10	Tools & Equipments	0.00	0.00	0.00	-0.16	-0.09
G	Closing Value of Assets	301.12	290.52	297.86	331.38	316.44
G1	Land Freehold	0.00	0.00	0.00	0.00	0.00
G2	Runways,Taxiways, Apr	9.24	8.34	7.43	17.91	17.15
G3	Building Freehold	204.82	195.49	188.64	179.12	173.49
G4	Boundary- Freehold	4.64	4.20	3.97	3.75	3.61
G5	Plant & Equipment-Fr	74.14	74.90	92.81	125.06	117.56
G6	Furniture & Fixtures	0.49	0.84	0.73	0.55	0.46
G7	Vehicles-Freehold	7.50	5.41	3.10	2.13	1.71
G8	Office Appliances-Fr	0.30	1.33	1.09	0.57	0.27
G9	Computer Software-Fr	0.00	0.00	0.09	0.07	0.06
G10	Tools & Equipment's	0.00	0.00	0.00	2.22	2.13

Note ** Net Opening balance carried forwarded as per order 14 amounts to Rs. 294.90 Crs as against net Assets shown in the above table of Rs. 293.75 Crs, the reason for variation is due to Freehold Land which has not been tabulated in the above. Freehold Land of Rs. 1.15 crs has been considered in para 5.7 of the submission.

5.5.2. Average Regulatory Asset Base (RAB):

5.5.3. Airport Authority of India Submits Average RAB as follows:

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (up to COD)
Opening RAB	293.75	301.12	290.52	297.86	331.38
Closing RAB	301.12	290.52	297.86	331.38	316.44
Average Regulatory Asset Base (RAB)	297.44	295.82	294.19	314.62	323.91

5.6. Fair Rate of Return (FRoR)

5.6.1. The Airports Authority of India has considered the FRoR at 14% in line with the decision by AERA taken for Chennai, Kolkata, Guwahati & Lucknow airports for the First Control Period.

Summary of FRoR on Regulatory Asset Base is as follows

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21 (up to 1-Nov-20)	Total
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Average Regulatory Asset Base (RAB)	297.44	295.82	294.19	314.62	323.91	
Fair Rate of Return (FRoR)	14%	14%	14%	14%	14%	
Return on Average RAB @14%	41.64	41.42	41.19	44.05	45.35	213.64

5.7. Return on Land & EMI's workings:

5.7.1. As per order No. 42/2018-19 issued by Authority on Fair Rate' of Return (FRoR) to be provided on Cost of Land incurred, Authority had suggested to amortise cost of Land over a period of 30 Years based on Equated Annual instalment as follows

$$[\text{Cost} \times \text{Rate} (1+\text{Rate})^{-1} \times 30] / [(1+\text{Rate})^{-1} \times 30 - 1]$$

where,

Cost: Actual cost of Land

Rate: Actual cost of debt or SBI base rate plus 2% whichever is lower

5.7.2. Airport Authority of India has calculated Equated Annual Installments as follows:

Sr. No.	Particulars	Values
1	Cost of Land	1,15,14,911
2	Aero %	100%
3	Interest Rate (SBI Base Rate + 200 Points)	10.12%
4	Equated Annual instalment	12,34,152

5.7.3. Airport Authority of India submits Equated Annual Installments for 2nd Control period and balance of unamortized cost of land as follows:

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (Up COD)	Total
Return on Land	0.12	0.12	0.12	0.12	0.12	0.62
Unamortised portion of Land - Balance Value of Land	0.00	0.00	0.00	0.00	1.11 [^]	1.11

Note ^: Considering the Airport has been transferred to Adani Ahmedabad International Airport Ltd w.e.f. 7th Nov 2020, un-amortised cost of the land shall be allowed to be claimed in the Financial Year 2020-21.

5.8. Depreciation

5.8.1. Depreciation Rates followed by Airport Authority of India is as follows

Asset Class Name	Depreciation Rate from 1.4.2016 onwards	Dep as per Order 35 (1.4.2018 onwards)
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Runways, Taxiways, Apron	3%	3%
Building Freehold	3%	10%
Boundary- Freehold	3%	10%
Plant & Equipment-Fr	7%	7%
Furniture & Fixtures	10%	14%
Vehicles-Freehold	13%	13%
Office Appliances-Fr	17%	33%
Computer Software-Fr	20%	20%
Plant & Equipment-Le	7%	7%

5.8.2. Based on the above rates of Depreciation, The Airports Authority of India submits Depreciation for the 2nd Control Period as follows

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (Up to COD)
Land Freehold	0.00	0.00	0.00	0.00	0.00
Building Freehold	-0.91	-0.91	-0.91	-1.11	-0.76
Plant & Equipment-Fr	-9.27	-9.39	-9.36	-9.44	-5.63
Vehicles-Freehold	-0.20	-0.23	-0.23	-0.23	-0.14
Land Freehold	-10.22	-11.12	-12.80	-14.54	-9.61
Boundary- Freehold	-0.14	-0.15	-0.26	-0.21	-0.08
Runways, Taxiways, Apr	-2.27	-2.29	-2.31	-0.98	-0.41
Furniture & Fixtures	-0.08	-0.10	-0.53	-0.55	-0.30
Office Appliances-Fr	0.00	0.00	0.00	-0.02	-0.01
Computer Software-Fr	0.00	0.00	0.00	-0.16	-0.09
Depreciation for FY	23.08	24.19	26.40	27.22	17.05

5.9. Operating Expenses

5.9.1. Airport Authority of India Submits Operating Expenditure for the 2nd Control Period as follows:

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (up to 7-Nov-20)	Total
Employee Benefit	23.69	31.59	38.37	41.14	16.26	151.05
Resources Deployed from DIAL / MIAL	-0.05	-0.05	-0.05	-0.04	0.00	-0.18
Administrative & Other Expenses	3.21	6.49	6.54	14.41	20.76	51.40
Operating Expenses	42.83	48.94	58.91	56.43	17.18	224.29
Repairs & Maintenance	34.30	5.02	5.03	7.01	4.06	55.42
Security Expenses	0.45	0.90	-0.32	0.04	0.20	1.27
Prior Period Adjustment (NET)	0.09	0.42	0.00	-0.37	0.20	0.34
Finance Cost	0.00	0.00	0.00	0.15	0.00	0.15
Consumption of Stores Spares	0.00	0.00	0.00	0.00	0.00	0.00

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (up to 7-Nov-20)	Total
CHQ/RHQ (Note 3)	75.17	61.09	58.75	85.97	44.65	325.63
Total	179.70	154.40	167.23	204.74	103.32	809.38

Note:- 5% of CHQ /RHQ expenses has been allocated to Non-Aero division.

5.10. Taxation

5.10.1. The Airports Authority of India submits tax amount for the 2nd Control Period as part of MYTP submission after considering asset depreciation as applicable under Income Tax laws and tax rate considered are as follows

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Tax Rates adopted for 2 nd Control Period	34.61%	34.61%	34.94%	25.17%	25.17%	25.17%

5.10.2. Based on the above considerations, the Airport Authority of India submits tax expenditure for 2nd Control period as follows:

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (up to COD)	2021-22
Revenue						
Aeronautical Revenue	186.51	209.39	195.37	166.55	33.45	
Return on Land	0.12	0.12	0.12	0.11	0.11	
Shortfall in Revenue						395.79 [^]
Cost						
Employee Benefit	-23.69	-31.59	-38.37	-41.14	-16.26	
Resources Deployed from DIAL / MIAL	0.05	0.05	0.05	0.04	0.00	
Administrative & Other Expenses	-3.21	-6.49	-6.54	-14.41	-20.76	
Operating Expenses	-42.83	-48.94	-58.91	-56.43	-17.18	
Repairs & Maintenance	-34.30	-5.02	-5.03	-7.01	-4.06	
Security Expenses	-0.45	-0.90	0.32	-0.04	-0.20	
Prior Period Adjustment (NET)	-0.09	-0.42	0.00	0.37	-0.20	
Finance Cost	0.00	0.00	0.00	-0.15	0.00	
CHQ/RHQ	-75.17	-61.09	-58.75	-85.97	-44.65	
Depreciation	-70.74	-66.79	-68.01	-79.89	-75.49	
Profit/Loss	-63.81	-11.69	-39.75	-117.97	-145.24	395.79
Tax Rates	34.61%	34.61%	34.94%	25.17%	25.17%	25.17%
Tax liability	0.00	0.00	0.00	0.00	0.00	99.61[^]

Note ^: Tax Expenditure of Rs. 99.61 Crs is claimed in FY 2021-22 considering shortfall for the 2nd control period that would be paid off by AAIAL in the FY 2021-22 which will attract tax liability for Airport Authority of India.

5.11. Non-Aeronautical Revenue (NAR)

5.11.1. Airport Authority of India submits non-Aeronautical revenue as follows:

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (up to COD)	Total
Trading Concessions						
Restaurant / Snack Bar & T.R. Stall	0.63	0.85	1.40	1.16	0.01	4.07
Hoarding & Display	11.35	13.25	15.17	20.24	1.76	61.77
Other Trading Concessions	39.46	24.26	35.26	42.41	6.38	147.77
Rent & Space	4.98	10.48	11.81	12.49	7.73	47.49
Duty Free Shops	1.88	2.65	3.76	6.12	0.25	14.67
Miscellaneous	0.00	0.00	0.13	0.30	-0.01	0.43
Car Rentals	0.00	0.00	0.00	0.00	0.00	0.00
Car Parking	9.15	11.75	6.95	14.74	0.00	42.58
Other Misc. Income	-0.37	-0.22	4.25	4.45	4.45	12.57
Total	67.09	63.02	78.74	101.91	20.59	331.35

5.12. Aeronautical Revenue

5.12.1. Airport Authority of India submits Aeronautical revenue as follows:

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (up to 7 th -Nov-20)	Total
Landing Domestic	38.88	42.17	52.05	52.20	9.57	194.88
Landing International	21.21	23.58	26.45	26.67	6.43	104.33
Parking Domestic	0.35	0.34	1.06	3.35	4.84	9.94
Parking International	0.06	0.07	0.20	0.66	0.18	1.18
UDF/PSF Domestic	61.19	72.42	57.66	37.71	4.32	233.30
UDF/PSF International	31.52	33.41	22.47	7.12	0.17	94.69
Exten of Watch Hours	0.00	0.00	0.00	0.00	0.00	0.00
Cute & SITA charges	4.02	5.41	8.47	10.08	0.93	28.91
Throughput Revenue	2.44	1.96	2.62	2.07	0.00	9.10
Cargo Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Concession Fees from AAICLAS / Others	0.00	0.05	0.49	0.71	0.03	1.27

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (up to 7 th -Nov-20)	Total
Land lease to Ground Handling Agency	22.21	23.66	19.85	20.34	4.16	90.22
Land lease to Oil companies	4.65	6.33	4.05	5.63	2.82	23.48
Total	186.51	209.39	195.37	166.55	33.45	791.28

5.13. True up for 2nd Control Period

5.13.1. On considering all the above sections under Section 6, the following ARR (Aggregate Revenue Requirement) is submitted for the purpose of True-up for 2nd Control Period:

Particulars (Rs. In Crores)	2016-17	2017-18	2018-19	2019-20	2020-21 (up to COD)	Total
Opening RAB	293.75	301.12	290.52	297.86	331.38	
Closing RAB	301.12	290.52	297.86	331.38	316.44	
Average Regulatory Asset Base (RAB)	297.44	295.82	294.19	314.62	323.91	
Fair Rate of Return (FRoR)	14%	14%	14%	14%	14%	
Return on Average RAB @14%	41.64	41.42	41.19	44.05	45.35	213.64
Depreciation	23.08	24.19	26.40	27.22	17.05	117.95
Operating Expenditure	179.70	154.40	167.23	204.74	103.32	809.38
Return on Land	0.12	0.12	0.12	0.12	0.12	0.62
Unamortised portion of Land - Balance of Land Value	0.00	0.00	0.00	0.00	1.11	1.11
Corporate Tax	0.00	0.00	0.00	0.00	99.61	99.61
Add: Carried forward of Shortfall from 1st CP	3.6					3.64
Less: 30% Deductions for Non-Aero Revenues	-20.13	-18.91	-23.62	-30.57	-6.18	-99.41
Total Gross ARR	228.06	201.22	211.32	245.55	260.39	1,146.54
Revenue earned from Aeronautical Services	186.51	209.39	195.37	166.55	33.45	791.28
(Excess) / Shortfall	41.55	-8.17	15.95	79.00	226.93	355.26
PV	1.69	1.48	1.30	1.14	1.00	
PV of (Excess) / Shortfall	70.17	-12.10	20.72	90.06	226.93	395.79

5.13.2. Airport Authority of India submits to the Authority that as per the Concession Agreement between Airport Authority of India and Adani Ahmedabad International Airport Limited (Concessionaire), Authority's assessment of True up and Regulatory Asset Base (RAB) shall be final settlement between both the parties. Details are summarized below:

- 5.13.2.1. The Concessionaire shall pay the Authority an amount equivalent to the investments made by the Authority in the Aeronautical Assets as of the COD and considered by the Regulator as part of the Regulatory Asset Base.
- 5.13.2.2. Upon the reconciliation, true-up and final determination by the Regulator of the quantum of the investment, any surplus or deficit in the Estimated Deemed Initial RAB with respect to the Deemed Initial RAB shall be adjusted as part of the Balancing Payment after the expiry of 15 days from such final determination by the Regulator with due adjustment for the following ("Adjusted Deemed Initial RAB")
- 5.13.2.3. The amount to be paid by the Authority or Concessionaire shall be the present value of Adjusted Deemed Initial RAB calculated using the fair rate of return as determined by the Regulator for the time from the COD to the date of actual payment of the Adjusted Deemed Initial RAB.
- 5.13.2.4. Amount payable by Adani Ahmedabad International Airport Limited as per the concession agreement as on COD subject approval of Airport Economical Regulatory Authority (Authority) is as follows:

Sr. No.	Particulars	Amount Rs. In Crores
A	Regulatory Asset Base as on COD - Transferred to to AAIAL Net of Assets retained by AAI	301.77
B	Non-Aeronautical Assets to AAIAL	0.25
C	ANS Assets Transferred to AAIAL	5.98
D	Short of True up for 2nd Control Period	395.79
Total		703.79

A	True up for 2nd CP
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Particulars	UOM	Ref. No.	2016-17	2017-18	2018-19	2019-20	2020-21 (up to COD)	Total
Opening RAB	Rs. Crore	A1	293.75	301.12	290.52	297.86	331.38	
Closing RAB	Rs. Crore	A1	301.12	290.52	297.86	331.38	316.44	
Average Regulatory Asset Base (RAB)	Rs. Crore		297.44	295.82	294.19	314.62	323.91	
Fair Rate of Return (FRoR)	%		14%	14%	14%	14%	14%	
Return on Average RAB @14%	Rs. Crore		41.64	41.42	41.19	44.05	45.35	213.64
Depreciation	Rs. Crore	A2	23.08	24.19	26.40	27.22	17.05	117.95
Operating Expenditure	Rs. Crore	A3	155.80	159.52	174.72	212.05	116.39	818.48
Return on Land	Rs. Crore	A4	0.12	0.12	0.12	0.12	0.12	0.62
Unamortised portion of Land - Balance of Land Value	Rs. Crore	A4	0.00	0.00	0.00	0.00	1.11	1.11
Corporate Tax	Rs. Crore	A5	0.00	0.00	0.00	0.00	99.06	99.06
Add: Carried forward of Shortfall from 1st CP	Rs. Crore	A6	3.6					3.64
Less: 30% Deductions for Non Aero. Revenues	Rs. Crore	A7	-20.13	-18.91	-23.62	-30.57	-6.18	-99.41
Total Gross ARR	Rs. Crore		204.16	206.35	218.81	252.87	272.91	1,155.09
Revenue earned from Aeronautical Services	Rs. Crore	A8	186.51	209.39	195.37	166.55	33.45	791.28
(Excess) / Shortfall	Rs. Crore		17.64	-3.04	23.43	86.32	239.46	363.81
PV	Rs. Crore		1.69	1.48	1.30	1.14	1.00	
PV of (Excess) / Shortfall	Rs. Crore		29.80	-4.51	30.45	98.41	239.46	393.61

Sr. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21 (Up to COD)
A	Gross Asset value as on 1st April	579.54	610.00	623.59	657.33	718.07
A1	Land Freehold	0.00	0.00	0.00	0.00	0.00
A2	Runways,Taxiways,Apr	83.34	83.34	83.34	83.34	94.93
A3	Building Freehold	289.81	295.41	295.48	297.99	297.91
A4	Boundary- Freehold	6.57	8.13	7.92	7.92	7.92
A5	Plant & Equipment-Fr	169.09	192.02	203.91	234.61	281.40
A6	Furniture & Fixtures	3.81	3.89	4.40	4.54	4.57
A7	Vehicles-Freehold	24.31	24.46	24.67	24.67	24.67
A8	Office Appliances-Fr	2.22	2.35	3.48	3.77	3.80
A9	Computer Software-Fr	0.39	0.39	0.39	0.48	0.48
A10	Tools & Equipments	0.00	0.00	0.00	0.00	2.38
B	Accumulated Depreciation as on 1st April	-285.88	-308.97	-333.16	-359.55	-386.77
B1	Land Freehold	0.00	0.00	0.00	0.00	0.00
B2	Runways,Taxiways,Apr	-73.19	-74.10	-75.01	-75.92	-77.02
B3	Building Freehold	-81.33	-90.59	-99.98	-109.35	-118.78
B4	Boundary- Freehold	-3.38	-3.58	-3.81	-4.03	-4.26
B5	Plant & Equipment-Fr	-107.66	-117.89	-129.00	-141.81	-156.34
B6	Furniture & Fixtures	-3.27	-3.41	-3.56	-3.82	-4.03
B7	Vehicles-Freehold	-14.69	-16.96	-19.26	-21.56	-22.54
B8	Office Appliances-Fr	-1.97	-2.05	-2.15	-2.68	-3.23
B9	Computer Software-Fr	-0.39	-0.39	-0.39	-0.39	-0.41
B10	Tools & Equipments	0.00	0.00	0.00	0.00	-0.16
C	Net Asset value as on 1st April	293.66	301.04	290.44	297.78	331.29
C1	Land Freehold	0.00	0.00	0.00	0.00	0.00
C2	Runways,Taxiways,Apr	10.15	9.24	8.34	7.43	17.91
C3	Building Freehold	208.49	204.82	195.49	188.64	179.12
C4	Boundary- Freehold	3.19	4.55	4.12	3.89	3.66
C5	Plant & Equipment-Fr	61.43	74.14	74.90	92.81	125.06
C6	Furniture & Fixtures	0.54	0.49	0.84	0.73	0.55
C7	Vehicles-Freehold	9.62	7.50	5.41	3.10	2.13
C8	Office Appliances-Fr	0.25	0.30	1.33	1.09	0.57
C9	Computer Software-Fr	0.00	0.00	0.00	0.09	0.07

Sr. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21 (Up to COD)
C10	Tools & Equipments	0.00	0.00	0.00	0.00	2.22
D	Additions for FY/ UP to COD	30.46	14.36	33.74	62.16	2.12
D1	Land Freehold	0.00	0.00	0.00	0.00	0.00
D2	Runways,Taxiways,Apr	0.00	0.00	0.00	11.59	0.00
D3	Building Freehold	5.60	0.54	2.51	1.00	0.00
D4	Boundary- Freehold	1.56	0.00	0.00	0.00	0.00
D5	Plant & Equipment-Fr	22.93	11.97	30.71	47.13	2.11
D6	Furniture & Fixtures	0.09	0.50	0.14	0.03	0.00
D7	Vehicles-Freehold	0.15	0.21	0.00	0.00	0.00
D8	Office Appliances-Fr	0.13	1.13	0.29	0.02	0.01
D9	Computer Software-Fr	0.00	0.00	0.09	0.00	0.00
D10	Tools & Equipments	0.00	0.00	0.00	2.38	0.00
E	Sale / Transfer Amount (Including Assets transferred to AAICLAS) up to COD	0.00	-0.77	0.00	-1.42	0.00
E1	Land Freehold	0.00	0.00	0.00	0.00	0.00
E2	Runways,Taxiways,Apr	0.00	0.00	0.00	0.00	0.00
E3	Building Freehold	0.00	-0.48	0.00	-1.08	0.00
E4	Boundary- Freehold	0.00	-0.21	0.00	0.00	0.00
E5	Plant & Equipment-Fr	0.00	-0.08	0.00	-0.34	0.00
E6	Furniture & Fixtures	0.00	0.00	0.00	0.00	0.00
E7	Vehicles-Freehold	0.00	0.00	0.00	0.00	0.00
E8	Office Appliances-Fr	0.00	0.00	0.00	0.00	0.00
E9	Computer Software-Fr	0.00	0.00	0.00	0.00	0.00
E10	Tools & Equipments	0.00	0.00	0.00	0.00	0.00
E11	Plant & Equipment-Le	0.00	0.00	0.00	0.00	0.00
F	Depreciation for FY / Up to COD	-23.08	-24.19	-26.40	-27.22	-17.05
F1	Land Freehold	0.00	0.00	0.00	0.00	0.00
F2	Runways,Taxiways,Apr	-0.91	-0.91	-0.91	-1.11	-0.76
F3	Building Freehold	-9.27	-9.39	-9.36	-9.44	-5.63
F4	Boundary- Freehold	-0.20	-0.23	-0.23	-0.23	-0.14
F5	Plant & Equipment-Fr	-10.22	-11.12	-12.80	-14.54	-9.61
F6	Furniture & Fixtures	-0.14	-0.15	-0.26	-0.21	-0.08
F7	Vehicles-Freehold	-2.27	-2.29	-2.31	-0.98	-0.41
F8	Office Appliances-Fr	-0.08	-0.10	-0.53	-0.55	-0.30
F9	Computer Software-Fr	0.00	0.00	0.00	-0.02	-0.01

Sr. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21 (Up to COD)
F10	Tools & Equipments	0.00	0.00	0.00	-0.16	-0.09
G	Closing Value of Assets	301.04	290.44	297.78	331.29	316.36
G1	Land Freehold	0.00	0.00	0.00	0.00	0.00
G2	Runways,Taxiways,Apr	9.24	8.34	7.43	17.91	17.15
G3	Building Freehold	204.82	195.49	188.64	179.12	173.49
G4	Boundary- Freehold	4.55	4.12	3.89	3.66	3.52
G5	Plant & Equipment-Fr	74.14	74.90	92.81	125.06	117.56
G6	Furniture & Fixtures	0.49	0.84	0.73	0.55	0.46
G7	Vehicles-Freehold	7.50	5.41	3.10	2.13	1.71
G8	Office Appliances-Fr	0.30	1.33	1.09	0.57	0.27
G9	Computer Software-Fr	0.00	0.00	0.09	0.07	0.06
G10	Tools & Equipments	0.00	0.00	0.00	2.22	2.13

A3	Opex Cost			As per the order					Actuals						
	Particulars	UOM	Ref. No.	2016-17	2017-18	2018-19	2019-20	2020-21 (Up to)	Total	2016-17	2017-18	2018-19	2019-20	2020-21 (Up to COD)	Total
	Payroll Expenditure	Rs. Crore	6000	26.40	36.20	38.00	39.90	41.90	182.40	22.78	26.94	29.78	36.30	13.16	128.97
	Expenditure for retirement benefit allocation at Chq	Rs. Crore	6010	4.40	6.00	6.30	6.60	6.90	30.20	0.86	4.60	8.54	4.80	3.10	21.90
	Less: Common Expenses Related to ANS	Rs. Crore	6020	-2.20	-3.00	-3.10	-3.30	-3.50	-15.10	0.00	0.00	0.00	0.00	0.00	0.00
	Total Payroll Expenditure	Rs. Crore		28.60	39.20	41.20	43.20	45.30	197.50	23.64	31.54	38.32	41.10	16.26	150.87
	Administration and General Expenditure	Rs. Crore	6300	5.90	6.40	10.90	11.20	11.50	45.90	9.22	13.79	16.31	28.15	26.18	93.64
	Apportionment of Administration & General Expenditure of ChQ/RhQ	Rs. Crore	6400	13.3	13.2	13.8	14.5	15.2	70.00	75.17	61.09	58.75	85.97	44.65	325.63
	Total Administration & General Expenditure	Rs. Crore		19.20	19.60	24.70	25.70	26.70	115.90	84.39	74.88	75.06	114.11	70.83	419.27
	Repair and Maintenance	Rs. Crore	6500	24.80	24.20	25.70	27.30	27.80	129.80	28.64	31.67	40.84	35.51	18.84	155.51
	Power Charges	Rs. Crore	6600	22.8	22.8	22.8	22.8	22.8	114.00	18.27	19.69	20.09	20.58	9.94	88.57
	Water Charges	Rs. Crore	6700	0.40	0.40	0.40	0.40	0.40	2.00	0.23	0.23	0.24	0.23	0.11	1.04
	Utilities & Outsourcing Expenditure	Rs. Crore		23.20	23.20	23.20	23.20	23.20	116.00	18.50	19.93	20.33	20.80	10.05	89.62
	Other outflows	Rs. Crore	6800	0.40	0.40	0.50	0.50	0.60	2.40	0.62	1.51	0.17	0.52	0.40	3.22
	Total	Rs. Crore		96.20	106.60	115.30	119.90	123.60	561.60	155.80	159.52	174.72	212.05	116.39	818.48

A4	EMI on Land
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Sr. No.	Particulars	Inputs
1	Cost of Land	11,514,911
2	Aero %	100%
3	Interest Rate (SBI Base Rate + 200 Points)	10.12%
4	EMI	1,234,152

Count of Years	FY	CP	EMI's	Reducing value of Land	Interest Cost of the Land	Adjustment towards	Net Land Reduced
1	2016-17	1	1,234,152	11,514,911	1,165,776	68,376	11,446,535
2	2017-18	1	1,234,152	11,446,535	1,158,853	75,298	11,371,237
3	2018-19	1	1,234,152	11,371,237	1,151,230	82,921	11,288,315
4	2019-20	1	1,234,152	11,288,315	1,142,835	91,317	11,196,999
5	2020-21	1	1,234,152	11,196,999	1,133,590	100,561	11,096,437
6	2021-22	2	1,234,152	11,096,437	1,123,409	110,742	10,985,695
7	2022-23	2	1,234,152	10,985,695	1,112,198	121,954	10,863,741
8	2023-24	2	1,234,152	10,863,741	1,099,851	134,301	10,729,440
9	2024-25	2	1,234,152	10,729,440	1,086,254	147,897	10,581,543
10	2025-26	2	1,234,152	10,581,543	1,071,281	162,871	10,418,673
11	2026-27	3	1,234,152	10,418,673	1,054,792	179,360	10,239,313
12	2027-28	3	1,234,152	10,239,313	1,036,634	197,518	10,041,795
13	2028-29	3	1,234,152	10,041,795	1,016,637	217,515	9,824,280
14	2029-30	3	1,234,152	9,824,280	994,615	239,536	9,584,744
15	2030-31	3	1,234,152	9,584,744	970,365	263,787	9,320,957
16	2031-32	4	1,234,152	9,320,957	943,659	290,493	9,030,464
17	2032-33	4	1,234,152	9,030,464	914,249	319,903	8,710,561
18	2033-34	4	1,234,152	8,710,561	881,862	352,290	8,358,271
19	2034-35	4	1,234,152	8,358,271	846,196	387,956	7,970,315
20	2035-36	4	1,234,152	7,970,315	806,919	427,233	7,543,083

A4	EMI on Land
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Sr.. No.	Particulars	Inputs
1	Cost of Land	11,514,911
2	Aero %	100%
3	Interest Rate (SBI Base Rate + 200 Points)	10.12%
4	EMI	1,234,152

Count of Years	FY	CP	EMI's	Reducing value of Land	Interest Cost of the Land	Adjustment towards	Net Land Reduced
21	2036-37	5	1,234,152	7,543,083	763,666	470,486	7,072,597
22	2037-38	5	1,234,152	7,072,597	716,034	518,118	6,554,479
23	2038-39	5	1,234,152	6,554,479	663,579	570,573	5,983,906
24	2039-40	5	1,234,152	5,983,906	605,814	628,338	5,355,568
25	2040-41	5	1,234,152	5,355,568	542,201	691,951	4,663,617
26	2041-42	6	1,234,152	4,663,617	472,147	762,005	3,901,612
27	2042-43	6	1,234,152	3,901,612	395,001	839,150	3,062,462
28	2043-44	6	1,234,152	3,062,462	310,045	924,106	2,138,356
29	2044-45	6	1,234,152	2,138,356	216,488	1,017,663	1,120,692
30	2045-46	6	1,234,152	1,120,692	113,459	1,120,692	0
Total			37,024,553	251,970,599	25,509,642	11,514,911	240,455,688

A5	Corporatæ Taxes								
Particulars	UOM	Ref. No.	2016-17	2017-18	2018-19	2019-20	2020-21 (up to 1-Nov-20)	2021-22	
Revenue									
Aeronautical Revenue	Rs. Crore		186.51	209.39	195.37	166.55	33.45		
Return on Land	Rs. Crore		0.12	0.12	0.12	0.11	0.11		
Shortfall in Revenue	Rs. Crore								393.61
Cost									
Total Cost	Rs. Crore		-155.80	-159.52	-174.72	-212.05	-116.39		
Depreciation	Rs. Crore		-70.74	-66.79	-68.01	-79.89	-75.49		
Profit /Loss			-39.91	-16.81	-47.24	-125.29	-158.31		393.61
Tax Rates			34.61%	34.61%	34.94%	25.17%	25.17%		25.17%
Tax liability			0.00	0.00	0.00	0.00	0.00		99.06

A5.1 IT Depreciation									
Asset Class Name	Rate of Depreciation	Net Asset value as on 1st April 2020	Additions for 2020-21 (>180 days)	Additions for 2020-21 (<180 days) (up to COD)	Sale / Transfer Amount for FY 2020-21 (up to COD)	Dep for FY 2020-21 (up to COD)	Gross Asset value as on COD	Accumulated Depreciation as on COD	Net Asset value as on COD
Land Freehold	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Runways,Taxiways,Apr	10%	2.10	0.00	0.00	0.00	-2.10	94.93	-94.93	0.00
Building Freehold	10%	98.62	0.00	0.00	0.00	-29.84	298.39	-229.61	68.78
Boundary- Freehold	10%	1.66	0.00	0.00	0.00	-0.81	8.13	-7.28	0.85
Plant & Equipment-Fr	15%	43.11	0.11	2.00	0.00	-42.38	283.52	-280.67	2.85
Furniture & Fixtures	10%	0.00	0.00	0.00	0.00	0.00	4.57	-4.57	0.00
Vehicles-Freehold	15%	0.00	0.00	0.00	0.00	0.00	24.67	-24.67	0.00
Office Appliances-Fr	20%	0.00	0.00	0.01	0.00	-0.01	3.80	-3.80	0.00
Computer Software-Fr	40%	0.00	0.00	0.00	0.00	0.00	0.48	-0.48	0.00
Tools & Equipments	15%	2.02	0.00	0.00	0.00	-0.36	2.38	-0.71	1.67
Total		147.51	0.11	2.01	0.00	-75.49	720.87	-646.72	74.15

A6	Carried forward of Shortfall from 1st CP							
	Particulars	UOM	2011-12	2012-13	2013-14	2014-15	2015-16	Total
	ARR for year (Reference table 15 of FCP)	In crore	116.70	112.90	116.20	122.40	140.50	608.70
	Aeronautical Revenue	In crore	108.80	108.40	118.50	118.40	158.80	612.90
	Shortfall / (Excess)	In crore	7.90	4.50	-2.30	4.00	-18.30	-4.20
	PV		1.93	1.69	1.48	1.30	1.14	
	Future value of shortfall / (excess) as on 1.04.2016	In crore	15.11	7.60	-3.41	5.20	-20.86	3.64

A7		Non Aeronautical Services							
Particulars	UOM	Ref. No.	2016-17	2017-18	2018-19	2019-20	2020-21 (up to 1-Nov-20)	Total	
Trading Concessions	Rs. Crore								
Restaurant / Snack Bar & T.R. Stall	Rs. Crore	9500	0.63	0.85	1.40	1.16	0.01	4.07	
Hoarding & Display	Rs. Crore	9520	11.35	13.25	15.17	20.24	1.76	61.77	
Other Trading Concessions	Rs. Crore	9530	39.46	24.26	35.26	42.41	6.38	147.77	
Rent & Space	Rs. Crore	9540	4.98	10.48	11.81	12.49	7.73	47.49	
Duty Free Shops	Rs. Crore	9580	1.88	2.65	3.76	6.12	0.25	14.67	
Miscellaneous	Rs. Crore	9590	0.00	0.00	0.13	0.30	-0.01	0.43	
Car Rentals	Rs. Crore	9600	0.00	0.00	0.00	0.00	0.00	0.00	
Car Parking	Rs. Crore	9610	9.15	11.75	6.95	14.74	0.00	42.58	
Other Misc. Income	Rs. Crore	9640	-0.37	-0.22	4.25	4.45	4.45	12.57	
Total			67.09	63.02	78.74	101.91	20.59	331.35	

A8		Aeronautical Services							
Particulars	UOM	Ref. No.	2016-17	2017-18	2018-19	2019-20	2020-21 (up to 1-Nov-20)	Total	
LPH	Rs. Crore								
Landing Domestic	Rs. Crore	9010	38.88	42.17	52.05	52.20	9.57	194.88	
Landing International	Rs. Crore	9020	21.21	23.58	26.45	26.67	6.43	104.33	
Parking Domestic	Rs. Crore	9030	0.35	0.34	1.06	3.35	4.84	9.94	
Parking International	Rs. Crore	9040	0.06	0.07	0.20	0.66	0.18	1.18	
UDF/PSF Domestic	Rs. Crore	9070	61.19	72.42	57.66	37.71	4.32	233.30	
UDF/PSF International	Rs. Crore	9080	31.52	33.41	22.47	7.12	0.17	94.69	
Exten of Watch Hours	Rs. Crore	9090	0.00	0.00	0.00	0.00	0.00	0.00	
Cute & SITA charges	Rs. Crore	9100	4.02	5.41	8.47	10.08	0.93	28.91	
Throughput Revenue	Rs. Crore	9110	2.44	1.96	2.62	2.07	0.00	9.10	
Cargo Revenue	Rs. Crore	9130	0.00	0.00	0.00	0.00	0.00	0.00	
Concession Fees from AAICLAS / Others	Rs. Crore	9140	0.00	0.05	0.49	0.71	0.03	1.27	
Land lease to Ground Handling Agency	Rs. Crore	9150	22.21	23.66	19.85	20.34	4.16	90.22	
Land lease to Oil companies	Rs. Crore	9160	4.65	6.33	4.05	5.63	2.82	23.48	
Total			186.51	209.39	195.37	166.55	33.45	791.28	