Annual Report 2016-2017

CHANDIGARH International Airport Ltd.

Annual Report 2016-2017

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CHANDIGARH INTERNATIONAL AIRPORT LIMITED - PROFILE

Chandigarh International Airport is a customs airport which serves the Union Territory Chandigarh and other Indian states of Punjab, Haryana, Himachal Pradesh, etc. The airport runway is located in the Union Territory of Chandigarh while the international terminal is located on the southern side of the runway in the village Jhiurheri, Mohali, Punjab. The present runway 11/29 has length of 9,000 ft (2,700 m). The runway uses a CAT 1LS system as of now.

The Company i.e. Chandigarh International Airport Limited (CHIAL), is a joint venture company with Airports Authority of India having 51% Equity Stake and Government of Punjab (Greater Mohali Development Authority – GMADA) and Government of Haryana (Haryana Urban Development Authority) each having 24.5% Equity Stake to operate and maintain the Chandigarh International Airport.

Since its inception, Chandigarh International Airport has added many amenities, and significantly increased air service to support the needs of the rapidly expanding population base. The airport is poised to continue growing as the primary air–service facility in the growing region and is considered as the air gateway to the northern part of India. With the proposed expansion plans of the airport, tremendous growth has been envisaged and a highly positive outlook for the region is anticipated.

KEY FEATURES OF THE CHANDIGARH INTERNATIONAL AIRPORT

- New terminal is equipped with modern state-of-art facilities, green and well developed landscapes, decorated interiors with art, paintings & mural works
- The airport has a world class integrated terminal building made of glass and steel structure having all modern facilities
- The terminal is equipped with aero – bridges and apron for parking wide bodied jet aircrafts
- The airport code would be upgraded to 4E by August 2019, from the existing 4D. With a runway of 10,400 feet and strength of 75 PCN, operations of Wide bodied aircrafts shall be enabled which would further open the horizon for direct international flights to destinations such as UK, Europe, US, Canada and Australia, thereby targeting the required demand
- Length of Runway is approx. 9,000 ft with CAT 1LS system

CHIAL BOARD OF DIRECTORS

REPRSENTATIVES OF AIRPORTS AUTHORITY OF INDIA

SH. SUDHIR RAHEJA
MEMBER (PLANNING),
AAI & CHAIRMAN, CHIAL

SH. S. SURESH
MEMBER (FINANCE),
AAI & NOMINEE DIRECTOR, CHIAL

SH. ANUJ AGGARWAL
MEMBER (HR),
AAI & NOMINEE DIRECTOR, CHIAL

REPRSENTATIVES OF MoCA

SH. VENKATRAMANA R. HEGDE
NOMINEE DIRECTOR, CHIAL

REPRSENTATIVES OF PUNJAB GOVT.

SH. VISWAJEET KHANNA, IAS
NOMINEE DIRECTOR, CHIAL

SH. VARUN ROOJAM IAS
NOMINEE DIRECTOR, CHIAL

REPRSENTATIVES OF HARYANA GOVT.

SH. MAHAVIR SINGH, IAS
NOMINEE DIRECTOR, CHIAL

Sh. VIKAS GUPTA
NOMINEE DIRECTOR, CHIAL

CHIAL - AWARDS AND RECOGNITION

- Certified With a Four Star Rating Under GRIHA

- CIDC (Construction Industry Development Council) Award For Best Construction

- SKOCH Award For Energy Conversation, Environment Conservation, Skill Development , Employment Generation, Financial Growth Of Region And Completion Without Time And Cost Over Run.

- Award For Completion Of Project Without Time And Cost Over Run By AAI

- Chandigarh International Airport received award for rank number one in Customer Satisfaction Index Survey 2016.

KEY MANAGERIAL PERSONNEL

Suneel Dutt
Chief Executive Officer

J.B.Saini
Chief Financial Officer

Avneet Kaur
Company Secretary

REFERENCE INFORMATION

Registered Office: Room no. 1, Project Office Building, Airports Authority of India, Civil Airport, Chandigarh- 160003
Corporate Office: New Civil Air Terminal, Jhurheri, Mohali (Punjab) 160055

Tel No. : 0172-2242016, Fax No. 0172-2242003
E-mail id - secretary.chial@rediffmail.com
CIN U63013CH2010GOI03199

Bankers:
Yes Bank
State Bank of Patiala

Auditors:
M/s. Subash Bansal & Associates, Chandigarh

VISION MISSION AND GOALS

CHIAL's strategy, driven by its mission and vision, focusses on honoring and respecting its core values while delivering major overreaching goal of increasing passenger numbers. Currently, the airport's total passenger count includes both business and leisure travelers. The Company's strategic medium term goal has been adjusted upwards of 4 million passengers enplaned and deplaned by 2022 which includes both domestic and international passengers.

Chandigarh Airport shall operate, maintain and preserve a high quality aviation facility which is safe and secure. Further, it will also deliver high quality aviation services by providing customer focused and efficient operations with respect to facilities, staff, finance & administration. The authority shall not only be passenger focused, but will also be community focused and will respond to community preferences for commercial air service, gateway image & landscaping, noise and storm water management, etc.

Primary vision of the Company is to strengthen Chandigarh International Airport as the leading aviation hub and key engine for economic growth of the region. Further, the development is envisaged to be a safe, high quality and attractive airport with the leadership, operating skills and financial strength for successfully balancing community expectations to preserve and operate a community infrastructure asset and meet the rising quality and environmental standards.

CHIAL's vision mission and strategic objectives were born from within the organization and anticipation by the management team regarding the future aviation trends. These findings by the management committee would form the foundation of a long term strategy for the Company which would further lead to the modernization of the Chandigarh International Airport.

The purpose of the business plan for Chandigarh International Airport is to develop decision level information for the Company to chart the future course of the airport. To accomplish this, an examination of the operations, financial and marketing strategies of the airport were made and reported. In addition, the business plan studied operational and managerial issues to be determined, if there were better or more efficient methods that could be used.

The business plan is founded upon an understanding of current activities at the Airport and sets forth options to address a number of key areas –

Marketing For Aviation Users || Non-Aeronautical Business || Potential Areas of Development at the Airport Property

Possible Need For New Hanger Space, etc. || Desire to Increase Corporate Use of the Facility Capitalizing on the Number of Growth Opportunities in the Region

INTERNATIONAL OPERATIONS

- Liaised with Punjab Police for providing manpower, equipment, SOPs etc. for timely start of international operations.
- Facilitated commencement of international flight operations of Indigo and Air India Express to Dubai and Sharjah respectively.

REAL TIME FEEDBACK SYSTEM:

- In order to achieve excellent ASQ rating, contract was awarded to an independent agency for daily monitoring of various passengers facilities wherein they are pointing out deficiencies. It acted as a real time audit of all the facilities and functions at the airport by neutral agency and facilitate CHIAL management to upkeep facilities in excellent conditions

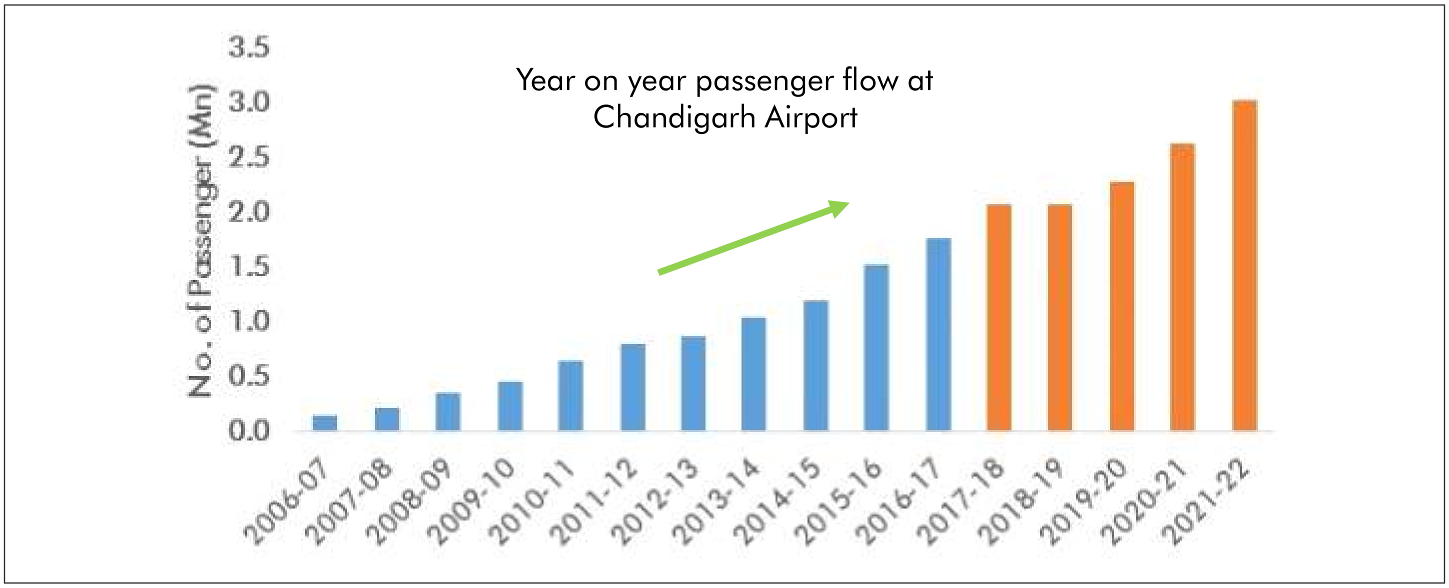
CITY SIDE DEVELOPMENT

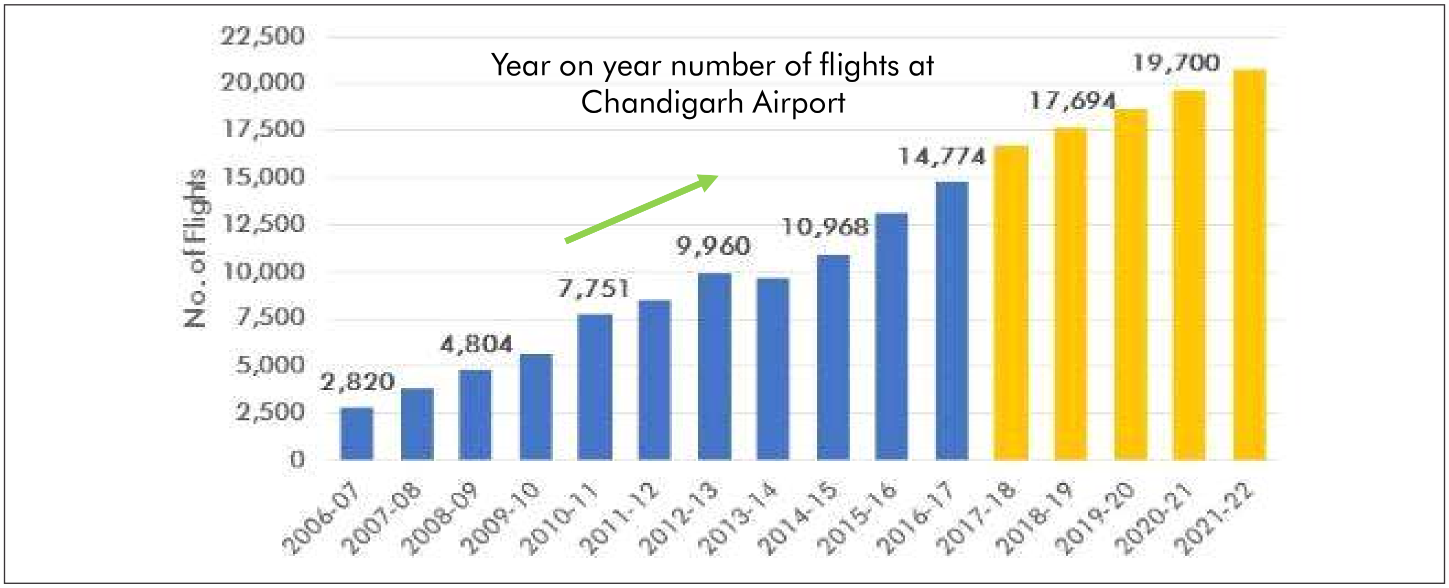
The project has completed the Master planning stage and currently, the EOI (Expression of Interest) document is being finalized

FINANCIAL PARAMETERS

- The Company followed up Chairman, AERA and Members for approval of airport charges (including UDF) for the control period 2016-2021. Presented CHIAL's proposal for airport charges (including UDF) to all the stakeholders and convinced them about the facilities versus airport charges in the stakeholder consultation meeting on 02.03.2017. These charges have been approved for the time period discussed above and implemented w.e.f. 1.05.2017
- Company Act and compliances: At CHIAL, we are complying with all the statutory compliances, audits, tax responsibilities, company acts responsibilities, etc. There is no non-compliance recorded during the period.
- Expected revenue breakeven was nearly 6- 7 years initially, which was achieved in a record time of 3 years.

Operational Highlights





Over the years, Chandigarh has become a prominent destination for people traveling to cities in Punjab, Haryana and Himachal Pradesh. Currently there are approx. 38 operational flights at the Airport with some of the prominent flight operators being Air India, Jet Airways, Air Asia, Spice Jet, Vistara, etc. The passenger flow at the airport has witnessed a CAGR of approx. 28% from nearly 0.15 million in 2006-07 to 1.83 million in 2016-17 and is expected to grow at a CAGR of nearly 16% till 2022. However, restriction on operational watch hours at the Airport (i.e. airport to remain closed for 12 hours till 2019 owing to civil work carried out by Air Force Department) would affect the passenger flow in 2019 resulting in expected reduction of 25-30% of total future passenger flow.

Some of the key international destinations, with regular flights, include Dubai, Sharjah and Bangkok. Air India was the first flight operator to take off an international flight from Chandigarh Airport to Sharjah in September 2016. Some of the existing developments at the airport include Indian Air-force Base, terminal building, solar panels, airport authority office, surface parking, service yards, etc.

Director's Report

To,

The Members,

Your Directors are pleased to present their Seventh Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2017.

1. Financial Results of the Company

Particulars	2016-17	2015-16
Revenue from operations	4201.99	1429.51
Other Income	302.25	156.57
Total Income	4504.25	1586.09
Expenses	3597.38	1674.00
Profit/(Loss) before Depreciation	906.87	(87.91)
Less: Depreciation	3168.43	1394.97
Profit/(Loss) after Depreciation but Before Tax	(2261.56)	(1482.88)
Less: Provision for Tax	1253.51	0.00
Profit/ (Loss) after Tax	(1008.05)	(1482.88)
Balance brought forward	(1391.25)	91.62
Balance carried forward	(2399.30)	(1391.25)

2. Review of Operations

(a) Financial overview:

The Company has commenced commercial operations from 19th October, 2015. The Company has earned total Income of Rs. 45.04 Crores for the current year as compared to Rs. 15.86 Crores during the previous financial year. The net loss for the year under review has been Rs. 10.08 Crores for the current year and Rs. 14.82 Crores during the previous financial year.

(b) Aircraft, Passenger and Cargo movement

The details of Aircraft, Passenger and Cargo movement for the financial year 2016-17 are presented below:

Aircraft	**15437 Nos.**
Passenger	**18,29,037 Nos.**
Cargo	**5546.35 Tonnes**

3. Change in the nature of business
There is no change in the nature of the business of the company.

4. Dividend
Since, there was no business profit, the Directors do not recommend any Dividend for the financial year.

5. Reserves

During the year, the Company has not transferred any amount to Reserves.

6. Share Capital

The Paid Up Capital as on 31st March, 2017 was Rs. 969,44,94,050/ (Rupees Nine Hundred Sixty Nine Crores Forty Four Lakhs Ninety Four Thousand and Fifty Only). During the year under review, Company has not issued Shares with differential voting rights nor granted Stock Options nor Sweat Equity nor Bonus Shares. Also, the Company has not increased its Share Capital and Buy Back its Securities.

7. Directors and Key Managerial Personnel (KMP) Appointments

During the year, Mr. Vikas Gupta w.e.f. 06.05.2016, Mr. Amit Dhaka w.e.f. 09.09.2016 and Mr. Varun Roojam w.e.f. 15.03.2017 have been appointed as Nominee Directors of the Company.

Resignations

Mr. Brijendra Singh w.e.f. 11.05.2016, Mr. A.K. Sinha w.e.f. 09.09.2016, Mr. Pankaj Jain w.e.f. 15.03.2017 and Mr. Amit Dhaka w.e.f. 15.03.2017 have resigned as Nominee Directors of the Company.

8. Declaration by Independent Directors

The Company is not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Hence, no declaration is required.

9. Particulars of Employees

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

10. Meetings

During the year, Five (5) Board Meetings were held and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

11. Subsidiaries, Joint Ventures And Associate Companies

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

12. Statutory Auditors

Being a Government Company, the Comptroller & Auditor General (C&AG) of India vide its letter No./CA. V/COY/CENTRAL GOVERNMENT,CIAL(0)/215 dated 12.07.2016 had appointed M/s Subhash & Associates, Chartered Accountants, Chandigarh as Statutory Auditors of the Company for the financial year 2016-17. The Statutory Auditors of the Company is being paid an audit fee of Rs. 1,00,500/- p.a.

13. Auditors' Report

The Auditors' Report does not contain any qualification, reservation or remarks. The notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

14. C & AG'S Report

The comments of the Comptroller and Auditor General (C&AG) of India, through letter No. GAP/CHIAL/A/Cs/6-46/2017-18/620 dated 20.09.2017 on the Audited Financial Statements of the Company for the financial year ended 31.03.2017 under the Companies Act, 2013 has been received. C&AG commented that on the basis of their audit, nothing significant has come to their knowledge which would give rise to any comment upon or supplement to statutory auditors'report.

15. Internal Audit & Controls

The Board of Directors of your Company has appointed M/s Anil Puneet & Associates, Chartered Accountants, Panchkula as Internal Auditors pursuant to the provisions of Section 138 of the Companies Act, 2013 for the financial year 2016-17. Their scope of work includes review of internal controls for safeguarding the assets of the Company, review of operational efficiency and effectiveness including non financial controls, to ensure compliance with policies, plans, procedures, laws & regulations and reviewing Accounting and assessing the internal control strengths in all areas. Internal Auditors findings are discussed quarterly with the Board of Directors and suitable corrective actions is taken as per the directions of the Board on an ongoing basis to improve efficiency in operations.

16. Risk Management Policy

The major revenue of the Company are regulated by AERA which are approved by AERA on basis of revenue expenditure, revenue income and return on capital invested. However, Land cost has not been considered for determination of Aeronautical Charges (Return on Investment) for the first control period i.e. 2016-2021. The Airport charges including User Development Fees (UDF) are revised in every control period on the basis of submission by the Company. Runway is also being managed by Air Force and watch hours are also decided by the Air Force. At present, the Company has not identified any major risk as on date.

17. Corporate Social Responsibility

As per the provisions of Section 135(1) of the Companies Act, 2013, Corporate Social Responsibility Committee was formed by the Board of Directors on 09.09.2016 and Corporate Social Responsibility Policy was formulated thereafter and was approved by the Board of Directors on 23.11.2016. The Board of Directors has adopted a CSR policy in line with the provisions of the Companies Act, 2013. Annual Report on Corporate Social Responsibility Activities of the Company is enclosed as Annexure I to this report.

18. Extract of Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is attached as ANNEXURE II.

19. Company's Policy relating to Directors Appointment, Payment of remuneration and discharge of their duties

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the company has not devised any policy relating to appointment of directors, payment of managerial remuneration, directors qualification, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

20. Cost Auditor

The appointment of cost auditor pursuant to the provisions of Section 148 of Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, does not apply to our Company, hence no cost auditor has been appointed by the Company.

21. Secretarial Audit

The provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

22. Stakeholder Relationship Committee

The provisions of Section 178(5) relating to constitution of Stakeholders Relationship Committee are not applicable to the Company and hence the Company has not constituted such committee.

23. Disclosure of Composition of Audit Committee and providing Vigil Mechanism

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

24. Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

25. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

During the year under review, there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

26. Transfer of Amounts to Investor Education and Protection Fund

There is no amount lying in Investor Education and Protection Fund as per the provisions of Section 125 of the Companies Act, 2013.

27. Deposits

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

28. Particulars of loans, guarantees or investments under section 186

During the year, the Company has not provided any loan and guarantees and has not made any investment pursuant to Section 186 of the Companies Act, 2013.

29. Particulars of contracts or arrangements with related parties:

During the year, the Company has not entered into any contracts or arrangements with related parties pursuant to sub-section (1) of Section 188 of the Companies Act, 2013.

30. Obligation of Company under the Sexual harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Complaint Committee has been constituted and no complaints have been received during the year.

31. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013, are provided in ANNEXURE III to this report.

32. Directors' Responsibility Statement

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act, 2013, with respect to Director's Responsibility Statement, it is hereby confirmed that -

(a) In the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanations relating to any material departures;

(b) The directors selected such accounting policies/practices and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the Loss of the Company for the year under review;

(c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors have prepared the Accounts for the financial year ended 31st March, 2017 on a going concern basis; and

(e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33. Acknowledgements

Your Directors wish to place on record their gratitude and sincere appreciation to Airports Authority of India, Ministry of Civil Aviation, Government of Punjab, Government of Haryana, Air Force, Ministry of Defence, Government of Union territory, Chandigarh, Shareholders and Bankers for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors
For Chandigarh International Airport Limited

Place: DELHI
Date: 26.09.2017

Chairman

Annexure I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(1) A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes:

Policy Statement

Our mission is to be a committed Corporate Citizen alive towards Social Responsibility with a view to make a positive difference to society. CSR Policy intends to:
Strive for economic development that positively impacts the society at large with a minimal resource footprint.
Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, communities, stakeholders and the society.

Organisation setup

The CSR projects will be implemented under the guidance of the Board's Sub-Committee on CSR which presently comprises three directors. The terms of reference of the Committee is given below:

a) To recommend the amount of expenditure to be incurred on the activities referred to in the CSR policy.
b) To monitor the implementation of Corporate Social Responsibility Policy of the Company from time to time.
c) The CSR Committee shall arrange to provide all required inputs to undertake CSR activities and shall review all Social initiatives.
d) The CSR committee shall update the Board of Directors on periodically basis.

Scope of activities

The CSR activities are as per the provisions of Schedule VII of the Companies Act, 2013.

(2) Composition of the CSR Committee:

(i) Sh. Anuj Aggarwal, Chairman (Nominee Director)
(ii) Sh. Vikas Gupta, Member (Nominee Director)
(iii) Sh. Varun Roojam, Member (Nominee Director)

(3) Average net profit of the company for last three financial years:
Rs. (1224.66) Lakhs

(4) Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):
NIL

(5) Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: NIL

(b) Amount unspent , if any: NIL

(c) Manner in which the amount spent: N.A.

(6) Reasons for not spending 2% of average net profit of the last three financial years:

Company has not earned average net profits during the last three financial years.

(7) Responsibility statement of the CSR Committee:
The implementation and monitoring of Company CSR Policy is in compliance with CSR objectives and Policy of the company.

(Suneel Dutt)
Chief Executive Officer

(Anuj Aggarwal)
Chairman – CSR Committee

Annexure II

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2017

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1	CIN	U63013CH2010GOI031999
2	Registration Date	28/01/2010
3	Name of the Company	CHANDIGARH INTERNATIONAL AIRPORT LIMITED
4	Category/ Sub-category of the Company	COMPANY LIMITED BY SHARES UNION GOVERNMENT COMPANY
5	Address of the Registered office & contact details	ROOM NO. 1, PROJECT OFFICE BUILDING, AIRPORTS AUTHORITY OF INDIA, CIVIL AIRPORT, CHANDIGARH-160003, TEL NO. 0172-2242012
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Supporting and auxiliary transport activities, travel agencies etc.	63	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company	Pan No.	Subsidiary/ Associate	% of Shares	Applicable Section
1	Airports Authority of India, Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi	AAACA6412D	Holding	51	2 (46)

2	Greater Mohali Area Development Authority, PUDA Bhawan, Sector 62, Mohali	AAALG0872G	Associate	24.5	2 (6)
3	Haryana Urban Development Authority, C-3, Sector 6, Panchkula	AAAAH0087M	Associate	24.5	2 (6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	1,96,00,000	1,96,00,000	49	NIL	47,50,30,210	47,50,30,210	49	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f)Any other - PSU	Nil	2,04,00,000	2,04,00,000	51	Nil	49,44,19,195	49,44,19,195	51	Nil
Sub-total A (1)	Nil	4,00,00,000	4,00,00,000	100	Nil	96,94,49,405	96,94,49,405	100	Nil
(2) Foreign									
a) NRIs - Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e)Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total A (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoters A (1+2)	Nil	4,00,00,000	4,00,00,000	100	Nil	96,94,49,405	96,94,49,405	100	Nil

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b)Banks/ FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total B (1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2.Non-Institutions									
a) Bodies Corp. i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c)Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total B (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding B (1+2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	4,00,00,000	4,00,00,000	100	Nil	96,94,49,405	96,94,49,405	100	Nil

(ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Airports Authority of India	2,04,00,000	100	51	49,44,19,195	100	51	No Change
2	Greater Mohali Area Development Authority	98,00,000	100	24.5	23,75,15,105	100	24.5	No Change
3	Haryana Urban Development Authority	98,00,000	100	24.5	23,75,15,105	100	24.5	No Change

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NO CHANGE			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the				

	reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL
	At the end of the year	

(v) Shareholding of Directors and Key Managerial Personnel:

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL			
	At the end of the year				

V) **INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition				
* Reduction		NIL		
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		----	----	----	---
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option		NIL		
3	Sweat Equity				
4	Commission - as % of profit - others, specify...				
5	Others, please specify				
	Total (A)				
	Ceiling as per the Act				

B. Remuneration to other directors

S. No	Particulars of Remuneration	Name of Directors	Total Amount
1	Non-Executive Directors		
	Fee for attending board/ committee meetings		
	Commission	NIL	
	Others, please specify		
	Total		
	Overall Ceiling as per the Act		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	38,40,908	23,59,403	5,01,600	67,01,911
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	- others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	38,40,908	23,59,403	5,01,600	67,01,911

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

For Chandigarh International Airport Limited

Chairman

Annexure III

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The information on Conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are as follows:

a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	1. Around 35% to 40 % of all the electrical fixtures are of LED. 2. All Electrical Motors are of EFF-1Class i.e most energy efficient motors. 3. Motors are fitted with VFD (Variable Frequency Drives) controls. 4. HVAC Chillers are of COP 6.3. 5. 1800 KVAR capacitor bank has been installed to take care of power factor. 6. All AHUs, Cooling Towers are fitted with Variable Frequency Drives. 7. Conventional FIDS monitors have been replaced with Energy efficient LED monitors.
(ii)	the steps taken by the company for utilizing alternate sources of energy	A work to erect 5MWp (3MWP in phase-I and 2MWP in Phase -II), ground mount solar power plant was awarded to M/s Renew Solar Power New Delhi, on RESCO (BOO) Model. Phase – I i.e. 3 MWp Solar Power Plant commissioned on date 26.10.2016 and working. Perusing case to PSPCL for Net Metering.
(iii)	the capital investment on energy conservation equipment's	No capital investment done. 3 MWp Solar Power Plant is completely on RESCO Model (BOO Basis) through M/s Renew Solar Power New Delhi, Per unit charges of electricity is Rs. 4.64 till 25 Yr and net per unit saving is Rs. 2.55 (7.26-4.64). details Saving in year 2016-17 after commissioning of Solar Power Plant is mentioned in Annexure – A.

Power Consumption :

Electricity	2016 -17	2015 -16
a) Units purchased (in lakhs)	90.18	53.57
b) Total amount (Rs. in lakhs)	646.61	384.82
c) Rate per unit (in Rs.) PSPCL	7.17	7.26
d) Own generation through Diesel Generator (Units in lakhs)	1.35	1.99
e) Unit per litre of diesel oil (KWH/litre)	2.64	3.32
f) Cost per unit (in Rupees)	20.04	16.93

(b) Technology absorption

(i)	the efforts made towards technology absorption	1. Technology of LED Lamps in replacement of FTL, CFL lamps. 2. Technology of Variable Frequency Drive for Electrical motors. 3. Highest Energy Efficiency motors.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Reduction in operational cost by highest energy efficiency and less power consumption.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Later solar modules is being installed for power generator
	(a) the details of technology imported	1. HVAC chillers 2. Glass elevators. 3. Glass walled Passenger Boarding Bridge. 4. Inline Baggage Handling System.
	(b) the year of import	2014
	(c)whether the technology been fully absorbed	Yes
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
(iv)	the expenditure incurred on Research and Development	N.A.

(c) Foreign exchange earnings and Outgo

Foreign exchange earnings and Outgo details during the year is as under:

Foreign exchange Earnings	NIL
Foreign exchange Outgo	NIL

For Chandigarh International Airport Limited

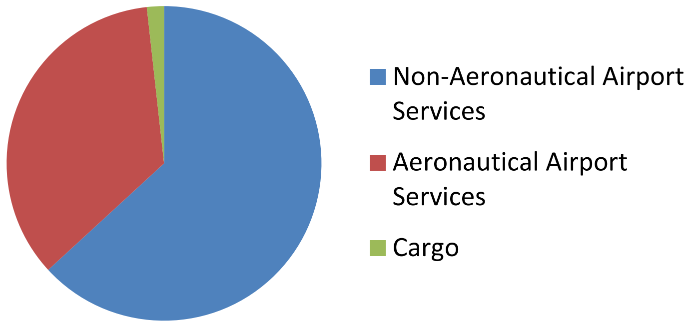
Chairman

FINANCIAL HIGHLIGHTS

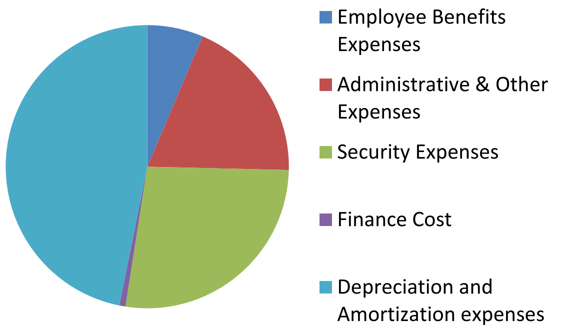
Financial Results of the Company

(Rs. In Lacs)

Particulars	2016-17	2015-16
Revenue from operations	4201.99	1429.52
Other income	302.25	156.57
Total Income	4504.24	1586.09
Expenses	3597.38	1673.99
Profit/(Loss) before Depreciation	906.86	(87.90)
Less: Depreciation	3168.43	1394.97
Profit/(Loss) after Depreciation but before Tax	(2261.57)	(1482.87)
Less: Provision for Tax	1253.51	0
Profit/ (Loss) after Tax	(1008.06)	(1482.87)



Composition of Revenue



Composition of Expenditure

Statutory Auditor's Reports

SUBHASH & ASSOCIATES
CHARTERED ACCOUNTANTS
KOTHI NO. 45, SECTOR 19-A, CHANDIGARH
TELEPHONE NO.0172-2775980, 4631945 (FAX)
Email: SCB8980@GMAIL.COM

Independent Auditor's Report
To the Members of Chandigarh International Airport Limited

Revised Report on the Ind AS Financial Statements

Our report dated 27.07.2017 on the accounts for the year ended 31st March, 2017 has been revised vide our report dated 08.09.2017 to give effect to the observations made by the Comptroller & Auditor General of India in the supplementary audit carried out by them under Section 143 (6) (a) of the Companies Act, 2013 but the above facts could not be incorporated in the said report, therefore, Auditor's Report again revised dated 16.09.2017. This report supersedes our earlier Auditor's Reports dated 27.07.2017 and 08.09.2017.

We have audited the accompanying standalone Ind AS financial statements of **CHANDIGARH INTERNATIONAL AIRPORT LIMITED ('the Company')** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flow and Statement of changes in Equity for the year ended 31st March, 2017, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Ind AS Financial Statements").

Management's Responsibility for the Comparative Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances,. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at March 31, 2017, and its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. We enclose our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "**Annexure B**" on the directions and sub directions issued by the Comptroller and Auditor General of India.

3. As required by section 143 (3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account ;

(d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder;

(e) on the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure C"** and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company is having two pending litigations as detailed below:-

(1) CWP No. 18628 of 2015 (The Federation of Indian Airlines (FIA) Versus Union of India and Others)

CHIAL awarded entire Ground Handling Contract to M/s AIATSL as per the AAI (General Management Entry for Ground Handling Services) Regulations, 2007. The same is challenged by FIA and is pending before the High Court of Punjab & Haryana. The High Court allowed the Writ Petition in favour of the petitioners i.e. FIA vide order dated 24.09.2015 and ordered that Ground Handling functions shall be performed by the bonafide whole time employees of the airlines and the other ground handling agencies specifically permitted in writing by the AAI to undertake Ground Handling activities through their bonafide whole time employee. The High Court further ordered 'Status Quo' on the order dated 24.09.2015 vide its order dated 20.10.2015. There is no financial implication on the company due this litigation.

(2) CWP No. 27436 of 2015 (Mohali Industries Association Versus Union of India and Others)

A CWP was filed by the Mohali Industries Association in the High Court of Punjab & Haryana, to ensure the operation of the International flights at the Chandigarh International Airport since in their view the non-operation of the same is causing huge loss to the public exchequer and also to passenger services and business and/or industries situated in Punjab, Haryana and Himachal Pradesh. The litigation is pending in the court; however, there is no financial implication on the company.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite details so as to holdings as well as dealing in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. However, as stated amount aggregating to Rs 86,486 (Specified Bank Notes Rs. 20,500 and other denomination Notes Rs. 65,986), as represented by management has been utilized for permitted transactions.

For **Subhash & Associates**
Chartered Accountants

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

(CA Subhash Bansal)
Proprietor
Membership No. 017035
FRN 000825N

Place: Chandigarh
Date: 16-09-2017

"Annexure A" to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2017, we report that:

i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the programme, a certain fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii) The Company is a Service Company, primarily rendering Airport Services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the order is not applicable to the Company.

iii) The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause iii (a) to (c) of the Order are not applicable.

iv) In our opinion and according to the information and explanations given to us, the company has not granted any loan or made any investment as defined under the provisions of section 185 and 186 of the Companies Act, 2013.

v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the services carried on by the company.

vii) (a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, the Company did not have any undisputed amounts payable in respect of the above and there were no arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited with the appropriate authorities on account of any dispute.

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

viii) The Company does not have any loans or borrowing from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.

ix) Based upon the audit procedures performed and the information and explanations given by the management, the company did not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

x) According to information and explanations given to us by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.

xi) Based upon the audit procedures performed and the information and explanations given by the management, the provisions of section 197 read with Schedule V to the Companies Act are not applicable to the Company. Therefore, the provisions of clause 3 (xi) of the Order are not applicable to the Company.

xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable.

xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any private placement of shares or fully or partly convertible debentures during the year under review. However, Company had made a preferential allotment of 92,31,94,893 (Ninety Two Crore Thirty One Lac Ninety Four Thousand Eight Hundred Ninety Three) Equity Shares of Rs. 10/- each under section 62 (1) (c) to the following persons as per list tabled under

S. No.	Name of Shareholder	No. of Shares applied as per Right Issue	No of Share applied as Renouncee	No. of Shares Allotted
1.	Airports Authority of India	4708,29,395	Nil	4708,29,395
2.	Greater Mohali Area Development Authority	2261,82,749	Nil	2261,82,749
3.	Haryana Urban Development Authority	2261,82,749	Nil	2261,82,749
	Total No. of Shares	9231,94,893		9231,94,893

And Company had made a right issue of 62,54,512 (Sixty Two Lac Fifty Four Thousand Five Hundred Twelve) Equity Shares of Rs. 10/- each under section 62 (1) (a) to the following persons as per list tabled under:

S. No.	Name of Shareholder	No. of Shares applied as per Right Issue	No of Share applied as Renouncee	No. of Shares Allotted
1.	Airports Authority of India	31,89,800	Nil	31,89,800
2.	Greater Mohali Area Development Authority	15,32,356	Nil	15,32,356
3.	Haryana Urban Development Authority	15,32,356	Nil	15,32,356
	Total No. of Shares	62,54,512		62,54,512

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has entered into non–cash transaction with director or persons connected (shareholder) as detailed below:-

Name of Shareholder	Nature of transaction	Amount (Rs)
Airports Authority of India	Issue of Equity Shares	47082,93,950
Greater Mohali Area Development Authority	Issue of Equity Shares	22618,27,490
Haryana Urban Development Authority	Issue of Equity Shares	22618,27,490
		92319,48,930

xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable.

For **Subhash & Associates**
Chartered Accountants

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

(CA Subhash Bansal)
Proprietor
Membership No. 017035
FRN 000825N

Place: Chandigarh
Date: 16-09-2017

"Annexure B" to the Independent Auditors' Report

Referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

1	Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	Yes, title deed of the land is freehold. as per documents produced to us
2	Please report whether there are any cases of waiver/write off debts/loans/interest etc. If yes, the reasons therefore and the amounts involved.	NIL during the year
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	NIL during the year

FOR SUBHASH & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA Subhash Bansal)
Proprietor
Membership No: 017035
FRN 000825N

Place: Chandigarh
Date: 16-09-2017

"Annexure C" to the Independent Auditor's

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Chandigarh International Airport Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

SUBHASH & ASSOCIATES
CHARTERED ACCOUNTANTS
CHANDIGARH

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR SUBHASH & ASSOCIATES
CHARTERED ACCOUNTANTS

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

(CA Subhash Bansal)
Proprietor
Membership No: 017035
FRN 000825N

Place: Chandigarh
Date: 16-09-2017

SUBHASH & ASSOCIATES
CHARTERED ACCOUNTANTS
KOTHI NO. 45, SECTOR 19-A, CHANDIGARH
TELEPHONE NO.0172-2775980, 4631945 (FAX)
Email.: SCB8980@GMAIL.COM

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of **Chandigarh International Airport Limited** for the year ended 31.03.2017 in accordance with the directions/sub-directions issued by the C & AG of India under section 143 (5) & (6) of the Companies Act, 2013 and certify that we have complied with all the directions/sub-directions issued to us.

FOR SUBHASH & ASSOCIATES
CHARTERED ACCOUNTANTS

SUBHASH ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

(CA Subhash Bansal)
Proprietor
Membership No: 017035
FRN 000825N

Place: Chandigarh
Date: 16-09-2017

Chandigarh International Airport Limited
Balance Sheet as at March 31, 2017

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	89063,65,846	90983,54,858	4,75,253
(b) Capital work-in-progress	3	435,57,135	48,45,807	-
(c) Deferred Tax Assets	16	1253,51,052	-	-
Current Assets				
(a) Inventory	4	14,55,983	-	-
(b) Financial Assets				
(i) TradeReceivables	5	422,70,949	231,76,993	-
(ii) Cash & Cash Equivalents	6	3743,72,363	3772,45,672	736,77,820
(iii) Others	7	392,42,541	258,72,792	68,88,390
(c) Current Tax Assets	8	438,01,397	119,73,829	5,856
(d) Other Current Assets	9	72,99,841	184,50,736	1,48,561
Total Assets		**95837,17,107**	**95599,20,687**	**811,95,880**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	10	96944,94,050	4000,00,000	1000,00,000
(b) Other Equity	11	(2709,72,367)	90617,81,960	(218,79,126)
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Others	12	610,30,143	282,23,143	-
(b) Other non-current liabilities	13	136,73,794	76,44,107	-
Current liabilities				
(a) Financial Liabilities				
(i) Others	14	511,29,956	126,74,815	21,58,039
(b) Provisions	15	327,29,183	456,13,097	8,82,812
(d) Other current liabilities	17	16,32,348	39,83,565	34,155
Total Equity and Liabilities		**95837,17,107**	**95599,20,687**	**811,95,880**

Significant Acccounting Policies 1

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

For Subhash & Associates
Chartered Accountants

For and on behalf of the Board of Directors

(CA Subhash Bansal)
Proprietor
Membership No. 017035
FRN 000825N
Place : Chandigarh
Date : 27-07-2017

(Avneet Kaur)
Company Secretary

(J.B. Saini)
C.F.O.

(S. Suresh)
Director

(S. Raheja)
Chairman

Chandigarh International Airport Limited

Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Note No.	Year Ended March 31, 2017	Year Ended March 31, 2016
Income			
i) Revenue From Operations	18	4201,99,742	1429,51,942
ii) Other Income	19	302,25,278	156,57,489
Total Income		**4504,25,020**	**1586,09,431**
Expenses			
i) Employee Benefits Expenses	20	432,62,744	292,48,733
ii) Operating Expenses	21	1081,74,671	480,03,401
iii) Administrative & Other Expenses	22	202,59,900	154,37,382
iv) Security Expenses	23	1832,85,478	730,83,658
v) Finance Cost	24	47,55,736	16,26,712
vi) Depreciation and Amortization expenses	25	3168,42,940	1394,97,389
Total expenses		**6765,81,469**	**3068,97,275**
Profit before exceptional items and tax		(2261,56,449)	(1482,87,844)
Exceptional Items			
Profit Before Tax		(2261,56,449)	(1482,87,844)
Tax expense	16	(1253,51,052)	-
Profit for the period from continuing operations		(1008,05,397)	(1482,87,844)
Profit/(loss) from discontinued operations			
Tax expense of discontinued operations			
Profit from discontinued operations after tax		-	-
I Profit for the year		**(1008,05,397)**	**(1482,87,844)**
II Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans			
Less: Income Tax on Above			
ii) Items that will be reclassified to profit or loss			
Other Comprehensive Income		-	-
Total Comprehensive Income for the period		**(1008,05,397)**	**(1482,87,844)**
Earnings per equity share :			
(1) Basic		(0.12)	(7.97)
(2) Diluted		(0.10)	(0.34)

Significant Acccounting Policies 1

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

For Subhash & Associates
Chartered Accountants

For and on behalf of the Board of Directors

(CA Subhash Bansal)
Proprietor
Membership No. 017035
FRN 000825N
Place : Chandigarh
Date : 27-07-2017

(Avneet Kaur)
Company Secretary

(J.B. Saini)
C.F.O.

(S. Suresh)
Director

(S. Raheja)
Chairman

Chandigarh International Airport Limited
Cash Flow Statement For The Year Ended March 31, 2017

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/Loss after tax	(1008,05,397)	(1482,87,844)
Adjustment for:-		
Depreciation	3168,42,941	1394,97,389
Interest Income	(233,82,048)	(138,73,153)
Fair Valuation Gain	(47,55,736)	(16,26,712)
Finance Cost	47,55,736	16,26,712
Tax Expense	(1253,51,052)	-
Operating Profit before Working Capital Changes	**673,04,444**	**(226,63,608)**
Adjustment for:-		
Inventories	(14,55,983)	-
Trade Receivables	(190,93,956)	(231,76,993)
Loans & Advances and Other Current Financial Assets	(133,69,749)	(189,84,402)
Loans & Advances and Other Current Assets	111,50,895	(183,02,175)
Current Tax Assets	(318,27,568)	(119,67,973)
Other Non-Current Financial Liability	328,07,000	282,23,143
Other non-current liabilities	60,29,686	76,44,107
Other Current Financial Liabilities	384,55,141	105,16,776
Provisions and Other Liabilities	(128,83,914)	447,30,285
Other Current Liabilites	(23,51,217)	39,49,410
Net Cash From Operating Activities	**747,64,779**	**(31,430)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets	(1248,53,928)	(54,28,064)
Capital Work In Progress	(387,11,328)	(48,45,807)
Interest Income	233,82,048	138,73,153
Net Cash From Investing Activities	**(1401,83,208)**	**35,99,282**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Share Capital & Share Application Money	625,45,120	3000,00,000
Net Cash From Financing Activities	**625,45,120**	**3000,00,000**
D. Net changes in Cash & Cash equivalents	**(28,73,309)**	**3035,67,852**
E. Opening Cash & Cash Equivalents (Note No 13)	3772,45,672	736,77,820
F. Closing Cash & Cash Equivalents (Note No 13)	**3743,72,363**	**3772,45,672**

Significant Acccounting Policies 1

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

For Subhash & Associates
Chartered Accountants

For and on behalf of the Board of Directors

(CA Subhash Bansal)
Proprietor
Membership No. 017035
FRN 000825N
Place : Chandigarh
Date : 27-07-2017

(Avneet Kaur)
Company Secretary

(J.B. Saini)
C.F.O.

(S. Suresh)
Director

(S. Raheja)
Chairman

Chandigarh International Airport Limited
Statement of Changes In Equity for the year ended March 31, 2017

Equity Share Capital

Balance as at April 1, 2016	Changes in share capital during the year	Balance as at March 31, 2017
4000,00,000.00	92944,94,050.00	96944,94,050.00

Balance as at April 1, 2015	Changes in share capital during the year	Balance as at March 31, 2016
1000,00,000	3000,00,000	4000,00,000

Other Equity

For the year ended March 31, 2017

Particulars	Share application money pending allotment	Equity Compnent of Advance from Related Parties	Reserves and Surplus		Total
			Retained Earnings	Ind AS transitional Reserve	
Balance at the beginning of the reporting period	-	92319,48,930	(1391,25,110)	(310,41,860)	**90617,81,960**
Changes in accounting policy prior period errors	-		-	-	-
Restated balance at the beginning of the reporting period	-		-	-	-
Total Comprehensive Income for the year	-		(1008,05,397)	-	**(1008,05,397)**
Share issued during the year	-	(92319,48,930)	-	-	**(92319,48,930)**
Transfer to retained earnings	-		-	-	-
Balance at the end of the reporting period	-	-	**(2399,30,507)**	**(310,41,860)**	**(2709,72,367)**

For the year ended March 31, 2016

Particulars	Share application money pending allotment	Equity Compnent of Advance from Related Parties	Reserves and Surplus		Total
			Retained Earnings	Ind AS transitional Reserve	
Balance at the beginning of the reporting period	-		91,62,734	(310,41,860)	**(218,79,126)**
Changes in accounting policy prior period errors	-		-	-	-
Additions during the year	-	92319,48,930	-	-	**92319,48,930**
Total Comprehensive Income for the year	-		(1482,87,844)	-	**(1482,87,844)**
Any other change (to be specified)	-		-	-	-
Transfer to retained earnings	-		-	-	-
Balance at the end of the reporting period	-	**92319,48,930**	**(1391,25,110)**	**(310,41,860)**	**90617,81,960**

SUBHASH & ASSOCIATES
CHARTERED ACCOUNTANTS
CHANDIGARH

Significant Accounting Policies

Note 01

CHANDIGARH INTERNATIONAL AIRPORT LIMITED

COMPANY OVERVIEW

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

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Rules, 2015 on 16 February 2015 laying down the roadmap for implementation of Indian Accounting Standards (Ind ASs) to Indian Companies other than banking companies, insurance companies and non-banking financial companies (NBFCs). As per the roadmap, Ind ASs is applicable to Chandigarh International Airport Limited from the financial year commencing on or after April 1, 2016 since the parent company has adopted the Ind AS with effect from April 1, 2015.

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

- Non-current financial assets such as security deposits measured at fair value at initial recognition.
- Non- current financial liabilities such as Security deposits from customers measured at fair value at initial recognition.

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

The financial statements are presented in INR in absolute numbers. The financial statements comply with all applicable IND ASs.

2. Property, Plant and Equipment (PPE)

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

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

Spares parts, stand-by equipments and servicing equipments procured along with the Plant & Machinery or subsequently which meets the recognition criteria, are capitalized and added in the carrying amount of

CHARTERED ACCOUNTANTS CHANDIGARH

such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

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

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

Class of Asset Rate of depreciation per annum

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

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

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

3. Intangible Assets and Depreciation

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

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

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

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss.

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

4. Fair value measurement

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

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

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

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

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

5. Financial assets

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

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

a. Classification

The Company classifies its financial assets in the following categories:

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

The classification depends on the following:

(a) The entity's business model for managing the financial assets and

(b) The contractual cash flow characteristics of the financial asset.

b. Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit or Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in Statement

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

of Profit or Loss and in other cases spread over life of the financial instrument using effective interest method.

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

c. Subsequent measurement

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

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

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

d. De-recognition

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

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

e. Impairment of financial assets

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

6. Stores / Spares

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

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

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

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

7. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Aeronautical Revenue includes revenue from all regulated charges levied at CHIAL i.e., Parking and Housing, Passenger Service Fee (Facilitation component), Extension of Watch Hours, Fuel Throughput, CUTE and Cargo is recognized at the rates prescribed by Ministry of Civil Aviation, Government of India ("MoCA") wherever applicable or at the existing rates being charged by AAI. Parking charges are recognised, when such services are provided. Passenger Service Fee (Security) is recognized as per rate fixed by MoCA. Passenger Service fees – Facilitation and Security component are recognised in respect of each embarking passenger at a specified rate.

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

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

Utility charges include power and water charges which are recovered from users of such utilities and are adjusted against the relevant expenses.

8. Retirement and other Employee Benefits

The employees on the roll of the company are on deputation from Airports Authority of India (AAI) as per order dated May 26, 2016. The statutory deductions towards retirement benefits in respect of these employees are remitted to AAI.

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

9. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

or liability in a transaction that at the time of the transaction affects neither the taxable profit or loss nor the accounting profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

10. Earnings per share

The basic and diluted earnings per share are computed by dividing the net profit/loss after tax, attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

11. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

12. Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

13. Provisions and contingent liabilities

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

14. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

15. Investments

Long-term investments are carried at cost less provision for diminution, other than temporary diminution in the value of the investments.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

16. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Note 16.1 Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

16.1 Critical accounting estimates

The following are the critical judgements that the Company has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement. The following are the estimates used during the year.

Property, Plant and Equipment: Property, plant and equipment represent a significant proportion of asset base of the company. The charge in respect of periodic depreciation is derived after determining the estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by the

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life, such as changes in technology.

Provisions: Provisions are determined based on management estimate required to settle the obligation at the balance sheet date.

Contingent liabilities: Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets: Contingent assets are disclosed on the basis of judgment of management/ independent experts.

For Subhash & Associates

Chartered Accountants

(CA Subhash Bansal)
Proprietor

Membership No. 017035
FRN 000825N
Place: Chandigarh
Date: 27-07-2017

For and on behalf of the Board of Directors

(Avneet Kaur) Company Secretary

(J.B. Saini) C.F.O.

(S. Suresh) Director

(S. Raheja) Chairman

2 Property, Plant and Equipment (Subject to Componentization & Capitalization of Spares)

Particulars	Gross carrying value as at April 1, 2016	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2017	Accumulated depreciation as at April 1, 2016	Additions	Disposal/adjustments	Accumulated depreciation as at March 31, 2017	Carrying Value as at March 31, 2017
Land	45318,43,801	28,901	-	**45318,72,702**	-	-	-	-	**45318,72,702**
Building Terminal/Other Buildings	28363,94,655	401,25,746	383,83,628	29149,04,029	404,72,075	901,87,917	-	1306,59,992	27842,44,037
Building Temporary	18,93,856	101,06,304	-	120,00,160	2,53,230	16,25,580	-	18,78,810	101,21,350
Roads, Bridges & Culverts - (Carpeted)	5972,22,464	86,52,530	-	6058,74,994	499,58,023	1145,64,629	-	1645,22,652	4413,52,342
Roads, Bridges & Culverts - Non-Carpeted - CISF Security	41,24,517	-	-	41,24,517	5,38,854	13,06,097	-	18,44,951	22,79,566
Computers & I.T. Hardware & Access	67,76,553	10,01,638	-	77,78,191	11,36,689	23,05,879	-	34,42,568	43,35,623
Computers & I.T. - Servers	183,02,402	-	-	183,02,402	13,06,421	28,97,880	-	42,04,301	140,98,101
Plant & Machinery-Equipments	4878,19,635	124,63,948	-	5002,83,583	138,61,529	313,42,105	-	452,03,634	4550,79,949
Tools & Equipments	34,77,841	20,89,161	-	55,67,002	2,62,412	7,07,355	-	9,69,767	45,97,235
Furniture & Fixtures	7499,74,023	117,42,281	-	7617,16,304	318,61,625	718,78,487	-	1037,40,112	6579,76,192
Motor Vehicles - Security	15,186	67,532	-	82,718	650	2,673	-	3,323	79,395
Cars & Jeeps - Security	1,64,244	-	-	1,64,244	8,793	19,504	-	28,297	1,35,947
Office Equipments	5,985	1,92,259	-	1,98,244	3	4,834	-	4,837	1,93,407
Total	92380,15,162	864,70,300	383,83,628	93628,69,090	1396,60,304	3168,42,940	-	4565,03,244	89063,65,846

Particulars	Gross carrying value as at April 1, 2015	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2016	Accumulated depreciation as at April 1, 2015	Additions	Disposal/adjustments	Accumulated depreciation as at March 31, 2016	Carrying Value as at March 31, 2016	Carrying Value as at April 1, 2015
Land	-	45318,43,801	-	**45318,43,801**	-	-	-	-	**45318,43,801**	-
Building Terminal/Other Buildings	-	28638,72,540	(274,77,885)	28363,94,655	-	404,72,075	-	404,72,075	27959,22,580	
Building Temporary	-	18,93,856	-	18,93,856	-	2,53,230	-	2,53,230	16,40,626	
Roads, Bridges & Culverts - (Carpeted)	-	5972,22,464	-	5972,22,464	-	499,58,023	-	499,58,023	5472,64,441	
Roads, Bridges & Culverts - Non-Carpeted - CISF Security	-	41,24,517	-	41,24,517	-	5,38,854	-	5,38,854	35,85,663	-
Computers & I.T. Hardware & Access	3,53,901	64,22,652	-	67,76,553	1,26,817	10,09,872	-	11,36,689	56,39,864	**2,27,084**
Computers & I.T. - Servers	-	183,02,402	-	183,02,402	-	13,06,421	-	13,06,421	169,95,981	
Plant & Machinery -Equipments	-	4878,19,635	-	4878,19,635	-	138,61,529	-	138,61,529	4739,58,106	
Tools & Equipments	-	34,77,841	-	34,77,841	-	2,62,412	-	2,62,412	32,15,429	
Furniture & Fixtures	2,84,267	7496,89,756	-	7499,74,023	36,098	318,25,527	-	318,61,625	7181,12,398	**2,48,169**
Motor Vehicles - Security	-	15,186	-	15,186	-	650	-	650	14,536	-
Cars & Jeeps - Security	-	1,64,244	-	1,64,244	-	8,793	-	8,793	1,55,451	-
Office equipments	-	5,985	-	5,985	-	3	-	3	5,982	-
Total	6,38,168	92648,54,879	(274,77,885)	92380,15,162	1,62,915	1394,97,389	-	1396,60,304	90983,54,858	4,75,253

SUBHASH & ASSOC. CHARTERED ACCOUNTANTS CHANDIGARH

Notes to accounts for the year ended March 31, 2017

3 Capital Work- In- Progress

Particulars	Balance as at April 1, 2016	Additions/Adjustments during the year	Capitalized during the year	Balance as at March 31, 2017	Balance as at April 1, 2015	Additions/Adjustments during the year	Capitalized during the year	Balance as at March 31, 2016
Civil & Other Works*	48,45,807	1076,33,806	690,86,478	433,93,135	-	363,43,569	314,97,762	48,45,807
Computer & Software**	-	1,64,000	-	1,64,000	-	-	-	-
Total	48,45,807	1077,97,806	690,86,478	435,57,135	-	363,43,569	314,97,762	48,45,807

*** Civil & Other Works as on 31.03.2017 pertains to followings:**

1. Study of route for Metro Tunnel amounting to Rs. 11,50,000/-
2. Construction of Façade Systmen outside Terminal Building amounting to Rs. 319,91,662/-
3. Construction of Kitchen at CISF Barracks amounting to Rs. 23,34,073/-
4. Electrical Fittings in Administrative Block amounting to Rs. 7,58,195/-
5. Electrical Fittings in Pre Fab CISF Barracks amounting to Rs. 71,59,602/-

Civil & Other Works as on 31.03.2016 pertains to followings:

1. Electrical Fittings and supply of air conditoners amounting to Rs. 48,45,807/-

**** Computer & Software includes procurement of Microsoft Office but not installed in the Systems amounting to Rs. 1,64,000/-**

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to accounts for the year ended March 31, 2017

4 Inventory

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Stock & Spares	14,55,983	-	-
	-	-	-
Total	**14,55,983**	**-**	**-**

5 Trade Receivables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables	422,70,949	231,76,993	-
Allowances for doubtful debts	-	-	-
Total	**422,70,949**	**231,76,993**	**-**

6 Cash & Cash Equivalents

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash in hand	-	48,266	-
Flexi - Deposits	2633,08,364	2602,02,212	-
Balances with Banks	94,48,881	169,95,194	16,77,820
Sub-total (A)	**2727,57,245**	**2772,45,672**	**16,77,820**
Other Bank Balances			
Fixed - Term Deposit	1016,15,118	1000,00,000	720,00,000
(More than 3 months but less than 12 months)			
Sub-total (B)	**1016,15,118**	**1000,00,000**	**720,00,000**
Total	**3743,72,363**	**3772,45,672**	**736,77,820**

7 Other Current Financial Assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Interest accrued on Short Term Deposits	198,86,230	252,16,892	49,31,430
Recoverable from Parties	186,99,006		
Security Deposits	6,57,305	6,55,900	19,56,960
Total	**392,42,541**	**258,72,792**	**68,88,390**

8 Current tax Assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Income tax Refundable FY 14-15	-	-	5,856
Tax Deducted at Source F.Y.-15-16	120,51,650	119,73,829	-
Tax Deducted at Source F.Y 2016-17	317,49,747	-	-
Total	**438,01,397**	**119,73,829**	**5,856**

9 Other Current Assets

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Service Tax Input	42,12,952	20,47,877	-
Recoverable against PPE	-	161,38,080	
Prepaid Expenses	1,54,362	2,36,013	1,351
Leave Salary & Pay Advance	7,527	28,766	-
Advances to Suppliers	29,25,000	-	-
Advances to staff	-	-	1,47,210
Total	**72,99,841**	**184,50,736**	**1,48,561**

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to accounts for the year ended March 31, 2017

10 Equity Share Capital

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Authorized Equity shars of Rs. 10/- each 1200000000(10) equity shars	120000,00,000	120000,00,000	120000,00,000
Issued, subscribed and fully paid Equity shars of Rs. 10/- each	96944,94,050	4000,00,000	1000,00,000
	96944,94,050	**4000,00,000**	**1000,00,000**

Reconciliation of share Capital:

Particulars	As at March 31, 2017	
	No of Shares	Amount
Opening Equity Shares	400,00,000	4000,00,000
Add: -No. of Shares, Share Capital issued/ subscribed during the year	9294,49,405	92944,94,050
Closing balance	**9694,49,405**	**96944,94,050**

Particulars	As at March 31, 2016	
	No of Shares	Amount
Opening Equity Shares	100,00,000	1000,00,000
Add: -No. of Shares, Share Capital issued/ subscribed during the year	300,00,000	3000,00,000
Closing balance	**400,00,000**	**4000,00,000**

Shares in the company held by shareholder holding more than 5 percent

Name of the Shareholder	As at March 31, 2017	As at March 31, 2016
Airports Authority of India (AAI)	4944,19,195	204,00,000
Greater Mohali Area Development Authority (GMADA)	2375,15,105	98,00,000
Haryana Urban Development Authority (HUDA)	2375,15,105	98,00,000

11 Other Equity

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Equity omponent of advance from related Parties	-	92319,48,930	-
Retained Earnings			
Opening Balance	(1701,66,970)	(218,79,126)	91,62,734
Surplus / (Deficit) in Statement of Profit and Loss	(1008,05,397)	(1482,87,844)	-
Ind AS Transition Reserve	-	-	(310,41,860)
Total	**(2709,72,367)**	**90617,81,960**	**(218,79,126)**

12 Other Non-Current Financial Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Security Deposits	610,30,143	282,23,143	-
Total	**610,30,143**	**282,23,143**	-

13 Other Non-Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Fair Valuation Gain - Security Deposits	136,73,794	76,44,107	-
Total	**136,73,794**	**76,44,107**	-

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to accounts for the year ended March 31, 2017

14 Other Current Financial Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Security Deposits	342,44,802	122,77,397	-
Airport Authority of India	168,85,154	-	
Liability of Pay & Allowances	-	3,97,419	-
Expenses Payable	-	-	21,58,039
Total	**511,29,956**	**126,74,816**	**21,58,039**

15 Short Term Provisions

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provivion for Expenses	327,29,183	456,13,097	8,82,812
Total(A+B)	**327,29,183**	**456,13,097**	**8,82,812**

16 Tax Expense

Tax recognised in Statement of profit and loss

Particulars	For the year Ended March 31, 2017	For the year Ended March 31, 2016
Current income tax		
Current year	-	-
Adjustments for prior years	-	-
Sub Total (A)	**-**	**-**
Deferred tax expense	-	
Origination and reversal of temporary differences	(1253,51,052)	-
Changes in tax rate	-	-
Change in accounting policy	-	-
Sub Total (B)	**(1253,51,052)**	**-**
Total (A+B)	**(1253,51,052)**	**-**

Reconciliation of effective tax rates

Particulars	For the year Ended March 31, 2017	For the year Ended March 31, 2016
Profit before tax	(2261,56,449)	(1482,87,844)
Enacted tax Rate	30.9%	30.9%
Computed Expected Tax Expenses	(698,82,343)	(458,20,944)
Non-deductible expenses	-	-
Tax exempt income	-	-
Tax incentives	-	-
Current year tax losses for which no deferred tax asset recognised	(554,68,709)	458,20,944
Recognition of deferred tax asset on brought forward losses	-	-
Tax Expenses for the year	**(1253,51,052)**	**-**

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to accounts for the year ended March 31, 2017

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Liability			
Property, plant and equipment	(897,96,418)	(275,75,370)	-
Intangible assets	-	-	-
Sub Total	**(897,96,418)**	**(275,75,370)**	**-**
Deferred tax Assets			
Employee benefits	-	-	-
Provisions	-	-	-
Unabsorbed Depreciation & brought forward losses as per	2060,55,981	275,75,370	-
Unamortized preoperative & preliminary Exp.	90,91,489	-	-
Sub Total	**2151,47,470**	**275,75,370**	**-**
Net Deferred Tax Assets	**1253,51,052**	**-**	**-**

Movement in deferred tax balances during the year

Particulars	Balance as at April 1, 2016	Recognised in profit & loss	Recognised in OCI	Balance As at March 31, 2017
Property, plant and equipment	(275,75,370)	(622,21,048)	-	(897,96,418)
Intangible assets	-	-	-	-
Employee benefits	-	-	-	-
Provisions	-	-	-	-
Unabsorbed Depreciation & brought forward losses as per Income Tax	275,75,370	1784,80,611	-	2060,55,981
Unamortized preoperative & preliminary Exp	-	90,91,489	-	90,91,489
Total	**-**	**1253,51,052**	**-**	**1253,51,052**

Movement in deferred tax balances during the year

Particulars	Balance as at April 1, 2015	Recognised in profit & loss	Recognised in OCI	Balance As at March 31, 2016
Property, plant and equipment	-	(275,75,370)	-	(275,75,370)
Intangible assets	-	-	-	-
Employee benefits	-	-	-	-
Provisions	-	-	-	-
Unabsorbed Depreciation & brought forward losses as per Income Tax	-	275,75,370	-	275,75,370
Unamortized preoperative & preliminary Exp	-	-	-	-
Total	**-**	**-**	**-**	**-**

Unrecognised Deferred tax assets

Deffered tax assets have not been recognised in respect of the following items

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deductible temporary differences	-	-	96,42,275
Tax losses	-	639,83,523	-
Total	**-**	**639,83,523**	**96,42,275**

17 Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Duties & Taxes	4,58,072	12,02,580	34,155
Deferred Fair Valuation Gain - Security Deposits	5,03,295	4,45,583	-
Income Received in Advance	6,70,981	23,35,402	-
Total	**16,32,348**	**39,83,565**	**34,155**

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS

Notes to accounts for the year ended March 31, 2017

18 Revenue From Operations

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Aeronautical Revenue		
Parking & Housing	5,77,056	1,33,014
PSF (Facilitation)	718,03,238	261,61,575
Extension Of Watch Hours	33,41,520	5,23,260
Ground Handling Services	78,01,386	29,51,017
Throughput Charges	52,77,051	27,02,342
CUTE Charges	160,98,106	59,44,678
Cargo Revenue	52,34,662	16,74,500
Total	**1101,33,019**	**400,90,386**
Passenger Service Fee (Security)	**1212,13,916**	**441,68,240**
Non-aeronautical Revenue		
Admission Fees/commercial Passes	26,29,500	10,88,867
Car Parking	266,62,536	68,72,342
Rent & Services	847,37,641	414,90,029
Trading Concession	748,23,130	92,42,078
Total	**1888,52,807**	**586,93,316**
Total	**4201,99,742**	**1429,51,942**

19 Other Income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest on Term Deposits	233,82,048	138,73,153
Fair Valuation Gain - Security Deposits	47,55,736	16,26,712
Miscellaneous Income	20,87,494	1,57,624
Total	**302,25,278**	**156,57,489**

20 Employee Benefit Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Pay & Allowances	61,92,855	47,16,976
Contribution to Provident Fund	7,42,911	3,60,654
Other Staff Cost	14,17,683	5,51,731
Cost of Staff Deployment of AAI	349,09,295	236,19,372
Total	**432,62,744**	**292,48,733**

21 Operating Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Repair & Maintenance		
- Civil	94,68,061	77,22,187
- Electrical	112,25,827	56,10,048
- Equipment & Furniture	19,21,423	13,01,560
- Electronics & IT Infrastructure	1,72,323	13,013
Housekeeping & Cleaning Works	92,82,956	80,72,551
Advertisement & Publicity	68,35,736	3,92,610
Consumption of Stores & Spares	57,60,414	33,07,838
Electricity & Water Charges	635,07,931	179,56,232
Rent, Rates & Taxes	-	20,75,676
Watch & Ward	-	15,51,686
Total	**1081,74,671**	**480,03,401**

SHARMA & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to accounts for the year ended March 31, 2017

22 Administrative & Other Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Postage, Telegram, Telex	38,798	16,112
Printing & Stationery	9,27,504	4,68,773
Telephone Charges	3,99,730	3,14,294
Legal Fees & Expenses	12,536	1,46,586
Travelling Expenses	11,89,397	9,61,129
Software Consultancy Charges	37,90,661	41,48,248
Insurance Expenese	1,16,728	1,351
Freight Charges	12,519	4,800
Payment to Auditors		
- Audit Fee - Statutory Audit	1,00,500	50,250
- Audit Fee - Other Audit	65,325	30,150
Training & Seminar Expenses	71,354	8,066
Entertainment Expenses	18,42,426	33,34,921
Hire Charges - Others	68,81,913	49,07,756
Board Meeting Expenses	47,180	77,994
Collection Charges on PSF	41,95,857	6,73,800
Miscellaneous Office Expenses	5,67,472	2,93,152
Total	**202,59,900**	**154,37,382**

23 Security Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
PAY & Allowances and Other Staff Cost	1750,42,839	669,96,781
Vehicle Running & Hire Charges	57,39,577	35,86,115
Other Miscellaneous Expenses	25,03,062	25,00,762
Total	**1832,85,478**	**730,83,658**

24 Finance Cost

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest due to fair valuation	47,55,736	16,26,712
Total	**47,55,736**	**16,26,712**

25 Depreciation

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation	3168,42,940	1394,97,389
Total	**3168,42,940**	**1394,97,389**

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

Note 26: Disclosure Notes

1. Transition from IGAAP to IND AS

These financial statements, for the year ended 31st March, 2017, are the first the Company has prepared in accordance with Ind AS. For years up to and including the year ended 31 March, 2016, the Company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the Company has prepared IND AS compliant financial statements for year ending on 31st March, 2017. In preparing these financial statements, the Company has prepared opening IND AS balance sheet as at 1st April, 2015 the Company's date of transition to Ind-AS in accordance with requirement of IND AS 101, First time Adoption of Indian Accounting Standards. The principal adjustments made by the Company in restating its IGAAP financial statements, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31 March 2016 are quantified and explained in detail as Appendix A & B to this Note . However the basic approach adopted is again summarized hereunder:

i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities. The classification has been made on the basis of fact existing as at the date of transition.

ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2015 have been measured at fair value.

Security deposit of the non-current nature deducted from the bills of contractors being interest free financial liability have been fair valued using discounted cash flow method. Marginal Cost of fund based Lending Rate (MCLR) rate of State Bank of India (level 3 input) has been used as discount rate for above purpose.

iii) In accordance with IND AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and are recognized directly in the retained earnings at the date of transition to IND AS.

iv) The estimates as at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).

v) IND AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under IND AS. Accordingly, the company has availed the following exemptions as per IND AS 101:

a) **Deemed Cost for Property, Plant & Equipment:** The Company has availed exemption under para D7AA of appendix D to IND AS 101 which permits a first time adopter to continue with the carrying values for its PPE as at date of transition to IND AS measured as per previous GAAP.

b) **Impairment of financial assets**: The Company has availed exemption under para B8D of appendix B which exempts the first time adopter from applying the impairment requirement of IND AS 109 retrospectively.

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

2. Additional information pursuant to Schedule III of the Companies Act, 2013

Sr. No.	Particulars	2016-17	2015-16
A	Value of Components, spare parts & store consumed:		
	(i) Imported	-	-
	(ii) Indigenous	5,63,288	-

Sr. No.	Particulars	SBNs	Other Denomination Notes	Total
B	Closing cash in hand as on 08.11.2016	20,500	333	20,833
	(+) Permitted receipts	-	65,653	65,653
	(-) Permitted payments	-	-	-
	(-) Amount deposited in Banks	20,500	65,986	86,486
	Closing cash in hand as on 30.12.2016	-	-	-

Disclosure requirements of Indian Accounting Standards

3. Disclosures in respect of IND AS 107 - Financial Instruments

3.1 Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

(Amount as of March 31, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents (Ref Note No. _6._)	3743,72,363	-	-	3743,72,363	3743,72,363
Trade Receivable (Ref Note No. _5._)	422,70,949	-	-	422,70,949	422,70,949
Other Financial Assets (Ref Note No. _7._)	392,42,541	-	-	392,42,541	392,42,541
Liabilities:					
Other Financial Liabilities (Ref Note No. _14_)	511,29,956	-	-	511,29,956	511,29,956

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

(Amount as of March 31, 2016)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents (Ref Note **No.** _6._)	3772,45,672	-	-	3772,45,672	3772,45,672
Trade Receivable (Ref Note **No.** _5._)	231,76,993	-	-	231,76,993	231,76,993
Other Financial Assets (Ref Note No. _7._)	258,72,792	-	-	258,72,792	258,72,792
Liabilities:					
Other Financial Liabilities (Ref Note **No.** _14_)	126,74,815	-	-	126,74,815	126,74,815

(Amount as of April 1, 2015)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents (Ref Note **No.** _6._)	736,77,820	-	-	736,77,820	736,77,820
Trade Receivable (Ref Note **No.** _5._)	-	-	-	-	-
Other Financial Assets (Ref Note No. _7._)	68,88,390	-	-	68,88,390	68,88,390
Liabilities:					
Other Financial Liabilities (Ref Note **No.** _14_)	21,58,039	-	-	21,58,039	21,58,039

3.2 Fair Value Hierarchy

- **Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(Amount as of March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Liabilities						
Security Deposits	-	-	952,74,945	952,74,945	Valued at MCLR rate of SBI as on 1/4/2016	
Total	-	-	952,74,945	952,74,945		

(Amount as of March 31, 2016)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Liabilities						
Security Deposits	-	-	405,00,540	405,00,540	Valued at MCLR rate of SBI as on 1/4/2015	
Total	-	-	405,00,540	405,00,540		

(Amount as of April 1, 2015)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Liabilities						
Security Deposits	-	-	-	-	-	-
Total	-	-	-	-	-	-

3.3 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a) **Market risk**

The company does not have any market risk.

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and unbilled revenue. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables & Unbilled Revenue

The company has outstanding trade receivables amounting to 422.71 Lakhs and 231.77 Lakhs as of March 31, 2017 and March 31, 2016, respectively and unbilled revenue amounting to 6.71 Lakhs and 23.35 Lakhs as of March 31, 2017 and March 31, 2016, respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers.

On account of adoption of IND -AS 109, the company uses expected credit loss model to assess the impairment loss or gain.

Credit risk exposure

An analysis of age of trade receivables and unbilled receivables at each reporting date is summarized as follows:

Particulars	March 31, 2017		March 31, 2016		April 1, 2015	
	Gross	Impairment	Gross	Impairment	Gross	Impairment
Not past due	105,67,140	-	46,80,995	-	-	-
Past due less than three months	155,72,122	-	149,35,333	-	-	-
Past due more than three months but not more than six months	46,38,507	-	35,60,665	-	-	-
Past due more than six months but not more than one year	102,37,868	-	-	-	-	-
More than one year	12,55,312	-	-	-	-	-
Total	**422,70,949**	**-**	**231,76,993**	**-**	**-**	**-**

Trade receivables are impaired when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

The company holds deposits in the form of collateral security or other enhancements to cover its credit risks associated with its financial assets.

Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with such banks that are majority owned by the Government of India and subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. There are no impairment provisions as at each reporting date against these financial assets. We consider all the above financial assets as at the reporting dates to be of good credit quality.

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

c) **Liquidity Risk**

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations & contribution in the form of share capital.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues and retention & deposits arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals. Our non-current liabilities include security deposits.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(Amount as of March 31, 2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Security Deposits	259,22,108	83,22,694	546,53,092	60,03,778	3,73,273	**952,74,945**
Other Financial Liabilities	168,85,154	-	-	-	-	**168,85,154**
Total	**428,07,262**	**83,22,694**	**546,53,092**	**60,03,778**	**3,73,273**	**1121,60,099**

(Amount as of March 31, 2016)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Security Deposits	370,2595	85,74,802	278,27,076	-	3,96,067	**404,96,163**
Other Financial Liabilities	397,419					**3,97,419**
Total	**41,00,014**	**85,74,802**	**278,27,076**	**-**	**3,96,067**	**408,93,582**

(Amount as of April 1, 2015)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Security Deposits	-	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-	-
Total	-	-	-	-	-	-

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

4. **Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"**

During the year, the company assessed the impairment loss of assets and is of the opinion that assets have been recently capitalized pursuant to operation start date. As the project has a long life and no indication exists for the impairment of the assets, therefore, it is considered that during the year, there is no impairment loss of assets.

5. **Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"**

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The Company is in the business of operations of the Airport at Chandigarh. Consequently, the Company does not have separate business segment.

Entity Wide Disclosures

Information about major customers

If revenues from transactions with a single external customer amount to 10 per cent or more of an entity's revenues, the entity shall disclose the fact, the total amount of revenues from each such customer, and the identity of the segment or segments reporting the revenues. The same can be provided in the following format.

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
No. of Customers	2	2
Total Revenue from above customers	1366,11,641	460,52,230
Total Revenue	4201,99,742	1429,51,942
% of total Revenue	32.51%	32.22%

6. **Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"**

6.1 **Disclosures for Other than Govt. Related Entities**

a) **Transaction during the year**

F.Y. 2016-17					
Name of Party	**Issue of Shares**	**Procurement of Assets**	**Staff Deployment Cost**	**Others**	**Closing Balance**
AAI	47401,91,950	109,65,941	349,09,295	60,38,541	168,85,154
GMADA	22771,51,050	-	-	-	-
HUDA	22771,51,050	-	-	-	-

F.Y. 2015-16					
Name of Party	**Issue of Shares**	**Procurement of Assets**	**Staff Deployment Cost**	**Others**	**Closing Balance**
AAI	1530,00,000	49920,39,401	231,49,334	-	48616,67,530
GMADA	735,00,000	21899,00,000	-		21899,00,000

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

HUDA	735,00,000	21899,00,000	-	-	21899,00,000

a) **Closing Balance**

Name of party	Balance as on March 31, 2017	Balance as on March 31, 2016	Balance as on April 1, 2015
AAI	168,85,154	48616,67,530	-
GMADA	-	21899,00,000	-
HUDA	-	21899,00,000	-

6.2 Disclosures for Key Managerial personnel

a. List of key managerial personnel

Name	Designation
Sh. Suneel Dutt	Chief Executive Officer
Sh. J.B. Saini	Chief Financial Officer
Smt. Avneet Kaur	Company Secretary

b. Compensation of key managerial personnel

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Short-term benefits	76,10,538	25,03,002
Post-employment benefits	7,42,911	1,66,223
Total	**83,53,449**	**26,69,225**

7. Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

7.1 As a lessor

a) **Operating leases**

- **Future minimum lease receivables under non-cancellable operating lease**

Particulars	As on March 31, 2017	As on March 31, 2016	As on April 1, 2015
Not later than 1 year	461,58,606	135,76,906	Nil
Later than 1 year and not later than 5 years	Nil	Nil	Nil
Later than 5 years	Nil	Nil	Nil

8. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) **Basic EPS**

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS and Basic EPS is as follows:

Notes to Accounts for the year ended March 31, 2017

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (loss) for the year, attributable to the owners of the company	(1008,05,397)	(1482,87,844)
Earnings used in calculation of basic earnings per share(A)	(1008,05,397)	(1482,87,844)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	823764531	18606557
Basic EPS(A/B)	(0.12)	(7.97)

b) **Diluted EPS**

The earnings and weighted average number of ordinary shares used in the calculation of Diluted EPS is as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (loss) for the year, attributable to the owners of the company	(1008,05,397)	(1482,87,844)
Earnings used in calculation of basic earnings per share(A)	(1008,05,397)	(1482,87,844)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	965405392	435941235
Diluted EPS(A/B)	(0.10)	(0.34)

9. **Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"**

Movement in Provisions

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Opening Balance	456,13,097	30,60,264
Additions/ Transfers during the year	327,29,183	456,13,097
Utilization during the year	456,13,097	30,60,264
Closing Balnce	327,29,183	456,13,097

10. **Non-cash Transactions:** As required by Ind AS 7, on 27th May, 2016 CHIAL issued 923194893 no of shares of face value of Rs.10 each in the ratio of 51%, 24.5%, and 24.5% to Airport Authority of India, Greater Mohali Area Development Authority and Haryana Urban Development Authority respectively against fixed assets acquired on 19th Oct 2015.

11. **Approval of financial statements**
The financial statements were approved by the Board of Directors and authorised for issue on 28th June 2017.

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

Appendix A

Reconciliation of equity as previously reported under IGAAP to Ind AS

	Particulars	Remarks	Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
			IGAAP	Effects of transition to Ind AS	Ind AS	IGAAP	Effects of transition to Ind AS	Ind AS
I	**ASSETS**							
	Non-current assets							
1	(a) Property, Plant and Equipment	1	4,75,253	-	4,75,253	91254,40,470	(270,85,612)	90983,54,858
	(b) Capital work-in-progress		-	-	-	48,45,807	-	48,45,807
	(c) Financial Assets							
	(i) Others		-	-	-	-	-	-
	(d) Deferred Tax Assets		-	-	-	-	-	-
	(e) Other Non-Current Assets	2	310,41,860	(310,41,860)	-	392,29,729	(392,29,729)	-
			315,17,113	**(310,41,860)**	**475,253**	**91695,16,006**	**(663,15,341)**	**91032,00,665**
	Current assets							
2	(a) Financial Assets		-	-	-	-	-	-
	(i) Inventory		-	-	-	-	-	-
	(ii) Trade receivables		-	-	-	231,76,993	-	231,76,993
	(iii) Cash and cash equivalents		736,77,820	-	736,77,820	3772,45,672	-	3772,45,672
	(iv) Loan & Others	3	24,58,308	44,30,082	68,88,390	140,50,472	118,22,320	258,72,792
	(b) Current tax Assets	4	-	5,856	5,856	-	119,73,829	119,73,829
	(c) Other current assets	3	67,61,951	(66,13,390)	1,48,561	2,61,08,805	(76,58,069)	184,50,736
			828,98,079	**(21,77,452)**	**807,20,627**	**4405,81,942**	**161,38,080**	**4567,20,022**
	Total		**1144,15,192**	**(332,19,312)**	**811,95,880**	**96100,97,948**	**(501,77,261)**	**95599,20,687**

Notes to Accounts for the year ended March 31, 2017

	Particulars	Remarks	Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
			IGAAP	Effects of transition to Ind AS	Ind AS	IGAAP	Effects of transition to Ind AS	Ind AS
I.	EQUITY AND LIABILITIES							
1	**Equity**							
	(a) Equity Share capital		1000,00,000	-	1000,00,000	4000,00,000	-	4000,00,000
	(b) Other Equity	5	91,62,734	(310,41,860)	(218,79,126)	(1313,29,515)	91931,11,475	90617,81,960
			1091,62,734	**(310,41,860)**	**781,20,874**	**2686,70,485**	**91931,11,475**	**94617,81,960**
2	**Non- current liabilities**							
	(a) Financial Liabilities							
	(i) Others	6	-	-	-	-	282,23,143	282,23,143
	(b) Other non-current liabilities	6	-	-	-	-	76,44,107	76,44,107
3	**Current liabilities**							
	(a) Financial Liabilities							
	(i) Other financial liabilities	3	-	21,58,039	21,58,039	-	126,74,815	126,74,815
	(b) Provisions	3 & 4	30,60,264	(21,77,452)	8,82,812	456,13,097	-	456,13,097
	(c) Current Tax liabilities		-			-	-	-
	(d) Other current liabilities	3 & 5	21,92,194	(21,58,039)	34,155	929,58,14,366	(92918,30,801)	39,83,565
			52,52,458	**(21,77,452)**	**30,75,006**	**93414,27,463**	**(92432,88,736)**	**981,38,727**
	Total		**1144,15,192**	**(332,19,312)**	**811,95,880**	**96100,97,948**	**(501,77,261)**	**95599,20,687**

SUBHASH ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

Explanations for Reconciliation of Balance Sheet as previously reported under IGAAP to IND AS

1) Retrospective changes in depreciation and addition in building due to write back of assets amounting to Rs. 270,85,612

2) Preoperative and preliminary expenses have been charged off in the year of their occurrence as per Ind AS. Earlier they were treated as Non Current Assets as per Indian GAAP.

3) Reclassification of assets and liabilities as per Ind AS.

4) Taxation asset and liability has been net off as per Ind AS.

5) Liability to issue shares against assets received have been taken as a part of equity as per Ind AS in the F.Y. 2015-16.

6) Security deposits have been reclassified and taken at fair value as per Ind AS.

SUBHASH & ASSOCIATES
CHARTERED ACCOUNTANTS
CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

Appendix B

Reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

Particulars	Remarks	Year ended March 31, 2016		
		IGAAP	Effects of transition to Ind AS	Ind AS
Income				
i) Revenue From Operations		1429,51,942	-	1429,51,942
ii) Other Income	A	140,30,777	16,26,712	156,57,489
Total Income		**1569,82,719**	**16,26,712**	**1586,09,431**
Expenses				
i) Employee Benefits Expenses	B	262,88,597	29,60,136	292,48,733
ii) Operating Expenses	B	416,53,093	63,50,308	480,03,401
iii Administrative & Other Expenses	B	83,43,728	70,93,654	154,37,382
iv) Security Expenses	B	715,88,368	14,95,290	730,83,658
iv) Finance Cost	A	0	16,26,712	16,26,712
v) Depreciation and Amortization expenses	C	1496,01,182	(101,03,793)	1394,97,389
Total expenses		**2974,74,968**	**94,22,307**	**3068,97,275**
Profit before exceptional items and tax		(1404,92,249)	(77,95,595)	(1482,87,844)
Exceptional Items				
Profit Before Tax		(1404,92,249)	(77,95,595)	(1482,87,844)
Tax expense		-	-	-
Profit for the period from continuing operations		(1404,92,249)	(77,95,595)	(1482,87,844)
Profit/(loss) from discontinued operations				
Tax expense of discontinued operations				
Profit from discontinued operations after tax		-	-	-
I Profit for the year		**(1404,92,249)**	**(77,95,595)**	**(1482,87,844)**
II Other Comprehensive Income				
i) Items that will not be reclassified to profit or loss				
- Re-measurements of the defined benefit plans		-	-	-
Less: Income Tax on Above		-	-	-
Other Comprehensive Income		**(1404,92,249)**	**(77,95,595)**	**(1482,87,844)**
Total Comprehensive Income for the period		**(1404,92,249)**	**(77,95,595)**	**(1482,87,844)**

SUBHASH & ASSOCIATES CHARTERED ACCOUNTANTS CHANDIGARH

Notes to Accounts for the year ended March 31, 2017

Explanations for Reconciliation of Statement of Profit & Loss as previously reported under IGAAP to IND AS

A) Difference due to fair valuation gain on security deposit as per Ind AS.

B) Due to reclassification of preoperative expenses and their amortization.

C) Retrospective changes in depreciation and addition in building due to write back of assets.

For Subhash & Associates
Chartered Accountants

For and on behalf of the Board of Directors

(CA Subhash Bansal)	**(Avneet Kaur)**	**(J.B. Saini)**	**(S. Suresh)**	**(S. Raheja)**
Proprietor	Company Secretary	C.F.O.	Director	Chairman

Membership No. 017035
FRN 000825N
Place: Chandigarh
Date: 27-07-2017

C&AG Audit Report

गोपनीय

संख्या/No. GAP/CHIAL/A/CS/646/2017-18/620

भारतीय लेखापरीक्षा और लेखा विभाग,
कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड–1, नई दिल्ली
INDIAN AUDIT & ACCOUNTS DEPARTMENT,
OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT & EX-OFFICIO MEMBER, AUDIT BOARD-1, New Delhi

सेवा में,

दिनांक / Dated 20/9/17

अध्यक्ष,
चण्डीगढ इंटरनेशनल-एयरपोर्ट लिमिटेड,
कमरा नं०- 1, प्रोजेक्ट ऑफिस बिल्डिंग,
चण्डीगढ एयरपोर्ट,
चण्डीगढ 160 003

विषय: कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अधीन 31 मार्च 2017 को समाप्त वर्ष के लिए चण्डीगढ इंटरनेशनल एयरपोर्ट लिमिटेड के लेखाओं पर भारत के नियंत्रक महालेखा परीक्षक की टिप्पणियाँ।

महोदय,

मैं इस पत्र के साथ 31 मार्च 2017 को समाप्त वर्ष के लिए चण्डीगढ इंटरनेशनल एयरपोर्ट लिमिटेड के वार्षिक लेखों पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक महालेखा परीक्षक की 'शून्य टिप्पणियाँ' अग्रेषित करता हूं । इन शून्य टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए और कम्पनी की वार्षिक सामान्य सभा में उसी समय व उसी प्रकार रखा जाए जिस प्रकार वैधानिक लेखा परीक्षकों की लेखा परीक्षा रिपोर्ट रखी जाती है।

भवदीय,

संलग्न: उपरोक्त

नीलेश कुमार साह

(नीलेश कुमार साह)
प्रधान निदेशक

तृतीय तल, ए–स्कन्ध, इन्द्रप्रस्थ भवन, इन्द्रप्रस्थ एस्टेट, नई दिल्ली–110002
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COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF CHANDIGARH INTERNATIONAL AIRPORT LIMITED FOR THE YEAR ENDED 31 MARCH 2017.

The preparation of financial statements of CHANDIGARH INTERNATIONAL AIRPORT LIMITED for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 16 September 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of CHANDIGARH INTERNATIONAL AIRPORT LIMITED for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the
Comptroller and Auditor General of India

Nsah

(Neelesh Kumar Sah)
Principal Director of Commercial Audit
& ex-officio Member, Audit Board-I
New Delhi

Place: New Delhi
Dated: 20 September 2017

CHANDIGARH INTERNATIONAL AIRPORT

CHANDIGARH
International Airport Ltd.