भारतीय विमानपत्तन प्राधिकरण
AIRPORTS AUTHORITY OF INDIA

AAI/JVC/TARIFF/SRN/2203

Date: 16th July, 2026

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

Sub: Revised Multi Year Tariff Proposal for the 4th Control period (01.04.2026 to 31.03.2031) along with True up for the 3rd Control Period (01.04.2021 to 31.03.2026 in respect of Srinagar International Airport (SXR), Srinagar

Sir,

Refer AAI letter no. AAI/JVC/TARIFF/SRN/1824 Dated 27.10.2025, wherein MYTP for the 4th Control period (01.04.2026 to 31.03.2031) in respect of Srinagar Airport was submitted based on the actuals/audited accounts of first four years (01.04.2021 to 31.03.2025) of 3rd control period (01.04.2021 to 31.03.2026).

Further, reference is also invited to AAI letter no. AAI/MYTP/2156 dated 23.06.2026 (Copy enclosed) wherein AERA was requested to issue Consultation paper after considering the revised MYTP based on the annual accounts of FY 2025-26 (actual) which were adopted by AAI Board in its 243rd meeting held on 15.06.2026.

In view of above, please find enclosed revised MYTP considering actual of FY 2025-26 and projections for fourth control period based on actuals of FY 2025-26 for your kind perusal.

This issues with approval of the Competent Authority.

(Rajesh Khanna)
General Manager (JVC-Tariff)

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
सफदरजंग एयरपोर्ट, नई दिल्ली-110003
प्राप्त
डायरी न. 2945
तारीख 16/07/026

Encl.: As above.

राजीव गांधी भवन
Rajiv Gandhi Bhawan
सफदरजंग हवाई अड्डा नई दिल्ली–110003
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दूरभाष : 24632950
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भारतीय विमानपत्तन प्राधिकरण
AIRPORTS AUTHORITY OF INDIA

AAI/MYTP/2156

Dated 23.06.2026

To,

Director (P&S),
Airports Economic Regulatory Authority of India
Udaan Bhawan,
Safdarjung Airport New Delhi

Sub: Submission of Tariff Proposal and True-up in respect of various AAI Airports - reg

Ref: AERA's Letter no. AERA/20010/MYTP/AAI-Raipur/CP-II/23127 Dated 26th June 2025

Sir,

This is with reference to AERA Letter AERA/20010/MYTP/AAI-Raipur/CP-II/23127 Dated 26th June 2025 on the subject captioned above, wherein AERA instructed AAI to submit the Multi Year Tariff Proposals in respect of Srinagar, Dabolim-Goa, Pune, Kolkata, Calicut and Chennai Airports taking into account various building block being used for the tariff determination process based on audited half yearly financials of FY 2025-26. It was further indicated that the final audited financials for FY 2025-26 may be submitted during the tariff determination process.

In this regard, it is submitted that the Multi Year Tariff Proposals in respect of Srinagar, Calicut, Pune and Kolkata Airports were submitted to AERA for the determination of aeronautical tariff for the fourth control period and True up of 3rd control period considering the following:

a) True up of first four years (1.4.2021 to 31.3.2025) of the 3rd control period based on audited account
b) Projected amount for fifth year of the 3rd control period i.e. FY 2025-26 based on figures for FY 2024-25 and
c) Rrojected amount for the 4th control period i.e. FY 2026-27 to 2030-31.

It is to mention that the Annual accounts of FY 2025-26 are adopted by the AAI Board in its 243rd Meeting held on 15.06.2026, and accordingly, AAI shall be submitting the true up of FY 2025-26 along with the revised projection of the 4th control period by 20th July 2026 to AERA, based on the accounts adopted by the AAI Board in respect of above-mentioned airports.

In view of above, AERA is requested to kindly issue the Consultation paper only after taking into consideration the revised MYTP (true up of FY 2025-26 will results revision of ARR as well as revision of projections for the next control period) likely to be submitted by AAI after duly incorporating the impact of financials statement of FY 2025-26.

This issues with the approval of competent Authority.

Thanking you

भारतीय विमानपत्तन आर्थिक विनियामक प्राधिकरण
सफदरजंग एयरपोर्ट, नई दिल्ली-110003
प्राप्त
डायरी न. 20862
तारीख 23/06/26

Yours Sincerely

(Rajesh Khanna)
General Manager (JVC-Tariff)

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Rajiv Gandhi Bhawan
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Submission of Revised MYTP to Airport Economic Regulatory Authority of India (AERA) for Determination of Tariff for Airport Services for the 4th Control Period (01.04.2026 to 31.03.2031) along with True up of 3rd Control Period (01.04.2021 to 31.03.2026) Srinagar International Airport, Srinagar.

Table of Contents

1. Background and Introduction to Srinagar International Airport, Srinagar

1.1. Background of Airport Authority of India

1.1.1. Airports Authority of India (AAI) was constituted under the Airports Authority of India Act 1994 ("AAI Act") and came into being on 3rd 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. Overview and History of Srinagar International Airport

1.2.1. **Srinagar International Airport** (IATA: **SXR**, ICAO: **VISR**), officially named as **Sheikh Ul Alam International Airport**, is an International Airport serving Srinagar, the summer capital of the Indian union territory of Jammu and Kashmir. It is owned by the Indian Air Force , and the Airports Authority of India operates a civil enclave at the airport. The airport is located in Budgam, about 12 km (7.5 mi) south of Srinagar. It was designated as an international airport in 2005. It has an integrated domestic and international terminal with one asphalt runway.

1.2.2. Srinagar International Airport was declared as a '·Major Airport" as per section 2(i) AERA Act, 2008, based on the actual passenger traffic throughput (i.e., in excess of one and half million) in the FY 2015-16 vide Order No. 17/ 2015-16 dated June 5, 2015.

1.2.3. As per the AERA Act, 2008 read with Amendment Act 2019, the passenger throughput limit was amended from 'one and a half million' to 'three and a half million' passengers, whereby Srinagar Airport had become a non-Major Airport, as its passenger throughput or designated capacity was lower than the threshold limit of 3.5 MPPA defined under the AERA Act.

1.2.4. Further, MoCA vide Letter No. AV 20036/9/2017-AD dated January 14, 2020 clarified that tariff determined by AERA would continue to be applicable for the Second Control Period and that the tariff for the next Control Period would be determined based on the passenger throughput criteria as defined in the AERA (Amendment) Act 2019. Subsequently, MoCA vide Order No. S.O. 4606(E) dated November 05, 2021 notified Srinagar International Airport as a "Major Airport".

1.2.5. The Authority determined tariff for the 3rd Control Period (01.04.2021 to 31.03.2026) vide Order Number 16/ 2023-24 dated 16.09.2023.

2. Methodology for Tariff Determination

2.1. Methodology / Approach to preparation of MYTP Submission

2.1.1. 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.

2.1.2. The tariff determination process consists of true-up of 3rd Control Period and determination of building blocks for 4th Control Period. The Authority proposes to undertake true-up of 3rd Control Period and the determination of building blocks for 4th Control Period under Hybrid Till.

2.1.3. The Aggregate Revenue Requirement (ARR) under regulatory framework of Authority is calculated as under

$$ARR = \sum_{t=1}^{5} ARR_t$$

$$ARR_t = (FRoR \times RAB_t) + D_t + O_t + T_t - \alpha \times NAR_t$$

Where,

t is the Tariff Year in the Control Period;

ARRt is the Aggregate Revenue Requirement for the year t;

FRoR is the fair rate of return for the Control Period;

RABt is the Aeronautical Regulatory Asset Base for the year t;

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

Ot 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;

Tt 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 3rd Control Period. α was 100% cross subsidy factor under Single Till during First Control Period.

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

2.1.4. Based on ARR, Yield per passenger is calculated as formula given below:

$$Yield\ per\ passenger(Y) = \frac{\sum_{t=1}^{5} PV(ARR_t)}{\sum_{t=1}^{5}(VE_t)}$$

Where, Present Value (PV) of ARRt 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.

VEt is the Traffic Volume in a tariff year t as estimated by the Authority.

ARRt is the Aggregate Revenue Requirement for tariff year t.

3. True Up of Third Control Period (01.04.2021 to 31.03.2026)

Overview

3.1 AAI had submitted the Multi Year Traffic Proposal for the Third Control Period commencing from FY 2021-22 to FY 2025-26 for Srinagar International Airport on June 0 l, 2022.

3.2 The revised proposal has been prepared as per AERA methodology by truing up the 3rd control period 01/04/2021 to 31/03/2026. However, figures for F.Y. 2025-26 have been considered based on Accounts approved by AAI Board and projections of Expenditure and Revenue from FY 2026-27 to 2030-31 (5 years) are made based on figures for FY 2025-26.

4. Traffic

4.1 As per Decision (page 64) of Order No. 16/2023-24 dt.16.09.2023, the Authority decided:

Decision No. 5.6.1 "The Authority decides to consider the ATM and passenger traffic as per Table 31".

Decision No. 5.6.2 "The Authority decides to true-up the traffic volume (passenger and ATM) based on the actual traffic in the Third Control Period while determining tariff for the Fourth Control Period".

Table 1: Traffic allowed as per Table No-31 (Page 64-65) for Third Control Period Order No. 16/2023-24

YEAR	PAX						ATM					
	Dom	%	INTL	%	Com	%	Dom	%	INTL	%	Com	%
2021-22	31,49,722	75%	8678	175%	31,58,400	75%	24366	87%	75	257%	24,441	87%
2022-23	43,98,074	40%	11591	34%	44,09,665	40%	29817	22%	155	107%	29,972	23%
2023-24	43,98,074	0%	11591	0%	44,09,665	0%	29817	0%	155	0%	29,972	0%
2024-25	49,26,000	12%	13000	12%	49,39,000	12%	33400	12%	170	10%	33,570	12%
2025-26	55,17,000	12%	15000	15%	55,32,000	12%	37400	12%	190	12%	37,590	12%

Table 2: Actual Traffic

YEAR	PAX						ATM					
	Dom	%	INTL	%	Com	%	Dom	%	INTL	%	Com	%
2021-22	3149722	75%	8678	175%	3158400	75%	24366	87%	75	257%	24,441	87%
2022-23	4398074	40%	11591	34%	4409665	40%	29817	22%	155	107%	29,972	23%
2023-24	4181830	-5%	23711	105%	4205541	-5%	25651	-14%	150	-3%	25,801	-14%
2024-25	4458851	7%	13598	-43%	4472449	6%	28409	11%	85	-43%	28,494	10%
2025-26	3367035	-24%	5128	-62%	3372163	-25%	21153	-26%	33	-61%	21,186	-26%

Table 3: Variance between actual and AERA approved traffic is tabulated below:

YEAR	PAX						ATM					
	Dom	%	INTL	%	Com	%	Dom	%	INTL	%	Com	%
2021-22	0		0		0		0		0		0	
2022-23	0		0		0		0		0		0	
2023-24	216244		-12120		204124		4166		5		4171	
2024-25	467149		-598		466551		4991		85		5076	
2025-26	2149965		9872		2158837		16247		157		16404	

4.2 Significant reason for increase/ decreases in Traffic are as follows

4.2.1 AERA had considered the 0% growth for FY 2023-24 And 12% growth for F. y. 2024-25 and 2025-26 to F. Y. 2025-26 respectively. whereas Actual Growth for the F. Y. 2023-24 and F. Y. 2024-25 is -5%, 6% and -25% respectively. Hence higher growth for FY 2023-24 and 2024-25 was projected by AERA.

4.2.2 Reduction in number of pax and ATM in the f. y. 2025-26 has been done due to brutal terrorist attack in Pahalgam, J& K.

5. Allocation of Assets between Aeronautical and Non-Aeronautical

5.1 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:

5.1.1 **Terminal Area Ratio-** TB Ratio is approved by AERA based on actual utilization of space in the terminal building for non-aero activities as under:

Table 4: Terminal Building Ratio as approved by AERA for 3rd Control period (Page-28, of Order No. 16/2023-24)

Particulars	%
Aero	90%
Non-aero	10%

Table 5: True Up of Terminal Building Ratio for 3rd Control Period

Terminal Building area

Particulars	Location	2021-22	2022-23	2023-24	2024-25	2025-26
Total Space Rented (A)	Non-Aero-area (SQM)	962.245	907.155	922.155	1768.744	1749.979
Space to Airlines (B) (Included in space rent)	Considered as NON-AERO	**532.8**	**479.34**	**494.34**	**469.3**	**469.3**
Capacity (D)	T. B Area (SQM)	23217	23217	23217	23217	23217
Non-Aero %		**4.14%**	**3.91%**	**3.97%**	**7.62%**	**7.54%**
Aero %		**95.86%**	**96.09%**	**96.03%**	**92.38%**	**92.46%**

Further, while determining of tariff of 3rd control period, AERA had considered the space to airlines as Aero, however during the true up, AAI has considered as Non-Aero on the lines of TDSAT judgement.

5.1.2 Quarters Ratio- Ratio of staff providing Aero, Non-aero service staying in residential building to staff providing aeronautical service staying in residential building approved by AERA is 37:7 based on FY 2020-21.

Table 6: True Up of Quarters Ratio for 3rd Control Period

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26
RATIO:					
ANS Usage Ratio	12%	9%	9%	7%	0%
Aero Usage Ratio	86%	89%	89%	91%	95%
Non- Aero Usage	2%	2%	2%	2%	5%

- The above ratio is based on the Actual for FY 2021-22 to FY 2025-26.

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

Table 7: Employee Ratio based on FY 2020-21 as approved by AERA

Particulars	Ratio
Employee Ratio	1:57:7 (Non aero: Aero: ANS

Table 8: True Up of Employee Ratio for 3rd Control Period

Particulars	3rd Control Period				
	2021-22	2022-23	2023-24	2024-25	2025-26
Total Airport Strength	44	41	38	44	46
Total ANS Strength	7	6	4	3	0
Non-Aero Emp. (Land+ Commercial)	2	2	3	5	4
Common Emp.- (Finance & HR)	7	7	9	10	13
Total	**60**	**56**	**54**	**62**	**63**
Common Employee's apportionment					
Total Airport Strength	6	6	8	8	12
Total ANS Strength	1	1	1	1	0
Non-Aero Emp. (Land+ Commercial)	0	0	1	1	1
Total	**7**	**7**	**9**	**10**	**13**
Head Count after apportionment of Common Employees					
Total Airport Strength	50	47	46	52	58
Total ANS Strength	8	7	5	4	0
Non-Aero Emp. (Land+ Commercial)	2	2	4	6	5
Total	**60**	**56**	**54**	**62**	**63**

Employees Ratio for (ANS: AERO: Non-Aero)					
ANS	13.21%	12.24%	8.89%	5.77%	0.00%
AERO	83.02%	83.67%	84.44%	84.62 %	92.00 %
Non-aero	3.77%	4.08%	6.67%	9.62%	8.00%
Employees Ratio for (AERO: Non-Aero)					
AERO	95.65%	95.35%	92.68%	89.80 %	92.00 %
Non-aero	4.35%	4.65%	7.32%	10.20 %	8.00%
Employees Ratio for (AERO:ANS)					
AERO (APT SYSTEM)	46.15%	45.45%	50.00%	50.00 %	0.00%
ANS	53.85%	54.55%	50.00%	50.00 %	0.00%

- CNS (ANS) staff is also providing Passenger facilitation (Maintaining Airport system) and is also looking after IT & security. Hence the same CNS staff has been considered as Aero based on the service provided by them.

6. Capital Expenditure for the 3rd Control Period

6.1 As per table 46 of order no. 16/2023-24 dt.16.09.2023, AERA had approved the Proposed aeronautical capital expenditure of Rs. 79.44 crores for the 3rd Control Period commencing from FY 2020-21 to FY 2025-26. This has been shown in the Table Below:

Table 9: Capital expenditure approved by Authority as per Table No.46 (P89-91) of Order No. 16/2023-24 dt.16.09.2023 is as follows:

(₹ crores)

Assets Category	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Runways / taxiway / Aprons	0	0.43	0	0	47.13	**47.56**
Road, Bridges & Culverts	0	0	0	0	0	**0**
Building- Terminal	0	0	0	0	0	**0**
Building – Temporary	0	0	0	0	0	**0**
Building – Residential	0	0	0	0	0	**0**
Security Fencing – Temporary	0	0	0	0	0	**0**
Boundary Wall -Operational	0	0	0	0	0	**0**
Other Buildings-Unclassified	0.24	0	0	0	0	**0.24**
Computer & Peripherals: END User	0	0	0	0	0	**0**
Computer & Peripherals: Server & Net	0	0	0	0	0	**0**
Intangible Assets- Software	0	0	0	0	0	**0**

Plant & Machinery	0	0	0	0	0.01	**0.01**
Tools & Equipment's	0.54	0.1	20.92	0.1	0.37	**22.03**
Office Furniture	0.89	0	0	0	0	**0.89**
Other Vehicles	0.12	0	0	0	0	**0.12**
Vehicle- Cars & Jeeps	0	0	0	0	0	**0**
Electrical Installations	0.27	0	4	0	0.33	**4.6**
Other Office Equipment's	0.06	0.11	0.1	0.11	0.09	**0.47**
Furniture's & Fixtures-Other than Trolley	0	0	0	0	0	**0**
Furniture's & Fixtures-Trolley	0	0	0	0	0	**0**
X Ray Baggage System	0	0	3.52	0	0	**3.52**
CFT/Fire Fighting Equipment's	0	0	0	0	0	**0**
TOTAL	**2.12**	**0.64**	**28.54**	**0.21**	**47.93**	**79.44**

The Actual Capital Expenditure incurred during the 3rd control period has been shown in the table below.

Table 10: Actual Capital Expenditure for the 3rd Control Period is as follows:

(₹ crores)

Assets Category	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Land Freehold	0.00	0.00	0.00	0.00	0.00	0.00
Runways	0.00	0.00	2.04	0.26	0.00	2.31
Runways / taxiway / Aprons	0.00	0.00	0.00	0.00	0.00	0.00
Road, Bridges & Culverts	0.00	0.00	0.00	0.00	0.00	0.00
Building- Terminal	0.15	0.00	0.00	0.61	0.96	1.71
Building - Temporary	0.00	0.00	1.14	0.00	0.00	1.14
Building - Residential	0.00	0.00	1.21	0.00	0.00	1.21
Security Fencing - Temporary	0.00	0.00	0.00	0.00	0.00	0.00
Boundary Wall -Operational	0.00	0.00	0.00	0.00	0.00	0.00
Other Buildings-Unclassified	0.00	0.00	0.00	0.00	0.00	0.00
Computer & Peripherals: END User	0.02	0.04	0.00	0.34	1.34	1.74
Computer & Peripherals: Server & Net	0.00	0.00	0.00	0.00	0.00	0.00
Intangible Assets- Software	0.00	0.00	0.00	0.00	0.00	0.00
Plant & Machinery	0.93	0.51	3.00	3.66	0.72	8.82
Tools & equipment	0.24	2.53	2.16	4.45	0.53	9.90
Office Furniture	0.68	0.20	0.45	0.00	1.61	2.94
Other Vehicles	0.32	0.13	0.00	0.25	0.00	0.70
Vehicle- Cars & Jeeps	0.00	0.00	0.00	0.00	0.00	0.00
Electrical Installations	0.00	0.00	0.00	0.00	0.00	0.00
SOLAR PLANT	0.00	0.00	0.00	0.00	0.65	0.65
Other Office Equipment	0.01	0.01	0.00	0.00	0.01	0.03
Furniture & Fixtures-Other than Trolley	0.00	0.00	0.00	0.00	0.00	0.00
Furniture & Fixtures-Trolley	0.00	0.00	0.00	0.00	0.00	0.00

X Ray Baggage System	0.20	0.00	0.00	0.00	0.00	0.20
CFT/Fire Fighting equipment	0.00	0.00	0.90	0.00	0.00	0.90
TOTAL	**2.54**	**3.43**	**10.91**	**9.56**	**5.81**	**32.25**

- The Major variance in Projected Vs Actual is due to following reasons:
  - The expansion of existing Apron & associated works projected in 3rd control period has been shifted to next control period.
  - The Capex planned of HAND BAGGAGE XBIS – NUCTECH amounting Rs. 0.20 cr to actually capitalized in books of accounts in FY 2021-22 against approved by AERA for the F. Y. 2022-23.
  - Capex of 7 Nos of DFMD- Rapiscan System Pvt System amounting of Rs. 0.12 crore capitalized in books of accounts in FY 2021-22 against approved by AERA for the F. Y. 2022-23.
  - Body scanner, TCV, Replacement of Existing chiller with Reversible chillers, Entertainment TV projected in 3rd control period has been shifted to next control period.
  - Provision of Electrostatic Air Filter etc. in AHU as Covid-19 protective measures has been dropped.
  - Provision of Tactile Flooring and Misc. allied civil works for visually impaired DIVYANG JAN projected at the cost of Rs. 0.09 crores, has been charged off to repair and maintenance.
  - During 3rd Control Period Rs. 25.02 Cr. has been incurred on unplanned capex incurred on account of operational requirement. Details of the same is available in the sheet named "PIVOT COMBINED CAPEX TRUE UP "in the modal.

7. Depreciation

7.1 AERA had approved the Depreciation for the 3rd Control Period as the Order No. **16/2023-24**

titled "In the matter of Determination of Useful life of Airport Assets. This has been shown in the Table Below-

Table No:11 Depreciation approved by AERA as per Table No.47 (P-91-92) of Order No.16/2023-24

(₹ crores)

Particulars	**3rd Control Period**					**TOTAL**
	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**	
Depreciation	7.05	7.08	7.69	8.65	8.79	39.26

Table 12: Depreciation as per Table No.47 (P-91-92) of Order No. 16/2023-24 is as follows:

(₹ crores)

Particulars	**FY 2021-22**	**FY 2022-23**	**FY 2023-24**	**FY 2024-25**	**FY 2025-26**	**Total**
Apron.	0.8	0.81	0.82	0.82	1.6	**4.85**

Terminal Buildings	2.00	2.00	2.00	2.00	2.00	**9.99**
Building Residential	0.14	0.14	0.14	0.14	0.14	**0.70**
Other Buildings- unclassified	0.05	0.05	0.05	0.05	0.05	**0.26**
Computers & Peripherals - End user	0.03	0.03	0	0	0	**0.06**
Intangible Assets- Computer Software	0.02	0.00	0.00	0.00	0.00	**0.02**
Plant & Machinery	1.71	1.63	1.63	1.57	1.51	**8.06**
Tools & Equipment	0.23	0.24	0.95	1.65	1.67	**4.73**
Furniture-Office	0.06	0.13	0.13	0.13	0.13	**0.58**
Vehicles	0.13	0.13	0.13	0.13	0.09	**0.62**
Elect. Installations	0.91	0.93	1.13	1.33	1.22	5.52
Office Equipment & Appliances	0.44	0.43	0.45	0.45	0.08	1.84
F&F - Operational Area (other than trolley)	0.1	0.1	0.09	0.09	0.01	0.39
ATM Furniture - Trolley	0	0.00	0	0	0	0
X - Ray Baggage System	0.45	0.45	0.17	0.29	0.29	1.64

Table 13: True Up of Depreciation during FY20-21 to FY 25-26 is as follows:

(₹ crores)

Particulars	**3rd Control Period**					**TOTAL**
	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**	
Depreciation	7.06	7.22	7.40	8.14	8.19	38.00

Significant reason for variations in Depreciation are as follow:

- The Major variance in Projected Vs Actual is due to following reasons:
    - The expansion of existing Apron & associated works projected in 3rd control period has been shifted to next control period.
    - The Capex planned of HAND BAGGAGE XBIS – NUCTECH amounting Rs. 0.20 cr to actually capitalized in books of accounts in FY 2021-22 against approved by AERA for the F. Y. 2022-23.
    - Capex of 7 Nos of DFMD- Rapiscan System Pvt System amounting of Rs. 0.12 crore capitalized in books of accounts in FY 2021-22 against approved by AERA for the F. Y. 2022-23.
    - Body scanner, TCV, Replacement of Existing chiller with Reversible chillers, Entertainment TV projected in 3rd control period has been shifted to next control period.
    - Provision of Electrostatic Air Filter etc. in AHU as Covid-19 protective measures has been dropped.
    - Provision of Tactile Flooring and Misc. allied civil works for visually impaired DIVYANG JAN projected at the cost of Rs. 0.09 crores, has been charged off to repair and maintenance.

- During 3rd Control Period Rs. 25.02 Cr. has been incurred on unplanned capex incurred on account of operational requirement.

8. Regulatory Asset Base for the 3rd Control Period.

8.1 AERA had approved the Average RAB for the 3rd Control.

Table 14: RAB for 3rd Control Period as per Table No, 48 (P-92) of Order no. 16/2023-24 is as follows:

(₹ crores)

Particulars	3rd Control Period					TOTAL
	2021-22	2022-23	2023-24	2024-25	2025-26	
Opening RAB	85.52	80.59	73.94	95.00	86.56	**421.61**
Additions	2.13	0.43	28.75	0.21	47.93	**79.45**
Disposal/Transfers	0	0	0.00	0.00	0	**0**
Depreciation	7.05	7.08	7.69	8.65	8.79	**39.26**
Closing RAB	80.59	73.94	95.00	86.56	125.7	**461.79**
Average RAB	**83.05**	**77.26**	**84.47**	**90.78**	**106.13**	

Table No15: True Up of RAB for the 3rd Control Period is as follows:

(₹ crores)

Particulars	3rd Control Period					TOTAL
	2021-22	2022-23	2023-24	2024-25	2025-26	
Opening RAB	85.60	81.08	77.29	80.80	82.23	**407.00**
Additions	2.54	3.43	10.91	9.56	5.81	**32.25**
Disposal/Transfers	0.00	0.00	0.00	0.00	0.00	**0.00**
Depreciation	7.06	7.22	7.40	8.14	8.19	**38.00**
Closing RAB	81.08	77.29	80.80	82.23	79.85	**401.25**
Average RAB	**83.34**	**79.18**	**79.05**	**81.52**	**81.04**	

Significant reasons for variations in RAB and Depreciation are as follow

- The Major variance in Projected v/s Actual is due to following reasons:
  - The expansion of existing Apron & associated works projected in 3rd control period has been shifted to next control period.
  - The Capex planned of HAND BAGGAGE XBIS – NUCTECH amounting Rs. 0.20 cr to actually capitalized in books of accounts in FY 2021-22 against approved by AERA for the F. Y. 2022-23.
  - Capex of 7 Nos of DFMD- Rapiscan System Pvt System amounting of Rs. 0.12 crore capitalized in books of accounts in FY 2021-22 against approved by AERA for the F. Y. 2022-23.
  - Body scanner, TCV, Replacement of Existing chiller with Reversible chillers, Entertainment TV projected in 3rd control period has been shifted to next control period.

- Provision of Electrostatic Air Filter etc. in AHU as Covid-19 protective measures has been dropped.
- Provision of Tactile Flooring and Misc. allied civil works for visually impaired DIVYANG JAN projected at the cost of Rs. 0.09 crores, has been charged off to repair and maintenance.
- During 3rd Control Period Rs. 25.02 Cr. has been incurred on unplanned capex incurred on account of operational requirement.

9. Fair Rate of Return (FRoR)

9.1 As per para 7.5.2 of order no. 16/2023-24, AERA vide order no. 16/2023-24 had considered the Fair rate of Return based on FRoR of similar airports such as Jaipur, Patna, Chennai etc. Accordingly, the Authority decides to consider the Fair Rate of Return at 12.89% for 3rd control period.

9.2 Table 16: Summary of Projected FRoR on Regulatory Asset Base as per Order no. 16/2023-24 is as follows

(₹ crores)

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Average RAB	83.05	77.26	84.47	90.78	106.20	**441.76**
Fair Rate of Return (FRoR)	12.89%	12.89%	12.89%	12.89%	12.89%	
Return on Average RAB @ 12.89%	10.70	9.96	10.88	11.70	13.68	**56.92**

Table 17: Summary of FRoR on Regulatory Asset Base (True Up) for the 3rd Control Period is as follows

(₹ crores)

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Average RAB	**83.34**	**79.18**	**79.05**	**81.52**	**81.04**	**404.12**
Fair Rate of Return (FRoR)	14%	14%	14%	14%	14%	
Return on Average RAB @ 14%	11.67	11.09	11.07	11.41	11.35	56.58

Variance in capex, depreciation and FRoR, results in variations in Return on Average RAB.

10. Operating Expenses

Table No 18 Operating & Maintenance (O&M) expenses as considered by the Authority for the 3rd Control Period as per Table No.64 (p-110-111) of Order No.16/2023-24 is as follows: -

(₹ crores)

Particulars	3rd Control Period	TOTAL

	2021-22	2022-23	2023-24	2024-25	2025-26	
Payroll Costs - Station	10.06	10.72	11.36	12.05	12.75	**56.94**
Retirement Benefit	0.29	0.31	0.32	0.34	0.36	**1.62**
Repair & Maintenance	6.34	5.92	5.52	6.78	6.28	**30.84**
Utilities & Outsourcing Expenses	5.04	5.2	5.36	5.53	5.7	**26.83**
Upkeep Expenses	1.99	2.18	2.18	2.27	2.36	**10.98**
Admin. & Other Expenses -Station	1.84	2.48	2.68	2.9	2.69	**12.59**
Admin. & Other Expenses -CHQ/RHQ	28.43	29.85	31.35	32.91	34.56	**157.1**
Other Outflows	0.1	0.13	0.13	0.15	0.17	**0.68**
Total O&M Expenditure	**54.09**	**56.79**	**58.91**	**62.93**	**64.86**	**297.58**

Table 19: True Up of Operating & Maintenance (O&M) expenses during FY 2021-22 to FY 2025-26

(₹ Crore)

Particulars	**3rd Control Period**					**TOTAL**
	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**	
Payroll Costs - Station	9.56	10.92	11.80	13.67	14.72	**60.68**
Retirement Benefit	0.30	0.27	0.75	0.68	0.69	**2.69**
Repair & Maintenance	7.30	9.35	11.06	11.38	14.38	**53.46**
Utilities & Outsourcing Expenses	5.05	5.98	6.03	6.91	11.22	**35.18**
Upkeep Expenses	2.17	2.77	2.89	4.19	3.98	**15.99**
Admin. & Other Expenses - Station	3.95	6.20	7.93	8.10	9.03	**35.22**
Admin. & Other Expenses - CHQ/RHQ	29.91	33.82	25.42	26.69	28.03	**143.87**
Other Outflows	0.10	0.54	1.02	0.59	0.86	**3.11**
Total O&M Expenditure	**58.33**	**69.85**	**66.90**	**72.21**	**82.90**	**350.19**

Payroll expenses –Station

- AERA had considered 6% annual increase in Payroll exp against 7% proposed by AAI (Table 65, P-111).

Total Payroll cost including Retirement Benefit.

- Total payroll cost for true up projected is Rs. 63.37 crores, against AERA's approved projection of 58.56 crores. The variance is negligible.

Administration and General expenses –Station

- Admn & General expenses were on projection basis while passing the order, while in true up actual has been considered.
- Increase in Travelling Expenses due to lifting of restriction on travelling imposed due to Covid19.
- Solid waste management contract was not there in Tariff order for the 3rd CP which has been awarded in F. Y. 2023-24.
- Contract for hiring of Manpower for operating Golf Cart Vehicle started in F. Y. 2024-25.
- Digi yatra – Manpower contract has been awarded in F. Y. 2024-25.
- Expenditure related to Snow Clearing booked in Separate designated GL instead of booking R & M Civil.
- Increase in Legal and Arbitration Expenditure.
- Total Administration and General expenses –Non CHQ/RHQ for true up projected is Rs. 35.22 crores which is more than AERA's approved projection of 12.59 crores.

Administration and General expenses – CHQ/RHQ

- AERA had proposed the Administration and General expenses – CHQ/RHQ of Rs. 157.10 cr based on the FY 2021-22. However, now in true up actual CHQ/RHQ expenses of Rs. 143.87 crore has been considered allocation based on independent study carried out by ICMAI for the F. Y. FY 2021-22 to FY 2023-24. Thereafter, i.e. from FY 2024-25, 5% Year on year basis growth over previous year has been considered.

Repairs and maintenance expenses

- AERA had considered 6% annual increase in Repair and maintenance expenses, while in true up actual has been considered.
- Total Repair and maintenance expenses projected for true up is Rs. 53.46 crores, which is more than AERA's approved projection of 30.84 crores.

11. Taxation

11.1 AERA had considered Srinagar airport on standalone basis as it has done for other AAI airports as well. The tax rate for 3rd control period has been taken 25.17%. The tax expense considered by the Authority per Table No.74 (p-119) for the 3rd Control Period as per Order No.16/2023-24 is as follows: -

Table 20: Applicable tax rates as per Income Tax Act, 1961

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26
Tax rates adopted for 3rd CP Control Period	25.17%	25.17%	25.17%	25.17%	25.17%

Table 21: Tax expense considered by the Authority as per table no.74 (p-119)

(₹ Crore)

Particulars	3rd Control Period					TOTAL
	2021-22	2022-23	2023-24	2024-25	2025-26	
Aeronautical Revenue	66.9	92.68	145.04	245.82	300.14	**850.58**

O&M expenses	54.09	56.79	58.91	62.93	64.86	**297.58**
Depreciation	8.28	7.32	8.53	9.53	11.81	**45.47**
Profit Before Tax	**4.53**	**28.57**	**77.6**	**173.36**	**223.47**	**507.53**
Set-off of **prior** period tax losses*	-4.53	-28.57	-34.54	0	0	**-67.64**
PBT after set-off of prior period tax losses	**0**	**0**	**43.07**	**173.36**	**223.47**	**439.89**
Tax rate (%)	25.17%	25.17%	25.17%	25.17%	25.17%	
Taxes	**0**	**0**	**10.84**	**43.63**	**56.25**	**110.72**

Table 22: True Up of Corporate tax as per Income Tax Act, 1961 for the 3rd Control Period is as under: - Applicable tax rates as per Income Tax Act, 1961

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26
Tax rates adopted for 3rd C. P	25.17%	25.17%	25.17%	25.17%	25.17%

Table No:23 True Up of Corporate Tax as per Income Tax Act, 1961 for the 3rd Control Period is as follows:

(₹ Crore)

Particulars	3rd Control Period					TOTAL
	2021-22	2022-23	2023-24	2024-25	2025-26	
AERO REV	66.37	93.15	128.78	219.73	179.58	687.61
NON-AERO REV@30%	2.30	4.74	6.43	8.34	8.73	30.55
TOTAL REVENUE	68.68	97.90	135.21	228.07	188.31	718.16
OPEX	58.33	69.85	66.90	72.21	82.90	350.19
DEP. As WDV AS PER INCOME TAX	8.05	7.42	7.78	8.06	7.72	39.03
TOTAL EXP.	66.39	77.28	74.68	80.27	90.62	389.23
PBT	2.29	20.62	60.53	147.80	97.69	328.93
Set-off of prior period losses	-2.29	-20.62	-29.73	0.00	0.00	-52.64
PBT after set-off of prior period losses	0.00	0.00	30.80	147.80	97.69	276.29
Corporate Tax @ 25.17%	0.00	0.00	7.75	37.20	24.59	69.54

Major Variance in Tax amount due to variance in actual PAX & ATM vs traffic considered in Tariff order for 3rd control period.

12. Non-Aeronautical revenue (NAR)

12.1 AERA had approved the non-aeronautical revenue. This shown in the table given below

Table 24: Non-Aeronautical revenue as per Authority for 3rd Control Period as per Table No.70 (P-116) of Order No. 16/2023-24

(₹ Crore)

Particulars	3rd Control Period	TOTAL

	2021-22	2022-23	2023-24	2024-25	2025-26	
1. Passenger related revenue						
Restaurant/ snack bars	1.29	4.44	4.44	5.11	5.87	**21.15**
T.R. stall	1.26	2.94	2.94	3.38	3.89	**14.42**
Hoarding & display	1.49	2.78	2.78	3.19	3.67	**13.91**
Car parking	0.28	0.55	0.55	0.63	0.73	**2.74**
Admission tickets	0.03	0.01	0.01	0.02	0.02	**0.10**
Other Misc. Income	1.05	1.02	1.02	1.17	1.35	**5.60**
2. Other revenue						
Building (residential)	0	0	0	0	0	**0.01**
Building (non-residential)	2.21	2.23	2.40	2.58	2.77	**12.18**
Total	**7.61**	**13.97**	**14.14**	**16.08**	**18.30**	**70.10**

Table 25: True Up of Non-Aeronautical revenue for 3rd Control Period along with regulated year is as under: -

(₹ Crore)

Particulars	**3rd Control Period**					**TOTAL**
	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**	
1. Passenger Related Revenue						
Restaurant/ Snack Bars	1.29	4.61	6.54	12.08	11.21	35.73
T.R. Stall	1.26	3.13	3.86	4.97	7.36	20.57
Hoarding & Display	1.49	2.79	3.33	3.96	4.72	16.29
Car Parking	0.28	0.44	1.40	2.51	1.63	6.26
Car Rental	0.00	0.00	0.49	0.52	0.61	1.62
Admission Tickets	0.03	0.03	0.04	0.08	0.14	0.32
Space Rent from Airlines	0.84	0.78	0.88	1.13	1.14	4.78
Other Misc. Income	1.38	2.46	3.33	1.44	1.20	9.80
2. Other Revenue						
Land Lease	0.00	0.09	0.12	0.07	0.11	0.39
Building (Residential)	0.01	0.00	0.00	0.00	0.00	0.01
Building (Non-Residential)	1.11	1.48	1.44	1.05	0.97	6.05
Total	**7.68**	**15.82**	**21.43**	**27.81**	**29.09**	**101.82**

Variance

- Variance in f. y. 2021-22 and F. Y. 2022-23 is very marginal.
- In FY 2024-25, Master concessionaire agreement for Food and beverages for 606 sq. metre was awarded to Devyani International.

- In FY 2024-25, Master concessionaire agreement for Retail shop for 310 sq. metre has been awarded to M/s REFEX AIRPORTS RETAIL SRINAGAR PRIVATE LIMITED.
- Space Rent from airlines has been considered as non-Aero.
- Car Parking contract awarded to M/s A S Multi services on 01.08.2024 for 1 year extendable for 6 months. After completion of 1 year, agency has denied to continue and left the contract on 31.07.2025. wef 01.08.2025 AAI is operating and managing Car Parking at its own arrangement. Approximate Rs. 7 lac pm is collection at own arrangement. NIT had floated at reduced MRLF @ 21,62,000/- pm. Due to Non-participation, thereafter, MRLF has been reduced to Rs. 1730000/- pm. At Present Tendering stage is in progress.

13. Aeronautical revenue

13.1 AERA had considered Aeronautical revenue as per table given below for 3rd Control Period.

Table 26: Aeronautical revenue considered by Authority for the 3rd Control Period as per Table No.83 (P-137-138) of Order No. 16/2023-24

(₹ Crore)

Particulars	3rd Control Period					TOTAL
	2021-22	2022-23	2023-24	2024-25	2025-26	
Parking Charges	0.08	0.10	0.13	0.19	0.23	**0.72**
Land Lease - OiI Companies	0.26	0.28	0.30	0.32	0.35	**1.51**
Ground handling charges	0.46	0.14	0.14	0.16	0.18	**1.08**
CUTE charges	3.00	4.19	6.19	6.93	7.76	**28.06**
Royalty from AAICLAS	0.66	0.82	0.91	1.00	1.10	**4.49**
Extension of Watch Hours	0.04	0.05	0.05	0.07	0.08	**0.30**
UDF Domestic	62.05	86.64	136.78	236.44	289.64	**811.55**
UDF International	0.34	0.46	0.55	0.71	0.8	**2.86**
Total Revenue	**66.90**	**92.68**	**145.04**	**245.82**	**300.14**	**850.57**

Table 27: True Up of Aeronautical revenue for 3rd Control Period is as under

(₹ Crore)

Particulars	3rd Control Period					TOTAL
	2021-22	2022-23	2023-24	2024-25	2025-26	
Parking Charges	0.08	0.10	0.11	0.22	0.67	**1.17**

Land Lease - OiI Companies & OTHERS	0.26	0.28	0.34	0.37	0.42	**1.66**
Royalty fr. Ground Handling	0.39	0.27	1.18	0.42	0.31	**2.56**
CUTE charges	2.80	4.21	5.51	5.39	4.06	**21.97**
Royalty from AAICLAS	0.81	0.65	1.12	1.32	1.21	**5.11**
Extension of Watch Hours	0.01	0.08	0.12	0.18	0.17	**0.56**
UDF Domestic	61.45	85.33	115.01	204.10	165.81	**631.71**
UDF International	0.57	2.24	5.39	7.73	6.93	**22.87**
Total Revenue	**66.37**	**93.15**	**128.78**	**219.73**	**179.58**	**687.61**

Variance

- Major Variance due to High projection PAX & ATM by AERA whereas actual PAX & ATM is lower side in 3rd control period, resulting in low revenue.

14. Aggregate Revenue required for the 3rd control Period (True Up)

Table 28: Projected ARR Considered by Authority for the 3rd Control Period as per as per Table No.78 (P-128) of Order No. 16/2023-24 is as follows:

(₹ Crore)

Particulars	**3rd Control Period**					**TOTAL**
	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**	
Average RAB (A)	83.05	77.26	84.47	90.78	106.13	**441.69**
Fair Rate of Return (B)	12.89%	12.89%	12.89%	12.89%	12.89%	
Return on average RAB (C)= A*B	10.70	9.96	10.88	11.7	13.68	**56.91**
Depreciation (D)	7.05	7.08	7.69	8.65	8.78	**39.26**
O& M expenses (E)	54.09	56.79	58.91	62.93	64.86	**297.58**
Tax expense (F)	0	0	10.84	43.63	56.25	**110.72**
ARR per year= SUM (C: F)	71.85	73.82	88.33	126.91	143.57	**504.48**
Shortfall carried forward from Second Control Period as on March 31, 2022	401.17					
Gross ARR (G)	473.02	73.82	88.33	126.91	143.57	**905.65**
NAR	7.61	13.97	14.14	16.08	18.3	**70.10**
Less: 30% NAR (H)	2.28	4.19	4.24	4.82	5.49	**21.03**
Net ARR = (G-H)	470.74	69.63	84.08	122.09	138.08	**884.62**

Discount factor (@ 12.89%)	1.00	0.89	0.78	0.70	0.62	
PY of ARR (in Crores)	470.74	61.68	65.98	84.87	85.03	**768.30**
Sum Present value of ARR(Crores)	768.30					**768.30**
Total Traffic (million passengers)	22.45					**22.45**
Yield per passenger on Total Traffic (YPP)	342.26					**342.26**
Departing passenger (million passengers)	11.22					**11.22**
Yield per Departing Passenger	684.52					**684.52**

Table 29: True Up for ARR and Yield for 3rd Control Period is as follows:

(₹ Crore)

Particulars	3rd Control Period					TOTAL
	2021-22	**2022-23**	**2023-24**	**2024-25**	**2025-26**	
Average RAB (A)	83.34	79.18	79.05	81.52	81.04	**404.12**
Fair Rate of Return (B)	14%	14%	14%	14%	14%	
Return on average RAB (C)= A*B	**11.67**	**11.09**	**11.07**	**11.41**	**11.35**	**56.58**
Depreciation (D)	7.06	7.22	7.40	8.14	8.19	**38.00**
O& M expenses (E)	58.33	69.85	66.90	72.21	82.90	**350.19**
Tax expense (F)	0.00	0.00	7.75	37.20	24.59	**69.54**
ARR per year= SUM (C: F)	**77.06**	**88.16**	**93.12**	**128.96**	**127.02**	**514.32**
Shortfall carried forward from Second Control Period as on March 31, 2022	401.17	0	0	0	0	**401.17**
Compounding impact of TDSAT case*	168.68	0.00	0.00	0.00	0.00	**168.68**
Dep and Average RAB of FA of 2nd CP	0.11	0.10	0.10	0.09	0.09	**0.49**
Compounding amt of return on Dep and Average RAB on FA of 1st CP -up to March 2021**	0.87	0.00	0.00	0.00	0.00	**0.87**
Dep and Average RAB of FA of 1st CP***	0.04	0.04	0.04	0.04	0.03	**0.19**
Gross ARR (G)	**647.93**	**88.30**	**93.25**	**129.09**	**127.14**	**1085.72**
NAR	7.68	15.82	21.43	27.81	29.09	**101.82**
Less: 30% NAR (H)	2.30	4.74	6.43	8.34	8.73	**30.55**
Net ARR = (G-H)	**645.63**	**83.56**	**86.82**	**120.75**	**118.41**	**1055.17**
PV Factor (Compound)	1.93	1.69	1.48	1.30	1.14	
PV of ARR (in Crores)	1243.10	141.13	128.63	156.92	134.99	**1804.78**
Actual Revenue	66.37	93.15	128.78	219.73	179.58	**687.61**
PV of Revenue (in Crores)	127.80	157.33	190.79	285.56	204.72	**966.20**
PV of Shortfall to be carried forward to 4th CP	1115.31	-16.20	-62.16	-128.64	-69.73	**838.58**
Sum Present value of ARR(Crores)	838.58					**838.58**

Total Traffic (million passengers)	19.62	**19.62**
Yield per passenger on Total Traffic (YPP)	427.45	**427.45**
Departing passenger	9.81	**9.81**
Yield per Departing Passenger	854.90	**854.90**

*****Table 30: Computation of shortfall of FY 2020-21 (Page- 52):**

Particulars	**Shortfall of FY 2020-21 (₹ Crore)**
Return on average RAB	11.75
O&M expenses	57.25
Depreciation	6.64
Tax expense	0.00
Interest on working capital	0
Less: 30% NAR	2.32
ARR	73.32
Aeronautical Revenue	38.64
Shortfall	34.72
PV Factor (Compound) for one year (in percentage)	1.14%
PV Shortfall	39.58

***Compounding impact of 2nd CP and FA of 2nd CP (Disallowed by AERA)**

PARTICULARS	2016-17	2017-18	2018-19	2019-20	2020-21	Amt (In Cr.)
FRoR	**14%**	**14%**	**14%**	**14%**	**14%**	
No. of Year	5	4	3	2	1	
PV Factor (Compound)	1.93	1.69	1.48	1.30	1.14	
Non-Consideration of FY 20-21 while truing up 2nd CP **(page-52)**					34.72	34.72
R&M Expenses restricted to 6% of opening RAB (2nd CP) **(Page- 46)**	2.06	0.83	2.14	1.04	0	6.07
Non-Consideration of shortfall of previous year in FY 20-21 while truing up 2nd CP **(page 52**)	49.32	5.04	0.25	-0.88	0	53.73
Short Consideration of CHQ/RHQ Admin Exps (**Table 20, Page 47)**	1.36	1.52	3.63	4.35	0	11
Finance allowance disallowed while truing up 2nd CP **(page – 28-29, Para 4.4.7)**	0.00	0.02	0.02	0.13	0.13	0.30
TOTAL	52.74	7.41	6.04	4.64	34.85	105.68
Compounding TOTAL	**101.55**	**12.50**	**8.94**	**5.99**	**39.71**	**168.68**

****Compounding amt of return on Dep and Average RAB on FA of 1st CP -up to March 2021**

(₹ Crore)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
FRoR	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%
No. of year	10	9	8	7	6	5	4	3	2	1
PV Factor (Compound)	3.71	3.25	2.85	2.50	2.19	1.93	1.69	1.48	1.30	1.14
Average RAB	0.11	0.23	0.23	0.25	0.27	0.27	0.26	0.25	0.24	0.23
Return on Average RAB	0.01	0.03	0.03	0.03	0.04	0.04	0.04	0.03	0.03	0.03
Dep.	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total	0.02	0.04	0.04	0.04	0.05	0.05	0.05	0.05	0.04	0.04
compounding	0.07	0.12	0.11	0.11	0.11	0.10	0.08	0.07	0.06	0.05
Compounding (TOTAL)										**0.87**

*****Depreciation and Return on Average RAB of FA of 1st CP**

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26
FRoR	14%	14%	14%	14%	14%
No. of year					
PV Factor (Compound)	1.00	1.00	1.00	1.00	1.00
Average RAB	0.22	0.21	0.19	0.18	0.17
Return on Average RAB	0.03	0.03	0.03	0.03	0.02
Dep.	0.01	0.01	0.01	0.01	0.01
Total	**0.04**	**0.04**	**0.04**	**0.04**	**0.03**

Significant reasons for variations in ARR and yield are as follows:

- Variances in Aeronautical revenue for 3rd Control Period due to higher growth for Passengers was considered while fixing of aeronautical tariff.
- Variance in capex, deprecation and RAB leads to variance in ARR.

MYTP for the 4th Control Period (01.04.2026 to 31.03.2031)

15. Traffic Growth and Allocation of Assets/ expenditure

15.1 Traffic growth: Passenger Traffic and ATM of Srinagar Airport for the 4th Control Period is shown in the below table

Table 31 The historical & Projected Passenger traffic and ATM at the Srinagar Airport.

YEAR	PAX						ATM					
	Dom	%	INTL	%	Com	%	Dom	%	INTL	%	Com	%
2026-27	3501716	4%	5128	0%	3506844	4%	21788	3.00%	33	0%	21,821	3%
2027-28	3851888	10%	5128	0%	3857016	10%	23748	9.00%	33	0%	23,781	9%
2028-29	4237077	10%	5128	0%	4242205	10%	25886	9.00%	33	0%	25,919	9%
2029-30	4660785	10%	5128	0%	4665913	10%	28216	9.00%	33	0%	28,249	9%
2030-31	5103559	10%	5128	0%	5108687	9%	30614	8.50%	33	0%	30,647	8%

MYTP has been prepared considering the above growth of PAX & ATM for projecting the Aeronautical Revenue for the 4th Control period.

15.2 Allocation of Assets/ expenditure

15.2.1 For the allocation of assets, expenditure between aeronautical and non-aeronautical services, Airports Authority of India had divided assets/expenses into aeronautical, non-aeronautical and ANS components. Where the assets/expenses are common in nature, these are divided into aeronautical, non-aeronautical and ANS components by applying one of the following three ratios:

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

Table 32: Terminal Building Ratio for 4th Control Period based on F.Y.2025-26

Particulars	AERO	NON-AERO
Terminal Building Ratio	92.46%	7.54%

Space allotted to Airlines has been considered Non-Aero.

15.2.3 Quarters Ratio- Ratio of staff providing ANS service staying in residential building to staff providing aeronautical service staying in residential building.

Table 33: Quarters Ratio for 4th Control Period based on F.Y.2025-26

Particulars	Percentage
ANS Usage Ratio	**0.00%**
Aero Usage Ratio	**95%**
Non Aero	**5%**

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

Table 34: Employee Ratio for 4th Control Period based on F.Y.2025-26

Particulars	4th Control Period				
	2026-27	**2027-28**	**2028-29**	**2029-30**	**2030-31**
Employees ratio for (AERO: Non-Aero)					
AERO	92.00%	92.00%	92.00%	92.00%	93.75%
Non-aero	8.00%	8.00%	8.00%	8.00%	6.25%

16. Capital Expenditure for the 4th Control Period (01.04.2026 to 31.03.2030)

Table :35 List of Proposed Capital Expenditure (Aeronautical) for the 4th Control Period is as per below:

Sr. No.	Name of work	Total cost	Aeronautical Cost	Financing Allowance	Total	PDC
1	TCV (Qty-1)	10.00	10.00		10.00	2026-27
2	Replacement of existing Chillers with Reversible Chillers (Chillers with Heat Pump) & associated works	5.58	5.58		5.58	2026-27
3	XBIS (5 HB, 9 RB) against replacement of 2 HB	5.35	5.35		5.35	2026-27
4	BDDS EQUIPMENT	5.30	5.30		5.30	2026-27
5	Augmentation of Power Supply system	5.12	5.12		5.12	2026-27
6	Installation of View cutters on Boundary Wall from Drop Gate to Terminal Building	3.20	3.20		3.20	2026-27
7	FIDS	2.57	2.57		2.57	2026-27
8	Provision of Inset type Taxiway light fittings	1.94	1.94		1.94	2026-27
9	DFMD (QTY-61)	1.83	1.83		1.83	2026-27
10	CCTV	1.19	1.19		1.19	2026-27
11	Modernization of Existing 4 Nos. (Johnson Make) Escalators	1.02	1.02		1.02	2026-27
12	Construction of Cooling Off Pit and GSE area	0.98	0.98		0.98	2026-27
13	5 nos of ETD-M S TECH- (69ETD)	0.75	0.75		0.75	2026-27
14	SITC of Smart Visual Docking Guidance System (SVDGS)	0.72	0.72		0.72	2026-27
15	Water Cooler	0.38	0.38		0.38	2026-27
16	Entertainment TV	0.33	0.33		0.33	2026-27

17	Provision of VRF System in Passenger Boarding Bridge	0.19	0.19		0.19	2026-27
18	Provision of ventilation ducts and exhaust fans in toilets inside terminal building	0.19	0.19		0.19	2026-27
19	Computer	0.10	0.10		0.10	2026-27
20	Construction of Safety Bunkers	25.00	25.00		25.00	2027-28
21	Body Scanner (Qty-4)	18.40	18.40		18.40	2027-28
22	Design & SITC of Apron Trolley Gate	1.42	1.42		1.42	2027-28
23	Construction of CISF Barracks	65.61	65.61	6.00	71.61	2028-29
24	Extension of Apron	64.55	64.55	5.90	70.45	2028-29
25	Construction of Various type of Residential quarter for AAI Staff	47.72	45.77	4.18	49.96	2028-29
26	Construction New Integrated Passenger Terminal Building (Civil Work)	791.56	751.98	69.64	821.62	2030-31
27	Construction New Integrated Passenger Terminal Building (Electrical work)	527.70	527.70	48.87	576.58	2030-31
	Total	**1588.70**	**1547.17**	**134.59**	**1681.76**	

Note: AERO capex of Rs. 1681.76 Crore including Financing Allowance of Rs. 134.59 crore is projected for 4th control period. It is assumed the Fund flow at own resources and calculated FA accordingly

Table No:36 Projected capital Expenditure proposed for the 4th Control Period is as under: -

(₹ Crore)

Assets Category	2026-27	2027-28	2028-29	2029-30	2030-31	TOTAL
Runways / taxiway / Aprons	0.00	0.00	70.45	0.00	0.00	70.45
Building- Terminal	0.00	0.00	0.00	0.00	821.62	821.62
Other Buildings-Unclassified	4.18	25.00	121.56	0.00	0.00	150.74
Computer & Peripherals: END User	0.10	0.00	0.00	0.00	0.00	0.10
Plant & Machinery	2.31	1.42	0.00	0.00	0.00	3.73
Tools & Equipments	20.13	18.40	0.00	0.00	0.00	38.53
Electrical Installations	14.47	0.00	0.00	0.00	576.58	591.05
Other Office Equipments	0.19	0.00	0.00	0.00	0.00	0.19
X Ray Baggage System	5.35	0.00	0.00	0.00	0.00	5.35
TOTAL	**46.74**	**44.82**	**192.01**	**0.00**	**1398.20**	**1681.76**

17. Depreciation

Depreciation have been proposed in line with the guidelines issued by AERA for the 4th Control Period is as under: -

Table 37: Proposed Depreciation for the 4th Control Period is as follows:

(₹ Crore)

Particulars	4th Control Period					TOTAL
	2026-27	2027-28	2028-29	2029-30	2030-31	
Depreciation	9.90	12.04	15.53	18.33	59.67	115.47

Depreciation has been proposed 50% on 1st year or year of capitalization of assets and thereafter full Depreciation has been calculated for the 4th Control Period.

18. Fair Rate of Return (FRoR).

Table No:38 Summary of Projected RAB and Fair Rate of Return on RAB for 4th Control Period is as follows:

(₹ Crore)

Particulars	2026-27	2027-28	2028-29	2029-30	2030-31	Total
Opening Aeronautical RAB (A)	79.85	98.27	123.86	224.90	266.26	**793.14**
Aeronautical assets capitalized during year(B)	46.74	44.82	192.01	0.00	1398.20	**1681.76**
Disposals/ Transfers(C)	0.00	0.00	0.00	0.00	0.00	**0.00**
Depreciation(D)	9.90	12.04	15.53	18.33	59.67	**115.47**
Closing Aeronautical RAB (E=A+B-C-D)	116.68	149.46	325.94	307.62	1646.14	**2545.85**
Average RAB (A+E)/2	**98.27**	**123.86**	**224.90**	**266.26**	**956.20**	
Fair Rate of Return (FRoR)	79.85	98.27	123.86	224.90	266.26	**793.14**
Return on Average RAB @ 14%	46.74	44.82	192.01	0.00	1398.20	**1681.76**

Note: 14% FRoR has been considered for calculating Return on RAB.

19. Operating Expenses

Table 39: Proposed Operating & Maintenance (O&M) expenses for the 4th Control Period is as follows:

(₹ Crore)

Particulars	4th Control Period					TOTAL
	2026-27	**2027-28**	**2028-29**	**2029-30**	**2030-31**	
Payroll Costs - Station	15.75	19.69	21.07	22.55	25.93	**104.99**
Retirement Benefit	0.74	0.92	0.99	1.06	1.21	**4.92**

Repair & Maintenance	16.38	18.03	19.80	21.72	24.70	**100.63**
Utilities & Outsourcing Expenses	11.74	12.32	12.96	13.67	15.08	**65.77**
Upkeep Expenses	4.37	4.81	5.29	5.82	7.57	**27.87**
Admin. & Other Expenses -Station	9.78	10.62	11.55	12.59	13.73	**58.27**
Admin. & Other Expenses -CHQ/RHQ	29.43	30.90	32.44	34.07	35.77	**162.60**
Other Outflows	0.86	0.86	0.86	0.86	0.86	**4.29**
Total O&M Expenditure	**89.04**	**98.16**	**104.96**	**112.32**	**124.85**	**529.33**

Payroll expenses –Station

- An increase of 7% Year on year basis has been proposed for the 4th control Period.
- An additional increase of 18% has been proposed for FY 2027-28 considering of next wage revision due from 01.01.2027.
- An additional increase of 8% has been proposed for FY 2030-31 considering commissioning of NITB in 2030-31.

Retirement Benefit

- Actuarial Expenses (Retirement Benefits) for FY 2026-27 has been projected based on the FY 2025-26 with a growth of 7% p.a. for the 4th control period.
- An additional increase of 18% has been proposed for FY 2027-28 considering of next wage due from 01.01.2027.
- An additional increase of 8% has been proposed for FY 2030-31 considering commissioning of NITB in 2030-31.

Administration and General expenses –Station

- An increase of 10% Year on year basis has been proposed for the 4th control Period.
- An additional increase of 20% in Upkeep Charges has been proposed for FY 2030-31 considering commissioning of NITB in 2030-31

Administration and General expenses – CHQ/RHQ

- AAI has considered CHQ/RHQ allocation based on the study conducted by independent study by ICMAI for FY 2021-22, 2022-23 and 2023-24 and thereafter, i.e. from FY 2024-25, 5% Year on year basis growth on previous year has been considered.

Repairs and maintenance

- An increase of 10% Year on year basis has been proposed for the 4th Control Period.
- An additional 5% in R&M Electrical and computer IT& Electronics considering the commissioning of NITB in 2030-31.
- AMC on Solar Plant has been considered wef F.Y. 2028-29 after 02 years DLP.
- AMC on new Escalators has been considered wef F.Y. 2027-28 after 01-year DLP. AMC of old Escalators has been removed from the projection wef F. Y. 2026-27.

Utilities and outsourcing expenses

- An increase of 10% Year on year basis has been proposed for the 4th control Period.

- Electricity expenditure of Rs. 17.00 lac per year has been reduced from F.Y. 2026-27 after commissioning of Solar Plant.

<u>Other outflows – Collection Charges on UDF-</u> Collection charges on UDF are directly linked with Passenger growth and accordingly proposed for the 4th control Period.

20. Taxation

Table 44: Tax expense Proposed for the 4th Control Period

(₹ Crore)

Particulars	4th Control Period					TOTAL
	2026-27	2027-28	2028-29	2029-30	2030-31	
AERO REV	240.44	376.83	473.24	593.03	724.97	2408.52
NON-AERO REV@30%	9.73	11.14	12.77	14.65	17.46	65.76
TOTAL REVENUE	250.18	387.97	486.01	607.68	742.44	2474.28
OPEX	89.04	98.16	104.96	112.32	124.85	529.33
DEP. As WDV AS PER INCOME TAX	10.16	14.46	26.57	34.49	100.04	185.72
TOTAL EXP.	99.20	112.62	131.53	146.81	224.89	715.06
PBT	150.97	275.35	354.48	460.87	517.54	1759.22
Set-off of prior period losses	0.00	0.00	0.00	0.00	0.00	0.00
PBT after set-off of prior period losses	150.97	275.35	354.48	460.87	517.54	1759.22
Corporate Tax @ 25.17%	38.00	69.31	89.22	116.00	130.27	442.80
PAT	112.97	206.05	265.26	344.87	387.28	1316.42

21. Non-Aeronautical revenue (NAR)

Table 45: Projected Non-Aeronautical revenue for 4th Control Period is as under

(₹ Crore)

Particulars	4th Control Period					TOTAL
	2026-27	2027-28	2028-29	2029-30	2030-31	
1. Passenger Related Revenue						
Restaurant/ Snack Bars	12.22	14.06	16.17	18.59	22.22	83.25
T.R. Stall	8.02	9.22	10.61	12.20	14.58	54.63
Hoarding & Display	5.66	6.80	8.16	9.79	12.24	42.65
Car Parking	2.08	2.28	2.51	2.76	3.18	12.81
Car Rental	0.67	0.74	0.81	0.89	1.03	4.14
Admission Tickets	0.15	0.16	0.18	0.20	0.23	0.92
Space Rent from Airlines	1.23	1.32	1.42	1.53	1.64	7.14
Other Misc. Income	1.26	1.32	1.39	1.46	1.53	6.95
2. Other Revenue						
Land Lease	0.11	0.11	0.12	0.12	0.12	0.58
Building (Residential)	0.00	0.00	0.00	0.00	0.00	0.01

Building (Non-Residential)	1.04	1.12	1.20	1.30	1.46	6.12
Total	**32.44**	**37.13**	**42.57**	**48.83**	**58.21**	**219.19**

- **Proposed Increase in revenue as given Table No:46 below: -**

Particulars	4th Control Period				
	2026-27	2027-28	2028-29	2029-30	2030-31
1. Passenger related revenue					
Restaurant/ snack bars	9%	15%	15%	15%	20%
T.R. stall	9%	15%	15%	15%	20%
Hoarding & display	20%	20%	20%	20%	25%
Car parking	27.13%	10%	10%	10%	15%
Car Rental	10%	10%	10%	10%	15%
Admission tickets	10%	10%	10%	10%	15%
Space Rent from Airlines	7.5%	7.5%	7.5%	7.5%	7.5%
Other Misc. Income	5%	5%	5%	5%	5%
2. Other revenue					
Land Lease	0%	0%	15%	0%	0%
Building (residential)	10%	10%	10%	10%	15%
Building (non-residential)	7.5%	7.5%	7.5%	7.5%	12.5%

Note:

1. Growth iro Restaurant /Snack Bar and T. R. stall has been considered based on Passenger Growth Rate Plus Annual Escalation.
2. Car Parking contract awarded to M/s A S Multi services on 01.08.2024 for 1year extendable for 6 months. after completion of 1year, agency has denied to continue and left the contract on 31.07.2025. wef 01.08.2025, AAI is operating Car Parking at its own. Approximate Rs. 7 lac pm is collection at own arrangement. NIT had floated at reduced MRLF @ 21,62,000/- pm. But due to Non-participation, MRLF has reduced to Rs. 1730000/- pm. Tendering stage is in process.
3. Additional 5% growth iro Restaurant/ snack Bar, Car Parking, Car Rental, Admission tickets and Building (Residential) has been considered in 2030-31 due to completion of TB.

22. Aggregate Revenue Requirement

Table 47: Projected ARR for the 4th Control Period is as follows:

(₹ Crore)

Particulars	4th Control Period					TOTAL
	2026-27	**2027-28**	**2028-29**	**2029-30**	**2030-31**	
Average RAB (A)	98.27	133.08	237.71	316.78	976.88	**1762.72**
Fair Rate of Return (B)	14%	14%	14%	14%	14%	
Return on average RAB (C)= A*B	**13.76**	**18.63**	**33.28**	**44.35**	**136.76**	**246.78**
Depreciation (D)	9.90	12.04	15.53	18.33	59.67	**115.47**
O& M expenses (E)	89.04	98.16	104.96	112.32	124.85	**529.33**
Tax expense (F)	38.00	69.31	89.22	116.00	130.27	**442.80**
ARR per year= SUM (C: F)	**150.70**	**198.14**	**242.99**	**291.00**	**451.55**	**1334.38**
Shortfall carried forward from 3rd Control Period	838.58	0.00	0.00	0.00	0.00	**838.58**
Dep and Average RAB of FA of 2nd CP	0.08	0.08	0.07	0.06	0.06	**0.35**
Dep and Average RAB of FA of 1st CP*	0.03	0.03	0.03	0.03	0.03	**0.14**
Gross ARR (G)	**989.39**	**198.24**	**243.09**	**291.09**	**451.63**	**2173.45**
NAR	32.44	37.13	42.57	48.83	58.21	**219.19**
Less: 30% NAR (H)	9.73	11.14	12.77	14.65	17.46	**65.76**
Net ARR = (G-H)	**979.66**	**187.10**	**230.32**	**276.44**	**434.17**	**2107.70**
PV Factor (Discounting) @14%	1.00	0.88	0.77	0.67	0.59	
PV of ARR (in Crores)	979.66	164.13	177.22	186.59	257.06	**1764.66**

The following increase in Aeronautical charges have been worked out for revenue streams to recover the full ARR:

1. **Parking Charges: -**Parking Charges Domestic/Intll. are proposed to increase by 40% over existing charges w.e.f. 01.10.2026 till 31.03.2027. Thereafter, an increase of 10% on year-on-year basis from FY 2027-28 onwards.

2. **UDF**: -UDF Charges (Embarking) and (Disembarking) on both domestic and international is proposed as below: -

UDF	01.10.2026 - 31.03.2027	01.04.2027 - 31.03.2028	01.04.2028 - 31.03.2029	01.04.2029 - 31.03.2030	01.04.2030- 31.03.2031

UDF (Dom)- Embarking	20.00%	20.00%	15.00%	15.00%	14.80%
UDF (Dom)- Disembarking	100%	14.29%	12.50%	11.11%	0.00%
UDF(Intl)- Embarking	20.00%	20.00%	15.00%	15.00%	14.00%
UDF(Intl)- Disembarking	100%	14.29%	12.50%	11.11%	0.00%

Accordingly, UDF has been worked out as below: -

(In ₹)

UDF	**Existing**	**01.10.2026 - 31.03.2026**	**01.04.2027 - 31.03.2028**	**01.04.2028 - 31.03.2029**	**01.04.2029 - 31.03.2030**	**01.04.2030-31.03.2031**
UDF (Dom)- Embarking	1050	1260	1512	1739	2000	2296
UDF (Dom)- Disembarking	0	350	400	450	500	500
UDF(Intl)- Embarking	1100	1320	1584	1822	2095	2388
UDF(Intl)- Disembarking	0	350	400	450	500	500

3. Extension of watch Hours: - No Changes is proposed in Extension of watch hour charges.

Hence, The Proposed increase in Tariff can be summarized as under:

Particulars	01-Oct-26 31-Mar-27	01-Apr-27 31-Mar-28	01-Apr-28 31-Mar-29	01-Apr-29 31-Mar-30	01-Apr-30 31-Mar-31
Parking charges -Domestic	40%	10%	10%	10%	10%
Parking charges -International	40%	10%	10%	10%	10%
UDF (Dom)- Embarking	20.0%	20.00%	15.00%	15.00%	14.80%
UDF (Dom)- Disembarking	100%	14.29%	12.50%	11.11%	0.00%
UDF(Intl)- Embarking	20.00%	20.00%	15.00%	15.00%	14.00%
UDF(Intl)- Disembarking	100%	14.29%	12.50%	11.11%	0.00%

Accordingly, Short fall carry forward for the next Control Period is nil as under: -

Particulars	Amount **(₹ Crore)**
Present Value of Target Revenue as on 01.04.2026 (Including PV of Shortfall of 3rd CP of Rs. 838.58 crores)	**1764.66**
Total PV of projected Revenue at Proposed Rates as on 01/04/2026	**1764.66**
Short fall carry forward for the next Control Period.	**0.00**